UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 78th CONGRESS
SECOND SESSION

VOLUME 90—PART 4

MAY 12, 1944, TO JUNE 12, 1944
(PAGES 4369 TO 5824)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1944

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

United States of America

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PROCEEDINGS AND DEBATES OF THE 78th CONGRESS, SECOND SESSION

SENATE

FRIDAY, MAY 12, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace and glory, in these vernal days thrilling and throbbing with the loveliness of spring, we thank Thee for every sacrament of beauty of which our enraptured senses drink as we bend in wonder to the petaled cups held up by bushes aflame with Thee. May the glory of the earth be but a parable of the things that are excellent blooming in our risen lives.

To be saved from our savage foes without, we know, will be futile, unless Thou dost save us from ourselves. We confess our indifference and hardness of heart, our racial rancor and the bigotry which blinds us to brotherhood, the callous greed which seeks comfort or ease or gain at the cost of misery to others, our vanity of soul and pettiness of mind. Create in us clean hearts, O God, and renew a right spirit within us. Lead us out of the bondage of fear and hate into Thy new day when in a better order of human society pity and laughter shall return to the common ways of man and peace—even Thy peace breathe its benediction upon our war-weary world. We pray in Thy holy name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 11, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 11, 1944, the President had approved and signed the following acts and joint resolutions:

S. 156. An act relating to the status of retired judges;

S. 176. An act for the relief of Austin L. Tierney;

S. 698. An act to amend part II of Veterans Regulation No. 1 (a);

S. J. Res. 77. Joint resolution to establish a Board of Visitors for the United States Merchant Marine Academy; and

S. J. Res. 112. Joint resolution authorizing and directing the Fish and Wildlife Service of the Department of the Interior to conduct a survey of the marine and fresh-water fishery resources of the United States, its Territories, and possessions.

CONDOLENCES ON DEATH OF HON. FRANK KNOX, LATE SECRETARY OF THE NAVY

The VICE PRESIDENT laid before the Senate a resolution unanimously adopted by the special convention of the Union Republican Progressive Party at Santurce, P. R., extending condolences on the death of Hon. Frank Knox, late Secretary of the Navy, which was ordered to lie on the table.

REPORT OF OPERATIONS UNDER PROPERTY REQUISITIONING ACT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Military Affairs:

To the Congress of the United States:

I transmit herewith for the information of the Congress a report of the War Production Board covering operations under the act of October 10, 1940, as amended, and the act of October 16, 1941, for the period from October 16, 1943, through April 15, 1944, with respect to the requisitioning and disposition of property required for national defense.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 12, 1944.*

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF ATTORNEY GENERAL PURSUANT TO PUBLIC LAW NO. 603, SEVENTY-SEVENTH CONGRESS

A letter from the Attorney General, transmitting, pursuant to section 12 of Public Law 603, Seventy-seventh Congress, approved June 11, 1942, the sixth report of the Attorney General covering the period from January 8, 1944, through May 6, 1944 (with an accompanying report); to the Committee on Banking and Currency.

PERSONNEL REQUIREMENTS, RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Board of the Reconstruction Finance Corporation, transmitting, pursuant to law, estimate of personnel requirements for the Reconstruction Finance Corporation and its subsidiaries for the quarter ending June 30, 1944, and also submitting certain supplemental information requested by the Bureau of the Budget (with accompanying papers); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of War (2), Navy (5), Agriculture (3), and Commerce (2); the Civil Service Commission, The National Archives, National Housing Agency (2), Office of Price Administration (2), and Federal Security Agency which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompany papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Vice President and referred as indicated:

A resolution adopted by the special convention of the Union Republican Progressive Party, at Santurce, P. R., expressing gratitude to the so-called Chavez subcommittee of the Senate which recently investigated economic and social conditions in Puerto Rico; to the Committee on Territories and Insular Affairs.

A resolution adopted by the special convention of the Union Republican Progressive Party, at Santurce, P. R., expressing gratitude to the so-called Bell subcommittee of the House of Representatives which recently investigated general conditions in Puerto Rico; to the Committee on Territories and Insular Affairs.

A resolution adopted by the special convention of the Union Republican Progressive Party, at Santurce, P. R., expressing gratitude to Senator LANGER for having introduced in the Senate a bill granting statehood to Puerto Rico; to the Committee on Territories and Insular Affairs.

FEEDING AND SLAUGHTERING OF CATTLE—RESOLUTION FROM ALLENTOWN, PA.

Mr. DAVIS. Mr. President, on April 19, 1944, at a meeting called by the mayor and Council of the City of Allentown, Pa., in which a number of businessmen engaged in the feeding and slaughtering of cattle participated, there was adopted a petition in the form of a resolution. In their name I present the petition, requesting the Government take immediate steps to remedy the situation, either by making adjustments in ceiling prices, or by the payment of subsidies in order that these local enterprises may continue in business.

I ask that the letter signed by Brighton C. Diefenderfer, mayor of the city of Allentown, together with the resolution adopted at the meeting called by the mayor and the city council, be printed in

the RECORD as part of my remarks and referred to the Committee on Banking and Currency.

There being no objection, the letter and resolution were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

CITY OF ALLENTOWN, PA.,
May 8, 1944.

Senator JAMES J. DAVIS,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR DAVIS: I am enclosing herewith a petition signed by a representative group of businessmen engaged in the feeding and slaughtering of cattle in the city of Allentown, Pa., and its vicinity, which petition is self-explanatory.

As stated in the petition, the signers request that the Government take immediate steps to remedy the situation, either by making adjustments in ceiling prices, or by the payment of subsidies, in order that these local enterprises may continue in business, and assure themselves of their fair share of the available civilian meat-supply business to the residents of their area.

May I therefore request that this petition be given your earnest consideration, in order that the conditions may be remedied in the interests of these small enterprises, and of the people of this locality. I am certain that it is not the intention of the Government to create regulations which may force a hardship on small enterprises in which the men engaged have invested their money, and by fair dealings with the people of the community have become a part of it.

Yours sincerely,
BRIGHTON C. DIEFENDERFER,
Mayor.

On April 19, 1944, at a meeting called by and before the mayor and Council of the City of Allentown, Pa., Winfield Clearwater, representing the chamber of commerce; Dr. Charles M. Dibbell, representing the Bureau of Health of Allentown, Pa., representatives of the cattle-breeding and slaughtering industry in Allentown, Pa., and nearby communities; Peter J. Carroll, area supervisor of the War Food Administration; and Donald Justus, meat-rationing officer of the Office of Price Administration, the following resolution was unanimously adopted by the signers hereto (Federal officials not voting):

"Whereas the livestock population on the ranges in the United States is greater than at any time in the history of the industry; and

"Whereas the number of these cattle being grain fed, to make them desirable for human consumption, is seriously diminished; and

"Whereas the amount of good edible beef available to civilians in this area is below their allotted share of civilian supply; and

"Whereas it is further apparent that the decreased civilian supply is due to the following causes:

"1. The ceiling price on finished (grain-fed) cattle makes it uneconomical for feeders to continue in this business.

"2. The ceiling price on wholesale cuts produced and sold by the small slaughterers of cattle make it uneconomical for them to purchase such cattle as are available.

"3. In view of these circumstances, feeders and slaughterers of cattle must choose from:

"(a) Going out of business.

"(b) Going into bankruptcy.

"(c) Charging the cost of their operations and thus violating ceiling prices and facing criminal prosecution;

"Whereas inequitable Government regulations creating this situation are destroying two small business enterprises (feeding and slaughtering) which, throughout our history, have been honest and legitimate local industries; and

"Whereas the destruction of these business enterprises leads to the establishment of a monopoly: Now, therefore, be it

"*Resolved*, That the Government be requested to immediately affect such adjustments in ceiling prices, or in payment of subsidies, as will permit the legal perpetuation of these local enterprises and assure them of their fair share of the available civilian meat-supply business to the residents of this area; and be it further

"*Resolved*, That a copy of this resolution be forwarded to James F. Byrnes, Director of War Mobilization; Fred M. Vinson, Director of Economic Stabilization; Marvin Jones, Food Administrator, War Food Administration; Chester Bowles, Administrator of Office of Price Administration; and to Congressman Charles Gerlach and Senators James J. Davis and Joseph F. Guffey."

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation 2 lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY (for himself and Mr. HAYDEN):

S. 1912. A bill to insure the preservation of technical and economic records of domestic sources of ores of metals and minerals; to the Committee on Mines and Mining.

(Mr. MURRAY also (for himself, and as chairman of the Special Committee to Study Problems of American Small Business, and Mr. WHERRY) introduced Senate bill 1913, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. GEORGE:

S. 1914 (by request): A bill to amend the Internal Revenue Code, the Narcotic Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes; to the Committee on Finance.

By Mr. O'MAHONEY:

S. 1915. A bill to authorize the undertaking of the initial stage of the comprehensive plan for the conservation, control, and use of the water resources of the Missouri River Basin; to the Committee on Irrigation and Reclamation.

By Mr. JOHNSON of Colorado:

S. 1916. A bill to amend the Mustering-Out Payment Act of 1944, so as to make its provisions eligible to those discharged or released from active service with a disability and to those who have subsequently been found to have a service-connected disability; to the Committee on Military Affairs.

AMENDMENT OF SMALLER WAR PLANTS ACT—REPORT OF SPECIAL COMMITTEE TO STUDY PROBLEMS OF AMERICAN SMALL BUSINESS

Mr. MURRAY. Mr. President, as chairman of the special committee of the Senate to study problems of American small business, I ask unanimous consent to introduce for myself and the Senator from Nebraska [Mr. WHERRY] a bill to amend the Smaller War Plants Act of June 11, 1942, Public Law 603, Seventy-seventh Congress, and also to file in connection therewith a report of that special committee.

Mr. President, the committee's report is a thorough statement of the considerations which led to the introduction of this bill and the small business policies defined in it. However, there are some additional remarks which I wish to make very briefly.

This measure is the outgrowth of an exhaustive study begun last July by a subcommittee of the Senate Small Business Committee, consisting of the Senator from Tennessee [Mr. STEWART], the Senator from Nebraska [Mr. WHERRY], and myself. Even at that time, cutbacks in war production, contract terminations, surplus property accumulations, and related developments were foreshadowing the urgent problems of reconversion and readjustment which have since become such a major concern to this session of the Congress.

The subcommittee, of course, was primarily interested in how these problems, which were daily becoming more urgent, would affect American small business enterprise. It was particularly concerned with what part the Smaller War Plants Corporation might play in assisting small business to deal with these problems of reconversion and post-war adjustment. The Corporation had been established solely to assist small manufacturers to convert to war production. The original act makes no provision for many new problems which have since arisen.

The following two paragraphs, quoted from the subcommittee's report filed September 18, 1943, indicate the basis upon which the full committee, after continuous study since that time, have arrived at the measure which I have introduced today:

> In consequence of the failure to date to offset the effects of the war, the competitive position of small industry in the present and for the post-war period has unquestionably been impaired. In other words, the inadequacy of its participation in war production thus far, when added to the pre-war handicaps under which it labored, have created the immediate necessity of recapturing the ground lost to larger industry and stabilizing the permanent relation of small business to our national economy, if free enterprise is to be preserved. Many small concerns fortunate enough to receive war contracts have been permitted to operate only on a one-shift basis, while their larger competitors were running at full capacity. They have been obliged to finance their own equipment and conversion to war production, again while their larger competitors were well financed with Government funds to construct plants and buy equipment. They have seen their personnel hired away and materials of production denied or diverted from them.
>
> It is small wonder, therefore, that they now face the future with anxious uncertainty as the rising imminence of contract terminations threatens their already tenuous position and their larger competitors bid fair to emerge with all the advantages of a vastly expanded and Government-financed plant capacity. These considerations suggest some of the complications which will beset the successful reconversion of American small business to peacetime enterprise in the trying days to come.

Mr. President, this bill was not conceived or prepared in any ivory tower. It represents careful thought and study on the part of many minds which have been deeply concerned with the problems of small-business enterprise. We have been in frequent conference with the executive departments and agencies interested in this legislation. We have had the benefit of consultation with many businessmen, business groups, and other experts on the subjects with which the measure deals. In fact, it incorporates many suggestions and improvements which have come from these sources.

We have even gone to the length of mailing out preliminary prints of the bill to many hundreds of businessmen and industry groups throughout the country, asking for their comments and suggestions in the following covering letter:

DEAR SIR: Under the sponsorship of this committee, the Smaller War Plants Act was passed nearly 2 years ago. Its main purpose was to protect the position of small business in the drive to mobilize the Nation's industrial facilities for war production.

Now, changing war developments confront small business with new problems—cut-backs of war contracts; allocation of materials for civilian production; easier access to capital and credit, including war contract termination loans; a fair chance to participate in the use of Government-financed patents and production techniques; a fair share of the huge war surplus property; creation of a Government agency to be responsible for protecting the interests of small business in all these matters. These are the urgent needs of small business today.

The present act cannot cope with these problems. They call for measures which go much further than the limited war production powers of the Smaller War Plants Corporation. New legislation is needed to bring the act up to date; to deal with these new problems of war production and reconversion as they affect all small concerns, distributors and manufacturers alike.

We enclose a proposed bill and summary dealing specifically with these needs and problems. We ask you to study this proposal carefully; to discuss it with your business associates; to bring it up in your business organizations and gatherings. Then let us have your considered suggestions at an early date. We want this legislation to reflect the best thought of the American businessman. It is through you that we hope to get it.

Sincerely yours,

JAMES E. MURRAY,
Chairman.

The response has been overwhelmingly favorable. Mr. President, in conclusion, I ask to have printed in the RECORD at this point in connection with my remarks, and appropriately referred, the bill, the report of the committee and a series of responses from businessmen throughout the country which constitute a fair sampling of the sentiment on this measure, canvassed by the committee.

The VICE PRESIDENT. Without objection, it is so ordered; and the bill will be received, printed in the RECORD, and referred to the Committee on Banking and Currency, and also the report and letters presented by the Senator from Montana.

The bill (S. 1913) to promote the more effective participation of all small business concerns in the war effort; to facilitate their successful adjustment to civilian and peacetime operations; to stimulate and encourage small business enterprise; and to amend the act of June 11, 1942 (Public Law 603, 77th Cong.), in furtherance of these purposes, introduced by Mr. MURRAY (for himself, and as chairman of the Special Committee to Study Problems of American Small Business, and Mr. WHERRY), was read twice by its title, and referred to the Committee on Banking and Currency, as follows:

Be it enacted, etc.,

TITLE I

FINDINGS AND POLICY

SECTION 1. The preservation and expansion of independent small business are hereby declared to be essential to an economy of free enterprise. Full and equal opportunity for its participation, in the war and post-war economies, must be assured if wartime levels of production and employment are to be maintained in the reconversion period and thereafter.

The capacities of small business for these purposes have been seriously impaired by the unavoidable dislocations of the war period. Lacking adequate pre-war reserves, the competitive position of great numbers of small concerns has gravely deteriorated under drastic curtailments of civilian supply, wholesale manpower diversion, and related wartime measures, the resultant dislocations of which have depleted still further their capital and other resources and extended those differential handicaps from which small business has always suffered.

The policy of the Congress is, so far as properly lies within the competence of government, to reduce and eliminate those handicaps and thus to enable small business to solve its problems of the reconversion period. In furtherance of this policy the provisions of this act are intended to accomplish the following purposes:

(1) To extend the organization and functions of the Smaller War Plants Corporation to the reconversion and related problems of small business, and, so far as practicable, to consolidate such functions in a single agency.

(2) To charge such agency with primary responsibility for representing small business and protecting its interests before the Government agencies charged with policies affecting the war economy, demobilization, and reconversion.

(3) To stimulate and encourage private financing institutions to supply the credit needs of small business concerns upon terms and conditions no less favorable than those accorded to large concerns.

(4) To assure that Government owned and controlled surplus war property will be disposed of in such manner as will take proper account of the needs and capacities of small business and will afford to it a fair opportunity to acquire such surpluses upon equitable terms and conditions.

(5) To facilitate the access of small business concerns to the technical and research services of the Government and to make the benefits thereof more readily available to them.

(6) To enable small business to participate in the benefits of Government-owned patents.

(7) To afford war veterans suitable preferences in connection with the benefits provided for small business concerns under this act.

(8) To maintain for every individual, regardless of race or creed, the opportunity to establish and build his own independent business.

TITLE II

REORGANIZATION AND POWERS

SEC. 2. (1) The name of the Smaller War Plants Corporation established under section 4 (a) of the act of June 11, 1942 (Public Law 603 of the 77th Cong.), shall be amended to be the "Small Business Corporation," which shall hereinafter be called the "Corporation." The Corporation may supplement such name with all or any part of the following legend: "a United States Government Corporation, successor to the Smaller War Plants Corporation." Pursuant to the provisions of section 4 (d) of such act, the succession of the Corporation is hereby extended to July 1, 1947, except that it may continue beyond such date for purposes of liquidation.

(2) All powers, duties, and directives prescribed and provided in sections 1, 2, 3, 4, and 5 of such act for the Chairman of the War Production Board and any deputy or other representative appointed by him are hereby transferred to and shall devolve upon and be exercised exclusively by the Corporation, except that there is reserved in the Chairman of the War Production Board the power to certify the competence of the Corporation to perform specific Government procurement contracts pursuant to section 4 (f) (5) of act of June 11, 1942, other than contracts for civilian supply to be let or awarded by or through any Government agency charged with procurement for civilian purposes, concerning which contracts the Corporation may hereafter certify its own competence to perform and direct their letting to the Corporation for the purposes prescribed in such section 4 (f) (5): *Provided*, That (1) such certification power of the Corporation shall be limited to any single item of such civilian procurement contract or divisible part thereof under which the commitment assumed by the Corporation does not exceed the sum of $5,000,000, and (2) that nothing in this section shall operate or be construed to affect the authority of the Corporation, or the obligation of any procurement agency, to place, or to facilitate the placement, of contracts or subcontracts for war or civilian supply with small concerns otherwise than by direct letting to the Corporation pursuant to section 4 (f) (5) of the act of June 11, 1942, as amended. The Chairman of the War Production Board shall be deemed to have certified the competence of the Corporation to perform any specific contract pursuant to his authority under such section 4 (f) (5) as hereby amended unless he shall expressly refuse any such certification within 20 days after formal request therefor is made by the Corporation.

(3) To enable the Corporation to perform its functions under this section, the agencies charged with war and civilian procurement shall afford to the Corporation information and notice respecting their procurement requisitions and requirements with reasonable promptness after receipt thereof so as to enable the Corporation, prior to the letting or negotiation of any contracts thereon, to survey the small-business facilities suitable for the production or service involved and to exercise its lawful powers with respect thereto.

(4) All powers, duties, and functions prescribed and provided for the Board of Directors of the Smaller War Plants Corporation are hereby transferred to and shall be exercised exclusively by or under the direction of the Chairman of the Board of Directors of the Corporation, hereinafter called the "Chairman," in whom the management of the Corporation shall hereafter be vested. Any vacancy in such chairmanship or in the membership of the Board of Directors existing on the effective date of this act or arising at any time thereafter shall be filled by appointment of the President by and with the advice and consent of the Senate, and the person so appointed to such chairmanship shall thereupon become a member of the Board, or, if already a member, shall

continue thereon. The Chairman shall prescribe the duties and functions of the members of the Board, who shall be responsible solely to him.

(5) The uses specified in section 4 (f) (1) and (2) of the act of June 11, 1942, for any equipment, facilities, machinery, supplies, and materials subject to the loans, purchases, leases, and construction in such provisions authorized, and the uses for which capital may be supplied thereunder, are hereby amended to include the assembling, maintenance, transportation, distribution, and servicing of any such equipment, facilities, machinery, supplies, and materials.

(6) Subject to compliance with the provisions of section 686 of title 31 of the United States Code, the Corporation, as provided in section 4 (d) of the act of June 11, 1942, may avail itself of the use of Government information, facilities, officers, employees, and services, including field services, to carry out any purpose or provision of this act.

SEC. 3. There shall be established a "Small Business Interdepartmental Committee" consisting of the Chairman who shall be the Chairman thereof, and a representative of each of the following: The Departments of Commerce, War, Navy, Interior, Justice, and Treasury, the War Production Board, the Office of Price Administration, the War Manpower Commission, the Reconstruction Finance Corporation, the Foreign Economic Administration, the Board of Governors of the Federal Reserve System, and the Federal Trade Commission or the successor of any of them. It shall be the function of such committee to facilitate the exchange of Government information and services affecting small business concerns; to make such information and services more readily available to small business concerns; to consult at regular intervals upon the policies and procedures of their respective departments and agencies as they may affect small business enterprise; and otherwise to further the development of their respective functions within the policies and purposes of this act.

SEC. 4. (1) Section 6 of the act of June 11, 1942, is hereby repealed. The powers and functions in such section prescribed and provided for the Defense Plant Corporation shall be transferred to the Corporation within 4 months after the effective date of this act and shall thereafter be exercised exclusively by it or under its direction.

(2) Section 12 of the act of June 11, 1942, is hereby repealed.

(3) Section 5 of the act of June 11, 1942, as amended, is hereby further amended so that the reports required under such section shall be rendered every 4 months and shall include its operations under this act.

SEC. 5. The Corporation is authorized to prescribe suitable rules and regulations to perform its duties and functions and, notwithstanding any other provision of law, may require such information and data (not including secret matters affecting the national defense or security) from applicant concerns as it shall deem necessary to carry out the purposes and provisions of this act.

SEC. 6. Notwithstanding the provisions of section 701 (i) (A) and (F) of title VII of the Revenue Act of 1943, all subcontracts of whatever degree, awarded by the Corporation under any prime contracts let to it pursuant to this act or to section 4 (f) (5) of the act of June 11, 1942, as amended, shall be subject to the renegotiation provisions of such Revenue Act except when the same are provided to be exempt therefrom for reasons other than their derivation from a prime contract of the Corporation.

SEC. 7. It shall be the policy of the Corporation in administering this act, and after consultation with the Administrator of Retraining and Reemployment, or his successor, it shall prescribe suitable rules and procedures governing the conduct of its own business, to accord and regulate such priorities and preferences in respect of loans, disposal of surplus property, and the other services and benefits authorized hereunder, as it may deem necessary to facilitate war veterans in reestablishing or maintaining themselves in small business enterprises.

TITLE III

SMALL BUSINESS REPRESENTATION

SEC. 8. (1) The Chairman or his designee shall represent the Corporation on the War Mobilization Committee, the War Production Board, the War Manpower Commission, and, subject to authorization by the Director of War Mobilization or such other official as the President may designate, the Corporation shall be so represented upon any interdepartmental committee or other Government agency heretofore or hereafter dealing with demobilization, reconversion, or post-war problems whenever any small business phase or interest therein is scheduled for consideration or decision. In representing the Corporation under this section the Chairman or his designee shall bring to bear on the determinations to be made, the data and considerations relating to available capacity, potential capacity, and the needs and opportunities of small business concerns as they may be affected by or related to the policies, programs, quotas, schedules, plans, or other matters being formulated or actions being undertaken: *Provided*, That it shall be the duty of such agencies, and they are hereby directed, to utilize such available capacity and to develop the potential capacity of such concerns in accordance with the purposes of this act, and in allocating materials and equipment for civilian supply, to expedite the reconversion or other civilian adjustment of small business concerns (not required in the war effort) as their capacity and need therefor shall appear.

(2) It is the policy of this section that all trade or industry committees heretofore or hereafter functioning in connection with any Government agency, shall contain adequate representation of the small business concerns and interests within each of the trades or industries involved. To carry out such policy, the head of any Government agency shall consult with the Chairman upon his request concerning the adequacy of such small business representation on any such committee within his agency and such measures as may be required to assure such representation. Any resultant disagreement between the Chairman and such agency head shall be resolved by the Director of War Mobilization or, upon termination of his office, by such other official as the President shall designate.

(3) The Chairman is authorized to establish small business advisory committees, including regional committees, whose membership may include persons other than representatives of small business concerns, to assist and consult with the Corporation concerning the problems and needs of small business as a means of facilitating the administration of this act.

TITLE IV

TERMINATION CLAIMS AND SURPLUS DISPOSAL

SEC. 9. (1) The Corporation (a) may purchase all or any part of the claim of any small business concern arising upon or on account of the termination of a contract or a subcontract, in any degree, for war or civilian supply and (b) may purchase, lease, or otherwise acquire Government-owned or controlled surpluses of materials, equipment, and plant, including real estate, in such types and to such extent as may be required to carry out the purposes of this act and, within a reasonable time thereafter, shall sell, lease, or otherwise dispose of the same to small business concerns or groups of such concerns according to such procedures and upon such terms and conditions and in such lots, parcels, types, and quantities as may be necessary or appropriate to carry out the purposes of this act.

(2) Without prejudice to his authority under subsection (1) (b) of this section, it shall be the policy of the Government and the function of the chairman or his delegate in representing the Corporation on the Surplus War Properties Board or on other Government agencies pursuant to section 8 of this act, to procure the disposal of Government surpluses in such types, lots, parcels, and quantities and upon such terms and conditions and according to such procedures as will afford fair and equitable opportunity to small business concerns to purchase or otherwise acquire such surpluses. To enable the Corporation to discharge its functions under this title, the Government agencies charged with disposal of surplus property, in consultation with the chairman or, in the event of disagreement between the chairman and such agency head, the Surplus War Property Administrator shall determine and allocate to the Corporation such quantities of available surpluses as may be suitable for disposal by or under its direction to small concerns in accordance with the purposes of this act. The quantities so determined and allocated shall thereupon be held by such disposal agency subject to requisition by the Corporation for disposition accordingly.

TITLE V

LOANS—STATEMENT OF POLICY

SEC. 10. The Congress finds that the war economy has created a special need for easier access by small business concerns to banking and other private sources for capital and credit to finance their reconversion and related operations. The policy of this title is to encourage and facilitate fulfillment of such need primarily from these sources.

Accordingly, the purposes of this section are (a) so far as practicable, to utilize and adapt the existing financial facilities and procedures of Government and private banks and financial institutions to small business credit needs for reconversion and related purposes; (b) to the extent that private sources prove inadequate for these purposes, to utilize alternative sources therefor; (c) to provide maturities and other terms in accordance with the special needs of small concerns; (d) to provide for character loans to small business concerns; and (e) to reduce the differential handicaps in the credit position of small business.

SEC. 11. (1) In addition to the loans, advances, and participations provided in section 4 (f) of the act of June 11, 1942, as amended, the Corporation is hereby authorized—

(a) To enter into contracts with such banks and financing institutions as it deems to be qualified and eligible, guaranteeing or insuring such bank or institution against loss of principal or interest on loans, discounts, or advances, or on commitments connected therewith, and to pay out funds in accordance with the terms of any such contract, which may be made by such bank or institution to small business concerns for one or more of the following purposes, provided that interest thereon shall be at no more than the prevailing rate for the character of loan applied for: (1) to facilitate the reconversion of small concerns engaged in production or manufacturing, from war to civilian or peacetime operations; (2) to reestablish in their previous or similar kind of business, any small business concern whose suspension or other discontinuance has resulted substantially from the conditions of war economy; (3) to provide working capital for the preservation or expansion of small business concerns.

(b) To make or to participate with any bank or other financing institution in making loans, discounts, or advances or commitments connected therewith, and to pay out funds in accordance with the terms of any

such transaction, for the purposes stated in subsection (1) (a) of this section: *Provided*, That (1) no loan or other commitment in a sum exceeding $50,000 shall be authorized or incurred by the Corporation under this title without the prior approval and concurrence of a majority of the board of directors; (2) any such loan or commitment in an amount less than $50,000 may be authorized according to such procedures as the Corporation shall prescribe pursuant to its powers under title II of this act; (3) the principal amount of all loans and participations (exclusive of insurance commitments and guaranties) outstanding at any one time under this subsection, shall not exceed 25 percent of the authorized capital of the Corporation.

(2) The Corporation is authorized to employ and utilize and to pay reasonable compensation to any bank or financial institution as its agent in carrying out the provisions of this section and the services and facilities of any Government agency may be so utilized whenever it is authorized by law so to act. In any case in which any bank, financial institution, or agency shall make or participate in making any loan, discount, or advance, or commitment as agent for the Corporation under authority of this section, all such funds as may be necessary therefor shall be supplied and disbursed by or under the authority of the Corporation in accordance with such procedure as it may require. In taking any action under any designation or authority given by or pursuant to this section no such bank, institution, or agency, unless otherwise provided by specific agreement, shall have any responsibility or accountability except as agent of the Corporation.

(3) In addition to the purposes stated in subsection (1) (a) hereof, loans or advances may be made, guaranteed, or insured by the Corporation and commitments incurred in connection therewith according to the procedures and subject to the conditions prescribed and provided in this section, for the purpose of meeting the financing requirements of small business concerns arising in consequence of the tardy settlement or of delay in the payment of claims based, directly or indirectly, upon termination or cancelation, in whole or in part, or upon the amendment or modification, of Government procurement contracts for war or civilian supply.

(4) In connection with any loan or other transaction under this section, the Corporation shall have power, under regulations and upon terms to be prescribed by it and approved by the Secretary of the Treasury, to assign, discount, sell, or convey at public or private sale, or otherwise dispose of, any paper, evidence of debt, contract, claim, property, or security assigned to, held, or acquired by it under this title or in connection with any transaction under section 9 (1) (a) of this act and to assert, sue upon, and collect or compromise all such obligations and all legal or equitable rights accruing thereunder.

(5) In connection with loans, discounts, advances, and other commitments authorized under this section, and subject to the limitations in this title provided with respect thereto, the Corporation shall prescribe (and may rescind and modify, as conditions may require) classifications, limitations, interest rates, charges, maturities, amortizations, security, and such other terms, conditions, and regulations as it shall deem necessary and consistent with the purposes of this act: *Provided*, That upon any loan or other commitment incurred under this section, no application therefor shall be rejected solely upon the basis of the collateral offered or the lack of any collateral, or the status of the balance sheet or financial statement, whenever the Corporation shall be otherwise reasonably satisfied in respect of the soundness of the loan by information concerning the character and competence, past performance, and business prospects of the applicant.

TITLE VI

PATENTS AND TECHNICAL ASSISTANCE

SEC. 12. (1) The Corporation and any Government department or agency or any person, firm, or private corporation which has acquired or shall hereafter acquire a right or interest in any invention, discovery, trademark, process, patent, or patent right, are hereby authorized to make suitable arrangements consistent with the character and extent of such right or interest, whereby the use and benefits thereof are made available to small concerns and groups of such concerns upon such terms and conditions as the Corporation shall deem consistent with the purposes of this act. Such arrangements may include (a) the transfer of so much of such right or interest as will enable the Corporation to grant nonexclusive licenses to small business concerns, or (b) the designation by the Corporation of such small business concerns as in its judgment should receive such licenses directly from such agency or department and the terms thereof. This subsection shall not apply whenever (a) its application would conflict with a treaty or agreement to which the United States is a party or (b) the department or agency controlling such right or interest shall determine that the secrecy of the subject thereof is essential to the defense or security of the United States.

(2) The Corporation is authorized to make suitable arrangements whereby the physical, chemical, engineering, and other technological, research, laboratory, and technical services and facilities of the Federal, State, and local governments, educational and research institutions and foundations and of qualified individuals and private enterprises, are made available to small business concerns and groups of such concerns upon such terms and conditions as it shall deem consistent with the purposes of this act. To carry out the provisions of this subsection the Corporation may enter into contracts, without regard to the provisions of section 3709, Revised Statutes, with such Government agencies, institutions, individuals, and enterprises.

TITLE VII

INCREASE OF CAPITALIZATION

SEC. 13. To provide for the proper exercise of its functions and powers under this act and under the act of June 11, 1942, as amended, the capital stock of the Corporation and the appropriation for payment thereof authorized under subsection (b) of section 4 of the act of June 11, 1942, are hereby increased to $1,000,000,000 subject to the terms and conditions therein prescribed respecting such payment, as the same are amended by section 2 of this act. Such sum or any part thereof together with any moneys realized or received by the Corporation in course of its operations pursuant to this act or the act of June 11, 1942, as amended, shall be available for use in connection with any loan, advance, insurance, guaranty, or other transaction with respect to small business concerns, authorized by the provisions of this act and of the act of June 11, 1942, as amended, and the same may be designated and used by the Corporation as a revolving fund for such purposes.

TITLE VIII

POWERS OF THE COMMERCE DEPARTMENT

SEC. 14. (1) To carry out the purposes of this act, the Department of Commerce is authorized—

(a) to establish a field consulting service, the personnel of which shall consist of persons experienced and trained in the problems of small business and capable of counseling owners and managers of small business in management and other problems related to location, processing, distribution channels, domestic and foreign markets, sources of merchandise, merchandising, record keeping, cost accounting, personnel, and related matters;

(b) as a means of rendering the services authorized under subsection (a) hereof, to encourage, develop, and conduct research and studies relating to new opportunities for and the operating methods of small enterprise, to the development of new products, and to problems such as the reconversion, rehabilitation, and competition of small business concerns in the fields of manufacturing, wholesaling, retailing, and services, including management, financing, and accounting, and such other operations and techniques as may be necessary therefor: *Provided*, That, so far as practicable, the research and services authorized under this title shall be coordinated with similar or related functions otherwise provided by law or under this act, but nothing in this title shall operate or be construed to limit, modify, or suspend any function or authority vested in the Corporation under this act, as amended.

(2) The research and service authorized under this title shall be conducted by such existing branches of the Department of Commerce as it may designate and it is further authorized to utilize therefor the research facilities and services of other governmental agencies, Federal, State, or local schools of business, or departments of economics of private or public educational institutions, research institutions or foundations, and qualified individuals as it may deem desirable, and to that end it may enter into contracts, without regard to the provisions of section 3709, Revised Statutes, with such governmental agencies, foundations, and individuals.

SEC. 15. Such department is further authorized (1) to prepare and distribute, with or without charge, periodicals, booklets, books, reports, and pamphlets based upon the research reports made under section 14 of this title to small businessmen and others interested in the problems of small business and (2) to develop facilities for the dissemination of such information to small business concerns through trade associations, business papers, and chambers of commerce, and such other channels of distribution as may be available.

SEC. 16. To carry out the provisions of this title there shall be in the Department of Commerce an Assistant Secretary of Commerce for Small Business who shall be charged, under the general authority of the Secretary of Commerce, with coordination of the small-business functions of the Department of Commerce and performance of the functions authorized under this title.

TITLE IX

DEFINITIONS

SEC. 17. As used in this act, the term—

(1) "Small business" or "small business concern" or "small concern" shall be limited to any enterprise for profit, of whatever kind, conducted in any part of the United States, its Territories, or possessions, which (a) if engaged primarily in production or manufacturing, shall have employed 500 persons or less for the calendar year next preceding its application hereunder; or (b) if primarily a wholesale establishment, whose net sales shall aggregate not more than $1,000,000 for such calendar year; or (c) if primarily a retail, amusement, service, or construction establishment, whose net sales or receipts for such calendar year shall have aggregated not more than $250,000: *Provided*, That (1) the Director of War Mobilization or, on termination of his office, such official as the President shall designate, may, on certification by the Chairman with his reasons therefor, authorize the Corporation to treat as a small business, any concern not included within the foregoing definition, whenever, in his opinion, such an authorization would be in furtherance of the policies and purposes of this act; and (2) notwithstanding the provisions

of this subsection, the foregoing definition shall not include any business concern which the Corporation shall determine to be a dominating unit in its trade or industry or otherwise under the management or control of such dominating unit. In making such determination the Corporation shall consider the comparative size of establishments in the particular trade or industry involved, as to the relative conditions of which it shall keep itself currently informed.

(2) "War veteran" shall mean any member of the armed forces of the United States who, after not less than 90 days' service, shall have been honorably discharged therefrom and all members of the merchant marine who, after not less than 90 days' service, shall have received an honorable discharge or its equivalent certifying to satisfactory service.

(3) "Bank" or "financing institution" shall mean any bank (including a Federal Reserve bank), insurance company, trust company, finance company, mortgage company, fund, development company, investment trust, building and loan association, and installment lending company.

(4) "Agency" or "Government agency" shall mean any executive department, independent establishment, commission, committee, board, bureau, division, administration, office, service, independent regulatory commission or board, and any Government-owned or Government-controlled corporation.

(5) "Surplus war property" shall mean any property, real or personal, including but not limited to plants, facilities, equipment, machines, accessories, parts, assemblies, products, commodities, materials, consumers' and durable goods and merchandise and supplies in the possession of or controlled by any Government agency, whether new or used, in use or in storage, which are in excess of the needs of such agency or are not required for the performance of the duties and functions of such agency and which are determined, subject to the authority of the Office of War Mobilization, to be surplus by such agency.

(6) "Civilian supply" or "civilian procurement" shall include all materials, commodities, consumers' and durable goods, equipment, products, accessories and parts procured by any department or agency of the Government other than the War Department, the Navy Department, and the Maritime Commission.

SEC. 18. Except as specifically amended by this act, the act of June 11, 1942, shall continue in full force and effect according to all the terms and provisions thereof.

SEC. 19. This act shall take effect immediately and may be cited as the "Small Business Act of 1944."

The report of the Special Committee to Study Problems of American Small Business (pt. 4 of Rept. No. 12), submitted by Mr. MURRAY, was received and referred to the Committee on Banking and Currency, as follows:

Your committee has prepared and the chairman of the committee has introduced a bill extensively amending Public Law 603 of the Seventy-seventh Congress which established the Smaller War Plants Corporation. The establishment of that Corporation in June 1942 by legislation prepared and sponsored by the Senate and House Small Business Committees, was an event of singular importance for the small manufacturing plants of the Nation.

War production has been increased significantly by the output of the tens of thousands of small plants which were brought into the war effort through Public Law 603. Spurred by this act, the War and Navy Departments and the Maritime Commission have sought out the facilities of small plants for prime contract awards and, equally important, have urged the big-business prime contractors to employ these facilities through subcontracts. On those occasions when the procurement agencies overlooked opportunities to engage small plants, the Smaller War Plants Corporation has been alert to step in and claim the prime contract, which would then be divided among small business subcontractors. Thus, the highly flexible productive capacity of the small business community has been more fully utilized for maximum war production than could possibly have been the case if Public Law 603 had not been passed. Your committee believes that this act and the increased production it made possible have contributed importantly to the winning of the war.

RECONVERSION AND SMALL BUSINESS

Your committee has undertaken frequently to check on the fulfillment of the purposes of Public Law 603 by the Smaller War Plants Corporation and the procurement agencies. To this end, we held hearings during 1943 concerning the extent to which small plants were being utilized in the war effort. These hearings indicated the need for important changes in the organization and functions of the Smaller War Plants Corporation to fit the changes in the war production situation itself and the developing problems of reconversion. Established as a part of the War Production Board, it was found that the Corporation lacked the independent stature necessary to represent the interests of small business. This conclusion from our executive hearings was substantiated by the complaints and views of many businessmen. Accordingly, your committee decided that an amendment to Public Law 603, making the Smaller War Plants Corporation independent of the War Production Board, is essential to the fullest utilization of small plants in the war effort.

If this step is necessary for war production, it is even more urgent that consideration be given to the period of reconversion to civilian production which lies in the not too distant future. As war production tapers off, an increasing proportion of our productive capacity will become available, at first for the production of the more essential civilian goods and, later, for the general resumption of civilian production.

This period of reconversion to civilian operations will be of even more crucial importance to the survival of small business than was the period of conversion to war production.

War conversion involved the construction, at Government expense, of huge new plants. The operation of these new plants was for the most part turned over to large corporations. Thus, the tendency toward concentration of production in large units which had been apparent before the war was accentuated by the course of war production itself.

The Congress must provide, insofar as it is within the power of the Government to do so, a degree of protection for small business from the consequences of these wartime changes. Otherwise, it is entirely likely that the weight of this tremendous increase in the industrial and publicly financed power of the larger business units will crush out our small businesses and thus endanger the continuance of our system of free enterprise.

THE NATURE AND NECESSITY OF THE AMENDMENTS TO PUBLIC LAW 603

It was with these considerations in mind that your committee undertook to amend Public Law 603. Our resultant proposals and the specific considerations prompting them are set forth in the sections which follow.

Under Public Law 603, the powers of the Corporation were vested in the Chairman of the War Production Board. Under section 2 of the proposed amendment, these powers, insofar as they relate to reconversion and related fields, are to be transferred to the Chairman of the Smaller War Plants Corporation. This implies no reflection in any sense on the Chairman of the War Production Board. By word and action he has demonstrated his sympathetic understanding of the problems of small business.

In the reconversion period that lies ahead, your committee is convinced that special attention must be given to the problems of small business, and that no man charged with the exacting responsibility of conducting the war-production program as a whole can be conscientiously asked to assume primary responsibility for small business problems. The power of the Chairman of the War Production Board to certify the competence of the Corporation to perform prime contracts let by the war agencies is to remain unaffected. His responsibility is for the conduct of the entire war-production program; therefore, your committee feels that it would be a mistake to permit the Smaller War Plants Corporation to undertake prime contracts for the production of war items without the consent of the Chairman of the War Production Board.

It is the view of your committee that proper exercise of the amended functions provided for the Corporation under the bill, requires a centralization of executive authority. Accordingly, the management of the Corporation is to be vested in the Chairman with the advice and assistance of the board of directors. Vacancies in the chairmanship or in the membership of the board are to be filled by appointment of the President by and with the advice and consent of the Senate.

The Corporation is to be the primary Government agency charged with responsibility for the protection and representation of small business. However, your committee recognizes that other Government agencies carry on activities which affect small business. It is important for all of these agencies to examine their activities and see how they can be best directed to serve the interests of small business. Accordingly, section 3 establishes a small business interdepartmental committee, consisting of the Chairman of the Smaller War Plants Corporation as chairman, and a representative of each of the Departments of Commerce, War, Navy, Interior, Justice, and Treasury, the War Production Board, the Office of Price Administration, the War Manpower Commission, the Reconstruction Finance Corporation, the Foreign Economic Administration, the Board of Governors of the Federal Reserve System, and the Federal Trade Commission. The functions of this committee will be to facilitate the exchange of Government information and services affecting small business concerns and making such information and services more readily available. The interdepartmental committee is further charged with consultation, at regular intervals, on the policies and procedures of their respective departments as they may affect small business enterprise.

FULL REPRESENTATION FOR SMALL BUSINESS

During the reconversion period, crucial decisions will be made by the Government agencies concerning the policies to be followed in the resumption of civilian production. If small business is given an early opportunity to reconvert and is assured adequate materials from the stocks not needed for war production, it can perhaps overcome some of the handicaps resulting from the concentration of production in large concerns.

To give small business a head start in reconversion will require the most careful planning in a highly complex field. Small business should, therefore, have the fullest possible representation on all the Government committees dealing with reconversion. To that end, the bill which your committee has prepared gives the Smaller War Plants Corporation independent representation on all of the major Government committees deal-

ing with reconversion problems. Furthermore, since many of these committees are not yet established, the bill sets forth the policy that the Corporation should be represented on such committees created hereafter.

The industry advisory committees will play an important role in the establishment of policy concerning reconversion and the disposal of surplus Government-owned war property. There have been frequent complaints from small business that they were inadequately represented upon these industry advisory committees. Section 8 (2) of the proposed bill charges the Chairman of the Corporation with responsibility for assuring the adequacy of small business representation on any industry advisory committees in consultation with the head of the agency establishing any such committee.

NECESSITY FOR BROADENING THE SCOPE OF THE SMALLER WAR PLANTS CORPORATION

The studies of your committee have convinced it of the necessity for broadening the scope of Public Law 603. The dislocations associated with the transition from a war to a peace time economy will affect individual small businesses without regard to the boundary lines of trade or industry.

The impact of the war upon manufacturing concerns has been very uneven. Many small concerns, such as those in the metalworking industries, which were able to convert to war production, have enjoyed a volume of business far in excess of their prewar level. Many of these concerns expanded their production facilities and, in general, the expansions were made at the owners' own expense. Many such concerns expected to pay for their expanded facilities out of the profits of war production. However, the Renegotiation Act and increased taxes will take away the bulk of war profits and leave many such expanded small business concerns seriously handicapped for lack of cash reserves.

Other manufacturing concerns were able to convert only partially to war production. These small companies saw their small reserves whittled away by the continuance of overhead costs in the face of drastically curtailed production.

The impact of the war upon small business is indicated by the Department of Commerce figures which show that the total number of business enterprises of the country has declined by more than one-half million since 1940. This reflects principally (1) the decline in the rate of new business ventures; (2) the fact that tens of thousands of small businessmen have closed their doors to join the armed services; and (3) the migration from small business into more lucrative war-plant jobs. The fact is, however, that the small-business community which is the bulwark of the free-enterprise system has been whittled down. In the opinion of your committee, it must be restored to its proper competitive position and afforded opportunities to expand.

GREAT UNCERTAINTY FOR SMALL BUSINESS IN EARLY POST-WAR PERIOD

It is entirely possible that the trend toward concentration of industry resulting from the construction of huge new war plants and the decline in the number of businesses will be reversed during the reconversion period. Certainly, it must be if America is to survive as a nation of free enterprise. However, the decision will be made for many such small businesses during the period of a few months or perhaps a few weeks when reconversion begins. This will be a period of great uncertainty in which no one will be quite sure whether the production level will sag sharply and the country will drift into a depression or whether the Nation will stay in the high gear of full employment and move on to high levels of peacetime production.

Many banks may quite possibly be reluctant to risk the funds of their depositors in loans to small businessmen. The bulk of the credit needs of small business can probably be supplied by private financing, but a period of waiting by the banks to see which way the production curve will turn can be disastrous to small business. This is no criticism of the private financial institutions of the Nation. The banks should not be asked to bear the responsibility of taking the full risk associated with the credit needs of small business during the uncertain shift from a war economy to a peacetime economy. The survival of the Nation demanded the dislocation of the economy in order to achieve the maximum war production. The Government should guarantee the private banks on those loans made uncertain as a result of such economic dislocation. Small businesses should be assured ready access to credit so that it can make the transition from war to peace as rapidly and successfully as possible.

DISTRIBUTION AND SERVICE INDUSTRIES HIT BY WAR

Public discussion of reconversion problems has centered chiefly on those of manufacturing concerns. However, the dislocations unavoidably associated with our tremendous war effort have not been limited to manufacturing companies. Restrictions on the production of civilian goods resulting from shortages of materials have had a profound impact on the thousands of small concerns, distribution, and service industries. Concerns dealing in such rationed commodities as tires, fuel oil, radios, refrigerators, have been forced to curtail sharply their pre-war volume of business, while overhead costs have continued and, in many instances, increased. Service industries, particularly, have suffered because of manpower shortages.

In light of these considerations, your committee has seen fit to propose an extension in the scope of the Corporation's power to facilitate easier access to working capital and credit for such small concerns. Since the dislocations associated with the war economy have affected concerns in the distribution and service industries as well as those in manufacturing, the definition of "small business" covered by the bill includes the small concern in these nonmanufacturing fields as well. It is clear to your committee that an extension of these powers beyond the scope of those associated with conversion to war production is required by the conditions which have developed since Public Law 603 was enacted. To reflect more accurately this extended scope of the Corporation's functions, it is proposed to change its name from the Smaller War Plants Corporation to the Small Business Corporation.

EMPLOY PRIVATE FINANCING TO THE FULLEST EXTENT

Your committee has no wish to supplant the functions of private banking institutions with a Government flanncing agency. Accordingly, the loan title of the bill clearly states that its policy is to encourage and facilitate the fulfillment of the credit needs of small business primarily from banking and other private sources. We quote the statement of purposes in full:

"Accordingly, the purposes of this section are (a) so far as practicable, to utilize and adapt the existing financial facilities and procedures of Government and private banks and institutions to small business credit needs for reconversion and related purposes; (b) to the extent that private sources prove inadequate for these purposes, to utilize alternative sources therefor; (c) to provide maturities and other terms in accordance with the special needs of small concerns; (d) to provide for character loans to small business concerns; and (e) to reduce the differential handicaps in the credit position of small business."

It is intended that these purposes will be realized principally through the guarantee and insurance of loans by private banks and other financing institutions. Section 11 provides the Corporation with the authority to enter into agreements with banks and other financing institutions for the guarantee and insurance of loans. Private banks should be encouraged to take as much of the risk of such loans on themselves as they feel their responsibility to their depositors will permit.

The uncertainty which such expanded power to guarantee or insure loans to small business is designed to avoid, should end after the reconversion period when the Nation is fully embarked on its normal peacetime activities. Accordingly, this bill makes no effort to provide any permanent mechanism for overcoming those differential handicaps in the access to credit from which small business has often suffered. It is expected that the experience which the banks gain in making guaranteed loans will encourage them to supply credit more liberally to small business after this act expires. While no one can determine exactly how long there will be a need for such a Small Business Corporation, your committee has provided for its existence until July 1, 1947. At that time it will be possible to review the situation again and determine whether or not there is a need for its further extension.

LET SCIENCE SERVE SMALL BUSINESS

A factor which has adversely affected the competitive position of small business has been its lack of access to the latest advances in the technology affecting its operations. Large corporations have established well equipped research laboratories which have enabled them to lead the field in technical developments. A study made from data of the National Research Council in 1937, showed that 13 large corporations accounted for one-third of the industrial research personnel or as many as the 1,583 companies with the smallest research staffs. Of the approximately 150,000 manufacturing, processing, and mining concerns, only 1,722 reported any organized research facilities whatsoever. Thus the course of scientific developments has been channeled to an increasing extent within the requirements and interests of the largest corporations.

During the war period, the Government has engaged extensively in research activities. Several billion dollars have been provided by the Government to university laboratories for the purposes of scientific research. This has resulted in thousands of Government-owned patents, many of which are capable of enormous peacetime possibilities. In addition, the Government has seized 45,000 patents owned by enemy aliens. Your committee feels that small business should have a fair opportunity to share in this tremendous stock of technical knowledge. It will serve to relieve, to some extent, the trend toward concentration of industrial and scientific advances in favor of the larger units of business. Accordingly, the bill expressly authorizes arrangements to the end that nonexclusive licenses be granted to small concerns to use those patents which have become the property of the Government.

However, this will not be sufficient. Some provision must be made so that small businesses which are unable to support their own research facilities have access to the research facilities of Federal, State, and local governments and educational and research institutions and foundations. Accordingly, the Corporation is to be empowered to make arrangements whereby small business concerns can be provided with such research and other technical assistance.

Just as small business has suffered from lack of access to scientific and technical facilities and information, so it has also suffered for lack of access to the latest in management and marketing techniques. For

some time the Department of Commerce has undertaken to supply this need through its Small Business Unit and the publications of its Bureau of Foreign and Domestic Commerce. Recently this service has been expanded and the status of the Small Business Unit raised to that of a Division. Your committee feels that the Department of Commerce is best suited to carry out these functions and that they should be expanded and decentralized so that access to management and marketing can be given to small business at the grass roots. Under section 14 of the act the Department of Commerce is authorized to carry out this function. To aid the Secretary of Commerce in their performance, the appointment of an Assistant Secretary of Commerce is to be authorized.

ASSURE SMALL BUSINESS ACCESS TO SURPLUS WAR MATERIALS

It was pointed out earlier that the expanded war facilities were concentrated largely in the hands of a few large corporations. However, since these facilities' expansions are primarily Government-financed their control will revert to the Government in most instances after the war. Such surplus factories and equipment should be so distributed as to maintain and improve the competitive position of small-business enterprise.

In addition to plants and facilities, the Government will own enormous quantities of surplus consumers' goods. The mode of disposition of these surpluses will have a profound effect on the position of thousands of small businesses in the distributive trades as well as upon manufacturing concerns. It is urgently important that the disposal agencies fix the lots and the credit terms upon which surpluses are sold in such a way as to afford fair opportunity to small concerns to acquire them. Just as the procurement agencies, whose primary responsibility was for war production as a whole, tended to overlook the special problems of small business, so it is reasonable to anticipate that the disposal agencies in their preoccupation with the over-all problem of moving Government property as rapidly as possible, will have a tendency to overlook the vital stake of small business in surplus property disposal. The primary legislation required to protect small business in this regard belongs in a general surplus-property bill. However, the course of development of general legislation on surplus property is not yet clear. Accordingly, limited small-business safeguards are now included in this bill. They provide: (1) Authorization for the Corporation to acquire Government surpluses for resale in small lots to small concerns through regular trade channels, and (2) consultation between the Chairman of the Corporation and the disposal agencies for the purpose of determining quantities to be allocated to the Corporation for disposal through it to small concerns.

INCREASED CAPITALIZATION

The bill increases the capitalization of the Corporation to a billion dollars, which is provided to be used as a revolving fund for the various functions vested in it. Upon first hearing this figure might seem large. However, your committee believes that it is by no means excessive if considered with a proper sense of what the bill seeks to accomplish.

The estimated volume of Government surplus property is $75,000,000,000. Terminated contracts already totaling $15,000,000,000 are certain to reach many times that figure within the foreseeable future. In addition, there are the capital and credit needs of small business for reconversion and related purposes. In the opinion of your committee the enormous stake of small business in all these categories of economic demobilization, which the Corporation is to be charged with protecting, justifies the increase of capitalization proposed. It is in fact a conservative measure of the responsibilities devolved upon the Corporation.

FURTHER LEGISLATION

Notwithstanding the comprehensive coverage of this bill, there are some very important problems of small-business adjustment which your committee has not overlooked but believes would be more properly the subject of separate legislation after further study. We refer specifically to the problem of tax relief and, more particularly, the vital bearing of its solution upon the degree to which permanent-risk capital will be encouraged to flow into new small-business enterprise.

In the view of your committee, the importance of the latter objective would eminently justify such revisions in our tax structure as would remove what impediment it now might offer to the attraction of venture capital toward small and intermediate-sized enterprise. However, your committee is making no definitive proposal in the matter at this time. We merely point to the importance of the problem and the need for a sound solution in the interest of a post-war economy of free enterprise. In so doing, we have only repeated what the Baruch-Hancock report had to say upon a closely related phase of the same subject:

"At current tax rates, few new enterprises or individuals could repay their borrowings out of earnings less taxes in any reasonable period of time. There will be general agreement that tax rates should be reduced after the war. However, until it is definitely known that post-war taxes are to be reduced, the launching of new enterprises and the expansion of existing ones will be deferred." (Report on War and Post-war Adjustment Policies, February 15, 1944, page 27.)

The responses received by Mr. MURRAY from American businessmen were referred to the Committee on Banking and Currency, as follows:

THE COUCH-UTHE CO.,
Elyria, Ohio, May 2, 1944.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SENATOR: The writer has noted your letter of April 15 together with the copy of the tentative bill covering the small business corporation.

While we have no suggestions for changes in the bill, we would like to say that we feel that small business generally will need the assistance outlined in the bill during the balance of the emergency and during the post-war period. We are, therefore, heartily in favor of the bill as now written.

Very truly yours,

N. A. HEWITT,
Sales Manager.

PRECISION METAL PRODUCTS CO.,
Brooklyn, N. Y., May 4, 1944.

Senator MURRAY,
United States Senate,
Washington, D. C.

DEAR SIR: We wish to thank you for sending us a copy of the Senate hearings regarding the smaller war plants and their problems.

We are in accord with every suggestion that has been made at these hearings. However, there is only one recommendation that we would like to make and that is that the Smaller War Plants Corporation be given power to do what seems best for the smaller businessman without being kicked around like the proverbial football.

It seems that in the past, very few recommendations that the Smaller War Plants Corporation made were accepted by the various other governmental agencies and they treated S. W. P. C. as a stepchild, so it seemed to us.

We are backing you 100 percent in your fight to assist the small businessman. If there is anything we can do to assist you, we will be very happy to do so.

Yours very truly,

HAROLD M. JACOBS.

BROWN RUBBER CO., INC.,
La Fayette, Ind., April 18, 1944.

The Honorable JAMES E. MURRAY,
United States Senator, Montana,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: I have your letter of April 15 requesting any suggestions to assist your committee in their consideration for legislation to assist smaller business.

Firstly, I should like to take this opportunity on behalf of my staff and our nearly 500 employees to thank you for the splendid assistance we have received from the Smaller War Plants through the previous bill that you introduced.

The action on your part and others with you of nearly a year and a half ago definitely saved all of us here from the sheriff's office.

It was just a little over a year ago that Smaller War Plants granted us a loan of $125,000 at a time when none of the normal commercial agencies or banks would even give us a hearing.

At that time, which was March 1943, my company's working capital was on the minus side to the tune of nearly $80,000 and we were without any opportunities for the production of military items.

Today, we have favorable balances and current working capital of over $200,000, and we are working to capacity, three shifts around the clock, manufacturing urgent military items for the combat zones; such as self-sealing, bullet-proof gasoline tanks for the B-25 Mitchell bombers and other important items for aircraft all made from synthetics.

It may be relieving to you to know that all of us here recognize that if it were not for the forward thinking on your part, these accomplishments of the past year would not have been possible.

We have carefully studied the summary of the proposed legislation and it seems to us that you again are on the right track to give the little fellow an opportunity to be helpful.

Faithfully yours,

E. A. CALLANAN,
President.

PENN METAL CO., INC.,
Boston, Mass., April 26, 1944.

Senator JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate, Washington, D. C.

DEAR SENATOR MURRAY: I was very much interested in your letter of April 15 and your proposed bill specifically dealing with the problems of the small-business concern.

Small business, lacking adequate pre-war reserves, has had extended by the war those differential handicaps from which small business has always suffered. The proposed bill will reduce those handicaps and I hope it will become a law.

The Smaller War Plants Corporation has been of great benefit to small business and the proposed bill will provide means of continuing this good work of mobilizing the Nation's facilities and will be of assistance in the reconversion and demobilization period ahead of us.

Yours very truly,

G. A. SAGENDORPH,
President.

BEST HOMES, INC.,
North Haven, Conn., April 18, 1944.
Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SIR: I have just completed reading the proposed small business act of 1944 that you introduced in the Senate. We believe the passage of this bill to be absolutely necessary and offer a brief summary of our experiences with the Smaller War Plants Corporation and the purchasing division of the Army to substantiate this statement.

In the spring of 1943 we decided that inasmuch as priorities and materials were no longer available for the construction of homes in our locality, it would be best if we found some war requirement that would use our knowledge and equipment.

We, therefore, contacted the Smaller War Plants Corporation and, after submitting our facilities for their examination and giving them a summary of our past experience, we were certified as contractors capable of constructing some wooden barges required by the Army. On July 29, 1943, we received a contract and immediately started to work.

It was our intention to finance this contract by means of an advance payment loan. This loan was applied for and approved, but prior to the transfer of funds from the Government to our bank the contract was canceled October 26, 1943.

We filed our claim in December 1943 and requested a partial payment. This payment has not been granted yet, although an Army auditor has examined our statement and our books and found them to be correct.

Result: 9 months have elapsed since we started work on this Government contract, our concern is now absolutely without funds, and has had to be disbanded except for one officer and one secretary. This officer has mortgaged his private property and pledged his personal securities in order to pay the obligations incurred in the execution of this contract.

Where prior to the war this concern did the largest amount of residence construction in the New Haven area, we are now in no position even to carry out the program we had planned for the post-war period.

We feel that the Smaller War Plants Corporation as it now exists is able to furnish small business concerns with only one-sided assistance. There is definitely a need for such a corporation and, if it can be changed over as proposed in the small business act of 1944, there will then be an organization capable of performing the well-rounded service that is going to be so necessary to stabilize the economy of this country for the duration of this war and in the period of adjustment that is to follow.

Please let me compliment you and your committee upon the splendid work you have done in drawing up this bill. It is very complete and absolutely necessary. Although its main purpose may be to protect small business, we cannot help but feel that if passed it will protect the entire country at a time when this country is going to need the help of every business.

Sincerely,

THOMAS A. LAYDON,
President.

THE OHIO METAL PRODUCTS CO.,
Dayton, Ohio, April 25, 1944.
Hon. JAMES E. MURRAY,
Chairman, Small Business Committee, United States Senate, Washington, D. C.

HONORABLE SIR: We are pleased to acknowledge receipt of your letter of April 15, 1944, containing copy of your proposed bill dealing with the needs and problems of small business. Please accept our sincere thanks for your courtesy and our compliments on an excellent bill covering this very vital subject.

After a careful consideration of this proposed bill, we have two suggestions to submit for your consideration.

TITLE II. REORGANIZATION AND POWERS

Does section 6 under this title relate to war production or civilian production? If civilian production is included, we feel that the buying public and normal competition will take care of the price situation. Hence no renegotiation will be needed or should be included. If this section relates only to war production, then renegotiation should be required when contracts exceeded $500,000 in value.

TITLE V. LOANS

In the case of civilian production we feel that the local banks, because of their closer contact with creditors, would be in better position to pass on loans than the Government. If a commercial loan is not a good investment for a bank, then it is certainly not a good risk for the Government. We feel that all loans should be made by local interests without influence, either paternalistic, political, or bureaucratic, of the Government.

If the Government adopts a realistic financial policy and also a sound, equitable taxation program, the banks and small business should be able to take care of their own financial needs. If the Government guarantees loans up to 90 percent the banks' interest would be but 10 percent, and this would result in a let-down by the banks in their inspection and granting of loans. They would be interested only in collecting their 10 percent and the balance of the loan would be the responsibility of the Government. In other words, we feel that the banking facilities of our various communities are ample for the needs of all competent, efficient, and deserving small business enterprises.

We thank you for this opportunity to express our views and assure you of our cooperation at all times.

Sincerely yours,

BURT E. DOHNER,
President.

THE SHREVEPORT ENGINEERING CO., INC.,
Shreveport, La., May 2, 1944.
Hon. J. E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SIR: We thank you for yours of the 15th, and we would like very much to see the bill passed.

Yours very truly,

TAYLOR BARNES,
President.

SOUTHERN ACCEPTANCES, INC.,
Orlando, Fla., May 3, 1944.
Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SENATOR MURRAY: We have carefully studied and reviewed the proposed bill relative to the changes to be made in the Smaller War Plants Act.

As a smaller war plant working on Army ordnance orders, we are very much interested in this matter and feel that the proposed bill is a step in the right direction.

In our opinion the greatest danger facing the smaller war plants is long drawn-out settlements of cut-back and canceled contracts. It is extremely urgent that provisions be made as soon as possible for prompt settlement of claims.

There is another threat to small business that should be carefully watched from now on. Due to cancelations and cut-backs the large corporations will be in a position to take on more work and we have reason to believe they will attempt to freeze out the smaller companies on any new contracts for war equipment. This not only applies to any new contracts, but also applies to revisions of existing contracts due to engineering changes in specifications. This is a real threat to smaller companies throughout the country and needs careful checking if the intent of Congress to protect the small companies is to be carried out.

Very truly yours,

R. H. CARLIN,
President.

PHILADELPHIA, *May 2, 1944.*
Mr. J. E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SIR: The writer has read with interest the proposed bill of your committee in reference to the study problems of American small business.

I want to state that this is a very good step toward the right direction, and I assure you that your committee's work is greatly appreciated.

Yours very truly,

HARRY J. FERGUSON.

GUNNISON HOUSING CORPORATION,
New Albany, Ind., May 2, 1944.
Senator JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I have read with very much interest the proposed revision of the Smaller War Plants Act to give immediate and post-war benefit to small business concerns.

The findings of your committee, as incorporated in the proposed amendment, reflect a sympathetic viewpoint and understanding which sadly enough is lacking in Government today. When we think that the greatness of our country today arises out of the initiative and enterprise of individuals and then think of the steps which are slowly but inexorably being taken by Government to discourage this initiative and enterprise, it gives great relief to know that there are some thinkers in Washington who seek to preserve the individual as exemplified in the small businessman. Without him our economy will collapse and those who have so steadfastly, in recent years, sought to shackle us with the ideals of communism and socialism will have succeeded.

Our company has given careful thought to the proposed revision of the act but can make no constructive suggestions for improvement. This legislation is of extreme importance and we sincerely hope that it will receive favorable consideration from both Houses.

Very truly yours,

AUSTIN DREWRY,
Secretary.

MOBECO, INC.,
Watertown, Mass., April 28, 1944.
Senator JAMES E. MURRAY,
Chairman, Senate Small Business Committee, Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: Thank you very much for your letter of April 15, together with copy of confidential Senate committee print No. 3, which was very interesting to me.

I think that you are doing a fine job for America's small business, and I sincerely hope that your proposals will be adopted.

I have discussed this report with many of my business friends, and they all feel the same way.

With very best wishes and kindest regards.

Sincerely,

JOHN W. MOLLICA, *President.*

CLARY MULTIPLIER CORPORATION,
Los Angeles, May 4, 1944.
JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate, Washington, D. C.

DEAR SIR: Thank you for sending me a copy of the proposed Small Business Act of 1944.

I believe this will be a very helpful piece of legislation to the thousands of small businesses throughout the country who are faced with very difficult conversion problems.

Very truly yours,

HUGH L. CLARY,
President.

THE THOMAS HOLMES MFG. CO.,
Philadelphia, Pa., May 1, 1944.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SIR: Thank you for yours of April 15, enclosing proposed Small Business Act of 1944, which I have examined and discussed with associates.

The purpose in the form of this bill is admirable, but I think one of the most necessary forms of relief for the small business is some sort of provision whereby small companies can be permitted to lay aside reserves from the earnings of good years to tide them over periods of reconversion or business recession. The large corporation not only has ample reserves but has ready access to new capital which is unavailable to the smaller business.

The small business is a bad business risk to the bank and to stockholders and offers no incentive in times of recession to new capital, therefore it must depend upon cash reserves built up in good times if it hopes to survive bad times

This, to my mind, is the most urgent need of the average small businessman and cannot be brought too forcibly to the attention of our lawmakers.

Thanking you for the opportunity of writing you, I am

Very truly yours,

H. F. GOLDSMITH,
President.

ST. LOUIS OPTICAL CO.,
Kirkwood, Mo., May 3, 1944.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SIR: I want to thank you very much for the copy of the bill regarding small business which you mailed me. It seems to me that this is of the greatest importance to the country as a whole, and we feel that legislation of this type will go a long way toward solving post-war problems.

We have been operating as a pool with associates in several different States. Due to termination of contracts, we suddenly found it necessary to put 250 people out of work, in areas where there was a surplus of labor. We took this matter up with your committee through Senators WILSON, WHERRY, and STEWART. Through prompt action on their part and the assistance of Mr. Maverick, of Smaller War Plants Corporation, we were able to secure contracts that are keeping our plants in operation.

I know that I can speak for thousands of small businesses in appreciation of the efforts of your committee in working out a solution to our problems that will prevent serious difficulties in post-war arrangements.

If there is any assistance or information we can give you at any time, we will be very happy to do so.

Yours very truly,

W. P. MITCHELL,
Vice President.

POINTER-WILLAMETTE CO.,
Portland, Oreg., May 1, 1944.

Mr. JAMES E. MURRAY,
Chairman, United States Senate Special Committee to Study Problems of American Small Business, Washington, D. C.

GENTLEMEN: We received your communications of April 15 with reference to changes contemplated to existing small business. I have read them carefully and I believe they would be of great assistance to small organizations such as ourselves. In reading them over, however, it comes to my mind that perhaps I should bring to your attention a condition that has been bothering me, and I assume other manufacturers, for a considerable period of time. It has to do with the tax problem; particularly as it is applied to small business and sole ownership. I would like to list my firm's operations as an example.

The Pointer-Willamette Co., which I own, was in business before the war serving the lumber business, particularly in the Northwest, manufacturing trailers and kindred equipment. Our sales, at that time, amounted to approximately $800,000 a year, being of such nature that most of the manufacturing costs were items purchased from other manufacturers. We used approximately 50 men who worked throughout the 4 States—Oregon, Washington, Idaho, and Montana. Our business was new and expanding rapidly, partially due to certain patents which we control and partially due to our own efforts and those of our organization.

When the Government required our services, we immediately turned our entire facilities over to them and started manufacturing trailer equipment for the Army. We purchased some $400,000 to $500,000 worth of equipment and have been delivering from $3,000,000 to $5,000,000 in trailers, barges, cranes, etc., each year.

My understanding of the present tax law is that if I were a corporation, I would not be required to pay over 80 percent of net earnings.

However, being an individual, my tax is in excess of 90 percent of the net earnings and in the States of Montana, where we have a plant, and in Oregon, where we are also located, we pay an additional sales tax which makes our total tax approximately 93 percent and in accordance with my statement last year, left a net gain, after tax, of eight-tenths of 1 percent on total sales. This amounted to, in my case, about $27,000. With this $27,000, it is necessary for me to pay my personal living expenses, as there is no salary deduction for an individual, as well as purchase all the necessary capital equipment required to operate a firm the size of mine. This year, in order to meet our commitments with the Government, we will probably purchase in the neighborhood of $50,000 in capital equipment on which it will be impossible to get a certificate of necessity even though it is required for Government work and is only to replace equipment which wears out during the year's operations.

From the above, I believe it is clear that a sole proprietor operating a fairly substantial business and expanding to protect that business at the rate of approximately 10 percent a year, would year after year have diminishing capital with which to operate. I suggest that some provision be made to permit a sole proprietor whose capital is insufficient to maintain operations to retain an additional 10 percent from taxes as long as that sum is not withdrawn from the operating funds of the business. This would enable the small operator and the sole proprietor to compete on equal terms with large corporations who not only pay salaries to their executives, presidents, chairman, etc., which are considered as business expenses but further have an advantage under the present law of at lease 10 percent in actual tax collecting of net profits. This 10 percent, of course, they use as a reserve in their business or distribute to their stockholders as they see fit.

Considering the above, I believe you will agree with me that the corporation has an unfair advantage in retaining reserves in the organization with which to procure additional equipment and prepare post-war work. I would greatly appreciate having your reaction to the above and sincerely thank you for the opportunity to comment on your new bill.

Sincerely,

R. W. POINTER, *Owner.*

LA CROSSE GARMENT MANUFACTURING CO.,
La Crosse, Wis., April 26, 1944.

Senator JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SENATOR MURRAY: We are in receipt of your letter together with the copy of Small Business Act of 1944.

We have gone over this bill together with the summary and believe that this bill will greatly help the activities of the Smaller War Plants Corporation, which has really been doing some very good work up to the present time.

We would like very much to see this bill passed.

Yours very truly,

W. BAEDER.

LOGAN CO.,
Louisville, Ky., April 27, 1944.

Hon. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

DEAR SIR: I acknowledge receipt of your letter of April 15, together with copy of the bill which among other things proposes to extend the life of the Smaller War Plants Corporation to July 1, 1947.

I have read over this proposed bill pretty carefully and am in favor of everything in it except in my opinion the Small Business Corporation should have at least a 5-year program instead of 3 years. In other words, its life should be extended to 1949, not 1947.

It took a lot of small companies quite a while to become familiar with all the various phases of the Smaller War Plants Corporation, but it has been our experience after they are familiar with the fact that the Smaller War Plants Corporation is really in business to help them, they become very much enthused and cooperate in every way possible for their mutual benefit. However, it takes time to do these things, and according to your present proposed bill as it is written, just about the time a small plant would become familiar with all the benefits of the act you would be out of business.

The company that I represent is in the metals fabrication business and my job is to call on the various Government procurements agencies throughout the country, and it has been a mighty big help to me to be able to refer these various agencies to our local Smaller War Plants office as reference to our financial standing, ability to do various jobs, and the amount of equipment we have. In the second place, in numerous cases the local Smaller War Plants office has aided us and actually assisted us in every way possible to secure contracts.

The success or failure of a Smaller War Plants local office depends entirely upon the personnel, and we are very fortunate here in Louisville in having Mr. John Frier as district manager, together with his qualified engineers, all of whom have always cooperated with us 100 percent.

If you can get this bill passed and can assure the smaller war plants all over the country they can get the same assistance as we do from the Louisville office, it will be one of the best things that ever happened to small business.

I want to thank you very much for mailing me a copy of the proposed bill and giving me the opportunity to make these comments.

Respectfully,

C. A. WARNS,
Sales Manager.

J. V. PILCHER MANUFACTURING CO.,
Louisville, Ky., April 27, 1944.
Hon. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I have been reading the Small Business Act of 1944, and I understand this bill is being presented by you.

Practically ever since its existence we have been materially helped by the Smaller War Plants Corporation, so we are very familiar with the function of this organization.

I realize, however, that the Smaller War Plants Organization as now set up has its limitations, and, after reading your Small Business Act of 1944, I believe you have drawn up this act in a manner which will eliminate many of the limiting features of the present Smaller War Plants Corporation Act.

My association with the smaller manufacturers in this country convinces me that they have all wanted to go the limit in helping win this war, but because of their organizations they would have been able to do very little without the help of some Government agency, such as the Smaller War Plants Corporation, and we believe the Small Business Act of 1944, if enacted, would be a great help during the reconversion period.

I wish to congratulate you on the way you have drawn this up, and I am writing both Senator CHANDLER and Senator BARKLEY asking them to assist you in the passage of this bill.

Yours very truly,

J. F. BABBITT.

G & H PRODUCTS CORPORATION,
Racine, Wis., April 26, 1944.
Hon. JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate,
Washington, D. C.

HONORABLE SIR: We have your communication of April 15 with the enclosure concerning the new bill you are endeavoring to get through the Senate.

It is gratifying to see the change in the trend of thought of our legislators. I have always felt the small business had a very distinctive, definite obligation in the American way of life. I have studied your proposed bill and feel you have laid a wonderful groundwork to preserve our future and business. I can see that on the broad basis you have created and developed this bill the structure is so made that as changes develop in business conditions those changes can easily be met.

I wish to express the appreciation of our organization to you for your efforts in making it possible that there should be a future for us. What is true for us holds true for the average small business. If there is anything our organization can do to help this program, we assure you we shall be pleased to be of further service.

Very truly yours,

RALPH D. HOLCOMBE,
President.

SHANK METAL PRODUCTS CO.,
New York, April 26, 1944.
Hon. JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate,
Washington, D. C.

DEAR SIR: Thank you very much for your summary of the Small Business Act of 1944, on which you ask for criticisms and suggestions.

The entire plan is most excellent. It will depend very largely on the class of administration and capability of management more than anything else. If it can be left free of the usual political characteristics and administered without too much red tape, it can do a wonderful amount of good, not only for small business but for the country as a whole, which is more important than even small business.

Sincerely yours,

EDWIN W. SHANK.

WATERVILLE MANUFACTURING CO.,
Waterville, Conn., April 25, 1944.
Hon. JAMES E. MURRAY,
United States Senator from Montana, Senate Office Building,
Washington, D. C.

MY DEAR SENATOR MURRAY: This will acknowledge receipt of your mailing of April 15 and a copy of the proposed Small Business Act of 1944.

I have gone over the proposed legislation quite carefully, and I am happy to advise you that I think this legislation would be very beneficial to small business. I am a small businessman myself, operating a manufacturing company, employing approximately 50 persons, and I am, therefore, greatly interested in any legislation affecting small business, and I think the bill referred to is designed to aid small business and, in fact, favor them against monopoly. I was particularly interested in the loan feature which enables small business to obtain finances, as I think this is one of the most important problems the small business will face during the reconversion period.

I might add that I am greatly appreciative of your former efforts in relation to contract termination, etc., and I trust that Congress will see fit to enact the Small Business Act of 1944.

Yours very truly,

H. C. CLOSE.

THE MICRO TOOL CO.,
Hartford, Conn., April 26, 1944.
Hon. JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate,
Washington, D. C.

DEAR SENATOR MURRAY: Immediately upon receipt of your letter of April 15, I asked John F. Shea, secretary, and Joseph L. Tribble, treasurer of the company to study Confidential Print No. 3 and to report their reactions to me. Subsequently the suggested bill was discussed at length by the three of us, and the following I am authorized to give as our combined judgment:

Titles I, II, III, and IV meet with our unqualified approval.

Title V is approved with the following suggested amendment: While the Corporation is authorized to utilize the services of any Government agency, we believe that in one respect it would be in the interests of governmental efficiency and economy to require it to make use of an existing facility. We refer to the Reconstruction Finance Corporation. R. F. C. financed the first large contract we received and was paid in full as per agreement. At that time we acquired a high regard for the integrity and efficiency of its representatives. It would seem good sense not to duplicate such an organization but to utilize it for the purpose of investigation and field supervision, in other words as an investigating and reporting agency of S. B. C., retaining in the latter only a minimum supervising and accounting staff, the actual decision in each case of course to rest in the directors of S. B. C. or their designated regional boards.

* * * * *

Title VI is approved as written. Title VII is approved with the following reservation: We do not believe in setting up such agencies with astronomical funds at their disposal. One billion dollars is too much. An authorization of half that figure, with an actual appropriation of $250,000,000 should be enough for a starter. If the Corporation functions effectively there should never be any difficulty in obtaining additional amounts.

Under definitions, section 14, it is our belief that paragraph 1a and 1b establish businesses as qualified which are far beyond the stage of small business. In the first case, the words "at any time" give too much leeway and 500 employees qualifies firms that should be well able to finance themselves in a number of other ways, through stock issues, through relations with private banks which would probably involve director memberships, etc. We believe that 200 employees or less for 26 weeks or more would channel the efforts of the Corporation where it would do the most good. Similarly, any firm doing $1,000,000 a year is not a small business and $500,000 would be a more reasonable figure.

Finally, we believe that there should be some limitation on the length and on the renewal of loans that would prevent the Corporation from entering into the permanent, or semipermanent financing of businesses, unless July 1, 1947, as a termination date would preclude such action.

Also we believe that there should be provision in such cases as this for periodic auditing by some outside agency such as the bank examiners of the Federal Reserve, or some fitting agency within the Government itself; and the Corporation should be required to report the amount, term, and recipient's name of all loans for incorporation into the CONGRESSIONAL RECORD or some other record open to public inspection, this to be done at least twice a year.

Please do not feel that the above suggestions are offered in a critical spirit. We are highly appreciative of the effort and thought that your committee has expended on this important matter. We offer our ideas in a constructive spirit.

If we can assist you further in any way, please do not fail to call on us. As a matter of courtesy we are sending a copy of this letter to Senator FRANCIS MALONEY, a member of your committee.

Sincerely,

SHELDON L. BARKER,
President.

NATIONAL BOAT BUILDERS' ASSOCIATION,
Washington, D. C., April 21, 1944.
Hon. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: I have yours of the 20th instant enclosing draft of the Small Business Act for which we thank you.

Careful perusal of the draft brings the conclusion that if there is room for improvement I am unable to find it.

Enactment of this legislation will immeasurably benefit small business and is of a character which will reflect great credit on the Congress.

I am proceeding to notify our members of the importance of the bill and when and if it is reported out by the committee I would like to have copies sent to our entire membership and I shall send a follow-up letter to them.

Sincerely yours,

W. G. WILLIAMS,
Secretary-Treasurer.

ADAM BLACK & SONS, INC.,
Jersey City, N. J., April 20, 1944.
Hon. JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate, Washington, D. C.

DEAR SENATOR: Thank you very much for yours of the 15th with enclosure of copy of your proposed bill in connection with the

revamping of the Smaller War Plants Corporation. I have read the bill carefully and I think you have done an excellent job, and trust that you will be successful in having this bill become a law.

We are very grateful to the Smaller War Plants Corporation for their assistance in the past.

Sincerely yours,

JESSE SCOTT,
General Manager.

LOMBARD IRON WORKS CO.,
Augusta, Ga., April 24, 1944.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I have reviewed the contents of the bill enclosed with your letter of April 15 and think it is excellent.

We sincerely hope the passage of this bill meets with success, and you can depend upon our cooperation.

Sincerely,

JOHN T. CASH,
Assistant Treasurer and Secretary.

WHITEHOUSE LEATHER PRODUCTS CO.,
Brooklyn, N. Y., April 29, 1944.

Hon. JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate, Washington, D. C.

DEAR SIR: In our considered opinion, a small business such as ours, to survive the immediate post-war period, will definitely need assistance of the character outlined in the proposed bill enclosed with your letter of April 15. The success of such legislation, in our belief, depends on its administration and application.

Our experience in the past few years indicates that compliance under several of our existing laws is almost an impossibility due to the lack of the type of personnel required and the burden of cost, which would be a very important factor under post-war conditions.

It is our suggestion that if this proposed bill is enacted, its application be simplified as much as possible, having in mind the necessary protection for all concerned.

Very truly yours,

R. H. KNAUB.

BECK CANVAS PRODUCTS, INC.,
Indianapolis, Ind., April 24, 1944.

Hon. JAMES E. MURRAY,
Chairman, Special Committee to Study Problems of American Small Business, United States Senate, Washington, D. C.

DEAR SIR: This acknowledges receipt of yours of April 15 to which I hasten to reply while it is hot, because if I lay something aside it gets cold and I forget to get the reply off sometimes until the peak of its worth is past.

The Smaller War Plants Corporation has been a great help to me so therefore I am perhaps biased in its favor. I have read your bill carefully this morning and in only one place does a question form in my mind and that is in reference to title 4.

I suggest that on this matter of disposal of surplus materials that considerable consideration be given. What I foresee is the possible duplication of effort, thus a duplication of expense to the Government by too many Government agencies being in the same field of endeavor.

Regarding the disposal of surplus materials I really think there should be but one agency set up to handle such disposal. Should such an agency be set up I can see the possibility of the smaller war plants being helpful to the small businessmen by working with them in the same manner.

In general, please accept this letter as my endorsement of the bill in question.

Yours very truly,

ALBERT BECK,
President.

ARKANSAS CITY DEFENSE INDUSTRIES,
Arkansas City, Kans., April 19, 1944.

Senator JAMES E. MURRAY,
Chairman, American Small Business Committee, United States Senate, Washington, D. C.

DEAR SENATOR: I appreciate the opportunity extended to me to examine a copy of the proposed act, and the invitation to express myself thereon.

I have read the act carefully and I am heartily in favor of its passage. It seems to me that such legislation as is here proposed is mandatory if small business is to exist.

Yours very truly,

GRANT M. ACTON.

BRISTOL AND MARTIN, INC.,
New York, N. Y., April 20, 1944.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

HONORABLE DEAR SIR: Reference is made to your letter of April 15 enclosing a proposed bill to promote the more effective participation of all small business concerns in the war effort, to the facilitate their successful adjustment to civilian and peacetime operations, to stimulate and encourage small business enterprise, and to amend the act of June 1, 1943 (Public Law 603, 77th Cong.), in furtherance of these purposes.

As you requested, we have perused this proposed legislation and heartily endorse its enactment.

For almost a year we have operated in conjunction with the Smaller War Plants Corporation and have always found them to be most helpful and cooperative in the furtherance of our war efforts.

Very truly yours,

A. I. MARTIN,
President.

DEMOBILIZATION AND POST-WAR ADJUSTMENT LEGISLATION

Mr. MURRAY. Mr. President, I ask unanimous consent to present and to have printed in the RECORD a report from the War Contracts Subcommittee of the Committee on Military Affairs entitled "Demobilization and Post-war Adjustment Legislation," dealing with legislation pending before the subcommittee.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEMOBILIZATION AND POST-WAR ADJUSTMENT LEGISLATION

Since your War Contracts Subcommittee (appointed by the chairman in September 1943 and continued pursuant to S. Res. 198) began its study of war contract termination, the broad scope of the economic problems resulting from contract terminations has become increasingly evident.

The termination bill (S. 1718) which the Senate passed by unanimous vote on May 4, 1944, and which your subcommittee had been working on for many months, deals only with the proper settlement of termination claims and the removal of termination inventories from war plants. While prompt congressional action on this bill is essential to the effective prosecution of the war and to our plans for maintaining employment in the transition and post-war periods, legislation at this session of Congress on the more fundamental problems resulting from cut-backs in war production is of even greater importance. There now seems to be general agreement on this point among the representatives of business, labor, and agriculture, and among the leaders of both parties.

In fact, S. 1718 cannot work in a vacuum. Its effective administration presupposes congressional decisions on the utilization and disposition of surplus war property. Settlement of claims and disposition of property, moreover, are unthinkable without appropriate congressional action on the human aspects of demobilization and post-war adjustment: retraining, unemployment compensation, transportation back home, and similar matters. The efficient administration of all these programs presupposes more coordination on the part of the executive agencies and of the Congress.

The need for a comprehensive approach to demobilization and post-war adjustment was recognized early in the year when the chairman of the Senate Special Committee on Post-war Economic Policy and Planning, the distinguished senior Senator from Georgia, Mr. GEORGE, together with the chairman of your subcommittee, introduced an industrial demobilization bill, S. 1730. This bill sets up an Office of Demobilization which is to function under the Office of War Mobilization during the war and become independent after the war, and which is to establish broad administrative policies on industrial demobilization. It also establishes policies and procedures on the utilization of surplus war property, as well as including the provisions of S. 1718.

The same need was also recognized in the introduction of a war mobilization and post-war adjustment bill, S. 1823 (recently superseded by S. 1893), by the able Senator from West Virginia [Mr. KILGORE]. This bill sets up an Office of War Mobilization and Adjustment to take the place of the present Office of War Mobilization, contains detailed provisions on the utilization of surplus war property and on the training and placement of war workers and returning servicemen, including emergency unemployment compensation.

In our report to the full committee on March 20, 1944, contract termination and related post-war legislation, we indicated the importance of legislation setting forth national policies on war production cut-backs and the resumption of civilian production, on the utilization of surplus war property and on the human side of demobilization and post-war adjustment. Shortly thereafter, on April 4, 1944, your subcommittee initiated an intensive series of public hearings on S. 1730 and S. 1823. The chairman of the Post-war Economic Policy Committee and other members of that committee participated in these hearings. Moreover, it was our privilege to have sitting with us Representative ESTES KEFAUVER, of Tennessee, and Representative JOHN GWYNNE, of Iowa, two distinguished members of the House Judiciary Committee to which the House version of S. 1730 (H. R. 4392, introduced on March 13, 1944, by Representative KEFAUVER) had been referred. During the course of these hearings, testimony was received from a long list of witnesses from industry, labor, agriculture, and public service.

List of witnesses appearing before War Contracts Subcommittee:

April 4: Matthew Woll, chairman, committee on post-war planning, American Federation of Labor.

April 5: John Fennelly, executive secretary, committee on economic development.

April 6: Dr. Melvin Copeland, chairman, Massachusetts Committee on Post-war Readjustment.

April 11: John B. Blandford, Jr., Administrator, National Housing Agency; Alan Johnstone, general counsel, Federal Works Agency; W. E. Reynolds, Commissioner, Public Buildings Administration.

April 12: Hans Klagsbrunn, executive vice president, Defense Plants Corporation.

April 14: James Patton, National Farmers Union; Benjamin Marsh, the People's Lobby.

April 18: Hon. Francis Biddle, Attorney General of the United States.

April 19: Donald Nelson, Chairman, War Production Board; Frederick Crawford, National Association of Manufacturers; Arthur G. Drefs, St. Louis Chamber of Commerce.

April 20: Maury Maverick, Chairman, Smaller War Plants Corporation; Edward O'Neal, American Farm Bureau Federation.

April 26: Philip Murray, president, Congress of Industrial Organizations; R. J. Thomas, president, United Auto Workers (Congress of Industrial Organizations).

April 27: Hon. Fiorello H. LaGuardia, mayor of New York City; A. F. Hinrichs, Acting Commissioner, Bureau of Labor Statistics; Julius Luhrsen, Railway Labor Executives Association.

May 2: Edwin G. Nourse, vice president, Brookings Institution.; H. L. Carpenter, chairman, Post-War Planning, Commerce and Industry Association, of New York.

May 4: Brig. Gen. Frank T. Hines, Administrator, Retraining and Reemployment.

May 5: William L. Clayton, Administrator, Surplus War Property Administration; M. P. Moe, vice president, National Education Association.

In the opinion of your subcommittee, the following facts and principles have emerged from these hearings:

I. KEY PROBLEMS OF NATIONAL POLICY ON DEMOBILIZATION AND POST-WAR ADJUSTMENT ARE COMPLETELY UNSETTLED

This is particularly true with regard to (a) war production cut-backs and the resumption of civilian production, (b) utilization and disposition of surplus war property, and (c) the reemployment and retraining of veterans and war workers, including unemployment compensation.

The absence of clear-cut policies and programs in these fields has created considerable confusion among and within the various executive agencies. Business, labor, and agriculture—as well as Government—find it difficult, if not impossible, to prepare practical plans for the demobilization and post-war period without a firm foundation of national policy to serve as a framework for the development of such plans. Finally, we have reached a stage in the war effort where the lack of concrete plans and programs to provide jobs in the transition and post-war period constitutes a psychological obstacle to the most effective prosecution of the war.

II. ONLY CONGRESSIONAL ACTION CAN PROVIDE A SOUND BASIS FOR SOLVING THESE PROBLEMS

Under our system of Government it is the responsibility of Congress to determine the policies and outline the programs to be followed by the executive agencies in matters as important as demobilization and post-war adjustment. This responsibility must be discharged even during the period when, under the war powers acts, the executive branch temporarily enjoys many powers that would enable it to establish policies and programs without reference to congressional decisions. Otherwise, we will not be prepared for the day when these emergency powers expire.

Moreover, it is impossible for a small group of men, however able and patriotic they may be, to sit behind closed doors and draw up final post-war programs having far-reaching effects on American industry, labor, and agriculture. Only through the legislative process—with public hearings on proposed plans and with full debate on the floors of the Senate and the House—can we develop acceptable plans for achieving a truly competitive economy in the post-war period—one that will have the confidence of the American people.

III. THE RESPONSIBILITY FOR CARRYING OUT CONGRESSIONAL POLICIES AND PROGRAMS MUST BE VESTED IN THE ESTABLISHED EXECUTIVE AGENCIES

During the war it became a national habit to think of setting up a new agency for every new function, or even for already established functions not being properly discharged. The continuance of such practices in the post-war period would spell administrative chaos.

Particularly dangerous is the "super agency" approach by which one agency is piled on top of another, and the ones on top are supposed to determine policies for the ones on the bottom. This is dangerous not only because of the bureaucratic "layering" that would ensue, but also because it would lead toward an undue concentration of Government power in the hands of a single office.

This approach also has the unfortunate result of divorcing policy decisions from actual administrative responsibility. Since the heads of the various executive agencies must defend the operation of their agencies before the appropriation and legislative committees of the Congress, it is essential to place the major responsibility on the heads of the various agencies to insure actual results in the day-to-day administration of their program.

IV. THERE IS A SERIOUS NEED FOR MORE COORDINATION, WITH REGARD TO DEMONSTRATION AND POST-WAR ADJUSTMENT, ON THE PART OF THE EXECUTIVE AGENCIES AND OF THE CONGRESS

The need for more coordination on the part of the executive agencies was aptly developed by Senator GEORGE in the statement which he made at the beginning of your subcommittee's hearings on April 4:

"In the studies that the Special Committee on Post-war Economic Policy and Planning has made of the problems of reconversion from war to peace, one fact has been outstanding. The fact is that the problems are so colossal that the activities of the various agencies dealing with them must be coordinated from the start. The problems are much more difficult than those involved in the transition from peace to war. Then, we had an economy taxed to its utmost to keep up with the demand for goods. It was simply a question of how fast we could convert peacetime facilities to war production. When that production ceases, the dislocations resulting may be staggering, unless plans are worked out in advance to cushion the shock of those dislocations. We would have avoided many of the difficulties of conversion from peace to war had we had the activities of all war agencies coordinated from the start. We must avoid this mistake in the planning for peace."

While the establishment of basic congressional policies and programs will go a long way toward achieving this coordination, legislation should set forth the specific coordinating functions of the Office of War Mobilization or of any successor that Congress might authorize. This can be done without creating any additional agencies and without contributing to additional "lavering." In fact, effective coordination presupposes a reduction in the number of Government agencies, particularly those in the field of manpower.

The need for more coordination on the part of the Congress was referred to in the Baruch-Hancock report of February 15, 1944, when it was stated that consideration of plans and suggestions on post-war matters was "scattered loosely * * * among the various committees of Congress."

Messrs. Baruch and Hancock suggested that Congress "merge the activities of its many committees into a single committee in the Senate and in the House, or, if it can be effected, into a joint committee of both Houses."

While this specific proposal is impractical and would serve to sidetrack the work of many established committees, and overburden a single committee, nevertheless, the objective of the Baruch-Hancock proposal—namely, to achieve better coordination between the various committees of Congress—is a very important one. It might be achieved through the creation of a Joint Congressional Committee on Post-war Adjustment, the function of which would be to coordinate and stimulate the work of the various existing committees, rather than to supplant them.

V. FULL INTEGRATION WITH THE WAR EFFORT IS ESSENTIAL

The problems of mobilization and demobilization are closely intertwined. In fact, both processes are already proceeding simultaneously. Although we are now preparing for crucial military engagements in the near future, within certain restricted spheres war production is already being cut back and civilian production is being resumed. Contracts are being terminated at a rate of about $1,000,000,000 a month. Certain Federal property is already becoming surplus to war needs, and sales of such surpluses are already averaging about $15,000,000 a month. Manpower is already being released from both the armed services and war factories.

The proper handling of these problems is part of the conduct of the war effort and it will continue as such until the day of final victory. It is also part of our preparations for peace. Accordingly, it is obvious that our demobilization and post-war adjustment legislation must provide for complete integration with our war program—from the viewpoint of administrative structure as well as of policies and programs.

Today there is a widespread feeling of uncertainty with regard to America's economic future. The small "pools of unemployment" that have already been created by war-production cut-backs have evoked the bleak prospect of mass unemployment when the war is over. The fact that the tremendous war output of America's productive machine has been achieved without the labor of those in the armed forces has led many to believe that after the war the millions of men and women released from the Army and the Navy will become "surplus manpower." There seems to be a widespread fear that many additional millions now working in our war-strained factories will become surplus to our peacetime needs. Authoritative estimates that have been submitted to your subcommittee point to the possibility of 19,000,000 unemployed immediately following the cessation of the war.

And yet everyone agrees that America enjoys the opportunity for an adventure in post-war prosperity. There are vast sections of the world, devastated by the war, that await rebuilding. There are millions of people throughout the world, and in our own country as well, whose standard of living is still extremely low and who represent potential customers for the products of our factories, fields, and mines. Aeronautics and electronics—to mention but two of the many fields in which, as a result of the war, technology has advanced with seven-league

boots—open the door toward a fertile field for new products and new industries.

To take advantage of this opportunity and to avoid the danger of mass unemployment, it is essential that the various economic groups in American life agree on common aims and attempt to work with a minimum of friction and conflict toward achieving these aims. The national unity that has been achieved for the purposes of waging war must not be abandoned the moment that our energies are concentrated upon the economic measures needed to help prevent future wars.

A continuation of this unity of spirit can best be obtained through joint action by the elected representatives of the American people. It can be made concrete and economically meaningful only through being written by Congress into the law of the land.

Near the end of World War No. 1 many committees of Congress were working on post-war legislation. But the public was not particularly interested and congressional action was dilatory. When the armistice came the post-war legislation that had been worked on for months died in committee. The country was left unprepared for peace. This situation paved the way for the world-wide economic chaos and political immorality out of which emerged the evil genius of totalitarianism.

The salutary pressure that the American people have been exerting upon the Seventy-eighth Congress to pass intelligent demobilization and post-war adjustment legislation is a high commentary on their economic and political knowledge, as compared with the period toward the end of World War No. 1. The active and unflagging work of various congressional committees and of many leaders in both parties is an indication that this Congress will not allow the broad legislation that is now being developed to die in committee.

In the near future, therefore, your subcommittee expects to submit legislation which, in conformance with the facts and principles outlined above, will be based on the best features of S. 1730 and S. 1823 and of the various proposals that have been presented at the recent hearings.

Legislative measures before the War Contracts Subcommittee, Senate Committee on Military Affairs

	Title	Subcommittee action	Full committee action	Further action
		I. CONTRACT TERMINATION		
S. 1268	To facilitate the termination of war contracts	Hearings on this subject were held in October and November 1943; preliminary reports were submitted Dec. 23, 1943, and Mar. 20, 1944.		
S. 1280	To provide authority to the Secretary of War to use funds now or hereafter appropriated for adjustment of contracts, and for other purposes.			
S. 1470	To provide for mandatory loans to small business concerns upon termination of their war contracts.			
S. 1718	To provide for the settlement of claims arising from terminated war contracts, and for other purposes.	Rept. No. 539, pt. 3, entitled "Cancelation of War Contracts" received from Special Committee on Post-war Economic Policy and Planning, Apr. 7, 1944.		
		Favorable action on S. 1718, amended, recommended to full committee, Apr. 28, 1944.	Reported unanimously May 2, 1944 (Rept. No. 836).	Passed by unanimous vote of the Senate, May 4, 1944.
		II. SURPLUS WAR PROPERTY		
S. Res. 195	Requesting an investigation concerning Government property and materials no longer needed for war purposes.	Reported favorably to full committee	Reported favorably by full committee, Nov. 26, 1943 (Rept. No. 543).	Agreed to by Senate, Mar. 14, 1944.
S. 1478	To provide for the conservation and proper disposal of surplus war properties, and for other purposes.	Detailed studies under way on all these bills; considerable testimony on general problems and on some of bills in particular received during course of hearings on S. 1730 and S. 1823, Apr. 4, 1944, through May 5, 1944.		
S. 1609	To provide for the equitable disposal and effective utilization of Government-owned surplus machine tools, and for other purposes.			
S. 1680	To provide for disposition of surplus war materials			
S. 1775	To provide for restoring real property acquired by the United States for military purposes to the former owners thereof.			
S. 1794	To provide that in disposing of lands which have been acquired by the United States for national defense or war purposes, a preference shall be given to the former owners of such lands or their successors in interest.			
S. 1815	To provide for distribution of surplus war materials through domestic lend-lease to States and their political subdivisions and instrumentalities thereof.			
		III. INDUSTRIAL MOBILIZATION AND POST-WAR ADJUSTMENT		
S. 1730	To create an Office of Demobilization, establish general policies for the operation of that Office, provide for the settlement of claims arising from terminated war contracts, provide for the disposal of surplus Government property, and for other purposes.	Hearings held from Apr. 4, through May 5, 1944		
S. 1823	To establish an Office of War Mobilization and Adjustment.			
		IV. COST-PLUS CONTRACTS		
S. J. Res. 80	To prohibit the use of the cost-plus-fixed-fee system of contracting in connection with war contracts.	Detailed studies and investigations are under way; hearings were held in Washington, D. C., Mar. 2, 3, 6, and 7, 1944; executive sessions were held in Mobile, Ala., and New Orleans La., Mar. 23, 24, 25, 26, 28, and 29, 1944.		

RIVER AND HARBOR FLOOD-CONTROL WORKS—AMENDMENTS

Mr. DOWNEY submitted two amendments intended to be proposed by him to the bill (H. R. 4485) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which were referred to the Committee on Commerce and ordered to be printed.

SIMPLIFICATION OF THE INCOME TAX—AMENDMENT TO TAX LAW

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (H. R. 4646) to provide for simplification of the individual income tax, which was referred to the Committee on Finance and ordered to be printed.

Mr. TAFT subsequently said: Mr. President, a little earlier today I offered an amendment relating to pension trusts, the amendment being to H. R. 4646, the tax simplification bill. In the Committee on Finance it was determined that we would consider no outside amendments to the bill, and at the suggestion of the members of the committee I then offered the amendment in the committee to House bill 4464, to increase the debt limit of the United States. I therefore ask that the amendment which I submitted today be changed to be an amendment to the bill (H. R. 4464) to increase the debt limit of the United States, that it be printed and referred to the Committee on Finance.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Without objection, the change will be made as suggested, and the amendment intended to be proposed by the Senator from Ohio will be referred to the Committee on Finance and printed.

ADDRESS BY MRS. EMMA GUFFEY MILLER AT CONVENTION OF GENERAL FEDERATION OF WOMEN'S CLUBS

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD the address delivered by Mrs. Emma Guffey Miller, member of the advisory board of the National Woman's Party, at the convention of the General Federation of Women's Clubs, St. Louis, Mo., April 26, 1944, which appears in the Appendix.]

PUBLIC EDUCATION—EDITORIAL FROM ROANOKE LEADER

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an editorial entitled "Another Red-Letter Day for Public Education," published in the Roanoke Leader of Friday, May 5, 1944, which appears in the Appendix.]

ST. LAWRENCE RIVER DEVELOPMENT

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "Seaway and Power Project" from the Rutland Herald of May 10, 1944, and an editorial entitled "St. Lawrence Development Could Play Major Role in Post-war Employment Plans" from the Montpelier Evening Argus, which appear in the Appendix.]

A SOLDIER'S VIEW OF POST-WAR PROBLEMS AND PROSPECTS—LETTER FROM LT. J. CHARLES HOFFBERGER

Mr. TYDINGS. Mr. President, on December 4, 1943, there was published in the magazine Business Week an article entitled "Soldier on Post-war," containing excerpts from a letter written by Lt. J. Charles Hoffberger, of the Tank Corps, to his father. It is one of the most thought-provoking letters I have read, and, coming from one who is serving in the Tank Corps in Italy, is worthy of rereading by all Americans. I ask unanimous consent that it may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TRADING POST—SOLDIER ON POST-WAR

The following extracts from a letter, written to his father in Baltimore by Lt. J. Charles Hoffberger, of the Tank Corps, will interest those who may be wondering how the soldiers look at post-war problems and prospects. Naturally one cannot draw sweeping conclusions from a single case, but this officer's letter suggests that he reflects the feelings of some, at least, among his comrades in arms. W. C.

"I'm writing this sitting in the back of a command car trying to stay out of a roaring wind which is driving down from the mountains to the northeast. My tent has just about collapsed, and other less fortunate people are standing around outside making the best of things but complaining vigorously about the uncomfortably damp and cold African prewinter season.

"Whatever the turn of events in the near future, it is apparent to all of us that victory is now within sight; although there are many and many estimates of the amount of time it will take to achieve it. On the other hand, it is very disturbing to listen to the better-educated, more intelligent soldiers talk of the peace and what is to come.

"Many of them are afraid of the strong hand Russia will display at the peace table, and more than that, the acquiescence that our own Government will show toward Red policies and conceptions. Evidently they are not as much disturbed by the thoughts of a completely socialist government, but are more concerned with the thoughts that out of this mess will come a socialist economy embodied in a democratic form of legislation and control.

"The old cry of 'fighting this war to end wars' has not been raised, but in the mind of every thinking soldier, of which unfortuately there are not enough, has been placed the idea that they are fighting for equality for themselves and other people in whatever endeavor they might decide to engage. Yet, on the other hand, this equality is not being clearly defined by either the Administration or by those who desire to become the Administration in the next elections. The soldiers are confused by the reports of high wages which seem to be inadequate to cover the increased cost of living, and the cry from industry which maintains that taxation is so terrific that it is hardly able to make ends meet.

"What they all want to know is if some responsible, sensible group is now making plans to rehabilitate them into the picture of a peacetime endeavor. They are concerned because they realize that many men who were formerly unskilled are now trained technicians—hospital assistants, mechanics, flyers, clerks, Diesel experts, radio men—all with experience which formerly they could not have hoped to acquire in many years less than a lifetime—all gained under terribly trying conditions, which adds that much more to the sum total of their knowledge. Where will they be able to fit into a scheme which is bound to come to a head quickly when hostilities cease?

"Will the equality for which these men are fighting be available to them? For some reason I don't believe they want that old-time equality which was so ever present in speeches by glib politicians, but never present in act. Instead they are desirous of seeing an equality along the lines Jefferson propounded—an equality of opportunity—so that if a man wants an education he can get it by proving that his mind can absorb more learning, instead of by presenting a check to the registrar of some State university, so that should a man want to work in the crafts he can do it without asking permission of a sphinx who has been blessed with the body and shape of a man for permission to operate a forge or play in a band or weld ships' plates—so that (and this I think is the most important) if a man wants to invest capital he need not go to a government agency run by some hare-brained college-trained radical for approval to buck the trend toward government control of the only frontier left open to young Americans.

"Are we tending toward that system, of controlled capital by quasi-legal means? I hope not because that is, in effect, what exists in Russia. 'Sure, old man, spend your money,' they say, 'but in the way that we direct.' That should not be, and cannot be if we intend to be the greatest Nation on earth. Government-controlled right to capital investment cannot exist any more than the old system of the control of capital investment by the large monopolies of the past was allowed to exist; in fact, do exist today, but not so much as before the war.

"I agree partly with Eric Johnston who says that government, instead of priming the pump with borrowed money, should tax those with capital to invest who leave it idle and should grant certain concessions to those who take a chance with their money to establish a sound business, whether it be a crossroads general store or an airplane factory. If people are given the chance to go into business, they will find the correct path to follow. More competition will bring down costs—our money will be worth more—demands will be greater and more jobs will be created—especially after the war years when so much consumer goods must be manufactured in order to replenish the diminished and sometimes nonexistent stocks.

"These are the things the soldiers think about at times. I have written them down because the pressure of my own work has eased and I wanted to try to present to you—who I know will understand—what is going on in the minds of the men I work with. What is the answer? I don't know, dad. At present, my job is here, to win the war. The solving of that problem belongs to the big brains of the country in repayment of the debt to their men who are really valiant and true (no matter the talk of bigots) in their fight for equality in opportunity for everyone."

SALE OF FERTILIZER BY THE T. V. A.

Mr. McKELLAR. Mr. President, on May 8, 1944, I wrote a letter to Mr. P. H. Groggins, Chief of the Chemicals and Fertilizer Branch of the War Food Administration. I ask unanimous consent to have a copy of the letter I wrote to him printed in the RECORD at this point, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 8, 1944.

Hon. P. H. GROGGINS,
War Food Administration,
Washington, D. C.

MY DEAR MR. GROGGINS: I want to thank you for your courteous conversation over the telephone today telling me you would give me the areas into which the United States is divided in the matter of distributing fertilizers.

I would like to know not only the areas but the prices at which fertilizers are sold in the various areas and what fertilizer concerns or producers sold it and what is the nature of the contents of each fertilizer sold in each area as far as possible.

Then as you suggested, I would be glad to talk the matter over with you.

Thanking you for your courtesy, I am,

Very sincerely yours.

Mr. McKELLAR. Mr. President, yesterday I received from Mr. Groggins a letter, including certain exhibits. I ask unanimous consent to have the letter and the exhibits attached thereto printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter and exhibits were ordered to be printed in the RECORD, as follows:

WAR FOOD ADMINISTRATION,
OFFICE OF MATERIALS AND FACILITIES,
Washington, May 11, 1944.

Hon. KENNETH MCKELLAR,
United States Senate.

DEAR SENATOR MCKELLAR: This is in response to your letter request of May 8, which was in confirmation of our telephone conversation of the previous day in which you sought certain information relative to the distribution of ammonium-nitrate fertilizer.

Ammonium nitrate, conditioned for use as fertilizer, contains 32½ percent nitrogen and is produced in considerable quantity by the Tennessee Valley Authority and by four Government-owned ordnance plants. Production of these various plants is marketed by Associated Cooperatives, Inc., of Sheffield, Ala. This organization was formed in the late summer of 1943 by a group of farmer-owned cooperative fertilizer manufacturing organizations, most of whom were located in the Southern States.

Sales of all types of chemical nitrogen are made subject to allocations issued by the War Production Board. Consequently, Associated Cooperatives are only permitted to sell ammonium nitrate to fertilizer manufacturers and distributors holding such allocations. In cooperation with the Office of Defense Transportation, the War Production Board attempts to eliminate, insofar as possible, cross-hauling of the various fertilizer materials. As a result, Associated Cooperatives are further limited in their operations to the specific area to which the War Production Board allocates the materials sold by them.

Since our requirements for chemical nitrogen have expanded materially during the war period, it would be impossible for Associated Cooperatives to supply the demands throughout the United States. A number of plants in Canada, constructed to provide insurance against damage to British facilities, make ammonium nitrate in excess of Canadian requirements and this excess tonnage is offered for sale in the United States. The great bulk of the tonnage handled by the Associated Cooperatives is distributed in Kentucky, Tennessee, Georgia, Florida, Alabama, Mississippi,

Louisiana, Arkansas, and Texas. Practically all of the balance of the United States, with the exception of the west coast, is served with Canadian production, and a portion of the requirements in that area are supplied by the Hercules Powder Plant, in California.

The price of ammonium nitrate manufactured in Canada is competitive with that of sulfate of ammonia in the United States. The Canadian price of ammonium nitrate is based on the price per unit of nitrogen in sulfate of ammonia f. o. b. Atlantic ports and inland ovens, whichever results in the lowest freight rate. The price of the ammonium nitrate sold by the Associated Cooperatives was, until February 1 of this year, $49 f. o. b. nearest point of production. In order to avoid inequity to the buyer, the price was increased to $50 per ton on February 1, but was based on a freight charge from the nearest plant to the buyer, irrespective of the point from which it was actually shipped. The prices which we have quoted are the wholesale prices at which the material is sold to manufacturers and distributors.

In order that you can more clearly visualize the selling prices of T. V. A. and ordnance-produced ammonium nitrate as compared with the Canadian-produced material, let us cite the ports of Charleston, S. C., and Savannah, Ga. Under War Production Board allocations, Charleston is served by the Canadian production. The price at that point is $46.15 per ton. Savannah, Ga., is served by Associated Cooperatives and the price at that point is $55.35 per ton. Admittedly, the difference in prices would not be so great at inland points, although it would still be substantial. In all likelihood, there will be a reduction on the price of the ammonium nitrate marketed by Associated Cooperatives on June 1, although the new prices which are under discussion would not result in a uniform price of Canadian and American production.

The price at which ammonium nitrate may be sold to the consumer is regulated by MPR–108, issued by the Office of Price Administration. Without going into complete detail, this regulation tends to limit the maximum cost of ammonium nitrate to a consumer to an amount approximately $6 per ton over the delivered price paid by the fertilizer manufacturer or distributor. As an illustration, let us assume that a fertilizer manufacturer in Greenville, Miss., had allocated to him one carload of ammonium nitrate through Associated Cooperatives. The nearest point of production, freightwise, would be Milan, Tenn. Let us assume that the freight rate from Milan to Greenville would be $3 per ton. In that event, the consumer would pay a price of $59, which would represent $50 received by Associated Cooperatives, $3 in rail transportation, and a maximum margin of $6 per ton between the manufacturer, distributor, and/or dealer who made the actual sale to the farmer. In practice, shipment would very often not be made from the nearest ammonium nitrate plant, but it might be shipped from a plant in which the freight rate to Greenville would be several dollars per ton higher. In any event, the price which the Greenville, Miss., consumer pays is limited to the above illustration of shipment from Milan, Tenn.

This office does not maintain records of either production or shipments of ammonium nitrate from individual plants. We have, however, been supplied with some tables by the Associated Cooperatives and the War Production Board which may suffice to cover the information desired by yourself. One table transmitted herewith shows the average monthly production from the T. V. A. plant and the ordnance plants from January 1, 1944, through April 15, 1944. Another table shows the distribution, by States, of the ammonium nitrate shipped from these plants in the period October 1, 1943, through March 31, 1944, together with approvals of their shipments in the months of April and May. Actual April shipments are thought to approximate those shown in this table. Deliveries in May will fall substantially short of the approval shown thereon, since there has been a marked falling off in the demand for this material recently, due to weather conditions.

A third table shows the production and distribution by the Tennessee Valley Authority from July 1, 1943, through September 1943, which represents the period in which only T. V. A. material was available during the current fiscal year and was sold directly by them prior to the time Associated Cooperatives started operations. A final table gives the approximate distribution of Canadian material in the period from July 1, 1943, through April 30, 1944.

If there is any additional information which you would like we shall be only too glad to do our utmost to comply with your request.

Yours very truly,

P. H. GROGGINS,
Chief, Chemicals and Fertilizers Branch.

Average daily production, Jan. 1 to Apr. 15, 1944

WILSON DAM PLANT

Month	Total tons	Working days	Daily average
January	10,871.20	31	351
February	10,960.85	29	378
March	11,288.50	31	364
April (15)	5,871.60	15	391
Total	38,992.15	106	368

Average daily production, Jan. 1 to Apr. 15, 1944—Continued

LOUISIANA ORDNANCE PLANT

Month	Total tons	Working days	Daily average
January	4,239.00	25	170
February	4,334.50	25	173
March	4,464.00	27	165
April (15)	2,351.00	13	181
Total	15,388.50	90	171

WOLF CREEK ORDNANCE PLANT

January	2,350.00	25	94
February	2,120.00	20	106
March	198.00	3	66
April (15)	850.00	13	65
Total	5,518.00	61	90

BLUEBONNET ORDNANCE PLANT

January	4,682.00	25	187
February	5,280.00	25	211
March	6,107.00	27	226
April (15)	4,167.00	13	321
Total	20,236.00	90	225

LONE STAR DEFENSE CORPORATION

January	0	0	
February	753.00	13	58
March	3,049.00	27	113
April (15)	2,012.00	13	155
Total	5,814.00	53	110
Grand total	85,948.65	[1]	[1]

[1] Average for 106 calendar days Jan. 1 to Apr. 15 is 811 tons.

Summary of shipments by States of ammonium nitrate fertilizer, October through March, and approvals for April and May delivery

	October	November	December	January	February	March	Shipments July through March	Approvals April	Approvals May
Alabama	875	270.00	1,148	1,093.0	2,045.25	2,975.00	12,201.25	5,145	3,290
Arkansas	670	180.00	580	1,320.0	1,352.00	1,495.00	6,457.00	1,440	1,135
Florida	980	1,560.50	2,568	2,739.0	3,379.00	1,307.50	13,474.00	1,275	1,394
Georgia	838	780.00	1,650	2,395.0	2,138.00	1,890.00	14,806.00	1,998	890
Kentucky						1,247.00	1,247.50	312	1,335
Louisiana	385	1,730.00	285	1,340.0	1,360.00	2,440.00	8,600.00	2,930	2,350
Mississippi	4,786	8,042.25	8,197	9,341.5	7,661.80	7,203.00	49,509.55	5,690	6,915
Missouri						.25	.25		
Oklahoma						30.00	30.00	40	
Tennessee	320		120	490.0	990.00	2,285.50	5,255.50	3,280	1,975
Texas	1,525	350.00	1,165	2,905.0	725.00	725.00	10,185.00	1,460	2,590
Export	780		350	100.0	2,915.00	2,405.00	7,270.00		
Total	11,159	12,942.75	16,063	21,723.5	22,566.05	24,003.75	131,036.05	23,570	22,607

Summary of shipments by States of Tennessee Valley Authority ammonium nitrate fertilizer July, August, and September

	July	August	September
	Tons	*Tons*	*Tons*
Alabama	485	1,357.5	1,465
Arkansas	315	440.0	245
Florida	1,000	1,045.0	990
Georgia	1,742	1,615.0	1,803
Louisiana	300	420.0	400
Mississippi	710	990.0	2,758
Tennessee	540	280.0	400
Texas	1,890	810.0	850
Export	1,600	2,500.0	720
Total	8,582	9,457.5	9,631

Total Canadian shipments of ammonium nitrate

	Ashcraft	Balfour
	Tons	*Tons*
July	5,474	1,783
August	5,020	3,447
September	5,701	3,259
October	5,379	3,791
November	5,215	5,002
December	11,339	4,220
January	10,637	2,108
February	7,922	
March	11,392	
Total	68,079	23,610
Grand total	91,689	

Mr. McKELLAR. Mr. President, the letter from the War Food Administration shows that in connection with the sale and distribution of fertilizer, especially ammonium nitrate fertilizer, the country has been divided by the War Food Administration or by some other agency into three areas. I hope Senators will give particular attention to this matter. One of the areas is the California area. A second is the area including Kentucky, Tennessee, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, and Texas. The third area comprises the remainder of the country.

The area containing the States above named is known, so it seems from this letter, as the Tennessee Valley Authority and the ordnance plants area. In that area the Government is permitting the Tennessee Valley Authority and the several ordnance plants to sell ammonium nitrates to the farmers at prices from $6 to $9 a ton more than the price at which such fertilizer is sold to farmers in the other sections of the country.

Mr. President, at this point I desire to read from the Tennessee Valley Authority Act itself.

Section 5:

(d) The Board in order to improve and cheapen the production of fertilizer is authorized to manufacture and sell fixed nitrogen, fertilizer, and fertilizer ingredients at Muscle Shoals by the employment of existing facilities, by modernizing existing plants, or by any other process or processes that in its judgment shall appear wise and profitable for the fixation of atmospheric nitrogen or the cheapening of the production of fertilizer.

* * * * *

(h) To establish, maintain, and operate laboratories and experimental plants, and to undertake experiments for the purpose of enabling the Corporation to furnish nitrogen products for military purposes, and nitrogen and other fertilizer products for agricultural purposes in the most economical manner and at the highest standard of efficiency.

Section 11:

It is further hereby declared to be the policy of the Government to utilize the Muscle Shoals properties so far as may be necessary to improve, increase, and cheapen the production of fertilizer and fertilizer ingredients by carrying out the provisions of this act.

Section 19:

The Corporation, as an instrumentality and agency of the Government of the United States for the purpose of executing its constitutional powers, shall have access to the Patent Office of the United States for the purpose of studying, ascertaining, and copying all methods, formulas, and scientific information (not including access to pending applications for patents) necessary to enable the Corporation to use and employ the most efficacious and economical process for the production of fixed nitrogen, or any essential ingredient of fertilizer.

It will thus be seen that in four different places in the act provision is made for the economical or cheaper production of nitrates or fertilizers.

Mr. President, the price of nitrates in California need not be discussed here. The farmers in all the other portions of the country, except those in the nine States previously mentioned, buy their fertilizer from Canadian manufacturers. The Canadian manufacturers sell their fertilizer in the United States at prices from $6 to $9 a ton cheaper than the prices charged by the Tennessee Valley Authority and the ordnance plants. In other words, the farmers of the nine Southern States mentioned have to pay a penalty of from $6 to $9 a ton to the Tennessee Valley Authority, on the fertilizers obtained from the Tennessee Valley Authority and the ordnance plants. They pay that penalty to the Tennessee Valley Authority.

Mr. TYDINGS. And to the Government of the United States, we might say.

Mr. McKELLAR. Yes; as has been suggested, the penalty is paid to the Government of the United States on the fertilizers obtained from the Tennessee Valley Authority and the ordnance plants, and that penalty varies from $6 to $9 a ton.

I have recently read Lilienthal's book in which he describes what he is doing for the farmers. After reading the letter I have had printed in the RECORD, Mr. President, and after reading Lilienthal's book, it seems that Lilienthal has carefully omitted in his book any reference to what he is doing to the farmers. He is charging the farmers of that district and in those States from $6 to $9 a ton more for their fertilizer than the farmers in other States pay for the fertilizer they buy.

He carefully omitted from his book what he is doing to the farmers. He is selling to the "grass root" farmers he mentions in his book fertilizers to increase the productivity of their soil at prices from $6 to $9 a ton more than the prices at which they could buy the same fertilizers from Canadian manufacturers, if they were permitted to buy from them.

I asked the War Food Administration why the farmers in those States should be so penalized. Their reply was that they had asked the Tennessee Valley Authority to reduce the price, but they had refused to do so.

Mr. President, I have said before, and I repeat, that the Tennessee Valley Authority is one David Eli Lilienthal, and no one else, because he is in absolute and undisputed control of that Authority.

I found out another thing, Mr. President. Mr. Groggins came to see me this morning, and told me that yesterday an agent of the Tennessee Valley Authority was in his office, and he supposed that agent got the information he had sent me. I mention the fact to show that the Tennessee Valley Authority, under the absolute dictatorship of Lilienthal, has its agents everywhere, looking out after his own interests. When I write a letter to a department, asking for certain facts, those facts are submitted first to the Tennessee Valley Authority, and in the next instance they are submitted to me.

I was even told by Mr. Groggins that in a short time he expected Lilienthal to reduce the price of fertilizers to the farmers in his area by $5 a ton. In other words, after being caught up with, this scoundrelly, dishonest, and corrupt Administrator of the Tennessee Valley Authority—Lilienthal—is trying to squirm out and to make amends by reducing the price.

I ask Senators and Members of the House of Representatives from the nine States mentioned to read this letter. Representatives and Senators representing farmers all over the country should read this letter, and should see what sort of a mystifier toward the farmers we have as Administrator of the Tennessee Valley Authority. How any man who is supporting the farmers in this country can possibly uphold such a difference in price, it is impossible for me to understand.

Lilienthal ought to be dismissed for this one thing alone, and again I urge the President to dismiss him. He is untruthful and unworthy, and he is violating the law of the Tennessee Valley Authority which he is supposed to represent.

THE POLL TAX

The Senate resumed the consideration of the bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election of national officers.

The VICE PRESIDENT. Under the unanimous-consent agreement of yesterday, the Senator from Louisiana [Mr. ELLENDER] has the floor.

Mr. HILL. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Bailey	Gillette	Overton
Ball	Green	Radcliffe
Bankhead	Guffey	Reed
Barkley	Gurney	Revercomb
Bilbo	Hatch	Reynolds
Brewster	Hawkes	Robertson
Brooks	Hayden	Russell
Buck	Hill	Shipstead
Burton	Jackson	Smith
Bushfield	Johnson, Colo.	Stewart
Butler	La Follette	Taft
Byrd	Langer	Thomas, Idaho
Capper	McCarran	Tunnell
Caraway	McClellan	Tydings
Chavez	McFarland	Vandenberg
Clark, Mo.	McKellar	Wagner
Connally	Maloney	Walsh, Mass.
Cordon	Maybank	Walsh, N. J.
Danaher	Mead	Weeks
Davis	Millikin	Wheeler
Downey	Moore	Wherry
Eastland	Murdock	White
Ellender	Murray	Wilson
Ferguson	Nye	
George	O'Daniel	

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Utah [Mr. THOMAS] has been appointed by the President of the United States as a delegate to attend the International Labor Organization Conference in Philadelphia, and is therefore necessarily absent.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee

to Investigate the National Defense Program.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Nevada [Mr. SCRUGHAM] is absent on official business.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Oregon [Mr. HOLMAN], the Senator from Nebraska [Mr. WHERRY], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The VICE PRESIDENT. Seventy-six Senators have answered to their names. A quorum is present.

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, yesterday, in discussing the fact that the poll tax had nothing to do with the number of those eligible to vote who did vote, I made the statement that there were practically even numbers of women and men in South Carolina, and that women paid no poll tax.

I ask unanimous consent to have printed in the RECORD a statement furnished me by the Bureau of the Census showing that there are 509,192 women in South Carolina over 21 years of age eligible to vote as citizens, but who pay no poll tax.

I also ask unanimous consent to have printed a letter from the comptroller general of South Carolina.

I also wish to have printed a statement showing the number of votes received in the last election by myself and the distinguished Members of the House of Representatives who were elected. In making this request I know I am speaking for the others and myself when I say we are indeed grateful for every vote we received.

In connection with the statement showing the small number of votes cast, I submit this information merely to indicate that the poll tax has nothing in the world to do with preventing eligible citizens from voting, for all women are eligible, and all men who have paid their poll taxes are eligible, and those who are not able to pay their poll taxes are exempted. So the payment of the poll tax has nothing to do with the number of votes cast.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Figures given Senator MAYBANK by Bureau of Census May 11, 1944, from 1940 census.

(This, the Census Bureau said, would be your potential voting population:)

Number of men 21 years old and over in South Carolina who are citizens, 480,649.

Number of women 21 years old and over in South Carolina who are citizens, 509,192.

STATE OF SOUTH CAROLINA,
OFFICE OF THE COMPTROLLER GENERAL,
Columbia, May 10, 1944.

Hon. BURNET R. MAYBANK,
United States Senator,
Washington, D. C.

DEAR SENATOR: Poll taxes were assessed in South Carolina during the past 4 years as follows:

1940	$290,457
1941	294,543
1942	285,131
1943	271,179

* * * * *

As you already know poll taxes are earmarked for school purposes, and without the benefit of this tax many of the smaller rural schools would have been seriously handicapped, particularly during depression years.

If I can be of further service to you in this or any other matter, it will be a pleasure to have you call on me.

With personal regards, and best wishes, I am,

Sincerely yours,

E. C. RHODES,
Comptroller General.

(Statistics for South Carolina in the 1942 election:)

SOUTH CAROLINA

FOR UNITED STATES SENATOR

Burnet R. Maybank, Democrat	22,556

FOR REPRESENTATIVES

L. Mendel Rivers, Democrat	5,452
Hampton P. Fulmer, Democrat	4,448
Butler B. Hare, Democrat	3,201
Joseph R. Bryson, Democrat	4,228
James P. Richards, Democrat	3,122
John L. McMillan, Democrat	2,905

Mr. CONNALLY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CONNALLY. Mr. President, I ask unanimous consent to have printed in the RECORD a very informative article by Mr. Mark Sullivan, which appeared in the Washington Post, in which he opposes the pending bill, and in which he points out that the question is not one of being for or against the poll tax as such, but relates to the form of government, and that there is no racial discrimination in the poll tax.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLL-TAX ISSUE

(By Mark Sullivan)

FEDERAL POWERS

The proposal to abolish the poll tax as a requirement for voting in the eight States in which it still exists—and to do this by action of the Federal Government at Washington—fits into a tendency and process that has been under way for several years. It is a process of change in the whole pattern of American government and society—a change so far-reaching that if accomplished it would be, in the words of Dorothy Thompson describing it when it was getting under way some years ago, "profoundly revolutionary."

The attempted change follows four principal lines:

Enlargement of the power of the Federal Government at Washington, and of the Executive, at the expense of the rights of individuals—increased power of the Federal Government to regulate the individual and put compulsion upon him.

Enlargement of the power of the Executive at the expense of Congress.

Enlargement of the authority of the Executive at the expense of judicial discretion on the part of the courts—an enlargement suggested by Attorney General Biddle when, in asking a court to sustain the President's seizure of Montgomery Ward, he said, "Particularly in time of war, the court should not substitute its judgment for that of the Executive." (This elevation of the Executive was, of course, inherent also in President Roosevelt's unsuccessful attempt to change the Supreme Court in 1937.)

Immense enlargement of the power of the Federal Government at Washington at the expense of the States and other local subdivisions of Government.

Of all the attempted steps composing this tendency and process, possibly the most deep-reaching is the proposal that a qualification for voting, practiced in a small number of States, shall be abolished by an act of the Federal Government. It is deep-reaching because it would undermine the very existence of the States as units of Government. Of all the functions exercised by any unit of Government, that which has to do with voting is the most fundamental. Take that away, and ultimately little would remain.

At present the whole function of voting is exercised by the States exclusively, none of it by the Federal Government. The present proposal is that some of this function shall be taken from the States and be exercised by the Federal Government. If, by passage of the pending measure, a part of this function is taken over by the Federal Government, it will establish a principle and precedent by which other parts can be taken over. If the Federal Government can abolish the poll tax as a qualification for voting in eight States, it can by the same principle abolish or change other voting requirements in all the 48 States—such familiar qualifications as those having to do with residence in the State and voting district, citizenship, literacy, and the like. A Senator from New York, for example, who votes to abolish the poll tax as a voting qualification in Georgia, by his action asserts that Congress has power to abolish or change the qualifications of residence or citizenship or literacy or any other requisite in his own State.

The merit or demerit of the poll tax is not the real question. It has come to be commonly disapproved. Member after Member of Congress from States which still have the poll tax, but who oppose abolition of it by action of the Federal Government, have said, in effect, to quote words of Senator RUSSELL of Georgia: "I do not favor the poll tax." Because of this sentiment, the poll tax is being gradually abolished by action of the States themselves. Formerly common, it was abolished by Massachusetts some 50 years ago. An equivalent, requiring that some kind of tax be paid as a qualification for voting, was abolished in Pennsylvania as recently as some 15 years ago. North Carolina abolished the poll tax 24 years ago. Two other Southern States, Louisiana and Florida, abolished it within recent years. In three of the eight States in which it still exists, movements to abolish it are now under way.

One point should be borne in mind. The poll tax does not discriminate between Negroes and whites—a Negro can pay it and vote, as a white man can pay it and vote. There are voting devices in some Southern States which discriminate between the races—but the poll tax is not one of them. The organizing of Negroes in support of the pending measure before the Senate must have a motive other than resistance to discrimination. In the Senate debate it was asserted that the drive for the measure comes in large part from sources other than Negro.

Mr. ELLENDER. Mr. President, I can state frankly to the Senate that in opposing the pending bill I have absolutely no bias or prejudice, one way or the other, but I am viewing it solely from a legal standpoint. As a matter of fact I favor the abolition of poll taxes as a prerequisite for voting, provided it can be accomplished in accordance with the laws of the States where poll taxes are in force. I was speaker of the House of Representatives of Louisiana in 1932 when the legislature adopted a constitutional amendment abolishing poll taxes in my State. The amendment was submitted to the people for ratification and it carried by an overwhelming majority.

For the past 4 or 5 days this subject has been thoroughly discussed and most ably treated by many eminent Senators, and I doubt if any new arguments remain which can be advanced. I intend to discuss with the Senate some of the aspects of the government of the early settlers of our country in order to show that the question of suffrage was always treated as a local prerogative, and jealously guarded by the men and women of the Colonies. But before proceeding to that subject, I wish to reiterate, by way of emphasis, some of the arguments which have been made on the floor of the Senate against the pending bill.

Will anyone question the lucidity, the clearness, the clear-cut and unequivocal meaning of section 2 of article I of the Constitution of the United States?

I quote it:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Its language is so plain that it has never been questioned by anyone before the courts of our land. That language was fortified as late as 1912 and 1913 when the seventeenth amendment was adopted, providing for the election of Senators by direct vote of the people. In the seventeenth amendment appears the identical language that I have just quoted, so that today both the Members of the House of Representatives and the Members of the United States Senate are elected by the same class of voters who select the members of the legislatures of the 48 States of the Union.

The question of suffrage has come before our high Court on many occasions, and, as I have just stated, no attack has ever been made on section 2 of article I. The question has been raised in relation to the provisions of amendments 14 and 15 of our Constitution. In all cases the highest Court of our land has recognized in the States the absolute right to fix the qualifications of voters in the respective States. We have had several very interesting cases on the subject. One of the leading early ones is the case of United States against Cruikshank, reported in Federal Case (1875) No. 14, page 897. I read from the decision in that case where the Court was called upon to interpret the fifteenth amendment:

> It does not confer the right to vote. That is the prerogative of the State laws. It only confers a right not to be excluded from voting by reason of race, color, or previous condition of servitude.
>
> It is not the right to vote which is guaranteed to all citizens. Congress cannot interfere with the regulation of that right by the States except to prevent by appropriate legislation any distinction as to race, color, or previous condition of servitude. The State may establish any other conditions and discriminations it pleases, whether as to age, sex, property, education, or anything else.

Senators, can any language be more specific and to the point? Then we have the decision by the Supreme Court in the famous case of Minor against Happersett, reported in 21 Wallace, United States Code, 162. The Court held in that case that a provision in a State constitution which confined the right of voting to male citizens of the United States was not in violation of the Federal Constitution. Stop and think of that a moment, Senators. I know Senators will agree with me that there were women in the Nation then and there are women in the Nation now who are as intelligent and as well educated as any Member on the Senate floor; yet the Supreme Court of the United States held that a State had the right, under section 2 of article I, to determine who shall and who shall not vote, and with that section in mind the Court affirmed the constitutionality of a State constitution excluding women from voting.

I quote Chief Justice Waite:

> If the right of suffrage is one of the necessary privileges of a citizen of the United States, then the constitution and laws of Missouri confining it to men are in violation of the Constitution of the United States, as amended and consequently void. The direct question is, therefore, presented whether all citizens are necessarily voters.
>
> The Constitution does not define the privileges and immunities of citizens. For that definition we must look elsewhere. In this case we need not determine what they are, but only whether suffrage is necessarily one of them.
>
> It certainly is nowhere made so in express terms. The United States has no voters in the States of its own creation. The elective officers of the United States are all elected directly or indirectly by State voters. The members of the House of Representatives are to be chosen by the people of the States, and the electors in each State must have the qualifications requisite for electors of the most numerous branch of the State legislature. Senators are to be chosen by the legislatures of the States, and necessarily the members of the legislature required to make the choice are elected by the voters of the State. Each State must appoint in such manner, as the legislature thereof may direct, the electors to elect the President and Vice President.

Did the women of the United States take a position similar to that which pressure groups are now advocating respecting the bill before us? No. Thousands of valiant women, led by Susan B. Anthony (who went to jail on several occasions because she tried to vote—insisted on her right to vote and it was denied her), fought for adoption of a constitutional amendment permitting them to vote. As a result the nineteenth amendment, which was proposed in 1919 and approved in 1920, became a part of our Constitution.

Mr. President, there is no more forceful case in our court records than the one I have last referred to, which brings out the fact that the States have the sacred right of determining who shall vote and who shall not, and that Congress does not have that right. As has previously been stated by many Senators, passage of the pending bill by the Congress will be an encroachment on the judiciary, which the Constitution holds separate from the other branches of government. The bill attempts to vary the meaning of the language of our Constitution. I will make the further assertion that it is an attempt on the part of the Congress to amend our Constitution contrary to the method provided for in the Constitution. If we should permit such an encroachment it would be a direct curtailment of our dual system of government, and I predict that if we yield now this may be just the first of many similar attacks which may occur in future years. The present attack is nothing but a typical, outrageous, pernicious, destructive political attempt to amend our most sacred document, the Constitution, which has weathered political storms for over 150 years. I hope that Senators will cast aside the many telegrams and petitions which they are receiving in support of this measure, and in determining the issue use their good common sense and knowledge. If they do so I have no fear of the result.

Senators, mass thinking sponsored by agitators is bad for the country. It leads to the formation of pressure groups, and if we should give in to them we will soon be at their mercy, the Constitution will be a thing of the past, and our Republic will crumble.

During the debate the distinguished Senator from New York [Mr. MEAD] made a statement which he attributed to Mr. Roosevelt, our great President. I have never read that statement, but the Senator indicated that the President favors the abolition of poll taxes. Well, that is commendable, provided that he feels that the way to abolish them is through regular, lawful channels. The President is a lawyer and, I am certain, well versed in the law. I hope he does not favor the enactment of the pending bill. I would say that if the President of the United States, our great leader, should come out for a bill of this kind, then the President should bow his head in shame for playing politics with the Constitution.

The name of Mrs. Roosevelt has been mentioned by the distinguished junior Senator from New York [Mr. MEAD] in connection with the bill. I shall not indulge in much discussion about her attitude, because she has become such a fanatic on similar subjects that I doubt if she is taken seriously any longer.

The upstart from New York, Tom Dewey, Governor of New York, has also been brought into the picture by the distinguished junior Senator from New York [Mr. MEAD]. I have always thought of Tom Dewey as an upstart. He is a product of excellent press agents who have sung his praises all over the country. They have made a great public character of him. He has been well advertised. To my way of thinking, he is just one of those political bubbles which I hope will be burst if he should run for the

Presidency next November. God pity our country if it should be headed by a man of his caliber. He is a politician of the rankest kind, and admires himself when playing to the galleries. As was stated by the junior Senator from New York [Mr. MEAD], when Dewey ran for Governor of New York (where poll taxes are not a prerequisite for voting) he had a plank in his platform asking for the abolition of poll taxes. I wonder if he thought that he was fooling anyone. Is there any doubt in any one's mind that he was clamoring for the support of some of the folks of New York, who are advocating the abolition of the poll taxes in the South? Of what concern is it to the State of New York or any other State which has abolished poll taxes if Mississippi, Alabama, Texas, and other Southern States desire to have poll taxes? They have the right to impose them as a qualification for voting. The way to abolish the requirement in any State is for these spellbinders, these agitators who are now flooding Washington with petitions and telegrams, to go down to those States where poll taxes are imposed, get the people together, and get them to work to abolish the system in the manner provided by law.

Mr. MOORE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JACKSON in the chair). Does the Senator from Louisiana yield to the Senator from Oklahoma?

Mr. ELLENDER. I yield for a question.

Mr. MOORE. Does the Senator from Louisiana understand that Governor Dewey favors the enactment of the pending bill?

Mr. ELLENDER. I do not know. I understand that in answer to a telegram from Walter White, leader of some Negro association in Washington, that he wired White, and I quote:

> My views on this subject are well known. I have always fought against the poll tax and every device to deprive free people of their votes.

The fact that he has taken part in the controversy at the moment would lead me to believe that he does. In fact, it gives me the impression that he is for the bill.

Mr. MOORE. All Senators whom I have heard speak here thus far favor the abolition of the poll tax, but not by act of Congress.

Mr. ELLENDER. I hope Governor Dewey makes a statement to that effect, and I hope he issues it before Monday, since he has taken part in the controversy. At the moment he has left the impression that he is for the pending bill. If he is for abolition of poll taxes through the regular legal channels, let him say so now. That is what I ask of him, and I challenge him to do it.

Mr. President, quite a few other Senators desire to speak on the pending bill. I ask unanimous consent to have printed in the RECORD, in the proper place, as part of my remarks certain material which I have before me, but which I shall not take the time to read.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and permission is granted.

Mr. ELLENDER. Mr. President, as I indicated in the early part of my remarks, the question of suffrage was closely guarded by the first settlers who landed on our shores. They were granted charters by the British Crown. In only a few instances was the question of suffrage referred to in some of the colonial charters. But it was not long after the advent of the settlers on this continent that they began to formulate legislative bodies so as to handle the affairs of their people. As early as 1619 there was established the House of Burgesses in the State of Virginia, and in the rules and regulations of that colony it was provided how the members of the House of Burgesses should be selected. The voting rights prescribed had to do with real estate or property, more than anything else; because when the colonists first came to this country they viewed this venture to some extent from the commercial standpoint, as some historians have put it, and therefore took the position that persons who owned property were best fitted to govern the affairs of the colony, rather than persons who did not own property. So, throughout the history of the colony property ownership became the main qualification for voters.

I should like to read the following passage from Hart's Formation of the Union, at page 15, which sheds some light on the question of suffrage:

> In each—
>
> That is, in each of the Colonies—
>
> there was an elective legislature; in each the suffrage was very limited; everywhere the ownership of land in freehold or other property, or the occupancy of a house was a requisite, just as it was in England for the county suffrage. In many cases there was an additional provision that the voter must possess a specified large quantity of land or must pay specified taxes. In some Colonies there was a religious requirement.

Popular elections existed in each of the Colonies from the earliest date down to the Revolution. And what was the first consideration of these colonial groups, who were fiercely protective of their rights? For the answer, I quote from McCulloch's Suffrage and Its Problems, at page 16:

> One of the first tasks of these colonial assemblies was to regulate the elective franchise.

While the qualifications were vague and indefinite, there were many requirements, each a proof of the local regulation of voting qualifications. Even the Crown and the English Parliament made no serious attempt to modify or harmonize the various suffrage regulations. I quote:

> This left each Colony practically free to pass its own laws providing for the franchise. By the time of the Revolution this practice became thoroughly established, thus allowing each Commonwealth to make suffrage laws to fit its peculiar electoral problem. (See McCulloch, Suffrage and Its Problems, at p. 19.)

Down to 1776 there were seven qualifications for the elective franchise. The outstanding one was the landed-property qualification, as I previously indicated, which probably arose because of the business-corporation-like nature of the early Colonies. A tract of land was considered as giving one the "freedom of the company," as provided by Massachusetts in 1621, just as a block of stock entitles its holder to vote in a corporation.

Mr. President, I again wish to quote from some of the historians on the subject. I now quote from Porter's History of Suffrage in the United States, pages 3 and 4:

> But this very simple test of property holding could not long hold out alone, although it was the first and the dominating consideration for almost 200 years following. The population became so complex, the interests of colonists expanded so far beyond mere commercial enterprise, that other standards of fitness for participation in the affairs of the community were sought out and established. Strict limitations had been put upon the right to join the company, and after the companies ceased to exist and the Colonies became exclusively political institutions, the same limitations were carried over for the suffrage with some elaboration. They dealt with all the various things which are supposed to determine capacity to take intelligent interest in community affairs. Race, color, sex, age, religion, and residence were now investigated before the applicant was admitted to the suffrage. The theory was that only those who clearly had an interest in the colony—measured in terms of tried standards—should exercise the right of suffrage.

Mr. President, at this time I desire to call the attention of Senators to some of the requirements for voting existing in the various Colonies, so as to illustrate the means by which the Colonists expanded the qualifications and rights of suffrage for themselves in the administration of their affairs.

Virginia had varying requirements. In 1655 a voter had to be a habitant and a householder. In 1699 he had to be 21 years of age, a male habitant, a freeholder; Papists were barred. For your information Papists were Catholics. By 1762 this had been further refined by the freeholders being particularly required to own 50 acres, or 25 acres and a house 12 by 12.

Massachusetts first required religious standards, Puritan and Orthodox, in 1631. By 1691, Massachusetts required a voter to be English and to own 40 shillings freehold or property worth £40.

In 1638 Connecticut required a voter to be a habitant, a Puritan, and a freeman, and varied this by 1702 to specify that he have 40 shillings freehold or £40 property.

As early as 1665 Rhode Island required a "competent estate" and barred Christian Papists. By 1767 Rhode Island added to this the requirement of living in a town, plus owning 40 shillings freehold or £40 property.

In 1680 New Hampshire required that a voter be 24 years of age, English, Protestant, and have an estate of £20. By 1728 the last requirement was increased to £50 realty.

In 1669 North Carolina required a voter to be a deist and to have a 50-acre freehold. By 1760 this had varied. The qualifications were 21 years of age, 1½

years' residence, British nationality, and a 50-acre freehold.

In 1669 South Carolina required a person to be a deist and to have 50 acres freehold. By 1759 a South Carolina voter had to be white and 21 years of age, Protestant, and have a settled freehold.

Georgia demanded that a man be 21 years of age and have 50 acres of land. Papists or Catholics were barred. In 1775 the land requirement took on a subtle change. It was replaced. It was replaced by the word "taxpayer," plus one-half year's residence required, and Papists were barred.

In 1683 Pennsylvania required a voter to own 100 acres—10 cultivated—or 50 acres—20 cultivated—or taxes. In 1700 Pennsylvania required a man to be 21 years of age, a 2-year resident, English, and own 50 acres—12 cultivated—or £50 in property.

In 1701 Delaware had a 2-year residence requirement, a 21-year-age requirement, a land ownership of 50 acres—12 cultivated, or £50 in property. By 1733 British citizenship had been added to the list.

Maryland's only requirement in 1637 was that voters be freemen. In 1718 Maryland had barred Catholics and required 50 acres or £40 property.

Listen to the requirements of the State of the distinguished Senator from New York who spoke in favor of the bill a few days ago. In 1683 New York accepted a vote from any freeholder. In 1701 it required a voter to be 21 years of age and have £40 realty, and Papists, or Catholics, and Jews were barred.

In 1668 New Jersey allowed any freeholder to vote. In 1725 that freeholder had to be a 1-year resident, and own 100 acres or £50 of property.

Mr. President, from time to time the requirements which I have just indicated were changed; but there was no time when any of the Colonies did not require some kind of qualification for voters. The right to enact qualifications of voters was closely guarded and was always retained by the Colonies up to the time the formation of the Constitution was being considered.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. O'DANIEL. The Senator stated that there had been changes in the various laws which he has mentioned, prescribing qualifications for electors in the various States. Is it not a fact that they were changed by the Colonies or the States themselves, and not by the Federal Government?

Mr. ELLENDER. Absolutely. I have before me more than 275 pages of material written on cap size sheets, double spaced, and in some instances single spaced, which outlines in detail what was done in every State of our Union after the adoption of our Constitution, in reference to suffrage. At no time have the laws with respect to suffrage been changed or affected by any other agency than the States themselves. I am glad the Senator from Texas brought out that point. I intended to bring it out a little later in my argument.

It is interesting to note some of the varying reasons for the voting requirements, keeping in mind that the very fact that they have varied in each State, with the particular conditions of growth and existing population there, adds undeniable weight to the case I am presenting for each State in the Union, for their own continued right to judge their own needs and provide therefor.

I quote from Porter, History of Suffrage in the United States, pages 4 and 5:

Standards of character and fitness varied from one part of the country to another. In Massachusetts the Puritans believed that only by restricting suffrage to men in their churches could the future well-being of the colony be insured. The problem of the right to vote became distinctly subordinate. They restricted the suffrage for the good of the community. The fact that their standard of good character (church membership) was narrow is not at all surprising. The character of the man's employment was often considered a criterion of his ability to vote intelligently, and thus college men and clerical officers were presumed to be especially fit for the suffrage.

The philosophy of suffrage has always been more or less opportunistic, if the word is permissible. Suffrage qualifications are determined for decidedly materialistic considerations, and then a theory is evolved to suit the situation. In the early days riot and disorder might accompany an election. The authorities would thereupon fix the qualifications so that the disorderly people could not vote next time. Then would come the theory to justify it—only those owning a certain number of acres would be considered fit to vote, only those of a certain religious faith, and so on. Unquestionably this has happened in times of stress, for theory did not come to be the preliminary determining factor until complete peace and order prevailed, and even then theory was not uncolored by materialistic considerations. Suffrage limitations were bound to adapt themselves to social and economic conditions. In rural Virginia the freehold requirements of 50 acres excluded very few of the best type of men. But such a requirement in an urban community would have been intolerable. Obviously an absolute criterion could not obtain. It became necessary to adopt whatever criterion was calculated to embrace the best men.

Moral qualifications were restricted almost exclusively to New England. It was sometimes necessary for the voter to show proof of his good character. At other times if one were accused of improper conduct it would cost him his vote, although the particular offense was not mentioned in the law. In the South there were restrictions against men of certain race—foreigners and Negroes were excluded.

Quoting from Porter, supra, bottom of page 5 and all of page 6:

All of the restrictions and qualifications can be seen to support one of two fundamental principles: One may be called the theory of right and the other the theory of the good of the State. Every qualification imposed had one of these two principles in view. Either it was established in order to fulfill the right which certain people were supposed to have, or else it was established simply in order to serve the best interest of the State. It might have been said that a man had a right to vote because he owned property, or because he was a resident, or because he paid taxes, or simply because the right to vote was a natural right. And this would be the guiding consideration without regard to the effect it might have on the well-being of the community. Thus in some places nonconformists were allowed to vote because their property right was recognized. Nonresidents were permitted to vote where they owned property solely because they were supposed to have a right to vote on account of their holdings. This theory of right was the first to appear and has always persisted. Each generation would seek to add a new subhead to the title, as it were, and base a right to vote on some new ground.

The other great principle or theory had to do with the good of the State. It developed as soon as the narrow business corporation concept was abandoned, and it was most emphasized by the Puritans. It continues to the present day but has never been entirely divorced from the theory of right. Under this theory of the good of the State men were excluded because they were not church members, because they were criminals, because they had not been residents a long enough time. It is not always possible to classify every restriction definitely, but it may be said that one of these two theories controls every modification of the suffrage.

Before turning to the Articles of Confederation and our Constitution the following words concerning voting qualifications in the Colonies seem particularly appropriate:

It is of moment to note that there were no efforts at uniformity in the regulation of suffrage. In each colony by charter, or more often by acts of the assembly, the elective franchise was controlled independently. This commonwealth treatment of suffrage was the natural result of colonial history. So thoroughly grounded was this policy that when the colonies seized sovereignty and organized a federal government the suffrage program was undisturbed. It continued as the basic foundation on which all Federal elections must rest. (See McCulloch, Suffrage and Its Problems, at p. 29.)

The truth of the proposition that each State best knows its own conditions and is best equipped to handle them is shown by direction of the Continental Congress on May 10, 1776, following the outbreak of the Revolution, to each of the Colonies to "adopt such governments as shall best conduce to the happiness and safety of their constituents in particular, and America in general"—Hart, Formation of the Union, 1750–1829, at page 89. Following these instructions, the Colonies had already begun before July 4, 1776, to draw up written instruments of government.

McCulloch, Suffrage and Its Problems, page 30, first paragraph:

With the separation from the mother country came very little change for the Colonies severally. The Union took the place of the Crown, while the various commonwealth governments went on very much as before. Therefore suffrage regulations were not disturbed at all; each commonwealth continued to regulate the elective franchise independently. The several States sought directions of the Continental Congress as to framing constitutions to replace the old charters which had been granted by the King. But after this had been done the two sets of governments moved along independently. The central government under the Articles of Confederation interfered with the States as little as possible, and they do not seem to have looked to it even for advice.

Now let us note what happened, Mr. President, when the Convention met to draft the Constitution. Each colony sent delegates. I have before me excerpts from the debates which show the extent

to which the representatives of the Colonies guarded the right of suffrage. We all know that before the Convention met to draft our Constitution there existed the Articles of Confederation. Let me quote a few passages from those articles to show the extent to which each Colony guarded its sovereignty and the right of suffrage.

Article V provided that the delegates to the Confederation Congress should be appointed—

in such manner as the legislature of each State shall direct, to meet in Congress on the first Monday in November, in every year.

To show the doctrines which remained uppermost in the minds of the founders of this country, I quote from article II:

Each State retains its sovereignty, freedom, and independence, and every power, jurisdiction, and right, which is not by this confederation expressly delegated to the United States in Congress assembled.

I quote from article V of the Articles of Confederation:

For the more convenient management of the general interest of the United States, delegates shall be annually appointed in such manner as the legislature of each State shall direct, to meet in Congress on the first Monday in November, in every year, with a power reserved to each State, to recall its delegates, or any of them, at any time within the year, and to send others in their stead, for the remainder of the year.

When the delegates from each colony assembled to draft our present Constitution they were fired with many years of practical experience in providing for the methods of suffrage laws. The Committee on Detail that was concerned in drafting the particular article in question, article I, section 2, was composed of fine eminent lawyers. Three of them became justices of the Supreme Court, and one of them Attorney General. They knew the law. They knew the meaning of the English language. I hope Senators will take the time to read the debates before the Convention, and read a summary of what the Committee on Detail said in respect to this article. There is no question that the power to say who should or should not vote was to be left in the hands of the States.

On May 29, 1787, Edmund Randolph presented the following resolution:

"*Resolved, therefore,* That the rights of suffrage in the National Legislature ought to be proportioned to the quotas of contribution, or to the number of free inhabitants, as the one or the other rule may seem best in different cases.

"*Resolved,* That the National Legislature ought to consist of two branches.

"*Resolved,* That the Members of the first branch of the National Legislature ought to be elected by the people of the several States every (blank) for the term of (blank)." (United States—Formation of the Union, supra, page 116, all pars. 2, 3, and in par. 4 to semicolon after "term of.")

Then Mr. Charles Pinckney laid before the House the draught of a Federal Government which he had prepared, to be agreed upon between the free and independent States of America. (United States—Formation of the Union, p. 119.)

By all these statesmen the United States was referred to as a Union of free and independent States, a group of varying entities with varying problems, soils, industries, populations, having in mind future additions of more States, united for the common good of all.

Article III of Mr. Pinckney's draft reads:

"The Members of the House of Delegates shall be chosen every (blank) year by the people of the several States; and the qualifications of the electors shall be the same as those of the electors in the several States for their legislatures." (Elliott, Constitutional Debates, vol. I (1st ed.), p. 145.)

Pinckney also provided in article 5 of his plan:

"Each State shall prescribe the time and manner of holding elections by the people for the house of delegates." (See III Records of the Federal Convention, p. 597, Appendix D.)

Alexander Hamilton's suggested provision was a general one:

"III. The assembly to consist of persons elected by the people to serve for 3 years." (United States—Formation of the Union, p. 979.)

When Mr. Randolph's plan was considered, what was the feeling concerning the provision for election of members of the first branch of the National Legislature by the people of the several States? The discussion is illuminating in showing the angles considered, which make the meaning of the provisions ultimately adopted clear:

"Mr. Sherman opposed the election by the people, insisting that it ought to be by the State legislatures. The people, he said, immediately should have as little to do as may be about the Government. They want information and are constantly liable to be misled.

"Mr. GERRY. The evils we experience flow from the excess of democracy. The people do not want virtue but are the dupes of pretended patriots. In Massachusetts it has been fully confirmed by experience that they are daily misled into the most baneful measures and opinions by the false reports circulated by designing men, and which no one on the spot can refute. One principal evil arises from the want of due provision for those employed in the administration of government. It would seem to be a maxim of democracy to starve the public servants. He mentioned the popular clamor in Massachusetts for the reduction of salaries and the attack made on that of the Government, though secured by the spirit of the Constitution itself. He had, he said, been too republican heretofore; he was still, however, republican, but had been taught by experience the danger of the leveling spirit.

"Mr. Mason argued strongly for an election of the larger branch by the people. It was to be the grand depository of the democratic principle of the Government. It was, so to speak, to be our House of Commons. It ought to know and sympathize with every part of the community; and ought therefore to be taken not only from different parts of the whole Republic, but also from different districts of the larger members of it, which had in several instances, particularly in Virginia, different interests and views arising from difference of produce, of habits, etc. He admitted that we had been too democratic but was afraid we should incautiously run into the opposite extreme. We ought to attend to the rights of every class of people. He had often wondered at the indifference of the superior classes of society to this dictate of humanity and policy; considering that however affluent their circumstances, or elevated their situations, might be, the course of a few years, not only might but certainly would, distribute their posterity throughout the lowest classes of society. Every selfish motive therefore, every family attachment, ought to recommend such a system of policy as would provide no less carefully for the rights and happiness of the lowest than of the highest orders of citizens.

"Mr. Wilson contended strenuously for drawing the most numerous branch of the legislature immediately from the people. He was for raising the Federal pyramid to a considerable altitude, and for that reason wished to give it as broad a basis as possible. No government could long subsist without the confidence of the people. In a republican government this confidence was peculiarly essential. He also thought it wrong to increase the weight of the State legislatures by making them the electors of the National Legislature. All interference between the general and local government should be obviated as much as possible. On examination it would be found that the opposition of States to Federal measures had proceeded much more from the officers of the States, than from the people at large.

"Mr. Madison considered the popular election of one branch of the National Legislature as essential to every plan of free government. He observed that in some of the States one branch of the legislature was composed of men already removed from the people by an intervening body of electors. That if the first branch of the general legislature should be elected by the State legislatures, the second branch elected by the first—the Executive by the second together with the first; and other appointments again made for subordinate purposes by the Executive, the people would be lost sight of altogether; and the necessary sympathy between them and their rulers and officers, too little felt. He was an advocate for the policy of refining the popular appointments by successive filtrations, but thought it might be pushed too far. He wished the expedient to be resorted to only in the appointment of the second branch of the legislature, and in the Executive and judiciary branches of the Government. He thought too that the great fabric to be raised would be more stable and durable, if it should rest on the solid foundation of the people themselves, than if it should stand merely on the pillars of the legislatures.

"Mr. Gerry did not like the election by the people. The maxims taken from the British constitution were often fallacious when applied to our situation which was extremely different. Experience he said had shown that the State legislatures drawn immediately from the people did not always possess their confidence. He had no objection however, to an election by the people if it were so qualified that men of honor and character might not be unwilling to be joined in the appointments. He seemed to think the people might nominate a certain number out of which the State legislatures should be bound to choose.

"Mr. Butler thought an election by the people an impracticable mode.

"On the question for an election of the first branch of the National Legislature by the people.

"Massachusetts, aye; Connecticut, divided; New York, aye; New Jersey, no; Pennsylvania, aye; Delaware, divided; Vermont, aye; North Carolina, aye; South Carolina, no; Georgia, aye." (United States—Formation of the Union, p. 125 starting "Mr. Sherman," all p. 126, and on 127 through words "Georgia, aye.")

In the final report on Mr. Randolph's plan, the Committee of Whole merely said: "(3) Resolved that the Members of the first branch of the National Legislature ought to be elected by the people of the several States for the term of 3 years" (United States—Formation of the Union, at p. 201), and said nothing about voting qualifications, leaving this for specific provision in the States.

On Monday, August 6, the committee of detail reported, finally, the following provision (art. IV, sec. 1):

"The Members of the House of Representatives shall be chosen every second year by the people of the several States comprehended within the Union. The qualifications of the electors shall be the same from time to time as those of the electors in the several States of the most numerous branch of their own legislature." (See United States—Formation of the Union, at p. 472.)

It is particularly interesting to turn to the reports of the work of the committee of detail to see what stages article IV, section 1 (which is art. I, sec. 2, of our Constitution today) progressed through. The very regulations being proposed at this time in this body were suggested in 1787 at the Constitutional Convention and rejected at that time. On June 19 one draft was set forth. It provided:

"That the Members of the second branch of the Legislature of the United States ought to be chosen by the individual legislatures—to be of the age of 30 years at least—to hold their offices for the term of 6 years; one-third to go out biennially; to receive a compensation for the devotion of their time to the public service; to be ineligible to, and incapable of, holding any office under the authority of the United States (except those peculiarly belonging to the functions of the second branch) during the term for which they are elected, and for 1 year thereafter." (II Farrand, Records of Federal Convention, pp. 129 and 130.)

The next step was as follows:

"The qualification of electors shall be the same (throughout the States, viz) with that in the particular States unless the legislature shall hereafter direct some uniform qualification to prevail through the States (II Farrand, Records of Federal Convention, p. 139)—citizenship, manhood, sanity of mind, previous residence for 1 year, or possession of real property within the State for the whole of 1 year, or enrollment in the militia for the whole of a year."

Next:

"The Members of the House of Representatives shall be chosen biennially by the people of the United States in the following manner. Every freeman of the age of 21 years (having a freehold estate within the United States) who has (having) resided in the United States for the space of 1 whole year immediately preceding the day of election, and has a freehold estate in at least 50 acres of land." (II Farrand supra, p. 151.)

Then:

"The Members of the House of Representatives shall be chosen every second year (in the manner following) by the people of the several States comprehended within this Union (the time and place and the manner and the method of holding the elections and the rules). The qualifications of the electors shall be (appointed) prescribed by the legislatures of the several States; but their provisions (which they shall make concerning them shall be subject to the control of) concerning them may at any time be altered and superseded by the Legislature of the United States." (II Farrand supra, p. 153.)

Again, see the next report:

"The Members of the House of Representatives shall be chosen every second year, by the people of the several States comprehended within this Union. The qualifications of the electors shall be (prescribed by the legislatures of the several States; but these provisions concerning them may, at any time be altered and superseded by the Legislature of the United States) the same from time to time as those of the electors, in the several States, of the most numerous branch of their own legislatures." (II Farrand supra, p. 163.)

Every one of these suggestions was thought of long ago, gentlemen, and wisely rejected by the framers of our Constitution, when they finally agreed on the form above set out, that is—

"The Members of the House of Representatives shall be chosen every second year, by the people of the several States comprehended within this Union. The qualifications of the electors shall be the same, from time to time, as those of the electors in the several States, of the most numerous branch of their own legislatures." (II Farrand supra, p. 178, art. IV, sec. 1.)

This point, as all others in the much debated text, was discussed fully. It is interesting to see what such well informed and brilliant men as Gouverneur Morris, James Wilson (who was a Justice of the Supreme Court), Oliver Ellsworth (who was later Chief Justice of the Supreme Court), Colonel Mason, Benjamin Franklin, John Rutledge (who was also a Chief Justice of the Supreme Court), and James Madison, thought of the proposed resolution.

Mr. President, I wish Members of the Senate would take the time to read in detail what the members of the Convention thought on this subject, and how the language was torn to pieces in order to make it fit into their ideas of how the question of qualifications should be decided.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MAYBANK. I am deeply impressed with the eloquence by which the distinguished Senator from Louisiana has reviewed the subject of poll taxes in the early days of the Colonies. I should like to propound to him a question. In view of the various reasons for the imposition of poll taxes, will the Senator discuss their use in the early days?

Mr. ELLENDER. I did not intend to discuss that phase of the subject. I believe that two or three other Senators have discussed the matter, and I had not intended to go into that detail. I may say, however, that, insofar as the State of Louisiana was concerned, before we abolished poll taxes we collected from $350,000 to $400,000 a year, which was used to provide schools for our people of student age. I am sure that the same situation prevailed in many other States.

Mr. MAYBANK. Will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. MAYBANK. I may say that in the early days of the Colonies revenues from the poll taxes were used in the defense of the Carolinas.

Mr. ELLENDER. I thank the Senator for his contribution. Mr. President, as I had indicated before I was interrupted, after the committee on details had brought back its report to the convention, Gouverneur Morris voted to strike out the last section beginning with the words "qualifications of electors" in order that some other provision might be substituted which would restrict the right of suffrage to freeholders.

As has already been stated by two other Senators on this floor, there were three schools of thought as to where the regulation of suffrage should be placed. Some thought it should be placed in the hands of Congress. Others thought it should be embodied in the Constitution itself. However, the vast majority felt that it should be retained by the States. The debates indicate plainly what was in the minds of those who drafted the article to which I have referred.

Mr. President, as I have already obtained unanimous consent of the Senate to place excerpts of the debates in the RECORD, I will avail myself of that privilege at this point in my remarks.

Mr. President, as I indicated a bit ago, Mr. Gouverneur Morris moved to strike out the last number of the section beginning with the words "qualifications" of electors, in order that some other provision might be substituted which would restrain the right of suffrage to freeholders:

Mr. Fitzimmons seconded the motion.

Mr. Williamson was opposed to it.

Mr. WILSON. This part of the report was well considered by the committee, and he did not think it could be changed for the better. It was difficult to form any uniform rule of qualifications for all the States. Unnecessary innovations he thought too should be avoided. It would be very hard and disagreeable for the same persons at the same time, to vote for representatives in the State legislature and to be excluded from a vote for those in the National Legislature.

Mr. GOUVERNEUR MORRIS. Such a hardship would be neither great nor novel. The people are accustomed to it and not dissatisfied with it, in several of the States. In some the qualifications are different for the choice of the Governor and of the Representatives; in others for different houses of the legislature. Another objection against the clause as it stands is that it makes the qualifications of the National Legislature depend on the will of the States, which he thought not proper.

Mr. Ellsworth thought the qualifications of the electors stood on the most proper footing. The right of suffrage was a tender point, and strongly guarded by most of the State constitutions. The people will not readily subscribe to the National Constitution if it should subject them to be disfranchised. The States are the best judges of the circumstances and temper of their own people.

Colonel MASON. The force of habit is certainly not attended to by those gentlemen who wish for innovations on this point. Eight or nine States have extended the right of suffrage beyond the freeholders; what will the people there say, if they should be disfranchised? A power to alter the qualifications would be a dangerous power in the hands of the legislature.

Mr. BUTLER. There is no right of which the people are more jealous than that of suffrage. Abridgments of it tend to the same revolution as in Holland where they have at length thrown all power into the hands of the senators, who fill up vacancies themselves, and form a rank aristocracy.

Mr. Dickinson had a very different idea of the tendency of vesting the right of suffrage in the freeholders of the country. He considered them as the best guardians of liberty; and the restriction of the right to them as a necessary defense against the dangerous influence of those multitudes without property and without principle with which our country like all others, will in time abound. As to the unpopularity of the innovation it was in his opinion chimerical. The great mass of our citizens is composed at this time of freeholders, and will be pleased with it.

Mr. ELLSWORTH. How shall the freehold be defined? Ought not every man who pays a tax, to vote for the representative who is to levy and dispose of his money? Shall the wealthy merchants and manufacturers, who will bear a full share of the public burdens be not allowed a voice in the imposition of them—taxation and representation ought to go together.

Mr. GOUVERNEUR MORRIS. He had long learned not to be the dupe of words. The sound of aristocracy therefore had no effect upon him. It was the thing, not the name, to which he was opposed, and one of his principal objections to the Constitution as it is now before us, is that it threatens the country with an aristocracy. The aristocracy will grow out of the House of Representatives. Give the votes to people who have no property and they will sell them to the rich who will be able to buy them. We should not confine our attention to the present moment. The time is not distant when this country will abound with mechanics and manufacturers who will receive their bread from their employers. Will such men be the secure and faithful guardians of liberty? Will they be the impregnable barrier against aristocracy? He was as little duped by the association of the words "taxation and representation." The man who does not give his vote freely is not represented. It is the man who dictates the vote. Children do not vote. Why? Because they want prudence, because they have no will of their own. The ignorant and the dependent can be as little trusted with the public interest. He did not conceive the difficulty of defining "freeholders" to be insuperable. Still less that the restriction could be unpopular. Nine-tenths of the people are at present freeholders and these will certainly be pleased with it. As to merchants, etc., if they have wealth and value the right they can acquire it. If not they don't deserve it.

Colonel MASON. We all feel too strongly the remains of ancient prejudices, and view things too much through a British medium. A freehold is the qualification in England, and hence it is imagined to be the only proper one. The true idea in his opinion was that every man having evidence of attachment to and permanent common interest with the society ought to share in all its rights and privileges. Was this qualification restrained to freeholders? Does no other kind of property but land evidence a common interest in the proprietor? Does nothing besides property mark a permanent attachment? Ought the merchant, the moneyed man, the parent of a number of children whose fortunes are to be pursued in his own country, to be viewed as suspicious characters, and unworthy to be trusted with the common rights of their fellow citizens?

Mr. MADISON. The right of suffrage is certainly one of the fundamental articles of republican government, and ought not to be left to be regulated by the legislature. A gradual abridgment of this right has been the mode in which aristocracies have been built on the ruins of popular forms. Whether the Constitutional qualification ought to be a freehold, would with him depend much on the probable reception such a change would meet with in the States where the right was now exercised by every description of people. In several of the States a freehold was now the qualification. Viewing the subject in its merits alone, the freeholders of the country would be the safest depositories of republican liberty. In future times a great majority of the people will not only be without landed, but any sort of property. These will either combine under the influence of their common situation, in which case, the rights of property and the public liberty, will not be secure in their hands, or what is more probable, they will become the tools of opulence and ambition, in which case there will be equal danger on another side. The example of England had been misconceived (by Colonel Mason). A very small proportion of the representatives are there chosen by freeholders. The greatest part are chosen by the cities and boroughs, in many of which the qualification of suffrage is as low as it is in any one of the United States and it was in the boroughs and cities rather than the counties, that bribery most prevailed, and the influence of the Crown on elections was most dangerously exerted.

Dr. FRANKLIN. It is of great consequence that we should not depress the virtue and public spirit of our common people, of which they displayed a great deal during the war, and which contributed principally to the favorable issue of it. He related the honorable refusal of the American seamen who were carried in great numbers into the British prisons during the war, to redeem themselves from misery or to seek their fortunes, by entering on board the ships of the enemies to their country, contrasting their patriotism with a contemporary instance in which the British seamen made prisoners by the Americans, readily entered on the ships of the latter on being promised a share of the prizes that might be made out of their own country. This proceeded he said from the different manner in which the common people were treated in America and Great Britain. He did not think that the elected had any right in any case to narrow the privileges of the electors. He quoted as arbitrary the British statute setting forth the danger of tumultuous meetings, and under that pretext narrowing the right of suffrage to persons having freeholds of a certain value, observing that this statute was soon followed by another under the succeeding Parliament, subjecting the people who had no votes to peculiar labors and hardships. He was persuaded also that such a restriction as was proposed would give great uneasiness in the populous States. The sons of a substantial farmer, not being themselves freeholders, would not be pleased at being disfranchised, and there are a great many persons of that description.

Mr. MERCER. The Constitution is objectionable in many points, but in none more than the present. He objected to the footing on which the qualification was put, but particularly to the mode of election by the people. The people cannot know and judge of the characters of candidates. The worse possible choice will be made. He quoted the case of the senate in Virginia as an example in point. The people in towns can unite their votes in favor of one favorite and by that means always prevail over the people of the country, who being dispersed will scatter their votes among a variety of candidates.

Mr. Rutledge thought the idea of restraining the right of suffrage to the freeholders a very unadvised one. It would create division among the people and make enemies of all those who should be excluded.

On the question for striking out as moved by Mr. Gouverneur Morris, from the word qualifications to the end of the III article:

New Hampshire, no; Massachusetts, no; Connecticut, no; Pennsylvania, no; Delaware, aye; Maryland, divided; Virginia, no; North Carolina, no; South Carolina, no; Georgia, not present.

WEDNESDAY, AUGUST 8, IN CONVENTION

Article IV, section 1, being under consideration, Mr. Mercer expressed his dislike of the whole plan, and his opinion that it never could succeed.

Mr. GHORUM. He had never seen any inconvenience from allowing such as were not freeholders to vote, though it had long been tried. The elections in Philadelphia, New York, and Boston, where merchants and mechanics vote are at least as good as those made by freeholders only. The case in England was not accurately stated yesterday (by Mr. Madison). The cities and large towns are not the seat of crown influence and corruption. These prevail in the boroughs, and not on account of the right which those who are not freeholders have to vote, but of the smallness of the number who vote. The people have been long accustomed to this right in various parts of America, and will never allow it to be abridged. We must consult their rooted prejudices if we expect their concurrence in our propositions.

Mr. Mercer did not object so much to an election by the people at large including such as were not freeholders, as to their being left to make their choice without any guidance. He hinted that candidates ought to be nominated by the State legislatures.

On the question for agreeing to article IV, section 1, it passed nem. con. (Quoted from United States—Formation of Union, all pages 487, 488, 489, 490, 491 to art. IV, sec. 2, on p. 492.)

How timely this discussion is today. How true and to the point. I have no need to search for reasons or to manufacture a logician's arguments. I need only take the very words of men whom history has stamped with greatness and foresight to prove my position.

I repeat knowingly some of these well-considered words. In fact, I delight to dwell upon their wisdom:

The right of suffrage was a tender point, and strongly guarded by most of the State constitutions.

The States are the best judges of the circumstances and temper of their own people.

A power to alter the qualifications would be a dangerous power in the hands of the Legislature. Referring to the National Legislature.

Particularly note what Benjamin Franklin, noted for his practical, earthy, common sense, said:

He did not think that the elected had any right in any case to narrow the privileges of the electors.

When all the views were aired and the pros and cons of leaving the qualifications of voters for the National Legislature to be decided by the several States had been debated, the considered result was article I, section 2, of the Constitution of the United States, adopted September 17, 1787:

The House of Representatives shall be composed of members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

In submitting the Constitution Dr. Samuel Johnson, the Delegate from Connecticut, added to it the following letter:

The friends of our country have long seen and desired that the power of making war, peace, and treaties, that of levying money and regulating commerce, and the correspondent executive and judicial authorities should be fully and effectually vested in the General Government of the Union, but the impropriety of delegating such extensive trust to one body of men is evident. Thence results the necessity of a different organization. It is obviously impracticable in the Federal Government of these States to secure all rights of independent sovereignty to each, and yet provide for the interest and safety of all. Individuals entering into society must give up a share of liberty to preserve the rest. The magnitude of the sacrifice must depend as well on situation and circumstance as on

the object to be obtained. It is at all times difficult to draw with precision the line between those rights which must be surrendered, and those which may be reserved; and on the present occasion this difficulty was increased by a difference among the several States as to their situation, extent, habits, and particular interest.

In all our deliberations on this subject we kept steadily in our view that which appeared to us the greatest interest of every true American, the consolidation of our Union, in which is involved our prosperity, felicity, safety, perhaps our national existence. This important consideration, seriously and deeply impressed on our minds, led each State in the Convention to be less rigid in points of inferior magnitude than might have been otherwise expected; and thus the Constitution, which we now present, is the result of a spirit of amity and of that mutual deference and concession which the peculiarity of our political situation rendered indispensable. That it will meet the full and entire approbation of every State is not perhaps to be expected; but each will doubtless consider that had her interest alone been consulted, the consequences might have been particularly disagreeable and injurious to others; that it is liable to as few exceptions as could reasonably have been expected, we hope and believe; that it may promote the lasting welfare of that country so dear to us all, and secure her freedom and happiness, is our most ardent wish (p. 713, Formation of the United States).

Thus we see that at a time when all rights of independent sovereignty could not be secured to each State, when the interest of each State alone could not be considered, when the greatest interest of every American was the consolidation of the Union, even then, when the line was drawn between those rights which had to be surrendered and those which would be reserved, the right to determine the qualifications of voters was reserved to each State.

A comment on this is found in McCulloch, Suffrage and Its Problems, at page 30:

When the more perfect Union was formed under the Constitution of the United States, each State had the right to frame its own laws respecting suffrage. Hence, article V was carried over into the new Constitution and became article I, section 2: The franchise for the election of the Members of the House of Representatives shall in every State be the same as for the "most numerous branch of the State legislature." The Constitution did not disturb the diversities of suffrage regulations existing in the several Commonwealths; it adopted them. For the Constitution to have been anything but silent on the regulation of suffrage would have been an innovation, and, as Viscount Bryce observed, the Members of the Constitutional Convention were too sound political scientists to ignore precedents. Only in three amendments (and only directly in the fifteenth and nineteenth) has the Constitution trenched on the Commonwealth right to regulate suffrage—and even then under extraordinary circumstances.

McCulloch, further commenting, says:

While there has been a revolution in the conception of citizenship, there was no such change in the regulation of suffrage; the determining and regulating power continued to rest with the States. However, much as publicists and reformers may desire a uniform national suffrage law, it is unattainable; expediency and constitutionality are both adverse. In fact such a plan was considered by the Constitutional Convention itself, but it received the vote of only one commonwealth—Delaware. The provision made by the convention appears to be the best that lay within their option. The fathers were satisfied for the States to continue to make their own suffrage tests, rather than to further prolong the convention and still further endanger the rather slim chances of ratification by the several commonwealths. The prospect in the convention itself was anything but promising. Even Franklin moved to call in a parson that they might invoke the assistance of Heaven.

The Constitution conferred the franchise on no one. Likewise citizenship does not bestow suffrage, either upon the natural-born or the naturalized alien. The several States have the unqualified right to impose qualifications and regulate suffrage, subject only to the limitations in the amendments referred to above. In handing down the decision in the case of Corfield against Coryell, Judge Washington in enumerating the privileges and immunities that are usually associated with citizenship, said: "To which is to be added the elective franchise, as regulated and established by the laws or constitutions of the State in which it is exercised."

Also note what Hart says in his Formation of the Union, at pages 136–37:

"The real boldness of the Constitution is the novelty of the Federal system which it set up. This was the best of the few elaborate written constitutions ever applied to a federation; and the details were so skillfully arranged that the instrument framed for 13 little agricultural communities works well today for 48 large and populous States. * * * The convention knew how to select institutions that would stand together; it also knew how to reject what would have weakened the structure.

"It was a long time before a compromise between the discordant elements could be reached. To declare the country a centralized nation would destroy the traditions of a century and a half; to leave it an assemblage of States, each claiming independence and sovereignty, would throw away the results of the Revolution. The Convention finally agreed that while the Union should be endowed with adequate powers, the States should retain all powers not specifically granted, and particularly the right to regulate their own internal affairs."

Mr. President, soon after the Convention had completed its work, many articles were published which had been written by eminent men of that period. Among those men were Hamilton, Monroe, Madison, and many others. Some of the articles appear in the Federalist. Their publication, I believe, was timed so that they could be read by members of the State conventions who were selected to pass upon the ratification of the Federal Constitution. Allow me to read an excerpt from the Federalist, No. LII, by Hamilton.

From the more general inquiries pursued in the four last papers, I pass on to a more particular examination of the several parts of the Government. I shall begin with the House of Representatives.

The first view to be taken of this part of the Government relates to the qualifications of the electors and the elected.

Those of the former are to be the same with those of the electors of the most numerous branch of the State legislatures. The definition of the right of suffrage is very justly regarded as a fundamental article of republican government. It was incumbent on the Convention, therefore, to define and establish this right in the Constitution. To have left it open for the occasional regulation of the Congress would have been improper for the reason just mentioned. To have submitted it to the legislative discretion of the States, would have been improper for the same reason; and for the additional reason that it would have rendered too dependent on the State governments that branch of the Federal Government which ought to be dependent on the people alone. To have reduced the different qualifications in the different States to one uniform rule would probably have been as dissatisfactory to some of the States as it would have been difficult to the Convention. The provision made by the Convention appears, therefore, to be the best that lay within their option.

And so forth. When the Federal Constitution was submitted to the various States for adoption the question of qualification for voting became the main issue. The language which was incorporated in the Federal Constitution, article I, section 2, was hardly ever questioned. That is, no one raised any objections to the language as written, because it was plainly written that the right to prescribe who could and who could not vote in the States for members of the State legislatures and for Members of Congress was left to the States. However, I may say, in order to show how closely the States guarded their sovereignty, that many of the delegates to the State conventions objected to section 4 of article I, which gave the right to Congress to fix the times, places, and manner of holding elections.

Mr. President, in this connection I read from a speech by Mr. Wilson made at the Pennsylvania convention:

The legislative department is subdivided into two branches—the House of Representatives and the Senate. Can there be a House of Representatives in the General Government after the State governments are annihilated? Care is taken to express the character of the electors in such a manner that even the popular branch of the General Government cannot exist unless the governments of the States continue in existence.

How do I prove this? By the regulation that is made concerning the important subject of giving suffrage. Article I, section 2: "And the electors in each State shall have the qualifications for electors of the most numerous branch of the State legislature." Now, sir, in order to know who are qualified to be electors of the House of Representatives, we are to inquire who are qualified to be electors of the legislature of each State. If there be no legislature in the States, there can be no electors of them; if there be no such electors, there is no criterion to know who are qualified to elect Members of the House of Representatives. By this short, plain deduction, the existence of State legislatures is proved to be essential to the existence of the General Government. (Elliott II, Constitutional Debates.)

Concerning section 4 of article I, Mr. Wilson, who was one of the members of the Committee of Detail, said:

I will read it: "The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time, by law, make or alter such regulations, except as to the places of choosing Senators."

And is this a proof that it was intended to carry on this Government after the State governments should be dissolved and abrogated? This clause is not only a proper, but necessary one. I have already shown what pains have been taken in the convention to secure the preservation of the State governments. I hope, sir, that it was no crime to

sow the seed of self-preservation in the Federal Government; without this clause, it would not possess self-preserving power. By this clause, the times, places, and manner of holding elections, shall be prescribed in each State, by the legislature thereof. I think it highly proper that the Federal Government should throw the exercise of this power into the hands of the State legislatures; but not that it should be placed there entirely without control.

Again—

The power over elections, and of judging of elections, give absolute sovereignty. This power is given to every State legislature; yet I see no necessity that the power of absolute sovereignty should accompany it. My general position is that the absolute sovereignty never goes from the people.

Mr. Wilson leaves no doubt as to the meaning of the Constitution as he reiterates:

"Permit me to proceed to what I deem another excellency of this system: All authority, of every kind, is derived by representation from the people, and the democratic principle is carried into every part of the Government. I had an opportunity, when I spoke first, of going fully into an elucidation of this subject. I mean not now to repeat what I then said.

"I proceed to another quality, that I think estimable in this system: It secures, in the strongest manner, the right of suffrage. Montesquieu, book 2, chapter 2, speaking of laws relative to democracy, says:

" 'When the body of the people is possessed of the supreme power, this is called a democracy. When the supreme power is lodged in the hands of a part of the people, it is then an aristocracy.

" 'In a democracy the people are in some respects the sovereign and in others the subject.

" 'There can be no exercise of sovereignty but by their suffrages, which are their own will. Now, the sovereign's will is the sovereign himself. The laws, therefore, which establish the right of suffrage, are fundamental to this government. And, indeed, it is as important to regulate, in a republic, in what manner, by whom, to whom, and concerning what, suffrages are to be given, as it is, in a monarchy, to know who is the prince, and after what manner he ought to govern.'

"In this system, it is declared that the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature. This being made the criterion of the right of suffrage, it is consequently secured, because the same Constitution guarantees to every State in the Union a republican form of government. The right of suffrage is fundamental to the republics." (Elliott II, p. 482.)

In response to further objections to article I, section 4, Mr. Wilson said:

"It is repeated, again and again, by the honorable gentleman, that 'the power over elections, which is given to the general government in this system, is a dangerous power.' I must own, I feel, myself, surprised that an objection of this kind should be persisted in, after what has been said by the honorable colleague in reply. I think it has appeared, by a minute investigation of the subject, that it would have been not only unwise, but highly improper, in the late Convention, to have omitted this clause or given less power than it does over elections. Such powers, sir, are enjoyed by every State government in the United States. In some they are of a much greater magnitude; and why should this be the only one deprived of them? Ought not these, as well as every other legislative body, to have the power of judging of the qualifications of its own members? 'The times, places, and manner of holding elections for Representatives may be altered by Congress.' This power, sir, has been shown to be necessary, not only on some particular occasions, but even to the very existence of the Federal Government. I have heard some very improbable suspicions indeed suggested with regard to the manner in which it will be exercised. Let us suppose it may be improperly exercised; is it not more likely so to be by the particular States than by the Government of the United States?—because the general Government will be more studious of the good of the whole than a particular State will be; and, therefore, when the power of regulating the time, place, or manner of holding elections is exercised by the Congress it will be to correct the improper regulations of a particular State."

Mr. McKean enumerated the arguments against the Constitution and No. 4 was that Congress could, by law, deprive the electors of a fair choice of their Representatives by fixing improper times, places, and modes of election; he answered that argument as follows:

"Every House of Representatives are of necessity to be the judges of the elections, returns, and qualifications of its own Members. It is, therefore, their province, as well as duty, to see that they are fairly chosen, and are the legal Members; for this purpose, it is proper they should have it in their power to provide that the times, places, and manner of election should be such as to insure free and fair elections." (Elliott II, p. 535.)

Obviously this text had reference to procedure only, and insured against the failure of a State to provide for an election; it had no bearing upon the qualifications of the electors, or voters, which was specifically left to the States in article I, section 2.

However, being zealous in their guard of their rights, a group of citizens of Pennsylvania, gathered at a meeting in Harrisburg, suggested a number of amendments to be submitted to the new United States. Among them was the following provision:

"That Congress shall not have power to make or alter regulations concerning the time, place, and manner of electing Senators and Representatives, except in case of neglect or refusal by the State to make regulations for the purpose; and then only for such time as such neglect or refusal shall continue."

I may say that I shall place in the RECORD for the benefit of Senators excerpts from the statements of many members of the State conventions that ratified the Constitution. From the excerpts it will be noted that in most of the conventions the delegates argued that the clause "times, places, and manner of holding elections" should be stricken so that the States themselves should retain control in that respect.

The Massachusetts Convention entered upon the consideration of the proposed Constitution January 9, 1788. Here we find an extensive discussion of section 4, of article I:

"Mr. Pierce (for Partridgefield), after reading the fourth section, wished to know the opinion of gentlemen on it, as Congress appeared thereby to have a power to regulate the time, place, and manner of holding elections. In respect to the manner, said Mr. Pierce, suppose the legislature of this State should prescribe that the choice of the Federal representatives should be in the same manner as that of Governor—a majority of all the votes in the State being necessary to make it such—and Congress should deem it an improper manner, and should order that it be as practiced in several of the Southern States, where the highest number of votes make a choice—have they not power by this section to do so? Again, as to the place, continues Mr. Pierce, may not Congress direct that the election for Massachusetts shall be held in Boston? And, if so, it is possible that, previous to the election, a number of the electors may meet, agree upon the eight delegates, and propose the same to a few towns in the vicinity, who, agreeing in sentiment, may meet on the day of election, and carry their list by a major vote. He did not, he said, say that this would be the case; but he wished to know if it was not a possible one.

"Mr Bishop rose, and observed that by the fourth section Congress would be enabled to control the elections of Representatives. It has been said, says he, that this power was given in order that refractory States may be made to do their duty. But if so, sir, why was it not so mentioned? If that was the intention, he asked why the clause did not run thus: 'The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but,' if any State shall refuse or neglect to do so, 'Congress may,' etc. This, he said, would admit of no prevarication.

"He proceeded to observe that if the States shall refuse to do their duty, then let the power be given to Congress to oblige them to do it. But if they do their duty, Congress ought not to have the power to control elections. In an uncontrolled representation, says Mr. Bishop, lies the security of freedom; and he thought by these clauses that that freedom was sported with. In fact, says he, the moment we give Congress this power the liberties of the yeomanry of this country are at an end. But he trusted they would never give it; and he felt a consolation from the reflection.

"The fourth section, which provides that the State legislatures shall prescribe the time, place, and manner of holding elections, and that Congress may at any time make or alter them, except in those of Senators (though not in regular order), under deliberation.

"The Honorable Mr. Strong followed Mr. Bishop, and pointed out the necessity there is for the fourth section. The power, says he, to regulate the elections of our Federal representatives must be lodged somewhere. I know of but two bodies wherein it can be lodged—the legislatures of the several States and the general Congress. If the legislative bodies of the States, who must be supposed to know at what time, and in what place and manner, the elections can best be held, should so appoint them, it cannot be supposed that Congress, by the power granted by this section, will alter them; but if the legislature of a State should refuse to make such regulations, the consequence will be that the representatives will not be chosen, and the general government will be dissolved. In such case, can gentlemen say that a power to remedy the evil is not necessary to be lodged somewhere?

"Mr. J. C. Jones said it was not right to argue the possibility of the abuse of any measure against its adoption. The power granted to Congress by the fourth section, says he, is a necessary power; it will provide against negligence and dangerous designs. The senators and representatives of this State, Mr. President, are now chosen by a small number of electors; and it is likely we shall grow equally negligent of our Federal elections; or, sir, a State may refuse to send to Congress its representatives, as Rhode Island has done. Thus we see its necessity.

"To say that the power may be abused, is saying what will apply to all power. The Federal representatives will represent the people; they will be the people; and it is not probable they will abuse themselves. Mr. Jones concluded with repeating that the arguments against this power could be urged against any power whatever.

"Reverend WEST. I rise to express my astonishment at the arguments of some gentlemen against this section. They have only started possible objections. I wish the gentlemen would show us that what they so much depreciate is probable. Is it probable that we shall choose men to ruin us? Are we to object to all governments? And because power may be abused, shall we be reduced to anarchy and a state of nature? What hinders our State legislatures from abusing their powers? They may violate the Constitution, they may levy taxes oppressive and intolerable, to the amount of all our property. An argument which proves too much, it is said, proves nothing. Some say Congress may remove the place of elections to the State of South Carolina. This is inconsistent with the words of the Constitution, which says, 'that the elections, in each State, shall be prescribed by the legislature thereof,' etc., and that representation be apportioned according to numbers—it will frustrate the end of the Constitution—and is a reflection on the gentlemen who formed it. Can we, sir, suppose them so wicked, so vile, as to recommend an article so dangerous?"

The debate continued at length, while men sought to construe and interpret, to assure themselves that the State control of its elections was not superseded. The Honorable Mr. King, in the course of his speech, said:

"The idea of the honorable gentlemen from Douglass," said he, "transcends my understanding; for the power of control given by this section extends to the manner of election, not to qualifications of the electors." (Elliott II, supra, p. 51.)

The temper of the Convention is well illustrated by the words of Mr. Adams, speaking to the chair, John Hancock presiding, of the Convention.

"Another of your excellency's propositions is calculated to quiet the apprehensions of gentlemen lest Congress should exercise an unreasonable control over the State legislatures, with regard to the time, place, and manner of holding elections, which, by the fourth section of the first article, are to be prescribed in each State by the legislature thereof, subject to the control of Congress. I have had my fears lest this control should infringe the freedom of elections, which ought ever to be held sacred. Gentlemen who have objected to this controlling power in Congress have expressed their wishes that it had been restricted to such States as may neglect or refuse that power vested in them, and to be exercised by them if they please. Your excellency proposes, in substance, the same restrictions which, I should think, cannot but meet with their full approbation."

Mr. Mason was still worried over the possibilities of section 4.

"We now come, sir, to the fourth section. Let us see—the time, place, and manner of holding elections shall be prescribed in each State by the legislature thereof. No objections to this; but, sir, after the flash of lightning comes the peal of thunder. 'But Congress may at any time alter them,' etc. Here it is, Mr. President; this is the article which is to make Congress omnipotent. Gentlemen say this is the greatest beauty of the Constitution; this is the greatest security for the people; this is the all in all. Such language have I heard in this house; but, sir, I say, by this power Congress may, if they please, order the election of Federal Representatives for Massachusetts to be at Great Barrington or Machias; and at such a time, too, as shall put it in the power of a few artful and designing men to get themselves elected at their pleasure."

On February 7, 1788, Massachusetts ratified the Constitution, and added to its report these words: "And, as it is the opinion of this convention, that certain amendments and alterations in the said Constitution would remove the fears and quiet the apprehensions of many of the good people of the commonwealth, and more effectually guard against an undue administration of the Federal Government, the convention do therefore recommend that the following alterations and provisions be introduced into the said Constitution. Thirdly, that Congress do not exercise the powers vested in them by the fourth section of the first article, but in cases where a State shall neglect or refuse to make the regulations therein mentioned, or shall make regulations subversive of the rights of the people to a free and equal representation in Congress, agreeable to the Constitution."

With the qualifications of voters definitely to be regulated by the States under the Constitution, still, the people of Massachusetts were so concerned with the possible abuse of the power of Congress over the "time, place, manner," or procedure of an election that they wished it clearly understood that Congress should assure the exercise of such power only in case of extreme necessity, where neglect of duty by a State compelled it.

Among the amendments proposed to be suggested by the State of Maryland was the following:

"2. That the Congress shall have no power to alter or change the time, place, or manner of holding elections for Senators or Representatives, unless a State shall neglect to make regulations, or to execute its regulations, or shall be prevented by invasion or rebellion, in which cases only, Congress may interfere, until the cause be removed." (See II Elliott, p. 552.) However, so many amendments were suggested that, through fear of obtaining no security at all for the people, the Constitution was ratified.

In speaking to the Maryland House of Delegates, Mr. James McHenry said, referring to the section in the Constitution providing that the qualifications of electors be the same as those of electors for the State legislature:

"S. 2. To this section it was objected that if the qualifications of the electors were the same as in the State governments, it would involve in the Federal system all the disorders of a democracy; and it was therefore contended that none but freeholders, permanently interested in the Government, ought to have a right to suffrage. The venerable Franklin opposed to this the natural rights of man—their rights to an immediate voice in the General Assemblage of the whole Nation, or to a right of suffrage and representation, and he instanced from general history and particular events the indifference of those to the prosperity and welfare of the State who were deprived of it."

Also concerning section 4, he said:

"SEC. 4. It was thought expedient to vest the Congress with the powers contained in this section, which particular exigencies might require them to exercise, and which the immediate representatives of the people can never be supposed capable of wantonly abusing to the prejudice of their constituents—convention had in contemplation the possible events of insurrection, invasion, and even to provide against any disposition that might occur hereafter in any particular State to thwart the measures of the General Government."

New Hampshire acted with no discussion of the sections involving voting qualifications. However, we do find New Hampshire, equally watchful, recommending the following amendment, among others, to the Constitution:

"III. That Congress do not exercise the powers vested in them by the fourth section of the first article, but in cases when a State shall neglect or refuse to make the regulations therein mentioned."

On September 17, 1787, Virginia ratified the Constitution. The Virginia convention was lengthy, the debates heated and protracted. Article I, section 2, providing that the electors of the delegates to the House of Representatives shall have the qualifications for electors of the more numerous branch of the State legislature, was read. Mr. George Nicholas spoke as follows:

"Secondly, as it respects the qualifications of the elected. It has ever been considered a great security to liberty, that very few should be excluded from the right of being chosen to the legislature. This Constitution has amply attended to this idea. We find no qualifications required except those of age and residence, which create a certainty of their judgment being matured, and of being attached to their State.

"It has been objected, that they ought to be possessed of landed estates; but, sir, when we reflect that most of the electors are landed men, we must suppose they will fix on those who are in a similar situation with themselves. We find there is a decided majority attached to the landed interest; consequently, the landed interest must prevail in the choice. Should the State be divided into districts, in no one can the mercantile interest by any means have an equal weight in the elections; therefore, the former will be more fully represented in the Congress; and men of eminent abilities are not excluded for the want of landed property. There is another objection which has been echoed from one end of the continent to the other—that Congress may alter the time, place, and manner of holding elections; that they may direct the place of elections to be where it will be impossible for those who have a right to vote, to attend; for instance, that they may order the freeholders of Albemarle to vote in the county of Princess Anne, or vice versa; or regulate elections, otherwise, in such a manner as totally to defeat their purpose, and lay them entirely under the influence of Congress. I flatter myself, that, from an attentive consideration of this power, it will clearly appear that it was essentially necessary to give it to Congress as, without it, there could have been no security for the general Government against the State legislatures. What, Mr. Chairman, is the danger apprehended in this case? If I understand it right, it must be that Congress might cause the elections to be held in the most inconvenient places, and at so inconvenient a time, and in such a manner, as to give them the most undue influence over the choice, nay, even to prevent the elections from being held at all, in order to perpetuate themselves. But what would be the consequence of this measure? It would be this, sir, that the Congress would cease to exist; it would destroy the Congress itself; it would absolutely be an act of suicide; and therefore it can never be expected. This alteration, so much apprehended, must be made by law; that is, with the concurrence of both branches of the legislature.

Will the House of Representatives, the Members of which are chosen only for 2 years, and who depend on the people for their reelection, agree to such an alteration? It is unreasonable to suppose it.

"But let us admit, for a moment, that they fill: What would be the consequence of passing such a law? It would be, sir, that, after the expiration of the 2 years, at the next election they would either choose such men as would alter the law, or they would resist the Government. An enlightened people will never suffer what was established for their security to be perverted to an act of tyranny. It may be said, perhaps, that resistance would then become vain; Congress are vested with the power of raising an Army; to which I say, that if ever Congress shall have an army sufficient for their purpose, and disposed to execute their unlawful commands, before they would act under this disguise, they would pull off the mask, and declare themselves absolute. I ask, Mr. Chairman, is it a novelty in our Government? Has not our State legislature the power of fixing the time, places, and manner of holding elections? The possible abuse here complained of never can happen as long as the people of the United States are virtuous. As long as they continue to have sentiments of freedom and independence, should the Congress be wicked enough to harbor so absurd an idea as this objection supposes, the people will defeat their attempt by choosing other representatives, who will alter the law. If the State legislature, by accident, design, or any other cause, would not appoint a place for holding elections, then there might be no election till the time was past for which they were to have been chosen; and as this would eventually put an end to the Union, it ought to be guarded against; and it could only be guarded against by giving this discretionary power, to the Congress, of altering the time, place, and manner of holding the elections. It is absurd to think that Congress will exert this power, or change the time, place, and manner established by the States, if the States will regulate them properly, or so as not to defeat the purposes of the Union. It is urged that the State legislature ought to be fully and exclusively possessed of this power. Were this the case, it might certainly defeat the Government. As the powers vested by this plan in Congress are taken from the State legislatures, they would be prompted to throw every obstacle in the way of the General Government. It was then necessary that Congress should have this power.

"Another strong argument for the necessity of this power is, that, if it was left solely to the States, there might have been as many times of choosing as there are States. States having solely the power of altering or establishing the time of election, it might happen that there should be no Congress. Not only by omitting to fix a time, but also by the elections in the States being at 13 different times, such intervals might elapse between the first and last election, as to prevent there being a sufficient number to form a house; and this might happen at a time when the most urgent business rendered their session necessary; and by this power, this great part of the representation will be always kept full, which will be a security for a due attention to the interest of the community; and also the power of Congress to make the times of elections uniform in all the States, will destroy the continuance of any cabal, as the whole body of representatives will go out of office at once."

Governor Randolph, although he would not sign the Constitution at the time it was designed, defended it in an impassioned address.

Mr. Henry was equally impassioned in his plea to turn down the Constitution. Note what he says of section 4, article I (III Elliott, p. 60), as follows:

"What can be more defective than the clause concerning the elections? The control given to Congress over the time, place, and manner of holding elections, will totally destroy the end of suffrage. The elections may be held at one place, and the most inconvenient in the State; or they may be at remote distances from those who have a right of suffrage; hence 9 out of 10 must either not vote at all, or vote for strangers; for the most influential characters will be applied to, to know who are the most proper to be chosen. I repeat, that the control of Congress over the manner, etc., of electing, well warrants this idea. The natural consequence will be, that this democratic branch will possess none of the public confidence; the people will be prejudiced against representatives chosen in such an injudicious manner."

"Mr. Corbin, answering Mr. Henry, in part, said: 'Do the people wish land only to be represented? They have their wish: For the qualifications which the laws of the States require to entitle a man to vote for a State representative are the qualifications required by this plan to vote for a Representative of Congress; and in this State, and most of the others, the possession of a freehold is necessary to entitle a man to the privilege of a vote.' " (See Elliott III, pp. 110, 111.)

Governor Randolph, also answering Mr. Henry, said:

"The State will be laid off and divided into 10 districts: From each of these a man is to be elected. He must be really the choice of the people, not the man who can distribute the most gold; for the riches of Croesus would not avail. The qualifications of the electors being the same as those of the representatives for the State legislatures, and the election being under the control of the legislature, the prohibitory provisions against undue means of procuring votes to the State representation extend to the Federal Representatives; the extension of the sphere of election to so considerable a district will render it impossible for contracted influence, or local intrigues, or personal interest, to procure an election. Inquiries will be made by the voters into the characters of the candidates. Greater talents and a more extensive reputation will be necessary to procure an election for the Federal than for the State representation. The Federal Representatives must, therefore, be well known for their integrity and their knowledge of the country they represent. We shall have 10 men thus elected. What are they going yonder for? Not to consult for Virginia alone, but for the interest of the United States collectively. Will not such men derive sufficient information from their own knowledge of their respective States and from the codes of the different States?" (Elliott, III, pp. 125, 126.)

Mr. Henry retorted at length and resorted to bitter, vituperative remarks.

"I shall make a few observations to prove that the power over elections, which is given to Congress, is contrived by the Federal Government, that the people may be deprived of their proper influence in the Government, by destroying the force and effect of their suffrages. Congress is to have a discretionary control over the time, place, and manner of elections. The representatives are to be elected, consequently, when and where they please. As to the time and place, gentlemen have attempted to obviate the objection by saying, that the time is to happen once in 2 years, and that the place is to be within a particular district, or in the respective counties. But how will they obviate the danger of referring the manner of election to Congress. Those illumined genii may see that this may not endanger the rights of the people, but in my unlightened understanding, it appears plain and clear that it will impair the popular weight in the Government. Look at the Roman history. They had two ways of voting—the one by tribes, and the other by centuries. By the former, numbers prevailed; in the latter, riches preponderated. According to the mode prescribed, Congress may tell you that they have a right to make the vote of one gentleman go as far as the votes of a hundred poor men. The power over the manner admits of the most dangerous latitude. They may modify it as they please. They may regulate the number of votes by the quantity of property, without involving any repugnancy to the Constitution. I should not have thought of this trick or contrivance, had I not seen how the public liberty of Rome was trifled with by the mode of voting by centuries, whereby one rich man had as many votes as a multitude of poor men. The plebeians were trampled on till they resisted. The patricians trampled on the liberties of the plebeians till the latter had the spirit to assert their right to freedom and equality. The result of the American mode of election may be similar. Perhaps I may be told that I have gone through the regions of fancy—that I deal in noisy exclamations and mighty professions of patriotism. Gentlemen may retain their opinions; but I look on that paper as the most fatal plan that could possibly be conceived to enslave a free people. If such be your rage for novelty, take it, and welcome; but you never shall have my consent. My sentiments may appear extravagant, but I can tell you that a number of my fellow-citizens have kindred sentiments and I am anxious, if my country should come into the hands of tyranny, to exculpate myself from being in any degree the cause, and to exert my faculties to the utmost to extricate her. Whether I am gratified or not in my beloved form of government, I consider that the more she has plunged into distress, the more it is my duty to relieve her. Whatever may be the result, I shall wait with patience till the day may come when an opportunity shall offer to exert myself in her cause."

Such a piece of legislation as you are considering now in this Senate, if passed, would only vindicate the seemingly wild and hysterical conclusions of Mr. Henry.

Governor Randolph, further answering Mr. Henry, said:

"His interpretation of elections must be founded on a misapprehension. The Constitution says that 'the times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time, by law, make or alter such regulation, except as to the place of choosing Senators.' It says, in another place, 'that the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.' Who would have conceived it possible to deduce, from these clauses, that the power of election was thrown into the hands of the rich? As the electors of the Federal Representatives are to have the same qualifications with those of the representatives of this State legislature—or, in other words, as the electors of the one are to be the electors of the other—this suggestion is unwarrantable, unless he carries his supposition further, and says that Virginia will agree to her own suicide by modifying elections in such manner as to throw them into the hands of the rich. The honorable gentleman has not given us a fair object to be attacked; he has not given us anything substantial to be examined."

Note here that Governor Randolph particularly observed that the "electors of one are to be the electors of the other"—a principle and result which the bill I am now opposing would seek to change unconstitutionally.

Mr. John Marshall, speaking in behalf of the Constitution, said:

"If there be no impropriety in the mode of electing the Representatives, can any danger be apprehended? They are elected by those who can elect representatives in the State legislature."

When article I, section 4, was read in its proper turn in the Virginia convention, having been previously discussed in general with the rest of the document, "Mr. Monroe wished that the honorable gentleman, who had been in the Federal Convention, would give information respecting the clause 'concerning elections. He wished to know why Congress had an ultimate control over the time, place, and manner of elections of Representatives, and the time and manner of that of Senators, and also why there was an exception as to the place of electing Senators."

Mr. Madison replied:

"It was found necessary to leave the regulation of these, in the first place, to the State governments as being best acquainted with the situation of the people, subject to the control of the General Government in order to enable it to produce uniformity and prevent its own dissolution. And considering the State governments and general governments as distinct bodies, acting in different and independent capacities for the people, it was thought the particular regulations should be submitted to the former and the general regulations to the latter."

Again we see the framers of the Constitution intent on the protection of the provision for election by the States in the event of their negligent failure to provide therefor. At all times they conceded the States' right to provide for voting qualifications in their own limits more suitably than Congress could.

When Virginia finally ratified the Constitution they added a list of amendments which they suggested and sought. Among these was the following:

"16th. That Congress shall not alter, modify, or interfere in the times, places, or manner of holding elections for Sentors, or Representatives, or either of them except when the legislature of any State shall neglect, refuse, or be disabled, by invasion or rebellion, to prescribe the same."

Again we see a State convention desiring that the meaning of the framers be put into unquestionably plain language.

New York, the tenth State to act, ratified the Constitution July 26, 1788. Apparently, as in most of the State conventions, section 2 of article I met with approval, as there was no fault to be found with the provision that the qualifications of the electors should be the same as for those of the most numerous branch of the State legislature. But again we find dissatisfaction with the possibilities of abuse latent in section 4 of article I:

"Mr. Jones rose, and observed, that it was a fact universally known, that the present Confederation had not proved adequate to the purposes of good government. Whether this arose from the want of powers in the Federal head, or from other causes, he would not pretend to determine. Some parts of the proposed plan appeared to him imperfect, or at least not satisfactory. He did not think it right that Congress should have the power of prescribing or altering the time, place, and manner of holding elections. He apprehended that the clause might be so construed as to deprive the States of an essential right, which, in the true design of the Constitution, was to be reserved to them. He therefore wished the clause might be explained, and proposed, for the purpose, the following amendment: *'Resolved,* As the opinion of this committee, that nothing in the Constitution, now under consideration, shall be construed to authorize the Congress to make or alter any regulations, in any State, respecting the times, places, or manner of holding elections for Senators or Representatives, unless the legislature of such State shall neglect or refuse to make laws or regulations for the purpose, or, from any circumstance, be incapable of making the same, and then only until the legislature of such State shall make provision in the premises.'

"The Honorable Mr. Jay said that, as far as he understood the ideas of the gentleman, he seemed to have doubt with respect to this paragraph, and feared it might me misconstrued and abused. He said that every government was imperfect, unless it had a power of preserving itself. Suppose that, by design or accident, the States should neglect to appoint representatives; certainly there should be some constitutional remedy for this evil. The obvious meaning of the paragraph was, that, if this neglect should take place, Congress should have power, by law, to support the Government, and prevent the dissolution of the Union. He believed this was the design of the Federal convention." (Elliott, II, p. 325.)

"Mr. Smith expressed his surprise that the gentleman should want such an explanation. He conceived that the amendment was founded on the fundamental principles of representative government. As the Constitution stood, the whole State might be a single district for election. This would be improper. The State should be divided into as many districts as it sends Representatives. The whole number of Representatives might otherwise be taken from a small part of the State, and the bulk of the people, therefore, might not be fully represented. He would say no more at present on the propriety of the amendment. The principle appeared to him so evident, that he hardly knew how to reason upon it, until he heard the arguments of the gentlemen in opposition.

"Mr. DUANE. I will not examine the merits of the measure the gentleman recommends. If the proposed mode of election be the best, the legislature of this State will undoubtedly adopt it. But I wish the gentleman to prove that his plan will be practicable, and will succeed. By the constitution of this State, the Representatives are apportioned among the counties, and it is wisely left to the people to choose whom they will, in their several counties, without any further division into districts. Sir, how do we know the proposal will be agreeable to the other States? Is every State to be compelled to adopt our ideas on all subjects? If the gentleman will reflect, I believe he will be doubtful of the propriety of these things. Will it not seem extraordinary that any one State should presume to dictate to the Union. As the Constitution stands, it will be in the power of each State to regulate this important point. While the legislatures do their duty, the exercise of their discretion is sufficiently secured. Sir, this measure would carry with it a presumption which I should be sorry to see in the acts of this State. It is laying down, as a principle, that whatever may suit our interest or fancy should be imposed upon our sister States. This does not seem to correspond with that moderation which I hope to see in all the proceedings of this convention.

"Mr. SMITH. The gentleman misunderstands me. I did not mean the amendment to operate on the other States; they may use their discretion. The amendment is in the negative. The very design of it is to enable the States to act their discretion, without the control of Congress. So the gentleman's reasoning is directly against himself.

"If the argument had any force, it would go against proposing any amendment at all; because, says the gentleman, it would be dictating to the Union. What is the object of our consultations? For my part, I do not know, unless we are to express our sentiments of the Constitution before we adopt it. It is only exercising the privilege of freemen; and shall we be debarred from this? It is said it is left to the discretion of the States. If this were true, it would be all we contend for. But, sir, Congress can alter as they please any mode adopted by the States. What discretion is there here? The gentleman instances the Constitution of New York, as opposed to my argument. I believe that there are now gentlemen in this House who were members of the convention of this State and who are inclined for an amendment like this. It is to be regretted that it was not adopted. The fact is, as your constitution stands, a man may have a seat in your legislature who is not elected by a majority of his constituents. For my part, I know of no principle that ought to be more fully established than the right of election by a majority.

"Mr. DUANE. I neglected to make one observation which I think weighty. The mode of election recommended by the gentleman must be attended with great embarrassments. His idea is that a majority of all the votes should be necessary to return a Member.

"I suppose a State divided into districts. How seldom will it happen that a majority of a district will unite their votes in favor of one man! In a neighboring State, where they have this mode of election, I have been told that it rarely happens that more than one-half unite in a choice. The consequence is, they are obliged to make provision, by a previous election, for nomination, and another election for appointment; thus suffering the inconvenience of a double election. If the proposition was adopted, I believe we should be seldom represented—the election must be lost. The gentleman will therefore, I presume, either abandon his project, or propose some remedy for the evil I have described.

"Mr. SMITH. I think the example the gentleman adduces is in my favor. The States of Massachusetts and Connecticut have regulated elections in the mode I propose; but it has never been considered inconvenient, nor have the people ever been unrepresented. I mention this to show that the thing has not proved impracticable in those States. If not, why should it in New York?

"After some further conversation, Mr. Lansing proposed the following modification of Mr. Smith's motion—

"'And that nothing in this Constitution shall be construed to prevent the legislature of any State to pass laws, from time to time, to divide such State into as many convenient districts as the State shall be entitled to elect Representatives for Congress, nor to prevent such legislature from making provision, that the electors in each district shall choose a citizen of the United States, who shall have been an inhabitant of the district, for the term of 1 year immediately preceding the time of his election, for one of the representatives of such State.'

"Which being added to the motion of Mr. Jones, the committee passed the succeeding paragraphs without debate, till they came to the second clause of section 6."

On July 26, 1788, the ratification of the Constitution was effected, accompanied by a number of suggested amendments, among which was the one specifically defining those occasions on which Congress might exercise any power over the "time, place, and manner" of elections.

North Carolina remained reluctant and refused to ratify the Constitution until a convention of States was called and certain proposed amendments adopted. Again, no exception was taken to section 2 of article I.

When the first clause of the fourth section was read, the following discussion took place:

"Mr. SPENCER. Mr. Chairman, it appears to me that this clause, giving this control over the time, place, and manner of holding elections, to Congress, does away with the right of the people to choose the representatives every second year, and impairs the right of the State legislatures to choose the Senators. I wish this matter to be explained.

"Governor JOHNSON. Mr. Chairman, I confess that I am a very great admirer of the new Constitution, but I cannot comprehend the reason of this part. The reason urged is that every government ought to have the power of continuing itself, and that, if the general government had not this power, the State legislatures might neglect to regulate elections, whereby the Government might be discontinued. As long as the State legislatures have it in their power not to choose the Senators, this power in Congress appears to me altogether useless, because they can put an end to the general government by refusing to choose Senators. But I do not consider this such a blemish in the Constitution as that it ought, for that reason, to be rejected. I observe that every State which has adopted the Constitution, and recommended amendments, has given directions to remove this objection; and I hope, if this State adopts it, she will do the same.

"Mr. SPENCER. Mr. Chairman, it is with great reluctance that I rise upon this important occasion. I have considered with some attention the subject before us. I have paid attention to the Constitution itself, and to the writings on both sides. I considered it on one side as well as on the other, in order to know whether it would be best to adopt it or not. I would not wish to insinuate any reflections on those gentlemen who formed it. I look upon it as a great performance. It has a great deal of merit in it, and it is, perhaps, as much as any set of men could have done. Even if it be true, what gentlemen have observed, that the gentlemen who were delegates to the Federal Convention were not instructed to form a new Constitution, but to amend the Confederation, this will be immaterial, if it be proper to be adopted. It will be of equal benefit to us, if proper to be adopted in the whole, or in such parts as will be necessary, whether they were expressly delegated for that purpose or not. This appears to me to be a reprehensive clause; because it seems to strike at the State legislatures, and seems to take away that power of elections which reason dictates they ought to have among themselves. It apparently looks forward to a consolidation of the Government of the United States, when the State legislatures may entirely decay away.

"This is one of the grounds which have induced me to make objections to the new form of government. It appears to me that the State governments are not sufficiently secured, and that they may be swallowed up by the great mass of powers given to Congress. If that be the case, such power should not be given; for, from all the notions which we have concerning our happiness and well-being, the State governments are the basis of our happiness, security, and prosperity.

"A large extent of country ought to be divided into such a number of States as that the people may conveniently carry on their own government. This will render the government perfectly agreeable to the genius and wishes of the people. If the United States were to consist of 10 times as many States, they might all have a degree of harmony. Nothing would be wanting but some cement for their connection. On the contrary, if all the United States were to be swallowed up by the great mass of powers given to Congress, the parts that are more distant in this great empire would be governed with less and less energy. It would not suit the genius of the people to assist in the government. Nothing would support government in such a case as that but military coercion. Armies would be necessary in different parts of the United States. The expense which they would cost, and the burdens which they would render necessary to be laid upon the people would be ruinous. I know of no way that is likely to produce the happiness of the people but to preserve, as far as possible, the existence of the several States, so that they shall not be swallowed up.

"It has been said that the existence of the State governments is essential to that of the General Government, because they choose the Senators. By this clause it is evident that it is in the power of Congress to make any alterations except as to the place of choosing Senators. They may alter the time from 6 to 20 years, or to any time, for they have an unlimited control over the time of elections. They have also an absolute control over the election of the Representatives. It deprives the people of the very mode of choosing them. It seems nearly to throw the whole power of election into the hands of Congress. It strikes at the mode, time, and place of choosing Representatives. It puts all but the place of electing Senators into the hands of Congress. This supersedes the necessity of continuing the State legislatures. This is such an article as I can give no sanction to, because it strikes at the foundation of the governments on which depends the happiness of the States and the General Government. It is with reluctance I make the objection. I have the highest veneration for the characters of the framers of this Constitution. I mean to make objections only which are necessary to be made. I would not take up time unnecessarily. As to this matter, it strikes at the foundation of everything. I may say more when we come to that part which points out the mode of doing without the agency of the State legislatures.

"Mr. IREDELL. Mr. Chairman, I am glad to see so much candor and moderation. The liberal sentiments expressed by the honorable gentleman who spoke last command my respect. No time can be better employed than in endeavoring to remove, by fair and just reasoning, every objection which can be made to this Constitution. I apprehend that the honorable gentleman is mistaken as to the extent of the operation of this clause. He supposes that the control of the General Government over elections looks forward to a consolidation of the States, and that the general word 'time' may extend to 20, or any number of years. In my humble opinion this clause does by no means warrant such a construction. We ought to compare other parts with it. Does not the Constitution say that representatives shall be chosen every second year? The right of choosing them, therefore, reverts to the people every second year. No instrument of writing ought to be construed absurdly, when a rational construction can be put upon it. If Congress can prolong the election to any time they please, why is it said that representatives shall be chosen every second year? They must be chosen every second year, but whether in the month of March, or January, or any other month, may be ascertained, at a future time, by regulations of Congress. The word 'time' refers only to the particular month and day within the 2 years. I heartily agree with the gentleman, that, if anything in this Constitution tended to the annihilation of the State government, instead of exciting the admiration of any man, it ought to excite the resentment of execration. No such wicked intention ought to be suffered. But the gentlemen who formed the Constitution had no such object, nor do I think there is the least ground for that jealousy. The very existence of the General Government depends on that of the State governments. The State legislatures are to choose the Senators. Without a Senate there can be no Congress. The State legislatures are also to direct the manner of choosing the President. Unless, therefore, there are State legislatures to direct that manner, no President can be chosen. The same observation may be made as to the House of Representatives, since, as they are to be chosen by the electors of the most numerous branch of each State legislature, if there are no State legislatures, there are no persons to choose the House of Representatives. Thus it is evident that the very existence of the General Government depends on that of the State legislatures, and of course, that their continuance cannot be endangered by it.

"An occasion may arise when the exercise of this ultimate power in Congress may be necessary; as, for instance, if a State should be involved in war and its legislature could not assemble (as was the case of South Carolina, and occasionally of some other States during the late war); it might also be useful for this reason—lest a few powerful States should combine and make regulations concerning elections which might deprive many of the electors of a fair exercise of their rights, and thus injure the community and occasion great dissatisfaction. And it seems natural and proper that every government should have in itself the means of its own preservation. A few of the great States might combine to prevent any election of representatives at all, and thus a majority might be wanting to do business; but it would not be so easy to destroy the Government by the nonelection of Senators, because one-third only are to go out at a time, and all the States will be equally represented in the Senate. It is not probable this power would be abused; for, if it should be, the State legislatures would immediately resent it and their authority over the people will always be extremely great. These reasons induce me to think that the power is both necessary and useful. But I am sensible great jealousy has been entertained concerning it; and as perhaps the danger of a combination, in the manner I have mentioned, to destroy or distress the general Government, is not very probable, it may be better to incur the risk than occasion any discontent by suffering the clause to continue as it now stands. I should, therefore, not object to the recommendation of an amendment similar to that of other States—that this power in Congress should only be exercised when a State legislature neglected or was disabled from making the regulations required.

"Mr. SPENCER. Mr. Chairman, I did not mean to insinuate that designs were made by the honorable gentlemen who composed the Federal Constitution against our liberties. I only meant to say that the words in this place were exceedingly vague. It may admit of the gentleman's construction, but it may admit of a contrary construction. In a matter of so great moment words ought not to be so vague and indeterminate. I have said that the States are the bases on which the Government of the United States ought to rest and which must render us secure. No man wishes more for a Federal Government than I do. I think it necessary for our

happiness, but at the same time when we form a government which must entail happiness or misery on posterity, nothing is of more consequence than settling it so as to exclude animosity and a contest between the general and individual governments. With respect to the mode here mentioned, they are words of very great extent. This clause provides that a Congress may at any time alter such regulations, except as to the places of choosing Senators. These words are so vague and uncertain that it must ultimately destroy the whole liberty of the United States. It strikes at the very existence of the States, and supersedes the necessity of having them at all. I would therefore wish to have it amended in such a manner as that the Congress should not interfere but when the States refused or neglected to regulate elections.

"Mr. BLOODWORTH. Mr. Chairman, I trust that such learned arguments as are offered to reconcile our minds to such dangerous powers will not have the intended weight. The House of Representatives is the only democratical branch. This clause may destroy representation entirely. What does it say? 'The times, places, and manner, of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time, by law, make or alter such regulations, except as to the places of choosing Senators.' Now, sir, does not this clause give an unlimited and unbounded power to Congress over the times, places, and manner, of choosing Representatives? They may make the time of election so long, the place so inconvenient, and the manner so oppressive, that it will entirely destroy representation. I hope gentlemen will exercise their own understanding on this occasion, and not let their judgment be led away by these shining characters, for whom, however, I have the highest respect. This Constitution, if adopted in its present mode, must end in the subversion of our liberties. Suppose it takes place in North Carolina; can farmers elect them? No, sir. The elections may be in such a manner that men may be appointed who are not representatives of the people. This may exist, and it ought to be guarded against. As to the place, suppose Congress should order the elections to be held in the most inconvenient place in the most inconvenient district, could every person entitled to vote attend at such a place? Suppose they should order it to be laid off into so many districts, and order the election to be held within each district; yet may not their power over the manner of election enable them to exclude from voting every description of men they please? The democratic branch is so much endangered, that no arguments can be made use of to satisfy my mind to it. The honorable gentleman has amused us with learned discussions, and told us he will condescend to propose amendments. I hope the Representatives of North Carolina will never swallow the Constitution till it is amended.

"Mr. GOUDY. Mr. Chairman, the invasion of these States is urged as a reason for this clause. But why did they not mention that it should be only in cases of invasion? But that was not the reason, in my humble opinion. I fear it was a combination against our liberties. I ask, when we give them the purse in one hand, and the sword in another, what power have we left? It will lead to an aristocratical government, and establish tyranny over us. We are freemen, and we ought to have the privileges of such.

"Governor JOHNSTON. Mr. Chairman, I do not impute any impure intentions to the gentlemen who formed this Constitution. I think it unwarrantable in anyone to do it. I believe that were there 20 conventions appointed, and as many constitutions formed, we never could get men more able and disinterested than those who formed this; nor a constitution less exceptionable than that which is now before you. I am not apprehensive that this article will be attended with all the fatal consequences which the gentleman conceives. I conceive that Congress can have no other power than the States had. The States, with regard to elections, must be governed by the articles of the Constitution; so must Congress. But I believe the power, as it now stands, is unnecessary. I should be perfectly satisfied with it in the mode recommended by the worthy Member on my right hand. Although I should be extremely cautious to adopt any constitution that would endanger the rights and privileges of the people, I have no fear in adopting this Constitution, and then proposing amendments. I feel as much attachment to the rights and privileges of my country as any man in it; and if I thought anything in this Constitution tended to abridge these rights, I would not agree to it. I cannot conceive that this is the case. I have not the least doubt but it will be adopted by a very great majority of the States. For States who have been as jealous of their liberties as any in the world have adopted it, and they are some of the most powerful States. We shall have the assent of all the States in getting amendments. Some gentlemen have apprehensions that Congress will immediately conspire to destroy the liberties of their country. The men of whom Congress will consist are to be chosen from among ourselves. They will be in the same situation with us. They are to be bone of our bone and flesh of our flesh. They cannot injure us without injuring themselves. I have no doubt but we shall choose the best men in the community. Should different men be appointed, they are sufficiently responsible. I therefore think that no danger is to be apprehended.

"Mr. MCDOWALL. Mr. Chairman, I have the highest esteem for the gentleman who spoke last. He has amused us with the fine characters of those who formed that government. Some were good, but some were very imperious, aristocratical, despotic, and monarchial. If parts of it are extremely good, other parts are very bad.

"The freedom of election is one of the greatest securities we have for our liberty and privileges. It was supposed by the member from Edenton, that the control over elections was only given to Congress to be used in case of invasion. I differ from him. That could not have been their intention, otherwise they could have expressed it. But, sir, it points forward to the time when there will be no State legislatures—to the consolidation of all the States. The States will be kept up as boards of elections. I think the same men could make a better constitution; for good government is not the work of a short time. They only had their own wisdom. Were they to go now, they would have the wisdom of the United States. Every gentleman who must reflect on this must see it. The adoption of several other States is urged. I hope every gentleman stands for himself, will act according to his own judgment, and will pay no respect to the adoption by the other States. It may embarrass us in some political difficulties, but let us attend to the interest of our constituents.

"Mr. Iredell answered, that he stated the case of invasion as only one reason out of many for giving the ultimate control over elections to Congress.

"Mr. DAVIE. Mr. Chairman, a consolidation of the States is said by some gentlemen to have been intended. They insinuate that this was the cause of their giving this power of elections. If there were any seeds in this Constitution which might, one day, produce a consolidation it would, sir, with me, be an insuperable objection, I am so perfectly convinced that so extensive a country as this can never be managed by one consolidated government. The Federal Convention were as well convinced as the Members of this House, that the State governments were absolutely necessary to the existence of the Federal Government. They considered them as the great massy pillars on which this political fabric was to be extended and supported; and were fully persuaded that, when they were removed, or should moulder down by time, the General Government must tumble into ruin. A very little reflection will show that no department of it can exist without the State governments.

"Let us begin with the House of Representatives. Who are to vote for the Federal Representatives? Those who vote for the State representatives. If the State government vanishes, the General Government must vanish also. This is the foundation on which this Government was raised, and without which it cannot possibly exist.

"The next department is the Senate. How is it formed? By the States themselves. Do they not choose them? Are they not created by them? And will they not have the interest of the States particularly at heart? The States, sir, can put a final period to the Government, as was observed by a gentleman who thought this power over elections unnecessary. If the State legislatures think proper, they may refuse to choose Senators, and the Government must be destroyed.

"Is not this Government a nerveless mass, a dead carcass, without the executive power? Let your Representatives be the most vicious demons that ever existed; let them plot against the liberties of America; let them conspire against its happiness, all their machinations will not avail if not put in execution. By whom are their laws and projects to be executed? By the President. How is he created? By electors appointed by the people under the direction of the legislatures—by a union of the interest of the people and the State governments. The State governments can put a veto, at any time, on the General Government, by ceasing to continue the executive power. Admitting the Representatives or Senators could make corrupt laws, they can neither execute them themselves, nor appoint the Executive. Now, sir, I think it must be clear to every candid mind, that no part of this Government can be continued after the State governments lose their existence, or even their present forms. It may also be easily proved that all federal governments possess an inherent weakness, which continually tends to their destruction. It is to be lamented that all governments of a federal nature have been short-lived.

"Such was the fate of the Achaean league, the Amphictyonic council, and other ancient confederacies; and this opinion is confirmed by the uniform testimony of all history. There are instances in Europe of confederacies subsisting a considerable time; but their duration must be attributed to circumstances exterior to their government. The Germanic confederacy would not exist a moment, were it not for fear of the surrounding powers, and the interest of the emperor. The history of this confederacy is but a series of factions, dissensions, bloodshed, and civil war. The confederacies of the Swiss and United Netherlands would long ago have been destroyed, from their imbecility, had it not been for the fear, and even the policy, of the bordering nations. It is impossible to construct such a government in such a manner as to give it any probable longevity. But, sir, there is an excellent principle in this proposed plan of federal government, which none of these confederacies had, and to the want of which, in a great measure, their imperfections may be justly attributed—I mean the principle of representation. I hope that, by the agency

of this principle, if it be not immortal, it will at least be long-lived. I thought it necessary to say this much to detect the futility of that unwarrantable suggestion, that we are to be swallowed up by a great consolidated government. Every part of this Federal Government is dependent on the constitution of the State legislatures for its existence. The whole, sir, can never swallow up its parts. The gentleman from Edenton [Mr. Iredell] has pointed out the reasons of giving this control over elections to Congress, the principal of which was, to prevent a dissolution of the Government by designing States. If all the States were equally possessed of absolute power over their elections, without any control of Congress, danger might be justly apprehended where one State possesses as much territory as four or five others; and some of them being thinly peopled now, will daily become more numerous and formidable. Without this control in Congress, those large States might successfully combine to destroy the General Government. It was therefore necessary to control any combination of this kind.

"Another principal reason was that it would operate in favor of the people, against the ambitious designs of the Federal Senate. I will illustrate this by matter of fact. The history of the little State of Rhode Island is well known. An abandoned faction have seized on the reins of government and frequently refused to have any representation in Congress. If Congress had the power of making the law of elections operate throughout the United States no State could withdraw itself from the national councils without the consent of a majority of the Members of Congress. Had this been the case that trifling State would not have withheld its representation. What once happened may happen again; and it was necessary to give Congress this power to keep the Government in full operation. This being a federal government, and involving the interests of several States, and some acts requiring the assent of more than a majority, they ought to be able to keep their representation full. It would have been a solecism to have a government without any means of self-preservation. The Confederation is the only instance of a government without such means, and is a nerveless system, as inadequate to every purpose of government as it is to the security of the liberties of the people of America. When the councils of America have this power over elections they can, in spite of any faction in any particular State, give the people a representation. Uniformity in matters of election is also of the greatest consequence. They ought all to be judged by the same law and the same principles and not to be different in one State from what they are in another. At present the manner of electing is different in different States. Some elect by ballot and others viva voce. It will be more convenient to have the manner uniform in all the States. I shall now answer some observations made by the gentleman from Mecklenburg. He has stated that this power over elections gave to Congress power to lengthen the time for which they were elected. Let us read this clause coolly, all prejudice aside, and determine whether this construction be warrantable. The clause runs thus:

" 'The times, places, manner, of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time, by law, make or alter such regulations, except as to the place of choosing Senators.' I take it as a fundamental principle, which is beyond the reach of the general or individual governments to alter, that the Representatives shall be chosen every second year, and that the tenure of their office shall be for 2 years; that Senators be chosen every sixth year, and that the tenure of their office be for 6 years. I take it also as a principle that the electors of the most numerous branch of the State legislatures are to elect the Federal Representatives. Congress has ultimately no power over elections, but what is primarily given to the State legislatures. If Congress had the power of prolonging the time, etc., as gentlemen observe, the same powers must be completely vested in the State legislatures. I call upon every gentleman candidly to declare whether the State legislatures have the power of altering the time of elections for Representatives from 2 to 4 years, or Senators from 6 to 12; and whether they have the power to require any other qualifications than those of the most numerous branch of the State legislatures; and also whether they have any other power over the manner of elections any more than the mere mode of the act of choosing; or whether they shall be held by sheriffs, as contradistinguished from any other officer; or whether they shall be by votes, as contradistinguished from ballots, or any other way. If gentlemen will pay attention, they will find that, in the latter part of this clause, Congress has no power but what was given to the States in the first part of the same clause. They may alter the manner of holding the election, but cannot alter the tenure of their office. They cannot alter the nature of elections, for it is established, as fundamental principles, that the electors of the most numerous branch of the State legislatures shall elect the Federal Representatives, and that the tenure of their office shall be for 2 years; and, likewise, that the Senators shall be elected by the legislatures, and that the tenure of their office shall be for 6 years. When gentlemen view the clause accurately and see that Congress have only the same power which was in the State legislatures they will not be alarmed. The learned doctor on my right (Mr. Spencer) has also said that Congress might lengthen the time of elections. I am willing to appeal to grammatical construction and punctuation.

"Let me read this, as it stands on paper. (Here he read the clause different ways, expressing the same sense.) Here, in the first part of the clause, this power over elections is given to the States, and in the latter part the same power is given to Congress, and extending only to the time of holding, the place of holding, and the manner of holding, the elections. Is this not the plain, literal, and grammatical construction of the clause? Is it possible to put any other construction on it, without departing from the natural order, and without deviating from the general meaning of the words, and every rule of grammatical construction? Twist it, torture it, as you may, sir, it is impossible to fix a different sense upon it. The worthy gentleman from New Hanover—whose ardor for the liberty of his country I wish never to be dampened—has insinuated that high characters might influence the members on this occasion. I declare, for my own part, I wish every man to be guided by his own conscience and understanding, and by nothing else. Every man has not been bred a politician, nor studied the science of government; yet, when a subject is explained, if the mind is unwarped by prejudice, and not in the leading-strings of other people, gentlemen will do what is right. Were this the case, I would risk my salvation on a right decision."

Note particularly what Mr. Davie said:

"They cannot alter the nature of the elections; for it is established as fundamental principles that the electors of the most numerous branch of the State legislature shall elect the Federal Representatives."

Mr. Davie said:

"This clause, sir, has been the occasion of much groundless alarm, and has been the favorite theme of declamation out of doors. I now call upon the gentlemen of the opposition to show that it contains the mischiefs with which they have alarmed and agitated the public mind, and I defy them to support the construction they have put upon it by one single plausible reason. The gentleman from New Hanover has said, in objection to this clause, 'that Congress may appoint the most inconvenient place in the most inconvenient district, and make the manner of election so oppressive as entirely to destroy representation.' If this is considered as possible, he should also reflect that the State legislatures may do the same thing. But this can never happen, sir, until the whole mass of the people become corrupt, when all parchment securities will be of little service. Does that gentleman, or any other gentleman who has the smallest acquaintance with human nature or the spirit of America, suppose that the people will passively relinquish privileges, or suffer the usurpation of powers unwarranted by the Constitution? Does not the right of electing Representatives revert to the people every second year? There is nothing in this clause that can impede or destroy this reversion; and although the particular time of year, the particular place in a county or a district, or the particular mode in which elections are to be held, as whether by vote or ballot, be left to Congress to direct, yet this can never deprive the people of the right or privilege of election. He has also added, 'that the democratical branch was in danger from this clause,' and, with some other gentlemen, took it for granted that an aristocracy must arise out of the General Government. This, I take it, from the very nature of the thing, can never happen. Aristocracies grow out of the combination of a few powerful families, where the country or people upon which they are to operate are immediately under their influence; whereas the interest and influence of this Government are too weak, and too much diffused, ever to bring about such an event. The confidence of the people, acquired by a wise and virtuous conduct, is the only influence the members of the Federal Government can ever have. When aristocracies are formed, they will arise within the individual States. It is therefore absolutely necessary that Congress should have a constitutional power to give the people at large a representation in the Government, in order to break and control such dangerous combinations. Let gentlemen show when and how this aristocracy they talk of is to arise out of this Constitution. Are the first members to perpetuate themselves? Is the Constitution to be attacked by such absurd assertions as these, and charged with defects with which it has no possible connection?" (Elliott, IV, p. 66.).

Mr. Maclaine said:

"Mr. Chairman, I thought it very extraordinary that the gentleman who was last on the floor should say that Congress could do what they pleased with respect to elections, and be warranted by this clause. The gentleman from Halifax (Mr. Davie) has put that construction upon it which reason and common sense will put upon it. Lawyers will often differ on a point of law, but people will seldom differ about so very plain a thing as this" (Elliott, IV, supra, pp. 68, 68).

And the remarks of Mr. Steele are today, 1944, as absolutely pertinent and as directly against the bill before this body as they were when uttered by him in 1788.

"Mr. STEELE. Mr. Chairman, the gentleman has said that the five Representatives which this State shall be entitled to send to the General Government will go from the seashore. What reason has he to say they will go from the seashore? The time, place, and manner of holding elections are to be prescribed by the legislatures. Our legislature is to regulate the first election, at any

event. They will regulate it as they think proper. They may, and most probably will, lay the State off into districts. Who are to vote for them? Every man who has a right to vote for a representative to our legislature will ever have a right to vote for a Representative to the General Government. Does it not expressly provide that the electors in each State shall have the qualifications requisite for the most numerous branch of the State legislature? Can they, without a most manifest violation of the Constitution, alter the qualifications of the electors? The power over the manner of elections does not include that of saying who shall vote—the Constitution expressly says that the qualifications which entitle a man to vote for a State representative. It is, then, clearly and indubitably fixed and determined who shall be the electors; and the power over the manner only enables them to determine how these electors shall elect—whether by ballot, or by vote, or by any other way. Is it not a maxim of universal jurisprudence, of reason, and common sense, that an instrument or deed of writing shall be so construed as to give validity to all parts of it, if it can be done without involving any absurdity? By construing it in the plain, obvious way I have mentioned, all parts will be valid."

These words should be italicized and underscored in our minds. They state absolutely, that under the Constitution as written, Congress can never constitutionally regulate the qualifications of electors. I agree.

The North Carolina convention suggested the amendment, "4. That Congress shall not alter, modify, or interfere in the times, places, or manner of holding elections for Senators and Representatives, or either of them, except when the legislature of any State shall neglect, refuse, or be disabled by invasion or rebellion, to prescribe the same."

The convention adjourned August 4, 1788.

On May 29, 1790, Rhode Island ratified the Constitution, and listed a number of proposed amendments. Among these was—

"that Congress shall not alter, modify, or interfere in, the times, places, or manner, of holding elections for Senators and Representatives, or either of them, except when the legislature of any State shall neglect, refuse, or be disabled, by invasion or rebellion, to prescribe the same, or in case when the provision made by the State is so imperfect as that no consequent election is had, and then only until the legislature of such State shall make provision in the premises."

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to my distinguished colleague.

Mr. OVERTON. In the debates which took place in the Constitutional Convention and those which took place in the conventions in the different States, held for the purpose of ratifying and adopting the Constitution, was there any contention advanced by anyone that the manner of holding elections as provided for in section 4 had anything whatsoever to do with the qualifications of voters?

Mr. ELLENDER. Absolutely not. There was not a word about it. On the contrary, as I have just indicated to the Senate, section 2 of article I was not questioned. Its language was so plain, so direct, and so clear that all delegates knew its meaning. Question as to its interpretation never arose, except now and then it was mentioned by various members; but all of them agreed as to the meaning of the language. There never was any doubt as to what that language meant. I have submitted excerpts from the statements made in these conventions which I am sure will be of much interest to Senators.

Now, Mr. President, let me refer to what the great State of South Carolina did when it ratified the Constitution. The convention of South Carolina added this observation or recommendation to its ratification:

And whereas it is essential to the preservation of the rights reserved to the several States, and the freedom of the people, under the operations of a general government, that the right of prescribing the manner, time, and places of holding elections to the Federal Legislature, should be forever inseparably annexed to the sovereignty of the several States, this convention doth declare that the same ought to remain, to all posterity, a perpetual and fundamental right in the local, exclusive of the interference of the General Government, except in cases where the legislatures of the States shall refuse or neglect to perform and fulfill the same, according to the tenor of the said Constitution.

That sentiment was expressed not only by South Carolina but by several other States as I indicated to the Senate a while ago, and as will appear from the excerpts heretofore placed by me in the RECORD.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. DAVIS. Who was the author of the statement the Senator has just read. Was it a resolution of the legislature?

Mr. ELLENDER. The members of the South Carolina convention made those observations after the Constitution was ratified.

Mr. President, as I indicated a while ago, I have many data on my desk which I know would prove of great interest to Senators. My office force has been working on these data for almost 6 months. I have sufficient data at hand to enable me to speak before the Senate for more than a hundred hours. I was preparing myself to meet this assault upon the Constitution, and, so far as I am concerned, if the occasion should present itself, or if we should continue this debate, I expect to talk against it so long as I have breath. This attempt to enter into the front door of our citadel of freedom and destroy its very foundation will simply mean an end to our Republic. We must not permit such a diabolical assault, ever. I know of no such brazen attempt to override our Constitution.

If we are to listen to pressure groups here and there, and if the Members of the Senate and the Members of the House of Representatives do not exercise the right given to them to represent their people, as contemplated by a representative form of government, instead of having them represented by pressure groups, I have no doubt in my mind that sooner or later it will, I repeat, spell the death knell of our great Republic.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. DAVIS. The Senator has just stated that in the State of Louisiana the poll tax was repealed. Can the Senator tell me how much of an increase there was in the vote of the State after the poll tax was repealed?

Mr. ELLENDER. I think that the qualified voters increased by about 40 percent. The number of voters fluctuated; we had between 350,000 and 425,000 prior to the abolition of the poll tax, and thereafter between 575,000 and 650,000 voters registered.

The difficulty is that many people do not take much interest in politics except when it comes to the election of their local officials. For instance, when I ran for the Senate in September 1942, there were over 600,000 registered voters in my State, and barely half of them voted.

Mr. President, I plead with Senators to study the bill, independent of any petitions, telegrams, and the like which are received from some of these pressure groups. Let reason be their torch, and I am confident of the result, and I hope and pray that on Monday next Senators will vote against cloture. The pending bill must not pass.

I am ready, I am willing, to debate the issues. I am not looking for that, however. We have at the moment more important tasks to perform, and I ask Senators from the North, in fact, from all over the country, not to impose this proposal on the few remaining States which have the poll tax. Let those States decide what is best to be done, and if these pressure groups desire to get results, let them make their fights in the States which have the poll-tax laws on their statute books, and let them proceed in an orderly way, as I have heretofore indicated.

We did not have to have anyone to persuade us in the State of Louisiana to repeal the poll-tax law, and I am confident that if this question is approached through the proper legal channels, there will not be any difficulty within the next 2 or 3 or 4 years in wiping out poll taxes as a prerequisite to voting throughout the country. Mr. President, all I ask is that this infamous bill be not passed. The Senate must not stoop to such degrading means to accomplish the abolition of the payment of poll taxes for the privilege of voting. Let us keep the standards of this body on a high plane so as to command the respect and approbation of our people. Let us permit the sovereign States of the Union to continue to exercise their legal right in fixing the qualifications of voters. Let us stand as one for law and order, lest anarchy may follow.

Mr. SMITH. Mr. President, it is a matter of supreme concern to me to see the Senate of the United States debating the question whether we shall allow the Constitution of the United States to be raped and destroyed for political reasons.

I have tried to fortify myself, and I have asked myself the question, What was the Constitution for? Why did the delegates from every colony meet in convention? It is necessary to read colonial history in order to understand the situation.

The Declaration of Independence recited the reason for the Declaration of Independence. I wish every Senator would refresh his memory by reading it. So far as the race question is concerned, it is just a smoke screen; it has nothing to do with this horrible onslaught on the Constitution.

In the first place, we had the Articles of Confederation, which were a foreshadowing of the Constitution. The Constitutional Convention met, with representatives present from every colony. After a bloody 7-year war they understood the weakness of each colony in attempting to preserve its own integrity, its sovereignty, and, as we now call it, the rights of the States.

The first seven amendments to the Constitution define the relation of the States, not to the Government, but to this instrument they were setting up to preserve their independence and their rights. Read the first seven articles.

At the threshold of the Constitution, as has been stated, the representatives of the Thirteen Colonies said, "We will preserve our right to govern our own bailiwick, and delegate to the Federal Government only those things which we cannot do by ourselves." The adoption of the Constitution of the United States, in setting up the Federal Government, was an act of self-preservation. This Government was not created by itself. The Thirteen Colonies created a breastwork from behind which and through which they could defend themselves against enemies, both foreign and domestic. That was all. How could anyone think that in such circumstances they would give up the very essential thing which guarantees sovereignty, the right to regulate elections, and provide qualifications for electors?

This morning I read the Declaration of Independence, and it sounded much like one we could issue at this time, a declaration of independence by American citizens that they would preserve against all comers that instrument which was inspired by thousands of years of the tyranny of dictators, emperors, and kings.

So far as the race question is concerned, it does not enter into the seriousness of this moment. Think how the sovereign States preserved their sovereignty. It was provided that the House should represent the people, but the Senate should represent the sovereign States, and sovereignty did not depend upon the extent of the geographical limits or on the numerical population. Rhode Island has as many Senators as New York. We as Senators represent the sovereign States, and here we are, actually taking time in seriously debating whether or not we shall allow a breach in the wall of our citadel, the Constitution.

If the Constitution had been submitted to the States containing a proviso that this body or any other body should rule the States, it never would have been ratified. I was reading this morning that one State voted 37 to 32 to ratify the Constitution. I did not read the debate, but I want the RECORD to show that I deplore that we should now be debating whether we should breach the wall because of this appeal, this camouflage, relating to allowing the Negro to vote.

I shall not discuss that question. It is too ridiculous a matter to bring into so serious a thing as an open, aboveboard attempt to destroy the Constitution. We know who is back of it. I feel rather disappointed in my colleagues, some of whom stand here and actually argue in favor of letting the Congress decide the qualifications of voters.

Mr. EASTLAND. Mr. President——

The PRESIDING OFFICER (Mr. AIKEN in the chair). Does the Senator from South Carolina yield to the Senator from Mississippi?

Mr. SMITH. I yield.

Mr. EASTLAND. The distinguished Senator from South Carolina stated that we all know the influences back of the bill. I have in my hand a pamphlet gotten out by the United Automobile Workers, C. I. O., a branch of the C. I. O. political action committee, and I notice in it that this organization is out to purge the distinguished senior Senator from South Carolina.

Mr. SMITH. Yes. Well, it has been tried by others.

Mr. EASTLAND. The organization is out to purge the distinguished Senator from South Carolina because of certain votes he has cast in this body, and because the distinguished Senator has opposed measures which this organization conceives to be liberal and progressive. If the Senator will permit me I should like to read the type of legislation which this organization desires to have passed. I read from page 11 of the pamphlet:

> Once labor played a prominent part in politics in the South. * * * This was during the reconstruction years, 1866 to 1876, when the common man in the South voted and passed some of the most progressive legislation that region had ever known.

Mr. SMITH. Yes; that was the time when 90 percent were ignorant Negroes controlled by carpetbaggers.

Mr. EASTLAND. And that was the time when the poll tax was passed by the legislature in South Carolina and in my State of Mississippi, also. Think of it, the C. I. O. political action committee brazenly advocates bringing back the reconstruction era to the South in the name of liberalism. These aliens desire to destroy our institutions and mongrelize our people.

Mr. SMITH. Yes.

Mr. EASTLAND. The Senator from South Carolina has distinguished company on the list of those attempted to be purged by Sidney Hillman and the C. I. O. political action committee. They denounce the distinguished senior Senator from South Carolina [Mr. SMITH]; they denounce the distinguished senior Senator from Virginia [Mr. GLASS]; they denounce the distinguished junior Senator from Virginia [Mr. BYRD]; they denounce the distinguished senior Senator from Tennessee [Mr. MCKELLAR]; they denounce the junior Senator from Tennessee [Mr. STEWART]; they denounce the junior Senator from Arkansas [Mr. MCCLELLAN]; in fact, the Senator from Arkansas and the Senator from South Carolina [Mr. SMITH] head the list of purgees in the South.

Mr. SMITH. I wish the Senator would thank them for the compliment.

Mr. EASTLAND. Then the junior Senator from Mississippi is on that list, and I am certainly proud of the company I am in. The junior Senator from South Carolina [Mr. MAYBANK] is on that list. Both Senators from Texas are on that list. Both Senators from Georgia are on that list. The senior Senator from Alabama [Mr. BANKHEAD] is on that list.

I should like to read why there is an attempt made to purge the Senator from South Carolina and an attempt to purge all of us. It is because of his opposition to certain legislation which has been presented to this body. Why the C. I. O. lists its reasons for attempting to purge us. They list in their pamphlet our legislative actions that they condemn. First it is because the Senator from South Carolina and all of us who are on the list supported the Smith-Connally antistrike bill, and for the further reason that we voted to override the Presidential veto on that measure and secure all our production for the war effort, because we supported the bill to freeze farm labor, and the Bankhead amendment to include farm-labor costs in computing parity. It is because the distinguished senior Senator from South Carolina, and all of us who are on the list, supported an amendment to the act extending the life of the Commodity Credit Corporation, prohibiting the use of its funds for price roll-backs and consumer subsidies, and because following the leadership of the distinguished Senator from South Carolina we voted to cut the appropriation of the Domestic Branch of O. W. I., a department which at that time was absolutely rotten and infested with Communists. I will say that so far as that agency is concerned, it today has a fine competent man at the head of it, Mr. Healy, and I think under his direction it is one of the best agencies in the Government. I proceed further. There is an attempt to purge the Senator from South Carolina and the rest of us because we supported the amendment lifting the $25,000 ceiling on salaries last year, and because we supported the new tax bill a few months ago, and also because we voted to dismiss three governmental employees who were found guilty by a House committee of being Communists. We are to be purged because we have supported the war effort. Because we have advocated equality for agriculture, and because we have insisted upon curbing those who would strike in war industry at the time of their country's peril. Mr. President, we have all represented the welfare of our people, and we shall always protect the social customs and institutions of the South. We shall continue to protect them against this Communist alien monster, the C. I. O. political action committee.

Mr. SMITH. Does the Senator find any more Senators on that honor roll? I wish he would write a note to the authors of the pamphlet and thank them for the compliment.

Mr. STEWART. Mr. President, will the Senator yield to me for a moment?

Mr. EASTLAND. I had not concluded——

Mr. STEWART. I have been out of the Chamber until this moment. I understood the Senator made or read some complimentary things about me while I was absent.

Mr. EASTLAND. The writers of the pamphlet I am speaking of have devoted a whole paragraph to the distinguished junior Senator from Tennessee. I read from the pamphlet:

> STEWART, of Tennessee, has put S. 240 into the hopper. It prohibits immigration during any year after the present war when the total of unemployed is 1,000,000 or more.

That is the quotation from the C. I. O. political action committee, and its alien Communist head, Hillman. I read further:

> This is part of the antialien campaign, and would tend to turn native-born against foreign-born and aliens. It also violates our traditions of sanctuary and asylum to the persecuted and oppressed of all nations.

In addition to the junior Senator from Tennessee, I find a long paragraph dealing with the distinguished senior Senator from Tennessee [Mr. MCKELLAR], a man who is universally loved and respected.

Mr. MCKELLAR. Have I not been sufficiently denounced lately?

Mr. SMITH. Not yet.

Mr. EASTLAND. I wish to give the distinguished senior Senator from Tennessee a sample of why he is slated to be purged. It is because he introduced—and I quote—

> S. 521, requiring that only citizens shall be eligible to hold civil positions within continental United States.

And their notation is that they are going to purge the Senator because his bill would, and I quote:

> This would tend to foster disunity by discrimination against aliens.

Because the distinguished Senator desired that these places first go to American citizens in preference to aliens.

Mr. STEWART. Mr. President, will the Senator from South Carolina yield to me?

Mr. SMITH. I yield.

Mr. STEWART. I simply desire to say a word with respect to S. 240, which I introduced more than a year ago, which would prohibit immigration from foreign countries so long as the unemployed in this country are in excess of 1,000,000. I introduced that bill at the request of the American Legion and in response to a resolution adopted at their convention somewhat over a year ago. I am glad it was brought to the attention of those who wrote the pamphlet. I think I will ask to have it brought up for action, and shall undertake seriously to press its passage.

Mr. EASTLAND. I will say to the distinguished junior Senator from Tennessee that I have not read his bill but will certainly give it very serious consideration. I am naturally sympathetic to the bill when I see who is opposing it.

Mr. MAYBANK. Mr. President, will the distinguished Senator from South Carolina yield to me for a moment?

Mr. SMITH. I yield.

Mr. MAYBANK. In view of the fact that the distinguished junior Senator from Mississippi [Mr. EASTLAND] has mentioned my name in connection with the pamphlet, let me say only this: As the distinguished senior Senator from South Carolina knows, I have always been a friend of the working people, of the laboring people in South Carolina, and insofar as telegrams which might have been sent to them from Washington are concerned, some of them have advised me to pay no attention to them, because they know that some persons must attempt to stir up strife against our people in order to justify the receipt of their salaries.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. EASTLAND. The distinguished junior Senator from South Carolina [Mr. MAYBANK] is exactly correct. He has truly represented the interests of the workingman. He has been a true friend of the workingman while he has been a Member of the Senate. But the charge that is leveled against him is that he would not support measures such as those which were passed in the South during the reconstruction era from 1866 to 1876. This organization says that the rotten reconstruction era represented liberal times in the South; that it was an era when beneficial legislation was passed.

Mr. MAYBANK. Mr. President, will the Senator yield to me again?

Mr. SMITH. I yield.

Mr. MAYBANK. If it were not for the fact that we were in a terrible war, with everything at stake, I should be glad to denounce at length the kind of charges that are made. But today our efforts should be toward the war, and I shall dismiss the statements of trash.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. MCCLELLAN. I understood the Senator to read my name among those on the list.

Mr. EASTLAND. The distinguished junior Senator from Arkansas [Mr. MCCLELLAN] and the distinguished senior Senator from South Carolina [Mr. SMITH] head that purge list.

Mr. MCCLELLAN. After having heard the Senator read all those names, I wish to say I am proud to travel in such excellent company. When men of the statesmanship and the true American qualities of those whose names have been read can be purged by some group because they stand for constitutional government, then I am ready to be purged. Mr. President, I take my place on the side of Americanism—on the side of the Constitution, which we all revere, or which those of us who support it should revere. I take my place there. As the able senior Senator from North Carolina [Mr. BAILEY] said on this floor a day or two ago, I will meet the issue now. I will meet it out on the hustings in a political campaign before my people.

Mr. SMITH. Mr. President, I should like to have the Senator from Mississippi [Mr. EASTLAND] have that honor roll printed for me. I would take it as a great compliment.

Mr. EASTLAND. We shall certainly do that. So far as the junior Senator from Mississippi is concerned, his name is placed third on the list. His name is placed beside the names of both Senators from South Carolina, both Senators from Tennessee, both Senators from Texas, both Senators from Virginia, and Senators from other Southern States. I say I am proud to be in that company, and am proud that I am on the purge list of the C. I. O. political action committee and the alien Communist Party that is attempting to destroy the South. I am proud that I am slated to be purged by the mongrel radical movement who today attempt to destroy the Constitution and change the American way of life—the movement which advocates intermarriage and amalgamation of the races and socialism in America. We have stood in their way in the past. We shall fight them in the future. The people of our States will be the judge.

Mr. MCKELLAR. Mr. President, will the Senator yield to me so that I may ask a question?

Mr. SMITH. I yield.

Mr. MCKELLAR. I wish to know whether the publication which has been referred to shows that either Drew Pearson or David Eli Lilienthal or Jennings Perry wrote that purge article?

Mr. EASTLAND. No; I judge it was written by Sidney Hillman or Earl Browder or William Z. Foster.

Mr. MCKELLAR. Very well; that is all I wished to know.

Mr. SMITH. Mr. President, this is an indication of what we have come to, when this august body, whose Members have been elected by the sovereign States, whose Members have stood before the Vice President of the United States and have taken a solemn oath to uphold the Constitution, can seriously debate the wrecking of it. I do not feel disposed to go any further than to say that if those who are attempting to destroy the Constitution are to succeed—and the attempt has not been started just recently; it has been going on for several years—and if we are to destroy the citadel of the States, what more potent force could be brought to bear to destroy the automatic government of the several States than to deny them the right to qualify their electors? An attempt is being made to purge a group of Senators, some of whose names have been read. Well, Mr. President, the medicine is bad enough to purge anybody; but I do not think it will have the effect that is hoped for.

This is not the first time an attempt has been made to purge. But I pledge my colleagues here, today, that for the last 11 years I have not changed a hair's breadth. I have stood for the Constitution, for the rights of my State, and for white supremacy. Those who do not like it, by George, can lump it. Those who want to vote for me, I shall be glad to have do so. The remainder can go to heaven.

It is a very serious thing, to me, to see my colleagues stand here and debate the qualifications of the suffrage of the States, and attempt to pass a statutory act on that subject. Mr. President, provision on that subject is made in the Constitution. It is trite for me to refer

to it. If certain persons wish to get rid of it, they can get rid of it in the constitutional way. But, no, that is not the way they want to proceed. Someone said here, years ago, "To hell with the Constitution." Well, it looks as if some persons are trying to send it there.

Mr. President, all I wished to do was to call attention to the fact that throughout the whole history of colonial America, defiant America, and then throughout the period when the Constitution was written, and up to this good day, no one has ever questioned the sovereignty and power of the States. Let me call the attention of the Senate to the fact that we are beginning to think Congress is the whole power. Thank God the States still run America. The country will be safe so long as the citizens of the several States recognize their power. They sent us here; they can take us away. They can ratify amendments to the Constitution, as they did in connection with the famous liquor business. They ratified or adopted that amendment, and later found it did not work, and subsequently repealed it.

All I am asking Senators to do is to treat the great Constitution of the United States as it should be treated by men who are in their position. Sometimes, Mr. President, I doubt if a goodly percentage of the Senators ever have read the Constitution. I honestly doubt it. Not 5 percent of the American people know it. How many Senators here could draw the parallel between this Government and the other governments of the world? The philosophy and genius of the American Government have challenged the admiration and the bitter envy of hundreds of other nations.

In this day of political strife we do not hesitate; or, at least, Senators have not hesitated. A good many Senators remind me of what Paul said about the Jews. He said:

> For I bear them record that they have a zeal of God, but not according to knowledge.

Mr. President, let me repeat, and then I am through, that the Constitution of the United States is the bulwark of the States. It is their work. They made it to preserve themselves against all enemies, both foreign and domestic. Now there comes a domestic enemy trying to insert the thin edge of a political appeal. So far as I am concerned, I believe in the law being just and fair to all alike. But there are certain other conditions to which I do not subscribe, and to which no one else should subscribe.

The other day the Senator from North Carolina [Mr. BAILEY] made a very exhaustive and statesmanlike speech. He stole a good deal of my thunder, which I shall not repeat. The Senator from Texas [Mr. CONNALLY] made a very eloquent speech. But what, in the name of God, is the use of making speeches and consuming time over a question which every Senator knows involves either forswearing himself or standing by his oath? That is all there is to it. He will either vote for the bill and forswear himself or he will vote against it. I understand that a majority of Senators would vote for the bill. God knows I deplore that fact. I deplore the fact that a majority of the Senate would vote to pass a bill which is unconstitutional, and which Senators know is unconstitutional.

I know that lawyers are a necessary evil. They cannot write a thing so that the ordinary layman can understand it. When a lawyer writes a contract, it is full of references to the party of the first part and the party of the second part and many "whereases." It usually winds up with the party of the third part, namely, the lawyer, getting it all. [Laughter.]

Mr. President, I feel desperate about this manifestation. It is not a debate. I know that many Senators have risen and stated how they stood, with one eye on the number of votes they might get.

Bobby Burns wrote a verse which describes this situation exactly:

> I'll no say, men are villains a':
> The real, harden'd wicked,
> Wha hae nae check but human law,
> Are to a few restricked;
> But, och! mankind are unco weak
> An' little to be trusted;
> If self the wavering balance shake,
> It's rarely right adjusted.

Mr. President, I did not think that this question would ever arise in the Senate. I have served in the Senate during the administrations of six Presidents, and have therefore seen the membership of the Senate change. I will not compare the present personnel of this body with that of the Senate in earlier days. There are some real, honest-to-God American citizens in this body. There are not many of them, but there are some that I could bet on. I have been here for a longer time than any other man ever sent to the Senate from any State in the history of the Nation. I deplore the fact that in the evening of my life and the evening of my service in this body we are seriously debating whether or not to disrupt the Constitution, at its most vulnerable point. The Constitution is the citadel of the States. Congress did not create the States. The States created Congress, and the States created the Federal Government. I hope and trust to God that we have not created a Frankenstein monster.

Mr. President, I know that many of my colleagues expected me to rant and rave about the Negro question. That question sinks into insignificance alongside the serious question of my colleagues joining in an assault on the Constitution, reading ancient history, and quoting many things when the language of the Constitution is plain enough for anyone to understand it.

Mr. President, I hope that on Monday, the real, honest-to-God Americans in this body will throw this miserable attempt to invade the citadel of American rights out the window.

Mr. McCLELLAN obtained the floor.

Mr. MAYBANK. Mr. President, will the Senator yield to me to make a brief statement?

Mr. McCLELLAN. I yield.

Mr. MAYBANK. Reading further from the C. I. O. pamphlet, under the heading "The decline of democracy in the South"—

> Once labor played a prominent part in politics in the South.

It plays a prominent part today, Mr. President, among the good representatives of labor.

> Once labor and low-income farmers voted in the South.

They can vote today, Mr. President, if they desire to do so.

I have a picture that was taken during the reconstruction years, 1866 to 1876.

I regret that I cannot ask unanimous consent to have printed in the Appendix of the RECORD a picture of the radical South Carolina Legislature of 1868. Knowing that this is impossible, I shall say only that so long as I remain in the United States Senate or in public office, I shall never follow South Carolina leaders of 1866 or 1868. They were the trash of the black and white who ruled by the bayonet.

Mr. SMITH. Mr. President, may I ask my colleague to give a description of those "great" statesmen?

Mr. MAYBANK. I shall be glad to do so. Lest I be misunderstood, Mr. President, let me say that I have been a friend of the working man, as has my colleague.

I have before me a photograph of 63 members of the "reconstructed" South Carolina Legislature of 1868, 50 of whom were Negroes or mulattoes and 13 white. Twenty-two could read and write—8 grammatically. The remainder, 41, could make their mark with the aid of an amanuensis. Nineteen were taxpayers to an aggregate amount of $146.10. The remainder, 44, paid no taxes, and that body levied on the white people of the State taxes of $4,000,000.

Mr. President, our forebears ran them out and we of our generation will keep out and run out of South Carolina any group of black and white that compares to them.

MAJ. RICHARD I. BONG

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LA FOLLETTE. Mr. President, at this moment there is present in the family gallery of the Senate a young man from the State of Wisconsin. He lives at Poplar, Wis., when he is at home. His present score against the Japanese is 27 enemy planes destroyed in aerial combat, and 8 more probably destroyed. He has 190 missions and 400 hours of operational flying to his credit. I take pleasure in inviting the attention of the Senate to the fact that Maj. Richard I. Bong is sitting in the family gallery of the Senate. [Applause.]

Mr. President, I ask unanimous consent that I may have printed in the RECORD in connection with my remarks a summary of Major Bong's military record, which has been furnished by the War Department.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

> Maj. Richard I. Bong, United States Army Fifth Air Force fighter pilot and the first to

exceed Capt. Eddie Rickenbacker's World War record of 26 enemy planes destroyed in aerial combat, has just returned to the United States from New Guinea for temporary duty.

His present score against the Japanese is 27 enemy planes destroyed in aerial combat and 8 more probably destroyed. With 190 missions and 400 hours of operational combat flying to his credit, he has participated in aerial battles over Milne Bay, Huon Gulf, Bismarck Sea, Oro Bay, Buna, Wewak, Lae, Rabaul, Tadji, Cape Hoskins, and Hollandia.

Major Bong was born at Superior, Wis., on September 24, 1920. After finishing the course at Poplar (Wis.) High School, he was graduated from Superior Central High School at Superior, Wis. He attended Superior State Teachers College at Superior, Wis., for 2½ years. Between college terms he worked on his father's grain farm.

Then, taking the first step toward fulfilling a childhood ambition to become a fighter pilot in the Army Air Forces, he became a flying cadet in 1941.

He received his primary flight training at Tulare, Calif., his basic at Gardner Field, Taft, Calif., and had advanced training at Luke Field, Ariz., from which he was graduated on January 9, 1942, receiving a commission as second lieutenant.

Assignments followed as instructor at Luke Field for 3 months, and then 5 months at Hamilton Field, Calif. On September 10, 1942, he arrived in Australia. He was assigned to duty in New Guinea on November 16, 1942.

During the following months he became flight leader in his Flying Knight's squadron which has as its insignia a knight with wings on his helmet. This squadron, flying P–38 Lightnings, shot down 188 Japanese planes, with a ratio of about 10 to 1 in Jap losses compared to American losses.

Major Bong returned to the United States late in 1943, but returned to New Guinea and was promoted to assistant operations officer of the Fifth Air Force Fighter Command.

He has received the Distinguished Service Cross, the Silver Star with Oak Leaf Cluster, the Distinguished Flying Cross with four Oak Leaf Clusters, and the Air Medal with 12 Oak Leaf Clusters. He also wears the Presidential Citation Ribbon presented to his fighter group.

His home is Poplar, Wis.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4254) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended.

The message also announced that the House had passed a joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort, was read twice by its title and referred to the Committee on Appropriations.

THE POLL TAX

The Senate resumed the consideration of the bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election of national officers.

Mr. McCLELLAN. Mr. President, out of respect for my colleagues who are senior in point of service and who desired to speak and who are more able to discuss the pending bill, I have waited until now to take the floor to express my own views. Out of deference to Senators who have not yet spoken, but who desire to do so before the session ends today, I shall make my remarks brief, and shall not undertake by any means to discuss at length the bill now under consideration.

Mr. President, there is no limit, except the physical endurance of man, to what could be said and ought to be said against the pending measure. I do not say that as a threat, and I do not wish that statement to carry with it the implication of a threat, but unlimited time could be consumed if it should become necessary to defeat this bill.

Mr. President, some are content with a confused idea of what the real issue is. The real issue is not that of the payment of a poll tax as a prerequisite to voting. The merit or demerit, or the wisdom or lack of wisdom, of that requirement as a voting qualification is not the principal question to be decided. It is not the major issue which we will determine if we reach a vote on the passage of this bill. We are to determine by our vote, or attempt to determine, what are the powers of Congress as conferred by the plain mandates of the Constitution, the fundamental law of our country. We are to pass upon a bill which if enacted will strike down a part of the fundamental law upon which the structure of our Government rests.

Like all other Senators, I took an oath when I became a Member of this body. Without repeating the oath, we all know the force of its obligation. Mr. President, I am not concerned about what others may do to such an extent that I would criticize them, because I accord to others the same liberties and the same rights and privileges that I myself exercise.

In arguments made upon this floor in connection with the pending bill, and on other occasions with respect to other measures, I have heard the statement, in effect, "Let us go ahead and pass this controversial legislation. Since there are some among us who honestly believe it is not constitutional, let us go ahead and pass the bill anyway. We have set up courts and empowered them to pass upon constitutional issues, and upon the question of whether a measure enacted by the Congress conforms to the Constitution."

If such a course were to be followed by Members of this body, they would be failing to accept their responsibility and meet the first duty of a United States Senator. I have never thought that the founding fathers who wrote our Constitution established the courts as a dumping ground, or as a scrap pile, where everything from the legislative halls should be thrown into their laps for determination. Whenever any measure comes before Congress for consideration, I believe there is a primary responsibility resting upon every Senator and every Member of the House of Representatives, first, to inquire for himself into the constitutionality of the measure. I should consider any failure on my part to do so as a dereliction of my duty, if any doubt of the constitutionality of the proposal appeared. Otherwise, Mr. President, what would be the occasion or the necessity for the oath which we took and what force would it have upon us? It would be an empty ceremony and a useless gesture. So I do not agree with those who argue that we should throw this question into the laps of the courts. Believing the bill to be unconstitutional, under my oath the first duty I have is to try to prevent its passage. That I intend to do.

Mr. President, House Resolution 7 is a direct assault, as I construe it, upon four definite and specific provisions of the Constitution. A Senator more able than I has stated that he regarded the pending bill as an assault upon two separate provisions of the Constitution. However, Mr. President, I think that it is an assault, first, upon section 2 of article I, which I shall not again read, but which in substance places the regulation of the qualifications of voters in the several States. The electors who are qualified to vote for Members of the House of Representatives must have the same qualifications that are required of them in order to vote for members of the most numerous branch of the State legislature.

The proposal also assaults the seventeenth amendment to the Constitution, which prescribes how Members of the United States Senate shall be chosen. In that amendment language is used which is almost identical with that used in section 2 of article I.

Mr. President, this bill is also an assault upon section 1 of article II of the Constitution, which provides the manner of holding an election for the President of the United States.

Last, and not least, it is a direct and fatal attack on the tenth amendment of the Constitution, wherein the framers of our Constitution expressly reserved to the States and to the people themselves all powers not granted to the Federal Government under the terms of the Constitution.

In the light of these plain provisions of the Constitution, under which this Nation has developed into its might and power, giving to mankind the fullest freedom and the greatest blessings which humanity has ever received under any government, I should be false to every right or claim which I have to sit in this body and participate in its deliberations if I did not stand here and defend the Constitution against the attack being made upon it, which, if successful, will tear down the strongest power within the Government today, namely, the power reserved in the peoples themselves and in the several States of this Nation, to regulate the qualifications of voters.

Our founding fathers, Mr. President, did not set up a centralized government. We hear much talk about liberalism today. What is liberalism? What is true liberalism? A centralized government is the very antithesis of liberalism. Liberalism is not centralization of power. If, Mr. President, you want to find out what true liberalism is, go back to the Declaration of Independence. Let us see what our patriotic fathers were trying to do. They were trying to get away from despotic rule, from totalitarianism; they were trying to get away from centralized power that shackled mankind and destroyed the liberty of the individual. Let us then, Mr. President, as we consider this measure and as we use the term "liberalism," not use it in a false sense, in a broad way so as to cover and undertake to justify anything some group or some class or someone else wants to bring about in the way of so-called reform, in the way of so-called social gains, in the way of so-called planned economy, and in the way of many other things that some today are trying to fasten on the American people and let us revert to the Declaration of Independence. I shall quote from it. I know all Members of the Senate are familiar with it, but we ought to quote it again; we ought to talk to our own consciences about it from time to time. What is a liberal government, Mr. President? Our founding fathers, when they wrote the Declaration of Independence, when they were seeking liberty, when they were striving to set up a government such as we have had for all these years and which we now enjoy, said:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

Mr. President, this is how they said those blessings could be obtained:

> That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

Ah, Mr. President, that is a liberal government; that is a government that gives the greatest liberty to the individual; that is the kind of liberalism that has made America. Our founding fathers, when they undertook to write the Constitution, bearing in mind that the government they were seeking to establish by the Constitution must be a government that would derive its just powers from the consent of the governed, and, in order to try to keep the power, as much of it as possible, in the hands of the people, wrote into the Constitution amendment No. 10, which provides:

> The powers not delegated to the United States—

That means the Congress of the United States; it means the Chief Executive of the United States; it means the Supreme Court of the United States.

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved—

To whom?—

> to the States, respectively, or to the people.

Was the power granted to the Congress under the Constitution to legislate as to who should be entitled to vote for Representatives in Congress or for Senators? No, Mr. President. On the contrary, that power was not delegated, but in specific terms was reserved to the States themselves and to each State, for the Constitution itself provides that those who vote for Members of the House of Representatives and for Senators must—what? They must possess the same—not nearly the same, not somewhat the same, not the same all except—but the same qualifications as are required by the State for electors who vote for members "of the most numerous branch of the State legislature."

Mr. President, where do we derive the power to change that provision? We do not have it. If we attempt to change that requirement, and exercise the power, then we are usurping the rights reserved to the States, denying them their reserved power in a liberalized government, which the framers of the Constitution undertook to guarantee would derive its just powers from the consent of the governed, the power of the United States. Mr. President, I say to you that if we can change that, if we can pass this bill and if this bill is constitutional—listen to me—if this bill is constitutional, if we can change the qualifications of electors, we can also change the very first section of the Constitution.

The Constitution, in article I, section 1, provides:

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of—

Shall consist—

> of a Senate and House of Representatives.

I call attention to the word "shall." It says "shall consist of a Senate and House of Representatives."

In the next section we find that—

> The House of Representatives shall be composed of Members chosen every second year—

Could we change that? Could we say by an act of Congress that the membership of the House of Representatives may be chosen or shall be chosen every 4 years? Could we change that?

Reading the same language.

> Shall be composed of Members chosen every second year by the people of the several States.

Could we change that to say that they shall be chosen by State legislatures? How much of the Constitution can we tear away, and then say we shall go no further? There must be a limit. We have either got to abide by it, we have either got to follow it, we have either got to look to it as a guide and be controlled by it, or else, if we can tear out one piece of it we can tear out another, and when we do that it will become merely an empty structure, with a board off on this side and another one off on the other side, exposing it to the storms of passion, and to the evil designs of individuals and groups who would undermine the country and set up a new form of government.

The Constitution says that the electors for Members of the House of Representatives and Senators shall have the same qualifications as electors "of the most numerous branch of the State legislature."

Mr. President, that power was not granted, that power was reserved to the States, with one limitation. The framers of the Constitution in reserving this power placed only one limitation upon it in the Constitution, and that is that the State must grant to a citizen the right to vote for a Member of Congress or a Member of the United States Senate if the citizen qualifies himself to vote for members of the State legislature.

Three things, as I recall, were pointed out by the able senior Senator from Georgia [Mr. GEORGE] in his discussion of this question on Tuesday last. It has been stated, as we all know, that in the Constitutional Convention there were three proposals with reference to the provisions of that instrument which now appear in section 2 of article I. One was a proposal that there be incorporated in the Constitution itself the exact qualifications which would be necessary to enable men to vote for Members of the House of Representatives and the Senate. Another proposal was that the very thing which is now attempted to be done be accomplished; that is, to delegate to the Congress the right to legislate what the qualifications should be. Then there was the other, the third proposal, that it be left to the States, with one limitation and one restriction only, that the States could not require more or have different qualifications for their citizenship who voted for Members of the National Congress than they required of citizens who voted for members of the State legislatures.

As I stated in the opening of my remarks, we could discuss this matter at great length, but only three other things do I wish to call attention to, and then I shall conclude. If we can tear down the provision of the Constitution under discussion, we can go further. I wish to digress just a moment. I had not intended to talk about my State, but in my State we have a poll tax of a dollar a year. Every dollar of that tax, every penny of it, goes into the public school fund, to be used in the education of the children of our State. I do not have to defend it. It is immaterial with me whether in Arkansas there is a poll tax or not. If this issue were presented to the people of my State today in an election I would have nothing to say about it, because I would not care either way. Personally and politically I am not concerned about whether my State has a poll tax.

I am concerned, Mr. President, about this: I want my State to have the right to say, under the Constitution, as the Constitution provides, who shall vote and who shall not. I do not want that power usurped by the Congress or by any other body. I want the constitutional rights of our State preserved.

Mr. President, if we tear this provision out of the Constitution, we set a precedent. A few days ago a member of the Supreme Court, in delivering an address, said that judicial precedents were at the lowest ebb in the history of this Nation. God will have to help us whenever re-

spect for the Constitution gets down to such a low point. Someone has to uphold and defend it, make no mistake about it. It is my duty first, it is yours next, my colleagues. My duty comes to me first, yours comes to you first. I intend to do my duty.

Of course, I know we are getting political threats. I seldom refer to pressure groups, but when I was in my home State at one time since I have been in the Senate, one of my friends asked me what I meant by "pressure groups." He told me that he had asked someone else who had used the term who said he referred to a certain organization. I said, "I do not refer to that organization, but I refer to any group, any organization, or any individuals who undertake, by threat, coercion, or intimidation, to deter me from following the dictates of my conscience and what I believe to be right." If anyone wants to come within that category, he can get there pretty fast, and make himself a member of a pressure group.

I intend to follow the Constitution. I wish to make one further statement, which I have made at home since I have been a Member of the Senate. If my following of the Constitution in good faith, keeping the oath I took to uphold and defend it against all enemies, both foreign and domestic, to the very best of my conscience, brings about my political defeat, then I am ready to accept it, because I would consider myself nothing but a political casualty in a good cause, in the greatest cause in the history of mankind next to religion, the greatest of all, in the cause of my country, and in the cause of the Constitution of my country, which gave to the world the finest government mankind has even been able to establish.

Yes, Mr. President, my political sacrifice would be nothing compared with what our sons are offering on the battle fronts today. There has just been introduced from the gallery one of the great heroes of this Nation, a man who has risked his life over and over, as millions have been doing. Was it just to defeat the foreign enemy? No; I say that there is more than that involved. There is always a job to do here at home, whether the country is at war or not, to preserve our institutions, to preserve the liberties of our people.

The price of liberty is eternal vigilance. We may quickly conclude the military operations, bring them to a successful end, and carry with it a crushing defeat to our enemy, but the price of liberty will continue to be eternal vigilance here, and this is where it has to start, in the Congress of the United States, where men should stand on guard and uphold the fundamental law of their land, irrespective of political consequences.

Let me say to any of those who are in the category of political groups or pressure groups, that if they want to appeal to me, or give me the benefit of their views and recommendations as American citizens, I am glad to have them do so, but when they are accompanied with a political threat, then I do not give their expressions any weight or consideration.

I set up my standard of service here no higher than that of anyone else. I only mention these things as being the standard of service and the quality of statesmanship which I think constructed America, which built it, which wrote our Constitution, which wrote the Declaration of Independence. It has been written into many statutes on our books today which have brought America safely to where it is now.

If we can tear this provision out of the Constitution, if we can fix the voting qualifications of the citizens of every State in this Union, we can fix them one way for New York, we can fix them another way for Arkansas. If we can usurp the power from the States and people where it is now reposed, we can make it anyway we want it. There is more at issue here than whether we favor the poll tax or do not favor it.

Are my colleagues going to vote to invoke cloture? I trust not. Cloture is a rope with a noose on it at both ends, and you cannot hang cloture around our necks today and pull the noose and shut off debate without leaving the other end of the rope around your own neck with the noose in place and, some day we can pull it, or somebody else can pull it, on you. Set the trap if you desire, but there is no occasion for it, and you will ultimately be caught and injured with your own folly.

Mr. President, I do not wish to speak longer. I am representing my people. The poll-tax provision is a constitutional provision in Arkansas, and there was an effort to repeal it in 1938, but the people voted it down overwhelmingly, more than 2 to 1. They do not want outside interference, and that is what is involved with this bill. Do not try to impose on us.

Consider the situation. Where are the sponsors of the bill? Is there any enthusiasm on the part of the sponsors of the bill? Where a measure has had so much notoriety and pressure behind it, never have I seen a situation where there were so few who would stand here with enthusiasm and courage and fight for it, and try to uphold its merits.

Mr. EASTLAND. Mr. President——

The PRESIDING OFFICER (Mr. MOORE in the chair). Does the Senator from Arkansas yield to the Senator from Mississippi?

Mr. McCLELLAN. I yield.

Mr. EASTLAND. Has the Senator heard a single proponent of the bill say on the floor of the Senate that it was constitutional?

Mr. McCLELLAN. No. I have heard some Members of this body say someone else said it might be constitutional, and that we should just throw it into the laps of the courts.

Mr. EASTLAND. The Senator has not heard one Senator say it was constitutional, has he?

Mr. McCLELLAN. I have heard the argument made that it is possibly constitutional.

Mr. MURDOCK. Mr. President, will the Senator yield to me for a question?

Mr. McCLELLAN. I gladly yield.

Mr. MURDOCK. The Senator has a very distinguished record of service in the House of Representatives. He served in the House, as I recall, for 4 years. He served with me there for 4 years. There was not an important bill brought to the floor of the House in connection with which cloture was not invoked. Every important measure that is brought to the floor of the House is brought there under a special rule limiting debate. Notwithstanding that fact, in the other House, which is coordinate with ours, liberty is still alive. I think the Members of the House are just as patriotic as are the Members of the Senate. If cloture can be invoked on every important bill brought into the House, I wonder why liberty is so threatened because cloture might be invoked in the Senate once in a while.

Mr. McCLELLAN. I can give the Senator one answer to that question, which is because the door has been kept open over here. The door has never been completely closed to the right of Americans to be heard through their representatives in one branch of the Congress or the other, except where cloture is invoked. I may say to the Senator that the only time cloture should ever be invoked, in my judgment, and the only time when I conceive that we should vote for cloture, would be at a time when it is absolutely necessary in order to preserve our country. It is ridiculous for anyone to say that the enactment of this bill is necessary to preserve the country. The bill is doing more to create disunity than any measure that has been brought on the floor of the Senate in a long time.

Mr. President, we want to preserve our freedom, our liberty. We want a liberalized government. But I want a liberalized government, Mr. President, such as the Constitution provides, not the liberty sought by any organization that comes to the Congress and by pressure, or any other means, asks the majority of the Congress to tear down the Constitution in order to impose its will on my people.

We have gotten along well in this country for a long time. Great social gains have been made, and are still being made. But the imposition of force will result in retarding the progress of the very thing Senators seek to accomplish. Force is foreign to the spirit of true Americanism. We do not like it and we are not going to take it, Mr. President, if we can help it.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. EASTLAND. Does the Senator from Arkansas know of a single constructive piece of liberal legislation that has been defeated by a filibuster in the history of the Government?

Mr. McCLELLAN. I know of none. I am not as familiar with the history of all legislation as is my distinguished colleague.

Mr. President, I close with this thought: There is no race issue involved in connection with the imposition of the poll tax. Negroes in my State, colored people, have a right to vote in the general election. They do not have the right to vote in the primary, except possibly by reason of the last Supreme Court ruling, but they have had a right to vote, and many of them have voted in the primaries in my State until recent years.

The imposition of the poll tax does not involve the race question. There is no discrimination in the application of the poll tax in Arkansas, or in any other States, so far as I know. White men and black men are treated alike. They have to pay a poll tax, and that money goes to educate the children, both white and black, in our schools. It has been argued that we ought not to require any money value of an individual for the privilege of voting. I am not trying to continue the poll tax, but there is good ground for it. Anyone who can pay a dollar to the support of public education and refuses to do so, because he does not wish to pay it for the privilege of voting, with respect to him, it poses a fair question as to whether he possesses the qualities of Americanism which ought to be recognized to entitle him to vote. The blessings of this Government cannot be secured unless someone supports it, and that means financial support as well as anything else. I have no patience with any man who wants to take the security, the privileges, and blessings which are bestowed upon him by his country, and give nothing in return. I regard such a character, whoever he may be, whether black or white, with a measure of contempt.

Mr. President, there is no race question involved in the poll tax. But if Senators begin breaking down the Constitution by the passage of this measure we will have a race question. There are some things we are going to try to keep pure in the South, and when once those who are behind the measure succeed in tearing down the poll tax, there will next be an attempt to tear down something else, and I have an idea what it will be. They will want to tear down some of our social laws. We do not discriminate concerning marriage in the South; we simply do not let the whites and Negroes intermarry. We do not have marriage between whites and Negroes. There is no discrimination. We treat the white the same as we treat the Negroes. They simply do not intermarry. We do not stand for such a thing.

Mr. President, the arrangement which has been worked out concerning procedure on this measure is a fine one. There will be no necessity for a filibuster. Cloture will not be invoked. But I will say that we will use every weapon within the law at our command to keep anyone from tearing down the barriers which have made the South great, which constitute those things which we cherish and love. They are ours, and ours under the Constitution, and they cannot be torn down without tearing out one of the strongest pillars from under the American Constitution.

Let us defeat cloture Monday when we vote on it, lay this measure aside, and concentrate on winning the war and getting our boys back home to their loved ones. By doing so we shall be rendering the greater service to our country.

Mr. CAPPER. Mr. President, I have signed the petition for cloture on the pending bill. I shall vote to impose cloture, because I believe that is the only way it is possible to reach a vote on the anti-poll-tax bill, and to restore to several million citizens of the United States the right of suffrage, a right which is taken from them through the operation of poll-tax laws in several States of the Union.

I see no use beating the bushes or mincing words about this matter. The plain truth is that in several States the poll tax is used to prevent a certain group of our citizens from voting. The Constitution prohibits the right of suffrage being denied any citizen because of race or color. That means the Negro race. That language was written into the Constitution in an attempt to insure for the colored man the exercise of the right of suffrage.

I am supporting the anti-poll-tax bill because it is my belief that the colored man is entitled to vote. The poll-tax laws were passed and are being used for the purpose of keeping him from voting. This is a plain defiance of the Constitution, and no amount of legalistic word juggling can make anything else of it.

Mr. President, the result of the poll-tax requirement for voting is to compel millions of good Americans to assume all the responsibilities of citizenship to the Government, but at the same time, in fact, to deprive them of one of the rights, and a most important and vital right, that is supposed to accompany the responsibilities of citizenship.

These citizens are amenable to all our laws. They can be drafted into the military service. They can be required to pay taxes. But they are not allowed to vote for the Members of the National Legislature who make the laws. They are not allowed a voice in determining who shall administer the laws.

The pretended poll-tax qualification, as is well stated in the committee report on this bill, has no place in any modern democratic system of government. It is, in my judgment, only a subterfuge, illegal and unconstitutional in its nature, set up for the purpose of depriving the colored man, and some of his white neighbors in the same economic group, of participating in Government affairs by denying them a fundamental right—the right to vote.

I am not a constitutional lawyer, but it seems to me that casting a vote for President, Vice President, Senator of the United States, and Representative in Congress of the United States, can be called, in fact is, a Federal function.

On this basis, charging an otherwise qualified voter a fee for the privilege of voting for Federal officers is in effect taxing a Federal function. I have held that view for many years. I am glad to have it sustained by the Judiciary Committee of the Senate.

Mr. President, there is no higher Federal function, none more sacred to the individual citizen, than his right to vote. I believe it is not within the right of a State or its legislature to fix a fee or levy a tax on an otherwise qualified voter in order that he may exercise his right of suffrage.

I call attention to the language of the committee report, on page 3:

> We think a careful examination of the so-called poll tax constitutional and statutory provisions, and an examination particularly of the constitutional conventions by which these amendments became a part of the State laws, will convince any disinterested person that the object of these State constitutional conventions, from which emanated the poll-tax laws, were moved entirely and exclusively by a desire to keep the Negro from voting.

To give justice to the Negroes, to keep faith with myself and my own conscience, I must vote for this bill and for cloture to insure a vote. I hope the cloture motion will be adopted and that the bill will be passed.

Mr. BILBO. Mr. President, I am pleased to yield to the Senator from New York [Mr. WAGNER]. I understand that he wishes to attend a committee meeting, and has only a few remarks to make.

Mr. WAGNER. Mr. President, much has been said on the floor of the Senate about the effect upon our national unity of our considering this legislation, legislation which has been sent to the Senate for action after the approval of the House of Representatives.

Unity at home is of paramount importance as we mass our forces for the great offensive, for our greatest thrust against the enemy abroad. But unity in a democracy is not achieved by the refusal to face issues about which there are sharp differences of opinion. Unity in a democracy is not achieved by side-stepping and ignoring such issues. That is false unity. That is only the illusion of unity.

Unity in a democracy is the unity which is achieved by facing issues, by threshing out our differences, and by standing upon the decision of the majority. Unity in a democracy is not so fragile that it will fly to pieces in the clash of differing opinions. The everlasting strength of democracy is that we can arrive at unity through open discussion of differences followed by the test of an open vote.

The debate in the Senate during the past few days leaves no doubt that there are wide and deep differences of opinion about the desirability of the proposed legislation which is before the Senate.

We must face those differences in an open and straightforward manner. We must use the instruments of democracy which we have fashioned for use in this Nation. We must bring the measure to a vote, and we must be guided by the decision of the majority as determined by that vote.

Senators have had ample time to examine and consider this legislation. There has been more than enough discussion of its merits. We should now proceed to a vote on the merits. Only a third of the membership of the Senate present on Monday, however, can block the motion to close debate at that time. If a third of the membership feels that the time has not yet come to close debate, then we must continue the debate.

But we cannot dispose of this legislation until we do come to a vote upon its merits. A vocal one-third cannot be permitted much longer to block a final vote on this measure, which has already been so long before the Congress.

I believe that the enactment of this legislation at this time is important and desirable. I think it is a war measure of the utmost importance to the soldiers, the sailors, and the millions of civilians behind the lines who are fighting this war for the preservation of democratic institutions. But more important still, I believe that the Senate—Democratic and Republican Members alike—must be permitted to record its will in regard to the measure. The dignity of this body and the tradition of democracy which it represents demand that we face the issue directly, openly, honestly—and not hide it by technical parliamentary maneuvers.

Mr. HATCH. Mr. President——

Mr. BILBO. Mr. President, I am pleased to yield to the Senator from New Mexico [Mr. HATCH].

Mr. HATCH. Mr. President, first I desire to thank the Senator from Mississippi [Mr. BILBO] for yielding to me at this time. I know that he has long desired to debate the pending question. His willingness to yield to me, in view of the fact that this is probably the last day of the debate, is the more appreciated by me.

It is not my purpose, Mr. President, to go into any extended discussion of the various questions involved in the particular bill which the Senate now has under consideration, House bill 7. However, in view of the fact that on a recent visit to my own State a question was propounded to me by a very good friend of mine, I desire to take a little time to make clear my position on this bill, and on another bill which was pending before the Senate not long ago.

Not many months ago there came before the Senate, and also the House, a bill by which the Congress of the United States attempted to give to the soldiers of this Nation the right to cast a Federal ballot. I supported that measure. I supported it in the Committee on Privileges and Elections, and I supported it on the floor of the Senate. As one of the Senate conferees I labored for 3 long weeks trying to produce a bill which would give the soldiers of the Nation, the men who are now fighting and who will be fighting tomorrow, an opportunity by the simple and expeditious method of a Federal ballot to cast their votes for the men who are to govern the affairs of this Nation. When it became known that I opposed House bill 7 on constitutional grounds, I was asked how I reconciled my position on the soldiers' vote bill with my present position on the pending measure.

Mr. President, I supported the soldiers' vote bill, as I stated on the floor of the Senate, upon what I conceived to be constitutional grounds, that under the broad war powers conferred by the Constitution itself upon the Congress and the Executive, we had the right—nay, Mr. President, more than that, we had the solemn duty and obligation—to provide the soldiers with a method of voting. Upon that constitutional ground I supported the right of the soldiers to cast a Federal ballot; and to this day I am convinced of the correctness of that position.

In connection with the pending bill, an altogether different question is involved—not a question arising out of the war powers; not a question arising even under the emergency powers, but a mere question of legislation under general powers conferred by the Constitution, or withheld by the Constitution.

I have stated that I do not intend to discuss at length the provisions of the Constitution, either as to the War Powers Act, or as to this particular measure.

The junior Senator from Tennessee [Mr. STEWART] discussed ably and at length on the floor of the Senate, and supported by ample authority, the right of the Congress to enact the soldiers' vote bill. I wish to mention at least one provision of the Constitution, and one point which the junior Senator from Tennessee mentioned the other day on the floor of the Senate, which to me are absolutely conclusive of any constitutional question on this particular bill.

Section 2 of article I of the Constitution, relating to Representatives in Congress, has been referred to over and over again in the course of this debate. It provides as follows:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

As it has been explained, the language beginning with the words "the electors in each State" appears in the seventeenth amendment, relating to Senators.

Mr. President, it does not take a lawyer to present all the references in history, to which the Senator from Louisiana [Mr. ELLENDER] referred and ably discussed on the floor today, and it does not take a knowledge of the history of the country at the time the Constitution was enacted to understand the provision of the Constitution to which I have referred. It does not take any nice legal refinements or distinctions. All it takes is the application of ordinary judgment. It is so clear, Mr. President, that he who runs may read. It is not a case as to which men may quibble and split hairs. It plainly says—and again I read:

> Shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

The point which the junior Senator from Tennessee made the other day, and which to me is absolutely unanswerable, is that if this bill is passed, if the Congress of the United States enacts the proposed legislation and it becomes law, and it is upheld by the courts of the Nation—by the Supreme Court of the United States, if you please—it will actually amend the Constitution of the United States.

The Senator has said that Arkansas has a constitutional provision which requires the payment of a poll tax as a prerequisite to voting for electors of members of his State legislature. That requirement is contained in the constitution of his State.

It will remain in the State constitution. If the pending bill is passed it will be necessary to add to the section of the Constitution to which I have referred a proviso which will say, in effect, "except in those States where by law or constitution the poll tax is a prerequisite," because that is the ultimate effect of the proposed legislation. It cannot be escaped.

The genial junior Senator from New York [Mr. MEAD], to whom a question was propounded—I started to say he hid behind the fact that he is not a lawyer. That fact is possibly to his credit. However, he did not hide, because he is not that type of man. He does not hide behind things, but he meets them. He meets the issue. When a question was propounded to him he made the best answer he could make. Do Senators recall what it was? He said, "I am confident that the people of Tennessee will adopt a constitutional amendment by which the poll-tax provision will be repealed." In order to reconcile this bill with the Constitution of the United States, the junior Senator from New York said that the people of Tennessee and of Arkansas, as well as of other States, must amend their laws or their constitutions.

Mr. President, that is a strange doctrine. It is a doctrine which I doubt has ever before been voiced on the floor of the United States Senate. That doctrine alone condemns this bill. It shows how clearly the bill is in violation of the Constitution of the United States. Because I believed it violated the Constitution of the United States, I refused to support the bill in the Committee on the Judiciary. I signed the minority views, and today I oppose the measure in the Senate.

Mr. President, I am prompted to say another thing. Perhaps what I am about to say has no place in this discussion. Far be it from me, Mr. President, to challenge the purposes or motives of any fellow Member of this body. However, I cannot help noting the absence of all Senators, with the exception of one, on the other side of the Chamber. I cannot help recalling, Mr. President, that when we fought on the floor of the Senate for days and weeks in an attempt to pass a bill giving to the fighting men of this country an opportunity to vote the constitutional lawyers on both sides of the Chamber were in attendance constantly and were unceasingly urging that the bill should not be passed because it was not constitutional. Mr. President, where are they today? Where are those Senators who so vociferously denied the right of the Federal Congress to pass a bill which would have given to the soldiers the right to cast a Federal ballot? Where is their great concern for the Constitution, a concern which was so strongly manifested then that the bill was defeated? Where is the voice of the Governor of the State of New York, who denounced that bill as being an invasion of the rights of the States and a violation of the Constitution? Has he raised his voice against the pending measure as an undeniable breach of the Federal Constitution?

Mr. President, I wish that the same able Senators who so vigorously opposed the Federal ballot bill, which would have given soldiers an opportunity to vote,

would come upon the floor, join in this debate, and uphold the Constitution as valiantly, bravely, and gallantly as they did when they fought against the right of the soldiers to vote. However, they are not here. If they were here, and if they were to adopt the same constitutional reasoning and arguments which they adopted on the previous occasion to which I have referred, I would say, "Let us vote on the bill." I would say, "Let us forget any question of limitation of debate; let every Senator speak fully on the constitutional question involved and vote accordingly." I would then be willing to vote on the bill.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. ELLENDER. Does the Senator feel that Governor Dewey tried to play politics with the soldiers' vote bill?

Mr. HATCH. I do not know what was in Governor Dewey's mind. All I know is what was reported in the press of the country, namely, that he had denounced the bill on the ground, as I understand, of being an invasion of the rights of the States.

Mr. ELLENDER. The Senator will recall that during the debate today I challenged Governor Dewey to come out one way or the other on the present bill, because since he has injected himself into the matter he should make himself clear, and let the country know now whether he is for or against the bill. He should do so to the same extent that he did in respect to the soldiers' vote bill.

Mr. HATCH. Unfortunately, I was absent from the Chamber and did not know the Senator had made that statement.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. HATCH. I yield to the Senator from Texas.

Mr. CONNALLY. Let me ask the Senator from New Mexico if in his opinion as a lawyer—and he is a fine lawyer——

Mr. HATCH. I thank the Senator.

Mr. CONNALLY. If this bill could be passed constitutionally, why could not the Congress say that no person shall vote in an election for Representative in Congress unless he speaks the English language, and would not that disfranchise great hunks of voters in New York and other places where the English language in some sections of cities is a foreign tongue?

Mr. HATCH. I would say to the Senator that the argument has been made very forcefully that if we have the right to say to a State, "You cannot levy a poll tax," then we also have the right to say, "You can have a qualification such as the speaking of the English language," both of which in my mind are clearly unconstitutional.

I may say to the Senator from Texas that he laid his finger upon one of the reasons why the framers of the Constitution left this matter to the several States, namely, that the conditions which exist in the several States are altogether different. A condition exists in my State which would lead me to speak on this floor and oppose and filibuster, if necessary, any move to attach a qualification such as the Senator from Texas just mentioned.

Mr. President, I said in the beginning that I am not challenging or impugning the motives nor even the political considerations which may move any Senator in this body; but, Mr. President, I think I have the right to ask the Senators who opposed the soldiers' vote bill on the ground that it was an unconstitutional exercise of power on the part of Congress, also to oppose this bill for exactly the same reason, for, if it can be said that one measure is more unconstitutional than another this bill to a far greater extent is unconstitutional. In my opinion, as I have said, the soldiers' vote bill was constitutional; it did have some measure of support under the theory of the exercise of the war powers expressly conferred by the Constitution. This bill, however, has no such constitutional support, which to my mind is reasonable and within the realm of legal interpretation or construction.

Mr. President, there is one thing more I must mention. I was asked in several letters I received today to support the petition for cloture, and the letters suggested that it was undemocratic to permit a minority to prevent a vote.

Mr. President, I have never adopted for myself a hard and fast rule on the subject of cloture. I have read with interest some of the proceedings prior to the adoption of the cloture rule. I have read something of the history of some of the great filibusters which have been conducted in this body, and only yesterday I was reading the final conclusion by quite an eminent historian who said that, after all, considering both the vices and the virtues of filibustering tactics, it probably could be said that filibustering had prevented the enactment of more bad legislation than it had prevented the enactment of good laws, and on the whole the weight, the value, lay on the side of those who had filibustered.

I do not make that as my own statement; I do not know, but I do know that when matters of grave and vital concern affect a minority, even a small minority, that minority has the right to use every legitimate means to prevent what it thinks would be a calamity befalling a particular people or State because of the issues involved.

In this particular instance, Mr. President, I am mindful that the cloture rule forbids the consideration of any amendment which has not been offered prior to the adoption of cloture. I can well surmise circumstances in which when the cloture rule is adopted, if it should be, the time would be exhausted and the consideration of amendments of great importance which might be offered would be foreclosed without debate. If I am not wrong in my memory, that was the principal ground upon which a former great Senator, the Senator from Idaho, Mr. Borah, always opposed cloture. I think I am correct in that statement. To my mind, Mr. President, the adoption of the cloture rule in this instance would be unwise. I think the pending bill can be disposed of by a vote on the motion to invoke cloture, and, as I am against the bill, as I believe it to be unconstitutional, I shall vote against cloture.

Mr. President, I have concluded.

Mr. WHITE. Mr. President, will the Senator from Mississippi yield to me?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Maine?

Mr. BILBO. I yield.

Mr. WHITE. Mr. President, I wish to say a very brief word to comment upon the speech just made by the Senator from New Mexico. I deeply regret his utterances on this occasion. So far as he limited himself to a discussion of the merits of the pending legislation and the constitutional warrant for it, I have no quarrel with him, because I am in accord with him. But, Mr. President, I see no relationship whatsoever between the soldiers' vote bill and the pending bill. I deny that Members upon this side of the Chamber have been motivated in the first case by political considerations and that they are motivated at this time by entirely different considerations. As a matter of fact, the Republican Members voted upon the soldiers' vote bill as they believed merits of the legislation and the constitutional mandate required of them, and I want the Senate to know that at this time the minority Members of the Senate propose to vote on the pending bill as they believe the constitutional mandate requires of them.

I regret that the major part of the remarks of the Senator from New Mexico has been a political speech challenging the motives and the mental integrity of Members upon this side of the aisle.

Mr. HATCH. Mr. President, will the Senator from Mississippi yield to me?

Mr. BILBO. I yield.

Mr. HATCH. I wish to say to the distinguished and able leader of the minority that everything I said applied to both sides of this Chamber. I made no rule for Republicans which I did not apply to the Democrats.

Mr. WHITE. If the Senator made no difference, it wholly escaped me because as his words came to me they created in my mind the clear belief that he was undertaking a castigation of Members upon this side, and that he was challenging the motives of Members upon this side.

If the Senator will leave Republican Members alone and confine himself to a discussion of the merits of the pending measure, we on this side will, in turn, undertake to deal with it on the same basis, but there will be no good accomplished if we on this side of the aisle are to be indicted as a whole.

Mr. HATCH. Mr. President, will the Senator from Mississippi yield further?

Mr. BILBO. I yield.

Mr. HATCH. I want to say to my distinguished and able friend from Maine that the Senator from New Mexico will speak on the floor of the Senate according to the dictates of his own judgment and his own conscience.

Mr. President, I have the utmost respect for the Senator from Maine, and I called attention to the other side of the Chamber because it happened at the moment when I was speaking that there was not a single Member on the other

side present except the Senator from Maine. If that was wrong, the empty seats are there to speak for themselves.

Mr. President, I made it clear, at least I tried to make it clear, that I was not challenging motives, as the Senator from Maine has said I was. The same rule I apply and for which I argue applies to every man on this side of the Chamber just the same as it applies to those on the other side of the Chamber. It may be that the question involved as to the soldier's vote bill has no connection with the matter now before the Senate. Perhaps I was wrong to mention it, but that was for me to determine, and the fact that I did mention it has seemed to hurt. I know, Mr. President, that the things which are true are the things which cut and hurt.

The only thing I asked before, and the only thing I ask now, is that Senators who opposed the soldier's vote bill because it was unconstitutional exercise exactly the same process of reasoning on the pending bill that they used on the soldier's vote bill. Is there anything wrong in that request? If there is no connection, if there is no similarity, no one will be hurt, and no one will be confused. If there is, and if Senators adopt a different process of reasoning on one bill from that adopted on the other, then they will be condemned, not by anything I say, but as the result of their own votes, and their own reasoning processes.

Mr. STEWART. Mr. President, will the Senator from Mississippi yield?

Mr. BILBO. I yield.

Mr. STEWART. I appreciate the indulgence of the Senator from Mississippi for a few moments. I wish particularly to discuss a matter which was brought to the attention of the Senate earlier in the day by the junior Senator from Mississippi [Mr. EASTLAND]. First, however, I wish to place myself very definitely on record as being opposed to House bill 7, the bill now under consideration, and as being opposed to cloture, the motion for which is now pending and will be called up Monday, as I understand.

I supported, as did the Senator from New Mexico, the soldiers' vote bill, which was disposed of by the Senate a few months ago. I supported that bill and justified my position on grounds I set forth in a statement I made which appears in the RECORD. I justified my vote purely on the war powers provision of the Constitution.

The question here involved is, of course, an entirely different one. The pending bill, House bill 7, is unconstitutional for reasons which have already been stated much more effectively and much more forcefully than I could state them. But I should like at this moment to repeat that my reasons for opposing the bill are found in the Constitution of the United States, in article I, section 2, which reads:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

The same statement, almost in the same words, is repeated in the seventeenth amendment to the Constitution, which provides, among other things:

> The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

As stated in common parlance, I think that means that the voters who cast their votes for Members of the United States Senate and for Members of the other House of Congress shall be qualified to vote, under the laws of their States, for members of the most numerous branch of the State legislature.

In Tennessee one of the prerequisites to voting for members of the legislature is the payment of a poll tax. A little over a year ago the State Legislature of Tennessee undertook to repeal the poll-tax law. A bill which had that for its purpose was passed by both houses of the legislature and was signed by the Governor. The act met a challenge in the courts, and it was tested through the courts to the Supreme Court of the State of Tennessee. In the majority opinion the Supreme Court of the State of Tennessee held the repealing law to be unconstitutional, so Tennessee still has a poll-tax law.

Suppose that House bill 7 should be passed and become a law, or a sort of a law—I do not think any such catastrophe is going to befall the country; but suppose, that should happen; then in the November elections next fall, when the people in the various counties of the State of Tennessee are electing members of the most numerous branch of the general assembly, or lower house, as we call it, those voters in Tennessee, those electors, will present themselves to the election officers in the precincts in the various counties in which they reside. One voter will approach with a copy of House bill 7 in his hand and say to the election officers, "By reason of the fact that the Congress of the United States has passed this law which says it shall not be necessary for me to pay a poll tax in order to vote for the Member of Congress from my district, therefore I have not paid my poll tax and I want to vote for my Representative in Congress." What will the election official say to him? Will he allow him to vote? If he does agree to permit him to vote, then suppose the voter in turn demands that he be allowed to vote for his State representative in Tennessee. The officer of election might lawfully say to him, "No; you cannot vote, because you have not paid your poll tax. Under the laws you are liable to pay a poll tax, and you have not paid it." Would it then be possible for him to vote for a Member of Congress when he is not allowed to vote for a member of the State legislature? Certainly, no one can argue that the voter should be allowed to vote for his favorite candidates for the State legislature when he is not qualified, by the payment of his poll tax, as an elector of the most numerous branch of the State legislature. No one could successfully gainsay that. He would certainly be turned down because he had not paid his poll tax, the payment of the poll tax being necessary to qualify him to vote. Therefore, not being qualified to vote for a member of the legislature, tell me how can he be qualified to vote for a Member of the Congress. It is a perfectly silly proposition.

Someone made the statement the other day that the Supreme Court of the United States would uphold this measure if it were enacted into law. I shall not express my opinion in advance of the Supreme Court of the United States in the event it should uphold the measure if it were enacted into law, but if such a thing should happen, probably I should be disappointed, because it would indeed be tragic.

Mr. President, that is all I have to say on the constitutional question. I said I wanted to refer to a pamphlet which was exhibited in this Chamber by the junior Senator from Mississippi [Mr. EASTLAND], and since my name appears to be printed in the pamphlet, and something connected with it was read into the RECORD by the Senator from Mississippi, I wish to make a brief reference to it. The pamphlet which I hold in my hand, and which was referred to by the Senator from Mississippi, is entitled "Labor's Stake in Abolishing the Poll Tax. International Union, United Automobile, Aircraft, and Agricultural Implement Workers of America, U. A. W.-C. I. O."

A great many things in this pamphlet have been discussed, but on page 24 we find the heading, "Equally vicious bills have been introduced by poll-taxers in the Senate."

Following this it recounts that the junior Senator from Mississippi [Mr. EASTLAND] has committed some kind of sin in the introduction of a bill or two, and likewise my colleague the senior Senator from Tennessee [Mr. MCKELLAR] has been guilty of a sinful act in introducing Senate Joint Resolution 23, and then my name appears:

> STEWART, of Tennessee, has put S. 240 into the hopper. It prohibits immigration during any year after the present war when the total unemployed is 1,000,000 or more.

Then comes the following in parentheses, if you please:

> (This is a part of the antialien campaign and would tend to turn native-born against foreign-born and aliens. It also violates our traditions of sanctuary and asylum to the persecuted and oppressed of all nations.)

Yes, Mr. President; I introduced S. 240, and it does provide that after this war shall have ended there shall be no immigration into these United States during any calendar year in which there are 1,000,000 unemployed. To quote exactly:

> When the number of unemployed persons, including United States war veterans, within the United States is 1,000,000 or more.

The purpose of the bill is, as it says, to prevent foreign immigrants from coming into the United States of America to take up their abode so long as there are 1,000,000 unemployed within the confines of the 48 States.

Yes, Mr. President; I introduced the bill, and I am a little bit proud of it. I introduced it at the special request of

the legislative committee of the American Legion. It is a patriotic measure. It is an American measure. It is a measure that will aid to keep the blood lines of America clean and pure and free from the taint of foreign blood such as we have experienced in the past few years.

If the bill can be enacted into law, it will tend in the years to come to keep America free for Americans. It will protect against unemployment in this country. Is the one who wrote in the pamphlet that I have introduced a vicious bill a better friend of the American working man than I am? If he is, why does he advocate the continued flow of foreign immigrants to be dumped upon the soil of America to add to the seriousness of our employment problem such as we will certainly face in the days when the war shall have ended?

I want the American people to be employed. I want to see them given the first chance and the first opportunity to receive employment here in the United States of America. That is my reason for introducing the bill.

Mr. President, the authors of the pamphlet say my bill is a part of the anti-alien campaign and would tend to turn native born against foreign born and aliens. It would not do such a thing as to turn native born against foreign born. That is a strained construction. The authors of the pamphlet say that my bill "violates our traditions of sanctuary and asylum to the persecuted and oppressed of all nations."

Mr. President, if I am not quite badly mistaken, when the war is over we shall all waken to the full and complete realization that it is about time for the United States of America to turn its full and complete attention to its own native citizens and to the building up in this country of one nation, one nation of people, instead of pampering a breed here which undertakes to attack the Constitution upon which the four pillars of this Government rest and have securely rested throughout the one-hundred-and-fifty-odd years of its existence.

I think we will find when we shall have concluded this war that we have brought upon our shoulders greater burdens than we have hitherto known, burdens of bonded debt, burdens of supporting the widows and the orphans created by the war, and we shall assume a responsibility the like of which we have never known and which we have never before experienced, and then indeed it will be time to close the gates to foreign immigrants.

Mr. President, we say we are fighting the war to preserve democracy. What do we preserve if we open the floodgates of immigration and permit people from foreign countries with whom we are now engaged in mortal combat to come here with their ideas which are utterly foreign to ours? The greatest enemy to communism is the American Constitution, which is being assailed by the proposed legislation which is being considered here.

Yes, Mr. President; I introduced S. 240. I have spoken too long now in the time of the Senator from Mississippi. I am glad the authors of the pamphlet brought this matter up, because just as certainly as I am able to bring it about, Senators are going to see that bill on the calendar as quickly as it can be placed there. The committee issuing this pamphlet, which opposes the passage of that bill, can keep their representatives here in Washington for the purpose of defeating that bill if they wish to do so. I am glad they have mentioned the bill. It has now been lying dormant too long, perhaps, for more than a year, chiefly, however, because it provides legislation which does not take effect until after the war. Nevertheless, as soon as I can do so the bill shall be brought out of the hopper and placed on the calendar.

I thank the Senator from Mississippi for yielding to me.

Mr. BILBO. Mr. President, if there is no one else to whom I can yield—I have been very happy to yield to my colleagues because I wished to have all of their speeches out of the way so that I could make my speech—I shall proceed with my own remarks. I have from now until 1 o'clock Monday to finish my address.

Mr. President, before beginning the serious part of my speech I wish to call the attention of the Senate to the first speech made in this debate. It was made by my good friend the Senator from Nevada [Mr. McCARRAN], of the wild and woolly West. He said:

> This country is a democracy.

That is agreed.

Then he said:

> The right to vote is a part of the democratic privilege, guaranteed to every citizen of the United States. Under a democracy, no citizen should be denied the privilege of casting his vote for the head or heads of his government. To deny that privilege is to deny that this country is a democracy. To say to one man that because he has money he may vote, and to say to another man that because he does not have money he may not vote, is to preclude the idea of equality before the law. We would be putting our democracy on the basis of wealth, and of wealth alone. To say to an officer who is to serve his government, "You can be elected only by the votes of the wealthy or the votes of those who have money to pay a certain fee," is to say to the public officials of this country that they serve only those who have wealth, who have money to pay a fee for the right to vote. That was not the contemplation or in the contemplation of those who wrote the Constitution which is basic to this country. If we read their expressions aright, we believe it was in their contemplation that every citizen of this country should have the right to express himself at the ballot box on the question of who shall be his servants in the public place and bear the responsibility of public office.

Mr. President, on the whole, I agree with my friend the Senator from Nevada that the right to vote is a right enjoyed by those who are citizens of a democracy, and that there should be no discrimination in the exercising or granting of that right. And there is no discrimination in the imposition of the poll tax, because, as has been frequently said on the floor of the Senate, the poll tax is imposed alike on the white and the black, the rich and the poor. The point I wish to make in reply to my friend the Senator from Nevada, who is chairman of the Committee on the Judiciary, is that the persons who are sponsoring the pending bill, the originators of this proposed legislation, and the leaders of the pressure groups which are calling upon Senators in secrecy, through the mails, by telegraph, and by telephone, to vote for the bill are the same element, the same group, that is today taking from the poor people of this country, the laboring people of this country, another great right which is guaranteed under our democratic form of government, namely, the right to work with their hands and their minds for a living, to support their wives and children.

It is well known that the C. I. O. is behind this communistic idea of government. I say "communistic," because I propose to show that the Communists are the ones who started this fight for the repeal of the poll tax by Congress. The C. I. O. and even the organization of labor headed by my good friend Billy Green have a fixed policy, under their rules and regulations, that no man, no matter how many children he may have to support, no matter how pressing his needs may be, no matter whether he is on the verge of starvation, shall be permitted to work and make a living until he has paid an initiation fee and subsequently has paid his monthly dues.

Mr. President, the right to work for a living is a democratic right which, under the Constitution, is guaranteed to every citizen of this country. Yet the same persons and the very group which have initiated the pending bill and are pressing for its enactment into law, today have denied thousands and tens of thousands of the citizens of this country—poor, white and black—the right to work for a living, until they have paid an initiation fee of $5, $10, $15, $25, or in some cases $100, and then pay an annual fee to support those who are operating the labor organizations. I do not understand how my friends the laboring people could be so inconsistent, how they could exert so much pressure for the passage of the pending bill, when they themselves are denying to the laboring people, American citizens, the right to make a living, until they have walked up and "plunked" down a goodly amount of the long green, the coin of the realm.

In Mississippi, where a great many Army camps have been established, I have had interviews with hundreds of my constituents who have gone to those camps, where the pay was adequate, and have begged for employment. But they were told by the business agents of the American Federation of Labor or the C. I. O., who were there on the job, and were controlling the labor in those camps, "When you pay your $25 or your $50"—or, if he happen to be a plumber, $100, or, if he belong to some other highly skilled class of labor, $125—"you can go to work." Not until you "plunked" that much money down to the business agent, and then pay your dues, can you do any work, in order to make an honest living and support your family. Mr. President, if it is not wrong to make people pay a fee before they can go to work and make a living and support their families, their wives and children, under

the rules of the C. I. O. and the American Federation of Labor, I can see no harm in having the Government require the payment of the small sum of $1 or $2 by the head of every family in order that the money thus paid may be used to educate the children of the poor people of the country.

Yesterday I asked my friend the Senator from New York [Mr. MEAD]—I am sorry he is not now present—if it was not a fact that the C. I. O. was a party to the demand to have the anti-poll-tax bill passed, and I asked him whether the Communist Party was not also a party to that demand. He denied that was so. Let us see whether it is so. His research assistants do not seem to be able to dig up any information for him about that, for I asked him today if he had found any such information, and he said he had not.

I hold in my hand the platform of the Communist Party of the United States for the year 1928. It might be interesting to the Senate to learn for just what that party has been declaring. In the first place, it declared for the abolition of all laws forbidding the intermarriage of persons of different races. In other words, the Communist Party and some of the members of the C. I. O. and some of the promoters and sponsors of the pending bill are urging the abolition of all laws which prohibit the intermarriage of the races. The fact of the matter is that for a number of years the late professor of anthropology at Columbia University, Dr. Franz Boas, in his teachings advocated the intermarriage of the races. He was a Russian Jew who came to this country and became a professor of anthropology at Columbia University. While he has now passed on, to give an accounting of his deeds committed in the body, some of his students were left behind.

Not long ago 2 of his students from the department of anthropology of Columbia University, Dr. Ruth Benedict and Dr. Jean Willfish, conspired to write a book entitled "The Races of Mankind." By some mysterious undercover manipulation they succeeded in selling 55,000 copies of this very interesting document to the War Department to be distributed among the soldiers of our Army; but luckily we found out what was taking place in this studied and planned campaign of education among the least informed of the country, and those documents are now in cold storage in the War Department. In a few days, when this discussion is over, I propose to take the floor of the Senate and answer, from an anthropological, ethnological, and any other "ological" standpoint, the statements of Dr. Benedict and Dr. Willfish in their book entitled "The Races of Mankind." There has never been a more disgusting conglomeration of scientific and physical facts than is to be found in this book. The whole scheme looks to the consummation of the plank in the platform of the Communist Party calling for the repeal of all laws forbidding the intermarriage of the races. In fact, Dr. Boas advocated that in his teachings. He never practiced it, but he encouraged others to do so.

This same Communist Party advocated the immediate repeal of all immigration laws and the abolition of all restrictions on immigration. In other words, they propose to throw wide open the gates of this country to all classes, races, and nationalities of people throughout the world, in order to carry on the melting-pot process in this country. Not only that. Listen to this, Senators who are supporting this Communist-sponsored legislation. The Communist Party says, in section 4:

> We demand the abolition of the United States Senate.
>
> We demand the abolition of the Supreme Court and the veto power of the President of the United States.

They advocated, in the platform of 1928, the abolition of all taxes for those who labor in this country. In 1936 they had this plank in their platform:

> We demand the abolition of poll taxes and all other limitations on the right to vote.

That is from the Communist platform of 1936.

In 1940 they repeated their demands and said:

> Pass the Geyer anti-poll-tax bill to give the vote to the Negro and the white masses in the South. For full civil rights and the right to vote for all men in the armed services, migratory workers, and seafaring men.

They cover the whole face of the earth in that statement.

The point I am making is that the Communist Party is the originator of this unconstitutional measure to repeal the poll tax which now obtains in eight of the States of this great Republic. This communistic doctrine has been disseminated in the ranks of labor, among members of the C. I. O. and members of the American Federation of Labor, and in the ranks of the colored voters of this country. In that way the Communists have generated a sentiment among those classes of voters which has dragged the politicians into the game. Hence we have the proposed legislation in an attempt to violate the Constitution.

This communistic outfit is still trying to do business. The other day it started something in Washington. I wish to read a telegram which I received from the Communist Party.

> WASHINGTON, D. C., *April 22, 1944.*
>
> Senator THEODORE BILBO,
> *Senate Office Building,*
> *Washington, D. C.:*
>
> We 500 citizens of Washington assembled at a "Back the invasion" mass meeting at the Press Club auditorium on April 21 held under the sponsorship of the Communist Party of the District of Columbia call upon you to resign as chairman of the Senate District Committee. Such a step is essential in order that unity may be strengthened among the people of Washington, unity which will enable them to fully mobilize for the tremendous tasks which the coming invasion of Europe will place upon the people of the Nation's Capital.
>
> JAMES L. BRANCA, *Chairman.*

That is the party which wants interracial marriage. That is the party which wants to abolish the Supreme Court and the United States Senate, and do away with the veto power of the President. It wants all the immigration laws repealed, and wants this bill passed.

Much has been said in the press, and by other organizations in Washington which have met from time to time and objected to my holding the position as chairman of the Senate Committee on the District of Columbia, on the ground that my utterances and my views about governmental questions are detrimental to the unity and welfare of the American people. In order that Senators may have an idea of what I think about the Communists and their gratuitous demand that I resign as chairman of the committee, let me read my reply to the Communist Party. Personally I have no respect for them. They are un-American. They have nothing in common with the great majority of the people of this country, black or white. Three-fourths of the Negroes of my State have better sense and better views than the Communist Party.

My reply is as follows:

> MAY 10, 1944.
>
> Mr. JAMES L. BRANCA,
> *Chairman, Communist Party of the District of Columbia,*
> *Washington, D. C.*
>
> DEAR SIR: Your audacious and asinine telegram of April 22, which purports to convey the wishes, sentiments, and commands of the 500 un-American citizens of the un-American Communist Party of Washington in a mass meeting on April 21, received.
>
> The egotism and asininity of your un-American gang calling upon the senior Senator of a sovereign State of this Republic to resign as chairman of the District Committee, which came to me by virtue of my tenure of service and seniority as a Member of the United States Senate, amply justify my position that just such people as made up your mass meeting have not yet advanced far enough and are not sufficiently possessed of the principles and ideals of our democratic and American form of government to be entrusted with the American ballot in a free democracy like ours.
>
> Instead of weakening the unity of the American people in their determination to fight unto death for their form, ideals, systems, and way of living in the American Government, my views and utterances and efforts on the war, race relations, and other ideals of good government will challenge the best efforts of all the worth-while people to mobilize our wealth, our manpower, womanpower, our honor, and our all for the tremendous task of not only the coming invasion of western Europe but to go on until the task is finished in defeating and destroying all enemies of good government which most certainly would include your motley and mongrel party. The clamorings of a handful of ignorant un-American trouble breeders that largely make up the leaders and members of your Communist Party will not be able to create a ripple on the sea of serenity and unity and determination of the worth-while American people.
>
> To be more specific and in a more direct reply to your insane, egotistical, and pusillanimous request that I resign as chairman of the Senate Committee on the District of Columbia or "ex-officio mayor" of the District of Columbia, let me say to you and every member of your incongruous gang, go straight and jump into the abyss of perdition, and may I add further that you bespatter your muddled, twisted, swiveled, infinitesimal suggestion of brains on the brimstones in the bottomless pits of a perpetual hell, and that your seared, diseased, and ill-formed carcasses fry and

sizzle for trillions of years beyond doomsday in the eternal fires of the damned.

Again and again my answer is "No," a thousand times no.

Yours truly.

Again, my answer is "No," a thousand times "No." That is my answer to the Communist Party of the District of Columbia. Those are my sentiments concerning the organization. When I am confronted here with this un-American and unconstitutional proposal of theirs to assault and break down the provisions of the Constitution of the United States, which, for more than 150 years, have given to the States the right to fix the qualifications of their voters, I am more and more enraged at such an organization and such a conception of American ideals of government.

Let us look for a moment at some of the groups that are behind the prosecution of this proposed legislation. First, I wish to consider the Committee of 100. It carries on its letterhead the following words: "Dedicated to the Creation of an America of Justice and Equity for Our Negro Fellow Citizens." That is the N. A. A. C. P.? It is the organization of Walter White, who recently sent a telegram to Governor Dewey, of New York. I have heard of but one answer which Governor Dewey gave to Walter White on the pending proposal. Governor Dewey stated that he is opposed to the poll tax. I agree with Governor Dewey. Personally, I do not believe in the poll tax. I have been preaching the abolition of the poll tax in my State for 5 years. I have even taken my political fortunes in hand and have gone out and advocated the abolition of the poll tax because I do not believe in it. I agree with Governor Dewey in the matter, and I agree also with President Roosevelt. The poll tax is wrong. It ought to be abolished. That is not the reason, however, why I am fighting the passage of the pending anti-poll-tax bill. I am fighting it because, knowing the source of the proposed legislation and the underlying motives of the originators of the bill, I know it to be one of the means by which its proponents hope to break down our constitutional system of American Government. It is to be the entering wedge.

If the proponents of this measure can establish as a precedent the rule that Congress can go into a State and strike down its qualifications of voters, Congress will be empowered to go into any State and strike down any other qualification which the State has prescribed. Congress will have authority to go into any State and add qualifications to those already prescribed for voters within the State.

Mr. President, I am fighting this bill because it would strike at the very heart of our dual system of constitutional government, at the very system which has made this country what it is today after having been tried for 150 years. Is it not strange that, after 150 years, during which this Nation has been made one of the greatest republics of all time, the wealthiest nation of all the world, and the leader of all the world, in the past two or three decades there have appeared on the scene those who were so smart as to conceive the idea that they could go to Congress and get the Members of Congress to violate the Constitution and override it by legislation of the kind being proposed? That is what has happened. In other words, we had to wait for about 150 years before there could be brought forth some lawyer, some politician, or some school teacher who was smart enough to believe that the Constitution could be violated by the passage of legislation of the kind which we are now considering.

Mr. President, I know that in the past we have had great thinkers and great statesmen. However, this proposal comes in the dark like a thief in the night. It comes from the Communist conception that has invaded our country, and given birth to this un-American idea. It has been put into the minds of the uninformed laborers of the C. I. O. and the American Federation of Labor, as well as into the minds of our colored people. It is unfortunate that because of such sentiment some politicians have had to fall into line.

I have talked with some of the gentlemen who are supporting this measure. I have talked with them in the cloakroom, for instance. I have said to them, "What do you mean? You know this is unconstitutional." They replied: "Yes; but I have so many voters in my State, and they want the bill passed." That is the idea. No one need be fooled about it.

Now, because of this sentiment, and because of the gullibility of people who are supposed to benefit from the proposed legislation—namely, the Negroes of the South and the poor white people—many organizations have sprung up in this country and have exploited the uninformed. God knows how much money they are making out of their activities. I hold in my hand a letterhead of Walter White's association. In it is the following paragraph:

It is not enough merely to affirm. I ask you also to join with the Committee of One Hundred in aiding the energetic and effective work of the National Association for the Advancement of Colored People. It is our task to raise $100,000 for the support during 1944 of the N. A. A. C. P. Legal Defense and Educational Fund, Inc.—

And so forth. This organization is one of the groups which is leading the fight for the pending bill, and putting pressure upon Members of Congress to pass it. In addition to other activities, they are putting on a Nation-wide campaign in order to raise funds to support their needs.

Here is another document. It is from the National Committee to Abolish the Poll Tax. The headquarters of the organization are here in Washington. Jennings Perry is chairman. Dr. Will Alexander is vice chairman. Some of you know his background. Virginia Foster Durr is also vice chairman. I do not know her. Katherine Shryver is executive secretary. This organization has sent out over the Nation a call for money. They do not put the call on their printed literature, but they slip it in on a little blue piece of paper, which I will read:

A filibuster costs money. It costs the American taxpayers $11,000 a day in Senate expenses. It costs us money to fight it.

As the filibuster begins, we have a deficit of over $1,000. Without the generous help of all who know that democracy itself is at stake, we cannot go on fighting—the filibuster cannot be defeated.

In other words Mr. Perry and Miss Katherine Shryver, executive secretary, flood the Nation with their campaign literature setting forth the enormity of the poll tax and trying to fleece the American people by having contributed to them money with which to replenish their coffers. The organization just referred to was the National Committee to Abolish the Poll Tax.

Here is another one, the United Committee Against the Poll Tax Filibuster. That is another of these rackets, another organization along the poll-tax line. This organization is headed by Dr. J. Holmes Smith, chairman. He is a Methodist minister, with headquarters at 2013 Fifth Avenue, New York, with Noah C. A. Walter, treasurer—he is a colored gentleman—and E. Maude Pickett, secretary. I am not advised as to her color. Now let us see whom Brother Smith is exploiting in this case. We find enumerated the Baptist Ministers' Conference, Washington, D. C., which is colored; the Baltimore Methodist Preachers' Meeting, Washington Conference, another colored organization; the Brotherhood of Sleeping Car Porters, Washington Division, which, of course, is colored; the Committee of Racial Equality, which may be mixed; the Fellowship of Reconciliation, which may be mixed; the Committee of 100, Washington Bureau, Fraternal Council of Negro Churches, which, of course is colored; the Greater Harlem Christian Youth Council, another colored organization; the Institute of Race Relations, Washington, D. C., which I presume is mixed; the March on Washington Movement, which is colored; the Modern Trend Progressive Youth Group, which is probably mixed; the Socialist Party, U. S. A., which is mixed; the Washington Methodist Preachers' Meeting, another colored organization; the Workers Defense League; and the Young People's Socialist League.

These organizations are being exploited, of course, in order to obtain money to carry on for Brother Smith and his secretary, treasurer, and others. In other words, there are about four of these organizations.

There is one I have forgotten to mention, and that is the National Sharecroppers' Fund, Inc. They have even gone that far. Naturally one would expect to find sharecroppers somewhere down in the cotton sections of the South or in the fields of the great West; but the headquarters of the sharecroppers is at 8 West Fortieth Street, New York. I do not know what kind of crops they are planting there, but I imagine they will have a rather rich harvest, because they are going to call on the Nation to come to their rescue and furnish the sinews of

war in order to abolish the poll tax. This communication says:

We ask for $50,000. * * * Some will give $100 and more, others $1.

They will take anything that may be sent them.

In other words, there has grown up in this country, most of it originated from New York or Washington, four or five organizations or groups that are carrying on a racket by raising money from the unsuspecting and credulous and gullible people. God only knows how much money they are getting. If one organization gets a hundred or two hundred thousand dollars, and another gets two or three hundred thousand dollars, and another two or three hundred thousand dollars—there are four or five of them—I am wondering where they will spend the money, what they will do with it, and I am wondering if these organizations will be included in that provision of the tax bill which requires such organizations to make a report to the Internal Revenue Bureau as to how much money they have received and how much they have spent. I hope they come under that provision of the law.

It all shows that this thing has been converted into a racket, and that many gullible people have fallen for the sentimental and specious arguments of the sponsors, and will pour out their coin to help in what they consider a cause, a righteous cause, a glorious cause, an American cause.

Mr. President, there has been much said on the floor of the Senate about the constitutionality of this proposed legislation. I have spent some time in the preparation of an analysis from a legal standpoint, being a lawyer myself, to show that this measure is clearly and unquestionably unconstitutional. In keeping with the views of some advanced thinkers on this proposition, it is our contention that the only way this legislation could become a part of the organic law of the Nation would be to do as was done in the case of letting the women of the Nation vote, namely, to amend the Constitution. I believe that that method will have to be resorted to before our friends will ever make any headway, because, so long as I am a Member of the Senate it is my determination not to let this kind of legislation pass, and a great many of my colleagues are likewise so determined. So those who are advocating this bill are wasting their time. The Negroes of the South, of the eight poll-tax States, have been led to believe, and their friends and relatives in the North have been led to believe, that if the Congress will simply pass this bill they will at once vote. I want to assure them that there is not a chance on earth to increase the vote of the colored people of the South by the enactment of such legislation as this.

Mr. President, in confirmation of the statement I have just made, that the enactment of the proposal now before the Senate would not increase the number of voters among the colored people of the South, let me say that on November 26 last I introduced into the RECORD a letter from Perry W. Howard, the National Republican Committeeman from Mississippi, written to a Member of this body, in which he emphasized the fact that under no stretch of the imagination would the enactment of the proposed legislation add votes among the colored people of the South. I ask permission that the letter be printed in the RECORD, at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR SENATOR LANGER: Pursuant to promise at the meeting of the Mu-So-Lit Club last evening, which you addressed so forcibly, effectively, and admirably, I am writing you in reference to the matter of the poll-tax bill.

I wish to most respectfully repeat what I said on last evening, and that is, that the bill so drawn is not worth the paper it is written on so far as it guarantees the colored man a vote in the South, and I base this statement upon the following reasons:

1. If one has paid his poll tax for 40 years on time without breaking the continuity, he must register before he can vote.

2. The matter of registration is in the hands of the circuit court clerk and there is no appeal from his decision to the courts when he denies one the right to register.

3. Under the understanding clause, or educational clause, this clerk can arbitrarily use any subterfuge to prevent one from registering, even though he is a graduate of a leading university of the land, a large taxpayer, and one of unimpeachable character.

Therefore, the bill should be amended, and should have the following amendment, to wit: *"Provided, however,* That each active political party in a State shall have representation in the manner of registration of voters so that each applicant will be protected in his right to register when he qualifies."

This amendment, if passed, would reconstruct the voting system of the South and make suffrage universal, and at the same time it would maintain a high standard for qualified voters.

May I add that the colored people of the South are willing to pay the poll tax if they are given a chance to register, but they do not wish the farcical performance of paying poll tax but cannot register and vote.

Indeed, it will be very unfortunate for my people in this country if either political party should succeed in passing this poll-tax bill as drawn for the reason that the party passing it will place upon the shoulders of the American Negroes a political debt that it will take more than 50 years to pay, when by the passage of the existing bill they are getting nothing in return. I challenge any American to the platform on this issue.

I represent the largest Negro-populated State in the Union, and I have given years of study to the laws of our State and the South generally, and I want to appeal to you and other Members of this great body that you not hand us a gold brick and take up the time of the Congress with a farcical proceeding.

I wish to add here that the great leaders in Mississippi in the constitutional convention of 1890 promised that when they fixed the educational test as a prerequisite for voting that it would be fairly and impartially enforced and in proportion as the colored man measured up he would be permitted to vote. This was promised by such eminent men as Messrs. George and Walthall, but it has not been kept by their successors.

I represent the minority group and I am openly and not secretively asking the leaders of my State to cooperate with you in a matter of simple justice, and not a matter that is revolutionary.

I think the time has come that someone who knows the situation should speak out in frankness at a time when many white and colored leaders are trying to do something in absolute ignorance of the results.

With all good wishes, I am,

Sincerely yours,

PERRY W. HOWARD.

Mr. LANGER. Mr. President——

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Mississippi yield to the Senator from North Dakota?

Mr. BILBO. I yield.

Mr. LANGER. Was the letter just inserted in the RECORD by the Senator addressed to me?

Mr. BILBO. It was.

Mr. LANGER. Written about 6 months ago?

Mr. BILBO. Yes. I think those who are sponsoring the proposed legislation, and the organizations I have enumerated which are making a Nation-wide drive for funds and more funds to carry on the fight, owe it to these unfortunate people to say to them, "We are going to try to pass the anti-poll-tax bill, but after we have it enacted, it will not give you the right to vote." They need to know that.

Perry Howard is an outstanding lawyer in Washington. He was formerly an assistant United States district attorney, under the Hoover administration. He is the National Republican committeeman for Mississippi; he is the head of the Republican Party in Mississippi; and, if there should be an accident and the Republicans should win the Presidential election this year, he would have control of all the patronage in the State of Mississippi; he would "dish it out." In this letter he tells his own race, and tells the world that the enactment of the proposed legislation would have no effect in qualifying the Negroes in any way to vote, if they claimed to be disfranchised in the South.

But to qualify them is not the underlying purpose of those who conceived this piece of legislation, and who have been by degrees trying to pass it through the Congress. They have sense enough to know it is not going to qualify anyone to vote. They know they are double-crossing the people who are financing the various groups and organizations making the drives. Their ultimate purpose is to break down our dual system of government, and the public should know that that is their dream, that that is their scheme, that that is their plan, that that is their hope; and that is why I am fighting this kind of legislation.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. LANGER. What kind of legislation is the distinguished Senator in favor of? If he is fighting the pending proposal, what is he in favor of? Is he still for the bill he had here before, to send all the Negroes to Liberia?

Mr. BILBO. I have no recollection of having a bill to send the Negroes to Africa. At the request of three and a half million Negroes, I introduced a measure to provide the ways and means

by which they could be voluntarily settled in west Africa, the richest country on earth. I have no right to send a Negro to Africa, but I have a right to try to provide the ways and means for the Negro to be transported, and have a home built for him, and have it cleared, and give him food and supplies for 12 months, until he is settled in that rich country. I can do that in order to bring about the proper and permanent solution and settlement of the race question, which we have had before us, which we are having, and of which we will have more in the future.

Mr. LANGER. Will the Senator yield further?

Mr. BILBO. I yield.

Mr. LANGER. As I remember the distinguished Senator's statement the last time the pending bill was up, about 8 months ago, he said he had a bill pending under which the Negroes would be sent to Liberia. I asked him at that time just how he was going to select them. Refreshing his recollection, the Senator stated that if any Negro had a single drop of Negro blood, that would be the test as to whether the Negro would be sent to Liberia.

Mr. BILBO. It is not a question of selection. That is merely a question of defining what a Negro is. A Negro is anyone who is ascended from the African race. Any anthropologist or ethnologist who knows anything about biology will state that that is true. All I did was to define what a Negro was, and one drop will make a Negro. That is strong enough.

Mr. LANGER. Has there been any hearing on the bill?

Mr. BILBO. No; there has been no hearing. I introduced another bill, to prevent the intermarriage of Negroes and whites in the District of Columbia, and I have not secured a hearing on that. I cannot get it out of the committee. There are many in the Congress who, afraid of the Negro, do not support that measure, even when they know they would be protecting the integrity of their own people and their own race.

Mr. LANGER. As I recall, the last time, 8 months ago, the Senator said the bill to send the Negroes to Liberia had been pending for 2½ years at that time. So does the Senator wish to tell the Senate it has been 3½ years now?

Mr. BILBO. It has been before the American people since the Presidency of James Monroe.

Mr. LANGER. The same bill?

Mr. BILBO. The same idea, the same scheme, the same plan. When Abraham Lincoln wrote his Emancipation Proclamation, more than half of it dealt with the resettling of the American Negro in a territory separate from the whites, because he realized that that was the only proper and permanent solution of the Negro question.

Mr. LANGER. Do I understand the distinguished Senator to say that Abraham Lincoln asked that they be sent to Liberia?

Mr. BILBO. Oh, yes. Did not the Senator know that?

Mr. LANGER. That is certainly news to me.

Mr. BILBO. That is why I am telling the Senator.

Mr. LANGER. I should like to have the Senator's authority for it.

Mr. BILBO. I suggest that the Senator obtain a copy of Lincoln's Emancipation Proclamation, and read it.

Mr. LANGER. I have read it several times.

Mr. BILBO. Oh, the Senator has?

Mr. LANGER. Yes. There is nothing in it saying that the Negroes should be sent to Liberia.

Mr. BILBO. He does not say to Liberia, but suggests the physical separation of the races.

Mr. LANGER. But there is nothing in the document about Liberia.

Mr. BILBO. Oh, well, the Senator should not be so technical about some little part of Africa. The Senator could have them sent to Santo Domingo if he wants to, or to Puerto Rico, or to South America, or to Mexico.

Mr. LANGER. The Senator from Mississippi himself does not care where they go?

Mr. BILBO. And, if the Senator keeps on, he might send them to North Dakota.

Mr. LANGER. We have some very fine Negro citizens in North Dakota.

Mr. BILBO. There are some 624 Negroes in North Dakota.

Mr. LANGER. They are very fine citizens, I will say.

Mr. BILBO. No; I believe I am mistaken. There are only 202 Negroes in North Dakota.

Mr. LANGER. And I say they are very fine citizens.

Mr. BILBO. No; I will correct that statement. There are 201.

Mr. LANGER. They have made a very fine record in North Dakota.

Mr. BILBO. The Senator does not know anything about them; that is the trouble.

Mr. LANGER. Yes; we have them in our schools in North Dakota.

Mr. BILBO. If the Senator understood anything about the question he would not have them in the white schools.

Mr. LANGER. We get along very nicely with them. We have had some of them over 50 years. One very fine family is the Millett family. The father of that family is a graduate of Yale University. They have made a very fine record.

Mr. BILBO. Full-blood?

Mr. LANGER. Half-blood now.

Mr. BILBO. Yes.

Mr. LANGER. They have intermarried. They have a very fine record.

Mr. BILBO. If there are no more than 200 Negroes in the Senator's State perhaps they could be absorbed in the course of time.

Mr. LANGER. We have only 200, or 201, as the Senator said; but, whatever the number may be they have made very fine citizens.

Mr. BILBO. According to the standards of the Senator's State, perhaps so.

Mr. LANGER. So far as the standards of North Dakota are concerned I will say that the citizens of North Dakota led the entire United States in the last war in patriotism, in the matter of buying Liberty bonds, and more of our boys per capita lie buried in the soil of France than those of any other State in the Union. The people of North Dakota are good, loyal, American citizens.

Mr. BILBO. I am afraid that the Senator from North Dakota is absolutely ill-informed on the question. I had hoped not to have to mention this matter in the discussion, because we were simply dealing with the pending bill, until the Senator injected the other element into the discussion, but I will now say that within a few days I am going to take up and discuss The Races of Mankind, a book written by two anthropologists of Columbia University, the school which the Senator from North Dakota attended. Possibly the Senator came under the influence of Dr. Boas.

Mr. LANGER. I know him very well. He is a very distinguished citizen.

Mr. BILBO. I had reached that conclusion from the Senator's remarks.

Mr. LANGER. Yes; he is a very distinguished citizen.

Mr. BILBO. Within a few days I shall discuss that book on the floor of the Senate and at that time I shall discuss in detail the race question which the Senator has brought up.

Mr. LANGER. Since the Senator mentioned it I will say Dr. Boas' son has made such an outstanding record that he has become the recipient of honors from large colleges throughout the United States, including some from the South, for the great work which he did last summer in the South.

Mr. BILBO. To what race or nationality does Boas belong?

Mr. LANGER. What is the difference?

Mr. BILBO. I asked the Senator the question.

Mr. LANGER. What is the difference?

Mr. BILBO. I will decide what the difference is. Will the Senator tell me?

Mr. LANGER. The Senator knows very well, of course, that he is of the Jewish race. The Senator knows that as well as I do. He is a very fine man and has made an outstanding record. I knew his son very well in college.

Mr. BILBO. Mr. President, the constitutionality of the pending anti-poll-tax bill is really the fundamental question with which we are concerned. The oath which we took when we entered upon our duties as Senators makes us bound to support the Constitution of the United States. Therefore let us look at this great and solemn document to determine its provisions concerning the question before us.

Mr. President, I have prepared from the text of the Constitution and the sessions of the Constitutional Convention held in 1787 a statement of the historical facts involved in the controversy, and I ask permission to make the statement a part of my remarks.

The PRESIDING OFFICER. Without objection, permission is granted.

The statement referred to is as follows:

The constitutionality of this anti-poll-tax bill is the fundamental question with which we are concerned. The oath which we took when we entered upon our duties as Senators makes us bound to support the Constitution

of the United States. Therefore, let us look to this great and solemn document to determine its provisions concerning the question before us.

Article I, section 2, clause 1, of the Constitution of the United States provides:

"SEC. 2. The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

This section above quoted, part of the original Constitution adopted September 17, 1787, has never been amended in any manner. On the other hand, it has been strengthened by the first clause of amendment 17, which reads as follows:

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures."

The above amendment, ratified by the States in 1912–13, repeated again after 126 years, the same phrase: "The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures." There was no change in that phrase although during those 126 years, suffrage had, on many occasions, occupied the national and public mind.

Let us look back beyond the Constitution and see what were the qualifications of the voters in the Thirteen Colonies. A reference to a history of the Colonies will quickly show that they differed in the qualifications required of the electors. In Rhode Island, Massachusetts, Connecticut, New Jersey, Delaware, New York (except New York City and Albany), Pennsylvania, Maryland, Virginia, North Carolina, South Carolina, and Georgia, there were property qualifications. Some of the Colonies had religious qualifications, Massachusetts and New York being among this number; in South Carolina a statute enacted in 1716 required voters to profess the Christian religion (act, 1716, No. 365, par. xx; 2 Cooper, 683). Roman Catholics were specifically disfranchised by the statutes of New York and Maryland.

In Pennsylvania, voters were required to be natural-born subjects of England; in Delaware, of Great Britain. (Bishop's Colonial Elections, p. 52.) There were moral qualifications in some of the Colonies as well as qualifications concerning age and residence.

Thus each colony determined the qualifications of its electors. From the time the first State assembly met in Virginia in 1619 and the delegates were elected by the people of Virginia up until the time of the Declaration of Independence, the Colonies exercised the right to control their elections. The Colonies fixed the qualifications of their voters without hindrance from any other power, they exercised the right to control their own elections for more than one hundred years before the Declaration of Independence.

When the Declaration of Independence was written and adopted, the Colonies became States, but the above rights continued. While the Revolution was going on, the voting was controlled by the States and the qualifications of the voters were fixed by the States.

In the midst of the Revolutionary War when thoughts and energies were centered upon the successful and victorious conclusion of that struggle, each State still jealously guarded its right to determine the qualifications of those who voted within its borders. Article 2, section 1 of the Articles of Confederation, adopted July 9, 1778, provides as follows:

"For the more convenient management of the general interests of the United States, delegates shall be annually appointed in such manner as the legislatures of each State shall direct."

The Articles of Confederation failed in many respects, but note the above provision and compare it with article I, section 2, clause 1 of the Constitution. Continuing with the Articles of Confederation:

"To meet in Congress on the first Monday in November, in every year, with a power reserved to each State, to recall its delegates, or any of them, at any time within the year, and to send others in their stead, for the remainder of the year."

Again, each State jealously guarding its power. Similarly with the above provision and the Constitution may also be found by comparing article II, section 1, clause 2 of the Constitution, which provides:

"Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress. * * *"

The Articles of Confederation carefully preserved and dared not enter the domain of States' rights. There were no elected Congressmen; they were delegates chosen by the several States to sit in the Convention of the United States of America as formed by the Articles of Confederation. The United States of America was dependent upon the States; it could not even levy taxes to support itself. The States continued to guard their sacred rights and were not quick to delegate to the Central Government.

Now we come to the Constitutional Convention. It was none other than George Washington who assured the States that if they would surrender to the Federal Government more power than it had under the Articles of Confederation, if they would grant to the Central Government enough power so that it could function properly, he would assure them that the States would not lose their sovereignty. Thus, with this purpose, the Convention assembled in 1787 to "form a more perfect union."

There were several plans submitted to the Convention as to how the Members of Congress should be chosen. Charles Pinckney's draft, article III, read:

"The Members of the House of Delegates shall be chosen every ——— year by the people of the several States; and the qualifications of the electors shall be the same as those of the electors in the several States for their legislatures."

After considering the different plans and suggestions, the Committee of Detail submitted its report. (P. 471 of the Government publication, Documents Illustrative of the Formation of the Union (1927).) The provision of article IV, section 1, was as follows:

"The Members of the House of Representatives shall be chosen every second year by the people of the several States comprehended within this Union. The qualification of the electors shall be the same, from time to time, as those of the electors in the several States, of the most numerous branch of their own legislatures." (Documents Illustrative of the Formation of the Union (1927), p. 472.)

The suggestion of the committee, as quoted above, was, after being made more concise, embodied in article I, section 2, clause 1, of the Constitution. However, the question of suffrage was then as it is today, and as it has been during the intervening 150 years, a very delicate subject, and the founding fathers still found cause for debate. It was Mr. Gouverneur Morris, a member of the Convention, who moved to strike out "the last member of the section beginning with the words 'qualifications of electors,' in order that some other provision might be substituted which would restrain the right of suffrage to freeholders." (Formation of the Union, p. 487.)

In answer to Mr. Morris and those who agreed with him that the provision of the Constitution was too liberal and should be restricted in the matter of the qualification of electors, Mr. Wilson, of the Convention, had this to say:

"This part of the report was well considered by the committee, and I do not think it could be changed for the better. It was difficult to form any uniform rule of qualifications for all the States."

In none of these arguments do we find any authority to support those who now, after 150 years, contend that Congress has the power to pass the anti-poll-tax bill. Quoting further from the Formation of the Union:

"Mr. Ellsworth thought the qualifications of the electors stood on the most proper footing. The rights of suffrage was a tender point, and strongly guarded by most of the State constitutions. The people will not readily subscribe to the National Constitution if it should subject them to be disfranchised. The States are the best judges of the circumstances and temper of their own people."

After this provision of the Constitution had been fully discussed by those holding different views, a vote was taken on Mr. Morris' motion to strike out "qualifications of electors" and substitute a provision limiting the right of suffrage to freeholders. When the States began to vote, the motion was defeated by a vote of 7½ to 1½. New York, Rhode Island, and New Jersey did not vote and Georgia was not present. Thus, article I, section 2, clause 1 of the Constitution was retained and has come down to us unaltered and unamended. This statement of Mr. Ellsworth is worthy of special attention:

"The clause is safe as it stands—the States have staked their liberties on the qualifications which we have proposed to confirm." (Formation of the Union, p. 873.)

That clause has been accepted for 150 years as securing to the States the right to determine their own electors. Each State has the right to fix the qualifications of the electors to vote for Members of the most numerous branch of the legislature and the Constitution accepts those qualified electors as those entitled to vote for the Members of the House of Representatives. And again in the adoption of the seventeenth amendment for the election of United States Senators by the people, the qualifications of the voters were fixed as the same as those fixed by the State legislatures for the election of those to serve in their most numerous branches. Can anything be clearer than that. With the Constitution of the United States before us and each of us having sworn to uphold that Constitution, how can anyone contend that the Congress has the power to pass this bill?

The following quotation is from chapter V of the Federalist, No. LII:

"I shall begin with the House of Representatives * * *. The first view to be taken of this part of the Government relates to the qualifications of the electors and the elected.

"Those of the former are to be the same with those of the electors of the most numerous branch of the State legislatures. The definition of the right of suffrage is very justly regarded as a fundamental article of republican government. It was incumbent on the Convention, therefore, to define and establish this right in the Constitution. To have left it open for the occasion by regulation of the Congress would have been improper for the reason just mentioned * * *.

"The provision made by the Convention appears, therefore, to be the best that lay within their option. It must be satisfactory to every State; because it is conformable to the standard already established or which may be established by the State itself."

According to the best authorities, the above was written by Hamilton. And no one can charge him—a man who strongly believed in the power of the Central Government—of making the above explanation in order to champion his ideals of States' rights.

Now, let us listen to the words of Jefferson, whose ideals so many of us profess to follow:

"It is of immense consequence that the State retain as complete authority as possible over their own citizens. The way to have good and safe government is not to trust it all to one (Washington) but to divide it among the many, distributing to everyone exactly the functions he is competent to perform. Let the National Government be entrusted with the defense of the Nation and its foreign and Federal relations; the State government with the civil rights, laws, police, and administration of what concerns the States generally.

"Every State retained (in the Constitution) its self-government in domestic matters, as better qualified to direct them to the good and satisfaction of its citizens than a general government so distant from its remoter citizens and so little familiar with the local peculiarities of the different parts."

These principles of self-government which the States were determined to retain for themselves brought forth many arguments during the ratification of the Constitution. However, not a single State convention found fault with the phrase of the Constitution which provided, "the electors in each State shall have the qualifications requisite for electors in the most numerous branch of the State legislatures." There was, on the other hand, much discussion concerning article I, section 4, clause 1, which provides:

"The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators."

Pertaining to the above provision, the South Carolina Convention adopted the following resolution:

"And whereas it is essential to the preservation of the rights reserved to the several States, and the freedom of the people, under the operations of the General Government, that the right of prescribing the manner, time, and places of holding the elections to the Federal legislature, should be forever annexed to the sovereignty of the several States. This convention doth declare, that the same ought to remain to all posterity, a perpetual and fundamental right in the local, exclusive of the interference of the General Government, except in cases where the legislatures of the States shall refuse or neglect to perform and fulfill the same, according to the tenor of the said Constitution." (Elliott's Debates, 2d ed., p. 350.)

Similar resolutions were adopted by other States when their delegates, in convention assembled, ratified the Constitution. Nowhere do we find expressed or implied any indication that Congress, by the Constitution, was given power to determine who the electors should be within the several States.

In discussing the lack of power on the part of Congress to pass this bill, the Honorable Abram P. Staples, attorney general of the State of Virginia, in his statement before the Committee on the Judiciary of the Senate on September 22, 1942, ably maintained the following propositions:

"1. The Constitution reserves in the States the exclusive power to determine the manner of choosing its electors to vote for President or Vice President of the United States, and confers no power whatsoever on Congress to legislate on this subject.

"2. Article I, section 2, of the Constitution, and the seventeenth amendment, reserve unto the States the exclusive power to prescribe the qualifications of the electors for Members of the Senate and House of Representatives, and this power is in no way modified or impaired by the power delegated to Congress by article I, section 4, to regulate the time, place, and manner of holding elections.

"3. The requirement of the payment of a poll tax as a prerequisite to the right to vote is a 'qualification' of an elector within the meaning of article I, section 2, of the Constitution, and of the seventeenth amendment.

"4. Even if the requirement of the payment of a poll tax be deemed not to be a 'qualification' of electors, it is nevertheless a proper exercise of the reserved powers of the States over suffrage, as well as of the taxing powers of the States.

"5. The Constitution protects the right to vote of only those who are qualified to vote under State statutes.

"6. Whether a State has exercised its constitutional power to prescribe the qualification of electors in an unconstitutional manner so as to deprive citizens of rights guaranteed to them by the Constitution is a judicial question and is for the courts, not the Congress, to determine."

For the judicial determination of this question, we have the decisions of the United States courts before us. Speaking of the fifteenth amendment, the Court, in *United States* v. *Cruikshank* (Federal Case No. 14, p. 897), declared:

"It does not confer the right to vote. That is the prerogative of the State laws. It only confers a right not to be excluded from voting by reason of race, color, or previous condition of servitude, and this is all the right that Congress can enforce. It confers upon citizens of the African race the same right to vote as white citizens. It makes them equal. This is the whole scope of the amendment. The powers of Congress, therefore, are confined within this scope.

"It is not the right to vote which is guaranteed to all citizens. Congress cannot interfere with the regulation of that right by the States except to prevent by appropriate legislation any distinction as to race, color, or previous condition of servitude. The State may establish any other conditions and discriminations it pleases."

Judge Hunt, in his dissenting opinion, in the case of *United States* v. *Reese* (92 U. S. 214 (1875)), had this to say of the fourteenth amendment:

"By the second section of the fourteenth amendment, each State had the power to refuse the right of voting, at its elections, to any class of persons, the only consequence being a reduction of its representation in Congress * * * that if any one of the late slave-holding States should desire to exclude all its colored population from the right of voting at the expense of reducing its representation in Congress, it could do so."

Again, when speaking of the fifteenth amendment, the Court declared:

"It is true also that the amendment does not change, modify, or deprive the States of their full power as to suffrage except, of course, as to the subject with which the amendment deals and to the extent that obedience to its command is necessary. Thus the authority over suffrage which the States possess and the limitation which the amendment imposes are coordinate and one may not destroy the other without bringing about the destruction of both" (*Guinn* v. *United States*, 238 U. S. 347, 359 (1914)).

Quoting further from the Guinn case, the language of Mr. Chief Justice White, this time concerning the fourteenth amendment:

"Beyond doubt the amendment does not take away from the State governments in a general sense the power over suffrage which has belonged to those governments from the beginning, and without the possession of which power the whole fabric upon which the division of State and national authority under the Constitution and the organization of both governments rest would be without support, and both the authority of the Nation and State would fall to the ground. In fact, the very command of the amendment recognizes the possession of the general power by the State, since the amendment seeks to regulate its exercise as to the particular subject with which it deals" (238 U. S. 362).

The second clause of article II, section 1, of the Constitution provides as follows:

"Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress, but no Senator or Representative, or person holding an office of trust or profit under the United States, shall be appointed an elector."

In construing the above clause, in the case of *McPherson* v. *Blacker* (146 U. S. 1; 36 L. ed. 869), Mr. Chief Justice Fuller said:

"In short, the appointment and mode of appointment of electors belong exclusively to the States under the Constitution of the United States. They are, as remarked by Mr. Justice Gray in *In re Green* (134 U. S. 377, 379; 33 L. ed. 951, 952), 'no more officers or agents of the United States than are the members of the State legislatures when acting as electors of Federal Senators, or the people of the States when acting as the electors of Representatives in Congress.' Congress is empowered to determine the time of choosing the electors and the day on which they are to give their votes, which is required to be the same day throughout the United States, but otherwise the power and jurisdiction of the State is exclusive, with the exception of the provisions as to the number of electors and the ineligibility of certain persons, so framed that congressional and Federal influence might be excluded" (at p. 877 of L. ed.).

And referring to the fourteenth amendment, the Court says further:

"The first section of the fourteenth amendment does not refer to the exercise of the elective franchise, though the second provides that if the right to vote is denied or abridged to any male inhabitant of the State having attained majority and being a citizen of the United States, then the basis of representation to which each State is entitled in the Congress shall be proportionately reduced. Whenever Presidential electors are appointed by popular election, then the right to vote cannot be denied or abridged without invoking the penalty, and so of the right to vote for Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof. The right to vote intended to be protected refers to the right to vote as established by the laws and constitution of the State. There is no color for the contention that under the amendments every male inhabitant of the State being a citizen of the United States has from the time of his majority a right to vote for Presidential electors" (36 L. ed. 878).

Clearly, the Supreme Court of the United States, in an unbroken line of decisions, has recognized that the States have the exclusive power, excepting the limitations imposed by the fifteenth and nineteenth amendments, to prescribe the qualifications of their electors. The question of the constitutionality of the poll tax was squarely before the Court in the case of *Breedlove* v. *Suttles* (302 U. S. 277), and a unanimous opinion was handed down by the Court in 1937.

In the Breedlove case, the appellant contended that the privilege of voting for Federal officials was one to which he was entitled, unrestricted by a tax unreasonably imposed through State invasion of his rights as a citizen of the United States. A Georgia statute provided that all persons under 21 or over 60 years of age and all females who do not register for voting, were exempt from

a poll tax of $1 per year, which was levied generally upon all inhabitants, and which, under the State constitution, must be paid by the person liable, together with arrears, before he can be registered for voting. The Court held that the appellant, a male not within the exemptions under the Georgia law, was not denied the equal protection of the laws guaranteed by the fourteenth amendment. Quoting from the opinion:

"Levy by the poll has long been a familiar form of taxation, much used in some countries and to a considerable extent here, at first in the Colonies and later in the States. Poll taxes are laid upon persons without regard to their occupations or property to raise money for the support of government or some more specific end" (p. 281).

"To make payment of poll taxes a prerequisite of voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States, but is conferred by the State and, save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate" (p. 283).

Now, before coming to the Classic case, let us look at the case of *Pirtle* v. *Brown* (118 Fed. (2d) 218), decided by the Circuit Court of Appeals of the Sixth Circuit in 1941. In that case, appellant Pirtle possessed all the qualifications required by the laws of Tennessee to entitle him to vote in an election to fill a vacancy in the House of Representatives in the United States Congress, except that he had not paid his poll tax. In holding that the constitution and statutes of Tennessee, which make the payment of a poll tax a condition precedent to the right to vote for Members of Congress, are not repugnant to any provisions of the Constitution of the United States, the Court said:

"It is not to be doubted that the people of a State may, through a constitutional convention prescribe the qualification of voters and the limitation of the elective franchise, provided, of course, that the privileges and immunities of the voters guaranteed to them by some provision of the Federal Constitution are not violated" (at p. 219).

The Constitution of Tennessee provides for the poll tax to be assessed "as the legislature shall prescribe." By statute in Tennessee, "every inhabitant between the ages of 21 and 50 years, except persons who are deaf, dumb, blind, or incapable of labor and of earning a livelihood, shall pay an annual poll tax of $1 for school purposes."

Speaking of the provisions of the constitution and statutes of Tennessee, the Court said:

"It is clear enough that these provisions do not levy or assess a poll tax upon voters as a class. Voters are nowhere referred to. It is, of course, true that a large number of voters would be liable for the tax but it is just as true that a large number, such as those who are deaf, dumb, blind, incapacitated for labor, or over 50 years of age, would not. Upon the other hand, a large class of inhabitants ineligible to vote at all, such as aliens, persons convicted of infamous crimes, persons who have not lived in the State and county for the requisite period of time, and all persons who do not choose to vote, are still liable for the tax" (at p. 220).

To appellant's argument that the Tennessee law violates the privileges and immunities clause of the fourteenth amendment, the Court pointed out:

"We need not labor the point. It has been conclusively decided against appellant in *Breedlove* v. *Suttles* * * * where the court said: 'To make payment of poll taxes a prerequisite of voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States, but is conferred by the State and, save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate.'"

The case of *United States* v. *Classic* (313 U. S. 299), decided in 1941, is the case about which we have heard so much and which, according to the proponents of this bill, is claimed to overrule the Breedlove case. However, an examination of this case will quickly refute any claim that this case even suggests that Congress has the right to interfere with the right of the States to fix qualifications for voters. Not involving any question of the power of Congress over suffrage, the only question in the Classic case was whether the right of persons qualified to vote by State law in primary elections is protected by the Federal Constitution as well as the right of qualified voters to vote in general elections. As stated by Mr. Justice Stone:

"The questions for decision are whether the right of qualified voters to vote in the Louisiana primary and to have their ballots counted is a right 'secured by the Constitution' within the meaning of sections 19 and 20 of the Criminal Code, and whether the acts of appellees charged in the indictment violate those sections" (at 307).

The following language clearly indicates that it is the State law which defines and measures the right to vote in congressional elections:

"Such right as is secured by the Constitution to qualified voters to choose Members of the House of Representatives is thus to be exercised in conformity to the requirements of State law subject to the restrictions prescribed by section 2 and to the authority conferred on Congress by section 4, to regulate the times, places, and manner of holding elections for Representatives.

"We look then to the statutes of Louisiana here involved to ascertain the nature of the right which under the constitutional mandate they define and confer on the voter and the effect upon its exercise of the acts with which appellees are charged, all with the view to determining, first, whether the right or privilege is one secured by the Constitution of the United States; second, whether the effect under the State statute of appellee's alleged acts is such that they operate to injure or oppress citizens in the exercise of that right" (at 310–311).

Note, again, the use of "qualified voters" in the following quotation from the opinion:

"Obviously included within the right to choose, secured by the Constitution, is the right of qualified voters within a State to cast their ballots and have them counted at congressional elections" (at 315).

The Court then proceeds to hold that the right of qualified electors to choose, at a primary election, a candidate for election as representative, is embraced in the right to choose representatives secured by the Federal Constitution. But nowhere, in any manner, does the Court speak of Congress having any power to determine who are "qualified electors." And the right here discussed, as secured to the voter by the Federal Constitution, is repeatedly spoken of as secured to "qualified voters" within the State.

Now, to summarize the arguments. The proponents of this bill have before them the history of the American Colonies and have only to glance at those records of the past to see that the Colonies each and individually determined who should be electors within their borders. And then, we have found that as the Colonies began to talk of one central government, the right of each of the future States to deal with the qualifications of its electors was one of the most jealously guarded rights. In the old Articles of Confederation, that right was religiously guarded and preserved. Then, in the Constitutional Convention, the proponents of this bill have only to look at the official records to see the intention of the founding fathers. They gave us the greatest human document ever written and in that document they provided:

"Article I, section 2. The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

How could anything be plainer than that? And remember, this is the Constitution of the United States—the Constitution that we are sworn to uphold and to preserve. And again, amendment 17:

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures."

There we have a repetition of the same language that was used in the original Constitution to refer to Members of the House of Representatives. If the proponents of this bill here today had had anything to do with that amendment, I guess they would have changed that language. Yet that is a provision which has stood the test of time. It took 150 years for some Members of Congress to decide that the Congress had the power to pass a bill such as this one—to interfere with the power of the States which they have exercised down through the years.

There is nothing in article I, section 4, of the Constitution which will justify the proponents of this bill. The first clause of that section provides—

"The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators."

How can anyone claim that Congress has the power to fix suffrage qualifications under this power to regulate "manner of holding" elections? Any proponent of this bill is challenged to show that such a construction has ever been placed upon this clause by the Supreme Court, by the courts of the States, by the States themselves, or by Congress. On every occasion in the past, when Congress has wished to deal with the all-important question of suffrage qualifications, it has done so by constitutional amendment.

Mr. Davie, of North Carolina, as quoted on page 61 of volume IV of Elliot's Debates, had this to say of the first clause, of section 4 of article I:

"If gentlemen will pay attention, they will find that, in the latter part of this class, Congress has no power but what was given to the States in the first part of the same clause. They may alter the manner of holding the election, but cannot alter the tenure of their office. They cannot alter the nature of the elections; for it is established, as fundamental principles, that the electors of the most numerous branch of the State legislature shall elect the Federal Representatives, and that the tenure of their office shall be for 2 years; * * *. Here, in the first part of the clause, this power over elections is given to the States, and in the latter part the same power is given to Congress, and extending only to the time of holding, the place of holding, and the manner of holding elections. Is this not the plain, literal, and grammatical construction of the clause? Is it possible to put any other construction on it, without departing from the natural order, and without deviating from the general meaning of the words, and every rule of grammatical construction? Twist it, torture it, as you may, sir, it is impossible to fix a different sense upon it."

Of course, you cannot find any constitutional provision to show that Congress has the power to fix the qualifications of electors in the various States. Congress just simply does not have that power; it is a power of the State and has been always exercised by the States without interference on the part of Congress. The State has the power to determine who shall be electors to vote for the most numerous branch of the State legislature, subject, of course, to the fifteenth and nineteenth amendments to the Constitution. Then, when those electors have been determined by the State, the Federal Constitution adopts those as the ones who shall be electors to vote for Representatives and Senators. Can anyone dispute these contentions? Can anyone honestly vote for this bill without openly and absolutely violating the Constitution of the United States?

The proponents of this bill will no doubt answer that the poll tax is not a qualification of an elector. Section 1 of the bill provides that a requirement of payment of a poll tax as a prerequisite to voting for President, for Senators and Representatives in Congress, is not a qualification of voters or electors but is an interference with the manner of holding elections. That means nothing else except that the framers of this bill are admitting, on the face of the bill, that if the poll tax is a qualification of an elector, then Congress has no power to legislate on that subject.

Webster defines a "qualified voter" as:

"One who possesses certain specific qualifications for voting, especially, as to citizenship, age, and residence, and sometimes also as to literacy and ownership of property."

And "qualification" is defined by Webster as being "a condition precedent that must be complied with for the attainment of a status, the perfection of a right."

From the discussions at the Constitutional Convention, it is clear that the founding fathers considered the words "right of suffrage" as synonymous in the meaning with "qualification of electors" as used in article I, section 2. "Qualification" has been used from the time of the foundation of this Government down to the present time in referring to the payment of poll taxes and other taxes as a prerequisite to the right to vote. In the Yarbrough case, the Supreme Court of the United States pointed out that the States defined who should vote for the popular branch of their own legislature and the Constitution of the United States says that those same persons shall vote for Members of Congress in that State. Referring to the Federal Constitution, the Court said:

"It adopts the qualification thus furnished as the qualification of its own electors for Members of Congress."

Even if the payment of a poll tax be declared not to be a qualification of an elector, it may still be imposed by the State as a proper exercise of the reserved powers of the States over suffrage, as well as of the taxing powers of the States.

The tenth amendment provides:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

It is elementary that in the Federal Constitution the States surrendered or granted to the Federal Government certain powers. The States were already sovereign; they already possessed absolute sovereign powers, and such powers as they did not grant to the Central Government, they obviously retained. And by the adoption of the tenth amendment the powers not delegated to the Federal Government were expressly reserved to the States.

On this matter, I quote from the able argument of the Attorney General of Virginia, Mr. Abram P. Staples, in his report before the Judiciary Committee:

"Thus were the various States exercising their sovereign powers with respect to conferring the right of suffrage upon their citizens. Whether the requirements to be met in each State be termed a 'qualification of electors' or be referred to by any other term or word or words, the States possessed and exercised the unlimited power over suffrage and the granting of the voting privilege. In adopting the Federal Constitution the States did not grant to Congress any of their powers over suffrage. They did, however, in article I, section 2, restrict their own powers over suffrage requirements of electors for their congressional Representatives so that they could not prescribe for such electors 'qualifications' different from those entitled to vote for the popular branch of their own legislatures. If the payment of a tax as a prerequisite to the right of suffrage is a 'qualification,' then the States must prescribe the same requirement for both classes of electors referred to in section 2.

"If, however, it is not a qualification, then the States undoubtedly have the power to require the payment of the tax for those voting for their Members of Congress and Senators without requiring it of those voting for members of their legislatures. It is obvious that the broader the meaning of the term 'qualifications of electors,' the greater the restriction imposed on the suffrage powers of the States by section 2, because the restriction applies only to 'qualifications.' The power of the States to impose conditions or requirements of suffrage other than 'qualifications' is in no way restricted by section 2, or by any other provision of the Constitution as originally adopted.

"The proponents of the bill do not point out any power conferred on Congress thus to interfere with the States' exercise of their taxing powers. Alexander Hamilton did not consider that Congress was being given any such power, for he says, in No. XXXIII of the Federalist, that a law passed by Congress abrogating or preventing the collection of a tax laid by the authority of a State (unless upon imports and exports) would not be the supreme law of the land, but a usurpation of a power not granted by the Constitution. He clearly viewed any interference with the collection of a State tax as usurpation of a power not granted by the Constitution. The effect of the proposed bill is virtually to prohibit the collection of the poll tax, as the cost of enforcing collection would, in most cases, exceed the amount of the tax. The proceeds from poll taxes in Virginia are used for the purpose of operation of public schools, and there are many persons whose children are in the schools who pay no other tax or make any other contribution to them. The obstruction to the collection of these revenues which would result from the proposed bill cannot be justified by any power conferred on Congress by the Constitution.

"It is clear, therefore, that Congress possesses no power to regulate or interfere with the exercise by the States of their power to prescribe suffrage requirements, or of their power to lay and collect the poll tax."

The proponents of this bill make one other desperate argument for its constitutionality and it is, in my opinion, the only one upon which they can base any argument at all. And when we analyze this argument it falls to the ground and leaves the proponents of this proposed legislation nothing upon which to stand. This argument is that the guaranty of the Constitution that the United States shall see to it that the States are guaranteed a republican form of government is being violated by the poll tax now existing in some eight States.

The futility of such an argument is apparent at first glance. After 150 years, someone has decided that the people in these eight States are being denied a republican form of government. Why, when the Constitution was adopted practically all of the States had, not the poll tax alone, but property qualifications for voting. Those qualifications were in effect when the Constitution was adopted, yet no one raised the question that the States were, because of those qualifications, depriving their people of a republican form of government. Before the repeal of the poll-tax laws in many of the States of the proponents of this bill, were the people in those States deprived of a republican form of government? It is true, of course, that the great majority of States have no poll tax today. But it no longer exists in those States, not because of some act of Congress, but because it was abolished by the people of those States themselves in the regular and proper manner. The abolition of the poll tax was not forced upon any one of the States today represented by these distinguished gentlemen who favor this bill. Why then, do they propose to force such a law upon the people of the eight States, who in their sovereign judgment, have seen fit to retain the poll tax? Why not leave the people of these States alone to work out their own salvation? Surely, the majority of the States, just because that majority happens to agree on some question of internal policy, has no right to force that policy on the minority of the States who happen to disagree. Leave those eight States alone—leave them to work out their own internal affairs just as the other States have done with regard to the poll tax.

However, if you are determined that the poll tax must be abolished, must be wiped out throughtout the United States, then why do you not go about it in the Constitutional manner? The framers of the Constitution were well aware that changes may have to be made in the Constitution and they provided how it could be amended. They did not see fit, in their solemn judgment, to give to Congress the power to override the Constitution. They did provide, however, that by a two-thirds vote of both Houses of Congress, a joint resolution may be adopted proposing an amendment to the Constitution. It was by a proposed amendment that Congress proceeded when it wished to provide that there be no discrimination on account of race, color, or previous conditions of servitude. That provision stands today, not by congressional legislation but by the fifteenth amendment to the Constitution. Women are permitted to vote today, not by congressional legislation, but by the nineteenth amendment to the Constitution of the United States. In the past, when Congress has wished to add or withdraw a qualification of electors in the States, they have proceeded by the constitutional method. Then, today, why are we attempting to legislate on such a subject? Why not proceed in the constitutional manner as we have always done in the past and as we must do now and in the future unless we intend to wholly and completely disregard the Constitution and our oath to preserve it? The way is open, the manner has been pointed out to the proponents of this bill. Let them forget this untimely, uncalled-for piece of legislation, or let them proceed in the constitutional manner.

When the proponents of this bill say that Congress has the power to pass such legislation because the payment of the poll tax is unconstitutional then they are immediately engulfed in their own argument. There is no escape for them now. The very moment that they insist that the payment of the poll tax is unconstitutional then what kind of question do they raise? Why, a judicial question, of course. Since when—and I challenge any of the proponents of the bill to answer this question—since when has Congress been given the power to determine the constitutionality of a State law? If Congress has that power, then why do we have the courts? The courts stand open today, and if anyone thinks that the poll tax is unconstitutional, then let

him seek his relief from the judiciary. Our system of courts, from the inferior all the way up to the Supreme Court of the land, provides a method of testing the constitutionality of a State law such as the poll-tax law. If the people in these eight States are being denied a republican form of government, if they are paying a poll tax under a State law that is unconstitutional, then let them carry their case to the courts and have it determined by the tribunals set up for that purpose.

The Supreme Court of the United States has, in a long line of decisions, recognized that the States have the exclusive power, excepting the limitations imposed by the fifteenth and nineteenth amendments, to prescribe the qualifications of their electors. The question of the constitutionality of the poll-tax law of Georgia was before the Supreme Court in 1937 in the case of *Breedlove v. Suttles* (302 U. S. 277). From the opinion we quote:

"Exaction of payment before registration undoubtedly serves to aid collection from electors desiring to vote, but that use of the State's power is not prevented by the Federal Constitution."

Again in 1941 the principles set forth by the Breedlove case were reaffirmed by the Supreme Court when certiorari was denied (62 Sup. Ct. 64, 314 U. S. 621) in the case of *Pirtle v. Brown* (118 F. (2d) 218). The Circuit Court of Appeals, Sixth Circuit, had held, in that case, that the constitution and statutes of the State of Tennessee which make the payment of a poll tax a condition precedent to the right to vote for Members of Congress were not repugnant to any provisions of the Constitution of the United States.

There we have the latest word of the courts of the land. The famous Classic case, upon which the proponents of this bill rely, has already been shown not to be in point. The question there was the protection of the right of qualified voters to cast their vote in the Louisiana primary and to have their ballots counted and had nothing to say upon the right of Congress to pass such legislation as this poll-tax bill. On the other hand, all inference was to the effect that it was the State's right to determine who should be "qualified electors."

With these decisions before them, upon what do the proponents of this bill rely? Do they want the Members of Congress to violate their sacred oaths to pass this unconstitutional piece of legislation in the hope that the Supreme Court, as it is now composed, will declare the law constitutional? If that is their hope, then I say that they are not only insulting the Congress of the United States, but also the Supreme Court. Is it the opinion of those who favor this bill, that our Supreme Court today is the first court in 150 years that would disregard the Constitution and declare such legislation as this House bill No. 7 to be constitutional? It is for the proponents of this bill to defend it, to show its constitutionality, and the power of Congress to pass such a bill, if they can do so. As yet, they have certainly failed in their attempts.

VANDEVENTER REPLIES TO ATTACKS ON POLL TAX

The question of the abolition of the poll tax is again before the Congress.

The sinister persistence of this move, especially at this time, is disturbing. It is perplexing also to southerners as to why the agitators of the question who do not live in the South at all, are so interested in its affairs.

Asking Congress to use its war time, too, for the purpose must mean something more than the desire to get rid of the humble little poll tax which produces substantial revenue to the city and the State, but which surely rests very lightly on the individual in comparison with the taxes now imposed by the Federal Government.

It is the purpose of this article to explore the underlying reasons for this movement. But before going into the reasons, it might be well first to discuss the legality of the proposed act. If passed, it would plainly be a violation of the Constitution.

Article I, section 2, of that instrument provides in part "the electors (voters) in each State shall have the qualifications requisite of electors of the most numerous branch of the State legislature."

The States thus clearly reserved to themselves the right to determine who within their borders should have the privilege of voting in both State and Federal elections and any act of Congress in the least changing the State law would be unconstitutional and void.

One of the qualifications prescribed by Virginia as "a requisite of electors of the most numerous branch of the State legislature" is that they shall pay $1.50 per year per person, capitation or head tax, hence any attempt by Congress to change this provision would be beyond its power. Those sponsoring the act, in assuming the Supreme Court would hold to the contrary, certainly do not pay a very high compliment to either the intelligence or the integrity of the members of that august tribunal.

But why are the proponents of this measure willing to interfere with the war, and even to break down the Constitution itself in order to accomplish this purpose? There is evidently a much deeper motive than that appearing on the surface.

THE MOTIVE

The real motive underlying the opposition to the poll tax is twofold.

First. It is the desire to take more power from the States and to concentrate it in Washington.

Second. It would be a considerable advance toward universal suffrage.

As to the first point, the frittering away of the rights of the States has been going on actively for the past 10 years. Now a major blow under cover of opposition to the poll tax is to be inflicted on them, and particularly it is to be inflicted on the South.

The power to determine who shall have the privilege of voting is, of course, a controlling and fundamental function of government. Who holds this power holds largely the power to mold the form of government. It is a fundamental power. The restraint so far imposed by the States has, as the States intended, acted as a check on too much centralization of authority in the Federal Government.

If this power can now be transferred to the central government it will at once give it the right to define who in Virginia can vote, not only in the Federal elections but ultimately also in the State elections as well. And it will give Washington the power to enforce its mandates and if need be, to send Federal officers to the polls to see to it that their wishes are carried out.

To elaborate somewhat, the principle established by such a law would permit Congress to say that all people in Virginia could vote, including all white and all colored people, regardless of their intelligence, of their responsibility, or of their competency to participate in government. Such a condition, of course, would create fertile ground for the demagogues and result in an entire change in the character of our State government, an entire change in our present sound economic condition, and maybe an entire change in the character of our people. It might even conceivably take us back to conditions approaching those in reconstruction days.

To prevent this very thing and to maintain home rule, the States, through their representatives, in formulating the Constitution, left nothing to chance. They explicity, by express words, retrained this power to define the electorate. Why do some now anticipate the Supreme Court will invalidate this plain constitutional restriction on the powers of Congress?

It is not enough to argue the control this departure would give the Federal Government would not be exercised by it. The test of any law is not whether it would be so applied, but whether it, under its terms, could be so applied.

As a matter of fact, Representative MARCANTONIO, American Laborite of New York, author of the bill, according to current press reports, told the House that 10,000,000 persons (in the 7 Southern States having the poll tax), are prevented from exercising their right to vote through the operation of the poll-tax laws. Of that part, he said, 4,000,000 are Negroes. It will hereafter be seen no one has the inherent right to vote, but aside from this question, Mr. MARCANTONIO has failed to indicate that these people are capable of voting intelligently. Perhaps he doesn't care. He, and those others behind this bill, are apparently ready to break down the Constitution in order to accomplish their purpose. But this leads to another question. There are other laws in the South preventing these people from voting until they become qualified. Such, for instance, is the educational clause to be found in the constitution of many Southern States. Are these to be scrapped by the Congress and all of our elections thrown under the supervision of Federal authorities, and are provisions to be made in the act or acts providing for the attendance of Federal officers at the polls in the various Southern States, to enforce such provisions on election day? Such were the steps taken, it will be recalled, by the Federal Government in reconstruction days in the South. This movement is certainly leading definitely in that direction.

UNIVERSAL SUFFRAGE

The attempt by Congress to abolish the poll tax, as we have seen, is not only an attempt to violate the Constitution and to impair a fundamental right of the States, but in addition it is a step toward universal suffrage. The evils of universal suffrage in the world of government are comparable to the evils of inflation in the world of economics. No republic could long exist under such a system.

The opponents of the poll tax argue it is undemocratic to withhold the privilege of voting from anybody; that all have a "right" to vote; that the poll tax is a "tax on suffrage," and that one should not be prevented from voting merely because he is unable or unwilling to pay the tax of $1.50 per year imposed by the State.

This is a matter to be looked at from the standpoint of the best interests of the people as a whole, and not in the interest of some particular individual or group. Is it to the interest of the people as a whole to be governed by an intelligent, sound, and frugal electorate, or by one so lacking in these qualities as to preclude their being interested in the general welfare? As a matter of fact, our Government is not at all a pure democracy, but to the contrary is a representative form of government. Therefore, the last thing we want is to be democratic in this sense of this much-abused word. The founding fathers, advisedly, after a full discussion, eliminated many of the tenets of a pure democracy and established a republic or representative form of government, based on a restricted electorate. This means the people govern, not directly, but through chosen representatives, elected by those more qualified under the law to vote.

The evils of a pure democratic form of government were well pointed out by James Madison, who was certainly striving to obtain the best results for the people of this

country as a whole, and who has been described as the Father of the Constitution. He said:

"Such democracies have ever been spectacles of turbulence and contention and have often been found incompatible with personal security and the rights of property and have generally been as short in their lives as they have been violent in their deaths."

It will not do, therefore, to demand the right of everybody to vote in the name of "democracy." Such is only a demogagic appeal to the unthinking.

Again it is a fallacy to say that all have a "right" to vote. From time immemorial the policy of our Government has always been in support of a restricted electorate. To vote is a privilege granted to some and not a "right" accruing to all. This for the reason that a restricted electorate is calculated to insure a safe, economical and sound Government in the interest of all—even in the interest of those who have not earned the privilege of voting under such a system.

This was the policy of all of the Original Thirteen Colonies before the formation of the Union. It has continued to be the policy of the Union to this day. Under it this Nation has grown to be the greatest, the happiest, and the most prosperous in the history of the world.

The poll tax is only one form of restriction or prerequisite of voting.

The theory that every citizen merely because he is a citizen has the "right" to vote has been emphatically and definitely rejected ever since the foundation of our Government.

For instance, at the time of the adoption of the Constitution the laws of New Hampshire precluded paupers from the privilege. In Massachusetts one must have had an annual income of £30 from a freehold estate of the value of £60. In Connecticut only such persons could vote "as have maturity in years, quiet and peaceful behavior, and a civil conversation; and last but not least, 40 shillings freehold or £40 personal estate, if so certified by the selectmen"; and so every State had its restrictions on the obvious but sound theory that in this way only can the liberty, welfare, and happiness of the whole people be assured under a republican form of government.

This question came before the Supreme Court of the United States in the year 1875. There Chief Justice Waite definitely held "That it was obvious that the Constitution of the United States had not conferred the right of suffrage on anyone; that no right of suffrage existed until granted, and as an illustration of that fact it was pointed out that the United States had no voters in the States of its own creation (such, for instance, as in the District of Columbia, obviously because the exclusive right to confer such power is in the State and not in the Congress) *Minor* v. *Happersett*, 21 Wall, p. 178."

It is plain then the Constitution of the United States has not conferred the right of suffrage on anyone. It exists only when granted, and if granted on condition, the condition must first be complied with, and this is in the best interests of the whole people.

This is the answer to the question propounded by the sailor in Congress a few days ago, "Why should you have to pay to vote?" You do not, in fact, have to pay to vote, but as voting is a privilege and not a right, the conditions imposed by the government for the privilege must, of course, first be complied with.

This unwarranted interference by Congress with home rule must be prevented; and the exclusive right of the States to fix the qualifications of their voters maintained at any cost; otherwise after we have won the war abroad we may find we have lost our liberties at home.

Now that we have considered the constitutionality of the proposed bill, I would like to turn to another matter pertaining to this piece of legislation which is along the same line as its unconstitutionality. We have heard much of the cherished principle of States' right and the importance of that principle to our American form of government. I charge that this poll-tax bill is not only a direct threat to the rights of the sovereign Sates but its passage would destroy our dual system of constitutional government. Let us look briefly at the historical background of the principle of States' rights.

THIS BILL A DIRECT THREAT TO STATES' RIGHTS

The Thirteen American Colonies became free and independent States following the Declaration of Independence from the mother country. Freed of all ties to the Crown of England, the Colonies existed free and sovereign. Each State was supreme and independent and it was in the exercise of State sovereignty that each individual State sent its delegates to the Convention to work out a plan for the American Union. The first Union under the Articles of Confederation is an unquestioned example of how sacredly the States guarded their own rights. The articles were abandoned in order to form a more perfect union and the Constitution was adopted by the States. However, the principle of States' rights was still carefully guarded. The States were not quick to surrender their sovereign rights. For the best interest of the Union, certain powers were given to the Federal Government, the organization of which was provided for by the Constitution. But the States were careful to delegate the powers to the Federal Union and those powers which they did not see fit to delegate, in their own sovereign judgement, to the Central Government, they reserved to themselves. Amendment 10 to the Constitution reads:

"The powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States respectively, or to the people."

That amendment is something more than just words. It goes to the very foundation of our Government, and upon it, the States have relied from the very beginning of our Government up to the present time. That amendment secures and protects the sovereignty of the individual States.

There are no Federal elections and there are no Federal votes. The States have never delegated to the Federal Government the power to hold elections nor the power to determine the qualifications for electors. By article I, section 2, it was provided:

"The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

The seventeenth amendment contains the same provision for the election of United States Senators. By these provisions of the Federal Constitution, the States have the power to determine who shall be electors within their borders. Each State, in its own sovereign power, sets up its qualifications and prerequisites for its electors. And as long as we have been a nation, the States have exercised this power. Subject to the fifteenth and nineteenth amendments, the State determines who shall be its electors. And when that standard is fixed, then the Federal Constitution provides that those same electors shall vote for Representatives and Senators. What could make the provisions more evident? It does not take a lawyer to understand these constitutional provisions. Anyone can see and determine for himself that this so-called anti-poll-tax bill is unconstitutional. Any first-year law student will tell you so and will also tell you that the Supreme Court decisions are unanimous in holding that the power to determine who shall be electors within a State rests with the State itself.

The attempted distinction sought to be drawn by the proponents of this bill between qualifications and conditions is of no real importance. It makes no difference in the constitutionality or unconstitutionality of the bill; in fact, it admits on the face of the bill that if the poll tax is a qualification, then Congress has no right to pass the bill. But Congress has no right to pass the bill whether the poll tax be a condition or a qualification. As a prerequisite to the exercise of the privilege of voting, the States have the rights to fix conditions and qualifications. Whatever you may call the prerequisites, the States alone have the right to fix them. You just simply cannot find any place where the States have delegated that power to the Federal Government. On the other hand, the States have exercised the power for more than 150 years.

The proponents will further argue that Congress has the power to pass the bill under section 4 of article I of the Constitution. That section provides:

"The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators."

There is nothing in this bill that pertains either to the time, place, or manner of holding an election. Whether the poll tax be a qualification or a condition prerequisite to voting, nothing in the above section gives to Congress the right to abolish the poll tax. The above provision has nothing at all to do with the determination of who shall be an elector within the State. One other thing. If the proponents of this bill rely on this section for the power of Congress to pass the bill, where do they claim that Congress has the right to include within the bill the abolition of the poll tax as a requirement for voting in a primary or other election for electors for President and Vice President? This section refers to "elections for Senators and Representatives" but says nothing about elections for President and Vice President. Furthermore, it has long been a disputed question as to whether this section applies to primaries as well as to elections.

The proponents of this bill cannot find the power for Congress to enact this bill under section 4 of article I of the Constitution. They cannot argue that Congress can under this section take away this right of the States to determine their own electors. This attempt, like all others which they have made for the constitutionality of this bill, fails and they are left stranded with no constitutional basis to stand on and must now choose between changing their position on this bill or violating the Constitution and their oaths to support that Constitution. I hope that they will not choose the latter.

The following is an article written by Mark Sullivan:

"POLL-TAX DANGERS

"(By Mark Sullivan)

"FEDERAL USURPATION

"This dispatch is about a bill scheduled to come before Congress this week, House Resolution No. 7. From the point of view of the structure of American Government, this is by far the most important measure now pending. But before dealing with this measure in Congress, and in order to make this measure clear, turn for a moment away from the Government in Washington and consider something going on among State governments.

"The State governments are alarmed—alarmed about their very existence. They are determined to save themselves. Preservation of the functions and integrity of the

States as units of government is in the air. Not only is it a concern of the thoughtful; there is popular emotion behind it. Expressions of it emerge with increasing frequency and rising earnestness.

"Last week, at Chicago, was held a meeting of a committee of the council of State governments. The spirit of the meeting was expressed in a speech by Gov. Herbert R. O'Conor, of Maryland. He said: 'We must take every care that the Federal Government does not step in and take over functions and prerogatives that are essentially the functions and prerogatives of the States themselves.'

"And the week before at Albany, N. Y., Gov. Thomas E. Dewey spoke: 'The time has come for a complete and searching reappraisal of the relations between the people of the United States and their various governments—local, State, and National. * * * For 10 years now the Federal Government has been absorbing the functions of the State; also, to some extent, the functions of the local communities. * * * All of this was the direct outgrowth of a mistaken political philosophy. * * The day is at hand when the people are being compelled to call a halt and take stock.'

"Very well, the welkin has been sounded. We are going to guard the functions of the States, preserve them against encroachment.

"Of all the functions of the States, the most fundamental is their fixing the qualifications of voters. This is at present an exclusive function of the States—the States alone say what qualifications a citizen must have in order to vote.

"Now, we come to the bill in Congress, House Resolution 7. The purpose and effect of this measure is to take away from the States a part of their function of fixing qualifications for voters. This measure asserts that Congress has power to fix in every State the qualifications of voters for candidates for Federal offices. The measure proceeds to exercise this power as respects one qualification, which now exists in some States.

"The meat of House Resolution No. 7 is: 'It shall be unlawful for any State * * * to * * * [require] the payment of a poll tax as a prerequisite for voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives; and any such requirement shall be invalid and void.'

"Now, the reader may think this applies only to the States which have poll taxes—there are seven in the South. Carelessly thinking that accounts for much of the thoughtless support of the bill in Congress, or the indifference about it. But the fact is, this measure applies to every State. It applies to New York and Pennsylvania and Illinois and Iowa—to literally every State—just as it applies to seven Southern States.

"Here again, the reader may think carelessly. If he is a New York reader, or an Illinois one, or an Iowa one, he may think: 'We don't have a poll tax and we don't want one—so why worry?'

"But if these States outside the South do not have the poll tax as a qualification for voting, they have other qualifications, which they cherish strongly. They have qualifications about length of residence, about citizenship, about naturalization.

"And—here is the menace to all the States—if Congress can forbid one qualification, it can forbid any other qualification. By forbidding the poll tax as a qualification, Congress would set up a precedent and principle by which some future Congress could, if it chooses, forbid qualifications about residence and citizenship.

"If the Council of State Governments, if the 48 State Governors, and all the other persons and organizations concerned about loss of State functions have vigilance in proportion to their earnestness, if they have energy to act in behalf of what they believe—they will take steps at once against House Resolution No. 7. It is scheduled for action in the House this week, in the Senate later."

This bill, if passed, will be a dangerous step toward breaking down our dual system of government. I am afraid that many of those who favor this bill do not understand all its implications. You have just heard the words of the columnist, Mark Sullivan, which I have read, when he warned of the dangers involved. There is a great deal more to this bill than merely the abolition of the poll tax in the eight States which still retain it. Many of those opposing the bill hold no brief for the poll tax as such, but they will, just as I will, fight as long as there is strength left to fight for the rights of the States to retain the poll tax as long as they, in their sovereign judgment, see fit to do so. This bill does not affect the eight States in the South which retain the poll tax only. It is aimed at State government as it exists in all 48 of the States. If Congress can pass this bill and strike down the qualification of the payment of a poll tax in these eight States before a citizen can vote, then Congress, this one or another one, can pass legislation striking down any qualification which exists in those eight States or any other of the 48 States.

Each of the States in this Nation has qualifications which it has decmed wise to protect its ballot. The States have said to the Federal Government: We will provide for the elections in our own States for our own officers and we will set up the qualifications for the electors who can vote within our borders for members of the most numerous branch of our State legislatures. Then, those same electors may vote for Members of Congress, as provided by the Federal Constitution. You may deal with suffrage by constitutional amendment, but the Congress must not interfere with the qualifications of the electors within the individual States. And for 150 years, the Congress has respected this right of the States.

When the American people were ready for woman suffrage did Congress pass a statute saying that women could vote? Why, of course not. Yet Congress had just as much power to pass such an act then as it does now to pass this bill abolishing the poll tax. But the constitutional method was used, and by amendment the States were forbidden to deprive the citizens of suffrage because of sex. That is our constitutional form of government in action. But today there are some among us who are ready to destroy that form of government. And they are attempting to destroy it at a time when their own sons are dying to protect it from enemies abroad. If our soldiers out there knew what was happening in our own Nation's Capitol to destroy the Constitution, then they would feel like putting down their guns and coming home to destroy the enemies of constitutional government at home before attempting to protect their Nation abroad.

When the proponents of this bill talk about unity they know not of what they speak. The people of this Nation still believe in the principle of dual government upon which this Union was established. When you destroy that principle you tear down the foundation upon which our Government is based. And the principle of States' rights continues in the hearts of our people. And nowhere does the fire of that principle burn more brightly than in the hearts of those people in the eight States which retain the poll tax. When you strike at their State sovereignty you strike at a principle that they hold just as dear as did their forefathers. And when you attempt to tear down the principles of their State governments, instead of bringing about unity, you may find that "hell is going to break loose in Georgia" is something more than an old saying.

The following is taken from the Birmingham Age-Herald, May 21, 1943, and is from the pen of John Temple Graves:

"Their perspective is limited who says there is no 'revolt' in the South or that whatever one there was has come to an end. What has happened is that the revolt has been so successful in its first battle that there is quiet now along the fronts. Another thing that has happened is that someone who thought they were leading the revolt have found that it wasn't going their way after all. The elimination of these has contributed to the quiet. But make no mistake—the revolt is still on—in the South and everywhere else. It is a revolt against god-playing, against excessive meddling in the affairs of the people and regions, against the collectivist-totalitarian influence that have been creeping on this country."

The people of the States are alarmed, they are alarmed at a time when they are giving their sons to die for this Nation. There is a larger percentage of volunteers in the armed forces of this Nation from the eight poll-tax States than from any other eight States in this Nation. And what do these people get in return for their patriotism? They are threatened with the abolition by Congress of one of their most sacred rights secured to them by the Constitution—that is, the right to fix the qualifications of their electors. I wonder if those who would plead that this bill will aid the war effort have ever thought of reading the Constitution to determine whether the bill will be upholding and preserving or whether it will be destroying and discarding the Constitution.

The people of the eight States which still have the poll tax are not the only ones alarmed. The citizens of the other States know what dangers may befall them if this bill is passed. They, too, guide their State's rights and they know that this bill is aimed to destroy those rights. I want to read to you a letter which I received from Martin Lissner, of New York City. The letter, written on June 3, 1943, follows:

"Senator THEODORE G. BILBO.

"DEAR SIR: The antipoll-tax bill will soon come up before the Senate again for discussion. In New York, Chicago, Philadelphia, Detroit, and other northern cities where there is a considerable Negro population, the poll tax repeal law is simply a move on the part of politicians to capture their vote. They claim that the sum of $1 or more that is imposed is a hardship and injustice on the poor Negroes and whites. Sharecroppers were sent up North and spoke in churches and public places about the iniquitous system under which they were compelled to labor.

"Voters who cannot or will not comply with the laws of a State, evade the payment of a poll tax, and thereby exclude themselves from participating in public affairs can scarcely be placed in the category of desirable citizens. They have the right through their chosen representatives to change any law that may be detrimental to them. These politicians who interest themselves in other communities outside of their own can well heed this text from Matthew, chapter 7, verse 5: 'Thou hypocrite, first cast out the beam out of thine own eye, and then shalt thou see clearly to cast out the mote out of thy brother's eye.'

"New York State—richest in the Union—has a surplus in its treasury of about $50,000,000. Despite this fact, there is a State income tax. No deduction is allowed on securities where 2 percent is paid at source by corporations on Federal income-tax returns.

"Oregon has recently joined the nine other community-property States which allow a husband to divide one-half of his income with his wife, both being considered the head of a family, thereby lowering the income tax that he should pay. The law says only one person can be the head of a family. The bill for its repeal was defeated, and the

Federal Government cannot enforce its own revenue laws in these States.

"These examples are cited to show that home rule and States' rights still prevail. Allow me to commend you for your gallant stand, taken on a previous occasion when the anti-poll-tax bill was discussed by the Senate, as its champion."

This letter is signed by Martin Lissner, 206 West Ninety-ninth Street, New York, N. Y.

In the New York Herald Tribune, June 13, 1943, there appeared an article on the editorial page entitled "More Work for Bilbo?—Another Effort to Abolish Poll Taxes Threatens States' Rights." In this article all of us can well find food for thought and particularly should it be read by those of you who favor this unconstitutional bill.

The first paragraph of this article reads:

"Another determined movement has started on Capitol Hill to exhume from the ashcan that bill for the abolition of the poll tax, which is always camouflaged as an equal-rights measure, designed to insure equal rights to the Negro voter in seven Southern States, but which is, by intent, a measure subversive of States' rights and would serve no other purpose if passed."

There has been so much discussion on this bill, so much "beating around the bush," so much inconsistent talk that I often stop and wonder just what it is that the proponents of this bill want to do? Some of the advocates of the bill plead for the poor Negro in the South—they plead that they want to give him the ballot. But I tell them and all of you that this bill will not result in a single additional Negro vote. Some of the advocates of the bill admit that this bill will not result in the Negroes voting in the South any more than they already do. Then just what are they trying to do?

Some of those who favor this bill plead that it will aid the war effort. It is hard to understand their zeal in rushing to plead for this bill to strengthen the war effort when the bill is designed to do just the opposite. When this bill was up for consideration last May in the House of Representatives, the Congresswoman from Ohio was pleading for its passage at that particular time when there were 50,000 defense workers in her State out on strike and she was not very disturbed over what that was doing to the war effort. Those who plead the war effort are merely throwing out a smoke screen and hoping to hide behind it. They ask the Members of Congress to violate their oaths and to destroy the Constitution in the name of the war effort Such argument makes me wonder just what their purpose must be?

But to return to this article from the New York Herald which declares that this is a measure to destroy States' rights. Speaking of the poll tax bill, the writer continues:

"It was talked to death in the last Congress. Senator BILBO led a filibuster which wore down the staying power of the administration supporters of it. Killing an iniquitous and hypocritical bill by that device involves a tremendous waste of time and is derogatory to the dignity of the upper House; but it is not half so reprehensible as the persistent craving to undermine the fundamentals of the American political order which prompts its introduction and reintroduction. In a case where a majority of the Members of both Houses lack the courage to denounce it for what it is and to throw it out with disdain, a resort to the filibuster, as the only means of defending an essential State right, becomes a virtue which all right-minded Americans must reluctantly encourage and applaud."

Who is responsible for having this bill before us? It is surely not the ones of us who are keeping up this fight to defeat it. Those who were pushing this bill were sufficiently warned about what would happen. They were aware of the death of the bill during the last Congress and they were aware of the determination of its opponents to kill it again. I, for one, announced my intentions to the press, the public, and to all concerned by denouncing the bill and declaring that I would speak 18 months, if necessary, to kill the unconstitutional bill. Who is it that pushed the bill upon us? It was surely not the War Department nor the Navy Department. They are busy going ahead with the war. But it was the minority groups who keept up the pressure. It was Earl Browder, the head of the Communist Party, and one of the big supporters of this bill. It was Walter White, head of the N. A. A. C. P., and his Negro group who are all-out to put over their program of complete equality of the races, and that selfish group would sacrifice the war effort to gain one of their objectives—this bill being one of their chief aims.

It was the Representative from New York over in the House, whom the editor of the Wilmington (N. C.) Post calls the only "Communist in Congress." It was the Negro lovers, willing to sacrifice the Constitution, in order to win favor with the Negro groups, who pushed this bill. It was the politicians, apparently willing to violate their oaths to support the Constitution of the United States, in order to pacify the Negro voters by supporting this unconstitutional bill. Place the blame where it belongs, if you regret this prolonged discussion of the bill. I am ready at any time to yield for war legislation to come before the Senate, provided that I can retain the floor. To delay war matters, to hinder the war effort, is the last thing that I would ever do. Think twice before you call my desire to kill this bill and my speaking to defeat it any interference with the war effort. If you are looking for someone guilty of that offense, then look at the supporters of this communistic, unconstitutional bill. Those C. I. O. leaders who endorsed the bill surely have not worried about the war effort on more occasions than one. They were pleading for this bill "in the name of the war" while permitting a half-million coal workers to paralyze the war effort at home and the lives of our boys abroad.

Quoting again from the Herald Tribune article:

"So far as the issue goes, it is easily defined. The Constitution reserves to the States the right to fix the qualifications of voters in all elections, local and national. This is as it should be in a federation of self-governing communities, each with a republican form of government guaranteed to it by the Constitution; and when the United States ceases to be that, it will be a centralized totalitarian dictatorship, ruled from Washington by something better or worse than Hitler or Mussolini, through a bureaucracy and Gestapo. Nothing is so much wrong with this country in the sight of Reds and Fascists, Socialists, and all other advocates of supposedly benevolent absolutism as the degree of autonomy enjoyed by the several States and by the communities within them. Centralize all power and you can take it over at a single stroke. Spread it thin over a continent and the seizure of the central government, whether by revolution under arms or by revolution at the polls, and you have only limited power to impose your totalitarian 'reforms' upon the Nation. All the semi-independent governments of 48 States and a thousand cities are potential obstacles to your will. And so it was deliberately planned by the authors of the Constitution."

Concerning the importance of States' rights, the writer says:

"The right of each State to fix the qualifications for the franchise is essential to its survival as an independent unit of government. Deprive the States of that right and give it to the general government and an aspiring demagogue in Washington, with a complacent Congress, could establish and revise the qualifications to meet his political needs at each successive election, barring from the polls whole bodies of the citizenry whose disapproval he feared, so long as such discrimination is not because of sex, race, color, or previous condition of servitude."

This bill is definitely designed to wipe out State lines and to govern the American people from the banks of the Potomac. If this bill can be passed by the Congress then the flood gates will be open. Our constitutional form of government, our States' rights, our dual system of government will be swept away, and we will be left at the mercy of a centralized, bureaucratic government in Washington. Of this very thing the American people have been warned from time immemorial. The words of that honored statesman, Thomas Jefferson, have long echoed down the corridors of time. The following excerpts are from his writings and are on the subject of the powers reserved to the States:

"It is of immense consequence that the State retain as complete authority as possible over their own citizens. The way to have good and safe government is not to trust it all to one (Washington) but to divide it among the many, distributing to everyone exactly the functions he is competent to perform. Let the National Government be entrusted with the defense of the Nation and its foreign and Federal relations; the State government with the civil rights, laws, police, and administration of what concerns the States generally.

"Every State retained (in the Constitution) its self-government in domestic matters, as better qualified to direct them to the good and satisfaction of its citizens than a general government so distant from its remoter citizens and so little familiar with the local peculiarities of the different parts."

The advocates of this so-called anti-poll-tax bill would destroy the Constitution and would override our principle of the separation of powers of the Federal and State Governments. They would destroy our constitutional form of government and trample over the doctrines of government handed down to us by the founding fathers of this Nation. It has taken us 150 years to produce legislators who would dare to sponsor such a piece of legislation in the Halls of Congress.

I propose to fight to the bitter end so that our constitutional way of government shall not be destroyed. I respect the democracy of Jefferson and I respect the American form of government. It is that democracy and that form of government which must be preserved. Under our dual system of government, we have grown into the most powerful and the greatest Nation in the world. But now, we see among us those who would destroy the very Government which they are sworn to uphold. They would sacrifice the principles of Jefferson, they would violate the Constitution of the United States, they would wipe out the principle of States' rights, they would antagonize the southern people and force this damnable bill upon the eight States which still retain the poll tax, all in order to go on record as supporting this piece of legislation.

Those who would force this bill upon the South forget the part that the South has contributed to this Nation. The descendants of the men who wore the Gray have never failed to answer when their Nation called. The sons of the South have fought beneath Old Glory in far greater numbers than is their proportion to the population. Nowhere does the love of liberty burn deeper than in the South. There you will find God-fearing, patriotic Americans who have from the beginning, and are today, contributing their full part to the war effort. But what are you giving them in return? You threaten

to pass a bill to strike at the very heart of their constitutional right to determine their own local policies. You threaten the principle that they believe in most; that is, local self-government. At a time when they are exerting their all toward winning the war and at a time when their sons are dying with yours, you would destroy what they are fighting to protect—the American form of Government. You would strike this blow to the southern people in order to satisfy a pressure group and cater to the Negro-loving sponsors of this unconstitutional bill.

And you members of the Democratic Party. When the Democratic Party was in the minority, who was it that kept the fires of democracy burning? The South remained ever loyal but what does she get in return for her loyalty? You threaten to force this bill upon the South for political expediency.

If there was ever a time for dismissing political motives, it is now. Some years ago, when the Republican Party was in the majority, the leaders of that party never tried to force a bill of this kind upon the South. Yet today, we find members of both parties supporting this piece of legislation. What powerful forces must be at work behind the scenes!

If this bill is not aimed at the destruction of States' rights and directed to be a step in the program to revolutionize the South through appealing to racial hatred, then why do we find the Communists, the Socialists, the radicals, and those who wish to destroy our system of democratic government behind this piece of legislation? It is part of their program, but if they think they are going to force their doctrines upon the South, then they do not know the people with whom they are proposing to deal. The Southern people will not stand idly by and see their local self-government and their constitutional rights destroyed by these alien groups, or by any other group, who seek to destroy American principles and ideals. If this bill can be passed, then States' rights and local self-government will be at the mercy of Congress. Constitutional government as we have known it for 150 years will no longer exist. Our boys will come home from the battlefields to find that the guardians of democracy at home have lost the battle on the home front. This shall not happen. We will keep the trust with those who are dying for the democracy for which this Nation stands. Our constitutional form of government, the rights of the sovereign States shall not be trampled into the dust. This bill shall not pass.

Mr. BILBO. Mr. President, I wish to emphasize the importance of the pending legislation. It is a very serious matter not only to the Senators from the South but to all Senators who have any regard for our dual system of government. When we make this fight to protect the rights of the States to fix the qualifications of electors to elect Members of the House and Members of the Senate and Presidential electors, we are making the fight for all the States, because once the constitutional barrier which has for 150 years protected the dual system of government is broken down and Congress is turned loose on the States to fix the qualifications of the voters, which it would have a right to do if the proposed legislation should ever prevail, Congress could go into the States and strike down any other qualifications the States might see fit to provide. Congress could go further and add to the qualifications.

By the way, the idea of the pending piece of legislation came from Russia. Those who were behind it saw this as the opening way to make a stab at the very heart of the Constitution of the United States, for they knew that if the precedent was ever established and they could strike down one qualification, they could get the Congress to strike down some other qualifications or add some qualifications, and in that way build up here on the banks of the Potomac a supergovernment which would control and regiment the people of the Nation and destroy in toto the American form of government.

Mr. President, I am happy that an agreement was made with the proponents of the measure whereby we could avoid a filibuster in order to win in our efforts to defeat the measure. I have no hesitancy about filibustering when there is a principle so important involved as that involved in this fight. I am glad that, out of respect for the efforts which are being made to win the war, and for our boys who are sacrificing their lives on all the battlefields of the world, on the eve, as we think, of the great western invasion of Europe, where our losses, as prophesied by some, will reach into the hundreds of thousands and into the millions, we will not whittle away the time of the American Senate in the consideration of such a preposterous, unconstitutional, and un-American and communistically conceived piece of legislation.

I thank the Senate.

ASSISTANCE TO FARMERS DAMAGED BY FLOODS

During the course of the speech of Mr. BILBO,

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Mississippi yield to the Senator from Tennessee?

Mr. BILBO. I yield.

Mr. McKELLAR. Mr. President, the House of Representatives has passed the joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort.

From the Committee on Appropriations, I ask unanimous consent to report the joint resolution favorably, with amendments, and if consent is granted, I shall then ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. McKELLAR. I now ask unanimous consent for the present consideration of the joint resolution.

Mr. WHITE. Mr. President, may we have a brief explanation of what the measure is?

Mr. McKELLAR. I shall be glad to explain it. The Budget estimate for this purpose is contained in House Document 577, and proposes a continuation of the balance of the present appropriation of $15,000,000 made for flood restoration loans for 1943 in the Second Deficiency Appropriation Act, 1943. The Budget estimate makes the money available for grants, as well as loans, and for damages inflicted by windstorms as well as by floods.

It will be remembered that recently there have been severe floods in the Missouri River Valley and in the tributaries of that river, and serious damage has been done. The House of Representatives has passed the joint resolution and Mr. CANNON, chairman of the Committee on Appropriations of the House says it is very necessary to have the joint resolution passed at once if it is to do the good that it should do.

It does not appropriate any new money. It merely makes money available for the purpose stated in the joint resolution, and for the additional purposes of providing for relief in cases of damage by windstorms, under an amendment offered by the junior Senator from Georgia [Mr. RUSSELL] before the committee, and that amendment has been included.

Mr. WHITE. Then the joint resolution merely extends an existing authority, except that such authority has been enlarged by the Russell amendment?

Mr. McKELLAR. That is the case, and it does not appropriate any new money at all.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 1, line 9, after the word "floods", it is proposed to insert "and windstorms."

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended so as to read: "Joint resolution to provide assistance to farmers whose property was destroyed or damaged in whole or in part, by floods and windstorms in 1944, in order to enable them to continue farming operations to produce food for the war effort."

After the conclusion of Mr. BILBO's speech,

THE POLL TAX

The Senate resumed the consideration of the bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election of national officers.

Mr. MEAD. Mr. President, the question of the constitutionality of the pending proposal has been debated at length again today. When the measure was previously under consideration I explained very thoroughly, and it has been reiterated again today by my colleague, that I was not a lawyer, and that I was guided by the legal experts, carefully selected by this body and by the other House who form our Judiciary Committees. They have had lengthy and numerous opportunities to pass on the legality of the pending question, and by a majority vote on many occasions, both in the House and in the Senate, have reported similar measures for our consideration.

I said, Mr. President, being a layman, that that was sufficient legal direction, at least for me, to assume that these splendid men, these able legal minds, had given that subject considerable thought, and it was their opinion that the bill squared with the Constitution.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. LANGER. In that connection, may I simply suggest that former Senator George Norris, when the matter was up about a year ago, in his speech said that he had first considered practically an identical bill unconstitutional; that he had then gotten in touch with some of the leading constitutional lawyers of the United States and that he had become convinced that the measure was entirely constitutional. I think it is agreed by the overwhelming number of Senators in this body that no Senator had a better legal mind than did Senator George Norris, who was a member of the Judiciary Committee.

Mr. MEAD. I thank my colleague for that contribution. I wish to say to him that I have great respect for the legal judgment of the former Senator from Nebraska. The record indicates that he gave the matter thorough consideration, and that he became a convert to the view that the measure was constitutional.

Mr. STEWART. Mr. President, will the Senator yield to me, so that I may ask a question of the Senator from North Dakota?

Mr. MEAD. I am glad to yield.

Mr. STEWART. With respect to the constitutionality of the pending bill, what does the Senator from North Dakota think of the constitutional provision which has been recited here several times, which provides that Members of the House of Representatives, and, since the adoption of the seventeenth amendment to the Constitution, Members of the Senate, shall be elected by the electors in the States who are qualified to vote for the members of the most numerous branch of the State legislature?

Mr. LANGER. Mr. President, my reply is that that point was argued and debated by the distinguished senior Senator from Texas [Mr. CONNALLY] and by former Senator George Norris, of Nebraska, not only once but several times before the Committee on the Judiciary. Authorities were produced. After they concluded, a majority of the committee decided that in their judgment the measure was constitutional.

I will go further. Let us assume for the sake of argument that there is some doubt about the constitutionality of the pending bill. At some time the Supreme Court of the United States will be asked to pass upon that question. The taxpayers of the country maintain the Supreme Court for the very purpose of determining whether legislation as to which there may be some doubt is constitutional. Of course, no Member of this body would vote for a measure which he believed to be unconstitutional. But if there were a doubt in a Senator's mind, under our system of government there is a tribunal which will decide whether a measure is constitutional, when the measure reaches it.

Mr. STEWART. Mr. President, the Senator is a good lawyer. Suppose one of the prerequisites of voting in the State of North Dakota, the Senator's home State, were the payment of a poll tax, as is the case in other States. If that were so, when an elector or voter presented himself to vote in North Dakota, he certainly would have had to pay his poll tax before he could vote for a member of the State legislature. Would not that be true?

Mr. LANGER. If that were the requirement, that would be true.

Mr. STEWART. An identical provision is contained in the Constitution of the United States, namely, that only those who can vote for members of the most numerous branch of the State legislature can vote for President, Vice President, and Members of Congress.

Mr. LANGER. But I go a step further, and say that the Congress has a right to say that that shall not be required.

Mr. STEWART. Could the Congress say that, in the face of the constitutional provision?

Mr. LANGER. Yes. Suppose the provision were that no one in the State of Tennessee whose income were less than $100,000,000 a year could vote. Perhaps that would mean that only one person could vote. Does the Senator think the Congress would be helpless to change such a provision?

Mr. STEWART. I think that any reasonable provision which any State might place upon its statute books as a prerequisite to voting for members of its legislature would be what would determine which voters would vote for President, Vice President, and Members of Congress.

Mr. LANGER. Of course, Mr. President, that is where the Senator and I differ. I do not hold to that theory. I do not think that is the view that the Senator from New York [Mr. MEAD] and other Senators have taken about this matter at all.

Mr. STEWART. Then, what could the writers of the Constitution have meant when they provided that the only persons in the United States who can vote for President, Vice President, and Members of Congress are those who, under the laws of the States, can vote for members of the most numerous branch of the State legislature?

Mr. LANGER. Let me say to the distinguished Senator that that argument is the one which many other Senators——

Mr. WHITE. Mr. President, if the Senator will yield to me for a moment, I should like to inquire whether it is possible for the others of us, other than the three Senators who are taking part in the conversation, to know what is being said.

Mr. STEWART. We are sorry the Senator has missed this much. It has been very elucidating.

Mr. MEAD. Mr. President, the subject is an entirely new one. It has not thus far been elucidated. It pertains to the constitutionality of the bill. [Laughter.]

Mr. STEWART. Mr. President, if the Senator will yield to me, I should like to say to Senators that the statement just made is subject to question.

Mr. WHITE. Mr. President, although the three Senators may have said all they know about the Constitution and the constitutionality of the pending bill, I would not admit that their discussion exhausts the subject.

Mr. MEAD. I am sure it does not exhaust it.

Mr. President, all the criticism which has been directed at those who are pressing the passage of the pending bill—I am sure all our friends on the other side of the question will agree with us on this point—in fairness could be directed against the majority of the persons whose names I shall read, the legal experts of the Senate, appointed by the Senate. A majority of them considered all the constitutional phases of the pending question. It is certain that no new developments have occurred while the debate on the floor of the Senate has been in progress.

So, with respect to the constitutionality of the question, I assume that when the bill was reported by a majority of the following Senators, including the late Senator Van Nuys, of Indiana; the Senator from Nevada [Mr. MCCARRAN], the Senator from New Mexico [Mr. HATCH], the Senator from Texas [Mr. CONNALLY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Kentucky [Mr. CHANDLER], the Senator from West Virginia [Mr. KILGORE], the Senator from Utah [Mr. MURDOCK], the Senator from Arizona [Mr. MCFARLAND], the Senator from Montana [Mr. WHEELER], the Senator from Florida [Mr. ANDREWS], the Senator from Vermont [Mr. AUSTIN], the Senator from Connecticut [Mr. DANAHER], the Senator from Wisconsin [Mr. WILEY], the Senator from North Dakota [Mr. LANGER], the Senator from Michigan [Mr. FERGUSON], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Nebraska [Mr. WHERRY]—all legal experts—it is certain that I, as a layman, can find justification for my stand. I merely rise at this time to explain to the Senate, some Members of which have been finding fault, perhaps, with the constitutional arguments which I have been expounding, that I have faith in the majority of the Committee on the Judiciary which reported the bill to the Senate.

Another point I wish to make, Mr. President, is that a short time ago the Senate passed a soldiers' vote bill which contained a poll-tax provision. Probably that was subject to argument on the point that it collides with State constitutions. But the Senate passed that bill. So I am guided by a majority of the Senate, as well as by a majority of the Judiciary Committee.

Mr. HATCH. Mr. President, will the Senator yield to me for a moment, on that point?

Mr. MEAD. I am glad to yield.

Mr. HATCH. Of course, the Senator from New York understands that the sol-

diers' voting bill, to which he has referred, was passed by the favorable votes of a number of Members of Congress who believed that it came within a different provision of the Constitution.

Mr. MEAD. There were some Members who believed that it did not. There was a difference of opinion.

Mr. HATCH. The Senator will also recall, I think, that the action taken on the last soldiers' voting bill may have operated to have repealed sections 1 and 2 of the law previously enacted, which waived both the requirements of registration and payment of the poll tax. If that construction should be given to the last soldiers' vote bill—and I submit it might be so given—then the last consideration by this body would indicate that it had no constitutional right to pass the first legislation, even under the extraordinary powers contained in the war powers under the Constitution.

Mr. MEAD. That may be the decision, but at the same time I am of the opinion that when the recent soldiers' vote bill came before the Senate, it was not the constitutional argument that changed the opinions of Senators who had voted for the first measure which came before the Senate.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. HATCH. The Senator has not forgotten the many constitutional arguments which were raised on the floor of the Senate against that particular bill, has he?

Mr. MEAD. There were constitutional arguments against the former bill; but I am not sure that the constitutional arguments swayed many votes.

Mr. HATCH. The Senator does not mean that any Member of this body sought on other than constitutional grounds to deprive a soldier fighting for his country of an opportunity to vote, does he?

Mr. MEAD. I am very much afraid that by reason of the meticulous care with which we decided that the soldiers would have to apply for a ballot, and the generosity with which we sought to confer upon them the right to vote for everyone, from constable to President, we may, even though we did not desire to do so, have denied a great many of them the right to vote.

Only a few days ago the city council of the city of New York, by a vote of 16 to 1, requested the Governor to call a special session of the legislature because of the fact that the soldiers' ballot, as it now stands, will not allow more than one or two soldiers in ten to cast their ballots. So I am of the opinion that the soldiers' ballot will not operate to encourage a very substantial soldier vote.

Mr. HATCH. Mr. President, in all seriousness let me say that I am afraid the remark just made by the Senator from New York is correct, and that the bill which we passed will not result in many soldiers having the opportunity to vote.

Mr. MEAD. I am sorry we did not pass the bill as it was reported in the first instance by the committee, for in my judgment that was a very good bill.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. LANGER. I invite the attention of the distinguished Senator to the fact that when Public Law 712, paragraphs 1 and 2, was passed, only five Senators voted against it.

Mr. MEAD. That is correct.

Mr. LANGER. If that was constitutional, certainly the pending measure is constitutional.

Mr. MEAD. I thank the Senator.

Mr. President, I rose to leave with the Senate the thought that I have confidence in our Judiciary Committee, and for another reason—and that is that all day yesterday several Senators tried to fasten on the bill a communistic birth. They tried to prove that many of those who were for the bill were Communists, and that the organizations and groups interceding for its passage were communistic. One Senator went so far as to express the hope that I would receive the entire communistic vote of my State because of my advocacy of this alleged communistic measure.

Mr. President, I have since received a great many telegrams and messages. More and more are coming to my office every day from educators, religious leaders, men high in industrial and financial activities, from the State of Tennessee and the State of North Carolina, as well as from one or two other States. In justice to them, I believe that I should read their names to the Senate. I ought to leave their addresses with the Senate, to prove that there is widespread interest in the proposed legislation on the part of Americans of unimpeachable standing, and that the Senator from New York is not espousing a cause which is communistic in birth or development.

Here is a message which was brought to my attention and to the attention of my distinguished colleague from Tennessee. It is from a very well-known and distinguished lady. She is highly regarded in Washington and throughout the South. She is one of the officers of the National Committee to Abolish the Poll Tax. She left this message at my office, and also at the office of my distinguished colleague, the senior Senator from Tennessee [Mr. MCKELLAR]. She says:

I am a native of Alabama. I was born and reared there. Vote there still.

My uncle was Governor Malcolm Patterson of Tennessee, who ran against Senator MCKELLAR for the Senate some years back.

Another uncle is Edward LeMaster of Memphis, Tenn., who is one of Senator MCKELLAR's strongest supporters.

My father is Dr. Sterling Foster, of Alabama.

My brother-in-law is Mr. Justice Hugo Black of the United States Supreme Court.

My husband is Clifford Durr, of the Federal Communications Commission.

I am vice chairman of the National Committee to Abolish the Poll Tax.

I hold in my hand a long list of distinguished clergymen in Tennessee, of every denomination, all of whom approve this legislation. I think before the debate is concluded I should read their names into the RECORD. I shall not do so tonight, because the hour of 5 o'clock is approaching.

I also have before me four long lists of members of the clergy, leaders of religious organizations, and educators in the State of North Carolina, all of whom are in favor of House bill 7, all supporting the method of procedure which now characterizes the consideration of this bill. Those names should be inserted in the RECORD.

Also, I have a list of the sponsors of the New York State Committee to Abolish the Poll Tax. Much has been said about their communistic tendencies. I believe that before the debate is concluded I should read into the RECORD the names of members of the clergy, public officials, and many leaders of our educational institutions and farm organizations.

The chairman of the New York State Committee to Abolish the Poll Tax is the Reverend Dr. Richard Morford. The cooperating organizations making up the United Christian Council for Democracy, of which he is secretary, include the following: Evangelical and Reformed Council for Social Reconstruction; Presbyterian Fellowship for Social Action; Unitarian Fellowship for Social Justice; Church League for Industrial Democracy (Episcopal); Methodist Federation for Social Service; Rauschenbusch Fellowship of Baptists. No one would even insinuate indirectly that they are associated with communistic organizations.

This morning I received a telegram from Jennings Perry, editor of the Nashville Tennesseean, dated May 11, which reads as follows:

NASHVILLE, TENN., *May 11, 1944.*

Senator JAMES MEAD,
Senate Office Building,
Washington, D. C.:

For your information, I was born and bred in Tennessee. Both my grandfathers fought in the Civil War, one with General Forrest, one with General Hood. My father and grandfather, both Democrats, were long members of the Tennessee Legislature. My wife and I pay our poll taxes and vote as we please. I am a farmer and raise cotton. In 1932 I wrote publicity for the State and National Democratic ticket. In 1936 I rode through Kentucky as MCKELLAR's guest while he spoke for the national ticket.

This is why I think I should put the telegram in the RECORD:

MAY 11, 1944.

I know I have no affiliation, near or remote, with any Communist outfit. In fact, as far as I know, I never have laid my eyes on a Communist in my life. The Tennesseean is a liberal Democratic newspaper and in 1940 was the only major daily newspaper in Tennessee that supported Roosevelt, who carried the State overwhelmingly. In the past three elections every Democratic candidate for Governor of Tennessee has pledged himself against the poll tax. The State Democratic organization and the State Republican organization are openly pledged against the poll tax. The legislature of the State has repealed it by overwhelming vote, and will again at any time. The people of Tennessee—and the South—want to vote free.

JENNINGS PERRY,
Editor, Nashville Tennesseean.

Mr. BILBO. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Mississippi?

Mr. MEAD. I am glad to yield to the Senator from Mississippi.

Mr. BILBO. Does the Senator happen to know the birthplace of Benedict Arnold? I think it would be fitting to place it in the RECORD at this point.

Mr. MEAD. I do not believe his name was mentioned in the debate. In view of the fact that Mr. Perry's name has been mentioned in the debate, that he has been accused of being a Communist, and that he supported the President in 1940 and will support him again, I thought that I should present his telegram.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McKELLAR. I have no objection whatever to the Senator from New York putting Mr. Perry's telegram into the RECORD. As a matter of fact, I have been informed in such a manner that I know it to be true, that a very large number of the members of the committee who were named by me in the RECORD yesterday as living in the city of New York are Communists. If Mr. Perry never saw a Communist he probably has never seen a great many members of the committee of which he is chairman, and I suggest that he should look into the matter of the membership of his committee. The truth is that everyone in Tennessee knows from the editorials that Mr. Perry writes that he is a Communist. He is the head of a Communist organization. He is chairman of it. I believe that he was appointed in order to give some semblance of approval.

Mr. CONNALLY. Some flavor of approval.

Mr. McKELLAR. Some flavor of approval. "Flavor" is the preferable term. He was appointed to give a southern flavor to this unconstitutional measure. I understand that there is some doubt now as to whether Mr. Perry is really the chairman of the committee. Someone else claims to be the chairman; at least I have been so informed. The committee is a very active one. It has been to the Senator's office, and I should think that the Senator would know from the number of times the committee has called upon him in recent days that it is highly communistic.

Mr. MEAD. Mr. President, the Senator from New York does not know that the committee is highly communistic. If they picked Jennings Perry in order to give the committee a little southern flavor, they also picked a great many other names which I shall read in order to assure the Senator that the committee has plenty of flavor.

Mr. McKELLAR. I should be very happy if the Senator would read the names of any Tennesseans who are following Mr. Perry in this matter.

Mr. MEAD. I shall do so when the time is appropriate.

Mr. McKELLAR. Mr. President, I do not know of any more appropriate time than the present. After we adjourn today we shall have only 1 more hour, which will be on next Monday. There will be left only an hour in which the Senator may read the names. If there are as many names as the Senator has suggested, he may not be able to read them all in an hour. While I hope the Senate may within a few minutes recess for the day, I am willing to remain here and forego a recess so that the Senator from New York may read the names. I should like to have him read them.

Mr. MEAD. I am very sorry that I have to disappoint my distinguished colleague.

Mr. McKELLAR. I want to hear the names of those who are following Jennings Perry in Tennessee.

Mr. MEAD. I assure the Senator that before this debate is over he will know the names, and they will probably be read some time next week. So far as I am concerned, the debate will not be terminated in 1 hour on Monday next. Perhaps we shall have plenty of time. If we have sufficient time I assure the Senator that I shall read the names to him. I feel that I should read them into the RECORD because the Senator has said repeatedly that the pending bill is a communistic proposal. I merely wish to show the Senator that I am trying to present a fairly good argument for persons in Tennessee who even the Senator himself will admit are good Americans and not Communists.

Mr. McKELLAR. Mr. President, when the Senator puts the names in the RECORD I shall be very glad to see them. In the meantime, I hope the Senator will read the list of names which I have furnished of those who are members of a representative communistic committee, coming from the city of New York. I put them into the RECORD yesterday. I am trying to find out what page of the RECORD they appear on so that the Senator may avail himself of them. Then I shall ask him to make some inquiry to find out who they really are, whether they are citizens, whether they are Democrats, whether they are Republicans, or whether they are Communists. I wish him to find out who they are and what they are. I have been informed—and if I have been misinformed I hope the Senator will correct me—that the committee has been one of the busiest committees around his office of any of the committees which call upon Senators. I wonder if the Senator will not tell us something about the politics of the individuals from his own State as well as something about the politics of those from my State.

Mr. MEAD. Mr. President, the persons from my State who are interested in the pending bill are not the cause of worry to me. If they have troubled my distinguished colleague from Tennessee because of their visits to my office, I may say that they have always been a source of comfort to me, and that they have always acted like ladies and gentlemen. They have discussed the bill fairly and reasonably, and I have not noticed anything about them in the nature of a communistic affiliation. I do not know where the Senator gets his information about them. However, I think it would be best for me to devote my time to the reading of names of Tennesseans.

Mr. McKELLAR. I am glad to have the Senator do that.

Mr. MEAD. I think I shall do so, because I am sure the Senator and I will agree that they are not Communists long before he will agree with me that some of the people from New York whom he has in mind are not Communists.

Mr. McKELLAR. For the information of the Senator from New York I will state that the list of New Yorkers which I gave yesterday appears on page 4308 of the CONGRESSIONAL RECORD.

Mr. MEAD. The statement by my distinguished colleague that most of them are Communists, with no verification of the statement, leads me to assume——

Mr. McKELLAR. I hope the Senator will verify the fact. He has raised the question. I should like to have him tell us just who those people are.

Mr. MEAD. No; the Senator from New York has not raised the question. The Senator from Tennessee made the statement that the people to whom I have referred are Communists or of communistic influence. The persons on the list whom I know are not Communists. I am merely presenting on the floor of the Senate the names of persons from Tennessee who I am sure the Senator from Tennessee will agree are not Communists. I do so in order to prove to him and to other Members of the Senate that I am not doing anything in support of Communists.

Mr. CONNALLY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Hon. Charles Warren, a very distinguished lawyer of this city, who is the author of The Supreme Court in United States History, as well as a great many other constitutional works. The letter has relation to some features of the pending bill. I therefore desire that it be printed in the body of the RECORD, along with the debate. Judge Warren made a very profound and elaborate presentation of the entire subject before the Committee on the Judiciary, and his remarks there were printed in the minority views.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

WASHINGTON, D. C., *May 10, 1944*

HON. TOM CONNALLY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Will you kindly have sent to me, if there are any extra, copies of the majority and minority reports of the committee on the pending poll-tax bill?

I have read your argument in the CONGRESSIONAL RECORD of May 9 with interest. I note that it was concerned simply with article I, section 2, referring exclusively to election of Congressmen and not to election of electors for President. The pending bill, however, attempts to abolish the requirement for the poll tax as a prerequisite for voting for President, Vice President, electors for President and Vice President (as well as for Members of the House of Representatives), and the last portion of the amendment states that such requirement "is and shall be deemed an interference with the manner of holding primaries and other election for said national offices and a tax upon the right or privilege of voting for said national offices." Section 3 of the pending bill also refers to the "manner of selecting persons for national office."

I call to your attention that electors for President or Vice President are not national offices. They are State officers and it has been twice held by the Supreme Court of the United States that "the appointment and mode of appointment of electors belong exclusively to the States under the Constitution of the United States." See *Macpherson* v. *Blacker* (1892), 146 U. S. 1, as follows:

"In short, the appointment and mode of appointment of electors belong exclusively to the States under the Constitution of the United States. They are, as remarked by Mr. Justice Gray in *Re Green*, 134 U. S. 377, 379 (33:951, 952), 'no more officers or agents of the United States than are the members of the State legislatures when acting as electors of Federal Senators, or the people of the States when acting as electors of representatives in Congress.' Congress is empowered to determine the time of choosing the electors and the day on which they are to give their votes, which is required to be the same day throughout the United States, but otherwise the power and jurisdiction of the State is exclusive, with the exception of the provisions as to the number of electors and the ineligibility of certain persons, so framed that congressional and Federal influence might be excluded."

There would, therefore, seem to be no authority given by the Constitution of the United States to legislate relative to the qualifications of State electors for President or as to the manner of their appointment.

Cordially yours,

CHARLES WARREN.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4254) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended, and it was signed by the Vice President.

EXECUTIVE SESSION

Mr. CONNALLY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTER—ADVERSE REPORT

The legislative clerk read the nomination of Patrick J. McGrath to be postmaster at Bayonne, N. J., which had been reported adversely.

Mr. WHITE. Mr. President, I inquire what is to be done about this nomination.

The PRESIDING OFFICER. There is an adverse report on the nomination. The question is, Will the Senate advise and consent to the nomination?

The nomination was rejected.

The PRESIDING OFFICER. The clerk will state the new reports on the Executive Calendar.

PANAMA CANAL

The legislative clerk read the nomination of Brig. Gen. Joseph C. Mehaffey, United States Army, to be Governor of the Panama Canal.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The legislative clerk read the nomination of Vice Admiral Russell R. Waesche to be Commandant.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. CONNALLY. I ask that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Aubrey W. Fitch to be vice admiral.

The PRESIDING OFFICER. Without objection, the nomination is confirmed. That completes the calendar.

Mr. McKELLAR. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be forthwith notified.

RECESS TO MONDAY

Mr. CONNALLY. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until Monday, May 15, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 12 (legislative day of May 9), 1944:

APPOINTMENTS IN THE REGULAR ARMY

TO BE FIRST LIEUTENANTS, MEDICAL CORPS, WITH RANK FROM DATE OF APPOINTMENT

First Lt. Milton Boyd Brandon, Medical Corps Reserve.

Capt. Stanleigh Erler, Army of the United States.

Capt. Charles Aloysius Furey, Jr., Army of the United States.

First Lt. Christian Gronbeck, Jr., Medical Corps Reserve.

First Lt. Charles John Hornisher, Medical Corps Reserve.

First Lt. Harry Aloysius Horstman, Jr., Medical Corps Reserve.

First Lt. John McReynolds Jackson, Medical Corps Reserve.

First Lt. Robert Samuel Jordan, Jr., Medical Corps Reserve.

First Lt. John Francis Pfeffer, Medical Corps Reserve.

First Lt. Raoul Constantine Psaki, Jr., Medical Corps Reserve.

Capt. Frank Bradway Rogers, Army of the United States.

First Lt. Arthur Bernard Tarrow, Medical Corps Reserve.

Capt. Urban Linus Throm 2d, Army of the United States.

Capt. Philip Baker Watkins, Army of the United States.

IN THE MARINE CORPS

Col. Arnold W. Jacobsen to be a brigadier general in the Marine Corps, for temporary service, from the 30th day of April 1944.

Col. Leonard E. Rea to be a brigadier general in the Marine Corps, for temporary service, from the 6th day of May 1944.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 12 (legislative day of May 9), 1944:

PANAMA CANAL

Brig. Gen. Joseph C. Mehaffey, United States Army, to be Governor of the Panama Canal.

UNITED STATES COAST GUARD

Vice Admiral Russell R. Waesche, to be Commandant of the United States Coast Guard, for a term of 4 years from June 14, 1944.

UNITED STATES PUBLIC HEALTH SERVICE

PROMOTIONS IN THE REGULAR CORPS

To be passed assistant surgeons

Walter S. Mozden — Carlton H. Waters
Paul C. Campbell, Jr. — Robert W. Biach
Clarence Kooiker — W. Clark Cooper
Harold J. Magnuson — Jack C. Haldeman

IN THE NAVY

TEMPORARY SERVICE

Aubrey W. Fitch, to be vice admiral in the Navy, for temporary service to rank from December 28, 1942.

POSTMASTERS

MARYLAND

Kenneth L. Toohey, Cresaptown.
Rachel S. Rowe, Landover.
William H. Fridinger, Williamsport.

REJECTION

Executive nomination rejected by the Senate May 12 (legislative day of May 9, 1944):

POSTMASTER

NEW JERSEY

Patrick J. McGrath, Bayonne.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 12, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who dost know the goodness of the wayward and the contrition of all, we bless Thy holy name. Have compassion upon us and blot out our transgressions for Thy name's sake; suffer us not to fail or shrink in any endeavor to do Thy holy will. We pray for strength and

courage, concurrent with our cares and weariness.

Today we praise Thee for the words of St. Mary, the earthly Mother of our Saviour. While the pain of the cross was piercing her heart, her lips framed these holy words: "My soul doth magnify the Lord." Grant that this song born of the angels' whisper, which moved in waves of light across the heavens, may resound in all breasts. Amid the rush of common life which sweeps us into busy forgetfulness we salute the memory of mother, enshrined as the ideal of tender love and sacrifice; nameless today, tomorrow a heroine, ever sharing our defeats and longing to heal in the delicacy and beauty of the spirit. She never failed us; what pride flushed into her face at our simplest achievements; in burdens and hardships her soul sustained us. For the sake of her who first formed our first prayer into words and folded our hands in reverence, we pray that no shame or defilement will ever cause us to shadow her name. As she lays her flesh and blood upon the altar of our country, never in all the universe was a more precious boon of sacrifice reflected in the white light of heaven. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

ELECTION TO COMMITTEE

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 544) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That FRANK W. BOYKIN, of Alabama, and DONALD L. O'TOOLE, of New York, be, and they are hereby, elected members of the standing committee of the House of Representatives on Insular Affairs.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by Maurice Milstone entitled "Salute to American Mothers" from the Washington Post of today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THIRTY-PERCENT CABARET TAX

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SULLIVAN. Mr. Speaker, the cabaret excise tax of 30 percent in the current revenue law is proving unsatisfactory in operation and I desire to go on record as favoring a change of this wartime provision to 10 percent in lieu of 30 percent. The provision in section 1650 of the Revenue Act of 1943 is a parallel to section 1650 of the 5-year defense tax provision and provides new rates for a variety of commodities and service, including cabarets, roof gardens, and so forth.

In practice, restaurants supplying music and dancing privileges are discharging their musicians and entertainers rather than subject their patrons to the 30-percent impost. Other restaurants are installing mechanical music devices or are employing players of instrumental music alone in order to retain their patrons. Others are going out of business.

The effect has been to reduce the revenue previously collected and to throw out of employment musicians and entertainers who have little chance of gainful employment elsewhere. Most of these would already be in the armed services or defense industries were they of proper age or qualifications.

It seems to me that the revenue law in this respect has gone into the field, not alone in diminishing returns but in the direction of working a positive hardship on a numerous and worthy class of citizens.

The SPEAKER. The time of the gentleman has expired.

DEPENDENCY ALLOWANCES FOR DISABLED VETERANS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. VOORHIS of California addressed the House. His remarks appear in the Appendix.]

EXTENSION OF LEND-LEASE ACT

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4254) to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 7, strike out "in any final settlement."

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a speech delivered by me at Milwaukee on last Sunday.

The SPEAKER. Is there objection?

There was no objection.

Mr. SAUTHOFF. Mr. Speaker, on yesterday I received permission to extend my remarks and include an article on land grants by D. B. Robertson. The Public Printer advises me that it will take three pages and cost $156. I ask unanimous consent that notwithstanding that fact it may be included in the Appendix.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

FEDERAL AID FOR READJUSTMENT IN CIVILIAN LIFE OF WORLD WAR NO. 2 VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to remind the House of a portion of a letter signed by Warren H. Atherton, national commander, and F. M. Sullivan, executive director, national legislative committee of the American Legion, which was sent to various Members of Congress. In part it says:

If you believe as we do that the Legion's G. I. bill will provide equitable treatment for the service men and women of World War No. 2, and security for their future, we urge you to vote for S. 1767 as reported by the House committee; any differences between the bill as adopted by the Senate and reported by the committee can be safely left to adjustment in conference.

I think the membership of the House ought to know that the Legion-endorsed bill reported by the World War Veterans' Committee as the G. I. bill was the Legion's bill, primarily, and endorsed by the Veterans of Foreign Wars. The Disabled American Veterans and the members of the Military Order of the Purple Heart endorsed a large part of it.

The SPEAKER. The time of the gentlewoman has expired.

EXTENSION OF REMARKS

Mr. HERTER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from the Secretary of War dealing with racial discrimination in the Army.

The SPEAKER. Is there objection?

There was no objection.

THE GHOST CITY OF KINGSFORT HEIGHTS

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a series of questions I submitted to Mr. Blandford, of the National Housing Agency, and his response.

The SPEAKER. Is there objection?

There was no objection.

[Mr. GRANT of Indiana addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WILLEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my re-

marks and include a copy of an editorial from the New Orleans Times-Picayune.

The SPEAKER. Is there objection?

There was no objection.

MOTHER'S DAY

Mr. CURLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. CURLEY addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, on account of my necessary absence I have been unable to make these requests, and I ask the indulgence of the House now to make several requests to extend my remarks on several topics.

I ask unanimous consent to extend my remarks.

I ask unanimous consent to extend my remarks in another instance and include therein an article by Madeline Karr on the problem of Greek dissension.

I ask unanimous consent to extend my remarks in another instance and to include a resolution of the Seattle Chamber of Commerce.

In another instance to include a speech by Glenn H. Bell, before the second annual convention of the National Rural Electric Cooperative Associations. And in another instance to extend my remarks and include an article by Dr. Harry W. Deegan, of Shelton, Wash.

The SPEAKER. Without objection, the requests of the gentleman from Washington will be granted.

There was no objection.

Mr. WENE. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an address by the leader of the Junior Commandos from my district.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter from the Governor of Minnesota.

The SPEAKER. Is there objection?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article which appeared in the Pittsburgh Post-Gazette of May 10.

The SPEAKER. Is there objection?

There was no objection.

REQUISITIONING AND DISPOSITION OF PROPERTY REQUIRED FOR NATIONAL DEFENSE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 586)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk, and together with the accompanying papers referred to the Committee on Military Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress a report of the War Production Board covering operations under the act of October 10, 1940, as amended, and the act of October 16, 1941, for the period from October 16, 1943, through April 15, 1944, with respect to the requisitioning and disposition of property required for national defense.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 12, 1944.*

ASSISTANCE TO FARMERS IN FLOOD AREAS

Mr. CANNON of Missouri. Mr. Speaker, by direction of the Committee on Appropriations, I call up the resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the House joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. DWORSHAK. Mr. Speaker, reserving the right to object, is that a unanimous consent request?

The SPEAKER. Unanimous consent has been granted for the consideration of the bill. The gentleman from Missouri is simply asking unanimous consent that it may be considered in the House as in Committee of the Whole.

Mr. DWORSHAK. When was that consent granted, Mr. Speaker?

The SPEAKER. On yesterday.

Mr. TABER. Mr. Speaker, reserving the right to object and I shall not object, I simply want to say that this would mean that the bill would be considered in the House as in Committee of the Whole, rather than to go into Committee of the Whole. I want to be sure that is thoroughly understood; that is all.

Mr. SABATH. Mr. Speaker, reserving the right to object, I wonder, if unanimous consent is granted, whether the gentleman will yield to me for a question or two.

Mr. CANNON of Missouri. I listen to the gentleman always with pleasure and profit.

Mr. SABATH. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Missouri that the bill be considered in the House as in the Committee of the Whole?

There was no objection.

The Clerk read the bill, as follows:

Resolved, etc., That the balance of the appropriation of $15,000,000 made in the Second Deficiency Appropriation Act, 1943, for 1943 flood restoration loans, is hereby also made available until June 30, 1945, to enable the Secretary of Agriculture, in such manner and upon such terms and conditions as he may prescribe, to make loans and grants to farmers whose property is destroyed or damaged by floods in 1944 and to service loans made under such appropriation in connection with the 1943 floods: *Provided*, That not to exceed $3,000,000 of such amount shall be used for grants.

Mr. CANNON of Missouri. Mr. Speaker, last year $15,000,000 was appropriated for this purpose. The conditions last year which brought about this appropriation and conditions this year are identical except in one respect, that is that flood conditions this year are more acute, the area inundated is larger, the crests of the floods are higher and the damage correspondingly greater. We propose this year to use no new money. The proposition before us in this bill is merely the reappropriation of the unexpended balance.

The bill applies to every flood section of the United States from the Sacramento River on the Pacific Coast to the Tombigbee River on the Gulf and the great river systems of the Central West.

The purpose in making these moneys available is production of one of the greatest essentials in the war program. This inundated region, especially in the Central West, is corn land. At the present time corn is one of the most needed items in our war economy. Naturally the alluvial plains along the great rivers are exceptionally productive and produce the surplus corn for shipment to the livestock feeding areas and the processing plants. Hogs are going to market these days at less than 180 pounds, drastic sacrifice under present price schedules; poultry is without feed, cattle are being rushed to market because no corn is available, and the Government has been put to the extremity of freezing corn in order to secure 80,000,000 bushels imperatively needed for war processing.

This bill would enable these farmers—and it applies only to those who have no other credit resources—no one who can get a loan at a bank is eligible. This bill will enable farmers to put in production for this crop season land which otherwise would lie idle. It is essentially a war measure in that it proposes to insure production of a critical war material.

Mr. MASON. Mr. Speaker, will the gentleman yield for a question?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. MASON. I want to know if last year when we passed this bill we did not strike out the grants that are in this bill?

Mr. CANNON of Missouri. Last year when the bill came to us from the Senate it included both loans and grants. That was favorable to the House committee, but when it came to the floor my good friend from Mississippi had misread the amendment and I had not had the opportunity to consult with him. He doubted the advisability of including grants and as a result that language went to the committee because I thought that the opinions of the chairman of the great Committee on Flood Control were entitled to every consideration. We struck out grants. The next day, however, when the bill was before the House and its merits were under discussion and we were in better position to analyze it, the gentleman then agreed that grants should be included. For that reason when we drafted the legislation this year we included both loans and grants.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I recall generally the colloquy. I believe it is more

accurate to say that I suggested to the gentleman from Missouri that the appropriation of $15,000,000 was wholly unnecessary, and I pointed out that inasmuch as it provided only for grants I did not think it was as beneficial as existing farm-security legislation that authorized both loans and grants. I further pointed out that if the appropriations that had been made for that purpose were not sufficient, in my judgment it would have been the wiser course to have asked for an increase in the appropriation rather than provide for this additional damage that had occurred.

Mr. CANNON of Missouri. The gentleman is entirely correct; he has correctly reported the colloquy; and in view of his position, we have this year reported it as was originally passed by the Senate last year.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri may proceed for 5 additional minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Will the farmers in Texas be eligible for these loans? I notice the gentleman did not mention that section of the country.

Mr. CANNON of Missouri. Yes; I am glad to say the farmers of Texas and all farmers who are damaged by 1944 floods, wherever situated geographically, will be eligible for these loans.

Mr. LUTHER A. JOHNSON. I am glad to know that because in my district very heavy damage has occurred in a number of counties and only yesterday I had a telegram from a farmer with reference to it.

Mr. CANNON of Missouri. Yes; the only reason those particular rivers happened to be mentioned was because in the course of the hearings they were referred to by name and were particularly emphasized. However, the bill includes the rivers and the areas to which the gentleman refers.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. SABATH. I recall the action of the House last year and I believed then that it was unnecessary to make this separate appropriation. The question I desire to ask the gentleman now, however, is whether this bill applies to any but farmers? I am informed that many other people have suffered loss due to floods. Can they also be relieved? Can they obtain some relief under this bill? As I read the bill under its provisions no one but farmers can get any aid or grant. How about the people who lost their homes and other property, people who are not farmers?

Mr. CANNON of Missouri. I may say to my good friend from Illinois that this is not intended primarily as a relief measure. The purpose of the bill is to produce corn, and only the farmers have the facilities and require only the credit provided by the bill to start production. For that reason only farmers are included.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. MICHENER. Mr. Speaker, this resolution makes loans and grants possible. There is necessarily lodged somewhere discretion as to whether the amount provided be a loan or a grant. A loan must be repaid; a grant is a gift. Who determines, and what will be the yardstick in determining, whether the amount of money provided is a gift, which is a grant, or a loan which must be repaid?

Mr. CANNON of Missouri. That is a very proper inquiry, and I may say in response to the gentleman that every safeguard is thrown around the administration of these funds to be certain that no loan is made and no grant is allowed that will not result in production. These are very carefully screened and must go first before a county committee and then the F. S. A. It must be demonstrated that the applicant is in a position to produce this crop season if credit is afforded and is not in a position to finance production. The very fact that this fund was so carefully administered last year—and I believe the testimony showed that not one single dollar of it was wasted last year—is evidence of the fact that there is no possibility here of excess or ill-advised disbursements.

Mr. MICHENER. A few years ago we started this method of making grants under what was known as Disaster Corporation loans, as I remember it. There were extensive arguments here that where a farmer, for instance, was overtaken by floods and misfortune to such an extent that he could not give adequate security and could not make a safe loan, then the Government granted what was known as a disaster loan; but the ability of the recipient to pay had to be determined before a disaster loan was granted. What I am primarily interested in is who is going to determine whether the assistance given is a loan or a grant, and what yardstick is to be used by the agency making that determination?

The SPEAKER. The time of the gentleman has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, in response to the gentleman's inquiry, the use of the Disaster Corporation loan was fully explored when this question was before the House last year. The gentleman from Missouri [Mr. PLOESER] brought that question up and we went into it fully. Of course, the Corporation cannot make grants and cannot make loans under the conditions which face us here, but precisely this same activity, the use of loans and grants to secure production and relieve distress, has been in effect ever since the Farm Security Administration has been operating. The Farm Security Administration has under a regular annual appropriation $1,000,000 available for this identical purpose every year, and, as was explained last year by the gentleman from Mississippi [Mr. WHITTINGTON], chairman of the Committee on Flood Control, this was merely an enlargement of the fund which was in use and which has been appropriated every year.

Mr. WHITTINGTON. In that respect, if the gentleman will permit me, I should like to repeat now what I said last year. I stated at that time I saw no occasion for the loans and I pointed out that under existing legislation then as well as under other existing legislation now there were loans and grants and it was really more favorable because those rehabilitation loans and grants were intended to provide for flood sufferers, fire sufferers, and tornado sufferers. May I ask the gentleman whether any available funds in the rehabilitation loans might be made for the remainder of this year where loans and grants are provided by other legislation? Otherwise you have one sort of grant under one administration and another sort of grant under another and I think the House ought to know whether there are any grants or loans available.

Mr. CANNON of Missouri. The same agency handles both funds. The difficulty is that in the other fund there is only $1,000,000, which is wholly inadequate to meet this sudden emergency and which is wholly inadequate to produce the yield of corn which we expect to get this fall.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. FITZPATRICK. What rate of interest is charged for those loans?

Mr. CANNON of Missouri. Five percent, as I recall. All these loans must be secured and the rate of interest is intended to be as reasonable as the situation warrants.

Mr. FITZPATRICK. I would like to see a lower interest rate because we are going to charge the veterans 6 percent, and I think that is an injustice to the veterans.

Mr. WHITTINGTON. One more question. Did I understand the gentleman to say that the same representative of the Department of Agriculture handled this loan of $15,000,000 last year as handled the rehabilitation loans?

Mr. CANNON of Missouri. It handled the $15,000,000 in connection with its annual appropriation of $1,000,000.

Mr. RANKIN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. I understood the gentleman from Missouri to say that this fund would be handled by the Department of Agriculture.

Mr. CANNON of Missouri. It will be again handled by the Secretary of Agriculture, as last year.

Mr. RANKIN. Through whatever agency he may designate in the area?

Mr. CANNON of Missouri. He may designate any agency.

Mr. RANKIN. This fund applies to all floods on navigable streams and their tributaries, does it?

Mr. CANNON of Missouri. All overflows in the United States.

Mr. RANKIN. Whether the stream is navigable or not?

Mr. CANNON of Missouri. That is immaterial. The only determining feature is that the flood shall have destroyed potential production and that the farmer be unable to secure funds elsewhere.

Mr. RANKIN. The grants are made where the people have lost their stock or crops or under what conditions?

Mr. CANNON of Missouri. Grants are important this year as never before. In some areas, by a remarkable coincidence, they have had floods 3 years in succession and they now have little left except the bare land.

Mr. RANKIN. The reason I am asking these questions is because I have been trying, as the House knows, to get something done for the Tombigbee River. We have just had a flood on that stream and its tributaries—the greatest flood since 1892. Several people were drowned. Many people had their stock drowned, property destroyed, and even their homes swept away. That happened not only on the main stream but on the tributaries, and under the decision in the Appalachian Power case why, of course, those tributaries are under the jurisdiction of the Federal Government. I want to know whether they would come under the provisions of this bill.

Mr. CANNON of Missouri. That situation comes squarely within the purview of the bill.

The SPEAKER. The time of the gentleman has again expired.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that the gentleman may be permitted to proceed for 1 additional minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There was no objection.

Mr. WHITTINGTON. I persist in my question. My general understanding is that the Farm Security Administration handles rehabilitation loans consisting of loans and grants and my further general understanding is, and I want to be corrected if I am not correct, that the Secretary of Agriculture did not handle that $15,000,000 loan last year through the Farm Security Administration but through another agency.

Mr. CANNON of Missouri. It was handled by the Secretary of Agriculture through the Farm Security Administration.

Mr. WHITTINGTON. Both loans?

Mr. CANNON of Missouri. Both funds and all loans.

Mr. RANKIN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. Some gentlemen seem to be very sensitive about making these grants to the farmers, yet they are willing to spend a billion dollars for flood control on other streams. It is not any more a grant to remunerate the man whose property has been destroyed because of these floods than it is to spend Federal money to prevent floods on certain streams. For this reason I am trying to find out what relief the people in my area are going to be able to look to under the provisions of this legislation and what limitations are placed on it.

Mr. CANNON of Missouri. The bill and report are specific in that regard. The bill reads, "to enable the Secretary of Agriculture, in such manner and upon such terms and conditions as he may prescribe, to make loans and grants to farmers whose property is destroyed or damaged by floods in 1944," with no limitation. I may say to the gentleman that all it will be necessary for his farmers to do is to apply to the agency designated by the Secretary of Agriculture at the county seat. Every opportunity will be afforded to make it possible for them to avail themselves of the provisions of the bill.

Mr. RANKIN. These disaster funds were not all loans. I remember when the funds were provided and, as I said, they were not all loans. Probably 50 percent of them, and in some cases 100 percent, were grants. They were grants to people as a rule in congested areas whose property had been destroyed or injured by floods on various streams. This time you have extensive areas in which farmers have lost their stock and, as I said, in many instances their homes, and outhouses, and the implements with which they had hoped to make a crop.

I can see no reason why this relief should not be extended to them in the light of what has been done with those disaster appropriations in the past.

Mr. CANNON of Missouri. This bill offers those without credit to finance their farming operations the facilities and the opportunity—and the only opportunity—to resume production.

The SPEAKER. The time of the gentleman from Missouri has again expired.

Mr. TABER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I feel that in view of the discussion that has been had the facts with reference to this situation should be placed before the House. Last year, along about the 10th of July, a bill became a law which provided $15,000,000 for loans to farmers who suffered flood damage in the flood of 1943. Out of that $15,000,000 approximately $3,000,000 has been spent. According to my understanding of it, that fund is still available and will be available throughout the current fiscal year which expires on June 30. The bill provides simply for loans.

Mr. CARLSON of Kansas. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. CARLSON of Kansas. Do I understand the gentleman from New York to say that we appropriated $15,000,000 last year, and there is an unexpended balance of $12,000,000 in this fund?

Mr. TABER. That is the approximate figure. I would not want to give the exact figure, but that is approximately correct. That money for loans is still available for that purpose, and will be until the 30th of June.

Mr. CARLSON of Kansas. Would the gentleman from New York advise the House how much was loaned under the provisions of this appropriation and how the repayments were made?

Mr. TABER. I cannot tell much about the amount that has been loaned, except this: Down to the 30th of April the amount obligated for loans was approximately $1,700,000 for 3,000 loans. There were 3,077 loans. How much beyond that has been done in the 12 days since the 30th of April, I do not know.

Mr. CARLSON of Kansas. I notice House Joint Resolution 280 has a limitation of $3,000,000 for grants. Could the gentleman from New York tell us how much was used for grants last year?

Mr. TABER. The bill last year did not provide for grants. The only provision that I know of that has heretofore been made for grants has been that in the Farm Security appropriation. There may have been others, but that is the only one I can think of at the moment.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. MICHENER. If that is true, then the grant provision in this bill is new legislation.

Mr. TABER. It is.

Mr. MICHENER. Then, if this legislation is passed, this $15,000,000 will be available for grants as well as loans?

Mr. TABER. That is correct. The gentleman asked a while ago in whose discretion those grants would be lodged. I can say to the gentleman that that would be lodged in the discretion of the Secretary of Agriculture. The Secretary referred this job to the Farm Security Administration, and so far they have operated.

The committee, in making a report here, have stated that they do not intend by this legislation to extend the authority of the Farm Security Administration, and that it is their intention that this shall in no way be construed as an authority for that extension. The committee can do nothing else, in view of the recommendation that has been made in the subcommittee of the Committee on Agriculture. Where grants ought to be made, if at all, it would be up to the Secretary of Agriculture to pass on them. I do not know what the situation is, nor have we a good picture of what grants there would be any excuse for making. I would not imagine that the amount of loans would be more than the amount of the $3,000,000 that is set up for grants, although it might be. I would not imagine that the amount of grants in the Missouri-Mississippi area, which seems to have been the reason or the inspiration for this legislation, would be very much more than was spent last year, although, of course, no one can tell until the water begins to go down.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HOLMES of Washington. Mr. Speaker, on May 1(I asked unanimous consent to extend my remarks in the RECORD and include therein a speech by Mr. Ralph Banks of the Bureau of Reclamation, the cost of which, I am informed by the printer, will be $138.66. I ask that, notwithstanding the cost, I be permitted to extend my remarks in the Appendix and include therein this document.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CALL OF THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. RANKIN. I move a call of the House, Mr. Speaker.

A call of the House was ordered.

The Clerk called the roll, and the following members failed to answer to their names:

[Roll No. 59]

Andresen, August H.	Gillette	Murray, Wis.
Arnold	Green	Newsome
Auchincloss	Griffiths	O'Brien, N. Y.
Baldwin, Md.	Gross	O'Connor
Baldwin, N. Y.	Hall, Leonard W.	O'Konski
Bates, Ky.	Halleck	O'Toole
Bell	Harris, Va.	Pfeifer
Bender	Hébert	Philbin
Bradley, Mich.	Heffernan	Plumley
Brehm	Hess	Pracht, C. Frederick
Buckley	Hinshaw	Price
Camp	Hoffman	Ramspeck
Capozzoli	Holifield	Randolph
Carson, Ohio	Hope	Rogers, Calif.
Carter	Izac	Rolph
Celler	Jarman	Rowe
Chiperfield	Jenkins	Sadowski
Cole, N. Y.	Jennings	Satterfield
Costello	Kee	Sauthoff
Courtney	Keefe	Sheppard
Cox	Kelley	Sheridan
Dawson	Kennedy	Sikes
Dickstein	Kerr	Smith, W. Va.
Dies	Kilday	Smith, Wis.
Dilweg	King	Somers, N. Y.
Dingell	Kinzer	Stevenson
Disney	Kirwan	Thomas, N. J.
Dondero	Kleberg	Tolan
Eaton	Klein	Torrens
Ellis	Landis	Treadway
Elston, Ohio	Lane	Vinson, Ga.
Engle, Calif.	Lea	Vursell
Fay	Luce	Ward
Feighan	McGehee	Wasielewski
Fish	McKenzie	Weichel, Ohio
Fogarty	McMurray	Weiss
Folger	McWilliams	Whelchel, Ga.
Ford	Madden	White
Fuller	Magnuson	Wickersham
Gallagher	Manasco	Winstead
Gamble	Marcantonio	Wolcott
Gerlach	Miller, Pa.	Zimmerman
Gifford	Monkiewicz	
Gillespie	Morrison, N. C.	

The SPEAKER. On this roll call, 302 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings, under the call, were dispensed with.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a newspaper article by Mark Sullivan and some quotations.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a telegram.

The SPEAKER. Is there objection?

There was no objection.

FEDERAL AID FOR READJUSTMENT IN CIVILIAN LIFE OF WORLD WAR NO. 2 VETERANS

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1767, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. ABERNETHY] such time as he may desire.

Mr. ABERNETHY. Mr. Chairman, before the House of Representatives for consideration today is one of the most comprehensive pieces of legislation ever considered by a lawmaking body. Generally referred to as the G. I. bill of rights for G. I. Jane and G. I. Joe, it is officially known as the Servicemen's Readjustment Act of 1944. This bill has come to the floor from the Committee on World War Veterans' Legislation, of which that distinguished, courageous, beloved gentleman of Mississippi, the Honorable JOHN E. RANKIN, is chairman.

Mr. Chairman, no Member of this or any preceding Congress has been more intently interested in the welfare of the veteran than the gentleman from Mississippi [Mr. RANKIN]. For more than 20 years he has fought the battle of the veterans on Capitol Hill. He still fights their battle. For his many achievements in their behalf I congratulate him. I regard it a rare privilege and great honor to be a member of his committee.

In an effort to write the best possible bill, our committee has had this measure under consideration for several months. We have worked hard, unceasingly, and untiringly. For almost 3 weeks, immediately prior to its being reported out, we went over the bill, in executive session, line by line and paragraph by paragraph. During the hearings we had the advice and counsel of Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs; the Honorable Millard W. Rice, National Service Director of the Disabled American Veterans; the Honorable Omar B. Ketchum, director of the National Service Bureau and national legislative representative of the Veterans of Foreign Wars; the Honorable E. E. Odom, Solicitor of the Veterans' Administration; the Honorable Frank Haley, national legislative representative of the Military Order of the Purple Heart; the Honorable Warren H. Atherton, national commander of the American Legion; the Honorable Francis M. Sullivan, national legislative director of the American Legion; other high-ranking, well-informed members of the various service organizations; officials of the War and Navy Departments; and many, many others. To each and all we are deeply indebted for their advice and counsel. With their valuable assistance we believe we have worked out a constructive, fair, and acceptable bill.

POST-WAR PLANNING

Mr. Chairman, much has been said on the subject of post-war planning—the conversion from wartime to a peacetime economy. Committees have been authorized by the Congress to study this all important question. One of my committees—the Committee on Public Buildings and Grounds—has thoroughly explored the subject. But another great conversion will take place at the conclusion of this colossal conflict, the conversion of 12 or 15 million service men and women—soldiers, sailors, marines, WAC's, WAVES, and SPARS—from a life of warfare to that of civilians. In substance, the purpose of the G. I. bill is to effectuate that transition with precision and dispatch. Mr. Chairman, it is my considered judgment that no phase of post-war planning is quite so important. These men and women will make up the bulk of the participants in post-war business and unless they are promptly enabled to assume the normal pursuits of a civilian life, then all of the post-war planning for business, industry, and agriculture will bear no results.

We believe it not only the duty but the responsibility of a grateful American people to make certain that those who served actively in our armed forces shall, upon return to a civilian life, receive liberal Federal assistance in reaching that place and position which they normally expected to achieve, and probably would have achieved, had their service in war not interrupted their careers.

A VETERANS' BILL—A STATES' RIGHTS BILL

We know, Mr. Chairman, that the bill is not one of absolute perfection. We know that imperfections may appear here and there. The Committee on World War Veterans' Legislation is not in absolute unanimous agreement on every feature of the bill. On such a comprehensive measure there could never be a unanimity of thought and agreement. On these differences there was reasonable compromise with doubt always resolved in favor of the veterans. We have, over these several months, done our level best to eliminate imperfections, injustices and discriminations and turn out a bill that would be fair and liberal with all veterans of all wars. Incidentally, Mr. Chairman, this is a veterans' bill. It is also a States' rights bill. It is not a Federal bill, an educators' bill, nor a bill to set up a new agency or bureau. We have borne in mind that we were legislating for the

veteran and only him, with our first duty to the crippled and disabled, the blind and the maimed. This bill is written for the veterans, and not about them.

HOSPITALIZATION

Title I, among other things, authorizes and directs the Administrator of Veterans' Affairs and the Federal Board of Hospitalization to expedite and complete the construction and equipment of additional hospital facilities for war veterans. That this work might proceed unhampered, we have authorized unlimited appropriations from time to time, subject to the approval of the Congress, for the construction of and addition to these facilities. There is positively no limitation attached to this authorization. We are making certain, Mr. Chairman, that no veteran shall hereafter want for hospitalization or medical attention.

EDUCATION OF VETERANS

Possibly the most controversial feature of this bill is contained in title II—education of veterans. This title, with few limitations, makes it possible for a veteran to pursue an education, or refresher or retraining course, at the expense of this Government, at a cost not to exceed $500 per year plus $50 per month maintenance and $25 additional if he has a dependent. Precaution has been taken and proper safeguards written into the bill against so-called fly-by-night schools which may spring up to cheat the Government and the veteran. We have also guarded against the Federal Government assuming any control or supervision whatsoever over State educational institutions or agencies. As long as I am a Member of Congress I shall never support any bill that permits the Government to encroach in the slightest upon State control of education. Furthermore, under this bill, no Federal agency or bureaucrat will have the authority to dictate the selection of the school or the course to be pursued. The veteran only is clothed with these privileges. If the veteran qualifies and wants to attend college, or the "little red schoolhouse," or the agricultural high school, or even a one-teacher school, then we in the committee felt that that was his business and he should be so privileged. In other words, he may select, free of even the most infinitesimal dictation of any individual, a school of his choice. No one should be empowered to force a selection upon him. Public assistance under this title will be provided in the maximum cases up to 4 years. The veteran will be thus enabled to prepare himself for the pursuits of a normal life. The title will also be of tremendous aid to the schools of our land whose campuses have been deserted as a result of war.

LOANS FOR HOMES, FARMS, AND SO FORTH

The farmers, businessmen, and industrial workers of tomorrow are the soldiers of today. Hundreds of thousands, probably several million, returning soldiers will want immediately to get back into their old work or take up a vocation of life. Probably the veteran's education was not interrupted and, even though it may have been, it could be that he prefers to waive that education and immediately begin farming or enter business. Title III makes provision for him. We have empowered the Government to guarantee up to 50 percent of a loan for that veteran. Although the service organizations had agreed that a guarantee up to $1,000 would likely be sufficient, our committee to make certain thereof increased the amount to $1,500. With this money he can purchase or make the down payment on a home, a farm, farming equipment, a business or business property. The original provision authorized the Government to make the loans. There was testimony before our committee that administrative costs might be as much as $1,000 for each Government loan. So, for this and other reasons, we made provision that the money be borrowed from individuals, private, local, State, or Federal lending agencies and provided further that the Government underwrite the same up to $1,500. Unquestionably this title will be of timely aid to the veteran. Everyone, I am sure, will agree that our committee has acted wisely in making the Government the guarantor of the loan instead of the lender. This will not only stimulate local and private enterprise in the post-war era but will eliminate miles of Government red tape in the closing of loans and simultaneously provide very nearly the identical benefits for the veterans.

EMPLOYMENT OF VETERANS

Returning veterans are going to be looking for jobs. By all means they should be given preference assignment. This title declares that it is the intent and purpose of the Congress that there shall be an effective job counseling and employment placement service for veterans, so that preference in placement shall be afforded qualified veterans. The entire responsibility of carrying out this title is placed where it should be—in the Administrator of Veterans' Affairs. No other department of this Government could possibly be as interested in the veterans' welfare as the Administrator of Veterans' Affairs. Will anyone question that? All possible aid in job placement will be afforded the veteran through a Government paid veterans' employment representative in each State, who shall be associated with the staff of the employment service in the State to which he has been assigned. This representative will himself be a discharged veteran, selected from within and a resident of that State. As I have said before, this is a States' rights bill and the foregoing is further proof of it. We have done our best throughout the bill—on administration, education, loans, compensation, on all features—to place all authority possible back in the States.

READJUSTMENT ALLOWANCES

We come now to unemployment compensation. In my humble judgment, this is the weakest provision of this bill. It provides for unemployment compensation at a maximum of $20 per week not to exceed 26 weeks during the 24-month period subsequent to discharge of the veteran from the service. Very frankly, I do not like it because it places a premium on unemployment. It might tend to create idleness. It discriminates against the man who comes home, takes up his plow or hoe, and goes to work. One well-informed member of our committee has said:

> It discriminates against the energetic veteran who returns to his plow for $50 or less per month while the less energetic one could simply go fishing and possibly receive, as unemployment compensation, an even larger sum.

Maybe it will not work that way. At least I hope it will not. A majority of our committee believes it will not and I trust they are correct. Guarding against it so doing, our committee has tightened up its provisions. In my campaign of 2 years ago, I pledged myself to the people of my district to the principle of carrying the soldier on his base pay for a reasonable period after discharge. In keeping with that pledge, I voted with other members in committee to substitute such a provision for the unemployment compensation provisions which, in my opinion, would be much fairer and of more benefit to all of the veterans. A majority of the committee disagreed with us, so the substitute was voted down. Such a provision would tide the veterans over and provide reasonable subsistence during the period of readjustment. On the other hand, a majority of the committee having disagreed with us, I accept the will of the majority and will support this title since its objective is identical with the substitute, although I do not agree that it is as feasible as the substitute.

CONCLUSION

The foregoing, Mr. Chairman, roughly covers the so-called G. I. bill of rights. There are many other benefits which I do not have the time or opportunity to discuss.

In closing, let me say that I regard it a wonderful privilege to have had a part in the writing of this legislation. Our committee has worked in perfect accord. No party lines entered into our work. We labored neither as Democrats nor Republicans. Thoughts of partisan politics were left outside. We went to work and brought in a bill, the objectives and purposes of which should meet with the approval of every Member of this House, irrespective of his or her party affiliations.

Machinery to effectuate the readjustment of the veteran is provided herein. It will bridge the gap between the day of discharge and the day of finding a job. It will prepare the veteran through educational training to take his place in the economic development of this country. It will teach him a trade or profession. It will insure preference to him in job assignment. It will enable him to start a small business, buy a farm or build a home. It will bring him relief from pain and suffering in great hospitals. Sure, it will cost this Government billions of dollars—five, six, seven, or more. No one absolutely knows nor can anyone with positive accuracy estimate the cost. But even then, Mr. Chairman, it will never repay him for the service he has rendered. Let me say, in a true

sense, that we are not by this bill giving the veteran anything. We owe to him these things and many more. Upon return there must be more for the boys than the music of bands and the waving of flags. This bill is the answer. It must be made law and the machinery set up before they return home. I commend it to your consideration and urge your unanimous support.

We have been speaking here of the returning soldier. Lest we forget, Mr. Chairman, there are those who will not be coming back to enjoy life and this great country of ours. They will be sleeping the everlasting sleep, receiving not the worldly benefits of a grateful government and an appreciative people. These certainly—and there will be thousands of them—we can never, never pay. But we can, and will, be deeply grateful. We can, yes, and we will. And so will our sons after us.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 15 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Chairman, when I first heard of this bill I was inclined to oppose it on the ground that at this time it seemed that we should confine our efforts to providing for the men who have been and will be disabled in this war. However, as I had an opportunity to study the provisions of the bill I was soon convinced that every title of this bill, as it has been reported out of the House committee, was needed at this time, and appropriations to carry the various titles into effect could be justified.

As I read the committee report I was pleased to find this language on page 2 as an indication of the thinking that had been done by the members of this committee. I quote from the report:

> Furthermore, it is not clear that the tremendous expense involved in such plans can be borne by the national economy should the war continue beyond present expectations.

It is encouraging to note that as the committee was considering this legislation they had in the back of their minds not only the tremendous debt we will assume at the end of this war but the cost of the provisions of this bill. It is well as we consider legislation of benefit to the men and women serving in this war that we stop to realize that in all probability there will be fifteen-million-odd men and women who will have served at some time during this war. This means that every time we pass a law authorizing the appropriation of $100 to each man and woman who served we are increasing our debt by $1,500,000,000. It seems to me that the Congress that does what is best for the country will certainly do what is best for the veterans of this war, and I sincerely hope that next week when this bill is considered under the 5-minute rule no effort will be made to load it down with amendments although those who may offer amendments may be most sincere and be absolutely convinced that the thing they are advancing is to the best interest of the veterans. If this bill can be improved, or if there are certain things that should be in the bill that are not in it now we still have time to submit the suggestions to the committee and in due time I know they will consider them and possibly bring in another bill.

It is well also to bear in mind—and I believe the record will bear out this statement—that with one or two exceptions the disabled of this war are now entitled to every benefit that has been made available to the disabled of World War No. 1. You will recall that it took 20 years to get some of the World War legislation on our statute books. There are two major exceptions to this statement, however. No provision has been made as yet to write into the law the so-called presumptive clause that was written in following World War No. 1. I think before long this committee will give consideration to writing such a law giving that benefit to men and women who are serving in this war, because we know absolutely, backed by the best possible medical testimony, that there will be men and women in this war who will break down physically and mentally 3, 4, 5—yes, even 10—years after their war service. So we cannot expect every serviceman to prove beyond any doubt that the disability that develops 4 or 5 years after the war was in fact due to his war service. The one thing that caused me to hesitate in supporting this bill at this time was a thought that was before me for a number of years, and I want to take advantage of this opportunity to express again my regret that Congress has not to this date made adequate provisions for the widows and orphans of men who died during World War No. 1. It seems to me nothing short of a disgrace that the widow of a man who was killed in battle in the last war is not adequately provided for.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. CUNNINGHAM. Does the gentleman understand that the House of Representatives has made that provision in a bill we have passed?

Mr. MILLER of Connecticut. No; I have not considered it adequate. I know the bill to which the gentleman refers, but before we pass general legislation making a pension available to all widows of World War veterans we should provide adequately for the widow of a man who was killed in action or died as a direct result of battle wounds. I say in all frankness I do not believe the provisions of existing law are adequate. Let me explain why. A veteran of World War No. 1 who is permanently disabled and is bedridden, who has suffered the loss of a limb, receives under existing law $185 a month: $100 a month for P. and T., $50 for an attendant, and $25 for the loss of the limb, and an additional $10.

Mr. CUNNINGHAM. The gentleman is complaining that it is not adequate, not that we have not done something.

Mr. MILLER of Connecticut. That is right. He receives $185 as compensation. He dies as a result of his war wounds. His widow must then immediately change her whole mode of living from a level of $185 a month to a maximum under existing law of $45. I doubt if there is a Member of this House who honestly believes that $45 a month under present conditions is an adequate pension for the widow of a man who was killed in battle either in World War No. 1 or World War No. 2.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mrs. ROGERS of Massachusetts. The gentleman knows that as the widow becomes older she does receive more than $45 a month.

Mr. MILLER of Connecticut. May I ask what the maximum is under present law?

Mrs. ROGERS of Massachusetts. It is inadequate. Also I think the gentleman will agree that it is very unfair for a man who is permanently and totally disabled to receive only $100 a month with no money for dependents, his wife, and children; whereas a man who may be receiving $80 or even $60 receives more than $100 with his dependents' allowance.

Mr. MILLER of Connecticut. I agree with the gentlewoman from Massachusetts. I did not inject that thought with any desire to set it forth as any justification for not writing into law the provisions of this bill but just to bring to the attention of the Members of the House the fact that there is this comparatively small group who up to date have not been adequately cared for. I have always taken the position that I would not support general legislation for the benefit of all widows and orphans until we first of all took care adequately of the widows and orphans of those who were killed in battle or who died as a consequence of their battle wounds. That is the only reason I have to this date opposed the so-called widows' and orphans' bills that have been introduced in the House in the past.

Mr. Chairman, I will not take time even to run through the different titles of this bill. They have been covered and will be further covered and more adequately by members of the committee. Apparently the controversy in this legislation as it is developing in the debate so far concerns title II, the educational provisions. I believe I can say with all due modesty that I speak with some authority on this subject. I did not have the opportunity to take vocational training following the last war. By the time I was discharged from hospitals the vocational training program was wound up and liquidated. I have no fault to find with that, but I did have the opportunity, if I might so express it, from the inside looking out, to observe the workings of the vocational training program and the workings of the various departments that were set up by Congress at that time to care for the war disabled. I believe the Congress of that period did a mighty good job, because I recall that in 1919 when a man was discharged from the service and turned over to the Public Health Service for further hospitalization with permanent and total disability, in those days they got $40 a month. You went from your Army pay, whatever it might have been, down to $40 a month and tried to support your family on $40 a month. That was not a very high level.

I want to take just a moment to commend the gentleman from Mississippi

[Mr. RANKIN] and the gentlewoman from Massachusetts [Mrs. ROGERS], along with other members of this committee, for the excellent work they have done over a long period of years. I may differ with the distinguished gentleman from Mississippi on some phases of power developments, but I have no difference with him as to the fine work he has done for the disabled of World War No. 1 and World War No. 2. I recall very distinctly seeing the gentlewoman from Massachusetts come into Parker Hall Hospital in Boston in 1920 and 1921 at a time when her distinguished husband was serving in this body and she was serving as a member of a committee appointed by the President of the United States to visit these Government hospitals and report directly to the President of the United States.

Many of the recommendations she made were later written into law, laws that we now look to as a fine set-up for the proper care of the war disabled.

You will recall that in 1919 when a man was discharged from an Army or Navy hospital, there were four different agencies of the Government that he immediately had to deal with—the old Bureau of War Risk Insurance; the Federal Bureau of Vocational Training; for hospitalization and related subjects, the United States Public Health Service; and then, of course, he was forever after going back to the Bureau of Medicine and Surgery of the Navy or the Adjutant General's office in attempt to find some detail buried away in his record. Many Members of this House have tried to search the records of World War No. 1 that are stored pile on pile, with no system at all, down here in a firetrap in Washington. Those records are mighty important to the men concerned.

Out of the experience of a few years after World War No. 1 it soon became apparent that if we were going to provide adequate care for the war disabled we should have one central agency dealing with the war disabled. We finally set up the Veterans' Bureau, I believe along about 1924, and then in July 1931, as the result of the work of this mighty fine House committee, we created the Veterans' Administration and turned over to them the functions of the Veterans' Bureau, the old Pension Bureau and the National Home for Disabled Soldiers. Since that consolidation took place the efficiency of the bureau of the Federal Government dealing with the war disabled has gone up at least 100 percent. That is why I am sincerely concerned about what appears to me to be a tendency in the educational provisions of the Barden bill to take away some phase of the rehabilitation of the war veterans from the Veterans' Administration.

Mr. Chairman, I hope we can keep all phases of this great and tremendous rehabilitation program under one head—the Veterans' Administration. There is a very practical reason why that should be done. I said at the outset a man would come home, or a woman, and to all outward appearances they might be just as well as the day they were inducted, yet 2 or 3 years later they would begin to show the effects of the experiences they are undergoing now. We do not need testimony from any psychiatrist or doctor to know that the human body and the human mind were never created to withstand the conditions under which men are living today on the farflung battle fronts of the world. There is not a man in the armed forces of the United States in a combat area in the Pacific, in Italy or in Africa who will come back just as well and strong as he was the day he was inducted. That experience is going to do something to that man's physical body, to his nervous system and possibly to his mind. That is why I want every one of these people when they are discharged and come back after making this tremendous effort to take their place in society to feel there is one agency of the Government to which they can turn. Here is a man who comes back and he establishes the fact that he wants to go on with his education. That educational program is under the Veterans' Administration. They have a record of him in that one department of the Government. He knows where that record can be found. They are going to be making contacts with the school or factory in which he is taking training and when the first symptoms of the nervous breakdown, which to some people might appear to be a little restlessness, begin to become apparent, the contact man of the Veterans' Administration if he is properly trained, and I believe he will be properly trained, will be able to detect the first symptom of that man's developing disability.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 additional minutes to the gentleman from Connecticut [Mr. MILLER], who has been working so tirelessly for the veterans.

Mr. MILLER of Connecticut. Mr. Chairman, I wish I had time to develop that thought a little further. I could cite case after case where a man and woman under the eyes of governmental agencies were permitted to go down, down, and down nervously and in some cases physically so that by the time the Veterans' Bureau of that day picked them up the veteran faced long years in a neuropsychiatric institution. I will extend my thoughts in the RECORD on that subject if anyone is interested.

There is another reason why I am opposed to the provisions of the Barden bill, and may I say that it is most unfortunate there should be any jurisdictional dispute develop in connection with this legislation or any feeling develop between the members of these two great committees of the House or that there should be any feeling between the two or more great veterans organizations in existence in the country. But if the provisions of the Barden bill are written into law we are going to have 48 different plans for vocational training. Each State is going to have its own idea. It is going to make its own plan and submit those plans to this advisory board. On this advisory board you recall there are to be representatives not only of the War and Navy Departments, the Office of Vocational Rehabilitation, the Bureau of Placement, but also of the Bureau of Training of the War Manpower Commission. It is my hope when this war ends that we will be able to eliminate these temporary agencies. I do not think we have any place for an agency that is going to be in existence for 6 or 7 years having representatives on this advisory board, such as is the case with the War Manpower Commission and the Selective Service.

Mr. BARDEN. Will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from North Carolina.

Mr. BARDEN. I hope the gentleman understands that the advisory board was set up with the idea in view that ordinarily the President does set up an advisory board, and that it is the idea of the committee this is the most democratic way to do it. The removal of that board would in no way affect the provisions or the policies of it because there is no power or authority given to that board.

Mr. MILLER of Connecticut. I think it would help if that provision were removed and if that section should be eliminated, but you cannot get away from the fact that this will bring in the 48 different State boards of education.

Mr. Chairman, after all the Federal Government has the responsibility to provide for the rehabilitation of men and women serving in this war. It is no reflection on the Board of Education of the State of Connecticut if I say to them: "This program is of no concern of yours." We are not only going to use the institutions in the various States that are under the control of the State board of education but we are going to use factories and all other means for placement and vocational training. I do not think the State boards of education have any reason to be concerned. The Federal Government is going to pay the bill, the Federal Congress is going to define and lay down the program, and they should direct the program in this case without interference on the part of the States, and I may say I am just as much concerned about State interference in a Federal function as I am about the Federal Government interfering in State functions.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I just want to say in connection with the State boards of education that we do not set them up in the 48 States. The States' departments of education have been set up in every State in the Union and in some States for a hundred years or more. It is simply utilizing the State facilities and the State educational set-up, which has been in existence all the time.

Mr. MILLER of Connecticut. If I may say, on a program which is of no concern of theirs.

Mr. BARDEN. I definitely disagree with the gentleman. They would be very much concerned with 1,300,000 students in college and with the authority to

pass on their conduct, their progress, and their classification here in Washington instead of back in the college where it belongs. I do not believe we should bypass the States' educational departments and the institutions with such a large number of students who must of necessity use the institutions already set up in the various States; the program will assume the proportions of a public educational program and public education in the final analysis is essentially a local matter in its administration. The channels of administration have been set up over a long period of years and the people of the country as a whole are accustomed to the use of these channels.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the bill does set up these 50 advisory boards in the different States and territories and, as I read the bill, they can have control of the State system of education and institutions that they supervise; also I think it gives the President almost unlimited power in setting up personnel. He could build up an enormous agency all over the country.

Mr. Chairman, I now yield one-half hour to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Before the gentleman starts I should like to ask a question. First I will read the title of H. R. 3846, the so-called Barden bill:

> A bill to provide for the education and training of members of the armed forces and the merchant marine after their separation from service, and for other purposes.

Under that title it is clear that a member of the merchant marine would come under the provisions of the Barden bill. Consequently I think it is clear that others, besides the veterans, are taken in under this language.

Mr. CUNNINGHAM. Members of the merchant marine are not enlisted in the armed forces.

Mrs. ROGERS of Massachusetts. Then why does the gentleman have that language in there?

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. In just a moment I will yield to the gentleman from North Carolina.

Mr. BARDEN. I am sure the gentleman does not wish to convey the wrong impression.

Mr. CUNNINGHAM. Then explain why the merchant marine is in there, and whether or not it includes members of the maritime union.

Mr. BARDEN. I will say to the gentleman that the merchant marine is not in there, and I am sure the gentleman is aware of that.

Mr. CUNNINGHAM. Will the gentleman read his title?

Mr. BARDEN. The title does not cover the merchant marine.

Mr. CUNNINGHAM. Then read the title.

Mrs. ROGERS of Massachusetts. Read your title.

Mr. BARDEN. Let me get my bill before me. The title was changed.

Mrs. ROGERS of Massachusetts. The title at the beginning of the bill clearly indicates the inclusion of the merchant marine.

Mr. BARDEN. It is very clear when we begin to insert an amendment the committee amendment shall be construed as a bill, just as you are doing with your bill. In your definition of the term "war-service person" it means any person who serves 6 months or more in the active military or naval forces of the United States. The merchant marine is definitely not in there, no part of this bill, and will not be offered, because here is the part that is a committee amendment.

Mrs. ROGERS of Massachusetts. Then the gentleman will have to change his title, because the title reads "to provide for the education and training of members of the armed forces and the merchant marine after their separation from service, and for other purposes." The gentleman should block out the title and insert a new one or amend the title.

Mr. BARDEN. The title has been brushed aside. The merchant-marine provision was in the bill to begin with, but was stricken out.

Mrs. ROGERS of Massachusetts. What is the title of the gentleman's bill, then?

Mr. BARDEN. The title of your section 2, if it is substituted.

Mr. JUDD. We are not trying to pass H. R. 3846. We are trying to substitute the part beginning on page 13 as a substitute in lieu of title II of S. 1767.

Mr. CUNNINGHAM. I will say to the gentleman from Minnesota, if you do not put in another title, the title as originally put in in H. R. 3846 will stand.

Mr. JUDD. We do not need a new title on the front of the bill. We are offering it as an amendment to existing law.

Mr. CUNNINGHAM. Then your title still remains and includes the merchant marine.

Let me inquire of the gentlewoman from Massachusetts whether or not she has conferred with the Administrator of Veterans' Affairs, General Hines, as to his interpretation of the bill H. R. 3846 on this point?

Mrs. ROGERS of Massachusetts. I will say to the gentleman that I did not confer directly with General Hines, but I conferred with some of his staff, and that was their interpretation of the bill, the one I have just given.

Mr. BARDEN. Mr. Chairman, will the gentleman yield for a correction?

Mr. CUNNINGHAM. Just for a correction.

Mr. BARDEN. Turn to page 27 of H. R. 3846. The gentleman will find at the bottom of the page the following language:

> Amend the title so as to read: "A bill to provide for the education and training of members of the armed forces after their separation from service, and for other purposes."

Does that clarify it?

Mr. CUNNINGHAM. Members of the merchant marine are not members of the armed forces.

Mr. BARDEN. Of course, they are not, and never have been, and nobody has ever advocated it. Does the gentleman now understand they are not a part of it?

Mr. CUNNINGHAM. I understand what the gentleman from North Carolina has said.

Mr. BARDEN. Does the gentleman see that provision?

Mr. CUNNINGHAM. Oh, yes; I have read it. I read it before I came down here.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I should be very much interested to know who inserted "merchant marine" in the bill in the beginning.

Mr. BARDEN. Does the gentlewoman wish an answer?

Mrs. ROGERS of Massachusetts. Yes, I should be very interested to know.

Mr. BARDEN. I will tell the gentlewoman who put it in there in the very beginning. There was some controversy whether it should be put in, as well as controversy whether the civil air patrol should be put in, and in passing on the bill, with the members that were working with me and folks that were working with me on the bill, I said I thought that was a matter for the committee to determine; that we would put it in and let the committee pass on it. When it came before the committee I, together with every member of the committee, struck it out.

Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Just a moment. I am not going to yield any further in this controversy. I want to get along with my talk.

Mr. BARDEN. Look at page 27.

Mr. CUNNINGHAM. Mr. Chairman, at the conclusion of the debate yesterday I found that many things had been said regarding the so-called Barden bill; that it was not a State-rights bill; that it was a bill that set up advisory councils which are used oftentimes to promote bureaucracy here in Washington and that it provided absolute control over the veterans and their education, as well as the institutions they might attend. In addition to that it would set up 48 bureaucracies, 1 in each of the several States. Third, the supporters of the Barden bill contended that the bill, as reported by the committee, gave too much Federal control, in that it limited it to 1 man—namely, the Administrator of Veterans' Affairs—and did not give sufficient States' rights.

I am not going to take much time on those questions today, but briefly, as a summary, I would like to tell you just

what the committee bill does. First, it permits the veteran to select his own school. No one else will have anything to say about it. The veteran has absolute choice and discretion in selecting the school he wishes to attend.

Next, it not only permits but it directs the Veterans' Administrator to call upon the proper State agencies of each of the 48 States to submit to him a list of the colleges, institutions, and schools in that State that they will approve or recommend that the veterans attend. The Administrator cannot take any off that list, but he can add to it. Let us say, for example, that the State board of education of my State or of any other State submits a list and leaves off that list a veterinary school or school of osteopathy or business school, or one of a dozen kinds of schools that we can think of. I am not entering into the merits of any of the subjects that those schools may teach, but if they are not on the list and the veteran wants to go to one of those schools, upon application to the Administrator those schools can be added to the list furnished him by the State. He cannot take off any of the schools that are on the list furnished by the State, but he can add any additional schools—private, business, professional, semiprofessional, or any kind at all, that are not on there—that the veteran may request that he be permitted to attend.

It was the thought of the committee in putting that provision in there that the veteran, if he wanted to attend a particular kind of school near his home and that school did not happen to be on the list furnished by the State to the Administrator as a recommended school, he should be able to go to that school, and that was put in there also to give absolute freedom of choice as to what school he desired to go to.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Will women be included in this bill?

Mr. CUNNINGHAM. Absolutely. There is a definition at the end of the bill that states where "masculine" is used, it also means "feminine."

Mrs. BOLTON. If any of the young women who are eligible for schooling want to go to a nursing school, the Administrator is perfectly free to add unaccredited schools?

Mr. CUNNINGHAM. Absolutely.

Mrs. BOLTON. You cannot expect people who are interested in the standards of nursing and the care of the sick to be very enthusiastic over the possibility that unaccredited, low-standard schools will be added to the list.

Mr. CUNNINGHAM. That is true.

Mrs. BOLTON. What protection is there for the standards?

Mr. CUNNINGHAM. It is in the hands of the Administrator as to whether he shall add those schools, under the committee bill.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from California.

Mr. PHILLIPS. Is there not the protection that after the student has completed the course he would be unable to practice in most of the States because of the standards of those States?

Mrs. BOLTON. But the student does not know that.

Mr. PHILLIPS. I hold that we are fighting for the very thing that is involved here, and that is a right of a person to have freedom of choice in selecting these schools.

Mrs. BOLTON. But the student does not know.

Mr. PHILLIPS. The student knows he is going to practice in that State.

Mrs. BOLTON. No. We already have had that experience very many times.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from New York.

Mr. HANCOCK. Under the authority we are discussing, the Administrator could give official sanction to the so-called diploma mills; that is, professional schools turning out lawyers, doctors, and dentists, and other professional men, which do not meet the standards set up by the boards of education of the various States.

Mr. CUNNINGHAM. I think probably under the wording of the bill he could, if you believe the Administrator would do that. If there are 25,000 veterans of this war who wish to take a correspondence course, we believe they should have the right to take that course and let the Government pay for it just as in the case of the veteran who is going to Harvard, Yale, Princeton, Michigan, or some other school. What we are after is to give the veteran absolute freedom of choice.

Mr. HANCOCK. The type of school I have in mind would solicit the business of veterans for the $500 tuition fee.

Mr. CUNNINGHAM. The gentleman does not believe those schools would get any consideration from the Veterans' Administration down here, that is interested in the veteran? They are not going into that kind of work. If you want to be scared at that provision in the bill, it is possible, yes, but I do not believe anyone in this Congress believes it would go that far. However, answering the gentleman's question, I do say that under the wording of this bill the Administrator can say that the school of the pages of this House is one they could attend.

Mr. HANCOCK. If this so-called diploma mill that I have in mind is given official sanction by the Administrator, then a graduate of one of those schools would be free to take the bar examinations in the District of Columbia, Alaska, Hawaii, and Puerto Rico.

Mr. CUNNINGHAM. I do not know. This bill has nothing to do with the requirements for the bar examinations in any State or the District of Columbia, or anywhere else.

Mr. HANCOCK. Of course, it would be a perfect fraud on a veteran in the State of New York, because under our laws a man is not eligible for the bar examinations or the examinations to practice medicine or anything else unless he meets certain educational requirements.

Mrs. BOLTON. The same thing is true in my State.

Mr. CUNNINGHAM. I do not know anything about the laws in the State of New York, but if there is anything wrong with your laws up there, it is the business of the State of New York to correct them.

Mr. HANCOCK. Our educational laws are among the best. But if you are going to give official sanction to these substandard schools, then the District of Columbia and the Territories are bound to recognize them.

Mr. CUNNINGHAM. I have answered the gentleman's question as he originally stated it. This bill would permit the Administrator to add any school he thinks the veteran should be permitted to attend.

Mr. HANCOCK. He will have wide-open discretion without any limitation then?

Mr. CUNNINGHAM. I think it is very wide open.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true also that under the Barden bill the State board of education, or whatever the group is called, would be likely to be tremendously influenced by the board of advisers appointed in the State? That board would have great influence in controlling the schools to be approved by the board of education. I think there is great opportunity for political activity there.

Mr. CUNNINGHAM. There is the real question. Are we going to close the door against a lot of veterans who would be qualified to enter certain schools or are we going to open it so they can all get some education? That is the whole question, as brought out by the questions of the gentlewoman from Massachusetts, the gentlewoman from Ohio, and the gentleman from New York.

Mrs. ROGERS of Massachusetts. Under the Barden bill the board of advisers might use influence to get the board of education to approve schools that should not be approved, and that board could be extremely powerful.

Mr. CUNNINGHAM. Under the Barden bill they could get on there just the same.

Next, the Administrator of Veterans' Affairs will pay the bill just as the parents would pay it. The Administrator of Veterans' Affairs has absolutely nothing to say about the courses of instruction that the institutions and colleges will offer. He will have no control over the administration of those schools, nothing to say about the faculty, the enrollment, the fees, or anything else. If the veteran wants to go to a school that is accepted, and he is in there, the power and the duty of the Administrator ends at that point, except to pay the tuition up to $500 per year, $50 per month for subsistence, and $25 a month additional if he has a dependent.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from North Carolina.

Mr. BARDEN. The gentleman cannot be discussing the bill as it is now written. He must be discussing the bill after removing that most potent section 7.

Mr. CUNNINGHAM. I am coming to that, if the gentleman will wait. We are just wasting time. I am going to clear that up, and then the gentleman will not have to ask the question. Unfortunately, in discussing this, when I am asked to yield we get some provisions of the bill of the gentleman from North Carolina, and then we are in trouble every time we get to that bill.

The committee bill also permits the Administrator to stop the education of a veteran in any of these schools if he finds that he is not making a good showing or a good record. I am not quoting the exact wording of the bill, but that is the substance of it. We have talked this matter over with the members of our committee and also with the members of the Committee on Education, and have prepared an amendment which I think will be an improvement and put a further limitation on the powers of the Administrator of Veterans' Affairs.

At the bottom of page 53, in paragraph 2, where it states:

Provided, That any course of education or training under this part may be discontinued at any time if it is found by the Administrator that the conduct or progress of the veteran is unsatisfactory.

We propose to offer an amendment following the word "veteran", so that it will read:

That the conduct or progress of the veteran as shown by the records of the institution is unsatisfactory.

Therefore, the Administrator will not be permitted to discontinue him unless his record in the school shows that his work has been unsatisfactory.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. Does not the gentleman think that is rather a dangerous limitation? A student might be doing all kinds of things away from the school. He might be just getting by as far as his marks were concerned. I think the language of the original bill is certainly not giving the Administrator any more power. After all, as the gentleman says, he is the one who is paying the bill.

Mr. CUNNINGHAM. That is right. All we propose to do, in agreement with some members of the Committee on Education, is to limit it to his record in the institution.

The gentleman thinks it is better without that amendment?

Mr. MILLER of Connecticut. Very definitely, because some schools unfortunately may be more interested in the $500.

Mr. CUNNINGHAM. I am glad to have the gentleman's opinion. What we are here for is to get the best bill we can. As I said before, the Committee on World War Veterans' Legislation has no pride of opinion. What we want to accomplish is to get the bill that will give the veteran the best education with the most freedom and the least regulation.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Iowa.

Mr. HOEVEN. First, may I compliment the gentleman on the fine work he has done on the Committee on World War Veterans' Legislation and also the fine work he is doing for the veterans of the country.

I notice that in this bill there is no definition of the word "dependent." I am just wondering what definition is to be followed. I am referring to this education feature.

Mr. CUNNINGHAM. Later in the bill there are definitions that cover all the titles.

Mr. HOEVEN. I did not find a definition of the word "dependent."

Mr. CUNNINGHAM. The gentleman will find that it is defined in there somewhere. If not, I shall be glad to discuss it with him later.

I have just one more remark to make with regard to this title on education, with reference to the so-called Barden bill.

Mr. BARDEN. If the gentleman will yield, I think he would like me to make this explanation. The gentleman from Iowa asked about the definition of "dependent"?

Mr. HOEVEN. Yes.

Mr. BARDEN. This is an amendment to an existing veterans' law. In the existing law a dependent is defined. Therefore, it is not necessary to have it either in the gentleman's bill or in my bill.

Mr. CUNNINGHAM. I thank the gentleman. I knew it was taken care of somewhere.

Mr. HOEVEN. I wanted to be sure it was defined so there would be no complications.

Mr. CUNNINGHAM. It was.

Mr. ABERNETHY. If the gentleman will yield, that is defined on page 79, section 1500.

Mr. CUNNINGHAM. Thank you very much. It was said yesterday about the power in these two bills, one giving the power to the Administrator of Veterans' Affairs and the other setting up an advisory council, with less power than the committee bill gives to the Veterans' Administrator, and I have pointed out that it is a very limited power that is given to the Administrator. However, in connection with that I want to call attention to the original bill as it passed the Senate, S. 1767. There was a lot of objection, as I understand it, by every Member of this House, including the members of the Committee on Education of the House, to that bill, because it did set up a so-called bureau here in Washington. I want to read the provisions on page 9 of the original Senate bill. It is as follows:

3. There is hereby authorized to be established an advisory council to aid and advise the Administrator in the execution of his duties under this part. The council shall consist of the Secretary of War, the Secretary of the Navy, the Secretary of Agriculture, the Federal Security Administrator, the Administrator of Veterans' Affairs who shall be chairman, the United States Commissioner of Education, and eight representatives of the public, to be appointed by the President on the recommendation of the Administrator of Veterans' Affairs, who shall be recognized leaders in the fields of education, labor, agriculture, and industry. The public representatives shall be selected as nearly as practicable on a regional basis.

Then it goes on and provides for the same $15 per day while they are away from Washington as contained in the original Senate bill. It was stated yesterday by the author of this bill that it is a purely advisory committee without any authority whatsoever. Why in the world are they providing that they go out over the country on a per diem for subsistence? What are they going to be doing if it is not something more than just an advisory committee? You know and I know they are going out to go into these schools and try to dictate to them how they shall be run and what they shall teach the veterans and everything they shall do; and that is not in the committee bill. We do not give the Veterans' Administration any authority or any power to go out and say a single word to a single institution in any of the 48 States or Territories or the District of Columbia. They have absolute freedom under the committee bill, just as the veteran has. I ask you earnestly in considering these two measures to compare the provisions in the original Senate bill, to which everyone objected and which was opposed, with this provision in the Barden bill, and see if you do not find it is simply a little distinction without any difference.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from South Dakota.

Mr. MUNDT. I have great respect for the gentleman's candor, judgment, and fairness. Like many other Members of the House, I have received a great many letters and wires from folks in whose judgment I also have considerable confidence. I wonder if you can assure the House that in your candid opinion there is no more State control and preservation of States' rights for the educational system in the Barden bill than there is in the committee bill.

Mr. CUNNINGHAM. I absolutely believe it. I will give you a little proof. Yesterday I brought out when the gentleman from Mississippi yielded to me that this letter which we received, all of us received it, came from Washington here. I have forgotten the name of this organization, but it is an educational group which met here in Washington. At the top of it were these words, "For release May 5." They were objecting to the Rankin bill, which is the committee bill. We had not completed our hearings; we had not decided upon the wording of that bill ourselves until 5 o'clock on the evening of May 4. The bill was not printed until May 5. The report was not printed until May 5. As this letter read it was written prior to May 5. They could not possibly have had the Rankin bill before them. All they were comparing was the difference between the original Senate bill and the Barden bill, and as between those two, everyone

would take the Barden bill. Now I find that these educators, as they are getting acquainted with the Rankin bill, are backing up. I have before me a letter from the University of Michigan, where they say there are three matters in our bill which they would like to be sure are kept there. Two of them are already provided for and in regard to the other they are probably entitled to a little amendment which I think will be offered by a member of the committee. This letter was written on May 9, after they had time to read the Rankin bill. All these telegrams and communications, coming from all over the United States, are from people who had not seen the Rankin bill.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. MUNDT. Mr. Chairman, may I finish this colloquy?

Mr. CUNNINGHAM. Yes.

Mr. MUNDT. During the colloquy yesterday the gentleman from Kansas [Mr. SCRIVNER] made some suggestions which, it seems to me, might be helpful. I am wondering whether the committee is amenable to those suggestions?

Mr. CUNNINGHAM. Yes; the committee is amenable to them and to a suggestion or two made by the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, will the gentleman yield to me in order to correct one statement?

Mr. CUNNINGHAM. I yield.

Mr. JUDD. Many telegrams that are dated May 9, 10, and 11 are based on the committee bill that was actually reported out on May 6 and is now before us.

Mr. CUNNINGHAM. I do not know, but the telegrams coming in dated May 4, 5, and 6, are not based on this bill.

Mr. JUDD. That is right, but it does not apply to those telegrams of the 9th, 10th, and 11th.

Mr. CUNNINGHAM. I only included letters of May 9, 10, and 11 when I referred to the letter from the University of Michigan.

I yield to the gentleman from Pennsylvania [Mr. WRIGHT].

Mr. WRIGHT. I was thinking of a suggestion that was made here or criticism, rather, that if the Veterans' Administrator has a right to add these schools and he should happen to add a school which might be called a diploma mill or a school which would not treat the veterans right.

Mr. CUNNINGHAM. He would soon have to take them off.

Mr. WRIGHT. I was just wondering whether that bill lodged in him the authority to remove a school on the list.

Mr. CUNNINGHAM. That is right. He can put anyone he wants on, but he cannot remove them if they are put on by the State.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. MILLER of Connecticut. I was just going to suggest some of these telegrams, dated May 9 and 10, were a result of the meeting which was held here and the delegates had gone back to the States.

Mr. CUNNINGHAM. That is right.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. BRADLEY of Pennsylvania. I want to ask the gentleman if, in his opinion, the language of the Barden bill, of which I am now going to read a few words on page 24, where it says, "They shall be charged to review continuously the work of such institutions to determine whether or not they are meeting the approved standards," constitutes a threat in the Barden bill to the independence of our educational institutions?

Mr. CUNNINGHAM. Absolutely.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Maine.

Mr. HALE. I just wanted to point out that I received a letter this morning from the President of my own college in Maine, dated yesterday, in which he pointed out the superiority of the Barden bill over the Senate bill.

Mr. CUNNINGHAM. He does not mention the Rankin bill?

Mr. HALE. Which indicates to my mind he had not seen the Rankin bill. I think that is true of other educators in my own State.

Mr. CUNNINGHAM. I will make an observation in connection with that. On the day we reported this bill, or the day before, about the 3d of May, I believe it was, the president of one of our universities from my own State was here on another matter. We talked about this and I told him what the committee was thinking of doing and he was for it. Then he went downtown to this educational meeting, which resulted in these letters and telegrams, and later called me and was very much concerned. When I explained to him that was in the Senate bill, but not in the bill that the House was considering, he said that is entirely different from what they were talking about over there. He said, "I am perfectly satisfied." He is one educator who has not wired me nor written me.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mrs. ROGERS of Massachusetts. I would like to ask the gentleman this question regarding the limitation of Federal authority. The veterans' bill forbids the exercise of any supervision or control whatsoever over any State agency or educational or training institution by any department, agency, or officer of the United States, whereas the Barden bill only forbids such supervision or control only as to the personnel, curriculum, or methods or manner of instruction.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. CUNNINGHAM. I believe that is right.

Mrs. ROGERS of Massachusetts. The veterans' bill forbids the exercise of any supervision and control whatsoever over any State agency or educational or training institution by any department, agency, or officer of the United States.

Mr. CUNNINGHAM. That is right.

Mrs. ROGERS of Massachusetts. The Barden bill forbids such supervision or control only as to personnel, curriculum, or methods or materials of instruction. The veterans' bill gives no control to any State, or State agency, of private or religious schools or institutions. The Barden bill gives the State agencies control over such institutions. This poses for consideration of Congress the question of academic freedom and individual initiative.

Mr. CUNNINGHAM. I thank the gentlewoman from Massachusetts.

Mr. BUSBEY. Will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. BUSBEY. On the question of these telegrams, I believe I can clear that up a great deal when I take the floor because I have the complete history of all the telegrams.

Mr. CUNNINGHAM. I thank the gentleman from Illinois.

Just one more thing in conclusion on title II. The gentleman from Louisiana [Mr. ALLEN] is going to offer an amendment to strike out paragraph 7. Much of the talk of the gentleman from North Carolina [Mr. BARDEN] yesterday was devoted to that paragraph, after we had advised him it was going to be stricken out. I do not know how that got in there. I have not found any member of the committee who knows how it got in there. Possibly it happened in this manner: That paragraph was contained in the original Legion bill as it was presented last winter, some time in January, I think. Two other paragraphs were immediately following it much in the same language. The question came up in committee whether those three paragraphs should be left in or taken out. We decided they should be taken out, but in some manner only two of them were taken out and one was left in. As soon as we discovered it, we were all agreed that it should go out.

Now, I want to pass to that provision of the bill known as title III, dealing with loans.

Mr. DIMOND. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Alaska.

Mr. DIMOND. Suggestion was made by the gentleman from New York, I think, as I understood it a little while ago that the veteran under the terms of the committee bill might take a course in law at some institution not qualified to give such a course. I think it was described as a "diploma mill," and therefore he might, ipso facto, by reason of having taken such a course, be eligible for admission to the practice of law.

Mr. MASON. If the gentleman will yield, the statement was that he would be able to take the bar examination in the District of Columbia.

Mr. CUNNINGHAM. And if he could pass it, he ought to be able to be admitted.

Mr. DIMOND. That is all right.

Mr. CUNNINGHAM. Many States permit people to take a bar examination even if they never saw the inside of a college. One of the best partners I ever had only studied law in my office.

When the Senate bill came to our committee it was first impressed with the inequality as set forth in the title providing for a $1,000 loan to any veteran. Your committee felt that even the Legion and veterans' organizations, as well as Congress, could not justify giving to one veteran a loan of a thousand dollars, which he would have to pay back, and then give his neighbor up to $4,000 in order to go to school, which is a complete gift. We did not see how we could ever justify that. It is not equitable. Here would be several men living on the same street. One of them would be able to take advantage of the educational provisions in this bill and get the money to do it. His neighbor who served with him probably did not want to go to school, or he had a family and could not go to school, or he wanted to go back to the farm, or for a number of reasons could not take advantage of the educational provisions. All he could get would be $1,000, which he would have to pay back. That is the first thing that confronted your committee.

The next thing that confronted your committee was how many of these men will take the $1,000 loan. We had testimony before the committee. We asked General Hines, the Administrator of Veterans' Affairs. No one knew. It was estimated that if 15,000,000 veterans came out of this war, at least 10,000,000 of them would take advantage of the loan provisions. That would be $10,000,000,000 that the Government would loan from one agency in Washington, and set up the largest and most powerful lending agency that ever existed in the country.

In addition to that, General Hines testified their survey disclosed that the cost of administering these loans would be approximately $1,000 for each one by the time they were paid off. There would be another $10,000,000,000, or double the amount. Your committee did not like to see that extra money going for administrative purposes if there was any way it could be turned to the benefit of the veteran; because after all, we are looking after the veteran and no one else in this bill.

Next, we were confronted with this question: If we make them loans by the Veterans' Administration, coming out of Washington, they would run into billions of dollars, and we are depriving the banks in the little local communities, the private lending agencies, the small business institutions all over the United States of business that normally and rightfully belongs to them.

Then some testimony before the committee went so far as to say that with that provision in every small bank and lending agency in the United States would go broke. We do not want that to happen.

Next, we found the loan was limited to $1,000. They had a very nice provision that the interest rate should not exceed 3 percent, and the loan should be without interest at all for the first year.

So, with those inequalities before us and desiring to make it possible to keep the private business institutions going in this country and let them service the veterans instead of the Federal Government, we went to work on that section. The first thing we did, we increased the amount to $1,500. Next, we provided that instead of it being a loan by the Government, the Government would simply guarantee the loan and permit the veteran to go to his local bank or his local institution or agency, or even to his next-door neighbor, a private individual, or to a State or Federal lending agency and get the money. Then the Veterans' Administration would stand guarantor for that loan up to 50 percent. The reason it was left at 50 percent will be further explained by the gentleman from Ohio [Mr. JEFFREY], who understands it thoroughly, but your committee had in mind this one thing all the way through in making the changes in title III: First, the inequality. By guaranteeing up to 50 percent and not to exceed $1,500, then if the veteran needed a loan of $3,000 or $5,000 on his farm or his business or his home he could go and get it and the Government would guarantee it up to $1,500, so that he would become a good lending risk, at a good reasonable rate of interest to the bank or lending institution in his particular community. We amended the bill to the end that the Veterans' Administration will guarantee a loan of $1,500 up to $750; it will guarantee $1,500 if he borrows $3,000. If he borrows $6,000, the Veterans' Administration will guarantee $1,500. The testimony before the committee showed that almost any lending institution will be glad to make a loan if it is Government guaranteed up to 10 or 15 percent. We made it 50 percent.

Yesterday in the discussion on the rule, the gentleman from Illinois [Mr. SABATH] complained of the interest rate being raised from 3 percent to 6 percent. The interest rate was not raised by your committee from 3 percent to 6 percent. It was made not to exceed 6 percent since the testimony disclosed that there are varying rates of legal interest in the 48 States. In my State, for example, the legal rate is 5 percent on open account, and under contract it is 7 percent. In many other States it will go up as high as 8 percent, and in some communities 10 percent is the legal rate. We did not want to leave in there a provision that the rate of interest could not exceed 3 or 4 percent, and possibly deprive the veterans of an entire State or Territory or section of the country from being able to take advantage of this provision. So, we settled on 6 percent—not to exceed 6 percent, and the law of competition and the desirability of making these loans could bring it down to 3 or 4 or 5 or 2½ percent, or whatever is proper in a particular community.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. CUNNINGHAM] has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CUNNINGHAM. This provision for loans extends not only to real estate but also to homes and other things. The veteran can borrow money to reestablish himself in business, can borrow money on personal property, can borrow money on crops, can borrow money to aid himself in any kind of farming endeavor or any kind of business endeavor or anything he wants it for. The Government stands as a guarantor. We included a further provision that if it is necessary at any time to foreclose the mortgage and the lending agency calls upon the Government or the Veterans' Administration to make good on its guaranty, to the extent that it does make good the Veterans' Administration or the Government is subrogated to the rights of the mortgagee.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. If the gentleman will let me finish my statement, I shall be pleased to yield. We went that far to equalize the injustice and inequality of giving to one party an outright gift and the other only a loan that he would have to pay back. I know what is in your mind. There is still an inequality there, yet there is no other way to get away from inequality except to turn this bill into an adjusted-compensation bill, something the committee did not want to do, paying to all so much per month, per year, or in a lump sum. We did not want to do it for two reasons: The committee felt it was premature; and the Legion, the Veterans of Foreign Wars, and other veterans' organizations all felt that an adjusted-compensation bill would be premature at this time, as we do not know when the war will end. So in the event that at a later date this Congress should pass an adjusted-compensation bill, we take care of that feature by the last paragraph in this bill.

The inequality between the loans and the gifts for education will be equalized if and when an adjusted-compensation bill passes, because we provide that should any adjusted-compensation measure be passed in the future there shall first be deducted from the amount due the veteran under any adjusted-compensation bill an amount equal to the amount given him to go to school, and if he has a guaranteed loan, out of the amount of the adjusted compensation that would be due him the Veterans' Administration will first pay the amount that is guaranteed on the loan and give him the balance in cash. That results in this, that the boy who does not take advantage of the loan or does not go to school will get the full adjusted compensation, whereas the boy who takes advantage of the loan or the boy who goes to school will have that first deducted from the compensation that is to be paid him. That will place all on an equal basis.

I now yield to the gentleman from Arizona, whom I believe I promised first.

Mr. MURDOCK. We have always contended that home ownership was one of the best bases of good citizenship. Does this bill contain any provision other than the gentleman has enumerated whereby homes may be had on the land for our returning soldiers?

Mr. CUNNINGHAM. It does not do anything more than what is already contained in previous legislation. The gentleman has in mind the irrigated projects in his own State and vicinity. Is not that correct?

Mr. MURDOCK. I am thinking of homes for veterans throughout the entire West, west of the ninety-seventh meridian, I may say.

Mr. CUNNINGHAM. As to whether or not the veteran should be given any preference on entering irrigated and reclaimed lands——

Mr. MURDOCK. That was part of it. I have an amendment which I should like to add to title III.

Mr. CUNNINGHAM. That was discussed, I may say to the gentleman from Arizona, in the committee. It was concluded not to place it in this bill. It was considered that there was some merit to it and yet this objection was raised to it, that it is not the same situation as original entry on native land which was given years ago to veterans of other wars, because the Government has spent a large amount of money in the irrigation and reclamation of those lands. It is not land that came originally to the Government without cost.

To put the veteran in there and allow him to have an advantage of 50 percent was something the committee did not want to include in this bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 additional minutes to the gentleman from Iowa.

Mr. CUNNINGHAM. Mr. Chairman, I yield to the gentleman from South Dakota.

Mr. MUNDT. I have just a short question in connection with the Government's guarantee to banks. Does the Government guarantee a return of 50 percent of the loan or does it simply underwrite 50 percent of the probable loss?

Mr. CUNNINGHAM. It underwrites 50 percent of the possible loss up to $1,500 only. If the loan is $6,000 it only underwrites $1,500. If the loan is $1,000 it underwrites $500. If the loan is $2,000 it underwrites $1,000. If it is $3,000 it underwrites $1,500.

Mr. MUNDT. If a loan is made for $1,000 and there is a default of $200 does the Government pay the full $200 or just $100.

Mr. CUNNINGHAM. The Government pays the full $200.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. WADSWORTH. I was interested in the gentleman's discussion of that part of the bill which apparently refers to possible action in the future with respect to the payment of adjusted compensation. Do I understand that this bill is written in such fashion as to concede by statute to a Congress of the future certain fields in which it can operate?

Mr. CUNNINGHAM. I do not believe so; it was not the thought of the committee to do that. I refer the gentleman to that provision on the last page of the bill. We discussed that in committee. We did not want to have this bill in any way authorize an adjusted-compensation statute later. We simply say that if there should be an adjusted-compensation bill passed in the future that any sums received by or paid for any veterans under this act shall be charged against and be deducted from such adjusted compensation.

Mr. WADSWORTH. Does the gentleman believe that this Congress can bind a future Congress?

Mr. CUNNINGHAM. We do not think this bill does; we do not think this Congress can.

Mr. WADSWORTH. This is merely a declaratory provision.

Mr. CUNNINGHAM. It is simply a provision that if an adjusted-compensation bill does come in, from the amount of the adjusted compensation, $2,500 or whatever it may be to each veteran who served in the war, there shall first be paid back these loans or any money given under this bill.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. MASON. I would rather say that this provision in the bill is not a declaratory provision but an insurance if future Congresses might adopt adjusted compensation.

Mr. CUNNINGHAM. But that was not the point made by the gentleman from New York. The point made by the gentleman from New York was that the assurance is no good. Is not that right?

Mr. WADSWORTH. That is right.

Mr. MASON. Then this is just simply an insurance that if that is done the Congress is protected.

Mr. CUNNINGHAM. It is not even that; it is simply a declaration of the sense of the thought of this Congress.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. BENNETT].

THEY CANNOT EAT MEDALS

Mr. BENNETT of Missouri. Mr. Chairman, when our loved ones return victorious from this awful war, their first question is going to be a practical one, "Where do we go from here?" Orations, parades, and resolutions of gratitude will not pay rent, buy groceries, or start a man in business. And they cannot eat medals. Veterans will return to their homes with an ambition to get off the Government pay roll. They will not want any G. I. job selling apples and raking leaves. They will want to carve out their own futures as freemen have always done in America. But, in many cases they will need help so that they can help themselves. Therein lies the responsibility of Congress. President Abraham Lincoln said, "It is the duty of the country to care for him who shall have borne the battle and for his widow and orphans."

THE G. I. BILL OF RIGHTS

Mr. Chairman, I wish to confine my remarks to an attempt being made to meet this responsibility through the legislation now before us. S. 1767 is only one of the many measures provided by Congress for the veteran of this and our other wars. However, this measure is perhaps the most comprehensive and scientific approach to the problem of veteran rehabilitation. It has been called by the newspapers and the American Legion, "The G. I. bill of rights for G. I. Joe and G. I. Jane." The official title of the measure is, "The Servicemen's Readjustment Act of 1944." It might more properly be called an investment in America's future. I am glad that I am a member of the World War Veterans' Legislation Committee which has had the responsibility for submitting this legislation to the House of Representatives. No matter how long I may remain in this House, I am sure I will never have the honor and the pleasure of helping to report a more important bill than this one.

I might say right here that the committee has worked long and hard on this bill. For months we have worked on it. We held extensive hearings. We consulted with all who had opinions, evidence, and experience of value in drawing up such a bill. We held executive sessions day after day, week after week, perfecting the measure now before you. But, it is not a perfect bill. It does not attempt to do all that will have to be done for our World War No. 2 veterans. Yet this bill does anticipate, to a greater extent than any similar piece of legislation in the history of the world, the needs of the veteran and prepares for his readjustment as a useful civilian in community life. As new problems arise, our committee will continue its vigilance and will meet its responsibilities.

NOT A BONUS

This measure is not a bonus nor adjusted-compensation bill. Our committee does not favor such legislation at this time. The reasons for such a position are practical. We do not know how long the war will last and what our Nation may be able to afford in the way of adjusted compensation. We do not know what would be a fair adjusted compensation. We do not know whether veterans of World War No. 2 will ask for adjusted compensation. They know that no amount of money can compensate them for their military service and that such service is one of the responsibilities of citizenship which cannot be put on a commercial dollar-and-cents basis. On all of these problems, the veteran himself must have a chance to speak and decide. It is our task now to provide opportunity for the veteran's readjustment into civilian life where, with a home and a job, he will again assume the responsibilities which go with waging peace instead of war.

EDUCATION

This war has interrupted the normal development and growth of skills and potential leadership of millions of our finest young citizens. That was true in the last war but as a Nation we had not the experience to recognize the importance of it. So, in this measure we are making it possible for any veteran whose education has been interrupted by this war to continue that education at public expense not to exceed $500 per

year plus $50 per month maintenance if single and $75 if married. The veteran will have the right to select his own school and the Federal Government will exercise no authority over local educational agencies or policies. This public assistance will be provided up to 4 years to honorably discharged veterans with 90 days or more of service or those with less service if discharged for service-connected disability. If education was interrupted for less than 4 years, the assistance will be limited to 1 year or to such additional period of service of the veteran less than 4 years. Of course, the veteran must make a satisfactory scholastic showing to merit this assistance.

This is not a rich man's bill. This bill provides that assistance may be had for vocational training, refresher courses, apprentice training and secondary school work as well as college and professional training. The veteran must enter his selected course not later than 2 years after discharge or after termination of the war, whichever be the later, and the benefits of this title will expire 7 years after the war. This provision will be a boon not only to the veteran, but to our public and private schools which have been so hard hit by the war.

HOME, FARM, AND BUSINESS OWNERSHIP

For the veteran whose education was not interrupted, this measure provides assistance for home, farm, or small business ownership and operation. We undertake to have the Government guarantee up to 50 percent of a loan or loans, the guaranty not to exceed $2,000 for any one veteran. Instead of loans being made solely by Government lending agencies, they may be made by any individual, bank, corporation, or private lending agency. This guaranty will help to take care of down payments and the money guaranteed will be interest free, the first year. This provision should stimulate private enterprise and the economic life of the country in the difficult post-war years.

JOBS

This measure declares the intent and purpose of Congress that there shall be an effective job-counseling and employment placement service for veterans, to the end that preference in placement shall be afforded veterans. The Administrator of Veterans Affairs is empowered to appoint an honorably discharged veteran in each State to cooperate with established employment agencies and on his own initiative, with the backing of the Government, to do the following things set out in the bill:

First. Supervise registration of veterans for employment.

Second. Maintain current information as to available employment.

Third. Promote interest of employers in employing veterans.

Fourth. Make contact with employers and veterans' organizations for such purposes.

Fifth. Advance the employment of veterans in every possible way.

Sixth. See that laws pertaining to veterans' preferences are enforced and persuade employers, if possible, to give preference to veterans who have qualifications equal to nonveteran applicants for employment.

It should be noted that our committee specifically provides in this bill that the provisions about job placement include veterans of all our wars.

UNEMPLOYMENT COMPENSATION

Many of us share the belief that if, after the war, the Government will take its heavy hand off business that we will see a great era of prosperity in America. Investors who are now afraid to turn loose of their money and venture into new fields will have confidence in the chance to make a fair profit and will know that the Government will not attempt to dictate policies and tax up all the profits. If private enterprise, however, gets off to a slow start in reconversion and if Government continues to harass business, we will have widespread unemployment as we did from 1930 to Pearl Harbor. This bill anticipates the chaos which would be caused thereby. This bill provides the jobless veteran, including the self-employed, with unemployment compensation for several months until he can get on his feet, just the same as if the veteran had been a war worker in a defense plant. We do not want any demagog, any American Hitler, preying on the minds, emotions, and necessities of unemployed veterans and destroying the very freedom for which many of their comrades have laid down their lives.

OTHER BENEFITS

This measure before us also carries in its provisions many other desirable features. For example, it makes the Veterans' Administration an essential war agency with priorities sufficient to erect new hospitals and facilities to take care of the disabled veteran, to whom we owe our first duty. It makes possible the exchange of hospital and domiciliary facilities between Army, Navy, and the Veterans' Administration. It prevents discharge from the service without receipt of final pay or until proper claim has been filed with the Veterans' Administration. It makes illegal any statement the veteran may be called upon to sign against his own interest about his physical condition in order to get out of the Army at the close of the war. It provides a method to correct mistakes sometimes made in issuing discharges. This measure makes it possible for accredited representatives of veterans' organizations, the military services, and the Veterans' Administration to advise service men and women of their rights under this and other laws prior to their discharge. This bill, which merits, and I am sure will receive, the unanimous support of all Members of Congress, will keep veterans' affairs in the Veterans' Administration, where they can be handled by veterans and others acquainted with and sympathetic to the problems of those who have had the honor of wearing the uniform of their country.

As in all legislation, the bill before us may have some inequalities in it. We are just human and no piece of legislation could ever be written to cover all circumstances.

WHAT THE VETERANS SAY

One of the encouraging things about the work I have been privileged to do on the War Veterans' Legislation Committee is the approval for it received from veterans' organizations, War Dad chapters, and from those now in the armed services. Time does not here permit me to read the hundreds of letters I have received from those now in the service from my congressional district who have written to me stating their approval of this work and advising how it has increased their morale at the front and their faith in their Congress, their country, and its republican form of government. Permit me to close these remarks, however, by quoting briefly from a radio address given over the Mutual network on Tuesday evening, May 2, 1944, by Warren H. Atherton, national commander of the American Legion, which already has over 200,000 World War No. 2 veterans in its membership.

The House Committee on World War Veterans' Legislation has given this bill the hardest study ever given any piece of veterans' legislation, in order further to improve it. Committee members have labored to avoid building up additional bureaucratic machinery. Every effort was made to make certain of the administration of this law when enacted, through existing Federal and State agencies. Administrative functions under this bill, so far as possible, are to be carried on through State agencies with the Administrator of Veterans' Affairs as general supervisor and coordinator.

I want to express the American Legion's gratitude to the members who have given so much of their time and effort to the job of turning out the best bill possible for the welfare of G. I. Joe and G. I. Jane. To the committee I wish to give my sincere thanks. Their reward as well as ours will be the happiness and joy of G. I. Joe and G. I. Jane that we have kept faith with them as they have kept faith with us.

In conclusion, Mr. Chairman, I read the following telegram addressed to me under date of May 6 from Harry F. Duggan, department adjutant of the American Legion at Kansas City, Mo.:

The Missouri Department of the American Legion, representing 40,000 veterans of World Wars No. 1 and No. 2, urgently request your active support of S. 1767 as reported by House committee. Further request that you oppose all amendments from the floor such as amendment of education or the addition to or substitution of any adjusted-compensation amendment in place of the unemployment-compensation title.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, in view of the fact that I must of necessity be out of the city all of next week, and probably the following week, I will not be here to vote on the so-called G. I. bill, which will come up for a vote on Thursday next. I merely take the floor for the purpose of saying that, were I here, I should work and vote for its passage. The enactment of this legislation marks the first important step taken by the Congress to make suitable provision for the veterans of this war when they return home. Under the provisions of the measure presented to the House by the able gentleman from Mississippi [Mr.

RANKIN], State and local educational agencies are fully protected, and I am satisfied that the operation of the law will return generous dividends.

The measure reported to us has had careful and lengthy consideration by the Committee on World War Veterans' Legislation, and the thanks of this body are due the committee for having reported such a splendid measure.

Another bill that may come up during my absence is the so-called consolidated packaging bill, which has been reported by the Ways and Means Committee. The reasons assigned by the proponents of this legislation are reasonable and valid. Before leaving, I shall ask the pair clerk to provide me with a live pair for the passage of both of these measures.

Mr. RANKIN. Mr. Chairman, I yield 30 minutes to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I hope that I may be able to clear away some of the confusion that has come into this debate. In the beginning I want to express my personal appreciation to the entire membership of the committee for the very conscientious and able work done by every member of that committee. In the brief years I have been in this House I have never seen any committee of Congress work at any legislation any harder, any more patriotically, and any more conscientiously than that committee has done. The very fact that, after long hearings, we were in executive session for nearly 3 weeks going over this bill line by line is an indication itself of the great care and attention which the bill received at the hands of our committee.

Mr. Chairman, I want also to express my appreciation to the chairman of that committee and to say to the House that, in my opinion, the chairman of the committee, the gentleman from Mississippi [Mr. RANKIN], is as patriotic as any man in the United States, and may I say further that no man in our country within my knowledge has done more for the veterans of this country than has the gentleman from Mississippi, JOHN RANKIN, chairman of the Committee on World War Veterans' Legislation. The gentleman from Mississippi [Mr. RANKIN] is a great American and a great statesman, and is one of the most influential men in Congress. The gentleman from Mississippi [Mr. RANKIN] and I agree on many matters, but we did not agree on all things in this bill, but I have never questioned the sincerity and patriotism of the gentleman from Mississippi, JOHN RANKIN, and I say to you today that his opinion on any piece of legislation is worthy of most earnest consideration. When that outstanding gentleman, the chairman of the Committee on World War Veterans' Legislation, brings to this House a bill which he solemnly declares to you protects the rights of the States, I believe the House will give it that consideration which it ought to have, coming from that great stalwart of the doctrine of States' rights.

There were no differences in the objectives to be reached by this legislation, and it has been singular and encouraging that no differences in objectives have been voiced on this floor. There have been differences of opinion as to procedure, as to the mechanics of this legislation, but that is to be expected. No one, however, should be questioned as to his sincerity of purpose in that regard and we do not here question the sincerity of purpose of any gentleman who is sponsoring amendments or who is sponsoring a different bill or a different version of this bill. We all wish to accomplish the same purpose, namely, to do the thing that will be best for the veterans. We need this legislation and we are all for it. More than a million men have been discharged in this war and many of them perhaps are now ready, or soon will be ready, to take advantage of some benefits embodied in this legislation. Therefore, the bill is timely and I hope it becomes a law very soon.

It is fair to say that when your Committee on World War Veterans' Legislation took the Senate bill and started to go over it carefully, as the chairman said, we had certain objectives in mind. First, we had in mind to simplify the legislation. We wanted to make it as simple and as workable as possible. Whether we have done that remains for you to say. At this moment it is probably fair to observe that the Senate provision on education alone covered 12 pages, while our provision on education covers 6 pages. Whether or not we improved the Senate bill, we did cut the legislative provisions half in two as to space.

Another thing that we tried to do was to eliminate all red tape. We tried to bring the benefits under this bill home to the serviceman, we tried in every way to get it as close to his home, as close to his own environment, as we could make it. The splendid gentleman from Iowa [Mr. CUNNINGHAM] who has just addressed you went into that question in reference to title III and explained to you why we made these loan provisions so that the veteran could get the loan locally, could deal with his own neighbors and friends. That is just one example of how we tried to get these benefits as close to the veteran as possible. At the same time, we sought to protect local business and the local community.

I want to interpose this thought: You know, we hear a great deal about bureaucracy now, we hear a great deal about things that are being done in Washington, Chicago, and other places, that many Members of this House and many people in the country do not like, and, as one member of this committee and as one Member of this House, I desire to get things back to the people. I want to say here that our problem was not easy. We were going into a new field. So far as I know, we had no guide, no legislation. It is true we had Public No. 16 of the Seventy-eighth Congress and, by the way, we have been criticized because we let creep into this bill a certain feature of that bill which we did not intend and which nobody wanted to be in here. As I pointed out yesterday, that will be corrected.

We had no guide in general on this bill. We had to hew our own road, and we have tried to do that. We have worked at the job conscientiously, hard, and patriotically. I want to say something here that has been said by others with reference to the attitude of the different members of the Committee on World War Veterans' Legislation. In that committee of the House, as has been so appropriately said by others, we know no party lines, you never hear the matter of politics mentioned.

We do not consider such matters. Ulterior motives do not enter into our deliberations. We are striving to do the thing that we honestly and conscientiously believe, before God and man, is best for the veteran. Our bill seeks to restore to the veteran the greatest liberty of action possible.

A moment ago I said we tried to get back to the people in this bill, back to the crossroads where the veterans live, in the cities, on the farms, or wherever they live or wherever they return to. We are doing our best and we did our best in this bill to guarantee to those returning servicemen the greatest liberty of action possible. And, I think that is right. Why should a man who has fought through Guadalcanal, in Africa, Italy, the Pacific Isles, or in other places of the world, be eternally surrounded, when he comes back, by all sorts of boards, agencies, and this and that, created here or anywhere else, no matter where? Having experienced the things that he has experienced, having fought through this the greatest war of all times, the returning serviceman will know something about what he wants to do when he comes back. Surely we do not want to create a new board, a new agency, to surround him with a lot of advice that perhaps he does not want.

With these preliminary remarks I would like to proceed with a discussion of particular phases of the bill.

I am passing over title I, because there does not seem to be any controversy on that score.

Passing to title II, on education, I think it well to make some suggestions of what we think we have done, and then give you in further detail some further suggestions that I propose to make as an individual of the committee and Member of the House, and then leave the matter to your good judgment.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the distinguished gentleman from Kansas.

Mr. SCRIVNER. I think it might be well to call attention to the Members of the House that the gentleman now addressing us is bringing to the House, as he did to the committee, his observations and knowledge from years of experience in the educational line himself, having been engaged in that work for a number of years, and then, too, call attention to the House that he has a deep concern for the veterans of this war, inasmuch as he now has serving in foreign lands two fine sons of his own.

Mr. ALLEN of Louisiana. I appreciate very much the statement of my good friend from Kansas. I had some school experience, which might have been somewhat like the experience of the able chairman from Mississippi. I had experience in a one-teacher country school, as principal of some high schools, and then later I was parish superintendent of schools several years.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I think the House already knows that one of the very fine sons of the gentleman from Louisiana has been decorated for bravery. The House, also, no doubt, is familiar with the fact that perhaps no other Member of Congress is a more firm believer in State rights than is the gentleman from Louisiana.

Mr. ALLEN of Louisiana. I am very grateful to the gentlewoman from Massachusetts for those kind remarks.

I have already indicated to you the fact that we tried to guarantee to the veteran the greatest liberty of choice and the greatest possible liberty of action. After all, that is democracy. Is that not what the boys are fighting for? We hear it said on every hand. I do not see, for the life of me, how we can expect these noble sons to go across and spend 2 or 3 years, and risk their lives, and many of them even be killed in action, and then those who come back find that they are all wrapped up with all sorts of boards and agencies, or whatever you want to call them, to get the rights and benefits which they ought to have and which we want them to have.

Our bill also, as I have pointed out and emphasized over and over again, not only gives the greatest freedom of choice to the individual in letting him select his own school anywhere, with no restrictions as it stands now, but permits him to go to that school, take his own course, and do just as he did before the war, and as we want him to do now. In addition to that the bill specifically provides on page 55, paragraph 6, against any Federal interference. I quote the paragraph:

> 6. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control whatsoever over any State educational agency or State apprenticeship agency or any educational or training institution.

The Senate bill had a somewhat similar provision and the bill proposed by the gentleman from North Carolina [Mr. BARDEN] has a similar provision. We do not want any Federal agency to interfere with any school. The committee bill and the Barden bill both specifically say that.

Going further, I want to discuss, perhaps in greater detail, some of my own suggestions, and I wish to emphasize that these are my personal suggestions, and are not given with a view of committing the committee at all. I make these suggestions with the hope that they will meet every possible objection to that phase of the bill and perhaps they will strengthen the bill. I wish that you would please turn to page 53 of the bill, as I have some suggestions here which I think, if accepted by the House and incorporated in the bill, will meet the objections raised.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I wish the gentleman would let me read my suggestions, and then I will be glad to yield to him. If he insists, I will yield at this time, but I would rather read my suggestions.

Mr. BARDEN. I was just going to say this: It is certainly no pride on the part of the gentleman from North Carolina in trying to put his words in. I think that was demonstrated and clearly proved when I, as chairman of the Committee on Education, and the gentleman from Texas and the gentleman from Michigan offered the results of our work to the gentleman's committee, for you to take and use as you saw fit. If you make your bill as good as mine and if you suggest as many amendments to it as you did yesterday, you may make it as good. If you will, I will vote for it—if you make it as good.

Mr. ALLEN of Louisiana. I thank the gentleman from North Carolina. We now have it better, and we are making it still better.

Some of the suggestions I am going to make may not meet with the approval of the members of my committee. I make them only as my personal suggestions.

Let me interpose right here, in line with what my good friend from North Carolina has said, that nobody is trying to get any glory out of this. We are doing our dead level best to write the best bill we can for the returning servicemen. That is all we want. We are not concerned about the language; we are not concerned about who gets the glory or the credit or anything else.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I see that rather lengthy hearings were held on the bill and many witnesses appeared. I understand, too, that the bill reported out was started with the claim that it was a Legion bill. Did the representatives of the Veterans of Foreign Wars and the Disabled American Veterans and other such organizations appear, who also have a bill in the House and the Senate?

Mr. ALLEN of Louisiana. I see the gentlewoman from Massachusetts on her feet. Does she wish to answer the question?

Mrs. ROGERS of Massachusetts. The Veterans of Foreign Wars endorsed the bill. They came before the committee and endorsed the bill. The American Legion, of course, endorsed it. I put part of a letter in the RECORD, and the gentleman from New York [Mr. FISH] put the entire letter in the RECORD, in which the Legion endorsed the bill.

Mr. ROBSION of Kentucky. How about the D. A. V.?

Mrs. ROGERS of Massachusetts. As I understand, their position is that they endorse certain parts of it very thoroughly, but they want more legislation for the disabled veterans.

Mr. ROBSION of Kentucky. Since the bill has been reported, I have heard no objections to this bill from any of the soldiers. The only objection I have received is from some educational institutions as to this educational feature, which I think will be ironed out.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Mississippi.

Mr. RANKIN. The leaders of the American Legion and the Veterans of Foreign Wars endorsed the bill as it passed the Senate. I understand they have now endorsed this bill as it was reported from the House committee. I am seriously doubtful that the Legion posts throughout the country have ever seen it. I only regret that every member of the American Legion and the Veterans of Foreign Wars could not have read it and studied it carefully before it was ever endorsed by any veterans' organization. I may say to the gentleman from Kentucky that the Disabled American Veterans did not endorse it. I do not say that they did not endorse some provisions, but as an organization they did not put the stamp of their approval on the bill.

Mr. GILCHRIST. Did they object to it?

Mr. RANKIN. They objected to some features of it.

Mr. ROBSION of Kentucky. What is the objection of the D. A. V. to the bill?

Mr. ALLEN of Louisiana. The D. A. V. is a great organization and their splendid representative testified at length and I would rather refer the gentleman to the hearings for the full discussion of Mr. Millard Rice.

Mr. ROBSION of Kentucky. I am glad to be informed that the Veterans of Foreign Wars have endorsed it wholeheartedly.

Mr. ALLEN of Louisiana. Yes, they so testified before our committee.

Turning to page 53, I reiterate that these are my suggestions. I am not undertaking to commit anyone. These are my personal suggestions and they are made with a view to doing everything we possibly can to meet any objection anybody may have.

On page 53, lines 4 and 5 read as follows:

> Upon satisfactory completion of such course of education or training, except a refresher or retainer course, a veteran shall, upon application—

Get certain other benefits. In order that no one may say that we are lodging the sole authority in the Administrator in Washington to pass upon the question of whether or not a veteran has satisfactorily completed that course, I am willing to write in, in line 5, after the word "training," this or similar language:

> as certified by the school or institution providing him education or training.

If that is done, it leaves it solely in the hands of the school the veteran is attending to pass on whether or not he has satisfactorily completed the course up to that point.

Now turn to the bottom of page 53, line 22. Incidentally, let me add here that my good friend the gentleman from Iowa [Mr. CUNNINGHAM] had a suggestion here which was slightly different from mine, and his language may be better than mine. If so, I am willing to accept it.

Mr. CUNNINGHAM. I have no pride of opinion as to the language. Whatever is best is what I want.

Mr. ALLEN of Louisiana. I thank the gentleman

On page 53, line 22, after the word "Administrator", add a comma and the following: "upon recommendation of the school or institution."

If you do that, it ties it strictly to the veterans' school.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I wonder in connection with that if, when this war is over and our schools and colleges are probably filled to capacity even without the veterans, that might not induce some of the schools to recommend for discontinuance veterans that they do not want, giving preference to other students. That is the idea I had in not using that wording.

Mr. ALLEN of Louisiana. The gentleman's point may be very well taken. As I said, whatever language that will meet the situation is agreeable to me.

On page 55, in line 16, as we have already indicated, we propose to strike out section 7 entirely. That was the main thing my good friend from North Carolina leveled his barrage at yesterday. When we strike that out of the bill, he does not have a great deal left to talk about.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from North Carolina.

Mr. BARDEN. Does the gentleman have any suggestion as to anything to put in its place?

Mr. ALLEN of Louisiana. I do not know that anything is necessary to put in place of it. If there is anything necessary, we could agree on that.

Mr. BARDEN. I was not trying to press the gentleman. I thought maybe he had something in his own mind.

Mr. ALLEN of Louisiana. I am not sure that anything is necessary. If the gentleman has a suggestion of something else to put in place of that, I should be glad to hear his suggestion.

Mr. BARDEN. I would make it to the gentleman. We are still friends.

Mr. ALLEN of Louisiana. That is right.

Here is something we left out of the House version, although the Senate version has it, and the version brought to you by our good friend from North Carolina also has it, and that is the question of fixing a satisfactory tuition fee for a State or private school having no fixed tuition fees. I do not know whether the committee wants to go along on that or not. As far as I am personally concerned—I hope the gentleman from North Carolina will listen to that—as far as I am personally concerned, I am willing, on page 55, line 10, after the word "part", to strike out the period and insert a colon and this or similar language. Incidentally, this is very much like the language that is contained in the Barden bill:

Provided further, That if any such school or institution has no established tuition fee, or if the established tuition fee of any publicly supported school or institution or private school or institution exempt from tax under section 101, paragraph 6 of the Internal Revenue Code, shall be found by the Administrator, after recommendation of the appropriate State agency, to be inadequate compensation to such school or institution for furnishing education or training to any person eligible under this part, the Administrator is authorized to provide for the payment with respect to any such person of such compensation as he may find to be fair and reasonable, but not to exceed the rate of $500 for each regular school year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. ALLEN] 10 additional minutes.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. BARDEN. There was considerable time spent on that section in writing it in the Committee on Education with folks who are quite familiar with that subject. Regardless of which bill is adopted, I certainly think that provision should be in there to protect the State-supported and endowed institutions, church schools, and institutions of like character.

Mr. ALLEN of Louisiana. I am agreeing with the gentleman on that feature. I hope that my committee accepts something like that. I am not going to quibble about the language, but I hope that the House incorporates it. I will say to the gentleman from North Carolina, I myself think it would be unwise, perhaps, not to put some such provision in the bill.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. If the gentleman will please be brief, I yield.

Mr. BARDEN. At the bottom of page 52, I notice you have this statement—

And provided further, That his education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into the service.

Mr. ALLEN of Louisiana. I get the gentleman's point.

Mr. BARDEN. I am wondering if, instead of putting the responsibility on each veteran to prove that it was interrupted, interfered with, and so forth, why not just strike that out?

Mr. ALLEN of Louisiana. I get your point. The gentleman from North Carolina will remember that the gentleman from Georgia, yesterday, in discussing that very point, felt that language was rather restrictive. But so far as I am personally concerned, if the House wishes to put in broader language there, I shall have no objection.

Now may I call your attention to the so-called Barden bill? This bill has been proclaimed a States' rights bill. Our committee bill is a real States' rights bill with reference to education—and the balance of it too, for that matter. Our committee bill simply puts the responsibility, not with an agency in Washington to be created, but puts the responsibility right down with the veteran and with his school in the State. That is democracy in action. The few regulations which the Administrator could promulgate, are in our bill. But when we come to the bill sponsored by the gentleman from North Carolina, we find that on the matter of prescribing regulations the sky is the limit. I direct your attention to page 15 of the so-called Barden bill, section 3, wherein reference is made to the "War Service Education and Training Agency," in which the Barden bill creates a war agency in Washington, in the Veterans' Administration, mind you, to look after this thing. It says, "The President, after recommendations by and consultation with the Administrator of Veterans' Affairs, shall appoint and prescribe the duties of the director." Well, the President can prescribe any duties that he wants to prescribe. Where is your States' rights there? The sky is the limit. Now, let me read at the bottom of the same section, on page 16, and I hope every one who believes in States' rights will listen to this, this director in Washington, created by the Barden bill, has the power and I quote:

To take any other measures which may be necessary to provide education and vocational guidance to war service persons and—

Continuing on page 17, may—

prescribe from time to time, with the approval of the Administrator of Veterans' Affairs, such rules and regulations as may be necessary to carry out the purposes of this part.

Now again, the sky is the limit. Under that provision which I have just read, which is contained in the so-called Barden bill, the director in Washington, created by his proposed bill has no limit when it comes to prescribing rules and regulations. All the director would have to do under the Barden bill to get his regulations to stick would be to say that he considered such regulations necessary to carry out the act. Of course, it has to be approved by the Administrator, but again you bring it right back to Washington and lodge authority there. Now, we do not do that in our bill.

We say that the few rules and regulations that the Administrator can prescribe are confined to and outlined in the bill. Read lines 12, 13, and 14 on page 52. There is no limit under the Barden bill. I ask you to read it. I ask the good gentleman from North Carolina to read it. I told him before I took the floor about this. I called it to his attention. I do not believe my good friend from North Carolina really knew the significance of that section. I do not believe that he means that. I do not believe he wants to give to a director in

Washington the power to write any regulation he wants guided only by his conscience.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I will now yield to the gentleman from North Carolina.

Mr. BARDEN. Let me say to the gentleman from Louisiana that if he will read the fourth part there it says, "and prescribe from time to time, with the approval of the Administrator of Veterans' Affairs, such rules and regulations as may be necessary to carry out the purposes of this part."

Mr. ALLEN of Louisiana. But you bring it right back to Washington again.

Mr. BARDEN. Then late it is connected with section 8 and later we specifically prescribe what he may do and may not do. So there are the limitations. So you cannot read that with such an interpretation as the gentleman has put on it.

Mr. ALLEN of Louisiana. That is the limitation in our bill now. He has already admitted lack of limitation in his bill on that phase.

Mr. BARDEN. I did not say any such thing.

Mr. ALLEN of Louisiana. You have admitted the authority was in there.

Mr. BARDEN. The gentleman is drawing that conclusion.

Mr. ALLEN of Louisiana. You have not shown limitations. I see no limitations in the part I quoted except the director must think the regulations he prescribes are necessary to carry out the law, and, of course, that goes back to his individual opinion.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. JUDD. The committee has been very generous. We are all working toward the same end. The committee has been very generous in accepting correction of certain bugs which we discovered in your bill.

Mr. ALLEN of Louisiana. The trouble is you have a big bug in your bill.

Mr. JUDD. I think the gentleman discovered a bug into which a great deal can be read if we want to read it in there. I shall urge the Committee on Education to strike out the language beginning in line 3, with the word "and", down through the word "person", on line 25, because something could be read into it, just as yesterday all sorts of things were read into language that was not intended. With reference to the word "conduct," all sorts of things that the committee did not intend were read into it. I think this should be stricken out.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. ALLEN of Louisiana. I appreciate what the gentleman from Minnesota [Mr. JUDD] has said. I am not going to say to him, as was said to me yesterday, "We smoked you out."

Mr. JUDD. I thank the gentleman for calling it to my attention.

Mr. ALLEN of Louisiana. But we found a bug in our bill and I want the bug out of there. We found a big bug in your bill and it should come out.

Mr. JUDD. Yes; it ought to go out.

Mr. ALLEN of Louisiana. Thank you very much. I appreciate that.

Mr. JUDD. May I assure the gentleman I had already said that as soon as I could get the floor for my own remarks I intended to state that.

Mr. BARDEN. Will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. BARDEN. It does not affect the bill, and, as far as I am concerned, I do not think it needs to go out, but I have no objection to it going out.

Mr. ALLEN of Louisiana. Now, if you will hear me briefly a few more minutes, I will conclude.

Under section 4 of the Barden bill, on page 17, they create another agency, an advisory council. Now, that advisory council is composed of representatives of the War Department, the Navy Department, the Office of Vocational Rehabilitation, the Bureau of Placement of the War Manpower Commission, the Bureau of Training of the War Manpower Commission, the Selective Service System, and others. Why in the world do we have to hound the poor boys who come back here, with the Secretary of War, the Secretary of the Navy, General Hershey, and everybody else? When they get out of the war, let them have their freedom. Let them be free to do as they please about this thing. That is what our committee bill does. We do not need these various Departments and agencies in Washington scrutinizing everything these returned servicemen do. I say that with all due regard for these Departments. Why do we want the boys to have to go to those fellows for advice and consult this one and that one? I will say to the gentleman from North Carolina [Mr. BARDEN] that he has a wheel in a wheel in a wheel.

Can we not give the veterans who have fought through this war some education without all that machinery? Boards? Agencies? Can we not do that? Can we not give them liberty? Can we not give them freedom of action? Can we not give them States' rights? Can we not give them the liberties that they had before they left here? By all means, let us do that.

Mr. CUNNINGHAM. And there is no assurance that these State boards will want to undertake this work, is there?

Mr. ALLEN of Louisiana. Well, I do not know whether they will or not.

Mr. CUNNINGHAM. Under the committee bill we are not requiring them to do a single thing more than they are doing now, except to submit a list of the schools which are satisfactory for the veterans to attend.

Mr. ALLEN of Louisiana. That is right.

Mr. CUNNINGHAM. And that is as far as they go.

Mr. ALLEN of Louisiana. That is right. What can go further for State rights than to leave it to the school and to the boy himself? What is wrong with that? If the gentleman from North Carolina [Mr. BARDEN] wants to answer me and say what is wrong with leaving it with the poor boy who comes back from war and says, "I want to go to my own school and select my own course just as I did before the war." What is wrong with that?

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. RANKIN. I yield the gentleman 5 additional minutes.

Mr. ALLEN of Louisiana. I want the gentleman from North Carolina to answer that.

Mr. BARDEN. The gentleman is talking about his bill as he hopes it is to be and not the way it is now.

Mr. ALLEN of Louisiana. My friend has been talking about his bill as it is now.

Mr. BARDEN. Now, there is no such bug in my bill that looks anything like paragraph 7.

Mr. ALLEN of Louisiana. Your colleague, the gentleman from Minnesota [Mr. JUDD] found a big bug. He is fair enough to admit it.

Mr. BARDEN. Let me say this: In bypassing the State boards and colleges, as your bill does at present, there must be a very, very great difference of opinion as to what States' rights are, because I do not find any trace of States' rights.

Mr. ALLEN of Louisiana. Let me say we are not doing that. We even go to the individual school.

Mr. BARDEN. Well, let me see if you are not. I believe you put the payment in the Administrator.

Mr. ALLEN of Louisiana. Would you just have the money sent down and turned over to the States?

Mr. BARDEN. No. Let me say this: As your bill is now written the Administrator passes on his conduct, passes on his progress, unless you strike out paragraph 7. Now, the educational feature, which is something I think we ought all give serious consideration to, is the length of time the boy is going to school. I really do not believe this House——

Mr. ALLEN of Louisiana. Oh, if you want to raise that, that is a different question. As far as I am concerned, I am willing to give him an education. But let me ask the gentleman this: With the suggestions I made a few minutes ago, with those four suggestions which I made, what has the gentleman got left to kick about?

Mr. BARDEN. Simply this: You have set up an Administrator with no other intervening power, and he must, of necessity, be the Administrator and dictator of the program. You cannot make him anything else, because you have not provided any other machinery.

Mr. ALLEN of Louisiana. Under our bill the veteran himself and his school will be largely controlling. The committee bill, of course, leaves some necessary authority in the Veterans' Administrator, but it is indicated in the bill, and does not confer as much authority upon the Administrator as your own bill does. Under your bill, as I pointed out a few minutes ago, the Veterans' Administration, through your Director, can prescribe such regulations as he thinks necessary. No such authority is conferred in the committee bill. With the sugges-

tions which I made a few minutes ago, the committee bill leaves far more authority in the States than does your bill. In the committee bill we are trying to take the authority back to the people.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. RANKIN. Let me say in reply to the gentleman from North Carolina [Mr. BARDEN] that as far as the administering and supervising his conduct and supervising the progress he is making is concerned, all the Administrator does is, when called upon by the authorities, to check up on the man's conduct and whether or not he is making any progress. If he is not making any progress, if his conduct is such that he ought not be continued, then the Administrator can step in and say so. But there is another proposition. This is Federal money. Some men talk as if we ought to send the Federal Treasury off down here and have some professors handle it. We are not going to do that. This is Federal money. This is the Congress of the United States. This is the Federal Government. It is the Federal Government that these boys are representing on the battlefields.

If it is the idea of some people to send the Federal Treasury off down there and let somebody somewhere else say what shall be done with it, they are stepping far afield. As far as the States' rights are concerned, there is not a man in this House who has fought harder to maintain the rights of the States than I have, but we are representing now the Federal Government, and we are trying to work out a program that will recognize the States and protect the rights of the States, but at the same time, since this is Federal money that is being spent, some Federal agency must have the power to say whether or not that money is being wisely spent or is being wasted.

Mr. ALLEN of Louisiana. Following the suggestion made by the gentleman from Mississippi [Mr. RANKIN] the decision that the Administrator has to make would be based upon information that he would get from the school. He could not get it anywhere else. So far as I am concerned, as I pointed out a while ago, I am willing to write into this bill some such provision because the information must come from the schools anyway.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. RANKIN. There will not be a single man stopped from school by the Administrator unless the authorities of that school say this man is wasting his time or is an injury to the school or an injury to himself. Unless the authorities of the school want it done, the Administrator is not going to stop the man's education.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

The Chair will state for the information of the committee that the gentleman from Mississippi [Mr. RANKIN] has used 3 hours and 18½ minutes; the gentlewoman from Massachusetts [Mrs. ROGERS], 2 hours and 16 minutes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, this bill ought to be speedily enacted. Nobody opposes the objectives of the bill and I predict that there will not be as many as a corporal's guard who will vote against it when it comes on for final passage next Thursday. The debate so far has related to the educational features of the act. For one I shall see to it, if I can, that the Federal Government shall not interfere and try to dictate to the local and State authorities how education should be developed and given to these returning soldiers. I shall vote that way. I like the way that the committee has amended the Senate bill so that it gives school authorities in the State and in schools and colleges full control of this situation. There is not such a real and vital difference of importance between the Barden bill and this bill as now proposed and amended by the House committee. The debate seems to me to be a tempest within a teapot. Both of these proponents say that they are trying to avoid Federal control and dictation. Now, if that is what they are trying to do, then they ought to get together before the bill comes to a final vote and iron out the differences and pass the bill without any more delay. I have waited around here for several weeks thinking it to be my duty to stay on the job in Washington, although there are many things that I would like to do in the primary campaign at home. But I am going to stay here on the job and see to it that the veterans of this war and all veterans are treated with consideration and given the best that we can afford, and provided with help commensurate—in small part—with the sacrifices they have made.

I have always been with the veterans and with veterans' legislation. I started action in the State senate in favor of adjusted compensation or bonus legislation. I followed that here in Congress. I was for service pensions and disability pensions. I voted to give support to the dependents of these soldiers. Maternity legislation for soldiers' wives was proper and is now proper and we will continue such benefits. Hospitalization for the boys is necessary. Within the past week I was out visiting a convalescent hospital near Washington and rejoiced that I had had a small part in giving proper hospital attention to wounded and maimed men and women who had protected my Government and my life and my property on the battle fronts and danger lines throughout the world.

I voted for the increase in soldiers' pay and to give a greater and more adequate monthly remuneration to the boys and girls in service. I wanted to make it so they were the best-paid army in the world's history. They deserve to be. I wanted to give mustering-out pay and we have done all of these things.

And now we have before us this G. I. bill of rights in five parts, all of which I commend as follows:

First. Compensation, claims, and procedures.

Second. Education of veterans.

Third. Loans for the purchase or construction of homes, farms, or business property.

Fourth. Employment of veterans and job placement for them upon returning.

Fifth. Readjustment and unemployment allowance when they come home during the time they are getting employment.

When the boys come home they will not all get their jobs back immediately and we will provide payment for them while they are out of work. We will give them loans to purchase and construct homes and to buy farms and business properties and equipment. We will educate these boys and girls and send them to vocational schools or colleges. It was tragic to take away from school or college young men 18 years of age without allowing them to finish their schooling. I am thinking of young Lloyd Erickson, who lived across the street from me, who played in my yard for 10 years, and who was taken from college and was killed out in Bougainville by the fanatical Japs. His relatives and his comrades when and if they come back should complete their education at Government expense. I am for all of these things because I believe that service men and women have protected me and my country and its liberties. They have protected my property. If the Japs win or if Hitler writes the treaty then our property will not be worth a continental. If you can conjure or think of the Japs winning, then you will have to think that the Japs will levy indemnities and take your property just exactly as they please. There will be no army to protect it or you, or your wife, or your daughter, or your son. Hitler will demand indemnities just exactly as he has done throughout Europe in case he wins. But he will not. We and our armies are on the march to victory, and the old flag will wave triumphant over America.

So then we must pay these soldier boys and girls for sacrifices and suffering that they have come through and we must also protect their dependents, wives, and children, from want and give these dependents every chance to live in comfort. Be sure that they will not want to live in luxury and indolence.

You cannot fully requite these boys for the loyal support that they have given us. Therefore I will vote for this bill. The American Legion has endorsed the committee amendments and supports the bill as now reported by the committee, and I expect to go along with that sentiment when the final vote comes next Thursday. There may be small amendments that should be carried, as to which we will see later. But having gone along with the Legion from the start, I do not now propose to desert it or its membership. We will win the war and then and thereafter we must win the peace and so provide that it be just and lasting. We must find the way to prevent the coming of a debacle and the destruction of the lives of our young folks of every incoming generation. Until that is done and until we have a just and lasting peace, we have not paid the debt we owe to our soldiers.

Mr. RANKIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, I want to compliment the Committee on World War Veterans Legislation for bringing this legislation before the House. It is well to know that the committee did give careful study to the provisions of this bill and after calm and deliberate consideration took expeditious action in bringing it before the Congress. I want to join my colleagues in expressing my sincere appreciation to the chairman of the committee, the gentleman from Mississippi [Mr. RANKIN], not only for his painstaking effort in the preparation of this bill, but for his long years of unselfish and devoted service given in the interest of veterans of other wars, especially the disabled and their dependents. It is easy to understand, therefore, because of his intimate knowledge of all veterans' problems, that he would be inclined toward the theory that those who were most in need, those who had given most, their all, should be given first consideration. As a veteran of the last war, an unharmed veteran, I subscribe to that theory. I believe the people of the United States subscribe to it.

I think it would be well to call to the attention of the country the part played by the veterans' organizations of other wars in rendering a fine service to their country and especially the men and women in the armed forces. Certainly to them should be given due recognition for their efforts in advocating and in the preparation of this legislation.

The Congress of the United States, after our country had been attacked, declared war on our enemies and pledged our lives and the resources of our Nation to defeat them. It had previously passed the National Selective Service Act. That act took young men from their normal pursuits and put them in the armed forces of the United States. The combination of manpower and the country's resources are being successfully employed to bring about the defeat of our enemies. The defeat of our enemies is not yet in sight but it is sure. This tremendous world-wide conflict of men and machines has taken its toll of our young men. It has brought and will continue to bring death to some, injury to some, worse than death to many. Congress, in its wisdom, has already passed laws to lessen the impact of the shock made on the homes and lives of these veterans. It would be impossible to adequately compensate with money the patriotic men and women in our armed forces who have given so much for this and oncoming generations. We cannot adequately pay the widow and her children for the loss of a husband and father. We can see to it that they are fed, clothed, and sheltered, and the children educated. We cannot ever compensate those who will spend the rest of their days within the walls of a hospital or institution. Those lives have been entirely blotted out, their hopes and ambitions and the things they expected to enjoy, shattered. We can and will administer to their needs without consideration of cost. To those who sustain varying degrees of injury and disability, we can and should make up these deficiencies both by vocational rehabilitation and compensation, without, I hope, resorting to a stingy interpretation of the law.

This legislation now under discussion pertains primarily to those veterans who will return from the battle fronts without sustaining physical or mental injury. Some people will be dissatisfied with some of the provisions in this legislation, mainly for the reason that it does not go far enough in this or that particular direction. I am not satisfied with all its provisions myself. I do think, however, in the main it does furnish a sound foundation upon which veterans' legislation can be built. It is impossible for the present Congress to see all the problems which may arise, and this legislation is not the last word on the subject, but rather it is to be assumed it will be changed from time to time as necessity might require.

To the returning veteran coming home uninjured, the country and the world will owe a debt of gratitude, a debt for which it cannot pay with money. Indeed, the patriotic service given by our soldiers is beyond price. The soldier has a right to expect, however, that he will be compensated in opportunity. For his welfare and the benefit of all of us, the preservation of our institutions should be safeguarded. Provision should be made now so our demobilized army can expeditiously make the transition from military to civilian life. They can reasonably expect to be assisted through the time of discharge from the service and their time of finding a place and a job as a civilian. They can reasonably expect to have an opportunity to pursue their interrupted education; to secure their old job, their seniority rights recognized and restored; their right to be restored to their former positions in the Government service. They have a right to expect reasonable assistance in the purchase of a home, a farm, or a business. The provisions of the bill now under consideration will make these things possible.

With all deference and respect to the Veterans' Committee, with respect to its educational features, concerning which there has been much discussion, I think the provisions in the Barden bill are more desirable than the provisions in the committee bill, and it is my intention to vote for the Barden amendment. Even with paragraph 7 stricken out, it would be only a degree of improvement.

In my judgment we are likely to make a serious mistake if we set up a competitive program of education which will bypass the administration of our public schools in the various States. It is my opinion this would result in no end of confusion, competition, and friction, and in the long run would not be successful. Public education under the control of the State has been in existence for 150 years, and in the final analysis is essentially a local matter in its administration. Whenever and wherever we have set up competitive parallel agencies, trouble immediately arises, and many meritorious programs have suffered for this reason. It has not been shown that there is a need for duplication in administration or inspection on the part of Federal agencies that would be beneficial to the veteran, and I submit it may do him harm. I, therefore, hope that the Barden amendment is adopted and that Federal control be kept as far away from our schools as possible.

Mr. RANKIN. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, of course, the bill presently before the House will pass, but it seems to me there is room for improvement. I want to commend the Committee on World War Veterans' Legislation for not being stampeded in rushing the measure to enactment. A bill of such importance deserves most careful consideration by the committee and the members were justified in holding hearings. I appeared before the committee in support of two bills I have introduced. I pointed out that the bill as it came from the Senate seemed to apply almost entirely to the able-bodied veterans when they are discharged from the service. It does not, however, according to my reasoning, go far enough in extending benefits to the two most-deserving groups, namely, the man or woman who was disabled as a result of his or her service, and to the widows and orphans of those who made the supreme sacrifice.

It is my purpose to endeavor to amend this bill when it is being read under the 5-minute rule. I am perfectly willing to reward all who serve in the armed forces, but I cannot escape the conviction that those who suffered disabilities in line of duty and the dependents of those who made the supreme sacrifice deserve first attention. I have always been in favor of the rehabilitation or reconditioning of the disabled, but more so than ever now due to my own personal experience and investigations. My amendments will not entail any additional cost but should lower the cost of administration.

The purpose of my amendments is to provide for continuity of rehabilitation measures from the moment the man or woman becomes disabled until he or she is readjusted into civil pursuits. I want no period to occur when the disabled person is not being provided for adequately. Delay or interruption in the application of rehabilitation measures is tragic in its consequences.

Briefly, my amendment in reference to the widows, orphans, and dependents of those who die in the service of our country, provides that where the deceased veteran was recognized as having dependents during the period of his service, has made an allotment to them, contributing thereto from his pay, that that will be sufficient evidence for the Veterans' Administration to continue the allotments in force in the cases of those falling in the classes entitling them to pension until the eligibility for pension is determined and an award made or denied under the laws administered by the Veterans' Administration. I want no period to exist between the time of death

of the veteran and the eligibility for pension is determined, where his widow and orphans are not provided for and, in consequence, forced to accept public or private relief or charity.

I read in this morning's paper where the Army is streamlining the discharge of men, reducing the time to 48 hours. Why are they discharging men now? They are discharging them now because they are not fit for military duty, disabled. The question arises whether those men that are being discharged now are entitled to veterans' benefits under the Veterans' Act. If you are going to discharge those men in 48 hours that is not keeping the promise the Army has made to the effect that men would have an opportunity to get treatment and have their claims considered before they were turned out. I want to do something at once for disabled men and women; not make them wait months. There are many thousands of claims awaiting adjudication in the Veterans' Administration. Just to give you an example of the hardships some of the men suffer let me tell you of a case that came to my attention. I happened to be in New York Christmas week. I picked up a newspaper and there was the picture of a boy who had lost both his hands, one eye, and his hearing destroyed, by an explosion. These injuries he received in line of duty. He was sent home from Texas. He was not rehabilitated, he was not instructed in how to use those hands. Two months had elapsed and that boy had not received any recognition from the Veterans' Administration.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mrs. ROGERS of Massachusetts. I yield 1 minute to the gentleman from Missouri.

Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mrs. ROGERS of Massachusetts. Did the gentleman read the amendment that is in the bill?

Mr. COCHRAN. Yes; I have, and I thank the gentlewoman for her kindness in urging it before the committee; but I think the amendments I have are needed and go further and they should be accepted. I do not believe the Congress of the United States should send word to the country that it is taking care of the able-bodied before it takes care of the disabled and the dependents of those who lost their lives in line of duty.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. COCHRAN. I want to continue with that New York case. I immediately got in touch with General Hines. He called New York over long distance to find out why the boy was out of the service 2 months without receiving any recognition. I likewise got in touch with General Kirk, of the Army, who told a committee in my presence that no man would be discharged from the Army until he had been rehabilitated. General Kirk sent to Texas to get a report on that case. He sent me a report. But that boy was sent home in no way rehabilitated. That is what I seek to prevent.

I know what rehabilitation means. I lost 5 months because I received absolutely no instruction in what to do with the appliances I had received. When I did receive that instruction, however, last Christmas, I began tc make headway. If I had not met the people who later instructed me I never would be able to do what I am doing right now. My progress is slow, but certain. Without instructions the disabled will never be rehabilitated.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Does not the gentleman believe that the committee bill provides that instruction?

Mr. COCHRAN. It does not go as far as my amendments. I hope the gentleman will read them and carefully consider the amendments—read the explanations, accept them, take them to conference, and then work the matter out.

I will present my amendments in the order that they will be reached, and for the benefit of the House explain their provisions. The first is to section 102. It follows:

On page 46, line 15, substitute a colon for the period and add a further proviso as follows: "*Provided further*, That the Administrator of Veterans' Affairs, with the approval of the Secretary of War or the Secretary of the Navy, as the case may be, may delegate to specified commissioned personnel of the armed forces such of his powers and duties as may expedite the adjudication of claims for benefits under laws administered by the Veterans' Administration and such commissioned personnel are hereby authorized to exercise the powers and duties so delegated without prejudice and notwithstanding any law or laws to the contrary."

EXPLANATION

This section as reported from the committee permits the detail or transfer of any commissioned, appointed, or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War or the Secretary of the Navy and the Administrator of Veterans' Affairs. The purpose of this part of section 102 is to provide the Veterans' Administration with additional competent personnel to expedite the adjudication of claims. The proposed amendment submitted by me broadens this authority to permit the Administrator of Veterans' Affairs not only to have the services of the personnel transferred or detailed to the Veterans' Administration but to also have the services of commissioned personnel not transferred or detailed who may be, or may be trained to be, especially qualified to assist in expediting the adjudication of claims. For instance, certain especially qualified medical officers of the armed forces on duty in hospitals having discharge authority may, in addition to their military duties, be delegated the powers and duties by the Administrator of Veterans' Affairs to assist in that respect. In other words the proposed amendment permits the Veterans' Administration to further increase its manpower in the work of adjudication of claims.

SECTION 103

On page 46, lines 19 and 20, strike out the words "disability claims of" and substitute therefor the words "claims for benefits under laws administered by the Veterans' Administration."

EXPLANATION

The proposed amendment broadens the authority of Veterans' Administration personnel assigned to the Army and Navy installations so that they may not only have the authority to adjudicate disability claims but any other claims for benefits under laws administered by the Veterans' Administration.

SECTION 104

On page 46, line 23, after "Sec. 104" insert "(a)". On page 47, strike lines 13 to 18, inclusive, and substitute therefor the following subsections numbered "(b)" and "(c)."

"(b) The Secretary of War and the Secretary of the Navy are hereby authorized and directed until 6 months after the termination of the present war to furnish persons in the armed forces having need thereof, such medical, physical, psychological, vocational, and other rehabilitation services (including temporary and permanent prosthetic appliances and training in their uses), as will (1) enable them to return to duty in assignments commensurate with their remaining capacities, or (2) better fit them, after their discharge or release from active duty is effected, either to undertake courses of rehabilitation to which they might be entitled under existing laws, or to enter civil pursuits directly. The Secretary of War and the Secretary of the Navy are hereby authorized to provide the facilities and services necessary to carry out the purposes of this section and for the same purposes they may, by agreement or contract with public or private institutions and establishments, provide such additional facilities and services, including out-patient treatment and institutional training, as may be suitable and necessary: *Provided*, That the appropriations of the War and Navy Departments shall be available for necessary expenses and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this subsection.

"(c) Any person entitled to a prosthetic appliance from the Veterans' Administration shall be entitled, in addition, to necessary fitting and training, including institutional training, in the use of such appliance, whether in a Veterans' Administration hospital or by out-patient treatment, including such service under contract."

EXPLANATION

This section as reported by the committee requires that any person entitled to a prosthetic appliance shall be entitled, in addition, to necessary fitting and training, including institutional training, in the use of such appliance, whether in a service or a Veterans' Administration hospital, or by out-patient treatment, including service under contract. The proposed amendment cares for this feature of the present section but goes further in authorizing and directing the Secretary of War and the Secretary of the Navy, until 6 months after the termination of the present war, not only to provide prosthetic appliances and training in their uses, but also to provide other services of rehabilitation, where needed, to return a person in the armed forces

to duty in an assignment commensurate with his remaining capacities. At the same time the proposed amendment permits the War and Navy Departments to provide, during the period it is uncertain as to whether the person is to be returned to duty or discharged for disability, measures of rehabilitation that will better fit him for civil pursuits or rehabilitation programs after discharge rather than waiting idly in the hospital with consequent delay in adjustment into civil life if later discharged.

SECTIONS 106–107

On page 47, after line 25, add new sections numbered 106 and 107, as follows:

"SEC. 106. The Servicemen's Dependents Allowance Act of 1942, as amended, is hereby amended by adding six new sections to title 1 thereof to be numbered 122, 123, 124, 125, 126, and 127, to read as follows:

" 'SEC. 122. Upon receipt of an official report of the death of a member of the active military or naval forces as a result of injury or disease incurred in or aggravated by such service, the Secretary of War or the Secretary of the Navy, as the case may be, shall notify the Administrator of Veterans' Affairs (hereinafter referred to as the Administrator) thereof, and shall certify to the Administrator (1) the date of death of such member, (2) the fact that the death was the result of injury or disease incurred in or aggravated by military or naval service, (3) the names, addresses, and relationship of any dependents of such member, who, at the time of his or her death, were being paid monthly family allowances under this act, (4) the amount or amounts of any such monthly allowances being paid to each of such dependents, (5) the date on which any such allowances will terminate as provided in section 123, and (6) any other information necessary for the Administrator to perform the duties required of him by this act.

" 'SEC. 123. The Secretary of War or the Secretary of the Navy, as the case may be, are hereby authorized and directed to continue the payment of any monthly family allowances to the dependents of such deceased member for a period of 2 months following the termination of such allowances as provided in section 107 (b).

" 'SEC. 124. Upon receipt of the notification and certificate provided for in section 122, the Administrator is hereby authorized and directed to determine, automatically and without application therefor, whether any of such dependents are entitled to any pension or compensation under laws administered by the Veterans' Administration, and the exact amount or amounts thereof, if any. Pending such determination the Administrator is hereby authorized and directed (commencing with the month following the payments provided for in section 123) to pay to such of the dependents of the deceased member having such relationship to him or her as might entitle them to a pension or compensation under laws administered by the Veterans' Administration, the full amount or amounts of such monthly family allowances as certified to the Administrator by the Secretary of War or the Secretary of the Navy under section 122, until he shall have made the determinations provided for in this section as to any pension, compensation, and the amount or amounts thereof. Notwithstanding the provisions of any other law, any pension or compensation awarded such dependents under this section shall become effective after the termination of the payment of any monthly family allowances provided for in this section: *Provided*, That section 112 of this title shall apply to payments of monthly family allowances made by the Administrator under the provisions of this section.

" 'SEC. 125. Nothing in this act shall be construed to (1) curtail any right of any such dependent (after any award of pension or compensation is made) to appeal from the determination and finding of the Administrator made as directed in section 124; (2) prevent the Administrator from subsequently reopening the case and making any other determination or finding with respect thereto; or (3) prevent any such dependent from waiving any pension or compensation or other benefit after such determination and finding has been made by the Administrator.

" 'SEC. 126. The Secretary of War, the Secretary of the Navy, and the Administrator are authorized jointly and severally to prescribe such regulations as they may deem necessary to enable them to carry out the provisions of sections 122, 123, 124, 125, and 127 and to delegate to such officers and employees of their respective departments as they may designate any of their functions.

" 'SEC. 127. Appropriations heretofore made for the Veterans' Administration "Salaries and expenses, medical and hospital, and compensation and pensions" shall be available for necessary expenses in carrying out the purposes of section 124; and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes of that section.'

"SEC. 107. Section 106 shall be effective 60 days after the date of enactment of this act."

EXPLANATION

The purpose of the new sections 106 and 107 is to amend the Servicemen's Dependents Allowance Act of 1942, as amended, so that the allotments in the case of a deceased veteran will continue to be paid to those of the dependents of a class eligible for pension under laws administered by the Veterans' Administration until such time as their eligibility for pension is determined and an award made or denied.

Under existing law when a member of the armed forces dies as a result of injury or disease incurred in or aggravated by military or naval service any allotments being received by his dependents cease as of the last day of the month in which the death occurs. It is then incumbent upon the part of the widow or other dependents, eligible for pension under laws administered by the Veterans' Administration, to make application for pension.

During the period between the last day of the month in which the veteran died and the date any award is made by the Veterans' Administration no money or allowance is received by the widow or children. Such period of adjudication might extend over several months and unless they are in possession of other resources they must look to public or private charity for their existence or borrow money. The widow may not be aware of her rights and the necessity of filing an application. This will cause further misery if there are not other resources.

The proposed amendments cure this situation first by removing the requirement of the filing of an application and making the determination automatic and second by requiring that any allotments being paid at the time of a veteran's death in the line of duty to dependents of a family relationship which might entitle them to a pension under laws administered by the Veterans' Administration, shall continue to be paid for a period of 2 months by the War or Navy Departments, as the case may be, and thereafter by the Veterans Administration until such time as an award is made or denied. If an award is made it is effective as of the date following the last date of payment of the allowance rather than being retroactive to the date following the date of death as under existing law.

Thus the proposed amendments provide for continuing allotments until the award is made so there is no period where the family is without payment and it can adjust itself to the new situation gradually rather than abruptly. There is little, if any, additional expense incurred by the Government through these amendments since when an award is made the effective date thereof is the date the allowance is discontinued rather than dating back to the date following the date of death of the veteran.

Mr. RANKIN. Mr. Chairman, I yield to the gentleman from Michigan such time as he may desire.

Mr. SHAFER. Mr. Chairman, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. SHAFER]?

There was no objection.

Mr. RANKIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. LECOMPTE.]

Mr. LECOMPTE. Mr. Chairman, in the few moments permitted I want to commend the chairman of the Committee on World War Veterans' Legislation and the members of that committee, as well as the various organizations that have supported this bill.

Mr. Chairman, may I preface my remarks by commending the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and the Order of the Purple Heart and all other patriotic organizations that have united behind this measure that has for its purpose extending full justice and educational opportunities to the veterans of this war who have defended the Republic with their life and blood.

The bill that finally is adopted after all amendments have been offered and considered will, I believe, represent the best and composite judgment of the membership of this Congress. I think I can safely say that the Government is going to go further in extending benefits and privileges to the veterans of this war than has ever been done by any nation in the history of the world. We will probably pay out annually in the years to come a vastly larger sum of money than most nations have expended in bygone years for maintaining their military establishments and we are happy to do this very thing. The majority of the men and women in the armed services range from 18 to 30 years of age.

A great deal of heroic service is being performed by men over 30 and even up to 50, with a few higher ranking officers above 60, but the rank and file of the service men and women are between 18 and 30. That has been the history of the American Army in all wars. We want to educate these young veterans, because they will have to take a leading role in the conduct of affairs for the next

30 years. We want these men and women to have every opportunity that can be extended to them. In addition to the educational features of the bill, we are providing hospitalization. We have a provision for loans to honorably discharged veterans also. Perhaps the loan feature is not as generous as some may desire. In connection with this legislation, I think it might be well to have it understood that this is not the end or the last word. There will be additional legislation for veterans as the years go on, but we are making a big step forward at the present time.

Already a million men have been discharged from the service for various reasons—disability, age, occupation, and so forth—and it is not too early for Congress to be taking recognition of the situation. I believe that the enactment of this legislation will add to the splendid morale of the men and women in the armed services. Word will go out to the boys in the South Pacific, in Italy, in the Aleutians, and on the seas all around the globe that the Congress is not unmindful of their heroic service and is making provision to take care of the problems with which they will be confronted when they return to civilian life. May Heaven bless all these patriotic and heroic men and women. I am heartily and fully in accord with the purposes of this bill. Perhaps I would amend it in some particulars, but I want to here and now reaffirm my allegiance to the program of rehabilitation for the veterans who come out of the most terrible conflict that this world has ever seen.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield one-half hour to the gentleman from New York [Mr. KEARNEY].

Mr. KEARNEY. Mr. Chairman, in taking up consideration today of the American Legion's omnibus G. I. bill of rights for World War No. 2 veterans, we are establishing a precedent. This is the first time in the history of Congress that in time of war this body is setting about the enactment of a master demobilization and rehabilitation plan while our fighting men and women are still in service.

Personally, I am very happy we are making this sound, scientific preparation for peace. It marks a distinct step forward. It provides assurance that the ghastly mistakes in the treatment of veterans that marked the close of the last war will not be repeated.

Mr. Chairman, the American Legion and the Veterans of Foreign Wars, together with other veteran organizations interested in the welfare of American fighting men and women, are to be complimented in their fight for the passage of this bill. As a veteran of the first World War, I am extremely anxious to see its passage, as I am convinced beyond the shadow of a doubt that it is the greatest over-all single bill ever to come to the floor of this House.

This is not a perfect bill—perhaps no bill is—but it is a most comprehensive bill and will do much in boosting the morale of our men and women in the fighting forces. It will in no uncertain terms let these men and women—who are doing the fighting for us—know that we in the Congress intend to do for them those things which a nation in justice should do.

Let me pay my tribute to my colleagues on the World War Veterans' Committee. For days upon days we sat in committee hearing representatives of the veteran organizations, Members of the Congress, educators, officials from the Veterans' Administration, and later in executive session, over a period of 2 weeks. Day in and day out, the bill was gone over line by line, paragraph by paragraph. It was truly said on the floor of the House yesterday that there were no Democrats—no Republicans serving as such on the committee—but Americans all—interested in only one thing—one result; that was to bring out the best possible bill—the bill which would do those things in the simplest possible way—with the maximum of benefit to the veteran.

Naturally, our first thought was for our disabled—he who has borne the brunt of battle—to insure adequate and efficient care and treatment for the sick, the wounded, and the disabled. This was done in the first part of the committee bill by declaring the Veterans' Administration to be an essential war agency, by assuring that hospital construction be completed, and by authorizing both the Army and the Navy, with the Veterans' Administration, to enter into agreements for mutual use and the exchange of facilities. We want to protect our disabled men and women by providing advice and aid and assistance concerning their claims for disability and hospitalization. We do this by the authorization of staffs by the Veterans' Administration at Army and Navy hospitals when our men and women are being discharged, and by providing for the use of accredited representatives of veterans' organizations in these facilities, and by the giving of aid to these men and women who are about to be discharged from the active service. The care of the disabled must be paramount in our thoughts; it is our prime obligation. Along with the distinguished lady from Massachusetts, I, too, am sorry that the appropriation of $500,000,000 authorizing the construction of veterans' facilities was stricken from the bill; this being taken out solely upon the grounds that the amount specified was a limitation. If there be the shadow of a doubt in the minds of the Members of the House that it be not true, then I, too, should like to see that provision reinserted in the bill. Our disabled are entitled to the best a grateful country can give. They have earned that right in the hardest possible way in the history of our country. They have been and are going through hell in order that our country might remain Heaven-blessed. They do not want charity. They want justice and the right to be treated as citizens of a great country should be treated who have bared their breasts in the face of enemy fire.

The subsequent sections of the first title throws a mantle of protection around the veteran, not only in the manner of the initiation of his discharge and aid by the accredited representative of the veteran organizations, but by the establishment of reviewing boards composed of members of the Army and Navy whose duties it will be to review upon request by any officer or enlisted man or woman, or by his surviving spouse, child, or dependent parent—if such officer or enlisted man or woman be deceased—the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of sentence of a general court martial. In my opinion, that is a very worthy set-up, for fear that someone may have been given a discharge that he be not justifiably entitled to. I speak particularly of the so-called blue discharge. First let me say that there are three kinds of discharge, an honorable discharge, a dishonorable discharge, and the one to which I have just referred, the so-called blue discharge. This discharge is neither an honorable discharge nor a dishonorable discharge—it really is a discharge without honor. Individuals have been given these discharges for various reasons—some as a result of their own misconduct and others for the reason that in the minds of their commanding officer they were never intended for the lot of a soldier, sailor, or marine. These men in many instances were of excellent character, but the possession of such a discharge will brand them for life. Let a holder of such a discharge attempt upon his return to civil life to obtain a job—the employer upon first looking at the discharge paper turns thumbs down. The provision of reviewing boards is an excellent one and will result in correcting many a rank injustice.

In title II, the thought of the committee was to draw a single educational provision which would provide educational facilities for the veteran whose education was impeded, delayed, interrupted or interfered with by reason of his entrance into the service. We endeavored to preserve the freedom of the individual in making his selection of schools; to protect the educational institution in the maintenance of its standards and traditions; to insure fair as well as comprehensive and intelligent selection of approved institutions through the recommendation from the States. We have endeavored to provide that no Federal agency shall interfere with the curriculum of the school, the personnel, or course of studies. These provisions have been gone over in detail by Members of the House who have heretofore spoken, and I do not intend to use more time on this title.

Under title III of the bill, aid will be provided for the veteran in the purchase of a home, business, farm, or farm equipment through the various State and Federal agencies. The amount provided for in the bill has been raised from $1,000, as provided for in the bill passed by the Senate, to $1,500, an increase of $500. In this title, while the responsibility is placed on the Administrator, it authorizes him to utilize to the fullest extent the services of State or Federal agencies. Loans may be made by persons, firms, associations, corporations, or governmental agencies. This title will thus place on a par those veterans who cannot or would

not take advantage of the educational features of the bill. It will enable the veteran to engage in farming if he so desires, or to rehabilitate himself in any gainful occupation.

Title IV, providing for the employment of veterans, places the entire responsibility upon the shoulder of the Administrator of Veterans' Affairs. Under this particular title, the Veterans' Administration functions through cooperation with established employment agencies. The necessary administrative provisions to carry out the intent of this title are contained in a statement of the general duties of the veteran employment representatives as appointed by the Administrator and assigned to the various States and territories.

With reference to title V of this bill, concerning readjustment allowances for former members of the armed forces who are unemployed, or self-employed, it provides for weekly compensation for each week of unemployment not exceeding 26 weeks. The weekly amount payable would be $20, less that part of the wages payable for such week which is in excess of $3, with a provision for the nearest multiple of $1. The title was redrafted by the committee, considering simplicity, administration and benefits provided.

Title VI has to do with the general administrative and penal provisions of the bill.

Mr. Chairman, that is the condensed version of the committee bill, and shortly the Members of the House will be called upon to register their votes on it. I have said it is not the perfect bill, but it is a bill which does a great deal in rendering simple justice to the men and women who are doing the fighting. The American soldier, sailor, or marine does not want charity—he wants justice and opportunity. He wants to stand on his own feet, work out his own destiny with his own brawn and brains.

The readjustment bill provides these men with that opportunity. It will lay down a broad, smooth pavement of opportunity over which they can navigate under their own power. On that pavement they can make the speed to overcome the setbacks of war sacrifices.

The G. I. bill will make it possible for the disabled, the partly disabled, the partly trained, the partly educated, and the financially stripped to get back into the race of civilian life and pursue happiness on a par with those of us upon whom this war has not laid such a heavy burden of sacrifice.

That is why the G. I. bill represents the finest exemplification of the spirit of our democracy. It is a fair-play piece of legislation.

It is more than that. It is a bill of soundest national policy. If these returning veterans do not prosper, the Nation cannot.

It has been estimated that this legislation would cost more than $10,000,000,000. That is a lot of money. But it is a bargain as an investment in a better and greater America.

We are spending hundreds of billions of dollars on the war. We certainly can afford to spend a few billions to make this war worth winning for those who are winning it for us.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Does the gentleman know whether or not any of these blue discharges are being given to the disabled veterans?

Mr. KEARNEY. I cannot answer that insofar as the disabled veterans are concerned, but I know that they are being given to others.

Mr. CUNNINGHAM. Does the gentleman know what kind of a discharge is being given to the disabled soldiers?

Mr. KEARNEY. The kind of discharge that is being given to the disabled soldiers, insofar as those cases that I know of personally, are honorable discharges.

Mr. CUNNINGHAM. They should all be honorable discharges.

Mr. KEARNEY. Yes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Of course, a soldier might be disabled without being in line of duty; disabled, perhaps, on furlough, or something of that kind. Would a blue discharge then apply?

Mr. KEARNEY. The gentlewoman means, I take it, as a result of his own misconduct?

Mrs. ROGERS of Massachusetts. Yes.

Mr. KEARNEY. That has been done.

Mrs. ROGERS of Massachusetts. Disabled not in line of duty or through his own misconduct, but through carelessness which would not be due to misconduct.

Mr. KEARNEY. That is why the provision for these reviewing boards has been made so that justice will be meted out to those individuals, whether in the Army, the Navy or the Marine Corps, who have received one of those so-called blue discharges.

Mrs. ROGERS of Massachusetts. In many instances in the Army and the Navy, it would be very easy, if they wanted to get rid of a man, to give him a blue discharge.

Mr. KEARNEY. I think I can answer the gentlewoman from Massachusetts by saying that in some instances where an individual has two right arms or two left arms, or two right legs or two left legs, in other words, a man who through no fault of his own was never in God's world intended to be a soldier, and never could become one, in order to get rid of him, they have granted him a so-called blue discharge.

Let me call your attention to this fact, that this so-called blue discharge is simply a carry-on from the old discharges granted years ago for the convenience of the Government and for the good of the service. As I said, it is neither an honorable nor dishonorable discharge, but it is a discharge without honor.

Mrs. ROGERS of Massachusetts. In other words, an undesirable discharge, as they used to call it in World War No. 1.

Mr. KEARNEY. Yes.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentleman from Minnesota.

Mr. JUDD. However, it is recognized, is it not, that even though this man might not turn out to be a good soldier, he might become a very useful citizen.

Mr. KEARNEY. Is the gentleman speaking now upon his return to civilian life?

Mr. JUDD. Yes.

Mr. KEARNEY. That is absolutely so. I agree with the gentleman entirely.

Mr. JUDD. Many a man who might, for instance, be a very accomplished musician or an individual with a very sensitive nervous system, could not make a good soldier, but may be a very excellent citizen.

Mr. KEARNEY. But this individual is not going to become a very useful citizen to society if he is walking around with a blue discharge.

Mr. JUDD. That is right.

Mr. CUNNINGHAM. Would the gentleman explain the difference between a medical discharge and an honorable discharge?

Mr. KEARNEY. There is no difference so far as the term "honorable" is used. In other words, a soldier, sailor, or marine who receives a medical discharge has an honorable discharge. The only discharges, in addition to those that I have already mentioned, of course, would be dishonorable discharges, received as a result of a general court martial.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from New York said this was not a perfect bill. With that statement I fully agree. I think he will also agree that it is a great improvement over the Senate bill, or the bill as it came from the Senate.

Mr. KEARNEY. I heartily subscribe to those sentiments of the chairman.

Mr. CUNNINGHAM. If I may be permitted to make a personal reference, the gentleman is past national commander of the Veterans of Foreign Wars.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentleman from Kansas.

Mr. CURTIS. I was very much interested in the gentleman's remarks in reference to a board to review discharges. Will that same board have jurisdiction to review other matters in the record of the soldier?

Mr. KEARNEY. As I understand it, it will.

Mr. CURTIS. Including the possibility that the so-called official record might be in error?

Mr. KEARNEY. Yes.

Mr. CUNNINGHAM. Mr. Chairman, if the gentleman will yield, I believe I am correct in stating that that board will have jurisdiction to review any matter concerning the soldier, except those soldiers who have been discharged as a result of a general court martial, which will be a dishonorable discharge.

Mr. CURTIS. How about the case of a deceased soldier?

Mr. KEARNEY. The same thing would apply.

Mr. CURTIS. If I may have just a moment of the gentleman's time, I have a case of an individual killed in action, who for weeks and months has been a sergeant. The notice of death came as a sergeant and his mail was censored as a sergeant. The War Department says he just called himself a sergeant. That is the story that goes back to the grieved parents who gave their only son to his country. His associates say he was a sergeant.

Mr. KEARNEY. That is why this provision was incorporated.

Mr. RANKIN. Mr. Chairman, will the gentleman yield further?

Mr. KEARNEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman said a moment ago it had been estimated that this bill would cost $10,000,000,000. There have been a great many estimates made, but the Veterans' Administration estimates that it will cost $6,510,000,000.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Some Members on the Senate side estimated that the bill would cost $3,000,000,000. My understanding is that this bill, through savings in administrative expense, will considerably cut that amount, so I believe that the Veterans' Administration is pretty high in its estimate.

Mr. KEARNEY. The gentlewoman is of the idea that it would be below the estimated cost in the committee bill?

Mrs. ROGERS of Massachusetts. Yes; very much.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentleman from Iowa.

Mr. JENSEN. I have enjoyed very much the fine statement of the gentleman from New York, who has an excellent knowledge from past experience of what the veterans want because he was national commander of the Veterans of Foreign Wars—a fine and wonderful organization.

I presume the gentleman knows that our Adjutant General, Major General Ulio, set up 2 or 3 years ago administrative schools over the country which have trained thousands and thousands of servicemen in the administrative duties, or the business end of the war, which was very lacking in the last war. We have discovered that since through the fact that our service records were so incomplete. I wonder if the gentleman does not agree with me that the service records of this war are going to be more complete. The veterans' record is going to be tied together and there will be no missing links to the extent there were in the last war, because now we have these thousands and thousands of men trained in the administration and in the record keeping of this war.

Mr. KEARNEY. That is what we are hoping and praying for. I assume that when the gentleman refers to administrative schools he refers to the Adjutant General schools?

Mr. JENSEN. That is right.

Mr. KEARNEY. I understand that some of those have now been closed, but some of the graduates of the previous courses who graduated in the Adjutant General's department found themselves afterward as lieutenants in the military police force.

Mr. JENSEN. Yes, but the greater percentage of them, I know as a fact, are attached to our units all over the world.

Mr. KEARNEY. That is right. They are doing a marvelous job and receiving marvelous training, too.

Mrs. ROGERS of Massachusetts. If the gentleman will yield, I think the Members should know that the gentleman from New York was a captain in the World War and was decorated by France. Many of the Members realize that, but some do not.

Mr. RANKIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. MALONEY].

Mr. MALONEY. Mr. Chairman, Senate bill 1767, an act to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, which is now before the House for consideration, is very important not only in the setting up of a definite program for the veterans, but also in order that they may know in advance what to expect. Therefore, it is urgent that the consideration and passage of this bill should not be delayed.

After World War No. 1, we did not provide a complete program for the rehabilitation of our veterans, and the treatment given them was most inadequate because, as a matter of fact, their welfare was not given serious consideration. I recall how the boys were recruited, marched off to the stations on their way to camp with much fanfare and public enthusiasm—but with their duty performed and return home, they were mustered out, quickly forgotten and left, more or less, to seek their own rehabilitation. Of course, from time to time, some benefits were given to them in a piecemeal way; however, an over-all complete program was never adopted.

Many of them had lost their educational and earning status causing them to drift into channels of want and neglect. I thought then that it was the duty of our Government to have provided a substantial program for their rehabilitation.

My views have not changed, and I am indeed happy to join in this legislative program which has been proposed to give aid to these returning veterans when they again enter civilian life. I do believe that all the veterans, particularly the young, many of whom have been taken from schools and professions, and others taken from their daily callings, should be placed back in their former undertakings, if they so desire.

I believe that men who go into combat and face all the hazards and dangers to their lives must, in many instances, receive quite a mental shock. These veterans and those who become disabled are most deserving and should have the very best treatment possible. We must see to it that we have adequate hospital facilities for all of our veterans who may need care—and in this, we should not be too picayunish nor too slow in providing adequate facilities to meet any and every demand.

The Constitution gives every man the right to life, liberty, and the pursuit of happiness and we, therefore, should make it our solemn obligation to see that the veterans are properly rehabilitated and given the same opportunities, if not better, than they had when they left for the service; for have not many of them died so that America may live and her Constitution be preserved?

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, throughout the days of debate on this bill of such great importance to the veterans of this war, to his relatives and to the Nation, we have really seen legislative democracy in action in its best form. Here the Members of this body grateful to the defenders of this Republic have been testing every line and paragraph of this bill in an effort to chart a plain understandable course, free of the delays of bureaucratic administration, a bill that will render the greatest aid to the veteran when his services are no longer needed.

Its first objective is to take care of the disabled man, and secondly to make it easier for the remaining millions of them to again take up their broken plans of civilian life and rebuild for the future.

Able men have differed and contended for their viewpoint, some compromises have been reached, every contention and every compromise being resolved in the interest of the veteran.

This bill represents the best efforts and the greatest composite ability it is possible for the Members of this House to bring to bear upon this most comprehensive subject. Mr. RANKIN, the able chairman, and the Veterans' Committee, as well as Mr. BARDEN'S committee, collaborating on the educational features of the bill, are all to be congratulated. Their efforts and contributions will bring to our statutes the most helpful, the most encouraging, and the most comprehensive piece of veterans' legislation ever conceived in this Nation.

It is a bill that seeks in a most practical and democratic way to render quick and practical aid. It offers almost every possible aid to the disabled. It will help the returning soldier to go into business, to buy a farm, or to embark in most any endeavor. It provides loans but does not set up one or a half dozen bureaucratic lending agencies. He can borrow from his bank, building loan, or from his neighbor. Billions will be loaned in this way in the various villages, not from Washington, but from private banks and loan agencies.

If his schooling has been delayed by reason of his entering the military service, there is provided substantial aid for further education, and he can select his

own school whether it be a high school, trade school, or college.

Mr. Chairman, this bill which got its inspiration from, and had the support of the American Legion, Veterans of Foreign Wars, and most every other patriotic organization will, I am sure, meet the main objectives they sought and will go down in history as a most wise piece of legislation in an effort to aid the men who are making a heroic and winning fight to protect and save the liberties of the people and this Nation.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 30 minutes to the gentleman from Ohio [Mr. JEFFREY].

Mr. JEFFREY. Mr. Chairman, I wish to direct the attention of the House again to what has already been very well stated, that is, the fundamental, underlying principle of this bill.

At the close of the First World War there was mustering-out pay for the veterans, and some years after there was adjusted compensation, which took the form of money, long after the period of greatest need had passed. This is a departure from any such scheme. It is an attempt immediately upon the mustering out of the individual veteran to help him to help himself. To that end there have been devised various titles or sections of the bill which will fit insofar as possible the various needs of veterans of all types.

It is not a perfect bill, as all the members of the committee are very well aware. It is, nevertheless, a bill which has been given much thought, and I think it makes the proper approach to a question which is of far greater importance, not only to the veterans, but to the country at large, than any other that I know of confronting the country today.

I think credit should be given publicly again to the American Legion because it was that organization that furnished the inspiration for this bill. As a result of their studies, a measure was introduced both in the Senate and the House. This measure today is endorsed both by the Legion and by the Veterans of Foreign Wars. It was refined in the Senate, and I feel that it is not too much to say that it has been further refined in the House Committee on World War Veterans' Legislation.

I should like to direct for just a few moments your attention to some of the suggestions that have been made with respect to the various titles of the bill. First of all, it has been suggested that not sufficient emphasis has been placed upon relief for the disabled veterans. I am sure all of us will agree that our first duty and the first obligation of this Government is to the disabled man. In reply to that suggestion, may I point out that the very first section of this bill deals with hospitalization. It is true that the Senate version of the bill carries the figure of $500,000,000 for the construction of additional hospital buildings and facilities. That was stricken out in the House committee, and, I personally feel, very wisely, on the basis of the testimony that was given to us.

It is probable that that sum is too high, yet it is wholly unimportant whether that amount be small or large. Whatever sum may be necessary for hospitalization and for adequate care and attention for the disabled veterans of this war must be promptly and willingly provided by a grateful government. That is exactly what the measure seeks to do as it has come out of the committee.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield to the gentleman from Iowa.

Mr. JENSEN. In other words, this bill provides sufficient funds for new hospital facilities to any degree which is necessary.

Mr. JEFFREY. In reply to the question of the gentleman from Iowa, may I say that of course this is not an appropriation bill and it does not appropriate any money. By the express terms of the bill it authorizes such sums as may be necessary for hospitalization, and there is no limitation, great or small, on what that may be.

Mr. JENSEN. The reason I mentioned an appropriation is that, as a member of the Committee on Appropriations, I always think of bills as being appropriation bills.

Mr. JEFFREY. I am sure the gentleman realizes the distinction very well.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It seems to me to be very much wiser to have the authorization for $500,000,000. Then we know that the Board of Hospitalization, of which General Hines is chairman, will go ahead and build up to that amount if needed. Otherwise we really have no assurance that the building will be done. I thought it was very important when I introduced the bill. I know the Veterans of Foreign Wars are very insistent that that go into the bill, and it was the thought of many Members along that line.

Mr. JEFFREY. I recall that the gentlewoman discussed that matter, and very well, in our committee meeting. There is much to be said on the other side. The point I wanted to emphasize is that this committee in attempting to deal with the disabled veterans in the very first section of the bill has put no limitation or brakes on whatever, and I think that is commendable.

Mrs. ROGERS of Massachusetts. Under the present set-up with the Board of Hospitalization, General Hines has the authority to build as needed, but he did not go ahead and build as the need was there and we do not have the hospitals. There is a shortage of hospital beds today and in my opinion there will be a big shortage when the big drive actually comes.

Mr. JEFFREY. I think the Members of this House are entitled to some information with respect to those facilities, and I believe this information was not given to us in confidence. Testimony was given to the committee to the effect that as of the spring of this year there were in excess of 71,000 hospital beds available to the Veterans' Administration.

I want to point out this further provision of the bill which, I think, is extremely important. There has been a suggestion that legislation was not needed. But I think in line with Mrs. ROGERS' suggestion, it is, and it is included, that is, this bill in its first section further authorizes and provides legislation or a legislative direction for exchange of facilities between the Army and Navy and Veterans' Administration. It has been estimated, and testimony has been given to our committee that there will probably be as many as 100,000 beds, over a period of time, to be sure, available from existing Army and Navy facilities which can and will, under the provision of this title of this bill, be made available to the Veterans' Administration.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield to my good friend the gentleman from Indiana.

Mr. SPRINGER. I wish to compliment the gentleman and the members of the committee upon this piece of legislation which is now presented to the House. I want to call his attention to section 105, which is to be found on page 47 of the bill. The gentleman will recall, and many others in the House will recall, the experience following the last World War, when many of our boys were discharged from the service and they were presented with a certificate to sign with respect to their physical condition. Ultimately those signatures were offered against them when they presented the question of securing compensation. I want to compliment the gentleman and the committee on correcting that entire matter in section 105, because it provides that any such statement against the veterans' own interest signed at any time shall be null and void and of no force and effect. I think that is a splendid provision. I want to compliment the committee upon retaining that provision in this measure.

Mr. JEFFREY. I am sure the committee appreciates the words of the gentleman from Indiana. The gentleman from Iowa, who is a member of our committee, is the author of that language. In amplification of what has been said, we found, as the testimony was given to us, that practice was continued in this war, and men on discharge were being asked to sign a statement which, with a very human desire to get out and a very ready willingness to sign anything under any circumstances in order to get out, placed a very unfair burden on the soldier. So that specific piece of legislation was written in.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. CUNNINGHAM. I do not wish to consume the gentleman's time, but in connection with what the gentlewoman from Massachusetts [Mrs. ROGERS] said, about $500,000,000, is it not true that the bill as it now is, authorizing whatever money is necessary, will permit the Administrator to go all-out in the purchasing of prosthetic appliances and instructions in the use of them? There is no limitation.

Mr. JEFFREY. There is no question about that.

Mr. CUNNINGHAM. Is not that a better provision than if we had a limitation in the bill?

Mr. JEFFREY. I personally feel it is preferable, although as has been indicated, there was a difference of opinion in the committee. I feel it is wholly unimportant whether it costs little or much. The proper discharge of our obligation to the disabled veteran is and must be the first consideration, and the cost of it is entirely inconsequential. That is why I like that particular provision of the bill as amended in the committee.

I would like to call the attention of the membership to another provision, in view of the suggestion that the disabled man has not been properly cared for. It is now written in, if this bill is adopted, as specific legislation, that second only to the Army and Navy, the Veterans' Administration has priority both on materials and personnel, and that is as it should be. There are already, as has been indicated, considerably over a million men and women discharged from the service to date and the Veterans' Administration has been handicapped both by lack of material and personnel. This provision, it seems to me, is needed as definitive legislation. Now, I do not want to spend a lot of time because much consideration already has been given, but I want to discuss briefly title II or the section dealing with education. I would like to add just this thought, however, to what has already been said. It is axiomatic that if you want good government you must centralize responsibility. There is much criticism throughout the country on the form of some of our county governments. I think in many cases that criticism is justified. The reason is because the ballot is too long, because we attempt to elect too many people, too many officeholders, with the result that we cannot centralize responsibility, that the spotlight of public opinion cannot be focused upon the official that should be held responsible. I submit to you, and I do this with all deference, because I realize not only the immense amount of work, but the ability and the experience of the gentlemen on the Committee on Education who have labored so long and so well with respect to this legislation, I submit to you, Mr. Chairman, that there is a fundamental difference that cannot be reconciled in title II of the veterans' bill dealing with education and the measure introduced by the chairman of the Committee on Education; that is, instead of centralizing responsibility and thereby enabling public opinion to hold the proper official responsible for his acts in the administration of what, to my mind, is almost the most important section of this measure, that responsibility under the Barden bill has been diffused.

I would point out to you and the distinguished gentleman, the chairman of the committee very properly said on this floor yesterday that in the last analysis the responsibility must be centered some place; and it is. It is, under both bills. If you will bear with me for just a moment, I would like to call your attention to the Barden bill, on page 16, where it says in line 10:

> It shall be the duty of the director, with the assistance of the advisory council—

And then skip down, please to the paragraph numbered 2, in line 14:

> examine State plans submitted for approval and approve those State plans which meet the requirements of section 8.

Then turn back to section 8 and read section 8, particularly where it starts on line 21, of page 23, and says:

> To be approvable—

By whom?—

> To be approvable under this act a State plan for education and training shall—

Then skip over to paragraph 3 on page 23, and read, if you please, the Barden bill:

> contain such provisions as to the qualifications of personnel for appointment in administering such plans as are necessary to the establishment and maintenance of personnel standards—

And then in that same paragraph they go on and say:

> The duty of the agency in approving a plan shall be—

So and so.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. JUDD. That is the essential part, go ahead and read the rest of it; that is the key to it.

Mr. JEFFREY. I would be glad to yield to the gentleman from Idaho but if the gentleman from Minnesota [Mr. JUDD] thinks that that is the key to it I want to read it, because I want to emphasize it. If that is the key I feel sorry for the door.

Mr. WHITE. I shall be glad to defer my question.

Mr. JEFFREY. The rest of the paragraph reads as follows:

> The duty of the agency in approving a plan shall be solely the determination of whether the plan contains such provision, and the agency shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provision.

If you will turn to page 24, paragraph 6, you will find:

> Provide for the appointment of an advisory committee which shall be broadly representative of the various types of approved educational or training institutions.

Before I yield to the gentleman from Idaho [Mr. WHITE] I want to make this observation, if I may use this homely figure of speech: When you make hash you can put in beef and you can put in pork; but when you get it all cut up and mixed together, it is difficult to differentiate between the two, and as someone else has said: "No matter whether you slice it thin or slice it thick it is still hash."

You have got hash in this bill from the Committee on Education, because the committee has labored to tie down the authority and to fix the standards, but I submit, Mr. Chairman, that in the last analysis, after going all the way around Robin Hood's barn, they come right back to the fundamental, which is that responsibility must be lodged somewhere, and in my opinion it comes back in a most unhappy manner to the Veterans' Administration.

Mr. JUDD. Will the gentleman yield?

Mr. JEFFREY. I yield to the gentleman from Minnesota.

Mr. JUDD. It seems to me the gentleman has given the impression that the Administrator or Director of the agency can determine what the personnel, standards, and so forth, are to be, but it says plainly on page 23, line 9:

> The duty of the agency in approving a plan shall be solely the determination of whether the plan contains such provisions.

If it contains the provisions that suit the State, then he has to O. K. it. Whether they are good, bad, or indifferent, it is mandatory that he O. K. it, if he can show that the State board of education, or whatever agency is designated to be in charge, has made certain basic provisions that suit it. He has nothing to say whether they suit his ideas or not. That is plain.

Mr. JEFFREY. It is plain to me that the gentleman has put his interpretation on the bill, but, unfortunately, I assume, he is not going to administer the bill. Of course, the gentleman is entitled to his interpretation, but I submit, Mr. Chairman, that if you will read this bill calmly, you must, as the distinguished chairman of the Committee on Education said yesterday, lodge responsibility some place. You cannot get away from it. If I am wrong in my contention and in my conclusion, then may I humbly submit that the Barden bill is worse than I thought it was. I would hate to feel that an immense educational program of this type, affecting the rights and welfare, not only of millions of veterans but, if you please, really affecting the welfare of this country for many years to come, was embodied in a bill which had centralized authority nowhere. The most charitable thing that can be said about this bill is that it has divided authority to the extent that no real responsibility results, and public opinion in this country will be unable to hold responsible any agency, State or Federal, for its proper administration or its maladministration.

Mr. BARDEN. Will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. BARDEN. I would like to say to the gentleman that the responsibility for this act was lodged in Congress. The American people will not be satisfied with the conduct of Congress unless we begin to specify and restrict and replace various duties on the various officers in plain English language. Paper and ink has proven to be much cheaper than to take care of the mistakes.

Mr. JEFFREY. That is one of the basic weaknesses of your bill. It takes a lot of paper and ink, and in the end it attempts to function without placing responsibility any place.

Mr. BARDEN. The gentleman knows this law is already on the books in Public Law No. 113.

Mr. JEFFREY. No. I do not agree with your interpretation of Public Law No. 113, at all.

Mr. JUDD. Will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. JUDD. Most of the language which the gentleman has quoted is taken verbatim from Public Law No. 113.

Mr. JEFFREY. That is correct.

Mr. JUDD. But unquestionably there has to be control, and, as in most things in the United States, there is divided control. Hitler has unified control. We have the United States of America; not united people, but the United States of America. There is divided control. We believe that the major part of the control ought to be in the State boards of education, and the minor part in the Veterans' Administration, which has many other very, very important activities. There is just the difference. The committee feels that the major control should be in the Veterans' Administration, which ordinarily is not an educator and which is busy with other things. There is the real difference.

Mr. JEFFREY. That is exactly what I think, that the final responsibility should be lodged with the Administrator of Veterans' Affairs. I thoroughly agree with the gentleman on that point. I disagree with him when he says the committee bill sets up Hitlerian control. On the contrary it sets up a system of checks and balances, which is fundamentally good government; and I will tell you why. The very salutary provision is written in the bill that the State agency, whether it be the board or director of State education, shall select the schools, and then—and I emphasize again, the Veteran's Administration has no authority whatsoever to strike a single school from that list. The Administrator of Veterans' Affairs can only add to it. That is what I call a system of checks and balances that works and works in the interest of the veterans, rather than in the interest of 48 additional State bureaus and an additional Federal advisory agency. It is simple and practical.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mrs. ROGERS of Massachusetts. Does it not seem to the gentleman that this board that will be appointed, the State advisory boards, under the so-called Barden bill, would, in fact, eventually control the board of education?

Mr. JEFFREY. I agree thoroughly with the gentlewoman from Massachusetts. For my part, I do not want any board or advisory board. As the committee bill provides, I should like to see, and I believe it is in the best interests of the proper administration of this bill, responsibility centralized. In the event that the Veterans' Administrator needs assistance, he is empowered under the bill to get it. I do not think he needs, and I think it would impede him to have, one of these advisory commissions, another agency set up, simply to stand in the way of the proper administration of this bill and to further impede centralization of authority and to further hinder the spotlight of public opinion from being focused upon a single-headed administrator.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. CUNNINGHAM. Does the gentleman believe that the application of the Barden bill would discourage the veteran from even trying to get an education?

Mr. JEFFREY. I believe the Barden bill would have that effect. The experience of the veteran in the past has borne that out. They have fared best when relying upon a single source of aid. Many of you gentlemen know, from much longer service than I have had, that assistance to veterans has functioned far better since a single-headed administration was established some time in the thirties, than prior thereto. I think every veterans' organization in the country agrees with that. In my judgment it is a fatal mistake to depart from that principle which is founded in bedrock experience, particularly in a bill which is so vital and of such large-scale importance.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. MURDOCK. The gentleman said that the director, under the committee bill would not be permitted to strike a single school from the list, but he would be permitted to add to the list.

Mr. JEFFREY. Right.

Mr. MURDOCK. Would he be enabled under the committee bill to dictate concerning courses or enter in any way into the internal management of a college?

Mr. JEFFREY. I am glad the gentleman asked that question. Even at the risk of repetition I am going to direct your attention to page 55, paragraph 6, in the committee bill:

> No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control whatsoever over any State educational agency or State apprenticeship agency or any educational or training institution.

If the gentleman can suggest any language which will make it broader and more final than that, I am sure the committee will be glad to accept it.

Mr. MURDOCK. One further question on that same language. That does not have reference to any school supported by the United States Government, such as the Indian schools?

Mr. JEFFREY. Oh, no.

Mr. MURDOCK. They are not included within this so as to prevent Indian veterans from utilizing their Indian schools?

Mr. JEFFREY. No; because it specifically says in carrying out the provisions of this part, which is a part of this bill.

Again, at the risk of repetition, I direct your attention to the top of page 54, which says: "which schools and institutions."

No discretion, no latitude whatsoever.

> And such additional public or private schools as may be recognized by the Administrator shall be deemed qualified to enroll eligible students.

If you can fix more definitely control of the educational system in the States than you do in the foregoing language—the bill is not perfect and the committee does not say that it is—I am sure the committee will be glad to receive the suggestions; but I submit that it is a vast improvement over the Barden bill.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. JENSEN. Before the gentleman completes his discussion I wish he would give us as much information as possible on the lending provisions of this bill.

Mr. JEFFREY. I want to discuss that for just a few moments.

Mr. Chairman, the Senate bill provided for a loan by the United States Government to any eligible veteran. But I shall not go into the question of eligibility. The money could be used to repair a home, to purchase a home, to purchase a farm, or to repair buildings on a farm, or for the purpose of engaging in business. See what that did: That put the United States Government, if you please, through the Veterans' Administration, in the business of making loans. I believe it is not an exaggeration to say that if that provision were adopted in that form our United States Government would be the greatest single lending agency in the whole world, because there will be something like 13,000,000 men and women eligible to apply for loans under this act. None of us knows how many will apply.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. WRIGHT. I agree with the gentleman; I do not favor any extension of the functions of the Federal Government as a lending agency. I think it is only fair, however, to call to the gentleman's attention that the Congress in the past has enacted laws of that kind, notably the H. O. L. C., the R. F. C., and the crop loans. I think it is probably better that the Government guarantee the loans as it does in the bill that the gentleman is expounding, because it also does under the F. H. A. provision of the Federal Housing Act. But I am just wondering if it would not be possible to scale down the interest rates, or the maximum of 6 percent and still make sure that the veterans will be able to get these loans.

Mr. JEFFREY. I will discuss that in just a moment. I appreciate the remarks of the gentleman that he feels the Government should not engage further in the lending business at this time. The effect of the bill as it passed the Senate would be simply to place the United States Government in competition with every lending agency in the United States, banks, savings institutions, building and loan associations, and every other kind. Talk about the creation of a new bureau and a new bureaucracy, it would be difficult to conceive one that would be greater and it would be difficult to conceive one which would be more directly in competition with, that would tend in greater degree to throttle, private enterprise than that type of lending agency. So the committee struck that provision out entirely. I think we are all in agreement that the lending service for the veteran as a principle is very good; we all want to see it; it is merely a question of method. So as a substitute the committee has provided that instead of having the United

States Government become the biggest lending agency perhaps in the world, that a veteran may apply to any person, firm, association, or corporation, or for that matter to any existing governmental agency or corporation either State or Federal for a loan, and in the event that his loan is approved then the Government through the veterans——

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the gentleman is making a very interesting and informative statement. I ask unanimous consent that his time may be extended 5 minutes.

The CHAIRMAN. A unanimous-consent request for extension of time cannot be entertained for the reason that time is under the control of the gentleman from Mississippi [Mr. RANKIN] and the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. How much additional time would the gentleman like?

Mr. JEFFREY. Five minutes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. JEFFREY. I do not think any one of us want to preclude the veteran from getting a loan. We want to make it possible for him to go to any private lending agency or to any existing Government lending agency in his State or any other State, and if that loan is granted to him, a simple form will be filled out requesting the guaranty. I believe all private lending agencies will be interested in this business. The application will not be sent to Washington, because this section of the bill specifically provides that—

> The Administrator may delegate authority to a subordinate in each of the States to pass upon these loans.

In other words, an attempt has been made to make the guaranty as simple as possible and as easy as possible and to eliminate as much red tape as possible. The Government may guarantee any loan up to 50 percent. There is a maximum to the guaranty on any loan or loans of $1,500, because the veteran may very well get more than one loan for any one of these very proper purposes.

The measure further provides—and this, of course, is carried over from the Senate bill—that the interest on the portion of the loan or loans which the Government guarantees shall be paid by the Government for the first year.

The gentleman has inquired as to why in the lending title the greatest amount of interest on any loan which the Government may guarantee has been fixed at 6 percent. That was the subject of extensive discussion in the committee and some testimony was developed on the point. Unfortunately, or perhaps fortunately, when this House writes legislation it must be written for the whole country and so we are necessarily forced to face conditions which prevail not in one particular section but in all sections. It was developed in testimony before the committee that if we were to restrict the right of the Government to guarantee loans with interest rates of less than 6 percent it might very well result that in some cases we would preclude the veteran from having his loan guaranteed. There is no thought or purpose in this act to provide that the veteran shall pay as much as 6 percent on his loan.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. JOHNSON of Oklahoma. The fact that it does say a maximum of 6 percent will become the minimum as well as the maximum. Does not the gentleman believe that could be reduced to 4 percent and at the same time do the job?

Mr. JEFFREY. The gentleman from Oklahoma has asked a very good question. That same thought was echoed in the committee, that if the maximum was fixed at 6 percent it would be likely to become "the" percent, not necessarily, but there was that probability. Several answers were suggested. First of all, it is common knowledge that today financial institutions, particularly banks, insurance companies, building and loan associations, and so forth, are bulging with money. Their problem is not to make collections; their problem is to make good loans. It is anticipated, and I am one who believes, that this country will enjoy a period of prosperity at least for some time after the termination of this war; at least we like to believe that that condition will exist during the time that loans will be guaranteed under the provisions of this act. If this be true—and I think it will be true—there will be competition among various lending agencies for the privilege of lending this money. I submit to the gentleman that if $3,000 is loaned, secured by a first mortgage on a modest little home, of which the Government guarantees $1,500, if the loan goes bad, so to speak, and the lending agency is forced to foreclose, even if the improvement on the property had depreciated 50 percent, the lending agency still could not lose a penny. That kind of loan is very attractive, and I am inclined to believe that the law of supply and demand, the law of business competition, will enter into the operation of this act and that there will be a very decided tendency to reduce the rate of interest, although I am not at all sure of the reaction of this measure any more than is the gentleman. Many of us share the apprehensions he has expressed. If in the wisdom of this House it should reduce the rate of interest to 5 percent, or any other percent that will express the judgment of the House, I feel sure the committee will be satisfied, except I hope we shall do nothing which will make it impossible for worthy veterans to obtain loans in certain portions of the country.

Mr. LEFEVRE. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. LEFEVRE. Who approves the loan the veteran wants?

Mr. JEFFREY. That is purely a matter of private enterprise. That is purely a matter between the individual veteran and the local institution.

Mr. LEFEVRE. The bank?

Mr. JEFFREY. Yes.

Mr. LEFEVRE. How much must he reduce his loan annually, or how is that arranged?

Mr. JEFFREY. The only restrictions which the committee have written in are, first, that the rate of interest shall not be more than 6 percent per annum and, secondly, that the loan must be payable in full in not more than 20 years.

Mr. JENSEN. Will the gentleman yield?

Mr. JEFFREY. I yield to the gentleman from Iowa.

Mr. JENSEN. I think it is the desire of the Congress to be equitable as far as we possibly can between the veterans who want an education and who take advantage of the educational provisions, and those who would desire loans.

Mr. JEFFREY. Yes.

Mr. JENSEN. I think the gentleman will agree that those who take advantage of the educational provisions in this bill or benefits in this bill are going to receive greater benefits than those who take advantage of the loan provision. I am not opposing the educational provisions, understand, but I am speaking only from an equitable standpoint.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEARNEY. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. JENSEN. I am wondering if we cannot make it just a little more equitable by giving those veterans who ask for the loans a 2-year period free of interest on the amount that the Government guarantees rather than just the 1 year. One year, after all, is a very short period.

Mr. JEFFREY. At the most it would be $90.

Mr. JENSEN. It is a very short period in which a veteran can adjust himself. I know that we do not want to get too liberal and the veterans do not want us to, because, after all, it is their money, it is their future and they are going to have to pay back a great share of it; nevertheless, to get started, does not the gentleman think it would be fair to give him 2 years free of interest rather than just 1 year? That would sort of even up this interest rate, which may sound rather high and it may be rather high.

Mr. JEFFREY. Personally, I would not oppose such provision, although I think we proceed on the wrong basis if we compare the benefits of any two sections of the bill. Certain veterans may obtain more benefits under one than under the other.

I want to call your attention again to what has already been brought out on the floor, and that is section 1505, the last section of the bill, which provides that in the event at any future time adjusted compensation is authorized by the Congress to these veterans, then and in that event any and all benefits of every type which have accrued to any veteran under the provisions of this bill, including any sums that the Government may have had to pay off in making good a loan, shall be deducted from the amount paid to that veteran under any adjusted-compensation measure. I hope that provision will be followed, because it is a sincere attempt to equalize and make fair the provisions of this measure to the man who through force of circumstances is unable to take advantage of the educational facilities or who is perhaps unable to take advantage of any of the

other benefits. You can very well visualize as can I a veteran who will return, who has no need or who feels he has no need for education, who does not want to buy a home, is not equipped mentally, physically, or otherwise to go into business, and does not need the unemployment-compensation provisions of the bill because he can walk back and put his hand to the machine and get a job. That man will receive no benefits under this bill. So I hope that last section of the measure will be adopted for its effect in the future. It is simply an attempt to equalize benefits to all.

In closing, may I say that I recognize the imperfections of this bill. But it blazes a new trail in veterans' legislation. Instead of giving the veteran a piece of money, great or small, at some distant date, this measure attempts to discharge, insofar as it may be possible, the Government's obligation at the time when the man's need is the greatest, immediately after he is mustered out, in terms of self-help in helping him to help himself, which is the American way.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, at the very outset I desire to express my personal commendation to the distinguished chairman of the Committee on World War Veterans' Legislation, and to the members of that committee, for the timely presentation of the pending measure, S. 1767. Your committee has worked many long and tiresome hours upon this measure, which appears to me to be praiseworthy. While there is no perfect piece of legislation, and this measure is, without doubt, imperfect in many particulars—yet, it appears to be far preferable to the bill which came here from the other body, and, at the moment, it appears to meet the situation squarely, and I am convinced if this measure is passed by the House it will redound to the ultimate benefit of the veterans of this war. Of course, if there are imperfections embraced in this measure, they can be corrected with ease, and those imperfections can only be determined by and through the experience resulting from a trial of this law, if and when it becomes a law. I desire to express my approval of this measure, and it is my intention to support it for final passage.

Mr. Chairman, it is my desire to do all within my power to aid our veterans. They are engaged in fighting this war. They have bared their breasts to the enemy bullets. When they come back they are entitled to the expressions of gratitude from a grateful people and a grateful Nation. Too, I am confident every Member of the House has the same kindly feeling for every veteran. When this war is over and our soldiers, sailors, and marines come home again—and may that gladsome day soon come—we will face the very serious problem of rehabilitating them. With the huge Army and Navy we have employed in this war, and with the normal percentages of disabilities resulting from their service, we will be faced with those who are physically and mentally sick, with those who suffer from the distress of wounds and from the scars of battle, with men who have left their jobs in the factory, mill, store, and on the farm, and with distress and want which ever stalks in the wake of war. Every grateful nation extends ample and proper care to her veterans of all wars. Our country is no exception in this particular. It is our sacred duty to amply and properly care for our veterans, and we owe a special duty to care for the sick, the distressed, and the disabled veterans of this war. Those who are disabled by reason of their service in this war must be first cared for, and all those who have served and who have suffered great loss by reason thereof must be rehabilitated and have gainful occupations restored to them. The Congress of the United States will not permit the veterans of this war to be forced to go about upon the streets selling apples in order to gain their sustenance when they come home from this war. This is truly a frightful war. Untold misery and suffering will result from it. We must prepare to meet it, and to relieve that misery and suffering insofar as it is possible to do so. This measure, which is now before the House, will aid materially in accomplishing that desired end. While this measure may need some amendments in order to accomplish the desired end, yet those amendments will be proposed and determined during the reading of the bill, I am certain.

Mr. Chairman, many of the committee members, and many Members of the House, have engaged in the debate on this bill. The measure has been fully and thoroughly explained, and I am convinced every Member has been fully advised of the merits of this proposed legislation. I will not burden the House with any exhaustive explanation of this measure. I prefer to touch upon but a few of the provisions of this proposed legislation which will be of some material benefit, I hope, to those who are interested in this bill.

It has been estimated that the total cost of this measure will amount to approximately $6,510,000,000. While that estimate may be in error, yet that gives the approximate estimate annually, and while that is a huge sum of money, yet war takes its toll, and war calls for readjustments. The lives and the opportunities of our boys and men are involved—and they made the sacrifice, and they waged the fight for our country. Under the title I, which provides for hospitalization and claims and procedures, it appears that the subjects therein contained have been treated adequately and completely.

Under title II of this measure, I am convinced the provisions with respect to education and vocational rehabilitation are far superior to those kindred provisions which were enacted into law following World War No. 1. Now is the proper time to enact legislation on this subject. It would be entirely too late to enact legislation on the subjects of education and vocational rehabilitation after this war is over. Many of our veterans of this war are now being returned, suffering from disabilities of every kind, and who, by reason of the nature and character of their injuries, will be unable to render further service during this war. When this proposed legislation is enacted into law, those who have been returned home will become eligible under the provisions of title II of this measure. When they are physically able to do so, they will be able to begin the work of preparing themselves for the future. Those veterans will not be required to await the termination of this war before they start upon this program of education and vocational training in order to, in a measure, rehabilitate themselves for the future years. The provisions under this title will be met with enthusiastic approval by the Members of the House, I am certain.

Title III, of this measure, makes provision for the guaranty of loans made for purchases of farms, homes, business property, and farming equipment. In the other body, the loans were provided to be made direct to the veteran, and the limit was fixed at $1,000. However, no discretion was vested in the Veterans' Administration to either approve or disapprove of any of such loans. The pending bill, reported by the committee in the House, places the full responsibility with the Administrator, but he is authorized to utilize the services of any State or Federal agency to assist in determining the action he will take. Under this provision guaranteeing such loans the limit is fixed at 50 percent thereof, and the limit in the amount of the guaranty is fixed in the sum of $1,500. No security is required for such guaranty, except the right to be subrogated to the right of the holder of the obligation guaranteed. The Administrator approves the terms and conditions of the payment of the loan, which shall be repaid in full in not more than 20 years, and the same shall be obtained at a rate of interest not exceeding 6 percent, depending, of course, upon the agreement made between the veteran and the lender.

Mr. Chairman, these provisions will be found to be helpful to our veterans. The provisions of this measure, which I have here mentioned, and the other provisions therein contained, will make possible the proper and adequate aid to our returning soldiers, sailors, and marines. When they return, we want them to return to our country with opportunity before them. We want them to have jobs, and we want them to have the opportunity to engage in business, and we want them to take their places as honored and respected citizens in our land—the land which they have aided so materially in perpetuating and keeping it free for the future. It is our fervent hope that they will quite soon be returning to us—that this war will be over, and victory will be ours. We owe a deep debt of unforgettable gratitude to them, and we will by the passage of this measure pledge to them our continued aid in rehabilitating them in the arts and trades of civil life, after a service faithfully and honorably rendered

to their country. We cannot do less for them. As the years come and go, we will never turn our backs upon the defenders of our Nation—those who have contributed so much to aid in making our country the greatest nation on the face of this ancient and kindly earth.

Mr. RANKIN. Mr. Chairman, I yield such time as he may desire to the gentleman from South Carolina [Mr. McMILLAN].

Mr. McMILLAN. Mr. Chairman, our committee has worked continuously practically every day during the past 3 or 4 weeks in an effort to bring to the floor of the House a veterans' bill which will first of all grant adequate compensation to the veterans who have been or may be disabled during the present war. The able-bodied veteran who returns to this country after the war, in my opinion, will not be dependent on the Government or anyone else for a livelihood. In my opinion, any man who has sufficient intestinal fortitude to face the cold steel, as our young men are facing it today, will not ask their Government for a penny unless it is absolutely necessary.

Our committee has made a desperate effort in the proposed legislation before the House for consideration to put the veteran in as near as possible the same position in society and among his former coworkers as he would have been had it not been for his service in the armed forces of the United States. We have also endeavored to give every soldier an opportunity to complete his education after he returns from service. We feel that any soldier who is desirous to continue his education after the war should be given an opportunity at the expense of the Government. We also feel that he should have the opportunity to attend any high school, college, training school, or private school in the United States. He should not be limited to make his selection from a list of schools submitted by the United States Department of Education, as this, in my opinion, is a matter for the State department of education in every State to determine. Our State educators are certainly better qualified to know the qualifications of every school within their respective State than any member of the Department of Education located here in Washington.

We have also set out numerous benefits for veterans in this bill; however, it is my sincere hope that our Government will make arrangements to take care of the disabled veterans first. This Congress has done a great deal toward correcting a number of irregularities placed upon veterans of previous wars and I am glad that the veterans of this war will not be compelled to wait for legislation to be passed to assist them in readjusting themselves when the war is over.

I have been a member of the American Legion in South Carolina for a number of years and always enjoy working for the veteran. However, I do not believe we should try to write all the legislation pertaining to veterans until the war is over, thereby giving the veterans of this war an opportunity to join hands with the American Legion and let their wishes be known to the Members of Congress. I personally have not had a single letter for or against the bill before us now for consideration from a veteran of this war; however, I know they will appreciate our providing educational facilities and hospitalization for them so they will be available immediately upon their return to their respective homes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, I have asked for this time merely to suggest several amendments, as I am heartily in favor of the pending bill.

On January 20, 1944, I introduced a bill which would grant forgiveness to veterans of income taxes which they might be liable for at the time of their induction. I did that purposely because many of these boys will come out of the service with an income-tax debt hanging over their heads, and while most of these boys are young and perhaps will not owe much there will be some of them who are married and who will owe several hundred dollars. It is not fair to them to start off in their struggle to get back on their feet with a Government debt hanging over their heads.

I appreciate that a point of order can be raised against my amendment because properly it is a tax matter, but I trust it will be agreeable to the members of the committee and that it will be accepted by the committee. I hope the point of order will not be raised against it.

The bill I introduced and to which I have just referred is as follows:

H. R. 4025

A bill relating to the tax liability of members of the armed forces for taxable years beginning prior to their entering such forces

Be it enacted, etc., That chapter 1 of the Internal Revenue Code is amended by inserting after section 421, the following:

"SEC. 422. Abatement of tax for members of armed forces for taxable years beginning prior to their entering such forces.

"In the case of any individual who enters upon active service as a member of the military or naval forces of the United States on or after May 27, 1940, and prior to the termination of hostilities in the present war, as proclaimed by the President, and who serves therein for a period of more than — days, the tax imposed by this chapter for any taxable year beginning prior to his entering upon such active service which is unpaid at such time (including interest, additions to the tax, and additional amounts) shall not be assessed, and if assessed the assessment shall be abated, and if collected shall be credited or refunded as an overpayment."

Mr. Chairman, the other amendment which I wish to suggest is this. After the First World War liberal provisions were made under the homestead law to the veterans of the First World War. That law expired, I believe, in 1940, if my memory serves me correctly. That provision should again be reinstated so that those veterans who wish to take out homesteads will have the privilege and opportunity of doing so under the liberalized provisions of the Homestead Act which were granted to the veterans of the First World War; namely, the years of their service were permitted as a deduction from the 3-year period required under the original act. This, of course, would give the boys an opportunity to establish themselves in new lands.

Along that line I would further suggest that inasmuch as we have millions of acres of Government lands, new lands should be opened up so that these men can have an opportunity to occupy them in case they want to, and with the aid of Government loans or plants to set them up in business, I think it would be an excellent start for those members who want to go into agriculture.

Mr. RANKIN. Mr. Chairman, we all agree with the eloquent remarks of the distinguished gentleman from Michigan.

I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, had come to no resolution thereon.

Mr. RANKIN. Mr. Speaker, owing to the fact that our time was cut into, I ask unanimous consent that the time for general debate on this bill be extended 2 hours, to be taken up next week at the proper time.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 280. Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort.

The message also announced that the Vice President has appointed Mr. BARKLEY and Mr. BREWSTER members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Navy.
4. Department of War.
5. Civil Service Commission.
6. Federal Security Agency.
7. Office of Price Administration.
8. National Archives.
9. National Housing Agency.

EXTENSION OF REMARKS

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. KNUTSON] be

permitted to extend his remarks and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. PITTENGER] be permitted to extend his remarks in the RECORD and include therein an address by Julius H. Barnes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection?

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and include therein the bill H. R. 4025.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. MRUK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, in one to include an address delivered by my colleague the gentleman from Delaware [Mr. WILLEY] at Wilmington, Del., Sunday, May 7, 1944, before a meeting arranged by the Polish Societies and Clubs of Delaware, and in the other to include a resolution adopted by the Buffalo City Planning Association, of Buffalo, N. Y., on May 8, 1944.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by the commander in chief of the Veterans of Foreign Wars.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

SAN JOAQUIN DEL RIO DE CHAMA GRANT

Mr. FERNANDEZ. Mr. Speaker, in the great press of work which year after year is brought before the Congress by the stress of problems calling for immediate solution, other problems as old as the hills unavoidably remain unnoticed in the background until the small voices of those affected, like a cry in the wilderness, make but little or no impression.

Such is the fate of a large number of old families in the State of New Mexico who, if they remain unheeded and their problem unattended, will in the not-too-distant future end in calamity.

Very briefly, and rather sketchily at this time, I want to give you some of the facts, in connection with a bill which I have introduced—a bill conveying certain lands to the children of children of the first settlers thereon, and who through the years in good faith have believed that that land belonged to them, but to which they have had no title from this Government, despite the good intentions of our Nation as expressed in the treaty of Guadalupe-Hidalgo.

Under that treaty, this Government undertook to protect fully the rights of the then settlers of what became the Territory of New Mexico. In carrying out that intention in good faith, the Congress recognized and confirmed various Spanish and Mexican land grants to individuals and to communities as such. Between 1854 and 1870 the Congress confirmed some 62 such grants.

In the vast majority of those confirmed up to that time, and of those confirmed later, the Congress and the Court of Claims did a good job. But because of certain unfortunate circumstances, in some instances it unwittingly fell short of its full responsibility in carrying out the expressed intention and responsibility assumed by this great Nation.

In its zeal to observe the obligations undertaken by the Treaty of Guadalupe-Hidalgo, the Congress, among other grants, undertook to recognize what is now known as the Maxwell Land Grant to two individuals, Guadalupe Miranda, a former citizen of Mexico, and Carlos Beaubien, a Canadian who settled in Taos, N. Mex., just prior to the American occupation.

To these two men a tract of the best and most beautiful land in northern New Mexico and southern Colorado embracing 1,714,764.93 acres was given through the act of Congress confirming an alleged grant from the Government of Mexico.

For many years these two men did not attempt to occupy the land and the matter went unnoticed by the people for some years. I shall not undertake to express an opinion on the action of Congress in respect to that grant, but the fact remains that by 1870 so much criticism had been aroused that Congress stopped short with respect to other grants then pending, and the reaction from the confirmation of this vast territory to two men was such that the Congress then swung to the other extreme, as it often happens in such cases, much to the damage of many bona fide grantees.

Among these was the claim of a group of families established in Rio Arriba County, N. Mex., under a Spanish grant prior to Mexican rule and American sovereignty. The Spanish Government had set aside for these families and their descendants a large tract of land known by direction of the granting authority itself as the "San Joaquin del Rio de Chama." Under their claim, known as Land Claim No. 71, the Department of the Interior, through the Surveyor General, made a survey of the grant in 1878, and the survey was approved, submitted to the Congress, and the Committee on Public Lands reported out a bill confirming the grant to them.

However, the Congress did not act; but the families remained under the impression that their land had been approved by their new government as surveyed and for many years remained ignorant of the fact that they had not received confirmation of their grant. To this very day, the plat duly approved by the Surveyor General is exhibited by many of them under the impression that the land was theirs, so recognized by their American Government, and that through intricacies beyond their comprehension the Government later took over the land and claimed it as its own.

The fact of the matter is that the grant was not confirmed as approved by the Surveyor General and by the Committee on Public Lands of the Forty-seventh Congress which had it under consideration but that it was relegated to a newly established Court of Private Land Claims—taken there by the action of certain interests who claimed, as so many did in those days, an alleged purchase of the tract from the people.

The Court of Private Land Claims, refusing to recognize anything but the small patches on which the homes and small cultivated pieces were located, and to recognize none of the land used for grazing and held in common under the immemorial policy of the preceding government, approved only 1,422.62 acres for a large group of families, descendants of the 39 families originally settled on the land.

The Supreme Court of the United States affirmed the case, brought not by the grantees, but by a land and cattle company, stating that under the law of its creation it could recognize no vesting of title in the community to common lands but only to the individual allotments assigned to each individual in severalty. It called attention to the fact that Congress alone could, as it had done when it had passed on other community grants directly, confirm title in common to the settlers of the San Joaquin del Rio de Chama community.

Whereupon, the company interested in the litigation abandoned it. It is very improbable that the families concerned themselves realized what was happening to them. It is quite improbable that the Government would have permitted the restricted and incomplete adjudication of the Court of Claims to stand unsupplemented had the matter been properly brought to its attention then or within a reasonable time.

Those families, heirs and descendants of the original 39 families, continued for years in undisturbed possession in the belief that the lands they grazed—and on several portions of which these growing family groups had established additional communities—belonged to them.

When the Federal Government finally exercised its domain over the land, those poor families, appealing to lawyers for help, and without funds to finance an intelligent investigation, have been met with a firm denial of assistance in the belief that this case settled the matter once and forever.

I cannot agree that it did; I cannot agree that this Government is without authority and without desire to do justice in the premises; and I believe this Congress upon investigation will feel as I do.

A total of approximately 351 families are on those lands, now restricted to the point of starvation, all in the face of the fact that the policy of Congress with respect to other community land grants had been liberal and just, and that it had recognized the community grants to lands in common.

The bill I have introduced may be quite imperfect. It may need complete redrafting. It may need amending in various respects to protect the Government's interest and yet do substantial justice. But it is my sincere hope that it may serve as the vehicle through which this problem can be brought to the attention of the Congress and fully investigated through machinery available only to the Congress and far beyond the reach of those old families settled there by the Spanish Government long before Mexican or American rule.

When and if the Congress does, as I sincerely believe this American Congress will, investigate and fully delve into all the history of the San Joaquin del Rio de Chama communities, and the equities in their favor, we shall, whatever the result is, be satisfied. But those good people whose sons have fought in the Spanish-American War, in the First World War, and in this war, and numbers of whose sons are now prisoners of war in the hands of the Japanese, will never, never feel satisfied unless and until this Government of ours does pay heed to their petition for redress, and does look into all the facts with patience and sympathetic understanding. I shall insert in the RECORD at a later date data that will enable the Congress to judge a little better the importance of a hearing—an early one—and complete investigation and action.

ADJOURNMENT OVER AND PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the distinguished gentleman kindly inform the House of the program for next week?

Mr. McCORMACK. I will be glad to.

On Monday there will be the call of the Consent Calendar, a continuation of the general debate on the pending bill, and thereafter its consideration, under the 5-minute rule.

On Tuesday there will be the call of the Private Calendar and the continuation of the debate on the pending bill. If the pending bill is disposed of in the Committee of the Whole, in view of the fact that there are primaries in one or more States on Tuesday, the final vote will not be taken until the following Thursday. The G. I. bill, of course, will be the order of business until disposed of. If debate on the bill and action in the Committee of the Whole is disposed of before Thursday, the following bills will be in order on the program for next week:

H. R. 4219, known as the WASP bill.

H. R. 1744, a bill relating to the widows and children of World War veterans of World Wars No. 1 and No. 2. I understand general debate on this bill will be limited to 1 hour. It is quite probable that it might pass more quickly. It should pass by unanimous consent.

H. R. 4421, the naval authorization bill, debate to be limited to 1 hour.

H. R. 4710, another naval authorization bill, with 1 hour of general debate.

H. R. 4184, which amends the Transportation Act; that is, the repealing of the land grants. Debate will be limited to 2 hours.

H. R. 2539, a bill which amends the Internal Revenue Code in relation to certain alcoholic containers, barrels, and so forth.

H. R. 1117, the Panama Canal bill.

H. R. 4624, the Public Health Service Act.

The conference report on the independent offices appropriation bill will come back to the House with certain Senate amendments regarding the T. V. A. on which the gentleman from Virginia [Mr. WOODRUM] has announced that there will be a separate vote. Whether or not that will come up next week I cannot state but, of course, it would be in order.

It is the intention to start holding sessions on Saturdays beginning next week. If this program is changed any, I will advise my friend from Michigan or my friend the gentleman from Massachusetts [Mr. MARTIN] and advise the House if there is any material change. We are very hopeful, of course, that we will be able to dispose of important legislation, appropriation and other bills, that we must pass on or before June 20 or thereabouts.

We should be practical, and we must be practical and realize that an important function in our set-up is the meeting of the national conventions of both major parties. The Republican Convention is on June 26 and the Democratic Convention is on July 19. It is the hope that our legislative program will be such that arrangements may be made for a protracted recess which will carry over both conventions and probably into August. I do not want to make any definite statement now as to the dates, because that is impossible, but if we are to accomplish the program that we must put through between now and around June 20 we will have to sit Saturdays and probably meet some days at 11 o'clock. There will have to be considerable hastening. Although the House is doing a remarkable job with the program we have before us and that we must pass, we shall have to do considerable hastening.

I make this observation for the information of the Members so that they will realize that the leadership has in mind the recognition of the importance of both conventions and other factors that enter into the practical political life of political parties and all of us at this time of the year, particularly in an election year, which the people themselves recognize, and which, if we complete the important legislative program, will warrant and justify a protracted recess under conditions satisfactory to Members of the House.

Mr. MICHENER. I thank the gentleman for the information. I am sure I can assure him that he will have complete cooperation from this side of the aisle in an effort to bring to a conclusion the necessary business on or about the date he has suggested.

As far as Saturday meetings are concerned, I feel that the Members appreciate that this important business should be taken care of and will be glad to sit Saturdays and longer hours each day if necessary to accomplish the purpose.

Mr. McCORMACK. I appreciate very much the observation of the gentleman. That spirit and that feeling has always existed on the part of the leadership of the minority party, and it is appreciated and valued.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ASSISTANCE TO FARMERS IN FLOOD AREAS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER appointed the following conferees: Messrs. CANNON of Missouri, WOODRUM of Virginia, LUDLOW, SNYDER, O'NEAL, RABAUT, JOHNSON of Oklahoma, TABER, WIGGLESWORTH, LAMBERTSON, and POWERS.

ENROLLED BILL SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4254. An act to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended.

ADJOURNMENT

Mr. RANKIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.), under its previous order, the House adjourned until Monday, May 15, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will hold further hearings on the petroleum bill on Monday, May 15, 1944, at 10 a. m.

The Committee on Interstate and Foreign Commerce will resume hearings on the daylight-saving bill on Thursday, May 18, 1944, at 10 a. m.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Tuesday, May 16, 1944, at 10 a. m., to consider H. R. 4780, a bill to fix the fees for domestic insured and collect-on-delivery mail, and special delivery service. Hearings will be held.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 18, 1944, at 10 a. m., on H. R. 2809, to amend section 511 of the Merchant Marine Act, 1936, as amended. (Ship-construction reserve fund.)

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the Clerk by letter.

Witnesses are requested to notify the Clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 280. Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort; without amendment (Rept. No. 1442). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLMER: Special Committee on Post-war Economic Policy and Planning. Pursuant to House Resolution 408. Resolution submitting the first intermediate report on post-war planning (Rept. No. 1443). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITTINGTON: Committee on Flood Control. H. R. 4793. A bill to provide for emergency flood-control work made necessary by recent floods, and for other purposes; without amendment (Rept. No. 1444). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. COCHRAN:

H. R. 4799. A bill to discontinue certain reports now required by law; to the Committee on Expenditures in the Executive Departments.

By Mr. RANKIN:

H. R. 4800 (by request). A bill to establish effective dates of revisions of the Schedule for Rating Disabilities, 1933, under Veterans' Regulation No. 3 (a), promulgated under the act of March 20, 1933, Public Law No. 2, Seventy-third Congress; to the Committee on World War Veterans' Legislation.

By Mr. ROBINSON of Utah:

H. R. 4801. A bill to promote the more effective participation of all small-business concerns in the war effort; to facilitate their successful adjustment to civilian and peacetime operations; to stimulate and encourage small-business enterprise; and to amend the act of June 11, 1942 (Public Law 603, 77th Cong.), in furtherance of these purposes; to the Committee on Banking and Currency.

By Mr. HAGEN:

H. R. 4802. A bill to provide for retirement as chief warrant officer, upon retirement for disability after 20 years' service or after 30 years' service, of those enlisted personnel who served in the armed forces of the United States during World War No. 2 and who held commissions during that war and later reverted to their enlisted status; to the Committee on Military Affairs.

By Mr. DAVIS:

H. R. 4803. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.; to the Committee on Interstate and Foreign Commerce.

By Mr. POULSON:

H. J. Res. 281. Joint resolution proposing an amendment to the Constitution of the United States relating to marriage and divorce; to the Committee on the Judiciary.

By Mr. MYERS:

H. Res. 545. Resolution to direct the Committee on Interstate and Foreign Commerce, as a whole or by subcommittee, to conduct an investigation for the purpose of determining what action may be taken to bring about a resumption of common-carrier air service for the city of Philadelphia, Pa.; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5666. By Mr. EDWIN ARTHUR HALL: Petitions of the Hall Furlough Club, No. 4, tenth ward, Binghamton, N. Y., and signed by 122 residents of the Thirty-fourth Congressional District, urging the passage of the Hall furlough bill (H. R. 1504) providing free transportation during furlough for members of our armed forces; to the Committee on Military Affairs.

5667. By Mr. ANDREWS of New York: Resolution adopted by the Buffalo City Planning Association, protesting against the enactment of the St. Lawrence seaway and power project as sponsored by Senator AIKEN in Senate bill 1385; to the Committee on Interstate and Foreign Commerce.

5668. By Mr. MICHENER: Petition transmitted by Bessie Hahn, of Blissfield, Mich., and signed by 67 other residents of that community, urging the enactment of House bill 2082, the Bryson bill; to the Committee on the Judiciary.

5669. By Mr. PLOESER: Petition of Joseph E. Kuntz and 47 other petitioners of St. Louis, Mo., protesting against the enactment of any prohibition legislation; to the Committee or the Judiciary.

5670. By Mr. WELCH: Resolution of the joint committee on water problems of the California State Legislature, urging the passage of House bills 3961 and 4485; to the Committee on Rivers and Harbors.

5671. By Mr. DIRKSEN: Petition of the War Mothers of World War No. 2 of La-Fayette, Ill., referring to treatment of servicemen; to the Committee on Military Affairs.

5672. By Mr. HOEVEN: Resolution of Plymouth County Farm Bureau Board, Le Mars, Iowa, urging that the time be changed back to pre-war schedule; to the Committee on Ways and Means.

SENATE

MONDAY, MAY 15, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our gracious Father, before Thy everblazing throne we ask no luster of our own; yea, the rather we bow in the dust of abject failure, asking that Thou wilt grant us the cleansing grace of penitence. Thou hast called us to play our part in a day of destiny and crisis. May we not be found wanting. Save us from being little men in a great day, endeavoring to match the expanding pattern of a new world being born in travail with the outworn conceptions of a world that is dead. Deliver us from the delusion that the peace for which we strive will lead to the past; for the past decreed that the few should live in luxury while the many were doomed to want, that the races of one color should be masters of the multitudes of another.

Through the gates that are swinging on ancient hinges we glimpse revealing new vistas of a fairer world, where humanity shall at last be free from the blood-rusted chains which have debased and degraded those who also are Thy children. Forgetting the unworthy things that are behind and stretching forth to the better things that are before, let us lay aside the weight of every prejudice and the covetous sins that do so easily beset us and with glad and eager feet march with the armies that go to free, not to bind, to develop and not to rule, to cooperate and not to dominate, until the knowledge of the Lord who is no respecter of persons shall cover the earth as the waters now cover the sea. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 12, 1944, was dispensed with, and the Journal was approved.

POSITION OF SENATOR JOHNSON OF CALIFORNIA ON THE CLOTURE MOTION

Mr. VANDENBERG. Mr. President, for the sake of the RECORD, I wish to pre-

sent a telegram from the Senator from California [Mr. JOHNSON], reading as follows:

MIAMI, FLA., *May 14, 1944.*

Hon. A. H. VANDENBERG,
United States Senator from Michigan,
Senate Office Building,
Washington, D. C.:

Because of the circumstances, though generally violently opposed to cloture, I shall vote for it. Will you please obtain pair for me? If unable to obtain pair, announce my stand.

HIRAM W. JOHNSON.

Mr. CONNALLY. Mr. President, if a telegram could authorize a vote to be put in the RECORD, it would be a little different from our custom here.

Mr. VANDENBERG. I am sure that there will be no objection to having the able and distinguished senior Senator from California indicate his position upon the pending legislation.

Mr. CONNALLY. It was in answer to a very urgent wire from the Senator from Michigan, was it not?

Mr. VANDENBERG. It was not in answer to any wire at all. It was voluntary.

Mr. CONNALLY. Very well.

THE POLL TAX

The Senate resumed the consideration of the bill (H. R. 7) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election of national officers.

Mr. PEPPER. Mr. President, I will say by way of introduction that in view of the agreement to vote upon the pending question at not later than 1 o'clock today, it is my intention to consume only 10 minutes, and, if it is agreeable to other Senators, I shall not, because of the limited time, be disposed to yield.

In my advocacy, Mr. President, of the affirmative of the pending cloture issue and of the measure to outlaw the poll tax as a condition precedent to voting for Federa officers, I disclaim alike those who, either by design or excessive zeal in their advocacy of the measure, discredit those who sincerely favor it, and those who would make political capital of the issue. In my former reference I advert to some who have advocated the measure about the Capitol, and in my latter reference I advert to the statement of the Governor of New York. For, Mr. President, it comes too little and too late for the Governor of New York to throw his weight behind this issue when he knows it will not affect the general election in November, when just a little while ago he was so adamant against the right of the soldiers of this country, fighting for its security and its destiny, to have a voice in an election which would affect probably his personal political ambitions. No, Mr. President, he comes to the side of this cause, as he comes to the side of those who believe in international collaboration, too late to be of great advantage or value to those who have fought the battle for democracy in the country and in the world.

I favor the cloture petition, Mr. President, and I favor the anti-poll-tax bill because I believe that the issue goes to the integrity of the institutions of democracy in America. Theoretically it is wrong to make the possession or the payment of a sum of money a condition to the exercise of the franchise to vote, for surely, Mr. President, no one can fairly contend that the possession or the payment of a sum of money is a legitimate qualification for the vote. Mr. President, it is no more right that the payment of a poll tax should be a condition for a citizen to vote than it would be right in this modern day to say that only the freeholder may exercise the franchise of the ballot.

Practically, Mr. President, we know that the imposition of the requirement for the payment of a poll tax has actually thwarted the right of hundreds of thousands of people in this country to vote for their public officials. For example, in the State of Louisiana after the poll tax was lifted the number of women voters in that State more than doubled and the total number of registered voters increased 44.5 percent. In the State of Florida the average number of votes cast in two Senatorial primaries after the repeal of the poll tax increased 140 percent over the average of four preceding primaries before the poll tax was repealed; and I am proud of the fact that it was friends of mine in the Florida Legislature in 1937 who removed the burden of the poll tax from the voters of my State.

Mr. President, I think these figures are significant. The able Senator from Alabama [Mr. HILL] and I have just emerged from primary elections. In the State of Alabama the distinguished Senator's primary, which was a bitterly contested campaign, brought out a total vote of 227,548. That, Mr. President, was a white primary. The white population of the State of Alabama is 1,849,000. In the State of Florida the total vote was 390,000, and the white population of the State of Florida is only 1,382,000.

The total white vote in Florida was 390,000, out of 1,382,000, whereas in the State of Alabama, in a keenly fought campaign, there were 227,000 out of a white population of 1,849,000. In Florida there was no poll-tax requirement. In the State of Alabama there was a poll-tax requirement.

The able junior Senator from Alabama [Mr. HILL] received 126,372 votes, and I received in the State of Florida 195,000 votes, with a much smaller population, and a lesser majority.

Mr. President, I am talking about a requirement which has actually limited the voters of this country in number, and therefore not only theoretically but practically the poll tax is wrong as delimiting the franchise on the part of our people.

Mr. President, that is not the only issue involved in this vote. It is not only whether we are to have democracy on the part of our people. It involves a much more serious question, whether we are to have democracy in the Senate of the United States, for today the vote is not upon whether we shall pass or defeat the anti-poll-tax bill, it is upon whether Senators are to be permitted even to vote upon a measure which is legitimately and properly before this body.

Not a Senator on either side of the aisle, in my humble opinion, will deny that if a free vote of Senators were permitted this day on this issue, a majority of the Senate would vote for the bill. Yet, we have a system of rules in the Senate which will thwart, as those rules have done many times in the past, the will of a majority of the Senators. Is that democracy? Does not that strike at the very heart of representative government? If the Senate of the United States, which has one-half the legislative power of the American Congress, can have the will of a majority of its membership, duly elected and accredited, thwarted by a minority of this body, I say that constitutes in the minority the power to thwart the functioning of the American Republic.

Mr. President, that is a very serious matter. Today it happens to be an anti-poll-tax bill. A little while ago it was whether the soldiers should have a right to vote, and the lines of division were singularly the same. A few weeks or months or years from now it may be the peace which the Senate will be called upon to decide. Twenty-odd years ago it was the peace, and for more than 8 months a little group of willful men were able to thwart the will of a majority of this body to obtain a vote upon the peace treaty. I am not so sure but that the same thing may happen again. I know that we jeopardize the peace if we do not make it possible for a majority of this body to determine the will of this body in a proper vote.

Mr. President, it is utterly beyond my comprehension that any Senator who believes that a majority of this body, after a full and fair debate, should have the right to determine any issue which is legitimately before the Senate, could say, "No, the Senate shall not be permitted to vote on this matter."

Therefore, I say that today we are writing a precedent which threatens the peace which the Senate will be called upon to write when we shall have won the war, for already Senators, for a year or two, have been making it clear that they are not going to let the peace be made by Executive agreement, which would be by a majority of the Senate and the House of Representatives. They are going to insist upon the Senate exercising its constitutional prerogative of a two-thirds majority to ratify the peace. If we not only preserve the necessity for a two-thirds majority to agree to a decent peace, but if there shall remain the power of the filibuster, which will give a minority of the Senate the power to defeat not only a majority but two-thirds of the Senate, I say that the institution of democracy, that the peace itself, is imperiled by any such system of rules.

Mr. President, if no Senator believed in the pending bill, but if he believed in democracy, if he believed in the right of this body to decide any issue after fair debate, if he were willing to say to any minority of the Senate, "You are entitled to legitimate debate, but you are

entitled only to legitimate debate. You have no right, morally, to thwart the will of this body upon any public matter," if any Senator believed in the institution of democracy, I do not see how he could vote against the right of a majority of this body to favor or to oppose the pending bill, when the issue finally came before us.

Mr. President, I wish to take my stand, so long as I am a Member of this body, in favor not only of democracy in the electorate, the right of citizens to vote, but for democracy in the Senate, and the right of any Senator to vote. To deny that is to deny the fundamental concept of democracy, that a majority shall have the right to rule upon matters pertaining to the public interest.

Mr. CHAVEZ. Mr. President, I shall not detain the Senate very long. Like the Senator from Florida, I am ready to vote on the pending bill, House bill 7, and I am ready to vote "yea."

I also believe in democracy. Furthermore, I believe in the protection of the minority. I am willing to remain here until a vote can be obtained, but I feel that the rule which prevails in the Senate, which in many instances requires a vote of two-thirds to pass a bill, is a good rule. It might be true that in this particular instance it would be advantageous to the bill to have cloture, but the same rule, if we once establish a precedent for having cloture, would in my opinion be detrimental to the rights of many a minority.

Why not remain here, as the Senator from Florida says, and debate this matter carefully, and then vote on it? It will take only a majority to pass the bill. It will not necessarily have to be a two-thirds vote. A majority of one would pass the bill. So, if we are sincere about wanting to pass the bill, let every Senator be the guide to his own conscience, and debate it as long as he feels like debating it. But why evade the issue and say, "Well, we are going to quit?" Let us remain here. I am ready to vote now, or next week, or 6 months from now, if it is necessary to wait that long, and I shall vote "yea," but I shall not vote for cloture.

Mr. BILBO. Mr. President, I listened very attentively to the remarks of my good friend the Senator from Florida [Mr. PEPPER]. I attempted to analyze his logic and his conclusions, and I was absolutely unable to make sense out of what he had to say. I could attribute his seeming inconsistencies and excuse them only by reason of the fact that he has not yet recovered from the strain of a strenuous campaign for reelection in Florida.

The Senator from Florida has much to say about the merits and demerits of cloture. He went so far as to say that the Senate would no longer be a democratic body if it were to stand by the rule which provides that unlimited debate shall always obtain on the floor of the United States Senate.

For over 100 years the United States Senate was known as the only forum in the world where there was free and unlimited discussion of any measure before it for decision, and only recently, under strained provisions, was the cloture rule placed in the Senate rules. It should never have been placed there, and it should promptly be removed, because the one saving grace of this Republic is the fact that the United States Senate has been a forum for free discussion until final settlement of all issues coming before it. That is the saving grace of our system of government. It is the one barrier against the hysteria and mass sentiment which sometimes sweep the unthinking public off its feet. The Senate has stood pat all these years and has made it possible to make ours the greatest democracy of all the world. At this late date, after we have striven and worked for more than a hundred years and made this the greatest democracy of all the world, and a pattern for all the world, for my friend from Florida to say on this occasion that the existence of the cloture rule is the only thing that makes it a democracy is surprising to me indeed.

The Senator from Florida said that the right to vote is a right of democracy. We are agreed on that. The right to vote is a right of democracy. But every State in this Union in the last 150 years has from time to time specified various qualifications with respect to electors in the States. In fact, all the States have had poll tax and property qualifications. Some of them still have the poll tax, but they are not discussed on the floor of the Senate. The State of New Hampshire levies a poll tax on every person from 21 years up to 70 years and makes arrangements to have that poll tax of $2 paid. Therefore, those who vote in New Hampshire must pay a $2 tax. They have already paid it when they go to the polls to vote, but the $2 tax is there just the same. The money received from that tax is used for governmental purposes. The imposition of that tax is a right which exists in that State. It is the State's own business.

In my State the poll tax is used exclusively for educational purposes, and I have been fighting for 5 years to abolish the poll tax in my State. I have expressed myself openly and on the stump. My position with respect to the poll tax has not yet destroyed me politically. I do not believe in the poll tax. One of the forces or elements in my State which has kept the State from repealing the poll tax as a requirement or qualification to vote in the primary elections of our State is the constant lobbying of the educational forces of my State, the teachers of my State, because they know that every dollar of this tax money goes into the public-school fund and they share in its division. Therefore, they have fought and lobbied against the repeal of the poll tax in connection with the primaries of Mississippi.

Personally I do not believe in the poll tax. But I want to call my friend's attention to another right which exists in democracy, a right which is almost as sacred as the right to vote, and that is the right to work for one's living and for the living of one's family. The crowd, the pressure group which has exercised itself more than any other group in the Nation, which has brought more pressure to bear on individual Senators, and which it has had more to say in the newspapers of the Nation respecting the poll tax, is the C. I. O., and, of course, my good friend, Bill Green, has had to fall in line, to go along with the C. I. O. for the repeal of the poll tax. But, Senators, do not forget one thing. Every time Senators think about the C. I. O. putting so much pressure upon the Senate for the passage of this unconstitutional, un-American bill, do not forget that it was the Communist Party which was the first party to declare for the repeal of the poll tax, which led the fight against the poll tax, and incorporated a plank to that effect in its platforms of 1928, 1932, 1936, 1940, and 1944.

I wish to say something respecting this labor union, the C. I. O., and I am going to put my friend from Florida on the spot. He is strong for democratic ideals; he is strong for democratic principles and practices; he says that the right to vote is a right of democracy, and therefore he feels that he is authorized to stab the Constitution and destroy it in order to give the right to vote to a few individuals who refuse to pay the poll tax and to those who do not seem to be interested in the poll tax. In my State when worthwhile individuals are running for office the vote is large. I remember that in one campaign 375,000 votes were polled. Mississippi has no more white persons than has Alabama or Florida. Failure to vote can be attributed to indifference on the part of the American people. It were better that a campaign were initiated to interest the people in their Government. The people are not entitled to better government than they provide for themselves.

To go back to what I had started to speak of, the matter of another right, the right to work for a living: The C. I. O. unions, the American Federation of Labor unions, and other unions have a requirement in their rules, bylaws, regulations, and constitutions, and the United States Government has placed its stamp of approval upon the provision, that no man can work unless he pays an initiation fee to the union of $5, $10, $15, $25, $50, or $100. He must pay that initiation fee before he can begin to do a lick of work, before he can earn one dollar for his family. Then the payment of the initiation fee must be followed up with the payment of dues, dues, dues, and the Government itself has placed its stamp of approval upon that provision by compelling the employer to take the money out of the poor devil's check in order to pay the union dues.

If the Senator is going to be consistent, if he is going to go all the way in his democratic sentimental appeal, then he must join with those who believe that men and women of this Nation should be permitted to work wherever they can find a job, and not be penalized by payment of an initiation fee of $5, $10, $25, $50, or $100. Many times the individual does not have the money, and must go away without the opportunity of working. Time after time my home has been filled with poor constituents in my State complaining that they could not obtain

work at Camp Shelby, or at Keesler Field, or at Gulfport, or any of the other Government operations in Mississippi, because the agents of the C. I. O. or of the American Federation of Labor, were standing at the gates and would not give them the green sign to go to work until they had plunked down $50. Can that be called democracy? Yet that is the gang, that is the group which is putting all the pressure to bear upon Senators, who fill the newspapers with their statements, who have used the telegraph wires and who have used the telephones, and who have representatives on the Capitol Grounds trying to pass this unconstitutional bill, when they are guilty of a practice which is as undemocratic as will be found in any spot on the face of the earth. Be consistent.

Mr. CONNALLY. Mr. President, the Senate within a short time will proceed to vote on the so-called cloture motion. The Senator from Florida [Mr. PEPPER] advised the Senate that his own State some years ago abolished the poll tax, and he praised those who assisted in bringing about its repeal. I wonder if the inhabitants of the other States are not just as wise and just as patriotic as are the residents of Florida. If Florida within its own sovereignty and within its own rights can settle that question, why cannot the other States, which are just as capable and, I hope, just as able, and, I know, just as patriotic as Florida, be permitted to settle their own issues and their own questions?

I shall not weary the Senate by a discussion of the constitutional phases of this problem. I have already done so, and have consumed considerable of the Senate's time in an effort to substantiate the position we are taking on this bill. But, Mr. President, I do not want to see the Senate commit suicide. This is a motion for the Senate to strip itself of one of its greatest powers in a government of checks and balances. One of these checks and balances against the power of the Executive and against the powers of other branches of the Government rests here in the Senate, and our power is largely vested and derives its strength from unlimited debate.

I wish to remind Senators, many of whom were Members of the Senate at that time, of the classic struggle which we had over the so-called Supreme Court reorganization bill. If we had had cloture then, a partisan majority, excited and whipped by passion, could have forced that bill through the Senate within 2 weeks after the President submitted it to the Senate. Under cloture that is what could have been done with that bill. Yet when we had full and free debate in the Committee on the Judiciary, when the country was advised as to the implications of that measure, when the country came to understand and realize its vicious principles, public sentiment reacted to the debate, and the bill was defeated.

I cite that because many Senators who are now on this floor know of the situation as I have detailed it. If we had had cloture, a bare majority could have discharged the Committee on the Judiciary, and then a bare majority could have passed the bill through the Senate. But public opinion, which was informed by the debates on the floor of the Senate and in the Committee on the Judiciary, when it realized the implications and understood the trend of that sort of a bill, rose up, and, under the force of public opinion, the Senate defeated the bill.

Do Senators want to tie the hands of the Senate? Some years ago I was at Williamsburg, Va., which has been resurrected and rebuilt by the generosity of the Rockefeller funds. One of the most attractive features of that rebuilding is the old jail. I visited the jail. In front of the jail appear the antique stocks—wooden stocks with a hole for the neck and two other holes for hands and arms. Criminals were punished in the olden days by putting them in the stocks. They became the objects of public contumely and scorn. Humiliation was heaped upon them. Does the Senate of the United States want to put its neck in the stocks, does it want to put its arms in the stocks, and thereby become an object of humiliation to the people of the United States? The people of the United States established this body. They created it in the Constitution of the United States. They expect it to be their servant. They sent men here to speak and to deliberate. Do my colleagues want to take away those privileges of debate and deliberation? I know that within the course of this debate certain Senators have changed their minds on the main issue in this case, and they have done so because of the discussions which have been heard here. Do you want to close the minds of Senators in the future? Do you want to put a padlock on their ears? Do you want to blind their eyes? Do you want to mislead them by withholding knowledge and information from them?

Mr. President, I shall not quote at length the great men who in the past have denounced cloture. I hold in my hand a memorandum containing some of the inspired words of Daniel Webster, of Massachusetts. Here are the words of Senator Hoar, of that great State, who said that when he first came to the Senate, inexperienced, he thought there should be cloture here. But after he had served here a ltle while he saw that it would be unwise; that it was not a policy which should be adopted by the Senate.

Even the late Senator Lodge, who was never a protagonist of the section of the country from which I come, said that after his service in the House when he came to the Senate he thought there should be cloture here. But after he had served here a little while, Senator Lodge, of Massachusetts, inveighed against cloture and denounced it.

I could refer to other great names, but I shall not weary the Senate by doing so. Those whose names I have mentioned are only a few of the Nation's outstanding characters who, through the years that are gone, have stood for freedom of debate.

Mr. President, if a cause be good, all the floodlights which can be turned upon it will reveal its virtues and will give strength to its support. If a cause be bad, light thrown upon it will reveal its defects and its weaknesses, and will expose them to public opinion. When public opinion is once informed and is aroused, we all know that it is the ruling force in this Republic. That is what I meant to imply a while ago when I referred to the Supreme Court reorganization bill. It was public opinion which influenced the result and determined that issue.

Mr. President, it is a little difficult to understand the position of some Senators. What I shall now say will not be said in heat or passion. I have had several Senators—and I shall not divulge their names—approach me privately and say, "I am against this bill. I think it is unconstitutional. But I am going to vote for cloture." In other words, they are against the bill, and yet they are going to do all they can to have it passed.

They are opposed to the bill. They are convinced in their own consciences that it is violative of the Constitution which they have sworn to uphold; and yet they are going to vote for cloture.

O Mr. President, I hope the Senate of the United States, the last great forum where liberty finds a voice, the last great chamber where free government may unlimber its lance against its enemies, where the voices of the people themselves, through their Representatives, may be heard; where public opinion may be informed and stimulated and given strength to mold the future of our Republic—I hope the Senate will not vote for a bill or a rule to commit suicide, to strike strength from its arms, and to strike the impulses of its brain from the repository of its intelligence. I hope, Mr. President, that the Senate will reject the motion for cloture, and will continue to be in the future, as it has been in the past, a great free forum for the discussion of public questions.

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have received from Irving Brant, a distinguished historian, author, and editorial writer.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 15, 1944.

Senator SAMUEL D. JACKSON,
Washington, D. C.

DEAR SENATOR JACKSON: In your radio debate in the American Forum of the Air, you dealt with the right of suffrage as an expanding right, and pointed out that the whole course of a developing republican government was in the direction of democracy.

I should like to make the point that this expansion of democracy ought to take place first of all in the United States Senate, through a vote upon the bill to abolish the poll tax.

For a week the Senate has been debating the constitutionality of H. R. 7. That is the only point on which many Senators are willing to record themselves as opponents, for most of them recognize that the bill itself represents the moral consciousness of America.

Behind this bill is the march toward a freer, a more democratic America—an America in which Communist agitators against

democracy will find no soil to work in, because there will be no class of citizens excluded by their poverty from a share in making the laws by which they are governed.

I recognize the right of the Senate to express itself on the constitutionality of H. R. 7, and the propriety of doing so. But how is this issue to be determined?

* * * * *

The constitutionality of this bill will never be determined by the Senate through an interminable process of debate, and it will never be determined by ending the debate unless the debate ends in a vote upon the bill itself. If 49 Members of this honorable body will take the floor and say, one after the other, that they believe H. R. 7 to be unconstitutional, then I say, "You win, gentlemen, the vote has been taken." But if 49 Members of this body will not take the floor and say that they are opposed to the passage of this bill, either on the point of constitutionality or for any other reason, then I say that the denial of a formal vote upon the bill will reduce to mockery all that is being said in denial of its constitutionality.

* * * Either Congress or the Supreme Court can pass upon the powers of Congress. The opinion of Congress is final only if it is adverse to its own authority, for in that case no law will be enacted and the question of its validity will never come before the courts. If the verdict of Congress is favorable to its own authority, it is not a final verdict, for the existence of that power may still be denied in the courts. The Supreme Court alone can give a final affirmative opinion upon the powers of Congress. Because of this superior and final authority of the Supreme Court, Congress is justified in enacting any law, well grounded in public policy, if there is a reasonable expectation that the Supreme Court will uphold it. If the issue is a new one, or one which comes to us with a confused or conflicting judicial background, or with a marked division in the weight of qualified nonjudicial opinion upon it, we need feel little hesitance either in passing the bill and letting the courts have the final word upon it, or in uttering what may be either the final or semifinal word upon it ourselves.

There are important differences, as I have said, in the roles of Congress and the Supreme Court in judging of the constitutionality of legislation. The role of Congress is distinctly inferior, made so, if not by the words of the Constitution, then by 140 years of accepted interpretation. But in the process of arriving at a decision, there can be no difference between the fundamental methods of the two bodies. If the United States Senate is to pass upon the question whether Congress has or has not power to abolish the poll tax in Federal elections, it must do so by the same fundamental method that the Supreme Court employs—that is, by weighing the arguments, and then voting upon the question at issue.

The constitutionality of a bill before Congress cannot be decided by a debate aimed at preventing a vote upon it. The verdict of the United States Senate upon a question of constitutional law cannot be handed down by a minority which uses the device of unlimited debate to thwart the will of the majority. * * *

When the Senate of the United States assumes the right to interpret the Constitution, the Senate must rise to the dignity of the Constitution. If we are going to act as a supreme court in deciding whether the anti-poll-tax bill is or is not constitutional, we must rise to the dignity of a supreme court. The Senate must accept the principle of majority government embodied in the Constitution. It must do more than debate. It must vote.

I am a believer in the legislative branch of Government. I believe it is the greatest bulwark of freedom, the only lasting protection a democracy can offer to the rights and privileges of citizenship. But it is such a bulwark, it is such a protection, only if it performs its functions. What are its functions? To inquire, to plan, to consider, and to vote. All of these fail if the last one fails. The Senate is not a part of Government, but a dangerous clog on Government, if it proves unable, or unwilling, or afraid to come to a vote on an issue which has been weighed and debated for years in all of its aspects.

In this day of great events throughout the world, some of us may feel that the people of the United States are heedless of what we do on this domestic issue, even though it involves a denial of the right of 10,000,000 American citizens to help elect the officers by whom they are to be governed. But * * * the people of the United States are not heedless. They are watching their Congress. They are forming deep and lasting impressions which will help to determine the future of our Government and our society. The people watch the Senate, hoping, I believe, to be moved by a feeling of respect, but no less ready to be swept by the emotion of disgust. This is a time when institutions of government throughout the world are either being shattered or waver in a state of unstable equilibrium. We cannot afford to draw the legislative branch of our own Government into that area of doubt.

There is one escape, and one only, from a shattering reduction of the confidence of the American vote in their Congress. That is * * * proceed to a final vote upon the measure before the Senate. This bill to restore the voting rights of 10,000,000 Americans is something more than the unfinished business of this legislative day. It is the unfinished business of the last Congress. It is part of the unfinished business of American democracy. The Senate must bring it to a close, by voting on it. We all know what the result of that vote will be. The bill will pass, and become a law, as it should, and the Members of Congress will be able to go home and look their constituents in the eye.

Respectfully yours,

IRVING BRANT.

Mr. BARKLEY. Mr. President, I do not take the floor harboring any delusion that what I shall say will change any votes in the Senate, either on the merits of the bill or on the motion which I have filed to close debate. However, as the mover of the motion, I feel that it is not only my duty, but my privilege to close the discussion upon it.

Obviously, in the limited time at my disposal, I shall not have opportunity to go into detail regarding either the merits of the bill or the wisdom or unwisdom of the rule providing for what we call cloture, which is a motion to close debate, but which really does not close debate, in the true sense of the word.

In the past I have supported similar legislation to that now before the Senate and I have expressed my views upon it in some detail. I do not care to reiterate those views now, and would not care to do so even if I had the time.

Much has been said here in criticism and in sarcasm regarding the name of the author of the bill, and regarding organizations which support it. Mr. President, I hope that no Senator will vote, either on the motion which I have made to close debate, or, if the motion is adopted, on the bill itself, because of any prejudice against anyone who has a name which does not meet his particular favor, or against any organization which he does not happen to like.

As I recall the tragedy of Julius Caesar, Mark Antony, whose name has been bandied in this debate, began his oration by saying:

Friends, Romans, countrymen, lend me your ears;
I come to bury Caesar, not to praise him.

If I may translate this body into the Roman forum and slightly reverse the process, I can imagine our colleagues here saying:

Friends, Americans, countrymen, lend me your ears;
I come to bury MARCANTONIO, not to praise him.

Mr. President, we are not responsible for the names we have, unless, after they have been bequeathed to us by our ancestors, we petition the legislature or the court to change our names for one reason or another. Neither do I believe that the pending bill or the motion which I have made ought to stand or fall on the basis of the birthplace of anyone who is in favor of it. If we go back far enough, we find that all of us came from somewhere outside the United States. When my ancestors, as far back as I have been able to trace them, came over from Normandy into England, they spelled their name "B-e-r-c-h-e-l-e-i-g-h"; and I presume the native sons of England had as much objection to that family coming across the English Channel and settling in England under the circumstances as some of our colleagues have to those who are now citizens of the United States, but who did not happen to be born here.

I favor the proposed legislation because I believe that it is a negation of democracy to deny to any man or woman the right to vote because of nonpayment of a fee as a prerequisite to the exercise of that right. Some years ago an effort was made to place in the constitution of Kentucky a provision requiring the payment of a poll tax as a prerequisite for voting. I opposed that amendment to the constitution, and voted against it. I have never been able to draw any fine-spun distinction between denying a man the right to vote because he does not pay a poll tax of $1.50, and denying him the right to vote because he does not pay a tax on his house, his bank, his office building, his farm, or any other property. A man may become delinquent in the payment of taxes on all the real estate he owns, not only for 1 year, but for 10 years, and still may vote. A man may become delinquent in the payment of taxes on all his personal property, including his stocks and bonds, and yet he may vote. But if a man becomes delinquent in the payment of what we call a poll tax, or a head tax, he is thereby denied the right to vote. He is not relieved of any other responsibility of citizenship. It is a responsibility and a duty to vote. He is denied the right to participate in the only way the average man can participate in Government, and that is by voting; but he is not thereby relieved of any responsibility so far as fighting, bleeding, and dying for his country are concerned. We do not thereby lift from him the obligation to fight for his country. Many who are denied the right to vote are now fighting all over the world to preserve for the

rest of us the right to vote. It is in that sense that it seems to me that this restriction is a negation of the very theory of democracy.

I can understand the fears of some of my colleagues. What I say is not to be construed in any way as criticism of the attitude of any other Senator. I try to accord to every other Member of this body the same right that I claim for myself—the right to be regarded as honest in my convictions, however much I may disagree with others.

The fear seems to be entertained that to enact this bill would in some way upset the political system or the social order in the States in which the poll-tax requirement is exacted. As I look upon this bill, it does not involve the question of race, color, or religion. The other day the Senator from Alabama was frank enough to say that in all likelihood in his State, and in most other States having the poll-tax requirement, more white persons than colored persons were denied the right to vote. I do not know about that. However, I know that Louisiana, through her own legislature, repealed the poll-tax requirement. When that had been done the vote of Louisiana increased by about 90 percent without in any way interfering with or upsetting the political complexion of the State government.

North Carolina did the same, with the result that thereafter in North Carolina the vote was increased by about 110 percent without any visible effect upon the political complexion or the social order of that State.

The State of Florida, by her own act, did the same. After the act had been adopted the total vote in the State of Florida was 124 percent greater than it had been before, and without any visible disturbance of the social or political conditions in that State.

Mr. President, I realize that there are constitutional objections on the part of men who honestly believe that the pending bill is a violation of the Constitution. While the Constitution provides that the qualifications of electors for Members of the House of Representatives, and of the Senate, shall be the same as the qualifications of electors for the most numerous branch of the State legislature, I have always felt, and now feel, that the framers of the Constitution placed some limitation upon section 2 of article 1 by the language which I read:

> The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

So much for that. I have only a few minutes left, and I wish to devote the remainder of my time to the question of cloture.

For a long time it has been the feeling of the American people, without regard to politics, that the Senate of the United States ought to have some method by which it could bring to a termination the discussion of any matter pending before it. The question has been agitated almost ever since the Constitution was framed and the Government was organized. Finally, the Senate was willing to amend its rules so as to provide, not that a majority might bring about limitation of debate, but that a two-thirds majority be required in order to limit debate upon a measure which could be enacted by a bare majority. When the Senate adopted that rule it had in mind, of course, protecting minorities.

The Senator from Texas has referred to the judiciary bill. He said that if cloture had been in effect at that time a majority could have passed that bill. In that matter the point was never reached, Mr. President, where it was in order to make a motion for cloture, so that the question never arose. No one knows at this time, and no one can assert with any degree of certainty, whether, if the bill had been reported to the Senate and had been made the unfinished business, the motion for cloture would have received the necessary two-thirds vote. I doubt that it would have received it. However, the fact that there was pending such a bill in Congress did not thereby nullify, invalidate, or make unwise a rule by which the Senate can close debate theoretically, because even if the pending motion should be adopted, each Senator could still speak for 1 hour. If every Senator desired to avail himself of that opportunity, there could still be 96 hours of debate before we could vote upon the pending bill.

Mr. President, what this motion does, and what the rule does, is not to tie the hands of the Senate, but to untie them. What we are trying to do is not to put the hands or the head of the Senate into the stocks, but to take its head and its hands out of the stocks.

Every Senator knows, and by now everyone in the United States ought to know, that without cloture or without the adoption of this motion, the pending bill can never be voted upon. We might debate it for another week, or 2 weeks, or another month, but unless the Senate agrees by a two-thirds majority to adopt cloture, the bill can never be voted upon.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I have only 4 minutes left.

Mr. CLARK of Missouri. I wish to propound a question to the Senator.

Does not the Senator believe that, at a time such as the present, when probably more than a million of our soldiers are about to go into action, it would be perfectly disgraceful for the Senate of the United States to be tied up by a filibuster?

Mr. BARKLEY. I believe that probably I might use a softer word than "disgraceful," but I think it would be extremely unfortunate.

Mr. President, we know that the rules of the Senate, even with the cloture provision which I am discussing, lend themselves to being used by any determined group of Senators against ever taking up a bill which they oppose. We know that to be true. There is no use blinking at it. That is the situation. For that reason I hope the motion will be agreed to. I realize that it may be a vain hope. Probably I had better say that I wish it would be adopted. However, I wish Senators to understand that when they vote against the motion to close debate they, in effect, vote against the pending bill. The only way in which the bill can be acted upon is by voting upon it. The people of the United States will never know how Senators stand upon the bill, or what their ultimate attitude will be, unless they vote "yea" or "nay" on the bill itself when it comes before the Senate.

Mr. President, we need not deceive ourselves, and certainly we have no right to deceive the American people by the sophistry that we can oppose the only motion which will ever bring the pending bill to a vote in the Senate and at the same time bring about the passage of the bill. I think it is not creditable to the Senate of the United States to assume such an attitude.

Every vote for a cloture motion, and every motion for cloture, stands on its own merits and on its own bottom. There are Senators who feel that if they should vote for cloture on this bill they would forever be bound thereafter to vote for cloture, no matter what bill might come up. That is a ridiculous view to take. Four or five times in the past, since the adoption of this rule, the Senate has adopted cloture on proposed legislation. The Senate did not thereby bind itself, and neither did any Senator bind himself, because, under the peculiar circumstances which exist with reference to any piece of legislation before the Senate, no Senator would be bound to vote in the same way if some other bill, under entirely different circumstances, were brought forward and a motion made to close debate.

Mr. President, the time for voting has now arrived. I hope that the Senate will adopt the motion which is now pending, and that we may then proceed under the rule which limits debate to 1 hour to each Senator.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. That is taken care of under rule XXII.

The hour of 1 o'clock having arrived, the Chair, in accordance with the provisions of rule XXII, lays before the Senate the motion to bring to a conclusion the debate on the pending measure, H. R. 7, and, in further compliance with rule XXII, directs the Secretary to call the roll to ascertain whether a quorum is present.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Danaher	Langer
Bailey	Davis	Lucas
Ball	Downey	McCarran
Bankhead	Eastland	McClellan
Barkley	Ellender	McFarland
Bilbo	Ferguson	McKellar
Brewster	George	Maloney
Bridges	Gerry	Maybank
Brooks	Gillette	Mead
Buck	Green	Millikin
Burton	Guffey	Moore
Bushfield	Gurney	Murdock
Byrd	Hatch	Nye
Capper	Hawkes	O'Daniel
Caraway	Hayden	O'Mahoney
Chandler	Hill	Overton
Chavez	Jackson	Pepper
Clark, Mo.	Johnson, Colo.	Radcliffe
Connally	Kilgore	Reed
Cordon	La Follette	Revercomb

Robertson	Thomas, Utah	Weeks
Russell	Tunnell	Wheeler
Shipstead	Tydings	Wherry
Smith	Vandenberg	White
Stewart	Wagner	Wiley
Taft	Walsh, Mass.	Wilson
Thomas, Idaho	Walsh N. J.	

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN], the Senator from Oregon [Mr. HOLMAN], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] and the Senator from Nebraska [Mr. BUTLER] are absent because of illness.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

Is it the sense of the Senate that debate be brought to a close? On this question, under the rule, the yeas and nays are required, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Montana [Mr. MURRAY], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Nevada [Mr. SCRUGHAM] is absent on official business.

The Senator from Oklahoma [Mr. THOMAS] and the Senator from Missouri [Mr. TRUMAN] who, if present and voting, would vote "yea," are paired with the Senator from Florida [Mr. ANDREWS], who, if present and voting, would vote "nay."

The Senator from Montana [Mr. MURRAY] and the Senator from Indiana [Mr. WILLIS], who, if present and voting, would vote "yea," are paired with the Senator from Oregon [Mr. HOLMAN], who if present and voting would vote "nay."

I am advised that if present and voting the Senator from Idaho [Mr. CLARK] would vote "yea."

Mr. WHERRY. The Senator from Oregon [Mr. HOLMAN] is paired on this question with the Senator from Indiana [Mr. WILLIS] and the Senator from Montana [Mr. MURRAY]. If present the Senator from Oregon would vote "nay," and the Senators from Indiana and Montana would vote "yea."

The Senator from Vermont [Mr. AUSTIN], who is necessarily absent, has a pair with the Senator from Nebraska [Mr. BUTLER] who is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness. If present, he would vote "yea."

The Senator from Oregon [Mr. HOLMAN] and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from California [Mr. JOHNSON], who is necessarily absent, would vote "yea" if present.

The yeas and nays resulted—yeas 36, nays 44, as follows:

YEAS—36

Ball	Guffey	Reed
Barkley	Gurney	Revercomb
Brooks	Jackson	Taft
Burton	Johnson, Colo.	Thomas, Utah
Capper	Kilgore	Tunnell
Clark, Mo.	La Follette	Vandenberg
Cordon	Langer	Wagner
Danaher	Lucas	Walsh, Mass.
Davis	Maloney	Weeks
Downey	Mead	Wherry
Ferguson	Murdock	Wiley
Green	Pepper	Wilson

NAYS—44

Aiken	George	O'Daniel
Bailey	Gerry	O'Mahoney
Bankhead	Gillette	Overton
Bilbo	Hatch	Radcliffe
Brewster	Hawkes	Robertson
Bridges	Hayden	Russell
Buck	Hill	Shipstead
Bushfield	McCarran	Smith
Byrd	McClellan	Stewart
Caraway	McFarland	Thomas, Idaho
Chandler	McKellar	Tydings
Chavez	Maybank	Walsh, N. J.
Connally	Millikin	Wheeler
Eastland	Moore	White
Ellender	Nye	

NOT VOTING—16

Andrews	Holman	Tobey
Austin	Johnson, Calif.	Truman
Bone	Murray	Wallgren
Butler	Reynolds	Willis
Clark, Idaho	Scrugham	
Glass	Thomas, Okla.	

The VICE PRESIDENT. On this question the yeas are 36, the nays are 44. Two-thirds of the Senators voting not having voted in the affirmative, the motion is not agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort; asked a conference with the Senate on the disagreeing votes of the Houses thereon, and that Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. RAUBAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. POWERS were appointed managers on the part of the House at the conference.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

DISCONTINUANCE OF CERTAIN REPORTS REQUIRED BY LAW

A communication from the President of the United States recommending the enactment of the bill (H. R. 2433) to discontinue certain reports now required by law, as a means of conserving manpower, space, equipment, and materials; to the Committee on Expenditures in the Executive Departments.

CLAIMS ON ACCOUNT OF LOSS BY FIRE—DAMAGE RECOMMENDATION BY INTERIOR DEPARTMENT

A letter from the Acting Secretary of the Interior, relating to Section 2 of an act for the relief of certain claimants on account of loss by fire for which the United States was adjudged liable (Private, No. 534, 76th Cong., ch. 680, 3d sess., H. R. 8666), and submitting a list of claims filed and the amount of damage recommended by the Department in each case; to the Committee on Claims.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the VICE PRESIDENT:

A letter from the chairman of the Municipal Council of St. Thomas and St. John, V. I., transmitting, pursuant to an order of the council, copy of a resolution adopted in recognition and appreciation of the work of the War Food Administration, Office of Distribution, rendered to the people of the Virgin Islands and praying for continuation of the activities thereof in the islands (with an accompanying paper); to the Committee on Territories and Insular Affairs.

By Mr. WALSH of Massachusetts:

A resolution adopted by the board of directors of N. A. M. favoring continuation of unemployment compensation as a State government function with a minimum of Federal supervision; to the Committee on Finance.

A resolution by the Steering Committee of American Defense, Harvard Group, in the State of Massachusetts, relating to the treatment accorded prisoners of war; to the Committee on Military Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CLARK of Missouri, from the Committee on Commerce:

S. 1887. A bill to provide for emergency flood-control work made necessary by recent floods, and for other purposes; with an amendment (Rept. No. 882).

By Mrs. CARAWAY, from the Committee on Commerce:

H. R. 4054. A bill to extend the times for commencing and completing the construction of a bridge across the Calcasieu River at or near Lake Charles, La.; without amendment (Rept. No. 884).

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

S. 1894. A bill to provide for the transportation to their homes of persons discharged from the naval service because of under age at time of enlistment; without amendment (Rept. No. 883).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

James V. Forrestal, of New York, to be Secretary of the Navy, vice Frank Knox, deceased;

Capt. John H. Brown, Junior, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 19th day of January 1943;

Commodore Lawrence F. Reifsnider, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 6th day of January 1943;

Col. Arnold W. Jacobsen to be a brigadier general in the Marine Corps, for temporary service, from the 30th day of April 1944; and

Col. Leonard E. Rea to a brigadier general in the Marine Corps, for temporary service, from the 6th day of May 1944.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By. Mr. McKELLAR:

S. 1917. A bill to repeal the Act entitled "An Act to amend section 9 (b) of the Tennessee Valley Authority Act, as amended by section 14 of the act of August 31, 1935," approved November 21, 1941 (with accompanying papers); to the Committee on Agriculture and Forestry.

(Mr. WAGNER introduced Senate bill 1918, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By. Mr. LANGER:

S. 1919. A bill to authorize suits for benefits claimed to be payable under laws administered by the Veterans' Administration, and for other purposes; to the Committee on Finance.

INDUSTRIAL LOANS BY COMMERCIAL BANKS GUARANTEED BY FEDERAL RESERVE BANKS

Mr. WAGNER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend section 13b of the Federal Reserve Act, as amended.

I also ask unanimous consent that an explanatory statement of the bill may be printed in the body of the RECORD.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred, and the statement presented by the Senator from New York will be printed in the RECORD.

The bill (S. 1918) to amend section 13b of the Federal Reserve Act, as amended, was read twice by its title and referred to the Committee on Banking and Currency.

The statement of Mr. WAGNER relating to the bill is as follows:

PLAN FOR INDUSTRIAL LOANS BY COMMERCIAL BANKS GUARANTEED BY FEDERAL RESERVE BANKS

EXTENT OF THE NEED

In the shift of production from war goods to civilian goods, many business enterprises will find themselves in need of additional funds to finance their operations. This need is imminent since the changing requirements of the armed services are necessitating a growing volume of cancelations and curtailments. The need will become much more extensive when the volume of production for war declines at the time of armistice, whether on one front or both fronts, and the volume of civilian production needs to be increased accordingly. While it can be expected that after the settlement of war contracts American business as a whole will have a greater volume of liquid assets than ever before, this condition will not be uniform. Numerous enterprises will not be able to resume peacetime operations without financial assistance, in many cases beyond that available from private sources upon terms which will meet the borrower's requirements. Among such concerns will be those which have invested heavily in plant facilities and equipment in relation to their cash position, those who propose to change the type of product previously manufactured, and those that have had no war contracts and have suffered drastic curtailment during the war. Again, some contractors, in order to avail themselves of a favorable opportunity for purchasing Government-owned facilities and inventory, may require a larger amount of credit than can be obtained upon terms customarily granted by banks. Such situations may occur before settlement of canceled contracts as well as thereafter.

In these and other circumstances, some degree of financial assistance from the Government will be necessary to encourage private financing institutions to extend the type of credit indicated if the production of such businesses is not to be curtailed or entirely lost. It is important, therefore, that some governmental agency be given the authority now to facilitate the extension of credit in the situations indicated, during the period of cancelations of war contracts as well as during the reconversion period and thereafter. It would be highly preferable that the agency so empowered should be permanent in character and should have no incentive to compete with private lending institutions. Agencies which are set up for the exclusive purpose of extending Government credit have a tendency to maintain the volume of their business even after the need for such credit may have declined. Therefore, to guard against competition with private financing institutions and to insure the tapering off of operations of the agency whenever conditions warrant, it is proposed to give this responsibility to the Federal Reserve System, which has permanent functions other than the loaning of money and is interested in maintaining private banking and credit on a sound basis.

LIMITED AUTHORITY OF FEDERAL RESERVE BANKS UNDER PRESENT LAW

Under section 13 (b) of the Federal Reserve Act, the Federa' Reserve banks are authorized to make credit available to business enterprises, either directly when such credit is not otherwise available or through participation with commercial banking institutions. Such loans, however, may be made only for the purpose of providing working capital, must have maturities not exceeding 5 years, and may be provided only for established businesses. Because of such restrictive provisions of the statute, the Federal Reserve banks have not been able to make credit available to many deserving business enterprises nor would they be able to assist to an important degree in financing such enterprises henceforth.

AUTHORIZATION TO FEDERAL RESERVE BANKS TO GUARANTEE LOANS

In order to remedy these defects in the present law and to meet the need described above, it is proposed that, in lieu of the existing authority of the Federal Reserve banks to make loans to business and industry under the restrictions noted, these banks be authorized to guarantee financing institutions against loss on loans made to business enterprises or to make commitments to purchase loans so made. Such guaranties and commitments by the Federal Reserve banks would be available in proper cases to any financing institution, whether or not a member bank of the Federal Reserve System. The procedure followed in making such loans and guaranties would be generally similar to that which has been used in financing war production under the V-loan program. However, a Federal Reserve bank would execute the guaranties as principal and not as fiscal agent of the Government. A borrower would be expected to apply for such a loan through his usual banking connection. The bank would in turn make application to the Federal Reserve bank of its district for the guaranty. General regulations governing the policy and procedure relating to the program would be issued by the Board of Governors of the Federal Reserve System.

QUALIFICATIONS OF THE SYSTEM FOR THE TASK

The 12 Federal Reserve banks and their 24 branches are in a position to extend this service economically and efficiently. The officers and employees of the Federal Reserve banks have gained wide experience in administering the V-loan program, in addition to that gained since 1934 in making loans to business enterprises under the existing provisions of the law. Financing institutions and borrowers alike are familiar with the services of the Federal Reserve banks in this field. The authority to guarantee loans to business enterprises, therefore, could be put into effect without delay and the credits consummated expeditiously. Moreover the Federal Reserve System has important responsibilities in the credit field and in the supervision of banks and, since the loans in all cases would be made by private banking institutions, the guaranteeing of such loans by the Reserve banks would not be competitive with the private banking system.

Such guarantees would be available for any types of loans made by financing institutions to business and industry, to meet situations of the various kinds referred to in the first part of this statement. Such loans could be made on a short-term or long-term basis and to provide either working capital or facilities. They would assist both in the financing of the resumption of peacetime operations and thereafter in meeting the needs of deserving business enterprises which cannot be adequately supplied by private credit agencies without some degree of assistance.

It is contemplated that the guarantees by the reserve banks under this authority would not exceed 90 percent of the amount of the credits, since any enterprise which has reasonable prospects of successful operation should be able to obtain financing in which its bank assumes at least 10 percent of the risk under the loan.

FUND FOR MEETING LOSSES

Being banks of issue, the Federal Reserve banks could not be expected to utilize any large proportion of their own funds in making credit of this kind available without some protection against losses which might be incurred. There is, however, a fund which can be made available for use in meeting losses incurred by the Reserve banks in guaranteeing loans, without any new appropriation by Congress.

The Secretary of the Treasury is authorized by existing law to pay to the Federal Reserve banks approximately $139,000,000 (the amount which these banks were required by law in 1933 to subscribe for stock of the Federal Deposit Insurance Corporation) for the purpose of enabling the Reserve banks to make loans to business and industry. This amount has already been appropriated by Congress for this purpose. Under this existing authority approximately $27,000,000 has been paid. The proposal would require the payment of the remaining $112,000,000 of this appropriation to the Board of Governors and also would require the Federal Reserve banks to pay to the Board the approximately $27,000,000 which they have heretofore received from the Secretary of the Treasury under the present authority. The entire amount thus paid to the Board would constitute a fund to be utilized to provide for losses incurred by the Federal Reserve banks in connection with loans to business and industry. The Board would have authority to invest any part of this fund not currently needed in obligations of the United States, and any income derived from such investments would be added to the fund and thus become available to meet losses on guaranteed loans. The stock of the Federal Deposit Insurance Corporation heretofore subscribed for by the Federal Reserve banks would be transferred to the United States.

The use of this fund in this way, it is estimated, would permit guarantees of loans in an aggregate amount outstanding at any one time of at least one-half billion dollars.

TAX SIMPLIFICATION AMENDMENT RELATING TO TAX ON CABARETS, ROOF GARDENS, ETC.

Mr. McCARRAN (for himself and Mr. DOWNEY) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 4646) to provide for simplification of the individual income

tax, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT OF THE RECLAMATION PROJECT ACT—AMENDMENT

Mr. HAYDEN submitted an amendment intended to be proposed by him to the bill (S. 1782) to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes, which was ordered to lie on the table and to be printed.

LEGISLATION ENACTED BY THE SEVENTY-EIGHTH CONGRESS, FIRST SESSION (S. DOC. NO. 195)

Mr. BARKLEY. Mr. President, on May 9 I had printed in the Appendix of the RECORD a digest of legislation enacted by the Seventy-eighth Congress, first session. I intended to ask that it be printed as a Senate document for distribution among Members of the Senate. I now make the request that the digest which I had printed in the Appendix on May 9, together with a preliminary statement to be printed at the top of the digest, be now printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

ESSAY CONTEST ON THE SUBJECT WHY I FIGHT

Mr. WAGNER. Mr. President, the War Department, in a release issued yesterday, announced the results of an essay contest sponsored by the Morale Services Section for the Mediterranean Theater on the subject Why I Fight. First prize in the contest was won by a 28-year-old infantryman, Corp. Jack J. Zurofsky, of Brooklyn, N. Y. His essay is an inspiring statement, in simple terms, of a soldier's stake in the war, and is worthy of reading by all Americans. I ask unanimous consent that the War Department's release, containing Corporal Zurofsky's essay and excerpts from the essays of Pvt. Clarence Weinstach and Sgt. Henry C. Nelson, who won second and third place, respectively, may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

BROOKLYN CORPORAL WINS "WHY I FIGHT" ESSAY CONTEST

Defining his stake in the war in simple terms, Technician Fifth Grade Jack J. Zurofsky, 1577 Carroll Street, Brooklyn, N. Y., took first place and a $100 War bond over 300 entrants in a north African theater of operations "Why I Fight" essay contest, the War Department announced today.

The contest was sponsored by the Morale Services Section for the Mediterranean theater. Winning essays were selected from entries submitted by soldiers, sailors, and WAC's in all service branches. The 12 judges represented a cross-section of the Army and included men and women, officers and enlisted men.

Corporal Zurofsky, a 28-year-old Infantryman, who was inducted January 13, 1943, wrote that he fights "because it is my fight." He continued, "I fight because it is an obligation, because free people must fight to remain free, because when the freedom of one nation or one person is taken away, the rights of all nations and all people are threatened, because—through our elected representatives—I had the choice: To fight or not to fight."

Pvt. Clarence Weinstock, 219 East Twelfth Street, New York, N. Y., and Sgt. Henry C. Nelson, 1250 Brooklyn Avenue, Brooklyn, N. Y., won $50 and $25 War bonds for second and third place, respectively. Honorable mention went to Sgt. Kenneth Board, of an Army Air Forces heavy bomber unit, 9765 North Martindale Street, Detroit, Mich.; Pvt. Robert E. Park, Medical Department, 2140 Sixteenth Avenue, South Birmingham, Ala., and Pvt. (1st cl.) Benjamin E. Karn, of an antiaircraft unit, 1997 Fillmore Avenue, Buffalo, N. Y.

Recently recovered from wounds received in combat, Private Weinstock, an Army Air Forces soldier, perceived a need to struggle for the things his country possessess. "I know what price liberty," he wrote. "I could have no happiness if, knowing what I do know I found myself unwilling or reluctant to pay. We cannot live the dream created by our fathers for us unless we give it new existence and reality—for ourselves and our children. If freedom is imperiled by my comfort, I must give up my comfort. My happiness now can only spring from the fight to preserve my freedom on a plane compatible with human dignity, on terms which do not involve its denial to millions of my brothers."

Sergeant Nelson, who serves in an Army Air Forces signal unit, pointed out that he was not fighting "to pull anyone's chestnuts out of the fire."

"The time for such picayune criticism has long gone by—indeed, never was; for the chestnuts of honor, of freedom, of decency among nations, are certainly as much ours as Great Britain's or China's or Russia's. When the day comes—pray God it never does—that America yields up its right to defend and fight for the principles upon which our Nation was founded and which should never go before us like a holy banner, that day the spirit of America dies and her lamp goes out."

The text of the first-place winner's essay follows:

"This is why I fight.

"I fight because it's my fight.

"I fight because my eyes are unafraid to look into other eyes; because they have seen happiness and because they have seen suffering; because they are curious and searching; because they are free.

"I fight because my ears can listen to both sides of a question; because they can hear the groanings of a tormented people as well as the laughter of free people; because they are a channel for information, not a route for repetition; because, if I hear and do not think, I am deaf.

"I fight because my mouth does not fear to utter my opinions; because, though I am only one, my voice helps forge my destiny; because I can speak from a soap box, or from a letter to the newspapers, or from a question that I may ask my Representatives in Congress; because when my mouth speaks and can only say what everyone is forced to say it is gagged.

"I fight because my knees kneel only to God.

"I fight because my feet can go where they please, because they need no passport to go from New York to New Jersey and back again; because if I want to leave my country I can go without being forced and without bribing and without the loss of my savings; because I can plant my feet in farm soil or city concrete without anybody's by-your-leave; because when my feet walk only the way they are forced to walk they are hobbled.

"I fight because of all of these and because I have a mind, a mind which has been trained in a free school to accept or to reject, to ponder and to weigh—a mind which knows the flowing stream of thought, not the stagnant swamp of blind obedience; a mind schooled to think for itself, to be curious, skeptical, to analyze, to formulate, and to express its opinions; a mind capable of digesting the intellectual food it receives from a free press—because if a mind does not think, it is the brain of a slave.

"I fight because I think I am as good as anybody else; because of what other people have said better than ever I could, 'certain inalienable rights,' 'right to life, liberty, and the pursuit of happiness,' 'government of the people, by the people, and for the people,' 'give me liberty or give me death.'

"I fight because of my memories—the laughter and play of my childhood, the ball games I was in and the better ones I watched, my mother telling me why my father and she came to America at the turn of the century, my sisters marrying, my high-school graduation, the first time I saw a cow, the first year we could afford a vacation, the crib at Camp Surprise Lake after the crowded, polluted Coney Island waters, hikes in the fall with the many-colored leaves falling, wienie and marshmallow roasts over a hot fire, the first time I voted, my first date and the slap in the face I got instead of the kiss I attempted, the way the nostrum quack would alternate with political orators on our street corner, seeing the changes for the better in my neighborhood—the El going down, streets being widened to let the sun in, new tenements replacing the old slums—the crowd applauding the time I came through with the hit that won us the borough championship; the memories which, if people like me do not fight, our children will never have.

"I fight because I have something to fight for.

"I fight because of the life I hope to live when the fighting is finished, because that life offers opportunity and security and the freedom to read and write and listen and think and talk, because, as before, my home will be my castle with the drawbridge down only to those I invite, because if I do not fight, life itself will be death.

"I fight because I believe in progress, not reaction; because, despite our faults, there is hope in our manner of life, because if we lose there is no hope.

"I fight because some day I want to get married and I want my children to be born into a free world, because my forefathers left me a heritage of freedom which it is my duty to pass on, because if we lost, it would be a crime to have children.

"I fight because it is an obligation, because free people must fight to remain free, because when the freedom of one nation or one person is taken away the rights of all nations and all people are threatened, because—through our elected representatives—I had the choice: To fight or not to fight.

"I fight not so much because of Pearl Harbor but because of what Pearl Harbor meant, because, finally after skirmishes with the Ethiopians, the Manchurians, the Chinese, the Austrians, the Czechoslovakians, the Danes, the Spaniards, and the Norwegians, fascism was menacing us as we had never before been menaced, because only the craven will not defend themselves.

"I fight because 'it is better to die than live on one's knees.'

"I fight because only by fighting today will there be peace tomorrow.

"I fight because I am thankful that I am not on the other side; because, but for the grace of God or an accident of nature, the brutalized Nazi could have been me and, but for my fighting, will be my child.

"I fight in the fervent hope that those who follow me will not have to fight again but in the knowledge that if they have to, they will not be found wanting in the crisis.

"I fight to remain free."

THE INTERNATIONAL LABOR ORGANIZATION MEETING IN PHILADELPHIA

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an editorial from the Washington Evening Star of May 13, 1944, entitled "Not Starry-Eyed," relating to action by the World Congress of the International Labor Organization in Philadelphia, which appears in the Appendix.]

DECLARATION OF PRINCIPLES ADOPTED BY PROGRESSIVE PARTY

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a statement entitled "Progressive Party Declaration of Principles," which appears in the Appendix.]

SHORTAGE OF FARM TOOLS—ARTICLE FROM WASHINGTON TIMES-HERALD

[Mr. NYE asked and obtained leave to have printed in the RECORD an article entitled "Scandal Seen in Shortage of Farm Tools," published in the Washington Times-Herald of May 15, 1944, which appears in the Appendix.]

ST. LAWRENCE SEAWAY—EDITORIAL FROM ST. ALBANS MESSENGER

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "As Coolidge Said," published in the St. Albans (Vt.) Messenger of May 11, 1944, which appears in the Appendix.]

LETTER FROM A. F. WHITNEY, PRESIDENT, BROTHERHOOD OF RAILROAD TRAINMEN, ON ABOLISHING THE NEW DEAL

[Mr. HILL asked and obtained leave to have printed in the RECORD a letter dated May 5, 1944, from A. F. Whitney, president of the Brotherhood of Railroad Trainmen to Gleason L. Archer, chairman, American Democratic National Committee, which appears in the Appendix.]

FEAR OF INFLATION IN NEW CEILINGS AND WAGES—GALLUP POLL

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD an article published in the Washington Post of May 14, 1944, being a Gallup Poll on the question, "Do you think prices on most products should be allowed to go up, or should prices be held where they are now?" which appears in the Appendix.]

ORDER OF BUSINESS

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of House bill 3176, Calendar No. 818.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3176) to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard and to certain civilian employees of the military and naval forces of the Regular Establishment.

Mr. McCARRAN. Mr. President, I should like to be advised as to the parliamentary situation. My understanding is that House bill 7 is still the unfinished business before the Senate.

The VICE PRESIDENT. The Chair will say that House bill 7 is still the unfinished business and will be until it shall be displaced. The Senator from Missouri has made a motion to consider another measure.

Mr. McCARRAN. As I understand, he has not made a motion to displace House bill 7.

Mr. BARKLEY. Automatically, if the motion of the Senator from Missouri shall be agreed to, it will displace House bill 7.

Mr. McCARRAN. Then, Mr. President, some of us must oppose the motion. That is why I wanted to be advised as to the parliamentary situation.

The VICE PRESIDENT. The motion of the Senator from Missouri is debatable.

Mr. CONNALLY. Will the Senator from Missouri yield?

Mr. CLARK of Missouri. If I have the floor, I yield.

Mr. CONNALLY. The bill the Senator from Missouri is seeking to have brought before the Senate is, I understand, a veterans' bill?

Mr. CLARK of Missouri. The title is, "An act to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard," and so forth.

Mr. WHITE. Is it a House bill?

Mr. CLARK of Missouri. It is a House bill, H. R. 3176, with a unanimous report from the Committee on Finance of the Senate.

Mr. McCARRAN. If the Senator from Missouri will state that his bill is urgent, and that its consideration will take only a few minutes, we shall have no objection to setting aside the pending bill, but with the distinct understanding that it will be taken up again immediately. Otherwise, we are going on with it.

Mr. CLARK of Missouri. There are several veterans' bills on the calendar which are very urgent, and I shall make the same request as to each one of them. So far as I am concerned, I have no objection to resuming consideration of the pending bill, but I am extremely anxious to have consideration of the veterans' bills expedited.

Mr. TAFT. If the motion of the Senator from Missouri shall be agreed to, will it permanently displace House bill 7, or will it be the unfinished business when the veterans' bills shall be disposed of?

The VICE PRESIDENT. It would displace House bill 7, unless that bill were taken up again on motion.

Mr. TAFT. It would be necessary to make another motion?

The VICE PRESIDENT. It would be.

Mr. McCARRAN. Mr. President, I shall object to taking up any other measure in place of House bill 7.

Mr. CLARK of Missouri. The Senator cannot object. He can debate the motion as long as he wishes.

Mr. McCARRAN. I shall call for a yea-and-nay vote. If it is to be displaced, it is going to be displaced by a record vote, if that can be brought about. This is merely a method of taking House bill 7 off the floor and preventing further consideration of it by the Senate. For one, having moved the consideration of the bill, I shall certainly try to see to it that it is not taken out of the consideration of the Senate, where it belongs at this time. We have already put to a test the question whether or not there should be a termination of debate, and the Senate has overwhelmingly voted that down. The bill is before the Senate, and its consideration should be continued. If the motion shall be made by the Senator from Missouri, we will call for a yea-and-nay vote.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Missouri that the Senate proceed to the consideration of House bill 3176.

Mr. McCARRAN. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PEPPER. Mr. President, a great many of us are perfectly willing to have a fair vote upon the question whether the Senate shall continue to discuss the anti-poll-tax bill, but we do not wish to appear to be in opposition to the consideration of any matter which will be for the interest of the veterans. I wish to make a parliamentary inquiry. Would a motion be in order——

Mr. CLARK of Missouri. Will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. I have no disposition to preclude further debate on the so-called anti-poll-tax bill. I voted for cloture just a moment ago. It so happens that I am chairman of the subcommittee of the Committee on Finance having charge of veterans' affairs, and we have a number of important bills on the calendar. So far as I am concerned, while I voted for cloture just a moment ago, I am not willing to have the business of the Congress indefinitely held up by a filibuster on a bill which I regard as much less important than some of these veterans' bills. Therefore, I intend to proceed, so far as I can, to bring the veterans' bills before the Senate for consideration.

Mr. PEPPER. I am in thorough agreement with the Senator from Missouri, as I think most other Senators are, but I was about to suggest that I had understood—and the Senator from Kentucky [Mr. BARKLEY] can confirm my understanding or correct it—that after the cloture vote had been disposed of, the majority leader would make a motion to displace the anti-poll-tax bill. I shall vote against the motion to displace, but I thought that that would have been a way to settle the matter. I thought that if that were the intention of the Senator from Kentucky, and if the Senator from Missouri would withhold his motion until such a motion were made, we could have a straight-out vote on whether we are going to continue to debate the poll-tax bill. The decision of the Senate on that question, of course, will determine what Senators may do thereafter.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. Of course, I am interested in passing these veterans' bills.

Mr. PEPPER. So am I.

Mr. CLARK of Missouri. I am charged with the responsibility for the measures.

Mr. PEPPER. And so am I.

Mr. CLARK of Missouri. I do not feel like sitting around sucking my paws waiting for the Senator from Kentucky or the Senator from Florida, or any other Senator, to make a motion. The matter of cloture with respect to the poll-tax bill has been disposed of, and it seems to me that the Senate ought to clear up some of these very important matters which are awaiting discussion and consideration.

Mr. PEPPER. May I ask, Mr. President, what is the intention of the Senator from Kentucky?

Mr. BARKLEY. The Senator from Florida did not correctly understand me. I do not recall that I said anything to him about that matter.

Mr. PEPPER. No; not to me, but I had the impression which I expressed.

Mr. BARKLEY. In order that the Senate may understand how I feel about this matter, probably I might as well now make a brief statement. As soon as the anti-poll-tax bill was reported by the Committee on the Judiciary the question arose among Senators and in the mind of the public as to when it would be taken up for consideration. having in mind all the possibilities involved in a motion to proceed to the consideration of the bill, having in mind what happened on a former occasion with respect to it, when we debated even the motion to take it up for about 6 weeks and never got it up, except finally we got it up so that we might vote on cloture, and cloture was defeated by about the same proportion of the vote as has been had today.

In all my consultations in an effort to arrange a way by which it could be taken up and debated and let the Senate express itself on it, to both those who favored the bill and those who opposed it I expressed the view that if we could not obtain cloture on the bill we could never obtain a vote on the bill itself, and I think both sides thoroughly understood that.

There was no agreement about who should make a motion or when or whether anyone should make a motion, but there was a general feeling, I think, participated in by the Members of the Senate on both sides, that the only way we could ever get the bill to a vote would be by the adoption of a cloture rule. I said very frankly what I say now, that if we cannot get a cloture rule, we can never reach a vote, no matter how long the debate may proceed, and I expressed the view then, which I now repeat, that if we could not obtain the adoption of a cloture rule today, we could not obtain it a week from today or a month from today.

Whatever may be thought about that matter by people on the outside, I know the Senate of the United States well enough to know that no amount of outside pressure brought to bear upon the Senate will change the Senate's attitude on cloture. We might as well understand that now, and there will be no misunderstanding about it. If any Member of the Senate thinks to the contrary, I shall be glad to have him rise in his place and say so.. Silence evidently gives consent. The attitude of the Senate may be unfortunate; I regret it myself; but it is the situation, and that being the situation, I have felt, and I now feel, that it would be a futile waste of time to debate the matter any longer in the hope that at some far distant date we might be able to get cloture and obtain a vote on the bill. I know we cannot, and I am unwilling to deceive anybody into the belief that we can. I have always tried to be frank with the Senate and with the country insofar as what I have to say might have any effect. That is my view of the matter, and in the light of that situation I intend to vote for the motion of the Senator from Missouri to take up the veterans' bill.

It would not be in order for me simply to move to displace the anti-poll-tax bill. The motion that would have to be made is a motion to reconsider the vote by which the measure was taken up in the beginning. Simply a motion to displace something without having something else to take its place is not a proper motion, and I had never contemplated making such a motion. The motion of the Senator from Missouri is in order, and its adoption will result in displacing the pending bill, subject, of course, to any subsequent motion by any Senator to take it up again, when it will again run the gantlet which it has been running during a period of years, to determine whether it shall get its feet on the senatorial ground. Is that not about the situation, I ask the Senator from Missouri?

Mr. CLARK of Missouri. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER (Mr. LUCAS in the chair). Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. Yes; I yield, but I wish to make some further comments.

Mr. CLARK of Missouri. Of course, the Senator from Kentucky has very accurately stated the situation. So far as I am concerned, I do not believe that the Senate of the United States, in a time of tremendous stress, is justified in tying its own hands and tying itself up indefinitely with regard to one bill to the exclusion of all other necessary and beneficial legislation. Therefore, Mr. President, while I voted for cloture, while I should be glad to have the anti-poll-tax bill brought to a vote at any moment, I am not willing to tie up the business of the Senate indefinitely on such a proposition. I may say to the Senator from Florida that among other bills I intend to move consideration of this afternoon, if I have the opportunity, is Calendar No. 337, Senate bill 683, introduced by the Senator from Florida himself on behalf of himself and myself and other Senators, which provides for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, a bill in which the Senator from Florida has been very much interested. I think the time has come when we ought to clean up a little business and not indulge solely in discussion of controversial measures.

Mr. BARKLEY. Will the Senator from Florida yield to me?

Mr. PEPPER. I yield.

Mr. BARKLEY. Let me further elaborate a moment on the legislative situation which governs me in the responsible position I hold in the Senate. While the bill extending the Lend-Lease Act, which expires on June 30, 6 weeks from now, is in the hands of the President, there is before the House a proposal to provide appropriations to effectuate that measure. We have in the Committee on Banking and Currency the bill extending the life of the O. P. A., which expires on June 30. That legislation must be enacted or there will be a most unfortunate, if not disastrous, hiatus between the date when it expires and when Congress might at some subsequent date reenact it and make its reenactment retroactive. It is entirely possible and probable that if the pending bill should be debated indefinitely, with a hope, at some distant date of obtaining another vote on cloture, the time would expire for the reenactment of the O. P. A. and the passage of a measure making appropriations for lend-lease. In the meantime the tax-simplification bill, which the House has passed, and which has been ordered to be reported by the Committee on Finance, is awaiting attention. So are various appropriation bills, which must be acted on by June 30 in order to come within the fiscal year. There is pending other legislation dealing with the war situation. All these matters impel me to the opinion that we would not be justified in delaying this important war legislation with the rather faint hope that we could obtain a vote on the pending bill.

I join the Senator from Missouri and other Senators in wishing that we could get a vote on the bill at once. I wish we could vote on it and dispose of it. It is my belief that if there were a vote on the bill it would pass not simply by a majority, but probably by a two-thirds majority. But we have not reached that point, and there is no prospect that we can reach it soon, and there are certain things that we must do, and that is to pass important war measures.

I realize that there is a psychological situation existing regarding the pending legislation which affects the war, or the war might affect it. But these other matters are financial, they are economic, they are physical—many of them—and they cannot be postponed very long, and should not be postponed at all, in my judgment, since they are vital to the war effort itself.

For that reason I feel regretfully that I would not be justified in holding out a hope either to the Senate or the country, that we might within a reasonable time obtain a vote on the pending bill.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. GEORGE. I may remind the Senator from Kentucky that the debt-limitation bill itself has already passed the House, is now before the Finance Committee, and the debt limit must be raised or else the fifth War bond sale,

which is approaching would be definitely impeded.

Mr. BARKLEY. Yes. I thank the Senator. That is one of the bills which escaped my attention for the moment.

Mr. McKELLAR. Mr. President, I wish to remind the Senate also that the military appropriation bill, providing money with which to conduct the Army beginning July 1, has not as yet been passed. It provides for the appropriation of an immense amount of money. We must win this war, and we must pass that bill in order to win the war. That bill is yet to be placed before the Senate.

Mr. BARKLEY. Mr. President, there are many other bills in the same category, which the Senate cannot afford to dally with or to loiter upon. It is a condition, not a theory, as Grover Cleveland once said, which faces us.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHITE. For whatever my views may be worth, I desire to express them at this time. I hope the motion of the Senator from Missouri will prevail. If we are realistic about this situation, we must look with eyes of realism at the course which is dictated for us all. I doubt if Members of the Senate have been called upon to vote upon a measure which has given them more concern than has the one in connection with which the vote on cloture has just been had. The Senate voted by a substantial majority against cloture. I think that means that the Members of the Senate, after long consideration, out of an abiding conviction have expressed themselves as hostile to the anti-poll-tax bill at this time. I think it is futile to keep that matter before the Senate. I think we should displace it, as the Senator from Missouri has suggested. The alternative to that course of action is a stagnated condition in the Senate, with important pieces of legislation dammed up by the presence before us of the anti-poll-tax bill. In such a condition, the anti-poll-tax bill would prevent the consideration by the Senate of legislation not only of vital concern to many Members of the Senate who have worked long on it, but of paramount importance to the Nation. I think we should vote on that issue. I think we should turn our attention to the veterans' legislation and the appropriation bills. I take it there are some eight or nine appropriation bills of great importance which should be speedily brought before the Senate. We should facilitate the consideration of those bills, and should facilitate in every way we can their passage.

I believe that every consideration of realism—I use the word again—dictates that the motion of the Senator from Missouri should be carried. I hope Senators will so vote.

Mr. PEPPER. Mr. President, I will say that my sentiments are exactly the same as those of the Senator from Missouri and the Senator from Kentucky. The only thing I prefer, and it is what I think is the proper course, is to have a straight-out vote on the pending bill.

I ask the Senator from Missouri whether he would withdraw his motion if I were to make a motion to lay upon the table the pending bill. Such a motion is not subject to debate. It would give an immediate vote on the question of the direct disposition of the pending anti-poll-tax bill. If the Senator from Missouri will withdraw his motion, I will immediately make a motion to lay on the table the pending anti-poll-tax bill. That will give the Senate a clear-cut vote on the pending issue. I will vote "no" on the motion, but such a motion will give a clear-cut picture of the situation.

Mr. CLARK of Missouri. Mr. President, probably I am the only Member of the Senate who voted for cloture but was unwilling to vote for the bill. I regard the bill as unconstitutional, but I was willing to vote for cloture because I regard it as a disgraceful state of affairs to have a filibuster going on in the Senate of the United States at the very time when an invasion of Europe is about to be made by our troops. I had no hesitation in voting for cloture, and I would have no hesitation in voting against the bill, which I regard as unconstitutional.

I have made a motion that the Senate proceed to the consideration of other business because, as the Senator has said, the Senate has clearly, emphatically, and overwhelmingly indicated its intention not to bring the anti-poll-tax measure to a vote. If it cannot be brought to a vote, everyone knows that the only purpose in keeping the bill before the Senate is simply to have a long, wearisome, wasteful discussion on the part of the Senate.

Mr. PEPPER. Mr. President, would a vote on a motion to lay on the table have the same effect?

Mr. CLARK of Missouri. If the Senator thinks that a vote on the motion to take up a measure to provide for the furnishing of artificial limbs to soldiers and sailors wounded in the war is not an important matter, I should be glad to have him explain why it is not.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. Would a motion to lay the pending bill on the table take precedence over the motion of the Senator from Missouri, which is now pending?

The PRESIDING OFFICER. The motion made by the Senator from Missouri is in order. It cannot be amended by a motion as suggested by the Senator from Florida.

Mr. PEPPER. Very well, Mr. President; I shall conclude by saying that, so far as I individually am concerned, I am as anxious as any other Senator to take up veterans' legislation, but since it is intended that this vote shall be a vote on the disposition of the pending bill, and since I wish to see this bill disposed of by a direct vote, I shall vote "no" on the motion of the Senator from Missouri.

Mr. McCARRAN obtained the floor.

Mr. REED. Mr. President, will the Senator yield for a moment?

Mr. McCARRAN. I yield to the Senator from Kansas for a question.

Mr. REED. I merely wish to take away from the Senator from Missouri the distinction of being the only Member of the Senate who voted for cloture, as he did and as I did, but who was against the bill. Two years ago, I made the statement, just before a yea-and-nay vote, that I expected to vote for cloture, but I also said I intended to vote against the bill, if it came to a vote.

I think the controversy is one which we cannot settle here. However, I wished to deprive the Senator from Missouri of the distinction of being the only Member of the Senate to take the position he stated.

Mr. McCARRAN. Mr. President, I respectfully request that I not be asked to yield, for I shall speak for only a few minutes.

Mr. SHIPSTEAD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SHIPSTEAD. What is the question now before the Senate?

The PRESIDING OFFICER. The pending question is the motion of the Senator from Missouri [Mr. CLARK] that the Senate proceed to the consideration of House bill 3176, which is Calendar No. 818.

Mr. McCARRAN. Mr. President, I was the one who moved that the anti-poll-tax bill be taken up for consideration by the Senate. I did so as chairman of the Committee on the Judiciary, that place having come to me by reason of the death of our beloved colleague, the late Senator Van Nuys of Indiana, who formerly was chairman of that committee.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me, so that I may request unanimous consent to have a matter inserted in the RECORD?

Mr. McCARRAN. I beg the Senator's pardon; I earlier requested that I not be interrupted at this time, because I shall hold the floor for only a very few minutes.

The Committee on the Judiciary of the Senate voted by a vote of 12 to 6 that House bill No. 7 be favorably reported to this body. As chairman of the Committee on the Judiciary, I cannot and will not, without specific direction from a majority of my committee, agree to have this bill taken off the floor without a record vote of the Senate. I am not going to sit idly by and allow the bill to be taken off the floor, when my committee has said the bill should be considered by the Senate. Not until my committee says that I must take another position—and I do not believe it will do so now or at any other time in the near future—will I take any other position.

So far as debate is concerned, there has been but little real debate on this bill up to date. Undoubtedly there has been what we all recognize to be a filibuster; in other words, an attempt to keep the bill from coming to a vote at all. Ordinarily that is not the way in which we like to dispose of legislation. Be that as it may, it makes little difference. I voted against cloture. I shall vote against cloture on any measure that comes before the Senate, so long as I am a Member of this body, because unlimited debate is the only protection which States of small population have against a measure which may be destructive of their respective interests. I have

used the filibuster on the floor of the Senate to protect my own State, and I certainly would never vote to take that weapon away from any other Member of the Senate who sought to protect his State in turn. So my vote stands today, even though it may be inconsistent with my having moved the consideration of House bill 7. But, Mr. President, the bill should be disposed of by a direct vote. Now that we have the opportunity to vote, let us vote on the question by a record vote. If we are voted down and the bill is displaced by a record vote, well and good. If not, some other course must be followed.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Is the motion of the Senator from Missouri [Mr. CLARK] under rule XXII? Rule XXII states:

When a question is pending, no motion shall be received, but—

Then there is a list of motions which may be made, and the order in which they take precedence. I wonder under what rule the motion of the Senator is in order.

The PRESIDING OFFICER. The motion of the Senator from Missouri [Mr. CLARK] is in order under the uniform practice and precedents of the Senate.

Mr. TAFT. The practice may be uniform, but it is in direct violation of the express terms of rule XXII, which provides the method by which a pending measure may be laid aside.

The PRESIDING OFFICER. It is the understanding of the present occupant of the chair that the precedents of the Senate support the procedure which has been followed by the Senator from Missouri in making a motion to displace the pending measure. That is the question now before the Senate.

Mr. CLARK of Missouri. Mr. President, the Senator from Ohio has seen this exact practice followed at least 500 times since he has been a Member of the Senate.

Mr. TAFT. That may be; but, to my knowledge, the point of order has never been raised. All these answers do not in any way change the express terms of the rule, which provides the method by which a measure pending before the Senate may be set aside.

I make the point of order that the motion of the Senator from Missouri is not in order.

The PRESIDING OFFICER. The Chair invites the attention of the Senator from Ohio and the Senate to rule IX, which has been called to the attention of the Chair by the parliamentarian. Rule IX sets out the motions which shall be in order at any time as privileged motions. The second item in that list is:

A motion to proceed to the consideration of any other bill on the calendar, which motion shall not be open to amendment.

That follows the general provisions in rule IX, discussing the question of the order of business.

The Chair is further advised that this rule has been used as the basis for the precedent which has been followed for a long time.

The point of order of the Senator from Ohio is overruled.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. Under rule XXII, which has just been adverted to by the Senator from Ohio, the order of precedence of motions is given. That order is as follows:

To adjourn.

To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

To take a recess.

To proceed to the consideration of executive business.

To lay on the table—

And so forth. A few minutes ago I propounded a parliamentary inquiry to ascertain whether the motion by the junior Senator from Florida to lay on the table the pending bill would take precedence over the motion of the Senator from Missouri [Mr. CLARK] to displace the pending business. Under rule XXII, to which I respectfully call the attention of the Chair, would it not follow that a motion to lay on the table would take precedence over a motion to displace the pending business?

The PRESIDING OFFICER. The Chair repeats what he has heretofore tried to say that under rule IX and under the precedents which have been followed under rule IX, the motion to proceed to the consideration of any other bill on the calendar is in order, and is not subject to amendment.

Mr. TAFT. Mr. President, I invite the attention of the Chair to the fact that the motions under rule IX apply only after the disposition of the calendar. The rule then states:

And in such case the following motions shall be in order at any time as privileged motions—

But it does not say that, having voted to take up a measure, these motions may be made to set aside that measure. It seems to me that rule IX is entirely overruled by rule XXII. There may be some precedent, but I cannot discover it from the rule.

The PRESIDING OFFICER. The Chair is advised by the parliamentarian that the precedents in the Senate for following the procedure suggested by the Senator from Missouri are unbroken. The Chair will follow the advice of the parliamentarian and overrule the point of order.

Mr. SHIPSTEAD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SHIPSTEAD. Has the motion of the Senator from Missouri been substituted for House bill 7?

The PRESIDING OFFICER. The motion of the Senator from Missouri is now before the Senate, and the yeas and nays have been demanded and ordered.

Mr. SHIPSTEAD. Is that the pending question?

The PRESIDING OFFICER. That is correct. The motion is debatable.

Mr. MEAD. Mr. President, wisely or unwisely, a group of Senators interested in the advancement of anti-poll-tax bill have designated me as their spokesman on a number of occasions. We have held several meetings of our group. We held one at 12:30 today. At all such meetings we discussed the possibilities of advancing the pending legislation.

I have held frequent conferences with Members of the Senate, and particularly with the majority leader of the Senate. I wish to tell the Senate and the public that from the very beginning he has been deeply interested in the bill. He has been most helpful in bringing the bill before the Senate, and eager to have the Senate vote upon it. In my judgment, he is one of the truest friends of the bill in the Congress. Every time I have held a conference with him he has been very frank and candid with me. I reported word for word what he had to say to the members of our group. The majority leader's consideration of our requests has been inspiring. His conduct in connection with the advancement of the bill has been exemplary.

The members of our group have been most considerate. However, at no time have they been willing to make any definite decision or agreement with reference to the disposition of the bill from its present favored position on the calendar. They are anxious to keep it there. At our last meeting they instructed me to say for them that they hoped the bill would remain before the Senate until finally voted upon. At no time have they been willing to give consideration to its displacement unless fair and proper consideration was given to the measure itself.

Mr. President, the opponents of the proposed legislation during the course of the debates have been fair and considerate. We have talked about the bill for only about a week.

The debate has not reached the point of a filibuster. Everyone seems to be in good humor. It occurs to me, therefore, that we could continue this debate without difficulty. If it were necessary, if a great war emergency should occur, or if a bill such as the one advanced by the distinguished Senator from Missouri, which would probably take only 10 or 15 minutes to dispose of, were to be brought to the attention of the Senate, perhaps by unanimous consent House bill 7 could be laid aside temporarily. However, speaking for our group, we do not believe that this bill should be taken from its present favored position. I hope, Mr. President, that any effort to take it from the calendar, or from its present favored position, will not be acted upon.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. CLARK of Missouri. The Senator does not understand, does he, that my motion would displace the present measure on the calendar?

Mr. MEAD. No; I stand corrected.

Mr. CLARK of Missouri. Allow me to say to the Senator from New York that the only difference between him and myself is this: In a time of great national stress, such as the present, when every Member of the Senate knows that, no

matter what might happen, if we could muster only as many votes for cloture as we did a while ago, the result might not be different 4 or 6 weeks from now, and when everyone knows that the bill cannot be passed without cloture, I do not think we are justified in tying up indefinitely the time of the Senate during a great national crisis, and interfering with the business of the Senate in connection with one particular measure.

Mr. MEAD. I realize, Mr. President, that the motion of the Senator from Missouri would not displace the bill on the calendar, but it would displace the bill as the pending business before the Senate.

With reference to the great national emergency to which the able Senator from Missouri has referred, allow me to say that I believe that great good would result from the passage of the pending measure.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. CLARK of Missouri. I am perhaps inclined to agree with the Senator as to the good which might result from the passage of the bill, but I desire to ask him, What national good could result from tying up indefinitely all the business of the Senate. How long does the Senator wish to tie up the business of the Senate?

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McCARRAN. Allow me to call to the attention of the able Senator that for the past several weeks we have been meeting twice a week, and sometimes three times a week. For some considerable time before the short recess which we took, we were meeting twice a week. During all that time, if I am not mistaken, the bill which the Senator now wishes to bring forward to displace House bill 7 was on the calendar. While we may recognize the importance of veterans' legislation, it is difficult to understand why the Senator from Missouri has not manifested so much anxiety about it until recently.

Mr. CLARK of Missouri. Mr. President, will the Senator from New York permit me to ask the Senator from Nevada a question?

Mr. MEAD. I yield.

Mr. CLARK of Missouri. I should like to ask the Senator from Nevada a very fair question. I know he is a very practical legislator. How long does the Senator desire to continue with the hippodrome performance? How long does he want to tie the hands of the Senate when he knows the pending bill cannot be passed?

Mr. McCARRAN. Mr. President, I should not wish to admit, even by silence, that the able Senators who have taken part in the debate relative to House bill 7 are performers in a hippodrome performance. I shall not stand for such an implication for a moment. I know that the Senator from Texas, for example, was not a participant in any hippodrome performance. He does not perform in that way.

Mr. CLARK of Missouri. How long does the Senator from Nevada want to keep the bill before the Senate?

Mr. McCARRAN. I want it to remain here until it is passed or disposed of.

Mr. CLARK of Missouri. Indefinitely?

Mr. McCARRAN. Until it is disposed of.

Mr. CLARK of Missouri. Until the end of the Congress?

Mr. McCARRAN. Let us take a vote on it.

Mr. CLARK of Missouri. I am perfectly willing to take a vote on it now, but does the Senator want to keep the bill on the calendar until the end of this Congress?

Mr. McCARRAN. I want to have the bill considered by the Senate and acted upon. My committee has so instructed me, and I want to follow its instructions.

Mr. CLARK of Missouri. If the Senator undertakes to carry out all the instructions of his committee, he will be a remarkable man.

Mr. McCARRAN. I shall try to do so.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. CHAVEZ. I am not willing to stand in the Senate and say that the Senators who spoke against the bill last week were doing so merely to prevent its coming to a vote. I feel that they were doing only their duty. I do not agree with them whatever in their opposition to the bill. However, whether it takes a week or 2 weeks——

Mr. CLARK of Missouri. Or 2 months.

Mr. CHAVEZ. It is a measure on which the Senate should have an opportunity to vote "yea" or "nay." I cannot see any reason at this time why we should discontinue consideration of the bill merely because the Senate did not vote for cloture. I feel exactly as the Senator from Nevada feels. I would vote "yea" on the bill right now, but I would not vote for cloture. If the Senator from North Carolina, Nevada, Nebraska, or any other State, wishes to debate the bill further, I shall not believe that there are any ulterior motives in what he wishes to do.

Mr. MEAD. Mr. President, I do not believe the conduct of any Member of the Senate during the consideration of the bill needs any defense from me. As I said a moment ago, I do not believe the discussion has reached the degree of a filibuster. I merely wish to inform the Senate that the group with which I am associated, in advancing the cause of this bill, feel that we should keep it before the Senate until such time as we have an opportunity to vote upon its merits. They are opposed—and I think I can say this advisedly—to its being sidetracked by the motion which is now before the Senate. I believe that the attitude of the chairman of the committee from which the bill was reported is laudable. As chairman of the committee he brought the bill before the Senate. It was his motion which made the bill the unfinished business of the Senate. No one can find fault with him in his opposition to the pending motion, which would in effect set aside the bill which he reported to the Senate.

Mr. President, I again assert that the able Senator from Missouri [Mr. CLARK] may ask unanimous consent, and probably receive it, for the consideration of the proposed veterans' legislation, with the understanding that after its disposition we shall return immediately to the consideration of House bill 7. I favor the bill he seeks to bring before the Senate. I am sure that those of us who approve the pending bill will be most cooperative, but I object to the situation which will result if the pending motion be agreed to.

I wish again to say that, as a result of a conference which some of us held at noon, we feel that we should continue with the consideration of the pending bill.

With reference to the time element, not only has the Senate been taking recesses in the past, but recesses are contemplated in the near future. So far as I am concerned, I am willing to stay here all summer in the conduct of the business of the Senate, and in the disposition of the bill before us as well as all the bills now on the calender. We have the time, Mr. President, and I do not believe we will find it necessary to sidetrack or sacrifice any other good legislation if we decide to stay here and meet 5 or 6 days a week. By doing so, I am sure we could dispose of every bill on the calendar including the bill to abolish the poll tax.

POSITION OF SENATOR SHIPSTEAD ON CLOTURE MOTION

Mr. SHIPSTEAD. Mr. President, in view of the possibility that the motion of the Senator from Missouri [Mr. CLARK] may prevail, I desire to state in a few words my views on House bill No. 7. I voted against cloture and if the bill should come to a vote I would vote against the bill.

Section 2, article I of the Constitution of the United States states:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

These qualifications are fixed by the law of the State. Applying that provision to the State of Minnesota, it means that only those electors can vote for Members of the House of Representatives in the United States Congress who are qualified to vote for members of the Minnesota House of Representatives.

The power to impose qualification of voters is vested by the Constitution in the several States. If the Congress has the right, under the Constitution, to remove one qualification, Congress has the right to remove all qualifications or to impose others. If this view should prevail, it would mean that the Congress would take the position that the Constitution could be amended by a majority vote of the Congress.

We are sailing on rough seas, with foggy weather these days. Our compass is the Constitution.

If the will of those who hold that the Congress, by a majority vote can amend the Constitution, should prevail, and this

proposed measure should become law, it would open the door to a mass of Federal legislation now prohibited by the present construction of the Constitution. It would place the welfare of the country and its population within the complete power of whatever faction happened to be in the majority. Majorities rise and fall and can when in power do irreparable damage to minorities unless curbed by constitutional barriers.

The sovereign people who created this Government imposed limitations upon the power of majorities. Only the people of the various States can remove these limitations. They provided the machinery for changing the Constitution when the people desire to have it changed. I think it is our duty to bear that in mind.

Voting for cloture in this case, it seemed to me, would be to assist in lowering the bars of constitutional prohibition to a piece of legislation that, if enacted into law, would, in my opinion, be a dangerous precedent which, if sustained by the courts, would constitute a crucial blow to our system of government, under a Constitution which we have sworn to support and defend against all enemies, foreign and domestic.

Mr. President, there is pending before the Judiciary Committee of the Senate a joint resolution providing for a constitutional amendment to prohibit poll taxes being imposed by the various States as a qualificaton for voting. If and when the Senator from Wyoming, the author of the joint resolution, will have it reported or will move to discharge the committee from its further consideration and afford an opportunity to have it brought to the floor of the Senate for consideration, I shall be very glad to vote for the passage of such a joint resolution, so that the question may be submitted to the only authority that has the power to deal with a proposal calling for a change in the Constitution of the United States. I hope that some day, not too far in the future, the Senator from Wyoming will move to bring the joint resolution from the Judiciary Committee to the floor of the Senate.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the joint resolution introduced by the Senator from Wyoming and now pending in the Judiciary Committee.

There being no objection, the joint resolution (S. J. Res. 2) proposing an amendment to the Constitution of the United States relative to voting qualifications, introduced by Mr. O'MAHONEY on January 7, 1943, was ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or any State by reason of failure to pay any tax or on account of any property qualification.

"SEC. 2. The Congress shall have power to enforce this article by appropriate legislation."

REGULATIONS AFFECTING THE FURNISHING OF ARTIFICIAL LIMBS TO RETIRED OFFICERS AND ENLISTED MEN

SEVERAL SENATORS. Vote!

Mr. BURTON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Bailey	Gillette	Overton
Ball	Green	Pepper
Bankhead	Guffey	Radcliffe
Barkley	Hatch	Reed
Bilbo	Hawkes	Revercomb
Brewster	Hayden	Robertson
Brooks	Hill	Russell
Buck	Jackson	Shipstead
Burton	Johnson, Colo.	Smith
Bushfield	Kilgore	Stewart
Byrd	La Follette	Taft
Capper	Langer	Thomas, Idaho
Caraway	Lucas	Tunnell
Chandler	McCarran	Tydings
Chavez	McClellan	Vandenberg
Clark, Mo.	McFarland	Wagner
Connally	McKellar	Walsh, Mass.
Cordon	Maloney	Walsh, N. J.
Danaher	Maybank	Weeks
Davis	Mead	Wheeler
Downey	Millikin	Wherry
Eastland	Moore	White
Ellender	Murdock	Wiley
Ferguson	Nye	Wilson
George	O'Daniel	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

Before a vote is taken on the pending motion, the Chair desires to submit a brief statement.

Earlier in the debate the senior Senator from Ohio [Mr. TAFT] raised a point of order that under rule XXII there was no provision to displace by motion the unfinished business before the Senate. Under rule IX, and under Senate precedents, the Chair overruled the point of order.

In view of the widespread public interest in House bill 7, the Chair believes it advisable to support the ruling with a few precedents of the Senate, which he desires to read into the RECORD at this time.

On January 6, 1932, during the consideration of the unfinished business, which was the matter of the election of a President pro tempore, Mr. MCKELLAR, of Tennessee, moved that the Senate take up for consideration the so-called lame-duck constitutional amendment.

Mr. Norris, of Nebraska, made a point of order that Mr. MCKELLAR'S motion was not in order because, if agreed to, it would displace the unfinished business, which was privileged.

The Vice President—Mr. Charles Curtis, of Kansas—overruled the point of order, saying:

There are only three questions mentioned in the Senate rules which are to be proceeded with until disposed of:

1. Motion to amend or correct the Journal—rule III.

2. Questions and motions arising or made upon presentation of credentials of Senators—rule VI.

3. Measures upon which cloture has been invoked—rule XXII.

Any other matter, by necessary implication, could be displaced at any time by a majority vote of the Senate, by simply agreeing to a motion to take up any particular matter or measure.

The Chair overrules the point of order.

Mr. Norris appealed from the decision of the Chair, which, after debate, was sustained by a vote of 54 yeas, 17 nays—Senate Journal, Seventy-second Congress, first session, page 126.

On June 19, 1941, while unfinished business was under consideration, being a work-relief bill, an objection was made to laying it aside and taking up another bill. Mr. Byrnes, of South Carolina, then moved that House bill 4973, to amend the act of May 22, 1918, be taken up, when Mr. TAFT, of Ohio, made the point of order that there was unfinished business before the Senate. Mr. ELLENDER, of Louisiana, the Presiding Officer, overruling the point of order, said—CONGRESSIONAL RECORD, Seventy-seventh Congress, first session, page 5326:

A motion to take up another bill is always in order.

On September 29, 1917, during the consideration of the unfinished business, H. R. 2316, to promote export trade, Mr. Pomerene, of Ohio, moved that it be temporarily laid aside, when Mr. Swanson, of Virginia, suggested that a motion be made to take up another bill, which, if agreed to, would displace the unfinished business.

The Presiding Officer, Mr. Poindexter, of Washington, said—CONGRESSIONAL RECORD, Sixty-fifth Congress, first session, page 7515:

A motion to lay aside the unfinished business is not in order, but a motion to take up another bill would be in order.

On June 3, 1924, while unfinished business was pending, Mr. Dial, of South Carolina, moved that the Senate proceed to the consideration of Senate Joint Resolution 121, to create a body corporate by the name of the Alien Property Trade Investment Corporation.

Mr. Neely, of West Virginia, made the point of order that the foregoing bill was the unfinished business, and that Mr. Dial's motion was not in order.

The President pro tempore, Mr. Albert B. Cummins, of Iowa, overruled the point of order—Senate Journal, Sixty-eighth Congress, first session, page 418.

On December 20, 1928, during the consideration of a bill for the relief of farmers in storm and flood-stricken areas, Mr. Hale, of Maine, moved that the Senate proceed to the consideration of a bill to authorize the construction of certain naval vessels, when Mr. Norris, of Nebraska, made a point of order that it was in violation of a unanimous-consent agreement. The Vice President, Charles G. Dawes, of Illinois, overruled the point of order, holding there was no provision in the agreement for a final vote, and that the motion of Mr. Hale was in order.

Mr. King, of Utah, appealed from the ruling of the Chair, which was sustained by a vote of 63 yeas, 13 nays—Senate

Journal, Seventieth Congress, second session, page 53.

On July 11, 1939, while the then unfinished business was before the Senate, Mr. CONNALLY, of Texas, inquired if it were not in order to move to displace it and take up a bill proposing to amend the Social Security Act.

The Vice President, John N. Garner, of Texas, said—CONGRESSIONAL RECORD, Seventy-sixth Congress, first session, page 8812:

Of course, such a motion is in order.

On March 11, 1940, while the so-called Hatch political-activities bill was before the Senate, Mr. RUSSELL, of Georgia, moved that it be temporarily laid aside and that the Senate proceed to the consideration of the Agricultural Department appropriation bill.

Mr. BARKLEY, of Kentucky, suggested that under the rules the only motion in order was a motion to proceed to consider the latter bill; that a motion to temporarily lay aside a pending bill was not in order.

The President pro tempore, Key Pittman, of Nevada, said:

That is correct. The Chair was about to make that announcement.

Mr. RUSSELL inquired if that was the ruling of the Chair, and the President pro tempore replied that it was—CONGRESSIONAL RECORD, Seventy-sixth Congress, third session, page 2631.

On September 13, 1940, H. R. 10413, the excess profits tax bill, was taken up on motion, and in the course of debate, the President pro tempore, Key Pittman, of Nevada, stated that a bill taken up on motion remained the unfinished business until disposed of. Mr. BARKLEY, of Kentucky, said:

Yes; it may be displaced in one or two ways—either by unanimous consent or by agreeing to a motion to consider some other bill.

The President pro tempore said:

Certainly; that is correct.

On April 28, 1942, the Vice President, HENRY A. WALLACE, of Iowa, replying to a parliamentary inquiry by Mr. CONNALLY, of Texas, held that during the consideration of a pending bill a motion to proceed to the consideration of another bill would be in order, and, if agreed to, would have the effect of displacing the bill under consideration—CONGRESSIONAL RECORD, Seventy-seventh Congress, second session, pages 3743–3745.

Mr. BURTON. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BURTON. For the information of the Senate, and basing my point on the point raised today by the senior Senator from Ohio, if the ruling of the Chair is under rule IX, I call the attention of the Chair to the final paragraph of rule IX, and ask whether that would apply also. The final paragraph of the rule reads:

Each of the foregoing questions shall be decided without debate and shall have precedence in the order above named.

Under the ruling of the Chair, would the motion we have been debating be debatable?

The PRESIDING OFFICER. The point of order was overruled primarily upon the precedents the Chair has just now submitted to the Senate.

The yeas and nays have been ordered on the pending motion, and the clerk will call the roll.

Mr. MEAD. Mr. President, is the Senate about to vote on the motion submitted by the able Senator from Missouri?

The PRESIDING OFFICER. It is. The question is on displacing the unfinished business by taking up House bill 3176.

Mr. CONNALLY. To be technically accurate, is not the motion that the Senate shall proceed to the consideration of House bill 3176?

The PRESIDING OFFICER. The Senator is correct.

Mr. CONNALLY. The question is not on displacing anything, it is a question of taking up a veterans' bill, for the benefit of soldiers who are fighting while we are here at home.

Mr. MEAD. Approval of the motion will have the effect of displacing House bill 7 as the unfinished business before the Senate.

The PRESIDING OFFICER. It will have the effect of virtually displacing the pending measure, which is House bill 7.

Mr. MEAD. I thank the Chair.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. STEWART (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. HOLMAN]. I am not advised how he would vote if present. I transfer that pair to the senior Senator from Florida [Mr. ANDREWS] and will vote. I vote "Yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Utah [Mr. THOMAS] has been appointed by the President of the United States as a delegate to attend the International Labor Organization Conference in Philadelphia, and is therefore necessarily absent.

The Senator from Nevada [Mr. SCRUGHAM] is absent on official business.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Montana [Mr. MURRAY], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from North Carolina [Mr. REYNOLDS] is necessarily absent.

I also announce that the Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN], who is necessarily absent, has a pair with the Senator from Nebraska [Mr. BUTLER], who is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES], who is detained on official business, has a pair with the Senator from Utah [Mr. THOMAS].

The following Senators are necessarily absent:

The Senator from Oregon [Mr. HOLMAN], the Senator from California [Mr. JOHNSON], and the Senator from Indiana [Mr. WILLIS].

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The result was announced—yeas 41, nays 35, as follows:

YEAS—41

Bailey	George	Overton
Ball	Gerry	Radcliffe
Bankhead	Hatch	Reed
Barkley	Hawkes	Revercomb
Bilbo	Hayden	Robertson
Brewster	Hill	Russell
Bushfield	McClellan	Smith
Byrd	McKellar	Stewart
Caraway	Maloney	Thomas, Idaho
Chandler	Maybank	Tydings
Clark, Mo.	Millikin	Walsh, N. J.
Connally	Moore	Weeks
Eastland	O'Daniel	White
Ellender	O'Mahoney	

NAYS—35

Aiken	Green	Nye
Brooks	Guffey	Pepper
Buck	Jackson	Taft
Burton	Johnson, Colo.	Tunnell
Capper	Kilgore	Vandenberg
Chavez	La Follette	Wagner
Cordon	Langer	Walsh, Mass.
Danaher	Lucas	Wheeler
Davis	McCarran	Wherry
Downey	McFarland	Wiley
Ferguson	Mead	Wilson
Gillette	Murdock	

NOT VOTING—20

Andrews	Gurney	Thomas, Okla.
Austin	Holman	Thomas, Utah
Bone	Johnson, Calif.	Tobey
Bridges	Murray	Truman
Butler	Reynolds	Wallgren
Clark, Idaho	Scrugham	Willis
Glass	Shipstead	

So the motion of Mr. CLARK of Missouri was agreed to, and the Senate proceeded to consider the bill (H. R. 3176) to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard and to certain civilian employees of the military and naval forces of the Regular Establishment.

Mr. CLARK of Missouri. Mr. President, this is a purely technical measure. The bill was prepared by the Veterans' Administration, and as prepared by it, came to the Finance Committee. The bill is completely explained in great detail in the letter of General Hines to the Senator from Georgia [Mr. GEORGE], the chairman of the Finance Committee, which is printed in the report of the committee. I shall not take the time of the Senate to go into the matter because it is simply more or less of a codification of the existing laws with regard to the furnishing of artificial limbs.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ASSISTANCE TO FARMERS DAMAGED BY FLOODS

The PRESIDING OFFICER (Mr. LUCAS in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

Mr. WHITE. Mr. President, will the Senator from Tennessee indicate to the Senate what the measure is?

Mr. McKELLAR. I shall be very glad to do so. The Senator from Maine will recall that a joint resolution was passed on Friday of last week for the relief of flood sufferers, and the Senate agreed to an amendment which would include damage by windstorms. The House has disagreed to that amendment and has asked for a conference. My motion is simply that the Senate agree to the conference and that the Chair appoint conferees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. NYE, Mr. HOLMAN, and Mr. BROOKS conferees on the part of the Senate.

EFFECTIVE DATE OF AWARDS OF DEATH COMPENSATION IN CASES OF PERSONS MISSING IN ACTION

Mr. CLARK of Missouri. Mr. President, I now move that the Senate proceed to the consideration of Senate bill 1508, Calendar No. 819.

The PRESIDING OFFICER (Mr. HATCH in the chair). The bill will be reported by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1508) to provide effective date of awards of death pension or compensation in cases of persons missing or missing in action to authorize payment of such benefits from the date of death of such person as reported or found by the Secretary of War or the Secretary of the Navy, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Missouri [Mr. CLARK].

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1508), which had been reported from the Committee on Finance with an amendment on page 1, line 3, after the word "that" to insert "effective December 7, 1941".

Mr. CLARK of Missouri. Mr. President, the only purpose of the bill is to enable the Veterans' Administration, in the case of a man who is reported missing in action, to make the effective date of the pension the actual, factual date of his death.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

Mr. DANAHER. Mr. President, because of the objectives of the bill, the report on it is very illuminating. I ask unanimous consent that the report be printed in full at this point in the RECORD.

There being no objection, the report (No. 806) was ordered to be printed in the RECORD, as follows:

The Committee on Finance, to whom was referred the bill (S. 1508) to provide effective date of awards of death pension or compensation in cases of persons missing or missing in action, to authorize payment of such benefits from the date of death of such person, as reported or found by the Secretary of War or the Secretary of the Navy, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The proposed legislation was recommended by the Administrator of Veterans' Affairs in a letter to the President of the Senate, which fully explains the purposes of the bill and which is included below as a part of this report. The committee amendment makes the legislation effective as of December 7, 1941.

The letter from the Administrator of Veterans' Affairs is as follows:

VETERANS' ADMINISTRATION,
Washington, September 20, 1943.

The PRESIDENT OF THE SENATE,
The Capitol, Washington, D. C.

SIR: There are forwarded herewith two copies of a draft of a proposed bill entitled "A bill to provide effective date of awards of death pension or compensation in cases of persons missing or missing in action to authorize payment of such benefits from the date of death of such person as reported or found by the Secretary of War or the Secretary of the Navy, and for other purposes," with the request that same be introduced and referred to the appropriate committee for consideration.

The purpose of the bill is to prevent concurrent payments of death pension, or compensation and family allowance under the act of June 23, 1942 (Public, No. 625, 77th Cong., as amended) or allotment of pay under the act of March 7, 1942 (Public, No. 490, 77th Cong., as amended) or of active service pay, exclusive of the 6 months' death gratuity, over the same period in any case where a factual determination of the date of death made by the Veterans' Administration as required by law or regulation for the purpose of making payments of death pension or compensation benefits under laws administered by the Veterans' Administration, antedates the date of a finding of death made by the War Department or Navy Department pursuant to section 5 of Public, No. 490, Seventy-seventh Congress, March 7, 1942, as amended by Public, No. 848, Seventy-seventh Congress, approved December 24, 1942. (Nothing herein stated applies to insurance contracts as benefits thereunder accrue from actual date of death.)

Section 5 of Public, No. 490, Seventy-seventh Congress, as amended by Public, No. 848, Seventy-seventh Congress, December 24, 1942, provides, as to persons missing or missing in action, for a review of the case by the Secretaries of War or Navy, as case may be, and for a continuance of the person's missing status after a period of 12 months has elapsed from the date of commencement of such absence if the person may reasonably be presumed to be living, or for a finding of death by the service department concerned. The law requires, when a finding of death is made, that it shall include the date upon which death shall be presumed to have occurred for the purposes of termination of crediting pay and allowances, settlement of accounts, and payment of death gratuities, and that such date shall be the day following the day of expiration of an absence of 12 months, or in cases in which the missing status shall have been continued, a day to be determined by the head of the department. This finding of death, in other words, is a date arbitrarily fixed pursuant to law for the purposes above stated.

At the time the proposed amendment to section 5 of Public, No. 490, Seventy-seventh Congress, was under consideration (S. 2917; H. R. 7844, 78th Cong.), which thereafter was enacted into law as Public, No. 848, Seventy-seventh Congress, December 24, 1942, I pointed out in a report dated December 4, 1942, to the Director, Bureau of the Budget, who advised that there would be no objection to submission of the report to the Senate Committee on Naval Affairs, that the proposed amendment would authorize the head of the service department concerned to make a finding of death without any evidence to support such finding other than absence of the individual for a period of 12 months or more and that such finding would not relieve the Veterans' Administration of the necessity of determining the fact of death in claims for benefits under laws administered by the Veterans' Administration. To overcome this objectionable feature of the bill, I proposed a substitute provision which would have authorized continuance of the absentee in a missing status where there was no affirmative evidence of his death, otherwise, the issuance of a report of death based upon satisfactory evidence which would have been sufficient for the Veterans' Administration to accept as it does other official reports of deaths occurring in service. This proposal was rejected by the War and Navy Departments on the ground that they specifically desired authority to make such finding when the circumstances under which the absentee disappeared made it appear probable to the head of the department that the absentee should be presumed to be dead, such presumptive finding being necessary in order that they might close and settle their accounts. In lieu of the proposal of the Veterans' Administration, the War and Navy Departments agreed to a modification of the pending bill and assured the Veterans' Administration that information available in connection with adjudication of claims would be furnished the Veterans' Administration in every case where practical and proper to do so and, eventually, in all cases.

Because of the strong conviction of the War and Navy Departments concerning the need of authority to make presumptive findings of death under the circumstances covered by the proposed amendment of section 5 of Public, No. 490, Seventy-seventh Congress, and the admitted necessity of permitting such departments to function on a practical basis, I reluctantly concluded I should not oppose enactment of the bill. I felt confident at that time that both in principle and from the standpoint of good administration the recommendations of the Veterans' Administration were sound and that experience

would make clear the necessity for further legislation on this subject. After the enrolled bill was received, conferences were held, and after the bill was approved further conferences, at the direction of the President, were held among representatives of the War and Navy Departments, the Bureau of the Budget, and the Veterans' Administration. As a result, certain agreements were reached as to operation under the statute with a clear understanding that the Veterans' Administration would recommend such amendatory legislation as might be found necessary with respect to the laws pertaining to veterans. This recommendation is made accordingly.

In the adjudication of claims for death benefits under laws administered by the Veterans' Administration neither the provisions of section 5 of Public, No. 490, Seventy-seventh Congress, as amended, nor the agreement of February 4, 1943, contemplate or require of the Veterans' Administration that a person who disappeared under circumstances which would lead to the reasonable conclusion that such person died on the date of disappearance should be carried as missing solely because his body was not recovered, nor does a finding by the service department concerned that such person has been missing for a period of 12 months or more and that he died at the end of that period preclude the Veterans' Administration from examining the facts, including the finding, to determine for purposes of the laws administered by it the date of death. In adjudicating such claims the date of death, in the majority of cases, is important.

For example, awards of death pension granted to dependents of deceased veterans of World War No. 2 are effective as of the day following the date of death of the veteran if claim is filed within 1 year following date of death, otherwise the award becomes effective from date of claim. Under regulations promulgated pursuant to law prescribing the evidence required to establish proof of death, it is provided that in cases wherein proof of death cannot be furnished, a finding of fact of death may be made where death is otherwise shown by competent evidence. The best evidence, which from the nature of the case is supposed to exist, must be furnished in these cases. Hence, in cases of persons reported as missing or missing in action, where a finding of death has been made by the service department concerned, the Veterans' Administration in adjudicating claims of death benefits is required to make a factual determination of the date of death, and in many instances this factual determination based upon the evidence will antedate the finding of death made by the service department concerned for Public, No. 490 purposes only. Further, in a rather large number of cases the report of death is made by the service department promptly upon receipt of proof of death but months after actual date of death, allowances having been paid in the meantime. Death pension or compensation in such cases under the present law is payable from date of death of the veteran if claim is filed within 1 year thereafter and may cover the same period during which family allowance, allotment of pay, or active service pay has been paid or is payable by the War or Navy Departments.

During World War No. 1, allotments and family allowances were originally authorized under sections 200 to 210 of the act of October 6, 1917 (40 Stat. 402–405). Section 307 of that act provided:

"SEC. 307. That compensation shall not be payable for death in the course of the service until the death be officially recorded in the department under which he may be serving. No compensation shall be payable for a period during which the man has been reported 'missing' and a family allowance has been paid for him under the provisions of article II."

A similar provision was contained in section 207 of the World War Veterans' Act, 1924, as amended (U. S. C., title 38, sec. 496). In the absence of a similar provision in the law now in force, prohibiting payment of death pension or compensation benefits for any period during which a person in service has been reported as missing or missing in action and family allowance, or allotment of pay or active service pay has been paid or is payable, the Veterans' Administration under the circumstances described in the preceding paragraph would make payments of death pension or compensation to the dependents of such person and concurrent payments of family allowance or allotment of pay or active service pay.

The proposed legislation will meet the purpose heretofore stated by providing that as to death pension or compensation the effective date of an award under Public Law No. 2, Seventy-third Congress, shall be the day following the date fixed by the Secretary of War or the Secretary of the Navy as the date of death in his report of death or finding of death, if claim be filed prior to 1 year after report or finding of death is made. Such provision will prevent concurrent payments of death pension or compensation and pay and allowances, allotments or family allowances over the same period where the date of death as factually determined by the Veterans' Administration antedates the report of death or finding of death by the Secretary of War or the Secretary of the Navy and claim is filed within 1 year from date of death as factually determined under laws administered by the Veterans' Administration. It would also remove an injustice which would result where payments of death pension or compensation would have to be made effective, under existing law, from date of claim due to the inability of the claimant to file claim within 1 year from the date of death as factually determined by the Veterans' Administration where such factual finding made antedated the finding of death by the service department by more than 1 year. It is further provided that death pension or compensation under the laws administered by the Veterans' Administration shall not be payable to any dependent for any period for which such dependent has received, or is entitled to receive, an allowance, allotment, or service pay of the deceased. This provision is to cover cases where allowance, allotment or service pay has been paid for any period after the date of death fixed by the Secretary of War or the Secretary of the Navy.

Due to the number of casualties in the present war in the category of missing persons, all of which give rise to potential claims for death pension or compensation benefits, the need for such legislation is apparent, and it is urgent that such legislation be secured at the earliest possible date.

The enclosed draft of bill has been prepared in collaboration with respresentatives of the War and Navy Departments and those Departments join in recommending its enactment.

Advice has been received from the Bureau of the Budget that there would be no objection to this proposed legislation being submitted to the Congress for its consideration.

Respectfully,

FRANK T. HINES,
Administrator.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1508) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That effective December 7, 1941, where in the case of a person in the active land or naval service a report of death or a finding of death has been made by the Secretary of War or the Secretary of the Navy, the effective date of an award of death pension or compensation payable under Public Law No. 2, Seventy-third Congress, as amended, shall be the day following the date fixed by the Secretary as the date of death in such report or finding: *Provided*, That claim be filed prior to 1 year after report or finding of death is made: *And provided further*, That death pension or compensation under the laws administered by the Veterans' Administration shall not be payable to any dependent for any period for which such dependent has received, or is entitled to receive, an allowance, allotment, or service pay of the deceased.

SEEING-EYE DOGS FOR BLIND VETERANS

Mr. CLARK of Missouri. Mr. President I move that the Senate proceed to the consideration of House bill 4519, Calendar No. 868.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4519) to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans.

The PRESIDING OFFICER. The question is on the motion of the Senator from Missouri.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. WAGNER. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 10, before the period, insert "and also to provide such veterans with mechanical electronic equipment for aiding them in overcoming the handicap of blindness."

Mr. CLARK of Missouri. Mr. President, so far as I am individually concerned, I shall be very glad to accept the amendment. The chairman of the committee is on his feet in front of me.

Mr. TAFT. Mr. President, I believe the amendment is a worthy one, but I think that under the act passed for the rehabilitation of veterans and the furnishing of prosthetic devices to them, it might well be claimed that such aid is already authorized. I do not know what the Senator from Missouri thinks about that, but it seems to me that the rehabilitation bill providing for the furnishing of prosthetic devices, such as wooden legs, might also be construed to provide for the furnishing of such other equipment.

Mr. CLARK of Missouri. Mr. President, I think that is the case. I think it is certainly included in the GI bill.

Mr. WAGNER. Mr. President, the following statement has been furnished to me by the American Foundation for the Blind, Inc., and I imagine it is in line with the position taken by other similar organizations:

> The purpose of this would be to provide blind veterans with talking-book machines, Braille typewriters, watches, electrical recording machines, which are used for writing letters, and other electrical and mechanical appliances and devices being developed for the blind—a great many of which would be of great help and in some cases even more desirable to the blinded veterans than seeing-eye dogs.

Mr. CLARK of Missouri. Mr. President, so far as I am concerned, I shall

be glad to accept the amendment, although I have no authority from the committee to do so.

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1726, Calendar No. 865, which is a similar measure, will be indefinitely postponed.

INCREASE OF SERVICE-CONNECTED DISABILITY RATES OF COMPENSATION OR PENSION

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of House bill 3356, Calendar No. 866.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3356) to increase the service-connected disability rates of compensation or pension payable to veterans of World War No. 1 and World War No. 2 and veterans entitled to wartime rates based on service on or after September 16, 1940, for service-connected disabilities, and to increase the rates for widows and children under Public Law 484, Seventy-third Congress, as amended, and to include widows and children of World War No. 2 veterans for benefits under the latter act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to; and the Senate proceeded to consider the bill.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE OF RATE OF PENSION FOR WORLD WAR VETERANS

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of House bill 3377, Calendar No. 867.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3377) to increase the rate of pension for World War veterans from $40 to $50 per month, to $60 per month in certain specified cases, and for other purposes.

Mr. TAFT. Mr. President, I do not like to have these two bills passed without stating my objections to some of the provisions of the bills. I stated them in the committee, but I was there overruled by a vote. However, I think we are making a mistake——

The PRESIDING OFFICER. Does the Senator object to having the bill made the pending business?

Mr. TAFT. No.

The PRESIDING OFFICER. The question is, then, on agreeing to the motion of the Senator from Missouri that the Senate proceed to consider the bill.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. TAFT. Mr. President, this bill increases from $40 a month to $50 a month the amount of pension payable to veterans who have been rated permanently and totally disabled. The increase is proposed on the ground that the cost of living has increased approximately 23 percent. I have no objection to such an increase. In fact, I think all the various payments should be increased in accordance with the increase in the cost of living. But the bill would do more than that. It would increase the pensions payable at age 65, or after the veteran has been in receipt of the pension for a continuous period of 10 years, to $60 a month, which is a 50-percent increase for those who would share in the benefits to be received by this group. I do not think at this time we should make a general increase in pensions of any kind, except to compensate for increases in the cost of living. I do not believe this is the time to make any other changes. I think the pending measure is distinctly an inflationary one. We are not considering general increases in salaries, and I do not think we should consider general increases in pensions.

A similar objection applies to House bill 3356, calendar No. 866, which has already been passed by the Senate; because, in addition to the increase to compensate for the increase in the cost of living, the bill also extends the benefits of the pension to widows and children of persons who served during the period of the present war, in cases in which the death of a veteran of the present war occurs after the war, and not from service-connected disability, if the deceased veteran had any kind of service-connected disability, no matter how small. In other words, if a veteran of the present war is accidentally killed, after the war, and if he had a service-connected disability, although it had no connection with his death—for instance, he might be killed in an automobile accident—nevertheless, the pension will extend to his widow and children, although it would not extend to the widow or children of a veteran who was not injured in the war, and who subsequently died.

This particular privilege was extended to widows and children of veterans of the First World War, but not until some 15 years after the war. At a similar time after the close of the present war, I think there may be a much better case for such legislation than there is at the present time. However, this bill would extend such aid at once to widows and children of veterans who happen to die after the war, from no cause in any way connected with the war. I was also overruled in the committee on this matter. I make no motion, except to say that I think both those steps are not in any way connected with the cost of living, but are general increases in the whole pension policy of the United States, at a time when there should not be general increases in either salaries or pensions, except to compensate for increases in the cost of living.

Mr. CLARK of Missouri. Mr. President, no one questions that legislation such as this would ultimately be enacted. It has been suggested that, on a traditional basis, we ought to wait for a certain number of years after the war to make provision for taking care of widows and orphans resulting from the war. It seems to me that when our boys are about to jump off in the greatest adventure of all time, we could give them no greater encouragement or morale builder than the assurance that their wives and children will be taken care of if they are killed. I believe that instead of waiting 15 years, as was done after the last war, we ought to do it now. Therefore I ask for a vote.

Mr. TAFT. Mr. President, I do not like to let that statement go unchallenged, because we are not assuring them that if they die after the war their widows and children will be taken care of. We are only assuring them that if they die from wounds received in the war, their widows and children will be taken care of. If they come through unscathed, their widows and children will not receive consideration. There has been no consideration of a general pension for veterans of this war. This bill is only a little dab, which may apply to a few persons. It would not be particularly expensive, but it would establish a principle which, if justified at all, would justify a general service pension for all veterans of the war, something that this Congress is not at present prepared to provide.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H. R. 3377) was ordered to a third reading, read the third time, and passed.

AUTHORITY TO COMMITTEES TO REPORT BILLS DURING RECESS

Mr. GEORGE. Mr. President, I ask unanimous consent to be permitted to file a report on the tax bill, House bill 4646, during the recess of the Senate tomorrow or Wednesday.

In that connection let me say that it will not be my purpose to press for consideration of the bill before Friday. For reasons somewhat beyond my control it will be impossible for me to be in the Senate on Thursday. If the bill is reported, it will be called up on Friday. I ask unanimous consent that it may be reported during the recess of the Senate.

The PRESIDING OFFICER (Mr. HATCH in the chair). Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Committee on Appropriations be authorized, during

the recess of the Senate, to report to the Senate any bills which it may have ready to report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

DEMOBILIZATION AND RECONVERSION PROGRAM

Mr. VANDENBERG. Mr. President, earlier in the session, when the able Senator from Kentucky [Mr. BARKLEY] was rather hastily sketching the important legislation which he felt must still be taken up by Congress at this session, and perhaps before the recess, while he made no attempt to make a complete inventory, he did not refer to one subject which I think ought to be emphasized. I am sure he will agree with me. He neglected to refer to the fact that we have only half completed our legislative program in respect to economic demobilization and reconversion in connection with war industries. The Senate has already dealt with two phases of the matter—contract termination and plant clearance. It still must deal with the disposition of surplus property and, what is even more important, the disposition of the human elements involved in the displacement of workers who are affected by the demobilization of war industries. Both those measures are in process of development. In both those instances I wish to assert, with the same vigor with which I spoke 10 days ago regarding contract termination, that this Congress has no right to take a recess until at least the question of Federal unemployment compensation in respect to war demobilization is cared for. I am confident that the able Senator from Kentucky omitted the reference merely by inadvertence.

Mr. BARKLEY. Mr. President, I thank the Senator. Of course that is true. I undertook to mention only measures in respect to which there is a time limitation, such as O. P. A., lend-lease, and other legislation. I was reminded, in the course of the discussion, of the tax bill, which is now on the Calendar. It is important. I concur in what the Senator has said. I should have mentioned that legislation except for an oversight. I am as much interested in facilitating its early consideration, before any recess, as is the Senator from Michigan or any other Senator. I think it would be very unfortunate if that were not done. As he knows, we are now in the midst of hearings on that very problem, and I hope that at an early date we can report legislation which will be enacted.

RECOGNITION OF SERVICES OF CIVILIAN EMPLOYEES IN CONNECTION WITH THE CONSTRUCTION OF THE PANAMA CANAL

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of Senate bill 683, calendar 337.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 683) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri.

Mr. TAFT. Mr. President, the junior Senator from Virginia [Mr. BYRD] spoke to me a short time ago about this bill, and I have sent for him.

Mr. CLARK of Missouri. Mr. President, I have delayed the bill from day to day at the suggestion of the junior Senator from Virginia. Not more than half an hour ago I told him that it was my intention to move to take it up as soon as possible.

Mr. TAFT. Then I shall have to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Bailey	Gillette	Overton
Ball	Green	Pepper
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hatch	Revercomb
Brewster	Hawkes	Robertson
Bridges	Hayden	Russell
Brooks	Hill	Shipstead
Buck	Jackson	Smith
Burton	Johnson, Colo.	Stewart
Bushfield	Kilgore	Taft
Byrd	La Follette	Thomas, Idaho
Capper	Langer	Thomas, Utah
Caraway	Lucas	Tunnell
Chandler	McCarran	Tydings
Chavez	McClellan	Vandenberg
Clark, Mo.	McFarland	Wagner
Connally	McKellar	Walsh, Mass.
Cordon	Maloney	Walsh, N. J.
Danaher	Maybank	Weeks
Davis	Mead	Wheeler
Downey	Millikin	Wherry
Eastland	Moore	White
Ellender	Murdock	Wiley
Ferguson	Nye	Wilson
George	O'Daniel	

The PRESIDING OFFICER. Eighty Senators have answered to their names. A quorum is present.

The question is on the motion of the Senator from Missouri [Mr. CLARK] to proceed to the consideration of Senate bill 683.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 683) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. BYRD. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, after the semicolon in line 15, it is proposed to insert "and who is suffering from disability resulting from personal injuries sustained or illness contracted during such service."

Mr. BYRD. I make the point of no quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Bailey	Gillette	Overton
Ball	Green	Pepper
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hatch	Revercomb
Brewster	Hawkes	Robertson
Bridges	Hayden	Russell
Brooks	Hill	Shipstead
Buck	Jackson	Smith
Burton	Johnson, Colo.	Stewart
Bushfield	Kilgore	Taft
Byrd	La Follette	Thomas, Idaho
Capper	Langer	Thomas, Utah
Caraway	Lucas	Tunnell
Chandler	McCarran	Tydings
Chavez	McClellan	Vandenberg
Clark, Mo.	McFarland	Wagner
Connally	McKellar	Walsh, Mass.
Cordon	Maloney	Walsh, N. J.
Danaher	Maybank	Weeks
Davis	Mead	Wheeler
Downey	Millikin	Wherry
Eastland	Moore	White
Ellender	Murdock	Wiley
Ferguson	Nye	Wilson
George	O'Daniel	

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Virginia.

Mr. CLARK of Missouri. Mr. President, let me say to anyone who is at all in sympathy with the purposes of the bill that it would be very much kinder and franker and more open to strike out the enacting clause of the bill than to adopt the amendment proposed by the Senator from Virginia, because the adoption of that amendment would destroy the whole purpose of the bill.

The purpose of the bill is merely to equalize, so far as may be done now, when more than half the participants have gone on to the great beyond, the injustice that was done the civilian employees who were engaged in the construction of the Panama Canal, which project, was, at the time it was constructed, the greatest structural engineering feat of all history. At the conclusion of that great adventure Congress passed an act extending its thanks to all those who had participated in the construction of the Canal, but extending benefits to only a part of the personnel. The act permitted any Army or Navy personnel who had been engaged in the construction of the Canal to take two steps in grade and retire when they pleased. The civilian personnel who may have been working side by side with the military personnel received no benefit except the empty honor of being thanked by Congress.

I know of my own knowledge two men who served side by side. One of them was later the distinguished head of Sears, Roebuck & Co., and afterward served as a brigadier general of the United States Army, Gen. Robert E. Wood. The other remained as a civilian employee of the Canal Zone, and these men stood side by side, doing approximately the same work. Yet General Wood, who was then a lieutenant, was permitted to retire as a major, but Mr. McIlheny served out the remainder of

his service as a civilian employee of the Panama Canal Zone. All the bill is intended to do is to equalize, so far as may be done now, at this late date, the treatment between the civilian employees and the military employees in the construction of the Canal.

We have little conception as to how hazardous that undertaking was. Before General Gaylord cleaned up the malarial situation, it was one of the most hazardous occupations in the history of the world. Thousands of men died. Those who are survivors, a very small number of them relatively, many more than half of them having died already, are now of an average age of 71 years and it seems to me to be as little as the United States, this great Nation, could possibly do, would be to equalize, as far as may be, nearly 40 years after their service, the reward for the service of the civilian and military personnel in the construction of the Canal.

The amendment of the Senator from Virginia, of course, is equivalent to striking out the enacting clause of the bill.

Mr. PEPPER. Mr. President, I should like to address myself to the amendment. Would the Senator from Virginia prefer that I wait until after he has spoken? Has he spoken in favor of the amendment?

Mr. BYRD. No.

Mr. PEPPER. Then I shall wait.

SAUNDERS MEMORIAL HOSPITAL

Mr. MAYBANK. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 1737, Calendar No. 883, a bill for the relief of Saunders Memorial Hospital. My reason for making the request is that I am about to leave the city, and I wish to have action on the bill before I do so.

Mr. CLARK of Missouri. With the understanding that the pending business will be only temporarily laid aside, I have no objection.

Mr. MAYBANK. Of course, I include that in the request.

Mr. WHITE. What is the calendar number?

The PRESIDING OFFICER. The calendar number is 883, and the clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 1737) for the relief of Saunders Memorial Hospital.

Mr. MAYBANK. I might say that this is for the relief of the Saunders Memorial Hospital, in South Carolina. The bill passed the House of Representatives, and I do not think there were any dissenting votes.

Mr. WHITE. It is for the relief of a hospital?

Mr. MAYBANK. Yes.

Mr. DANAHER. May we have an explanation of the bill?

Mr. MAYBANK. The bill passed the House of Representatives after having been introduced by Representative MCMILLAN. It came to the Senate; the gentleman who operates the hospital appeared before the Committee on Claims, and the distinguished Senator from Louisiana [Mr. ELLENDER] was kind enough to permit him to give his testimony. I accompanied him to the committee, and he showed the loss the hospital had sustained through a contract entered into with the War Department. A subcommittee of the Committee on Military Affairs of the House of Representatives unanimously approved the bill.

Mr. DANAHER. Is there a report filed in connection with the bill?

Mr. MAYBANK. Oh, yes.

Mr. DANAHER. There is no report in my calendar. I wondered whether there was one.

Mr. MAYBANK. I am glad to send to the Senator from Connecticut a copy of the report on the bill.

Mr. WHITE. Let me ask the Senator from South Carolina, is this claim based upon the failure of the Government to carry out a contract with the hospital authorities?

Mr. MAYBANK. That is the understanding of the House of Representatives, and it is my understanding. I am not a member of the Committee on Claims, and I did not attend the meetings when the favorable report was decided upon, not being a member of the committee.

Mr. DANAHER. Mr. President, as can be readily comprehended, I have not had even 2 minutes to examine the report which has just been placed in my hands, but even that cursory examination discloses that in fact the owner of a private hospital, called the Saunders Memorial Hospital, in Florence, S. C., thought he had sold or had made a lease to the War Department, which apparently had taken control of the property only on an option basis; that when the option period expired the War Department found that the hospital was not suited to the needs of the War Department, and the War Department never took up the option.

Mr. President, because the War Department did not take up the option, and because the owner changed his position, apparently thinking that the War Department fully intended to exercise the option, he now asserts that he has lost some sum of money, and therefore has put in a claim of $25,000 against the United States Government. The bill, if if becomes law, would authorize the Saunders Memorial Hospital to receive the sum of $25,000 for damages allegedly suffered by the owner because the Government did not take up an option which it was the Government's right not to take up. Surely we do not have to pay damages when the Government exercises its right not to take up an option.

Mr. MAYBANK. Mr. President, I know that my distinguished friend, the Senator from Connecticut, would not for one moment suggest that this is a private hospital owned by Dr. Smyser. I would not stand on the Senate floor and ask for one nickel for any private individual. Dr. Smyser submitted a statement in writing to the committee that the hospital was financed and used for charity. I happened to be present at the committee hearing when that statement was submitted. I have never asked a nickel for any private individual under any circumstances.

While the Senator from Connecticut, has the right to object, I hope he will not think that I would stand on the floor of the United States Senate and ask for payment of some individual personal claim. It is my understanding from what occurred before the committee that that is not the case in this instance. The Senator from Mississippi [Mr. EASTLAND], who reported the bill could verify that statement. He was present a moment ago, but apparently has just left the Chamber.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. DANAHER. I do not want the Senator from South Carolina to be under any misapprehension as to my position with respect to the matter. I have tried in several ways to show that I do not know what the bill is about, and I have had only a minute or two to glean some of the facts concerning it. A cursory examination, however, would show that some Dr. Smyser entered into an option arrangement with the War Department, which the War Department never thereafter executed by taking over the property. Is that not so?

Mr. MAYBANK. He entered into a verbal agreement in South Carolina with the War Department. In South Carolina when we enter into a verbal agreement with anyone we keep our word. The doctor entered into an agreement, and afterward the War Department said, "Well, we said that, but we cannot do it legally." I do not mean to convey the thought that the War Department does not keep its word, because it does, but there are times when, by reason of existing laws, the Department is unable to carry out its desires and agreements. For this reason the Congress is called upon to pass claims bills. The Military Affairs Committee of the House made an investigation and fixed the amount of damages, and when the bill came to the Senate it was referred to the Claims Committee.

Mr. DANAHER. The Senator from South Carolina surely does not impute to me any charge that I claim that the Senator from South Carolina or any other of his distinguished constituency would not keep their word. I have never said that.

Mr. MAYBANK. No; I did not suggest that the Senator from Connecticut had any such thought in mind.

Mr. DANAHER. I would not want such an imputation to remain.

Mr. MAYBANK. No; but I thought that the Senator suggested that the claim was perhaps a private individual claim. It is a claim by the Saunders Memorial Hospital.

Mr. DANAHER. Apparently Dr. Smyser thought he had a claim, and the Government finds that he does not have any, and the War Department will not pay the claim.

Mr. MAYBANK. I can only say that the Military Affairs Committee of the House and the House, as well as the Senate Claims Committee, thought he had one. That is why the bill is before the Senate.

Mr. DANAHER. The War Department has a perfect right to conclude all necessary settlements with respect to contracts which it has entered into.

Mr. MAYBANK. The War Department has, but sometimes it takes a long time to conclude a settlement. I have submitted a number of claims to the Senate, and the distinguished Senator from Connecticut, together with other Senators, has been very kind in supporting certain damage claims following the maneuvers held in South Carolina and North Carolina, when the War Department flatly refused to pay any of them.

Mr. DANAHER. Mr. President, enough has been said to indicate that neither the Senator from South Carolina nor the Senator from Connecticut is in full possession of the facts with respect to this interesting little matter. I think we had better recur to the pending matter and look further into the bill referred to by the Senator from South Carolina.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina to take up for consideration House bill 1737?

Mr. DANAHER. There is now.

Mr. MAYBANK. Mr. President, I appreciate very much what the Senator from Connecticut has said about the Senator from South Carolina, but I believe I know enough about the situation to be in a position successfully to defend Dr. Smyser and Saunders Memorial Hospital against the War Department.

The PRESIDING OFFICER. Objection has been made to the consideration of the bill.

RECOGNITION OF SERVICES OF CIVILIANS IN CONNECTION WITH THE CONSTRUCTION OF THE PANAMA CANAL

The Senate resumed the consideration of the bill (S. 683) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States engaged in and about the construction of the Panama Canal.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD] to the pending bill, S. 683.

Mr. BYRD. Mr. President, the pending bill provides for a pension for all the civilian employees who worked on the Panama Canal. The construction of the Panama Canal began on May 4, 1904, and was concluded on May 31, 1914, about 30 years ago. During the interim time and time again the effort has been made to pension the civilian employees of the Panama Canal on the basis that because of the conditions which existed there, health and other conditions, they were entitled to a pension.

Mr. President, the amendment offered by me merely provides that no pension shall be paid to the civilian employees unless they are suffering from disability caused by injuries sustained or disease contracted during their service. According to the report of the Civil Service Commission dated February 26, 1944, 1,924 of them are still living. The amendment provides that no pensions shall be paid to these civilian employees, unless in the circumstances indicated. I may emphasize that they went to the Panama Canal to engage in the construction work voluntarily. There was no coercion. They were not in the Army, they were not in the Navy, they were not compelled to do the work. They received a bonus of 25 percent by reason of doing that work, and they received the bonus as they were paid for the daily work they did.

The amendment offered by me simply provides for adding on page 2 of the bill, after the semicolon in line 15, the following: "and who is suffering from disability resulting from personal injuries sustained or illness contracted during such service."

Mr. President, if the proposed legislation is passed, it will, so far as I have been able to ascertain, be the first legislation pensioning civilian employees of the Federal Government without a contribution on their part or without proving that any disability or injury to their health resulted by reason of such service.

I am informed, Mr. President, that there are 288,000 civilian employees of the Army and Navy outside continental United States today building air bases in New Guinea, Trinidad, and all over the world. We may say the expenditure provided under the bill is immaterial, that it is a mere bagatelle, since the cost will be only $10,248,000. In these days of gigantic spending we may think that that is a small sum, but if the bill shall be passed, recognizing the fact that similar pensions can be paid to other civilian employees without any contribution on their part, without any proof of any injury resulting by reason of their service, then we shall have set a precedent which I predict will cost this Nation millions upon millions of dollars, and perhaps billions of dollars. Can we deny to those who are building air bases all over the world, 288,000 civilian employees of the Federal Government, the same treatment which is proposed now to be given to the employees who constructed the Panama Canal?

Mr. President, this claim is 30 years old. Time and time again the effort has been made here to pass legislation providing for this pension, but never yet during this long period has the legislation passed both branches of the Congress.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. CLARK of Missouri. The Senator will certainly admit that a few years ago a substantially similar bill, somewhat more limited as to those who had remained in the civil service in Panama, was passed by both branches of Congress, and was vetoed by the President. I myself introduced the bill, so I know what happened to it.

Mr. BYRD. I will stand corrected, Mr. President, with respect to that bill; but the President vetoed it. A bill similar to this passed the Senate by unanimous consent, I think a year or two ago, and the motion to reconsider was made by the late Senator from Colorado, Mr. Adams, and a vote was taken on that motion. I do not think the Senate fully understood that the motion was to lay on the table, and there was no recorded vote.

Mr. President, the Civil Service Commission estimates that there are now 1,924 individuals who would be eligible for pensions under the provisions of the pending bill. The average pension would be $62.50 a month. There is no provision with respect to whether or not they need the pension. There is no provision as to whether any injury resulted by reason of their work. They will simply be paid $62.50 a month as long as they live, the annual cost being $1,443,000, and the cost during the lifetime of these pensioners will be $10,446,000.

Mr. President, the Bureau of the Budget is opposed to this measure. Yet, in the report of the committee, the report of the Bureau of the Budget was not included. As I understand the matter, in the Senate it is customary to have the report on any measure referring to expenditures include, as a part thereof, the recommendations of the Bureau of the Budget.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. CLARK of Missouri. The Bureau of the Budget never sent me any letter about the matter. I am chairman of the committee.

Mr. BYRD. It is customary, as I understand, to have any bill which relates to expenditures sent by the committee considering it to the Bureau of the Budget, for its recommendation.

Mr. CLARK of Missouri. It may be customary in some committees. I never asked the Bureau of the Budget for any information about the matter, and the Bureau of the Budget never furnished any to me. I would not like to have the Senator create the impression that I refused to include in the report any estimate or information sent to me by the Bureau of the Budget.

Mr. BYRD. I do not say that, Mr. President.

Mr. CLARK of Missouri. This bill was passed by the Senate during the last Congress.

Mr. BYRD. It passed the Senate by unanimous vote, but without a proper understanding of what it was.

Mr. CLARK of Missouri. The Bureau of the Budget had a perfect right to study the bill.

Mr. BYRD. I asked the Senator to give me an opportunity to communicate with the Bureau of the Budget, and the Senator very kindly did so. Thereupon, I communicated with the Bureau of the Budget; because in looking over the report of the committee, I found that no statement from the Bureau of the Budget was included.

Mr. CLARK of Missouri. Mr. President, let me say that I am one of those who do not believe the Bureau of the Budget was created to run the Government of the United States.

Mr. BYRD. I agree with the Senator.

Mr. CLARK of Missouri. I do not believe the Bureau of the Budget was established to run the Government of the United Statets in connection with the matter of the expenditure of money or the equalization of expenditures.

Mr. BYRD. But I think we should have the information which the Bureau

of the Budget has in perhaps greater degree than does any other branch of the Government.

Mr. CLARK of Missouri. The Senator has more confidence in the Bureau of the Budget than I have.

Mr. BYRD. I do not always follow the recommendations of the Bureau of the Budget; but I think that in connection with a matter involving expenditures, the Bureau of the Budget should at least have an opportunity to present its views to the Congress. That is what I am trying to do; because the report of the Bureau of the Budget was not included in the committee report submitted by the distinguished senior Senator from Missouri [Mr CLARK].

Here is what the Bureau of the Budget has said about this matter:

MARCH 21, 1944.

MY DEAR SENATOR BYRD: Receipt is acknowledged of your letter of March 17, 1944, requesting a report from the Bureau of the Budget regarding the proposal contained in S. 683, a bill to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

The primary purpose of the bill is to provide an annuity for former Canal Zone civilian employees (citizens of the United States or to their widows)—

There is a provision by which, under some conditions, the pensions can be paid to the widows—

who served at least 3 years on the Isthmus during the construction period May 4, 1904, to March 31, 1914, and who left the service of the Government prior to the enactment, on March 2, 1931, of the Canal Zone Retirement Act.

Neither the Panama Canal Retirement Act nor the Civil Service Retirement Act provided annuities for employees who were separated from the service prior to the date of approval. Each of the acts that has been passed by the Congress and approved by the President providing annuities for civilian employees of the Federal Government requires pay-roll deductions as a means of contribution to the retirement fund from which such annuities may be paid.

The proposal contained in S. 683, and in similar bills that have been introduced in previous Congresses, has been objected to, first, because it would provide a benefit for a particular group of former employees who, for different reasons, left the service before the enactment of a law providing annuities for all citizen employees of the United States in the Canal Zone; and, second, because the annuities provided by the bill would be in the form of a pure gratuity, the entire aggregate amount of which would have to be borne by the Federal Government, since the former employees or their dependents would not be required to deposit any amount into the Canal Zone retirement fund.

For these reasons the proposed legislation has not been considered in accord with the program of the President.

One of the arguments advanced in favor of the enactment of legislation of this character has been special retirement benefits were extended the military and naval personnel who participated in the construction of the Panama Canal. An answer to that argument is that such benefits were provided while the military and naval personnel were still in the service, and that, as a matter of established policy, there never has been any requirement that military and naval personnel contribute any part of their pay to a retirement fund.

Very truly yours,

HAROLD D. SMITH,
Director.

That is an entirely different situation from the one cited by the senior Senator from Missouri, in that the military were compelled to go; they had to obey orders, regardless of whether the conditions were sanitary or unsanitary. But the civilian employees went of their own volition, and, as I have said, obtained a bonus of 25 percent of their pay for doing so.

Mr. President, it seems to me the issue is a clear-cut and important one. This bill is not merely a $10,000,000 bill. Very little attention, as I have said, is paid to bills of that small amount, although the day is coming when the taxpayers of the country will watch these $10,000,000 bills, for we have a debt which today is $325,000,000,000. If we do not appropriate one single dollar more than what has been appropriated on the basis of requests made by the Army and the Navy, we will find that when the amounts already spent are added to the unexpended balances and when we deduct 2 years' income, we have a debt of $325,000,000,000. I can prove that by the actual figures.

Mr. President, let me say that when this war is over we shall have an opportunity to pay a great many pensions to the soldiers who have fought on every battlefield in the world for the glory of America and who have lost legs and arms, and are maimed for life. There will be ample opportunity to go to the very bottom of the Treasury to pay those pensions. I think we should conserve the financial resources of this country, so that we shall be able to pay the pensions which it is the duty and the obligation of this country to pay to those who are injured in this war. But in the present instance it is proposed to pay pensions to those who have not been injured, so far as the record shows. When I offered an amendment simply proposing to make the bill provide that the pensions cannot be paid unless there is some proof of injury either to health or to body, then the sponsor of the proposed legislation said that would defeat its purpose. Mr. President, I say that if such an amendment will defeat the purpose of the proposed legislation, it should be defeated; because we should not pay pensions to civilian employees of the Government unless they have participated under the contributing plan which has been adopted with respect to all departments of the Government, or unless some injury has occurred to the employee who has served in the particular capacity.

Mr. President, I emphasize again that the civilians who went to work on the Panama Canal did not have to go there. There was no coercion upon them to make them go. They went because they wanted to go, and because they received a 25-percent bonus for going. I submit to the Senate that the bill would establish a bad precedent, one of the most dangerous precedents which we could establish. It provides for the payment of pensions merely because the service was rendered more than 30 years ago. That service commenced in 1904 and was completed in 1914, as I have said. Pensions would be paid to those persons, although there is no evidence whatever that any injury occurred to the individual who worked there, and there is no evidence that he needs a pension. He may have come back to the United States and have accumulated property here. But under the provisions of the bill, so long as he lives he may obtain $62.50 a month from the Federal Government.

I think the Senate will consider very carefully the matter of establishing this precedent, in the face of the fact that we have civilian employees of the Federal Government working over the entire world; and if it is proper to pay pensions to those who worked 30 years ago on the Panama Canal, certainly it will be proper to pay pensions to those who are building air bases and doing other civilian work, who are not in uniform, and who are scattered to all the four corners of the world.

ORDER FOR RECESS TO WEDNESDAY

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 12 o'clock noon on Wednesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SERVICES OF CIVILIAN EMPLOYEES IN CONNECTION WITH THE CONSTRUCTION OF THE PANAMA CANAL

The Senate resumed the consideration of the bill (S. 683) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

Mr. PEPPER obtained the floor.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. Mr. President, I merely desire to suggest that I think that in my whole congressional experience I have never seen a more monumental exhibition of gall than the letter from the Director of the Budget, whose entire experience was confined to being a clerk in the State of Michigan, in attempting to reflect on the services of those great souls, men and women, who participated in the construction of that great enterprise, the Panama Canal.

Mr. PEPPER. Mr. President, as against what the able Senator from Virginia has said about the service of those civilians, I should like to bring as witnesses to the Senate some others whose position and opportunity for knowledge I believe the Senate would prefer to that of either the Bureau of the Budget or the able Senator from Virginia.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BYRD. I have made no reflection upon those who built the Panama Canal. What have I said derogatory to them? I said that they should not receive a pen-

sion unless they sustained some injury or made some contribution to the Government. I have never reflected in any way, shape, or form upon their services.

Mr. PEPPER. Mr. President, will the reporter read the statement of the Senator from Florida?

The official reporter (Mr. Macpherson) read as follows:

Mr. PEPPER. Mr. President, as against what the able Senator from Virginia has said about the service of those civilians, I should like to bring as witnesses to the Senate some others whose position and opportunity for knowledge I believe the Senate would prefer to that of either the Bureau of the Budget or the able Senator from Virginia.

Mr. PEPPER. Did the Senator from Virginia hear the statement? I did not say that the Senator reflected upon their services. I said that as against what the Senator from Virginia said about the services of those civilians——

Mr. BYRD. The Senator said he wished to offer some additional testimony.

Mr. PEPPER. I did.

Mr. BYRD. It is perfectly proper for him to do so. However, the Senator left the inference that in some way I had reflected upon those who worked upon the Panama Canal.

Mr. PEPPER. It will become apparent that I said nothing whatever of the sort. I intend to show what some others, who were closer to the scene, and who had a much higher appraisal of the services of those civilians than has the able Senator from Virginia, had to say.

The first witness I shall call is President Theodore Roosevelt. Speaking to the civilians at the Panama Canal in 1906, he used these words:

I want to say this word to you men—right through—to all of you who are engaged in the work of digging this Canal, whether you are here as superintendent, foreman, chief clerk, machinist, conductor, engineer, steam-shovel men—whoever you are, if you are doing your duty you are putting your country under an obligation to you—

This is the point I wish to emphasize—

just as a soldier who does his work well in a great war puts the country under an obligation to him. As I have seen you at work—

Remember, Theodore Roosevelt had seen those men at work. He was down there at the Panama Canal talking to them personally.

As I have seen you at work, seen what you have done and are doing, noted the spirit with which you are approaching the task yet to be done, I felt just exactly as I should feel if I saw the picked men of my country engaged in some great war. I am weighing my words when I say that you here, who do your work well in bringing to completion this great enterprise—

He was speaking to the civilians—

will stand exactly as the soldiers of a few, and only a few, of the most famous armies in all the Nation's stand in history.

Remember, President Roosevelt was speaking at the Canal, and not in the Senate 30 or 40 years later.

This is one of the great works of the world.

That is what those men helped to build—one of the great works of the world, which has probably saved our country and our hemisphere.

So you men here, in the future, each man of you, will have the right to feel, if he had done his duty, and a little more than his duty, right up to the handle in the work here on the Isthmus, that he has made his country his debtor; that he has done more than his full share in adding renown to the Nation under whose flag this Canal is being built.

Those were the words of Theodore Roosevelt, speaking on the ground to the civilian employees regarding their services, which he regarded as comparable to those of a soldier. Theodore Roosevelt was Commander in Chief of the Army and the Navy when he said that. I would rather have his word than that of the Director of the Bureau of the Budget; and I believe the Senator from Virginia will admit that Theodore Roosevelt was better able to make the observation than is the Senator, 30 or 40 years later in the Senate.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BYRD. Theodore Roosevelt was then President.

Mr. PEPPER. Yes.

Mr. BYRD. Did he recommend legislation?

Mr. PEPPER. He did.

Mr. BYRD. Was it enacted?

Mr. PEPPER. He always favored such legislation. No; it was not enacted. The other legislation was not enacted until 1915; but Theodore Roosevelt told those men——

Mr. BYRD. Did Theodore Roosevelt recommend legislation?

Mr. PEPPER. When the Canal was completed Theodore Roosevelt was out of office.

Mr. BYRD. The construction of the Canal was then in progress. It started in 1904.

Mr. PEPPER. It was not finished until 1914.

Mr. BYRD. Did President Theodore Roosevelt recommend that the civilian employees be compensated in some extraordinary way?

Mr. PEPPER. His statement was conditional. He said:

So you men here, in the future, each man of you, will have the right to feel, if he had done his duty, and a little more than his duty—

When the Senator speaks about giving benefits to civilians who are not making any contribution, I quote the words of the Commander in Chief of the Army and Navy telling the civilians on the ground, after he had seen the work they were doing and the spirit of their effort, that he put them in the same class with soldiers. I think his observation is very pertinent.

That is the first witness whom I wish to call, as against the statement of the able Senator from Virginia.

The second witness whom I should like to call is General Goethals, who was the engineer in charge of the construction of the Canal. Later he was a general in the Army of the United States. I believe he was a colonel at that time. This is what he said, speaking about the act of 1915, which gave benefits to Army and Navy officers and members of the Public Health Service, but did not give any benefits such as are here proposed to civilian workers on the Canal. This is what he said in a letter to the Secretary of War dated January 22, 1916:

It is deemed unnecessary to set forth the feeling of injustice that was aroused in the organization—

Speaking of the organization of Panama Canal employees—

by the passage of this act (that of March 4, 1915, Army, Navy, and Public Health) because of its discrimination against the large class of employees not fortunate enough to belong to any of the foregoing branches of the public service, but who, toward the accomplishment of the goal, had worked just as faithfully as, in some instances more loyally than, those who were specifically selected for rewards.

I invite the attention of the Senator from Virginia to that testimonial of the general who was in charge of the work. Would Senators rather have the statement of the Director of the Bureau of the Budget, who probably never saw the Panama Canal, and I am almost certain never saw its construction, than that of Theodore Roosevelt, to whom, more than any other American, is due the honor for its construction, or that of General Goethals, the man in command, an Army man, and one of the beneficiaries of the act of 1915, which gave him a pension for life?

Today General Wood, who is connected with Sears, Roebuck & Co., and who is a very able man, is the recipient of a large pension. Every time this bill has been before the Senate for consideration he has written stating that it was wrong for the civilian employees not to be given treatment comparable with that received by members of the armed forces under the act of 1915. General Wood is a beneficiary of the act of 1915. He was engaged in the construction of the Canal. He states that it is wrong for members of the Army, the Navy, and the Public Health Service to receive benefits which are denied to civilians who participated in the construction of that great work.

A third witness is the President of the Civil Service Commission today, Mr. Harry B. Mitchell. This is what he says:

The Commission believes that like treatment should be accorded all employees of a particular group. As special benefits have been allowed members of the Army, Navy, and Public Health Service as well as civilian employees who served during the construction period and who retire under the Canal Zone Retirement Act, it would appear that like recognition should be accorded former civilian employees separated without retirement benefits.

Mr. President, those are competent witnesses for the Senate to consider. The Commander in Chief of the Army and Navy, as well as General Goethals, who was in charge of the construction of the Canal, and the present Chairman of the Civil Service Commission, have all said that the civilian employees of the Canal have been discriminated

against. They engaged in a monumental work, Mr. President. They went patriotically to the Panama Canal area, and ran the risk of death from disease and accident. They completed that monumental work, one of the great wonders of the world. Their President went there to urge them all to great exertions, and he said, "The Nation will forever be obligated to you if you will continue your faithful service in the construction of this great project." Theodore Roosevelt had a greater vision concerning matters of that nature than have some persons today. He knew what those men were doing. He knew they were building perhaps a monumental security for the American Nation. If Senators will go to the Canal and see the crosses that were scattered all over the Isthmus where the remains of those who died in the service are now lying, they will see what those men did.

Mr. President, it would seem very unpatriotic today for the Director of the Bureau of the Budget, sitting in an easy chair in an air-conditioned room, to pass upon the figures which have been submitted in connection with the proposed legislation, or for the able Senator from Virginia, living in the comfort of a United States Senator, to say that this proposal calls for an unfair bounty to be given by a grateful Government to those who constructed that great waterway, which has perhaps made possible the security of our hemisphere, and of our country.

The pending proposal has already been too long delayed, Mr. President. But the delay has been caused by Senators like the Senator from Virginia, who always wants to save money, and always wants to be a watch dog of the Treasury. However, it has been that kind of opposition which has kept this bill from being passed.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BYRD. Mr. President, I realize that in the eyes of the Senator from Florida no greater crime could be committed than the effort to save some of the money of the taxpayers.

Mr. PEPPER. In many instances what the Senator from Virginia has said is correct, because, frequently, when we try to save a dollar we lose a life. I have seen many instances of that in the Senate. For example, when we have tried to appropriate money for the Public Health Service in order to save lives, 9 times out of 10 there was someone waiting to be the watch dog of the Treasury. There are some who would rather lose lives than spend money. I realize, Mr. President, that there may be a difference of opinion. I do not mean, in the warmth of debate, to reflect in any improper way upon the attitude of any Senator. What I mean to say is that ever since 1915 it has been those who have insisted on economy who have kept such a bill as is now being proposed from passing. To use as an argument the success of opponents in the past who have succeeded in defeating similar proposals, does not seem to me to be quite fair.

Mr. President, as the able Senator from Missouri has said, if Senators are opposed to the bill, we might just as well strike out the enacting clause as to emasculate the bill. The Senator from Virginia admits that his amendment would have that effect, because the amendment provides that the beneficiaries under the bill shall not receive any benefits unless they sustained some accident, or injury, while they were engaged in the construction of the canal.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia. (Putting the question.) The Chair is in doubt.

Mr. TAFT. Mr. President, I ask for a division.

Mr. HILL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Pepper
Bailey	Gillette	Radcliffe
Ball	Green	Reed
Bankhead	Guffey	Robertson
Barkley	Gurney	Russell
Bilbo	Hatch	Smith
Bridges	Hayden	Stewart
Brooks	Hill	Taft
Buck	Jackson	Thomas, Utah
Burton	La Follette	Tunnell
Bushfield	Langer	Tydings
Byrd	McCarran	Vandenberg
Capper	McClellan	Wagner
Caraway	McFarland	Walsh, Mass.
Chandler	McKellar	Walsh, N. J.
Chavez	Mead	Weeks
Clark, Mo.	Millikin	Wheeler
Cordon	Murdock	Wherry
Danaher	Nye	White
Davis	O'Mahoney	Wiley
Eastland	Overton	

The PRESIDING OFFICER. Sixty-two Senators have answered to their names. A quorum is present.

A division was called for on the amendment offered by the Senator from Virginia [Mr. BYRD].

Mr. PEPPER. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered; the legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the negative when his name was called.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PEPPER. The question now is on the amendment of the Senator from Virginia; is it not?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Virginia.

Mr. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Virginia will state it.

Mr. BYRD. May the clerk state the amendment?

The PRESIDING OFFICER. The roll call has been started, and one Senator has voted. Is there objection to the request of the Senator from Virginia that the amendment be stated? The Chair hears none, and the clerk will state the amendment.

The CHIEF CLERK. On page 2, after the semicolon in line 15, it is proposed to insert "and who is suffering from disability resulting from personal injuries sustained or illness contracted during such service."

The Chief Clerk resumed the call of the roll.

Mr. STEWART (when his name was called). I have a general pair with the Senator from Oregon [Mr. HOLMAN] which I transfer to the Senator from South Carolina [Mr. MAYBANK] and will vote. I vote "nay." I am not advised how either Senator would vote if present and voting.

The roll call was concluded.

Mr. BRIDGES. I have a general pair with the Senator from Utah [Mr. THOMAS]. If he were present he would vote "nay," and if I were permitted to vote I would vote "yea."

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Utah [Mr. THOMAS] has been appointed by the President of the United States as a delegate to attend the International Labor Organization Conference in Philadelphia, and is therefore necessarily absent.

The Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Georgia [Mr. GEORGE] are detained in various Government departments on matters pertaining to their respective States.

The Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from Colorado [Mr. JOHNSON], and the Senator from South Carolina [Mr. SMITH] are detained in committee meetings.

The Senator from Rhode Island [Mr. GERRY] and the Senator from Texas [Mr. O'DANIEL] are necessarily absent.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from South Carolina [Mr. MAYBANK], the Senator from Montana [Mr. MURRAY], the Senator from Oklahoma [Mr. THOMAS], and the Senator from North Carolina [Mr. REYNOLDS] are detained on public business.

The Senator from Nevada [Mr. SCRUGHAM] is absent on official business.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN], who is necessarily absent, has a pair with the Senator from Nebraska [Mr. BUTLER], who is absent because of illness.

The following Senators are necessarily absent:

The Senator from Oregon [Mr. HOLMAN], the Senator from California [Mr. JOHNSON], and the Senator from Indiana [Mr. WILLIS].

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The result was announced—yeas 28, nays 32, as follows:

YEAS—28

Bailey	Ferguson	Taft
Ball	Gillete	Tydings
Brooks	Gurney	Vandenberg
Buck	McClellan	Walsh, N. J.
Bushfield	McKellar	Weeks
Byrd	Millikin	Wherry
Capper	Overton	White
Chandler	Radcliffe	Wiley
Danaher	Robertson	
Eastland	Russell	

NAYS—32

Aiken	Guffey	Murdock
Bankhead	Hatch	Nye
Barkley	Hayden	O'Mahoney
Bilbo	Hill	Pepper
Burton	Jackson	Reed
Caraway	Kilgore	Stewart
Chavez	La Follette	Tunnell
Clark, Mo.	Langer	Wagner
Cordon	McCarran	Walsh, Mass.
Davis	McFarland	Wheeler
Green	Mead	

NOT VOTING—36

Andrews	Glass	Reynolds
Austin	Hawkes	Scrugham
Bone	Holman	Shipstead
Brewster	Johnson, Calif.	Smith
Bridges	Johnson, Colo.	Thomas, Idaho
Butler	Lucas	Thomas, Okla.
Clark, Idaho	Maloney	Thomas, Utah
Connally	Maybank	Tobey
Downey	Moore	Truman
Ellender	Murray	Wallgren
George	O'Daniel	Willis
Gerry	Revercomb	Wilson

So Mr. BYRD's amendment was rejected.

The PRESIDING OFFICER. The bill is still before the Senate and open to amendment.

Mr. DANAHER. Mr. President, on page 6 of the bill, in line 6, after the word "act", I offer the amendment to change the period to a comma and that there be inserted thereafter "but he shall not receive both."

The purpose of the amendment, Mr. President, is to make it perfectly clear that an annuitant who is entitled to receive, either under this bill or under existing law, having made an election, will receive only one annuity.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, line 6, after the word "act", it is proposed to strike out the period and insert a comma and the words "but he shall not receive both."

Mr. CLARK of Missouri. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is open to further amendment.

Mr. DANAHER. Mr. President, on page 4, in line 21, we find the word "construction", which begins at the end of line 20, so the language is "during such construction." I offer an amendment, after the word "construction", to insert "and has not since remarried." The purpose of that amendment, Mr. President, will become apparent if one were to read the entire section. It purports to authorize a payment to the widow of one who served as required, and who, had he lived, would have been entitled to take an annuity under this bill. If his wife shall have lived 1 year on the Isthmus with such a civilian worker, she would qualify throughout the rest of her life for the annuity. I am certain that the great prevailing number of situations will be covered by the bill without any question whatever under the language as proposed, but there is no reason in principle or otherwise why we should extend the annuity to a wife otherwise qualified who shall have remarried.

Mr. CLARK of Missouri. Mr. President, I am disposed to accept that amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is open to further amendment.

Mr. DANAHER. Mr. President, that raises another question. I should like to ask the Senator from Missouri to turn to page 2 of the bill, line 20. In that line we find the words "for his aforesaid service." Is it the Senator's understanding that the latest date in the period of service covered by the proposed annuity is March 31, 1914.

Mr. CLARK of Missouri. Yes; it is.

Mr. DANAHER. So that if a person is compiling a period of service it must all have been rendered prior to March 31, 1914, in order to qualify?

Mr. CLARK of Missouri. I think there is no question on earth with respect to that under the provisions of the act.

Mr. DANAHER. That is my impression. I wanted the confirmation and views of the Senator from Missouri.

Mr. President, there is only one other question which as a matter of principle it seems to me ought to be gone into. Please turn to section 4, which takes care of the widow of the person who, had he lived, would have become an annuitant. Is it the Senator's purpose that just because that particular wife served a year on the Isthmus of Panama with her husband, she is to be added throughout the rest of her life as an annuitant? If the Senator is trying to compensate her for having lived some part of her life on the Isthmus and thus sharing the hardships and the service of her husband, and if that is the principle on which the bill is based——

Mr. CLARK of Missouri. I will say, Mr. President, that the whole purpose of the measure is to compensate widows of men who died possibly by reason of their service in the construction of the Panama Canal, and who have themselves put in some time with them down there.

Mr. DANAHER. Obviously, if the Senator is trying to take care of those who actually rendered service, and who are now to be added to the rolls as annuitants, that is one thing. Certainly the bill will do that.

Mr. CLARK of Missouri. That is the purpose of the bill.

Mr. DANAHER. Certainly if the Senator is trying to add to the rolls all wives who served at least a year with their now deceased husbands on the Isthmus over the period of the construction of the Canal, the bill does that. But does the Senator wish to carry such a widow on the rolls throughout the rest of her life simply because she spent a year of her life on the Isthmus? Or, restated, is the Senator trying to give her compensation merely for having spent that year there? If it be the latter the Senator would certainly be justified in giving her an annuity which will be payable to her for a period equal to the period she spent in the Panama Canal Zone.

Mr. CLARK of Missouri. If the Senator has any amendment which could correct that situation, I shall be glad to look at it.

Mr. DANAHER. I had in mind eliciting the view of the Senator from Missouri on the point, and, Mr. President, to reach what we are both talking about in this colloquy, in line 22 of page 4, I offer an amendment, to strike out the words "until her death," and in lieu thereof to insert "for a period of time which shall be equal to the period she spent on the Isthmus of Panama as the wife of such deceased person."

Mr. CLARK of Missouri. Mr. President, I would rather recommit the bill than accept such an amendment.

Mr. DANAHER. Now, I have brought the issue directly to the forefront, where we can take a look at it.

Mr. CLARK of Missouri. The Senator has brought the issue directly to the Senate, and I say that if we are going to pay anyone a pension for services they have rendered, we cannot limit them to the time they have actually put in.

Mr. DANAHER. I think the Senator misconceives the purpose of the amendment.

Mr. CLARK of Missouri. If a woman worked for a period of time during the construction of the Panama Canal, which perhaps ruined her health, her husband having died, and if then we were to say that we will compensate her only for the period of time she put in down there, we had better not compensate her at all. I should rather have the bill recommitted or defeated than to put into it such a provision as that.

Mr. DANAHER. Let me ask the Senator from Missouri another question then.

Mr. CLARK of Missouri. I shall be very glad to answer any question asked by the Senator from Connecticut.

Mr. DANAHER. If we accept section 4 as it is written, clearly we are not doing a single thing for those individuals who rendered service on the Canal, and who have since died, that is, to the workers themselves.

Mr. CLARK of Missouri. I think that is entirely true.

Mr. DANAHER. They are not getting anything out of it.

Mr. CLARK of Missouri. Let me say to the Senator from Connecticut that I think it is a very regrettable fact that at the time of the passage of the Panama Canal Act, 30 years ago, in spite of the promises of President Theodore Roosevelt, we did make a distinction between the civilian employees of the construction period and the Army and Navy employees. I think it has been a national disgrace now for 30 years. The bill does not even attempt to take care of those who died in the meantime. Much more than half of them have died. The average age of those who are still on the rolls

is 71 years. Twice before a bill similar to this has passed the Senate. Once an almost similar bill passed both Houses of Congress and was vetoed by the President. I say that the treatment of those civilian employees is a disgrace. I do not think we are helping things very much by talking now about commas and semicolons.

Mr. DANAHER. Mr. President, let me inquire whether the Senator is doing anything for the vast group of people who were brought from surrounding countries and territories, namely, the Jamaicans, the Bahamans, and people from many other areas.

Mr. CLARK of Missouri. I am leaving it to the Senator from Connecticut to present the claims of Jamaicans and all other aliens, who did contribute greatly to the construction of the Panama Canal. But I am not trying to do that by this bill. I am merely attempting to make a very modest entrance by the United States upon the task of doing its duty toward the employees who contributed their time, and many of whom lost their health, in the construction of the Panama Canal.

Mr. DANAHER. Mr. President, it seems to me that if we wish to cover on to the annuity rolls many thousands of undoubtedly deserving women whose husbands served in the Panama Canal Zone during the construction of the Panama Canal, and who have since died, we approach the matter on one basis. If we attempt to compensate those women for having been in the Panama Canal Zone during that period, it is clear that we have taken a minimum period of residence of 1 year in the Canal Zone as a requirement which must be met before those women can qualify to receive the annuity. The women who stayed there 10 or 11 months will not be able to receive anything, under the bill as drawn. Is not that correct?

Mr. CLARK of Missouri. The Senator can make his own construction.

Mr. DANAHER. I ask the Senator if what I have stated is not correct?

Mr. CLARK of Missouri. No; I would not necessarily agree with the Senator from Connecticut on that construction. I have served with him on committees when bills were under consideration, and I am well aware how readily the Senator from Connecticut can make a distinction between a comma and a semicolon. The Senator can make any distinction he chooses to make.

Mr. DANAHER. Mr. President, I appreciate the note of confidence sounded by the Senator from Missouri. But if he will look on page 4, line 19, he will see that we specify that the annuity shall be received by a wife who lived with such a worker at least 1 year on the Isthmus of Panama during the construction of the Canal.

Mr. CLARK of Missouri. Does not the Senator think that is a decent requirement?

Mr. DANAHER. Why not take care of the lady who lived there 6 months?

Mr. CLARK of Missouri. Very well; if the Senator wishes to offer such an amendment, I will agree to have a vote on it. I say the bill is for the benefit of the persons who served in the Canal Zone during the construction of the Panama Canal, and who braved the perils of yellow fever and malaria. If the Senator wishes to offer an amendment in line with what he has suggested, I am willing to have a vote taken on it.

Mr. DANAHER. Mr. President, I did offer an amendment, and I thought the Senator and I were in accord. Apparently he misconstrued what I was talking about, and said we were not in accord. I will restate the amendment, and I believe the Senator then will agree with me on it.

The bill provides that before one of these widows can qualify, she must have lived with her husband at least 1 year when he was in service in the Isthmus of Panama, during the period of the construction of the Panama Canal. On that point, I say it may be true that she fought yellow fever and licked it, because she is alive today. It may be true that she fought malaria, and beat it, and is here now. I am not talking about the great class of those who succumbed to yellow fever or malaria, or the great class of workers who failed to qualify under the act. But I am talking about the women who failed to render any actual service whatever except that they lived for a year with their husbands on the Isthmus of Panama during the construction of the Panama Canal. The bill proposes that any woman who provided her husband with comradeship and who went through the hardships of living in the Canal Zone for a year shall be compensated. If she made those contributions, she should be compensated. I would say that if we made provision for compensation for such persons, we would undoubtedly be doing a most magnificent thing.

Mr. CLARK of Missouri. Mr. President, if I were to agree to strike out the requirement of 1 year of residence in the Canal Zone, my friend the Senator from Virginia [Mr. BYRD] would be standing up beating his breast, saying that a woman who lived on the Isthmus during the construction of the Canal should not be paid a pension, any more than we should. I think some reasonable period of residence should be prescribed in the measure, and I think the period of a year is a very decent, reasonable period to prescribe.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DANAHER. I am glad to yield.

Mr. PEPPER. If the Senator from Missouri will recall, it is my recollection that when the bill was first before the Senate, the senior Senator from Tennessee [Mr. MCKELLAR] raised the question that there should be some period of residence required on the part of the wife, in order to become the recipient of an annuity. It was then generally agreed that 1 year would be sufficient to test the bona fides in sharing the hardships undergone by the husband. I think it was at the request of the Senator from Tennessee that we incorporated the 1-year provision.

Mr. CLARK of Missouri. I think that is correct.

Mr. DANAHER. Mr. President, as I read the provision in line 3 on page 3, it is that if a person served for more than 6 years he will receive as an annuity 60 percent of his annual basic salary. If his salary at that time was $5,000 he will receive an annuity of $3,000 a year as long as he lives. If he has died prior to the effective date of the act, but leaves a widow who served 1 year on the Isthmus of Panama with him, she, too, will receive $3,000 a year for the rest of her life.

Somehow or other there does not seem to be any possible reconciliation in principle between the case of a man who served there, say, 6 years, and will be entitled to the annuity, and the case of his wife who was there for a period of 1 year, but then gains permanent accession to the annuity rolls of the Government, especially inasmuch as the Senator from Virginia [Mr. BYRD] has pointed out that there was no contributory test whatever.

All I am saying is that as a matter of principle I am willing that she shall receive the $3,000 for a period equal to the length of time she spent on the Isthmus of Panama during the course of construction of the Panama Canal. I think such a position is a reasonable one to take and to strive for, and I hope the amendment will be adopted.

Mr. PEPPER. Mr. President, I hope the amendment will be rejected. As I said a moment ago, when the bill was drawn up, it did not require any residence on the Isthmus of Panama by the wife of the man who resided there. The point was raised in the Senate that a widow should not be permitted to come along, years after the work had been done by the husband, and become the beneficiary of the annuity which he was not able to enjoy. So, at the instance of the able senior Senator from Tennessee [Mr. MCKELLAR], the 1 year's residence provision was included, in order to bring the wife into the proximity of the construction. That provision was offered as an amendment and was agreed to. I think it is a fair one. Any wife who actually shared with her husband the hardships of living in the Canal Zone certainly is entitled to become the recipient of his annuity.

The PRESIDING OFFICER. Will the Senator from Connecticut send his amendment to the desk in order that it may be stated?

Mr. DANAHER. I am glad to do so, Mr. President. I offer the amendment, send it to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 4, line 22, it is proposed to strike out the words "until her death" and to insert:

> For a period of time which shall be equal to the period she spent on the Isthmus of Panama as the wife of such deceased person.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut. [Putting the question.] The "noes" appear to have it.

Mr. DANAHER. I ask for a division.

On a division the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in recognition of the distinguished services rendered in and about the construction, maintenance, operation, sanitation, and government of the Panama Canal, and the Canal Zone, during the construction period of the Panama Canal, from May 4, 1904, to March 31, 1914, inclusive, by civilian officials and employees, citizens of the United States, the thanks of Congress are hereby extended to all and each of them so engaged or employed, who were not included in the recognition and benefits accorded by the act of March 4, 1915 (38 Stat. 1190).

SEC. 2. That in further recognition of the exceptional character of the services described in section 1, each civilian official and each civilian employee entitled to receive the thanks of Congress agreeably to the provisions of section 1, who has not been heretofore specially rewarded by gratuity, annuity, or other benefit under any provision of law; and who was engaged with, or employed by, the Isthmian Canal Commission or the Panama Railroad Company on the Isthmus of Panama during the aforesaid construction period of the Panama Canal, for 3 years or more; and who, during such service, was a citizen of the United States; and who, on the date whereon this act becomes effective, shall be living, shall be entitled to receive, and there shall be paid to him by the Government of the United States, for and during the remainder of his life, an annuity, based on the salary, pay, or compensation received by, and paid to him, for his aforesaid service, as follows:

Forty percent of his average annual basic salary, pay, or compensation if such service was for as much as 3 years and not more than 4 years;

Fifty percent of his average annual basic salary, pay, or compensation if such service was for more than 4 years and not exceeding 6 years; and

Sixty percent of his average annual basic salary, pay, or compensation if such service was for more than 6 years.

The term "basic salary, pay, or compensation," as used in this act, shall be so construed as to exclude from the operation of the act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulations.

SEC. 3. Annuities granted under the provisions of this act shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued; and payment of all annuities and allowances granted hereunder shall be made by checks drawn by the disbursing clerk for the payment of pensions, in such form and manner, and with such safeguards as shall be prescribed by the Civil Service Commission, in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments; and the administration of this act shall be under the Civil Service Commission.

Each application for annuity hereunder shall be in such form as the Civil Service Commission may prescribe and shall be supported by such certificate from the head of the department, branch, or independent office of the Government, or the Panama Canal, or the Panama Railroad Company, which may have in possession the record of any service described or referred to in this act, as may be necessary to determine the rights of the applicant. Upon receipt of satisfactory evidence, the Civil Service Commission shall forthwith adjudicate the claim of the applicant, and, if title to annuity be established, a proper certificate shall be issued to the annuitant under the seal of the Civil Service Commission.

SEC. 4. Annuities granted under the provisions of this act shall commence from the date whereon the act takes effect and shall continue during the life of the annuitant: *Provided, however,* That in such case as where a deceased person, had he been alive on the date whereon the act takes effect, would have been entitled to receive an annuity hereunder, and shall have been survived by a wife undivorced from him, who was his wife living with him at least 1 year of his service on the Isthmus of Panama during said construction and has not since remarried, such survivor shall be entitled to receive such annuity from the effective date of the act until her death: *And provided further,* That in any case where an annuitant hereunder shall die after he has received any annuity payment or payments hereunder, and shall leave surviving him a wife undivorced from him, who was his wife living with him at least 1 year of his service on the Isthmus of Panama during said construction, such survivor shall be entitled to receive the annuity from the date to which same was paid to such deceased annuitants until her death.

Any surviving person as described in this section, shall become an annuitant hereunder and shall be subject to all the provisions of this act regarding applications for, and payment of, annuities, and she shall furnish such proof of her marriage and marital relationships to establish her right to become such annuitant as may be required by the Civil Service Commission.

SEC. 5. If, after becoming an annuitant under the provisions of this act, any person, on account of any service rendered by him as hereinbefore indicated, or rendered by him as an official or employee of the permanent organization of the Panama Canal, or of the Panama Railroad Co., subsequent to March 31, 1914, shall elect to receive, and shall receive, any special reward or annuity, under any provision of law other than that provided for by this act, then and in that event all his further right to receive the annuity hereunder authorized shall thenceforth cease.

In any case where a citizen of the United States is receiving, or becomes entitled to receive, an annuity under the provisions of any law providing for the retirement of civilian officers and employees of the United States Government or any of its agencies, and had 3 years or more of service on the Isthmus of Panama of the character described in section 2, he may elect to have that annuity canceled, and thenceforth to become and be an annuitant under the provisions of this act, but he shall not receive both. The annuity which may thus be paid to him under this act shall begin with the date whereon his other annuity, hereinbefore referred to, shall cease because of his election to cancel same; and the substituted annuity, thus to be paid him, under the provisions of this act, shall thenceforth continue until his death. As an annuitant under this act, all its provisions shall be applicable to him.

SEC. 6. For the purposes of administration, the Civil Service Commission is hereby authorized and directed to perform, or cause to be performed, any and all acts, and to make such rules and regulations as may be necessary and proper for carrying into full force and effect the provisions of this act.

The Civil Service Commission shall make a detailed comparative report annually, showing all the receipts and disbursements on account of annuities paid under this act, together with the total number of persons receiving such annuities and the total amounts paid them.

SEC. 7. None of the annuities or moneys mentioned in this act shall be assignable, either in law or equity, or be subject to execution, levy, lien, attachment, garnishment, or other legal process.

SEC. 8. The Civil Service Commission shall submit annually to the Bureau of the Budget estimates of the appropriations necessary to pay the annuities hereunder authorized.

SEC. 9. There are hereby authorized to be appropriated annually such sums as may be necessary to pay such annuities and to carry out the provisions of this act.

MEYER VERSUS UNITED STATES—DECISION BY UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a very fine decision written by Judge Joseph C. Hutcheson, of Houston, Tex., of the United States Circuit Court of Appeals for the Fifth Circuit, one of the outstanding judges of the United States, in a case entitled "Heinrich Karl Ernst Martin Meyer, Appellant, versus United States of America, Appellee," on appeal from the District Court of the United States for the Southern District of Texas. The decision is dated April 5, 1944.

My reason for asking that this decision be printed in the RECORD is that in this time of war hysteria in some States, it is peculiarly refreshing to find in the great State of Texas a judge taking a fine judicial attitude, an attitude apparently uninfluenced by anything except the whole letter of the law, when he wrote the decision.

I also wish to pay tribute to Mr. Bernard A. Golding, of Houston, Tex., the lawyer who, I understand, took the case to the Circuit Court of Appeals without compensation to himself.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT—NO. 10647—HEINRICH KARL ERNST MARTIN MEYER, APPELLANT, VERSUS UNITED STATES OF AMERICA, APPELLEE.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF TEXAS, APRIL 5, 1944, BEFORE HUTCHESON, HOLMES, AND LEE, CIRCUIT JUDGES

(Hutcheson, Circuit Judge):

From a judgment entered against him in a denaturalization proceeding[1] brought to cancel his certificate for fraud in its procurement, defendant has appealed. Born of war hysteria and ideological conflicts, this is another of those fortunately rare proceedings in which an un-American[1a] intelerance, of opinions not acceptable to the majority, puts our adherence to American constitutional principles not only of tolerance but of justice to the test lest, done mere lip service to, they become a byword and a hissing. In form it was a judicial inquiry begun in September 1942, and concluded in February 1943, into whether the defendant, a German-born naturalized citizen, had, in 1935, more than 7 years before, secured his citizenship by fraud and, therefore, illegally, and because

[1] Section 338 of the Nationality Act of 1940, 8 U. S. C. A., sec. 738.

[1a] Compare Thomas Jefferson's: "I have sworn upon the altar of Almighty God eternal enmity to every form of tyranny over the human mind."

thereof should have his certificate canceled. Its result was to take his citizenship away (1) because, and only because of his frank assertion before December 1941 of views which, though entertained and expressed by him at a time when millions of other American citizens, naturalized and native born, were entitled to, and did, express the same views, were regarded as incompatible with the oath of citizenship he took 5 years before and, therefore, as proof that he took the oath falsely and in fraud; and (2) because, as he had a statutory[2] right to do, he considered, and made inquiries in 1940 regarding expatriating himself though he did nothing to effectively carry this out[3] and while the United States was still neutral, he completely abandoned the idea.

The district judge's findings, conclusions, and judgment were handed down before the Supreme Court had, in the *Schneiderman case* (320 U. S. 118), authoritatively rejected the views acted on by some, but by no means all,[4] of the inferior Federal judges, and never by the Supreme Court; that naturalized, unlike native born, citizens remain indefinitely under judicial tutelage; that because they are naturalized instead of native-born citizens, their thoughts and speech are subject to a jealous surveillance, so that in effect their citizenship is held by a tenure no stronger than their ability from time to time to satisfy Government inquisitors and judges that their views are, according to accepted formulas, safe and sound.

In assessing the adequacy, therefore, of the district judge's findings to support his ultimate conclusion, and in determining the validity of that conclusion itself, it must be borne in mind that the findings were not made, the conclusions were not drawn with the benefit and in the light of the correct principle the Schneiderman case reaffirmed. In short, they were not made in the light of the principle that, native born and naturalized citizens, we are one people;[5] that United States district attorneys and United States judges are not given surveillance of, inquisitorial powers or suzerainty over, the souls and minds of foreign-born citizens; and that citizenship once granted him, a naturalized citizen has the same freedom in thinking and speaking as a native-born citizen has. They were made and announced in the light of the aberration from that principle as expressed in the decisions of district judges which the district judge below cited and relied on.[6] This aberration, substituting a rule without warrant in statute or authoritative decision, that the naturalized citizen is indefinitely on probation, refuses effect to the correct rule that, since what is under attack is a solemn judgment, of a court possessing and exercising the judicial power of the United States and having the benefit, in the exercise of that power, of expert assistance and advice expressly provided by Congress, entered upon full and exhaustive inquiry after the 5 years of statutory probation have ended in a grant of citizenship, it may not be overthrown unless the proof that it was obtained by fraud is clear and certain, indeed overwhelming. The result has been here that a solemn judgment has been set aside on findings based not on an understanding and appreciation of the meaning of the full stream of the citizen's life, as the record declares it, but on isolated statements, oral and written. Under this rule these isolated statements, made in part under stress of feeling, in part in banter, in part as mere dialectic, though trifles light as air, are made to seem confirmations strong as proofs from Holy Writ because they express historical, philosophical, or political views of which those about him and those in authority are intolerant.

The statutes clearly and fully lay down the jurisdictional prerequisites to the granting of citizenship.

In support of the petition to cancel, not a word or line of evidence was offered as to any jurisdictional deficiency or defect in the proceedings leading up to the grant of the certificate. Not a line or word was offered as to things said and done in the 5 years' probationary period prior to its granting, from which it might be inferred that the citizenship was not sought and assumed in the utmost good faith and sincerity.[7] The Government's reliance, and that of the district judge, was entirely upon the relation back, as an interpreter of intention, of words, written and spoken, and acts done, beginning some 5 years after the granting of the certificate, every one of which words and acts taken singly and together were within the legitimate, indeed the constitutional and statutory, rights of citizens, naturalized and native born.

Unless, therefore, Meyer, because a naturalized citizen of German descent, had a more restricted right of free thought and speech, and of political, philosophical, and historical discussion than other citizens had, there is no possible basis for the view that, in talking and acting as he did, he transcended his rights as an American citizen, furnished any basis for a finding that his certificate had been procured by fraud, or subjected himself to any consequences except the loss of the good opinion of those who, differing strongly with him, had neither liking nor tolerance for his views or for him.

Appellant, pointing this out and insisting that some of the facts found as to what Meyer did and said have not been truly found and that the findings as a whole do not fairly reflect the record, urges upon us that if all are taken as well found, they do not furnish any basis for the ultimate finding that Meyer, with fraud in his heart and on his lips, took the oath of allegiance, and that the solemn judgment of the court, which admitted him as qualified, should be set aside. We agree with appellant.

Taken at best for the Government, there was a showing merely that some of the views attributed to Meyer with regard to the war and Germany's part in it showed that questions of right as between England and Germany and Germany and other European countries had been resolved by Meyer in Germany's favor, and that his sympathies as between England and Germany were with Germany.

Taking his views, as shown by the record, as a whole rather than by isolated expressions attributed to him by persons holding views violently opposed to the ones they attribute to him, there is not a thing that Meyer said that was not lawfully said thousands of times during the same period by citizens both naturalized and native-born. Taking them most strongly against him, there is not a thing that would support the conclusion that his citizenship was obtained by fraud.

In support of his ultimate conclusion, the district judge set down that the record showed: (1) That Meyer spoke disparagingly of the American people as contrasted with the German people;[8] (2) that Meyer thought Germany would win the war; (3) that he thought that in any war there was no moral question involved; that history showed that only success had ever counted where war was concerned; (4) that he was pleased over the victories of Germany over Poland, the Netherlands, and France;[9] (5) that he was frequently disgusted with America and thought the American people stupid; that he believed American patriotism to be narrow nationalism, and on one occasion said that he could never be a real American;[10] (6) that he associated on friendly terms with Germans, some holding official places here under the German Government, who were later either interned or required to leave; (7) that he once said it would be a good thing to have a mild form of fascism in America;[11] (8) that in September 1939 he wrote an article which said in effect that America was to blame for this war because it had gotten mixed up in the last one, and thereby prevented Germany's winning it; (9) that he thought that

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[2] R. S. 1999 U. S. C. A. 8, sec. 800; Cf. secs. 801, 802.

[3] *Comitis* v. *Parkerson*, 56 Fed. 558.

[4] Cf. *United States* v. *Rovin* (12 F. (2) 942); *Rowan* v. *United States* (18 F. (2) 246); *United States* v. *Sharrock* (276 Fed. 30). In *United States* v. *Grenfeld* (34 F. (2) 349) (Southern District of Texas), it was said: "* * * Unless from a consideration of the evidence fraud plainly appears, the certificate may not be canceled for what must be here determined is the state of mind of the defendant at the time he obtained his certificate, and since the effort is to set aside a solemn judgment of a court, that evidence must clearly establish the existence of a fraud."

[5] "Except for eligibility to the Presidency, naturalized citizens stand on the same footing as to native-born citizens" (*United States* v. *Schwimmer* (274 U. S. 644)). Cf. section 801, note 1, supra, applicable alike to naturalized and native born.

[6] *United States* v. *Herberger* (272 Fed. 278); *United States* v. *Wursterbarth* (249 F. 908); *United States* v. *Bergman* (47 Fed. Sup. 765); *United States* v. *Baumgartner* (47 Fed. Sup. 622); *United States* v. *Ebell* (44 Fed. Sup. 43); *United States* v. *Fischer* (48 Fed. Sup. 7). For instance, in *United States* v. *Bergman, supra*, the district judge, quoting from a speech he had made as reported in the public press, declared: "Fascism, nazi-ism, communism postulate the omnipotence of the state and do not recognize the rights of the individual which may be asserted against it. They are the opposite of what you have been taught about the American Government. The oath requires you to defend the Constitution and the laws of the United States against enemies foreign and domestic. This means that you must defend them against political philosophies opposed to them. If, after leaving this courtroom you attempt to foster these alien philosophies in America it will show that you do not mean this oath you take before God."

[7] "The decision whether he was lawfully entitled to the citizenship which he procured and consequently whether he is now entitled to retain it must turn on the existence of his attachment to the principles of the Constitution when he applied for citizenship and that must be inferred by the trier of fact from his conduct during the 5-year period. * * * Our concern is only that the declared will of Congress shall prevail, that no man shall become a citizen or retain his citizenship whose behavior for 5 years before his application does not show attachment to the principles of the Constitution." (Stone, C. J., dissenting in *Schneiderman* v. *United States*, 320 U. S. 171–172.)

[8] This finding, though not material, is completely refuted by the record as a whole.

[9] The record shows only that he did not blame Germany as others did for these victories, and sought to justify them as acts of war.

[10] The meaning conveyed by this finding, that he was anti-American, finds no support in the record. He wrote and spoke often of the fine qualities of Americans, and his pleasure in being a citizen, and his statement that he could never be a real American was made, half in jest, half in earnest, to persons who were boasting of their long American ancestry as opposed to his lack of it.

[11] One witness said that Meyer had said this, but his vast body of writings in the record and everything Meyer said and did showed him to be an individualist, a democrat, as that term has long been understood among us, a vigorous opponent of fascism here and abroad. He was especially opposed to communism, to national socialism, to the idea of one party, and the New Deal because he thought it akin to national socialism.

Germany would win, and he thought a German victory would be a blessing to the world; (10) that he many times used the words, "our country" and "my country," meaning Germany, and "your country," meaning the United States; [12] (11) that he became an American citizen only because it was convenient and because he could say anything he wanted to, and that he would remain in this country only as long as it was to his material advantage; [13] and (12) then finally he finds as an evidence of falsity, concealment, and lack of good faith in 1935, the open, courageous, and honest act of Meyer in 1940, in applying for a passport in order to effect his expatriation.

Nothing came of this act, and Meyer abandoned his purpose, a purpose taken because of his feeling at that time (a feeling which he admitted that he found out later, when his associates rallied to him, was a mistake) that he had no friends in America, that he was being discriminated against, and his views contested and despised because he was of German birth, and he thought he would not be happy here with persons of other descents, and especially persons with long American ancestry, treating him, because of his views, as though he were an outcast. But whatever his reasons for thus temporarily seeking expatriation, the prosecution and the district judge, in counting them as grounds to find fraud, have drawn an impossible conclusion that his exercise of a right given him by statute was an evidence of fraud 5 years before. More, by prosecuting, and finding against him on account of it, they have gone directly in the fact of the fundamentally declared right of expatriation fixed by statute [14] and existing in this country for nearly a hundred years. This act of his, when his mind and heart torn by the conflicts which on great tides of feeling, while we were still neutral, were dividing America into separate camps, in frankly and honestly advising with friends and the authorities with regard to his feeling that he ought to seek expatriation instead, as some were doing, sneaking and creeping about with service on his lips and a canker in his heart, was not, it could not be taken as, a badge of fraud.

Viewing the record as a whole and not picking it to pieces to find small hooks to hang adverse conclusions on as, since this is a suit to set aside a judgment, must be done, the picture emerges clearly, and it is not a picture of fraud but one, though sometimes of bad taste as well as bad judgment, of sincerity, of honesty, indeed, of honor. It is a picture of a highly educated specialist in German history, literature, and language, holding views, some idealistic, some realistic; a sensitive, individualistic, and democratically inclined but very human and very temperamental person, contentious, combative, argumentative, excitable, with a strong sense of humor coupled with a meddlesomeness, indeed a kind of puckishness, but a person without pretense or guile.

He was employed by Rice Institute while he was still teaching in Germany to come here as a part of the German department, and hired to teach German because, being German, he was supposed to know German language, German literature, German history, German culture, and the German people. He was so employed, and he was so admitted to this country and to citizenship, because it was thought that the culture of America was big enough and broad enough, and our people catholic enough to have and benefit from the best instruction obtainable in the cultures of the world. Emotional, excitable, neurotic,[15] temperamental, argumentative,[16] the defendant, born in Germany in 1904, and living there as a boy during the war and as a young man during the hard times following it, having family and friends there, was not expected when he took the oath as an American citizen or afterward to stultify himself by pretending that he had no feeling for his native land, the law did not require him to, decency forbade it. What, and all that, he foreswore was allegiance and fidelity to the Government of Germany, not to German culture, German history, German tradition, or to his feelings as a whole for Germany, the country, as opposed to the government which had seized and dominated it. That he was opposed to that government, the record leaves in no doubt. At no time until this emotional and intellectual crisis came on him as a result of the conflicts of opinion between him and other American citizens and those of other nationalities who were not citizens, did he show the slightest evidence of any desire to expatriate himself or give up the citizenship which he had sincerely sought and sincerely obtained. It was only when, caught in the great tides of feeling which were running high here, his essentially honest, intelligent and candid mind commenced to worry whether the surging feelings in him which made him deny what some of the others said, that Germany was all wrong, the other European countries all right, were compatible with his continued citizenship here, that he turned in his bewilderment, and almost despair, to the utterly honest query, soon answered in the negative, whether he ought to expatriate himself and resume his German citizenship.

The record contains a mass of things written and said by Meyer in the most complete accord with the highest American traditions of liberty, of free thought and of free speech, and the development of democratic institutions. At times, goaded or goading, he did give expression more in the nature of arguments or of philosophical disquisitions than of deliberate expressions of feeling, to sentiments with which most of us were not in agreement then, and none of us, including the defendant, are in agreement now that Germany has declared war on us and has shown that she is truly an Ishmaelite, her hand against every man's, and every man's hand against hers. We think it clear though that the sum and substance of what he said, and did, and wrote, the head and front of his offending, when considered in the light of the controlling principles of law, affords not the slightest basis for the conclusion that the solemn oath he took in the United States District Court for the Southern District of Texas, in 1935, was taken in fraud, that that tribunal of the United States was in any manner imposed upon, or that the judgment conferring citizenship on him must be set aside. Naturalized citizens are not wards of United States district attorneys, United States investigators, United States judges. Whatever may have formerly been thought, it is now settled law [17] that no naturalized

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[12] Moraud, an unnaturalized Frenchman, testified that on one occasion in a discussion with him, Meyer used the words, "our countries" as indicating Germany and France, a perfectly reasonable and natural thing to do.

[13] This finding is without support in the record.

[14] Among other things, this statute (note 2, supra) declares that the right of expatriation is a natural and inherent right of all people, indispensable to the enjoyment of the rights of life, liberty, and the pursuit of happiness, and it concludes, "therefore, any declaration, instruction, opinion, order, or decision of any officer of the United States, which denies, restricts, impairs, or questions the right of expatriation, is declared inconsistent with the fundamental principles of the Republic."

[15] Mrs. Meyer testified: "He felt here that people were drawing away from him after the war started. He felt that his colleagues were drawing away from him and were discriminating against him. * * * and I might say he was getting in a condition bordering on the stage of melancholia, and I was doing my best to bring him out of it but he came back from school every day, and there was an upheaval or something that had happened, someone had said something that hurt his feelings, he was discriminated against as a German-born naturalized citizen, and he was becoming more and more distressed over it, and he was very much worried."

Mr. Meyer: "That was the feeling, everybody against me it seemed. When I said anything, everybody said, 'Oh, just a Nazi, that ——— German.' Nobody would say, That ——— Republican.' If I said something which everyone else could say, it was attributed to my not being a real American, so gradually I just got in the habit of feeling unwanted, and whenever I came to the Faculty Club I sat down, and people would just sit at another table. * * * I didn't know that I had so many friends as I see now but at that time I was just under that constant pressure."

[16] Deevey, a student of Meyer, testified: "I should say he is inclined to be critical of a great many things. It seems to me it grows out of his technique of teaching; that is, the technique of conversation is of this sort. He likes to make statements, the more extreme the better, providing they strike fire from the opposition and drive the other person to take the opposite extreme position, and then, of course, in the conversation to work around to a common ground. Many of the statements made particularly in the first part of conversations as no doubt in his classes, although I cannot say, are of a very critical nature, of the kind that would sound bad in court or in print.

"Question. Would you say that he was very outspoken?

"Answer. I would, yes."

[17] In their concurring opinions in the Schneiderman case, supra, Mr. Justice Douglas and Mr. Justice Rutledge eloquently state the matter thus:

Mr. Justice Douglas: "If findings of attachment which underlie certificates may be set aside years later on the evidence, then the citizenship of those whose political faiths become unpopular with the passage of time becomes vulnerable. It is one thing to agree that Congress could take that step if it chose. But where it has not done so in plain words, we should be loath to imply that Congress sanctioned a procedure which in absence of fraud permitted a man's citizenship to be attacked years after the grant because of his political beliefs, social philosophy, or economic theories" (p. 165).

Mr. Justice Rutledge: "If this is the law and the right the naturalized citizen acquires his admission creates nothing more than citizenship in attenuated, if not suspended animation. * * * Until the Government moves to cancel his certificate and he knows the outcome, he cannot know whether he is in or out. And when that is done, nothing forbids repeating the harrowing process again and again. * * *

"No citizen with such a threat hanging over his head could be free. If he belonged to 'off-color' organizations or held too radical or perhaps, too reactionary views, for some segment of the judicial palate, when his admission took place, he could not open his mouth without fear his words would be held against him. For whatever he might say or whatever any such organization might advocate could be hauled forth at any time to show 'continuity' of belief from the day of his admission, or 'concealment' at that time. Such a citizen would not be admitted to liberty. His best course would be silence or hypocrisy. This is no citizenship. Nor is it adjudication" (p. 167). While Judge Woodrough

American holds his citizenship by so slight a tenure as that he stands to lose it on a finding of fraud if he has given expression, since he obtained his certificate, to political, philosophical, or historical views which in the particular climate of opinion prevailing when he is tried appear to be not orthodox but heretical American doctrine. This must be so, for otherwise a naturalized citizen, instead of being, as the law intended him to be, a real American citizen, that is, one who knows his rights and knowing dares maintain them, and is therefore open, honest, and aboveboard in speech and act, would be sneaking, deceptive, and guileful, fearful lest honest opinion, honestly expressed, might, under the pressure of public opinion not in agreement with him, be seized upon to deprive him of his citizenship upon a charge of fraud. It ought to be, it is, in the absence of downright proof of fraud or illegality, enough that one district judge has judicially determined the right of a naturalized citizen to his citizenship. If that right, established by solemn judgment, is to be taken from him, it ought to be, it can be, taken only upon evidence clearly and positively establishing definite fraud. It cannot be taken upon suspicion or surmise of fraud or upon mere proof that since his naturalization the citizen has given expression to views or allied himself with organizations which in the then state of public opinion seem dangerous or inimical to the public welfare.

If these expressions or acts of the naturalized citizen are criminal, he is subject like every other citizen to prosecution for them; if they are not, they subject him to no other legal consequences than a native-born citizen doing or saying the same thing would be subject to. A painstaking and careful examination of the record, in the light of these views, shows that the proceeding to cancel defendant's citizenship is not well taken. The judgment of cancelation is, therefore, reversed, and the cause is remanded with directions to vacate and set the judgment of cancelation aside and to dismiss the petition.

(Holmes, circuit judge, specially concurring:)

I cannot concur in the opinion of the majority; it is too extreme; it goes further than is necessary to dispose of the case. Therefore, I must state my own reasons for concurring in the result.

In granting citizenship to aliens, the sovereign has no divine power to look into the hearts of applicants and say, "One of you will betray me." Therefore, every certificate of naturalization is issued upon the condition that it may be revoked if fraudulently or illegally obtained. The doctrine of res judicata does not apply to judgments granting naturalization.

It is said that in the United States the right of citizenship is a precious thing, dearer than the right to life itself. As to the patriot, whether native born or naturalized, this may be true; but to the alien, who is not attached to the principles of the Constitution and does not intend to reside permanently in this country, citizenship may be a mere matter of temporary convenience; but generalities aside, let us go immediately to the point in the case. The strongest evidence in the record against appellant tended to prove the following facts:

Appellant had opinions and expressed them freely, even in the classroom, a fertile field for propaganda. He often stated to his classes that he was "in favor of Hitler and his actions." A student in freshman German under Dr. Meyer testified that the latter defended German aggression in Europe and compared it with what the United States had done in their relations with the Indians. As to Germany's failure to observe the various treaties, he said that was just a part of the war; that the breaking of treaties was of small consequences.[18] His lectures were of such a character that an officer of Rice University requested him not to discuss politics in class.

In September 1939, appellant wrote in substance that America was to blame for this war. He told his classes that Poland started the war, not Germany, and that Britain had no excuse for declaring war. In April 1940, he said it would be a good thing to have a "mild form of fascism in America." In July 1940, he wrote: "I think a German victory will be a blessing to Europe and to the world." He considered the American people stupid and their patriotism narrow. He asked Dr. Mauraud: "How can a man like you live with those Americans?" As the war clouds gathered, he sought to return to Germany, which at his age would have meant his entry into the armed service of that country.

On September 30, 1940, he voluntarily applied for a passport. On that occasion, he said he could not remain in this country, because he was not in sympathy with the American attitude "toward the German Reich." He refused to sign the oath of allegiance printed on the passport, and feared he might become a fifth columnist. He said: "While my lips may not be a fifth columnist, I am uncertain about this" (putting his hand upon his heart). He said his friends and colleagues had fallen away from him, and blamed it on them rather than on himself. Many times he spoke of Germany as "my country," and the United States as "your country." He said he could never become a real American.

There was also evidence of other circumstances, such as appellant's association with German agents and propagandists in this country, his trips to Germany in 1936 and 1938, his request for an interview with Hitler and his alleged effort to see Goebbels while there, his conditional desire to win this case and then become an alien enemy anyway, his covert threat against several hundred Americans in German custody if anything happened to him, and his statement that he would remain in this country only so long as it was to his material advantage. These and the other facts above stated, which are mainly relied on to support the findings, occurred after the grant of citizenship to appellant.

Not being within the crucial 5-year period, they have little relevance and are entitled to little weight under the decision in *Schneiderman* v. *United States*, decided June 21, 1943.[19] The decision in that case is controlling in this one.

A true copy:
Teste:

OARLEY F. DODD,
Clerk of the United States Circuit Court of Appeals for the Fifth Circuit.

in his dissent in the Baumgarten case on appeal declares:

"The gist, as I see it, is that in actions in this form the 'allegiance' of the accused is an issue of fact, and that means, as I take it, the Federal district judges have power to look into the utterances of foreign-born citizens arguing public questions to decide as 'facts' whether they are true believers in Americanism or tainted with heresy in that field. That is to say, that the judges have the same inquisitorial power over the minds of foreign-born citizens in matters political that the Spanish Inquisition had over the human mind in religion. I deny it.

"It matters not what foreign country may be interested in a public question being debated before our people. Our constitutional guaranty maintains inviolate the right of every man to have his say about the public question notwithstanding" (138 Fed. (2) 36).

[18] Direct examination:

"Question. Do you recall what, if anything, was said about the various invasions that Germany had made?

"Answer. Yes; he justified Germany's grabs in these various countries in Europe by saying that it was nothing more or less than the United States had done in their relations with the Indians.

"Question. What, if anything, did he say regarding the observance of the various treaties?

"Answer. He said that was just a part of the war; that breaking the treaties was of small consequence."

Cross-examination:

"Question. The statements you have attributed to Dr. Meyer occurred during the school year 1940–41, is that correct?

"Answer. Yes, sir.

"Question. Were those statements all made in open class?

"Answer. Yes.

"Question. Approximately how many students were there in that class?

"Answer. It varied from around 20 to 30, I guess."

[19] 320 U. S. 118. Schneiderman was born in Russia. He was granted citizenship in the United States on June 10, 1927. In December 1939 the district court held that his naturalization was illegally procured because, as a member of the Communist Party, he advised, taught, and advocated the overthrow of this Government by force and violence, and therefore was not attached to the principles of the Constitution. Its decision, which had been affirmed by the circuit court of appeals, was reversed by the Supreme Court. Referring to the 5 years preceding naturalization, the Court said, p. 147: "Since the immediate problem is the determination with certainty of petitioner's beliefs from 1922 to 1927, events and writings since that time have little relevance, and both parties have attempted to confine themselves within the limits of that critical period." At pp. 151, 152, the Court said: "The Government also sets forth excerpts from other documents which are entitled to little weight because they were published after the critical period."

POSTMASTER NOMINATIONS CONFIRMED

Mr. HILL. Mr. President, there are three routine nominations of postmasters on the Executive Calendar. I ask unanimous consent that, as in executive session, the nominations may be confirmed, and the President notified forthwith.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and it is so ordered.

RECESS TO WEDNESDAY

Mr. HILL. Under the order previously entered by the Senate, I move that the Senate take a recess until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Wednesday, May 17, 1944, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15 (legislative day of May 9), 1944:

POSTMASTERS

NEW JERSEY

Oscar S. Newkirk, Shiloh.
Mary O'Connor, Woodstown.

WASHINGTON

Walter W. Lindley, St. John.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 15, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, invisible and eternal, by whose breath the earth is renewed and beautified with the robes of spring, endow us with the riches of eternity. We bless Thee for those consolations which are manifold for the sorest wounds and ready for every care. As we reaffirm our sacred vows, give us the gallant heart and the heroic mind that these may be hours of wise decisions and selfless endeavors.

Though we carry within our breasts possibilities of evil, yet Thou dost give us food when hungry and water when thirsty, answering every need by the constant manifestation of Thy mercy. We are debtors to the pioneers of free thought, to the martyrs of liberty, and to the prophets of brotherhood. When the war drums cease we pray that we may be true to every heart that beats beneath the uniform of freedom. We would link ourselves with the truest and bravest of all times by giving quenchless gratitude and pouring forth an enduring devotion for those who have served us. It is a man's perdition just to be safe when for the truth and for his brother man he ought to suffer. O save us from a life of ease and indifference and unite us in love with Thee and grant us Thy peace. In the name of Him who is alive forevermore. Amen.

The Journal of the proceedings of Friday, May 12, 1944, was read and approved.

PRICE CONTROL

Mr. DILWEG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

[Mr. DILWEG addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks in the appendix of the RECORD and include therein a tribute to our former colleague, Lawrence Lewis, by his old Harvard classmate, Gilbert H. Montague.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD, showing a comparison of our overseas movement of troops in World War No. 1 and World War No. 2, in American ships, and to include a quotation from the Marine Age.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks on the Comptroller General's annual report to Congress for the fiscal year ending June 30, 1943, and to include certain quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that after the legislative business of the day and such special orders as have been heretofore entered I may be permitted to address the House for 15 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article on the promotion of friendship among physicians, by Dr. L. H. McDaniel.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FRANK E. GANNETT

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. O'BRIEN of New York addressed the House. His remarks appear in the Appendix.]

LIMITING INCOME TAXES TO 25 PERCENT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. PATMAN addressed the House. His remarks appear in the Appendix.]

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, in answer to what the gentleman from Texas [Mr. PATMAN] has just said, in which he paints a very dark picture of the situation that will confront this Nation if the amendment to the Constitution is passed which would restrict the ability of Congress to levy income and inheritance taxes to 25 percent, I wish to say that the picture which he has painted is absolutely untrue; that this Congress has in the past limited the amount of inheritance taxes and income taxes to 25 percent, and we did operate and we did pay benefits, and we can do it again if it is limited to 25 percent.

Mr. O'BRIEN of New York. Mr. Speaker, will the gentleman yield?

Mr. MASON. I will yield later if I have time. I wish to give you some figures to back up the statements that I made.

The total income of people who are receiving $10,000 and over represents only 16 percent of the total income of the Nation. Therefore, if we should limit our income and inheritance taxes to 25 percent we would be limiting the amount of taxes that affect only those people who receive a $10,000 yearly income or over and receive a total of less than 16 percent of our national income, which would not in any way make it impossible for Uncle Sam to meet his financial obligations, or prevent him from providing the veterans the privileges we promise in this G. I. bill.

The SPEAKER. The time of the gentleman from Illinois has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent that on tomorrow, after all other business, I may be allowed to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, after the other special orders, I may address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks and include a statement by the Massachusetts Federation of Taxpayers' Association.

The SPEAKER. Is there objection?

There was no objection.

FARM MACHINERY

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. H. CARL ANDERSEN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

(By unanimous consent, Mr. LEFEVRE was granted permission to extend his own remarks in the RECORD.)

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short poem from a citizen of my State on the farm situation.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a radio address.

The SPEAKER. Is there objection?

There was no objection.

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to extend my remarks and include certain excerpts from national organizations regarding the school-lunch programs.

The SPEAKER. Is there objection?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement from citizens of Wichita, Kans.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent that in connection with the remarks which I expect to make later

during the day, this afternoon, I may include a short list of recommendations of South Dakota's plan for World War veterans.

The SPEAKER. Is there objection?

There was no objection.

S. K. F. WORKS, PHILADELPHIA

Mr. CELLER of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. CELLER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CELLER. I ask unanimous consent to extend my remarks in the RECORD and include therewith a statement.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that on Thursday next I may address the House for 10 minutes after the regular order of business.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made a few moments ago.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks and include a speech which I recently made in Louisiana.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks by including therein an editorial appearing in the Boston Globe entitled "An Excellent Choice," relating to the nomination of James B. Forrestal to succeed our late distinguished friend Secretary Frank Knox.

The SPEAKER. Is there objection?

There was no objection.

AMENDMENTS TO THE VETERANS' LEGISLATION BILL

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and to include as a part of my remarks a series of proposed amendments.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEEFE. Mr. Speaker, when the House reaches the point in the consideration of the so-called G. I. bill that amendments will be in order I propose to offer a series of clarifying amendments which have been very carefully thought out in cooperation with representatives of the Governor's Council in this country.

I am going to ask the permission of this House to insert in the RECORD today the various amendments so that the Members will have an opportunity to consider them in connection with the consideration of this bill tomorrow.

I may say that generally they are very simple in character and are clarifying amendments on the question of administrative procedure which is very complicated in this bill. The amendments are designed to simplify the questions of administrative procedure.

The amendments are as follows:

Amendment offered by Mr. KEEFE: On page 53, line 22, strike out the words "it is found by" and insert in lieu thereof the words "the institution reports to."

Amendment offered by Mr. KEEFE: On page 54, line 2, after the word "institution", insert the following in parenthesis "(including industrial establishments)"; and in line 3 after the word "training", insert the following language "(including apprenticeship training)."

Amendment offered by Mr. KEEFE: On page 55 after the period in line 10 insert the following: "*Provided*, If any publicly supported institution has no established tuition fee or if the established tuition fee at any publicly supported institution (including the fee for nonresident students) shall be found by the Administrator to be inadequate compensation to such institution for furnishing education or training to persons eligible to such, he is authorized to provide for the payment with respect to any such person of such compensation as he may find to be fair and reasonable but not to exceed $500 for each regular school year."

Amendment offered by Mr. KEEFE: On page 64, line 25, strike out the words "or on his own initiative."

Amendment offered by Mr. KEEFE: On page 65, line 1, strike out the words "supervise and/or register" and insert in the beginning of the line the following: "be functionally responsible for the supervision of", and in line 2, page 65, strike out the word "veterans."

Amendment offered by Mr. KEEFE: On page 65, line 24, strike out the word "delegated" and insert the word "prescribed", and on page 66, line 1, insert the words "employment service" immediately preceding the word "office." Insert a period after the word "office" and strike out the balance of lines 1 and 2.

Amendment offered by Mr. KEEFE: On page 66, after the period in line 18, add a new section, as follows:

"SEC. 607. Pending the return of the employments offices and services to the States, the Federal agency administering the United States Employment Service shall maintain that service as an operating entity and during the period of its administration shall effectuate the provisions of this title."

Amendment offered by Mr. KEEFE: On page 75, line 17, insert before the word "the" the letter "f" in parentheses.

Amendment offered by Mr. KEEFE: On page 75, line 21, strike out the words "in addition to" and insert in lieu thereof the words "include in", and, in lines 23 and 24, strike out the language reading "certified to the Secretary of the Treasury for payment to each State."

On page 76, strike out line 2, insert a period after the word "title", and strike out the balance of the subsection.

Amendment offered by Mr. KEEFE: On page 76, line 5, strike out the letter "f" in parentheses and insert the letter "g" in parentheses, and after the word "money" insert "(other than subsection (f) above)."

The SPEAKER. The time of the gentleman has expired.

ATTEMPT BY C. I. O. TO UNDERMINE AND DESTROY THE CONGRESS OF THE UNITED STATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include therein excerpts from a document issued by the C. I. O. in its attempt to control the Congress of the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, we all regret the misfortunes that have caused the withdrawal from this House of one of America's outstanding patriots, MARTIN DIES, of Texas.

I have known for some time of Mr. DIES' illness; I have been aware of the smears, the threats against his life and against members of his family. With all that, he has carried on with a fortitude that has challenged the admiration of all patriotic Americans.

Let me say now that the Dies committee must be continued; we must carry on this fight against subversive activities whether the gentleman from Texas, MARTIN DIES, is physically able to be here or not.

The political action committee of the C. I. O., headed by Sidney Hillman, the foreign-born Communist, who is doing everything possible to try to destroy the confidence of the American people in our form of government, seems to be gloating over Mr. DIES' withdrawal, but if Congress does its duty not a single person whose campaign is financed by that outfit will be seated as a Member of either House next year.

The SPEAKER. The time of the gentleman from Mississippi has expired.

CONSENT CALENDAR

The SPEAKER. This is Consent day. The Clerk will call the first bill on the Consent Calendar.

TO EXPEDITE PAYMENT FOR LAND ACQUIRED DURING THE WAR PERIOD

The Clerk called the first bill on the Consent Calendar, S. 919, to expedite the payment for land acquired during the war period.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill would abolish the use of commissioners and condemnation proceedings and would provide that the issues in connection with such proceedings would be determined solely by the courts reserving to the landowner the right to trial by jury if he should choose to exercise that right. Because of the substantial change in existing law relating to condemnation proceedings we have felt that the bill should not be passed by unanimous consent. I understand that application has been made for a rule to consider the bill and, therefore, object to its consideration.

The SPEAKER. Objection is heard.

DISTRIBUTION OF FERTILIZERS, FEEDS, NURSERY STOCKS, AND SEEDS BY AGENCIES OF THE UNITED STATES

The Clerk called the next bill, H. R. 3405, making certain regulations with reference to fertilizers, feeds, nursery stocks, or seeds that may be distributed by agencies of the United States.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING PUBLIC LAW 537

The Clerk called the next bill, H. R. 2908, to amend Public Law 537, Seventy-seventh Congress, approved May 2, 1942.

Mr. PRIEST. I ask unanimous consent, Mr. Speaker, that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE WAR SHIPPING FIELD SERVICE

The Clerk called the next bill, House Joint Resolution 182, to create the War Shipping Field Service.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JACKSON HOLE NATIONAL MONUMENT

The Clerk called the next bill, H. R. 2241, to abolish the Jackson Hole National Monument as created by Presidential Proclamation No. 2578, dated March 15, 1943, and to restore the area embraced within and constituting said monument to its status as part of the Teton National Forest.

Mr. BARDEN. At the suggestion of the gentleman from Florida [Mr. PETERSON] I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDMENT OF SECTION 42 OF TITLE 7 OF THE CANAL ZONE CODE

The Clerk called the next bill, H. R. 3646, to amend section 42 of title 7 of the Canal Zone Code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CHURCH, Mr. CLEVENGER, and Mr. GROSS objected.

RECOGNITION OF SERVICES OF CIVILIAN OFFICIALS AND EMPLOYEES, CITIZENS OF THE UNITED STATES, ENGAGED IN AND ABOUT THE CONSTRUCTION OF THE PANAMA CANAL

The Clerk called the next bill, H. R. 1117, to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice. I believe a rule has been issued for its consideration.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TO REMOVE RESTRICTIONS ON ESTABLISHING POST OFFICE BRANCHES AND STATIONS

The Clerk called the next bill, H. R. 4517, to remove restrictions on establishing post office branches and stations.

Mr. KEAN. Mr. Speaker, reserving the right to object, the last time the Consent Calendar was called I asked to have this bill passed over because the report was not in accord with the Ramseyer rule. I am pleased to note today that a supplemental report has been issued. I therefore have no further objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third proviso in the act of June 9, 1896, entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1897" (29 Stat. 313; 39 U. S. C. 160), is hereby repealed.

With the following committee amendments:

Line 7, strike out the word "repealed" and insert "suspended for the duration of the present war."

Add a new section, as follows:

"SEC. 2. This act shall remain in effect for the duration of the present war and for 6 months thereafter."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOSPITALIZATION BENEFITS AND PRIVILEGES OF SOLDIERS' HOMES TO CERTAIN PERSONS SERVING IN CIVILIAN CAPACITY UNDER QUARTERMASTER GENERAL DURING WAR WITH SPAIN, PHILIPPINE INSURRECTION, AND CHINA RELIEF EXPEDITION

The Clerk called the next bill, H. R. 735, to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, according to the report accompanying this bill the Veterans' Administration describes the bill as follows:

The bill proposed to grant benefits of hospital treatment and domiciliary care to a very restricted group of civilian employees to the exclusion of many other civilian groups which served with the armed forces of the United States during the periods in question involving services performed both within the United States and outside the continental limits thereof.

The Veterans' Administration has expressed its opposition to the bill. We have felt that it was inadvisable for bills to be passed by unanimous consent which are opposed by the department of government having the responsibility of administering them.

I therefore object to the consideration of the bill at this time.

Mr. CLEVENGER and Mr. KEAN objected.

Mr. RANKIN. Mr. Speaker, will not these gentlemen withhold their objections and let the bill go over without prejudice?

Mr. COLE of New York. If it is the gentleman's intention to apply for a rule.

Mr. RANKIN. The gentleman from California [Mr. WELCH] who is the author of the bill is not here. I should like for him to be here before it is stricken from the Calendar.

Mr. COLE of New York. That is quite satisfactory. Is it the gentleman's intention to apply for a rule for the consideration of the bill?

Mr. RANKIN. I should certainly want to consult the author of the bill at any rate.

Mr. COLE of New York. Very well. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. CASE. Mr. Speaker, reserving the right to object to that request, would the gentleman from Mississippi consider making the bill applicable to persons who have served in a civilian capacity under jurisdiction of the Quartermaster General in the Indian Wars? The reason I ask that is because in South Dakota there is an old gentleman 94 years old who was original United States marshal in South Dakota, who served with the Quartermaster General in the early Indian Wars. He is now almost blind. He represents a type of man who ought to be included in this bill. His name is Ben Ash and he is one of the most respected citizens in our State. He was the first white child born in the State; yet he is not entitled to consideration because he served in a civilian capacity.

Mr. RANKIN. I may say to the gentleman from South Dakota that this bill provides only for hospitalization and the privilege of the soldiers' homes. As far as I individually am concerned I would have no objection to extending it to take in the man to whom the gentleman referred, because he is old; he served back in those days when frontier service was more or less precarious and when his services were equal to those of a soldier. He has not many more years to live at best. I feel by him just as I do by these men covered by this bill. If these men were now serving in the same capacity in this war they would get hospitalization, as the gentleman from California explained the other day.

I would rather have the bill go over without prejudice until the gentleman from California [Mr. WELCH] returns.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. COLE]?

There was no objection.

DELEGATION OF AUTHORITY TO EMPLOY PERSONS IN DEPARTMENTS OF FIELD SERVICE.

The Clerk called the next bill, H. R. 1725, to authorize heads of departments and agencies to delegate to subordinates the authority to employ persons for duty in departments or the field service.

Messrs. SMITH of Ohio, GROSS, and WILSON objected.

PENSIONS AND COMPENSATION TO CERTAIN PERSONS RECEIVING RETIRED PAY

The Clerk called the next bill, S. 771, to provide for payment of pensions and compensation to certain persons who are receiving retired pay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That where any person authorized to receive military or naval retired pay in accordance with any provision of law would be eligible to receive pension or compensation under the laws administered by the Veterans' Administration, if he were not on the retired list in the case of Regular Army or Regular Navy personnel, or if he were not in receipt of retired pay in the case of other Army or Navy personnel, he may waive receipt of retired pay and allowances for the purpose of receiving such pension or compensation; and thereafter such person may waive receipt of such pension or compensation for the purpose of receiving retired pay and allowances. To prevent concurrent payments, when waiver of receipt of retired pay and allowances for the purpose of receiving pension or compensation is filed in the War Department or the Navy Department, the Department concerned shall notify the Veterans' Administration of the receipt of such waiver and the effective date of the stoppage of retired pay and allowances. Similar report to the War or Navy Department shall be rendered by the Veterans' Administration, when waiver of receipt of pension or compensation is filed in the Veterans' Administration for the purpose of receiving retired pay and allowances.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That any person who is receiving pay pursuant to any provision of law relating to the retirement of persons in the regular military or naval service, and who would be eligible to receive pension or compensation under the laws administered by the Veterans' Administration if he were not receiving such retired pay, shall be entitled to receive such pension or compensation upon the filing by such person with the department by which such retired pay is paid of a waiver of so much of his retired pay and allowances as is equal in amount to such pension or compensation. To prevent duplication of payments, the department with which any such waiver is filed shall notify the Veterans' Administration of the receipt of such waiver, the amount waived, and the effective date of the reduction in retired pay."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE OF MAINE

The Clerk called the next bill, H. R. 3250, to confer jurisdiction upon the United States District Court of Maine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the District of Maine, sitting as a court of admiralty, to hear, determine, and render judgment as to the liability of the United States, upon the claim of the State of Maine, for compensation for damages sustained by its bridge across the Kennebec River at Bath, Maine, known as the Carlton Bridge, resulting from said bridge being struck by the lighthouse tender *Ilex*, owned and operated by the United States, which collision occurred on the 17th day of August 1939.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That jurisdiction is hereby conferred upon the District Court of the United States for the District of Maine to hear, determine, and render judgment, as though the United States were suable in tort, upon the claim of the State of Maine, for compensation for damages sustained by its bridge across the Kennebec River at Bath, Maine, known as the Carlton Bridge, resulting from said bridge being struck by the lighthouse tender *Ilex*, owned and operated by the United States, which collision occurred on the 17th day of August 1939: *Provided*, That suit hereunder shall be instituted within 6 months following the approval of the act: *Provided further*, That the jurisdiction herein conferred shall not be exercised unless the State of Maine shall consent to suit in the same cause on any counterclaim asserted by the United States arising out of the same transaction, as though the State of Maine were a private party."

Mr. GOODWIN. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODWIN: Page 2, line 12, after the word "within", strike out the word "six" and insert in place thereof the word "eighteen."

Mr. GOODWIN. Mr. Speaker, this is a corrective amendment to bring the bill in line with what was actually reported by the committee. The report of the bill is in error. The committee report is "eighteen" instead of "six," the occasion being that the Legislature of the State of Maine will not meet within the next 6 months.

The SPEAKER. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING NIGHT DIFFERENTIAL FOR CERTAIN EMPLOYEES IN THE BUREAU OF ENGRAVING AND PRINTNG

The Clerk called the next bill, H. R. 3891, to provide night differential for certain employees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all employees of the Bureau of Engraving and Printing who hold positions in the clerical-mechanical service, and who are assigned to perform their work at night, shall be paid a rate of compensation which is 15 percent in excess of the day rate for the same work: *Provided*, That night work shall be construed to mean all work on any established shift or tour of duty, half or more of which occurs after 6 o'clock postmeridian or before 6 o'clock antemeridian.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPROPRIATION OF RECEIPTS FROM CERTAIN NATIONAL FORESTS

The Clerk called the next bill, S. 1618, to amend the acts of August 26, 1935 (49 Stat. 866), May 11, 1938 (52 Stat. 347), June 15, 1938 (52 Stat. 699), and June 25, 1938 (52 Stat. 1205), which authorizes the appropriation of receipts from certain national forests for the purchase of lands within the boundaries of such forests, to provide that any such receipts not appropriated or appropriated but expended or obligated shall be disposed of in the same manner as other national-forest receipts, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of August 26, 1935 (49 Stat. 866), which authorizes the appropriation of receipts from the Uinta and Wasatch National Forests for the purchase of lands in the State of Utah within the boundaries of said national forests, is hereby amended to read as follows:

"The Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (16 U. S. C. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Uinta and Wasatch National Forests, in the State of Utah, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands from the receipts derived from the sale of natural resources, other than mineral, and the occupancy of publicly owned lands within said national forests, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired; all lands so acquired thereafter to be subject to and administered under the laws applicable to lands acquired under the provisions of said act of March 1, 1911 (16 U. S. C. 519, 520, 521), as amended: *Provided*, That the provisions of sections 500 and 501 of title 16 of the United States Code shall not be applicable to receipts so appropriated and expended. Nothing contained in this act, however, shall diminish payments to or expenditures within the State of Wyoming under the provisions of said sections; and any appropriated amounts which are, or which heretofore have been, unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year, and amounts so transferred and such portions of the receipts of any fiscal year as are not, or heretofore have not been, appropriated for the ensuing fiscal year shall be disposed of in the same manner as other national-forest receipts."

SEC. 2. The act of May 11, 1938 (52 Stat. 347), which authorizes the appropriation of receipts from the Cache National Forest for the purchase of lands in the State of Utah within the boundaries of said national forest, is hereby amended to read as follows:

"The Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (16 U. S. C. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Cache National Forest in the State of Utah which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States to minimize soil erosion and flood damage; and to pay for said lands from that proportion of the receipts derived from the sale of natural resources, other than mineral, and the occupancy of publicly owned lands within said national forest which is equal to that proportion of the gross area of said national forest situated in the State of Utah which receipts are hereby authorized to be appropriated for expenditure for that purpose until said lands have been acquired; all lands so acquired thereafter to be subject to and administered under the laws applicable to lands acquired under the provisions of said act of March 1, 1911 (16 U. S. C. 519, 520, 521), as amended: *Provided*, That the provisions of sections 500 and 501 of title 16 of the United States Code

shall not be applicable to receipts so appropriated and expended. Nothing contained in this act, however, shall diminish payments to or expenditures within the State of Idaho under the provisions of said sections; and any appropriated amounts which are, or which heretofore have been, unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year, and amounts so transferred and such portions of the receipts of any fiscal year as are not, or heretofore have not been, appropriated for the ensuing fiscal year shall be disposed of in the same manner as other national-forest receipts."

SEC. 3. The act of June 15, 1938 (52 Stat. 699), which authorizes the appropriation of receipts from the San Bernardino and Cleveland National Forests for the purchase of lands in the county of Riverside, State of California, within the boundaries of said national forests, is hereby amended to read as follows:

"The Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (16 U. S. C. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the San Bernardino and Cleveland National Forests, in the county of Riverside, State of California, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands from those proportions of the receipts derived from the sale of natural resources, other than mineral, and the occupancy of publicly owned lands within said national forests which are equal to the proportions of the net areas of said national forests situated in the county of Riverside, State of California, which receipts are hereby authorized to be appropriated for expenditure for that purpose until said lands have been acquired; all lands so acquired thereafter to be subject to and administered under the laws applicable to lands acquired under the provisions of said act of March 1, 1911 (16 U. S. C. 519, 520, 521), as amended: *Provided*, That the provisions of sections 500 and 501 of title 16 of the United States Code shall not be applicable to receipts so appropriated and expended, but any appropriated amounts which are, or which heretofore have been, unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year, and amounts so transferred and such portions of the receipts of any fiscal year as are not, or heretofore have not been, appropriated, for the ensuing fiscal year shall be disposed of in the same manner as other national-forest receipts: *Provided further*, That the amounts to which the county of Riverside would otherwise be entitled under section 500 of title 16 of the United States Code shall be reduced by the amounts by which payments to the State for distribution to counties under that section are reduced pursuant to the above proviso."

SEC. 4. The act of June 25, 1938 (52 Stat. 1205), which authorizes the appropriation of receipts from the Nevada and Toiyabe National Forests for the purchase of lands in the State of Nevada within the boundaries of said national forests, is hereby amended to read as follows:

"The Secretary of Agriculture is hereby authorized to acquire by purchase any lands within the boundaries of the Nevada and Toiyabe National Forests in the State of Nevada which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage or promote efficiency and economy of administration, and to pay for said lands from the receipts derived from the sale of natural resources, other than mineral, and the occupancy of publicly owned lands within said national forests, which receipts are hereby authorized to be appropriated for that purpose to the extent of amounts not exceeding $10,000 per annum until said lands have been acquired; all lands so acquired thereafter to be subject to and administered under the laws applicable to lands acquired under the provisions of said act of March 1, 1911 (16 U. S. C. 519, 520, 521), as amended: *Provided*, That the provisions of sections 500 and 501 of title 16 of the United States Code shall not be applicable to receipts so appropriated and expended. Any appropriated amounts which are, or which heretofore have been, unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year, and amounts so transferred and such portions of the receipts of any fiscal year as are not, or heretofore have not been, appropriated for the ensuing fiscal year shall be disposed of in the same manner as other national-forest receipts."

The bill was ordered to be read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFERRING GOVERNMENT ACTIVITIES IN CONNECTION WITH DOMESTIC RABBITS TO THE DEPARTMENT OF AGRICULTURE.

The Clerk called the next bill, H. R. 4404, to transfer Government activities in connection with domestic rabbits to the Department of Agriculture.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all activities of the Federal Government which affect the breeding, raising, marketing, or any other phase of production or distribution of domestic rabbits are hereby transferred from the Fish and Wildlife Service of the Department of the Interior to the Department of Agriculture and shall be assigned to such bureau, branch, or section of the Department of Agriculture as the Secretary of Agriculture shall prescribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CUSTODIAL-SERVICE EMPLOYEES OF THE POST OFFICE DEPARTMENT

The Clerk called the next bill, H. R. 4215, to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, in recent years the House has passed bills relating to custodial employees of the Post Office Department, I should like to ask some member of the Committee on Post Offices to explain the difference between this bill and the other bills which have heretofore passed the House relating to custodial employees.

Mr. MURRAY of Tennessee. Mr. Speaker, those bills were passed prior to the time custodial employees became full-fledged employees of the Post Office Department. Up until last year when Congress passed a certain act, these custodial employees were in the Treasury Department and were not by legislation made regular postal employees. Congress passed an act last year making them full-fledged postal employees. One of the bills that was vetoed by the President before the custodial employees came under the Postal Service was a bill allowing an automatic promotion at the end of 1 year, but they were not custodial employees of the Post Office Department at that time.

Mr. COLE of New York. Is this the first bill relating to custodial employees that has been offered to the House since they have been actually transferred from the Treasury to the Post Office Department?

Mr. MURRAY of Tennessee. That is correct.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all officers and employees (other than charmen and charwomen working part time) of the custodial service of the Post Office Department shall, at the end of each year's satisfactory service, be promoted, at the beginning of the first quarter following the completion of such year's service, to the compensation rate next higher than that of which he is then in receipt until the maximum rate of compensation for the grade to which his position is allocated is reached.

SEC. 2. The sixth paragraph of section 6 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925, as amended (U. S. C., 1940 ed., title 39, sec. 116, sixth paragraph), is amended to read as follows:

"Dispatchers, mechanics-in-charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the Motor Vehicle Service, employees of the pneumatic-tube system, and employees of the custodial service, shall be required to work not more than 8 hours a day. The 8 hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duties of the employees shall be regulated accordingly. In cases of emergency, or if the needs of the service require, special clerks, clerks, dispatchers, mechanics-in-charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the Motor Vehicle Service, employees of the pneumatic-tube system, and employees of the custodial service, can be required to work in excess of 8 hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees. In computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year, less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by 8 will give the hourly compensation for such overtime service. When the needs of the service require the employment on Sundays and holidays of route supervisors, special clerks, clerks, dispatchers, mechanics-in-charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the Motor Vehicle Service, employees of the pneumatic-tube system, and employees of the custodial service, they shall be allowed compensatory time on 1 day within 6 days next succeeding the Sunday, except the last three Sundays in the calendar year, and on 1

day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however,* That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime in lieu of compensatory time for service on Sundays and holidays."

SEC. 3. The act entitled "An act to provide a differential in pay for night work in the Postal Service," enacted May 24, 1928, as amended (U. S. C., 1940 ed., title 39, sec. 828), is amended by striking out the words "motor-vehicle and pneumatic-tube services," and inserting in lieu thereof the following: "motor-vehicle, pneumatic-tube, and custodial services."

SEC. 4. This act shall not be applied so as to reduce the compensation or grade of any employee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. PRIEST. Mr. Speaker, that concludes the call of the eligible bills on the Consent Calendar at this time.

EMERGENCY REPAIRS TO FLOOD-CONTROL WORK

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4973) to provide for emergency flood-control work made necessary by recent floods, Calendar No. 310.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Mississippi explain the bill and also the emergency?

Mr. WHITTINGTON. Mr. Speaker, I will be glad to do so.

This bill is an emergency authorization for the appropriation of the sum of $12,000,000, for the repair, restoration, and strengthening of levees and other flood-control works which have been threatened or destroyed by recent floods and for the completion of repair work that was begun under the emergency appropriation of $10,000,000 authorized and made in 1943. The urgency for this appropriation is fully set forth in the report of the committee and it grows out of the fact that the major floods of 1944 are still in progress downstream in the midcontinent area along the upper Mississippi River and its tributaries, the Missouri and its tributaries, the Arkansas and its tributaries and there have been floods on other rivers in the United States.

The bill reported by the Committee on Flood Control is in substantially the same language as the emergency authorization for similar work reported by the committee, passed by the House and approved by the President on July 12, 1943, and known as Public Law 138. The amount of the damages caused by the floods in 1944, the number of deaths, the number of acres of land overflowed, the estimate of repairs, and so forth, are generally set forth in the report which accompanies the bill. The Chief of Engineers recommends the prompt and immediate passage of the bill for the repair of breaks and crevasses in existing levees and flood-control works growing out of the recent floods and this authorization will enable him to complete similar repairs where there was lack of funds to complete in 1943.

The chairman of the committee, in accordance with a statement made by him when the authorization bill for post-war flood-control construction was before the House a week ago today, on Monday, May 8, introduced the pending bill as soon as he was furnished with information by the Chief of Engineers covering the estimated damages to existing flood control works, the number of acres overflowed, the damages to property, and deaths. The bill was referred to the Secretary of War, and on May 11 the Chief of Engineers submitted to the chairman of the committee a statement showing the amount of the costs of flood fighting and rescue work and the estimated cost of repairs and strengthening of levees and other flood-control works damaged or destroyed aggregating $10,652,000. He stated, however, that on account of the magnitude of recent floods, it could not be definitely determined at this time the amount needed for repairs. He recommended, however, $12,000,000. His recommendation was adopted by the committee, and the pending bill is an emergency authorization for $12,000,000.

While the Chief of Engineers gave the names of rivers in his statement contained in the report, the bill only provides for repairs. If it develops that along the Yazoo, Snake, Boise, Willamette, or any other river named in the report, the works or projects or entire levees have been destroyed or substantially destroyed, and that the reconstruction or the construction of new flood-control works is essential, such works are not authorized in the bill. They are major improvements. Such improvements must be authorized as original projects upon reports by the Chief of Engineers. They are not authorized in the pending bill under the guise of emergency repairs. The language "for the repair, restoration, and strengthening," is identical with the language embraced in the emergency authorization bill of 1943. If a levee is breached or crevassed, it can be repaired and strengthened to the height and the size that may be necessary in the event it appears to the Chief of Engineers that the part of project not damaged nor destroyed should be raised or strengthened by a future authorization. The strengthening would enable the Chief of Engineers to make effective repairs, but as pointed out in the report of the committee, the bill does not provide for major improvements. It does not provide for reconstruction, it does not provide for extensions, and it does not provide for constructing new flood-control works where entire levees or entire projects have been destroyed and where it is necessary that substantially a new project should be constructed and, as stated, it will not be applicable to any river contained in the report unless repairs and not reconstruction or rebuilding or extensions are made.

It developed that the entire authorization and appropriation of $10,000,000 in 1943 was expended before certain works were completed where repairs were undertaken under the emergency appropriation of 1943. The bill does provide that if any further repairs are needed, such repairs may be made, but in no case can a project be rebuilt or reconstructed as a major improvement or to take the place of a project completely destroyed under the guise of repairs.

Minor raisings, short extensions, and set-backs where they are in reality repairs that are necessary can be made, but no major improvements and no construction that amounts to rebuilding or reconstructing an entire levee or an entire project or substantially an entire levee or an entire project can be made. It happens that many years ago there were crevasses and levee breaks. They would not be recent. The authorization is only for recent floods, and certainly floods that had occurred prior to August 18, 1941, when the last flood-control authorization bill was approved by the President, would not be recent floods. The authorization is for emergency work. Unless the repairs are made quickly, large areas will remain subject to overflow from minor floods.

Mr. MARTIN of Massachusetts. Is it simply repair work?

Mr. WHITTINGTON. It is, and does not provide for the reconstruction or for the rebuilding of works where the projects or levees have been practically, substantially, or totally destroyed. It only provides for repairs, but in providing for repairs, if it is sound where a levee has been crevassed, it provides for strengthening those parts of the levees repaired or restored. It is not confined to the Missouri River or to the upper Mississippi or to the Arkansas. It applies to any river and any stream in the United States where existing flood-control works have been threatened or destroyed by recent floods, or by later floods, whether they were constructed by the local interests or by the Federal Government. No levees or flood-control works constructed by the Chief of Engineers in the floods of 1944 have been destroyed.

I may say in this connection that this bill was reported and placed on the calendar last Friday, May 12, too late to be taken up on the call calendar today under the rules, and it is being urged for consideration now because of the urgency of the matter. For instance, on the Missouri River—the principal sufferer in the 1944 flood—in 1943 there were three successive floods, and it is a matter of common knowledge that the major floods on the Missouri River occur annually in June.

The purpose of this appropriation is to provide that these funds shall be immediately available so that those works that have been destroyed may be repaired now to protect against the possible and probable June floods and rises in 1944.

Mr. MARTIN of Massachusetts. Is this a unanimous report of the committee?

Mr. WHITTINGTON. It is. There was an effort made to amend the bill but

it was not amended in the committee, and there is no minority report. Hence my answer that the report is unanimous.

I may say in this connection, as stated in the report, that the chairman of the committee took the bill up with the Bureau of the Budget. I stated in reporting the bill, that I believed the Bureau would advise that there is no objection to the submission of the bill.

Subsequently, after the filing of the report, on May 12, and late in the day, I received a letter from the Acting Director of the Budget dated May 12th. This letter is as follows:

MAY 12, 1944.

Hon. WILL M. WHITTINGTON,
Chairman, Committee on Flood Control, House of Representatives,
Washington, D. C.

MY DEAR MR. WHITTINGTON: In response to your telephonic inquiry as to the views of the Bureau of the Budget on the bill H. R. 4793, "To provide for emergency flood-control work made necessary by recent floods, and for other purposes," I am writing to advise you that the enactment of the proposed legislation would not be in conflict with the program of the President.

Very truly yours,

PAUL H. APPLEBY,
Acting Director.

I should like to say that the amounts of damages as contained in the report of the Chief of Engineers are estimates. It may not take as much money to repair the damages as he states on some streams, or it may take more. Moreover, this bill and the funds are applicable to the repair of any flood-control or levee works on any river or stream, whether they are specifically named in this bill or not, threatened or destroyed by recent floods, but if named in the report or the letter of the Chief of Engineers, and it develops that the entire levee, or substantially the entire levee or other works have been destroyed, the project could not be rebuilt or reconstructed under the guise of emergency repairs.

There is one thing further and finally. The bill also provides that if any levee or other flood-control works are destroyed or threatened at any time in the future before this sum has been expended, or in the language of the bill "by later floods," the repairs are covered without an additional authorization. This would provide, for instance, for any June rise on the Missouri River.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, the gentleman said it also applies to other streams throughout the country?

Mr. WHITTINGTON. I will say it applies to all streams, in every basin in the United States, where flood-control works, levees, or flood walls or other protective works have been threatened, or destroyed by recent floods or by any later floods. I may say that includes any levees or other flood-control works on the Tombigbee River if they have been destroyed.

Mr. RANKIN. I thank the gentleman from Mississippi.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the sum of $12,000,000 is hereby authorized to be appropriated as an emergency fund to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers for the repair, restoration, and strengthening of levees and other flood-control works which have been threatened or destroyed by the recent floods, or which may be threatened or destroyed by later floods, and for completion of work begun under the act entitled "An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes," approved July 12, 1943: *Provided*, That pending the appropriation of said sum the Secretary of War may allot from existing flood-control appropriations such sums as may be necessary for the immediate prosecution of the work herein authorized, such appropriations to be reimbursed from the appropriation herein authorized when made.

SEC. 2. The provisions of section 1 shall be deemed to be additional and supplemental to, and not in lieu of existing general legislation authorizing allocation of flood-control funds for restoration of flood-control works threatened or destroyed by flood.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two different subjects and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FEDERAL LAND BANK AND LAND BANK COMMISSIONER LOANS

Mr. PACE. Mr. Speaker, I ask unanimous consent for the immediate consideration of H. R. 4102, to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans, and that it be considered in the House as in the Committee of the Whole.

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, I think this is a very important measure relative to agriculture. Will the gentleman from Georgia inform me as to whether or not I am correct in assuming that an application for a rule has been made upon this particular measure?

Mr. PACE. The committee has not instructed anyone to make an application for a rule.

Mr. H. CARL ANDERSEN. That is not my question. Has not an application for a rule been made upon this particular measure?

Mr. PACE. Not that I know of.

Mr. H. CARL ANDERSEN. I understand it has, Mr. Speaker.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I will say that an application for a rule has been made by the chairman of the Committee on Agriculture, but that does not in any way preclude discussion of the legislation on the floor today. If we are given ample time to discuss the legislation, it will be just as good for our side as if it came up under a rule. It is my understanding that we will have time to discuss it just the same as though it came out under the rule. Is my understanding correct?

Mr. PACE. As I understand, if the House considers the bill in the House as in the Committee of the Whole, the bill would be read under the 5-minute rule.

Mr. MURRAY of Wisconsin. I will say, if the gentleman will yield further, that possibly the gentleman from Georgia does not know it, but the chairman of the Committee on Agriculture asked the gentleman from Illinois [Mr. SABATH], chairman of the Committee on Rules, for a rule.

Mr. PACE. Does the gentleman mean the chairman or the acting chairman?

Mr. MURRAY of Wisconsin. I mean the chairman of the Committee on Agriculture, the gentleman from South Carolina [Mr. FULMER].

Mr. PACE. The gentleman has made no such request of the committee.

Mr. MURRAY of Wisconsin. No; but he did ask for it in a letter. I have a copy of the letter.

Mr. H. CARL ANDERSEN. In view of the fact that certain gentlemen vitally interested in this proposed measure cannot be here today, I am forced and constrained to object to the consideration of the bill at this time, Mr. Speaker.

Mr. PACE. Will the gentleman withhold his objection for a moment?

Mr. H. CARL ANDERSEN. Yes.

Mr. PACE. I would like to invite the gentleman's attention to the fact that what he is seeking may have the opposite effect. Unless we get this bill up and get it considered and passed by the House and Senate, the interest rates on these loans are going to jump to 5 percent, which I think is the last thing that the gentleman wants done. We can very well debate this question right now and decide it. The committee voted this bill out 20 to 2. The committee is interested in seeing that those high interest rates cannot become effective on the 1st day of July.

Mr. H. CARL ANDERSEN. May I say to the gentleman from Georgia that all I am interested in is seeing to it that these particular gentlemen whom I have in mind have a right and are enabled to be here when this bill, which is of much interest to themselves and of great interest to agriculture, is considered. This has been brought up with no prior notice to many of us who are not acquainted with the provisions of the bill.

Mr. PACE. Can the gentleman inform us when they will be present?

Mr. H. CARL ANDERSEN. I think they will be here in a very few days and that this can be considered in ample time, giving everybody interested the opportunity to be present.

I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. JUDD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial which I think deals better with the basic issues in the Montgomery Ward case than any other I have seen.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mrs LUCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter I wrote to a constituent.

The SPEAKER. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, in one to include a poem, and in the other a speech I made recently.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein excerpts from a letter written by our distinguished former colleague, Hon. James V. McClintic, of Oklahoma.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FEDERAL GOVERNMENT AID FOR THE READJUSTMENT IN CIVILIAN LIFE OF RETURNING WORLD WAR 2 VETERANS

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1767, with Mr. LANHAM in the chair.

Th Clerk read the title of the bill.

The CHAIRMAN. The Chair will state for the information of the Committee that by unanimous consent the time for general debate was extended 2 hours, to be equally divided between the gentleman from Mississippi and the gentlewoman from Massachusetts.

Mr. RANKIN. Mr. Speaker, may I ask how the time stands?

The CHAIRMAN. At the conclusion of the debate on Friday, the gentleman from Mississippi [Mr. RANKIN] has consumed 3 hours and 25 minutes, and the gentlewoman from Massachusetts [Mrs. ROGERS] had consumed 3 hours and 24 minutes. It is the Chair's understanding of the unanimous-consent request that the 2 additional hours are to be equally divided.

Mr. RANKIN. It is understood, Mr. Chairman, that the 2 hours will be absorbed as if they had been originally included in the time allotted for general debate, in order that the gentlewoman from Massachusetts may have the benefit of the difference in the time.

The CHAIRMAN. That arrangement can be worked out by the respective members of the Committee. The Chair will state that when debate was concluded on Friday there was only 5 minutes' difference in the time consumed as between the two sides.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from South Dakota [Mr. CASE].

SOUTH DAKOTA PLANS FOR RETURNING VETERANS

Mr. CASE. Mr. Chairman, I am glad that Congress is taking action at this time to deal with the care of returning veterans. It is hard to realize that over a million men have been discharged who have seen service in World War No. 2, and that the rate of discharge was recently reported at 38,000 per month. That rate may or may not continue until we come to demobilization or partial demobilization, but the figures are all that is needed to show that the problem deserves consideration at this time.

It has not been possible for me to hear all of the debate during the consideration of this bill, inasmuch as the Appropriations Subcommittee for the War Department has been conducting its hearings on the annual appropriation bill for the Military Establishment, and it has been my duty as a member of that committee to be present there. I have, however, read the debate as it has been reported daily in the CONGRESSIONAL RECORD and want to express my appreciation of the study which the Committee on World War Veterans' Legislation of the House has given this bill. I was particularly impressed by the careful analysis given by the gentleman from Iowa [Mr. CUNNINGHAM].

I am glad that the committee has seen fit to clarify the portion of the bill which deals with educational guidance and choice of schools. Personally I think the veteran should be completely free to attend whatever school he chooses and for whose courses he can qualify.

My State of South Dakota is giving special consideration to the problems of returning veterans and the responsibilities of the State in connection therewith. The Governor, M. Q. Sharpe, himself a sailor in World War No. 1, recently instructed our State contact officer, the Honorable J. W. Kaye, a soldier in World War No. 1, to survey plans of other States and to recommend a program for South Dakota.

Under permission of the House, I place Mr. Kaye's recommendations in the RECORD at this point, believing that they will be of interest and help to all Members of the House and to others who read the debate on this legislation for its value in working out problems which they may face. The recommendations, as reported by the Mitchell (S. Dak.) Daily Republic, follow:

Creation of a South Dakota veterans' department, headed by a commission, the actual work to be performed by an executive director, designated as a commissioner, has been recommended by J. W. Kaye, State contact officer, to Gov. M. Q. Sharpe. The State contact officer proposes that the director be appointed for a term of 4 years at a suggested salary of $4,200 a year.

Further, Mr. Kaye recommends that the statute creating the veterans' department should provide for a veterans' commission on a per diem and expense basis, composed of 5 persons, 2 from World War No. 1, 2 from World War No. 2, and 1 civilian, with staggered terms, not more than 3 from any one political party, to act in an advisory and administrative capacity with the commissioner. He suggests that the statute creating the department should be broad enough to give the department authority and direction to handle the affairs of all veterans of all wars, their widows, orphans, and dependents.

Other proposals by Mr. Kaye made in connection with the creating of a veterans' department include:

The office of the department should be at the State capital at Pierre, with a branch office in Sioux Falls in the Veterans' Administration.

"The annual appropriation for the administration of the department to be adequate to provide at least five field men to cover the State.

"County commissioners should be authorized to employ service officers on full- or part-time basis, if the need requires.

"The appropriation for the effective administration of the department should be $30,000 annually.

"The veterans' commission to be designated also as the 'veterans' aid and rehabilitation commission,' of which the veterans' commissioner should be executive secretary. This commission should be given an annual appropriation of $50,000 to be kept by the State treasurer in a separate fund, and spent only on the order of the commission. Out of this fund advancements to be made to honorably discharged veterans, who are physically or mentally handicapped or disabled, during the period when he is waiting for relief from some other source; advancements to be made to veterans who have filed claims and who, in the opinion of the veterans' commissioner, are eligible for such pensions as have been claimed, to be used during the waiting period; the advancements should not exceed $50 monthly, and should be a grant, not a loan.

"The funds should also be used to pay tuition, purchase textbooks, and equipment for veterans who later may be picked up by the Government on its rehabilitation vocational program. It should also be used to pay for a medical examination for a veteran who is not satisfied with the result of his examination by the Veterans' Administration. It should also be used to buy prosthetic appliances of all kinds, teeth, and glasses. It should be used to relieve the distress of widows, orphans, and other dependents of a service man or woman, who have died in service, or as a result of his service-connected disability.

"The administration of the fund shall lie in the hands of the veterans' commission, which shall authorize and direct its set-up, rules, and regulations pertaining to such administration.

"The law should provide that the veterans' commissioner be authorized to act as statutory guardian for any veteran declared mentally incompetent.

"There should be an act granting a veterans' emergency fund supported by an appropriation of $2,500 per year, to be disbursed

by the veterans' commissioner for emergency aid and relief of veterans.

"Benefits under these laws should be restricted to bona fide residents of South Dakota, who are honorably discharged veterans of any war; provided, however, that nonresidents of this State should be entitled to any benefits available to a South Dakota resident in his State.

"Our law should provide that one member of the attorney general's staff be assigned to the department on veterans' affairs.

"Our law should provide that all records of the department are strictly confidential.

"The sum of $500,000 should be provided annually, to be placed in a post-war fund in order to be prepared to meet the demands that will be made. This fund should not be touched, and not be available for any purpose whatever until the present war is over."

Mr. Kaye explained that this is the amount provided in the North Dakota law. The Minnesota law provides $2,500,000. When the war is officially declared to be over, the fund would then be available to the veterans' aid commission to be expended for such relief and rehabilitaton as it shall direct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. BUSBEY].

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Missouri.

Mr. COCHRAN. May I ask the gentleman from Mississippi if it is intended to read the bill under the 5-minute rule at the expiration of the 2 hours of general debate?

Mr. RANKIN. It depends on what time the 2 hours expire. There has been no demand for an extension of time. The chances are that we shall either begin reading the bill this afternoon or else adjourn and begin reading it tomorrow.

Mr. COCHRAN. It seems to me that when there is an agreement here that we are not going to vote on this bill until Thursday, it is just as important that the Members of this House be here when we are reading the bill under the 5-minute rule as it is that they be here on the final vote. In fact, there will not be any votes against this bill.

Mr. RANKIN. All right; the gentleman from Missouri may make the point of order that a quorum is not present if he so desires.

Mr. COCHRAN. I certainly will make that point of order if Members are not present.

Mr. RANKIN. All right; crack down.

Mr. BUSBEY. Mr. Chairman, I hope in the few minutes allotted to me to clear up some of the great fog that has been thrown around a certain section of the G. I. bill of rights, but before I do I would like to give the history of this legislation.

The original G. I. bill of rights was sponsored by the Amercan Legion. Then a new bill was introduced in the Senate known as S. 1767, which was jointly sponsored by the American Legion and the Veterans of Foreign Wars. Both organizations have labored unceasingly in an effort to get this legislation passed for the benefit of the veterans of this war.

The bill as originally introduced, or the bill that came over from the Senate, or the bill as reported from our committee, in no sense can be called a perfect bill, and I do not believe any individual or group of individuals could make a perfect bill out of it. All we can hope to accomplish is to approximate perfection as nearly as possible.

I especially give particular credit to the tremendous amount of work done on this piece of legislation for the veterans of this war by Warren H. Atherton, national commander of the American Legion; Mr. Francis M. Sullivan, national legislative director; Governor John Stelle, national chairman, and Harry W. Colmery, past national commander and member of the committee on rehabilitation and education; as well as James Ringley, the Illinois State chairman of that committee. I do by all means want to congratulate Mr. Omar B. Ketchum, national legislative representative, Veterans of Foreign Wars, for his efforts in behalf of the G. I. bill of rights, especially before our committee.

I also want to inform the House that the gentleman from Mississippi [Mr. RANKIN] did not write this bill. Mr. RANKIN, the chairman of the Committee on World War Veterans' Legislation, did not dictate to the committee at any time what should or should not go into this bill. He was, however, most helpful at all times in making available to the committee the benefit of his vast knowledge gained by his interest in the welfare of Veterans' Legislation Committee. Free and open discussion was had at all meetings of the committee and the bill was written by the committee as a whole. Partisan politics did not enter into the discussion at any time in any way, even to the minutest detail.

I propose to dwell upon that section of the bill on which there has been some controversy, namely, the education title, and hope to clear up at least some of the fog.

First of all, I want to refer to the telegram of May 10 sent to all Members of the House, signed by the executive committee of the Governors' Conference, Leverett Saltonstall, of Massachusetts, chairman; John W. Bricker, of Ohio; J. Melville Broughton, of North Carolina; Dwight H. Green, of Illinois; Dwight Griswold, of Nebraska; Spessard L. Holland, of Florida; Herbert B. Maw, of Utah; Herbert R. O'Conor, of Maryland; and Earl Warren, of California.

(Inserted at this point is the text of this telegram, as follows:)

WASHINGTON, D. C., *May 10, 1944.*

HON. FRED E. BUSBEY,
Washington, D. C.:

While we are in entire sympathy with the Rankin omnibus bill and we are in full accord with its general provisions, we hope that title II providing educational opportunities for veterans will be amended, so as to make it clearly mandatory to preserve to the States and educational institutions, approved by the States, control of the actual education of our veterans. We ask this because we believe the most fundamental basis of our American way of life is local control of our education facilities. We urge also that provision be made in the Rankin bill to pay fair tuition to publicly supported institutions as well as private as is provided in title II, part VII, section VII of the Clark bill.

The Executive Committee of the Governors' Conference: Leverett Saltonstall, Massachusetts, chairman; John W. Bricker, Ohio; J. Melville Broughton, North Carolina; Dwight H. Green, Illinois; Dwight Griswold, Nebraska; Spessard L. Holland, Florida; Herbert B. Maw, Utah; Herbert R. O'Conor, Maryland; Earl Warren, California.

That telegram was sent to the Members of the House as a result of telephone conversations with these men on the dates of May 5, 6, and 7 by Frank Bane, who is the executive director of the Council of State Governments. Our committee bill was not reported out from our committee and available until May 6, therefore the above-named Governors could not possibly have known what our bill contained.

I have a lot of respect for Frank Bane. As a matter of fact, he happens to be a fraternity brother of mine. But I do not believe he followed the best procedure in this particular instance. I think that if Mr. Bane had waited until he had received copies of our bill on May 6, and then had written a letter to the chairman of our committee with suggestions as to amendments, they probably would have been favorably received, at least given very minute consideration.

I talked with Mr. Bane on the telephone on May 10 and asked him if he would not write such a letter to me. He did and made three suggestions, all of which are worthy of consideration, and I will present them to our committee to be considered as committee amendments. I will not take the time to read the letter now, but will include it with permission as part of these remarks:

THE COUNCIL OF STATE GOVERNMENTS,
Chicago, Ill., May 11, 1944.

HON. FRED E. BUSBEY,
House Office Building,
Washington, D. C.

DEAR MR. BUSBEY: With regard to your conference this morning pertaining to the three points that have been raised about title 2, part 8, of the House bill:

Section 2 provides "that any course of education or training under this part may be discontinued at any time if it is found by the Administrator that the conduct or progress of the veteran is unsatisfactory." It has been suggested that this sentence should read as follows:

"That any course of education or training under this part may be discontinued at any time if the school or institution reports that the conduct or progress of the veteran is unsatisfactory."

Further, in section 2 of part 8, it is provided "that the Administrator from time to time, shall secure from the appropriate agencies of each State, Territory, or possession, or of the District of Columbia, a list of all schools or institutions equipped to supply education or training within such jurisdiction, which schools and institutions and such additional public or private schools or institutions as may be recognized by the Administrator, shall be deemed qualified to enroll eligible veterans approved for education or training under this part."

It has been suggested that the phrase "and such additional public or private schools and institutions as may be recognized by the Administrator" be eliminated.

The last part of section 7, part 8, title 2 of the Senate bill provides that if any publicly supported institution has no established tuition fee, the Administrator may provide such compensation as he may find to be fair and reasonable, not to exceed $500 for any ordinary school year. It has been suggested that section 5, part 8, title 2 of the House bill might include some such provision.

Very sincerely,

FRANK BANE,
Executive Director.

Mrs. ROGERS of Massachusetts. Mr. Chairman will the gentleman yield?

Mr. BUSBEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does the letter contain the telegrams which Mr. Bane sent?

Mr. BUSBEY. I have those telegrams here.

Then on May 7, after he had talked to the Governors, he sent this telegram to the Governors:

Have mailed special-delivery copies of House committee revised Senate bill 1767, about aid to World War veterans. Many other officials are concerned about title 2, part 8, which provides among other things, first that the Federal Administrator of Veterans' Affairs may add additional schools to accredited lists submitted by States and second, that Federal Administrator can determine directly what veteran is making satisfactory progress in any school or course. They fear these provisions among others will give Federal authority control over State educational institutions and policies. I suggest you review this bill carefully and advise delegation in Congress your opinion of it. The bill will probably come up on the floor of the House on Thursday.

FRANK BANE.

I talked with Gov. Dwight H. Green, of Illinois, on the telephone regarding this telegram, and he admitted that he had not had time to consider the provisions of the bill reported from our committee in comparison to the bill that was sent over from the Senate, or the Barden bill. He permitted his name to be used in the telegram of May 10, which you all received; and I presume that is about the way it was with the rest of these men. There is no way the Governors on this executive committee could have familiarized themselves with the provisions of our bill.

Now I would like to discuss the education title. I telephoned Dr. C. H. Marvin, chairman, Conference of Representatives of Educational Associations, and president of George Washington University in regard to a letter dated May 11 he had sent to the members of the Conference of Twenty-one, which includes 21 national educational associations. I want to read you a part of that letter:

To Members of the Conference of Twenty-one:

We want your immediate help. The omnibus bill (S. 1767), introduced as the Rankin bill (in section 2), should be amended by substituting H. R. 3846 (the Barden bill).

Your executive committee is meeting what has been described by one man in this Nation best able to evaluate the situation as "the most powerful lobby that has ever been organized."

I do not know what he has reference to by that "powerful lobby," unless it may have been the energy that has been displayed by the members of the American Legion and the Veterans of Foreign Wars in behalf of the men and women serving our country in this war. These organizations have brought to this Congress the value of their 25 years of work and experience in veterans' activities and veterans' legislation; they wish to see that these men and women do not have to go through 7 years of effort before legislation is enacted in their behalf, as we did after World War No. 1. Apparently that is what he refers to as "the most powerful lobby." If that is any crime I only hope we have a lot more of it in behalf of these veterans before this Congress adjourns.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. With reference to calling it a lobby, I think the American press is strongly behind this measure as is the American public. It seems to me it is an all-over-the-country lobby as to this measure.

Mr. BUSBEY. You are absolutely right. The lobby is from the people; it is from the press; and it is from all patriotic citizens who want something done in behalf of these veterans. I want to take time here to pay particular tribute to the press, and especially for the very active cooperation and participation that the Hearst publications have put forward in behalf of this GI bill of rights.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield a moment?

Mr. BUSBEY. I yield to the gentleman from Louisiana.

Mr. ALLEN of Louisiana. It is well to observe also that the Veterans of Foreign Wars have enthusiastically endorsed this bill from the beginning.

Mr. BUSBEY. I made mention of the fact in my opening remarks, that the bill before us was jointly sponsored by the American Legion and the Veterans of Foreign Wars.

Mr. ALLEN of Louisiana. Thank you.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. KEEFE. I just want to call the gentleman's attention in connection with his discussion of the telegrams that came to Members of Congress from educators throughout the country, that I received a number of them. Their character is similar to the one received from the President of Marquette University. In that telegram he states as follows:

Unless properly amended, the Rankin bill, H. R. 4357, establishes a precedent dangerous to democracy in America.

It is quite interesting to note that this educator had reference not to the bill which is pending before the Committee now but to an old bill, H. R. 4357, which did not contain the provisions relating to education which are found in the pending bill. I think that misinformation was generated because of the fact that the Committee on Education, which sent out the material, had in mind the fact we were expected to consider H. R. 4357 instead of the bill that is now before the Committee.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to my distinguished chairman, the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Let me say to the gentleman from Wisconsin that if one of these supereducators says that I have introduced a bill that is detrimental to the welfare of this country, I can only say to him as Festus said to St. Paul, "Much learning doth make thee mad."

Mr. BUSBEY. When I received a similar wire from the president of the University of Illinois, Mr. A. C. Willard, who, incidentally, happens to be another fraternity brother of mine, I immediately wired him to give me details as to how he happened to send the wire and what he knew about the bill. I will not read his reply in full, but I will show you how this confusion was brought about. The letter reads, in part, as follows:

DEAR MR. BUSBEY: Your immediate reply to my telegram urging substitution of the educational features of H. R. 3846, by Congressman BARDEN, for the educational features of H. R. 4357, by Congressman RANKIN, and S. 1767, by Senator CLARK, providing Federal aid for war veterans, is greatly appreciated.

I bring that out because these educators could not possibly have had our bill before them. They evidently had the information that had been given them on the original bill introduced by the honorable gentleman from Mississippi [Mr. RANKIN] on March 8, 1944, to be exact.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield at that point? I believe we will be able to yield him further time.

Mr. BUSBEY. I yield.

Mr. CUNNINGHAM. I want to refer to the letter of May 11, from which the gentleman quoted, from Dr. Marvin, of George Washington University. I understood the gentleman to quote "the most powerful lobby that has ever been organized," and then left it uncertain as to what lobby he was referring.

Mr. BUSBEY. I will say to the gentleman I intend to put the whole letter in the RECORD.

Mr. CUNNINGHAM. I have before me the same letter from Dr. Marvin.

I read further from it:

The American Legion is insisting upon setting up a complete scheme, so far as veterans are concerned, of Washington bureaucratic education control.

I want to ask the gentleman if he does not believe, as I do, that that statement by Dr. Marvin is wholly unfounded, unjust, and unfair?

Mr. BUSBEY. It certainly is, and in face of his appeal it is ridiculous, because further in his letter he says this:

It is a call to arms. Please use your telephones, your telegraph blanks, or, better still, follow what the American Legion has done and, if possible have your members come to Washington and talk with your Representatives in the House and your Senators about this legislation.

According to the philosophy of Dr. Marvin, as expressed in his letter, he evidently believes two wrongs make a right, because here we have him asking

the educators of the country to do the very same thing he condemns the American Legion for doing at the beginning of his communication.

At this point in my remarks, I insert the complete letter of Dr. Marvin, together with the names of the associations which received the letter, to disseminate among the members of their organizations:

THE GEORGE WASHINGTON UNIVERSITY,
Washington, D. C., May 11, 1944.

To the Members of the Conference of Twenty-One:

We want your immediate help. The omnibus bill (S. 1767, introduced as the Rankin bill), in section 2, should be amended by substituting H. R. 3846 (the Barden bill).

Your executive committee is meeting what has been described by the one man in this Nation best able to evaluate the situation as "the most powerful lobby that has ever been organized." The American Legion is insisting upon setting up a complete scheme, so far as veterans are concerned, of Washington bureaucratic educational control. This, in most of our educational institutions, is likely not only to mean the control of veterans' education but, because we cannot maintain two systems, to interfere with regular educational policies. If the latter becomes true, it will mean the invasion of our regular State plans for education.

The omnibus bill does not provide in the case of any institution, State or otherwise, for any differential between the actual costs of education and the tuition charged by the institution. Thus, bureaucracy in Washington will be spending State funds, and the State will have nothing to say as to how they are being spent or in what amount.

The omnibus bill gives accrediting control to the Veterans' Administration, both as to institution and as to curricula. It is true that the State educational agency has one function left to it, namely, the working out of an accredited list of institutions, but after such a list has been submitted to the Veterans' Administrator he has the authority to add to it. The State accrediting is not final until it is approved by the Veterans' Administrator.

Under the omnibus bill the Veterans' Administration has the authority to judge the progress and attainment of the individual; thus the bureau has domination over the curricula and over the standards of attainment of the individual. The bill would give to the Veterans' Administration "the power and duty to prescribe and provide suitable training" for veterans and would give the right to institute "such rules and regulations as may be deemed necessary in order to promote the good conduct and cooperation on the part of persons who are following courses". If this bill becomes law, a Washington bureau can say what is good in education.

I shall not go further into detail concerning the bill, but it is enough to say that this extension of bureaucratic control over any education within the realm of State activities is a principle which always has been ruled out of the jurisdiction of Federal authority by tradition as well as by court decisions since the establishment of this Nation.

When we are a bit further along, I shall write you my personal reactions to the work of our committee. So do not think of this letter as an apology. It is a call to arms. Please use your telephones, your telegraph blanks, or better still, follow what the American Legion has done, and, if possible, have your members come to Washington and talk with your Representatives in the House and your Senators about this legislation.

I cannot conclude this writing without calling your attention to the excellent attitude of the House Education Committee, under the able leadership of Representative BARDEN, which has worked to establish the principles which you asked us to put forward for you. I also want to express my appreciation for the work of Dr. Francis Brown, our secretary. He has been untiring and able in his presentation of our case.

This bill, if enacted into law, will have the same power as Public Law No. 16, which has overridden State educational agencies. Please aid your committee by giving such support as you can. The bill is to be debated Friday, May 12, and voted on Tuesday, May 16.

Sincerely,

CLOYD H. MARVIN,
Chairman, Conference of Representatives of Educational Associations on Post-war Education.

Following is the list of associations which received the above letter:

LIST OF ASSOCIATIONS BELONGING TO THE CONFERENCE OF TWENTY-ONE

American Association for Adult Education.
American Association of Junior Colleges.
American Association of School Administrators.
American Association of Teachers Colleges.
American Association of University Professors.
American Association of University Women.
American Vocational Association.
Association of American Colleges.
Association of American Universities.
Association of Colleges and Secondary Schools for Negroes.
Association of Land-Grant Colleges and Universities.
Association of Urban Universities.
Council on Dental Education.
Council on Medical Education, American Medical Association.
National Association of Secondary School Principals.
National Association of State Directors for Vocational Education.
National Association of State Universities.
National Catholic Educational Association.
National Council of Chief State School Officers.
National Education Association.
National University Extension Association.

Does not this answer the question as to why this powerful lobby of educators are so interested in having the Barden bill substituted for section 2 of the G. I. bill of rights?

Mr. MILLER of Connecticut. Will the gentleman yield just before you go to the Barden bill?

Mr. BUSBEY. I yield.

Mr. MILLER of Connecticut. I wish the gentleman would comment on language which appears on page 4352 of last Thursday's RECORD, from which I quote the gentleman from North Carolina [Mr. BARDEN] as saying:

If he cannot build his own colleges, if the Administrator cannot prescribe, if he cannot provide, if he cannot direct, if he cannot establish his own facilities, then I do not understand the English language.

As a member of the committee, is there any language in the committee bill, which, by any stretch of the imagination, would permit the Administrator of Veterans' Affairs to build his own institutions of any kind?

Mr. BUSBEY. Absolutely none.

Mr. MILLER of Connecticut. One other point. From page 4357 of the RECORD of the same day I quote the gentleman from North Carolina [Mr. BARDEN] referring to the cost of the two different bills:

I do not see where H. R. 3846 would cost a cent more than S. 1767, if as much. In H. R. 3846, the States pay one-half of the administrative cost.

Has the gentleman found any language in the committee bill that will permit or require the States to pay any part of the administrative cost of this program, or should they?

Mr. BUSBEY. I see no language in our bill that permits that at all. One additional cost in the Barden bill is the fact that there is a provision in it whereby if a man or men were in service only 6 months they could get 3 years of education at the expense of the Federal Government.

Mr. BARDEN. Will the gentleman yield for a correction, and I ask the attention of the gentleman from Connecticut [Mr. MILLER]?

Mr. BUSBEY. I yield.

Mr. BARDEN. I believe the gentleman from Connecticut read language from the RECORD in which I stated that there was authority in the law as it is now written to prescribe and provide.

Mr. MILLER of Connecticut. No; you said to build institutions.

Mr. BARDEN. Now, what else was it I said?

Mr. MILLER of Connecticut. That is enough.

Mr. BARDEN. Very well. Let me clear up that point. In paragraph 7, of S. 1767, as it is now written, I read from that paragraph on page 55 of the bill as it is now written:

The authority vested in the Administrator by paragraphs 2, 6, and 7, part VII, Public Law No. 16, Seventy-eighth Congress, with respect to vocational rehabilitation shall be vested in and may be exercised by him with respect to education or training under this part.

Now, let me read paragraph 2 of Public, No. 16 of the Seventy-eighth Congress:

2. The Administrator shall have the power and duty to prescribe and provide suitable training to persons included in paragraph I, and for such purposes may employ such additional personnel and experts as are deemed necessary, and may utilize and extend existing Veterans' Administration facilities and utilize those of any other governmental agency as well as those maintained by joint Federal and State contribution; and, in addition, he may, by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be suitable and necessary to accomplish the purposes of this part.

Mr. BUSBEY. Will the gentleman from North Carolina make that speech on his own time?

The CHAIRMAN. The time of the gentleman from Illinois [Mr. BUSBEY] has expired.

Mr. BUSBEY. The gentleman from North Carolina is certainly persistent, because notwithstanding the fact he was advised at the beginning of this debate last Thursday that our committee had agreed to delete section 7 from our bill, he insists on referring to it every time he gets the floor.

Mr. ALLEN of Louisiana. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. BUSBEY. I now want to refer you to the language at the bottom of page 15 of the Barden bill H. R. 3846, and continuing on through pages 16 and 17. There has been a great deal said in this debate about States' rights. Some have even gone so far as to claim the Barden bill is a States' rights bill. I do not think any Member of this body would dispute the fact that there is no greater champion of States' rights in this House than the Chairman of the Committee on World War Veterans' Legislation, the gentleman from Mississippi [Mr. RANKIN]. In fact he joined whole-heartedly with the committee in eliminating everything from this bill that had anything to do with any bureaucracy, especially Federal bureaucracy. He has always stood for the veteran having the right to attend any school of his own choosing without interference from any bureau. Let me read from the Barden bill:

There shall be established in the Veterans' Administration an agency to be known as the War Service Education and Training Agency.

Now, right there you are creating a dual agency in the Veterans' Administration. You will have the Administrator of Veterans' Affairs and the director of this War Service Education and Training Agency. I want to particularly call your attention to the fact that the Barden bill says: "War service," not "veterans." "War service." Why, it will let in anybody and everybody who had anything to do with the war effort, and that will include everybody in the United States.

In the next line—get this:

The President, after recommendations by and consultation with the Administrator of Veterans' Affairs, shall appoint and prescribe the duties of a Director of War Service Education and Training who shall be the head of the Agency.

And Members talk about States' rights and talk about bureaucracy in the G. I. Bill of Rights as reported by our committee. The Barden bill proposes to let the President appoint this Administrator in this dual capacity with the Administrator of Veterans' Affairs.

Going down to line 10, section b, the Barden bill reads as follows:

It shall be the duty of the Director, with the assistance of the Advisory Council—

Get that language—

with the assistance of the Advisory Council.

I think we should stop right there and see what the advisory council is. That is on page 17.

This is the language of the Barden bill:

There shall be established an Advisory Council to be known as the Advisory Council on War Service Education and Training—

Here again is that phrase "war service" instead of "veterans"—

which shall consist of the Director and 14 other members to be appointed by the President.

Does that sound like a States' rights bill? Why, they get it right down into the fountain of all bureaucracy we have had to contend with for all these years. I do not see any States' rights about that.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BUSBEY. I yield.

Mrs. ROGERS of Massachusetts. I wonder if the gentleman would bring out the point that the members of the advisory committee will be paid $15 a day, plus $10 per diem.

Mr. BUSBEY. I am coming to that, but that is very insignificant, I believe, when we stop and consider what might happen to our educational institutions under Federal control.

Mrs. ROGERS of Massachusetts. But it will be a tremendous cost for those men.

Mr. BUSBEY. This super-Federal council is to be appointed by the President as follows:

One representative each of the Department of War, the Department of the Navy, the Office of Vocational Rehabilitation, Bureau of Replacement of the War Manpower Commission, the Bureau of Training of the War Manpower Commission, the Selective Service, the United States Office of Education, and seven representatives of the public.

Now, if that is not a fine how-do-you-do for bureaucracy and domination of the educational institutions of this country, then I do not know what bureaucracy means. It is right there in plain language. I take off my hat to no one in my determination to fight Federal bureaucracy, and centralization of government here in Washington, to the last breath in my body, and I do not believe the House of Representatives will ever agree to any bureau like this one proposed in the Barden bill. Why should the Secretary of War, the Secretary of the Navy, the Selective Service, and these two men from the War Manpower Commission have any right to say anything about veterans? These people will no longer be in active service. They are veterans. They will have been discharged from the service.

Going back to the proposed Advisory Council, and the duty of the Director. It says:

It shall be the duty of the Director, with the assistance of the Advisory Council, to (1) formulate general policies and procedures necessary to assure the effective inauguration and operation of the program of education and training provided for by this part.

If you will jump from the first part down to the last part of the page you will read this in the language of the Barden bill:

It shall be the duty of the Director, with the assistance of the Advisory Council, to take any other measures which may be necessary to provide educational and vocational guidance to war-service persons, and prescribed (4) from time to time, with the approval of the Administrator of Veterans' Affairs, such rules and regulations as may be necessary to carry out the purpose of this part.

Can anyone read any States' rights into that language?

Then going back to the beginning of paragraph B:

It shall be the duty of the Director, with the assistance of the Advisory Council, to (2) examine State plans submitted to him for approval, and approve those State plans which meet the requirements of section 8.

What are the requirements which they have to meet in section 8?

Turn now to section 8, page 22, entitled "State Plans." They are not satisfied with building up this big Federal bureaucracy with this Advisory Council here in Washington; they want to go out and start up another bureaucracy in every State in the Union. Here it is right under their State plans:

SEC. 8. (a) To be approvable under this part, a State plan for education and training shall designate certain agencies and certain obligations to do this and do that.

Under our bill we want the veteran to have the freest possible latitude in choosing his school, his course of training, or whatever he wants without interference from any agency whatever. The statement has been made that the language of our bill does not do that. Maybe it does not; we think it does, but if anyone can give us better language to make it more clear that we want these boys to have the right to choose their schools regardless of where they are, then I am sure the committee will receive it with open arms, because that is what we intend in our bill and the committee will make any changes that will give it that intention.

States' rights? Look at page 18 of the Barden bill with reference to the Advisory Council where it contains this language:

It shall be the duty of the Advisory Council to advise the director with respect to all matters relating to the effective inauguration and operation of the program of education and training provided for by this part.

Do you still think the Barden bill is a States' rights bill? While I have all the respect and confidence in the world in the sincerity of the chairman of the Committee on Education, and every member of that committee, and I believe when they say they want a States' rights bill they are telling the truth. Nevertheless, one must admit that the Barden bill is certainly a long way from a States' rights bill and one that gives freedom of choice to the veterans, such as we propose in our committee bill.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman from Illinois 10 additional minutes.

Mr. BUSBEY. Maybe some of the Members of Congress have confidence in the Commissioner of Education, Mr. John W. Studebaker, and maybe some Members of the Congress might have confidence in some of the others who may be appointed on this advisory council, but, as a Legionnaire and as a member of the Veterans of Foreign Wars, I do not approve of a superadvisory council of any Federal agency coming in and telling these boys what they should do and what they should not do.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Illinois.

Mr. MASON. I believe the gentleman from Illinois who just yielded to me is not aware that the adherents of the Barden bill have agreed to remove this advisory council from their plan, so we are just titling at windmills when we are tilting at that.

Mr. BUSBEY. To quote the gentleman from North Carolina the other day in his debate:

I am certainly glad we smoked them out on that one.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Minnesota.

Mr. JUDD. I understood agreement was made 3 days ago that we were going to strike that out; so it is kind of a dead cat; does not the gentleman think so?

Mr. BUSBEY. So was our agreement on section 7.

Mr. JUDD. That is right.

Mr. MASON. That is right.

Mr. JUDD. Therefore, we have not made any argument against section 7.

Mr. BUSBEY. If the gentleman from Minnesota will refer to the CONGRESSIONAL RECORD of May 10 and 11, I am sure he will find many pages taken up complaining about section 7. I had not heard and do not know now that there is any agreement by the Committee on Education to strike from their bill that section that establishes the Advisory Council; this is the first time I have heard about it.

Mr. JUDD. I have been trying since then to get the floor, and still hope to after the members of the committee entitled to priority have been heard, with time enough to make such a statement, although it was in the RECORD last Friday and also on Thursday.

Mr. BUSBEY. Considering the complicated machinery proposed by the Barden bill, H. R. 3846, the question poses itself: Why so many councils and supercouncils? What purpose will they serve? Assuredly our returned fighting men, having licked the dictators, will not crave either councils or counsel. And if all that is intended is to pay them and the schools for attending courses elected freely what other possible purposes can such extensive machinery serve?

The answer lies in the philosophy implicit in the bill. Uncovering this constitutes neither imputation of bad faith nor impugning motives. It is not unusual to discover in a bill, implications not intended, and even enacted legislation has been found to be susceptible of application never dreamed of by legislators.

The clue to the underlying philosophy may be found in testimony offered or adduced in the hearings on S. 1509 before the Committee on Education, United States Senate, December 13 to 15, 1943. It will be recalled that some time before there had failed of enactment a bill which would have authorized $300,000,000 Federal funds to subsidize education in the States. Among other reasons for its rejection was the well-known fact that matching of State funds necessarily implies some Federal control—although declarations against such control were written into the bill much as in the Barden bill.

Testimony referred to above was to the effect that schools needed recompense for the losses in student population due to service and war work; also that national needs require that this lag in education be made up. Further, that over-all and individual counseling and guidance will be necessary to steer the educational program and the individual student along lines of national interest. Planned education—but not Hitlerism. It was proposed, so the testimony went, to select 1,000,000 for the first year's training in courses of national importance, and one-fourth that number for extended training of the same character—the selection to be in the hands of the educators.

And may I stress right here one fundamental point we all lose sight of: This is not a bill for the educators; this is a veterans' bill. This is a bill to assist veterans to readjust themselves to civilian life.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Michigan.

Mr. DONDERO. Would the gentleman strike out that section of the bill that deals with the education of veterans? I am sure he would not.

Mr. BUSBEY. I certainly would not. I believe what both committees have in mind is a provision for the education of the veterans.

Mr. MASON. That is right.

Mr. DONDERO. So when the gentleman makes a statement that it is a veterans' bill and not an education bill he has not quite covered it, for it does include the subject of education.

Mr. BUSBEY. It does not deal with the subject of education only as it provides assistance for the veteran to continue his education if he so chooses.

Mr. DONDERO. But it is a major portion of the bill.

Mr. BUSBEY. It deals fundamentally with the privilege of giving the veteran an opportunity to continue his education.

Mr. DONDERO. That is correct, but it certainly involves a very large portion of this bill.

Mr. RANKIN. Will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. In other words, it is a rehabilitation bill making it possible for these men to rehabilitate themselves and to get the advantage of an education that they would have had if they had not gone to war.

Mr. DONDERO. The rehabilitation bill was passed last year unanimously by Members on both sides of the aisle. This is an educational section we are talking about.

Mr. BUSBEY. I may say that this bill as reported from our committee has a title which I think it is correct—Servicemen's Readjustment Act of 1944. That is really what the bill is.

Continuing my discussion of S. 1509 and H. R. 3846, these bills as introduced coincidental with the President's message incorporating the report of the Osborne committee on the subject of education for "war service persons" embodied this principle, and afforded the tremendous machinery necessary to impose it upon the educational systems. The Barden bill, as reported, has attempted to dilute the principle of selection, but has retained the machinery. It has even retained the coined expression "war service person"—does not employe the term "veteran"—well-established with necessary connotations. Is it proposed, by amendment, to include warworkers and civilian employees?

Since the Council cannot operate on the individual, it must be their intention to operate upon the educational field—else what raison d'etre? Surely the Administrator of Veterans' Affairs would not need such array of counsel just to pay the bills—which is the only function vouchsafed him by the Barden bill. Is it not apparent that the whole purpose is—by affording administrative expense to the States, albeit on a 50–50 basis—to jack up the educational edifice to a conceived higher plane? When, then, becomes of academic freedom and individual initiative in better school and training procedures? Why force private colleges and schools to conform to standards and procedures set up under the "plan" required by the Barden bill, and to be subject to State board control? What are educators thinking of, in advocating such controls?

Conceivably the Congress may decide to adopt such education bill, but surely not as a veterans' benefit. Veterans can be afforded the benefit of education or training in existing or expanded institutions as provided in the committee—Rankin—bill without machinery or control. Indirectly education will benefit, but with no superimposed council. And in any event, if an education bill be enacted the administration should be in the Bureau of Education, not the Veterans' Administration.

It may be assumed the States, whose treasuries are in better condition comparatively than the Government's, will do much for education and veterans. All that is necessary for the Government to do is to make it possible for the veteran to secure the education or training he desires at the place he chooses—whether in his State or elsewhere. This the veterans' bill will insure—the much debated paragraph 7, incorporating existing statutory provisions found entirely satisfactory in practice, imports no control or compulsion; but to make the bill self-contained that paragraph will be amended so as to spell out exactly what is intended.

It is of interest that no other point of attack has been found by the opponents of the bill sponsored by veterans' organizations.

Mr. Chairman, the G. I. bill of rights, with the amendments prepared by the committee in executive session which will be offered on the floor will in my opinion, meet with the wholehearted approval of the membership of this House.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I regard the pending bill as one of the most important bills I have had for study for a long, long time. I am not a member of the Committee on World War Veterans' Legislation nor am I a member of the Committee on Education, both of which committees I would like to have membership on.

I have listened with a great deal of concern and interest to the conflict between two committees over what seems to me to be a matter of jurisdiction. The committee having charge of the bill has agreed to cut out, or to move to strike, paragraph 7 on page 55 which is one thing that has been most objectionable so far as the attitude of the educational forces are concerned. On the other hand, I find that those who favor the Barden bill have agreed to change the bill so that it will not include the merchant marine and also to make one or two other major changes which will thereby meet some of the objections which I have heard lodged against it.

Mr. BARDEN. Will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from North Carolina.

Mr. BARDEN. I would like to say to the gentleman for the purpose of correction that the words "merchant marine" do not appear anywhere in the bill reported by the committee, either in the title or in the body of the bill. The merchant marine has no connection whatever with the bill.

Mr. MURDOCK. I thank the gentleman for that information for that is one of the points which has been raised against it.

Mr. BARDEN. That was dragged in here but has never been a part of the bill.

Mr. MURDOCK. I thank the gentleman for the correction.

Now, Mr. Chairman, these two committees have whittled down these two measures and have removed most objectionable features so that both are becoming more satisfactory to me when I have to make a choice as between the two. Having been a schoolman of many years of experience, I know that the educational leaders of the country are equally concerned along with us in extending the great benefits of education to the members of the armed forces whose opportunity for education has been interrupted by the war. There is no mistake about our intent or purpose and the seriousness of our feeling in the matter. Both committees interested in this matter are equally sincere and hopeful of doing the right thing for the Nation's defenders. I know, too, that the school people of the country, having great pride in our educational facilities, want to make those facilities available to veterans.

America has dedicated herself to the cause of education and built up the means of education to an extent beyond that of almost any other great nation. If the American people have had during the past decades a national religion it has been education. Poor communities have strained their resources to the limit in order to build magnificent school buildings and provide all the facilities for educating each oncoming generation.

No one in this Chamber is more anxious than I to have a maximum of educational support furnished, not only these veterans, but all young citizens who need education and training even by the Federal Government, but with an absolute minimum control from Washington. I want Federal money furnished generously for education, but the control of that education left with the local authorities where it now is.

Some say it cannot be done. They contend Federal appropriation of funds involves inevitable Federal control. I do not believe it. At least I do not believe that is entirely true. I think Federal funds may be supplied in this case without any more control from Washington than merely a bookkeeping check to see that the money is spent as intended and need not involve any interference in the educational processes within the various States. It need only cover the payment of the money where it should go for the training or education of the veterans who are lawfully entitled to the benefit.

We school people are afraid, first, of centralized control by a bureaucracy in Washington; secondly, we are afraid that somebody is going to attempt to build up a parallel educational machine duplicating the work of the colleges and schools now established. One thing we want to avoid is such duplication of effort because of the expense and because they cannot excel the splendid instruction and the courses offered by our public institutions from kindergarten to the graduate colleges, or of the many privately endowed institutions which have been built up during the decades and the centuries to furnish the very best in instruction and training. We do not want any other agency established that will attempt to compete and attempt to duplicate at double the cost those institutions which are already established. I want to make my point very clear in that respect. For that reason I will ask to insert here a copy of a letter I wrote the committee May 1 after hearings were closed. The letter is as follows:

MAY 1, 1944.

The Honorable JOHN E. RANKIN,
House of Representatives,
Washington, D. C.

MY DEAR COLLEAGUE: When I came before your committee, the Committee on World War Veterans' Legislation, on March 28, it was to urge an amendment to title III of the veterans' omnibus bill which would add a benefit to those already included in the measure. There were other provisions of the bill about which I desired to express myself, but as we were about to recess for Easter I confined my statement to this proposed addition.

Having spent all of my mature life in the field of education, I am much concerned about the educational provisions in this bill. Please permit me to add this word with reference to the educational benefits proposed for our defenders.

I know, of course, of the conflicting views pertaining to the administration of the various benefits in this bill. I know, of course, that some would have all matters pertaining to veterans in the hands of the Veterans' Administration and that others equally sincere would have these benefits administered by various agencies prepared to do so—and thus relieve the Veterans' Administration of an overburden of such varieties of obligations. Be that as it may, I want to ask that the educational advantages be left freely to the veteran's choice as to the schools he shall attend and the kind of education of standard quality he wishes to choose for himself.

Especially do I want to urge that the splendid educational machinery which America has built up through the decades with its variety of offerings and high quality of instruction and training be at the disposal of the veteran's choice and that no new educational machinery be set up especially for veterans paralleling the instruction available in existing institutions of learning. America is proud of her public schools from kindergarten to graduate college, and in my judgment no better instruction can be offered than may now be had in old and established schools and colleges. Let us be generous in offering this choice to those in uniform who return to us.

Sincerely yours,

JOHN R. MURDOCK,
Member of Congress.

The CHAIRMAN. The gentleman has used 5 minutes.

Mr. MURDOCK. I thank the Chairman. I want to use my remaining 5 minutes on another very important matter related to title III.

All of these provisions in this omnibus bill are tremendously significant. I am interested in every one of them, but two particularly—the one pertaining to educational benefits—and title III, where provision is made for loans for business and home-purchase purposes.

On March 28 I appeared before the Committee on Veterans' Affairs saying that I did not care to take from it but wanted to add to this splendid piece of legislation. The chairman kindly invited me to offer a resolution for the consideration of the committee, which I did. The following is my proposed amendment to round out title III:

TITLE III. SECTION 504: PREFERENCE AS ENTRYMEN ON IRRIGATION PROJECTS

Notwithstanding any other provision of law, any person who is eligible to receive the benefits of this act and who meets the additional requirements herein prescribed shall have preference as an applicant for entry on any public lands irrigated or reclaimed by the Bureau of Reclamation after the date of this enactment.

Each application for entry by any such ex-service member to public lands on any reclamation project, on that part of such project which is public domain, shall be given preference in every case in which such ex-service member (1) is qualified for benefits under the general provisions of this act, (2) shows his ability to pay on his entry out of any monetary benefits which he receives as a veteran, one-half of the yearly charges (including construction costs and interest at 3 percent per annum) amortized over the legal period, and (3) has such other qualifications for successful farm operation as the Secretary of the Interior by regulation may prescribe.

In the case of any ex-service member whose application for entry to public lands on a project is accepted under the foregoing provisions, repayment charges shall begin to run as in the case of all other entrymen, but the first two annual charges shall be paid by the United States for such ex-service entryman, and the United States shall pay thereafter into the repayment fund for each such ex-service member annually an amount equal to that paid by such entryman.

This is a proposal that the United States Government not only should grant preference to the ex-servicemen of our armed forces as settlers on newly irrigated projects but should bear a part of the construction costs to put water on the land. However, the committee did not include it in the bill. I understand that it was considered in the committee and that some members evidently thought well of it and others felt that my terms in the proposal were too generous or that they applied to only one section of the country, for instance, that portion of our country which is capable of irrigation and reclamation.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I believe the sense of the committee was that this was legislation that would be better incorporated in a separate bill, and did not properly belong to the G. I. bill of rights.

Mr. MURDOCK. I thank the gentleman for that explanation. I had earlier offered it as separate legislation. I do not know that I shall offer the amendment but I probably shall under the 5-minute rule. It might be that it is not germane. It might be that it is subject to a point of order, but I feel that it is a highly important provision and it ought to have the full attention of the Congress. I would like to see it enacted into law.

Mr. CUNNINGHAM. I believe it is also fair to state that the committee is in sympathy with the gentleman's proposal, but doubt that there may be public lands in the United States obtainable with reference to which something could be done for the soldiers, not only on reclaimed irrigated lands, but other lands belonging to the United States, to which they should be given preference, and that it should all be included in one measure instead of in the form of an amendment tacked to this bill.

Mr. MURDOCK. I thank the gentleman further for this observation. I can see much force to that remark. Perhaps my proposal should be widened in character so as to include all suitable lands now belonging to the Government in all parts of the country feasible of reclamation or of reconditioning into farm homes for veterans. I thought of it originally before we got into the war and for a limited group of veterans in the far West.

As I say, I appeared before the committee on March 28 and pointed out that after every war our veterans have been taken care of in the public domain lying to the West. In very early wars the "West" meant, of course, anything west of the Appalachian Mountains, the great Ohio and the Mississippi Valleys. Those earlier veterans were well taken care of and generously taken care of with land so long as lands could be had in those humid sections of our country. Farms were blocked out in the wilderness.

These veterans went out there and made homes and settled the country, which was good for them and good for the country. Especially was that true after the War between the States. The men who wore the blue and the men who wore the gray went out West, carved out homes for themselves in the wilderness, and became our best pioneer citizens and home owners, most of the time under great hardship. Thus from soldiers of war they quickly and courageously became soldiers of peace.

One of the best tributes to these pioneer soldiers of peace was paid by Judge Albert C. Baker at Phoenix, Ariz., in the following words:

> The soldier leads an assault in the blare of trumpets and the roll of drums. It lasts but a minute. He knows that whether he lives or dies, immortal fame is his reward. It is not so with the pioneer. When this soldier of peace assaults the wilderness, no bugle sounds the charge. The forest, the desert, the savage beast, and savage men lurk in ambush for him; he blazes the trails, fells the trees, turns the streams, and plants his rude stakes; his self-possessed soul keeps its fingers on his lip and no lamentations are heard. When civilization joyously comes with unsoiled sandals over the trails he has blazed, and homes and temples spring up on the soil he has broken, his youth is gone, hope is chastened into silence, and he sinks into a dreamless bivouac under the stars. The world merely sponges his name from the slate and self-satisfied civilization accepts his toil without compensation and frowns with horror at his rough and rugged ways. But he is content. The shadows of the wilderness have been chased away, the savage beasts and savage men have fled, the fields ripen to yellow grain, and seats of learning and temples of worship dot the plains; the perfume of flowers and song of children gladden all the land and he smiles upon the younger generation and is content.

The situation was very different after the First World War, for by that time all good land had been taken. I know of many cases where veterans of the First World War went out West in the arid and semiarid sections for their health's sake and were greatly benefited thereby. Naturally we liberalized the homestead laws for them. But some were pathetic cases because they could not make a living out on the desert with the jack rabbits. No man ought to be expected to do so under those circumstances. However, if we are as wise as we are about to be generous, we will change the circumstances.

A great development of the West has come about in recent years through engineering projects and reclamation. I feel that we ought to turn our attention to that land of sunshine and health and husband our water resources that our land-hungry veterans may have the help of the Government in making good land available as homes, on which they can make a living. It does not take 160 acres of such land out there, but just a small parcel with water rights and water supply. I commend this proposal to your earnest attention.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield to the gentleman from Michigan [Mr. BENNETT] such time as he may desire.

Mr. BENNETT of Michigan. Mr. Chairman, the present bill is perhaps the most far reaching with respect to veterans' benefits that has ever been presented to Congress. The Committee on World War Veterans' Legislation, of which I am a member, has given the bill the most careful consideration. Extensive public hearings were held and lengthy executive meetings were had during which every one of its provisions was given the most careful and thorough study. It is extremely important that this care should have been exercised in the preparation of this legislation because it has so direct a bearing on the future happiness and well-being of the millions of men and women in our armed forces today. There will naturally be a period of readjustment between the time they are separated from the armed forces until the time they are able to resume their places in civilian life. All through this legislation we have endeavored to facilitate and ease the burden of this transition.

Those who have had their educational training interfered with have been given ample opportunity under this bill to start in again where they left off. Likewise, the veteran has been given the widest possible latitude in determining the kind of education or training course he will pursue, as well as selecting the institution where he desires to resume such education or training. There has been considerable controversy as to the method of control of this program as between State and Federal agencies. In my judgment, the bill as reported by our committee sets forth the simplest and most easily workable plan of control of any proposals so far made. Bearing in mind that the primary intent of Congress is to make the education program to the exclusive and maximum benefit of the veteran and not to any other group, the committee bill provides:

> 1. Each State shall submit a list of eligible educational and training institutions in which a veteran may enroll. Under the bill this is a basic list and cannot be changed or modified by any Federal agency; and
>
> 2. In the event that any State, through inadvertence or otherwise, fails to include in such list any school or institution which the veteran wishes to attend, such school or institution may be added to the eligible list by the Administrator of Veterans' Affairs. It is believed that in this manner the veteran can be best assured of attending the institution of his choice.

It has been contended that this method of control gives too much discretion to the Administrator of Veterans' Affairs. However, when we consider that the intent of Congress is to provide for the welfare of the veteran first, no such objection can be logically or effectively made.

I do not have the time to go over each of the other provisions of the bill in detail. Furthermore, each of the titles of the bill have been very ably discussed by the distinguished chairman of our committee the gentleman from Mississippi [Mr. RANKIN] and by the able Representatives of the minority as well.

Each of the other titles provides for additional methods of readjustment. Unemployment benefits, preference in employment, the loan provisions and all other sections were designed in an effort to foresee and help to solve the readjustment problems which most of the returning servicemen will be obliged to meet. Congress cannot in any one bill either foresee or solve every one of these problems. Supplemental legislation will be

necessary from time to time to meet new and changing conditions. But this bill very definitely lays out a broad pattern under which service men and women can again return to civil life. There is one further situation which could well be covered by the provisions of this bill or by separate legislation to which I have given considerable thought. I refer to the disposal of surplus Army and Navy equipment during and after the war. I have heard a great many boys express the hope that they could own a jeep or an Army truck when the war is concluded. There are many other implements and articles of machinery that could and undoubtedly would be of much value to the returning soldier in civilian life. Rather than put this excess equipment and supplies in the hands of dealers and speculators, we could very well and very properly give the discharged soldier the first right to secure it. I know that many other Members of Congress share this same viewpoint.

I think an amendment could very well be added to the loan section of this bill to provide as an alternative that honorably discharged soldiers be given preferential rights in securing surplus equipment. It seems feasible also that credit be given each soldier in the purchase of such equipment and certain allowances based upon his period of service with minimum and maximum credit allowances in any case. I think almost every boy in the service would welcome a provision of this kind and to the boy who goes back to a farm or a small business of his own, the use of a jeep or a truck would in many cases be of more benefit and satisfaction to him than any other allowance.

I expect to offer such an amendment or to support such a proposal if it is offered by some other Member.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 20 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, whether or not the remarks I shall make will add much to the debate remains to be seen. Sometimes, in the course of this debate, we seem to have lost sight of the real issue, the real purpose of this measure; namely, that this measure has been brought before the Congress and the American people to readjust the returning veterans, readjust them from their military life, routine, and regime to the ordinary life of a civilian. Too many of us have forgotten, I fear, that there are a large number of these men who have already been in the service since September of 1940. That means that many of these—and they number into the hundreds of thousands—have now been in service for over 3½ years. Many of those very same men, undoubtedly, have at least 1 year more and possibly 1½ years or 2 years of service ahead of them. We who have had to face the problem of readjusting ourselves from military to civilian life know that their task will not be easy. Not merely those who have gone overseas to the 50 or more fronts have lost something. Many men who will come back will carry on their bodies no scars, but their entire mode of life, their entire mode of thinking, their entire attitude toward themselves and their communities and their families will have changed considerably, because when you sit by yourself in the lonely night, knowing that danger is on every hand, you do some real thinking.

The thoughts that those men have had, not only in the mud and muck and mire of Italy, not only in the jungles and swamps in the South Pacific, but elsewhere, even here in their own homeland, and the experiences they have had have caused these men to do much serious thinking. I have received letters from hundreds of them. Having had the opportunity of giving in the neighborhood of 5,000 men military training which they are now using, I think that what they really want, as I interpret their letters, comes down pretty close to earth. Their ambitions have not gone too far. They tell me that they want to get back home, and that means the home town from which they came, which looks better every day they are gone. It has an added glamour. If they are not already married, they want to get married. They want to have a home. They want a car and a radio. They want to go to church. They want to go to the movie, and they want to have a hot dog and an ice-cream soda. In substance, they want to lead a normal, peaceful, American life. The purpose of this bill is to enable those men to turn from their military pursuits to those of a civilian.

As you study the bill from that angle, it is no longer an unemployment bill. It is no longer a loan bill. It is no longer an educational bill. It is a veterans' bill, recommended by two of the greatest veterans' organizations the world has ever known, the American Legion and the Veterans of Foreign Wars. Representatives of each of those two organizations appeared before our committee, as did Professor Marvin, representing the educators of this Nation.

The members of these organizations know from their own experience, they know from the reactions they have from their own sons who are now serving in this war, much of the thinking that is now taking place in the minds of these men.

Omar B. Ketchum, of the Veterans of Foreign Wars, together with Francis Sullivan, of the American Legion, presented their views after they and members of a joint committee had conferred for many days upon the subject matter of this bill. These two organizations were unanimous on one point above all others, namely, that when any matters came before this Congress relating to veterans, and if any action was to be taken relating to veterans, it should come under one central head, the Veterans' Administration, because we have learned in more than 20 years of experience that that is the one agency of this Government to which veterans can turn and in which they can place their utmost faith and trust.

Having that in mind, let us review history. It seems like yesterday that over 4,000,000 men were released from the service in 1918 and 1919, men who now are in the mineral age, if you please, with silver at the temples and gold in the mouth; but they still have many of the same thoughts these younger men have, and most of them, had they been given the opportunity, would have again been in the service. These older men have been thinking many things. If possible, they want to see that many of the unpleasantnesses that we experienced will not be again experienced by veterans of this war.

Going back to that period of 25 years ago, if you care to pursue the records, you will find that out of over 4,200,000 men who served, nearly 400,000 made application for what was then termed vocational rehabilitation; in other words, 400,000 had received some disability in service that made it necessary for them to have particular training to fit them for civil affairs and civil life. Out of that 400,000 about 350,000 qualified for this training. Out of the 350,000, 285,000 completed their courses of education and training of various types and kinds. Among those men now in the Veterans' Administration there are many who have the experience and who saw the troubles, trials, and errors that were made 25 years ago, by which they can now profit. Hence education of veterans is no new venture.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the chairman of the committee.

Mr. RANKIN. The system adopted for the rehabilitation of these men was almost exactly what we are proposing in this bill today.

Mr. SCRIVNER. The gentleman is exactly right.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gracious gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I think one reason the gentleman has performed such a very fine service on the Committee on World War Veterans' Legislation is that he served in the First World War. He knows what it means. He saw what it meant to have an opportunity to have training provided after the First World War. The gentleman is also a former State commander of the American Legion. No one has worked more diligently than he.

Mr. RANKIN. Another qualification the gentleman from Kansas has is that he is willing to work.

Mr. SCRIVNER. I do not know whether or not we can change human nature, but I seem to have heard some place that a man convinced against his will is of the same opinion still. However, perhaps with this background a little better understanding can be had.

If the same ratio of disabilities occurs in this war that occurred 25 years ago, with a maximum in our armed services of almost 15,000,000 men and women, that means that 1,500,000 will be eligible to make application for rehabilitation and training due to disabilities, and of that 1,500,000 approximately 1,200,000 will be able to show their qualification to receive that training. This means that the Veterans' Administration again

will have an educational and rehabilitation set-up under which veterans who have become disabled will receive training.

Therefore, as I see it, as a matter of cold logic, there is no reason why, inasmuch as there will already be an educational program set up in the Veterans' Administration, there should even be any suggestion of setting up an entirely different and outside agency relating to education of veterans because the Veterans' Administration, with the same machinery, in its supervision of these vocational rehabilitation programs, can very well carry on the supervision of general education for these returning veterans whose education has been interrupted, interfered with, or delayed by reason of their military service.

I suppose probably enough has been said about the Barden bill, but I cannot refrain from making one observation about a paragraph that has never as yet been mentioned, either by the Committee on Education or anyone else on the floor. While it is said that there would be no new bureaucracy established, I call the attention of the committee to the language on page 26, section 10:

Adequate counseling services to aid war-service persons in choosing courses of instruction shall be made available through close cooperation of approved educational or training institutions with (1) the State department of education, (2) the Agency (3) the Bureau of Placement and the Bureau of Training of the War Manpower Commission, and (4) the War and Navy Departments, and any other appropriate executive department or independent agency of the Government.

This simply means that to carry that program out to its ultimate either the Director or some other Federal agency will have to have somebody who is able to advise these millions of returning soldiers as to the course of education they should take. It means that somebody, together with their office help, will be maintained in every city, town, village, and hamlet throughout the United States. If that is not the opening wedge for a gigantic bureaucracy based upon the necessity of educating and readjusting veterans, I do not know what it is.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Does not the gentleman believe the veteran can get such advice as he may need in regard to the institutions and schools he will go to from the schools themselves, as well as from the American Legion and the Veterans of Foreign Wars?

Mr. SCRIVNER. I think that is absolutely true. How would the returning veteran get it if he were going to go to school on his own, if his father were going to pay the bill? It is the purpose of this bill to place that veteran on his own. He is going to be able to take care of himself. He has taken care of himself in a lot hotter places than getting his education. That is all we hope to do, with the least possible supervision and control.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Mississippi.

Mr. RANKIN. We permitted the veterans of World War No. 1 to select their institutions. As the gentleman from Kansas said, they did a wonderful job of rehabilitation, of readjusting those men for their duties in private life.

Mr. SCRIVNER. That is right. There may have been some mistakes made. It might be that I should not have attempted to become proficient in the practice of law. Maybe I might have done much better in giving something to the community as a house painter or a bookkeeper. But if I made a mistake I had a great deal of pleasure in making it. My view is that if these men were to make a mistake, I do not know that any of us ought to be able to say that our opinion of what they should do should overweigh theirs, because they have had a lot of time to think it over and their thoughts have been serious. I think their choices will almost unanimously be good.

In view of the cooperation of the American Legion with the Nation's educator in many educational fields, I regret that Professor Marvin, who appeared before our committee and gave us his views as an educator, many of his views being adopted in the very language of this bill, should have been so misinformed as to make the statement that has been referred to in this letter directed to the members of the conference of 21 that—

The American Legion is insisting upon setting up a complete scheme, so far as veterans are concerned, of Washington bureaucratic educational control.

I defy anyone, including the chairman of the Committee on Education, with section 7 stricken from the bill, as we said it would be, to show where any Washington bureaucratic educational control can be established over the veterans. If it is in there, we want it out, because it was the aim, not only of the Veterans of Foreign Wars, not only of the American Legion, but of this committee, to get as far away as humanly possible from any Washington bureaucratic control of veterans.

Mr. RANKIN. Or any regimentation of veterans after the war.

Mr. SCRIVNER. That is right. They have been regimented for enough months and years.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman.

Mr. MURDOCK. Is it the purpose of the present bill, then, to give the Director or Administrator only a bookkeeping control to see that the money is paid which should be paid and that those who receive the benefits get the benefits? Of that much I would approve but no more.

Mr. SCRIVNER. That is substantially the plan. We tried to make it just this simple: That one of these veterans who can show he is qualified as having had his education interfered with, interrupted, delayed, or impeded, and having had his honorable discharge, could make that showing to the Veterans' Administration. The veteran would then choose his school, just as he would if his father were going to send him. For instance, if he was in my State and he might want to go to Kansas University or any one of our fine schools, he could go there and choose his course and then, almost the maximum that the Veterans' Administration would have to do would be to pay the tuition, and for the books, and pay his readjustment or maintenance allowance while he is in school. The same would be true if he desired training in any craft, business, or trade.

Mr. MURDOCK. The gentleman is assuming now that paragraph 7 on page 55 is to be taken out and will be taken out?

Mr. SCRIVNER. The gentleman may be sure, and may rest assured that paragraph 7 is out of the bill.

Mr. MURDOCK. May I be assured also the Director will not, under the language of the bill, interfere with the internal management of a college or institution?

Mr. SCRIVNER. That is right. If I had the time, I could show you section by section. Paragraph 6, page 55, specifically says they shall not have any control of any part or any phase of education, either as to personnel, curriculum, or anything else. They can exercise no control whatsoever. Now, if you can suggest stronger language than that which will keep them out, the committee will welcome your suggestion.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman.

Mr. JUDD. There are two points. I would like to clear about one statement in the analysis prepared by the Veterans' Administration as to the difference between the educational features of the committee's bill and the so-called Barden bill. On page 4346 of the RECORD the Administrator complains—

Under the Barden bill the only authority the Administrator would have would be to pay bills as certified by such State boards.

Of course, we think that is all the authority he ought to have.

Mr. SCRIVNER. I do not know whether that is a complaint or merely an assertion of fact. I cannot put myself in the position of the Veterans' Administration. I do not know what their thoughts are. I do not have any idea what motivated their thinking. I am trying to express to you as nearly as I can the feeling of this committee. I think, on the whole, we are all trying to get to the same place. As in religion, we are all trying to get to the same place, the only thing is we may be taking different routes. You think your route is better and I think mine is better.

Mr. JUDD. Yes. The way I think the Committee on Education fears there might be established in Washington control over education, is not by direct interference with the curriculum, but through the ability of the Administrator to put on the approved list, schools which did

not meet the educational standard of the State and thereby the educational standard for the country would be decided in Washington and not by the educators. There is the fear.

Mr. SCRIVNER. That was not the intention at all.

Mr. JUDD. I know that is not the intention of your committee, but there is a fear that that might be the result.

Mr. SCRIVNER. I do not think the language would permit it. I am sure the Veterans' Administrator would not do it.

Mr. JUDD. I thank the gentleman very much.

Mr. SCRIVNER. We have faith in the Veterans' Administration. This committee has worked with the Veterans' Administration ever since its inception and the veterans' groups have worked with the Administration ever since the veterans have been discharged. The American Legion has the utmost faith in the Veterans' Administration. It was necessary to give the Administrator power to name these schools because the educational set-up as we think of it, as State educational groups, have very little, if anything, to do with business, the little tin shop down here on the corner which can give the man a training in tin work, apprentice schools, nursing schools, and many other training agencies, that normally the educational facilities have no contact with whatsoever. I might say, in view of the fact there are nearly 10,000 disabled veterans now receiving educational training, the Veterans' Administration has already gone to great length to investigate many of these schools to determine whether or not they can adequately train these returning veterans.

Mr. JUDD. Of course, the Education Committee's reason for suggesting that each State department of education set up an advisory committee was not to establish bureaus but to make sure these tin shops and vocational schools which ordinarily were not approved and accredited for higher education would be available in this particular program. We were suggesting a separate committee to be sure to bring in all types and levels of training.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I yield 5 additional minutes to the gentleman from Kansas.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It seems to me the State board would very much retard the veteran receiving his education, because he would have to go to the advisory board, probably, before he could go to school and it would involve endless red tape.

Mr. SCRIVNER. I think it would involve a great deal of red tape. That is exactly the thing we are trying to eliminate.

Mrs. ROGERS of Massachusetts. And if the veteran could go to the Veterans' Administration he would not be going to some stranger, but to an agency which knows him well.

Mr. SCRIVNER. That is right. Our conception of this bill is that the returning veteran can go to one central agency to which he can turn for all of the benefits and rights which have been or may be awarded to him.

I would prefer to go on to another phase which has not been discussed at any great length. I would call the attention of the Committee to section 902 of the bill which refers to the benefits to be received by those men who are self-employed. That was a particularly troublesome provision and yet we thought it was quite necessary inasmuch as in this period of readjustment there will be a large number of these veterans who will come back home possibly to practice law or operate their filling station, store, or shop, and in many other operations, including that of agriculture, who would not be able to qualify for benefits of readjustment as set out for those who were employed by other persons and then became unemployed. I will propose, at the appropriate time, an amendment which will replace section 902, the language of which, I think, will clarify many uncertainties. Section 902 as proposed would read:

Any person qualified under subsection (a) of section 700, and residing in the United States—

That is your 90 days of honorable service—

who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title.

In other words, the maximum amount allowed would be at the rate of $20 a week and the maximum period, as now proposed, would be 26 weeks, or a total of $520 benefit would be the maximum that a self-employed veteran would be able to receive.

The provision reads further as follows:

Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than $100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of $1), between $100 and his net earnings for such month.

Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

Subsection (b) of section 700 and section 800, shall apply in determining the eligibility for allowances of a claimant under this section.

A short explanation to clarify that a little further is that this simply means if a man comes back to his filling station, if he comes back to his farm, if he comes back to his shop or his office, and he can show that he is qualified, having served 90 days or more and having been honorably discharged, if he can show that during that period he has been fully employed by himself in this occupation for profit, if he can show that his net income has been less than $100 a month, the Veterans' Administration shall mail him a check for the difference.

We have tried to simplify it and make it easy of administration and easy of calculation. We say $100, because the benefits under readjustment, because of unemployment, anticipates the payment of $20 a week for 26 weeks, plus $3 allowed on part-time wages. There are 4⅓ weeks in each month. We figured by taking our 4⅓ weeks' benefits it would approximate $99.60, and $100 is as close as we could come to that.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. CUNNINGHAM. Putting it another way, a young lawyer who had to leave his practice and go into the Army comes back and has no practice, and he is assured of $100 a month for 26 weeks.

Mr. SCRIVNER. That is right; and I venture to say if I know anything about the practice of law, and possibly I do not, that these young men coming back to their offices will find it is going to be very, very difficult to make that $100 the first few months, because it will take some time for the people to find out that they have even returned home.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. SCRIVNER] has expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. SCRIVNER. There is another matter that should be given some thought, and that is the attempt on the part of the committee to avoid duplication of benefits. If you will read the bill you will find in paragraph 8, page 55—this is under title II, the educational provision—that in the event any veteran applies for and receives maintenance benefits under this part, and subsequently for any reason ceases to receive such benefits and become eligible to receive allowances under title V, any benefits received under this part shall be deducted from the total allowance provided in title V. Similarly any benefits received under title V will be deducted from benefits provided under this title.

Members of the committee have had some experience in some of these things and observed many things. We could see where it was possible in instances—and we did not think it was fair to other veterans or to the Government or the taxpayer—we could see where it would be possible for a returning veteran to take advantage of the unemployment compensation. Within a period of 6 months after his return he could have received the $520. Then being qualified so to do, because his education had been interfered with, he could turn to education, and if he had 3 years and 3 months service he would be entitled to 4 years of education. We thought it was no more than fair and proper that if this man was to receive one benefit, it should be deducted from the other.

The same provision is made in title V. If the veteran turns to title V for benefits and has received a maintenance allow-

ance under the educational feature, this maintenance allowance will be deducted from his readjustment due to unemployment.

Then, of course, the amendment which was to prevent further inequities and duplication is section 1505, found on page 80. We could see the picture of a veteran who first receives his $520 unemployment compensation, and then goes to school for 4 years, which would cost between $4,000 and $5,000, and then he could apply for a loan and have it guaranteed up to $1,500, and, due to circumstances over which he had no control, he would not be able to pay that amount. So that we can see where there would be possibly $6,000 benefits there. Then, as has already been proposed, an adjusted compensation bill comes before the House paying anywhere from $1,500 up to possibly $7,500. We felt that in the event Congress in its wisdom sees fit to pass such an adjusted compensation act, it is no more than fair to the Nation and to other veterans that those benefits which had already been received should be deducted from such adjusted compensation.

That would mean, if that adjusted compensation is $2,500, a veteran might receive benefits in the neighborhood of $8,000 or $9,000. On the other hand, let us take some of the older men, men who have their employment, men who are so situated that they will not need any readjustment compensation due to unemployment. They would not get this $520. His family ties might prevent him from taking training in a school or plant so that he would not receive the benefit of the educational feature. He owns his own home and is not required to get any loan. That man has served in exactly the same places and under the same conditions as the other man. Where he might receive only the $1,500 or $2,500 adjusted compensation, the other man would benefit to a total of $8,000 or $9,000. We felt that it was only fair that those things should be taken into consideration. If these young men who are returning have been told that they are going to be entitled to an education and the guaranty of a loan, and then led to believe they are to be entitled to an adjusted compensation, we felt that they should realize many of these things of which we have been thinking, that they should realize that in the event they are looking forward to adjusted compensation, that these other benefits should properly be deducted from that one large payment.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. SCRIVNER. This committee has labored many weeks. As I said Thursday, there never was any misunderstanding; there never was any rancor, there never was a time when there was any attempt by any Member to put over his own pet personal proposal. Of course, I might have had an idea on one thing. The gentleman from New York, General KEARNEY, might have an idea on some other thing; the gentleman from Mississippi [Mr. RANKIN], the chairman of the committee, would have an idea on something else. The gentlewoman from Massachusetts would have another idea. We would propose those ideas, and if the committee voted them down, well and good. If they voted them in, well and good. In every instance the majority ruled.

If the functioning of this committee is a fair sample of the manner in which legislative committees perform, I can say to the American people that their faith and their pride in their representative form of government are justified.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOTT. Mr. Chairman, recently reports have been carried in the press to the effect that the Navy is now ready to acquiesce in a plan for unification of the armed services along the lines recently proposed by the War Department to the Select Committee on Post-war Military Policy, and there is a clear implication in these reports that this alleged acquiescence has come about through pressure from above.

As a member of the Select Committee on Post-war Military Policy, who has heard and examined the witnesses from the War and Navy Departments, and also as a member of the Naval Affairs Committee, which is vitally concerned in the matter, I am taking this occasion to say that the impression created by these press reports is an erroneous impression, and that the confusion created by them should be cleared up. The Navy has no objection to a thorough investigation of the question whether legislation providing for a unification of the services through creation of a Department of National Defense is desirable, but it does not agree with the War Department that the investigation should proceed upon the assumption that it is desirable per se and that the only question at issue is what kind of legislation is best calculated to bring about this unification.

Admiral King has been represented in the newspaper articles as personally favoring Army-Navy unification and as having told certain members of the Select Committee on Post-War Military Policy that he has ordered ranking naval officers to prepare immediately a program for unification to match the Army's proposal as nearly as feasible.

I am authorized by Admiral King to state that Admiral King has dealt solely through the joint Chiefs of Staff and the general board of the Navy concerning the question of a Department of National Defense. Beyond this any statements attributed to Admiral King are unauthorized and have been made without his prior knowledge.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Chairman, one of the first things that Congress did after Pearl Harbor was to provide that servicemen, upon discharge, should have substantially the same rights and privileges wtih respect to hospitalization, vocational rehabilitation, and compensation in all cases of service-connected disability, as are now accorded to the veterans of World War No. 1. There were certain differentiations in the definitions of eligibility, but in large measure veterans of both wars were put on a parity.

National service life insurance, to a maximum of $10,000, was provided for all members of the armed services in this war on much the same basis as had been done in the First World War.

Mustering-out pay for the veteran of World War No. 2, in amounts up to $300 according to length of the service and the $300 maximum payable only to those that served overseas, is provided for in a bill enacted only a few months ago; and even more recently, Congress has enacted a measure appropriating grants to States to bear the costs of medical and hospital care for the wives and infants of enlisted men in the armed services.

The G. I. bill of rights bill, S. 1767, which is now before the House, the official title of which is "To provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans," marks a further step forward in the program of governmental assistance to the men and women in the service of their country and to their dependents. The present bill rests upon the premise that the reintegration back into civil life, at the close of the war, of the men and women now in the armed services is of transcendent importance and that the benefits provided for in this measure will be of greater advantage to the veterans and at lesser cost to the Public Treasury than could possibly be accomplished by any of the various proposals in the nature of a large cash bonus.

I am heartily in favor of the major features of the present bill and welcome this opportunity to speak in its support.

The major features are threefold. One is with respect to providing educational opportunities for the veterans of all branches of the service and of both sexes upon their discharge from the service, in addition to the provisions for vocational rehabilitation provided for in an earlier act of the present Congress. The educational opportunities which the present bill provides are not contingent upon any service-incurred disability. They are to be available to every veteran who elects to return to school or college for further study.

The second major feature of the present bill is with respect to providing an adequate placement or employment service and veterans' preference in employment, and providing for unemployment compensation for stipulated periods of

time for those veterans who are able and willing to work but for whom suitable work is not at the moment available. The bill sets up standards to be observed in determining the suitability of the work offered in its bearing on the question of whether the veteran is warranted in refusing it.

The third major feature of the present bill has to do with loans for the purpose of buying, building, or repairing homes, buying or leasing farms or business properties, and the purchasing or leasing of equipment therefor.

The bill contain various other provisions of substantial importance and some of which give rise to considerable difference of opinion as to their wisdom or practicability. The bill confers upon the Veterans' Administration greatly increased responsibilities and authority. It concentrates in this agency all of the responsibility for the administration of this tremendously expanded program of veterans' benefits.

There is no divergency of opinion, however, on the major premise that Congress should not wait for the termination of the war in order to deal with the big problems of readjusting into civilian life the returning soldiers and to set up a comprehensive and well-rounded program.

The three major features of the present bill—educational opportunities for the veterans, job placement and unemployment compensation, and financial assistance for those who seek to establish homes or to establish a business of their own or who want to follow agricultural pursuits—constitute a comprehensive and, in my judgment, an adequate program.

With respect to the educational and training opportunities which the bill provides, the discharged veteran may make his own choice of the school or college which he will attend and may make his own selection of the courses that he will study. A limitation is provided that he must enter upon this course of study not later than 2 years after his discharge from the service or 2 years after the termination of the war, whichever is later.

The bill, as reported by the House World War Veterans' Committee, allows a veteran 1 year of education or training at Government expense, but with a further proviso that the veteran may be entitled to an additional period of instruction not to exceed the total period of his military service minus 90 days and excluding any period that he received academic training while in the service.

The Government will pay the school or college where the veteran is enrolled the customary cost of tuition, laboratory fees, books and supplies and equipment, and other necessary expenses, not to exceed $500 for each regular school year, and in addition the bill authorizes a maintenance allowance, during the period he is at school, of $50 a month for the veteran if without dependents or $75 per month if he has dependents.

With respect to the provisions of the bill, as reported by the House committee, for loans to veterans for the purchase and construction of homes and the purchase of farms or business property and for the purchase of equipment, it is provided that the Government, through the Administrator of Veterans' Affairs, shall guarantee not to exceed 50 percent of the amount of such loans for any of the purposes specified in the bill, but with the proviso that the aggregate amount of the guarantee in the case of any individual veteran shall not exceed $1,500. The interest for the first year, on the part of the loan guaranteed by the Administrator, shall be paid by the Government; thereafter it will be paid by the borrower. The interest rate shall not exceed 6 percent per annum and repayment of the loan shall be spaced over a period of not more than 20 years and no security for the Government's guaranty is required.

The provisions of the bill dealing with employment of veterans and compensation for unemployment declare that it is the intent and purpose of Congress that there shall be an effective job counseling and employment placement service for veterans, and places the entire responsibility with the Administrator of Veterans' Affairs. The Veterans' Unemployment Service of the War Manpower Commission is transferred to the Veterans' Administration. There is provision for appointment of a veterans' employment representative in every State who will be associated with the staff of the public unemployment service in the State but who will be administratively responsible to the Veterans' Administration.

The unemployment compensation, as provided in the bill reported by the House committee, is limited to a period not exceeding 26 weeks, beginning 3 months after the date of the enactment of the bill and occurring during the 24-month period subsequent to the discharge of the veteran from active service. It authorizes a payment of $20 per week, with lesser amounts where the veteran is receiving some wages from part-time employment.

This bill, taken as a whole, is admittedly more extensive and generous in its benefits to returning veterans than any measure previously introduced as to this or any other war. In my judgment, it is fully warranted when all the factors are taken into account. It is true that the educational program which this bill sanctions, together with the unemployment compensation provisions and the plan for guaranteeing loans to the veterans, will, in the aggregate, cost great sums of money. Just how much it will cost in the long run, no one can say with certainty. But I am convinced that in dealing with this problem we are fully warranted in setting up the program notwithstanding the heavy financial load that it will impose upon the Treasury in the first instance and, in the final analysis, upon the American taxpayers.

It is my conviction that if the trained and disciplined efficiency and valor of the men and women of our armed forces can be directed into the proper channels in the years that follow the war, we shall have a better country to live in than the world has ever seen, but that if we fail in this task of facilitating the return of the service men and women to civilian life, the disastrous consequences will be beyond calculation.

Mr. RANKIN. Mr. Chairman, may I ask how the time stands?

The CHAIRMAN. Under the 2-hour limitation the gentleman from Mississippi has 18 minutes remaining and the gentlewoman from Massachusetts has 16 minutes remaining.

Mr. RANKIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, the foresight displayed by the Members of Congress in the difficult task of formulating practical legislation setting up suitable provisions for the returning Veterans of World War No. 2 is to be commended. All members are fully aware that legislation of this kind dealing with the claims of over ten million veterans is highly involved and great care should be exercised that no inequalities or injustices to individuals or groups of our returning servicemen exist in this bill. The Veterans' Committee should be commended for insisting on several days of debate so that all members can be given an opportunity to express their own opinion and desires of interested persons and organizations from the various districts. I hope that after the debate on this legislation terminates, that all members give earnest thought and study to the various amendments which will be offered hereto. Naturally, this bill is not perfect in its present form and constructive amendments will no doubt be adopted by this House after which, when the Senate and House conferees review each section and line of this measure, we hope to have a just and practical enactment to provide for the future care and welfare of our war veterans.

Had the Congress of 25 years ago been cognizant of its responsibilities in the same manner as the Members of the Seventy-eighth Congress, great suffering, privation, and hardships would have been prevented for the boys who returned from World War No. 1. This bill has in general, set up protection and security for the veteran, not with the thought of repaying him for the terrific sacrifices he has made for his country, but merely to provide him with aid so he can more easily assume his responsibilities as a civilian and help him to again pick up where he left off when he was called to the colors.

This bill under its various titles, sets out hospitalization, claims, and procedures by veterans' organizations to aid in bringing about a practical enforcement of its provisions. It also sets out provisions for the veteran to take advantage of educational opportunities so he may in a small way be recompensed for the time he has lost through his inability to complete his fundamental schooling. It also provides for loans for the purchase or construction of homes, farms, and aid in establishing the veteran in business if he so desires. Another provision setting up the practical machinery in the various districts throughout the country to aid the veteran in securing employment is very necessary.

There is set out in this bill, an appropriation calling for additional hospital construction to relieve the deplorable lack of hospital facilities throughout the country.

I hope that we can successfully work out a just and fair program which will satisfy all individuals and veteran organizations throughout our country. We fully realize that we cannot repay these men and women for the loyal support, sacrifice, and patriotism which they have so nobly demonstrated in our country's great crisis.

This legislation should be but the first step in providing for the future security of our returning veterans. The second step should be for the protection of their children, grandchildren, and future generations, that they not be called upon to fight in another world conflict 25 years hence. Our country must cooperate with the nations of the world in an effort to set up machinery for future and permanent peace

Mr. RANKIN. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I should like to ask at this time that I be not interrupted because I have only a few minutes and I want to devote them to the bill.

Frankly, Mr. Chairman, I do not see any great rush for the educational provisions of this bill, but they are a part of the bill now under consideration. I have noted a good bit of criticism of the chairman of the Committee on World War Veterans' Affairs, the gentleman from Mississippi [Mr. RANKIN]; I think it is undue. The gentleman from Mississippi [Mr. RANKIN] has had handed to him a tremendous piece of work and I see no need of anyone or organization trying to rush or stampede him. The boys affected are not back and we have on the statute books a rehabilitation bill which provides up to 4 years of college training for those injured, for those who have service-connected disability, and those others who are released from the armed forces either because of their need in some vital industry or because of age. Both these reasons would probably preclude them from the benefits of this bill.

With reference to the bill which was reported out by the Committee on Education, which has been referred to here as the Barden bill but which I much prefer being referred to as the bill of the Committee on Education, because it is truly a committee bill, there has been considerable argument and discussion over the advisory board. Many red herrings have been dragged across the trail and many different and wild interpretations have been given. As far as I am concerned, and I am sure as far as the committee is concerned, we do not regard it as an indispensable part of the bill and do not see where it would materially hurt the bill to remove it. I believe an advisory committee is advisable, but all these matters are left for the wise and considered judgment of the House, and I see no reason for anybody to be afraid of an advisory committee or advisory board.

There has been some discussion of the State plan. At this point I want to read a part of an editorial appearing in the New York Tribune which to my way of thinking points right straight to the heart of this controversy. There is certainly no question about the fact that we in the Committee on Education have distributed, so to speak, down to the States the right to have something to do with this program. The States provide the tax that provides the universities; the States and the local communities provide the institutions that any administrator or anyone carrying through this program must of necessity use. If then they are going to use those institutions and facilities certainly they must have something to do with them, otherwise you have two competitive educational agencies, and there has never been room in this country for that. As I say, I want to read a part of this editorial from the New York Tribune. They are discussing this set-up in the States. I quote:

> That is what the Nation's educators, guileless in their simplicity, are asking. Almost with unanimous voice they approve the Barden bill introduced in the House by the chairman of the Committee on Education which provides for the administration through State educational agencies, provides for State advisory committees and counseling service for State selection of institutions and the use of existing institutions. It provides, in other words, that the veterans be allowed to deal with local people handling matters with which they alone are fully conversant.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. BARDEN. Further quoting from the editorial from the New York Herald Tribune:

> Representatives of 56 national educational institutions called together by the American Council on Education declared the Senate provision and the similar Rankin bill in the House to be "the most serious threat to the existing State and local control of education that has yet appeared in this country." Dr. James B. Conant, of Harvard, warns: "In education, above all other matters we must guard the doctrine of local responsibility." Our own city board of education opposes the Rankin bill as "creating yet another Federal agency in competition with State and local agencies" and urges the Barden bill. These are voices to be heeded. The House should substitute the Barden bill for title II.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. Let me proceed just a minute.

Let me say this: This is a very important and serious matter. We must of necessity be specific in this; we must specify the time a man is to attend college. The other bill leaves it open for the length of time he serves in the Army. In that way a college could start off with 40 students in a class and wind up by Christmas with 3. I believe this should be cleared up.

Something has been said about the education feature of the bill including other persons besides "service persons." There can be no question about that, and I am unable to understand why those things should be brought up. In the very definition of "service persons" in H. R. 3846 it is so clear that the term "war service persons" means any person who served 6 months or more in the military or naval service of the United States, and then goes ahead and makes provision for those who go into the foreign service or on the sea before the 6 months is out; and on the last page of the bill we reported out is a provision amending the title to read:

> A bill to provide for the education and training of members of the armed forces after their separation from the service.

I believe even the Administrator who sent the proposed comparison of the bills understood where the power was to be when he complained that the Federal Government would have only the right to pay the bills.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to myself to ask the gentleman a question.

The CHAIRMAN. The gentlewoman from Massachusetts is recognized for 1 minute.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I should like to ask the gentleman from North Carolina the date of the editorial which I believe he said was from the Herald Tribune.

Mr. BARDEN. I shall be glad to give the date to the gentlewoman. It is May 13, 1944.

Mrs. ROGERS of Massachusetts. And can the gentleman also give me the date of the endorsement of the educators which was mentioned in the editorial?

Mr. BARDEN. The only thing I know is that it is all in the same editorial.

Mrs. ROGERS of Massachusetts. I believe the gentleman will find that the endorsement preceded the drafting of the present Rankin bill or its reporting. I know the educators did not like the Senate bill at all.

Mr. BARDEN. I did not read it so much for that, I will say to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I know the gentleman wants to be accurate.

Mr. BARDEN. I am not giving any weight to that endorsement. The question I wanted to bring forth was the process of reasoning which the mind of the editor went through when he wrote the editorial.

Mrs. ROGERS of Massachusetts. I welcome the discussion of the bills, but I think our bill protects the rights of States more than does the Barden bill.

Mr. BARDEN. I wish I could agree with the gentlewoman, but I cannot do it.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to extend in the Appendix of the RECORD a story of the flood at Norwalk, Nebr., where a million dollars' worth of damage was done.

The CHAIRMAN. May the Chair inquire of the gentleman, the material to be extended is his own material?

Mr. STEFAN. It is my own material, Mr. Chairman; no extraneous matter except my own remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska [Mr. STEFAN]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, late last year back home before the Endicott Furlough Club I made a few proposals which I later incorporated in the CONGRESSIONAL RECORD of December 6, 1943. I called my proposals the elementary three R's of veterans' legislation. I outlined in the proposal rehabilitation, reeducation, and readjustment.

I was most happy, I can assure you, when early this year the American Legion came forth with the G. I. bill and incorporated a great many of those proposals in it. At this time may I compliment the committee members for the efforts they have put forth in drawing up and writing this G. I. bill. In the face of great opposition, in the face of pressure from many groups, the members, from the chairman of that committee on down, are entitled to great credit.

Mr. Chairman, this is one of the most outstanding pieces of legislation which ever has or ever will come before the Congress. It proposes to rehabilitate the veterans of World War No. 2 and provides for a system of completion of education and a system of employment placements which has never before been conceived by any nation in the world. It is a step in the right direction. Of course, subsequent legislation will have to be proposed to different parts of the bill. Nevertheless, this constitutes a blazing of the trail along which we must go a great way in relation to the boys in the service.

I mentioned the three R's as the fundamental steps in veterans' legislation. A great deal has been done in connection with rehabilitation. Hospitals and medical attention have been provided for those who will return from World War No. 2. If I were to give a title to the present G. I. bill I would call it a bill to adequately equip the veterans of World War No. 2 for post-war pursuits by providing them with education—vocational, specialized, and advanced. Those words, in my opinion, adequately describe the G. I. bill and those fundamental precepts that I mentioned late last year. I am so glad to hear that the Committee is unanimous or almost unanimous on these points.

Mr. Chairman, as time goes on I hope we will be able to go even farther on the course we have charted to date. The war has lost several million years to this generation in their educational pursuits. There is no reason why these millions of years cannot be made up. They should be made up and the veterans of World War No. 2 should be provided for in such a way as to make up for this great loss.

Those brave men and women of our armed services will find America a better place to live in if we pass the G. I. bill now and provide them with the future of rehabilitation, of reeducation, and of reemployment which they deserve for the sacrifices they are making in this awful struggle.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, I would like to call the attention of the members of the Committee on Education, particularly the chairman of that committee, who made the statement that there is no immediate need for this educational provision, to the fact that there have already been discharged 1,200,000 men from the armed services and that the benefits provided under this bill should be given as soon as possible because if there are any bugs in connection with this legislation we can get them ironed out before the main body of the troops are discharged.

The CHAIRMAN. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, this bill or a similar one should have been on the statute books just after Pearl Harbor. Mr. Chairman, I now yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I am glad that out of 10 hours of debate, 5 on each side, it is at last possible for those on this side who disagree with the wisdom of the educational provisions of this bill to get 5 minutes. This is the first 5 minutes we have had. I appreciate fully the difficulties and the proper right of the members of the committee to be heard first, but it seems too bad we have not had, and will not have, opportunity to present in a connected way, our view of the differences between the two proposals and thus perhaps be able to discuss the matter with less heat and more analysis.

Mr. Chairman, I had hoped for time to discuss the two plans for providing education for returning veterans under five main headings. First, eligibility; second, length of training; third, the administrative set-up; fourth, costs and payments by the Government, how they are to be made; and, fifth, control, including supervision of the veterans receiving instruction. That is, how and by whom these veterans are to be handled whose training and educational records are not satisfactory.

Both committees are trying their best to achieve the same end. They differ only as to the best means. If two doctors are called in to treat a patient and they disagree as to the best medicine to use or the best type of operation to be performed, I have never known one doctor to accuse the other of trying to kill the patient; they know both are trying to get him well with a minimum of delay, suffering, and cost. Both of these committees are trying to get for each qualified veteran a maximum of educational benefit with a minimum of bureaucratic control, red tape, and confusion. Which can do that job better? That is the only thing I am interested in and if I become convinced that the bill reported by the Committee on World War Veterans' Legislation will do it better as it is, I should vote for it without change.

Mr. Chairman, there has to be divided responsibility in such a program, because this country was deliberately organized with divided responsibility, and I look with alarm on the attempts on every hand to depart from that system. Major control of some things must be lodged in the Federal Government, and major control, even complete control, of some things has always been lodged in the States. I believe major control so far as education is concerned should continue to be in the regular established educational agencies in the States, experienced and already operating efficiently. It is not an experiment with them. It is their proper business and they have proven by the magnificent educational system in this country that they understand it. I want the minimum amount of control to be under the Veterans' Administration. It must have there the complete records of every veteran certainly; it must determine those who are eligible, certainly, it must certify them for the sort of training they elect and to the institution they choose, certainly; it must pay the bills, certainly; but once a veteran is certified, for 1 year or 2 years or whatever it may be, then I think the major control must be, if we are to make sure of preserving our basic American system, in the hands of the educators who are to give the actual training or instruction.

In regard to eligibility, the Veterans' Committee bill provides for education or training for any man who has served 90 days or more in active military or naval service, provided his education or training has been impeded, delayed, interrupted, or interfered with by reason of his entrance into the armed services, or, second, that he requires a refresher or retraining course to fit him for employment or to practice a profession. The Education Committee bill provides education for any person who has served in the active military or naval service 6 months, or for a lesser period if overseas or on sea duty, or who was discharged because of a service-incurred disability or injury.

Which of these is better for the veteran and for the country is a matter of policy. The House has got to vote on it. Personally I fear it is likely to prove a disservice to the veteran to require the Veterans' Administration with all the responsibility it properly and inescapably has for taking care of the disabled and the wounded, the hospitals, pensions, insurance, employment, loans, and so forth, to take on the enormous additional task of investigating the prewar record of every one of from one to possibly three million veterans, to see whether their education or training has been delayed, impeded, interfered with, or interrupted by reason of their service.

I believe that every veteran who has had 6 months—or if the House prefers, 90 days—of active military service, exclusive of time spent in A. S. T. P. or V–12 programs or the service academies, or has been in service on the sea or overseas, or has been injured in active duty, ought to be made eligible for this training if he desires it, without having to demonstrate he has been impeded or delayed in his educational career. Many a boy will come out of the service with a desire for education which did not exist before. Is he to be ineligible? His training in the service, or his travels, or what he has seen other men do have given him the idea for the first time in his life, have awakened in him the ambition to get a particular type of education or training. I think we ought as a Nation to rejoice in his newly found purpose and that he deserves the opportunity to go ahead. The fact that he has risked his life for Uncle Sam should be enough, I think. He ought not to have to prove that his education has been interfered with. The presumption should be in his favor. His only qualification should be his ability to make a good record in his training, to prove he can absorb it with profit. That is his right, I think, and it would also greatly simplify the administration of the program.

Second, length of training. The Veterans' Committee bill provides 1 year for every veteran who is eligible, and then, provided he does satisfactory work, as many more months of training as he spent in active service with certain deductions. It sets a maximum total period of 4 years.

The Educational Committee bill gives every eligible veteran 54 weeks of training. In peacetime the regular school year has been about 36 weeks, two semesters. Most schools are now operating under the accelerated program, in continuous session. A calendar year of 52 weeks lacks just 2 weeks of giving the man a third semester of training, so we extended the period 2 weeks to make it 54 weeks. This allows the veteran, if he wants to, one and a half ordinary school years of education in a little over 1 calendar year. If he makes good, he is then eligible for an additional 54 weeks or one and a half school years more. He may thus get a maximum of 3 school years of training in 108 weeks. He can be eliminated, of course, at any time by the educational authorities in his institution if his work and behavior are not satisfactory.

Third, administrative set-up. The Veterans' Committee bill provides for the Administrator of Veterans' Affairs in Washington to deal directly with each individual institution in the United States. The Educational Committee bill provides for administration through or via the State departments of education.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. JUDD. Thank you. This, of course, is the crux of the matter—control in Washington or in the States. If the Veterans' Committee, in addition to the changes they have already most courteously agreed to make, would strike out the provision on page 54, lines 4 and 5, which permits the Veterans' Administrator to approve or recognize "additional public or private schools or institutions" which have not been recognized by the established educational authorities in the State as equipped to supply suitable education or training, most of our difficulty could be resolved.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman.

Mr. ALLEN of Louisiana. What remedy would a school have that is left out by the State agency? What remedy would that school have, if any?

Mr. JUDD. I do not think it would have any remedy, or ought to have any, unless or until it can show the State agency that its training is adequate to qualify under this program. If it cannot show the proper educational agency of a State, staffed not with professional officeholders but almost always with devoted educators whose life work has been to train and develop American youth for citizenship and for useful self-respecting employment, that it is prepared to give the veteran the training he desires, then I do not think we dare lodge such authority in Washington. Almost every dictator in history has come to power by gaining direct control of education. Of course no one in the Veterans' Administration could say directly to an institution, "Teach this" or "Don't teach that." But through its power to recognize schools or institutions not approved by the proper State agencies, it would be in effective control of the educational standards of the country. It would break down the standards built up with such labor during so many decades. I fear the consequence of taking out of the hands of the State departments of education and putting into the hands of anybody in Washington no matter how wise he may be the right to decide whether a school in Minnesota or California shall be recognized or not, because that right means that the Federal Government will be establishing, as I see it, the standards and qualifications of educational institutions. I believe this power ought to be placed solely in the hands of the educators in the State departments and not in the hands of the Veterans' Administration, regardless of how splendid and high-caliber an individual the present administrator unquestionably is. We have to write this legislation in terms not of the best administrator but of the worst possible administrator we might some time have.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. BUSBEY. What would happen to these veterans who might want to take up subjects such as osteopathy, aircraft, automobile, radio, barbers college, the study of Diesel engines, or watchmaking, or even to attend a theological seminary?

Mr. JUDD. Those schools would have to be recognized by the State departments as being equipped to supply education or training of the sort desired by the veteran. If it is a properly equipped and staffed osteopathic school or seminary or business college or mechanics' school, it would certainly be certified by the State board as equipped to supply the education or training that the veteran wants. If it is not so equipped, it certainly ought not to be recognized by the Federal Government over the head of the proper State authorities. It will be no service to the veteran to pay his way at a fly-by-night, mushroom, quack school which cannot give him the training he expects to get to fit him for his chosen vocation. There are, of course, risks of injustice either way, but, I believe, far less risks for the veteran and for our educational system and for the Nation's future if the determination of which institution shall be deemed qualified to enroll eligible veterans is left not partially but wholly in the jurisdiction of the established State educational agencies.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. JUDD. I am sorry there is not time for the other points.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would like to say to the gentleman, in the Barden bill powerful State bureaucracies or agencies can be built up and the veterans will constantly be interfered with by the State boards which are created under that bill. The veterans, in many instances, may not be well, may be nervous after their service and after their fighting, and the Veterans' Administration knows how to handle those men. I fear very much also that these advisory boards might interfere with the veterans' welfare.

Mr. JUDD. The gentlewoman means the one in Washington?

Mrs. ROGERS of Massachusetts. The ones in the States.

Mr. JUDD. The advisory committees in the States will aid the State boards in deciding which of these colleges and training schools are best fitted under this educational program.

Mrs. ROGERS of Massachusetts. And they might do a tremendous damage.

Mr. JUDD. I still trust the States more than I do the Federal Government.

Mrs. ROGERS of Massachusetts. I trust the States, but these boards will be federally appointed and can constantly confer with the educational institutions, but in veterans' matters, the veterans should have the Veterans' Administration as the agency where the veterans make their plans for education. Under the Rankin bill the Veterans' Administration will not interfere in any way with the schools of the States.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. RANKIN. Mr. Chairman, I yield the gentleman from Michigan [Mr. DONDERO] 3 minutes.

Mr. DONDERO. Mr. Chairman, the subject under discussion cannot be covered in 5 minutes.

This means that most of us, who are on the Committee on Education of the

House, out of the 6 or 8 hours of debate thus far, will have had 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I have only 5 minutes in all.

Mrs. ROGERS of Massachusetts. The gentleman from North Carolina was given an hour and a half.

Mr. DONDERO. Mr. Chairman, there are two bills before the House. It is unfortunate, in my opinion, that two committees of the House of Representatives should have jurisdiction of the same subject. I think both the committees are sincere in their effort to bring to the House and to the country, for the benefit of the veterans, the best possible bill to provide for their needs.

The only section that is in dispute seems to be the section on education. The Committee on Education, of which I am a member, has considered the subject of education for the veterans of this war for months. We began last October to hold meetings of the committee to consider the different proposals. Now we are confronted with a situation where the Committee on World War Veterans' Legislation comes into this House and admits that one of the paragraphs in its bill, Senate 1767, should be eliminated. The Committee on Education believes that one of the paragraphs could be possibly deleted from its bill without weakening it. This simply shows that no matter what bill comes before this body it may not be a perfect bill. The objective we all desire is the best possible bill for the veteran.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Mississippi.

Mr. RANKIN. I just wanted to say that, like a good many professors, we sometimes make mistakes.

Mr. DONDERO. To err is human. I believe the bill (H. R. 3846) reported by the Committee on Education, has some features in it which are far better than the features provided in the bill reported by the Veterans' Committee. I call attention to one, namely—part VIII—which refers to the length of time a veteran may have in school, under the Veterans' Committee bill. It is indefinite, it is not specific. After 1 year he can have only such further schooling as his length of service in the armed forces of the United States exceeds 1 year. I think that should be stricken out and the provision in the bill reported from the Committee on Education inserted in its place, as it is specific and definite. It provides for 54 weeks of education or training and if he has completed his work satisfactorily in that period he is eligible for 54 weeks more. If a man serves 1 year and 6 days, under the Veterans' Committee bill, he can have 1 year and 6 days in school. At the end of the sixth day after the first year his schooling or education would be terminated. In my judgment, that is detrimental to the veteran himself. I think we can improve the bill by adopting the provision of the bill from the Committee on Education.

My able friend, the gentleman from Illinois [Mr. BUSBEY], was in error—and I know that his error is not intentional because, like all the rest of us, he is desirous of passing the best legislation possible for the veteran—in saying that "war-service person" includes civilian employees. There was no intention on the part of our committee, nor do I think on the part of his committee, to include anybody except veterans. That word is spelled out and defined in the Committee on Education bill. It refers only to those who have served in the armed services, military or naval, of the United States 6 months or more. The definition in the Veterans' Committee bill is almost identical.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Illinois.

Mr. BUSBEY. Does not the gentleman think that in the bill it would have probably been better to have used the word "veteran," inasmuch as the phrase "war service" was used in the old Thomas bill and 1509 as a basis for including people who had done any kind of war-service work?

Mr. DONDERO. I think the definition spelled out protects the veteran. It includes only the veteran.

Mr. BUSBEY. We are still planting that seed there for the future bill that comes before the House.

Mr. DONDERO. There is no intention to bring all civilian employees in.

I want to refer to what I think is the very heart of the difference in opinion between the two committees; that is, whether we shall have State control of education in this country or whether we shall have Federal control of education. I have stated on this floor before what I repeat today, that an attempt has been made to gain control of the public-school system of this country by the Federal Government through bureaucracy here in Washington. Legislation has been introduced and there is some pending now under one guise or another, to control the public-school system of the country. I am opposed to that. Federal aid and Federal control are inseparable. Under the Veterans' Committee bill the Administrator of Veterans' Affairs controls public education of veterans instead of the States. He will fix the standards and determine which schools are qualified to enroll veterans for education and training. Washington, not the States, will rule the State schools. Education is a State matter, with local authority serving local needs and local interests. The veterans will necessarily attend State schools and State colleges in their own States. Why should the control of those institutions be transferred to Washington and increase the ever-growing centralization of power in the National Capital? The cause of the veteran is our first consideration. He will be served best by providing his educational opportunity and training as near to his home as possible.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, a few days ago I received from the Governor of the State of Iowa a telegram stating that he was in favor of the Barden bill as against the Rankin and the Clark bills. I replied by letter suggesting that he had better read all of the bill.

I now have a wire from him which I desire to read:

> My telegram to you based upon analysis of the Clark bill and various other proposals that I had made by a number of people in the educational field. I have full confidence in your judgment but merely wanted to emphasize in my telegram my personal views that we should maintain State authority and lessen Federal centralized authority wherever possible. I have another message this morning indicating that the House amendment which you helped draw is preferable to either of the others.

It is signed by B. B. Hickenlooper, Governor of Iowa.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself the remainder of my time.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Chairman, after listening to the arguments of the members of the Committee on Education, a very fine committee, it seems clear to me that their bill is an educational bill and not a veterans' bill. I call the attention of the House to the fact that this bill makes the Veterans' Administration a war agency second only to the Army and the Navy. I cannot imagine the Secretary of War or the Secretary of the Navy yielding their prerogatives to other departments. They would be unable to have another and outside agency function in their Departments and control them to quite an extent.

Today the Veterans' Administration already has a section for vocational training and education, just as it has for insurance and just as it has for medicine and surgery. This belongs to the Veterans' Administration. Every veteran whom I have seen or from whom I have heard—and I know other Members of the House feel the same way and have heard the same thing—wants this in the Veterans' Administration; and presumably we are legislating for the veteran. That is the purpose of the bill under discussion, the bill to place various means of assisting the service men and women with problems of reconditioning and readjustment into civilian life.

Mr. RANKIN. Mr. Chairman, I yield myself the balance of my time.

In reply to the gentleman from Minnesota [Mr. JUDD] may I say that while the Committee on Education represents the educational groups throughout the country, the Committee on World War Veterans' Legislation represents the veterans. The pole star in this legislation is what is best for the veterans who come out of this war. In this bill we have provided the most liberal assistance that has ever been granted. We have followed the policy pursued after the last war, which proved to be a success, and at the same time we have left to the veteran's discretion the choice of the school he may attend.

There is one danger, that certain educational groups may arrogate to them-

selves the right to run the country. That is another thing we want to guard against, because what we want is to enable these boys to go wherever may be necessary to prepare themselves for the battle of life. For that reason, we have given this additional power to the Administrator of Veterans' Affairs to recognize those institutions that, I am almost certain, would not be recognized, many of them, by the educational groups to which the gentleman from Minnesota refers.

The CHAIRMAN. All time has expired.

The Chair will state for the information of the Committee that in accordance with the general rules of the House the bill will be read by sections and each section will be open to amendment as read.

The Chair will state further that under the provisions of the rule making the consideration of the bill in order the Clerk will read the committee substitute for the Senate bill by sections.

Mr. COCHRAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COCHRAN. It was my understanding or I was told a minute ago they were going to read title I. If they are going to read of title I, anyone who has an amendment to a section in title I must offer that amendment at the expiration of the reading of the section and not wait until title I is read or it will be too late.

The CHAIRMAN. The gentleman from Missouri is correct. The committee substitute will be read by sections and be open to amendment by sections.

Mr. RANKIN. I may say to the gentleman from Missouri that I do not believe there will be very much controversy over title I. We have agreed to read title I, if it does not take too long, and at the completion of title I we expect to rise and carry the rest of the bill over to tomorrow.

Mr. COCHRAN. My contention is if title I is read in its entirety, then, as I have amendments to sections in title I, I will not be permitted to go back to those sections except by unanimous consent.

The CHAIRMAN. Inasmuch as the bill will be read by sections, the gentleman from Missouri may offer amendments to each section to which he desires to offer amendments as it is read.

Mr. COCHRAN. I understood from what the gentleman from Mississippi said that they are going to read the entire title. If they are going to read the entire title, then I assure the House that they are going to have some votes on sections before the entire title is read.

The CHAIRMAN. The Chair will state to the gentleman from Missouri that the title will be read by sections and each section will be open to amendment as it is read.

Mr. COCHRAN. I thank the Chair. I understand that.

Mr. RANKIN. I may say to the gentleman from Missouri that after the first section is read I am going to move that the Committee rise, and then we will read the other sections tomorrow.

Mr. COCHRAN. That is agreeable to me.

Mr. BROOKS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROOKS. Under that ruling is a pro forma amendment proper to the first section after it is read?

The CHAIRMAN. In the absence of a motion to rise, a pro forma amendment would be in order.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.,

TITLE I

CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled, second only to the War and Navy Departments, to priorities, in personnel, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities, and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service.

Mr. BROOKS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I make this motion for the purpose of getting a few moments to address myself to the title of this bill. At the present time there are at least five committees of Congress dealing with the question of termination of war contracts. There are a number of committees of Congress set up and giving their attention to the matter of quick turn-over of war industry to peacetime use. The executive departments are dealing with proposals for reconverting war industries and putting the country rapidly back on a peacetime basis. I think it is very important that the country should be reconverted quickly to a peacetime basis. I think, however, it is just as important, if not more important, that the soldier and the sailor coming back from the wars, should likewise be rehabilitated as quickly as possible. The veteran steps out of the Army with a mere pittance of pay. It is true that Congress has given him in addition, $300 for mustering-out pay. He takes this money and steps into civilian life and is immediately face to face with the keen battle of economic competition. Under the terms of this bill, Mr. Chairman, we provide for unemployment benefits; we provide for loans to build a home or obtain a farm or a little place of business, and give other help. We provide for preference in civil-service jobs. But the most important matter to consider, Mr. Chairman, is the aid to the disabled veteran who leaves the service. That man is entitled to immediate help from the Government, and the soldier or the sailor who comes out of the service missing an arm or a leg is entitled to have his claim for compensation or pension adjudicated the moment he steps out of the service.

The battle casualty should step out of the armed services with an honorable discharge in one hand and a certificate showing the extent of his disability and the amount of money he is supposed to receive from the Veterans' Administration in the other hand. To delay that, Mr. Chairman, is almost inexcusable. It places upon the service man or woman who has faithfully discharged his duty to the Nation in time of war, the uncertainty of not knowing what he is going to do in the future. It places upon his mind the worry of not being able to meet the competition in financial life back home. It places upon his body the problem of maintaining health under serious handicaps, due to the war, when he should not be placed in that position. So I say in the few brief moments that I have here today, it is just as important, Mr. Chairman, that the returning veteran be immediately rehabilitated as it is that industry itself be reconverted immediately. If we spend the time reintegrating that veteran, so to speak, and rehabilitating him into civilian life, that we are spending in reconverting business and terminating contracts quickly, the country will be far better off and certainly the veterans will be far better taken care of.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the gentleman have 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Mississippi.

Mr. RANKIN. I appreciate the gentleman's service to the veterans and his attitude generally on veterans' legislation. I agree with him that it is our duty to try to reestablish these men in their given occupations, and for that reason this committee has taken the position that we represent the veterans and should try in every way to make it possible for them to secure that training necessary to reestablish them in their given occupations.

Mr. BROOKS. I will say to the gentleman that title I goes a long way toward correcting the troubles that have been experienced heretofore and I commend his committee for the inclusion of the features in title I of the bill.

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I want to commend the gentleman from Louisiana for his statement. I may say to the gentleman from Louisiana what I want to do with the amendments that I propose to offer is just exactly what he desires. I go further than the gentleman does as I also want to do something for the widows and orphans of those who have lost their lives. I want to expedite their cases. Now, Mr. Chairman, the amendments that I am going to offer to title I has to do solely with the disabled, the widows and orphans, and the personnel of the Veterans' Administration. In the end I do not think it means additional cost.

I want to tell you now what happened in the last hour. It concerns what I told this House time and time again, and that is, if you do not instruct the disabled person, you are not going to recondition

him. I understand that the War Department and the Navy Department want to drop that word "rehabilitation" and use the word "recondition." Just within the hour a young man came into my office from Boston, Mass. He was born without arms. He sat down and said, "Mr. COCHRAN, I have read what you have said with reference to instructing those who are disabled. If I had not been instructed I would not be able to do what I can do now. You are right; it is essential competent instructors take over the disabled when the surgeon steps out."

The shoe on his left foot was loose. He dropped it off. He had a specially made sock. He used the large toe and the toe next to it. He threw his left foot over his right leg and he went into his pocket and pulled out his pipe and then immediately thereafter pulled out his tobacco pouch. He put it on the floor and filled his pipe and I struck the match that lit the pipe for him. He probably could have lit the match. He told me then that he was a clergyman, that he was a chaplain in a private hospital in Boston. He said he had visited the naval hospital at Chelsea and other hospitals. He had visited disabled people and he knew that if they did not have the instructors to take over when the doctor left off, the man would never be reconditioned. I talked to him about the rehabilitation program of the Government. He said that he had read an article in a New York paper where Lt. Col. Howard Rusk of the Air Corps of the Army was given a medal or an award by some organization about a week ago. He asked whether or not it would be possible for him to see the exhibit at the Air Corps.

I called the air surgeon and made an engagement for him. I asked for the room number in the Pentagon Building. My secretary was standing alongside of him and I told him to write down the room number. This man said, "No. Never mind. I will do it." He picked a pencil out of his pocket after he dropped a pad on the floor, and he wrote down the room number.

Now, there is evidence of what a man can do who has been trained. What has been done for him, we can do for the disabled soldier.

A friend from home came into my office Saturday morning. He came down from New York on the train, and met five sailors who were just back from Sicily. One of them had no arms and only one leg. Another one had lost both legs above the knee. The other three had lost one leg. They were on their way to the hospital at Valley Forge. They told my friend they were not alone, many others had preceded them and many others would follow. It is men like this that we must recondition. My amendments provide they must be properly taken care of after the surgeon is through with them.

I hope all Members will read the amendments that I placed in the RECORD Friday, together with the explanations as to what they seek to accomplish, and then when I offer them tomorrow I trust you will support them.

Mr. RANKIN. Will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. RANKIN. We have a bill providing for widows and orphans which will probably be taken up on Wednesday.

Mr. COCHRAN. That bill I think is for World War No. 1 widows and orphans.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. COCHRAN] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise to ask the gentleman from Missouri if he is not satisfied with the amendment that we have in the bill, which seems to be to insure the veteran receiving his instruction in the artificial appliances, either in the military services, in the Army and Navy hospitals, in the Veterans' Administration hospitals, or under contract, for instance, with a hospital, such as the very fine institute for the crippled in New York.

It seems to me that this amendment would cover all the things that the gentleman seeks. The original amendment that I tried to have placed in the bill, the gentleman had in mind I know, that men should be kept in the Army and Navy until they were fitted and until they could use the artificial arm or leg. But so many of the veterans beg to be able to go out to Veterans' Administration hospitals or to their own homes for their training on an out-patient arrangement that we finally changed the provision to the present one in the bill, so as to have treatment and training on a contract basis without hospitals or institutions.

Mr. COCHRAN. My amendment includes the gentlewoman's provision in the bill, but I go further. Under my amendment the men are not only to receive prosthetic appliances and training in their uses but also other services of rehabilitation, where needed, to return a person in the armed forces to duty in an assignment commensurate with his remaining capacities.

The reason I say that, I met a young man in New York during Easter week when I was there. He called at the same institution that I was, getting his appliance adjusted. That man could walk across the floor and you could not tell he had an artificial limb. He could walk without a cane or anything else. He could dance. He insisted he was going to continue in the Army. He said he would get back in a plane again. He was going back to Europe.

My amendment will take care of men of that character.

Mrs. ROGERS of Massachusetts. That is already being done by the War Department. The gentleman would probably like to have it made stronger. The gentleman from Missouri has always been a tireless and most effective champion of the veterans and his own disability has given him an even greater sympathy and understanding of their problems.

Mr. COCHRAN. I sat in a room with the Surgeon General of the War Department and heard him tell a committee what he was going to do. A week or two afterward I found they were not doing what the Surgeon General said he was going to do. Instead of delegating authority about which there is so much complaint, I want the Congress to tell them what to do. That is the purpose of my amendment. Let us put it in black and white and tell them what to do As I said, I leave in the gentlewoman's amendment.

Mrs. ROGERS of Massachusetts. I understand, and I, for one, would be very glad to accept the gentleman's amendment. The feeling of the committee was that we did not want to force the men to stay in the hospitals when they did not want to remain there. I was argued down on that point.

Mr. COCHRAN. But a man who is in a hospital waiting for his appliance, when he has to wait 8 weeks or longer, is not in a very good frame of mind when he is ready for it. We should correct that also. We should be ready to give these men what they need when they are ready for it.

Mrs. ROGERS of Massachusetts. Sometimes they can secure their artificial appliances outside the Army or Navy institutions better because they have a wider selection.

Mr. RANKIN. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. RANKIN. Every member of the committee was most sympathetic with the amendment offered by the gentleman from Missouri [Mr. COCHRAN]. We made every possible provision, but we did not make it mandatory that they stay in the hospitals, because some of them might want to leave.

Mrs. ROGERS of Massachusetts. That is true. Some of the men begged to get out of the hospital.

Mr. RANKIN. Yes. Some of them wanted to get out of the hospitals, but we did make it possible for them to stay there and receive the training necessary for them to use these appliances.

Mrs. ROGERS of Massachusetts. And it is mandatory that they must be given training somewhere, either in the service hospitals, in the Veterans' Administration hospitals or outside, under contract in civilian hospitals, which I think is an excellent provision and there is no time limit set.

Mr. COCHRAN. My amendment also provides that. I leave the language of the lady's amendment in my amendment.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. GILLIE. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I believe the G. I. bill of rights which is now under consideration by the Congress is one of the most important measures we have ever considered. I should therefore like to say a few words in support of this proposed legislation.

The tragic recollection we all have of what our heroes returned to after the last war should speed our enactment of

legislation which will make adequate provisions for our service men and women after this war. During and after World War No. 1 we were generous to our servicemen in eulogistic phrases and in shiny medals; but when the boys came back they found out they could not eat the medals and they could not spend the eulogies. The words and the medals were empty gestures without opportunities to take their rightful places in the peacetime economic life of the Nation they had served so unselfishly.

It is our patriotic obligation to guarantee that this shameful period in our history is not repeated. The G. I. bill of rights is not the complete answer to the problem of the adjustment of the Nation from war to peace, but it goes a long way toward speedy integration of our returning service men and women into our postwar life. It is estimated that there may be as many as 16,000,000 service men and women discharged from the armed forces by the end of the war, and that this vital legislation will affect directly the lives of 40,000,000 of our citizens.

It seems to me that the authors of this bill deserve the commendation of the Members of the House on the excellent job they have done. It is particularly worthy of note that the necessary procedures in connection with the administration of the provisions of this bill have been cut to a minimum. Our returning men and women will want and need to be free from regimentation and from undue restraints upon their freedoms as ordinary citizens again. I know they will want to become self-sustaining and contributing members of our productive life as quickly as possible, and I believe this bill has cut the necessary red tape to a minimum. I know that the Veterans' Administration—the only agency it will be necessary for them to go to for service—has the experience and the sympathetic understanding essential to carrying out the provisions of this bill.

It will, of course, not be enough that we provide the readjustment allowances, the job counseling, the employment placement, the educational opportunities, and the hospital facilities provided for in this bill. The returning service men and women will be parts of a vastly complicated economic structure which will be undergoing a tremendous transition from wartime to peacetime. The economic opportunities available to the servicemen, as to our other citizens, will be dependent in large measure on how we solve the many and varied problems of this transition period.

Congress will, however, in passing the G. I. bill of rights be going far in the right direction toward meeting its obligations to post-war America, and I am, therefore, happy to support this very important measure.

Mr. CUNNINGHAM. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Iowa is recognized for 5 minutes.

Mr. CUNNINGHAM. Mr. Chairman, I do not intend to consume the 5 minutes. I take this time to ask the gentleman from Missouri [Mr. COCHRAN] a few questions if he will yield.

Mr. COCHRAN. Certainly.

Mr. CUNNINGHAM. I have gone over the gentleman's proposed amendments as set forth in the RECORD. Let me say to the gentleman from Missouri at the outset that I am entirely in sympathy with his objectives. I notice, however, in the proposed amendment in regard to the use of prosthetic appliances that there is a limitation of 6 months after the end of the war, whereas the committee bill and the provision placed in it by the gentlewoman from Massachusetts [Mrs. ROGERS], as to the use of prosthetic appliances, has no limitation at all; the training can go on for such time as may be necessary to aid the veteran. Does not the gentleman from Missouri believe 6 months is too short a period of time?

Mr. COCHRAN. If the gentleman will read further in the amendment, he will see I have placed in paragraph (c) the exact words contained in the amendment proposed by the gentlewoman from Massachusetts.

Mr. CUNNINGHAM. Does that not apply to out-patient treatment only?

Mr. COCHRAN. No; it is the exact wording used by the gentlewoman from Massachusetts.

Mr. CUNNINGHAM. Then does the gentleman not feel that his 6 months' provision is a limitation?

Mr. COCHRAN. That is as far as the Army is concerned. This other applies to the Veterans' Administration.

Mr. CUNNINGHAM. Does the gentleman from Missouri feel that 6 months is sufficient even for the Army or Navy?

Mr. COCHRAN. I am perfectly willing to amend it to suit whatever the gentleman suggests.

Mr. CUNNINGHAM. I am sincerely in sympathy with the gentleman's objectives. I think we ought not to have any limitation insofar as instruction in the use of prosthetic appliances is concerned, no limitation beyond that which is absolutely necessary.

Mr. COCHRAN. Feeling that I have a friend, I will strike out the 6 months from my present amendment.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last four words.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. McCORMACK. Mr. Chairman, the consideration of the pending bill impresses upon our minds most forcibly that war is a fearful desecration of the dignity of mankind. America today is the greatest offensive military force upon the face of the globe. Wherever the sun rises, American equipment helps the beginning of another martial day. Wherever the sun falls below the horizon, there will be found American armed forces fighting for American idealism and world peace.

These sons and daughters of America did not choose to become instruments of war to cause death and destruction by their bullets and their valor. These children of yesterday and our adult defenders of today had imposed upon them through their Government the obligation of military service and the privilege of heroic sacrifice for the preservation of America. They sought not the death of the hero, but they willingly undertook the burden of the war which their Nation has declared was and is necessary for the preservation of the dignity of mankind and the protection of the sanctity of the American home which the war in which they participate would, if left unchecked by their magnificent contribution to humanity, have destroyed.

The extent of our military operations as a Nation baffles the individual understanding and comprehension. The man in the street knows that we are at war. Maybe, if his son is in Africa or Italy or the Southwest Pacific, he knows more intimately than his neighbor the details of the progress of the American forces in those localities. But how can he be expected to comprehend the war in all its gruesomeness in any other locale? And as it is with him, so is it with every other parent of every other child, boy or girl, man or woman serving under and for the American Stars and Stripes.

Congress knows the over-all picture. We know where and why and how the war progresses. We know what we have asked American youth to do for American future greatness. We know the cost to them. Congress, more than any, knows that war never pays dividends in the form of cash upon capital. Virtue and glory and honor and national security are the dividends of war which are available to a people only at a great cost and almost stifling sacrifice.

Our armed forces are not fighting for territorial conquest or changes in national boundaries not in accord with the will of the people of any Nation. They—as we—believe in the sovereign rights of smaller nations. They are fighting and dying for an established peace wherein all nations may enjoy within their confines freedom from wordly unnecessary unhappiness. They give of the precious possession of youth for the destruction of force as a weapon of international arbitration. For these ideals their lives have been disrupted, too often destroyed, and far too often ended.

Payment for personal sacrifice can never be appraised as to value or made in material manner. This truism can never be better evidenced than in the attempt here made to provide rights for veterans commensurate with their sacrifice. The people of the United States would decry barter in determinations of these rights. Congress, expressing the will of the people, realizing the inadequacy of any determinations, has approached the problem with the sole objective of justice for all, realizing that our national security depends upon our action.

What has the American youth done for America in this war? He and she have gladly laid aside the clothes of the civilian and donned the military garb; left the peace and quiet of his home—for we still have peace and quiet in America; foregone the pleasures of a luxury-loving

country—for Americans in America still enjoy the luxuries; given up the advantages of education with all its concomitant adult privileges—for those who will be fortunate enough to have continued their education and training will, whatever veteran benefit he may lose, yet have a superior advantage which only education can give; placed behind him the soft loves and tender cares of those in whom and for whom he or she had lived and hoped, to go forward to battle for you and me, for America—to permanent disability, blindness, death, if necessary, for the life of their fellow man and their future fellow citizens of our great Nation. How easy to sit back and decide our daily problems, far removed from shot and shell, when these men and women under fire, in hardship, in loneliness, in trepidation, pass each fleeting minute and dragging hour with the one thought—home and America.

Humbly and with humility should we face our responsibility of endeavoring to compensate where there can be no compensation, to reward where no reward would ever be worthy, to repay where remuneration is impossible. All we can do is to be mindful of their valor and their sacrifice and to be generous in our appreciation of their accomplishment. They must be reintegrated into the society they knew, into the world they loved, with as little disillusionment and impossibility of readjustment as it is in the power of man to accomplish. That task in part faces us today as we are erecting a sign post for all veterans—to their future security and happiness.

Post-war planning—how often do we hear the words; how many committees are working on this subject. Post-war planning and contribution to the war effort are all important and necessary, but, also, economics by sound political economy is the keynote of our future planning. Surplus property, contract terminations, merchant shipping, international aviation—all are having our attention. In our treatment of these vital problems lies the future of America. But the returned veteran will carry the key. And the greatness of our America will be in proportion to the mental, moral, and physical well-being of our returned armed forces.

Is there a price to pay which can be too high for our national assurance of a place in the sun of peace for America? Our only assurance of future civilization is in the hands of the American veterans, who will number before the final bugle sounds over 13,000,000 strong. They must be protected against disease and disability by adequate hospitalization. They must be guarded against fear and want through loans and aid to their dependents. They must be safeguarded in their impeded and interrupted education lest America be impeded or destroyed by false philosophy or un-Christian tenets. They must be aided in their period of reintegration through their periods of unemployment lest civil strife rear an ugly head and tear a vicious wound in the side of our body politic.

Money. Certainly all this will cost Americans money, but like taxes, to use the words of Oliver Wendell Holmes, such cost is the price of our civilization and our destiny." Beyond the vision of flaming armaments and battling nations there lies a glimpse of world peace, supported by the American veteran of this war, the veteran, loved and loving, respected and respectful, trusted and trusting, the American people who through Congress have kept their faith.

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, perhaps I should not ask for 5 minutes late in the afternoon, but there are one or two thoughts in my mind that I would like to express to the Members present. Tomorrow when we seriously get down to considering this bill under the 5-minute rule, if I may be bold enough to say so, I hope that we will be able pretty much to sustain the bill reported by the Committee on World War Veterans' Legislation. This does not mean that everything that can be and should be done for the men and women serving in this war is contained in the present bill. The members of this committee know that this is not so, but we know that there will be other legislation brought on the floor of the House, bills dealing specifically with the service-connected disabled, bills dealing specifically with the widows and orphans and the dependents of men now in our armed forces. I hope that we can write this bill for the benefit of those who come back at least on the surface physically and mentally well.

Let us get this bill to conference, so that if it is humanly possible it can be agreed on between this body and the body at the other end of the Capitol and go to the President, and I hope be signed by the 30th of May. The 30th of May is an anniversary dear to the hearts of many veterans throughout this country, and I think it would be a very fine thing if we can get this bill signed by that time because it is going to have an effect upon the morale of those in the armed forces wherever they may be in addition to the veterans of previous wars.

Mr. Chairman, we are going to celebrate another armistice night sometime, I hope in the near future, and that armistice night is going to be much like the armistice night of November 11, 1918. I sat here this afternoon and recalled to my mind the night of November 11, 1918. There was not much said that night about coming home or what we were coming home to. It was an occasion for celebration and each celebrated in his own chosen way.

The next day when for the first time in many a day we did not have to get up with the sun and our thoughts turned toward being demobilized and coming home, getting back into civilian life, the thing that was uppermost in every serviceman's mind that day was what conditions would he find at home. Oh, some had jobs to come back to, some had businesses; every level of the economic structure of the Nation was represented in many of our divisions. There were men with everything from zero to a million dollars, but regardless of what they had left behind in the way of material wealth, their thoughts at that point went out and they wondered just what they would do after discharge from the Army.

In this bill we answer the question that many of the men who are serving in this war will be thinking about when this war ends. We say to them: "If you come home and you cannot immediately find a job, you are going to be provided for, you are going to have enough so that you can at least have three meals a day and a place to sleep until a job is ready for you." We say to those whose education has been interrupted or who because of their war experience and the broader vision they will have acquired during the war want to go on with their education: "The opportunity has been made available to you." And to that extent in those two spheres we remove a great deal of the worry that will be going through the minds of the men and women on the day after the armistice that brings this war to an end.

I hope that we can confine the bill to the purpose that I am sure the committee and its sponsor had in mind. I say this without any reflection on those Members who have in mind offering amendments, and many of the amendments to be offered will be meritorious amendments that perhaps should be enacted into law; but let us not confuse the issue that will be before us in the next 2 days. Let us stick to the task at hand.

It has been said, and I think unfortunately, that you cannot set up the veterans in a class by themselves, but whether we like it or whether we do not, we have always set up in a class by themselves the men and women of this Nation who responded to their country's call in time of war. We did that after the Revolution, we did it after the War of 1812, we did it after the War between the States, we did it after the Spanish-American War, and we did it after World War No. 1. I know the Congress will do the same thing for those serving in this war, place them in a class by themselves at least to the extent that we recognize, speaking for this Government, that the Government owes them an obligation and it is certainly in the mind of this Congress that that obligation is going to be met. We might as well face the situation that unfortunately there are those in the Federal Government and some in our States who I fear, for selfish motives want to get their fingers or hands into this veterans' rehabilitation program because they know when they go before the various legislatures or when they come before the Congress, if it is money that is needed for rehabilitation or the returned soldier or sailor, it is going to be much easier to get that money for them than for any other purposes. That is why other agencies wish to get into this veterans' rehabilitation program. These men and women fought for the Federal Government; the Federal Government, through the Veterans' Administration, must care for them.

Let us not forget the lesson of World War No. 1 and the experience we had with divided responsibility. I referred last Friday to the four agencies to which returning servicemen in 1919 had to go for treatment, and so forth. We have profited from that experience. Insofar

as it is humanly possible, we have endeavored to set up one great agency that is responsible to the men and women who are now serving in our armed forces. We can trust future Congresses to see that no Administrator of the Veterans' Administration ever betrays the trust that this Congress is imposing on the present and the future Administrators of Veterans' Affairs. No one questions the ability, integrity, or big-heartedness of the present Administrator, General Hines.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. RANKIN. Mr. Chairman, I move to strike out the last six words.

Mr. Chairman, in reply to the gentleman from Connecticut [Mr. MILLER] I desire to say to him and the other Members of the House that we on the World War Veterans' Committee realize that our first duty is to the disabled veterans and their dependents and we are not going to slight those men and women regardless of what happens. That has been my attitude ever since I have been a member of this committee. I have done my best to that end, and I shall continue that policy. I agree with the gentleman from Connecticut that we should bear in mind that we are attempting here to reestablish these men in their usual avocations or in the avocations they propose to follow for a lifetime.

We are not going to spread this legislation out to take in all the various ramifications of bureaucracy that may exist in Washington or throughout the country, nor do we propose for the veterans of this war to be used as a common carrier to rake down enormous appropriations for other purposes. For that reason we have tried to hold this bill within reasonable bounds and have confined it to the veterans and, as I said a while ago, have made the welfare of the veterans and their dependents the pole star in all of our activities and all our operations.

What we are working for, when this war is over and these boys come home, is to hospitalize the ones that need it. As to the injured that need prosthetic appliances we propose to see that they get them and that they are taught how to use them, as the gentleman from Missouri said. The ones who come home who are in need of employment, we have made provision for them for a reasonable length of time, and have gone for beyond anything provided in the Senate bill, in that we have provided for the self-employed veterans, which means a vast multitude of farmers who are contributing so much to the war effort at this time, and who are doing so much of the fighting on the various fronts.

The committee has done its very best, and while we are going to consider every amendment that is offered, we are going to try to see that this bill is not loaded down with amendments that will injure it or redound to the detriment of the veterans themselves.

The pro forma amendments were withdrawn.

Mr. RANKIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech I delivered at Harrisonburg, Va., yesterday, entitled "Mothers of America."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks made today and include therein a proposed amendment and a letter addressed to the Committee on World War Veterans' Legislation.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that on Wednesday, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

EXTENSION OF REMARKS

Mr. JENSEN. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. H. CARL ANDERSEN] may be permitted to revise and extend the remarks which he made on the Pace bill in the Committee of the Whole today.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein telegrams and letters and other material pertinent to the subject.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on Wednesday, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein certain communications and excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Mississippi [Mr. WHITTEN] is recognized for 15 minutes.

INCREASE IN THE PRICE OF MILK

Mr. WHITTEN. Mr. Speaker, the Mid-South Milk Producers Association is compiling a report on the milk producers' situation in the Memphis, Tenn., area. I have long supported them in an effort to secure an increase in the price of milk in that area. I made the following remarks to a gathering of the members of the association on August 18, 1943, at Olive Branch, Miss.:

Well, your Representatives in Congress come home from Washington to get advice and information and to report to you, whom we represent. I was your district attorney for 8½ years and have spent about 2 years in Congress. During this time I have seen this section grow from a place where you had only a little surplus milk to sell, until the present time when selling milk is a real business.

I have represented this section in one capacity or another for 10 years. I have acquainted myself with the problem which you have to face. I have studied your county here and the adjoining counties, and realize that you must have help. I have gone to the O. P. A. with your representatives who have come to Washington. You had an excellent chance to get some relief if we hadn't had the President's stop order—freezing prices—to come along right at that moment.

There are two things which I think all of you should face which haven't been brought out here today. I think we should face the facts—even if they are handicaps: (1) While you are getting only 13 cents per quart for your milk, the history shows that in past years you were getting less for milk than the adjoining counties were getting before this problem arose. (2) When I went to O. P. A. and showed them where you must have relief, they showed me where you are producing more milk than you did last year. This is what the Mid-South Milk Producers Association and I have had to face and answer.

I know it is because this is a grass-growing section and there are 3 or 4 months per year when this crop keeps you from having to buy so much feed. They have constantly needed more milk in Memphis, and have asked you to increase production. You have done so and instead of rewarding you for it, they are penalizing you for doing a good job.

PRESIDENT'S ORDER FREEZING PRICES

About this stop order—I will assure you that all concerned have knowledge and information concerning your problem. We have shown them the reason for your past low price—before Government control—was because your dairy business was a side line. Now it is a big business. Costs have doubled.

The matter of subsidies is involved in your problem here. The O. P. A. has refused to include labor in figuring the cost, but they had sufficient strength to keep it out. Finally the administration stopped the increase in wages after they had reached a high level. You pay high prices, but you are precluded from raising your price to include such increase.

In spite of Mr. Ellis' kind statement, giving me credit, this thing is bigger than anybody claiming credit for getting the job done. It is time you received action. Credit can

be given for making the effort. Mr. Friend, of your organization, prepared this brief and employed a certified public accountant to make the audits. Then he took them to Atlanta, and finally had to go on to the Washington O. P. A. We had a hearing in Washington and the men from the Atlanta O. P. A. never opened their mouths about having the information which had been gathered by them and which had been sent to them also until I point-blank asked for it. At the time of the last meeting the folks in O. P. A. told me that they were helpless because of changes, and they would have to have Judge Vinson's approval before they could make any changes, and as long as our production was up there was little chance of getting any relief. The results of the survey which was made recently and which was sent back to Washington proved the fact, and they surely recognize the fact, that you can't keep on producing under present conditions. If it continues, you people will be forced to go into other business. There probably isn't a one of you who couldn't raise beef cattle or some other business, and I have told the O. P. A. that you will be forced to do that unless you get an increase.

It is a pleasure to me to report to you and present the picture the best way I know how. I don't know how far we will get, but they are going to know that if forced to, you folks will sell your dairy cows, but, of course, you will keep enough for your own use. Those folks up in the thickly populated areas up East and in the cities here are the ones who are going to suffer from lack of milk because you will certainly produce enough for your own use.

We have a special case, and, as I said before, this is a bigger thing than a matter of anyone receiving credit, though I thank your president for his commendatory remarks. Your organization here has done a wonderful work in preparing your case and trying to wake up those folks to your need. Personally, I know that I expect to keep up the fight for your interests. I know the Mid-South Milk Producers' Association will continue its fight. It is un-American to force you folks to accept a subsidy. Yet you must have cost of production or you can't continue to answer the Government's request to keep up production. I have spent hours with the O. P. A. along with representatives of your organization in an effort to get the price raised. I wish I could report more favorable progress.

Since August 18, 1943, when I made the foregoing statement the association and I have made a continuous fight to have Judge Vinson's office to grant an increase to the producers in the Memphis area. I think the War Food Administration has recognized this problem but has been held back by the agency which is headed by Judge Vinson.

There can be no excuse to keep the present price in the Memphis market. They have a top price of 13½ cents per quart. Knoxville is permitted a price of 15 cents, Nashville 14 cents, Chattanooga 15 cents, Louisville 16 cents, St. Louis 15½ cents, New Orleans 15½ cents, Birmingham 17 cents, Atlanta 17 cents, Mobile 18 cents, and Jackson, Miss., 15 cents. This disparity in prices is inexcusable. As I have told Judge Vinson's agency and the O. P. A. and the War Food Administration, in spite of the patriotism of the people in my district production was bound to suffer. They apparently could not see it.

In spite of their present subsidy of 45 cents per hundredweight with an increase to 70 cents slated for September 1, the War Food Administration has advised me it does see the danger now. As soon as the Mid-South Milk Producers Association completes a survey of the area, I have been assured by the War Food Administration, it will give a thorough study to the situation. From their present knowledge they feel that some relief must be given and contemplate requesting a substantial increase in price of Judge Vinson's office.

In the name of justice this should be granted. The price is below that of any other city. The consumers in that city are willing to have the price increased, the distributors are willing to have such increase go to the producers. This city has three times subscribed to $30,000,000 of bonds, a total of $90,000,000. Now, of all times, the American Government should not require of its milk producers in the Memphis area that they produce below cost in order to pay part of the milk bill of consumers who are making more money than ever before in the history of the country. I sincerely trust that Judge Vinson will increase the price of milk in this area as certainly should be done. All of us from that area have strongly urged him to do so and expect to present the results of the present survey which will present to him an unanswerable argument.

The SPEAKER. Under a previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

WOMEN'S ARMY CORPS

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday marked the 2-year milestone of the creation of the Women's Army Corps. I take this time to congratulate Colonel Hobby, the officers of her corps, and the enlisted personnel, on the very fine service that they have performed during the past years. A great honor and appreciation has been shown Colonel Hobby in that she has been made the Assistant Chief of Staff for personnel. To serve on the General Staff is a rare honor and distinction and proves the success and ability she has shown as the head of the Women's Army Corps.

I would like to pay special tribute to the WAC's enlisted personnel that you do not hear very much about, the women who are performing a task that often seems monotonous and uninteresting, but who are also classed as very vital in the conduct of the war. The WAC's during this past year have shown themselves to be fine soldiers. They have taken the ups and downs without complaint. They have my deep respect and my very great admiration. They have the respect and admiration of all who know them.

In the year that has gone by since the first birthday of the Women's Army Auxiliary Corps, many things have happened to strengthen the high resolve with which the corps was first created. Many things have happened to test the will and the purpose of the women who make up the corps and to emphasize anew their willingness and their ability to serve as part of the greatest army in American history.

Public Law 110, which gave to the Women's Army Auxiliary Corps full military status as a component in the Army of the United States, was signed by the President on July 1, 1943. The WAAC, no longer an auxiliary, became the Women's Army Corps when the conversion was completed on September 30, 1943.

With the conversion came broader fields of usefulness for the corps and all the rights, benefits, and privileges of soldiers for its members. The WAC's became subject to Army regulations, subject to Army discipline, and subject, also, to Army privileges and Army responsibility.

Only those women were reenlisted or reappointed to the Women's Army Corps who could pass a new and stricter physical examination, who were recommended by their commanding officers, and who desired to remain in uniform. In spite of these three hurdles, however, more than 75 percent of the women in old Women's Army Auxiliary Corps did achieve the transfer to Women's Army Corps.

The scope of work for WAC officers was greatly broadened with the conversion from Auxiliary to Army. Prior to the change-over, they had been limited to command and administrative functions in the corps itself. Now they are found on staff and operational jobs throughout the Army. They have performed efficiently on jobs ranging from special services to post adjutant.

Mr. Speaker, some of these women have been decorated for bravery.

Originally enlisted members of the WAC did four types of work in the Army. The greatest need for women in the beginning was in four fields—clerical, motor transport, communications, and cooking. These jobs, therefore, were the first tasks assigned to women in the military services.

Gradually, it was determined that there are actually 406 jobs in the Army which can be done by women and done well. It was decided that the Women's Army Corps should concentrate on 239 of these Army specialists' fields—these representing 75 percent of the total number of jobs then being done by enlisted men which could just as well be done by women.

The 239 jobs on which WAC's are now employed are broken down into eight general categories: Technical and professional; radio and electrical; communications, mechanical and trade; administrative and office; motor vehicles operation; food, supply and stock.

In visiting various camps and posts, I find that universal approval is given by the commanding officers and the other personnel for the work done by the WAC's.

Other changes have come about as a result of the WAC's absorption into the Army. The most recent change has been the transfer of the Office of the Director, Women's Army Corps, from Army Service Forces to the Assistant Chief of Staff for Personnel. This change was made because WAC's now serve in all three of the major Army commands—the Army Ground Forces, the Army Service Forces, and the Army Air Forces. The Office of the Director, WAC, must serve the whole triumverate.

Throughout the War Department now, WAC's serve where their duties place them. They no longer are a tight little group functioning separately, but a large and dispersed group serving in all manner of jobs.

During the summer of 1943, when recruiting for all the women's services was slow the WAC training centers at Fort Devens, Mass., and at Daytona Beach, Fla., were closed and their functions consolidated at Fort Des Moines, Iowa, and Fort Oglethorpe, Ga., for economy of operation. When the WAC became a part of the Army of the United States, the various Army specialist schools became available to WAC personnel, so that certain administrative specialist schools which had been exclusively WAC were closed also, because they were no longer needed.

The strength of the corps is 67,000.

WAC's are now serving in every foreign theater where American troops are stationed, with the exception of the Caribbean. They are in England, north Africa, Italy, Egypt, India, Hawaii, New Caledonia, and Australia.

The other services, the WAVES, the SPARS, and the Marines, ought to be grateful to the WAC's, who were the pioneers in a new service for women, service in the armed forces.

Increasing numbers of WAC personnel are being requested for overseas assignment. They are chosen for this duty by specification serial number, the code which describes their job qualifications.

Nine officers of the Women's Army Corps have recently been promoted to the rank of lieutenant colonel by reason of the positions they hold on the staffs of commanding generals in major Army commands.

WAC recruiting, slow for several months, has increased now to four times the rate for last summer. It is steadily rising. When I introduced the first bill to create a women's corps I had faith that the women would make good, but they have exceeded my expectations.

I hope that the need for the men and women in the military services will decrease quickly and that the war soon will be won, but I know the Members of the House will join me in congratulation to the WAC's for their service thus far, and in wishing them Godspeed.

LEAVE OF ABSENCE

By unanimous consent, at the request of Mr. AUGUST H. ANDRESEN, leave of absence was granted to Mr. KNUTSON for an indefinite period on account of pressing business.

BILL PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on May 13, 1944, present to the President, for his approval, a bill of the House of the following title:

H. R. 4254. An act to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 54 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 16, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Tuesday, May 16, 1944, at 10 a. m., to consider H. R. 4780, a bill to fix the fees for domestic insured and collect-on-delivery mail, and special delivery service. Hearings will be held.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will hold further hearings on the petroleum bill on Tuesday, May 16, 1944, at 10:30 a. m.

The Committee on Interstate and Foreign Commerce will resume hearings on the daylight-saving bill on Thursday, May 18, 1944, at 10 a. m.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 18, 1944, at 10 a. m., on H. R. 2809, to amend section 511 of the Merchant Marine Act, 1936, as amended. (Ship-construction reserve fund.)

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Military Affairs. H. R. 1948. A bill to amend the act of July 15, 1940, pertaining to emergency officers' retirement benefits; without amendment (Rept. No. 1445). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SPENCE:

H. R. 4804. A bill to amend section 13b of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

By Mr. CROSSER:

H. R. 4805. A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Act of 1935, and the Railroad Unemployment Insurance Act; to repeal subchapter B of chapter 9 of the Internal Revenue Code; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEMKE:

H. R. 4806. A bill to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes; to the Committee on Agriculture.

By Mr. CANNON of Missouri:

H. R. 4807. A bill to provide for emergency flood-control work made necessary by recent floods, and for other purposes; to the Committee on Flood Control.

By Mr. WHITE:

H. R. 4808. A bill to amend the Fact Finders Act; to the Committee on Irrigation and Reclamation.

By Mr. BUCKLEY:

H. J. Res. 282. Joint resolution to reduce the tax on admission to cabarets, roof gardens, and similar entertainments; to the Committee on Ways and Means.

By Mr. CRAWFORD:

H. Res. 546. Resolution to authorize the House Committee on Agriculture to investigate the shortage of agricultural implements; to the Committee on Rules.

By Mr. LUDLOW:

H. Res. 547. Resolution providing for the investigation of bureaucracy and unconstitutional trends of government; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5673. By Mr. BRYSON: Petition of Mrs. H. M. Hanson and 31 other citizens of Baltimore, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5674. Also, petition of Martha Coyle and 11 other citizens of El Paso, Ill., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5675. Also, petition of Blanch D. Nonah and 29 other citizens of Brooklyn, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5676. Also, petition of Mrs. George Larson and 39 other citizens of Nunda, S. Dak., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5677. Also, petition of Mrs. S. Melvine Johnson and 39 other citizens of Lake Mills, Iowa, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5678. Also, petition of Thelma Merrett and 67 other citizens of Akron, Ind., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5679. Also, petition of Sylvia Reeder and 67 other citizens of Trimbleton, W. Va., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5680. Also, petition of Mrs. G. R. Stovall and 89 other citizens of Fort Cobb, Okla., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5681. Also, petition of F. P. James and 36 other citizens of Perham, Maine, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5682. Also, petition of Raymond Richards and 41 other citizens of Baltimore, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5683. Also, petition of Charles A. Burke and 48 other citizens of Mount Vernon, Ill., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5684. Also, petition of Mrs. D. N. Watt and 47 other citizens of Portland, Oreg., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5685. Also, petition of Mrs. J. D. Harrison and 76 other citizens of Baltimore, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5686. Also, petition of James J. Chisum and 34 other citizens of Denver, Colo., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5687. Also, petition of Bessie N. Walls and 45 other citizens of Sudlersville, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5688. Also, petition of Bertha Starrett and 93 other citizens of Nashua, N. H., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5689. By Mr. HOEVEN: Petition signed by 40 members of the Ladies Aid Societies of Carmel Church, Rock Valley, Iowa, expressing opposition to conscription of 17-year-old boys; to the Committee on Military Affairs.

5690. By Mr. PLOESER: Petition of T. T. Walker and approximately 600 other petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 16, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most merciful and gracious Father, we pray for all who watch by day and night, on land and sea and air, that they may know that Thou carest for them. In the strength that comes from virtue and knowledge make them strong in that liberty wherewith our Lord makes all men free. Beset by darker perils and temptations, screened from eyes, and exempt from the salutary influences of home, help them to magnify and make resolution their positions by the special lessons of Thy grace and providence.

O God, our days have been blessed with Thy spiritual benediction and hallowing influence, and yet how many waste places in our lives! Help us to walk with the Lord in the land of the living and never fall into condemnation of Thy judgment. We pray for the power of Christian truth in newness of life to bless our country, defeating apathy and dreariness, indifference, and deadness. Lest our moral fiber be consumed, let us beware of lowering our ideals, relaxing our laws, and modifying our precepts. In this day of most severe emergencies, vices, old and dangerous, are striving to reassert themselves; oh, keep our people free from all follies that end in melancholy failure, from gross superficialities and extravagances which war against the soul and threaten its doom, and unto Thy name, O Christ, shall be the praise forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 3176. An act to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard and to certain civilian employees of the military and naval forces of the Regular Establishment;

H. R. 3356. An act to increase the service-connected disability rates of compensation or pension payable to veterans of World War No. 1 and World War No. 2 and veterans entitled to wartime rates based on service on or after September 16, 1940, for service-connected disabilities, and to increase the rates for widows and children under Public Law 484, Seventy-third Congress, as amended, and to include widows and children of World War No. 2 veterans for benefits under the latter act; and

H. R. 3377. An act to increase the rate of pension for World War veterans from $40 to $50 per month, to $60 per month in certain specified cases, and for other purposes.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4519. An act to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 683. An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal; and

S. 1508. An act to provide effective date of awards of death pension or compensation in cases of persons missing or missing in action to authorize payment of such benefits from the date of death of such person as reported or found by the Secretary of War or the Secretary of the Navy, and for other purposes.

The message also announced that the Senate insists upon its amendments to the joint resolution (H. J. Res. 280) entitled "Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort," disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. NYE, Mr. HOLMAN, and Mr. BROOKS to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter I received from Col. Girard W. Kelley, present commander of the Fighting Sixty-ninth, known as the One Hundred and Sixty-fifth Infantry.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill S. 1767, the pending G. I. bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech delivered at the annual Communion breakfast of the United Holy Name Societies of the city of Mount Vernon, N. Y., on Sunday, May 14, 1944, by Hon. John A. Byrnes, chief justice of the City Court of New York.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LARCADE. Mr. Speaker, I have two unanimous-consent requests, first, to extend my own remarks and include therein a short editorial from the Crowley Daily Signal, of Crowley, La., and, second, to extend my remarks and to include an editorial from the Washington Post.

The SPEAKER. Without objection it is so ordered.

There was no objection.

(By unanimous consent, permission was given to Mr. VOORHIS of California and Mr. PRIEST to revise and extend their remarks in the RECORD.)

ALLOCATION OF MANPOWER BY WAR MANPOWER COMMISSION

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

Mr. HOFFMAN. Mr. Speaker, I just left my home county after talking with a man who is running an industry supplying one of the Government agencies, either the War or Navy Department, with some furniture. He says the War Manpower Commission has put the little town of Plainwell in the same area with Battle Creek and Grand Rapids, applying the same rules there that govern those two cities. In Plainwell there are plenty of old men, men 60 years old, 9 years younger than I, and they are still good for many a day's hard work. They are well physically, tough, and they want to aid in the war effort, although they do not need to work to live. But the W. M. C. will not let the industry hire them. Now, what kind of business is that? The home folks who want to do their part to aid the war effort and cannot because of a Government regulation not only get angry and indignant, but they get resentful. There is no sense to that situation. There is no apparent reason for it. Those old men are not going to work any other place—they do not need the jobs—they will not work at all unless they can work there at home. They will not leave home to go to Kalamazoo or Battle Creek or Grand Rapids to work. No one else wants them and yet, because of that order, they cannot go into that war industry and assist in the war effort. There are too many directives which do not help, too much arbitrariness in Government regulation.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include some newspaper articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

TOBY LENA ROSENBERG, ALIAS MARIA LOUISA NASCO, ALIAS ALEJANDRINO NASCO ECHEGARAY

The Clerk called the first bill on the Private Calendar, H. R. 521, for the relief of Toby Lena Rosenberg, alias Maria Louisa Nasco, alias Alejandrino Nasco Echegaray.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General be, and he is hereby, authorized and directed to cancel the warrant of arrest and the order of deportation against Toby Lena Rosenberg, alias Maria Louisa Nasco, alias Alejandrino Nasco Echegaray, heretofore issued on the grounds that admission to the United States had been fraudulently gained and that she shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence.

With the following committee amendments:

On page 1, line 5, after the word "arrest", strike out the words "and the order of deportation."

On page 2, line 1, after the period, insert "Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Lithuanian quota of the first year that the said Lithuanian quota is available."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERLEY M. SILVER

The Clerk called the next bill, H. R. 1708, for the relief of Perley M. Silver.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to (1) grant to Perley M. Silver an honorable-discharge certificate showing that he was honorably discharged from the United States Army as a private, Battery A, Three Hundred and Eighth Regiment Field Artillery, Seventy-eighth Division, on December 28, 1917, and (2) correct the military record of the said Perley M. Silver so that such record will show that he was honorably discharged on such date by reason of disability for service on account of missing teeth.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PATENT NO. 19,023

The Clerk called the next bill, H. R. 2994, to extend Reissued Letters Patent Numbered 19,023.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Reissued Letters Patent Numbered 19,023 granted on December 12, 1923, to Art Metal Works, Inc., a corporation of New Jersey, as assignee of Louis V. Aronson, of Newark, N. J., for "cigar lighter" be, and the same is hereby, extended for the term of 7 years from and after the 12th day of June in the year 1945. The benefits of this act shall extend to the assignee aforesaid, its successors and assigns, with the same force and effect as if said letters had been originally granted for the extended term herein specified; and the Commissioner of Patents is hereby directed to cause notice of this extension to be published in the Official Gazette and marked upon copies of said letters patent for sale by the Patent Office in such manner as the Commissioner may determine, and further is directed upon request of said assignee or its successors or assigns, to make a certificate of said extension and append an authenticated copy thereof to the aforesaid letters patent, whenever the same shall be requested by said assignee or its successors or assigns.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD GILLAM

The Clerk called the next bill, H. R. 1645, for the relief of Edward Gillam.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edward Gillam, of Hermiston, Oreg., the sum of $16,845.60 in full satisfaction of his claims against the United States for compensation for personal injuries sustained by him and for reimbursement of medical and hospital expenses incurred by him as the result of an accident which occurred when the automobile in which he was riding as a passenger was struck by a United States Army truck at the intersection of the Umatilla ordnance depot highway and United States Highway No. 207 near Hermiston, Oreg., on January 5, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$16,845.60", and insert in lieu thereof "$4,192.25."

Page 1, line 6, strike out the word "his" and insert in lieu thereof "all."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. STOCKMAN. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill, S. 254.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edward Gillam, of Hermiston, Oreg., the sum of $5,500 in full satisfaction of his claims against the United States for compensation for personal injuries sustained by him and for reimbursement of medical and hospital expenses incurred by him as the result of an accident which occurred when the automobile in which he was riding as a passenger was struck by a United States Army truck at the intersection of the Umatilla ordnance depot highway and United States Highway No. 207 near Hermiston, Oreg., on January 5, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. STOCKMAN. Mr. Speaker, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STOCKMAN: Strike out all after the enacting clause and insert the provisions of H. R. 1645, as amended.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings by which the bill H. R. 1645 was passed were vacated, and the bill H. R. 1645 was laid on the table.

Mr. PRIEST. Mr. Speaker, that concludes the call of the Private Calendar.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 60]

Auchincloss	Grant, Ind.	Norton
Baldwin, Md.	Green	O'Connor
Baldwin, N. Y.	Halleck	O'Konski
Barrett	Harless, Ariz.	O'Toole
Barry	Hart	Pfeifer
Bender	Hays	Plumley
Bradley, Mich.	Hinshaw	Powers
Bradley, Pa.	Holmes, Mass.	Pracht,
Brumbaugh	Horan	C. Frederick
Buckley	Izac	Rabaut
Camp	Jarman	Randolph
Canfield	Jennings	Rogers, Calif.
Capozzoli	Johnson, Okla.	Rolph
Carter	Kean	Sabath
Chiperfield	Kee	Satterfield
Costello	Kefauver	Scanlon
D'Alesandro	Kennedy	Scott
Dawson	Kerr	Sheppard
Dickstein	Kilburn	Sheridan
Dies	King	Smith, W. Va.
Dingell	Klein	Stearns, N. H.
Dirksen	Knutson	Stigler
Disney	Kunkel	Sundstrom
Eaton	Lea	Taber
Ellis	Lesinski	Thomas, N. J.
Ellsworth	Luce	Tolan
Engle, Calif.	McCowen	Torrens
Fogarty	McLean	Towe
Ford	Maas	Treadway
Fulbright	Magnuson	Welchel, Ohio
Fuller	Manasco	Wene
Fulmer	Marcantonio	White
Gale	Merrow	Wickersham
Gallagher	Morrison, N. C.	Winstead
Gifford	Norrell	Wolverton

The SPEAKER. On this roll call 323 Members have answered to their names. A quorum is present.

On motion of Mr. McCORMACK, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter addressed to me on the question of highway-use taxes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two short editorials.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. MASON]?

There was no objection.

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a resolution by the American Legion Post at Albany, Tex.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RUSSELL]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent that on today, after disposition of matters on the Speaker's table and at the conclusion of other special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RUSSELL]?

There was no objection.

EXTENSION OF REMARKS

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. WASIELEWSKI]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on three different subjects and to include certain statements and excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that on Thursday next, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

EXTENSION OF REMARKS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, and in one to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent that on Friday, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

EXTENSION OF REMARKS

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a statement. I have submitted this document to the Public Printer and I find the cost will be $182. Notwithstanding the cost, I ask that I be permitted to include this document in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SEEING-EYE DOGS FOR BLIND VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4519) to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 10, after "dogs", insert "and also to provide such veterans with mechanical electronic equipment for aiding them in overcoming the handicap of blindness."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FEDERAL GOVERNMENT AID FOR THE READJUSTMENT IN CIVILIAN LIFE OF RETURNING WORLD WAR NO. 2 VETERANS

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1767, with Mr. LANHAM in the chair.

The CHAIRMAN. The Chair will state for the information of the Committee that when the Committee rose on yesterday the first section of title I had been read. Are there amendments to be offered to that title?

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 44, line 22, strike out the period, insert a colon, and add the following: *"Provided,* That the provisions of this section as to priorities for materials shall apply to any State institution to be built for the care or hospitalization of veterans."

Mr. McCORMACK. Mr. Chairman, this amendment, I think, is one that speaks for itself. Some of the States of the Union from time to time might want to build a soldiers' home or rest camp or afford the veterans of their State facilities of some kind. This amendment authorizes any State, in obtaining materials for the construction of hospitals for the care and hospitalization of veterans, to receive priorities. It seems to me it is a perfecting amendment and one that strengthens the bill, and I hope the committee will see fit to accept the amendment.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Mississippi.

Mr. RANKIN. Mr. Chairman, so far as I am concerned—and I believe I speak for the rest of the committee—I have no objection to this amendment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, if the gentleman will yield, I think it is an excellent provision, and I hope that it will be adopted.

Mr. SHORT. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed out of order for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Chairman, last December Congress extended for 6 months the period for bringing court-martial proceedings against persons guilty of dereliction of duty in connection with the Pearl Harbor disaster. The period of this extension has nearly expired.

No action whatever has been taken by either the War or the Navy Departments, This failure to act cannot be justified by the argument that Admiral Kimmel and General Short have waived the statute of limitations. The waivers signed by Admiral Kimmel and General Short cannot affect anyone but these two men. The War and Navy Departments must know this.

When Congress extended the statute last December it had been informed of the waivers by Kimmel and Short. Congress was not thinking of them alone. Congress intended to prevent the escape from justice of any and all persons responsible for Pearl Harbor.

To permit the period of the present extension to expire without any further official action will mean that guilty persons forever escape punishment. If the Kimmel and Short court martials should develop evidence that other persons, military or civil, were guilty of dereliction of duty, it would be outrageous that such persons should avoid justice because of official inaction.

If Congress had not acted last December, this very thing would have happened. Now, 6 months later the failure of the War and Navy Departments to take any action again requires that Congress act in the public interest.

This will be the second time Congress has had to recover a nearly fatal fumble in this matter resulting from official inaction.

Congress once again desires to make plain that it is not a party to sheltering anyone involved in the Pearl Harbor catastrophe. I have introduced a resolution to extend the period for instituting proceedings for a further 3 months with the direction to the War and Navy Departments to take action as soon as possible, and in no event later than this 3-months period. This gives the War and Navy Departments a chance to demonstrate good faith by prompt action. It prevents any person, civil or military, now publicly known or unknown, involved in any possible dereliction of duty from escaping punishment through a technicality.

The American people will scrutinize carefully any statements, official or otherwise, that it is not possible to hold a court martial now because proceedings would adversely affect the war effort and important witnesses would not be available.

According to the press, the Navy Department has found it possible to direct Admiral Hart to take the testimony of witnesses in the naval forces concerning Pearl Harbor. This proceeding has been enveloped in secrecy and no one seems to know what purpose it serves. However, the fact that such proceedings have recently taken place and that Admiral Hart has taken testimony on this matter, shows that witnesses can be made available.

Pearl Harbor is 2½ years behind us now. It is difficult to believe that the true story of that fateful day could have much effect on the present prosecution of the war. Delay in this matter breeds delay. Delay piled upon delay invites an attempt to forget the whole thing forever. Kimmel and Short would then go to their graves without a day in court. Any other persons involved would escape and the whole story would never be told. Injustice and concealment of this kind ought not to be perpetrated in the name of the war effort.

Pearl Harbor was a bitter episode. It will forever remain a dark day in American history. It was perhaps the worst defeat ever suffered by the armed forces of the United States. It cost the lives of 3,000 men and hundreds of millions of dollars in equipment. A disaster of such appalling magnitude can never be forgotten and all persons, civil or military, who were responsible for this ignominious calamity should be made to shoulder the responsibility and suffer the consequences. Many noncommissioned officers and privates have been court martialed for having made far less serious mistakes.

The American people want justice done and they demand action now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The amendment was agreed to.

The Clerk read as follows:

SEC. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby authorized and directed to expedite and complete the construction of additional hospital facilities for war veterans and to enter into agreements and contracts for the use or transfer of suitable Army and Navy hospitals by the Veterans' Administration after cessation of hostilities or after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized to establish necessary regional offices, suboffices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such a facility is not readily available or accessible: *Provided,* That there is hereby authorized to be appropriated from time to time such sums as may be necessary for the construction of additional hospital facilities.

SEC. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agreements and contracts

for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate properly such facilities, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

Nothing in the Selective Training and Service Act of 1940, as amended, or any other act, shall be construed to prevent the transfer or detail of any commissioned, appointed, or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War or the Secretary of the Navy and the Administrator of Veterans' Affairs: *Provided*, That no such detail shall be made or extend beyond 6 months after the termination of the war.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, section 102, as I see it, involves a matter of policy. It may be setting a precedent that Congress should know very definitely is being set.

Following the First World War millions and millions of dollars worth of surplus war property was disposed of. In many cases that property was transferred to other agencies of the Government on the theory that it should be used by those agencies and thus reduce appropriations, but there was no requirement for the reduction of appropriations.

In section 102 it is provided that the Secretary of War and the Secretary of the Navy are authorized to enter into agreements by which hospitals and other facilities and supplies may be transferred to the Veterans' Administration, on the theory that the Veterans' Administration has received at the hands of Congress appropriations for those purposes. Yet this section contains the language, "without reimbursement of appropriations."

There will be and there are already millions and hundreds of millions and billions of dollars worth of property that would probably be available to other agencies of the Government following the war to take the place of purchases under appropriations made by the Congress. If that be true, and I do not doubt that the situation obtains not only in the case of hospitals but other facilities, as a matter of good administration should not the appropriations that have been made by Congress be reduced by the value that may be placed upon the facilities transferred?

I am sure that this committee gave most careful thought to this provision and to the other provisions of this bill, for they involve the expenditure of millions and millions of dollars. It does occur to me that in this, one of the first post-war pieces of legislation, we should be most careful not to establish a policy that is unsound, not to establish a policy of Congress carefully scrutinizing requests for appropriations, then making those appropriations, and then providing that other Government property be transferred to those very agencies for the very purposes for which appropriations are made, without any reimbursement of appropriations.

I bring this matter to the attention of the committee because in legislation already passed by this House for the disposal of surplus property, now pending in the other body, and in the Executive orders of the Commander in Chief, there obtain provisions that where there is a transfer of property to be utilized for the purposes for which Congress has made appropriations appropriate reimbursements out of those appropriations should be made. I am wondering if the chairman of the committee in that connection will give us the reason for the change in the policy in this bill and the justification for it.

Mr. RANKIN. I will say to my colleague from Mississippi that we went into that proposition thoroughly. It was pointed out by the administration that the Bureau of the Budget would keep a record of all these appropriations and also the transfers. It would save an unlimited amount of bookkeeping and a great deal of unnecessary legislation.

Mr. WHITTINGTON. Would it not save the Public Treasury when the Bureau of the Budget was making those records, and properly so, if at the same time the appropriations were to be credited with the values of the properties transferred? Otherwise there is no point in keeping a record.

Mr. RANKIN. They will be credited with these transfers.

Mr. WHITTINGTON. It says plainly here—and this is the purpose of my inquiry—"without reimbursement of appropriations." There can be no credit unless the appropriations are reduced.

Mr. RANKIN. These facilities are already paid for.

Mr. WHITTINGTON. Unquestionably; and if not transferred to an agency of the Government they might be sold to the public or to some private agency and the proceeds turned in to the Treasury.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I will say in reply to my distinguished colleague the gentleman from Mississippi [Mr. WHITTINGTON] that I understand this provision of the bill has been cleared by the Bureau of the Budget; that is, the provision to which he refers. It will save an unlimited amount of bookkeeping, as I said, and when the time comes to make appropriations these transfers will be taken into consideration. Besides, the War Department and the Navy Department are going to have a great many hospital facilities on their hands when this war is over which they will not need, but which the Veterans' Administration will need. We decided, after listening to the advice of the representatives of the various departments, that this was the best way to handle the proposition. For that reason we provided for these transfers as set out in the bill.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. In connection with that, if I recall correctly, the testimony before the committee was that it cost the Government $3,500 for each additional bed.

Mr. RANKIN. That is right.

Mr. CUNNINGHAM. And by getting these transfers from the Army and Navy hospitals it will not only be aiding the veteran but saving the taxpayers some money.

Mr. RANKIN. Why, certainly. If we had to appropriate money and build new hospitals it would cost $3,500 for each bed.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. WHITTINGTON. The gentleman, of course, will understand that my suggestion was not in opposition to the transfer, because I thought it was timely.

Mr. RANKIN. I understand that.

Mr. WHITTINGTON. I want the transfers to be effective. The gentleman made a statement that the Director of the Budget has cleared this provision in the bill. Is it included in the report on the bill or will the gentleman state whether or not this entire bill has been referred to the Director of the Budget? It would be most helpful to have this report. Is it on this particular section or the entire bill?

Mr. RANKIN. I do not have his letter on this particular section, but I will get it. I will say to the gentleman from Mississippi that we do not have a Bureau of the Budget report on the entire bill.

Mr. WHITTINGTON. But you have it on this particular section?

Mr. RANKIN. Yes; I understand there is a letter available.

Mr. WHITTINGTON. That is interesting. I will be glad if the gentleman would include it in his remarks at this point, because, frankly, it would be most interesting and helpful.

Mr. RANKIN. I will insert it at this point in the RECORD, if I am permitted to do so.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 13, 1944.

Hon. FRANK T. HINES,
Administrator of Veterans' Affairs,
Veterans' Administration,
Washington 25, D. C.

MY DEAR GENERAL HINES: Reference is made to your letter of March 23, 1944, in which you discussed fiscal policies governing transfers of property between agencies.

I have delayed replying to your letter in order to permit a fuller development and clarification of the problems involved through staff discussions, in which I understand members of your own staff, and representatives of the Army and of this Bureau have taken part.

I am now advised that mutually acceptable arrangements have been worked out which will result in meeting your immediate needs, and that section 102, of title I, of S. 1767, as passed by the Senate and approved by the House Committee on World War Veterans' Legislation, is so written as to help materially in meeting future needs as are now foreseeable.

Whether the Veterans' Administration acquires supplies and equipment under the mutual agreement or authority of S. 1767, if enacted, I am sure you appreciate that it

will be necessary to furnish the Bureau of the Budget with statements of the amount and value of material so acquired.

Very truly yours,

PAUL H. APPLEBY,
Acting Director.

Mr. WHITTINGTON. Thank you, I would be delighted if you would do so.

Mr. RANKIN. Mr. Chairman, the economy bill was provoked because of certain indiscretions in legislation, in a measure that a great many people thought was unnecessarily burdening the Treasury. There are some things in the economy bill that should have been passed, but the ones cutting in on the disabled veterans were too drastic, and in my opinion did more harm than good. We were working in the committee to try to bring this bill down within the bounds of reason and to write a bill which the House can afford to pass and the President can afford to sign. If you are going to load it down with unlimited amendments it will very likely provoke another economy bill or a veto and do the service men and women more harm than good.

Mr. JUDD. Mr. Chairman, will the gentleman yield for a question or two?

Mr. RANKIN. I yield.

Mr. JUDD. I was interested in the gentleman's remark that the whole bill had not been cleared by the Bureau of the Budget. May I inquire was that because they had not got around to it or because they opposed certain sections of it? I had not known that previously.

Mr. RANKIN. The Bureau of the Budget evidently had not got around to it. With every pressure on earth that has been exerted on Congress to speed this bill up, and every attempt made to stampede the Congress, the Committee on World War Veterans' Legislation took the bill for a considerable length of time and went over it carefully in order that we might not be stampeded into passing something that would not stand the test, but so far we have no report on the entire bill from the Bureau of the Budget.

Mr. JUDD. But have they sent to the Committee on World War Veterans' Legislation any adverse report on the whole bill or any section of it?

Mr. RANKIN. No.

Mr. JUDD. May I ask one further question? Has the Veterans' Administration sent in a report on the whole bill? I know on certain veterans' bills in the past they sent in either a favorable or adverse report, but I have not seen one on this particular bill.

Mr. RANKIN. The Administrator of Veterans' Affairs appeared before the committee in both open and executive sessions and approved the bill as it now stands and as it is now presented to the House.

Mr. JUDD. I think that ought to be in the RECORD.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes in order to answer these questions.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. The truth of the business is, Mr. Chairman, the Administrator of Veterans' Affairs said that the House Committee on World War Veterans' Legislation had greatly improved the bill. He voluntarily stated that it was a much better bill than it was when it came from the Senate.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MOTT. I would like to ask the distinguished chairman of the Committee on World War Veterans' Legislation whether it makes any particular difference to him or his committee if it has been cleared by the Bureau of the Budget or not?

Mr. RANKIN. Being one of the Members of this House who voted against the creation of the Bureau of the Budget, I will give the same reasons now which I gave then, that I think the Congress of the United States is capable of legislating for itself.

Mr. MOTT. I congratulate the gentleman on his views. I will say at this time that if the Committee on Naval Affairs or the Committee on Military Affairs had waited for the Bureau of the Budget to clear some of their important legislation, we would not have any Army or Navy now.

Mr. RANKIN. I thank the gentleman from Oregon.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. WHITTINGTON. Mr. Chairman, with my colleague's permission, may I say I know the very excellent work he and his committee have done to safeguard the Public Treasury, but it is so unusual for the Director of the Budget to make a partial report on the bill. I ask my colleague now if, in addition to the report on section 102, which is contrary to the views of the Director of the Budget as presented to the Committee on Expenditures in the Executive Departments when we had under consideration the bill for disposal of surplus property, which passed the House in June, 1943, and is now pending in the other body, if any other section of the bill except section 102 has been referred to the Director of the Budget, and if you have a report on it.

Mr. RANKIN. The only report, as I said a while ago, is a letter from the Bureau of the Budget on this particular section. The bill is now before them. If the Bureau of the Budget makes a report before this bill is finally voted on, I shall be glad to submit it to the House.

Mr. COCHRAN. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: On page 46, line 15, substitute a colon for the period and add a further proviso as follows: "*Provided further*, That the Administrator of Veterans' Affairs, with the approval of the Secretary of War or the Secretary of the Navy, as the case may be, may delegate to specified commissioned personnel of the armed forces such of his powers and duties as may expedite the adjudication of claims for benefits under laws administered by the Veterans' Administration and such commissioned personnel are hereby authorized to exercise the powers and duties so delegated without prejudice and notwithstanding any law or laws to the contrary."

Mr. RANKIN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. COCHRAN. Mr. Chairman, this amendment broadens the section insofar as the personnel is concerned. The section provides for the transfer or appointment by the Veterans' Administration of officials of the War and Navy Department when agreements can be made. By my amendment I seek to get additional competent personnel assisting the Veterans' Administration in the adjudication of claims in that it will give the Veterans' Administration the power to delegate to men, medical men, let us say, still in the Army and Navy, the right to assist in the adjudication of claims. They can help in many respects, especially when they have been in contact with the disabled individual over a long period. They can assist the physician who examines the claimant. There is nothing in this amendment at all which creates any additional expense, but it further increases the manpower in the work of the adjudication of claims.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. COCHRAN. I yield.

Mrs. ROGERS of Massachusetts. It seems to me that the gentleman's amendment is included in the bill, where we have provided for transfer to the Veterans' Administration of these men.

Mr. COCHRAN. This does not apply to those that can or are to be transferred. It applies to those who are going to remain in the Army and the Navy.

Mrs. ROGERS of Massachusetts. After the war?

Mr. COCHRAN. And it delegates power to them to assist in the adjudication of claims.

Mrs. ROGERS of Massachusetts. They can be loaned or transferred back and forth at the present time.

Mr. COCHRAN. A section of the committee bill already provides that. I seek to add a proviso that will enable the Veterans' Administration to have the assistance of trained personnel that is remaining in the Army and in the Navy, but say who have handled cases that are about to go to the Veterans' Administration.

Mrs. ROGERS of Massachusetts. After the war is over?

Mr. COCHRAN. Yes. Men who are delegated in connection with the discharge of soldiers and sailors for the War and Navy.

Mrs. ROGERS of Massachusetts. The gentleman means permanently?

Mr. COCHRAN. No; not permanently.

Mrs. ROGERS of Massachusetts. How long a period?

Mr. COCHRAN. There is nothing in my amendment that interferes with the section. It simply broadens it.

Mr. SCRIVNER. Will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. SCRIVNER. After all, after these men are discharged, they are civilians. Once these men are civilians there will be no military or naval officer passing on the adjudication of their claims or having any authority to exercise any of that power in passing on the claims. They should be passed upon as they always have been by civilian members of civilian boards.

Mr. COCHRAN. Under my amendment they will not have the last word. They will simply assist in the adjudication of the claims.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is not only unnecessary, but in my opinion, it would do more harm than good. When these men are discharged from the Army and Navy, the Army and Navy are through with them. Then this becomes the prerogative of the Veterans' Administration. It already has its staff ready and trained for that purpose. To impose upon the Veterans' Administration this additional duty of selecting specified commissioned personnel from the Army and the Navy would be taking them out of the line of their own duty and putting them in charge of Veterans' affairs, and delegating to them power that the Congress gives to the Veterans' Administration.

Mr. COCHRAN. Will the gentleman yield?

Mr. RANKIN. I yield for a question; yes.

Mr. COCHRAN. The amendment reported by your committee goes much further than this, in that you take Army and Navy personnel and put them under the jurisdiction of the Veterans' Administration.

Mr. RANKIN. But the difference is that our amendment goes in the right direction, and the gentleman's amendment goes in the wrong direction. The gentleman's amendment will do the Veterans' Administration and the disabled veterans more harm than good.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. When the men are discharged from the services, the Veterans' Administration is supposed to employ those men in a civilian capacity.

Mr. RANKIN. That is right.

Mrs. ROGERS of Massachusetts. There is a provision in the bill ordering them to employ the discharged men.

Mr. RANKIN. Certainly.

Mrs. ROGERS of Massachusetts. Instead of having Army and Navy personnel transferred over?

Mr. RANKIN. That is right.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MILLER of Connecticut. Under the language of the amendment offered by the gentleman from Missouri it would be possible that you would have Army and Navy officers sitting on adjudication boards, and most of the work of the adjudication boards is, in fact, a determination of the material in the records of the Army and the Navy. Certainly you would not want them to sit on a board trying to settle a claim.

Mr. RANKIN. Certainly not.

Mr. MILLER of Connecticut. It is mighty dangerous.

Mr. RANKIN. It defeats the whole purpose, and with all deference to my distinguished friend from Missouri, this amendment should not be adopted.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. CUNNINGHAM. This amendment would extend the powers of the Selective Service Act and give to the Veterans' Administration the power to say to a doctor, "You are going to stay here and work for us and cannot be discharged and go back home."

Mr. RANKIN. That is right. He will still be a commissioned officer doing the work of the Veterans' Administration, the very thing we have been trying to get away from.

Mr. COCHRAN. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. COCHRAN. Does not the gentleman's amendment provide for the transfer of Army and Navy officers to the Veterans' Administration? If my amendment is dangerous, then the committee's language is likewise dangerous.

Mrs. ROGERS of Massachusetts. That is only during the war.

Mr. COCHRAN. That is what my amendment does.

Mrs. ROGERS of Massachusetts. The gentleman's amendment, I think, would carry over after the war is over.

Mr. RANKIN. Mr. Chairman, I hope the amendment will be voted down.

Mr. MUNDT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is not my purpose to take time to discuss the particular amendment now before us, but I was interested in the remarks made by the gentleman from Oregon [Mr. MOTT] because I think he sounded a clarion call of warning which might well be sounded in passing this legislation, to the effect that it is comparatively easy to get unanimity of opinion and the passage of commendable veterans' legislation during the war, but that the hard job is to protect that legislation and to improve it in the days following the war.

I hope the membership of the House, while we pass this legislation and perfect it if we can by amendment, will keep in mind the fact that the legislation we pass this week is likely to be attacked in the future by strong interests, and consequently we should perfect it and make it as effective as we can now, and dedicate our purpose to protecting it and in proving it in the future.

We all recall that it has not been so very long since legislation was brought in here for these same soldiers, to conscript them in peacetime and offering them only the paltry sum of $5 a month as pay for their services. The people who then sponsored the legislation to draft people into the United States Army at $5 a month, will likely spearhead the movement to cut down these veterans' benefits once the war is over. Now is the time to be on the alert against efforts of that type.

We were successful, Mr. Chairman, in beating back the little crowd of money changers who tried to induce Congress to pass a peacetime selective service act which provided only $5 per month in payment to the men in service. We passed the Selective Service Act but we established the pay schedule on a respectable level and have since raised it again so we are all proud of the fact that today the American soldier is the best paid fighting man in the world.

It is not easily forgotten, however, that prominent among those urging that this country involve itself in a shooting, bloody war long before Pearl Harbor and long before we were prepared for the fighting were the same men and the same interests who favored limiting the pay of our soldiers to $5 per month. It is also true, and it is as ghastly as it is true, that some of these same civilian patriots are today numbered among those making the most profit out of war. It would seem to follow that after the war is over and the excitement has died away these same men and interests will begin demanding that Congress and the President reduce veterans' benefits and oppose any new legislation designed to give a greater degree of justice to the men who are today risking their all for their country on a hundred different battle posts. Now, therefore, as the gentleman from Oregon [Mr. MOTT] has suggested, it is good that we recognize what is to come and prepare to guard ourselves against what we may expect in the future by analyzing some of the records of the past.

Let us amend this legislation to the extent that it sets up a positive safeguard against Federal domination or interference with our educational systems. Let us protect the veteran against having the Federal Government treating him as a pawn to be shifted from school to school or campus to campus as it desires; let us make certain that the rights and advantages of State and local control of our educational institutions are preserved. Let us also refine and perfect this legislation to the optimum degree and then let us give unanimous approval to this G. I. bill of rights as a first but not a final step in the direction of giving some governmental recognition to the veterans for the tremendous service they now are rendering to all mankind. We should today do more rather than less. At best this Republic can pay but a fractional share of the debt of gratitude which it owes to the veterans of this war. This legislation is a move in the right direction. It deserves our unanimous approval. And above that, it desires our follow-through attention to make sure that it is not later singled

out for emasculation and repeal by agitators and money worshippers who in more peaceful times may once again feel inclined to raise the dollar sign above the American flag.

The CHAIRMAN. Does the gentleman from Mississippi insist on the point of order?

Mr. RANKIN. Mr. Chairman, I withdraw the point of order and ask for a vote on the amendment.

Mr. COLE of Missouri. Mr. Chairman, I ask that the amendment may be again read.

There being no objection, the Clerk again reported the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to be offered to this section? [After a pause.] The Chair hears none, and the Clerk will read.

The Clerk read as follows:

SEC. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

Mr. COCHRAN. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: Page 46, lines 19 and 20, strike out the words "disability claims of" and substitute therefor the words, "claims for benefits under laws administered by the Veterans' Administration."

Mr. COCHRAN. This is a very simple amendment and provides only that all laws administered by the Veterans' Administration can be considered rather than just disability claims. I cannot see any objection whatsoever to the amendment. The language of the bill provides for disability claims only, whereas my amendment extends to any claim that can be filed against the Veterans' Administration.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is not only unnecessary, but like the other one it goes beyond the real purview of the legislation. Let me read the section:

SEC. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

Why do we impose on the Army and Navy facilities to that extent? Because of the men who are disabled? Surely we do not want to take up their time and annoy them with all other veterans' claims that might be promulgated, and for that reason the gentleman's amendment should be voted down. If there are other claims that the veteran has outside of being disabled certainly they can be investigated and adjudicated outside of the facilities of the Army and Navy. There is no rush about it and for that reason the amendment ought to be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was rejected.

The Clerk read as follows:

SEC. 104. No person shall be discharged or released from active duty in the armed forces until his certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: *Provided*, That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor the discharge of any person who refuses to sign such claim or statement: *And provided further*, That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

Any person entitled to a prosthetic appliance shall be entitled, in addition, to necessary fitting and training, including institutional training, in the use of such appliance, whether in a service or a Veterans' Administration hospital, or by out-patient treatment, including such service under contract.

Mr. COCHRAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN:

On page 46, line 23, after the provision "Sec. 104" insert "(a)."

On page 47, strike lines 13 to 18, inclusive, and substitute therefor the following subsections numbered "(b)" and "(c)":

"(b) The Secretary of War and the Secretary of the Navy are hereby authorized and directed after the termination of the present war to furnish persons in the armed forces having need thereof, such medical, physical, psychological, vocational, and other rehabilitation services (including temporary and permanent prosthetic appliances and training in their uses), as will (1) enable them to return to duty in assignments commensurate with their remaining capacities, or (2) better fit them, after their discharge or release from active duty is effected, either to undertake courses of rehabilitation to which they might be entitled under existing laws, or to enter civil pursuits directly. The Secretary of War and the Secretary of the Navy are hereby authorized to provide the facilities and services necessary to carry out the purposes of this section and for the same purposes they may, by agreement or contract with public or private institutions and establishments, provide such additional facilities and services, including out-patient treatment and institutional training, as may be suitable and necessary: *Provided*, That the appropriations of the War and Navy Departments shall be available for necessary expenses and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this subsection.

"(c) Any person entitled to a prosthetic appliance from the Veterans' Administration shall be entitled, in addition, to necessary fitting and training, including institutional training, in the use of such appliance, whether in a Veterans' Administration hospital or by out-patient treatment, including such service under contract."

Mr. COCHRAN. Mr. Chairman, I have addressed myself to the question of the rehabilitation of disabled veterans time and again since this question has been up. First, let me say the provision on page 47, lines 13 to 18 in the committee print, which was inserted on the motion of the gentlewoman from Massachusetts [Mrs. ROGERS] remains in my amendment word for word. My amendment, however, goes further. From my own experience I know that unless the individual who is disabled, especially the amputees, is not properly instructed there will be no advancement for that individual. When the surgeon lets go, the instructor must be there to take up; that is what my amendment seeks to do. You take care of patients under the Veterans' Administration. My amendment requires the Army and Navy, while the men are still in the service not to let them lie idle and count the cracks in the ceiling and the nails in the boards, but requires the services to rehabilitate the men so they can follow some useful pursuit at the time of their discharge or can be rehabilitated for reassignment in the service.

There is nothing I can say further about the amendment other than what I have said in the last few days. It is my desire, however, that the Members of the House think of the necessity of reconditioning men who have lost their arms and their limbs and their eyes rather than turn them out or rather than let them lie idle until they are discharged from the service.

I am sure I have made it plain that my purpose is to require the Army and Navy to provide instructors to assist the disabled men and women while they are still members of the armed forces.

I sincerely hope the Committee will adopt this amendment.

Mr. RANKIN. Mr. Chairman, this amendment is wholly unnecessary and goes far beyond the purview of the bill in that it directs the Army and Navy to retain these men and do the rehabilitating that is supposed to be done by the Veterans' Administration.

The provision with reference to prosthetic appliances is to be found in the last paragraph of section 104 at page 47 of the bill. It runs from line 13 to line 18 and covers everything that is necessary to take care of these men in view of the present law.

On yesterday the Senate passed H. R. 3176, which I introduced in the House and which was reported by the Committee on World War Veterans' Legislation and passed by the House some time ago providing for these prosthetic appliances; and veterans regulation 7–A provides for the training of these men in the use of these prosthetic appliances.

The law that we are passing on now in section 104, lines 13 to 18 on page 47, provides:

Any person entitled to a prosthetic appliance shall be entitled, in addition, to necessary fitting and training, including institutional training, in the use of such appliance,

whether in a service or in a Veterans' Administration hospital, or by out-patient treatment, including such service under contract.

We have covered this subject completely and in a way that it will not disrupt the conduct of the Veterans' Administration; it will not embarrass the War and Navy Departments and will not embarrass the veteran with a threat of holding him in the Army until all this training is given him. I call your attention to the fact also that we make it mandatory that he shall be entitled to these appliances.

We have covered the field entirely and to adopt the amendment offered by the gentleman from Missouri [Mr. COCHRAN], I submit with all due respect to him, would simply disrupt not only the legislation but it would disrupt the program involving the rehabilitation of these men as provided in this bill and under the bill passed by the Senate on yesterday, which was passed by the House sometime ago, as well as under Veterans Regulation 7 (a) as it now exists. I hope the amendment offered by the gentleman from Missouri will be voted down.

Mr. COCHRAN. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman is speaking now and has spoken about men under the Veterans' Administration. I seek to help the men who are still in the Army and Navy. The gentleman can not point to any law that makes it mandatory for the Army or Navy to recondition or rehabilitate these men. The Surgeon General of the Army told a committee in my presence that no man would be discharged from the Army until he was schooled in the use of such appliances as he received, but I found cases where they were discharged without any instructions whatsoever. I seek to make it mandatory as far as the Army and Navy is concerned to instruct the men while still in the service.

Mr. RANKIN. I may say to the gentleman from Missouri that the Army and Navy already have the right, they already have the authority, to give them all the instruction they can, as well as training.

Mr. COCHRAN. But they are not doing that. I want Congress to tell them they must do it.

Mr. RANKIN. They do not have the right to hold them in the Army and prevent their being discharged when they want to get out and submit their cases to the Veterans' Administration.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The reason that we agreed to the amendment was so that these men could not be kept in the service. I heard of two men the other day who were discharged from an Army hospital. One had an artificial leg and one an artificial arm. They did not like the way the artificial arm and artificial leg fitted; so they went to the Veterans' Administration and were fitted with another type of arm and leg. They are very comfortable now. We do not want to hamstring the men and keep them in the hospital. Many of the men beg to get out to get their training in these artificial appliances through the Veterans' Administration as well as in contract hospitals. We felt that this is very far reaching, that they can have this training, that they can give them this equipment at any time. My amendment that I requested to have put in the bill was very similar to the gentleman's amendment in the beginning, and the committee persuaded this was superior.

Mr. COCHRAN. I am trying to broaden the section to include instructions in the Army and Navy while they are in control of the men.

Mrs. ROGERS of Massachusetts. This says that they are entitled to the appliances and shall be entitled, in addition, to the necessary fitting and training, including institutional training, in the use of such appliance, whether in a service or Veterans' Administration hospital. That takes in the Army and Navy, and I may say to the gentleman that the Army is doing more all the time in the training of these men. I have followed this very closely.

Mr. COCHRAN. Language to that effect was in a bill I introduced, was it not? I do not see now where it reaches the Army and Navy. This committee bill applies only to the Veterans' Administration.

Mrs. ROGERS of Massachusetts. It is mandatory that he shall be given that training at one place or another, at either one of these three places.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SCRIVNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, may I say that all of the members of the committee are in entire sympathy with the aim, desire, and purposes of the amendment offered by the gentleman from Missouri [Mr. COCHRAN]. I think the gentleman refers particularly to a program of rehabilitation that has been adopted in the Army Air Force hospitals that is highly commendable so far as the results the men in the service are getting. However, this particular bill now under consideration applies solely to veterans. When we refer to a man as a veteran it anticipates he has already been discharged from the Army or Navy and is back in civilian life. That is the entire scope of this bill. Everything in the bill relates to the veteran, and while I as an individual Member am in wholehearted sympathy with the gentleman's desire, it would seem to me that this particular subsection, (b), relating to men now in the service does not relate to veterans and should be a matter for consideration by the Military and Naval Affairs Committees, which have under their jurisdiction the consideration of legislation relating to men still in the service.

Mr. COCHRAN. Does the gentleman contend that until a man is a veteran, until his discharge from the service, he should not receive any benefits that a veteran might receive?

Mr. SCRIVNER. As they relate to appliances and training, we do not contend that at all. As a matter of fact, we feel he should get this training and rehabilitation right there in the hospital, but it is not germane to the whole of this bill, which relates solely to veterans.

Mr. COCHRAN. I may say to the gentleman that if the entire Army and Navy had adopted and was following out the program that is carried on by the Air Surgeon there would be absolutely no need for any amendment such as I have offered.

Mr. SCRIVNER. I agree with the gentleman. There might be a need, but not a great deal of use for the amendment to be placed in the bill, as was stated by the gentlewoman from Massachusetts [Mrs. ROGERS]. In other words, before these men come out they should have had the proper appliances, they should have had training in the use of those appliances, so that when they step out of the hospital they can go back home just as nearly whole as they can be made, ready to resume their place in the community.

Mr. COCHRAN. Again I may say to the gentleman that I sat in the room and heard the Surgeon General of the Army give the figures some 4 months ago showing that we had 1,300 amputees in the Army hospitals at that time, and since that time they have been coming in from the Atlantic and the Pacific every day. They are still coming in and they are in the Army hospitals, not under the Veterans' Administration.

Mr. SCRIVNER. That is right.

Mr. COCHRAN. They must receive the appliances; and what I want to do by my amendment is to see that they are properly instructed in the use of the appliances up to the time they are discharged from those hospitals, that is all. Until they are taken over by the Veterans' Administration.

Mr. SCRIVNER. We are all in accord with the gentleman's effort, yet this is a veterans' bill and relates to those men only. Those who are in the active service should not come under this particular bill. If the gentleman would offer this suggested piece of legislation to the Military and Naval Affairs Committees, I will go along with him 100 percent.

Mr. COCHRAN. I have already offered it.

Mr. RANKIN. Will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Mississippi.

Mr. RANKIN. These disabled men who come back home, where they are in need, are in Army and Navy hospitals. They are transferred to the Veterans' Administration, where they may receive this instruction, and that makes room for other men in the Army and Navy hospitals. If the program offered by the gentleman from Missouri were adopted, you might say it would freeze many of those men in the Army and Navy hospitals that are going to be badly needed.

Mr. SCRIVNER. Notwithstanding that, this is a veterans' bill, and relates to those men who have already been discharged.

Mr. RANKIN. And takes care of these men to the fullest extent?

Mr. SCRIVNER. That is right.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. COCHRAN) there were—ayes 3, noes 42.

So the amendment was rejected.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

I am very glad this discussion came up, because it shows the Army and the Navy have a very great interest in the training of these men in the use of these prosthetic appliances. I would like to say to the House that every day the Army is doing more and more in the training of these men. In one of the hospitals in Georgia they have classes where the men are trained to go out on the streets. They are trained to walk, to run, even to dance. In the Walter Reed Hospital they have classes for the training of men having artificial legs, walking classes, and classes for the use of artificial arms and legs. The following are extracts from speeches made by Lt. Gen. Brehon Somervell regarding the rehabilitation of the service men and women:

The Army realizes its duty to these men and it will not shirk that duty. Every effort will be made to repair each broken body and make it as nearly whole as is humanly possible. But even when this has been accomplished our responsibility does not end. When medical science has done all it possibly can do, the Army has a further duty to these men. It recognizes its obligation not only to restore them to civil life at the earliest possible moment, but to help them in their efforts to become self-reliant, self-supporting members of their communities.

To that end the Army Medical Department and the Army Service Forces as a whole are working out a program right now, in conjunction with other Government agencies, to aid every individual wounded soldier in reestablishing himself in the civilian world. In cooperation with the Veterans' Administration, Selective Service, the Civil Service, and United States employment offices, and the American Red Cross, we rapidly are pushing forward our plans.

It isn't the Army's particular task to fit these wounded men for civil life. We aren't legally responsible for any man after we discharge him from the hospital and from the service. Our official duty ends with the process of mustering out.

But let me say here and now that the Army recognizes its moral obligation to every man wounded in his country's service, and we're going to see that obligation through to the end. We're not going to let any bureaucratic barriers stand between the returned, wounded soldier and every comfort and every care that it's possible to give him. We're going to help each individual man, not as a case number, not as a card in the files, but as a human being to whom we owe more than we ever can repay. The Army gladly accepts this responsibility and the Army isn't going to let a single wounded soldier down.

We have recently established in the Army a Division of Personal Affairs. It is designed to give individual, personalized service of whatever kind is needed to our soldiers and our discharged veterans and their families. It's a place to which our men can turn when they are troubled. In time of peace the Army looks out for its own and I see no reason we shouldn't do the same thing in time of war. We don't intend to usurp the rights or assume the responsibilities of other governmental agencies. There's enough of a job to be done to keep us all busy. We simply intend to act as the advocate of the individual. We intend to supplement the work the other organizations are doing, not to duplicate or try to do their job. We intend to step in quickly in emergencies. We intend to act fast. Every disabled war veteran is going to have every advantage that the Army can give him and he's going to have that advantage right away.

The Army Medical Corps is dedicated to the task of not only saving lives, but of making sound again the bodies of our soldiers broken on the rack of war. That's not only the decent thing to do, it's good military policy. Wars are won by wearing down the enemy's men and matériel. Every tank we can salvage, every damaged gun we can repair and return to combat helps win the war. Every wounded soldier we can return to his place in the fighting lines helps us infinitely more on our road to victory.

Just as our engineers repair the roads and bridges and harbors damaged by enemy action, just as the ordnance crews strive to save weapons damaged in the field, so our Medical Corps repairs wounded men. Our doctors and our nurses are performing this task magnificently. I am proud that they are part of the Army Service Forces which I command.

These remarks of General Somervell will do much to reassure him, as they do me, regarding the Army reconditioning of our service personnel.

I would like to pay tribute to the gentleman from Missouri for his unfailing and unswerving loyalty to the veterans and his interest in them from the beginning of the First World War.

Mr. GOSSETT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, due to death in my family, I will be compelled to be absent from the Chamber on the final vote on this bill. However, I want to go on record as being wholeheartedly and enthusiastically in favor of the general objectives of this bill, and would, of course, vote for it on final passage if I were here. We owe a serious and solemn duty to the returning veterans. We must do everything possible to help them to secure their rightful place in a prosperous society.

The Clerk read as follows:

SEC. 105. No person in the armed forces shall be required by any official thereof to sign a statement of any nature relating to the origin, incurrence, or aggravation of any disease or injury he may have, or any other statement against his own interest, and any such statement against his own interest signed at any time shall be null and void and of no force and effect.

Mr. RANKIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Page 47, lines 22 and 23, after the word "have", strike out "or any other statement against his own interest."

Mr. RANKIN. Mr. Chairman, we decided those words were superfluous, and it would be just as well to strike them out.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. COCHRAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: On page 47, after line 25, add new sections Nos. 106 and 107, as follows:

"SEC. 106. The Servicemen's Dependents Allowance Act of 1942, as amended, is hereby amended by adding six new sections to title 1 thereof to be numbered 122, 123, 124, 125, 126, and 127, to read as follows:

" 'SEC. 122. Upon receipt of an official report of the death of a member of the active military or naval forces as a result of injury or disease incurred in or aggravated by such service, the Secretary of War or the Secretary of the Navy, as the case may be, shall notify the Administrator of Veterans' Affairs (hereinafter referred to as the Administrator) thereof, and shall certify to the Administrator (1) the date of death of such member, (2) the fact that the death was the result of injury or disease incurred in or aggravated by military or naval service, (3) the names, addresses, and relationships of any dependents of such member, who, at the time of his or her death, were being paid monthly family allowances under this act, (4) the amount or amounts of any such monthly allowances being paid to each of such dependents, (5) the date on which any such allowances will terminate as provided in section 123, and (6) any other information necessary for the Administrator to perform the duties required of him by this act.

" 'SEC. 123. The Secretary of War or the Secretary of the Navy, as the case may be, are hereby authorized and directed to continue the payment of any monthly family allowances to the dependents of such deceased member for a period of 2 months following the termination of such allowances as provided in section 107 (b).

" 'SEC. 124. Upon receipt of the notification and certificate provided for in section 122, the Administrator is hereby authorized and directed to determine, automatically and without application therefor, whether any of such dependents are entitled to any pension or compensation under laws administered by the Veterans' Administration, and the exact amount or amounts thereof, if any. Pending such determination the Administrator is hereby authorized and directed (commencing with the month following the payments provided for in section 123) to pay to such of the dependents of the deceased member having such relationship to him or her as might entitle them to a pension or compensation under laws administered by the Veterans' Administration, the full amount or amounts of such monthly family allowances as certified to the Administrator by the Secretary of War or the Secretary of the Navy under section 122, until he shall have made the determinations provided for in this section as to any pension, compensation, and the amount or amounts thereof. Notwithstanding the provisions of any other law, any pension or compensation awarded such dependents under this section shall become effective after the termination of the payment of any monthly family allowances provided for in this section: *Provided*, That section 112 of this title shall apply to payments of monthly family allowances made by the Administrator under the provisions of this section.

" 'SEC. 125. Nothing in this act shall be construed to (1) curtail any right of any such dependent (after any award of pension or compensation is made) to appeal from the determination and finding of the Administrator made as directed in section 124; (2) prevent the Administrator from subsequently reopening the case and making any other determination or finding with respect thereto; or (3) prevent any such dependent from waiving any pension or compensation or other benefit after such determination and finding has been made by the Administrator.

" 'SEC. 126. The Secretary of War, the Secretary of the Navy, and the Administrator are authorized jointly and severally to prescribe such regulations as they may deem necessary to enable them to carry out the provisions of sections 122, 123, 124, 125, and 127 and to delegate to such officers and employees of their respective departments as they may designate any of their functions.

" 'SEC. 127. Appropriations heretofore made for the Veterans' Administration "Salaries and expenses, medical and hospital, and compensation and pensions" shall be available for necessary expenses in carrying out the purposes of section 124; and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes of that section.'

"SEC. 107. Section 106 shall be effective 60 days after the date of enactment of this act."

Mr. RANKIN. Mr. Chairman, I make the point of order that the amendment is not germane.

Mr. COCHRAN. Mr. Chairman, will the gentleman reserve the point of order?

Mr. RANKIN. I reserve the point of order, Mr. Chairman.

Mr. COCHRAN. Mr. Chairman, it has been said on the floor especially when I offered the last amendment, that this is a bill that has to do with the veterans. The argument was advanced that the last amendment I offered should not be considered in connection with this legislation because of the fact that it applied to men who had not reached the stage where they could be called veterans. This amendment applies to the widows and orphans of those who have made the supreme sacrifice.

I will admit that this amendment amends the Servicemen's Dependents Allowance Act, that has to do with the men and women in the armed forces and their dependents. That bill went to the Committee on Military Affairs, not to the Committee on World War Veterans' Legislation. Mr. Chairman, the amendment I have offered seeks to provide that there will not be one day that the widows and children of those who have lost their lives are not receiving financial benefit from the Government. As it is now, if a man loses his life on the 23d of May, under existing law he is carried on the roll and the allotments and allowances are paid up to the end of the month. Then the widow and the children must appeal to the Veterans' Administration by filing an application. Then they are required to prove that they are the legal widow and legal children. They must get the marriage license, they must get the birth records of the children, and they must get affidavits that the marriage license and the birth records represent the kin of the deceased.

I say that if a man while in the service makes an allotment and pays it out of his salary to the War or Navy Department, an allotment to which the Government adds an allowance for his widow and children, that should be sufficient evidence to accept them as the legal widow and the legal children, without further application. That is what my amendment seeks to do.

I sincerely hope that the gentleman from Mississippi, who is desirous of assisting the veterans, as he always has been, will not make the point of order against this amendment but will accept the amendment and take it to conference. He will then be doing something for the dependents of those who have lost their lives, a group we all desire to help.

Mr. RANKIN. Mr. Chairman, on the point of order I desire to say that the amendment is not germane to the bill. As for the other statements made by the gentleman from Missouri, I desire to say that the mustering-out pay takes care of the veteran for 3 months after he is discharged from the Army. The death gratuity which goes to his wife and children or his mother and father, to his dependents—in other words, gives them 6 months of his service pay—and then they are taken care of under the regular veterans' legislation. Therefore this amendment would be wholly unnecessary, even if it were germane, but it is not germane to the bill, and I make that point of order.

The CHAIRMAN (Mr. LANHAM). The Chair is ready to rule.

The gentleman from Mississippi has interposed a point of order to the amendment offered by the gentleman from Missouri that it is not germane to the pending bill.

In the opinion of the present occupant of the chair, there is one very definite criterion with reference to determining whether or not an amendment is germane to a pending measure. It inheres in the jurisdiction of the committees of the House of Representatives. Its purpose is to prevent the House or the Committee of the Whole House on the state of the Union from being taken by surprise by amendments which could not have been anticipated by the committee reporting the bill within the borders of its jurisdiction.

The measure to which the particular amendment offered by the gentleman from Missouri relates emanated from the Committee on Military Affairs and deals with allowances and allotments. That could not well have been anticipated by the Committee on World War Veterans' Legislation in its consideration of the pending measure.

In the judgment of the present occupant of the chair, the amendment is not germane to the pending bill. The Chair sustains the point of order.

Mr. CLASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have already indicated in the course of the debate on this bill that I am strongly in favor of the proposed legislation. It consists of three titles. Each of them presents an important phase in the post-war activities of the United States Government, growing out of the present terrible war.

Under title I we seek to provide proper hospitalization and medical care for our disabled war heroes. Nothing we can do will repay them for their sacrifices. We must restore them to good health, if possible, and in all events prepare adequately for their care.

Under title II we seek to provide educational advantages for men who have served in the armed forces for 90 days with some limitations. Perhaps all veterans are not equally deserving of the splendid provisions contained in this section of the bill. I am one who firmly believes that much of the greatness of the United States of America springs from the educational advantages granted to our people. I prefer that Congress be generous in this regard. We are told that only 10 percent of the men and women will avail themselves of this privilege. I hope those who do so will gain much from it. Education is a very precious jewel.

Under title III we seek to provide reasonable loans to aid veterans in establishing themselves in homes, on farms, or in businesses. I believe that in most cases the veterans will act wisely as to these loans.

It is estimated that the cost of these programs will run into several billion dollars. We know that the Veterans' Administration has a fine record behind it. I am sure that it will live up to that record in the future as it handles these problems.

I favor the passage of this bill. If the vote upon it had come today, as I expected it would, I should have voted in favor of its passage. The vote has been delayed until Thursday in order that certain Congressmen, absent on official business during the debate upon the bill, may at least be recorded in favor of it. Since they will not have the same opportunity to speak during the debate which has been accorded to us who are present, they will welcome this delay. It so happens that official business will prevent me from voting in person in favor of the bill on Thursday. I have sought to secure an active pair in favor of it but I am told that no one apparently will vote against the bill. I am therefore taking this opportunity to make my position in favor of this bill a matter of public record.

The Clerk read as follows:

CHAPTER II—AID BY VETERANS' ORGANIZATIONS

SEC. 200. (a) That upon certification to the Secretary of War or Secretary of the Navy by the Administrator of Veterans' Affairs of paid full time accredited representatives of the veterans' organizations specified in section 200 of the act of June 29, 1936 (Public Law No. 844, 74th Cong.), and other such national organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War and Secretary of the Navy are hereby authorized and directed to permit the functioning, in accordance with regulations prescribed pursuant to subsection (b) of this section, of such accredited representatives in military or naval installations on shore from which persons are discharged or released from the active military or naval service: *Provided*, That nothing in this section shall operate to affect measures of military security now in effect or which may hereafter be placed in effect, nor to prejudice the right of the American Red Cross to recognition under existing statutes.

(b) The necessary regulations shall be promulgated by the Secretary of War and the Secretary of the Navy jointly with the Administrator of Veterans' Affairs to accomplish the purpose of this section, and in the preparation of such regulations the national officer of each of such veterans' organizations who is responsible for claims and rehabilitation activities shall be consulted. The commanding officer of each such military or naval installation shall cooperate fully with such

authorized representatives in the providing of available space and equipment for such representatives.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, I believe that the House of Representatives is, through this proposed legislation, doing only what is fair and just for the veterans of World War No. 2.

The Appropriations Subcommittee for Labor and Federal Security has been conducting executive hearings during the debate upon this particular bill and consequently it has been impossible for me to be present and listen to the debate. I have, however, studied very carefully each day's debate as reported in the CONGRESSIONAL RECORD and am impressed by the painstaking manner in which the Committee on World War Veterans' Legislation has written this bill, all important to the veterans.

It is my hope that today the Committee of the Whole will see fit to adopt certain amendments which will make certain that the educational provisions of this legislation will be under the direction of State educational authorities rather than under any agency located in Washington, D. C.

To me it is most important that no Federal control over our educational system be exercised in any way which might place the direction of our great school system in the hands of bureaucracy. To do so would eventually nullify that for which our servicemen are today fighting—our American way of life.

We as a nation cannot be too generous with the veterans of any war. They, in each instance, are willing that their lives be sacrificed in order that our Nation shall live and what little we can do in return through legislation of this kind I feel sure the people of America will not begrudge.

Some may say that the educational privileges given in this bill will be too costly to the Nation, but to me it would appear far better to have a few million of our veterans going to high schools and colleges following the war rather than to have them roaming the streets looking for jobs that perhaps will not be available.

I repeat, Mr. Chairman, that our Nation cannot do too much for our service men and women and it is my hope this legislation will pass without a dissenting vote in the House.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER III—REVIEWING AUTHORITY

SEC. 300. The discharge or dismissal by reason of the sentence of a general court martial of any person from the military or naval forces, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under any laws administered by the Veterans' Administration: *Provided*, That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of the commission of the offense such person was insane, he shall not be precluded from benefits to which he is otherwise entitled under the laws administered by the Veterans' Administration: *And provided further*, That this section shall not apply to any war risk, Government (converted) or national service life-insurance policy.

Mr. COLE of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, referring to section 300, which denies to any veteran who has been dismissed from the service by reason of a general court martial the benefits of this law or any other laws of benefit to the veteran, I note it preserves to that soldier who may be discharged by a general court martial his rights under the National Life Insurance Act and the war-risk insurance. My purpose at this time is to inquire why the committee preserved to the veteran who was court-martialed and under discredit, I presume, this right of insurance.

Mr. RANKIN. Because, under the contract, he has paid for his insurance. We have no right to take it away from him.

Mr. COLE of New York. Is the entire cost of insurance borne by the veteran himself and none of it by the Government?

Mr. RANKIN. The laws with reference to these insurance policies provide their own penalties so we did not presume to impose additional penalties in the law under consideration now. It would be unconstitutional if we did, I should think, because we would be abrogating a contract that is already consummated. The fact is we felt we had no right to interfere with it.

Mr. COLE of New York. I can see the strength of the gentleman's argument. In addition to that, the cost of the insurance is paid for by the veteran himself and none of it comes from the Government. That is, no considerable portion of it?

Mr. RANKIN. No; it is supposed to be paid for by the veteran himself. The Government pays a portion of it, that is true, but then it is a contract, you understand. It is a contractual obligation which we have no right to abrogate.

Mr. COLE of New York. Can the gentleman advise us whether the statute covering the war-risk insurance makes it possible for a soldier to enter into this contract and then to violate his oath as a soldier, to desert, for example, and to be subject to general court martial and still retain the benefits of the contract?

Mr. RANKIN. No; I do not have the law before me, but the War Risk Insurance Act provides its own penalty.

Mr. CURTIS. Mr. Chairman, will the gentleman from New York yield to me for a question on section 300?

Mr. COLE of New York. Surely.

Mr. CURTIS. I would like to ask the chairman of the committee for his definition of the word "insane" on line 22, page 49.

Mr. RANKIN. The question of insanity ranges all the way from mere eccentricity to the behavior of a raging maniac. This means a man who is insane to such an extent that he is not responsible.

Mr. CURTIS. And it would include a temporary period or condition caused by a battle condition or any other cause that would make him irresponsible at that particular time?

Mr. RANKIN. I think it would. It is very difficult to tell whether a man's insanity is temporary or permanent. But this has been the law for 25 years, I will say to the distinguished gentleman from Nebraska.

Mr. CURTIS. It is your thought, any condition which would make him not responsible for his own acts would be included?

Mr. RANKIN. That is right.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. COLE of New York. I yield.

Mrs. ROGERS of Massachusetts. Under the present National Life Insurance Act a man or a veteran is not entitled to secure the payment of the insurance even if he be totally and permanently disabled. It is his widow only who will receive any benefit from this insurance. I think it is a great mistake. We should amend the law to have it like the First World War Veterans's War Risk Insurance Act.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk will read.

The Clerk read as follows:

SEC. 301. The Secretary of War and the Secretary of the Navy, after conference with the Administrator of Veterans' Affairs, are authorized and directed to establish in the War and Navy Departments, respectively, boards of review composed of five members each, whose duties shall be to review, upon the request of a former officer or enlisted man or woman or, if deceased, by the surviving spouse, child, or dependent parent, the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of the sentence of a general court martial. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such person. Witnesses shall be permitted to present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: *Provided*, That the term "counsel" as used in this section shall be construed to include, among others, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the act of June 29, 1936 (Public Law No. 844, 74th Cong.). Such board shall have authority, except in the case of a discharge or dismissal by reason of the sentence of a general court martial, to change, correct, or modify any discharge or dismissal, and to issue a new discharge in accord with the facts presented to the board. The Articles of War and the Articles for the Government of the Navy are hereby amended to authorize the Secretary of War and the Secretary of the Navy to establish such boards of review, the findings thereof to be final subject only to review by the Secretary of War or the Secrtary of the Navy, respectively: *Provided*, That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within 10 years

after such discharge or dismissal or after the effective date of this act whichever be the later.

Mr. COLE of New York. Mr. Chairman, I move to strike out the last word.

This section of the bill undertakes to modify the Articles of War and the Articles Governing the Navy by setting up a review board to determine the correctness of the type or nature of the discharge which the soldier or sailor may have been given. I should like to inquire of the chairman if the representatives of the War and Navy Departments were consulted with respect to the practicability of such procedure as the committee has envisioned.

Mr. RANKIN. Yes, sir. They were consulted time and time again and we did our best to comply with their wishes.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am very glad to see this section incorporated in the bill. Several years ago I introduced legislation along this line.

We felt that some machinery should exist in the Navy Department and the War Department whereby veterans could have a review without the necessity of having their discharges corrected by specific acts of Congress. I consider this provision a powerful contribution in the right direction.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CUNNINGHAM. I may say to the distinguished gentleman it was the thought of the committee in drafting this section, to cover all veterans except those who were dishonorably discharged as the result of a general court martial.

Mr. McCORMACK. I noticed that proper distinction.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mrs. ROGERS of Massachusetts. The gentleman from Iowa [Mr. CUNNINGHAM] was an adjutant general during the First World War.

Mr. McCORMACK. As I understand, this provision gives an opportunity to the veterans of World War No. 1 to seek a review, the same as the veterans of World War No. 2. I understand that section 301 gives an opportunity to Veterans of World War No. 1, as well as veterans of World War No. 2 to seek a review?

Mr. RANKIN. Yes; that is true.

Mr. McCORMACK. Then on line 14, I find these words, "and such other evidence as may be presented by such person." I think it might be interesting for the record to have some observation made as to the meaning of those words.

Mr. KEARNEY. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KEARNEY. I would like to correct the statement of the chairman, if he does not mind. I do not believe this does cover veterans of World War No. 1, because the 10-year provision in this paragraph has already passed.

Mr. McCORMACK. In any event it will be in conference and I am sure the conferees on the part of the House will keep that fact in mind, because certainly if we are going to give the benefit of that review to the veterans of this war, it should be extended to veterans of the last war.

Mr. KEARNEY. I think it should be.

Mr. McCORMACK. Will the gentleman state for the record what is meant by the words, "and such other evidence as may be presented by such person"? What is meant by "such other evidence"?

Mr. KEARNEY. I would say what evidence might be available at that particular time. There is no attempt to limit it.

Mr. McCORMACK. Suppose a man was discharged and he was in civilian life for 5 years and then filed an application for review. During that 5 years he led an exemplary life. Would that be evidence that he could present under this phrase, "and such other evidence as may be presented by such person"?

Mr. KEARNEY. I do not understand that any subsequent conduct in civilian life would be evidence under this particular section. I think it means evidence that might be available affecting certain circumstances during the time that the soldier was in the service.

Mr. McCORMACK. I think this is so important for the record, because there will be a construction placed upon this as to the intent of Congress, that it ought to be explained by members of the committee.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CUNNINGHAM. It is not the thought of the committee that we had the power to go back and change any rules and regulations of the Army or the Navy in regard to these veterans by subsequent conduct in civil life, but this is what we did have in mind: A boy gets into trouble when he is in the service and he has an opportunity to sign a statement or make a confession and be discharged and save himself the danger of going before a general court martial. That boy might be scared by his commanding officer or someone over him and sign a statement that he was a deserter or admit that he was a deserter, and be kicked out for that reason, when, as a matter of fact, he was not a deserter. He was only absent without leave. If he had not been scared to death or had been properly defended before a court martial, it may have been proven that he was only absent without leave. It was the thought of the committee in approving this that it would open the door for these boys to present any evidence that they could get to clear up their record. However, I do not believe it was the thought of the committee and I do not believe the bill would cover the question that the gentleman from Massachusetts [Mr. McCORMACK] asked.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McCORMACK. My only purpose is that this is such an important provision, it is such a marked contribution, that I felt we should pause to have the Members state just what the intent of Congress is in connection with the provisions of this section, because it is going to have a very far-reaching effect in the future.

Mr. CUNNINGHAM. If the gentleman will permit, I heartily agree with his views. I think they are laudable. However, I would like to ask the gentleman this question. I understand the gentleman is a lawyer. I would like to ask him whether or not we can go so far as to add to a man's Army record, evidence of good conduct subsequent to his discharge.

Mr. McCORMACK. I am not criticizing what the committee did. I am complimenting the committee. I think we could, but I am satisfied with what has been done. We have done something here that we can experiment with, and then later on if in the light of experience we see that we should go further, the Congress can do so. I think a great deal of good will come out of this, but what I wanted was to have some statement from members of the committee as to what the words "and such other evidence as may be presented by such person" means, as showing the intent of Congress.

Mr. CUNNINGHAM. It was the intent of the committee that such other evidence as might be related to his conduct during his active period of service, but not subsequent.

Mr. McCORMACK. The gentleman fully answers my question for the record.

Now, in connection with the construction of that evidence, is it the intent of the committee and presumably the intent of Congress, in the use of this language in reporting out this provision, that the review board should apply the rules of equity to the consideration of review—broadly, flexibly, and liberally?

Mr. CUNNINGHAM. Yes; to the extent that the reviewing authority—and I think I speak for the committee—could take into consideration a boy's subsequent conduct, in determining the weight of the evidence presented, affecting the period of time he was in the service.

Mr. ALLEN of Louisiana. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. ALLEN of Louisiana. I want to call the attention of the gentleman to lines 11 and 12, on page 51. I think the gentleman from New York [Mr. KEARNEY] was in error when he felt that the application for review had to be filed within 10 years, because in line 12 it says, "or after the effective date of this act, whichever be later."

Mr. KEARNEY. I think the gentleman from Louisiana misunderstood me. What I referred to was in answering the question of the distinguished gentleman from Massachusetts [Mr. McCORMACK] that the 10-year period had already gone beyond the time for veterans of the First World War to come under this particular provision.

Mr. ALLEN of Louisiana. But a veteran of the First World War would come under the provision of line 12, on page 51.

Mr. KEARNEY. I do not believe it was so intended.

Mr. ALLEN of Louisiana. Oh, yes. Anybody who is living could come under that.

Mr. McCORMACK. I think that should be clear for the RECORD, because these few questions of mine are for the purpose of having put into the RECORD, expressions of members of the committee and of the House, because they are important as bearing on the intent of Congress in the construction of certain portions of this section, which is very important and very humane and is a very far-reaching section. The committee and all Members are to be congratulated for putting this provision into the bill.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I will say to the distinguished gentleman from Massachusetts [Mr. McCORMACK] that I believe the War Department will be very sympathetic in having the personnel of the War Department sit on these review boards. Today the War Department has rehabilitation camps all over the country in order to give men who formerly would have been considered as having done something to put them out of the Army, an opportunity to be rehabilitated. They are put into these camps and rehabilitated, with a view of putting them back into the Army. I agree with the gentleman. The section dealing with review of discharges is a very humane provision and I think it should be absolutely clear as to what is meant by it. To my mind the discharges of the veterans of all wars could be reviewed by the review board under the provisions of this section.

Mr. EBERHARTER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. EBERHARTER. I agree with the gentleman from New York when he states that this section would not apply to World War veterans because the language reads that the review shall not be valid—it cannot be made unless filed within 10 years after such discharge or dismissal. To me that is after the effective date of this act.

Mr. KEEFE. It reads "whichever shall be later."

Mr. EBERHARTER. After the effective date of this act, whichever shall be the later.

Mr. KEEFE. Yes; it is perfectly clear, whichever shall be the later; and 10 years after the effective date of this act would certainly be later than 10 years after the man's dismissal from his service in World War No. 1. Clearly, those who served in World War No. 1 are embodied in the provisions of this act by the saving grace of the words found in the last line of the section.

Mr. EBERHARTER. But it does not say "in this section."

Mr. RANKIN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. RANKIN. I think I can ease the pain of the gentleman from Pennsylvania.

Mr. EBERHARTER. I do not care to have the gentleman ease any pain.

Mr. RANKIN. All right, then suffer on.

Mr. EBERHARTER. I am rising only for the purpose of having this clear.

Mr. RANKIN. If the gentleman cannot understand this language his case is hopeless. This provision applies to veterans of the Civil War, the Spanish-American War, the Indian wars, and the First World War. It is written so plainly that I believe any Civil War veteran or any other veteran could read it and understand it, even though he had reached far beyond the age of three score years and ten.

Mr. CURTIS. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. CURTIS. I should like to ask the committee if it was the intent to limit the application for review to only once during the lifetime of any veteran? I have in mind that after a man has once applied for a review of his case he might some years later discover new evidence very much in point.

Mrs. ROGERS of Massachusetts. I think surely the War Department would accept that further evidence. It would be manifestly unfair to the veteran not to do so.

Mr. CURTIS. It was not the committee's intention to limit the veteran to one application and hearing.

Mrs. ROGERS of Massachusetts. It was not the intention of the committee. The committee, I know, did not want any limitation in the bill.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the pro forma amendments.

Mr. Chairman, I am very much in favor of this bill. I am indeed glad that the Veterans' Affairs Committee has been prompt in bringing before the House this bill providing for hospitalization, training, education, and aid in securing loans so that veterans of this war, upon their return, may as speedily as possible be taken back into civilian life on as nearly the same basis as they left as we can provide.

We all regret that the circumstances, over which we had no control, found it necessary that men be called from home, from their business, that young men be taken from school, their education interrupted. It is highly proper that the Nation attempt to bring them back to an opportunity equal to that which they gave up.

Mr. Chairman, I have been vitally interested in the question of hospitalization and proper care for those in the service. In September 1942, in speaking in support of H. R. 7311, providing for veterans of this war the same hospitalization as was granted the veterans of the last war, I called to the attention of the House the tragic story of a young man from my own district whom the Federal Government, after he had become disabled, tried to avoid hospitalizing and placed with his family. I am glad to say that this situation was remedied and adequate hospitalization is now provided and will be continued under this bill.

Since I have been on the Appropriations Committee we have seen to it that every dollar needed has been furnished to give the American soldier the best ships, the best planes, the best equipment, the best training, and in case of injury the best of medical attention. Our duty does not end there. We must see that as nearly as possible these men must return to the America they knew, to an economy in which they can make a living.

We from the South are fighting every day for constitutional government. We have made every effort to assure the boys from our area a livelihood when they return. More than a year ago we were able to get through the Congress a bill providing that the loan on cotton, our chief crop and the crop upon which our section is dependent, shall be increased to 90 percent of parity, have provided that labor costs shall be included in figuring parity, and further that this loan shall be continued for 2 years after the war so that economic conditions may be stable in the years immediately following the war. This means much now. It is the only reason that there is any market for our cotton at all. By providing that such law shall continue for 2 years after the war we assure a healthy economic condition, and thereby a livelihood to the returning soldier.

There is not any way to adequately pay men to endure the dangers of war, no way to fully compensate them for their injuries. Such things cannot be measured in terms of money. Its worth cannot be expressed in monetary terms. I am glad to know we, in this Congress, increased the pay of soldiers and provided for their dependents. I know that each Member of Congress, as I have, has handled thousands of personal problems of soldiers and of their dependents. These are requests that have first priority with all of us. The little inconveniences and problems of the folks back home fade into insignificance when compared with the sacrifices of the men in service. The hardest thing I have to do is to write that mother or loved one when we receive notice that her boy or husband is killed or missing. There is so little we can do.

Today we do take another step in providing for those who have risked their all in defense of country. I am sure there can be no opposition to this bill, providing for hospitalization of veterans, for training and equipment, for a continuance of education where interrupted by the war, for Government support in purchasing a home, a small farm or business, and providing for aid in the period of getting located in a job.

As stated, there is no way for us at home to compensate the supreme risk which men in service have made and are making today. We can, however, do everything in our power to see that they

are the best equipped, the best trained, are provided with the best hospitals and care, and today we are endeavoring to do everything a proud Nation can do by lending every effort to make it as easy as possible for the returning servicemen, when the war is over, to return as far as it is possible to civilian pursuits and take up where he left off. A great nation can do no less.

We wish them Godspeed, an early victory, and expect to continue the fight that they will return to the America they know and love; to a life of opportunity, under the Constitution, where they can live the life they wanted to live.

Those of us here should continue our greatest efforts to see that this tragedy shall never come again by providing adequate provisions that the peace which follows shall be a permanent one, that American boys shall never again go through the hardships and tragedies they endure with courage today.

Mr. MILLER of Connecticut. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Connecticut: On page 51, strike out lines 9 to 13.

Mr. MILLER of Connecticut. Mr. Chairman, this is practically a pro forma amendment now in view of the discussion that has taken place. I wanted to have it absolutely clear that all veterans of either the First World War or prior wars could have their discharges reviewed. I still do not see the reason for the 10-year limitation. I believe it means only that 11 years from now we shall have to amend the act. I do not see any advantage in the 10-year limitation.

Mr. RANKIN. I may say to the gentleman from Connecticut that we discussed that proposition in the committee and decided that by leaving this limitation in the bill it would encourage men to demand their privileges earlier, and that later Congresses might extend it. They ought to be settled. We left it as it is now because there are men whose records ought to be cleared and who should be given an opportunity to have them cleared.

Mr. MILLER of Connecticut. I have in mind the case of a man who shortly after the end of World War No. 1 was given a dishonorable discharge not by action of a general court. In 1934 somebody's deathbed repentance caused him to write a letter confessing that he was guilty of the act for which this man was dishonorably discharged. If this provision should stay in the act and such an instance should happen 12 years from now the man would be foreclosed.

Mr. RANKIN. That is right, but within that 12 years there will still be a Congress and this provision can be extended and the law amended; but we felt that to leave this limitation in the bill now would encourage these men who come out of this war to have their cases expedited as rapidly as possible.

Mr. MILLER of Connecticut. I can see the point of view of the committee and at the proper time I shall ask unanimous consent to withdraw my amendment. I wanted that feature to be cleared up.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. EBERHARTER. I do not see anything in this section which would apply to a veteran who was non compos mentis. I wonder if there is any language in the bill which would take care of the veteran who happened to be insane? In other words if he were not able to file his petition for review within the 10-year limitation he would be out. I wonder if any member of the committee, the gentleman from Mississippi, who is so ready to answer all questions would be able to answer that one or will have any pain about it.

Mr. RANKIN. I will answer that question for about the fourth time: That if any man has not filed his claim or asked for this review within 10 years there will be a Congress here to extend this law.

Mr. EBERHARTER. That is not an answer to my question.

Mr. RANKIN. The gentleman is just 10 years ahead of the law. What we are trying to do now is to take care of veterans of this war as rapidly and as expeditiously as possible. We placed this 10-year limitation in the bill in order to encourage them to clear these records within that 10 years if possible.

Mr. EBERHARTER. If the gentleman from Connecticut will yield a little further—I think he understood my question. My question was whether or not a veteran who was non compos mentis, or insane, whether this section would in anyway take care of a review of his discharge; and the gentleman from Mississippi does not seem to understand the question.

Mr. MILLER of Connecticut. I assume his legal guardian or conservator could act in his behalf; I do not know.

Mr. EBERHARTER. That is just an assumption; I should like to have that cleared up.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. CUNNINGHAM. If the gentleman will turn to page 44 of the bill, lines 9 and 10, he will see the following language:

This act may be cited as the Servicemen's Readjustment Act of 1944.

That does not read "the servicemen of World War II" or "of World War No. 1," or "of the Civil War," but it does include the servicemen of all wars that are now under the jurisdiction of the Veterans' Administration.

The language beginning in line 9, on page 51, reads:

Provided, That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within 10 years after such discharge or dismissal or after the effective date of this act, whichever be the later.

That would include your World War No. 1 man, that would include your Spanish-American War man, that would include your Civil War man, or your Revolutionary War man if there be any left.

Mr. MILLER of Connecticut. I believe the question asked by the gentleman from Pennsylvania was whether the attorney or guardian of a veteran of unsound mind could act for him.

Mr. CUNNINGHAM. Yes; certainly.

Mr. EBERHARTER. I do not see it in this section, but my question was as to whether or not there was any provision in the bill to take care of insane veterans or veterans who were non compos mentis.

Mr. CUNNINGHAM. That was discussed in the committee. I am sure it is in the bill somewhere.

Mr. MILLER of Connecticut. Mr. Chairman, in view of the explanation given by the chairman of the committee, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PETERSON of Florida. Mr. Chairman, I move to strike out the last three words.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. RANKIN. Public Law No. 2 already provides for a guardian to represent a veteran in matters of this kind. If, therefore, an insane veteran is entitled to this relief or to have his discharge reviewed by this board, the guardian has the right to act for him.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I will yield to the gentlewoman from Massachusetts in a moment if she will permit me to make a short statement.

Mr. Chairman, I hope this legislation may pass without a single dissenting vote. Many veterans are returning and the sooner we can pass this bill the better we all will feel in our efforts to help those who merit the gratitude of the world. I rise mainly to clear up the question as to lines 11 to 13 on page 51:

Shall be valid unless filed within 10 years after such discharge or dismissal or after the effective date of this act whichever be the later.

I construe that language to mean that it shall be valid if filed within 10 years after such discharge or dismissal or within 10 years after the effective date of this act, whichever be the later. In other words, they would have 10 years from the time of discharge or dismissal, or 10 years from the effective date of the act. I believe I have made the proper construction and I wanted to be sure before we left that section that the committee seemed to be in accord on that. I should like the gentleman from New York, after rereading the section, to advise, if he wishes to, whether he agrees to that construction or not.

Mr. KEARNEY. I certainly do agree with it. I do not think it was the intent of the committee to have it done that way, but I do say it is in the bill at the present time.

Mr. PETERSON of Florida. I yield now to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. In the case of an insane veteran, if he committed some crime while he is insane he would not be responsible. Also, I

would like to state that the War and Navy Departments are much more careful in the type of discharge they give to the men since the question came up in the World War Veterans' Committee about this matter.

Mr. PETERSON of Florida. The chairman of the Committee on World War Veterans' Legislation, does he agree with the construction I have placed on it and that there is no dispute as to that construction?

Mr. RANKIN. I did not understand the gentleman from Florida. I am very sorry.

Mr. PETERSON of Florida. In other words, this particular section is so broad as to cover the veterans of all wars who might apply within 10 years of the time they are discharged or within 10 years of the effective date of this act?

Mr. RANKIN. That is right.

Mr. PETERSON of Florida. Is there any member of the committee present who disagrees with that construction?

Mr. EBERHARTER. Will the gentleman yield?

Mr. PETERSON of Florida. I just want to make one statement. That being the case, I believe all Members present agree with the construction I have placed on it.

Mr. EBERHARTER. I think the matter is so important that it should be clarified in conference to the extent that we insert after the word "or" in line 12 "within 10 years after the effective date of this act." That would make it absolutely clear. If you read it "unless filed within 10 years after such discharge or dismissal" separately from the words "or after the effective date of this act, whichever be the later," there might be some confusion, if they are construed to be separate and distinct, being separated by the word "or." I think it would be absolutely clear, if after the word "or" in that paragraph you insert "within 10 years after the effective date of this act."

The CHAIRMAN. The time of the gentleman has expired.

Mr. PETERSON of Florida. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

There was no objection.

Mr. PETERSON of Florida. Mr. Chairman, the legislative intent is taken from the congressional debates as they appear in the CONGRESSIONAL RECORD. It has been clearly set forth in the RECORD now that the chairman of the Committee on World War Veterans' Legislation, the ranking members, and the various members of the committee agree with that construction.

Mr. ALLEN of Louisiana. Will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from Louisiana.

Mr. ALLEN of Louisiana. It may be well to point out also that not only is this right given 10 years after the effective date of this act to the veteran but it is given to his surviving spouse, child, or dependent parent.

Mr. RANKIN. And under Public Law 2 it is given to the guardian. I do not think anybody is worried about it except the gentleman from Pennsylvania.

Mr. EBERHARTER. Well, that is not so. The gentleman from Florida is worried about it too.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I believe there is some merit to the point made by the gentleman from Pennsylvania and it can easily be corrected by taking the word "after" out of line 12 so that it will read:

Provided, That no request for request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within 10 years after such discharge or the effective date of this act.

With the two "afters" in there I think there is some point to the gentleman's contention, and by taking out the second "after" there is no question about the intention.

Mr. EBERHARTER. I think the gentleman from Iowa is absolutely correct. If the word "after" is taken out, there can be no question as to the interpretation of the language, but if it is left as it is, just as the gentleman from Florida has very well pointed out, there will be some question as to the interpretation or as to what was the intent of the Congress.

Mr. PETERSON of Florida. I was trying to get in the RECORD the legislative intent on the part of the members of the committee. I want to be sure that it covers veterans of other wars also.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CUNNINGHAM. Mr. Chairman, I offer an amendment to strike out the word "after" in line 12, page 51 of the bill.

Mr. RANKIN. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. RANKIN. I think you are going to get your language very badly mixed up if you offer that amendment. If there is any doubt at all, and if you are going to make any change at all, it ought to be "within 10 years after discharge" or "within 10 years after dismissal" or "within 10 years after such discharge or dismissal" or "within 10 years after the effective date of this act whichever is later." If you strike out one of the "afters," it may be confusing. So far as I am concerned it is as clear as it can be. If you strike out one of the "afters" you are going to leave it open to a construction that may shut the door in the faces of some of these men.

Mr. CUNNINGHAM. I do not believe there is any difference between the two words myself. I always defer to my distinguished chairman. He knows more about it than I do, and I will accept his version of the amendment.

Mr. RANKIN. I would say "dismissal or 10 years" after the word "or," following the word "dismissal" in line 12.

Mr. CUNNINGHAM. Should that not be within 10 years?

Mr. RANKIN. Yes; or within 10 years.

Mr. CUNNINGHAM. Mr. Chairman, I offer an amendment to insert following the second word "or," line 12, page 51 of the bill, the words "within 10 years."

The Clerk read as follows:

Amendment offered by Mr. CUNNINGHAM: Page 51, line 12, after the word "or" insert "within 10 years."

Mr. EBERHARTER. Mr. Chairman, I move to strike out the last word.

I want to observe that the gentleman from Mississippi finally agrees that I was right in the first place.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I did not agree with the gentleman from Pennsylvania at all. I was simply helping the distinguished gentleman from Iowa [Mr. CUNNINGHAM], who is offering a clarifying amendment which he proposes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. CUNNINGHAM].

The amendment was agreed to.

Mr. FURLONG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, considering the fact that the American Legion presented to the Congress of the United States what was known as the G. I. bill of rights for readjustment and rehabilitation of World War No. 2 veterans, this bill was quickly passed by the Senate as S. 1767.

Then this bill was brought before the House World War Veterans' Legislation Committee, where after weeks of diligent, thorough, and efficient study we have improved and added to this bill and now have the greatest bill that has ever been presented in behalf of the veterans at any time in the history of the United States.

We have taken care of the need of increase in Veterans' Administration hospital facilities; added provisions for vocational training and rehabilitation; authority to correct mistakes in discharge from service; educational aid; down payment loans to veterans for homes, farms, businesses, and improvement of homes.

Unemployment insurance for veterans unable to secure employment, and veterans' employment service.

With added amendments which have been approved, we feel that now this bill is in the best shape possible.

Inasmuch as the Veterans' Administration is held accountable and responsible for administrating the veterans' affairs, I feel that all final jurisdiction in handling veterans' affairs must be kept and remain in the hands of the Veterans' Administration.

I ask and urge that this bill be passed in the form as near as possible as we have reported with the clarifying approved committee amendments. It is important recognition of those to whom we owe so great a debt.

Mr. KEEFE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. Mr. Chairman, title II is about to be read. This relates to chapter 4, Education of Veterans. Then follows section 400 which has included within it a number of other sections, including pages 52 and 53, over to 54 and 55 and then over to the top of page 56.

Do I understand, under the ruling that has heretofore been made by the Chairman, that this entire section 400 will be first read in its entirety, and then this entire section will be open to amendment?

The CHAIRMAN. The gentleman is correct; not only under the ruling of the Chair, but under the rules of the House.

Mr. KEEFE. I just wanted to understand what was meant by "section." For instance, part 8 here also is divided up into sections.

The CHAIRMAN. The Chair will state to the gentleman from Wisconsin that there are many numbered paragraphs in section 400, but it is all section 400, and the bill is being read by sections.

Mr. KEEFE. The reason for making the inquiry is because it is not only divided into subsections, but divided into parts of a section also, which is rather unusual. So that there may be no mistake about it, then I am perfectly at ease until the entire section 400 is read before attempting to offer amendments to it?

The CHAIRMAN. The Chair will state that under the parliamentary procedure of the rules of the House that that is the course that will be followed. The entire section 400 will be read and then it will be open for amendments.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Mississippi.

Mr. RANKIN. I desire to say to the gentleman that we took up the amendments which he submitted to us this morning in executive session, and the committee approved amendments 2, 4, 5, 6, 7, 8, 9, and 10, which I agreed to offer as committee amendments.

The reason we did not agree to offer amendment No. 1, page 53, line 22, and amendment No. 3, page 55, line 10, was because those two provisions are already taken care of. The rest of the amendments are agreed to, and if the gentleman wants to offer them, I will submit them to him.

Mr. KEEFE. In order to clarify the situation, so that there may be no misunderstanding about it as we go along, and without having a duplication of effort, I understand the gentleman to say that the committee has accepted all of the amendments except the amendment which I have listed as No. 1?

Mr. RANKIN. That is right.

Mr. KEEFE. That is the amendment on page 53, line 22?

Mr. RANKIN. That is right.

Mr. KEEFE. And amendment No. 3, on page 55, line 10?

Mr. RANKIN. Yes.

Mr. KEEFE. Other than those two amendments the committee has accepted the other eight amendments?

Mr. RANKIN. Yes. I am instructed to offer them as committee amendments. Is that satisfactory?

Mr. KEEFE. Mr. Chairman, may I say that the only reason I raise the question now is because many Members of the House have received wires from their Governors or their State administrative authorities asking them to support the amendments which are to be offered by the gentleman who is now addressing the House. I would like to have it understood that those amendments, whether they are offered by me or by the committee, are the amendments to which the Governors and the various administrative authorities in the States have made reference.

Mr. RANKIN. I may say to the gentleman from Wisconsin that we took them up in committee this morning, and we agreed to them, not because they were recommended or endorsed by some Governors, who never read the bill, but because we thought they were right and should be inserted.

Mr. KEEFE. That is very fine.

The Clerk read as follows:

TITLE II

CHAPTER IV—EDUCATION OF VETERANS

SEC. 400. (A) Subsection (f) of section 1, title I, Public Law No. 2, Seventy-third Congress, added by the act of March 24, 1943 (Public Law No. 16, 78th Cong.), is hereby amended to read as follows:

"(f) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation No. 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII hereby added to said regulation."

(B) Veterans Regulation No. 1 (a), is hereby amended by adding a new part VIII as follows:

"PART VIII

"1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, who is discharged or released therefrom under honorable conditions, shall be entitled to financial assistance to enable him to undertake and pursue a course of education or training as may be elected by him, subject to regulations promulgated by the Administrator of Veterans' Affairs pursuant to the authority and within the limitations herein contained: *Provided*, That such course be initiated not later than 2 years after discharge or after the termination of the war, whichever be the later date, and that no such schooling or training shall be afforded beyond 7 years after the termination of the present war: *Provided further*, That he served 90 days or more, or was discharged within such period by reason of an actual service-incurred injury or disability: *And provided further*, That his education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into such service, or that he requires a refresher or retraining course, in no event to exceed 1 year, to fit him for employment or to practice a profession. Any such person, upon application, shall be afforded a course of education or training or a refresher or retrainer course not to exceed 1 calendar year. Upon satisfactory completion of such course of education or training, except a refresher or retrainer course, a veteran shall, upon application to the Veterans' Administration and subject to the provisions of this title, be entitled to an additional period or periods of continuous instruction not to exceed the time the person was in active service on or after September 16, 1940, and before the termination of the war, exclusive of (1) the 90 days' qualifying service, and (2) any period he was assigned for education or training under the Army specialized training program or the Navy college training program or as a cadet at one of the service academies: *Provided*, That in no event shall the total period of education or training exceed 4 years.

"2. A veteran eligible under this part may enroll in any school or institution of his choice, which will accept him, for education or training, and may for reason satisfactory to the Administrator change a course or institution: *Provided*, That any course of education or training under this part may be discontinued at any time if it is found by the Administrator that the conduct or progress of the veteran is unsatisfactory: *Provided further*, That the Administrator from time to time shall secure from the appropriate agency of each State, Territory, or possession, or of the District of Columbia, a list of all schools or institutions equipped to supply education or training within such jurisdiction, which schools and institutions, and such additional public or private schools or institutions as may be recognized by the Administrator, shall be deemed qualified to enroll eligible veterans approved for education or training under this part.

"3. While enrolled in and pursuing a course under this part each veteran, upon application, shall be paid a maintenance allowance of $50 per month if without a dependent or dependents, or $75 per month if he have a dependent or dependents: *Provided*, That no maintenance allowance shall be paid for other than full-time enrollment and attendance inclusive of leave as may be authorized under this part: *Provided further*, That any person eligible for the benefit of this part who is also eligible for the benefit of part VII may elect which benefit he desires: *And provided further*, That subsistence allowance hereunder shall not, in the event of such an election, exceed the amount of additional pension otherwise payable were the training under said part VII.

"4. Any person eligible under this part, and within the limitations thereof, may pursue such full- or part-time course or courses as he may elect without maintenance allowance.

"5. The Administrator of Veterans' Affairs shall pay to the school or institution for each person enrolled in full-time or part-time courses of education or training under this part the customary cost of the tuition, laboratory fees, books, supplies, and equipment, and other necessary expenses, exclusive of any charge for maintenance, as are generally required for successful pursuit and completion of the course in the institution by other students, but such payment shall not exceed $500 for each regular school year: *Provided*, That no expenses for infirmary and medical care other than those included in the customary fees, or for travel, shall be authorized under this part.

"6. No department, agency, or officer of the United States in carrying out the provisions of this part shall exercise any supervision or control whatsoever over any State educational agency or State apprenticeship agency or any educational or training institution.

"7. The authority vested in the Administrator by paragraphs 2, 6, and 7, part VII, Public Law No. 16, Seventy-eighth Congress, with respect to vocational rehabilitation, shall be vested in, and may be exercised by, him with respect to education or training under this part.

"8. In the event a veteran applies for and receives maintenance benefits under this part and subsequently, for any reason, ceases to receive such benefits and becomes eligible to receive allowances under title V of this act, any benefits received under this part shall be deducted from the total allowances provided in title V of this act."

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 52, line 16, before the word "war" insert the word "present."

Mr. RANKIN. Mr. Chairman, this is merely a clarifying amendment to insert the word "present" before the word "war" in line 16 on page 52. It is a committee amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 53, line 5, after "training", insert "according to the regularly prescribed standards and practices of the institution"; and on page 53, line 22, after "Administrator" insert "according to the regularly prescribed standards and practices of the institution."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 53, line 18, after "accept" insert "and retain."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 54, line 2, after "institutions" insert "including industrial establishments"; and in line 3, after "training" insert "including apprenticeship training."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 55, line 7, after "year" insert "of 36 weeks."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 53, line 14, after "cadet" insert "or midshipman."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer a further amendment. I may say that these are all committee amendments.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 55, line 10, after the period insert the following: "If any such institution has no established tuition fee, or if the established tuition fee of any publicly supported institution or private institution exempt from tax under section 101 (6) of the Internal Revenue Code, shall be found by the Administrator, after recommendation of the State department of education of the State in which such institution is located, to be inadequate compensation to such institution for furnishing education or training to veterans, the Administrator is authorized to provide for the payment with respect to any such veteran the actual cost of such instruction, but not to exceed the rate of $500 per ordinary school year of 36 weeks."

Mr. JUDD. Mr. Chairman, I wonder if the gentleman from Mississippi would object to adding to the words "cost of such instruction" the words "or training."

Mr. RANKIN. I do not think there would be any objection to that.

The CHAIRMAN. Without objection, the amendment will be modified accordingly.

There was no objection.

Mr. JUDD. There is a further question I should like to ask the gentleman. I happen to know that the usual custom in the past of the Veterans' Administration in contracting with institutions has been to exclude from their actual cost administrative costs or depreciation of the buildings or equipment, to avoid anybody's building up his costs.

Mr. RANKIN. That is the custom generally followed.

Mr. JUDD. The gentleman does not think it is necessary to put it in?

Mr. RANKIN. No. Certainly not.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD on the pending amendment.

The CHAIRMAN. Is there any objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Chairman, during general debate on Thursday, May 11 I interrupted the gentleman from North Carolina [Mr. BARDEN], to say that I feared the language of the bill at top of page 55, if enacted into law, would discriminate against State colleges and universities which charge no tuition, and in that case the bill would favor, in the carrying out of this veterans' educational program, those other schools which have a definite tuition charge to cover all expenses. Apparently this amendment before us would remedy that defect, as it should be remedied.

I have all along in the consideration of this bill insisted that each veteran entitled to these educational benefits should be perfectly free in making his choice of institutions to attend. I would not want to discriminate against any institution of learning, public or private, but I believe that those institutions which have a tuition charge of $500 or under are distinctly favored by the language of the bill as it is written. Such tuition covers cost of instruction which the Government will pay for the veteran's benefit.

Let us suppose that the veteran chooses to go to a State institution supported by local taxes, many of which make no tuition charge, while others have a nominal tuition which does not cover the full cost of instruction. Now, if the veteran exercises his choice, as we want him to do, he may go to a junior college, or a teachers college or a State university, and there get the same class of instruction as would cost Uncle Sam about $500. However, in such a case he would get it at the expense of the local taxpayers. I cannot see any fairness in that, and I do feel that since the education of this veteran is a Federal responsibility, the Federal Government ought to bear the actual cost—without, of course, any padding of profit to the local institution such as might be termed "gouging" Uncle Sam.

I am all the more constrained to feel this way about the matter because I have been connected with and know something of the management of public institutions of learning meagerly supported by local taxation and struggling hard to furnish the best educational facilities with the funds supplied. I know of just such institutions in several States of this Union. Therefore, I feel that we must amend this bill so as to permit veterans to choose such splendid schools without a feeling on his part that he is adding to the coffers of any institution or augmenting the strain upon the limited resources of the State or local unit. Apparently the amendment offered will remedy this situation.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word, in order that I may answer questions on this amendment.

Mr. CHAPMAN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Kentucky.

Mr. CHAPMAN. Does this amendment provide for the participation in this educational program of private colleges in which no tuition fee is charged, such as Berea College in Kentucky, for example?

Mr. RANKIN. Yes.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from North Carolina.

Mr. BARDEN. May I state at this point that that is the section that is unanimously agreed to by the Committee on Education, and I think it is unanimously agreed to by the gentleman's committee.

Mr. RANKIN. May I say in reply to the gentleman from North Carolina that this amendment was first worked out by members of the Committee on Education, of which the gentleman from North Carolina [Mr. BARDEN] is chairman. We took it up in executive session and made some slight changes and agreed to it unanimously.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. Does this provision authorize a State institution, approved by the State board of education and on the approved list, to increase to veterans the tuition that is customarily charged in such institutions?

Mr. RANKIN. It permits them to increase it up to a certain level.

Mr. ZIMMERMAN. These boys in Missouri and Mississippi are citizens of Missouri and Mississippi?

Mr. RANKIN. That is right.

Mr. ZIMMERMAN. Why should any institution require higher tuition from a veteran than from my boy or your boy or John Jones' boy or any other boy? Why should they not all stand on an equal footing in these institutions?

Mr. RANKIN. May I say to the gentleman from Missouri that that question arose in the committee and we found there was a different tuition charged in private schools and in other schools.

We did not want to discriminate against State institutions.

Mr. ZIMMERMAN. We have a great many private colleges in Missouri, I think about as many as any State in the Midwest.

Mr. RANKIN. This takes care of them.

Mr. ZIMMERMAN. They all have a stipulated tuition for any boy who wishes to attend that institution, or girl, for that matter.

Why should the veteran who is a citizen of your State or my State be called upon by that institution to pay 1 cent more tuition than John Jones' boy or the average mill-run in that school? I say it is a discrimination against the veterans of our country.

Mr. RANKIN. No; it is not anything of the kind. The gentleman evidently has not read the bill.

Mr. ZIMMERMAN. I heard the amendment read.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. JUDD. May I say to the gentleman from Mississippi the reason for this is that a private school operated for profit has a customary fee that covers its cost and profit. But in the case of a private school operating not for profit, but out of an endowment, why should it take its endowment perhaps prepared and limited for the boy from the wrong side of the tracks, the underprivileged boy, and use it to pay the tuition of a man who is the responsibility of the Federal Government? The Federal Government may pay, say, $500 to a private school operated for profit, but only $150, $200, or $300, its customary fee, for equally good training, to a private school and require it to use its endowment for a man who is a Federal charge.

Mr. ZIMMERMAN. Let me say this to the gentleman. We are dealing with citizens of the respective States, and they have the right of any other citizen. If that boy wants to go to Westminster College in Missouri, which is an endowed institution—that is where my son went to college—I would like to know why there should be any discrimination from the standpoint of tuition and the using up of any endowment of that institution, and why there should be any discrimination between my boy, who goes there and enjoys all the equipment and facilities of that institution, and a veteran who wants to go there and enjoy the advantages of that institution. What is the difference?

Mr. JUDD. Why should we discriminate in favor of the private college or institution operated for profit and give full charges and thereby discriminate against the college not operated for profit and give it only a part of its legitimate costs for taking care of this boy?

Mr. RANKIN. That would be a discrimination against the State institutions.

Mr. JUDD. Yes. The State institution gets part from the Federal Government and part from the taxes of that State when the veteran, in whatever college, is a Federal responsibility, not of the States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ZIMMERMAN. Will the gentleman from Mississippi yield to me to make this observation?

Mr. RANKIN. I yield.

Mr. ZIMMERMAN. In a State institution there is no discrimination, and there should be none, between the citizens. The fact that one boy is a veteran and one is not a veteran should not make any difference. They go there and enjoy the same educational facilities. The only thing is, whatever expenses are incurred are paid for by the Federal Government in the case of a veteran. It is the payment of a debt which they owe to that veteran, an obligation which we owe that veteran.

Mr. JUDD. That is what this amendment does.

Mr. ZIMMERMAN. This permits the school to increase the tuition of these veterans.

Mr. JUDD. No.

Mr. ZIMMERMAN. That is what it does.

Mr. JUDD. No; not above its costs.

Mr. RANKIN. It permits State schools to charge just what the private schools charge. In other words, it prevents discrimination against State colleges and therefore it is for the benefit of the State of Missouri. Those servicemen are going to have to maintain that institution in the years to come.

Mr. ZIMMERMAN. If they go to a private college, they should pay tuition just the same, whatever is the part of the State institution, and then they are all put on an equal basis.

Mr. RANKIN. All right. If the gentleman's views prevail, the man who goes to a private institution would be paid far more, or the Government would pay a far greater percentage of his expenses than it would of a man who goes to a State college supported by the taxpayers, one of whom this boy represents.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. BARDEN. I might say, instead of being a discrimination, that it best takes care of the charitable schools and the church schools and all those schools exempted under the revenue act.

Mr. RANKIN. It is a benefit.

Mr. BARDEN. Instead of being a discrimination, it is a far-seeing provision which should pass right now.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. DONDERO. May I suggest to the gentleman from Missouri, Mr. Chairman, in the school referred to by the gentleman from Kentucky [Mr. CHAPMAN], a boy works his way through that school and supplies a third of his keep. The veteran certainly does go there under the same circumstances, but goes there as the responsibility of the Federal Government.

Mr. RANKIN. That is right.

Mr. DONDERO. Therefore he does not enter that institution on the same basis and this provision takes care of it.

Mr. RANKIN. I will say to the gentleman from Missouri, this is one provision in the bill which has the unanimous approval, both of the Committee on Education and the Committee on World War Veterans' Legislation and has the unanimous approval of the Senate and the approval of the Veterans' Administration.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. JUDD. This is primarily in the interest of the veteran, not of the school. Many of the very best vocational schools in the United States, those established by endowment, cannot accept a veteran if they get only the customary tuition fee. They would deplete their endowment and be bankrupt in 2 or 3 years. They would have to violate usually their articles of incorporation or the will of the founder if they were to use the endowment to take care of part of the expenses of veterans rather than for the underprivileged boys, for which their money was intended. I do not want to class veterans among the underprivileged and put them in on a charity basis, even in part.

Mr. ZIMMERMAN. I am not so sure but what you are opening up a gate here for some racketeering somewhere along the lines of discrimination against our veterans. I am not so sure of that.

Mr. RANKIN. I think this is the most liberal provision so far as education and rehabilitation of veterans is concerned that has ever been written into the law from the veterans' standpoint.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to ask a couple of questions with respect to this particular section, so that I may have a couple of doubts resolved. May I say in the first place I think that this proposed amendment is almost a complete answer to the telegrams and letters that have come to Members of Congress from the educational institutions of this country. I want to compliment both the Committee on Education and the Committee on World War Veterans' Legislation for incorporating this amendment, which is now before us. In order to understand the situation thoroughly, however, I must turn back to the provision which is to be found at the bottom of page 53 where it states:

> That the Administrator from time to time shall secure from the appropriate agency of each State, Territory, or possession, or of the District of Columbia, a list of all schools or institutions equipped to supply education or training within such jurisdiction.

Is it the understanding of the committee that pursuant to that direction it shall be the obligation of the proper State agencies in each State to forward to the Veterans' Administration a list not only of the public and private schools,

but business colleges and other institutions that are conducted for profit, and so on, like a school of engineering, a radio school, or what not? So that the veteran will have the choice at his election to attend any school that is giving instruction in the State, that he might want to attend, regardless of whether it may be recognized as an accredited school institution in the State by State authorities? Do I understand that this language is broad enough to cover the type of institutions to which I have referred?

Mr. RANKIN. It is, if the gentleman will read the balance of the sentence. It says:

> Which schools and institutions, and such additional public or private schools or institutions as may be recognized by the Administrator, shall be deemed qualified to enroll eligible veterans approved for education or training under this part.

Mr. KEEFE. May I say to the gentleman I am fully familiar with the provisions of this section and have studied it very carefully. The reason you have placed in this bill apparently the language giving to the Administrator the power and authority to include in the program such additional public or private schools or institutions as he may deem wise is what convinces me that the first part of this section does not require the State authorities to include in their list all of the private schools in the State.

What I want to be sure about is that the business college operated in my city or in some other city, which has been in business for many, many years and which has attracted many veterans from the last war will be open to veterans of this war if they decide they want to go to that business college and get a business training. Do I understand that under the law as now written in this amendment, such a school will be included in the program?

Mr. RANKIN. We have no authority and no power to compel the educational authorities of a State to recommend or approve any school, but we left this additional provision for the various institutions to which the gentleman from Wisconsin refers.

Mr. KEEFE. Then there is no suggestion on the part of the committee to strike out of this bill that provision which gives that discretion to the Administrator?

Mr. RANKIN. No, sir.

Mr. KEEFE. So that if a number of veterans from my State decide they want to go to a certain business college or a certain private school of engineering, they will have the right to go to those schools even though the State educational authorities have not certified them under their certification?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RANKIN. Let me answer the gentleman from Wisconsin. We will have in the Army at least 10,000,000 men. There are millions of those men who never went to college and never will go to college. There are millions of those men who will never go to high school. Some of them are the best soldiers and sailors and marines the world ever saw. Some of these little schools that teach the boys how to earn their livelihood, how to do the things they will have to do in the years to come, would probably be overlooked by some "brass hats" in some of the higher-up educational institutions that dominate in their States. So we have made it possible wherever there is a shop or a little school that a boy wants to go to—it may be the old agricultural high school out in the country that he intended to attend, or was attending when he was taken into the Army; he does not want to go to the University of Mississippi or to Harvard. He knows he could not enter. He may want to go down to this training shop where this man is teaching the boys how to become automobile mechanics. He may want to go to the kind of school to which the gentleman from Wisconsin referred—some private business school that probably would not be recognized by the higher educational authorities of the State, and not included in the list. For that reason we have given the Veterans' Administration the power to recognize that school for the purpose of allowing these boys to go there. That authority, in my opinion, will be most carefully exercised and there will be no abuse of it.

Mr. KEEFE. I am glad to have the gentleman make this statement. I hope it will be carefully recognized so that there will not develop a group of fly-by-night so-called schools with a lot of high-pressure salesmen going out and selling the veterans a contract to attend such-and-such a school for a big fee.

Whoever is the Administrator of this program should get the idea now that it is not the intent of Congress to provide educational facilities in that type of institution, and that the Veterans' Administration should guard against the establishment of a lot of high-pressure salesmen going out and selling the idea of a contract to attend a radio school or a mechanic's school or something like that. I want the RECORD to show something as reflecting the attitude of the Congress with respect to that. With the explanation that the distinguished gentleman from Mississippi has given, I think this amendment should be adopted and is a great contribution to this section of the bill.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. KEEFE. I yield.

Mrs. ROGERS of Massachusetts. Of course, it is possible that the State board of education might have some prejudice against a fine institution in that State.

Mr. KEEFE. That is entirely possible.

Mrs. ROGERS of Massachusetts. And it also protects the veteran and the educational system.

Mr. KEEFE. I think that is a very good idea, because the fundamental principle all through this bill is that this is a veterans' bill. This is a veterans' choice. This is for the determination of the veteran. We should not superimpose upon him some authority that says, "You must go to this school or that school." The veteran is to have the choice of institution he shall attend.

Mr. ROWE. Will the gentleman yield?

Mr. KEEFE. I yield.

Mr. ROWE. Is it the gentleman's opinion that the reservation of authority in the administration is to preclude fly-by-night schemes?

Mr. KEEFE. Well, I do not know whether that is it or not. But I personally feel that that reservation of authority in the Administrator is no imposition upon the proper prerogatives and rights of the States. I think it is proper protection to the rights of the veteran.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. DONDERO. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is rather gratifying to the members of the Committee on Education to know that the Committee on World War Veterans' Legislation not only accepted and approved, but offered on the floor of the House some of the amendments which were worked out and offered by our committee. We did it in the hope of being helpful and making this bill as good a bill for the veteran as possible.

Now, we are on the section of this bill which deals with the question of whether or not the Administrator of Veterans' Affairs shall have the right to select in a State such schools and institutions of learning which the State educational authorities had not seen fit to include in the approved or accredited list. It seems to me that when we adopt that language in this bill—and I have an amendment on the desk to strike it out—that we are saying to the State educational authorities "We have no faith or confidence in your list or selection of State educational institutions."

I think it makes a czar out of the Administrator of Veterans' Affairs to authorize him to go beyond and disregard the list which is to be provided by the various States where the veterans may have training or schooling, by empowering him to select additional schools regardless of their standards. Lines 4 and 5 on the top of page 54, which I quote: "Such additional public or private schools" in my judgment is an invitation for a great many of the fly-by-night type of institutions to be started in the various States, in order to enroll veterans therein, because the Government of the United States pays $500 tuition.

If the list that is furnished by the State institutions does not include all of the schools within that State, obviously there must be some reason for it. Perhaps they did not qualify and do not come up to the standard of education which has been fixed in that State. If you leave that language in this bill it means that the standard of education in the various States will be lowered. I have always believed that education should remain with the State authorities and it should not be lodged in the hands of one man, with authority to reduce that standard of learning and

education fixed by the States, no matter how meritorious his reasons may be.

I hope the committee will accept the amendment which I intend to offer. If you reject it, then I am going to ask the chairman of the Committee on World War Veterans' Legislation if he will accept after the word "additional", on line 4, page 54, one word, that is, the word "established", so that that line will read "and such additional established public or private institutions."

Mr. JUDD. Will the gentleman yield?

Mr. DONDERO. I yield.

Mr. JUDD. We discussed that this morning since I had an opportunity to see the gentleman. Does he not think it would be better to use the word "existing" rather than "established"?

Mr. DONDERO. Well, either one.

Mr. JUDD. That would avoid the fly-by-night institutions.

Mr. DONDERO. The gentleman is correct.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. RANKIN. You are going to have boys who are coming back from this war who will be able to teach you something. You may have new schools spring up to teach things that the American people are going to want to know and these boys are going to want to know also. The gentleman's amendment would exclude these schools absolutely; that is what the gentleman's amendment would do.

Mr. DONDERO. Let me answer the gentleman that there is no such thing in the mind of any Member of the House, but there is a belief that we should exclude any institution that tries to establish itself in order to cash in on what the Federal Government might allow to educate these veterans.

Mr. RANKIN. The Congress of the United States will be here, the Veterans' Administration is a governmental agency. Does not the gentleman know that the Veterans' Administration would not recognize a mushroom school that had established itself for that purpose with Congressmen and Senators watching and protesting from that district?

Mr. DONDERO. That may be one way to prevent it, but my amendment would make it definite.

Mr. RANKIN. If you strike that whole provision out then you shut the door in the face of those little private schools referred to by the gentleman from Wisconsin.

Mr. DONDERO. Not at all, because the list to be furnished by the State school authorities in the first instance is not the final list. The Administrator can call for further lists and the State board will add to the list such schools in the State as it deems qualified. I do not see that they would be excluded even with that language deleted from the bill.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. CRAWFORD. I wish to ask the gentleman two or three questions in order to clear certain matters up in my mind. First, where is the language in the bill which prohibits solicitors from financially benefiting as a result of this type of legislation?

Mr. DONDERO. I doubt if there is any language in the bill.

Mr. CRAWFORD. I understood from the colloquy between the gentleman from Mississippi and the gentleman from Wisconsin that there was language in the bill which prohibits such benefits to flow.

Mr. RANKIN. What benefits?

Mr. CRAWFORD. The benefits to solicitors who solicit students to enroll in these schools, soliciting agents, you might call them.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CUNNINGHAM. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. DONDERO] may proceed for an additional 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. If the gentleman will permit, I should like to ask another question.

Mr. DONDERO. Certainly.

Mr. RANKIN. This money is not to pay for solicitation, it is to pay for the boys' education.

Mr. CRAWFORD. That was the question raised a while ago, as to whether we want legislation which would permit solicitors to go out here and materially benefit by urging students to go to some particular school, using Federal funds for that purpose.

Mr. RANKIN. I may say to the gentleman from Michigan there has always been, as far as I know, a tendency on the part of even the very best educational institutions to invite students to their schools.

Mr. CRAWFORD. I understand that. Let me put the question this way: Does the $500 fee set forth in line 7, page 55, of the bill, carry sufficient amount to enable the schools to pay for that type of solicitation?

Mr. RANKIN. I would not think so if it is very costly. This is not to pay the schools to go out and solicit someone, it is to pay for the boy's going to school, his tuition. And another thing, in those institutions where the tuition is above that of course that will have to be borne by the student himself.

Mr. DONDERO. Let me answer that question: That matter was discussed before the Committee on Education. There are very few colleges in this country whose tuition exceeds that amount. There may be a few in the East and some in the Middle West, but not very many. I think as a general rule very few schools or educational institutions throughout the country would exceed the $500 limit.

Mr. CRAWFORD. One other question: When is this $500 to be paid? At the beginning of the school year or in installments throughout the school year?

Mr. DONDERO. I think that will be paid according to rules and regulations set up by the Administrator of Veterans' Affairs.

Mr. CRAWFORD. Has the gentleman any definite answer on that?

Mr. DONDERO. I do not.

Mr. CRAWFORD. If the Administrator of Veterans' Affairs should rule that the $500 may be paid at the beginning of the school year then these wildcat schools to which the gentleman from Michigan referred would be able to collect a lot of fees in advance of the school year, liquidate and go out of business and leave the Veterans' Administration and the veterans without benefit.

Mr. DONDERO. That could happen, but that is a matter that will have to be left to the good judgment of the Administrator of Veterans' Affairs.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. MILLER of Connecticut. I am wondering what this would do for veterans who wanted to attend nursing schools over which State boards of education have no control and of whose operations they have no knowledge.

Mr. DONDERO. All they have to do is to place them on the list provided in the committee bill. If they are equipped for training and schooling then they would be recognized by the Administrator of Veterans' Affairs.

Mr. MILLER of Connecticut. Not long ago a member of the State board of education in my State said you could pass all the laws you wanted to but he would have to be bound by the law of the State of Connecticut as to the various types of educational institutions, because the State law sets up the jurisdiction of his department. So what could you do in a case like that?

Mr. DONDERO. The State department of education would, in cooperation with the Administrator of Veterans' Affairs, supply the list.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. CUNNINGHAM. Answering the inquiry of the gentleman from Michigan [Mr. CRAWFORD], the Administrator would be designated in the place of the parent or guardian and he would pay the tuition to the institution or the college just as the parent would pay it at the time it is due to the school.

I should like to ask the gentleman who now has the floor if we adopt his proposed amendment which he has not yet offered and strike out the lines to give the Administrator power to add additional institutions, what would happen in the case of a State that submits to the Administrator upon request only the names of one or two schools, or probably none? If the gentleman's amendment is adopted, the Administrator could not go into the State and add any other schools, no matter how many veterans are there. Understand, the Congress cannot compel the State board of education of any State to submit a list or recommend any schools. All the Administrator can do is ask them to furnish a list. He looks at that list. He cannot take anything off of it, but he can add to it those schools that he finds in the State are suitable for veterans. If the amendment proposed by the gentleman is adopted, we are going to take that power away from the Administrator and

make this an educators' bill rather than a bill for the veterans. This is a veterans' bill.

Mr. DONDERO. I could not conceive of the school authority of any State submitting a list of schools that would exclude the schools in the State which had complied with the standards of education designated by that State. Undoubtedly there are schools in the States which do not meet the standards of education in the State and when you take it away from the State school authority you are lowering the standards of the schools to which the veterans themselves might desire to enroll.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. SCRIVNER. The intent, of course, was to give the veterans education and schooling. The question now arises: What contact does the State board of education have with these shops, for instance, where a man can learn something about radio, these small shops where he can learn a number of small crafts? Or, for instance, some girls might want to attend nursing schools or go to a school of cosmotology; yet the normal State board of education has nothing to do with such schools.

Mr. DONDERO. I do not believe there will be any difficulty in that situation. It would be handled by the State authorities because such schools and their standards exist under State laws.

Mr. SCRIVNER. You must not forget that thousands of veterans will want to learn many of these lesser crafts. The Veterans' Administration has already made some limited investigation into these smaller schools whereas the State boards of education take no notice of them whatsoever.

Mr. DONDERO. My only purpose is to exclude those schools that will not be for the best interest of the veteran.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

The question is on the amendment offered by the gentleman from Mississippi as a committee amendment. Without objection the pending modified amendment will be reported.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: After the period in line 10 on page 55 insert the following matter: "If any such institution has no established tuition fee or if the established tuition of any publicly supported institution or private institution exempt from tax under section 101 (6) of the Internal Revenue Code, shall be found by the Administrator, after recommendation of the State department of education of the State in which such institution is located, to be inadequate compensation to such institution for furnishing education or training to veterans, the Administrator is authorized to provide for the payment with respect to any such veteran the actual cost of such instruction or training but not to exceed the rate of $500 per ordinary school year of 36 weeks."

The CHAIRMAN. The question is on the modified committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 55, line 21, change section 8 to section 7.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 55, strike out lines 16 to 20, inclusive.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 5, line 15, after the word "institution" strike out the period, insert a semicolon and the following: "*Provided*, That schools operated or supervised by the United States or any of its agencies shall not be ineligible to supply education or training under this part by reason of such Federal operation or supervision."

Mr. RANKIN. Mr. Chairman, this amendment is proposed by the gentleman from Oklahoma [Mr. STIGLER] who is a member of the Committee on World War Veterans' Legislation. He felt that under the bill as it now stands some of the Indian schools might be left out and he asked that this amendment be adopted in order to make sure that they will not be.

Mr. MURDOCK. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Arizona.

Mr. MURDOCK. I have the same feeling and I think this language will safeguard the Indian schools. I am glad to see this amendment offered and I shall support it.

Mr. RANKIN. The gentleman may give the gentleman from Oklahoma [Mr. STIGLER], credit for this amendment.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. This amendment would not contemplate the establishment of any educational schools by the Federal Government?

Mr. RANKIN. No.

Mr. SUMNERS of Texas. Is the gentleman sure about that?

Mr. RANKIN. I am reasonably sure because I do not think the Congress would ever let that be done.

Mr. SUMNERS of Texas. That is not what we intend?

Mr. RANKIN. No.

Mr. SUMNERS of Texas. We would rather have it in the RECORD that way.

Mr. RANKIN. What we want to do is to see that these Indian schools in Oklahoma, Arizona, and probably in Wyoming, Montana, and other Western States are not ignored.

Mr. SUMNERS of Texas. That is the only purpose of the amendment?

Mr. RANKIN. That is the only purpose of the amendment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, may we have that amendment reread again?

The CHAIRMAN. Without objection, the amendment will be rereported.

There was no objection.

The Clerk reread the pending amendment.

Mr. TABER. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. TABER. Why does not the gentleman make it so that it just brings in these Indian schools? We do not want to be authorizing directly or indirectly an operation that will create other Federal schools, with the exception of those that we are obliged to maintain.

Mr. RANKIN. I may say to the gentleman from New York this provision was in the Senate bill. It also covers land-grant colleges.

Mrs. ROGERS of Massachusetts. Would the gentleman be willing to add the words "existing schools"?

Mr. RANKIN. It does not make any difference to me. The gentleman from Oklahoma feels that it should remain as it is.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Under this amendment would it not be possible to have these boys get into West Point and Annapolis if they would apply and the superintendent of those schools would feel this is an amendment to the law? They would then be required to permit them to go to those schools.

Mr. RANKIN. No; they would never get into West Point or Annapolis.

Mr. VORYS of Ohio. What is to prevent them from doing that if this amendment is agreed to?

Mr. RANKIN. The requirements of the institutions themselves, and besides the law provides a way to select those students. This does not supersede that act at all.

Mr. WRIGHT. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I just want to remark that if the word "existing" were put in there, it would stop the Government from opening any new Indian schools.

Mr. RANKIN. Certainly; and you may have some of these Indians move from one reservation to another.

Mr. KEARNEY. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. KEARNEY. In answer to the gentleman from Ohio, may I ask, Is it not true that the schools have to accept the veteran?

Mr. RANKIN. That is right.

Mrs. ROGERS of Massachusetts. Why not add the words "Indian schools"?

Mr. RANKIN. You have land-grant colleges in this country that are not Indian schools. I prefer to let the amendment stand as it is.

Mr. TABER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER to the committee amendment: After the word

"States" insert "for Indian schools" and strike out the balance of the amendment.

Mr. RANKIN. Mr. Chairman, may we have the whole amendment read as amended to see how it would read?

The CHAIRMAN. Without objection, the Clerk will report the amendment as it would be modified by the amendment offered by the gentleman from New York [Mr. TABER].

There was no objection.

The Clerk read as follows:

Page 55, line 15, after the word "institution", strike out the period, add a semicolon and the following: *"Provided,* That schools operated or supervised by the United States for Indian schools."

Mr. TABER. Mr. Chairman, this amendment would limit the operation of schools supervised by the United States to Indian schools. The land-grant colleges are not supervised by the United States.

Mr. Chairman, the whole picture is this: I am willing to go along and take care of the Indian schools, but unless we limit it and put it where it belongs it is going to be an opening wedge for all sorts of Federal educational activities, including such demoralizing activities as we have had recently. We should not get involved in any such thing as that.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Does not the gentleman feel in view of the uncertainty about this thing that we should ask unanimous consent for the matter to go over and refer to it later when the committee has had time to consider the proposed amendment?

Mr. TABER. I should not object to that.

Mr. SUMNERS of Texas. If I might have the attention of the chairman of the committee, with the permission of the gentleman from New York, I would like to suggest to the chairman of the committee and other people interested that there seems to be something in this matter that requires consideration and attention. There is a good deal of confusion, and it seems to me that the matter by unanimous consent might be passed for the time being, and we could go on with the bill and return to it later when we see what is the best thing to do in shaping up the amendment.

Mr. RANKIN. I have just conferred with the gentleman from Oklahoma [Mr. STIGLER] and he thinks that if we just modify the amendment to this extent, by striking out the period and inserting a colon and the following, *"Provided,* That Indian schools operated or supervised by the United States," that would be all right, if the gentleman from New York would accept that amendment.

Mr. TABER. I wonder if the gentleman would reread that amendment.

Mr. RANKIN. Line 15, strike out the period and insert a colon and the following: *"Provided,* That Indian schools operated or supervised by the United States shall not be ineligible to supply education or training under this title by reason of such Federal operation or supervision."

Mr. TABER. I think that is all right.

The CHAIRMAN. Does the gentleman from Mississippi ask unanimous consent to withdraw his amendment and offer in lieu thereof the amendment he has just read?

Mr. RANKIN. Yes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read as follows:

Committee amendment offered by Mr. RANKIN: Page 55, line 15, strike out the period, insert a colon and the following: *"Provided,* That Indian schools operated or supervised by the United States shall not be ineligible to supply education or training under this title by reason of such Federal operation or supervision."

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word, and speak in favor of the amendment.

The gentleman from Oklahoma [Mr. STIGLER] is a new Member of the committee. We did not consider this provision in the committee, but we are delighted to have it go into the bill. It is a very wise and extremely just provision.

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last two words.

I ask for this time simply to ask the chairman if Howard University would be considered as a school supervised in any way by the United States Government?

Mr. RANKIN. I do not think it would, and even if it were, it is not an Indian school. That is a private school.

Mr. MILLER of Connecticut. In the balance of the amendment was not reference made to schools supervised by the United States Government?

Mr. RANKIN. No; just Indian schools.

Mr. MILLER of Connecticut. Then I was confused in the changes made in the amendment since first proposed.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I believe the District of Columbia recognizes Howard University.

Mr. RANKIN. Yes.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, all I want to do is to ask this question: This amendment as now phrased is limited to Indian schools. The reason it was thought necessary to adopt this amendment was that the language of the section which precedes it has a very proper prohibition against the exercise of "supervision" by Veterans' Administration officials over State and local schools. I would just like to ask this question, to be sure that it is altogether clear. I wonder whether the implication of the action so far taken, considering first the language of the section and, second, the limited character of this amendment, could possibly be construed to prevent the attendance by a veteran at a school which is given grants under the George-Deen Act or under the Smith-Hughes Act.

Under those circumstances the Federal Government does not exercise supervision, but the Federal Government does ask that the States submit a plan and that they give assurance that teachers will be properly and adequately trained, and on the basis of that the grants are made. I would like to ask the chairman if there is any possibility of there being any exclusion of veterans from attendance at such institutions, because I think if there is, it would be most unfortunate.

Mr. RANKIN. I know it does not prevent the veteran from attending such schools. If the gentleman from California will remember, a few moments ago we discussed a provision here that permits the Veterans' Administration to recognize public or private schools that are not under State supervision and not recommended by the State authorities.

Mr. VOORHIS of California. I understand that, but that is not quite the point. The point is that the committee has a section in here, which is quite proper, saying that no Federal official who is charged with carrying out this act shall exercise supervision over State and local schools.

Mr. RANKIN. For the purpose of this act.

Mr. VOORHIS of California. That is right; for the purpose of this act. Then the amendment was presented by the gentleman from Oklahoma to say that this should not apply against existing institutions which were Federal in character, and that amendment was later modified so as to apply only to Indian schools.

What I want to be sure of is that the action of the House is not going to be interpreted to cast any doubt upon the opportunity of a veteran to attend a school which is in receipt of grants under the George-Deen Act or the Smith-Hughes Act. That is all I want.

Mr. RANKIN. No; the gentleman may rest easy on that point.

Mr. VOORHIS of California. I thank the gentleman.

Mr. KEEFE. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I would like the attention of the chairman of the commitee for just a moment, because I conceive that the gentleman from California has raised a question that ought to be made clear in this RECORD.

On page 55, paragraph 6, it is provided as follows:

No department, agency, or officer of the United States in carrying out the provisions of this part shall exercise any supervision or control whatsoever over any State educational agency or State apprenticeship agency or any educational or training institution.

Just a few moments ago we put in some clarifying amendments which made it sure that a veteran could receive the benefits of training in a private institution or plant. The apprenticeship-training system in this country is operated on the basis of grants in aid to the States

out of funds provided by the United States Government.

The entire vocational system of this country is a system of Federal grants-in-aid of vocational education. The Federal Government does supervise both vocational and apprenticeship training, at least to the extent of requiring an audit of the expenditures made in both those programs, under the Wagner-Peyser Act.

Mr. RANKIN. Not under this act.

Mr. KEEFE. The point I am coming to, that the gentleman does not seem to grasp as yet, is that this paragraph 6, on page 55, provides that no department, agency, or officer of the United States in carrying out the provisions of this part shall exercise any supervision or control whatsoever over any State educational agency.

Just so that it may be perfectly clear, it is not the intent of the Congress by the enactment of this paragraph to interfere in any way with the program of grants-in-aid under the Smith-Hughes Act, the Wagner-Peyser Act, or the apprenticeship training?

Mr. RANKIN. It has no bearing whatsoever.

Mr. KEEFE. So that any Federal control which may exist with respect to the operations of those programs in the State is not such a control as is contemplated under the prohibition of this particular section?

Mr. RANKIN. No; it will not interfere with them in any way.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. Are not schools that receive grants subject to certain supervision by the Federal Government? They have to meet certain requirements and have certain inspections.

Mr. REED of New York. Certain minimum requirements.

Mr. KEEFE. There is no question about that. I think that is a matter that should be very carefully considered because we must not have any interference with these programs.

Mr. RANKIN. The gentleman is mixing up the general law with this act. This provision states, "In carrying out the provisions of this part." We do not interfere with those things at all.

Mr. KEEFE. I think I can read the English language and determine what it means.

Mr. RANKIN. I thought I could.

Mr. KEEFE. I do not want to be accused of trying to stultify the provision of this paragraph, which states:

> No department, agency, or officer of the United States in carrying out the provisions of this part.

What do you mean, "carrying out the provisions of this part," carrying out the educational features of this bill and offering an opportunity for the veteran to select the school he shall attend and obtain the education provided for in this section? You say that no department, agency, or officer of the United States in carrying out the provisions of this part shall exercise any supervision or control whatsoever. Suppose it is an apprenticeship-training program to which the veteran elects to go; who is going to handle it? I am asking this merely for clarification.

Mr. RANKIN. Whoever controls the school. The Government is not trying to exercise power over those schools at all, and that is what that provision says.

Mr. KEEFE. All right. When it comes to the question of clarification or construction of this section, so far as this House of Representatives is concerned, the record will clearly show that it is not the intent of paragraph 6 on page 55 to interfere in any way with the present operations of the apprenticeship training system or the vocational education system or the aids which are given to agricultural training under the Smith-Hughes Act.

Mr. RANKIN. Let me say to the gentleman from Wisconsin now and for all time that so far as I am concerned the Federal Government will never exercise any control over State schools. That has been my position ever since I have been in Congress.

Mr. KEEFE. I have no doubt but what that is the gentleman's position, but unfortunately the way the thing is set up there are a lot of State institutions that are receiving Federal aid. When the Federal Security Agency bill comes in shortly, you will have an opportunity to ascertain what a lot of those aids are.

I want to be perfectly sure that a school which is now receiving Federal aids to maintain a portion of the services and program is not to be barred from participation in this program under the provisions of section 6 on page 55, and I understand that to be the attitude of the committee and the Congress in considering this section this afternoon.

Mr. LEWIS. Mr. Chairman, I move to strike out the last 2 words.

Mr. Chairman, I rise at this time to ask the chairman of the committee whether or not in the schools and institutions mentioned on page 54 of the bill as eligible to train these veterans are included church-supported institutions.

Mr. RANKIN. The answer is "yes."

Mr. LEWIS. I think that ought to be well undestood.

Mr. RANKIN. I may say to the gentleman it includes any school the veteran wants to select, provided it is approved by the educational authorities of the State or recognized by the Veterans' Administration.

Mr. LEWIS. What sort of action does it take on the part of the State educational authorities to bring a church-supported institution within the permitted category?

Mr. RANKIN. All the State educational authorities have to do is put the name of that school on the list and submit it to the Veterans' Administration.

Mr. LEWIS. The fact that a school is recognized for the conferring of degrees, I suppose, would be ample recognition of the eligibility of the school?

Mr. RANKIN. That is not for the Veterans' Administration to pass on. Many of these schools do not grant degrees. The truth is that a majority of the American people go to schools that do not grant a degree. The majority of the American people never get into a college. The majority of them do not get through high school. So it does not matter whether or not a school grants degrees, if it is on the list approved by the educational authorities of the State and su mitted to the Veterans' Administration it is recognized by the Veterans' Administration.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield? I may be able to help him.

Mr. LEWIS. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. This bill does not require that the State agency shall submit a list of accredited or approved schools. The State agency can submit a list of any schools in the State, approved or not approved, accredited or not accredited. If there is a school that is a church school—let us say Berea College or some other school that is not on that list—and the Veterans' Administrator feels that it should be on that list, or there are a number of veterans who make application saying they want to attend that school, the Administrator of Veterans' Affairs then will have the authority to add that school to the list submitted by the State agency, whether it be a church school or a private school or whatever it may be. The important thing is that the Administrator of Veterans' Affairs cannot take off the list the name of any school that is on the list submitted by the State agency, but if the State agency does not put it on the list, he can add it. If the State agency wants to discriminate and eliminate certain schools in the State and put a small list in the hands of the Administrator, then the Administrator can go beyond that and can step into the field of schools to which the gentleman is referring.

The reason for the committee insisting on that provision being in the bill is that this is a veterans' bill and not an educational bill; it is an aid to the veterans and not to the educational institutions that are better qualified to give them a monopoly over the teaching of the veteran. That is the exact purpose of the bill.

Mr. LEWIS. I understand that, of course.

Mr. CUNNINGHAM. I think the gentleman's apprehension is taken care of in the bill.

Mr. LEWIS. I do not know that I am yielding to any apprehension at all on that subject, but I do want it to be clearly understood here that all of these church-supported schools throughout the United States are eligible to be included in the lists sent by the State educational authorities.

Mr. CUNNINGHAM. If the State leaves such a school off the list, the Administrator can add it.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. They say that this is a veteran's bill. Suppose a veteran applies to a certain educational institution. Then, if that school has not been included by the State

on its list, the Veterans' Administrator may recognize that school, and if the school will take the boy, he goes to that school.

Mr. LEWIS. That is right.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. LEWIS. I yield.

Mr. RANKIN. You have in the State of Ohio one of the most unusual schools in America, I believe—Antioch College—which is headed by Dr. Arthur E. Morgan, formerly head of the Tennessee Valley Authority. Those students go to school for a few months and then go out and work for a few months. In my opinion it fits them for the battle of life about as well as any institution in America. I am not sure it will be recognized by the educational authorities of Ohio, but if not, the Veterans' Administration then would be permitted to recognize it if any veteran wanted to go there. That is the reason for this provision which was discussed here on the floor a few moments ago.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I take advantage of the few moments I have to compliment the committee that has reported this bill for having handled it, it seems to me, very wisely with respect to a difficult feature of this bill. They are putting the major responsibility and the major power of selection in the State and they are indicating confidence in the first instance in the wisdom of the State in selecting those who would have to do with public education in the States. Then they do the precautionary thing of providing if for some reason the local agency in the States do not do a good job and veterans want to go to another school, then the agency in Washington is privileged to do that which is necessary. Then they provide against the possibility, as well as they can provide, it seems to me, against the fly-by-night institutions springing up to get money out of the Treasury without having done the services required.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

Mr. BARDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: On page 52, line 21, strike out all after the word "disability", down to and including the period on line 1, page 53.

Mr. BARDEN. Mr. Chairman, that amendment strikes out this language:

And provided further, That this education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into such service, or that he requires a refresher or retraining course, in no event to exceed 1 year, to fit him for employment or to practice a profession.

I submit that if there has ever been a provision that could be dubbed a nuisance provision, that is one of them, because it will require every veteran to prove to the Veterans' Administrator that his education was "interrupted" or "interfered with" or "impeded" in order to get the training. We have already provided to take care of all of these veterans who want and qualify to take training not just part of them. Perhaps some boy left home and was taking care of his mother and after he went off for 2 or 3 years, he became interested in radio. Maybe his mother died and those things that required him to stay home are not there any longer and that spark of desire and ambition has made him want to go to school and study radio or take some other kind of training. How is he going to prove that his education was hindered or prevented or impeded to the satisfaction of the Administrator? Why, he did not even have the desire to go until he went off and saw the rest of the world. I really think the committee should accept that amendment.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. ALLEN of Louisiana. Mr. Chairman, I cannot speak for the committee, but I rise to ask the gentleman if he has discussed this matter with the gentleman from Georgia [Mr. PACE]. Two or 3 days ago the gentleman from Georgia had some ideas on this matter, but I do not see him on the floor now.

Mr. BARDEN. I did discuss this with the gentleman from Georgia. He was interested in the same objectives that I am.

Mr. ALLEN of Louisiana. I would like to say to the gentleman from North Carolina that so far as I am personally concerned, speaking individually, I am in accord with his views.

Mr. BARDEN. I thank the gentleman.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. JENSEN. I just want to say until I had learned a minute ago that the gentleman from North Carolina was going to offer this amendment, I was going to introduce exactly the same amendment. So I want him to know I am for it. I think it is a very necessary amendment. It is fair and will put all veterans in the same category.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield. I hope the lady is in favor of it.

Mrs. ROGERS of Massachusetts. I am in favor of it. I was in favor of it in the committee. I hope very much that amendment will be adopted. I am heartily in favor of your amendment. I think otherwise a great injustice will be done to older men struggling along to earn money to take a higher course in education which they could not possibly do before if they did not have the money when the war now has completely taken away that opportunity. I am in favor of the gentleman's amendment. I was in favor of it in the committee. I am for the gentleman.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. WRIGHT. I am inclined to think the gentleman is on the right track in this amendment, because of the fact that it may be that a strict reading of the language of the bill would restrict education to those people who either have gone to school or contemplated going to school.

Mr. BARDEN. That is right. If we want to save money then do it by cutting down the term not by discrimination.

Mr. ROBSION of Kentucky. Mr. Chairman, I rise in support of the amendment.

Mr. BARDEN. I thank the gentleman.

Mr. ROBSION of Kentucky. If this language is not stricken from the bill, as I understand it, every veteran who applies for an education would have to show, and the burden would be on him to show that his education and training was impeded, delayed, interrupted, or interfered with by reason of entrance into the war.

Mr. BARDEN. I do not think there is any question about it. I think this will protect the Veterans' Administrator, because I think otherwise the Veterans' Administrator would be required to exact that very proof from every veteran who sought education, and I would be up to say which one could go to school and which one must stay at home.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield for a question?

Mr. BARDEN. I yield.

Mr. PHILLIPS. I want to make sure how far your amendment goes. I am very much in favor of it. Does it remove any necessity of connection? That is, any veteran under your amendment would be entitled to select education irrespective of his position or age?

Mr. BARDEN. Oh, yes; if he rendered the qualifying service and desired it.

Mr. PHILLIPS. It removes any restrictions?

Mr. BARDEN. As a matter of fact, this does not have any bearing on age. This particular clause does not. I might say to the gentleman that there is no restriction in the bill as to age, and should not be. Let us be fair to all with whatever benefits we grant.

Mr. PHILLIPS. No; but there is a restriction as to school connection, the interruption of a course

Mr. BARDEN. Yes; that is what I want to strike out. Otherwise only those who had declared their intention to go to school or who were going to school could go.

Mr. PHILLIPS. You remove it completely.

Mr. DONDERO. It simply removes the burden of proof from the veteran.

Mr. BARDEN. That is exactly correct. It just removes the burden of proof from the veteran. And it is an unnecessary nuisance provision.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CUNNINGHAM. Mr. Chairman, I ask unanimous consent that the gentleman may have 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CUNNINGHAM. As I understand the gentleman's amendment he strikes down to and including the word "profession" on page 52.

Mr. BARDEN. That is correct.

Mr. CUNNINGHAM. Then you are denying the boys this refresher or retrainer course.

Mr. BARDEN. Oh, no.

Mr. CUNNINGHAM. You are taking it out.

Mr. BARDEN. Oh, no. I am simply taking out the requirement to prove. I do not know where that name "refresher or retrainer" course came from anyway. You can put any kind of a prefix on it you want, retrainer, refresher, or whatever you want to call it. I do not get the significance of it.

Mr. CUNNINGHAM. I do not want the gentleman to cut out something he wants to leave in.

Mr. BARDEN. Oh, no. I want to strike out the very things I am sure the gentleman wants to strike out, that is the necessity of requiring a man to prove that his education was interrupted, impeded, or hindered before he could get his training or refresher course.

Mr. JUDD. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. JUDD. Is it not true that in some respects, as the language now reads, it is a rich man's bill? The boy that could go to school and was in school was interrupted, and he could go back, but the poor boy who never had a chance to go to school, unless he came in and perjured himself or kept his Congressman busy trying to persuade the Veterans' Administration, would not get an opportunity to go to school.

Mr. BARDEN. The first thing they will be thinking of is, "What kind of an excuse can I think up that will make the Administrator believe that I was impeded or interrupted?"

Mr. FITZPATRICK. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. FITZPATRICK. If we do not adopt your amendment, we will discriminate against that boy who had to go to work because of circumstances.

Mr. BARDEN. Absolutely. There is no question about that.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ALLEN of Louisiana. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. I am sure the gentleman can visualize a case where all a man needs is a refresher course?

Mr. BARDEN. Yes.

Mr. MILLER of Connecticut. And he should have that opportunity?

Mr. BARDEN. Yes. Absolutely, and I am trying to give him that right without his having to file proof with the Administrator that his schooling was impeded, retarded, or interrupted.

Mr. MILLER of Connecticut. He graduated from medical school and he needs a refresher course?

Mr. BARDEN. Yes.

Mr. MILLER of Connecticut. If you take that language out he cannot get the refresher course?

Mr. BARDEN. Oh, the gentleman is in error. This is the restriction. Just let me take half a minute. This language I seek to strike requires him to prove that he needs it and the Administrator will be the judge. The rest of the bill provides for the retrainer course and other training and will still be in the bill when this amendment is adopted.

Mr. MANSFIELD of Montana. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. MANSFIELD of Montana. Is that not covered in the portion immediately following in lines 1, 2, and 3 on page 53?

Mr. BARDEN. Of course, it is. If the gentleman will look at page 53, he will find that is all provided for elsewhere. This is simply a restrictive clause which requires him to prove it to the satisfaction of the Administrator. That is all.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. BARDEN] has expired.

Mr. SCRIVNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hesitate to rise in opposition to the suggestion by the eminent chairman of the Committee on Education, but I feel, as a duty to the veterans, I must do so. If the gentleman and the members of this committee will refer to the original bill proposed by the American Legion and approved by the Veterans of Foreign Wars they will find that the language provided for education for those men whose education had been interrupted by reason of their entering the military service. That is absolute justice. And, as the gentleman from North Carolina [Mr. BARDEN] read excerpts from the message of the President on education, and my recollection is that that is what the President promised—an education to those men whose education had been interrupted because they were called into military service.

The committee in studying this matter thought that the limitation "interrupted" was a trifle narrow. So language was adopted to include those men whose education was impeded or delayed or interfered with, as well as interrupted. I venture to say that those broad words will not impose a great deal of burden upon the Veterans' Administration. That will cover almost every case, such as the one which the gentleman has spoken about—where a boy was in school and had to quit and go out on the farm and put in some crops because we needed the crops to feed the world. If he had the idea in his mind that he was going to school, and then along came the war and he could not go, he is eligible for this benefit, and that is fair and right and just, and it can be justified in every way, especially since this is a veterans' bill and not a board of education bill, opening the doors of schools to almost 15,000,000 veterans, whether their service affected their educational or training opportunities or not.

Mr. JENSEN. Will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. JENSEN. Will not the gentleman agree with me that the thing that impedes and delays a boy from going to college is the fact that his father, or his parents, do not have the finances to send him to college?

Mr. SCRIVNER. That is one of a thousand things that might delay him from going to school.

Mr. JENSEN. Most boys would go to college if their parents had the money to send them.

Mr. SCRIVNER. That is probably true. Then again, he might find that he is a trifle young to go to college and he needs some practical education—some practical work. A thousand things will delay a man from going into college, but this bill is not confined to college education only.

Mr. JENSEN. I do not think the gentleman wants to have this amendment defeated, because if it is defeated many of the boys from poor parents will not have an equal opportunity to go to college as will the rich man's son.

Mr. SCRIVNER. They would if military service interfered. Let us go back to the idea that was behind the inception of this bill, namely, to place the veteran as nearly as possible in the position he would have occupied had it not been for his military service. That is what we are trying to do, as it relates to their educational and training advantages.

Mr. JENSEN. I realize that and I do not agree with it, because I think if we are going to write a bill we should make it equitable to all veterans, giving them all an equal chance to get this benefit by this educational provision.

Mr. SCRIVNER. The mere right by reason of service alone is not enough, but it is just and it is proper and it is fitting to take care of those men whose education was delayed or interrupted or interfered with. That is just and proper, equitable, and fair.

Mr. JENSEN. I think it is also right and fair that we take care of the other man who did not have a chance.

Mr. SCRIVNER. You have this also to consider, that this is merely one section of many. It is only one of the many benefits which are granted to our veterans.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. SCRIVNER. I yield.

Mrs. ROGERS of Massachusetts. It seems to me the gentleman's interpretation is almost as broad as the amendment of the gentleman from North Carolina, but I fear in the administration of it you will find a very hard-boiled administrator who would say a man was not delayed or interfered with. That is what I fear. That is why I would like to have this language go out.

Mr. SCRIVNER. It is a good thing that this measure is being considered now so that if there are any mistakes

or inequalities in this bill they can be later corrected.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the gentleman from Kansas may proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. JOHNSON of Oklahoma. Will the gentleman say that three or four hundred thousand boys who come from the country who could barely read and write, who never had the opportunity to attend more than 3 or 5 months school and may have quit school from 10 to 12 or 15 or 16 years of age, since they have gotten into the Army and the Government has been teaching them to read and write—that is, the Army and the Navy has been teaching them to read and write and do other things, and because of that they have been imbued with an ambition to go to school—does not the gentleman agree that those people will simply be out in the cold and will be deprived of an opportunity to go to school under the terms of the bill?

Mr. SCRIVNER. Not entirely. Some of those men could probably come in under the refresher or retraining courses. The others did not have their education delayed or interrupted by war service.

Let us get our feet back on the ground. This is only one of many provisions. Many of us remember too well 1933, when the Economy Act came along. If you leave this bill wide open—because we have got to remember that the potential number of veterans of this war will be at least 15,000,000 men and women—if you leave this bill wide open, it might well mean the education of 15,000,000 people. Can the Nation afford it? Many of them, of course, would not want it, but at the same time that would be charged against all of the veterans. The result could be that we would have another wave of economy, by which the veterans would be harder hit than they were 11 years ago, when they were called Treasury raiders and worse. I do not want any of these men to go through the same kind of hell we went through, nor to face the insults epithets, hatred, and unpopularity we faced.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. RANKIN. I want to say to the gentleman from Kansas that if this amendment prevails the chances are that it will provoke an economy bill just as soon as election is over that will wreck the whole system. We might as well be sane about this thing as we go along.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. CURTIS. I am in favor of the amendment because as the bill stands it would only penalize the honest. There are many individuals who admittedly did not care about an education before they went into the Army, but going to war and having a series of experiences may have created in him a desire to go on to school, yet if he were honest about his position he would have to admit that he did not care about going to school even if he had the privilege of this bill.

Mr. SCRIVNER. There are many cases where education was not interrupted because he had been called by Uncle Sam to go into the armed forces.

Mr. CURTIS. But if he is willing to think up some flimsy excuse he can go on to school.

Mr. SCRIVNER. I think the gentleman is doing these men a great injustice by saying they would think up some flimsy excuse. I believe, having served honorably as they will have done, every one of them will be honest in every instance.

Mr. Chairman, I yield back the balance of my time.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks at this point in the RECORD?

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Chairman, I am glad that the Congress is enacting legislation while the war is still in progress, providing Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans. Many do not appreciate that more than a million men and women already have been discharged from the service and the need is urgent for placing into effect many of the provisions of the legislation now under consideration. We do not want to permit the long delays that took place following the end of World War No. 1 before veterans in need of aid, rehabilitation, and education were taken care of. Before we took the short Easter recess, I appeared before the House Committee on World War Veterans' Legislation, urging early action on this bill, to the end that needed aid might be forthcoming for the veterans already discharged from service and those that are from day to day receiving their discharges. I want to commend the committee for the excellent service it has performed in giving careful and comprehensive consideration to this important legislation and reporting it out at the earliest practical moment and urging early consideration.

I am sure the American people will commend the Congress for providing a full program of aid, education, rehabilitation, and reabsorption into private enterprise of the men and women who have worn the uniform of our country in its defense in these critical war years. The problems facing the committee in perfecting the legislation which it has presented to the House were to insure adequate administration of existing laws for the benefit of disabled veterans, and the dependents of deceased veterans. Supplementation of existing statutes to provide for readjustment into the civilian economy of veterans returning from service in the present war was the next objective. Lastly, it was deemed advisable to concentrate in one agency, namely, the Veterans' Administration, of all responsibility for the administration of veterans' benefits. These purposes have been embodied in the legislation now before us, approved by the committee. The bill covers the following aids to veterans and their dependents:

First. Education or training, including apprenticeship training.

Second. Loans for the purpose of buying, constructing, or repairing homes, buying or leasing farms or business properties, and purchasing or leasing implements and equipment therefor, to enable veterans to become self-supporting.

Third. An adequate placement or employment service and veteran's preference in employment.

Fourth. Unemployment or readjustment compensation.

The most controversial subject embodied in this legislation is title II, having to do with the education of veterans. There is a conflict of views throughout the Nation with reference to Federal control or State control of the educational program. Personally, I feel that we should, as far as possible, make certain that all educational programs should be left under the control and complete supervision of the States. I believe practically all of the members of the committee in charge of this legislation are believers in State control. It was not the purpose of this legislation to deprive the States of supervision over educational facilities, but it was deemed essential for the best interests of veterans that this entire program dealing with Federal aid to veterans for all purposes should be centralized in one agency and under one control. There were a good many complaints received by all of us as Members of the House from citizens and organizations who were deeply concerned over any trend toward taking from the States their control over education. This fear led to many protests against title II of this bill. I am certain, however, that many of these objections were based on incomplete knowledge of the provisions of the amended bill as presented by the committee to the House. This legislation seems to have the almost unanimous support of veterans' organizations. In common with other Members of the House I received the following letter from the American Legion:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., May 10, 1944.

Hon. HOMER D. ANGELL,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: This morning the American Legion presented petitions to Congress from a million citizens who urged passage of the Legion's G. I. bill to aid veterans of World War No. 2, many of these petitioners were from your district.

The G. I. bill was introduced 4 months ago at the request of the American Legion. It provides a sound, orderly program of aid to veterans during the transition from military to civil life. The basic elements covered in the proposed law are:

Expansion of Veterans' Administration hospital facilities.

Added provisions for vocational training.

Authority to correct mistakes in discharges from service:

Educational aid.

Down payment loans to veterans for homes, farms, or businesses.

Unemployment insurance for veterans unable to secure employment.

Veterans' Employment Service.

The Senate adopted S. 1767 on March 24, embodying the above principles.

The House Committee on World War Veterans' Legislation has favorably reported S. 1767, with amendments. As reported, the bill still embodies the principles we believe necessary to protect and aid discharged veterans of this war and to insure an orderly period of demobilization.

More than a million men and women have already been discharged from the service; there is urgent need for placing most of the bill's provisions in effect now; the bill has had careful study and consideration for 4 months; a long period of debate and consideration of amendments would further delay the application of the bill's remedies to those in immediate need; conceivably the bill might be improved in some slight degree, but be believe that the value of any changes would be doubtful as compared with the present carefully considered and prepared measure.

If you believe as we do that the Legion's G. I. bill will provide equitable treatment for the service men and women of World War No. 2 and security for their future, we urge you to vote for S. 1767 as reported by the House Committee; any differences between the bill as adopted by the Senate and reported by the committee can be safely left to adjustment in conference.

Thanking you for your consideration of this letter and for your many past courtesies, we remain,

Yours very truly,

WARREN H. ATHERTON,
National Commander.
F. M. SULLIVAN,
Executive Director, National Legislative Committee.

Mr. Chairman, I am sure that all of us who are helping to win the war on the home front are willing to make additional sacrifices in order to insure that the men and women released from the service will have the opportunity to return to civilian pursuits, either in the positions held by them at the time they entered the service, or in other employment equally meritorious. The least we can do is to make every provision possible, consistent with the financial resources of our country, to rehabilitate, provide education, and furnish the opportunity for employment of these veterans and their dependents. This we are attempting to do by the bill now under consideration. I am glad to be one of the Members of Congress to vote thus early in the prosecution of the war for a comprehensive program for the rehabilitation, education, and placement of veterans.

Mr. Chairman, I close this brief statement with the following verses, written by Joseph Auslander:

G. I. JOE

When the last gun is fired, the last shell
Is shot, and we are finished with the foe,
God bless the kid who took our flag through hell—
G. I. Joe.

The kid with the G. I. haircut and shy smile,
Who bucked the jungle heat, the arctic blow,
The mud and blood of mile on blazing mile—
G. I. Joe.

Here's to you, kid, who hates this hero stuff,
Let bands play and the thick confetti snow,
You gave your guts! I guess I've said enough—
G. I. Joe.

Mr. JEFFREY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, on its face this amendment appears to be very mild, worth while, and just; yet I believe it goes to the root of the entire education section of this bill. On the basis of this amendment you may very well ask: Is this veterans' legislation or is this legislation in the interest of education generally? It poses exactly that question.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. HOLIFIELD. Does not the gentleman agree that the boy who left high school and went into the armed forces is just as much a veteran as the man who left college to go into the Army?

Mr. RANKIN. Yes; and he is taken care of under this bill.

Mr. JEFFREY. The answer to that is perfectly easy; the answer is yes; and that is not the question. May I submit: Testimony before the committee revealed that there may be anywhere from twelve to fifteen million veterans before this war is concluded. I believe the Members of this House are also entitled to the information which was given to us in executive session by the Director of the Veterans' Administration. This question arose and was thoroughly discussed in committee. The Director was asked: What difference will it make in the administration of this act? What difference will it make in the number of men eligible for attendance? What difference will it make in the cost of the bill? And General Hines upon a subsequent visit to the committee stated that in the considered judgment of the Administrator of Veterans' Affairs the elimination of this wording would at least double the cost and at least double the number of those in attendance.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. BARDEN. Does the gentleman mean to say that the leaving of these words in the bill will cut out 50 percent of the veterans you seek to cover in this bill?

Mr. JEFFREY. No; not entirely.

Mr. BARDEN. How is it going to cost only 50 percent as much?

Mr. JEFFREY. What I am trying to say to the members of the Committee is just this: If these words are stricken out it is no longer legislation in the interest of placing the veteran in the position he would have been in had his life and plans not been interrupted by service in the Army or Navy.

Mr. BARDEN. The gentleman means when these boys go into the service everything under the shining sun about them is upset. Their way of life was interfered with, their schooling was impeded or delayed.

Mr. JEFFREY. I hope that if the gentleman wants to make a speech he will do it in his own time. It is perfectly obvious he does not want to have it; he said so. Now, if I may finish this brief statement which is this: If this is veterans' legislation—and I hope it is and I think it is—then we must think and legislate in terms not alone of those who will obtain the benefits of the education title. Personally I think it is perhaps the most important title in the bill—but I also believe that the vast majority of the veterans will not be in a position, nor will they desire, to take advantage of it. I think some equitable test should be laid down. A test is whether or not the man's education was interrupted or interfered with by his military service.

Now I should like to add just a word or two about this other matter of cost. Certainly no one wants to be niggardly with respect to the veterans, but on the other hand this legislation can be passed in such form, as has already been pointed out by the chairman and others, that there will be a revulsion of feeling which will defeat the very purpose of it.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CUNNINGHAM. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio may proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JEFFREY. We must not lose sight of the fact that there are many veterans who will be unable, regardless of the wording of this measure, to take advantage of this bill. In order to equalize the benefit, in order to make this legislation acceptable to all, there must be equitable standards drawn some place. Those who may not be able to take advantage of any of the sections of this bill are going to resent legislation where the doors are thrown open as wide as they are by this amendment. I submit, Mr. Chairman, that if this amendment is adopted you may as well scrap the idea of writing veterans' legislation and write legislation in the interest of the education of everyone in the Nation.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. CUNNINGHAM. I am a veteran of World War No. 1. Under the terms of this amendment I could go to school for 4 years at the expense of the Government at my age.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. ALLEN of Louisiana. I hope my friend from Iowa is not contending that he can go to school, because this is limited to those who entered the Army after September 1, 1940.

Mr. RANKIN. There are plenty of men in the Army now of the gentleman's age who could go to school.

Mr. JEFFREY. I think that is what he meant. I assume he was in the service.

Mr. HULL. Will the gentleman yield?

Mr. JEFFREY. I yield to the gentleman from Wisconsin.

Mr. HULL. Suppose there are some boys who are taken from school and put in the service and serve there 3 months. Possibly they were in school at the time their service commenced. Here is another man who goes over in the beginning, he has been in the fox holes and on the battle lines of Italy and elsewhere, and he has served 2½ years. But because one happens to be in school when

he entered the service and the other engaged in some other livelihood, would you differentiate between veterans and call this a veterans' bill when you fire the man who really did render service and coddle the man who rendered the least service?

Mr. JEFFREY. The test is not where he served or the amount of time that he served. The test is not even whether or not he was in school at the time he was called into the service. I know there will be thousands of instances where boys are graduated directly from the high schools and will not attempt to enter college or an institution of higher education for the reason they are going to be called into the service very soon. I understand from the testimony of the Veterans' Administration that all such cases will be considered as if they had their education interrupted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HEIDINGER. Mr. Chairman, there seems to be much confusion about a telegram reported to be signed by the Governors of several States, members of the executive committee of the Governors' conference, which has been used on the floor of the House in support of the so-called Barden bill. Among the signers of this telegram was Gov. Dwight H. Green, Governor of the State of Illinois. I am advised that Governor Green has since publicly expressed his opposition to the Barden bill and his support of the G. I. bill of rights.

Here is the statement made by Governor Green:

I stand definitely for the G. I. bill of rights, providing that the provisions which are covered by the bill shall be placed under the administration of the Veterans' Administration.

I am against the Barden bill, and am for the provisions of the measure as supported by the American Legion for education privileges for the veterans of this war.

State rights and State control over education must be preserved. I am opposed to the creation of an agency such as provided by the Barden bill and against the placing of the rule of the educational features of the legislation for the war veterans in the Social Security Administration or any agency which would be merely extension of bureaucracy at the expense of the veterans.

Governor Green is himself an ex-service man. He served in World War No. 1, and has always taken a friendly interest in the veterans of all wars. Certainly the words of Governor Green's message form an overwhelming refutation of claims made here that the executive committee of the Governors' conference favors the bureaucratic Barden bill. It would be folly to believe that the Governors of our great States would willingly shackle the freedom of their schools under any such dictatorial controls.

Ex-Gov. John Stelle, the immediate predecessor of the Honorable Dwight H. Green as Governor of the State of Illinois, who is a resident of the district which I have the honor of representing in this body, and who is chairman of the American Legion Special Legislative Committee which drafted and sponsored this legislation in its original form, issued the following statement today:

Governor Green has expressed the determination of the people of Illinois in taking a stand definitely for the G. I. bill of rights and against the bureaucratic Barden bill.

Illinois is jealously and properly proud of her educational system, and is determined to preserve State rights and State control of education free from the domination of any Federal bureaucratic dictation, such as would be set up by the Barden bill.

The so-called Director of War Service Education and Training provided in the Barden bill would be nothing more nor less than a federally controlled little Caesar, with absolute power over the destinies of our State schools.

The Barden bill gives to this Director the power to approve State plans for education. Illinois wants no Federal czar with the power to approve or disapprove her school system. Nor does Illinois wish to hand over the future and the security of Illinois' fighting men to a bureaucrat with the power to "take any other measures he finds necessary" to educate and train those veterans.

I am happy that Governor Green has joined with us of the Legion in asking the adoption of the G. I. bill of rights to preserve the freedom of education of the States, and of the veterans themselves.

Mr. Chairman, I have known Governor Green for a number of years. He himself served his country in the last war. He has always taken a great interest in the welfare of the veterans of the country. I have known former Gov. John Stelle practically all his life—we live in neighboring counties. Mr. Stelle also served in the last war.

Mr. Chairman, this is a message from two of our representative citizens of the great State of Illinois. Certainly no one can accuse these men of playing politics. Dwight Green is the present Governor of the State of Illinois. He is a Republican. John Stelle, his predecessor in office, is a Democrat. I will venture to say that no one has worked more earnestly and more unselfishly in behalf of the veterans than these two great leaders of the State of Illinois. They have but one interest and that is to make provision for the defenders of this Nation and to preserve the American way of life.

Mr. RANKIN. Mr. Chairman, I move that the Committee do now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, had come to no resolution thereon.

EXTENSION OF REMARKS

(Mr. HOLIFIELD asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a letter I received from Rabbi Baruch Korff.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

There was no objection.

Mr. HEIDINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks at the point in the RECORD just prior to the time the Committee rose.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. HEIDINGER]?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a statement.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend the remarks I made today in Committee and to include therein certain telegrams and letters.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. H. CARL ANDERSEN]?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in Committee today and include therein certain telegrams and letters.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. JOHNSON]?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I have asked for this brief time to announce to Members of the House that I have sent to the reading clerk an amendment to the pending G. I. bill of considerable importance and significance to all returning veterans who shall ask for loans under the terms of title 3, section 500, of the bill. If you will turn to page 58, line 20, of the pending measure, you will find that loans under title 3, guaranteed by the Administrator, shall be at a rate not exceeding 6 percent. To quote the exact phraseology of the measure, it follows:

Provided, That loans guaranteed by the Administrator shall bear interest at a rate not exceeding 6 percent per annum and shall be payable in full in not more than 20 years.

As one who is supporting the G. I. bill and who feels that the committee having jurisdiction has given it careful and painstaking study, I am nevertheless very strongly of the opinion that this provision is indefensible. I shall elaborate on this when the amendment is discussed on

the floor of the House tomorrow. But suffice to say at this time that considering the fact that the Government of the United States has been making loans, and guaranteeing additional loans made by private and semiprivate institutions to civilians with the interest rate at from 3½ to 4 percent, there is no reason nor even a plausible excuse for hiking the interest rate to the country's defenders to 5 percent.

May I express the hope that the committee will accept the amendment. Some members of the committee and many others have assured me they will favor such an amendment, which in my judgment is both fair and reasonable.

ASSISTANCE TO FARMERS WHOSE PROPERTY WAS DESTROYED OR DAMAGED BY FLOODS IN 1944

Mr. CANNON of Missouri submitted the following conference report and statement on the joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 280) "to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate amending the text of the resolution, and agree to the same with an amendment, as follows: At the end of the matter inserted by said amendment, insert the following: "(not to exceed $1,000,000 in the case of windstorms)"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate amending the title and agree to the same.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTON,
Managers on the part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
MILLARD E. TYDINGS,
RICHARD B. RUSSELL,
GERALD P. NYE,
C. WAYLAND BROOKS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House of the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 280) entitled "Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort" submit the following statement in explanation of the effect of the action recommended and agreed upon in the accompanying conference report as to each of such amendments, namely:

Title: Accepts the proposal of the Senate to amend the title of the resolution by inserting the words "and windstorms" after the word "floods," so as to conform to the action of the conferees on the amendment of the Senate amending the text of the resolution.

Windstorms: Accepts the amendment of the Senate making the appropriation available on account of damages resulting from windstorms, but with a limitation of not to exceed $1,000,000 for windstorm loans or grants.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
Managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on House Joint Resolution 280, to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944 in order to enable them to continue farming operations to produce food for the war effort, and I ask unanimous consent that the report of the managers on the part of the House may be read in lieu of the full conference report.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, this is a unanimous report of the committee of conference. This legislation has previously been debated at length on the floor and unless someone desires recognition, I move the previous question.

The previous question was ordered.

The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is recognized for 30 minutes.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the time allotted to me today may be given to me next Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, the other day the gentleman from Michigan [Mr. LESINSKI] sought to take exception to my remarks relating to my criticism of anti-Semitism in certain units of the Polish Army.

I therefore took it upon myself to obtain a complete statement of the facts pertaining to that situation and much to my regret am obliged to reassert the correctness of my statement.

I agree with the gentleman from Michigan that any such instances of anti-Semitism of Jew-baiting are not the usual condition of affairs and that the Polish people and the Jews of Poland are closely knit together in their common fight against the racialism, inhumanity, intolerance, and bigotry which prevail among the Nazis.

Nothing will be gained, however, if we close our eyes to facts and if we do not wish to punish those who may be guilty of particular acts of intolerance or anti-Semitism.

I do not believe that the Polish people as a whole have any resentment against their Jewish neighbors. On the contrary, I positively know that particularly in the last few years when it was necessary to stand shoulder to shoulder in fighting German barbarism, both the Jews and the Poles have established a fine comradeship in arms and this comradeship which is going to survive this war augurs well for the future relationship that will prevail among the Poles and the Jews.

I received in the mail a number of official documents which have a bearing on the question and ask unanimous consent to insert these documents in the CONGRESSIONAL RECORD:

[Translation from Polish]

OFFICE OF THE COMMANDER OF THE POLISH ARMED FORCES IN THE UNION OF SOVIET SOCIALIST REPUBLICS,
Buzuluk, November 4, 1941.

PARTICIPATION OF THE JEWS IN THE POLISH ARMED FORCES IN THE UNION OF SOVIET SOCIALIST REPUBLICS

This is an order concerning the Jewish question and the participation of the Jews in the Polish Armed Forces in the U. S. S. R.

Following the issuance of my instructions, I am sending you these orders to be followed implicitly:

Its aim is as follows:

a. To emphasize and clarify the unequivocal policy of my subordinate commanders and Polish soldiers toward the Jewish question in our army.

b. To put an end to all contemptible insinuations (so-called anti-Semitism) in the Army which originate from enemy sources. In connection with this, in order to avoid any misconceptions I hereby recommend the following:

1. Polish-Jewish citizens have the same rights to serve in the Polish Army as any other citizens of the Polish Republic.

2. They should be treated with complete sincerity and good will, and be placed on the same level as other soldiers in the Polish armed forces. They should be given the same degree of confidence as other soldiers in the Polish armed forces.

3. In order to avoid any misunderstanding, I wish to clarify that during the present recruitment of the Polish Armed Forces in the U. S. S. R. the Jews are entitled to the same rights as the Poles; as far as enlistment in the Polish Army is concerned, the following categories should be immediately enlisted:

Commissioned and noncommissioned men, regular servicemen, those who volunteered and were accepted by the draft board. All others will be transferred to the Southern Republic of the U. S. S. R. where registration will take place for future reserves.

I wish to call your attention to the above-mentioned, in order that the commanders have a basis for denying the slanders being spread by our enemies, that the Jews meet with difficulties in enlisting in the Polish Army.

4. I hereby order my subordinates to fight vehemently against all traces of anti-Semitism. It should be made quite clear to the subordinates that Poland always existed on a democratic and tolerant basis, and that Poland will not live any other way. Any steps against the Polish-Jewish citizens, only because they are Jews, are forbidden.

The same rights should apply to Jews in the Polish Army as to Poles. Strong measures will be taken against anyone who does not wear the uniform of the Polish Republic with honor, or who forgets he is a Polish citizen.

I herewith wish to notify all commanders that the above-mentioned orders must be strictly observed.

ANDERS WLADYSLAW,
Divisional General,
Commander of the Polish Armed Forces in the U. S. S. R.

This order was transmitted to the Polish Ambassador in Moscow and to the commander of the division to be strictly followed.

OFFICE OF THE COMMANDER OF THE POLISH ARMED FORCES IN THE UNION OF SOVIET SOCIALIST REPUBLICS,
Buzuluk, November 30, 1941.

Personally to the commander.

In connection with my enclosed order 1730 (Staff office, November 14, 1941), and the matter of the participation of the Jews in the Polish Armed Forces in the Union of Soviet Socialist Republics, I declare as follows:

The discussed order clarifies categorically and officially the political credo of the commander of the Polish Armed Forces in the Jewish question. I should not like to b misunderstood by the commander. I understand very well the motives for the anti-Semitic excesses in the Polish Army. They are an echo of the disloyal, hostile behavior of the Polish Jews in the eastern part of Poland during the years of 1939–40. Therefore, I am not surprised our ardent patriotic soldiers consider this question an urgent one, and at the same time that our Government and our Army are discounting past experiences.

In view of this, our defense of the Jews appears to have been misunderstood—historically unjustified. Our policy which is directly connected with the British policy must demonstrate a positive attitude toward the Jewish question since the Jewish contributions to the Anglo-Saxon world are of great value. Soldiers must cease provoking the Jews, since anti-Semitism can bring the most dire and unforeseen results. I therefore recommend to all divisions in a most discrete way, and specifically warn all excitable soldiers that the molesting of Jews is unconditionally forbidden. I shall myself impose punishment for such action since these men are doing a great deal of harm. When we have reconquered our land we will settle the Jewish question in a way that will do credit to our sovereignty, add to the greatness of our motherland, and satisfy all humanitarian rights.

Gen. W. ANDERS,
Commander of the Polish Armed Forces.

Certified by the general of the staff office, Bielecki, captain.

MEMORANDUM CONCERNING THE JEWISH SOLDIERS IN THE POLISH ARMY

(Submitted to the Ministry of National Defense by Dr. Arieh Tartakower, chairman of the American Division of the Representation of Polish Jewry, London, February 9, 1944)

On the 21st of January 1944, upon the invitation of the Ministry of National Defense, I traveled to Scotland for the purpose of investigating the situation of the Jews in the Polish Army as well as to discover the mood which obtains among them and discover with them ways and means to ameliorate the situation and bring about mutual good relations between them and their Polish colleagues. I remained in Scotland 3 days, and in the course of that time I had lengthy interviews with soldiers in the following camps: Galashiell, Polkemet, and Tensmuir, I also met individually a number of Jewish soldiers and officers, not only in the above-mentioned camps but in Glasgow and Edinburgh as well. In addition, I was also in close contact with the Jewish spiritual leaders in the Polish Army, with chief chaplain, Major Melzer, and with the field rabbi, Captain Klepfisch, who accompanied me upon my tour of inspection. In Edinburgh I was received by General Gluchowski, who apprised me of the situation as well as of his personal attitude toward the problem. During this meeting there was also present the Director of the Political Department of the Ministry of National Defense, Professor Hajcman.

My present report and the suggestions I will append are based not only on my observations during my tour of the camps in Scotland but on the results of my meeting with a group of Polish Jewish soldiers in London (whose cases are now pending) as well as upon personal contacts with Jews in the Polish Army who have visited me regularly during my stay in London. The result of my inquiries and discussions can be formulated as follows:

I regard the situation of the Jewish soldiers in the Polish Army as distressingly abnormal, caused primarily by the violent anti-Semitism existing in the ranks and which apparently nothing has been able to reduce. The Jewish soldier has constantly to contend with the antagonism of his Polish colleagues and his personal feelings and honor are abused in the most shameful fashion. Symptomatic of the diseased conditions in the Polish Army are such remarks as, "By killing almost all the Jews of Poland, Hitler has done us (the Poles) a favor," or "When we return to our country, there will be less Jews for us to exterminate." Threats against their Jewish colleagues that they will be the first victims to fall on the front or the constant wholesale grouping of all Jews as Communists are but a few of the means the Polish soldiers take to make the life of his Jewish brother-in-arms miserable. Open praise of Hitler for having cleared Poland of the Jews is not infrequent. Even the officers themselves have participated in this propaganda of hate and viciousness. In the presence of his men, one Polish office openly announced that though the British and the Jew are fighting for democracy, this is a meaningless term for the Poles. Another officer, during the questioning of a Jewish soldier, asked whether the latter knew how many Poles had lost their lives in Poland because of the Jews. These are all horrible examples of the unhealthy situation we have to deal with in the Polish Army. There have been countless cases where Jewish soldiers appealed to their superior officers to put a stop to the growing anti-Semitism in the ranks and received either no satisfaction whatsoever or were placated with the purely nominal penalization of the guilty Polish soldiers.

It would be unfair and absurd to accuse all Polish soldiers and officers of being anti-Semites. During my tour of the camps I have myself become convinced of the earnest desire of a great number of officers to stamp out the growing anti-Semitism and of their fair attitude toward all the men under them, regardless of their religious and racial differences. But, as is the unfortunate way of the world about us, it is the ugly and vicious elements which rule. In all fairness, I must admit that many of the quarrels and differences between the Jewish and Polish soldiers are a result of the inhumanly strained nerves and abnormal worries weighing down the Jews, many of whom cannot hope to see their loved ones again. But this does not in any measure reduce the seriousness of the state of affairs. Normal understanding and humanity should dictate that this neurosis element be taken into consideration by the Polish soldiers and officers. However, I regret to say that such subtlety of understanding is rare.

To date, none of the methods and efforts of the Polish military authorities to combat the anti-Semitism in the army have proved of any avail. Sporadic orders and casional editorial injunctions to the army men are not particularly effectual, especially as the underlying mood of the presumable rebukes is that certain surface concessions have to be made to the democracy at present harboring the Polish Army, but later * * *. Military inquiry boards are also unavailing as long as they are not endowed with full and final authority. When I was in Camp Tensmuir, I regarded it as a serious obstacle that there was no Jewish representative on the military inquiry commission. As I look upon it, such a commission, without a Jewish representative sitting in on all the hearings, could only be a mechanical and nominal inquiry board, and no effective results could be expected from it.

The result of such a strained situation is that all too often Jewish soldiers collapse physically and mentally. The patriotic elation of the Jewish soldier who feels that he is doing his duty toward his country and his army collapses like a pricked balloon and finally evaporates completely.

Still, I do not regard the situation as entirely hopeless. I feel that matters can be effectually ameliorated, but only provided the military authorities are willing to take radical steps and completely discard their old methods. It is not inconceivable that the Jewish soldiers will still look askance at any attempts to improve matters, having been so severely disappointed in times past, but I feel confident that they will gain confidence if they realize that an earnest attempt is being made to make their situation easier. But I cannot possibly condone the present quasi attempts to straighten matters out. I object to them not only as a Jew who feels dubious about the results of such efforts, but primarily as a Polish citizen I must protest against the half-hearted ineffectuality now existing. I am convinced that half-hearted methods will only serve to aggravate the wound. After speaking with a number of Polish Jewish soldiers, I feel that if only they can be made to feel that there is a serious desire on the part of the authorities to amend the faults of the past, they will cooperate fully and will be willing to tide over the difficult period of adjustment.

It is my firm contention that a Polish Jew must serve in the Polish Army. This opinion was openly expressed in a statement issued by the representation of Polish Jewry. This however, can only be possible if conditions in the army will be such as to encourage such service.

In addition to an extensive educational program for the Polish Army from which the opportunist element mentioned above will be entirely eliminated, I believe that strong measures must be brought to bear by the military authorities. This program should be threefold:

1. An order must be issued by the commander in chief and the ministry of national defense declaring anti-Semitic incidents in the army as an offense, and as such strictly punishable. This statement must have wide circulation among all the soldiers of the Polish Army. Penalties for anti-Semitic offenses should be imposed by a military court and not by the individual commanders of the respective divisions involved.

2. There must now be an immediate demand for an accounting by all those officers and soldiers who have heretofore been guilty of anti-Semitic behavior. The publication of the final verdicts against the guilty ones would have a most salutary effect upon the subsequent behavior of other Polish soldiers and officers.

3. I would propose the appointment of a high Jewish functionary as a member of the ministry of national defense for the purpose of hearing all charges of anti-Semitism brought by the Polish Jewish soldiers. These complaints could then, with the approval of the ministry of national defense, be transmitted to the proper military courts.

In submitting this memorandum to the highest Polish military authorities I appreciate the tremendous responsibility I assume both in analyzing the existing situation and in proposing plans for amelioration. I have, however, approached the problem as a Polish citizen, as a Jew, and as a brother human being, and I felt it my duty to treat the matter as openly and objectively as possible. The situation of the Jewish soldiers in the Polish Army is one of the sore spots of our country's problems today, and its solution presents one of the most vital questions we have to deal with. It is against our wishes and our interests to have the name of the Polish Army besmirched in the eyes of the world through charges of anti-Semitism. I therefore appeal to the Ministry of National Defense to regard the suggestions made by me as urgent and demanding immediate action. I beg you to deal with these matters for the sake of the honor of our Polish Jewish soldiers and for the honor of the fair name of the Polish Army.

AN APPEAL TO THE JEWS IN THE POLISH ARMY IN ENGLAND, ISSUED IN LONDON FEBRUARY 24, 1944

The representation of Polish Jewry has always been and is today of the firm opinion that a Polish Jewish citizen should fulfill his military duties toward the Army of Poland. This is even more vital in wartime than in time of peace.

In accordance with this attitude, we, members of the Presidium of the Representation of Polish Jewry appeal to those of you who have left them, to return to the ranks of the Polish Army and to you others, we say, remain at your posts.

The representation, as a body, has endeavored and still persists in its efforts to stamp out the vestiges of anti-Semitism in the Polish Army and to bring about the realization of the principles of equality and soldierly fraternity in the ranks.

We realize that the manifestations of anti-Semitism which obtain in the Polish Army have embittered you. We realize that the course you have followed has been motivated by this fact and not through any desire to evade military service or your duty to the war effort. The Polish Jewish soldier has displayed his patriotism and desire to serve his country, on many previous occasions—ever since the outbreak of war in September 1939, in the army of General Duch in France, in Narvik, and Tobruk. Jewish soldiers have given their lives, not only for the army of Poland but for the defense of her honor and freedom and those of the Jewish people. Many of them earned the highest marks of distinction for their heroic service.

We have the fullest understanding for your embitterment and distress because of the humiliation you have suffered at the hands of your military colleagues.

We declare that we will continue to fight determinedly for the elimination of those causes which have evoked your resentment. Nevertheless, despite our appreciation of the motives which have impelled you to take these steps, we ragard them as wrong and harmful. We therefore appeal to you to return immediately to the ranks, remain at your posts, in the name of Jewish honor and our mutual responsibilities and duties.

CABLE SENT BY THE REPRESENTATION OF POLISH JEWRY TO THE POLISH PRIME MINISTER STANISLAW MIKOLAJCZYK IN LONDON, APRIL 28, 1944

The representation o Polish Jewry sent the following cable to Polish Prime Minister Stanislaw Mikolajczyk in London:

"We were horrified at the fact that the military officials decided to court-martial and sentence a group of Jewish soldiers who applied for transfers from the Polish into the English Army.

These soldiers have fulfilled their patriotic duties in the battle of Poland, in the defense of Warsaw, on the French front at Narwik, at Tobruk and now in Italy. Thousands of Polish soldiers all over the world enlisted in the Polish Army in order to participate in the fight for Poland's freedom.

The Jewish soldiers in the Polish Army in exile were generally treated in a manner diametrically opposed to the principles of equality. They were the constant targets of insults designed to humiliate and hurt them, and in many cases their colleagues expressed their elation because of the extermination of the Jews in Poland. All this created impossible conditions for the Jewish soldiers.

For many years representatives of Polish Jewry called the attention of the Government and military officials to the desperate situation with which the Jews are faced. Concrete proposals were sent to them asking for changes in the conditions in the Polish Army. We demanded that anti-Semitism in the Army be declared a crime, that court martials be imposed for anti-Semitic manifestations and that a program of education be conducted among the soldiers and officers of the Polish Army against anti-Semitism. We called the authorities' attention to the tragic results which would ensue for the Poles as well as the Jews if the situation were not altered.

We declare that the military authorities limited themselves to "lukewarm" orders but no soldiers who were guilty of anti-Semitic crimes were justly punished. Orders which are issued under the pressure of public opinion can only result in the increase of evil.

We are certain that the Jewish soldiers today as in the past are ready to give their blood and life for Poland, are entitled to demand that their Government and high military authorities create conditions of brotherly relationship for all soldiers without distinction of nationality, religion, or beliefs. We expect the Government of the Polish Republic to annul its sentence against the Jewish soldiers, the victims of tragic circumstances, and to comply with our demand to combat anti-Semitism in the Polish Army.

In this connection, I desire to call to the attention of the House a news item appearing in the New York Times of May 13, 1944, which is as follows:

AMNESTY GRANTED POLISH DESERTERS—JEWISH OFFICER TELLS PRESS TWO FLED DESPITE ABSENCE OF ANTI-SEMITISM IN UNIT

(By E. C. Daniel)

LONDON, May 12.—The Polish Government today made the ultimate concession to the public outcry against the imprisonment of soldiers who deserted the Polish Army to escape what they said was racial discrimination and granted amnesty to all the convicted men. Those who will be released include 21 Jewish soldiers and a group of Ukrainians and White Russians who came from Argentina to enlist in the Polish forces.

At the same time the Polish Government invited newspapermen in London to talk with Jewish soldiers and officers regarding alleged anti-Semitism in the Polish forces.

"There were four Jewish soldiers in my platoon," said a Jewish cadet officer of a Polish parachute battalion. "There was obviously no discrimination against them on my part. Yet two of them deserted." He attributed the desertions to the influence of Communist agitators.

Gen. Tadeusz Malinowski, head of the welfare department of the Polish forces, said, however, that there was "no proof" tnat agitators were responsible. He said the deserters were motivated by a desire to begin new lives as citizens of other countries.

EFFORTS TO ENLIST NOTED

The deserters actually tried to enlist in the British forces.

General Malinowski called the Jewish officers to London for a conference on combating anti-Semitism.

Another young officer, Second Lt. Stefan Eminowicz, of Detroit, Mich., an American citizen, reported that there had been fights in Glasgow and other Scottish cities between Polish soldiers and Soviet sympathizers.

He accused these sympathizers of promoting desertions and asserted he had never seen evidences of anti-Semitism in his unit.

The Polish Government, in announcing the amnesty for the deserters, acknowledged a certain degree of racial discrimination in the Polish forces. In the last 2 years its statement said, one sentence of 2 months was imposed and disciplinary action taken in 14 cases of reported discriminatory treatment.

"One officer was removed from his post for improper behavior toward a Jewish soldier," the statement said.

COMMON FIGHT STRESSED

President Wladislaw Raczkiewicz granted the amnesty, the statement added, to allow the soldiers "to take an active part in the battle" for the deliverance of Europe. It said that the underground leaders who recently arrived from Poland had reported an imposing amount of help being given by Poles to Jews.

The statement reiterated the Government's intention not to "tolerate behavior lacking comradeship in the Army."

Noting reports that soldiers who were formerly conscripts in the German Army had been "instigators of anti-Semitic brawls," the statement said, "Only one soldier was found to belong to this category."

In granting the amnesty, the Polish President insisted that all Polish citizens must submit to service in the Polish forces, a proposition to which the leaders of Polish Jewry have agreed. Tom Driberg, British member of Parliament, who campaigned for

the Polish-Jewish soldiers in the Commons, said that nine of them had threatened suicide if returned to their units.

I have taken time to discuss this matter because I believe that by bringing any such complaints into the open we are promoting and not disturbing the cause of national unity.

We all wish to collaborate, particularly in matters which affect the conduct of the war, and I am sure that by showing good will we shall be able to destroy any cancer of disunity which our enemies seek to implant in the soil of America.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, the gentleman mentioned a Member from Michigan.

Which Member was that?

Mr. DICKSTEIN. Mr. LESINSKI.

Mr. HOFFMAN. Is that the Polish matter?

Mr. DICKSTEIN. Yes.

Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some excerpts and reports.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

EXTENSION OF REMARKS

Mr. HANCOCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered by the gentleman from Missouri [Mr. PLOESER] at Syracuse, N. Y., on May 9.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. HANCOCK]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon and to include therein certain extracts from speeches of General Somervell regarding the condition of veterans.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. GORE] may have permission to extend his own remarks in the RECORD and include therein a poem.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. PRIEST]?

There was no objection.

The SPEAKER. Under previous special order of the House, the gentleman from North Dakota [Mr. BURDICK] is recognized for 20 minutes.

A POST-WAR FARM PROGRAM—NATIONAL AGRICULTURAL RELATIONS ACT

Mr. BURDICK. Mr. Speaker, the American farmer today is in search of a workable plan for agriculture. I am frank to admit that much has been accomplished in the past decade. But much still must be done. The political party whose spokesmen are able to give to agriculture a workable plan for agriculture will win not only the support but the thanks of all farmers.

We are at war now, and the American farmer is doing everything that is humanly possible to help win that war. He not only is furnishing the food that is needed, but his sons and daughters are giving of flesh and blood. When this war is over, and when peace returns—I hope in the not too distant future—agriculture must have in its hands the blueprint with which it can build an orderly and sound system in which to have a normal everyday way of life. I say this with all the conviction that I can muster as a native of North Dakota, the most agrarian of all the States in the Union. I say that we must be prepared in this Congress to put into practice, when peace returns, a real program that will give the farmers the right price in the open market. I say that we must be prepared to have a program that will relieve the farmers from the distress of the surpluses which have been their chief burden in the years before this war.

As a farmer who has lived on the land for nearly half a century, and as one who sees the storm clouds of another post-war readjustment already gathering, I beg of this Congress to give to agriculture the time and the study it deserves. I want to urge the Members of this House to give a small part of their busy day to weighing and studying and criticizing a realistic farm program that I am to propose.

This is a program that would work in time of peace as well as in time of war. It would benefit the farmers and thus benefit the whole Nation. It attempts to set forth the conditions that make for a continuously high demand for farm products, it provides the machinery for stabilizing farm prices at the right level without penalizing the buyers in the city, and enables the farmers themselves to secure these conditions after the war.

The farmers of this Nation and the people in the rural areas together constitute only one-fifth of the national population. But the future of this Nation, for better or worse, will depend absolutely on whether, in the future, American agriculture is assisted to stand on its own feet and protected from the economic ravages which are not the fault of the farmers but over which they have no control, or whether it is to sink into bankruptcy, as it has twice since the First World War of just 25 years ago.

Time has proved that as agriculture goes, so goes the welfare of this Nation, and in the next few years, as agriculture goes, so go the interests of the world.

Today we can trace the winning of this war to the ability of American farmers to produce the great abundance of food and fiber needed to maintain the well-being of the people on the home front and in the armed forces. Not only that, but never has the civilian population of this country been better fed. Without the great contribution of agricultural abundance, we might have lost this war. Every thoughtful student of economics will support this statement. Likewise, it has been proved that agricultural production through all the years of our country's history has never slipped back. Throughout our history, farmers have increased their efficiency. Each farmer can till more acres and produce more farm products than formerly. But society as a whole does not gain from this abundance unless society is able to consume what is produced, and is able to remunerate the producer enough to enable him to keep his family at a decent economic level with the rest of the Nation.

What is going to happen when the war ends and markets are dislocated and so-called surpluses begin piling up? We must have a program.

Farming is a business. But it is the most uncertain and speculative of all businesses. There is only one thing that is predictable about farming, and that is the cost of maintenance—the insurance, taxes, depreciation, interest on investment, and the minimum requirements for support of a family. These costs are all definitely predictable. They must be paid. In addition many farmers have debts against which interest and principal interest must be paid.

The farmer's problem, however, is not one of production. The farmer has mastered mass production. His is the problem of distribution, the marketing of his products. He faces the same problem, although in a more acute sense, than any other manufacturer does. But here is the difference. The wise manufacturer takes an interest in distribution. The farmer so far has never seriously engaged in the distribution of his own products.

There you will find one of the great weaknesses of American agriculture. It is the unwillingness of a sufficient number of farmers to join in supervising the distribution of their products. Because o. this failure of farmers to control the distribution of their products, they have failed for many years to recover even the basic costs of production. This is understandable to you, but are its implications? To the farmer it means the loss of his farm, the loss of his source of income, the loss of his place in our American society. In some years, the prices that farm products brought on the market places have been so disastrously low that even the most efficiently operated farms ended up in the red. It doesn't take an unusual memory to recall the days of $3 hogs, 25-cent wheat, 5-cent cotton, and 16-cent butterfat.

Agricultural distribution so far as the farmers are concerned is one of chaos. The whole distributive system is not built up from the farm to the market, but rather is built up from the market to the farm. In other words, you have a streamlined mass production job that can only run in reverse. Outside of the cooperatives, which still are a minor factor in the handling of all the Nation's farm products, those who have been entrusted with the responsibility of distributing farm products are interested only in the margin of earnings to be made out of the services rendered in the distributive field.

All the distribution costs are fixed. The farmer is familiar with these fixed charges. The rates do not vary on the charges paid for warehousing, storing, transporting. The fees do not vary to commission merchants, on interest on loans.

For illustration, if the total of these service charges is 20 cents on a bushel of wheat, it comes out of that bushel of wheat, whether it sells for 30 cents a bushel or $1.30 a bushel.

That is disaster for the farmer. Everyone else gets a guaranteed take. The farmer gets what is left.

How could this be corrected? Well, if all the handlers of farm products, including the railroads, were obliged to take a certain percentage of the ultimate sale price of a farm product, then as a matter of self-preservation, if not in the farmer's interests, all these groups engaged in distribution and marketing would make it their personal interest to see that the farmer's wheat remained at $1.30 a bushel, and would show great concern if it dropped to 30 cents a bushel.

Actually, the reverse has been true. All the special groups who help to distribute and market the farmers' products have their "take" or "charge" protected, usually by law. It is a deduction of so much a pound or bushel. The farmer is the victim of all of these deductions. He receives only what is left after all the deductions have been made.

The farmer could properly be called America's champion deductee. Those who handle his marketing and distribution services could properly be called his deductors.

The American farmer's job in war is to feed and clothe the Nation's soldiers and its civilian population and contribute to the feeding of most of the world. The peacetime job is to provide all with plenty. Yet the farmer is penalized because he at heart wants to produce in abundance. Because he raises—not too much food—but because he raises more food than the market can handle, he becomes the victim of his own efficiency. This is because, as we have said, of an antiquated, obsolete, and cumbersome system of distribution. A patchwork of legislation that seeks to serve and protect every group but the farmer. Let us take the record of agriculture for the past several years. The farmers point out that they have produced more than the Government asked them to produce. In some instances, they find that the War Food Administration has failed to make good its price-support commitments. The farmers find that there is a lag in food processing, storage, and distribution programs.

What I want to point out here is that the War Food Administration's defense is that it is the labor and marketing facilities which are inadequate to accommodate within a short period the great volume of wheat, hogs, potatoes, and eggs that are offered on the market during periods of greatest seasonal fluctuation. And, as a result, market prices break.

This occurs at a time when our food production is at its peak. It is not a weakness on the part of the Government. Nor can the Government or the private trade be blamed. It is the antiquated distributing system that we seek to operate without any regard as to rhyme or reason.

If this continues, there is great danger that the disillusionment of farmers regarding a stable post-war economy, with a sound support-price program, may be intensified. It may have the sobering effect of making us realize that unless something is done, and done immediately, the farmer will be the victim of our inability to control farm prices after the war and to establish decent supports because of our outmoded distributive system.

If this should be repeated, the result is inevitable. Farmers will not have enough left on their products, after all the deductions have been made, to meet even the basic costs of production, to say nothing of meeting the cost of living. Then what does the farmer face? As a result of a so-called surplus—and that word only has a market connotation and has nothing to do with meeting even our basic nutritive needs—and the lack of a sound system of distribution, the farmer runs into the inevitable cycle of bankruptcy, farm-mortgage foreclosure, and eviction from his own home. Hard times sweep from the farms onto Main Street. Everybody in the villages is dependent on the welfare of the American farmer. Then industry and labor in the big cities, which is sensitive to the fluctuations of our farm economy, finds the demand for its products has decreased. The ultimate result is a slowing down of industry, transportation, and finance. We have what we call a depression.

So what can we say about the future of farm prices? Prices are the result of the supply weighed against the cash demand for the supply. The Office of Price Administration has an appropriate expression when it states:

> We do not attempt to ration the surplus—we only ration shortages.

In other words, the O. P. A. rations the undersupply or shortage for the specific purpose of making certain that every person gets a fair share of the short supply, whether it is butter, meat, or canned goods.

But in the instance of a surplus, everybody not only gets his share, assuming he has the money with which to buy, but he is able to buy his share on a surplus market. This means a competitive mark-down of prices because a certain percentage, and it does not matter whether it is 1 percent or 90 percent, will have no buyers. As the prices go down, the result is bankruptcy for all the farmers. All the farmers, those who sell as well as those who do not, become victims of this surplus margin.

During the last depression we did endeavor to meet the problem of surpluses by planned production, in order not to produce too much of one commodity and too little of another. We also learned to put floor prices under farm commodities. Through the past 12 years we have learned that to protect farm prices we have been compelled to place support prices or loans under surplus commodities. That was during a period of what the orthodox economists called overproduction, and what progressive economists termed "underconsumption."

Then with the demands caused by war, we were confronted with the threat of an actual scarcity. We learned that we had to place ceilings on prices to protect consumers against speculative and inflationary prices. Thus in a period of 12 years we have found it necessary to place a floor under prices to protect farmers, and a ceiling over prices, in order to protect consumers. That is a lesson in price control.

But we have not learned enough. None can tell what farm prices will be 5 years from now.

If we should be so unwise as to trust to luck and depend on an archaic and confused system of distribution, we can well see $3 hogs, 25-cent wheat, 8-cent corn, and 5-cent cotton once more. But the plain fact which all of us recognize is that we cannot afford to again have another financial debacle in American agriculture. Such a calamity would bankrupt the Nation. It would plant the seeds of dictatorship

Millions of people today hold Government War bonds. So do investment houses and banks. The national debt when the war ends will be anywhere between three hundred and three hundred fifty billion dollars. To meet the obligations on this debt and to retire it in an orderly manner will require a minimum national income of $125,000,000,000 a year. Last year the Government collected $44,000,000,000 dollars in taxes. In 1932 the total national income was only $47,000,000,000. Just to maintain a stable economy will require the employment of all of the people in the cities at reasonable wages, and the employment of all the people in agriculture on a decent level of income. Every professional and business man, as well as labor, has a stake in a healthy, stable agricultural economy.

There are some who say that we cannot have another depression. They say that this time things will be different. A famous sage once said:

> If you want to know something about the future look to the past.

In other words, do not believe that the abnormal conditions of today will continue indefinitely. Following every war we have had a great depression. That followed the Revoluntionary War, the War of 1812, the Civil War, the Spanish-American War, World War No. 1, and it may follow World War No. 2 unless the common people of this Nation are determined that it shall not happen. The greatest assurance that it will not happen again is the full and complete protection of American agriculture.

There was a time not so far back in the territorial days and the days of early statehood in North Dakota when local bankers charged farmers as high as 50-percent interest. Those were the pioneering days when the farmers fought the Indians at his front and the bankers at his rear. If the Indians did not get his scalp, the banker did. Then came

reform. States passed laws limiting rates of interest. Interest was reduced to 12 percent, then 11 percent, then 10 percent, and then 9 percent, and then 8 percent. As the farmers homesteaded the free land, they went into debt to improve their farms. The debt structure became so top-heavy that the Government had to step in, to save the banks and lending agencies as well as the farmers.

In 1933 Farm Credit Administration was created. Within this Government-controlled institution were the land banks and the banks for cooperatives and production credit association, all designed to provide the farmers with necessary credit at fair rates of interest. But even this was not enough. In the depression years of 1933 and 1934 the Federal Mortgage Corporation was created to write second mortgages on which the land bank held first mortgages. Thus the banks and insurance companies were able to dispose of a large number of farm mortgages, and were saved from bankruptcy.

But in recent years a number of bankers have turned on the Farm Credit Administration. They seek to destroy the farmers' credit structure. They seek to regain the business that they lost because they failed to serve the farmers adequately.

I would like to introduce as substantiating evidence of what I have said a statement made by Thomas I. Parkinson, president of the Equitable Life Assurance Society. This is the portion of a letter that he sent to every banker:

> To begin with, before the great depression and the New Deal, you bankers controlled the farm mortgage business of this country. * * * Then came the reckoning. You know the result, the Federal Government took over the farm mortgage business.
>
> Without any question it has furnished farmers with better real-estate mortgage credit than was ever available from private sources. * * * Farmers have become educated to the advantages of the land bank's long-term amortized loans at a low interest rate, their future payment fund and other features. * * *
>
> How are we going to recapture that business for private enterprise * * * certainly not by offering farmers the same old brand of stuff that they got from 1920 to 1930. We are going to get that business back, only by giving better service than the Government gives.

That is the way for private enterprise to regain its prestige and its business, by giving better service, not by knocking. The farmers do not intend to lose the banking and credit agencies that were able to furnish credit to them and their cooperatives in days of need, only to be left at the mercy of private bankers who seek a return of the old interest rates and the old terms. There certainly can be nothing unsound about continuing Government credit agencies which are able to furnish farmers and their cooperatives with credit at modest rates and maintain a solvency that is comparable to private banking institutions.

In the past 25 years there has been a phenomenal growth of farmers' cooperatives. Cooperatives received their greatest impetus following the disastrous years of the First World War. They grew because they were needed to fill a definite need. And they grew because they were able to compete with private-profit enterprise on equal terms and give the farmer a larger return on their products.

Cooperatives have been able to make tremendous savings for the farmers in the market place. The farmers' employees who manage and operate these cooperatives help to police marketing regulations and to keep farmers informed of marketing conditions. But cooperatives are only an important tool in helping the farmer bring order out of chaos in the marketing and distribution of his products. They are not the answer to all the problems. There are things that cooperatives cannot do.

This should be borne in mind: Unless there is some regulation of marketing and distribution and a means of controlling volume and price, the price of wheat could still go to 30 cents a bushel, of butterfat to 16 cents a pound, of hogs to $3, and of cotton to 5 cents a pound, no matter if all farmers did all their marketing through cooperatives.

There is a reason for this. Cooperatives are created to help the farmer save on the cost of distribution of his products. But cooperatives, as business institutions, can have no effect on the basic prices, at least to any great extent.

The only way that cooperatives could have a voice in the price of farm products and control the distribution would be for all the farmers to pool their products and hold them for a fair price. Theoretically, this might be possible. Actually it has been tried and failed. No group of people acts as a unit; there can be no 100-percent accord on a single program.

As a matter of fact, people who are prone to criticize cooperative group action have developed a vocabulary that has a definite propaganda value—a vocabulary designed to put an unfavorable light on such activities.

There are three words:

"Regimentation," which simply means organization into groups. In America it is democratic planning.

"Bureaucrat," which simply means an official of a bureau.

"Bureaucracy," which simply is a system for carrying on the business of government by means of bureaus, each controlled by a chief.

Now let us study these words. Regimentation: Labor is regimented with favorable results. After 100 years of hard work, labor secured a National Labor Relations Act, a N. L. R. B., which gave to organized labor groups the legislative authority to bargain with management for wages, working conditions, recognition of their spokesmen. This is an outgrowth of democratic planning here in Congress. Labor's income has been improved, its working conditions stabilized.

Labor thus achieved for itself the gains which democratic planning offers. It achieved for itself the same degree of order as has been granted the banking system through the Federal Reserve System. It achieved for itself the same degree of order that insurance companies, lawyers, doctors, and dentists achieved through democratic planning by legislation. Even the railroads are controlled by democratic planning. The same is true of commission merchants, grain warehousemen, and grain-elevator operators. These people must comply with certain regulatory laws and regulated practices in order to remain in business.

The Office of Price Administration is rationing through democratic planning. Perhaps it restricts our operations, imposes minor difficulties, but still all admit that it is far better than unregulated chaos.

Democratic planning enables the Government to conscript the youth of the land into the armed services in order to defend their nation.

As a matter of fact the effectiveness of finance, industry, transportation, labor, and the professions to a large degree is due to regulations which impose either a voluntary or mandatory method of democratic planning. In a democracy regimentation is self-discipline, imposed for a general purpose and under a definite plan. It is those who are not under regulations and discipline who become the scapegoats of a national economy, especially during time of economic crisis.

Bureaucrats and bureaucracy are supposed to be synonymous with inefficiency and red tape. They can be carried to excess, but let us not blame them for evils with which they have nothing to do. After all when we speak of bureaucrats, we must include policemen, firemen, Governors, Senators, Congressmen, along with the regiment of hard-working civil-service employees. And after all we must remember that when farmers were getting 25 cents a bushel for wheat, 8 cents for corn, $3 for hogs, 5 cents a pound for cotton, 16 cents for butterfat, we could not blame the bureaucrats, because there were not very many around to serve the public.

The bankers and lawyers were unable to do anything about bankruptcy farm prices. Neither were the warehousemen or commission merchants, or the railroads or the shipping lines. And neither were the cooperatives able to support farm prices.

There was only one source that had the power and the ability to do that, and that was the Congress of the United States. It became necessary to set up Federal legislative appropriations, Federal governmental programs. Through national legislation the Congress formulated farm programs with loan prices, support prices, and with important conservation features, which all contributed to gradually raising the prices of farm products. This legislation became the law of the land and was supported by the courts. Beginning in 1933, agriculture began to benefit from some of the first sound agricultural legislation designed to provide at least a little security in the form of minimum price guaranties.

A loan program, on which farmers could borrow on the basic farm commodities at a fixed percentage under parity, even though this amount was higher than the cash market price, was a step toward stabilizing and supporting farm prices. The loan program, supplemented with the marketing agreements, storage programs, and the ever-normal

granary, all contributed to raising the general level of farm prices. In this span of 8 years, up to Pearl Harbor, farm income more than trebled. This was accomplished even though the program for agriculture had merely scratched the surface of careful planning.

But what it did do was to focus the attention of this Nation on the fact that farmers were a group, with definite problems which had to be solved. And the accomplishments of self-regimentation were really far reaching, especially when we observe that in other groups this self-imposed regimentation of discipline has been in effect for years and years.

The first self-regimentation was the Federal Tariff Commission. We have a Federal tariff law which collects duties on imports. It was created under the urging of Alexander Hamilton, our first Secretary of the Treasury, to protect the infant industries of this Nation. Our infants have grown considerably since then, but they are still protected in many instances. And for those who fear that self-discipline may ruin the rugged individualism of the American farmers, or that there may be excesses in legislation which will harm other groups, just look at industry. It thrived under a protective self-regimentation. It was harmed, and so was the country, only when the tariff laws were carried to excess.

The railroads enjoy high freight rates and special consideration because there is an Interstate Commerce Act, with an Interstate Commerce Commission. The railroads are regimented and have their own bureaucracy, their bureaus. There is supplemental supervision in each State under a railroad and warehouse commission.

In each State there is an insurance commissioner who works with insurance people, a banking department which works with the banks.

Labor now is able to stabilize its income under a National Labor Relations Act. The demand for labor may fluctuate, but that part which is employed is assured of a fairly stable income. It need not fear the competition of what an economist would regard as the unemployable surplus. Labor has been able to do this because it has imposed a self-regimentation upon its membership, and has regimented itself under the N. L. R. A. in order to deal effectively with management for fair wages and decent working conditions. It bargains collectively for its brawn and brains. A Government bureau assists labor to achieve this end.

Now, when we look aver all the groups in this Nation, we find there are only two large groups that are not organized. They are the farmers and the so-called white-collared class of clerks, stenographers, bookkeepers, and desk workers. And because they are unorganized these people are sitting in a great economic poker game in which the other groups play according to their own fixed rules which permit them to dip into the kitty for a regular take.

These organized disciplined business, professional, and labor groups include all the operational and business costs into the fixed charge for their services, and in this fixed charge is all the taxes. The organized groups seek to secure a definite return for their services. The unorganized groups get the difference. In times of prosperity this sum may be favorable. In times of depression the sum does not leave this group enough to exist on without going into debt or becoming wards of the State.

Now, what we need in the best interest of the farmers and the welfare of the entire Nation is to provide the American farmers with the kind of legislation which will enable them to enjoy the benefits which can be derived from democratic planning, a voluntary and self-imposed regimentation.

We propose to meet the problems we have outlined with legislation that farmers in the State of North Dakota have come to know as the proposed national agricultural relations act.

The program which is embraced in a proposed national agricultural relations act—and I do not care what you want to call it nor who supports it—what I am interested in is a program which will vest the power of warehousing, distribution, and farm prices in the hands of the farmers. This is the kind of a program that the farmers want Congress to enact, and that is the kind of a program that we must be ready to draft for agriculture.

The farmers want the same prices and the same privileges given to American agriculture as are given to other organized groups in a system of voluntary planned order. This should not be construed as a proposal for legislation for specific price fixing. Price fixing will not work for any length of time. It may serve to meet a specific problem, but it will not hold up for any length of time. What is more, the farmers do not want price fixing. I have been visiting with the farmers in North Dakota just recently. I know what they want.

North Dakota is a wheat State. Last year it was the Nation's leading wheat-producing State. And I would like to explain why price fixing will not work.

There are many kinds of wheat produced in this Nation. The grades and quality vary from community to community, as well as from season to season. Basic floor or support price can be established for a certain grade or standard of wheat. That is already established in the futures market. When wheat futures are sold in Chicago or Minneapolis, it is for a specific type and grade of wheat. Premiums and discounts are paid over and below that basic price for the different grades and quality factors. That reaches into the field of distribution. There is no reason why this method should not be set up to serve the farmers, rather than a few men in the market place. The farmers do not understand why it cannot be that way. And neither do I. And what is more, I am sure that none of you do.

What is true of wheat must be true of other commodities. There are standards and grade by which it is possible to establish a base price for any farm commodity. The base price would be based on the price of that commodity delivered at some given market point, such as Chicago for wheat, or New Orleans for cotton. Similar points for butter and eggs and livestock.

Now here is what the farmer knows, and what the farmer wants corrected. He knows that the determining factor in price, of course, is the supply on hand and the cash demand for that supply. Thus the price of a farm product has been determined largely in the effective cash market.

But here is an odd thing when one talks about supply. Judging from the way that prices of farm products soar up and down, one would believe that production also took those wild zigzag lines. But this is not so. The Bureau of Agricultural Economics prepared a very revealing chart showing agricultural production from 1910 to 1943. On that chart the cash income of farmers, as well as the prices received by farmers was all over the lot. But the actual volume of agricultural production changed very, very slowly. It was a very, very gradual climb up and up, with only a very slight dip here and there, until the present demands speeded production.

That is because farmers can change the total amount of their production only slowly. It takes time to breed and fatten more stock or grow more crops. Therefore, big changes in demand show up largely in farm prices. When the demand for farm products goes up and down, farm prices follow. If you will study the Bureau of Agricultural Economics figures, you will observe how the year-to-year changes in farm output are generally small, with a remarkably stable total amount produced. The changes in demand work themselves out largely in changes in farm prices. In this manner they raise or lower farm income mainly through changes in prices per unit rather than by changes in the number of units sold.

Now, the reason for this is that the only demand factor for many years was the cash market. It was determined by the amount of money the consumers had in their pockets. No effort was made to study the real market of social gain, of making sure all our people had enough to eat. Yet the social market is the real and only market.

So when we talk about democratic planning for agriculture let us distinguish between the effective cash market and the real or social market. The cash market represents people with money in their pockets. The real market represents the amount of farm products necessary to provide everyone with a decent standard of living.

In the past we have thoughtlessly neglected the real market. We made a step in the direction of touching this market with the stamp plan. But as a matter of national policy we paid the price of neglecting the real market. When we began conscripting our young people for the armed service, we found that malnutrition and disease caused 40 percent of them to be rejected. If for no other reason than national safety, we should be concerned about health conservation. No; there can be no such thing as a surplus of food in this world as long as malnutrition, hunger, or starvation exists in any part of the world.

Under a national agricultural relations act the farmers would seek through their own agencies to have a voice in the distribution and marketing of their products. They would have a voice in bargaining collectively for a fair price with the buyers of their commodities at specified intervals. Perhaps this democratic planning will be branded regimentation, but if it is a choice of 30-cent wheat and rugged individualism and $1.50 wheat and voluntary regimentation, the farmer will make the wise choice.

Under such a Federal program there must be four definite markets for farm products. These are:

First. The effective cash market, which needs no agricultural assistance. This is the free-buying market. It is the recognized market of the traders and buyers.

Second. The real market. This is the social market through which the underprivileged or penniless or low income groups are given the essential food and clothing and shelter and health care. It can be provided through a stamp plan, or any other kind of a plan which will keep them in sound health.

Third. The reserve market. This is the so-called surplus of 1 year which must be carried over to meet shortages of the future. It must be warehoused in an ever-normal granary, whether it be dry storage, cold storage, or dehydration. It should be a valuable price-stabilizing factor. And in all history there is no record of disaster befalling a nation because it kept an adequate inventory supply of farm products on hand.

Fourth. The world market. This is the market in which there is the greatest real demand, but which cannot be filled because the people lack the income to buy what they need. The sore spots of the world are those in which hunger is the constant scourge of the people. Here wars are bred and epidemics and social unrest are rife. Certainly it would be a service in the cause of peace and better world relations if the governments agreed, after all domestic needs were met, to furnish this food to these people at whatever the world market price might be, and compensate the farmer the difference between the world price and the domestic price. This should be the policy at least until foreign trade is restored to a more normal basis.

What we need today is more, not less, democracy planning. We need to have a program in which the Government governs and polices. We have got to be prepared to face the fact that neither in agriculture nor industry can we continue to have helter-skelter production with no regard for how it is distributed.

The farmers in my State know this. They are leaders in marketing. This is their way of trying to approach the problem of more orderly distribution. They are trying to protect price by being in a position to produce and store and distribute what they raise in an orderly manner and for fair prices. They recognize that this requires legislation and a degree of Government regulation. They want the whole structure to work from the bottom up rather than the top down.

In a proposed National Agricultural Relations Act they want to choose their officials from the local level on up through the county, State, and National level to deal with each commodity. They want these chosen spokesmen to be in a position to bargain for a basic price, for fair distribution for the ensuing year. These spokesmen can be farmers, the personnel of cooperatives, the representatives of farm groups, students of agricultural economy, and specialists in distribution and marketing. There is no reason why this talent should not be employed by and work for the farmers.

This is what I mean when I say that we must have embodied in our laws a national agricultural relations act, or a similar law which seeks to achieve the same ends, in order that agriculture has a blueprint for the years that lie ahead. Agriculture has mastered mass production. Now it is seeking to master distribution. It is seeking to do it by legislation which will enable it to bargain collectively through organizations of the farmers' own choice for fair prices. It will enable farmers to secure control, for the first time in our history, over the marketing and distribution of their products. It would provide outlets through a cash market, a real or human market, through an ever-normal granary and in the world market.

It places the emphasis on conservation of soil and human resources, our two most precious products.

I want to be just as honest and sincere and frank with the Members of this House as I am with the farmers of my State. I do not say this is a perfect plan. I know of none. I do not believe there is any. But I do know that the program which I have outlined will go a long way toward helping to solve many of the problems confronting the future of agriculture. I do not care what you call this program. It will serve the purpose whatever name you call it.

You Representatives from the various agricultural States should be able to incorporate into the program articles which will fit the particular commodities of your State. You know what the farmers of your State want and need.

But for heavens sake, as a law-making body, let us at least not sit here with no plan. Let us at least get a program going. Let us submit it to the farmers. Let us have a law that will give to the farmers the same parity of treatment, the same economic equality, and the same social advantages that we give to other groups. And let us do it before it is too late.

Mr. ROWE. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Ohio.

Mr. ROWE. I conclude, at least at this point, that the gentleman's whole program is predicated on an adequate market, with good and sufficient price.

Mr. BURDICK. Yes.

Mr. ROWE. Am I correct in that?

Mr. BURDICK. Yes.

Mr. ROWE. I would like to ask this question: How can you pose the position of an adequate market, with good and sufficient price, and at the same time recognize a social market of 2,000,000 people who have not the money to buy bread?

Mr. BURDICK. That situation will never come about if the price structure on the farm is maintained. Those millions of people who do not have any money to buy bread would not be out of bread if these factories were operated. The factories cannot operate when they cannot sell their products, because the farmers in normal times buy 40 percent of all the textile products in the United States. They are the buyers. When they are broke, or when the sheriff is trying to evict them, you have lost that great buying public.

Mr. ROWE. I have viewed statistics showing that about 43 percent of the population is located in the rural areas and is interested, directly or indirectly, in the farm business. If they are provided an adequate market and a good and sufficient price, it is quite reasonable to conclude that this so-called social element, to which the gentleman refers, would vanish with that support price.

Mr. BURDICK. That is right. The gentleman has stated my position precisely.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Iowa.

Mr. JENSEN. I think the best illustration of what the gentleman is telling us in his very able talk is found in a chart which has just recently been gotten out by the Raw Products Corporation, which goes back over a period of 30 years, and proves conclusively that the national income as of those years has just been approximately seven times more than the farmers' income. In other words, when the farmers' income has been $10,000,000,000, the national income has been $70,000,000,000, or within a few hundred thousand dollars of that amount. The same thing holds true year after year, back for a period of some 30 or 40 years, which the chart sets out to prove. So I am in entire agreement with the gentleman when he says that the national economy and the prosperity of this Nation hinges entirely on the prosperity of the farmers of the Nation.

Mr. BURDICK. I want to thank the gentleman for his contribution. That is a very curious fact about statistics. It has been true almost since the Civil War that the national income is invariably about seven times the amount of the farm income. When the farm income goes down, so goes down the income of the entire Nation.

Now we have reached a point where we have to have about $44,000,000,000 every year to operate the Government and pay the interest on bonds. I can remember the time since I have sat in this House when the total national income was not over forty-seven billions.

Mr. JENSEN. So, in light of the knowledge we now have in relation to that fact, it would appear then that the proper thing, and the safest and the surest way to keep prosperity in the Nation, would be to keep a just floor under

the price of farm products, so far as it is possible to do.

Mr. BURDICK. That is correct.

Mr. ROWE. I would like to make this contribution at this point.

Mr. BURDICK. If the gentleman has a contribution to make, I certainly will be glad to accept it.

Mr. ROWE. I believe it can be directed at the subject of the gentleman's conversation, namely, the farmer. On my trip back home the latter part of last week and forepart of this week I noted all the fields where they were turning the soil to the fresh ground. The farmer was out there early Sunday morning and continuing until late at night. If our economy can be predicated on a structure as substantial as the energy exerted and exemplified there, we need nothing more than that. I believe the farmer himself should make known his liquid assets in machinery, and the importance of the things upon which he depends, rather than holding it in an inactive status where it does neither himself nor anybody else any good.

Mr. BURDICK. I want to apologize to the gentleman. He did have a contribution. I did not think he had.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. It was my privilege a while ago to scan the gentleman's speech before he started to read it. I congratulate him on the fine constructive program he has submitted and on his intelligence and vigor in advocating as a Member of the House the things the farmers stand for.

Mr. BURDICK. I may say to the gentleman from Kansas that many times he has taken here in Congress a view of the farm situation that many of the farmers have not liked, but at no time have I ever found him unfair with the farmers of my State. When we have that understanding among men in Congress, I think we can begin to see finally the result we must come to.

I am very much obliged to the gentleman from Iowa, who seems to think that we have this program pretty well in hand. The only thing I am afraid of is that we cannot get it over to the country, get the people of the East to understand the problems of the West. They do not understand them at all because they are in total darkness, they do not realize that we have hundreds of boys under 10 years old in North Dakota running combines. Most of you are farmers or the friends of farmers and you know what a combine is. These boys are away out there, 2 miles from home, running a combine, not only the tractor but the threshing machine and the cylinder, and separating the grain, getting rid of the straw and the chaff and turning the wheat over to the hopper to turn into a truck.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think there is a lot to what the gentleman said in his last observation about people in different sections of the country not understanding each other. I think the gentleman will agree with me that it is not intentional on the part of the people in the different sections of the country. From my angle, I consider that the problems of the people of the gentleman's section of the country are the problems of my people, that they are the problems that confront the entire country, and vice versa. I know the gentleman agrees with me on that. I have given it some thought from time to time.

One of the thoughts that have occurred to me is that it would be very nice if our various organizations, chambers of commerce, Rotary Clubs, and other such organizations, and out in the gentleman's section the farm organizations, would exchange visits, have committees representing the various organizations in the different sections of the country go to the other sections, get to know one another, exchange views on their problems, and see first-hand just what the conditions are. For instance, they could visit the flood areas and see the actual situation. Then the men from my section, for instance, might go back and tell the people at home just what they have seen and what the problems are.

Most people intend to do what they ought to do, and most intend to do the right thing, the decent thing, the honorable thing. Oftentimes it is due to lack of knowledge that a misunderstanding is brought about.

I wonder if the gentleman has any observation to make upon that thought of mine with respect to the exchange of visits by different representative organizations, whether financial, economic, agricultural, labor, or otherwise, in the various sections of the country.

Mr. BURDICK. I thank the gentleman from Massachusetts. Under his leadership in the House, I can testify, for one, at no time have the farmers ever come into this Congress with a proposition that did not have his whole support as far as benefiting and relieving the farmers was concerned. There are many men on both sides of this aisle of the same opinion.

I was led as a young fellow to believe that Tammany Hall was an outfit one should shun, but after serving here in Congress for 10 years I find that Tammany Hall is always Johnnie on the spot when it can do anything for the farmers.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from New York.

Mr. DICKSTEIN. I appreciate the gentleman's contribution, too. We have supported the farmer many times. Sometimes we have felt grieved because some of the Representatives of the Farm Belt have not supported the requests made by the big cities, and there has been a little friction between the two groups. We had a hard time to explain that difficulty. I know that in my service in the House I have voted for the farmers, for flood control, for everything the farmers wanted, but I could not get the Representatives to see my way about uniting families of people who have been separated as a result of our immigration laws.

Mr. BURDICK. I thank the gentleman. He can take this argument back with him to the East. You would be surprised to find some Members of this House who are farmer-minded who are trying to keep down the cost of living to the great consumer class in the East, but the farmers of my State, organized 50,000 strong, passed resolutions asking that I do everything possible that I knew how to do to keep down the cost of living to the people who ar the great consuming class of this Nation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the majority leader.

Mr. McCORMACK. I have been here 16 years, and, of course, have had many experiences. As all Members do, I have formed my impressions, whether right or wrong. One distinct impression I have is that there is more of a national consciousness on the part of the Members of Congress today than there was when I first came here. I think there is more of a national consciousness on the part of the people. I think the influences of sectionalism, so called, which sometimes even in good faith may border on intolerance, unconscious intolerance—and they can—have disappeared to a large extent. It is very seldom now that we see those sharp fights that appeal to the emotions in this body that I witnessed in the first years of my service here. This is not stated as a reflection upon the Members who served during my earlier years here but as an expression of an opinion on my part, that it is the development on the part of our people, reflected in this body, of a national consciousness which is refreshing and for the best interests of the country.

Mr. BURDICK. I thank the gentleman. I think this House has two outstanding leaders, the majority and minority leaders. There is not much misunderstanding as far as Congress is concerned, but if we could get out to the country the attitude that we all have on the farm problem, it would be easy to handle. However, I do not know how we can do that, because very few people ever read the CONGRESSIONAL RECORD.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Arizona.

Mr. MURDOCK. I wish to compliment the gentleman from North Dakota on his wise stand on farm problems. I, too, represent a farm constituency. I am often greatly puzzled by the farm problems that confront us. I have sometimes gone to the gentleman from North Dakota to ask for help and information on farm problems, and I have never been turned away without counsel, and wisdom, too. The farmers of North Dakota and the farmers of the entire country have a worthy champion in the gentleman from North Dakota.

Mr. BURDICK. I thank the gentleman.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Texas [Mr. RUSSELL] is recognized for 15 minutes.

AGAINST THE UNCONSTITUTIONAL ANTI-POLL-TAX BILL

Mr. RUSSELL. Mr. Speaker, a cherished ideal of Americans at this time is the preservation of the constitutional American liberties and human freedom. No official of the United States or of any State in the Union can qualify for public office until he takes an oath to uphold and defend the Constitution of the United States. To preserve the American constitutional guaranties and liberties is an ideal that is being discussed more than any other one thing at this time. I am sad to say, however, that within the walls of the National Congress, Members sometimes forget the constitutional structure which we are supposed to be governed by.

In the Seventy-seventh Congress an attempt was made to destroy one phase of the Constitution in the offering of what is commonly known as the anti-poll-tax bill. I spoke against that measure when it was being considered in the House, and my speech is recorded in the CONGRESSIONAL RECORD of October 13, 1942. When the same bill was reintroduced in the Seventy-eighth Congress and was again being considered by the House, it was my intention to speak against this unconstitutional measure again but at that time I was sick and unable to attend the session, and being physically disqualified by reason of such sickness, I was prevented from making another speech against this iniquitous measure.

I had hoped that the Congress—both the Seventy-seventh Congress and the Seventy-eighth Congress—would take up and consider only such measures during this emergency as were vital and necessary to the winning of the war and the preservation of our American constitutional government, as such measures would help us to carry on united in the great struggle and in the trying days ahead of us. We do not need any legislation that will disrupt our unity or destroy it in any way. We do not need legislation that will bring about discord among the American people. Such legislation, unconstitutional as it is, can only serve to destroy that unity we need so badly. In no way can it help our war effort. In no way can it help anyone. It is another step to destroy the magnificent constitutional structure upon which American liberties and freedoms are based.

The Federal Government has no power on earth to pass an anti-poll-tax bill. In fact, such legislation violates the very terms of the Constitution, and if it were not for the political aspects of such legislation, wherein certain elements of this Congress feel they can be enhanced by it, it would not receive the serious support of a handful of Representatives.

It does not make any difference whether you or I believe in the poll tax as a qualification for suffrage. The fact remains that the Congress has no power to abolish it. The Constitution makes that perfectly clear in providing that Representatives and Senators in Congress shall be elected by the people of their respective States and districts, and that the electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State legislature. Therefore the States, and the States alone have the power, limited only by the Constitution, to determine the qualifications of voters. Congress certainly does not have it. It has been said, and truthfully said, that this measure was introduced for political purposes, as a bid for the Negro vote.

Some of the Members of this body are teamed up together in support of the anti-poll-tax bill. Many of these Members have heretofore, and since voting on this measure, been critics of some of the measures before this body. Their criticism was that such measures violated States' rights and the Constitution, and some of these same sponsors of the anti-poll-tax bill fought the Federal soldier vote bill on the grounds that it violated the Constitution and was against States' rights. But looking up the record on that vote, we find 164 Members who voted against the soldier Federal ballot bill because it violated the Constitution and was against States' rights, and that same number of Representatives in a bid for the Negro vote, supported the iniquitous anti-poll-tax bill.

To me this is a bad practice. It is a practice that those Members themselves have condemned, and rightly condemned. The poll tax is no more against the Negroes in the South than it is against the white race; and if this constitutional provision is destroyed by this iniquitous bill, the Negroes will lose much more than they can gain, because it is through that same Constitution that they are now desirous of destroying that their freedom and citizenship was given to them. And if this bill is passed, it is just another step toward destroying the whole constitutional structure of the American Government; and when it is destroyed, it can never be raised again. That great American and constitutional interpreter, Daniel Webster, said over a hundred and ten years ago that—

> Other misfortunes may be borne, or their effects overcome. If disastrous wars should sweep our commerce from the ocean, another generation may renew it; if it exhausts our Treasury, future industry may replenish it; if it desolate and lay waste our fields, still, under a new cultivation, they will grow green again and ripen to future harvests.
>
> It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All of these may be rebuilt.
>
> But who shall rebuild the fabrics of demolished government?
>
> Who shall rear again the well-proportioned columns of constitutional liberty?
>
> Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity?
>
> No; if these columns fall, they will be raised not again. Like the Colisseum and the Parthenon, they will be destined to a mournful and melancholy immortality. Bitterer tears, however, will flow over them than were ever shed over the monuments of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty.

My native State has for a number of years, by its constitution and its laws, provided for the payment of the poll tax as a qualification for voting. This qualification has brought, as I see it, untold good to the operation of our State government, by those who desire a clean, moral, and patriotic government. It has prevented in a large measure that class known as outlaws, who disregard the rights of their fellow citizens, from taking charge of our internal affairs. Time will not permit me to give the many virtues of this system in our native State, but I want to give you a few of the benefits we derive from such a law. From this source, we derive a fund to help educate the children of Texas, both white and black, as $1 of each poll tax goes to carry on the free public school system in our native State, and should the poll tax be abolished, it will cripple our great democratic institution of free education in Texas.

I have always felt that the employer should in a measure pay the wages of the employee, or at least a part of same. We vote to run our State and National Government through elected officials, who are always paid for their services through funds raised by taxation. In Texas, there are thousands of people who pay no taxes, except the poll tax. That is the only contribution they make toward the expenses and operation of their government. While it is a little, insignificant amount, the very small contribution they make for the services rendered by their employees—this being their only contribution to their government for its protection to them through the operation of same—guarantees them life, liberty, and pursuit of happiness. Through the law and through the Constitution—that same Constitution the sponsors of the anti-poll-tax bill seek to destroy—it is their only contribution for the free schooling and education of their own children and their neighbors' children. Do you not think it fair for any man or head of any family to contribute $1.75 to his government for the protection he receives from same, and for the high-school education he is guaranteed to all of his children, free of other cost?

Does it occur to you that we all love our State more than you can ever love it? Yes, we love it; it is our own; it is ours, all of it. And do you not think we know more about its internal affairs than you who live far off from it? We have decided this question within our own borders, as it is our constitutional prerogative to do. We are in a better position to know our wants and desires than you. Then why do you want to interfere with our internal affairs and violate that Constitution that you swore to uphold and defend, in doing so; that Constitution, that you seek to destroy with this bill, which has meant so much to you and to the American people through all our glorious past; that Constitution which has guaranteed to us all to place the qualifications of our voters in the hands of the State? Yet

this bill seeks to deprive us of that constitutional, Democratic way of life. Surely, you are not more interested in our welfare than we, ourselves, are. My native State has been giving and will continue to give a good account of itself in the great struggle we are now engaged in. It has the distinction of having more men in the armed services in proportion to population than any other State in the Union. Our State will continue to show its patriotism in that way. For many years, my State has accepted the call whenever the Government called upon it in time of distress, and it seems peculiar to us why the National Congress would at this time seek to penalize us when the only logical, reasonable excuse for doing so is to bid for a vote of a certain class of American citizens. Some of your leaders said in this, the war Congress, that we should forget politics. How can we forget them when you try to bring politics upon us in every conceivable way?

I have always felt that a man becomes a better citizen when he has a financial interest in that citizenship; that he has a better interest in his Government when he is contributing financially to it. And I believe that the payment of $1.75 poll tax, within itself, will cause a person to have a greater interest in his Government and its future than he would otherwise have. They are then more interested in how to vote and who to vote for, for they have a financial interest in the same. They then are part owners of the Government, and feel that they are stockholders. Many States of the Union have qualifications for voting in their respective States that are more obnoxious to me than the payment of an insignificant amount as a poll tax. Yet I realize that that is the prerogative of that State. The same Constitution that this bill seeks to violate guarantees to those States their inherent right to adopt such qualifications.

The anti-poll-tax bill is so clearly unconstitutional that a wayfaring man can see it. Any unbiased, unprejudiced, 14-year-old child can see that. Our Constitution provides in article I, section 2:

> The House of Representatives shall be composed of Members chosen every 2 years by the people of several States.

It will be noticed that this provision is mandatory and not directory, as no other way could you choose United States Senators and Representatives in Congress. And this mandatory provision is carried into the next provision of this section, which provides "and electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature." The term "shall" is used again, "Shall have the qualifications." This provision is likewise mandatory, and no one would attempt to convince you that this provision gives authority to the Federal Government to change or direct the qualifications of the voters in a State, with reference to the election of State representatives, who compose the most numerous branch of the State legislature. Common sense teaches us that this could not be done; it would be folly and child's play to contend otherwise. Yet the anti-poll-tax bill tries to do in effect the identical thing by repealing that part of the provision with reference to the qualifications of electors for the House of Representatives and United States Senators. No sensible person would admit that under the Constitution you could change the qualifications of the electors for the most numerous branch of the State legislature, therefore it is absolutely impossible, without violating this constitutional provision, to change the qualifications of the electors by an act of Congress.

The constitutional provision referred to received further sanction at the hands of the people of the United States when on May 31, 1913, amendment No. 17 to the Constitution was adopted, and in the adoption of that amendment, the same identical words were placed in the Constitution with reference to the electors of each State, wherein it stated again that such electors should have the qualifications requisite for electors of the most numerous branch of the State legislature. If there had been any doubt in the minds of the American people, they certainly would have expressed it at this late date. It was heretofore fortified by the adoption of amendment No. 10 to the Constitution, wherein it was stated that the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, were reserved to the States, respectively, or to the people.

The courts of our land have universally held without a single dissenting opinion that the States have the sole right to determine the qualifications of their electors in the most numerous branch of the State legislatures. This was specifically held in *Linder* v. *United States* (268 U. S. 5). The Congress of the United States has given its sanction to these constitutional provisions, when it adopted the revised and annotated Constitution of the United States on May 14, 1936.

So this clamor for the national legislative body to repeal the poll-tax law in the eight poll-tax States is of pure political bunk and is being carried on for the purpose of enhancing the particular advocate or the particular party of which such advocate is a member, and as I said before, is presumably a bid for the Negro vote.

Mr. Speaker, I have just been informed that the other body of this Congress, through the courageous action of the Members from the Southern States, have had this pernicious and iniquitous bill killed in that body, and the American people should always be thankful to them for so doing. I had intended to speak at length, but that being the case, I will now close my remarks with these words. As long as I represent my district, I am going to comply with the oath I took which requires me to uphold the Constitution on all occasions. That I have tried to do in respect to the bill I have been discussing, and that I will do, whether I am a public official or a private citizen. That Constitution that I swore to uphold, which means so much to the American people, shall never receive a vote on my part to tear it asunder or harm it in any way. It means too much to the American people. It has been the guaranty for nearly two centuries of that freedom that means as much to the American people and is as dear to them as life itself.

THE FARM IMPLEMENT SITUATION

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to revise and extend my remarks and include therein a letter of transmittal and a press release from Mr. Donald Nelson, of the War Production Board.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, for many months those of us representing districts that are wholly or partially agriculture in composition have been stressing the danger of a crisis in the farm-implement situation if drastic steps were not taken by the War Production Board to step up production.

There are those who claim that production of implements can be increased without affecting the production of equipment used directly in the war. Keymen of the International Harvester Co. and the John Deere Co. have been given dollar-a-year jobs in agencies setting up many of these policies controlling production. Farm implement manufacturing firms which do not have contracts for military trucks, landing craft, and so forth, have had their production capacity curtailed, and it appears all in order that they might not get ahead of the major implement manufacturing companies who are producing war goods and at the same time trying to keep the name of their tractors, threshers, and so forth, before the farmers by fractional production and sale of their previous production.

Yesterday I presented a resolution asking this House to authorize its Committee on Agriculture to make an investigation of this whole implement set-up. A few minutes ago Mr. Donald Nelson, Chairman of the War Production Board, sent me a copy of a release he is handing to the press this afternoon. This is of widespread interest and sufficiently important for consideration by the House at this time. Therefore I submit for the RECORD the letter of transmittal and the press release:

WAR PRODUCTION BOARD,
Washington, D. C., May 16, 1944.

The Honorable FRED L. CRAWFORD,
House of Representatives,
Washington, D. C.

DEAR MR. CRAWFORD: At the request of Mr. Nelson I am enclosing herewith copy of a press release on farm machinery, which we are putting out today

Sincerely,

E. A. LOCKE, Jr.,
Assistant to the Chairman.

Despite difficulties in the spring and earlier months in the production of farm machinery, caused by military demands, especially landing craft, the production of farm machinery is now proceeding at a very high level, Donald M. Nelson, Chairman of the War Production Board, said today.

"If the production of repair parts and the production of new machinery are considered together," Mr. Nelson said, "America's farm-machinery industry is producing at a record-breaking pace—a rate above the highest volume recorded in any peacetime year.

"On the other hand," Mr. Nelson said, "there is still a great deal more to be done on a number of individual items of farm equipment. Some of the spring planting and tillage items in this year's program fell considerably behind schedule. These included corn and cotton planters (two-row and larger), grain drills, fertilizer distributors, harrows, manure spreaders, power sprayers, listers and middle-busters, garden tractors, moldboard plows, and tractor-mounted cultivators. Likewise, certain haying and harvesting equipment—large combines, pick-up hay balers, corn pickers, side delivery rakes, hay loaders, and mowers—has been lagging."

Later this week W. P. B. will issue a detailed report on the production of farm machinery, listing the last 10 months' production of all major items by units as well as by dollar value.

The lag in production has been due partly to the difficulty in getting a steady acceleration of production from the low levels of a year ago, and partly to the need to avoid interference with important military programs that had to be pushed in preparation for the invasion.

"This farm machinery program is, of course, one of the most vitally important of all our nonmilitary programs," Mr. Nelson said. "It has also been one of the most difficult. Not only is the total volume high but the farm-machinery program more than any other large civilian program, cuts squarely across the most important military programs. Fitting it into the framework so that it could be met without slowing up those military programs has been one of the toughest jobs the War Production Board has had to handle.

"The danger of impeding some of the most urgent military programs must still be guarded against very carefully. But it seems to me a good thing at this time to explain just how this job has been handled so far so that everyone can understand the real progress that has been made and the reasons why it has not been possible to push the production of certain classes of farm machinery to higher levels more rapidly."

Sometime after Pearl Harbor the production of farm machinery was drastically cut. This was partly because the 2 years just before Pearl Harbor had been years of record-breaking production, and partly because of the overwhelming need to put as many factories as possible, and as much material as possible, into urgently needed munitions. As a result, while production in the calendar year of 1942 was high, production in the calendar year 1943 was reduced to the lowest level in many years.

What this meant was that when a very large farm-machinery program was set up for the present production year, production in almost all categories had to go at a sharply rising rate. In other words, an individual manufacturer would not merely be called on to produce, in the 12-month period, a quantity of repair parts and machinery roughly equal to his production in 1940 or 1941; since he was starting almost from scratch, in many cases, he had to pick up speed much faster than he ordinarily would, and toward the end of the period he might have to produce at a rate considerably higher than his best rate in any previous year.

But there was an even tougher complication on the other side of the fence which has just recently developed. Production had to climb a set of high stairsteps, but if these steps had to be high it was extremely important not to make them too high, and it is utterly impossible to permit any manufacturer to take a half-dozen steps in one jump, W. P. B. said. The reason is this:

Making farm machinery, particularly tractors, calls for large quantities of exactly the same things that are needed to make war goods—such things as ball bearings, malleable castings, engine cylinder-block castings, forgings, transmissions, axles, and the like. These things were needed, variously, to make airplanes, heavy-duty military trucks, landing craft, and so on; and whatever happened it was necessary to keep from interfering with those all-important programs. Therefore, the last thing that could possibly be permitted at this point is the very thing that would look most logical at first glance—to permit tractor manufacturers who could do so to concentrate their year's production of farm machinery in the first 6 or 8 months of the program.

In other words, the production of farm machinery had to go up sharply, but it had to go up under very strict controls. Emphatic evidence of this is the fact that toward the end of 1943 the revised landing-craft program was given top priority. This meant a heavy added drain on many of the component parts most needed for the manufacture of many kinds of farm machinery and made it more important than ever to keep the farm-machinery program from using more than its proper share of these parts.

All of this led up to the issuance by W. P. B., on February 3, 1944, of an order that aroused some controversy and misunderstanding; an order that stipulated that no manufacturer of wheeled tractors could produce more than one-third of his total annual allotment during the first quarter of the farm year, or more than two-thirds in the first 6 months.

Appeals from this order came in from many manufacturers. A number insisted that if they were permitted to accelerate production beyond the limitations imposed they could obtain the needed components without interfering with vital war programs. In substance, W. P. B.'s reply to all such appeals was: Show us that you can do that and we'll let you proceed. So far no company has been able to give adequate evidence of this sort and thus no such appeals have been granted.

(A typical reply to such an appeal is contained in a letter written by Mr. Nelson on March 10 to Harry Ferguson, Inc., of Detroit; the text of that letter is attached herewith.)

Nevertheless, while it was necessary to keep tight controls over many parts of the farm-machinery program, W. P. B.'s major efforts were devoted to getting production increased as fast as possible consistent with other vital programs. A manufacturer's allocation is initially based on his production in 1940 or 1941, whichever he prefers, but these allocations are subject to adjustment in accordance with present performance. Thus when a manufacturer has been unable to meet his schedule, additional allocations have been given to manufacturers who can produce above schedules. This often does not provide all of the equipment in time for seasonal use because of the difficulty of producing on short notice, but does contribute to achievement of the total production scheduled.

During the next production year the 12 months that will begin on July 1—examinations will be made constantly so that slow spots that develop in the program can be corrected promptly at regular and frequent intervals.

On March 31, in a letter to War Food Administrator Marvin Jones, Mr. Nelson outlined the steps that were being taken to accelerate the program. They included:

1. Increased allocations on all items currently behind schedule were being given to any company able to produce such additional work on time, provided that this did not divert manpower from military programs. Rather than wait for formal appeals, the Farm Machinery and Equipment Division was instructed to survey by telephone or telegraph such companies as it believed might be able to turn out additional production.

2. All W. P. B. regional directors were instructed to give special expediting attention to the farm-machinery program, particularly to the key items. (Text of the instruction to regional directors is attached.)

"These are the measures which we believe can be put into effect immediately," Mr. Nelson wrote Mr. Jones, "at least to the degree that they are found to be feasible in view of other urgent requirements, and ought to improve to some extent the current program. As you will recall, however, I have stated frequently to you in recent months, both in letters and in conversation, that the farm-machinery program would have to give way should there be any serious conflict between it and vital military programs. This has begun to be the case recently due to the increasingly stringent situation as to critical components and manpower. In such contingencies I am sure you will agree that we have had no choice but to give landing craft, military trucks, and airplanes the preference over farm machinery and other items, important though less urgently needed for the success of the invasion. We are continuing, however, to do our very best to confine to a minimum these interferences from vital military programs."

What all of this has meant, of course, has been that the farm machinery production program as a whole got into high gear slowly. By the end of February 1944 the picture looked dark; the program as a whole was about 23 percent behind schedule. But the program had begun to roll; by the end of March the program was only 17 percent behind, and by the end of April this had been cut to 13 percent. By the end of June, total production will be equal to approximately 90 percent of schedule, W. P. B. said.

In addition, some of the most important items in the program were moving much better than the program as a whole. The tractor program, for instance, is in very good shape. The program called for production of 209,000 tractors, including tractors for export, during the year ending June 30, 1944. Up to May 6, 182,000 had been produced, and tractor production was moving at an average rate of 5,500 per week. (For comparison, production in July 1943 was 1,700 per week.) Last week's production was close to 5,800, and it seems likely that the year's production will be in excess of 225,000 tractors.

HARRY FERGUSON, INC., MARCH 10, 1944.
Dearborn, Mich.

GENTLEMEN: This is in reply to your letter of February 22, in which you set forth your objections to the present War Production Board limitations on the scheduling of tractor production.

In any consideration of this matter it is important to bear in mind that the following are and always have been our key objectives:

1. To complete the tractor program as rapidly as possible. We well realize that farmers both here and in Allied countries are in urgent need of more tractors. Consequently, every possible effort should be made to accelerate completion of the tractor production program.

2. To assure that all war production programs progress together and in balance. The War Production Board has the over-all responsibility for the successful carrying out of all programs, including those for landing vessels, trucks, and aircraft as well as for tractors and other farm equipment items. And because the manpower and common components needed by all programs are in short supply, we must carefully schedule each program so that all can proceed together in a balanced fashion and without

interfering with each other. Unscheduled production of any one program would seriously jeopardize the successful completion of all. Therefore, it is our clear duty to assure that no such threat materializes. Our experience indicates that this can best be accomplished through scheduling.

3. To treat all tractor producers equally. All producers must be given a fair and equal opportunity to complete their individual parts of the tractor program. A regulation applying equally to all producers cannot be changed for any one company without the same change being made to apply to all other companies in the same way under the same set of conditions.

I feel certain that you and your organization can have no significant disagreement with these objectives. Your letter, however, makes perfectly clear your disagreement with our regulation of February 3, 1944, placing certain limitations on the scheduling of tractor production. Whether this regulation provides the most effective means of meeting our objectives is a matter that has been extensively discussed by all concerned. In the judgment of our people here, it is the best way to do the job. Apparently, however, you are of the opinion that additional components can be obtained in sufficient quantity to permit the scheduling of the tractor program for completion within a shorter period than allowed under our present regulation. If you or any other tractor manufacturer or the tractor industry as a whole can show us that this can be done and that sufficient manpower will be available for manufacturing these components as well as for assembling them into finished tractors, all without interfering with other programs, I shall be glad to direct that appropriate action be taken with regard to the regulation in question. Unless and until there is a change in the regulation, you must, of course, comply with its provisions.

I trust that this letter will clarify our position and feel sure that we can count on your cooperation in making possible the successful completion of our many vital war programs during the critical period ahead.

Sincerely,

DONALD M. NELSON.

WAR PRODUCTION BOARD,
Washington, D. C., March 31, 1944.

MEMORANDUM

To Regional Directors of the War Production Board.

From Donald M. Nelson.

The production of farm machinery and equipment, as defined under L-257, is lagging considerably behind the schedules established for the farm machinery year ending June 30, 1944. As you well know, adequate production of these items is essential to the success of the food-production program, and it is a matter of grave concern to us, as well as to the War Food Administration, that delivery schedules are not being fully met, particularly on planting and tillage items that are urgently needed for spring use. Consequently, I am making this special and direct request to you that you take all reasonable steps to expedite in every way you can through your regional and district staffs the production of farm machinery and equipment.

Every one of our 6,000,000 farms is in reality a food-production factory. The farmer is a producer of food and fiber, and as such his real and reasonable needs for farm equipment must be considered as essential to the war program, and every possible effort made to meet those needs. Any assistance which you can provide in increasing the production of these items during the next few critical months will be a great contribution to the war effort. Mr. Harcourt Amory, Deputy Vice Chairman, Office for Field Operations, War Production Board, will send you further details on the situation within the next few days.

ADJOURNMENT

Mr. RUSSELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 18 minutes p. m.) the House adjourned until tomorrow Wednesday, May 17, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Tuesday, May 16, 1944, at 10 a. m., to consider H. R. 4780, a bill to fix the fees for domestic insured and collect-on-delivery mail, and special-delivery service. Hearings will be held.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will hold further hearings on the petroleum bill on Tuesday, May 16, 1944, at 10:30 a. m.

The Committee on Interstate and Foreign Commerce will resume hearings on the daylight-saving bill on Thursday, May 18 1944, at 10 a. m.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 18, 1944, at 10 a. m., on H. R. 2809, to amend section 511 of the Merchant Marine Act, 1936, as amended. (Ship-construction reserve fund.)

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

COMMITTEE ON THE POST OFFICES AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Friday, May 19, 1944, at 10:30 a. m., in executive session, to consider H. R. 1809 and H. R. 2843, relating to the carrying of mail on star routes.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Friday, May 19, 1944, at 10:30 a. m., for the purpose of considering S. 1335, H. R. 3384, H. R. 3084, H. R. 2279, and such other matters as may properly come before the committee.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1533. A letter from the Postmaster General, transmitting a copy of a letter addressed to the Director of the Bureau of the Budget, certifying that the Post Office Department is within the quota set by that Bureau under date of April 14, 1944, for each of the appropriation units involved; to the Committee on the Civil Service.

1534. A letter from the Acting Secretary of the Interior, transmitting a list of claims for damages authorized by Private, No. 534 (H. R. 8666), Seventy-sixth Congress, chapter 680, third session; to the Committee on Claims.

1535. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an appropriation of the Department of State for the fiscal year 1944 (H. Doc. No. 587); to the Committee on Appropriations and ordered to be printed.

1536. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department for the fiscal year 1944, amounting to $600,000 (H. Doc. No. 588); to the Committee on Appropriations and ordered to be printed.

1537. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Security Agency, amounting to $445,000 (H. Doc. No. 589); to the Committee on Appropriations and ordered to be printed.

1538. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Security Agency for the fiscal year 1945 in the amount of $50,000 in the form of an amendment to the Budget for said fiscal year (H. Doc. No. 590); to the Committee on Appropriations and ordered to be printed.

1539. A communication from the President of the United States, transmitting a supplemental estimate of appropriation in the amount of $1,217,000 for the fiscal year ending June 30, 1944, for the War Department for Engineer Service, Army (H. Doc. No. 591); to the Committee on Appropriations and ordered to be printed.

1540. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1944, amounting to $75,000, for the Lands Division of the Department of Justice (H. Doc. No. 592); to the Committee on Appropriations and ordered to be printed.

1541. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal years 1944 and 1945, amounting to $533,000, and a draft of a proposed provision pertaining to an existing appropriation, all for the Office of Administrator of Civil Aeronautics, Department of Commerce (H. Doc. No. 593); to the Committee on Appropriations and ordered to be printed.

1542. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 4, 1944, submitting a report, together with accompanying papers and an illustration, on a review of reports on Bayous Petit Anse, Tigre, and Carlin, La., requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted on April 4, 1938, and May 4, 1939, and of the Committee on Commerce, United States Senate, adopted on August 30, 1940, and March 5, 1943 (H. Doc. No. 594); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1543. A letter from the Chairman, Board of Investigation and Research, transmitting

the preliminary report of the Board of Investigation and Research on the Relative Economy and Fitness of the Carriers (H. Doc. No. 595); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WEST: Committee on Ways and Means. S. 1758. An act to amend section 451 of the Tariff Act of 1930, and for other purposes; with amendment (Rept. No. 1446). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MUNDT:

H. R. 4809. A bill to provide optional retirement for Government employees who have attained the age of 55 years and rendered at least 25 years of service; to the Committee on the Civil Service.

By Mr. MAY:

H. R. 4810. A bill to extend the provisions of the Selective Training and Service Act of 1940, as amended, to the Virgin Islands; to the Committee on Military Affairs.

By Mr. MOTT:

H. R. 4811. A bill to supplement the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, to authorize appropriations for the post-war construction of greatly needed highways and bridges, to eliminate hazards at railroad grade crossings, to insure greater safety for traffic on the public highways by providing additional facilities in connection therewith to be available for the landing and take-off of aircraft, to provide for the immediate preparation of plans and acquisition of rights-of-way, to cushion the post-war conversion to peacetime economy, and for other purposes; to the Committee on Roads.

By Mr. KEFAUVER:

H. R. 4812. A bill to amend section 403 (i) (1) (B) of the Sixth Supplemental National Defense Appropriation Act of 1942; to the Committe on Ways and Means.

By Mr. SHORT:

H. J. Res. 283. Joint resolution to extend the time limit for immunity; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Municipal Council of St. Thomas and St. John, V. I., memorializing the President and the Congress of the United States to continue the work of the War Food Administration, Office of Distribution, rendered to the people of the Virgin Islands; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. BARDEN:

H. R. 4813. A bill for the relief of Carl Lewis; to the Committee on Claims.

By Mr. COLE of New York:

H. R. 4814. A bill for the relief of Edgar D. Sebring and Jay Purple; to the Committee on Claims.

By Mr. HENDRICKS:

H. R. 4815. A bill for the relief of the Board of County Commissioners of Volusia County, Fla.; to the Committee on Claims.

By Mr. KILDAY:

H. R. 4816. A bill for the relief of August W. Dietz; to the Committee on Claims.

By Mr. MARTIN of Massachusetts:

H. R. 4817. A bill for the relief of Wilfred T. Plant, Sr.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5691. By Mr. GOODWIN: Resolution of the Board of Aldermen of the City of Everett dated April 24, 1944, and subsequently passed by the common council on May 1 and approved by the mayor on May 5, 1944, seeking the abolishment of the 15 percent Little Steel formula or a modification thereof in conformity with the true increased cost of living; to the Committee on Banking and Currency.

5692. By Mr. HALE: Petition of the Portland Central Labor Union, Portland, Maine, petitioning Congress to enact the necessary measures to establish a Nation-wide broadcast of its proceedings; to the Committee on Rules.

5693. By the SPEAKER: Petition of Hildreth S. Wright and various other citizens of New Salisbury, Ind., petitioning consideration of their resolution with reference to the enactment of House bill 2082; to the Committee on the Judiciary.

SENATE

WEDNESDAY, MAY 17, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Reverend Fred V. Poag, minister, Second Presbyterian Church, Alexandria, Va., offered the following prayer:

O God Eternal, reverently we implore Thee to transform this period of prayer so that it may not be the mere sounding of the tongue's many syllables, but rather that it may become the sincere gesture of hearts which need fellowship with their Heavenly Father. May we not clutter this day with so much of our own speaking that we fail to hear Thy voice. Lift the level of the thinking of these men until it has been shorn of sheer prejudices and opinion and becomes based on disciplined reason and truth.

Grant to these Thy servants, and those whom they represent, a deep respect for the sacred. May the goodness which they seek be not alone that which can be touched but that also which is worthy to be lived. Grant to them so large measure of integrity that they may be courageous publicly because they are courageous privately. May the deliberations of this day be carried on with vision of such high ideals and great cause that even the human mistakes and frailties may not impede Thy purpose for Thy people.

This is our dearest petition: Give us peace; not simply a peace which is the cessation of conflict but a peace which is symbolic of justice and right throughout the wide world. Return the men and women who war for this peace from the far places of the earth so that they may take their places in completing the ultimate purposes for which Thou hast created our Nation.

Wilt Thou be pleased to hear not only the prayer which is spoken but the whisperings of the hearts of all who call upon Thy Name. For Jesus' sake. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 15, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Bailey	Gerry	O'Daniel
Ball	Gillette	O'Mahoney
Bankhead	Green	Overton
Barkley	Gurney	Radcliffe
Bilbo	Hatch	Reed
Brewster	Hawkes	Reynolds
Bridges	Hayden	Robertson
Burton	Hill	Russell
Bushfield	Jackson	Shipstead
Butler	Johnson, Colo.	Stewart
Byrd	Kilgore	Taft
Capper	La Follette	Thomas, Idaho
Caraway	Langer	Tunnell
Chandler	Lucas	Tydings
Chavez	McCarran	Vandenberg
Clark, Mo.	McClellan	Wagner
Connally	McFarland	Walsh, Mass.
Cordon	McKellar	Walsh, N. J.
Danaher	Maloney	Weeks
Davis	Mead	Wheeler
Downey	Millikin	Wherry
Eastland	Moore	White
Ellender	Murdock	Wilson
Ferguson	Nye	

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Utah [Mr. THOMAS] has been appointed by the President of the United States as a delegate to attend the International Labor Organization Conference in Philadelphia, and is therefore necessarily absent.

The Senator from Nevada [Mr. SCRUGHAM] and the Senator from Georgia [Mr. GEORGE] are absent on official business.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Oklahoma [Mr. THOMAS], the Senator from Pennsylvania [Mr. GUFFEY], the Senators from South Carolina [Mr. SMITH and Mr. MAYBANK], and the Senator from Montana [Mr. MURRAY] are detained on public business.

Mr. WHERRY. The Senators from Vermont [Mr. AIKEN and Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], the Senator from Delaware [Mr. BUCK], the Senator from Oregon [Mr. HOLMAN], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The VICE PRESIDENT. Seventy-one Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1618) to amend the acts of August 26, 1935 (49 Stat. 866), May 11, 1938 (52 Stat. 347), June 15, 1938 (52 Stat. 699), and June 25, 1938 (52 Stat. 1205), which authorizes the appropriation of receipts from certain national forests for the purchase of lands within the boundaries of such forests, to provide that any such receipts not appropriated or appropriated but not expended or obligated shall be disposed of in the same manner as other national-forest receipts, and for other purposes.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 254. An act for the relief of Edward Gillam; and

S. 771. An act to provide for payment of pensions and compensation to certain persons who are receiving retired pay.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4519) to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 521. An act for the relief of Toby Lena Rosenberg, alias Maria Louia Nasco, alias Alejandrino Nasco Echegaray;

H. R. 1708. An act for the relief of Perley M. Silver;

H. R. 2994. An act to extend Reissued Letters Patent No. 19,023;

H. R. 3250. An act to confer jurisdiction upon the United States District Court of Maine;

H. R. 3891. An act to provide night differential for certain employees;

H. R. 4215. An act to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees;

H. R. 4404. An act to transfer Government activities in connection with domestic rabbits to the Department of Agriculture;

H. R. 4517. An act to remove restrictions on establishing post-office branches and stations; and

H. R. 4793. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4519) to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans, and it was signed by the Vice President.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letter, which were referred as indicated:

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF THE INTERIOR (S. Doc. No. 196)

A communication from the President of the United States transmitting supplemental estimates of appropriations for the Department of the Interior, fiscal year 1945, amounting to $18,496,188.36, together with draft of a proposed provision pertaining to an existing appropriation (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF TRADING WITH THE ENEMY ACT

A joint letter from the Attorney General and the Alien Property Custodian, transmitting a draft of proposed legislation to amend the Trading With the Enemy Act, as amended (with an accompanying paper); to the Committee on the Judiciary.

REPORTS OF COMMITTEES FILED DURING RECESS

Under authority of the order of the 15th instant,

The following reports of committees were submitted on May 16, 1944:

By Mr. GEORGE, from the Committee on Finance:

H. R. 4646. An act to provide for simplification of the individual income tax; with amendments (Rept. No. 885).

By Mr. RUSSELL, from the Committee on Appropriations:

H. R. 4443. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes; with amendments (Rept. No. 886).

By Mr. McCARRAN, from the Committee on Appropriations:

H. R. 4204. An act making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes; with amendments (Rept. No. 887).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TYDINGS, from the Committee on Appropriations:

H. R. 4414. An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes; with amendments (Rept. No. 888).

By Mr. HATCH, from the Committee on the Judiciary:

S. 1559. A bill authorizing the appointment of an additional judge for the third judicial circuit; without amendment (Rept. No. 889).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSHFIELD:

S. 1920. A bill to authorize and direct the Secretary of the Interior to issue to Corrine Wright Standing Cloud, a patent in fee to certain land; to the Committee on Indian Affairs.

By Mr. CHANDLER:

S. 1921. A bill to provide disability retirement for certain enlisted members of the Regular Army, Navy, Marine Corps, and Coast Guard who had commissioned service in World War No. 1 or World War No. 2; to the Committee on Military Affairs.

By Mr. BYRD:

S. 1922. A bill for the relief of W. A. Smoot, Inc.; to the Committee on Claims.

(Mr. TYDINGS introduced Senate bill 1923, which was referred to the Committee on the District of Columbia, and appears under a separate heading.)

By Mr. WHEELER:

S. 1924. A bill to authorize and direct the Secretary of the Interior to issue to Irene Scott Bassett a patent in fee to certain land;

S. 1925. A bill to authorize and direct the Secretary of the Interior to issue to Charles F. White a patent in fee to certain land; and

S. 1926. A bill to authorize and direct the Secretary of the Interior to issue to Martha Long Neck Little Light a patent in fee to certain land; to the Committee on Indian Affairs.

By Mr. GILLETTE (for himself and Mr. WILSON):

S. 1927. A bill to authorize the attendance of the Marine Band at the seventy-eighth anniversary convention of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944; to the Committee on Naval Affairs.

By Mr. McCARRAN:

S. 1928. A bill to amend the Trading with the Enemy Act, as amended; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1929 A bill to amend section 7 of the act approved February 28, 1925, so as to change the method of computing the daily rate of compensation in the case of certain postal employees, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. WAGNER:

S. J. Res. 131. Joint resolution to provide for the proper observance of the one hundred and fifty-third anniversary of the adoption of the first 10 amendments to the Constitution known as the Bill of Rights; to the Committee on the Judiciary.

SLUM CLEARANCE IN THE DISTRICT OF COLUMBIA

Mr. TYDINGS. Mr. President, for many months in the Committee on the District of Columbia a subcommittee headed by the Senator from Ohio [Mr. BURTON] has been conducting hearings on the subject of slum clearance in the District of Columbia. The hearings have been most extensive, and the Senator from Ohio has been most careful to give all sides a hearing.

As a result of the evidence adduced at the hearings I have been requested to sponsor a new bill dealing with the subject of slum clearance in the District of Columbia under Government supervision, to be done by private enterprise, and I have undertaken to do so.

This bill has the endorsement of the following citizens' associations:

Petworth, Congress Heights, Anacostia, Randle Highlands, Bradbury Heights, Arkansas Avenue, Southeast, Manor Park, North Randle community, Friendship, North Cleveland Park, Lincoln Park, Washingtonians,

Fort Davis, Cathedral Heights, Cleveland Park, Northwest Council, Chevy Chase, Washington Highlands, Forest Hills, Summit Park.

It also has the endorsement of the following organizations:

Home Builders Association of Metropolitan Washington; Washington Taxpayers Association; Building Owners and Managers Association of District of Columbia; Housing and Rent Control Committee, District of Columbia Federation of Citizens Associations; Board of Trade of Arlington, Va.; Chamber of Commerce of Arlington, Va.; Alexandria, Arlington, and Fairfax Real Estate Board; Housing Committee of Southeast Council.

It also has the endorsement of the following:

Washington Board of Trade, District of Columbia Building and Loan League, District of Columbia Mortgage Bankers, District of Columbia Bankers Association, District of Columbia Federation of Business Men, Washington Real Estate Board.

It can be seen from this endorsement that the bill is an attempt on the part of private enterprise to carry on the worthy work of slum clearance in the old-fashioned American way, under Government supervision.

I ask unanimous consent to introduce the bill and have it referred to the Committee on the District of Columbia for consideration.

There being no objection, the bill (S. 1923) to provide for the elimination of alley dwellings and the clearance and redevelopment of slum and other blighted areas of the District of Columbia and the assembly, by purchase or condemnation, of real property in such areas and the sale or lease thereof for redevelopment; and to provide for the organization of, and procedure for such acquisition, elimination, clearance, redevelopment, and sale or lease, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred or ordered to be placed on the calendar, as indicated:

H. R. 521. An act for the relief of Toby Lena Rosenberg, alias Maria Louia Nasco, alias Alejandrino Nasco Echegaray; to the Committee on Immigration.

H. R. 1708. An act for the relief of Perley M. Silver; to the Committee on Military Affairs.

H. R. 2994. An act to extend Reissued Letters Patent No 19,023; to the Committee on Patents.

H. R. 3250. An act to confer jurisdiction upon the United States District Court of Maine; to the Committee on Claims.

H. R. 3691. An act to provide night differential for certain employees; ordered to be placed on the calendar.

H. R. 4404. An act to transfer Government activities in connection with domestic rabbits to the Department of Agriculture; to the Committee on Agriculture and Forestry.

H. R. 4215. An act to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees; and

H. R. 4517. An act to remove restrictions on establishing post-office branches and stations; to the Committee on Post Offices and Post Roads.

H. R. 4793. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes; ordered to be placed on the calendar.

EMERGENCY FLOOD CONTROL—AMENDMENT

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (H. R. 4793) to provide for emergency flood-control work made necessary by recent floods, and for other purposes, which was ordered to be printed.

SIMPLIFICATION OF THE INCOME TAX—AMENDMENT

Mr. LA FOLLETTE. Mr. President, for the Senator from Idaho [Mr. CLARK] I ask unanimous consent to submit an amendment intended to be proposed by him to House bill 4646, to provide for simplification of the individual income tax. At his request I ask consent that the amendment be printed and lie on the table, and that it may also be printed at an appropriate place in today's proceedings in the CONGRESSIONAL RECORD.

There being no objection, the amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. CLARK, of Idaho, to the bill (H. R. 4646) to provide for simplification of the individual income tax, viz: At the proper place in the bill insert a new section as follows:

"SEC. —. Deduction from gross income of amounts paid as premiums on life insurance, endowment contracts, etc.

"Section 23 (relating to deductions rom gross income) is amended by adding at the end thereof a new subsection as follows:

"'(bb) Any amounts, not to exceed an aggregate of $750, paid by the taxpayer during the taxable year as (1) premiums on any life insurance or endowment contract upon his own life, the life of his spouse, or the life of any dependent of the taxpayer specified in section 25 (b) (2) (A); (2) installment payments on the purchase of any annuity payable to the taxpayer, his spouse, or any dependent specified in section 25 (b) (2) (A); (3) contributions (other than taxes paid) as an employee, under any Federal, State, or private employees' pension or retirement act or plan.'"

CONTINUATION OF SPECIAL COMMITTEE ON CONSERVATION OF WILDLIFE RESOURCES

Mr. CLARK of Missouri submitted the following resolution (S. Res. 293), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the authority contained in S. Res. 246, agreed to April 17, 1930, authorizing a special committee to investigate the conservation of wild animal life, hereby is continued from February 1, 1944, to the end of the Seventy-eighth Congress; and the said committee hereby is authorized to expend from the contingent fund of the Senate $6,500 in addition to the amounts heretofore authorized for such purpose.

INVESTIGATION OF THE USE OF PUBLIC LANDS—LIMIT OF EXPENDITURES

Mr. McCARRAN submitted the following resolution (S. Res. 294), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the limit of expenditures under Senate Resolution 241, Seventy-sixth Congress, agreed to May 24, 1940, and Senate Resolution 147, Seventy-seventh Congress, agreed to September 8, 1941, and Senate Resolution 39, Seventy-eighth Congress, agreed to January 28, 1943 (relating to the investigation of the use of public lands), is hereby increased by $10,000.

BAYOUS PETIT ANSE, TIGRIS, AND CARLIN, LOUISIANA

Mr. BAILEY. Mr. President, I present a letter from the Secretary of War, transmitting a report of the Chief of Engineers, United States Army, on a review of reports on Bayous Petit Anse, Tigris, and Carlin, La., which I request may be printed as a Senate document, with an illustration.

The VICE PRESIDENT. Without objection, it is so ordered.

SCARCITY OF MATERIALS AND NECESSITY FOR ADDITIONAL GASOLINE IN KANSAS

Mr. REED. Mr. President, I ask unanimous consent to present, as a part of my remarks, a letter I have received, signed by 24 farm wives of Bartlett, Kans., a town in my own county. They protest the scarcity of materials for home sewing and the necessity of taking valuable time, and the use of additional gasoline, to drive many miles in search of necessary items for their homes. The letter reads in part:

We on the farms in the Middle West appeal to you to see that more goods is made available to local farms so we won't have to drive many extra miles and burn up gasoline needlessly.

If we are to produce the necessary foods as for stock, poultry, eggs, fruits, and vegetables, we must have materials to make our work clothes, such as prints, domestics, denims, suitable for our everyday needs.

We scour the country in search of these items to our disappointment, so to conserve both manpower and gasoline this condition should be corrected by making needed items available to our local dealer for our convenience and a saving for our Government of time and gas and tires.

THE LIVESTOCK SITUATION IN NEBRASKA

Mr. BUTLER. Mr. President, I have received two letters, one from a Nebraska farmer, another from a livestock dealer in the terminal market, which shed much light on the livestock situation and the feed program affected by the recent corn-freezing order. I ask that the letters be printed in the body of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ARCADIA, NEBR., *May 9, 1944.*

Senator HUGH BUTLER,
Washington, D. C.

DEAR MR. BUTLER: I am a farmer and stockman and have been trying to do all I can to meet the demands of the Government, to aid the war efforts, and have urged others to do likewise.

The central part of Nebraska, where I live, is, as you know, the drought territory. Very few of the farms around here have any wild pasture to speak of and it was impossible to start new pasture with the moisture we had.

Since our land wouldn't yield enough bushels per acre because of the lack of moisture, to make it profitable to be a grain farmer, raising hogs, even if we had to buy the feed is our only means of making a living.

Right now I have a large truckload of hogs which I have been trying to put on the mar-

ket for 3 weeks. Due to the continuous wet weather (the mud goes to the top of 4-buckle overshoes in the lots), and we are 6 miles from gravel, and when the roads were dry for a day or so the buyers out here wouldn't take them because of the heavy runs, I haven't been able to get rid of my hogs.

The result is my hogs are getting too heavy for support weight, so I will be severely penalized for a condition I cannot avoid, besides feeding up my high as $1.20 per bushel for corn. It certainly is throwing my corn away when I can't be paid for the pork it produces. Why does the Government spring these surprises? It seems, with all the big runs they had all spring, that they would at least give us several months' notice instead of just a few weeks, so as to give everyone a fair chance.

However, the packer is the one that will benefit by all this. He will buy all this cheap meat and sell it for the same as he gets for the lightweights. Furthermore, the meat in the heavier hogs is the best, for one doesn't have anything after he does butcher one of the others (and it doesn't take any more manpower to butcher a big hog than it does a small one). We've always done our own butchering and I know a little of something about meats.

Yes; it is the same old story, the big fellow profits and the little fellow is practically squeezed out of existence. Even the big farmer who has capital enough to have lots of storage room, with surplus grain on hand, plus a pull to get more grain, will profit by this support weight, for the little fellow will be forced to sell while it is on. Then when the big runs are over and the hogs go up, perhaps the support weight will go too and he'll get a good price. Yes; it is always the little fellow who pays and pays—and there are a lot more little fellows than big ones. If it wasn't for the suckers, there couldn't be any big fellows, I guess.

A year ago the Government wanted us to raise every pig we could—and now that the farmer has done the job, the Government comes back and penalizes us for raising the hogs.

The farmers here are all pretty much in the same predicament and they are very much a discouraged lot. Just as soon as the Government set May 15 for the time for "support weight" the packers started it right away and caught the farmers all of a sudden. Where are these guaranteed prices the Government promised us last spring? Even if it hadn't been for the wet weather the farmers would have been caught anyway because the packers started it right away which started runs and then buyers wouldn't accept hogs.

I don't see how the Government can be so unfair to its farmers to spring all these surprises on us, especially after they asked for the hogs. Why didn't they tell us about the support price last spring? They should have been farsighted enough to see all this. What are we paying all these Government men these huge salaries for when we can barely make a living? It seems with all the statistics, records, and good mathematicians they could have seen a possibility of this. Even a neighbor of mine who wouldn't enlarge on his hog raising made the remark that he wasn't going to trust the Government that far as they'd get into a jam of some kind. He only has an eighth-grade education. We need less theory and more men of practical knowledge in Washington—not just guys who own and manage a farm but men who have actually dug in the soil themselves and on their own responsibility.

Please do all you can to at least raise the support weight of hogs to 350 pounds or more, or else pay us a subsidy. Please do it at once. Yes, along with a lot of others, I still have my hogs.

Very truly yours,

OSCAR BENSON.

BOWLES LIVE STOCK COMMISSION CO.,
Omaha, Nebr., May 10, 1944.

Hon. HUGH A. BUTLER,
United States Senator,
Washington, D. C.

HONORABLE SIR: The sealing of corn on the farm caused further liquidation of cattle and hogs this week. The Omaha market had the heaviest run of truck cattle Monday that they ever had in 1 day, nearly 14,000 truck cattle arrived. Trucks were lined up for several miles until noon before being unloaded. These heavy runs always cause lower markets and less money to the producer. There was 5,000 cattle estimated for today, Wednesday, and instead we received 10,000 cattle.

Harold Smith, of Emerson, Iowa, called me on the phone yesterday and said he was sending in 129 head of steers. He told me he was out of corn and was unable to get any, so the only thing he could do was to clean out the lot. If this corn freeze had not gone into effect, these cattle would have been fed several months longer.

We are getting thousands of light, medium-fleshed cattle, weighing from six to eight hundred, that would have been fed until fall, and at that time they would weigh from eight to twelve hundred pounds. Feeders just cannot get the corn to hold them, and the feeders cannot get any corn for new cattle that they might want to put into the lots. This liquidation now can mean only one thing for later in the summer and fall—famine receipts of corn-fed cattle.

The men at the head of the O. P. A. are going to get the surprise of their lives next summer and fall. They are under the impression that there is going to be an abundance of beef. No doubt there will be a liberal supply of cattle out of the range country this fall. The cows will be fit for beef, but the big percent of the steers will be calves and yearlings in just stocker flesh and not enough meat on them for the killers.

It is my opinion that this fall the O. P. A. will be wondering what they can do to stimulate the production of corn-fed beef cattle. At that time it will be too late, for it will take from 4 to 6 months from this fall to produce corn-fed beef.

The hog situation is in a deplorable condition. As you understand, there is a support price for hogs weighing from 200 to 270 pounds at $13.45, Omaha. Hogs weighing a little over 270 pounds and as fine as you want to look at are selling from $11.50 to $12, $1 to $1.50 per hundredweight under the support weight. This also applies to hogs weighing under 200 pounds. The buyers buy the hogs weighing under 200 pounds and over 270 pounds and leave the support weights laying in the pens. Every night we have to carry over from six to ten thousand choice hogs that are in the support weight price. You cannot blame the buyers much for buying these choice hogs weighing over 270 pounds and under 200 pounds at $11.50 to $12 and leaving the support weights that they would have to give $13.45 for.

Farmers are getting sick and disgusted with this kind of "monkey business." They are forced to ship their hogs in underweights on account of not being able to get corn and are forced to take a relatively lower price for them. They are also forced to cut down on their production. Instead of having plenty of pork this fall and winter, there is bound to be a big shortage.

Since writing you on May 3, I have talked to dozens of cattle feeders who have been able to get certificates for corn (where they had cattle on feed), but in no case have I found one that was able to buy any corn, even with their certificate. This certificate means nothing more than a hunting license. I understand that there has been quite a bit of corn pledged to the Government, but the chances are they will not get their 80,000,000 bushels within the 60-day period. During the time that this freeze is on the feeder of both cattle and hogs is going to suffer. It looks like some arrangements could be made whereby the processors of corn could get at least part of the corn they need and at the same time let the cattle feeder have part of his needs and keep him in business.

Mr. LeRoy K. Smith, regional director of the A. A. A., explained to us at our meeting that it is necessary to have corn to make certain products that were necessary for the war. No doubt this is very true, and our boys need the best of everything in the way of war machines, but, at the same time, they could do a better job of fighting if they had some good beef in their stomachs.

Very best regards, I remain,

Yours truly,

WIN. C. DAVIDSON.

REPORT ON THE INTERNATIONAL LABOR ORGANIZATION CONFERENCE — ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD a radio address on the subject Report on the International Labor Organization Conference, delivered by Senator THOMAS of Utah on May 13, 1944, which appears in the Appendix.]

COMMENCEMENT ADDRESS BY SENATOR MALONEY AT CATHOLIC UNIVERSITY OF AMERICA

[Mr. MALONEY asked and obtained leave to have printed in the RECORD a commencement address delivered by him at the Catholic University of America on Wednesday, May 17, 1944, which appears in the Appendix.]

ADDRESS BY SENATOR TUNNELL TO DELAWARE DEMOCRATIC STATE CONVENTION

[Mr. GREEN asked and obtained leave to have printed in the RECORD an address delivered by Senator TUNNELL before the Democratic State Convention at Dover, Del., May 16, 1944, which appears in the Appendix.]

ONE HUNDRED AND THIRTIETH ANNIVERSARY OF NORWEGIAN CONSTITUTION—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address delivered by him on May 17, 1944, on the occasion of the one hundred and thirtieth anniversary of the Norwegian Constitution, which appears in the Appendix.]

GLOBE-CIRCLING SENATOR—REVIEW OF BOOK WRITTEN BY SENATOR MEAD

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD a review by Frank S. Adams of the book by Senator MEAD entitled "Tell the Folks Back Home," from the New York Times of May 14, which appears in the Appendix.]

ADDRESS BY MARK ETHRIDGE BEFORE THE OKLAHOMA DEMOCRATIC STATE CONVENTION

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address by Mark Ethridge, publisher of the Louisville Courier-Journal, before the Oklahoma Democratic State Convention, Oklahoma City, Monday, May 15, 1944, which will appear hereafter in the Appendix.]

SOMETHING ABOUT JEFFERSON — EDITORIAL FROM THE SPENCER (W. VA.) TIMES-RECORD

[Mr. BYRD asked and obtained leave to have printed in the RECORD an editorial entitled "Something About Jefferson," from the Spencer (W. Va.) Times-Record, which appears in the Appendix.]

POLITICS AND RACISM—EDITORIAL FROM THE ANNISTON STAR

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD an editorial

entitled "Politics and Racism—An Appeal to Reason," written by Col. Harry M. Ayers, editor and publisher of the Anniston (Ala.) Star, and published in its issue of May 7, 1944, which appears in the Appendix.]

TRIBUTE TO COL. IRVING A. LINDBERG

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD a statement by President General Somoza, of Nicaragua, and an editorial from the newspaper La Noticia, commending Col. Irving A. Lindberg on his 30 years of service in Nicaragua, which appear in the Appendix.]

URUGUAY: A SOCIAL STATE—ARTICLE BY DR. JOSEPH F. THORNING

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an article entitled "Uruguay: A Social State," written by Dr. Joseph F. Thorning, professor of sociology, Mount St. Mary's College, Emmitsburg, Md., and visiting professor of social history at the University of Havana, published in the February 1944 issue of the Sign, which appears in the Appendix.]

ARCH SEDITIONIST IS DEAD—ARTICLE BY PAUL MALLON

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Arch Seditionist Is Dead, a Little Man From Kansas" by Paul Mallon, published in the Omaha (Nebr.) World-Herald, of May 9, 1944, which appears in the Appendix.]

PROBLEM OF EUROPEAN ETHNICAL FRONTIERS IN PEACE PLANNING—ARTICLE BY CONSTANTINE BROWN

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "War-Breeding Triangle Rises To Plague Peace Planners," written by Constantine Brown and published in the Washington Evening Star of May 14, 1944, which appears in the Appendix.]

ABOLITION OF POLL TAX BY CONSTITUTIONAL AMENDMENT—ARTICLE FROM NEW YORK TIMES

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an editorial entitled "For a Poll Tax Amendment," published in the New York Times of Tuesday, May 16, 1944, and the proposed constitutional amendment to abolish poll taxes introduced by him in the Senate on January 7, 1943, which appear in the Appendix.]

PRESIDENT ROOSEVELT AND THE FOURTH TERM

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an editorial entitled "Mr. Roosevelt Must Run," published in the Chicago Sun of May 12, 1944, which appears in the Appendix.]

APPOINTMENT OF JAMES FORRESTAL AS SECRETARY OF THE NAVY

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article entitled "Choice of Forrestal Held One of the Best," written by David Lawrence, and published in the Washington Star of May 13, 1944, which appears in the Appendix.]

REDUCTION IN NAVAL COMMISSIONS TO CIVILIANS

Mr. WALSH of Massachusetts. Mr. President, I ask to have printed in the RECORD a letter I have received, as the chairman of the Committee on Naval Affairs, from Vice Admiral Randall Jacobs, United States Navy, Chief of Naval Personnel, with reference to the present situation with respect to the issuing of commissions in the Navy to persons in civil life.

It will be noted that the Navy's present program of procuring officers from civil life is rapidly nearing completion, and it is anticipated that by the coming fall virtually all of the officers needed by the Navy will be obtained by the advancement of qualified enlisted personnel.

It is, however, possible for commissions to be granted to persons in civil life who have special qualifications, such as physicians, ministers, engineers, and young men qualified for training as aviation cadets. The Navy will continue to commission young women as WAVES officers from civil life.

It is gratifying to know that the present and future policy of the Navy is to advance qualified enlisted personnel through the various grades to commissioned rank.

I ask unanimous consent that the letter from Vice Admiral Jacobs be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NAVY DEPARTMENT,
BUREAU OF NAVAL PERSONNEL,
Washington, D. C., May 13, 1944.

Hon. DAVID I. WALSH,
United States Senate.

MY DEAR SENATOR WALSH: The continuing interest of the Congress in the Navy's policy of procurement of officers and officer candidates from civilian life prompts this letter to advise you of an impending decrease in the number of appointments from this source.

Under the present personnel ceiling, the Navy's program of procuring officers from civilian life is rapidly nearing completion, and the number so procured will be gradually reduced during the period from now until this fall, after which it is anticipated that virtually all of the officers needed by the Navy will be obtained through advancement of qualified enlisted personnel.

Applications will continue to be sought, however, from persons with special qualifications such as physicians, ministers, engineers, and young men qualified for training as aviation cadets. Procurement of WAVE officers will also continue.

The appointment of qualified enlisted personnel to warrant and commissioned grades has been continuously expanded and such appointments account for an increasingly large proportion of new officers. Chief petty officers and petty officers, first class, are made temporary warrant and commissioned officers as a result of selections based on recommendations of commanding officers. Other qualified enlisted personnel in all grades are made permanent commissioned officers from enlisted status. Another group of enlisted men are selected for officer training, as aviation cadets, in the Navy college program, and at United States Naval Reserve Midshipmen schools. Approximately two-thirds of the students who will enter the next classes in the Navy college program (V-12) are men who have served in an enlisted status on active duty.

The increase in the number of officers obtained from these sources plus gradual reduction of required officers will, therefore, result in the virtual termination of procurement of male officers from civilian life by this fall. Thereafter the procurement of officers from civilian sources will largely comprise specialists.

It is hoped that this information will be of assistance to you in replying to inquiries from your constituents concerning the Navy's program of officer procurement.

Sincerely yours,

RANDALL JACOBS,
Vice Admiral, United States Navy,
The Chief of Naval Personnel.

HOW TO KEEP AMERICA AMERICAN—LETTER FROM HARRI ANNE MOORE

Mr. ELLENDER. Mr. President, in the early part of this year the Mississippi Central Railroad Co. sponsored a student contest on the subject "How We Can Keep America American." The contest was open to high schools and college students from the South. The answers were to be by letter, and the letters were to be addressed to the Representatives or Senators from the States from which the contestants came.

I am happy to say that one of the winners in the contest was Harri Anne Moore, a high-school student from Baton Rouge, La. Her letter indicates how the young people are thinking on subjects of the day.

I ask unanimous consent that the letter addressed to me, which was a prize winner, be printed in the RECORD following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BATON ROUGE, LA., *February, 14, 1944.*

Hon. ALLEN J. ELLENDER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I wish to call to your attention a few facts on how to keep America American.

America is a country which was founded by a few people who believed in some very sound and simple things. They believed in free worship and that every individual had a right to his own interpretation of such. They believed in hard work and the privilege of enjoying the profits of their labor. They believed in private enterprise free from governmental control.

As America began to grow and progress, those beliefs were shaped into well-formed and expressed principles. Thomas Jefferson said in the Declaration of Independence for America, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

Those brave and courageous men who wrote the Constitution of our beloved America, and others who have since amended it, set forth and enlarged on those fundamental beliefs by stating in article 1 of the amendments of the Constitution, "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech, of the press; or the right of the people peaceably to assemble and to petition the Government for a redress of grievances," and in article 5 of the amendments, "nor be deprived of life, liberty, or property, without due process of law nor shall private property be taken for public use without just compensation," and again in article 10 of the amendments, "The powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States respectively or to the people."

America has grown into the strongest Nation in the world by following these principles set forth by our founding fathers.

But somehow, Senator, I feel that we are drifting away from the things which made America great. Maybe it is necessary because of the war. But it seems to me there is too much governmental control. There is somebody in Washington to tell one just what to wear, what to eat, and what to say.

I think our Government is passing from what Abraham Lincoln said it should be: "Government of the people, by the people, and for the people," to a government of bureaus and for bureaucrats. America just cannot be America with somebody always directing one what to do.

There is too much power being concentrated in Washington, and with such concentration the very thing will happen of which Washington warned in his Farewell Address, "The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominates in the human heart is sufficient to satisfy us of the truth of this position." From this statement it is easy to see that George Washington realized the dangers of consolidated power. Already the different bureaus are beginning to tell us that rationing after the war will have to continue. In my opinion this will not be necessary, and it is just a screen for bureaucrats to hide behind so that they may remain in power.

To keep America American we must win this war, and after the war is over cooperate with the other Allied Nations to prevent another war. As a people we must take the Government back to ourselves and away from a few who would like to govern us.

America must remain a free country.

Respectfully,

HARRI ANNE MOORE.

OUR FOREIGN POLICY WITH REFERENCE TO YUGOSLAVIA

Mr. WHEELER. Mr. President, we hear a great deal today about censorship and freedom of speech. In a democratic republic it is essential that the people must be informed.

This morning, I read an article in the Washington Post which was headlined, "Tito Reference to Mihailovic Barred Story." I should like to read a portion of that article to you:

TITO REFERENCE TO MIHAILOVIC BARRED STORY

An Associated Press interview with Marshal Josip Broz (Tito), submitted to censorship of the Allied Mediterranean Command April 30, still is refused clearance largely because of a paragraph in which the Yugoslav Partisan leader refers to his rival, Gen. Draja Mihailovic.

Edward Kennedy, Associated Press chief in the Mediterranean theater, asserted yesterday that suppression of this paragraph was "purely on political considerations with no question of security involved" and added that he was assured by Yugoslav Partisan officials that Marshal Tito shared this opinion.

I call that matter to the attention of the Senate because of the fact that there seems to be so much confusion about our foreign policy, and because so much information with reference to purely poltical matters in Europe, rather than matters which affect only the war effort, is being withheld from the American people.

In this connection, I wish to call attention to an article printed in a British magazine called The Nineteenth Century and After, to which I have heretofore referred. The article is a short one. It is entitled by the editor "Yugoslavia."

It reads in part as follows:

YUGOSLAVIA

The B. B. C. continues to magnify the exploits of the Yugoslav Partisans and to ignore those of the Regulars commanded by General Mihailovic. As far as we are aware, neither the B. B. C. nor the daily press have mentioned the following incident:

American heavy bombers successfully attacked a railway station near Nish, setting fire to stores of petrol and destroying 3 German airplanes. On the way back to their base, the bombers were attacked by 9 Heinkels. One of the bombers had to make a forced landing. Two Bulgarian detachments—each of them 200 strong—were sent to capture the crew. They were engaged by 500 Regulars led by Colonel Keserovitch. The Bulgarians were driven off, leaving behind them 17 dead and 4 prisoners. The engagement was watched by the Americans, 19 in all, who, when it was over, found themselves among friends. On the same day another American heavy bomber flying from Bari to Sofia was damaged. The crew, 10 in number, had to bail out and were rescued by Regulars.

On January 26, 27, and 28, a national congress was held secretly in Yugoslavia. This congress is an event of great importance, for it reinforces the authority of the legitimate Yugoslav Government in Cairo. The Congress also implies repudiation by serious politicians in Yugoslavia of General Tito's government which has no constitutional status and no legitimate authority.

The national congress is the first sign of organized political life in Yugoslavia since the country was occupied by Germans, Italians, Hungarians, Bulgars, and Croats. It was attended by 273 delegates. The president of the congress was Dr. Zhivko Topalovitch, who is one of the leaders of the Yugoslav labor movement (he represented Yugoslavia in the International Labor Office at Geneva). The vice president was Radomir Yankovich, a leader of the Serbian Peasant Party. Members, representing all parties, came from Serbia, Croatia, and Slovenia. The Communists alone were unrepresented, but were invited to attend future meetings. General Mihailovic was present as representative of the Yugoslav Government.

The congress drafted a program for a Yugoslav federation in which Serbia, Croatia, and Slovenia should have equal status, and for social and constitutional reform. The congress decided to form a coalition of all parties, to be known as the Yugoslav Democratic National Union. A resolution was passed, expressing loyalty to King Peter, to the Yugoslav Government, and to General Mihailovic, who, besides being commander in the field, is Minister of War. Greetings were sent to King Peter and his Government, to Mr. Churchill, President Roosevelt, Marshal Stalin, to the Polish, Greek, and Czechoslovak Governments, and to General de Gaulle.

The delegates traveled over a great distance to attend the congress. That so many of them could meet secretly and remain in session for 3 days is an achievement unique in countries occupied by the enemy. King Peter and his Government now have what they lacked hitherto—an effective political organization in the country itself, an organization that will help to unify all the forces of resistance under the legitimate Government and against the common foe.

THE EDITOR.

I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks portions of an article entitled "Mihailovic," published in the same magazine for April 1944.

There being no objection, the portions of the article referred to were ordered to be printed in the RECORD, as follows:

MIHAILOVIC

Events have disproved and continue to disprove the picture which the daily press and the wireless paint of the situation in Yugoslavia. A study of reports appearing in the German press show that the Germans do not regard "Marshal" Tito as a serious opponent in the field. The armed forces at the disposal of the Germans appear to have no difficulty in ejecting the Partisans from reasonably accessible positions. The main German forces in Yugoslavia are not, it seems, seriously engaged. Small forces, composed chiefly of Croat Ustashis, are, it seems, chiefly used against the Partisans.

That Tito's army is 250,000 strong cannot be true—it would be surprising if it were much more than one-tenth of that number. So, far from having the support of the population, he and his men are making themselves detested by their atrocities, by the reign of terror they impose, and by their requisitionings. Their arrival in any township is dreaded, their departure welcomed. Tito's government is bogus. It does not and cannot legislate, it represents no considerable part of the Yugoslav people, it has no authority of any sort, it is doubtful whether it ever meets.

The Partisans are controlled by Communists. Tito himself is a Communist of the primitive kind—he is not without ability, but is narrow, ruthless, and crafty, and the docile instrument of Russia. But Ustashis, who fear an Allied victory and the retribution which their fearful crimes (especially the massacres of Serb peasants) may bring upon them, are joining the Partisans in growing numbers.

* * * * *

The Partisans have done all in their power to discredit Mihailovitch. When they occupied the island of Hvar, they set up the usual revolutionary tribunal. One of their prisoners was a certain Joshko Kvac. He was ordered, under threat of torture and death, to sign a document stating that Mihailovitch is a traitor. He refused.

Mihailovitch has an incomparably bigger following than Tito. He has become a national hero, in Serbia above all.

* * * * *

The Partisans are probably an asset to the Germans. They belong to those forces of disintegration that exist throughout southeastern Europe and are breaking up the social structure and national unity. They are destroying pro-British sympathies and are helping to make the German enemy appear the only defense against anarchy and violence, all the more so as the fearful atrocities for which the Germans are responsible are perpetrated not by the regular German Army but by the Gestapo and the S. S.

In Greece there is a similar situation. The villages are terrorized by Communist bands who have been provided with British weapons. Many peasants are seeking refuge in the towns. For the first time, the Greek Quisling, Rhellis, has been able to form a Quisling army, simply because such an army is a defense against the marauding bands. The terror has greatly increased the terrible economic distress of the Greeks.

In Yugoslavia, as in Greece, the general misery is deepened by perplexity and disillusionment over the attitude of Great Britain. The broadcasts in the Serbo-Croat language transmitted by the B. B. C. have so disastrous an effect—they consistently favor the Partisans and consistently misrepresent the situation—that the Germans take special care to make these broadcasts accessible to all. Broadcasts in other languages are "jammed," but not those in Serbo-Croat—the "jamming" stops when they begin and is resumed when they end (as listeners even in London can hear for themselves). Some of these broadcasts are recorded by the Germans and are retransmitted by the German-controlled station at Belgrade for the benefit of Yugoslav listeners. Mr. Churchill's disparaging remarks about General Mihailovic in the House of Commons on February 22 were reproduced in a leaflet which the Germans have disseminated in vast numbers by aeroplane in Serbia, Bosnia, Macedonia, Montenegro, and Herzegovina.

Nevertheless, there are signs of political consolidation. The authority of General Mihailovic is greater than ever. No Yugoslav Government that were to abandon him could survive, except as a clique with no standing in its own country. King Peter of Yugoslavia has grown with his task—the prestige of the throne is immense, especially in Serbia. Invaded by German, Italian, Hungarian, Bulgar, and Albanian forces who have wrought massacre and destruction far beyond the exigencies of normal warfare, torn by ferocious civil strife, and now stricken by the revolutionary and terroristic violence of the Partisans, who threaten, whenever they appear, to destroy what is left of the Yugoslav political, social, and economic order and to play into the hands of the common enemy—all this, and the bitter apprehension that they have been abandoned by Great Britain on whose side they entered the war when she stood alone, has widened and deepened the resolve of the Yugoslav people to rally round King Peter, General Mihailovic, and their Government.

THE EDITOR.

Mr. WHEELER. Mr. President, I have brought this information to the attention of the Senate because without apparent reason we seem to be continually changing our alinements with our allies. It will be remembered that only a year and a half ago one of the most highly advertised motion pictures coming from the propaganda factory in Hollywood brought before the American people a glamorous story of the achievements of Mihailovitch. In the past day or two we have heard that there are possibilities of Mihailovitch being recognized by our Russian ally. One day we hear that it is Tito who is to be recognized, and the next day we understand that it is to be Mihailovitch. Certainly the American people are getting no true picture of what is going on in foreign ccuntries, such as is published in British magazines and newspapers.

It seems to me that the foreign policy of the United States should be stated and firmly adhered to. We are in this war, and we are going to be victorious; but we should let our people, who are making the tools of war and paying the taxes, our boys who are in the thick of the fighting, our allies, and our enemies, know at what point we will consider that victory has been won. It is our moral obligation as a nation to do so. We should stop the confusion which exists by reason of changing our policies from month to month, so that the American people and the boys who are fighting the war may know exactly where we stand and exactly what we intend to do, and whether we intend to stand by the Atlantic Charter or whether we are going to change that policy when the war is won. If we do change the policy, and come out of the war with the same status we had, before the war is over I am sure the repercussions in this country and throughout the world will be very great.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE

Mr. McCARRAN. Mr. President, I move that the Senate proceed to consider House bill 4204 making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1945, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McCARRAN. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of State—Office of the Secretary of State," on page 2, line 3, after the name "Secretary of State", to strike out "$7,700,000" and insert "$10,340,000."

The amendment was agreed to.

The next amendment was, on page 2, line 9, after the word "fixtures", to insert "purchase of uniforms"; in line 11, after the word "services", to insert "and services for the analysis and tabulation of technical information and the preparation of special maps, globes, and geographic aids"; on page 3, line 4, after the word "exceed", to strike out "$20,000" and insert "$26,000", and in line 18, after the word "foregoing", to strike out "$388,000" and insert "$538,000."

The amendment was agreed to.

The next amendment was, on page 4, line 6, after the word "elsewhere", to strike out "$250,000" and insert "$260,000."

The amendment was agreed to.

The next amendment was, under the subhead "Foreign Service," on page 10, line 10, after the word "services", to strike out "$3,700,000" and insert "$3,754,000."

The amendment was agreed to.

The next amendment was, under the heading "Title III—Department of Commerce—Bureau of the Census," on page 57, after line 24, to insert:

Census of agriculture: For all expenses necessary for preparing for, taking, compiling, and publishing the quinquennial Census of Agriculture of the United States, including the employment by the Director, at rates to be fixed by him, of personnel at the seat of government and elsewhere without regard to the civil-service and classification laws; books of reference, newspapers, and periodicals; construction of tabulating machines; purchase, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; travel expenses, including expenses of attendance at meetings concerned with the collection of statistics, when incurred on the written authority of the Secretary; printing and binding; $7,250,000, to be available until December 31, 1946, and to be consolidated with the appropriation "Census of Agriculture" contained in the First Supplemental National Defense Appropriation Act, 1944.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Administrator of Civil Aeronautics," on page 59, line 6, after the word "automobiles", to strike out "$2,130,000" and insert "$2,459,000."

The amendment was agreed to.

The next amendment was, on page 59, line 17, after the word "automobiles", to strike out "$3,765,000" and insert "$4,715,000"; and in line 22, after the word "fund", to insert a colon and the following proviso: *"Provided further,* That not to exceed $950,000 of this amount shall be available for the establishment of landing areas."

The amendment was agreed to.

The next amendment was, on page 60, line 10, after the figures "$23,600,000", to strike out *"Provided,* That during the fiscal year 1945 the Secretary of Commerce may delegate his authority to authorize payment of expenses of travel and transportation of household goods of employees on change of official station" and insert *"Provided,* That during the fiscal year 1945 the Secretary of Commerce may delegate his authority to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station: *Provided further,* That in no case shall such authority be delegated to any official below the level of the directors or managers of regional or field offices."

The amendment was agreed to.

The next amendment was, on page 61, after line 24, to insert:

Development of landing areas: The consolidated appropriation under this head in the Department of Commerce Appropriation Act, 1943, shall remain available until June 30, 1945, without warrant action, and the portion thereof available for administrative expenses shall be available also for the operation, maintenance, and repair of aircraft and passenger-carrying automobiles, and not to exceed $3,000 for printing and binding: *Provided,* That not to exceed $186,140 may be transferred to the appropriation "General administration, Office of Administrator of Civil Aeronautics", for necessary expenses in connection with the general administration of the development of landing areas program.

The amendment was agreed to.

The next amendment was, under the subhead "Civil Aeronautics Board," on page 63, line 13, after "and skis);" to strike out "$1,500,000" and insert "$1,529,000."

The amendment was agreed to.

The next amendment was, under the subhead "Coast and Geodetic Survey," on page 63, line 21, after the word "than", to strike out "four" and insert "two."

The amendment was agreed to.

The next amendment was, on page 65, line 15, after the word "For", to strike out "the".

The amendment was agreed to.

The next amendment was, on page 66, line 6, after the word "binding", to strike out "and traveling expenses."

The amendment was agreed to.

The next amendment was, under the subhead "Weather Bureau", on page 76, after line 20, to insert:

Extra compensation at not to exceed $5 per day may be paid to employees of other Government agencies in Alaska and in other Territorial possessions for taking and transmit-

ting meteorological observations for the Weather Bureau.

The amendment was agreed to.

The next amendment was, on page 77, after line 17, to insert:

During the fiscal year 1945 the Secretary of Commerce may delegate his authority to the Director of the Coast and Geodetic Survey, the Chief of the Weather Bureau, and the Administrator of Civil Aeronautics, to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station.

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments. The bill is still before the Senate and open to amendment.

Mr. McCARRAN. Mr. President, on behalf of the Committee on Appropriations, I offer an amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 3, line 10, after the word "State;" it is proposed to insert the following: "transportation and other necessary expenses in accordance with the Standardized Government Travel Regulations, and not to exceed $25 per diem in lieu of subsistence, of persons serving while away from their homes in an advisory capacity without other compensation from the United States, or at $1 per annum; expenses to and from their homes or regular places of business in accordance with the Standardized Government Travel Regulations, including travel in privately owned automobiles (and per diem in lieu of subsistence at place of employment), of persons employed intermittently away from their homes or regular places of business as consultants and receiving compensation on a per diem when actually employed basis."

Mr. TAFT. Mr. President, will the Senator from Nevada explain the necessity for sending persons all over the world at $25 a day?

Mr. McCARRAN. This amendment is offered at the request of the State Department because the State Department from time to time finds it necessary to call in from the various sections of the country and from educational institutions and other institutions individuals who are especially equipped in certain lines to advise with the Secretary of State. They are not on salary. It may be in some instances they are employed on the basis of a dollar a year. They receive only $25 a day to cover all their expenses and per diem. I may illustrate from a statement sent to the committee by the Secretary of State the type of individuals who have been called on in the past by the Department. The Department in the past has called on such outstanding experts as Percy W. Bidwell, director of studies of the Council on Foreign Relations, New York; Isaiah Bowman, president, Johns Hopkins University; Brooks Emeny, director of the Council on World Affairs; Anne O'Hare McCormick, writer on the New York Times; James T. Shotwell, professor, Columbia University; Myron C. Taylor, lawyer, director, First National Bank, New York, and so forth; Jacob Viner, professor of economics, University of Chicago.

Mr. President, the Secretary of State finds it necessary to call such men in for consultation and advice on special subjects, and they receive only $25 a day for the time they are in service.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LANGER. Was the amendment submitted to the Appropriations Committee?

Mr. McCARRAN. Oh, yes; it was submitted to the committee, and the chairman was authorized to offer the amendment from the floor.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada on behalf of the committee, on page 3, line 10.

The amendment was agreed to.

Mr. McCARRAN. I also offer on behalf of the committee another amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 4, after line 19, it is proposed to insert:

President's War Relief Control Board: For all expenses necessary to enable the President's War Relief Control Board to continue to administer section 8 (b) of the Neutrality Act of 1939 and to perform the functions vested in it by Executive Order 9205 of July 25, 1942, including personal services in the District of Columbia; fees for professional or expert services at rates to be determined by the Secretary of State, but not in excess of $25 per day; actual transportation and other necessary expenses, and not to exceed $10 per diem in lieu of subsistence of persons serving while away from their homes in an advisory capacity without other compensation from the United States, or at $1 per annum; expenses of attendance at meetings and conferences concerned with the work of the Board; printing and binding; purchase of books, newspapers, and periodicals; and stenographic reporting services by contract, without regard to section 3709 of the Revised Statutes, $50,000.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on agreeing to the amendment offered by the Senator from Nevada on behalf of the committee on page 4, after line 19.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill (H. R. 4204) was read the third time and passed.

Mr. McCARRAN. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. McKELLAR, Mr. RUSSELL, Mr. BANKHEAD, Mr. CONNALLY, Mr. WHITE, and Mr. REED conferees on the part of the Senate.

AGRICULTURAL APPROPRIATIONS

Mr. RUSSELL. Mr. President, I move that the Senate proceed to the consideration of House bill 4443, the annual supply bill for the Department of Agriculture.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4443) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Office of the Solicitor," on page 4, line 18, after the word "service", to strike out "$1,830,632" and insert "$1,930,632"; and on page 5, line 1, after the word "exceed", to strike out "$1,015,000" and insert "$1,063,000."

The amendment was agreed to.

The next amendment was, under the heading "Office of Information—Printing and binding," on page 7, line 21, after the word "in", to strike out "the" and insert "this."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Agricultural Economics," on page 10, line 22, after the word "exceed", to strike out "$2,150,000" and insert "$2,181,655."

The amendment was agreed to.

The next amendment was, on page 11, line 14, before the word "together", to strike out "$2,325,236" and insert "$2,475,236."

The amendment was agreed to.

The next amendment was, under the heading "Agricultural Research Administration—Bureau of Animal Industry—Salaries and expenses," on page 21, line 16, after the word "necessary", to strike out "buildings," and insert "buildings."

The amendment was agreed to.

The next amendment was, on page 22, line 3, after the word "cattle", to strike out "$5,240,355" and insert "$5,433,232."

The amendment was agreed to.

The next amendment was, on page 23, line 15, after the word "authorities", to strike out "$114,288" and insert "$115,440."

The amendment was agreed to.

The next amendment was, on page 24, line 2, after the word "animals", to strike out "$951,253" and insert "$1,003,130."

The amendment was agreed to.

The next amendment was, on page 24, line 7, after the word "printing", to strike out "$8,616,759" and insert "$9,359,124."

The amendment was agreed to.

The next amendment was, on page 24, line 14, after the word "animals", to strike out "$272,115" and insert "$279,228."

The amendment was agreed to.

The next amendment was, on page 24, line 16, after the words "sum of", to strike out "$37,007" and insert "$38,444."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Plant Industry, Soils and Agricultural Engineering—Salaries and expenses," on page 27, line 11, after the name "National Arboretum", to strike out *"Provided,* That the cost of any building erected or altered, except head houses connecting greenhouses, shall not exceed $2,500" and insert *"Provided,* That the cost of erecting any one building, except head houses connecting greenhouses, shall not exceed $2,500, and the cost of alterations to any one building in a fiscal year shall not exceed $500 or 2 percent of the cost of the building as certified by the Secretary, whichever is greater."

The amendment was agreed to.

The next amendment was, on page 28, line 19, after the word "reports" to strike out "$293,639" and insert "$378,639 of which (notwithstanding the above limitation upon buildings) not to exceed $10,000 may be expended for the construction of a building at the Houma (La.) station."

The amendment was agreed to.

The next amendment was, on page 29, line 6, after the word "control" to strike out "$645,596" and insert "$650,524."

The amendment was agreed to.

The next amendment was, on page 29, line 19, after the word "conditions", to strike out "$245,000" and insert "$257,563."

The amendment was agreed to.

The next amendment was, on page 30, line 18, after the word "storage", to strike out "$1,458,877" and insert "$1,463,877."

The amendment was agreed to.

The next amendment was, on page 31, line 19, after the word "surveys," to strike out "$290,000" and insert "$298,913."

The amendment was agreed to.

The next amendment was, on page 32, line 15, after the word "surveys", to strike out "$162,582" and insert "$174,582."

The amendment was agreed to.

The next amendment was, on page 32, line 25, after the word "handling", to strike out "$131,020" and insert "$143,520."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Entomology and Plant Quarantine—Salaries and Expenses", on page 35, after line 2, to insert:

Citrus canker eradication: For determining and applying such methods of eradication or control of the disease of citrus trees known as citrus canker as in the judgment of the Secretary may be necessary, including cooperation with such authorities of the States concerned, organizations of growers, or individuals, as he may deem necessary to accomplish such purposes, $11,300: *Provided,* That no part of the money herein appropriated shall be used to pay the cost or value of trees or other property injured or destroyed.

The amendment was agreed to.

The next amendment was, on page 38, line 1, after the word "purposes," to strike out "$258,470" and insert "$283,470."

The amendment was agreed to.

The next amendment was, on page 39, line 13, after the word "arthropods," to strike out "$20,000" and insert "$30,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Agricultural and Industrial Chemistry—Salaries and Expenses," on page 42, line 6, after the name "District of Columbia" to strike out "at a total cost not to exceed $15,000," and insert a colon and the following proviso: *Provided,* That the cost of erecting any one building shall not exceed $7,500, and the cost of alterations to any one building in a fiscal year shall not exceed $500 or 2 percent of the cost of the building as certified by the Secretary, whichever is greater."

Mr. DANAHER. Mr. President, will the Senator from Georgia explain the type of buildings which the amendment will include?

Mr. RUSSELL. All the amendments in this bill relating to the construction or alteration of buildings have been made to conform to the provisions of the legislative authorization bill which recently was passed, and which places a limitation on the amount which the Secretary can expend for any one building. The amendment which is now under consideration relates to the four regional laboratories, and provides that for repairs and alterations to the regional laboratories not more than $500 or not in excess of 2 percent of the cost of the building shall be spent in any one fiscal year.

Mr. DANAHER. Does the amendment apply only to the laboratories?

Mr. RUSSELL. It applies both to the laboratories and to certain other buildings. A number of building items are contained in the bill. A new greenhouse costing approximately $7,500 is being constructed at Beltsville, Md. Provision for two or three other small buildings is made in the bill; but no building authorized by this legislation will cost more than $10,000. Nowhere in the bill is there any authorization for any building which will cost more than that amount. The most expensive building which is allowed is one costing $10,000.

Mr. DANAHER. Does the amendment include a possible office building for a county agent, for example?

Mr. RUSSELL. It does not. No such building could possibly be constructed with any of the funds appropriated in this bill. Such a building would require a supplemental or separate appropriation. There is no provision in the pending bill for the construction of buildings for county agents.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 42, line 6.

The amendment was agreed to.

The next amendment was, under the subhead "Beltsville Research Center," on page 44, line 13, after the word "operation", to strike out "construction," and insert "construction"; and in line 14, after the figures "$7,500", to strike out "for any one building."

The amendment was agreed to.

The next amendment was, under the heading "Forest Service—Salaries and expenses", on page 46, line 6, after the word "exceed", to strike out "$887,074" and insert "$952,611."

The amendment was agreed to.

The next amendment was, on page 53, line 6, after the word "elsewhere", to strike out "$498,848" and insert "$513,848."

The amendment was agreed to.

The next amendment was, on page 53, line 10, after the word "elsewhere", to strike out "$288,475" and insert "$298,475."

The amendment was agreed to.

The next amendment was, on page 53, line 13, after the word "elsewhere", to strike out "$1,092,519" and insert "$1,147,519."

The amendment was agreed to.

The next amendment was, on page 53, line 17, after the numerals "10", to strike out "$74,018" and insert "$84,018."

The amendment was agreed to.

The next amendment was, under the subhead "Forest-fire cooperation," on page 54, line 11, after "564–570)," to strike out "$2,500,000 and in addition thereto $29,062 to carry out the provisions of the War Overtime Pay Act of 1943; in all, $2,529,062", and insert "including also not to exceed $50,000 for the study of the effect of tax laws and the investigation of timber insurance as provided in section 3 of said act, $6,300,000,".

The amendment was agreed to.

The next amendment was, in line 16, after the word "exceed", to strike out "$64,226" and insert "$84,381."

The amendment was agreed to.

The next amendment was, in line 19, after the name "District of Columbia", to insert a colon and the following proviso: *"Provided,* That the Secretary may authorize expenditures not to exceed $1,000,000 from this appropriation for preventing and suppressing forest fires on critical areas of national importance without requiring an equal expenditure by the State and private owners."

Mr. DANAHER. Mr. President, will the Senator from Georgia explain what is contemplated within lines 19 to 23 on page 54?

Mr. RUSSELL. I shall be happy to undertake to do so. At the present time in the agricultural appropriation bill there is an appropriation of $2,300,000 for this same purpose. The sum allowed this year represents a reduction in the amount of $1,300,000. A great many of the critical war plants, including plants designated as secret by the War Department, are in rather remote and isolated areas. The War Department has made arrangements to combat fires within the plants. The plants have fire engines and machinery and other equipment of that kind; but no provision has been made for protecting those plants from fires which may occur in the forests surrounding them. They are not located in national forests. The forest lands around them are privately owned. But as a matter of protection to these war plants, Congress has now, for 3 years, appropriated funds in order that they may be safeguarded against destruction by fire.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 54, lines 19 to 23.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I wish to call the attention of the Senate and the country to the fact that the bill just passed by the Senate, carrying appropriations for the State, Justice, and Commerce Departments, as reported to the Senate, was $20,655,478 under the appropriations for 1944, and $5,073,000 under the estimates for 1945. In other words, there is quite a reduction in the appropriations for the coming year compared to what they are for the current fiscal year.

With respect to the bill now under consideration, the agricultural appropriation bill, I find, from page 1 of the report, that this bill, as reported to the Senate, is under the appropriations for 1944 by $363,787,665, and under the estimates for 1945 by $12,959,755.

This is splendid work, Mr. President, done under the direction of the excellent chairman of the subcommittee, the Senator from Georgia [Mr. RUSSELL] and those who serve on the committee with him. I wish to pay my respects and my compliments to the Senator from Georgia and the other Senators associated with him on the subcommittee, for the fine work which the subcommittee has done.

At this time I think it would be very wise to hear from the chairman of the subcommittee as to how these reductions were made.

Mr. RUSSELL. Mr. President, I appreciate the very kind statement made by the Senator from Tennessee. Of course, much of the credit must inevitably go to him, because of the fact that he is the acting chairman of the Senate Committee on Appropriations.

Let me point out to those who have in times past complained about the size of some of the agricultural appropriation bills that the pending bill is approximately $600,000,000 below the appropriations for the year 1942. As has been stated by the Senator from Tennessee, the bill now before the Senate would appropriate $363,787,665 less than the Congress appropriated for the Department of Agriculture for the current fiscal year. Of course, this bill contains a great many items. Reductions have been made all along the line in the agricultural appropriations. There have been reductions in some cases in the research work for the department, which I deplore, because I consider the research work of the Department of Agriculture to be its primary function.

The two largest items of decrease are found in the elimination of parity payments to farmers, representing a reduction of $212,000,000 in the bill; and the reduction of the soil conservation payments from $500,000,000 to $300,000,000. In those two items alone, within the past 3 years the Congress has reduced the agricultural appropriations in the sum of $412,000,000. There have been smaller reductions in other items.

Of course, we have found it necessary to make small increases in certain items. Items for forest fire protection, for example, have been almost doubled since the outbreak of the war, because of the fact that forests have been subjected to unusual hazards, and because of the scarcity of manpower, making it important that the Forest Service as well as the States, through the local timber protection organizations, have available at all times personnel to combat fires in our forests.

I think I can sum it all up by saying that these reductions substantiate the statements which have been made on this floor from year to year, when the agricultural appropriation bill has been under consideration, that the relief we were seeking for the farmers of this country was not sought as a permanent part of our system of government, but that it was only sought at a time when the farmer was waging an unequal economic battle for existence, as compared with other groups in the Nation. Even today, when farm prices are not yet commensurate with the income of other groups, we have seen enormous reductions made in the agricultural appropriation bill without any loud outcry or protest from the farming population of the Nation. It is an additional tribute to them, to their independence, to their courage, and to their spirit of individuality.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ELLENDER. A while ago the distinguished Senator stated that the amount of appropriation for soil conservation was reduced by over $200,000,000. Why such a large reduction? Is it that the farmers are not participating in the program to the same extent as in the past?

Mr. RUSSELL. Oh, no; not at all. There was a higher percentage of participation last year than in previous years. It came about by the reduction in the amount paid per acre for reducing acreage which grew out of eliminating marketing quotas on wheat and cotton.

Soil conservation payments have been retained in about the same proportion, and approximately $300,000,000 in this bill is for soil conservation payments.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 58, line 4, after the word "projects", to strike out "including the cost of progressive and final liquidation of all of said project during the fiscal year 1945."

The amendment was agreed to.

The next amendment was, on the same page, in line 8, after the word "exceed", to strike out "$3,952,585" and insert "$3,020,985."

The amendment was agreed to.

The next amendment was, on page 59, line 16, after the word "vehicles", to strike out "$29,200,000" and insert "$30,700,000."

Mr. BUSHFIELD. Mr. President, I should like to ask the Senator from Georgia for an explanation of the item in line 16, page 59, just read by the clerk, calling for an expenditure of $30,700,000 for the purchase of passenger-carrying vehicles for the War Food Administration. For the average low-priced car, that would mean approximately 30,000 automobiles.

Mr. RUSSELL. Mr. President, I fear that my friend the distinguished Senator from South Dakota has not read all the language. The allowance for the purchase of passenger-carrying vehicles, to which he has referred, is only a small part of the proposed total expenditure. In a few minutes I shall be happy to tell the Senator the exact number of automobiles contemplated to be purchased, but the amount appropriated provides for all the work of the War Food Administration, including personal services, the purchase of typewriters, traveling expenses, and all the various items which go into the operation of the War Food Administration.

Mr. BUSHFIELD. I thank the Senator.

Mr. RUSSELL. I may say further to the Senator from South Dakota that at the present time the War Food Administration in the District of Columbia has only two automobiles, and it does not contemplate purchasing new ones during the coming fiscal year.

Mr. McKELLAR. Mr. President, I am glad the Senator from South Dakota interrupted with the question which he propounded, because the language to which he referred struck me as being peculiar when it was first read by me in the committee. Of course, when it is examined in connection with all the other items in the bill which affect the War Food Administration, it is seen that only an infinitesimal part of the total appropriation applies to automobiles. I can understand the Senator's feelings with regard to the number of automobiles being used in the various departments.

Mr. BUSHFIELD. I recall that the Senator from Tennessee had something to say on that subject last year.

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 59, line 16.

The amendment was agreed to.

The next amendment was, on page 60, line 4, to strike out the words *"Provided further,* That no part of this appropriation shall be used for agricultural wage stabilization" and insert *"Provided further,* That no part of this appropriation shall be used for agricultural wage stabilization with respect to any commodity unless a substantial number of the producers of such commodity within the area affected have requested the intervention of the Administrator of the War Food Administration."

Mr. BUSHFIELD. Mr. President, may I ask the Senator from Georgia for an explanation of the italicized language which it is proposed to insert?

Mr. RUSSELL. I shall explain to the Senator what the Committee on Appropriations had in mind.

This was one of the most perplexing questions that arose during the entire consideration of the bill. The Director of Economic Stabilization delegated to the War Food Administrator the fixing of a ceiling on farm labor. That authority has been exercised very sparingly. Last year, in one area in California, all the asparagus ripened at about the same time, and the wages of farm

labor for gathering the asparagus reached fantastic levels, at some places as much as $40 or $50 a day, for labor employed in the fields to gather or harvest the asparagus. Representatives of the War Food Administration moved into the area, called a meeting of the producers, and a ceiling price on farm labor for the gathering of asparagus was finally agreed upon. The same thing happened in one or two other sections of the country where grapefruit and oranges, for example, were being gathered by persons to whom excessively high wages were being paid. The wage scales went out of all reason in those areas because of the fact that the crop was rotting, and in their desperation the farmers bid against one another for labor. Not only were wages skyrocketing, but laborers were spending a great portion of their time on the road walking from one place to another in order to obtain an advantage of 40 or 50 cents an hour from some other producer. Therefore, in those isolated cases the War Food Administrator undertook to fix a ceiling on wages to be received by farm laborers. There was no protest made to the committee that this power had been abused. The other House thought that the program should be carried on somewhere else than within the War Food Administration, and they asked, therefore, that the proviso which has been read be inserted in the bill.

There was some confusion about the matter, and some of the farm organizations became exorcised because they thought the Administrator was undertaking to put a floor under wages. In order to prevent any confusion, and to safeguard the situation, an amendment was inserted providing that the War Food Administrator may not move into any area and fix wages unless he is requested to do so by the producers.

Of course, Mr. President, I realize that the language is not as definite as it might be. I have given a great deal of thought to the matter, and I do not see how we could have drafted it with more clarity. It contains the language "a substantial number of producers," and I realize that is more or less a nebulous expression. However, I do not see how we can establish a definite percentage of producers unless we define the area of production, and that cannot be done because there might be some citrus producers in one State and some in another. There might be an acute situation with regard to asparagus in one county, and no difficulty would be encountered with regard to the spiraling of wages until we moved into some other county. Therefore, we endeavored to safeguard the producers against the establishment of a floor under wages. However, I think the matter should be within the jurisdiction of the War Food Administration. I think it could be administered more sanely there than in the Office of Price Administration.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from South Dakota.

Mr. BUSHFIELD. I appreciate the explanation the Senator has made of this matter; but the language is a little confusing to me, because it leaves in the hands of the Secretary of Agriculture the power to determine what a substantial number is. He might determine that half a dozen farmers constituted a substantial number.

Mr. RUSSELL. I realize that.

Mr. BUSHFIELD. I am not interested so much in the ceiling the Senator has explained. I gather after reading this provision several times that it was the purpose to give the Secretary power to stabilize wages whenever he could get a small group to ask him to do so.

Mr. RUSSELL. No; I can assure the Senator that it will not be exercised in that way; but it is only for the purpose of placing a ceiling upon farm wages which, in instances, get out of control.

I want to say further that I think Judge Marvin Jones, who is Administrator of the War Food Administration and is a man of very conservative thought, can safely be trusted if we leave this matter in his hands.

Mr. WHITE. Mr. President——

Mr. RUSSELL. I yield to the Senator from Maine.

Mr. WHITE. There was raised in the committee the same question the Senator from South Dakota raises as to the use of the word 'substantial." The committee faced the alternative of writing the provision in this general and somewhat indefinite language, dependent upon the judgment and good faith of the administrative agency, or trying to write an arbitrary formula to be inserted in the statute, and when that was undertaken we found ourselves facing insurmountable difficulties.

Mr. RUSSELL. I thank the Senator from Maine for his very lucid contribution to the discussion.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee on page 60, line 4.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, under the heading "Commodity Credit Corporation," on page 60, line 14, after the word "exceed", to strike out "$5,458,526" and insert "$7,208,526"; on page 61, in line 21, after "(15 U. S. C. 713a–8)", to insert a semicolon and "and the method that is now used for the purposes of Commodity Credit Corporation loans for determining the parity price or its equivalent for seven-eighths of 1 inch Middling cotton at the average location used in fixing the base loan rate for cotton shall also be used for determining the parity price for seven-eighths of 1 inch Middling cotton at such average location for the purposes of this proviso"; and in line 5, after the word "quality", to insert "(or in the case of perishable commodities if there is danger of deterioration or of accumulation of stocks)."

The amendment was agreed to.

The next amendment was, under the heading "Conservation and use of agricultural land resources", on page 63, line 5, after the word "periodicals", to strike out "$290,000,000" and insert "$250,000,000."

Mr. RUSSELL. I think I should make a brief explanation of that amendment. The amount of the estimates for the coming fiscal year for soil conservation payments was $300,000,000. As submitted by the Budget, it consisted of $10,000,000 of reappropriated funds, unused last year, $250,000,000 from the Treasury, and $40,000,000 of section 32 funds, which were apparently not to be expended this year. The House of Representatives, in view of the controversy which had been going on regarding legislation on appropriation bills did not adopt the Budget suggestion to take section 32 funds—I might say that we have no evidence they would be demanded for any other purpose—but made a direct appropriation out of the Treasury. I shall offer from the floor a legislative amendment when we have concluded the committee amendments to allow the use of $40,000,000 of section 32 funds to supplement the $250,000,000 provided in the bill. If the amendment be agreed to, we will arrive at the same totals that will be available for expenditure for soil conservation payments, but the funds will be derived from different sources.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee on page 63, line 5.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment reported by the Committee on Appropriations will be stated.

The next amendment was, on page 63, in line 11, after the word "inclusive", to insert "and, in addition, $12,500,000 for making additional payments on an acreage and pound basis for harvesting seeds of grasses and legumes determined by the War Food Administrator to be necessary for an adequate supply of such seeds"; in line 16, after the word *"Provided"* to strike out "That no part of said appropriation or any other appropriation in this act shall be used for incentive or production adjustment payments, except for soil conservation and water conservation payments and payment of acreage allotment commitments on commodities as defined in the Agricultural Adjustment Act of 1938, as amended, and as enumerated and set forth in the '1944 Agricultural Conservation Program' bulletin, dated February 9, 1944: *Provided further,*"; in line 24, after the word "exceed" to strike out "$24,250,000" and insert "$25,000,000"; on page 64, line 1, after the word "programs," to strike out the semicolon and "but not more than $7,917,360 of the $3,667,360 provided in the schedule in the Budget hereunder for 1945 for transfer to the appropriation account, "Administrative expenses, Agricultural Adjustment Agency", shall be so transferred"; in line 18, after the word "and" to strike out "like"; in line 24, after the word "program" to strike out the semicolon and "but the payments or grants under such program shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made, in conformity with farming practices which will encourage and provide for soil building and soil and

water conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committee of the Agricultural Adjustment Agency for the respective States"; on page 65, line 21, after the numerals "1944" to strike out "and 1945" and insert "1945, and 1946".

The amendment was agreed to.

The next amendment was, on page 66, line 11, after the word "producers", to strike out the colon and the following provisos: "*Provided further*, That no part of the funds appropriated or made available to the Agricultural Adjustment Agency or to any other bureau or agency of the Department of Agriculture shall be used to pay the salary of any full-time employee who engages in any political activity or lobbying activity (including but not limited to making or soliciting contributions to campaign funds of political parties or to any organization, association, corporation, or individual for the purpose of aiding or influencing the election or defeat of any candidate for political office; distribution of, or solicitation of subscriptions to, or contributions for the distribution of publications and other literature designed to influence or aid in the election or defeat of any candidate for public office; or engaging in activities designed to influence the action of Congress with respect to appropriations or legislation of any kind except that employees may furnish to Congress any information authorized to be furnished by existing law or required by Congress, or by any of its committees or members): *Provided further*, That none of the funds appropriated in this bill shall be paid out for the salary per diem allowance or expenses of any person, who personally or by letter demands that a farmer join the triple A program as a condition of draft deferment or for the granting of a priority certificate for any rationed article or commodity."

Mr. DANAHER. Mr. President, I wish to have the Senator from Georgia tell us why the Senate committee has stricken out the House language which would have prohibited political activities by the A. A. A.

Mr. RUSSELL. There were two reasons why the committee struck this rider from the bill. In the first place, the rider, insofar as it affects political activities, was absolutely unnecessary. Most Senators are familiar with the provisions of the so-called Hatch Act which apply to every department and agency of the Government and every employee of the Government. I will read for the benefit of the Senate the provisions of the Hatch Act in order that they may see the similarity between the proviso inserted by the House and the existing law:

> It shall be unlawful for any person employed in the executive branch of the Federal Government, or any agency or department thereof, to use his official authority or influence for the purpose of interfering with an election or affecting the result thereof. No officer or employee in the executive branch of the Federal Government, or any agency or department thereof, shall take any active part in political management or in political campaigns. All such persons shall retain the right to vote as they may choose and to express their opinion on all political subjects and candidates.

That is the substantial part of the Hatch Act which the Congress enacted in 1939.

Mr. DANAHER. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. DANAHER. Did the committee have any evidence before it that any of these A. A. A. officials or employees have ever been prosecuted under the Hatch act for violation of the act?

Mr. RUSSELL. No; we did not have any evidence of that kind, but we did have evidence to show that a number of employees of the A. A. A. had been discharged for political activity, including one important case which arose somewhere in the Northwest.

I want to continue with my reading of the Hatch Act:

> Any person violating the provisions of this section shall be immediately removed from the position or office held by him.

That is the penalty which is in the existing law, and is the same as the penalty carried in the House provision.

The latter part of the proviso, as will be evident to all Senators who have read it, relates to lobbying or promoting legislation and taking up matters with the Congress. I think this proviso goes much further than the Congress ought to go, because it undoubtedly infringes upon the right of any employee of the Government to petition the Congress for redress of any grievance. Under the proviso adopted by the House, if an employee of the Department of Agriculture should write to a Senator or to a Representative a letter referring to a bill pending before the Congress which might affect him, he could be summarily dismissed. So the right of petition is undoubtedly abridged by the provision, and it is wholly unconstitutional.

I read now the lobbying statute which is already in effect, to show that there is absolutely no reason for singling out the Department of Agriculture for a rewriting of the law relating to political activity or lobbying. I read now from title 18, United States Code, section 201, a statute enacted in 1919:

> Hereafter—

That means until the act is repealed—

> Hereafter no part of the money appropriated in this or any other act shall in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device intended or designed to influence in any manner a Member of Congress to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers and employees of the United States from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

I think certainly that goes far enough. It says that a man cannot lobby, but he is not forbidden communicating with a Member of Congress.

I wish to say, in this regard, that some of the most valuable suggestions I have ever received to assist me in my service on the Committee on Appropriations have come from employees of the Department who were away down in the ranks. I have had them write me and say that such and such work was absolutely useless, perhaps at a time when the head of the Bureau was before the committee asserting its importance, but from the information I received from some employee I was able to obtain knowledge that brought about reductions in appropriations, and the curtailment of the work of some of the agencies of the Government.

The penalty for violating this lobby statute is the same as that in the Hatch Act. The person shall be removed from his office, and he is also guilty of a crime, if he uses any funds of the Federal Government for these purposes which are forbidden.

Mr. President, the presentation I have made up until now goes to the uselessness of the proposed legislation, because the matter is already covered in substance by the provisions of the Hatch Act, and in the antilobbying statute.

There is a very practical reason why this amendment should be stricken from the bill. The Comptroller General, in a letter to the chairman of the committee, the senior Senator from Virginia [Mr. GLASS], points out that it would be impossible to administer this limitation in a specific appropriation bill. He says that it would be necessary for the certifying officer to investigate every one of the thousands of employees of the Department, and certify on his own knowledge that they had not been guilty of these activities. Otherwise, the certifying officer, or the officer who handles the pay rolls in the various bureaus of the Department, would be personally liable for all funds that were paid any of the employees.

The Comptroller General points out in his letter, which Senators will find on pages 121 and 122 of the hearings on the pending bill, that this provision in the bill would require an enormous amount of additional work. I read from his letter:

> Obviously, such requirements would involve an enormous amount of additional work and would cause considerable delay in the making of payments of compensation to the employees of the Department of Agriculture.

Therefore, Mr. President, in view of the study the committee gave this subject, and the fact that all the employees' organizations appeared before us and stated that they objected to being singled out among all the departments of the Government and have such prohibition leveled at them, in view of the fact that it was already covered in the Hatch Act, and in the antilobbying statute enacted in 1919, and in view of the report of the Comptroller General that it would require an immense amount of work and additional personnel and expense to attempt to enforce any such prohibition, the committee eliminated the provision from the bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McKELLAR. One of the most cogent reasons why the amendment should not be adopted is that one department was singled out. The antilobbying statute is a very important statute, and one which is being quite constantly abused and violated by some of the officers of the Government. But that is no reason for singling out one department, the Department of Agriculture, from all others, and applying such a rigorous statute to it, while leaving the others out.

On the other hand, if there is any trouble about the present antilobbying statute, it can easily be amended. The general statute on the subject to which the Senator from Georgia has referred could easily be amended, and that would be the way to remedy any defect in the present law. I am not sure but that the present statute should be remedied somewhat, but not in an appropriation bill singling out one department for action.

Mr. RUSSELL. Mr. President, there is no real reason for applying this restriction to the Department of Agriculture alone. Charges have been made of political activities on the part of employees of the Federal Government in all the departments, and undoubtedly there have been some cases in which individuals have violated the Hatch Act. I do not think there is any question about that. But I might say that from the investigation we were able to make, when these facts were brought to the attention of the officials of the Department of Agriculture they moved as swiftly and as drastically as the heads of any other agencies of the Government.

Mr. DANAHER. Mr. President, it is obvious that this committee amendment is one which, in part, deals with political activities, and that runs down to line 24, on page 66, and the other part deals with lobbying activities, and involves the matter of the right of petition. Since there are two separate subjects before us, I move that the question be divided, to the end that we may proceed first to consider the part of the committee amendment which commences on page 66, in line 24, with the words "or engaging in activities."

Mr. RUSSELL. I should like to know where the division is proposed to be made.

Mr. DANAHER. I shall be happy to point out to the Senator from Georgia. It commences in line 24 with the words "or engaging in activities designed to influence the action of Congress," and so forth. It will be my purpose first to move that the Senate concur in the committee's recommendation in that particular, once we vote that the question be divided. I move that the amendment be divided.

The PRESIDING OFFICER. The Senator has that right, and the amendment will be divided.

Mr. DANAHER. I now move that the Senate concur in the committee amendment commencing in line 24 with the words "or engaged in activities designed to influence the action of Congress", down to and including line 10, on page 67.

Mr. RUSSELL. I think we can reach the objective the Senator has in mind by proceeding in an orderly manner. The amendment has been divided, and we can proceed to act on the two questions.

Mr. DANAHER. Will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. DANAHER. Does not the Senator agree with me that the so-called antilobbying portion of the amendment should be agreed to?

Mr. RUSSELL. I want to be perfectly frank. I think the antilobbying provision is much more vicious than the other, because undoubtedly the antilobbying provision here is unconstitutional. I do not think we can put such a restriction on the inherent rights of American citizens. Both of them are bad, but the antilobbying clause is worse.

Mr. DANAHER. I agree with the Senator, and that is why I wish to get it out of the bill. I therefore move——

Mr. BARKLEY. It is not necessary to make a motion. The amendment having been divided, the question automatically comes on agreeing to the committee amendment in each case.

Mr. DANAHER. Whether necessary or not, I move that the Senate proceed to act on the committee amendment commencing on page 66, line 24, down to line 10, page 67.

Mr. BARKLEY. I do not wish to be technical, but I make the point of order that the vote comes upon that part of the amendment already divided, and a motion to concur is not in order.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. DANAHER. The question has been divided, Mr. President, and I now address myself to page 66, lines 11 to 24, inclusive.

The PRESIDING OFFICER. Let the Chair suggest that the proper order would be to dispose of the first part of the amendment, as it has been divided at the request of the Senator from Connecticut.

Mr. DANAHER. Mr. President, it has been divided, and I understand the Chair so to rule.

The PRESIDING OFFICER. That is true.

Mr. DANAHER. I now move an amendment in lieu of the committee amendment.

The PRESIDING OFFICER. An amendment to the amendment is in order.

Mr. DANAHER. The amendment which I now offer will read, commencing in line 11:

Provided further, That no part of the funds appropriated or made available to the Agricultural Adjustment Agency or to any other bureau or agency of the Department of Agriculture shall be used to pay the salary of any full-time employee unless such employe shall certify that he has not engaged in any political activity including but not limited to making or soliciting contributions to campaign funds of political parties or to any organization, association, corporation, or individual for the purpose of aiding or influencing the election or defeat of any candidate for political office; distribution of, or solicitation of subscriptions to, or contributions for, the distribution of publications and other literature designed to influence or aid in the election or defeat of any candidate for public office.

Thus, Mr. President, the amendment which I have offered as a substitute for the first portion of the committee amendment will not place upon the Comptroller the burden of having to ascertain on his own motion whether or not political activities unlawfully have been engaged in by members of this agency. Quite the contrary, he will be permitted to make the payment upon their certifying, as they do when they sign their pay rolls, that they have not in fact engaged in any such political activity. Thus, Mr. President, we will relieve the Comptroller General of what would, I agree, be a very considerable burden on him, but we will also achieve the protection to which the public of the United States is entitled by providing that Government funds shall not be expended all over the United States, in every county, in the form of salaries to thousands upon thousands of full-time employees of this agency who thereupon could go forward in a political year utilizing their capacity and their contact with farmers everywhere to influence the result of an election.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DANAHER. Is it the Senator's purpose to ask me a question? If not, I may say to the Senator that I intended to yield the floor.

Mr. WHERRY. Mr. President, I ask recognition to obtain the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. WHERRY. Mr. President, I hope that the amendment offered by the distinguished Senator from Connecticut will prevail. The argument advanced by the distinguished Senator from Georgia [Mr. RUSSELL] that it is unnecessary to have this amendment in the bill because the Hatch Act takes care of the situation, of course, is true provided the Hatch Act is being enforced.

I know that this matter has been called to the attention of the Secretary of Agriculture many times, for quite a period, and I know that the reason the amendment was placed in the bill by the House of Representatives was because of many violations on the part of some triple A men who go into the field and use their office for political purposes. This matter has been brought to the attention of the department in letter after letter written not only by me but by my colleagues and others throughout my section of the country, and by Representatives and Senators from different States of the Union.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. VANDENBERG. I want to supplement what the Senator has said by endorsing every word of it, and adding that I am among those who have presented repeated evidences of this sort of political outrage at Government expense.

Mr. WHERRY. I want to thank the senior Senator from Michigan for his statement because it corroborates exactly what I am saying.

Mr. President, I do not like to use a letter which came to me, because I have no taste for going into personal equations when it comes to politics. I never

have done so, and for that reason I dislike to mention any names now; but after I had repeatedly called this matter to the attention of the Secretary of Agriculture, after officials simply rode the circuit in Nebraska within the past 12 months telling the triple A men and those who belong to the program, to go out and say that Senator WHERRY did not support the program, and that they should use their influence to see that I did, and bring all the pressure they could to bear upon me, we now find that that was not enough. Here is a letter that was found after I had made the request that the Hatch Act be complied with and enforced. This letter was found—or it came to my hands, I will put it that way. The letter purports to be addressed to James C. Quigley, the Democratic National Committeeman for Nebraska. It apparently was written to him under date of December 17, 1943, and I shall read the letter into the RECORD at this point so that Senators will understand why I am so anxious to see that the amendment is adopted. The letter is written on stationery of the United States Department of Agriculture, Farm Security Administration, and is dated Lincoln, Nebr., December 17, 1943, and is as follows:

DEAR FRIEND JIM: After talking to you yesterday, I called Jim Lawrence concerning a blast at Butler as per his suggestion.

He apparently is becoming anxious to start something in a political way. He feels that so many things have been done wrongly by Butler, Miller, Buffet, and others, including Griswold—

He left me out of the picture, and I am at least grateful for that, but note—no reasons given, just blast—

that we have sufficient ammunition to awaken the people of the State to the reactionary policies of the G. O. P. at this time. He is going to outline a program in the rough for a series of broadcasts to be spotted between now and May which he feels is necessary. I mentioned the money angle, and told him that the idea was good, if we could find the money to carry it on.

In line with his thinking, I feel that possibly some pep could be built up by a couple of good lambasts at BUTLER right now. Our people are quick to react favorably after they see someone start some action, but are slow to reach into their pockets before they hear or see something that looks like it might do some good. There is no question of shortage of funds in the pockets of most people right now. That is self-evident in the amount of fur coats, jewelry, and everything that is available that is being purchased by all people. It isn't true so much of white-collar workers, but the farmer, merchant, and war-plant worker have more cash than they know what to do with. It might be well to figure out some way to get some of this surplus into the treasury of the party for political purposes this spring and fall. It is worth thinking about anyway.

Your friend McBride has made some pertinent remarks about an offensive campaign. Win or lose, it is easier to be on the offensive than to defend, either in business or politics. If you and others feel that the errors of BUTLER and others have reached a high enough point to start after them, Jim Lawrence may be right in getting started right away while the press is still carrying the news as front-page items.

I am certainly happy to learn that Mrs. Quigley is gaining.

The writer goes on respecting her personal health. The letter is signed "Sincerely yours, Claude H. Gunn."

Claude H. Gunn, Mr. President, as I am advised, is the district farm debt adjustment specialist of the Farm Security Administration at Lincoln, Nebr. We are paying that man a salary to write on Department of Agriculture stationery suggestions as to how to go out and raise money for political campaigns, and yet the statement is made on the floor of the Senate that such things will be taken care of.

Mr. President, I cannot guarantee the authenticity of what is on the yellow sheet which I hold in my hand, but this yellow sheet accompanied the letter which came to my office, and it is stated that a copy of the letter was sent to the Secretary of Agriculture and a copy was sent to Attorney General Biddle pointing out this gross violation of the Hatch Act, and yet nothing has been done about the matter, and nothing apparently is being done about it.

I wish to give the Senate some further information. I have in my hand an affidavit signed by several farmers of Polk County, Nebr. I wish to read the affidavit into the RECORD at this point:

We, the undersigned farmers of Polk County, Nebr., do hereby state that a member of the county agriculture committee has told us, each individually, that before we could get our tractor fuel for the year for farm operation we would have to sign up for the farm program.

We further state that we have signed this statement in the presence of David C. DeTurk and with the understanding that it be sent to members of the Nebraska delegation in Congress.

DAVID C. DETURK.
PAUL ROSENBERRY.
ARTHUR LONGHAMMER.
W. E. BAHR.

MARCH 27, 1944.

Immediately upon receipt of this petition I took the matter up with the Department of Agriculture. I had taken the matter up before that time as well. I wish to submit other letters for the RECORD. One is dated April 1, 1944, and states that the policy referred to is still being pursued. The letter, which comes from Cambridge, Nebr., and which is addressed to me by C. A. Cotton, is as follows:

CAMBRIDGE, NEBR., *April 1, 1944.*

Hon. KENNETH S. WHERRY,
Washington, D. C.

DEAR SENATOR WHERRY: In reply to your request as to record, in the A. A. A. matter, you certainly are at liberty to make use of same in any way you see fit.

The three members of the committee were Earl Williams, acting chairman, and Clifford Crampton, and Oscar Joseph.

If I can assist in any other way to stop the dictating of this A. A. A. outfit which I have no use for, let me know.

Thanking you, I am,
Very respectfully,

C. A. COTTON.

He refers to a previous letter dated March 14, 1944, from Cambridge, Nebr., addressed to me, as follows:

CAMBRIDGE, NEBR., *March 14, 1944.*

Hon. KENNETH S. WHERRY,
United States Senator.

DEAR SENATOR WHERRY: At a recent A. A. A. precinct meeting on or about February 16, 1944, held at the Watkins school house, Garfield precinct, Frontier County, we were advised by the A. A. A. that unless we signed up for the A. A. A. farm program, we would not be allowed any gasoline or fuel oil for our farming operations.

I never have approved of this farm program, and do not now, but I did sign this year for the reason that I could not farm my 800 acres, there being about 400 acres under cultivation, unless I did sign up so as to have the necessary fuel. I am sorry that I signed up, allowed myself to be forced to do so, I feel that one should not be forced to do so and I would sure appreciate your advising me real soon if one can be forced to sign up and if this is the only manner in which I can obtain the necessary fuel to farm.

If it is not necessary for me to sign so as to farm, I would like very much to have the papers I signed returned and have nothing whatever to do with the program. Thanking you, I am,

Your very truly,

C. A. COTTON.

I wish to say to you, Mr. President and Members of the Senate, that if the Hatch Act were enforced as the distinguished Senator from Georgia has said it should be—I would agree with him. I have a profound respect for the judgment of the Senator from Georgia, and I agree with him that if the Hatch Act were enforced there would be no difficulty.

But I wish further to say that from my State I have received a great many letters relating to the matter. I do not wish to clutter up the RECORD, but I can submit letter after letter similar to the one written by the triple-A man whose letter I have read, stating that the farmers had to do thus and so, or else. That is using an office for political purposes, and there is no question about it.

I had hoped the Senator from Georgia at least would think about this matter a little further. To insure the success of the farm program and the success of the triple A I think it is necessary to have strict adherence to the policy of prohibiting such activities as are complained of.

I received a letter from Secretary Wickard. He said he would take up the matter and would see that those who had done the things complained of would not continue to do them. But they are continuing to do them. This letter shows how far they are going in their efforts to use the triple A organization as a political organization for the New Deal in the State of Nebraska.

Mr. DANAHER. Mr. President, will the Senator yield.

Mr. WHERRY. I yield.

Mr. DANAHER. Does not the Senator apprehend that the amendment I have offered will go right to the heart of the situation? As it is drawn, the individual employee simply will certify, over his signature—just as the 44,000,000 persons who file tax returns do—under penalty of perjury, that he has not engaged in political activity.

No special formality would be required. The statement could be put on the back of the check at the point where the endorsement is required. The only requirement would be that the statement be made; that is all. But in the event there is a violation we have the Hatch Act, as the Senator from Georgia has pointed out. The certification can be put on the back of the check with the endorsement of the individual payee.

Mr. WHERRY. I am speaking in support of the amendment offered by the Senator from Connecticut. When I had reference to the amendment offered in the House committee, I was giving its history, hoping that the Senate committee would accept it.

When the Senator from Georgia makes his final remarks, I shall ask him to answer this question: What difference would it make if the amendment of the Senator from Connecticut were adopted? It might be said that it is unnecessary, but it certainly would do no harm. If it would help the triple A to say to them that they must adhere to the policy that the Secretary says he has already outlined, the amendment would be just that much of an advantage. I cannot see anything wrong with the amendment offered by the Senator from Connecticut, or any reason why it should not be adopted. I have pointed out constructively what I think is required.

I do not want to take too much issue. If the Hatch Act were being enforced, there would be no need for the amendment in this particular case. But I wished to call the attention of the Senator from Georgia to the fact that something must be done. The situation is not being handled under the Hatch Act. It is not being handled by the Secretary of Agriculture. Some of the triple A men are going throughout my State, using that organization as a political organization. The letters I have read are merely samples. I have many other letters which show how far they have gone in the attempt to work in a political way for what I call the New Deal organization in the State of Nebraska.

Mr. BUSHFIELD. Mr. President——

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WHERRY. I yield first to the Senator from South Dakota, and then I will yield to the Senator from Missouri.

Mr. BUSHFIELD. Mr. President, supplemental to what has been said in the debate, I wish to call attention to the hearings on this bill before the committee. On page 257, I find the following language:

> Senator RUSSELL. Mr. O'Neal, there is one other question I want to ask you.
>
> Do you know what brought forth this amendment here? I notice you endorse it in your report—to put the Hatch Act on lobbying activities in here. I was just curious to know what occasioned that amendment
>
> Mr. O'NEAL. I will tell you what it was.
>
> I think it was last year, the A. A. A. committeemen got very active out in the midwestern area particularly, and I know they wrote to Congressmen and threatened Congressmen, and they got really politically very active. There is certainly plenty of proof of that. The House Members themselves showed me more than I realized, and our leaders would tell me.
>
> In Michigan, Illinois, Minnesota, Iowa, under the auspices of the A. A. A., they would have these big mass meetings and call in necessary A. A. A. representatives. So what they were trying to do with this amendment is really put the Hatch Act into effect.
>
> It looked like the Hatch Act was not very effective against lobbying.

Mr. WHERRY. I thank the Senator. I now yield to the senior Senator from Missouri.

Mr. RUSSELL. Mr. President, if the Senator will yield, I think in justice to Mr. O'Neal it should be said that he stated that Secretary Wickard "fired this fellow who was in charge of the A. A. A." So the man did lose his job. The Senator from South Dakota read down to that point.

Mr. DANAHER. Mr. President, let me point out that what the Senator from South Dakota has read pertains to lobbying activity, not to the amendment I have offered.

Mr. BUSHFIELD. That is correct.

Mr. WHERRY. I yield now to the Senator from Missouri.

Mr. CLARK of Missouri. Mr. President, I should like to ask the Senator from Nebraska a question. He has already admitted that the activities about which he has talked are prohibited by the Hatch Act. I am opposed to murder. It is forbidden by the laws of my State. I do not think it is necessary to adopt a Senate resolution to declare against murder.

Mr. WHERRY. I will say to the Senator from Missouri that I answered that question when he was not on the floor of the Senate. If we can insert at this point in the bill the amendment of the Senator from Connecticut, so that all the Triple A men will have to certify that they have not engaged in political activity, I think it will put teeth in the law which will prevent this kind of political activity in Nebraska, which no doubt is also taking place in the State of the Senator from Missouri. Every United States attorney appointed by the President would help enforce this provision.

Mr. CLARK of Missouri. Let me ask the Senator from Nebraska why he does not come forward with another amendment covering every other activity in violation of the Hatch Act?

Mr. WHERRY. That would be all right with me.

Mr. CLARK of Missouri. We all know that the postal employees lobby here constantly—the postmasters, the postal carriers, and everyone else. Why does the Senator from Nebraska undertake——

Mr. WHERRY. Mr. President, the Senator from Missouri is talking about lobbying. That comes in the next amendment. Lobbying is not covered in the amendment which we are discussing. We are talking about the first amendment, and it is now under consideration.

Mr. BARKLEY. The word "lobbying" appears in the amendment.

Mr. WHERRY. It is not in the amendment offered by the Senator from Connecticut.

Mr. CLARK of Missouri. The same principle is involved.

Mr. DANAHER. Mr. President——

Mr. WHERRY. I yield to the Senator from Connecticut.

Mr. DANAHER. The pending question is on agreeing to my amendment. My amendment has entirely eliminated the words "or lobbying." They are not in the amendment. There is no question about lobbying, so far as my amendment is concerned. It refers only to political activity.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BARKLEY. The question of lobbying cannot be left out of consideration by the Senate, because the Senate committee amendment strikes it out. The Senator is offering a substitute for it. That still leaves the question of lobbying before the Senate, for consideration.

Mr. WHERRY. Mr. President, I appreciate the remarks of the Senator from Kentucky, but the amendment in itself has been divided, and lobbying will be taken up in the next section of the amendment. I had hoped there would be no controversy about this amendment. I cannot understand why the Senate of the United States should object to writing in the bill the amendment offered by the Senator from Connecticut.

I should like to have had the original amendment which came from the House. I cannot see any objection to it. This activity is not being reached by the Hatch Act. Certainly, I have given the Senate ample evidence of the actual situation.

I see the junior Senator from Kansas [Mr. REED] on his feet. I do not know how he feels about this matter. But I have received a letter about the situation in Kansas, and I shall read one paragraph from it. It is dated March 20, 1944:

> This evening over WIBW, Topeka, Kans., radio the announcer, or, rather, newscaster, stated that Governor Schoeppel, of Kansas, is receiving complaints from farmers in counties that they, when going to the A. A. A., are told they have to sign and take out land from production or else no gasoline for farming.

That word comes from Kansas. The man who made the statement on the radio does not live in Nebraska. But if Senators wish to have more evidence along that line, I can present hundreds of letters showing that certain Triple A officials are riding the circuit, using their office for political purposes. I think that is a violation of the Hatch Act. I think it is not being handled under the Hatch Act.

I have taken it up with the Department of Agriculture, and I think the only result we have had is what the Senator from Georgia mentioned. One or two men were discharged; but the practice is still being continued. Perhaps the time has arrived when we should say, when we enact a law, what is in the act, and then, as the Senator from Ohio [Mr. TAFT] has suggested, add a postscript and tell the people of the world that that is what we mean. I mean that the A. A. A. should not engage in political activities at the expense of the Government, riding up and down Nebraska and forcing its will on the people.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CLARK of Missouri. Let me say to the Senator that charges such as he has been making are very easy to make. Similar charges have been made in my own State with regard to the O. P. A., which was set up under the sponsorship of a Republican Governor. In my own

county, St. Louis County, where I have lived for 20 years, it is freely charged that the local rationing board, set up under the responsibility of Governor Donnell, will not give anyone any additional gasoline unless he can show his Republican connections. I believe that the proper way to handle that matter is to make a complaint to the responsible agency, which I have done. I do not believe the Senator is justified in undertaking to make a blanket indictment of the Democratic Party by something which he cannot prove.

Mr. WHERRY. Mr. President, I have presented the evidence to prove what I have said. The Senator has no evidence. He is merely making a bald statement.

Mr. CLARK of Missouri. The Senator presented three or four letters from partisan Republicans. That is all he has done. That is all he can do.

Mr. WHERRY. I presented a letter from the director of the A. A. A. organization in the State of Nebraska, written to the Democratic national committeeman, Mr. James Quigley, of Valentine, Nebr. If that is not evidence, I do not know what it should be called. I also presented a letter from C. A. Cotton, of Cambridge, Nebr., and, in addition, an affidavit signed by four men from in and around Osceola, Nebr. Similar facts were also reported over a Kansas radio station. How much more evidence is needed to satisfy even a reluctant mind?

Mr. REED. Mr. President——

Mr. WHERRY. I yield to the Senator from Kansas.

Mr. REED. I thank the Senator from Nebraska. I wish to obtain the floor in my own right.

Mr. WHERRY. I yield the floor to the Senator from Kansas.

The PRESIDING OFFICER. The Senator cannot yield the floor to another Senator.

Mr. WHERRY. I beg the Chair's pardon. I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas [Mr. REED] is recognized.

Mr. REED. Mr. President, I think this is a question that could be very readily resolved. There is no great difference between the Senator from Georgia [Mr. RUSSELL], the Senator from Connecticut [Mr. DANAHER], the Senator from Nebraska [Mr. WHERRY], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Missouri [Mr. CLARK], and myself.

Let me say to the Senator from Connecticut and the Senator from Nebraska that, as a member of the subcommittee of the Committee on Appropriations dealing with this subject, we discussed the question at some length in the subcommittee.

As the Senator from Georgia has said, there was no evidence of any consequence before us of any violations. We had newspaper reports, and whatever is of common knowledge, but there was no evidence before the subcommittee.

As the Senator from Georgia may recall, in the subcommittee we first discussed the proposal submitted by the Senator from Connecticut. We recognized the impossibility of the Comptroller and the financial agents of the Government administering this provision under the language as it came over from the House. That would be utterly impossible. An employee could not receive his pay until every possible question or finding of fact had been resolved, which would be an impossible situation.

Mr. President, I agree with the Senator from Connecticut that the committee amendment ought to be divided into two parts, which has been done. Obviously the part of the amendment beginning in line 24 relates to another subject, which will doubtless be dealt with when we reach it.

Upon the question immediately before the Senate, I appeal to my good friend the Senator from Georgia. This is a solution that we can and should accept, and I hope he will agree. I share his feelings that it is a little embarrassing at times to single out any agency and apply this test. The other side of the question is that in my section of the country the A. A. A. has been very active. I have no doubt that in Nebraska it has committed all the sins the Senator from Nebraska says it has committed. The Senator from Missouri will remember that 4 years ago some question arose with regard to the activities of the A. A. A. in Missouri and Iowa. I happened to be on the so-called Gillette committee that year, dealing with campaign expenditures.

No one has a greater concern that I over the agricultural activities being carried out; but I wish to see them carried out fairly, freely, without bias, and without partisanship. Therefore, Mr. President, I urge upon my friend the Senator from Georgia, in charge of the bill, that he, on behalf of the committee, agree to the amendment offered by the Senator from Connecticut.

Mr. RUSSELL. Mr. President, I must say to my friend from Kansas that I would have no right to agree to any change in what the committee has done even if I were disposed to do so.

Let me say further that I cannot support this amendment because I think it would indict all the employees of the Department of Agriculture for what may have been done by a very few employees. I would not favor such a provision. I do not believe in singling out any one department in this manner because two or three of its employees may have been guilty of some abuses, and indicting the whole department by putting such a limitation upon it. I could not vote for it.

I voted for the Hatch Act. I am proud of the fact that the Hatch Act originated with a Democratic Senator, and was passed during a Democratic administration, to tie the hands of Democratic employees in political activities. I say that as one who has tried his best to keep this bill free from any partisan discussion ever since I have been in charge of it. I very much regret any discussion which has the tinge of partisanship in connection with the agricultural appropriation bill, because I have never considered that it should be a political or partisan bill. I do not think it is fair to the Department of Agriculture to single out that one Department because, forsooth, three or four employees may have violated the Hatch Act, any more than it would be fair to indict all the residents in a certain apartment house because someone in that house might be guilty of murder.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. DANAHER. As the Senator from Georgia stated in answer to my earlier question, he has no evidence of any of these persons being prosecuted at any time under the Hatch Act, in which he voices such pride.

Mr. REED. Mr. President, I believe that in the main the Hatch Act covers all the things complained of. I also believe that the Hatch Act has been observed more in the breach than in the enforcement. If a simple certification by the employees that they have not engaged in any political activities—and such certification would require no particular effort on the part of anyone—would meet the objection of the Senator from Connecticut, as well as the one which I made in the committee that it would be impossible to administer this law as it was written, I think a very fair solution of the problem would be reached. It would meet the rather widespread and undesirable criticism which has attached to some of the activities which have been referred to. The criticism has been made to my deep regret, because I wish the best of success to the persons who have to administer the important duties which come to them.

So, Mr. President, I shall conclude with the statement that I find no objection to the amendment which has been offered by the Senator from Connecticut. I think it is a solution of the difficulty. It meets the objection which has been raised, and I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut as a substitute for the first branch of the committee amendment on page 66, line 11.

Mr. DANAHER. Mr. President, I ask for the yeas and nays on this question.

The yeas and nays were ordered.

Mr. CLARK of Missouri. Mr. President, I have consulted with the Senator from Georgia [Mr. RUSSELL] who is in charge of the pending bill, and I have obtained his consent to bring up another matter provided unanimous consent of the Senate can be obtained. I refer to House bill 4793, which has been messaged to the Senate from the House of Representatives. It provides for emergency flood-control work made necessary by recent floods, and for other purposes.

Mr. President, the other day I introduced an identical bill which was reported from the Committee on Commerce and is now on the calendar. The occasion for such a bill, Mr. President, is the fact that an extraordinary flood has occurred in the Mississippi Valley, in the Illinois Valley, and in certain other valleys in the Midwest. The floods have broken some very essential levees, and unless those levees can be repaired before the occurrence of the usual floods which

take place in the latter part of June or the first of July, millions of acres of the most productive farm lands in the United States will be rendered unproductive this year.

Representatives of the Corps of Engineers have advised the Flood Control Committee of the House of Representatives, as well as the Commerce Committee of the Senate, that there will be a race against time as to whether the levees can be repaired in time to prevent the destruction of all the land which will be planted in the meantime before the ordinary floods take place in June and July. Therefore I feel justified, with the permission of the Senator from Georgia, in asking unanimous consent that the pending bill be temporarily laid aside and that the Senate proceed to the consideration of House bill 4793.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

Mr. WHITE. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. WHITE. Reserving the right to object, is the Senator from Missouri asking for the consideration of Senate bill 1887?

Mr. CLARK of Missouri. I am asking unanimous consent that the Senate proceed to the consideration of House bill 4793, which is an identical bill.

Mr. WHITE. Mr. President, with regret I must object at this time. I do so because a Senator on this side of the Chamber wishes to offer an amendment to the bill. I know nothing as to his ultimate attitude.

Mr. CLARK of Missouri. Does the Senator object to disclosing the identity of the Senator to whom he refers? It might be that we could work the matter out.

Mr. WHITE. The Senator from Ohio [Mr. TAFT] has said to me that he was obliged to be absent from the floor for a while, and I therefore make the objection at his suggestion.

Mr. CLARK of Missouri. I may say to the Senator from Maine that if what he states is the situation I do not believe there is any chance of us being able to agree.

Mr. WHITE. As I have said, I know nothing of the ultimate attitude of the Senator from Ohio, but at his request I object to the present consideration of the bill.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the amendment of the Senator from Connecticut as a substitute for the first branch of the committee amendment on page 66, line 11.

Mr. RUSSELL. Mr. President, as I observed a few moments ago, I regret that anything of a partisan nature has arisen in connection with the agricultural appropriation bill. So far at least as the committee is concerned, which has dealt with this bill in the Senate, never in the 10 years I have handled these matters has a single question ever been determined by the committee on anything even approaching a partisan basis.

Mr. REED. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. REED. Mr. President, I wish to say that I have served with the Senator upon the subcommittee of which he is chairman. I wish to confirm and emphasize everything the Senator has said. I am a Republican, and he is a Democrat. I never heard a partisan note from him, and I never observed a single partisan act on his part.

Mr. RUSSELL. I thank the Senator for his testimony.

I wish to say, Mr. President, that I do not believe that it can be said that this amendment is entirely without political significance. I wish to invite the attention of Senators to the language of the amendment. In the first place, it affects only the full-time employees of the Department of Agriculture. We all know that the committeemen to whom reference has been made, who are riding up and down the roads, as it has been stated here, are elected by farmers within the several counties. Therefore, in a Republican county where there was a Republican committeeman, the committeeman could proceed in any way he wished and he would not be affected by the pending amendment, because the amendment purports to deal only with the full-time employees of the Department of Agriculture.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DANAHER. Would such a man as the one to whom the Senator has referred come within the Hatch Act?

Mr. RUSSELL. I cannot answer the Senator's question. I do not remember the Hatch Act clearly enough to give an answer. However, the Hatch Act has been abandoned by the Senator from Connecticut. Why should he refer to the Hatch Act when he has walked off and left it? He says it is not effective, and therefore, by proposing restrictions, the like of which has never been seriously proposed before, he seeks to apply them only to the employees of the Department of Agriculture.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. RUSSELL. Yes.

Mr. DANAHER. The Senator's extreme statement indicates the weight to which his argument is entitled.

Mr. RUSSELL. The Senator may draw any conclusion he chooses.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CLARK of Missouri. I can remember back to the Hoover administration when the Fourth Assistant Postmaster General, Mr. Philp, came to Missouri and made a speech to the postmasters of Missouri in which he informed them that if they did not get busy and carry the State for the Republicans they would all be dismissed. It seems to me that it comes with bad grace from my dear friend, the Senator from Connecticut, to undertake to make it appear that the Democrats are using such things as the A. A. A. for political purposes. I should like to have my friend read the speech of Fourth Assistant Postmaster General Philp on the responsibility of Republican postmasters to get out and get busy—it being in violation of the civil-service laws—or be discharged from their places.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DANAHER. Allow me to point out to my distinguished friend from Missouri that the amendment which came over to us from the House was adopted by the whole House in which a majority of the administration party is in control; that the House amendment not only forbade all A. A. A. activity to a far greater degree than my proposed amendment, but the amendment even barred all lobbying activity by the same persons. So, if the Senator from Missouri finds any comfort in his statement, very well.

Mr. RUSSELL. I do not know that the Senator from Connecticut is any less zealous in promoting political legislation than same Member of the other body. However, even he admits that the amendment which was adopted by the other House was unconstitutional, and he is now attempting to keep as much of it which may prove to be constitutional as he can.

Mr. President, I want to say that we hear about all this activity in politics from our friends on the other side of the aisle only in years when they are out of power. I do not recall that the Republican Senators ever endeavored to secure the adoption of an amendment or the passage of a bill that would prevent political activity on the part of any employees of the Federal Government so long as they were in the majority, and had charge of the Government and the power of appointment. Whatever may be the defects of the Hatch Act, if this matter is to be discussed on a partisan basis, as a party man I must observe that the Democratic Party is entitled to credit for passing an act which attempted to deal with political activities of Federal employees at a time when that party was in power and had control of the appointment of the employees. So much cannot be said for our friends on the other side of the aisle.

Now, let us look at this amendment for a moment. In the first place, it goes far beyond the Hatch Act. Under the amendment if an employee of the Department of Agriculture who is a personal friend of a Member of Congress or a member of the State general assembly or of the county clerk should contribute voluntarily, without solicitation so much as 5 cents to a campaign fund he would be immediately and summarily discharged from his position. I submit that the Congress of the United States is going too far when it undertakes to say to an individual in this country "You cannot hold public office if you contribute as much as a dime to a political party or to an individual, regardless of the office for which he may be a candidate."

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DANAHER. Let me point out to the Senator that if the individual employee in fact can be spared from the necessity of making such political contributions he will surely thank us.

Mr. RUSSELL. There is nothing in the Hatch Act—and that matter was discussed when the Hatch Act was here—which prohibits a man from contributing voluntarily to a person in a political campaign. That is not a criminal activity and there is no penal provision in the law affecting it.

The Congress is going a long way when it undertakes to segregate a particular employee from all his fellows and say if he even contributes to the campaign for member of the council in the city where he lives, when the candidate may be a personal friend or even a near relative that he shall forfeit or be discharged from his position.

The activities which have been adverted to here on the floor occurred some time ago, as I understand; I do not know how recent any of them were. I know that Senators did not bring any of the evidence before the subcommittee. The only witness before the subcommittee who mentioned this provision was Mr. O'Neal, the president of the Farm Bureau Federation. Mr. O'Neal stated that the man that he was principally concerned about who had been active in politics in the West had been discharged from his position.

A number of witnesses appeared in opposition to this measure and employees of the Department of Agriculture and the employees' organizations of the Department of Agriculture, which I believe are not conducted on a strictly partisan basis, came before the committee and protested as they had a right to protest, against being singled out, put in a special category of Federal employees, and condemned without a hearing, without evidence having been submitted to the proper committees of the Congress on which to predicate a verdict of condemnation. They are entitled to be treated as are all other Federal employees. We ought not to stigmatize the great mass of employees of the Department of Agriculture because, perhaps, in Nebraska or some other State some one of them has violated the Hatch Act.

If the Hatch Act needs to be strengthened it should be done by statute. If we are going to change the law to prohibit a man from even contributing to a campaign in a county or a township, it ought to be done by amending the statute, and not in such a fashion as this, when no evidence has been produced, other than letters which have been read on the floor by Senators, to sustain a wholesale indictment of the employees of the Department of Agriculture. I think it is infringing on the rights and liberties of the individual American citizen, whether employees or not, when it is proposed to enact a law that they cannot even express their opinion in political campaigns and cannot contribute even to local elections. I think the amendment should be rejected.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. There were rather extensive hearings held in the House on this measure, were there not?

Mr. RUSSELL. I have not been able to find them.

Mr. WHERRY. I was asking the Senator a question.

Mr. RUSSELL. No; there were not. It was only referred to by the president of the Farm Bureau Federation.

Mr. WHERRY. Does the Senator feel that the action of a triple A county official demanding that farmers join the triple A program in order that they may get fuel oil is a violation of the law?

Mr. RUSSELL. I should like to have the Senator explain what he means by joining a triple A program. I do not understand it, and I should like to have the Senator explain to me what he means by a farmer joining the program.

Mr. WHERRY. Does not the Senator know what a triple A program is?

Mr. RUSSELL. Yes; but there is no such thing now as joining a triple A program.

Mr. WHERRY. For the last 2 or 3 years they have been endeavoring to have the farmers join, especially when they had limited acreage, even if they did not like the program. Whether I am a Republican or a Democrat is beside the question; this is not a political matter. What I want to see is that a farmer, regardless of his party, may farm his farm the way he wants to farm it, and not have his activities directed from Washington. That is the program that I am opposing; and I say that neither a triple A chairman nor the Director in Washington has the right to make a farmer of Nebraska subscribe to such a regimented policy.

Mr. RUSSELL. The Senator from Nebraska can kick a dead horse around with more sound and fury than any man I have ever known. There has been no compulsory program in Nebraska for 2 years. Yet the Senator talks of forcing farmers to join a triple A program.

Mr. WHERRY. I want to say that on January 1, 1942, there was provided a penalty on wheat farmers if they did not enter into the incentive program under the triple A. I say to the Senator that is one case where compulsion was tried. Am I right or not?

Mr. RUSSELL. I just observed that the Senator from Nebraska was kicking a dead horse, for the program has not been in effect for more than 2 years, and when it was in effect it was approved by three-fourths of the farmers producing the particular commodity, otherwise it would never have gone into effect. The program, I repeat, has not been in effect for 2 years and, therefore, I say the statements in the amendment are entirely beside the question. The question boiled down is, whether the Senate of the United States wants to single one agency of the Government and indict all the employees of that agency and convict them without a hearing, without having an opportunity to defend themselves, without pursuing the normal channels of legislation, but by attaching a rider to an appropriation bill and thus depriving them of the rights and liberties which are enjoyed by other employees of the Government of the United States and by all the people of the United States.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BARKLEY. Some of the instances referred to by the Senator from Nebraska involved county committees, as I understand. They would not come either under the language of the House bill or the language of the amendment of the Senator from Connecticut. They are not full-time employees of the Government and the Department of Agriculture at all; they are members of the county committees. So any county committeeman, under any proposal that is now pending, could indulge in the very practices to which he referred and we could not do anything about it, because they are not included in the full-time employees of the Department of Agriculture.

Mr. WHERRY. Mr. President, will the Senator yield to me to ask the Senator from Kentucky a question?

The PRESIDING OFFICER. Does the Senator from Georgia yield?

Mr. RUSSELL. The Senator from Wisconsin, I think, was on his feet first and I yield to him, and then I shall yield to the Senator from Nebraska.

Mr. LA FOLLETTE. Mr. President, I do not have a copy of the amendment of the Senator from Connecticut; I understand copies are not available; but as I heard the amendment read and as I understand its terms, even if triple A committeemen were full-time employees, the activities about which the Senator from Nebraska has complained would not be covered by the amendment. It has nothing to do with the prevention of any alleged coercion to induce other farmers to join any kind of a program.

Mr. RUSSELL. Not the pending amendment, but there is a subsequent amendment.

Mr. LA FOLLETTE. But it is not in the pending amendment.

Mr. RUSSELL. No; not at all. It would not be effected by this provision.

Mr. LA FOLLETTE. That is my understanding.

Mr. RUSSELL. I think this amendment ought to be voted down and be dealt with in a normal legislative way. I appeal to Senators to adopt that procedure.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bailey	Danaher	McClellan
Ball	Eastland	McFarland
Bankhead	Ellender	McKellar
Barkley	Ferguson	Maloney
Bilbo	Gerry	Millikin
Brewster	Gillette	Moore
Bridges	Green	Murdock
Burton	Gurney	Nye
Bushfield	Hatch	O'Daniel
Butler	Hawkes	Overton
Byrd	Hayden	Radcliffe
Capper	Hill	Reed
Caraway	Johnson, Colo.	Robertson
Chandler	Kilgore	Russell
Chavez	La Follette	Shipstead
Clark, Mo.	Langer	Stewart
Connally	Lucas	Taft
Cordon	McCarran	Thomas, Idaho

Tunnell	Walsh, Mass.	Wherry
Tydings	Walsh, N. J.	White
Vandenberg	Weeks	Wilson
Wagner	Wheeler	

The PRESIDING OFFICER. Sixty-five Senators having answered to their names, a quorum is present.

Mr. HATCH. Mr. President, I have just come onto the floor, and have been somewhat interested in the debate now proceeding. I have read with much interest the amendment now being considered, but have just read it for the first time, and I am a little confused as to what it means. I should like to ask the Senator from Georgia a question, if I may. I know he has given consideration and study to the amendment.

I notice that under the terms of the proposal any political activity is forbidden under penalty of the person being deprived of salary. "Political activity" is not defined. I take it the casting of a vote in the coming election would be a political activity under the pending bill. Am I correct? I am asking for information.

Mr. RUSSELL. I thank the Senator for the suggestion. I do not think there is any question that under the amendment, if a man should exercise the right of suffrage, he would be denied the right to receive his compensation. Casting a vote is certainly political activity.

Mr. HATCH. If the amendment should be included in the law, the Congress of the United States would penalize a man the cost of his salary if he voted in any election.

Mr. RUSSELL. That would certainly be my construction of that provision. There is no definition whatever, and certainly voting is the very essence of political activity. Voting is the ultimate aim of all political activity.

Mr. HATCH. As I have said, I have only casually examined the amendment. I cannot conceive Congress passing a bill which would deprive people of the right to vote. If that interpretation is correct, my mind is made up now.

Mr. DANAHER. Mr. President, I ask to modify the amendment by striking out in line 17 the words "making or."

Mr. BARKLEY. Is that in the Senator's amendment?

Mr. DANAHER. Yes.

Mr. BARKLEY. The amendment is not available so that line 17 does not mean anything.

Mr. DANAHER. If the Senator will turn to the bill on his desk, at page 66, in line 17, he will find the words "making or", and the amendment pending has simply excised that particular page and has been appended to a separate sheet. So I ask that the words "making or" be deleted.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. DANAHER. I ask unanimous consent that in line 15, as it appears in the bill on the desks of Senators, the words "full time" be stricken out. Then it will meet the objections of Senators who have thought it applied to county agents other than those who were employed full time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and it is so ordered.

Mr. DANAHER. I ask unanimous consent that the amendment be further modified so to make certain that it will have no retroactive effect. The Senator from Colorado [Mr. JOHNSON] has very aptly pointed out to me that it would not be advisable to have a cut-off date, because everyone has engaged in political activity at some time or other. I therefore ask unanimous consent to modify the amendment by inserting the words "since June 1, 1944."

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. DANAHER. I ask that the amendment as modified be restated.

The PRESIDING OFFICER. The Clerk will state the amendment as modified.

The CHIEF CLERK. In lieu of the language proposed to be stricken out, down to and including the word "office" on line 24, page 66, it is proposed to insert "*Provided further*, That no part of the funds appropriated or made available to the Agricultural Adjustment Agency or to any other bureau or agency of the Department of Agriculture shall be used to pay the salary of any employee unless such employee shall certify over his signature that he has not engaged since June 1, 1944, in any political activity (including but not limited to soliciting contributions to campaign funds of political parties or to any organization, association, corporation, or individual for the purpose of aiding or influencing the election or defeat of any candidate for political office; distribution of, or solicitation of subscriptions to, or contributions for the distribution of publications and other literature designed to influence or aid in the election or defeat of any candidate for public office)."

Mr. LANGER. Mr. President, I should like to ask the distinguished Senator from New Mexico [Mr. HATCH] a question or two, if I may.

In view of the fact that this amendment has just come up suddenly, and without affording us a chance to read it, I should like to have the Senator, as the author of the Hatch Act, state whether in his opinion Congress should pass a law affecting farmers, when as a matter of fact oil men, bankers, and insurance men, are getting subsidies from the Government. They can take part in politics, under the Hatch Act. Is not that true?

Mr. HATCH. Oh, yes.

Mr. LANGER. Can the Senator give us any reason why farmers should be discriminated against?

Mr. HATCH. No; I cannot.

Mr. President, the Senator from North Dakota has referred to the act sometimes spoken of as the Hatch Act. That act applied to all employees in the executive branch of the Government, with certain exceptions, policy-making officials and employees of that kind. There was no attempt made in that act to discriminate as between or among different employees in the executive branch of the Government. The attempt was made to place them all upon exactly the same basis.

When I asked the Senator from Georgia [Mr. RUSSELL] whether political activity included the right to vote I was very much in earnest, because I think voting is a political activity. So strongly did the various committees of the Congress, both of the House and of the Senate, entertain that belief that in each one of the bills which was passed language was included setting forth that nothing in the act should be construed to affect the right of an employee to vote as he might choose. There is, however, no such exception in the language of the proposed amendment. I very sincerely believe that very likely it would prohibit an employee of the Department of Agriculture from voting in an election, and I was asking for information. I wanted to know if the language would have that effect. If the Congress is about to do such a thing as that I would like to know what the frame of mind of Congress is. We might have more such legislation one of these days.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BARKLEY. As I recall, the Hatch Act, which I supported, as the Senator knows, not only did not deprive an employee of the right to vote, but it expressly accorded to him the right to express his views.

Mr. HATCH. Oh, yes; and I never thought that was necessary, because I believed he had that right anyway.

Mr. BARKLEY. But the language now proposed would deny him even the right to express his views.

Mr. HATCH. I think the proposed language would.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. LUCAS. Do I correctly understand the Senator from New Mexico to say that he construes the language of this amendment to the end that an employee of the Department of Agriculture would not even have the right to vote?

Mr. HATCH. I will say to the Senator from Illinois that I just glanced at the amendment, but that is the first thing that struck my mind. What is political activity? Is not voting political activity? What does the Senator from Illinois say about it? If voting is not political activity I do not know what it is.

Mr. LUCAS. I agree with the Senator from New Mexico that voting is certainly a political activity. There can be no question about that. But I wonder what we are coming to in this country. I have seen the Congress of the United States deny the soldiers the right to vote. And now are we coming around to the point where we are going to deny the right to vote to those engaged as employees of the Department of Agriculture, many of whom are farmers serving on triple A committees?

Mr. President, I have found in my section of the country that less political activity exists in connection with the triple A than any organization of which I know. The fact of the matter is that the majority of the committeemen in Illinois are Republicans. I have never heard the charge made against any committeeman, at any time, whether they were Democrats or Republicans, of hav-

ing attempted to play politics. It seems to me to be going a long way for a Senator to read a letter or two bearing upon some particular political activity in his section of the country, and hope to convince the Senate of the United States that an amendment of this kind, far-reaching as it is, should be adopted on the basis of that kind of proof, especially in view of what the able Senator from Georgia [Mr. RUSSELL] said a while ago. There was no evidence of any kind submitted before the committee, which held lengthy hearings upon the subject. We are dealing here with the individual rights of citizens, and it seems to me that when the individual rights of a citizen are properly considered we went much too far in passing the Hatch Act.

Mr. HATCH. Mr. President——

Mr. LUCAS. I say that with all due deference to my good friend the Senator from New Mexico.

Mr. HATCH. I was just going to recall some of the arguments the able Senator from Illinois made on the floor of the Senate at the time the Senate considered the measure, that it was unconstitutional.

Mr. LUCAS. I still think so, and if the act ever comes before the Supreme Court I am confident with respect to what the Court will do with the Hatch Act.

Mr. President, much politics has been thrown into this whole matter. During all the years the Republicans were in power in Congress they never sought through the adoption of such a measure as the Hatch Act to deprive the individual citizen of the inherent right given to him by the Constitution of the United States. Now they come along in an election year with this sort of proposal that strikes primarily at honest and responsible farmers. I shall be interested to see what the Republican Party will do at its convention to be held in Chicago, with respect to the triple A.

Mr. WHERRY. The Senator pointed at me.

Mr. LUCAS. Yes; I have the right under the Senate rules to point to the Senator if I want to, without asking him a question.

Mr. WHERRY. I thank the Senator.

Mr. LUCAS. I know what was done recently in Chicago with respect to the farm program, and I know what some of the farm leaders said to the Republicans with respect to the triple A. The Republicans are not going to disturb the triple A in their platform when they meet in convention in Chicago. The Republicans are not going to turn the black acres loose forever, as some of them would seem to suggest. The Senator from Nebraska conveniently forgets that when the black acres were turned loose prior to 1933 the more that was produced the less was obtained for the product.

The American farmer is in excellent financial condition. His progress can be traced directly to the triple A.

Mr. President, I am anxiously awaiting the time when the Republicans will hold their convention at Chicago, to see what they will do with the fundamentals of the triple A. The act is on the statute books to stay. No leaders of agriculture, whether they be Democratic in their thought or Republican in their thought, are going to do away with that act. No one will propose to do away with it unless blind partisanship prevails. Such a course will be ruinous to the individual or the party that adopts it.

Mr. HATCH. Mr. President, among the questions the Senator from Illinois propounded, he asked, Has it come to pass that the Congress wants to deprive citizens of the right to vote? In answer to that question I am going to say for Members on both sides of the Chamber, for Republicans and Democrats alike, I do not believe there is a single Member of the Senate, or of the House of Representatives, for that matter, who would knowingly pass a law depriving citizens of the right to vote. But, Mr. President, I think that perhaps we are about to do that thing unknowingly and unwittingly. That is the reason I raised the question.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CLARK of Missouri. It seems to me there has been a great deal of discussion among Senators who have never read the regulations promulgated by the various departments under the Hatch Act. The Hatch Act does not deprive any citizen, whether he is a Government employee or not, of the right of belonging to a political organization, of attending a political meeting, of contributing, if he so desires, to a political campaign, or of expressing his opinions freely in any way he may see fit, so long as he does not do it in a public meeting.

It seems to me, Mr. President, that a great deal of the heat and the agitation against the Hatch Act comes about by reason of the fact that a great many persons have never read the Hatch Act and have never read the regulations promulgated under the Hatch Act. It may be that the Hatch Act was a mistake and should be repealed, although I fought very strenuously, as the Senator from New Mexico knows, in behalf of its passage. But if any attack is to be made on the Hatch Act, we certainly should know what the Hatch Act provides and what the regulations under it have meant.

Mr. REED. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. REED. In the first place, Mr. President, I promise the Senator from New Mexico that I shall not make a speech on his time. I merely wish to call attention as a member, first, of the subcommittee, and secondly, of the full committee which had charge of the bill, that the Senator from Illinois treated the question as one in connection with which the Senate committee had nothing before it—something coming out of thin air or the blue sky.

The Senate committee had before it this amendment, which had been agreed to by a coordinate body of the House of Representatives. In my judgment, this amendment reached us in impossible shape; that is all.

The Senate has a duty to pass upon this question. I have regarded the amendment offered by the Senator from Connecticut as a fair adjustment of the views of those who have dealt with the question.

I thank the Senator.

Mr. HATCH. Mr. President, I had just started to say that it is possible that the Senate is about to pass legislation for which no Senator would vote if he understood its effect. That situation, Mr. President, arises by reason of the way the legislation is before us today. It is legislation upon an appropriation bill. That is an exceedingly bad way to legislate on any subject.

I do not know anything about the merits of the particular amendment, or about what has given rise to it; but I know that an amendment of this nature, if it has any merit at all, could well come in the form of a bill which would be referred to the proper committee, where hearings would be held upon it, so that the full force and effect of the measure could be understood.

Regardless of what the Senator from Missouri has said to the effect that the so-called Hatch Act may have been a mistake, I wish to reiterate my faith and belief in that act. I do not think it was a mistake. I think it has served a very useful purpose, and is serving one today.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CLARK of Missouri. I did not mean to intimate that I thought the Hatch Act was a mistake. As the Senator knows, I supported it very actively.

Mr. HATCH. And very ably.

Mr. CLARK of Missouri. I did not mean to say that I thought it was a mistake. I say that irrespective of whether the Hatch Act was a mistake, people should understand what is in it.

Mr. HATCH. I also think it is entirely constitutional. I would welcome a test in the courts. I would welcome a decision by the Supreme Court of the United States as to the powers of the Congress to legislate with respect to employees of the Government.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. DANAHER. Earlier in the day I asked a question of the Senator from Georgia. He could not give me an answer to it. Perhaps the Senator from New Mexico can. This is the question: Has there been any prosecution, anywhere, under the Hatch Act?

Mr. HATCH. Yes.

Mr. WHERRY. Where?

Mr. HATCH. One in the State of Arizona, and one in the State of Illinois, as I recall. I understand that some of those cases are on appeal.

Mr. DANAHER. The Senator knows of only two cases; does he?

Mr. HATCH. I think there have been more than that.

Then, Mr. President, I wished to point out another matter. Unless the proposed legislation goes much further than perhaps some persons think it does, it is absolutely unnecessary. If it is designed to prohibit only the ordinary political activities of employees of the Department of Agriculture, those are already prohibited by the Hatch Act. The amendment does not enlarge in any way

upon the penalties provided by the Hatch Act. Under that act any person employed in the Department of Agriculture—because it is a branch of the executive departments—who engages in political activity is automatically discharged, or should be, just as he would be denied his salary in this instance. The penalty is the same.

Again, even without the Hatch Act and without this bill, when the distinguished Vice President was the Secretary of Agriculture, rules and regulations were adopted in that particular Department, if I am not mistaken—and they are in force and effect today—absolutely prohibiting political activity by those employees and by members of the A. A. A.; and, further, those rules and regulations provided for the discharge of persons engaging in the prohibited activities.

If the thought behind the amendment is to prohibit political activities by employees of any branch of Government, I am in thorough accord and sympathy with that thought. But I am not willing to go to the length of denying to any citizen employed in any branch of the Government the right to exercise the right of suffrage.

Mr. RUSSELL. Or expression of opinion.

Mr. HATCH. Or expression of opinion.

Mr. RUSSELL. Mr. President, if the Senator will yield to me, I may say there is no question that the amendment is being leveled solely at the Department of Agriculture because today the Senate has already passed an appropriation bill for the Departments of State, Justice, and Commerce. That bill was passed by the Senate in just a few moments, and no question was raised in reference to it. No such amendment was offered to that bill.

The amendment is offered to single out the employees of the Department of Agriculture, to indict and convict all of them, including county committeemen working for a few days at $3 a day, and to deny them the right even to express their opinion in the local communities or townships or counties in which they live.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. DANAHER. Of course, in the appropriation bill for the Departments of State, Justice, and Commerce, no such question arose, because in connection with those departments no such notorious condition exists. That is why we did not offer to that bill such an amendment.

Mr. HATCH. Mr. President, I wish to draw the attention of Senators to the provision on which they are about to vote. If Senators wish to say they desire to go to the length to which this amendment possibly does go, and probably does go, that is for them to say. But I think we should know and understand the effect of the legislation we vote to enact.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CLARK of Missouri. Does the Senator think there is any justification on earth for us to discriminate against farmers who happen to be members of some of the local committees, as against all the other Government employees in the country?

Mr. HATCH. Oh, the Senator knows that I think, and have long believed, they all should be on exactly the same basis.

Mr. CLARK of Missouri. I am sure the Senator does.

Mr. HATCH. I do not think we can lay down any rule which discriminates and still be fair or just to anyone.

Mr. CLARK of Missouri. I was very sure that was the opinion of the Senator from New Mexico, but I wished to bring out from him an expression as to the pending amendment, which does distinctly discriminate against any farmer who happens to be a member of the local committees.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. DANAHER. Mr. President——

Mr. CLARK of Missouri. Even a Connecticut farmer.

Mr. DANAHER. I shall be happy to continue to yield to the Senator from Missouri if he wishes to have me do so.

Mr. President, let me now point out that we are dealing primarily with a House bill on which the whole House of Representatives has acted. The House of Representatives took account of the situation. That was done by a House of Representatives composed of 435 Members. The Members of the House of Representatives acted with full knowledge of the situation in their respective districts. In the House of Representatives the majority finds its adherents among the administration forces. The Speaker of the House of Representatives is a member of the Democratic Party. Every committee in the House of Representatives is organized under the leadership of the Democratic Party.

There is no question about what is involved in this amendment. Undoubtedly in some States there are Republicans who are members of the A. A. A. Undoubtedly in some States there are Democrats who are members of the A. A. A. The House of Representatives provided—

> That no part of the funds appropriated or made available to the Agricultural Adjustment Agency or to any other bureau or agency of the Department of Agriculture shall be used to pay the salary of any full time employee who engages in any political activity or lobbying activity.

The House of Representatives knew what it was talking about. We know what it was talking about. The House of Representatives was not denying those persons the right to vote. The House of Representatives knows very well that Congress has no power to deny anyone the right to vote. The House of Representatives knows very well that this measure would not deny anyone the right to vote.

The House of Representatives said, when it referred to political activities or lobbying activities, that it also meant to include, although it was not limiting its definition to that—

> making or soliciting contributions to campaign funds of political parties or to any organization, association, corporation, or individual for the purpose of aiding or influencing the election or defeat of any candidate for political office.

They knew very well what that meant. Mr. President, the House found the situation in the country to be such that it even said that no part of these funds was to be used to pay the salary of any full-time employee of the Department of Agriculture or any of its branches, who engaged in any lobbying activity; the House went that far.

Mr. President, we have divided the question. We have confined ourselves solely at the present time to the first 10 or 12 lines of the House language. The Senate Committee on Appropriations has brought in a committee amendment which would strike out that House language. The proposed substitute now at the desk does no more than say that any such employee shall certify, at the time he is paid, that he has not engaged in the political activity mentioned. There is no question about the denial of the right to vote. We could even put on the back of the check, as Senators who are lawyers have seen time and time again in their experience, a statement which, when the endorsement of the payee appears, constitutes an agreement or certification.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. HATCH. The Senator says there is no question of the denial of the right of a man to vote. Why does the Senator say that? Does he think that voting is not a political activity?

Mr. DANAHER. We know that voting is the exercise of the right of franchise. We know that political activity in connection with stimulating people to vote in a given way, lawfully or unlawfully, or soliciting campaign funds, or trying to bring about the defeat or the election of a given candidate—all such things are political activity. Surely the Senator from New Mexico knows that.

Mr. HATCH. I know that those things are political activities; but I do not know that voting is not a political activity. That is the reason I asked the Senator the question.

Mr. DANAHER. It is not political activity within the meaning of the language here proposed.

Mr. HATCH. Does the Senator think that is clear?

Mr. DANAHER. I not only think so, but I so assert. The legislative history back of an act of Congress is looked to by the courts when they seek to interpret it. If there should ever be a question about it, I am willing that any court may look at the RECORD of this very date and see what I have said.

Mr. HATCH. The Senator also knows that it is the practice of courts not to look at the debates on the floor of the Senate in ascertaining the Congressional interpretation.

Mr. DANAHER. The Senator from New Mexico knews very well that there is no question of the denial of the right to vote involved in this language.

Mr. HATCH. I have stated that the Senator had no such intention. What I wish to know is, Are we doing something we do not intend to do?

Mr. DANAHER. Oh, no.

Mr. LA FOLLETTE. Mr. President, no Member of the Senate is more anxious than I to see effective legislation adopted to prevent pernicious political activity on the part of Government employees, or any other citizens of this Republic, and to prevent any abuse of power on the part of any employee of the Government.

I supported the Hatch Act. I agree with the Senator from New Mexico that it was wise legislation. I think it has had a very salutary effect in restraining the activities which it was designed to prohibit. But let us be frank. We are dealing here with precious rights of citizenship. We should not enact any legislation which would impinge upon the rights of citizens of this country, whether they be employees of the Government or not.

The Senator from Connecticut is not the author of the language. He asserts that it is the language adopted by the House. It is no comfort to me to have him state that the language does not on its face deny to a citizen employed by the Department of Agriculture the right to vote.

So far as I can ascertain, Mr. President, there was little consideration given to this provision in the House of Representatives. There was very little testimony before the House committee on the subject; and yet we are now being urged to accept language adopted by the House of Representatives under those circumstances. I think it could clearly be construed to deny to employees of the Department of Agriculture not only the right to express their opinions concerning candidates or issues in campaigns, but also the right to vote; for it is obvious that the language does not contain any definition of the term "political activity." The particularized activities contain a statement which is designed to prevent them from being taken as a limitation upon those two words. The language is as follows:

Provided further. That no part of the funds appropriated or made available to the Agricultural Adjustment Agency or to any other bureau or agency of the Department of Agriculture shall be used to pay the salary of any full-time employee who engages in any political activity or lobbying activity (including but not limited to making or soliciting contributions to campaign funds of political parties or to any organization, association, corporation, or individual for the purpose of aiding or influencing the election or defeat of any candidate for political office; distribution of, or solicitation of subscriptions to, or contributions for the distribution of publications and other literature designed to influence or aid in the election or defeat of any candidate for public office.

It is clear, Mr. President, that there is no definition of the words "political activity" contained in this amendment. It is further clear that in delineating the activities which are to be prohibited, the words "including but not limited to" have been inserted in order that the language may not be construed as having limited the application of these two undefined words.

Mr. President, we are entering upon dangerous ground when we attempt to deny to citizens of the United States their inherent right to freedom of speech and freedom of expression. It is my interpretation of this language that if any employee of the Department of Agriculture were to make a statement concerning any candidate for office, he would be subject to the charge that he has engaged in political activity, and would be liable to be discharged from his position. In this day and age is the Government of the United States to adopt a provision which would deny to citizens employed in one of the branches of the Federal Government the right to freedom of expression? If we have reached that stage, Mr. President, we have come to a pretty pass.

It seems to me that this is a proposal to burn down the barn in order to get rid of a few rats. It is proposed to deny to thousands of upstanding American citizens employed by the Department of Agriculture under penalty of loss of their employment, rights which are guaranteed to them under the Constitution of the United States.

If this amendment were adopted, I think very effective use could be made of it by our enemies in exposing our hypocrisy in advocating the fundamental principles of democracy and being willing to defend them on the battlefield, while at the same time, because it is alleged that some employees have been guilty of some political activity, we deny to a large group of citizens rights guaranteed to them by the Constitution of the United States. If certain employees have been guilty of pernicious political activities, let them be prosecuted under the Hatch Act. Let an investigation be made, and let the persons charged with such activities have an opportunity to defend themselves. If it be found that they have indulged in any such activity I shall join with the Senator from Connecticut, or with any other Senator, in seeing that effective action is taken to separate them from the pay rolls, or to see that they are prosecuted under the Hatch Act.

I again assert, Mr. President, that we are treading upon dangerous ground. We are moving in the direction of denying to citizens at this time, when they are making tremendous sacrifices in both blood and treasure in order to defend the country, the right of freedom of expression, or, perhaps, even under a technical interpretation of this language, the right to vote.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HATCH. The Senator referred to bills relating to pernicious activities. I think he will find that the word "pernicious" appears in all legislation, and in the civil-service rules forbidding political activities. It all relates to pernicious activity, and even the word "pernicious" is dropped from this amendment.

I wish to say further that when the Senator points out the danger of enacting legislation involving the loss of the freedom of speech and the right to vote, it is lightly brushed aside by some in this Chamber as though we could not pass such legislation. It is easy to see that no act of Congress can limit the right of a citizen to speak freely. That right is guaranteed by the Constitution. That is true. However, there are decisions of our courts which say that while we recognize constitutional limitations this and similar legislation does not at all restrict the right of the individual to speak as he may choose to speak. No one can prevent him. However, we can say to him, "You cannot work for the Federal Government if you engage in such activities."

Mr. LA FOLLETTE. That is the point.

Mr. HATCH. The limitation is on the right of persons who work for the Federal Government, and thereby the Constitution is upheld even in those extreme cases.

Mr. LA FOLLETTE. It is a condition of employment.

Mr. HATCH. Yes.

Mr. LA FOLLETTE. And not an absolute abridgment of the right per se. Nevertheless, the effect will be the same on the individual.

Mr. HATCH. The Senator is absolutely correct.

Mr. LA FOLLETTE. My only point is that the rights and privileges of citizens in a democracy are so precious, and have been won only after such great sacrifices, we should not enter into the delicate field of legislating with a meat ax. We should operate on this political problem with a scalpel and with full knowledge of what we are doing.

Mr. President, I believe the Hatch Act was carefully framed. I felt that I could support it because it defined the type of activity to be prohibited. It retained the fundamental rights of the citizen. I assert that a reading of the language which is here proposed will show that it is not drawn with the care with which the Hatch Act was framed. There is no definition of terms. There is no delineation of the specific activities to be prohibited as a condition of employment. As a matter of fact, the framers of this proposal were careful to provide that it should not be limited to the activities which are specified.

Mr. President, I assert that it would be shocking at this time for the Senate of the United States to go on record in favor of denying to citizens of this country the right to exercise their legitimate political rights. I repeat that it would be shocking. It could be utilized as a charge that we were hypocritical in our espousal of those precious rights and liberties. So I hope, Mr. President, that the Senate will not adopt this ill-considered proposal. If there are abuses such as the Senator from Nebraska has outlined, and such as have been presented in an ex parte manner, I will join with him in doing all in my power to secure an investigation, or a prosecution of those involved.

However, Mr. President, let us not, in a moment of haste, at a time when we have not given proper consideration to this important question, rush in and do something which may make us ashamed after we have had full opportunity to contemplate the effect of our actions.

Mr. HATCH. Mr. President, will the Senator yield for only a moment?

Mr. LA FOLLETTE. I yield.

Mr. HATCH. The Senator has spoken of investigations. Unfortunately I was not present, and I did not hear what the Senator from Nebraska said on that subject. However, judging from some of the remarks which have been made, there must have been an element of coercion on the part of persons in authority, about whom the Senator was complaining. If that be true, no congressional investigation is needed. All that need be done is to go to the district attorney in the particular district in which the act is alleged to have occurred, because a violation of the provisions of the Hatch Act are criminal offenses punishable by indictment and prosecution in the courts of the land.

Mr. LA FOLLETTE. The charges in connection with the correspondence referred to by the Senator from Nebraska were, as I understand, twofold: First, the exercise of coercion on the part of persons in the triple A in utilizing their ability to obtain gasoline for farmers in order to induce them to join some program. Secondly, there was the charge that someone connected with the Farm Security Administration had written a letter in which he urged the solicitation of money to raise a campaign fund with which to carry on political activities against the senior Senator from Nebraska, and some other persons whom I assume to be Republicans in the State of Nebraska.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WHERRY. I should like to invite the attention of the distinguished Senator from Wisconsin to the fact that it was not only the administration of the triple A and its instructions to see to it that farmers joined the triple A program in order to obtain gasoline, but in the past 6 months representatives of the triple A have made a circuit in Nebraska and required farmers to take membership in the triple A organization. They have also suggested in letters which have come to me that the farmers take up with their Senators and Representatives the matter of supporting the consumers subsidy. Such activities have been conducted on the time of the men in the Department of Agriculture, and on Department of Agricultural stationery.

I wish to suggest to the distinguished Senator from Wisconsin that I appreciate the defense he has made against taking away rights of people to vote. I do not wish to have the franchise of the people taken away. This matter was thoroughly considered in the House of Representatives. As in the case of hearings held by committees upon which I have served with the distinguished Senator from New Mexico, it is possible that a full attendance of committee members was not had, but that does not change the situation. I wish to protect the farmers against being coerced into doing things which they do not wish to do.

Mr. LA FOLLETTE. Mr. President, as I said before, I will go as far as the Senator from Nebraska, if the evidence is adduced that such practices are being indulged in, to take whatever action may be necessary to bring them to an end. But I wish to point out that the amendment under consideration does not affect either directly or indirectly the cases about which the Senator is talking; they are not touched by this amendment, and no effort is made by it to reach them. I say, Mr. President, once more that this is a field into which the Congress should tread very cautiously and only after the most careful consideration. It is a field into which we have no right to enter until we have carefully considered the consequences insofar as the citizens to be affected are concerned. I certainly hope that the amendment will be rejected.

Mr. GREEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I yield.

Mr. GREEN. In connection with the argument made by the able Senator from Wisconsin, with which I am cordially in accord, as a member of the committee which reported the Hatch Act with the recommendation for the elimination of this language, I should like to call the Senator's attention to one further illustration of how much further the provision proposed goes than the existing law. It provides that no one shall be paid any salary if he engages in certain political activities. As the able Senator has pointed out, numerous activities are enumerated, but it is expressly stated that the political activities may include others than those enumerated. It particularly forbids such employees to engage in activities designed to influence the action of Congress with respect to appropriations or legislation of any kind. Why is that not in direct conflict with the first amendment of the Federal Constitution, which provides that Congress shall make no law abridging the right of the people to petition the Government for a redress of grievances?

Mr. LA FOLLETTE. Mr. President, the Senator from Connecticut has offered an amendment in lieu of the committee amendment. The Senator having called attention, however, to the further drastic and sweeping effect of the second portion of the House language reminds me that I wished to say when I rose to my feet, but forgot to say, that all the assurances given by the Senator from Connecticut as to the careful manner in which this language had been drawn apply only from line 11 to line 24, which he has now with a slight modification sponsored himself. The Senator from Connecticut rejects the remainder of the amendment which was adopted by the same committee and by the House of Representatives, which is the language referred to by the Senator from Rhode Island, which I think every Senator will admit is so palpably unconstitutional and goes so far in denying and abridging the fundamental rights of employees of the Department of Agriculture that the Senator from Connecticut did not want to sponsor it.

Mr. BARKLEY. Mr. President, I merely wish to say a word or two about the pending amendment. The Senator from Nebraska has said that this amendment was put in the bill by the House, and therefore by analogy we ought to keep it in the bill. The Senate is not bound by anything the House does in a bill. Time after time the Senate has rejected and will no doubt continue to reject, language put into a bill by the House of Representatives. That is what we are here for; we are supposed to reconsider what has been done by the House of Representatives and the House has the same right to deal with amendments or original legislation proposed by the Senate. I think the Committee on Appropriations wisely struck out this whole provision.

The Senator from Connecticut, with his usual skill, has drawn a substitute which requires any man who draws his salary either once a month or twice a month to make a certificate and sign it that he has not done any of the things prohibited by this language.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. RUSSELL. I should like to ask the Senator how long it will be necessary to keep the certificates. They would have to be kept until after the statute of limitations had run out and some charge had been brought for violation of the act. I presume there would be millions of certificates all the way down to the lowest committeeman in the United States.

Mr. BARKLEY. Of course, the Senator's question emphasizes the ridiculous situation in which the Senate finds itself. If it adopts this amendment, before any employee could draw his pay he would be required to sign a certificate that he had not engaged in any political activities.

The Senator from Connecticut, who is a good lawyer, says all the employee would need to do would be to sign his name on the back of his check and it would be assumed that that was a compliance with the law. He would never have a chance to sign his name on the back of the check, until he made the certificate that he had not done any of these things, because he would not get a check to endorse until he had given such a certificate.

The Senator from Nebraska complained awhile ago of many of the county committees going around and trying to coerce farmers to join the program or else denying them gasoline. That is the first I ever heard of anything like that. They must have a peculiar brand of county committees in Nebraska. Certainly no county committeemen chosen by the farmers in my State have ever undertaken to coerce anybody to join a program, and the committeemen do not have anything to do with the rationing of gasoline, anyway. There are entirely different boards, working without compensation all over the United States that

decide how much gasoline a man may obtain.

In order to carry out that sort of a program the county committee, under the triple A selected by the farmers, would have to go to the members of the board that disposes of gasoline and intimidate them and induce them to intimidate the farmers who come in and tell them that unless they joined the program they could not get any gasoline. But, even so, the language of the amendment offered by the Senator from Connecticut does not deal with that sort of thing. It cannot be claimed that that is a political activity. It may be an overenthusiastic agricultural activity, but certainly it cannot be described as a political activity.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHERRY. The facts are that in Nebraska the triple A committee designated a board to ration fuel oil for the farm tractors.

Mr. LA FOLLETTE. Does not the Senator mean gasoline?

Mr. WHERRY. The fuel oil or the gasoline that is used by the tractors. That is a fact, and I have said so heretofore on the floor of the Senate. The Senator from Kentucky says he cannot imagine such a condition and that they would have to go to the O. P. A.

Mr. BARKLEY. The rationing of gasoline is under the O. P. A.

Mr. WHERRY. In Nebraska it is delegated by the triple A.

Mr. BARKLEY. It may be delegated by the triple A to some organization that has a connection with the farmers, but it still comes under the O. P. A., and they are responsible to the O. P. A.

Mr. WHERRY. That is beside the question, because it is the triple A organization that tells the farmer he must join the triple A program before he can get fuel oil or gasoline.

Mr. BARKLEY. Assuming that to be true, that would not be dealt with by the amendment which is now before the Senate.

Mr. WHERRY. I think it would be. I do not want to clutter up the RECORD, but I have, conservatively, thousands of communications indicating that some agencies went over the country—they can be traced by the towns they went to—asking the different farmers and committee members to write to the Senate of the United States and say that we must support the consumer-subsidy proposition. It can be said that the men who do it are the men designated as the heads of the departments by the State organization in Nebraska. I took the letter up with Mr. Wickard, the Secretary of Agriculture. He said he had called to their attention that they should not engage in that kind of activity, and that he would correct the situation, but up to date it has not been corrected.

Mr. BARKLEY. I suppose it is possible to point out aggravated cases of practically every law and statute being violated somewhere in the United States, but the grand juries are open to citizens who wish to complain against that sort of thing. I do not know to what extent any citizen who has such a complaint has been before a Federal grand jury and asked to be heard. Certainly citizens have that right, and no one can deny them that right. So far as the Hatch Act is concerned, the remedy does not altogether lie with the head of a department. The criminal courts are open to anyone who has a case.

If the pending amendment should be agreed to, there is not an employee of the Department of Agriculture who lives in Maryland or in Virginia, who has any number of children eligible for attendance in the common schools of those States, who has a next-door neighbor who is a candidate for school trustee, to form the board of education for a county which would employ teachers to teach the children of such employee of the Department of Agriculture, who could, without violating the law, speak a word in behalf of his neighbor, or even his own brother, if he were a candidate for school trustee. Certainly we are not expected to go to the extent of applying to one department a rule, thereby creating a caste system in the United States among Government employees, going far enough to say that certain persons cannot even express their views as to the merits and qualifications of candidates for school trustee, in a school district in any State in the United States.

Mr. McKELLAR. Will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. Is not the over-all objection to the amendment the fact that it applies to only one department? If such a provision should apply to the Department of Agriculture, should it not apply to all other departments as well? Should we single out one department, and do it in an appropriation bill?

Mr. BARKLEY. I agree with the Senator; it seems to me to be folly to pick out one department, and that department the one which deals with the most fundamental occupation of the American people, which is agriculture and the production of food, clothing, and other necessaries of life.

Mr. President, if the foundations of our Government are so weak and unsteady that we are afraid a few little farm committees and farm employees are going to undermine it, we might as well quit fighting for it, surrender to Hitler, and tell him to come over and take charge of it. I do not think we are ready to do that.

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Bailey	Byrd	Ellender
Ball	Capper	Ferguson
Bankhead	Caraway	Gerry
Barkley	Chandler	Gillette
Bilbo	Chavez	Green
Brewster	Clark, Mo.	Gurney
Bridges	Connally	Hatch
Burton	Cordon	Hawkes
Bushfield	Danaher	Hayden
Butler	Eastland	Hill
Johnson, Colo.	Murdock	Tunnell
Kilgore	Nye	Tydings
La Follette	O'Daniel	Vandenberg
Langer	Overton	Wagner
Lucas	Radcliffe	Walsh, Mass.
McCarran	Reed	Walsh, N. J.
McClellan	Robertson	Weeks
McFarland	Russell	Wheeler
McKellar	Shipstead	Wherry
Maloney	Stewart	White
Millikin	Taft	Wilson
Moore	Thomas, Idaho	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum is present.

The question is on agreeing to the modified amendment of the Senator from Connecticut [Mr. DANAHER] to the first branch of the committee amendment on page 66, line 11. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the senior Senator from Utah [Mr. THOMAS]. I transfer that pair to my colleague [Mr. TOBEY] and will vote. I vote "yea."

Mr. STEWART (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. HOLMAN]. I transfer that pair to the junior Senator from Missouri [Mr. TRUMAN], and will vote. I vote "nay."

The roll call was concluded.

Mr. CHANDLER (after having voted in the negative). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS]. I transfer that pair to the Senator from South Carolina [Mr. MAYBANK] and permit my vote to stand.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Utah [Mr. THOMAS] has been appointed by the President of the United States as a delegate to attend the International Labor Organization Conference in Philadelphia, and is therefore necessarily absent.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Nevada [Mr. SCRUGHAM] and the Senator from Georgia [Mr. GEORGE] are absent on official business.

The Senator from California [Mr. DOWNEY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. REYNOLDS] are detained in Government departments on matters pertaining to their respective States.

The Senators from Florida [Mr. ANDREWS and Mr PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Indiana [Mr. JACKSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Montana [Mr. MURRAY], the Senator from South Carolina [Mr. SMITH], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

I am advised that if present and voting, all the Senators whose absences I have announced, would vote "nay."

Mr. WHERRY. I announce that the following Senators are necessarily absent:

The Senators from Vermont [Mr. AIKEN and Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], the Senator from Delaware [Mr. BUCK], the Senator from Pennsylvania [Mr. DAVIS], the Senator from Oregon [Mr. HOLMAN], the Senator from West Virginia [Mr. REVERCOMB], the Senator from Wisconsin [Mr. WILEY], and the Senator from Indiana [Mr. WILLIS].

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The result was announced—yeas 24, nays 42, as follows:

YEAS—24

Ball	Danaher	Shipstead
Brewster	Ferguson	Taft
Bridges	Gurney	Thomas, Idaho
Burton	Hawkes	Vandenberg
Bushfield	Millikin	Weeks
Butler	Moore	Wherry
Capper	Reed	White
Cordon	Robertson	Wilson

NAYS—42

Bailey	Green	Mead
Bankhead	Hatch	Murdock
Barkley	Hayden	Nye
Bilbo	Hill	O'Daniel
Byrd	Johnson, Colo.	Overton
Caraway	Kilgore	Radcliffe
Chandler	La Follette	Russell
Chavez	Langer	Stewart
Clark, Mo.	Lucas	Tunnell
Connally	McCarran	Tydings
Eastland	McClellan	Wagner
Ellender	McFarland	Walsh, Mass.
Gerry	McKellar	Walsh, N. J.
Gillette	Maloney	Wheeler

NOT VOTING—30

Aiken	Glass	Reynolds
Andrews	Guffey	Scrugham
Austin	Holman	Smith
Bone	Jackson	Thomas, Okla.
Brooks	Johnson, Calif.	Thomas, Utah
Buck	Maybank	Tobey
Clark, Idaho	Murray	Truman
Davis	O'Mahoney	Wallgren
Downey	Pepper	Wiley
George	Revercomb	Willis

So Mr. DANAHER's amendment to the first branch of the committee amendment, on page 66, line 11, was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the first branch of the committee amendment, on page 66, line 11.

Mr. BARKLEY. Mr. President, I desire to make an observation. It is my hope that as soon as the pending bill is disposed of we can proceed to consider the measures on the calendar, and can dispose of them. I hope that by pursuing that course it will be possible for the Senate to take a recess until Friday. I give that information to Senators in the hope that we shall be able to dispose of the pending bill rapidly, and then shall be able to dispose of the measures on the calendar.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). The question is on agreeing to the first branch of the committee amendment, on page 66, line 11.

The first branch of the committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the second branch of the committee amendment, on page 66.

The second branch of the committee amendment was agreed to.

EMERGENCY FLOOD-CONTROL WORK

Mr. CLARK of Missouri. Mr. President, I return to my request that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 4793, which has been passed by the House of Representatives. It provides for emergency flood-control work made necessary by recent floods. An identical bill has been reported from the Senate Commerce Committee. I ask unanimous consent that the Senate now proceed to the consideration of House bill 4793.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4793) to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and is open to amendment.

Mr. TAFT. Mr. President, I send to the desk the amendment, which I offer and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to add to the bill the following new section:

SEC. —. The Chief of Engineers of the United States Army is hereby authorized to repair and reconstruct dikes and levees along the south shore of Lake Erie in the Reno-Howard farm area, Jerusalem township, Lucas County, Ohio, damaged in the extraordinary floods of July and October 1943, and to dewater and decontaminize the area affected in such manner as to make the land again suitable for cultivation in the year 1944. There is hereby authorized to be appropriated for such purposes the sum of $265,000.

Nothing in this act shall impose upon the United States any obligation, moral or legal, to maintain the dikes and levees repaired and reconstructed in this area or in any other area unless provided for by general law. The work shall not be undertaken until there has been formed under the laws of Ohio a conservation district covering the area in question and competent under the laws of Ohio to maintain the dikes and levees so repaired and reconstructed.

Mr. TAFT. Mr. President, the bill which is now before the Senate is a bill to appropriate $12,000,000 for the emergency reconstruction of levees in the district in the area west of the Mississippi River which has just been flooded. I certainly have no objection to the bill or to the relief which is to be furnished to those districts, and which is immediately necessary. However, I think the amendment I have offered is pertinent to this legislation. It presents a unique situation, and one which, so far as I know, exists nowhere else in the United States. On the shores of Lake Erie, some 50 or 60 years ago, someone threw up a mud dike. It redeemed from what might be called a duck marsh area approximately 2,300 acres of very fine farm land. In that area there has been developed what is probably some of the finest farm land in Ohio. No one was responsible for the dike. It was originally erected by private parties. Gradually within that area there grew up, in addition to the farm, a kind of village along the shore. In that village over 200 families were living. Approximately half of those persons worked in the city of Toledo. Almost half of them had 3- or 4-acre farms on which they lived, and which they cultivated. The remaining acreage was farmed in units which averaged approximately 75 acres in size. The other half of the people who lived at that point were fishermen.

Last summer, when Lake Erie reached the highest level it has ever reached, at least for the last 20 or 25 years, there was combined with that high-water level a storm which drove the water from the east end of Lake Erie. The water broke through that dike. It flooded all the area. It has driven out of the area 250 families, who can no longer live in their homes. The water still stands there, and occasionally has been added to by subsequent floods of from 1 to 2 feet of water over the entire area. So the land now is wholly useless for farming purposes.

Last summer I took up the matter. This situation developed just after the last Mississippi River flood, in connection with which there was a relief bill to which I would have offered this amendment. At that time, I took up the matter with those in charge of the President's emergency fund, with the Chief of Army engineers, and with other Government parties. I met with very considerable approval and desire to assist; but there was no legal method by which assistance could be granted. At that time Congress had adjourned.

As I have said, we went to those in charge of the President's emergency fund. We secured from Mr. Marvin Jones, the War Food Administrator, a letter which I will read in part. It sets out the condition and his recommendation that the money be granted from the President's emergency fund, if that could be done.

Mr. Coy, of the emergency fund, afterward felt he was not authorized to use the fund for that purpose. But I think Mr. Jones' letter is convincing. In the letter he says:

AUGUST 4, 1943.

Mr. HAROLD D. SMITH,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. SMITH: An emergency condition adversely affecting several hundred families and the food-production capacity of considerable acreage along Lake Erie in the vicinity of Toledo, Ohio, has been brought to our attention by Congressman HOMER A. RAMEY and Senator ROBERT A. TAFT, together with representatives of the local people affected. We understand the situation to be as follows:

An area known as Reno-Howard Farms bordering the lake some 20 miles east of Toledo was reclaimed for use and has been protected from the action of the lake for a

number of years. On July 6 a combination of considerable high lake level and high wind caused the lake water to breach the dikes which protected the community within the reclaimed area. Lake water inundated the area within the dikes driving out approximately 275 families, destroying crops, and destroying or damaging farm machinery and other property. Water is now standing up to 4 feet over a considerable portion of the area. There are approximately 2,300 acres of land and 275 families affected. Practically all the families are either engaged in small market gardening or farming. The land is intensely used and highly productive. About 800 acres of the land are operated by about 240 families, the heads of which are employed mostly in Toledo. These families operate tracts of approximately 3¼ acres, growing vegetables such as tomatoes, sweet corn, beans, and carrots, and raising poultry and poultry products, each such family supplying food for about 5 additional families. The remaining acreage is farmed in units averaging about 75 acres with the main crops thereon being potatoes, corn, sugar beets, soybeans, alfalfa, wheat, oats, and barley. Exceptionally higher per acre yields are produced. Before this land can be put back into production, it is necessary to repair the breaks in the dikes and unwater the area.

I omit a part, and then resume, as follows:

We are of the opinion that assistance in the rehabilitation of this area is well merited from the viewpoint of food production. We recognize, of course, that in rehabilitating the area there are advantages in addition to food production. Among these are health and sanitation, the reestablishment of the 275 families in their homes, and the protection of the main east and west United States highway.

In addition to these considerations, four commercial fisheries operate from the area, netting considerable tonnage of fish for nearby markets.

We recommend that, if the expenditure of Federal moneys from the President's emergency fund for assistance in works of this nature falls within an existing public policy, the necessary funds be made available to the War Department for the work necessary to rehabilitate the area. The Lucas County U. S. D. A. War Board, after considering the problems with the Ohio State War Board, has requested that consideration be given to the agricultural production in the area in reaching a decision with respect to rebuilding the dikes.

Representatives from the local area have informed us that as soon as practicable after the dikes are repaired the residents definitely intend to organize a conservancy district under provisions of Ohio statutes to insure the proper operation and maintenance of any rehabilitation works installed with Federal assistance.

Sincerely,

MARVIN JONES,
Administrator.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. TAFT. If the Senator does not mind, I should like to make a comprehensive statement. Then I shall be glad to yield.

Mr. CLARK of Missouri. Mr. President, I move to withdraw the bill from the consideration of the Senate.

Mr. TAFT. Mr. President, I do not yield for any purpose.

Mr. CLARK of Missouri. Will the Senator yield for that purpose?

Mr. TAFT. I do not yield for any purpose.

Mr. President, the objection raised to this project is that the Federal Government has never assumed responsibility for lake shores, as opposed to river shores. The distinction is made that although this is a flood, it is a lake flood and not a river flood. I am perfectly willing to admit that. As a matter of fact, the engineers have been directed to make a study of beach erosion on the lakes. It may be that 10 years from now the Federal Government will decide that lake shores of navigable lakes are just as much a Federal concern as are river shores of navigable rivers; but it has not done so, and the objection is made that if we do anything now, we shall be in some way committing the Federal Government to a general policy of looking after lake shores.

I respectfully submit that that is not the basis for this amendment. This is a war emergency measure, in order to put back into cultivation approximately 2,500 acres of good farm land, which can be done only in this way. It is peculiarly a special situation. We have appropriated Federal money for special disasters of one kind and another. We are today assuming many irrigation projects for the purpose of putting into cultivation throughout the Western States a great many small areas of land in order that more land may be brought under cultivation; and yet here are 2,500 acres of rich land which are put out of use by an act of God. It seems to me that this presents clearly a war emergency. Unless the work is done immediately, as the work desired by the Senator from Missouri on the rivers should be done, we cannot get this land into cultivation this year. It would serve a very essential and useful purpose.

It is said that this proposal would create a precedent. In order that it might not do so, I expressly inserted in the amendment the provision that it shall not create a precedent. I do not ask that it be considered as a precedent.

So far as I know, there is no other comparable situation in the United States, either on the Lakes or on the ocean. I asked Colonel Goethals, at the hearing on this bill before the Commerce Committee, the following questions:

Senator TAFT. Do you happen to know of any other situation exactly like this? That is to say, as I understand it, beach erosion is largely a question of wearing away of the land and the gradual demolition of houses and roads and so forth. Are there many occasions of this kind where land has been diked off the Lakes?

Colonel GOETHALS. No, sir. Not off the Great Lakes.

Senator TAFT. Is this about the only case that you know of?

Colonel GOETHALS. It is the only prominent case I know of without having made a complete survey.

Senator TAFT. You personally do not know of any others?

Colonel GOETHALS. I do not of my own knowledge; no.

Senator TAFT. Are there any such dikes off the ocean, protecting agriculture?

Colonel GOETHALS. In a much smaller sense, but I would say fishing property and fish houses and nets and so forth, rather than agriculture.

So far as I know, there is no other situation in which, off the ocean, or off the Lakes, there is any dike protecting an agricultural community.

There is one further ground for emergency consideration. The action of this flood has resulted in driving 275 families from their houses. The Federal Government is spending money to build emergency warehousing at a cost of about $3,000 a house. If we were considering nothing but housing, the total cost of this project would not exceed $1,000 per family residence, or per house. It is the cheapest way I know of to get war housing, if that were the only consideration in this situation. The houses are now unusable. One or two feet of water stands in all of them. They could be immediately restored to use.

I might add that the only ground of opposition of the War Department is that in some way we are departing from a general policy of the Congress that we shall not deal with lakes, but only with rivers. I do not wish to depart from that policy. But here is a special war emergency case, in which we can restore to cultivation 2,500 acres of needed land, and restore to use 275 houses which have been made unusable by an act of God and a tremendous weather condition which resulted in a flood.

A lake flood looks exactly like a river flood to anyone who sees it. The distinction is purely in the policy of the Army engineers. I respect the Army engineers. Naturally they are correct. They should adhere to the policy of Congress in spirit as well as in fact; and I do not question their opposition to this project. They say they can do the work. They have the material with which to do it, and it is perfectly easy for them to do it. They admitted in the hearings that they had the equipment on the Lakes ready to make restoration of this dike, and all they want is a declaration of policy by Congress. I wish to declare a policy for this particular case as a war emergency only. As I say, I do not think it in any way bears on the question of beach erosion. As a matter of fact, this is not beach erosion. It is a special and peculiar kind of flood which has no parallel, so far as I know, in the United States.

I am glad now to yield to the Senator from Louisiana. Following that, I shall be glad to yield to the Senator from Missouri. I yield first to the Senator from Louisiana.

Mr. OVERTON. Mr. President, I do not wish to ask the Senator from Ohio any questions. I reserve the right to speak on the amendment in my own time.

Mr. TAFT. I yield to the Senator from Missouri [Mr. CLARK].

Mr. CLARK of Missouri. Mr. President, I wish to claim the floor in my own right.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. CLARK of Missouri. Mr. President, I feel very much embarrassed by this procedure. I asked the Senator from Georgia [Mr. RUSSELL], the Senator in charge of this very important appropriation bill, to yield to me for the purpose of

asking unanimous consent that the pending measure, this very important appropriation bill, be temporarily laid aside for the purpose of taking up a bill with respect to which it did not seem to me there could be any possible opposition. It is a measure which passed the House of Representatives unanimously. It is so clearly in the interest of the national economy that it did not occur to me that there could be any possible debate, and I assured the Senator from Georgia that there would be no debate on the bill. Whereupon the Senator from Ohio offered an amendment dealing with an entirely different project, which has no possible connection with the measure for the consideration of which I ask unanimous consent. The Senator from Ohio has occupied the floor for a considerable time talking about the amendment. If the Senator from Georgia were to demand the regular order at any moment and take me from the floor, I should thank him very much for giving me the opportunity for bringing this matter up.

Mr. President, I have no objection to the proposal of the Senator from Ohio. As a member of the Commerce Committee, I should be prepared to vote for it. However, I assert that it is outrageous for the Senator from Ohio to barge in with such an entirely different and extraneous proposal when one and a quarter million acres of land along the Missouri and Illinois Rivers are under water at the present moment. I should much rather have the opportunity to withdraw the bill entirely, badly as we need the assistance and desperate as will be the situation unless this measure is passed, than to have the Senator from Ohio undertake to attach an entirely extraneous proposal to it.

Mr. President, I ask for a vote on the amendment of the Senator from Ohio. So far as I am concerned, if the amendment of the Senator from Ohio is attached to the measure, I shall be in favor of defeating the bill.

The PRESIDING OFFICER. Does the Senator ask for the yeas and nays?

Mr. CLARK of Missouri. No; I have not asked for the yeas and nays.

Mr. OVERTON. Mr. President, the amendment which has been offered by the Senator from Ohio was first called to my attention as a member of the Appropriations Committee several months ago. The Senator from Ohio came before the Senate Appropriations Committee, and requested an appropriation for the purpose of reconstructing the dike on Lake Erie which had been damaged. After he had made a presentation the members of the committee very correctly stated that there was no authorization for the project, and therefore they did not think they could recommend any appropriation for it.

I then suggested to the Senator from Ohio that if he would introduce a bill, and if it should be referred to the Commerce Committee, I, as chairman of the Subcommittee on Flood Control of the Commerce Committee, would give him as prompt a hearing as possible on his bill.

The Senator from Ohio introduced a bill which, so far as I can observe from a reading of it, is practically the same as the amendment which he has now offered. He appeared before the Subcommittee on Flood Control and brought witnesses. The whole matter was gone into. Before the hearing was held the matter was submitted to the Secretary of War and to the Chief of Army Engineers for a report thereon, because, traditionally, the Senate Commerce Committee does not authorize, and Congress does not authorize, a project unless it has first received the approval of the Chief of Engineers, and has been transmitted to the Congress under such a report by the Secretary of War.

The Chief of Army Engineers reported adversely upon the project. The subcommittee listened to the testimony and came to the conclusion that the bill should not be favorably reported, and so reported to the full committee. No favorable action was taken by the full committee upon the bill.

The Senator from Ohio now offers an amendment which, if favorably acted upon, would be contrary to the precedents of the Congress. He has offered an amendment which has been repudiated by the Chief of Engineers and by the Commerce Committee of the Senate. He is now trying to tack it on to this bill without any further consideration of it on the floor of the Senate. He is trying to tack it onto a very important and urgent bill which has been introduced by the Senator from Missouri [Mr. CLARK]. I respectfully suggest to my colleagues that the amendment be voted down.

Within a few days my committee will take up the omnibus flood-control bill, and I shall be very glad to have the Senator from Ohio appear again with his amendment. It will be reconsidered. I am quite sure, however, that he will not get anywhere with it unless the Army engineers make a favorable report upon it.

Mr. TAFT. Mr. President, obviously the Chief of Engineers will not make a favorable report upon the amendment, because it is not the policy of Congress to have the engineers do anything on lakes but only on rivers.

Mr. President, I should like to deal with the suggestion that it is something outrageous for me to submit an amendment to this bill. The Senator's bill is to get water off approximately 150,000 acres. How many acres are involved?

Mr. CLARK of Missouri. About a million and a half acres of the most valuable land in the world.

Mr. TAFT. The Senator's bill deals with floods where homes are under water, and where it is desired to rebuild the dikes and put the land back into condition to be used for farming. My bill has exactly the same purpose. The flood water from a lake looks like flood water from a river. Two hundred acres of Ohio farm land is just as good as 200 acres of Missouri farm land. The subject matter is exactly the same as that which the Senator is dealing with in his bill. It is germane to the issue. Of course, I am appealing from the subcommittee of the Senate Committee on Commerce to the Senate because from the beginning the Senator from Louisiana was opposed to the project. I have stated my position and he has stated his, and that is the question which I wish to submit to the Senate and have the Senate decide.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. OVERTON. The Senator is in error. I was not opposed to the project from the beginning. I made up my mind to oppose it after I had listened to engineers, and had heard the evidence submitted before the subcommittee.

Mr. TAFT. Yes; but the only opposition to the bill is on the ground that the Federal Government has assumed no responsibility for lake shores, and will assume responsibility only for river shores. That is the only reason for the opposition. I am perfectly willing to say that, as a general policy, the Federal Government should not for the present take over lake shores, although I think it will do so in the course of the next 10 years after the report on erosion has been presented.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. OVERTON. This is not a project relating to rivers and harbors, whether they be in the coastal areas along our seaboards or on the Great Lakes. It is not submitted to the Army engineers for a report thereon.

Mr. TAFT. The Army engineers, however, did not turn this proposal down as being economically unjustified. They turned it down only on the ground of policy, and I think the Congress can properly overrule that decision. The Army engineers took the position which they took only because Congress had said that they are not liable for such matters affecting lakes, and therefore they would not assume responsibility. I might say that if this project had been a irrigation project, or if the Irrigation Bureau had been involved, the engineers would have recommended the project in a hurry. But the Army engineers are properly considerate of the policy laid down for them to follow.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. TAFT. I wish to say one thing more, if I may, to the Senator from Georgia.

Before I offered the amendment, and before the Senator from Missouri made his last motion, I had told him that I intended to offer the amendment.

Mr. RUSSELL. Will the Senator yield?

Mr. TAFT. I showed him the amendment. I did not do so before his previous statement, but I did not bring the amendment in as a surprise.

Mr. RUSSELL. Mr. President, if the Senator will excuse me, I shall have to insist on the regular order.

Mr. TAFT. I think we are about through. I shall not take more than 3 minutes.

Mr. RUSSELL. Mr. President, the Senator from Louisiana has told me that he wishes to address himself to this question.

Mr. OVERTON. Mr. President, I believe that if the amendment is adopted it will establish a very serious precedent.

Mr. CLARK of Missouri. Mr. President, I should like to be recognized in my own right in order merely to express my very deep appreciation to the Senator from Georgia for his willingness to lay aside the very important appropriation bill, and permit this emergency matter to be taken up. Certainly not the Senator from Georgia, but the Senator from Ohio, is the one who has injected entirely extraneous matter into the present situation, and I wish to express my very deep appreciation to the Senator from Georgia for his kindness in allowing my bill to be taken up.

AGRICULTURAL APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4443) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 67, at the beginning of line 19, to strike out "$100,000" and insert "$420,000."

Mr. BUSHFIELD. Mr. President, on page 67, line 19, it is proposed to increase the item of $100,000 to $420,000 for Federal crop insurance liquidation, as I understand. Am I correct?

Mr. RUSSELL. The Senator is correct.

Mr. BUSHFIELD. Will the Senator please explain why it was necessary to increase the original amount to the extent recommended?

Mr. RUSSELL. The Budget estimates submitted to the House of Representatives carried in excess of $5,000,000 for continuation of the Federal crop-insurance program. The House of Representatives rejected the idea of continuing the crop-insurance program, and the Senate committee very reluctantly concurred in that action. However, in the Senate Appropriations Committee it was demonstrated beyond any peradventure that the House in applying the rule of thumb as to the amount necessary in the liquidation of the program had selected entirely too low a figure. There are approximately 300,000 crop-insurance policies already outstanding. The Senator is aware of the fact that some of them were for a 3-year period, and those policies will run through the fiscal year 1945. The Senate, therefore, allowed a sufficient sum to service those policies, but to liquidate the Crop Insurance Corporation in an orderly manner.

Mr. BUSHFIELD. I thank the Senator.

The PRESIDING OFFICER. Without objection, the amendment reported by the committee on page 67, line 19, is agreed to.

The next amendment reported by the committee will be stated.

The next amendment was, under the heading "Soil Conservation Service", on page 69, line 16, after the word "equipment", to strike out the colon and the following additional proviso: *"Provided further,* That in any case in which a State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil-conservation district in such State, the agreements made by or on behalf of the United States with any such soil-conservation district shall have the prior approval of such central State agency before they shall become effective as to such district."

The amendment was agreed to.

The next amendment was, under the heading "Land utilization and retirement of submarginal land", on page 71, after line 15, to insert:

EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL COMMODITIES

To enable the Secretary to further carry out the provisions of section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, and subject to all provisions of law relating to the expenditure of funds appropriated by such section, during the fiscal year ending June 30, 1945, funds appropriated by or for the purposes of section 32 of said act shall be available to the Secretary for the maintenance and operation of a school milk and lunch program under clause (2) of said section 32 in a sum not exceeding $50,000,000: *Provided,* That such funds shall be available for such purposes during the fiscal year 1945 without regard to the requirement therein relating to the encouragement of domestic consumption but no part of such funds shall be available to defray the expenses of any activity heretofore carried on by the Work Projects Administration.

The amendment was agreed to.

Mr. TAFT. Mr. President, will the Senator kindly tell me what happened to the authorization bill relating to agricultural and certain other matters?

Mr. RUSSELL. The authorization bill has been agreed to in conference, but the House has not yet taken up the conference report. The conference committee agreed on all except one amendment which is in disagreement, a minor amendment, and the Senate is waiting for the House to act. They requested the conference, and the House conferees will therefore be compelled to report to the House before the report can be considered by the Senate. I understand the debate on the so-called G. I. bill has precluded the opportunity.

Mr. TAFT. What was the agreement of the conference committee as to the Farm Security Administration and the school lunch program?

Mr. RUSSELL. The agreement of the conference committee was to limit the Farm Security Administration to 1 year instead of 2 years as proposed by the Senate and to limit the school lunch program to 2 years as provided in the Senate amendment.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The next amendment reported by the committee will be stated.

The next amendment was, under the heading "Marketing Service," on page 73, line 11, after the word "products", to strike out "$1,267,290" and insert "$1,271,290."

The amendment was agreed to.

The next amendment was, on page 78, after line 15, to insert:

LOANS, GRANTS, AND RURAL REHABILITATION

To enable the Secretary through the War Food Administration to continue to provide assistance through rural rehabilitation and grants to needy farmers in the United States, its Territories, and possessions, including (1) farm debt adjustment service, and making and servicing of loans and grants under this and prior laws, (2) loans to needy individual farmers, (3) grants, and (4) liquidation as expeditiously as possible of Federal rural rehabilitation projects under the supervision of the War Food Administration, $28,265,000, which sum shall be also available for necessary administrative expenses incident to the foregoing, including personal services in the District of Columbia and elsewhere; not to exceed $57,000 for compensation of experts without regard to the Classification Act of 1923, as amended; purchase of lawbooks, books of reference, periodicals, and newspapers; purchase, operation, and maintenance of motor-propelled passenger-carrying vehicles; and printing and binding: *Provided,* That the War Food Administrator shall transmit to the Congress semiannually a progress report with respect to the liquidation of Federal rural rehabilitation projects, under his supervision, showing by name and by States all dispositions of such projects, or parts thereof, together with the amounts of Federal funds expended in the process of liquidation, and any losses incurred in the use of such funds.

In making any grant payments under this act, the Secretary is authorized to require with respect to such payments the performance of work on useful public projects, Federal and non-Federal, including work on private or public land in furtherance of the conservation of natural resources, and the provisions of the act of February 15, 1934 (5 U. S. C. 796), as amended, relating to disability or death compensation, and benefits shall apply to those persons performing such work: *Provided,* That this section shall not apply to any case coming within the purview of the workmen's compensation law of any State, Territory, or possession, or in which the claimant has received or is entitled to receive similar benefits for injury or death.

For additional funds for the purpose of making rural rehabilitation loans to needy individual farmers, who are unable to obtain credit elsewhere at comparable rates for the area where such loan is proposed to be made, the Reconstruction Finance Corporation is authorized and directed to make advances to the Secretary upon his request in an aggregate amount of not to exceed $96,710,000. Such advances shall be made (1) with interest at not to exceed the rate of 3 percent per annum payable semiannually; (2) upon the security of obligations acceptable to the Corporation heretofore or hereafter acquired by the Secretary pursuant to law; (3) in amounts which shall not exceed 75 percent of the then unpaid principal amount of the obligations securing such advances; and (4) upon such other terms and conditions, and with such maturities, as the Corporation may determine. The Secretary shall pay to the Corporation, currently as received by him, all moneys collected as payments of principal and interest on the loans made from the amounts so advanced or collected upon any obligations held by the Corporation as security for such advances, until such amounts are fully repaid. The amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized and empowered to issue and to have outstanding at any one time under the provisions of law in force on the date this act takes effect is hereby increased by an amount sufficient to carry out the provisions of this paragraph.

None of the moneys appropriated or otherwise authorized under this caption ("Loans, grants, and rural rehabilitation") shall be used for (1) the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program; (2) the carrying on of any operations in collective farming, or cooperative farming, or the organization, promotion or management of homestead associations, land-leasing associations, land-purchasing associations, or cooperative land purchasing for colonies of rehabilitants or tenant purchasers, except for the liquidation as expeditiously as possible of any such projects heretofore initiated; or (3) the making of loans to any individual farmer in excess of $2,500; or (4) the making of loans to any cooperative association; or (5) the making of loans for the payment of dues to or the purchase of any share or stock interest in any cooperative association (except for medical, dental, or hospital services) or for any expenditure other than that deemed necessary, in the discretion of the Administrator, for the production of agricultural commodities.

The Secretary of Agriculture may expend funds administered by him as trustee under the various transfer agreements with the several State rural rehabilitation corporations only for purposes for which funds made available under this caption may be expended, and the limitations applicable to such funds shall also be applicable to the expenditure of such trust funds by the Secretary of Agriculture.

The appropriation and authorizations herein made under the heading "Loans, grants, and rural rehabilitation," shall constitute the total amount to be available for obligation under this heading during the fiscal year 1945 and shall not be supplemented by funds from any source.

No part of the appropriation herein made under the heading "Loans, grants, and rural rehabilitation" shall be available to pay the compensation of any person appointed in accordance with the civil-service laws.

Mr. BUSHFIELD. Mr. President, I should like to ask the Senator from Georgia for an explanation of the provision at the bottom of page 78, line 23, which reads:

(4) liquidation as expeditiously as possible of Federal rural rehabilitation projects.

Can the Senator tell us what is being done and what progress has been made in the liquidation program?

Mr. RUSSELL. I can give the Senator a general idea. Considerable progress has been made. Several thousand individual farm units have been disposed of. I cannot advise the Senator as to the exact degree of liquidation, but I can assure him that very definite progress has been made in liquidating the cooperating farm projects.

A very lengthy table which appears in the House report on page 982, shows that 5,422 units of these farms have been completely liquidated out of a total of 9,029.

Mr. BUSHFIELD. Leaving about 4,000 unliquidated.

Mr. RUSSELL. That is correct, that is farming units within the project. The liquidation has occurred, I may say, within the past year. It is accumulative, but Mr. Hancock, the present Administrator, is expediting the liquidation of these projects to a very great extent. 5,700 out of 9,029, or over 50 percent of them, have been sold and I feel that they are being liquidated as expeditiously as is consistent with sound business practice. Of course, we do not want the Government to sacrifice these lands by throwing them on the market.

Mr. BUSHFIELD. Mr. President, will the Senator yield further?

Mr. RUSSELL. I am glad to yield.

Mr. BUSHFIELD. Is the pay roll under that liquidation program decreasing to any extent?

Mr. RUSSELL. I cannot give the Senator the figures on that specific item in the Farm Security Administration, but I am sure the Senator will be delighted to hear that the total number of employees of the Farm Security Administration has been reduced from more than 19,000 in 1943, to 9,000 for the coming fiscal year.

Mr. BUSHFIELD. I am happy to hear that. Will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. BUSHFIELD. On page 79, in the same section, beginning on line 16, I read the following:

In making any grant payments under this act, the Secretary is authorized to require with respect to such payments the performance of work on useful public projects, Federal and non-Federal, including work on private or public land in furtherance of the conservation of natural resources.

Will the Senator explain what is intended by that provision?

Mr. RUSSELL. I shall be glad to do so. A number of years ago it occurred to me that it was an erroneous policy to give absolute outright grants to the people who were the beneficiaries of the farm-security program unless such grants were awarded in the case of flood or drought or some other extraordinary occurrence that destroyed their crops and impaired their means of earning a livelihood. I, therefore, wrote this provision in the bill to attempt to have the Secretary of Agriculture force all recipients of these grants to do some work somewhere before they received the grants. That is the purpose of that language.

Mr. BUSHFIELD. Has that practice been in force for some time?

Mr. RUSSELL. I first offered it, as I recall, to the appropriation bill 4 years ago. It has been in the bill for 4 years. I am frank to say it has not produced all the results I hope for, but it has at least in a great many instances required men to clean out fence corners or to rebuild terraces or do something else, so that in some degree they would be earning this money, rather than receive an outright grant.

Mr. BUSHFIELD. Will the Senator yield for a further question?

Mr. RUSSELL. I yield.

Mr. BUSHFIELD. Does that mean that the practice of the Administration in this set-up requires every individual who gets a grant to do some kind of work?

Mr. RUSSELL. No; it does not. It does not in disaster cases. I might say to the Senator I would have no objection to striking out the language if he has objection to it.

Mr. BUSHFIELD. I have no objection, but I want to find out what it is about.

Mr. RUSSELL. There are only $250,000 in the bill for grants, and the grants are to be reserved and restricted to disaster cases, so there will not be any outright grants next year. I think the Senator will agree with me that when we were making these huge grants it is better that the recipients perform some work.

Mr. BUSHFIELD. I only want to make sure that something is paid for the work of the individuals who are permitted to receive grants.

Mr. RUSSELL. I do not agree with the Senator's views as to that. I think they ought to do some work for all these grants. But that is not involved here.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee beginning on page 78, line 16.

The amendment was agreed to.

Mr. WHERRY. Mr. President, are the appropriations made here for all these rehabilitation agencies including the R. A. C. C.?

Mr. RUSSELL. The appropriations are only to liquidate the rehabilitation agencies.

Mr. WHERRY. The R. A. C. C. is under the Farm Security.

Mr. RUSSELL. It is under the Farm Security.

Mr. WHERRY. That is not in the bill?

Mr. RUSSELL. That is not involved in this amendment at all.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, under the heading "Farm tenancy," on page 83, line 4, after the word "act", to strike out "$750,000" and insert "$1,500,000."

The amendment was agreed to.

The next amendment was, on page 83, line 8, before the word "which", to strike out "$15,000,000" and insert "$20,000,000."

The amendment was agreed to.

The next amendment was, on page 84, after line 9, to insert:

WATER FACILITIES, ARID AND SEMIARID AREAS

To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes," approved August 28, 1937, as amended (16 U. S. C. 590r–590x, 590x–5), including the exchange, operation, and maintenance of passenger-carrying vehicles $1,025,000, of which not to exceed $11,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Rural Electrification Administration," on apge 85, line 8, after the word "reports", to strike out "$2,550,000" and insert "$2,750,000."

The amendment was agreed to.

Mr. BUSHFIELD. Mr. President, is the Senate now considering the amendment on page 85?

The PRESIDING OFFICER. The Senate is considering the amendment on page 85, line 8.

Mr. BUSHFIELD. I desire to ask a question about the next amendment.

Mr. WHERRY. Mr. President, I should like to go back to page 83 and have the Senator explain why there is an increase of the appropriation to $20,000,000 for the Bankhead-Jones Farm Tenant Act.

Mr. RUSSELL. The authorization for that item is $50,000,000, and that amount has been carried for a number of years. Last year we reduced it to $30,000,000. We did so because we did not feel that the Government should be engaged in buying a great deal of land at a time when we were trying to prevent inflationary prices of farm land. This year only $15,000,000 was allowed as compared with $50,000,000 for a number of years. We felt that it was really a little low so we added $5,000,000.

I might say the Government is not losing money on the land loans; there has not been any money lost on them at all, but there has been on some of the rehabilitation loans. It is a sound investment idea for the tenant farmer and the sharecroppers to have these loans. It is a step in the right direction.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 85, line 14, after "(U. S. C. 901–914)", to strike out "$20,000,000" and insert "$40,000,000", which sum shall be borrowed from the Reconstruction Finance Corporation in accordance with the provisions of section 3 (a) of said act and shall be considered as made available thereunder; and the Reconstruction Finance Corporation is hereby authorized and directed to lend such sum in addition to the amounts heretofore authorized under said section 3 (a) and without regard to the limitation in respect of time contained in section 3 (e) of said act; and the amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions hereof.

Mr. BUSHFIELD. Mr. President, I call the attention of the Senator from Georgia to the amendment on page 85, line 14. My recollection is that in the Committee on Agriculture, when we discussed this matter, everyone agreed, including those who were interested in the Rural Electrification Administration, that $35,000,000 was the amount satisfactory to everyone. I see that the committee has changed the appropriation to $40,000,000.

Mr. RUSSELL. I was not aware of any such understanding. When the legislative provision, House bill 4278, was before the committee, it was very apparent that the House had removed any limitation on the amount which should be made available for loans under the Rural Electrification Administration, other than the amount Congress might decide to appropriate. When the bill was pending on the floor, the fact was brought out in colloquy between the Senator from Nebraska [Mr. WHERRY] and myself, that there was no limitation on the amount to be available for making loans beyond what Congress saw fit to fix.

Mr. BUSHFIELD. That is true.

Mr. RUSSELL. We conducted hearings on this important activity. The officials of the R. E. A. appeared before the committee and suggested that a sum of $60,000,000 should be made available for loans. After investigating the matter, the committee decided that probably not more than $45,000,000 would be required, due to the scarcity of strategic materials which go into the R. E. A. projects. We reduced the fund by $5,000,000, and made $40,000,000 available.

Mr. BUSHFIELD. There were a number of letters in my desk from the Rural Electrification project people before we had the meeting in the Committee of Agriculture some time ago, all of them asking for a $35,000,000 limit, and I went away from the committee meeting with the feeling in my mind that everyone was tentatively agreed on that amount. So I was startled when I saw this increase of $5,000,000.

Mr. RUSSELL. I must absolve myself from the Senator having the feeling that $35,000,000 would be the maximum required, because I have in times past championed amendments on the floor of the Senate providing $100,000,000 for the R. E. A. loans, and that sum has been approved in the past. But the Senator need not be apprehensive that the Government will lose any money out of these loans. The rural electrification cooperatives have, with 2 or 3 exceptions, out of more than 900 in the country, anticipated the muturities of their loans. I do not think the Government will lose any money on the loans.

Mr. TAFT. Mr. President, recurring to the amendment on page 84, appropriating $1,025,000 to carry into effect the provisions of an act to promote conservation in the arid areas of the United States, and so forth, will the Senator tell me what the projects are and what that money is to be used for?

Mr. RUSSELL. The particular project is what is known as the little dams project, which has been in effect for a number of years. I think last year it was combined in the activities of the Farm Security Administration.

Last year the Senator from Arizona [Mr. HAYDEN], who has been the patron saint of this activity for some 8 or 10 years, decided that he would attempt to have it divorced from the Farm Security Administration, inasmuch as that Administration's life seemed to be somewhat uncertain. So he offered an amendment to make it a separate project, and that was done.

When the bill came to the Senate this year this provision was not in it. It had been eliminated by the House, along with the item for the Farm Security Administration. It does not involve any new activity or any new expenditure. It is merely set up in a different fashion in the bill, taken out of the Farm Security Administration, and the appropriation for the Farm Security Administration was reduced by the amount of this item.

Mr. TAFT. Is it for construction of dams for irrigation purposes?

Mr. RUSSELL. No; not for irrigation. It has to do with obtaining sources of water for stock in the arid and semi-arid areas. The Government supplies engineering advice. The engineers go out and blueprint the projects for the farmers, and in some cases farmers in years past, when there were grants for the Farm Security Administration, worked on the projects. I do not think the Administration ever spent the full amount appropriated, but Senators from the arid and semi-arid areas, including the Senator from North Dakota [Mr. NYE], the Senator from Arizona [Mr. HAYDEN], and the Senator from New Mexico [Mr. CHAVEZ], are more familiar with the details of the activity than I am, and they all say this is a very important and helpful service.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 85, line 14.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. RUSSELL. Mr. President, I have some floor amendments I desire to offer.

The PRESIDING OFFICER. The clerk will state the first amendment.

The CHIEF CLERK. On page 10, line 23, after the name "Columbia" it is proposed to insert "including the salary of Chief of Bureau at $10,000 per annum."

Mr. RUSSELL. Mr. President, this has to do with compensation received by Dr. Tolley, who is the Director of the Bureau of Agricultural Economics. I regret that it has been necessary to bring this amendment to the floor of the Senate for the past 4 years. That has been because of the fact that no legislation has been enacted to arrange for this and other unusual cases in the Department.

For a number of years Dr. Tolley was the head of the Agricultural Adjustment Administration, and received a salary of $10,000 a year. Under the reorganization of the Department of Agriculture, which was affected some 4 years ago, the activities and functions of the Bureau of Agricultural Economics were tremendously increased, and Dr. Tolley was transferred to that agency. This amendment has been offered on the floor for the past 3 years merely to preserve his present status. It does not involve any increase in his salary. It is necessary because of the fact that when the reorganization of the Department of Agriculture took place there was no statute fixing the salary of the head of the Bureau of Agricultural Economics.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Georgia.

THE CHIEF CLERK. On page 16, line 11, after the word "Administrator," it is proposed to insert the words "including the salary of the Administrator at $9,200 a year."

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Georgia.

The CHIEF CLERK. On page 49, line 12, after the words "Chief Forester," it is proposed to insert "at $9,200 per annum."

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Georgia.

The CHIEF CLERK. On page 59, line 12, after the figure "$200,000," it is proposed to insert the words "upon authorization or approval of the War Food Administrator, travel expenses to and from their homes or regular places of business in accordance with the Standardized Government Travel Regulations not to exceed $20,000, including travel in privately owned automobiles, of persons employed intermittently away from their homes or regular places of business as consultants and receiving compensation on a per diem when actually employed basis."

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Georgia.

The CHIEF CLERK. On page 63, line 6, after the figure, it is proposed to insert a comma and the words "together with not to exceed $40,000,000 of the funds appropriated under section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act and for other purposes," approved August 24, 1935; in all, not to exceed $290,000,000."

The amendment was agreed to.

Mr. RUSSELL. Mr. President, that concludes the administrative amendments.

Mr. CHAVEZ. I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 56, after line 19, it is proposed to insert the following:

POST-WAR PLANNING FOR FORESTRY

For the preparation, either independently or under cooperative arrangements, of detailed project plans for post-war public works, including, but not limited to, such activities as reforestation and revegetation, facilities for wood-waste utilization, construction of improvements, timber-stand improvement, and the control of rodents and forest-tree insects and diseases, on lands under the jurisdiction of the Department of Agriculture and on State, county, municipal, and private forest lands, $5,593,630. This appropriation shall be available for all necessary expenses, including personal service in the District of Columbia and elsewhere.

Mr. CHAVEZ. Mr. President, I would not now bring this matter before the Senate and in this way if I did not from the bottom of my heart believe in the necessity for obtaining the appropriation at this time.

During the past several months we have heard much talk about, and have made some appropriations for, global planning for the post-war period. Within reasonable limits that is fine. But we also need a little planning of that type for our own United States. That is what this proposal calls for.

None of us knows just what the situation will be after the war. Tro probability is that during the demobilization period private industry will not be able to absorb immediately all our veterans and war workers. It will then be necessary, therefore, for the Fedcral Government to undertake a rather extensive public-works program to relieve unemployment. In preparation for such an eventuality, it is my belief, and that of other members of the committee, that provisions should be made by the Congress for financing a minimum amount of advance planning.

During the hearings, the committee brought out that wartime demands have put a severe drain upon our forest and range resources, vast areas of which, even before the war, were in bad shape. The importance of these resources amply justifies the expenditure of a comparatively small sum, now, for the preparation of advance plans to rehabilitate them. The hearings also brought out that in the great unemployment period of a few years ago the Forest Service—the agency which Congress created to look out for our forest resources—did a magnificent job in cooperation with the States in providing highly useful work on our forest lands for thousands of C. C. C. boys and others badly in need of work. More than a million man-years of useful employment were thus provided during that period.

Consequently, the committee requested the Forest Service to prepare estimates covering the cost of planning the many additional worth-while public works which still need to be constructed on forest lands. These estimates were submitted to the committee by the Forest Service, and are to be found in considerable detail in the record of our hearings beginning on page 195 and continuing on page 537.

The Nation's goal should be to build up and maintain high productivity on a permanent basis. To that end it is important that our forest and range resources be restored as promptly as possible during the years following the war. We should therefore be prepared to undertake, without delay, constructive measures for reforestation, for better utilization of waste materials, for the protection of the watersheds of our navigable rivers, for adequate fire protection of the existing forests, for developing better ranges for livestock, for protecting our wildlife, and for otherwise obtaining better returns from the forest lands which constitute one-third of the area of this country.

Mr. President, I want Senators who are kind enough to be present and listen to what I am saying, to understand that one-third of the entire area of the United States is forest area. It is the one natural resource which should be protected for the future, for posterity, and for the boys we love to talk about and for whom we do so little. The time to begin planning and preparing the blueprints is not after the boys are disembarking in New York, or some city in Georgia or on the west coast. The time to be making plans is now.

The Forest Service is well equipped to administer and guide the post-war reconstruction and conservation of our forest lands. In the period following 1933, the Forest Service in cooperation with the States—as mentioned a moment ago—was able to employ large numbers of persons in constructive work on these lands. If the need arises, it can again undertake a greatly expanded program which will be of tremendous value and will at the same time provide extensive employment opportunities. However, as clearly developed during the hearings, the experience of the Forest Service and other agencies in carrying out the earlier public-works programs demonstrated the fact that a much better job could have been done with more careful and adequate advance planning.

In connection with all the good work which was done by the C. C. C. boys there was great waste of public moneys, because no previous planning had been done. The boys were sent to the forests of the West and the South and all over the country, and they had to be put to work immediately. Due to the fact that no previous planning had been done, quite a large amount of money was wasted.

For example, as Chief Forester Watts testified, serious losses took place in forest plantations during the earlier stages of the C. C. C. program because the boys had to be put to work before adequate soil surveys and other needed advance planning steps could be taken. This difficulty was overcome later, but if plans had been prepared well in advance, the expenditures subsequently involved in this and in other projects would have yielded much greater and more lasting benefits in the public interest. The lack of such plans not only resulted in a diminution of the public benefits, but the confusion arising out of the necessity for proceeding without adequate work plans also impaired materially the opportunity for providing maximum employment in the areas, and at the times most needed.

While the Forest Service no doubt plans as carefully as possible the programs financed from regular appropriations, the detailed planning of a greatly expanded work program obviously requires additional funds in advance of the anticipated need for furnishing employment.

That is the idea of the proposal contained in the amendment—plan now and be ready. All of this clearly shows that in view of general developments in the war situation, steps should be taken, now, to finance the preparation of detailed project plans for a post-war program on forest and range lands. As mentioned previously, the Forest Service, at the request of the committee, has prepared estimates to cover the preparation of such plans. I want Senators to follow me, because these figures and facts were obtained from persons who know. These estimates include the preparation of project plans for such activities as reforestation of denuded lands which are chiefly valuable for the production of timber. Present estimates indicate that there are

77,000,000 acres of forest land in this country so badly denuded that planting of trees on the major portion of the area must be undertaken if the lands are to be made fully productive. That area is greater than the combined areas of all the New England States, plus New York and Delaware. That is an enormous area of waste land.

Think of it Senators, 77,000,000 acres of badly denuded land. Is the Senate of the United States interested in that great problem? Will the boys who are coming back after having served in the armed forces be interested in that great problem? I think they will be interested in it, and I believe the Senate should also be interested in it.

Another activity is construction of improvements for fire control. More than 30,000,000 acres are still burned over annually due to lack of adequate fire control improvements and other fire-protection needs.

Think of it, Senators, 30,000,000 acres of our lands are burned over annually. Have we, as Senators, any responsibility in that connection? Have we any responsibility to the boys who are doing the fighting to take some action now in order to save 30,000,000 acres from being burned yearly?

The estimates also include preparation of project plans for the following:

Greater utilization of the some 65 percent of the forest growth which should be utilized but is now wasted. Only one-third of the forest growth that should be used now comes out as seasoned lumber.

Revegetation of range lands. As denuded forest lands need to be replanted to trees, so also is it necessary for denuded range lands to be reseeded. Thousands of acres of such lands need revegetation.

Mr. President, I could continue with dozens of other examples of work that needs to be done, and should be done, on our forest and range lands. All point clearly to the common-sense conclusion, which should appeal to the average Senator, that preparatory to undertaking such work advance planning is absolutely necessary if the work funds which will later be made available are to be expended economically and wisely. Are we going to have funds available later to take care of unemployment, to take care of the boys who are coming back from the war? You know we are, Mr. President. So, why not be intelligent now and be ready with a sound policy of protecting what belongs to all of us—the forests of the United States?

Authority to undertake planning is included in the organic acts under which the national forests were established and are operated, Sixteenth United States Code, pages 471 and 476; in the McSweeney-McNary Act, Sixteenth United States Code, page 581; in the Clarke-McNary Act, Sixteenth United States Code, page 564; and in the Norris-Doxey Act, Sixteenth United States Code, page 568–h. They provide for cooperation with the States in forest conservation and in other authority conferred on the Secretary of Agriculture.

I believe that most of the members of the committee join me in hoping that the Senate will approve this amendment, which will have a very important influence for us on future forest and range conservation in this country.

Mr. President, I have never been more sincere in submitting an amendment or in working for an appropriation than I am in the present instance. It is my studied opinion that out of the millions of dollars we have appropriated or will appropriate this afternoon, not one penny is more worthy of consideration than the amount called for in the amendment now before the Senate. The forests of the Nation are the greatest resource of the people of the United States.

I know that to have the Senate suspend the rule, in order to attach legislation to an appropriation bill, is contrary to the general method of procedure; but we are living in a different era. We should be thinking of the days that lie ahead, and should be ready to take care of the situation which will confront us then. I sincerely hope that the Members of the Senate who have been so kind as to listen to my remarks will approve of this amendment.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a summary of estimates for detailed project plans for a post-war forest and range conservation program.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

FOREST SERVICE—SUMMARY OF ESTIMATES FOR DETAILED PROJECT PLANS FOR A POST-WAR FOREST AND RANGE CONSERVATION PROGRAM, FISCAL YEAR 1945—PLANNING COST ESTIMATE

Hazard reduction and fire prevention: Planning includes reconnaissance on national forests, subsequent selection of areas to be treated and measures to be taken; preparation of instructions for work on specific projects; for prevention, includes drafting working drawings and specifications for exhibit fabrication (Budget project No. 3, fire control, etc.), $252,800.

Control of tree-destroying insects, diseases, and rodents: Planning consists of field surveys to determine location, nature, and extent of infested areas, and preparation of instructions for treating specific areas (Budget project No. 4), $60,000.

Timber stand improvement and general timber surveys: Item includes stand improvement thinning, pruning, and removal of undesirable species; surveys of timber growth and volume. Planning consists of establishing priorities and standards, selecting areas to be worked on, and preparing instructions for treatment by individual project areas (Budget project No. 5, timber use), $482,000.

Range reseeding, general surveys, and eradication of poisonous plants: Activity consists of reseeding national forest range lands, general surveys to secure data on forage and stock conditions, and eradication of poisonous plants. Planning includes reconnaissance to determine work volume and priority of action; developing standards of accomplishment and preparing instructions for treating individual project areas (Budget project No. 6, grazing use), $160,300.

Developing food and cover for wildlife, and general wildlife surveys: Planning consists of reconnaissance to determine critical areas; establish priorities and standards; outline measures to be taken and prepare instructions for treating individual project areas (Budget project No. 7, "Wildlife management"), $81,500.

Acquisition of land for national forests, mapping, etc.: Planning for acquisition consists of determining specific areas where Federal interest is paramount, and developing courses of action for prompt expansion or initiation of an actual purchase program; for mapping, consists of ascertaining areas for which aerial photographs and maps are required for protection and resource management and developing project plans for conducting a work program (Budget project No. 9, "Land-use management, etc."), $303,200.

Construction and betterment of improvements: Planning consists of surveying sites or routes, designing and preparing detailed engineering plans, specifications and material lists for all classes and types of national forest roads, structures, water-supply installations, etc.; in other words, making the blueprints for each improvement.

Improvements must be considered integrally with the cultural activity they serve even though appearing as a separate item for planning estimates. Roads and crew quarters are of course essential to protection, particularly in the extensive undeveloped areas of western regions. The access road, moreover, is often the first step in a stand improvement or planting project; buildings to house men, supplies, and equipment are frequently necessary before a nursery or plantation can be established.

Fences and water are the important physical controls in range management; fences and water developments are improvements, so these erosion-control measures and other range improvements are as necessary to better range practice as reseeding and other cultural treatments.

Improvements are likewise just the structural phase of all other forest land development measures such as providing wildlife food, picnicking grounds, and water-conserving devices.

It is extremely important, therefore, for detail planning for improvements to be conducted concurrently with that for the cultural aspects of resource protection and management of activities (budget project No. 11, construction of improvements, etc.), $3,449,830.

Reforestation: Planning includes reconnaissance and selection of nursery and plantation sites, preparing detailed plans and instructions for production or procurement of planting stock, site preparation and planting (budget project No. 12, reforestation), $304,000.

Total, national forests, $5,093,830.

On State, county, municipal, and private lands: Planning includes preparation of project plans for fire-control improvements, fire-hazard reduction, and reforestation (appropriations: forest-fire cooperation and farm and other private forestry cooperation), $500,000.

Grand total, Forest Service, $5,593,830.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

Mr. VANDENBERG. Mr. President, reverting to the pending amendment, first I wish to say to my very dear friend the Senator from New Mexico that I think he has made an exceedingly able presentation on behalf of the importance of and necessity for post-war planning in respect to forestry. However, I happen to be a member of a special Senate committee which is dealing with post-war planning as a concrete whole—the entire conception—and it seems to me that it is desperately important that there be some

central clearing house dealing with post-war planning projects, because otherwise the prospectus will become simply infinite, and utterly without limitation, without correlation, and without coordination.

The special Senate committee which was created for the purpose of setting up a central clearinghouse in respect to post-war planning has been constantly at work for many months. It is dealing with problems in the order of their priority of pressure, with respect to the time when the post-war problem must be actually confronted.

The question of public works in their various phases has not yet been fully canvassed. We have had some testimony on the phase of public-works planning, related, for example, to public roads. We have had testimony in other aspects of post-war public-works planning, but we are not as yet ready to make a general recommendation on the subject.

I have the feeling, with great respect for the argument made by the Senator from New Mexico, that it would be a very unfortunate thing if we were to start by piecemeal legislation to deal with the subject of post-war planning in the field of public works, because the whole purpose of the Senate in creating this clearinghouse and in initiating the effort which the so-called George committee is making, has been to minimize public works as much as possible as a reliance in the post-war period, so that the major reliance can be placed upon private enterprise to provide normal jobs in normal private enterprise on regular pay rolls. We accept the conception that there will be an interim need for public works; but, Mr. President, we reject the premise that public works should be the primary reliance of the United States in respect to post-war planning. Therefore we have undertaken the constructive effort to release private enterprise to the creation of post-war employment first. That does not rule out the necessity for creating a reservoir of essential public works, to take up any lag or sag in the interim before private enterprise can again get in motion.

However, I respectfully submit to my able friend from New Mexico that the public-works problem in respect to post-war planning should be taken up as a whole, and canvassed as a whole. Its segments should be allocated in respect to appropriations with a view to the over-all picture, and we should not proceed piecemeal to deal with it now.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CHAVEZ. I do not disagree with the Senator from Michigan that, if at all possible, private enterprise should take care of unemployment. I agree with him completely. But I insist that, whether we call it piecemeal or not, the responsibility of the Congress of the United States in taking care of a third of the area of the United States is our responsibility, and it is just as important as the idea of having private enterprise take care of unemployment, because it affects all the people.

I grant that private enterprise should be given the opportunity to take care of unemployment if it can do so in all instances; but private enterprise will take care of only a few, even from the unemployment standpoint. I am not approaching the question of taking care of forest planting now, or work in the forest reserves, from the standpoint of unemployment alone. That is only incidental to the large responsibility of taking care of public property. I do not believe that the program which I have outlined would in any way interfere with the larger program. Using diligence in getting to work through the appropriation of a small amount of money in a matter which affects every individual in the country would not interfere with the larger program. The third of the area of the United States about which I am speaking belongs to all the people of the United States, and I think we have quite a responsibility in connection with it. If we accept that responsibility now, we in no way interfere with the idea which the Senator from Michigan has in mind, and to which I agree.

Mr. VANDENBERG. Mr. President, I think there is no disagreement between us regarding the ultimate problem. I referred to the primary emphasis which the George committee has placed upon private enterprise with respect to post-war planning merely to indicate why we have not as yet reached a conclusive program in respect to public works. We have taken the problems in the order—in our view—recommended by the importance of the various factors. What I am now saying is that when we reach the point where there is post-war planning for public works, it should be approached with an over-all view in respect to all phases of public works which are related to post-war planning.

I concede that everything the Senator says about the importance of forestry in respect to post-war planning is true. I simply suggest that there are other equally important factors in post-war public works planning which should be part of the decision which the Senate makes in respect to post-war public works planning.

I invite the attention of the Senator to the fact that his own amendment says:

> For the preparation, either independently or under cooperative arrangements, of detailed project plans for post-war public works, including, but not limited to * * * reforestation—

And so forth. In other words, my able friend is presenting an amendment which on its face presumes to cover the entire post-war public works planning.

Mr. CHAVEZ. Mr. President, I am afraid the Senator from Michigan misunderstands the meaning of the words "but not limited to" in the amendment. They refer to activities such as reforestation and revegetation. There might be some other classes of work to be done within the forest areas. The amendment has nothing to do with the construction of a building which the Government might need in New York, Denver, Albuquerque, or Detroit. It has nothing to do with schools. It has to do only with matters which come within the scope of the Forest Service.

Mr. VANDENBERG. Mr. President, I do not wish to persist in any controversy with my friend from New Mexico regarding the importance of post-war planning for forestry. I agree with everything he has said with respect to its importance, and I am prepared to join with him in the proper forum at the appropriate time when post-war planning can be decided fundamentally and basically by the Senate. The Senate has a special committee which was created to function in that precise behalf.

Mr. CHAVEZ. Mr. President, I thank the Senator for his statement; but, once in a while, I became a little impatient—and I know that the Senator will pardon me for saying so—about proposals which are awaiting the appropriate time. Many sins have been committed by waiting for the appropriate time to do something. How many times have we neglected to do our duty by waiting for the appropriate time? I think the time is now. Why lock the barn after the horse has been taken away? The time to lock it is when the horse is inside. The time to get ready for the future is now. In my opinion, respectfully submitted with the Senator's permission, the time to take care of public property is now.

Mr. VANDENBERG. Mr. President, I am sure the Senator's conscience is entirely clear with respect to the amendment which he submitted, and I again say to him that I have no quarrel with him over the importance which he attaches to post-war planning for forestry. Forestry is one of perhaps 20 major divisions of post-war planning, the sum total of which the Senate had better take into account before it starts to make any special allocations of funds without knowing what the sum total is. After all, there is a limit to the resources of the American people which the Senate can commit to post-war planning, at home, abroad, or anywhere else. We had better have a conception of our total obligations before we start to build up that obligation without the essential knowledge regarding the over-all problem.

So, Mr. President, I am reluctantly forced to make the point of order against the amendment so that at least a two-thirds vote shall be required in order to pass it at this time. Then I shall join the Senator from New Mexico in the proper forum in order to achieve the results for which he has asked.

Mr. CHAVEZ. I thank the Senator. I think we have made progress.

The PRESIDING OFFICER. The point of order is sustained.

Mr. MURDOCK. Mr. President, I ask unanimous consent that the vote by which the committee amendment on page 53, in line 10, was agreed to, be reconsidered, so that I may offer an amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and the vote is reconsidered. The committee amendment is before the Senate.

Mr. MURDOCK. Mr. President, on page 53, line 10, I move that the amount

of $298,475 be increased to $323,475, which is an increase of $25,000 over the amount determined upon when the committee amendment was first agreed to.

I appeared before the subcommittee and made quite a lengthy statement on a very important problem which confronts Utah, Colorado, Idaho, Nevada, Arizona, and several other Western States. The problem has been caused by an overcrowding of our forest ranges, as well as the public ranges of the States to which I have referred, by an overpopulation of big game, principally deer and elk. Something must be done to relieve the overpopulation. While I was in Utah in April I was consulted by a group of livestock men, a delegation of sportsmen, State officials, and grazing service officials, telling me of the importance of the problem and the fact that it was becoming progressively worse.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. RUSSELL. The Senator from Utah appeared before the committee and presented this matter most earnestly. The committee was impressed with the importance of the subject matter, but concluded that if the work which the Senator has requested were to be done it should be done within the Department of the Interior by the wildlife agency. The Senator from Utah discussed the matter with me today on the floor and told me that he had looked into the matter, that the wildlife agency did not have the facilities for doing the work, and that the Forest Service had already done some work along this line.

Mr. MURDOCK. That is true.

Mr. RUSSELL. If my colleagues on the committee do not object, I have no objection to taking the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. MURDOCK] to the committee amendment on page 53, line 10.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. OVERTON. Mr. President, I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be stated.

The CHIEF CLERK. On page 66, line 11, after the words "same extent as other producers", it is proposed to insert the following: "*Provided further*, That the War Food Administrator is authorized and directed to make payments on Irish potatoes and commercial truck crops for fresh consumption under the 1943 agricultural conservation program with respect to any farm if the War Food Administration determines that the producer would have been eligible for such payments except for the failure of such producer, because of negligence of an officer or agent of the Federal Government, to file on or before June 30, 1943, Form ACP-140, and such payments shall be made out of funds appropriated for the purposes of section 32 of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935 (49 Stat. 774)."

Mr. OVERTON. Mr. President, I am directed by the committee to offer this as a committee amendment. The amendment explains itself, unless Senators desire further information with reference to it.

Mr. TAFT. Mr. President, how much money is involved?

Mr. OVERTON. About $5,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. OVERTON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments, and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4443) was read the third time, and passed.

Mr. RUSSELL. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. HAYDEN, Mr. TYDINGS, Mr. BANKHEAD, Mr. SMITH, Mr. NYE, and Mr. CAPPER conferees on the part of the Senate.

SHORTAGE OF FARM TOOLS

Mr. LANGER. Mr. President, last week I voted against the extension of lend-lease. One of the reasons why I voted against it was that some months after lend-lease went into operation, I visited Portal, N. Dak., a port of entry into Canada from the United States.

There I saw rubber-tired threshing machines, splendid up-to-date combines, and other fine farm machinery which is so badly needed by the farmers of the Northwest. They were about to be exported to Canada. Upon my return, I made an investigation. I have watched the situation, and have found that the exportation of farm machinery, farm tools, and farm-machinery repair parts to foreign countries has continued steadily since then.

I ask the Senate why farmers in Ethiopia, or in Latvia, or in any other foreign country should receive machinery which American farmers need so badly at the present time.

Two weeks ago today, Mr. President, I was in one of the large farm-machinery houses in Fargo, N. Dak. It is owned by Kelley Brothers. Scores of farmers were there, begging for farm machinery. But they were unable to obtain a single piece. Mr. John Kelley, the president of the firm, advised me that not only did he not have on hand any farm machinery of any kind, character, or description, but that he did not even have any repair parts, except for a few obsolete pieces, and that he did not have any second-hand machinery. He stated: "I have gone as far south and west as Oklahoma in an endeavor to get some machinery for the farmers of the Northwest, but it has been practically impossible."

To make matters worse, Mr. President, those in control in Washington announce they will continue these exports, not only during the war but after the war. These exports of farm machinery so badly needed by the farmers have been made under lend-lease. The farmers are paying taxes to send farm machinery to other countries, where after the war the machinery will be used by farmers who will be in competition with our own farmers. In my opinion, lend-lease was never intended for any such purpose. The farmers of America are perfectly willing, in my opinion, to have this country under lend-lease send to our allies munitions and articles to be used under purposes of war, because they know that in the majority of cases our allies are getting it. But our farmers certainly never contemplated that they would be taxed to supply foreign lands with binders and combines, drills and harrows, tractors and disks, and other farm machinery and farm tools so badly needed in this country, together with the rubber tires to equip them, while they went without.

In addition to my vote against lend-lease, at this time I wish to protest against the economic destruction of our farmers under the guise of lend-lease. In substantiation of my vote against lend-lease, I ask unanimous consent to have printed in the RECORD an article entitled, "Scandal Seen in Shortage of Farm Tools," which appeared in the Washington Times-Herald for Monday, May 15.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCANDAL SEEN IN SHORTAGE OF FARM TOOLS—W. P. B. "COVER UP" HIT AS POLITICAL MOVE

(By Philip Warden)

A farm-machinery shortage so serious that War Food Administrator Marvin Jones has refused to bring it out into the open for fear of the consequences to President Roosevelt's fourth-term ambitions was threatening yesterday to become one of the major scandals of the war.

Blamed for this farm-tool shortage that farm men say actually threatens international disaster on the food front" are farm machinery officials of the War Production Board who allegedly falsified production figures and the "big eight" of the farm-machinery manufacturers.

PROTEST DELAY OF PROBE

So serious is the situation that War Production Chief Donald Nelson is taking time off from his job of keeping war factories going to take a special trip to Detroit the first week in June with leaders of the national farm organizations to make a personal investigation. To the farm leaders' delay of the investigation until June is said to be dangerously long, probably too late.

MISS GOAL ON PLANTERS

As agricultural men viewed the situation, approximately 20 to 50 percent fewer farm tools have been produced than W. P. B. and W. F. A. assured the farmers would be produced during the winter for their use this year.

TRACTORS, COMBINES HIT QUOTAS

Only the production of tractors, 2 percent ahead of the announced goal, and large combines have been produced in anything like the promised quantities, which are far below actual requirements, the farm men said.

Leaders of the national farm organizations, suspecting that the New Deal agencies were hiding something in their farm-machinery production figures, Thursday sent Edward J. O'Neal, American Farm Bureau Federation president, to call on his friend, Administrator Jones, to "get the low down."

DISHING OUT GLAMORIZED REPORTS

According to the Washington Farm Reporter, a publication of the National Grange written by Agricultural Service Associates, a group of writers that work closely with leaders of all the major farm organizations, this is what took place:

"Could it be that the Farm Machinery Division of W. P. B. wasn't going to fulfill its program?" O'Neal demanded of Jones. "Could it be that it was dishing out glamorized reports?"

It not only could be, but was, said Jones. He called in one of his specialists to prove it. Saying that he would do everything in his power to "needle" W. P. B. into action, Jones flatly refused O'Neal's demands that he do something about it immediately.

He let it be known that the White House had strictly forbidden any interagency squabbles between now and November 7, and that it wasn't going to be the one to disobey White House orders.

O'Neal, according to the Farm Reporter, came away from W. F. A. boiling. He called an immediate conference of the other farm-organization leaders.

"A joint statement blasting the whole rotten mess wide open to the public view should be issued sooner than immediately," O'Neal reportedly told the farm men.

"Not so fast," retorted the other leaders. "Donald Nelson has been about the only big shot in the administration high command to give the farmers a break. Now, let's have a cozy chat with Mr. Nelson before we blow the wind."

And that's what happened. They visited Nelson's office Friday. According to their reports, he didn't beat about the bush. He heard the farm men describe the situation as they knew it. He listened to O'Neal accuse the W. P. B. Farm Machinery Division of falsifying production figures by reporting output in dollar value rather than in numbers of machine units. You can't raise corn with dollar signs, O'Neal reportedly shouted.

MACHINERY TRUST BLAMED

The farm leaders claimed the Big Eight among the manufacturers of farm machinery, referred to by W. F. A. specialists in their conversations as the Machinery Trust, are actually responsible for the failure of the farm-machinery industry to meet the announced production goals.

The farm men claim that last fall, when farm-machinery quotas were being established, the big manufacturers, in an attempt to hold their competitive market positions, asked W. P. B. for larger quotas than they could fill, taking the business from the smaller manufacturers that could have produced the tools.

LITTLE MEN AFRAID TO SPEAK

They knew at the time they couldn't fill their quotas, the farm leaders said, and it was apparent to the entire industry before February that they wouldn't meet them by a wide margin.

But the small manufacturers were afraid to complain, the farm men said, because they knew if they lifted their voice in criticism of the big companies, they would be driven out of business after the war. Marvin Jones knew about it, but he wouldn't squawk audibly for political reasons. Thus, they said, nothing was done.

Mr. LANGER. Mr. President, the people of this country are not satisfied about the giving away of our farm machinery under lend-lease. They are not satisfied about the action of our Government in building dams for irrigation purposes in many sections of the world where, after the war, farmers will raise agricultural products which will be in competition with the products raised by our own farmers. Road machinery, paid for by our taxpayers, has been sent and is being sent to the four corners of the globe, to build roads. Some of the roads so built are so wide that four automobiles can travel abreast. All that is being done to develop agricultural areas where farmers of foreign lands will raise products which will be in competition with those raised by our own farmers.

Once more, Mr. President, in behalf of the farmers of our country, I protest against these actions on the part of the administration. I repeat that they were never contemplated when the original Lend-Lease Act was passed. They were not contemplated when lend-lease was renewed, or when appropriations were made for additional funds for lend-lease.

Once more, on behalf of the farmers of our country, I protest these actions on the part of the administration, and repeat that they were never contemplated when the original Lend-Lease Act was passed; they were not contemplated when lend-lease was renewed, nor when appropriations have been made for additional funds for lend-lease.

This policy, if continued, will wreck agriculture in the United States. I know of no way to stop it, in view of the overwhelming vote given for the extension of lend-lease last week without any steps being taken to limit the amount of lend-lease to war materials; but on behalf of the farmers, I protest, and protest, and protest again against this Government giving away farm machinery to our competitors under the guise of lend-lease at the very time when our farmers are asked to produce the greatest crop in history and find they have little but old, worn-out machinery to do it with, and when the Selective Service System refuses to defer blacksmiths' assistants to help repair the worn-out machinery that our farmers so badly need.

PENSIONS AND COMPENSATIONS TO CERTAIN PERSONS RECEIVING RETIRED PAY

The PRESIDING OFFICER (Mr. ELLENDER in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 771) to provide for payment of pensions and compensation to certain persons who are receiving retired pay, which was, to strike out all after the enacting clause and insert:

That any person who is receiving pay pursuant to any provision of law relating to the retirement of persons in the regular military or naval service, and who would be eligible to receive pension or compensation under the laws administered by the Veterans' Administration if he were not receiving such retired pay, shall be entitled to receive such pension or compensation upon the filing by such person with the department by which such retired pay is paid of a waiver of so much of his retired pay and allowances as is equal in amount to such pension or compensation. To prevent duplication of payments, the department with which any such waiver is filed shall notify the Veterans' Administration of the receipt of such waiver, the amount waived, and the effective date of the reduction in retired pay.

Mr. JOHNSON of Colorado. I move that the Senate concur in the House amendment.

Mr. WHITE. Mr. President, will the Senator indicate what the House amendment is?

Mr. JOHNSON of Colorado. Mr. President, the bill provides that a person who is eligible to receive retirement pay or pension may designate whether he wishes the payment credited to pensions or to retirement pay. He does not receive both. He must take the one or the other, but he is given the opportunity of choice.

Mr. WHITE. Is that all that is involved in the Senator's motion to concur in the House amendment?

Mr. JOHNSON of Colorado. That is all.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado.

The motion was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS

A message from the House of Representatives by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

H. R. 3176. An act to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard, and to certain civilian employees of the military and naval forces of the Regular Establishment;

H. R. 3356. An act to increase the service-connected disability rates of compensation or pension payable to veterans of World War No. 1 and World War No. 2 and veterans entitled to wartime rates based on service on or after September 16, 1940, for service-connected disabilities, and to increase the rates for widows and children under Public Law 484, Seventy-third Congress, as amended, and to include widows and children of World War No. 2 veterans for benefits under the latter act; and

H. R. 3377. An act to increase the rate of pension for World War veterans from $40 to $50 per month, to $60 per month in certain specified cases, and for other purposes.

ASSISTANCE TO FARMERS DAMAGED BY FLOODS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 280) to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate amending the text of the resolution, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment, insert the following: "(not to exceed $1,000,000 in the case of

windstorms)"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate amending the title and agree to the same.

KENNETH MCKELLAR,
CARL HAYDEN,
MILLARD E. TYDINGS,
RICHARD B. RUSSELL,
GERALD P. NYE,
C. WAYLAND BROOKS,
Managers on the part of the Senate.
CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
Managers on the part of the House.

Mr. McKELLAR. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. Is there objection?

Mr. WHITE. Will the Senator indicate what the report provides?

Mr. McKELLAR. It will be recalled that the House passed a bill appropriating about $12,000,000 of unexpended balances for flood relief, largely in Missouri, I think it was alleged. The Senate adopted an amendment including relief for damage by windstorm. The House objected, and we took the matter to conference, and the House conferees agreed that a million dollars might be used for that purpose. The House has already adopted the conference report, and I ask that it be adopted by the Senate.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the report?

There being no objection, the report was considered and agreed to.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, I wish to announce to the Senate that it is my purpose to move a recess until Friday, when it is desired that the tax simplification bill be considered. I do not think that bill will take long, and probably we will also take up the legislative appropriation bill, which will not take much time, so that we may reach the call of the calendar on Friday, which we had intended to have today.

AUTHORIZATION TO THE COMMITTEE ON APPROPRIATIONS TO MAKE A REPORT

Mr. McKELLAR. Mr. President, in behalf of the Committee on Appropriations I ask unanimous consent that if the Interior Department appropriation bill is ready for reporting tomorrow, it may be reported to the Senate as of tomorrow. I also ask permission, if there may be amendments subject to a point of order, that I may file notice of motions to suspend the rules so that I may offer such legislative amendments.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. ELLENDER in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Miss Kathleen Molesworth, of Texas, for promotion in the Foreign Service of the United States of America, from Foreign Service officer of class 8 to Foreign Service officer of class 7, effective as of November 16, 1943; and

Tyler Thompson, of New York, now a Foreign Service officer of class 6 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Mr. Evorie Kirkham, to be postmaster at Delight, Ark., in place of G. L. Webb, resigned.

NOMINATIONS OF MIDSHIPMEN

Mr. WALSH of Massachusetts. Mr. President, I present a report from the Committee on Naval Affairs approving the nominations of sundry midshipmen. The list is long, containing nearly a thousand names of men who are now students at the Naval Academy, and who will graduate in a few days and be named by the President ensigns in the Navy and second lieutenants in the Marine Corps.

Rather than have the list printed and take up a large space in the RECORD, I ask unanimous consent that immediate action be taken on the nominations, and that it not be required that the names be printed in the RECORD.

Mr. WHITE. I take it these nominations would in any event be confirmed in ordinary course in a few days.

Mr. WALSH of Massachusetts. Yes. The list contains the names of the boys who have completed their courses in the Naval Academy.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts that the nominations be considered at this time? The Chair hears none, and the question is, Will the Senate advise and consent to the nominations?

The nominations were confirmed.

SECURITIES AND EXCHANGE COMMISSION

Mr. WAGNER. Mr. President, I submit a report from the Committee on Banking and Currency on the nomination of Robert Kendall McConnaughey, to be a member of the Securities and Exchange Commission for a term expiring June 5, 1949. I ask unanimous consent for the present consideration and confirmation of the nomination. This is a reappointment. The committee is unanimously in favor of the nomination.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination?

Mr. WAGNER. Mr. President, I may say that not only is the nomination unanimously reported from the committee, but the Senators from Ohio have endorsed the reappointment.

Mr. WHITE. Mr. President, I should like to ask a question of the Senator from New York. Is the appointee from the State of Ohio?

Mr. WAGNER. Yes.

Mr. WHITE. I understand that both Senators from the State of Ohio approve the nomination.

Mr. WAGNER. They do.

Mr. WHITE. I further understand that the committee has unanimously endorsed the nomination. Is that correct?

Mr. WAGNER. It is.

Mr. WHITE. I have no objection.

There being no objection, the nomination was considered and confirmed.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

THE NAVY

The legislative clerk read the nomination of James V. Forrestal to be Secretary of the Navy.

Mr. WALSH of Massachusetts. I move that the nomination be confirmed.

The motion was agreed to.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of John H. Brown, Jr., to be rear admiral.

Mr. WALSH of Massachusetts. I move that the nomination be confirmed.

The motion was agreed to.

The legislative clerk read the nomination of Lawrence F. Reifsnider to be rear admiral.

Mr. WALSH of Massachusetts. I move that the nomination be confirmed.

The motion was agreed to.

THE MARINE CORPS

The legislative clerk read the nomination of Arnold W. Jacobsen to be brigadier general.

Mr. WALSH of Massachusetts. I move that the nomination be confirmed.

The motion was agreed to.

The legislative clerk read the nomination of Leonard E. Rea to be brigadier general.

Mr. WALSH of Massachusetts. I move that the nomination be confirmed.

The motion was agreed to.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS TO FRIDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until Friday next at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 7 minutes p. m.) the Senate took a recess until Friday, May 19, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of May 9), 1944:

DIPLOMATIC AND FOREIGN SERVICE

James Espy, of Ohio, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

Paul H. Pearson, of Iowa, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

Franklin Hawley, of Michigan, now a Foreign Service officer of class 8 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

THE JUDICIARY

UNITED STATES ATTORNEYS

Cleon A. Summers, of Oklahoma, to be United States Attorney for the Eastern District of Oklahoma. Mr. Summers is now serving in this office under an appointment which expired February 12, 1944.

Frank S. Tavenner, Jr., of Virginia, to be United States Attorney for the Western District of Virginia. Mr. Tavenner is now serving in this office under an appointment which expired April 23, 1944.

UNITED STATES MARSHAL

Julius J. Wichser, of Indiana, to be United States marshal for the southern district of Indiana. Mr. Wichser is now serving in this office under an appointment which expired February 9, 1944.

IN THE NAVY

Capt. Matthias B. Gardner, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 19th day of July 1943.

IN THE MARINE CORPS

Whitman S. Bartley, a citizen of Illinois, to be a second lieutenant in the Marine Corps from the 29th day of October 1943.

George A. Phillips, a citizen of Missouri, to be a second lieutenant in the Marine Corps from the 12th day of January 1944.

The below-named citizens to be second lieutenants in the Marine Corps from the 4th day of February 1944:

George P. Blackburn, Jr., a citizen of Texas.
Wray C. Lewis, a citizen of North Carolina.
Philip H. McArdle, a citizen of New York.
Coburn Marston, a citizen of Maine.
Lawrence F. Snoddy, Jr., a citizen of Virginia.
David A. Brewster, a citizen of Maryland.
Clifford R. Buys, a citizen of Virginia.

Burtis W. Anderson, a citizen of Kentucky, to be a second lieutenant in the Marine Corps from the 2d day of May 1944.

POSTMASTERS

The following-named persons to be postmasters:

ALASKA

Crystal S. Jenne, Juneau, Alaska, in place of Albert Wile, deceased.

S. David Mazen, Nome, Alaska, in place of G. E. Mish, resigned.

CALIFORNIA

Augustine P. Madrid, Jamestown, Calif., in place of J. E. Nolan, retired.

Clifford E. Hammontree, Los Gatos, Calif., in place of Lee Darneal, retired.

COLORADO

Vida M. Roe, Avondale, Colo. Office became Presidential July 1, 1943.

FLORIDA

Frank A. Clement, Boca Raton, Fla., in place of M. C. Young, resigned.

GEORGIA

Viola Browning, Arco, Ga. Office became Presidential July 1, 1943.

Thomas C. Conley, Blairsville, Ga., in place of C. C. Earnest, transferred.

Leon M. Bleckley, Clayton, Ga., in place of W. R. Cannon, deceased.

HAWAII

Jacinth T. Correa, Wailuku, T. H., in place of Joseph Alves, deceased.

IDAHO

Betty G. More, Bayview, Idaho. Office became Presidential July 1, 1943.

ILLINOIS

Michael C. Appleman, Atkinson, Ill., in place of J. R. Freddy, transferred.

Walter H. Powers, Cambridge, Ill., in place of L. W. Hunt, deceased.

Valentin W. Streit, Eola, Ill. Office became Presidential July 1, 1943.

Walter J. Holt, Hanna City, Ill. Office became Presidential July 1, 1943.

Percy E. Bail, St. Elmo, Ill., in place of J. E. Pruett, transferred.

Joseph B. Casassa, Spring Valley, Ill., in place of W. E. Hollerich, resigned.

INDIANA

Harry W. Ohming, Michigan City, Ind., in place of E. W. Hanley, deceased.

Elsie E. Mitchell, Sweetsers, Ind. Office became Presidential July 1, 1943.

James L. Wall, Winchester, Ind., in place of C. A. Wall, retired.

IOWA

Harry J. Gleason, Sioux City, Iowa, in place of H. A. Gooch, resigned.

KANSAS

Sarah Zoe Alley, Derby, Kans. Office became Presidential July 1, 1943.

Thomas J. McCarthy, Lansing, Kans., in place of M. A. Hilgers, removed.

Dorothy E. Stewart, Nashville, Kans. Office became Presidential July 1, 1943.

Hudson O. Turner, Portis, Kans., in place of W. L. Brumbaugh, resigned.

Iona F. Helmke, Zenda, Kans., in place of I. M. Warrell, resigned.

LOUISIANA

Vesta T. Remont, Cut Off, La., in place of Lubin Mire. Incumbent's commission expired December 7, 1941.

MASSACHUSETTS

Henry R. Garvey, Chelmsford, Mass., in place of Patrick Haley, retired.

James F. Tobin, Salem, Mass., in place of T. W. Fitzgerald, deceased.

MICHIGAN

Evelyn M. Potter, Dundee, Mich., in place of M. E. Potter, deceased.

Bernice G. Closson, Freeport, Mich. Office became Presidential July 1, 1943.

MINNESOTA

Alma H. Hoff, Dalton, Minn. Office became Presidential July 1, 1943.

MISSOURI

Rolla Hayes, Clever, Mo. Office became Presidential July 1, 1942.

Kathryn M. Boemler, House Springs, Mo. Office became Presidential July 1, 1943.

Mabel L. Warren, Laredo, Mo., in place of G. R. Cooper, transferred.

NEBRASKA

Edith E. White, Du Bois, Nebr. Office became Presidential July 1, 1943.

George W. White, Fairmont, Nebr., in place of E. A. Hall, transferred.

NEW HAMPSHIRE

Helen M. Lowell, East Rochester, N. H., in place of B. F. Nixon, resigned.

NEW JERSEY

Hannah S. Roberts, Chews, N. J. Office became Presidential July 1, 1943.

Charles E. Hauck, Clayton, N. J., in place of J. H. Crane, deceased.

NEW MEXICO

Edward L. Manson, Clovis, N. Mex., in place of A. W. Hockenhull, resigned.

NEW YORK

Joseph T. O'Donnell, Elizabethtown, N. Y., in place of J. T. O'Donnell. Incumbent's commission expired April 24, 1940.

Thomas F. Gray, Niagara Falls, N. Y., in place of E. V. Canavan, deceased.

Richard S. Allen, Round Lake, N. Y., in place of A. O. Abeel, resigned.

Floyd D. Doolittle, Sidney, N. Y., in place of R. W. Siver, deceased.

NORTH CAROLINA

Alvah Early, Ahoskie, N. C., in place of R. H. Jernigan, resigned.

Russell Best, Calypso, N. C. Office became Presidential July 1, 1943.

OREGON

Mary E. Horn, Jennings Lodge, Oreg. Office became Presidential July 1, 1943.

Nettie J. Neil, Marcola, Oreg. Office became Presidential July 1, 1943.

Sister Rose Mercedes Armstrong, Marylhurst, Oreg. Office became Presidential July 1, 1943.

Arthur E. Lund, Warren, Oreg. Office became Presidential July 1, 1943.

Alice Jean Matteson, Wendling, Oreg. Office became Presidential July 1, 1943.

PENNSYLVANIA

George B. Wellington, La Belle, Pa. Office became Presidential July 1, 1943.

Arthur J. Haught, Lemont Furnace, Pa. Office became Presidential July 1, 1943.

Chauncey J. Cleland, Marion Center, Pa., in place of J. C. McCormick, retired.

Anna M. Fleming, Merrittstown, Pa. Office became Presidential July 1, 1943.

Eugene S. Colborn, Mill Run, Pa. Office became Presidential July 1, 1943.

Frank E. Kiefer, Mount Carmel, Pa., in place of W. J. Burke. Incumbent's commission expired June 23, 1942.

RHODE ISLAND

Bertha M. Brayton, Hope, R. I. Office became Presidential July 1, 1943.

SOUTH DAKOTA

Marie E. Hoven, Fort Pierre, S. Dak., in place of J. D. Cannon, deceased.

TENNESSEE

Homer E. Underwood, Farner, Tenn. Office became Presidential July 1, 1943.

Albert L. Shackelford, Oakville, Tenn., in place of I. R. Clinton, deceased.

Effie R. Overturf, Palmer, Tenn. Office became Presidential July 1, 1943.

Roxie Pratt, Scotts Hill, Tenn. Office became Presidential July 1, 1943.

TEXAS

Eugene Bottom, Abbott, Tex. Office became Presidential July 1, 1943.

Viola Rose, Allen, Tex. Office became Presidential July 1, 1943.

Clarice M. McDonald, Clarkwood, Tex. Office became Presidential July 1, 1943.

Robert L. Eaton, Comanche, Tex., in place of J. R. Eanes. Incumbent's commission expired June 23, 1942.

Marcus L. Beck, Darrouzett, Tex. Office became Presidential July 1, 1943.

Faye Underwood, Mercury, Tex. Office became Presidential July 1, 1943.

William H. Spratt, Mingus, Tex. Office became Presidential July 1, 1943.

Bertha E. Obrecht, Nome, Tex. Office became Presidential July 1, 1943.

Fred N. Bland, Orangefield, Tex. Office became Presidential July 1, 1943.
Jesse S. Jones, Redwater, Tex. Office became Presidential July 1, 1943.

VIRGINIA

Dennis L. Good, McGaheysville, Va. Office became Presidential July 1, 1943.

WASHINGTON

Carl T. Haskin, Almira, Wash., in place of J. L. Milner, deceased.
Orley B. Gwin, Benton City, Wash. Office became Presidential July 1, 1943.
Raphael H. Gossom, Clallam Bay, Wash. Office became Presidential July 1, 1943.
Harold F. Peugh, Harrah, Wash. Office became Presidential July 1, 1943.
Maude R. Joyce, Kingston, Wash. Office became Presidential July 1, 1943.
Lucy F. Bushnell, Napavine, Wash. Office became Presidential July 1, 1943.
Louis J. Rexroth, National, Wash. Office became Presidential July 1, 1943.
Carey W. Green, Outlook, Wash. Office became Presidential July 1, 1943.
Mary R. Creech, Vader, Wash. Office became Presidential July 1, 1943.

WEST VIRGINIA

Donal E. Woods, Cowen, W. Va., in place of W. S. Weese, resigned.
Seba J. Martin, Shinnston, W. Va., in place of F. F. Robey, resigned.

WISCONSIN

William Robert Johnston, Roberts, Wis., in place of Mary Hanley, resigned.
Ruth M. Bertolini, Walworth, Wis., in place of E. A. Peterson, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17 (legislative day of May 9), 1944:

DEPARTMENT OF THE NAVY

James V. Forrestal, to be Secretary of the Navy.

SECURITIES AND EXCHANGE COMMISSION

Robert Kendall McConnaughey to be a member of the Securities and Exchange Commission.

IN THE NAVY

TEMPORARY SERVICE

To be rear admirals

John H. Brown, Jr.
Lawrence F. Reifsnider.

IN THE MARINE CORPS

TEMPORARY SERVICE

To be brigadier generals

Arnold W. Jacobsen.
Leonard E. Rea.

IN THE NAVY

APPOINTMENTS IN THE NAVY AND IN THE MARINE CORPS

Kenneth V. Adams et al, midshipmen, to be ensigns or assistant paymasters in the Navy, or second lieutenants in the Marine Corps, from June 7, 1944.

(NOTE.—A full list of the names of the persons whose nominations were today confirmed may be found in the Senate proceedings of the CONGRESSIONAL RECORD for May 9, 1944, under the caption "Nominations" beginning with the name of Kenneth V. Adams on page 4190, and ending with the name of Lloyd K. Wyatt, Jr., on page 4191.)

POSTMASTERS

COLORADO

Harry R. Boles, Kersey.

IDAHO

Imelda B. Wimer, Cottonwood.

KENTUCKY

Charles M. Swim, Frenchburg.

NEW YORK

Elizabeth B. Murphy, Beacon.

WASHINGTON

Lavon B. Kelly, Zenith.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 17 (legislative day of May 9), 1944:

POSTMASTER

CALIFORNIA

Henry I. Hoirup, Bolinas, Calif.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 17, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who didst command the day to utter speech and the night to show knowledge, glory and honor be unto Thy holy name. In an age of weariness Thou hast put into the heart of man a living hope and caused him to bear hardships by enriching him with understanding and dynamic faith. Release us from the lesser gifts of time and sense that our desire for superlative strength may be vitalized, sounding in the depths of the soul. Oh shame us, if our inheritance of Thy blessed truth is neglected and unrealized—spiritual estates that we do not tread nor reckon.

We pray that the living current of the spirit of our Master may course through the arteries of our humanity, larger than patriotism, deeper than life, and braver than death. Thou didst see the affliction of Thy people when in Egypt and heard their cry; Thou didst make the blind to see and the lame to walk. Let us take this ancient truth unto ourselves and believe that Thou art still abroad on errands of mercy and deliverance. Grant that we may tell it while the worlds go by; tell it to those who propagate the false, and tell it to ourselves that God is here—a God of stainless right, clear, adequate, and unutterably sublime, who will lead forth His people from the dark dungeons of mind and body, weaponed with righteousness stronger than the seas and older than the suns. In the name of our great Shepherd. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. DILWEG. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from California [Mr. FORD] may extend his own remarks in the Appendix of the RECORD and include therein a recommendation from the board of directors of the Los Angeles Chamber of Commerce.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JURY TRIAL IN PROPERTY CONDEMNATION CASES

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WHITTEN. Mr. Speaker, I am very much interested in S. 919, which has been reported out of the Judiciary Committee and for which a rule has been requested. This bill provides for jury trial in cases where property is taken by the Federal Government. Particularly is this of interest to me since it affects flood control. Most people in this country, I find, are under the impression that a man is entitled to a trial by jury. Under the act providing for taking land for flood control, however, a man is precluded from having the determination of the value of his property made by a jury. This results in a commissioner's court that has proved very unsatisfactory in my territory and has resulted in many cases in people not getting the fair value of their property which has been taken through no desire of their own but through pressure of representatives of the War Department.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. MAY. There was a rather vicious provision written into the Tennessee Valley Authority Act which authorized the condemnation of property based on the decision of three Federal judges and does not allow the right of trial by jury, which I think is contrary to the Constitution.

Mr. WHITTEN. I may say so far as flood control is concerned it is a decision by three commissioners, not even three judges.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a very able address recently given by Rev. William J. Kelly, chairman of the New York State Labor Relations Committee.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

C. I. O. POLITICAL ACTION COMMITTEE

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks, and to include therein a letter from Pvt. Howard Creswell, of Madill, Okla.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. STEWART addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. JARMAN] may extend his own remarks in the RECORD and include therein an article from the New Orleans Times-Picayune.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. LAMBERTSON asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a recent news release of mine appearing in the Monroe County Democrat of Sparta, Wis.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. STEVENSON]?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. WOODRUFF] may have permission to extend his own remarks in the Appendix of the RECORD and to include therein an address delivered by Dr. Willard H. Dow, president of the Dow Chemical Co., at Midland, Mich.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address which I recently delivered.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. HOPE]?

There was no objection.

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution adopted last night in New York by the executive committee of the New York County Democracy, endorsing President Roosevelt for a fourth term.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I have a special order for Thursday to address the House for 10 minutes. I ask unanimous consent that this be transferred to Friday, May 19, 1944, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. REES]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

CONTROL OF STRIKES

Mr. HOFFMAN. Mr. Speaker, Attorney General Biddle seized Ward's so as to prevent the spread of strikes, so he said. The morning press carries the news that 66,000 workers have closed 14 Michigan plants engaged in war production.

Unless Secretary of the Navy Forrestal and Assistant Secretary Patterson of the War Department, who said that these men were needed in this work and should go back to work because of the impending invasion and the necessity for the production of war materials, watch their step, they will be branded by some labor politician as antilabor. Biddle might go over and see what he can do about these strikes if he is not too busy otherwise trying to establish a labor government.

We bomb German factories, but production here at home is held up without any help from Jap or German. The administration's labor policy—the immunity given strikers—is too high a price to pay for fourth-term support.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on three subjects and to include therein certain statements and excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ENGEL of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. ENGEL]?

There was no objection.

[Mr. ENGEL of Michigan addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. RANKIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 61]

Allen, Ill.	Eaton	Knutson
Anderson, N. Mex.	Ellis	Lea
Baldwin, Md.	Engle, Calif.	McCowen
Barry	Ford	McLean
Beall	Fulbright	Magnuson
Bell	Fuller	Manasco
Bender	Fulmer	Marcantonio
Bland	Gallagher	Merrow
Boren	Gossett	Morrison, La.
Byrne	Grant, Ind.	Morrison, N. C.
Camp	Green	Mott
Cannon, Mo.	Hartley	Myers
Capozzoli	Hébert	Norton
Carter	Holmes, Mass.	O'Konski
Chiperfield	Izac	O'Toole
Costello	Jarman	Pfeifer
Cox	Jennings	Plumley
D'Alesandro	Judd	Pracht,
Dies	Kean	C. Frederick
Dingell	Kerr	Randolph
Dirksen	Kilburn	Rogers, Calif.
Disney	King	Rolph
Durham	Kleberg	Sadowski
	Klein	Scanlon
Scott	Sundstrom	Winstead
Sheppard	Tolan	Wolfenden, Pa.
Sheridan	Treadway	Wolverton, N. J.
Simpson, Pa.	Weaver	Woodruff, Mich.
Smith, W. Va.	Wene	
Sullivan	White	

The SPEAKER. On this roll call 343 Members have answered to their names, a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an editorial from today's Washington Post and two articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a very inspiring letter which I received today from the Gold Star Mothers.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, concerning the death of Dr. William B. Bizzell, president of the University of Oklahoma.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, upon the subject of the indispensable man.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(By unanimous consent Mr. EDWIN ARTHUR HALL received permission to extend his own remarks in the Appendix of the RECORD.)

Mr. WEICHEL of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include an article of Spencer Canary, editor of the Sentinel Tribune, of Bowling Green, Ohio.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include an article from the Reader's Digest, by the gentleman from Texas [Mr. SUMNERS].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FEMALE PILOTS AND AVIATION CADETS IN THE AIR FORCES OF THE ARMY

Mr. SLAUGHTER, from the Committee on Rules, submitted the following privileged resolution (H. Res. 548) on the bill (H. R. 4219) to provide for the appointment of female pilots and aviation

cadets in the Air Forces of the Army, which was referred to the House Calendar and ordered printed:

House Resolution 548

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4219) to provide for the appointment of female pilots and aviation cadets in the Air Forces of the Army. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

RECOGNITION OF SERVICES OF CIVILIAN EMPLOYEES, CITIZENS OF THE UNITED STATES, ENGAGED IN AND ABOUT THE CONSTRUCTION OF THE PANAMA CANAL

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 549) on the bill (H. R. 1117) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, which was referred to the House calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1117) to provide for the recognition of the services of the civilian officials and employees, cititzens of the United States, engaged in and about the construction of the Panama Canal. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

TO AMEND SECTION 2901 OF THE INTERNAL REVENUE CODE

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 550) on the bill (H. R. 2539) to amend section 2901 of the Internal Revenue Code, which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2539) to amend section 2901 of the Internal Revenue Code. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the St. Louis Post-Dispatch of May 15.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

STATEMENT BY THE SPEAKER

The SPEAKER. Hereafter, when business is on the program and the Chair recognizes Members to proceed for 1 minute and to revise and extend their remarks, and then we call the roll to develop a quorum to go into the business of the day, the Chair would prefer not to recognize other Members to proceed or extend their remarks in the RECORD.

FEDERAL GOVERNMENT AID FOR THE READJUSTMENT IN CIVILIAN LIFE OF RETURNING WORLD WAR NO. 2 VETERANS

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1767), with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday an amendment offered by the gentleman from North Carolina [Mr. BARDEN] was pending and is still pending.

Mr. NEWSOME. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have returned to Washington from the middle of a very heated primary campaign in order to vote upon the G. I. bill of rights which is now under consideration.

In my judgment, if we can return to civil life in an orderly manner the millions of young men and women in our armed forces, and find the means of relocating the millions of war workers who are now away from their previous homes and who will probably have to seek different employment when the plant in which they are at present employed no longer is in war production, we will have gone a long way toward solving the many complex problems that face us in the future.

Government in our country is of the people, for the people, and by the people, and if, through proper planning and mature consideration, we can find the means to handle our social problems as applied to individuals, we can work our way out of all the other problems which confront us.

As a combat soldier with months of overseas duty in the preceding World War, I have a deep sympathy and understanding of the problems that lie ahead for those who are at this time in the combat zones and bearing the brunt of the battle. I think that this bill is a step in the right direction toward the return of these boys and girls to a normal civilian peacetime life.

Under title I of the bill under consideration, we seek to provide proper hospitalization and medical care for our disabled war heroes, and nothing we can do will repay them for their sacrifices.

We have the responsibility of restoring them to good health if possible, and must, in any event, prepare adequately for their care and their future welfare.

Under title II, we seek to provide educational advantages for those who have served in the armed forces for a minimum of 90 days. There is some limitation upon this title.

But for myself, I hold that much of the greatness of our country has come from the educational advantages granted to our people, and I prefer that we be generous in this respect so that all who want and need education may find it possible to obtain it.

Title 3 of the bill is really civilian rehabilitation, and in it we try to provide reasonable loans to aid our veterans in establishing themselves in homes, on farms, or in businesses.

It is my judgment that this clause will be tremendously beneficial in the preservation of the democracy of our Nation, and it is my belief that in addition to the provisions of this bill we will in additional legislation find it necessary to provide certain tax benefits which would apply to these businesses and other small businesses so that they might grow and eventually become big and important industries.

It is my understanding that legislation along the line of incentive taxation for the purpose of encouraging small businesses is being considered by another committee of the House.

This bill deals with the fundamental things necessary to a sound and prosperous nation, and this is the development of independence and character and thrift by furnishing opportunity so that in a nation ruled by law it will be possible for these young people who have fought the war to achieve, as the result of their own efforts, their own energy, and their own integrity, the position of financial stability and progress for themselves that has been true in the preceding generations of Americans.

I favor the passage of this bill, and, in spite of my own pressing campaign, I shall remain to cast my vote for it.

Mr. FERNANDEZ. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have before us for consideration an amendment to strike

from the bill the provision requiring veterans to prove their education was interrupted in order to qualify for the educational benefits of this bill.

I wholeheartedly share the sentiments so eloquently expressed by the distinguished gentleman from Mississippi, chairman of the committee, when he said on yesterday that millions of the boys now serving in the armed forces never had the opportunity to go to college or to high school, and that for the benefit of those boys the Administrator should recognize some of those little schools that teach the boys how to earn their living, how to do the things that they will have to do in the years to come, how to be mechanics, radiomen, craftsmen.

It would be impossible for many of those millions of men, who had to quit school in order to support their families, to bring themselves within the provisions of this bill; and to cut them off from these benefits, which in my opinion are the most important in this bill, would be unjust and would constitute class discrimination.

We have provided in this bill for unemployment benefits, but we have not required that they prove interruption of their employment by the war.

We have provided in this bill the guaranty of loans up to $1,500 so that soldiers may reestablish themselves in business, and we have not required them to prove that their business was interrupted by the war. No, we undertake to make it possible for each and every one of them to get unemployment benefits or to guarantee loans to reestablish themselves in business without any limitations.

It is very strange to me that every time we attempt to make it possible for those who need it most to get some training that they may be self-sustaining and may become better citizens, objection is made. Is it possible that there are still men who do not believe it good for the masses to obtain education and knowledge?

What are the boys in the fox holes going to think when they read that we have discriminated against them in the thing nearest their heart, the opportunity for training, the opportunity for knowledge, the opportunity for education, the opportunity for which they are fighting? The question will arise in their minds immediately: Are we fighting to perpetuate caste and privilege?

Those who have had the opportunity for some training, those who had the means to obtain education, have received commissions, have received better assignments, have received better treatment in the service. No one can complain of that, but when we turn around and add benefits to those who have already had the lions' share of privilege, and deny benefits to those who have been so unfortunate as not to be ready for such privileges, the morale of our fighting men will suffer.

The Senate wisely adopted this very amendment when the bill was before them for consideration. The argument is made that if we concur with the Senate in this respect, we will be undertaking such a load that it would wreck the program for veterans' readjustment. Yet the committee of the House enlarged the provisions of this bill by extending these benefits to those who have only served 90 days, whereas the Senate required service of 6 months. In my opinion both Senate provisions should be restored. If we are reaching the danger point, then let the benefits go to those boys who have spent months and even years in the South Pacific and in Italy and north Africa, and deny the benefits to that group which are enlisted so late that they will never see actual service on the battle front. If we are going to curtail the benefits in order to save expenses, then let us be fair about it and treat all servicemen who have had real service in the war on an equal basis, and not discriminate upon a class basis, the privileged few against the underprivileged many.

In supporting this amendment I firmly believe that I reflect the wishes of the people of my State, for New Mexico is, I am happy to say, school conscious. New Mexico is fully conscious of the fact that very little was done to bring knowledge and education to the masses of the people of that State during 60 years of American rule over that territory. Since Statehood, and particularly during the last 10 years of democratic administration in the State, great strides have been made in education. An equalization of law was passed giving the poorest county and poorest communities an opportunity to raise the educational qualifications of the people and thereby to raise the living standards of the people. During the war every effort has been made to continue that program and to retain and obtain properly trained teachers. Teachers' salaries have been increased in the last 2 years by 28 percent, and the State is prepared to go forward with its share of the responsibility. The teaching profession in New Mexico is recognized as a valuable and a vital part of the life of the state, and to them we look for greater progress, better health, higher standards, and a happier, more prosperous society.

The people of New Mexico would resent discrimination against a large proportion of their boys serving in the war, who because of lack of facilities, lack of opportunity, and lack of more encouragement, went to work at an early age instead of to school. In the strict sense of the term, those boys cannot prove that their education was interrupted. Many of them volunteered into the National Guard; faced the enemy at the very first attack. Most of them so volunteered before the war. Can it be said that as to them the war interrupted their education? Are they to be penalized?

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I think this is the most important amendment that will be offered during the consideration of this legislation, or at least one of the most important. I hope that since adjournment last evening every Member interested has read all of title II, and I hope many have read the President's message in which he outlined the purpose and need of this legislation.

If the Barden amendment is adopted and we strike out the lines which this amendment would strike out, we must admit we have completely changed the purposes of this legislation. It would then be an education bill, not a veterans' training bill. This is the sort of amendment I had in mind when I addressed the House last Friday. I cannot believe that the House will accept an amendment that will cost hundreds of millions of dollars, with only the limited debate permissible under the 5-minute rule, nor do I believe that the President of the United States will sign this bill if this amendment prevails. That is how far-reaching I believe the amendment is.

We must bear in mind that this bill is not a bill to rehabilitate the war disabled or those with vocational handicaps. It is not a case today of what we would like to do for the men and women now serving in our armed forces, but rather what we should do or what we can do, in fairness to all of the people. Sooner or later this Congress has to decide just how far we are going to go in granting benefits to men and women who serve in this war, who come back home better physically, mentally, and morally than they were when they were inducted, and I am not belittling any man's or woman's service when I make that statement; but, involved in this amendment is that issue. How much of the taxpayers' money are we justified in expending on a man who suffered no disability, incurred no handicap, who came back home with a broader vision, a broader outlook on life then when he went into the service?

Mr. JEFFREY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. JEFFREY. Is the gentleman able to tell the House what the position of the American Legion is on this point?

Mr. MILLER of Connecticut. I am not. The Legion wrote or approved the bill as reported by the House Committee on World War Veterans' Legislation.

Mr. MASON. Will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. MASON. We want to impress upon the House that the dollar we spend for the man that is physically able and comes back as good a man, or better than when he went into the service, cannot be spent on the disabled, and that our first responsibility is to the disabled.

Mr. MILLER of Connecticut. That is exactly my thought. For obvious reasons I hesitate to dwell on it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLER of Connecticut. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that the sum of $50 a month for a single man and $75 a month for a married man is too small to be any inducement to anyone except the man who is really trying to

secure an education? I feel the Barden amendment, or a similar amendment would help the older men who are trying desperately to get a complete education. I am afraid that under the committee provision it would be hard for the older men to get an education. If that could be done, I would be satisfied.

Mr. MILLER of Connecticut. I know it was brought out by the chairman of the committee, the gentleman from Mississippi [Mr. RANKIN], that the committee had considered the language very carefully. If they had wanted to limit this paragraph to only those who had left school to go into the Army they could have stopped with the words, "whose training was interrupted"; but instead of that, they put in additional language, so that a man who comes back and can show that his education was delayed, that he intended to take some kind of training, or perhaps because of his war experience he is now able and qualified to go further with his education, he will be provided for.

I think we must consider the word "education" not only as going back to college and degree courses, but the particular type of training that the gentleman from Mississippi referred to, vocational training. It is my contention that all veterans can get that type of training. But I want to cite the kind of cases that I do not believe we are justified in spending the taxpayers' money on.

Mr. RANKIN. Will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. RANKIN. In addition to the $50 or $75 a month, to which the lady from Massachusetts [Mrs. ROGERS] referred, there is also the $500 that would be an inducement to the colleges and schools to persuade these people to come and attend those schools.

Mr. MILLER of Connecticut. There is that factor to be considered. I believe nobody is going to question the fact that we are morally and in every other way obligated to see that those whose education or training, whatever that may have been—they may have been learning a trade, taking an apprentice training—whatever vocation or occupation they were following, we owe it to them to see that they are brought back to civilian life and given an opportunity to go on with that training.

Mr. BENNETT of Missouri. Will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. BENNETT of Missouri. Does not the gentleman feel there is real danger, if we adopt this broader amendment, there might be another economy wave brought about?

Mr. MILLER of Connecticut. That is the second note on my list and I want to get to it.

Mr. SCRIVNER. Will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from Kansas.

Mr. SCRIVNER. In other words, this opportunity to bring these men back to the position in which they would have been had it not been interrupted by their war service, is analogous to the disability allowance that is given to a man disabled in the service?

Mr. MILLER of Connecticut. Absolutely.

Mr. SCRIVNER. In other words, there would be no reason for giving every member of the armed forces a disability allowance if he had no disability?

Mr. MILLER of Connecticut. I cannot see any reason for it. Take the case of thousands of men between 38 and 45, many of whom left the service practically at the suggestion of the War Department, but many other thousands who asked to be discharged from the service for just one reason, namely, to go back into war industries where they would make unusually high wages. Does the Federal Government owe to them, who asked to get out of the service for that purpose, an opportunity to have 4 years of education or different kind of training? I do not think we owe them that, and I think we should consider it very carefully.

The gentleman referred to the Economy Act. I think I know what brought about the Economy Act—it was this—and it was not the fault of the House of Representatives, but in an effort to get needed legislation through certain concessions were made in conference and we adopted a rather hastily conceived disability-allowance law. The result was that in almost every city and town in this country men who had been injured in industrial accidents and automobile accidents, men who had recovered substantial damages through the courts or from insurance companies were drawing pensions from the Federal Government. The taxpayers saw this and such a wave of indignation swept this country that nothing could stop the Economy Act and the innocent and guilty suffered alike. If we open up this program and say that every man or woman serving in the armed forces for as little as 90 days could get a maximum of 4 years' training, the next step is going to be that we have got to do something for the people whose lives have been dislocated who answered the call to go into war factories, or possibly to come down to Washington to work. This will be turned into a general education bill to give a free education to every citizen, man or woman, who made any contribution to this war, and that would include every American citizen practically from 18 to 88.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. MAY. I think the principle the gentleman is discussing was carried out by the House in the enactment of the mustering-out pay bill.

Mr. MILLER of Connecticut. Very definitely.

Mr. MAY. Where we refused to allow some 650,000 men who had applied for discharges in order to take jobs in industry to receive the benefits of the bill. That I believe is a sound principle; and the House in a way has gone on record on it in the adoption of that bill; but there is one thing about which I do want some information; I am absolutely open-minded on it and I want to get my facts straight. As I understand the proposal it is to strike out the language in the bill on pages 52 and 53 beginning in line 21 of page 52.

Mr. MILLER of Connecticut. That is correct.

Mr. MAY. To the effect that any person who served in the military or naval services after September 16, 1940, and so forth. This proviso in my judgment puts the burden of proof on everyone who applies for this type of education that his education was retarded by his military service.

What would happen to a farm boy who did not get beyond the eighth grade when he was inducted into the Army? When he comes out can he show that his education was retarded by his service? And will he not be precluded from any benefits even though he serves 3 years?

Mr. MILLER of Connecticut. It all depends on how long he had been out of school. If the boy had definitely made up his mind that he was through with education of all kinds that would be one thing; if his schooling was actually interrupted that would be another.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut may proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. RANKIN. The boy to whom the gentleman from Kentucky [Mr. MAY], referred, would be taken care of.

Mr. MAY. That was not my question.

Mr. RANKIN. If his education was impeded, interfered with, or delayed, he would absolutely be taken care of.

Mr. MILLER of Connecticut. That is the opinion I formed from reading the hearings. I am sure the gentleman from Kentucky would not want to say that a man who had been out of school 15 years, had earned his own livelihood in the meantime, supported his family, should be sent back to school or that it would even be wise to have him go back to school for 3 or 4 years just because the opportunity were available. Many would take advantage of it, particularly if we have much unemployment.

Mr. MAY. Mr. Chairman, will the gentleman yield further?

Mr. MILLER of Connecticut. I yield.

Mr. MAY. When we inducted the 18-year-olds into the Army, to which I was very much opposed as long as I could oppose it, we tooks in lots of boys who never had gone beyond the eighth grade.

Mr. MILLER of Connecticut. That is correct.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. BARDEN. With reference to the boy whose case has just been discussed, suppose that boy had been out of school for 2 years and instead of his being on a farm he had been taking care of a widowed mother, or suppose he was a boy in

the mines or had been engaged in some other work and that boy had had to work for 2 or 3 years. He goes out and sees a lot of the world, lands on Anzio beachhead or possibly crosses the Channel, or something of that sort; and after his Army service he wants to go back to school. He cannot go because he cannot prove that his education was interrupted or impeded; yet the second lieutenant down here in the War Department who came out of some college in his junior or senior year, who fights the "Battle of the Potomac," stays here in Washington throughout the war, can step out and get 4 years' college and the boy who braved the bullets gets nothing.

Mr. MILLER of Connecticut. I cannot agree that there is any such limitation in the bill.

Mr. BARDEN. The gentleman just said he had to be in college.

Mr. MILLER of Connecticut. I did not say he had to be in college.

Mr. BARDEN. Or in school.

Mr. MILLER of Connecticut. I did not.

Mr. BARDEN. What did the gentleman say then?

Mr. MILLER of Connecticut. I quoted the language of the bill and tried to explain why the additional words were put in. If it is to be limited as the gentleman suggests there would be need for only one word in there, the word "interrupted." The committee had reason for putting the word "delayed" in there.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. It would strike me that if a boy had been out of school for any appreciable length of time, as much as 2 years, he would fall in a classification different from the one whose education had been actually interrupted or delayed. Pursuing that subject a little further, the gentleman from Kentucky suggested that in the mustering-out pay bill those people were excluded who left the service of their own volition. Could not the amendment offered by the gentleman from North Carolina be modified so as to exclude those men who left the service because they wanted to get back to the farm, to the factory, or to the mill? I do not like to see discrimination between young men merely because they were not fortunate enough at the time to be in school or be contemplating school, yet I think we should exclude those other people that you speak of.

Mr. MILLER of Connecticut. I would agree with the gentleman if that would be the interpretation the Administration would put on the bill. I do not believe we have any reason to feel we are going to get a tight administration of the bill. The character of education a person had received prior to his military service is a matter of record, and I believe the Veterans' Administration will interpret the act fairly liberally; I certainly hope so and I believe the committee hoped so when they wrote that provision.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to draw the attention of the House to the fact that many of the veterans who may apply for education will be those who have been ill or perhaps injured in the war, and who may not be able to establish the service connection of their disability. This bill will provide education for those men who have been injured or sick as a result of their service. It will not give them, however, the added benefits provided for in the education and training given to service-connected cases. Everyone who has worked for years, or even a short time, on veterans' claims knows that what I say is absolutely true; that there are many men who served in the First World War who today have never received recognition of the service-connected nature of their disability. Even these many years after the First World War persons are still working on those claims in an effort to establish the service connection. They are trying to see justice done to the veterans. This amendment to the Barden amendment will be a great boon to those men.

I want to point out again to the House that, to my mind, the small amount of maintenance—$50 for a single man and $75 for a married man—will be no inducement to veterans to take educational courses unless they have been struggling to do so during their lifetime and have great determination for education or training. Some of the older men in the armed services, as I happen to know, have been struggling very hard to get an education in the law but have not been able to do so because they could not make enough money to enable their families to live while they were taking the course. Some had saved up some money with a view to completing some college course, but, of course, with the war, that money has been used up in trying to care for the man's family while he was in the armed service. This would be a boon and a godsend to them. I want to be sure those men and women are taken care of. We must try to make things as simple as we can for them after the war.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. PACE. Mr. Chairman, I rise in support of the pending amendment and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. PACE]?

There was no objection.

Mr. PACE. Mr. Chairman, I refuse to subscribe to the philosophy being advanced on the floor this afternoon that to help the poor boy will bankrupt the Nation but to help the rich boy, even the one who is already a college graduate, is all right. Under the language reported by the committee, a man who has already graduated from college, one who has graduated from three colleges, now probably an officer in the armed forces, is entitled at Government expense to secure an additional course referred to as a refresher course, but that boy who in response to the appeal of the President or the Department of Agriculture or for other reasons was required to leave school and go to the farm or factory to work would not be able to get the benefits of this act. You cannot satisfy me by saying that you will have no strict construction of this act. So far as my duty is concerned I take the English language for what it means and refuse to legislate on the idea or hope that the administrator will give it a false interpretation.

Here is what you are about to do and I do not want to be a party to it. They are fighting today over in Italy, the country boy and the city boy, the lieutenant and the private. No doubt they are covering the shore lines of England waiting for the hour to invade. The House of Representatives is asked this morning by the committee to send word over to these boys that the House of Representatives today will pass a bill or has passed a bill, and the news will be flashed to the battle lines, by which those who were taken out of college, those who were taken out of schools, those who had a diploma on the walls in their homes, can get more education, but the boys from the farms, the factories and the mines of this Nation, who I say are making as fine and gallant soldiers as any, will not have the benefit of this legislation.

There is no need to dodge the issue. The simple question is this: If there is a boy who desires an education, who has served his country and needs it probably worse than the others, will he have an opportunity under this bill to get the benefits of it or not? If he should, you will support amendment offered by the gentleman from North Carolina [Mr. BARDEN]. If you want to say that only college graduates, the man who wants a refresher course, if you want to say only the boy who was taken out of school shall have these benefits, then you should vote against that amendment. When it comes to the question of the man who has an education or the one who has not, for my part I shall help those without an education.

Mr. BARDEN. Will the gentleman yield?

Mr. PACE. I yield to the gentleman from North Carolina.

Mr. BARDEN. The gentleman understands that this also applies to vocational training and apprenticeships? Those boys who come back may not have the job they had, perhaps it has vanished, and they want to be trained for another job. It covers apprenticeships and vocational training as well.

Mr. PACE. I thank the gentleman. The question of expense was mentioned and the attitude of the American Legion. If you will read the bill as it passed the Senate you will see there is no such limitation in it and I understand it had the endorsement of the American Legion. I also understand the costs were calculated upon that bill as well as upon this bill. This limitation is a child of the House committee and I ask you to strike it out.

The CHAIRMAN. May the Chair make the statement that in a perfect spirit of fairness, with the exception of members of the committee who have preference to recognition, the Chair will endeavor to alternate in recognition as between the two sides.

The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, every Member of this body knows that during the past few years it has been necessary for many businessmen, industrialists, and even farmers, to stretch the truth in order to stay in business. Unless this Barden amendment or a similar amendment carries, you are going to force many of our veterans who are now fighting on every battle front of the world to make misstatements in order to gain admission to the educational institutions and to take advantage of the educational provision in this bill. Mr. Chairman, because many of the younger veterans who never before had a chance because of financial condition to get the education they desired are going to be more anxious than ever to get an education or learn a trade when they come out of this war. I would hate to vote for any bill that would force or almost force a veteran to lie in order to receive equal treatment with the veteran who had the determination or the finances to go to school or to college before induction.

Many boys were taken from the farms, from the stores, the mines, and factories at an early age. Many of them could not qualify under the educational provisions of the bill as it is now written. It is very simple and anyone can understand that it would be impossible for many of thes boys who did want an education but were not able to get an education or to enter college before the war because of financial and other conditions, to qualify. I am going to make my position very clear. I say, Mr. Chairman, that I will not and cannot vote for a bill that is so glaringly inequitable to these veterans as is this bill in its present form. So I sincerely trust we can get this bill properly amended so as to provide just as much equality as is possible and feasible to write into it before passage.

I hear gentlemen on the floor talk about how much it is going to cost. Why, bless their souls, of course it will cost a lot of money, but it cannot be safely avoided. We have all voted for billions upon billions to prosecute the war, but they say: "Well, we have to do it. We have to vote for this because it is a war measure." Sure I agree, but permit me to say that the purpose of this bill is to help insure a lasting peace, if you please, which is also bound to cost a lot of money to win and to keep, and to prove to our veterans by deeds as well as by words that they did not fight in vain, that, as always, the folks at home are fair and just and appreciate the loyal service and great sacrifices which they made to bring victory and peace to America for all to enjoy. That, my friends, is certainly needed to insure lasting peace among our people here in America after our service men and women come marching home victorious.

So let us keep the peace when it finally comes, and may God hasten that day.

Mr. Chairman and my colleagues, this is the first time since I have been a Member of the Congress that I have stood on the floor of this House and asked that a bill be made more liberal so far as funds are concerned. But I think I am justified in doing it, in the interest of all.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

The gentleman who has just spoken reminded the House that they had voted billions of dollars for measures not so important. I would like to remind the House that it recently, under U. N. R. R. A., voted billions of dollars. The House did not accept my amendment which provided that the money should not be used for the control of religion and education in foreign countries so that billions may be spent for education of those in foreign countries. And I understand another bill will be acted upon which would provide a large sum for the education of persons in foreign countries. I would like to have the Members remember their votes in considering and voting on this amendment.

Mr. SPARKMAN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have listened with much interest to the various speeches made on this amendment. I have been very much interested in it, and I believe that it is a good amendment and ought to be adopted.

Yesterday I listened to the speeches made by two gentlemen who were opposing this amendment, and this morning I read those speeches in the RECORD. One of them was made by the gentleman from Kansas [Mr. SCRIVNER] and the other by the gentleman from Ohio [Mr. JEFFREY]. It seems to me that right between the viewpoints of those two gentlemen lies the difficulty encountered in the language as it is carried in this bill. According to the viewpoint of the gentleman from Kansas [Mr. SCRIVNER] almost any veteran could qualify under the language of the bill at present; in other words, it simply becomes a matter of that veteran certifying that his education was impeded, delayed, interrupted, or interfered with.

The gentlewoman from Massachusetts made a very pertinent observation in connection with the gentleman's discussion when she said that if that were the correct interpretation then there would be no difference in the provisions of the present bill and the Barden amendment. I think she is exactly correct in that statement that she made.

Immediately following the gentleman from Kansas, the gentleman from Ohio [Mr. JEFFREY] called our attention to the fact that if the Barden amendment should be adopted, it would increase the number of veterans affected twofold; that it would cost twice as much. Certainly if we take his viewpoint—and incidentally, he was quoting the estimate made by the Administrator of Veterans' Affairs—we must accept this language in the bill at present as a very definite barrier, and we must accept a strict construction of that language.

The gentleman from Connecticut who spoke a few moments ago said he believed that if a strict construction was placed on that language, then he would be in favor of some such provision as the Barden amendment. Yet, if we accept the testimony before this committee, as given to us by the gentleman from Ohio, relaying the testimony from the Administrator of Veterans' Affairs, who is going to administer this bill, then we must realize that this thing is going to be construed strictly, and if it is construed strictly, there is only one conclusion that we can arrive at, and that is that the boy who is honest, the boy who has been out of school prior to his being accepted into the service, regardless of the reason he may have been out of school, will not be able to qualify under the restrictive language in the bill.

This is not based upon rehabilitation; that is, it is not based upon disability as was the rehabilitation program following the last war. The question of disability or nondisability does not enter into the question at all; it is based simply upon service, honorable service, for a period of at least 90 days. The effect of this restrictive language in the bill can do nothing else except to bar, disabled and able-bodied alike, the veteran who was not in school when he entered the service. He may have been out of school for a variety of reasons. He may have been out of school because he was not financially able to go to school. He may have been out of school because of the necessity of staying at home to help produce food or help produce munitions. He may have been out of school because he had no interest whatsoever in school. Yet, he may have gone into the service; he may have been put into some type of training, such as aircraft mechanic, automobile mechanic, radar, radio, communications, or any one of a hundred different things that these boys of ours are learning, and he may have gotten a broader view and an inspiration to go to school. So long as the test is not disability, that boy ought not to be barred from the privilege of getting the benefits under this bill.

Mr. ROBSION of Kentucky. Mr. Chairman, I rise in support of the Barden amendment. The Director of the Veterans' Administration perhaps is correct when he says if the language to be stricken by the Barden amendment is left in the bill it will cut the benefits to the veterans 50 percent. In other words, he says if this language is taken out and is not in the bill, the cost of this program will be twice as much as it would be without this language in the bill. I do not desire to cut the veterans benefits 50 percent. I look upon this bill as a war measure. We have the guns, the tanks, the ships, and the planes to win the war but the important thing in winning the war is the spirit of the men behind the guns, the tanks, the ships and the planes. Our boys are now engaged in a desperate

struggle in Italy, in the Pacific and other parts of the world, and are about to open the bloody western front. What a wonderful message to send across the seas to our boys that the Congress and the American people are deeply grateful for their loyal, heroic, and patriotic service, and let them know when they return home that they will have the right to receive educational training in our universities, colleges, and schools, and mechanical and other training in our plants, factories, and on the farms so that they may improve their chances for success in life. How it will increase their morale that we are doing something real and substantial for them.

The Legion and the Veterans of Foreign Wars helped to prepare S. 1767, and that bill passed the Senate by almost a unanimous vote. The bill as originally introduced and approved by the American Legion and the Veterans of Foreign Wars did not have this limitation on education and training that was put in this bill by the Veterans' Committee of the House. There was not a word of limitation. Under the provisions of the House bill, a soldier or sailor of the present war cannot secure this training until he proves to the satisfaction of the Veterans' Administration that his education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into the military or naval service. The gentleman from North Carolina [Mr. BARDEN] has offered an amendment to strike this language from the House bill. If this language remains in the bill, the returning soldier or sailor will have to go through a lot of red tape, and in thousands of instances be subject to endless delays before he can avail himself of this training, and perhaps then he would not be able to satisfy the Veterans' Administration that his education or training had been impeded, delayed, interrupted, or interfered with by reason of his entrance into his military or naval service. In thousands of instances these delays will amount to a denial of these benefits, and it is admitted that at least one-half of these boys will be denied training if this language remains in the bill.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to my colleague from Kentucky.

Mr. MAY. The gentleman referred to the statement of the Director that this language would increase the cost of the bill 50 percent, but that simply means that without this language the number of those who will be enabled to take this training will be decreased to that extent.

Mr. ROBSION of Kentucky. Absolutely. I think it would show a lack of gratitude for the services of our defenders. Some of our colleagues, speaking against this amendment to provide this additional sum for the education and training of our boys, I have seen vote for the thirty billions or more of lend-lease to help people over across the seas, and they did not bat an eye when they were voting on the recent new program to rehabilitate people of Europe and in other parts of the world that will in the end cost billions of dollars. Let us not be niggardly today in voting for something to help rehabilitate our own defenders and our own people. I want every soldier and sailor when he comes home to have an opportunity if he desires to secure training for a professional career or as a mechanic, machinist, and in the various branches of agriculture, and the many other activities in our country.

While we may ration ourselves and we may buy bonds, the only persons who are making real sacrifices are the men and women in our armed forces. While others remain at home and are enjoying opportunities for training or in making money, these boys are away from their homes, their relatives, and friends, and are denied opportunities to make money or pursue other activities, and are offering their lives for us.

I indulge the hope that this Barden amendment that means so much to our fighting forces may be adopted and carry out the original purpose of the American Legion and the Veterans of Foreign Wars, and carry out this program as adopted by the Senate.

WARS ARE EXPENSIVE

The present World War will cost the American people more than four billion. Wars entail tremendous sacrifices in health and life. Perhaps more than 1,500,000 American boys will be killed, wounded, or broken in health. The real sacrifices, of course, will be borne by our defenders on the 5 continents and the 7 seas of the world. Hundreds of thousands of people will make tremendous profits out of this war. They will escape any real sacrifices. Those of us who are not called upon to make these sacrifices should be willing to do all within our power for those who do make these sacrifices and their dependent fathers, mothers, widows, and children. It is not good for the country for one part of our population to make and enjoy the profits and opportunities for advancement growing out of the war and the other part to do all the sacrificing. Let us all share in the burdens and sacrifices of the war. Let us make up to those who leave their homes, relatives and friends and opportunities by helping them in every way we can when they return, and care for those who are disabled in a substantial way and look after the dependents of those who sacrificed their lives. It may serve as a check on those who are anxious to get into wars to find out that war is expensive and all must help share the burden.

Mr. RANKIN. Mr. Chairman, I offer a committee substitute for the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. RANKIN as a substitute for the Barden amendment: On page 53, line 1, strike out the period following the word "profession" and insert a colon and the following: "*And provided further*, That any veteran who was not over 24 years of age at the time he entered the service, and who had been in school, or in training, within 2 years immediately prior thereto, shall be deemed to have had his education, or training, impeded, delayed, interrupted, or interfered with."

Mr. CUNNINGHAM. Mr. Chairman, I rise in support of the substitute amendment.

Mr. Chairman, I first want to say that your committee discussed for a long time the wording that is being sought to be stricken out by the Barden amendment. Your committee wanted every soldier to have an education who could qualify or was entitled to it. We did not want to be inequitable or to discriminate against a soldier. After hearing the testimony it was decided that this wording was sufficient. However, after hearing the arguments of certain Members here, possibly the wording in the committee bill is not strong enough. On the other hand, however, if the Barden amendment is accepted without the substitute, then we open the floodgates to everyone. Every officer from a lieutenant to a full general could take advantage of this provision and go to school for 4 years, regardless of how many schools they have already attended. Every officer in the Navy from the lowest ensign to a full admiral could go to school, under this provision.

Something was said a moment ago by the gentleman from North Carolina in making a comparison between the boys in the fox holes on Guadalcanal and those over here in the Pentagon Building. With his statement I agree. However, under his amendment the boys over here who are over 24 years of age and who have been in the service only 90 days, and have done nothing more, could go to school—I am talking about the ones in the Pentagon Building—for 4 years, just the same as the boys in the fox holes on Guadalcanal.

If the Congress wants to open the floodgates to everyone from the lowliest private, who should have this advantage, to the highest ranking officer of the Army, Navy, and Marine Corps, and permit them at their whim and at their will to go to school at the expense of the taxpayers for 4 years, well and good, but it is the purpose of the committee in its work to protect the soldier who is entitled to this education.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. RANKIN. The provisions that are now proposed are not coming from the veterans, they are coming from certain educational interests in the country. The original Legion bill contained this provision, "and whose education was interrupted by such service."

Mr. CUNNINGHAM. The committee bill broadened that wording.

Mr. RANKIN. The committee bill stated:

Provided further, That his education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into such service.

In other words, we have broadened it far beyond anything included in the original Legion bill. This amendment will certainly take care of all those young men about whom these gentlemen were talking a few moments ago.

Mr. CUNNINGHAM. I want to make it clear what the substitute does:

And provided further, That any veteran who was not over 24 years of age at the time he entered the service, and who had been in school, or in training, within 2 years immediately prior thereto, shall be deemed to have had his education, or training, impeded, delayed, interrupted, or interfered with.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Iowa.

Mr. JENSEN. This substitute amendment still forecloses those men who were not in school prior to their entry into the service from taking advantage of the benefits of this bill.

Mr. CUNNINGHAM. The gentleman's point is that a boy who never went to school at all, who had not had any schooling, would be barred under this substitute?

Mr. JENSEN. The substitute amendment reads:

And provided further, That any veteran who was not over 24 years of age at the time he entered the service, and who had been in school, or in training, within 2 years immediately prior thereto.

What if the boy had been out of school for 2 years and 1 day?

Mr. CUNNINGHAM. He would not be included under this substitute.

Mr. JENSEN. Of course he would not.

Mr. RANKIN. But he would be included under the other provision. If he could show that it was his intention to go to school more, that his education had been delayed, this provision would cover him.

Mr. JENSEN. The chairman of the committee, in whom I have the highest confidence and for whom I have the highest regard, knows that they are going to have to stretch the truth, they are going to have to do some tall side-stepping, and possibly some lying, to come under those provisions. I do not want a veteran to be put in the position of having to do that.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CUNNINGHAM. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. I would be in favor of this amendment if these words were stricken:

and who had been in school, or in training, within 2 years immediately prior thereto.

Mr. CUNNINGHAM. And limit it to all those under 24 at the time they went into the service?

Mr. JENSEN. Yes; I would go along with that.

Mr. RANKIN. As far as I am individually concerned, I would have no objection to that change, I may say to the gentleman from Iowa.

Mr. CUNNINGHAM. I would not, either.

Mr. RANKIN. I was saying to the gentleman from Iowa who is now addressing the House, one of the ablest members of the committee, I would say——

Mr. JENSEN. I agree perfectly. We have counseled a great deal about this bill.

Mr. CUNNINGHAM. To which gentleman from Iowa is the gentleman referring?

Mr. JENSEN. I am talking about that gentleman from Iowa [Mr. CUNNINGHAM].

Mr. RANKIN. Oh, I am talking about both of them.

So far as I am concerned, I say to the gentleman from Iowa [Mr. JENSEN], I am willing to accept that change, and the gentleman from Iowa [Mr. CUNNINGHAM], who is really the author of the amendment, says he is willing to accept it.

Mr. CUNNINGHAM. The purpose of the entire committee, as well as of every individual member of the committee, is simply to give these boys who are shedding their blood for us and who are willing to shed their blood for us, an education if they want it. We do not want any restrictions. But, on the other hand, we do not want to open the floodgates for those who either did not want to go to college or failed to go, to go at the expense of the taxpayers. That is what the amendment of the gentleman from North Carolina would do. It opens it to everyone. A man sees this and says, "Oh, well, here, I can get $75 a month to live on and go to school and have a good time." That is not what we want. We want to help the soldier who is deserving. I accept the suggestion of the gentleman from Iowa [Mr. JENSEN], to strike out the two words to which he referred.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield? The gentleman was a trial judge advocate for a time in the First World War. The gentleman had a very distinguished war record.

Mr. CUNNINGHAM. I yield.

Mrs. ROGERS of Massachusetts. I would like to remind the gentleman if you include the older men and make it more difficult for them under the provisions of the bill, it will be very difficult for those men to establish the fact that their education was interrupted or delayed or impaired, in trying to get an education. But if they had a lot of people to help them in that work, just as the man often has in trying to establish service connection, he may get the education, otherwise he will not get justice. A lot of lawyers may be employed to help him. The Barden amendment is a more just provision for the veterans.

Mr. CUNNINGHAM. I appreciate that. The gentlewoman's observation is simply this: Shall we open the gates to everyone or shall we try to open them to the ones who are deserving and within the proper age limit to get this education?

Mrs. ROGERS of Massachusetts. I do not think the gentleman has interpreted my idea correctly. I think that under that amendment you are offering them an education on the one hand and with the other taking it away from them.

Mr. CUNNINGHAM. No; the only question is, Are you going to open it to everyone, regardless of their rank, age, and so on, or are you going to try to give it first to the ones who are most entitled to it?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. WRIGHT. I just want to know if the gentleman intended to remove those restrictive words or that phrase from his amendment?

Mr. CUNNINGHAM. The substitute as offered by the gentleman from Mississippi does not delete anything from the bill, but only adds to it.

Mr. WRIGHT. I am talking of the phrase, "who has been in school within 2 years," and so on, if those were the exact words.

Mr. CUNNINGHAM. We intend to take that out.

Mr. WRIGHT. You will take that out?

Mr. CUNNINGHAM. Yes.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. CUNNINGHAM] has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to modify the amendment, as suggested by the gentleman from Iowa [Mr. JENSEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The clerk will report the amendment offered by the gentleman from Mississippi, as modified.

The Clerk read as follows:

Amendment offered by Mr. RANKIN as a substitute for the Barden amendment: On page 53, line 1, strike out the period following the word "profession" and insert a colon and the following: *"Provided further,* That any veteran who was not over 24 years of age at the time he entered the service, shall be deemed to have had his education, or training, impeded, delayed, interrupted, or interfered with."

Mr. BARDEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a red herring and I hope the committee will stop and analyze it before we act too quickly. You still have the same objectionable features in the bill. You still have the same objectionable requirements in the bill and the only thing this amendment, as now drawn, does is simply to make it, if anything, a little tighter. If you are going to put this full amendment in there that the gentleman from Mississippi has offered, you might just as well abolish the provisions that pertain to the apprentice schools and to those boys who come out with a new vision and want to learn how to be airplane mechanics, that they have talked about, or radar men, or wherever they want to be. You have not removed a single objectionable feature. You have just added another objectionable feature by this amendment. And you cannot get away from that. Now the gentleman from Mississippi made the remark a while ago that the amendment which I offered did not

come from the veterans. I want to say to the gentleman I am a veteran and have been a member of the American Legion just as long as he has, so far as that is concerned. No educator prompted my amendment. But had one of them dictated it or had the Legion dictated it and had it not had good sense back of it it would not interest me so far as that is concerned. So far as the national committee of the American Legion or any other group sitting here in Washington and dictating to me is concerned, that is out and they do not expect it. Why, they make mistakes. I do not care whether the Legion prompted this wording in the bill or not. I have no authority for saying either way. But I will say this, if they wrote that provision in the bill it is the first time I have ever seen them do anything that I was ashamed of.

We have been writing a bill and it has been said many times that we were writing a veterans' bill. Are we writing a veterans' bill or are we writing a bill for a few veterans? Now, this is not the place to economize. Let me remind you that this bill is going to cost money, a lot of money, but this is not the place to economize. If you want to economize on this bill, then you can cut down the length of training that the men are to get or the length of schooling that the men are to get, but for heaven's sake, and in the name of fairness, honesty, and justice, let us not put a provision in here whereby the Veterans' Administrator will hold in his hands the power to say whether this man can go or whether this man stays home, and separate them in that way. Why, the amendment of the gentleman from Mississippi makes it worse than it was before, because the Administrator is going to adopt that language as his rule and guide to determine which man he shall accept and which he shall reject. Now I will admit, at first blush, when it was shown to me, it had a lot of good-sounding words in it. And then when I analyzed it, I found it is worse than it was before. The amendment that I offered was a simple, plain, common-sense amendment to take from the Administrator's hands, or any other man, who might succeed him, the right to pass upon the destiny of these men that are now fighting. Oh, they say something about Kimmel and Short. They are going to be busy when this is over with. They will not have time to go to school, so far as that is concerned. But with reference to the claim that some of these officers will want to be trained, we have high-standing officers in this Army. They are not going to abuse this law and when they go to school they must make good records. Their grades must be good. Their standing must be good. After all, this country is going to experience the worst educational deficit after this war is over that it has experienced in 100 years. France experienced it after the last war and they never got off their knees from the last war to this one.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield briefly.

Mr. VORYS of Ohio. In what age group will this educational deficit take place? Will it not be in the age group described by this substitute amendment?

Mr. BARDEN. Most of them. But let me remind the gentleman that this war has been going on already for 3 years. It has been going on for 3 years, and many boys who were perhaps 20 or 21 years of age and who were attracted by the money went into these plants.

But suppose a man is 25 years old, and he wants some apprentice training—I say apprentice training, or any other kind of training.

Mr. JEFFREY. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. JEFFREY. Is it not the gentleman's understanding of the bill, irrespective of his amendment or the substitute, that anybody is entitled to a year or refresher or retraining, regardless——

Mr. BARDEN. You are not entitled to any more than you can prove under this provision that will give you the right to have the training.

Mr. JEFFREY. Surely the distinguished gentleman does not contend——

Mr. BARDEN. I contend that I can understand the English language, and if these words do not require him to prove to the satisfaction of the Administrator those things that are set out, then I do not understand the English language. You might be able to amend the wording of the Rankin amendment and improve it, but as it is it is very objectionable.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. BARDEN] has expired.

Mr. JEFFREY. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise in support of the substitute which has been offered by the gentleman from Mississippi [Mr. RANKIN]. First, I should like to point out that I believe the distinguished gentleman from North Carolina [Mr. BARDEN] has made a very violent error in his construction of the language with respect to the 1 year of training. May I refer you to page 52 of the bill. At the very bottom of that page this restrictive language appears, about which the debate has centered, and following the comma you will find the words "or that he requires a refresher or retraining course in no event to exceed 1 year."

I submit to the membership of this committee that regardless of whether or not any man's education or training was interfered with or interrupted or impeded or delayed, every veteran, under the language of the bill as brought before you by the committee, is entitled to a 1-year refresher or retraining course.

Mr. CASE. Will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. CASE. I will agree with the gentleman if he will change the word "require" to "desire." In fact I have written out an amendment that I intended to offer with the idea of suggesting that. It seems to me that the word "reqire" places the burden of prof on the veteran to show that he does require it in order to get a job.

Mr. JEFFREY. Yes. But the gentleman does not contend that the preceding restrictive language applies to that year?

Mr. CASE. No; but I think the word "require" does place a burden upon the veteran. If you change it to "desire", then it would make it possible for the veteran to get a year of refresher training, and that would not be particularly expensive to the Government, because obviously, if he took a year of refresher course, that would be charged up against his unemployment allowance.

Mr. JEFFREY. I do not want this debate to go off on another question. Personally I have no quarrel with the amendment suggested by the gentleman from South Dakota.

Mr. BARDEN. Will the gentleman yield?

Mr. JEFFREY. I yield briefly.

Mr. BARDEN. The gentleman is dealing with the language on page 52, which starts out by saying "any person who served in the active military or naval service"; then further on it says he is entitled to so much training, "*Provided* That such course be initiated not later than 2 years after discharge"; and then you go down further and we find this: "*Provided further*, That he served 90 days or more."

Mr. JEFFREY. That is right.

Mr. BARDEN. And further down it says, "*And provided further*, That his education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into such service, or"——

Mr. JEFFREY. Or——

Mr. BARDEN. "Or that he requires a refresher or retraining course, in no event to exceed 1 year."

Mr. JEFFREY. That is exactly what I said.

Mr. BARDEN. Now, what is a refresher or retraining course? A refresher course is the same kind of school course that you get anywhere in any school, but you have not removed the requirements that every veteran prove those facts to the Administrator.

Mr. JEFFREY. I cannot yield any further to the gentleman. Apparently it is a difference of construction. If the chairman of the Committee on Education believes that, I do not believe I can change his mind. However, I submit that is not the intent of the committee, nor is it what is expressed in the clear English appearing on that printed page.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. WILSON. Is it the gentleman's contention that any man serving in the armed services, under the language of the bill as it now exists, is entitled to 1-year refresher course?

Mr. JEFFREY. Exactly. That is the intent and purpose of this bill as originally brought before the committee, and that intervening and limiting language has no application to that year of training for a refresher or retraining course.

Mr. WILSON. How is he going to convince the Veterans' Administration that his occupation requires a refresher course? How is he going to convince them?

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. RANKIN. The gentleman from South Dakota [Mr. CASE] suggested that the word "requires" be changed to "desires." I have no objection to that amendment if the other members of the committee do not.

Mr. JEFFREY. That will be all right.

Mr. RANKIN. Let me say to the members who are questioning the Veterans' Administration, we had a system of this kind for rehabilitation of disabled men after the last war. We never had the slightest trouble with the present head of the Veterans' Administration, and we will not have now.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. JEFFREY] has expired.

Mr. JEFFREY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JEFFREY. I want to reply to the statement of the distinguished gentleman from North Carolina [Mr. BARDEN], who said first that this substitute was a red herring dragged across the trail. Then after some intervening language he made this remarkable statement. He said: "These are the words which the Administrator will be required to follow."

Of course the Administrator will be required to follow them.

It is inconceivable to me that this House should spend its time in carefully spelling out the language of legislation if it did not intend the Administrator to follow those words. That is the intention of every Member of this House. Certainly it is exactly the intention of this committee. That is a strange reason for saying it is a red herring dragged across the trail.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. RANKIN. This amendment takes in the very boys referred to by the distinguished gentleman from Alabama [Mr. SPARKMAN] and those referred to by the distinguished gentleman from Georgia [Mr. PACE], does it not?

Mr. JEFFREY. Yes. Now, my name has been used in this debate by the very able gentleman from Alabama with respect to the limiting effects of this amendment. I want to say that, as far as I know—at least, I am speaking for myself—the primary thought in the consideration of this language in the committee has always been on behalf of those boys 17, 18, 19, 20, and 21 years of age who have been pulled out of school. There is no thought and there was no thought to discriminate against the poorer boy. The entire purpose is to help them. It is awfully easy to paint a beautiful word picture and use the words "rich and poor." That is not the intent, and was not the intent of this language. Certainly we have demonstrated that by our willingness to take out any language which might impede the young man 24 years of age and under—24 years of age and under at the time he went into the service.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. CUNNINGHAM. What the substitute provides is that anybody who was not over 24 years of age when he entered the service—there is absolutely no limitation at all about him; and for those boys who were more than 24 when they entered the service, they have to prove their right to the education.

Mr. JEFFREY. That is correct.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. JEFFREY. I yield.

Mr. MILLER of Connecticut. Does not the gentleman think there has been too much emphasis placed on the word "schooling" and not enough on "education"?

Mr. JEFFREY. I do.

Mr. MILLER of Connecticut. A boy may have been working in a newspaper office or on a farm or in a factory. His desire to be a journalist was impeded. That language will protect him, although he was in that shop for 5 years.

Mr. JEFFREY. I thank the gentleman for that contribution. Some of us have fallen into the error of thinking of this in terms of a college education, and most of these lads who will qualify will qualify for technical training to follow a trade, a method of making his or her living. The emphasis from the start, as far as the committee is concerned, is to give the young man an opportunity to get an education, whose education was stopped by the war effort.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. WRIGHT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this debate has been very interesting and instructive this afternoon. I was at first inclined to support the amendment offered by the gentleman from North Carolina because I could not see the justice of discriminating between those men who happened to have been in school or to have contemplated going to school and the men who possibly because of adverse circumstances did not continue their schooling.

I believe the amendment offered by the gentleman from Mississippi is a fair amendment. It gives everybody under 24 years of age at the time of commencement of service an absolute right to education and to those people over 24 years of age who have either been contemplating education or were in the process of being educated, the right to continue; then you have the right for a 1 year's refresher or training course for all veterans; and if the suggestion which I just heard, that the word "required" be changed to "desired," I think we shall have a pretty liberal amendment and that it would accomplish what the gentleman from Connecticut [Mr. MILLER] was seeking. It would exclude that group of people who left the service of their own volition to take jobs in industry, exclude people who possibly would not have a legitimate and real desire for education. I believe it is a fair compromise between the two worthy objectives, and I am presently inclined to support it.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. JOHNSON of Oklahoma. What about a case like that of Sergeant York? A man of such outstanding military service would be excluded by either the original or the compromise if he were over 25 years of age.

Mr. WRIGHT. Did Sergeant York wish to pursue his education?

Mr. JOHNSON of Oklahoma. He certainly did, and he did pursue it.

Mr. WRIGHT. There may be some exceptions, of course.

Mr. JOHNSON of Oklahoma. Today Sergeant York is a well-educated gentleman.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. RANKIN. If Sergeant York had not finished his education or if his education had been impeded, interfered with, or delayed by his military service he would come under the provisions of the bill.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. FERNANDEZ. The bill does contain certain discriminations, in that men over 24 years of age who have not been in school cannot take advantage of the benefits, although such men may have given just as great service as those under 24.

Mr. WRIGHT. There is some differentiation in the bill; there may be individual cases of injustice even though we hope there will not be. It is a compromise in an effort to see that education is received by those who are entitled to it and to exclude those who should not have it.

Mr. FERNANDEZ. But it still gives some men an advantage over others.

Mr. WRIGHT. There will be some small discrimination, not very considerable, we hope.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. HULL. Will the gentleman explain a little further about those refresher and retraining courses? It seems to me as the bill is drawn that would mean freezing the applicant for such instruction to the line he followed before he entered the service. Suppose the farm boy left school when he finished his grades, had had no high school nor any other special training; do I understand that he would be sent back to the graded school to refresh his studies in graded schools or to be retrained in work which he took when he was a lad? Is that the meaning of the refresher and retraining courses mentioned in this bill?

Mr. WRIGHT. I cannot, of course, speak with exactitude as to what was in the mind of the author of the bill, because I did not write it, but to me the idea of a retraining course is a course to permit a person to become useful on the farm or in industry.

Mr. HULL. Would he not be precluded from taking any course other than that which he had previously been

following? Is not that the meaning of the language?

Mr. WRIGHT. I would not say that; I would not think so.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield for a question? As the gentleman knows, there are several thousand—I am afraid almost several hundreds of thousands—of men in the armed forces who could neither read nor write when they were inducted. The Government has gone to a lot of expense trying to teach them to read and write. Under both the original bill and the modified amendment all those people would be barred from any of the benefits under this bill.

Mr. WRIGHT. Not if they were under 24; if so they would all be entitled to it.

Mr. JOHNSON of Oklahoma. But if they were all over 24.

Mr. WRIGHT. They would also be entitled to the retraining course. If they were over 24 they would not be entitled to a new course.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RANKIN. Mr. Chairman, I should like to close debate on this amendment within a reasonable time.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. HULL. Mr. Chairman, I object.

Mr. RANKIN. Then, Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 30 minutes, the last 3 minutes to be reserved to me to close on behalf of the committee.

The CHAIRMAN. The gentleman from Mississippi moves that all debate on this amendment and all amendments thereto close in 30 minutes, the last 3 to be reserved to the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 91, noes 22.

So the motion was agreed to.

Mr. MURDOCK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MURDOCK. Does this mean that the Chair will allocate the time proportionately among those seeking recognition?

The CHAIRMAN. The Chair thinks that perhaps is the only fair method of proceeding. The Chair has listed those seeking recognition and will read the names of those he has noted: Messrs. EDWIN ARTHUR HALL, PHILLIPS, REED of New York, KEEFE, CASE, HULL, OUTLAND, LEWIS, Mrs. ROGERS of Massachusetts, MURDOCK, ROWE, H. CARL ANDERSEN, MCMURRAY, WILSON, JENSEN, DILWEG, and LEFEVRE.

Mr. REED of New York. Mr. Chairman, I yield back my few minutes that they may be used by others, because the time will be too short to cover very much, and it may aid someone else.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. EDWIN ARTHUR HALL.]

Mr. EDWIN ARTHUR HALL. Mr. Chairman, directly after Pearl Harbor I introduced a resolution in the House which directed the War Department to let down the bars for membership in the Air Corps by abolishing the practice of limiting accceptance of those who had college educations, and excluding those who were not so fortunate. I should hate to return to the same unfair way of doing things which handicapped us prior to that time.

A few weeks later the War Department let down the bars so that any man who could qualify physically and mentally to operate an airplane might fight Hitler and become an air pilot. I believe the same rules should apply to this bill today and to post-war education of the veterans. It should be universal in scope. Everyone who is qualified for the various courses of education which will be provided should be allowed to come under the G. I. bill provisions.

I hope that the House will not enter into any arrangement that will exclude men who have been doing the fighting and who have made their sacrifices for the country. I hope this will be a universal bill as originally intended, and that everyone will be included in its provisions. Remember, if he is good enough to fight for Uncle Sam, he is good enough to receive the training and enlightenment which will make him a better citizen and a better American. Let's not draw the line but give every man the same chance.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Mississippi [Mr. RANKIN] and in support of the amendment offered by the gentleman from North Carolina [Mr. BARDEN].

The Rankin amendment and the arguments of those who oppose the Barden amendment are based upon the presumption that you can have a war, then return the 10,000,000 soldiers to exactly the same status that the individual soldiers had before the war, which is absolutely impossible. You have jarred men out of the rut into which they may have gone for any reason whatever and the best thing we can do for those men is to give them an education to enable them to support themselves. I think that the investment best made by the United States after this war is in education. We are not talking about admirals or about generals. We are talking about boys between the ages of 20 and 30. The 24 years in the amendment of the gentleman from Mississippi [Mr. RANKIN] is entirely too restrictive an amendment. Further, we have in this Nation periods of prosperity and depression. In a period of depression, which will inevitably follow this war, it is better to send these men between 20 and 30 back to school than to put them into competition with other men who are out of work. We had that experience in the western part of the United States. I speak, therefore, in favor of the Barden amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have been here all afternoon seeking recognition so I will yield back the minute to somebody else who may be able to use it to better advantage.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE. Mr Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CASE: On page 52, line 24, strike out "requires a" and insert "desires a training."

The CHAIRMAN. In the opinion of the Chair that would be a perfecting amendment and not an amendment to the substitute.

Mr. RANKIN. Mr. Chairman, we will accept that amendment, and I ask unanimous consent that the amendment may be accepted. It just changes two words.

The CHAIRMAN. The amendment is an amendment to the text of the bill and is a perfecting amendment.

Mr. CASE. Mr. Chairman, I call the attention of the Chair to the fact that the Barden amendment proposes to strike all of the language beginning with the *"And provided further"* in line 21.

The CHAIRMAN. That is correct.

Mr. CASE. This substitute amendment takes the place of that and my amendment would substitute "desires a training," which is a part of the language proposed to be stricken by the Barden amendment.

The CHAIRMAN. The amendment offered by the gentleman from South Dakota is offered as an amendment to the text of the bill, therefore is a perfecting amendment to the text of the bill. The vote would come first on the amendment offered by the gentleman from South Dakota in view of the fact that perfecting amendments are voted upon prior to amendments to strike out.

Mr. CASE. Mr. Chairman, if I may be heard briefly on that, I would like to call the attention of the Chair to the fact that the effect of the Barden amendment is to strike out all of this language. The intent and the effect of the Rankin amendment is to add a proviso, a further limitation upon the language proposed to be stricken. Bearing upon the fact as to whether or not the substitute should be accepted I say should make in order any amendment that changes the language that the Barden amendment would strike and since my amendment does not pertain to any part of the bill except that exact clause which is under consideration, the substitute amendment should be in order.

The CHAIRMAN. The Chair will say that the amendment offered by the gentleman from South Dakota is not an amendment of the substitute, but an amendment of the text of the bill itself, consequently it is a perfecting amendment.

Mr. CASE. Mr. Chairman, may I be recognized under reservation of time?

The CHAIRMAN. The gentleman is recognized.

Mr. CASE. Mr. Chairman, I hope that this discussion has served to bring before the membership what this amendment is and that when action is taken on the Rankin substitute amendment the Chairman's statement that he will accept my amendment will be remembered.

Mr. RANKIN. I only agreed to accept an amendment changing that word "requires" to "desires." I did not know that there were additional words in the amendment.

Mr. CASE. Then I hope the gentleman will listen and be persuaded.

The amendment which I have offered proposes in line 24 to strike out the words "requires a" and to insert "desires a training." Then the language would read "or that he desires a training, refresher, or retraining course."

The effect of the change is seen by reading on. The language that follows at the top of page 53, says:

> Any such person upon application shall be afforded a course of education or training or a refresher or retraining course.

That would mean that any veteran could get 1 year of either training or retraining. It would not be limited to retraining. The farm boy who discovered, while in the Army, that he wanted to become an airplane mechanic could get a year's training in that field to piece out what he learned in the Army. The city boy who decided he wants to live out of doors could enter a course he did not study before. He could go to an agricultural college.

This liberalizing of the bill costs little and makes sense. The veteran can only get $50 a month for subsistence under the educational section anyway, unless he is married, when he would get $75. But if he does not want to go to any school, and has no job and wants to take advantage of the unemployment features of the bill, he can get $520 in 26 weeks. That is $520 compared with $600 if he goes to school for a year. Certainly he will not tie himself to the routine of school unless he really wants to go. And certainly it is a better deal for Uncle Sam if he does go. He will be employed and he will always be better able to care for himself and his family if he elects to go to school.

So why not give him the opportunity to take a training or retraining course and get the $50 a month for subsistence?

This little amendment, changing "requires" to "desires", removes the burden of proof from the veteran to show that he needs a refresher or retraining course. It gives it to him as a matter of right and removes any need for stretching an interpretation of words or any room for charging favoritism.

Inserting the word "training" ahead of "refresher or retraining" answers the charge that the bill would be discriminatory in its educational features. Any World War No. 2 veteran of any age with proper service could get the year of training or retraining in the field of his own choice.

And it will be a bargain for the Government if he choose to go to school instead of drawing unemployment compensation.

I trust the amendment will be agreed to.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The Chair may say in clarification of the statement formerly made that the amendment offered by the gentleman from South Dakota [Mr. CASE], in page 52, line 24, strike out words and adds other words which are a part of the text. The substitute is not a part of the text. Consequently the amendment offered by the gentleman from South Dakota [Mr. CASE], is a perfecting amendment of the text and would be voted upon first.

Mr. CHURCH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHURCH. By unanimous consent it can be accepted? It may affect our vote in the House. It can be accepted by unanimous consent at this time.

The CHAIRMAN. It is a perfecting amendment of the text. If the House, by unanimous consent, desires to do so, that might be done, but the ordinary process or procedure would be to vote first on a perfecting amendment of the text, then vote on the substitute for the Barden amendment, and then upon the Barden amendment itself.

Mr. RANKIN. Mr. Chairman, we have no objection to the Case amendment. We will accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, like my colleague the gentleman from Wisconsin [Mr. KEEFE], I sought earnestly to get a few minutes' time to discuss some features of his bill. I have been denied that privilege. I would like to say, however, that I am in favor of the Barden amendment, and I am not in favor of the amendment offered by the chairman of the committee.

I am heartily in favor of extending the educational training privilege to all members of the armed forces of this country, and I am heartily opposed to restricting it to the few who have been selected by the committee for the training in the language which the Barden amendment would strike out.

It would have been a lot easier for the committee, and possibly saved a lot of time and debate here, had they merely inserted, instead of the language now in the bill, the requirement that no boy from the farm, no boy from the mine, or from the factory, or from the shop, who had been compelled to leave his schooling at an early age in order to get a livelihood, shall be privileged to take this training. Then they would have had the essence of the whole provision in a very few words.

I am heartily opposed to taking young men into the armed forces, whether they are 24 or 30 years of age, sending them overseas, and then when they come back home telling them, "We have passed an educational training bill for only those who had advantages that you could not obtain before you went into the service, and we cannot permit you to share in such benefits."

I am in favor of providing educational training for all those who return home who may desire it. There should be no discrimination against any of them. By adopting the Barden amendment we shall prevent such discrimination.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. LEWIS].

Mr. LEWIS. Mr. Chairman, I rise in opposition to the Rankin amendment and in support of the Barden amendment. We have been extremely liberal in this House with all appropriations for war, but here we come down to the thing that is going to last during the years, an appropriation to enable these boys to take proper productive places in society. If you believe in education, if you believe in public education at all, you ought to be in favor of the Barden amendment. All this amendment does is to provide public education and public training for these boys, to make them productive members of society. This is an amendment providing not for the destruction of wealth, but it is an amendment providing for an increase of wealth. What is it that makes America great in battle if it is not the high degree of literacy, and education, and intelligence of our people? That is the thing that has built America.

I am not asking your support of the Barden amendment on the ground of pity for these boys. I make the appeal solely on the ground of self-interest of everybody in this country and, most of all, in the interest of the taxpayers of this country. Let us make the investment in the education and training of these boys to enable them to become self-supporting and thus to increase the wealth of this country.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I was delighted by the statement of the gentleman from Ohio who just preceded me. I have a very high regard for the gentleman. Especially in this I must take off my hat to him on this occasion because he has stated the value of education so much better than I could have done and I have been a schoolman all of my mature life. The gentleman is a physician by profession, I believe.

Mr. DONDERO. No; he is a lawyer.

Mr. MURDOCK. I thought he was a physician. Whether a lawyer or physician, I must say that he has stated the case as seen by the educator better than one who has grown up in the profession, as I have.

I, too, like the gentleman from Ohio, rise in support of the Barden amendment and in opposition to the Rankin substitute amendment. I do believe, however, that with all these amendments offered and accepted, the committee language is being improved to a very, very great extent. The bill is almost acceptable to me with these changes.

Our chief object in this bill is not to save money. Of course, we do not want to waste money, but limiting the number of veterans to a certain class who may benefit by the educational provisions is not the proper way to handle this matter. This war is a terrible drain on manpower, and is requiring a terrific cost in the best young men of our Nation. Certainly those who survive, whether wounded or not, will require the best possible care in training to enable them to do in part what they and their missing comrades would have done had the war not occurred.

I do not want to offer schooling to the unworthy. However, I would far rather hedge about the requirements so that it will not be offered as an inducement to the unworthy than to provide it for only one portion of our veterans and deny it to others. Therefore, let us remove the inducement for any incompetent or ne'er-do-well to seek refuge from responsibilities of work by hiding out on a college campus. If we do that we will be able at the same total cost to offer these educational privileges to all who are ambitious and earnestly desire to profit by them.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I would like to consume the short time that I have been allotted by asking my colleague the gentleman from Iowa [Mr. CUNNINGHAM] a few questions. I have so much faith and confidence in my colleague from Iowa who has done such a wonderful job on this bill.

What I would like to know is this: In the event that the committee amendment is adopted, the substitute for the Barden bill, just what will it do to the veteran who wants some training in a trade school? Just what will it do?

Mr. CUNNINGHAM. If he was not over 24 years of age when he entered the service, he can have practically anything he wants. If he was 24 years of age when he entered the service, then he is limited to the refresher and training course of 1 year, unless he can qualify further under the other provisions of the bill and go to college or to any school he wants to. The provisions of the bill as it came out of the committee are still available to him, plus the refresher and the retraining course if he was over 24 when he entered the service.

Mr. RANKIN. If the gentleman will yield, under the amendment offered by the gentleman from South Dakota, if he desires the refresher or retraining course he can get this training.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ROWE].

Mr. ROWE. Mr. Chairman, it seems that of all the bills that may come before the House, if there be one from which the word "limitation" ought to be stricken, it is this one. For that reason I am going to support the Barden amendment. Despite the very small fringe that would be affected by the limitation placed in this bill, I am sure we would all regret having left it in if there were a finger of fault pointed at us at a later time. To take out the limitation, I will support the Barden amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, I am in favor of the Barden amendment, simply because I refuse to play any favorites on this bill. We have appropriated $30,600,000,000 for lend-lease up to the present time, there is eight to ten billion dollars involved in the new stabilization fund, and $2,500,000,000 in the U. N. R. R. A. provision, and some more billions are now being advocated before the Committee on Foreign Affairs for education all over the world. If we have money enough to pay out over $40,000,000,000 for foreigners, we certainly have some money to pay out for the education of our own boys now in the service. Therefore, I hope the Barden amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. MCMURRAY].

Mr. MCMURRAY. Mr. Chairman, I merely want to add my voice to those who are in support of the Barden amendment and opposed to the amendment submitted by the gentleman from Mississippi [Mr. RANKIN], chairman of the committee. Most of the arguments that might be convincing have been voiced on this amendment. The critical question is merely one of discrimination, a discrimination that has no basis in what a man has done as far as serving his country is concerned and has no basis in any need he might have for education, reeducation, or training. I think we should be very unwise to leave the language in the bill which the Barden amendment strikes out, and I think we should be very unwise to adopt the substitute amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. DILWEG].

Mr. DILWEG. Mr. Chairman, I do not intend to consume all of my allotted time. I will support the Barden amendment which removes the limitation proviso under part VIII of title II of the House G. I. bill. I feel there are sufficient limitations in the bill now when the Government agrees to pay the returning veteran who goes to school a maintenance allowance of but $50 a month if without dependent or dependents, or $75 a month if he has a dependent or dependents. I say let us give every one of our servicemen who return an opportunity to acquire an education. Certainly the maintenance allowance is a mere pittance for the American taxpayer to pay in light of the general benefit to our Nation facing the problems of a post-war period. I urge you to support the Barden amendment and defeat the Rankin amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I wish to compliment the Committee on World War Veterans' Legislation and its able chairman on this G. I. bill, but I must oppose this particular amendment and shall support the Barden amendment. The 24-year-limitation clause discriminates against several million men. We had to go over the 24-year age in order to raise an armed force of around 12,000,000 or 13,000,000 men. Vocational training will be necessary for these men over 24, who may have a wife and one or two small children, in order to fit them for work in the new industries of tomorrow, plastics, light metals, television, and the other things that will be available when they come home, and which will solve the unemployment of the post-war period. I want this open to every veteran as a result of his service to his country and not because he was fortunate enough to have had 1 or 2 years in college.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, I regret very much the attempt of some Members of the House to drive a wedge, as it were, between the officers and the enlisted men in this war. This is a war in which all are engaged, and they are all entitled to the same consideration, whether they are officers or enlisted men.

The complaint made by the distinguished gentleman from Alabama [Mr. SPARKMAN] and the complaint made by the distinguished gentleman from Georgia [Mr. PACE] have been taken care of by the amendment providing that this shall apply to any man under 24 years of age.

Then we come along and in order to make it dead sure that a man who is in the position of the gentleman from Indiana, when he was working on the railroad, even if he had no intention of going to school or taking a retrainer course, under the amendment offered by the gentleman from South Dakota [Mr. CASE] and adopted by the House by unanimous consent, he could have gone to one of these plastic schools or one of these electrical training schools or taken a refresher course.

The gentleman from South Dakota offered this amendment, and it was adopted by unanimous consent.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. FERNANDEZ. That retraining is limited to 1 year, however, is it not?

Mr. RANKIN. The retrainer course, yes.

Mr. FERNANDEZ. Is it limited to 1 year?

Mr. RANKIN. Yes; I believe so.

Mr. FERNANDEZ. The others are not limited?

Mr. RANKIN. No. With reference to the other ones, if he had any inten-

tion of going to school if his education was impeded, interfered with or interrupted, he would come under the provisions of this bill.

Mr. Chairman, I want to say to those Members who have been criticizing the members of this committee, that I have served in Congress for a long time, and I have never served with finer men and women than those Members who today constitute the Committee on World War Veterans' Legislation. My opinion is if this Barden amendment is adopted, this bill will not be accepted by the administration. My opinion is it would do the veterans more harm than good. My opinion is that if it is adopted it is not going to do the veterans any good, but will injure them and will probably bring on a reaction which will redound to the detriment of the veterans, not only of the men coming under this bill, but of their widows and orphans, as well as the maimed, the blind, the wounded and disabled men who are coming out of this war and to whom we owe our first duty. This is not the only provision in this bill. There is a great deal more to it and there are other measures on the way. But I want to say to you that the best thing you can do is to adopt this amendment as perfected by the amendment of the gentleman from South Dakota.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. All time has expired.

Mr. HARLESS of Arizona. Mr. Chairman, I want you and the Members of the House to know that I am in favor of the Barden amendment to part VIII of this bill. It is my belief that there should be no limitations such as indicated in the committee bill. Any limitations in the way of forcing a veteran to prove that his education has been impeded, delayed, interrupted, or interfered with would only cause deceit and injustice. It seems only fair that every boy who has served in this war should be given equal opportunity to be educated. There are many instances where young men have because of financial or other reasons been unable to attend high school or college. The experiences they will have gained in this war will teach them the value of education and professional training. They, more than anyone else, should be given the opportunity to obtain general and special training in order to improve their position in this life. I cannot agree with the principles in the substitute amendment submitted by the gentleman from Mississippi to limit the age requirements to 24 years, as it will create great injustice to many men. How are we to know when this war will end? It may continue for 2 or 3 more years, or even longer, and boys who entered the service 3 years ago, at the age of 19 or 20, will then have passed the age of 24 before they can be mustered out of the service. Why should we limit our educational facilities to those who are under 24? The whole theory of the bill should be to improve and perfect the men and women who are fighting for our country, regardless of age. As a matter of fact, I know of many instances where men have been forced because of financial difficulties to discontinue their education and even in their thirties have gone back to school and have made remarkable progress, and their lives and the lives of their families have been improved as the result of their willingness to sacrifice their time to acquire additional education. When we draw lines and when we make limitations, we become discriminatory. I am for a simple, practicable plan whereby all veterans, regardless of age, shall be given equal opportunity.

Mr. LARCADE. Mr. Chairman, I am in favor of substituting the Barden bill, H. R. 3846, for section II of the pending G. I. bill of rights. As a member of the House Committee on Education I have assisted in drafting the Barden bill and I know how hard the committee has worked to preserve to the States and educational institutions, approved by the States, control of the education of our veterans, and to provide all of the benefits possible for our returning veterans to which they are entitled.

I cannot speak too highly of the efforts of our able and distinguished chairman, Hon. GRAHAM BARDEN, of North Carolina, in behalf of the veterans and in the interest of education. He has worked long and diligently to report a bill which would meet the approval of educators all over the country and at the same time serve the best interests of our servicemen. He has met with educational groups and veterans' groups and given unstintingly of his time in an effort to report a bill acceptable to all interests.

Other members of the committee have been in faithful attendance at meetings held almost daily and for long weary weeks to write a bill which would provide the best possible educational opportunities for veterans. The gentleman from Michigan, the Honorable GEORGE A. DONDERO, and the gentleman from Minnesota, the Honorable WALTER H. JUDD have been especially untiring in gathering material for the committee, as has the gentleman from Texas, the Honorable FRITZ G. LANHAM, whose counsel has proved invaluable.

Under the able leadership of Chairman BARDEN our committee has presented a bill which is in accord with good educational principles advocated by prominent educators throughout the Nation. Local control of education facilities is almost universally approved and I cannot let this opportunity go by without urging the Congress to amend the Rankin bill and substitute for section II thereof the principles and ideals included in the Barden bill.

Mr. BARDEN. Mr. Chairman, since the time has arrived to vote, will the Chair make the parliamentary situation clear to the Committee?

The CHAIRMAN. The Chair will state for the information of the Committee that the vote will come first upon the substitute amendment offered by the gentleman from Mississippi [Mr. RANKIN] to the amendment offered by the gentleman from North Carolina [Mr. BARDEN], following which the vote will come upon the Barden amendment.

Mr. BARDEN. Mr. Chairman, as I understand it, if the Rankin amendment is adopted there will be no vote on the Barden bill?

The CHAIRMAN. There would be a vote on it as amended by the substitute amendment of the gentleman from Mississippi.

Mr. BARDEN. The question now is whether or not his amendment be adopted?

Mr. ROWE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROWE. I am just a little perplexed. As a matter of fact, if the substitute amendment passes, there will be no Barden amendment?

The CHAIRMAN. As a matter of fact, it will then be necessary to vote on the Barden amendment, as amended by the substitute amendment of the gentleman from Mississippi.

The question is on the substitute amendment offered by the gentleman from Mississippi.

The question was taken; and on a division, there were—ayes 87, noes 77.

Mr. BARDEN. Mr. Chairman, I ask for tellers.

Tellers were ordered and the Chairman appointed Mr. RANKIN and Mr. BARDEN to act as tellers.

The Committee again divided and the tellers reported there were ayes 111 and noes 80.

So the substitute amendment was agreed to.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from North Carolina, [Mr. BARDEN] as amended by the substitute offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment as amended was agreed to.

Mr. DONDERO. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: On page 54, line 4, after the word "additional", insert the word "existing."

Mr. DONDERO. Mr. Chairman, this amendment was discussed somewhat yesterday. Many Members on the floor expressed fear that institutions of learning would spring up in this land, known as fly-by-night institutions, mainly, to attract veterans, because the Federal Government will pay $500 annually for tuition. The purpose of this amendment is to prevent any such condition arising in the United States.

I know there are those who think that it might keep out new institutions that may spring up to give a course of training which may not now be provided. I believe that is a rather remote possibility; because there now exists in every State of the Union, schools and institutions of learning that provide courses for every conceivable kind of training any veteran might desire. If not, such courses could easily be added to existing schools. Everybody understands the meaning of the word "existing." It simply freezes,

to use that expression, the types, kind and number of educational institutions in the United States as they exist for the purpose of enrolling eligible veterans.

There has been another subject injected into this debate. Fear has been expressed on this floor—and I am one of those who expressed it—of the concentration of power and control of education here in Washington. This morning there came a telegram from George H. Fern, director, State Board of Control for Vocational Training of Michigan, which reads as follows:

Urge your support of the Barden bill, H. R. 3846, provisions for keeping education under State educational authorities, to be included as an amendment to S. 1767, thus preventing federalization of education.

I simply read that in connection with the amendment which I have offered in order to show that back home in the States those who are engaged in educational activities also possess the fear that we must protect the rights of the States to control education or it will be lost to the States and centered in the United States Capital.

That is all I care to say about the amendment. There is nothing difficult to understand about it, and I hope it will be adopted.

Mr. VORYS of Ohio. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, this amendment goes on the basis that in education whatever is, is right. We know there are many existing institutions that might not comply with the qualifications for veterans' training. We also know that there may be new institutions arise which would thoroughly qualify for such training. For instance, schools in television, in radar, and in other new subjects that may come up through the years, would be barred by this amendment. As the years go on, if we find there are abuses involving fly-by-night schools, which are organized simply to get the veterans' money, they can be taken care of. I fully agree with the general purpose that the gentleman from Michigan has in mind, of barring commercialized schools that are gotten up to deceive the veterans.

Mr. DONDERO. Will the gentleman yield at that point?

Mr. VORYS of Ohio. I yield.

Mr. DONDERO. There is no reason why existing colleges and educational institutions could not be expanded to include every new type of education that might come and that the veterans might need.

Mr. VORYS of Ohio. I think the gentleman is mistaken, in that he has an entirely too limited view of the word "education," when we think of the types of training that may be needed. There will be training courses in factories and in other institutions, courses that have not yet been established, but which might very well fill the bill better than anything that could be set up in existing colleges and educational institutions. For instance, as I understand it, a system of apprenticeship, or training in a factory, might qualify under this bill without this amendment, but a new plan of apprenticeship training for industrial workers, and for others, could not be put into effect if this amendment is adopted. So, while I have the deepest sympathy with the gentleman's purpose in attempting to preserve existing institutions that are worthy of preservation, and I have the deepest sympathy with the idea that we must protect States' rights in education, I do not believe we will be helping things by putting in this limiting amendment which would provide that only schools and colleges that are now in operation are worthy of consideration, and that no new plan involving new institutions can be evolved which will be worthy of approval under the veterans' training plan we are providing in this bill.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. BUSBEY. If this amendment is adopted, would it not put a limitation on initiative and stifle free enterprise in this country?

Mr. VORYS of Ohio. It would put a limitation on the starting of new plans for veterans' education, which means not only higher education but vocational training. It seems to me it would be a mistake for us to do so at this time.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. WRIGHT. If the Administrator finds any fly-by-night schools fleecing veterans, he can very easily take them off his list; there is protection in that respect.

Mr. VORYS of Ohio. That is correct.

Mrs. ROGERS of Massachusetts. After the last World War many new schools and institutions were created, but under this amendment any newly created institution, as the gentleman says, would be debarred. We want to get the men into training and educated at once; that is one of the primary reasons for the bill.

Mr. VORYS of Ohio. Yes; and a similar growth of new schools may occur after this war. Some of these new schools may be no good and, I hope, will be disapproved. We may as well face this fact, however: Either the veteran gets his choice, with such guidance and advice as he will accept, or the Government and the States make his choice for him. If he makes his own choice, he may make mistakes, according to the opinion of others. If he has no choice, the Government may make mistakes, according to the veteran's opinion. I hope that many good advisory groups and committees will spring up to advise and counsel veterans on their educational problems, on a voluntary basis; but I want no Government agency, State or Federal, dictating to veterans what education they shall receive. I want the legal limitations on approved schools, new or old, to be very broad so as to leave the veteran a wide choice, under such voluntary guidance as he will accept.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. POAGE. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. POAGE. Mr. Chairman, it is always surprising to me to see how Members of this House can be so intelligent as individuals and yet act as a mass with such utter disregard of the facts of ordinary human relationships. There is not a man or woman on this floor who does not know that if we establish a system whereby six or seven million young people can come back from military or naval service and receive training at the Government's expense—as you and I all want them to—and then get $50 or $75 a month for going to school in addition to having their tuition paid for at the rate of $500, which is terribly high and far in excess of what most institutions charge, that there is going to be a racket established all over this country of so-called institutions of learning that are simply going to spring up here, there, and yonder to get the kids' money. Do not think that easy money is not going to be taken care of; there are going to be plenty of people profit financially. You and I could make money by quitting Congress and going into the school business. If this amendment is not adopted, all that is going to be necessary to establish a so-called institution of learning is going to be some resolution from the chamber of commerce and the local Legion post to the Veterans' Administration. The State departments of education will not be able to prescribe any qualifications for these diploma mills. You are going to have every community putting pressure on the Veterans' Administration to approve its local promoters. Do not tell me that such schools will not spring up, because you and I know that they will. You and I have seen this sort of thing happen all over this Nation before. We must know that the bait of $500 per year is going to induce every promoter in the country to open an academy, a barber college, or a local "university." We must also know that such educational institutions will never fail a student. Why should they? If the veteran fails, the educational institution loses $500 per year. If, on the other hand, the veteran is passed regardless of his work or lack of work the school continues to get the $500 and the veteran continues to get the $50 or $75 per month. Certainly Members of this House are not going to believe that any of these new schools that cannot meet State requirements are going to close as a result of making their courses too stiff for the most indolent.

We know that there are splendid educational institutions all over this country today. You say there are going to be new subjects that should be taught. There is not an institution of learning in this country worthy of the name today that is not in a position to offer new subjects. Every institution of learning in this country today that is worhy of the name is in position to provide competent instruction in these new subjects just as well as some new fly-by-night school that may be established without interest in anything except the Government's tuition money.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. DONDERO. They could expand to include any new subject that might arise.

Mr. POAGE. Certainly. Any institution of learning, whether it be a university, business college, private academy, or simply an elementary school can enlarge its curriculum to give instruction in any subject, and every Member here knows as a practical matter that the instruction given by those institutions will be far superior to that which is given by these fly-by-night institutions that are absolutely certain to be established in the hope of getting this easy Government money; and do not think that such schools will not spring up. There are well-established schools in sufficient number capable of teaching any subject. However, if any Member believes that any section needs or will need new schools, the way is still open under this amendment. All they need to do is to get State approval. Why make it possible for these fly-by-night commercial institutions to flourish without meeting the requirements of their respective States—institutions that are established for no purpose in the world other than to get the Government's money into promoters' pockets?

The well-established business colleges and similar institutions of this country are doing splendid work educating the young men and women of the country. That is what they were established for. They are making a profit out of it—most of them are. They were established to make a profit, but they are built on the foundation of rendering a real service. That is why they are still in business. They are here today only because they have rendered a service. But when you give an opportunity and establish a program that pays a student's way regardless of whether he works or not, you are going to fill your schools with loafers as well as serious students—and that is exactly what this bill does, because you are taking the word of the school as to whether the veteran is passing his grades. If he passes his grades the first year he is good for 4 long years on the Government pay roll at $75 a month if he has a dependent, and $50 a month if he does not, and the school is getting $500 a year out of him. If a promoter can get a thousand students a year in his school at $500 each, he will have a pretty sweet thing; and do not think there are not people in the United States who will do just that, because just as there are people who prey upon the ignorance and misfortunes of those families who are the victims of casualties in this war, so will there be those who will prey upon the ignorance and laziness of a lot of people who would like to draw $75 a month at Government expense for the next 4 years; and that is what this amendment tried in some degree to prevent.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CUNNINGHAM. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Iowa is recognized for 5 minutes.

Mr. CUNNINGHAM. Mr. Chairman, this amendment, like so many offered to bills, looks good on its face. The committee considered this for probably an hour and discussed it pro and con. I have every sympathy with the objective of the gentleman from Michigan who offered it, but it is not quite as good as it looks.

The amendment presupposes first that the superintendent of public instruction or the State agency of each of the 48 States is going to go into business with all these fly-by-night diploma-mill schools, encourage them to start up, and place them on the list of schools that it will furnish to the Veterans' Administrator. In addition it presupposes that the Administrator of Veterans' Affairs will do exactly the same thing, namely collaborate with and encourage these people to establish these schools and will then put them on the list so that they may become what has been referred to as diploma mills. If you have no confidence in the State agencies and in the man who will be in charge of the Veterans' Administration, then support the amendment. But I do not believe that that is going to happen. I want, however, to call your attention to something more that may happen if this amendment is adopted.

Suppose a number of veterans of this war come back and decide they want to establish a radio school, an aviation school, or some kind of technical school or training school. They would like to establish it in good faith, establish a school that could get the approval of the State authorities and the approval of the Veterans' Administrator. They could not because it would not have been established before this program went into effect. You are shutting the door to the veteran himself from engaging in the business of establishing a good school that can be approved. I do not believe you want to do that. I believe you will go along with the committee and find that this is an unnecessary and useless amendment that will not serve the purpose for which it was intended by its author and as a matter of fact will do more harm than good.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. BUSBEY. Suppose a veteran in California wanted to take a subject that was taught in only two schools in the country and that both these schools were located in the East. It would mean he would have to come all the way to the Atlantic coast to get that education whereas if this amendment were not in the bill schools teaching those subjects, schools that met with the approval of the State authorities and the Veterans' Administrator, might be established right in the State of California.

Mr. CUNNINGHAM. Correct; but if the veteran himself had anything to do with the ownership or management of the school then he could not accept a single veteran under this amendment.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. JUDD. Is not this a partial answer to the comment of the gentleman from Illinois? It is incredible, is it not, that enterprising, established institutions on the Pacific coast would not enlarge their curricula and their programs to take care of men who were coming back desiring education in new fields? It is the business of established institutions to provide this training. They will immediately say: "Here is a need; it is our job to fill this need." As long as the expansion of education is in the hands of established agencies we have no fear; and, therefore, we are willing to allow the Administrator to reorganize schools in addition to those recognized and approved by the States, provided the schools are existing institutions and are therefore almost certain to be under dependable, responsible management. I am utterly unable to believe that any veteran will be shut out of any adequate and proper education that he wants by existing agencies and existing schools if he expresses his desire.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. I want to point out that some of the finest aviation schools in existence in this country today were started by men who got their flying experience in the last war. Out of this war radar experts will come and they may want to start a school.

Mr. CUNNINGHAM. The gentleman is quite correct. The boys learned to fly in the last war, and they are learning in this war. The pending amendment would preclude them from starting new schools which we might need.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It seems to me that this amendment would practically hamstring any future private schools from starting.

Mr. CUNNINGHAM. Not only that, but it would hamstring the veteran who wants to go into the school business.

Mrs. ROGERS of Massachusetts. That is why we voted to report this bill, in order to give them this opportunity.

Mr. CUNNINGHAM. Yes. This was all considered in the committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WELCH. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. WELCH]?

There was no objection.

Mr. WELCH. Mr. Chairman, I have always felt that the men who have fought this country's wars were entitled to every protection and every opportunity we could create for them. Throughout the Nation's history this principle has been recognized for their restoration to normal civilian pursuits has been an obligation of the Nation. From the returning veterans of the Revolutionary War, to whom land grants of federally owned lands were given, down to and including the veterans of the First World War, our Government has consistently followed this policy.

Many of these men who have bared their breasts in defense of our beloved Nation have paid the supreme sacrifice. We must see to it that their families and dependents do not suffer because of their valiant sacrifice.

Many others of these men, as well as women, are now returning and thousands more will follow them, who have been maimed and wounded. To these we have the triple obligation of restoration of health and strength, education and training in civilian pursuits which their physical handicaps will permit them to follow, and the protection of their loved ones from want and distress.

To all those other veterans who have successfully faced the horrors of modern warfare, we owe the obligation of restoration to a wholesome civilian life, insured against penury and want because of their patriotic response to our country's call.

The fulfillment of these obligations has always been one of the first principles of this country. It was because of this principle that I voted against the infamous Economy Act of 1933 which deprived surviving veterans of our previous war and their families of the pittance they than received.

Mr. Chairman, throughout my entire public career I have supported the humanitarian principles involved in veterans' legislation. As a Member of the House of Representatives for almost two decades I have consistently voted in favor of such legislation on every opportunity presented. Our Government should take every possible step to restore, protect, and create the opportunity for our veterans to find that happiness in America to which they are so justly entitled.

This bill has been referred to as the G. I. bill of rights. It is more than that. It is a recognition of the Nation's responsibility toward those who have preserved the Nation from foreign forces of destruction of our way of life, of our liberty and the pursuit of our happiness. Such legislation cannot be enacted too quickly.

Mr. MILLER of Connecticut. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I made earlier today.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut [Mr. MILLER]?

There was no objection.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to add a comment to this discussion. This amendment applies only to such additional public or private schools or institutions as may be recognized by the Administrator. A school may be started by a veteran or anyone else, and if it is a good school, he can go to the State educational authorities and get recognition that would require the Administrator in Washington to recognize the school. This amendment is simply to prevent his recognizing additional schools which may be started but which cannot meet proper standards and cannot get approval by the established educational agency in the State as schools equipped to supply education or training under this act.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. In my State the State department of education would not attempt to pass upon the qualifications of an aviation school. They say, "We have nothing to do with that. We have no agency in the State to handle that."

Mr. JUDD. If we will look at the language of the bill we find that the Administrator asks each State or the appropriate agency in each State to give him a list of all the schools or institutions in the State equipped to supply education or training, such as the veteran would ask for. Does the gentleman mean that the State department of education in Connecticut probably would not cooperate, or would be unwilling to furnish a list to the Veterans' Administration of all schools or institutions which it considers equipped to supply education and training provided in this bill?

Mr. MILLER of Connecticut. They will not, because they tell you, "We know nothing about aviation schools, we know nothing about hospital training courses." They will give you a list of the schools. That is what I was trying to bring out awhile ago; that is, that the emphasis should not be on schools, it should be on education.

Mr. JUDD. The gentleman brings up a point which is one of the reasons why in the original bill reported by the Committee on Education we suggested that each State department of education set up an advisory committee broadly representative of all types and levels of education and training, so that it would have available expert information on aviation or radar or nursing, for instance, to assist it in determining whether a particular school is qualified. I believe there will be less injustice done to the veterans, to our educational system and to the Nation's future by inserting this word "existing" than there will be by opening the door to a possible expansion of fly-by-night or wildcat institutions which will deceive the boy and will not give him the education and training that he thinks he is going to get.

Mr. BROOKS. Will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Louisiana.

Mr. BROOKS. How would business schools privately run be handled?

Mr. JUDD. Business schools, privately run, if already in existence could be recognized by the Administrator. Business schools, privately run, if equipped to give proper education and training, I am convinced would get recognition by the appropriate educational agency in the State in question. The first thing for the school to do would be to try to get approval of the State department of education. If the State said that the school's standards and equipment were not adequate, then it could go to the Veterans' Administration and if it was in existence prior to the date of enactment of this act and showed that it had standards sufficiently adequate to satisfy the Administrator he could then put the school on his approved list. If it were not in previous existence, he could not add it without the State's approval.

Mr. CURTIS. Will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Nebraska.

Mr. CURTIS. Is it not true that this amendment says that if a new school is going to be created to take part in this program it must be recognized by the State authorities or it must be certified by the State authorities?

Mr. JUDD. Yes. If it went to the State authorities and got recognition it would automatically have to be put on the Administrator's list. If the State turned it down, as the bill now reads, it could go to the Administrator and perhaps get recognition. If the word "existing" is put in as provided in the amendment it, as a new school, could not get recognition from the Administrator unless the State department of education were willing to certify that it was equipped to give the training in question.

Mr. JEFFERY. Will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Ohio.

Mr. JEFFREY. As I understand the gentleman's explanation and this amendment this new school could be listed and approved by the State director of education or board but it could not be approved by the Veterans' Administration?

Mr. JUDD. That is right, not without the State's prior approval.

Mr. JEFFREY. So that in effect it is true, then, is it not, that you are taking away from or at least restricting the right of the Veterans' Administration, the Administrator of Veterans' Affairs, to add to schools that the State has approved?

Mr. JUDD. That is right.

Mr. JEFFREY. The gentleman is putting a limitation on the right of the Veterans' Administrator to name schools?

Mr. JUDD. Yes. We are limiting the ability of the Veterans' Administrator to bypass the State educational authorities in the case of new schools. He can still bypass them in the case of existing schools. In the case of new schools he cannot go over the head of the established educational agencies of the States. These are now in operation, are experienced, and have, I submit, a very excellent record.

Mr. JEFFREY. Then, as a practical matter, the real result of this amendment, if adopted, would be that you would drastically restrict the authority which the committee bill gives to the Veterans' Administration to add schools?

Mr. JUDD. I do not know whether you would call it drastic or not. In my opinion it is a proper restriction of his authority to recognize new schools that the State educational authorities do not approve, and I think that limitation ought to be put in. I think he should be prohibited from bypassing the State departments of education in recognizing new institutions that would not be foolproof

but an additional safeguard against the sort of exploitation of the veteran and of the Government which the gentleman from Texas [Mr. POAGE] so ably described.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I hope this amendment will be voted down. We discussed this question at length on the first day of the debate and it was discussed at length in the Committee on World War Veterans' Legislation. It is wholly unnecessary, and, in my opinion, the apprehensions of the gentleman from Michigan [Mr. DONDERO], the gentleman from Minnesota [Mr. JUDD], and the gentleman from Texas [Mr. POAGE] are absolutely unfounded.

Mr. Chairman, this amendment would prohibit the Veterans' Administration from recognizing any additional school, whether it be public or private, or any school that is not in existence now. How do we know how long this war is going to last? How do we know that new ideas and new fields of operation may not be developed in this war? We are trying to provide for training for these men as well as for their education. To be frank, we are not trying to make it possible for these men to all study sociology so much as we are endeavoring to make it posposible for them to go somewhere to get the training which will help them to carry on their life work.

As the gentleman from Ohio said a while ago there will come out of this war a large number of men who are trained in radar, radio, and possibly other fields that are not even being discussed publicly at this time. The mere fact that a new school is established should not condemn it to the point where we ought to legislate against it in advance, thereby shutting the door in the face of a young man who wants to go there.

Mr. REED of New York. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. REED of New York. Some time ago I had occasion to look into this matter. We must remember that during the present period of the war, as the gentleman states, not knowing how long it is going to last, many existing educational institutions that might be qualified to carry on this work are going bankrupt and will not exist when the war is over. New ones will have to be organized and set up to take care of the veterans.

Mr. RANKIN. Yes; that is quite true.

Mr. DONDERO. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan.

Mr. DONDERO. Is it not also true, however, that if you permit the construction of new institutions you will just make it that much harder for the existing institutions to carry on?

Mr. RANKIN. I am not one of those men who believe that the world should be fossilized as it now stands. If I did not think we would make some progress after this war, I would look into the future with hopeless blindness.

There are going to be a great many localities where these training courses will be offered. Do you think the Veterans' Administration is going to recognize somebody who is going to run a racket? Certainly not. If they did, where would you be? You will be here to look after the veterans' interest.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true that some of the existing institutions will have to become perfectly enormous if they do not allow some additional ones to crop up?

Mr. RANKIN. Certainly. If someone establishes a new school, as they undoubtedly will, and it is found to be efficient and the kind of a school these young men want to go to, I am not willing to shut the door in their faces now in advance; probably 10 years in advance.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Louisiana.

Mr. ALLEN of Louisiana. The suggestion was made a few moments ago by one of the gentlemen that if a school existed in California or some other State, that school could be extended. Is not the veteran entitled to have a school within a reasonable distance from his home?

Mr. RANKIN. Why, of course. Another thing, the schools that exist in his locality may not be adequate. They may not have the kind of training course the veteran desires. They may not have the kind of training course that those boys will want. Certainly, some will say, "We teach everything." Yes, I know. We have some educational institutions that are supposed to specialize in agriculture that have probably done many farm boys harm by concentrating on higher education instead of teaching them the things they most need. We are trying to make it possible for these men to receive such training as will enable them to make a living.

We are legislating for them and not for certain educational institutions.

Mr. BUSBEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I must confess that I am just a little bit puzzled. If it were not for the respect that I have for the members of the Committee on Education and my belief in their sincerity, I would begin to wonder just what is back of these amendments being offered to the G. I. bill of rights. It is because of my confidence in the Committee on Education, especially the genial chairmar from North Carolina [Mr. BARDEN]; the gentleman from Michigan [Mr. DONDERO]; the gentleman from Minnesota [Mr. JUDD], and many others, that I am puzzled.

In the previous amendment offered they wanted to open the doors wide, including anything, everything, and everybody, but now on this amendment they come in here and they want to put on a limitation to recognize only existing educational institutions. As I said, if it were not for my respect for the committee, I would be wondering if it was not the educators of this country that were trying to write this bill instead of Congress. The committee comes in here one time and wants to let everybody under the sun attend school and now they say, "You cannot start any new schools in this country, regardless of how good and how meritorious they may be."

You can appreciate why I say I am puzzled. I cannot determine whether the committee is consistent or inconsistent.

I sincerely hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

Mr. GORE. Mr. Chairman, I move to strike out the last two words, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. Mr. Chairman, I am glad to see the Congress giving such earnest and diligent consideration to this so-called G. I. bill of rights. It shows not only that the Congress appreciates the magnitude of the problem but that the Congress is determined to give fair and equitable treatment to this group of men who have made such great sacrifices.

I urge, Mr. Chairman, that this bill be given a unanimous vote. It is a well thought out and well prepared piece of legislation. It is the product not only of the best judgment of the Congress but of the American Legion as well.

I have heard some expressions that it might be too early to pass this bill. With that, Mr. Chairman, I respectfully disagree. A sensible, workable program to aid in the reestablishment of several million men into our civilian life and economy is not an overnight job. The machinery for doing the job should be set up, plans should be made, and ready to go into effect when the day of demobilization comes. We must do everything possible to minimize the time lag between the time when the men are released from the armed services and the time when they can take their proper place in responsible, active participation in our national life. And let me warn the Congress that there is grave economic danger to the Nation in failure to do this job well. Unless there is a well-designed national program for integrating these 10,000,000 or more servicemen into our national life, it might create a glut and stagnation of our economy that would have disastrous effects. The time to prepare that program is now.

So, Mr. Chairman, this legislation is both timely and fair. We should pass it not only to do justice to the returning veterans, which we must do in all events, but to safeguard our national economy by having a Nation-wide program for the integration of these men into a going, productive national economy when victory—may God speed it—comes.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: Page 52, line 19, after the word "that" insert the following: "exclusive of any period he was assigned for education or training under the Army specialist training program or the Navy college training program or as a cadet or midshipman at one of the service academies."

Mr. RANKIN. Mr. Chairman, that language is already in the bill.

Mr. JUDD. That language is already in the bill in regard to the additional education the veteran gets after his first year. It is not in the bill in determining his eligibility for his first year of education. This amendment is a desirable limitation and equitable, whereas I think some of the limitations in the committee bill are not. What I have in mind, Mr. Chairman, is this sort of situation. Here is a boy who was already in premedical school when the war was declared, when his draft number came up. He was put in uniform and he is officially in active service, but he has never had a day of real military training. He has already had 2 years of education at Government expense and may have 4 or 5 years before the war is over. Are we then to qualify him for 4 more? I do not think a boy ought to be eligible for education or training under this bill unless he has had at least 90 days of actual service, exclusive of time spent in West Point or Annapolis or in the A. S. T. P., or the V-12 programs. The committee has such a limitation in figuring eligibility for an additional period after his first year of training. I do not think he ought to be eligible for the first year unless he has had 90 days of actual military training. It seems to me the committee ought to be willing to accept the amendment.

Mr. RANKIN. If we accept it, will the gentleman be satisfied with it?

Mr. JUDD. If the gentleman from Mississippi and the committee agree to accept it, I shall be satisfied.

Mr. RANKIN. We will accept it.

Mr. JUDD. I appreciate the gentleman's courtesy as always.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. BARDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN:

Page 53, line 3, strike out the phrase "1 calendar year" and insert in lieu thereof the following "54 weeks of continuous full-time education or training."

Lines 4 and 5, as amended, strike out lines 4 and 5 and insert in lieu thereof the following:

"Every veteran certified at the end of such period by the institution providing him education or training to have completed satisfactorily his work during such period shall."

Lines 8 through 10, strike out the word "the" and strike out lines 9 and 10 through the word "war" and insert in lieu thereof the following: "a period equal to 54 weeks of continuous full-time education or training."

Line 16, strike out the phrase "4 years" and insert in lieu thereof the following "108 weeks."

Mr. BARDEN. Mr. Chairman, I offer this amendment for two reasons: One is, I think it should be called to the attention of the House that the gage now in the bill determining the time a boy is to attend school or training is the length of time that he served in the armed forces. Another thing that should be called to the attention of the House is that possibly we should fix some limitation in the bill and define a school year.

I have been very much puzzled over this section, and there has never been any doubt in my mind but what the conferees would arrive at some kind of an adjustment of this matter. It would be helped by an amendment authorizing the Administrator to permit a boy attending school to complete the semester or quarter that was going on at the time his time in school expired. If you have these boys in school and their length of training is determined by the time that they served in the armed forces, you will have some boys who were in school 2 or 3 years ago getting 4 years, and you will have other boys who served in all the foreign battlefields who maybe would be entitled to 12 months.

I do not think this amendment would make it more expensive, but I am willing for them to have 54 weeks. The reason I suggest 54 weeks instead of the calendar year is because the standard college year is 36 weeks and the standard semester, which is half of the college year, is 18 weeks, and 36 and 18 make 54. If you leave it at a calendar year, the boy will leave 2 weeks before his examination. Maybe that is what the House wants, but it looks to me as if we will be getting mighty close to the successful solution of something and then leave it incomplete.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from New York.

Mr. KEARNEY. Is not the proposed amendment covered in the original Barden bill?

Mr. BARDEN. That was the policy adopted in the original so-called Barden bill. That is the time the Committee on Education approved, but we were just as uncertain about that time as probably many of you are. In measuring time in a school or college you should not apply a rule that is never used by a college. They do not use calendar years. Yet you are dealing exclusively with schools. So if we are going to use the school, then the gage of time the school employs should be used, otherwise it would be like trying to measure cloth by the peck. If you were going to send these boys for 1 school year, you would find that it would be 36 weeks, and if you were going to send them for 1 school year and a semester it would be 54 weeks instead of 52 weeks, which constitutes a calendar year.

I frankly think that you will have many men in the service who will render valuable service and whose mental condition will be such that they will need education more than someone else who probably will not have served more than 6 or 8 months, because we are still taking them in.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BARDEN. Mr. Chairman, my reason for asking for this additional time is that this is a very important item. I do not think we should just pass over it and leave it hanging in the air.

Much has been said about bringing down the Economy Act on the people of this country. The people of this country will never resist the wise, honest, and proper expenditure of tax money. I think money spent in education of the veterans who are serving now is a proper and wise expenditure.

Do you want to leave the scale to be governed by the length of time a man serves and give no consideration whatever to the kind of service or do you want to make it a specific time for all? As far as the cost is concerned, I do not think it would cost any more. I do think it is a little more equitable. But I think this Congress should know now what it is doing with reference to fixing the time. If you want to leave it to be governed solely on the basis of the length of time a man serves in the Army, all right. If you want to be specific, get a little closer to fair treatment on it, then now is the time to do it, and not wait until some veteran writes us and asks us about it, and then have to tell him we did not exactly know it was going to be that way.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. If we have 54 weeks, that would be the accelerated program in the colleges and institutions that have the accelerated program.

Mr. BARDEN. Practically every college and school in the country is already on the accelerated program.

Mr. CUNNINGHAM. Yes; but when the war is over they may go back to the old program.

Mr. BARDEN. When the war is over, with the tremendous educational deficit now existing, there will not be a school in this country that will not be running 12 months a year. These boys will want to get their training or education as quickly as possible.

Mr. CUNNINGHAM. We do not know whether they will go back or not. No doubt some will. A boy attending school will have a 36-week course. Then he will have to go the balance of the time before he will know whether or not he is qualified to complete his education. The Administrator would not be able to determine by his record at the end of the 36 weeks that he was qualified to continue 2 or 3 more years. He would have to go 52 or 54 weeks before they would know about that.

Mr. BARDEN. The gentleman has four or five college degrees, and he knows that the language is not to exceed 54 weeks. I want the gentleman to help on this, not content himself with criticism, because it is going to worry both of us.

Mr. CUNNINGHAM. I am trying to get the gentleman from North Carolina straightened out.

Mr. BARDEN. The gentleman has never found me warped yet, so he need not try to straighten me out but spend his time trying to straighten his bill out.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. What I cannot get clear in my mind is the connection between the school year, which might be a calendar year, and this matter of weeks. For instance, 36 weeks is not a calendar year, yet it takes up a great deal of a calendar year to have a school year. Would the amendment the gentleman suggests make any difference with reference to the monthly payment of $50 to the veteran?

Mr. BARDEN. Not a bit.

Mr. VORYS of Ohio. If you have a 36-week school year, is he paid $50 a month for his vacation, or does he have to work, or how does he handle that?

Mr. BARDEN. He does not draw any money on vacation. That is covered in the bill. The time is limited in that respect and no confusion will arise there.

The reason I made this suggestion is not that I am making a fight on the committee but that I think every one of us had better get our heads together on this problem. We worked these details out in H. R. 3846. Thirty-six weeks is a normal school year in the United States. They have divided this year into semesters, that is, half years, and they complete each half year. If you go 36 weeks you have one complete year, and then an additional semester would be 18 weeks, or 54 weeks altogether. The bill provides for one calendar year, which is 52 weeks. I think when we get that close to letting a boy do a semester and a half of work it would be a little bit humorous if it were not almost tragic, to leave it at a calendar year instead of "not to exceed 54 weeks."

Mr. VORYS of Ohio. What I was trying to clear up in my own mind was whether the 36 weeks includes a vacation period, 2 weeks out for Christmas or anything else, and if so, whether the man is paid his living expenses for that period. I am asking for information; I do not know.

Mr. BARDEN. No. The Veterans' Administration has ample authority to take care of that situation. He is paid only for the time he is actually in school. If he does not want to attend the 36 weeks, he does not have to. He can quit any time prior to that.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Michigan.

Mr. DONDERO. It is true that the Committee on Education discussed this very point at considerable length, and it was one of the troublesome features of the entire bill. If the committee bill is adopted, a veteran can serve a year and 11 days and can have a year of education and then just 11 days more. What we are trying to do is fix his time of education so it is definite and practical for him.

Mr. BARDEN. Unless you adopt an amendment like this or unless you adopt an amendment which gives to the Administrator the right to permit a boy to complete a quarter or a semester of work, you will have perhaps 500 boys starting in an institution and by Christmas there will be but 50 of them left in school.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BARDEN. Just let me follow that up and then I will yield to the gentleman from Illinois. If that is true, by Christmas and December 1, they will not have over 50 of those boys. So how in the world could an institution provide for its faculty or a standard arrangement when it had no idea when the boys would be leaving? They would be leaving during every month in the year. The gentleman from West Virginia, Dr. ROHRBOUGH, who has been a college president, helped us a lot on that very subject. I think he knows that will be quite troublesome to an institution.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. BUSBEY. I asked for the gentleman to have additional time so I could ask him a question. I do not have the amendment that he offered before me, but if my memory serves me correctly, I believe if your amendment were adopted, it would permit a boy having 6 months and 1 day of service to 3 years of education. In other words, he can get 3 years of education irrespective of the length of service to his country.

Mr. BARDEN. Let me say to the gentleman, this does not change a single provision or a single restriction in your bill. Whatever it is in your bill or is now, whatever it is in the Veterans' Committee bill now, he can get 4 years or 3 years and 9 months, or 3 years and 6 months, or 3 years and 1 month.

Mr. BUSBEY. That is, if he has that much service to his credit.

Mr. BARDEN. Let me say to the gentleman not to stand there trying to criticize my amendment, because I have no pride of authorship in it. I want somebody to suggest something to clear this up. It is just as much your responsibility as it is mine. I do not think it is wise legislation as it is now. I do not think we ought to use the term "calendar year" in dealing with an institution when there is not one institution in the country that ever uses the term "calendar year."

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. CUNNINGHAM. As I see it, the amendment is trying to do two things. I might agree to the first part of the amendment, but the second part of the amendment is entirely different.

Mr. BARDEN. I will say to the gentleman, I will separate it or segregate the different parts or anything else that will help improve this bill, but it certainly should not be left as it is.

Mr. CUNNINGHAM. I think we should consider the two parts of your amendment separately as two separate amendments.

Mr. BARDEN. Mr. Chairman, may I ask the Chair if, by unanimous consent, the first amendment on that list may be considered separately from the others?

The CHAIRMAN. The Chair will state to the gentleman that by unanimous consent the various amendments indicated in this amendment en bloc can be considered separately.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent that they be considered separately.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the first amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: On page 53, line 3, strike out the words "one calendar year" and insert in lieu thereof the following: "Fifty-four weeks of continuous full-time education or training."

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: On page 53, strike out lines 4 and 5, and insert in lieu thereof the following:

"Every veteran certified at the end of such period by the institution providing him education or training to have completed satisfactorily his work during such period shall."

Mr. SCRIVNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we probably will all agree that the Committee on World War Veterans' Legislation has been very fair in accepting so many amendments that have been suggested, where we found them good. But this is one amendment which, for my part, could not be agreed to. If you will take the language of the amendment and add it onto the bill, you have the language that was originally in the Barden bill; namely, every veteran certified at the end of such period of instruction—that is the 54 weeks—if he is certified by the institution providing him educational training to have completed satisfactorily his work for such period, shall be entitled to an additional period or periods of continuous instruction not to exceed 54 weeks.

That simply means that a man who has been in service 90 days gets 54 weeks of school, and then if the educational authorities say he has made satisfactory progress, he goes on for 54 more weeks. That is 108 weeks of education for 90 days' service. The committee gave

this matter careful consideration. The attention of the Members is again called to the fact that on this committee the majority are veterans of the World War. Most of those men served overseas and they do not believe that there should be a wedge driven between the man overseas and the man at home. He is overseas or at home because war orders put him there. Many of the men who wanted to go overseas have had to stay here at home. So whether he serves at home or abroad makes no difference as long as he serves honorably. Of course, there are some imperfections in the bill and we admit it. We felt there was only one proper yardstick to determine the extent of a man's education beyond the first year for his 90 days' honorable service, and that was such period of time over and above the qualifying 90 days that he was in the service.

In other words, if he was in the service for 1 year and 3 months that would mean 2 years of education; 2 years and 3 months of service would mean 3 years of education. We think it is fair and equitable and treats every man alike. The man who was in the shortest period of time gets the shortest education and the man who was in the longest time gets the longest education, for he lost the most time.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. I think those Members who were worried about the fly-by-night institutions should worry about this amendment, because you are leaving up to the school or institution the decision whether they are going to grant him another year and if they should be interested in the $500 a year, nobody has any control over that. They make a recommendation and the Administrator has to continue them in the institution.

Mr. SCRIVNER. There is logic in that contention. I share with the Committee on Education a high regard for those men in charge of our educational institutions. But all of these places are not educational institutions. They are not all schools; they are not all colleges. Many of them are training shops.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. BARDEN. Mr. Chairman, while the gentleman is discussing this, I hope he will make some suggestion with reference to an amendment that would permit the Administrator to authorize a boy to complete a quarter, for instance, or whatever the time is, and not let him be put out after 2 months and 13 days or 2 months and 3 weeks, or something like that. In other words, to make it definite so that the Administrator would have some power.

Mr. SCRIVNER. My view is simply this: I seem to have more confidence and faith in the internal fortitude of these young men, if you please, than many others do. I feel sure if Congress in its wisdom sees fit to give these men some education and they only have 6 weeks or a month to go, those boys will find some way to finish up the 6 weeks or a month. However, the gentleman's suggestion merits and will be given thoughtful consideration.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. DONDERO. The question is who should determine whether the veteran should remain in college or not? We discussed that at considerable length and came to the conclusion that the educational institution which he was attending was the best judge, rather than the Veterans' Administration here in Washington.

Mr. SCRIVNER. We have another provision that the decision as to whether the veteran's progress is satisfactory or not is according to the records of the school.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CUNNINGHAM. Mr. Chairman, I ask unanimous consent that the gentleman from Kansas have 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SCRIVNER. Mr. Chairman, I will say to the gentleman from Michigan [Mr. DONDERO] that the World War Veterans' Committee did discuss this matter pro and con. We believe in our own hearts that just as many other benefits have been provided, the only logical, easily applied yardstick to determine how long he is to go to school is the time he was in the service. Further than that, many of us seem to forget the basic reason for this bill—what we had in our mind—that is, the aim and desire to make this man as nearly whole as possible, to put him in as nearly the same place as he might have been had it not been for his service in the Army. If, due to his war service, he had lost 3 years, that is the time we should accord him.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. CUNNINGHAM. Does not the wording of the committee bill, which recognizes the right to education based upon the length of service after the first year, conform to the established policy of the American Legion, the Veterans of Foreign Wars, and practically all veteran organizations in recognizing benefits to the soldier in proportion and in relation to his length of service?

Mr. SCRIVNER. That has always been the main yardstick.

Mr. CUNNINGHAM. If we adopt the amendment now before us, we will be going contrary to that established policy that has been in existence for over 20 years.

Mr. SCRIVNER. It will be going contrary to the established policy, and there will be this further objection: Suppose I am one of those young men coming back—and I wish I was—who had an opportunity to go to school for 54 weeks. Perhaps I get cross-wise with one of my instructors and my grades do not come up quite as high as he thinks they should have been; but at any rate, he grades me down and the school authorities determine I should not go any longer. Yet I served 4½ or 5 years. Why should I be deprived of that additional time in school merely because some instructor said I should not, when my time in the Army has entitled me to that period of time to make me whole for the time I have lost?

These provisions are fair and this amendment should be defeated.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. VORYS of Ohio. Is there not already in the committee bill a provision that a course may be discontinued if the veteran is not doing good work?

Mr. SCRIVNER. There is a provision that if a man's conduct or progress is not satisfactory, according to the standard practices of the school, it can be ended; and that is right, because after all, the Government is paying the bill, and it is entitled to get value received. So, if he is not making proper educational progress that is eminently fair.

Mr. VORYS of Ohio. Under the committee bill then if a veteran were entitled to 3 years, 6 months, and 2 days, and after the first year his school found and the Administrator found that his conduct or progress was unsatisfactory, he would not be continued in school?

Mr. SCRIVNER. That is true to a limited extent. In other words, the Administrator might find that that course was not what the man should have taken and that he should be changed to some other course, but that is entirely different from saying, "If you make good you are going to get another three semesters of school."

Mr. PRIEST. Will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. PRIEST. I was about to ask that question. Suppose he is entitled to 3 years of school and he fails in some institution at the end of the year, the Administrator might designate some other institution for his training?

Mr. SCRIVNER. That is right.

Mr. PRIEST. And he still might get 2 more years to which he is entitled.

Mr. SCRIVNER. That is true, but under this amendment, unless the educator recommended him for it he could not get but 54 weeks. We believe the yardstick, length of service for length of training and education, is the most just and the most simple of administration.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. SCRIVNER] has expired.

Mr. ROHRBOUGH. Mr. Chairman, I rise in support of both amendments, the one that we have already passed and the one now under consideration.

I am very greatly pleased to know that so much attention has been given in S. 1767 to the education and training of discharged veterans. In this respect we are certainly giving better treatment to our soldiers and sailors than we did to those of World War No. 1. This bill provides, under certain conditions, that each veteran who served as long as 3 months is entitled to a calendar year of schooling or training, while the veterans of World

War No. 1 had no provisions whatever made for them with respect to education and training. However, I have doubts as to the wisdom of some of the provisions of the bill which specify in one place a calendar year of schooling and in another "continuous instruction not to exceed the time the person was in active service on or after September 16, 1940, and before the termination of service." It seems to me, as a practical proposition, the administration of these provisions will be exceedingly difficult.

A calendar year, of course, is 52 weeks, while a school year is generally recognized as 36 weeks. Nearly all standard schools operate on the semester plan, 18 weeks to a semester. A calendar year of 52 weeks would equal two semesters and eight-tenths of a third semester. So, instead of specifying a calendar year, I think a period of 54 weeks would be much better. Otherwise, the veteran's attendance at school would terminate 2 weeks before the end of his third semester. He would receive no credit for the work done in this semester as he would be unable to take his final examinations and the work would be incomplete.

I have still graver doubts of the wisdom of providing schooling in addition to the 1-year basic training for all who qualify, to be determined by the length of his military service. Some would have this additional training for 3 or 4 weeks, some for 5 or 6, some for 7 or 8, and in varying lengths of time up to 3 years. I can conceive of nothing that would be more distracting to a student than to know that he could enter school and not continue to the end of his term or semester. I can think of nothing that would be more demoralizing to the institution than to have students dropping out probably at the end of each week throughout the semester. A class might be organized with 25 members at the opening of school and before the semester is over the number might have dwindled to less than half. From the viewpoint of the student and from the viewpoint of the institution the arrangement would be entirely unsatisfactory.

Consequently, I think that the only solution for a problem of this kind is a specific and definite determination of the length of time a student may attend, and this should be in terms of school years or semesters. The amendment provides that a student may have 54 weeks or 3 semesters of schooling or training and that in case his work has been well done he may receive additional training not to exceed another 54 weeks. This would be the equivalent of six semesters or 3 full school years. Such an arrangement would safeguard the interests of the student and the interests of the educational institution, and the plan would be possible of administration. The plan provided in the bill is not possible of successful administration.

Mr. BROOKS. I move to strike out the last two words, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Chairman, I am very strongly in favor of S. 1767. It contains many features of vital interest to the millions of men and women in the service of our Nation when they are discharged back into civilian life.

Of course, all American citizens want every possible consideration shown these disabled, in mind and in body, as a result of this war. The facilities available to the veterans of the last war will be likewise available to those of this World War. The 100,000 hospital beds of the Veterans' Bureau will be immediately available when they are needed, and in addition to this, 100,000 additional hospital beds will be available under this bill by loan from the Army and the Navy to the Veterans' Administration. If the hospital load is heavier than this—and the Veterans' Administration has estimated that it will be heavier than this—additional hospital facilities will have to be built. This bill gives the Veterans' Administration full authority to build the additional facilities which may be needed from time to time, subject only to the necessary appropriations available.

The new hospitals to be built when needed should be made of permanent material, and they should be as fine as engineers can devise and money can buy. They should be built throughout the length and breadth of the land where they are needed, and in locating them, reference should be made to the climate, geographical advantages, and general environment. While it is natural to follow to some extent State lines, no community which otherwise qualifies should be denied a hospital for veterans of the United States merely because it is located near the boundary line of the State. I am sure that the experts of the Veterans' Administration will do an excellent job in the location of future hospital facilities.

The statutes which are presently available to disabled veterans of World War No. 1 should likewise immediately be made available to veterans of World War No. 2. These statutes will give pensions to our disabled ranging from $10 to $250 per month, depending upon the nature and the extent of the disability.

One thing is very important to the veteran who has been wounded in action or who has sustained a disabling disease, and is about to be discharged—it is the time element. When the soldier, sailor, and marine steps through the portals of the service with an honorable discharge in hand, he moves into a different world. He is again face to face with economic competition; and the ofttime cruel and relentless laws of finance reach out to take from him the small pittance of discharge pay which he has just received. It is therefore essential that at this very point, he be advised of the beneficent laws which Congress has passed to aid disabled veterans; and if he is found as much as 10-percent disabled, his application for a pension should be immediately filed and acted upon. In other words, the disabled veterans should know at the very moment of discharge just what assistance the Veterans' Administration is going to give him to overcome the physical handicap which injury and disease has brought to him.

After the last war, our governmental agencies were not so constituted as to begin promptly to function. Many disabled veterans filed their applications timely; but found to their misfortune that no action was promptly taken. A great "log-jam" of applications from veterans, all disabled, had paralyzed the hands of the Veterans' Administration; and men with magnificent service records, men with congressional medals, and other medals for gallantry in action, were compelled to parade their wounds and their afflictions upon the streets of the cities of the Nation while selling pencils, apples, and shoestrings to keep from starving.

The fact that this bill gives the Veterans' Administration a priority on personnel, second only to the Army and the Navy, is our guarantee that this distressing situation will not repeat itself. The further fact that Congress is proceeding at an early date to enact necessary enabling laws is further guarantee that our Government will act promptly this time; and that this situation will not repeat itself.

More than 5,000 veterans monthly are moving through the Veterans' Administration hospitals at the present time. Already over 40,000 have been hospitalized, and the number is constantly increasing. It was testified at the House hearings on this bill that the peak load of disabilities may not come for 25 years after the war, and at that time it may reach a total of 1,250,000 men and women veterans who have disabilities of some character. This is an enormous number; but whatever the number may be, it is our obligation as citizens of a grateful Nation to make sure that these disabled veterans are properly cared for.

For 25 years, I have worked with various patriotic organizations which aid, assist, and provide for the wants of the veterans of the last World War. During this period of time, I have learned to have a profound respect for the interest, intelligence, persistence, ability, and courage which the officers and members of these patriotic organizations have shown in this great work. At an early time, I felt that representatives of these organizations should be permitted by the Army, Navy, and the Veterans' Administration to assume a greater responsibility in this work. I have urged that they begin their work even before the soldier and the sailor becomes a veteran and that they continue in his aid and counsel after he returns to civilian life. I am glad to say that this bill permits these great and patriotic organizations to have accredited representatives present at the time of the discharge of the veteran for the purpose of advising him as to his rights and benefits under our laws. The veteran can, of course, choose his own organization; but he should never be without advice or in ignorance of his rights under the law. Many of these features which I have mentioned are included in House Joint Resolution 204 which I introduced in December 1943.

The other provisions of this bill, such as those relating to employment of veterans, unemployment aid, and aid in the purchasing of homes, farms, and places of business are all steps looking toward reintegration of the veteran after he leaves service and returns to the walks of civilian life. I hope that they will

result in the reemployment of millions of veterans, putting them back on a self-sustaining basis. I am especially interested in the provisions regarding the purchase of the farm and the home.

The farm must be made inviting to the returning soldier and sailor; and we must make it possible for him to purchase and to own a place of his own. In most instances, the farm will be the home; but in instances where the veteran does not wish to farm, he may avail himself of the provisions of this act to purchase or build a home. In these ways, the veteran will be resettled so to speak; and will become a property owner with a real stake in the greatest Republic of all times.

Mr. RANKIN. Mr. Chairman, I desire to offer a substitute for the amendment offered by the gentleman from North Carolina [Mr. BARDEN].

The Clerk read as follows:

Amendment offered by Mr. RANKIN as a substitute for the amendment offered by Mr. BARDEN: On page 53, line 16, after the word "years", strike out the period, add a colon and the following: "*Provided*, That in every case where the major portion of a semester or quarter is included within the period of eligibility as herein provided, the eligibility shall be extended to include the remainder of the semester or quarter."

Mr. RANKIN. Mr. Chairman, I offer that as a substitute. The gentleman from North Carolina will accept that, will be not?

Mr. BARDEN. Just a minute. As I understood the reading of the amendment it included the phrase "major portion of a semester or a quarter." A week is a major portion of a semester. Is the gentleman going to use that as his unit? A major portion of a quarter or a semester. I am inclined to go along with it.

Mr. RANKIN. It would conform to the custom of the school. Some schools go by quarters, some by semesters. For that reason that language was placed in the amendment.

The CHAIRMAN. The Chair calls attention to the fact that the amendment pending is on page 53, to strike out lines 4 and 5 and insert the following in lieu thereof:

Every veteran certified at the end of such period by the institution providing him education or training who has completed satisfactorily his work during such period shall.

Mr. BARDEN. Mr. Chairman, I certainly do not want to take any technical advantage here because we are dealing with something that is a little bit too vital to do that.

Mr. RANKIN. Mr. Chairman, I move that the Committee do now rise. We will straighten it out overnight.

The CHAIRMAN. The question is on the motion that the Committee rise.

The motion was agreed to.

Accordingly the Committee rose and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. LEONARD W. HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I made recently.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon and also to extend my own remarks in the Appendix of the RECORD and include therein an editorial from the Stars and Stripes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution on the St. Lawrence seaway.

The SPEAKER. Without objection, it it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. PLUMLEY] may extend his own remaks in the RECORD and include therein an address made by him before the State Republican Convention.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address made by Millard W. Rice, national service director of the Disabled American Veterans, over station WINX on Monday last. It is entitled "Full Employment for Veterans."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks on three subjects, in two extensions to include editorials that appeared in two aviation magazines and in the third an article from the Eureka News Bulletin in connection with Mr. A. J. Higgins.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. CELLER and Mr. SHAFER asked and were given permission to revise and extend their own remarks.)

The SPEAKER. Under the previous order of the House the gentleman from North Dakota [Mr. BURDICK] is recognized for 30 minutes.

NORWAY'S INDEPENDENCE DAY

Mr. BURDICK. Mr. Speaker, another year has passed since I took the floor on May 17, 1943, and addressed this House on Norway's great independence day.

It is unnecessary at this time to go into detail regarding the origin and meaning of this independence day. It is enough here to say that on May 17, 1814, at Eidsvold, Norway, the Norwegians obtained their own independence and adopted a constitution patterned largely after our Constitution adopted at Philadelphia 27 years before.

Our struggle for independence formally closed in 1787, with the completion of the work of the Constitutional Convention. No doubt our fight for freedom had a profound effect upon Europe, our plan of a constitutional form of government profoundly affected Europe. No country in Europe, however, was more concerned with our struggle than Norway. It will be remembered that it was only 27 years after our Constitutional Convention at Philadelphia that the Norwegians held a similar convention at Eidsvold under similar circumstances and for a similar purpose. The accomplishments were also similar, and the century that followed these events in each of the two countries ran parallel in the development of a government that guaranteed to its citizens the right of life, liberty, and pursuit of happiness, which is only another way of expressing the "four freedoms."

We have more in common with Norway than any other country in our common struggle for independence. Five hundred years before the world knew anything about Columbus the Norwegians landed on our shores, made settlements, introduced cattle for the first time on this continent, built frame houses, cultivated the land, and left enough writings on the rocks of our soil and in their own sagas to prove to us a thousand years later that they had been here.

For 125 years these two great constitutional governments flourished among the family of nations. Norway was never a country of many millions like our own. Her highest population was probably not over 3,000,000, but no country has made a deeper impression on American thought than that small country tucked away in the northwest corner of Europe. During this period of over a century Norway progressed, gradually developing the individual liberty of its citizens. The names of Ole Bull, Edvard Grieg, Henrik Ibsen, Bjorne Bjornson, Johan Bojer, Sigrid Undset, Roald Amundsen, Fridtjof Nansen are all world renowned.

Many of Norway's sons immigrated to America, the land that had given them their first hopes of a free government. Schooled already in freedom, justice, and independence, they quickly became a part of our own culture. They became governors, State legislators, and Members of the National Congress, were appointed to high executive and judicial offices and filled our educational institutions with executive heads and instructors.

The first shock to peace-loving nations was World War No. 1. Norway was not trained in war but schooled in the business of peace and good will toward all. Norway kept out of the whirlpool of war raging on the Continent. She had little preparation for national defense, and less desire to enter a war. World War No. 1 passed into history. Norway breathed freely again as she averted a savage struggle and had emerged a nation friendly to all powers. Another 25 years passed and lo and behold the terms of peace demanded in the first war had now ripened into a

greater conflict. War came again and it still rages.

Norway had no intentions of becoming involved in the present war. She was not a military nation, she was not prepared. It seemed to be the common understanding among nations that at least Norway would again escape the whirlpool of war. But this world war was to be a huge struggle, and every resource—human lives, natural deposits of metals, the fertility of the fields, the products of great forests, the products of the waters—were all to be used this time to destroy if possible all that had been accomplished by man in constitutional government for nearly a century and a half.

Norway was too rich in materials and too weak in defense to escape this time.

What a shock it was to America when it awoke on the morning of April 9, 1940, to learn that the great liberty-loving Norway had been overrun by the war machine of the Nazis, just then starting out on its insane course of conquering the world. What a further shock it was to learn that Norway had been betrayed by her own sons. The Quislings had secretly planned with the Nazis to surrender this great nation. By noon on that fateful day the people of Norway found their liberties gone and that their efforts of over a century to build a free government had been swept aside.

Today the people of Norway are under the heel of the oppressors and have to endure the added indignity of seeing their own sons direct the work of the invaders.

But the spirit of Norway has not been conquered. Under the surface of this subjugated nation, the hearts of Norwegians still beat true, their hope of deliverance from their torture is still strong. Their faith in God and the goodness of God is undimmed for that faith has been tested in the chains of slavery.

Let me repeat what I said on the floor of the House a year ago on this very day:

The military power of a nation may be measured in guns and resources, but to win, more than that is required. It takes the heart to fight, the will to fight, and the willingness to make sacrifices for your country's honor. While the Norwegians have been stripped of their guns and their resources, the will to fight and the willingness to sacrifice are at the highest pitch of any time in the country's history.

The day is not far distant when the power of the United Nations will release the people of Norway to fight for freedom. What a fight that will be when the opportunity arrives. The spiritual power of Norway will be released in full sway to contribute to the fight for freedom of all people throughout the world.

The Norway that we once knew will live again. Her rise from bondage will be sudden and sublime. Her people will again direct their constitutional government. Freedom of speech and of the press and the right to live in liberty and happiness will bloom again more gloriously than in any other country which has not undergone the barbarous torture of Nazi domination.

My message to all Norwegians this day is to endure for a little longer the suffering surreptitiously forced upon a proud and free people. When the time comes to strike the enemies of freedom, strike with the spiritual power, strike with the unconquerable courage of the Vikings of old. Give the enemy no advantage. Suffer yet longer, to the end that the power when once released will carry the people of Norway back to freedom and contribute to the "four freedoms" of the world.

How could any liberty-loving American desire to remain silent and inactive while free people suffer? The United States has not failed Norway. The United States is on the march, and my great hope is that the time is now short when the people of Norway will be released from slavery and will be permitted to rebuild their country. My dream is that Norway's star will shine again in the firmament of nations, brighter and clearer than ever before, consecrated anew with the tears of the suffering and the blood of its martyrs.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of legislative matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, the gentleman from Texas [Mr. PATMAN] may have permission to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

Mr. BROOKS. Mr. Speaker, I have a special order for today, but due to the lateness of the hour I ask unanimous consent that I may address the House on Friday next for 20 minutes, after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. BROOKS]?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 30 minutes.

FURLOUGHS FOR MEN IN SOUTHWEST PACIFIC

Mr. SMITH of Wisconsin. Mr. Speaker, on previous occasions I have asked the indulgence of the House in presenting you the facts in connection with furloughs for our fighting men in the southwest Pacific. Again I want to call attention to that subject because of circumstances which have arisen in the past few weeks.

In November of last year the Honorable Henry L. Stimson, Secretary of War, in response to a request by me for consideration of the problem, responded by advising that the War Department was exerting every possible effort to work out a method of rotation of personnel which would enable those men who had been in the service in that area for more than 2 years to return home for a brief respite. Shortly thereafter, an announcement was made to the effect that the system had been perfected and that within a reasonable time men would begin to return from that sector where eligibility for leave had been established. A few days ago I received a letter from a soldier who has been in that area for more than 2 years and he advises me that the furlough system has been so restricted that it is now apparent that only a few will benefit by the announced plan. He quotes an excerpt of an order which has resulted in the break-down of morale among the troops in that area. I quote:

All personnel of the command will be informed that completion of 18 months' service overseas does not itself entitle an individual to return to the United States of America under the rotation policy. Completion of such service merely renders an individual eligible for consideration for rotation. Monthly quotas are established by the War Department based on availability of replacements and of transportation for them and on other factors connected with the prosecution of the war. Current quotas are not sufficiently large to include even a majority of those with 18 months' overseas service. Those selected to return from among those eligible will be the individuals whose state of health or morale resulting from service under severe conditions, indicates the greatest urgency for rotation.

Mr. Speaker, we are all cognizant of the difficulties involved in this situation; no one has a desire to interfere with those charged with the responsibility for a successful prosecution of this war. If retention of men in that area is the difference between success or failure of that campaign, then by all means the men must be retained there. In this connection, however, I call your attention to the fact that men whose morale is impaired can be of little service in the successful prosecution of the war. I am bold enough to suggest, Mr. Speaker, that these men have already done their part. Every day reports reach us that hundreds of thousands of men are available in this country for replacements. Daily, too, do we read that the shipping problem has been licked and it appears that there are sufficient ships which could be used to transport these men back to the United States.

Mr. Speaker, I wish to present this matter with all the sincerity and conviction within my being; I am thinking of those boys out there who have already played an important part in the success achieved to date by the armies in that area. These men and their families are writing to us. They urge that Congress take action, that something be done in their behalf. Hardly a day goes by that such requests do not reach me. So that the record may be complete I desire to insert at this point excerpts of letters received from some of these men.

Here is one dated April 24, 1944, New Guinea:

It is reported that the War Department has announced 200,000 men have been released for furloughs back home. Now if this figure is authentic, I am sure that you would 'all over if you knew just how few of them came from this area. To date we have not had one man returned under this plan. That certainly isn't very much consideration

for any outfit that has been overseas for 25 months and has had over 19 months in the Tropics. At the way this rotation system is now set up, I will be lucky if I get home in 1946. Happy thought, isn't it? It has reached a point now where the boys would be satisfied with rotation, but as matters shape up at this time there is not much hope for us. I am wondering what kind of an explanation the War Department can give us on this proposition. Two hundred men from our outfit have not even had a furlough to Australia in 15 months. Now if our theater commander doesn't worry about his troops more than that it's about time that somebody back there takes up the fight in earnest and sees that something is done about it. Even furloughs to Australia are to be preferred to sitting and dying in these tropical jungles.

Mr. Speaker, I quote again from another letter dated April 26, New Guinea:

I am back again on this subject of getting relief for our troops over here. The situation has reached a point where I consider it critical. It started out that we all complained for relief over here and the situation became so grave that someone decided they would do something about it. Then an order came out stating that troops would be on a rotation basis for furloughs back to the U. S. A. after they have 18 months overseas and at least 6 months in the tropics. At once the morale zoomed sky high and the old men were ready to go out and give everything they had. Then the quota lists came out and they were not nearly up to expectations. But the way it looked, we would still be home by the end of the year. Things went on that way until early in April when we got our quota for June, July, and August. Instead of getting larger as we were led to believe they were cut to almost nothing. I wish that you could see the morale of the men here. If there is such a thing as morale left, I sure haven't been able to find it. Now to make things worse a memorandum was published today stating that because a man was in the April quota it did not mean that he would be returned in April. It stated that they would have to wait until replacements and shipping were available. Now they can't tell us that there aren't enough replacements to allow us to go back. There are enough troops laying around back there that could relieve the whole command over here and they would never know they left the States. That old line about a shortage of shipping is a known fallacy. We did have a quota for April, but the men who were supposed to have gone are still here and the reasons given are those that I have stated above. We brag that our Army is the most intelligent in the world, yet they expect us to believe a line like that.

We are presumed to be the best trained soldiers in the world, but I read of the Russians, Germans, Australians, and English are getting their leave to go home, yet we are expected to stay in a tropical death nest year after year. Up until now we have had a certain amount of faith in our leaders and the lawmakers of our country. These hopes have now crumbled. We of the fighting forces cannot possibly conceive how the leaders of a democratic nation could lower themselves in the way in which they have by letting down the men in the Southwest Pacific. We have been out here for over 2 years getting along on little or nothing at times, and fighting the worst climate in the world. We have had to accept the fact that our leaders decided to fight the other war first, even though it meant lengthy stays in tropical areas where not only a man's health deteriorates but also his mind. I am in the medics, and I suppose I should be thankful for that, but regardless of what kind of a unit you are in over here you must still face the Tropics and its many diseases. We have been living entirely out of tin cans, as we get very little fresh foods, but we never complain too much about those things, as we realize what problems the Army is up against in these regions. We were all so sure that something would be worked out, and we would get a chance to go home and see our families and loved ones after this long time. I am now wondering if they even know we are out here.

I have before me at this moment a letter from the War Department stating that it was impossible to send men back to the States but that they were being rotated presumably to Australia. Well, as you know, we have been in New Guinea over 15 months, and the only rotation we get is movement closer to the front. I grant you that a few of us have been fortunate to get a 15-day leave, but there are many, many who have been here that 15 months without a day's leave.

Yes; somebody must be certainly worried about us. The thing that really makes us burn is that most of us who have been here so long are men who have been in the Army for almost 3 years. Men who served at $21 and $30 a month before war was declared. I would only like to ask just what have we done to deserve this raw deal that we are getting? The men are beyond the point of just complaining and all day long they come to me and ask questions and want to know what is being done about the situation back home. These men are not going to be satisfied to let this drag along month after month. They want something done about it now and that means immediately. Now that the War Department has failed to establish a satisfactory policy it is up to you men, the lawmakers of our country, to demand in the name of the people and those of us who serve, that something be done and done fast. If you fail in doing this you fail the men who are fighting to preserve our country and who elected you to your jobs. I now leave the fight in your hands, trusting that you will do your utmost to see that something is done for us over here.

Mr. Speaker, can we ignore the plea of this young man as he speaks for his comrades who are out there fighting and dying in a green hell? This is serious business and I believe that the Congress has a responsibility in this matter. I for one will not let these men down. I will continue to urge the War Department that a definite and unequivocal policy of rotation be placed in effect and that there be no deviation from it, and Mr. Speaker, if the War Department does not act, then we as a matter of policy should establish the regulations necessary to accomplish this end. I urge serious consideration by members of this House to this highly important matter.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3176. An act to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard, and to certain civilian employees of the military and naval forces of the Regular Establishment;

H. R. 3356. An act to increase the service-connected disability rates of compensation or pension payable to veterans of World War No. 1 and World War No. 2 and veterans entitled to wartime rates based on service on or after September 16, 1940, for service-connected disabilities, and to increase the rates for widows and children under Public Law 484, Seventy-third Congress, as amended, and to include widows and children of World War No. 2 veterans for benefits under the latter act;

H. R. 3377. An act to increase the rate of pension for World War veterans from $40 to $50 per month, to $60 per month in certain specified cases, and for other purposes; and

H. R. 4519. An act to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans.

BILL PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 4519. An act to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans.

ADJOURNMENT

Mr. HAYS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 15 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 18, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce has postponed hearings on the daylight-saving bill until next week.

The Committee on Interstate and Foreign Commerce will hold further hearings on the petroleum bill on Thursday, May 18, 1944, at 10 a. m.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 18, 1944, at 10 a. m., on H. R. 2809, to amend section 511 of the Merchant Marine Act, 1936, as amended. (Ship-construction reserve fund.)

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the Clerk by letter.

Witnesses are requested to notify the Clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Friday, May 19, 1944, at 10:30 a. m.,

in executive session, to consider H. R. 1809 and H. R. 2843, relating to the carrying of mail on star routes.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Friday, May 19, 1944, at 10:30 a. m., for the purpose of considering S. 1335, H. R. 3384, H. R. 3084, H. R. 2279, and such other matters as may properly come before the committee.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1544. A letter from the Secretary of the Interior, transmitting a copy of his report on conservation, control, and use of the water resources of the Missouri River Basin; to the Committee on Irrigation and Reclamation.

1545. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the Federal Security Agency, in the form of an amendment to the Budget for the fiscal year 1945 (H. Doc. No. 596); to the Committee on Appropriations and ordered to be printed.

1546. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the National Housing Agency in the amount of $15,000,000 for war housing (H. Doc. No. 597); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SLAUGHTER: Committee on Rules. House Resolution 548. Resolution providing for the consideration of H. R. 4219, a bill to provide for the appointment of female pilots and aviation cadets in the Air Forces of the Army; without amendment (Rept. No. 1448). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 549. Resolution for the consideration of H. R. 1117, a bill to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal; without amendment (Rept. No. 1449). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 550. Resolution for the consideration of H. R. 2589, a bill to amend section 2901 of the Internal Revenue Code; without amendment (Rept. No. 1450). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. House Joint Resolution 138. Joint resolution granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States; without amendment (Rept. No. 1453). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SHAFER:

H. R. 4818. A bill to amend the War Labor Disputes Act by prohibiting the organization of supervisory employees for purposes of collective bargaining; to the Committee on Military Affairs.

By Mr. RANDOLPH:

H. R. 4819 (by request). A bill to provide for the elimination of alley dwellings and the clearance and redevelopment of slum and other blighted areas of the District of Columbia and the assembly, by purchase or condemnation, of real property in such areas and the sale or lease thereof for redevelopment; and to provide for the organization of, and procedure for such acquisition, elimination, clearance, redevelopment, and sale or lease, and for other purposes; to the Committee on the District of Columbia.

By Miss STANLEY:

H. J. Res. 284. Joint resolution proposing an amendment to the Constitution of the United States relative to removal of the requirement for payment of poll tax; to the Committee on the Judiciary.

By Mr. ANDERSON of New Mexico:

H. Res. 551. Resolution providing for the appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various candidates for the House of Representatives, and for other purposes; to the Committee on Rules.

By Mr. SMITH of Virginia:

H. Res. 552. Resolution to investigate campaign expenditures; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. REECE of Tennessee:

H. R. 4820. A bill granting a pension to Oscar K. Shell; to the Committee on Pensions.

By Mr. SPRINGER:

H. R. 4821. A bill to provide for a money grant to Harriet F. Wright in recognition of the valuable services rendered to the United States by her late husband; to the Committee on Education.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5694. By Mr. COCHRAN: Petition of John C. Brown and 30 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

5695. Also, Petition of the Cook Paint & Varnish Co., signed by 30 St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

5696. Also, petition of Peter Eisel and 30 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

5697. Also, petition of Paul F. Regnier and 30 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

5698. Also, petition of M. C. Steffen and 30 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

5699. By Mr. SCHIFFLER: Petition of the board of directors of the Ohio Valley Board of Trade, Wheeling, W. Va., urging modernization of the Webb Export Trade Act; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 18, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Lord of heaven and earth, Thou hast given us insight and outlook; the Immortal Mind was made flesh and dwelt among us full of grace and beauty. To Him exiles may return to rest, draw the future near, and claim it as their own. O Saviour, within whose will righteousness and peace are one, reign in all hearts and bid passion forever cease; bless and direct our motives and make them chaste and wise.

Clothe us with patience and sympathy for all levels of human life and bring our citizens into a true unity that will enrich our whole country and save them from a selfish and unwise leadership; rather may they employ their gifts, powers, and material resources for the promotion of good will throughout our Republic that they may justify their place in this land of peace and plenty. We lift our reverent eyes to our flag which symbolizes all that is great and good in our civilization; under its beauteous colors may every citizen understand that no struggle is too great and no sacrifice is too costly to fulfill our obligations which are seeking to scatter the shadows of distempered war and let in the daylight everywhere. In the name of Him whose truth is royal and whose love is kingly. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4443. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. HAYDEN, Mr. TYDINGS, Mr. BANKHEAD, Mr. SMITH, Mr. NYE, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4204. An act making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCARRAN, Mr. MCKELLAR, Mr. RUSSELL, Mr. BANKHEAD, Mr. CONNALLY,

Mr. WHITE, and Mr. REED to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 771. An act to provide for payment of pensions and compensation to certain persons who are receiving retired pay.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 280) entitled "Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods in 1944, in order to enable them to continue farming operations to produce food for the war effort."

AMENDMENT TO TARIFF ACT OF 1930

Mr. WEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, for immediate consideration.

The Clerk read the title of the bill.

Mr. REED of New York. Mr. Speaker, reserving the right to object, would the gentleman please explain the nature of the bill?

Mr. WEST. Mr. Speaker, as everyone knows, there are international crossings between the United States and Canada and between the United States and Mexico which, in many instances, are toll bridges as well as free highways.

Under a recent decision of the United States Supreme Court it was held that the owners of those facilities had to pay the overtime of the customs inspectors. In many instances the Canadian Government owns a half interest in the bridges. In one instance, at least, the Mexican Government owns a half interest in a bridge. That means that we are assessing the Canadian Government as well as the Mexican Government for the payment of our employees. They furnish those facilities, or that inspection, free of cost to the United States.

If this bill is not passed, I believe that those foreign governments, in turn, will levy an assessment against us, the American people, to pay their employees. The State Department is very much interested in this bill, because it is causing a very bad reaction in both Canada and Mexico. As I understand, the Treasury Department is likewise interested in the passage of the bill.

Mr. REED of New York. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 451 of the Tariff Act of 1930, as amended (U. S. C., title 19, sec. 1451), is hereby amended by inserting before the period at the end thereof the following: "*Provided*, That the provisions of this section, sections 450 and 452 of this act, and the provisions of section 5 of the act of February 13, 1911, as amended (U. S. C., title 19, sec. 267), insofar as such section 5 requires payment of compensation by the master, owner, agent, or consignee of a vessel or conveyance, shall not apply to the owner, operator, or agent of a bridge, tunnel, or ferry between the United States and Canada or between the United States and Mexico, nor to the lading or unlading of merchandise, baggage, or persons arriving in or departing from the United States by motor vehicle, trolley car, on foot, or by other means upon, over, or through any such bridge, tunnel, or ferry. At ports of entry and customs stations where any merchandise, baggage, or persons shall arrive in or depart from the United States by motor vehicle, trolley car, on foot, or by other means upon, over, or through any bridge, tunnel, or ferry between the United States and Canada or between the United States and Mexico, the collector, under such regulations as the Secretary of the Treasury may prescribe, shall assign customs officers and employees to duty at such times during the 24 hours of each day, including Sundays and holidays, as the Secretary of the Treasury in his discretion may determine to be necessary to facilitate the inspection and passage of such merchandise, baggage, or persons. Officers and employees assigned to such duty at night or on Sunday or a holiday shall be paid compensation in accordance with existing law as interpreted by the United States Supreme Court in the case of the *United States* v. *Howard C. Myers* (320 U. S. 561); but all compensation payable to such customs officers and employees shall be paid by the United States without requiring any license, bond, obligation, financial undertaking, or payment in connection therewith on the part of any owner, operator, or agent of any such bridge, tunnel, or ferry, or other person. As used in this section, the term 'ferry' shall mean a passenger service operated with the use of vessels which arrive in the United States on regular schedules at intervals of at least once each hour during any period in which customs service is to be furnished without reimbursement as above provided".

SEC. 2. Notwithstanding any provision of law to the contrary, the extra compensation of customs officers and employees heretofore assigned to the performance of inspectional services in connection with traffic over toll bridges, through toll tunnels, or on ferries within the definition of the term "ferry" in section 1 of this act on Sundays or holidays prior to the date of the enactment of this act, which is payable on the basis prescribed by the said section 5 of the act of February 13, 1911, as amended, shall be payable by the United States without reimbursement by the applicants for such services or any other person. Any reimbursement heretofore collected or compensation made payable without reimbursement by this section shall be refunded. The necessary moneys to carry out the provisions of this act are hereby authorized to be appropriated from the general fund of the Treasury.

SEC. 3. The Director of the Bureau of the Budget is hereby directed to cause an investigation to be made and to report his recommendations to the Congress on or before the expiration of 90 days after the date of the enactment of this act concerning differences between the compensation of customs officers and employees performing inspectional work and the compensation of other Federal employees performing comparable work under comparable circumstances, and to include in such report recommendation for the equalization of any differences found in such manner as will eliminate any necessity for the assignment of individual customs officers or employees to work regularly on seven days in any week. He shall also include in such report recommendations with respect to the establishment of pay differentials for customs officers and employees who are required to work at nights or on Sundays and holidays in performance of the work to which they are regularly assigned.

With the following committee amendments:

Page 2, line 2, strike out "operator, or agent of a bridge, tunnel, or ferry" and insert "operator, or agent of an air carrier (as defined in the Civil Aeronautics Act of 1938, as amended), highway vehicle, bridge, tunnel, or ferry."

Page 2, line 9, strike out "other means upon, over, or through any such bridge, tunnel, or ferry" and insert "other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, or by aircraft operated by an air carrier."

Page 2, line 15, strike out "other means upon, over, or through any bridge, tunnel, or ferry between the United States and Canada" and insert "other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, or by aircraft operated by an air carrier, between the United States and Canada."

Page 3, line 11, strike out "or agent of any such bridge, tunnel, or ferry, or other person" and insert "or agent of any such air carrier, highway vehicle, bridge, tunnel, or ferry, or other person."

Page 3, line 23, strike out "over toll bridges" and insert "on aircraft operated by an air carrier (as defined in the Civil Aeronautics Act of 1938, as amended) over highways or toll bridges."

Page 4, line 8, strike out "Any reimbursement heretofore collected or compensation made payable without reimbursement by this section shall be refunded." and insert "Any reimbursement of compensation made payable without reimbursement by this section which has accrued and been collected since January 6, 1941, shall be refunded."

Page 4, line 16, strike out "Director of the Bureau of the Budget" and insert "United States Civil Service Commission."

Page 4, line 18, strike out "his" and insert "its."

Page 5, line 4, strike out "He" and insert "The Commission."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a citation.

The SPEAKER. Is there objection?

There was no objection.

LAND-GRANT RAILROAD RATES

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, the House in a day or so will be called upon to vote upon a bill which I think every Member of this body should familiarize himself with. The matter has been before the House before, and the last time a similar bill was defeated. I am referring now to the legislation that provides for the repeal of what is known as the land-grant rate clause in the act to regulate commerce.

Roughly speaking, if this bill becomes a law during the period of this war, in view of the tremendous amount that we

are now spending for transportation of our soldiers, sailors, and supplies, it will cost the Government not less than $500,000,000 a year additional. The Government today is the largest shipper that the world has ever known, and benefits are accruing to the Government as a result of this land-grant provision. The railroads are enjoying prosperity. If the bill is to be passed, it certainly should not go into effect until 1 year after the war.

The hearings show the War Department opposes the bill, the Navy Department opposes the bill, the Treasury Department opposes the bill, the Interior Department opposes the bill, and it has not been cleared by the Bureau of the Budget. The hearings disclose the testimony of those in favor of the bill, and, while there is little there in reference to the effect it will have upon the Government, there is a statement by Col. E. C. Lasher, Deputy Chief of the Traffic Control Division of the Office of Chief of Transportation of the War Department, that tells you the effect it will have upon the War Department alone. To my mind, the question at issue is whether you want to place an additional burden upon the taxpayers and the Treasury of $500,000,000 a year by passing this legislation now.

EXTENSION OF REMARKS

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address entitled "In Memoriam" by Maj. Manfred A. Pakas.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a telegram.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REHABILITATION OF DISABLED SOLDIERS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, to make sure that the Army was doing everything that science and talent and money could accomplish in rehabilitating our soldiers who had or might lose legs or arms, partly or wholly, I called the military subcommittee of the Committee on Appropriations together last December 17, and had the Surgeon General of the Army, Maj. Gen. Norman T. Kirk, come before us and tell us what had been done, what was being done, and what was in contemplation to be done, and what, if anything more, the Congress might do.

Fortunately, the present Surgeon General of the Army probably has no peer in the field of prosthetics.

At that hearing I invited our beloved colleague the gentleman from Missouri, Hon. JOHN J. COCHRAN, to be present. Having lost both of his legs he can appreciate the suffering and later handicaps of others who may be so unfortunate as to lose a limb or limbs. During the course of the hearing the gentleman from Missouri [Mr. COCHRAN] suggested the preparation of a handbook that would be a help and guide to soldiers so afflicted. I have here a small illustrated pamphlet entitled "Helpful Hints to Those Who Have Lost Limbs," which has been prepared by the War Department in pursuance of our colleague's suggestion. I feel that the House should have this information.

EXTENSION OF REMARKS

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a radio address delivered by the Honorable HARRY P. JEFFREY, of Ohio, over the Columbia Broadcasting System on May 16, 1944, on the G. I. bill of rights.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WHITTEN. Mr. Speaker, on yesterday the remarks I made before the House by inadvertence or mistake of the messenger were not returned in time to get into the RECORD. I ask unanimous consent that those remarks be carried in the RECORD of today.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1945

Mr. TARVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4443) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, agree to the conference asked by the Senate, and that conferees be appointed on the part of the House.

The SPEAKER. Is there objection to the request of the gentleman from from Georgia?

Mr. COCHRAN. Reserving the right to object, Mr. Speaker, did not the Senate add to this bill an amendment providing an appropriation to carry on the program commonly known as the school-lunch program?

Mr. TARVER. That is correct.

Mr. COCHRAN. I sincerely hope the gentleman from Georgia will give the House an opportunity to vote on that amendment.

Mr. TARVER. The amendment is legislative in character and under the rules of the House may not be included in the conference report but will be brought back to the House, unless the Senate recedes, for a separate House vote.

Mr. COCHRAN. I hope the gentleman will not try to get the Senate to recede, because that is one program that not only helps the farmer but helps our constituents in the cities.

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, may I state that it is my understanding that a conference report either has been or will be filed on the legislative bill authorizing the continuance of the school-lunch program for a period of 2 years.

Mr. TARVER. May I say to the gentleman that it will then be possible to ascertain the sentiment of the House with regard to whether or not this program should be continued. The subcommittee on which I serve as chairman and the Senate conferees on the agricultural appropriation bill last year took the position that the school-lunch program was not to be continued unless legislatively authorized, so I think that the action of the conferees should be largely determined by the decision of the question arising on the Pace bill as to whether or not the Congress proposes to authorize legislatively the making of the appropriation for this purpose.

Mr. McCORMACK. I simply wanted to advise my friend that a conference report either has been or will be filed on the authorization bill that passed the House and the Senate and has been in conference and which provides, as I understand, for the extension of the school-lunch program for 2 years and also the F. S. A. for 1 year.

Mr. COCHRAN. I will support that Senate amendment, but that is an authorization. The amendment I referred to is an appropriation.

Mr. LAMBERTSON. Reserving the right to object, Mr. Speaker, and I do not expect to object, also in this bill coming from the Senate is about $96,000,000 for the Farm Security Administration, for which there has never been any authorization, and which we distinctly left out of the bill as it left the House because there was no authority for it, on the promise, I took it, that the House Committee on Agriculture was going to bring in a bill authorizing the Farm Security Administration. I understand the conference report on the Pace bill has been agreed to for a couple of days but it has not even been submitted to the House as a report. Are we going to have to do this unexpected thing of passing on an appropriation for the Farm Security Administration when it has not been authorized, after all the hub-bub of a year ago?

Mr. TARVER. The gentleman realizes, of course, that appropriations for Farm Security purposes were not considered by our subcommittee by reason of the fact that they have not been legislatively authorized. The situation is the same or practically the same in reference to the Farm Security Administration item as placed in the bill by the Senate as it is with reference to the school-lunch program. It is legislation on an appropriation bill and under the rules of the House, if the Senate does not recede from the item, it will be necessary for the House conferees to bring it back to the House for a separate vote in this body, when the will of our colleagues may be ascertained.

Mr. DONDERO. Reserving the right to object, Mr. Speaker, and I shall not object, may I ask the distinguished gentleman from Georgia whether or not the proposal is for permanent school lunches or only for a temporary period?

Mr. TARVER. I have not had time to digest thoroughly the Senate amendments to this bill, but my understanding is that the proposal is for the school-lunch program to be carried on for the next fiscal year. I do not think the amendment to the appropriation bill goes beyond that, but as far as the legislative bill is concerned, known as the Pace bill, I understand that the proposed authorization is for 2 years.

Mr. MURRAY of Wisconsin. Reserving the right to object, Mr. Speaker, may I ask the distinguished gentleman from Georgia if in the Farm Security Administration appropriation sufficient money is available for employees, so that we shall not have the situation that obtained last year, of having five $700 loans per employee, in other words, having one employee for every $3,500 that is loaned in order to help produce food to win the war.

Mr. TARVER. As I said a few moments ago, I have not had time to digest thoroughly the Senate amendments. I do not know the verbiage which they contain. The gentleman may rest assured that our subcommittee will give the matter very careful and thorough consideration.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER appointed the following conferees: Messrs. TARVER, CANNON of Missouri, SHEPPARD, WENE, LAMBERTSON, DIRKSEN, and PLUMLEY.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Fort Wayne News Sentinel.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

WASTE OF MILK

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GILLIE. Mr. Speaker, my friends in the House know, I believe, that I am not frequently moved by an almost uncontrollable rage, but I can find no other words to express my reaction, as an ordinary citizen and as a former food inspector in Indiana, to two pictures I am sure you all noticed in yesterday's Washington Daily News. The pictures I refer to are the ones showing the emaciated body of a child, fallen dead in the street from starvation, and the picture beside it of two men pouring 1,000 gallons of milk down the drain in Atlanta, Ga.

What can be the reaction of the people of this country—and particularly those who are toiling under difficult conditions to fill the food-production goals they have been called to meet—when they learn of such outrageous waste brought about by Government red tape and regulations. Surely anyone with common, ordinary, unadulterated horse sense could have found a way to use this milk. Why did it not go to some of our poor school children? Why did it not go to a milk-drying plant? Why did it not go to a condensery? Why, during this period of feed shortages, did it not go to feeding our chickens or hogs?

The cut line under the pictures said that the milk was being destroyed because orders of the Office of Defense Transportation forbade Sunday delivery, and it stated further that this 1-day milk ration would have provided a quart of milk a day for 4,000 hungry children. I tell you, gentlemen, I have demanded an immediate explanation of this outrage—not because there can be any satisfactory explanation of this horrible occurrence, but because we must have assurances that this stupidity will not be repeated and that steps are taken which will guarantee that this unbelievably scandalous procedure will not occur again.

TO EARMARK PROCEEDS OF SALE OF SURPLUS PROPERTY AND REQUIRE APPLICATION OF FUNDS TO DEBT RETIREMENT

Mr. HERTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

Mr. HERTER. Mr. Speaker, the liquidation of surplus property owned by the Government of the United States is already beginning. This surplus property represents a portion of the capital wealth of the Nation. Under existing law, the proceeds of the sale of this property will be coming into the Treasury as current income and will be spent as current income, even though the greater part of the property was acquired through borrowing from the American people. Under any honest system of bookkeeping, the proceeds from the sale of this property should be applied exclusively to the liquidation of the debt which has been incurred during the war period. Acting with the approval of the Republican Tax Study Committee, of which I am a member, I have today filed a bill requiring the Government to follow this policy.

In the Baruch report of February 15 there appears the following statement:

> All of the war surpluses will have been paid for by the American public either through war taxes or the increase in the national debt. Therefore, the proceeds of all sales should go to reduce that debt, lowering the post-war carrying charges which will have to be met through taxation. Certainly no agency should be permitted to sell surpluses and use the proceeds for other purposes.
>
> The fact that surplus sales will lower the debt dramatizes an important point which some business groups are inclined to forget. The net result of an effective disposal program will aid all business, which is an important consideration to be balanced against the possible short-term effects of individual sales.

The text of my bill is very brief, and I therefore quote it in full herein:

> *Be it enacted, etc.*, That all sums received by any department, agency, or independent establishment in the executive branch of the Government, or by any corporation owned or controlled by the United States, for the liquidation of Government property shall be covered and deposited in the Treasury to the credit of a special fund, which shall be used exclusively for the reduction of the public debt, and which shall not be considered in any manner as current income of the Government.

I hope that the Committee on Ways and Means will give consideration to this bill at the earliest possible moment. As I stated above, surplus property is already being disposed of and the proceeds already flowing into the Treasury. Prompt enactment of this bill is highly desirable.

EXTENSION OF REMARKS

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Washington Evening Star.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SCHOOL-LUNCH PROGRAM

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SULLIVAN. Mr. Speaker, the school-lunch program—embodied in H. R. 4278, and other proposals—strikes me as worthy of continued support by the Federal Government for the immediate future. I believe that with time and trial it will so appeal to the States that it will ultimately be sponsored entirely by them with beneficial results far exceeding the financial outlay required. When this matter was before the House a few weeks ago, I supported and voted for the school-lunch program, and I see no reason to change my position now. Although the program was defeated in the House, I hope we will have another opportunity to vote on it, as the Senate yesterday restored this item to the bill.

At base, the program makes for better citizens in whom a healthy body will provide that sound mentality and character on which the progress of our Nation depends. A nation, like any other entity, is a whole dependent on the sum of its parts. We are constantly concerned with all crops in respect of their quality as well as quantity. Our natural resources are not sufficient alone. A nation must concern itself with posterity.

The program is not for the destitute alone. Lunches are furnished free only for about one-tenth of the school children. They are furnished practically at cost for the remainder. The highest type of lunch costs 9 cents for food, the labor being furnished locally. But it is the expert knowledge employed in finding proper foods having nutrition value, coupled with proper variety and balance, that enables the schools to function upon growing minds with the highest efficiency.

It is not too much to say that the educational effort and the economic control

expended for making a rugged citizenry will be largely wasted on ill-fed children.

After this war we shall doubtless maintain an enlarged standing army in service as well as a potential army fitted for the economic and military emergencies that will cast their shadows over the world. I believe that problem can be half solved if we make sure that each child in his formative school years is assured of receiving at least one sufficient, properly chosen and regularly administered meal every day of his life and forming, as one might say, a necessary part of the curriculum of his education. If the family is to survive as an effective unit of society, the aggregate knowledge and resources of the entire Nation must assist.

The SPEAKER. The time of the gentleman has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that I be permitted to address the House for 15 minutes tomorrow after the completion of other special orders.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GEN. H. H. ARNOLD

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BARDEN. Mr. Speaker, I take this minute for the purpose of not only congratulating that fine, outstanding American, general, H. H. "Happy" Arnold, Chief of the United States Air Corps, but to express the gratitude and appreciation of the American people for the fine work he did yesterday in bringing to a close the strike which was endangering our cause by cutting down our plane production. General Arnold again arose to the occasion and rendered a great and distinguished service for this country. I am sure every Member of this body is quite appreciative of that work. It was a direct, fearless, two-fisted attack that resulted in a swift and decisive victory. General Arnold will go the limit to protect his men and provide the necessary planes and equipment for them. He loves America. He loves his fine men and all America loves, trusts, and respects him.

The SPEAKER. The time of the gentleman has expired.

VALUE OF OIL IN TRANSPORTING WOUNDED SOLDIERS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, I want to bring before the House a rather remarkable bit of information.

In the Mediterranean area, during the Tunisian campaign, from November 1942 to September 1943, a period of about 10 months, 25,000 of our wounded and ill soldiers were transported 8,000,000 miles to the hospitals, and only 1 out of 25,000 who were being transported, died. Now it is lubricating oil that transports them. At Nome, Alaska, when the Army hospital was burned, they brought in a 25-bed hospital by planes. It had been flown a distance of 3,400 miles and in 6 days it was all set up, ready to receive patients.

In New Guinea, 2 field hospitals were flown over the Owen Stanley Mountains. In Sicily, a 50-bed hospital was moved by air 44 miles in 2½ hours from the time of dismantling until the time it began receiving patients.

I am just giving you a little picture of what is being done by air without disclosing any military secrets.

Then, 3,600 troops were moved by air from Australia to Port Moresby, and 15,000 troops were moved by air from Port Moresby over the Owen Stanley Mountains, and supplies of more than 2,000,000 pounds a week were likewise sent to those forces by air. Our production is now running a little better than 8,000 planes a month.

Now one of the most important factors is lubricating oil. I want to bring to the attention of the House, when the Department of the Interior appropriation bill was here I tried to get an item in that bill for $50,000 to make further investigation and save this invaluable oil up in the area which I represent. Some bureaucrat has stepped in and prevented the saving of that oil, and the influence comes from that gang that combed this country for scrap iron to ship to Japan. They were able to stop this item from being approved by the Bureau of the Budget. They are more interested in the old iron they can buy for junk in this country than they are in saving this oil to do this marvelous work to which I have referred. Lack of lubricating oil can result in disastrous consequences to planes and men.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent for the gentleman from New York [Mr. KEOGH] that he be permitted to extend his remarks in two instances, first to insert an editorial printed in the Star, and secondly to insert a resolution adopted by the Federal Bar of New York, New Jersey, and Connecticut.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD by including therein an address recently made in Boston by Vice Admiral Randall Jacobs, which I am informed by the Public Printer will cost $104. Notwithstanding, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address recently made in Boston by Col. Ruth Cheney Streeter, Director of the Marine Corps Women's Reserves, on the same occasion that Vice Admiral Jacobs made his address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GEN. H. H. ARNOLD

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, all red-blooded Americans who really believe in their country and who are really backing up our men in the armed forces, will agree with the remarks of the gentleman from North Carolina [Mr. BARDEN] with reference to General Arnold.

I wish to God General Arnold had more power to put a stop to these communistic agitators who are stirring up strikes in this country and slowing down the production of those materials which our boys need so badly on the various battle fronts of the world.

If we are going to permit these communistic agitators, like Sidney Hillman, to continue to slow down our war effort and then raise money by shaking down the laboring men, to corrupt the electorate and try to take control of Congress, it is about time we put some more General Arnolds in command.

The SPEAKER. The time of the gentleman has expired.

FEDERAL GOVERNMENT AID FOR THE READJUSTMENT IN CIVILIAN LIFE OF RETURNING WORLD WAR NO. 2 VETERANS

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1767, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

Mr. BARDEN. Mr. Chairman, at the time the Committee rose yesterday afternoon it had under consideration two amendments offered by me, one with reference to lines 4 and 5 on page 53, and the second amendment with reference to lines 8 through 10, on page 53. Since the adjournment of the House yesterday afternoon the Committee on World War Veterans' Legislation and I have agreed that there is a solution to that problem in an amendment which I will offer.

But before offering the amendment I ask unanimous consent that the two amendments, just referred to, be withdrawn.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to withdraw the substitute amendment which I had offered.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARDEN. I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: On page 53, line 16, strike out the period, insert a semicolon and add the following: "*Provided, however,* That wherever the additional period of instruction ends during a quarter or semester and after a major part of such quarter or semester has expired, such period of instruction shall be extended to the termination of such unexpired quarter or semester."

Mr. BARDEN. Mr. Chairman, all I have to say concerning this amendment is that it clears up the situation we were discussing yesterday. It meets with the approval of all parties concerned and I think materially helps the bill.

Mr. DONDERO. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. DONDERO. The gentleman showed me that amendment. I think it cures the defect that we all noticed in the bill.

What I now rise to ask is this: How does that square with the language in line 16, just before the place where your amendment will be included, the language being, "or training exceeding 4 years"?

Mr. RANKIN. It says, "Provided, however." It absolutely dovetails with that language.

Mr. BARDEN. I think that will clarify it. If there is some minor change that a draftsman would notice, that can be taken care of in conference. There will be many things that the conferees will have to worry about, and possibly that will be one of them. However, I think the amendment is satisfactory.

Mr. RANKIN. Mr. Chairman, the Committee on World War Veterans' Legislation went over this matter very carefully this morning. We also discussed it with the distinguished chairman of the Committee on Education, the gentleman from North Carolina [Mr. BARDEN] and, as he said, he has conferred with the members of his committee and we have agreed to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. BARDEN].

The amendment was agreed to.

Mr. PRIEST. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PRIEST. Mr. Chairman, as the House proceeds nearer to a final vote on this G. I. bill of rights, I am sure the entire membership of this body appreciates more fully the meticulous care and the arduous study given this legislation by the Committee on World War Veterans' Legislation.

Because of the broad range of subjects covered and the numerous complexities present in an endeavor to provide equitably for thousands of men in many different categories now in the armed services, the task before the committee and now before the House has not been an easy one.

But I do not recall any other occasion when the task has been more arduously undertaken nor more intelligently pursued than has been true in the handling of this bill.

I believe, Mr. Chairman, that when the House has completed this legislation it will accomplish those purposes which constituted the fundamental problem before the committee in the beginning.

Passage of this bill will insure both adequate and equitable administration of existing laws for the benefit of disabled veterans and for the dependents of those men who die on the battlefield or who may die later as a result of injuries received while in the service of their flag and country.

Moreover, it will supplement and expand existing laws to provide for readjustment into the civilian economy of men who are mustered out after the fighting has ceased.

And it will concentrate in one agency, the Veterans' Administration, the responsibility of veterans' benefits.

It is no more than natural that honest differences of opinion should arise over many of the provisions of this legislation. Many of the amendments which have been offered, particularly to the education section, or title II, of the bill have on first reading sounded logical. With some modifications of some of these amendments, their adoption has, in my opinion, improved the bill. Certainly no section of any other bill has received any closer attention than title II of the pending measure.

It is my judgment that the committee bill offered the maximum opportunity for veterans of this war to take advantage of training at Government expense, and at the same time preserved the rights of the several States in the administration of their school systems free from any Federal domination or control.

The committee bill provision that the Administrator is required to obtain from State authorities a list of qualified institutions from which he may not subtract, but to which he may add, is a very sane one.

I hope, Mr. Chairman, that when the Committee of the Whole has completed action on this legislation it may be passed in the House without a dissenting vote.

News of such unanimous action by this body, Mr. Chairman, will make good reading for men who await only a signal to charge into the fortress of Europe.

I do not believe that any other nation at any other time in the history of the world has taken such preparations as this bill provides for returning the men who fight in its armed forces to positions in civilian life as nearly as possible to what those positions might have been if war had not come.

This measure, indeed, is a bill of rights and a great basic charter for veterans. The veterans' organizations of the Nation which have so widely and aggressively sponsored it are to be congratulated.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time because after struggling all afternoon yesterday to obtain a little recognition I was unable to obtain that recognition, and I do want to make clear just what part VIII, as amended, really provides.

The committee, by action previously taken on page 54, has included in the language provisions which will make it clear that it is the intent of Congress to include apprenticeship training as a part of the training program. Apprenticeship training as such is not referred to on pages 52 and 53 of the bill. You refer to refresher or retraining or training courses, as it is now amended. I pose this question to the committee: Under the bill as amended a veteran who was beyond 24 years of age when he entered the service, will be entitled to 1 year of refresher training, retraining, or training, if he desires it. But a person who was more than 24 years of age when he entered the service will not be entitled to these privileges, unless he can satisfy the Veterans' Administration that his education or training was impeded, delayed, interrupted, or interfered with. The question is this: If you are going to utilize the facilities of apprenticeship training, certainly anybody who goes into that training program will have to remain in it for more than 1 year. Under the apprenticeship training program, as it is set up in the States, a person who enters as an indentured apprentice agrees to continue his work under the supervision of the State and Federal apprenticeship supervisors, in cooperation with the vocational system, for the period required for graduation to obtain a journeyman's certificate. That period is for 2 years, 3 years, 4 years, and formerly, in peacetime in certain industries, as much as 6 years.

Now, here is Bill Jones, who is more than 24 years old, who had been working in a plant and was inducted into military service. Perhaps he had been running a drill press, doing just one little operation. He has continued to obtain some further mechanical experience in the Army, and he comes back and he says, "I want to become a real mechanic. I want to go into this apprenticeship training program." They say to him, "Well, Bill, you were more than 24 years of age when you entered the service. We will give you a refresher course or a retraining course for a period not to exceed 1 year." Then Bill will have to say, "That is not an apprenticeship. That gives me no advantage. I cannot avail myself of the apprenticeship training program"; and he is out.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. VORYS of Ohio. Is there any such apprenticeship-training program where a man would not make more than $50 a month after the first year?

Mr. KEEFE. No; if I understand the gentleman's question and if he understands the apprenticeship training program, an indentured apprentice who goes into an industry is paid by the in-

dustry on a low basis provided by contract under the apprenticeship law in the States, and in addition to that he would receive, if a single man, $50 a month, and if married, $75 a month.

May I call attention to the fact that disabled veterans who are entitled to compensation for injuries sustained, are being taken into apprenticeship training programs in my State right now.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. KEEFE] has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KEEFE. This is a very important question and I wanted to bring it to the attention of the House yesterday, in order that we might intelligently understand what we are doing. They are taking those men into apprenticeship training programs today, and they are receiving the pay which industry pays apprentices. In addition, they receive their compensation from the Government, and are thus able to subsist and continue on to take the full apprenticeship training course and become real mechanics and real journeymen.

As one who is greatly interested in the success of the apprenticeship training program in this country, I want to make it clear, if I can, that it is my humble opinion you are denying every man over 24 years of age, whose education was not impeded or delayed or interrupted or interfered with by reason of his entrance into the armed services, an opportunity to enter the apprenticeship-training programs of this country. You are virtually setting aside and nullifying the amendment which you adopted yesterday on page 54, indicating it to be the intent of this Congress that you would include the apprenticeship training program within the training programs contemplated under this law.

It was because of that fact that I felt that the Barden amendment should have been adopted. Had I had an opportunity to speak on the subject I would have advocated the adoption of the Barden amendment, because, after all, what we are seeking to do is well expressed in the first lines of this section 8. I want to read it:

> Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war who is discharged or released therefrom under honorable conditions shall be entitled to financial assistance to enable him to undertake and pursue a course of education or training as may be elected by him.

That is fine. That is holding the torch up for education for the veterans. But immediately following begin the buts and the whereases and the provisos. You now have hemmed in the veteran so that so far as apprenticeship training is concerned the men who really are in need of it are to be denied the opportunity to take advantage of apprenticeship training. I am calling this to your attention now for although we have passed that part of the bill, I hope that somebody in the conference or some Member of the other body will read what I am saying now and in the conference make it clear that there was no intent to eliminate the veteran from the possibility of entering apprenticeship-training programs simply because they were more than 24 years of age when they entered the service. To do any other way, Mr. Chairman, is to deny a veteran who today is over there in Italy the right to go into apprenticeship training simply because he had been out of school for 2½ years before he went into the service and was more than 24 years of age. I hope you will give serious attention to this because I know you are interested in the preservation and extension of apprenticeship training to the men who ought to have it.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. RANKIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

> Committee amendment offered by Mr. RANKIN: Page 54, line 2, after the words "institution", insert the following in parentheses: "(Including industrial establishments)"; and in line 3, after the word "training", insert the following language: "Including apprenticeship training."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I have some other committee amendments to offer which I send to the desk.

The CHAIRMAN. The Chair will state for the information of the gentleman from Mississippi that it seems the further amendments he has to offer refer to section 401, which has not been read.

Mr. RANKIN. Then I will just let them be held at the desk.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this morning in the committee the matter of the inclusion of extension schools and extension courses was brought up. And the committee believed that extension courses would be included under the language of the bill. Am I correct in understanding, Mr. Chairman, that the extension schools would be included in the provisions of the section?

Mr. RANKIN. I may say to the gentlewoman from Massachusetts that the extension services are a part of the educational institutions of the States and they would certainly be included under the provisions of the bill.

Mrs. ROGERS of Massachusetts. There has been some question by people on the outside who wanted to be absolutely sure that extension schools would be included. The committee felt they would be under the provisions of the section as now written.

Mr. KEEFE. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. KEEFE. May I say for the benefit of many people who have called me with respect to telegrams which they have received from State agencies that the two amendments that have just now been adopted as committee amendments are 2 of the amendments which I have offered out of 10 which the committee has seen fit to accept, and they are the 2 which seek to protect the apprenticeship training program of the various States as part of the educational facilities of this bill.

Mrs. ROGERS of Massachusetts. I agree with the gentleman; the apprenticeship training program is extremely important to the veterans.

Mr. KEEFE. I make that statement merely to identify these two amendments.

Mr. RANKIN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. RANKIN. I may say to the gentlewoman from Massachusetts that the gentleman from Wisconsin has several other amendments along the same line.

The reason I am offering them now as committee amendments is because the committee approved them. The criticism of the gentleman from Wisconsin would leave the impression with the House that the Committee on World War Veterans' Legislation had not been willing to take care of this situation. For that reason, under the instruction of the Committee on World War Veterans' Legislation I am offering these committee amendments.

Mr. SCRIVNER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. SCRIVNER. Mr. Chairman, the language beginning in line 2, on page 54, reads:

> Schools or institutions equipped to supply education or training.

Can it be made any broader than that? "All schools." The committee was at a loss to find any word more inclusive than the word "all," which would include the schools mentioned by the gentlewoman from Massachusetts, and the apprenticeship training courses mentioned by the gentleman from Wisconsin.

Mr. VORYS of Ohio. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. VORYS of Ohio. It would include all schools and institutions.

Mr. SCRIVNER. All institutions equipped to supply education or training.

Mr. RANKIN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. RANKIN. I may say to the gentleman from Kansas and also to the gentleman from Wisconsin that we also retained in the bill that provision that some Members want stricken out on the top of page 54 giving the Administrator of Veterans' Affairs the right to recognize other institutions for that purpose in order that we might take care of the training of these men who want training of this kind.

Mrs. ROGERS of Massachusetts. So it would be all-inclusive to allow veterans freedom of choice and in order to make sure that they could be given any course of training they select. We want to make that absolutely certain of it.

Mr. RANKIN. I want to submit to the gentleman from Wisconsin [Mr. KEEFE] that we have on the Committee on World War Veterans' Legislation, as the gentleman said yesterday, many members who are veterans of the last war, many of them overseas veterans. They are all interested in the welfare of the veterans of this war. We went into these questions very carefully and worked out what we thought was the best solution.

Mrs. ROGERS of Massachusetts. The extension courses, of course, are vital to those who are interested in farming, and we are sure they are to come under the provisions of this bill.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. HAYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS: Page 53, line 20, after the colon, insert "*Provided*, That if the Administrator should find that the freedom of choice of institutions results in overcrowding of facilities in some institutions he may give consideration to limiting selection of institutions to the veterans' State of residence."

Mr. HAYS. Mr. Chairman, the House has given every evidence of its appreciation of the magnificent work the Committee on World War Veterans' Legislation has done, and it is with some reluctance that I offer this amendment, and yet, I do hope the committee will hear me in the discussion of my amendment.

At first it occurred to me, in view of the fact we would have in the larger and better known institutions a stronger appeal, and with the veterans having complete freedom of choice, that it might be best as to standard courses, such as agriculture, to limit the veteran to the State of his residence. We have spent millions of dollars through the years under the Morrill Act, the Smith-Lever Act, and other legislation in the development of our great land-grant colleges and other educational institutions. If a boy wants to study farming in my State, he should go to an Arkansas institution, and if one is interested in farming in Michigan, he should attend a Michigan institution. I think the committee is wise in spite of that fact to give freedom of choice to the veteran, and I refer to this only that we might let it be known, and I think I speak for the House in this regard, that encouragement should be given to every veteran to attend those institutions within his own State that are adaptable to his chosen type of instruction. Yet there remains this problem, and it is a problem that has been vigorously set forth by the gentleman from Wisconsin [Mr. KEEFE], of commercialization, and if there is a strong appeal by some of the institutions in the large centers you will have flowing out from the other States a large group of veterans who could be more effectively serviced under this legislation in their own States. So my amendment is very cautious in its approach to this problem, giving to the Administrator simply the direction to weigh that problem if the facilities in any institutions are overcrowded and in that instance to provide that the veteran shall have this instruction in the State of his own residence. We certainly would not preclude his taking a special course, such as television, and the attendance by a veteran in any institution which furnishes that course, neither would we deny to the veteran the right to go to a college in another State, which he attended before induction into the military or naval service.

We should preserve that right, regardless of the fact that next door there might be an institution financed by the Federal Government giving the desired course. If you will notice the language of the amendment, it simply provides that if there is an overcrowding in any institution then the Administrator of Veterans' Affairs shall have instructions from us to give consideration to limiting the veterans' choice to the State of his residence. We have complete confidence in the Veterans' Administation. The first job I ever had was in this city with the Veterans' Administration when it was known as the Bureau of War Risk Insurance, and I have followed the agency with personal interest through the years. I also know how this House feels about the present administration and the present Administrator. I would not want to put any restrictive limitation upon him, but I do feel that he would welcome an expression of this kind that in case of overcrowding at any institutions there might be this instruction to give consideration to limitations. I hope the committee will weigh this amendment.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. It seems to me that the matter is covered in the section of the bill which leaves the decision as to who they will accept to the institution itself. If I apply to a given institution and I had been there before going into the war, in all probability, if my record is good, I would be No. 1 on the list to go back ahead of the man who had not been there. We say in the bill that that decision is to be made by the institution itself.

Mr. HAYS. Suppose an institution is pursuing a policy of commercialization and putting on the kind of advertising program that draws in large numbers of students where the Administrator, according to the educational standard set up, does not feel that adequate and proper instruction can be given. The institution wants them and still educationally the Administrator feels it is not wise for them to be there and that they should be in their own State where they would get better instruction. We might provide for limitation to regions, or we might put some other formula in it, but I suggest the State of his residence because I feel under the educational policy embraced in the laws I referred to we have proceeded on the theory that in the field of agriculture and academic courses we have established a uniform system of education in this country. It was with that thought in mind that I offered the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CUNNINGHAM. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Arkansas [Mr. HAYS].

Mr. Chairman, I hesitate at any time to oppose any amendment offered by the gentleman from Arkansas. I have so much confidence in him and in his ability, but in this particular instance I think his amendment is bad for two reasons. First, it will limit the choice of the veteran as the committee has given it to him under the bill. We want him to have absolute freedom of choice and this will put some limitation on the veteran. Second, throughout all this debate it has been the purpose of both the Committee on Education and the Committee on World War Veterans' Legislation to get a bill that will give freedom to the State institutions in running their own schools. If we adopt this amendment we will give to the Administrator in Washington the power to go into the States and regulate the schools, which is the very thing we have been fighting and the very thing we want to prevent.

Mr. Chairman, this is a bad amendment and should be voted down, although I appreciate the contention of the author, I see his point, but I do not believe he has carefully considered his amendment. It will build up a bureaucracy here in Washington, which we have been trying to guard against.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Under this amendment you would have a Veterans' Administrator deciding whether an institution is overcrowded instead of the institution deciding for itself?

Mr. CUNNINGHAM. Yes. The Veterans' Administrator could go in and say, "Here, you have 7,500 students, I think you should not have more than 5,000; therefore, unless you cut it down I will not allow any more veterans to go to your school," when, as a matter of fact, they have been taking 7,500 for years.

Mr. VORYS of Ohio. Also under the bill without this amendment the school or institution can turn away a veteran saying, "We cannot take you; we are overcrowded."

Mr. CUNNINGHAM. Absolutely. It would be interfering with the freedom of the veterans and set up more control here in Washington.

Mr. VORYS of Ohio. While we want to free the veteran from Federal control so far as education is concerned, we also want to free him from State control and allow him as much freedom of choice within reason as possible?

Mr. CUNNINGHAM. We want to free him from any indirect State control through the Veterans' Administrator controlling the State institutions.

Mr. RANKIN. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. RANKIN. I agree with the gentleman from Iowa thoroughly. Besides, these veterans are not kindergarten students. They know when an institution is overcrowded; they know when an institution is so crowded it would be better for them to go somewhere else without placing, as the gentleman from Iowa stated, this dangerous power in the hands of some agency here in Washington. I hope the amendment will be voted down.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Arkansas [Mr. HAYS].

The amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to revise and extend my own remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, during the last few days foreign-born Sidney Hillman, who seems to be the power behind the present political purge, by the committee for political action of the C. I. O., has been doing more or less boasting about his ability to clean up on Congress. He has been bragging that already they have taken two of the outstanding Members from the majority side and put them where they will not be bothering the C. I. O., the Communists, or the New Dealers during the next Congress. He and his aids with the $2,000,000 political fund boldly announce that they will defeat all Congressmen who venture to oppose their wishes—they intend to turn this into a government by and for the C. I. O.

I notice the gentleman from Wisconsin [Mr. MCMURRAY] over there smiling and nodding. Apparently he enjoys that situation. May I say, though, that the next Congress will be either a Republican Congress or a C. I. O. Congress, rather a combination of C. I. O.'ers, Communists, and new dealers. The real Democrats are clear out on a limb and will be out so far as the next Congress is concerned if Hillman and the administration have their way.

Mr. BUCKLEY. Will the gentleman yield?

Mr. HOFFMAN. No; I do not yield.

Mr. BUCKLEY. Is the gentleman trying to insinuate——

Mr. HOFFMAN. No; I am not insinuating anything. I am just telling you something. What does the gentleman want to know?

Mr. BUCKLEY. Is the gentleman trying to insinuate that anyone born on foreign soil, who comes to this country, who is naturalized in this country, is not a good citizen of this country?

Mr. HOFFMAN. I do not yield further for a speech. In answer to the gentleman, let me say that it would be foolish to make any charge of that kind against anyone because he was born in a certain locality but I do say that a man who goes into a new community and who forthwith attempts at once to tell the people of that community, be it town, city, or State, how they should conduct their affairs, is to say the least, egotistical and presumptuous.

Members of Congress when they come here are told, not once, but repeatedly to withhold their advice until they know what is going on. It would be well if those born abroad, if those who have had but few years of experience here as citizens; who have not yet absorbed the principles of our Government, would be a little more modest, not only with their advice, but in their demands that the rest of the population conform to their ideas of government, or accept the abuse which these newcomers or those of foreign birth, choose to hand out.

The native-born population of this country and the first, second, and third generations of foreign-born parents are growing extremely tired of having a transplanted blossom, if it can be called such, carrying with it the odor of a foreign ideology, which in the Old World has brought nothing but trouble, tell them that our system of government, our way of life, is all wrong.

Let the Sidney Hillmans be a little more modest in their expression of opinion that all those who do not agree with them are either unpatriotic, dumb, or foolish, and should have their political throats cut.

Dissatisfied with the conditions existing in the countries from which they came, they yet have the impertinence to demand that we adopt and put into practice the very same theories which have failed, which have brought disaster in their own lands.

A man is not responsible for his birthplace but he should understand something of the principles of the people of his adopted home before he starts his house cleaning. A man does not have any choice about the place where he is born, but he does have something to do with whether he is for or against the form of the government of the country to which he comes or where he lives and if he is dissatisfied with that form of government, let him for a time be a little modest in his demands. Let him remember that he is here only because our people let him in. He is here not as of right, but because of our generosity. If he is foreign-born, and he does not like the institutions of our country, let him go back to the country from which he came or be more tolerant of our views. There are plenty of Americans who believe in our institutions, who believe in our people, and who have confidence in our own ability to carry on our Government without needing any advice from any foreign-born from across the seas or anywhere else. Many foreign-born are good citizens but some are too demanding, too arbitrary, too insistent that they alone know what is best for us.

The point I was trying to make is this: The gentleman from Wisconsin said something about the industrial——

Mr. BUCKLEY. Mr. Chairman, I make the point of order the gentleman is not in order; that he is not speaking on the matter before the House.

Mr. HOFFMAN. If the gentleman would listen instead of talking so much, he would know I was. Will the gentleman sit down?

Mr. BUCKLEY. I will when the Speaker of the House orders me to sit down. I make the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Michigan rose to strike out the last word which seems to be the word "act."

Mr. HOFFMAN. That is right. That is where we are at right now.

The point is this, as I was trying to state before the interruption by the gentleman, that the gentleman from Wisconsin—and I ask the gentleman from Mississippi, the chairman of the committee, to listen now—the gentleman from Wisconsin was talking about veteran apprentice workers.

Mr. RANKIN. Mr. Chairman, a point of order. Which gentleman from Wisconsin?

Mr. HOFFMAN. Mr. KEEFE.

Mr. RANKIN. Oh!

Mr. HOFFMAN. He said, among other things, that the apprentice student was paid by industry. If that is correct, this committee has overlooked the fact the C. I. O. makes a worker, even though a veteran, pay in order to work when it can get the aid of the W. L. B. I ask the gentleman from Mississippi [Mr. RANKIN] are you going to leave the veterans at the mercy of the C. I. O. or any other organization? Are you going to make those veterans who come back, and who will take up these industrial courses, and be paid, in part, by industry, come across with an initiation fee and dues of $1.50 a month in order to get the benefit of this bill? Are you?

I thought the gentleman was interested in protecting the American veterans. They are just as much in need of protection from the C. I. O. as they are from any bunch of racketeers. I offer that suggestion to the gentleman, to put something in this bill to correct that situation. If no one else offers such an amendment I shall do so.

Mr. RANKIN. Mr. Chairman, is the gentleman through?

Mr. HOFFMAN. No; I am just yielding to the gentleman.

Mr. RANKIN. No; I will take my own time.

Mr. HOFFMAN. I hope you will, and I hope you make it good.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN] for 5 minutes.

Mr. RANKIN. Mr. Chairman, I am afraid the gentleman from Michigan is unduly excited over the apparent indifference of the American people.

Mr. HOFFMAN. Oh, now, just a minute.

Mr. RANKIN. Wait a minute.

Mr. HOFFMAN. I am not questioning the patriotism of the American people.

Mr. RANKIN. I know, but the gentleman has underestimated the reaction

of the American people to the communistic activities of certain elements in the United States.

Mr. HOFFMAN. I hope the gentleman is right.

Mr. RANKIN. We do not intend for Sidney Hillman, the foreign-born racketeer, who is now raising money to try to corrupt the electorate of the United States, to dominate the Democratic Party.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. No. If any man were elected to the Congress by the use of the money raised by Sidney Hillman and his gang, he would have just one more "doodlebug" in the Congress of the United States. Every time he leaned his oriental "mug" over the hole and called "Doodle, doodle, doodle," soft and slow, the sand at the little end of the funnel would be seen to stir, and then the little head of his chosen representative would pop up.

I want to say now, for once and for all, that these communistic racketeers, headed by Sidney Hillman, who is out raising money to corrupt the electorate of the country, promoting strikes and driving the dagger into the backs of our boys at the front, as General Arnold mentioned on yesterday or the day before, are not going to dominate the Democratic Party, and the gentleman from Michigan [Mr. HOFFMAN] need not be uneasy about it.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Oregon.

Mr. MOTT. I think the gentleman will have to admit that Sidney Hillman has already made a pretty good start in the direction of corrupting the Democratic electorate, in the gentleman's own party, in three elections that we have had within the last 3 weeks.

Mr. RANKIN. I am not prepared to discuss those cases just now.

But I am saying to the gentleman from Michigan that the men who constitute the backbone of the Democratic Party are patriotic Americans. Their sons are fighting and dying on every battle front in the world, and we are not going to permit Sidney Hillman and his gang of racketeers to dominate the Democratic Party.

Mr. HOFFMAN. I hope the gentleman is right.

Mr. RANKIN. Any more than the gentleman from Michigan or anyone else would permit them to dominate the Republican Party.

All America is in this war. It is being fought by American soldiers. Ask those boys if they want to be dominated by Sidney Hillman. Why, if those boys overseas could come back here and go into the factories where those racketeers are putting on these strikes, they would go out the window so fast that you would not know they had ever been there.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. No.

Mr. Chairman, I hold in my hand a newspaper article, not from a Mississippi paper, but from a newspaper in Denver, Colo., the Denver Post. It shows a picture of three men who are heading one of these strikes. One of them is named H. B. Hunterberg, the other is named Leonard Levy, and the other Samuel Wolchok. Standing at the door, looking back at them with one eye squinting, is a big, honest-to-God, red-blooded American soldier, with his gun in his hand. I think I can hear him saying to himself, "I wish to God I could use this gun, as I would like to use it now."

If we are going to come to a showdown with this communistic element that is trying to destroy our American institutions, and trying to corrupt the electorate of this country and trying to drive the dagger into the backs of these boys who are doing the fighting to protect these United States and the lives of those in our defense industries, I want the gentleman from Michigan to know that the red-blooded Democrats are ready for the fight. They are not going to dominate the Democratic Party, and Sidney Hillman might as well understand it.

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, both the gentleman from Michigan [Mr. HOFFMAN] and his natural ally, the gentleman from Mississippi [Mr. RANKIN], have seen fit to attack Mr. Sidney Hillman because of the activity of the C. I. O. political action committee. It seems that both gentlemen overlook the fact that labor has a right to organize, not only on the economic front, but labor has a right to protect itself and its legitimate interests on the political front. They conveniently overlook this fact: In this Congress some Members speak for certain geographical sections, certain agricultural interests, industrial interests, and financial interests. That is a matter of common knowledge. These Members who speak for their constituents, and particularly speak in the interest of the American worker and defend labor's rights, do not fear the attacks from doodlebugs on the reactionary side of this Congress.

Whether Mr. Hillman is foreign-born or native-born is immaterial. He is an American. What is material is that Mr. Hillman is engaged in a perfectly sound political activity consistent with basic American democratic principles.

Nobody can dispute that. No amount of smearing can change it. No hurling of the word "Communist" a million times can do it.

Of course, I can understand why the two gentlemen do not want the American soldier when he returns to join labor unions. These two gentlemen have always been enemies of organized labor, and have demonstrated their enmity with their votes and their activities in this House.

I say that the best protection the American soldier can have when he returns and goes into a factory or a plant is for him to become a member of a labor union, because American history has demonstrated that the greatest protection American workers have had has been through organizations of their own, the very same labor unions that both the gentleman from Mississippi and the gentleman from Michigan seek to undermine and destroy in the halls of this Congress.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. Not at this moment.

May I also add the following thought. Labor means to defend itself. Labor recognizes that in a democracy the greatest weapon the workingman has is his vote, his ballot, and labor proposes to use that ballot, to use it in the best interests of the country, to use it in the best interests of the workingman, to use it in the best interests of the common welfare of America.

You speak about strikes. Labor's record has been one of the best as far as any group in this country is concerned. The mere fact that you can single out an isolated strike here and there demonstrates that as an overwhelming whole labor has recognized and carried on its responsibility in a manner which is not susceptible to challenge from responsible and honest individuals. Labor has done the job. Labor is doing the job. Labor is in the political field and labor is going to stay in the political field. Do not start hollering Communist when labor takes your record and presents it to the American people and asks the American people to choose their Representatives on the basis of their voting record and on the basis of their activity in the Congress of the United States. Labor's political activity is American democracy in action.

Mr. EBERHARTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the subject seems to have changed a good bit here in the last 10 minutes. We were discussing a measure in which the American Legion and every veteran is very much interested. Of course, when the American Legion makes recommendations to the Congress, individually or as a whole, the Congress sits and pays respectful attention to those representations. I say that when organized labor makes representations to Congress it is perfectly within its rights.

Mr. Sidney Hillman has been called on the floor of this House a foreign-born Communist, in the most scornful tones that can be used, by the very same gentlemen who place great store in the findings of the Dies committee. By terming Mr. Hillman a Communist on the floor of this House, they are disputing the actual findings of the Dies committee, because the Dies committee in its report definitely stated that Mr. Hillman is not a Communist. So either these gentlemen have not read the report or else they dispute the findings of the committee.

The C. I. O. political action committee needs no defense on my part. They are able to take care of themselves, as they have proven in the last 3 weeks in primary elections held in various sections of the country. So I say they do not need any defense on the floor of this House by me or by anybody else. Their actions and the results they have obtained speak for themselves.

It seems that it has caused quite a deal of consternation in the minds of some of

the Congressmen here who do not believe in labor having any rights whatsoever to make representations concerning the type of men who shall represent the people from their districts or the type of legislation they want or protection for the interests of labor. As was said by my distinguished colleague, the gentleman from New York [Mr. MARCANTONIO], labor has made a great record in this war. Business also has made a great record in this war. The Army and the Navy and the entire American people have made a great record in this war. I do not think it behooves Members of Congress to get up and attack those who want labor to have their just rights. I just want you to remember that the C. I. O. political action committee needs no defense. All of the recriminations, denunciations, and all of the smearing that you do of that committee will not have any effect whatever on any action they may take. In fact, the very attack that is being made on the C. I. O. political action committee makes them stronger throughout the country. That is one thing some gentlemen should keep in mind.

Mr. RANKIN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, it is certainly amusing to hear the gentleman from Pennsylvania [Mr. EBERHARTER] and the gentleman from New York [Mr. MARCANTONIO] cry "Labor" in their defense of this racketeering scheme of Sidney Hillman to take $1,000,000 or more, wrung from the helpless laborers by the shake-down method, and attempt to corrupt the electorate of this country, while our boys are fighting and dying for the Nation.

Of course, we may expect such a speech from the gentleman from New York [Mr. MARCANTONIO], the head of his party. We have heard it before. But the gentleman from Pennsylvania [Mr. EBERHARTER] is to be congratulated, for this is the first time he has ever said a decent word about the Dies committee, of which he is a member.

As to what the Dies committee said, I do not know, but I will pit my political philosophy against that of the gentleman from Pennsylvania [Mr. EBERHARTER]. I will read to you a constitutional amendment he has introduced. I want you to listen to this carefully. He overlooks the fact that there are millions and millions and millions of toiling farmers in this country who are just as patriotic as anyone else. I am not criticizing organized labor, I am for it; but I am criticizing this racket that is being perpetrated, that is not only going to redound to the injury of labor but to the injury of this country, and is now redounding to the injury of our boys in the service and causing them to shed their blood and to die for the want of those weapons whose production these strikers are slowing down that should be produced with the utmost haste, as General Arnold has said.

I want to draw you a picture of the supreme statesmanship of my distinguished critic from Pennsylvania [Mr. EBERHARTER]. He introduced on January 27, 1944, marked "By request"—not on demand this time but by request—House Joint Resolution 225, to amend the Constitution of the United States. This is the amendment:

> All men shall have equal rights to use the earth and to enjoy the product of their labors thereon. To secure these rights Congress shall have power to enact legislation to collect the yearly value of land in taxation, to remove taxes on improvements on land, and to apportion the revenue derived from taxes on the value of land among local, State, and Federal governmental units.

In other words, under the amendment offered by the distinguished defender of Sidney Hillman's Political Action Committee, every foot of land in America, from Maine to New Mexico, from Oregon to Mississippi or Florida, would be subject to taxation by Congress. Congress would have the power to enact legislation to collect the yearly value of land in taxation.

A man who would introduce a resolution of that kind—and surely he would not introduce it even on request or on demand unless he was willing to support it—a man who would introduce a resolution of that kind and support it even by one vote, cannot surprise or disturb me by criticizing my political philosophy.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. RANKIN. Mr. Chairman, we are going to have to move along. It is after 12 o'clock now. I move that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. No amendments are pending except pro forma amendments.

Mr. SMITH of Virginia. Mr. Chairman, I heard some of the remarks of the gentleman from Pennsylvania, relative to the C. I. O. political action committee, in which he seems to get rather excited on that subject and suggested that somebody was trying to smear the political action committee.

That is the first time I have heard that. I have heard it quite generally said that the C. I. O. political action committee was trying to smear all the Members of Congress. Now, I do not think we need to get excited about the C. I. O. political action committee, but we do have a law which this very House passed, which makes it a crime for any corporation or any labor union to contribute any money in connection with any individual's election to any Federal political office. It has been advertised all over the country by the C. I. O. political action committee that it is doing just exactly that thing.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I do not yield. They have admitted collecting $700,000, and I just do not like to see violations of the law. When I do see them I like to try to get something done about them. I asked the Attorney General to look into that matter and prosecute. He told me he could not find any violation of the law.

Mr. McMURRAY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I do not yield. I turned over to him all my files about a month ago and he still has not been able to see any violation of the law. Yet I read in the paper every morning what they are going to do to us in the November election—not in the primary, but in the election. So, on yesterday, I dropped a little resolution in the box here to investigate that question and see if the Congress could find whether or not there is any violation of the Corrupt Practices Act as amended by the Connally-Smith bill. Now, the Attorney General has had about 4 months and he has not been able to see any violation of law. I think this Congress will promptly pass that resolution and set up a committee to investigate all campaign expenditures, including the political action committee, and that it may have a considerably salutory effect on the eyesight of the Attorney General who, up to now, has not been able to see any violation of the law.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, we are considering a veterans' bill. The debate has certainly widened considerably. It is my hope that the debate will be confined to the veterans' bill while the bill is under consideration to its final disposition. I have only one short observation which I want to make. I have no argument with any man who disagrees with anyone else in this House or outside of this House and enters into a discussion of their disagreements. I think it is unwise to refer to anybody as foreign-born. I am only two generations from being foreign-born, but I will match my patriotism with that of anyone else. I know many people who are foreign-born who are wearing the uniform.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am referring to no one. I am speaking in my individual capacity as an American citizen and as a Member of the Congress of the United States. Whether or not a man is a foreign-born person is immaterial. If a person is a citizen and he is doing disloyal things or things that violate the law, he should be criticized, condemned, and exposed. If a person is foreign-born and is doing the same things, he should be criticized and condemned and exposed. But the question of whether a person is foreign-born or not is not before us. I do not think that is the test of loyalty. I hope I will never, while I am a Member of this body, hear the reference made again to anybody on the sole ground of being foreign-born.

Mr. RANKIN. Mr. Chairman, I move to strike out the last three words.

I want to say to the distinguished gentleman from Massachusetts [Mr. McCORMACK] that I am getting tired of having Sidney Hillman and his ilk refer to the white people of the South as "Fascists."

There is not a section of the country that is furnishing a greater number of its sons to this war and fighting more nobly than the people of the South. And it is both false and offensive for some of these foreign-born enemies of our form of government who have never been Americanized as far as their real spirit is concerned, to go on the radio and into the press and denounce the people I represent as "Fascists." So long as they do

so or continue their attempts to corrupt the electorate of this country I shall have no hesitancy in pointing out their origin and denouncing their activities.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HOFFMAN. Is there any reason why a man born in a foreign country should not become acclimated to this country before he ventures to tell Congress what to do and to tell the people whom they shall send to Congress?

Mr. RANKIN. In that connection, I said before, and I say today, that Sidney Hillman is following the Trotzky line that has long since been repudiated by Stalin and which has long since been repudiated by the Russian Army, those real patriotic Russians who are fighting the battles of their country today; and he is using the same system in this country that Hitler used in Germany to try to get control. We, the American people, who have been here all these years, and those Americans who came to our shores and not only took the oath, but became real Americans, are not going to stand for Sidney Hillman and his ilk to dominate the Congress of the United States by corrupting the electorate of the Nation.

Mr. Chairman, I move that all debate on this amendment be now closed.

The motion was agreed to.

The CHAIRMAN. Unless there are further amendments to section 400, the Clerk will read section 401.

Mr. RANKIN. Mr. Chairman, I may as well serve notice, in line with what the majority leader has said, from this time on, we are going to confine debate to this bill. We want to get through with it. I think we have taken care of this riffraff all right.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 401. Section 3, Public Law No. 16, Seventy-eighth Congress, is hereby amended to read as follows:

"SEC. 3. The appropriation for the Veterans' Administration, 'Salaries and expenses, medical and hospital, and compensation and pensions,' shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation No. 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulation No. 1 (a)."

SEC. 402. Public Law No. 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

"SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation No. 1 (a) shall be deemed released to him: *Provided*, That if he fail, because of fault on his part, to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof."

The CHAIRMAN. Are there any amendments to section 402?

Mr. BARDEN. Mr. Chairman, I move to strike out the last word.

I take this time to ask some member of the committee to give us just what they regard is the meaning of this paragraph with reference to supplying books, supplies, and equipment. It looks like rather a broad term. As I understand it, the Government will pay $50 per month, and $25 more in case of dependents, and pay a tuition fee up to $500. I am wondering where these books, supplies, prosthesis, and equipment come in.

Mr. SCRIVNER. The purpose of that was that in many cases the supplies and books are a part of the tuition. In other places they are not a part. In those places where they are not a part of the tuition we felt that that was a part of the obligation of the Government to provide the books. In many cases they run into figures, and the man would not be able to buy them out of the $50 a month. The $50 a month is simply enough to keep him going and furnish his food, and perhaps buy a little clothing.

Mr. BARDEN. I am wondering if you are not putting a great deal of responsibility on the Administrator to determine which ones will have books, and which shall have supplies and equipment, and so forth.

Mr. SCRIVNER. The Administrator is not worrying a great deal about it. That is exactly the job he has under vocational rehabilitation. It is exactly the same provision that was followed 25 years ago in taking care of the vocational rehabilitation students. There is no departure from the practice.

Mr. BARDEN. Now, let me say this, if I did not think we were improving the program that we had 25 years ago, I should certainly be a very disappointed man. I think we have already improved it a great deal, but in dealing with vocational propositions you are dealing with a very small number. There is much more extensive authority granted under the Rehabilitation Act dealing with disabled, in the way of furnishing supplies, equipment, prosthesis, artificial limbs, and so forth, but I am wondering where this general language fits into the educational bill.

Mr. RANKIN. Will the gentleman yield.

Mr. BARDEN. I yield.

Mr. RANKIN. I want to say to the gentleman from North Carolina that the institution selects the books that the students are to study. The Government is to pay for them. The Administrator does not prescribe any courses of study. That is prescribed by the institution.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. CUNNINGHAM. Does the gentleman feel that the Administration should not furnish these books and supplies and that the boys should pay for them out of their own pockets? Is that the gentleman's contention?

Mr. BARDEN. Let me say to the gentleman——

Mr. CUNNINGHAM. Well, answer my question.

Mr. BARDEN. I do not have to answer the question, except in my own way. I will answer it this way: Whatever law we write here should be specific. If you want to furnish the books, then, very well, let us write it in there that they shall have the books. If you want to put it in the law I will be in favor of it, but let us not leave it up to the Administrator to furnish such supplies and equipment and books as he wants to furnish, including prosthetic appliances. I do not know what prosthetic appliances have to do in this act, because this is not for the disabled. They are taken care of in Public, 16.

Mr. CUNNINGHAM. If the gentleman will pardon me, that is not in that section to which the gentleman is referring at all. If you will read carefully—the gentleman suggested yesterday that I read something more carefully—you will find that wording is not there.

Mr. BARDEN. Well, if the gentleman will quit trying to be facetious, we will get along better.

Mr. CUNNINGHAM. I am trying to get the gentleman down to the reading of the bill. I think what the gentleman is referring to is the part that gives the Administrator authority to require the veteran, when he is through, to return the books and equipment or to pay the reasonable value therefor.

Mr. BARDEN. Let me see if I am as blind as the gentleman might infer. Line 12, on page 56, reads:

Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies, as may be necessary to accomplish the purposes of part VII, as amended, or part VIII, of the Veterans Regulation No. 1 (a).

Then, when you get down to section 4, you have another reference to books, supplies, and equipment. Now, if we are writing a Federal law—somebody expressed some concern over economy yesterday—I think if we are going to have to account for the money spent we ought to be specific and know what we are doing.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARDEN. Frankly, I do not know what it covers. I hope somebody will furnish that information.

Mr. KEEFE. Is the gentleman through?

Mr. BARDEN. Well, if the gentleman can answer that I would be glad to have him do it.

Mr. KEEFE. I do not want to do it in the gentleman's time. I want to do it on my own time.

Mr. BARDEN. I thought it was a matter that should be brought to the attention of the House. And so far the author and handlers of the bill have not made it very clear.

Mr. KEEFE. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. KEEFE. The gentleman is referring to section 402, is he not, in his

remarks? Section 4 of 402, on page 56? Is that what the gentleman refers to?

Mr. BARDEN. Well, now here is the situation. The provision for it is in section 401, which we have already passed. In section 4, of 402, it provides for the return of these supplies, equipment, books, and so forth. I though it would be of some interest to the House to know something about what we were giving and what we were expecting to have returned, and not just leave it to the Veterans' Administration to hand out these books, appliances, equipment, and so forth, and then call for them to be returned when they want to, whether it be supplies, shop equipment, prosthetic appliances, or anything elese. I am not offering an amendment—I simply asked for an explanation.

I yield back the remainder of my time, Mr. Chairman.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems to me that the bill, especially with reference to the suggestion made by the distinguished gentleman from North Carolina [Mr. BARDEN] is very clear. In the language on pages 54 and 55 the bill provides that the Administrator of Veterans' Affairs shall pay to the school or institution for each person enrolled in full time or part time courses in education or training under this part, the customary cost of the tuition, laboratory fees, books, supplies, and equipment, and other necessary expenses, exclusive of any charge for maintenance, but such payment shall not exceed $500 for each school year.

That should be perfectly plain as to what is the intent.

Then section 402 simply provides that any books, supplies, or equipment furnished the student shall be deemed released to him, provided, that if he fails, because of fault on his part, to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment, not actually expended or to repay the reasonable value thereof.

Now, it seems to me under those circumstances it is perfectly clear to me, at least, what we are attempting to do is to provide up to $500 a year for tuition, supplies, and customary facilities to get an education. If one is enrolled in a school under that section and the supplies or books are furnished to him, those books and supplies are released to him if he continues his education successfully, but if he flunks out and the Administrator takes the course away from him, they ask him to return the supplies or books or their value.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. SCRIVNER. For the gentleman's information, the reason for the language on page 56 reading:

> Any books, supplies, or equipment furnished a trainee or student * * * shall be deemed released to him.

is primarily to obviate the necessity for invoicing and accounting for those books and equipment at the end of the year by the Administrator. There will be many cases where it may be just as well from the point of view of the mechanics of the thing and many other reasons to release the books even though the man did not complete his course.

Mr. KEEFE. I think the gentleman from North Carolina [Mr. BARDEN] will concede that there is not anything ambiguous in this language and that it is a perfectly legitimate thing if you are going to give authority to the Administrator to cancel the contract with the veteran to continue his education if he fails to make his grades, just dogs on the job, there must be some practical way to handle the thing. The books have been given to the student. This language states that they shall be returned, but so long as he completes his course under the instruction and regulations of the school and the Administrator those supplies shall be released to him.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. BARDEN I, of course, agree with the gentleman. I understand the reasons.

Mr. KEEFE. Then what is ambiguous about it?

Mr. BARDEN. Just a minute. There is this ambiguity: The language at the top of page 55, and the thing that started this explanation was the fact I merely asked for an explanation and a reconciliation of these two terms:

> The customary cost of the tuition, laboratory fees, books, supplies and equipment, and other necessary expenses, exclusive—

And so forth. On page 56 we find this language:

> And there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulation No. 1 (a).

I asked why the language there was different from the language in the other paragraph.

Mr. KEEFE. I do not pretend to be an expert on this situation although I have studied this bill very fully. I believe the language in subsection 3 of section 401 has reference to an entirely different subject matter, the furnishing of prosthetic appliances, which is covered in another section of the bill.

Mr. BARDEN. But I understood the gentleman to read that before he read this.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent that I may proceed for 2 additional minutes in order to clear this matter up.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. MILLER of Connecticut. The confusion may be cleared up, I believe, when we realize that this section just read has to do with medical care and has nothing to do with section 4.

Mr. KEEFE. That is correct; I think the gentleman from Connecticut is absolutely accurate and correct.

Mr. MILLER of Connecticut. The two do not have to be reconciled.

Mr. KEEFE. A careful reading will show that there is no lack of harmony between the provisions of sections 3 and 4.

Mr. BARDEN. Let me say to the gentleman that I think we are getting together, that we are on the right track. This word "prosthesis" was put in there because it refers to section 7, which deals with vocational rehabilitation and where a man is enabled to take either this training or vocational rehabilitation they can furnish him artificial limbs, and so forth.

Mr. KEEFE. I think that is perfectly all right; having furnished him artificial limbs, I do not believe there is any intent that the Administrator shall try to take them away from him.

Mr. BARDEN. I was not advocating that.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. KEARNEY. As a matter of fact, the very section the gentleman from Wisconsin just referred to, section 3, could be called the hospital section.

Mr. KEEFE. Yes. I do not think there is any real conflict between section 3, which relates to medical care, and the educational feature which is provided for in section 4. I am glad the gentleman raised the question, for I think the discussion which has just occurred has cleared up the situation.

Mrs. ROGERS of Massachusetts. Under another title the veteran will have prosthesis with no idea of the prosthetic appliances being taken away from him.

Mr. BARDEN. If the gentleman from Wisconsin will yield further, that is exactly what I wanted cleared up, I may say to the gentleman from Wisconsin. There seemed to be an ambiguity there which I thought should be cleared up. A perfectly clear explanation of it has been given and probably it has a place in the bill.

Mr. KEEFE. The RECORD will now show that we thoroughly understand it.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

If there are no further amendments, the Clerk will read.

There being no further amendments to the preceding section, the Clerk read as follows:

> SEC. 403. Paragraph 1, part VII, Veterans Regulation No. 1 (a) (Public Law No. 16, 78th Cong.), is hereby amended by inserting after the word "time", in line 2, the words "on or" and deleting the date "December 6, 1941" and substituting therefor the date "September 16, 1940."

Mr. BARDEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, section 403 concludes this much-discussed title on education. At the time the Committee on Education

reported its bill I, as chairman, was instructed to offer that bill as a substitute for this title, for it was generally understood that the attitude of the committee handling S. bill 1767, and the attitude of the American Legion and others, was to pass S. 1767 as reported by the Committee on Veterans' Affairs without any amendments whatever. Full debate on the bill was 2½ days, the major portion of which time and debate was spent in discussing title II, the education section, of S. 1767. During this debate it was indicated by many members of the Veterans' Affairs Committee that they would look with favor upon several amendments changing S. 1767; and they further indicated that they were in favor of striking out paragraph 7 of S. 1767, which paragraph and the sections incorporated therein by reference seemed to meet with the unanimous disapproval of everyone familiar with it. At the close of the debate the Committee on Education again met and changed the instructions previously given its chairman, and decided that the best policy would be to attempt to amend S. 1767, rather than offer a substitute; and my efforts, and the efforts of several members of the Committee on Education, as well as other Members of the House, have been directed toward trying to improve S. 1767 and make it an acceptable bill.

The committee believed this was a more practical approach to the problem, even though they and many Members of the House still believe that the terms of the bill reported by the Committee on Education are more explicit and deal more cautiously with the educational systems of the country. It was the unanimous opinion of the Committee on Education that every institution should have the right to pass upon the conduct and progress of its students; to have the right to say when a student's work was or was not satisfactory; and to deal with veteran students in the same manner as with other students. They at the same time felt that State educational set-ups should be safeguarded and that they should have the right to set the standards of education in the various States by furnishing a list of approved schools, institutions, and training agencies. We felt the school year should be dealt with and measured in line with the present custom and practices of the institutions; that the private schools, church schools, charity schools, as well as all of the schools covered under section 101, subsection (6), of the Internal Revenue Code, should be protected; that the Administrator should not have the absolute power to pass upon a student's right to training and education by requiring him to prove that his education had been interrupted or interfered with; as well as many other provisions which are contained in the proposed substitute which I hope will be printed at the close of my remarks and made a part of same.

Many of the principles just discussed have by way of amendment been embodied in S. 1767, and it is my belief that with the amendments already written into S. 1767 that the conferees, by using the debates and discussions that have taken place in connection with the various paragraphs of this bill, can and will recommend to the Congress a bill highly acceptable to the veterans, to the educational people of the country, and to the Congress. I have worked hard on this bill. I have given it my best. The Committee on Education worked diligently on the provisions of the bill it recommended. I have no regrets, for the people of America have taken great pride in building up the finest educational institutions on earth, and any time and effort spent in trying to preserve and protect them is certainly not wasted, but spent in a cause which every veteran, whether now in the service or to be in the service, will approve; for the right to have our American school systems and educational and training institutions as they are is one of the big things for which they are now fighting and have fought for in the past.

The Committee on Veterans' Affairs had a tremendous task thrust upon them. The bill, with all of its various sections and provisions, would normally be assigned to four or five committees. I hope that this will not be a precedent to be followed in the future, for it is hardly fair to expect one committee to do the work of four or five. Though we have had quite a struggle and have done much work here on the floor, I believe the results of our efforts will be acceptable not only to the Congress but to the veterans and all other Americans as well.

Mr. Chairman, I ask unanimous consent, however, that at this point in the RECORD there may be printed the substitute which I at one time intended to offer.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

(The substitute referred to reads as follows:)

A bill to provide for the education and training of members of the armed forces after their separation from service, and for other purposes

Be it enacted, etc., That (a) section 1, title 1, Public Law No. 2, Seventy-third Congress, approved March 20, 1933, as amended, be amended by adding at the end thereof a new subsection to read as follows:

"(g) Any person who served in the active military or naval forces after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to education and training subject to the provisions and limitations of part VIII hereby added to said regulations."

(b) That Veterans Regulation No. 1 (a) is hereby amended by adding a new part VIII as follows:

"PART VIII

"SECTION 1. This part may be cited as the 'War Service Education and Training Act.'

"DEFINITIONS

"SEC. 2. As used in this part—

"(a) The term 'war-service person' means any person who served 6 months or more in the active military or naval service of the United States, during the period beginning September 17, 1940, and ending on the date of termination of the present war, and was discharged or relieved from active service under conditions other than dishonorable, or, regardless of the length of such service, performed part thereof on sea duty or foreign service duty, or was discharged or relieved therefrom by reason of an actual service-incurred injury or disability;

"(b) The term 'Administrator' means the Administrator of Veterans' Affairs;

"(c) The term 'State' shall include the States of the United States, the Territories, Puerto Rico, the Virgin Islands, the District of Columbia, and the Philippine Islands: *Provided*, That until the termination of Japanese occupancy of the Philippine Islands and the restoration of orderly processes of government therein, the provisions of this part, to the extent that they require action within the territorial limits of the Philippine Islands, shall not apply;

"(d) The term 'approved educational or training institution' includes any institution specified below which has been approved by a State department of education: Private or public elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, and universities, and including business or other establishments providing apprentice or other training on the job under the supervision of (1) an approved college or university, (2) any State department of education, (3) any State apprenticeship agency, (4) any State board of vocational education, (5) any State apprenticeship council, (6) the Federal Apprentice Training Service established in accordance with Public, No. 308, Seventy-fifth Congress, or (7) any agency in the executive branch of the Federal Government authorized under other laws to supervise such training; and

"(e) The term 'date of termination of the present war' means the date of termination of hostilities in the present war as proclaimed by the President or the date of termination of hostilities as specified in a concurrent resolution of the two Houses of Congress, whichever date is the earlier.

"WAR SERVICE EDUCATION AND TRAINING

"SEC. 3. The Administrator shall appoint such other employees as may be necessary in the execution of his functions under this part.

"It shall be the duty of the Administrator to (1) formulate general policies and procedures necessary to assure the effective inauguration and operation of the program of education and training provided for by this part, (2) examine State plans submitted to him for approval, and approve those State plans which meet the requirements of section 8, (3) make public at such intervals as he deems necessary information with respect to the need for general education and for trained personnel in the various trades, crafts, and professions, in order that war-service persons may be given proper guidance in the choice of a course of instruction and be furnished such education or training as will improve their opportunities for useful and gainful employment, and (4) prescribe from time to time such rules and regulations as may be necessary to carry out his functions under this part.

"ELIGIBILITY FOR EDUCATION AND TRAINING

"SEC. 4. (a) Every war-service person shall be eligible for education and training under this part and, subject to the provisions of subsection (b), may select (1) the approved educational or training institution in which he wishes to enroll, whether or not it is located in the State in which he resides, and (2) the course or courses which he desires to pursue.

"(b) Each approved educational or training institution shall have the right to (1) determine qualifications for admission of war-service persons, (2) select from the applicants for admission those war-service persons whom it is willing to admit, and (3)

pass upon the suitability with respect to any war-service person of the course or courses in which he desires to enroll.

"(c) Each approved educational or training institution shall submit to the State department of education of the State in which such institution is located such periodic reports concerning the progress of war-service persons enrolled in such institution under the provisions of this part as such department deems necessary. If the State department of education determines upon an examination of any such report that the progress of any war-service person does not justify the continued eligibility of such person for education and training under this part, such department shall notify such person, the institution with which he is enrolled, and the Administrator of such determination, and no further payments under this part shall be made with respect to such war-service person.

"(d) If any approved educational or training institution determines that the progress or conduct of any war-service person does not justify the continuance of such person as a student in such institution, such institution shall report its decision to the State department of education. The State department of education shall immediately notify the Administrator of the decision of such institution, and no further payments under this part shall be made to such institution with respect to such war-service person.

"PERIOD OF EDUCATION AND TRAINING

"SEC. 5. (a) Except as provided in subsections (c) and (d) of this section, every war-service person shall be entitled to education and training under this part, either on a full-time or part-time basis, for a period equal to 54 weeks of continuous full-time education and training, or for such lesser time as may be required to complete the course of education and training he has elected to pursue.

"(b) Every war-service person who is certified at the end of the period specified in subsection (a) by the institution providing him education and training to have completed satisfactorily his work during such period, shall be entitled to a further period of education and training under this part on a full-time or part-time basis, equal to 54 weeks of continuous full-time education and training, or for such lesser time as may be required to complete the course of education and training he has elected to pursue.

"(c) No education or training shall be provided a person under this part unless he initially enrolls in an approved institution within 2 years from the date of his discharge or relief from active service, or 2 years after the termination of the present war, whichever is later.

"(d) Any person eligible for the benefit of this part, who is also eligible for the benefit of part VII, may elect which benefit he desires: *Provided*, That payments under section 6 of this part shall not, in the event of such election, exceed the amount of additional pension otherwise payable were the education and training under part VII.

"PAYMENTS TO WAR-SERVICE PERSONS AND APPROVED EDUCATIONAL OR TRAINING INSTITUTIONS

"SEC. 6. (a) The Administrator shall pay to each war-service person who attends on a full-time basis an approved educational or training institution a subsistence allowance of $50 per month while in attendance and in good standing at such institution, including regular holidays and leave not exceeding 30 days in a calendar year, in accordance with regulations prescribed under this part. Any such war-service person having a dependent or dependents shall be paid an additional sum of $25 per month.

"(b) The Administrator shall also provide for the payment by the United States of such customary tuition, laboratory, library, health, infirmary, and other similar fees and charges, as may be recommended by the State department of education and approved by him, to approved educational or training institutions furnishing education or training to war-service persons, whether on a full-time or part-time basis, so long as such persons maintain regular attendance and are in good standing at such institutions, but in no event shall such payment with respect to any person exceed the rate of $500 per ordinary school year of 36 weeks: *Provided*, That such payments shall not include charges for travel, board, lodging, or other living expenses, and no payments shall be made to business or other establishments furnishing apprentice or other training on the job. If any such institution has no established tuition fee, or if the established tuition fee of any publicly supported institution or private institution exempt from tax under section 101 (6) of the Internal Revenue Code, shall be found by the Administrator, after recommendation of the State department of education of the State in which such institution is located, to be inadequate compensation to such institution for furnishing education or training to war-service persons, the Administrator is authorized to provide for the payment with respect to any such person of such compensation as he may find to be fair and reasonable, but not to exceed the rate of $500 per ordinary school year of 36 weeks.

"STATE PLANS

"SEC. 7. (a) To be approvable under this part, a State plan for education and training shall—

"(1) designate the State department of education (by whatever name it may be known) as the agency for the administration, supervision, and control of the State plan, or designate such other agency as the State legislature may select or create for such purpose;

"(2) show the plan, policies, and methods to be followed in carrying out the work under the State plan and in its administration and supervision;

"(3) contain such provisions as to the qualifications of personnel for appointment in administering the plan as are necessary to the establishment and maintenance of personnel standards; the duty of the Administrator in approving a plan shall be solely the determination of whether the plan contains such provisions, and the Administrator shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provisions;

"(4) set forth in detail the standards governing the approval, for the purposes of this part, by the State department of education of educational or training institutions;

"(5) provide that no business or other establishment providing apprentice or other training on the job to war-service persons shall be approved for training unless such establishment compensates such persons at rates of pay required by applicable State or Federal laws and which are fair and reasonable for any productive labor performed as part of their training and unless such establishment meets all applicable State and Federal statutes and regulations relating to health, safety, and other conditions of labor;

"(6) provide for the appointment of an advisory committee which shall be broadly representative of the various types of approved educational or training institutions in the State, to aid and advise the State department of education in the administration of the State plan.

"(b) It shall be the duty of the State agency administering, supervising, and controlling the State plan (1) to perform its functions in accordance with the terms of such plan; (2) to establish promptly lists of approved educational and training institutions within the State; (3) to review continuously the work of such institutions to determine whether or not they are meeting the approved standards; (4) to determine the customary charges of such institutions pursuant to section 7 (b) of this part and to make recommendations with respect to institutions having no established fee or having an inadequate established fee; (5) to transmit promptly to the Administrator reports and certifications of institutions with respect to persons receiving education and training under this part; (6) to transmit promptly to the Administrator, the name of each war-service person enrolled under this part in an approved educational or training institution in the State, together with the name of such approved institution and the names and other data relating to any persons the war-service person claims to be his dependents, if any, and; (7) to cooperate with the Administrator in carrying out the purposes of this part and to perform promptly all other necessary services incident to the duties of State agencies under this part.

"(c) There is hereby created for the District of Columbia a Veterans' Education and Training Board to be composed of five members residing in the District of Columbia and broadly representative of the types and levels of local education and training. The members shall be appointed, and their respective terms fixed, by the Commissioners of the District of Columbia. Such Board is hereby authorized and directed to perform the functions of State boards of education under this part, including the submission of a State plan, for the District of Columbia: *Provided*, That such plan insofar as it relates to the public schools of the District of Columbia shall be approved by the Board of Education of the District of Columbia. The Commissioners of the District of Columbia shall furnish the Veterans' Education and Training Board such office space, supplies, equipment, and clerical and other assistance as may be necessary in performing its functions hereunder. Section 8 of this part shall apply with respect to the expenses of such Board.

"PAYMENTS TO STATES FOR ADMINISTRATIVE EXPENSES

"SEC. 8. Each State which has an approved plan for education and training under this part shall submit to the Administrator at the end of each quarter an itemized statement of expenses incurred by the State department of education in administering such plan. Thereupon, the Administrator shall pay to such State a sum equal to 50 percent of the total of such expenses.

"COUNSELING SERVICES

"SEC. 9. Adequate counseling services to aid war-service persons in choosing courses of instruction shall be made available through close cooperation of approved educational or training institutions with (1) the State department of education, (2) the Administrator, (3) the Bureau of Placement and the Bureau of Training of the War Manpower Commission, or any agency succeeding to the functions of such Bureaus, and (4) the War and Navy Departments, and any other appropriate executive department or independent agency of the Government.

"LIMITATION ON FEDERAL AUTHORITY

"SEC. 10. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control over any State educational agency or State apprenticeship agency or any educational or training institution.

"REPORTS TO CONGRESS

"SEC. 11. The Administrator from time to time, but not less frequently than once every 6 months, shall transmit to the Senate and

House of Representatives a report of operations under this part, including in each report information with respect to the total number of war-service persons receiving education and training under this part, and the number of such persons in each State. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be."

Mr. PACE. Mr. Chairman, I ask unanimous consent that there may be printed at this point in the RECORD title II, dealing with education, as amended.

The CHAIRMAN. It may be that request should be made in the House, but the Chair will put it. Without objection, it is so ordered.

There was no objection.

(Amended title II of the bill H. R. 1767 reads as follows:)

TITLE II

CHAPTER IV—EDUCATION OF VETERANS

SEC. 400. (A) Subsection (f) of section 1, title I, Public Law No. 2, Seventy-third Congress, added by the act of March 24, 1943 (Public Law No. 16, 78th Cong.), is hereby amended to read as follows:

"(f) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans' Regulation No. 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII hereby added to said regulation."

(B) Veterans' Regulation No. 1 (a) is hereby amended by adding a new part VIII, as follows:

"PART VIII

"1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, who is discharged or released therefrom under honorable conditions, shall be entitled to financial assistance to enable him to undertake and pursue a course of education or training as may be elected by him, subject to regulations promulgated by the Administrator of Veterans' Affairs pursuant to the authority and within the limitations herein contained: *Provided*, That such course be initiated not later than 2 years after discharge or after the termination of the present war, whichever be the later date, and that no such schooling or training shall be afforded beyond 7 years after the termination of the present war: *Provided further*, That exclusive of any period he was assigned for education or training under the Army specialized training program or the Navy college training program or as a cadet or midshipman at one of the service academies he served 90 days or more, or was discharged within such period by reason of an actual service-incurred injury or disability: *And provided further*, That his education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into such service, or that he desires a training, refresher, or retraining course, in no event to exceed 1 year, to fit him for employment or to practice a profession: *And provided further*, That any veteran who was not over 24 years of age at the time he entered the service shall be deemed to have had his education or training impeded, delayed, interrupted, or interfered with. Any such person, upon application, shall be afforded a course of education or training or a refresher or retrainer course not to exceed 54 weeks of continuous full-time education or training upon satisfactory completion of such course of education or training, according to the regularly prescribed standards and practices of the institution, except a refresher or retrainer course, a veteran shall, upon application to the Veterans' Administration and subject to the provisions of this title, be entitled to an additional period or periods of continuous instruction not to exceed the time the person was in active service on or after September 16, 1940, and before the termination of the war, exclusive of (1) the 90 days' qualifying service, and (2) any period he was assigned for education or training under the Army specialized training program or the Navy college training program or as a cadet or midshipman at one of the service academies: *Provided*, That in no event shall the total period of education or training exceed 4 years: *Provided, however*, That wherever the additional period of instruction ends during a quarter or semester and after a major part of such quarter or semester has expired, such period of instruction shall be extended to the termination of such unexpired quarter or semester.

"2. A veteran eligible under this part may enroll in any school or institution of his choice, which will accept and retain him, for education or training, and may for reason satisfactory to the Administrator, change a course or institution: *Provided*, That any course of education or training under this part may be discontinued at any time if it is found by the Administrator according to the regularly prescribed standards and practices of the institution, that the conduct or progress of the veteran is unsatisfactory: *Provided further*, That the Administrator from time to time shall secure from the appropriate agency of each State, Territory, or possession, or of the District of Columbia, a list of all schools or institutions including industrial establishments equipped to supply education or training, including apprenticeship training, within such jurisdiction, which schools and institutions, and such additional public or private schools or institutions as may be recognized by the Administrator, shall be deemed qualified to enroll eligible veterans approved for education or training under this part.

"3. While enrolled in and pursuing a course under this part each veteran, upon application, shall be paid a maintenance allowance of $50 per month if without a dependent or dependents, or $75 per month if he have a dependent or dependents: *Provided*, That no maintenance allowance shall be paid for other than full-time enrollment and attendance inclusive of leave as may be authorized under this part: *Provided further*, That any person eligible for the benefit of this part who is also eligible for the benefit of part VII may elect which benefit he desires: *And provided further*, That subsistence allowance hereunder shall not, in the event of such an election, exceed the amount of additional pension otherwise payable were the training under said part VII.

"4. Any person eligible under this part, and within the limitations thereof, may pursue such full or part-time course or courses as he may elect without maintenance allowance.

"5. The Administrator of Veterans' Affairs shall pay to the school or institution for each person enrolled in full-time or part-time courses of education or training under this part the customary cost of the tuition, laboratory fees, books, supplies and equipment, and other necessary expenses, exclusive of any charge for maintenance, as are generally required for successful pursuit and completion of the course in the institution by other students, but such payment shall not exceed $500 for each regular school year of 36 weeks: *Provided*, That no expenses for infirmary and medical care other than those included in the customary fees, or for travel, shall be authorized under this part. If any such institution has no established tuition fee, or if the established tuition fee of any publicly supported institution exempt from tax under section 101 (6) of the Internal Revenue Code, shall be found by the Administrator, after recommendation of the State Department of Education of the State in which such institution is located, to be inadequate compensation to such institutions for furnishing or training to veterans, the Administrator is authorized to provide for the payment with respect to any such veteran the actual cost of such instruction or training, but not to exceed the rate of $500 per ordinary school year of 36 weeks.

"6. No department, agency, or officer of the United States in carrying out the provisions of this part shall exercise any supervision or control whatsoever over any State educational agency or State apprenticesh'p agency or any educational or training institution: *Provided*, That Indian schools operated or supervised by the United States shall not be ineligible to supply education or training under this title by reason of such Federal operation or supervision.

"7. In the event a veteran applies for and receives maintenance benefits under this part and subsequently, for any reason, ceases to receive such benefits and becomes eligible to receive allowances under title V of this Act, any benefits received under this part shall be deducted from the total allowances provided in title V of this Act."

SEC. 401. Section 3, Public Law No. 16, Seventy-eighth Congress, is hereby amended to read as follows:

"SEC. 3. The appropriation for the Veteran Administration, 'Salaries and expenses, medical and hospital, and compensation and pensions', shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation No. 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulation No. 1 (a)."

SEC. 402. Public Law No. 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

"SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation No. 1 (a shall be deemed released to him: *Provided*, That if he fail, because of fault on his part, to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof."

SEC. 403. Paragraph 1, part VII, Veterans Regulation No. 1 (a), (Public Law No. 16, 78th Cong.) is hereby amended by inserting after the word "time" in line 2 the words "on or" and deleting the date "December 6, 1941" and substituting therefor the date "September 16, 1940."

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. RANKIN. I want to express the gratitude of the Committee on World War Veterans' Legislation to the members of the Committee on Education for their cooperation in helping to develop and iron out the differences in this title. We want the RECORD to show that we are grateful for that cooperation.

Mr. BARDEN. I wish to thank the gentleman for his kind words. While many times we have differed on various

provisions, I think most of the time we have kept our heads pretty well and I hope that the combined efforts of all have contributed to the making of a bill that will really aid the servicemen now serving the whole of America.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

The Clerk read as follows:

TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY

CHAPTER V—GENERAL PROVISIONS FOR LOANS

SEC. 500. (a) Any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war and who shall have been discharged or released therefrom under honorable conditions after active service of 90 days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for the benefits of this title. Any such veteran may apply within 2 years after separation of the applicant from the military or naval forces, or 2 years after termination of the war, whichever is the later date, but in no event more than 6 years after the termination of the war, to the Administrator of Veterans' Affairs for the guaranty by the Administrator of not to exceed 50 percent of a loan or loans for any of the purposes specified in sections 501, 502, and 503; provided that the aggregate amount guaranteed shall not exceed $1,500. If the Administrator finds that the veteran is eligible for the benefits of this title and that the loan applied for appears practicable, the Administrator shall guarantee the payment of the loan or part thereof as set forth in this title.

(b) Interest for the first year on any loan or part thereof guaranteed by the Administrator shall be paid by the Administrator out of available appropriations. No security for the guaranty of a loan shall be required except the right to be subrogated to the lien rights of the holder of the obligation which is guaranteed.

(c) Loans guaranteed by the Administrator under this title shall be payable under such terms and conditions as may be approved by the Administrator: *Provided*, That loans guaranteed by the Administrator shall bear interest at a rate not exceeding 6 percent per annum and shall be payable in full in not more than 20 years. The Administrator is authorized and directed to guarantee loans to veterans subject to the provisions of this title on approved applications made to persons, firms, associations, and corporations and to governmental agencies and corporations, either State or Federal.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mrs. ROGERS of Massachusetts: Page 58, line 10, after the word "the", strike out the words "first year" and insert the words "two years."

Mr. RANKIN. Mr. Chairman, we have agreed to accept that amendment.

The CHAIRMAN (Mr. COOPER). The question is on the amendment offered by the gentlewoman from Massachusetts [Mrs. ROGERS].

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FLANNAGAN. Mr. Chairman, I have on the desk two amendments, one to section 500 and the other to section 502. Really the amendment deals with section 502, and the amendment to section 500 is only offered for the purpose of rearranging the language so that if the amendment to section 502 is adopted the bill will be in proper shape. I would like to know if I may ask unanimous consent to offer the amendments at the end of section 502.

The CHAIRMAN. The gentleman may ask unanimous consent now to offer the two amendments together, if he so desires, and that they be considered together.

Mr. FLANNAGAN. Mr. Chairman, I ask unanimous consent that at the conclusion of the reading of section 502 I may be permitted to offer two amendments, one to section 500 and the other to section 502.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. FLANNAGAN]?

Mr. RANKIN. Mr. Chairman, reserving the right to object, I shall not object to the gentleman offering the amendments, but that does not mean we are going to accept them.

Mr. FLANNAGAN. Mr. Chairman, if it is agreeable to the chairman of the Committee on World War Veterans' Legislation, I ask unanimous consent that I may offer both amendments at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. FLANNAGAN]?

There was no objection.

The CHAIRMAN. The Clerk will report the two amendments offered by the gentleman from Virginia [Mr. FLANNAGAN].

Mr. RANKIN. Mr. Chairman, I am willing to accept that provided it is without prejudice. We do not want to prejudice our right to go back and offer committee amendments.

The CHAIRMAN. Section 500 is still open to amendment and the consideration of amendments to that section. Unanimous consent has been granted for the offering of the two amendments by the gentleman from Virginia [Mr. FLANNAGAN] and their consideration at this point.

Mr. FLANNAGAN. Mr. Chairman, to be considered together.

The CHAIRMAN. And considered together.

Mr. RANKIN. Mr. Chairman, I suggest that the Clerk read through section 502 so that they will be in the RECORD consecutively and the committee will have the benefit of hearing them read.

The CHAIRMAN. Allow the Chair to suggest that it would be more orderly procedure to continue as we have started. There may be some other amendments to section 500.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I ask unanimous consent to correct the amendment that I offered a while ago. One word was left out.

The CHAIRMAN. The gentlewoman asks unanimous consent to correct the amendment offered by her and which has been acted on. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The CHAIRMAN. The Clerk will report the corrected amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROGERS of Massachusetts: Page 58, line 10, after the word "first", strike out the word "year" and insert the words "2 years."

The CHAIRMAN. Without objection, the amendment as corrected will be agreed to.

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Virginia [Mr. FLANNAGAN].

The Clerk read as follows:

Amendment proposed by Mr. FLANNAGAN: Page 58, strike out lines 3 to 7, both inclusive, and insert "or loans for any of the purposes specified in sections 501 and 503, and for a loan or loans for any of the purposes specified in section 502; provided that the aggregate amount guaranteed with respect to any one veteran for purposes specified in sections 501 and 503 shall not exceed $1,500, and the aggregate of all loans made by the Administrator of Veterans' Affairs to any one veteran for purposes specified in section 502 shall not exceed $1,500. If the Administrator finds that the veteran is eligible for the benefits of this title and that the loan the guaranty of which is applied for appears practicable, the Administrator shall guar-."

Beginning with line 18 on page 60, strike out down to and including line 12 on page 61, and insert:

"SEC. 502. (a) Any application made under this title for a loan to be used in purchasing any land, buildings, livestock, equipment, machinery, or implements, or in repairing, altering, or improving any buildings, to be used in farming operations conducted by the applicant, shall be submitted to the Secretary of Agriculture for his approval of the loan. Such Secretary shall approve the loan if he finds—

"(1) that such loan will be used for part payment for real or personal property purchased or to be purchased by the veteran and used in bona fide farming operations conducted by him;

"(2) that such property will be useful in and reasonably necessary for efficiently conducting such operations;

"(3) that the ability and experience of the veteran, and the nature of the proposed farming operations to be conducted by him are such that there is a reasonable likelihood that such operations will be successful; and

"(4) that the purchase price paid or to be paid by the veteran for such property does not exceed a reasonable appraised normal value therefor as determined by the Secretary.

"When any such loan has been approved by the Secretary of Agriculture, the loan shall be made by the Administrator of Veterans' Affairs.

"(b) Any such loan shall bear no interest for the first year after the loan is made, and thereafter shall bear interest at the rate of 3 percent per annum, compounded annually. No guarantor of any such loan shall be required and no security for the loan shall be required except for a lien, which shall be subject only to a lien covering the balance of the purchase price or construction cost and such ground rents as may arise from the purchase of a leasehold estate. No loan to be used in paying a part of the purchase price of any real property or a part of the construction cost of a dwelling to be erected upon unimproved real property owned by the veteran shall be denied or disapproved under this section because another loan is made or to be made to finance any part of the remainder of the purchase price or construction cost of such property, or because

a lien upon the property is given or to be given as security for such other loan.

"(c) Any loan made under this section by the Administrator of Veterans' Affairs shall be repayable to the Administrator of Veterans' Affairs, and, except as otherwise provided in this title, shall be subject to such terms and conditions as may be prescribed jointly by such Administrator and the Secretary of Agriculture.

"(d) Any person who is found by the Administrator of Veterans' Affairs to be a veteran eligible for the benefits of this title, as provided in section 500 hereof, and who is found by the Secretary of Agriculture, by reason of his ability and experience, to be likely to carry out successfully undertakings required of him under a loan which may be made under the Bankhead-Jones Farm Tenant Act, shall be eligible for the benefits of such act to the same extent as if he were a farm tenant."

Mr. FLANNAGAN. Mr. Chairman, this amendment, in my opinion, is vital, and if it is not adopted I am afraid we shall do the veterans a great disservice.

Mr. Chairman, the purpose of these two amendments is to restore the Senate version of section 502 covering loans to be used in purchasing land, building, livestock, equipment, machinery, and so forth, with the addition of one single word.

Under the Senate language the application of the veteran for such a loan is submitted to the Secretary of Agriculture who, in the event he makes a favorable determination of the four requirements set forth in the section as safeguards to protect not only the loan but the veteran as well, shall approve the loan. The Senate language also makes the provisions of the Bankhead-Jones Farm Tenant Act applicable to veterans.

Now the House bill makes two vital, fatal changes in section 502. While the four requirements to protect not only the loan but the veteran as well, in the House bill, are substantially the same as appear in the Senate bill, the determination of these requirements under the House bill is vested in the Administrator of Veterans' Affairs. Then, too, under the House bill the provisions of the Bankhead-Jones Farm Tenant Act are not made applicable to veterans.

Now what are these requirements or findings? As set forth in the Senate bill—the House bill is substantially in agreement—these requirements or findings are as follows:

First. That such loan will be used for part payment for real or personal property purchased or to be purchased by the veteran and used in bona fide farming operations conducted by him;

Second. That such property will be useful in and reasonably necessary for efficiently conducting such operations;

Third. That the ability and experience of the veteran, and the nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

Fourth. That the purchase price paid or to be paid by the veteran for such property does not exceed a reasonable appraised value therefor as determined by the Secretary.

Those four requirements or findings are provided for in both the House version and the Senate version. It is absolutely necessary that the person conducting those findings and making determinations thereof should be well versed in agriculture and in the normal productive land values. That determination was placed in the Department of Agriculture by the Senate. That determination was approved also, as I understand, by the American Legion.

The House bill makes the Administrator of Veterans' Affairs responsible for this determination. We all know that the Veterans' Administration does not have the necessary machinery to conduct these findings. It does not have the personnel. On the other hand, the Department of Agriculture has the personnel, the trained personnel, men who have been trained as appraisers under the Federal Land Bank System and other loaning agencies set up in the Department of Agriculture.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from South Dakota.

Mr. CASE. If the argument of the gentleman would be followed through, then it would follow that for every type of activity for which a veteran's loan might be made, that loan should be transferred to the agency dealing with it. Some of the veterans may want to go into farming, some may want to go into business, some may want to go into some other specialized activity, and if you are going to assign the making of these loans to the counsel and direction of the agency that deals with them, you would have to go through and segregate every classification of loans.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does not the Senate bill provide that the determination with regard to business property shall be made by the Department of Commerce and determination with regard to the value of city property shall be made by the Federal Housing Administration?

Mr. FLANNAGAN. That is right. Under the Senate bill the loan is actually made by the Veterans' Administrator upon the determination made by these other agencies that are familiar with that class of work. That is all we are asking for in this amendment.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Michigan.

Mr. DONDERO. Does the gentleman's amendment provide that the Government will make these loans instead of private loaning institutions?

Mr. FLANNAGAN. Both the Senate and the House versions of the bill provide that the Veterans' Administration shall actually make the loans. Under the Senate bill the loan is made direct to the veteran. Under the House bill the loan is guaranteed.

Mr. DONDERO. Where would they get the money?

Mr. FLANNAGAN. It would have to be by appropriation.

Mr. DONDERO. That would mean that the loans would be made by the Federal Government through the Veterans' Administration.

Mr. FLANNAGAN. That is right.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I think the gentleman from Michigan misunderstood. It is only the original purchase price, or that $1,500, that the Veterans' Administration loans to the veteran.

Mr. FLANNAGAN. I assumed the gentleman understood that the Senate bill provides for a loan of $1,000 to be used in connection with the purchase of the farm. The House bill raised the amount to $1,500, guaranteeing a loan up to that amount, or one-half the value of the farm up to $3,000, whichever is greater.

What we are trying to get over to the House is this. The Veterans' Administration does not have the machinery to make these findings. Unless these findings are made by competent men familiar with land values, familiar with the normal productivity of the particular farm, the normal value of the farm, we are doing the veteran a disservice in making a loan. If you buy land today on present land values, and there is nothing in either bill to prohibit that, a great disservice will be done the veteran. A $10,000 farm today, based on normal values, will cost, in all probability, $15,000. If these purchases are not made on the normal value of the farms, when farm lands seek their level after the war, the veteran is going to wind up with a $10,000 farm for which he paid $15,000.

Mr. DONDERO. I think the gentleman is correct. The difference between the gentleman's amendment and the committee bill is that the committee bill provides that the loan shall be made by private concerns.

Mr. FLANNAGAN. Well, the Senate bill provides for a direct loan. The House bill provides for a guaranteed loan.

Mr. DONDERO. I understood that the House bill did so provide.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Ohio.

Mr. ROWE. I take it that the gentleman is trying to implement the Veterans' Administrator with the same kind of authority with the Department of Agriculture as the other departments have in the different classifications of loans that are proposed to be made.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from New York.

Mr. FITZPATRICK. I understand that the Senate bill provides that the interest rate shall be 3 percent, and the veterans can borrow from the Government or from private banks, but the House bill has raised that rate to 6 percent, and they may get it from private banks.

Mr. FLANNAGAN. The gentleman is right. They have raised the interest rate to 6 percent.

Mr. FITZPATRICK. It does not seem fair to me that the veteran should have to pay 6 percent while we lend money through other departments at a lower interest rate.

Mr. JEFFREY. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Ohio.

Mr. JEFFREY. I wonder whether or not the gentleman has taken into consideration paragraph (d) of section 501 on page 60 of the bill. The gentleman has stated that the Administrator of Veterans' Affairs would be under the necessity of passing on these loans without having appropriate knowledge. As I understand that paragraph, it gives the Administrator of Veterans' Affairs the requisite authority to call upon any such agency or agencies as may be necessary to assist him in making these determinations. Has the gentleman considered that paragraph?

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from California.

Mr. VOORHIS of California. That paragraph, however, applies only to housing loans.

Mr. FLANNAGAN. That is right. That paragraph does not apply to loans to veterans for the purpose of buying farms.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. MERRITT. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LEMKE. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from North Dakota.

Mr. LEMKE. If the Secretary of Agriculture is the proper person to do this work, why not make him responsible rather than to say somebody can call him in?

Mr. FLANNAGAN. I think the gentleman is exactly right. When it comes to loans for homes and houses, they vest authority in the Federal Housing Administrator to make the determination, but when it comes to making loans for the purpose of purchasing a farm, the Administrator of Veterans' Affairs is directed to make these findings, and everyone knows he is not familiar with land values nor is he in position to direct the findings authorized in the bill.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Did I correctly understand that the gentleman's amendment provided for a $1,500 loan with which to buy real estate, and an additional $1,500 loan to purchase livestock and other equipment with which to operate the farm?

Mr. FLANNAGAN. No; I think the Senate language provides only for the loan—which we raised up to $1,500—for the purpose of purchasing a farm or livestock or machinery or equipment. It could be used for any of those purposes. The only thing this amendment will do is restore to the bill the Senate language, which was approved by the American Legion. It seems to me that whoever prepared that section realized the importance of having these findings determined by trained men, men trained in agriculture and the value of agricultural lands. The only amendment we offered to the Senate provision was to put in the normal-value clause. That is, require the Secretary of Agriculture to use the normal productive value yardstick in determining the value of the farm. I appreciate that the gentleman from Minnesota realizes the importance of appraising farm lands upon the normal productive value of the farm and not upon an inflationary value.

Mr. AUGUST H. ANDRESEN. I agree to that. In addition, you raise the first loan there from $1,000 to $1,500.

Mr. FLANNAGAN. Yes; we do that.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Illinois.

Mr. SABATH. I regret that I was not present when the gentleman offered his amendment. How far does his amendment go? Does it strike out the entire section?

Mr. FLANNAGAN. It strikes out section 502 and substitutes the Senate language.

Mr. SABATH. I am heartily in favor of that. I intended to offer the same amendment myself. I am grateful that the gentleman has done so. I think he is trying to do the right thing by the farmer.

Mr. FLANNAGAN. We all appreciate the assistance the gentleman from Illinois has always rendered to agriculture.

Mr. MERRITT. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from New York.

Mr. MERRITT. The gentleman mentioned on two occasions the normal value of these farms. It seems to me that those who have the selling of the farms are going to strike a snag, because any man who owns a farm is going to say that the value he puts on it today is the normal value. I do not think the gentleman would be willing to sell his farm if I told him that in 1941 his farm was worth $10,000, and he said that today it is worth $15,000.

Mr. FLANNAGAN. The Committee on Agriculture have been into that question quite extensively. This is the situation. The farm that has a normal value of about $10,000 is selling for about $15,000 today. If that $10,000 farm should be bought for the veteran at the $15,000 price, as soon as farm values leveled down the veteran would wake up with a $10,000 farm and a $15,000 debt. Thus we really would have done him a disservice. We are only trying to protect the interest of the veteran and give him legislation that will really bring about his rehabilitation upon the farm.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mrs. ROGERS of Massachusets. Mr. Chairman, I move to strike out the last two words.

I should like to point out, Mr. Chairman, the fact that the gentleman said the American Legion approved the Senate bill. I received the following letter dated May 10 from Mr. Warren H. Atherton, national commander of the American Legion, and Mr. F. M. Sullivan, executive director of the national legislative committee, which reads:

We urge you to vote for S. 1767 as reported by the House Committee. Any differences between the bill as adopted by the Senate and reported by the committee can be safely left to adjustment in conference.

The whole letter reads as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., May 10, 1944.

MY DEAR CONGRESSMAN: This morning the American Legion presented petitions to Congress from a million citizens who urged passage of the Legion's G. I. bill to aid veterans of World War No. 2. Many of these petitioners were from your district.

The G. I. bill was introduced 4 months ago at the request of the American Legion It provides a sound, orderly program of aid to veterans during the transition from military to civil life. The basic elements covered in the proposed law are:

Expansion of Veterans' Administration hospital facilities.

Added provisions for vocational training.

Authority to correct mistakes in discharges from service;

Educational aid;

Down payment loans to veterans for homes, farms, or businesses;

Unemployment insurance for veterans unable to secure employment.

Veterans employment service.

The Senate adopted S. 1767 an March 24 embodying the above principles.

The House Commitee on World War Veterans' Legislation has favorably reported S. 1767 with amendments. As reported, the bill still embodies the principles we believe necessary to protect and aid discharged veterans of this war and to insure an orderly period of demobilization.

More than a million men and women have already been discharged from the service. There is urgent need for placing most of the bill's provisions in effect now. The bill has had careful study and consideration for 4 months. A long period of debate and consideration of amendments would further delay the application of the bill's remedies to those in immediate need. Conceivably the bill might be improved in some slight degree, but we believe that the value of any changes would be doubtful as compared with the present carefully considered and prepared measure.

If you believe as we do that the Legion's G. I. bill will provide equitable treatment for the service men and women of World War No. 2 and security for their future, we urge you

to vote for S. 1767 as reported by the House committee. Any differences between the bill as adopted by the Senate and reported by the committee can be safely left to adjustment in conference.

Thanking you for your consideration of this letter and for your many past courtesies, we remain

Yours very truly,

WARREN H. ATHERTON,
National Commander.
F. M. SULLIVAN,
Executive Director, National Legislative Committee.

Mr. COOLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. Yes.

Mr. COOLEY. Why was it thought more desirable by the House committee that these determinations be made in the Veterans' Administration than in the Department of Agriculture?

Mrs. ROGERS of Massachusetts. For simplification. This bill was written for the veteran. We feel it would be very much simpler and the veterans would receive their loans more quickly if they were guaranteed by the Veterans' Administration. The veterans can get their loans through either State or Federal governmental agencies and corporations. I quote from page 58, line 21, of the bill:

The Administrator is authorized and directed to guarantee loans to veterans subject to the provisions of this title on approved applications made to persons, firms, associations, and corporations, and to governmental agencies and corporations, either State or Federal.

Mr. COOLEY. Who in the Veterans' Administration has ever had any experience in evaluating real property in the agricultural sections of this country?

Mr. JEFFREY. Mr. Chairman, will the gentlewoman yield for me to answer that?

Mrs. ROGERS of Massachusetts. I yield.

Mr. JEFFREY. In reply to the question of the gentleman, section (d), which now appears on page 60, and to which reference was made a short time ago, is there in error and there is a committee amendment to make them separate sections at the end of the title, which will appear at section 505, under the terms of which the Veterans' Administrator will be authorized and directed to call upon the appropriate agencies of the Federal Government for assistance in administering this act.

Mr. COOLEY. Then you make it possible for the Veterans' Administration to put this job in Agriculture.

Mr. JEFFREY. Quite to the contrary. We centralize the responsibility in the hands of the Veterans' Administrator, but very properly direct him to call for needed assistance.

Mr. COOLEY. Then the amendment that the gentleman is talking about accomplishes absolutely nothing.

Mr. JEFFREY. We disagree on that score.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. ALLEN of Louisiana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would just like to take a moment to try to clear this up. We considered this amendment in the committee this morning as suggested by the gentleman from Virginia [Mr. FLANNAGAN] and it was not looked upon with favor by the committee. As has been pointed out by the gentleman from Ohio [Mr. JEFFREY], on page 60, in line 13, we have paragraph (d) which says:

The Administrator may designate such agency or agencies as he deems appropriate for determining whether the guaranty of loans should be approved under this section.

We propose when and if this amendment as offered by the gentleman from Virginia [Mr. FLANNAGAN] is voted down, to offer a committee amendment to strike out paragraph (d) on page 60 and insert the same language in line 17, on page 62, as a new section, section 505, which would make it apply to the entire title.

Mr. COOLEY. Mr. Chairman, what would be accomplished by that change?

Mr. ALLEN of Louisiana. When that is done, the Administrator, although the authority is vested in the Administrator, would have the authority to call upon those other agencies for their advice, suggestion, and help. I think that is clear.

Mr. COOLEY. Is not that exactly what is sought to be accomplished by the amendment offered by the gentleman from Virginia?

Mr. FLANNAGAN. That is correct.

Mr. ALLEN of Louisiana. I will say to the gentleman from North Carolina [Mr. COOLEY], we feel that the veteran ought to be in a position to call upon the Veterans' Administration.

Mr. COOLEY. He does.

Mr. ALLEN of Louisiana. At least to take the lead in this thing. He makes application to the Veterans' Administration and deals through them and if the Veterans' Administration wants to get somebody else or some other agency to advise it, that is all right. Let me say further, as has been said, the language in the Senate bill will be before the conferees if it has any particular merit.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. COOLEY. The gentleman knows, in the Department of Agriculture we have well-qualified men who act as appraisers. Agriculture knows something about farm-land values. Now why should Congress attempt to set up or make possible the setting up of another agency, a land-loan office, in the Veterans' Bureau which will have to be staffed with appraisers and land experts and others to handle the program which now could be handled in the Department of Agriculture?

Mr. ALLEN of Louisiana. I think it was the view of the committee that a veteran in seeking the benefits under this bill should not have to run all over Washington and consult every agency.

Mr. COOLEY. He will not.

Mr. ALLEN of Louisiana. He should not have to run to various agencies to ask everybody what he should do.

Mr. COOLEY. He certainly will not, under the gentleman's amendment.

Mr. ALLEN of Louisiana. This short amendment which we are suggesting will accomplish the objective and do it briefly.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. FLANNAGAN. Under this language in the Senate bill, all of the authority would still be vested in the Veterans' Administration, but when the determination of certain things arise—namely, a question as to the productive value of the farm—the Administrator of Veterans' Affairs would refer that matter over to the Secretary of Agriculture and he would in turn report back to the Veterans' Administrator, who would make the loan.

Mr. ALLEN of Louisiana. I say to the gentleman, under the suggestion I made a moment ago, that could be done just the same.

Mr. FLANNAGAN. All right. Now we fix a responsibility and direct that it shall be done. We reduce the interest charge of veterans from 6 percent to 3 percent, and we make the provisions of the Bankhead-Jones Tenant Act applicable to veterans, who should have that right.

Mr. ALLEN of Louisiana. What you are seeking to do, is to make it mandatory that the Administrator do that whether it is necessary or not, or whether he wants to do it or not.

Mr. FLANNAGAN. I mean to make it mandatory, because if it is not done, the veteran is going to be, in my opinion, absolutely ruined.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. It appears to me that the committee bill accomplishes the admirable purpose of concentrating responsibility for all veterans' matters in one bureau, that is, the Veterans' Administration. The amendment would tend to diffuse that responsibility.

Mr. COOLEY. No.

Mr. SABATH. No.

Mr. WRIGHT. That was pointed out by the gentleman from Ohio. Yes; it would make it mandatory for him to go to another Department. As was pointed out in the very admirable address by the gentleman from Ohio [Mr. JEFFREY], one of the primary fundamentals of good government is concentration of responsibility, so that the people can look to one bureau alone to find out how the job is being done and approve or reject the work of that particular department.

Mr. ALLEN of Louisiana. There is another fundamental difference. The committee bill does not require the Administrator to make the loan, but only to guarantee the loan. The amendment submitted by the gentleman from Virginia [Mr. FLANNAGAN] requires the Administrator to make the loan himself. That is a fundamental difference. The committee in framing this, tried to keep this back in the community where the veteran lives as much as possible. General Hines in discussing this pointed out that the administrative costs would be terrific under the Senate provision of

title III. The veteran should have the right to make the loan in his own community if he desires and we tried to make that possible. We want him to get the loan on the best terms and at the lowest interest possible. The veteran has the greatest liberty of action and choice under the committee bill.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. CUNNINGHAM. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent to proceed for an additional 5 minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CUNNINGHAM. Mr. Chairman, in order to get back to a common starting point and to understand exactly what the amendment offered by the gentleman from Virginia [Mr. FLANNAGAN] will do to this bill, I want to go back to the bill as it came to us from the Senate.

We found, in regard to loans, that the Senate bill provided that the Veterans' Administration should make to every veteran, upon application, a loan for $1,000. That loan was to be without interest for the first year, and thereafter to bear interest at 3 percent, and was to be payable within 20 years.

The first thing that confronted the committee was the inequity between that title of the bill and title II, which provided for a free education. We could not reconcile the justice of giving one veteran from $1,000 to $4,000 for an education, as a gift, and making the boy who could not take advantage of the educational title in the bill a loan of $1,000, which he would have to pay back with interest at 3 percent after the first year.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Not at this point. I will yield later. We also recognized that it was the desire of the proponents of this bill, the veterans' organizations, that this bill should not have anything in it in the nature of adjusted compensation. For us to put in the bill to give a veteran $1,000 instead of making it a loan, would make it an adjusted compensation bill, contrary to the desires of those who were back of it. But in order to equalize that inequity your committee did two things: First, we raised the amount of the loan to $1,500. Second, it provided that instead of the Administrator making the loan out of Federal Treasury money, the Administrator would only guarantee the loan, and that the veteran could go to his local bank, or local lending agency in his home community and get his money there. By doing that he would not be limited to a loan of $1,500, because the Government would guarantee up to $1,500, but not more than 50 percent of the total loan. So the farm boy or the city boy who wanted to make a loan of $5,000 or $10,000, could go to his local bank and make arrangements to borrow the money, and the Government would guarantee $1,500 of it, thereby making it a desirable loan and making it possible for the farm boy to get not only $1,500 or $1,000, as the Senate bill provided, in one loan from the Government, but make it possible for him to deal with his local lending agency.

Mr. AUGUST H. ANDRESEN. Will the the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. AUGUST H. ANDRESEN. There is nothing in here requiring him to go to the local lending agency?

Mr. CUNNINGHAM. Not a thing. It is not compulsory at all. It is free-will action on the part of the veteran.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mrs. ROGERS of Massachusetts. We have just accepted an amendment which I placed on the desk, which would provide for giving the veteran 2 years' interest instead of 1.

Mr. CUNNINGHAM. That is right. That is already taken care of.

Now, we were faced with that. We also had this testimony from General Hines that if the Federal Government makes a loan out of the Federal Treasury for every $1,000 loan it will cost an additional $1,000 to administer it by the time it is paid off. So your committee felt that this additional money that would be spent for administration purposes should be saved and should be used for the veteran in some other way and not be poured down a rat hole for administrative purposes.

This is a veterans' bill. It is no other kind of a bill. It is not an agricultural bill. It is not an education bill. It is a veterans' bill.

Mr. ALLEN of Louisiana. Will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. ALLEN of Louisiana. Is it not a fact that General Hines stated to us voluntarily that this provision in our bill was much better than the provision in the Senate bill?

Mr. CUNNINGHAM. He absolutely did.

Now, I want to show you how the amendment offered by the gentleman from Virginia [Mr. FLANNAGAN] will operate. Insofar as section 502 is concerned, which has to do with loans on farms, equipment, buildings on the farms for the farm boy only, it brings right back into operation the original Senate bill, but it increases the amount to $1,500. So that the money would be loaned to the boy by the Administrator after the Secretary of Agriculture approves the loan and directs the Administrator to make the loan. Then the Administrator would loan that money direct from the Federal Government out of the Federal Treasury, and you would have from $1,000 to $1,500 expense on each loan, in administering it.

In addition to that, this bill will leave sections 501 and 502 as they are under the House committee bill, and we would have one section applying to the farm boy, or the boy who wanted to help himself on the farm. He would get a direct loan from the Government and would be limited to $1,500 and would only have to pay 3 percent interest. The boy in the city who wanted a loan to help him in business or help him build a residential property would not be limited to $1,500. With a guaranty of $1,500 by the Government, he can go to the local bank and get whatever amount he needs. But that boy in the city would have to pay whatever rate of interest the local lending agency and himself could bargain for, not to exceed 6 percent.

So, immediately we are making a discrimination between the farm boy and the city boy. We are making a direct loan for one in one section of the bill. We are making a guaranteed loan for another in another section. We set up two different agencies. We have the cost added to administering the loan to the farm boy. Furthermore, we deprive the farm boy of having the advantage of the Government guaranty back of him when he goes into his bank to negotiate for the amount of the loan that he needs to rehabilitate himself on the farm.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. VOORHIS of California. I think the gentleman said that the boy in the city could get any amount of money he wanted because the Government guaranty would help him.

Mr. CUNNINGHAM. I said he could get whatever amount he and the local lending agency could agree upon, and the Government guaranty of $1,500 would aid him to get more money.

Mr. VOORHIS of California. But the Government guaranty is limited?

Mr. CUNNINGHAM. It is limited to $1,500. And under the amendment offered by the gentleman from Virginia, the limitation is $1,500. But when the Government will guarantee up to $1,500 on a loan, that makes it a desirable loan for a local lending agency. He can then borrow five or six or eight or ten thousand with that aid.

Mr. VOORHIS of California. Will the gentleman yield further?

Mr. CUNNINGHAM. I yield.

Mr. VOORHIS of California. So can the farm boy borrow more under the terms of the amendment offered by the gentleman from Virginia [Mr. FLANNAGAN].

Mr. CUNNINGHAM. Providing he can make an arrangement with his local bank, but it puts him in the position that he has one loan approved by the Secretary of Agriculture, made by the Administrator of Veterans' Affairs. Then he goes to the local bank and gets the balance of the money and he has to pay interest in two different places. Under the committee bill plan, he can get it all in one loan at his local lending agency, and not disrupt private business at home.

Further than that, with this amendment offered by the gentleman from Virginia [Mr. FLANNAGAN] you set up another huge octopus of a lending agency in Washington, just as the original Senate bill did for all of these farm loans. Add to that the additional cost of administration.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. VORYS of Ohio. If this is a logical amendment because the Department of Agriculture knows so much more about the farm veteran than the Veterans'

Bureau, then the city loans should be turned over to the Home Owners' Loan Corporation, and business loans turned over to the Reconstruction Finance Corporation, and in health matters it should be turned over to the United States Public Health Service. Social Security could handle the unemployment feature. Then we ought to go back and put the educational provisions under the Department of Education, and we would thus end up by not having anything for the Veterans' Bureau to do, but we would do what this is aimed at—what a lot of these agencies down here are trying to do. For instance, a lot of these agencies down here are trying to tie themselves in with veterans for future political purposes, and what we want to do is to keep the veterans dealing only with the Veterans' Bureau, providing that the Veterans' Bureau can use these other agencies if they want to, but that the other agencies cannot hold a club over the Veterans' Bureau or over the veteran.

If we make a false step here on this one after we have defeated the Department of Education proposition, then we might as well go ahead and riddle this thing by tying it up with Social Security, H. O. L. C., and R. F. C., and so forth.

Mr. CUNNINGHAM. It would be much better to have the original Senate bill in regard to loans than to have the House committee bill with the amendment offered by the gentleman from Virginia.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. KEARNEY. Following the remarks of the gentleman from Ohio, that would mean rewriting the entire bill.

Mr. CUNNINGHAM. If you want to do a disservice to the veteran, mix things up so he will not know what he can do, just pass this amendment.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SABATH. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. SABATH. Mr. Chairman, I had an amendment which I intended to offer to strike out all of title 3 of the House bill and to substitute in lieu thereof Title 3 of the original Senate bill which proposed to authorize the administrator of the Veterans' Administration to make direct loans to the veterans. Being engaged in the Committee on Rules I learned, upon returning to the floor after a short absence, that an amendment similiar to the one which I planned to introduce had been offered by the gentleman from Virginia. I am indeed pleased that it was introduced by such an able, sincere, and well-meaning Member of the House and, naturally, I am in favor of it because I believe that if our Government can make direct loans to the bankers, railroads, insurance companies, mortgage companies, industrial and manufacturing companies, to farmers for land, crop, and seed loans, it can well provide a means of making direct loans to the deserving, honorably discharged members of our armed forces. I know something about the private banks and the private lending institutions, and I know that if this amendment is not agreed to, most of the veterans will be obliged to pay in excess of 6 percent interest on their loans. Not only will they be obliged to pay the 6 percent interest rate provided in the House bill, but the lending institution making a loan will levy a service charge or fee, together with a commission charge, which will compel our veterans to pay up to 8 percent for their loans.

The question is: Are we willing to help the veterans. If we are, I think the amendment offered by the gentleman from Virginia should be adopted. Then we can be sure that these deserving veterans will be aided and assisted in obtaining a loan at not to exceed 3 percent from the Government.

As to the question raised by the gentleman from Pennsylvania [Mr. WRIGHT] that the authority would be divided, the answer is no. Under that amendment the Administrator will have the right to call upon the various agencies for information and advice, and there will be no need for the creation of an additional agency, bureau, or division to pass upon and investigate loan applications. Under that amendment the Administrator will be able to obtain from the experienced agencies advice and suggestions as to whether such loan is feasible, proper, and advisable.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. ABERNETHY. The gentleman makes reference to the lending of this money at 3 percent interest. Is there an agency of the Government at the present time which makes loans at 3 percent?

Mr. SABATH. Yes; we are and we have been. Even if we are not making them now for the bankers let us do it for the veterans if we are to do anything for them.

Mr. ABERNETHY. May I go just a little further: I have another question to ask.

Mr. SABATH. I must yield first to the gentleman from California.

Mr. VOORHIS of California. I believe the R. F. C. made loans at 1½ percent to the railroad companies, loans in very large amounts.

Mr. SABATH. The gentleman is right. Why, of course, we have been making loans to banks and industries running into the millions at less than 3 percent interest.

Mr. ABERNETHY. Mr. Chairman, will not the gentleman yield just briefly? I did not ask that question to be facetious but preparatory to another question.

Mr. SABATH. The gentleman knows I have not much time.

Mr. ABERNETHY. The bill provides, if the gentleman has studied it closely——

Mr. SABATH. Yes; I have.

Mr. ABERNETHY. The bill provides that the veterans may borrow money from a Federal agency and it will be guaranteed by the Government. The provision is in the bill now.

Mr. SABATH. I understand it will be guaranteed, but the loans will be made by private bankers and they will be guaranteed by the Government.

Mr. ABERNETHY. The gentleman is wrong about that.

Mr. SABATH. I am right about it and the gentleman is wrong, and may I suggest that he reread that provision. We will only be assisting the loan companies and private bankers again to take advantage of the veterans the same as they have been doing and are doing every day when they have the opportunity.

I realize that private bankers have plenty of money available now, but I know the Federal Government has, and will have a sufficient amount of money to make these loans direct without relying and depending on some of the bankers that will take advantage of these veterans and charge them up to 6 percent and impose certain charges and commissions which will amount to a cost of 8 percent before the loan is liquidated. I am in favor of the amendment and all those who actually desire to help the veterans and do something for them ought to support the amendment offered by the gentleman from Virginia.

Mr. Chairman, I am interested in all the veterans, whether they be from the large cities, the small towns, or from the rural sections. While the gentleman from Mississippi [Mr. RANKIN] states that he has devoted a great deal of study to the bill, I am sure the veterans would benefit more if we passed the original Senate bill than the House bill now before us. The Senate bill has been emasculated and the Rankin committee has seen fit to reduce the time during which a veteran might receive unemployment allowances from 52 weeks to 26 weeks, and that committee also inserted a provision that would preclude veterans from joining any labor organizations from which, and only through which, labor has been able to obtain better treatment, shorter hours, and a decent living wage. There are other provisions in the bill which I consider unfair and unjustified to the veteran, still the gentleman from Mississippi seeks to have the veterans believe he is fighting for his bill that would be of most benefit to them.

In conclusion, Mr. Chairman, let me say that as this bill goes to conference, notwithstanding that I have always voted to sustain the House provisions of a conference report, I hope that the gentleman from Mississippi [Mr. RANKIN] will not succeed in prevailing upon or misleading the Senate conferees, as he did the House on the soldier vote bill, in agreeing to all the provisions of the House bill, but that they will stand fast for agreement by the House conferees to the provisions of their original Senate bill that will be of more benefit and good to our deserving veterans.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ABERNETHY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

Mr. ABERNETHY. Mr. Chairman, when I asked the gentleman from Illinois [Mr. SABATH] to yield, he did not extend me sufficient opportunity to make

my point clear. With all due deference to him, I do not think the gentleman is familiar with the bill.

In section (c), on page 58, the Veterans' Administrator is authorized to pledge the guaranty of this Government up to $1,500 on veterans' loans. These loans are not confined to banks, as the gentleman has stated. If he intends to confine them to banks, it will then become a Wall Street bill. If this House wants a Wall Street bill, that is what that amendment might make of it; it will confine these loans to agencies and banks which will lend money only at 3 percent.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I hope the gentleman will let me finish. I will yield when I have completed my statement.

In so doing you may cut out the boys in the far West and in the South, where they may not be able to get 3-percent money.

If there is a Government agency lending money at 3 percent, this bill authorizes the Administrator to guarantee a loan that the boy may obtain from that Government lending agency. In plain English, it means just exactly what it says. I read from the bill:

> The Administrator is authorized and directed to guarantee loans to veterans subject to the provisions of this title on approved applications made to persons, firms, associations, and corporations—

And to whom else?—

> and to governmental agencies and corporations either State or Federal.

If the Department of Agriculture and the members of the Committee on Agriculture want to take care of that situation, then let them bring in a bill authorizing the Department of Agriculture to lend money to veterans at not to exceed 3 percent.

I now yield to the gentleman from Illinois.

Mr. SABATH. The gentleman himself said that loans are authorized to be made upon the guarantee of the Government.

Mr. ABERNETHY. That is right.

Mr. SABATH. That means that the loans will be made by private capital, by bankers to whom the Government will guarantee the loans. Why not make it direct?

Mr. ABERNETHY. The bill does authorize the guaranty of direct Government loans. I will read it again to the gentleman; I have read it to him twice.

Mr. SABATH. I have read it half a dozen times.

Mr. ABERNETHY. It reads, "And to governmental agencies and corporations." Is that clear?

Mr. SABATH. Yes; it is clear; but I know what will be done.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. VOORHIS of California. To the extent, however, that that is done the purpose that has been enunciated here today of getting the loans back to the local communities would not be accomplished, would it?

Mr. ABERNETHY. I do not know that I quite understand the gentleman.

Mr. VOORHIS of California. The gentleman is now making the point that governmental agencies should make the loans.

Mr. ABERNETHY. They may do so under this bill.

Mr. VOORHIS of California. And if they do, then that would vitiate the purpose the gentleman from Iowa was emphasizing of getting the loans back to the local communities.

Mr. ABERNETHY. It makes it optional with the veteran. He may go to any lending agency, whether it be an individual, a corporation, or a governmental agency, Federal or State.

Mr. VOORHIS of California. One other question. The amendment offered by the gentleman from Virginia would not make this a Wall Street bill, as was intimated by the gentleman from Mississippi a little while ago. According to that amendment, the loans would all be made by the Veterans' Administration itself.

Mr. ABERNETHY. Yes; farm loans, but you want to set up a separate agency for the farm loans, then why not a separate agency for a man who wants to buy a home, a separate agency for a man who wants to enter business, a separate agency for a man who wants to improve his property, and a separate agency for one who wants to get the necessary implements to farm his property?

Mr. VOORHIS of California. To a certain extent I think you have got to make separate provision for the different types of loans, for the reason that the problem of the veterans will be different in various cases.

Mr. ABERNETHY. We have too many agencies now. This is a veterans' bill. Who is more interested in the veteran than the Veterans' Administration? Who is more interested in the veteran than General Hines, Administrator of Veterans' Affairs? The Secretary of the Department of Agriculture, or of the Interior, or of Commerce, or any other department of this Government could not be as interested in the veterans as the Administrator of Veterans' Affairs. I am opposed to the amendment primarily because it makes the Veterans' Administration subservient to the Department of Agriculture. This is a veterans' bill, written for the veteran and not about him. I want this bill administered by the Veterans' Administration and by General Hines, the veterans' friend.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel a great deal of concern about just how we are going to operate under this farm-loan provision. You will recall that after the last war there were several States which set up programs for making loans to veterans to go on land. If you followed the history of those efforts you will recall that practically all those were unsuccessful. What they did succeed in doing was not helping the veteran, but getting him stranded out on a piece of land which was not capable of making him a living.

In considering these provisions the first thing we ought to take into consideration is protection of the veteran. In that respect it seems to me the provisions of the Senate bill are considerably better than those contained in the House bill. The amendment offered by the gentleman from Virginia [Mr. FLANNAGAN] retains the provisions of the Senate bill as they affect farm loans except that it increases the amount from $1,000 to $1,500.

I regard it as especially important that the Secretary of Agriculture approve these loans as they are made. In handling matters of this kind we should follow a sound policy and the policy should be carried out by those who are entirely familiar with the subject matter in which they are dealing. The Department of Agriculture has long-standing agencies engaged in making loans on land. It has its appraisers and its experts who are thoroughly familiar with land values. The policy it has been following in making loans has been based upon the normal value of the land, which means that the loans are based upon the earning power of the land over a period of years.

At this particular time there is a considerable inflation in land values. I fear that if we keep the provisions that are in the House bill a veteran could very easily become the victim of land sharks and those who have land to sell at inflated prices. I can see that we would very likely invite a repetition of just what we had after the last war. I do not believe that the Secretary of Agriculture, with the experience that his Department has had in making and administering real-estate loans over a period of almost 30 years, would make or be as likely to make mistakes in that particular as would a new agency set up to deal with that question without having any experience whatever in that regard.

Here is one other point I want to bring to your attention. If we adopt this provision providing that these loans may be made upon approval of the Secretary of Agriculture, that will also make it possible for the veteran to get the benefit of any loan programs which are now in existence. In other words, the veteran will have the opportunity to come in under the tenant-purchase program, or to secure a Federal land-bank loan or a Commissioners' loan because the same approval and appraisal that will be made of this application will also and could also be made upon loans under these programs I have mentioned.

I do not believe that we are going to have many cases where loans are made under this provision, either under the House or Senate bill, where they will do the veteran any good unless they can be supplemented with additional loans. The provisions for Government loans, of course, are more liberal than those which would be made by any private lending agency.

In my opinion we will undoubtedly be doing the veteran a much greater service

if at this time we adopt the provisions contained in the Senate bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOLEY. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I do not think this is solely a question of who is more interested in the welfare of the veteran, whether it is the Secretary of Agriculture or the Director of Veterans' Affairs. It seems to me that whichever agency is to be charged with the responsibility of making these loans should be in a position to avail itself of all personnel in all of the bureaus of the Government. The amendment offered by the gentleman from Virginia would only make it mandatory that the personnel in the Department of Agriculture will make the first determination preliminary to the granting of the loan. Unless you do that, we might as well face the fact, and I do not believe any member of the committee will deny that if the House provision is retained, the Veterans' Administration will immediately set up a little bureau within that bureau to be known as the Land Loan Office, equipped with land appraisers. They will also have another little F. H. A. loan office to approve loans on city property. They will have another little bureau making appraisals and granting loans on commercial property. There is no way to get around that, and you have to face the fact that here is an agency of the Government that is equipped to do the job, that is experienced and trained in the field of making appraisals. It does not seem to me to be in the interest of economy or efficiency or in the interest of the veterans to pass legislation making such a situation as that possible.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. Why should the Veterans' Administration have any land appraisers in its office? These loans are going to be made, as I understand the committee bill, from lending agencies in various units. They approve the loans, and the Veterans' Bureau is not going to send a man out to inspect each piece of property.

Mr. COOLEY. Yes. The gentleman does not expect the Veterans' Administration to make loans based upon the appraisals of some private lending agency out in a remote section of the country, does he?

Mr. MILLER of Connecticut. Certainly. They do that in various sections of the country right now.

Mr. COOLEY. This bill does not contemplate any such procedure as that. I would hate to think that the Veterans' Administration was going to sit in Washington and accept the appraisals mailed in by banks and loaning institutions throughout the country. I do not think any Member interested in the bill would say that that is contemplated by any section in this bill.

Mr. LEMKE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from North Dakota.

Mr. LEMKE. If that policy were to be followed, then you would simply be making a slave out of the veteran to pay interest to somebody.

Mr. COOLEY. There is no question about that. I think the amendment offered by the gentleman from Virginia should be adopted.

I should like to say in this connection that on yesterday we had before the Committee on Agriculture Dr. Warburton, Deputy Governor of the Farm Credit Administration, and he prefers the Senate language over the House language. He believes that the House bill will actually handicap the operations of the land bank and the Land Bank Commission. He presented a very fine statement before the House committee yesterday morning.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. JEFFREY] for 3 minutes

Mr. JEFFREY. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Virginia.

By this time it must be apparent to the House that each group which seeks to protect and promote the interest of a special group or segment of our population has appeared before the committee from time to time seeking special rights or special prerogatives. I say that with all deference to the members of the Committee on Education and to the members of the Committee on Agriculture and every other committee of the House. I am sure that they are all sincerely interested in the welfare of the veteran, but the truth is that we simply cannot, if the veteran is to be served, divide responsibility in the manner in which the special groups, apparently, would like to have it divided.

Let me very hurriedly, in the brief time allotted, make just a few comments. First of all, if the amendment offered by the gentleman from Virginia is adopted, then necessarily you must scrap the entire loan title of this bill, because I submit to you that you cannot have the Government make a direct loan to him who would purchase a farm, and have the Government only guarantee the loan to the man who wants to buy or build a home in the city.

I further would point out that you cannot have the Government loan money directly which is a departure from the fundamental principle of the title, and have that loan bear interest at the rate of 3 percent to the man who seeks to buy a farm, and in the same measure the veteran who seeks to repair or build or buy a home pay up to 6 percent interest and receive a loan guaranty rather than a direct loan. It simply does not make sense. The worth of this entire section of the bill, if this amendment is adopted, is destroyed.

A very good question has been asked: Why not make loans direct? I shall try to answer that question. In the first place, as the testimony before the committee revealed, it would be much more expensive from an administrative point of view if the loans were to be made by the Government, because necessarily you have your collection cost running all the way from 1 to 20 years, whatever the period of the loan might be. In the second place, Mr. Chairman, you would create by this agency making direct loans perhaps as great if not a greater bureaucracy than any that exists at the present time, and you would be putting the Government still further in competition with private enterprise.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MILLER of Connecticut. Mr. Chairman, if it is permissible, I yield my time to the gentleman from Ohio, who is a member of the committee.

The CHAIRMAN. Without objection, the gentleman from Ohio may proceed for 3 additional minutes.

There was no objection.

Mr. JEFFREY. Permit me, through the courtesy and kindness of the gentleman from Connecticut, to point out that we have lost sight of some important features of this section. In the revision suggested by the House committee the Senate bill was stricken out entirely so far as any provision for a direct loan was concerned. The committee substituted the guaranty of a loan for the purchase of a farm, for the purchase of a home, or to enable the man to engage in business for himself. It is intended that that guaranty will take the place of what in civilian life is termed the down payment. These veterans for the most part will not have been able to accumulate a sufficient sum to make the down payment. With the guaranty that the Government affords, on a loan made by a private lending agency—and again I want to emphasize that not only private firms and corporations but existing governmental agencies, both Federal and State, are contemplated under the provisions of this act—the down payment in practice is provided.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. JEFFREY. I yield to the gentleman from California.

Mr. VOORHIS of California. The committee bill provides, however, no down payment for the veteran whatsoever, does it?

Mr. JEFFREY. On the contrary, it is the hope and the thought and the intention of the Veterans' Administration that this provision of the bill will take the place of a down payment and at the same time prevent the very great administrative cost which someone has estimated—I cannot vouch for the accuracy of it—would be as great as the amount loaned to the veterans. Certainly our chief interest is the veteran and not creating another great bureaucracy or placing another bureau in competition with private enterprise. We want to help the veteran, and that has been the predominant thought throughout all the consideration of this bill, including this section.

Finally, may I say, with respect to what has been the subject of considerable discussion, that the Veterans' Administrator will need the benefit of expert advice in the administration of this measure. Of course, he will, and under the terms of the bill he can have it. It is unfortunate that paragraph (d) appears as it does now on page 60 and refers only to that section. It will be revised. The committee has an amendment to make it applicable to the entire loan title, so that the Veterans' Administrator will be able to take advantage of the departments which already exist and it will not be necessary for him to create a great many little bureaucracies, as has been suggested.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, there are two very important and far-reaching effects of what we are about to do on this legislation. First, we are going to decide today as far as the House is concerned whether or not the veterans are going to run their own business or whether we think someone else can run it better for them.

If the Federal loan agencies would come in here with a little better record on their own part, they might find reason to be telling you why they should lead the lives of the veterans, but their record is not such that it justifies any man in saying that the Veterans' Administration cannot attend to the business of the veterans just as well as any other department of the Government.

I say that for this reason. Between 1930 and 1940 they drove 90,000 farmers off their farms because they could not pay an average loan of three to four thousand dollars. That was not a very good record. They drove plenty of veterans off their farms. I saw with my own eyes a man who was getting a pension of $78 a month cut off by this great Economy Act we heard about in 1933 until he got only $24 a month, and he lost his farm.

From my experience with them, the Veterans' Administration has been absolutely nonpolitical. You cannot put this thing into the present Department of Agriculture because they have on ice every man that ever graduated from an agricultural college with any agricultural background, and any man of any position of responsibility is a political agriculturalist. Now we are getting an advertiser down in the O. P. A., and I guess he is going to take their business away from them.

As far as I am concerned, I am willing to trust what the Veterans' Administrator will set up. If the veterans do not carry on the right kind of a program, we can put it right in their laps and let them assume the responsibility. I am willing to believe that they will do a better job than will be done by a lot of the people that are more interested in perpetuating themselves in their present jobs than they are in the welfare of the veterans of this war.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I feel that we should give this matter very careful consideration. The object of the bill is not to do something for the Veterans' Administration nor for the Department of Agriculture. Neither one of these administrations is run by the veteran who is supposed to be rehabilitated.

These departments are run as those in charge see fit, and neither department has a perfect record of justice and fairness. The Veterans' Administration until recently had 119,000 applications from disabled veterans that it had not acted upon. That is not such a glorious record. Every Member of this House is still receiving letters from disabled veterans whose applications have not been considered and which have been pending for some 6 months.

It seems to me we should consider carefully what is for the best interest of the veteran and not the 6-percenters. It seems to me it is self-evident that if the veteran can get his interest at 3 percent in place of 6 percent, that that may be the difference between success and failure.

To me it is very evident that the Department of Agriculture, that knows and has these various agricultural set-ups in every county throughout the Nation, is in a far better position than the Veterans' Administration to see that the veteran is not given a lemon in place of a farm. It seems to me that the time has come to cut out the idea of someone making a profit at the expense of the veteran, of someone selling a farm at inflated values with 6-percent interest. We should decide whether or not we really mean what we say when we say we wish to put the veteran in a position where he can again own a home of his own, in place of being a slave and a serf to pay interest for the rest of his life on a farm he bought on time at 6 percent.

I have no fault to find with either the Veterans' Administration or the Department of Agriculture, but we have these agencies and we should utilize the existing agencies that are best qualified to do the job we want to do. This regardless of whether or not we have to rewrite other sections of this bill. If you have made a mistake in this case, then admit your mistake on the rest and offer your own amendments at the proper time, and let us help you correct them.

That is the reason I am for the Flannagan amendment. It is the intelligent thing to do, it is the reasonable thing to do if we really want to help the veteran in place of permitting somebody to sell a farm at an inflated price and get a high rate of interest.

They say that they guarantee the loan. What is the difference between Uncle Sam's guaranteeing the loan with 6-percent interest or making the loan in the beginning at 3-percent interest? If the Government will make the loan at the beginning then both the veteran and the Government will be the gainers in the end.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ANTON J. JOHNSON].

Mr. ANTON J. JOHNSON. Mr. Chairman, there is no question but that every single member of this House has a yearning down deep in his heart to do the best he can for the veteran. We all want to do that. We are all agreed on that. On some things we may disagree, however.

I happen to be a farmer of many years' experience and have lived and made my living with agriculture for the greater part of my life. While we are thinking of providing farms for these returning veterans that want them, we must realize that they are going to run up against a pretty tough thing in trying to make a living by farming when this war is over. We are going to have some deflated prices, certainly not the high prices that we have been having, and they are not any too high now. It is going to be tough farming.

One of the provisions in this bill relates to qualifications of experience, and so forth. I like particularly this amendment offered by the gentleman from Virginia [Mr. FLANNAGAN], which I shall support. The agricultural people who know the farm lands best are the ones who are going to safeguard the veteran, to keep him from some pitfalls.

I read only last evening in a national farm magazine that right after World War No. 1, when we generously guaranteed loans to returned veterans for farms, over half of them failed and lost their farms. Why? The first reason is that most of the farm lands were purchased at too high a price. This would be safeguarded by having proper appraisal committees under the Department of Agriculture. The second reason is that most of the farms were too small for economical operation and it was impossible for a farmer to make a living on them.

The third reason is that many of the farm lands were too poor and worn out, because they were tempted by what they thought were low prices, and they were unsuitable for the crops they planned on growing, perhaps, on a small acreage.

The fourth reason is that many of these returning veterans were not qualified because of lack of experience in farming. As I said before this is going to be one of the toughest times after this war for any farmer to make a living.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. ANTON J. JOHNSON. I yield.

Mr. BUSBEY. Under the provisions of the committee bill is it not a fact that the Veterans' Administration is going to use the Department of Agriculture, which is what you want, for these appraisals and things? We do not exclude the Department of Agriculture or any other department from being used.

Mr. ANTON J. JOHNSON. That is just what we are asking for in this section.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARE. Mr. Chairman, I do not know that I will be able to add anything in the way of discussion to the ideas advanced here this afternoon. I am not a member of the Committee on Agriculture or a member of the Committee on World War Veterans' Legislation. Therefore, I have not had an opportunity to hear the evidence, analyze it, and properly interpret the relative virtues of the two

schools of thought advanced. But I want to submit for the consideration of the House and the Congress one conclusion reached as a result of my experience as a member of your Committee on Appropriations during the last 5 years. The amendment offered by the gentleman from Virginia is very appealing in many ways, and if it is adopted, I would like to suggest to the two interested committees that the Department of Agriculture then be charged with the responsibility of making the loans. When you divide the responsibility of governmental agencies, you in a measure destroy the efficiency of both. If you are unable to place your finger upon that agency which is responsible, then the whole thing becomes a chain of sand. When you divide the responsibility of two agencies you then have a division in appropriating funds, and if you have two agencies asking the Congress for appropriations, you are going to have a duplication of effort, and therefore a duplication of appropriations. For this reason I am calling the matter to your attention so that you may be able to decide definitely before we leave this subject whether we will place the responsibility in the Veterans' Administration or whether we are going to put it in the Department of Agriculture so that your Committee on Appropriations hereafter will know whom to hold accountable for the amount of moneys to be expended, because when this war is over you may not be here and I may not be here, but somebody will be here to make appropriations, and they will want to know the justification for them.

No one can deny that the facilities of the Department of Agriculture at present are superior to those of the Veterans' Administration to pass upon the advisability of any particular application for a loan on farm land for farm purposes, but the point I am trying to emphasize is that if the Department of Agriculture is to do no more than investigate and express an opinion upon an application for a loan and then leave it to the Veterans' Administration to say whether or not it should be made you are not going to be able to hold either one of these agencies responsible to the Congress or to the Government for the result of their actions. The chances are there will be some failures to repay these loans and the less responsibility each agency has in negotiating a loan the greater number of failures there will be and when the Congress or the public begins to make inquiry as to who was responsible for the failure, the Department of Agriculture will say, "It was not my fault, I only expressed an opinion in the matter." The Veterans' Administration will excuse itself by saying: "We did not have an opportunity to inquire into the value of the property or the moral risk involved. We just relied upon the suggestion or recommendation of the Department of Agriculture and, therefore, are not responsible." You would then be unable to definitely place the responsibility. My feeling is that from the standpoint of sound policy, if the Department of Agriculture is going to be charged with making investigations and submitting its conclusions on the approval or rejection of an application it should also have the authority to complete and service the loan. However, if you are going to leave the authority in the Veterans' Administration to service the loan, it should then be charged with the responsibility of approving it in the first place.

I do not have sufficient time to go into detail, but I want to make it clear that I am definitely in favor of the objective involved in each of the proposals because they are the same, but my objection is to the division of the responsibility as a governmental policy. My further objection to an effort to divide the responsibilities and place them in two or more separate agencies of the Government is that it will necessarily be more expensive, require increased appropriations and thereby place a heavier tax burden on the veteran himself. It is my experience and observation that when you divide the responsibility of executing a law and place it in two or more agencies, the combined appropriations are invariably larger than when placed in one agency. That is, if we divide the responsibility of administering this law, as has been suggested, by placing a part in the Department of Agriculture, part in the Department of Commerce, and the remainder in the Veterans' Administration, these three agencies will appear before separate subcommittees for appropriations next year and neither committee will know the justifications in either of the other two, but if the total should be submitted to one committee for consideration then the Congress could hold that committee responsible for the entire administrative cost of executing the law, but when you divide this responsibility among three separate and distinct committees for consideration I want to repeat and emphasize that as a result of my experience and observations the total cost will be much larger than if the whole were placed in one committee where responsibility for all expenditures can be lodged.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOORHIS of California. Mr. Chairman, I can assure you, all I am interested in is trying to make this bill, which I think is a great and all-important effort on the part of the American Congress to look forward to doing justice to the men bearing the burden of this war, as good a measure as I know how. It is my conviction, a 50-percent guaranty of a loan is going to mean very little indeed when that veteran goes out and tries to borrow money. If that is all he is going to get, you know as well as I do, the bank or lending agency is going to be just as difficult for him to deal with if they are running a risk only to 50 percent of the amount of money that they loan as they would be if they are going to risk 100 percent.

My conception of the purpose of these loans is to make them on very favorable terms to the veteran—admittedly so—to make available to him enough money so that he will be able to make his initial down payment and thus make himself eligible for a loan of sufficient magnitude so that he could really purchase a farm. Under the amendment of the gentleman from Virginia it is provided that a veteran who secures one of these loans having been declared eligible by the head of the Veterans' Administration, shall thereafter be eligible for loans under the Bankhead-Jones Act in the same manner as though he had been a farm tenant, thus putting him directly in line to get the benefit of the best provisions that this Congress has been able to provide through the years to enable a man who does not own a farm to be able to own a farm.

The question before the House is, Do you want these loans to be made hit and miss and maybe on land that is sold to him for too high a price? Do you think you have done a man a favor when you have enabled him to get a loan at 6-percent interest from some bank, or do you want to really help that veteran by seeing to it that he gets a square deal on that loan and that it is made under circumstances that will help him to repay it? And if you do want to protect him by trying to see that he gets a square deal, where are you going to look for such a service? Are you going to look anywhere other than that agency of government which has the experience of doing that very type of work? I think the members of the Committee on World War Veterans' Legislation would agree that they believe that the veteran should be protected in that way; that they believe it ought to be done by the trained farm-credit men of the Department of Agriculture. I think that is the implication of some of the language that they themselves have stressed. If they believe that, why not say so in the bill, as the amendment of the gentleman from Virginia proposes?

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHILLIPS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia, but because of the limitation of time I shall confine myself to a statement upon one point only in that amendment. If it seems to any members of the committee who are handling this bill that we who are on the Committee on Agriculture speak in support or defense of those who are going into farming, let the record so show, because I think it is proper that those of us who have had experience in agriculture, and with some of the tragedies which came out of the First World War because of the lack of restrictions and the lack of consideration when returning veterans went onto farms which were made easy for them to buy, should speak. Years that have been lost in misfit farming cannot be recovered.

The feature of the amendment offered by the gentleman from Virginia which I think it is essential to put into the bill, is not merely that the Veterans' Bureau may, if it so desires, go to the Secretary of Agriculture and ask him for his advice, but that it must do so in all things having to do with placing veterans upon farms. The Veterans' Bureau should get from the Secretary of Agriculture an analysis of the farm situation, an analysis of the type of farm and the soil, and, I hope, some consid-

ered judgment on the ability of the veteran to farm that land properly.

By the adoption of this amendment and the requirement that the advice and analysis of the Secretary of Agriculture must be secured, the responsibility for the loan may still rest with the Veterans' Bureau. We may then avoid some of those tragedies which we saw after the last war and which many of us tried to help the farmers work out.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WILLEY. In the discussions upon this measure I have gathered the idea that one of its main provisions was freedom of choice to the veteran. The other was simplicity of operation and administration. Another was to place the veteran as near home conditions and the home folks as possible. Another was against the further building up and concentration of power and authority in Washington. If the amendment which is now offered by the gentleman from Virginia should prevail it will be contrary to all of those fundamental ideas which the committee members have entertained. If this amendment should prevail a Government agency will make the loan. If there should be 10,000,000 men apply for these loans to the maximum amount allowed to each of them we would have the vast sum of $15,000,000,000 loaned by another Government agency, an agency that would have greater ramifications than any other which we have known. Do we want that?

I remember March 2 this year when there was a banking bill under consideration. Gentlemen supported that bill because they thought the banks in the local communities should be entitled to do certain business so they could survive. They had money to loan but the competition of Government lending agencies prevented their successful operation, unless certain practices were allowed. I remember what Members said that day about the little banks. We wanted them to live. We wanted them to develop. We wanted them to continue in the communities which they served. We have heard about bureaucracy. We have heard of concentration of power. We have heard about growth of Federal authority. All of those things have been repeated time after time. If this amendment prevails then this money must be loaned by another Federal agency. Talk about setting up a bureau in the Veterans' Administration, and about loans, and about farms. What will it mean to set up a bureau to supervise all of these loans if they are to be made from Washington? We want to decentralize. We want to give the boys an opportunity to go to their home folks, their banks, their building and loan associations, to get this money. They believe in those boys. They are not going to do anything against the veterans. They are the men who are helping to put up the honor rolls and plaques in the communities with the names of the soldiers upon them. They are the men who are going to help the veteran after his return. If anybody in this country will be sympathetic and look out for these veterans when they come back it will be the local people to whom they will always be heroes. Let us defeat this amendment.

Mr. RANKIN. Mr. Chairman, I hope this amendment will be voted down. We do not want to make the veterans of this war the victims of a sprawling bureaucracy. If you adopt this amendment you will have the ridiculous position of one agency authorizing a loan and another agency being compelled to make it. You will have the camel's nose under the tent for other agencies of the Government to use the veterans of this war to rake down appropriations for their own purposes. Talk about the Bankhead-Jones bill. A veteran can qualify under the Bankhead-Jones bill, especially if the Committee on Agriculture will bring out an amendment now pending before that committee. I say to you the members of this committee worked long and diligently on this proposition. We have had before us men who are most interested in veterans' legislation. We have come to the very definite and unanimous decision that this provision as it is written in the bill should be sustained.

I hope the amendment will be voted down because I believe if it is adopted it will be a great detriment to the veterans of this war and will greatly hamper the administration of this provision in the bill.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Virginia [Mr. FLANNAGAN].

The question was taken; and on a division (demanded by Mr. FLANNAGAN) there were—ayes 26, noes 115.

So the amendment was rejected.

Mr. HARE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARE: On page 57, line 22, after the word "separation", strike out the words "of the applicant."

Mr. RANKIN. Mr. Chairman, the committee will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. HARE].

The amendment was agreed to.

Mr. PACE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PACE: On page 58, line 8, strike out "loan or."

Mr. RANKIN. Mr. Chairman, we will accept that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

Mr. MURRAY of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY of Wisconsin: Page 58, line 19, after the word "at", strike out "a rate not exceeding 6 percent" and insert "rates of interest not in excess of interest rates prevailing for comparable loans in Federal loan agencies."

Mr. MURRAY of Wisconsin. Mr. Chairman, I am sure there is not a Member of this House but who believes the oft-repeated statement made here today that this is a veterans' bill. I am sure that is the primary purpose everyone has in speaking of amendments in connection therewith. For that reason I am sure there is not a Member who wants to leave this Chamber with a feeling that any veteran is going to be called upon to pay any greater interest rates than any other person is paying as far as the Government itself is concerned.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. COOLEY. What agency of the Government is engaged in making loans comparable with the loans contemplated by this act?

Mr. MURRAY of Wisconsin. There are 11 agencies that are lending to farmers.

Mr. COOLEY. What agencies?

Mr. MURRAY of Wisconsin. There are agencies providing funds for housing and also agencies lending money for commercial loans. So I believe there is no doubt but what there are plenty of agencies in the business of making loans.

Mr. COOLEY. I said comparable loans.

Mr. MURRAY of Wisconsin. That is loans comparable to the ones being made by the Government at this time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mrs. ROGERS of Massachusetts. I ask unanimous consent that the gentleman's time may be extended an additional 5 minutes and that the amendment may be read again. There has been a great deal of confusion and some of us do not feel that we understand the amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin has not expired, but the Chair will put the gentlewoman's request.

The gentlewoman from Massachusetts asks unanimous consent that the gentleman from Wisconsin may proceed for an additional 5 minutes, and asks unanimous consent that the amendment may be again reported.

Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Wisconsin is recognized for an additional 5 minutes.

The Clerk read as follows:

Amendment offered by Mr. MURRAY of Wisconsin: Page 58, line 19, after the word "at", strike out "a rate not exceeding 6 percent" and insert "rates of interest not in excess of interest rates prevailing for comparable loans in Federal loan agencies."

Mr. MURRAY of Wisconsin. Mr. Chairman, my amendment should read: Strike out the words "at a rate not exceeding 6 percent per annum."

The CHAIRMAN. Without objection, the amendment will be modified as indicated.

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Chairman, I do not know that there is any reason for me to say anything further; the amendment is self-explanatory. All I am asking is that the veteran not pay more interest than is required of nonveterans; that is all.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. AUGUST H. ANDRESEN. The Federal land-bank rate at the present time is 3½ percent.

Mr. MURRAY of Wisconsin. Yes.

Mr. AUGUST H. ANDRESEN. After June 30, unless existing law is extended, the rate will be 4 percent. Does the gentleman contemplate that these guaranteed loans made from the local office will then be made at the rate of 4 percent?

Mr. MURRAY of Wisconsin. I answer that by saying I believe the rate will be 3½ percent after July 1, and that the veterans will have to pay for the loans not more than 3½ percent.

Mr. AUGUST H. ANDRESEN. The gentleman contemplates that whatever the Federal land-bank rate is will also be the rate for the veteran.

Mr. MURRAY of Wisconsin. For a comparable loan, a 100-percent loan, such as is made possible under the Bankhead-Jones Act, the rate would be 3 percent.

Mr. AUGUST H. ANDRESEN. But under this bill there could not be a 100-percent loan.

Mr. MURRAY of Wisconsin. My point is that the minimum rate charged by the Government agency should be the rate to the veteran.

Mr. Chairman, I yield back the balance of my time.

Mr. BURDICK. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from North Dakota is recognized for 5 minutes.

Mr. BURDICK. Mr. Chairman, I wonder if there is a Member of Congress who believes the Government went into the loan business because it wanted to? The Government went into loans in the farming sections of the country because they had to, because that was the demand of the people everywhere. Every lending agency had failed and the Government set up the institutions to carry on what private industry had not done.

I am in favor of returning to the private way of lending. In North Dakota I can remember the day, as I said here on the floor a few days ago, when the farmers paid 50 percent for the use of money. They were fighting the Indians at the front door and the bankers at the back door, and if the Indians did not get our scalps the bankers did. If you want to get back to private lending it has got to be done comparable with what the Government has shown the way to do. I think the gentleman from Mississippi ought to be for this amendment because he has used the T. V. A. as a yardstick.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. RANKIN. I may say to the gentleman from North Dakota that if a man can get money at those rates he is taken care of under the present provisions of the bill, but if this amendment is adopted and he cannot get money at those rates, he is shut out.

Mr. BURDICK. All this amendment does is to get the loans at a comparable rate.

Mr. RANKIN. It is a guaranteed loan.

Mr. BURDICK. At a rate comparable with that charged by a Government lending agency. What is wrong with that?

Mr. RANKIN. All this bill does is guarantee those loans, and if he cannot get the loan at less than 6 percent—we permit him to go up to 6 percent—he would be shut out. It would shut out untold thousands of veterans.

Mr. BURDICK. It would not shut out anybody because these private lending agencies throughout the United States are going to get back this business and get it back by offering something just as good as the Government offers. I have heard the gentleman time and time again say that the rates the people paid for electricity in North Dakota ought to be measured by the T. V. A. standard. All I want to do now is to measure the rate of interest by a Government standard; that is all.

Mr. RANKIN. All right; but the trouble is that you cannot force one of these private agencies to make this loan to this man, and if you cut it down by putting this provision in here, in my opinion you will prevent hundreds of thousands of veterans from getting any loan at all. They do not have to charge them 6 percent, but they may not charge them more than 6 percent.

Mr. BURDICK. You cannot tell anything about what private industry will do. Private industry is all right if they are given a chance to function, and they are going to meet this situation and meet it with something just as good or better than the Government offers. That is the only way they can get the business back.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. JOHNSON of Oklahoma. Referring to the statement just made by the distinguished chairman of the committee about 6 percent being the ceiling, the maximum, does not the gentleman feel that the maximum would immediately become the minimum and that no loans would be made to veterans, or very few loans at least, at less than 6 percent?

Mr. BURDICK. Precisely.

Mr. Chairman, I yield back the balance of my time.

Mr. CUNNINGHAM. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Iowa is recognized for 5 minutes.

Mr. CUNNINGHAM. Mr. Chairman, I should like to see the veteran get the loan provided for in this bill at 2 percent, 1 percent, or even without any interest; so would the members of your committee. We are, however, faced with the realities of the situation, and in passing this bill we must be careful not to adopt an amendment that will prohibit the veteran from getting the money at all.

I am interested in the farmer. I come from a farming community, a farming State. Those men out there operating those farms are not dealing today with governmental agencies in borrowing money, they are going into the banks in Perry, Adel, Pella, or Indianola, or elsewhere in my district and make the loans from them. I do not know what rate of interest they are paying. I do recall that when I practiced law there a few years ago the legal rate of interest by statute was 5 percent on open account and 7 percent on contract. I think you will find the majority of those banking institutions are getting around 4 to 4½ or 5 percent.

If we adopt this amendment, and I am perfectly in sympathy with the objectives of it, we are going to say to the boys: "Now, you can go to the banks in your home county and get the loan." We are telling them that the banker has got to lend him that money at 3 or 3½ percent, or 2½ percent, or whatever may be the comparable interest rate charged by a Government agency. The banker says: "Well, I would like to make you a long-time loan or a short-time loan but we cannot stay in business at that rate; we have got to have 1 percent more."

Therefore he cannot get the loan, and I dare say there will be many bankers in the State of North Dakota who will not want to make loans at 3- or 3½-percent interest, and I never have been in the gentleman's State. I would like to hear from some of the gentlemen on this floor representing Western States where they still have a higher rate of interest. I understand there are still States that have a legal rate of interest of 10 percent. Others have an 8-percent interest rate. If we put in here such a low interest rate then the only way the men out in those States can get money is to go to New York or Chicago where they may borrow at a low rate of interest, if they can get it at all. Are we aiding the bankers in the larger cities as against those in the local communities and not helping the veteran because the expense and trouble he will have to go to to get the loan in the larger cities will offset the difference in the interest rate as between the two?

If you want to make this provide that the Government pay the interest for 10 years, all right, I am with you, but let us not adopt an amendment that will nullify the whole purpose of the bill and make it impossible for the veteran to get a loan.

Mr. WHITE. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Idaho.

Mr. WHITE. As a matter of fact, the farm bank loans are made at 3½ percent now, are they not?

Mr. CUNNINGHAM. I do not know.

Mr. WHITE. When the Government comes in and guarantees the interest on the loans, that would operate to reduce the interest rate, would it not?

Mr. CUNNINGHAM. It ought to.

Mr. WHITE. Yes.

Mr. CUNNINGHAM. This bill says not to exceed 6 percent. We do not want to say to the local lending agency and the veteran that goes to them, "You cannot negotiate a loan at more than 3 percent or 2 percent or 3½ percent," be-

cause it may prohibit the veteran from getting the loan.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Did I understand an amendment was adopted a few moments ago offered by the gentlewoman from Massachusetts to the effect that the Government would pay the interest for 2 years?

Mr. CUNNINGHAM. Yes; interest free for 2 years. That is paid by the Government.

Mr. RANKIN. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. RANKIN. The bill specifically provides that these applications for loans may be made to Federal agencies. On page 58, line 21, you will find these words:

> The Administrator is authorized and directed to guarantee loans to veterans subject to the provisions of this title on approved applications made to persons, firms, associations, and corporations and to governmental agencies and corporations, either State or Federal.

Mr. CUNNINGHAM. Absolutely.

Mr. RANKIN. Therefore, he can get this money at a lower rate of interest while the Government guarantees it, but the Government will not guarantee it above 6 percent. We do not want to shut the door of hope in the faces of those veterans in areas where they cannot get these loans except by paying 6 percent, which we would do by the adoption of this amendment.

Mr. COOLEY. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does this loan provision contemplate a first or second mortgage? Is it not a first mortgage?

Mr. CUNNINGHAM. It does not make any difference.

Mr. COOLEY. How will they be secured?

Mr. CUNNINGHAM. That is up to the veteran and the local lending agency. If he wants a mortgage or a chattel mortgage or makes a loan unsecured, that is up to the businessman or the bank in that community and the Government will guarantee the loan.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. COOLEY. The Veterans' Administration is not required to demand any security at all from the veteran to secure repayment of the loan?

Mr. CUNNINGHAM. No; the Veterans' Administration is required to guarantee the loan.

Mr. COOLEY. That is right.

Mr. CUNNINGHAM. If the borrower defaults, and the bank in your community is going to foreclose, they notify the Veterans' Administration, and he has, I think it is, 90 days, as I remember it under the bill, to make good the part guaranteed by the Government. The moment he does that the Government will be subrogated to the rights of the local bank insofar as the amount that the Government makes good is concerned.

Mr. COOLEY. It is a nonsecured loan?

Mr. CUNNINGHAM. It may be or may not be. That is up to the veteran. Your neighbor, who is a veteran, can come to you and say, "Congressman COOLEY, I want you to lend me a thousand dollars." "All right; here it is. Sign your note." The note is signed. As I interpret this bill, the Government is guaranteeing $500 of that.

Mr. COOLEY. Up to $1,500 if it is used for the purchase of land?

Mr. CUNNINGHAM. Yes.

Mr. COOLEY. Is it a nonrecourse loan?

Mr. CUNNINGHAM. We did not go into that.

Mr. COOLEY. Does the veteran remain bound to pay the loan or is it a nonrecourse loan? The gentleman knows what I am talking about.

Mr. CUNNINGHAM. You mean with or without recourse? That is not in the bill.

Mr. COOLEY. No. Does it continue as an obligation of the veteran to repay?

Mr. CUNNINGHAM. Yes; until and unless it is paid by him or later paid by the Government out of adjusted compensation that may be voted later.

Mr. PACE. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman made a statement a moment ago that intrigues me. He stated that under the amendment offered by the gentleman from Massachusetts the Government would pay the interest for the first 2 years.

Mr. CUNNINGHAM. That is right.

Mr. PACE. Did the gentleman mean the Government guarantees the Government's part or on the entire loan?

Mr. CUNNINGHAM. The Government guarantees the part up to $1,500.

Mr. PACE. May I read the words of the bill in that connection?

Mr. CUNNINGHAM. Yes.

Mr. PACE. "Interest for the first year." It seems to be very confusing. "Interest for the first year" now "the first 2 years on any loan or part thereof guaranteed by the Administrator." The bill says both.

Mr. CUNNINGHAM. I think the gentleman himself offered an amendment a moment ago which corrected that.

Mr. PACE. I corrected that in the sentence above. I would like to know what the committee's intention is in that connection.

Mr. CUNNINGHAM. I will have to refer the gentleman to the gentlewoman from Massachusetts. The gentleman had better secure that information from her.

Mr. PACE. Is the Government going to pay the interest on the loan for the entire loan or on the part guaranteed by the Government?

Mr. JEFFREY. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Ohio.

Mr. JEFFREY. It is the intention of the committee, and I hope the wording of the bill expresses it, page 58, line 10, that the Government will pay the interest only on the guaranteed portion of the loan for now a period of 2 years.

Mr. PACE. Does not the gentleman agree that language could be construed either way?

Mr. JEFFREY. No.

Mr. PACE. It states "on any loan or part thereof."

Mr. JEFFREY. That might very well be.

Mr. CUNNINGHAM. The gentleman will have to correct that in his own time.

Mr. KEEFE. Will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman indicated in his statement just a moment ago, in answer to a question asked by the gentleman from North Carolina [Mr. COOLEY] that his interpretation of this bill is that if a veteran should go to Mr. COOLEY and ask to borrow a thousand dollars, Mr. COOLEY would say: "Give me your note," and the Government would guarantee 50 percent of such a loan.

Mr. CUNNINGHAM. Yes.

Mr. KEEFE. I do not think the gentleman meant that.

Mr. CUNNINGHAM. Let me read to the gentleman what I had in mind. Page 58, line 12, states:

> No security for the guaranty of a loan, shall be required except the right to be subrogated to the lien rights of the holders of the obligation which is guaranteed.

Mr. KEEFE. All right.

Mr. CUNNINGHAM. That does not say it is to be a first mortgage or a second mortgage or unsecured or what not.

Mr. KEEFE. The gentleman did not allow me to finish. In line 2, page 58, the Administrator is permitted to guarantee not to exceed 50 percent of a loan or loans for any of the purposes specified in sections 501, 502, and 503.

Mr. CUNNINGHAM. Right.

Mr. KEEFE. Sections 501, 502 and 503, as I understand it, do not provide for a loan of the character that the gentleman indicated when he borrowed money from Mr. COOLEY.

Mr. CUNNINGHAM. No.

Mr. KEEFE. He can only borrow the money for the purposes and use it for the purposes specified in sections 501, 502, and 503.

Mr. CUNNINGHAM. Yes; but the gentleman from Wisconsin has misinterpreted my statement. I did not say to the gentleman from North Carolina [Mr. COOLEY] that the veteran could borrow it to go out and have a good time with. That was not the gentleman's question at all. The gentleman's question was if the veteran borrowed it from him what kind of security would be required. The security that will be required under this

bill is whatever the gentleman and the veteran may agree upon.

Mr. KEEFE. Yes, but the loan in order to be approved and by which the Administrator would guarantee 50 percent of it would have to have a showing made to the Administrator that the money is to be spent for the purposes specified in sections 501, 502, and 503.

Mr. CUNNINGHAM. That is a different question entirely.

Mr. KEEFE. I wanted to make the record clear in that respect.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. MURRAY].

The amendment was rejected.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 58, line 20, after the word "exceeding", strike out "six" and insert "four."

Mr. RANKIN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, by adopting this amendment the Members will say definitely and the public will know exactly what interest rate our returning veterans will be called on to pay on these loans. It places the maximum interest rate at 4 percent. As has been pointed out here, several governmental agencies have been lending money at 3 percent and 3½ percent. This will allow from one-half to 1 percent for the servicing of this type of loans to our veterans. It seems fair and reasonable.

Mr. Chairman, as one who is supporting this pending G. I. bill enthusiastically, as one who believes this measure is much more desirable and far more practical than the original G. I. bill that was rushed through the Senate after a few lauditory speeches, at which time it was described by some as the perfect bill, I am nevertheless convinced that this part of this section is the most serious weakness in the measure.

Someone has said that the real reason for fixing the interest rate at 6 percent on these loans under title III, is to follow a precedent. We have asked members of the committee and others why this interest rate is hiked so high, when it is well known that civilians who never wore the uniform have received loans from 3½ to 4 percent. We have not had a satisfactory answer. Over and over we hear it must be done in order to follow a well-established precedent. It has been pointed out that the Government established a policy of charging veterans 6 percent interest on loans made on their own insurance. But may I say that many of us have never agreed with that policy. At the time the 6-percent interest rate was charged veterans on loans on their insurance, it was stated that was to be the maximum, it was also pointed out that the rate was placed high then for the purpose of discouraging veterans from borrowing on their insurance. Of course, the Government got its money at 1¾ cents and then practiced usury against thousands of veterans of World War No. 1. But two wrongs do not make a right.

Again we are told that this is only the maximum and that if the rate were made lower it might prevent veterans from borrowing money from some parts of the country. Those of us familiar with this legislation know that the maximum as set forth in this legislation means also the minimum. It would give license to every bank and private lending agency in the United States to charge these veterans 6 percent, when we know that the banks, building loan associations, and other lending agencies are bulging with hundreds of millions of dollars, and that such agencies would gladly lend their money for 4 percent or less, especially since these loans are going to be guaranteed by the Federal Government. If this provision remains in the bill, proposing to gouge the country's defenders to the tune of 6 percent, while civilians who stayed at home, many of whom drew their big salaries and some, I am ashamed to say, hoarded war profits, managed to negotiate loans at a lower interest rate, it, of course, means that many veterans would not only refuse to avail themselves of the benefits of this act, but would be indignant that Congress should place them in a special class to pay a higher interest rate than that paid by civilians.

Again it is suggested that conditions are different in different States and sections of the country. But human nature does not change and when the war is over, if lending agencies know that they can legally gouge the returning veteran 6 percent, while others pay 3½ and 4 percent, it matters not what section or county or State they are from, there are too many lending agencies, I regret to say, who, I fear, would demand their pound of flesh. Let me remind you that the H. O. L. C., the Federal Housing Agency, the Farm Security, and other lending agencies of this Government have loaned to farmers, to businessmen, and to home owners hundreds of millions of dollars, and not a dollar of which was loaned as high as 6 percent. Our returning heroes and others who have worn the uniform may not appreciate the beautiful platitudes describing their valor and courage and then by our vote sock them with 6 percent on loans.

I know of a great building and loan association within a few blocks of the Capitol that has several million dollars available for loans to home owners and to prospective builders, but because of the war effort they cannot lend that money now. They would be glad to loan money to many of these building agencies at 4 percent. Do not tell me that the patriotic bankers and other private lending agencies, with hundreds of millions of idle money, would not jump at the chance to lend the money to veterans at 4 percent when they know the Government is back of them.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Georgia.

Mr. PACE. What is the gentleman's view about what the money market will be when the war is over and the veterans come back home?

Mr. JOHNSON of Oklahoma. Well, of course, we hope that the market will be good. That is only a matter of conjecture. But let me remind the gentlemen that this is a bill supposed to grant special benefits to one class of citizens—our returning veterans. This is not supposed to be a bill drawn primarily for the private lending agencies of the country. But the main point I want to bring home is that when you fix this maximum interest rate at 6 percent, do not fool yourselves; the interest rate will be very definitely fixed at 6 percent, not 3½, 4, or 5 percent, but 6. Visualize the veteran applying for a loan to help purchase a home or farm. "Yes, I will admit that the interest rate on a long-time loan is a little high" he will be told. And then with a straight face and in solemn tones we can hear the money lender add "I am really sorry, very sorry indeed, but Congress says we must make this interest rate 6 percent," and then he may add, "If you do not like this high rate of interest, write your Congressman." When the veteran complains, as many veterans of World War No. 1 have complained to me about the interest rate on their insurance loans, I want to be able to look him in the eye and tell him the whole truth. It is one thing to stand up here and quote beautiful platitudes about the returning veterans, but it is another thing to give them a square deal and not a raw deal, as I am fearful will be the result of this act unless it is amended.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Louisiana.

Mr. BROOKS. As I read the sentence beginning on line 21, page 58, these applications may be submitted to governmental agencies, State or Federal. If that is the case, we put the Government in the position of being able to charge 6 percent interest on loans for which applications are made to the Government or to the State.

Mr. JOHNSON of Oklahoma. Yes; that seems to be the implication. Yet, we know that the Government seldom pays more than 1¼ percent interest rate on funds it borrows and lends it to the veteran at 6 percent. It is not a wholesome picture. We must not repeat that same serious error, that rank injustice against veterans of World War No. 2.

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it may be unnecessary to take further time on this amendment, because I think the House has demonstrated on several occasions today that it has a great deal of confidence in the World War Veterans' Committee that reported this bill and, in general, is going to accept the committee's bill and the committee's judgment after the lengthy hearings they have had.

After all is said and done, the returning serviceman is still a citizen, and if there is any law on our statute books which would permit any Federal loan agency to make loans to our citizens at 3 percent, such loans will be made to the returning veteran at 3 percent, and there is nothing in this act to prevent it.

These returning veterans are not feebleminded. They are going to know it if loans are available to anybody at 3 percent. However, on the other hand, there may be some veterans who are satisfied with their local lending agency and want to go to that agency and borrow from them. Like many other Members of this House, I have a mortgage on my home, and if I had the good fortune to have served in this war, and this bill was passed, and I saw an opportunity to change my mortgage around a little and take advantage of this $1,500 guaranty, I would want to go to my local banker, and I would be perfectly satisfied to pay him the 5 percent that I am now paying on the mortgage that I have in that bank. I am not feebleminded, and the veteran is not going to be feebleminded. Why hamstring him? Let him borrow where he wants to borrow.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from Michigan.

Mr. DONDERO. I think the House passed on practically the same question involved in the amendment offered by the gentleman from Oklahoma when it passed on the amendment offered by the gentleman from Wisconsin [Mr. MURRAY].

Mr. MILLER of Connecticut. It is practically the same thing.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentleman from Iowa.

Mr. JENSEN. As far as the fears that some Members may have about the loan sharks fleecing the veterans are concerned, I can assure them that no loan shark is going to fleece any veteran because the veterans' organizations will publicize and have full knowledge of what is going on and what the average rate of interest is that is being paid by the veterans, so they will be safeguarded in every way possible.

Mr. MILLER of Connecticut. Yes. The fellows coming back will be much keener in many cases than when they went away. No loan shark is going to take advantage of them. As to every single provision of this bill reported out by the committee after its weeks of study—and I think it is a very excellent bill—an effort has been made to be more generous. I do not imagine there is a proposal in the bill now that someone will not try to make more generous before we come to the final vote. It may be popular—it may be the political thing to do in some parts of the country—to get up and flog the bankers and everyone else, but, as one member of the committee said, they had to deal with a practical situation, and what the committee is trying to do is to put in there a limitation so that no bank can charge more than 6 percent. If loans are available at 2½ or 3 percent, I am sure the servicemen will get them.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we all appreciate the enthusiasm of the distinguished gentleman from Oklahoma, but the truth of the business is that this is almost identically the amendment that has been voted down. In his enthusiasm he reminded me of Mr. Wingo's snake railroad that he used to tell about here. He said:

> It wiggled in and wobbled out
> And left the people all in doubt
> Whether in its zigzag track
> It was going west or coming back.

The gentleman from Oklahoma went on to say that he knew plenty of bankers, as I understood him, that would be glad to make these loans at 3½ percent. There will be competition in this matter. If there are bankers who can make these loans at 3½ percent, they will do so.

We also provide here for the loans being made by Federal or State agencies. Of course, we want them to make the loans at as low a rate of interest as possible, but we do not want to shut out the little farmer or the little businessman or the little man who wants to own his home, because he happens to live in an area or under conditions where he cannot obtain loans for less than 6 percent. In my opinion, the idea that they are all going to be 6 percent is erroneous. These loans will be made at the very minimum the enterprises making them can afford. But we certainly do not want to put any ceiling on them below 6 percent that would shut out probably untold thousands of them.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Does the bill not also provide that the Administrator of Veterans' Affairs must approve these loans?

Mr. RANKIN. Certainly.

Mr. ABERNETHY. If any loan shark is taking advantage of the veteran, does it not make sense that General Hines will not approve the loan?

Mr. RANKIN. Of course not. Besides there is not a community of any size in America that does not have an American Legion post, or a Veterans of Foreign Wars post, or a Disabled American Veterans post. Further, everybody in America has somebody in this war, and there will not be any attempt on the part of any appreciable portion of the American people to fleece these men. If they did try it, they could not do it.

Mr. ABERNETHY. Does this bill not also provide that certain representatives will be stationed in each State, paid by the Government, to look after the interests of these veterans, and they will lend advice and counsel on matters of this kind?

Mr. RANKIN. Certainly.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. JENSEN. We must not forget, also, that the bankers have sons in the service and in the war, and also a number of bankers and managers of lending agencies are in the war.

Mr. RANKIN. That is right.

Mr. JENSEN. So we cannot set them aside and say they are going to be unfair to the veteran.

Mr. RANKIN. Certainly not.

As the gentleman from Connecticut said a while ago, this is the most liberal veterans' bill that has ever been proposed to Congress. Your committee worked very diligently and we went over this question very, very carefully. We came to the definite conclusion that if you were to make this change you would shut the door of hope in the faces of many veterans who could not get these loans elsewhere.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. RANKIN: On page 58, line 10, after "of", strike out "the loan or part thereof" and insert "that part of the loan."

Mr. RANKIN. Mr. Chairman, this is the same provision that has been inserted above. It is merely clarifying.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Mississippi.

The committee amendment was agreed to.

Mr. MONRONEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MONRONEY:

On page 58, line 2, strike out the words "of not to exceed 50 per centum."

On page 58, line 8, after the word "payment", strike out "of the loan or part."

On page 58, line 10, strike out the last three words of line 10. Strike out all of lines 13 to 15, inclusive, and insert the following: "for such loan shall be required except for a lien which shall be subject only to a lien covering the balance of the purchase price or construction costs and such ground rents as may arise from the purchase of a leasehold esate. No loan to be used in paying part of the purchase price of any real property or a part of the construction costs of a dwelling to be erected upon unimproved real property owned by the veteran shall be declared ineligible for guaranty under this title because another loan is made or to be made to finance any part of the remainder of the purchase price or construction costs of such property or because a prior lien upon the property is given or to be given as security for such other loan."

On page 60, strike out lines 10 to 12, inclusive, and insert the following: "any loan guaranteed under this title or by reason of any secondary lien upon the property securing such loan."

Mr. RANKIN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MONRONEY. Mr. Chairman, the purpose of this amendment is to do two things. Briefly, it is to eliminate the 50–50 sharing of the down payment by the Government guaranty, and to provide that the limitation at present in the bill of the $1,500 guaranty will be a full 100-percent guaranty of that amount.

I am advised by the departments that work with this Government underwriting of loans that a 50–50 guaranty of the liability is completely unworkable and in many cases would subject these loans to questionable decisions in the State courts as to whether loans could legally be made by insurance companies and other concerns.

I should like to read the opinion of one of the leading attorneys of the F. H. A., which I believe the House will agree at least understands and knows the real-estate situation and home building:

This plan would be unworkable for the following reasons:

It would be necessary to have enabling legislation enacted in each of the States to permit lending institutions, such as banks, insurance companies, building and loan associations, etc., to make such high percentage loans even with partial guaranty of the Veterans' Administration.

The Federal Housing Administration could not insure any such loan under existing legislation or procedure. Any partial guaranty of a single loan would raise serious questions with respect to the effect on the guaranty of partial payments by the mortgagor and also with respect to the rights of the guarantor, under its subrogation of lien rights, in the event of foreclosure by the mortgagee. It does not appear that such partial guaranty would be of any real protection to the mortgagee.

In other words, if we are going to guarantee the down payment for the soldier, it is not extra good business from an administrative standpoint to say to the individual lender who is going to lend this money that we are only guaranteeing half of that loan. That would prevent the inclusion of the 10-percent extra veterans' loan which you are trying to give him for a down payment, to be included in a one-mortgage proposition.

It would force a second mortgage to be taken on the property, and in that way would give rise to most all of the second-mortgage evils which have been eliminated in recent years.

WOULD GIVE LOW INTEREST

We heard a lot about the interest charge. Ninety-nine percent of this money will come from private lending institutions. I will ask any businessman in this House if the Government is guaranteeing 100 percent of these loans if the interest rate will not be lower than if we only are guaranteeing only half of them.

I do not believe, frankly, in the money market after the war, that veterans will be able to borrow money at 6 percent on a character loan if we give them only a 50-percent guarantee of their loan. I think we ought to be practicable about this thing and admit we want the veteran to get a down payment to pay for his home. We want him to have the possibility of getting his entire loan from one source.

Now he must go to the Veterans' Administration and there gets only permission to go out in the market under this bill to try and find somebody who will lend him money on a character basis at 6 percent with the Government underwriting only half of the liability.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I discussed the amendment with the gentleman, and I am inclined to sympathize with him. I wish you would clear me up on it. Under your F. H. A. 100-percent guaranty of loans, there are very rigid restrictions placed by the F. H. A. as to the loans they will make. If the veteran would not have the security such as is demanded by the F. H. A., would not your amendment result in depriving many veterans that do not have this A–1 security of the opportunity to get a loan?

Mr. MONRONEY. This amendment does not put it through the F. H. A. at all.

Mr. WRIGHT. No; but I mean it might result in applying F. H. A. standards.

Mr. MONRONEY. No; I do not believe so at all. This merely makes it possible and sure that the veterans could borrow the down payments on his home. I say to you in the practices that will probably prevail at the close of this war, all you are giving the veteran is a hunting license to go into the money market and try to get money at 6 percent on his character loan.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOORHIS of California. Mr. Chairman, I rise in support of the amendment of the gentleman from Oklahoma. A little while ago the members of the Committee on Agriculture made an attempt to amend the bill believing that a direct governmental loan bearing zero percent interest the first year and 3 percent thereafter would be a real substantial benefit to the veteran, giving him at least that much money with which to make a down payment on a loan he might secure elsewhere. Now then, if you are not going to do that, if you are going to leave the bill as the committee has it, I think the question is whether it will really practically help those men to be put in a stronger position or not. I agree thoroughly with the gentleman from Oklahoma and tried to indicate as much in my previous speech of 2½ minutes, that a 50-percent guarantee will in practical effect mean very little indeed. If on the other hand the amendment of the gentleman from Oklahoma should be adopted, then you would have virtually the same situation you would have had under the proposal of the Senate, for what you will actually do then is to say that the Government will guarantee 100 percent of this loan. Under those circumstances it will be possible, I think, for the veteran to actually get this small loan, and probably on much easier terms than he could get it otherwise to use for a down payment or to put himself in the way of being able to borrow such funds as he may need if he wants to go into farming or purchase a home.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. CUNNINGHAM. I want to say to the gentleman, I had the same idea he had originally in the committee, but after we heard the testimony of experts and of those who know, they say that when the Government guarantees 10 percent of a loan it makes it a very desirable loan. We multiplied that by five times and went 500 percent above that figure brought out in the testimony, in order to make it safe for the veteran.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. MONRONEY. Are you referring to the F. H. A. plan?

Mr. CUNNINGHAM. No, no; I am referring to private loans. Any bank would be tickled to death, according to the testimony, to make such loans.

Mr. MONRONEY. With a 10-percent participation?

Mr. CUNNINGHAM. Yes.

Mr. MONRONEY. Can you name a Government program in which we have participated?

Mr. CUNNINGHAM. If the gentleman will let me finish, I say the testimony was that any loan guaranteed to the extent of 10 percent by the Government makes it a very desirable loan to the lending agencies. We multiplied that by five in order to be absolutely sure to help the veteran because we wanted him to get up to $1,500.

Mr. MONRONEY. Will the gentleman advise me in what programs they have the 10-percent participation which you have multiplied by five?

Mr. CUNNINGHAM. I am telling you what the testimony was before the committee.

Mr. MONRONEY. I am asking you what programs there are where the Government is doing that; in how many programs?

Mr. CUNNINGHAM. I did not say the Government is doing it. I said the testimony before the committee was that if a private lending agency could get a loan guaranteed to the extent of 10 percent by the Government, they consider it a desirable loan and would loan money at a very reasonable interest rate.

Mr. MONRONEY. I am asking if it has ever happened.

Mr. CUNNINGHAM. I am telling you what the testimony before the committee was.

Mr. MONRONEY. You are talking about something that never was tried.

Mr. CUNNINGHAM. I do not know whether it was tried or not. I am telling you what the testimony was.

Mr. VOORHIS of California. Mr. Chairman, I would like to conclude by saying that, judging from the experience we had in the times before the American economy was shot to $200,000,000,000 of gross national product as this war has done, in my opinion the argument of the gentleman from Oklahoma is much more nearly in accordance with the facts and that, as a matter of fact, if you want to really enable the veterans of this war in the years that follow to be in a position where they can have assistance of a practical nature and get loans to purchase a home or a farm or a business or property, the amendment of the gentleman ought to be adopted. It does put the Government in the position of standing behind this entire loan, but I personally believe that was the philosophy on which this whole proposition originally started out. I think from that point on the idea was

that the veteran would be in a little bit stronger position to borrow such other money as he might need in the regular, ordinary way, either from a Government agency or from a private lending institution.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. COOLEY. I would like to ask this question of the gentleman from California [Mr. VOORHIS] or of the gentlemen on the committee, Is there any limitation in the bill which would prohibit the granting of more than one loan to a veteran?

Mr. RANKIN. No.

Mr. COOLEY. In other words, they can have more than one loan? They can obtain a loan to purchase a farm and then a loan to purchase a house and one to purchase a business?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RANKIN. Mr. Chairman, I think it is apparent to the overwhelming majority of the membership of this House that this amendment should be voted down. We went over this proposition very carefully and on the motion of my colleague from Mississippi [Mr. ABERNETHY], we raised this amount to 50 percent. If the amendment offered by the gentleman from Oklahoma were to prevail you would probably have chaos in this program. So I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: On page 58, line 5, strike out "$1,500" and insert "$2,500."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, if the Government is to assist veterans of this war in securing farm homes, we should be reasonably certain that those who will take advantage of this section of the act are placed in a position so they can acquire a farm which will provide a living as well as a full-time occupation for the veteran purchaser. It is not advisable or desirable for any one to attempt farming on a nonproductive piece of land. Possibly, in some sections of the country, a farm can be purchased for $4,000 or $5,000, in which event, the $1,500 guaranteed loan provided in the committee amendment would be ample for the first payment. But in most parts of the country a productive farm with improvements will cost from $6,000 to $12,000 under normal values. If the veteran farm buyer only has the $1,500 provided in the bill as his first payment, it would be very difficult, if at all, for him to finance a loan on the balance of the purchase price. As a matter of fact, he should pay at least 25 percent of the purchase price, which would make him a good credit risk for either the Government or private lending agencies for the balance.

My amendment raises the guaranteed loan provided in the bill from $1,500 to $2,500, which should be ample as a first payment. I feel that we must give the veterans an opportunity to secure a decent and productive farm, rather than the kind of a farm that will not make a living for them.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mrs. ROGERS of Massachusetts. I hope the gentleman's amendment will be adopted and that the Senate will accept it. I am sure the conferees will fight for it.

Mr. AUGUST H. ANDRESEN. I thank the lady from Massachusetts for her favorable comment. I can see that she understands the difference between a good and bad farm. I want the veterans to be placed in a position to secure farms upon which they can make a living.

Mr. CUNNINGHAM. The gentleman's amendment will come more nearly equalizing the differential between the boy who gets an education at $4,000 and the boy who gets a loan of $1,500?

Mr. AUGUST H. ANDRESEN. That is right. I hope the committee will adopt my amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, we will accept the gentleman's amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The amendment was agreed to.

Mr. ELLISON of Maryland. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. ELLISON of Maryland: On page 58, strike out lines 1, 2, 3, 4, and that portion of line 5, ending with the figures "$1,500", and insert the following: "To the Administrator of Veterans' Affairs for the guaranty by the Administrator of a loan or loans for any of the purposes specified in sections 501, 502, and 503; provided, that the aggregate amount guaranteed shall not exceed $1,500 in cases where the amount of the loan or loans is $3,000 or more. In case the amount of the loan or loans is $3,000 or less, then the amount guaranteed shall not exceed 50 percent of the amount of the loan or loans."

Mr. RANKIN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. ELLISON of Maryland. The wording on page 58, lines 1 to 5, would mean that the veteran could not apply for a loan of more than $3,000, and with the amendment just adopted, it would mean that the veteran could not apply for a loan of more than $5,000, which would be subject to the guaranty.

I take it for granted that the committee did not intend to limit the amount of loan to be applied for. As I understand the committee's intention, it was that the veteran can apply for a loan in any amount, but only a portion of that amount would be guaranteed. Up to a few minutes ago, the limit of guaranty was $1,500. Now, in view of the amendment just adopted, the limit of the guaranty would be $2,500.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. ELLISON of Maryland. I yield.

Mr. CUNNINGHAM. How does the gentleman construe the wording on page 58, which he moves to amend, that would place a limitation of $3,000?

Mr. ELLISON of Maryland. Merely by reading it.

Mr. CUNNINGHAM. I have just read it and I cannot agreed with the gentleman. The $1,500 guaranty would apply on a loan of any amount.

Mr. ELLISON of Maryland. No. I would like the gentleman to follow me and then perhaps I can make myself understood:

A veteran may apply to the Administrator of Veterans' Affairs for the guaranty by the Administrator of not to exceed 50 percentum of a loan or loans for any of the purposes specified.

He cannot apply for a guaranty to exceed 50 percent of his loan. Then below that:

Provided, That the aggregate amount guaranteed shall not exceed $1,500.

Mr. CUNNINGHAM. The guaranty shall not exceed $1,500.

Mr. ELLISON of Maryland. Now, the veteran cannot make application for a guaranty above 50 percent of the amount loaned. Then it limits the guaranty to $1,500. It follows as surely as two and two are four that the amount he can apply for is limited to double the amount of the guaranty. I do not care how you figure it.

Mr. LEONARD W. HALL. Will the gentleman yield?

Mr. ELLISON of Maryland. I yield.

Mr. LEONARD W. HALL. Does the gentleman think this Congress can pass a bill saying to a bank that it cannot loan to a person any amount that person desires?

Mr. ELLISON of Maryland. No. The bank can loan as much as they wish to loan, but whether the loan would be subject to a guaranty is the question.

Mr. SCRIVNER. Will the gentleman yield?

Mr. ELLISON of Maryland. I yield.

Mr. SCRIVNER. Simply this is meant by this language: There is not any limitation on the amount of the loan that a man can apply for. He can apply for $50,000 if he wants, but the guaranteed portion by the Government will not exceed $2,500. That is the maximum now. Now, when you get down to the smaller amounts, and there is logic for it, when you get down to the smaller amounts, below $3,000, the Government is not going to guarantee more than half of that.

Mr. ELLISON of Maryland. Apparently, I am not making myself clear. The wording of this bill says, "The veteran may apply for a guaranty of the Administrator not to exceed 50 percent of the loan." Then there is a provision that provides that the aggregate amount of guaranty shall not exceed $1,500. It limits it. I wish you would look at it. I do not care whether you adopt the amendment or not, but I simply wish to clarify the legislation.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment. In the first place the amendment is not necessary, and besides it really undoes just what the amendment offered by the gentleman from Minnesota [Mr. AUGUST H.

ANDRESEN] did a few minutes ago, to a large extent:

Provided, That the aggregate amount guaranteed shall not exceed $1,500 in cases where the amount of the loan or loans is $3,000 or more.

That repeals the amendment just adopted at the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]. In case the amount of the loan or loans is $3,000, or less, then the amount guaranteed shall not exceed 50 percent of the amount of the loan or loans. That is already in the bill. So all the gentleman does is to change the provision that was adopted a moment ago at the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] and then to restate a provision that is already in the bill. So I hope the Committee will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. ELLISON].

The amendment was rejected.

Mr. HAYS. I move to strike out the last word.

Mr. HAYS. Mr. Chairman, much as I favor the proposed legislation for aid to war veterans, I would not take up time of the House simply to add my vocal approval to the veterans' omnibus bill.

While the subject is before us, however, I want to remind the Members that this measure alone will not dispose of the whole problem. If it is to be more than a gesture, the Government—and I include the Congress—must be prepared to supplement, as well as implement, it whenever necessary.

In my State, naturally, the possibilities of substantial assistance to the veterans who want to engage in farming are of especial interest.

The Congress is about to authorize the Administrator of Veterans' Affairs to assist former servicemen in the buying of farm land. It is clearly the intent that a veteran wishing to proceed under the Bankhead-Jones Farm Tenant Act shall have the right to look to the Administrator of Veterans' Affairs for help.

Thus, coordination is vital to success. This coordination must extend, too, to States.

For a few minutes I want to consider the situation with respect to purchase of farms by veterans.

The essentials are: First, land; second, credit; third, continuing advice and help.

Where shall the returning veteran find land? Most of them doubtless will seek out, or be sought out by, private owners willing to sell. For some, homsteads will be available under State laws. Arkansas in 1939 passed a model land policy act that will serve war veterans well by keeping speculators from getting hold of tracts suitable for homesteading.

The Federal Government holds a limited amount of land that can be acquired by veterans; for example, the tracts that are a part of projects which the Farm Security Administration has for many months been liquidating, in compliance with direction from the Congress. Some of these family-type farms can be secured by ex-servicemen.

But in no instance will the Veterans' Affairs Administrator have land to sell or to turn over to the former soldier. The States and the Federal Government should be in position to help him find the sort of farm he wants and can afford.

Provision is made in the bill currently being discussed for the Veterans' Affairs Administrator to guarantee up to half the cost of a farm bought by a veteran. But provision is not made for the various types of credit that are essential to normal farming operations. Here again we see the necessity for coordination between departments of Government.

The Veterans' Affairs Administration maintains certain types of supervision, but it would not extend to the sort of advice and assistance which a farmer-veteran might need.

Where, then, should the veteran turn with greatest assurance of help in finding the land, obtaining the credit, and receiving the advice and assistance that will meet his needs?

An answer to that question may be gleaned from H. R. 4384, which the gentleman from North Carolina [Mr. COOLEY] introduced in this House on March 13 and which I understand is now being revised following public hearings.

This measure, drafted by the Select Committee from the Agriculture Committee, does more than transfer to the Farmers Home Corporation the functions of the Farm Security Administration. It contains excellent provisions for giving war veterans the benefits of the farm purchase procedures already established under the Bankhead-Jones Act.

Members of the Agriculture Committee tell me that, at its hearings on the Cooley bill, spokesmen for the Grange, Farm Bureau Federation and Farmers Union, all endorsed the Bankhead-Jones Act. By making its terms applicable to veterans, and giving them preference, the Cooley bill utilizes satisfactory experience of the Government in encouraging family-type farm purchase.

It matters little whether this work continues under F. S. A. or is transferred to the Farmers' Home Corporation. What is important is that the Congress make use of a plan that has already proved successful. Every day of delay, on this bill and on the Cooley bill, means that a veteran somewhere is uncertain what to expect and how to proceed.

I hope that the Agriculture Committee will be able soon to report favorably the Cooley bill, with such revisions as are found justified, and it might be mentioned that none of the proposed revisions relate to the assistance contemplated for veterans.

Lest I leave with some who have not read it the impression that the Cooley bill would assist veterans only in the purchase of farms, I want to emphasize that it would also continue the type of operating, or rehabilitation, loans which F. S. A. makes to farmers unable to obtain reasonable credit elsewhere. Thus the Cooley bill would assure the veteran of credit not only to buy his farm but also to operate it.

Let us follow enactment of the veterans' omnibus bill by consideration of the Cooley bill as quickly as the Agriculture Committee can report it. Then the Congress can find satisfaction in the knowledge that it has cleared the way for the Government, through its various agencies and with the cooperation of States, to do all that need be done to reestablish farmer-veterans on farms of their own.

This should not go over until after a summer recess. Many thousands have already been discharged from the armed services. The number can be expected to increase as activity grows in the several theaters of war and the incapacitated are sent home.

The Congress ought not to keep these men in doubt as to what will be done in their behalf. Somewhere in the past the institution of government fell down, else our young men would not have to become human sacrifices. The least that we can do is to give those who return the best possible chance at personal independence.

Mr. CARLSON of Kansas. Mr. Chairman, I move to strike out the last two words.

Mr. CARLSON of Kansas. Mr. Chairman, first, I want to compliment the chairman and members of the World War Veterans' Legislation Committee on the splendid work they have done in bringing before the House this legislation which means so much to our returning veterans. The bill being considered by the House today has the unanmous approval of and is being sponsored by the American Legion and V. F. W. Both of these veterans' organizations can properly recommend legislation of this type to Congress. They represent the men of World War No. 1 who have gone through similar experiences. This experience should prove valuable to the men and women who are now or soon will be discharged from service in World War No. 2. In this bill we consolidate the various programs that will be helpful to the returning veterans under the Director of Veterans' Affairs. I am in thorough accord with this view as this agency has demonstrated its interest in the veteran and its ability to take care of the veterans' problems. Gen. Frank T. Hines, Administrator of the Veterans' Administration, has not only the confidence of the veterans, but of Congress and the country as a whole.

The pending bill consists of three titles. Under title 1 we provide for hospitalization and medical care for our disabled war veterans. Nothing that Congress can do will repay these veterans who have suffered physical disability during their service. It is our duty to see that they are given proper facilities for recovery and rehabilitation.

Under title 2 we make provision whereby the returning veterans may take advantage of educational opportunities at Government expense. This program was in effect following World War No. 1 and means much, not only to the veterans themselves who are taking advantage of it, but to the future of our Nation.

Under title 3 we provide for reasonable loans to veterans who desire to establish themselves in homes or busi-

ness. The returning veterans themselves can best determine whether or not they should take advantage of this provision. It should be available to them if they so desire. The National Government took our boys into the military service and I feel it is our duty to get them back into civilian life. There can be no question but what this is a Federal responsibility and, therefore, I am pleased to support the committee in its recommendations.

It has always been my contention that:

First. We should properly care for the wounded and disabled through the regular existing veterans' compensation acts.

Second. That the disabled men should be given a chance, at Government expense, to complete their education or receive every aid for rehabilitation.

Third. That other discharged veterans whose schooling was interfered with should receive the benefit of Federal assistance to continue their education.

Fourth. That veterans who want to return to their old jobs, establish homes, or enter into business of their own should be given temporary financial assistance.

The CHAIRMAN. Are there any further amendments to this section? If not, the Clerk will read the next section.

The Clerk read as follows:

PURCHASE OR CONSTRUCTION OF HOMES

SEC. 501. (a) Any application made by a veteran under this title for the guaranty of a loan to be used in purchasing residential property or in constructing a dwelling on unimproved property owned by him to be occupied as his home may be approved by the Administrator of Veterans' Affairs if he finds—

(1) that the proceeds of such loans will be used for payment for such property to be purchased or constructed by the veteran;

(2) that the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expenses; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

(3) that the purchase price paid or to be paid by the veteran for such property or the construction cost, including the value of the unimproved lot, does not exceed the reasonable value thereof as determined by proper appraisal.

(b) Any application for the guaranty of a loan under this section for the purpose of making repairs, alterations, or improvements in, or paying delinquent indebtedness, taxes, or special assessments on, residential property owned by the veteran and used by him as a home, may be approved by the Administrator if he finds that the proceeds of such loan will be used for such purpose or purposes.

(c) No first mortgage shall be ineligible for insurance under the National Housing Act, as amended, by reason of the guaranty of any loan made under this title, or by reason of the lien of the Government upon the property securing such guaranty.

(d) The Administrator may designate such agency or agencies as he deems appropriate for determining whether the guaranty of loans should be approved under this section.

The CHAIRMAN. Are there amendments to be offered to section 501?

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 60, lines 13 to 16, inclusive, strike out all of the language in subsection (d).

Mr. RANKIN. Mr. Chairman, I think there will be no controversy about this; it is merely a clarifying amendment, and we are replacing that language amended in the next amendment at another place in the bill.

The CHAIRMAN. Without objection, the amendment is agreed to.

Mr. WRIGHT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am taking the floor for the purpose of making an inquiry of the gentleman from Mississippi, the chairman of the committee. I had a colloquy just a moment ago in the rear of the Chamber with several Members who seemed to be of the opinion that the veterans could apply for several loans for various purposes; that the veterans would not be limited in the over-all guaranty to $2,500. It is my understanding, however, that the maximum over-all guaranty for all purposes is $2,500.

Mr. RANKIN. The aggregate of the loans guaranteed, or the guaranteed part of the loans, may not exceed $2,500.

The Clerk read as follows:

PURCHASE OF FARMS AND FARM EQUIPMENT

SEC. 502. (a) Any application made under this title for the guaranty of a loan to be used in purchasing any land, buildings, livestock, equipment, machinery, or implements, or in repairing, altering, or improving any buildings, to be used in farming operations conducted by the applicant, may be approved by the Administrator of Veterans' Affairs if he finds—

(1) that the proceeds of such loan will be used for payment for real or personal property purchased or to be purchased by the veteran and used in bona fide farming operations conducted by him;

(2) that such property will be useful in and reasonably necessary for efficiently conducting such operations;

(3) that the ability and experience of the veteran, and the nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by proper appraisal.

The CHAIRMAN. Are there textual amendments to be offered to the amendment?

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 60, line 21, after the word "buildings", strike out the comma and insert the words "or equipment."

The CHAIRMAN. Without objection, the amendment is agreed to.

There was no objection.

Mr. PACE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PACE: On page 61, lines 11 and 12, after the word "reasonable", insert "normal."

Mr. PACE. Mr. Chairman, I hope I may have the close attention of the Members for a moment.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. RANKIN. I may say to the gentleman from Georgia that these are clarifying amendments and I think they should be accepted. I say this to save the energy of the gentleman from Georgia.

Mr. PACE. Mr. Chairman, I have three similar amendments. Since they are acceptable to the gentleman from Mississippi I ask unanimous consent that they be considered together.

Mr. RANKIN. Each of them merely uses the word "normal."

The CHAIRMAN. The gentleman from Georgia asks that his amendments may be considered en bloc.

Is there objection?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. PACE:

Page 62, lines 9 and 10, after the word "reasonable", insert "normal."

Page 59, line 23, after the word "reasonable", insert the word "normal."

The CHAIRMAN. The question is on agreeing to the amendments.

The amendments were agreed to.

The CHAIRMAN. Are there further textual amendments to this section? [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

PURCHASE OF BUSINESS PROPERTY

SEC. 503. Any application made under this title for the guaranty of a loan to be used in purchasing any business, land, buildings, supplies, equipment, machinery, or tools, to be used by the applicant in pursuing a gainful occupation (other than farming) may be approved by the Administrator of Veterans' Affairs if he finds—

(1) that the proceeds of such loan will be used for payment for real or personal property purchased or to be purchased by the veteran and used by him in the bona fide pursuit of a gainful occupation (other than farming);

(2) that such property will be useful in and reasonably necessary for the efficient and successful pursuit of such occupation;

(3) that the ability and experience of the veteran, and the conditions under which he proposes to pursue such occupation, are such that there is a reasonable likelihood that he will be successful in the pursuit of such occupation; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by proper appraisal.

The CHAIRMAN. Are there textual amendments to be offered to section 503?

Mr. PHILBIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, throughout this protracted debate the brilliant chairman of the committee and his associates have given ample evidence to the House of the laborious, detailed, and most capable attention which was accorded to this very important legislation. I compliment and congratulate them. I have supported the principle of this measure ever since the adoption of Senate bill 1767 for which I would have been disposed to vote in its unamended form.

There are some who are impressed with the simplicity and directness of the

latter measure, yet in the nature of the legislative process it was to be expected that Members of this body would present modifications and changes which they deem desirable to render its purposes more effective.

Basically there can be no question concerning the necessity for this legislation. Nor can anyone doubt that the principles embodied in this bill have the enthusiastic support of virtually the entire American people. While the measure is intended to deal with serious conditions affecting the health, security, well-being, future status, and prosperity of our returned veterans, there is already a very definite urgent need for the relief provided for in this bill. Our wounded need prompt and adequate medical and surgical care and treatment as well as proper hospitalization. Since it is clear, unfortunately, that as the war continues the number of wounded and disabled will continue to grow at a steady and accelerated rate, the Government must be prepared to assume the full load that will be imposed upon our resources for treating, hospitalizing, curing, and readjusting the hundreds of thousands of our young men who, in the tragic course of war, may fall by the wayside as victims in their struggle to preserve our American institutions.

In very many instances these problems will not relate merely to physical conditions alone, but will embrace a large variety of highly aggravated mental and nervous conditions which inevitably develop from the stresses and strains of modern mechanized warfare waged in every part of the world, in every climate and environment from the Torrid to the Frigid Zone, and covering service and active combat as diverse and widely separated as the stratosphere, the surfaces and subsurfaces of all the earth. Yes, indeed, this is a universal war which rages under unprecedented conditions in unbelievable places and bringing with it new, very strange, and unusual maladies of the body and mind to our gallant American heroes, who have so willingly offered their most precious possessions of life, of limb, of sight, of hearing, of mental sanity itself, in order that our country may be preserved henceforth as a safe haven and secure citadel for the development, growth, and enjoyment of free government and free human enterprise.

Because of the universality of this war and the multifarious conditions arising out of it affecting the health and well-being of these boys, it is not only appropriate and fit but vitally necessary that the Congress take prompt action as it proposes to do in this measure, not only to provide for presently existing cases but to anticipate through concrete preparation the very many human problems that will be presented to the country at the end of the war.

When we speak in terms of rehabilitation, we must look beyond the present well into the realm of the future. We must be concerned with the restoration of these boys to health, job security, education, and a real chance to utilize their natural aptitude and training in building appropriate niches for themselves in the American world of tomorrow. Since they will be the leaders of our Government, of our economy, of our industry, of our civic and professional life in the days to come, we of this Congress are under a special obligation to leave nothing undone which will insure the speedy realization by our returned veterans of fullest benefits, rights, and privileges necessary or helpful to their readjustment and advancement, which can be conferred by wise legislation.

There will be two outstanding and compelling demands made by sound, healthy veterans upon the country when these boys come back home. First, for jobs. Second, for appropriate further education and training. This is not supposed, under our Constitution, to be a paternalistic government, which seeks through various totalitarian techniques to accomplish and fulfill the dreams of the ambitionless and idle for a life of ease and luxury at Government expense. These boys are not fighting for, and not expecting, if healthy and sound, to become wards of government for the rest of their lives. Primarily, they are asking only for just consideration of the worthiness and value of their patriotic service. They are asking that when the war is over, they be no longer penalized because they have served their country, but, on the other hand, be accorded the right to equalize their status and catch up, so to speak, with those who for some reason, remained behind in this struggle.

From the standpoint of the sound, returning veteran, probably the most effective thing which the Congress and the country could provide for him would be the assurance of a job in interesting constructive work at reasonable pay under American conditions of equal opportunity that would permit him to advance himself and achieve success in his chosen field of endeavor. This present measure naturally cannot undertake completely to fulfill this desired objective because the question of providing jobs to the returning veteran and to the unemployed after this war, next to the winning of the war itself and the maintenance of our form of government and system of free, private enterprise, is the most challenging problem of our generation. Let me reiterate, Mr. Chairman, it is a challenging problem, one which our free people and our American Congress must make sure to solve.

Upon its solution depends the future stability of our Government and our business system. For if we fail to make our social and economic organism function in such ways as to maintain steady, gainful, high-standard employment, a generous measure of economic and social security, full and unbridled opportunity for advancement from the ranks, there will be the gravest danger that radical agitators, such as those now operating in the country during the war in every effort to undermine our capitalistic structure, may be able to convince an afflicted and impoverished people that their indictment against basic American institutions of free enterprise and opportunity has been sustained, that our long-cherished modes which have led us to unparalleled prosperity have become archaic and antiquated, immobile, and static from self-righteousness, selfishness, and stagnation, and that the time has come to inaugurate the over-all, alien-minded features of the totalitarian state.

While this bill cannot in any sense hope to cope conclusively with problems of this magnitude, the unemployment-compensation features of S. 1767 are, in principle, adapted to furnish a generous measure of relief for returned veterans who may be temporarily forestalled in their quest for employment. I favor the Senate provisions on this subject.

My second point relates to education, and this, I think, has not been as adequately covered by the bill as I would like to have it. While we should not hold out encouragement to the shiftless and the malingering, we must legislate for the entire group. In general, governmental educational privileges should be provided in every field of the veteran's choice, with as little restriction as sound administration requires.

Control of this vital feature should not be vested solely in any Federal bureaucracy, and I say this without the slightest disrespect to the Veterans' Administration, or to General Hines, for whom I entertain the very highest regard as to his character, his efficiency, his humaneness, and his patriotism and his fine past and present service to veterans.

Education is essentially a local, a State, and not a national function. Perhaps some of the social problems today existing would not be so pronounced or indeed would not exist, if we had not departed from the time-honored American conception that the home, the family unit, the local school, the local church, and the structure of local self-government are the very firmest foundation of our American Government. Of course, in time of great economic stress, there may be some compelling reasons, indeed necessity, for the intervention of the Federal Government, at least to the extent of providing relief where it is needed, and thus turning back to the States and local communities some of the gigantic levies made upon their citizens, but we must never lose sight of the fact that America has developed as a great nation by reposing control of matters intimately and vitally affecting the daily lives and activities of our citizens, the up-bringing of our children, and education of our youth in our smaller subdivisions of government and in the States.

I am unalterably opposed to an all-powerful, superdeveloped, federalized, bureaucratic control of education, or for that matter, any other field of government or endeavor heretofore reserved under our Constitution to the people of the several States. This is the road to despotism and coercion. Regimentation and superregulation are not indigenous to the American character, certainly are not what our American boys are fighting for, and ought not to dominate the process by which education is provided for our returning veterans.

As I said, there should be minimum limitation upon the right of every returning veteran to receive education at

Federal expense according to his choice, inclination and the scope of his ambition. From apprentice training to the very highest professional and scientific training our fighting American sons, the disabled where possible and all the others ought to be given the right to pick their own educational career and to pursue it so long as they conform to prescribed standards until they reach their stated objective.

To limit this privilege, is not only a vicious parsimony, but an unwarranted interference with individual action and an unsound check upon the deserts and unbounded enthusiasm of a group to whom America will owe its existence, and to whom we must look in the future for sound and inspiring patriotic leadership.

If the subversive radicalism of the present is to be discredited and displaced as it must be in the interest of American liberty, this task will be accomplished not only through the wisdom and courage of Congress but more by the soundness, the ability, the zeal, and the patriotism of these noble young Americans who have offered their all in this great universal world-wide conflict.

If this Nation is to continue as a progressive free democracy, as we intend it will, education must be untrammeled. It cannot be bound by materialistic totalitarian shackles which destroy creative spiritual values, nor can it be infiltrated by social reformist, superradical bureaucrats or intellectual theorists of any species.

To survive in this world of chaos and confusion, the America of the present and future must draw sustenance and strength, precept and example, from the immortal charters of human liberty upon which all our past advancement has been based, and upon the exalted principles and ideals of democracy and justice enunciated and practiced in the past by our great statesmen and loyal people. The problems of the present and future will not be solved by Marxian communism nor any other form of revolutionary socialism. If human liberty is to live in our America, it must be predicated on our American Constitution, government under the law, not by decree and edict, equality of opportunity and free initiative and enterprise. If we chase the fugitive wraiths of imagined or promised ease and luxury developing out of the impractical nostrums of Communistic techniques—the noblest experiment in government of all time under the American Constitution and under the long-established and prosperous American way of life will become but an empty shibboleth. If, in a time of stress, induced by the smooth, oily promises of social reformists—promises impossible of fulfillment and never intended to be kept—we exchange our precious American liberties for the visionary security of the authoritarian regimented radical state, we will in the end have neither liberty nor security; we will be in chains.

I am convinced that the future leadership of these gallant young men will lead us into the paths of devotion to Americanism—the greatest ism of history—to the continuance of a free, liberal government where opportunity for advancement, the privileges of free men, and social and economic security will go hand in hand.

Because I believe there is intrinsic merit in the principles of this bill, I gladly support it. It is not perfect. Few legislative instruments can be perfect. It is not all-inclusive of the present or future needs of the veterans. But it is an honest, earnest effort on the part of this Congress to enact into law some general landmarks and guides, as well as specific rights, privileges, and benefits for those who have made such great sacrifices for the perpetuity of our beloved America. In the future, as these great problems of relief and rehabilitation—not for others in distant lands, but for our own brave sons and daughters—take more definite shape, we can perfect, enlarge, and enrich the purposes of this act, render more effectual the expression of the will of all the American people that "nothing is too good" for these boys.

Meanwhile under this law we will be building up a body of experience which will enable us to correct defects or limitations whenever they appear, and to apply prompt and effective remedial action so that the ends we seek of healing, curing, rewarding, restoring, educating, rehabilitating, and readjusting these boys may be accomplished.

While the plight of our most unfortunate disabled, the afflicted and the wounded in battle—those who have fallen in our great cause—must ever be the first charge on our solicitude and attention; we must always keep before us the broader picture of the entitlement as well as the need, the justice as well as the claim, which these young patriots have upon the Congress and the Government and people of the United States. Every effort of ours—wisely, generously, and humanely—to provide for all their needs and to reestablish them in constructive civilian life, will be our greatest contribution as the chosen Representatives of the people, not only to the veterans of today and tomorrow, but to the America of the future whose leadership and direction in the ways of peace, security, and liberty will be moulded by these fine young men and women.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Arizona is recognized for 5 minutes.

Mr. MURDOCK. Mr. Chairman, I had in mind an amendment to offer to this title III. We have now, however, passed the section to which it would apply, and I take this time merely to call attention to the proposed amendment which I suggested to the committee at the time the bill was being drafted. The text of this proposal has already been inserted in the RECORD on May 15 at page 4508.

This proposed amendment would provide not only for certain preference to ex-servicemen on newly irrigated lands but also would provide that the Government pay a part of the cost of the construction of the irrigation projects. I brought this matter up under general debate May 15, and my good friend, the gentleman from Iowa [Mr. CUNNINGHAM] said the proposal had been discussed in committee. However, he advised at that time that this legislation would be more appropriate as a separate independent enactment, and I do not know but what he was right.

He drew my attention, you may recall, to the fact that my proposal applied only to newly irrigated lands. I was naturally thinking of the vast undeveloped West, but the gentleman from Iowa and many others have pointed out that Uncle Sam owns a lot of land all over the country, much of which, of course, is not good land. Some of it is fit for reconditioning, if not quite the same as reclaiming from the desert, in order to make suitable homes for ex-servicemen. It would, of course, involve the expenditure of money.

I would not want to see happen after this war some of the things which happened after the First World War. It is all right for us to liberalize our homestead laws, because we have been doing that all through American history; after every war we have made it possible for veterans to go out West, which meant any place from the Allegheny Mountains to the Pacific Ocean, and there get 160, 320, or 640 acres on easy terms.

But now the good land in the humid sections has been taken; however, the frontier has not been extinguished. There is yet much space in the vast areas of the West, and I want to assure you there is much good land left provided engineering projects which challenge the ingenuity of the hydraulic engineer to make them highly productive if an adequate water supply is given.

My proposal has nothing to do with colonizing veterans such as was attempted in a pathetic effort a generation ago. My proposal is that Uncle Sam will make investments in homes for these veterans, give them an opportunity to invest themselves in a home and become home owners, independent men living on the soil, owning their own property under private ownership so that they may become useful and productive members of that society they are now fighting to defend. That is my proposal.

Now that I am not offering it in this bill, to which it might not be found germane, I hope that I may solicit the careful attention of the Members for their support as a later enactment. Months ago I introduced this measure as a bill, and it is now pending before House Irrigation and Reclamation Committee. Hearings on it will be held beginning next week. We may want to expand the language to include not only newly irrigated lands but cut-over lands and lands in the East that have been eroded and are now unsuitable for present-day use but which can be reconditioned and ought to be reconditioned just as we irrigate desert lands in the West.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, if the Members will bear with us, cooperate, and confine their remarks to the bill, as the rule requires, we will move on rapidly in the consideration of this bill.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 504. The Administrator of Veterans' Affairs is authorized to promulgate such rules and regulations as are deemed necessary and appropriate for carrying out the provisions of this title, and may delegate to a subordinate employee authority to approve loans subject to the provisions of this title and the rules promulgated thereunder.

Mr. RANKIN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 62, line 17, insert:

"SEC. 505. The Administrator may designate such agency or agencies as he deems appropriate for determining whether the guaranty of loans should be approved under this title."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

The Clerk read as follows:

TITLE IV

CHAPTER VI—EMPLOYMENT OF VETERANS

SEC. 600. In the enactment of the provisions of this title the Congress declares the intent and purpose that there shall be an effective job-counseling and employment-placement service for veterans, so that preference in placement shall be afforded qualified veterans, and in order to accomplish the foregoing purposes the responsibility for administering Federal aid in the employment of veterans is hereby vested in the Veterans' Administration. The Administrator of Veterans' Affairs is hereby authorized to utilize agencies and facilities of the Federal Government whenever he determines that such utilization is necessary in securing the employment of veterans.

SEC. 601. Effective as of the first day of the month following the date of enactment of this act, the duties, powers, and functions of the Veterans' Employment Service, War Manpower Commission, under the provisions of the act of June 6, 1933 (48 Stat. 114; 29 U. S. C. 49b), without exception, are hereby transferred to the Veterans' Administration.

Effective as of, but not later than, the date of termination of hostilities in the present war, the duties, powers, and functions vested in the Director of Selective Service by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, 76th Cong., approved September 16, 1940, as amended (U. S. C., title 50, sec. 308)), are hereby transferred to the Veterans' Administration: *Provided*, That the President is hereby authorized to effectuate such transfer of duties, powers, and functions at any time prior to the termination of the present war.

The records, property, and personnel of the Veterans' Employment Service, War Manpower Commission, are hereby transferred to the Veterans' Administration; and upon transfer of duties, powers, and functions vested in the Director of Selective Service as provided herein, the records and property of the Employment Division, Selective Service, shall be transferred to the Veterans' Administration.

SEC. 602. In addition to such organization in the central office of the Veterans' Administration as is deemed necessary to administer the provisions of this title, the Administrator of Veterans' Affairs is authorized and directed to appoint and assign to each of the States (the Territories, possessions, and the District of Columbia) a veterans' employment representative, who shall be an honorably discharged war veteran and have resided in the State for a period of at least 6 months prior to his appointment, and who shall be appointed in accordance with the civil-service laws, at a compensation fixed in accordance with the Classification Act of 1923, as amended. Each such veterans' employment representative shall be associated with the staff of the public employment service in the State (the Territory, possession, or the District of Columbia) to which he has been assigned. He shall be administratively responsible to the Administrator of Veterans' Affairs for the execution of the veterans' placement policies through the public employment service in the State (the Territory, possession, or the District of Columbia). In cooperation with the public employment service staff in the State or on his own initiative, he shall—

(a) supervise the registration of veterans or register veterans in local employment offices for suitable types of employment;

(b) assist in securing and maintaining current information as to the various types of available employment in public works and private industry or business;

(c) promote the interest of employers in employing veterans;

(d) maintain regular contact with employers and veterans' organizations with a view of keeping employers advised of veterans available for employment and veterans advised of opportunities for employment;

(e) assist in every possible way in the advancement of employment of veterans; and

(f) see that any laws pertaining to veterans' preferences are enforced, and where possible, persuade employers to give the preference to any veteran who has qualifications equal to those of a nonveteran applicant for employment.

Mr. RANKIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. RANKIN: Page 24, line 25, strike out the words "or on his own initiative."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer another committee amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN:

Page 65, line 1, strike out the word "supervise" and insert in the begining of the line the following: "be functionally responsible for the supervision of."

Page 65, line 2, strike out the word "veterans."

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word. I wish the gentleman from Mississippi would tell us what that language means "be functionally responsible for the supervision of."

Mr. RANKIN. It means what it says.

Mr. VOORHIS of California. Maybe I am not smart enough to understand it. Will the gentleman explain the amendment? I want to be sure I do understand it.

Mr. RANKIN. This is an amendment that was recommended by the gentleman from Wisconsin [Mr. KEEFE] and it was suggested to him by the Governors of several States.

Mr. VOORHIS of California. Am I correct in the assumption that the purpose of the amendment is to make it clear that the Administrator of Veterans' Affairs does not have to use his own staff to supervise this but he is responsible to see that proper supervision is given?

Mr. RANKIN. That is right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, there is some question whether or not the other amendment has been read.

Mr. KEEFE. Mr. Chairman, I note that the amendment as read fails to strike out the words "or register" in line 1. Is that the amendment the gentleman is now offering?

Mr. RANKIN. Yes; the words "or register" should be stricken out also and I ask unanimous consent to amend the amendment to that extent.

Mr. KEEFE. The gentleman will strike out the word "veterans" and also the words "or register."

Mr. RANKIN. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

The Clerk read as follows:

SEC. 603. There may be assigned by the administrative head of the employment service in the State one or more employees of the staffs of local employment service offices, whose services shall be primarily devoted to discharging locally the veterans' employment duties delegated to him by the State office and by the veterans' employment representative, Veterans' Administration, by agreement with the State office.

Mr. KEEFE. Mr. Chairman, I have an amendment at the Clerk's desk, which I understood the committee had accepted and was going to offer to this particular section. It would strike out the word "delegated" and it would insert the word "prescribed."

Mr. RANKIN. That is on page 66.

Mr. KEEFE. Page 65, section 603.

Mr. RANKIN. The gentleman's amendment also applies to page 66, line 1, and inserts the words "employment services."

Mr. KEEFE. Yes. Before the word "office", insert "employment service" and strike out lines 1 and 2 on page 66.

Mr. RANKIN. Mr. Chairman, let the Clerk report the amendment.

The Clerk read as follows:

Amendment offered by Mr. KEEFE:

Page 65, line 24, strike out the word "delegated" and insert the word "prescribed."

Page 66, line 1, insert the words "employment service" immediately preceding the word "office." Insert a period after the word "office" and strike out the balance of lines 1 and 2.

Mr. RANKIN. Mr. Chairman, we will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

The Clerk read as follows:

SEC. 604. Any Federal agency shall, upon request, furnish the Administrator of Veterans' Affairs such records, statistics, or information as may be necessary or appropriate in administering provisions of this title, and shall cooperate with the Administrator of Veterans' Affairs in providing employment opportunities for veterans.

SEC. 605. The unexpended balance of funds appropriated for the current fiscal year for the Veterans' Employment Service shall be transferred by the War Manpower Commis-

sion to the Veterans' Administration for use in carrying out the provisions of this title.

SEC. 606. The term "veteran" as used in this title shall mean a person who served in the active service of the armed forces during a period of war in which the United States has been or is engaged and who has been discharged or released therefrom under honorable conditions.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

Mr. KEEFE. Mr. Chairman, will the gentleman yield in order that I may make inquiry of the chairman of the committee?

Mr. VOORHIS of California. I yield to the gentleman from Wisconsin.

Mr. KEEFE. There was an amendment to be added, to be known as section 607, which the committee had accepted, which is not necessarily an amendment to section 606.

Mr. RANKIN. Section 606 has just been read.

Mr. KEEFE. Yes; I understand, but it is the amendment that follows.

Mr. RANKIN. Section 606 has just been read, to which section the gentleman from California offers an amendment.

Mr. KEEFE. The reason I asked the question is that the question was asked whether there were any committee amendments to section 606. As a matter of fact, I am sure there is a committee amendment to that section which has been accepted.

The CHAIRMAN. The committee amendment would have precedence. The Chair will recognize the gentleman from California after the consideration of the committee amendment. The Chair will say, however, with reference to the amendment sent to the desk by the gentleman from Mississippi, that it proposes a new section, 607; consequently, in the opinion of the Chair, section 606 and all amendments thereto should be considered before consideration of the addition of a new section.

Mr. VOORHIS of California. Mr. Chairman, may I say that my amendment also proposes a new section.

The CHAIRMAN. That being the case, the gentleman from Mississippi will be recognized to offer the committee amendment.

Mr. RANKIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. RANKIN: Page 66, after the period in line 18, add a new section as follows:

"SEC. 607. Pending the return of the employment offices and services to the States, the Federal agency administering the United States Employment Service shall maintain that service as an operating entity and during the period of its administration shall effectuate the provisions of this title."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: Page 66, line 18, insert a new section, as follows:

"SEC. 608. Section 2, part VII, paragraph 5, of Public Law No. 16, approved March 24, 1943, be amended to read as follows:

"'5. (a) It is hereby declared to be the major purpose of rehabilitation to restore employability lost by virtue of a material and permanent handicap due to service-incurred disability. The Administrator shall have the power and duty to cooperate with and employ the facilities of other governmental and State employment agences for the purpose of placing service-connected disabled veterans in suitable gainful employment.

"'(b) To remove the prejudice against employment of honorably discharged veterans having 10 percent or more service-connected disability, and to aid in securing employment of such veterans, where an injury or death of such veteran is incurred under such circumstances as to result in payment of benefits under State employees' compensation laws or by recovery from or settlement with or on behalf of the employer, the Administrator of Veterans' Affairs shall reimburse the insurer or the fund from which such payment is made to the extent of the net loss suffered by such insurer or fund: *Provided*, That nothing herein shall be construed as authorizing payment of benefits under an Employees' Compensation Act for such injury or death, and under paragraph 4 hereof for the same period of time to a veteran or his dependents, but such veteran or his dependents may elect which benefit to receive: *And provided further*, That the appropriations of the Veterans' Administration shall be available for any expenses incurred under this section.'"

Mr. VOORHIS of California. Mr. Chairman, I would like to say that the text of this amendment is printed on page A2342 of the Appendix of the RECORD.

This amendment, furthermore, is taken from the text of a bill introduced by the chairman of the committee that brings this bill before the House. I do not claim authorship of it from that point of view.

The bill before us is dedicated toward helping the veterans make a worth-while adjustment to civilian life. The goal of rehabilitation is to put every man in a position where he can have a worth-while job and know the experience of worth-while accomplishments. This is quite as important for partially disabled men as it is for those who come back without disability.

This amendment places upon the Administrator the function of putting into effect a program of placing service-connected disabled veterans in gainful employment suitable to their ability. At the present time there can, I think, be no dispute of the fact that many employers hesitate to employ a disabled man for the reason that they fear that the accident rate in the establishment may go up, and consequently the insurance rates for workmen's compensation may be increased. As a matter of statistical fact, I think perhaps they are in error, and that it may be shown, practically, that the accident rate for disabled men is not any higher than it is for those who have no disability. But in any case I am certain that that feeling does exist in the minds of many employers.

The purpose of my amendment is to remove that concern. The prejudice against employment of disabled men does exist and is largely due to the financial factor just referred to. This amendment would remove that factor. It removes any possibility that the cost of workmen's compensation could be increased if disabled veterans were employed. Indeed, its net effect would be somewhat to reduce the cost of workmen's compensation if partially disabled men were employed.

The amendment provides that any net loss suffered by the insurance fund or by any insurer as a result of injury sustained by an employed honorably discharged disabled veteran having 10 percent or more service-connected disability would be paid by the Veterans' Administration as reimbursement to the fund; the net loss, mind you.

In other words, if payments have been made into the fund previously on behalf of this man, that amount would be paid out of the fund if benefits were due to him, but any net loss sustained by the fund would be made up by the Veterans' Administration.

Some will say that this is a new idea and will cost a lot of money. That is not true. Canada has had this exact provision on her statute books since 1921, and the total cost to the Canadian Government of paying all the benefits to her disabled veterans which were in excess of premiums paid in on their behalf amounted in those 23 years to $890,000—not millions, not billions, but thousands. This is less than $40,000 per year. While, of course, our own cost would be higher than that, it can be reasonably assumed that it would run less than half a million dollars per year, a small cost indeed to put a positive premium on the actual employment in real honest-to-goodness jobs of the disabled veteran heroes of this war, and of all other wars, for that matter.

I appeal to you to adopt this amendment on behalf of the partially disabled veterans of the war.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Do I correctly understand that the purpose of the gentleman's amendment is to set up an employment service within the Veterans' Bureau?

Mr. VOORHIS of California. Not at all; exactly the opposite. My amendment would say that if a disabled veteran of 10 percent or more disability were hired by the gentleman himself, and if that veteran then, while working on the job were disabled, the veteran, like all other employees in the gentleman's establishment, would have been insured under the workmen's compensation laws of the gentleman's State, and if, as a result of the injury of this disabled veteran, more benefits were due to

him than had been paid on his behalf into the fund, this would provide that the Veterans' Administration would make the fund whole for any net loss sustained as a result of that. In other words, it would guard the workmen's compensation fund of the gentleman's State against any possibility of loss if disabled veterans were employed, and would thus encourage the employment of disabled veterans.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the first part of the amendment would simply require the Administration to do what it already has the authority to do, and that is to use other agencies.

The second part of the amendment has been submitted to the House Committee on World War Veterans' Legislation and to the Finance Committee of the Senate and also to the Veterans' Administration, and it has been found to be utterly impractical. So I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

The Clerk read as follows:

TITLE V

CHAPTER VII—READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES WHO ARE UNEMPLOYED

SEC. 700. (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released from active service under honorable conditions after active service of 90 days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, up to 26 weeks, which (1) begins after the first Sunday of the third calendar month after the date of enactment thereof, and (2) occurs during the 24-month period after discharge or release: *Provided*, That no such allowance shall be paid for any period for which he receives increased pension under part VII of Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation: *Provided further*, That no readjustment allowance shall be payable for any week commencing more than 3 years after the termination of hostilities in the present war.

(b) Such person shall be deemed eligible to receive an allowance for any week of unemployment if claim is made for such allowance and the Administrator finds with respect to such week that—

(1) the person is residing in the United States at the time of such claim;

(2) the person is completely unemployed, having performed no service and received no wages, or is partially unemployed in that services have been performed for less than a full workweek and the wages for the week are less than the allowance under this title plus $3;

(3) the person is registered with and continues to report to a public employment office, in accordance with its regulations;

(4) the person is able to work and available for suitable work: *Provided*, That no claimant shall be considered ineligible in any period of continuous unemployment for failure to comply with the provisions of this subparagraph if such failure is due to an illness or disability which occurs after the commencement of such period.

Mr. LEMKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEMKE: On page 67, line 7, after "thereto" and the comma insert the following: "to have his dependents for a period of 6 months allowed the same amount for allotments as they received prior to his discharge, and."

Mr. RANKIN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. LEMKE. Mr. Chairman, this amendment, if adopted, will continue the present allotments to the dependents of the veteran for 6 months after his discharge. At present these allotments cease upon his discharge. Surely none of us are so lacking in understanding of the discharged veteran's problems as not to know that the veteran whose wife, or whose wife and children, or whose parents were dependent upon him will not be able to take care of them immediately upon his discharge.

Nor does the $20 a week unemployment compensation furnish sufficient funds to do anything of the kind. To claim that would be an insult to our intelligence. That $20 a week is just sufficient to take care of the veteran until he finds employment under existing conditions.

I know that we all want to do justice to the discharged veterans. I know that every Member of Congress knows that to treat the discharged veterans with fairness and justice means better fighting men on foreign battlefields. It will bring the war to an end sooner and save billions. We have no sympathy with the stay-at-homers who would play politics and would profess to practice economy at the expense of the veterans who are still fighting and dying for their country.

Undoubtedly when this war is over the money bags who again made an unholy profit out of human misery—out of an insane world—will again try to pass another economy bill, but, they will not succeed. There are too many veterans this time.

I am sure that we all realize that without soldiers, sailors, aviators, and marines there can be no national defense. After all, all national defense depends upon human blood and flesh and human intellect. It depends upon fighting men with courage, vision, and determination. And above all it depends upon love for their country. That is why democracies always win over dictatorships. In a dictatorship a soldier really has nothing to fight for. In a democracy he has. He knows that he is part of his Government.

It has been stated that our Government pays its soldiers more, and gives more to its discharged veterans than any other government. It is equally true that the stay-at-homers have been paid far more and their families have been living on a far higher standard than the people of any other government. It is also true that as a result of this higher standard of living our laboring people have produced about 60 percent or more of the entire war material and armament that is winning this war. This in spite of the strikes that you hear so much about.

It is also true that our soldiers, our armed forces, are doing more than their share of the fighting throughout the world. Our soldiers are on every foreign battlefield. No other nation's soldiers have been so far distributed. They have taken their share if not the brunt on every foreign battlefield except Russia, and there the war material and munitions furnished by our laboring people are winning the day.

Therefore, may I ask that you adopt this simple amendment. The suggestion of this amendment is not my own. It comes from a member of the armed forces of the United States with dependents. It seems to me that no one who has the welfare of this Nation at heart can object to this amendment.

Mr. RANKIN. Mr. Chairman, I make the point of order that the amendment is not germane.

The CHAIRMAN. The gentleman from Mississippi makes the point of order against the amendment offered by the gentleman from North Dakota that it is not germane.

Earlier in the debate the Chair had occasion to rule upon an analogous point of order upon an amendment offered by the gentleman from Missouri [Mr. COCHRAN]. In the opinion of the Chair, the statement made at that time is entirely applicable to this amendment. For the reasons therein cited, the Chair sustains the point of order.

Mr. LEMKE. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. LEMKE. I do not think that this amendment is the same as the one offered by the gentleman from Missouri. That amendment had to do with something still in the jurisdiction of the Committee on Military Affairs. This amendment refers only to the veteran after he has been discharged and therefore is no longer under the jurisdiction of the Committee on Military Affairs but under the jurisdiction of the Committee on World War Veterans' Legislation.

The CHAIRMAN. May the Chair say that in addition to the reasons cited by the Chair for sustaining the point of order, this is a bill that provides Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, whereas the amendment offered by the gentleman from North Dakota has to do with the dependents of veterans. For that additional reason, the Chair sustains the point of order.

Mr. WRIGHT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT: On page 67, line 9, after the word "to", strike out the word "twenty-six" and insert in lieu thereof the word "fifty-two."

Mr. WRIGHT. Mr. Chairman, this amendment attempts to restore the length of time, the number of weeks, in the Senate bill for unemployment benefits. If you compare the provisions which would aid the young man trying

to go back to his position in industry or in the mines with the provisions in aid of the man who wishes to go to school or the provisions in aid of the man who wishes to buy a farm, you will find, I believe, that the veteran who is trying to return to work in private industry is not being equitably treated in the present bill. I have no criticism of the motives of the gentlemen on the Committee on World War Veterans' Legislation. They have done a splendid job in writing this bill. As to most of its provisions it is a vast improvement over the Senate bill. They have done an excellent job in steering this bill through the House and they have been very patient, and I might say, they have accommodated their views to the views of the membership in most particulars.

But I am very much concerned about the young men who are going back to try to find their place in the industrial world after the war. We do not know how conditions are going to be, for instance, in the heavy industry district of Pittsburgh, in the automobile manufacturing district of Detroit, or in the aircraft plants and the shipyards of the west coast, and in the shipyards of the east coast. We do not know whether these men are going to be able to find work or not. I would like the Members to consider this when they are thinking of the plight of those men who have done nothing and can do nothing except work in industry. When his work terminates and the plant closes down, he is utterly helpless. He does not have the facilities to aid himself, such as a small farm or plot like many people do in the small country towns or the country districts.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. VOORHIS of California. The gentleman's amendment would restore the length of time included in the Senate bill; is that correct?

Mr. WRIGHT. That is correct.

Mr. VOORHIS of California. I just want to say I will support the gentleman's amendment, and I am glad that he has offered it.

Mr. WRIGHT. I am grateful for the gentleman's support. The amount is $20 a week. I do not think you are going to find very many veterans who are going to loaf in order to get $20 a week. I know you will not find very many in my section of the country, and I doubt if you will find very many Americans anywhere who are going to loaf for 52 weeks deliberately in order to get $20 a week, when they could make more money working in industry. The sum of $20 a week, multiplied by 26 weeks, which is the length of time provided in the present bill, equals $520. If the amendment which I have proposed is adopted, it will be twice that amount and it will bear some fair comparison to the provisions for the benefit of the farmers and of the lads who wish to go to school.

Mr. RANKIN. Mr. Chairman, I hope the amendment will be voted down. We have been very liberal in this.

Mr. Chairman, I move that all debate on this amendment now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demand by Mr. WRIGHT) there were—ayes 20, noes 65.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER VIII—DISQUALIFICATIONS

SEC. 800. (a) Notwithstanding the provisions of section 700, a claimant shall be disqualified from receiving an allowance if—

(1) he leaves suitable work voluntarily, without good cause, or is suspended or discharged for misconduct in the course of employment;

(2) he, without good cause, fails to apply for suitable work to which he has been referred by a public employment office, or to accept suitable work when offered him; or

(3) he, without good cause, does not attend an available free training course as required by regulations issued pursuant to the provisions of this title.

(b) Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed: *Provided*, That this subsection shall not apply if it is shown that—

(1) he is not participating in or directly interested in the labor dispute which causes the stoppage of work; and

(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute: *Provided, however*, That if in any case separate branches of work, which are commonly conducted as separate business in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

(c) (1) If a claimant is disqualified under the provisions of paragraph 1 of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for the three immediately following weeks. In addition, the total number of weeks for which he might otherwise be eligible to receive readjustment allowances shall be reduced by the number of weeks for which the claimant shall have been disqualified.

(2) If a claimant is disqualified under the provisions of paragraphs (2) and (3) of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for all subsequent weeks until he has had substantially full-time employment for wages for a period of not less than 2 weeks, or, in the event of any subsequent disqualification, for such longer period as the Administrator may prescribe in such case, not to exceed 4 weeks.

(3) In addition to the disqualification prescribed in paragraph (c) (1) above, the Administrator may, in cases of successive disqualifications under the provisions of paragraph (1) of subsection (a) of this section, impose the disqualifications provided in paragraph (c) (2).

(d) (1) In determining under subsection (a) of this section the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern.

(2) In determining under subsection (a) of this section the suitability of work, no work shall be deemed suitable for an individual if—

(A) the position offered is vacant due directly to a strike, lock-out, or other labor dispute; or

(B) the wages, hours, or other conditions of the work offered are substantially less favorable to him than those prevailing for similar work in the locality; or

(C) as a condition of being employed he would be required to join, or to resign from, or to refrain from joining, any labor union or labor organization.

CHAPTER IX—AMOUNT OF ALLOWANCE AND PAYMENT

SEC. 900. (a) The allowance for a week shall be $20 less that part of the wages payable to him for such week which is in excess of $3: *Provided*, That where the allowance is not a multiple of $1, it shall be computed to the next highest multiple of $1.

(b) The number of weeks of allowances to which each eligible veteran shall be entitled shall be determined as follows: For each calendar month or major fraction thereof of active service, the veteran shall be entitled to 3 weeks of allowances, but in no event to exceed the maximum provided in section 700.

SEC. 901. (a) Readjustment allowances shall be paid at intervals prescribed by the unemployment compensation law of the State in which the claim was made.

(b) Any allowances remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

SEC. 902. Any veteran, who is self-employed in business, agriculture, or other pursuits in which a period of waiting is necessary before productive returns are normally available, shall be eligible for the readjustment allowance not to exceed the period provided in this title upon application through the State representative to the Administrator and upon satisfactory showing of substantial (at least 50 percent) lack of normal return, by reason of such waiting period.

Such self-employed veteran shall not be required to comply with the provisions of the unemployment compensation laws of the various States, or be subject to the disqualification provisions hereof, but in lieu thereof shall furnish the Administrator with a statement of income each month.

Payments herein provided shall be made by the Administrator at the time and in the manner other payments are made to veterans by the Administrator.

CHAPTER X—ADJUSTMENT OF DUPLICATE BENEFITS

SEC. 1000. (a) Where an allowance is payable to a claimant under this title and where, for the same period, either an allowance or benefit is received under any Federal or State unemployment or disability compensation law, the amount received or accrued from such other source shall be subtracted from the allowance payable under this title (except that this section shall not apply to pension, compensation, or retired pay paid by the Veterans' Administration); and the resulting allowances, if not a multiple of $1, shall be readjusted to the next higher multiple of $1.

(b) In the event a veteran applies for and receives allowances under this title and subsequently, for any reason, ceases to receive allowances provided herein and becomes eligible to receive benefits under title II of this act, any allowances received under this title shall be deducted from the total allowances provided in title II.

CHAPTER XI—ADMINISTRATION

SEC. 1100. (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall, insofar as possible, utilize existing facilities and services of Federal and State departments or agencies on the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for readjustment allowances with the Administrator through established public employment offices and State unemployment compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such allowances. To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this title, a representative of the Administrator, who shall be an honorably discharged war veteran and have resided in the State for a period of at least 6 months prior to his appointment, shall be located in each participating State department or agency.

(b) The Administrator shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out the purposes, and consistent with the provisions, of this title.

(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing rules and regulations, as the Administrator may consider necessary and proper to carry out the purposes of this title.

(d) Allowances paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than 6 months.

The Administrator shall also from time to time certify to the Social Security Board such State departments or agencies as may be participating in the administration of this title. Upon such certification the Social Security Board shall, in addition to the amounts certified under the provisions of section 302 (a) of the Social Security Act, as amended, certify to the Secretary of the Treasury for payment to each State such amounts as the Board determines to be necessary for the administrative expense of such State under this title the additional amount so certified to be reimbursed out of the appropriations for the Veterans' Administration.

(f) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person, be returned to the Treasury and credited to the current appropriation for carrying out the purpose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

SEC. 1101. (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this title.

(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator.

SEC. 1102. Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State, subject to review by the Administrator.

CHAPTER XII—DECISIONS AND PROCEDURES

SEC. 1200. The authority to issue subpenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the act of June 29, 1936 (49 Stat. 2033-34; U. S. C., title 38, secs. 131-133), shall be applicable in the administration of this title.

CHAPTER XIII—PENALTIES

SEC. 1300. Any claimant who knowingly accepts an allowance to which he is not entitled shall be ineligible to receive any further allowance under this title.

SEC. 1301. (a) Whoever, for the purpose of causing an increase in any allowance authorized under this title, or for the purpose of causing any allowance to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wages paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any allowance under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisonment for not more than 1 year, or both.

(b) Whoever shall obtain or receive any money, check, or allowance under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or both.

CHAPTER XIV—DEFINITIONS

SEC. 1400. As used in this title—

(a) The term "week" means such period or periods of 7 consecutive calendar days as may be prescribed in regulations by the Administrator.

(b) The term "United States" used geograpically means the several States, the District of Columbia, Alaska, Hawaii, and Puerto Rico.

(c) The term "State" includes the District of Columbia, Alaska, Hawaii, and Puerto Rico.

(d) The term "wages" means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.

Mr. RANKIN (during the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of title V be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi that the remainder of this title be considered as read and that it be printed in the RECORD?

There was no objection.

Mr. RANKIN. Mr. Chairman, I have several committee amendments which I have sent to the desk.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment offered by Mr. RANKIN:

On page 75, line 17, insert, before the word "The" the letter "(f)."

On page 75, line 21, strike out the words "in addition to" and insert in lieu thereof the words "include in" and in lines 23 and 24, strike out the language reading "certify to the Secretary of the Treasury for payment to each State."

On page 76, line 2, insert a period after the word "title" and strike out the balance of the subsection.

On page 76, line 5, strike out the letter "(f)" and insert the letter "(g)" and after the word "money" insert "(other than subsection (f) above)."

The amendments were agreed to.

Mr. MARCANTONIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARCANTONIO: Strike out on page 69, beginning in line 6, all of the language down to and including line 2 on page 70.

Mr. MARCANTONIO. Mr. Chairman, I realize that the committee has been debating this bill for several days and the members are sort of tired. I assure you I would not offer this amendment unless I felt that the consequences of the language I seek to strike out would be very detrimental to the cause of the veterans who will have to work for a living. The language I seek to strike out on page 69 provides that no benefits shall be paid to any veteran who has ceased employment due to a strike or other labor dispute. Furthermore, it exempts from this punishment anyone who has not participated directly or indirectly in the labor dispute, and anyone who does not belong to the group of workers involved in the labor dispute. The effect of this language is to penalize the veteran who goes out on strike in defense of his rights. It is aimed at veterans who are members, or who become members, of labor organizations. It strikes at organized labor. This language is antilabor in intent, scope, and purpose. It is antiveteran in practice. The sole purpose of this language is to dissuade veterans from joining labor unions.

As I said earlier in the day, veterans who will work for a living have one sure protection, and that is by becoming members of labor unions. History has demonstrated that the worker's best protection, best guaranties, lie in labor unions. Only through labor organizations have the working people of America advanced, and only through labor organizations have they been able to protect themselves. Therefore, by putting in penalties for labor membership or for labor activities you are penalizing the veterans. You are serving notice on them that by joining a labor union or participating in legitimate labor activities they will be deprived of benefits under this act, despite the fact that such affiliation and activity is in their own interests.

This is most serious. I know it will be contended that this antilabor provision exists in the social-security laws of some States. That certainly does not justify

having it in this legislation. Here we are dealing with returning veterans. Are we going to drive the returning veteran into antilabor camps? That is the real reason behind this provision. Are we seeking to array veterans against labor, when the returning veteran who works naturally belongs to labor and is a part of labor? That is the aim of this language.

It is unjust. It is antilabor in scope and concept. It is antiveteran in scope and concept. I do hope that the members of the committee will give it most serious consideration. This proposed language will penalize the returning veterans for participation and membership in labor unions. It penalizes them for seeking to protect themselves against exploitation.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. WADSWORTH. Could the gentleman give us some information as to the provisions of the several State laws on this same subject that he is discussing?

Mr. MARCANTONIO. I am not fully familiar with the provisions of the several State laws, I will say frankly. However, we are legislating Federal legislation. This question is before us. Irrespective of what the several State legislatures may have done, I think we must meet our responsibility. Shall we use this veterans' legislation as an antilabor weapon? Shall we penalize the American veterans who are workers, because they become members of labor unions, or because they participate in labor activities in defense of their own welfare? That is the issue that is raised by this language. That is the question that we must answer.

Mr. WADSWORTH. Does the gentleman's observation lead him to believe that the State laws which are not so devised as to pay unemployment compensation to those on organized strikes have proved to be enemies of labor?

Mr. MARCANTONIO. I will say to the gentleman that the cases he cites are so rare that their practice has been unheard of and has not amounted to anything. But here we are legislating for the entire country. We are legislating for every returning veteran. We are telling those returning veterans, "If you participate in a labor activity or become a member of a labor union which is involved in a labor dispute, no benefits shall be paid to you, even though we know that such membership and activity is in your own interest."

I submit the veteran and the American people do not want the Congress of the United States to do that.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. McMURRAY. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McMURRAY. I only want to make one main point in support of this amendment. I had an identical amendment to offer which I would have offered had not the gentleman from New York [Mr. MARCANTONIO] offered his amendment. The language which this amendment deletes will probably be meaningless in practice. I am aware of that fact. But I get very angry when I see men in the Congress of the United States, day after day, week after week, and month after month, trying to slip into bills that all of us have to support, phrases that are discriminatory against various groups in the population. There is no justification for this. This language places a premium—get this straight, and those of you who do not like labor unions vote against it if you want to—this places a premium on nonmembership in labor unions. That is not the business of the Congress of the United States. Labor unions are recognized under hundreds of laws that have been passed by this Congress.

Let me point out to you that, in peacetime, strikes are a legal weapon that may be used by labor. I am not talking about wartime. This bill does not apply until the veteran comes home. I am not advocating strikes, even in peacetime, but I say to you seriously, let us not belittle ourselves by writing discriminatory language into bills dealing with returning veterans.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. McMURRAY. Yes; I yield.

Mr. KEEFE. The gentleman is familiar with the fact, is he not, that all unemployment compensation laws in this country are passed by the various States?

Mr. McMURRAY. I am very familiar with it.

Mr. KEEFE. All of the unemployment compensation laws now are operated under State jurisdiction. Is the gentleman familiar with the fact that those State laws under which unemployment compensation operates in the States now without exception, have the identical or almost similar provisions in the law, and that not to enact this bill which integrates veterans' unemployment compensation with the State system, would tend to destroy the State system now in force and effect.

Mr. McMURRAY. I will answer you very succinctly. I am very familiar with what you say. I told you that this language will be meaningless in practice, but just because some State legislatures have been stupid is no reason why the Congress of the United States should be likewise. You should not, as a matter of practice, write into our laws, things that are discriminatory against manufacturers or against labor unions or against any other legitimate organizations.

Mr. KEEFE. Will the gentleman yield further?

Mr. McMURRAY. No; I do not yield further. I yield to the gentleman from New York.

Mr. MARCANTONIO. The point is that irrespective of what the State legislatures may have done in some instances, and not in all instances, as the gentleman from Wisconsin [Mr. KEEFE] tried to point out, certainly does not make that action binding on us.

Mr. McMURRAY. That is right.

Mr. MARCANTONIO. We are legislating for all veterans. Why penalize them for labor activity or labor affiliation?

Mr. McMURRAY. I thank the gentleman from New York.

Mr. LEMKE. Will the gentleman yield?

Mr. McMURRAY. Not just now. I will yield if I can get some extra time. I have not used much time on this bill.

Mr. LEMKE. I was going to state a correction.

Mr. McMURRAY. I yield.

Mr. LEMKE. The State of North Dakota has no such provision in its workmen's compensation law.

Mr. McMURRAY. I thank the gentleman from North Dakota.

Mr. MARCANTONIO. And many other States too.

Mr. McMURRAY. I am familiar with the legislation——

The CHAIRMAN. The time of the gentleman has expired.

Mr. McMURRAY. I ask unanimous consent to proceed for 2 additional minutes.

Mr. RANKIN. Mr. Chairman, the time has been limited and I would like to have 5 minutes to defend the "stupidity" of the legislatures of the various States from the attacks of the distinguished gentleman from Wisconsin [Mr. McMURRAY].

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized.

Mr. RANKIN. Mr. Chairman, we would never have known of the stupidity of the State legislatures had it not been for the erudite gentleman from Wisconsin [Mr. McMURRAY], who presumes to be an authority on that subject. It is a great thing to have some professors come to Congress. We have some men in this country who seem to be overeducated and undertrained.

It remained for the verbose gentleman from Wisconsin to develop the fact that the ills of the Nation are traceable to the stupidity prevailing among members of the various legislatures, and to enlighten the benighted Members of this august body on that point; and I want to take this opportunity to express our gratitude.

How would we have ever known how to weld a wooden handle to a pewter spoon if we did not have the benefit of such matchless erudition?

How could the farmers of this country, the fruit growers, if you please, ever know how to graft a dead bough to a living trunk and make it blossom as the rose if we did not have the benefit of such wisdom as that manifested by the gentleman from Wisconsin who has just arraigned the legislatures of the various States for their unmitigated stupidity?

How in the world would we ever know how to manufacture gunpowder out of

ice to meet the munition scarcity, or relieve the fuel shortage by extracting sunbeams from cucumbers, if we did not have the benefit of such a genius?

Oh, Mr. Chairman, how would we ever learn to reconcile our differences, mix oil and water together placidly in the same bottle, or make boon companions of the spider and the fly, if we did not have the benefit of such experience and such wisdom and such erudition as has been manifested today by the distinguished gentleman from Wisconsin?

Not only that, Mr. Chairman, there are many other things that we need to be taught, and I am delighted for one that we have had the benefit of the wisdom of the distinguished gentleman from Wisconsin, although he has not had all the time he wanted to enlighten the House on these various and sundry subjects.

Mr. Chairman, I want to say that this amendment is highly recommended by Sidney Hillman, of the C. I. O. We might have known that from what took place here today. But the members of the Committee on World War Veterans' Legislation, strange as it may seem to the gentleman from Wisconsin, are not all as stupid as he thinks the members of legislatures to be. In fact, we have some members on that committee who actually know a few things. We have some members on our committee who have really been to school, some have even been to college, just as the gentleman from Wisconsin has; yes, sir; they have been to college and some of them can actually read and write. Some of them, I am afraid, have studied sociology; I do not know that they have, I am not accusing anybody, but I would not be surprised if some of them have not looked into a book on sociology. A number of the members of this committee have been in Congress for some time. It is true their constituents may be as stupid as the gentleman from Wisconsin thinks their legislatures are. I knew another unusual man who was in Congress once. He was a wonderful man, probably the outstanding man of that character who ever came to Congress up to the time the gentleman from Wisconsin made his appearance.

Mr. HOFFMAN. Tell us how we got along before he came.

Mr. RANKIN. This man, when he was defeated, used the same excuse. He said he was defeated purely because of the stupidity of his constituents. Now along comes the gentleman from Wisconsin and tells us that the laws of America are all balled up, so to speak, all out of joint, all upside down because of the stupidity of the various members of the several State legislatures.

So we are fortunate. I say again and again and again we are fortunate in having the gentleman from Wisconsin with us today. After reading carefully this letter from the C. I. O. attacking the Veterans' Committee, and condemning its members, he no doubt thinks that we are about as stupid as the legislatures of the various States.

I am going to confess; now, I am just going to make a plea of confession and avoidance, enter a plea of nolo contendere and say to you that my stupidity is overwhelming. But we have some members on the committee who do understand these propositions, who have studied them carefully, and who can comprehend them. I am prone to take the advice of the other 20 members of the committee in preference to that of the gentleman from Wisconsin. So I hope in spite of all the warnings he has given you, in spite of the ridicule to which he has held up your State legislatures, in spite of the humiliation it has brought to you to know that the men by whom you are represented in the State legislatures are stupid and irresponsible—in spite of all that, I am going to ask you not to humiliate me by emphasizing my stupidity and voting the other way, but to give me the consolation of acting as if you are as stupid as I am, and as the State legislatures are reputed to be by the able gentleman from Wisconsin and vote this amendment down.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

All time has expired.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. McMURRAY) there were—ayes 28, noes 122.

So the amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 28, line 24, add a new subsection as follows:

"(e) The phrases 'termination of hostilities in the present war,' 'termination of the present war,' and 'termination of the war' means termination of the war as declared by the Presidential proclamation or concurrent resolution of the Congress."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. SAUTHOFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF: Page 73, line 22, insert a new section:

"SEC. 1001. Abatement of tax for members of armed forces for the taxable years beginning prior to their entering such forces.

"In the case of any individual who enters upon active service as a member of the military or naval forces of the United States on or after May 27, 1940, and prior to the termination of the hostilities in the present war as proclaimed by the President and who served therein for a period of more than 90 days the tax imposed by this chapter for any taxable year beginning prior to his entering upon such active service which is unpaid at such time, including interest and additions to the tax and additional amounts, shall not be assessed and if assessed the assessment shall be abated and if collected shall be credited or refunded as an overpayment."

Mr. RANKIN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. SAUTHOFF. Mr. Chairman, a week ago when we were discussing this measure I suggested to the committee having this bill under consideration two amendments, one that has just been read and one liberalizing the Homestead Act.

My purpose in offering this amendment is because I appreciate that it will never be considered this year, at least, by the Ways and Means Committee. This amendment simply forgives any unpaid income tax which the veteran may have owed at the time of induction. It gives this boy a chance to start out again after he gets back into his normal way of living without being loaded with a debt. Last year corporations made after payment of taxes $8,500,000,000. The amount you will forgive in this amendment is very limited, because most of these youngsters do not owe any income taxes at all; but to the married man who has lost his business, who has lost his job, who has a wife or perhaps a child or two dependent upon him, any income tax from one to five hundred dollars would be a severe burden. I appreciate that this amendment is subject to a point of order, but I have offered it because I realize that this will be the last chance to have the matter before the House.

The other amendment concerning which I spoke to liberalize the Homestead Act the gentleman from Arizona [Mr. MURDOCK], has just referred to and said that hearings will be held next week.

Let me point out to you an interesting fact. Twenty percent of the total area of the United States is now federally owned land. That is an area equivalent to all the land contained in the following States: Iowa, Missouri, South Dakota, Nebraska, Kansas, Oklahoma, Wyoming, and Colorado. Just imagine the immense amount of area that is now taken out of taxation. If we could open up some of this land to the boys who want to farm, we will have an opportunity to restore to productive areas both in the way of products and in the way of taxation hundreds of thousands of acres that are now not producing. I may add in this respect too that the State of California has 43 percent of its area federally owned. The State of Nevada has 82 percent of its area federally owned. The county of Coconino in Arizona, the second largest county in the United States, two and one-quarter times larger than the entire State of Massachusetts, has only 8 percent of its area now producing taxes.

This is a matter that should be seriously considered both as affecting school districts and county and State governments and something should be done to open up some of this area.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RANKIN. Mr. Chairman, I make the point of order that the amendment is not germane.

The CHAIRMAN. In the opinion of the Chair, the ruling in reference to the amendment offered earlier in the debate by the gentleman from Missouri [Mr. COCHRAN] is definitely applicable to the point of order made by the gentleman from Mississippi [Mr. RANKIN], and for the reasons cited in that decision the point of order is sustained.

Mr. RANKIN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 77, line 4, insert a section to read as follows:

"SEC. 1103. In the case of any veteran eligible under the provisions of this title who either at the time of application for the benefits herein provided is a 'qualified employee' as defined in section 3 of the Railroad Unemployment Insurance Act, as amended, or was last employed prior to such application by an employer as defined in section 1 (a) of the said act, claim may be made through an office operated by or a facility designated as a free employment office by the Railroad Retirement Board pursuant to the provisions of said act. In such cases, the conditions and standards as to suitability of work or existence of good cause, the intervals for making claim for and payments of benefits, and the administrative and appellate procedures prescribed by or under said act shall govern, the appellate procedures being subject to final appeal to the Administrator. In such cases a reference to this title to a cooperating State agency shall be deemed to include the Railroad Retirement Board."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN]?

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer another amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 72, line 13, after the numerals "902", strike out the entire section and insert:

"Any person qualified under subsection (a) of section 700, and residing in the United States who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title.

"Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than $100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of $1), between $100 and his net earnings for such month.

"Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

"Subsection (b) of section 700 and section 800, shall not apply in determining the eligibility for allowances of a claimant under this section."

Mr. RANKIN. Mr. Chairman, let me say to the House that this simply puts men who are self-employed, or who depend on self-employment, on an equal basis with the men who are employed in industry—farmers, independent businessmen, small merchants, professional men, and others who are not employed in industry. We felt that to leave them out it would not be just, but would be highly discriminatory, and for that reason the committee unanimously adopted this provision.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: On page 78, line 10, after the period, insert a new paragraph as follows:

"(c) Whoever shall demand or receive any money or other things of value from any veteran as a condition of employment or require his membership or nonmembership in any organization as a condition of employment shall be punished by a fine of not more than $1,000 or by imprisonment of not more than 1 year or both."

Mr. SMITH of Virginia. Mr. Chairman, in this bill we have a provision which strikes me as quite remarkable, recognizing that a man may be precluded from earning a living, and if he is precluded from earning a living by reason of the application of a closed-shop situation then he can go on relief, so to speak.

Mr. Chairman, we have done a great many things for the returning soldier in this bill. We have undertaken to give him treatment, and education, and the payment of benefits. We have done everything except to preserve to him the right to earn his living when he comes back from the war.

Do you realize that since this war started, and since we put these boys in the Army, we have had a wave of closed-shop agreements in industries throughout this Nation? If that wave keeps up when these boys are discharged from the Army and apply for a job the employer, however much he may want to help them, will be compelled to say, "No, I cannot give you a job unless you belong to the union," and the union would have a perfect right to say, as they have said in the past, "No, we have members on our own list who are not employed, and therefore we cannot open the doors and let you in."

So while we are doing something for the soldiers, while we are passing all these 78 pages of the bill here—and everybody wants to do something for the soldier—for God sake let us preserve to him his God-given right to earn a living by the sweat of his brow without paying any tribute to any man on God's earth.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not yield anything to the gentleman from Virginia in devotion to the veterans and the servicemen of this country. I am a veteran of the First World War. I have a son serving in this war. I do not need to apologize to him or to anyone for my position on a matter of this kind. But like Banquo's ghost, the gentleman from Virginia always appears when there seems to be an opportunity to do a little hatchet job on the workingmen of this country. As I say, like Banquo's ghost he is always hovering in the background. He is eternally seeking an opportunity to exploit labor.

There is no good purpose in the introduction of an amendment of this kind into a bill for the benefit of the men who are fighting this Nation's war. The only purpose is to cause confusion and to render a great disservice to the soldiers and sailors when they return, and to render a disservice to them now when this House is trying to pass constructive legislation in their behalf. I hope the House treats this amendment in the manner in which it deserves to be treated, and that is to vote it down decisively and overwhelmingly.

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is in line with many other amendments that the gentleman from Virginia has offered. It is his characteristic open-shop amendment. Under the guise of protecting the right to work, the gentleman is advancing an amendment which makes for the open shop and would destroy all existing closed and union-shop agreements. He has told you that what he is really concerned with, and what he is really fighting for, is the right and the freedom of the veteran to work. How does the gentleman from Virginia want them to work? He wants to tear down the closed shop and the union shop, and he wants them to work under open-shop conditions; in other words, he wants to force them back to the days of long hours and small wages. He wants them to work under the conditions of the sweat shop. He wants to impose on the veteran the conditions of the worker who is not protected by his own labor organization. He wants the veteran to have the liberty and the right to be exploited. That is just what his amendment does. It is an amendment to give the veteran the liberty and the right to be exploited under the old open-shop system.

For months and for years the gentleman from Virginia has been trying to have this Congress pass open-shop legislation. If he does not succeed by tacking it onto one bill, he tries another bill. Now he is trying to use the veterans' bill to tack on the open-shop amendment. Freedom, he says, for the veteran to work. What he means is freedom to work under the open shop; freedom to be exploited; freedom to work for low wages and long hours. He seeks to deprive the veteran of that which assures him decent working conditions, which guarantees him a decent living in keeping with the American standards of life.

I know very few men in industry today who want an open shop. Enlightened industrialists do not want to go back to the open shop. It is only the exploiter of the most reactionary character who wants to go back to the open shop, and this amendment would do exactly that.

I hope that the Members will give most serious thought and consideration to this rider, this open-shop rider, a rider to permit the exploitation of veterans, a rider to force the veterans into the sweatshops, a rider to force the veterans to work long hours and for small wages. This open-shop rider is the amendment that the gentleman from Virginia asks you to adopt.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Missouri.

Mr. COCHRAN. Does this House have the right to legislate to destroy the constitution of every labor union in the country, and at the same time set aside the agreements made by labor unions with corporations?

Mr. MARCANTONIO. Of course not. It would bring about the greatest post-war chaos if this amendment were adopted. If you want to be antilabor, that is not unusual; but this goes to the extreme. I say again that the conservative, honest employer today, does not want the open shop. This amendment forces the veteran into the open shop. The open shop makes for the vilest kind of exploitation, and we might as well know the truth here.

Mr. RANKIN. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BRADLEY of Pennsylvania. Is it in order at this time to make the point of order that the amendment offered by the gentleman from Virginia is not germane?

The CHAIRMAN. It would be too late, in view of the fact that debate has been had on the amendment.

The question is on the amendment offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were—ayes 19, noes 112.

So the amendment was rejected.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that title VI be inserted in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Title VI is as follows:

TITLE VI

CHAPTER XV—GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

SEC. 1500. Except as otherwise provided in this act, the administrative, definitive, and penal provisions under Public, No. 2, Seventy-third Congress, as amended, and the provisions of Public, No. 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a and 556a), shall be for application under this act.

SEC. 1501. Except as otherwise specified the appropriations for the Veterans' Administration are hereby made available for expenditures necessary to carry out the provisions of this act, and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this act.

SEC. 1502. Wherever used in this act, unless the context otherwise requires, the singular includes the plural, the masculine includes the feminine, and the term "Administrator" means the Administrator of Veterans' Affairs.

SEC. 1503. A discharge or release from active service under honorable conditions shall be a prerequisite to entitlement to veterans' benefits provided by this act or Public Law No. 2, Seventy-third Congress, as amended: *Provided*, That, except as to a person dishonorably discharged, benefits to which a person would be entitled but for a discharge under other than honorable conditions shall not be denied if his service was otherwise meritorious, honest, and faithful.

SEC. 1504. The Administrator shall transmit to the Congress annually a report of operations under this act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be.

SEC. 1505. In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: Page 78, line 24, insert a new title as follows:

"Paragraph II of part I of Veterans Regulation No. 1 (a), as amended, be amended by adding at the end thereof the following new subparagraph:

"'(p) (1) If and while the disability is rated total or if and while the person is disabled as set forth in subparagraphs (1), (m), (n), or (o) of this paragraph and where the person has a wife, child, children, dependent parent or parents, the monthly pension, including as to total disability, increased pension, if any, under subparagraph (k) of paragraph II, shall be increased by the following amounts and subject to the conditions specified:

"'(a) If he has a wife but no child living, $25.

"'(b) If he has a wife and one child living, $40.

"'(c) If he has a wife and two children living, $52, and $10 for each additional child.

"'(d) If he has no wife and one child living, $15.

"'(e) If he has no wife and two children, $27, and $10 for each additional child.

"'(f) If he has a mother or father, either or both dependent upon him for support, then in addition to the above amounts, $10 for each parent so dependent.

"'(2) If and while the disability is rated less than total under any one of the subparagraphs (a) or (i), inclusive, of paragraph II of this part and where the person has a wife, child, children, dependent parent or parents, the monthly pension, including increased pension, if any, under subparagraph (k) of paragraph II, shall be increased by a percentage of the increased pension that would be payable while totally disabled under subparagraph (p) (1) above.

"SEC. 2. Paragraph II of part II of Veterans Regulation No. 1 (a), as amended, be amended by adding at the end thereof the following new subparagraph:

"'(p) (1) If, and while, the disability is rated total, or if, and while, the person is disabled as set forth in subparagraphs (1), (m), (n), or (o) of this paragraph, and where the person has a wife, child, children, dependent parent or parents, the monthly pension, including as to total disability, increased pension, if any, under subparagraph (k) of paragraph II, shall be increased by the following amounts and subject to the conditions specified:

"'(a) If he has a wife but no child living, $25.

"'(b) If he has a wife and one child living, $40.

"'(c) If he has a wife and two children living, $52, and $10 for each additional child.

"'(d) If he has no wife and one child living, $15.

"'(e) If he has no wife and two children living, $27, and $10 for each additional child.

"'(f) If he has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, $10 for each parent so dependent.

"'(2) If, and while, the disability is rated less than total under any one of the subparagraphs (a) to (i), inclusive, of paragraph II of this part, and where the person has a wife, child, children, dependent parent or parents, the monthly pension, including increased pension, if any, under subparagraph (k) of paragraph II, shall be increased by a percentage of the increased pension that would be payable while totally disabled under subparagraph (p) (1) above.'

"SEC. 3. That paragraph I of part III of Veterans Regulation No. 1 (a), as amended, be amended by adding at the end thereof the following new subparagraph:

"'(i) If, and while, the disability is rated permanent total under paragraph I, part III, and the person has a wife, child, children, dependent parent or parents, the monthly pension under subparagraph (f) of paragraph I of this part shall be increased by the following amounts and subject to the conditions specified:

"'(a) If he has a wife but no child living, $25.

"'(b) If he has a wife and one child living, $40.

"'(c) If he has a wife and two children, $52, and $10 for each additional child.

"'(d) If he has no wife and one child living, $15.

"'(e) If he has no wife and two children living, $27, and $10 for each additional child.

"'(f) If he has a mother or father, either or both dependent upon him for support, then in addition to the above amounts, $10 for each parent so dependent.'"

Mr. RANKIN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. VOORHIS of California. Mr. Chairman, this amendment once again comprises the text of a bill introduced by the gentleman from Mississippi himself. I want to begin by saying that I hope he is not going to oppose it by saying that it is "utterly impractical," as he did in commenting on my former amendment, which has been in effect in Canada for 23 years, and that was part of a bill that he himself introduced in the House.

Very briefly, what the present amendment would do is this: The bulk of the bill we are about to pass here has to do with the able-bodied veteran who will return from this war. This particular amendment has to do with the totally and permanently disabled veteran.

At the present time Congress has enacted a program of dependents' allowances for the dependents of men serving in the armed forces. Let us take as an example the case of a man whose pay for himself is $100 a month. In addition he receives maintenance and he receives $50 for his wife and $30 for his first child and $20 for each additional child. He may well be in receipt today of $175 or $200 per month, as he should be.

Let us suppose this same man in combat against the enemy becomes perma-

nently and totally disabled in the service of his country. He then returns home to find that the maximum amount to which he is entitled under existing law is $100 per month for himself and his entire family.

The purpose of my amendment is simply to put compensation for disabled veterans upon the principle that a man disabled in the service of this country shall be entitled to a reasonable level of the American standard of living for which he has fought. One hundred dollars a month to one man may possibly come up to that standard, but $100 to a man with a family, with a wife and three or four children, cannot be conceived to do so. My amendment does not provide exorbitant amounts but reasonable amounts, as proposed in legislation introduced in this body by a number of gentlemen, whom I hereby honor for having introduced the legislation.

At this late hour I do not know whether or not the House is going to support my amendment, but whether you do or not, let me say that I believe the principle of this thing is just as sound as it can be, and that the time is not far distant when you will adopt this very amendment. By providing compensation to permanently and totally disabled veterans, we should attempt to say to them that, insofar as they give of their health and strength in support of their Nation the principle upon which their compensation shall be based is the principle enabling not only them as individuals but them as heads of families to enjoy a standard of living commensurate with what our country stands for. That is precisely what this amendment would do.

Mr. HARRIS or Virginia. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Virginia.

Mr. HARRIS of Virginia. What is the amount of the compensation above $100 that a man with a family could receive?

Mr. VOORHIS of California. It would depend on how many children he had.

Mr. HARRIS of Virginia. What is the maximum?

Mr. VOORHIS of California. Twenty-five dollars for his wife, $15 for the first child, and $10 for each child thereafter.

Mr. RANKIN. Mr. Chairman, I make the point of order that the amendment is not germane.

The CHAIRMAN. In the opinion of the Chair, the amendment is not germane, for the reason cited with reference to the amendment offered by the gentleman from North Dakota [Mr. LEMKE], that it deals with the subject of dependents, whereas that is not the purpose of the pending measure.

The Chair sustains the point of order.

Mr. JEFFREY. Mr. Chairman, before the consideration of this bill is concluded, may I say on behalf of the members of the Committee on World War Veterans' Legislation that we want to express our thanks to the distinguished gentleman from Connecticut [Mr. MILLER]. He is a distinguished veteran of the First World War. He has appeared before our committee many times and has assisted us there as well as on the floor in the consideration of this and other measures, even though he is not a member of the committee. We want to express our gratitude to him for his help, because he has the real understanding that permits his advice to be helpful.

Mr. RANKIN. Mr. Chairman, the gentleman from Mississippi [Mr. WINSTEAD], who was a member of the Committee on Education and is now a member of the Committee on Military Affairs, has been called home on account of the death of his mother. He asked me to express his regret that he will not be here to vote on this measure today. If he were, of course, he would vote for it.

The CHAIRMAN. The question is on the committee substitute amendment to the bill.

The committee substitute amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, pursuant to House Resolution 540, reported the same back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the passage of the bill.

Mr. RANKIN and Mr. MARTIN of Massachusetts demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 388, nays 0, not voting 41, as follows:

[Roll No. 62]

YEAS—388

Abernethy	Barrett	Bradley, Pa.
Allen, Ill.	Barry	Brehm
Allen, La.	Bates, Ky.	Brooks
Andersen, H. Carl	Bates, Mass.	Brown, Ga.
Anderson, Calif.	Beall	Brown, Ohio
Anderson, N. Mex.	Beckworth	Brumbaugh
Andresen, August H.	Bell	Bryson
Andrews, Ala.	Bender	Buckley
Andrews, N. Y.	Bennett, Mich.	Buffett
Angell	Bennett, Mo.	Bulwinkle
Arends	Bishop	Burch, Va.
Arnold	Blackney	Burchill, N. Y.
Auchincloss	Bland	Burdick
Baldwin, Md.	Bloom	Busbey
Baldwin, N. Y.	Bolton	Butler
Barden	Bonner	Byrne
	Boren	Camp
	Boykin	Canfield
	Bradley, Mich.	Cannon, Fla.
Cannon, Mo.	Herter	Newsome
Capozzoli	Hess	Norman
Carlson, Kans.	Hill	Norrell
Carrier	Hinshaw	Norton
Carson, Ohio	Hobbs	O'Brien, Ill.
Case	Hoch	O'Brien, Mich.
Celler	Hoeven	O'Brien, N. Y.
Chapman	Hoffman	O'Connor
Chenoweth	Holifield	O'Hara
Chiperfield	Holmes, Mass.	O'Neal
Church	Holmes, Wash.	O'Toole
Clark	Hope	Outland
Clevenger	Horan	Pace
Cochran	Howell	Patman
Coffee	Hull	Patton
Cole, Mo.	Izac	Peterson, Fla.
Cole, N. Y.	Jackson	Peterson, Ga.
Colmer	Jeffrey	Pfeifer
Compton	Jenkins	Philbin
Cooley	Jensen	Phillips
Cooper	Johnson, Anton J.	Pittenger
Courtney	Johnson, Calvin D.	Plumley
Cox	Johnson, J. Leroy	Poage
Cravens	Johnson, Luther A.	Poulson
Crawford	Johnson, Lyndon B.	Powers
Crosser	Johnson, Ind.	Pracht, C. Frederick
Cunningham	Johnson, Okla.	Pratt, Joseph M.
Curley	Johnson, Ward	Price
Curtis	Jones	Priest
D'Alesandro	Jonkman	Rabaut
Davis	Judd	Ramey
Day	Kean	Ramspeck
Delaney	Kearney	Randolph
Dewey	Kee	Rankin
Dickstein	Keefe	Reece, Tenn.
Dilweg	Kefauver	Reed, Ill.
Dingell	Kelley	Reed, N. Y.
Dirksen	Kennedy	Rees, Kans.
Dondero	Keogh	Richards
Doughton	Kilburn	Rivers
Douglas	Kilday	Robertson
Drewry	Kinzer	Robinson, Utah
Durham	Kirwan	Robsion, Ky.
Dworshak	Kleberg	Rockwell
Eaton	Klein	Rodgers, Pa.
Eberharter	Kunkel	Rogers, Mass.
Elliott	LaFollette	Rohrbough
Ellis	Lambertson	Rolph
Ellison, Md.	Landis	Rowan
Ellsworth	Lane	Rowe
Elmer	Lanham	Russell
Elston, Ohio	Larcade	Sabath
Engel, Mich.	LeCompte	Sadowski
Fay	LeFevre	Sasscer
Feighan	Lemke	Satterfield
Fellows	Lesinski	Sauthoff
Fenton	Lewis	Scanlon
Fernandez	Luce	Schiffler
Fish	Ludlow	Schwabe
Fisher	Lynch	Scott
Fitzpatrick	McConnell	Scrivner
Flannagan	McCord	Shafer
Fogarty	McCormack	Short
Folger	McCowen	Sikes
Forand	McGehee	Simpson, Ill.
Gamble	McGregor	Simpson, Pa.
Gathings	McKenzie	Slaughter
Gavin	McLean	Smith, Maine
Gerlach	McMillan	Smith, Ohio
Gibson	McMurray	Smith, Va.
Gifford	McWilliams	Smith, Wis.
Gilchrist	Maas	Snyder
Gillespie	Madden	Somers, N. Y.
Gillette	Mahon	Sparkman
Gillie	Maloney	Spence
Goodwin	Mansfield, Mont.	Springer
Gordon	Marcantonio	Stanley
Gore	Martin, Iowa	Starnes, Ala.
Gorski	Martin, Mass.	Stearns, N. H.
Graham	Mason	Stefan
Granger	May	Stevenson
Grant, Ala.	Merritt	Stewart
Gregory	Merrow	Stigler
Griffiths	Michener	Stockman
Gross	Miller, Conn.	Sullivan
Gwynne	Miller, Mo.	Sumner, Ill.
Hagen	Miller, Nebr.	Sumners, Tex.
Hale	Miller, Pa.	Sundstrom
Hall, Edwin Arthur	Mills	Taber
Hall, Leonard W.	Monkiewicz	Talbot
Halleck	Monroney	Talle
Hancock	Morrison, La.	Tarver
Hare	Mott	Taylor
Harless, Ariz.	Mruk	Thomas, N. J.
Harness, Ind.	Mundt	Thomason
Harris, Ark.	Murdock	Tibbott
Harris, Va.	Murphy	Tolan
Hart	Murray, Tenn.	Torrens
Hartley	Murray, Wis.	Towe
Hays	Myers	Treadway
Hébert		Troutman
Heffernan		Vincent, Ky.
Heidinger		Voorhis, Calif.
Hendricks		Vorys, Ohio

Vursell	Wene	Wilson
Wadsworth	West	Wolcott
Walter	Whelchel, Ga.	Wolfenden, Pa.
Ward	White	Wolverton, N. J.
Wasielewski	Whitten	Woodruff, Mich.
Weaver	Whittington	Worley
Welchel, Ohio	Wickersham	Wright
Weiss	Wigglesworth	Zimmerman
Welch	Willey	

NAYS—0

NOT VOTING—41

Burgin	Gallagher	Morrison, N. C.
Carter	Gearhart	O'Konski
Clason	Gossett	Ploeser
Costello	Grant, Ind.	Rizley
Dawson	Green	Rogers, Calif.
Dies	Jarman	Sheppard
Disney	Jennings	Sheridan
Engle, Calif.	Kerr	Smith, W. Va.
Ford	King	Thomas, Tex.
Fulbright	Knutson	Vinson, Ga.
Fuller	Lea	Winstead
Fulmer	Magnuson	Winter
Furlong	Manasco	Woodrum, Va.
Gale	Mansfield, Tex.	

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Burgin with Mr. Ploeser.
Mr. Lea with Mr. Knutson.
Mr. Fulbright with Mr. Clason.
Mr. Kerr with Mr. Fuller.
Mr. Sheridan with Mr. Grant of Indiana.
Mr. Engle of California with Mr. Rizley.
Mr. Manasco with Mr. Gallagher.
Mr. Sheppard with Mr. Jennings.
Mr. Fulmer with Mr. O'Konski.
Mr. Green with Mr. Winter.
Mr. Magnuson with Mr. Johnson of Indiana.
Mr. King with Mr. Gearhart.
Mr. Costello with Mr. Carter.
Mr. Vinson of Georgia with Mr. Gale.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ERADICATION OF CERTAIN ANIMAL AND PLANT PESTS

Mr. FLANNAGAN, from the Committee on Agriculture, presented the following conference report and statement on the bill (H. R. 4278) to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4278) to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment Numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In the fourth and fifth lines of said amendment strike out "each of the fiscal years 1944–1945 and 1945–1946" and insert in lieu thereof "the fiscal year ending June 30, 1945," and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 403. Section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (49 Stat. 774), as amended, is hereby further amended by the addition of the following language:

" 'Not exceeding $50,000,000 of the funds appropriated by and pursuant to this section may also be used during the fiscal years ending June 30, 1945 and 1946, to provide food for consumption by children in nonprofit schools of high-school grade or under and for child-care centers through (a) the purchase, processing, and exchange, and the distribution of agricultural commodities and products thereof; or (b) the making of payments to such schools and centers or agencies having control thereof in connection with the purchase and distribution of agricultural commodities in fresh or processed form and, when desirable, for the processing and exchange of such commodities and their products; or (c) by such other means as the Secretary may determine: *Provided*, That funds appropriated for the purposes of this program shall be apportioned for expenditure in the States, Territories, possessions, and the District of Columbia in accordance with school enrollment, as determined by the Secretary, except that if program participation in any State does not require all funds so apportioned, the Secretary may reapportion such excess funds to such other States in consideration of need, as he may determine: *Provided further*, That benefits under this section to schools or child-care centers shall in no case exceed the cost of the agricultural commodities or products thereof delivered to the school or child-care center as established by certificates executed by the authorized representative of the sponsoring agency: *Provided further*, That such sponsoring agency shall maintain accounts and records clearly establishing costs of agricultural commodities or products furnished in the program and that such accounts and records shall be available for audit by representatives of the Department of Agriculture: *Provided further*, That these funds may be used for, or to make payments in connection with, the purchase of such agricultural commodities and for exchanging, distributing, disposing, transporting, storing, processing, inspection, commission, and other incidental costs and expenses without regard to the provisions of section 3709 of the Revised Statutes and without regard to the 25 per centur limitation contained in this section: *Provided further*, That not more than 2 per centum of the funds made available under this amendment shall be used to provide food for children in child-care centers. The amount of funds used in any State during any fiscal year under this paragraph shall not exceed the amount furnished by the State or local school authorities of such State for the same purpose.

" 'There are hereby authorized to be appropriated such additional amounts for the purposes of this amendment as the Congress may deem necessary.'

"The said section 32 is hereby further amended by inserting in the second sentence thereof after the words 'separate fund' and before the word 'and' the following: 'to remain available until expended'."

And the Senate agree to the same.

Amendment numbered 2: On the amendment of the Senate numbered 2, the committee of conference have been unable to agree.

J. W. FLANNAGAN, Jr.,
HAROLD D. COOLEY,
STEPHEN PACE,
Managers on the part of the House.

E. D. SMITH,
J. H. BANKHEAD,
RICHARD B. RUSSELL,
GEORGE D. AIKEN,
HENRIK SHIPSTEAD,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4278) to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment adds to title III of the bill a new section which authorizes appropriations to enable the Secretary of Agriculture, through the War Food Administration, to continue to carry out for each of the fiscal years 1944–45 and 1945–46, the rural-rehabilitation program of the Farm Security Administration in the manner provided in the Department of Agriculture Appropriation Act, 1944, under the item "Loans, grants, and rural-rehabilitation", with a proviso that no part of the sums authorized to be appropriated by this section shall be available for the promotion or aid of any program of medical care which prevents the patient from having the services of any practitioner of his own choice so long as there is compliance with State laws. The House recedes with an amendment limiting the continuance of such program to the fiscal year ending June 30, 1945.

Amendment No. 3: This amendment adds to title IV of the bill a new section which authorizes the continuation for 2 years of the school-lunch program by the Secretary of Agriculture, through the War Food Administration, in the same manner as it is now being administered. The amendment makes available for this purpose, during the fiscal years ending June 30, 1945, and June 30, 1946, funds appropriated by and pursuant to section 32 of the act of August 24, 1935, as amended, and also authorizes the appropriation of such additional funds only for the year ending June 30, 1945, as the Congress may deem necessary. The House recedes with the following amendments:

(1) An amendment limiting the expenditures which may be made during the fiscal years ending June 30, 1945, and June 30, 1946, for the school-lunch program to not more than $50,000,000 of the funds appropriated by and pursuant to section 32 of the act of August 24, 1935, as amended.

(2) An amendment limiting the amount which may be expended by the Secretary of Agriculture in any State during any fiscal year for the school-lunch program to an amount not exceeding the amount furnished

by the State or local school authorities of such State for such purpose.

(3) An amendment which strikes out the language which limits the authorization of additional amounts for the school-lunch program to the fiscal year ending June 30, 1945.

(4) An amendment adding an additional paragraph to section 403 of the bill. This paragraph further amends section 32 of the act of August 24, 1935, as amended, so as to make available, until expended, sums appropriated by such section.

JOHN W. FLANNAGAN, Jr.,
HAROLD D. COOLEY,
STEPHEN PACE,
Managers on the part of the House.

Mr. JACKSON. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JACKSON. Mr. Speaker, my colleague the gentleman from Washington [Mr. MAGNUSON] is unable to be here today due to official business on the Pacific coast in connection with the Naval Affairs Committee. Mr. MAGNUSON is a veteran of this war, having served with the Navy in the Pacific theater. Being a veteran, he is well versed with needs of our servicemen. He has been a consistent supporter of all veteran legislation. He has given his wholehearted support to this bill since its inception.

EXTENSION OF REMARKS

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article that was contained in the Washington Daily News today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by me to the alumni of Providence College on the occasion of the annual communion breakfast on Sunday, May 7, at Providence, R. I.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD, and to include therein an editorial that appeared in the Lawrence Evening Tribune, Lawrence, Mass.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. POAGE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. POAGE]?

There was no objection.

Mr. POAGE. Mr. Speaker, I want to stay within the rules.

The SPEAKER. May the Chair say it is a violation of the rules of the House for any Member to announce how another Member will vote if he were here.

Mr. POAGE. I am not going to do that, Mr. Speaker.

The SPEAKER. The Chair wants to make a statement anyway. No one knows how a Member would vote. A bill might be amended in such a way that a Member who intended to vote for it would not vote for it. The gentleman may say whether a Member is detained on official business.

Mr. POAGE. Mr. Speaker, all I want to say is that my colleague from Texas [Mr. GOSSETT] is absent because of a death in his family. He is now in Texas.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore (Mr. WORLEY). Is there objection to the request of the gentleman from Massachusetts [Mr. McCOPMACK]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not object, the House would like to know what the program is for tomorrow.

Mr. McCORMACK. The first order of business will be consideration of a bill reported by the Committee on World War Veterans' Legislation relating to the widows and orphans of the war. There are two naval authorization bills to be considered. Then there is a bill reported by the Ways and Means Committee, the repackaging bill, so-called.

I am hopeful that we will be able to dispose of those bills tomorrow. There is a lot of interest in the so-called land-grant bill, but that will not come up this week.

Mr. MARTIN of Massachusetts. That has been put over until next Tuesday?

Mr. McCORMACK. Without committing myself, it will be either Monday or Tuesday. I am hoping that I will be able to put it down for consideration on Tuesday, although I do not want to commit myself definitely. I intend to try to put it down for consideration on Tuesday.

If we dispose of those bills tomorrow then I shall ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

ANNOUNCEMENT

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. STEWART]?

There was no objection.

Mr. STEWART. Mr. Speaker, I want to make an announcement with respect to myself regarding the Smith amendment which provided that—

Whoever shall demand or receive any money or other things of value from any veteran as a condition of employment, or require his membership or nonmembership in any organization, as a condition of employment, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year or both.

I was one of the 17 Democrats and 1 Republican who voted for this amendment.

It is a shame that the unions are stronger than our armed forces. Is organized labor stronger than our constitutional government?

The results of 3,300 foremen having been on a strike in 14 war plants in the Detroit area, throwing out of work tens of thousands of other employees, curtailing the production of fighter planes, 250 of our aircraft are missing and to think we will not guarantee our brave soldiers against union dues and fees from my point of view is nothing short of being very much disinterested in their welfare.

I tried to get recognition at the time this amendment was under consideration and voice my opposition. This amendment should have been thoroughly debated. Aside from our soldiers we should think of the fathers in IV-F who will likely come under the war manpower program in a short time who will have to submit to this un-American practice of paying dues and fees before they can work for their Government.

The fight is on. We shall either lose or win. There is no compromise insofar as I am concerned.

The C. I. O. political action committee with all their ill-gotten funds cannot defeat any Member of Congress from the Southwest who will stand on his feet and call their challenge. We know they have the money but money will not buy a congressional seat in Oklahoma. With a unanimous vote for the G. I. bill it would have been perfect with the Smith amendment.

PERMISSION TO ADDRESS THE HOUSE

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of all other special orders, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

CARLTON HAYES

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to address the House at this time for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

Mr. KENNEDY. Mr. Speaker, we have several newspapers in New York that are devoted to smearing people, and unfortunately some Members of this House act as their spokesmen. I would like at this time to say a brief word about our Ambassador to Spain, Mr. Carlton Hayes.

In the light of several recent criticisms of Dr. Carlton J. H. Hayes expressed on the floor of this House, I feel it my duty to present a brief and unbiased account of Dr. Hayes' career to my fellow Congressmen. We so frequently hear opinions and arguments, sometimes angry

ones, concerning single instances in the career of one of our public servants, that it is well, now and then, to review the entire record.

Dr. Hayes was nominated for the post of United States Ambassador to Spain by President Roosevelt on April 3, 1942. He has served in this capacity for over 2 years. They have been years of trouble for us all, and for our Diplomatic Corps they have been difficult, indeed. Even in times of peace, the role of a responsible diplomat is something like that of a father confessor and a commando and a courier of state secrets all in one. It is never an easy task. And the post of Ambassador in a neutral country when most of the world is plunged in war presents special problems. We may applaud or condone or criticize sharply, but only history can be the absolute judge.

Dr. Hayes had been a professor of history since 1907 until his appointment in 1942. At the time the President chose him to represent our Nation in Spain, he held the Seth Low chair of history at Columbia University, but he had taught at Stanford, Johns Hopkins, and the University of Chicago. Professors of history have been called upon by many Presidents in the past for diplomatic services.

While devoting his energies and talents to the study and teaching of history, Carlton Hayes frequently denounced totalitarianism. He called it "a revolt against the whole historic civilization of the west." In another speech he contended that fascism "contains basic principles that are abhorrent," and he specifically attacked the Nazi doctrine that the state should have charge of all things affecting its citizens spiritually and physically. He was outraged by the Fascist insistence on racial superiority. He advocated the rebuilding of the League of Nations, upon a rock-firm foundation in place of the shifting sands of the past.

Of Dr. Hayes' numerous books, the two which had received most publicity outside of his own field are Nationalism, which was one of the books burned by the Nazis in the public square in Berlin, and his Modern History, written in collaboration with a colleague, Dr. Parker T. Moon, which was for 7 years on the textbook list of the New York school system.

During the last war, Dr. Hayes served as a captain in the United States Army Military Intelligence Division, and afterward was for 2 years on the General Staff in Washington. At present he holds the commission of major in the Officers' Reserve.

He is a prominent and devout Catholic layman. His devotion to the best interests of his country have never been questioned by his superior, the President of the United States.

The record speaks for itself.

EXTENSION OF REMARKS

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address by a clergyman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. COLE]?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Frank R. Kent, and I also ask unanimous consent to extend my own remarks in the RECORD in another instance.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein several recent newspaper excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. PHILBIN]?

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two instances and to include a communication and certain excerpts in each.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho [Mr. WHITE]?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two instances, in one extension to include a letter I have written and a resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]?

There was no objection.

Mr. BUCKLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement made by a young lady.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. BUCKLEY]?

There was no objection.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Washington Post.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee [Mr. PRIEST]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. THOMAS]?

There was no objection.

VETERANS' LEGISLATION

Mr. THOMAS of Texas. Mr. Speaker, during the debate on the bill just passed by the House I have been present, but during the roll call I was unavoidably absent from the Chamber. I have been supporting this legislation all during the debate.

EXTENSION OF REMARKS

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio broadcast delivered by me on May 14.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. BRADLEY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of matters on the Speaker's table and at the conclusion of any previous special orders, I may be permitted to address the House for 25 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. BRADLEY]?

There was no objection.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the G. I. bill just passed and to include therein certain extracts from the bill and also from the CONGRESSIONAL RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from a veteran.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. HAGEN]?

There was no objection.

VETERANS' LEGISLATION

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. PLOESER]?

There was no objection.

Mr. PLOESER. Mr. Speaker, it is well known by all Members of the House that I have been a supporter of the veterans' bill, S. 1767, which has just been passed by the House. For the past hour I have been detained on urgent business in my office.

During the time of the call of the roll no bells rang in my office. None of my employees heard them, nor did I. Had I not called the cloakroom by telephone to ask the progress of the bill I would not have been aware that a roll call was being taken on the bill. I arrived on the floor of the House too late to be recorded on the roll call. Had I been present I would have voted in favor of the bill.

Mr. Speaker, I have been urging action on the part of this House for ade-

quate veterans' legislation many, many months, and I am now very much pleased to see that the House has taken final action on this very necessary legislation.

PERMISSION TO ADDRESS THE HOUSE

Mr. CURLEY. Mr. Speaker, I ask unanimous consent to address the House on Monday next for 10 minutes at the conclusion of any special orders that may have heretofore ben entered on that day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CURLEY]?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PHILLIPS] is recognized for 15 minutes.

A CHANCE FOR ECONOMY

Mr. PHILLIPS. Mr. Speaker, a few days ago I received from a friend of long standing in California the carbon of a letter which he in turn had written to a mutual friend who writes a newspaper column. The letter is on a subject about which a great many people are thinking, but about which not enough people are talking, and I would like to say, with entire respect to the members of the House Committee on Appropriations, that it is a subject on which Congress, to the Members of which the people have a perfect right to look for help, are doing entirely too little.

The statement had been made in the column just referred to, that the people are not sufficiently keyed up and concerned about the impending invasion in Europe. My friend from California suggests that if this is so there are reasons for the situation. He says that the American people "have been lied to so much, misled so often, "spoofed" so prodigiously, that there is a feeling of helplessness, waiting to see what happens." My friend should know, for it is his business to get out constantly and see people, particularly farm people, in every part of California, and as he comments in the letter, the people of California are no different, in their feelings on such a subject, than are the people of any other part of the United States.

He says further, "one reason the people are so quiet is that they are holding back indignation and resentment for fear of doing anything to injure or let down the boys."

I do not want you to think this is a prejudiced statement or just the outburst of some individual who does not happen to like the administration. My letter-writing friend is first of all an executive in a large agricultural organization which is compelled to go into the labor market and compete with war industries for the men and women who must harvest and market the food upon which the people of the United States, and the Army and the Navy, and other Government agencies, must depend for food, at least so far as his commodity is concerned.

The War Food Administration constantly admonishes him and his farmer friends to increase production. He reads in the column the statement that the people are not sufficiently keyed up regarding an impending invasion. Let us see, therefore, what the agencies of government are doing to help these same farmers. On that very morning he had received from the War Manpower Commission, sent out with the approval of the War Advertising Council, and all of it approved by the O. W. I., a folder approximately 10 by 13 inches in size, triple-fold, printed on heavy orange-colored book-cover stock—60-pound stock—containing one four-page lithographed folder, showing samples of labor posters. The folder was accompanied by 54 pages of mimeographed instructions and suggestions on how to get cannery workers. The folder also contained five six-column full-length newspaper advertisements—reprints from mats—together with a letter telling the recipient how to use all of this material.

I presume, as does my letter-writing friend, that this was sent to every cannery and to every cooperative processing plant, as well as to every other agricultural processor interested in obtaining that type of labor. I need only suggest to you that it cost the American taxpayer a tidy little sum of money. The fact that it could not do one dime's worth of good apparently was overlooked by the War Manpower Commission, the War Advertising Council, and particularly by the O. W. I., which had given approval to the job.

The wage rates in the processing plants referred to are frozen at lower figures than are the wages of adjacent war industries, which in my State are usually nearby industries. Farm labor and processing-plant labor is placed on a quota basis. The processing plants cannot get the labor for which they are told to advertise, and they cannot pay the wages necessary to get it, so if the processors should advertise as this Government folder, with all its enclosures, tells them to advertise, they would have to pay for the advertising out of the money which otherwise would be paid the farmer, without results, while at the same time the farmer, like all the rest of us, would pay his share of the taxes necessarily imposed for what my friend calls "the damnedest lay-out of pure piffle" he has ever seen.

Please do not think that this is the only example which keyed up my friend to the letter-writing point, even if the prospective invasion is presumed not to have done so. In exactly the same mail in which he received the above work of art he received, as chairman of the war finance committee of the community in which he lives, three packets, each one containing 32 pages of mimeographed instructions on how to sell War bonds. A quick reference to the list, which must be available in the War Bond Section of the Treasury Department, would undoubtedly have shown the bureau sending out these packets that this particular community has oversubscribed every bond issue so far, and each time ahead of schedule. In addition to the 32 pages of mimeographed instructions, each packet contained two heavy cardboard authorization cards; two booklets, in color, with photographs, 16 pages in all; one booklet, 18 pages, on heavy smooth book-stock paper, which is rather difficult for a commercial printer to obtain these days; 2 copies of a reprint of a Message From the President, on separate cards; one 18-page booklet, apparently very nicely printed in sepia, which gave the questions and answers. My friend does not indicate what the questions and answers were, but I can think of a few myself that were probably not in that list.

My friend also adds:

> At the beginning of the bond campaigns we were sent enough of this stuff to give a complete set of material to every man, woman, and child in a city of 25,000 people.

The point of this statement is that the community in which he lives has a population of 15,000.

Mr. Speaker, I am not making this statement, nor referring to my friend's letter simply to amuse you or the Members of this Congress. I am referring it definitely, and by this means, to the chairman and to the members of the House Committee on Appropriations. The solution of such a situation as my friend describes, which could be repeated over and over and over again, in practically every agency and every department and every bureau, lies with the House Committee on Appropriations.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. WOODRUFF] is recognized for 15 minutes.

ENLIGHTENED SELF-INTEREST

Mr. WOODRUFF of Michigan. Mr. Speaker, there probably has never been in the affairs of this Nation more lopsided thinking, more unfair reasoning, more stupid nonsense, and more blind confusion spread about any subject than the question of who is an isolationist, who is a nationalist, and who is an internationalist.

In the last few years any American citizen, in Congress or out of it, who dared to raise his voice to suggest that we should exercise a little enlightened self-interest and consider the needs of the United States of America when we were talking about world affairs, was forthwith branded a selfish isolationist by our few but exceedingly vocal internationalists. They never conceded at any time that anybody who showed proper regard for our own interests in world affairs could be even a reasonable person. These internationalists unhesitatingly branded all who disagreed with them as Fascists, isolationists, and worse.

The singular thing about all this is that our British and Russian allies long ago let the whole world know that they propose at all times to look first to their own interests and that nothing will swerve them from this purpose. Our confirmed internationalists have carefully refrained from making mention of this fact. Mr. Stalin proposes to take over such little countries or parts of little countries, including unfortunate Poland, as he may choose. He has let it be known that this is Russia's affair and hers alone. He excluded Allied observers from his front lines and prevented them from

knowing how the magnificent Russian war machine was operating. He let it be known also that that was Russia's business and hers alone. The fact is that nobody in this country knows what Joe Stalin is planning; what course he means to follow, especially with regard to Japan, after the European war ends—but we all do know that Mr. Stalin, 24 hours of every day, is working with the sole purpose of benefiting Russia.

Now let us take the case of Mr. Churchill. He acquiesced in the Atlantic Charter. He signed it. Stalin never did. Mr. Churchill then proceeded to advise the world that he had not become "His Majesty's first minister in order to preside over the liquidation of the British Empire." He later added, "We British mean to hold our own."

Later on, he advised the Parliament that the provisions of the Atlantic Charter would have to be altered occasionally as circumstances indicate if it be necessary to protect British interests. He indicated that the Atlantic Charter and the "four freedoms" would not apply to India and that they would not apply to the defeated nations. Following that, Mr. Churchill notified the Parliament that Empire preferences would obtain in trade between the various dominions of the British Empire. This is an exact antithesis of Secretary Hull's trade policies. Later, Mr. Churchill advised the Parliament that there was no chance for the United States ever to acquire title to the air bases for which Mr. Roosevelt was supposed to have traded 50 destroyers. We will improve and maintain those air bases with our own money, and on them we now hold only a 99-year lease. In the face of all of these facts, we must conclude that Mr. Churchill is a very adroit British nationalist. We must conclude that Mr. Churchill means to work 24 hours of every day in the interest of the British Empire.

Yet in view of these facts concerning both Mr. Stalin and Mr. Churchill, who represent the attitudes of their Governments, there are internationalists in this country who appear to be determined that America must take all the rest of the world on its lap and nurture it regardless of the depletion of our wealth or the ruin to our country which probably will ensue.

There is nothing in the attitude of either Mr. Stalin or Mr. Churchill to indicate that either one means to impoverish his people by feeding all the rest of the war-stricken world; by rebuilding the shattered industries and agriculture of the other countries of the world. On the contrary, their course is clearly designed to look after the interests of their own people. Quite naturally, Mr. Stalin and Mr. Churchill are willing for the United States to undertake that job so long as we pay the bill.

Mr. Speaker, it must be clear to any sensible person that the United States simply does not have the people, the resources, and the capacity to feed and to rebuild the rest of the world. We can help the war-shattered countries to help themselves—and that we mean to do. We can use our good offices and our influence to implement the peace with the earliest possible recovery of these war-devastated countries and these war-shattered, war-impoverished peoples; but manifestly we can only help them to help themselves. In doing that we must have the genuine cooperation of the United Nations—and by that I mean intelligent, practical, and substantial cooperation.

The point of this talk, however, is to bring sharply to your attention the unfair, illogical, and wholly deceptive position of these internationalists who insist that any Member of Congress, or any other citizen, who shows a proper regard for the welfare of America is of necessity a stupid and selfish isolationist.

There is a fact which cannot escape the attention of any clear-thinking person; it is that only a sound, solvent, free America can help any of the other peoples or other countries of the world on their road to recovery.

Our armed forces are fighting on the battle fronts across the seven seas to protect and defend our constitutional system of free representative government; our private enterprise system of economy; our free state of society under our Bill of Rights. Only the kind of an America our soldiers and sailors and marines and aviators are fighting to defend and perpetuate can be a beacon light for freedom to the other peoples of the world. We must make our American system work here at home; we must make that system win this war successfully; we must make that system win the peace, or else this great American experiment in human freedom will have been proved a failure, and the very liberties, the very ideals of freedom which our men and women are fighting and dying on the battle fronts to perpetuate, will be extinguished in the world.

As we get nearer and nearer to the final crisis in this war, it is becoming increasingly clear that we are going to face in the United States a terrific division of opinion as to how far we must go in continuing, under lend-lease or under some other form of gift, such as the U. N. R. R. A. to ship supplies to the rest of the world.

If, following this war, we undertake to supply the world with goods and services on credit when they cannot even repay us a small fraction of what they have secured from us under lend-lease, we will again be entering that fool's paradise of a false prosperity. We will again be basing our whole economy upon the artificial and fragile basis of an expanded foreign trade which is trade only so long as we lend our customers the money with which to buy our goods and services.

These internationalists who are so quick to brand as a selfish isolationist every American who gives serious thought to his own country are the very ones who tell us that debt is not debt. It is they who say, regardless of how far we go into debt in order to feed the rest of the world, we will merely owe the money to ourselves. No greater economic fallacy was ever foisted upon the American people. Debt has been debt since the day when one caveman borrowed a stone hatchet from another down to this day when banks expect you to repay your loans, your tradesmen expect you to pay your butcher bill, and men who work in factories expect to be paid their wages. What I mean to say is that when you ship out of this country goods and services made up of human ingenuity and human energy, they are going out never to return, and either the customer is going to pay for it all or the American people who provide the raw materials, the energy, the labor, and the capital to manufacture it into consumables are going to pay the bill. Therefore, do not be misled by the false philosophy that we can feed the world on credit and that nobody will ever have to pay the bill. If we feed the world, the world is not going to pay the bill, because the world is coming out of this war flat broke. These international crystal gazers and ouija-board economists will try to convince you that in some strange hokus-pokus way we will get paid back or that we can go on giving "world without end" without costing anybody anything, but do not believe it.

These crystal gazers argue—and their arguments will become louder and more vociferous when the war ends—that the only way we can have prosperity in the United States is to feed the world; to sell the rest of the world goods on credit; to keep our factories humming, turning out the goods and shipping them to the other countries of the world regardless of whether we get anything back or not.

Mr. Speaker, one of two things must be true: Either charity begins at home, or it does not. Either nations, like individuals, must intelligently look after themselves, or they need not. Either we can give away everything we have to the rest of the world without starving to death ourselves, or we cannot. You folks know the answers to every one of those propositions. Charity does begin at home. We cannot give away all we have without ourselves being destroyed.

It is time for us to realize how we swept through the twenties. We exported billions and billions of dollars worth of goods and services to the other countries of the world for which we never collected. We were making both governmental and private loans to those countries under the mistaken idea that because they were using those loans to buy our goods and services, and because our factories were humming, we were doing a great business and making a lot of money and were in a newer age of prosperity. We now know it was a fool's paradise. We now know that just as soon as we quit lending the other peoples of the world the money with which to buy our goods and services, they promptly quit buying our goods and services, and the world forthwith went into the greatest economic tail spin in history.

So then, do not let the internationalists think for you. Do your own thinking. Consider your own country. Consider your own State. Consider your own family, and then do as Americans want to do—prepare to be as generous as possible with the rest of the world consistent with a sound, solvent, free America.

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Texas [Mr. PATMAN] is recognized for 10 minutes.

ARE WE READY?

Mr. PATMAN. Mr. Speaker, one of these mornings we will open our newspaper, or turn on our radio, and find that the greatest invasion in the history of the world is under way. Hundreds of thousands of men—our sons, our husbands, our fathers—will be converging on Berlin from all directions.

That will be the crisis of this war on the home front. What will happen here when that news comes at last?

Will we close our papers, turn off our radio, and say to ourselves: "Well, the Nazis asked for it and they're going to get it. This ought to teach them a lesson they'll never forget"?

Some of us, no doubt, will think about it all day long, and will think of nothing else.

But many of us may just go to the office and forget the whole business. After all, we cannot hear the shooting. We cannot see the blood. The cries and the groans of the wounded and dying will be lost to our ears in the vast distances, the lands and the seas, that lie between us and the scene of this cataclysm. Many of us may have an inclination to be complacent, even while the casualty lists are mounting. Why? Because a great many Americans—too many Americans—have convinced themselves that it is all over. "Just a matter of time," they are saying to themselves.

Mr. Speaker, perhaps the time has come to shake the Nation up a little. This coming invasion and the winning of the war has come to look too easy.

We lift rationing on meats, so the optimists conclude that war restrictions are no longer necessary. The Army and the Navy cut back on orders for certain equipment that we no longer need, and the optimists say the need for war materials is "sluffing" off—in the face of the fact that war production actually is stepping up and we will spend more money this year than last. The newspapers carry story after story about the vast organization that is going into the proposed invasion, so the optimists stick their thumbs in their vests and say, "We can't be beaten."

Right here and now I would like to call the optimists' attention to a few somber facts.

What precedent do we have, you optimists, that would indicate that the invasion will be a push over? Do you remember the invasion of Italy? Do you remember how we landed in the south of Italy and pushed north until we reached the hills and the mud, and then stopped? Stopped dead in our tracks.

And before that, when we invaded Sicily, do you remember the huge loss of life that invasion entailed, and do you remember that we lost more than half of some of our important equipment?

Sure, I know the invasion will succeed, too, just as we succeeded in Sicily, and just as we will succeed in Italy—but we cannot wash up the project in a week. We will not do it without huge losses of life. We will not do it without requiring more sacrifices than ever before from the American people. We will not do it without shooting up and wearing out more war equipment than the gods of war have ever seen in action before.

And all the equipment that we will be shooting up and wearing out will have to be replaced. Every newspaper in the country ought to put banner headlines on their front pages calling attention to that sordid fact. It is needed—needed today, needed badly, because war production is not what it ought to be. In some cases, management gets more concerned with post-war than with war production and lets the war jobs drift and in entirely too many cases workers have left their jobs to strike. In a huge number of cases, war workers who migrated away from home during the early part of the war are now on their way back. Ten percent of our entire population migrated since the war began, and now it looks as though that 10 percent is going back home, leaving machines idle, leaving war plants starving and crying for men. The reason is obvious. These war workers feel that the war is over, and they want to get home and settle down comfortably in familiar surroundings, and be there when the peace comes. Well, the homing instinct is a commendable American institution, but this is no time for it.

Down in the Gulf Southwestern States, we are going to have a civilian's D-day. I think we need a reaffirmation of our intentions in this war. It is time to restate the principles—what it is all about.

Our D-day is going to be June 12, the day the Fifth War Loan opens. The Governors of our five Gulf Southwestern States are coming to Texarkana, and on that day the millions of people who live down in our country are going to strip for action. They are going to be ready, they are going to let it be known to the rest of the country and to the men overseas, that they are sticking tight to their jobs, that they are keeping the faith until our men walk, victorious, into Berlin. Then it will be time enough to figure out what to do next.

On June 12, we are going to have a world-wide broadcast, originating from the Gulf Southwest's D-day headquarters at Texarkana. Secretary Morgenthau and leaders of our invasion will join with our own people in one of the most significant radio programs since the war began.

I sincerely hope that other parts of the country will stand by to take part in the civilian's D-day that we have planned.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I wish to commend the gentleman on his statement, and to remark that he has always been conspicuous for his activities to further the war effort, and in the performance of his legislative duties in connection with it.

Mr. PATMAN. I thank the gentleman.

WE NEED A CENTRAL FOOD AGENCY WITH POWER TO ACT

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no obection.

Mr. REES of Kansas. Mr. Speaker, we are in dire need of a competent central agency with power and authority, who is responsible to direct and handle the food problem. Officials in high places in Government must know the production and distribution of food is too important and too serious to be passed around among a half-dozen agencies, none of which is able to speak with definite, clear-cut authority. Just in the last few days the War Food Administration and the Director of the O. P. A. have given contradictory advice with respect to the food situation.

The authority for dealing with food is divided among the Office of Price Administration, the War Food Administration, the Commodity Credit Corporation, the Secretary of Agriculture, and some other agencies. They all have something to do with the food problem but none of them seems to have the responsibility of decision, until some official in high places, not in the agency, gives approval.

More than a year ago, attention was called to the need of a plan for the production, processing, and orderly distribution of meat. Men experienced in the various phases of the problem were called in and a plan submitted. The plan seemed to be generally accepted but was never put into effect.

Farmers were told sometime ago they should produce more beef, more pork, more poultry. The War Food Administration gave them to understand there was need of an increased supply of meat and that there was a dire shortage in the country. Livestock men and producers proceeded to follow this advice and increased their livestock accordingly. The O. P. A. proceeded to lower price ceilings and to ration supplies. Livestock men were discouraged from finishing their cattle, because they would sustain a loss in doing so.

A few months ago, the War Food Administration advised the country that there was an adequate supply of meat on hand and that regulations should be relaxed. Then came along an adjustment of prices that glutted the hog market and prices accordingly reduced. All at once it was discovered there was an oversupply of poultry and eggs. It became necessary to use a support price to prevent ruination of the poultry industry.

There is too much division of authority and too many so-called experts dealing with this important program. The War Food Administration appears to be in favor of relaxation of regulations. The Office of Price Administration is for tightening them. O. P. A. says we need more quotas. War Food Administration thinks not. One group of advisers says we have an oversupply of livestock and meat. Another group says the supply is inadequate. No one seems to be able to speak with authority.

I say to you, Mr. Speaker, that unless this situation is clarified so as to give our farmers more confidence and better assurance with respect to the market of

their products, we will have continued confusion that may result in a most embarrassing and unnecessary situation. Mr. Speaker, we need a single responsible agency with power and authority to determine policies to handle the food problem. We must have one agency qualified by experience to do the job—one in whose judgments and decisions the people may have confidence.

EXTENSION OF REMARKS

Mr. ELMER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD. I have heretofore on this floor nominated a candidate for Governor, and I now nominate one for Vice President.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1618. An act to amend the acts of August 26, 1935 (49 Stat. 866), May 11, 1938 (52 Stat. 347) June 15, 1938 (52 Stat. 699), and June 25, 1938 (52 Stat. 1205), which authorizes the appropriation of receipts from certain national forests for the purchase of lands within the boundaries of such forests, to provide that any such receipts not appropriated or appropriated but not expended or obligated shall be disposed of in the same manner as other national forest receipts, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, May 19, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will hold further hearings on the petroleum bill on Friday, May 19, 1944, at 10 a. m.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads on Friday, May 19, 1944, at 10:30 a. m., in executive session, to consider H. R. 1809 and H. R. 2843, relating to the carrying of mail on star routes.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Friday, May 19, 1944, at 10:30 a. m., for the purpose of considering S. 1335, H. R. 3384, H. R. 3084, H. R. 2279, and such other matters as may properly come before the committee.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the Clerk by letter.

Witnesses are requested to notify the Clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1547. A communication from the President of the United States, transmitting records of judgments rendered against the Government by United States district courts was submitted by the Department of Justice through the Treasury Department, and which require an appropriation of $22,765.19, together with an indefinite appropriation to pay interest (H. Doc. No. 600); to the Committee on Appropriations and ordered to be printed.

1548. A communication from the President of the United States, transmitting an estimate of appropriation for payment of a judgment rendered against the Government by a United States district court, amounting to $6,000, together with an indefinite appropriation to pay interest (H. Doc. No. 601); to the Committee on Appropriations and ordered to be printed.

1549. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Department of Justice to pay a claim for personal damages in the sum of $88.25 (H. Doc. No. 602); to the Committee on Appropriations and ordered to be printed.

1550. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Public Roads Administration to pay claims for damage to roads and highways of States or their subdivisions, in the sum of $85,862.49 (H. Doc. No. 603); to the Committee on Appropriations and ordered to be printed.

1551. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the War Department to pay claims for damages to or loss or destruction of property or personal injury or death, in the sum of $65,010.36 (H. Doc. No. 604); to the Committee on Appropriations and ordered to be printed.

1552. A communication from the President of the United States, transmitting an estimate of appropriation under the Commerce Department for payment of certain claims allowed by the General Accounting Office, covering judgments rendered in United States district courts, amounting to $1,323.02 (H. Doc. No. 605); to the Committee on Appropriations and ordered to be printed.

1553. A communication from the President of the United States, transmitting an estimate of appropriation under the Treasury Department for payment of certain claims allowed by the General Accounting Office, amounting to $846.52 (H. Doc. No. 606); to the Committee on Appropriations and ordered to be printed.

1554. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Navy Department to pay claims for damages by collision or damages incident to the operation of vessels of the United States Coast Guard, in the sum of $550 (H. Doc. No. 607); to the Committee on Appropriations and ordered to be printed.

1555. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Navy Department to pay claims for damages by collision or damages incident to the operation of vessels of the Navy, in the sum of $18,726.33 (H. Doc. No. 608); to the Committee on Appropriations and ordered to be printed.

1556. A communication from the President of the United States, transmitting a schedule of judgments rendered by the Court of Claims which has been submitted by the Treasury Department and requires an appropriation for payment, amounting to $31,639.47 (H. Doc. No. 609); to the Committee on Appropriations and ordered to be printed.

1557. A communication from the President of the United States, transmitting estimates of appropriation amounting to $5,480,286.09 to cover claims allowed by the General Accounting Office and for the services of the several departments and independent establishments (H. Doc. No. 610); to the Committee on Appropriations and ordered to be printed.

1558. A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and independent establishments to pay claims for damages to privately owned property, in the sum of $28,408.11 (H. Doc. No. 611); to the Committee on Appropriations and ordered to be printed.

1559. A letter from the Attorney General, transmitting a draft of a proposed bill to amend the Selective Training and Service Act of 1940 by making it a criminal offense to possess unlawfully or to reproduce various certificates issued pursuant thereto; to the Committee on Military Affairs.

1560. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to authorize the Secretary of the Interior to contract with the middle Rio Grande conservancy district of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; to the Committee on Irrigation and Reclamation.

1561. A letter from the Acting Postmaster General, transmitting a recommendation to amend the act approved July 9, 1943, with reference to day allowances for postal employees; to the Committee on the Post Office and Post Roads.

1562. A letter from the Chairman and Administrator, War Shipping Administration and United States Maritime Commission, transmitting a copy of his letter of May 6, 1944, to the Director of the Bureau of the Budget, requesting adjustments in the personnel ceilings of the United States Maritime Commission and the War Shipping Administration (revolving fund), as a result of the transfer of inventory and warehouse personnel from the pay rolls of the War Shipping Administration to the Maritime Commission; to the Committee on the Civil Service.

1563. A letter from the Secretary of War, transmitting the report of the American National Red Cross for the fiscal year ended June 30, 1943, the financial statements included therein having been duly audited by the War Department; to the Committee on Military Affairs.

1564. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1944, submitting a report, together with accompanying papers, on a preliminary examination and survey of Leaf and Bowie Rivers and their tributaries, Mississippi, authorized by the Flood Control Act approved on August 11, 1939; to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 4065. A bill further defining the number and duties of criers and bailiffs in United States courts and regulating their compensation; without amendment (Rept. No. 1465). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 4159. A bill to amend section 33 of the act of September 7, 1916, as amended (39 Stat. 742); without amendment (Rept. No. 1466). Referred to the Committee of the Whole House on the state of the Union.

Mr. BELL: Committee on Insular Affairs. Second interim report pursuant to House Resolution 159. Resolution to conduct a study and investigation of political, economic, and social conditions in Puerto Rico; (Rept. No. 1467). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATTON: Committee on Claims. H. R. 1444. A bill for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson; without amendment (Rept. No. 1454). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 1886. A bill for the relief of Charles Fred Smith; without amendment (Rept. No. 1455). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2333. A bill for the relief of Mrs. Samuel M. McLaughlin; with amendment (Rept. No. 1456). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2511. A bill for the relief of P. Audley Whaley; without amendment (Rept. No. 1457). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2896. A bill for the relief of Mr. and Mrs. R. L. Rhodes; with amendment (Rept. No. 1458). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 3101. A bill for the relief of George E. O'Loughlin; without amendment (Rept. No. 1459) Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 3539. A bill for the relief of Carlos Manuel Pérez Silva and Nilda Concepción Ramos Pérez; with amendment (Rept. No. 1460). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 3595. A bill for the relief of Robert Futterman; with amendment (Rept. No. 1461). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 3644. A bill for the relief of Louis T. Klauder; with amendment (Rept. No. 1462). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 3659. A bill for the relief of Anne Loacker; without amendment (Rept. No. 1463). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 3841. A bill for the relief of Dr. J. D. Whiteside and St. Luke's Hospital; without amendment (Rept. No. 1464). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HERTER:

H. R. 4822. A bill to provide that all sums received by the United States from the liquidation of Government property be applied to the reduction of the public debt; to the Committee on Ways and Means.

By Mr. BURDICK:

H. R. 4823. A bill relating to crop losses in computing net income for the purposes of the income tax; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 4824. A bill to amend subchapter 7 of chapter 854 of the Code of Laws of the District of Columbia, approved March 3, 1901, as amended, relating to building and loan associations; to the Committee on the District of Columbia.

By Mr. CUNNINGHAM:

H. R. 4825. A bill to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944; to the Committee on Naval Affairs.

By Mr. McGEHEE:

H. R. 4826. A bill to authorize the naturalization of Filipinos; to the Committee on Immigration and Naturalization.

By Mr. GATHINGS:

H. Res. 553. Resolution creating a special committee of the House of Representatives to investigate the campaign expenditures of all candidates for the House of Representatives; to the Committee on Rules.

By Mr. ANTON J. JOHNSON:

H. Res. 554. Resolution authorizing a study and investigation of the Iron and Steel Price Branch of the Office of Price Administration; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HINSHAW:

H. R. 4827. A bill for the relief of Werner Zaiss; to the Committee on Claims.

By Mr. KLEIN:

H. R. 4828. A bill for the relief of William R. Dohnt, Joseph A. Hauser, Richard Adams, Sr., and Richard Adams, Jr.; William P. Novotny, Sr., and William P. Novotny, Jr., Bernadette Novotny; Grace Swiadek and Stanley Swiadek, Joseph F. Krotz, Sr., and Joseph F. Krotz, Jr.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5700. By Mr. ANDREWS of New York: Resolution adopted by the Niagara Falls (N. Y.) Housing Authority on May 12, 1944, on the disposition of war housing, and other suggestions; to the Committee on Banking and Currency.

5701. By Mr. LYNCH: Petition of the Local Joint Executive Board of Hotel and Restaurant Employees International Alliance and Bartenders' International League of America, American Federation of Labor, petitioning Congress to lower the tax on restaurants; to the Committee on Ways and Means.

5702. By Mr. MERROW: Petition signed by members of the American Legion and American Legion Auxiliary at a meeting held in Derry, N. H., favoring the passage of Senate bill 1767 as reported by the House Committee on World War Veterans' Legislation, without amendment; to the Committee on World War Veterans' Legislation.

5703. By the SPEAKER: Petition of the secretary, National Association of State Auditors, Comptrollers, and Treasurers, petitioning consideration of their resolution with reference to post-war financing by the States; to the Committee on Ways and Means.

5704. Also, petition of the Union Republican Progressive Party of Puerto Rico, petitioning consideration of their resolution with reference to Dr. Rexford Guy Tugwell, Governor of Puerto Rico; to the Committee on Insular Affairs.

5705. Also, petition of the board of directors, Associated Employers, Inc., San Antonio, Tex., petitioning consideration of their resolution with reference to the recent seizure of the Chicago property and premises of Montgomery Ward & Co. by the Federal Government; to the committee on the Judiciary.

SENATE

FRIDAY, MAY 19, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

"O Lord of air and land and sea,
Guard Thou our sons who fight for Thee;
Give them the courage to endure
And hearts whose aims are high and pure.
O Lord of air and land and sea,
Guard Thou our sons who fight for Thee.

"Should pain and anguish come their way,
Be Thou their Comforter and Stay;
Enfold the dying to Thy breast,
And grant them Thine eternal rest.
O Lord of air and land and sea,
Guard Thou our sons who fight for Thee.

"Give us the faith that conquers pain
And counts no sacrifice as vain,
Which, late or soon, will win from Thee
Man's righteous peace through victory.
O Lord of air and land and sea,
Guard Thou our sons who fight for Thee."

Amen.

THE JOURNAL

On request of Mr. McKELLAR, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 17, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

ENROLLED BILLS SIGNED

The VICE PRESIDENT announced his signature to the following enrolled bills, which had been signed previously by the

Speaker of the House of Representatives:

H. R. 3176. An act to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard, and to certain civilian employees of the military and naval forces of the Regular Establishment;

H. R. 3356. An act to increase the service-connected disability rates of compensation or pension payable to veterans of World War No. 1 and World War No. 2 and veterans entitled to wartime rates based on service on or after September 16, 1940, for service-connected disabilities, and to increase the rates for widows and children under Public Law 484, Seventy-third Congress, as amended, and to include widows and children of World War No. 2 veterans for benefits under the latter act; and

H. R. 3377. An act to increase the rate of pension for World War veterans from $40 to $50 per month, to $60 per month in certain specified cases, and for other purposes.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Bailey	Gillette	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Reed
Barkley	Gurney	Revercomb
Bilbo	Hatch	Reynolds
Brewster	Hawkes	Robertson
Bridges	Hayden	Russell
Buck	Hill	Shipstead
Burton	Jackson	Stewart
Bushfield	Johnson, Colo.	Taft
Butler	Kilgore	Thomas, Idaho
Byrd	La Follette	Thomas, Okla.
Capper	Langer	Tunnell
Caraway	Lucas	Tydings
Chandler	McCarran	Vandenberg
Chavez	McClellan	Wagner
Connally	McFarland	Walsh, Mass.
Cordon	McKellar	Weeks
Davis	Maybank	Wheeler
Downey	Mead	Wherry
Eastland	Millikin	White
Ellender	Moore	Wilson
Ferguson	Murdock	
George	Nye	

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Connecticut [Mr. MALONEY] is absent attending a funeral.

The Senator from Utah [Mr. THOMAS] has been appointed by the President of the United States as a delegate to attend the International Labor Organization Conference in Philadelphia, and is therefore necessarily absent.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Nevada [Mr. SCRUGHAM] is absent on official business.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from South Carolina [Mr. SMITH], and the Senator from New Jersey [Mr. WALSH] are detained on public business.

Mr. WHERRY. The Senator from Connecticut [Mr. DANAHER] is necessarily absent in attendance upon a funeral in Connecticut.

The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], the Senator from Oregon [Mr. HOLMAN], the Senator from Wisconsin [Mr. WILEY], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The VICE PRESIDENT. Seventy-three Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, with amendments in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, with an amendment in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4443) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TARVER, Mr. CANNON of Missouri, Mr. SHEPPARD, Mr. WENE, Mr. LAMBERTSON, Mr. DIRKSEN, and Mr. PLUMLEY were appointed managers on the part of the House at the conference.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 771. An act to provide for payment of pensions and compensation to certain persons who are receiving retired pay;

S. 1618. An act to amend the acts of August 26, 1935 (49 Stat. 866), May 11, 1938 (52 Stat. 347), June 15, 1938 (52 Stat. 699), and June 25, 1938 (52 Stat. 1205), which authorizes the appropriation of receipts from certain national forests for the purchase of lands within the boundaries of such forests, to provide that any such receipts not appropriated or appropriated but not expended or obligated shall be disposed of in the same manner as other national forest receipts, and for other purposes; and

H. J. Res. 280. Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods and windstorms in 1944, in order to enable them to continue farming operations to produce food for the war effort.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

INCREASE IN MAXIMUM ALLOWANCES TO CERTAIN POSTAL EMPLOYEES

A letter from the Postmaster General, recommending that Public Law 128, approved July 9, 1943, Seventy-eighth Congress, be amended so as to change the maximum allowances therein authorized from $2.50 to $4 a day for postal employees detailed to postal units at Army camps, stations, etc.; to the Committee on Post Offices and Post Roads.

OPERATION AND MAINTENANCE CHARGES ON CERTAIN PUEBLO INDIAN LANDS

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands (with an accompanying paper); to the Committee on Indian Affairs.

RELATIVE ECONOMY AND FITNESS OF CARRIERS

A letter from the Chairman of the Board of Investigation and Research (Transportation Act of 1940), transmitting, pursuant to law, his preliminary report on the relative economy and fitness of the carriers (with an accompanying report); to the Committee on Interstate Commerce.

REPORT OF DEPARTMENT OF PUBLIC WORKS, CITY AND COUNTY OF HONOLULU

A letter from the chief engineer of the city and county of Honolulu, T. H., transmitting copy of his annual report covering the activities of the department of public works, city and county of Honolulu, T. H., during the calendar year 1943 (with an accompanying report); to the Committee on Territories and Insular Affairs.

ADJUSTMENTS OF PERSONNEL CEILINGS OF THE MARITIME COMMISSION AND WAR SHIPPING ADMINISTRATION

A letter from the Chairman and Administrator of the War Shipping Administration and United States Maritime Commission, transmitting copy of his letter of May 6, 1944, to the Director of the Bureau of the Budget, requesting adjustments in the personnel ceilings of the United States Maritime Commission and the War Shipping Administration (revolving fund) as a result of the transfer of inventory and warehouse personnel from the pay rolls of the War Shipping Administration to the Maritime Commission (with an accompanying paper); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Vice President, and referred as indicated:

A resolution adopted by the executive committee of the National Association of State Auditors, Comptrollers, and Treasurers, relating to post-war planning by the States; to the Committee on Finance.

A resolution adopted by the Board of Aldermen, and approved by the mayor, of the city of Chelsea, Mass., favoring the enactment of Senate bill 1767, the so-called G. I. bill of rights; ordered to lie on the table.

Resolutions adopted by the Montana State C. I. O. convention at Missoula, Mont.; the Yellowstone County Trades & Labor Assembly, of Seattle, Wash.; the Pasadena-San Gabriel Valley Central Labor Council, of Pasadena, the Central Labor Council of San Joaquin County, of Stockton, the National Maritime Union of America, of San Pedro, Imperial Valley Central Labor Council, of El Centro, and the Central Labor Council of Humboldt County, of Eureka, all in the State of California, favoring the adoption of measures to establish a Nation-wide broadcast of congressional proceedings; to the Committee on Rules.

EXTENSION OF EMERGENCY PRICE CONTROL ACT—STATEMENT BY PRESIDENT OF NATIONAL LEAGUE OF WOMEN VOTERS

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a statement by Mrs. Marguerite M. Wells, president of the National League of Women Voters, urging the extension of the Price Control Act for a limited term.

There being no objection, the statement was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

On behalf of the National League of Women Voters, I wish to urge the Senate Committee on Banking and Currency to report a bill extending the authority to control prices without serious modification of the present law.

The League of Women Voters is on record before the committee in support of limited subsidies as a means of price control. We have had no reason to change our position. It seems to us that the sharp increase in prices that would result if the subsidies now in existence were outlawed might well be the cause of disrupting the precarious balance that now exists among the various elements in the price-control structure.

We have, as you know, urged much heavier personal income taxes than those now in effect. We have worked for legislative standards for wage control. We continue to believe that price control alone cannot prevent inflation, but realize that it has become the cornerstone of the stabilization program.

Some of the proposed amendments to the present Price Control Act we consider extremely dangerous, particularly the ones prohibiting the Office of Price Administration from taking the over-all profit position of an industry into account in setting prices and proposed changes in handling grievances. We sincerely hope that the committee will not follow the suggestion of certain industries and eliminate the word "generally" in the guide in the present law for establishing prices which states that prices must be "generally fair and equitable."

We are aware that the present system for handling grievances caused by O. P. A. prices and regulations limits the protestant's opportunity for court determination of his case. We are not prepared to propose an alternative which would protect the general public interest as well as the present procedure does, but give some further advantage to persons claiming injury.

The purpose of the Price Control Act is to protect the entire citizenry from the effects of a run-away inflation. Many of the proposals for liberalizing the method of hearing and court review of the Office of Price Administration prices and regulations would make its enforcement much less immediate and effective—meaning that prices inevitably would rise, threatening the entire stabilization program.

We would prefer a 2-year extension of the authority to control prices rather than the proposed 1 year. The act is sufficiently flexible so that price control could be gradually removed in the post-war period. We all recognize that some controls will have to be kept for a period following the end of the war, if we are to avoid the kind of post-war inflation that occurred at the close of the last war.

Respectfully submitted.

MARGUERITE M. WELLS,
President.

RESOLUTIONS BY THE AMERICAN LEGION OF THIRD KANSAS DISTRICT

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred resolutions adopted by the American Legion convention of the Third Congressional District of Kansas at their annual meeting at Independence, Kans., on May 7, 1944.

There being no objection, the resolutions were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Be it resolved by the Third Kansas District American Legion in convention assembled at Independence, Kans., on May 7, 1944:

I

Our primary and foremost aim and objective is to win this war by the unconditional surrender of our enemies, and to this end we pledge our every resource.

II

Having won the war, we must secure the peace. Our national interest must ever be our first concern. However, we believe our interests can be best served by the establishment and maintenance of an association of free and sovereign nations, implemented by whatever force may be necessary to preserve world peace.

III

We believe that the security and peace of this Nation after victory depends upon the maintenance of a strong army, navy, and air force, with adequate reserve force.

IV

We believe future citizens will value their sacred rights as citizens more highly if taught to assume the responsibilities of citizenship by military training as a part of their education.

We, therefore, again affirm the principle of universal military training and call upon the Congress to enact such an act into law.

V

We again demand that the Nazi, Fascist, and Japanese leaders responsible for this terrible war be brought to justice and punished for their atrocious crimes, the same as any other degraded criminal.

VI

We cordially and sincerely welcome the returning veterans of this war into the American Legion. We suggest that they be given places of responsibility and elected to offices in the local posts.

We pledge to them our sincere efforts and cooperation in securing employment upon their return, in helping them become adjusted again to civilian life, in securing their rehabilitation, and in securing for them all rights as war veterans from the community, State, and Nation.

VII

We do not understand how anyone claiming to be a Christian can refuse to bear arms in this war on conscientious or religious grounds. We, therefore, again affirm our stand on conscientious objectors.

VIII

We condemn strikes in essential war industry as sabotage and treason.

IX

We commend our congressional delegation for their activity in support of Senate bill 1767, commonly referred to as the "G. I. bill of rights," and urge their continued support to secure its early passage and enactment into law. We also desire a copy of this resolution to be sent to each member of the delegation.

Respectfully submitted.

ROBERT S. LEMON.
E. W. GRIGG.
W. L. MORSS.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

H. R. 3054. A bill to amend the Expediting Act; with amendments (Rept. No. 890).

By Mr. ROBERTSON, from the Committee on Claims:

S. 1093. A bill for the relief of Fermin Salas; with an amendment (Rept. No. 891);

S. 1763. A bill for the relief of the Square D Co.; without amendment (Rept. No. 892); and

S. 1849. A bill for the relief of Muskingum Watershed Conservancy District; without amendment (Rept. No. 893).

By Mr. ELLENDER, from the Committee on Claims:

S. 1483. A bill for the relief of Marino Bello; with an amendment (Rept. No. 894); and

H. R. 3102. A bill for the relief of Mrs. Eva M. Delisle; with an amendment (Rept. No. 895).

By Mr. EASTLAND, from the Committee on Claims:

S. 1465. A bill for the relief of Dr. A. R. Adams; without amendment (Rept. No. 896);

S. 1471. A bill for the relief of Mrs. Eugene W. Randall; with an amendment (Rept. No. 897); and

H. R. 3537. A bill for the relief of Bessie Eason; without amendment (Rept. No. 898).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

S. 1930. A bill to provide for the replanning of blighted and other areas of the District of Columbia and the assembly, by purchase or condemnation, of real property in such areas and the sale or lease thereof for the redevelopment of such areas in accordance with said plans; and to provide for the organization of, procedure for, and the financing of such planning, acquisition, and sale or lease, and for other purposes; to the Committee on the District of Columbia.

By Mr. SHIPSTEAD:

S. 1931. A bill for the relief of Maj. L. J. H. Herwig, United States Army, retired; to the Committee on Military Affairs.

(Mr. O'MAHONEY introduced Senate bill 1932, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. O'MAHONEY (for himself and Mr. JOHNSON of Colorado):

S. 1933. A bill to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; to the Committee on Finance.

By Mr. WEEKS (for himself and Mr. WALSH of Massachusetts):

S. 1934. A bill to provide for abandonment of the project authorized in the act of October 17, 1940, for a seaplane channel and basin in Boston Harbor, Mass.; to the Committee on Commerce.

By Mr. REYNOLDS:

S. 1935. A bill for the relief of Sigurdur Jonsson and Thorolina Thordardottir (with accompanying papers); to the Committee on Claims.

S. 1936. A bill to amend the Selective Training and Service Act of 1940 by making it a criminal offense to possess unlawfully or to produce various certificates issued pursuant thereto; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

S. 1937. A bill for the relief of Bert Hunsicker; and

S. 1938. A bill for the relief of Orlando L. Hawkins (with accompanying papers); to the Committee on Claims.

By Mr. LUCAS:

S. 1939. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, with respect to the payment of dependents allowances in certain cases; to the Committee on Military Affairs.

By Mr. McCARRAN:

S. 1940. A bill to amend the First War Powers Act, 1941; to the Committee on the Judiciary.

(Mr. WHERRY (for himself, Mr. AIKEN, Mr. AUSTIN, Mr. BALL, Mr. BREWSTER, Mr. BRIDGES, Mr. BROOKS, Mr. BUCK, Mr. BURTON, Mr. BUSHFIELD, Mr. BUTLER, Mr. CAPPER, Mr. CORDON, Mr. DAVIS, Mr. FERGUSON, Mr. GURNEY, Mr. HAWKES, Mr. JOHNSON of California, Mr. LANGER, Mr. MILLIKIN, Mr. MOORE, Mr. NYE, Mr. REED, Mr. REVERCOMB, Mr. ROBERTSON, Mr. SHIPSTEAD, Mr. TAFT, Mr. THOMAS of Idaho, Mr. TOBEY, Mr. VANDENBERG, Mr. WEEKS, Mr. WHITE, Mr. WILEY, Mr. WILLIS, and Mr. WILSON) introduced Senate Joint Resolution 132, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

EXTENSION OF JURISDICTION TO SUPPRESS ANIMAL DISEASES

Mr. O'MAHONEY. Mr. President, in view of the passage last Wednesday of the appropriation bill, the Department of Agriculture will have authority of law to engage in programs for the suppression of contagious and infectious diseases among livestock, but it has no authority over domestic animals. There has been an appalling increase of rabies in the United States during the past year, and in order to give the Bureau of Animal Industry the legal authority to cooperate with the States and with municipalities in the suppression of rabies I ask consent to introduce a bill to amend the act so as to extend the jurisdiction of the Department of Agriculture, which I ask to have referred to the Committee on Agriculture and Forestry.

It is appropriate to remark that a preliminary survey of 46 States for the year 1943 has indicated that 33 persons died as a result of rabies; that the deaths among livestock amounted to about 7,500. The Pasteur treatment, of course, reduces the fatalities among humans, but there is no care with respect to livestock. The matter is of such great importance that I hope the Committee on Agriculture and Forestry will give the matter its immediate attention.

There being no objection, the bill (S. 1932) to amend the act of May 29, 1884, as amended, the act of February 2, 1903, and the act of March 3, 1905, as amended, to include domestic animals within their provisions, was read twice by its title and referred to the Committee on Agriculture and Forestry.

ABOLITION OF POLL TAX BY CONSTITUTIONAL AMENDMENT

Mr. WHERRY. Mr. President, for myself and 32 other Senators I ask consent to introduce a joint resolution proposing an amendment to the Constitution of the United States relative to removal of the requirement for payment of poll tax, and I request that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 132) proposing an amendment to the Constitution of the United States relative to removal of the requirement for payment of poll tax, introduced by Mr. WHERRY (for himself, Mr. AIKEN, Mr. AUSTIN, Mr. BALL, Mr. BREWSTER, Mr. BRIDGES, Mr. BROOKS, Mr. BUCK, Mr. BURTON, Mr. BUSHFIELD, Mr. BUTLER, Mr. CAPPER, Mr. CORDON, Mr. DAVIS, Mr. FERGUSON, Mr. GURNEY, Mr. HAWKES, Mr. JOHNSON of California, Mr. LANGER, Mr. MILLIKIN, Mr. MOORE, Mr. NYE, Mr. REED, Mr. REVERCOMB, Mr. ROBERTSON, Mr. SHIPSTEAD, Mr. TAFT, Mr. THOMAS of Idaho, Mr. TOBEY, Mr. VANDENBERG, Mr. WEEKS, Mr. WHITE, Mr. WILEY, Mr. WILLIS, and Mr. WILSON) was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State by reason of failure to pay a poll tax.

"Congress shall have the power to enforce this article by appropriate legislation."

EXTENSION OF EMERGENCY PRICE CONTROL ACT—AMENDMENTS

Mr. WAGNER and Mr. BANKHEAD each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.), as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), which were referred to the Committee on Banking and Currency and ordered to be printed.

RIVER AND HARBOR FLOOD-CONTROL WORKS—AMENDMENT

Mr. NYE submitted an amendment intended to be proposed by him to the bill (H. R. 4485) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. NYE to the bill (H. R. 4485) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, viz: On page 12, after line 11, insert the following new paragraphs:

"The project for the Bald Hill Reservoir on the Sheyenne River for flood control and other purposes in the Sheyenne River Basin, N. Dak., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 193, Seventy-eighth Congress, second session, at an estimated cost of $810,000.

"The projects for the construction of one reservoir on the Pembina River and one on the Tongue River for flood control and other purposes in the Pembina River Basin, N. Dak., are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 194, Seventy-eighth Congress, second session, at an estimated cost of $333,800.

"The project for the construction of a reservoir on the South Branch of Park River for flood control and other purposes in the Park River Basin, N. Dak., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 565, Seventy-eighth Congress, second session, at an estimated cost of $358,610."

APPROPRIATIONS FOR THE INTERIOR DEPARTMENT—NOTICES OF MOTION TO SUSPEND THE RULE—AMENDMENTS

Mr. O'MAHONEY submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes, the following amendments, namely: At the proper place in the bill under the heading "Bureau of Mines," to insert the following: "*Provided further*, That in addition to the amount herein appropriated the Secretary of the Interior is hereby authorized to enter into contracts for additional work not exceeding a total of $22,000,000 during the period covered by the aforesaid act, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction and operation of demonstration plants to produce synthetic liquid fuels shall be considered available for the purpose of discharging the obligations so created."

On page 50, after line 3, to insert the following:

"Expenses of tribal officers and other purposes, Shoshone and Arapaho Tribes, Wyoming (tribal funds): For the current fiscal year the Secretary of the Interior, or such official as may be designated by him, is hereby authorized to pay out of any joint tribal funds of the Shoshone and Arapaho Indians of the Wind River Reservation, Wyo., in the Treasury of the United States the following salaries and expenses:

"To the chairman, secretary, and interpreter of the Shoshone and Arapaho Joint General Council and members of the Shoshone and Arapaho Joint Business Committee, or other committees appointed by the Joint General Council, when engaged on joint business of the tribes, a sum of not to exceed $8 per diem for attendance to cover salary and all expenses; to such official delegates of the Shoshone and Arapaho Tribes

who may carry on the joint business of the tribes in Washington or Chicago a per diem of not to exceed $10 in lieu of salary and expenses: *Provided*, That the rate of per diem shall be fixed in advance by the Joint General Council or by the Joint Business Committee if authorized by said Joint General Council: *Provided further*, That the official delegates of said tribes carrying on business in Washington or Chicago shall also receive the usual railroad and sleeping-car transportation to and from Washington or Chicago: *And provided further*, That the length of stay of the official delegates in Washington or Chicago shall be determined by the Commissioner of Indian Affairs. The Secretary or his designate is also authorized and directed to expend from said joint tribal funds of the Shoshone and Arapaho Indians with the consent of the Joint Business Committee, not exceeding $1,500 per annum for pay of game and fish wardens to be appointed by the Joint Business Committee, for patrolling the lakes, streams, and hunting areas of the Wind River Reservation: *Provided*, That receipts derived from fishing and hunting licenses and permits and from fines shall be deposited into the Treasury of the United States to the credit of the Tribes pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560): *Provided further*, That all the aforesaid pay and expenses for all purposes shall not exceed in the aggregate $7,500 per annum."

Mr. O'MAHONEY also submitted two amendments intended to be proposed by him to House bill 4679, the Interior Department appropriation bill, fiscal year 1945, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

Mr. THOMAS of Oklahoma submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes, the following amendment, namely: On page 50, after line 19, insert the following:

"Fulfillment of Atoka Agreement with Choctaw-Chickasaw Nations of Indians:

"That, pursuant to the provisions of the treaty between the United States and the Choctaw-Chickasaw Nations of Indians, known as the Atoka Agreement, and the supplemental agreements thereafter made and the laws enacted by the Congress, the Secretary of the Interior is hereby authorized and directed to enter into a contract on behalf of the United States for the purchase from the Choctaw and Chickasaw Nations of Indians in Oklahoma for all the present right, title, and interest of said Indians in the land and mineral deposits reserved from allotment in accordance with the provisions of section 58 of the act entitled "An act to ratify and confirm an agreement with the Choctaw and Chickasaw Tribes of Indians, and for other purposes," approved July 1, 1902. The Secretary shall cause such contract to be executed on behalf of said Indians by the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation, and shall then submit such contract to said Indians for their approval. If and when such contract has been approved by said Indians, the Secretary shall submit the contract to the Congress for its ratification: *Provided*, That the approval of such contract by the said Indians shall be through a special election called and held pursuant to rules and regulations to be promulgated by the said Secretary of the Interior: *And provided further*, That before the said rules and regulations are promulgated they must be submitted to and approved by both the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation. Such contract shall not be binding upon any of the parties thereto until it shall have been ratified by the Congress.

"Upon the approval of such contract by the Congress—

"(a) The amount of the purchase price fixed in such contract when appropriated shall be placed to the credit of the Choctaw and Chickasaw Nations of Indians on the books of the Treasury of the United States, and thereafter such proceeds shall be distributed to such Indians in pursuance with the terms and provisions of such contract and shall be exempted from attorney fees and other debt contracted prior to the passage and approval of this act; and

"(b) The Secretary shall cause a proper conveyance to be executed by the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation conveying all right, title, and interest of said Indians in such lands and mineral deposits to the United States, and thereupon all such right, title, and interest shall vest in the United States.

"The appropriation of such sum as may be necessary for making the payments to such Indians pursuant to section 2 (a) of this act is hereby authorized. There is also authorized to be appropriated the sum of $20,000 to be expended under the direction of the Secretary of the Interior, to defray the expenses of negotiating the contract and holding of the election authorized by section 1 hereof, including the making of such appraisal or appraisals as may be deemed necessary.

"The land and mineral deposits when acquired hereunder shall become part of the public domain subject to the applicable public-land mining and mineral leasing laws. The coal deposits acquired hereunder may be leased in accordance with the provisions relating to coal of the Mineral Leasing Act of February 25, 1920 (41 Stat. 437), as amended. The asphalt deposits acquired hereunder may be leased by the Secretary of the Interior through advertisement, competitive bidding, or such other methods as he may by general regulations prescribe, and in areas not exceeding 640 acres each. Leases for such apshalt deposits shall be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease, not less than 25 cents per ton of 2,000 pounds of marketable production, and upon payment in advance of a rental of 25 cents per acre for the first calendar year or fraction thereof; 50 cents per acre for the second, third, fourth, and fifth years, respectively; and $1 per acre per annum thereafter during the continuance of the lease, such rental for any lease year to be credited against royalties accruing for that year. Leases for such asphalt deposits shall be for a period of 20 years, with preferential right in the lessee to renew the same for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the expiration of such periods. All asphalt leases issued hereunder shall be subject to such further terms and conditions, not inconsistent herewith, as may be incorporated in each lease or prescribed by general regulations adopted by the Secretary of the Interior prior to the issuance of the lease, including covenants relative to mining methods, waste, period of preliminary development, initial investment, and minimum production. The Secretary of the Interior is authorized to modify or amend as to area any asphalt lease issued hereunder upon application of the lessee if he finds such modification or amendment to be to the best interests of the United States and of the lessee. The general provisions of sections 1, 27, 29 to 34, inclusive, 37, and 38 of the Mineral Leasing Act of February 25, 1920 (41 Stat. 437), as amended, shall apply to asphalt leases issued under the provisions of this act, sections 1, 34, and 37 thereof being amended to include deposits of asphalt acquired hereunder, and section 27 thereof being amended to provide that no person, association, or corporation shall take or hold more than 2,560 acres under asphalt lease at any one time. The entire net income from coal and asphalt leases issued under this act shall be deposited in the general fund of the Treasury of the United States."

Mr. THOMAS of Oklahoma also submitted an amendment intended to be proposed by him to House bill 4679, the Interior Department appropriation bill, fiscal year 1945, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

PROBLEMS IN CONNECTION WITH CENTRAL VALLEY RECLAMATION PROJECT, CALIFORNIA

Mr. DOWNEY submitted the following resolution (S. Res. 295), which was referred to the Committee on Irrigation and Reclamation:

Resolved, That the Committee on Irrigation and Reclamation or any duly authorized subcommittee thereof is authorized and directed to make a full and complete investigation with respect to problems arising in connection with the construction and administration of the Central Valley reclamation project in California, with a view to ascertaining, among other things, whether there have been unreasonable delays in connection therewith. The committee shall report to the Senate at the earliest practicable date, the results of such investigation together with such recommendations as it may deem desirable.

For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-eighth Congress, as may be necessary to carry out the purposes of this resolution. The committee, or any duly authorized subcommittee thereof, is authorized to invite the Commissioner of Reclamation and the heads of any other interested governmental agencies to assign representatives of their respective agencies to accompany the members of the committee, or duly authorized subcommittee thereof, to such places as may be necessary for the purpose of participating in such investigation and in hearings held in connection therewith. The expenses of the committee or subcommittee under this resolution shall not be paid out of or create a charge upon the contingent fund of the Senate.

"HARD MONEY" EXAMINED (S. DOC. NO. 197)

Mr. GREEN. Mr. President, on May 8 the Senator from Nevada [Mr. McCARRAN] obtained permission to have printed as a Senate document an article on bimetallism written by Mr. Francis H. Brownell, of the American Smelting & Refining Co. The Honorable SOL BLOOM, chairman of the Committee on Foreign Affairs of the House of Representatives,

has sent to me some correspondence regarding that article by Mr. Brownell. Because this correspondence is essential to an understanding of the Brownell article, he asked me to have it also printed as a Senate document, and I make that request.

The VICE PRESIDENT. Without objection, the matter will be printed as a Senate document.

THE MONTGOMERY WARD CASE—RIGHTS OF PRIVATE ENTERPRISE

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD a radio address entitled "The Crucifixion of American Private Enterprise on the Brazen Cross of the C. I. O. by Decree of a Modern Pontius Pilate," delivered by him in Dallas, Tex., on May 4, 1944, which appears in the Appendix.]

JEFFERSON DAY DINNER ADDRESS BY SENATOR JACKSON

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered by Senator Jackson at the Jefferson Day dinner in Pittsburgh, Pa., May 17, 1944, which appears in the Appendix.]

PRICE-CEILING REGULATIONS OF O. P. A.—STATEMENT BY SENATOR MEAD

[Mr. MEAD asked and obtained leave to have printed in the RECORD a statement by him in support of an amendment offered by Senator MURRAY to the Emergency Price Control Act, and an editorial from the Buffalo Evening News relating thereto, which appear in the Appendix.]

HEALTH INSURANCE—EDITORIAL FROM THE WASHINGTON POST

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an editorial entitled "Health Insurance," published in the Washington Post of May 19, 1944, which appears in the Appendix.]

THE CONSTITUTIONAL ISSUE IN THE ANTI-POLL-TAX BILL—EDITORIAL FROM NEW BEDFORD (MASS.) STANDARD-TIMES

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an editorial entitled "Scuttling the Constitution," dealing with the anti-poll-tax bill, published in the Standard-Times of New Bedford (Mass.) of May 12, 1944, which appears in the Appendix.]

SURVIVAL OF AMERICAN FREE GOVERNMENT AND FREE ENTERPRISE—ARTICLE BY HECTOR M. ARING

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "Will American Free Government and Free Enterprise Survive?" written by Hector M. Aring, member of the board of review, the George Washington University Victory Council, Washington, D. C., which appears in the Appendix.]

EFFECT OF TAXATION UPON INDUSTRY—EDITORIAL BY MAURICE R. FRANKS

[Mr. HAWKES asked and obtained leave to have printed in the RECORD an editorial entitled "The Shock Absorber," written by Maurice R. Franks, and published in the Railroad Workers Journal for April 1944, which appears in the Appendix.]

DELIVERANCE AND INDEPENDENCE OF JEWISH PEOPLE—APPEAL BY HEBREW COMMITTEE OF NATIONAL LIBERATION

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD a statement entitled "A Call by the Hebrew Nation for Help in Its Mortal Struggle for Life and Liberation," issued by the Hebrew Committee of National Liberation, which appears in the Appendix.]

THE POLL TAX

Mr. MEAD. Mr. President, I ask unanimous consent to have printed in the RECORD the names and the titles of the sponsors of the New York State Committee To Abolish the Poll Tax. During the debate I promised to furnish these names.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SPONSORS, NEW YORK STATE COMMITTEE TO ABOLISH THE POLL TAX

The following have signed as individuals. Titles and organizations are listed for identification only:

Esther Adler, president, Local 16, U. O. P. W. A., New York; James Egert Allen, president, New York State, N. A. A. C. P., New York; Hon. William T. Andrews, State Assemblyman, New York; Rev. Rufus Ansley, First Pilgrim Congregational Church, Buffalo; Dean John Murray Atwood, Theological School, St. Lawrence University, Canton; Rev. Dr. Kahil A. Bishara, Bishop, Syrian Protestant Church, Brooklyn; Dr. Ernst P. Boas, New York; Hon. Charles Bormann, State Assemblyman, Stapleton, S. I.; Rev. Dwight J. Bradley, director, Council for Social Action, New York; Prof. Dorothy Brewster, Columbia University, New York; Dr. L. Lloyd Burrell, Jr., medical director, I. B. P. O. E. of W., Buffalo; Hon. William J. Butler, State Assemblyman, Buffalo; Hon. Peter V. Cacchione, city councilman, Brooklyn; Prof. Nathaniel Cantor, University of Buffalo, Buffalo; Hon. Louis J. Capozzoli, Member of Congress, New York; Hon. Rita Casey, city councilman, Brooklyn; Hon. H. O. Catenaccio, State assemblyman, New York; Hon. Emanuel Celler, Member of Congress, New York; Prof. Robert C. Challman, Teachers College, Columbia University, New York; Rev. E. Stanley Chedister, Second Congregational Church, Albany; Hon. Louis Cohen, city councilman, Bronx; Paul Corey, author, Cold Spring-on-Hudson; Hon. Robert J. Crews, State assemblyman, Brooklyn; Joseph Curran, president, National Maritime Union, New York; Rev. Edwin T. Dahlberg, First Baptist Church, Syracuse; Hon. Louis DeSalvio, State assemblyman, New York; Rabbi D. de Sola Pool, New York; Dr. R. Nathaniel Dett, musician, Rochester; Rev. Dale DeWitt, regional direction, American Unitarian Association, New York; Hon. David Diamond, former Supreme Court Justice, Buffalo; Hon. Isidore Dollinger, State assemblyman, New York; Rev. Isaiah Jonathan Domas, Christ Church, Middletown; Charles A. Doyle, regional director, United Gas, Coke & Chemical Workers, C. I. O., Niagara Falls; E. W. Edwards, secretary-treasurer, New York State Federation of Labor, Albany; Henry Epstein, attorney, New York; Julian J. Evans, president, N. A. A. C. P., Buffalo; Hon. Alexander A. Falk, State senator, New York; Hon. Leonard Farbstein, State assemblyman, New York; Hon. James H. Fay, Member of Congress, New York; Rev. Judson E. Fiebiger, South Congregational Church, Utica.

Hon. James M. Fitzpatrick, Member of Congress, Bronx; Father George B. Ford, Corpus Christi Church, New York; Emanuel J. Fried, field organizer, U. E. R. & I. W. A., C. I. O., Buffalo; Hon. Joseph A. Gavagan, Member of Congress, New York; Henrietta Gibson, women's division of Christian service of the Methodist Church, Albany; Hon. Jonah J. Goldstein, judge, court of general sessions, New York; Hon. Samuel L. Greenberg, State senator, New York; Rev. Herman J. Hahn, Salem Evangelical and Reformed Church, Buffalo; Rev. Joseph Harte, St. George's Episcopal Church, Rochester; Arthur J. Harvey, attorney, Albany; Rev. Edler G. Hawkins, St. Augustine Presbyterian Church, Bronx; Rev. Lee A. Howe, Jr., First Baptist Church, Oneida; Arthur Huggins, president, International Brotherhood of Paper Makers, Albany; Hon. Stanley M. Isaacs, city councilman; president, United Neighborhood Houses, New York; Hon. Hulan E. Jack, State assemblyman, New York; Leo E. Jandreau, international vice president, U. E. R. & M. W. A., Schenectady; Hon. Stephen J. Jarema, State assemblyman, New York; Stephen Jaszka, president, Greater Buffalo Polish Trade Union Committee, Buffalo; Allen B. Jones, president, N. A. A. C. P., Ithaca; Rockwell Kent, artist, Au Sable Forks; James V. King, president, New York district, State, county, and municipal workers, C. I. O., New York; Freda Kirchwey, editor, the Nation, New York; Hon. Jerome C. Kreinheder, State assemblyman, Buffalo; Hon. John J. Lamula, State assemblyman, New York; Canada Lee, actor, New York; Douglas L. MacMahon, president, Local 100, Transport Workers Union, New York; Rev. Edward D. McGowan, Bronx; Hon Francis X. McGowan, State assemblyman, New York; Hon. Walter J. Mahoney, State senator, Buffalo; Rosalie Manning, New York; Hon. Vito Marcantonio, Member of Congress; president, International Labor Defense, New York; Dr. George Marshall, chairman, National Federation for Constitutional Liberties, New York; Richard Mazza, manager, Furniture Workers Union, Local 76-B, New York; James Miller, president, Greater Buffalo Industrial Union Council, Buffalo; Hon. Fred G. Moritt, State assemblyman, New York; Hon. Newbold Morris, president of the council, New York; Hon. Sidney Moses, State assemblyman, New York.

Josephine Nelson, public information consultant, National Nursing Council for War Service, New York, Rev. Charles C. Noble, First Methodist Church, Syracuse; Hon. Lewis W. Olliffe, State assemblyman, Brooklyn; Hon. Donald L. O'Toole, Member of Congress, Brooklyn; Rev. Alice M. Paige, president, N. A. A. C. P., Rochester; Dr. Julian Park, dean, University of Buffalo, Buffalo; C. L. Patrick, president, Capitol District Council, Schenectady; Rt. Rev. Malcolm E. Peabody, bishop, Protestant Episcopal Church, Syracuse; Leroy Peterson, area director, War Manpower Commission, Pound Ridge; Hon. Justine Wise Polier, justice, Domestic Relations Court, New York; Irving Potash, manager, Furriers' Joint Council, New York; Jacob S. Potofsky, general secretary-treasurer, Amalgamated Clothing Workers, New York; Rev. Adam Clayton Powell, Jr., city councilman, New York; Hon. Leo F. Rayfiel, State assemblyman, Brooklyn; Charles Rosen, manager, Buffalo Joint Board, Amalgamated Clothing Workers, Buffalo; Salvatore J. Ruggeri, secretary-treasurer, Greater New York Joint Council, Barbers and Beauty Culturists Union, New York; William Jay Schieffelin, New York; Dr. Guy Emery Shipler, editor, the Churchman, New York; Ferdinand Smith, secretary, National Maritime Union, New York; Hon. John R. Starkey, State assemblyman, Brooklyn; Donald Ogden Stewart, writer, Upper Jay; Rev. Paul H. Streich, Christ Evangelical and Reformed Church, Bronx; Robert M. Taylor, president, New York State Elks, Rochester; Eugene Teeter, national representative, Utility Workers Organizing Committee, C. I. O., New York; Hugh Thompson, regional director, C. I. O., Buffalo; Prof. Paul Tillich, Union Theological Seminary, New York; Fred Turner, president, N. A. A. C. P., Brooklyn; Hon. Max M. Turshen, State assemblyman, Brooklyn; Hon. Arthur Wachtel, State assem-

blyman, Bronx; Vernon G. Ward, president, Flushing branch, N. A. A. C. P., Long Island City; Dr. Arthur M. Williams, president, N. A. A. C. P., White Plains; Rev. David Rhys Williams, First Unitarian Church, Rochester; Warren Winkelstein, president, Jewish Community Center, Syracuse; James Waterman Wise, New York; Dr. Mary E. Woolley, president emeritus, Mount Holyoke College, Westport; John Wright, Albany; Dr. Max Yergan, executive director, Council on African Affairs, president, National Negro Congress, New York; Morris Zuckman, chairman, Albany County Committee, A. L. P., Albany.

Mr. MEAD. Mr. President, I also wish to have printed in the RECORD, following the statement I just submitted, an appeal sent to members of the clergy throughout the Nation, and the response received from the clergy, in support of the anti-poll-tax bill.

There being no objection, the appeal was ordered to be printed in the RECORD, as follows:

To Members of our Congress:

We, American churchmen of many communions throughout the Nation, urge the passage of anti-poll-tax legislation (H. Res. 7) at once. Where is the democracy we proclaim when approximately 10,000,000 of our citizens are denied the right of free ballot which the rest of us enjoy? We shall be in much stronger moral position to be the champions of freedom and democracy among the nations if this injustice in our own country is corrected at once. We call upon you, the Members of Congress, for prompt action.

We are pledged to labor in our communities for the Nation-wide enforcement of the basic right of all American citizens to a free ballot. We must expect that in the name of democracy you will fight for it.

The following have signed the appeal as individuals; churches and institutions are listed for identification only:

Rt. Rev. H. P. Almon Abbott, bishop of Lexington (Episcopal), Lexington, Ky.; Rev. Oscar M. Adam, University Methodist Church, Madison, Wis.; Rev. Leon M. Adkins, Methodist, Schenectady, N. Y.; Rev. T. Barton Akeley, Unitarian, Olivet, Mich.; Rev. Gross W. Alexander, Methodist, Lyndhurst, N. J.; Rev. Wilbur C. Allen, Ebenezer Presbyterian Church, Kimball, W. Va.; Rev. Albert Allinger, Methodist, Pearl River, N. Y.; Rev. Elmer F. Ansley, Evangelical and Reformed, Kimmswick, Mo.; Rev. Benjamin V. Andrews, Presbyterian, Indianapolis, Ind.; Rev. B. K. Apelian, Church in Radburn, Fairlawn, N. J.; Rev. Waldemar Argow, Eliot Unitarian Church, South Natick, Mass.; Rev. Robert G. Armstrong, Congregational-Christian, Concord, N. H.; Rev. J. F. Atkins, Community Christian Church, Hinton, W. Va.; Rev. Bertram deH. Atwood, Church of the Covenant (Reformed Church in America), Paterson, N. J.; Rev. Eugene M. Austin, Tioga Baptist Church, Philadelphia, Pa.; Rev. Jule Ayers, Presbyterian, Ossining, N. Y.; Rev. E. Burdette Backus, Unitarian, Indianapolis, Ind.; Rev. Robert W. Bagnall, St. Thomas Episcopal Church, Philadelphia, Pa.; Miss Lorene A. Bahn, Evangelical and Reformed Council for Social Reconstruction, St. Louis, Mo.; Rev. Everett Moore Baker, First Unitarian Church, Cleveland, Ohio; Rev. F. Raymond Baker, Second Baptist Church, Wilmington, Del.; Rev. Richard T. Baker, Methodist, New York, N. Y.; Rev. Archey D. Ball, Methodist, Hackensack, N. J.; Rev. Joseph Barth, First Unitarian Church, Miami, Fla.; Rev. John L. Barton, Baptist, Sioux Falls, S. Dak.; Rev. R. J. Baumann, Bethlehem Evangelical and Reformed Church, Evansville, Ind.; Rev. King D. Beach, Trinity Methodist Church, Kansas City, Mo.; Rev. H. W. Becker, Missouri Council of Churches, Kirkwood, Mo.; Rev. Paul E. Becker, Bethany Christian Church, Lincoln, Nebr.; Rev. Archie B. Bedford, Danforth United Church, Syracuse, N. Y.; Bishop W. Y. Bell, Colored Methodist Episcopal Church, Cordele, Ga.; Prof. John C. Bennett, Pacific School of Religion, Berkeley, Calif.; Rev. Carl Edward Berges, Evangelical and Reformed, Buffalo, N. Y.; and Rev. H. D. Berlew, Methodist, Orono, Maine.

Rev. Carl Bihldorff, First Parish in Brookline (Unitarian), Brookline, Mass.; Rev. L. M. Birkhead, Friends of Democracy, Inc., New York, N. Y.; Rev. Edward W. Blakeman, Methodist, University of Michigan, Ann Arbor, Mich.; Rev. Edward H. Bonsall, Jr., Episcopal Diocese of Iowa, Fairfield, Iowa; Rev. Lester L. Boobar, First Methodist Church, Bangor, Maine; Rev. John Nicholls Booth, All Souls' Unitarian Church, Evanston, Ill.; Dr. R. W. Bowden, Crosby Presbyterian Church, Deerwood, Minn.; Prof. W. Russell Bowie, Union Theological Seminary, New York, N. Y.; Rev. Dwight J. Bradley, Council for Social Action (Congregational-Christian), New York, N. Y.; Rev. Raymond B. Bragg, First Unitarian Church, Minneapolis, Minn.; Rev. Gordon E. Brant, Church of the Advent (Episcopal), Chicago, Ill.; Rev. David Braun, Presbyterian, Swarthmore, Pa.; Rev. James A. Bray, Fraternal Council of Negro Churches in America, Chicago, Ill.; Rev. Charles Bridges, Kenwood Park Presbyterian Church, Cedar Rapids, Iowa; Rev. John W. Brigham, First Parish in Billerica (Unitarian), Billerica, Mass.; Prof. Edgar S. Brightman Methodist, Boston University, Newton Center, Mass.; Rev. James E. Bristol, Grace Lutheran Church, Camden, N. J.; Rev. Edwin L. Brock, Methodist, Tennille, Ga.; Rev. H. N. Brockway, Fair Oaks Presbyterian Church, Oak Park, Ill.; Rev. John Brogden, Unitarian, Urbana, Ill.; Rev. Robert D. Brodt, Congregational-Christian Church, Eureka, Kans.; Rev. Oliver Hart Bronson, Bethany Presbyterian Church, Summerland, Santa Barbara, Calif.; Rev. Francis T. Brown, Episcopal, Tuscon, Ariz.; Rev. Hugh Elmer Brown, First Congregational Church, Evanston, Ill.; Rev. Robert Evans Browning, Episcopal, Hyattsville, Md.; Rev. Orville Brummer, Evangelical and Reformed, Wood River, Ill.; Rev. Albert W. Buck, Tabor Evangelical and Reformed Church, Chicago, Ill.; Rev. George Walker Buckner, Jr., Editor of World Call, Disciples of Christ, Indianapolis, Ind.; Rev. C. D. Bullock, Wesley Methodist Church, Sioux Falls, S. Dak.; Rev. J. George Butler, Summerfield Methodist Church, New Haven, Conn.; Rev. Fred I. Cairns, Pilgrim Church, El Paso, Tex.; Rev. Raymond Calkins, First Church in Cambridge, Congregational, Cambridge, Mass.

Rev. J. Henry Carpenter, Presbyterian, Brooklyn, N. Y.; Rev. Harold F. Carr, Lakewood Methodist Church, Lakewood, Ohio; Rev. John Lyon Caughey, Presbyterian, Glens Falls, N. Y.; Rev. Allen Knight Chalmers, Broadway Tabernacle Church (Congregational), New York, N. Y.; Rev. J. Russell Chandler, Olmstead Avenue Presbyterian Church, Bronx, N. Y.; Rev. Don M. Chase, Methodist, Redding, Calif.; Rev. C. A. Choate, Methodist, Halstead, Kans.; Rev. C. W. Christman, Jr., Methodist, Valhalla, N. Y.; Rev. Karl M. Chworowsky, Flatbush Unitarian Church, Brooklyn, N. Y.; Rev. Arthur T. Clark, First Methodist Church, Evanston, Ill.; Rev. Merrill F. Clarke, The Congregational Church, New Canaan, Conn.; Rev. Wilbur T. Clemens, New York State Council of Churches, Albany, N. Y.; Rev. Dow Strang Clute, Methodist, Scotia, N. Y.; President Henry Sloane Coffin, Union Theological Seminary, New York, N. Y.; Rev. Walton E. Cole, Second Church in Boston (Unitarian), Chestnut Hill, Mass.; Rev. G. L. Collins, Baptist, Madison, Wis.; Rev. Keith Conning, Grandale Presbyterian Church, Detroit, Mich.; Rev. J. Raymond Cope, Unitarian Society of Salt Lake City, Utah; Rev. Roland H. Cortright, Methodist, Daytona Beach, Fla.; Rev. David M. Cory, Cuyler Presbyterian Church, Brooklyn, N. Y.; Rev. C. E. Craik, Jr., Emmanuel Episcopal Church, Louisville, Ky.; Rev. B. F. Crawford, Methodist, Carnegie, Pa.; Rev. Francis B. Creamer, Christ Episcopal Church, Grosse Pointe, Mich.; Rev. Arnold Crompton, First Unitarian Church, Erie, Pa.; Rev. Clark Walker Cummings, Church Federation, St. Louis, Mo.; Rev. John M. Currie, Presbyterian, Hollis, N. Y.; Rev. H. Lewis Cutler, Calvary Presbyterian Church, Wyncote, Pa.; Rev. Malcolm G. Dade, Episcopal, Detroit, Mich.; Prof. George Dahl, Yale Divinity School, New Haven, Conn.; Rev. Nelson Dalenberg, Warren Avenue Church, Saginaw, Mich.; Rev. E. LeRoy Dakin, Baptist, Milwaukee, Wis.; Rev. John Irving Daniel, Highland Avenue Congregational Church, Orange, N. J.; Rev. Edwin Daniels, Presbyterian, Fulton, N. Y.; Rev. W. L. Darby, Presbyterian, Washington City Bible Society, Washington, D. C.

Rev. E. F. Daugherty, Jackson Street Christian Church, Muncie, Ind.; Rev. W. Ellis Davies, Unitarian Society, Wollaston, Mass.; Rev. Ernest E. Davis, First Methodist Church, Bradford, Pa.; Rev. Lewis H. Davis, Methodist, Seymour, Conn.; Rev. Mark A. Dawber, Methodist, New York, N. Y.; Rev. J. M. Dawson, First Baptist Church, Waco, Tex.; Rev. Albert Edward Day, the First Methodist Church, Pasadena, Calif.; Rev. Gardiner M. Day, Episcopal, Cambridge, Mass.; Rev. John Warren Day, dean of Grace Cathedral (Episcopal), Topeka, Kans.; Rev. W. W. Deal, Southside Boulevard Community Church (Methodist), Nampa, Idaho; Rev. F. G. Detweiler, Baptist, Granville, Ohio; Rev. Dale De Witt, Unitarian, New York, N. Y.; Rev. Edwards H. Dickinson, Congregational-Christian, Rio Grande, Ohio; Rev. John H. Dietrich, Unitarian, Berkeley, Calif.; Rev. John Dillingham, Faith Presbyterian Church, Philadelphia, Pa.; Rev. Caxton Doggett, First Methodist Church, Mount Dora, Fla.; Dr. James A. Dombrowski, Southern Conference for Human Welfare, Nashville, Tenn.; Rev. Francis A. Drake, Congregational-Christian, North Hadley, Mass.; Rev. Robert L. Duckworth, Methodist, St. Louis, Mo.; Rev. H. N. Dukes, First Congregational Church, Jackson, Mich.; Prof. David Dunn, Evangelical and Reformed Theological Seminary, Lancaster, Pa.; Rev. Paul Eisen, Evangelical and Reformed, New Palestine, Ind.; Rev. Frederick May Eliot, American Unitarian Association, Boston, Mass.; Rev. Samuel A. Eliot, Arlington Street Church (Unitarian), Boston, Mass.; Rev. Phillips P. Elliott, First Presbyterian Church, Brooklyn, N. Y.; Rev. Edward G. Ernst, Congregational Church, Troy, N. H.; Archbishop William Ernst, the African Orthodox Church, New York, N. Y.; Rev. Thomas D. Ewing, Windemere Presbyterian Church, East Cleveland, Ohio; Rev. James A. Fairley, White Plains Community Church (Emeritus), Westport, Conn.; Rev. George C. Fetter, University Baptist Church, Minneapolis, Minn.; Rev. Judson E. Fiebiger, South Congregational Church, Utica, N. Y.; Rev. Elliot Field, the Presbyterian Church of Dover, Del.; Rev. John W. Findley, University Presbyterian Church, West Lafayette, Ind.; Rev. Alfred G. Fisk, Howard Presbyterian Church, San Francisco, Calif.; Prof. D. J. Fleming, Union Theological Seminary, New York, N. Y.; Dean Joseph F. Fletcher, Episcopal, Cincinnati, Ohio; Rev. Norman D. Fletcher, Unitarian, Montclair, N. J.; Rev. Arthur Foote, Unitarian, Stockton, Calif.; Rev. Sam H. Franklin, Jr., Presbyterian, Cruger, Miss.; Rev. Robert M. Frehse, Westminster Presbyterian Church, Detroit, Mich.; Rev. Stephen H. Fritchman, editor, the Christian Register (Unitarian), Boston, Mass.; Miss Dorothy B. Fritz, Presbyterian Fellowship for Social Action, Albany, N. Y.

Rev. G. Shubert Frye, Presbyterian, Syracuse, N. Y.; Rev. John Gabrielson, Methodist, Venice, Calif.; President Buell G. Gallagher, Talladega College, Talladega, Ala.; Rev. and Mrs. J. Harold Gamble, First Baptist Church, Ames, Iowa; Rev. John Gass, Episcopal, Troy, N. Y.; Rev. Leo Alvin Gates, South Presbyterian Church, Buffalo, N. Y.; Rev. Herbert George, Humboldt Park Methodist Church, Chicago, Ill.; Rev. George M. Gibson, United Church of Hyde Park, Chicago, Ill.; Rev. Roy Gieselmann, Evangelical and Reformed Church, Corpus Christi, Tex.; Rev. Aron S. Gilmartin, Church of Our Father (Unitarian), Newburgh, N. Y.; Rev. Charles G. Girelius, Unitarian, Barneveld, N. Y.; Rev. Hobart F. Goewey, Harvard-Epworth Methodist Church, Cambridge, Mass.; Prof. Leland J. Gordon, Denison University, Granville, Ohio; Rev. Richard Paul Graebel, First Presbyterian Church, Ottumwa, Iowa; Rev. John C. Granbery, editor of the Emancipator, San Antonio, Tex.; Rev. Joseph W. Gray, Jr., Presbyterian, Huron, S. Dak.; Rev. Dana McLean Greeley, Arlington Street Church (Unitarian), Boston, Mass.; Rev. Theodore Ainsworth Greene, Congregational, New Britain, Conn.; Bishop John A. Gregg, African Methodist Episcopal, Kansas City, Kans.; Rev. Philip E. Gregory, First Congregational Church, Minneapolis, Minn.; Rev. Clayton T. Griswold, Presbyterian, Summit, N. J.; Rev. Leon E. Grubaugh, superintendent, Colorado Congregational-Christian Conference, Denver, Colo.; Rev. Alexander J. J. Gruetter, St. Andrews Episcopal Church, Toledo, Ohio; Rev. Armand Guerrero, Mayfair Methodist Church, Chicago, Ill.; Rev. Stanley F. Gutelius, Brick Presbyterian Church, Rochester, N. Y.; Rev. Ernest Graham Guthrie, Congregational, Chicago, Ill.; Rev. W. Bruce Hadley, the Council of United Churches of St. Joseph County, South Bend, Ind.; Rev. John R. Hahn, Bausman Memorial Church (Evangelical and Reformed), Wyomissing, Pa.; Rev. Fred L. Hall, Ohio Conference of Congregational-Christian Churches, Cleveland, Ohio; Rev. Frank A. Hamilton, Methodist, Chattanooga, Tenn; Prof. Samuel L. Hamilton, Methodist, New York University, Newark, N. J.; Rev. Bernie H. Hampton, Methodist, Elizabethton, Tenn.; Rev. Charles P. Harder, Methodist, Greenville, N. Y.; Prof S. Ralph Harlow, Congregational, Smith College, Northampton, Mass.; Rev. Donald Harrington, People's Liberal Church (Unitarian), Chicago, Ill.; Rev. Pierson P. Harris, Central Church in Worcester (Congregational), Worcester, Mass.; Rev. Martin L. Harvey, A. M. E. Zion Church, Clark College, Atlanta, Ga.; Rev. Edler G. Hawkins, St. Augustine Presbyterian Church, New York, N. Y.; Rev. A. A. Heist, the Methodist Church, Santa Maria, Calif.; Rev. G. Theodore Hempelmann, Clifton Unitarian Church, Louisville, Ky.; Rev. D. W. Henry, Tindley Temple Methodist Church, Philadelphia, Pa.

Rev. Carl Hille, First Evangelical and Reformed Church, Olney, Ill.; Rev. Charles A. Hill, Baptist, Detroit, Mich.; Rev. Clifford W. Hilliker, North Congregational Church, Middletown, N. Y.; Rev. Randall S. Hilton, Unitarian, Alton, Ill.; Rev. Robert S. Hoagland, Unitarian, Fort Wayne, Ind.; Rt. Rev. Henry W. Hobson, bishop of Southern Ohio (Episcopal), Cincinnati, Ohio; Rev. Elmer H. Hoefer, St. Paul's Evangelical and Reformed Church, Rochester, N. Y.; Rev. Chester E. Hodgson, Centenary Methodist Church, Newark, N. J.; Rev. John Haynes Holmes, the Community Church, New York, N. Y.; Prof. Myron T. Hopper, Disciples of Christ, Lexington, Ky.; Rev. Oliver C. Horsman, First Baptist Church, Morristown, N. J.; Rev. Charles H. S. Houk, Presbyterian, Nashville, Tenn.; Rev. George G. Howard, Hackensack Unitarian Church, Teaneck, N. J.; Rev. Lee A. Howe, Jr., Baptist, Oneida, N. Y.; Rev. Duncan Howlett, Unitarian, New Bedford, Mass.; Rev. Walter M. Howlett, Greater New York Federation of Churches, New York, N. Y.; Rev. Herbert B. Hudnut, Presbyterian, Detroit, Mich.; Rev. William H. Hudnut, Jr., First Presbyterian Church, Springfield, Ill.; Rev. Paul F. Huebner, Methodist, Phoenix, Ariz.; Rev. Frank A. Huff, Reformed Church in America, Paterson, N. J.; Rev. Theodore C. Hume, Claremont Congregational Church, Claremont, Calif.; Bishop J. K. Humphrey, U. S. D. A. Church, New York, N. Y.; Rev. Graham C. Hunter, Presbyterian, Fullerton, Calif.; Rev. Joseph B. Hunter, Disciples of Christ, McGehee, Ark.; Rev. Stanley A. Hunter, Presbyterian, Berkeley, Calif.; Rev. George P. Huntington, Episcopal, Tiverton, R. I.; Rev. Alfred W. Hurst, Pilgrim Congregational Church, Chattanooga, Tenn.; Rev. Robert Inglis, Plymouth Congregational Church, Oakland, Calif.; Rev. Allen L. Irwin, Bethel Congregational Church, Nanticoke, Pa.; Rev. Edgar S. Jackson, Methodist, Bridgeport, Conn.; Prof. Fleming James, Episcopal, Sewanee, Tenn.; Prof. M. Stephen James, Theological Seminary (Reformed Church in America), New Brunswick, N. J.; Rev. William P. Jenkins, Unitarian, Walpole, N. H.; Rev. Ray Freeman Jenney, Bryn Mawr Community Church, Chicago, Ill.; Rev. Ralph H. Jennings, First Presbyterian Church, Kansas City, Kans.; Rev. Rector W. Johnson, First Methodist Church, San Jose, Calif.; Rev. J. Donald Johnston, Unitarian, Flushing, N. Y.; Rev. James R. Johnson, Jr., Ebenezer A. M. E. Church, Roanoke, Va.; Rev. Walt N. Johnson, Baptist, Mars Hill, N. C.; President David D. Jones, Bennett College, Greensboro, N. C.; Rev. Henry D. Jones, Dodge Community House, Detroit, Mich.; Rev. Lowell D. Jones, First Methodist Church, Central City, Nebr.

Prof. Orville C. Jones, Oberlin Graduate School of Theology, Oberlin, Ohio; Rev. John Page Jones, Baptist, Lynchburg, Va.; Rev. John Paul Jones, the Union Church of Bay Ridge, Brooklyn, N. Y.; Rev. Charles R. Joy, Unitarian, Newton Highlands, Mass.; Rev. Richard W. Jungfer, Evangelical and Reformed, Bloomfield, N. J.; Rev. J. Merion Kadyk, Presbyterian, Philadelphia, Pa.; Rev. S. W. Keck, Congregational, Huron, S. Dak.; Rev. Wendell P. Keeler, First Presbyterian Church, Yonkers, N. Y.; Rev. David O. Kendall, Presbyterian, Dobbs Ferry, N. Y.; Rev. Norman F. Kinzie, Episcopal, Detroit, Mich.; Rev. Huber F. Klemme, Grace Evangelical and Reformed Church, Grosse Pointe Park, Mich.; Rev. Fred W. Knickrehm, Chestnut Street Methodist Church, Portland, Maine; Rev. Henry C. Koch, Evangelical and Reformed, Louisville, Ky.; Rev. William E. Kroll, Arlington Avenue Presbyterian Church, East Orange, N. J.; Rev. Harry H. Kruener, First Baptist Church, Boston, Mass.; Rev. Ernest W. Kuebler, Director, Division of Education, American Unitarian Association, Boston, Mass.; Rev. Alfred M. Lambert, St. Monica's Church (Episcopal), Hartford, Conn.; Rev. William E. Lampe, Secretary of the Evangelical and Reformed Church, Philadelphia, Pa.; Rev. Herrick J. Lane, Olivet Presbyterian Church, San Francisco, Calif.; Rev. William C. Laube, Presbyterian, Dubuque, Iowa; Rev. Dubois Le Fevre, the First Unitarian Church, Youngstown, Ohio; Rev. G. Merrill Lenox, Baptist, Ridgewood, N. J.; Rev. A. C. Lichtenberger, Church League for Industrial Democracy (Episcopal), Newark, N. J.; Rev. W. E. Longstreth, Methodist, Memphis, Mo.; Rev. A. Ritchie Low, the United Church of Johnson, Vt.; Rev. Edgar A. Lowther, Temple Methodist Church, San Francisco, Calif.; Rev. Harold L. Lunger, Austin Boulevard Christian Church, Oak Park, Ill.; Rev. Charles H. Lytle, Unitarian Church of Geneva, Ill.; Rev. G. Leonard McCain, Presbyterian Boonton, N. J.; Rev. J. A. MacCallum, Presbyterian, Philadelphia, Pa.; Bishop Francis J. McConnell, the Methodist Church, New York, N. Y.; Rev. Ralph I. McConnell, Westminster Presbyterian Church, Erie, Pa.; Mr. Frank W. McCulloch, Council for Social Action (Congregational-Christian), Chicago, Ill.; Rev. Bruce H. McDonald, Presbyterian, Baltimore, Md.; Rev. Paul S. McElroy, Congregational, Danvers, Mass.; Rev. D. P. McGeachy, Presbyterian, Decatur, Ga.; Rev. Hugh F. McGlasson, Trinity Methodist Church, South Bend. Ind.; Rev. Howard D. McGrath, the Methodist Church, Walden, N. Y.; Rev. Claude Allen McKay, First Congregational Church, Binghamton, N. Y.; Rev. Donald C. McMillan, Unitarian Church of Orange, N. J.

Rev. Charles F. MacLennan, director, Religion and Labor Center, Cleveland, Ohio; Rev. B. W. Marble, Trinity Methodist Church, Denver, Colo.; Rev. J. H. Marion, Jr., Grace Covenant Presbyterian Church, Richmond, Va.; Rev. H. P. Marley, Unitarian, Dayton, Ohio; Rev. Richard B. Martin, Episcopal, Sumter, S. C.; Rev. Willis D. Mathias, Emmanuel Evangelical and Reformed Church, Allentown, Pa.; Mrs. Cecelia P. Matthews, Christ Church Episcopal, Glendale, Ohio; Rev. Norman A. Maunz, Evangelical and Reformed Church, New Orleans, La.; Rev. Oscar E. Maurer, Congregational-Christian, New Haven, Conn.; Rev. O. Clay Maxwell, Mount Olivet Baptist Church, New York, N. Y.; Rev. George N. Mayhew, Disciples of Christ, Nashville, Tenn.; Dr. Thornton W. Merriam, Northwestern University, Evanston, Ill; Rev. Payson Miller, Unitarian Congregational Society of Hartford, Conn.; Rev. U. S. Mitchell, First Baptist Church, Berkeley, Calif.; Prof. A. T. Mollegen, Theological Seminary Episcopal, Alexandria, Va.; Rev. William E. Montgomery, Presbyterian, Glens Falls, N. Y.; Rev. David W. Moody, Presbyterian, Williamson, N. Y.; Rev. Richard Morford, United Christian Council for Democracy, New York, N. Y.; Rev. Garfield Morgan, Central Congregational Church, Lynn, Mass.; Rev. Arthur C. Moore, St. Cyprian's and St. Monica's Episcopal, Philadelphia, Pa.; Rev. Harvey K. Mousley, St. Paul's Methodist Church, Newport, R. I.; Rev. Harry C. Munro, Disciples of Christ, Lockport, Ill; Rev. Irving R. Murray, Ministry to Students, Unitarian, Cambridge, Mass.; Rev. Roy H. Murray, Methodist, Kendrick, Idaho; Rev. James Myers, New York, N. Y.; Rev. Norman B. Nash, Episcopal, St. Paul's School, Concord, N. H.; Rev. John Oliver Nelson, Presbyterian, Philadelphia, Pa.; Rev. J. Pierce Newell, Methodist, Rice Lake, Wis.; Rev. G. S. Nichols, Methodist, Ames, Iowa; Prof. Robert Hastings Nichols, Union Theological Seminary, New York, N. Y.; Prof. Reinhold Niebuhr, Union Theological Seminary, New York, N. Y.; Rev. Charles C. Noble, First Methodist Church, Syracuse, N. Y.; Rev. Hubert C. Noble, First Presbyterian Church, Downey, Calif.; Rev. Victor Obenhaus, Congregational-Christian, Pleasant Hill, Tenn.; Rev. Delos O'Brian, First Unitarian Church, Wilmington, Del.; Rev. Urban L. Ogden, Disciples of Christ, Anderson, Ind.; Rev. M. V. Oggel, Westminster Presbyterian Church, Lincoln, Nebr.; Rev. Edward Whitefield Ohrenstein, All Souls Church Unitarian, Greenfield, Mass.; Rev. Edmund A. Opitz, Unitarian, Harrisburg, Pa.; Rev. Howard B. Osborne, Presbyterian, Sidney, Nebr.; Rev. John Paul Pack, Disciples of Christ, Chattanooga, Tenn.; President Albert W. Palmer, Chicago Theological Seminary, Chicago, Ill.

Rev. Edwin C. Palmer, People's Church, Unitarian, Kalamazoo, Mich.; Rev. George Lawrence Parker, First Parish (Unitarian), Duxbury, Mass.; Rev. Albert B. Parrett, Methodist, Rupert, Iowa; Rt. Rev. Edward L. Parsons, Bishop of California, Episcopal (re-

tired), San Francisco, Calif.; Rev. David Paton, Methodist, Johnstown, N. Y.; Rev. George P. Payson, Congregational-Christian, White Plains, N. Y.; Rev. Thornton B. Penfield, Jr., First Presbyterian Church, Yonkers, N. Y.; Rev. Leslie T. Pennington, First Church in Cambridge (Unitarian), Cambridge, Mass.; Rev. Jason Noble Pierce, First Congregational Church, San Francisco, Calif.; Rev. Harry R. Pine, Methodist, West Long Branch, N. J.; Rev. Homer K. Pitman, Trinity Presbyterian Church, San Francisco, Calif.; Rev. Laurance R. Plank, Unitarian, St. Louis, Mo.; Rev. P. Hewison Pollock, First Presbyterian Church, Bozeman, Mont.; Rev. Paul Reid Pontius, Evangelical and Reformed Church, Greensburg, Pa.; Rev. Frederick G. Poole, Methodist, Detroit, Mich.; Prof. Liston Pope, Yale Divinity School, New Haven, Conn.; Rev. Edwin McNeil Poteat, Euclid Avenue Baptist Church, Cleveland, Ohio; Rev. Adam Clayton Powell, Jr., Abyssinian Baptist Church, New York, N. Y.; Rev. Robert Murray Pratt, Unitarian, Quincy, Ill.; Rev. S. D. Press, Evangelical and Reformed, St. Louis, Mo.; Rev. D. F. Putman, Lutheran, Gettysburg, Pa.; Prof. Harris Franklin Rall, Garrett Biblical Institute, Evanston, Ill.; Rev. Howard W. Rash, Methodist, Memphis, Tenn.; Rev. William R. Reed, Memorial Methodist Church, Appomattox, Va.; Rev. Curtis W. Reese, Abraham Lincoln Center, Chicago, Ill.; Rev. Kenneth Reeves, Presbyterian, Philadelphia, Pa.; Rev. Ensworth Reisner, Richmond Avenue Methodist Church, Buffalo, N. Y.; Rev. F. E. Reissig, Washington Federation of Churches, Washington, D. C.; Rev. and Mrs. E. K. Resler, Yates Center, Kans.; Rev. L. Willard Reynolds, Society of Friends, Clintondale, N. Y.; Rev. G. Barrett Rich, 3d, First United Church, Cincinnati, Ohio; Rev. James A. Richards, Community Church (Congregational), Mt. Dora, Fla.; Rev. Frederick W. Ringe, First Evangelical and Reformed Church, Tamms, Ill.; Rev. Lloyd H. Rising, First Methodist Church, Lincoln, Nebr.; Rev. Wallace W. Robbins, Unitarian Fellowship for Social Justice, St. Paul, Minn.; Rev. Allyn P. Robinson, Jr., United Church, Raleigh, N. C.; Rev. Alson H. Robinson, First Unitarian Church, Plainfield, N. J.; Rev. Edward J. Robinson, Evangelical and Reformed, Philadelphia, Pa.; Rev. Henry Lee Robinson, Jr., Methodist, Richmond, Va.; Rev. James H. Robinson, Church of the Master (Presbyterian), New York, N. Y.; Rev. Morris C. Robinson, Grace Presbyterian Church, Minneapolis, Minn.

Rev. Charles D. Rockel, Evangelical and Reformed, Royersford, Pa.; Rev. Robert E. Romig, Unitarian, Syracuse, N. Y.; Rev. E. Tallmadge Root, Congregational, Somerville, Mass.; Rev. William F. Rothenberger, Third Christian Church, Indianapolis, Ind.; Rev. Henry Ruark, Trinity Methodist Church, Red Springs, N. C.; Rev. William K. Russell, St. Stephen's Episcopal Church, Wilkes-Barre, Pa.; Rev. Peter H. Samson, All Souls Church, Unitarian-Universalist, Riverside, Calif.; Rev. Carl M. Sangree, Congregational-Christian, Cummington, Mass.; Rev. Theodore F. Savage, Presbyterian, New York, N. Y.; Rev. Robert H. Schacht, Jr., First Congregational Church (Unitarian), Providence, R. I.; Rev. Charles E. Schaeffer, Evangelical and Reformed, Philadelphia, Pa.; Rev. A. J. Scherer, Trinity Evangelical and Reformed Church, New Orleans, La.; Rev. Edward L. Schlingman, Evangelical and Reformed, Boyerstown, Pa.; Rev. Benjamin F. Schwartz, Methodist, Lincoln, Nebr.; Rev. Alfred F. Schroeder, Evangelical and Reformed, Oakland, Calif.; Rev. E. H. Schwengel, Evangelical and Reformed, Marion, Tex.; Rev. Gale Seaman, Baptist, San Gabriel, Calif.; Rev. Richard W. Seebode, Westminster Unitarian Church, Providence, R. I.; Rev. LeRoy I. Setziol, Evangelical and Reformed, Attica, N. Y.; Rev. John W. Shackford, Methodist, Greenville, S. C.; Rev. Waitstill H. Sharp, Unitarian, Wellesley, Mass.; Rev. D. R. Sharpe, Baptist, Cleveland, Ohio; Rev. Homer Lewis Sheffer, Unitarian Society of Ridgewood, N. J.; Rev. Frank M. Sheldon, Grand Avenue Congregational Church, Milwaukee, Wis.; Rev. Lee C. Sheppard, Baptist, Raleigh, N. C.; Rev. Guy Emery Shipler, editor, the Churchman, New York, N. Y.; Rev. H. Norman Sibley, University Heights Presbyterian Church, New York, N. Y.; Rev. Gottlieb Siegenthaler, Evangelical and Reformed, Baltimore, Md.; Prof. Walter W. Sikes, Disciples, Berea, Ky., Rev. Vincent B. Silliman, Unitarian, Hollis, N. Y.; Rev. George P. Simmonds, Presbyterian Belvedere Mission, Los Angeles, Calif.; Rev. Dewees F. Singley, Evangelical and Reformed, Philadelphia, Pa.; Rev. Robert D. Smith, Episcopal, Trenton, N. J.; Rev. Charles E. Snyder, the Unitarian Church, Davenport, Iowa; Rev. Paul J. Snyder, Methodist, Fergus Falls, Minn.; Rev. John Sommerlatte, Evangelical and Reformed, Lakewood, Ohio; Rev. Walter B. Spaulding, Methodist, Missoula, Mont.; Rev. Frederick Spence, First Methodist Church, Jackson, Mich.

Rev. W. B. Spofford, Church League for Industrial Democracy (Episcopal), New York, N. Y.; Rev. Glenn Sanford, Methodist, Conway, Ark.; Rev. Clifford L. Stanley, St. Peter's Episcopal Church, St. Louis, Mo.; Rev. Donald H. Stewart, Central Presbyterian Church, Houston, Tex.; Rev. George Steward, Presbyterian, Stamford, Conn.; Rev. Arthur O. Stockbridge, Presbyterian, Windham, N. Y.; Rev. Alden L. Stone, Baptist, Rankin, Pa.; Rev. G. Paul Stowell, New England Congregational Church, Aurora, Ill.; Rev. Ronald M. Strauss, Westminster Presbyterian Church, Syracuse, N. Y.; Rev. Paul Streich, Evangelical and Reformed Church, New York, N. Y.; Rev. Charles M. Styron, First Parish in Lincoln, Mass.; Rev. Walter Carl Subke, Seventh Avenue Presbyterian Church, San Francisco, Calif.; Rev. Alfred W. Swan, First Congregational Church, Madison, Wis.; Rev. Herald C. Swezy, Holy Apostles Church (Episcopal), Brooklyn, N. Y.; Rev. Eric M. Tasman, Episcopal, South Orange, N. J.; Rev. Alva W. Taylor, Southern Conference for Human Welfare, Nashville, Tenn.; Rev. George Oliver Taylor, Disciples of Christ, St. Louis, Mo.; Rev. John H. Taylor, First Parish of Westwood, Mass.; Rev. Lloyd B. Thomas, St. James Episcopal Church, Paso Robles, Calif.; Rev. A. B. Thompson, Methodist, Plymouth, N. H.; Rev. Joseph W. Thompson, Arch Street Methodist Church, Hannibal, Mo.; Rev. Roger E. Thompson, Methodist, Franklin, N. H.; Rev. Wofford C. Timmons, Congregational, New Britain, Conn.; Rev. Jacob Trapp, First Unitarian Church of Denver, Colo.; Rev. Robert Leonard Tucker, Wesley Foundation, Columbus, Ohio; Rev. Roy Tucker, Methodist, Kingman, Ariz.; Rev. Ernest C. Tuthill, St. James Episcopal Church, Sonora, Calif.; Dr. Willard Uphaus, National Religion and Labor Foundation, New Haven, Conn.; President Harry Lee Upperman, Baxter Seminary, Baxter, Tenn.; Rev. Morgan W. Van Tassell, Oak Grove Community Church, Buffalo, N. Y.; Prof. David D. Vaughan, Methodist, Boston, Mass.; Rev. C. E. Vermilya, Methodist, New Berlin, N. Y.; Rev. John M. Versteeg, Methodist, Cincinnati, Ohio; Rev. Carl Hermann Voss, Smithfield Congregational Church, Pittsburgh, Pa.; Rev. O. Walter Wagner, Evangelical and Reformed, Jackson, Mich.; Rev. Kenneth C. Walker, Unitarian, Delmar, N. Y.; Rev. J. Barnard Walton, Society of Friends, Philadelphia, Pa.; Rev. O. M. Walton, Cleveland Church Federation, Cleveland, Ohio.

Prof. Harry F. Ward, Methodist, Palisade, N. J.; Rev. George R. Warren, Methodist, Sturgeon Bay, Wis.; Rev. Gerald F. Weary, Unitarian, Bloomington, Ill.; Rev. Arthur L. Weatherly, Unitarian, Boston, Mass.; Rev. Charles C. Webber, Methodist Federation for Social Service, New York, N. Y.; Rev. Carl L. Weist, Community Church, Mount Vernon, N. Y.; Rev. Melvin L. Welke, Unitarian, Cincinnati, Ohio; Rev. Charles P. Wellman, Channing Church of Dorchester, Mass.; Rev. Howard M. Wells, Presbyterian, East Cleveland, Ohio; Rev. Fred D. Wentzel, Evangelical and Reformed, Philadelphia, Pa.; Rev. W. A. Werth, Evangelical and Reformed, Fairmont, Minn.; Rev. Robert Whitaker, Baptist, Los Gatos, Calif.; Prof. Lynn T. White, Presbyterian, San Francisco, Calif.; Rev. Holmes Whitmore, Episcopal, Milwaukee, Wis.; Rev. Hazen G. Werner, Grace Methodist Church, Dayton, Ohio; Rev. Robert Weston, Unitarian, Lexington, Mass.; Rev. Hugh Vernon White, American Board of Commissioners for Foreign Missions, Boston, Mass.; Rev. Wayne White, Methodist, New York, N. Y.; Rev. F. S. C. Wicks, Unitarian, Indianapolis, Ind.; Rev. Philip M. Widenhouse, Central Congregational Church, Atlanta, Ga.; Rev. M. J. Wilcox, Methodist, Laurel, Mont.; Rev. Harold Wilke, Council for Social Reconstruction, Evangelical and Reformed Church, Columbia, Mo.; Rev. John P. Wilkins, Episcopal, Bristol, Conn.; Rev. C. Lawson Willard, Jr., Episcopal, New Haven, Conn.; Rev. Alfred E. Willett, Methodist, Paterson, N. J.; Rev. David Rhys Williams, Unitarian, Rochester, N. Y.; Rev. Morgan Williams, Methodist, Kankakee, Ill.; Rev. Arthur E. Wilson, Unitarian, Fall River, Mass.; Rev. Charles C. Wilson, Episcopal, Kirksville, Mo.; Rev. Lawrence A. Wilson, Congregational, Pasadena, Calif.; Rev. L. Elbert Wilson, Methodist, Lewisburg, Pa.; Rev. George H. Wilson, Disciples, Kansas City, Mo.; Rev. Roy E. Wilson, Methodist, Porterville, Calif.; Rev. Marshall Wingfield, First Congregational Church, Memphis, Tenn.; Rev. Alexander Winston, Unitarian, Jamaica Plain, Mass.; Rev. Evans A. Worthley, Unitarian, Iowa City, Iowa; Rev. A. Paul Wright, Presbyterian, Auburn, N. Y.; President William Lindsay Young, Park College, Parkville, Mo.

Rev. Albert E. Barnett, Scarritt College, Nashville, Tenn.; Rev. Samuel N. Baxter, Jr., Episcopal, Springfield, Pa.; Rev. Robert T. Caldwell, Presbyterian, Cheyenne, Wyo.; Rev. A. R. Corn, Methodist, Holland, Tex.; Rev. Theodore H. Evan, Episcopal, Cleveland Heights, Ohio; Rev. G. W. Hummel, Methodist, Bowling Green, Ky.; Rev. J. Clyde Keegan, Methodist, Cody, Wyo.; Bishop Paul B. Kern, The Methodist Church, Nashville, Tenn.; Rev. Robert Burns McAulay, Presbyterian, Orange, Calif.; Rev. George Albert Pollard, Congregational, Portland, Oreg.; Rev. Edward T. Ramsdell, Methodist, Nashville, Tenn.; Rev. Leo Rippy, Jr., Methodist, Nashville, Tenn.; Rev. Glenn Sanford, Methodist, Conway, Ark.; Rev. Fred W. Shorter, Church of the People, Seattle, Wash.

Sponsored by the United Christian Council for Democracy, New York City.

Mr. MEAD. Mr. President, in connection with the anti-poll-tax bill, I ask to have printed in the RECORD a release issued by the United Christian Council for Democracy.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

NEW YORK, May 4, 1943.—Signed by 470 clergymen of 44 States, a joint appeal for passage of the anti-poll-tax bill, H. R. 7, was forwarded to all Congressmen yesterday. Announcement was made by the Reverend Dale DeWitt, chairman of the executive committee, the United Christian Council for Democracy, a national and unofficial church council devoted to social action, which sponsored the petition.

"Where is the democracy we proclaim when approximately 10,000,000 of our citizens

are denied the right of free ballot which the rest of us enjoy?" the appeal asked. Pledging themselves to work in their own communities "for the Nation-wide enforcement of the basic right of all American citizens to a free ballot" the clergymen declared that the United States would be in a stronger moral position to be the champions of freedom among the nations were the injustice of a poll tax to be corrected at once.

Included among the signatories to this appeal, as individuals, were the following church leaders: the Right Reverend H. P. Almon Abbott, Episcopal bishop, Kentucky; Dr. King D. Beach, Trinity Methodist Church, Kansas City, Mo.; Bishop William Y. Bell, colored Methodist Episcopal Church, Georgia; Prof. W. Russell Bowie, Union Theological Seminary, New York; Dr. Dwight F. Bradley, Council for Social Action (Congregational-Christian), New York; Prof. Edgar Sheffield Brightman, Boston University; Dr. Allen Knight Chalmers, Broadway Tabernacle, New York.

Also President Henry Sloane Coffin, Moderator of the Presbyterian Church in the United States of America, Union Theological Seminary, New York; Dr. Albert Edward Day, First Methodist Church, Pasadena, Calif.; Dean John Warren Day, Grace Episcopal Cathedral, Topeka; Dr. Frederick May Eliot, president American Unitarian Association; President Buell G. Gallagher, Talladega College, Alabama; Bishop John A. Gregg, African Methodist Episcopal Church, Kansas; Rt. Rev. Henry W. Hobson, Episcopal Bishop, Ohio; Dr. John Haynes Holmes, Community Church, New York; Dr. Ray Freeman Jenney, Bryn Mawr Community Church, Chicago.

Also Bishop Paul Kern, the Methodist Church, Tennessee; Dr. William E. Lampe, general secretary, Evangelical and Reformed Church; Bishop Francis J. McConnell, the Methodist Church, New York; Dr. Oscar E. Maurer, former moderator, Congregational-Christian churches; Prof. Reinhold Niebuhr, Union Theological Seminary, New York; Rt. Rev. Edward L. Parsons, Episcopal Bishop, San Francisco; Dr. Edwin McNeill Poteat (now president, Colgate-Rochester Divinity School), Euclid Avenue Baptist Church, Cleveland; Rev. Adam Clayton Powell, Jr., Abyssinian Baptist Church, New York; Dr. Alva W. Taylor, Southern Conference for Human Welfare; Dr. Albert W. Palmer, Chicago Theological Seminary; Dr. F. E. Reissig, Federation of Churches, Washington, D. C.; Dr. O. M. Walton, Cleveland Church Federation; Dr. Hugh Vernon White, American Board of Commissioners for Foreign Missions; Dr. Marshall Wingfield, First Congregational Church, Memphis, Tenn.; and President William Lindsay Young, Park College, Missouri.

Cooperating in the United Christian Council for Democracy are six unofficial church social action groups of as many denominations: Methodist Federation for Social Service; Church League for Industrial Democracy (Episcopal); Presbyterian Fellowship for Social Action; Rauschenbusch Fellowship of Baptists; Evangelical and Reformed Council for Social Reconstruction; and Unitarian Fellowship for Social Justice.

DISPLACEMENT OF AMERICAN PHYSICIANS BY REFUGEE DOCTORS

Mr. NYE. Mr. President, I learn from private conversation with Senators that I am not alone in the concern I entertain respecting the extent to which thousands of European refugees in our country are threatening the future of such of our American medical men as have abandoned their practice to follow our soldiers and sailors to the ends of the earth to care for their ills and wounds.

Astounding tales are told of the extent to which refugee doctors are taking over practice in some of our larger cities, in some communities in such numbers as to enable them to dominate. From various parts of the country there comes word of the difficulty the American doctor will confront when he returns from war to his private practice. The families of doctors who are in the service complain of the obvious permanence of refugee doctors who have taken up practice in communities from which the established doctors have been called to military service. It is a matter that ought to invite the concern of all of us who would protect the future for these American doctors who today sacrifice so much.

I am without actual suggestion as to just what might be done about this condition. The eminent columnist, Frank C. Waldrop, under the title "Cuckoos in the Nest," in the Washington Times-Herald of May 17, wrote of something that ought to be required of the refugee doctors in our land.

I ask unanimous consent that the Waldrop article be printed in the RECORD following my remarks.

However difficult might seem the chance of immediately coping with the problem, we of Congress are in duty bound to find the way of guaranteeing that our own doctors, when they return from the war, shall have their former fields of practice if they desire them, and have them without competition by those who are here presumably only temporarily as refugees from other lands. This much is the very least we can do for those doctors who are doing yeoman service on the war fronts and their families, and, I might add, their home communities.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Dakota?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CUCKOOS IN THE NEST

(By Frank C. Waldrop)

A very great wrong is being done to doctors of America who have gone to war. Too many of them, while they are battling in obscurity and danger to protect the lives of other fighting men, are being robbed at home.

All over America famous and top-ranking physicians have sacrificed their security in the future to serve their country in the terrible present.

Two examples right from Washington indicate the kind of men we mean: John Hugh Lyons and John Minor. Before the war Dr. Lyons, surgeon, and Dr. Minor, general practitioner, were widely known to the general public as among the very first of their profession.

Who knows today that these men still exist? In fact, they do—as two more G. I. medical officers—and very proud of it.

But as such men go off to war there are second-raters, and the unscrupulous, and the inexperienced to take in a credulous public. Too often such quacks and rascals are replacing good men in people's minds.

Some are native-born and some have been cast up here by the wholesale landslides of populations in Europe.

The native-born bad eggs are easy to spot and even easier to break. It is the others we need to examine more carefully.

Strangers always have been able to get away with things here we would never accept from people we know more thoroughly.

It is a long-standing tradition in America that a fat girl from Italy named Madonna Coloratura is bound to be a better opera singer than a slim girl from Kansas named Sarah Swink. So strong is this foreign influence that many an American in the arts has developed a foreign name for obvious reasons.

One celebrated case in real life is that of a young pianist from Texas, named Lucy Hickenlooper.

She was obscure until she became Olga Samaroff. Now she has a world-famous reputation.

Dr. Glenn Dillard Gunn, eminent music critic of the Times-Herald, says that at least 50 percent of the cast of the Ballet Russe de Monte Carlo, men and women alike, are American born with American names.

But before they get jobs in the ballet they come up with Russian names, and some of them cultivate weird accents.

For generations, European lecturers have made their fortunes insulting our ladies' afternoon literary societies. They have spat contempt on us from coast to coast and we have bagged their pants down with dollars for doing it. That kind of thing goes on even yet, in spite of all our experience.

Oh, of course, some foreign visitors are people of genius, really entitled to the awe we lather upon all alike. And certainly it is true that some very great European doctors and scientists have found proper refuge here.

But it is also dangerously true that we have let in one and all alike with no judgment as between the genuine and the fake.

Many a small-fry bungler, chased out of Europe by the fortunes of revolution or war, has found that in America he can make a fortune of money here with only a suave bedside manner.

These invaders have quickly learned to play on American emotions with stories of harrowing personal experiences, and to intimidate American judgment by ridicule of American science.

Johns Hopkins? The Mayo clinic? The Rockefeller Institute? Mere butchers' markets compared with Vienna, Paris, and Berlin.

It calls for only a little skill to build a claque of partisans for such a fellow, especially of sappy women with undernourished mother instincts.

This thing has actually gone so far that whoever dares ask for proof of the great man's ability is attacked as a boob and a hay shaker who doesn't understand the finer side of life.

In New York the foreign doctor cult has become so superheated it is now demanding these gents be allowed to do as they please.

They should be given licenses, it is declared, without having to pass any examinations, so they can begin to carve and drug their faithful followers at once and without proof of ability.

Imagine the honor graduate of any American medical school ever having been permitted to ask such privileges in Europe.

Here in Washington the passion for the foreigners is so overflowing that the District of Columbia Medical Society has been stopped cold in its attempts to require that doctors become American citizens before they can begin to practice.

All of which simply encourages the quacks to continue bluffing and insulting us—and then sending large bills which one must pay

promptly to escape poisonous dinner table slanders.

These cuckoos in the nest should show some manhood, some gratitude for the safety they have had thrust upon them by warm-hearted America.

All such foreign doctors as the Army dares trust, and who can pass physical examinations, should be in uniform with rank according to proved ability.

All others, who for some good reason cannot be so used, should do the next best thing. They should enlist if they can, and in the final case, they should volunteer as anything—bandage rollers, bed makers, or ward orderlies—so they can show some appreciation for what America has so freely given them.

But no. Too many of them go on ridiculing us and robbing real men of their patients' loyalty. How long are we going to be parties to such a wrong?

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO REPORT A BILL AND FILE NOTICES OF MOTIONS TO SUSPEND THE RULE

Mr. McKELLAR. Mr. President, in behalf of the Committee on Appropriations I ask unanimous consent that the committee be authorized, during the recess of the Senate, to report the Interior Department appropriation bill, and to file notices of motions to suspend the rule relative to certain amendments to be offered by the committee.

Mr. WHITE. Mr. President, the request is with respect to reporting of the Interior Department appropriation bill?

Mr. McKELLAR. Yes. The request is simply for permission to file the report during the recess of Congress. I understand a committee meeting will be called tomorrow morning at 10:30 to pass upon the bill, and we will have the report ready soon thereafter. I am asking unanimous consent to report the bill during the recess of Congress and to file notices of motions to suspend the rules, so that the bill may be considered on Monday and passed.

Mr. WHITE. That raises the question directly that is in my mind. Mr. President, there has been a good deal of interest manifested in the Department of the Interior bill by Members on this side of the aisle, and I wanted to be assured, if I might be, that after the bill is available in its printed form, as reported from the committee, there might intervene at least 1 day before the bill is taken up for consideration.

Mr. McKELLAR. Oh, of course, if the Senator so desires, his wishes will be acceded to.

AN OPEN LETTER FROM BOOTH TARKINGTON

Mr. JACKSON. Mr. President, in an address which I delivered at Pittsburgh on May 17, which the junior Senator from Pennsylvania [Mr. GUFFEY] was good enough to have printed in the Appendix of today's RECORD, I include a statement made by a Representative from my State, Representative EARL WILSON, in which he suggested that the United States of America withdraw from the conflict in Europe. Immediately after that statement became public, Booth Tarkington, the beloved Indiana author, who is dean of American letters, and of whom we have been proud for 30 years, issued an open letter to the American public. He is a member of Representative WILSON'S party and is one who is deeply esteemed and respected. I ask unanimous consent to have printed in the RECORD Booth Tarkington's open letter upon the question propounded by this extraordinary and sensational suggestion on the part of the Representative from Indiana.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENTLEMEN: As a voter, one of the free electors from whom you must obtain the means to succeed in your present ambition, if you do succeed in it, I claim my own right and the right of all the people to be informed by you how you stand upon what is for us the most important question that will come before you if you are elected.

That question is, of course, How shall the United States obtain a peace that will be permanent?

Upon the floor of the House of Representatives in the Capitol at Washington an Indiana Congressman lately proposed that we now self-ruinously withdraw all of our armed forces from the European field of battle, leaving our allies to face the whole military power of the European Axis. This incident, though preposterous, is disquieting mainly because of certain attendant circumstances.

Among these is the fact that the Congressman who suggested that the United States of America should self-destructively go craven stands unopposed as a Republican candidate for reelection, and the choice for the voters of his district is therefore between him and a Democrat. It is true that he may gain some votes, particularly among war mothers pitifully deceived by the cruel implication that anything except victory will get the boys home; but among his constituents will certainly be many Republicans of good understanding and they will lament the hard choice forced upon them.

On April 28 the Republican Senator from Illinois spoke in South Bend. The South Bend Tribune reports him to have said:

"The American people know that their boys are dying not only to give the British Empire a new lease on life but another opportunity to expand its imperialism. They know that we are depleting our precious national resources, both human and material, not only to help Russia survive but to help Russia to become the colossus of Europe if not the world's most expansive and formidable power."

The inference is clear. It appears that the Senator from Illinois, like the Hoosier Congressman, does not favor our continuance in the war in Europe.

Gentlemen, these incidents sharply remind us that, before voting, our duty to our country and to ourselves demands that we know clearly from you how you stand upon the question of a permanent peace and what you will do when the attempt is made, as it will be, to take such measures as will best serve to prevent future international wars. Our knowledge of your position upon this vital matter will not be served if you reply that your primary purpose is to win the war. This we already know and it is true of all of us; nor does our question cast the faintest shade of doubt upon your purity of purpose or your patriotism. You have no need to defend either from us who are your neighbors and friends. We do not think ourselves purer or more patriotic than you are. Our need is simply to understand just what are your convictions in the one particular matter and how you will act upon them.

I now put the question to you concretely. To do this I must tentatively suggest a possible plan to insure permanent peace between nations. Such a plan must, of course, meet the natural objections of any loss of our independence and "sovereignty;" but I point out that individually we lose none of our freedom when we join a posse to capture a dangerous criminal and that it is instinctive with all of us who are not criminals to capture a murderer and to restrain anybody who is attempting a murder. The plan I here tentatively suggest is nothing more than the outline of a method by means of which nations could avoid international mass killings.

The purpose is to create and observe one single law among nations, a law to outlaw war. To this purpose the United States should ultimately invite all other nations to join in the forming of a special organization in which every concurring nation should have the same number of representatives—let us now say only one, a citizen presumably of legally trained mind and preferably with experience upon the bench. Thus would be formed a body of, let us say, 40 men, and for convenience we will refer to them as judges. All disputes between nations would supposedly be brought before these judges, but no judge would sit upon any case involving his own country—the verdict would be rendered by the judges whose countries were not concerned. The judges would have no power whatever to enforce their decisions. The contesting countries could accept the verdicts or not as they choose, but no nation would be permitted to go to war in opposition to a verdict or to make effective one in its own favor.

All nations would by agreement disarm to a maximum limit—consisting, let us say, of a military personnel not larger than 300,000 men, including all services; and all countries unable to maintain a force of that size would approximate it according to their ability to do so. These forces in no country would be subject to the orders of the judges mentioned above, but all governments would pledge themselves to use the forces at their command to maintain the peace upon proof being brought before the judges, and confirmed by them, that any country was enlarging its forces beyond the agreed maximum, or that it threatened or intended to make war upon any other country. That is, any country making war or preparing to make war, no matter in what cause, would bring down upon itself the overwhelming force of all the rest of the world.

With civil wars in any country, unless they should become a threat to the peace of other countries, neither the judges nor the military forces outside the warring country would have any concern. The questions of military bases and the like are matters of detail and would be settled in general conference with regard only to the general peace.

This theme, general and permanent peace, is the only one touched upon here, and of course we are not discussing what sort of peace is to be made with Germany and Japan or what's to be done about the disciplining and moral rehabilitation of those two countries.

What we believe we have the right to know, gentlemen, candidates selected by the Republican Party, is where you stand upon the question only second in vitality to the winning of the war. Naturally, I'm not so presumptuous as to think the plan I've above outlined the best or most practicable one. I put it forth only that there be something concrete to talk about, and our question isn't whether or not you would support it

but whether you would or would not support some such plan, no doubt a better one, but designed for actual use.

General criticism and the political opposition have called the Republican Party the party of isolation. I do not believe it, and the question I put to you here is in no sense a challenging one. Not by responses made to me personally, of course, but by frank and clear public statements for the hearing of all of us, you have the power to deprive the opposition of its most dangerous weapon and to encourage all of us who wish to see Republican principles supplant a political party too long and too masterfully in control of us all.

May I remind you, gentlemen, that when the next war comes all of the military powers concerned will almost certainly be in possession of an implement able to wipe out such a city as New York within 10 minutes so effectively that no living being could get anywhere near the place during the next 3 or 4 months.

I am, gentlemen,

Respectfully yours,

BOOTH TARKINGTON.

EDWARD GILLAM

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 254) for the relief of Edward Gillam, which was to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edward Gillam, of Hermiston, Oreg., the sum of $4,192.25 in full satisfaction of all claims against the United States for compensation for personal injuries sustained by him and for reimbursement of medical and hospital expenses incurred by him as the result of an accident which occurred when the automobile in which he was riding as a passenger was struck by a United States Army truck at the intersection of the Umatilla ordnance depot highway and United States Highway No. 207 near Hermiston, Oreg., on January 5, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. CORDON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF THE TARIFF ACT OF 1930

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes.

Mr. GEORGE. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. GERRY, Mr. CONNALLY, Mr. GEORGE, Mr. VANDENBERG, and Mr. TAFT conferees on the part of the Senate.

Mr. GEORGE. Mr. President, in connection with this matter, I may say that the bill was handled by a subcommittee consisting of the Senator from Michigan [Mr. VANDENBERG], the Senator from Ohio [Mr. TAFT], and the Senator from Rhode Island [Mr. GERRY] The usual number of conferees has been suggested, but the work of the conferees will be undertaken primarily by the subcommittee which handled the bill.

APPROPRIATIONS FOR LEGISLATIVE BRANCH AND THE JUDICIARY

Mr. TYDINGS. Mr. President, I move that the Senate proceed to the consideration of House bill 4414, making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4414) making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. TYDINGS. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Without objection, it is so ordered.

Mr. TYDINGS. Mr. President, permit me first to make a brief statement about the bill. This is the routine legislative and judiciary appropriation bill. It contains provisions for the payment of salaries of all Members of Congress and the congressional employees, and the judiciary. The amount of the bill as passed by the House was $59,606,975. The amount of increase by the Senate committee was $625,308.66. The amount of the bill as reported to the Senate therefore is $60,232,283.66. However, the amount of the appropriation for the fiscal year ending June 30, 1944, was $61,000,920.50. The amount of the regular and supplemental estimates for 1945 was $61,634,087. Therefore the pending bill as reported to the Senate is $1,401,803.34 under the Budget estimates for 1945, and is $768,636.84 under the appropriations for the same purposes last year. So the Senate will see that there has been a substantial reduction in the expenses of the legislative branch and the judiciary.

However, it is only fair to say that the committee did increase to some extent appropriations for the judiciary. That was as a result of what was stated by a committee appointed by the Chief Justice of the United States, Mr. Stone, and headed by Mr. Justice Biggs and other distinguished Federal jurists, who appeared before the committee and asked for increases of $1,000,000, in round figures, in the judiciary appropriations. After careful consideration, the committee granted about $300,000, or one-third of the request made. With that exception, there is rarely any increase in the amount of the bill as it came from the House.

The PRESIDING OFFICER. The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Legislative branch—Senate—Office of the Secretary," on page 2, line 24, after the word "and", to strike out "$500" and insert "$1,000"; on page 3, line 1, after the word "and", to strike out "$1,000" and insert "$1,500"; in line 11, after the figures "$3,180", to strike out "three" and insert "one at $2,880 and $540 additional so long as the position is held by the present incumbent, two"; in line 13, after the word "each", to strike out "one at $2,640 and $660 additional so long as the position is held by the present incumbent, two" and insert "three"; in line 15, after the figures "$2,400", to strike out "six" and insert "one at $2,400 and $300 additional so long as the position is held by the present incumbent, five"; in line 19, after the figures "$1,440", to strike out "and $420 additional so long as the position is held by the present incumbent"; in line 22, after the words "laborers—one at", to strike out "$1,800" and insert "$1,980"; in line 23, after the figures "$1,620", to strike out "four" and insert "five"; and in line 25, after the words "in all", to strike out "$151,040" and insert "$153,420."

The amendment was agreed to.

The next amendment was, under the subhead "Clerical assistance to Senators", on page 9, line 11, after the word "salary", to strike out "will" and insert "shall."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Sergeant at Arms and Doorkeeper," on page 12, line 5, after the word "laborers", to strike out "three at $1,380 each, twenty-eight" and insert "two at $1,440 each, one $1,320, twenty-seven"; and in line 9, after the words "in all", to strike out "$273,944" and insert "$272,744."

The amendment was agreed to.

The next amendment was, under the subhead "Folding room," on page 12, line 21, before the word "clerk", to strike out "$2,280" and insert "$2,400"; and in line 22, after the words "in all", to strike out "$29,220" and insert "$29,340."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the Senate," in the item for reporting Senate proceedings, on page 13, line 5, after the word "monthly", to strike out "installment, $69,750" and insert "installments, $65,450."

The amendment was agreed to.

The next amendment was, on page 14, line 15, after the word "labor", to strike out "$350,000" and insert "$372,962."

The amendment was agreed to.

The next amendment was, on page 14, line 18, after the name "Sergeant at Arms", to strike out "$150; in all $500" and insert "$650; in all $1,000."

The amendment was agreed to.

The next amendment was, on page 14, after line 18, to strike out:

Air mail stamps: For air-mail stamps for Senators and the President of the Senate, as authorized by law, $4,850.

And in lieu thereof to insert the following:

The paragraph of the Legislative Branch Appropriation Act, 1942, which authorizes and directs the Secretary of the Senate to procure and furnish air-mail postage stamps each fiscal year to each Senator and the President of the Senate, is hereby amended effective July 1, 1944, to read as follows:

"Hereafter the Secretary of the Senate is authorized and directed to procure and furnish each fiscal year to each Senator and the President of the Senate, upon request by such person, United States air-mail and special-delivery postage stamps in an amount not exceeding $96.66 for the mailing of postal matters arising in connection with his or her official business."

To enable the Secretary of the Senate to carry into effect the provisions of the preceding paragraph, $9,376.66.

The amendment was agreed to.

The next amendment was, on page 15, after line 11, to insert:

The Committee on Appropriations, authorized by Senate Resolution No. 193, agreed to October 14, 1943, to employ expert and clerical assistance for the purpose of obtaining and laying factual data and information before the committee for its consideration in the discharge of its functions, hereby is authorized to expend from the contingent fund of the Senate, during the fiscal year 1945, $50,000 in pursuance of the purposes set forth in said resolution.

Mr. WHITE. Mr. President, I notice in line 14, on page 15, provision is made for the employment of expert and clerical assistance. Will the Senator from Maryland explain that provision?

Mr. TYDINGS. Mr. President, that item has always been included in every legislative appropriation bill. The money is rarely expended, but provision for it is always put in the bill, in case the Committee on Appropriations wishes to engage expert and clerical assistance to make an examination into any financial matter.

Last year that amount was not spent. It very rarely is spent. But the item has been a routine part of practically every legislative appropriation bill.

Mr. WHITE. Are those assistants employed on a fiscal-year basis?

Mr. TYDINGS. None at all are employed. The provision is merely one which is included so as to have the money available in case the committee finds it necessary to employ them.

Mr. WHITE. This item does not relate, then, to the special assistants who are employed to investigate the budgetary methods and amounts; does it?

Mr. TYDINGS. No; it does not. They were loaned to us, for the most part, by the General Accounting Office; and hence we had no need to use the money.

Mr. WHITE. How many of them were there?

Mr. TYDINGS. Five. Most of them came from the General Accounting Office. However, if we had not been able to have gotten them free from the General Accounting Office, we would have had this fund which we could have used, so that we could have employed them.

Mr. WHITE. So, from the General Accounting Office or from elsewhere the committee got how many?

Mr. TYDINGS. Five trained experts.

Mr. McKELLAR. Mr. President, four were borrowed from the General Accounting Office, and one is regularly employed at a salary of $3,000. Of course, so long as they are loaned to us, it will not be necessary to use this fund to pay them.

Mr. WHITE. Specifically, I was interested in finding out whether the additional assistants were made available to the majority of the committee, or whether any were assigned to the minority of the committee.

Mr. TYDINGS. They were assigned to the whole Senate committee. In the case at hand, they were picked for the most part by the General Accounting Office; but obviously, if it became necessary to employ them directly by the committee, the minority would be given a voice in the matter of their selection.

Mr. McKELLAR. Mr. President, I wish to say that in any case either the majority or the minority would be given the right to have their assistance.

Mr. WHITE. I merely wanted to inquire about the item.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 15, after line 11.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 15, after line 19, to insert:

There shall be paid from the contingent fund of the Senate, in accordance with rules and regulations prescribed by the Committee to Audit and Control the Contingent Expenses of the Senate, the initial 3-minute toll charges on not to exceed 10 strictly official long-distance telephone calls from Washington, District of Columbia, per month for each Senator.

Mr. WHITE. I should like to inquire about this item. As I understand the item, it is a provision to pay toll charges on the initial 3 minutes of not to exceed 10 strictly official long-distance telephone calls from Washington, D. C., a month, for each Senator. The thing which seemed to me to be curious about it was that it seemed to be limited to calls going out from Washington.

Mr. TYDINGS. That is correct.

Mr. WHITE. In other words, if the Senator from Maryland were in Washington and telephoned to Baltimore, the toll charge on that telephone call could be covered by this item; is that correct?

Mr. TYDINGS. That is correct.

Mr. WHITE. But if the Senator from Maryland were in Baltimore, and called Washington, on the same public business, that charge could not be placed against this item; could it?

Mr. TYDINGS. That is correct.

Mr. WHITE. Why is that?

Mr. TYDINGS. Because there is no way to keep an accurate check on the telephone calls if they come in "charges collect," to use the customary phrase, to the office in Washington. For instance, a constituent could call up a Senator "charges collect"; in other words, reverse the charges; and his call might be about some matter which might seem to bring it in line with the provision about the 10 calls a Senator would be permitted to have each month. So the committee, after careful thought, limited the calls which could be charged against this item to those which were made from Washington to the States, and prohibited the charging against this item of calls coming from the States to Washington; so as not to abuse the account; so as to make sure that the calls were made on Government business, and so that the proper procedure and rules could be employed. Therefore it was limited to outgoing calls, excluding incoming ones.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 15, beginning in line 20.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the heading "House of Representatives—Committee employees," on page 21, line 16, after the figures "$3,180", to strike out "and $1,320 additional so long as the position is held by the present incumbent"; and in line 19, after the words "in all", to strike out "$340,600" and insert "$339,280."

The amendment was agreed to.

The next amendment was, under the heading "Architect of the Capitol—Capitol Buildings and Grounds," on page 34, line 24, after the figures "$383,747", to insert a comma and "of which $40,000 shall be immediately available."

The amendment was agreed to.

The next amendment was, on page 35, line 22, after the word "thereof", to insert "for purchase of waterproof wearing apparel"; and on page 36, line 2, after the words "in all", to strike out "$306,955" and insert "$352,960."

The amendment was agreed to.

The next amendment was, under the heading "Title II—The Judiciary—United States Supreme Court", on page 54, line 7, after the word "services", to strike out the comma and "including temporary labor without reference to the Classification and Retirement Acts, as amended" and insert "(including temporary labor without reference to the Classification and Retirement Acts, as amended)."

The amendment was agreed to.

The next amendment was, under the subhead "United States Courts for the District of Columbia", on page 55, line 9, after the word "thereto", to strike out "$2,500" and insert "$3,370"; and in line 10, after the name "Architect of the Capitol", to insert a comma and "of

which $870 shall be immediately available."

The amendment was agreed to.

The next amendment was, under the subhead "Court of Customs and Patent Appeals", on page 55, line 14, after the word "court", to strike out "$114,860" and insert "$117,160."

The amendment was agreed to.

The next amendment was, under the subhead "United States Customs Court", on page 56, line 4, after the figures "$12,500", to insert a colon and the following proviso: *"Provided,* That traveling expenses of judges of the Customs Court shall be paid upon the written certificate of the judge."

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous items of expense," on page 58, line 2, after the word "assistants", to strike out "$2,975,000" and insert "$2,995,710."

Mr. BRIDGES. Mr. President, I think it might be well for the distinguished chairman of the subcommittee to explain to the Senate what the committee did with respect to the item having to do with law clerks and law secretaries for the various Federal judges; because that item is the one substantial change made in the bill.

Mr. TYDINGS. I shall be glad to do so. I briefly commented on it in my opening statement on the bill. I said then that Mr. Chief Justice Stone, of the Supreme Court, in response to numerous requests had appointed a committee composed of some of our leading jurists, to make a study of the judicial system, and to see what its needs were and where improvements could be made.

As a result of that study, those jurists, headed by Mr. Justice Biggs, Mr. CHANDLER, and others, came before our committee. They asked for appropriations which would have aggregated in excess of $1,000,000. The committee, of which the distinguished Senator from New Hampshire, who has asked me this question, was a member, heard the requests which were submitted with respect to probation officers, law clerks, and various other phases of the operation of the judicial machine. As a result of our hearings, we have recommended for them increased appropriations in the cases in which we thought such increases were absolutely necessary. In cases in which there was any doubt, I think the committee took the attitude that it would not grant the increases. The increases allowed aggregated in round numbers, as I recall, approximately $300,000.

There were mild increases for some of the probation officers of the Federal courts, for example, for the reason that a comparison of the salaries paid to municipal and State probation officers with the salaries paid to Federal probation officers showed that the salaries of the municipal and State probation officers were much higher than those paid to the Federal probation officers. Therefore, while we did not even up those salaries, we did recommend that some extra money be paid, so as to increase slightly the salaries of some of the lower-paid probation officers.

In the case of law clerks, we found that the law clerks were being taken away from the Federal judges, because many law firms had been depleted of personnel by reason of the draft and the war generally, and therefore they were offering the law clerks $5,000 or $10,000 minimum income, as against $2,100, $2,400, or $2,700 which they were receiving when they were working with the judges. In order to try to meet that situation at least in part, we recommended the appropriation of a lump sum which could be used in certain communities where the strain is great, so as somewhat to stabilize the law-clerk situation.

Those were the two principal items covered by the increases.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 58, in line 22.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 58, line 22, after "(18 U. S. C. 726)", to strike out "$1,137,400" and insert "$1,270,040."

The amendment was agreed to.

The next amendment was, on page 60, line 6, after the words "provided for", to strike out "$1,327,885: *Provided,* That the compensation of secretaries and law clerks to circuit and district judges shall be fixed by the Director of the Administrative Office of the United States Courts without regard to the Classification Act of 1923, as amended, except that the salaries of the secretaries, exclusive of temporary additional compensation, and exclusive of the differential allowed for higher living costs in the Panama Canal Zone, shall correspond with those of the assistant administrative grade (grade 7 of clerical, administrative, and fiscal service): *Provided further,* That the annual basic compensation of the secretary to a circuit or district judge shall not (exclusive of temporary additional compensation) exceed $3,200: *And provided further,* That the salaries of law clerks shall correspond with those of the assistant professional grade" and to insert "$1,700,000: *Provided,* That the compensation of secretaries and law clerks of circuit and district judges (exclusive of temporary additional compensation) shall be fixed by the Director of the Administrative Office without regard to the Classification Act of 1923, as amended, except that the salary of a secretary shall conform with that of the main (CAF–4), senior (CAF–5), or principal (CAF–6) clerical grade, or assistant (CAF–7), or associate (CAF–8) administrative grade, as the appointing judge shall determine, and the salary of a law clerk shall conform with that of the junior (P–1), assistant (P–2), associate (P–3), full (P–4), or senior (P–5) professional grade, as the appointing judge shall determine, subject to review by the judicial council of the circuit if requested by the Director, such determination by the judge otherwise to be final: *Provided further,* That (exclusive of temporary additional compensation) the aggregate salaries paid to secretaries and law clerks appointed by one judge shall not exceed $6,500 per annum, except in the case of the senior circuit judge of each circuit and the senior district judge of each district having five or more district judges, in which case the aggregate salaries shall not exceed $7,500."

The amendment was agreed to.

The next amendment was, on page 62, line 7, after the numerals "1940", to strike out "$550,000" and insert "$557,000."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4414) was read the third time and passed.

Mr. TYDINGS. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TYDINGS, Mr. OVERTON, Mr. TRUMAN, Mr. GREEN, Mr. MALONEY, Mr. BRIDGES, and Mr. BURTON conferees on the part of the Senate.

FEDERAL AID FOR READJUSTMENT OF VETERANS IN CIVIL LIFE

The PRESIDING OFFICER (Mr. CHAVEZ in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

Mr. GEORGE. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CLARK of Missouri, Mr. GEORGE, Mr. WALSH of Massachusetts, Mr. LUCAS, Mr. LA FOLLETTE, Mr. DANAHER, and Mr. MILLIKIN managers on the part of the Senate.

Mr. GEORGE. In connection with the conference on the bill permit me to say that the Senator from Missouri [Mr. CLARK], who is chairman of the subcommittee of the Committee on Finance on veterans' legislation, is unable to be present today, but he asked me to announce that he hoped to begin the conference on Monday if that is agreeable to the conferees appointed by the House.

THE ARMY-NAVY E PRODUCTION AWARD

Mr. MEAD. Mr. President, few wartime programs on the home front have attracted such widespread attention as the Army-Navy E production award. It

has been a potent factor in stimulating war production and worker morale. It has provided a wartime symbol of service whereby fitting recognition could be given to plants and workers behind the men behind the guns. However, I have long felt that the Army-Navy E program has not been fully recognized for its true worth in the war effort.

Approximately 3,000 plants now proudly fly the E and the men and women in these plants are united in the drive to win the war. As a member of the Special Committee to Investigate the National Defense Program, and as one who has visited the fighting fronts, I have had an ample opportunity to gain first-hand information as to the stimulus that the Army-Navy production award has given to supplies of materials for our armed forces. The Army and Navy recently prepared most interesting summaries of this award program for a colleague of mine in the Senate.

One of the interesting features of the summaries prepared by the Army and Navy is the fact that the services are united in giving credit for the award program to Capt. Lewis L. Strauss. Thus, we know, perhaps for the first time, who is responsible for conceiving the idea of this important contribution to the war effort. It seems to me most fitting that the Navy should take steps to see that Captain Strauss is appropriately recognized for his fine contribution to the war effort in accord with Navy procedure. I commend to the attention of the Secretary of the Navy such action.

With the thought that the information on the E award program has important implications, I ask unanimous consent that there be inserted at this point in the CONGRESSIONAL RECORD as a part of my remarks statements prepared by Messrs. Forrestal and Patterson.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

THE ARMY-NAVY PRODUCTION AWARD

STATEMENT BY UNDER SECRETARY OF WAR PATTERSON

The Army-Navy production award, generally known as the Army-Navy E, is the result of a deep appreciation by the War and Navy Departments of the importance of production and supply in this war.

The first crystallization of this appreciation was the Naval Bureau of Ordnance E burgee. Adapted from the Navy E, which was first awarded in 1906 to units of the fleet excelling in gunnery and later extended to include outstanding performance in engineering and communications, this Bureau of Ordnance E came into being in July of 1941 under the direction of Rear Admiral W. H. P. Blandy, United States Navy, and Capt. L. L. Strauss, United States Naval Reserve. It was given to those plants and organizations which showed excellence in producing equipment for the Naval Bureau of Ordnance.

Late in 1941 it became apparent that a more general award covering all phases of war industry was desirable. On January 1, 1942, therefore, the Bureau of Ordnance E became the all-Navy E, an award which embraced all plants producing ships, weapons, and equipment for the Navy.

In the meantime, the War Department, the war. An Army and Navy emblem, worn by ment agencies were considering various plans by which emblems might be awarded to all workers engaged in war production. This idea—which has since been considered in detail on two separate occasions—was considered impracticable because of the inherent difficulties of administration and of the impossibility of setting up standards which would be fair and equitable for the various groups, industries, and sections of the country. The idea for an over-all emblem was therefore discarded, and the War Department set up, tentatively, an award to be known as the Army A. The original planning for this award was done by Brig. Gen. C. D. Young, Maj. Gen. W. H. Harrison, Brig. Gen. A. R. Glancy, and Col. Leo Dillon. The success of the Navy E caused that award to be used as the basic model.

During this period two other awards were in the process of creation: The Maritime Commission M for shipbuilding, which was conceived by Admiral H. L. Vickery, United States Navy; and the Army-Navy Munitions Board star award, for producers of machine tools, which was developed by a committee appointed by the Under Secretaries of War and the Navy, and composed of Capt. E. E. Almy, United States Navy, retired; Brig. Gen. S. E. Reimel, United States Army; Col. A. B. Johnson, United States Army; and Capt. E. R. Henning, United States Navy. The Maritime M was first awarded in April of 1942, and has continued in existence ever since, but the Army-Navy Munitions Board star was presented to only four plants.

In June of 1942 it was decided that it would be desirable to merge the Navy E, the Army A, and the Army-Navy Munitions Board star. The result was the Army-Navy Production award, which came into being as far as the Army was concerned, by War Department directive dated July 13, 1942, and which was designed to recognize outstanding achievement in war production for the Army and the Navy.

The Navy's Industrial Incentive Division and the Industrial Section, Public Relations Branch, Army Services of Supply—now the Industrial Services Division, War Department Bureau of Public Relations—forewarned of these developments, and working closely together, were ready to proceed with the presentation of the new awards. The first letters notifying plants that they were receiving the new awards went out over the signatures of the Under Secretaries of War and the Navy during the third week of July 1942, and the first presentation ceremonies were held on the 10th of August 1942.

By November of 1942, the award was well-known all over the country and was prized by American industry.

When the award was originally created provision had been made that all plants maintaining or exceeding, for a period of 6 months, the records which had first won them the award should be granted a white star, to be attached to the flag presented to them at the time of the original award. Additional stars are awarded for subsequent 6-month periods of sustained production. It has been found that a considerable majority of plants which have been granted the original award merit the star. The number of plants which have failed to receive the first and subsequent stars at the end of succeeding 6-month periods has been small.

Basic policy in granting awards takes a single plant rather than a company or a corporation as the unit involved. The award goes to every individual within the plant, rather than to management alone or to the workers alone. Every plant winning the award receives an E flag to be flown over the plant, and every individual within the plant received an E pin.

Nominations for the award are initiated by the local procurement offices of the Army Technical Service or the Naval Bureau with which the plants concerned hold the majority of their contracts. From the local procurement office the nomination goes to the office of the chief of the service or bureau in Washington, where it is reviewed before being forwarded to the Army or Navy Board for Production Awards. Each Board meets monthly and each must concur in the action of the other before an award becomes final.

The membership of the two boards, which is listed on page 5 of the attached Army-Navy Production Award Manual, has remained largely the same since the creation of the joint award. Exceptions are the late Admiral H. A. Wiley, United States Navy (retired), who was chairman of the navy board until shortly before his death in January of 1943; Capt. R. Henderson, United States Navy (retired), who was succeeded as secretary of the navy board by Capt. F. G. Loftin, United States Navy (retired), and who has since been succeeded by Lt. J. S. Copley, United States Naval Reserve; Mr. J. E. Harrell, the first recorder of the army board, who was succeeded in turn by Mr. R. W. Stokes, Lt. Col. F. M. Linton, and Col. R. F. Gow, the present recorder.

Awards granted to date number 2,865, of which 1,859 have resulted from nominations by the Army services, and 956 from nominations by naval bureaus. This figure represents an approximate 3 percent of the plants engaged in war production. There is considerable evidence that the award has as much prestige and is as much in demand as ever. The evidence has been gained from talks with public-relations officers throughout the country, from the continuing interest and enthusiasm evinced by both management and employees of war plants, and from numerous letters and comments, testifying to the success and value of the award, which have been received from many sections of the country.

STATEMENT FROM THE NAVY

In June 1941 Secretary Knox called upon Lt. Comdr. Lewis L. Strauss, a Reserve officer (who was in charge of ordnance inspection under Rear Admiral Blandy, then Chief of the Bureau of Ordnance), to devise some procedure calculated to stimulate the production of war material. At that time the prospect of war still seemed remote. We were engaged in what was characterized as a defense program, and many of the larger industries of the country were reluctant to convert their facilities from commercial production to the much more exacting and considerably less profitable manufacture of munitions. The officer in question evolved the idea of awards to specific contractors and their employees whose product had met certain high standards of acceptability and whose rate of production was abreast or ahead of schedule. He pointed out that this was preferable to blacklisting contractors whose work was unsatisfactory. He stated, however, in view of the fact that companies making naval ordnance also worked for other bureaus in the Navy, that the project should be extended to cover the entire Navy Department, and that, since the same manufacturers likewise worked for both the Army and Navy in many cases, it might create an anomaly unless the plan were adopted by both armed services. Colonel Knox, with his usual foresight, sensed the delay inevitable in negotiating such a comprehensive arrangement and directed that the Bureau of Ordnance should inaugurate the project. If it were successful, he said, that fact in itself would insure its widespread adoption.

The plan provided for a symbolic award, rather than one of any intrinsic value, on

the premise that the American industry would exert itself to greater effort for the symbols of patriotism than for pecuniary gain. Commander Strauss conceived the idea of bringing the Navy E, originally a gunnery trophy, ashore for this purpose.

He was thereupon ordered to immediately put his suggestions into effect in the Bureau of Ordnance, and on July 25, 1941, a small group of 14 outstanding companies were selected for the first award. In granting that award, Secretary Knox said:

"Anybody familiar with the Navy knows what the letter 'E' means on the bridge, conning tower, funnel, or turret of a Navy vessel. It's the highest service award the Navy can make, and it means excellence or special merit in gunnery or engineering or some other activity. It's the Navy's way of saying 'Well done!'

"In the present defense program, we've asked for miracles of industrial production and what's more, we're getting them. To show our appreciation of the way American industry has gone to bat in this emergency, the Navy has decided to award the Bureau of Ordnance flag and its coveted E to the management and men of those plants who are doing an outstanding job in the production of naval material. Again, it's our way of saying 'Well done!'

"First awards in the E campaign go to the representatives of 14 companies who are either well up or ahead of schedule in naval ordnance production. There'll be more E's awarded as other companies qualify—and the more the better—because production and more production is the only thing that will end this war. The Navy hopes the E award will be as eagerly sought by industry as it is by men in the service."

The first 14 companies included companies ranging from the largest to the very smallest, and geographically distributed from coast to coast. A part of the plan provided that the companies could fly the Bureau of Ordnance flag and the Navy E burgee and that each of their employees was entitled to wear an emblem or badge bearing the E. It might be said parenthetically that the project cost only a few hundred dollars and there being no appropriation out of which it could be paid the initial expense was borne by voluntary contributions from the naval officers in the Bureau of Ordnance. Civilian public relations specialists brought in to advise and elaborate the details, contributed their time, without pay. Notable among these was James P. Selvage.

The plan met with immediate success and the companies reported a substantial lift in employee morale that was immediately noticeable in the number of units produced and in reduced absenteeism. Accordingly, in the autumn of 1941 the plan was adopted by the other bureaus in the Navy and except for a brief period under the late Admiral Wiley, has been administered by Rear Admiral Clark Woodward, United States Navy (retired). The other services soon responded to the demands of industry to devise similar projects and the Army, Maritime Commission, and War Production Board all announced incentive programs similarly designed. In the spring of 1942 the Army and the Navy joined hands, and the incentive organizations of the two armed services have since cooperated in order that the awards might be justified by the performance of contractors for both services thus fulfilling the requirement that had been initially recommended by the originating officer.

Commenting on the award, President Roosevelt has said:

"An Army-Navy production flag flying above a factory or mine will bear witness that management and labor are doing their utmost to help the Army and Navy to win the war. An Army and Navy emblem, worn by a civilian, will evidence outstanding service in the greatest production force in the world today—a united and free army of American workers."

Mr. William Green, president of the American Federation of Labor, has stated:

"On behalf of the 6,000,000 members of the A. F. of L. * * * men are at work to see the banner of the Army-Navy production award flying. This is a magnificent recognition of a job well done."

Mr. Philip Murray of the C. I. O. declared:

"Here is our pledge to work with management and Government to destroy the force that would destroy us. Nothing else is really important now. We like the new Army-Navy production award. When our men do the job, they appreciate that official recognition."

Expressions from industry have been unanimous and a few are appended in the attached memorandum. Indications of the success of the award and eagerness with which it is sought is to be found in many hundreds of communications from management inquiring as to how the award can be earned and in testifying after it has been earned of its effect in increased output, curtailed absenteeism, and reduced rejections and spoilage.

Nominations for the Army-Navy E, which are on a plant rather than a company basis, must originate in the field with the Navy inspector or Army procurement officer in closest touch with the plant. These nominations are then forwarded to the cognizant Navy bureau or Army supply service, where they are further checked and sifted. Names of outstanding plants are then recommended to the Army or Navy Board for Production Awards for consideration; nominations must receive the concurrence of both Boards before the award is granted.

All prime and subcontractors for the Army and Navy are eligible for the award, whether large plant or small. Quantity and quality of production in the light of available facilities are the factors which are given the greatest weight in selecting recipients for the award. Other factors considered include: (a) Overcoming of production obstacles, (b) avoidance of stoppages, (c) maintenance of fair labor standards, (d) training of additional labor forces, (e) effective management, (f) record on accidents, health, sanitation, and plant protection, (g) utilization of subcontracting facilities, (h) cooperation between management and labor as it affects production, (i) conservation of critical and strategic materials, and (j) low rate of absenteeism.

Plants which maintain or improve upon their high production record for 6 months after receiving the original award qualify for a white renewal star for their E flag. Additional renewal stars may be won for continued high production for succeeding periods. To date, no plant has received more than four renewals.

Members of the Navy Board for Production Awards are as follows: Admiral C. C. Bloch, United States Navy (retired), chairman; Rear Admiral George H. Rock, Chaplains Corps, United States Navy; and Rear Admiral W. T. Cluverius, United States Navy (retired). Lt. James S. Copley, United States Naval Reserves, is secretary.

The Army Board for Production Awards consists of: Lt. Gen. William S. Knudsen, chairman; Maj. Gen. Charles M. Wesson; Maj. Gen. W. H. Harrison; Maj. Gen. Bennett E. Meyers; Brig. Gen. Hugh C. Minton, Mr. Edward F. McGrady; and Col. Ralph Gow, recorder.

The total number of awards made to May 4, 1944, by both the services is 2,815, of which the Navy awards are 959. They have included the largest companies in the United States and many small ones, some with as few as 3 employees. These figures should be read in connection with the fact that the total number of contractors eligible for the E is many times the number of those who have received it.

The Navy has always enjoyed the good will and the hearty cooperation of American industry. The original Navy E production award, now the Army-Navy E production award, has developed a close relationship between the fleet and the men and women working in the plants which it is confidently hoped will long continue. It is not possible to measure the value of this project in terms of its percentage contribution to the increase in output of munitions, but it is generally conceded that it has been substantial. It continues to serve its original useful purpose.

GOVERNMENT CORPORATIONS AND LENDING AGENCIES

Mr. BUTLER. Mr. President, my attention has been called to an article which appeared in the Wall Street Journal of yesterday, May 18, with respect to a secret Government corporation which has been operating for the past 2 years. I have known that such an organization existed, but at the request of several Government representatives I did not mention it when I made my statement with reference to spending in Latin America. Now that the name of this mysterious operating unit of our Government is public property, I desire to make a few comments on what has been termed the "fourth branch" of the Government, and that is the 57 varieties of Government corporations and lending agencies. Perhaps there have been more created since the list appearing in the hearings on the independent offices appropriation bill (H. R. 4070) was compiled. Even the Comptroller General, Mr. Warren, has difficulty keeping track of the new corporations which spring up from time to time, as was evidenced in his testimony before the Byrd committee when he said:

> It is only by the merest accident that we hear of them, although we have nothing to do with them.

I was particularly interested in the spending and lending of Prencinradio because I had heard of numerous complaints both from here and from Latin America about the competition with private capital. Now that we have a portion of the information, I urge that we request complete information from the directors of the various independent corporations. On February 11, 1943, I submitted Senate Concurrent Resolution No. 8, calling for a full and complete investigation and study with respect to the various agencies making loans, advances, or extensions of credit and which are in competition, directly or indirectly, with themselves or private lending institutions.

I am informed by the able chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, the Senator from Virginia [Mr. BYRD] that his committee has the matter under consideration. I urge that for the sake of economy we examine the activities of not only the corporations, but credit agen-

cies, which have a borrowing power of more than $32,000,000,000 and are operating under a mixed authorization of the statute creating them or the State charter under which they were incorporated, or by Executive order, whichever is most convenient for them.

I call attention to the fact that the Coordinator of Inter-American Affairs has a wide latitude of operation. A glance at pages 806–807 of the House hearings on the appropriation bill for 1945 will show, for example, the Institute of Inter-American Affairs, Institute of Inter-American Transportation, Inter-American Educational Foundation, Inc., and the Inter-American Navigation Corporation. Incidentally, the Prencinradio Corporation enjoys freedom of control by the Budget Bureau and Congress over its administrative expenses, and it is not audited by the General Accounting Office. There is a footnote to the effect that the Coordinator has agreed to submit accounts to the General Accounting Office, but as of December 1943 he has not done so. No wonder it appears impossible to get an accurate statement as to how much is being spent in Latin America or elsewhere. These organizations are not responsible to anyone, not even to Congress itself.

In this connection I respectfully invite the attention of Members of the Senate to Senate Document No. 8, dated January 12, 1937. It contains a message from the President transmitting a report on the reorganization of the Executive Departments of the Government. In the light of developments since January 1937, it makes very interesting reading. The purpose of the reorganization was simplification and a reduction of the number of boards and commissions reporting to the President. On page 56 of this document we read:

> The executive branch of the Government of the United States has thus grown up without plan or design like the barns, shacks, silos, toolsheds, and garages of an old farm. To look at it now, no one would ever recognize the structure which the founding fathers erected a century and a half ago to be the Government of the United States.

The reorganization of the executive department of the Government has now been in effect for almost two full Presidential terms, nearly 8 years Instead of fewer boards, commissions and bureaus, there is a greatly increased number. None of us knows the exact number of Government corporations like Prencinradio that are in existence.

The heading for the article which appeared in yesterday's edition of the Wall Street Journal is "United States mystery agency; Government-owned Prencinradio, Inc., Works in Latin-American field; activities a well-kept secret for 2 years—has radio and movie interests."

To quote a line or two from the article:

> This Federal firm has most sweeping powers, especially to make, produce, edit, publish, exhibit, broadcast, or distribute motion pictures, radio script, transcriptions, and recordings, and/or programs, news, articles, books, magazines. * * *"
>
> Beyond this it may issue its own bonds; contruct buildings and operate them, sell them or give them away; deal in stocks and bonds of any corporation or Government; buy and sell patents, copyrights, trademarks, trade names, symbols, inventions, discoveries, licenses, processes and formulas; make gifts and loans, secured or unsecured, to any individual, group, firm, or Government; and carry on any other business enterprise or activity in connection with the foregoing. * * *
>
> Most of these powers may be exercised without limitation as to amount or value and whether within or without the United States of America.

Mr. President, I ask unanimous consent that the entire article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of May 18, 1944]

UNITED STATES MYSTERY AGENCY—GOVERNMENT-OWNED PRENCINRADIO, INC., WORKS IN LATIN-AMERICAN FIELD—ACTIVITIES A WELL-KEPT SECRET FOR 2 YEARS—HAS RADIO AND MOVIE INTERESTS — NELSON ROCKEFELLER HEADS IT

WASHINGTON.—The United States Government operates a secret corporation in pursuit of its "good neighbor" policy.

Prencinradio, Inc., which will celebrate its second birthday on July 20, is busy from 20 degrees north latitude, where it is helping the Mexicans make movies, to 35 degrees south latitude, where it sponsors broadcasts to woo South American support for our side of the war.

When a charter was quietly filed in Delaware in 1942, obtaining for the corporation a 10-year life, it contained no mention that Prencinradio, Inc., was a Government agency. Three Wilmington citizens, Alfred Jervis, L. H. Herman, and W. T. Cunningham, were named as incorporators; the charter made no mention of the Coordinator of Inter-American Affairs, Nelson Rockefeller, who is chairman of the corporation's board, nor of other officials of his agency who man the company lesser posts.

HAS SWEEPING POWERS

This Federal firm has most sweeping powers, especially to "make, produce, edit, publish, exhibit, broadcast, or distribute motion pictures, radio scripts, transcriptions and recordings, and/or programs, news articles, books, magazines * * *."

Beyond this it may issue its own bonds; construct buildings, and operate them, sell them, or give them away; deal in stocks and bonds of any corporation or government; buy and sell "patents, copyrights, trademarks, trade names, symbols, inventions, discoveries, licenses, processes, and formulas"; make gifts and loans, secured or unsecured, to any individual, group, firm, or government; and "carry on any other business enterprise or activity in connection with the foregoing. * * *"

Most of these powers may be exercised "without limitation as to amount or value and whether within or without the United States of America."

It is impossible now to make a comprehensive analysis of how many of Prencinradio's powers have been translated into action. (Officials do say the bond-issuing power has not yet been used.) Here are certain facts, pieced together from numerous sources:

Case 1: Strategically located in Montevideo, Uruguay, is a broadcasting firm entitled "Prencinradio, Sociedad de Responsibilidad Limitada (limited-risk company)." Though ostensibly a private concern, and nothing more, it has close financial connection with Prencinradio, Inc., of Delaware. Just what these arrangements are officials of the United States corporation will not say for publication; the Office of the Coordinator of Inter-American Affairs declines to make public any information about this operation.

Officials of the Federal Communications Commission, however, say their records show the Uruguayan Prencinradio is operating two long-wave stations in Montevideo, CX–16 and CX–24. These communications experts are not in on the secret that the United States Government is the financing sponsor of the stations. "I don't see how they would be tied in at all with this Government; we don't have anything to indicate that," said one of them.

So far as the F. C. C. knows, control of Prencinradio in Montevideo is vested in two individuals, Roberto Fontaina and Dardo Regules. The Uruguayan Embassy here says that two gentlemen of these names are members of the Government of Uruguay. Señor Regules is a member of the house of representatives of that nation and Señor Fontaina is an official of the Uruguayan Office of Information, with offices in Rockefeller Center in New York City.

THE MONTEVIDEO TRANSMITTERS

The Montevideo radio transmitters are about 150 miles from Buenos Aires, and a good portion of Argentina is within their service area.

The Bureau of the International Telecommunication Union, in its most recent list of broadcasting stations, tenth edition, 1942, shows Station CX–16 operating on 850 kilocycles with 10 kilowatts power; Station CX–24 on 1010 kilocycles with 2.5 kilowatts. (The stations were then owned by Radioelectricas del Plata.) Without "beaming," the more powerful of these stations would have a service area of about 200 miles in daytime, 500 miles at night, and directional antennas would multiply this range by five. The smaller station would have about 200 miles' effectiveness with beaming.

More ambitious plans for Prencinradio in Uruguay are afoot, but details cannot be published.

Case 2: The modernization of movie making in Mexico is being accomplished through the financial aid of Prencinradio, Inc.

Ths project began about 1 year ago, with approximately $280,000 advanced as a loan to 2 Mexican studios, Azteca and Clasa, mainly for purchase of used but good American photographic equipment. Technical training of Mexicans is also provided for. Officials say the financing is arranged through the Bank of Mexico, and ultimate repayment is expected. Reports of this project have been printed, but the function of the Prencinradio Corporation has not been publicized.

The term, Prencinradio, is described as a synthesis of the Spanish words for press, cinema, and radio.

The corporation was apparently established under the sweeping authority granted the Coordinator of Inter-American Affairs 10 days after Pearl Harbor, in Public Law 353 and supplemental appropriations act.

AN INADVERTENT PUBLIC MENTION

Capitol Hill experts say that Prencinradio, Inc., has been mentioned only once in any congressional publication and that inadvertently after the Coordinator's office had requested that its name be omitted from a list of Government corporations.

On this occasion, in hearings on the 1945 independent offices appropriation bill, merely the name, Prencinradio, was given, with a tabulation showing that the agency's administrative expenses were controlled neither by the Budget Bureau nor by Congress, and that they were not audited by the General Accounting Office.

Officials of the O. C. I. A. A. say information of the Prencinradio operations has been submitted to Members of the House Appropriations Committee from time to time, and that body has agreed to keep it in confidence.

Besides Mr. Rockefeller, the principal officers of the corporation are: president, Don Francisco, Assistant Coordinator of Inter-American Affairs for Radio; vice presidents, Francis A. Jamieson, Assistant Coordinator of Inter-American Affairs for Press; Francis Alstock, Director of the O. C. I. A. A. Motion Picture Division, and John W. Ogilvie, Associate Director of the O. C. I. A. A. Radio Division.

THE CORPORATION CHARTER

A considerably abbreviated outline of the corporation charter follows:

"Its 'principal office' is 10 West Tenth Street, Wilmington, Del., the address of its resident agent, the Corporation Trust Co.

"The objects and purposes for which, and for any of which, this corporation is formed are to further the general welfare of and to strengthen the bonds between the peoples of the Western Hemisphere through the effective development, operation, and use of all media and facilities, whether written, spoken, or visual, for the dissemination and interchange of knowledge and information, including, but not limited to, the press, cinema, and radio, and in furtherance of such objects and purposes:

"(A) To initiate and undertake, encourage, promote, assist, finance, administer, and execute such programs and projects as may be desirable for the effective realization of the objects and purposes hereinabove set forth and the accomplishment thereof;

"(B) To purchase, take hold, accept title, lease, o otherwise acquire (by contribution, gift, grant, devise, bequest or otherwise), and/or to construct, build, operate, manage, and improve buildings, offices, installations, equipment, and other facilities of every kind and wheresoever situated, without limitation as to amount or value and whether within or without the United States of America, which may appertain to and be useful in the conduct of the affairs of this corporation, and to give, grant, donate, lend, sell, assign, transfer, convey, lease, exchange, mortgage, convey in trust, pledge, and hypothecate or otherwise subject to lien or dispose of any or all such holdings, offices, installations, equipment, and other facilities.

"(C) To deal similarly in 'any concessions, rights, options, privileges, rights-of-way, sites, undertakings, or business, or any right, option, or contract in relation thereto, without limitation as to amount or value.'

"(D) To purchase, take hold, accept title, lease, or otherwise acquire patents, copyrights, trade-marks, trade names, symbols, inventions, discoveries, licenses, processes, and formulas of any kind, and any and all interests and rights related thereto without limitation.

"(E) To deal with 'any license power, authority, franchise, order, right, or privilege which any government or authority, national, departmental, municipal or local, or any corporation, association, firm, trust, fiduciary, syndicate, private individual or other body may create, grant, sell, assign, transfer, convey, lease.'

"(F) To acquire or dispose of 'any and all property whether real, personal, or intangible.'

"(G) To obtain, hold, and dispose of 'shares of capital stock, bonds, and any other securities or evidences of indebtedness of or created by any corporation * * *, private individual, government * * * or political subdivision thereof wheresoever situated or however organized * * * including the right to vote thereon.'

"(H) To collaborate with and to aid or assist in any manner whatsoever, by loans, guarantees, indemnifications, with or without security, gifts, grants, or otherwise, any individual, firm, association, corporation or institution or other body of persons, however designated, whether within or without the United States of America, or any Government or governmental agency, domestic or foreign, in the realization of the objects and purposes of this corporation.

"(I) To make, produce, edit, publish, exhibit, broadcast, or distribute motion pictures, radio scripts, transcriptions, and recordings and/or programs, news, articles, books, magazines, and to utilize any and all other means of expression through which knowledge and information may be disseminated.

"(J) To enter into * * * contracts with any individual, firm * * * government.

"(K) To 'draw, make, accept, execute, and issue, endorse and/or guarantee, notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or nonnegotiable instruments and evidences of indebtedness' and as 'security therefore to mortgage' or otherwise subject to lien 'all or any part of the properties, rights, privileges, or franchises of this corporation wherever situated.'

"(L) To have one or more offices, and to carry on all or any part of its operations and business, in any one of the States, districts, Territories, colonies, or dependencies of the United States, and in any country or political subdivision thereof in the Western Hemisphere.

"(M) 'In general to carry on any other business enterprise or activity in connection with the foregoing.

"'This corporation shall be a membership corporation and shall have no authority to issue capital stock.' It is a 'nonprofit corporation and no part of its revenues * * * shall inure to the benefit of its members, directors, and officers.'

"The private property of the officers, directors, and members of this corporation shall not be subject to the payment of the corporate debts to any extent whatsoever.

"The board of directors can designate a committee, consisting of two or more of its members, which 'shall have and may exercise the powers of the board of directors in the management of the businesses and affairs of this corporation and may have power to authorize the seal of this corporation to be affixed to all papers and documents upon which the same may be required.'"

Mr. BUTLER. In closing, Mr. President, let me say that this is just another echo of my report submitted to the Senate following my return from a trip to every Latin-American country last summer. Ultimately more of the truth will come to light. Ultimately I hope we will realize that we cannot fool the people of the United States nor the people of the other Americas, or of the rest of the world.

SIMPLIFICATION OF THE INDIVIDUAL INCOME TAX

Mr. GEORGE. Mr. President, I move that the Senate proceed to the consideration of House bill 4646, a bill to provide for simplification of the individual income tax.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4646) to provide for the simplification of the individual income tax, which had been reported from the Committee on Finance, with amendments.

Mr. GEORGE. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GEORGE. Mr. President, the Committee on Finance has reported favorably the individual income-tax bill of 1944, H. R. 4646, with certain technical amendments, and I desire to explain to the Senate the essential features of this bill.

The bill is concerned only with simplification of the individual income tax, and I do not need to dwell upon the necessity for the simplification. Your committee has long been aware of the fact that practically every one of the 17 major revenue bills enacted during the last 11 years introduced certain complexities into the individual income-tax system; but during this period, and particularly in the last few years, there has been such an urgent need for additional tax revenue that your committee has not been able to devote the required amount of study to simplifying the procedure to be followed by the taxpayer.

Finally, after enactment of the Revenue Act of 1943, by which the individual income-tax burden was raised to a level which many persons believe is the maximum attainable for the duration of the war, the Treasury Department, including the Bureau of Internal Revenue and the staff of the joint committee, were instructed to give immediate attention to preparing data relating to simplification of the individual income-tax system. The bill now before the Senate is the result of such studies and goes a long way toward eliminating the complications in present law. It was unanimously reported by the Committee on Ways and Means, passed the House without a dissenting vote, and was also unanimously reported by the Committee on Finance.

Under the bill 30,000,000 of the total of 50,000,000 taxpayers on the rolls are relieved of the necessity of filing a regular income-tax return and of ascertaining their tax. Instead, the tax will be determined for them by the collector of internal revenue on the basis of replies by the taxpayer to three or four questions on the back of the withholding receipt which is now furnished to employees by their employers. Another 10,000,000 of the taxpayers are able to determine their tax from a simple one-page tax table. The remaining 10,000,000 taxpayers are required to compute their tax, but the procedure for doing so is made considerably simpler than under present law.

The groups of taxpayers may be described as follows:

First. Taxpayers for whom the collector may determine the tax are those individuals whose gross income is less than $5,000, and whose income not subject to withholding does not exceed $100, provided their income is received only in the form of compensation for personal services, dividends, and interest.

Second. Taxpayers who determine their own tax and are, therefore, required to file a regular return are those

with incomes of more than $100 not subject to withholding and those whose gross income is $5,000 or more.

The Victory tax is repealed, doing away with the necessity of a separate tax computation on a base different than that used for normal tax and surtax purposes. A standard deduction, in lieu of itemizing the actual deductions, heretofore permitted only for those having less than $3,000 gross income from certain limited sources, is permitted for all taxpayers regardless of the size or source of their income. Note that the use of the standard deduction is optional.

Definitions which have confused taxpayers in the past are either eliminated or made simpler. For example, the "head of family" definition is no longer necessary, and the age and disability requirements are removed from the definition of a dependent.

The exemptions and rates used for withholding of tax from wages are altered so that virtually the correct amount of tax will be withheld from wage earners receiving up to $5,000, plus $500 for the spouse and $500 for each dependent. At the same time, the withholding tables are modified in order to remove inequities and to relieve employers of as much burden as possible. The change in withholding provisions makes it possible to raise the income levels above which a declaration of estimated tax is required. Thus, an additional 4,000,000 persons are relieved of making such declarations of estimated tax.

Under present law, the final date for amending a declaration of estimated tax, to avoid possible penalty because of an underestimate, is December 15; that is, 2 weeks before the close of the taxable year. In this bill, the date for making the final declaration is changed to January 15, next following the close of the taxable year.

Farmers, who are redefined to include those receiving at least two-thirds of their income from farming are, therefore, not required to file any declaration of estimated tax until 2 weeks after the close of their taxable year. A farmer is permitted to file his final return on or before January 15, in place of his declaration, and it is believed that many will take advantage of this privilege. Other taxpayers may file a final return on or before January 15 in place of making an amended declaration on that date.

In addition, the bill simplifies the method for determining the limit on allowable charitable contributions and medical expenses so as to avoid the double computation now required. The limitation for allowable deductions for charitable contributions is raised from 15 percent of net income, computed without regard to this deduction, to 15 percent of adjusted gross income, while medical expenses are permitted as an allowable deduction to the extent that they exceed 5 percent of the adjusted gross income, rather than 5 percent of the net income computed without regard to the medical deduction, as under present law.

This completes the summary of the major steps taken toward simplification in your committee bill. Certain changes in law are required to accomplish these results. I shall elaborate on some of those already mentioned, and will describe others.

As stated, the Victory tax is repealed. The present normal and surtax rates are combined into one surtax rate schedule. A new normal tax is imposed at the rate of 3 percent on net income in excess of $500 in order to retain substantially the same number of taxpayers and to avoid shifts in tax burden. Certain adjustments are made in surtax rates, after adding 6 percentage points in each bracket to replace the present law normal tax, in order to maintain the revenue and minimize shifts of burden.

For the surtax there is a uniform exemption of $500 per person; that is, the taxpayer receives a $500 exemption, his spouse $500, and there is a $500 allowance for each dependent. The taxpayer may claim as a dependent anyone for whom he furnished more than half of the support, provided the person is closely related.

The taxpayer claiming a dependent is not required to include the dependent's income in his return. No credit will be allowed for a dependent whose gross income is $500 or more. To conform with the new exemptions, the tax-filing requirement is simplified to cover everyone having a gross income of $500 or more for the taxable year.

I have mentioned the fact that certain taxpayers are permitted to determine their tax from the simplified one-page tax table provided in supplement T on page 5 of the bill. This table is so constructed as to allow the taxpayer a standard deduction of approximately 10 percent of his adjusted gross income. In general, adjusted gross income is gross income less business deductions, and for the average wage earner represents his total wages. This standard deduction allowed in the table is in lieu of certain nonbusiness deductions and credits, such as those for charitable and religious contributions, interest on personal debt, personal taxes, and medical expenses. In computing the tax for those persons not required to file a regular return, the collector will use this tax table, thereby allowing a standard deduction of 10 percent of the adjusted gross income. This bill does not prevent a taxpayer from itemizing his actual deductions if he so desires. Accordingly, taxpayers having deductions in excess of 10 percent may itemize them and secure the resulting tax benefit; but they must then compute their tax instead of determining it from the tax table.

Taxpayers with adjusted gross incomes of $5,000 or more are permitted, at their option, to claim, in lieu of their actual nonbusiness deductions and credits, a standard deduction of $500.

In order to bring about simplification of the individual income tax at as early a date as possible, the provisions of the bill are effective for 1944 and subsequent years, with certain exceptions. In this manner the final returns for 1944, to be filed by taxpayers on or before March 15, 1945, will be based upon the new streamlined system. Thus, the rates and exemptions in the bill are applied retroactively. If they were not, taxpayers would be required again to file complicated returns next March 15, and simplification of the return would not be effective until March 15, 1946.

The exception to the effective date of the several provisions of the bill are as follows:

(a) The withholding provisions of the new bill do not become effective until January 1, 1945. In view of the fact that nearly half of the calendar year 1944 will have elapsed by the time this bill is enacted, and that employers will require several months leeway to adjust their withholding routine to the new basis, it was not feasible to make these provisions effective earlier.

(b) New withholding certificates, required in order to start the new withholding system, are not due until December 1, 1944.

(c) The provisions of the bill give employers an opportunity, for withholding purposes, to recognize changes in status of employees occurring after July 1, 1944, with respect to wages paid during the calendar year 1944. Under existing law, such changes in status could be made effective for withholding only as of the beginning of the next calendar year.

(d) The present law requirements for filing declarations of estimated tax are continued during 1944. Under existing law, if an individual's income from sources not subject to withholding is less than $100, a declaration of estimated tax is not required unless his income is $2,700 in the case of a single person, and $3,500 in the case of a married person. For 1945 and subsequent years, such an individual is not required to make declarations of estimated tax unless his income exceeds $5,000 if single or $5,500 if married, plus $500 for each dependent.

(e) The definition of a deficiency is applicable to 1943 and later years.

Naturally, there will be some increases and decreases of tax in individual cases as a result of this bill. In view of the fact that sweeping changes in the method of computing the tax are made, all in the interest of simplification, it is believed that the changes in tax burden have been kept at a minimum. Moreover, the changes favor those with the larger families, as is to be desired. In the aggregate, the bill reduces revenues by about $60,000,000. This is one-third of 1 percent of the estimated total individual income-tax liability for 1944, of approximately $17,000,000,000. Certainly this is a small price to pay for simplification in the large degree achieved by this bill.

There is, Mr. President, one feature of the bill that should be considered more at length because it has provoked considerable discussion throughout the country, especially by the churches and religious and educational organizations.

I refer to the standard deduction and its effect on charitable contributions.

A standard deduction in lieu of an itemization of actual deductions—for contributions to charitable, religious, and educational organizations; personal taxes; interest on personal indebtedness; medical expenses; and so forth—is permitted in the pending bill in the case of every taxpayer regardless of size or source of income. Under existing law, a standard deduction of 6 percent of gross income is allowed to all users of the short-form tax table—supplement T. However, the use of this table is limited to those with gross incomes under $3,000 from the following sources: Compensation for personal services, dividends, interest, and annuities.

In the committee bill, the standard deduction allowed to users of the short-form tax table is raised to 10 percent of adjusted gross income. Adjusted gross income is, in general, gross income less business expenses, and, for the average wage earner, represents total wages. In addition, the use of the short form is broadened to include all taxpayers having adjusted gross incomes of less than $5,000, regardless of the source of the income. A taxpayer is not required to make use of the standard deduction; on the contrary, the taxpayer is free to itemize his actual deductions and compute his tax accordingly, and he will undoubtedly do so whenever his personal deductions exceed 10 percent of his adjusted gross income.

For taxpayers having an adjusted gross income of $5,000 or more, an optional standard deduction of $500 is allowed. Probably many taxpayers will find it to their advantage to claim this $500 as their total personal deductions, rather than to maintain records of actual deductions, determine whether the deductions are allowable, and itemize and claim them on their return.

It is apparent from the foregoing that no taxpayer will be penalized by the allowance of this standard deduction. On the contrary, many taxpayers will be benefited. Income-tax returns filed by taxpayers having less than $5,000 net income show average nonbusiness deductions—including contributions—of less than 10 percent of adjusted gross income. For this group, contributions alone constitute only about 2½ percent of adjusted gross income. The standard deduction will also relieve the Bureau of Internal Revenue of the necessity of auditing and verifying the actual deductions.

Certain representatives of charitable organizations have argued that the allowance of a standard deduction removes the tax incentive for making gifts to charities. The committee does not believe it can be proved that a tax incentive has been an important factor in the making of such gifts by individuals having less than $5,000 of adjusted gross income, and certainly the $500 standard deduction will not remove the tax incentive for persons in the higher brackets, upon whom the charities depend for contributions in substantial amounts. Moreover, taxpayers eligible for the 10-percent standard deduction always have the option of filing a return and securing the benefit of deductions greater than 10 percent.

As a matter of fact, the pending bill liberalizes the maximum allowance for charitable contributions and removes the necessity for double computations heretofore required to determine the maximum allowance. This is accomplished by changing the limitation from 15 percent of net income, computed without regard to this deduction, to 15 percent of adjusted gross income. The following examples will illustrate the modification made in the maximum allowance. Under existing law, a taxpayer having $2,000 of adjusted gross income, and $100 of personal deductions other than contributions is limited to a maximum deduction of $285 for charitable contributions. Under the new bill, this taxpayer's maximum allowance is raised to $300. A taxpayer having $80,000 of adjusted gross income, and personal deductions other than contributions amounting to $20,000, is limited to $9,000 for allowable charitable deductions under present law, whereas under the pending bill his limitation is raised to $12,000.

Representatives of the charitable organizations do not seem to realize that without a standard deduction every one of the 50,000,000 taxpayers would have to file a regular return and compute his tax. The validity of the objection made by representatives of the churches and the charitable and educational institutions to this extent is frankly recognized, that is to say, where one does not make a charitable contribution, he should not be given the benefit of a deduction. But to take care of this situation would require everyone to compute his tax. Under the terms of the pending bill this procedure will be followed by only 10,000,000 taxpayers, or less than one-fifth of the total. Little or no simplification of the tax system would remain if the option of a standard deduction were removed from this bill.

It has also been urged that a special deduction for charitable contributions be allowed for withholding purposes on the basis of a statement made by the employee to his employer estimating the amount of such contributions he would make during the year. We who have studied this matter thoroughly are convinced that the entire withholding system would break down if this procedure were adopted. There is general agreement among employers of all classes and sizes of establishments that it would be absolutely impossible to allow a tailor-made deduction for each employee for withholding purposes. It was for this reason that the withholding tables in the bill were computed in such a manner as to allow an average of 10 percent total deductions to all wage earners. Remember that withholding is only a means of collecting the tax liability. The final liability is not determined until the taxpayer files his return with the collector after the close of the taxable year. If the taxpayer's return shows that his total deductions actually exceeded the 10-percent allowance for withholding purposes, resulting in an overpayment of tax, he will be allowed a refund.

The main argument against according contributions special treatment centers around the burden of administering such a program both so far as the employer is concerned in the withholding process and so far as the determination of final liability is concerned. If contributions were removed from the standard deduction, the following must be taken into consideration.

First. The standard 10-percent allowance which was designed to cover all personal deductions including contributions should obviously be lowered if contributions are to be accorded special treatment. If the percentage of standard deductions is thus lowered from 10 to some lesser figure, one of the major simplification factors will be lost. For example, a taxpayer in attempting to determine whether or not his actual deductions are within the standard allowance would find it far more difficult to take 7 or 8 percent of gross income than to mentally calculate 10 percent.

Second. Each employee would have to determine and certify to the employer as to the amount of contributions that he anticipates that he would make for the taxable year. This amount, reduced by the employer to its pay-roll-period value, would have to be applied against gross income by the employer for each employee before the amount of tax to be withheld could be determined. Further, a taxpayer's estimate of a coming year's contributions would generally be a very tentative figure.

Third. If contributions are to be accorded separate treatment and are to be exempt from withholding, it follows that such must be handled as a special deduction on the final return of the taxpayer in computing his final tax liability. This would have the following effects upon simplification: (a) It would impair the simplicity of the withholding receipt as a tax return, as the taxpayer would be required to itemize the amount actually contributed during the year; (b) for those taxpayers using the regular income-tax return and determining their own tax, there would, in effect, be a possibility of three sets of deductions: (1) So-called business deductions used in arriving at adjusted gross income; (2) contributions used in arriving at adjusted gross income less contributions; and (3) personal deductions included in the standard deductions; and (c) the requirement for itemization of contributions by the taxpayer reverts to tedious record keeping which the simplification bill has attempted to eliminate and retains the present audit responsibilities of the Bureau of Internal Revenue in the verification of such deductions.

Employers have stressed that the additional work which would be involved in according special treatment to each employee is far beyond the capacity of most businesses today, which are faced even

under present conditions with a shortage of the required clerical help. Confusing problems will be incurred in the case of employees who wish to change their estimated contributions during the year, either because of a change in the amount of their anticipated contributions or in order to decrease the amounts withheld from their wages. Inasmuch as no check will be made by employers of employees' contributions and inasmuch as it would be impracticable to administer any penalty provisions with respect to faulty estimation, considerable latitude is allowed the employee who may wish to be underwithheld from so that he can receive a larger portion of his earnings each pay-roll period.

Mr. President, I ask to have inserted at this point in my remarks extracts from a letter from Mr. Harry C. Gretz, assistant controller of the American Telephone & Telegraph Co., New York, dealing directly with the standard deduction and pointing out, from the businessman's standpoint, the necessity for the standard deduction.

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Without objection, it is so ordered.

The extracts from the letter are as follows:

Pay-roll departments have been obliged to take on an extreme amount of additional work in the last couple of years. In addition to withholdings and the reporting of taxable wages by individuals for social-security purposes, there have been added deductions which permit employees to purchase war bonds through allocations of salary, and then the withholding of income taxes at the source on wages has further complicated their work. The work of computing the amount of pay is more complicated because of overtime provisions and because of the large amount of overtime being worked.

This increased work comes at a time when these forces must handle the largest volume of work ever handled because more people are now employed than ever before, and also due to the fact that the turn-over in employees has been enormous. The forces which do this work have been increased in numbers and they have also been subject to extreme turn-over, which means that the average experience of this group has been greatly reduced. On the other hand, employees must be paid on regular pay days and it is becoming more and more difficult to meet scheduled pay days.

There are evidences that the work of the pay-roll forces are at the breaking point now. The number of errors have been mounting. There are many instances where pay-roll controls have been allowed to slip because of inadequate forces to do all of the work and, unless controls are adequately maintained throughout the year, it will mean errors in tax and information returns. I am just afraid that any additional work imposed on these forces may be "the straw that breaks the camel's back." One probable result of any additional work might be a curtailment of the pay-roll-allotment plans for employee purchase of War bonds, which is now being done on a voluntary basis so far as employers are concerned. None of us want to see this happen.

Also, we should not lose sight of the fact that additional work means more employees and, to fill this demand, employers must compete with the demands for additional personnel needed by the armed forces and in essential war jobs.

The Curtis bill, H. R. 3472, introduced last October, would add considerably to the work of these forces. This added work grows out of the necessity of handling employee contribution certificates, which includes prorating the declared amount of annual contributions to the appropriate pay roll period and determining the tax adjustment applicable thereto, as well as entering these data on the pay-roll records. Further additional work comes about in the preparation of the pay rolls for each pay period for each employee filing a certificate. This additional work consists of deducting the tax adjustment, due to the declared contribution, from the amount of the withholding taken from the withholding tables which, in turn, of course, would have to be computed without regard to contributions.

The CONGRESSIONAL RECORD of March 2, 1944, contains an extension of remarks of Congressman CURTIS, in which he suggests in connection with the pending simplified tax bill that the provisions of H. R. 3472 be incorporated therein but, in the event that the mechanics of H. R. 3472 cannot be so incorporated, he offers an alternative suggestion as follows:

"Then I suggest that provision be made which grants to those taxpayers who certify that they are regular and consistent givers to religion and charity and that they expect to give an amount in excess of 3 percent of their net income, the right to reduce their tax base upon which the withholding tax is applied by 15 percent, and that at the end of the taxable year, they be required to file a return on that 15 percent of their income."

If I understand this correctly, employees who intend to give more than 3 percent of their income would so notify the employer of such intent. The employer would use a withholding applicable to the tax base reduced by 15 percent, then at the end of the year the employee would file a return showing actual contributions and pay the additional tax to the extent that his contributions fell short of the 15 percent. For employees who have contributions which amount to less than 3 percent, such employees would be required to file a return showing actual contributions in order to establish a claim for refund.

It is difficult for me to see how this meets the point that average deductions of 10 percent (for contributions, interest, taxes, etc.) reduce contributions because of the loss of the tax-saving incentive. Certainly, the proposed plan does not help those whose contributions are less than 3 percent, and this group must be a very large percentage of taxpayers. The plan seems objectionable from the standpoint of the taxpayer because it "de-simplifies" the simplification provisions of the tax bill. It is also objectionable from the standpoint of the employer because at best he would have to use two sets of tables to determine the withholding: One set which would ignore contributions altogether and the other set which would contemplate contributions at 15 percent of income. This would slow up the work and introduce the possibilities of error.

The only way that I can see to accomplish the objective is to give up simplified tax determination and require each individual to file a tax return reporting actual contributions and computing his tax. For withholding purposes, either use an average deduction, which will then result in either over or underwithholding requiring refunds or additional tax payments, or make no allowance for deductions in the withholding, which will result in overwithholding and claims for refunds.

A subcommittee, of which I am a member, of the Controllers Institute tax committee, which is responsible for cooperation with the Government in connection with the withholding provisions, filed a memorandum on this subject last December. We reconsidered this recently and the above is an expression of the views of this group.

SURTAX RATES

Mr. GEORGE. Mr. President, there is one other matter by way of general discussion of the measure. There has been some criticism of the increase in the surtax rates, particularly in the higher brackets. In analyzing such criticism, I should like to point out that when the Revenue Act of 1943 was adopted there was only a partial simplification of the individual income tax system. In fact, many of the taxpayers in the upper brackets, due to the adoption of a flat 3 percent Victory tax, had their tax burdens reduced. In this bill, we have been able to accomplish a complete integration of the Victory tax into the income-tax system. As a result of this integration, it has been possible to restore the income-tax burden more nearly to that under the Revenue Act of 1942. Therefore, particularly with respect to the upper brackets, I feel that comparison of their burden should be made with the Revenue Act of 1942 rather than with the Revenue Act of 1943, particularly since the 1943 act will never become effective. A comparison of the burdens under the bill with those under the Revenue Act of 1942 will show, in many cases, that the increase, if any, is relatively small. Aside from this factor, if individual cases are considered, I believe that many will find that their burden under the bill is not as great as it may appear from the burden tables. If their actual deductions are more than 10 percent, the increases in burden will be less than shown in the tables of the report.

Among the factors which will affect individual cases are, first, the fact that a 3 percent net income normal tax is substituted for the 3 percent Victory tax based on gross income. In many cases, people in the upper brackets will be entitled to much larger deductions than they received under the Revenue Act of 1942 or 1943 because of this change from a gross income to a net income basis. An example of this type of deduction which was disallowed for Victory tax but which is now allowed under the bill for purposes of the new normal tax is taxes on a person's residence, charitable contributions, medical expenses, and interest paid on personal indebtedness. Another factor is the change in the definition of dependents which removes the age limitation of 18 years. It is therefore possible that a considerable number of taxpayers will be able to claim an additional credit for a dependent which they were not entitled to claim under existing law. Moreover, the maximum tax of 25 percent on capital gains was not increased by the bill. In addition, the pending bill retains the over-all tax limitation of 90 percent of the net income.

Mr. President, before the Senate proceeds to the consideration of the committee amendments—and I believe consent was given to consider the committee amendments first—I should like to

make a statement regarding the committee amendment which begins on page 38, line 17, relating to the technical amendment "definition of deficiency." Under the law payments of estimated tax are considered payments of the tax and the language found in line 15 on page 39 is not intended to give rise to the implication that the computation of the correct tax and the tax shown on the return should be made without regard to payments of estimated tax but with regard to other payments. The intention is that all payments, whether in the form of estimated tax or otherwise, are to be completely disregarded in such computation, as they always have been.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I yield to the Senator from Nevada.

Mr. McCARRAN. Those of us who come from community-property States are always alert to conditions which may arise in a bill of this kind. I should like to ask the Senator from Georgia if there is anything in the bill which might be construed as changing existing law with reference to separate returns in community-property States?

Mr. GEORGE. No; I am pleased to state to the Senator that there is nothing in the bill changing the existing law as to community property.

Mr. McCARRAN. I thank the Senator.

Mr. GEORGE. Mr. President, I should like to ask for consideration of the committee amendments, and in connection with each amendment I should like to make a very brief statement with respect to it, largely for the purpose of the RECORD, and for the purpose of giving such assistance as I and the committee can give to the Senate.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. VANDENBERG. I wish to make a brief statement from the minority side of the Senate Finance Committee regarding the pending tax bill. We are supporting the bill in spite of its infirmities, because in the interest of simplification it is probably as adequate and effective a piece of work as could be done at the present time. I wish to make it plain, however, that there is a price which has to be paid for simplification, and I think it is just as well that the eyes of taxpayers should be open to this fact so that there will be no disillusionments later.

There are several prices which have to be paid for the simplification which is achieved in the bill. The first price which has to be paid is a readjustment in the existing personal income-tax rates. I personally regret that in order to achieve simplification it has been necessary to change the tax rates applicable even to the incomes of 1944. I very much regret that the taxpayers who have already figured their 1944 incomes and their tax liabilities, and now have partially recuperated from the headache, once more will have to figure their income-tax liability under the simplification bill. But I believe that most of them will find it worth while in the long run.

I regret that certain groups of the taxpayers will find, as a result, that their tax liability for 1944 will be increased, as compared to the existing situation. Those groups are chiefly confined to married couples without dependents and income taxpayers with incomes in excess of $25,000. The increases are relatively small; but they are increases. In the top brackets the increases can become considerable.

The bill as a whole is presumed actually to reduce the total existing estimated revenue from income taxes for 1944 by $60,000,000. But I repeat that while, as a result, many groups of taxpayers will find their 1944 levies reduced, on the other hand there are groups which will find their levies increased. It has to be conceded that this result is apparently inevitable if we are to have simplification. It would have been preferable if all rates could have remained level with existing rates. But it was impossible.

It is for this reason that I am saying that it must be clearly recognized by the country that there is a price which has to be paid for simplification. I am persuaded that probably the authors of the pending measure have kept that price as low as it is possible to keep it in order to achieve substantial simplification.

I think it is paying another serious price for simplification when we go to the standard 10-percent deduction for contributions made to charities, and so forth, in the lower brackets. I think such a provision does perhaps invite undue enrichment on the part of those taxpayers who hereafter will receive the benefit of a standard 10-percent deduction for contributions made to charitable, religious, or educational institutions, regardless of whether they make them. However, I hope that will be offset, so far as the final result in respect to such contributions is concerned, by the fact that in the higher brackets the deduction allowable for such contributions is actually increased. Probably the average will be in excess of 1 percent, and in some instances it will be much higher; because the standard 15-percent credit hereafter will be applicable to adjusted gross income, instead of to net income, as has heretofore been the case.

But regardless of whether we like it or not—and I am frank to say I do not like it—we have to concede that there can be no such thing as simplification, in the sense that the country wants it and demands it, unless we start with simplification of these deductions.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. McKELLAR. The Senator spoke of instances in which the taxes would be increased, one being in the case of the group composed of married couples with no dependents, and the other in the case of the group composed of those who have incomes of over $25,000 a year. Approximately to what extent will the taxes on persons in those two groups be increased?

Mr. VANDENBERG. I would suggest to the Senator that, by and large, the change is probably an average of 1 percent one way or the other. That will be exceeded in some instances, and I refer the Senator to the burden tables, as shown in the committee report, for the precise information.

Mr. McKELLAR. I thank the Senator.

Mr. BUCK. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BUCK. What seems to be the justification for a 10-percent deduction for donations made to charitable institutions, regardless of whether they are actually made?

Mr. VANDENBERG. The 10-percent deduction to which I have referred applies on the new short form which is available to some 30,000,000 taxpayers who hereafter will not be required to figure their tax assessments, but will be able to take their withholding receipts, fill in a brief chart of information on the reverse side, send them to the collector, and have the collector bill them for the tax. In order to achieve that result, there has to be a standard deduction, in the first instance, respecting all available deductions—not only those for donations to charitable and other institutions but such deductions as those for the payment of interest on debts, taxes, and so forth. It is my understanding that the average deduction for persons in the class of taxpayers having incomes below $5,000 was found to be between 8 and 10 percent. Therefore, the standard deduction, again for the purpose of simplification, was put at 10 percent to cover all taxpayers who are put in that class. If the taxpayer does not wish to take advantage of the short form, he has the option of proceeding, as heretofore, under the regular 15-percent deduction, if he submits a completely itemized and detailed account.

Mr. BUCK. I thank the Senator. It seems to me there is a possibility that the deduction may be taken, even though the gift is not made.

Mr. VANDENBERG. Of course, Mr. President, that is the objection to the plan. I am frank to say that I am in sympathy with the Senator in the comment that he makes on it. I am in sympathy with the charitable, religious, and educational institutions of the country which are fearful that this automatic allowance of a deduction may, in part at least, discourage the making of contributions for these purposes by taxpayers in the lower brackets. I sympathize with that viewpoint, although I doubt whether many contributors in these lower brackets are motivated in their philanthropy by tax-reduction aims.

But, Mr. President, we must make our choice. If we are to have a simplified tax system, in my opinion it has to start with a standardized deduction of this character, in respect to the great mass of taxpayers, the 34-odd million whose returns fall in the lower brackets—or else we just have to forget simplification. Whichever is the lesser of the evils is the choice before us. I think it is the lesser of the evils to choose tax simplification, and to accept whatever hazard goes with the standardized deduction.

Mr. GEORGE. Mr. President, I think it should be emphasized here that the 10-percent deduction is not limited to de-

ductions for contributions made to charitable institutions.

Mr. VANDENBERG. Mr. President, I so stated to the Senator. It covers all deductions.

Mr. GEORGE. Yes; it covers all deductions which ordinarily are non-business-expense deductions; namely, deductions for the payment of interest on a personal loan, deductions for the payment of taxes on a residence, and so forth.

Mr. VANDENBERG. Yes.

Mr. GEORGE. So that the 10 percent is, on the average, found to be the payment made by taxpayers with incomes of $5,000 or less. In fact, it is slightly in excess of it. It seems to me that the only valid criticism which can be made of the standard deduction is that it does give to any taxpayer a deduction for contributions made to charitable institutions, regardless of whether he makes any contribution for such purposes. All the other is psychological and may or may not pan out. But, as I tried to say in my statement, I do not see how it removes the incentive to make a donation to a charitable institution, if the taxpayer desires to do so.

Mr. VANDENBERG. Mr. President, I should like to add, by way of a further statement in reply to the question asked by the Senator from Delaware regarding the general problem, that so far as charitable gifts by taxpayers in the upper brackets are concerned—referring to those taxpayers who still will make out the ordinary return, and will not use the standard deduction—the pending law permits the application of this 15 percent deduction to adjusted gross income, hereafter, instead of to net incomes, as heretofore, the result being that it actually increases the allowance for contributions made to charitable institutions to an average of in excess of 16 percent. So there is somewhat of an offset; although basically, I repeat, I agree with the Senator that automatic and arbitrary deductions are unfortunate. But I fail to see how we can have simplification without them.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. VANDENBERG. I yield to the Senator from Ohio.

Mr. TAFT. The increase in the allowable deductions for charity referred to applies only to those who actually give more than 15 percent of their income to charity, and the number of them is a very small percentage of the total number of taxpayers.

Mr. VANDENBERG. That is correct.

Mr. TAFT. So that is not a material compensation.

Mr. VANDENBERG. Although it applies in the brackets in which education, charity, and religion usually get the bulk of their contributions.

Mr. President, I believe that is all I have to say. I simply wish to make it plain that there is a price that must be paid for simplification. There will be some other prices incidentally apparent as the bill goes into operation, but I think the price is probably worth while. I think tax simplification is absolutely indispensable for the sake of the tax morale of the American people. It cannot be pursued except upon some general hypothesis such as this bill presents; and much as I regret the points to which I have particularly adverted in respect to the measure, I think the measure, on the whole, is entitled to pass.

There are real improvements made by this bill in our tax methods. It is a great advantage to all concerned to concentrate all tax calculations for 34,000,000 taxpayers on one withholding certificate. It is a great advantage to simplify and concentrate the tax levies themselves. It is a long-delayed act of justice to extend dependency deduction for a child beyond the age of 18. It is a great improvement to have the Internal Revenue Bureau itself figure out and present to more than half of our taxpayers the tax bill which they owe. The whole process is helpfully simplified. The pending measure is highly useful in many of these aspects. It does produce the simplification which the American people demand and deserve and which they have the right to expect. I have simply sought, in this same connection, Mr. President, to point out that we could not and cannot get simplification without accepting some infirmities which we regret. I want the country to be on notice that we are paying a price for simplification, although I believe the price is worth while.

Mr. TAFT. Mr. President, I fully agree with what has been so effectively said by the senior Senator from Michigan. I wish merely to call attention to one point on which I disagree with the bill, and in that respect I hope in time the law may be amended. I refer to the matter of allowing a person a deduction when he has actually no right to a deduction, when he perhaps pays no taxes to the State, lives in an apartment, and pays no taxes on property. He has no interest to pay, and makes no contributions. I agree that that is balanced by the advantage of a short form. If those with incomes under $5,000 have the advantage of looking at a form and finding out, from their gross tax, the number of dollars they must pay, that is some compensation. But this principle is applied to taxpayers receiving more than $5,000 income. They are automatically allowed a deduction of $500, whether they are entitled to any deduction or not. Taxpayers who receive more than $5,000 income are allowed a $500 deduction. The bill does not simplify the procedure for such taxpayers. Every one of them will figure his income tax in full. As a matter of fact, he cannot use the short form. He must figure his income tax in full; and if his deductions amount to more than $500, he will, of course, claim the larger sum. However, if he makes no contributions and pays no interest and no taxes, automatically he will be entitled to a $500 deduction. It is said that it is necessary to do that in order to be just to him as compared with taxpayers whose incomes are less than $5,000. If that were so, he ought to be entitled to a deduction of 10 percent of his total income, as are other taxpayers.

I do not regard that point as very important, but it seems to me that there is nothing to balance it. There is no advantage of simplification to balance against the principle of giving him a deduction to which he is not entitled. I believe that provision should be changed, but a change would require quite an elaborate change in the bill. I feel fairly confident that in time, and after trial and experience, the $500 deduction will be eliminated.

Mr. LANGER. Mr. President, is it the expectation of the Senator from Georgia to vote on the bill today?

Mr. GEORGE. Yes. I certainly hope we may do so.

Mr. LANGER. I do not know about other Senators, but I know that some of us have been busy with veterans' legislation in the Civil Service Committee, and have not had an opportunity to examine the bill. Could we not postpone the final vote until Monday so that we may have an opportunity to study the bill and familiarize ourselves with it?

Mr. GEORGE. Mr. President, I do not see how we could do that. The bill was reported earlier in the week, and I stated that I would not call it up until today. The Senate committee has not changed the general scheme of the bill. It is the House bill as it passed the House some time ago. It is necessary that we get through with the legislation. I do not see how we could postpone the vote beyond today.

Mr. LANGER. Let me say to the Senator from Georgia that some of us have been busy with veterans' legislation in the Civil Service Committee and have not had an opportunity to study the measure, or the report on it, or to compare the individual income-tax provisions with those in the 1944 law. So far as I am concerned, I should like to have sufficient time to enable me to know what I am voting on before I vote.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The first amendment of the Committee on Finance was, on page 9, after line 17, to strike out:

(4) In the case of income includible in the gross income of the child and not of the parent solely by reason of paragraph (1), the parent shall be considered as acting in a fiduciary capacity for the purposes of the tax imposed by this chapter attributable to such income; and all provisions of law applicable in respect of a fiduciary shall be applicable to such parent.

And in lieu thereof to insert:

(4) Any tax assessed against the child, to the extent attributable to amounts includible in the gross income of the child and not of the parent solely by reason of paragraph (1), shall, if not paid by the child, for all purposes be considered as having also been properly assessed against the parent.

Mr. GEORGE. Mr. President, this amendment is intended to clarify the House provision as to the parent's liability for payment of a child's tax in cases in which, under the State law, the earnings of a child belong to the parent. If the child does not pay the tax, in such cases the Government can collect the tax from the parent to the extent attributable to the earnings of the child.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 12, after line 20, to insert:

(d) Capital gains and losses.

(1) Definition of capital net gains: Section 117 (a) (10) (B) is amended by adding at the end thereof a new sentence to read as follows: "If the tax is to be computed under Supplement T, 'net income' as used in this subparagraph shall be read as 'adjusted gross income'."

(2) Limitation on capital losses: Section 117 (d) (2) is amended by adding at the end thereof a new sentence to read as follows: "If the tax is to be computed under Supplement T, 'net income' as used in this paragraph shall be read as 'adjusted gross income'."

Mr. GEORGE. Mr. President, this is a technical change made necessary to bring the long-term capital loss treatment in line with the new definition of adjusted gross income. It will be of benefit to the taxpayer.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 18, line 23, after the word "income", to insert "for the calendar year in which the taxable year of the taxpayer begins."

Mr. GEORGE. Mr. President, under the House provision a taxpayer is allowed a $500 exemption for his wife if he makes a joint return for his wife, or if his wife has no gross income. In determining whether his wife has gross income, the bill makes it clear that the spouse must have no gross income for the calendar year in which the taxable year of the taxpayer begins. Similar treatment is provided in the case of a dependent. More than one-half of the support must be for the calendar year in which the taxable year of the taxpayer begins.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 19, line 2, after the word "income", to insert "for the calendar year in which the taxable year of the taxpayer begins"; and in line 8, after the numerals "51", to insert "for a taxable year beginning in such calendar year."

The amendment was agreed to.

The next amendment was, on page 19, line 17, after the word "whose", to strike out "support for the taxable year" and insert "support, for the calendar year in which the taxable year of the taxpayer begins."

The amendment was agreed to.

The next amendment was, on page 20, line 22, after the name "United States", to insert:

A payment to a wife which is includible under section 22 (k) or section 171 in the gross income of such wife shall not be considered a payment by her husband for the support of any dependent.

Mr. GEORGE. Mr. President, under existing law an alimony payment to a wife is not considered a payment by her husband for the support of a dependent unless the decree specifically provides for such support. This provision, which is in existing law, was inadvertently left out of the House bill, and your committee has simply restored it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 22, after line 14, to strike out:

SEC. 214. Exemption for dependents.

And insert:

SEC. 214. Credits against net income.

Mr. GEORGE. Mr. President, this is purely a clerical amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 23, line 15, after the word "certain" to strike out "purposes) is amended by striking out '25 (b) (2) (A),' and by striking out 'and the last sentence of section 401 (a) (2),'" and insert "purposes) is amended by striking out '25 (b) (2) (A), and 171, and the last sentence of section 401 (a) (2)' and inserting in lieu thereof '171, and the last sentence of section 25 (b) (3)'."

Mr. GEORGE. Mr. President, this is a clerical amendment made necessary by the alimony amendment already approved by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 38, after line 16, to insert:

SEC. 14. Technical amendment of definition of deficiency.

(a) In general: Section 271 (defining the term "deficiency") is amended to read as follows:

"SEC. 271. Definition of deficiency.

"(a) In general: As used in this chapter in respect of a tax imposed by this chapter, 'deficiency' means the amount by which the tax imposed by this chapter exceeds the excess of—

"(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return, if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"(2) the amount of rebates, as defined in subsection (b) (2), made.

"(b) Rules for application of subsection (a): For the purposes of this section—

"(1) The tax imposed by this chapter and the tax shown on the return shall both be determined without regard to payments on account of estimated tax, without regard to the credit under section 35, and without regard to so much of the credit under section 32 as exceeds 2 percent of the interest on obligations described in section 143 (a);

"(2) The term 'rebate' means so much of an abatement, credit, refund, or other repayment, as was made on the ground that the tax imposed by this chapter was less than the excess of the amount specified in subsection (a) (1) over the amount of rebates previously made; and

"(3) The computation by the collector, pursuant to section 51 (f), of the tax imposed by this chapter shall be considered as having been made by the taxpayer and the tax so computed considered as shown by the taxpayer upon his return."

(b) Amendment of sections 3801 and 3806: The second sentence of section 3801 (d) (relating to ascertainment of amount of adjustment under section 3801), and the third sentence of section 3806 (b) (3) (relating to ascertainment of credit for barred year under section 3806), are respectively amended to read as follows: "The amount of the tax previously determined shall be the excess of—

"(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return (determined as provided in section 271 (b) (1) and (3)), if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"(2) the amount of rebates, as defined in section 271 (b) (2), made."

(c) Interest on deficiencies: Section 292 (a) (relating to interest on deficiencies) is amended by inserting at the end thereof the following: "If any portion of the deficiency assessed is not to be collected by reason of a prior satisfaction, in whole or in part, of the tax, proper adjustment shall be made with respect to the interest on such portion."

(d) Overpayment found by tax court in case of deficiency: Section 322 (d) (relating to overpayments found by Tax Court) is amended by inserting after "in respect of which the Commissioner determined the deficiency," the following: "or finds that there is a deficiency but that the taxpayer has made an overpayment of tax in respect of such taxable year."

(e) Taxable years to which applicable: The amendments made by subsections (a), (c), and (d) shall be applicable with respect to taxable years beginning after December 31, 1942. The amendment made by subsection (b) to section 3801 (d) of the Internal Revenue Code shall, for the purposes of such section and sections 124, 130, and 3807 of such code, be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. The amendment made by subsection (b) to section 3806 (b) (3) of such code shall, for the purposes of such section, be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. In the application of the amendments made by this section in the case of taxable years beginning in 1943, "section 35" in the amendment made by subsection (a) shall be read as "section 35 and section 466 (e)."

Mr. GEORGE. Mr. President, this amendment revises the definition of a deficiency, made necessary by the pay-as-you-go provisions, including the requirement of payments of estimated tax, and collections through withholding. Special attention is called to the statement included in the general statement on this point in presenting the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 50, after line 13, to strike out:

(C) An exemption for each individual with respect to whom, on the basis of facts existing on such day, a surtax exemption under section 25 (b) (3) for the taxable year in which such day falls, may reasonably be expected to be allowable.

And in lieu thereof to insert:

(C) An exemption for each individual with respect to whom, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable a surtax exemption under section 25 (b) (3) for the taxable year under chapter 1 in respect of which amounts deducted and withheld under this subchapter in the calendar year in which such day falls are allowed as a credit.

Mr. GEORGE. Mr. President, this is a clarifying amendment to the House provision to make the rule more definite as to how many dependents may be claimed. That is the purpose of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 52, after line 7, to insert:

(C) Change of status, etc., which affects next calendar year: If on any day during the calendar year the number of withholding exemptions to which the employee will be, or may reasonably be expected to be, entitled at the beginning of his next taxable year under Chapte 1 is different from the number to which the employee is entitled on such day, the employee shall, in such cases and at such times as the Commissioner, with the approval of the Secretary, may by regulations prescribe, furnish the employer with a withholding exemption certificate relating to the number of withholding exemptions which he claims with respect to such next taxable year, which shall in no event exceed the number to which he will be, or may reasonably be expected to be, so entitled.

Mr. GEORGE. Mr. President, in the case of a dependent who dies during the year, the death of the dependent would not affect the taxpayer's right to claim a dependent for that year, but the taxpayer would be required to file a new withholding certificate which would take effect as of the beginning of the next year. This certificate must be filed within such time as the Commissioner, with the approval of the Secretary, may by regulation prescribe.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 53, line 19, after the word "furnished" to insert a semicolon and "but a certificate furnished pursuant to paragraph (2) (C) shall not take effect, and may not be made effective, with respect to any payment of wages made in the calendar year in which the certificate is furnished. For the purposes of this subparagraph the term 'status determination date' means January 1 and July 1 of each year."

Mr. GEORGE. Mr. President, this amendment makes it clear that the certificate referred to in the preceding amendment will not take effect in respect to any payment of wages made in the calendar year in which the certificate is furnished.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 55, line 5, after the words "be the", to strike out "number which he would be entitled to claim if such certificate was furnished on January 1, 1945" and insert "number which he would be entitled to claim if the day on which such certificate is so furnished were January 1, 1945."

Mr. GEORGE. All employees must furnish their employers with new withholding certificates by December 1, 1944. This amendment makes it clear that in furnishing such certificates, they should claim the number of withholding exemptions as if the day on which such certificates were furnished were January 1, 1945.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is before the Senate and open to further amendment.

Mr. LANGER. Mr. President, first of all I wish to make it clear that I have attended the sessions of the Senate every day on which sessions have been held. I believe that I have been present as often as has the average Senator, and that I have remained as long.

Mr. President, I wish also to make it clear that in the Civil Service Committee we had before us during the past week the matter of giving preference to veterans in the civil service, and in considering the matter we had to examine post office legislation, and the situation with regard to the vast number of positions—millions of them—which are covered by the civil service.

I thought, therefore, Mr. President, when I made the simple request that I be allowed at least until Monday, today being Friday, so that in the meantime I could have this evening, Saturday, and Sunday to confer with men who know much more about taxes than I, that I would be allowed such a simple request. I state frankly that I do not pretend to be a tax expert. All I know about the subject of taxes is what I learned during the time I was attorney general and Governor of my State. I thought that my request would be acceded to. However, since it has not been, and since permission was refused me, I wish the people of the country to know exactly what I had to face when I was asked to vote upon this measure today, this being the first opportunity I have had of seeing House bill 4646, or the report thereon made by the Committee on Finance. Therefore, Mr. President, I will read into the RECORD the bill itself.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. No; I do not wish to yield now.

The bill reads as follows:

An act to provide for simplification of the individual income tax.

I may add, Mr. President, that I have received many letters from persons in my State in regard to this bill, and that I had hoped that, after getting possession of a copy of the bill, and reading the explanation of the Senate committee, I would be able to reply to the letters in an intelligent manner.

I continue to read the bill.

Be it enacted, etc., that (a) Short title: This act may be cited as the "Individual Income Tax Act of 1944."

(b) Act amendatory of Internal Revenue Code: Except as otherwise expressly provided, wherever in this act an amendment is expressed in terms of an amendment to a chapter, subchapter, title, supplement, section, subsection, subdivision, paragraph, subparagraph, or clause, the reference shall be considered to be made to a provision of the Internal Revenue Code.

(c) Meaning of terms used: Except as otherwise expressly provided, terms used in this act shall have the same meaning as when used in the Internal Revenue Code.

PART I—AMENDMENTS TO CHAPTER 1 OF THE INTERNAL REVENUE CODE

SEC. 2. Taxable years to which applicable.

I may say here, Mr. President, that I have had no opportunity since this bill was laid upon my desk to look at chapter I of the Internal Revenue Code in order to ascertain how it might be affected by this amendment.

I continue reading:

Except as otherwise expressly provided, the amendments made by this part shall be applicable with respect to taxable years beginning after December 31, 1943.

SEC. 3. Normal tax on individuals.

Section 11 (relating to the normal tax on individuals) is amended to read as follows:

"SEC. 11. Normal tax on individuals.

"There shall be levied, collected, and paid for each taxable year upon the net income of every individual a normal tax of 3 percent of the amount of the net income in excess of the credits against net income provided in section 25 (a). For alternative tax which may be elected if adjusted gross income is less than $5,000, see Supplement T."

SEC. 4. Surtax on individuals.

(a) Imposition of tax: Section 12 (b) (relating to the surtax on individuals) is amended to read as follows:

"(b) Rates of surtax: There shall be levied, collected, and paid for each taxable year upon the surtax net income of every individual the surtax shown in the following table:"

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

If the surtax net income is:	The surtax shall be
Not over $2,000	20% of the surtax net income.
Over $2,000 but not over $4,000.	$400, plus 22% of excess over $2,000.
Over $4,000 but not over $6,000.	$840, plus 26% of excess over $4,000.
Over $6,000 but not over $8,000.	$1,360, plus 30% of excess over $6,000.
Over $8,000 but not over $10,000.	$1,960, plus 34% of excess over $8,000.
Over $10,000 but not over $12,000.	$2,640, plus 38% of excess over $10,000.
Over $12,000 but not over $14,000.	$3,400, plus 43% of excess over $12,000.
Over $14,000 but not over $16,000.	$4,260, plus 47% of excess over $14,000.
Over $16,000 but not over $18,000.	$5,200, plus 50% of excess over $16,000.
Over $18,000 but not over $20,000.	$6,200, plus 53% of excess over $18,000.
Over $20,000 but not over $22,000.	$7,260, plus 56% of excess over $20,000.
Over $22,000 but not over $26,000.	$8,380, plus 59% of excess over $22,000.
Over $26,000 but not over $32,000.	$10,740, plus 62% of excess over $26,000.
Over $32,000 but not over $38,000.	$14,460, plus 65% of excess over $32,000.
Over $38,000 but not over $44,000.	$18,360, plus 69% of excess over $38,000.
Over $44,000 but not over $50,000.	$22,500, plus 72% of excess over $44,000.
Over $50,000 but not over $60,000.	$26,820, plus 75% of excess over $50,000.
Over $60,000 but not over $70,000.	$34,320, plus 78% of excess over $60,000.
Over $70,000 but not over $80,000.	$42,120, plus 81% of excess over $70,000.
Over $80,000 but not over $90,000.	$50,220, plus 84% of excess over $80,000.
Over $90,000 but not over $100,000.	$58,620, plus 87% of excess over $90,000.
Over $100,000 but not over $150,000.	$67,320, plus 89% of excess over $100,000.
Over $150,000 but not over $200,000.	$111,820, plus 90% of excess over $150,000.
Over $200,000	$156,820, plus 91% of excess over $200,000.

Mr. LANGER. I continue reading the bill, beginning at the top of page 4 thereof.

(b) Limitation on aggregate tax: Section 12 is amended by striking out subsection (g) and inserting in lieu thereof the following:

"(g) Limitation on tax: The tax imposed by this section and section 11, computed without regard to the credits provided in sections 31, 32, and 35, shall in no event exceed in the aggregate 90 percent of the net income of the taxpayer for the taxable year.

"(h) Alternative tax: For alternative tax which may be elected if adjusted gross income is less than $5,000, see Supplement T."

I do not know where Supplement T is, but I assume it is in the form of an appendix either to the bill or possibly to the report of the committee. It does not seem to be anywhere around here where I can see it.

I continue reading the bill.

SEC. 5. Alternative tax on individuals with adjusted gross income of less than $5,000.

(a) In general: Supplement T of chapter 1 (relating to the alternative tax on individuals with gross income from certain sources of less than $3,000) is amended to read as follows:

"SUPPLEMENT T—INDIVIDUALS WITH ADJUSTED GROSS INCOME OF LESS THAN $5,000

"SEC. 400. Imposition of tax.

"In lieu of the taxes imposed by sections 11 and 12, there shall be levied, collected, and paid for each taxable year upon the net income of each individual whose adjusted gross income for such year is less than $5,000, and who has elected to pay the tax imposed by this supplement for such year, the tax shown in the following table:"

Mr. President, I ask unanimous consent that the table be printed at this point in the RECORD, as a part of my remarks.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

The table is as follows:

If the adjusted gross income is—		And the number of surtax exemptions is—					If the adjusted gross income is—		And the number of surtax exemptions is—							
At least	But less than	1	2	3	4	5 or more	At least	But less than	1	2	3	4	5	6	7	8	9 or more
		The tax shall be							The tax shall be								
$0	$550	$0	$0	$0	$0	$0	$2,300	$2,325	$364	$264	$164	$64	$47	$47	$47	$47	$47
550	575	1	0	0	0	0	2,325	2,350	369	269	169	69	48	48	48	48	48
575	600	7	1	1	1	1	2,350	2,375	374	274	174	74	49	49	49	49	49
600	625	12	2	2	2	2	2,375	2,400	379	279	179	79	49	49	49	49	49
625	650	17	2	2	2	2	2,400	2,425	384	284	184	84	50	50	50	50	50
650	675	22	3	3	3	3	2,425	2,450	390	290	190	90	51	51	51	51	51
675	700	27	4	4	4	4	2,450	2,475	395	295	195	95	51	51	51	51	51
700	725	32	4	4	4	4	2,475	2,500	400	300	200	100	52	52	52	52	52
725	750	38	5	5	5	5	2,500	2,525	405	305	205	105	53	53	53	53	53
750	775	43	6	6	6	6	2,525	2,550	410	310	210	110	54	54	54	54	54
775	800	48	6	6	6	6	2,550	2,575	415	315	215	115	54	54	54	54	54
800	825	53	7	7	7	7	2,575	2,600	421	321	221	121	55	55	55	55	55
825	850	58	8	8	8	8	2,600	2,625	426	326	226	126	56	56	56	56	56
850	875	64	8	8	8	8	2,625	2,650	431	331	231	131	56	56	56	56	56
875	900	69	9	9	9	9	2,650	2,675	436	336	236	136	57	57	57	57	57
900	925	74	10	10	10	10	2,675	2,700	441	341	241	141	58	58	58	58	58
925	950	79	10	10	10	10	2,700	2,725	446	346	246	146	58	58	58	58	58
950	975	84	11	11	11	11	2,725	2,750	452	352	252	152	59	59	59	59	59
975	1,000	89	12	12	12	12	2,750	2,775	457	357	257	157	60	60	60	60	60
1,000	1,025	95	12	12	12	12	2,775	2,800	462	362	262	162	60	60	60	60	60
1,025	1,050	100	13	13	13	13	2,800	2,825	468	367	267	167	67	61	61	61	61
1,050	1,075	105	14	14	14	14	2,825	2,850	473	372	272	172	72	62	62	62	62
1,075	1,100	110	14	14	14	14	2,850	2,875	479	378	278	178	78	62	62	62	62
1,100	1,125	115	15	15	15	15	2,875	2,900	485	383	283	183	83	63	63	63	63
1,125	1,150	120	20	16	16	16	2,900	2,925	490	388	288	188	88	64	64	64	64
1,150	1,175	126	26	16	16	16	2,925	2,950	496	393	293	193	93	64	64	64	64
1,175	1,200	131	31	17	17	17	2,950	2,975	502	398	298	198	98	65	65	65	65
1,200	1,225	136	36	18	18	18	2,975	3,000	507	403	303	203	103	66	66	66	66
1,225	1,250	141	41	18	18	18	3,000	3,050	516	411	311	211	111	67	67	67	67
1,250	1,275	146	46	19	19	19	3,050	3,100	527	422	322	222	122	68	68	68	68
1,275	1,300	152	52	20	20	20	3,100	3,150	538	432	332	232	132	69	69	69	69
1,300	1,325	157	57	20	20	20	3,150	3,200	549	442	342	242	142	71	71	71	71
1,325	1,350	162	62	21	21	21	3,200	3,250	561	453	353	253	153	72	72	72	72
1,350	1,375	167	67	22	22	22	3,250	3,300	572	463	363	263	163	73	73	73	73
1,375	1,400	172	72	22	22	22	3,300	3,350	583	473	373	273	173	75	75	75	75
1,400	1,425	177	77	23	23	23	3,350	3,400	594	484	384	284	184	84	76	76	76
1,425	1,450	183	83	24	24	24	3,400	3,450	606	496	394	294	194	94	77	77	77
1,450	1,475	188	88	24	24	24	3,450	3,500	617	507	404	304	204	104	79	79	79
1,475	1,500	193	93	25	25	25	3,500	3,550	628	518	415	315	215	115	80	80	80
1,500	1,525	198	98	26	26	26	3,550	3,600	639	529	425	325	225	125	82	82	82
1,525	1,550	203	103	27	27	27	3,600	3,650	651	541	435	335	235	135	83	83	83
1,550	1,575	208	108	27	27	27	3,650	3,700	662	552	446	346	246	146	84	84	84
1,575	1,600	214	114	28	28	28	3,700	3,750	673	563	456	356	256	156	86	86	86
1,600	1,625	219	119	29	29	29	3,750	3,800	684	574	466	366	266	166	87	87	87
1,625	1,650	224	124	29	29	29	3,800	3,850	696	586	477	377	277	177	88	88	88
1,650	1,675	229	129	30	30	30	3,850	3,900	707	597	487	387	287	187	90	90	90
1,675	1,700	234	134	34	31	31	3,900	3,950	718	608	498	397	297	197	97	91	91
1,700	1,725	239	139	39	31	31	3,950	4,000	729	619	509	408	308	208	108	92	92
1,725	1,750	245	145	45	32	32	4,000	4,050	741	631	521	418	318	218	118	94	94
1,750	1,775	250	150	50	33	33	4,050	4,100	752	642	532	429	329	229	129	95	95
1,775	1,800	255	155	55	33	33	4,100	4,150	763	653	543	439	339	239	139	96	96
1,800	1,825	260	160	60	34	34	4,150	4,200	774	664	554	449	349	249	149	98	98
1,825	1,850	265	165	65	35	35	4,200	4,250	786	676	566	460	360	260	160	99	99
1,850	1,875	271	171	71	35	35	4,250	4,300	797	687	577	470	370	270	170	100	100
1,875	1,900	276	176	76	36	36	4,300	4,350	808	698	588	480	380	280	180	102	102
1,900	1,925	281	181	81	37	37	4,350	4,400	819	709	599	491	391	291	191	103	103
1,925	1,950	286	186	86	37	37	4,400	4,450	831	721	611	501	401	301	201	104	104
1,950	1,975	291	191	91	38	38	4,450	4,500	842	732	622	512	411	311	211	111	106
1,975	2,000	296	196	96	39	39	4,500	4,550	853	743	633	523	422	322	222	122	107
2,000	2,025	302	202	102	39	39	4,550	4,600	864	754	644	534	432	332	232	132	109
2,025	2,050	307	207	107	40	40	4,600	4,650	876	766	656	546	442	342	242	142	110
2,050	2,075	312	212	112	41	41	4,650	4,700	887	777	667	557	453	353	253	153	111
2,075	2,100	317	217	117	41	41	4,700	4,750	898	788	678	568	463	363	263	163	113
2,100	2,125	322	222	122	42	42	4,750	4,800	909	799	689	579	473	373	273	173	114
2,125	2,150	327	227	127	43	43	4,800	4,850	921	811	701	591	484	384	284	184	115
2,150	2,175	333	233	133	43	43	4,850	4,900	932	822	712	602	494	394	294	194	117
2,175	2,200	338	238	138	44	44	4,900	4,950	943	833	723	613	504	404	304	204	118
2,200	2,225	343	243	143	45	45	4,950	5,000	954	844	734	624	515	415	315	215	119
2,225	2,250	348	248	148	48	45											
2,250	2,275	353	253	153	53	46											
2,275	2,300	359	259	159	59	47											

Normal tax exemption in case of husband and wife: If the return includes gross income of both husband and wife, the tax shall be that determined under the table, reduced by 3 percent of the smaller adjusted gross income, but not by more than $15.

Mr. LANGER. I shall read now from page 6:

"SEC. 401. Definition of 'surtax exemption.'

"As used in the table in section 400, the term 'number of surtax exemptions' means the number of the exemptions allowed under section 25 (b) as credits against net income for the purpose of the surtax imposed by section 12.

"SEC. 402. Manner and effect of election.

"The election referred to in section 400 shall be exercised in the manner provided in regulations prescribed by the Commissioner with the approval of the Secretary. For cases in which election to take the standard deduction also constitutes an election to pay the tax imposed by this supplement, see section 23 (aa) (3) (D). For cases in which election to file a return without showing tax thereon constitutes an election to pay the tax imposed by this supplement, see section 51 (f)."

Mr. McCARRAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nevada?

Mr. LANGER. I do not yield at this time.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. LANGER. I read further from page 6:

"SEC. 403. Credits not allowed.

"For credits against tax and against net income not allowed, in the case of a taxpayer who elects to pay the tax imposed by this supplement, because of the fact that such election constitutes an election to take the standard deduction, see section 23 (aa).

"SEC 404. Certain taxpayers ineligible.

"This supplement shall not apply to a nonresident alien individual, to a citizen of the United States entitled to the benefits of section 251, to an estate or trust, or to an individual making a return for a period of less than 12 months on account of a change in the accounting period. For provisions making both husband and wife ineligible to elect to pay the tax imposed by this supplement if either does not elect to take the standard deduction, see section 23 (aa) (4)."

(b) Technical amendment: Section 4 (relating to special classes of taxpayers) is amended by striking out subsection (l) and inserting in lieu thereof the following:

"(l) Individuals with adjusted gross income of less than $5,000—Supplement T."

SEC. 6. Repeal of Victory tax.

(a) In general: Subchapter D of chapter 1 (relating to the Victory tax) is repealed.

(b) Technical amendments.—

(1) Section 3 (relating to classification of provisions) is amended by striking out the following:

"Subchapter D—Victory tax on individuals, divided into parts and sections."

(2) Section 56 (f) (cross reference) is amended by striking out ", 144, and Part II of Subchapter D" and inserting in lieu thereof "and 144".

(3) Section 103 (relating to rates of tax on citizens and corporations of certain foreign countries) is amended by striking out "and 450" wherever appearing therein and inserting in lieu thereof "and 400."

(4) Section 131 (a) (relating to taxes of foreign countries and of possessions of the United States) is amended by striking out "or section 450."

(5) Section 131 (i) (relating to tax withheld at source) is amended by striking out "466 (e)" and by inserting in lieu thereof "35."

(6) Section 145 (e) (cross reference) is amended to read as follows:

"(e) For penalties for failure to file information returns with respect to foreign personal holding companies and foreign corporations, see section 340."

(7) Section 291 (b) (cross reference) is repealed.

Of course, there is nothing in this bill to show what section it is proposed to repeal without having an opportunity to look at it.

(8) Section 294 (d) (2) (relating to substantial underestimate of estimated tax) is amended by striking out ", 35, and 466 (e)" and inserting in lieu thereof "and 35."

(9) Section 322 (a) (2) (relating to excessive withholding) is amended by striking out "Part II of subchapter D or" and by striking out "or 466 (e)."

I do not know what that means, but I presume if a person had the time he could find out.

(10) Section 322 (e) (relating to presumption as to date of payment) is amended by striking out "under part II of subchapter D or" and "or section 466 (e)."

SEC. 7. Services of children.

Section 22 (relating to gross income) is amended by inserting at the end thereof the following:

"(m) Services of child.—

"(1) Amounts received in respect of the services of a child shall be included in his gross income and not in the gross income of the parent, even though such amounts are not received by the child.

"(2) All expenditures by the parent or the child attributable to amounts which are includible in the gross income of the child and not of the parent solely by reason of paragraph (1) shall be deemed to have been paid or incurred by the child.

"(3) For the purposes of this subsection, the term 'parent' includes an individual who is entitled to the services of a child by reason of having parental rights and duties in respect of the child.

Next, Mr. President, we come to a portion of the bill through which lines are drawn. I have not had an opportunity to read the part that has been crossed out, and compare it to the part that has been inserted.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nevada?

Mr. LANGER. No; I am sorry I cannot yield.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. LANGER. I read the portion stricken out:

(4) In the case of income includible in the gross income of the child and not of the parent solely by reason of paragraph (1), the parent shall be considered as acting in a fiduciary capacity for the purposes of the tax imposed by this chapter attributable to such income; and all provisions of law applicable in respect of a fidicuary shall be applicable to such parent.

I now come to the provision at the top of page 10, which apparently offsets the preceding provision that has lines drawn through it:

"(4) Any tax assessed against the child, to the extent attributable to amounts includible in the gross income of the child and not of the parent solely by reason of paragraph (1), shall, if not paid by the child, for all purposes be considered as having also been properly assessed against the parent."

There does not seem to be much difference between the two. I think if a person had a chance to look them over he could probably find some reason why one provision was crossed out and the other inserted.

I read further from page 10:

SEC. 8. Adjusted gross income.

(a) In general: Section 22 (relating to gross income) is amended by inserting at the end thereof the following:

"(n) Definition of 'adjusted gross income': As used in this chapter the term 'adjusted gross income' means the gross income minus—

"(1) Trade and business deductions: The deductions allowed by section 23 which are attributable to a trade or business carried on by the taxpayer, if such trade or business does not consist of the performance of services by the taxpayer as an employee;

"(2) Expenses of travel and lodging in connection with employment: The deductions allowed by section 23 which consist of expenses of travel, meals, and lodging while away from home, paid or incurred by the taxpayer in connection with the performance by him of services as an employee;

"(3) Reimbursed expenses in connection with employment: The deductions allowed by section 23 (other than expenses of travel, meals, and lodging while away from home) which consist of expenses paid or incurred by the taxpayer, in connection with the performance by him of services as an employee, under a reimbursement or other expense allowance arrangement with his employer;

"(4) Deductions attributable to rents and royalties: The deductions (other than those provided in paragraph (1), (5), or (6)) allowed by section 23 which are attributable to property held for the production of rents or royalties—

I do not know whether the royalties refer to royalties on books or royalties on plays, or royalties in connection with oil leases, but I suppose, if I had time, I could find out what is referred to.

I continue the reading:

"(5) Certain deductions of life tenants and income beneficiaries of property—

I am sure the average person will know exactly what is meant by the term "life tenants and income beneficiaries of property"—

The deductions (other than those provided in paragraph (1)) for depreciation and depletion allowed by section 23 (l) and (m) to a life tenant of property or to an income beneficiary of property held in trust; and

"(6) Losses from sales or exchange of property: The deductions (other than those provided in paragraph (1)) allowed by section 23 as losses from the sale or exchange of property."

That is a part of the bill which interests me very much, and it is something I desired to study, because I have received some letters which complain that if a person owned a home, had lived in it for a long while, and sold it, even though he had paid, say, $10,000 for the residence and sold it for $5,000, he could take no deduction. On the other hand, if he had lived in the home for 20 years and then leased it for 2 or 3 years, and made out of it what is called commercial property, and then sold it at a loss, he could take the deduction. If that be true, of course I wanted to find out about it so

that I could discuss the bill intelligently, and ask the distinguished chairman of the Finance Committee, the senior Senator from Georgia, about it.

I read further:

(b) Charitable contributions.

I suppose I have received more letters about this section of the bill than all the other sections combined. Letters come to me not only from my home State of North Dakota but from virtually every other State in the Union, the churches especially being very much exercised about this provision. I may add that the presidents of some of our educational institutions, such as the University of North Dakota, also wrote me about the so-called charitable contributions, which have been explained by the distinguished chairman of the Finance Committee. I read:

(b) Charitable contributions: Section 23 (o) (relating to the so-called charitable deduction) is amended by striking out "net income as computed without the benefit of this subsection or of subsection (x)" and inserting in lieu thereof "adjusted gross income."

(c) Medical expense deduction: Section 23 (x) (relating to the so-called medical expense deduction) is amended to read as follows:

Mr. President, I am very much interested in that, because in my State a taxpayer may deduct whatever amount he pays out when he pays his State income tax. If he pays $5, or $25, or $50, or $500, he may deduct it, regardless of the percentage it may bear to the total amount of net income. However, that is not true under the Federal tax law, and I have received many letters from citizens of my State who have deducted the tax from the State tax, and when they have tried to deduct it from the Federal tax they have found that the Federal law is entirely different, and that the amount has to be a definite amount and bear a certain ratio and percentage to the net income before there can be any deduction at all.

The next provision reads:

(x) Medical, dental, etc., expenses: Expenses paid during the taxable year, not compensated for by insurance or otherwise, for medical care of the taxpayer, his spouse, or a dependent specified in section 25 (b) (3), to the extent that such expenses exceed 5 percent of the adjusted gross income. If only one surtax exemption is allowed under section 25 (b) for the taxable year, the maximum deduction for the taxable year shall be not in excess of $1,250. If more than one surtax exemption is so allowed, the maximum deduction shall be not in excess of $2,500. The term "medical care", as used in this subsection, shall include amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body (including amounts paid for accident or health insurance).

The question arises, and I have had letters from my State asking about it, whether the medical bill includes money one pays to a chiropractor, or to a naturopath, or to an osteopath. I am not sure whether the term "medical care" as used here does or does not include those things, and I wanted a chance to study the bill and ascertain whether it does or not.

The next provision is:

(d) Capital gains and losses.

This is a section about which I have also received many letters. Farmers in the State of North Dakota write me saying, "We have the greatest gambling enterprise in the world. When we buy or rent a piece of land and plow and seed it, before the time comes to harvest, the flax we plant may be frosted, some of the other grains we have may have been killed by drought. Even when the grain is ready to be harvested, hail may come, or cutworms, or grasshoppers. Yet if we make some money, if we happen to have a good year, as we have had the last 3 years in North Dakota, then we pay on the total sum. There are a few items which are deductible, but we cannot go back 4, 5, 6, 7, 8, 9, 10 years, and deduct what we paid out during all the years of drought."

Farmers in that section did not have a crop for 9 or 10 years straight, from 1928 and 1929 up to 1933, 1934, 1935, or 1936, depending on where the land was located. I have seen situations so desperate that on 640 acres, the farmer did not produce enough of a crop to feed 1 cow.

Mr. President, that condition was prevalent not only in my State of North Dakota, it was prevalent throughout the entire Dust Bowl, for hundreds and hundreds of miles in every direction from the State of North Dakota. I remember very well going into the city of Kansas City, Mo., and in that city I found the dust so thick, the dust storm was so severe, that the storekeepers closed their doors and locked them, and the electric lights were turned on all over the city of Kansas City, because the city was in almost total darkness, and this was at 2 or 3 o'clock in the afternoon.

Although the farmers in that region have stayed on the soil 7, 8, 9, and 10 years, and even longer, yet when a good crop finally comes they cannot deduct a single penny for what they paid out during the drought years.

Compare that, Mr. President, with the provision respecting capital gains and losses which is found on page 12 of the bill, beginning in line 21. If I do not describe the matter correctly, if I make any errors in what I say I think the bill provides, then I know the distinguished Presiding Officer and other Senators present, as well as the people of my State and of the country generally, will forgive me, because I frankly confess I have not had time to read the bill, it having been placed upon my desk only this noon. I will read the provision with respect to capital gains and losses:

(1) Definition of capital net gain: Section 117 (a) (10) (B) is amended by adding at the end thereof a new sentence to read as follows:

Of course, Mr. President, I do not know what the effect of the new sentence is, nor does anyone else simply by reading the bill. The bill merely provides that there shall be added at the end of the section certain language. Senators generally do not know what the original section provides. The only Senators who have seen the entire language are the members of the Finance Committee. So we do not know what it is we are asked to amend. The bill merely provides that at the end of the section a new sentence shall be added to read as follows:

If the tax is to be computed under Supplement T, "net income" as used in this paragraph shall be read as "adjusted gross income."

Mr. President, I want Members of this body to know what the average farmer is up against compared to one who gambles in securities. The farmer is one of the greatest gamblers in history. What is the average farmer up against when compared to the gambler in securities who is protected under the language of this bill when, for example, he buys railroad bonds? Every Senator knows the rise in value that has occurred during the last 3 or 4 years in some railroad bonds which at one time were selling at 1 cent on the dollar, some of which even sold for less than 1 cent on the dollar, for one-half cent or five-eighths of a cent on the dollar. I remember a speech made by the Honorable Thurman Arnold when he was still head of the criminal division of the Justice Department. He said that he himself owned a lot of bonds of the New Haven Railroad, and that in a short period of time those bonds had risen from a value of almost nothing to a value of $5 a hundred. If the value of his bonds went from 1 cent to $5 there was an increase of 50,000 percent.

What is the wording of the bill at this point, Mr. President? As I understand it—and I say again that I cannot speak with much authority because I have not had a chance to study the bill—if a wealthy man invests his money in railroad bonds, and buys them, let us say, at the rate of 10 cents on the dollar, and then, by reason of the war, because of good times which the railroads have enjoyed, the bonds have risen so as to be worth 50 cents on the dollar, an increase of 400 percent, does he pay taxes on the amount of money he makes, as the farmer does when he raises a crop of wheat or a crop of cotton?

Mr. President, he does not. He is only assessed, as I understood from the statement made by the distinguished Senator from Georgia when he read his report—and I shall read the report later and I am sure it will substantiate what I say—the wealthy man who makes money on the unearned increment of such bonds as they go up and up and up, pays income tax on only 25 percent of what he has made by gambling in the bonds. But the farmer has to pay an income tax on every single dollar he makes by raising wheat, by raising sheep or cattle or hogs. The little truck farmer, who gets up at 4 o'clock in the morning and goes out to raise a few onions or a few cucumbers, pays tax on the entire amount he makes, but the gambler, who sits in the cocktail lounge and simply gambles in railroad bonds pays only on 25 percent of the money he makes if the value of the bonds increases from $10 to $40 in a period of 3 or 4 or 5 or 6 months.

Again, I say, Mr. President, if I am mistaken in that connection—and I do not think I am—I submit I am not to blame, because I asked for but was not accorded the opportunity of studying the measure from today, Friday, at 1 o'clock, until Monday next at 12 o'clock. I said I could not vote intelligently until I had an opportunity at least to read the bill I was supposed to vote on.

Continuing, on page 13 of the bill I read as follows:

(2) Limitation on capital losses: Sec. 117 (d) (2) is amended by adding at the end thereof a new sentence to read as follows:

Mr. President, of course we who now sit in the Senate, without having the benefit of the statute books before us, are in exactly the same situation as the farmer who is on his farm. He is not a lawyer. He does not know what section 117 (d) (2) is. The language is that it shall be amended—

By adding at the end thereof a new sentence to read as follows: "If the tax is to be computed under Supplement T, 'net income' as used in this paragraph shall be read as 'adjusted gross income'."

Now we come to section 9 and I read as follows:

SEC. 9. Optional standard deduction.

(a) In general: Section 23 is amended by adding at the end thereof a new subsection to read as follows:

Mr. President, I do not suppose there is any Senator upon this floor who knows what section 23 is. Nevertheless, without reading the original section, because no lawbooks are available here, and we cannot have them unless we send for them, and without having had an opportunity to study the bill, we are asked to amend section 23—

By adding at the end thereof a new subsection to read as follows:

Mr. President, I am quite sure that a Philadelphia lawyer reading this language would be able to figure it out instantaneously. However, being simply an average man, and not having been educated in Philadelphia, it would be necessary that I at least consult some tax books to find out exactly what that language means. Not having been afforded an opportunity to do so, and having had the bill in my possession only since 12 o'clock today, I must take the time to read it, and read it carefully, to find out exactly what it means.

We now come to page 14:

(2) In lieu of certain deductions and credit: The standard deduction shall be in lieu of: (A) all deductions other than those which under section 22 (n)—

Mr. President, I do not know where section 22 (n) is. It certainly is not anywhere in the bill that I have been able to find. I found section 401, but I have not been able to find section 22 (n). I have had no chance to find out what section 22 (n) is. I wish I had been afforded an opportunity to send for a lawbook containing the section and discover what section 22 (n) is. However, on page 14 of the bill we find further:

The standard deduction shall be in lieu of: (A) all deductions other than those which under section 22 (n) are to be subtracted from gross income in computing adjusted gross income—

That is somewhat complicated to an ordinary fellow but anyway the language is:

All deductions other than those which under section 22 (n).

I do not know what the deductions under section 22 (n) are, because I do not have section 22 (n) before me. It may be that a farmer who has a cow that has had twin calves can deduct one of the calves but not the other. It may be that a housewife who raises 500 chickens, raises 100 chickens too many, and can deduct only 400 of the chickens. The only way a person can find out is to read section 22 (n). Up to the present time, at least, it has not been made available to me.

Then we come to—

(B) All credits with respect to taxes of foreign countries and possessions of the United States.

They are also to be deducted. I do not know; I am not an international lawyer. But the bill reads—

All credits with respect to taxes of foreign countries and possessions of the United States.

I remember that in 1929 the Germans sold to the people of the United States between $12,000,000,000 and $15,000,000,000 of worthless securities. I remember that the bank examiners who came to the average banks in North Dakota—banks that had fine, splendid securities—would say, "Mr. Banker, you have to take out these securities. You have to buy bonds of Brazil"—or Argentina or Venezuela or England or Ireland or some other country. Even though the banker might protest, and might say, "I have first-class bonds here," nevertheless the examiner would order them out. The result was that the fellows operating in Wall Street sold billions and billions of dollars worth of bonds, on a commission, and did so by means of the orders of the examiners who came into North Dakota and other States and made the bankers take the good bonds out of their portfolios. The result was that the brokers in New York made large commissions in selling us worthless bonds of Brazil, Argentina, Venezuela, and some other countries, all the way down to and including Haiti and Latvia, and some others which I suppose are no longer in existence.

When I read in the bill the language—

all credits with respect to taxes of foreign countries and possessions of the United States—

I do not know just what taxes of foreign countries can be referred to. According to my understanding, at least the embassies in the city of Washington, which are owned by some of these foreign countries, are tax-exempt.

I read further:

(C) all credits with respect to taxes withheld at the source under section 143 (a) (relating to interest on tax-free covenant bonds).

Mr. President, I do not know what covenant bonds are. I know that the bankers have various appellations for all the different kinds of bonds, but covenant bonds are something I never heard of before in my life. I have not the least doubt, of course, that the members of the Finance Committee know exactly what covenant bonds are. About the only covenant bond I ever heard of was such a bond in the case of a couple who got married, and one of them covenanted with the other to support the other at least until death do them part. I always understood that was a covenant on the part of the husband to the wife. But apparently there is a new term, as I observe on page 14 of the bill; and now we have a bond known as a covenant bond. If I were to ask some of the Senators around me, except those who are members of the Finance Committee, what a covenant bond is, I do not suppose they could tell.

I read further:

(D) all credits against net income with respect to interest on certain obligations of the United States and Government corporations of the character specified in section 25 (a) (1) and (2).

I looked all through the bill, but I could not find section 25. I found section 400, section 291, section 294, and section 1622; but at no place did I find section 25 (a) (1) and (2), and I do not know exactly where it is located. I suppose I could send out and get a lawbook and find it; but that would take a little time. I tried to do that, but I was not afforded the opportunity to find out what section 25 (a) (1) and (2) is. So I shall have to wait until I get time, and do it then.

I read further:

(3) Method and effect of election.—

(A) If the adjusted gross income shown on the return is $5,000 or more, the standard deduction shall be allowed only if the taxpayer so elects in his return, and the Commissioner, with the approval of the Secretary, shall by regluations prescribe the manner of signifying such election in the return.

(B) If the adjusted gross income shown on the return is less than $5,000, the standard deduction shall be allowed only if the taxpayer elects, in the manner provided in Supplement T, to pay the tax imposed by such supplement.

So we are looking for Supplement T again.

I read further:

(C) If the taxpayer does not signify, in the manner provided by subparagraph (A) or (B), his election to take the standard deduction, it shall not be allowed. If he does so signify, such election shall be irrevocable.

(D) If the adjusted gross income shown on the return is $5,000 or more, but the correct adjusted gross income is less than $5,000, then an election by the taxpayer under subparagraph (A) to take the standard deduction shall be considered as his election to pay the tax imposed by Supplement T—

I am quite sure that is very plain to every Senator on this floor—

and his failure to make under subparagraph (A) an election to take the standard deduction shall be considered his election not to pay the tax imposed by Supplement T.

I repeat that I do not know what Supplement T is, but I am sure we will find out farther on in the bill.

I continue to read:

If the adjusted gross income shown on the return is less than $5,000, but the correct adjusted gross income is $5,000 or more, then an election by the taxpayer under subparagraph (B) to pay the tax imposed by Supplement T shall be considered as his election to take the standard deduction; and his failure to elect under subparagraph (B) to pay the tax imposed by Supplement T shall be considered his election not to take the standard deduction.

(4) Husband and wife: In the case of husband and wife living together, the standard deduction shall not be allowed to either if the net income of one of the spouses is determined without regard to the standard deduction. For the purposes of this paragraph the determination of whether an individual is married and living with his spouse shall be made as of the last day of the taxable year, unless his spouse dies during the taxable year, in which case such determination shall be made as of the date of such spouse's death.

(5) Short period: In the case of a taxable year of less than 12 months on account of a change in the accounting period, the standard deduction shall not be allowed.

(b) Estates, trusts, and common trust funds.—

(1) Estates and trusts: Section 162—

Nowhere in the bill do I find section 162. But I suppose I could send out and have it found some place, and then could read it, so that I could have an understanding of it.

However, the bill provides—

Section 162 (relating to net income of estates and trusts) is amended by inserting at the end thereof the following:

"(f) The standard deduction provided in section 23 (aa) shall not be allowed."

I understand there are certain kinds of foundations and trusts. For example, a Senator might set up a trust, and might ask for contributions to educate the people of the country at large, by means of speeches over the radio—which, I think, would be a very fine act.

I know Senators who are doing a very good job in that regard. I do not know whether they would be taxed under this section—whether they are estates, trusts, or common trust funds.

I continue to read:

(b) Estates, trusts, and common trust funds.—

(1) Estates and trusts: Section 162 (relating to net income of estates and trusts) is amended by inserting at the end thereof the following:

"(f) The standard deduction provided in section 23 (aa) shall not be allowed."

So far as trusts are concerned, Mr. President, if we are going to legislate about them, why not include foundations? A short time ago I set out to learn something about foundations, about which we hear so much today. I have heard a great deal about the Rockefeller Foundation and the Julius Rosenwald Foundation. When I obtained a book on the subject I was amazed to find that there were hundreds of foundations all over the country. The interesting thing is that they pay no taxes. They own more than $1,000,000,000 worth of property. That does not include real estate. One billion dollars worth of property is owned by a group of rich people. Rich men die and leave their property to their children. There is no inheritance tax on it. It is simply put away in a bank and called a foundation—the Jones foundation or the Brown foundation. Why should they not pay taxes? Why should they not be classed with estates, trusts, and common trust funds? The investments earn interest. These foundations represent $1,000,000,000 worth of property, not including real estate. Many foundations charge rent, and yet they do not pay a single dollar in taxes because they are foundations.

Not long ago the Congress enacted a law providing that cooperatives must make returns. We do not tax them yet, but they must make returns. If a cooperative society must make a return, why should not one of these great foundations, owned by the Rockefellers and other rich families which have amassed great wealth, make returns? The wealth is amassed and left in the hands of the children of rich men to administer. The bill does not say anything about taxing them. I was curious to find out whether or not we could adopt an amendment in this connection. It is possible that the distinguished Senator from Georgia [Mr. GEORGE] could tell us all about foundations, and why they should not be taxed. I wished to have an opportunity to consult a tax expert and find out whether or not foundations are included in "estates, trusts, and common trust funds," and if they are not included, why not.

The next item reads as follows:

(2) Common trust funds: Section 169 (d) (relating to income of common trust funds) is amended by inserting at the end thereof the following:

"(4) The standard deduction provided in section 23 (aa) shall not be allowed."

I do not know what section 23 (aa) is, but I have no doubt that I could have found out if I had had a couple of days to study the bill and inform myself.

Next we come to partnerships.

(c) Partnerships: Section 183 (relating to partnership income) is amended—

(1) by striking out "(b) and (c)" in subsection (a) and inserting in lieu thereof "(b), (c), and (d)"; and

I do not know that any Senator can tell us what that means. We do not have the other law before us. At any rate, it is proposed, by enacting this bill, to strike out "(b) and (c)" in subsection (a) and inserting in lieu thereof "(b), (c), and (d)," and—

(2) by inserting at the end thereof the following:

"(d) Standard deduction: In computing the net income of the partnership, the standard deduction provided in section 23 (aa) shall not be allowed."

I continue to read:

(d) Nonresident aliens: Section 213 (relating to deductions in computing net income of certain nonresident aliens) is amended by inserting at the end thereof the following:

"(d) Standard deduction: The standard deduction provided in section 23 (aa) shall not be allowed."

I do not know what section 23 (aa) means, or what it is. We do not have that law before us; yet we are asked to amend it without ever seeing the law.

I understand—and I repeat that it is only rumor, because I have not had an opportunity to inform myself—that an American citizen can go to Colombia, for example, and enter the tin business, or go to some of the other South American countries and own a great mine, and make hundreds of thousands of dollars profit; and, so long as the company controlling the mine is owned by a corporation organized down there, although it piles up millions of dollars of profits, the American citizen, unless he actually takes possession of the money, does not have to pay taxes on it. If, after piling up millions of dollars, he should decide to expatriate himself, leave the United States, and go to South America, he could do so, as Charlie Chaplin said he intended to do. At the time of his trial, when he was facing the jury, when the jury was about to say whether he was innocent or guilty in connection with a crime with which he was charged, he said he intended to go to Mexico. He made a statement for the newspapers somewhat to this effect: "I have bought a beautiful home 30 miles from Mexico City, and I plan to go to Mexico City just as soon as this trial is over." The trial is over, and Charlie Chaplin has not yet moved.

I can understand the situation of one of our citizens interested in a corporation in a South American country. Millions of dollars of profits are piled up, because the company has sold its product to the United States during wartime. The American citizen may say to himself "I have millions of dollars there. I have paid no taxes on it. I will expatriate myself from the United States and go to Colombia, Mexico, Venezuela, or some other country and there enjoy the results of my investments." He has a perfect right to do so.

I continue to read:

SEC. 10. Credits against net income.

(a) For normal tax: Section 25 (a) (relating to credits against net income for the purposes of the normal tax) is amended by adding at the end thereof a new paragraph to read as follows:

Mr. President, we can not tell from this bill what that paragraph is, and yet we are asked blindly to vote to add another paragraph to it. Is it any wonder, with the Senate legislating in this manner, that the people all over the United States are dissatisfied with the taxation system which is now in effect?

This is the paragraph which we are asked to add to a paragraph which is not before us.

(3) Normal-tax exemption: A normal-tax exemption of $500. In the case of a joint return by husband and wife under section 51, the normal-tax exemption shall be $1,000, except that if the adjusted gross income of one spouse is less than $500 the normal-tax exemption shall be $500 plus the adjusted gross income of such spouse.

I continue reading:

(b) For Surtax: Section 25 (b) (relating to credits for both normal tax and surtax) is amended to read as follows:

Mr. President, I do not know that any Senator knows what we shall be amending if we pass this bill. At any rate, this is what we are supposed to add to it:

(b) Credits for surtax only.—

(1) Credits: There shall be allowed for the purpose of the surtax but not for the normal

tax, the following credits against net income:

(A) A surtax exemption of $500 for the taxpayer;

(B) A surtax exemption of $500 for the spouse of the taxpayer if—

(i) a joint return is made by the taxpayer and his spouse under section 51—

I do not know what section 51 is.

in which case the surtax exemption of the spouses under subparagraph (A)—

I do not know what subparagraph (A) is, and I doubt if the distinguished minority leader knows what subsection (A) is—

and this subparagraph shall be only $1,000 in the aggregate, or

(ii) a separate return is made by the taxpayer, and his spouse has no gross income for the calendar year in which the taxable year of the taxpayer begins and is not the dependent of another taxpayer;

(C) A surtax exemption of $500 for each dependent whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than $500, except that if such dependent is married the exemption in respect of such dependent shall not be allowed if such dependent has made a joint return with the other spouse under section 51 for a taxable year beginning in such calendar year.

So, Mr. President, I have accomplished at least one thing since the last tax bill was before the Senate. It will be remembered that when the last tax bill was under consideration I offered an amendment. I contended that if a married couple had a child they should be allowed an exemption of at least $500 for the child. We were told that $350 was ample. I remember that when Theodore Roosevelt was President he plead with the United States for large families. He said that it was the patriotic duty of every American to have a large family. I remember how he was applauded all over the United States.

In the amendment which I proposed I merely said that $350 was not enough for one child, and that a married couple should be allowed at least $500 for a child. I said that for the second child the couple should be allowed $750, for the third child they should be allowed $1,000, and that if they had a fourth child they should be allowed $1,500. Although my amendment was not given favorable consideration on the Senate floor, I am very gratified indeed today in learning that at last the Finance Committee has raised the amount of the exemption from $350 to $500.

I now come to the paragraph headed "Determination of status" and read:

(2) Determination of status: The determination of whether an individual is married shall be made as of the last day of the taxable year, unless his spouse dies during the taxable year, in which case such determination shall be made as of the date of his spouse's death.

(3) Definition of dependent: As used in this chapter the term "dependent" means any of the following persons over half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer:

(A) a son or daughter of the taxpayer, or a descendant of either,

(B) a stepson or stepdaughter of the taxpayer,

(C) a brother, sister, stepbrother, or stepsister of the taxpayer,

(D) the father or mother of the taxpayer, or an ancestor of either,

(E) a stepfather or stepmother of the taxpayer,

(F) a son or daughter of a brother or sister of the taxpayer,

(G) a brother or sister of the father or mother of the taxpayer—

Then we go to subparagraph (II):

(II) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the taxpayer.

As used in this paragraph, the terms "brother" and "sister" include a brother or sister by the half-blood. For the purposes of determining whether any of the foregoing relationships exist, a legally adopted child of a person shall be considered a child of such person by blood. The term "dependent" does not include any individual who is a citizen or subject of a foreign country unless such individual is a resident of the United States or of a country contiguous to the United States. A payment to a wife which is includible under section 22 (k)—

I do not know what section 22 (k) is, but I suppose I could find it—

or section 171—

I do not know what section 171 is either; it is not in the bill—

in the gross income of such wife shall not be considered a payment by her husband for the support of any dependent.

(c) Reduction of credits in case of jeopardy. Section 47 (e)—

Of course, I do not know where section (e) is. Neither do I know where sections 45, 44, 43, 42, 40, and 39 are. We jump all at once to section 47 (e). I do not know where (a), (b), (c), and (d) are, but we come to (e). The language reads as follows:

(relating to reduction of certain credits against net income in case of jeopardy)—

I suppose that the only time income is in jeopardy is when we tax it. Any way, that is the way the language reads—"net income in case of jeopardy." I repeat the language:

(c) Reduction of credits in case of jeopardy: Section 47 (e) (relating to reduction of certain credits against net income in case of jeopardy) is amended by striking out "personal exemption and credit for dependents" and inserting in lieu thereof "normal tax exemption and surtax exemptions"; and by striking out "the full credits provided" and inserting in lieu thereof "the full normal tax exemption (in the case of the normal tax) and the full surtax exemptions (in the case of the surtax)."

Of course, as we do not have the old law before us we cannot determine what the effect may be of striking out certain words and putting in new ones.

I continue reading:

(d) Credits against net income in case of interest on tax-free covenant bonds—

We are back again to covenant bonds—

Section 143 (a) (2) (relating to credits against net income in the case of interest on tax-free covenant bonds) is amended by striking out "credits provided in section 25 (b)" and inserting in lieu thereof "normal tax exemption provided in section 25 (a) (3) and the surtax exemptions provided in section 25 (b)."

Mr. President, from a reading of the bill up to this point, it is quite evident that I shall have to offer certain amendments to this bill, which I anticipated doing. Inasmuch as we are asked to pass the bill this afternoon, it can be readily seen that no opportunity whatsoever is to be afforded me to prepare a single amendment to the bill. It is proposed that the bill be merely another piece of legislation which, in my opinion, would be just as rotten as some of the tax legislation which Congress has already enacted.

Allow me to invite the attention of the Senate to the last tax bill which was passed. It will be remembered that it was upon that occasion, after the President had vetoed the tax bill, that the distinguished majority leader, the senior Senator from Kentucky [Mr. BARKLEY] stood upon this floor and denounced the President because the President had said that the bill had been passed for the greedy and not for the needy.

Mr. President, I was the only Republican who voted to sustain the President's veto, and I am proud of having done so. I am prouder today than I ever was before. Why am I prouder? Because the bill was passed in the same way it is being proposed to pass the pending bill. We should all have a chance to read this bill and study it. A United States Senator is being asked to vote "yea" and be a rubber stamp without first having an opportunity to examine the bill. The bill was presented only this afternoon, mind you, Mr. President, and contains 56 pages. It was accompanied by a little pamphlet entitled "The Comparison of the Internal Revenue Code Before and After Its Amendment by the Individual Income Tax Bill of 1944 as Reported by the Finance Committee."

This book, which was printed at the taxpayers' expense ostensibly in order to give the Senate information, contains 77 pages of fine type. That book is laid on the desks of Senators together with a bill containing 56 pages. Furthermore, Mr. President, there is another book, a report, as it is called, which is printed in very fine type. I hold a copy of it in my hand. It contains 54 pages. So, Mr. President, there is laid before the United States Senate a bill of 56 pages, a report in fine type of 54 pages, and a comparison in fine type of 77 pages at 12 o'clock, and Senators are asked at 2 o'clock to vote "yes" or "no."

Mr. President, that may be a proper way of legislating, but I want to make it plain to the people of the country that it is over my protest, and I do not know of any better time than this to show them exactly what is contained in the bill of 56 pages, the report of 54 pages, and another document of 77 pages. Of course, Mr. President, the people of the country have not read them. I will let any citizen judge whether, if he were sitting in one of these seats to represent the taxpayers, who are being bled white, he would want a Senator to be a rubber stamp and vote "Yes," or whether he would approve the action of a Republican Senator who rises and courteously

says, "I have been busy in the Civil Service Committee with legislation for veterans; I have not had time to read the pending bill, and I have attended every session of the Senate; will you please put the bill over until Monday?" The distinguished chairman of the Senate Finance Committee refuses to grant even that courtesy to another Senator of the United States. So, Mr. President, I will let the people judge as to how this legislation and how previous tax bills have been passed.

I return now to page 21 of the bill.

(1) For the purpose of the normal tax an estate shall be allowed the same normal tax exemption as is allowed to a single person under section 25 (a) (3). For the purpose of the surtax an estate shall be allowed the same surtax exemption as is allowed to an individual under section 25 (b) (1) (A).

No one knows what section 25 (b) (1) (A) is. There is no explanation of it before the Senate. How can any Senator tell what it is?

Mr. President, although I may be mistaken, I say it is my judgment that very few Senators realized when they passed the last tax bill that they were putting the Post Office out of business. For the first time in many years the United States Post Office did not have a deficit; for once it made money; but, lo and behold, it was said, "We cannot allow that; it is anarchy; it is socialism to allow the Post Office Department of the United States to make any money. It has got to be in the red, because if it ever gets out of the red it will be entirely abnormal."

So, Mr. President, what was done in the last tax bill? The money-order charge was raised so that now when a citizen goes to a post office to buy a $5 money order it costs him 10 cents, but he can go to a bank and buy it for 5 cents. If he buys a money order for an amount between $80.01 and $100 and goes to his own post office, supported by the taxpayers' money, to get it he has to pay 37 cents, but if he goes to a private bank he gets the same money order for 15 cents, or 22 cents cheaper. The greater the amount of the post-office money order the greater is the difference between what it costs the American citizen in his own post office and what he pays to a private bank. Do you mean to tell me, Mr. President, the average Senator upon this floor knew that that was in the last tax bill the Senate passed?

I went into North Dakota to the town of Carrington and asked the postmistress there, "How is business?" She said, "Senator, we sell hardly any money orders any more; they are sold now at the bank." I went to the town of Kintyre in North Dakota, from which the rural mail carrier goes and takes money orders among the farmers, and I asked him, "How is the money-order business?" and he said, "Senator, it has dropped 65 percent."

Mr. President, do you think for a single moment that the Senators voting on the last tax bill knew that they were raising the amount it would cost to send parcel post packages to the soldier boys of this country? The cost has been increased almost one-third. How well I remember when the parcel-post law was enacted, while I was a boy in college, and the fight that was put up against the parcel post by the express companies. Yet in a tax bill, in order to help wreck parcel post, in order to keep the farmer from sending a few dozen eggs by parcel post into town, and shipping other products at a low cost, the cost of parcel post has been raised one-third.

Mr. President, some of the very Senators who said that there should be no limit to the salary a man might receive, who, when our President sent us a message saying that $25,000 net was enough during wartime, said, "Oh, no; Eugene Grace can make a million and a half if he wants to," in the passage of the last tax bill voted that the average citizen buying a light bulb should pay a 20-percent tax when buying it.

I wish to say to my Republican brethren that the Republicans of the Senate joined the reactionaries on the Democratic side in the tax legislation, and the common people of this country know it. They know that President Roosevelt did not wish that new millionaires should come out of the present war; they knew that this very Senate voted not to tax tax-exempt securities issued in the future, although the Democratic campaign platform in the last election of 1940 contained the statement, "We pledge ourselves that we will tax all future issues of State, county, and Federal bond issues." It is in the Democratic platform of 1940, three and a half lines. The President of this country asked the Democrats in the Senate to keep that pledge, but they did not do it, and they were joined by numerous Republicans.

I need not say anything to the Senate about the forgiveness of eight or nine billion dollars by the adoption of the Ruml plan, because nothing I could say would be as terse, as fine nor could I say it as eloquently, as the statement made by the distinguished senior Senator from Texas [Mr. CONNALLY] when he led the fight against the adoption of the Ruml plan, which forgave the rich eight or nine billion dollars, and then the attempt is made to make it up by taxing the poor.

Mr. President, I submit that although I have gone a little afield from the bill, H. R. 4646, nevertheless those other measures were passed, in my judgment, by men who had not had a chance really to study the bills for which they voted, but I certainly was not going to vote for H. R. 4646 unless I had at least read it, because I might find, as some of my brethren have found in the past, that I voted to raise the amount charged for a money order between $80.01 and $100 to 37 cents.

Mr. President, returning to page 22, we come to the provision:

(f) Credits of nonresident aliens against net income: Section 214 (relating to credits of nonresident aliens against net income) is amended to read as follows:

Here "Sec. 214" is crossed out, and it reads:

Credits against net income: In the case of a nonresident alien individual who is not a resident of a contiguous country—

Let me read that again:

In the case of a nonresident alien individual who is not a resident of a contiguous country—

So this would not apply to Mexico or Canada—

the normal tax exemption allowed by section 25 (a) (3) shall be only $500 and the surtax exemptions allowed by section 25 (b) (1) (B) and (C) shall be allowed.

Mr. President, perhaps that is very plain to some folks, but I fail to understand why there should be a distinction between the case of a nonresident alien individual who is a resident of a contiguous country, such as Mexico, and a man who is living in Venezuela. Why should they not be treated alike? They are both aliens.

I read further:

(g) Credits of nonresident aliens against net income in case of tax withheld at source: Section (b) (relating to credits of nonresident alien against net income in case of tax withheld at source) is amended by striking out "the personal exemption and credit for dependents" and inserting in lieu thereof "the normal tax exemption and the surtax exemptions."

(h) Credits of citizens entitled to benefits of section 251: Section 251 (f) (relating to credits against net income in the case of citizens entitled to the benefits of section 251) is amended to read as follows:

(f)—

I do not know where (a), (b), (c), (d), and (e) are, but here we find (f)—

(f) Credits against net income.—A citizen of the United States entitled to the benefits of this section shall be allowed a normal tax exemption of only $500 and shall not be allowed the surtax exemptions allowed by section 25 (b) (1) (B) and (C)."

(i) Definition of husband and wife.—Section 3797 (a) (17) (defining husband and wife for certain purposes) is amended by striking out "25 (b) (2) (A), and 171, and the last sentence of section 401 (a) (2)" and inserting in lieu thereof "171, and the last sentence of section 25 (b) (3)."

SEC. 11. Returns.

(a) In general: Section 51 (a) and (b) (relating to individual returns) is amended to read as follows:

"(a) Requirement: Every individual having for the taxable year a gross income of $500 or more shall make a return, which shall contain or be verified by a written declaration that it is made under the penalties of perjury. Such return shall set forth in such cases, and to such extent, and in such detail, as the Commissioner with the approval of the Secretary may by regulations prescribe, the items of gross income and the deductions and credits allowed under this chapter and such other information for the purpose of carrying out the provisions of this chapter as may be prescribed by such regulations.

"(b) Husband and wife: A husband and wife may make a single return jointly. Such a return may be made even though one of the spouses has neither gross income nor deductions. If a joint return is made the tax shall be computed on the aggregate income and the liability with respect to the tax shall be joint and several. No joint return may be made if either the husband or wife is a nonresident alien or if the husband and wife have different taxable years. The status of individuals as husband and wife shall be determined as of the last day of the taxable year."

(b) Returns by wage earners: Section 51 (relating to returns by individuals) is

amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f) Tax computed by collector in case of wage earners.—

"(1) Return requirements: An individual entitled to elect to pay the tax imposed by Supplement T—

We come to Supplement T again, Mr. President. We have not met with it in the bill for some time. I continue to read:

whose gross income is less than $5,000 and is entirely from one or more of the following sources: Remuneration for services performed by him as an employee, dividends, or interest; and whose gross income from sources other than wages, as defined in section 1621 (a), does not exceed $100, shall at his election be relieved, by using the form prescribed as the form for the return for the purposes of this subsection, from showing on the return the tax imposed by this chapter. In such case the tax shall be computed by the collector.

"(2) Result of computation: After the collector has computed the tax, he shall mail to the taxpayer a notice stating the amount determined by the collector as payable and making demand therefor.

"(3) Regulations: The Commissioner with the approval of the Secretary shall prescribe regulations for carrying out this subsection, and such regulations may provide for the application of the rules of this subsection to cases where the gross income includes items other than those enumerated in paragraph (1), to cases where the gross income from sources other than wages on which the tax has been withheld at the source is more than $100 but not more than $200, and to cases where the gross income is $5,000 or more but not more than $5,200—

I do not know what becomes of the crowd which is in between $5,000 and $5,200. Nothing is said in the bill about them—

Such regulations shall provide (A) for the application of this subsection in the case of husband and wife, including provisions determining when a joint return under this subsection may be permitted or required and what constitutes a joint return, whether the liability shall be joint and several, and whether one spouse may make return under this subsection and the other without regard to this subsection, and (B) whether and the extent to which the benefits of this subsection may be availed of, in the case of taxable years beginning in the calendar year 1944, by persons required to make or making payments of estimated tax with respect to any such taxable year.

"(4) Method of election: The election to have the benefits of this subsection shall be made by making return on the form prescribed as the form for the return for the purposes of this subsection. An election so made shall constitute an election to pay the tax imposed by Supplement T."

(c) Fiduciary returns: Section 142 (a) (relating to fiduciary returns) is amended by striking out paragraphs (1) to (5), inclusive, and inserting in lieu thereof the following:

"(1) Every individual having a gross income for the taxable year of $500 or over;

"(2) Every estate the gross income of which for the taxable year is $500 or over;

"(3) Every trust the net income of which for the taxable year is $100 or over, or the gross income of which for the taxable year is $500 or over, regardless of the amount of net income;

"(4) Every estate or trust of which any beneficiary is a nonresident alien."

Mr. President, I ask, Why are not foundations, some with as much as a billion dollars' worth of property that is bringing in income, not even counting real estate, included in the bill? There may be some good explanation for excluding foundations, but so far as appears from the bill, Mr. President, there is none, and, as I said awhile ago, I have not had time to read the report laid upon my desk today, containing 54 pages, nor the comparison of the Internal Revenue Code containing 77 pages of fine type. Perhaps, if I were afforded the opportunity to read the 2 documents between now, Friday noon, and Monday, when the Senate reconvenes, I could follow the discussion of the bill intelligently, and perhaps I would know what I was voting on, but up to the present time I have not been able to read either of the two pamphlets published at great expense at the cost of the taxpayers of the country for the benefit of Senators.

I continue to read from the bill:

(d) Information as to wholly tax exempt interest: The second sentence in section 22 (b) (4) is amended to read as follows: "Every person owning any of the obligations enumerated in clause (A), (B), or (C)"—

Mr. President, I suppose the word should have been "clauses" instead of "clause." Apparently it is a typographical error, and I now ask unanimous consent to amend the bill by striking out the word "clause" in line 14 on page 27 and inserting "clauses."

Mr. GEORGE. I object, Mr. President. It is obvious that the Senator does not know what he is talking about most of the time. This is a bill to simplify the collection of individual income taxes, and has no other purpose.

Mr. LANGER. Mr. President, it may be true that I do not know what I am talking about, but I submit that I am simply reading a proposed law placed upon the desk of every Senator, which we are asked to adopt. The Senator from Georgia says I do not know what I am talking about, and it is true.

Mr. GEORGE. Mr. President——

Mr. LANGER. I am not yielding.

The PRESIDING OFFICER (Mr. FERGUSON in the chair). The Senator from North Dakota refuses to yield.

Mr. GEORGE. Mr. President——

Mr. LANGER. Mr. President, I have the floor.

Mr. GEORGE. I rise to a point of personal privilege.

Mr. LANGER. I have the floor, and I am not yielding even for that purpose, Mr. President. As I have previously said, I told the distinguished Senator from Georgia I did not know what is contained in the bill. I asked him courteously if he would not give me time in which I could acquaint myself with its provisions. I dislike very much indeed to take the time of the Senate, Mr. President, on the bill——

Mr. GEORGE. I think it has been time lost, Mr. President.

Mr. LANGER. Mr. President, a statement of that character is unworthy of the distinguished Senator from Georgia.

Mr. GEORGE. No; it is not at all.

Mr. LANGER. It is indeed unworthy of him.

Mr. GEORGE. No; it is not. I rose simply to say to the Senator that the bill was reported Tuesday. It has been on the Senator's desk since Tuesday. He could have informed himself about it. Moreover, Mr. President, it is a bill which passed the House more than 3 weeks ago, or about 3 weeks ago. There have been no changes made in it except purely technical changes. I announced on Monday last, or Tuesday, that I would not call up the bill until Friday, so that there would be ample time to study it, and in the meantime we have had one day of vacation, so the Senator is complaining, it seems to me, without any justification.

Mr. LANGER. Mr. President, no one knows better than the distinguished senior Senator from Georgia that for 3 weeks the Senators from the Northwest have been working literally morning, noon, and night on measures dealing with the Missouri River Basin, on the great problem of reclamation, on the problem of whether the water at Fort Peck should be used for irrigation purposes in the Northwestern States—the great States of Montana, North Dakota, and all the other Northwestern States. The Senator from Georgia knows that morning, noon, and night we have had delegations in Washington from North Dakota. But that is not all. I very carefully explained to the Senator from Georgia, when I asked for the privilege of having consideration of the bill go over until Monday, that I have attended every session of the Senate, that I have been here practically all the time. On every one of those days, Mr. President, we considered legislation. We considered the bills which were placed upon our desks.

The Senator from Georgia has said that this bill has been lying upon my desk since Tuesday. But I explained, when I rose upon my feet the first time, that the Committee on Civil Service has been busy with the matter of legislation giving preference to war veterans in millions of jobs all over the country.

I say, Mr. President, that there is no problem more complicated than the problem of taxation. I speak from experience. As attorney general of my State, I sat on the board which equalized taxes as between counties all over the State of North Dakota. We equalized the taxes on the public utilities in that State. That task was a hard, arduous, and complicated one.

Of course, Senators can come here and let the Finance Committee do all the work on tax bills. I know the members of the Finance Committee have sat in conference hour after hour, day after day, and week after week. They are familiar with the subject of taxation.

Not only for weeks, Mr. President, but for months, the members of the Finance Committee deal with the problems of taxation. In talking with Mr. Randolph Paul, one day, he said that as attorney he was consulted on taxation matters time and time again by the Senate Finance Committee. But, Mr. President, certainly some of the others of us who are not members of that committee have the right—yea, the duty—at least to know what we are voting for, when we are handed by the Finance Committee a bill such as

House bill 4646. Even the distinguished senior Senator from Georgia says I do not know what I am talking about when I talk about House bill 4646. He is correct. But I think I know just about as much about it as does the average Senator on this floor who is not a member of the Finance Committee.

Mr. President, when I finish putting this bill in the RECORD, and when I finish putting the explanation contained in the report in the RECORD, I shall be entirely willing to let my constituents in North Dakota and to let the American people judge how much the average Senator can tell in 2, 3, or 4 hours' time what this bill contains. I repeat that I shall not vote for a bill if I do not understand it.

I turn now to page 27, and read beginning in line 11:

(d) Information as to wholly tax-exempt interest: The second sentence in section 22 (b) (4) is amended to read as follows: "Every person owning any of the obligations enumerated in clause (A), (B), or (C)—

I call attention to the fact that although I tried to amend the language, so as to read "clauses," I could not obtain unanimous consent to do so—

shall, when so required by regulations prescribed by the Commissioner with the approval of the Secretary, submit in the return required by this chapter a statement showing the number and amount of such obligations owned by him and the income received therefrom, in such form and with such information as such regulations may prescribe."

SEC. 12. Payment of tax not computed by taxpayer.

Section 56 (relating to payment of tax) is amended by inserting at the end thereof the following:

"(i) Payment of tax if not computed by taxpayer—

Of course, Mr. President, subsections (a), (b), (c), (d), (e), (f), (g), and (h) are missing; but subsection (i) is here. I do not know what relationship subsections (a), (b), (c), (d), (e), (f), (g), and (h) have to subsection (i); but, anyway, here is subsection (i). I read it for what it may be worth—

"(i) Payment of tax if not computed by taxpayer: Where under section 51 (f) a taxpayer who is an individual is permitted to file return without showing the tax thereon, and the tax is to be computed by the collector, the amount determined by the collector as payable shall be paid within 30 days after the mailing by the collector to the taxpayer of a notice stating such amount and making demand therefor."

SEC. 13. Estimated tax of individuals.

(a) Declarations and amendments: Sections 58, 59, and 60 (relating to declaration and payment of estimated tax), are amended to read as follows:

"SEC. 58. Declaration of estimated tax by individuals.

"(a) Requirement of declaration: Every individual (other than an estate or trust and other than a nonresident alien with respect to whose wages, as defined in section 1621 (a), withholding under subchapter D of chapter 9 is not made applicable—

No wonder I do not understand it—

shall, at the time prescribed in subsection (d), make a declaration of his estimated tax for the taxable year if—

"(1) his gross income from wages (as defined in section 1621) can reasonably be expected to exceed the sum of $5,000 plus $500 with respect to each surtax exemption (except his own) provided in section 25 (b); or

"(2) his gross income from sources other than wages (as defined in sec. 1621) can reasonably be expected to exceed $100 for the taxable year and his gross income to be $500 or more.

"(b) Contents of declaration: In the declaration required under subsection (a) the individual shall state—

"(1) the amount which he estimates as the amount of tax under this chapter for the taxable year, without regard to any credits under sections 32 and 35 for taxes withheld at source;

"(2) the amount which he estimates as the credits for the taxable year under sections 32 and 35; and

"(3) the excess of the amount estimated under paragraph (1) over the amount estimated under paragraph (2), which excess for the purposes of this chapter shall be considered the estimated tax for the taxable year. The declaration shall also contain such other information for the purposes of carrying out the provisions of this chapter as the Commissioner, with the approval of the Secretary, may by regulations prescribe, and shall contain or be verified by a written statement that it is made under the penalties of perjury.

"(c) Joint declaration by husband and wife: In the case of a husband and wife, a single declaration under this section may be made by them jointly, in which case the liability with respect to the estimated tax shall be joint and several. No joint declaration may be made if either the husband or wife is a nonresident alien. If a joint declaration is made but a joint return is not made for the taxable year, the estimated tax for such year may be treated as the estimated tax of either the husband or the wife, or may be divided between them.

"(d) Time and place for filing:

"(1) In general: The declaration required under subsection (a) shall be filed on or before March 15 of the taxable year, except that if the requirements of section 58 (a) are first met

"(A) after March 1 and before June 2 of the taxable year the declaration shall be filed on or before June 15 of the taxable year, or

"(B) after June 1 and before September 2 of the taxable year the declaration shall be filed on or before September 15 of the taxable year, or

"(C) after September 1 of the taxable year, the declaration shall be filed on or before January 15 of the succeeding taxable year.

"(2) Amendment of declaration: An individual may make amendments of a declaration filed during the taxable year under this subsection, under regulations prescribed by the Commissioner with the approval of the Secretary. If so made, such amendments may be filed on or before the 15th day of the last month of any quarter of the taxable year subsequent to that in which the declaration was filed and in which no previous amendment has been filed, except that in the case of an amendment filed after September 15 of the taxable year, it may be filed on or before January 15 of the succeeding taxable year. Declarations and amendments thereof shall be filed with the collector specified in section 53 (b) (1).

"(3) Return as declaration or amendment: If on or before January 15 of the succeeding taxable year the taxpayer files a return, for the taxable year for which the declaration is required, and pays in full the amount computed on the return as payable, then, under regulations prescribed by the Commissioner with the approval of the Secretary—

"(A) If the declaration is not required to be filed during the taxable year, but is required to be filed on or before such January 15, such return shall, for the purposes of this chapter, be considered as such declaration; and

"(B) If the tax shown on the return (reduced by the credits under secs. 32 and 35) is greater than the estimated tax shown in a declaration previously made, or in the last amendment thereof, such return shall, for the purposes of this chapter, be considered as the amendment of the declaration permitted by paragraph (2) to be filed on or before such January 15——

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I am sorry, but I cannot yield.

I continue reading:

"(e) Extension of time: The Commissioner may grant a reasonable extension of the time for filing declarations and paying the estimated tax, under such rules and regulations as he shall prescribe with the approval of the Secretary. Except in the case of taxpayers who are abroad, no such extension shall be for more than 6 months.

"(f) Persons under disability: If the taxpayer is unable to make his own declaration, the declaration shall be made by a duly authorized agent or by the guardian or other person charged with the care of the person or property of such taxpayer.

"(g) Signature presumed correct: The fact that an individual's name is signed to a filed declaration shall be prima facie evidence for all purposes that the declaration was actually signed by him.

"(h) Publicity of declaration: For the purposes of section 55 (relating to publicity of returns), a declaration of estimated tax shall be held and considered a return under this chapter.

"SEC. 59. Payment of estimated tax.

"(a) In general: The estimated tax shall be paid as follows:

"(1) If the declaration is filed on or before March 15 of the taxable year, the estimated tax shall be paid in four equal installments. The first installment shall be paid at the time of the filing of the declaration, the second and third on June 15 and September 15, respectively, of the taxable year, and the fourth on January 15 of the succeeding taxable year.

"(2) If the declaration is filed after March 15 and not after June 15 of the taxable year, and is not required by section 58 (d) to be filed on or before March 15 of the taxable year, the estimated tax shall be paid in three equal installments. The first installment shall be paid at the time of the filing of the declaration, the second on September 15 of the taxable year, and the third on January 15 of the succeeding taxable year.

"(3) If the declaration is filed after June 15 and not after September 15 of the taxable year, and is not required by section 58 (d) to be filed on or before June 15 of the taxable year, the estimated tax shall be paid in two equal installments. The first installment shall be paid at the time of the filing of the declaration, and the second on January 15 of the succeeding taxable year.

"(4) If the declaration is filed after September 15 of the taxable year, and is not required by section 58 (d) to be filed on or before September 15 of the taxable year, the estimated tax shall be paid in full at the time of the filing of the declaration.

"(5) If the declaration is filed after the time prescribed in section 58 (d) (including cases in which an extension of time for filing

the declaration has been granted under section 58 (e)), paragraphs (2), (3), and (4) of this subsection shall not apply, and there shall be paid at the time of such filing all installments of estimated tax which would have been payable on or before such time if the declaration had been filed within the time prescribed in section 58 (d), and the remaining installments shall be paid at the times at which, and in the amounts in which, they would have been payable if the declaration had been so filed.

"(b) Amendments of declaration: If any amendment of a declaration is filed, the remaining installments, if any, shall be ratably increased or decreased, as the case may be, to reflect the increase or decrease, as the case may be, in the estimated tax by reason of such amendment, and if any amendment is made after September 15 of the taxable year, any increase in the estimated tax by reason thereof shall be paid at the time of making such amendment.

That, I think, is quite clear—

"(c) Installments paid in advance: At the election of the individual, any installment of the estimated tax may be paid prior to the date prescribed for its payment.

"(d) Payment as part of tax for taxable year: Payment of the estimated tax, or any installment thereof, shall be considered payment on account of the tax for the taxable year. Assessment in respect of the estimated tax shall be limited to the amount paid.

"SEC. 60. Special rules for application of sections 58 and 59.

"(a) Farmers: In the case of an individual whose estimated gross income from farming for the taxable year is at least two-thirds of the total estimated gross income from all sources for the taxable year, in lieu of the time prescribed in section 58 (d), the declaration for the taxable year may be made at any time on or before January 15 of the succeeding taxable year."

Mr. President, here we find the sidewalk farmers taken care of—not the farmer who gets up at 4 o'clock in the morning, when the temperature is 20 or 30 degrees below zero, and goes out to the cow barn and milks the cows, and there, by the sweat of his brow on that cold morning, endeavors to get together enough food to keep body and soul together for himself and his family. During the 8 or 10 years of drought, if it had not been for the generosity of the Government in making loans, the farmers could not have survived. The Secretary of Agriculture or his agents killed off our cows, which cost us $60 apiece, and gave us $17 for them. Even under those conditions, Mr. President, the law was that a farmer was a farmer, and under the tax laws of the State the farmer, discriminated against as he may have been, nevertheless was a farmer. Until today the law has been that an individual had to have an estimated gross income from farming for the taxable year in an amount equal to at least 80 percent. Under this measure it is proposed to reduce the percentage from 80 percent to 66⅔ percent. It is proposed to take care of the sidewalk farmer. Therefore the percentage is to be reduced.

I continue to read from the bill:

The application of sections 58, 59, and 294 (d), and of subsection (a) of this section, to taxable years of less than 12 months shall be as prescribed in regulations prescribed by the Commissioner with the approval of the Secretary.

I do not know whether there is further reference to the farmers. The language is under the heading "Section 60. Special rules for application of sections 58 and 59." Then there is the subsection, "(a) Farmers." Six and a half lines are devoted to the farmers, and then section (b) follows, under the heading "Application to short taxable years." Yes, Mr. President; six and a half lines have been devoted to the farmer. That is more legislation than he has had for a long time. I wonder how much time the proponents of the bill have devoted to gamblers in real-estate bonds, who bought such bonds for almost nothing and then, after obtaining hundreds of thousands of dollars in their transactions, instead of being taxed as other people have been taxed, have been taxed on only 25 percent, no matter how much they made. How many lines of this bill have been devoted to those persons? I do not find anything whatever in the bill about them. I wonder how much the foundations to which I referred a while ago have been taxed. I do not find any reference to them in the bill.

I continue reading from the bill.

"(c) Fiscal years: In the application of sections 58 and 59, and subsection (a) of this section, to the case of a taxable year beginning on any date other than January 1, there shall be substituted, for the months specified therein, the months which correspond thereto."

(b) Technical amendment to section 294 (d): The last sentence of section 294 (d)—

Of course, a Senator voting on this bill would be unable to tell what the last sentence of section 294 (d) was because he would not have it before him. This language has been put into the bill, and I am expected, apparently, to vote for the bill without knowing what the last sentence of section 294 (d) may be.

I repeat the language:

The last sentence of section 294 (d) (1) (A) (relating to additions to the tax in case of failure to file a declaration of estimated tax) is amended to read as follows:

No one knows what the amendment is. But the last sentence of section 294, to which I have referred, is amended to read as follows:

For the purposes of this subparagraph the amount and due date of each installment shall be the same as if a declaration had been filed within the time prescribed showing an estimated tax equal to the correct tax reduced by the credits under sections 32 and 35.

Mr. President, I do not know where sections 32 and 35 are. They do not appear to be in this bill. However, I suppose we could find them in some lawbook if we had the time to look them up. I continue reading:

(c) Effective date: The amendment made by subsection (a), insofar as it relates to section 58 (a) of the Internal Revenue Code—

Of course, so far as this bill is concerned, no one knows what that section is. We should have an opportunity to look it up. It would take me until Monday to do so, but apparently I cannot obtain that much time, and therefore I want the people of the country to know that I am called upon to vote for this bill without knowing what the amendment may be, or what subsection (a) may be insofar as it relates to section 58 (a) of the Internal Revenue Code, or to what it shall be applicable with respect to taxable years beginning after December 31, 1944. I do not desire to legislate about anything subsequent to December 31, 1944, without knowing what I am legislating about. There has been some talk about Congress taking a recess. If we take a recess we may have considerable time in which to learn about legislation taking effect after December 31, 1944.

I continue reading:

(d) Special rule for 1944: The provisions of sections 58 and 59 of such code, as amended by this act, shall be subject to the following modifications with respect to declaration and payment of estimated tax for the calendar year 1944:

(1) Time for filing declaration: If the requirements of section 58 (a) of such code, without regard to its amendment by this act, are first met before April 1, 1944—

We are now in the year 1944. I do not know how we can meet this requirement before April 1, 1944. We are now in the month of May. The language which I have read shows how it pays to examine proposed legislation. Apparently this part of the bill was prepared by the other House before April 1944. If I were to act as a rubber stamp and vote "yea" on this bill, and if other Senators were to do the same, a bill might be passed which would require certain things to be done before April 1, 1944. It is something that is manifestly impossible.

Mr. President, allow me to repeat the language.

(1) Time for filing declaration: If the requirements of sections 58 (a) of such code, without regard to its amendment by this act, are first met before April 1, 1944, the declaration shall be filed on or before April 15, 1944, and if such requirements are first met after March 31, 1944, and before June 2, 1944, the declaration shall be filed on or before June 15, 1944.

Mr. President, no wonder the distinguished Senator from Georgia has said that I do not understand what the language means.

The bill continues as follows:

(2) Payment of estimated tax: If the declaration is filed on or before April 15, 1944, then (even though such declaration under existing law or under paragraph (1) of this subsection was not required to be filed before June 15, 1944) the estimated tax shall be paid in four equal installments and at the times provided in section 59 (a) (1) of such code, as amended by this act. If the declaration is filed after April 15, 1944, and not after June 15, 1944 (and is not required by paragraph (1) to be filed on or before April 15), the estimated tax shall be paid in three equal installments and at the times provided in section 59 (a) (2) of such code, as amended by this act. The rule provided in section 59 (a) (5) of such code, as amended by this act, shall apply with respect

to declarations filed after the time prescribed in paragraph (1) of this subsection.

(e) Penalty for underestimate for 1944: For the purposes of section 294 (d) (2) (relating to underestimate of estimated tax), in the case of a taxpayer filing a declaration for a taxable year beginning in the calendar year 1944 the term "80 percent of the tax" as appearing in such subsection shall be taken to refer to 80 percent of whichever of the following is the lesser: (1) a tax computed under the law applicable to such taxable year without regard to the amendments made by this act, and (2) a tax computed under such law as amended by this act.

SEC. 14. Technical amendment of definition of deficiency.

Mr. President, it will be seen that this is not only an amendment, but it is a technical amendment. It is different from the ordinary amendment. A legal amendment is a legal amendment. However, Mr. President, this is a technical amendment of definition of deficiency. I read:

(a) In general: Section 271 (defining the term "deficiency") is amended to read as follows:

"Sec. 271. Definition of deficiency.

"(a) In general: As used in this chapter in respect of a tax imposed by this chapter, 'deficiency' means the amount by which the tax imposed by this chapter exceeds the excess of—

"(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return, if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"(2) the amount of rebates, as defined in subsection (b) (2) made."

If a Philadelphia lawyer can understand what that means he is a smart lawyer, but I am asked to vote for it though I do not understand it. When the distinguished Senator from Georgia said I did not understand what I was reading, his statement was quite true.

(b) Rules for application of subsection (a): For the purposes of this section—

(1) The tax imposed by this chapter and the tax shown on the return shall both be determined without regard to payments on account of estimated tax, without regard to the credit under section 35, and without regard to so much of the credit under section 32 as exceeds 2 percent of the interest on obligations described in section 143 (a)—

Of course, that is crystal clear, I presume, to everyone except myself—

(2) The term "rebate" means so much of an abatement, credit, refund, or other repayment, as was made on the ground that the tax imposed by this chapter was less than the excess of the amount specified in subsection (a) (1) over the amount of rebates previously made.

Mr. President, this explains why the chairman of the Ways and Means Committee of the House of Representatives could not draw up his own income-tax return, but had to hire someone to do it for him. I do not know whether or not the distinguished Senator from Georgia drew up his own income-tax return, but I know I had to hire someone to help me with mine, and I know that I received many hundreds of letters from persons all over the country saying that they had to hire lawyers to help them prepare their income-tax returns.

Now I come to page 40:

"(3) The computation by the collector, pursuant to section 51 (f), of the tax imposed by this chapter shall be considered as having been made by the taxpayer and the tax so computed considered as shown by the taxpayer upon his return."

(b) Amendment of sections 3801 and 3806: The second sentence of section 3801 (d) (relating to ascertainment of amount of adjustment under section 3801), and the third sentence of section 3806 (b) (3) (relating to ascertainment of credit for barred year under section 3806), are respectively amended to read as follows: "The amount of the tax previously determined shall be the excess of—

"(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return (determined as provided in section 271 (b) (1) and (3)), if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"(2) the amount of rebates, as defined in section 271 (b) (2), made."

(c) Interest on deficiencies: Section 292 (a) (relating to interest on deficiencies) is amended by inserting at the end thereof the following: "If any portion of the deficiency assessed is not to be collected by reason of a prior satisfaction, in whole or in part, of the tax, proper adjustment shall be made with respect to the interest on such portion."

(d) Overpayment found by Tax Court in case of deficiency: Section 322 (d) (relating to overpayments found by Tax Court) is amended—

I do not know what the old provision is, but here it is amended again, and I am asked to vote for the amendment without ever seeing the old law. I do not know how the old law is changed by the new law, but at any rate it is to be amended—

by inserting after "in respect of which the Commissioner determined the deficiency," the following: "or finds that there is a deficiency but that the taxpayer has made an overpayment of tax in respect of such taxable year."

I am very much interested in that, because I remember a time when my income-tax returns going back for a number of years were investigated by the United States Government. It happens that I was one of the two Republican Governors who were elected that year and so they had to find something wrong. The administration sent investigators to look at my income-tax returns; and when their experts got through, after they had investigated, investigated, and investigated, they found I had overpaid $654.53, and finally and eventually, instead of being arrested, tried, convicted, and sent to the penitentiary, as so many of my "friends" hoped I would be, I had returned to me $654.53. So I am interested in this piece of legislation, and I want time to consider it and to find out exactly of what it consists, so that I may know what I am voting for. If the senior Senator from Georgia had been gracious enough to consent when I said I did not understand this measure and that all I wanted was a short time between 1 o'clock Friday and 12 o'clock Monday so that I might consult experts, so that I might read the bill itself, which, to be exact, is 55½ pages long, the comparison which is 76½ pages of fine type, and the report, which is 53½ pages, I should not now be addressing the Senate. All I asked was that I might have until Monday noon, the very next day when the Senate will meet, so that I might familiarize myself with the subject and be sure that the bill was not raising the price of money orders again.

As I have said, Mr. President, the charge for money orders was raised in the last tax bill. The time was when it cost a citizen no more to go to his own post office and buy a money order than to go to a bank and buy it, but when there was passed the last tax bill, which the President vetoed but which was passed over his veto, I being the only Republican dissenting, the price of money orders was raised to the poor people—for it is generally the poor people who buy them—so that whereas it formerly cost 5 cents for a money order ranging from 1 cent to $5, the charge was made 10 cents. A citizen can walk into any bank in Washington or any other place and buy such a money order for 5 cents, and the greater the amount of the money order the higher the cost in the post office until by the time it reaches $80.01 the purchaser has to pay 37 cents in his own post office, but he can go to a bank and buy the same money order for 15 cents. It costs him 22 cents more to buy a money order from his own post office than it does to buy it from a bank.

It is said that is the legislation of Congress and anybody voting against it is in favor of socialism and is an anarchist. Of course, when the cost of sending a parcel-post package to soldier boys was raised one-third, when the cost was increased on every letter that is insured, when the charge for everything the citizen's own post office does was raised, when the price of every electric-light bulb a poor man buys was raised 15 percent, it all goes for one purpose, and that is to make up the eight or nine billion dollars which was given back to the rich when the Ruml plan was adopted by this body and the other House.

I was reading paragraph (e), which is as follows:

(e) Taxable years to which applicable: The amendments made by subsections (a), (c), and (d) shall be applicable with respect to taxable years beginning after December 31, 1942. The amendment made by subsection (b) to section 3801 (d) of the Internal Revenue Code shall, for the purposes of such section and sections 124, 130, and 3807 of such code, be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. The amendment made by subsection (b) to section 3806 (b) (3) of such code shall, for the purposes of such section, be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. In the application of the amendments made by this section in the case of taxable years beginning in 1943, "section 35" in the amendment made by subsection (a) shall be read as "section 35 and section 466 (e)."

So they take poor section 35 and make two sections out of it. It is not only sec-

tion 35 but it is section 466 (e). It is like taking one of the townships in the West which has sections 1, 2, 3, 4 all the way up to section 36. Suppose we suddenly passed a law stating that section 35 should not be known as section 35 any longer, but that it should also be known as section 466 (e). I read on:

PART II—WITHHOLDING OF TAX AT SOURCE ON WAGES

SEC. 21. Effective date.

The amendments made by this part shall apply only with respect to wages paid on or after January 1, 1945.

SEC. 22. Withholding of tax at source on wages.

(a) Technical amendments—

Here are some more amendments I do not understand, technical amendments—

Section 1621 (relating to definitions) is amended by striking out subsections (e) to (k), both inclusive, and inserting in lieu thereof the following:

"(e) Number of withholding exemptions claimed: The term 'number of withholding exemptions claimed' means the number of withholding exemptions claimed in a withholding exemption certificate in effect under section 1622 (h)"—

I am sure everyone knows what section 1622 (h) is. I never saw it. I am sure not many Senators on this floor have seen it. But we are asked to vote for a bill involving section 1622 (h) without knowing anything about it—

"except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero"—

They have it down to zero—

(b) Percentage withholding: Section 1622 (a) and (b) (1) (relating to percentage withholding) are amended to read as follows—

Amending something, again, without knowing what we are amending—

"(a) Requirement of withholding: Every employer making payment of wages shall deduct and withhold upon such wages a tax equal to the sum of the following:

"(1) 2.7 percent of the amount by which the wages exceed the amount of one withholding exemption, the amount of such exemption for various pay-roll periods being shown in the table in subsection (b) (1) of this section;

"(2) 18 percent of whichever of the following is the lesser:

"(A) the amount by which the wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b) (1); or

"(B) the amount shown in the last column in the table in subsection (b) (1);

"(3) 19.8 percent of the amount by which the wages exceed the sum of:

"(A) the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b) (1); plus

"(B) the amount shown in the last column in the table in subsection (b) (1).

"(b) (1) The table referred to in subsection (a) is as follows:

"Percentage Method Withholding Table

Pay-roll period	Amount of one withholding exemption	Maximum amount subject to 18-percent rate
Weekly	$11.00	$44.00
Biweekly	22.00	88.00
Semimonthly	23.00	92.00
Monthly	46.00	184.00
Quarterly	139.00	556.00
Semiannual	278.00	1,112.00
Annual	556.00	2,224.00
Daily or miscellaneous (per day of such period)	1.50	6.00"

(c) Wage bracket withholding: Section 1622 (c) (1) (relating to wage bracket withholding) is amended to read as follows—

I never saw section 1622 (c) (1), but I am asked to vote to amend it without having read it—

"(1) At the election of the employer with respect to any employee, the employer shall deduct and withhold upon the wages paid to such employee a tax determined in accordance with the following tables, which shall be in lieu of the tax required to be deducted and withheld under subsection (a):

"If the pay-roll period with respect to an employee is weekly—

I ask unanimous consent that the table be printed at this point in my remarks.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$0	$11	18% of wages	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$11	$12	$2.10	.20	0	0	0	0	0	0	0	0	0
$12	$13	2.30	.40	0	0	0	0	0	0	0	0	0
$13	$14	2.50	.60	.10	.10	.10	.10	.10	.10	.10	.10	.10
$14	$15	2.70	.80	.10	.10	.10	.10	.10	.10	.10	.10	.10
$15	$16	2.90	1.00	.10	.10	.10	.10	.10	.10	.10	.10	.10
$16	$17	3.10	1.20	.20	.20	.20	.20	.20	.20	.20	.20	.20
$17	$18	3.30	1.40	.20	.20	.20	.20	.20	.20	.20	.20	.20
$18	$19	3.50	1.60	.20	.20	.20	.20	.20	.20	.20	.20	.20
$19	$20	3.70	1.80	.20	.20	.20	.20	.20	.20	.20	.20	.20
$20	$21	4.00	2.00	.30	.30	.30	.30	.30	.30	.30	.30	.30
$21	$22	4.20	2.20	.30	.30	.30	.30	.30	.30	.30	.30	.30
$22	$23	4.40	2.40	.50	.30	.30	.30	.30	.30	.30	.30	.30
$23	$24	4.60	2.70	.70	.30	.30	.30	.30	.30	.30	.30	.30
$24	$25	4.80	2.90	.90	.40	.40	.40	.40	.40	.40	.40	.40
$25	$26	5.00	3.10	1.10	.40	.40	.40	.40	.40	.40	.40	.40
$26	$27	5.20	3.30	1.40	.40	.40	.40	.40	.40	.40	.40	.40
$27	$28	5.40	3.50	1.60	.50	.50	.50	.50	.50	.50	.50	.50
$28	$29	5.60	3.70	1.80	.50	.50	.50	.50	.50	.50	.50	.50
$29	$30	5.80	3.90	2.00	.50	.50	.50	.50	.50	.50	.50	.50
$30	$31	6.00	4.10	2.20	.50	.50	.50	.50	.50	.50	.50	.50
$31	$32	6.20	4.30	2.40	.60	.60	.60	.60	.60	.60	.60	.60
$32	$33	6.40	4.50	2.60	.70	.60	.60	.60	.60	.60	.60	.60
$33	$34	6.60	4.70	2.80	.90	.60	.60	.60	.60	.60	.60	.60
$34	$35	6.90	4.90	3.00	1.10	.60	.60	.60	.60	.60	.60	.60
$35	$36	7.10	5.10	3.20	1.30	.70	.70	.70	.70	.70	.70	.70
$36	$37	7.30	5.30	3.40	1.50	.70	.70	.70	.70	.70	.70	.70
$37	$38	7.50	5.60	3.60	1.70	.70	.70	.70	.70	.70	.70	.70
$38	$39	7.70	5.80	3.80	1.90	.80	.80	.80	.80	.80	.80	.80
$39	$40	7.90	6.00	4.00	2.10	.80	.80	.80	.80	.80	.80	.80
$40	$41	8.10	6.20	4.20	2.30	.80	.80	.80	.80	.80	.80	.80
$41	$42	8.30	6.40	4.50	2.50	.80	.80	.80	.80	.80	.80	.80
$42	$43	8.50	6.60	4.70	2.70	.90	.90	.90	.90	.90	.90	.90
$43	$44	8.70	6.80	4.90	2.90	1.00	.90	.90	.90	.90	.90	.90
$44	$45	9.00	7.00	5.10	3.20	1.20	.90	.90	.90	.90	.90	.90
$45	$46	9.20	7.20	5.30	3.40	1.40	.90	.90	.90	.90	.90	.90
$46	$47	9.40	7.40	5.50	3.60	1.60	1.00	1.00	1.00	1.00	1.00	1.00
$47	$48	9.60	7.60	5.70	3.80	1.90	1.00	1.00	1.00	1.00	1.00	1.00
$48	$49	9.90	7.80	5.90	4.00	2.10	1.00	1.00	1.00	1.00	1.00	1.00
$49	$50	10.10	8.00	6.10	4.20	2.30	1.00	1.00	1.00	1.00	1.00	1.00
$50	$51	10.30	8.20	6.30	4.40	2.50	1.10	1.10	1.10	1.10	1.10	1.10
$51	$52	10.50	8.40	6.50	4.60	2.70	1.10	1.10	1.10	1.10	1.10	1.10
$52	$53	10.80	8.70	6.70	4.80	2.90	1.10	1.10	1.10	1.10	1.10	1.10
$53	$54	11.00	8.90	6.90	5.00	3.10	1.20	1.20	1.20	1.20	1.20	1.20
$54	$55	11.20	9.10	7.10	5.20	3.30	1.40	1.20	1.20	1.20	1.20	1.20
$55	$56	11.40	9.30	7.40	5.40	3.50	1.60	1.20	1.20	1.20	1.20	1.20
$56	$57	11.70	9.50	7.60	5.60	3.70	1.80	1.20	1.20	1.20	1.20	1.20
$57	$58	11.90	9.80	7.80	5.80	3.90	2.00	1.30	1.30	1.30	1.30	1.30
$58	$59	12.10	10.00	8.00	6.10	4.10	2.20	1.30	1.30	1.30	1.30	1.30
$59	$60	12.30	10.20	8.20	6.30	4.30	2.40	1.30	1.30	1.30	1.30	1.30

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$60	$62	$12.70	$10.60	$8.50	$6.60	$4.60	$2.70	$1.40	$1.40	$1.40	$1.40	$1.40
$62	$64	13.10	11.00	8.90	7.00	5.10	3.10	1.40	1.40	1.40	1.40	1.40
$64	$66	13.60	11.50	9.30	7.40	5.50	3.60	1.60	1.50	1.50	1.50	1.50
$66	$68	14.00	11.90	9.80	7.80	5.90	4.00	2.00	1.50	1.50	1.50	1.50
$68	$70	14.50	12.40	10.20	8.20	6.30	4.40	2.50	1.60	1.60	1.60	1.60
$70	$72	14.90	12.80	10.70	8.60	6.70	4.80	2.90	1.60	1.60	1.60	1.60
$72	$74	15.40	13.30	11.10	9.10	7.10	5.20	3.30	1.70	1.70	1.70	1.70
$74	$76	15.80	13.70	11.60	9.50	7.50	5.60	3.70	1.80	1.70	1.70	1.70
$76	$78	16.30	14.20	12.00	9.90	8.00	6.00	4.10	2.20	1.80	1.80	1.80
$78	$80	16.70	14.60	12.50	10.40	8.40	6.40	4.50	2.60	1.80	1.80	1.80
$80	$82	17.20	15.10	12.90	10.80	8.80	6.90	4.90	3.00	1.90	1.90	1.90
$82	$84	17.60	15.50	13.40	11.30	9.20	7.30	5.40	3.40	2.00	2.00	2.00
$84	$86	18.10	16.00	13.80	11.70	9.60	7.70	5.80	3.80	2.00	2.00	2.00
$86	$88	18.50	16.40	14.30	12.20	10.10	8.10	6.20	4.30	2.30	2.10	2.10
$88	$90	19.00	16.90	14.70	12.60	10.50	8.50	6.60	4.70	2.80	2.10	2.10
$90	$92	19.40	17.30	15.20	13.10	11.00	8.90	7.00	5.10	3.20	2.20	2.20
$92	$94	19.90	17.80	15.60	13.50	11.40	9.30	7.40	5.50	3.60	2.20	2.20
$94	$96	20.30	18.20	16.10	14.00	11.90	9.80	7.80	5.90	4.00	2.30	2.30
$96	$98	20.80	18.70	16.50	14.40	12.30	10.20	8.30	6.30	4.40	2.50	2.30
$98	$100	21.20	19.10	17.00	14.90	12.80	10.60	8.70	6.70	4.80	2.90	2.40
$100	$105	22.00	19.90	17.80	15.70	13.50	11.40	9.40	7.50	5.50	3.60	2.50
$105	$110	23.10	21.00	18.90	16.80	14.70	12.60	10.40	8.50	6.60	4.70	2.70
$110	$115	24.30	22.10	20.00	17.90	15.80	13.70	11.60	9.50	7.60	5.70	3.80
$115	$120	25.40	23.30	21.10	19.00	16.90	14.80	12.70	10.60	8.60	6.70	4.80
$120	$125	26.50	24.40	22.30	20.20	18.00	15.90	13.80	11.70	9.70	7.80	5.80
$125	$130	27.60	25.50	23.40	21.30	19.20	17.10	14.90	12.80	10.70	8.80	6.90
$130	$135	28.80	26.60	24.50	22.40	20.30	18.20	16.10	13.90	11.80	9.80	7.90
$135	$140	29.90	27.80	25.60	23.50	21.40	19.30	17.20	15.10	13.00	10.90	8.90
$140	$145	31.00	28.90	26.80	24.70	22.50	20.40	18.30	16.20	14.10	12.00	10.00
$145	$150	32.10	30.00	27.90	25.80	23.70	21.60	19.40	17.30	15.20	13.10	11.00
$150	$160	33.80	31.70	29.60	27.50	25.40	23.20	21.10	19.00	16.90	14.80	12.70
$160	$170	36.10	34.00	31.80	29.70	27.60	25.50	23.40	21.30	19.10	17.00	14.90
$170	$180	38.30	36.20	34.10	32.00	29.90	27.70	25.60	23.50	21.40	19.30	17.20
$180	$190	40.60	38.50	36.30	34.20	32.10	30.00	27.90	25.80	23.60	21.50	19.40
$190	$200	42.80	40.70	38.60	36.50	34.40	32.20	30.10	28.00	25.90	23.80	21.70
$200 and over		22.5 percent of the excess over $200 plus										
		43.90	41.80	39.70	37.60	35.50	33.40	31.30	29.10	27.00	24.90	22.80

Mr. LANGER. I make the same request as to pages 46 and 47, 48 and 49.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

"If the pay-roll period with respect to an employee is biweekly

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$0	$20	18% of wages	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$20	$22	$3.80	0	0	0	0	0	0	0	0	0	0
$22	$24	4.20	.30	0	0	0	0	0	0	0	0	0
$24	$26	4.60	.80	.10	.10	.10	.10	.10	.01	.10	.10	.10
$26	$28	5.00	1.20	.20	.20	.20	.20	.20	.20	.20	.20	.20
$28	$30	5.40	1.60	.20	.20	.20	.20	.20	.20	.20	.20	.20
$30	$32	5.80	2.00	.30	.30	.30	.30	.30	.30	.30	.30	.30
$32	$34	6.30	2.40	.30	.30	.30	.30	.30	.30	.30	.30	.30
$34	$36	6.70	2.80	.40	.40	.40	.40	.40	.40	.40	.40	.40
$36	$38	7.10	3.20	.40	.40	.40	.40	.40	.40	.40	.40	.40
$38	$40	7.50	3.70	.50	.50	.50	.50	.50	.50	.50	.50	.50
$40	$42	7.90	4.10	.50	.50	.50	.50	.50	.50	.50	.50	.50
$42	$44	8.30	4.50	.60	.60	.60	.60	.60	.60	.60	.60	.60
$44	$46	8.70	4.90	1.00	.60	.60	.60	.60	.60	.60	.60	.60
$46	$48	9.20	5.30	1.50	.70	.70	.70	.70	.70	.70	.70	.70
$48	$50	9.60	5.70	1.90	.70	.70	.70	.70	.70	.70	.70	.70
$50	$52	10.00	6.10	2.30	.80	.80	.80	.80	.80	.80	.80	.80
$52	$54	10.40	6.50	2.70	.90	.90	.90	.90	.90	.90	.90	.90
$54	$56	10.80	7.00	3.10	.90	.90	.90	.90	.90	.90	.90	.90
$56	$58	11.20	7.40	3.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
$58	$60	11.60	7.80	3.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
$60	$62	12.10	8.20	4.40	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
$62	$64	12.50	8.60	4.80	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
$64	$66	12.90	9.00	5.20	1.30	1.20	1.20	1.20	1.20	1.20	1.20	1.20
$66	$68	13.30	9.40	5.60	1.80	1.20	1.20	1.20	1.20	1.20	1.20	1.20
$68	$70	13.70	9.90	6.00	2.20	1.30	1.30	1.30	1.30	1.30	1.30	1.30
$70	$72	14.10	10.30	6.40	2.60	1.30	1.30	1.30	1.30	1.30	1.30	1.30
$72	$74	14.50	10.70	6.80	3.00	1.40	1.40	1.40	1.40	1.40	1.40	1.40
$74	$76	14.90	11.10	7.30	3.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
$76	$78	15.40	11.50	7.70	3.80	1.50	1.50	1.50	1.50	1.50	1.50	1.50
$78	$80	15.80	11.90	8.10	4.20	1.60	1.60	1.60	1.60	1.60	1.60	1.60
$80	$82	16.20	12.30	8.50	4.70	1.60	1.60	1.60	1.60	1.60	1.60	1.60
$82	$84	16.60	12.80	8.90	5.10	1.70	1.70	1.70	1.70	1.70	1.70	1.70
$84	$86	17.00	13.20	9.30	5.50	1.70	1.70	1.70	1.70	1.70	1.70	1.70
$86	$88	17.50	13.60	9.70	5.90	2.00	1.80	1.80	1.80	1.80	1.80	1.80
$88	$90	17.90	14.00	10.20	6.30	2.50	1.80	1.80	1.80	1.80	1.80	1.80
$90	$92	18.40	14.40	10.60	6.70	2.90	1.90	1.90	1.90	1.90	1.90	1.90
$92	$94	18.80	14.80	11.00	7.10	3.30	1.90	1.90	1.90	1.90	1.90	1.90
$94	$96	19.30	15.20	11.40	7.60	3.70	2.00	2.00	2.00	2.00	2.00	2.00
$96	$98	19.70	15.70	11.80	8.00	4.10	2.00	2.00	2.00	2.00	2.00	2.00
$98	$100	20.20	16.10	12.20	8.40	4.50	2.10	2.10	2.10	2.10	2.10	2.10
$100	$102	20.60	16.50	12.60	8.80	4.90	2.20	2.20	2.20	2.20	2.20	2.20

"If the pay-roll period with respect to an employee is biweekly—Continued

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$102	$104	$21.10	$16.90	$13.10	$9.20	$5.40	$2.20	$2.20	$2.20	$2.20	$2.20	$2.20
$104	$106	21.50	17.30	13.50	9.60	5.80	2.30	2.30	2.30	2.30	2.30	2.30
$106	$108	22.00	17.70	13.90	10.00	6.20	2.30	2.30	2.30	2.30	2.30	2.30
$108	$110	22.40	18.20	14.30	10.40	6.60	2.80	2.40	2.40	2.40	2.40	2.40
$110	$112	22.90	18.60	14.70	10.90	7.00	3.20	2.40	2.40	2.40	2.40	2.40
$112	$114	23.30	19.10	15.10	11.30	7.40	3.60	2.50	2.50	2.50	2.50	2.50
$114	$116	23.80	19.50	15.50	11.70	7.80	4.00	2.50	2.50	2.50	2.50	2.50
$116	$118	24.20	20.00	16.00	12.10	8.30	4.40	2.60	2.60	2.60	2.60	2.60
$118	$120	24.70	20.40	16.40	12.50	8.70	4.80	2.60	2.60	2.60	2.60	2.60
$120	$124	25.30	21.10	17.00	13.10	9.30	5.40	2.70	2.70	2.70	2.70	2.70
$124	$128	26.20	22.00	17.80	14.00	10.10	6.30	2.80	2.80	2.80	2.80	2.80
$128	$132	27.10	22.90	18.70	14.80	10.90	7.10	3.30	2.90	2.90	2.90	2.90
$132	$136	28.00	23.80	19.60	15.60	11.80	7.90	4.10	3.00	3.00	3.00	3.00
$136	$140	28.90	24.70	20.50	16.50	12.60	8.80	4.90	3.20	3.20	3.20	3.20
$140	$144	29.80	25.60	21.40	17.30	13.40	9.60	5.70	3.30	3.30	3.30	3.30
$144	$148	30.70	26.50	22.30	18.10	14.30	10.40	6.60	3.40	3.40	3.40	3.40
$148	$152	31.60	27.40	23.20	18.90	15.10	11.20	7.40	3.60	3.50	3.50	3.50
$152	$156	32.50	28.30	24.10	19.80	15.90	12.10	8.20	4.40	3.60	3.60	3.60
$156	$160	33.40	29.20	25.00	20.70	16.70	12.90	9.10	5.20	3.70	3.70	3.70
$160	$164	34.30	30.10	25.90	21.60	17.60	13.70	9.90	6.00	3.80	3.80	3.80
$164	$168	35.20	31.00	26.80	22.50	18.40	14.60	10.70	6.90	3.90	3.90	3.90
$168	$172	36.10	31.90	27.70	23.40	19.20	15.40	11.50	7.70	4.00	4.00	4.00
$172	$176	37.00	32.80	28.60	24.30	20.10	16.20	12.40	8.50	4.70	4.10	4.10
$176	$180	37.90	33.70	29.50	25.20	21.00	17.00	13.20	9.30	5.50	4.20	4.20
$180	$184	38.80	34.60	30.40	26.10	21.90	17.90	14.00	10.20	6.30	4.30	4.30
$184	$188	39.70	35.50	31.30	27.00	22.80	18.70	14.80	11.00	7.20	4.40	4.40
$188	$192	40.60	36.40	32.20	27.90	23.70	19.50	15.70	11.80	8.00	4.60	4.60
$192	$196	41.50	37.30	33.10	28.80	24.60	20.40	16.50	12.70	8.80	5.00	4.70
$196	$200	42.40	38.20	34.00	29.70	25.50	21.30	17.30	13.50	9.60	5.80	4.80
$200	$210	44.00	39.80	35.50	31.30	27.10	22.90	18.80	14.90	11.10	7.20	5.00
$210	$220	46.30	42.00	37.80	33.60	29.30	25.10	20.90	17.00	13.20	9.30	5.50
$220	$230	48.50	44.30	40.00	35.80	31.60	27.40	23.10	19.10	15.20	11.40	7.50
$230	$240	50.80	46.50	42.30	38.10	33.80	29.60	25.40	21.10	17.30	13.50	9.60
$240	$250	53.00	48.80	44.50	40.30	36.10	31.90	27.60	23.40	19.40	15.50	11.70
$250	$260	55.30	51.00	46.80	42.60	38.30	34.10	29.90	25.60	21.40	17.60	13.70
$260	$270	57.50	53.30	49.00	44.80	40.60	36.40	32.10	27.90	23.70	19.70	15.80
$270	$280	59.80	55.50	51.30	47.10	42.80	38.60	34.40	30.10	25.90	21.70	17.90
$280	$290	62.00	57.80	53.50	49.30	45.10	40.90	36.60	32.40	28.20	23.90	20.00
$290	$300	64.30	60.00	55.80	51.60	47.30	43.10	38.90	34.60	30.40	26.20	22.00
$300	$320	67.60	63.40	59.20	54.90	50.70	46.50	42.30	38.00	33.80	29.60	25.30
$320	$340	72.10	67.90	63.70	59.40	55.20	51.00	46.80	42.50	38.30	34.10	29.80
$340	$360	76.60	72.40	68.20	63.90	59.70	55.50	51.30	47.00	42.80	38.60	34.30
$360	$380	81.10	76.90	72.70	68.40	64.20	60.00	55.80	51.50	47.30	43.10	38.80
$380	$400	85.60	81.40	77.20	72.90	68.70	64.50	60.30	56.00	51.80	47.60	43.30
$400 and over		22.5 percent of the excess over $400 plus										
		87.90	83.70	79.40	75.20	71.00	66.70	62.50	58.30	54.00	49.80	45.60

"If the pay-roll period with respect to an employee is semimonthly

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$0	$22	18% of wages	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$22	$24	4.10	0	0	0	0	0	0	0	0	0	0
$24	$26	4.60	.40	.10	.10	.10	.10	.10	.10	.10	.10	.10
$26	$28	5.00	.80	.10	.10	.10	.10	.10	.10	.10	.10	.10
$28	$30	5.40	1.20	.20	.20	.20	.20	.20	.20	.20	.20	.20
$30	$32	5.80	1.60	.20	.20	.20	.20	.20	.20	.20	.20	.20
$32	$34	6.20	2.00	.30	.30	.30	.30	.30	.30	.30	.30	.30
$34	$36	6.60	2.50	.30	.30	.30	.30	.30	.30	.30	.30	.30
$36	$38	7.00	2.90	.40	.40	.40	.40	.40	.40	.40	.40	.40
$38	$40	7.40	3.30	.40	.40	.40	.40	.40	.40	.40	.40	.40
$40	$42	7.90	3.70	.50	.50	.50	.50	.50	.50	.50	.50	.50
$42	$44	8.30	4.10	.50	.50	.50	.50	.50	.50	.50	.50	.50
$44	$46	8.70	4.50	.60	.60	.60	.60	.60	.60	.60	.60	.60
$46	$48	9.10	4.90	.80	.60	.60	.60	.60	.60	.60	.60	.60
$48	$50	9.50	5.40	1.20	.70	.70	.70	.70	.70	.70	.70	.70
$50	$52	9.90	5.80	1.60	.80	.80	.80	.80	.80	.80	.80	.80
$52	$54	10.30	6.20	2.00	.80	.80	.80	.80	.80	.80	.80	.80
$54	$56	10.80	6.60	2.40	.90	.90	.90	.90	.90	.90	.90	.90
$56	$58	11.20	7.00	2.80	.90	.90	.90	.90	.90	.90	.90	.90
$58	$60	11.60	7.40	3.30	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
$60	$62	12.00	7.80	3.70	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
$62	$64	12.40	8.30	4.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
$64	$66	12.80	8.70	4.50	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
$66	$68	13.20	9.10	4.90	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
$68	$70	13.70	9.50	5.30	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
$70	$72	14.10	9.90	5.70	1.60	1.30	1.30	1.30	1.30	1.30	1.30	1.30
$72	$74	14.50	10.30	6.20	2.00	1.30	1.30	1.30	1.30	1.30	1.30	1.30
$74	$76	14.90	10.70	6.60	2.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
$76	$78	15.30	11.10	7.00	2.80	1.50	1.50	1.50	1.50	1.50	1.50	1.50
$78	$80	15.70	11.60	7.40	3.20	1.50	1.50	1.50	1.50	1.50	1.50	1.50
$80	$82	16.10	12.00	7.80	3.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
$82	$84	16.60	12.40	8.20	4.10	1.60	1.60	1.60	1.60	1.60	1.60	1.60
$84	$86	17.00	12.80	8.60	4.50	1.70	1.70	1.70	1.70	1.70	1.70	1.70
$86	$88	17.40	13.20	9.10	4.90	1.70	1.70	1.70	1.70	1.70	1.70	1.70
$88	$90	17.80	13.60	9.50	5.30	1.80	1.80	1.80	1.80	1.80	1.80	1.80
$90	$92	18.20	14.00	9.90	5.70	1.80	1.80	1.80	1.80	1.80	1.80	1.80
$92	$94	18.60	14.50	10.30	6.10	2.00	1.90	1.90	1.90	1.90	1.90	1.90

"If the pay-roll period with respect to an employee is semimonthly—Continued

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$94	$96	$19.10	$14.90	$10.70	$6.50	$2.40	$1.90	$1.90	$1.90	$1.90	$1.90	$1.90
$96	$98	19.50	15.30	11.10	7.00	2.80	2.00	2.00	2.00	2.00	2.00	2.00
$98	$100	20.00	15.70	11.50	7.40	3.20	2.00	2.00	2.00	2.00	2.00	2.00
$100	$102	20.40	16.10	11.90	7.80	3.60	2.10	2.10	2.10	2.10	2.10	2.10
$102	$104	20.90	16.50	12.40	8.20	4.00	2.20	2.20	2.20	2.20	2.20	2.20
$104	$106	21.30	16.90	12.80	8.60	4.40	2.20	2.20	2.20	2.20	2.20	2.20
$106	$108	21.80	17.40	13.20	9.00	4.90	2.30	2.30	2.30	2.30	2.30	2.30
$108	$110	22.20	17.80	13.60	9.40	5.30	2.30	2.30	2.30	2.30	2.30	2.30
$110	$112	22.70	18.20	14.00	9.90	5.70	2.40	2.40	2.40	2.40	2.40	2.40
$112	$114	23.10	18.60	14.40	10.30	6.10	2.40	2.40	2.40	2.40	2.40	2.40
$114	$116	23.60	19.00	14.80	10.70	6.50	2.50	2.50	2.50	2.50	2.50	2.50
$116	$118	24.00	19.50	15.30	11.10	6.90	2.80	2.50	2.50	2.50	2.50	2.50
$118	$120	24.50	19.90	15.70	11.50	7.30	3.20	2.60	2.60	2.60	2.60	2.60
$120	$124	25.20	20.60	16.30	12.10	8.00	3.80	2.70	2.70	2.70	2.70	2.70
$124	$128	26.10	21.50	17.10	13.00	8.80	4.60	2.80	2.80	2.80	2.80	2.80
$128	$132	27.00	22.40	18.00	13.80	9.60	5.50	2.90	2.90	2.90	2.90	2.90
$132	$136	27.90	23.30	18.80	14.60	10.40	6.30	3.00	3.00	3.00	3.00	3.00
$136	$140	28.80	24.20	19.60	15.40	11.30	7.10	3.10	3.10	3.10	3.10	3.10
$140	$144	29.70	25.10	20.50	16.30	12.10	7.90	3.80	3.20	3.20	3.20	3.20
$144	$148	30.60	26.00	21.40	17.10	12.90	8.80	4.60	3.30	3.30	3.30	3.30
$148	$152	31.50	26.90	22.30	17.90	13.80	9.60	5.40	3.40	3.40	3.40	3.40
$152	$156	32.40	27.80	23.20	18.80	14.60	10.40	6.30	3.50	3.50	3.50	3.50
$156	$160	33.30	28.70	24.10	19.60	15.40	11.20	7.10	3.60	3.60	3.60	3.60
$160	$164	34.20	29.60	25.00	20.40	16.20	12.10	7.90	3.70	3.70	3.70	3.70
$164	$168	35.10	30.50	25.90	21.30	17.10	12.90	8.70	4.60	3.90	3.90	3.90
$168	$172	36.00	31.40	26.80	22.20	17.90	13.70	9.60	5.40	4.00	4.00	4.00
$172	$176	36.90	32.30	27.70	23.10	18.70	14.60	10.40	6.20	4.10	4.10	4.10
$176	$180	37.80	33.20	28.60	24.00	19.60	15.40	11.20	7.10	4.20	4.20	4.20
$180	$184	38.70	34.10	29.50	24.90	20.40	16.20	12.00	7.90	4.30	4.30	4.30
$184	$188	39.60	35.00	30.40	25.80	21.20	17.00	12.90	8.70	4.50	4.40	4.40
$188	$192	40.50	35.90	31.30	26.70	22.10	17.90	13.70	9.50	5.40	4.50	4.50
$192	$196	41.40	36.80	32.20	27.60	23.00	18.70	14.50	10.40	6.20	4.60	4.60
$196	$200	42.30	37.70	33.10	28.50	23.90	19.50	15.40	11.20	7.00	4.70	4.70
$200	$210	43.80	39.30	34.70	30.10	25.50	21.00	16.80	12.60	8.50	4.90	4.90
$210	$220	46.10	41.50	36.90	32.30	27.80	23.20	18.90	14.70	10.50	6.40	5.20
$220	$230	48.30	43.80	39.20	34.60	30.00	25.40	21.00	16.80	12.60	8.50	5.50
$230	$240	50.60	46.00	41.40	36.80	32.30	27.70	23.10	18.90	14.70	10.50	6.40
$240	$250	52.80	48.30	43.70	39.10	34.50	29.90	25.30	20.90	16.80	12.60	8.40
$250	$260	55.10	50.50	45.90	41.30	36.80	32.20	27.60	23.00	18.80	14.70	10.50
$260	$270	57.30	52.80	48.20	43.60	39.00	34.40	29.80	25.30	20.90	16.70	12.60
$270	$280	59.60	55.00	50.40	45.80	41.30	36.70	32.10	27.50	23.00	18.80	14.60
$280	$290	61.80	57.30	52.70	48.10	43.50	38.90	34.30	29.80	25.20	20.90	16.70
$290	$300	64.10	59.50	54.90	50.30	45.80	41.20	36.60	32.00	27.40	22.90	18.80
$300	$320	67.50	62.90	58.30	53.70	49.10	44.50	40.00	35.40	30.80	26.20	21.90
$320	$340	72.00	67.40	62.80	58.20	53.60	49.00	44.50	39.90	35.30	30.70	26.10
$340	$360	76.50	71.90	67.30	62.70	58.10	53.50	49.00	44.40	39.80	35.20	30.60
$360	$380	81.00	76.40	71.80	67.20	62.60	58.00	53.50	48.90	44.30	39.70	35.10
$380	$400	85.50	80.90	76.30	71.70	67.10	62.50	58.00	53.40	48.80	44.20	39.60
$400	$420	90.00	85.40	80.80	76.20	71.60	67.00	62.50	57.90	53.30	48.70	44.10
$420	$440	94.50	89.90	85.30	80.70	76.10	71.50	67.00	62.40	57.80	53.20	48.60
$440	$640	99.00	94.40	89.80	85.20	80.60	76.00	71.50	66.90	62.30	57.70	53.10
$460	$480	103.50	98.90	94.30	89.70	85.10	80.50	76.00	71.40	66.80	62.20	57.60
$480	$500	108.00	103.40	98.80	94.20	89.60	85.00	80.50	75.90	71.30	66.70	62.10
$500 and over		22.5 percent of the excess over $500 plus										
		110.20	105.60	101.00	96.50	91.90	87.30	82.70	78.10	73.50	60.00	64.40

"If the pay-roll period with respect to an employee is monthly

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$0	$44	18% of wages	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$44	$48	$8.30	0	0	0	0	0	0	0	0	0	0
$48	$52	9.10	.80	.10	.10	.10	.10	.10	.10	.10	.10	.10
$52	$56	9.90	1.60	.20	.20	.20	.20	.20	.20	.20	.20	.20
$56	$60	10.80	2.40	.30	.30	.30	.30	.30	.30	.30	.30	.30
$60	$64	11.60	3.30	.40	.40	.40	.40	.40	.40	.40	.40	.40
$64	$68	12.40	4.10	.50	.50	.50	.50	.50	.50	.50	.50	.50
$68	$72	13.20	4.90	.60	.60	.60	.60	.60	.60	.60	.60	.60
$72	$76	14.10	5.70	.70	.70	.70	.70	.70	.70	.70	.70	.70
$76	$80	14.90	6.60	.90	.90	.90	.90	.90	.90	.90	.90	.90
$80	$84	15.70	7.40	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
$84	$88	16.60	8.20	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.00
$88	$92	17.40	9.00	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
$92	$96	18.20	9.90	1.50	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
$96	$100	19.00	10.70	2.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
$100	$104	19.90	11.50	3.20	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
$104	$108	20.70	12.40	4.00	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
$108	$112	21.50	13.20	4.90	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
$112	$116	22.30	14.00	5.70	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
$116	$120	23.20	14.80	6.50	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90
$120	$124	24.00	15.70	7.30	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
$124	$128	24.80	16.50	8.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
$128	$132	25.70	17.30	9.00	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
$132	$136	26.50	18.20	9.80	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
$136	$140	27.30	19.00	10.60	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
$140	$144	28.10	19.80	11.50	3.10	2.60	2.60	2.60	2.60	2.60	2.60	2.60
$144	$148	29.00	20.60	12.30	4.00	2.70	2.70	2.70	2.70	2.70	2.70	2.70

"If the pay-roll period with respect to an employee is monthly—Continued

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be—										
$148	$152	$29.80	$21.50	$13.10	$4.80	$2.80	$2.80	$2.80	$2.80	$2.80	$2.80	$2.80
$152	$156	30.60	22.30	14.00	5.60	2.90	2.90	2.90	2.90	2.90	2.90	2.90
$156	$160	31.50	23.10	14.80	6.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00
$160	$164	32.30	24.00	15.60	7.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
$164	$168	33.10	24.80	16.40	8.10	3.20	3.20	3.20	3.20	3.20	3.20	3.20
$168	$172	33.90	25.60	17.30	8.90	3.30	3.30	3.30	3.30	3.30	3.30	3.30
$172	$176	34.80	26.40	18.10	9.80	3.40	3.40	3.40	3.40	3.40	3.40	3.40
$176	$180	35.60	27.30	18.90	10.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
$180	$184	36.40	28.10	19.80	11.40	3.70	3.70	3.70	3.70	3.70	3.70	3.70
$184	$188	37.30	28.90	20.60	12.30	3.90	3.80	3.80	3.80	3.80	3.80	3.80
$188	$192	38.20	29.70	21.40	13.10	4.70	3.90	3.90	3.90	3.90	3.90	3.90
$192	$196	39.10	30.60	22.20	13.90	5.60	4.00	4.00	4.00	4.00	4.00	4.00
$196	$200	40.00	31.40	23.10	14.70	6.40	4.10	4.10	4.10	4.10	4.10	4.10
$200	$204	40.90	32.20	23.90	15.60	7.20	4.20	4.20	4.20	4.20	4.20	4.20
$204	$208	41.80	33.10	24.70	16.40	8.10	4.30	4.30	4.30	4.30	4.30	4.30
$208	$212	42.70	33.90	25.60	17.20	8.90	4.40	4.40	4.40	4.40	4.40	4.40
$212	$216	43.60	34.70	26.40	18.00	9.70	4.50	4.50	4.50	4.50	4.50	4.50
$216	$220	44.50	35.50	27.20	18.90	10.50	4.60	4.60	4.60	4.60	4.60	4.60
$220	$224	45.40	36.40	28.00	19.70	11.40	4.70	4.70	4.70	4.70	4.70	4.70
$224	$228	46.30	37.20	28.90	20.50	12.20	4.90	4.90	4.90	4.90	4.90	4.90
$228	$232	47.20	38.00	29.70	21.40	13.00	5.00	5.00	5.00	5.00	5.00	5.00
$232	$236	48.10	38.90	30.50	22.20	13.90	5.50	5.10	5.10	5.10	5.10	5.10
$236	$240	49.00	39.80	31.30	23.00	14.70	6.30	5.20	5.20	5.20	5.20	5.20
$240	$248	50.30	41.20	32.60	24.30	15.90	7.60	5.30	5.30	5.30	5.30	5.30
$248	$256	52.10	43.00	34.20	25.90	17.60	9.20	5.60	5.60	5.60	5.60	5.60
$256	$264	53.90	44.80	35.90	27.60	19.20	10.90	5.80	5.80	5.80	5.80	5.80
$264	$272	55.70	46.60	37.60	29.20	20.90	12.60	6.00	6.00	6.00	6.00	6.00
$272	$280	57.50	48.40	39.20	30.90	22.50	14.20	6.20	6.20	6.20	6.20	6.20
$280	$288	59.30	50.20	41.00	32.50	24.20	15.90	7.50	6.40	6.40	6.40	6.40
$288	$296	61.10	52.00	42.80	34.20	25.90	17.50	9.20	6.60	6.60	6.60	6.60
$296	$304	62.90	53.80	44.60	35.80	27.50	19.20	10.90	6.90	6.90	6.90	6.90
$304	$312	64.70	55.60	46.40	37.50	29.20	20.80	12.50	7.10	7.10	7.10	7.10
$312	$320	66.50	57.40	48.20	39.20	30.80	22.50	14.20	7.30	7.30	7.30	7.30
$320	$328	68.30	59.20	50.00	40.80	32.50	24.20	15.80	7.50	7.50	7.50	7.50
$328	$336	70.10	61.00	51.80	42.60	34.10	25.80	17.50	9.10	7.70	7.70	7.70
$336	$344	71.90	62.80	53.60	44.40	35.80	27.50	19.10	10.80	7.90	7.90	7.90
$344	$352	73.70	64.60	55.40	46.20	37.50	29.10	20.80	12.50	8.10	8.10	8.10
$352	$360	75.50	66.40	57.20	48.00	39.10	30.80	22.40	14.10	8.40	8.40	8.40
$360	$368	77.30	68.20	59.00	49.80	40.80	32.40	24.10	15.80	8.60	8.60	8.60
$368	$376	79.10	70.00	60.80	51.60	42.50	34.10	25.80	17.40	9.10	8.80	8.80
$376	$384	80.90	71.80	62.60	53.40	44.30	35.70	27.40	19.10	10.70	9.00	9.00
$384	$392	82.70	73.60	64.40	55.20	46.10	37.40	29.10	20.70	12.40	9.20	9.20
$392	$400	84.50	75.40	66.20	57.00	47.90	39.10	30.70	22.40	14.10	9.40	9.40
$400	$420	87.70	78.50	69.30	60.20	51.00	42.00	33.60	25.30	17.00	9.80	9.80
$420	$440	92.20	83.00	73.80	64.70	55.50	46.30	37.80	29.40	21.10	12.80	10.40
$440	$460	96.70	87.50	78.30	69.20	60.00	50.80	41.90	33.60	25.20	16.90	10.90
$460	$480	101.20	92.00	82.80	73.70	64.50	55.30	46.20	37.70	29.40	21.00	12.70
$480	$500	105.70	96.50	87.30	78.20	69.00	59.80	50.70	41.80	33.50	25.20	16.80
$500	$520	110.20	101.00	91.80	82.70	73.50	64.30	55.20	46.00	37.70	29.30	21.00
$520	$540	114.70	105.50	96.30	87.20	78.00	68.80	59.70	50.50	41.80	33.50	25.10
$540	$560	119.20	110.00	100.80	91.70	82.50	73.30	64.26	55.00	45.90	37.60	29.30
$560	$580	123.70	114.50	105.30	96.20	87.00	77.80	68.70	59.50	50.30	41.70	33.40
$580	$600	128.20	119.00	109.80	100.70	91.50	82.30	73.20	64.00	54.80	45.90	37.50
$600	$640	134.90	125.80	116.60	107.40	98.30	89.10	79.90	70.80	61.60	52.40	43.80
$640	$680	143.90	134.80	125.60	116.40	107.30	98.10	88.90	79.80	70.60	61.40	52.30
$680	$720	152.90	143.80	134.60	125.40	116.30	107.10	97.90	88.80	79.60	70.40	61.30
$720	$760	161.90	152.80	143.60	134.40	125.30	116.10	106.90	97.80	88.60	79.40	70.30
$760	$800	170.90	161.80	152.60	143.40	134.30	125.10	115.90	106.80	97.60	88.40	79.30
$800	$840	179.90	170.80	161.60	152.40	143.30	134.10	124.90	115.80	106.60	97.40	88.30
$840	$880	188.90	179.80	170.60	161.40	152.30	143.10	133.90	124.80	115.60	106.40	97.30
$880	$920	197.90	188.80	179.60	170.40	161.30	152.10	142.90	133.80	124.60	115.40	106.30
$920	$960	206.90	197.80	188.60	179.40	170.30	161.10	151.90	142.80	133.60	124.40	115.30
$960	$1,000	215.90	206.80	197.60	188.40	179.30	170.10	160.90	151.80	142.60	133.40	124.30
$1,000 and over		22.5 percent of the excess over $1,000 plus										
		220.40	211.30	202.10	192.90	183.80	174.60	165.40	156.30	147.10	137.90	128.8

"If the pay-roll period with respect to an employee is daily pay-roll period or a miscellaneous pay-roll period

And the wages divided by the number of days in such period are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
		The amount of tax to be withheld shall be the following amount multiplied by the number of days in such period										
$0	$1.50	18% of wages	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
$1.50	$1.75	$0.30	0	0	0	0	0	0	0	0	0	0
$1.75	$2.00	.35	.05	0	0	0	0	0	0	0	0	0
$2.00	$2.25	.40	.10	0	0	0	0	0	0	0	0	0
$2.25	$2.50	.45	.20	0	0	0	0	0	0	0	0	0
$2.50	$2.75	.50	.25	.05	.05	.05	.05	.05	.05	.05	.05	.05
$2.75	$3.00	.55	.30	.05	.05	.05	.05	.05	.05	.05	.05	.05
$3.00	$3.25	.60	.35	.05	.05	.05	.05	.05	.05	.05	.05	.05
$3.25	$3.50	.65	.40	.10	.05	.05	.05	.05	.05	.05	.05	.05
$3.50	$3.75	.70	.45	.15	.05	.05	.05	.05	.05	.05	.05	.05
$3.75	$4.00	.75	.50	.20	.05	.05	.05	.05	.05	.05	.05	.05
$4.00	$4.25	.80	.55	.25	.05	.05	.05	.05	.05	.05	.05	.05
$4.25	$4.50	.85	.60	.30	.10	.10	.10	.10	.10	.10	.10	.10
$4.50	$4.75	.90	.65	.35	.10	.10	.10	.10	.10	.10	.10	.10
$4.75	$5.00	.95	.70	.40	.15	.10	.10	.10	.10	.10	.10	.10
$5.00	$5.25	1.00	.75	.45	.20	.10	.10	.10	.10	.10	.10	.10

"If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period—Continued

And the wages divided by the number of days in such period are—		And the number of withholding exemptions claimed is—										
		0	1	2	3	4	5	6	7	8	9	10 or more
At least	But less than	The amount of tax to be withheld shall be the following amount multiplied by the number of days in such period										
$5.25	$5.50	$1.05	$ .80	$0.50	$0.25	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
$5.50	$5.75	1.10	.85	.60	.30	.10	.10	.10	.10	.10	.10	.10
$5.75	$6.00	1.20	.90	.65	.35	.10	.10	.10	.10	.10	.10	.10
$6.00	$6.25	1.25	.95	.70	.40	.15	.10	.10	.10	.10	.10	.10
$6.25	$6.50	1.30	1.00	.75	.45	.20	.15	.15	.15	.15	.15	.15
$6.50	$6.75	1.35	1.05	.80	.50	.25	.15	.15	.15	.15	.15	.15
$6.75	$7.00	1.40	1.10	.85	.55	.30	.15	.15	.15	.15	.15	.15
$7.00	$7.25	1.45	1.15	.90	.60	.35	.15	.15	.15	.15	.15	.15
$7.25	$7.50	1.50	1.20	.95	.65	.40	.15	.15	.15	.15	.15	.15
$7.50	$7.75	1.55	1.25	1.00	.70	.45	.15	.15	.15	.15	.15	.15
$7.75	$8.00	1.60	1.30	1.05	.75	.50	.20	.15	.15	.15	.15	.15
$8.00	$8.25	1.70	1.40	1.10	.80	.55	.25	.20	.20	.20	.20	.20
$8.25	$8.50	1.75	1.45	1.15	.85	.60	.30	.20	.20	.20	.20	.20
$8.50	$8.75	1.80	1.50	1.20	.90	.65	.35	.20	.20	.20	.20	.20
$8.75	$9.00	1.85	1.55	1.25	.95	.70	.45	.20	.20	.20	.20	.20
$9.00	$9.25	1.90	1.60	1.30	1.05	.75	.50	.20	.20	.20	.20	.20
$9.25	$9.50	1.95	1.65	1.35	1.10	.80	.55	.25	.20	.20	.20	.20
$9.50	$9.75	2.00	1.70	1.40	1.15	.85	.60	.30	.20	.20	.20	.20
$9.75	$10.00	2.05	1.75	1.45	1.20	.90	.65	.35	.25	.25	.25	.25
$10.00	$10.50	2.15	1.85	1.55	1.25	1.00	.70	.45	.25	.25	.25	.25
$10.50	$11.00	2.25	1.95	1.65	1.35	1.10	.80	.55	.25	.25	.25	.25
$11.00	$11.50	2.40	2.10	1.80	1.50	1.20	.90	.65	.35	.25	.25	.25
$11.50	$12.00	2.50	2.20	1.90	1.60	1.30	1.00	.75	.45	.30	.30	.30
$12.00	$12.50	2.60	2.30	2.00	1.70	1.40	1.15	.85	.60	.30	.30	.30
$12.50	$13.00	2.70	2.40	2.10	1.80	1.50	1.25	.95	.70	.40	.30	.30
$13.00	$13.50	2.85	2.55	2.25	1.95	1.65	1.35	1.05	.80	.50	.30	.30
$13.50	$14.00	2.95	2.65	2.35	2.05	1.75	1.45	1.15	.90	.60	.35	.35
$14.00	$14.50	3.05	2.75	2.45	2.15	1.85	1.55	1.25	1.00	.70	.45	.35
$14.50	$15.00	3.15	2.85	2.55	2.25	1.95	1.65	1.35	1.10	.80	.55	.35
$15.00	$15.50	3.30	3.00	2.70	2.40	2.10	1.75	1.45	1.20	.90	.65	.40
$15.50	$16.00	3.40	3.10	2.80	2.50	2.20	1.90	1.60	1.30	1.05	.75	.50
$16.00	$16.50	3.50	3.20	2.90	2.60	2.30	2.00	1.70	1.40	1.15	.85	.60
$16.50	$17.00	3.60	3.30	3.00	2.70	2.40	2.10	1.80	1.50	1.25	.95	.70
$17.00	$17.50	3.75	3.45	3.15	2.85	2.55	2.20	1.90	1.60	1.35	1.05	.80
$17.50	$18.00	3.85	3.55	3.25	2.95	2.65	2.35	2.05	1.75	1.45	1.15	.90
$18.00	$18.50	3.95	3.65	3.35	3.05	2.75	2.45	2.15	1.85	1.55	1.25	1.00
$18.50	$19.00	4.05	3.75	3.45	3.15	2.85	2.55	2.25	1.95	1.65	1.35	1.10
$19.00	$19.50	4.20	3.90	3.60	3.30	3.00	2.65	2.35	2.05	1.75	1.50	1.20
$19.50	$20.00	4.30	4.00	3.70	3.40	3.10	2.80	2.50	2.20	1.90	1.60	1.30
$20.00	$21.00	4.45	4.15	3.85	3.55	3.25	2.95	2.65	2.35	2.05	1.75	1.45
$21.00	$22.00	4.70	4.40	4.10	3.80	3.50	3.20	2.90	2.60	2.30	1.95	1.65
$22.00	$23.00	4.90	4.60	4.30	4.00	3.70	3.40	3.10	2.80	2.50	2.20	1.90
$23.00	$24.00	5.15	4.85	4.55	4.25	3.95	3.65	3.35	3.05	2.75	2.40	2.10
$24.00	$25.00	5.35	5.05	4.75	4.45	4.15	3.85	3.55	3.25	2.95	2.65	2.35
$25.00	$26.00	5.60	5.30	5.00	4.70	4.40	4.10	3.80	3.50	3.20	2.85	2.55
$26.00	$27.00	5.80	5.50	5.20	4.90	4.60	4.30	4.00	3.70	3.40	3.10	2.80
$27.00	$28.00	6.05	5.75	5.45	5.15	4.85	4.55	4.25	3.95	3.65	3.30	3.00
$28.00	$29.00	6.25	5.95	5.65	5.35	5.05	4.75	4.45	4.15	3.85	3.55	3.25
$29.00	$30.00	6.50	6.20	5.90	5.60	5.30	5.00	4.70	4.40	4.10	3.75	3.45
$30.00 and over		22.5 percent of the excess over $30 plus										
		6.60	6.30	6.0	5.70	5.40	5.10	4.80	4.50	4.20	3.90	3.60

Mr. LANGER. Coming to page 50, I find the following:

(d) Withholding exemptions: Section 1622 (h) (relating to withholding exemption certificates) is amended to read as follows—

I do not know what section 1622 (h) is, but we are asked to vote to amend it without having an opportunity to read and study it. That would not mean we would have to take days. We have experts upon whom a Senator can call to come to his office, and when one of the experts comes he can explain a provision and make it plain. If I had had tomorrow and possibly Sunday, or part of Monday forenoon, so that I could have had a chance to familiarize myself with the bill, I would have been able to vote intelligently upon it, but not being able to do that, I have to do the best I can. I continue reading:

"(h) Withholding exemptions.—

"(1) In general: An employee receiving wages shall on any day be entitled to the following withholding exemptions:

"(A) An exemption for himself.

"(B) If the employee is married, an exemption with respect to his spouse, unless his spouse has in effect a withholding exemption certificate claiming a withholding exemption under subparagraph (A).

I do not know what that is. Perhaps it means that she has a family by her first husband. It may mean she has a job somewhere. I do not know what it means. I would have to look it up and find out. It may be her first husband is paying her alimony, perhaps she is paying him alimony. I do not know what it means, nor can any other Senator know what it means until he investigates it. Then we find a provision with lines drawn through it, and then the following:

"(C) An exemption for each individual with respect to whom, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable a surtax exemption under section 25 (b) (3) for the taxable year under chapter 1 in respect of which amounts deducted and withheld under this subchapter in the calendar year in which such day falls are allowed as a credit.

"(2) Exemptions certificates.—

"(A) On commencement of employment: On or before the date of the commencement of employment with an employer, the employee shall furnish the employer with a signed withholding exemption certificate relating to the number of withholding exemptions which he claims, which shall in no event exceed the number to which he is entitled."

There we have it analyzed. Under this proposed law, Mr. President, if I get a job, being the employee, I have to go somewhere and somehow or other dig up a certificate. There might be a bunch of certificates lying in the office, and if the employee comes in to get a job, the employer can get the certificate signed. But it is fixed up so that the laboring man has to get a certificate, and it means that a laboring man who does not know where to get it will have to hire a taxicab, for instance, in San Francisco, and will have to drive all over the city to get one, and spend money in doing it. In wartime, Mr. President, employees must waste their time, must waste their gasoline in hunting an exemption certificate, and the law might just as well require that the employer furnish it. I will read the language again so the Senate may know what it is:

On or before the date of the commencement of employment with an employer, the employee shall furnish the employer with a signed withholding exemption certificate relating to the number of withholding exemptions which he claims, which shall in no event exceed the number to which he is entitled.

(B) Change of status, etc.: If, on any day during the calendar year, the number of withholding exemptions to which the employee is entitled is less than the number of withholding exemptions claimed by the em-

ployee on the withholding exemption certificate then in effect with respect to him, the employee shall within 10 days thereafter furnish the employer with a new withholding exemption certificate relating to the number of withholding exemptions which the employee then claims, which shall in no event exceed the number to which he is entitled on such day.

Mr. President, compare that case with the case of the farmer and note the difference which exists. When a laboring man comes to a farm to work in threshing time, for example, he must be furnished with three meals a day; then he must be furnished a lunch between breakfast and noon, and another lunch in the afternoon. Under a law passed by Congress laborers who are not even citizens are brought from Jamaica to the United States, and we must provide a bond when bringing them in; we must guarantee that they shall have a nice, fine house in which to live, and a nice place in which to bathe. We must guarantee that when they get sick they shall be furnished with a doctor's care. That is the way farmers are treated when they need help. Compare that with what must be done by industry. Industry is not obliged to furnish anything. A moment ago I read a provision in the bill that an employer must furnish an employee with a withholding exemption certificate. Subsection (B), which I am now reading, provides that if there is anything wrong with the withholding certificate, or if the employer says there is anything wrong with it, the employee must obtain another one, no matter how much trouble it may be for him to do so, no matter how much journeying he must undertake—he himself must go out and obtain the certificate.

I continue to read:

If, on any day during the calendar year, the number of withholding exemptions to which the employee is entitled is greater than the number of withholding exemptions claimed, the employee may furnish the employer with a new withholding exemption certificate relating to the number of withholding exemptions which the employee then claims, which shall in no event exceed the number to which he is entitled on such day.

(C) Change of status, etc., which affects next calendar year: If on any day during the calendar year the number of withholding exemptions to which the employee will be, or may reasonably be expected to be, entitled at the beginning of his next taxable year under chapter 1 is different from the number to which the employee is entitled on such day, the employee shall, in such cases and at such times as the Commissioner, with the approval of the Secretary, may by regulations prescribe, furnish the employer with a withholding exemption certificate relating to the number of withholding exemptions which he claims with respect to such next taxable year, which shall in no event exceed the number to which he will be, or may reasonably be expected to be, so entitled.

(3) When certificate takes effect—

(A) First certificate furnished: A withholding exemption certificate furnished the employer in cases in which no previous such certificate is in effect shall take effect as of the beginning of the first pay-roll period ending, or the first payment of wages made without regard to a pay-roll period, on or after the date on which such certificate is so furnished.

(B) Furnished to take place of existing certificate: A withholding exemption certificate furnished the employer in cases in which a previous such certificate is in effect shall take effect with respect to the first payment of wages made on or after the first status determination date which occurs at least 30 days from the date on which such certificate is so furnished, except that at the election of the employer such certificate may be made effective with respect to any payment of wages made on or after the date on which such certificate is so furnished; but a certificate furnished pursuant to paragraph (2) (C) shall not take effect, and may not be made effective, with respect to any payment of wages made in the calendar year in which the certificate is furnished. For the purposes of this subparagraph the term 'status determination date' means January 1 and July 1 of each year.

I now read from page 54 of the bill:

(4) Period during which certificate remains in effect: A withholding exemption certificate which takes effect under this subsection shall continue in effect with respect to the employer until another such certificate takes effect under this subsection.

(5) Contents of certificate: Withholding exemption certificates shall in such form and contain such information as the Commissioner may, with the approval of the Secretary, by regulations prescribe.

(e) New withholding exemption certificates to be furnished—

(1) Old certificates made ineffective: Certificates furnished (whether before or after the enactment of this act) under section 1622 (h) of the Internal Revenue Code, without regard to its amendment by this act, shall have no effect with respect to withholding to which such section, as amended by this act, is applicable.

(2) Requirement of furnishing new certificate: On or before December 1, 1944, and on or before the date of commencement of employment if such date occurs after December 1, 1944, and prior to January 1, 1945, each employee receiving wages shall furnish his employer with the withholding exemption certificate, required by section 1622 (h) of the Internal Revenue Code (as amended by this act) in the case of commencement of employment on or after January 1, 1945, and for such purposes the number of withholding exemptions which he is entitled to claim shall be the number which he would be entitled to claim if the day on which such certificate is so furnished were January 1, 1945.

(3) When new certificates take effect: A certificate furnished under paragraph (2) of this ubsection shall take effect with respect to the first payments of wages with respect to which section 1622 of the Internal Revenue Code, as amended by this act, is applicable. A certificate furnished under section 1622 (h) of the Internal Revenue Code, as amended by this act, after December 1, 1944, and prior to January 1, 1945, and not furnished on or before the date of commencement of employment, shall take effect as provided in section 1622 (h) (3) (B) of such code, as so amended, except that it may not be made effective with respect to any payment of wages to which section 1622 of such code, as so amended, is not applicable. A certificate furnished under section 1622 (h) of such code, as so amended, to an employer on or after January 1, 1945, and not furnished on or before the date of commencement of employment with such employer, shall take effect as provided in section 1622 (h) (3) (B) of such code, as so amended, if such certificate is the first certificate so furnished and if on December 31, 1944, a certificate was in effect with respect to such employer under section 1622 (h) of such code, without regard to such amendments.

(f) Change of status after July 1, 1944: Effective (despite the provisions of section 21) with respect to wages paid during the calendar year 1944, section 1622 (h) (1) (relating to withholding exemption certificates furnished by reason of a change of status) is amended by striking out ", if furnished by reason of a change of status occurring on or before July 1 of the calendar year."

This bill was passed by the House of Representatives May 5, 1944.

Mr. President, it will be noted, and I ask Senators to mark it well, that the distinguished chairman of the Finance Committee stated that I had had 3 weeks to study the bill from the time the House passed it. But here at the end of the bill we find the date of its passage, May 5, 1944. Today is the 19th, Mr. President, 2 weeks after May 5, during the very time when every Senator on this floor knew that the O'Mahoney amendment, backed by 22 other Senators, was under consideration in room 224 of the Senate Office Building, and when every Senator knew that 23 Senators from the Northwest were there, fighting for the very life's blood of their States; for, if that water is taken, so that the people of our States cannot irrigate that semiarid area, it will mean that our people will have to move away. Yet it is said that I should have known about this measure, that I should have read all 55½ pages of it, at a time when the very heart and soul of the State of North Dakota and some of the other Northwestern States were at stake.

The pending bill, which the distinguished senior Senator from Georgia [Mr. GEORGE] says I should have known all about, is so long and so complicated that 54 pages of fine type are required, in the report on the bill, Report No. 885, to explain a bill which is 55½ pages long. That shows how complicated the bill is. More words are required to explain House bill 4646 than are contained in the bill itself. I wish to have the people of the country know that. When I, as a representative of the people of North Dakota, asked for the simple courtesy of having sufficient time to familiarize myself with this bill, on which I am asked to vote, my request was not granted. Mr. President, it does not make any difference to me if my polite requests are ignored; but I say that when the day comes when WILLIAM LANGER walks out of this Senate, he will not have voted as a rubber stamp, he will not have voted for a measure he did not understand—not if he can help it. Not even so distinguished a Member of the Senate as the senior Senator from Georgia can make me do that—not if I can help it.

I come now to the report on the bill. It is entitled "Individual Income Tax Bill of 1944—May 16, 1944—ordered to be printed."

Mr. President, let me call attention first of all to the fact that House bill 4646, the one the Senate is considering, passed the House of Representatives on May 5, 1944. I do not know how long it took to have the bill printed. I do not know when copies of the bill were available. But certainly it was not 3 weeks ago, as was stated by the distinguished chairman of the Finance Committee.

Now, coming to the report, I find that it was ordered to be printed, not 3 weeks ago, not 2 weeks ago, not 1 week ago, not 5 days ago, but on May 16. The

chances are that it was not printed until the 17th. If it was printed on the 17th, it was not available until the 18th. The 18th was yesterday. Yesterday was the first day the report was available to the Senator from North Dakota, if it actually was available then.

Ah, Mr. President, I wish to have the people of the country know, I wish to have my constituents know, how ignorant I am when I do not understand House bill 4646. I am honest enough to rise on the floor of the Senate and say so, and to beg for the courtesy of being allowed at least an opportunity to read the bill before I am called upon to vote "yea" or "nay" on it.

I repeat that if that is the way tax legislation is to be passed, it is no wonder that the people of the country are sick of paying taxes. I will let the people judge as to who is responsible for not having their taxes simplified a long time ago.

So, Mr. President, I repeat that this report on the individual income-tax bill of 1944 was ordered to be printed on May 16, 1944. I read from the report:

The Committee on Finance, to whom was referred the bill (H. R. 4646) to provide for simplification of the individual income tax, having had the same under consideration, report favorably thereon, with certain amendments, and as amended recommend that the bill do pass.

The bill is confined to the simplification of the individual income tax, and accomplishes the following objectives:

1. Relieves the great majority of taxpayers from the necessity of computing their income tax.
2. Reduces the number of tax computations.
3. Simplifies the return form.
4. Decreases the number of persons required to file declarations of estimated tax and eliminates difficulties and uncertainties in making such estimates.

The bill accomplishes these objectives without substantially changing the number of taxpayers or the revenue yield under existing law—

That is interesting, in view of what the distinguished senior Senator from Michigan [Mr. VANDENBERG] said. He said we were paying a price. I do not know what the price is, but he said we were paying a price to get this simplified form. But he said he thought it was worth it.

I continue to read:

SUMMARY OF CHANGES IN EXISTING LAW

In accomplishing these objectives, the bill makes several important changes in existing law.

First, for the surtax, there is a uniform exemption of $500 per person. Thus the taxpayer is allowed $500, the taxpayer's spouse is allowed $500, and there is a $500 allowance for each dependent—

Mr. President, I submit, as I stated a while ago, that at least the Senator from North Dakota has already done some good. The amount of exemption to be allowed for each dependent has been increased from $350 to $500. The increase should be progressively greater as the number of children in a family increases. That is what Theodore Roosevelt advocated. It makes sense—

The bill removes the present requirements that a "dependent" must be under 18 or incapable of self-support. Instead the taxpayer may claim as a dependent anyone for whom he furnishes more than half the support, provided the person claimed as a dependent is closely related to the taxpayer and is not required to file a return. Anyone having over $500 of gross income must file a return.

Anyone having more than $500 of gross income must file a return.

Second, the Victory tax is repealed. The present normal and surtax are combined into a single surtax. A new normal tax of 3 percent is imposed on each person whose net income exceeds $500. In the case of the new normal tax no credit is allowed for dependents.

Third, a new simplified tax table, designated supplement T, is provided in the bill. This table may be used by taxpayers with adjusted gross incomes of less than $5,000, regardless of the source of their income. In general, adjusted gross income is gross income less business deductions. The table is so constructed as to allow the taxpayer a standard deduction of approximately 10 percent of his gross income. The use of this table is optional with the taxpayer—

The distinguished senior Senator from Ohio [Mr. TAFT] says that this idea is grossly unfair. A man with an income of $100,000 may deduct 10 percent, or $10,000 from his income tax, and a man with an income of $3,000 may deduct $300. The idea of setting up a standard of 10 percent is grossly unfair, and in my opinion it is simply legislation for the rich at the expense of the poor. I repeat the words of President Franklin Delano Roosevelt when he said that this is legislation for the greedy and not for the needy.

Fourth, taxpayers with adjusted gross incomes of $5,000 or more are permitted at their option to claim, in lieu of their actual deductions, a standard deduction of $500—

That would seem to qualify what I just stated. Being new to me, it would seem that I was in error in what I said a moment ago. Taxpayers with gross incomes of less than $5,000 may deduct 10 percent. Taxpayers with adjusted gross incomes of $5,000 or more are permitted, at their option, to claim, in lieu of their actual deductions, a standard deduction of $500. That is not quite so bad, but it is still pretty bad.

Fifth, the present withholding system is modified, effective with respect to wages paid on or after January 1, 1945, so as to withhold, in the case of a taxpayer whose income is derived solely from wages, approximately the full tax liability on wages up to at least $5,000.

Sixth, in this bill taxpayers filing declarations are given an opportunity to amend their declarations on or before January 15 next following the close of the taxable year, for those on a calendar-year basis. Taxpayers may file, on or before January 15, their final return in lieu of the final declaration of estimated tax. Under present law, the final amended declaration must be filed on or before December 15.

Seventh, the bill makes two important changes with reference to farmers. A farmer is defined under the bill as an individual who derives more than two-thirds of his gross income from farming. Under existing law, an individual is not classified as a farmer unless he derives 80 percent or more of his gross income from farming.

No reason is given for the change. No reason is stated for legislating in favor of the "sidewalk farmer." Under existing law, an individual is not classified as a farmer unless he derives 80 percent or more of his gross income from farming.

The other important change is that, under the bill, a farmer may make a final return on or before January 15 next following the close of the calendar year in lieu of making any declaration of estimated tax. If he is unable to make a complete return by January 15 he can make a declaration of an estimated tax on or before January 15, and file a final return on or before March 15. Under present law, a farmer is required to file a declaration of estimated tax on or before December 15 of the current year.

Eighth, the number of individuals required to file declarations of estimated tax will be decreased by 4,000,000 under the bill. The taxpayers affected are those taxpayers whose income not subject to withholding is $100 or less. Such taxpayers will be relieved from filing these declarations if single and their income is between $2,700 (existing law) and $5,000, plus $500 for each dependent (H. R. 4646), and if married and their income is between $3,500 and $5,500, plus $500 for each dependent. For example, under existing law, such a single person with one dependent is required to file a declaration of estimated tax if his income is in excess of $2,700. Under the bill such a person is not required to file a declaration unless his income exceeds $5,500. In the case of such a married person with two dependents, a declaration is required under existing law if the income is in excess of $3,500. Under the bill such a person is not required to file a declaration unless his income exceeds $6,500.

Ninth, the existing law has been amended with respect to deductions for charitable contributions so as to allow up to 15 percent of the adjusted gross income (generally, gross income less business deductions) in lieu of the present limit of 15 percent of net income.

This will enable the taxpayer to compute his charitable deduction without first having to determine his net income, and has the effect of increasing the maximum allowance for charitable contributions. For example, under present law a taxpayer having $2,000 of adjusted gross income, and $100 of nonbusiness deductions, other than charitable contributions, is limited to a maximum allowance of $285 for charitable contributions. Under the bill the maximum allowance is raised to $300. A taxpayer having an adjusted gross income of $80,000 and nonbusiness deductions, other than charitable contributions, amounting to $20,000, is limited under present law to a maximum allowance of $9,000, whereas under the bill his maximum allowance is raised to $12,000.

Mr. President, that explains what I was getting at a few moments ago. A taxpayer having $2,000 of gross income may deduct $100 for driving his car or for some other nonbusiness deduction other than a charitable contribution. He is limited to a deduction of $285. That is raised by this bill to $300. He receives a raise of $15. The poor man having an income of $2,000 gets a raise of 15 big round dollars. What does the man with an adjusted gross income of $80,000 get? A man receiving an income of $80,000, and having a deduction of $20,000, is limited during the present war to a maximum allowance of $9,000. Under the proposed law his maximum allowance would be raised to $12,000, or $3,000 more, which he may give away without paying a penny of tax on it. I repeat that a poor man with an income of $2,000 can give but $15 more, whereas a man with an income of $80,000 may give away $3,000 more without paying a tax on it under the bill.

What are contributions? Awhile ago I examined into 119 so-called foundations which are tax exempt. I have referred to the Rockefeller Foundation. A man

may have appointed as trustees his oldest son, his youngest son, his oldest daughter, and his youngest daughter. Millions of dollars which the founders stole from the people of this country have been put into foundations which have been turned over to the children of the founders.

Under the proposed law a rich man would be enabled to give some foundation $3,000 more without paying taxes upon it. We know that when a man has an income of $80,000 approximately $25,000 of it is represented in taxes which should go to Uncle Sam. Under the pending bill he would be allowed to give $3,000 more to some foundation. In other words, he would be allowed to hand it to the children of his own family.

I am glad that I had an opportunity to read this language. If I had not had an opportunity to read it I might never have known about it. Perhaps other Members of the Senate would not have known about it.

I continue to read from the report:

Fourth, taxpayers with adjusted gross incomes of $5,000 or more, are permitted at their option to claim, in lieu of their actual deductions, a standard deduction of $500.

Fifth, the present withholding system is modified, effective with respect to wages paid on or after January 1, 1945, so as to withhold, in the case of a taxpayer whose income is derived solely from wages, approximately the full tax liability on wages up to at least $5,000.

Sixth, in this bill taxpayers filing declarations are given an opportunity to amend their declarations on or before January 15 next following the close of the taxable year, for those on a calendar-year basis. Taxpayers may file, on or before January 15, their final return in lieu of the final declaration of estimated tax. Under present law, the final amended declaration must be filed on or before December 15.

Seventh, the bill makes two important changes with reference to farmers. A farmer is defined under the bill as an individual who derives more than two-thirds of his gross income from farming. Under existing law, an individual is not classified as a farmer unless he derives 80 percent or more of his gross income from farming. The other important change is that, under the bill, a farmer may make a final return on or before January 15 next following the close of the calendar year in lieu of making any declaration of estimated tax. If he is unable to make a complete return by January 15 he can make a declaration of an estimated tax on or before January 15, and file a final return on or before March 15. Under present law, a farmer is required to file a declaration of estimated tax on or before December 15 of the current year.

Eighth, the number of individuals required to file declarations of estimated tax will be decreased by 4,000,000 under the bill. The taxpayers affected are those taxpayers whose income not subject to withholding is $100 or less. Such taxpayers will be relieved from filing these declarations if single and their income is between $2,700 (existing law) and $5,000, plus $500 for each dependent (H. R. 4646), and if married and their income is between $3,500 and $5,500, plus $500 for each dependent. For example, under existing law, such a single person with one dependent is required to file a declaration of estimated tax if his income is in excess of $2,700. Under the bill such a person is not required to file a declaration unless his income exceeds $5,500. In the case of such a married person with two dependents, a declaration is required under existing law if the income is in excess of $3,500. Under the bill such a person is not required to file a declaration unless his income exceeds $6,500.

Ninth, the existing law has been amended with respect to deductions for charitable contributions so as to allow up to 15 percent of the adjusted gross income (generally, gross income less business deductions) in lieu of the present limit of 15 percent of net income.

This will enable the taxpayer to compute his charitable deduction without first having to determine his net income—

He may give the money away. A rich man who is very generous may give away whatever amount he wishes to give away without first having to go to the trouble of determining his net income. The bill has the effect of increasing the maximum allowance for charitable contributions.

The language in the report continues:

and has the effect of increasing the maximum allowance for charitable contributions. For example, under present law a taxpayer having $2,000 of adjusted gross income and $100 of nonbusiness deductions, other than charitable contributions, is limited to a maximum allowance of $285 for charitable contributions. Under the bill the maximum allowance is raised to $300. A taxpayer having an adjusted gross income of $80,000 and nonbusiness deductions, other than charitable contributions, amounting to $20,000, is limited under present law to a maximum allowance of $9,000, whereas under the bill his maximum allowance is raised to $12,000.

Tenth, under the bill medical expenses are deductible only to the extent that they exceed 5 percent of adjusted gross income in lieu of the present law provision of 5 percent of net income computed without regard to this deduction. This will result in a slight reduction in the medical expense allowance but is believed justified in the interest of simplification.

Mr. President, how unfair that would be. Every Senator knows that it is the poor man who has the large family. It is usually the poor man who has 5, 6, 7, 8, 9, 10, 11, or 12 children. The bill is different from the laws of some States, including my own, under which a poor man who is required to pay $100 for medicine may deduct it, or may deduct the same amount if he has paid it to a dentist or to a doctor. If a man has a child who has diabetes, for instance, and insulin is a necessary part of the medicine which that child receives, the insulin may cost the father from $75 to $150 a year. Yet, under this bill, if the father's income were only $3,000 the expense could not be deducted although the father might have 8 or 10 children.

Under our State law the father would be able to deduct such an expense. The only way by which the deduction could be made under the pending bill is by first adding together all the medical bills and deducting only an amount which exceeds 5 percent of the adjusted gross income. The poor man is compelled to expend a certain amount before he can deduct it. The expense must be equal to 5 percent of the income. Of course, it is true that the same provision applies to rich men as well. However, Mr. President, $100 paid out by a rich man to a dentist or doctor, or for drugs, means nothing to him, but it means a great deal to a poor man. Yet, under the proposed bill both men are treated alike. Why are the proponents of this bill dealing in percentages all the time? Five percent as it applies to a poor man's income may mean the difference between living up to a decent standard and living far below it.

I read:

This will result in a slight reduction in the medical-expense allowance but is believed in the interest of simplification.

Mr. President, the poor man today is taxed on practically everything he has to buy. Oh, it is said that we have no sales tax, but everything the poor man buys has in it hidden taxes, and the cost of living is going up for the poor man who is on a salary, the white-collar man. It is going up and up and up, to a point where he cannot afford to rear a family decently. But when we discuss it, all we hear about is that some of the men in the war factories in the West or in the East are getting $15 or $20 a day. But the school teachers, the clerks in the stores, the tellers in the banks, are getting substantially the same salaries they received a short time ago, regardless of the fact that the cost of living has gone up and up and up. Yet the report says:

This will result in a slight reduction in the medical-expense allowance but is believed justified in the interest of simplification.

Eleventh, the bill introduces a new concept, adjusted gross income. It is defined to mean gross income less business deductions, deductions attributable to rents and royalties, and losses treated as losses from the exchange or sale of property. In the case of an employee, adjusted gross income consists of gross wages or salary less expenses of travel or lodging in connection with employment while away from home, and any reimbursed expenses in connection with his employment. It will be seen, therefore, that in general adjusted gross income means gross income less business deductions.

OPERATION OF PLAN

For purposes of discussion, taxpayers are divided into two groups, namely:

(1) Those who qualify and elect to have the collector of internal revenue determine their tax, and

(2) Those who determine their own tax.

Each group is discussed separately.

(1) Taxpayers for whom the collector determines the tax:

Individuals whose gross income is less than $5,000 and whose income not subject to withholding does not exceed $100 may choose to have their tax determined by the collector if their income is entirely compensation for personal services, dividends, or interest. It is contemplated that the form for this purpose, in lieu of the regular tax return, will be the withholding-tax receipt furnished by their employer.

The wage earner need only answer a few questions on the reverse side, list his dependents, and attach all the other receipts he may have been furnished. The questions will cover the number of receipts attached, the total amount of wages and tax withheld shown on the receipts, and the amount of other income, if any. The taxpayer will sign a statement on the receipt verifying this information and declaring that his entire income was reported.

The collector will determine the tax from a tax table which automatically allows a standard deduction of approximately 10 percent. If any additional tax is due, a bill will be sent by the collector, payable in 30 days. If the taxpayer has overpaid, a refund will be allowed. After the first year the system will relieve approximately 30,000,000 taxpayers of the necessity of computing their tax.

You understand, of course, Mr. President, that this is the report on a simplified method of paying taxes. This is the simple form. After this, any child can do it. I read further:

(2) Taxpayers who determine their own tax:

All other taxpayers including those with gross incomes of more than $100 from sources not subject to withholding and those whose gross income is $5,000 or more, are required to determine their own tax.

These taxpayers are of three general types—

(a) Taxpayers whose adjusted gross income (generally, gross income less business deductions) is under $5,000 and whose other deductions do not exceed 10 percent of such adjusted gross income.

Such a taxpayer if he uses the short-cut method of ascertaining his tax, by reading the tax from the simple one-page tax table on the basis of his adjusted gross income, will be automatically allowed a standard deduction of approximately 10 percent of his adjusted gross income. The standard deduction is in lieu of the nonbusiness deductions and certain credits against net income and against tax. The tax table and some examples illustrating its use will be found in table A in the appendix.

(b) Taxpayers with adjusted gross income of $5,000 or more whose nonbusiness deductions do not exceed $500.

In the case of such a taxpayer, the standard deduction is $500. Thus he is not required to itemize and substantiate his nonbusiness deductions. As in the case of a taxpayer whose adjusted gross income is less than $5,000, the standard deduction is in lieu of nonbusiness deductions and certain credits against net income and against tax.

(c) Taxpayers with adjusted gross income of less than $5,000 whose nonbusiness deductions are in excess of 10 percent of their adjusted gross income, and taxpayers with adjusted gross income of $5,000 and over, whose actual nonbusiness deductions are in excess of $500.

These taxpayers, in order to secure the full benefit of their nonbusiness deductions and of their various credits against net income and tax, are required to list them as at present and compute the tax; but the computation of the tax will be considerably simpler than under present law.

See how simple it is, Mr. President. It is so simple that it takes only 74 pages to explain a tax bill which contains 55½ pages. The report continues:

It is estimated that not more than one-fifth of all taxpayers will fall within group (b) or (c) and thus find it necessary or desirable to compute their tax.

SIMPLIFICATION OF TAX DETERMINATION

In addition to the substantial simplification of methods of filing tax returns, your committee bill includes a number of changes in existing law which will eliminate several problems of definition that now confuse taxpayers and will make the actual computation of the tax, where it is desirable or necessary, much easier.

(a) Filing requirements:

Under your committee bill, those persons who must report their income for tax purposes can be simply and adequately described as every person having a gross income of $500 or more for the taxable year.

This single criterion, which is easily understood, would supplant the complicated requirements found in the present law to the effect that a return must be filed by every individual if—

(1) Single for the entire year and gross income equals or exceeds $500.

(2) Married but not living with husband or wife for any part of the year and gross income equals or exceeds $500.

(3) Married and living with husband or wife for any part of the year or for the entire year, and gross income exceeds $624 or combined gross income of husband and wife equals or exceeds $1,200.

(b) The bill allows for normal tax purposes an exemption of $500. In the case of a joint return of husband and wife, if one spouse has less than $500 of adjusted gross income, the aggregate exemption allowed will be $500 plus the adjusted gross income of such spouse instead of $1,000.

While the Victory tax is eliminated, the committee found it necessary to retain both a normal tax and a surtax in order to continue 11,000,000 taxpayers now on the tax rolls.

(c) Per capita personal exemption and credit for dependents for surtax purposes.

Under the committee bill there is provided a per capita system of exemptions for surtax purposes. Each person has a surtax exemption of $500 for himself, $500 for his spouse, and $500 with respect to each dependent. In the case of individuals who are married, however, the taxpayer may not claim an exemption for his spouse unless a joint return is made or unless the spouse has no gross income and does not constitute an exemption for another taxpayer by reason of being a dependent of another taxpayer.

This per capita system of exemptions completely eliminates not only the definition of "head of family" under the present law but also the confusion which has existed in many taxpayers' minds with respect to whether they qualify as heads of families for tax purposes.

So, under this bill, we no longer have anyone the head of the family. That is eliminated from now on, it says in the report.

The additional complication of having tax computations on the return determined with reference to a taxpayer's status as a "head of family" also is avoided.

The per-capita system of exemptions (under which the credit for dependents is increased from $350 to $500 and the aggregate exemption of husband and wife decreased from $1,200 to $1,000) necessarily results in shifts in tax burden. In general, these shifts have the effect of imposing a lesser burden on the taxpayer with a large family and a greater burden on the taxpayer with a smaller family.

In the opinion of your committee, these shifts in burden are for the most part relatively small, and are necessitated by the fact that the per-capita system of exemption is essential to any substantial tax simplification. It should be observed that the bill does not result in an over-all increase in revenue.

(d) Definition of dependent:

The bill simplifies the definition of a dependent and the treatment of dependent's income. The present requirements that a dependent be under 18, or mentally or physically unable to support himself, are eliminated. Instead, there will be substituted the concept that a dependent is anyone for whom the taxpayer furnishes over half the support provided that the person is closely related to the taxpayer and is not himself required to file a return. The degrees of relationship which are so eligible is set out in section 10 of the detailed discussion of the bill in this report. An individual is not required to file a return if he has gross income of less than $500. This will permit a credit for dependents over 18 who are in fact supported by the taxpayer. The present law requirement that a "dependent" over 18 must be incapable of self-support is unnecessarily limited and confusing.

With regard to the income of minors the present law requires that the earnings of an unemancipated child be reported with the income of the parent. The law as to emancipation varies according to the States. It is extremely difficult to determine whether earnings are those of an emancipated or an unemancipated minor. The bill provides that the earnings of a minor are to be included in his gross income and excluded from the gross income of the parent. If the minor receives over $500 gross income, he cannot be claimed as a dependent of another, and must file a return of his own regardless of age.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from North Dakota yield to the Senator from Georgia?

Mr. LANGER. I yield for a question.

Mr. GEORGE. I wanted to suggest that it is apparent we cannot reach a vote on the bill this afternoon, and to propose a unanimous consent request to see if we can limit the debate tomorrow to 20 minutes, or 15 minutes, say, on the bill or any amendment to the bill. There are pending one or two amendments. I have conferred with the proponents of the amendments and they say they have no objection to limitation of debate to 15 minutes on the amendments.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. I am sorry I shall have to object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

LEGISLATIVE PROGRAM

Mr. GEORGE. Mr. President, if it is agreeable to the Senator who has the floor, in a few minutes, after we have a short executive session, I shall move that the Senate take a recess until 11 o'clock tomorrow morning. The majority leader has suggested that we have an executive session before the recess.

Mr. WHITE. Mr. President, will it be understood that as a part of the unanimous-consent agreement the Senator from North Dakota will be recognized when the Senate convenes tomorrow?

Mr. GEORGE. I should prefer to stay here tonight, to be frank with the Senator. If the Senate is going to transact business——

The PRESIDING OFFICER (Mr. JACKSON in the chair). Is there objection to the request of the Senator from Georgia?

Mr. LANGER. Mr. President, I have no objection. I will have no trouble in obtaining the floor tomorrow.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RANKIN, Mr. PETERSON of Florida, Mr. ALLEN of Louisiana, Mr. GIBSON, Mrs. ROGERS of Massachusetts, Mr. CUNNINGHAM, and Mr. KEARNEY were appointed managers on the part of the House at the conference.

EXECUTIVE SESSION

Mr. GEORGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. JACKSON in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

FOREIGN SERVICE

The legislative clerk read the nomination of Tyler Thompson, of New York, to be consul.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Miss Kathleen Molesworth, of Texas, to be Foreign Service officer of class 7.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk read the nomination of M. Evorie Kirkham, to be postmaster at Delight, Ark.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McKELLAR. I ask unanimous consent that the President be notified forthwith of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. GEORGE. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow. Much as I regret to do so, I give notice that the Senate will remain in session tomorrow until a late hour, at least, in an effort to reach a vote on the pending bill.

The motion was agreed to; and (at 5 o'clock and 22 minutes p. m.) the Senate took a recess until tomorrow, Saturday, May 20, 1944, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 19 (legislative day of May 9), 1944:

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

Ambrose O'Connell, of New York, to be associate judge of the United States Court of Customs and Patent Appeals, vice Hon. Irvine Luther Lenroot, resigned.

COLLECTOR OF CUSTOMS

Robert L. Shivers, of Los Angeles, Calif., to be collector of customs for Customs Collection District No. 32, with headquarters at Honolulu, T. H., to fill an existing vacancy.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named officers for promotion in the Regular Corps of the United States Public Health Service:

PASSED ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS EFFECTIVE APRIL 1, 1944

Terrence E. Billings	Robert C. Dunn
Harold T. Castberg	Randall B. Haas
Louis F. Cleary	Leon S. Saler
Vernam T. Davis	Clarence A. Smith
Wightman R. Duke	Richard H. Smith
Robert D. Duncan	

ASSISTANT SURGEONS TO BE TEMPORARY PASSED ASSISTANT SURGEONS EFFECTIVE APRIL 1, 1944

James L. Baker	Robert E. Miller
Donald J. Birmingham	Charles W. Parker
Paul C. Campbell, Jr.	Russell I. Pierce
John F. Flynn, Jr.	Robert T. Potter
William D. Hazlehurst	David E. Price
Richard G. Henderson	Edmund J. Schmidt
Robert V. Holman	Charles C. Shepard
James M. Hundley	Charles L. Williams
Llewellyn E. Kling	Jr.
Edward W. Kunckel	Norman Wagner
Harold J. Magnuson	

ASSISTANT SANITARY ENGINEERS TO BE TEMPORARY PASSED ASSISTANT SANITARY ENGINEERS EFFECTIVE APRIL 1, 1944

Callis H. Atkins
August T. Rossano, Jr.

PASSED ASSISTANT SANITARY ENGINEERS TO BE TEMPORARY SANITARY ENGINEERS EFFECTIVE APRIL 1, 1944

Vernon G. MacKenzie
Frank E. DeMartini

IN THE NAVY

Capt. George T. Owen, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, Fleet Air Wing 15, and commanding officer, naval air station, Port Lyautey.

Vice Admiral Marc A. Mitscher, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 21st day of March 1944.

Rear Admiral John H. Hoover, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 1st day of January 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 19 (legislative day, May 9), 1944:

FOREIGN SERVICE

Tyler Thompson to be consul of the United States of America.

Miss Kathleen Molesworth to be Foreign Service officer of class 7, effective November 16, 1943.

POSTMASTER

ARKANSAS

M. Evorie Kirkham, Delight.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 19, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who are the giver and author of all truth, who remainest the same yesterday, today, and forever, sanctify our joys and comfort our sorrows. We pray for the sick, for the little children, for the members of broken family circles, and for all who are wandering and far away; listen to the silent prayers made for them and bless them with Thy fatherly care. Help those who struggle with pride, with avarice, with irritable passions, and all who strive against the narrowing lust for gold.

In all counsels and deliberations be very near our President, our Speaker, and the Congress. Grant that the world may soon hail that joyous day in which there shall be no more idols, no more superstition nor ignorance, and no more unjust oppression, and all lands shall rest in peace among themselves. Grant that we may be burden bearers for one another, suffer and live for one another, bringing them out of unbelief into the communion with the people of God. Help us all, blessed Lord, to gain strength and grow in those virtues which make wise and better servants for the public weal. In the name of the Master of all good workmen. Amen.

The Journal of the proceedings of yesterday was read and approved.

I AM AN AMERICAN DAY—MAY 21

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. KENNEDY addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that on today, at the conclusion of the special orders heretofore entered, I may address the House for 15 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that today, following the statement of the gentleman from Pennsylvania [Mr. EBERHARTER], I may address the House for 15 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that I may address the House for 20 minutes today, following the gentleman from Michigan.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DEWEY PLAN FOR INTERNATIONAL ECONOMIC AND CURRENCY STABILIZATION

Mr. DEWEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DEWEY. Mr. Speaker, during the present week Dr. Harry White, of the Treasury Department, has appeared as a witness before the Foreign Affairs Committee in opposition to the so-called Dewey plan, House Joint Resolution 226, which provides for common sense and proven methods of stabilizing currencies and aiding in the rehabilitation of the economies of devastated countries in cooperation with other well-disposed nations.

Important opinion believes that the Treasury stabilization and international banking plans are visionary and hold out

promises of commitments far in excess of what the American people and the Congress will approve.

I call your attention to an editorial in the New York Times introduced in the Appendix of the RECORD on April 25 by the gentleman from Kansas, Hon. FRANK CARLSON, and I ask unanimous consent to insert with my remarks in the Appendix an editorial from the Wall Street Journal, May 18, 1944, entitled "What Have We Promised?"

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent that, after the disposition of the business on the Speaker's desk today and after the other gentlemen have relieved themselves of their ideas, I may address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a letter to the O. P. A.

The SPEAKER. Is there objection?

There was no objection.

G. I. BILL OF RIGHTS

Mr. BREHM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BREHM. Mr. Speaker, yesterday the House passed the so-called G. I. bill of rights. During the debate on this important and worth-while legislation certain lines kept coming to my mind. They are:

God and the doctor alike we adore,
At the brink of danger—not before.
Danger past, both are requited,
God is forgotten, the doctor slighted.

I sincerely trust that this and all future Congresses will guard well this legislation so that some future phony economy act will not make the above poem applicable to the Congress regarding these veterans.

EXTENSION OF REMARKS

Mr. MERROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article written by Henry Phillips, Jr., a political columnist for the Exeter News-Letter, Exeter, N. H.

The SPEAKER. Is there objection?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VURSELL. Mr. Speaker, I ask unanimous consent that I may address the House for 15 minutes after the close of legislative business on next Monday.

The SPEAKER. Is there objection?

There was no objection.

KNOW YOUR CONGRESSMAN

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, Walter Chamblin, Jr., has written a nine-page pamphlet on how to handle Congress in the matter of legislation. Among other things he says as follows:

Cut out the demagoguery before a committee. That is Congress' own specialty and encroachment in this sphere is resented.

The unfortunate part of this article appearing in the New York Times of May 19, 1944, is the conclusion, which reads as follows:

It declared that a Congressman's $10,000 annual salary was not enough for the many demands made on him.

That is not in the pamphlet, but that is in the report.

It is an insinuation that the way to handle Congressmen is to recognize that they are not getting enough money.

That makes me think of the young man who left the East a few years ago and went out to our country and later was elected to Congress. He wrote his old mother a letter telling her that he had been sent to Congress. She received the letter and she began to weep. The old man said, "Ma, what are you crying about?" She said, "Now, see what John has gone and done. After we tried to raise him a good Christian young man, see what he has done. He has been sent to Congress, but he don't say what for."

The SPEAKER. The time of the gentleman from North Dakota [Mr. BURDICK] has expired.

COMMISSIONER OF INDIAN AFFAIRS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter I have addressed to the Secretary of the Interior.

The SPEAKER. Is there objection?

There was no objection.

[Mr. JOHNSON of Oklahoma addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SCANLON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an address which I gave at the public testimonial to "Commando" Sgt. Charles E. Kelly, at West Park, North Side, Pittsburgh, Pa., on April 26, 1944, and to include also the proclamation of Hon. Cornelius D. Scully, mayor of the city of Pittsburgh, and an editorial which appeared in the Pittsburgh Press.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a brief article.

The SPEAKER. Is there objection?

There was no objection.

SCHOOL-LUNCH PROGRAM

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I rise to congratulate the two minority members on the Pace committee, the gentleman from Kansas [Mr. HOPE] and the gentleman from Illinois [Mr. ANTON J. JOHNSON], for refusing to sign the conference report, which appears in the RECORD this morning.

After the House debated for practically 1 day the school-lunch program and defeated it by 2 to 1, this Pace committee, meeting in conference, backed down and inserted it for authorization. It is the most flagrant misrepresentation that I ever heard of.

Secondly, not to be outdone by putting in the school-lunch program they put in farm security. The entire committee went before the Rules Committee a year ago and protested our agricultural appropriation bill, complaining because they said we had usurped their functions and in effect had a great many items removed because they lacked authorization.

Then they went to the Senate and got the appropriation inserted last year, but promising to bring to this House an authorization bill. Now, after 14 months, the Committee on Agriculture having failed to bring in any authorization for farm security, they go over to the Senate again and join them in a left-handed authorization, by which they bring back here the first authorization for farm security, all to be disposed of in an hour on a conference report. They could have brought them back for separate votes had they wished to have been fair with the House.

The two Republican members refused to sign the report, and I congratulate them. The conference report should most positively be rejected.

The SPEAKER. The time of the gentleman has expired.

SHORTAGE OF SOLID FUELS

Mr. ROWE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROWE. Mr. Speaker, I want to call attention of the membership of the House, as I did once before, when I predicted there would be a shortage of approximately 20,000,000 tons of solid fuels in this Nation the coming winter. That figure has been revised upward by the Department of the Interior to 40,000,000 tons. I predict it will ultimately reach, with the present slow-down in production, approximately 75,000,000 tons shortage in the coming winter.

The SPEAKER. The time of the gentleman from Ohio has expired.

CONSOLIDATING AND REVISING LAWS PERTAINING TO THE PUBLIC HEALTH SERVICE

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 555, Rept. No. 1469), on the bill (H. R. 4624) to consolidate and revise the laws relating to the Public Health Service, and for other purposes,

which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4624) to consolidate and revise the laws relating to the Public Health Service, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

GOVERNMENT PROTECTION TO WIDOWS AND CHILDREN OF DECEASED WORLD WAR VETERANS

Mr. SABATH. Mr. Speaker, I call up House Resolution 539 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1744) to provide Government protection to widows and children of deceased World War veterans; that after general debate, which shall be confined to the bill and shall be continued not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on World War Veterans' Legislation, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendments, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SABATH. Mr. Speaker, later I shall yield 30 minutes to the gentleman from New York [Mr. FISH].

This rule makes in order a really meritorious bill (H. R. 1744) granting compensation to the widows and children of deceased veterans of World War No. 1 without the requirement that the veteran at time of his death must have had a disability shown to have been incurred in or aggravated by such service. The bill contains the requirement that the veteran must have served 90 days or more during the World War, or, if less than 90 days, must have been discharged from disability incurred in line of duty. An honorable discharge is necessary to benefit and there is the further provision that the veteran must have entered the service prior to November 12, 1918, or, if service was in Russia, before April 2, 1920.

Total compensation shall not exceed $64 in any case. The bill will increase the compensation and make sure that benefits are actually received by the widows and the orphans. The bill is in the right direction.

I am much pleased, Mr. Speaker, that I can join with the gentleman from Mississippi [Mr. RANKIN] in endorsing at least one bill; and I do so because this bill is very meritorious. I congratulate the gentleman and his committee and hope that henceforth the bills he may report from his committee can be supported not only by myself but by all other well-meaning Members of the House.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Oh, surely; I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman says he is glad to agree with me. The RECORD shows that he voted with me yesterday.

Mr. SABATH. Yes, of course; I could not do otherwise. I was for the bill we passed yesterday, S. 1767. There were, though, some provisions in that bill with which I could not thoroughly agree. I did not agree with the reduction from 52 weeks to 26 weeks in the matter of servicemen's unemployment compensation; I did not agree with the provisions which increased the interest from 3 percent to 6 percent on loans to servicemen; I did not agree with some of the things that aim to foreclose the veterans that are coming back, the 10,000,000 men, from joining organized labor that has done so much for labor and for servicemen.

Mr. RANKIN. If the gentleman will yield, there was not anything of that kind in the bill.

Mr. SABATH. I refer to this language at page 69, line 6, of S. 1767:

Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed.

This seems to be a stroke against organized labor and the closed shop, in line with the policy of Sewell Avery and his ilk.

I did not have a chance to speak on this provision, but in view of the gentleman's query I am making that observation. I hope that in the future such provisions will not be included in any bills the gentleman reports. I am naturally grateful that the bill made in order by this rule is in the right direction and I can support it because I know of many instances in which widows and children have been denied on mere technicalities the compensation to which they were properly entitled. I believe now they will be taken care of properly.

One more thing: The gentleman from Mississippi a few days ago stated that this rule should have been reported before it was. I said to him then that the Committee on Rules had not received any request for a hearing looking to granting a rule on this bill until a day or two before our meeting that gave a rule on the bill. Immediately we learned that a rule was requested, a meeting was called and without more than 10 minutes' consideration a rule was granted unanimously.

The gentleman from Mississippi [Mr. RANKIN] may not realize that I receive very many requests for hearings looking to granting of rules for consideration of bills and resolutions from various committee chairmen and members of committees and other Members, and invariably, when chairmen are authorized to ask for a special rule, as I presume the gentleman from Mississippi [Mr. RANKIN] was in this matter, the request is in writing or at least made personally to me or the clerk of the committee. In this instance no such request was made by the gentleman.

I made thorough inquiry and find there was only a question as to when the matter of granting a rule would be considered.

H. R. 1744 was introduced February 8, 1944; it was reported February 10, 1944; and a rule was granted May 9, 1944, and filed in the House May 10, 1944, as I remember. In other words, it seemed that the gentleman from Mississippi [Mr. RANKIN] delayed his request for a hearing looking to granting of a rule from February 10, 1944, to about May 6, 1944.

Since I am in favor of the passage of the bill, I will not take up any more of the time of the House for we have three or four other measures that are to be considered by the House today. I hope the rule will be adopted without much debate and will pass.

Mr. Speaker, I reserve the balance of my time and now yield to the gentleman from New York 30 minutes which I hope he will not use.

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the gentleman from Illinois, Chairman of the Committee on Rules, is correct. This bill comes here with a unanimous report. All the Republicans voted for it and supported it and have in the past supported similar legislation. It is, we might as well be frank about it, pension legislation.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. RANKIN. All compensation is really pension legislation.

Mr. FISH. I do not want to quibble over words; I believe in saying what I mean and meaning what I say. I think it is childish to get up here before this House and instead of giving the Members the facts try to fool them.

This is—before you vote for it—nothing but pension legislation. It provides that the widows and orphans of the veterans of the last war whose husbands may not have had any disability arising out of the war will receive certain pensions.

The monthly rates of compensation are as follows:

Widow but no child, $30.

Widow with 1 child, $38, with $4 for each additional child.

No widow but 1 child, $15.

No widow but 2 children, $22, equally divided.

No widow but 3 children, $30, equally divided (with $3 for each additional child; total amount to be equally divided).

The total compensation payable shall not exceed $64.

That is the sum and substance of the legislation before you. It may interest the House to know that yesterday General Hines, the Administrator for Veterans' Affairs, appeared before the Post-war Economic Policy and Planning Committee, a special committee of the House, and I asked him this question:

"How much will it require out of the Treasury of the United States to pay for all the veterans' benefits already provided but not including the $6,000,000,000 G. I. bill of rights passed yesterday?" He said he figured it would cost about $2,000,000,000 annually. In addition to that you have other legislation we have passed or are about to pass, including this bill. Frankly I do not know, but I suppose the committee will give the House the information, how much money this bill—if passed, as I believe it will be almost unanimously—will cost. I believe the House is entitled to the information.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. FISH. In one moment.

Mr. Speaker, we might as well make up our minds that the total cost of this veterans' legislation before the war is over will run well upward of $2,000,000,000 and probably immediately after the war to five or six billions.

Mr. MASON. Per year?

Mr. FISH. Per year, right after the war. That takes in the demobilization, separation allowances, and all other veteran benefits we have provided for. In the first year after the war it will be five or six billions.

I now yield to the gentleman from Michigan.

Mr. DONDERO. How do the amounts provided in this bill compare with what was allowed the widows and orphans of the Spanish-American War?

Mr. FISH. I believe it is based on the same percentage. I would prefer, however, that the committee explain the details of the bill. I am giving just a general sketch, which is in order under the consideration of the rule.

There is one other phase that was brought out in the Committee on Rules, in fact I brought it up myself, which I think is important for the House to know. There is a safeguard in the bill against young and attractive ladies marrying older veterans like myself who are on our way out, so to speak—not politically but I am thinking of the other world—and who would secure this generous sum of $30 a month. So a safeguard was placed in the bill that they must be married before this law goes into effect. We have fixed it so these young ladies will not be able to marry some of these older veterans just to acquire the pension.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, regretfully, I must yield myself 1 additional minute.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. FISH. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Of course, it would be difficult to estimate the cost of this because of the dependency clause.

Mr. FISH. That is true, but does not the gentlewoman think the House is entitled to an estimate?

Mrs. ROGERS of Massachusetts. I think it is, but it is very difficult to get an estimate sometimes.

Mr. FISH. I hope the gentlewoman's committee will try to give us that estimate because it is only fair to the House, to the American people, and to those who are interested in the status of the Treasury of the United States.

Mr. McCORMACK. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Just that the RECORD may clearly and definitely express the position of the gentleman from New York on the bill, not his views, his position, I take it he is in favor of the passage of the bill?

Mr. FISH. If I have not stated it I want to make that very clear, and I will do it by my vote at the proper time, as I generally do. I am willing to have a roll call on this bill if the gentleman wants to have one.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, this bill will pass unanimously. A similar bill passed the House in the last session of Congress. May I point out that the Spanish-American War veterans' widows received a pension at the time of the death of a Spanish-American War veteran, whether he died from service-connected disability or not, 18 years after the war was over. The widows of the veterans of the Philippine Insurrection received a pension 16 years after the war was over. The veterans of the First World War, when the House votes today and this bill is signed by the President, will receive pension benefits approximately 25 years after that war was over.

There was no dependency clause in the bill that gave a pension to the Spanish-American War widows. Nothing was necessary except that a woman be the widow of a Spanish-American War veteran. In this bill there is a dependency clause. A single widow must not have an income over a thousand dollars in order to secure benefits. A widow with dependents—one or more dependents—must not have an income of over $2,500. The cost of the bill will be limited quite a good deal in that way.

Many of these widows are older women and this will be a great help to them in carrying on, whether they have dependents or not. Many of them are on relief today.

The following are the monthly rates of compensation to be paid to the widows under this bill:

Widow but no child, $30.

Widow with one child, $38, with $4 for each additional child.

No widow but one child, $15.

No widow with two children, $22, equally divided.

No widow but three children, $30, equally divided (with $3 for each additional child; total amount to be equally divided).

The total compensation payable shall not exceed $64.

Mr. ROBSION of Kentucky. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Did I understand the gentlewoman from Massachusetts to say that the first act for widows of Spanish-American War veterans did not have any limitation as to income?

Mrs. ROGERS of Massachusetts. No; no limitation, at least I know that for years there has been no income limitation.

Mr. ROBSION of Kentucky. That was the act of September 1, 1918. It did contain a limitation.

Mrs. ROGERS of Massachusetts. I had forgotten that. I was not a Member of Congress at that time.

Mr. ROBSION of Kentucky. Later on the Veterans' Bureau that handled it at that time found that it cost more to administer the law with that limitation in it than we saved and later on Congress repealed the provision.

Mrs. ROGERS of Massachusetts. Does the gentleman remember the limitation for Spanish-American widows?

Mr. ROBSION of Kentucky. I think it was the small sum of an income of $250. Under this measure every widow that comes within the provisions of this law will have to prove that her income is not more than $1,000?

Mrs. ROGERS of Massachusetts. That is true. She has to prove that, as I stated before.

Mr. ROBSION of Kentucky. The burden is on the widow. That may turn out to be more costly than the savings, as we found out in the original Spanish-American War Veterans' Act.

Mrs. ROGERS of Massachusetts. But the limitation is in the bill today. In the bill which was enacted in 1918 for the widows of Spanish-American War veterans, there was a limitation of a small sum. In the next bill for Spanish-American War widows which became law in 1922 there was no limitation.

The following is the chart of the benefits which have been paid and which will be paid if this bill becomes law to the widows of veterans of all wars, and a part of the testimony of General Hines which appears in the hearings of the World War Veterans' Committee upon this measure:

General HINES. That is a straight pension bill. All of these are straight pension bills and have no relation to service-connected cases.

They also, in that case, amended the law from time to time. The next amendment was 20 years after the war, then 24 years after, 31 years after, 32 years after, and, finally, the last act was August 13, 1935, 33 years after the war, when they reenacted the repealed law, which provided a rate of $30 for the widow and $6 for the child.

In most of those cases there was no financial restriction. By that I mean there was no needs clause, as it is referred to, except in some of the early ones—the first act of the Civil War and the second of the Civil War and the first act of the Spanish War. But they dropped it after that. As to the small number of Spanish War cases under Public, No. 2, and the Veterans Regulations, an income limitation is applicable for service-pension purposes.

Now, as to World War No. 1, some members of the committee, particularly the members who have been here any length of time, will remember that we started off on what might be called a substitute for a pension by first putting the widows and children on the rolls of men who had a 30-percent service-connected disability or more.

The theory upon which we proceeded then was that if a man had that much of a service-connected disability it certainly contrib-

uted to his death, no matter what he died from. And that, to me, was sound reasoning, and that was the basis of the law that we passed.

That was Public, 484, Seventy-third Congress, passed 16 years after the end of the World War hostilities. It provided that the entry into the service must have been prior to November 12, 1918, and before April 2, 1920, for service in Russia, and under existing law 90 days' service is required if the service-connected disability at time of death was less than 10 percent in degree.

Then from time to time we have amended that. The next step was to cut the 30 percent down to 20. Finally we cut it from 20 to 10 percent disability, and then any percent disability. The existing law at the present time for the purpose of World War No. 1 includes any World War service-connected disability. If he has any disability, service-connected, and he dies, not of that disability, but any disability, his widow and children are taken care of.

The rates have been changed somewhat. The rates in the proposed legislation, Mr. Chairman, look high when compared with the others and look high when compared with the service-connected rates. They are the same as the rates in Public, 484, as amended.

I would like to insert in the record, if it will not be burdensome, a table that I am using which contains a chronological digest of laws granting pension or compensation for non-service-connected death.

The CHAIRMAN. Go ahead and put it in.

(The table referred to is as follows:)

Historical development of service pensions and compensation or non-service-connected death for widows and children of Civil War, Spanish-American War, and World War No. 1 veterans, including rates and certain elements of entitlement, compared with compensation for widows and children of World War veterans who die from non-service-connected cause, as proposed by bills of Seventy-eighth Congress

	Period between end of war and law	Rate for widow	Rate for child	Period between end of war and delimiting marriage date	Income and dependency limitations
Civil War (Mar. 4, 1861, to Aug. 20, 1866):					
Act of June 27, 1890	24 years	$8.00	$2	24 years (June 27, 1890)	No means of support other than daily labor.
Act of May 9, 1900	34 years	8.00	$2	24 years	Annual income limitation of $250 added to above provision.
Act of Apr. 19, 1908	42 years	12.00	$2	do	Previous restrictions eliminated.
Act of Sept. 8, 1916	50 years	[1] 12-20.00	$2	Extended to 39 years (June 27, 1905).	No financial restrictions.
Act of Oct. 6, 1917	51 years	25.00	$2	39 years	Do.
Act of May 1, 1920	54 years	30.00	$6	do	Do.
Act of July 3, 1926	60 years	50.00	$6	Must have been wife during veteran's service.	Do.
Act of May 23, 1928	62 years	40.00	$6	39 years; widow must be 75 years old.	Do.
Act of June 9, 1930	64 years	40.00	$6	39 years; widow must be 70	Do.
Spanish-American War [2] (Apr. 21, 1898, to July 4, 1902):					
Act of July 16, 1918	16 years	12.00	$2	16 years (July 16, 1918)	No means of support other than daily labor; income not over $250 per annum.
Act of Sept. 1, 1922	20 years	20.00	$4	20 years (Sept. 1, 1922)	Previous restriction eliminated.
Act of May 1, 1926	24 years	30.00	$6	20 years	No financial restrictions.
Veterans Regulation No. 1 (a), pt. III (act Mar. 20, 1933). [3]	31 years	15.00	$5 for first child, $3 each additional child.	do	Pension not payable if income exceeds $1,000, or $2,500 if widow has minor children.
Act of Mar. 28, 1934	32 years	22.50	$4.60	do	Widow must be exempt from Federal income tax.
Act of Aug. 13, 1935	33 years	30.00	$6	do	No financial restrictions.
World War I (Apr. 6, 1917, to Nov. 11, 1918; or to Apr. 2, 1920, if service in Russia):					
Act of June 28, 1934 (Public Law 484, 73d Cong.).	16 years	22.00	$8 for first child, $4 each additional child.	13 years	Must be exempt from Federal income tax for preceding year.
Act of June 29, 1936 (Public Law 844, 74th Cong.).	18 years	22.00	do	do	Do.
Act of Aug. 16, 1937 (Public Law 304, 75th Cong.).	19 years	22.00	do	13 years, or none if child born of the marriage.	Do.
Act of May 13, 1938 (Public Law 514, 75th Cong.).	20 years	22.00	do	20 years	Do.
Act of July 19, 1939 (Public Law 198, 76th Cong.).	21 years	30.00	do	do	Compensation not payable to widow or child if income exceeds $1,000 or to widow with children, if income exceeds $2,500.
Act of July 19, 1939 (Public Law 196, 76th Cong.).	do	30.00	do	do	Compensation not payable to widow or child if income exceeds $1,000 or to widow with children, if income exceeds $2,500.
H. R. 1182, INTRODUCED JAN. 14, 1943 [4]					
World War No. 1: Entered service prior to Nov. 12, 1918, or before Apr. 2, 1920, if service in Russia; 90 days' service during World War No. 1.	25 years	30.00	$8 for first child with $4 for each additional child. No widow, 1 child, $15; 2 children, $22, equally divided; 3 children, $30, equally divided, with $3 for each additional child, total amount equally divided. Total amount limited to $64.	25 years	Compensation not payable to widow without child, or to child whose annual income exceeds $1,000 or to widow with child or children whose annual income exceeds $2,500.
World War No. 2: Served after Dec. 6, 1941, and prior to termination of present war. Having served less than 90 days, discharged for disability in service in line of duty.	War not yet ended.	30.00		War not ended	

[1] Higher rates payable if widow of veteran during service, or if 70 years old.

[2] Including Boxer Rebellion and Philippine Insurrection.

[3] War dates are: Spanish-American War, Apr. 21, 1898, to Aug. 13, 1898; Philippine Insurrection, Aug. 13, 1898, to July 5, 1902; Boxer Rebellion, June 20, 1900, to May 13, 1901.

[4] Compensation hereunder would be payable to widower of the person who served as well as to the widow; there is no restriction on remarriage or as to continuous cohabitation from date of marriage to date of death. It contains no penal provisions and no detailed administrative provisions.

NOTE I.—The rates for children, if there is no widow, under the service acts relating to Civil War and Spanish-American War veterans, are the widow's rate plus the child's rate, equally divided among the children if there is more than 1 child. In Spanish-American War cases, under Public, No. 2, 73d Cong., the rates are: 1 child, $12; 2 children, $15 (equally divided); 3 children, $20 (equally divided); with $2 for each additional child, the total amount being equally divided. The rates in World War No. 1 cases, under Public Law 484, 73d Cong., as amended, are: 1 child, $15; 2 children, $22 (equally divided); 3 children, $30 (equally divided); with $3 for each additional child, the total amount being equally divided.

NOTE II.—H. R. 4, 77th Cong., Jan. 3, 1941, covered only World War No. 1 cases, and provided rates for dependent mother and father as well as for widow, child, or children. The rates provided are: Widow, no child, $20; widow, 1 child, $28; widow, 2 children, $34 (with $4 for each additional child); no widow, 1 child, $12; no widow, 2 children, $18 (equally divided); no widow, 3 children, $24 (equally divided); with $3 for each additional child (total amount equally divided); dependent mother or father, $20, or both $15 each. The total amount as to widow, child, or children was limited to $56. A widow meant a woman who married the veteran prior to July 3, 1921 or within 3 years after the war; or who married the veteran prior to May 13, 1938, provided a child was born of the marriage, or 20 years after the war. Eligibility of the widow was governed by sec. 3 of the act of May 13, 1938 (Public, 514, 75th Cong.). Under this section, no compensation payable to a widow who has remarried or unless there was continuous cohabitation with the person who served from date of marriage to date of death, except where there was a separation due to the misconduct or procured by the person who served without fault of the widow. By incorporating the provisions of H. R. 4, as an amendment to pt. III, Veterans Regulation No. 1 (a), the administrative and penal provisions of Public, 2, 73d Cong., and Veterans Regulations would have been made applicable.

General HINES. I am sure it would be well for the members to have before them the various rates dealing primarily with World War No. 1 and the previous wars in the consideration of this legislation. I have a table on that and will offer it for the record.

(The table referred to is as follows:)

Rates of compensation or pension to widows, children, and parents of deceased veterans

For service-connected deaths	Widow under 50	Widow 50 or over	With 1 child under 10 additional	With 1 child over 10 additional	Each additional child under 10	Each additional child over 10	No widow, 1 child	No widow, 2 children	No widow, 3 children	No widow, each additional	Dependent parents
World War II: Public, 359, 77th Cong., Dec. 19, 1941 World War I: Sec. 5, Public, 198, 76th Cong., July 19, 1939, as amended by sec. 10, Public, 667, 77th Cong., July 11, 1942 Spanish-American War: Public, 242, 77th Cong., Aug. 21, 1941 and Public, 359, 77th Cong., Dec. 19, 1941 Civil War: Public, 359, 77th Cong., Dec. 19, 1941 Peacetime: Where death resulted from armed conflict or while engaged in extra hazardous service, Public, 359, 77th Cong., Dec. 19, 1941	[1] $38	$45	$10	$15	$8	$13	[3] $20	$33	$46	$8	1-$45 2-[3] 25
Peacetime: Where death resulted neither from armed conflict nor while engaged in extra hazardous service, Public, 690, 77th Cong., July 30, 1942	[2] 30	35	8	11	6	10	15	25	35	6	1- 30 2-[3] 20

[1] $83 limit to widow and children, exclusive of parents.
[2] $62 limit to widow and children, exclusive of parents.
[3] Each.

For non-service-connected deaths	Widow	Widow at 70	If widow was wife during service	Widow, 1 child	Each additional child	No widow, 1 child	No widow, 2 children	No widow, 3 children	Each additional child
World War No. 1: Public, No. 484, 73d Cong., June 28, 1934, as amended by sec. 2, Public, No. 198, 76th Cong., July 19, 1939 ($64 limit) [1]	$30	-------	-------	$38	$4	$15	$22	$30	$3
Spanish-American War:									
Veterans Regulation 1 (a), pt. III, June 6, 1933 ($27 limit) [1]	15	-------	-------	20	3	12	15	20	2
Act of May 1, 1926	30	-------	-------	36	6	36	42	48	6
Civil War Acts of May 1, 1920, June 9, 1930, and July 3, 1926	30	$40	$50	36, 46, or 56	6	36	42	48	6
Indian Wars Act of Mar. 3, 1927	30	-------	-------	36	6	36	42	48	6
Mexican War Act of July 3, 1926	50	-------	-------	-------	-------	-------	-------	-------	-------

[1] Increase limitation: Widow without child or a child $1,000 annual income; widow with a child or children $2,500 annual income; payments of war risk term insurance, U. S. Government life (converted) insurance, payments under World War Adjusted Compensation Act or Adjusted Compensation Payment Act, 1936, not considered in determining annual income.

NOTE.—Limitation as to date of marriage of widow, depending upon law under which entitlement to death compensation or pension established.

	Public, Nos. 2, 78, 141, 73d Cong., and Veterans Regulations	General or service pension laws as reenacted by Public, 269, 74th Cong., Aug. 13, 1936
Service-connected deaths:		
World War II	Within 10 years after veteran's discharge	
World War I	Prior to May 13, 1938	
Spanish-American War, Philippine Insurrection, Boxer Rebellion	Prior to Sept. 1, 1922	No limitation.
Civil War	-------	Do.
Peacetime prior to Apr. 21, 1898	-------	Do.
Peacetime after Apr. 21, 1898	Within 10 years after veteran's discharge	
Non-service-connected deaths:		
World War I	Prior to May 13, 1938	
Spanish-American War, Philippine Insurrection, Boxer Rebellion	Prior to Sept. 1, 1922	Prior to Sept. 1, 1922.
Civil War	-------	Prior to June 27, 1905, or during service.
Indian wars	-------	Prior to Mar. 4, 1917.
Mexican War	-------	No limitation.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I am particularly pleased to note the action of the Committee on World War Veterans' Legislation in reporting this bill, and I am particularly pleased it is up for consideration today. There is no question but what it will pass unanimously.

This is deserving legislation. For years I have advocated the passage of a pension bill, as the gentleman from New York [Mr. FISH] properly said, for widows and orphans of men who served in the last war and who were unable to connect their death with service. Any widow of a veteran of the last war who died from service-connected disability, and in the case of surviving children, receives a pension in the nature of compensation as provided for by existing law. A great majority of the widows were excluded, however, due to the fact that in the case of service connection, even, the fact could not be established that the particular disability or illness or wound from which a veteran died was service-connected and had contributed to his death, or was the determining or contributing factor in the death of the veteran. Because of that fact many widows of men who did have a service-connected condition were unable to obtain any compensation from the Government in the nature of a pension.

Through the years we have eased that gradually. The Committee on World War Veterans' Legislation has reported out numerous bills, every time in the right direction and in the direction of what this bill will accomplish. The committee is to be congratulated for its work in that respect. I have always supported those bills. I thought the committee was pursuing the right course and personally I would much rather have seen the bill now before us passed many years ago.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Did I understand our distinguished leader to say that the widows now must prove that the death of their husbands, a soldier or sailor, was due to disabilities contracted in the service?

Mr. MCCORMACK. If a man had a 10-percent service-connected disability.

Mr. ROBSION of Kentucky. One percent, is it not?

Mr. RANKIN. If he has any disability.

Mr. MCCORMACK. Yes. It was 10 percent and it had to be shown that the service-connected disability was a factor in his death.

Mr. RANKIN. There were very few, if any, service-connected disabilities registered that were less than 10 percent.

Mr. ROBSION of Kentucky. We started out by providing that death had to be due to service-connected disabil-

ity. Then we cut it down, I believe, to 30 percent, then to 20 percent, then to 10 percent; but the law as it is today, as I understand it, is that any veteran with a permanent disability of as much as 1 percent is included; in other words, the widow and children may secure compensation?

Mr. McCORMACK. Nothing I have said is in disagreement with the gentleman's recollection.

Mr. ROBSION of Kentucky. Now we remove all disability and I am very much in favor of the legislation, as is the gentleman.

Mr. MILLER of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. I am a little confused by the language on page 1, lines 9 and 10, "or has died from a disease or disability not service connected." Everybody dies of a disease or disability. Does this not nullify the 90-day clause?

Mr. McCORMACK. No.

Mr. MILLER of Connecticut. I am not clear as to its meaning. What does it mean?

Mr. McCORMACK. There are two propositions involved here. Take the case of a man who served less than 90 days, and during that period he has a service-connected disability. That is one group, as I understand it.

Mr. MILLER of Connecticut. He is not covered by this bill. He is covered in other bills?

Mr. RANKIN. If the gentleman will yield, what is the gentleman's question?

Mr. McCORMACK. In other words, for any widow to be eligible for this pension, her husband had to serve 90 days or more.

Mr. MILLER of Connecticut. Right.

Mr. McCORMACK. In that case, if his death was in any way connected with the service, she would be entitled to the benefits provided for by this bill if it becomes law. If her husband served less than 90 days then she would not, that is, if he died from a non-service-connected disability, or from a disease not service connected.

Mr. MILLER of Connecticut. If he is service connected, he is covered by H. R. 484.

Mr. McCORMACK. If he is service connected, he is covered by other law, I presume.

Mr. MILLER of Connecticut. I think this nullifies the 90-day provision.

Mr. McCORMACK. I do not think so.

Mr. FISH. Does not this law provide if he is not service connected and does not serve 90 days, that the widow gets a pension?

Mr. MILLER of Connecticut. He gets it under another law. He gets a larger amount if he is service connected.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Massachusetts 4 additional minutes.

Mr. McCORMACK. I am sure my colleague from Connecticut can be satisfied. I am satisfied that this bill does not nullify any existing law or take away any existing rights. Not only do I have confidence in the committee that reported the bill, but from my own knowledge of existing law I am satisfied that there is no fear from that direction.

There is just one remaining observation that I would like to make. I have always felt that the matter of taking care of widows and children of a deceased veteran, where there was an economic situation existing in the deceased veteran's family that required a pension, rested with the Federal Government. That has been a thought of mine throughout the years. This bill recognizes that fact. This bill, while imposing additional burdens upon the Federal Government, will bring great relief to our local governments, through taking from the veteran relief rolls many cases receiving local assistance or reduce the burden upon local governments as the result of the passage of this bill.

The SPEAKER. The time of the gentleman from Massachusetts has again expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. FISH. The report, if this clarifies it, reads as follows:

> The bill contains the requirement that the veteran must have served 90 days or more during the World War, or if less than 90 days, must have been discharged for disability incurred in service in line of duty.

That is written right into the report. I would like to ask the gentleman this: Do you not believe that the House is entitled to some estimate as to the cost of the legislation that it is about to pass?

Mr. McCORMACK. I think that it is always advisable to give the House an estimate of any bill that is passed; that is, the cost of the legislation. Of course, I think probably there is some kind of an estimate available, though it may not be a definite estimate.

I think the observation made by the gentle lady from Massachusetts [Mrs. ROGERS] is a proper one; that it is impossible to determine with any degree of accuracy what the amount will be, due to the number of dependents that might be affected. But I am sure that some kind of an estimate is available somewhere.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. SABATH. I am satisfied that the chairman of the committee can give the House that information, because they have studied the bill. They certainly know what it would cost, and I do not see why the gentleman from New York should ask the gentleman from Massachusetts for that information.

Mr. FISH. If the gentleman will yield further, I think the gentleman agrees with me that the House should not legislate in the dark huge sums of money for the purpose of the bill, but at least the House is entitled to know approximately what it will cost.

Mr. McCORMACK. The gentleman from Massachusetts is in agreement with the gentleman from New York, and I am sure the committee, as far as the committee can, will give the House the information on that important subject.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Mississippi.

Mr. RANKIN. If the gentleman from New York wants that information, I will give it to him as best I can.

On page 65 of the hearings on this bill General Hines discussed this proposition. He said:

> It is estimated that the dependents of approximately 148,000 deceased World War veterans would be eligible for the benefits provided in the bill. The first year's cost would be, if that number is correct—and I think it is approximately correct—$60,429,000.
>
> Now, we have found from experience—and as to why widows act differently than veterans, I am not sure I know the answer—but we do know that in dealing with pension bills for widows and children that they do not all come in the first year. They seem to be slower in filing claims.
>
> Therefore, in all of our estimates, and in this one, we say that the first year's cost—we have taken one-half of the total of $60,429,000 and put the first year's cost at $30,215,000.

The SPEAKER. The time of the gentleman from Massachusetts has again expired.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from committee:

MAY 19, 1944.

Hon. SAM RAYBURN,
The Speaker, House of Representatives of the United States, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Select Committee to Conduct a Study and Investigation of the Problems of Small Business.

Respectfully,

CHARLES A. HALLECK.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. Pursuant to the provisions of House Resolution 75, Seventy-eighth Congress, the Chair appoints as a member of the Select Committee to Conduct a Study and Investigation of the Problems of Small Business the gentleman from Illinois [Mr. HOWELL] to fill the existing vacancy thereon.

GOVERNMENT PROTECTION TO WIDOWS AND CHILDREN OF DECEASED WORLD WAR VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill (H. R. 1744) to provide Government protection to widows and children of deceased World War veterans be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the surviving widow, child, or children of any honorably discharged person who entered the service prior to November 12, 1918, or if the persons were serving with the United States military forces in Russia before April 2, 1920, and served 90 days or more during World War I, or who, having served less than 90 days, was discharged for disability in the service in line of duty, dies, or has died from a disease or disability not service connected, shall, upon filing application and such proofs in the Veterans' Administration as the Administrator of Veterans' Affairs may prescribe, be entitled to receive compensation: *Provided*, That payment of compensation under the provisions of this act shall not be made to any widow without child, or a child, whose annual income exceeds $1,000, or to a widow with a child or children whose annual income exceeds $2,500. In determining annual income, payments of war-risk term insurance, United States Government life (converted) insurance, and payments under the World War Adjusted Compensation Act, as amended (U. S. C., title 38, ch. 11), and the Adjusted Compensation Payment Act, 1936, as amended, shall not be considered.

SEC. 2. (a) The monthly rates of compensation shall be as follows: Widow but no child, $30; widow with one child, $38 (with $4 for each additional child); no widow but one child, $15; no widow but two children, $22 (equally divided); no widow but three children, $30 (equally divided) (with $3 for each additional child; total amount to be equally divided).

(b) The total compensation payable under this section shall not exceed $64. Where such benefits would otherwise exceed $64, the amount of $64 may be apportioned as the Administrator of Veterans' Affairs may prescribe.

SEC. 3. That as used in this act—

(a) The term "person who entered the service" shall mean a person, whether male or female, and whether commissioned, enlisted, or drafted, who was finally accepted for active service in the military or naval forces of the United States, members of training camps authorized by law, and such other persons heretofore recognized by statute or veterans regulations as being eligible for World War service connection for disability;

(b) The term "widow" shall mean a person who was married prior to the date of enactment of this act to the person who served: *Provided*, That all marriages shall be proved as valid marriages according to the law of the place where the parties resided at the time of the marriage or the law of the place where the parties resided when the right to compensation accrued; and

(c) The term "child" shall mean a person unmarried and under the age of 18 years, unless prior to reaching the age of 18 the child becomes or has become permanently incapable of self-support by reason of mental or physical defect, who is a legitimate child, a child legally adopted, a stepchild if a member of the man's household, an illegitimate child, but as to the father only, if acknowledged in writing signed by him or if he has been judicially ordered or decreed to contribute to such child's support or has been judicially decreed to be the putative father of such a child: *Provided*, That the payment of compensation shall be continued after the age of 18 years and until completion of education or training to any child who is or may hereafter be pursuing a course of instruction, entered into before said child reached his or her twenty-first birthday, at a school, college, academy, seminary, technical institute, or university, particularly designated by him and approved by the Administrator, which shall have agreed to report to the Administrator the termination of attendance of such child, and if any such institution of learning fails to make such report promptly the approval shall be withdrawn.

SEC. 4. That payment shall be effective from the date of enactment of this act in all cases where application under Public Law No. 484, Seventy-third Congress, as amended, is on file in the Veterans' Administration prior to the date of enactment of this act, and in all other cases payment shall be made from the date the application of the widow, child, or children, in the form prescribed by the Administrator of Veterans' Affairs, is filed in the Veterans' Administration.

SEC. 5. This act may be cited as the "World War Widows' and Dependent Children's Act, 1943."

Mr. RANKIN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, we have taken this procedure of disposing of the bill in the House as in the Committee of the Whole in order to expedite the matter as much as possible and to take up as little time as necessary.

For many years I have been trying to get a measure of this kind through. The gentleman from New York [Mr. FISH] called attention to the fact that this is a pension. My answer is now and always has been that all veterans' compensation is pension, whether it is called pension or not, so I have no inclination to flinch at the word "pension."

The World War has been over now for more than 25 years. If you will go back you will find that within that time after other wars the Congress has passed legislation of this kind. One of the things that has prompted me to foster this legislation, which, by the way, passed the House 10 or 12 years ago by an overwhelming majority but died in the Senate, is the fact that there are many thousands of World War veterans who came out of the last war with disabilities incurred in line of duty who were denied compensation or failed to make the proper proof or application, and whose widows and orphans have never been compensated to this day.

In 1924 we passed a law to declare veterans who became disabled prior to January 1, 1925, presumptively service-connected. When those men died their widows and orphans were compensated. We found later that there were many thousands of them who did not make their applications prior to January 1, 1925. Some of them had tuberculosis, some of them had cancer, paralysis, and other insidious diseases from which they finally passed away. Because of the fact that they were neither directly nor presumptively service-connected, their widows and orphans were denied any compensation at all.

In 1929 I attempted to raise the presumptive period to January 1, 1930. That bill passed the House by 324 to 49. It passed the Senate by exactly 11 to 1, or 66 to 6, but was vetoed by the President. Under terrific pressure, brought to bear from the outside, and from some men on the inside, and with the promise that legislation that would be more equitable would immediately follow to take its place, that veto was sustained.

Immediately there was passed, under suspension of the rules, with only 40 minutes of debate, with no opportunity to amend, a bill that none of us had ever seen, and not 1 man out of 50 who voted on it had ever read, known as the disability-allowance bill, that was so broad that it created a reaction all over the country that finally resulted in the economy bill of 1933. Those men who were totally and permanently disabled were finally restored and are now drawing $40 a month.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. But when they die their widows and orphans are left without a penny. Those widows have dragged their little children through two depressions, and some of those children, as I said the other day, are now fighting the battles of this Nation on every front in the world.

I know that it is customary to wait until they get old—and some of them are old today—but you must remember that a woman needs her compensation most when she is trying to bring up her little children. For that reason I have attempted to bring this legislation before the House and get it passed at every opportunity I have had since 1932.

As I said, we passed this bill in 1932 by an overwhelming majority. My recollection is it was 316 to 16. My recollection is that the majority in this House was exactly 300. But it died in the Senate, and, of course, never did become a law.

You may always figure with safety that the Veterans' Administration overestimates the cost of these bills. If the Veterans' Administration figures are correct, the first year's cost will be $30,215,000. My honest opinion is that that might be cut in half or probably still further reduced because the expense of this measure will not be very heavy.

The gentleman from New York [Mr. FISH] pointed out awhile ago that this measure has safeguards thrown around it that protect the Government against the conditions which prevailed after the War between the States. When the Federal soldiers began to get old there were a great many young women who married them and drew widows' pensions after they died; and some of them are drawing them yet.

The Confederate soldier was relieved of that embarrassment, because he did not get enough pension to justify women running around after him to get him to marry them in his old age.

We provide here that this shall apply only to those widows who marry the veterans before this bill becomes a law. I am rather certain that no women will be running around trying to marry these old men on the slim hope of getting legislation of this kind passed. So I think that evil at least can be entirely eliminated.

As I said, if this measure becomes law it will take care of a great many deserving cases who should have been on the

roll for the last 10 years, probably for the last 25 years

We are considering this bill under the 5-minute rule, and any Member who desires to discuss this proposition may do so. If any of you have any questions I shall be glad to answer them.

Mr. FISH. I should like to ask the gentleman a question. Has this bill any connection with the Economy Act of 1933?

Mr. RANKIN. There were some men taken off the roll at that time who were presumptively service-connected. If they had died before that bill had passed their widows and orphans would have been taken care of. As to the ones who never got back on that roll and died from other disabilities, or died from any disabilities, their widows and orphans would come under the provisions of this bill. I think some of the victims of the Economy Act of 1933 would be taken care of under it.

The SPEAKER. The time of the gentleman from Mississippi has again expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HARE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Carolina.

Mr. HARE. On page 3, line 20, paragraph (c), giving the definition of "child," it read as follows:

> The term "child" shall mean a person unmarried and under the age of 18 years unless prior to reaching the age of 18 years the child becomes or has become permanently incapable of self-support.

The question I want to raise is whether or not the Veterans' Administration has been able to fix a standard or a yardstick that will determine what self-support is or how much disability would constitute inability for self-support.

Mr. RANKIN. You did not read the rest of that line, which is as follows:

> incapable of self-support by reason of mental or physical defects.

Mr. HARE. That is correct. I took that into consideration.

Mr. RANKIN. It would be the same as when you would declare an ex-soldier incapable of self-support. You know when a person is crazy, we know that. We know that this applies to two classes of persons. One of them is an imbecile, a person who is insane.

Mr. HARE. That is easy, I can understand that.

Mr. RANKIN. That is a person who becomes insane prior to the time he reaches the age of 18. I will say to the gentleman from South Carolina this has been in the pension laws probably 75 or 100 years.

Mr. HARE. If that is the standard, I am perfectly satisfied, but I have the impression that most of the legislation read "permanently and totally disabled."

The Veterans' Administration has a standard for determining when a person is totally disabled, permanently disabled. But the standard of self-support is different for every individual. I may be physically able to support myself, but the same disability or the same income would not be sufficient for the self-support of someone else.

Mr. RANKIN. I will say to the gentleman from South Carolina that the same measuring stick will be applied to these children that was applied to the children of the veterans of the War of the Revolution, the War of 1812, the Mexican War, the War between the States, and the Spanish-American War, and where a child has become mentally and physically incapacitated before it reaches the age of 18 years, it comes under the provisions of this bill as long as that disability prevails.

Mr. HARE. My argument was whether or not we would not be able to relieve the Veterans' Administration a great deal by inserting the words "permanently and totally disabled" instead of using the word "self-support."

Mr. RANKIN. I think we would be better off not to be changing the law which has been in existence so long. This provision has been written into the pension law so long I think it would be better to leave it just as it is.

Mr. HARE. If the gentleman feels that is more efficient, I have no objection to it. I was raising the question as to whether or not the Veterans' Bureau should be charged with having several yardsticks; that is what I meant by my question.

Mr. RANKIN. This is the yardstick we have always had. I think it is best to leave it that way since it has been applied all these years.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Would not the mental or physical defects be determined by the same agency of the Veterans' Administration as now determines permanent and total disability?

Mr. RANKIN. Oh, yes.

Mr. CUNNINGHAM. One other question, Mr. Speaker. I think, although this bill does not put the widows and children of the veterans of World War No. 1 on an equality with the widows and children of veterans of prior wars, it is a forward step toward that equality; is it not?

Mr. RANKIN. Oh, yes. And if we had taken the schedule applied to widows and orphans of veterans of the War between the States or the widows and orphans of veterans of the Spanish-American War, the cost of this bill would have been a great deal more.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. This bill has been reported out of the Committee on World War Veterans' Legislation twice unanimously?

Mr. RANKIN. That is right.

Mrs. ROGERS of Massachusetts. And all the veterans' organizations have endorsed the purposes of this bill?

Mr. RANKIN. That is right. The American Legion has had this bill on its schedule for at least 12 years, if I remember correctly.

Mrs. ROGERS of Massachusetts. I would like to say also, does not the gentleman from Mississippi agree that usually the Veterans' Administration is high in estimating the cost of a bill?

Mr. RANKIN. Always.

Mrs. ROGERS of Massachusetts. Always.

Mr. RANKIN. Yes.

Mrs. ROGERS of Massachusetts. We had that experience where the Veterans' Administration estimated the cost of a bill which I introduced which covered relatively few constitutional diseases at $72,000,000 and then later estimated the cost with reference to a bill introduced by the gentleman from Mississippi [Mr. RANKIN], which covered many more constitutional diseases, at $30,000,000. So the Veterans' Administration is often erroneous in its estimates.

Mr. RANKIN. Yes; and the Veterans' Administration is always very liberal in its estimates in advance as to the cost of a bill.

The SPEAKER. The time of the gentleman from Mississippi has again expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes to answer the questions of some of the Members.

Mr. COLE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. COLE of Missouri. I wonder if the gentleman will tell me if a widow qualifies under this act and begins drawing her pension and then remarries does her pension continue?

Mr. RANKIN. No; that is my understanding.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. Of course, the dependent children will receive the pension, but not the widow.

Mr. COLE of Missouri. But not the widow who has remarried?

Mr. RANKIN. That is right.

Mr. COLE of Missouri. Now, assume the widow has remarried and again becomes a widow through the death of her second husband—does she again, as the widow of the veteran, who was her first husband, become eligible for this pension?

Mrs. ROGERS of Massachusetts. My impression is, is it not correct, Mr. Chairman, under the previous law the widow would receive a pension if she is in need? That is true, I know, if the widow of a Spanish War veteran remarries and the husband dies. I will telephone to find out if I am correct regarding the World War veterans.

Mr. RANKIN. Yes; provided she comes under the other provisions of the bill.

Mr. COLE of Missouri. In other words, if a widow of a veteran at the time this law is enacted is married and her then husband, who is not a veteran, dies, she is eligible as being a widow of the veteran?

Mr. RANKIN. That is, the widow of the former veteran.

Mr. COLE of Missouri. She is eligible to make application for this pension?

Mr. RANKIN. That is right in the case of a Spanish War widow, and I think it is true as to widows of World War veterans.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Indiana.

Mr. SPRINGER. The question I want to ask is with reference to the former widows and orphans bill which was passed by the House and which passed the Senate and was vetoed. Was not that bill in practically identically the same form as this bill?

Mr. RANKIN. Almost; the rate schedule was probably not quite as high, but it was almost identical with this bill. But at that time, I will say to the gentleman from Indiana, it had not been approved by the American Legion. But the American Legion took the proposition up later and has approved it at every national convention down to the present date.

Mr. SPRINGER. I know the American Legion approved the bill in its last convention.

Mr. RANKIN. Yes.

Mr. SPRINGER. Is it not also true that the Veterans of Foreign Wars have approved this legislation?

Mr. RANKIN. I think it has been approved by the Veterans of Foreign Wars; yes.

Mr. FURLONG. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. FURLONG. I wish to ask the gentleman from Mississippi [Mr. RANKIN] a question. I have correspondence on my desk from a widow of a veteran of World War No. 1. This man was disabled, but being a man who wished to carry on his work, he never applied for any disability compensation. Now he has died and his widow is in need. To prove his disability after this man's death is a hard thing.

Would this widow, under this law, be covered without proving the disability of her husband?

Mr. RANKIN. Yes.

Mr. PHILLIPS. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. PHILLIPS. In case of a widow who remarries and technically loses her pension, does not the income of the second husband have anything to do with it?

Mr. RANKIN. Oh, no. If she marries again she takes her chances. We are not going to pension some fellow's wife if he cannot make a living for her.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. ROBSION of Kentucky. Where is the act that would authorize a remarried widow of a World War veteran to draw a pension or compensation? I know that a Civil War widow can, but the Economy Act certainly cut out remarried widows of World War veterans.

Mr. RANKIN. Under the regulations of the Veterans' Administration that has been the practice. We have a great many widows of service-connected men who are drawing compensation, and when they marry some other man that compensation stops.

Mr. ROBSION of Kentucky. I have had experience with a number of persons in my district and they were denied a pension after they had remarried, and unless the law has been changed, I do not think they can draw a pension.

Mr. RANKIN. I think if the gentleman will take that up with the Veterans' Administration and get their regulations on that proposition, he will find they were entitled to go back on the rolls.

Mr. Speaker, I yield back the remainder of my time.

Mr. SCRIVNER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I take this time merely to answer some questions and clarify some doubts. There are two classes of cases which this law contemplates. First, those veterans who served 90 days or more. Second, that group of veterans who did not serve 90 days, but were discharged prior to the 90 days service for disability in service; for example, a man who had been in service only 30 days, and through an accident lost an eye, and he is discharged because of that injury. It then contemplates two classes of deaths. Past deaths and future deaths. When you take those two classes into consideration it will include the widows of those men who served 90 days or over, who have already died. It will also include the widows and children of those men with 90 days or more of service who die in the future, without dying from disease or disability incurred in line of duty.

Then again, it would take in the widows of those men who have already died, who served less than 90 days, but were discharged for a disability which was not the cause of death and the widows of those men similarly situated who die in the future.

I trust that clears up the question that the gentleman from Connecticut asked.

Mr. Speaker, it is hoped that this too-long-delayed measure will soon become law.

I yield back the remainder of my time.

Mr. ROBSION of Kentucky. Mr. Speaker, I arise in support of H. R. 1744, a bill to provide Government protection to widows and children of deceased World War No. 1 veterans. This measure has been endorsed by the American Legion, the Veterans of Foreign Wars, the Disabled Veterans, and other veteran organizations. The American Legion and other veterans' organizations have been urging this legislation over a period of several years. Many of us from time to time have introduced in the House similar bills. The World War Veterans' Committee of the House unanimously reported this bill and a similar bill, H. R. 4, in the Seventy-seventh Congress, 1941. The House in 1941, by almost unanimous vote, passed H. R. 4 and sent it to the Senate. It was not taken up for consideration in the Senate. This bill provides pensions for widows and minor children of deceased veterans of World War No. 1 who had 90 days or more of service with an honorable discharge and veterans who were discharged on account of service-connected disability who had less than 90 days of service. In order for a widow or minor children to secure pension or compensation under this bill, it is not necessary to prove that the veteran's death was due to disability in line of duty, or that he had any service-connected disability at the time of his death. It grants pensions to these widows and minor children of these veterans of World War No. 1 without being required to prove that the veteran had any service-connected disability. Under our present laws, widows and minor children of veterans of World War No. 1 are already granted the right to apply and secure compensation provided the veteran's death was due to service-connected disability, or he had service-connected disability at the time of his death, but widows and children of these veterans who did not have service-connected disability, or whose death was not due to service-connected disability cannot, under the present law, secure compensation. This measure gives to them that right.

Twenty-five years after the close of the Civil War a similar act was passed for the widows and minor children of Civil War veterans, and in 1918 the same sort of bill was passed for Spanish War widows and minor children, and Congress has also passed similar bills for the widows and children of veterans of our Indian wars. The Spanish War Act was passed 20 years after that war began. It has now been 27 years since World War No. 1 began and more than 25 years since the armistice of World War No. 1. These widows and minor children of veterans of World War No. 1 have been insisting that they be placed on the same footing as the widows and minor children of the Civil War, the Spanish-American War, and our Indian wars; and I am very happy, indeed, to help accomplish this purpose.

In passing, I wish to commend the chairman and other members of the World War Veterans' Committee for bringing this bill out and giving us an opportunity to do this act of justice for the widows and minor children of veterans of World War No. 1.

I should like to inquire of some member of the committee with reference to the limitation providing that a widow without children, with an annual income of $1,000, or a widow with a child or children, with an annual income of $2,500, is denied the benefits under this measure. The bill states, "In determining annual income, payments of war-risk term insurance, United States Government life or converted insurance, and payment under World War Adjusted Compensation Act, will not be considered as part of the income." That language covers any form of insurance paid by the Government to the widow or children; would it not?

Mrs. ROGERS of Massachusetts. Yes; that is correct. Of course, insurance that was paid for by the veteran.

Mr. ROBSION of Kentucky. The first Service Pension Act passed for the benefit of the widows and children of Spanish War veterans was in 1918. It excluded widows who had a certain annual in-

come or more. Under that law the Pension Bureau required every widow who made application for herself and for her children, if she had children, to prove that her annual income did not exceed the amount set out in the act. This caused endless delays and entailed a great deal of expense to the Government in investigating each case to determine whether or not the income of the widow exceeded the amount set out in the act, and, therefore, when our Pension Committee of the House amended the act on September 1, 1922, we cut out this limitation because it was costing more to administer the law with that provision in it than was saved in denial of some pension claims. I had charge of that bill and made considerable study of the problem, and with that experience and knowledge I am afraid the limitation set forth in this bill will greatly delay the granting of this needed relief to thousands of widows and orphan children, and cost the Government more to investigate these claims than will be saved by the denial of some few who have incomes in excess of $1,000 or $2,500 provided in this bill. We must constantly bear in mind that an overwhelming majority of those who fight our wars are men of very moderate circumstances and very few of their widows will have an annual income of as much as $1,000 or $2,500. This bill does not say "net income," but merely says "income." The necessary outlay to provide this income may be equal or almost equal to the income. Yet, under this bill, the widow and children would be denied any relief. Then there may be thousands of border-line cases where the annual income would be slightly more than the limitations fixed in this bill, and they would be denied relief. The big objections to limitations of this kind are the delay in getting this new relief to the widows and minor children and the cost and expense to the Government in administering the law with this provision in it. If the Government will not save any money and delay would be caused, why should we place this limitation in the bill? We may, as we did in 1922, find that the cost of administering this act because of these provisions will be greater than the amount saved because a small number of persons with greater incomes will apply for these pensions. I shall vote for an amendment to strike this limitation from the bill.

Mr. CUNNINGHAM. The extraordinary cost of administering that provision of the bill is due no doubt to the trouble and expense the Government would have to go to to determine whether or not the widow had an income of more than a thousand dollars. Suppose an amendment were offered to this bill whereby the Government would accept the sworn statement of the widow as to her income and we could get away from all costs of investigation?

Mr. ROBSION of Kentucky. If there is any merit in the proposition. The Government, of course, is at the mercy of every person who would be willing to swear that her income was below a thousand dollars or $2,500.

Mr. CUNNINGHAM. The law governing perjury would still control; it would be a sworn statement.

Mr. ROBSION of Kentucky. Either it should be stricken or some amendment simplifying the procedure should be adopted. This affidavit being at least prima facie evidence might cause the matter to be held up months, yes, sometimes for years.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mrs. ROGERS of Massachusetts. At the present time I believe claims of widows and dependents for compensation are acted upon pretty quickly and widows are getting their pension checks much more quickly. I should also like to say to the gentleman——

Mr. ROBSION of Kentucky. Let me interrupt to say that there is no such limitation written into the law in the matter of dependency benefits; but we are also having trouble in the matter of dependency benefits. The gentlewoman will recall that we recently passed an act increasing the dependency benefits. We thought these benefits would automatically be increased, yet what happened was that the dependency agencies proceeded to cut down thousands and they had to prove their claims again.

Mrs. ROGERS of Massachusetts. I should like to say to the gentleman also that the Veterans' Administration needs a much larger personnel.

To correct an error, may I not state that the World War widow who remarries cannot get back on the pension rolls, yet a Spanish War veteran's widow who remarries can.

Mr. ROBSION of Kentucky. That was the question I raised a while ago. I have had experience with many cases of that kind in my own district wherein the widow of a World War veteran who remarried and became a widow again could not get back on the pension rolls. There is nothing in this bill or in the law that permits her to have her pension restored.

Mrs. ROGERS of Massachusetts. That is correct; but the Spanish War widow can.

Mr. ROBSION of Kentucky. So when the widow of a World War veteran remarries she is out unless we change the law.

WHAT DOES THE BILL PROVIDE?

The bill provides a monthly compensation to widows of World War veterans who served 90 days or more but had received no disability in the service, and to the widows of veterans who served less than 90 days but were discharged on account of service-connected disability. The following are the sums:

Widow but no child, $30.

Widow with one child, $38 (with $4 for each additional child).

No widow but one child, $15.

No widow but two children, $22 (equally divided).

No widow but three children, $30 (equally divided) (with $3 for each additional child; total amount to be equally divided).

The total amount paid to the widow and children cannot exceed $64.

Every widow of a World War veteran who was married prior to the date of the enactment of this act to the veteran comes within the provisions of this act provided, of course, if the veteran served 90 days or more, with an honorable discharge, or if he served less than 90 days and was discharged with a service-connected disability. Of course the veteran must have enlisted in the service prior to November 12, 1918, or have served with the United States military forces in Russia prior to April 2, 1920.

The word "children" as defined in this bill includes those under 18 years of age and unmarried, and also includes those over 18 years of age who become incapable of earning a livelihood on account of mental or physical disabilities before they reach the age of 18 years, and it includes children up to 21 years of age who are pursuing a course of study. This measure brings relief to thousands of needy and worthy widows and children of veterans of World War No. 1, and I am happy to give to it my wholehearted support.

Mr. MOTT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOTT: On page 2, line 3, after the word "compensation", strike out the colon, insert a period, and strike out the remainder of the paragraph.

Mr. MOTT. Mr. Speaker, my amendment would strike the provision of this paragraph which requires the widow of a veteran to show that her income does not exceed a thousand dollars or, if she has dependents, $2,500.

I think this restriction and limitation has no place in a bill of this kind. In the first place, as the gentleman from Mississippi so well stated, this is a pension bill, and I am glad he was so frank about it. That is one reason why this limitation is wrong. Limitations and discriminations have no proper place in pension legislation. A pension is a reward for service. Another reason is that the maximum income here provided is entirely too small. Everyone knows that a widow having an income of only a thousand dollars a year is not able to take care of herself. Why make a limitation of $1,000? Again we may have a widow of a veteran who is earning $10 more than $1,000 a year. She would not get anything under this bill. A limitation of that kind is arbitrary, discriminatory, and unjust.

All widows of World War veterans, if they are entitled to a pension at all, and I certainly believe they are, are entitled to it unconditionally. The veterans' widows who have large incomes will be so few that it will make no substantial difference anyway, so far as the cost is concerned.

I hope the House will vote to strike out this provision and make this bill a universal and an equitable one to provide a pension for the widows of all World War veterans, no matter what their income may be.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. MOTT. I yield.

Mr. ROBSION of Kentucky. The bill as written does not say "a net income of $1,000"; it just reads "annual income of $1,000."

Mr. MOTT. The gentleman is correct. I believe this particular provision could not have been very well considered, because it would preclude so many worthy, needy widows of veterans from receiving any pension at all.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. MOTT. I yield.

Mr. CANFIELD. There is a widow in my district, a laundress, who receives an income of $1,010 a year. It was suggested to her even by agents of the Bureau that she try to get a decrease in wages so she could get the benefits of Federal Government legislation. She is trying to do that now.

Mr. MOTT. I thank the gentleman for his very illuminating and factual contribution.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MOTT. I yield.

Mrs. ROGERS of Massachusetts. Does the gentleman feel there would be more apt to be a veto of the bill with that limitation out?

Mr. MOTT. Judging from our past experiences with the President in veterans' legislation, I should say that probably the President would veto the bill anyway and that we would have to pass it over his veto. The President has vetoed nearly every beneficial bill for World War No. 1 veterans and their dependents, so far as I can recall, during his entire 11-year tenure of office, and I would not be surprised if he should veto this one, but I believe that the Congress now, after the experience it has had with the repeal of the Economy Act and the enactment of the bonus bill over the President's veto, has demonstrated its ability to pass good veterans' legislation notwithstanding the President's veto, and we can do it again if necessary.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MOTT. I yield.

Mr. RANKIN. What we want is to get this bill passed so the widows and orphans may be taken care of. This provision is in veterans' legislation generally. The Committee on World War Veterans' Legislation has gone through this proposition time and time again. Does the gentleman want to kill this legislation? If so just go ahead and load it up in this way.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MOTT. I yield.

Mrs. ROGERS of Massachusetts. Would it not be better to take it in two bites, get this bill passed first, and then another one dealing with the inequality?

Mr. RANKIN. Of course, you have got to do it to get it passed at all. You have to get it by the Senate. This bill has passed the House once, it went over to the Senate and there it died. We have got to get it by the Senate and we have got to get it by the President, too.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield? The Senate has not acted until just recently upon veterans' bills that the House passed some months ago. I want the Senate to act upon this bill promptly in order to secure passage by the Senate before Memorial Day. I think we want to get this through the Senate before Memorial Day if possible.

Mr. RANKIN. That is right.

Mr. PETERSON of Florida. This bill was carefully considered by the committee and was passed by the House once before and got over to the Senate but was not taken up by that body. If we send the bill to the Senate as written by the committee we will stand a better chance of getting it passed.

Mr. RANKIN. The bill should be passed as written without this amendment. To become law it has got to be passed by the Senate and signed by the President.

Mr. ROBSION of Kentucky. In what veterans' law or pension law today is there a provision similar to this?

Mr. RANKIN. In the bill dealing with veterans' compensation.

Mr. ROBSION of Kentucky. That withholds a pension if they have an income of more than $1,000?

Mr. RANKIN. This provision has been in several bills. The Committee on World War Veterans' Legislation wants to get this bill passed.

Mr. MOTT. Mr. Speaker, I know how ardent a friend of the veterans the gentleman from Mississippi is. He probably has done more for veterans than anyone in this House. I want to ask him if he thinks it is right to require a $1,000 maximum income limitation as a condition to the widow's receiving a pension. If the widow happens to earn $1,000, as in the case cited by the gentleman from New Jersey, she is disqualified. Does the gentleman believe that striking out that limitation would cause the Senate not to pass the bill?

Mr. RANKIN. I may say to the gentleman from Oregon that what we are trying to do is to get this bill through to take care of these widows and orphans we have been trying to help for 12 years. I say that if we load it up with these amendments, the chances are it will merely result in killing the bill.

Mr. MOTT. Does the gentleman think that if this bill passes the House and the Senate with this amendment that it would be vetoed?

Mr. RANKIN. I am sure it will never even get by the Senate if we put this amendment in it. The others were not, I will say to the gentleman.

Mr. MOTT. This is a different year.

Mr. RANKIN. Yes; it is a political year.

Mr. MOTT. And it is a different time of the year.

Mr. RANKIN. I legislate on veterans' legislation whether it is a political year or not, and I am not going to be stampeded into doing something that I think will wreck this legislation.

Mr. McMURRAY. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Wisconsin.

Mr. McMURRAY. Can the gentleman from Mississippi give us any estimate that may have been given to the committee with reference to the difference in cost to the country if this amendment is adopted?

Mr. RANKIN. No; I cannot. We are trying to take care of 99 percent of them. We are going to take care of the widows and orphans. We have been trying to do so for 12 years. They need the money and they need it now. The few of them who have this income are not suffering as the ones are who have no income at all.

Mr. McMURRAY. Can the gentleman give us an estimate as to the cost of the bill?

Mr. RANKIN. General Hines estimated $30,000,000 the first year, but I think that is rather high.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I may say that the Rules Committee has had this bill under consideration for months before reporting it out.

The SPEAKER. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Oregon [Mr. MOTT].

The amendment was rejected.

Mr. BUSBEY. Mr. Speaker, it gives me particular pleasure to support H. R. 1744, a bill providing compensation for the widows and children of those men who served faithfully in the First World War, and in World War No. 2. Certainly those who will benefit by this legislation have just claims to compensations as herein provided.

These widows who are provided for herein, in cases where the cause of death of the veteran was not a service-connected disability, have made the same sacrifices as any other group, and this provision of financial benefits for them and their children is timely, and it is a gratifying privilege to support this legislation.

This bill if enacted into law will restore benefits to presumptive cases that were removed from those entitled to benefits under the Economy Act of 1933.

Mr. REES of Kansas. Mr. Speaker, legislation providing for compensation to widows and children of World War veterans has been under consideration in Congress for some time. This bill provides that compensation may be paid to widows and for minor children where the total income of the widow is less than $1,000.

It has been 25 years since the close of the World War No. 1. There are a number of widows of veterans who are in need of this support. They will be greatly relieved and benefited thereby. A good many of them have children who are dependent upon their mothers for support.

This legislation simply places World War veterans' widows on a par with those of the Spanish-American War. It does not pay pensions to women who have sufficient income with which to take care of themselves. In case the widow of a veteran remarries, her name is automatically removed from the pension rolls.

I feel sure this bill will pass the House without opposition.

Mr. MILLER of Connecticut. Mr. Speaker, for the past few days I have stood side by side with the members of the House Committee on World War Veterans' Legislation in an effort to pass the so-called G. I. bill of rights. It seemed to me that the Committee on World War Veterans' Legislation reported out an excellent bill to the House whose features were generous, as they should be. This showed that the committee had given due consideration, not only to the needs of the veterans, but to the taxpayers as well.

I regret that neither my conscience nor my judgment will allow me to support H. R. 1744, which is now under consideration in the House. This is the so-called widows and orphans bill. I opposed this legislation most vigorously when it was presented to the House during the Seventy-sixth Congress. The objections expressed at that time are, if anything, more valid today. Just to make my position clear, may I point out that under existing law the widow of any World War veteran who, at the time of his death, had a 1-percent or more service-connected disability, regardless of the cause of death, is entitled to a pension. The bill now under consideration removes all limitation as to the veteran having a service-connected disability. In other words, under this bill, the widow of every World War veteran would automatically be entitled to a pension, providing only that if there are no children, her annual income must be less than $1,000, or if she has a child it must be less than $2,500 annually.

All of which means that a World War veteran, killed 25 years after the war, possibly in an automobile accident, could leave property valued in excess of $80,000, and, providing that the annual return on this property was less than 3 percent, his widow would, under this legislation, automatically be entitled to a pension of $38 monthly, if she had one child. I cannot bring myself around to the point of supporting legislation to pay a pension of $30 to a widow of a man whose only service may have been on a college campus while, at the same time, we provide a pension of only $50 for the widow of a man who was killed in combat or who died of wounds received in combat. It seems to me it would be much more equitable to take the thirty to sixty million dollars per year that this bill would cost and distribute a major part of the amount among the widows of men who died of a service-connected disability.

I believe that the widow of a man who was actually killed in combat is entitled to an adequate pension and, in my humble opinion, anything less than $75 per month is an inadequate pension. If this legislation were restricted to widows of men who actually participated in combat or even to the widows of men who had a substantial period of overseas service, I could support it. The only possible justification for this legislation is the fact that we have paid pensions to widows of men who served in previous wars.

Yesterday I expressed the thought that the cost of the G. I. bill, then under consideration, depended on the economic conditions here in the United States at the end of the war. If the returning service man and woman can find gainful occupation at decent wages, the cost of the G. I. bill will not be exorbitant. From this point on, every time we pass legislation or authorize the expenditure of huge sums of money, we are threatening the security of not only the service man or woman but all of our citizens.

It is my considered judgment, after careful and thorough investigation, that the overwhelming majority of the men who served in World War No. 1 and who have studied the provisions of H. R. 1744 are opposed to its enactment at this time.

Mr. ANGELL. Mr. Speaker, I am glad to have this opportunity to vote for the passage of H. R. 1744, which is a bill providing Government protection to widows and children of deceased World War veterans—that is, World War No. 1. This legislation has been too long deferred. It is now over 25 years since the World War No. 1 armistice, and there are literally thousands of cases of widows and children of veterans of that great struggle who are in dire need and who have received no recognition or help from the Government for the protection of which these veterans offered their lives.

It has been a uniform practice of our Government to provide for such widows and dependents of veterans of previous wars in which the United States has been engaged. In brief, this bill provides for the granting of compensation which is in the nature of a pension to the widows and children of deceased veterans of World War No. 1, without the requirement that the veteran at the time of his death had a disability shown to have been incurred in or aggravated by his military service.

The bill contains the requirement and condition that the veteran must have served 90 days or more during the World War or, if less than 90 days, must have been discharged for disability incurred in service in line of duty. Furthermore, the discharge must have been honorable and the veteran must have entered the service prior to November 12, 1918, unless the service was with the United States Military Forces in Russia, prior to April 2, 1920. These pension benefits are subject to an income limitation, comparable to that applicable to widows and children under the act of June 28, 1934, Public, No. 434, Seventy-third Congress, as amended, namely, an annual income which does not exceed $1,000 to a widow without a child, or an annual income which does not exceed $2,500 to a widow with a child or children. The bill provides that in determining annual income payments of war-risk term insurance, United States Government life insurance—converted—and payments under the World War Adjusted Compensation Act and the Adjusted Compensation Payment Act of 1936 shall not be considered. The monthly rates of compensation are as follows:

Widow with no child, $30.

Widow with one child, $38; and with $4 for each additional child.

No widow, but one child, $15.

No widow, but two children, $22.

No widow, but three children, $30; with $3 for each additional child.

It is further provided that the total compensation payable under this section shall not exceed $64.

Mr. Speaker, I sincerely hope that this bill will receive the unanimous approval of both the House and the Senate and will be signed by the President, so that these deserving widows and orphans of deceased veterans of this great conflict occurring more than 25 years ago may without further delay receive this well-deserved recognition, namely, these monthly payments to provide for these war widows in their declining years and for the care of the dependents of deceased veterans.

Mr. SPRINGER. Mr. Speaker, I take this brief time, on this measure, to make some observations respecting the widows and orphans of World War No. 1 and the sad plight in which many of them find themselves during this present war. The cost of living has increased, and those widows of our comrades who have had the burden of raising children have certainly faced some tragic problems. We desire to correct that situation, and to extend to them, the widows and orphans of our comrades, relief which has long been delayed.

May I say, at this point, that a bill, almost identical with this one—House Resolution 539—was introduced in the House, as I recall, in the Seventy-seventh Congress, and that measure passed in the House. It did not become law. This present measure is intended to make provision for those widows and orphans of the veterans of World War No. 1, which is badly needed. This measure eliminates the requirement that the veteran, at the time of his death, must have had a disability shown to have been incurred in or which was aggravated by his service; however, this pending measure does contain the requirement that the veteran must have served 90 days, or more, during World War No. 1, or, if his service was less than 90 days, then he must have been discharged for disability incurred in service in line of duty. This measure also requires that the veteran shall have received an honorable discharge from the service, and it is further required that such veteran must have entered the service prior to November 12, 1918, or, if such service was with the United States military forces in Russia, before April 2, 1920.

Mr. Speaker, while under the present law the widow of a veteran of World War No. 1, who is drawing compensation by reason of the death of her husband, upon her remarriage all such compensation is terminated, and she is not permitted thereafter upon the severance of her subsequent marriage to be restored upon the pension or compensation rolls. Yet, I am convinced that these restrictive provisions will be liberalized in the future. They should be liberalized. However, I am also convinced that this subject should not be brought into this measure, as it is very important that this legislation in favor of the widows and orphans of World War No. 1 be promptly

taken care of, and that this measure be passed to that end promptly and today. If other elements should be injected into this measure today, I fear that this needed legislation will be postponed, and in the future I fear it will be vetoed. We need this legislation now. The widows and orphans of our veterans of World War No. 1 are needy in so many cases. A postponement of this measure would cause great distress and suffering.

May I call to the attention of the House that it is now 25 years since the termination of World War No. 1? This legislation has been too long delayed. The elimination of the requirement of proof of the existence of a service-connected disability at the time of the death of the veteran will be very helpful in all such cases. Yet when we recollect that the widows of Spanish-American War veterans were granted pensions 16 years after that war was terminated, and there were a very limited number of them, we realize that the widows and orphans of the veterans of World War No. 1 have had a long time to wait until some redress is offered to them.

Mr. Speaker, it is my hope that this measure will pass in the House without a dissenting vote—that this measure will be promptly passed in the other body, and that the veto will not be applied to this praiseworthy measure by the Chief Executive. It is my hope that this measure become a law in its present form and that the lights will again burn in the thousands of American homes where the veterans of World War No. 1—our comrades—meditated over the days of strife and war and of the preservation of our flag and our country. Let us do something for his widow and for his children.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. CASE. Mr. Speaker, I move to strike out the last word. In looking over the daily RECORD for yesterday, I find on page 4731 that consent was asked and given that there be placed in the RECORD the education section or title II of the general veterans bill, as it was amended. Presuming that this printing may be used by some Members or others for reference, I call attention to an error in the copy supplied the printer in that a portion of the amendment which I offered and was accepted, is omitted. The word "training" is omitted. I have consulted the Parliamentarian and we have examined the engrossed copy and I can assure the membership that the engrossed copy does carry the amendment as it was offered and accepted by the House.

The omission in the text as printed in the daily RECORD on page 4732 is in the forty-eighth line, first column, page 4732. The word "training" which was omitted, was, as the Members will recall, the central point of discussion on the amendment. The bill as passed and the engrossed copy shows the word "training" along with "refresher or retraining courses." I make the statement at this time merely for the reference of Members so that if they use the daily RECORD as printed they will not wonder about the matter or be misled.

Mr. Speaker, I ask unanimous consent that the permanent RECORD may be corrected to show the word "training" in the place indicated.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. RANKIN. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

(Mr. DILWEG asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend in the Appendix of the RECORD a speech prepared by me for delivery as of May 14.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SCOTT]?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. CANFIELD]?

There was no objection.

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two instances, in one to include a letter, and in the other to include an editorial from the Milwaukee Journal.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. McMURRAY]?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD, and to include therein an article concerning one phase of international law written by an eminent writer, Joseph Walter Bingham.

The SPEAKER. Is there objection to the request of the Delegate from Alaska [Mr. DIMOND]?

There was no objection.

WAR AGENCIES APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I would like to announce to the House that the hearings on the war agencies appropriation bill are now available for the Members of the House, if they apply for them at the committee rooms. It is a long and detailed bill upon many diversified subjects. It may be that Members would like to read the hearings in advance. They are available now, although the bill will not be brought up until Thursday of next week. I should like to say, however, that the hearings are available for Members only for their personal use, and will not be released generally for publication or public use until the bill is passed upon by the full committee and reported Thursday.

AUTHORIZING ACQUISITION AND CONVERSION OR CONSTRUCTION OF CERTAIN LANDING CRAFT AND DISTRICT CRAFT FOR THE UNITED STATES NAVY

Mr. BATES of Kentucky. Mr. Speaker, by direction of the Rules Committee I call up House Resolution 526, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 4710, a bill authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes; that after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BATES of Kentucky. Mr. Speaker, this rule provides for the consideration of H. R. 4710, which is a bill authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy.

I have no requests for time. I have no desire to use any time myself, but I do yield at this time 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is another one of the war measures that the Rules Committee has passed upon unanimously, one of those measures that has been coming continuously from the Committee on Naval Affairs to help win the war.

I think this is the third of a series of authorizations to provide landing boats. The purpose is, of course, to carry our offensive to Europe and to Asia.

In view of the fact that I know of no opposition to the bill anywhere, I would like to take a few minutes to make certain observations. I do not want to criticize in any way the Navy Department or the Committee on Naval Affairs, but it does seem a little strange that after 2½ years of war they should come in here now asking for a very large number of landing boats. It would seem that at least they could have figured this out 2 years ago, or a year ago, or 6 months, because it will take some time to build these landing barges, ships, and boats. It will probably take a year, at least, to fill this order. Most of us are hopeful that the war in Europe will be over this year.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Oregon.

Mr. MOTT. One of the reasons why this authorization is necessary now is that by the time many of the present contracts are completed, the authorizations will all have been used up, and without this authorization we could not build beyond the amount of the present contracts. As for the closing up of the war in that portion of the globe where these landing craft will probably be most used, no one can tell whether that war will end in 2 years or 3 years or even 5 years.

Mr. FISH. I thank the gentleman for his contribution.

However, this does not quite satisfy my slight criticism. I do not see why they could not perfectly well have figured about what they needed a year or 2 years ago, and if they needed them badly enough, to have concentrated on that type of craft, maybe, instead of battleships or something else. If we had needed them as badly as we apparently do, it seems to me they should have been built by this time. That is not, I say, a complete criticism, because nobody can accurately estimate in advance the needs and requirements of any war. It is a partial criticism, and I think, to that extent, fair. I see the other side perfectly well, and I know the answer.

The reason I am taking this time is to repeat an old story, an old story to the House of Representatives, because I have been making it for the last 2 years and possibly more. I hope that a large part of these boats—and we will not wait until they are built—but a large part that are built will be sent over to General MacArthur so that he can carry the offensive to Japan and not to these little islands 3,000 miles away from Japan.

I believe the American people are united, regardless of partisanship, in trying to get munitions, airplanes, ships, and soldiers to General MacArthur so that he can begin to conduct a major offensive against Japan. The same thing applies to China. Today we find a situation where China, without arms, without tanks, without airplanes, is fighting the well-equipped Japanese forces, and are being driven back. Nobody knows how long China can endure and how long it can last, and how long it can continue to fight against the might of the Japanese armies.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, I yield myself 5 additional minutes.

So, in the consideration of this bill I am again appealing to the Congress, and to the War and Navy Departments, and to those in charge of our armed forces, to hasten the time to get equipment, soldiers, ships, and airplanes, and everything it takes to win wars, out to the far Pacific to General MacArthur and to the Chinese.

If this statement of mine were made only now it would be of little consequence, perhaps of little value, but we have been urging upon the Congress and the administration, for 2 years or more, this necessity. Even General MacArthur said that he protested this island-hopping campaign, jumping a few miles from one island to another. And after 2 years at war we are still several thousand miles away from Japan.

I assume the purpose of this appropriation is to build ships and landing craft of all kinds to enable our troops to get into China and to attack Japan. But if it is not done soon, if we are to wait another year to complete these ships, what guaranty have we that the Chinese can hold out? Is there a Member of Congress who has any information that he can supply of any guaranty that the Chinese armies can hold out another year? It seems to me that if something is not done in line with what we have been requesting time after time, stressing the advisability of carrying the war against Japan, as we are doing against Germany and Italy, then the responsibility rests completely upon the administration and the War Department if the Chinese fail to withstand the Japanese attacks and are forced out of the war. Every time one of these bills comes up I am going to continue to stress the advisability and the necessity of trying to get adequate supplies to General MacArthur as soon as possible, and carrying the war to Japan; at least, bottling the Japanese up, because every single day the Japs are getting stronger and stronger on land and their armies are securing additional arms and munitions. They are building more airplanes. A year ago the Japs were only building 1,000 airplanes. According to recent information, they are now building 2,000 airplanes a month. They are getting stronger and stronger while we are wasting precious time with an island-hopping campaign.

Naturally, with all of the war materials they are getting out of Java and Sumatra, the oil, and the tin, and the iron ore, they are building up immense plants, so unless we carry this war to them now, instead of waiting a year or more, it will mean the lives of thousands of American soldiers, sailors, and marines all over Asia. It will mean the lives of your sons, because, although we are getting stronger, the Japanese Army is likewise.

The Japanese are not only strengthening their own Army, but the armies they are mobilizing in Manchukuo and in Indochina and in other nations that they have conquered by the millions. If we wait until they are fully armed and fully trained, then this war in Asia may go on for a very long time. I hope that when a bill of this kind comes up some Member will take the floor and demand that we put our power, our energy, and our full strength behind the war against Japan and carry the war to them in order to bomb, crush, and destroy them before they get too powerful.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I want to endorse what the gentleman has said. I have seen correspondence from top men in the military forces in that area during the last 5 or 6 weeks in which they say that the situation is deteriorating every day. I would like to have the gentleman, if he can, give us information on this.

We had the statement yesterday from top men about the great production of airplanes. Why is it so impossible for us to assign another 50 or 100 large transport planes with which to carry material over the hump and get it in there to General Stilwell and the other men prosecuting that war?

Mr. FISH. All I can say to the gentleman is this, and it is no secret. It has been published in the newspapers. We are producing 9,000 airplanes a month. With 9,000 airplanes a month, certainly we ought to be able to send a large part of those airplanes into China and out to General MacArthur.

If the Chinese had 1,000 additional airplanes, they ought to be able to defend themselves against the new Japanese offensive. But, unfortunately, the Japs have the airplanes, they have the modern equipment, and they have the tanks, and the poor Chinese, who have been fighting for almost 8 years virtually without arms, are now being overwhelmed and massacred.

Mr. CRAWFORD. I think the official record will show that 100 large transport planes would turn the tide and change the whole picture—just 100.

Mr. FISH. I doubt the statement that 100 would be sufficient, but 1,000 might, and it ought to be comparatively easy for us to fly 1,000 over there.

Mr. CRAWFORD. I said the official record. That is what I am referring to.

Mr. FISH. I would not even go by the official record that 100 would be enough, but why not 1,000? We can easily afford to send them 1,000. We produce 9,000 a month. I am in favor of furnishing lend-lease airplanes to Russia. We have given about 7,000 to them. But suppose we had given one-third that number to China? Suppose we had provided China with several thousand planes and sent much greater quantities of arms and munitions to the Chinese Army and given a larger number of airplanes and equipment to General MacArthur? Then we might stop the island-hopping campaign and land troops in China and bomb Japan. The sooner we begin a major offensive in the Pacific and start to win the war before the Japanese get stronger, the speedier the victory and the less loss of American lives in the future.

Mr. BATES of Kentucky. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Speaker, the distinguished gentleman from New York has just given the statement to the Nation that our Pacific campaign consists of fooling around in the Pacific. God forbid that the American people take him seriously.

Mr. FISH. The gentleman is putting words in my mouth. I should like either to have the words taken down or have the gentleman use the words I used. I said "island-hopping campaign." Those are the words used by General MacArthur. He protested the island-hopping campaign, and those are the words I used, not "fooling around." The gentleman is fooling around when he makes any such statement.

Mr. MURPHY. The RECORD shows the gentleman used the words "fooling around" in describing the island-hopping campaign, where we are doing a tremendously good job today.

Mr. FISH. I said "island-hopping campaign." And I think the gentleman is fooling around and trying to fool somebody.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. FISH. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. PLOESER].

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PLOESER. Mr. Speaker, today the Clerk read the resignation of my distinguished colleague the gentleman from Indiana, Mr. CHARLES HALLECK, from the House Small Business Committee. I would not want this day to pass without someone who has seen the very able and fine service of the gentleman from Indiana saying something about it. He resigned because of his arduous and ever-mounting duties as one of the leaders of the Republican side of this House, as chairman of the Republican Congressional Committee, as a member of the Committee on Interstate and Foreign Commerce, and as a member of the Committee on Rules.

Mr. CHARLES HALLECK was the chairman of the original Republican Committee organized by our able minority leader back in 1941 to go into the problems of small business. As such he did an exemplary job. When the House organized the Special Committee on Small Business he became the ranking minority member and as such has done an outstanding job. He is a true exponent of what I believe to be the right practice of free competitive enterprise, and he understands and professes that small business is the keystone in the arch of such enterprise. He is a real friend of small business.

Taking his place on that committee is the distinguished gentleman from Illinois, Mr. EVAN HOWELL. He will make a great contribution to that committee, which has done considerable worth-while work. As one of the members of the committee, I personally regret exceedingly Mr. HALLECK's having to leave the committee, and I welcome with great warmth of friendship the gentleman from Illinois [Mr. HOWELL].

Mr. FISH. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the gentleman from Pennsylvania rose evidently for the purpose of trying to misinterpret my remarks. I said very clearly that we should send more munitions, more airplanes, and more tanks to both General MacArthur and the Chinese in order to help win the war in the far Pacific. I am not criticizing what has been done with the weapons they have had. They have had too few weapons, and what they have done with those weapons is a glorious tribute to our American fighting forces in the far Pacific. My complaint is and has been for years that our aid has been too little and too late, that we have not provided enough munitions, men, and airplanes. General MacArthur himself has clearly stated that he is opposed to the program of island hopping. That is what I am opposed to, and I believe the American people are likewise, whether they be Democrats or Republicans. What they want to do is to get on with the war, to win the war as speedily as possible in the Pacific. They cannot do that unless they have enough munitions, airplanes, tanks, and guns to fight and crush the Japs and not merely engage in an island-hopping campaign which may last for years, while the Japs develop and make use of the tremendous natural resources they have conquered and turn these resources into arms, munitions, tanks, airplanes, and warships.

Mr. BATES of Kentucky. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Speaker, I do not desire to get into a controversy, but I spent some years in the courtroom and when I hear the words "fooling around" it is everyday English and I understand it. The gentleman has that statement in his remarks. I resent it. That is the reason I spoke. Let us not refer to that glorious campaign as fooling around in the Pacific.

Mr. FISH. Mr. Speaker, I yield myself another minute.

Mr. Speaker, the gentleman takes exception to remarks which he entitles "fooling around." Certainly that remark as applied to not sending enough munitions might cover exactly what I mean. If we do not provide enough munitions and armament for our armed forces in the Pacific, then, of course, we are only exerting a part of our strength. What we want today is to carry the war to Japan and not fool around with halfway measures.

Mr. MURPHY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. MURPHY. I hope the gentleman has read Admiral King's excellent report on what we have done in the Pacific.

Mr. FISH. I know just as well what we have done with the weapons we had as the gentleman does.

Mr. MURPHY. The gentleman would not call that fooling around?

Mr. FISH. I know exactly what they are doing with what they have and the terrific sacrifices our armed forces have made. No troops have ever done more with so little.

Mr. BATES of Kentucky. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. KELLEY].

Mr. KELLEY. Mr. Speaker, I wonder if the gentleman from New York is trying to lay down the strategy for the Army and the Navy. It seems to me that if the gentleman from New York had been as ambitious and as energetic in this Chamber before Pearl Harbor in talking about preparation we would not have to island-hop in the Pacific.

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am glad the gentleman made that statement. I am very glad he made that statement. It is like other statements made in this House and in the press that Members of Congress are responsible for Pearl Harbor, Democrats and Republicans.

I want to go on record here in this House and throughout the country that not a single Member of Congress, Republican or Democrat, was responsible in any way for Pearl Harbor. Not one Democratic Member of this House or one Republican knew that our fleet was at Pearl Harbor or had anything to do with having our fleet at Pearl Harbor when it was virtually destroyed on December 7, 1941. Certainly the gentleman from New York is the last person in this House that can be held in any way responsible for that greatest naval disaster in American history.

On January 30, 1939, long before the World War broke out, I introduced in this House and spoke repeatedly upon a bill to prohibit the sale and shipment of scrap iron to Japan. It was that scrap iron, sold by the millions of tons, which was converted into Japanese bombs and poured out of the skies on December 7, 1941, that killed 3,000 American soldiers and sailors and damaged or destroyed 17 or 18 American warships. That is a matter of record. But I want to go further, now that the gentleman has raised the question of the responsibility for Pearl Harbor. Why does not this Congress find out the facts as to who was responsible for Pearl Harbor? Why do they not report the Dewey Short resolution asking for an investigation and court martial of Admiral Kimmel and General Short, so that the American people can find out the facts? They are certainly entitled to know the facts 2½ years after Pearl Harbor. There might have been some reason not to act on such a resolution 6 months or a year after Pearl Harbor but that is past history and there is no sound military reason today for withholding the facts. I challenge the Democratic majority, the majority of this House, to permit the Dewey Short resolution to come out here for consideration. I predict if it does it will go through overwhelmingly. I challenge the administration and the majority of the House to have an investigation and a court martial to bring out

these facts, and let us know who is being covered up and let the people really know who is responsible for Pearl Harbor; and what actually happened there.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. GORE. No one has accused the gentleman personally of being responsible for Pearl Harbor, but certainly, as I see it, Pearl Harbor and the war can partially be laid to the record and philosophy of the gentleman's party from the time of the defeat of the League of Nations down through their opposition to adequate preparation before Pearl Harbor.

That record of isolationism and inadequate preparation, which, if it had been different, might have made Pearl Harbor impossible is a matter of paper and ink.

Mr. FISH. I want to answer that in detail and categorically. In the first place there is not a word of truth in it. Pearl Harbor had nothing whatever to do with my voting record or the record of any other Member of the House, including the Democrats. We had the biggest navy in the world at Pearl Harbor. No Member of Congress had anything to do with that Navy being in Pearl Harbor. They did not even know it was there and it was not their responsibility anyhow. It was the responsibility of the administration and not of Congress. That is why I am challenging you in order to get the facts, to bring out this investigation and to proceed to court martial General Short and Admiral Kimmel and get the facts. Then what would you find? This is what you will find: You will find that Admiral J. O. Richardson, who was in command of the entire fleet in the Pacific, protested sending the American fleet into Pearl Harbor where they could be attacked from the air; which is just what happened. He protested and he was removed. And who was put in? Admiral Kimmel, who was jumped 40 places, and he immediately took the fleet right into Pearl Harbor and tied them up ship after ship to be there as a target for the Japs, contrary to the very warning of Admiral J. O. Richardson.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, I yield myself the balance of the time.

And where is Admiral J. O. Richardson today? Why not call upon him and his fleet commander, Admiral Schreider, who made the same protest and pointed out the danger of putting our fleet into Pearl Harbor where it could be caught and attacked. Contrary to the advice of those two able, trained, and experienced Navy officers and admirals, their protests and warnings were ignored. They were both transferred from their posts of command and other Navy officers were substituted who took the fleet into the deadly trap at Pearl Harbor. So the gentleman errs when he tries to put the blame, directly or indirectly, upon any Member of Congress; as a matter of fact, I voted for all military, naval, and air-force appropriations from 1938. The Congress provided for the building of the biggest Navy. The man who is more responsible for building the biggest Navy is here; but he is not responsible for Pearl Harbor. I refer to the gentleman from Georgia [Mr. VINSON], chairman of the Committee on Naval Affairs, who with the support of Congress, is more responsible for our large Navy than anyone else. A big part of that Navy was at Pearl Harbor and was practically destroyed for the time being. It is not a question of the voting record of the Republicans or Democrats. They voted for these appropriations and provided for a very powerful Navy. Those are the facts. As far as any vote I cast I do not know of a single vote which might be questioned except over the superiority of airplanes over battleships.

Mr. CANNON of Florida. Mr. Speaker, will the gentleman yield?

Mr FISH. Certainly.

Mr. CANNON of Florida. I rather think the Japanese are principally to blame for Pearl Harbor.

Mr. FISH. I am afraid if I got in and told the whole story here, it might develop some other things that might cause disunity and I do not want to be a party to that at the present time. Let that go until after the war and at that time the facts will speak for themselves.

Mr. CANNON of Florida. Unless it can be said that our ships fired at each other, I think the Japanese did the most damage. Yes; and we set up a convenient target for them.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield, certainly.

Mr. AUGUST H. ANDRESEN. Josephus Daniels, Secretary of the Navy during the World War, said a few days ago before a committee of Congress, that the Japs won at Pearl Harbor because they found the general and admiral, and I quote: "Absent without leave." That is what Josephus Daniels said.

Mr. FISH. Found both of them absent without leave. I do not believe that they were the only ones absent without leave if the truth is ever told.

Mr. AUGUST H. ANDRESEN. Found both the admiral and general absent without leave.

Mr. FISH. That, I think, will be developed in the court martial, when held, with the consent of the majority. They are holding it up. We American people want to know who is being covered up.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. McCORMACK. Why does the gentleman make that statement, which the facts show is absolutely inconsistent? Let us be fair.

Mr. FISH. I want to be fair.

Mr. McCORMACK. All right.

Mr. FISH. If you are not holding it up I withdraw the statement.

Mr. McCORMACK. We put that resolution through in the most unusual manner. We did not even refer it to a committee before doing so. All the gentlemen know that. We did an unusual thing, without having it reported out of the committee, because of the emergency, to extend it 6 months. The matter was just introduced the other day. I can assure the gentleman I am doing everything I can.

Mr. FISH. I want to withdraw any possible criticism directly or indirectly aimed at the gentleman's side or the majority side or any Member of Congress, because I believe you are just as good an American as there is in this country. All I want is to see justice done and to give the facts to the American public for their final decision.

Mr. McCORMACK. I think the gentleman will agree that the court martialing of an admiral or a general rests in the main with the War Department and the Navy Department. We have to leave it with the military leaders, have we not, in a sense?

Mr. FISH. Only in a sense.

Mr. McCORMACK. All right. There are some limits.

Mr. FISH. Only in a sense, because some of those people higher up may be responsible and if so they are not going to have a court martial if they can help it.

Mr. McCORMACK. I know, but the gentleman should not make a charge, an implied charge, against higher-ups, without knowing.

Mr. FISH. Then why has not the administration acted before this? I have made a definite charge here today with reference to Admiral Richardson. I do not believe that Congress should be forced to step in and order a court martial except when the administration and the War and Navy Departments fail to act.

Mr. McCORMACK. I do not know anything about it so I am not going to enter into that controversy, but when the gentleman undertakes to lay the blame on the majority party for the failure to do something, when we immediately passed the resolution introduced by the gentleman from Missouri [Mr. SHORT], extending the statute of limitations 6 months, which was an unusual procedure, by taking it from the Speaker's table after being introduced without being referred to a committee, I do not think his statement is consistent with the facts.

Now the situation exists where that 6 months will expire in June. The gentleman has introduced another resolution. I can assure the gentleman that, as far as I am concerned, that time will be extended. We are doing everything we possibly can; and I think the charge that either side is to blame, as far as Congress is concerned, is unfounded.

Mr. FISH. I am delighted to know that the gentleman will cooperate to get action on the Dewey Short resolution. I am not blaming or criticizing Congress but the administration and the Commander in Chief for not acting.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. MARTIN of Massachusetts. Does the distinguished majority leader also believe that the Republicans are responsible for the failure to get appropriations previous to Pearl Harbor?

Mr. McCORMACK. On a matter of that kind, the gentleman from Pennsylvania [Mr. KELLEY] was referring to the

votes of the gentleman from New York [Mr. FISH] before Pearl Harbor. I have refrained very carefully from speaking on that, except insofar as some individual Member provokes it himself.

Mr. MARTIN of Massachusetts. The gentleman knows, of course, that his party has been in control for 10 years, so we could not be responsible.

Mr. McCORMACK. If we want to get into a discussion——

Mr. MARTIN of Massachusetts. I do not want to get into any discussion; but I want the record straight.

Mr. McCORMACK. The question as to the votes of any man on either side rests with the people of his own district. The gentleman from New York [Mr. FISH] has made some statements, and a Member, in the exercise of his right, has called attention to his votes before Pearl Harbor, and the gentleman from New York is answering him.

Mr. FISH. No. The gentleman said, "You and the Republicans." I will stand on my vote, and my vote was the same as 90 percent of the Republicans on every one of these pre-war bills. The gentleman was trying to place the blame for Pearl Harbor upon the Republicans and upon myself. I will defend myself, and I will also defend the Republicans, from any such false charge as that.

Mr. McCORMACK. I voted for the selective service; I voted for the extension of it; and I introduced the lend-lease bill and voted and fought for its passage. My conscience is clear. I will argue JOHN McCORMACK'S record.

Mr. FISH. That has nothing whatever to do with it. That has nothing to do with Pearl Harbor. We were talking about Pearl Harbor. If the gentleman wants to argue about keeping out of war, I did everything in my power to keep us out of war before Pearl Harbor. If that is the issue, I will argue that with the gentleman anytime or until the cows come home.

Mr. McCORMACK. I will argue with the gentleman as to whether his judgment was right or my judgment in the light of what happened. I simply want to call attention to the charge that we are holding up the resolution and that that charge is not correct. The gentleman has withdrawn that statement, so I am glad because I know the gentleman wants to be fair.

Mr. FISH. I never make any statement that is unfair, but I do remember that the gentleman from Massachusetts [Mr. McCORMACK] stated that the lend-lease bill was a peace measure and I stated at the time it was a step toward war. I leave it to history whose judgment was correct.

Now, I want the House to get this argument on both sides. There is only a little over a minute left. I speak for those of us, representing about 80 percent of the American people, who strived to keep out of war before Pearl Harbor. In this Congress we did everything we possibly could to keep America out of war until the Japanese attacked us at Pearl Harbor. But I want to point this out to those who were in favor of going into war before Pearl Harbor—and they had a perfect right to their views—if we had become involved in this war 6 months before we did, or at the time of the lend-lease bill, then Germany never would have attacked Russia, and we would have been holding the war bag. If that had occurred, it would have been the worst disaster that ever happened to our country. Those of us who sought to keep out of war at least postponed it until the dastardly Japanese attack on us at Pearl Harbor, and then every one of us voted for war and voted for every war appropriation since that time. But in our efforts to keep America out of war against those who wanted to get us in before Pearl Harbor I think we rendered the greatest possible service to our country and to the American people. Otherwise Germany would never have attacked Russia, and we would have been holding the war bag and reaping the harvest in blood, tears, and disaster.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. BATES of Kentucky. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. COOPER). The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that it may be in order to consider the bill (H. R. 4710) authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes, the bill for which the resolution has just been agreed to, in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to undertake the acquisition and conversion or construction of 1,000,000 tons of landing craft and district craft, or such portion thereof, as may be directed by the President, such landing craft and district craft to be of such size, type, and design as he may consider best suited for the prosecution of the war, such craft to be in addition to those heretofore authorized.

SEC. 2. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated such sums as may be necessary to effectuate the purposes of this act.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with and that the bill be printed in the RECORD at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VINSON of Georgia. I ask recognition.

The SPEAKER pro tempore. The gentleman from Georgia is recognized for 5 minutes.

Mr. VINSON of Georgia. Mr. Speaker, the purpose of the bill is to authorize the Secretary of the Navy to acquire and convert, or to undertake the construction of 1,000,000 tons of landing craft and district craft, or such portion thereof as may be directed by the President, of such size, type, and design as he may consider best suited for the prosecution of the war. Such vessels and craft are to be in addition to those heretofore authorized.

Recent similar authorizations, of which only a small balance of slightly less than 50,000 tons still remains unassigned, are as follows:

Acts	Tons		
	Authorized	Obligated	Balance
Act of May 26, 1942 (57 Stat. 92)	1,000,000	995,101	4,899
Act of Dec. 17, 1943 (57 Stat. 604)	1,000,000	955,113	44,887

From the foregoing tabulation it will be seen that the authorized tonnage is nearly exhausted and representatives of the Navy Department have appeared before the committee in executive session and stated that additional authorization is urgently required for the successful prosecution of the war.

The committee has been furnished a break-down showing the use the Navy Department plans to make of the tonnage that will be provided by the enactment of this bill. Although it is not possible to list in detail the number and types of vessels and craft to be covered by the bill, it can be stated that a substantial part of the authorization will be immediately obligated for the following types, involving a total of approximately 337,000 tons: Landing ship, medium, LSM; landing craft, mechanized, LCM (3) and LCM (6); landing craft, control, LCC; landing craft, support, LCS (S); landing craft, vehicle and personnel, LCVP; landing vehicle, tracked, LVT; and landing craft, rubber, LCR (L) and (S).

In addition to the foregoing, directives are now being formulated by the Chief of Naval Operations covering approximately 120,000 tons of district craft which are badly needed for servicing the fleet in the new harbors which are being captured and for use at advance bases. The total tonnage embraced by these pending landing craft and district craft directives is therefore somewhat in excess of 450,000 tons.

Requirements for additional numbers of the larger types of landing craft—LST's, LCI (L)'s, and LCT (6)'s—are now under study and while the required numbers and categories have not yet been determined, it is necessary that provision be made to cover a continuing building program of these larger types until it can definitely be determined that there will not be need for such a program later in the war.

To this extent, the present tonnage request involves a substantial working balance to meet future needs as they may develop out of the vast amphibious operations which lie immediately ahead. While it is hoped that losses in these operations may be kept down to a minimum, it is likely that they will be much heavier than have been experienced to date, and the Navy must be armed with

necessary authority of sufficient flexibility to meet whatever contingencies may arise. In this connection it should be noted that, unlike losses of combatant vessels, losses of landing craft are not automatically replaceable, but new tonnage authorization must be provided to cover them.

In this same connection it should also be noted that the Navy is the principal source of supply of amphibious craft for the Army and the Marine Corps and is also a partial source of supply thereof for our allies.

Representatives of the Navy Department have stated to the committee that it is the present intention to utilize this additional tonnage authorization only in such amounts as may be necessary to meet requirements in an uninterrupted flow of production, although not necessarily at the present high level of production. Most of the yards building landing craft have no other work and hence it is obvious that once any hiatus in production should occur, the working forces of these shipyards and plants would become dissipated to other fields of endeavor, or the facilities for manufacturing components would be preempted by other lines of production, so that it would be exceedingly difficult, if not impossible, ever to get them back into landing craft production to meet such needs as the future may develop.

The landing-craft orders which are now outstanding are scheduled to keep the facilities presently engaged on the program occupied to about the end of the year. Some of the types carry over into the first quarter of 1945, but all, with the exception of one type, will be exhausted before the end of that first quarter. Owing to the operation of the controlled materials plan, an interval of from 6 to 7 months is required to obtain the necessary materials and components involved in landing-craft construction. In order to take care of this interval, which is referred to as lead time, it is necessary to place orders for materials and components some 6 to 7 months in advance of the time when they will actually be needed in the building of the vessels.

In order, therefore, to maintain the flow of production in the shipyards and manufacturing plants which are presently engaged on various aspects of the landing-craft program beyond the first quarter of 1945, it is necessary that orders be placed not later than the end of June 1944. It is anticipated that orders calling for the construction of approximately 300,000 tons of landing craft, if placed before the 1st of next July, will be sufficient to avoid any serious hiatus in the flow of production after the first quarter in 1945. Similar allocations will have to be made in September in order to meet the production needs for the third quarter in 1945, and so on. Between the spacing of these orders, the Navy will have gained the benefit of the experiences in the amphibious operations which have taken place in the meantime, and only such additional orders will be placed as may be found necessary to meet the needs foreseen as the result of future military plans.

The estimated cost of the 1,000,000 tons of landing craft authorized by H. R. 4710 is $1,800,000,000, inclusive of ordnance. This compares with the figure of $1,820,000,000, inclusive of ordnance, which was quoted as the estimated cost of the 1,000,000 tons of landing craft and district craft authorized by the act of December 17, 1943. Representatives of the Navy Department have stated that substantial reductions in contract prices have been effectuated in those phases of the landing-craft program which have been in full-scale production for some time. Thus contract prices for the landing ship, tank—LST—have been generally reduced from approximately $1,375,000 per ship in 1942 to approximately $1,100,000 at the present time. The contract prices for the landing craft, infantry, large—LCI (L)—have been generally reduced from approximately $250,000 in 1942 to approximately $187,000 at the present time. Similar reductions have been achieved in the contract prices for the landing craft, tank—LCT (5) and (6)—from approximately $101,000 in 1942 to $80,000 at present, the landing craft, mechanized—LCM (3)—from $25,000 in 1942 to $18,000 at present, and for other types of landing craft as well. A greater reduction in the estimated cost of the program covered by H. R. 4710, as compared with the estimated cost of the program covered by the act of December 17, 1943, has not been possible owing to the increased cost of additional ordnance equipment, and the fact that present plans call for the utilization of a greater portion of the present authorization for the smaller types of craft, which carry a higher cost per ton, than was the case with the previous authorization, which has been utilized principally for the larger types of ship, carrying a comparatively lower cost per ton.

The following letter from the Acting Secretary of the Navy, addressed to the Speaker of the House of Representatives, and transmitted by him to the chairman of the Committee on Naval Affairs of the House of Representatives, sets forth the views and recommendations of the Navy Department on this bill:

NAVY DEPARTMENT,
Washington, D. C., April 28, 1944.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: There is transmitted herewith a draft of a proposed bill authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes.

The general purpose of the proposed legislation is as stated in the title of the bill.

Previous legislation authorizing the acquisition and conversion or construction of landing craft and district craft was provided by the act of May 26, 1943 (57 Stat. 92), and the act of December 17, 1943 (57 Stat. 604), each of which authorized the acquisition and conversion or construction of 1,000,000 tons of such craft. Of this total authorization of 2,000,000 tons, a balance of slightly less than 50,000 tons was still remaining as of April 1, 1944. Firm directives have been formulated by the Commander in Chief, United States Fleet, and the Chief of Naval Operations, calling for the construction of approximately 450,000 tons of landing craft and district craft in addition to those already on hand or under contract. Action placing these directives into effect cannot be initiated until additional legislative authorization has been obtained.

Further landing-craft and district-craft requirements are now under study, and it is anticipated that on the basis of experiences to date a total authorization of 1,000,000 additional tons of such craft will be required to meet the Navy's future needs. A more exact appraisal of these needs must, of course, await the outcome of the vast amphibious operations which lie ahead. The extent to which replacements will be required to cover losses experienced in those operations cannot be safely predicted. Since landing craft and district craft are not automatically replaceable when lost, additional tonnage authorization must be obtained to enable such replacements to be made. In order to safeguard against any slackening in the rapidly accelerating tempo of the Allied attack, it is imperative that sufficient authorization be made available to permit the Navy to meet without delay whatever contingencies may develop.

The cost of the additional tonnage provided for by the proposed legislation is estimated at a total of $1,800,000,000, including ordnance.

The Navy Department strongly recommends enactment of the proposed legislation at the earliest possible date.

The Navy Department has been advised by the Bureau of the Budget that there would be no objection to the submission of the proposed legislation to the Congress.

Sincerely yours,
JAMES FORRESTAL, *Acting.*

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. HINSHAW. In view of the fact it is reported that the European invasion is imminent and that the landing craft for the invasion are no doubt already provided——

Mr. VINSON of Georgia. That is correct.

Mr. HINSHAW. Can it be assumed that this bill and this authorization might be largely for operations in the Pacific?

Mr. VINSON of Georgia. The assumption for this authorization is that the war may require them. It may be a picture of replacements or it may be a picture of amphibious warfare.

Mr. HINSHAW. It should certainly be helpful in the Pacific area.

Mr. VINSON of Georgia. Exactly.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL ORDNANCE MANUFACTURING AND PRODUCTION FACILITIES FOR UNITED STATES NAVY

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 531.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 4421, a bill authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes; that

after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, this resolution calls for the consideration of the bill H. R. 4421, accompanied by a unanimous report of the Committee on Naval Affairs, providing for an authorization of $65,000,000 for the Navy Department for the production of machinery and facilities for the manufacture of ordnance.

We have no demands for time on the rule on this side, and I am informed by the gentleman from New York that he does not desire any time. I therefore move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I call up the bill (H. R. 4421) authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes, and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia that the bill be considered in the House as in the Committee of the Whole?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to dispense with the first reading of the bill but that it may be printed in the RECORD at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The bill reads as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $65,000,000 for necessary tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and equipment at either private or public plants.

SEC. 2. The authority herein granted shall include the authority to acquire lands at such locations as the Secretary of the Navy may deem best suited to the purpose, erect or extend buildings, acquire the necessary machinery and equipment, and in private establishments provide plant-protection installations, and shall be in addition to all authority heretofore granted for these purposes.

SEC. 3. The Secretary of the Navy from time to time, but not less frequently than every 60 days, shall transmit to the Congress a full report of all acquisitions of land, by lease or otherwise, effected under the authority of this act.

Mr. VINSON of Georgia. Mr. Speaker, I seek recognition on the bill and ask unanimous consent to revise and extend my own remarks.

The SPEAKER pro tempore. The gentleman from Georgia is recognized.

Without objection, the gentleman from Georgia may revise and extend his own remarks.

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, the purpose of the bill is to provide authorization for an additional $65,000,000 for necessary tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and equipment at either private or public plants.

The bill contains authority for the Secretary of the Navy to acquire lands at such locations as he may deem best suited to the purpose, erect or extend buildings, acquire the necessary machinery and equipment, and in private establishments provide plant-protection installations. It also directs the Secretary of the Navy from time to time, but not less frequently than every 60 days, to transmit to the Congress a full report of all acquisitions of land, by lease or otherwise, effected under the authority of this act.

The previous authorizations for facilities in the manufacture and production of ordnance materials are as follows:

Public, 629, (76th Cong.)	$6,000,000
Public, 757, (76th Cong.)	100,000,000
Public, 4, (77th Cong.)	194,000,000
Public, 192, (77th Cong.)	125,000,000
Public, 420, (77th Cong.)	70,000,000
Public, 499, (77th Cong.)	100,000,000
Total authorizations	595,000,000

As of March 31, 1944, the following has been accomplished under the authority granted:

Total authorization	$955,000,000
Obligations incurred	577,691,095
Obligations in process	9,454,558
Total commitments	587,145,653
Reserve left for adjustment of cost-plus contracts, etc	367,854,347

The committee has been furnished with a tentative break-down of the additional authorization requested by representatives of the Navy Department, which break-down is hereby made a part of this report, as follows:

Every effort has been made to keep charges against this appropriation down by making other appropriations bear their share of additional facilities needed and also surplus material on hand in other departments is scanned to see if it can be utilized. From July 1, 1943, to March 31, 1944, the following facilities have been received by transfer from other departments:

	Total to Apr. 1
Machine tools:	
War Department	1,043
Other departments	40
Plant equipment (capital items):	
War Department	541
Other departments	15
Supply items:	
War Department	13,821
Other departments	62

Also, it is part of our cancelation of contract procedure to survey the facilities to be released, to see if they can be applied to the program for new production.

In addition, complete facilities have been received from the War Department, as follows:

	Machine tools	Plant equipment	Miscellaneous items
Florence Stove Co., Kankakee, Ill. (Pr6c)	41	34	1,302
Lattimer-Stevens Co., Columbus, Ohio (Pr9e)	36		7
Globe Machine & Stamping Co., Cleveland, Ohio (Pr6e)	12	24	5
Elgin National Watch Co., Elgin, Ill. (Pr6e)	275	46	1,858
Durham Manufacturing Co., Muncie, Ind. (Pr6e)	34	1	
A. S. Campbell Co., East Boston, Mass. (Pr6e)	9	16	4
Servel, Inc., Evansville, Ind. (Pr6e)	9	28	3
National Enameling & Stamping, Jacksonville, Ill. (Pr6e)	21	21	137
Schlage Lock Co., San Francisco, Calif. (Pr6e)	36	3	1
Gorham Manufacturing Co., Providence, R. I. (Pr6e)	35	106	5,439
Total	508	279	8,756

Nevertheless it has become apparent to the Bureau that the foreseeable demands for new procurement in the immediate future will necessitate a moderate increase in authorization for additional facilities, since the available producing capacity in sight is insufficient. Accordingly, authorization in the amount of $65,000,000 is requested, which is tentatively allocated as follows:

A. Production lines for rocket programs	$15,000,000
B. Shift to production on projects under development	10,000,000
C. High capacity projectile program	10,000,000
D. Modification of production lines due to alterations and improvements in design and fabrication of products	25,000,000
E. Facilities in connection with research projects	5,000,000
Total	65,000,000

The present plans call for plant facilities and appliances only as all the known problems to be solved are of that nature, except perhaps a portion of project E, where research has to be carried out in remote and uninhabited places and instruments, supplies, and personnel need to be sheltered. The universities or consultants carrying out these investigations, as well as the service units, look to the Bureau to defray the cost of facilities in connection with their assignments and it is desired to make provision for these requirements.

Project A is made necessary because of the new technique required for the new propellant now in great demand. The facilities of the War Department have been engaged to the greatest extent practicable and they have been set aside for naval use to the extent of about $20,000,000. There are other sources that must be developed and it is expected that demands will be met with the sum requested herein.

Project B relates to the placing into a straight production status certain development projects as they become ready for this step. In most cases it means finding ma-

chine tools with which to organize new production lines.

Project C is a case where events have proved the wisdom of a much greater rate of production than was before contemplated. Since production capacity is already fully taken up, it will be necessary to set up new forging and loading lines.

Project D makes provision for problems of a type that have already occurred and can be expected to occur with increasing frequency in the future. It has to do with the changes that have to be made in the production lines when the product has undergone a change. The extensive changes incident to the modification of one of our fuzes is a case in point. Sometimes the desired results can be obtained by a few modifications in some machines and sometimes a number of new units must be substituted for or added to the former ones.

Project E has already been discussed, but it may be added that frequently the makers of scientific instruments willing to take on a research assignment are sometimes without the necessary mechanical equipment or machine tools to proceed. It then becomes to the Government's advantage to furnish and own the necessary facility rather than to have the price of the new equipment included in the cost of the services, with only the proceeds of the single contract inuring to the benefit of the Government.

It is again pointed out that any obligation against this appropriation must first pass the scrutiny of the Secretary's office, which is thoroughly committed to a policy of severe retrenchment in facilities expenditures. Consequently, there is every assurance that the authorization, if granted, will be administered conservatively and economically.

The ceiling under which the Bureau of Ordnance operates in connection with facilities for the production of naval ordnance was set on March 17, 1942, by Public Law 499 at a limit of $595,000,000. The rate of acquisition which obtained at that time held steady until about August of 1942, when the need for new facilities dropped off. However, the progress of the war has exerted additional pressure upon the facilities of the country, although in no such volume nor at the rate which characterized the first years of the war. There is a reserve of uncommitted authority as of March 31 of $7,854,347 and this is considered too small a margin on which to meet the exigencies of future demands.

The committee has received assurance that any future building in the nature of public works will be processed and screened by higher authority than the Bureau of Ordnance, and also checked against available Government facilities considered surplus by the War Department. Also, no land will be acquired except through the Bureau of Yards and Docks, which will be subjected to the same control as is now used in connection with public works.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it is fitting that once in a while we should take time out from the trials and problems that confront us, in order to refortify curselves with a reminder of the greatness of our country. In that connection, the commander in chief of the United States Fleet, Admiral Ernest J. King, has recently given us one of the most dramatic reminders in our history.

I have read and re-read the report of progress that Admiral King has written on our Navy at war. It is a story of the Navy's struggles and victories since Pearl Harbor. It is the story of the stuff America is made of.

I have heard and read many comments on this report since it was issued on April 23. "Brilliant," is the way some of the papers have described it. Others have used such adjectives as "hard-hitting," "unprecedented," and "frank." It is all of these, and at the same time it is, as some have said, "the proud record" of the Navy's accomplishments. But there is a historical significance to this report that transcends all such descriptions. Because this story of the Navy is in fact a story of the American way and of the American man—his strength and his integrity, his unconquerable spirit, his ingenuity in digging out the wealth of the American earth and turning it into tools of war.

There are no chapters in our naval history more gallant or more inspiring than the story Admiral King has told us about the battle we won at Midway. And the gallantry and the inspiration evolve not so much from the fact that we turned back an invasion threat, perhaps aimed at America itself. They evolve from the realization that a group of American men, in a moment of very great crisis, were able to rise above the inadequacy of their tools, that they were able to outthink and outfight a resourceful enemy.

As Admiral King describes it, the great problem of our naval commanders during the lull that followed the Battle of the Coral Sea was to anticipate where the heavy Japanese forces that were in that battle would strike again. The Pacific was very large. At one extreme were the Aleutians, at the other was Australia. Anywhere between these two points the Japanese might attack—maybe it would be at Hawaii, maybe at Alaska, maybe at Australia—and wherever they struck they would have a superiority of force—where then to place the thin line of ships the Navy then had?

The admiral tells how the Navy calculated the situation, how it chose the pinpoint of Midway as the spot that would be attacked, and how it took the calculated risk of pulling out of the vital Coral Sea area the ships to defend it.

The Navy calculated correctly. And when the Japanese came, the American boys that manned its planes flung themselves into the battle with a valor that, as the New York Times described it, "put to shame the fanatical suicide mania" that has been attributed to the Japanese.

We won the Battle of Midway, and in so doing we changed the course of the Pacific war. But we won more than a battle there. This report shows that we won also the proof that the American mind and the American spirit can have no peers.

The tragic road that led from Pearl Harbor was no less a tribute to the strength of our people than Midway was to our integrity. Defeat piled up on defeat in those dark days of early 1942. But neither the desperate odds nor death itself could overwhelm the gallant men who held our destiny in their hands. Admiral King tells how these men of the Navy fell back—through the Philippines, through the East Indies, back to Australia itself—always fighting, always delaying, always clinging steadfastly to those vital outposts of the South Pacific that would one day enable us to strike back. The admiral's is a factual account of deeds. He leaves for us to write in the human story that lies between the lines.

Less exciting, perhaps, than the accounts of the battles, but no less significant as part of a great American story is that section of the admiral's report which deals with the Navy's recovery from the losses of Pearl Harbor, and the ingenuity that began to produce the new Navy. Here again it was a matter of men—American men who had the will to produce, men who knew how to produce, men who did produce. By the end of 1943 more than 50 aircraft carriers had been put into service—in contrast to the three the admiral tells us were at one time standing off the enemy—and large numbers of escort carriers had been built and transferred to Great Britain. Seven battleships—three of them superdreadnaughts—had been launched. Numerous cruisers, destroyers, and submarines, and giant fleets of auxiliaries and landing craft had joined the Navy. The combat tonnage of the fleet, which had stood at slightly more than 1,000,000 tons in 1941, had increased to nearly 2,500,000 tons—battleships, which prior to Pearl Harbor had required nearly 40 months to build, were now being completed in 32. Aircraft carriers needed only 16 months instead of 33, and destroyers needed 5 months instead of 13. The number of shipyard workers building and repairing Navy vessels had grown from 443,000 to more than a million.

While this gigantic building program was going on, the Navy expanded from about 240,000 men to more than 2,000,000—to become the greatest Navy in the world.

It is indeed a mighty story of a mighty America that has been given us.

The Navy's invasion of the Solomons began our long-awaited offensive in the Pacific. But still we were not completely ready. We had to go on the offensive because the Japanese were threatening by then our South Pacific bases. We took what ships we had and what marines we had, and we invaded. And eventually we won. But Admiral King tells us frankly that we paid a price for it. He tells us of the violent Japanese ground assaults that threatened to throw the marines into the sea, of the almost constant air attacks on supply ships struggling to reach Guadalcanal, of the raging naval battles—battles we did not always win. At one time we were virtually at the mercy of the Japanese Fleet. But because we were able to deny the Japanese information on the heavy ship losses we had suffered we were able to pull through.

Admiral King offered no excuses for naval losses suffered in the Solomons. He had no elaborate explanations to

cover up the losses of ships. He recorded defeats with the same candid words he used to tell of victories.

After Guadalcanal the intense toil of the Navy and the country began to bear fruit. Gradually the losses at sea became fewer. The communiques telling of victories became the vogue. The Navy swept up the Solomons, joined the forces of the Southwest Pacific in the advance up New Guinea, teamed with the Army to clean out the Aleutians, stormed ashore in the Gilberts, and then, early this year, crashed into the heart of the outer Japanese defenses with the assault on Kwajalein and Roi.

Admiral King winds up his report by saying that the situation in the Pacific "must be as dark and threatening to Japan as it is full of promise to us." And then he declares:

> Long roads still lie ahead. But we are now fully entered on those roads, fortified with unity, power, and experience, imbued with confidence and determined to travel far and fast to victory.

Here is the Navy's account of stewardship for the billions Congress had voted to make it strong.

This report was designed to give an accounting of what the Navy has done. And as an accounting it becomes a saga of America and war. The Baltimore Sun said that it "had a breathless quality" which arose from the country's knowledge of its close call at the beginning. The Washington Star found it "the story of a United States fleet which has fought its way back from the edge of disaster to an assured command of the sea." Said the New York Times, "It presents a record of magnificent achievement of which the country can be justly proud." "This report should cause every American citizen to offer up a prayer," was the way Cedric Forster, of Mutual Broadcasting System, received it. And the Philadelphia Inquirer spoke of the magnificent achievements that had been summed up in the "remarkable" report.

Admiral King's report is documentary proof of the stuff our country is made of. The fears, the hopes, and the struggles of all America in this war are bound up in its pages, and on its lesson the future of America rests.

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the bill to its final passage or rejection.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSOLIDATION AND REPACKAGING OF SPIRITS

Mr. SABATH. Mr. Speaker, by direction of the Committee on Rules, I cal' up House Resolution 550.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2539) to amend section 2901 of the Internal Revenue Code. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, later I shall, of course, yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, this rule makes in order H. R. 2539, which would amend section 2901 of the Internal Revenue Code relating to loss allowance on distilled spirits stored in bonded warehouses, so as to permit containers of distilled spirits in bonded warehouses to be combined and consolidated. The combination and consolidation is limited to distilled spirits of the same kind, differing only in proof, the product of the same distiller at the same distillery, and subject to the same outage—loss—limitations under section 2901 of the code.

The privilege of combination and consolidation with respect to any spirits may, under the bill, be availed of not more frequently than once every 18 months.

When distilled spirits are placed in barrels and the barrels placed in bonded warehouses, there occurs a substantial shrinkage in volume of spirits by evaporation, by absorption of the barrel, and by leakage.

This bill would save barrels and transportation costs. The scarcity of materials, the lack of adequate manpower, and our overburdened transportation systems are important factors.

This proposal would facilitate economical transportation of large quantities of "fire water," otherwise known, I believe, as whisky or spirits, used by none here, however, in view of its price.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. May I ask the gentleman from Illinois whether this will put 500 additional employees on the pay roll?

Mr. SABATH. This process will actually reduce the number of employees, as I understand it. There would be a fee assessed in connection with each such operation.

Mr. MARTIN of Massachusetts. I notice in the minority report that it will put 500 additional inspectors on the pay roll. Is that true?

Mr. SABATH. You cannot always go by the report of the minority. The gentleman knows that.

Mr. MARTIN of Massachusetts. I will say to the gentleman that several distinguished Democrats, including the gentleman who just left the chair, joined the minority in that report.

Mr. DINGELL. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan, who requests a rule before our committee.

Mr. DINGELL. I think the reference in the minority report is entirely without foundation. The fact of the matter is there are only 122 distilleries in the United States. The presumption as to the 500 additional employees could only be calculated if every drop of liquor was repackaged in all the warehouses and done so at one time. The bill provides for repackaging on application to the Treasury and not more than once every 18 months. Instead of more storekeeper-gagers being used, it will likely mean a reduction for the reason that when you repackage 2 barrels that are 40 to 50 percent full into 1, you will take those barrels out of the warehouse and put the 1 barrel in another warehouse. You will consolidate your warehouses, which will eliminate the number of warehouses that may be necessary to store in bond the repackaged liquor. This will eliminate storekeeper-gagers also. I am of the opinion that the bureaucrats are afraid that it will reduce the present staffs rather than increase them.

Mr. MARTIN of Massachusetts. What does the gentleman mean by "bureaucrats"? Are they in this bill?

Mr. DINGELL. I may say to the gentleman that the report was written downtown, and I refer to the minority report. It is the opinion of the Alcohol Tax Unit. They did not make out a case before the Committee on Ways and Means.

Mr. MARTIN of Massachusetts. The Treasury Department is opposed to it?

Mr. DINGELL. There is no further opposition from the Treasury here.

Mr. MARTIN of Massachusetts. I am getting back to the bill.

Mr. DINGELL. The Treasury originally was opposed to it; yes.

Mr. MARTIN of Massachusetts. That is what the gentleman refers to by "bureaucrats"?

Mr. DINGELL. Yes. After the committee had acted favorably upon the request of the distilleries of this country. This is nothing more than pure repackaging. The feature providing for an allowance of 1 percent due to spillage occasioned by repackaging has been stricken out, so there is no question of revenue involved. Now, in reference to the question of cost, assuming you have to put on 500 more warehousemen or storekeeper-gagers, in that instance the committee provides for a 10-cents-per-barrel service tax which the alcohol-tax head allowed was more than sufficient to cover any attendant costs.

Mr. MARTIN of Massachusetts. The gentleman does not think we will lose any revenue?

Mr. DINGELL. We cannot lose any revenue. What you might do is save a little evaporation because the evaporation of two half-barrels is a whole lot more rapid than the evaporation in one full barrel.

Mr. FORAND. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Rhode Island.

Mr. FORAND. Mr. Speaker, may I inject myself at this moment to say, and I believe my colleagues on the committee will bear me out, that the Treasury opposition to this bill was on the theory

that there will be a lot of spillage and wastage. We have eliminated in the bill that feature and the opposition fell flat.

Mr. MARTIN of Massachusetts. There is not any opposition at this time?

Mr. FORAND. There is nominal opposition, if you might term it such.

Mr. MARTIN of Massachusetts. From the Treasury Department?

Mr. FORAND. Yes; from the Treasury Department.

Mr. COOPER. Will the gentleman yield?

Mr. SABATH. I gladly yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Speaker, I feel that the membership of the House is entitled to know the full facts about this matter. The fact is six members of the Ways and Means Committee signed a minority report against this bill, which is printed and available to all. The gentleman from Virginia [Mr. ROBERTSON] and myself on this side, the gentleman from New York [Mr. REED], the gentleman from Ohio [Mr. JENKINS], the gentleman from Kansas [Mr. CARLSON], and the gentleman from Pennsylvania [Mr. SIMPSON], signed the minority report.

The fact is that the Treasury Department is opposed to it and the Alcohol Tax Unit is opposed to it. Our information is it will require 500 additional storekeeper-gagers, at a cost of a million and a quarter dollars per year, and they are hard to secure; further, there is no necessity for this legislation because there is a surplus of warehouse space and barrels.

Mr. SABATH. Mr. Speaker, I cannot yield further. I yielded to these gentlemen so as to get information, not only for myself but others, because I did not have time to make my usual careful study.

No one appeared before the Rules Committee against granting the rule. I overlooked that the gentleman from Tennessee [Mr. COOPER], whom I hold in high esteem, and who is a splendid outstanding Member of this House, a careful legislator, signed the minority report.

The evidence before the Committee on Rules, as I recollect, was to the effect that this proposal would save the Government a great deal of money; furthermore, that it would eliminate freight on thousands upon thousands of barrels that are being unnecessarily shipped half-filled because under present law it is not legal to repackage spirits. That consideration appealed to me, not because I have any special desire to aid the distilleries—please understand that, because I never did have very much love for them, knowing what they have done to us lately when they corraled nearly all the whisky and brandy manufactured in the last 5 or 6 years. They are now in complete control, and we are obliged to pay about twice as much for this medicine or this pleasure as we have had to pay heretofore. I am glad to say that I am not obliged to consume a great deal of it, because of late I have not suffered a great deal from colds. However, I hear many complaints against inability to acquire this cold-arrester. It is plentiful, too, as I understand, if it were released for the market; but the "big five" control it absolutely.

I understand that the Government is investigating this nefarious, soulless trust, or combination, and has already commenced civil and even criminal actions. I hope the Government will go farther and proceed vigorously toward dissolution of this trust and prosecution under the antitrust laws. I was under the impression that by permitting the repackaging of this liquor it would be easier for it to reach the market and make it possible for people to obtain it at a lower cost, which I would naturally favor.

I repeat, I have no special interest in this proposed legislation, as I never have had in any legislation that has been submitted to and acted on by this House during many, many years. I am only doing my duty as I see it.

We granted this rule unanimously.

I feel that the rule should be granted, and if there is any good reason why the bill should not be passed, the membership may later pass upon it. After all it has been the aim of the Rules Committee in nearly all instances—I do not say in all, but nearly all—to grant rules on legislation favorably reported by a committee, giving the Members opportunity to vote upon it. I am pleased to state that the Committee on Rules, for many years, has not denied the membership that right and privilege. The fact that we have reported so many rules—and so many of them are pending—clearly shows that the Committee on Rules is doing its duty in expediting the business of this House.

With that statement I shall conclude.

I feel that the rule should be adopted, and later, when the bill is being considered in the House, we can express our further views.

I now yield the usual 30 minutes to the gentleman from New York.

Mr. FISH. The gentleman from Illinois is very generous.

Mr. SABATH. I am always generous, especially with the talented gentleman from New York.

Mr. Speaker, I reserve the remainder of my time.

Mr. FISH. Mr. Speaker, I yield to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN], such time as he may desire.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time in order that I may find out what the program for next week is.

Mr. McCORMACK. I shall be very glad to state the program.

Monday is District Day. I have been informed by the chairman of the committee that there is one bill, noncontroversial, so the gentleman states, H. R. 3974, which will take about 10 or 15 minutes. Then will follow H. R. 4624, a bill consolidating and revising the United States Public Health laws, and H. R. 1117, a bill relating to extending benefits to certain Panama employees.

On Tuesday there will be presented the conference report on the agricultural authorization bill, in which a number of Members are interested, which includes the extension of the school-lunch program for a period of 2 years, as well as the extension of the Farm Security program for 1 year.

Next is H. R. 4184, the land-grant bill, which is the repeal of the so-called land grant rates clause. If there is any time remaining on Tuesday we will take up H. R. 4102, a bill to reduce the rates of interest on Federal land bank and Land Bank Commissioner loans, extending for 2 years. That bill may have to be displaced, and I will inform the House as soon as I possibly can, because there are two appropriation bills coming up next week, and I think it is very important that we give them the right-of-way. We will try to dispose of them as soon as possible.

On Wednesday the District of Columbia appropriation bill will be taken up. I do not know how long that will take. If there is a break and H. R. 4102 cannot be taken up on Tuesday, I intend to ask that the House meet at 11 o'clock, in which event the Members will be advised. We have a busy program, I realize.

Mr. MARTIN of Massachusetts. I think the House would be perfectly willing to come in at 11 o'clock any day next week in order to facilitate the business before Memorial Day.

Mr. McCORMACK. I thank the gentleman. I am interested in that bill, as are several other Members of the House. The bill has done a lot of good. While I am looking after the interest of my farmers and my people, they have an interest in legislation of this kind and I want to get it up as soon as I can. If there is a break on Wednesday after the District of Columbia appropriation bill is disposed of, I will put it on at the first break possible.

The rest of the week will be taken up with the war agencies appropriation bill.

Mr. MARTIN of Massachusetts. I understand the war agencies appropriation bill will be reported out Thursday, there will be general debate that day, and the bill will be read for amendment on Friday.

Mr. McCORMACK. That is my understanding—general debat. Thursday.

Mr. FISH. If the gentleman will yield, has the gentleman from Massachusetts given consideration to bringing up the bill which has to do with the adjustment of railroad rates?

Mr. McCORMACK. The rule was reported out, as the gentleman from New York knows, only a few days ago. Last week I announced a program, and it was a busy one. I feel that where a program cannot be completed within the week I am more or less morally bound to give the bills that were not reached the right-of-way the following week whenever I can. If the gentleman will note, that is not on the program for next week. It is impossible to do so.

Mr. FISH. I just wanted to make this suggestion. We have progressed very rapidly today, and probably we will be through with all the rules here within the next hour or so. Supposing we expedite this business, and meet at 11 o'clock next week, and get through very rapidly, would it not be possibly in order to bring that bill up, too? My position

is that the gentleman would not want to exclude it if we could bring it up.

Mr. McCORMACK. Of course.

Mr. FISH. Would not the gentleman be glad to get it out of the way, if he could?

Mr. McCORMACK. There are some other bills and rules to be reported out that I did not include in the program, because there is no need of overloading the House with a program that I know is incapable of accomplishment. However, I am willing to put on a heavy program, in the hope we will get the breaks, so to speak. We have today. Ordinarily, I think the gentleman from New York will agree with me that the four bills today could be easily taken care of whereas we sometimes could not get through more than two, at the most. But the House is cooperating, and we are getting through with this program. You cannot expect that every day. Frankly, I have that in mind, but I think the earliest would be week after next.

Mr. FISH. The gentleman would not exclude it if we could get it in?

Mr. McCORMACK. Oh, no; and I would not exclude the other two bills that were reported out, by the gentleman from Alabama [Mr. HOBBS].

Mr. FISH. The gentleman knows that the following week is Memorial week, and most of the Members will be away Monday, Tuesday, and Wednesday, making Memorial Day addresses. That will take them away 3 days. This particular railroad bill is an important bill for certain Members in railroad districts.

Mr. McCORMACK. I think the gentleman from New York will agree with the gentleman from Massachusetts that there is not a bill outside of one that I have intentionally exercised the 7 days on, with the intent to do it. Outside of one bill, I will be frank in stating I know of no rule reported out where I intentionally exercised the 7-day privilege that the leader might exercise, and put it on the program.

Mr. FISH. In case we expedite these rules very rapidly, the gentleman would not be against bringing it up, if we could?

Mr. McCORMACK. Without committing myself expressly or by implication, I am always open to the arguments of the gentleman from New York.

Mr. FISH. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I listened to the distinguished gentleman from Illinois. I could not make out in following his argument whether this is a liquor bill or a medicinal bill, but that opens up room for argument. It may be just a business bill. But I think it would be much better discussed not under the rule but by the Committee on Ways and Means. There seems to be a minority report signed by six very distinguished members both of the minority and majority of the Committee on Ways and Means. Therefore I think the merits of the proposal, whether it be a medicinal bill or a liquor bill, should be discussed not under the rule but in the Committee of the Whole by the Committee itself.

Mr. Speaker, I yield to the gentleman from California [Mr. HINSHAW] such time as he may desire.

Mr. HINSHAW. Mr. Speaker, while members of the Committee on Ways and Means are on the floor of the House, presenting a bill, may I call their attention to a situation which I think might well be corrected by them in the near future? It is important.

I sent yesterday to the chairman of the Committee on Ways and Means a letter from a civic organization in my district which was attempting to raise funds for a military hospital. It gave a benefit performance and charged admission, and the entire proceeds, including donations, were turned over to the Birmingham General Hospital, which is an Army hospital. Under the law, there must necessarily be a tax upon the admission, and perhaps upon the proceeds as a whole, although I do not know about that, but at least upon the admission to such a benefit. It seems to me that the committee may well consider exempting from the amusement tax, benefits that are given by purely nonprofit organizations for the benefit of our soldiers or sailors or WAC's or whatever it may be. I hope the Committee on Ways and Means will consider that matter at an early date.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 18, 1944.

Hon. ROBERT L. DOUGHTON,
Chairman, Ways and Means Committee,
House of Representatives,
Washington, D. C.

DEAR MR. DOUGHTON: The attached letter from the Women's Civic Club of Studio City, Calif., with my reply is self-explanatory.

The Birmingham General Hospital named in her letter is a Government hospital owned and operated by the War Department. A number of organizations in the vicinity are raising funds in various ways toward equipping that hospital with various items that are not supplied by the War Department. It seems most unreasonable that the amusement tax should apply to any entertainment or benefit conducted for such purposes.

If this matter can be taken up in the tax simplification bill, it would be most convenient, but if not, may I respectfully suggest that you cause a suitable amendment to the law to be drafted, introduced and passed?

Very truly yours,

CARL HINSHAW,
Member of Congress.

Mr. FISH. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. RIZLEY] such time as he may desire.

Mr. RIZLEY. Mr. Speaker, every Member of the House knows I actively supported the veterans' bill, S. 1767, known as the G. I. bill, and was on the floor practically all the time during the debate and consideration of the bill. I left the floor of the House at 4:30 at the request of one of my constituents, who had to leave Washington at 5:30. While conferring with him on important business the roll call occurred on the bill. The roll-call bell did not ring in my office. Otherwise I would have been present and voted aye on the bill. I hope the bill as unanimously passed by the House is quickly approved by the Senate.

Mr. FISH. Mr. Speaker, may I ask the gentleman from Illinois what assurance he can give us before we consider this bill as to a fair distribution of these 500 storekeepers? Does not the gentleman think we might have a few over on this side in case we pass this bill to consolidate different barrels of medicinal liquor?

Mr. SABATH. Those things never enter my mind. I do not legislate in accordance with whether there will be a job forthcoming here or there. I myself have none. I have not sought any, and I have fewer positions in this city than any new man, notwithstanding the fact that I have been here over 30 years.

Mr. FISH. The gentleman says he has fewer than any new Member. How can he have fewer than nothing at all, which is what I have?

Mr. SABATH. Taking into consideration the gentleman's position in the House, I do not believe he is entitled to a great deal from this administration, but I know that we are devoting our energies now to the winning of the war, and we are not talking about patronage.

Mr. FISH. I have to confess that pretty nearly everybody in my district is on the pay roll of the gentleman's party, but I was just asking if I might have 1 out of the 500, that is all.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Tennessee.

Mr. COOPER. They are all civil-service employees.

Mr. FISH. Is there not some way of getting around that?

Mr. DINGELL. If my friend from New York is a little bit patronage hungry, and I guess he might be——

Mr. FISH. We are all out for jobs before election, you know.

Mr. DINGELL. The gentleman having been in the short grass for 12 years, I can appreciate that. But I will tell the gentleman how generous I am.

Mr. FISH. I am just getting an appetite up.

Mr. DINGELL. I will give the gentleman all the extra employees that are entailed in this bill, because there will be none.

Mr. FISH. I will take a chance on that.

Mr. DINGELL. The fact of the matter is that this relates to a consolidation of barrels and a consolidation of warehouses, and there will be fewer rather than more employees. That is exactly where the shoe pinches.

Mr. FISH. I hope the gentleman will not take those words out of the RECORD. He will leave them in?

Mr. DINGELL. Not at all; I will leave them in.

Mr. FISH. I will take the risk of getting the jobs. I never heard of any New Deal legislation that did not provide jobs for the deserving.

Mr. DINGELL. I never take anything out of the RECORD that I put in.

Mr. FISH. I know that.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I am afraid that after the statement of the gentleman from Michigan to the effect that there is no patronage in this bill, and the promise the gentleman from Michigan made to the gentleman from New York, the gentleman from New York may refuse to support the bill.

Mr. FISH. I am a little worried about it, too, I admit.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from New York asked a very serious question, and it should be answered in a serious way.

Mr. FISH. Certainly. That is what I expect.

Mr. McCORMACK. I can assure the gentleman that I am very envious up my way of some Republicans, because in the O. P. A. office in New England, out of 27 employees that get $3,800 a year or more there are three enrolled Democrats. I will concede that not all of the others are enrolled Republicans. But the gentleman very seriously raised the question, which certainly appeals to my realistic mind. In making that observation, I know the gentleman will interpret my real state of mind.

Mr. FISH. As long as the gentleman has raised a very important and serious question and brought it before the House, I should like to tell the House here in confidence, of course—I would not want the press to hear it—in the district that I represent I have the President of the United States, the Secretary of the Treasury, the Secretary of the Navy, the Under Secretary of War, the major general in charge of morale, and so many civilian colonels and lieutenant colonels that I cannot even count them. All anyone had to do to get a job was to be against me openly. I hope and believe that day has passed.

Mr. SABATH. Does the gentleman from New York desire any more time?

Mr. FISH. I have no more requests for time on this meritorious legislation.

Mr. SABATH. Is the gentleman satisfied with the agreement he has entered into with the gentleman from Michigan?

Mr. FISH. I always live in hope.

Mr. SABATH. In view of the fact the gentleman has said he has so many outstanding positions there, I am surprised that he wants to waste his time on these little positions that pay $2,000 or $1,800 a year. I do not believe the gentleman should waste his time on that, in view of the tremendous number of Republicans who hold jobs in that rich, aristocratic, silk-stocking district of New York that he represents. But I am not going to envy the gentleman the distinction that is his, and I am not going to make any demand for any of these jobs, because I never have.

Mr. Speaker, I yield to the gentleman from Tennessee [Mr. GORE] to submit a unanimous-consent request.

Mr. GORE. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. DINGELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2539) to amend section 2901 of the Internal Revenue Code.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2539 with Mr. BONNER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DINGELL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the subject matter contained in the bill, H. R. 2539, as I view it, has been very thoroughly considered in the Committee on Ways and Means.

The original objections of the Treasury have been met by committee action in striking out the last paragraph which provided allowances for spillage and loss due to consolidation, and further by providing for the coverage of costs, if any, through the service tax of 10 cents per barrel. The original bill, as you will note from the amended bill, contained a provision which would allow up to 1 percent for spillage attendant upon consolidation of packages. The consolidation of packages, as mentioned in the bill, means the dumping of 2 partially filled barrels, or 3 partially filled barrels, and filling 1 to capacity. The bill provides that application by the distillers shall not be more than 1 every 18 months. The committee in its discussions found that there is considerable opposition to any allowance for spillage due to repackaging. So we agreed, in order to protect the revenue, that it was desirable to strike that out of the bill entirely. So there is not any question now at all that can be raised on the point of loss of revenue being involved in the bill. Objection was raised, also, on the point that it might require additional employees in the repackaging so far as the Treasury is concerned. Ninety-nine percent of the work, of course, will be done by the regular employees of the distilleries under the same direction of the Treasury employees, the storekeeper-gagers, as ever before. Those employees will supervise any and all dumping and repackaging operations. The argument that it will require 500 additional storekeeper-gagers is, in my estimation, entirely unfounded, because there are not over 122 distilleries in the country, and they will not be asking to consolidate all of the liquor in their warehouses at one time. In fact, it is estimated on the basis of 1 application in 18 months that it would take at least 90 months to do all of the repackaging. So you cannot possibly anticipate more than a one-fifth increase in the storekeeper force at any time. But my contention is this, that if you repackage partially filled liquor barrels and then you are going to consolidate the warehouses as a natural consequence, you are going to have fewer rather than more numerous warehouses in operation and therefore fewer storekeeper-gagers, so that argument falls flat. Now here is the sinful, shameful part of the practice now in vogue.

There is howling on all sides about the need for transportation. Yet if a customer in Minneapolis asks for a carload of whisky, he will get 60 or 70 barrels, 30 or 40 or 50 percent full. They cannot be refilled under the present law. That is, they cannot be filled to capacity. By the way, I do not have any distillery in my town. I presume my people consume a substantial amount of liquor, but we produce none so far as I know. But a carload of liquor, leaving Kentucky for Detroit or Minneapolis, might be 40 or 50 percent full and if a man wants a certain number of gallons of liquor he may have to have 2 carloads of partially filled barrels, whereas 1 carload of full barrels might do the trick. We have considered all these factual matters in committee and the majority of the committee decided that it was proper to report them favorably. I say with due deference to my colleagues who signed this report that their opposition is nominal, and that their opposition is based upon the objections contained in the original bill, I believe. I think the opposition is predicated entirely upon the original bill which has been amended to meet all objections. The bill as presented to the House now provides for nothing more nor less than consolidation of partially filled containers; and at the cost of the distillers. We wisely and properly put in a 10-cent-per-barrel service fee, which Mr. Berkshire himself on a direct question admitted will more than take care of all of the repackaging costs. He admitted that there likely will be an overage which might be used for some other purposes. Under those circumstances even if you did employ more storekeeper-gagers, and I do not allow that you will, I say there will be less, the cost of those added employees would be borne by the distillers themselves. They are anxious to save cooperage for the future. There may be a surplus now, that is granted, because they are not producing any whisky, but it will provide a surplus of cooperage to be used at a future date and it will permit additional storage facilities in that it will be possible to also consolidate partially filled warehouses which are filled with partially filled barrels. That is the simple substance of this bill. There is no loss of revenue and no additional cost.

Bear in mind what I said at the outset, that there are only 122 distilleries in the United States. They would not all make application for immediate consolidation. Likewise if there are to be any costs because of additional employees, they will be borne by the distillers who now do all of the work in the warehouses outside of the work of the storekeeper-gagers. Therefore, I can see no reason for any opposition to the bill unless you want to assume the attitude that just because the distillers come

here and make a request of this kind that it ought to be defeated. Why, if the oil people came here and asked for the privilege of consolidating two partially filled barrels of oil, or a railroad requested the right to consolidate two half-filled gondolas, you would have no objection to it. As a matter of fact, you would think it was ridiculous if they did not have the right to do it themselves without asking the permission of Congress. I think it is ridiculous that the distilleries do not have that privilege in their business today. It is one of the largest revenue-producing industries in this country. I think when they ask for something like this and the great majority of the Committee on Ways and Means votes it through and we get in addition a unanimous report on the bill through the Committee on Rules, that the bill is substantially sound. I think the bill itself challenges the opposition. We struck out anything that might impair the revenue. We provide for covering costs of any additional employee. And with reference to the question that was raised by my friend from New York when we considered the rule as to patronage, these are civil-service employees, and there will be no patronage. I said then, and I say now, I will yield what little patronage there will be, and there will be none, to my friend from New York, all of it, because there will be less rather than more.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. WHITTINGTON. Something has been said about the report of the Secretary of the Treasury as to the increased cost of operation. Where is the report? I do not find it in the report of the committee.

Mr. DINGELL. I will say to my friend from Mississippi that it is my belief and my interpretation that the opposition to the bill was directed at the bill as originally introduced.

Mr. WHITTINGTON. I recall that statement, but where is the report of the Secretary of the Treasury? It is not embraced in the report of the committee or the minority report.

Mr. DINGELL. No; it is not because I do not think it holds good as regards this bill. I think the objection was on the original bill, which provided on page 2 for certain allowances. That has been stricken from the bill now before you. On the question of possible additional employees, we provide a service tax which will more than take care of that.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DINGELL. I yield myself 5 additional minutes.

So I think that on that score the opposition of the Treasury was completely answered.

Mr. WHITTINGTON. It strikes me that the committee ought to make the report of the Secretary of the Treasury available to the House.

Mr. DINGELL. I do not believe there is any.

Mr. COOPER. Will the gentleman yield?

Mr. DINGELL. I yield.

Mr. COOPER. I will say to the gentleman from Mississippi [Mr. WHITTINGTON] that the minority views filed are substantially the same views as expressed by the Treasury Department.

Mr. DINGELL. On the original bill.

Mr. COOPER. On the bill as it now stands.

Mr. DINGELL. We have no record of that in committee, and I think I ought to know something about it.

Mr. COOPER. I am making it of record now.

Mr. DINGELL. Those are simply your words, and not the Treasury attitude which you cite for the record.

Mr. STEFAN. Will the gentleman yield?

Mr. DINGELL. I yield.

Mr. STEFAN. I am trying to understand this bill. It has to do with the repackaging of liquor.

Mr. DINGELL. Yes.

Mr. STEFAN. In your opinion will it help in the elimination of the bootlegger in any way?

Mr. DINGELL. I do not know as it would be as far-reaching as that but it will make less the evaporation per barrel. It is allowed by all that two partially filled barrels will evaporate faster than one completely filled.

Mr. STEFAN. The gentleman said that in his remarks on the rule with reference to the shrinkage. But this is a repackaging bill. Will it result in bringing more liquor out to the consuming public from the warehouses, or does it give the distillers some opportunity to cut the liquor?

Mr. DINGELL. Oh, not at all, because the bill is specific. It provides that packages of spirits of the same kind, differing only in proof, the product of the same distillery, subject to the same outage limitations in this section, may be consolidated—there is no provision which allows for cutting or blending.

Mr. STEFAN. I was just wondering what the purpose of the repackaging was.

Mr. DINGELL. To save cooperage, storage facilities, and freight. To fill one barrel with the contents of two or more partially filled barrels. The emptying of one or two warehouses and maintaining one filled warehouse.

Mr. STEFAN. The discussion of the possibility of having to employ 500 additional employees to carry out the purposes of this legislation would result in having to come in here for more appropriations. What will this cost?

Mr. DINGELL. If they did that it will be more than covered by the 10-percent service charge provided in the bill.

Mr. STEFAN. That will be paid by the service charge made to the distiller?

Mr. DINGELL. That is right. I will say to the gentleman, if such time comes that he is asked to make additional appropriation for this purpose, it will be for some other purpose than that occasioned in this bill because there will not be more personnel—as I said before, there will be fewer rather than more numerous storekeeper-gagers.

Mr. STEFAN. Then I understand from the gentleman's discussion that this 10-cent service charge is more than ample to defray the expense of carrying out this legislation?

Mr. DINGELL. Yes; sir.

Mr. STEFAN. And you indicate that you will not come in here for an appropriation to carry out the provisions of this legislation?

Mr. DINGELL. Not as far as I am concerned; no, sir.

Mr. Chairman, I reserve the balance of my time.

Mr. DEWEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this repackaging bill is purely a business bill that has to do with the transition period from wartime production to peacetime production. I have just been sitting on the so-called Post-War Economic Policy and Planning Committee, a subcommittee of which has been giving thought to termination of the thousands and hundreds of thousands of contracts for war production which one day will be canceled.

The next study that is coming up is the shifting over of plants from war production to peacetime production. One of the problems that will come before the House and before this committee is where will the machinery be stored that is no longer used for war production. Shall we set it out in the yards and let it rust? What will happen to it? Under laws that have been passed the proprietors of factories will, in due time, have a right to move out this machinery, safeguarding it as much as they can. The important point being to speedily get back to peacetime production when war production is over.

Let us consider this great distilling industry. It will be noted that in all of the bonded warehouses there is room for about 13,000,000 barrels. There has been no distilled spirits made since the emergency. All of the alcohol that went into distilled spirits is now going into munitions and various other war products. So there has been no distilled spirits made for at least 2 years. I think I am correct in the date.

As a result, the supply of distilled spirits on hand has sunk to 8,000,000 barrels, or about two-thirds of what might be called full peak storage. When word comes that alcohol will no longer be needed for war production and it may be turned over for distilled spirits, two things will have to be done. Distillers will have to manufacture to build up the supplies to be cut with the old, aged distilled spirits, to make them potable. Distilled spirits are not potable under 2 or 3 years. So, what will happen? They will have to make additional distilled spirits to cut the aged distilled spirits. They will have to make a reserve supply to start aging. We only have storage space in bonded warehouses for 4,000,000 barrels at the present time, and we have got to find bonded warehouse space to take care of the reserve stocks of distilled spirits as they are made, both for consumption and for aging.

At the same time we have to find warehouses in which to store war production machinery until it can be otherwise disposed of or reconverted. In addition to that, there will be great quantities of inventories that will have to be stored.

Hence, I think that the purpose of his bill is a business purpose.

From my point of view, to have 8,000,000 barrels of distilled spirits sitting in bonded warehouses, half filled, does not make good sense. To consolidate them into about 5,000,000 barrels, thus giving additional storage space for that time when storage space is needed, is nothing but good judgment. Hence, based on that and that alone, I hope this House will pass this bill and permit this industry, which is a dignified industry, employing thousands and thousands of men, to prepare itself for the transition period back from war to peacetime employment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DINGELL. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, I think this bill is a good bill and should pass. It seems to me the opposition of the Treasury was predicated somewhat on the theory that because this bill did not originate with them the Treasury was opposed to it. It is a bill desired by the industry, and it is fair to assume that if the industry desires the bill it will be helpful to them.

The situation as I look at it is this, taking the objections that were raised at the time of the hearings: First, that it was going to be costly to the Government. This objection has been met by the fact that a service tax of 10 cents a barrel is placed on each dumping. The average wage of these storekeeper-gagers runs from $2,000 to $2,500 per year. This makes about $7 or $8 as a daily wage. The testimony was that these storekeeper-gagers could gage approximately 100 barrels a day. This, at 10 cents a barrel, is $10 a day, and apparently on that basis the Government would not be losing money. With that objection eliminated the objection of manpower was raised. The Government said it would be difficult to get storekeeper-gagers. I have checked with the Civil Service Commission and find there has been no such examination held by the Civil Service Commission since December 31, 1941. I also find no recent record of any such examination being held in the Second District of New York. Where vacancies occur in New York they are filled by transfers of persons from other agencies who desire to return to New York City. It seems most apparent to me that if none of these examinations have been held and if transfers are made by departmental regulations returning people to places they originally came from there can be no great shortage of manpower. Let me say further that the distilling of liquor has ceased since the beginning of the war or thereabouts, and that the storekeeper-gagers are being used to gage the amount of alcohol in tank cars which convey the alcohol from the distilleries. It is apparent it does not take as many men to gage a tank car as it would to gage individual barrels of distilled liquor. It seems to me therefore that the points raised by the Treasury in their original objections have been met entirely by the 10-cent service charge that has been provided for in the bill and by the fact that the record shows that there is no shortage of manpower as indicated by the civil-service lists.

A most important feature of this bill is one pointed out by my distinguished colleague the gentleman from Illinois [Mr. DEWEY]. Every other industry is talking about post-war planning. Here is a situation where we have a great industry, an industry that has ceased distilling since the beginning of the war. They desire these barrels to be used for other purposes and desire to obtain increased storage facilities.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DINGELL. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. LYNCH. When the time comes that they do resume distilling we should offer them every possible facility for doing so.

The question of transportation was taken up by the gentleman from Illinois [Mr. DEWEY]. I believe it is most important in these days when transportation difficulties are so great that we should bear in mind that every possible step should be taken to avoid unnecessary transportation and in this case to allow them to utilize space in barrels that occurs because of shrinkage. As I recall the testimony, over a period of time there is a shrinkage of about one-quarter of the contents of a barrel. There is no use transporting barrels three-quarters full from Kentucky to New York when by the simple process of dumping, three barrels will take the place of four and that additional space can be used for some other purpose.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DEWEY. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, it seems to me that it is rather out of place that the attention and time of the United States Congress should be required to consider legislation of this kind at this particular time.

This legislation we are told is for the distilleries. So far as I can find out, nobody is asking for this measure except the distilleries. There certainly has been no demand for it from the country, not even from the departments of Government. In fact the Treasury Department is opposed to it, and the Alcohol Tax Unit says it should not be passed.

The measure is described by the distinguished chairman of the Committee on Rules, as being some kind of a "medicinal" bill. He said it might be good for those who need medicine, that it might help them. I cannot see by the greatest stretch of the imagination how this bill or the material involved would be of any help in that respect. The distinguished gentleman from Illinois [Mr. DEWEY] describes it as a business measure. I fail to find any business attached to it. I would be glad to have any Member on the floor of the House point out just how this could be a business measure.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Illinois, a member of the committee.

Mr. DEWEY. I took several minutes of the time of the House to explain why this was a business bill. We must admit that the distilling industry is an industry that employs a great many thousand people. It is an industry now producing alcohol for war purposes but some day they will go back to their regular business of producing distilled spirits. They have just as much right to make plans for the transition period from war to peace as any other industry engaged in war business.

Mr. REES of Kansas. The interesting thing about this legislation is that it has nothing to do with a war industry. At least the gentleman has not shown wherein it helps in the prosecution of the war. This legislation has to do with liquor that is to be sold at retail for people to drink. This does not help war industry at all. As far as I can figure it out it has nothing to do with the prosecution of the war.

The gentleman says this legislation is to provide more space where we can store our war machinery. I am thinking of farm implements; things of that kind. What about all these war plants that will be vacant after their lights are turned out? We shall have a mass of storage space for war machinery, if that is what the gentleman is looking for. There will be plenty of storage space without the comparatively little that can be found in these liquor plants for storing war equipment. They will be using that space themselves when the war is over to store an increased production of liquor. The Government will not need to use any space of that kind to store war machinery. I just do not see it, this business of getting all heated up over the liquor business. There is a lot of talk about scarcity of liquor these days. You can go right down now in any liquor store and buy a package of liquor if you want to spend the money, but you cannot go into a retail store and buy a package of ice cream right now, can you? It is queer how the thing seems to work out.

The thing that occurs to me is that this legislation is all unnecessary; it is all uncalled for. It should not have been brought to the floor of the House in the first place. It appears a distillery group comes in here and says they need this thing, they want to put their liquor in a less number of barrels. My goodness alive, let us get on some legislation of real importance. The Member who proposed this legislation and who also brings in the majority report says it will not be necessary to hire any additional employees. I do not see how you can get out of it.

We will either have to employ more or else keep a lot of them on the pay roll we do not need at the present time. If the business has gone down so much, let us take some of them off the pay roll and use them for a more important purpose than measuring liquor while we are trying to fight a war at the same time.

It seems to me that we have a lot of useless manpower right now handling the retail end of the liquor business.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEWEY. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. KEEFE. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The reason I rise to ask the distinguished gentleman from the State of Kansas the question that I propose to ask him is because I assume that out of the great wealth of his study of the liquor industry he will be able to answer better than anyone else in the House.

Mr. REES of Kansas. I am not so sure about that, but I appreciate the compliment.

Mr. KEEFE. If I understood the gentleman from Illinois correctly, the statement was made that one of the purposes of this bill was to permit half-filled whisky barrels to be filled up in order to release some whisky barrels for use in other industries. Can the gentleman tell me whether or not a barrel that has been used for the storage of whisky is available for some other purpose in the industry?

Mr. REES of Kansas. I think that is a very fair question.

Mr. KEEFE. And will the gentleman answer this question also: Does it take less space to store an empty barrel than a full barrel of whisky?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEWEY. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. REES of Kansas. Mr. Chairman, in the first place I cannot conceive of any particular use for those barrels after they have been used for liquor purposes. I assume what they would do would be to hold them over until they can manufacture more liquor, and then refill them.

Mr. KEEFE. Could they be used to store applejack in Kansas, for instance.

Mr. REES of Kansas. We would not have any use for them out our way.

Mr. HOFFMAN. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Michigan.

Mr. HOFFMAN. How about Milwaukee beer; do they need any storage space for that?

Mr. REES of Kansas. I am not so sure about that. I am not familiar enough with Milwaukee beer to discuss the question.

Mr. Chairman, I do not believe the argument in favor of this bill merits the support of the membership of the House. This is not just a question of whether you favor liquor. It is not in the public interest. The Committee on Ways and Means were divided in their opinion. I do not know who testified before the committee. In any event there were no open hearings on the bill. We have no copies of the hearings. I see no public interest in favor of it. I would like to point out, however, that about the only argument in support of the bill is that it would save some storage space. There is no demand for that space. In fact the report says 2,000,000 barrels of liquor is being withdrawn annually from storage. So the space is not overcrowded. The Government will have plenty of storage space of its own when this war is over.

I want to point out further that the Treasury Department and the Alcohol Tax Unit, who have no interest in the liquor business, except to enforce the law, are both opposed to it. There must be some fair reason for their opposition to it. Mr. Chairman, it has already been stated that about 500 additional inspectors at an expense of approximately $250,000 will be required to enforce this measure if enacted into law. We are short of manpower right now and the Government pay rolls are already loaded. There is nothing in this measure for the good of public interest, or that helps in the prosecution of the war. It ought to be defeated.

Mr. DEWEY. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks and to include certain tables.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, I just came in on this storage question. I am not so much interested in the storage of Milwaukee beer or Illinois whisky. I suppose it will have to be stored some place if they do not make it good enough for the fellows to drink.

What I am interested in is this: Down in Van Buren County, we have the Burnett Farms with hundreds of acres, growing tons, and I means tons, not ounces or pounds, of food. Those people have built their own cannery, they have the labor to take care of their crops, they have the factory to can them and hold them over, but they have not any place to store the canned fruits and vegetables. They have been trying for more than a month to get the department down here to let them build a small building for which they can get all the material if priority is given. I cannot get them to do it. Yet the Agricultural Department keeps writing the farmers all the time to produce more food because the civilian population must have it and the members of the Army and Navy and armed forces must have it also.

Some of you gentlemen who are politicians, some of you gentlemen who are New Dealers and who are in favor at the moment down here, tell me how I can get the material so that the Burnett Farms can build this storage space to take care of the strawberries, the cherries, plums, peaches, and later on the pears, and they store apples, too, at times, although they do not can them. Tell me how I can get the materials so that these folks can put up their building to carry out the program advocated by the Agricultural Department. Maybe there is politics in this thing that I am discussing, I do not know, but all those people want is this building to put this canned food in after they grow it, harvest it, and can it.

Mr. DONDERO. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. DONDERO. I have had two instances come to my notice where two people wanted to build a new structure which would cost slightly more than $200. They were denied the right to build them. In one instance, they were told if they wanted material for the repair of some other building they could have it up to $5,000. The gentleman has not gotten on to that new rule.

Mr. HOFFMAN. I thank the gentleman. Perhaps we may put this thing over some cellar of a building that has been burned. They want this material. They need it. They must have it if the food is to be saved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DINGELL. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, my main purpose in asking recognition at this time is simply for the purpose of explaining to the membership of the House the situation with respect to this bill. This bill or a similar bill has been before us for some years, the distillers of the country wanting the opportunity of consolidating and repackaging liquor.

As was stated a few moments ago, six of us on the Ways and Means Committee signed minority views. They are available and Members may examine them if they so desire.

The Treasury Department is opposed to this legislation, the Alcohol Tax Unit is opposed to the legislation and appeared before the committee in opposition to it. They pointed out that there was no necessity for the bill. There is a great surplus of warehouse space and a great surplus of barrels, which are the only two points that the distillers made as a reason for needing the legislation. They claimed they needed warehouse space and needed barrels, yet there is a surplus of both.

The Alcohol Tax Unit pointed out that it would endanger the revenue to allow them to dump and consolidate and repackage this liquor. The Federal Government has an interest of $9 in taxes in every gallon of distilled spirits in this country. With the enormous amount of distilled spirits involved in this process, the loss of revenue may be considerable. In addition to that, the Alcohol Tax Unit states it will require 500 additional storekeeper-gagers to do this work; that is, to supervise the consolidation and repackaging, at an average salary of about $2,500 a year. This will mean about $1,250,000 of additional expense for these added storekeeper-gagers, and there is the further fact that they are extremely difficult to secure at this time.

In view of the situation presented, six of us on your Committee on Ways and Means felt that this legislation is not necessary, that it is not justified, and there is no reason for it being passed at this time, it being only a request from the distillers, and that they failed to make out any logical or reasonable case as needing or requiring this type of legis-

lation. So the six of us felt that it was our duty, as members of the committee who heard all the evidence, to present the facts to you in the form of the minority report that has been filed here. I felt it to be my duty today to call your attention to this minority report and ask you to consider the facts presented there before you decide how you want to cast your vote on this question.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. MICHENER. Do I understand the gentleman to say that if this legislation is enacted it will require 500 additional employees at this time?

Mr. COOPER. The statement of the Alcohol Tax Unit and the Treasury Department to the Committee on Ways and Means is that it will require at least 500 additional storekeeper gagers to supervise this dumping and repackaging, and, in addition, it will require other clerks, stenographers, and employees.

Mr. DINGELL. Mr. Chairman, I yield myself 1 minute.

I cannot permit this last question, answered in the manner in which it has been, to appear in the RECORD. I covered this subject before my colleague from Michigan came in. I pointed out that there are only 122 distillers, and they could not possibly use 500 additional employees. Only if they dumped all of the liquor at one time could that be possible. But in the final analysis, if that were true, the bill provides for a 10-cent service charge, which the Alcohol Tax Unit, through Mr. Berkshire, says is more than ample to cover all costs.

There is no earthly reason why a legitimate industry, whether we like it or not, should not have the privilege of consolidating 2 barrels of liquor, any more than an oil company should not have the privilege of consolidating 2 partially filled barrels of oil.

Mr. DEWEY. Mr. Chairman, I yield myself 1 minute.

In connection with the Treasury Department statement as interpreted by my distinguished colleague from Tennessee, that there is plenty of storage space, of course there is plenty of storage space in the bonded warehouses for the simple reason that all of their production of alcohol has been going to the war effort. There is no storing of any whisky or distilled spirits. It has been withdrawn at the rate of over 2,000,000 barrels a year. But I look forward to the time when they will go on manufacturing distilled spirits for peace consumption, and at that time there will not be a sufficient amount of storage.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DINGELL. Mr. Chairman, having no further requests for time, I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 2901 of the Internal Revenue Code, as amended, is amended by adding at the end of subdivision (a) (1) the following:

"(2) Packages of spirits of the same kind, differing only in proof, the product of the same distiller at the same distillery, and subject to the same outage limitation under this section, may at any time or times during the period of storage in bond, but not more than once in every 18 months, be consolidated or combined by being regauged, dumped into a tank, and repackaged, under supervision of the storekeeper-gauger, in as many of the same packages as shall be necessary, the quantity of loss sustained for such packages to be ascertained at the time of such consolidations or combinations, the allowance above provided to be made at such time and the taxes paid on any losses in excess; such allowances to resume and continue as to the packages into which the spirits have been repacked from the date of such repackaging. The Commissioner, with the approval of the Secretary of the Treasury, is authorized to make regulations in respect thereto.

"The Commissioner shall abate the tax on the actual losses due to dumping and repackaging: *Provided, however*, That this loss shall not exceed 1 percent of the spirits dumped, under such regulations as he shall, with the approval of the Secretary of the Treasury, promulgate."

With the following committee amendment:

Page 1, line 9, after the word "may", insert "(upon the payment of a fee of 10 cents with respect to each such package which is to be regaged and dumped as provided in this paragraph)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 15, after "regulations", strike out the remainder of the bill and insert "in respect thereto."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 2539) to amend section 2901 of the Internal Revenue Code, pursuant to House Resolution 550, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. DINGELL) there were—ayes 38, noes 41.

Mr. DINGELL. Mr. Speaker, I demand tellers.

Tellers were refused.

Mr. DINGELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 126, nays 168, not voting 135, as follows:

[Roll No. 63]

YEAS—126

Allen, Ill.	Halleck	O'Neal
Anderson, Calif.	Hancock	Outland
Andrews, N. Y.	Harness, Ind.	Philbin
Bates, Ky.	Harris, Ark.	Pittenger
Beall	Hartley	Ploeser
Blackney	Hess	Powers
Bradley, Mich.	Howell	Pratt, Joseph M.
Burchill, N. Y.	Izac	Rabaut
Camp	Johnson, Calvin D.	Ramey
Canfield	Johnson, Ind.	Ramspeck
Cannon, Mo.	Johnson, J. Leroy	Reed, Ill.
Capozzoli	Jonkman	Rodgers, Pa.
Carrier	Kean	Rogers, Mass.
Chapman	Kearney	Rolph
Chiperfield	Kelley	Rowan
Church	Kilburn	Sabath
Cochran	Kilday	Sadowski
Coffee	Kleberg	Scanlon
Crosser	Larcade	Smith, Wis.
Curley	Lesinski	Snyder
Curtis	Lynch	Somers, N. Y.
D'Alesandro	McCormack	Spence
Day	McLean	Springer
Delaney	McMurray	Stevenson
Dewey	McWilliams	Sullivan
Dingell	Madden	Sundstrom
Eberharter	Marcantonio	Talbot
Elliott	Martin, Mass.	Torrens
Ellison, Md.	Merrow	Vincent, Ky.
Elston, Ohio	Miller, Conn.	Wadsworth
Feighan	Miller, Mo.	Walter
Fenton	Mills	Wasielewski
Fish	Monkiewicz	Welchel, Ohio
Fitzpatrick	Mruk	Welch
Fogarty	Murphy	Wene
Forand	Myers	West
Gamble	Norman	Wigglesworth
Gavin	O'Brien, Ill.	Wilson
Gearhart	O'Brien, Mich.	Wolcott
Gifford	O'Brien, N. Y.	Wolverton, N. J.
Gordon	O'Connor	Woodruff, Mich.
Gorski		Wright
Gregory		

NAYS—168

Abernethy	Gale	Lewis
Allen, La.	Gathings	Luce
Andersen, H. Carl	Gibson	Ludlow
Andrews, Ala.	Gilchrist	McCord
Angell	Gillie	McCowen
Auchincloss	Goodwin	McGregor
Barden	Gore	McKenzie
Barrett	Graham	McMillan
Bates, Mass.	Granger	Mahon
Beckworth	Grant, Ala.	Martin, Iowa
Bennett, Mo.	Gwynne	Mason
Bishop	Hagen	May
Bonner	Hale	Michener
Brehm	Hare	Miller, Nebr.
Brooks	Harless, Ariz.	Monroney
Brown, Ga.	Hays	Morrison, La.
Brown, Ohio	Hendricks	Mott
Brumbaugh	Herter	Mundt
Bryson	Hobbs	Murdock
Buffett	Hoeven	Murray, Tenn.
Bulwinkle	Hoffman	Murray, Wis.
Burch, Va.	Holmes, Wash.	Newsome
Butler	Hope	Norrell
Cannon, Fla.	Horan	O'Hara
Carson, Ohio	Hull	Pace
Case	Jackson	Patman
Chenoweth	Jeffrey	Peterson, Fla.
Clevenger	Jenkins	Peterson, Ga.
Cole, Mo.	Jennings	Poage
Compton	Johnson, Anton J.	Poulson
Cooley	Johnson, Luther A.	Price
Cooper	Johnson, Lyndon B.	Priest
Courtney	Johnson, Okla.	Randolph
Cravens	Jones	Rankin
Crawford	Judd	Reece, Tenn.
Cunningham	Keefe	Reed, N. Y.
Davis	Kefauver	Rees, Kans.
Dilweg	Kinzer	Richards
Dondero	Kunkel	Rivers
Dworshak	Lambertson	Rizley
Ellis	Landis	Robertson
Ellsworth	Lanham	Robinson, Utah
Elmer	LeCompte	Robsion, Ky.
Engel, Mich.	LeFevre	Rockwell
Fisher	Lemke	Rohrbough
Flannagan		Rowe
Fuller		Russell
		Satterfield

Sauthoff	Stefan	Vursell
Schiffler	Stewart	Weaver
Schwabe	Stigler	White
Scott	Stockman	Whittington
Scrivner	Sumner, Ill.	Wickersham
Sikes	Sumners, Tex.	Willey
Simpson, Ill.	Talle	Woodrum, Va.
Smith, Ohio	Thomas, Tex.	Zimmerman
Smith, Va.	Thomason	
Sparkman	Tibbott	

NOT VOTING—135

Anderson, N. Mex.	Fulmer	Merritt
	Furlong	Miller, Pa.
Andresen, August H.	Gallagher	Morrison, N. C.
	Gerlach	Norton
Arends	Gillespie	O'Konski
Arnold	Gillette	O'Toole
Baldwin, Md.	Gossett	Patton
Baldwin, N. Y.	Grant, Ind.	Pfeifer
Barry	Green	Phillips
Bell	Griffiths	Plumley
Bender	Gross	Pracht,
Bennett, Mich.	Hall,	C. Frederick
Bland	Edwin Arthur	Rogers, Calif.
Bloom	Hall,	Sasscer
Bolton	Leonard W.	Shafer
Boren	Harris, Va.	Sheppard
Boykin	Hart	Sheridan
Bradley, Pa.	Hébert	Short
Buckley	Heffernan	Simpson, Pa.
Burdick	Heidinger	Slaughter
Burgin	Hill	Smith, Maine
Busbey	Hinshaw	Smith, W. Va.
Byrne	Hoch	Stanley
Carlson, Kans.	Holifield	Starnes, Ala.
Carter	Holmes, Mass.	Stearns, N. H.
Celler	Jarman	Taber
Clark	Jensen	Tarver
Clason	Johnson, Ward	Taylor
Cole, N. Y.	Jones	Thomas, N. J.
Colmer	Kee	Tolan
Costello	Kennedy	Towe
Cox	Keogh	Treadway
Dawson	Kerr	Troutman
Dickstein	King	Vinson, Ga.
Dies	Kirwan	Voorhis, Calif.
Dirksen	Klein	Vorys, Ohio
Disney	Knutson	Ward
Doughton	LaFollette	Weiss
Douglas	Lane	Whelchel, Ga.
Drewry	Lea	Whitten
Durham	McConnell	Winstead
Eaton	McGehee	Winter
Engle, Calif.	Maas	Wolfenden, Pa.
Fay	Magnuson	Worley
Fellows	Maloney	
Fernandez	Manasco	
Folger	Mansfield.	
Ford	Mont.	
Fulbright	Mansfield, Tex.	

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Knutson for, with Mr. Bland against.

Mr. Keogh for, with Mr. Carlson of Kansas against.

Mr. Heffernan for, with Mr. Whitten against.

General pairs:

Mr. Lane with Mr. Arnold.
Mr. Merritt with Mr. Dirksen.
Mr. Winstead with Mr. Grant of Indiana.
Mr. Kennedy with Mr. Bender.
Mr. Manasco with Mr. Clason.
Mr. Barry with Mr. Jensen.
Mr. Vinson of Georgia with Mr. Hill.
Mr. Byrne with Mr. Edwin Arthur Hall.
Mr. Sheppard with Mr. Short.
Mr. Pfeifer with Mr. Taber.
Mr. Lea with Mr. Shafer.
Mr. O'Toole with Mr. Treadway.
Mr. King with Mr. Cole of New York.
Mr. Bloom with Mr. Busbey.
Mr. Green with Mrs. Smith of Maine.
Mr. Buckley with Mr. Thomas of New Jersey.
Mr. Costello with Mr. Douglas.
Mr. Celler with Mr. August H. Andresen.
Mr. Voorhis of California with Mr. Eaton.
Mr. Tarver with Mr. Towe.
Mr. Drewry with Mr. Baldwin of New York.
Mr. Boykin with Mrs. Bolton.
Mr. Fernandez with Mr. Taylor.
Mr. Hart with Mr. Simpson of Pennsylvania.
Mr. Magnuson with Mr. Gillette.
Mr. Klein with Mr. O'Konski.
Mr. Hoch with Mr. Fellows.
Mr. Sheridan with Mr. Miller of Pennsylvania.
Mr. Kee with Mr. Heidinger.
Mrs. Norton with Miss Stanley.
Mr. Dickstein with Mr. Plumley.
Mr. Furlong with Mr. Gallagher.
Mr. Fulbright with Mr. Gross.
Mr. Folger with Mr. Holmes of Massachusetts.
Mr. Harris of Virginia with Mr. Ward Johnson.
Mr. Fulmer with Mr. Maas.
Mr. Engle of California with Mr. Winter.
Mr. Bell with Mr. Burdick.
Mr. Cox with Mr. Vorys of Ohio.
Mr. Burgin with Mr. Phillips.
Mr. Doughton with Mr. Griffiths.
Mr. Jarman with Mr. Stearns of New Hampshire.
Mr. Kerr with Mr. Wolfenden of Pennsylvania.
Mr. Holifield with Mr. Troutman.
Mr. Baldwin of Maryland with Mr. C. Frederick Pracht.

Mr. STEVENSON and Mr. FEIGHAN changed their votes from "nay" to "yea."

Mr. CHENOWETH changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

On motion of Mr. COOPER, a motion to reconsider the vote whereby the bill was rejected was laid on the table.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD by inserting a letter from Admiral Vickery on the progress of shipbuilding.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLAND. Mr. Speaker, I further ask unanimous consent to extend my own remarks on the subject of cooperation of air and surface carriers for national defense and to include certain quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks on three different subjects and to include therein certain resolutions and newspaper articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADDITIONAL ORDNANCE MANUFACTURING AND PRODUCTION FACILITIES FOR UNITED STATES NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to vacate the proceedings whereby the bill (H. R. 4421) authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes, was passed and that the House consider in lieu thereof the bill (S. 1771) authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes, which is identical with the House bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this exactly the same bill?

Mr. VINSON of Georgia. The two bills are identical. I did not know until a moment ago that this bill had passed the Senate.

Mr. SABATH. Mr. Speaker, reserving the right to object, what is the gentleman's request?

Mr. VINSON of Georgia. To pass the Senate bill instead of the House bill. The Senate has already passed a bill similar to the one the House passed a short while ago. In order that both Houses may pass the same bill I am asking to vacate the proceedings by which the House bill was passed and to pass the Senate bill.

Mr. SABATH. The Senate bill to take the place of the House bill that we passed?

Mr. VINSON of Georgia. Yes.

Mr. MAY It keeps it from going to conference.

The SPEAKER pro tempore (Mr. SIKES). The gentleman from Georgia asks unanimous consent to vacate the proceedings whereby the bill H. R. 4421 was passed and consider in lieu thereof the bill S. 1771. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $65,000,000 for necessary tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and equipment at either private or public plants.

SEC. 2. The authority herein granted shall include the authority to acquire lands at such locations as the Secretary of the Navy may deem best suited to the purpose, erect or extend buildings, acquire the necessary machinery and equipment, and in private establishments provide plant-protection installations, and shall be in addition to all authority heretofore granted for these purposes.

SEC. 3. The Secretary of the Navy from time to time, but not less frequently than every 60 days, shall transmit to the Congress a full report of all acquisitions of land, by lease or otherwise, effected under the authority of this act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 4421) were laid on the table.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Missouri [Mr. BENNETT] is recognized for 30 minutes.

DOES THE GOVERNMENT PROMOTE A FARM-MACHINERY MONOPOLY?

Mr. BENNETT of Missouri. Mr. Speaker, I do not anticipate that I shall use the full amount of time allotted me this afternoon, but I do want to discuss for a few minutes the scandalous situation which obtains in the country with respect to the shortage of farm machinery.

On the 15th of May the gentleman from Michigan [Mr. CRAWFORD] introduced House Resolution 546, which has been referred to the Committee on Rules, proposing an investigation within the next 30 days by the House Committee on Agriculture. I think perhaps this resolution would bear reading at this time because of the fact that it is new and has not come to the general attention of the membership. The resolution reads as follows:

House Resolution 546

Whereas an acute shortage in farm implements exists in the agricultural sections of the United States; and

Whereas certain farm organizations contend that farm-implement production figures have been written in a misleading manner; and

Whereas a number of former representatives of major farm-implement manufacturing companies now hold key positions as dollar-a-year men in Government agencies controlling farm-implement production; and

Whereas it is represented that there has been a maladjustment in quotas and production schedules for farm implements: Therefore be it

Resolved, That the House Committee on Agriculture or any duly designated subcommittee thereof is hereby authorized and directed to immediately institute an investigation of the shortage of agricultural implements, including an inquiry into the quotas established therefor, the production schedules therefor, such recommendations as may have been made and put into effect by former officials of major implement manufacturing companies now employed by the Federal Government as dollar-a-year men or on regular salary, whether smaller companies can increase or could have increased production of implements of which there is now a shortage through a shift in quotas to them from large manufacturers, whether the best interests of the United States and its allies could best be served by providing for an immediate increase in production of implements of which there is a shortage and by rescheduling for use in the United States certain implements now scheduled for shipments to foreign countries which the Allied armies now occupy or expect to occupy.

The House Committee on Agriculture or any subcommittee thereof acting under this resolution shall file its report with the House not later than 30 days after adoption of this resolution.

This resolution shall become effective immediately upon its adoption by the House.

Mr. Speaker, the day following introduction of this worthy resolution which I hope the Rules Committee will approve and the House adopt, Mr. E. A. Locke, Jr., assistant to Donald Nelson, Chairman of the War Production Board, wrote a letter to the gentleman from Michigan, Congressman CRAWFORD, and it is to be found set out on page 4565 of the CONGRESSIONAL RECORD. In this letter the W. P. B. admits that while farm-machinery production is picking up speed it still is running behind schedule. The letter states that this week W. P. B. will make public a detailed report on the production of farm machinery, listing the last 10 months' production of all major items by units as well as by dollar value. The W. P. B. letter undertakes both to confirm and to deny the persuasive evidence presented to many Congressmen establishing that companies in position to produce machinery above their quotas have been denied increased quotas in numerous cases. But, the fact remains that we are admittedly behind schedule. Why?

Mr. Speaker, an interesting article appeared May 15 in the Washington Times-Herald, under the byline of Philip Warden, revealing a scandalous situation which exists in the War Production Board relative to farm machinery. The article is as follows:

SCANDAL SEEN IN SHORTAGE OF FARM TOOLS—W. P. B. BLAMED

A farm-machinery shortage so serious that War Food Administrator Marvin Jones has refused to bring it out into the open for fear of the consequences to President Roosevelt's fourth-term ambitions was threatening yesterday to become one of the major scandals of the war.

Blamed for this farm-tool shortage that farm men say actually threatens "international disaster on the food front" are farm machinery officials of the War Production Board who allegedly falsified production figures and the Big Eight of the farm machinery manufacturers.

PROTEST DELAY OF PROBE

So serious is the situation that War Production Chief Donald Nelson is taking time off from his job of keeping the war factories going to take a special trip to Detroit the first week in June with leaders of the national farm organizations to make a personal investigation. To the farm leaders, delay of the investigation until June is said to be "dangerously long," probably "too late."

MISS GOAL ON PLANTERS

As agricultural men viewed the situation, approximately 20 to 50 percent fewer farm tools have been produced than W. P. B. and W. F. A. assured the farmers would be produced during the winter for their use this year.

TRACTORS, COMBINES HIT QUOTAS

Only the production of tractors, 2 percent ahead of the announced goals, and large combines have been produced in anything like the promised quantities, which are far below actual requirements, the farm men said.

Leaders of the national farm organizations, suspecting that the New Deal agencies were hiding something in their farm machinery production figures, Thursday sent Edward J. O'Neal, American Farm Bureau Federation president, to call on his friend Administrator Jones to get the low-down.

"DISHING OUT GLAMORIZED REPORTS"

According to the Washington Farm Reporter, a publication of the National Grange, written by Agricultural Service Associates, a group of writers that work closely with leaders of all the major farm organizations, this is what took place:

"Could it be that the Farm Machinery Division of W. P. B. wasn't going to fulfill its program?" O'Neal demanded of Jones. "Could it be that it was dishing out glamorized reports?"

It not only could be, but was, said Jones. He called in one of his specialists to prove it. Saying that he would do everything in his power to "needle" W. P. B. into action, Jones flatly refused O'Neal's demands that he do something about it immediately.

He let it be known that the White House had strictly forbidden any interagency squabbles between now and November 7, and that it wasn't going to be the one to disobey White House orders.

O'Neal, according to the Farm Reporter, came away from W. F. A. boiling. He called an immediate conference of the other farm-organization leaders.

"A joint statement blasting the whole rotten mess wide open to the public view should be issued sooner than immediately," O'Neal reportedly told the farm men.

"Not so fast," retorted the other leaders. "Donald Nelson has been about the only big shot in the administration high command to give the farmers a break. Now let's have a cozy chat with Mr. Nelson before we blow the wind."

And that's what happened. They visited Nelson's office Friday. According to their reports, he didn't "beat around the bush." He heard the farm men describe the situation as they knew it. He listened to O'Neal accuse the W. P. B. Farm Machinery Division of falsifying production figures by reporting output in dollar value rather than in numbers of machine units. "You can't raise corn with dollar signs," O'Neal reportedly shouted.

MACHINERY TRUST BLAMED

The farm leaders claimed the Big Eight among the manufacturers of farm machinery, referred to by W. F. A. specialists in their conversations as the Machinery Trust, are actually repsonsible for the failure of the farm-machinery industry to meet the announced production goals.

The farm men claim that last fall, when farm machinery quotas were being established, the big manufacturers, in an attempt to hold their competitive market positions, asked W. P. B. for larger quotas than they could fill, taking the business from the smaller manufacturers that could have produced the tools.

LITTLE MEN AFRAID TO SPEAK

They knew at the time they couldn't fill their quotas, the farm leaders said, and it was apparent to the entire industry before February that they wouldn't meet them by a wide margin.

But the small manufacturers were afraid to complain, the farm men said, because they knew if they lifted their voice in criticism of the big companies, they would be driven out of business after the war. Marvin Jones knew about it, but he wouldn't "squawk" audibly for political reasons. Thus, they said, nothing was done.

This situation was highlighted on May 9 in a statement by Edward O'Neal, president of the American Farm Bureau Federation, before the House Banking and Currency Committee. At that time Mr. O'Neal stated in part:

Another case in which farmers feel that a program has been hampered by administrators who do not understand the farmers' problems is that of farm machinery. We simply cannot understand why rigid production quotas are reserved for some manufacturers when they are not able to produce the full amount of their quotas, while other manufacturers who have met their quotas and have the labor and materials to produce far more are not permitted to do so. Furthermore, regulations compel all manufacturers to spread their production out over a specified period, instead of permitting them to manufacture at top speed until their quotas have been reached. Such administrative regulations are hard to understand at a time when the entire world needs all the food that can be produced, and at a time when additional farm machinery would ease the burden of already overworked farm people.

Mr. Speaker, those of us from the great farm States have long been disturbed by administration failure to give proper recognition to the farm labor and farm machinery needs of those engaged in agriculture. Recently we were shocked by the revelations made by the gentleman from Illinois [Mr. ANTON J.

JOHNSON] showing that over half a million items of farm machinery are allotted for distribution in foreign countries, many of the countries not yet occupied by our troops. The point has been pertinently raised as to whether the American farmer should be deprived of this machinery while the war is in progress and at a time he is called upon for increased production for victory. This is but one phase of the difficult farm machinery problem. There are some who say we cannot get adequate farm machinery in the United States because the Army and Navy need all the component parts. This is hardly plausible in view of allocations being made for foreign countries for their domestic production. Various other reasons have been assigned by responsible authorities for the shortage of farm equipment. They have talked not only about shortage of component parts, but about shortage of manpower in the industry, and on last October 29 the President himself charged, "The lag in production was due to reluctance of farm-machinery manufacturers to give up profitable war contracts, although they had been allocated sufficient iron and steel to make all farm equipment needed." However, the real reason is much more important than any of these. The time has come to speak out, to name names and to place the grease where the squeak is. There must be some good reason why large quotas of production are assigned by W. P. B. to a handful of companies that cannot meet those quotas while at the same time W. P. B. assigns smaller quotas to other firms which claim they can produce more and are deprived through the quota system of this opportunity to serve their country and the farmers and are forced to shut down. Permit me, therefore, to raise the question, does the Government promote a farm-machinery monopoly?

In 1936 the Congress authorized the Federal Trade Commission to conduct an exhaustive inquiry into the practices of the agricultural implement and machinery industry with particular reference to the concentration of the industry and its competitive methods. The findings of the Commission are contained in the 1,176 pages of House Document No. 702, of June 6, 1938. Let me quote briefly from this report.

On page 1023 of this official report I find the statement:

> The bulk of the business is now in the hands of five companies.

The report continues on the same page:

> From the standpoint of size, in terms of capital invested and volume of sales, International Harvester Co. dominates the farm-machinery industry. * * * The next particularly large company is Deere & Co.

On page 1024 of the report I find this statement:

> During 1936 International Harvester Co.'s farm-machinery sales of domestic manufacture, including motortrucks and binder twine, were equivalent to approximately 53 percent of the farm-machinery sales of all reporting companies combined. * * * Deere & Co.'s sales were equivalent to about 21½ percent of the combined farm-machinery sales of all reporting companies in that year. Compared with these companies, the sales of nearly all the other reporting companies were small. * * * The dominance and price leadership of these large companies is result almost solely of their size and great financial strength.

The Federal Trade Commission concluded its report on page 1038 with the finding that, "There is a serious monopolistic condition in the farm-machinery industry." The Commission recommended to Congress a certain amendment to the Clayton Act to correct the situation. An administration-controlled Congress has failed to act. And W. P. B., I am told, requested the Federal Trade Commission to drop plans for further investigation. Farm machinery remains high-priced and difficult to obtain. In fact, I fear the situation has in some respects become even worse, made so by the Government itself. Mr. Speaker, big government can foster as bad a monopoly and be as much of a threat to small independent business as any monopoly of big business itself. And, when the two combine, what chance has small business, particularly the small farmer?

I find, upon investigation, that the Farm Machinery and Equipment Division of the War Production Board is in complete control of the representatives of the two companies charged in the Federal Trade Commission report with monopolistic practices. Charles Deere Wiman, one of two brothers who are said to be sole heirs to the Charles H. Deere estate, which dominates Deere & Co., the second largest manufacturer of farm equipment, has become Chief of the Farm Machinery Section of the War Production Board. Immediately after his appointment Mr. Harry Boyle, of the International Harvester Co., became Deputy Director of the Farm Equipment Branch of the War Production Board. Quotas and appeals must flow through these men and receive their approval. They have full use of their office to make or break the destinies of more than 1,000 farm equipment and supplier firms, both large and small. I do not say that they are abusing their power in this way. I simply point to the obvious fact that the Government itself is promoting an unhealthy situation in conflict with the spirit of the findings of the Federal Trade Commission.

Not only is the War Production Board Farm Machinery Section under monopolistic influence but there is additional personnel in strategic positions. For example, Mr. L. G. Giraud is Chief of the Automotive Section, Machine and Equipment Division of the Foreign Economic Administration. He, too, is an International Harvester man and in his position has control over foreign shipments of the Board of Economic Warfare to South America, Central America, and Mexico. I noticed in the papers recently that $4,000,000 worth of farm machinery has been turned over to Mexico.

Mr. Harris E. Swanberg, another International man, from 1926 to 1943, now has charge of farm machinery for lend-lease countries. Before consolidation of the Board of Economic Warfare and the Lend-Lease Administration, Mr. Giraud had charge of farm machinery for the Board of Economic Warfare and Mr. Swanberg had charge of farm machinery for Lend-Lease. Both of these agencies are claimant agencies and are in position to have material allotted to specific firms over and above the regular quotas. It is obvious that the daily duties of these men make a constant interchange of information and policies possible and that they are in a position to leave out in the cold any manufacturers not in the good graces of the farm machinery monopoly.

It is interesting to note in passing that the annual report of shareholders of the Continental Illinois Bank and Trust Co. of Chicago shows that two of the directors are Judson F. Stone, chairman of the board of the International Harvester Co., and Charles D. Wiman, until recently president of Deere & Co., still one of its substantial stockholders, and now in the vital position I have described in the War Production Board.

The report of the Federal Trade Commission describing the monopoly of the farm-machinery industry does not fully disclose the role of the big companies in relation to the National Federation of Retail Dealers. I hold in my hand one of the letterheads of the executive committee of the association for 1942–43. I am astounded to find that of the 25 officers, directors, and members of the advisory board, 22 of them are associated with International or Deere.

Not only have these big companies dominated the trade, the Federation of Retail Dealers, and Government allocations, but they dominate the Farm Equipment Institute. The institute is the trade organization of the manufacturers of farm implements and machinery. House Document 702, the Report of the Federal Trade Commission, accuses the institute of deception regarding some of its activities. The report does not adequately point out that this group gives the impression it represents the whole industry when in fact it does not. Such misrepresentation has been detrimental during the war, especially to independent firms and nonmembers of the institute, for war agencies are inclined to accept advice of the institute for the whole industry. The advent of the Office of Production Management and later the War Production Board found what was known as a "priorities committee of the Farm Equipment Institute" as early advisers. Harry Boyle, of International Harvester Co., and now Assistant Director of the Farm Machinery and Equipment Division of W. P. B., played a dominant role in the operations of this priorities committee. Mr. Fred Clawson, vice president of Deere & Co., was an early adviser in the O. P. M. The Farm Equipment Institute actually sent telegrams to independent firms inviting them to attend a joint meeting with the War Production Board and at a meeting in Chicago the impression was created that it was to the best interest of companies to belong to the Farm Equipment Institute in order to get along with the War Production Board Farm Machinery Section. With more than 1,000 companies, and some 250 of them of reasonable size, it

seems most unfortunate that the personnel of two companies would apparently control the destiny of the farm-equipment situation. I am led to wonder if the monopolistic control of these big companies could be taken out of the Government, if independent manufacturers could not produce more farm equipment.

Mr. H. CARL ANDERSEN. Will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I am personally very much interested in finding out that the gentleman from Michigan [Mr. CRAWFORD] introduced a resolution on May 15 to do the very thing that I myself in a speech to the House on that day requested the House to do. That is, begin an investigation into this very serious matter. I compliment the gentleman from Missouri for his efforts toward furthering such investigation by the Committee on Agriculture. He is always working for the interests of the farmers and small businessmen.

Mr. BENNETT of Missouri. I appreciate the statement of the gentleman from Minnesota. I know he has cooperated with us in our effort to speed up the production of necessary farm machinery.

Mr. GILLIE. Will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from Indiana.

Mr. GILLIE. May I ask the gentleman from Missouri what is the percentage that the implement men are allowed to make?

Mr. BENNETT of Missouri. The quota system is set up on what the bureaucrats are pleased to call an historic basis. The basis which is used is 1940 or 1941.

Mr. GILLIE. Take the year 1941. What would be the percentage that these machinery men were allowed to make in 1941?

Mr. BENNETT of Missouri. I do not have that exact figure in mind.

Mr. H. CARL ANDERSEN. Taking the figures as of today, they are permitted to manufacture approximately 96 percent of the 1940 production, which is about 50 percent too low today.

Mr. BENNETT of Missouri. That is right, I believe.

Mr. GILLIE. I would like to say to the gentleman from Missouri that I received word from one of the implement manufacturers only yesterday, in which they said they could manufacture 96 percent of the articles the people are calling for. They could actually do that now.

Mr. BENNETT of Missouri. Did they say why they could not do it, although they wanted to?

Mr. GILLIE. The O. P. A. and W. P. B. would not let them.

Mr. BENNETT of Missouri. That is what I thought.

Mr. GILLIE. I wish the Committee on Agriculture would ask these various implement manufacturers what percent they could produce this year. I think that would be a fine thing for us to know because the farmers in my district are running short. They need this equipment badly. The gentleman from Missouri is doing a fine public service by bringing this scandal out in the open.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from Tennessee.

Mr. GORE. I am in need of farm machinery, like many other farmers, but do you not think that we, instead of complaining too much, should consider the fact that we cannot get as many refrigerators and that we cannot get as many stoves?

Mr. BENNETT of Missouri. I know what the gentleman's argument is. It is the same old tune that the administration sings all the time, "We do not want anything to interfere with the war production." I agree with the gentleman on that exactly. I do not want to do anything that will interfere with the production of things necessary to win the war. But I will tell the gentleman from Tennessee that farm machinery is war machinery today, and that the Government of the United States and the administration would do well to recognize the fact that farm machinery is war equipment, and give a little further consideration to the production of those things which are necessary. Food is necessary for victory, too.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. Does not the gentleman really feel that a large part of this trouble comes from the fact that when the farmer cannot use the machinery he gets a lot of promises—a good deal like the promises he got on the price of his pork and eggs and other things—and then at the season when he can use the machinery they say they cannot produce it? A lot of this could be avoided if just a little more judgment would be used in the things that are promised to the man that is working the land.

Mr. BENNETT of Missouri. The gentleman from Wisconsin is absolutely right.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from Illinois.

Mr. VURSELL. I think the able gentleman from Missouri will recall that sometime early last fall quite a large committee of Congressmen interested in agriculture called a meeting, attended by representatives from the War Production Board, the War Food Administration, and others.

Mr. BENNETT of Missouri. I was present.

Mr. VURSELL. We pointed out to them at that time that we were likely to face this shortage. They assured us, so far as they could at that time, that they were giving great consideration to the problem, and they were satisfied that they would meet the quotas. So they have been warned. The thing that amazes me a little is not only that some 8 or 10 of these companies have about 66⅔ to 70 percent of the production, but that 150 other companies, equipped and ready to manufacture, cannot get the material available to the favored few. Another thing that amazes me is that the thought that was sold to the American people of taking care of the little man is being worked in reverse. It appears to me that the power of Wall Street has now been moved to Washington, and while the big boys are whipped periodically, they come to the back door during the nighttime and are dealt out special privileges. I am afraid that is the pattern.

Mr. BENNETT of Missouri. I think my remarks today and the report of the Federal Trade Commission investigation of the farm-machinery monopoly proves your statement true.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I call the attention of the House to the fact that there is a lot more to this current story than has come to the surface. If we go to the record, we find that that very influence—and I mean by that the companies—has one-dollar-a-year men down here in these departments. The War Production Board is now controlling the situation and is sending their emissaries all over the United States to individual farms, trying to drive out of existence the very forces that came in in a natural way and seeking to break up this particular monopoly referred to in that report.

These records have not yet been made available to the public. I hope it will not be necessary to make them available. I introduced the resolution to which the gentleman referred, and I notice the gentleman from Minnesota [Mr. H. CARL ANDERSEN], the gentleman from Indiana, Dr. GILLIE, and some others have taken an interest in this, as well as the gentleman from Missouri who is now speaking on this subject.

This thing should be attended to immediately at the War Production Board under the direction of Colonel Wiman, without any further delay. Mr. Nelson knows that just as well as anybody knows it. There are scores and scores of plants now ready to produce this machinery. That has been made known to the War Production Board. But the five or six men who control this picture have this thing tied up for the moment. The farmers of the country are doing without the machinery, and it is for the especial benefit of certain large manufacturing concerns that this movement is being controlled. We might just as well break the thing up now as some time later.

Mr. BENNETT of Missouri. I thank the gentleman from Michigan.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. What the gentleman is bringing out at this time explains a lot, it seems to me, personally, in the way of lack of consideration which I received from the W. P. B. in trying to secure all through the past winter their O. K. of my resolution which would have given just a simple additional quarter

of a million tons of steel for the manufacture of farm machinery. The W. P. B. saw fit to turn that down without any satisfactory explanation, but at the very same time, as I pointed out to them, some 60 blast furnaces were shut down and the War Manpower Commission was wondering what to do with those men who were turned out of work.

EXTENSION OF REMARKS

Mr. HARRIS of Arkansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement by Ralph K. Davies, Deputy Petroleum Administrator for War, before the Oil Subcommittee of the House Committee on Interstate and Foreign Commerce, May 17, 1944.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate disagrees to the amendments of the House to the bill (S. 1767) entitled "An act to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CLARK of Missouri, Mr. GEORGE, Mr. WALSH of Massachusetts, Mr. LUCAS, Mr. LA FOLLETTE, Mr. DANAHER, and Mr. MILLIKIN to be the conferees on the part of the Senate.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

STARVING PEOPLE IN NAZI-OCCUPIED COUNTRIES MUST HAVE FOOD

Mr. REES of Kansas. Mr. Speaker, the Government of the United States is making a grave mistake in not permitting food to be supplied to the starving people of Nazi-occupied Europe. It is not only the charitable thing to do, but it is the best of strategy to save these starving people. It would promote the war effort. These people are our friends. They are our allies. We need their help now. We are going to need it in the reconstruction days to come.

Some time ago both Houses of Congress adopted resolutions urging the administration to send food to the starving women and children of these Nazi-dominated countries. No action has been taken by the administration to carry out the provisions of these resolutions. Leading newspapers through editorial columns have urged that starving women and children of occupied Europe be fed. Thousands of letters have been received by Members of Congress from people approving such proposal. Organized labor, the Federal Council of Churches, various societies, lodges, and other groups have urged that these suffering people be relieved. Governments in exile have asked us to do it. They are a part of the United Nations group. They have told us that to provide food for these people would aid the war effort.

Mr. Speaker, conditions with respect to these unfortunate people are beyond description. Millions of children in Europe are subsisting on one-half to one-third of food we regard as being essential for living. In Poland, Greece, Belgium, and France there have been many deaths from starvation. The mortality rate has increased because of the general susceptibility to disease.

A letter from the Polish Embassy in Washington a few months ago stated the amount of food obtainable for ration coupons for Polish children covers about 15 percent of food requirements. Food rations in Poland amount to from 200 to 500 calories per day. Shortages in France and Netherlands and Norway are becoming more serious day by day. In France 50 percent of the school children are critically affected.

The following paragraph is quoted from the French Press and Information Service of New York:

> The health problem of French children is becoming more terrifying every day. It is noticed that girls are losing weight more than boys. Cases of tuberculosis are increasing, are more serious, and are more evident. The following percentages have been registered during the past 4 months: 12 percent of the children from 2 to 15 years of age and 61 percent of the children over 15 are tubercular.

Lord Horder, a distinguished scientist and chairman of the advisory committee of the Famine Relief of London, speaking in the House of Lords on March 15, said:

> Prolonged undernourishment is even more of a serious medical problem than famine because it leads to diseases of low resistance, the chief of which is tuberculosis, and to a state of affairs in a nation which finds its remedy not in that generation nor the next, but possibly the third generation.

Lord Horder further said:

> In the first 15-month period ending February 1943 tuberculosis in Belgium increased 58½ percent.

He pointed out that tuberculosis formerly took years or at least months; now frequently in these countries tuberculosis kills patients in a few weeks.

He further said:

> I have seen so much starvation in all stages that to me it is merely academic disputing to try to prove that it does not exist.

It is impossible for us to believe that in the Netherlands dogs and cats are butchered for meat and that acorns, beechnuts, and chestnuts are used for human consumption. Norwegians, according to reports available, subsist on a diet of about half normal consumption. Eggs which in normal times were an export product are available only on a doctor's prescription.

The undernourished civilians of Europe are easy prey to influenza and other infections. Vitamin deficiencies are causing rickets and anemia. Typhus epidemics have killed thousands of civilians in Poland. Infant mortality has increased during the pact 4 years in Belgium. The calorie value of daily rations in Belgium is 1,260, which is half the amount required for health. Poverty and nonavailability of food have reduced this amount to 800 or 900 calories per day, which is one-third of what American children eat. It is really not enough to sustain life.

Mr. Spaak, Belgium Foreign Minister, says:

> We have asked for 2,000 tons of food a month. It might save our children. We have our own ships that could transport the supplies, but Britain and America say "No."

Mr. Speaker, I believe the blockade established by Great Britain in 1940 ought to be lifted. That blockade was at a time when Great Britain was threatened by invasion and when there was no great shortage of food in the occupied countries of Europe. Mr. Speaker, to permit food supplies to go to the starving people of occupied Europe is the human thing to do. We ought to do it to alleviate the suffering. It just cannot be right for America to stand in the way of allowing food to go to these people.

Furthermore, I know of nothing more effective we can do to cultivate their friendship and good will than to permit, and assist in, the feeding of these unfortunate people.

The International Red Cross has offered to supervise the distribution of food in these countries. Switzerland has always offered her services. Sweden has given permission to use her food and her personnel to send food to the Belgian children. I should add here that no ships now being used in the prosecution of the war will be needed for the transportation of this food. Neutral ships which cannot be hired for war purposes would be used.

With respect to the supplies of food, some of it could come from the United States but not all of it. Supplies have been offered by countries in South America and the Belgian Congo in Africa, as well as Spain and some other countries. Neither would it be necessary for us to provide the funds. I am informed by the National Committee on Food for the Small Democracies that Norway, Holland, Belgium, and France have funds of their own in this country more than sufficient to pay for the food it is proposed to send. It ought to be understood the intention is not to send huge amounts of food but certainly enough to help relieve people from starvation.

It cannot be said, therefore, that to do this thing we are taking food away from our own people. The Department of Agriculture made a statement not so long ago that the American people are wasting enough food to feed 20,000,000 people the year around. This proposal does not ask Americans to sacrifice any of their food for these unfortunate people. It should be noted we have agreed that after the war is over we will send as much as a billion dollars worth of food to these stricken countries. Why not do a little of it now?

It is suggested the Germans might take, for their own use, the food we would send them. I do not believe so. We have no reports of their having taken any of the small supplies that have gone to Greece. If the Germans would take food intended for these starving people it would certainly create more hatred toward Ger-

mans and the German Government than anything else they could possibly do.

A most important way to defeat Hitler is to keep him from destroying the freedom-loving people of Europe. The way to make friends of the people of these countries is to feed them.

Mr. Speaker, there is no good reason why we should not send food to these children. There is every reason of humanity and strategy why we should do so. It is the decent thing to do. It will save lives in Europe. It will save American lives. It will create a better understanding and a much needed friendship between these oppressed people and ourselves. It will cost us very little in money or material. It will pay big dividends when we write the peace. It ought to be done now.

PERMISSION TO ADDRESS THE HOUSE

Mr. ROWE. Mr. Speaker, I ask unanimous consent after the regular business and any special orders heretofore granted that I be permitted to address the House for 10 minutes on next Monday.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana [Mr. BROOKS] is recognized for 20 minutes.

WAR TRAINING SERVICE—CIVIL AERONAUTICS AUTHORITY

Mr. BROOKS. Mr. Speaker, I ask for this time today in order to place in the RECORD some figures and statistics on a matter which has been of interest to so many of the Members of Congress, namely, the War Training Service of the civil aeronautics program. I have received hundreds of inquiries with reference to H. R. 4269, which is a bill to assist the trainees in this program, and judging by the phone calls that have come to my office, others in Congress have received like numbers of inquiries regarding this program and this proposed legislation. I therefore want to use this time in developing, to some extent, the size of the program and the disposition of the trainees from time to time under the program as thus far developed.

Mr. Speaker, originally there were approximately 25,000 men taken into the War Training Service of the Civil Aeronautics program. They were taken in from every section of the United States. They were taken in under the direction of the Civil Aeronautics Authority. In selecting the proper trainees for the program, I understand that the Civil Aeronautics Authority asked the American Legion for assistance in locating suitable men with perhaps some previous training, with proper inclination for flying, who might make good pilots after proper training. These men came into the W. T. S. program with the tacit approval of the Army Air Forces and with the understanding it perhaps would last 7, 8, or 9 months. As the program turned out it lasted some 18 months. They came into the program with the understanding that they would have to pay their own expenses except board and lodging, which was furnished by the Government.

For many months these men did, in fact, pay their own expenses. Some stayed as long as their funds held out, and then they had to resign from the program. Others borrowed money and others, in one way or another, continued until we find the program, as we shall see today.

Realizing the plight of these men who had voluntarily come into a program designed to supplement the Army Air Force pilot program, the Congress some time ago passed a bill reimbursing these men up to 8 months' pay at the rate of $50 per month. That reimbursement did not in any sense seek to cover the actual expenses these men had incurred through many months of training under the W. T. S.-C. A. A. program.

Mr. Speaker, I want to take up the program as of the date of May 1, 1943.

At that time, through casualties of various sorts—men leaving the program or being released one way or another—we find the number of trainees under the W. T. S.-C. A. A. program had been reduced to the figure of 12,336 trainees. This figure is as of May 1, 1943. At that time a screening process was instituted and these men were physically and mentally examined and generally screened. Anyone who knows anything about the screening process with reference to pilots and aviators knows how strict those examinations are. At that time the number of trainees was reduced by 4,961 leaving on May 1, 1943, in the program 7,374 trainees.

Mr. HARRIS of Arkansas. Will the gentleman yield at that point?

Mr. BROOKS. I yield to my colleague for a question.

Mr. HARRIS of Arkansas. I am very much interested in the subject which the gentleman from Louisiana is presenting to the House. Where are most of those 7,000 trainees at the present time?

Mr. BROOKS. I am glad my friend from Arkansas has asked me that question. This is just the matter I will proceed to discuss in a moment and to try to show the House exactly what has become of each of these trainees from May 1943 when we recorded the 12,336 trainees. As I said, 4,961 trainees were screened out on May 1, 1943. Of those who were screened out, 1,981 were taken out because they had no prior training in the Civil Aeronautics and were reported to the Adjutant General for active duty, or for discharge. That accounted for almost 2,000 trainees.

Then, 1,682 of the trainees were discharged at their own request as of May 1, 1943. Five hundred and three trainees were called to active service in nonflying capacities, at their own request. Nine hundred and ninety-five of the trainees were men who were qualified at that time by the authorities for aviation cadet training. That meant that almost 1,000 of these trainees were taken into the Army Air Force for cadet training after May 1943.

This screening left 7,374 trainees in the program. They were again screened with other screening tests, physical, mental, and aptitude tests. We find in the next examination or screening test that the number of trainees was reduced further by 2,123, leaving 5,251 trainees following the second screening. The 2,123 trainees who were screened out at that time were for the following reasons: One thousand and forty-nine qualified for aviation cadet training. That means that those 1,049 were placed in the Army Air Service and sent in for Army cadet training, ultimately to become flyers in the Army.

Nine hundred and sixty-eight were screened into the Army Air Force technical training. Seventy, for physical disabilities, were given discharges and 36 were disposed of in miscellaneous cases. The remaining total of 5,251 trainees were sent to Civil Aeronautics W. T. S. installations, and between the period of July and August 1943 and January 15, 1944, 10 of those trainees were graduated by the Civil Aeronautics Authority from the civilian instructor's school, and 554 trainees were eliminated for other reasons during the course of the training.

So that when we make this total deduction we bring the figure down to 4,687 trainees. Now that figure 4,687 trainees represents the number of trainees actually being trained under C. A. A.-W. T. S. program at the time of its abolition, January 15, 1944. That is an important figure for that reason. Those men had been in the Army Reserve. In July of last year they were called from the Army Reserve into active service. They were called for the purpose of being given further instruction to fit them to become pilots in the Army Air Service. They continued in their training until the schools were abolished on January 15, which left them there with no hope of being commissioned as flying officers in the Army and with no hope of being pilots in the Air Forces at that time.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield for a short question.

Mr. BRADLEY of Michigan. Can the gentleman inform the House as to the approximate cost of training these splendid young men?

Mr. BROOKS. I do not have the figures of the cost at the present time. I can say to my colleague that the program to train these men has cost hundreds of thousands of dollars. Many of the men have hundreds and thousands of flying hours. I have talked to a young man from Washington, D. C., who was a college graduate, who had over a thousand flying hours. I had in my office day before yesterday one young man who had 1,750 flying hours. Some of these men have up to 3,000 flying hours. That was obtained at great expense in the use of airplanes and the consumption of gasoline, and certainly at a heavy expense to the Government.

Mr. BRADLEY of Michigan. I am very much interested in that subject, because I have had a great many letters from pilots on that matter. I have also had letters from air-line pilots—men with thousands of hours. One man I talked with has made over a hundred trips across the water to England. He

has been in Africa. He has been in the Southwest Pacific. He has been all around the world. Yet, they were talking about drafting him for a shoulder rifle job in the Infantry.

Mr. BROOKS. I thank the gentleman very much for his observation. It is our purpose to see that the men who are qualified to do flying work should have the opportunity they are entitled to under the war program.

Mr. BRADLEY of Michigan. Of course, the gentleman appreciates the fact that the Army Air Forces are opposing the program right along. They want those men held in reserve to utilize their flying ability.

Mr. BROOKS. If I may proceed with the figure 4,687 trainees that we found were in training at the time the program was closed and eliminated, I want to show you what is planned to be done with these 4,687 men.

It is proposed that 974 of those men be sent to aviation cadet training. That means that they will be in the Army as flyers.

Six hundred and fifty-one are to be sent to glider pilot training. Two thousand six hundred and eighteen are to be given technical training—that is, ground duty—and after all of their flying training and experiences.

Three hundred and ten are to be assigned as Army specialists, which means further ground duty, after all of their flying experience and training.

One hundred and twenty-eight are disposed of due to hospitalization, emergency furloughs, rechecks, and other reasons.

Five are discharged and one is deceased.

That accounts for the 4,687 trainees who remain under the proposed disposition of these men by the Air Forces.

In addition to the trainees, there is another group which has likewise gained proficiency in flying and which group is known as the pilot-instructors group. They are the civilian instructors in the college indoctrination program and are the civilian instructors at the contract schools throughout the country. In the indoctrination program, there are 3,046 instructors. The total number of civilian contractual instructors on the other hand is 2,836, making a total of all instructors of 5,662. The trainee group and the instructor group constitute the two great groups of trained fliers in the C. A. A.-W. T. S. program that are not in the flying service of the Army Air Force and that are available for use by the Army Air Forces at the present time.

The purpose of H. R. 4269 is to authorize the Air Service to commission each one of the trainees who is qualified for flying; that is, to commission each trainee a lieutenant in the Army; and by doing this, utilize his training, experience, and abilities gained by this C. A. A.-W. T. S. training program at the expense of the Government and at his personal expense, in the flying forces of the United States Army.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. SPARKMAN. As I understand the situation, the bill H. R. 4269 probably will not come before the House as a separate bill, but when the so-called WASP bill is called up, it is the purpose of the gentleman from Louisiana to offer the substance of H. R. 4269 as an amendment to the WASP bill. Is that correct?

Mr. BROOKS. The gentleman is correct. By offering that as an amendment to the WASP bill we are giving the Air Force the full authority and recommendation to go ahead and use the services of these men who have been trained under the W. T. S. program.

Mr. SPARKMAN. It would then become a supplementary program.

Mr. BROOKS. That is correct.

Mr. SPARKMAN. The gentleman has just mentioned, of course, the other group of instructors. As I understand the bill H. R. 4269 does not include instructors. Am I correct?

Mr. BROOKS. The gentleman is correct.

Mr. SPARKMAN. And the gentleman would have no objection, I assume, to an amendment being offered, and which I intend to offer, to include these instructors under similar provisions.

Mr. BROOKS. I personally have no objection, but I call the gentleman's attention to the fact that of course the original amendment which has been approved by the Committee on Military Affairs and which the committee has authorized the chairman of the committee to offer as an amendment to the so-called WASP bill does not include the instructors. It would not, therefore, be a committee amendment, although personally I think the amendment is good.

Mr. SPARKMAN. If the gentleman will yield further, I stated that I personally intended to offer the amendment. It was not my intention that it should be a committee amendment. If, however, the committee should have a meeting prior to that time and agree to it I personally should like very much to see it offered as a committee amendment.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. SABATH. The question has been raised as to whether the amendment to be offered by the gentleman would be germane. In view of that fact the Rules Committee in granting the rule provided that points of order may be waived; so the gentleman's amendment will be in order.

Mr. BROOKS. I thank the gentleman from Illinois very much for that contribution and that information.

Mr. Speaker, proceeding further, from the figures it is easy to see the different processes through which the screening has gone and the gradual reduction in personnel to the present figure of 4,867 trainees. This figure does not include the 5,882 civilian instructors, 2,056 of whom are still employed by the Civil Aeronautics Administration but who soon will be released by the closing down of many of the Army civilian contract schools. I may say that all of the contract schools are due to be closed up on the 30th of June of this year. This will free all these instructors for flying duties in the Army Air Force if they qualify otherwise.

If all instructors, both employed and unemployed at the present time, are added to the 4,687 trainees a total of 10,569 is reached. These are the men available out of the original figure of 12,335 men in civilian aeronautics W. T. S. program at different times. A total of 3,018 have been placed in the aviation cadet training while 657 have been given glider training. Some 3 662 were discharged at their own request or were given active training.

The question at the present time revolves around what is to be done with the 4,687 trainees who remain after 3 screenings and who were called into the active service of the Army Air Forces; and what is to be done with the 5,882 civilian instructors, many of whom are temporarily on active duty but will be available at a later date.

H. R. 4269 would give to all trainees a commission as second lieutenant in the Army Air Forces, subject to the Air Force qualifications. This bill will permit every one of these men who are capable of handling an airplane a chance to fly and to use the training which he has acquired by many hours of painstaking effort in the service of his Nation. They have spent thousands of dollars of their own money and the Government has spent hundreds of thousands of dollars in their training. This money should not be allowed to go to waste if more pilots are needed and are found qualified. The war effort will be considerably accelerated by the use of the services of these trainees.

Mr. Speaker, I ask that the chart containing many of the figures covering the A. A. A.-W. T. S. program be set forth at this point in the RECORD:

Status of C. A. A.-W. T. S. trainees in May 1943 at the time the first reduction was instituted

	Trainees
On May 1943 there were a total of	12,335
At that time 4,961 of these trainees were disposed of as follows:	
Trainees who had no prior training in C. A. A. and were reported to The Adjutant General for active duty or discharge	1,981
Trainees discharged on request	1,682
Trainees called to active duty in nonflying capacities at own request	303
Total trainees who qualified for aviation cadet training	995
Total	4,961
Trainees remaining	7,374
Of the 7,374 trainees remaining, all were called to active duty in July and August of 1943 and sent to basic training centers for further screening and further possible training in the C. A. A.-W. T. S. The outcome of this screening resulted in the following disposition of trainees:	
To aviation cadet training	1,049
To A. A. F. technical training	968
Physical disability discharges	70
Disposed of for miscellaneous causes	36
Total	2,123
Total remaining	5,251

The remaining total of 5,251 trainees were sent to C. A. A.-W. T. S. installations.

Between the period of July to August 1943, and January 15, 1944, 10 trainees were graduated by the C. A. A. from the Civilian Instructors School and 554 trainees were eliminated from all phases of training.

Deducting this total of 564 from the total of trainees leaves a balance of 4,687 trainees.

On January 15, 1944, with 4,687 potential civilian pilot instructors in training, and with an excess of approximately 500 already trained over and above our maximum number ever needed, the program was terminated. At that time the Army Air Forces had the problem of placing 4,687 trainees, all of whom, by reason of the termination of the program, found themselves enlisted members of the Army Air Forces.

It is this group that forms the block of trainees that have caused all of the publicity now directed at the Army Air Forces.

The disposition of these trainees by the Army Air Forces is as follows and was decided upon after a third screening by the Army Air Forces that lasted to March 15, 1944, the time elapsed being used in collecting these trainees from various localities and concentrating them in pools throughout the United States.

On March 15, 1944, the Army Air Forces was able to announce the following breakdown:

To aviation-cadet training	974
To glider-pilot training	651
To technical training	2,618
Assigned as specialists	310
Disposition undetermined due to hospitalization, emergency furlough, rechecks, etc	128
Discharged	5
Deceased	1
Total	4,687

DISPOSITION TO BE MADE OF PILOT INSTRUCTORS FROM THE COLLEGE INDOCTRINATION PROGRAM AND CIVIL CONTRACT SCHOOLS

On June 30, 1944, the college indoctrination program will terminate. This will affect a total of 3,046 instructors; of this number 2,046 are enlisted reservists. Both the enlisted reservists and nonreservists will be given the following options:

Total college indoctrination program instructors, 3,046.

1. Air Transport Command.
2. Aviation cadet training.
3. Glider pilot training.
4. Technical training.
5. Gunnery.

Between March 14 and August 4, 1944, will terminate on varying dates the A. A. F. civilian contract schools affecting a total of 2,836 civilian instructors; of this number 2,402 are enlisted reservists. Both the reservists and nonreservists will be given the same options as that listed above for the college indoctrination program instructors.

Total civilian contract school instructors, 2,836.

Total instructors, 5,882.

The SPEAKER pro tempore Under the previous order of the House, the gentleman from Arkansas [Mr. HAYS] is recognized for 15 minutes.

EXTENSION OF REMARKS

Mr. MORRISON of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Ruth Sarles in the Washington Post.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE FARM SECURITY ADMINISTRATION

Mr. HAYS. Mr. Speaker, a few days ago, the Select Committee of the Committee on Agriculture to investigate the activities of the Farm Security Administration filed its report. Two months ago, the same select committee introduced H. R. 4384, which it had drafted after completing its investigation.

The press in both instances reported—correctly—that the proposed legislation would abolish Farm Security Administration; but, of course, many details necessarily were omitted from the dispatches. In consequence, many are unaware that the select committee strongly endorsed major functions of the Farm Security Administration and recommended their continuance under the Farmers Home Corporation.

Further, the select committee warmly commends the present Administrator, Mr. Frank Hancock, and approves the policies and practices he has invoked or improved.

The insistence that the program must go on, and should be expanded, is to me the most vital part of the select committee's report. Very severe criticisms are made, it is true, but they relate to some of the past activities, rather than to the current objectives and methods of F. S. A.

The Annual Report of the Farm Security Administration for the 1942–43 fiscal year shows that 78.45 percent of the agency's funds went for rural rehabilitation. Here I wish to quote a few sentences from the select committee's report:

The rural rehabilitation loan program constitutes the major portion of the Agency's activities in dollars expended, in loans granted, and in supervision and assistance rendered.

Through this activity of the Farm Security Administration the Agency has made loans to more than 950,000 farm families, most of which families have also received farm and home management supervision. Through this activity the Agency has actually relieved distress and human suffering in many stricken agricultural areas of the Nation, and through grants the Agency has actually rehabilitated many destitute farm families and has brought welcomed relief to thousands who were made to suffer on account of drought, floods, and other catastrophes over which individuals had no control.

Next to rural rehabilitation in importance, from the standpoint of funds utilized, comes farm ownership. In the last fiscal year 19.14 percent of F. S. A. funds was used in that program. The select committee had this to say regarding the farm-ownership activity:

The traditional American system of independent, family-type farms, owned and operated by individuals who enjoyed the pride of ownership, was threatened by the highest tenancy ratio in the history of our Nation at the time Congress enacted the Bankhead-Jones Farm Tenant Act, authorizing loans to worthy farm tenants on long terms and at low interest rates. This act has proven to be one of the most farsighted legislative steps ever taken to aid worthy small farmers of this country. According to the 1940 census, there was an adult male farm population in the United States of 9,288,000, of which 3,736,000, or 40.2 percent, were landowners, and 5,552,000, or 59.8 percent, were nonlandowners. Of the nonlandowners, 2,361,000 were tenants and 3,191,000 were farm laborers. Approximately 2,000,000 of the 6,097,000 farms in the United States produced less than $400 gross a year and an average of only $215, a sum quite insufficient for the maintenance of a family. The number of family-type farms had greatly decreased, while farms of 1,000 acres or more in size had increased from 28 percent to 34.3 percent between 1930 and 1940.

The investigation discloses that the tenant-purchase program as such has been operating efficiently and has resulted in many worthy citizens being placed definitely on the road to farm-home ownership. One hundred and ninety-one million four hundred and eighty-seven thousand seven hundred and forty-nine dollars had been loaned to 33,559 tenant-purchase borrowers through June 30, 1943, and $18,500,605, said to represent 98 percent of maturities, had been repaid. Payments have been made in excess of maturities. The purchases of farms have been financed upon a fair and reasonable basis. Through this program the values of all farms are certified by local committees familiar with local land values, and each family assisted is likewise carefully considered by the local committee. This committee must first investigate the applicant as to his character, ability, and experience and must find that the applicant may be expected to carry out successfully undertakings required of him in connection with the tenant-purchase loan applied for. When an applicant is approved for a tenant-purchase loan he obtains a fee-simple deed from the grantor from whom he is purchasing the property and executes a deed of trust upon the property securing the loan which is obtained from the Farm Security Administration.

The tenant-purchase program, operating as it has, through local committees of farmers, has been successful and should be continued and expanded in the interest of worthy citizens who cannot otherwise arrange to finance the purchase of family-size farm units and who without such assistance may never become home owners.

I think it would be appropriate to refer to the fact that this far-visioned plan of having local committees was due to a great extent to the wisdom and the statesmanship of the Honorable Marvin Jones, who at that time was chairman of the Agriculture Committee of the House. I recall from personal contacts that I enjoyed with the committee members the great interest that was taken in this particular phase of a program that was designed to check the growth of farm tenancy.

Also I wish to cite particularly the select committee's comment on the administration of F. S. A. at the present time:

The committee has conferred with the War Food Administrator from time to time concerning both policy and personnel and, as a result of such conferences, the policies and personnel of the Farm Security Administration have been substantially changed. A short while ago a new Administrator was appointed and he has made further substantial and worth-while changes in both policies and personnel, and the committee believes that he has diligently and faithfully sought to accomplish the will of Congress, and in the performance of his duties has prosecuted an orderly program of liquidation, in keeping with congressional mandates which have been given, and has provided further safeguards for all programs which have been entrusted to him.

Among other things, the new Administrator of Farm Security Administration has streamlined its functions in many respects, greatly

reduced the number of personnel, and has made substantial savings in items of administrative costs, such as telephone and telegraph expenses and travel. He has exercised precautions to be certain that more funds were not loaned for rehabilitation purposes than were needed and has brought about changes which greatly increased the participation of local county committees in the fuctions of the Farm Security Administration.

You who have had an opportunity to read the select committee's report know that the bulk of the criticism has to do with the resettlement projects or colonies which have been in process of liquidation for a good many months under instructions from the Congress. The more quickly this liquidation can be advantageously completed the better for F. S. A. But, in fairness to the agency, I think it should be noted that in the 1942–43 fiscal year only twenty-nine one-hundredths of 1 percent of its funds was used for these projects.

Suppose we concede that mistakes have been made by F. S. A.—that the criticisms are justified? It does not follow, necessarily or logically, that the rural rehabilitation and the farm-ownership programs should be eliminated. The select committee's report, far from recommending that, urges continuance and expansion.

Would anyone insist that because some bankers used poor judgment in lending and investing money in the twenties banks as an institution should be abolished?

I hear no one contending that insurance companies should be abolished just because a few insurance executives from time to time have erred, or worse, in their operations.

Private utility people will concede that some who were in their business engaged in practices that may be mildly described as uneconomic and generally harmful not so many years ago, but they would tell you it would be unreasonable to put all private utilities out of business on that account.

Strict regulation rather than abolition is frequently the better means of correcting such situations. Insofar as F. S. A. is concerned, the select committee's report indicates that corrections have already been made or are under way.

I think I correctly interpret the select committee's report as advocating more strict regulation of F. S. A. functions by the Congress—not the disruption or abolition of the rehabilitation and farm-ownership activities.

Mr. HARRIS of Arkansas. Will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Arkansas.

Mr. HARRIS of Arkansas. The gentleman is discussing a very important problem that is facing the Congress and the country. I wonder if the gentleman has given consideration to the bill that has been presented to the House for consideration which in the first instance purports to abolish farm security but immediately reestablishes it under some other name? Does it do that for the purpose of further correcting some of the maladjustments that have been leveled against the administration, or does it do it for the purpose of coordinating the activities of the Agriculture Department?

Mr. HAYS. The gentleman has reference to H. R. 4384?

Mr. HARRIS of Arkansas. As introduced by the select committee.

Mr. HAYS. And referred to generally as the Cooley bill?

Mr. HARRIS of Arkansas. Referred to as the Cooley bill, he being chairman of the select committee.

Mr. HAYS. Yes; I have reference to that report. I think it would be well to clarify a misapprehension that may have arisen with respect to the select committee's intentions in the Cooley bill, which I believe offers the best foundation yet worked out for encouraging family-type farm ownership and extending financial assistance to trustworthy farmers who cannot qualify for commercial credit.

The Agriculture Committee has completed public hearings on the measure, and the select committee is now considering amendments to the original measure. None of the amendments, however, contemplates abandonment of the vital parts of the F. S. A. program. They would simply be carried on by the Farmers' Home Corporation.

Mr. SPARKMAN. Will the gentleman yield?

Mr. HAYS. I am pleased to yield to the gentleman from Alabama [Mr. SPARKMAN] who participated in the framing of the Bankhead-Jones Act back in 1937. I know he has been a splendid supporter of this program through the years.

Mr. SPARKMAN. I thank the gentleman for his reference to me and my interest in this program. I think it has been one of the outstanding programs initiated by this Congress and carried along by appropriations. That does not mean, and I am sure the gentleman agrees with me in this statement, that everything that has been done by the Farm Security Administration has been clear of criticism. As I understand it, the point the gentleman is making today is that as a result of this careful study of the whole program by the so-called Cooley committee the atmosphere has been considerably cleared and the new legislation that has been introduced and is undergoing study now proposes to carry on the really beneficial parts of the farm security program, primarily the home ownership part, as provided for by the Bankhead-Jones Tenant Farmer Purchase Act and the rural rehabilitation part of the Farm Security program.

I have noticed a great many news articles telling about this report and recommendation and new legislation, and referring to the fact that Farm Security has been done away with. I have seen editorials lamenting the fact. As a matter of fact, I am sure the gentleman believes that the best part of Farm Security is going to be carried along under legislation passed by this Congress.

Mr. HAYS. I most assuredly do, and I thank the gentleman for his comment. I am sure that he knows my pride in the performance of this agency has never required me to take the position that it is above criticism. On the other hand I have felt that some of these criticisms were valid. To be sure they are to some extent inherent in its youth. It is a new agency. I think, generally, in the establishment of governmental agencies, that we find mistakes committed early in the program that are corrected as experience points the way to improvement.

I am very glad to have the support of my principal point from the gentleman from Alabama, who is familiar with the splendid work that has been done in his State and in the South, particularly, where we have such a large tenancy ratio.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. WHITE. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas be permitted to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Idaho.

Mr. WHITE. I am in accord with the views of the gentlemen with reference to the Farm Security Administration. It has done a wonderful job in the State of Idaho, and I am in full support of that program.

Mr. HAYS. I thank the gentleman.

May I add that I have discussed this statement with the chairman of the select committee, the gentleman from North Carolina [Mr. COOLEY] and have his permission to tell you that my views as expressed here are very much in accord with his own.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Louisiana.

Mr. BROOKS. I have listened to the gentleman with a great deal of interest. I know of his continuing interest in the type of work conducted by the Farm Security Administration which was not subject to criticism, and I know it has been active and helpful.

I would like to pay tribute myself to the type of work that the Farm Security Administration has done without criticism. Some of its work has brought on criticism, but in 1939, when the heavy rains swept a certain section of Louisiana and left a blight there, no crops at all, Farm Security went in and took a section of the country which had been completely eliminated as a crop-producing area and put it back into cultivation in the shortest possible time. I think that Farm Security and my colleague from Arkansas are entitled to credit for the fine piece of work they did there.

Mr. HAYS. I thank the gentleman very much. I am glad to know that he has observed the beneficial results of the rehabilitation program in his State.

In the early days of the Farm Security Administration we referred to it as "rehabilitation in place," that is, help without moving people or undertaking to resettle them through mass movements. We helped them where they were and where they could find farms in

a territory with which they were familiar. It is one of the most interesting stories, I think, in the history of American agriculture, that we took these hundreds of thousands of farmers who were in distress and rehabilitated them.

The SPEAKER. The time of the gentleman from Arkansas has again expired.

FEDERAL GOVERNMENT AID FOR THE READJUSTMENT IN CIVILIAN LIFE OF RETURNING WORLD WAR NO. 2 VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, with House amendments thereto, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection, and the Speaker appointed the following conferees on the part of the House: Messrs. RANKIN, PETERSON of Florida, ALLEN of Louisiana, GIBSON, ROGERS of Massachusets, CUNNINGHAM, and KEARNEY.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks made today and include therein a chart with figures from the Army Air Service.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Michigan [Mr. BRADLEY] is recognized for 25 minutes.

OPERATION OF VESSELS ON THE GREAT LAKES

Mr. BRADLEY of Michigan. Mr. Speaker, our good, true, loyal friends who go down to the sea in ships lead a strenuous and at all times a potentially dangerous life. It has been well said that "The seas are fundamentally safe but, at the same time, the seas are terribly unforgiving of ignorance, carelessness, or neglect." Those men and those women who go down to the sea in ships realize all too well the potential hazards of their profession. The owners of those ships and the governments under whose flags they sail generally lean over backwards to provide for every possible protection for their safety afloat. I know from my own personal experience of 18 years as a purchasing agent—but not as an owner or even stockholder—of a fleet of vessels operating on the Great Lakes, that it was always the policy of that company to immediately authorize the purchase, regardless of the cost, of any equipment or any device that would promote the safety of the crews of those vessels; and how frequently I rode aboard to see how our aids worked out in practice. On the other hand, how often I took bids on equipment to promote greater efficiency of operation and greater measure of profits to the owners, only to be refused approval; but, I repeat, whenever any requisition was before me to purchase any safeguard for the welfare of those crews, that requisition received immediate approval, and let no man on the Great Lakes deny the truth of that statement. And in making that statement, I do so in refutation of the following quotation from a broadcast made over radio station WSOO, on May 5, 1944, on the National Maritime Union program:

> We can expect little initiative by shipowners to remedy abuses of safety conditions in spite of the disaster that cost 10 lives on Lake Erie April 27.

No more outrageous falsehood has ever come to my attention; especially when, within the past few weeks, I have been personally working with the Coast Guard officials in Washington, and with the Navy officials, to obtain consent for the continuation of experiments in the use of one of our newest wartime appliances, namely the famous radar, on ships of the Great Lakes fleet to prevent collision at sea. And may I say in passing, that I know something about the development of the radar, because back in 1925 I personally was a co-licensee on a patent to provide for radio fog horns at sea, designed to promote the safety of those who go down to the sea in ships; the development costs of which were all borne by the steamship interests for which I was then an executive employee. And this particular patent of ours was the forerunner of and applied the same basic principles upon which the famous radar has now seemingly reached perfection. This and many similar "safety-at-sea" devices were being developed and installed long before the National Maritime Union was ever heard of on the Great Lakes—or anywhere else.

It is most saddening and unfortunate that at times those of our friends who go down to the sea in ships become involved in tragic disasters such as those referred to which happened in the dense fog in Lake Erie in the early morning of April 27 when, within the space of a very short time, the steamer *James H. Reed* was involved in a tragic collision with the Canadian vessel *Ashcroft*; and the steamer *Philip Minch* was in collision with the steamer *Frank E. Vigor*. Fortunately, there was no loss of life in the latter collision. In the case of the steamer *Reed*, which sank within a very few minutes, 10 members of the crew are known dead and 2 others are missing.

I am very much concerned with newspaper reports that have reached me which have quoted certain union officials as charging laxity on the part of the United States Coast Guard in enforcing the Bureau of Marine Inspection and Navigation regulations applying to the safe operation of our vessels on the Great Lakes, as being responsible for these tragedies. For instance, one official charged—and I quote:

> Undermanned ships were partly chargeable to shipowners' desires to thwart the union's Great Lakes organizing drive.

I note further in a reporter's account of the tragedy, appearing in the Ashtabula Star-Beacon of Friday, April 28, this statement:

> A large percentage of the crew (referring to the survivors of the steamer *Reed*) appeared very young; many of them not more than 16 to 17 years of age.

Now, in view of these charges, it would, perhaps, be well to look into certain indisputable facts. Under date of February 28, 1942, the President of the United States, by Executive order, under authority of title I of the First War Powers Act, 1941, and in order to expedite the prosecution of the war effort, ordered the functions of the Bureau of Marine Inspection and Navigation transferred from the Department of Commerce to the United States Coast Guard. Under date of March 26, 1942, the Secretary of the Navy—under whose orders the Coast Guard operates in time of war—signed an order waiving compliance with the provisions of section 13 of the act of March 4, 1915, as amended, section 1 of the act of June 16, 1938; the act of July 8, 1941; and the act of September 25, 1941, to the extent necessary to permit the issuance of regulations relaxing certain statutory prerequisites to the issuance of certificates of service as able seaman and as qualified members of the engine department. The present requirements of service for a certificate of service as able seaman on the Great Lakes is 6 months' service on deck, at sea or on the Great Lakes, or lakes, bays, or sounds, in vessels of 100 gross tons or over, or in decked fishing vessels or United States Government vessels of any tonnage. The present requirement of service for a certificate of service as a qualified member of the engine department is at least 2 months' service in the engine department of any vessel on any waters. The Acting Secretary of the Navy having by order dated October 1, 1942, waived compliance with the navigation and vessel-inspection laws administered by the United States Coast Guard in the case of any vessel engaged in business connected with the conduct of the war, to the extent and in the manner that the Commandant, United States Coast Guard, shall find it to be necessary in the conduct of the war; the Acting Director of the Office of Defense Transportation having advised that a critical manpower situation had developed in Great Lakes transportation, the Commandant on April 22, 1944, waived to the extent necessary, compliance with any law or regulation imposing requirements for carrying as members of the crews of such vessels certificated seamen rated as qualified members of the engine department.

Mr. WEICHEL of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I am always pleased to yield to my distinguished friend from Ohio.

Mr. WEICHEL of Ohio. I have spent a great many years of my life on the shores of Lake Erie and along the Great Lakes. Also, I spent a number of years of my life actually as a sailor on Great Lakes vessels. I started in as a deckhand on the old steamer *Arrow* more years ago than I care to remember, and eventually I rose to the rank of wheelsman on

Great Lakes steamers, so I am intensely interested in this subject, for I learned from experience the problems of the seamen in the years gone past, and my interest, naturally, has continued in the problems of our present day sailors. During all this time the Coast Guard has rendered great service, not only to the public but to the men at sea who are moving the vast cargoes of war material down the Great Lakes. During this time the Coast Guard has had an unblemished record of achievement and service. May I ask, as a member of the Committee on the Merchant Marine and Fisheries, since the Bureau of Marine Inspection was transferred to the Coast Guard has any radical change of personnel been made, or have any radical changes in policy within the Bureau of Marine Inspection and Navigation been occasioned by this transfer the gentleman has mentioned?

Mr. BRADLEY of Michigan. I am very pleased that my distinguished colleague on the Committee on Merchant Marine and Fisheries, who I believe is also a member of the subcommittee dealing with Coast Guard affairs, has raised that question, because the facts of the matter are these.

It is well to remember the rapid expansion that has been forced upon the administrative personnel in the Coast Guard. Vice Admiral Russell R. Waesche, commandant of the Coast Guard, and his very able assistants have very ably handled a tremendous expansion program. Back in early 1939 the Coast Guard consisted principally of the famed Life Saving Service and the Revenue Cutter Service. Their entire personnel was approximately 5,000. Under reorganization plan No. 2, effective July 1, 1939, the Bureau of Lighthouses, Department of Commerce, was transferred to and consolidated with, and administered as a part of the Coast Guard. Shortly thereafter, with the threat of war becoming more pronounced every day, a rapid and tremendous expansion program of the Coast Guard combat personnel was ordered, because it had become apparent to our military leaders that the Coast Guardsman, always basically trained in small-boat handling, was the logical service to whom we should turn for guidance and instruction in the handling of the landing craft to be used in our future operations when, as, and if we were forced into this war. Then it was in February 1942, as I have previously stated, that an additional burden was thrust upon an already overtaxed administrative personnel in the Coast Guard when they were ordered to assimilate the operations and personnel of the Bureau of Marine Inspection and Navigation which had theretofore been under the control of the Department of Commerce, and this transfer, let us remember, was to be made less than 3 months after Pearl Harbor, at a time when with the advent of war an even greater expansion in the combat personnel was in progress.

Admiral Waesche, acting with his usual skill, with his serene competence and unquestioned executive ability, aided by his ever capable associates, reasoned that the smart thing to do was to bring the Marine Inspection Service under the Coast Guard without any radical shake-up in personnel. He followed the precedent which he had established in the assimilation of the Bureau of Lighthouses, and which had worked out so satisfactorily. He permitted any member of either Service to either join the Coast Guard and assume a rank comparable with his previous civilian status or retain his previous civil service status.

Second. With respect to the Bureau of Marine Inspection and Navigation, and that is what I am primarily confining my remarks to this afternoon, I might say to the gentleman that Commander Richard Field, who had been the Director of the Bureau of Marine Inspection and Navigation under the Department of Commerce, was promoted to a captaincy and was continued in his capacity as directing head of the Bureau of Marine Inspection and Navigation until his retirement due to ill health 6 or 8 months ago. He has been succeeded by his former assistant, Capt. H. C. Shepheard. It is, of course, perfectly obvious that in taking over this organization in its entirety with the same directing personnel at the top that relatively few changes in personnel in the field took place excepting insofar as occasioned by the tremendous expansion in our wartime shipbuilding program. Even then the trained inspectors within the Bureau were promoted to supervising positions to train and handle the incoming inspectors placed under their control.

To further elaborate on the gentleman's question with regard to personnel, I am sure the gentleman realizes because of his many years of familiarity with Great Lakes shipping that the Bureau of Marine Inspection and Navigation has always been known as a very efficient, well-trained organization. For instance, at the present time in command of the entire Bureau of Marine Inspection and Navigation functions on the Great Lakes is Commander Earl B. Hull, stationed in Cleveland. Commander Hull was for many years a chief engineer operating on Great Lakes vessels. He went into the Bureau of Marine Inspection and Navigation Service a number of years ago as a Great Lakes inspector. Then he was made a traveling inspector. A traveling inspector is one of those gentlemen who goes all over the United States and outside of the continental United States, to Hawaii and to Alaska to inspect the most difficult cases where perhaps the local inspectors feel that they want the judgment of a more experienced man to pass on certain matters involving the safety of those ships at sea. In addition to these duties he was a member of the technical staff.

Commander Hull, with all of that experience, was brought back into Cleveland, when an opening developed, and he was put in command of all the inspection on the Great Lakes. His assistant is Lieutenant Commander Pollock, who sailed for many years as a master on ships on the Great Lakes, and he works very closely with Commander Hull. Those are just two typical instances of the extremely high quality and experience of those men who are charged with the enforcement of the inspection and navigation laws of the Great Lakes.

Mr. WEICHEL of Ohio. I might say, then, according to your information, this highly skilled personnel of the Bureau of Marine Inspection who are experts with reference to the rules and regulations and what might be necessary for safety at sea, have been retained by the Coast Guard to carry on the same functions they previously carried on, in the Great Lakes especially.

Mr. BRADLEY of Michigan. You mean those who were formerly under the Department of Commerce?

Mr. WEICHEL of Ohio. Under the Department of Commerce; yes.

Mr. BRADLEY of Michigan. Absolutely.

Mr. WEICHEL of Ohio. I am glad to hear that, as a member of the Coast Guard Committee.

Mr. BRADLEY of Michigan. That is absolutely true.

Third. I would like to remind my colleague of one marked improvement which Admiral Waesche and his capable associates instituted in the entire marine inspection picture with respect to improving safety at sea. Admiral Waesche organized a merchant marine council, headed by Captain Field, composed of outstanding men in the several different branches of the Coast Guard, who were best able to recommend changes in regulations, always with the thought in mind of promoting safety at sea; and this board has functioned very effectively ever since, having that one thought of safety at sea always in mind and succumbing to no pressure from management, or operators, or from the unions, or from the non-union operating personnel, but always and at all times amenable to suggestions and recommendations from all groups.

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. Yes; I will be glad to yield.

Mr. RAMEY. I want to concur with my colleague from Ohio about the most admirable work that has been done by the Coast Guard, especially in the Great Lakes. I am an islander, having formerly lived as a boy on Middle Bass Island and Put-in-Bay in Lake Erie. I know of the lives that they have saved also in the vicinity of Marblehead, Ohio. It is truly a great organization of which we are all proud in my district.

Mr. BRADLEY of Michigan. I thank my friend for his observations of approval of the work of the Coast Guard.

Now those of us who have spent most of our lifetime on the Great Lakes resent these charges of laxity that have been leveled against the United States Coast Guard—our first Navy, organized in 1790, and proud of its traditions.

In this connection, I feel I can do no better than to quote part of an editorial on this subject which appeared in the Sault Ste. Marie Evening News under date of May 7, which reads:

We who have lived close to the Great Lakes have felt pride in the fact that the Great Lakes ships are well-manned and well-officered. Men are promoted to captain or

mate only after years of experience have proved their ability to assume responsibility. Able seamen are attracted to the Great Lakes because living and working conditions are better perhaps than any other place in the Nation.

The United States Coast Guard has been charged by the President with the administration of the regulations governing the navigation and the safe operation of our steamers on the Great Lakes. It is a well-known fact, however, to anyone who has had any experience with the operation of our ships on the Great Lakes, that it is the general practice for all masters to be in the pilot house or on the bridge of their steamers, and the chief engineer in the engine room in all periods of danger. Masters and engineers are on their toes whenever their steamers are entering or leaving port, whenever they are navigating any of our tortuous river channels, and most assuredly on the job whenever they are enduring periods of stress of weather, such as the unfortunate fog during which these two tragedies occurred on Lake Erie on April 27.

Let us get into the bare, indisputable facts in connection with these two collisions. The steamer *James H. Reed* was required by her certificate of inspection to carry as officers and crew one master and three pilots; six able seamen; three ordinary seamen—forward; and in the after end, one chief engineer; three assistant engineers; three oilers, six firemen, and three coal passers; and in the galley, a crew of four. The *Reed* had on board at the time of the collision with the Canadian vessel *Ashcroft*, a full complement of crew as required by her certificate of inspection with the exception of one fireman, James Hyslop, who was taken off at Detroit by order of Selective Service some 12 hours prior to the collision, for pre-induction physical examination. At the time of the collision, this fireman would have been off watch had he been on board, and in bed—as were most of the rest of the crew who were not on watch—and, perhaps, would have lost his life. There were on board and on duty a full complement of licensed officers and crew as called for by the law. Captain Brightstone, master of the *James H. Reed*, is a man 49 years of age; he has held a master's license for some 15 years. He was on the bridge and in active charge of the navigation of the vessel before and at the time the collision occurred. Captain Brightstone has had 29 years of sailing experience; his first mate, Malcolm Moore, 18 years' sailing experience; the wheelsman on duty, 14 years; the watchman on duty, 20 years; the chief engineer, 26 years; the first assistant on duty, 26 years.

Now as to the steamer *Ashcroft*. Remember, being a Canadian vessel, she is entirely outside of the control of the United States Coast Guard. It is reported that her master was a man of many years' experience and she had a full complement of licensed officers and crew.

With respect to this matter of age of the crew of the ill-fated steamer *Reed*, she did have four boys on board who were 17 years of age, of whom one was an ordinary seaman, a deckhand; one was a fireman; one was a coal passer (unfortunately was lost); and one was a porter. And may I note in passing that not one of them had even a remote responsibility for her safe navigation.

But when we are talking about young men serving on our Lakes today, let me remind you that there are thousands of 17-year-old youngsters serving not only in our ocean Merchant Marine but in our Navy and Marine Corps, and proud of it. As one 17-year-old told me just a week ago, the Navy had made a man of him and put 35 pounds of weight on his body in the 9 months he had been in it. Regardless of this fact, it is not the Coast Guard's fault that the President of the United States, or the Secretary of the Navy, or the War Manpower Commission have issued regulations relaxing our age requirements on the decks and in the engine rooms of our Great Lakes steamers, in order to better prosecute the war effort and keep our United Nations' lifeblood of iron ore, coal, and limestone flowing to the blast furnaces. This is a further interesting fact. The War Manpower Commission has just within the past few days issued a directive that 16-year-olds as well as 17-year-olds may hereafter be employed on oceangoing vessels in the merchant Marine and in view of this the United States Maritime Service's Recruiting and Manning Organization is now advertising for such recruits for ocean service.

With respect to the collision between the steamers *Frank E. Vigor* and the *Philip Minch*. Captain Donald Aston was the master of the steamer *Vigor* and is a man 48 years of age who has had 15 years' experience as a licensed officer and has sailed ships for some 8 years as a skipper. His wheelsman had had 6½ years' experience; his lookout, 5½ years—part on the ocean and part on the Lakes; his chief engineer, 11 years' experience; his oiler, 2½ years and had been through the maritime school and had sailed 2 years on the Lakes.

On the steamer *Philip Minch* was Capt. Arthur E. Rankin, who is 63 years of age and for 34 years has been a master of Great Lakes vessels working for the same company. His wheelsman had had 25 years' experience as a wheelsman; his lookout 10 years' experience as a lookout, and both these gentlemen have held AB certificates for many years.

These are the men, the experienced men, who were on active duty at their respective posts at the time of the collisions. They were appalled at those collisions. They probably have suffered no end of mental torture since, but surely it cannot be said of them—nor can it be said of the gallant Coast Guard—that they are guilty of carelessness, ignorance, or neglect. These brave men fell prey to the hazards of the sea. Theirs has been a tragic experience that they will never forget, because their own shipmates today are among the missing. Theirs has been one of those tragic experiences for which it ill behooves any man to seek to chastise them or cast reflection upon any of them when perchance the evidence is clear, in fact—in this instance—very clear, that the motive behind such accusations is selfish in its origin, selfish in its nature, selfish in its very utterance. The seamen of the Great Lakes with whom it was my privilege to be associated actively for many, many years, are my best friends. They, I am sure, resent these false accusations, these slurs and denunciations that have caused me to make this public reply not only over the radio but in the House of Representatives itself.

Having been connected with the shipping industry on the Lakes for so many years I do not hesitate to admit that the industry is not perfect, that there is room for improvement. What is perfect today? That is why we have for many years put erasers on lead pencils. I certainly would be the last man in the world to deny to any sailor on the Great Lakes the right to freely join any union organization that he desires, but I do want to say this in closing. I am not interested in any union organization campaign nor any other controversy between any union or shipowner. But when union organizers start broadcasting or making accusations either against the boys or the masters or the engineers who sail the Great Lakes, or against the United States Coast Guard, then I am interested for I insist the true facts be stated and made known, and the punches be kept above the belt at all times.

EXTENSION OF REMARKS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that I may extend my own remarks and include an editorial from the Nashville Tennessean.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend as a part of my remarks made today, certain tables regarding the war veterans bill that was passed today, also a statement of General Hines, which appears in the hearings.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. EBERHARTER] is recognized for 15 minutes.

JOHN ROY CARLSON

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I take this time today to read to the House a statement made by a citizen of this country in answer to some accusations made against him on the floor of this House some time ago. I believe it is only just and fair that this defense of this gentleman be permitted to be placed in the RECORD. I believe it to be the American way of doing things, and for that reason I am going to read this statement. I do not vouch for the absolute correctness of it.

Mr. HOFFMAN. Will the gentleman yield?

Mr. EBERHARTER. I will be glad to yield in just a few minutes.

I do not vouchsafe personally for the correctness of the statement, but I have reason to believe that he has correctly stated the facts.

I now read the statement of John Carlson.

Mr. HOFFMAN. Will the gentleman yield?

Mr. EBERHARTER. I will yield in just a few minutes.

Mr. HOFFMAN. Now, just a minute. If the gentleman is going to read all that statement I am going to make the point of order that there is no quorum present, if the gentleman cannot yield and let this thing go in correctly. I have no objection to the gentleman's statement going in as his statement.

Mr. EBERHARTER. Just a minute, Mr. Speaker, I have not yielded.

Mr. HOFFMAN. I make the point of order that there is no quorum present.

Mr. EBERHARTER. If the gentleman will withhold that and give me just a few minutes until this statement is in——

Mr. HOFFMAN. I will be glad to withhold it. There is only one question I wanted to ask the gentleman.

Mr. EBERHARTER. I assure the gentleman will have plenty of time during my 15 minutes to ask me any question he desires, and I will try to answer it to the best of my knowledge and as truthfully as I possibly can.

Mr. HOFFMAN. I am not questioning the gentleman's integrity, or his purpose, or anything like that, but I want to ask one simple question, whether or not this is his statement or the statement of someone else. I have no objection to this going in as the statement of the man who wrote it, but I do not want it to go in under the guise of being your statement or being vouched for by you unless you know what you are talking about.

Mr. EBERHARTER. I will answer that question. I have already stated I will read a statement made by this citizen of this country. It is the statement of John Roy Carlson, author of Under Cover.

Mr. HOFFMAN. I have read it. The gentleman submitted it to me.

Mr. EBERHARTER. Yes. I submitted it to the gentleman so that he could look it over and see whether he had any objection to it.

Mr. HOFFMAN. That is right. I want it clear that it is his statement and not your statement. That is all.

Mr. EBERHARTER. I may say this statement was sent to me by John Roy Carlson.

The SPEAKER. Does the gentleman from Michigan withdraw the point of no quorum?

Mr. HOFFMAN. I withdraw it, Mr. Speaker. I have no objection to the gentleman putting anything into the RECORD he wants to as long as it appears as the statement of the individual who wrote it.

Mr. EBERHARTER. The following is a statement of John Roy Carlson, author of Under Cover:

1. My name: My name is Avedis Arthur Derounian. Only mother and father, my old teachers (with whom I held a delightful reunion recently), and early neighbors from Mineola, Long Island, call me Avedis now. I've used my middle name and surname for about 10 years.

2. My aliases: I've never used an alias to sign a check, contract, or other legal document. In my role as investigator I used a great many aliases which were known to the New York police, the Department of Justice, and my employers. I've listed some in the index of Under Cover. I have no criminal record of any kind whatever, either in this country or in Europe. (I was 12 years old when I came over, and I'm 35 now.)

3. Who wrote Under Cover? I did. Every word of it except for minor editorial corrections and revisions. I worked my way through college by writing for a string of Long Island newspapers. I was graduated from the New York University School of Journalism in 1932, receiving a B. S. degree in journalism, and have taken post-graduate courses at Columbia. I've been a newspaper and magazine writer and editor for about 16 years.

4. What about Mr. Winchell? While I welcome and respect the support of any sincere fighter for democracy, the ideas expressed in Under Cover are public property. I have no control over what a commentator, reviewer, or Congressman may say for or against it. I have met Mr. Winchell only once (about 3 months after publication). I have no agreement and no understanding of any kind with Mr. Winchell or any other commentator or writer. These suspicions exist only in the minds of those misled by the Chicago Tribune and its satellite, the Washington Times-Herald.

5. My draft status: Pre-Pearl Harbor fathers have been reclassified I-A. So have I, and I'm awaiting the call from my draft board to serve on the military front, after fighting America's internal enemies since October 1938, on the psychological or home front. My two brothers entered the Army long ago as buck privates, and worked their way up. One is now a sergeant overseas, the other is a lieutenant.

6. I'm charged with being a Communist: That is the favorite tag pinned on me by Fascists. Even the Y. M. C. A. and Monsignor John A. Ryan, of Catholic University have been called Reds. My record on American Communists has been consistent. I've expressed myself candidly in Under Cover (pp. 245, 519–21). I'm not and have never been in sympathy with the Communist plan nor propaganda tactics in America. I am, and always have been, for our democratic form of government.

7. I'm supposed to be an alien: I came to this land of freedom and opportunity with my parents and two brothers in April 1921. We did not come as "poor refugees" but were modestly well off from the outset. Father obtained his citizenship papers in 1926 at Nassau County Courthouse, Mineola, Long Island, and thus I became a citizen. I have nothing pleasant to look back to in Europe. America is my adopted country. I've gone to American schools, I am rooted here and I'm proud of my American citizenship. Nonetheless, the Chicago Tribune and its satellite, along with the vermin press have continuously smeared me as an "alien."

8. Why the Carlson pen name? I've never tried to hide my parentage, and I've stated on the first page of Under Cover that I'm of Armenian descent. I used the Carlson pseudonym while writing as an investigator. It was in order to disguise my identity as an investigator that I used a Scandinavian pen name.

9. Who are the Armenians? We are a historic and religious people, frequently mentioned in the Bible, who adopted Christianity as a state religion at about 301 A. D. Thousands chose to die during age-long Turkish massacres rather than be converted to Mohammedanism. Armenians are not a Semitic speaking people according to the most reliable anthropologists and ethnologists.

10. I'm supposed to have written for the Soviet press: In November 1936 (anniversary) issue of Soviet Russia Today, a magazine published in New York, an article appeared over my name entitled: "Armenia Awakes." That article made no plea for the Communist cause in America, but merely gave a picture of Armenia as it appeared after 700 years of massacre and oppression of a freedom-loving people. I did not write that article, and I have already testified under oath as to how my name was placed on it 9 years ago.

11. My employers: I've been working for about 4 years for the Friends of Democracy, headed by the Reverend L. M. Birkhead, a Protestant clergyman who is still an active minister of the Unitarian Church. He once bittery fought the Klan, and is now helping to fight fascism. A distinguished board of directors help formulate the policies of the Friends of Democracy, including Louis Bromfield, John Dewey, Thomas Mann, Dr. Albert Edward Wiggam, and more than 30 others. It continues to cooperate with, and has the esteem of Federal agencies, civic and educational groups. It has successfully exposed many subversive groups and individuals, and has earned the undying hate of those who hold democracy in contempt.

12. I'm supposed to be sponsored by "secret" groups: It's the usual canard initiated by the Chicago Tribune and the Washington Times-Herald. I've always been an independent writer and political thinker. I've already testified under oath that no group has sponsored my lectures (other than my lecture manager, whose interests were purely commercial), and no agency other than E. P. Dutton & Co. has sponsored my book. I've always spoken for myself. The book is my book. It has no behind-the-scenes backer of any kind whatever.

13. Here's another typical Fascist lie: The native Fascist press charged—while others took up the cry in the form of anonymous leaflets—that I had written an article in the New Republic against our capitalist order. The only piece I've ever written for the New Republic appeared in the June 16, 1941 issue. It was a 350-word book review of an anti-Nazi book entitled "I Find Treason." In that book review I urged that we stop chasing the swastika, and recognize the menace of a native Fascist enemy. I said nothing whatever about capitalism.

14. Are editors afraid of Under Cover? They are not: The few nuisance libel suits—filed primarily for publicity reasons and fully played up in the native Fascist and McCormick press—did not deter 35 magazines and periodicals from digesting or condensing Under Cover. The book has been serialized in 28 newspapers all over the country, including the Beaumont (Tex.) Enterprise.

15. Truth wins out: On March 7 I was invited to speak at Camp Lee, Va., and on March 22 at New Castle Army base, Wilmington, Del. In each instance I was cleared by Army Intelligence, and in both instances I spoke to packed halls (2,000 soldiers at the New Castle base). For the past 7 months I've lectured for many colleges, public schools, American Legion posts, Protestant, Catholic, and Jewish groups, churches of various denominations, business clubs, many national forums, Red Cross, civilian defense, and War bond rallies. Inscribed copies of Under Cover brought bids of over $4,000 in War bonds in Stamford and New Haven, Conn., and a bid of $5,000 in Westport, Conn. My voluntary cooperation with Federal agencies continues. The book is now circulating freely in Army libraries and hospitals. This is the answer to the desperate charges of those editors and readers of the Chicago

Tribune and similar publications, the leaders of the Armenian Revolutionary Federation (Armenian terrorist Fascists also known as Dashmag), and those conscienceless publishers of anonymous and forged documents who have been frothing madly with the futility of their lies.

JOHN ROY CARLSON.

Mr. Speaker, now I will read to you the last two paragraphs in the book Under Cover, which will show, I believe, the sentiments and attitude, and the love of the author, John Roy Carlson—Avedis Arthur Derounian—for his country:

I feel that my debt to America is an eternal debt, a debt timeless, transmittable from father to son to grandson—a debt payable on demand, instantly during national emergency as well as during peacetime, payable so long as this country remains what it started out to be: a haven for the oppressed, granting equality and opportunity, liberty and justice for all who seek it and deserve to have it. May this blessed Nation of ours never degenerate to a system of government by some, for some. May it forever remain a government by all, for all. There is no greater privilege at this moment, no greater honor as we look upon skies free of raining death, to a land free from the barbarisms of war, to a future more promising than any on this strife-torn earth, than to serve this, our home, our country.

This is my faith.

Now I shall be pleased to yield to the gentleman if he has any further questions.

Mr. HOFFMAN. I have no questions.

The SPEAKER. Under the previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I have two unanimous-consent requests: One is that on Monday and Tuesday of next week following the legislative business of the day and other special orders I may be permitted to proceed on each occasion for 15 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN. My other request is that I may be permitted to revise and extend my own remarks and include in connection therewith a newspaper article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JOHN ROY CARLSON AND THE BOOK UNDER COVER

Mr. HOFFMAN. Mr. Speaker, believing as I do in free speech, I do not object to the statement of this man of many names who at the moment is using the one of Carlson, under which he attempts to defend himself against charges which the gentleman from Pennsylvania said had been made against him on the floor. This man who signs himself John Roy Carlson refers in the second paragraph of the statement to the aliases which he has used and says that he never used one to sign a check, contract, or other legal document. That may be true; I have no knowledge about it. I have in my office, however, two letters signed by this gentleman under another name in which he sought to entrap me into making statements which he might have used to discredit me, and he once called at my office pretending to be something he was not, and he has since in his book lied about that visit. I never made reply to his two letters because as the letters came in and as I read them there was an odor about them which was a warning to anyone who had had any experience with that kind of an individual.

This gentleman, who now uses the name of Carlson, and he admits it is not his own name, also set forth in this statement:

The native Fascist press charged, while others took up the cry in the form of anonymous leaflets, that I had written an article in the New Republic against our capitalist order.

In the next paragraph he states:

A few nuisance libel suits (filed primarily for publicity reasons and fully played up in the native Fascist and McCormick press) did not deter 35 magazines and periodicals from digesting or condensing Under Cover.

The fact about the papers to which he refers—and I mean the Chicago Tribune, which he named in his book; the Washington Times-Herald; and the New York Daily News—the fact is that those three papers, expressing the views of true Americans, have the largest circulation of any three papers in the country. They speak for America, not for some foreign land or people.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. EBERHARTER. I think the fact that they have so much circulation is all the more reason for him to have an opportunity to defend himself against what he believes to be unjust accusations. The ordinary citizen of this country has a very difficult time trying to combat statements that are made in any newspaper.

Mr. HOFFMAN. Or any vilifying lying book like Under Cover.

Mr. EBERHARTER. I do not, of course, agree that it is a lying book. I do not have the facilities——

Mr. HOFFMAN. Now the gentleman is where I want him. In introducing this statement of the so-called Carlson, does the gentleman approve of the charges of a lack of loyalty made in that book against some 30 or 40 Members of Congress?

Mr. EBERHARTER. I do not believe there is any single Member of Congress who is not patriotic, but I did not see anything in that book which charges that any Member was not patriotic.

Mr. HOFFMAN. The gentleman did not?

Mr. EBERHARTER. No; I did not.

Mr. HOFFMAN. How many times did the gentleman read that book? What? I will ask the gentleman if he ever read it.

Mr. EBERHARTER. Yes.

Mr. HOFFMAN. As they used to say, from cover to cover?

Mr. EBERHARTER. I have read the book.

Mr. HOFFMAN. From cover to cover?

Mr. EBERHARTER. Has the gentleman from Michigan read the book from cover to cover?

Mr. HOFFMAN. I have read the book three times; I have made two digests of it. It is filled with false charges. If the author of the book will come into my district and hand out a copy to someone so I can get service on him I will bring a suit for libel and prove that all of the references in there which intimate, as they do, that I am disloyal or unpatriotic are absolutely false.

Mr. EBERHARTER. I will say that if the book does intimate anything of the sort I certainly do not agree with it.

Mr. HOFFMAN. The gentleman should read it before he puts in this defense.

Mr. EBERHARTER. I think he has a right to put in his defense.

Mr. HOFFMAN. Sure he has. But no Congressman should in my opinion endorse his false charges.

Mr. EBERHARTER. I am glad the gentleman agrees with me that it was perfectly satisfactory to him for this statement to be inserted in the CONGRESSIONAL RECORD today or to be read by me, either one or the other.

Mr. HOFFMAN. But what I am trying to make clear and the gentleman did not make clear was that the gentleman from Pennsylvania was not endorsing the statements made in the book.

Mr. EBERHARTER. I never took the position that I was endorsing any and every statement made in the book.

Mr. HOFFMAN. No; not "every."

Now, let us not have any disagreement about this thing; there are only a few of us here, just a baker's dozen; let us just allow the reporter, if the gentleman is willing, to read back from the beginning of the gentleman's statement where he said that he has reason to believe that this statement that he put in is correct.

Mr. EBERHARTER. This statement that he wrote up in his own defense.

Mr. HOFFMAN. Yes.

Mr. EBERHARTER. I have reason to believe that that statement is correct.

Mr. HOFFMAN. I have reason to believe that he was born in Armenia, that he was naturalized. Some of the other things in there—he goes farther than that in that statement.

Mr. EBERHARTER. I think the gentleman is changing the subject there. He was talking about a statement he made in his book and now——

Mr. HOFFMAN. And now I am asking the gentleman if he endorses the statements in the book which charged Members of Congress with disloyalty.

Mr. EBERHARTER. I have already said no, I did not; if there is any such statement.

Mr. HOFFMAN. All right; I am content with that; that is all I care about.

Mr. EBERHARTER. I am glad the gentleman asked me the question, because I certainly want it clear on the RECORD and to all the Members of the House and to the country that I never in any way intimated that there was a

single Member of this House that was not loyal.

Mr. HOFFMAN. All right; now let us get back to where I was interrupted, and I find no fault with the interruption: It was about the circulation of these three papers and the gentleman suggested that because of that great circulation it was an additional reason why this man should have this opportunity.

Mr. EBERHARTER. That is right.

Mr. HOFFMAN. My point was that those papers—the Chicago Tribune, the Washington Times-Herald, and the New York Daily News—have that circulation because they express the views of the people who buy them; they express and endorse the views of those who believe in America; that is the point.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. People do not buy papers unless they like what is said in them. They may occasionally, for example, I buy PM once in a while as a matter of curiosity.

Mr. EBERHARTER. Now the gentleman is saying something.

Mr. HOFFMAN. To see how foolish, how absolutely inaccurate, how venomous, how vicious, how untruthful a newspaper can become.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. But I do not buy it over a term of years or months or weeks even. The Tribune and these other two papers have had this overwhelming circulation over a period of years. The Tribune represents the true American sentiment, as I view it, of the great Middle West.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield right there?

Mr. HOFFMAN. I yield.

Mr. EBERHARTER. I agree with the gentleman that the Chicago Tribune has a much greater circulation in the city of Chicago than any other newspaper.

Mr. HOFFMAN. And in the Midwest. Why?

Mr. EBERHARTER. If all the people in Chicago who bought the Chicago Tribune agreed with its policy, certainly that city would not, year after year, return such overwhelming Democratic majorities.

Mr. HOFFMAN. But the gentleman overlooks the power of the purse, the power of corruption. Oh, heavens and earth!

The gentleman just ignores the established and well-known factors which corruptly influence those elections in that city and which obtain those results. I see the gentleman from Tennessee [Mr. GORE] consulting with the gentleman. You can gang up if you want to. Now, people buy things, do they not, because they want them, because they approve of them, do they not?

Mr. GORE. Will the gentleman yield?

Mr. HOFFMAN. The gentleman is going to honor me by an interruption?

Mr. GORE. I thank the gentleman. I was going to suggest to him that on yesterday it was my pleasure to have lunch with a distinguished member of the press who told me that she bought a certain paper because she liked the comics in that paper.

Mr. HOFFMAN. Yes; I have heard that alibi, but comics do not sell a paper to the farmers who dig their living out of the dirt. I had occasion to go home the other day, it happened to be on a Sunday, and all during the trip I found the farmers out in the fields, and the same coming back, and I came back on Sunday, working on the Sabbath day because they were trying to do their best for the war effort. Those are the people in the States of Illinois, Indiana, Ohio, Michigan, and over in Wisconsin who buy the Chicago Tribune. They are hard-working Americans with sons and husbands in the service. They believe in this country, in its people. They are not dependent upon foreigners, upon royalty. They do not buy the Tribune for the comics; no, they do not buy it for the sensational items; they buy it because it gives them, first, the news, true and accurate; they buy it next because of the editorial policy of the paper and because that paper speaks out for the Middle West and for America.

Mr. GORE. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Tennessee.

Mr. GORE. It was not my intention to suggest that these hundreds of thousands of people who buy the Chicago Tribune——

Mr. HOFFMAN. Millions of people.

Mr. GORE. All right, millions who buy the Chicago Tribune buy it solely because of the comics. I was merely agreeing with the gentleman that the people buy what they want and I gave him one instance where even a member of that great profession bought a certain paper because she liked the comics. Another individual might like the sports page, another might like the woman's page. That is not an indication, however, that all those people who buy the paper agree with the political and social philosophy of the paper.

Mr. HOFFMAN. That is undoubtedly true, but the overwhelming majority must because if you take out this one lady that the gentleman speaks of, take her away from the two or three millions, and you still have quite a large number left. If you take out these other little groups you will have a large number left. Some may buy it to wrap packages in; I do not know. The Chicago Sun has nice comics in it, it is sensational, it writes up many items that may attract those who might want to gossip; but when you come to honest-to-goodness patriotism, out there folks buy the Chicago Tribune just as they buy the Bible and the hymn book.

Mr. EBERHARTER. Will the gentleman yield? I think I can make an observation that will be of value.

Mr. HOFFMAN. I have no doubt about that.

Mr. EBERHARTER. Does the gentleman know that surveys have indicated that less than 2 percent of the people who purchase newspapers read the editorials? That is according to surveys made by responsible associations of newspapers in this country. Less than 2 percent of the people read the editorials. So the argument the gentleman makes about the people agreeing with the editorial policies of a particular paper, I think, falls if this survey made by the newspapers themselves is correct.

Mr. HOFFMAN. If that is true, if the gentleman's argument is true, it certainly applies to the other papers. The people do not read their editorials either. The fact remains that the Chicago Tribune has been and is the great American paper of the Midwest—preaching Americanism day in and day out—and the people believe in it.

Mr. EBERHARTER. The gentleman is the one who made the statement that the people buy the paper because they agree with its editorial policy.

Mr. HOFFMAN. The people of the Middle West, the people who furnished their share of the men who are fighting the war, who did not want the war, read that paper. You know, it was not those people in the West—and I attach an article showing that fact—who wanted the war. It was the eastern seacoast that acted as though it wanted the war.

Mr. EBERHARTER. Nobody wanted war.

Mr. HOFFMAN. All right then, who talked war, who did the things that got us into the war and who tell you now that it was inevitable, that they had to have it. I say the people out in the Middle West do read the editorials. I know some of them must read the editorials because while I do not get a hundred thousand copies of editorials I do get in almost every mail quite a number of editorials from the Tribune and I get quite a few editorials from the southern papers, too, that advocate a change in administration, although when they come to voting, holding the positions they do, holding the committee chairmanships, holding the strings that open and close the purse, they go along with the new dealers, and I can understand why they do go along, having obtained during the years that this administration has been in power several times the cost of the Civil War. I can understand it.

Let me tell you something else. Some of these gentlemen in the South who were so anxious to get those big factories down there, who got them down there, have now discovered that the employees are all organized by the C. I. O. and are controlled by the Committee for Political Action with its $2,000,000 check fund, and some of those same gentlemen have been or will be defeated by the workers who came into the factories that these boys got in their districts, and they are not going to be so happy over the result when election rolls around.

Mr. Speaker, I will finish this installment next week but the article to which I referred is as follows:

WHY THIS POPULARITY?

Variety, the entertainment trade journal, reports in its current (May 17) issue:

"The New York Daily News continues to lead United States newspapers by a wide margin, according to latest circulation figures prepared by N. W. Ayer Co. Sunday edition

of the News has hit total of 3,893,395. New York Mirror is a distant second with 1,673,528.

"Daily circulation of the News is 2,000,999. Chicago Tribune is second with 940,751; Mirror third with 770,340."

We'll add some details to this report. The paper shortage is constricting the News, as it is all other newspapers. The News is currently printing 2,027,000 copies a day, of which total the net paid circulation accounts for 2,004,000. The other 23,000 represent deadhead copies to employees, advertisers, etc., and spoiled copies. This is a phenomenal state of affairs from a circulation manager's point of view.

PAPER SHORTAGES AND CIRCULATION

The News' circulation manager estimates that if there were no paper shortage the News could sell an additional 150,000 copies a day—and 500,000 more than the 3,700,000 copies of the Sunday News now being sold. He believes that in a couple of years of unrestricted paper supply the Sunday News' circulation would go to 5,000,000.

This Sunday News estimate is based partly on the fact that the News has raised its price to 10 cents a copy in 34 States (hope to go back to 5 cents sometime), and cut out the Canada circulation entirely. The Canada cut sliced off about 100,000 copies of the Sunday News and about 5,000 copies per day of the Daily News at one clip.

The Chicago Tribune, as noted by Variety, has the biggest circulation in Chicago. As Variety didn't note, the Washington Times-Herald has the largest circulation in Washington—221,924 daily and 270,755 Sundays, as certified by the Audit Bureau of Circulations for the 6 months ended March 31, 1944.

These three newspapers are often called the Patterson-McCormick axis—a smear term coined by one or another of our nonlovers with a view to spreading the impression that these newspapers are disloyal.

Numerous people, ourselves among them, continue to speculate on what may be the reasons why these three newspapers continue to enjoy the largest circulations in three cities where they are published.

The favorite explanation for the News' big circulation used to be that it is a tabloid paper. New York now has five tabloids, though—three of them radical, the other two not so radical. The two not so radical tabloids have far bigger circulations than any of the three radical ones. Nor is either the Chicago Tribune or the Washington Times-Herald a tabloid paper.

MAYBE THEY LIKE US

Another old favorite explanation was that the News was loaded up with "cheesecake," that is, leg art and hot, sexy stuff that titillated the morons. The News doesn't overplay sex and hasn't for years. The Chicago Tribune never has, and neither has the Washington Times-Herald under the present management. Some of our nonlovers say it's our good brand of comics.

Our theory is that these big circulations indicate that a lot of people in the three cities like these three newspapers. Professional newspaper people, of course, read all kinds of newspapers. Others, as a rule, don't. Most people read one paper a day, some two. The natural tendency is to read the paper whose policies you like best.

These three newspapers' editorial policies on domestic affairs have differed from time to time. Their policies on foreign affairs have not differed importantly. Those policies have been and are slanted toward what we believe to be the best interests of the American people—America First, to use a phrase which various global thinkers have done their best to bring into disrepute.

At this time, these three newspapers are agreed on the proposition that a fourth term for President Roosevelt would mean the end of the Republic.

Efforts have been made by some of our more emotional nonlovers to pump up boycotts against these three newspapers. Those efforts have caused some people to stop buying Patterson-McCormick papers; but in all these cases to date, more customers have come to us than have left us.

As we say, we think the answer to these papers' circulations—by far the biggest in their respective metropolitan areas—must be that a lot of people in those areas like these papers' editorial policies and approve of them. Anyway, that's our story, and we're going to stick to it until and unless it's disproved.

The SPEAKER. The time of the gentleman has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PATTON (at the request of Mr. THOMAS of Texas) for 10 days, on account of attending sister's funeral.

To Mr. GROSS (at the request of Mr. RODGERS of Pennsylvania) indefinitely, on account of illness.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 280. Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods and windstorms in 1944, in order to enable them to continue farming operations to produce food for the war effort.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 771. An act to provide for payment of pensions and compensation to certain persons who are receiving retired pay.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 3176. An act to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard, and to certain civilian employees of the military and naval forces of the Regular Establishment;

H. R. 3356. An act to increase the service-connected disability rates of compensation or pension payable to veterans of World War No. 1 and World War No. 2 and veterans entitled to wartime rates based on service on or after September 16, 1940, for service-connected disabilities, to increase the rates for widows and children under Public Law 484, Seventy-third Congress, as amended, and to include widows and children of World War No. 2 veterans for benefits under the latter act;

H. R. 3377. An act to increase the rate of pension for World War veterans from $40 to $50 per month, to $60 per month in certain specified cases, and for other purposes; and

H. J. Res. 280. Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods and windstorms in 1944, in order to enable them to continue farming operations to produce food for the war effort.

ADJOURNMENT

Mr. GORE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, May 22, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

SELECT COMMITTEE TO INVESTIGATE SEIZURE OF MONTGOMERY WARD & CO.

The Select Committee to Investigate the Seizure of Montgomery Ward & Co. will hold a public hearing Monday, May 22, 1944, at 10 a. m., in the Ways and Means Committee Hearing Room, New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, May 23, 1944.

Business to be considered: To begin hearings on H. R. 4805, a bill entitled "To amend the Railroad Retirement Act of 1937, the Railroad Retirement Act of 1935, and the Railroad Unemployment Insurance Act," by Mr. CROSSER.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings, when available, will please notify the Clerk by letter.

Witnesses are requested to notify the Clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1565. A communication from the President of the United States, transmitting supplemental estimates of appropriations in the amount of $60,000 for the Post Office Department for the fiscal year ending June 30, 1945 (H. Doc. No. 612); to the Committee on Appropriations and ordered to be printed.

1566. A letter from the Alien Property Custodian, transmitting a draft of a proposed bill to amend the First War Powers Act of 1941, to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 555. Resolution for the consideration of H. R. 4624, a bill to consolidate and revise the laws relating to the Public Health Service, and for other purposes; without

amendment (Rept. No. 1469). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EBERHARTER:

H. R. 4829. A bill to credit for purposes of computing longevity pay of enlisted personnel of the armed forces certain wartime service in the armed forces of nations allied with the United States in the present war; to the Committee on Military Affairs.

By Mr. HEFFERNAN:

H. R. 4830. A bill to confer on the district courts of the United States jurisdiction of certain cases involving children; to the Committee on the Judiciary.

By Mr. LEMKE:

H. R. 4831. A bill to amend the World War Adjusted Compensation Act to provide adjusted compensation for provisional, probationary, and temporary officers; to the Committee on Ways and Means.

H. R. 4832. A bill providing for Congress to coin and issue money and regulate the value thereof by establishing the bank of the United States, owned, operated, and controlled by the Government of the United States; setting forth the scope and manner of the bank's operations; creating a board of control and defining the powers and duties of the board and other persons charged with the bank's management; and for other purposes; to the Committee on Banking and Currency.

By Mr. FLANNAGAN:

H. R. 4833. A bill to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; to the Committe on Agriculture.

By Mr. MILLS:

H. R. 4834. A bill providing for the giving to vocational-education authorities within the States certain property of the National Youth Administration now being used by such authorities; to the Committee on Expenditures in the Executive Departments.

By Mr. SATTERFIELD:

H. R. 4835. A bill relating to the prosecution of claims arising out of the procurement of materials or supplies incident to the prosecution of the war; to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 4836. A bill to authorize a preliminary examination and survey of the following stream: Thief River, a branch of the Red Lake River, in the State of Minnesota, for flood control, for run-off and water-flow retardation, and soil-erosion prevention; to the Committee on Flood Control.

By Mr. EBERHARTER:

H. R. 4837. A bill to extend for an additional 2 years the suspension in part of the processing tax on coconut oil; to the Committee on Ways and Means.

By Mr. MYERS:

H. R. 4838. A bill to create a United States civil service board of appeals; to the Committee on the Civil Service.

By Mr. RANDOLPH:

H. R. 4839. A bill to exempt the Salvation Army from all taxation in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SUMNERS of Texas:

H. R. 4840. A bill to amend the First War Powers Act of 1941; to the Committee on the Judiciary.

By Mr. MAY:

H. R. 4841 (by request). A bill to amend the Selective Training and Service Act of 1940 by making it a criminal offense to possess unlawfully or to reproduce various certificates issued pursuant thereto; to the Committee on Military Affairs.

By Mr. SABATH:

H. J. Res. 285. A joint resolution to reduce the tax on admissions to cabarets, roof gardens, and similar entertainments; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISH:

H. R. 4842. A bill for the relief of Joseph T. Kemmerer; to the Committee on Claims.

By Mr. GRANT of Alabama:

H. R. 4843. A bill for the relief of Lanford C. Cook; to the Committee on Claims.

By Mr. McGREGOR:

H. R. 4844. A bill granting a pension to Roberta Thornton; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5706. By Mr. ANDREWS of New York: Resolution adopted by the Niagara Frontier Cooperative Milk Producers' Bargaining Agency, Inc., opposing any further subsidies; to the Committee on Banking and Currency.

5707. By Mr. CANFIELD: Resolution adopted by the governing body of the city of Clifton, N. J., the mayor and Board of Commissioners of Passaic, N. J., and the mayor and Council of the borough of Pompton Lakes, N. J., urging the passage of Senate bill 1737, a bill introduced by Senator HAWKES, of New Jersey, to provide for certain payments to States and their political subdivisions as compensation for loss of revenues occasioned by the acquisition of real property by the United States for military purposes; to the Committee on Military Affairs.

5708. By Mr. DONDERO: Resolution of Moms of America, Unit No. 3, of Birmingham, Mich., calling upon our Government to cooperate now with the other United Nations in setting up a United Nations council to proceed wtih the formation of the general international organization foreshadowed in the Moscow Declaration and the Connally resolution; to the Committee on Foreign Affairs.

5709. By Mr. LANE: Resolution adopted by City Council of Salem, Mass., to abolish or modify the 15 percent Little Steel formula for an adjustment of wages and salary; to the Committee on Labor.

SENATE

SATURDAY, MAY 20, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Father of mankind, to whom all souls are precious, turning from the cruel passions which so sadly separate Thy warring children, grant us as we look to Thee in prayer a sense of oneness with all our fellows made in Thy image, and upon whom Thou hast also breathed the breath of life. We confess that often we make Thy love too narrow by false standards of our own. Across the foolish and futile barriers of pride and prejudice may we feel our kinship with all those who in hunger cry for daily bread, who in darkness pray for light, who in chains groan for release. In this day of turmoil and terror, when the ax is laid at the root of the tree and the judge is at the gate, casting aside all desire for any advantage for ourselves that we do not seek for others, fit us to be Thy messengers of peace and hope to those who, now prostrate in the night of distress, wait for the morning of deliverance.

We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk, John C. Crockett, read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 20, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SCOTT W. LUCAS, a Senator from the State of Illinois, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. LUCAS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MCKELLAR, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 19, 1944, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1771) authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1744. An act to provide Government protection to widows and children of deceased World War veterans; and

H. R. 4710. An act authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes.

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL

Mr. OVERTON. Mr. President, I should like to have printed in the RECORD at this point a schedule of hearings to be held on the pending flood-control bill, H. R. 4485. The hearings will begin on Monday, May 29, 1944, and are scheduled to run through Wednesday, June 7.

I should like also to announce that the members of the subcommittee appointed by the Senator from North Carolina [Mr. BAILEY], chairman of the Commerce Committee, are the Senator from Louisiana [Mr. OVERTON], chairman; the Senator from Missouri [Mr. CLARK]; the Senator from Florida [Mr. PEPPER]; the Senator from New York [Mr. MEAD]; the Senator from Nevada [Mr. MCCARRAN]; the Senator from Michigan [Mr. VANDENBERG]; the Senator from Maine

[Mr. BREWSTER]; the Senator from Ohio [Mr. BURTON]; and the Senator from Oregon [Mr. CORDON].

There being no objection, the schedule of hearings was ordered to be printed in the RECORD, as follows:

SCHEDULE OF HEARINGS ON FLOOD CONTROL BILL H. R. 4485, BEGINNING MONDAY, MAY 29, 1944, AT 10:30 A. M.

The Subcommittee on Flood Control of the Senate Committee on Commerce will conduct hearings on the flood-control bill H. R. 4485.

1. Monday, May 29: General statement by Maj. Gen. Eugene Reybold, Chief of Engineers. Testimony on new projects along—

The Atlantic coastal area: Blackstone River, Mass. and R. I.; Roanoke River, Va.; Yadkin-Pee Dee River, N. C. and S. C.; Edisto River, S. C.; Savannah River, Ga.

Great Lakes area: Winooski River, Vt.; Genesee River, N. Y.

Ohio River Basin: Chestnut Creek, Va.; Kentucky River, Ky.; Rough River, Ky.; Yellow Creek, Middlesborough, Ky.; Turtle Creek, Pa.

Lower Mississippi River Basin: Red River, in the vicinity of Shreveport, La.; Ouachita River (Blakely Mountain Dam), Ark.

2. Wednesday, May 31: Testimony on new projects in the—

Upper Mississippi River Basin: Park River, N. Dak.; Pembina River and tributaries, North Dakota; Sheyenne River, N. Dak.; Des Moines River, Iowa; Chariton River, Iowa and Mo.

Great Salt Basin: Sevier River near Redmond, Utah.

Colorado River Basin: Bill Williams River, Ariz.

Pacific coastal area: Pajaro River, Calif.; Littlejohn Creek and Calaveras River stream group, California; Napa River, Calif.; Chehalis River, Wash.

Territorial possessions: Waimea, Hanapepe, Wailua and Hanalei Rivers and Kapaa Swamp, Island of Kauai, Territory of Hawaii.

Dr. Carleton Barnes and other representatives of the Department of Agriculture in the Yazoo River Basin, Miss.; Buffalo Creek Basin, N. Y.; and Santa Ynez River Basin, Calif.

3. Thursday and Friday, June 1-2: Projects in Connecticut River Basin and Sacramento-San Joaquin Valley, Calif.

4. Monday and Tuesday, June 5-6: S. 1519 (Senator MCCLELLAN, Arkansas and White Basins), and S. 1812 (Senator CLARK, flood-control bill).

5. Wednesday, June 7: Missouri River Basin.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a letter in the nature of a petition from Millmen's Union Local No. 2020, of San Diego, Calif., praying that the O. P. A. be extended for an additional 2-year period and that an O. P. A. regulation be adopted in connection with the subsidy program for the grading of all commodities so that customers may know exactly the quality and quantity they are receiving, through a grade-labeling procedure, which was referred to the Committee on Banking and Currency.

ST. LAWRENCE SEAWAY—RESOLUTIONS FROM MICHIGAN

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred three resolutions, one from the Manufacturers Committee of the Traverse City Chamber of Commerce, one from the city of Wyandotte, and one from the city of Monroe, all in the State of Michigan. The people of Michigan are greatly interested in the St. Lawrence waterway project, and these resolutions request immediate action upon that matter, which is now before the Senate.

There being no objection, the resolutions were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

RESOLUTIONS ON ST. LAWRENCE SEAWAY AND POWER PROJECT

Whereas the State of Michigan by its State legislature has on various occasions during the past 20 years advocated the construction of a deep-water channel connecting the upper Great Lakes with the Atlantic Ocean via the St. Lawrence River, so as to permit deep-draft navigation into the interior of the continent; and

Whereas Michigan Great Lakes Tidewater Commission, a State body, is charged by statute with furthering the interests of this project and has requested the cooperation of Traverse City manufacturers in presenting this matter to Congress; and

Whereas from our review of the facts surrounding this project it would appear that substantial benefits would accrue to the Grand Traverse Bay region and particularly its manufacturing industry on the completion of the project, particularly the navigation phase thereof; and

Whereas there is now pending in the Congress of the United States a bill introduced by Senator AIKEN (S. 1385) providing for approval of a treaty with Canada covering said project and authorizing construction: Now, therefore, be it

Resolved, That the Traverse City manufacturers hereby endorse and approve the general purposes of the Aiken bill and urge upon our Representatives in Congress to give this measure their support so as to insure the early completion of the St. Lawrence seaway.

I. L. GARTHE,
Chairman, Manufacturers Committee of the Traverse City Chamber of Commerce.

Dated May 3, 1944, at Traverse City, Mich.

WYANDOTTE, MICH., *May 9, 1944.*

Resolved by the City Council of the City of Wyandotte:

Whereas it has come to the attention of this council that hearings will be held in May on the St. Lawrence waterways and power projects before the Senate Commerce Subcommittee; and

Whereas this council has always been vitally interested in and in favor of this project: Now be it further

Resolved, That this council does now petition, through their duly elected representatives, Senators ARTHUR VANDENBERG, HOMER FERGUSON, and Congressman JOHN LESINSKI, that they, in their official capacities, do everything possible to facilitate these projects. Also that copies of this resolution be forwarded to Senators VANDENBERG and FERGUSON, Representative LESINSKI, and the Senate subcommittee mentioned above.

Whereas this commission did on March 24, 1941, adopt a resolution favoring the immediate construction of the Great Lakes-St. Lawrence seaway project; and

Whereas it is the opinion of this commission that the deepening of the channel in the St. Lawrence River will enable us to make our full contribution to the needs of our Nation and to participate in the post-war program of world rehabilitation and stabilization: Therefore be it

Resolved by the Monroe City Commission, That we do formally and respectfully request the Legislature of the State of Michigan to memorialize the Congress of the United States of America to enact legislation enabling completion of the Great Lakes-St. Lawrence seaway by removing existing barriers; and be it further

Resolved, That a formally attested copy of this resolution be sent to the Governor of the State of Michigan, the Senators and Representatives from Michigan in our National Congress, to the senators and representatives in our Michigan Legislature.

REPORT OF COMMITTEE ON APPROPRIATIONS

Mr. HAYDEN, from the Committee on Appropriations, to which was referred the bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes, reported it with amendments and submitted a report (No. 899) thereon.

BILL INTRODUCED

Mr. BILBO (for himself and Mr. BURTON), by unanimous consent, introduced a bill (S. 1941) to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended, which was read twice by its title and referred to the Committee on the District of Columbia.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H. R. 1744. An act to provide Government protection to widows and children of deceased World War veterans; to the Committee on Finance.

H. R. 4710. An act authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes; to the Committee on Naval Affairs.

PAY READJUSTMENT ACT OF 1942—VOTE IN THE HOUSE OF REPRESENTATIVES

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD the vote in the House of Representatives on Wednesday, May 13, 1942, on the pay readjustment bill of 1942, which appears in the Appendix.]

FARM-PRICE AND FARM-INCOME SITUATION—LETTER FROM HERMAN HURST

[Mr. REED asked and obtained leave to have printed in the RECORD a letter dated May 11, 1944, from Mr. Herman Hurst, of Oswego, Kans., on the farm price and farm income situation, which appears in the Appendix.]

INDEPENDENT OFFICES APPROPRIATIONS—TENNESSEE VALLEY AUTHORITY

Mr. McKELLAR. Mr. President, as Senators know, the independent offices appropriation bill is in conference. It is hoped there will be a conference on the bill next Wednesday. In view of that situation, I have prepared a brief outline of the contentions which I propose to make before that committee insofar as the amendment of the Senate regarding the Tennessee Valley Authority is concerned. I desire to discuss that matter very briefly this morning, and I will say to the Senator from Georgia that I shall take very little time.

Mr. President, the item I have particularly in mind is the Senate amendment requiring Lilienthal to pay his receipts into the general fund of the Treasury like all other institutions, and to get his appropriations from the Congress.

I wish to make the following observations:

To build an institution like the Tennessee Valley Authority costing nearly a billion dollars paid for by the taxpayers and then turn the entire plant, which is a money-making plant, over to Lilienthal to be run as he personally thinks it should be run would amount to one of the most unique performances that the Congress of the United States has ever indulged in. It would be contrary to law, contrary to the act creating the Tennessee Valley Authority and contrary to every principle and policy of Government which the American people hold dear.

Lilienthal has written a book in which he advocates that the Government turn over to him the Tennessee Valley Authority to be run at what he calls the "grass roots," borrowing this term from the Vice President, who, I believe, claims to be its originator. Vice President WALLACE gives his approval to Lilienthal's book, saying, "Of all the books I have read during the past 12 months Lilienthal's on T. V. A. is to me the most exciting."

This "grass roots" policy is not only advocated by Lilienthal but he is endeavoring to put it into practice in more ways than one. In the first place, he absolutely is the T. V. A., the other two members doing whatever he tells them. In the next place, he has secured from the Congress once, and maybe twice, heretofore, the use of his receipts for a portion of his expenditures and this time he has secured from the House again the right to spend them without regard to the Congress.

In addition to that, I call the particular attention of the Senate to this part of it: On November 21, 1941, he secured the passage of an act which takes away the jurisdiction of the General Accounting Office to pass effectively upon his accounts because any exception that the General Accounting Office may make this act gives him the right to disapprove. How this act got through is a mystery. When it was brought to my attention a day or two ago I thought I had not known about it before and publicly so stated. I find, however, that it was called to my attention once before. However, Lilienthal had the proviso adopted; he knew then and has known since exactly what it meant and yet I quote from his testimony of February 24, 1944, when he said—audit of T. V. A. accounts, hearings, page 387:

Senator MCKELLAR. Did the General Accounting Office examine your books this year?

Mr. LILIENTHAL. Yes; they have been continuously auditing our books and accounts.

Senator MCKELLAR. Well, when did they begin?

Mr. LILIENTHAL. It is a continuous process. Let me ask Mr. Clapp for the dates.

Senator MCKELLAR. When did they begin auditing, what year?

Mr. LILIENTHAL. The auditing began in 1934 and it has been continuous ever since.

Senator MCKELLAR. It has been continuous ever since?

Mr. LILIENTHAL. Yes.

Now, Senators, let me call attention to the fact that for the first 6 or 7 years Mr. Lilienthal took the position that the General Accounting Office had no right to examine his accounts at all. Finally he obtained an opinion from Attorney General Jackson in 1939 and 1940 to the effect that under the law the General Accounting Office had no right to audit his accounts. Thereupon Mr. MAY, of Kentucky, introduced in the House of Representatives a bill giving the General Accounting Office the right to audit the T. V. A. accounts. During the course of the consideration of the bill in the House of Representatives Mr. Lilienthal was able to have adopted an amendment which, while it gave the General Accounting Office authority to audit the accounts, specifically provided as follows:

[Public Law 306—77th Cong.; ch. 485—1st sess.; H. R. 4961]

An act to amend section 9 (b) of the Tennessee Valley Authority Act, as amended by section 14 of the act of August 31, 1935

Be it enacted, etc., That section 9 (b) of the original Tennessee Valley Authority Act, as amended by section 14 of the act of August 31, 1935 (49 Stat. 1080), be, and the same is hereby, further amended by adding at the end thereof the following: "Nothing in this act shall be construed to relieve the treasurer or other accountable officers or employees of the corporation from compliance with the provisions of existing law requiring the rendition of accounts for adjustment and settlement pursuant to section 236, Revised Statutes, as amended by section 305 of the Budget and Accounting Act, 1921 (42 Stat. 24), and accounts for all receipts and disbursements by or for the corporation shall be rendered accordingly.

Then came this proviso:

Provided, That subject only to the provisions of the Tennessee Valley Authority Act of 1933, as amended, the Corporation is authorized to make such expenditures and to enter into such contracts, agreements, and arrangements, upon such terms and conditions and in such manner as it may deem necessary, including the final settlement of all claims and litigation by or against the Corporation; and, notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office, in the settlement of the accounts of the Treasurer or other accountable officer or employee of the Corporation, shall not disallow credit for, nor withhold funds because of any expenditure which the board shall determine to have been necessary to carry out the provisions of said act.

"The Corporation shall determine its own system of administrative accounts and the forms and contents of its contracts and other business documents except as otherwise provided in the Tennessee Valley Authority Act of 1933, as amended."

Approved, November 21, 1941.

Mr. President, the statement from Lilienthal which I have just read, in which he said the General Accounting Office had authority to examine his accounts, is a half truth and a half falsehood. It is rather a fancy half truth and half falsehood, at that. It is a half truth in this respect, that the General Accounting Office has examined the accounts every year, but they have no authority to correct any account, and Lilienthal knew that when he was testifying. It merely shows what a fancy falsifier this man Lilienthal is. I still think that, next to Drew Pearson, he is the greatest falsifier in the country.

Now, Mr. President, if there are any Senators in the Chamber who are interested in the farmers, I hope they will listen to what I am about to say. While claiming in his book to be doing great things for the farmers of his area—and the area consists of the States of Kentucky, Tennessee, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, and Arkansas—Lilienthal is charging the farmers of those States from $6 to $9 a ton more for fertilizers than the price at which farmers of the remainder of the United States can buy such fertilizers. In view of the provision of the T. V. A. Act requiring him to cheapen fertilizers for the farmers, this, in my judgment, is simply stealing from the farmers of that area. I know Senators do not think the farmers of that area ought to be exploited, defrauded, or stolen from in that way. Through a member of the War Food Administration, Mr. Groggins, who had the matter up with the Tennessee Valley Authority, I was told that now, since the fertilizers have all been sold to the farmers, he thought that probably Lilienthal would be willing to reduce the price by $5 a ton by June 1, thereby admitting the fraud Lilienthal had just perpetrated upon the farmers of that area.

Not only that, but Lilienthal has established at Florence, Ala., what he calls a cooperative selling agency, which gets $6 a ton for all fertilizers sold by the T. V. A., where we have the most perfect example of a Government trust. First, there is the area restriction, and second, no other fertilizer company can sell in that area except the surplus material made by four war plants, and the fixing of prices by the T. V. A., and the absolute control of the supply of fertilizers to the farmers. It is true that the remainder of the farmers of America, excepting those in the nine States named, can get fertilizers very much cheaper, and they do get them very much cheaper, but that means nothing to Lilienthal. He is applying the "grass roots" method. He is "helping the farmers," and while he is doing this to the great body of farmers in those States, he is giving away to well-to-do farmers selected, under his direction, about $2,000,000 worth of fertilizers a year. No wonder he speaks of the T. V. A. as an empire. It was his friend and agent and defender, Drew Pearson, who said that I was trying to get Lilienthal's empire away from him. I have no desire for any empire. My only desire is to have the Tennessee Valley Authority honestly and efficiently conducted under the direction of the Congress of the United States, which created it.

Lilienthal is selling current cheaper to the Aluminum Co. of America than the price at which he is selling it to the Reynolds Metals Co., which is also an aluminum company, under a 20-year contract. The difference in prices in the 20-year contract is something like $7,000,000. I refer to the hearings on the 1945 bill, page 368 and following. In the matter of this difference Lilienthal was caught in a direct falsehood. The T. V. A. Act also requires that customers of the same grade be sold current at equal prices. He

has violated the act, and then falsified about it.

Again Lilienthal undertook to mislead the Congress when he reported last July that he had paid into the Treasury of the United States $13,148,000. I refer to the hearings, pages 366, 521, and 522. He has not paid a thin dime into the Treasury of the United States, and was falsifying about that, just as he falsified about the examinations by the General Accounting Office, except that this is worse.

When any governmental agent seeks surreptitiously or openly to keep his accounts from being examined, it is absolutely certain to be in the Government's interest to have them examined. The facts are that the General Accounting Office has disallowed or taken exception to millions of dollars of Lilienthal's expenditures, and yet not a dollar has been changed, due at first to Lilienthal's dilatory tactics, and, second, to the act which he surreptitiously got passed by the two Houses of Congress in 1941.

Again, I have had the T. V. A. Act examined to ascertain whether or not Lilienthal has the right to make investments in stocks and bonds, and I am informed that there is no such right conferred. Yet, I find from the General Accounting Office report, which was disregarded by Lilienthal, that he has bought railroad bonds in the sum of $349,179.19; public utilities bonds in the amount of $1,501,828.87; industrial bonds in the amount of $162,531.59—or a total of $2,013,539.69. It is not disclosed what kind of bonds they are, what railroad bonds were bought, what utility bonds were bought, or what industrial bonds were bought.

But I ask, why should Lilienthal be investing the Government's money in such bonds at a time when the Government is straining every nerve to sell its own bonds to carry on this war? When did we create Lilienthal the over-lord of the Government to do as he pleases? It is true that he also bought $1,372,506.27 worth of United States Government bonds. I doubt if he should have done that. What he should have done was to have paid the money into the Treasury of the United States, where it belongs, and the Government would not have been obliged to sell that amount of bonds with interest.

But that is not all he did. He has not only gone into the bond business, but he has gone into the stock business. He has bought public utilities preferred stocks in the amount of $188,126.50; and industrial preferred stocks in the amount of $482,629.26—or a total of $670,755.76. He did this without authority of the Congress, without conferring with anybody, apparently. The transactions just appear in his accounts, as shown by the General Accounting Office. Why should this arm of the Government be allowed to go into the industrial and utilities-stocks business at this time, when the Government needs all the money it can lay its hands on for the prosecution of this war? No one knows what stocks and bonds these are. Is it possible that the Congress will stand for this method of operating the stock and bond business by Lilienthal, acting for the T. V. A.? I do not believe it will.

I wish to call attention also to the fact that all these stocks and bonds, amounting to $4,018,145.01, are held by City Bank Farmers Trust Co. I do not even know where this trust company is. I doubt if any Member of the Congress does, unless it be the Representative or Senator from the particular place where it is located.

TRUST AGREEMENTS WITH POWER COMPANIES

It was shown in the hearings that Lilienthal has trust agreements with the Alabama Power Co., the Georgia Power Co., the Louisville Power Co., the Commonwealth & Southern, the South Carolina Power Co., and the Duke Power Co.—hearings, page 381. He also has agreements with other surrounding power companies. These agreements are violative of the antitrust law. I quote from one dated December 18, 1939, with amendment of May 7, 1940, as follows:

> The Authority represents and agrees that in conformity with its general policy it will not, after the closing date hereunder, solicit any municipality, cooperative, or public agency to purchase electric energy from it for resale in, and will not sell to any ultimate consumer of electric energy located within, the respective areas of the retained properties (Annual Report, T. V. A., 1940, p. 314).

In other words, here is an agreement to violate the antitrust laws of the United States, beginning with the Sherman law of 1890, through the Clayton Act of 1913, and various other antitrust laws.

The making of such a contract is not only not authorized by the T. V. A. Act but the contract is specifically condemned in the Monopolies and Combinations in Trade Act, as follows:

> Every contract, combination in the form of trust, or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is declared to be illegal. Every person who shall make any such contract or engage in any such combination or conspiracy shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding $5,000 or by imprisonment not exceeding 1 year, or by both said punishments, in the discretion of the court (U. S. C., title 15, sec. 1).

This act has been amended a number of times and made stronger, and it provides for the liability of the director and agents of the corporation—section 24, title 15, United States Code.

In the case of the *United States* v. *Southern Pacific Co.* (259 U. S. 214) it was held that the consolidation of several corporations into one constitutes an unlawful combination under the Federal Antitrust Act.

While these corporations have not been consolidated into one, there has been a division of territory in which one sells and the other agrees not to sell, and this in itself is in restraint of trade and defeats the very purpose of the T. V. A. Act to the extent that it holds up prices of the private power companies.

Lilienthal has not only clearly violated the Antitrust Act but has made himself personally liable under the terms thereof by his agreement, and it will be noted that the agreement is stated to be a policy of the Authority to divide up territory among the various parties to the agreement. For this alone, in my judgment, the President should dismiss Lilienthal, and if he does not do it, steps should be taken in the House to impeach Lilienthal for violating the antitrust laws of the United States.

Last Friday, when I made the statement in the Senate that Lilienthal was selling fertilizers from $6 to $9 a ton higher to the nine States in his area I am told that he gave out the statement that this was caused by Canadian subsidies to her fertilizer manufacturers. Thereupon I made inquiry of the Library of Congress to furnish me the facts. The question I asked was:

> Does Canada give a subsidy to manufacturers of nitrate for fertilizer?

The answer was:

> No evidence of such subsidies has been found.

And there occurs the further explanation that Canada is subsidizing imports of fertilizer into Canada instead of dumping fertilizer into this country. Of course, Canada does sell a great deal of fertilizer in the United States at from $6 to $9 a ton less than it is sold in the district presided over by the T. V. A., which is Mr. Lilienthal.

The answer from the Library of Congress continues:

> However, certain subsidies are paid to cover increased transportation costs and imports of fertilizer. A study prepared in November 1943 gives the following information on these fertilizer subsidies:
>
> "Fertilizer subventions are paid to compensate for increased transportation costs in order to increase use with a view to increasing production of vital wartime crops, such as grain and feeds, as well as to keep down farm-production costs.
>
> "As a result of a wartime shortage of commercial supplies of protein for feeds, it was desirable to encourage increased production of clover, alfalfa, and other legume crops, which constitute principal sources of home-grown proteins. Since legume crops require liming of the soil, special Dominion payments to provincial governments were authorized to cover transportation costs, assist in the establishment or operation of lime plants, and reduce costs of lime to farmers.
>
> "It is estimated that the subsidy on imported chemicals for fertilizer purposes will amount to $2,400,000 during 1943–44." (Source: U. S. Office of Price Administration. The payment of subsidies under the Canadian price ceiling. Foreign Information Series No. 25, November 1943, p. 25.)
>
> We have checked this information with representatives of the Canadian Embassy and the Canadian Wartime Prices and Trade Board. A representative of the Canadian Department of Agriculture at the Canadian Embassy is ascertaining whether any further nitrate subsidies have been introduced and is to notify us if so. In such case we shall, of course, immediately transmit such information to you.

My second question was:

> How much fertilizer does Canada export to the United States a year—for the last year?

To which the Library of Congress answered:

> The latest year for which foreign-trade statistics are publicly available is **1941.** In

that year Canada exported to the United States $8,527,057 worth of fertilizer. You may obtain 1943 data on a confidential basis by calling Mr. J. Edward Ely, Chief, Foreign Trade Division, Bureau of the Census, Trinidad 3000, extension 431.

HIS ASSOCIATE CALLED LILIENTHAL CROOKED

Mr. President, I desire to call the attention of the conferees on the independent offices appropriation bill and of the Senate to very remarkable testimony which is quoted in a report. Dr. A. E. Morgan not once but many times during the time he served on the board with Lilienthal called Lilienthal crooked, and in my judgment he proved that he was crooked. The facts as brought out by a Senate investigating committee show that he was crooked. I quote from pages 30 and 31 of that record:

The New York Times on March 4, 1938, carried a statement, made public by Dr. Morgan on the previous day, in which he attacked his associates for their conduct of the marble claims.

We have all heard of the marble claims.

The report continues:

He stated his responsibility—to fight for certain decencies and proprieties in public life which are more important to good government than any particular Government program. The marble case presents an instance of this difficulty.

After detailing his points of disagreement with other directors, Dr. Morgan went on to generalize:

"To a steadily increasing degree I have contended with an attitude of conspiracy, secretiveness, and bureaucratic manipulation * * * the public has been steadily, and I believe purposely, led to believe that the difficulties within the Tennessee Valley Authority have been due primarily to differences as to power policy or to just another 'family quarrel.' The real difficulty has been in the effort to secure honesty, openness, decency, and fairness in government."

I digress long enough to say that I can understand how Dr. A. E. Morgan, being an honest man, would make that statement, because Senators will recall that all during the fight this same secretive, oily, eely kind of a man has tried to make it appear to the public that it is a personal grudge between him and me. My heavens, I have no personal grudge against the man. The only "grudge" I have against him is that he is dishonest and corrupt in his manner of handling the Government's business, and if that is a grudge, then I have a grudge against any official of the Government who is dishonest and corrupt and who operates a Government activity in a dishonest and corrupt way.

I continue to read from the report:

Two days later the New York Times printed a copy of a letter from Dr. Morgan to Representative Maury Maverick, of Texas, containing further strong expressions.

There is a practice of evasion, intrigue, and sharp strategy, with remarkable skill in alibi and the habit of avoiding direct responsibility, which makes Machiavelli seem open and candid * * * and man to man directness was a mask for hard-boiled, selfish intrigue.

It will be remembered by everyone that it was after this hard-boiled, selfish intrigue that Lilienthal finally got rid of Dr. Arthur E. Morgan from the T. V. A.

The report continues:

He continued:

"The marble claims, in my opinion, were an effort at deliberate, barefaced steal. * * * The public and the Congress do not yet know the extent to which that was improperly handled."

I read further from the report:

He suggested a congressional investigation "that the situation be cleaned up and that standards of openness, fairness, and honesty shall prevail. It would be pleasanter," he continued, "to resign; but that would be to surrender the chance to make some contribution to decency and effectiveness in government."

These are strong words, interpreted by everyone as a charge by Dr. Morgan that there was dishonesty in the Authority. The President characterized the remarks as follows:

"Arthur E. Morgan made extensive and unequivocal charges of dishonesty and lack of integrity in public office on the part of the majority members—again in the public press—and again without specifications or evidence."

Congressman Maverick said:

He sent me these charges about the crookedness and dishonesty of the other directors, but never at any time has he given me any proof.

Senator VANDENBERG said:

It is impossible to turn aside * * * the charge of * * * Dr. Arthur E. Morgan * * * about lack of honesty in the expenditures of a half a billion dollars.

Former Senator Norris said—and I call especial attention to his statement, inasmuch as he seems to have changed his mind very recently—

People generally have an idea * * * that when these claimants and Mr. Lilienthal and the other Morgan were about to rob the Government of millions of dollars, Dr. Morgan stepped in and called a halt and saved the day.

Those are Senator Norris' words, not mine.

The report continues, as follows:

The newspapers voiced the same conclusion. The Chicago Journal of Commerce, for example, stated:

Bluntly, Dr. Morgan charged that only his intervention had prevented the consummation of an agreement whereby his two colleagues would have permitted the marble claimant to "exploit," "hold up," and "defraud" the Government.

This was repeated verbatim in the New York Herald Tribune.

SENATOR NORRIS' OPINION

I want to call the especial attention of Senators to the above statement by former Senator Norris, of Nebraska, inasmuch as he has injected himself into this controversy. I quote his words:

People generally have an idea that when these claimants and Mr. Lilienthal and the other Morgan were about to rob the Government of millions of dollars, Dr. Morgan stepped in and called a halt and saved the day.

In those days a fight was on between Dr. A. E. Morgan and Lilienthal for control of the Tennessee Valley Authority. Senator Norris took the side of Dr. A. E. Morgan. It was alleged openly that Lilienthal had made a deal with Dr. H. A. Morgan by which they would pay to the marble claimants more than a million dollars for claims that had cost the claimants a few hundred dollars. At that time Senator Norris was denouncing Lilienthal for attempted robbery of the Government.

SAVE T. V. A.

Mr. President, in conclusion I wish to say that Congress must save the Tennessee Valley Authority. It is a billion-dollar corporation. It has a billion dollars worth of good assets—a billion dollars worth that, if properly managed, would bring the Government a good return on every dollar that is placed in the Authority, and would allow it to reduce the rates for both electricity and fertilizer to the people. Those were the two prime purposes of T. V. A.

Under Lilienthal, neither of those purposes is being given a thought. He is making agreements with private power companies to divide the territory in which each can operate, thereby raising the price of electricity to those who have not T. V. A.; and he is raising the price of fertilizers by dividing the territory again. He is inordinately raising the price of fertilizers to the T. V. A. territory.

Mr. President, I see sitting before me one of the best friends I ever had in my life. We have been friends since we were boys. He is one of the best friends the farmers have had in this body. I try to follow him on matters relating to the farmers and their interests. This man Lilienthal is selling fertilizer to the farmers of Alabama at prices which are from $6 to $9 a ton more than the prices at which they could purchase it elsewhere. I am wondering whether my friend, this good friend of the farmers, is going to stay with Lilienthal or stay with the farmers. In my judgment, he will stay with the farmers, just as he has always stayed with them. I do not believe he will allow any man, whoever he may be, to abuse the farmers by charging unholy and improper prices for materials furnished to them.

Mr. BANKHEAD. Mr. President, I appreciate the force of what the Senator has said about me. It brings to my mind my friendship with the farmers. I am following with a great deal of interest the Senator's statements about Mr. Lilienthal on the fertilizer question. I think it is fair to give Mr. Lilienthal an opportunity to make an explanation; but I know the Senator realizes that if there is any conflict between Mr. Lilienthal and the farmers, I will be found on the side of the farmers.

Mr. McKELLAR. Mr. President, I am glad to have that statement from the Senator from Alabama.

Let me say a further word. Lilienthal has sneaked in amendments by which his accounts cannot be examined by the General Accounting Office. He is buying what he pleases. He is selling what he pleases, as he pleases. He thinks he has a personal empire down there that he can run as he pleases. This empire idea was first given out by Lilienthal through his probably paid lobbyist and columnist, Drew Pearson. It is perfectly apparent

from Pearson's article that he got the word "empire" from Lilienthal. No doubt what Lilienthal wants to do is to establish not an empire but a kingdom. He apparently wants to be King David the Second. He is spending the Government's money recklessly—dealing in all kinds of matters in which he is not permitted to deal, according to the law under which the T. V. A. has been established. He is buying phosphate properties. He is undertaking to build phosphate mills outside his territory. He is extending his kingdom in every way he can. He is bound up with the private power companies in a trust which ought not to be permitted. He is playing favorites everywhere. He is falsifying about what he is doing, as in the case of his claim of supplying cheaper fertilizers to the farmers of that area, when he is raising the price of their fertilizers by illegal means.

The Congress must save the Tennessee Valley Authority from Lilienthal. It is too valuable an institution to be trifled with. Properly conducted, it can be and will be of untold benefit to the people of the whole T. V. A. area. In the hands of a crook like Lilienthal, it is destined to fail of its high purposes. I urge the retention of the amendment requiring all T. V. A. receipts to be paid into the Treasury, and let the Congress make all necessary appropriations for the Authority. Also, we must give the General Accounting Office entire and complete jurisdiction over the accounts of this organization. In the next place, we must reduce the price of fertilizers to the nine States included in that area. We must not let this little oily, eely sycophant and trickster continue longer at the head of the Tennessee Valley Authority. If the President will not discharge Lilienthal, then as I have said before, the House should impeach him.

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, the documents which show the extent to which the T. V. A. overruled, without any exception, the findings of the General Accounting Office.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

MAY 19, 1943.

GENERAL ACCOUNTING OFFICE
NOTICE OF EXCEPTION

To: H K. Robinson.
Certifying officer: A. J. Robertson.
Department or Bureau: Tennessee Valley Authority.
Appropriation: Tennessee Valley Authority Fund, 1940.
D. O. Voucher No. 41-24148.
Bureau Voucher No. K-9-740.
Period: September 1940.
Activity: Knoxville, Tenn.

Credit for $15,955 paid to S. Frank Fowler will be withheld or a charge will be raised in your next statement of settlement for the reason stated below unless a satisfactory explanation is promptly made or the amount deposited:

TV 44989: Contract dated September 18, 1939, was approved by the board of directors of the Authority October 6, 1939, and provided that the payee receive $45 per day for services rendered for 1 year from date of contract except the services in connection with the Southern Power Co.'s case and that the general counsel of the Authority should fix the compensation for services rendered in connection with this case upon its completion. The general counsel of the Authority fixed the salary of the payee for services rendered in connection with the Southern Power Co.'s case at a lump sum of $25,000, but as 201 days of the total approximate 230 days' service rendered in connection with this case were performed prior to the date of above-cited contract under the provisions of prior annual contracts with payee for legal services at the rate of $45 per day, it was agreed that the lump sum fee ($25,000) would be reduced by $9,045 (201 days at $45) which had been received by the payee leaving a balance of $15,955 paid him for the approximate 29 days' service rendered under this contract. The authority for the board of directors to delegate the right to fix the contract attorney's compensation and their authority to approve a contract providing for an indefinite amount to be paid in view of the facts stated above have not been furnished.

LINDSAY C. WARREN,
Comptroller General of the United States.

REPLY TO EXCEPTION

See attached copy of Notice of Board Action, Reference No. 550-7.

I certify the foregoing explanation to be true and correct to the best of my knowledge and belief.

NEWTON B. DICKS,
Authorized Certifying Officer.

MARCH 23, 1944.

TENNESSEE VALLEY AUTHORITY—NOTICE OF ACTION TAKEN BY THE BOARD OF DIRECTORS

To: Mr. E. A. Sunstrom, comptroller.
From: Leona LeRoy, assistant secretary.
Date: March 18, 1944.
Subject: G. A. O. exception to payment to S. Frank Fowler, consultant.

The following entry appears in the minutes of a meeting held by the board of directors on March 10, 1944:

"The following resolution was adopted by the board:

" 'Whereas the board of directors, on October 6, 1939, approved a contract between the Authority and S. Frank Fowler, of Knoxville, Tenn., which provided that the Authority would pay the sum of $45 per day as compensation for general consulting and advisory services rendered by said Fowler in connection with the legal work of the Authority, and further provided that the general counsel of the Authority was authorized to agree with the said Fowler upon a lump-sum fee to be paid to him as compensation for his work in representing the Authority before the condemnation commission and the statutory three-judge court in the case of *United States of America ex rel. Tennessee Valley Authority* v. *Southern States Power Company;* and

" 'Whereas pursuant to said contract and board authorization, the general counsel agreed upon a lump-sum fee of $15,955 to be paid in compensation for the legal services rendered in the above-styled cause, and

" 'Whereas said payment was made on voucher No. 41-241148, and

" 'Whereas the General Accounting Office has now taken exception to said payment on the ground that the agreement was not correctly authorized: Therefore be it

" '*Resolved,* That the board of directors hereby finds and determines that the contract approved October 6, 1939, was necessary to carry out the provisions of the Tennessee Valley Authority Act.' "

The following entry appears in the minutes of a meeting held by the board of directors on March 10, 1944:

"*Further resolved,* That the board of directors hereby finds and determines that the payment made under said contract and under the supplementary agreement made pursuant to it by the general counsel represented proper compensation for services actually rendered to the Authority and was necessary to carry out the provisions of the act."

PABST POST-WAR EMPLOYMENT AWARDS

Mr. WILEY. Mr. President, while the thoughts of everyone today are naturally on winning the war, it is not too early to begin thinking of the post-war period and world reconstruction. It is most heartening to find agencies of Government, business groups, labor, individual business and industrial concerns, and educational institutions looking ahead to the day when the war shall be over and when we shall have to do the job of reconstruction.

Mr. President, an inspiring example of this public consciousness has been furnished by the Pabst Brewing Co., in my own State of Wisconsin. In observance of its one hundredth anniversary, the Pabst post-war employment awards were established last December. A total of $50,000 in awards was announced for the 17 most effective plans for post-war employment. I might point out here that Clarence Dykstra, president of the University of Wisconsin, was one of the judges.

The competition was Nation-wide. It drew 35,767 entries from American citizens in all parts of the United States and abroad, the largest number ever entered in a competition of this type—13,000 more than competed for the Bok peace prize. The 17 winners in this contest were announced in New York on Wednesday, May 17.

It is interesting to note that 10 of the 17 winners were from Washington.

Of the two capital awards, the first of $25,000 went to Herbert Stein, of Washington, 28-year-old Chief of the Economic Analysis Section of the War Production Board, and the second capital award of $10,000 went to Leon H. Keyserling, general counsel, National Housing Agency, also of Washington.

With the idea that the thoughts expressed in the winning award will be of great interest to Members of Congress and the country at large, I ask unanimous consent that this first-award essay be inserted in the CONGRESSIONAL RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

THE $25,000 FIRST PRIZE WINNING PLAN OF THE PABST POST-WAR EMPLOYMENT AWARDS—A PLAN FOR POST-WAR EMPLOYMENT

The establishment of a high, stable level of employment after the war will require maintenance of output at a level much in excess of any level attained in peacetime—perhaps 40 percent above the 1939 level. There are two basic methods by which a high level of national output may be attained. One requires a high level of Government spending. The operation of this method is visible during the war when national output reached record levels under the impetus of a huge volume of Government spending. The second method requires stimulation of a high level of private expenditure. The plan set forth here proposes measures for solving the employment problem by this method. This method is chosen as the only one consistent with the achievement of other national objectives—political democracy, personal liberty, and efficient satisfaction of

wants. While recognizing the effectiveness of controlled Government spending as an instrument of economic stabilization, the plan recommends a number of more fundamental policies and would minimize the amount of public spending necessary for this purpose.

Specific policies are proposed below to provide stable full employment by:

1. Removing some of the basic uncertainties which repress the general level of private expenditure and particularly private capital expenditure.

2. Removing the powerful factors which discriminate against the assumption of risk.

3. Counteracting some of the fluctuations in private capital expenditures.

4. Preventing such fluctuations from exerting a cumulative effect upon the economy.

Consideration must first be given to the transition from war to peace, which will fundamentally influence the possibility of attaining stability in the longer run. It must be demonstrated in this transition period that the economy can provide full employment in peacetime and, that the political atmosphere will be conducive to the functioning of private, competitive enterprise. Such a demonstration would create the necessary psychological foundation for the maintenance of stable, high-level private business activity and employment in the future.

The transition period will begin with any substantial decline in munitions production, presumably following the defeat of Germany. The initial danger of unemployment during this period will not be in the inadequacy of total demand. The demands of the Government, of producers, of consumers, and of foreign purchasers will be very large. Unemployment will be threatened by the difficulty of making the economic rearrangements necessary for a major change in the character of production. For example, although there will be a great demand for refrigerators, producers of refrigerators may be unable to hire workers because their remaining munitions work prevents freeing one complete assembly line, or because their ordinary suppliers of refrigerator components are tied up with war work, or because potential suppliers of a few special-purpose machine tools are otherwise engaged, or because the producers do not have sufficient liquid funds to make necessary plant alterations. Subject to the continuing needs of war production, the following policies should be followed in the transition:

A. Policies to prevent bottleneck unemployment.

1. Cuts in the munitions production schedules of any contractor should be either small enough to be absorbed by a reduction in working hours or large enough to release an entire plant or other complete productive unit. Cuts which will force the discharge of workers without releasing usable productive facilities should be avoided.

2. Cuts should be made simultaneously in the finished munitions schedules of plants which in peacetime made final assem lies, components and machinery, to prevent the emergence of bottlenecks in the production process.

3. Cuts should be made first in the munitions schedules of plants situated in tight labor areas. This will assist in the completion of the remaining military program. Also, an unusually large proportion of the workers in such areas will be women, the aged, or the young, many of whom will withdraw from the labor market.

4. To implement the above three policies, the military producement agencies should notify the War Production Board and the War Manpower Commission promptly of any schedule cuts (above a minimum size) which are under consideration, listing the contractors involved. The W. P. B. and the W. M. C. should be given an opportunity to make recommendations and to comment upon any proposed distribution of cuts among contractors.

5. Contractors' claims upon termination of war contracts should be promptly and finally settled by negotiation with the contracting agencies.

B. Policies to define the post-war relation of Government to business:

1. Goods in Government possession should be promptly sold at competitive bidding after sufficient description of the goods to be offered has been made public. This will assist the prevention of inflation during the transition. It will also substitute a clear policy for what might otherwise be a major uncertainty.

2. Subject to existing options, Government-owned productive facilities not required for military production should be sold to the highest bidder after 6 months' notice. No facility should be sold to a firm which is found to control, directly or indirectly, more than 20 percent of the capacity in the industry in which the facility operates. Resale of facilities acquired from the Government to any such firm should be prohibited for a period of years.

3. Disposition of commodities and of facilities should each be centralized in a single agency. Policy in both programs should be formulated by a board representing the procurement and economic policy agencies of the Federal Government.

4. The wartime level of taxation should be retained to prevent a run-away inflation. The reform in the tax structure outlined below should be initiated in the transition period. A high level of taxes will facilitate the abolition of direct Government controls of prices and production.

5. Regulation of prices and distribution as typified by the functions of the O. P. A. and W. P. B. should end within 1 year after the termination of hostilities. Promptness in this respect will greatly influence business interpretation of the political environment in which it is to act. Fiscal and monetary measures should be prepared to restrain inflationary pressures which will develop upon elimination of direct controls.

Even during the transition period beginnings must be made on the development of political and economic institutions which will eliminate the closely related dangers of repeated economic fluctuations and of a continued low average level of economic activity—the dangers of cyclical fluctuations and of secular stagnation. The program to develop such institutions has six basic features:

A. Tax reform:

1. Surtax rates in the highest brackets should be reduced; the averaging of income over a period of years, say 5, for computation of income tax should be permitted; the tax-exemption privilege of Government bonds should be eliminated. These measures will all encourage the continued assumption of risk. They will reduce the artificial attractiveness of risk-free Government bonds to persons who are best able, and otherwise most likely, to assume risk. They will reduce the discrimination against risk-taking which is inherent in steeply rising surtax rates combined with the annual calculation of income for tax purposes.

2. Excise taxes should be abolished, except for a few, which are long-established on monopolistically controlled goods (e. g., cigarettes) and the rates of income tax in the middle brackets should be increased. This policy will contribute to increasing and stabilizing expenditure by reducing the tax burden in the lowest-income groups, where consumption is large and level in relation to income and by increasing the tax burden in the middle-income groups, where savings are relatively larger and where savings do not easily flow into risky investment. Also, by placing chief reliance upon the income tax as a source of revenue, it will add to the automatic flexibility of tax receipts and tax liabilities with fluctuations in the national income.

3. Taxation of corporate profits as stockholders' income should be substituted for the corporate excess-profits and income taxes. (This will require allocation of all corporate earnings to stockholders, but not necessarily full distribution.) Such a step would eliminate the present discrimination of the tax system in favor of debt financing as against equity financing and would make the economic structure more willing to assume risks and better able to withstand fluctuations.

4. Existing tax loopholes should be closed to permit the desired revenue to be secured with lower, less repressive tax rates.

B. Present antimonopoly legislation must be vigorously enforced; the Antitrust Division of the Department of Justice should become one of the largest and most active branches of the Federal Government. Additional legislation will be necessary to prevent the development of gigantism by holding companies, interlocking stock ownership, and similar means. Drastic reduction of the tariff, which will be more feasible in the immediate post-war period than ever before in this century, will help restore competition in the American market.

The objectives of the antimonopoly program are threefold:

1. To prevent the price dislocations and unemployment which result from the monopolistic practice of maintaining prices at the expense of output when prices are declining.

2. To expand output and employment by stitmulating the competitive flow of new capital, new enterprise, and new techniques into markets which are now monopolized.

3. To reduce the need or tendency of Government to intervene in production and prices as a means of counteracting monopoly, and thus to reduce the uncertainties and fears which repress private investment.

C. Government budgetary and monetary policy should be directed to stabilizing within narrow limits the movement of some general level of prices, such as the level of wholesale prices. This can be accomplished by operating at a deficit and relaxing credit when necessary to support the price level, and by converse action when necessary to restrain the rise of prices. The deficit should be created by a combination of increased expenditure and reduced taxes; the surplus should be created by the converse methods. It is important to recognize the role of adjusting taxes in this process. Government spending should be confined to functions in which Government operation is efficient and clearly preferable to private operation. This is a large sphere—including health and education—but it is not indefinitely expansible.

Elimination of fluctuations in the general level of prices will eliminate the major economic uncertainty which represses expenditure on durable goods and the major factor which magnifies business fluctuations and transmits them cumulatively throughout the economy. A precisely stated guide to budgetary policy is essential to realize the full advantages of eliminating uncertainty and to prevent public spending from expanding to levels which defeat the goal of encouraging private expenditures.

D. The unemployment-insurance system should be broadened in coverage, liberalized in benefits, and unified on a Federal basis. This will maintain consumers' expenditures when any unemployment appears, and reduce one of the chief uncertainties affecting consumption at all times.

E. The United States should support international arrangements for the settlement of

short-term balances of payments without precipitating financial crises or necessitating restrictions on the movement of funds. Such a policy, together with reduction of the tariff, would increase world economic and political stability, promote world trade, and stimulate United States investment abroad.

F. The basis for the successful operation of a free market economy within a political democracy is popular understanding of the proper and possible relations between free government and free business. The system cannot operate at high levels if the Government makes frequent incursions into the market mechanism in pursuit of the temporary or imagined interests of particular groups. The system will not operate at high levels if the Government neglects its responsibility to prevent monopoly and to stabilize the general level of prices. The only enduring safeguard against such incursions or such neglect is public alertness, foresight, and self-control. The development of such qualities is the great challenge to all who see that the high operation of a free, private, competitive economy is a necessary condition for the existence of political and personal liberties.

SIMPLIFICATION OF THE INDIVIDUAL INCOME TAX

The Senate resumed the consideration of the bill (H. R. 4646) to provide for the simplification of the individual income tax.

Mr. LANGER. Mr. President, I wish to call attention to page 4707 of the CONGRESSIONAL RECORD for yesterday. I said to the Senator from Georgia:

Mr. LANGER. Mr. President, is it the expectation of the Senator from Georgia to vote on the bill today?

Mr. GEORGE. Yes I certainly hope we may do so.

Mr. LANGER. I do not know about other Senators, but I know that some of us have been busy with veterans' legislation in the Civil Service Committee, and have not had an opportunity to examine the bill. Could we not postpone the final vote until Monday so that we may have an opportunity to study the bill and familiarize ourselves with it?

Mr. President, I wish to make it clear that yesterday I was not filibustering in any sense of the word. It will be noted from the question which I asked the distinguished Senator that all I asked was that we debate the merits of the bill yesterday and postpone until Monday the final vote so that in the interim I could inform myself and other Senators could inform themselves as to whether we wished to vote in the affirmative or the negative.

Having read the bill into the RECORD so that the American people can see for themselves exactly what it was that we were asked to vote upon without having had the opportunity of studying the bill—the bill, I repeat, having been placed upon our desks only yesterday noon, and the request having been made about 1:30 o'clock in the afternoon—I again call attention to the fact that the report made by the distinguished Senator from Georgia on the individual income-tax bill of 1944 contains 54 pages. In other words, to explain a bill of 56 pages, which was designed to show us all about the simplification of taxes, required a report of 54 pages, printed in finer type than the bill itself is printed, the report being almost twice as long as the bill itself. It required 56 pages to show us what the bill contained and what the arguments were in favor of its passage.

Furthermore, there was placed upon our desks a pamphlet entitled "Comparison of the Internal Revenue Code Before and After Its Amendment by the Individual Income Tax Bill of 1944," as reported by the Finance Committee. This was submitted to us yesterday afternoon, and it contains 77 pages, being approximately four times as long as the bill itself.

Mr. President, I want the American people to know, if they read what is contained in the CONGRESSIONAL RECORD of yesterday, that in the report on the bill submitted by the Senator from Georgia, chairman of the Committee on Finance, and in the pamphlet entitled "Comparison of the Internal Revenue Code Before and After Its Amendment by the Individual Income Tax Bill of 1944," which is not contained in the RECORD, there is four times the amount of material than is found in the bill itself. If any citizen of this country desires to have me do so, and will write to me, I will send him the pamphlets to which I have referred. During the night I have had the opportunity to read and study the pamphlets, so that I now understand the situation pretty well. I believe I know how I wish to vote on the pending measure.

During the debate yesterday various subjects arose, and I wish to take a short time to digress to show the attitude of other Senators when other tax measures came before the Senate.

First of all, I wish to quote the distinguished senior Senator from Texas [Mr. CONNALLY]. He has been a Member of Congress for a long time. He first served as a Member of the House, and he has been a Member of the Senate for many years.

As I stated yesterday, the people of this country are not intimately acquainted with a complex problem such as taxation. As I stated yesterday, I do not pretend to know all about it. All I asked was sufficient time to inform myself so that I could vote intelligently. I did not wish to stop debate yesterday, and I so stated. The debate could have been completed. All I asked was that the final vote be postponed until Monday.

Mr. President, I believe I am perhaps as well informed on taxation matters as is the average Senator who is not a member of the Committee on Finance. That is necessarily so, because during the 4 years I was Attorney General, and during my 2 terms as governor, I of course familiarized myself with the question of taxation as it affected State matters.

When the measure involving the so-called Ruml plan—the one to which I did not agree—was before the Senate, the distinguished Senator from Texas [Mr. CONNALLY] took substantially the same position as I took. I now quote from a speech delivered by the distinguished senior Senator from Texas on May 12, 1943. The Senator from Texas then said:

Mr. President, as I suggested to the Senate, at the moment I am not as well prepared to discuss all the details of the pending measure as I should like to be. For that reason I shall reserve some remarks until a later time in the discussion.

In other words, the Senator from Texas had been so busy with a multitude of duties that at the time the Ruml plan first came before the Senate he had not had the time to familiarize himself with the subject matter, just as I had not had time to familiarize myself with the pending bill.

The Senator from Texas continued:

However, I cannot resist the temptation, even at this early time in the debate, to contest some of the statements made by the distinguished Senator from Michigan [Mr. VANDENBERG] as to the philosophy and the justice implied in the pending measure.

Mr. President, today the United States Government has the heaviest bonded indebtedness it has ever had in its existence. Every dollar of that bonded indebtedness is a mortgage on the income, resources, and initiative of every citizen under our flag. Sometime, somewhere, out of the earnings of the people, that debt must be paid.

So it can be seen, Mr. President, what a tremendous responsibility rests upon the Members of the Senate when a bill comes before the Senate dealing with the complex problem of taxation.

The Senator from Texas continued, upon the occasion to which I have referred:

Today the demands upon the Treasury of the United States for the prosecution of the war day by day are greater than any demand that has ever been made legitimately upon the Treasury of the United States.

Yet, in the face of that situation, we have in the Senate of the United States a bill to give away—for that is what it means—$9,000,000,000 which has already been assessed on the tax books of the United States and has been settled as a legitimate and lawful demand upon the taxpayers of the United States.

The Senator from Texas continued:

I find myself in a small minority. I am not in favor of remitting or "abating." That is the new word. That is a softened word. It is not giving away. It is not remitting. It is "abating." But, Mr. President, if we analyze "abating," "giving away," and any other expressions of that character under the microscope of the philologist, we find that they all mean the same thing. The Government is going to lose the money, and if it loses the money, somebody is going to get it.

It is said that we must place the collection of income taxes on a current basis. I may be ignorant—

In this connection I refer to the remarks of the distinguished Senator from Georgia [Mr. GEORGE] when he stated yesterday that I did not know what I was talking about. I acknowledged at that time that what he said was true, because I had not had time to study the bill. But I submit that when a distinguished Senator such as the senior Senator from Texas stands upon this floor and says that he has not had time to familiarize himself with a tax bill, as he said last year when he made his address from which I have been reading, there is some justification for my assertion that I am not familiar with the pending bill, inasmuch as I have not had time to study it.

The Senator from Texas further said:

I may be ignorant and apart from the currents of information, Mr. President, but we

have had the income-tax law in the United States since 1913, and until Mr. Ruml barged into the press and into the Committee on Finance I never heard any insistent demand from any source that we place the collection of income taxes on a current basis, and I have been here for about 25 years.

The demand is for payment of income taxes from current income. It is said that there are many small taxpayers who never have paid any income tax; that they have not been accustomed to making returns; that they are now making a great deal of money in war plants, and if we do not get their taxes in installments in advance, we will not collect them.

Mr. President, I have no objection to putting into effect at the earliest possible moment—on the 1st day of July, or June, or whenever it may be practicable—a deduction, policy, by which, from the income of every salaried man and every wage earner, there shall be deducted whatever is necessary in the way of taxes according to sensible estimates, in order to meet the tax bill when it is due. Let the taxpayer be credited in advance with those amounts, and when the tax-paying period comes it is only a matter of mathematics to say whether he owes the Government an additional amount or whether the Government has been overpaid.

But, under the pretext of taking care of those few almost inconsequential cases, I am not in favor of handing over to the great and powerful taxpayers in the United States $9,000,000,000 which is due the Treasury of the United States. I will not do it under any pretext of that character.

We talk about discrimination. I am not in favor of discrimination. I am in favor of every citizen who owes the Government a debt paying it in full. Because we give some little fellow with a workingman's cap on his head $5 is no reason why we should give $500,000 to some other taxpayer whose income is regular over the years. That is the kind of discrimination which the bill embodies.

Mr. President, referring now to the pending measure, is it not true, as is contended in the report submitted by the distinguished chairman of the committee, that under the pending measure, if it is adopted, a man with an income of $2,000, paying $285 under the present law, will get only an additional amount of $15 with which to make additional contributions, while a man with an income of $80,000 will get an additional amount of $3,000 to give away? In other words, $2,500 which under the present law belongs to the United States Government would, under this bill be available for a taxpayer with an $80,000 income to be used in the form of contributions in his own name and deducted from his income tax.

The Senator from Texas continued:

I do not wish to make any commitments at this time. I shall probably offer as a substitute for the Senate committee bill the original House Ways and Means Committee bill, known as the Doughton bill. If that fails, I shall reserve the right to vote for the least harmful measure—very likely the substitute offered by the Senator from Georgia [Mr. GEORGE]; but I want the Senate and the country to know that I am not in favor of any wholesale gift of taxes in this period of world crisis.

Note this, Mr. President:

It is said that the proposed abatement would not result in any loss to the Government, and that a taxpayer would pay in 1943 anyway. Let us see whether we would lose any money.

If the taxpayer pays his 1942 taxes, and also his 1943 taxes, the Government of the United States collects taxes for 2 years. If he pays only his 1943 taxes, and does not pay his 1942 taxes, the Government does not collect taxes for 2 years, and it will never collect the tax for the other year. In no event can we ever justify the abatement. We can soften the word all we please, grease it, perfume it, and bedeck it with flowers and oratorical metaphors, but it is still a gift. We cannot avoid that conclusion. If it is not a gift, why is anyone in favor of it? If it were not a gift, there would not be so much clamor for it. If it were not a gift Mr. Ruml would not be excited.

Think about Mr. Ruml. He wants the payment of his income tax to become current. Is he one of the wage earners who is so anxious to become current that he thinks we must deduct his income tax from his salary? Everyone knows who Mr. Ruml is. He is one of the heads of Macy & Co., and one of the officials of the Federal Reserve bank.

Mr. President, can you not picture Mr. Ruml being in such a fix that we must deduct a little something out of his pay envelope in order that the Government may collect income taxes from him?

I will admit that this is a tempting sort of thing. We are told that the Government will not lose a cent, that income-tax collections will be on a current basis, that we shall all be happy, and the Government will receive just as much money as it previously received.

The Senator from Texas said:

Mr. President, that is not true.

He continued:

I challenge anyone to bring the mathematicians and professors before us to demonstrat that a man can keep in his pocket $600,000 which he owes to the Government, and that the Government will be none the worse off. If that can be demonstrated I will withdraw these remarks.

What does the bill do? I hold in my hand a table entitled "Amounts of tax cancelation at selected income levels, and total amount canceled for all taxpayers under different plans."

Under the bill as passed by the House a man with a $2,000 income is forgiven $140 in taxes, under the Ways and Means Committee bill $100, under the 50-percent uniform cancelation he would be forgiven $70, under the 75-percent plan he would be forgiven $105, under the Senate committee bill he would be forgiven $140. He would get it all back. Santa Claus is here. He is supposed to come on the 25th day of December each year, but, according to this bill, he will come every day during the year 1942. Every day in 1942 old Santa Claus will be coming around with a Government present and saying, "My dear sir, your income is a million dollars. It has been a million dollars all the time, but now, in order to place the payment of your income taxes on a current basis, I will give you $600,000. [Laughter.] I am just going to make you a present of it because I want you current." I am informed I made a mistake. He is to be given $854,000—$854,000 to the man with a million-dollar income. His chauffeur is dodging taxes, and we have to place him on a current basis, so we will give the old man $854,000 back, and get $1.87 out of the chauffeur, through deductions. [Laughter.]

The Senator from Texas continued:

Let us take a man with a $5,000 income. Under the bill as it passed the House he would be forgiven $691. That is a pretty good dividend, is it not? It is a dividend on what? A dividend on dodging a year's taxes.

Under the Ways and Means Committee bill this taxpayer would be forgiven $388. Under the 50-percent deduction plan he would be forgiven $373. Under the 75-percent plan—

I might say at this point, Mr. President, that that was the plan that was ultimately adopted by the Senate—

Under the 75-percent plan he would be forgiven $560. But under the Senate committee bill he would be forgiven $746 on a $5,000 income.

So, Mr. President, because of the battle the Senator from Texas made upon the Senate floor the bill as it was finally passed forgave only 75 percent, and, instead of making a present of $746 on a $5,000 income, it made a present of only $560.

Turning to page 4276 in volume 89, I find the Senator from Texas said:

Mr. President, if you had in your house a tenant who was paying you $15 or $25 or $100 a month rent, if he should skip a month you would know it, would you not? If he should skip a month, and should not pay the rent, you would be out a month's rent—I care not whether he was paying on a current or any other basis.

I have a dollar bill here in my hand—the first one I have had for some time. [Laughter.] When that dollar bill goes into the Treasury of the United States it reduces the burden of the Treasury by a dollar. Mr. President, do you suppose there is anybody in the Treasury who gets out a microscope and tries to examine that dollar and see whether it is current or is not current? It is a dollar; it is an asset to the Treasury of the United States; it is worth a dollar; but when this bill proposes to forgive $854,000 in one lump sum to a million-dollar taxpayer who does not come within the windfall provision, who is not a war profiteer, who has a steady income of a million dollars every year, the result would be to hand over to him for 1942 taxes which are already due, which are already assessed, and which in part have probably already been paid, $854,000, and the Government would kiss that $854,000 good-bye; it would never see it again.

Mr. President, we did pass the 75-percent forgiveness plan. How has it worked out? I hold in my hand a copy of the CONGRESSIONAL RECORD for March 3, 1944, and I refer to remarks made by myself under the heading in the RECORD, "War profits and profiteers." In part I said:

When the people of this country finally sift out the truth about this tax situation they will eventually learn, if they do not already know, that never in the history of this country have the wealthy made greater profits, more money after paying taxes. It will finally sink into the consciousness of the people that while their sons and daughters were bleeding and dying on the field of battle, the rich were getting richer and richer, and profits were going ever higher and higher, and when the people realize the truth, I feel certain they will arise en masse in support of the President who had the courage, the fortitude, and the duty to forcibly lead this fight in behalf of the people.

Further along on the same page I said:

Mr. President, I voted against this war—with HIRAM JOHNSON, I walked out of this Chamber rather than vote for a measure to send our youth to the slaughter on Europe's battlefields, just us two—but I kept my pledge to the farmers, laborers, and the people of North Dakota who relied upon my campaign pledge so to vote. But I have whole-

heartedly supported the President in this war once we got into it, and I agree with the President that the time to pay for this war is now while war profiteers are reaping billions—now while money is being made out of this war, and I support the President in his determination to protect the people's rights and to prevent the creation of thousands of millionaires out of the blood and sorrow of the American people.

I quoted at that time an article which appeared in the Washington Post that morning, and I desire to read it to the Senate once more because in the article concrete examples of war profiteering were given:

1. Jacobs Aircraft of Pennsylvania, which made no profit before the war, netted $11,400,000 in 1942, of which $3,000,000 was left after paying taxes.

2. General Cable of New York averaged $650,000 profit before the war, but made $19,400,000 in 1942.

3. Lima Locomotive Works, of Lima, Ohio, averaged $60,000 in the base period before the war, but made $10,000,000 in 1942.

4. Grumman Aircraft of Bethpage, Long Island, averaged $540,000 profit before the war, but made $22,500,000 in 1942.

5. Beech Aircraft, of Wichita, Kans., made no profit before the war but $16,000,000 in 1942.

6. Bell Aircraft, of Buffalo, made $43,800 before the war, but in 1942 its profits had multiplied 528 times, to $23,000,000. Even after paying taxes it had a profit left of $5,403,000.

7. Not merely war factories but textile companies made lush profits, too, as indicated by the American Woolen Co., which made no profit during the base period before the war, but knocked off an operating profit of $36,574,000 in 1942.

8. Again Edward G. Budd, of Philadelphia, came in for a juicy profit. The Senator referred to for a time threatened to vote against renegotiation because he said the Budd people had been treated unfairly by the Navy. However, the Truman committee found that Budd had made a profit of $18,650,000 in 1942, compared with $350,000 before the war. Later the Budd company complained because the Navy insisted on renegotiating its profits down to $3,796,000, even though this latter figure was 10 times its average profit before the war.

Now I resume quoting my own comments in my speech of March 3:

Mr. President, in the great Progressive newspaper published by the La Follettes in Wisconsin, I find, in the issue of February 28, page 7, a letter written by Mr. C. B. Ballard, of Appleton, Wis. In that letter it is stated that Mr. John B. Hawley, Jr., of the Northern Pump Co., Minneapolis, Minn., had a salary in 1939 of $15,000. In 1940 his salary was $35,000. For the year ending June 30, 1942, his salary was $442,000.

Mr. President, every Senator on this floor will remember the occasion when the bill was before the Senate proposing to limit salaries, at the request of the President of the United States, to a net of $25,000. The bill was not passed.

In this connection I wish to turn to the CONGRESSIONAL RECORD, for February 25, 1944, page 2057, and to quote from a speech I made on that occasion. I wish to quote from it because in that speech I referred to the attempt of the President of the United States to limit salaries, during the war only, to $25,000 net. The President made it plain at that time that if the Government could take a boy away from a farmer and put him in the Army, or take a boy away from an industry in which he was actively engaged and put him in the Army, at $50 a month, surely a salary limitation of $25,000 during the period of the war was a sacrifice which any patriotic American should be willing to make. Upon the occasion to which I have referred, I spoke as follows:

Mr. President, when the tax bill vetoed by the President was before this body, I voted for certain amendments which were for the people's rights, but I voted against the passage of the bill. It was my opinion then, as it is now, that that measure should not have been passed, and I most emphatically do not think the President deserved any censure for vetoing it.

The President takes an oath of office, and it is his duty to veto any measure which he conscientiously believes will be injurious to the people. I applaud his courage and his straightforwardness, especially when he so frankly stated the reasons for his veto.

Mr. President, in my opinion this body richly deserved every bit of censure leveled at it by the President. The Senate has not done its duty to the rank and file of the people of this country. The Senate has passed legislation preferring the rich and the wealthy to the poor and those of moderate means. I need cite only a few instances, and I cite them with regret.

Mr. President, at the last Democratic convention the platform unequivocally asked for votes on this plank in their platform:

To encourage investment in productive enterprise, the tax-exempt privileges of future Federal, State, and local bonds should be removed.

Mr. President, that promise was in the Democratic platform in 1940. Many of the Senators now on this floor campaigned upon that platform. I now read further from my speech of February 25:

Yet, Mr. President, although the hearings before the various committees showed that there were $18,000,000,000 worth of tax-exempt securities extant, out of which one man alone has an income of $5,000,000 a year clipping coupons, and that 20 others have an income of $1,000,000 a year, when the Democrats upon this floor were called upon to nullify these future tax-exempt securities, what does the RECORD show happened? It shows that Senators elected upon the Democratic ticket, some elected to office by hanging onto the coattails of the President, refused to live up to the platform of their own party. I happen to be one of those humble folks who think that the planks of party platforms mean something, and should not be mere campaign oratory.

Again, Mr. President, after World War No. 1, in the Democratic platform of 1924 we find this plank:

"We favor a graduated tax upon incomes, so adjusted as to lay the burdens of government upon the taxpayers in proportion to the benefits they enjoy and their ability to pay. We oppose the so-called nuisance taxes, sales taxes, and all other forms of taxation that unfairly shift to the consumer the burdens of taxation."

I shall not read further at this time from what I said on that occasion, except that I stated, as appears at page 2057:

Mr. President, more millionaires have been and are continuing to be created as a result of this war than were created by World War No. 1. War profiteers have never been happier, and the people have never gotten a rawer deal in the history of this country. In my opinion, the kind of tax laws we have passed are shameful, unstatesmanlike, and abhorrent in a democracy, and the President was right in saying that this bill was one passed for the benefit of the greedy at the expense of the needy.

Mr. President, I now wish to quote from a speech made by another distinguished Senator upon this floor, a man who has been in the Senate for a long time, and whose father made a great record in the Senate before he was succeeded by his able son. I quote from the speech to show to the people of the country, Mr. President, how very difficult it is for a Senator who is not a member of the Senate Finance Committee to understand bills which come from that committee unless he has had an opportunity to read them, to read the report of the committee, and to confer with some experts who at least know something about the subject matter.

On the 5th of September 1941 the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE] said, as will be found on page 7367 of the RECORD:

Mr. President, I do not desire to interpose against the statement of the chairman of the committee, but I should like to make a general statement at this stage of the proceedings.

There are hundreds, if not thousands—

Mr. President, I wish to repeat the last statement:

There are hundreds, if not thousands, of technical amendments to the tax structure, many of which have considerable merit. When the bill was under consideration in the Ways and Means Committee, that committee took the position that they would not consider, no matter what their merit might be, any administrative amendments which did not bear directly upon the substantive changes contemplated by the bill under consideration.

The distinguished senior Senator from the State of Wisconsin received permission to have printed in the RECORD his individual minority views on the tax measure, which was adopted at that time over his protest, and I wish to say that I voted also with the distinguished Senator from Wisconsin in protesting against the adoption of that bill. I wish to read at this point from the minority views of the Senator from Wisconsin:

The pending revenue bill as reported to the Senate is a vicious assault on the rank-and-file taxpayer.

Here, Mr. President, we have a Senator speaking who has had a world of experience. In his minority views the Senator from Wisconsin continues:

It is inadequate, inequitable, and, in my opinion, indefensible. It conforms to no standards of justice or fairness. It "soaks" the poor while confirming, protecting, and entrenching the corporate wealth and power engendered by the defense program. It levies the major share of the costs of "all-out" defense on those who have the least property to protect and those who have the least ability to pay.

The bill is a hodgepodge of inconsistencies, with no underlying principle of taxation whatsoever, except that like many previous tax bills, it "plucks the goose that squawks the least." Unfortunately, the small individual taxpayer who will dig deep into his pockets to pay these bills has not made himself heard.

TAX YIELD INADEQUATE

Although the committee tax bill is the largest in our history, it is no answer to the

present urgent fiscal situation. The $3,600,000,000 are hopelessly inadequate in the face of a fifty- or sixty-billion-dollar defense program, a $49,000,000,000 national debt, and a probable deficit this fiscal year, over and above this tax bill, of more than $10,000,000,000.

The proposed patchwork on the present faulty tax structure and the hiking of present rates are not a solution to the Government fiscal problems. It is not commonly appreciated that defense spending has created an extraordinary situation which must be met by extraordinary taxation not only as to degree of taxation but also as to kind of taxation.

Mr. President, having quoted from the remarks of the distinguished senior Senator from Wisconsin, I wish to call the attention of the Senate to an article which appeared in the American Federationist. The article was prepared by experts. I obtained consent to have it printed in the RECORD on the 3d of March 1944, a little more than 2 months ago. In my judgment this article forever answers the argument or the proposal that a Senator should not be given sufficient time to study a bill, when he only requests the time from Friday noon until Monday for that purpose, and does not care to stop the debate, but simply asks to be allowed to study the bill so that he may be prepared to vote intelligently on it on Monday.

Here is what is stated in the article by Mr. Nathan Robertson, which was published by the American Federation of Labor in its official magazine. I shall quote from the American Federationist, the official publication of the American Federation of Labor. The article shows that in 1917—that is, during World War No. 1—profits, after taxes, were $7,700,000,000. In 1918 the net profits, after all taxes, amounted to $4,500,000,000. In 1919 they amounted to $6,900,000,000. In 1929, commonly conceded to be the most prosperous year in all our history, the net profits, after all taxes, amounted to $8,100,000,000. In 1939, Mr. President, the net profits amounted to $4,040,000,000. But last year, 1943, after paying all the high taxes about which we have heard so much, the corporations made more money than they ever made before in all history, for profits, after taxes, are estimated at $8,550,000,000.

Mr. President, in my humble way I wish to do everything I possibly can to keep this country the great, fine land it was when our soldier boys left its shores to go across the water to fight for the American way of life. Not by a single vote of mine upon the floor of the Senate would I do anything to harm this country. It is because of that belief that I wish to be sure I understand a bill before I vote "yea" or "nay" upon it. I think that is a duty which falls upon every Senator on this floor.

Mr. President, in the tax bills which have been passed during the time I have been a Member of the Senate, what do we find? I quote further from the article appearing in the American Federationist:

When this war started, President Roosevelt promised that a new crop of war millionaires would not be permitted. He tried to carry out that pledge. But his tax proposals were slashed to pieces in Congress. The result is that it is happening again, even though most newspapers don't mention the subject. The full extent to which it is happening again won't be known until long after the war is over. You can name your own figure now, but you can be sure the Nation will again be shocked.

One thing that has helped to fool the public this time is that, unlike the last war, dividends have not zoomed to new heights. The corporations are playing a cagey game with their profits. They know that big dividends and a speculative stock market would inflame the country. So they are holding on to their profits.

The result is that even many stockholders don't realize how much the corporations are making because their dividend checks, by and large, are about the same as before the war. As a matter of fact, dividend payments for all corporations are somewhat lower than they were in 1936 and 1937, and only slightly higher than in 1939.

But the dividends are no measure of profits. Only about half of the profits are being paid out in dividends. The lush stock bonuses will be held until after the war. How lush they will be can be seen from the fact that from 1941 to 1943, inclusive, undistributed profits of almost $12,000,000,000 were piled up by the corporations. This is the melon the stockholders are waiting to divide after the war is over.

FIGURE IS DECEPTIVELY LOW

Actually, even this is a deceptively low figure. Some corporations are still losing money, and this is the net increase for all corporations, including the money losers. The money makers alone have piled up $16,000,000,000 in the 3-year period, and about $19,000,000,000 since 1939. The Securities and Exchange Commission recently reported that the corporations have $3,000,000,000 in quick, liquid assets.

Some people find it hard to believe such astronomical figures in the face of a 90-percent excess-profits tax.

Mark you this, Mr. President:

But they don't know all the loopholes Congress has provided in that tax for the corporations. First of all, they get a 10-percent refund out of the 90-percent tax, so the net tax is only 81 percent.

But more important is the method Congress has provided for measuring the excess profits that are subject to the 81-percent tax. A corporation can choose either of two very lenient yardsticks for measuring its excess profits. That's a special little trick provided for the corporations which no other taxpayers enjoy. An individual has to pay what he is told to pay, but a corporation is given a choice.

If the corporation was making a lot of money before the war, as many companies were, it can use that volume of profits as the measure of its exemption from excess-profits taxes. Thus, if the corporation was making a profit of 30, 40, or even 100 percent on its invested capital, it can continue to do so today without paying any excess-profits tax. Many corporations are escaping their share of excess profits through this loophole.

On the other hand, if the corporation has a big invested capital as compared with its profits, it can measure its exemption on the basis of this invested capital. Many huge corporations, like the steel and railroad companies, have millions of dollars invested many years ago and long since thrown away on which they are entitled to collect profits now without paying excess-profits taxes. An investment trust which milked the public of $100,000,000 and tossed it away on the stock market can earn a very high return on its real value today without paying excess-profits taxes by measuring its profits against the original investment of $100,000,000 long since lost and forgotten. These are only the most obvious of the loopholes. There are many more, and the tax lawyers are devising new ones every day.

I wish to repeat the last sentence in closing:

These are only the most obvious of the loopholes. There are many more, and the tax lawyers are devising new ones every day.

So, Mr. President, with the record which I have quoted, and which was made by the Senator from Texas [Mr. CONNALLY], by the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE] and by numerous other Senators who have fought some of the measures they did not agree with, and fought them honestly, and could fight them only because they were familiar with the subject matter, I submit that the request which I made yesterday courteously should have been granted. But inasmuch as it was not granted, and we occupied the time yesterday afternoon, and inasmuch as during the evening and this morning I had an opportunity to confer with various tax experts, one from the office of the Secretary of the Treasury, I now have the information about the bill which I desired.

In closing I simply wish to express my gratitude to the Treasury Department for its kindness in making available to me one of its tax experts so that I might understand this measure and what it proposes to do.

During the delivery of Mr. LANGER'S speech:

Mr. O'DANIEL. Mr. President——

The PRESIDING OFFICER (Mr. JACKSON in the chair). Does the Senator from North Dakota yield to the Senator from Texas?

Mr. LANGER. I yield.

Mr. O'DANIEL. Mr. President, the tax bill now in effect and the tax bill now under consideration limit and restrict as an allowable deduction the amount of money our citizens may contribute to religious purposes from their incomes. It appears to me that this Nation has gone a long way on the highway to heathenism when this little group of men and women to whom has been given legislative powers attempts to set up rules which will limit and specify the percentage of the amount of earthly goods which our citizens may give to the work of the Lord out of the 100 percent which He gives unto them.

It seems to me that we have drifted so far into the realm of governmental philosophy that we have forgotten or laid aside most religious philosophy. We are ignoring the fact that God created this world and all that is in it, including man, and that next to God man is supreme. Through the brain and brawn of man God creates abundantly everything we need. Through man's decisions and actions government is established, but the establishment of government for the purposes outlined in our Constitution should not disturb the relationship between God and man. The work of the Lord must be carried on and it must be carried on differently in different ages of human activity. The goal is the same in all ages, but the methods change as civilization progresses.

Today under our greatly expanded commercial development the work of religion must be conducted in a different manner than in the days of old, and it requires much of what we call money to keep up the work of the Lord during this age. The correct amount of money to be devoted to the work of the Lord is something to be determined by each individual on the basis of his attitude toward religion, and the amount he is able to earn and save. It should never be governed by the attitude and philosophy of others, regardless of the legislative powers they temporarily possess. The work of the Lord must continue unabated, and be restricted only by the religious attitude and conscience of each individual, acting independent and free. Without doubt our Government is now an inanimate partner, and controlling partner at that, with each individual in this Nation. If this inanimate partner assumes to place itself above God by grabbing its take before man has settled with God in accordance with his own conscience for the gifts God has given him, we, as a people, may expect God to turn His face from us, even as we are turning our faces from Him.

It looks as if the tax bill now in effect and the one we are about to pass mean only crumbs for Christ from the abundant loaf. I am sorry about that. If I could have my way, I would permit every citizen of America to give to the work of the Lord from that which the Lord gives him, every dollar his conscience dictates, and then settle with his Government on the net amount of his crop, after paying the Supreme Landlord. I realize the importance of rushing the enactment of this simplification tax bill and the futility of attempting to amend it now in the manner I am suggesting, but I am expressing my convictions for whatever consideration my colleagues may care to give them. Another tax bill will be coming along soon and while it is being deliberated, I trust much thoughtful and prayerful consideration will be given to the suggestions I am making.

Mr. President, I thank the Senator from North Dakota for having yielded to me for the purpose of making this statement, and I ask unanimous consent that my statement may be placed at the end of the speech of the Senator from North Dakota, so as not to interrupt it.

The ACTING PRESIDENT pro tempore. Without objection, it is ordered.

Mr. LANGER. Mr. President, I may say to the distinguished junior Senator from Texas that the sentiments he has expressed in his speech are very beautiful, statesmanlike and Christian sentiments, and are of such a nature that I, coming from the great Northwest, join in them wholeheartedly. If an amendment so drawn as to accomplish the purposes for which the distinguished junior Senator from Texas is contending cannot be included in the pending tax bill, I hope such an amendment may be adopted in connection with the next tax bill which may be brought before Congress.

After the conclusion of Mr. LANGER's speech,

The ACTING PRESIDENT pro tempore. The bill is before the Senate and open to further amendment.

Mr. LA FOLLETTE. Mr. President, have the committee amendments been disposed of?

The ACTING PRESIDENT pro tempore. The committee amendments have all been disposed of.

Mr. LA FOLLETTE. Mr. President, last Thursday, at the request of the Senator from Idaho [Mr. CLARK], I submitted an amendment and asked to have it printed and lie on the table. The Senator from Idaho intended to offer the amendment to the pending bill. He has since been informed of the action of the committee in voting not to consider amendments which were not germane to the objective of tax simplification, and wishes me to state that he will not have the amendment offered to this bill, but will await a later opportunity in connection with some other bill which originates in the House, to which the amendment may be germane.

Mr. GEORGE. Mr. President, the distinguished senior Senator from Nevada [Mr. MCCARRAN] and the distinguished junior Senator from California [Mr. DOWNEY] had an amendment ready to offer and to urge, reducing the cabaret tax. After consideration those Senators have very kindly agreed to withhold their amendment to this bill, but will offer it later in connection with another bill which will be before the Senate in the course of the next week.

I wish to express my appreciation to the Senator from Nevada and the Senator from California for their consideration, because we were making the effort to confine this bill to the problem of simplification, which at best is a difficult problem. Although the bill contains certain features which we would like to have avoided, it does take a long step toward simplification and will ease the burdens of the individual taxpayers.

With respect to the amendment prepared and ready to be offered by the Senator from Nevada and the Senator from California, let me say that the Senate Finance Committee itself, when the cabaret tax was imposed, recommended a tax of only 20 percent. Also in the Senate an additional amendment was approved which exempted from the tax altogether soldiers and other servicemen in uniform. The Senate conferees insisted upon the action taken by the Senate on that tax, believing that the cabaret tax of 30 percent was entirely too high and would really result in a loss of revenue to the Treasury; but we were not able to prevail in conference. The House conferees stoutly insisted on carrying the tax up to 30 percent. I therefore express great sympathy with the amendment which the Senator from Nevada and the Senator from California have prepared and which they will offer at a later time.

Mr. President, yesterday I should have been happy to have postponed the final vote on the bill until Monday if it had seemed possible to do so in view of the calendar work ahead of us. We all know that we are driving toward a recess, and we have some very important legislation which remains to be considered, some of which is not even on the calendar. There are appropriation bills, price-control legislation, and, most important, the bill which we must consider before we finally recess—if we are to take a recess—dealing with the human problems involved in the demobilization of war plants, to which the Senator from Michigan [Mr. VANDENBERG] has called our attention on previous occasions. We are now working upon that problem.

I do not undertake to recount the other legislative matters pressing; but if we had been facing an ordinary situation, I should not have objected to postponing consideration of this bill, because I realize that while it deals with only one problem, that of tax simplification, it necessarily is more or less technical, as all tax legislation is necessarily technical.

I do not wish the Senator from North Dakota to feel that I was discourteous to him at all, because that was not my motive. My purpose was merely to expedite consideration of the bill and get it out of the way so that we may move on to other necessary legislation next week. I assure the Senator that nothing that I said was intended as a personal offense to him, or as a discourtesy.

With that statement, I hope that we may now conclude consideration of the bill.

The ACTING PRESIDENT pro tempore. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4646) was read the third time and passed.

EXECUTIVE SESSION

Mr. GEORGE. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. MCKELLAR. I ask that the nominations of postmasters be confirmed en bloc, and that the President be immediately notified.

The ACTING PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc, and, without objection, the President will be notified forthwith.

RECESS TO TUESDAY

Mr. GEORGE. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 12 o'clock and 50 minutes p. m.) the Senate

took a recess until Tuesday, May 23, 1944, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 20 (legislative day of May 9), 1944:

POSTMASTERS

MICHIGAN

Evelyn M. Potter, Dundee.
Bernice G. Closson, Freeport.

PENNSYLVANIA

Edward S. Diehl, Allentown.
Josephine Levi, Cuddy.
Sister Regina Francis, Immaculata.
Carmelio R. Augustine, Keiser.

TENNESSEE

Homer E. Underwood, Farner.
Albert L. Shackelford, Oakville.
Effie R. Overturf, Palmer.
Roxie Pratt, Scotts Hill.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 22, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord, Thou who abidest with us forever, grant us a full measure of Thy life and love, of Thy peace and power. Help us to seek and cultivate that spirit which builds up manhood and makes us patient under burdens and hopeful under difficulties, avoiding false security which is our worst enemy. Hold us with the strength of a mighty faith in Thy providence, lest the priceless stock of human worth mortify, wither, and decay.

Almighty God, in this fateful hour a supreme challenge is at the door of America; keep us from that ease of existence which has no strong, courageous objective. Frown upon employer or employee who gives only feeble response to a sad, stricken humanity in the depths of its anguish and need. Come forth and cause weak wills and minds to stand against the contagion and lust for power which is appalling the world. Rouse our land to the highest pitch of loyalty that there may be no compromise in our determination to destroy the scorns and hatreds which have come through these plodding years. Where oppression is draping its victims in rags, grant that the heavy tread of war shall soon crumble and blessed peace and lasting hope be restored to all men. We ask it as a disciple of our Lord and Saviour. Amen.

The Journal of the proceedings of Friday, May 19, 1944, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 12, 1944:

H. J. Res. 271. Joint resolution making an additional appropriation for the fiscal year 1944 for emergency maternity and infant care for wives of enlisted men in the armed forces.

On May 17, 1944:

H. R. 4254. An act to extend for 1 year the provisions of an act to promote the defense of the United States, approved March 11, 1941, as amended.

On May 18, 1944:

H. R. 3261. An act to amend the act of April 29, 1943, to authorize the return to private ownership of Great Lakes vessels and vessels of 1,000 gross tons or less, and for other purposes.

On May 20, 1944:

H. R. 1565. An act relating to the appointment of postmasters; and

H. J. Res. 280. Joint resolution to provide assistance to farmers whose property was destroyed or damaged, in whole or in part, by floods and windstorms in 1944, in order to enable them to continue farming operations to produce food for the war effort.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4414. An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. OVERTON, Mr. TRUMAN, Mr. GREEN, Mr. MALONEY, Mr. BRIDGES, and Mr. BURTON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4646. An act to provide for simplification of the individual income tax.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 254. An act for the relief of Edward Gillam.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1758) entitled "An act to amend section 451 of the Tariff Act of 1930, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GERRY, Mr. CONNALLY, Mr. GEORGE, Mr. VANDENBERG, and Mr. TATE to be the conferees on the part of the Senate.

PERMISSION TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, the gentleman from New Jersey [Mr. MCLEAN] may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ERADICATION OF CERTAIN ANIMAL AND PLANT PESTS AND DISEASES

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent that the conference report on H. R. 4278, an act to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes, be recommitted to the committee of conference.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

SELECT COMMITTEE TO INVESTIGATE SMALL BUSINESS PROGRAM

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 556) and ask for its immediate consideration.

The Clerk read as follows:

Resolution providing the further expenses of conducting the study and investigation authorized by House Resolution 294 of the Seventy-seventh Congress and continued by House Resolution 18 of the Seventy-eighth Congress.

Resolved, That the further expenses of conducting the study and investigation authorized by House Resolution 294 of the Seventy-seventh Congress and continued by House Resolution 18 of the Seventy-eighth Congress, incurred by the select committee appointed to study and investigate the national defense program in its relation to small business in the United States, acting as a whole or by subcommittee, not to exceed $25,000 additional, including expenditures for the employment of experts, investigators, attorneys, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or any subcommittee thereof conducting such investigation, signed by the chairman of the committee, and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

Mr. COCHRAN. Mr. Speaker, the gentleman from Texas [Mr. PATMAN], who is chairman of the Select Committee on Small Business, as well as other members and employees of the committee, appeared before the Committee on Accounts and furnished information in reference to the past activities as well as future plans of the Small Business Committee.

The Select Committee on Small Business has received $67,500 to date. It was organized in 1941, and on the basis of past expenditures they have been spend-

ing an average of $2,250 per month. The life of the committee expires at the end of the Seventy-eighth Congress and the Committee on Accounts has no authority to appropriate money for any studies or investigations beyond that period unless the life of the Select Committee on Small Business is extended by resolution. The committee submitted the following break-down of expenditures:

Salaries	$35,987.88
Hotel and subsistence	8,948.76
Transportation	10,542.32
Reporting hearings	4,496.32
Office supplies	289.17
Miscellaneous	679.19
Total	60,943.64

The balance for the committee, excluding certain vouchers now outstanding, is $6,556.36.

The gentleman from Texas requested the sum of $50,000 additional to continue the studies and investigations. After a thorough discussion by the Committee on Accounts it was voted to authorize the sum of $25,000 additional from the contingent fund of the House.

The gentleman from Texas [Mr. PATMAN] advised us his committee has dealt with problems of the distribution trade, problems of manufacturers, and has investigated as well as assisted individual firms on matters of priorities as well as miscellaneous complaints.

The gentleman from Texas [Mr. PATMAN] stated that it was his desire that the committee expand and that funds be granted to employ counsel. The Committee on Accounts called attention to the fact that this committee has been in existence since December 4, 1941. The first appropriation was made on December 11, 1941, for $20,000. The second resolution passed January 25, 1943, provided for $22,500 additional, and the third resolution passed September 20, 1943, provided for $25,000.

As stated, the committee expires January 3, 1945, and the sum appropriated is more than sufficient to carry the committee through to January 3, unless the average expenditures since the committee was authorized are increased.

The gentleman from Texas [Mr. PATMAN] does not think this $25,000 will be sufficient to carry the committee to the end of the session. The Senate has a committee that investigates small business, but the chairman of the House committee and his chief assistant stated that they cooperate with the Senate committee in order to avoid any duplication of effort.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SELECT COMMITTEE TO INVESTIGATE SEIZURE OF MONTGOMERY WARD & CO.

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution, H. Res. 557, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the study and investigation authorized by House Resolution 521 of the Seventy-eighth Congress, incurred by the Committee To Investigate the Seizure of Montgomery Ward & Co., acting as a whole or by subcommittee, not to exceed $10,000, including expenditures for the employment of clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee thereof conducting such study and investigation or any part thereof, signed by the chairman of the committee or subcommittee, and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

Mr. COCHRAN. Mr. Speaker, the gentleman from Georgia [Mr. RAMSPECK] appeared before the committee. He stated that he felt the sum of $10,000 would be sufficient to complete the Montgomery Ward investigation. The select committee does not plan to hold hearings outside of Washington unless it becomes necessary to do so, as the principal records are here. They have the power of subpena and will ask the officials of Montgomery Ward & Co. concerned to come to Washington.

It is not the intention of the select committee to employ any investigators, but to try to handle the matter by public hearings.

The gentleman from Georgia [Mr. RAMSPECK] did not contemplate a great deal of expense and stated that the members of the select committee all felt that $10,000 would be sufficient to conduct the investigation.

The views of the gentleman from Georgia [Mr. RAMSPECK] were concurred in and approved by the other members of the select committee.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—FIFTEENTH REPORT TO CONGRESS ON LEND-LEASE OPERATIONS FOR THE PERIOD ENDED MARCH 31, 1944

The SPEAKER paid before the House the following message from the President of the United States which was read, and with the accompanying papers referred to the Committee on Foreign Affairs and ordered printed, with illustrations:

To the Congress of the United States of America:

I am submitting herewith the Fifteenth Report on Lend-Lease Operations for the period ending March 31, 1944.

United Nations forces are now about to strike new and mightier blows at Nazi-occupied Europe from offensive bases in the west, the south, and the east. The fighting men of many nations have been banded together in combined operations. They are armed with the most powerful weapons that the combined resources and ingenuity of the United Nations can produce. They are ready to bring to bear their strength to continue the crushing process against the Nazis and the German war machine.

Our American forces will go into battle side by side with the men of Britain, France, Norway, Poland, Czechoslovakia, Netherlands, and our other allies. At sea, warships flying many United Nations flags will escort the fleets. In the skies, the R. A. F. will join with the United States Army Air Forces in blasting the paths for our troops and in protecting them from air attack.

For this great undertaking, the United Nations fighting partnership has been made far stronger by lend-lease and reverse lend-lease. Through lend-lease we have made certain that every man in the forces of the other United Nations who goes into battle beside an American fighting man has what he needs to hit the common enemy as hard as possible. Through reverse lend-lease, the American forces have been similarly aided by our allies with everything they had that we needed.

On the eastern European front also, arms and other war supplies provided by the United States and the British Commonwealth, will continue to strengthen the Soviet armies for the new blows that will be timed with our advances.

In the Far East and the Pacific our offensives in New Guinea, in Burma, and against the Japanese fortress islands in the Central Pacific are proof that the battle for Japan is not waiting upon the successful conclusion of the battle against Nazi Germany. China is being helped to the utmost of our ability.

Decisive battles are ahead. Now, more than ever, it is vital to our own American Army and Navy and Air Forces, as well as to the forces of the other United Nations, that we continue to provide our fighting partners with the additional war supplies they need to supplement their own resources. Congress has again recognized this fact by its overwhelming vote to extend the Lend-Lease Act.

Only by uniting our full strength with the full strength of the other free peoples of the world have we moved from the defensive to the offensive, from defeats to victories. By maintaining our unity now we shall certainly achieve final victory. By continuing our unity after the war we can assure a peace in which mankind can live and work and worship in peace, freedom, and security.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 22, 1944.*

WAR MANPOWER COMMISSION—CITY OF NEW ORLEANS

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. HÉBERT addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial from the Kansas City Star.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RAILROAD RATES

Mr. POAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. POAGE. Mr. Speaker, that there may be no misunderstanding tomorrow when the legislation comes up to relieve the railroads of their contractual obligations to the United States, I want it known now, and I want it in the RECORD, that there are some of us who are opposed to that legislation and who would like to be heard at the time the legislation comes up. I do this simply that there may be no misunderstanding, because there was a misunderstanding 2 years ago when this same legislation came before the House. At that time no one except those members of the committee who favored the legislation were given much time during the general debate. Then a motion was made to limit the discussion under the 5-minute rule. I am sure that was done, because the committee was then laboring under the false impression that everybody in the Congress felt as they did and wanted to relieve these railroads of their contractual obligation. That was not true, as was evidenced by the vote 2 years ago, which re-referred the matter to committee, where it has been for 2 years. It is about to be brought back to this House. It will be up tomorrow, and I hope all of us have an opportunity to discuss it.

Mr. COCHRAN. You mean to vote against it?

Mr. POAGE. Yes; I mean to vote against it, and I hope a majority of this House will vote against it.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein one of my recent news releases which appeared in the Republican Journal of Darlington, Wis., under date of May 4, 1944.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a copy of a letter and two brief newspaper items.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RELIEF MILK AND SCHOOL MILK PROGRAM

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. MURRAY of Wisconsin addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech I made at Columbus, Ohio, on Saturday.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Observations of the Coming Campaign.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that on today after the special orders granted the gentleman from New Jersey [Mr. MCLEAN] I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

CONSTITUTIONAL AMENDMENT TO ABOLISH THE POLL TAX

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENNINGS. Mr. Speaker, there is pending before the Judiciary Committee of the House House Joint Resolution 126, introduced by me on May 24, 1943, proposing an amendment to the Constitution of the United States forbidding any State or political subdivision thereof to deny or abridge the right of any citizen to vote on account of failure to pay a poll tax or property tax assessed against him.

It is now apparent that the effort of Congress to accomplish the abolition of the payment of a poll tax by legislative enactment will not be successful. Grave questions as to the constitutionality of the power of Congress to abolish the payment of a poll tax as a qualification or prerequsite to the right to vote exist in the minds of many Members of Congress.

There can be no question as to the constitutionality of the method proposed by me. It is in compliance with and pursuant to article IV of the Constitution.

There is an overwhelming, Nation-wide sentiment in favor of the unfettered, untaxed right of every citizen in the land to vote. I have always advocated that right, and I invite the support of this House in bringing about a favorable report on, and the early passage of, the resolution that will set in motion the machinery to accomplish this result in the manner set forth in the supreme law of the land. In this way, by the fifteenth amendment, it was provided that the right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude. By this method, through the nineteenth amendment, the right to vote was extended to the women of the Nation.

I invite the cooperation and support of all Members of the House to help bring about the passage of this resolution.

BATH IRON WORKS, BATH, MAINE

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HALE. Mr. Speaker, it is extremely gratifying to me to call the attention of the House to the fact that the honor of building a destroyer to be named after Frank Knox, late Secretary of the Navy, is to fall to the Bath Iron Works in Bath, Maine. The keel of the vessel has already been laid, and the ship is scheduled for launching on September 10. With her, says Secretary Forrestal, "will go the flaming spirit of that man."

That this honor should fall to the Bath Iron Works is a tribute to its faithful work for the United States Navy for several generations. I believe that no private yard has so distinguished a record as a builder of the smaller types of naval vessel, and Maine is proud of this achievement.

EXTENSION OF REMARKS

(By unanimous consent, Mr. WOODRUM of Virginia and Mr. WICKERSHAM were granted permission to extend their own remarks in the RECORD.)

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a memorandum to the Commissioner of Indian Affairs.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix on National Maritime Day 1944, together with certain quotations.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix on maritime problems and to include certain quotations.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three different instances, in one to include a letter from a mail carrier in my district; in another to include an article by a constituent; and in the other to include a newspaper article.

The SPEAKER. Is there objection?

There was no objection.

SEIZURE OF MONTGOMERY WARD SUBSIDIARY

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I notice that the President has again been compelled, under laws passed by this Congress, to take over a plant that is under the domination of Sewell Avery of the Montgomery Ward & Co., namely the Hummer Manufacturing Co., of Springfield, Ill. This company has defied the War Labor Board, and thereby defied the laws of the Congress of the United States and finally is actually defying the President of the United States.

Mr. Speaker, I ask who is hindering and obstructing the war effort by this intentional defiance of the processes of law. Mr. Sewell Avery, of Montgomery Ward & Co. There are phases of this matter that should have the attention of the Congress, especially in view of the fact that the industry members of the War Labor Board certified to the defiance. The Executive and the people of the United States must insist that every manufacturer and every industry should first obey the laws of this country rather than obstinately try to hinder the war effort.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks and include certain excerpts.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks and insert an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. BREHM. Mr. Speaker, I ask unanimous consent to extend my remarks and insert a poem by Horace C. Carlisle, an employee in the Office of the Architect of the Capitol.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL MARITIME DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. McCORMACK addressed the House. His remarks appear in the Appendix.]

SEIZURE OF MONTGOMERY WARD SUBSIDIARY

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. SABATH addressed the House. His remaeks appear in the Appendix.]

REGULATION OF CERTAIN INSURANCE RATES IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up H. R. 3974, a bill to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in this act, unless the context otherwise requires—

"District" means the District of Columbia;

"Superintendent" means the Superintendent of Insurance of the District of Columbia;

"Company" means any insurer, whether stock, mutual, reciprocal, interinsurer, Lloyd's, or any other form or group of insurers;

"Agent" means and shall include any individual, copartnership, or corporation acting in the capacity of or licensed as a "policy-writing agent," "soliciting agent," or "salaried company employee," as defined under section 3, chapter I, of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1064; D. C. Code, 1940 ed., title 35, sec. 1303); and

"Broker" means any person who for a consideration acts or aids in any manner in the solicitation or negotiation on behalf of the assured of contracts of insurance.

SEC. 2. The provisions of this act shall apply to insurance in the District of Columbia against loss of or damage to property or any valuable interest therein by or as a consequence of fire, lightning, tornado, windstorm, and explosion, or any one or more of such hazards, including all supplemental, additional, or extended forms of coverage written in connection with fire insurance, and including any policy which insures property, while it is at a permanent location, against the hazard of fire, lightning, tornado, windstorm, or explosion; but this act shall not apply to ocean marine, transportation, or motor-vehicle insurance, nor to insurance covering the property of interstate common carriers, nor to any form of insurance designated by the Superintendent as inland marine insurance.

SEC. 3. The Superintendent is empowered to investigate the necessity for an adjustment of the rates on any or all classes of risks within the scope of this act, and to order an adjustment of such rates whenever he determines, after investigation of the classified experience showing premiums and losses for a period of not less than 5 years next preceding such investigation, that the rates for any one or more classes of risks are excessive, inadequate, or unreasonable. In determining the necessity for an adjustment of rates, the Superintendent shall give consideration to all factors reasonably attributable to the class of risks, to the catastrophe hazard, both within and without the District, and to a reasonable profit. The Superintendent is also empowered, after investigation, to order removed, at such time and in such manner as he shall specify, any unfair discrimination existing between individual risks or classes of risks.

Any person, firm, or corporation aggrieved by any order, ruling, proceeding, or action of the Superintendent, or any person acting in his behalf and at his instance, may appeal to the Commissioners of the District, or contest the validity of such order, ruling, proceeding, or action in any court of competent jurisdiction by appeal or through any other appropriate proceedings, as provided under sections 44 and 45, chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1082; D. C. Code, 1940 ed., title 35, secs. 1348 and 1349).

SEC. 4. Within 120 days after the approval of this act and under the supervision of the Superintendent, the insurance companies authorized to effect insurance in the District against the risk of loss or damage by hazards within the scope of this act shall organize a rating bureau for the purpose of administering rates for such insurance, and all such companies now or hereafter authorized to transact such business in the District shall be members of such bureau. The government of the rating bureau shall be vested in its members and it shall not be subject to the direction or control of any other bureau, association, corporation, company, individual, or group of individuals. The rating bureau shall have power to establish reasonable agreements and bylaws for its governance, and shall be permitted to adopt reasonable rules and regulations necessary to carry out its functions, but such agreements, bylaws, rules, and regulations shall not be inconsistent with the provisions of this act, and the same and amendments thereto shall be approved by the Superintendent before becoming effective. The rating bureau, subject to the approval of the Superintendent, shall apportion the expenses of its operation among its members in proportion to the premium income on risks in the District.

SEC. 5. No company, agent, or broker shall issue or deliver, or offer to issue or deliver, or knowingly permit the issuance or delivery of, any policy of insurance in the District which does not conform to the requirements approved by the Superintendent: *Provided, however,* That a company may deviate from such requirements if the company has filed with the rating bureau and with the Superintendent the deviation to be applied, and provided such deviation is approved by the Superintendent. If approved, the deviation shall remain in force for a period of 1 year from the date of approval by the Superintendent, unless such approval is withdrawn by the Superintendent for cause after notice to the insurer, or withdrawn by the insurer with the approval of the Superintendent.

It is further provided that a rate in excess of that promulgated by the rating bureau may be charged, provided such higher rate is charged with the knowledge and written consent of the insured and the Superintendent.

SEC. 6. The rating bureau shall keep a record of all rates, schedules, and proceedings. Every agent shall keep a record of every policy contract issued by or through his agency.

SEC. 7. The Superintendent, his deputy, or duly authorized examiner, is authorized and empowered to examine all records of the rating bureau, companies, and agents, and to require every company to furnish statistical reports of premiums and losses in such form and according to such classifications as the Superintendent shall prescribe and any other information which the Superintendent may deem necessary for the administration of this act. The Superintendent may require the rating bureau to consolidate the reports of classified experience.

SEC. 8. No rate, premium, schedule, rating method, rule, bylaw, agreement, or regulation shall become effective or be charged, applied, or enforced in the District by the rating bureau, or by any company, agent, or broker governed by the provisions of this act, until it shall have been first filed with and

approved by the Superintendent: *Provided*, That a rate or premium used or charged in accordance with a schedule, rating method, or rule previously approved by the Superintendent need not be specifically approved by the Superintendent. No company, agent, or broker shall issue any form of policy, clause, warranty, rider, or endorsement until such form shall have been filed with and approved by the Superintendent.

SEC. 9. Any company or any agent or broker guilty of violating any of the provisions of this act shall be subject to the provisions of sections 3 and 36, respectively, and as may be amended, of chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1066 and 1079; D. C. Code, 1940 ed., title 35, secs. 1306 and 1340).

SEC. 10. All laws or parts of laws, insofar as they relate to business affected hereby and in conflict with any of the provisions of this act, are hereby repealed.

SEC. 11. Should any section or provision of this act be decided by the courts to be unconstitutional or invalid, the validity of the act as a whole, or of any part thereof, other than the part decided to be unconstitutional, shall not be affected.

With the following committee amendments:

On line 19, page 2, after the comma following the word "transportation", insert "boiler and machinery."

On line 25, page 2, after the word "all", insert "risks or."

On line 2, page 3, delete the word "classified."

On line 8, page 3, delete the words "class of" and between the words "the" and "catastrophe" insert the words "conflagration or."

Mr. RANDOLPH. Mr. Speaker, this measure has as its purpose the improvement of insurance rates and practices for the District of Columbia. One of our colleagues, not a member of the Committee on the District of Columbia, has given much study to this subject and it is his bill which the committee has reported unanimously as the result of hearings before our subcommittee on banking and insurance. I believe it would be helpful to give the gentleman from New Mexico [Mr. ANDERSON] an opportunity to make a brief explanation of this bill and I yield to him at this time.

Mr. ANDERSON of New Mexico. Mr. Speaker, this bill is one to give to the Superintendent of Insurance authority to investigate rates and determine whether or not they are excessive, inadequate, or unreasonable. The language of the bill does not vary greatly from the standard procedure in most States which have the finest administration of insurance departments.

The only purpose of the bill is to allow the Superintendent of Insurance to require from the insurance companies sufficient statistical information so that he can make determination as to the adequacy or inadequacy of any rate. It gives to the District of Columbia for the first time an opportunity to have these matters investigated. Filings before the Superintendent of Insurance of losses experienced within the District indicate that stock fire insurance companies over a period of 5 years sustained a loss ratio of less than 30 percent. This would appear to be unreasonably small and may indicate the possibility of a rate revision, but at least it gives the Superintendent of Insurance ample opportunity to investigate and to bring in his recommendations requiring certain information of the insurance companies and to protect the insurance-buying public.

After all, the buyers of insurance provide the money that sustains the insurance department and they should have protection.

Mr. Speaker, I shall be pleased to answer questions about the bill if there are any. The bill does not contain any unusual provisions.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 2, line 20, after the word "transportation", insert the words "boiler and machinery."

The committee amendment was agreed to.

The Clerk read as follows:

Page 3, line 2, after the word "all", insert "risks or."

The committee amendment was agreed to.

The Clerk read as follows:

Page 3, line 4, strike out the word "classified."

The committee amendment was agreed to.

The Clerk read as follows:

Page 3, line 10, strike out "class of."

The committee amendment was agreed to.

The Clerk read as follows:

Page 3, line 11, before the word "catastrophe", insert the words "conflagration or."

The committee amendment was agreed to.

Mr. RANDOLPH. Mr. Speaker, I ask for recognition in order that the gentleman from Connecticut [Mr. MILLER] may ask some questions.

The SPEAKER. The gentleman from West Virginia is recognized for 5 minutes.

Mr. MILLER of Connecticut. Mr. Speaker, I wish to ask about the definition of the word "broker" on page 2. It seems to go way beyond the ordinary definition of broker. I think it is a rather unusual definition of the word, and I wondered if that is used in any other legislation.

Mr. ANDERSON of New Mexico. I do not believe it is so extremely unusual. I believe the gentleman will find a very similar definition in the New York law and the Illinois law.

Mr. MILLER of Connecticut. It certainly defines "broker" much differently than I ever saw it defined. Certain types of agents are in fact soliciting or acting on behalf of the assured.

Mr. ANDERSON of New Mexico. But "agent" is defined, too.

Mr. MILLER of Connecticut. I wondered why it defined "broker" in practically the same way it defined "agent." I think there is a distinct difference between a broker and an agent, but under these definitions a broker would also include an agent, and I wondered why both definitions were included.

Mr. ANDERSON of New Mexico. Simply because there are in this district a large number of insurance brokers who operate very similar to the ordinary insurance agent in smaller communities and the District authorities felt that in order to have full control of the situation they had to have control of insurance brokers and agents as well. None of the insurance companies have raised the slightest objection to it. It has been submitted to all of them and they all feel perfectly satisfied.

Mr. MILLER of Connecticut. I had three requests from insurance companies asking that I make this inquiry as to why this definition of broker appeared in the bill. A man can be a broker without being an agent, but under this definition he could not be an agent without being a broker. Under Connecticut law there is a decided difference between agent and broker.

Mr. ANDERSON of New Mexico. I may say to the gentleman from Connecticut that there is a distinct difference between the House bill and the Senate bill. They will go to conference. The rate-making question is the important difference between the two bills, and I am sure that matter can be adjusted in conference; but there has been no disposition by either fire-insurance companies or casualty-insurance companies to question this definition.

Mr. MILLER of Connecticut. As I stated, I am making this inquiry because I was asked to. I certainly am in favor of the general purpose of the legislation.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. DIRKSEN. I was merely going to observe that a person can be either an agent or a broker and simply qualify under one or the other.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1029) to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes, for immediate consideration.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in this act, unless the context otherwise requires—

"District" means the District of Columbia;

"Superintendent" means the Superintendent of Insurance of the District of Columbia;

"Company" means any insurer, whether stock, mutual, reciprocal, interinsurer, Lloyd's, or any other form or group of insurers;

"Agent" means and shall include any individual, copartnership, or corporation acting in the capacity of or licensed as a "policy-writing agent," "soliciting agent," or "salaried company employee," as defined under section 3, chapter I, of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1064; D. C. Code, 1940 ed., title 35, sec. 1303); and

"Broker" means any person who for a consideration acts or aids in any manner in the solicitation or negotiation on behalf of the assured of contracts of insurance.

SEC. 2. The provisions of this act shall apply to insurance in the District of Columbia against loss of or damage to property or any valuable interest therein by or as a consequence of fire, lightning, tornado, and windstorm, or any one or more of such hazards, including all supplemental, additional, or extended forms of coverage writen in connection with fire insurance, and including any policy which insures property, while it is at a permanent location, against the hazard of fire, lightning, tornado, or windstorm; but this act shall not apply to ocean marine, transportation, or motor vehicle insurance, nor to insurance covering the property of interstate common carriers, nor to any form of insurance designated by the Superintendent as inland marine insurance.

SEC. 3. The Superintendent is empowered to investigate the necessity for an adjustment of the rates on any or all insurance risks within the scope of this act, and to order an adjustment of such rates whenever he determines, after investigation, that the profit derived therefrom for a period of time not less than 5 years immediately preceding such investigation is excessive, inadequate, unjust, or unreasonable. In determining the necessity for an adjustment of rates, the Superintendent shall give consideration to the conflagration hazard, both within and without the District. The Superintendent is also empowered, after investigation, to order removed, at such time and in such manner as he shall specify, any discrimination existing between individual risks or classes of risks: *Provided*, That nothing in this act shall be construed to repeal existing law prohibiting discrimination in individual risks or classes of risks.

Any person, firm, or corporation aggrieved by any order, ruling, proceeding, or action of the Superintendent, or any person acting in his behalf and at his instance, may appeal to the Commissioners of the District, or contest the validity of such order, ruling, proceeding, or action in any court of competent jurisdiction by appeal or through any other appropriate proceedings, as provided under sections 44 and 45, chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1082; D. C. Code, 1940 ed., title 35, secs. 1348 and 1349).

SEC. 4. Within 120 days after the approval of this act and under the supervision of the Superintendent, the insurance companies authorized to effect insurance in the District against the risk of loss or damage by hazards within the scope of this act shall organize a rating bureau for the purpose of administering rates for such insurance, and all such companies now or hereafter authorized to transact such business in the District shall be members of such bureau. The government of the rating bureau shall be vested in its members and it shall not be subject to the direction or control of any other bureau, association, corporation, company, individual, or group of individuals. The rating bureau shall have power to establish reasonable agreements and bylaws for its governance, and shall be permitted to adopt reasonable rules and regulations necessary to carry out its functions, but such agreements, bylaws, rules, and regulations shall not be inconsistent with the provisions of this act, and the same and amendments thereto shall be approved by the Superintendent before becoming effective. The rating bureau, subject to the approval of the Superintendent, shall apportion the expenses of its operation among its members in proportion to the premium income on risks in the District. Each member company of the rating bureau shall have 1 vote in all matters affecting the operation or affairs of the bureau.

SEC. 5. No company, agent, or broker shall issue or deliver, or offer to issue or deliver, or knowingly permit the issuance or delivery of, any policy of insurance in the District which does not conform to the requirements approved by the Superintendent: *Provided, however*, That a company may deviate from such requirements if the company has filed with the rating bureau and with the Superintendent the deviation to be applied, and provided such deviation is approved by the Superintendent. If approved, the deviation shall remain in force for a period of 1 year from the date of approval by the Superintendent, unless such approval is withdrawn by the Superintendent for cause after notice to the insurer, or withdrawn by the insurer with the approval of the Superintendent.

It is further provided that a rate in excess of that promulgated by the rating bureau may be charged, provided such higher rate is charged with the knowledge and written consent of the insured and the Superintendent.

SEC. 6. The rating bureau shall keep a record of all rates, schedules, and proceedings, and shall file a copy thereof with the Superintendent. Every agent shall keep a record of every policy contract issued by or through his agency.

SEC. 7. The Superintendent, his deputy, or duly authorized examiner, is authorized and empowered to examine all records of the rating bureau, companies, and agents, and to require every company to furnish promptly accurate written information from such records as will disclose their loss or profit from any class of risk in the District.

SEC. 8. No rate, premium, schedule, rating method, rule, bylaw, agreement, or regulation shall become effective or be charged, applied or enforced in the District by the rating bureau, or by any company, agent, or broker governed by the provisions of this act, until it shall have been first filed with and approved by the Superintendent: *Provided*, That a rate or premium used or charged in accordance with a schedule, rating method, or rule previously approved by the Superintendent need not be specifically approved by the Superintendent. No company, agent, or broker shall issue any form of policy, clause, warranty, rider, or endorsement until such form shall have been filed with and approved by the Superintendent.

SEC. 9. Any company or any agent or broker guilty of violating any of the provisions of this act shall be subject to the provisions of sections 3 and 36, respectively, and, as may be amended, of chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1066 and 1079; D. C. Code, 1940 ed., title 35, secs. 1306 and 1340).

SEC. 10. All laws or parts of laws, insofar as they relate to business affected hereby and in conflict with any of the provisions of this act, are hereby repealed.

SEC. 11. Should any section or provision of this act be decided by the courts to be unconstitutional or invalid, the validity of the act as a whole, or of any part thereof, other than the part decided to be unconstitutional, shall not be affected.

Mr. RANDOLPH. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Mr. RANDOLPH moves to strike out all after the enacting clause and insert the following:

"That in this act, unless the context otherwise requires—

" 'District' means the District of Columbia;

" 'Superintendent' means the Superintendent of Insurance of the District of Columbia;

" 'Company' means any insurer, whether stock, mutual, reciprocal, interinsurer, Lloyd's, or any other form or group of insurers;

" 'Agent' means and shall include any individual, copartnership, or corporation acting in the capacity of or licensed as a 'policy-writing agent,' 'soliciting agent,' or 'salaried company employee,' as defined under section 3, chapter I, of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1064; D. C. Code, 1940 ed., title 35, sec. 1303); and

" 'Broker' means any person who for a consideration acts or aids in any manner in the solicitation or negotiation on behalf of the assured of contracts of insurance."

SEC. 2. The provisions of this act shall apply to insurance in the District of Columbia against loss of or damage to property or any valuable interest therein by or as a consequence of fire, lightning, tornado, windstorm, and explosion, or any one or more of such hazards, including all supplemental, additional, or extended forms of coverage written in connection with fire insurance, and including any policy which insures property, while it is at a permanent location, against the hazard of fire, lightning, tornado, windstorm, or explosion; but this act shall not apply to ocean marine, transportation, boiler and machinery, or motor-vehicle insurance, nor to insurance covering the property of interstate common carriers, nor to any form of insurance designated by the Superintendent as inland marine insurance.

SEC. 3. The Superintendent is empowered to investigate the necessity for an adjustment of the rates on any or all risks or classes of risks within the scope of this act, and to order an adjustment of such rates whenever he determines, after investigation of the experience showing premiums and losses for a period of not less than 5 years next preceding such investigation, that the rates for any one or more classes of risks are excessive, inadequate, or unreasonable. In determining the necessity for an adjustment of rates, the Superintendent shall give consideration to all factors reasonably attributable to the risks, to the conflagration or catastrophe hazard, both within and without the District, and to a reasonable profit. The Superintendent is also empowered, after investigation, to order removed, at such time and in such manner as he shall specify, any unfair discrimination existing between individual risks or classes of risks.

Any person, firm, or corporation aggrieved by any order, ruling, proceeding, or action of the Superintendent, or any person acting in his behalf and at his instance, may appeal to the Commissioners of the District, or contest the validity of such order, ruling, proceeding, or action in any court of competent jurisdiction by appeal or through any other appropriate proceedings, as provided under sections 44 and 45, chapter II, Public, Numbered 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1082; D. C. Code, 1940 ed., title 35, secs. 1348 and 1349).

SEC. 4. Within 120 days after the approval of this act and under the supervision of the Superintendent, the insurance companies authorized to effect insurance in the District against the risk of loss or damage by hazards within the scope of this act shall organize a rating bureau for the purpose of administering rates for such insurance, and all such companies now or hereafter authorized to transact such business in the District shall be members of such bureau. The government of the rating bureau shall be vested in its members and it shall not be subject to the direction or control of any other bureau, association, corporation, company, individual, or group of individuals. The rating bureau shall have power to establish reasonable agreements and bylaws for its goverance, and shall be permitted to adopt reasonable rules and regulations necessary to carry out its functions, but such agreements, bylaws, rules, and regulations shall not be inconsistent with the provisions of this act, and the same and amendments thereto shall be approved by the Superintendent before becoming effective. The rating bureau, subject to the

approval of the Superintendent, shall apportion the expenses of its operation among its members in proportion to the premium income on risks in the District.

SEC. 5. No company, agent, or broker shall issue or deliver, or offer to issue or deliver, or knowingly permit the issuance or delivery of, any policy of insurance in the District which does not conform to the requirements approved by the Superintendent: *Provided, however,* That a company may deviate from such requirements if the company has filed with the rating bureau and with the Superintendent the deviation to be applied, and provided such deviation is approved by the Superintendent. If approved, the deviation shall remain in force for a period of 1 year from the date of approval by the Superintendent, unless such approval is withdrawn by the Superintendent for cause after notice to the insurer, or withdrawn by the insurer with the approval of the Superintendent.

It is further provided that a rate in excess of that promulgated by the rating bureau may be charged, provided such higher rate is charged with the knowledge and written consent of the insured and the Superintendent.

SEC. 6. The rating bureau shall keep a record of all rates, schedules, and proceedings. Every agent shall keep a record of every policy contract issued by or through his agency.

SEC. 7. The Superintendent, his deputy, or duly authorized examiner, is authorized and empowered to examine all records of the rating bureau, companies, and agents, and to require every company to furnish statistical reports of premiums and losses in such form and according to such classifications as the Superintendent shall prescribe and any other information which the Superintendent may deem necessary for the administration of this act. The Superintendent may require the rating bureau to consolidate the reports of classified experience.

SEC. 8. No rate, premium, schedule, rating method, rule, bylaw, agreement, or regulation shall become effective or be charged, applied, or enforced in the District by the rating bureau, or by any company, agent, or broker governed by the provisions of this act, until it shall have been first filed with and approved by the Superintendent: *Provided,* That a rate or premium used or charged in accordance with a schedule, rating method, or rule previously approved by the Superintendent need not be specifically approved by the Superintendent. No company, agent, or broker shall issue any form of policy, clause, warranty, rider, or endorsement until such form shall have been filed with and approved by the Superintendent.

SEC. 9. Any company or any agent or broker guilty of violating any of the provisions of this act shall be subject to the provisions of sections 3 and 36, respectively, and as may be amended, of chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1066 and 1079; D. C. Code, 1940 ed., title 35, secs. 1306 and 1340).

SEC. 10. All laws or parts of laws, insofar as they relate to business affected hereby and in conflict with any of the provisions of this act, are hereby repealed.

SEC. 11. Should any section or provision of this act be decided by the courts to be unconstitutional or invalid, the validity of the act as a whole, or of any part thereof, other than the part decided to be unconstitutional, shall not be affected.

Mr. RANDOLPH. Mr. Speaker, I may say that the amendment constitutes the House bill as amended.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 3974) were laid on the table.

EXTENDING REDUCED RATES OF INTEREST ON FEDERAL LAND BANK AND LAND BANK COMMISSIONER LOANS

Mr. SABATH. Mr. Speaker, by direction of the Committee on Rules I file a privileged report on the bill (H. R. 4102) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans (Rept. No. 1495).

Mr. Speaker, I may say that the gentleman from Kentucky was to have filed this rule, but unfortunately he is absent on account of important business. I want the House to know that he is extremely interested in this legislation. I feel further that it may be taken up tomorrow. That is the reason I am filing it today.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4102) to extend for 2 additional years the reduced rates of interest on Federal land bank and land-bank commissioner loans. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman of the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. Referred to the House Calendar and ordered printed.

CONSOLIDATION AND REVISION OF LAWS RELATING TO THE PUBLIC HEALTH SERVICE

Mr. SABATH. Mr. Speaker, I call up House Resolution 555, for immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4624) to consolidate and revise the laws relating to the Public Health Service, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, later I shall yield 30 minutes to the gentleman from Ohio [Mr. BROWN]. I make this statement now so he will understand I am not going to try to deprive him of the usual time.

Mr. Speaker, this rule makes in order H. R. 4624, a very important bill coming from the Committee on Interstate and Foreign Commerce under the leadership of the gentleman from North Carolina [Mr. BULWINKLE]. The gentleman from North Carolina and members of his subcommittee have given months and months of study to this restatement of the laws relating to the Public Health Service. The full committee has unanimously reported this bill.

The bill would bring together in a compact and orderly arrangement substantially all existing law on the subject except obsolete laws and resolve certain ambiguities in existing law and make a number of revisions which operating experience has shown to be necessary or desirable in connection with the Public Health Service. Little or nothing has been done on this line since 1878.

I want to congratulate the gentleman from North Carolina and his subcommittee upon the splendid work they have done. Nearly everybody I have contacted about the bill states that it is in the right direction, that he endorses the bill and urges early and favorable consideration, and this I hope it will receive.

The committee has filed a comprehensive report. I want to compliment the gentleman from North Carolina upon complying so completely with the Ramseyer rule, for the report gives full and complete information as to the various changes and modifications that are embodied in this bill. There are a few changes in present law. Some of the acts were passed over a hundred years ago and need modification and clarification. The committee has done this and has liberalized many of the provisions.

The bill contains one provision which I feel it important to call to your attention and that is the authorization of $20,000,000 as against the former $11,000,000 as grants to the States for general public health work. These grants to various States will be made in accordance with the demonstrated needs and the justifications made. In view of the splendid work that has been rendered the country by the Federal Government in connection with public health, and especially in view of the great interest of this administration, particularly the President, in safeguarding the health of our people, which is near and dear to the President's heart. I believe that authorization also should be approved and the bill should be passed.

I do not wish to detain the House because the chairman of the subcommittee and the gentlemen who drafted the bill are here and ready to make further and fuller explanation of the provisions of this rather long—it contains 94 pages—bill. In view of that I shall yield to the gentleman from North Carolina [Mr. BULWINKLE] such of the time remaining to me as he desires after first yielding 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, I reserve the remainder of my time.

Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made earlier in the day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, as the able chairman of the Committee on Rules has explained, House Resolution 555 makes in order the bill H. R. 4624, to consolidate and revise the laws relating to the Public Health Service, and for other purposes.

It also waives certain provisions of the Ramseyer rule made necessary because of the fact H. R. 4624 repeals a number of obsolete sections of the statutes and because it would be confusing and costly to attempt to print in the original text of this bill all of the various sections that have been repealed.

For some time there has been evidence of a great need for the consolidation of the public-health laws into one act so that there may be one central authority for the functioning of the Public Health Service. This bill has been carefully considered by the Interstate and Foreign Commerce Committee of the House and by a subcommittee thereof and has the unanimous support and endorsement of every agency of the Government interested in public-health matters. It has also the support and recommendation of all the various State agencies of the United States interested in public-health affairs.

We had before us the representatives of the various medical and other public-health associations, as well as representatives of various Government agencies, and I am firmly convinced that both the subcommittee and the full Committee on Interstate and Foreign Commerce of the House have done an excellent piece of work in preparing this legislation for the consideration of the House.

Mr. JENKINS. Will the gentleman yield for a question?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. JENKINS. The gentleman knows very well that there is a natural fear among the medical profession of the Nation in reference to the Government's encroachment upon the province of the medical men. Has there been any opposition interposed anywhere by medical men to this bill?

Mr. BROWN of Ohio. No; with the exception that the committee membership just a day or so ago received a communication from a representative of the dental association. However, that matter has been or will easily be cleared up because of the fact that while a change has been made in one section of the law the bill also makes a change in another section and that leaves dentists in exactly the same position they were prior to the passage of this act, or perhaps even in a better position.

Mr. JENKINS. I have had some little exprience with the Public Health Service, especially in connection with floods and certain calamities. I have found that it has been a great organization, it has done a great work, but also everyone owes an allegiance to the medical profession of this country, and we should not impose upon them any unnecessary restrictions that will invade their profession or rights.

Mr. BROWN of Ohio. Let me say to the gentleman from Ohio that in considering this legislation both the officials of the Public Health Service and the membership of the subcommittee, and I happen to be a member of that subcommittee as well as a member of the Rules Committee, were very careful to make certain that we in no way invaded the field of private medical practice. We did, in this measure, content ourselves only with a service as far as public health is concerned that can be called a real public service. In other words, we have not extended the activities or the range of authority of the Public Health Service further than now pertains except in one or two instances where there have been new developments. For instance, we have given them authority over some new alkaloids and some new drugs that have been discovered that are habit-forming, and which were not mentioned in the old law. We have given them some additional authority, for instance, in employing consultants who are not citizens of this country. Those consultants are being employed and used in foreign ports and in foreign stations where, because of the war, the Public Health Service must today function; and we have given them, by that particular section, the right and authority to go anywhere in the world and get as aids, or assistants and consultants, anyone who may have special knowledge of some tropical disease, let us say, that we in America have had no experience with whatsoever; yet, in order to save American lives it is necessary that we get the benefit of the knowledge that these men in foreign countries may have.

Mr. DONDERO. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. DONDERO. Does this come with a unanimous report to the House?

Mr. BROWN of Ohio. It is a unanimous report.

Mr. DONDERO. Was the medical profession called in and consulted in the preparation of this legislation?

Mr. BROWN of Ohio. The medical profession and different representatives and groups appeared or had an opportunity to be heard. I want to be entirely fair in reference to this. As I mentioned a moment ago, the Dental Association was invited and, as I understand it, did not appear, but later wrote a letter pointing out that in one section of the redrafted bill, or the clean bill, as we call it, the dental profession as a profession had been deleted or stricken out of the law. However, we pointed out to that association that in another section the same authority that they now have and the same rights that they now enjoy have been protected.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Did the committee have representatives of the American Medical Association before it?

Mr. BROWN of Ohio. Yes; we extended an opportunity to be heard to the representatives of all the different branches of medicine.

Mr. ROBSION of Kentucky. They approved it?

Mr. BROWN of Ohio. Yes; as I understand it, they did. May I ask the chairman of the subcommittee to answer that?

Mr. BULWINKLE. The chairman of the legislative committee of the Public Health Association appeared. There was no opposition at all from anyone in the medical profession.

Mr. ROBSION of Kentucky. Did anyone representing the American Medical Association appear?

Mr. BULWINKLE. They had notice of it. May I say to the gentleman from Kentucky that this is not a curative bill. The Public Health Service is organized to prevent the spread of contagious and other diseases in the United States. It does not, as the gentleman from Ohio said, take one thing away from the medical profession which it now has.

Mr. BROWN of Ohio. This is not for the regulation of the private practice of medicine in any way. As I understood it, Dr. Riley and these other gentlemen who appeared are officers of the American Medical Association, and they are satisfied.

Mr. ROBSION of Kentucky. The bill does not infringe on private practice?

Mr. BULWINKLE. Not in the least.

Mr. ROBSION of Kentucky. How about the hospitals? Is there any report on that? Did anybody appear?

Mr. BULWINKLE. Yes.

Mr. ROBSION of Kentucky. Did anyone representing the hospitals express any opposition?

Mr. BULWINKLE. No; not in the least.

Mr. JENSEN. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. JENSEN. Does this bill seek to change any present laws relative to the veterans or their wives or dependents?

Mr. BROWN of Ohio. Oh, no, it does not touch veterans' legislation or veterans' hospitals except that there is a provision, and I wish to be corrected if I am wrong, that in foreign ports, where there are hospital facilities of the Public Health Service, a veteran is entitled to emergency service at those hospitals where he cannot get to a veterans' hospital quickly.

Mr. JENSEN. The gentleman thinks that is the only place?

Mr. BROWN of Ohio. Yes; there is no infringement on the administration of veterans law in any way. Let me say there is only an added help provided for veterans at any time they call on the Public Health Service.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Referring to page 28 and the grants and services to States. I read section 314 very carefully and it

seems to me this is a rather heavy encroachment by the Federal Government upon the States.

Mr. BROWN of Ohio. Of course, that is simply a reenactment of the present law.

Mr. SMITH of Ohio. I understand the present law. There is, for example, the control of venereal disease. Is that a State function or a Federal function? I think it is a State function.

Mr. BROWN of Ohio. I can agree with the gentleman very quickly that it is a State function, primarily; but this does not attempt, if the gentleman will read the section carefully, to control venereal disease within a State. It is only for the purpose of developing more effective measures for the prevention, treatment, and control of venereal disease, and not to carry out the actual cure thereof. It is only to experiment, conduct research, furnish information, and give help as may be called for by the States.

Mr. SMITH of Ohio. We all know what it means when the Federal Government says those things. It means the Federal Government is going in and take charge.

Mr. BROWN of Ohio. Let me say that all of the State health departments and the various local health officials of the different States of the Union have a different viewpoint than that expressed by the gentleman from Ohio, Dr. SMITH, because each and every one of them has approved this bill. They call upon the Federal Health Service only in the case of epidemics, and for information on research and experimentation conducted in the central hospitals or facilities of the Public Health Service.

Mr. SMITH of Ohio. Would not the gentleman expect those health officers to approve this measure? But what I want to know is where the individual physician or the individual citizen stands on this proposition.

Mr. BROWN of Ohio. Of course, I cannot answer for what the gentleman may have in his mind. Let me say again that this provision is simply an extension of the present law. We have codified only this particular provision of the present law on that subject, and your discourse goes back to whether or not the original law should have been enacted, not as to whether it should be recodified. In other words, if this bill is defeated, the law on this particular subject will remain just the same as it is today, or, if it is passed, the present law will not be changed.

Mr. SMITH of Ohio. But there might be this difference. In this instance certainly more funds are going to be granted.

Mr. BROWN of Ohio. Slightly more because of the feeling that there will be a greater health problem during the next few years as we reconvert millions of men from the Army and the Navy back to civilian life; many of them coming back with malaria, or other tropical diseases, so there will be more help needed by the local health boards and communities than in the past. Federal expenditures are still under the control of the Congress, and appropriations must be made by the Congress for any amounts that are used for Public Health Service purposes.

Mr. SMITH of Ohio. The one point I would like to make is that it costs the State much less money to control venereal diseases than its does the Federal Government.

Mr. BROWN of Ohio. The Federal Government does not attempt to control venereal diseases, except as it makes ready for use of the private physician, and of the State and local health authorities, such information as it may obtain through its research and other work in the field of venereal diseases.

Mr. SMITH of Ohio. This says, in so many words, to enable the Surgeon General to carry out the purposes of section 301 with respect to developing more effective measures for the prevention, treatment, and control of venereal diseases.

Mr. BROWN of Ohio. With respect to developing more effective measures for the prevention thereof, certainly. They find some new way to control the disease, and they pass that information on.

Mr. SMITH of Ohio. Will the gentleman admit that there is now a tendency on the part of the Federal Government to encroach upon the States?

Mr. BROWN of Ohio. Certainly; and there has been no man in this House who has been more zealous in protecting the rights of the States and the local communities against encroachment from the Federal Government than I, with the possible exception of the gentleman who addresses me, Dr. SMITH of Ohio.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. As I understand it, in this bill you have written existing law. I would like to ask the gentleman this question: Is there anything in this bill that might authorize the socialization of medicine?

Mr. BROWN of Ohio. No; just directly the opposite, in my opinion.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. BULWINKLE] 10 minutes.

Mr. BULWINKLE. Mr. Speaker, as was so well stated by the gentleman from Ohio and the chairman of the Committee on Rules, this is a bill to revise and consolidate the public-health laws. The public-health laws date back originally to the old maritime laws, which provided maritime hospitalization in 1792. There really has not been a consolidation or codification of the public-health laws since 1875. A great many laws have been enacted by amendments to appropriation bills.

Several years ago a subcommittee of the Committee on Interstate and Foreign Commerce introduced a bill, but we found that in some particulars it merely overlapped what was already in existing law. In order to have the law before us, and in order to do away with and repeal all these obsolete laws, the committee then started to work, with the aid of the legislative counsel of the House and of the Federal Security Administration, to revise all the laws relating to public health.

I may say that there are no great changes in existing law. The only change that has been made, as I said, is the repeal of the obsolete sections and rationalizing inconsistent provisions, resolving doubts and ambiguities in existing law and making certain revisions that are found necessary by long administrative experience.

So I say that the entire bill was carefully gone over. I have never seen any men more conscientious than the gentleman from Ohio [Mr. BROWN], the gentleman from Tennessee [Mr. REECE], the gentleman from Pennsylvania [Mr. SCOTT], the gentleman from Tennessee [Mr. PRIEST], and the gentleman from Pennsylvania [Mr. MYERS], who were present practically all the time at the hearings when we went over this matter.

The first bill was introduced in October. When the hearings were held, notice was sent to everyone. I am saying this because I want to call to your attention that in two particulars the committee will introduce committee amendments, one of which I feel—and I know the gentleman from Ohio feels the same way—should be enacted. We had practically stated that one amendment would be put in the bill, as applied to the shipping on the Great Lakes, and that is the word "primarily."

The other is on page 14, line 12, to insert the word "pharmacist" after the words "sanitary engineering officers."

If there is any question that any Member wishes to ask, if I am able to do so, I will be glad to answer.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Will the gentleman explain those two amendments again?

Mr. BULWINKLE. The first amendment that will be offered is on page 2, line 19, in the definition of "seamen." The definition of "seamen" as now construed is with the word "primarily" omitted. After some hearings we decided or thought we had better place that in there, on account of the fact that in some instances there are men on board vessels who are not seamen, who would come under the provisions of this act, and who only had a temporary position on board. The shipping people on the Great Lakes said that this would affect them. Mr. BROWN and I practically told them we would agree to take it out, but we overlooked it, and for that reason I am asking, when the time comes, that we be permitted to do that. There was no objection at all at the time of the hearings. The State health authorities were all present, and the Members of the Congress spoke to me, as did the gentleman from Wisconsin, about amendments which we saw fit to place in the bill.

The second amendment was the pharmacist field on page 14, line 11, "commissioned officers other than medical, dental, and sanitary engineering officers shall be promoted in accordance with regulations of the President." We felt that they should be classed with these others. It does not make any material

difference, and so we agreed to put them in.

Mr. KEEFE. As I understand, the second amendment relates to the inclusion of a pharmacist.

Mr. BULWINKLE. Yes.

Mr. KEEFE. In the provision to be found in paragraph 4, on page 14.

Mr. BULWINKLE. Yes.

Mr. Speaker, I yield back the remainder of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. ROWE].

Mr. ROWE. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ROWE. Mr. Speaker, I want to call the attention of the House to certain conditions that are now coming into existence which I deem to be of serious proportions. In order to obtain more milk, a No. 1 food item in the United States, this Congress, together with the administration, first paid subsidies to milk producers that we might have it in greater amount. In addition to that, those who are interested in conserving the food of the country issued certain directives and orders that only a certain percentage of the milk used last year could be used this year in the same manner. As a result of that the country now probably enjoys the greatest milk flush it has ever enjoyed in the history of the Nation.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ROWE. Yes; I will be glad to yield.

Mr. BROWN of Ohio. Did I understand the gentleman to say that Congress had authorized milk subsidies?

Mr. ROWE. I say, Congress and the administration.

Mr. BROWN of Ohio. Congress, of course, did not authorize milk subsidies. If I am correct, in fact we voted against all subsidies on foods three or four different times, but our bills prohibiting subsidies were vetoed and we did not have a sufficient majority to pass such legislation over the President's veto. But at all times the majority of Congress has been on record against the payment of any subsidies on food.

Mr. ROWE. I am glad to have the gentleman's contribution. I am not particularly interested in fixing the blame as to who may be responsible excepting for the condition in which we find ourselves now. I do not know whether the Congress may be blamed for granting the power which the administration has to do this under the laws that have been passed. However, the condition does exist. The result now is, as I said before, that the country enjoys the greatest milk flush it has ever had in its history. The problem is, What is happening to this excess flow of milk, this abundant flow of milk that is coming on the market at the present time?

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. ROWE. I will be glad to yield.

Mr. AUGUST H. ANDRESEN. The gentleman knows that a good deal of milk is being dumped in the gutter throughout the country, and the principal reason for that is because of a New Deal agency order prohibiting the delivery which would make possible the use of the milk in the country.

Mr. ROWE. I expect to come to that very condition, sir, and I am glad to have the gentleman's contribution. Let me read to you a news item from a Youngstown, Ohio, paper which reads as follows:

DAIRIES FORCED TO DUMP MILK

YOUNGSTOWN.—Two Youngstown dairies, the Smith Dairy Co. and the Isaly Dairy Co., dumped 1,500 gallons of milk Tuesday because they do not have the facilities to dry or condense it and under Government orders are not permitted to increase milk sales or use the milk for byproducts.

J. H. Heintzelman, of the Smith Dairy, said his firm has been dumping 500 gallons of milk daily for 6 weeks. Walter Paulo, general manager of Isaly's, said the 1,000 gallons had accumulated in the last few days.

Government regulations, the two men say, limit dairies in the amount of milk that can be sold and also limits the amount that can be used for byproducts—ice cream, cottage cheese, and other articles.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. ROWE. I yield.

Mr. JENKINS. Did the gentleman say that is Youngstown, Ohio?

Mr. ROWE. Yes.

Mr. JENKINS. That is not very far from where the gentleman lives.

Mr. ROWE. About 40 miles.

Mr. JENKINS. Let me say to the gentleman I think I saw that same item in the paper. It comes under the A. P. date line, does it not?

Mr. ROWE. That is right.

Mr. JENKINS. That is the same item the gentleman has, it has an Associated Press date line?

Mr. ROWE. This is an item of the Associated Press. It is not dated here. But probably in the paper it is.

In addition to that, on May 15, 1944, I received a communication from the most populous city in the district I represent, which reads as follows:

THE REITER DAIRY CO.,
Akron, Ohio, May 15, 1944.

Hon. EDMUND ROWE,
United States Congressman,
House Office Building,
Washington, D. C.

DEAR MR. ROWE: Yesterday we ran 200 gallons of skim milk down the sewer and today it will be at least 1,000 gallons down the sewer. It looks as though it will be at least that much daily until the flush is over, which will be about the 1st of July.

With the shortage of help I do not believe we will be able to skim that much milk and then we will have to run whole milk down the sewer.

Maybe Mr. Stitts or Marvin Jones can tell us a way out, we don't know. With this subsidy, what else would you expect together with the price we are forced to pay the farmer; he sure is and can turn out the stuff, but the sad story is there are areas like this one where there are insufficient manufacturing facilities to handle such a flood of milk. What can we do?

Very truly yours.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ROWE. I yield.

Mr. MURRAY of Wisconsin. It seems to me that the War Food Administrator and the O. D. T. and O. P. A. should set up a program whereby it should not be necessary to see any of these products wasted. They assuredly have the authority to work this out, but it seems there is altogether too much divided authority. It is regrettable that this good food is being wasted at this time.

Mr. ROWE. Let me bring this to your attention as forcefully as I can. The Ohio Dairy Association saw this flush season coming. They went before the person who has the power to allocate sugar in their attempt to convert sweet whole milk into condensed sweetened milk. When they appeared as an association before this bureaucrat, they told him that they wanted additional sugar for this purpose. He asked what was the purpose. They said to save the flush milk, the No. 1 food product of this country. I am told he drummed on the desk with his pencil and he said, "That is not enough." By reason of the restrictive orders preventing the use of milk still continuing into a time when we have a very flush season, we now are in the unacceptable and unhealthy position of dumping this No. 1 food product down the sewer, as is indicated by these articles I have read. They may, as you say, issue an order to prevent them from dumping the milk. But because there is not an over-all estimation of what will result from their effort in creating an abundance of food and in anticipating its proper use, it is destroyed. This is further evidence of our bureaucratic bungling.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield to the gentleman from Oregon [Mr. ANGELL] such time as he may require.

PORTLAND AERO CLUB CELEBRATES ITS TWENTY-FIFTH ANNIVERSARY

Mr. ANGELL. Mr. Speaker, on May 3 last the Portland Aero Club of my State and district celebrated its twenty-fifth anniversary. It is one of the most active clubs promoting the aviation program in the United States. The objectives of the club were well summed up at the banquet in these words:

Aviation is everybody's business. It is properly of concern not only to aviation enthusiasts but to the community as a whole—to civic leaders, businessmen, educators, parents, and all who are alive to the needs of the day.

There is one large and important group in the country whose interests in aviation is already such that it needs no stimulating. This is the younger generation in the land. All children, even the youngest, are interested in planes * * *, who make them and who fly them. This generation of air-minded youth does not, as we say, need stimulating. But it does need help. The Aero Club of Oregon dedicates its time and its facilities to giving this help in every way possible.

Our colleague the gentleman from West Virginia [Mr. RANDOLPH], who has been an outstanding friend and supporter of aviation, favored our city with his presence at this celebration.

Mr. Speaker, as a part of my remarks, I include an article appearing in the National Aeronautics in its May 1944 issue, as follows:

PORTLAND'S JUBILEE—HOW A GROUP OF FIRST WAR FLYERS BECAME AN AVIATION FORCE AND A CIVIC CENTER

Most of Portland, Oreg., is quite conscious of the fact that the city's aviation enthusiasts are celebrating the twenty-fifth anniversary of their Aero Club this month. The citizenry know that the Portland Aero Club happens to be the center of city and State aviation activity, and the fixed point to which all aviation celebrities naturally gravitate whenever they come within a few hundred miles.

And those who aren't interested in aviation, a very few, of course, know about the anniversary because an incidental accomplishment of the Aero Club is the setting of one of the best tables on the northwest coast. Which in itself is an achievement for an organization that began in the days when airmen lived off hamburger.

The men who formed the club in May 1919, were a group of returned World War No. 1 aviators, who didn't have jobs anyway. Pledging themselves to stand together for mutual benefit in the development of aviation in Oregon, the group of war birds elected Milton Klepper as president and Clarence Eubanks as secretary, and named William Pearson, L. R. Mullineaux, R. C. Barnes, Seth French, and D. C. Warren as directors.

THOSE FLYING CIRCUSES

From the very outset air-mindedness was the slogan of the organization. Commercial aviation companies were formed, flying circuses were held throughout the State, and many other pioneer steps taken to promote interest in flying.

During the first 7 years, membership was restricted to ex-servicemen who had been connected with aviation. Then, with the realization that commercial aviation was fast becoming more important than past war flying, the club was reorganized and the bylaws amended to permit anyone with the interest of aviation at heart to become a member. Among those active in this reorganization were L. L. Adcox, J. G. "Tex" Rankin, Noel B. Evans, James I. Gordon, Arthur McKenzie, and Larry Therkelsen.

In 1927, with increased public interest receiving a new impetus from the transoceanic flights of Lindbergh and others, the need for affiliation with a national body was seen and Aero Club members formed the Portland Chapter of the National Aeronautic Association.

Under that banner the club took a leading part in the development of commercial aviation. Aeronautical legislation, air-mail routes, and transport lines were sponsored. Outstanding in these efforts was Pacific Air Transport. This company, one of the first transport air lines in the country, was organized in Portland with the Aero Club taking the principal role in gaining backing for the enterprise.

The club has had other projects. It has on occasion sent representatives of its own to Washington to help bring the Army air establishments to Oregon. At home, it sold the local folk on the development of the large Portland air base, also known as the Portland Columbia Airport.

The club was consulted in the appointment of the State board of aeronautics, and through this source, has been able to promote and advocate the expansion of airport systems throughout all of Oregon.

NORTHWEST PLANNING COUNCIL

Still a comparatively small group, the club in 1936 took the lead in awaking the Northwest as a whole to the problems and possibilities of aviation. As a result, the Northwest Aviation Planning Council—comprising five Western States, two Provinces of Canada, and Alaska—has met twice yearly ever since.

These many activities were carried on with meetings being held in hotel rooms or borrowed clubrooms—any place a meeting could be held without expense. In 1935, Harry K. Coffey, now one of the country's outstanding sportsman pilots and active in the Civil Air Patrol as a lieutenant colonel and coordinating officer out of Washington, Dr. Raymond Staub, Col. B. K. Lawson, the late Maj. Howard C. French, and others, underwrote the purchase of a modern club home in the central part of metropolitan Portland. This building, formerly the headquarters of the Knights of Columbus, houses one of the finest clubs in the country. Included are a regular marine room with a modern swimming pool, massage, hot room, steam room, and lamp room.

THE "AERODROME"

The first floor consists of a lounge and hangar, while the second floor is given over to a spacious dining room. The "Aerodrome," located on the third floor, is one of the most colorful cocktail lounges on the Pacific coast—a bar at one end, beautiful staircases, mirrors, bright interior decorating, upholstered seats, and luxurious carpeting. A modern gymnasium is on the fourth floor with facilities for all kinds of athletics.

While today, with a world at war, the activities of the club are concerned mainly with the promotion of the Civil Air Patrol and plans for post-war aviation on the Pacific coast, the nostalgic memories of the club's earlier days are still conversation whenever a few of the old-timers gather in the hangar.

They will tell you about how Will Rogers and Wiley Post were entertained at dinner, how the inimitable Will "wisecracked" that he would send back some ice for the cocktail bar that wouldn't melt while speakers introduced each other—and how just 2 days later Rogers and Post crashed to their deaths near Point Barrow, Alaska.

And then another member will tell about Tex Rankin, one of the real pioneers of aviation, and how he worked and struggled to keep the Aero Club a jump or so ahead of the creditors. Although Tex Rankin is now a lot of jumps ahead of the creditors himself—he's president and moving force of the Rankin Aeronautical Corporation at Tulare, Calif.—he is still a member of the club, and visits his alma mater at every opportunity.

Hap Arnold, now chief of the United States Army Air Forces, was an enthusiastic counsellor and regular visitor at the Aero Club while stationed at Vancouver Barracks. General Westover, General Arnold's predecessor as head of the Air Forces, was guest of honor at a meeting the evening before his death in an air crash in California.

PAST PRESIDENTS

Among Aero Club presidents during a quarter of a century were the late Governor of Oregon, Julius L. Meier, L. L. Adcox, Sydney V. W. Peters, Larry Therkelsen, Lt. Basil B. Smith, Capt. L. B. Hickam, Maj. Howard C. French, and George L. Sammis.

Portland and the entire Pacific Northwest is justly proud of its Aero Club and its efforts in behalf of the Civil Air Patrol for the youth of the Nation.

At the banquet commemorating its twenty-fifth birthday on May 3 the Aero Club summed up its credo in these words:

"Aviation is everybody's business. It is properly of concern not only to aviation enthusiasts but to the community as a whole—to civic leaders, businessmen, educators, parents, and all who are alive to the needs of the day.

"There is one large and important group in the country whose interests in aviation is already such that it needs no stimulating. This is the younger generation in the land. All children, even the youngest, are interested in planes * * * who make them and who fly them. This generation of air-minded youth does not, as we say, need stimulating. But it does need help. The Aero Club of Oregon dedicates its time and its facilities to giving this help in every way possible."

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

INTERNATIONAL MONETARY CONFERENCE

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I am taking this time to call to the attention of Congress and the country to the decision of the President to call an international monetary conference in the near future without first submitting the proposed international monetary plan to Congress for approval.

Some days ago our colleague the gentleman from Illinois [Mr. DEWEY] presented a plan to the Committee on Foreign Affairs, proposing to give aid in the reconstruction of the post-war world to needy people. Mr. White, the Under Secretary of the Treasury, who is the author of a new international finance plan, appeared against Mr. DEWEY's bill because, he said, if such legislation was enacted into law to aid the people of foreign countries, it would be a disappointment to the financial experts from those countries. Now it appears that the financial experts from 43 nations have come to the United States or have been called in individually by the Secretary of the Treasury and have agreed to a plan which they propose to put into operation. It is called the International Stabilization Fund, having a capital of $8,000,000,000, a large share of which is to be contributed by the American people. This scheme has not been considered by Congress.

Now, I have insisted that Congress should pass upon this important question before the President calls his international monetary conference. I submitted such a request to the chairman of one of the committees which would have charge of part of this legislation, and he refuses to call a meeting of our committee. I think it is our duty to pass upon a matter of this importance which seeks to commit our country, before the administration calls in the other nations of the world and makes promises which may never be carried out or agreed to by Congress. It is now quite apparent we will not get the details, secret and otherwise, of the so-called Treasury monetary plan and that the President will call this conference and commit the United States to a program of international financing involving billions of dollars of the American people's money before Congress passes upon the merits of the plan.

After the international monetary conference has agreed, then the President will come before Congress with his agreed plan to finance the world with a message stating: "Now, I have committed the United States," the President will say, "to finance the world with the American people's money and you in Congress

will have to pass it or you will disappoint the financial experts in the other countries of the world and you will also disappoint the other people in the world who are expecting financial aid from the United States."

Mr. JONKMAN. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. JONKMAN. Is that not just the process followed in U. N. R. R. A.?

Mr. AUGUST H. ANDRESEN. Exactly.

Mr. JONKMAN. In other words, before the United States becomes a signatory to the agreement or to whatever you want to call it, the only way Congress can give its consent is by furnishing the funds or withholding them?

Mr. AUGUST H. ANDRESEN. That is right. And the same plan will be put into operation with the establishment of the international monetary fund and the international reconstruction bank and other similar agencies. But I want to point out that the far-reaching effect of these international monetary schemes go much further than the U. N. R. R. A., because the agencies created to handle the money of the world will also control the economy of every country in the world. Now it happens, and I am sure most of you know it, that an international board of directors will control the affairs and fix the policies of the international bank that is to be created. It happens that the majority, in fact all others except the United States, who will be on this board of directors owe the United States money. They will fix the policy on what is to be done and we will have to abide by it or get out of it, and then we will be left out of world trade. I say that Congress should consider this legislation before the President has his international monetary conference. To do otherwise may jeopardize the future welfare of our country. The Americans expect their Congress to protect them.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, I take this time to pay a well deserved tribute to the members of this Committee on Interstate and Foreign Commerce, which has submitted the recodification of the laws relative to the Public Health Service. I want the record to show that as one who was extremely interested in the recodification of the Public Health Service laws I found this committee to be receptive to every reasonable suggestion that could be offered that would improve the Public Health Service, and especially provide for the maintenance of the Federal-State relationship between the Federal Public Health Service and the State Public Health Service.

As a member of the subcommittee on appropriations which furnishes appropriations for the Federal Security Agency and the Public Health Service, which is a part of and under the general jurisdiction of the Federal Security Agency, I want to say that I know of no agency in this Government that is doing a finer piece of work and that is headed by finer men who are devoted to the public service than the men who are giving their lives to the service of their country in the public-health work. I know of no man that has greater confidence of the committee that I have the honor to serve than General Parran, who heads the Public Health Service of this country.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. H. CARL ANDERSEN. I simply want to corroborate the statement of the gentleman in regard to the high opinion which our committee has of these high public officials he has just mentioned.

Mr. KEEFE. I thank the gentleman.

I am pleased to note that the committee has provided in this consolidation for a minimum authorization of $20,000,000 to provide for the venereal-disease-control program of this country. Under existing law the Committee on Appropriations is limited to an appropriation of $11,000,000. The result has been that the Public Health Service, in cooperation with the States, has been compelled to go to other sources to get the necessary funds with which to carry on the effective work of this program during the World War. So we have seen a rather divided authority in the matter of handling these funds. Part of the funds have been provided through the regular appropriating agency—the Appropriations Committee—and the Public Health Service has had to have almost an equal amount of its appropriation supplied from the so-called Lanham Act funds. I am glad that this authorization has been increased under the provisions of this law so that the Public Health Service can come to the regular committee of Congress—the Appropriations Subcommittee—and can there present justification for their entire program. This is a fine step in the right direction, and the Appropriations Committee will have in one place a codification of public-health laws that are applicable to various items of appropriation that annually come before the subcommittee for attention.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. SABATH. Mr. Speaker, naturally, I am gratified to hear gentlemen on the Republican side give due credit to the United States Public Health Service. I agree with them that it is headed by a splendid gentleman and a man of great professional and organizational ability, Dr. Parran. That activity has rendered a really beneficial service to the country. Under this bill I hope it will continue to carry out the plans and purposes of the administration so as to be of the greatest possible help to the people of the whole country.

Of course, once in a while we hear charges of bureaucrats, but whenever we appropriate public money that is divided among the various States there is no objection, as I have observed. It is gratifying to me that once in a while we do not hear these charges of bureaucrats when the money is so nicely and broadly and liberally given to the States, to aid the States in carrying on functions which rightly belong to the States at their own expense. I have no objection to that. I am in favor of anything that will help people in any section of the country.

MILK ALLEGEDLY DESTROYED

Answering the gentleman from Ohio [Mr. BROWN] as to alleged disposition of milk, the gentleman has called attention to the amount of milk that is being destroyed. I regret it, because only a few days ago we had a bill here which would enable the poor children in various sections of our country to obtain these lunches and some of this milk. Unfortunately, many gentlemen, or most of you on the Republican side, voted against it. The bill is coming back here. I think the conferees have agreed on an amount provided, against which there was opposition; and that report will be before us tomorrow, and I hope that these gentlemen, in view of the great oversupply of milk, will see the light and vote for the conference report, which will give these children school lunches and milk which is being destroyed in many sections of Ohio, so the gentleman from Ohio states.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. BROWN of Ohio. I wonder if the gentleman from Illinois [Mr. SABATH] would not agree with me that instead of destroying this milk that has already been paid for, it might be a better idea to just give it to the children without passing any legislation to buy additional milk when you already have paid for some. I think we could save money both ways, and I know the gentleman is very much in favor of saving money.

Mr. SABATH. I wonder why we, instead of pouring this milk into the sewers, could not have given it to the poor children. I know that, notwithstanding the country is prosperous, we still have some poor children of widows and children of those who are serving our Nation that could have been benefited to a great extent if this milk had been given to them instead of being poured into the sewer.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. AUGUST H. ANDRESEN. With reference to milk, this concern that dumped the milk into the sewer did not have cool storage space to keep it in, and one of these bureaucratic agencies of the O. D. T. would not let them deliver it on that day.

Mr. SABATH. I thank the gentleman, who is an expert in dairying, for his observation. If they did not have storage space, the milk could have soured, and sour milk is more healthful than sweet milk.

Furthermore, they could have made cheese or butter out of this milk; the Government agency would not have stopped them from doing that. I think it is merely done for the purpose of giving to the country real knowledge that there is a surplus of milk; and I am glad of it, because some months ago certain gentlemen claimed there was a

terrific shortage of milk, and that we must grant subsidies for the farmers and the dairymen of this country else they would be ruined. Some gentlemen from New York brought in here a placard showing that some dairies were going to be sold. I then called attention to the fact that they were going to be sold because the price the farmer was getting for his stock was so much greater than he had paid for it that he is making a handsome profit, and he will simply put the money in his jeans and go and live in the future without the necessity of managing a dairy. In view of all these facts, I hope these gentlemen from the dairy sections, like the gentleman from Wisconsin [Mr. KEEFE] will not in the future cry and plead and urge subsidies and subsidies for the "poor" dairy farmers. I maintain that farmers generally are more prosperous today under Democratic administration than they have ever been. God bless them. I am glad of it; but why should they insist upon such a high price for milk and cream and cheese that we poor people in the cities are obliged to use? I cannot understand it.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. SABATH. This afternoon, as soon as I am through, I am going to call up the O. P. A. to learn why it continues to pay subsidies to these dairy farmers and refuses to allow the use of milk and cream for the manufacture of ice cream and cheese and other things that are much needed. To that extent, I agree with the gentleman.

Mr. KEEFE. Will the gentleman yield at that point?

Mr. SABATH. Yes; to you. Of course, I never can refuse to yield to the industrious gentleman from Wisconsin.

Mr. KEEFE. I thank the handsome and distinguished gentleman from Illinois. But may I call his attention to this situation, and suggest to him that when he calls up the O. P. A. this afternoon he also ask what orders have been put out by the O. P. A. that have precipitated the very situation that the gentleman from Ohio referred to this morning.

The gentleman will find out if he gets the facts that a quota order on a base period has been issued by the O. P. A. which restricts the plants processing milk to 75 percent, I believe, of its production during the base period; and the operator will be sent to jail and fined or both if he tries to manufacture that milk or if he attempts to distribute it to his customers beyond the amount fixed during the base period. So that milk goes down the sewer by virtue of that order and for no other reason.

Mr. SABATH. All right; I thank the gentleman for his explanation, but there is no law I can find or no order issued that I know of that would preclude them from giving this milk to the poor children.

Mr. ROWE. They cannot dispose of it.

Mr. SABATH. Yes; they can. I know something about it. There is nothing in the law that would preclude them from giving that milk to poor, needy people, giving all the surplus they may have—and there is plenty of surplus not only of milk but of other farm products, in view of labor and other aids given the farms; that is what I wanted to learn.

I fully appreciate that some things are done by O. P. A. that should not be done. Many months ago I called attention to some of their regulations, but I was under the impression that lately since we have a Republican at the head of it and 85 percent of the people who are issuing these orders are Republicans, that we finally had reached real orderly procedure; instead, however, things are getting worse. I know they, nevertheless, will endeavor to correct, after experience, any mistakes of omission or commission.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. SABATH. No; I cannot.

Mr. Speaker, I move the previous question on the rule.

The previous question was ordered.

The resoultion was agreed to.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that the bill (H. R. 4624) to consolidate and revise the laws relating to the Public Health Service, and for other purposes, be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc.

TITLE I—SHORT TITLE AND DEFINITIONS

SHORT TITLE

SECTION 1. Titles I to V, inclusive, of this act may be cited as the "Public Health Service Act."

DEFINITIONS

SEC. 2. When used in this act—

(a) The term "Service" means the Public Health Service;

(b) The term "Surgeon General" means the Surgeon General of the Public Health Service;

(c) The term "Administrator" means the Federal Security Administrator;

(d) The term "regulations," except when otherwise specified, means rules and regulations made by the Surgeon General with the approval of the Administrator;

(e) The term "executive department" means any executive department, agency, or independent establishment of the United States or any corporation wholly owned by the United States;

(f) The term "State" means a State or the District of Columbia, Hawaii, Alaska, Puerto Rico, or the Virgin Islands, except that as used in section 361 (d) such term means a State, the District of Columbia, or Alaska;

(g) The term "possession" includes, among other possessions, Puerto Rico and the Virgin Islands;

(h) The term "seamen" includes any person employed on board primarily in the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation;

(i) The term "vessel" includes every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water, exclusive of aircraft and amphibious contrivances;

(j) The term "habit-forming narcotic drug" or "narcotic" means opium and coca leaves and the several alkaloids derived therefrom, the best known of these alkaloids being morphia, heroin, and codeine, obtained from opium, and cocaine derived from the coca plant; all compounds, salts, preparations, or other derivatives obtained either from the raw material or from the various alkaloids; Indian hemp and its various derivatives, compounds, and preparations, and peyote in its various forms; and

(k) The term "addict" means any person who habitually uses any habit-forming narcotic drug so as to endanger the public morals, health, safety, or welfare, or who is or has been so far addicted to the use of such habit-forming narcotic drugs as to have lost the power of self-control with reference to his addiction.

TITLE II—ADMINISTRATION

PUBLIC HEALTH SERVICE

SEC. 201. The Public Health Service in the Federal Security Agency shall be administered by the Surgeon General under the supervision and direction of the Administrator.

ORGANIZATION

SEC. 202. The Service shall consist of (1) the Office of the Surgeon General, (2) the National Institute of Health, (3) the Bureau of Medical Services, and (4) the Bureau of State Services. The Surgeon General is authorized and directed to assign to the Office of the Surgeon General, to the National Institute of Health, to the Bureau of Medical Services, and to the Bureau of State Services, respectively, the several functions of the Service, and to establish within them such divisions, sections, and other units as he may find necessary; and from time to time abolish, transfer, and consolidate divisions, sections, and other units and assign their functions and personnel in such manner as he may find necessary for efficient operation of the Service. No division shall be established, abolished, or transferred, and no divisions shall be consolidated, except with the approval of the Administrator. The National Institute of Health shall be administered as a part of the field service. The Surgeon General may delegate to any officer or employee of the Service such of his powers and duties under this act, except the making of regulations, as he may deem necessary or expedient.

COMMISSIONED CORPS

SEC. 203. There shall be in the Service a commissioned Regular Corps and, for the purpose of securing a reserve for duty in the Service in time of national emergency, a Reserve Corps. All commissioned officers shall be citizens and shall be appointed without regard to the civil-service laws and compensated without regard to the Classification Act of 1923, as amended. Commissioned officers of the Reserve Corps shall be appointed by the President and commissioned officers of the Regular Corps shall be appointed by him by and with the advice and consent of the Senate. Commissioned officers of the Reserve Corps shall at all times be subject to call to active duty by the Surgeon General, including active duty for the purpose of training and active duty for the purpose of determining their fitness for appointment in the Regular Corps. All active service in the Reserve Corps, as well as service in the Regular Corps, shall be credited for the purpose of promotion in the Regular Corps.

SURGEON GENERAL

SEC. 204. The Surgeon General shall be appointed from the Regular Corps for a 4-year term by the President by and with the advice and consent of the Senate. Upon the expiration of such term the Surgeon General, unless reappointed, shall revert to the grade and number in the Regular Corps that he would have occupied had he not served as Surgeon General.

DEPUTY SURGEON GENERAL AND ASSISTANT SURGEONS GENERAL

SEC. 205. (a) The Surgeon General shall assign one commissioned officer from the Regular Corps to administer the Office of the Surgeon General, to act as Surgeon General during the absence or disability of the Surgeon General or in the event of a vacancy in that office, and to perform such other duties as the Surgeon General may prescribe, and while so assigned he shall have the title of Deputy Surgeon General.

(b) The Surgeon General shall assign six commissioned officers from the Regular Corps to be, respectively, the Director of the National Institute of Health, the Chief of the Bureau of State Services, the Chief of the Bureau of Medical Services, the Chief Medical Officer of the United States Coast Guard, the Chief Dental Officer of the Service, and the Chief Sanitary Engineering Officer of the Service, and while so serving they shall each have the title of Assistant Surgeon General.

(c) The Surgeon General shall designate the Assistant Surgeon General who shall serve as Surgeon General in case of absence or disability, or vacancy in the offices, of both the Surgeon General and the Deputy Surgeon General.

GRADES, RANKS, AND TITLES OF THE COMMISSIONED CORPS

SEC. 206. (a) The Surgeon General, during the period of his appointment as such, shall be of the same grade, with the same pay and allowances, as the Surgeon General of the Army; and the Deputy Surgeon General and Assistant Surgeons General, while assigned as such, shall have the grade corresponding with the grade of Brigadier General, with the same pay and allowances. The grades of commissioned officers of the Service shall correspond with grades of officers of the Army as follows:

(1) Officers of the director grade—colonel;

(2) Officers of the senior grade—lieutenant colonel;

(3) Officers of the full grade—major;

(4) Officers of the senior assistant grade—captain;

(5) Officers of the assistant grade—first lieutenant; and

(6) Officers of the junior assistant grade—second lieutenant.

(b) The titles of medical officers of the foregoing grades shall be respectively (1) medical director, (2) senior surgeon, (3) surgeon, (4) senior assistant surgeon, (5) assistant surgeon, and (6) junior assistant surgeon. The President is authorized to prescribe titles, appropriate to the several grades, for commissioned officers of the Service other than medical officers. All titles of the officers of the Reserve Corps shall have the suffix "Reserve."

SPECIAL TEMPORARY POSITIONS

SEC. 207. (a) When necessary for the accomplishment of important temporary work in time of war, or of emergency proclaimed by him, the President may establish special temporary positions in the Service and prescribe grades which shall be applicable to officers during periods they are assigned to such positions. While assigned to any such position an officer shall receive the pay and allowances applicable to the grade so prescribed. Not more than three such positions existing at any one time shall have the grade of Assistant Surgeon General. The Surgeon General shall assign commissioned officers to such positions.

(b) Commissioned officers and qualified technical or professional noncommissioned personnel may be assigned by the Surgeon General to be chiefs of administrative units. Such assignments shall not affect the pay of commissioned officers so assigned, except that when any commissioned officer below the grade of director is assigned to serve as chief of a division such officer during the period so assigned shall have the temporary grade and receive the pay and allowances applicable to the director grade.

APPOINTMENT OF PERSONNEL

SEC. 208. (a) (1) Except as provided in subsection (b) of this section, original appointments to the Regular Corps may be made only in the junior assistant, assistant, and senior assistant grades and original appointments to a grade above junior assistant shall be made only after passage of an examination, given in accordance with regulations of the President, in one or more of the several branches of medicine, surgery, dentistry, hygiene, sanitary engineering, pharmacy, or related scientific specialties in the field of public health.

(2) Original appointments to the Reserve Corps may be made to any grade up to and including the director grade but only after passage of an examination given in accordance with regulations of the President. Reserve commissions shall be for a period of not more than 5 years and any such commission may be terminated by the President at any time, in his discretion.

(b) Whenever commissioned officers of the Service are not available for the performance of permanent duties requiring highly specialized training and experience in special fields related to public health, the Administrator on recommendation of the Surgeon General shall report that fact to the President and the President is authorized to appoint, by and with the advice and consent of the Senate, not to exceed three persons in any one fiscal year to grades in the Regular Corps of the Service above that of senior assistant, but not to a grade above that of director; and for purposes of pay and pay period any person appointed under the provisions of this section shall be considered as having had on the date of appointment service equal to that of the junior officer of the grade to which appointed.

(c) In accordance with regulations, special consultants may be employed to assist and advise in the operations of the Service. Such consultants may be appointed without regard to the civil-service laws and their compensation may be fixed without regard to the Classification Act of 1923, as amended.

(d) In accordance with regulations, individual scientists, other than commissioned officers of the Service, may be designated by the Surgeon General to receive fellowships, appointed for duty with the Service without regard to the civil-service laws and compensated without regard to the Classification Act of 1923, as amended, may hold their fellowships under conditions prescribed therein, and may be assigned for studies or investigations either in this country or abroad during the terms of their fellowships.

(e) Persons who are not citizens may be employed as consultants pursuant to subsection (c) and may be appointed to fellowships pursuant to subsection (d). Unless otherwise specifically provided, any prohibition in any other act against the employment of aliens, or against the payment of compensation to them, shall not be applicable in the case of persons employed or appointed pursuant to such subsections.

(f) The appointment of any officer or employee of the Service made in accordance with the civil-service laws shall be made by the Administrator, and may be made effective as of the date on which such officer or employee enters upon duty.

PAY AND ALLOWANCES

SEC. 209. (a) Commissioned officers of the Regular Corps shall receive such pay and allowances as are or may hereafter be provided by law.

(b) Reserve officers shall receive the same pay and allowances when on active duty as commissioned officers of the Regular Corps, including allowances for travel and transportation of household goods and effects.

(c) In accordance with regulations of the President, commissioned officers of the Regular Corps and officers of the Reserve on active duty may make allotments from their pay and may be granted leaves of absence without any deduction from their pay. Such officers shall also be permitted to purchase quartermaster supplies from the Army, Navy, and Marine Corps at the same price as is charged officers of the Army, Navy, and Marine Corps.

(d) Female commissioned officers of the Service shall receive the same pay and allowances as male officers of corresponding grades, including allowances for dependents, except that no allowance shall be paid to any female commissioned officer on account of any dependent who is not in fact dependent upon such officer for his or her chief support. For the purposes of this subsection the term "dependent" shall include a husband, father, mother, and unmarried children (including stepchildren and adopted children) under 21 years of age.

(e) Members of the National Advisory Health Council and members of the National Advisory Cancer Council, other than ex officio members, while attending conferences or meetings of their respective councils or while otherwise serving at the request of the Surgeon General, shall be entitled to receive compensation at a rate to be fixed by the Administrator, but not exceeding $25 per diem, and shall also be entitled to receive an allowance for actual and necessary traveling and subsistence expenses while so serving away from their places of residence.

(f) Field employees of the Service, except those employed on a per diem or fee basis, who render part-time duty and are also subject to call at any time for services not contemplated in their regular part-time employment, may be paid annual compensation for such part-time duty and, in addition, such fees for such other services as the Surgeon General may determine; but in no case shall the total paid to any such employee for any fiscal year exceed the amount of the minimum annual salary rate of the classification grade of the employee.

(g) Whenever any commissioned or other officer or employee of the service is assigned for duty which the Surgeon General finds requires intimate contact with persons afflicted with leprosy, he may receive, as provided by regulations of the President, in addition to the pay and any allowances of his grade, not more than one-half the pay of such grade, and such allowances or increased allowances as may be provided for by such regulations.

(h) Individuals appointed under section 208 (d) shall have included in their fellowships such stipends or allowances, including travel and subsistence expenses, as the Surgeon General may deem necessary to procure qualified fellows.

PROMOTIONS AND SEPARATION OF COMMISSIONED OFFICERS IN THE REGULAR CORPS

SEC. 210. (a) Promotions of commissioned officers of the Regular Corps to any grade up to and including the director grade shall be made only after examination given in accordance with regulations of the President and shall be made according to the same length of service as is now or may hereafter be prescribed for promotion of officers of corresponding grades of the Medical Corps of the Army, except that—

(1) In time of war, or of national emergency proclaimed by the President, any commissioned officer of the Regular Corps may be appointed to a higher temporary grade with the pay and allowances thereof without examination and without vacating his permanent appointment, and, if his service shall have been continuous, without renewing his oath of office;

(2) For purposes of promotion, an officer whose original appointment to the Regular Corps was above the assistant grade shall be considered as having had on the date of such original appointment service equal to that of the junior officer of the grade to which he was appointed, except that if his active commissioned service in the Service exceeds that of the junior officer of the grade, such service (not exceeding 10 years for an officer appointed in the senior assistant grade and 14 years for an officer appointed in the full grade) shall be credited for purposes of promotion;

(3) Officers commissioned in the grade of junior assistant shall be examined for promotion after not more than 2 years of service and if qualified shall be promoted to the next higher grade; and

(4) Commissioned officers other than medical, dental, and sanitary engineering officers shall be promoted in accordance with regulations of the President.

(b) At the end of his first 3 years of service, the record of each commissioned officer in the Regular Corps originally appointed in or above the grade of senior assistant shall be reviewed in accordance with regulations of the President and if found not fully qualified for further service he shall be separated from the Service and paid 6 months' pay and allowances.

(c) When a commissioned officer in the Regular Corps is found, after examination, to be not qualified for promotion for reasons other than physical disability incurred in line of duty—

(1) If below the full grade he shall be separated from the Service, and if in the assistant grade he shall be separated and paid 6 months' pay and allowances, and if in the senior assistant grade he shall be separated and paid 1 year's pay and allowances; and

(2) If in the full or senior grade he shall be reported as not in line of promotion, or shall be retired and paid at the rate of 2½ percent for each complete year of active commissioned service in the Service, but in no case to exceed 60 percent of his active pay at the time he is retired.

RETIREMENT OF COMMISSIONED OFFICERS

SEC. 211. (a) A commissioned officer of the Regular Corps retired for disability from disease or injury incurred in line of duty, or a commissioned officer of the Reserve Corps retired for disability from disease or injury incurred in line of duty in time of war, shall be entitled, except as provided in subsection (c), to receive retired pay at the rate of 75 percent of his active pay at the time of retirement.

(b) A commissioned officer shall be retired on the first day of the month following his sixty-fourth birthday. If he is an officer in the Regular Corps, he shall, except as provided in subsection (c), be entitled to receive retired pay at the rate of 75 percent of his active pay at the time of retirement.

(c) (1) Any commissioned officer of the Regular Corps who at the time of his original appointment was more than 45 years of age shall upon retirement, unless retired for disability from disease or injury incurred in time of war, be entitled to retired pay only at the rate of 4 percent of his active pay at the time of retirement for each 12 months of active commissioned service, including any such service in the Army, Navy, or Coast Guard, but in no case more than 75 percent of such active pay.

(2) The retired pay of any commissioned officer who has served 4 years or more as Surgeon General or Deputy Surgeon General shall be based on the pay of the highest grade held by him as such Surgeon General or Deputy Surgeon General.

(3) The retired pay of an officer of the Regular Corps who has failed, by reason of disability incurred in line of duty, to receive a promotion to which he would otherwise have been entitled, shall be based on the pay of the grade to which, but for such disability, he would have been promoted.

(d) An officer retired for disability who is found to have recovered from his disability, and in time of war an officer who has been retired for age, may in accordance with regulations of the President be recalled to active duty.

(e) With the approval of the President, a commissioned officer who has served 4 years or more as Surgeon General and who has had not less than 25 years of active commissioned service in the Service may retire voluntarily, either at the termination of his term as Surgeon General or at any time thereafter; and his retired pay shall be at the rate of 75 percent of the pay of the highest grade held by him as such Surgeon General.

(f) Commissioned officers of the Reserve Corps, while on active duty, shall be deemed to be officers of the executive branch of the Government within the meaning of section 3 of the Civil Service Retirement Act, as amended (U. S. C., 1940 ed., title 5, sec. 693).

MILITARY BENEFITS

SEC. 212. (a) For the purposes of this section—

(1) the term "full military benefits" means all rights, privileges, immunities, and benefits provided under any law of the United States in the case of commissioned officers of the Army (including their surviving beneficiaries) on account of active military service, including, but not limited to, burial payments in the event of death, 6 months' pay in case of death, veterans' compensation and pensions and other veterans' benefits, the rights provided under the Soldiers' and Sailors' Civil Relief Act, as amended, and under the National Service Life Insurance Act, as amended, travel allowances, including per diem allowances for travel without regard to repeated travel between two or more places in the same vicinity, exemption from payment of postage on mail, exemption of certain pay from Federal income taxation, and other benefits, privileges, and exceptions under the Internal Revenue laws; excluding, however, retired pay, uniform allowances, the right to be awarded military ribbons, medals, and decorations, and the benefits of the Mustering-Out Payment Act of 1944, and excluding reemployment rights with respect to any commissioned officer of the Service except officers of the Reserve Corps called to active duty after November 11, 1943; and

(2) the term "limited military benefits" means full miltary benefits, except veterans' compensation and pension and other veterans' benefits, and eligibility under the National Service Life Insurance Act, as amended.

(b) Commissioned officers of the Service (including their surviving beneficiaries)—

(1) shall be entitled to limited military benefits with respect to all active service in time of war;

(2) shall be entitled to full military benefits with respect to active service performed while detailed for duty with the Army, Navy, or Coast Guard;

(3) shall be entitled to full military benefits with respect to active service outside the continental limits of the United States, or in Alaska, in time of war;

(4) shall be entitled to full military benefits with respect to active service performed while the Service is part of the military forces of the United States pursuant to Executive order of the President.

(c) The authority vested by law in the War Department, the Secretary of War, or other officers of the War Department with respect to rights, privileges, immunities, and benefits referred to in subsection (a) shall be exercised, with respect to commissioned officers of the Service, by the Surgeon General under the supervision and direction of the Administrator.

(d) The President may prescribe the conditions under which commissioned officers of the Service may be awarded military ribbons, medals, and decorations.

ALLOWANCES FOR UNIFORMS

SEC. 213. An allowance of $250 for uniforms and equipment is authorized to be paid to each commissioned officer of the Service who is hereafter, in time of war, appointed to the Regular Corps or called to active duty in the Reserve Corps, or who is hereafter on active duty in either corps at the commencement of any war, if at such time the officer is in the grade of junior assistant, assistant, or senior assistant, and is receiving the pay of the first, second, or third pay period; except that no officer who has received such an allowance from the Service shall at any time thereafter be entitled to any further allowance.

DETAIL OF PERSONNEL

SEC. 214. (a) The Administrator is authorized, upon the request of the head of an executive department, to detail officers or employeees of the Service to such department for duty as agreed upon by the Administrator and the head of such department in order to cooperate in, or conduct work related to the functions of such department or of the Service. When officers or employees are so detailed their salaries and allowances may be paid from working funds established as provided by law or may be paid by the Service from applicable appropriations and reimbursement may be made as agreed upon by the Administrator and the head of the executive department concerned. Officers detailed for duty with the Army, Navy, or Coast Guard shall be subject to the laws for the government of the Service to which detailed.

(b) Upon the request of any State health authority, personnel of the Service may be detailed by the Surgeon General for the purpose of assisting such State or a political subdivision thereof in work related to the functions of the Service.

(c) The Surgeon General may detail personnel of the Service to nonprofit educational, research, or other institutions engaged in health activities for special studies of scientific problems and for the dissemination of information relating to public health.

(d) Personnel detailed under subsections (b) and (c) shall be paid from applicable appropriations of the Service, except that, in accordance with regulations such personnel may be placed on leave without pay and paid by the State, subdivision, or institution to which they are detailed. The services of personnel while detailed pursuant to this section shall be considered as having been performed in the Service for purposes of longevity pay, promotion, retirement, compensation for injury or death, and the benefits provided by section 212.

REGULATIONS

SEC. 215. (a) The President shall, from time to time prescribe regulations with respect to the appointment, promotion, retirement, termination of commission, titles, pay, uniforms, allowances (including increased allowances for foreign service), and discipline of the commissioned corps of the Service.

(b) The Surgeon General, with the approval of the Administrator, unless specifically otherwise provided, shall promulgate all other regulations necessary to the administration of the Service, including regulations with respect to travel, transportation of household goods and effects, allotments from their pay by commissioned officers, and uniforms for employees, and regulations with respect to the custody, use, and preservation of the records, papers, and property of the Service.

(c) No regulation relating to qualifications for appointment of medical officers or employees shall give preference to any school of medicine.

USE OF SERVICE IN EMERGENCY

SEC. 216. In time of war, or of emergency proclaimed by the President, he may utilize the Service to such extent and in such manner as shall in his judgment promote the public interest, and in time of war he may by Executive order declare the commissioned corps of the Service to be a military service. Upon such declaration, and during the period of such war or such part thereof as the President shall prescribe, the commissioned corps (1) shall constitute a branch of the land and naval forces of the United States, and (2) to the extent prescribed by regulations of the President, shall be subject to the Articles of War and to the Articles for the Government of the Navy: *Provided*, That during such period or part thereof the commissioned corps shall continue to operate as part of the Service except to the extent that the President may direct as Commander in Chief.

NATIONAL ADVISORY HEALTH AND CANCER COUNCILS

SEC. 217. (a) The National Advisory Health Council shall consist of 14 members. The Director of the National Institute of Health, and three experts, one each from the Army, the Navy, and the Bureau of Animal Industry, to be detailed by the Secretary of War, the Secretary of the Navy, and the Secretary of Agriculture, respectively, shall be ex officio members of the Council. The Surgeon General, with the approval of the Administrator, shall appoint, without regard to the civil-service laws, 10 members of the Council who shall be persons, not otherwise in the employ of the United States, skilled in the sciences related to health. Each appointed member shall hold office for a term of 5 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. An appointed member shall not be eligible to serve continuously for more than 5 years but shall be eligible for reappointment if he has not served immediately preceding his reappointment.

(b) The National Advisory Health Council shall advise, consult with, and make recommendations to, the Surgeon General on matters relating to health activities and functions of the Service. The Surgeon General is authorized to utilize the services of any member or members of the Council, and where appropriate, any member or members of the National Advisory Cancer Council in connection with matters related to the work of the Service, for such periods, in addition to conference periods, as he may determine.

(c) The National Advisory Cancer Council shall consist of the Surgeon General ex officio, who shall be Chairman, and of six members to be appointed without regard to the civil-service laws by the Surgeon General with the approval of the Administrator. The six appointed members shall be selected from leading medical or scientific authorities who are outstanding in the study, diagnosis, or treatment of cancer. Each appointed member shall hold office for a term of 3 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. An appointed member shall not be eligible to serve continuously for more than 3 years but shall be eligible for reappointment if he has not served immediately preceding his reappointment.

TITLE III—GENERAL POWERS AND DUTIES OF PUBLIC HEALTH SERVICE

PART A—RESEARCH AND INVESTIGATIONS

In general

SEC. 301. The Surgeon General shall conduct in the Service, and encourage, cooperate with, and render assistance to other appropriate public authorities, scientific institutions, and scientists in the conduct of, and promote the coordination of, research, investigations, experiments, demonstrations, and studies relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and impairments of man, including water purification, sewage treatment, and pollution of lakes and streams. In carrying out the foregoing the Surgeon General is authorized to—

(a) Collect and make available through publications and other appropriate means, information as to, and the practical application of, such research and other activities;

(b) Make available research facilities of the Service to appropriate public authorities, and to health officials and scientists engaged in special study;

(c) Establish and maintain research fellowships in the Service with such stipends and allowances, including traveling and subsistence expenses, as he may deem necessary to procure the assistance of the most brilliant and promising research fellows from the United States and abroad;

(d) Make grants in aid to universities, hospitals, laboratories, and other public or private institutions, and to individuals for such research projects as are recommended by the National Advisory Health Council, or, with respect to cancer, recommended by the National Advisory Cancer Council;

(e) Secure from time to time and for such periods as he deems advisable, the assistance and advice of experts, scholars, and consultants from the United States or abroad;

(f) For purposes of study, admit and treat at institutions, hospitals, and stations of the Service, persons not otherwise eligible for such treatment; and

(g) Adopt, upon recommendation of the National Advisory Health Council, or, with respect to cancer, upon recommendation of the National Advisory Cancer Council, such additional means as he deems necessary or appropriate to carry out the purposes of this section.

Narcotics

SEC. 302. (a) In carrying out the purposes of section 301 with respect to narcotics, the studies and investigations shall include the use and misuse of narcotic drugs, the quantities of crude opium, coca leaves, and their salts, derivatives, and preparations, together with reserves thereof, necessary to supply the normal and emergency medicinal and scientific requirements of the United States. The results of studies and investigations of the quantities of crude opium, coca leaves, or other narcotic drugs, together with such reserves thereof, as are necessary to supply the normal and emergency medicinal and scientific requirements of the United States, shall be reported not later than the 1st day of September each year to the Secretary of the Treasury, to be used at his discretion in determining the amounts of crude opium and coca leaves to be imported under the Narcotic Drugs Import and Export Act, as amended.

(b) The Surgeon General shall cooperate with States for the purpose of aiding them to solve their narcotic drug problems and shall give authorized representatives of the States the benefit of his experience in the care, treatment, and rehabilitation of narcotic addicts to the end that each State may be encouraged to provide adequate facilities and methods for the care and treatment of its narcotic addicts.

PART B—FEDERAL-STATE COOPERATION

In general

SEC. 311. The Surgeon General is authorized to accept from State and local authorities any assistance in the enforcement of quarantine regulations made pursuant to this act which such authorities may be able and willing to provide. The Surgeon General shall also assist States and their political subdivisions in the prevention and suppression of communicable diseases, shall cooperate with and aid State and local authorities in the enforcement of their quarantine and other health regulations and in carrying out the purposes specified in section 314, and shall advise the several States on matters relating to the preservation and improvement of the public health.

Health conferences

SEC. 312. A conference of the health authorities of the several States shall be called annually by the Surgeon General. Whenever in his opinion the interests of the public health would be promoted by a conference, the Surgeon General may invite as many of such health authorities to confer as he deems necessary or proper. Upon the application of health authorities of five or more States it shall be the duty of the Surgeon General to call a conference of all State and Territorial health authorities joining in the request. Each State represented at any conference shall be entitled to a single vote.

Collection of vital statistics

SEC. 313. To secure uniformity in the registration of mortality, morbidity, and vital statistics the Surgeon General shall prepare and distribute suitable and necessary forms for the collection and compilation of such statistics which shall be published as a part of the health reports published by the Surgeon General.

Grants and services to States

SEC. 314. (a) To enable the Surgeon General to carry out the purposes of section 301 with respect to developing more effective measures for the prevention, treatment, and control of venereal diseases, and to assist, through grants and as otherwise provided in this section, States, counties, health districts, and other political subdivisions of the States in establishing and maintaining adequate measures for the prevention, treatment, and control of such diseases, including the training of personnel for State and local health work, and to enable him to prevent and control the spread of the venereal diseases in interstate traffic, and to meet the cost of pay, allowances, and traveling expenses of commissioned officers and other personnel of the Service detailed to assist in carrying out the purposes of this section with respect to the venereal diseases, and to administer this section with respect to such diseases, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this subsection.

(b) To enable the Surgeon General to assist, through grants and as otherwise provided in this section, States, counties, health districts, and other political subdivisions of the States in establishing and maintaining adequate public health services, including grants for demonstrations and for the training of personnel for State and local health work, there is hereby authorized to be appropriated for each fiscal year a sum not to exceed $20,000,000. Of the sum appropriated for each fiscal year pursuant to this subsection there shall be available an amount, not to exceed $2,000,000, to enable the Surgeon General to provide demonstrations and to train personnel for State and local health work and to meet the cost of pay, allowances, and traveling expenses of commissioned officers and other personnel of the Service detailed to assist States in carrying out the purposes of this subsection.

(c) For each fiscal year, the Surgeon General, with the approval of the Administrator, shall determine the total sum from the appropriation under subsection (a) and the total sum from the appropriation under subsection (b) which shall be available for allotment among the several States. He shall, in accordance with regulations, from time to

time make allotments from such sums to the several States on the basis of (1) population, (2) the size of the venereal-disease problem and the size of other special health problems, respectively, and (3) the financial need of the respective States. Upon making such allotments the Surgeon General shall notify the Secretary of the Treasury of the amounts thereof.

(d) The Surgeon General, with the approval of the Administrator, shall from time to time determine the amounts to be paid to each State from the allotments to such State, and shall certify to the Secretary of the Treasury, the amounts so determined, reduced or increased, as the case may be, by the amounts by which he finds that estimates of required expenditures with respect to any prior period were greater or less than the actual expenditures for such period. Upon receipt of such certification, the Secretary of the Treasury shall, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay in accordance with such certification.

(e) The moneys so paid to any State shall be expended solely in carrying out the purposes specified in subsection (a) or subsection (b) of this section, as the case may be, and in accordance with plans presented by the health authority of such State and approved by the Surgeon General.

(f) Money so paid shall be paid upon the condition that there shall be spent in such State for the same general purpose from funds of such State and its political subdivisions an amount determined in accordance with regulations.

(g) Whenever the Surgeon General, after reasonable notice and opportunity for hearing to the health authority of the State, finds that, with respect to money paid to the State out of appropriations under subsection (a) or subsection (b), as the case may be, there is a failure to comply substantially with either—

(1) the provisions of this section;

(2) the plan submitted under subsection (e); or

(3) the regulations;

the Surgeon General shall notify such State health authority either that further payments will not be made to the State from appropriations under such subsection (or in his discretion that further payments will not be made to the State from such appropriations for activities in which there is such failure), until he is satisfied that there will no longer be any such failure. Until he is so satisfied the Surgeon General shall make no further certification for payment to such State from appropriations under such subsection, or shall limit payment to activities in which there is no such failure.

(h) All regulations and amendments thereto with respect to grants to States under this section shall be made after consultation with a conference of the State health authorities. Insofar as practicable, the Surgeon General shall obtain the agreement of the State health authorities prior to the issuance of any such regulations or amendments.

(i) Funds appropriated under subsection (a) of this section, in addition to being available for payments to States, shall also be available for expenditure by the Surgeon General in otherwise carrying out such subsection, including expenditures for printing and binding of the findings of investigations, and for pay and allowances and traveling expenses of personnel of the Service engaged in activities authorized by such subsection.

Health education, and information

SEC. 315. From time to time the Surgeon General shall issue information related to public health, in the form of publications or otherwise, for the use of the public, and shall publish weekly reports of health conditions in the United States and other countries and other pertinent health information for the use of persons and institutions engaged in work related to the functions of the Service.

PART C—HOSPITALS, MEDICAL EXAMINATIONS, AND MEDICAL CARE

Hospitals

SEC. 321. The Surgeon General, pursuant to regulations, shall—

(a) Control, manage, and operate all institutions, hospitals, and stations of the Service, and provide for the care, treatment, and hospitalization of patients, including the furnishing of prosthetic and orthopedic devices;

(b) Provide for the transfer of Public Health Service patients, in the care of attendants where necessary, between hospitals and stations operated by the Service or between such hospitals and stations and other hospitals and stations in which Public Health Service patients may be received, and the payment of expenses of such transfer;

(c) Provide for the disposal of articles produced by patients in the course of their curative treatment, either by allowing the patient to retain such articles or by selling them and depositing the money received therefor to the credit of the appropriation from which the materials for making the articles were purchased; and

(d) Provide for the disposal of money and effects, in the custody of the hospitals or stations, of deceased patients.

Care and treatment of seamen and certain other persons

SEC. 322. (a) The following persons shall be entitled, in accordance with regulations, to medical, surgical, and dental treatment and hospitalization without charge at hospitals and other stations of the Service:

(1) Seamen employed on vessels of the United States registered, enrolled, and licensed under the maritime laws thereof, other than canal boats engaged in the coasting trade;

(2) Seamen employed on United States or foreign-flag vessels as employees of the United States through the War Shipping Administration;

(3) Seamen, not enlisted or commissioned in the military or naval establishments, who are employed on State school ships or on vessels of the United States Government of more than 5 tons' burden;

(4) Cadets at State maritime academies or on State training ships;

(5) Seamen on vessels of the Mississippi River Commission and, upon application of their commanding officers, officers and crews of vessels of the Fish and Wildlife Service;

(6) Enrollees in the United States Maritime Service on active duty and members of the Merchant Marine Cadet Corps; and

(7) Employees and noncommissioned officers in the field service of the Public Health Service when injured or taken sick in line of duty.

(b) When suitable accommodations are available, seamen on foreign-flag vessels may be given medical, surgical, and dental treatment and hospitalization on application of the master, owner, or agent of the vessel at hospitals and other stations of the Service at rates fixed by regulations. All expenses connected with such treatment, including burial in the event of death, shall be paid by such master, owner, or agent. No such vessel shall be granted clearance until such expenses are paid or their payment appropriately guaranteed to the collector of customs.

(c) Any person when detained in accordance with quarantine laws, or, at the request of the Immigration and Naturalization Service, any person detained by that Service, may be treated and cared for by the Public Health Service.

(d) Persons not entitled to treatment and care at institutions, hospitals, and stations of the Service may, in accordance with regulations of the Surgeon General, be admitted thereto for temporary treatment and care in case of emergency.

(e) Persons entitled to care and treatment under subsection (a) of this section may, in accordance with regulations, receive such care and treatment at the expense of the Service from public or private medical or hospital facilities other than those of the Service, when authorized by the officer in charge of the station at which the application is made.

Care and treatment of Federal prisoners

SEC. 323. The Service shall supervise and furnish medical treatment and other necessary medical, psychiatric, and related technical and scientific services, authorized by the act of May 13, 1930, as amended (U. S. C., 1940 ed., title 18, secs. 751, 752), in penal and correctional institutions of the United States.

Examination and treatment of Federal employees

SEC. 324. The Surgeon General is authorized to provide at institutions, hospitals, and stations of the Service medical, surgical, and hospital services and supplies for persons entitled to treatment under the United States Employees' Compensation Act and extensions thereof. The Surgeon General may also provide for making medical examinations of—

(a) employees of the Alaska Railroad and employees of the Federal Government for retirement purposes;

(b) employees in the Federal classified service, and applicants for appointment, as requested by the Civil Service Commission for the purpose of promoting health and efficiency;

(c) seamen for purposes of qualifying for certificates of service; and

(d) employees eligible for benefits under the Longshoremen's and Harbor Workers' Compensation Act, as amended (U. S. C., 1940 edition, title 33, chapter 18), as requested by any deputy commissioner thereunder.

Examination of aliens

SEC. 325. The Surgeon General shall provide for making, at places within the United States or in other countries, such physical and mental examinations of aliens as are required by the immigration laws, subject to administrative regulations prescribed by the Attorney General and medical regulations prescribed by the Surgeon General with the approval of the Administrator.

Services to Coast Guard, Coast and Geodetic Survey, and Public Health Service

SEC. 326. (a) Subject to regulations of the President—

(1) commissioned officers, chief warrant officers, warrant officers, cadets, and enlisted personnel of the Regular Coast Guard, including those on shore duty and those on detached duty, whether on active duty or retired; and Regular and temporary members of the United States Coast Guard Reserve when on active duty or when retired for disability;

(2) commissioned officers, ships' officers, and members of the crews of vessels of the United States Coast and Geodetic Survey, including those on shore duty and those on detached duty, whether on active duty or retired; and

(3) commissioned officers of the Regular Corps of the Public Health Service, whether on active duty or retired, and commissioned officers of the Reserve Corps when on active duty or when retired for disability;

shall be entitled to medical, surgical, and dental treatment and hospitalization by the Service. The Surgeon General may detail commissioned officers for duty aboard vessels of the Coast Guard or the Coast and Geodetic Survey.

(b) Subject to regulations of the President, the dependent members of families (as defined in such regulations) of persons specified in subsection (a), other than temporary members of the United States Coast Guard Reserve, shall be furnished medical advice and out-patient treatment by the Service at its hospitals and relief stations, and they shall also be furnished hospitalization at hospitals of the Service, if suitable accommodations are available, at a per diem cost to the officer, enlisted person, or member of a crew concerned. Such cost shall be at such uniform rate as may be prescribed in such regulations of the President.

(c) The Service shall provide all services referred to in subsection (a) required by the Coast Guard and shall perform all duties prescribed by statute in connection with the examinations to determine physical or mental condition for purposes of appointment, enlistment, and reenlistment, promotion and retirement, and officers of the Service assigned to duty on Coast Guard vessels may extend aid to the crews of American vessels engaged in deep-sea fishing.

Interdepartmental work

SEC. 327. Nothing contained in this part shall affect the authority of the Service to furnish any materials, supplies, or equipment, or perform any work or services, requested in accordance with section 7 of the act of May 21, 1920, as amended (U. S. C., 1940 edition, title 31, sec. 686), or the authority of any other executive department to furnish any materials, supplies, or equipment, or perform any work or services, requested by the Federal Security Agency for the Service in accordance with that section.

PART D—LEPERS

Receipt of lepers

SEC. 331. The Service shall, in accordance with regulations, receive into any hospital of the Service suitable for his accommodation any person afflicted with leprosy who presents himself for care, detention, or treatment, or who may be apprehended under section 332 or 361 of this act, and any person afflicted with leprosy duly consigned to the care of the Service by the proper health authority of any State, Territory, or the District of Columbia. The Surgeon General is authorized, upon the request of any health authority, to send for any person within the jurisdiction of such authority who is afflicted with leprosy and to convey such person to the appropriate hospital for detention and treatment. When the transportation of any such person is undertaken for the protection of the public health the expense of such removal shall be met from funds available for the maintenance of hospitals of the Service.

Apprehension, detention, treatment, and release

SEC. 332. The Surgeon General may provide by regulation for the apprehension, detention, treatment, and release of persons being treated by the Service for leprosy.

PART E—NARCOTICS ADDICTS

Care and treatment

SEC. 341. The Surgeon General is authorized to provide for the confinement, care, protection, treatment, and discipline of persons addicted to the use of habit-forming narcotic drugs who voluntarily submit themselves for treatment and addicts who have been or are hereafter convicted of offenses against the United States, including persons convicted by general courts martial and consular courts. Such care and treatment shall be provided at hospitals of the Service especially equipped for the accommodation of such patients and shall be designed to rehabilitate such persons, to restore them to health, and, where necessary, to train them to be self-supporting and self-reliant.

Employment of addicts

SEC. 342. Narcotic addicts in hospitals of the Service designated for their care shall be employed in such manner and under such conditions as the Surgeon General may direct. In such hospitals the Surgeon General may, in his discretion, establish industries, plants, factories, or shops for the production and manufacture of articles, commodities, and supplies for the United States Government. The Secretary of the Treasury may require any Government department, establishment, or other institution, for whom appropriations are made directly or indirectly by the Congress of the United States, to purchase at current market prices, as determined by him or his authorized representative, such of the articles, commodities, or supplies so produced or manufactured as meet their specifications; and the Surgeon General shall provide for payment to the inmates or their dependents of such pecuniary earnings as he may deem proper. The Administrator shall establish a working-capital fund for such industries, plants, factories, and shops out of any funds appropriated for Public Health Service hospitals at which addicts are treated and cared for; and such fund shall be available for the purchase, repair, or replacement of machinery or equipment, for the purchase of raw materials and supplies, for the purchase of uniforms and other distinctive wearing apparel of employees in the performance of their official duties, and for the employment of necessary civilian officers and employees. The Surgeon General may provide for the disposal of products of the industrial activities conducted pursuant to this section, and the proceeds of any sales thereof shall be covered into the Treasury of the United States to the credit of the working-capital fund.

CONVICTS

SEC. 343. (a) The authority vested with the power to designate the place of confinement of a prisoner shall transfer to hospitals of the Service especially equipped for the accommodation of addicts, if accommodations are available, all addicts who have been or are hereafter sentenced to confinement, or who are now or shall hereafter be confined, in any penal, correctional, disciplinary, or reformatory institution of the United States, including those addicts convicted of offenses against the United States who are confined in State and Territorial prisons, penitentiaries, and reformatories, except that no addict shall be transferred to a hospital of the Service who, in the opinion of the officer authorized to direct the transfer, is not a proper subject for confinement in such an institution either because of the nature of the crime he has committed or because of his apparent incorrigibility. The authority vested with the power to designate the place of confinement of a prisoner shall transfer from a hospital of the Service to the institution from which he was received, or to such other institution as may be designated by the proper authority, any addict whose presence at a hospital of the Service is detrimental to the well-being of the hospital or who does not continue to be a narcotic addict. All transfers of such prisoners to or from a hospital of the Service shall be accompanied by necessary attendants as directed by the officer in charge of such hospital and the actual and necessary expenses incident to such transfers shall be paid from the appropriation for the maintenance of such Service hospital except to the extent that other Federal agencies are authorized or required by law to pay expenses incident to such transfers. Whenever an alien addict transferred to a Service hospital pursuant to this subsection is entitled to his discharge but is subject to deportation, in lieu of being returned to the penal institution from which he came, he shall be deported by the authority vested by law with power over deportation.

(b) The provisions of the act of June 21, 1902, as amended (U. S. C., 1940 ed., title 18, secs. 710–712a), regulating commutation of sentence for good conduct of United States prisoners, section 8 of the act of May 27, 1930 (U. S. C., 1940 edition, title 18, sec. 744h), regulating commutation of sentence for employment in industry, and the act of June 25, 1910, as amended (U. S. C., 1940 edition, title 18, secs. 714–723c), relating to parole, shall be applicable to any narcotic addict confined in any institution in execution of a judgment or sentence upon conviction of an offense against the United States; except that no narcotic addict confined in any institution, whether or not an institution of the Public Health Service, shall be released by reason of commutation of sentence or parole until the Surgeon General shall have certified that such individual is no longer an addict.

(c) Not later than 1 month prior to the expiration of the sentence of any addict confined in a Service hospital, he shall be examined by the Surgeon General or his authorized representative. If the Surgeon General believes the person to be discharged is still an addict and that he may by further treatment in a Service hospital be cured of his addiction, the addict shall be informed, in accordance with regulations, of the advisability of his submitting himself to further treatment. The addict may then apply in writing to the Surgeon General for further treatment in a Service hospital for a period not exceeding the maximum length of time considered necessary by the Surgeon General. Upon approval of the application by the Surgeon General or his authorized agent, the addict may be given such further treatment as is necessary to cure him of his addiction.

(d) Every person convicted of an offense against the United States, upon discharge, or upon release on parole, from a hospital of the Service, shall be furnished with the gratuities and transportation authorized by law to be furnished to prisoners upon release from a penal, correctional, disciplinary, or reformatory institution.

(e) Any court of the United States having the power to suspend the imposition or execution of sentence and to place a defendant on probation under any existing laws may impose as one of the conditions of such probation that the defendant, if an addict, shall submit himself for treatment at a hospital of the Service especially equipped for the accommodation of addicts until discharged therefrom as cured and that he shall be admitted thereto for such purpose. Upon the discharge of any such probationer from a hospital of the Service, he shall be furnished with the gratuities and transportation authorized by law to be furnished to prisoners upon release from a penal, correctional, disciplinary, or reformatory institution. The actual and necessary expense incident to transporting such probationer to such hospital and to furnishing such transportation and gratuities shall be paid from the appropriation for the maintenance of such hospital except to the extent that other Federal agencies are authorized or required by law to pay the cost of such transportation: *Provided*, That where existing law vests a discretion in any officer as to the place to which transportation shall be furnished or as to the amount of clothing and gratuities to be furnished, such discretion shall be exercised by the Surgeon General with respect to addicts discharged from hospitals of the Service.

Voluntary patients

SEC. 344. (a) Any addict, whether or not he shall have been convicted of an offense against the United States, may apply to the Surgeon General for admission to a hospital

of the Service especially equipped for the accommodation of addicts.

(b) Any applicant shall be examined by the Surgeon General who shall determine whether the applicant is an addict, whether by treatment in a hospital of the Service he may probably be cured of his addiction, and the estimated length of time necessary to effect his cure. The Surgeon General may, in his discretion, admit the applicant to a Service hospital. No such addict shall be admitted unless he agrees to submit to treatment for the maximum amount of time estimated by the Surgeon General to be necessary to effect a cure, and unless suitable accommodations are available after all eligible addicts convicted of offenses against the United States have been admitted. Any such addict may be required to pay for his subsistence, care, and treatment at rates fixed by the Surgeon General, and amounts so paid shall be covered into the Treasury of the United States to the credit of the appropriation from which the expenditure for his subsistence, care, and treatment was made.

(d) Any addict admitted for treatment under this section, including any addict, not convicted of an offense, who voluntarily submits himself for treatment, may be confined in a hospital of the Service for a period not exceedng the maximum amount of time estimated by the Surgeon General as necessary to effect a cure of the addiction or until such time as he ceases to be an addict.

(c) Any addict admitted for treatment under this section shall not thereby forfeit or abridge any of his rights as a citizen of the United States; nor shall such admission or treatment be used against him in any proceeding in any court; and the record of his voluntary commitment shall be confidential and shall not be divulged.

Penalties

SEC. 345. (a) Any person not authorized by law or by the Surgeon General who introduces or attempts to introduce into or upon the grounds of any hospital of the Service at which addicts are treated and cared for, any habit-forming narcotic drug, weapon, or any other contraband article or thing, or any contraband letter or message intended to be received by an inmate thereof, shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment for not more than 10 years.

(b) It shall be unlawful for any person properly committed thereto to escape or attempt to escape from a hospital of the Service at which addicts are treated and cared for, and any such person upon apprehension and conviction in a United States court shall be punished by imprisonment for not more than 5 years, such sentence to begin upon the expiration of the sentence for which such person was originally confined.

(c) Any person who procures the escape of any person admitted to a hospital of the Service at which addicts are treated and cared for, or who advises, connives at, aids, or assists in such escape, or who conceals any such inmate after such escape, shall be punished upon conviction in a United States court by imprisonment in the penitentiary for not more than 3 years.

PART F—BIOLOGICAL PRODUCTS

Regulation of biological products

SEC. 351. (a) No person shall sell, barter, or exchange, or offer for sale, barter, or exchange in the District of Columbia, or send, carry, or bring for sale, barter, or exchange from any State or possession into any other State or possession or into any foreign country, or from any foreign country into any State or possession, any virus, therapeutic serum, toxin, antitoxin, or analogous product, or arsphenamine or its derivatives (or any other trivalent organic arsenic compound), applicable to the prevention, treatment, or cure of diseases or injuries of man, unless (1) such virus, serum, toxin, antitoxin, or other product has been propagated or manufactured and prepared at an establishment holding an unsuspended and unrevoked license, issued by the Administrator as hereinafter authorized, to propagate or manufacture, and prepare such virus, serum, toxin, antitoxin, or other product for sale in the District of Columbia, or for sending, bringing, or carrying from place to place aforesaid; and (2) each package of such virus, serum, toxin, antitoxin, or other product is plainly marked with the proper name of the article contained therein, the name, address, and license number of the manufacturer, and the date beyond which the contents cannot be expected beyond reasonable doubt to yield their specific results. The suspension or revocation of any license shall not prevent the sale, barter, or exchange of any virus, serum, toxin, antitoxin, or other product aforesaid which has been sold and delivered by the licensee prior to such suspension or revocation, unless the owner or custodian of such virus, serum, toxin, antitoxin, or other product aforesaid has been notified by the Administrator not to sell, barter, or exchange the same.

(b) No person shall falsely label or mark any package or container of any virus, serum, toxin, antitoxin, or other product aforesaid; nor alter any label or mark on any package or container of any virus, serum, toxin, antitoxin, or other product aforesaid so as to falsify such label or mark.

(c) Any officer, agent, or employee of the Federal Security Agency, authorized by the Administrator for the purpose, may during all reasonable hours enter and inspect any establishment for the propagation or manufacture and preparation of any virus, serum, toxin, antitoxin, or other product aforesaid for sale, barter, or exchange in the District of Columbia, or to be sent, carried, or brought from any State or possession into any other State or possession or into any foreign country, or from any foreign country into any State or possession.

(d) Licenses for the maintenance of establishments for the propagation or manufacture and preparation of products described in subsection (a) of this section may be issued only upon a showing that the establishment and the products for which a license is desired meet standards, designed to insure the continued safety, purity, potency, and efficaciousness of such products, prescribed in regulations made jointly by the Surgeon General, the Surgeon General of the Army, and the Surgeon General of the Navy, and approved by the Administrator, and licenses for new products may be issued only upon a showing that they meet such standards. All such licenses shall be issued, suspended, and revoked as prescribed by regulations and all licenses issued for the maintenance of establishments for the propagation or manufacture and preparation, in any foreign country, of any such products for sale, barter, or exchange in any State or possession shall be issued upon condition that the licensees will permit the inspection of their establishments in accordance with subsection (c) of this section.

(e) No person shall interfere with any officer, agent, or employee of the Service in the performance of any duty imposed upon him by this section or by regulations made by authority thereof.

(f) Any person who shall violate, or aid or abet in violating, any of the provisions of this section shall be punished upon conviction by a fine not exceeding $500 or by imprisonment not exceeding 1 year, or by both such fine and imprisonment, in the discretion of the court.

(g) The persons and the products to which this section is applicable shall be subject also to the provisions of the Federal Food, Drug, and Cosmetic Act, except that section 505 of such act shall not apply in the case of any virus, serum, toxin, antitoxin, or other product propagated, manufactured, or prepared pursuant to an unsuspended and unrevoked license issued under this section.

Preparation of biological products

SEC. 352. (a) The Service may prepare for its own use any product described in section 351 and any product necessary to carrying out any of the purposes of section 301.

(b) The Service may prepare any product described in section 351 for the use of other Federal departments or agencies, and public or private agencies and individuals engaged in work in the field of medicine when such product is not available from establishments licensed under such section.

PART G—QUARANTINE AND INSPECTION

Control of communicable diseases

SEC. 361. (a) The Surgeon General, with the approval of the Administrator, is authorized to make and enforce such regulations as in his judgment are necessary to prevent the introduction, transmission, or spread of communicable diseases from foreign countries into the States or possessions, or from one State or possession into any other State or possession. For purposes of carrying out and enforcing such regulations, the Surgeon General may provide for such inspection, fumigation, disinfection, sanitation, pest extermination, destruction of animals or articles found to be so infected or contaminated as to be sources of dangerous infection to human beings, and other measures, as in his judgment may be necessary.

(b) Regulations prescribed under this section shall not provide for the apprehension, detention, or conditional release of individuals except for the purpose of preventing the introduction, transmission, or spread of such communicable diseases as may be specified from time to time in Executive orders of the President upon the recommendation of the National Advisory Health Council and the Surgeon General.

(c) Except as provided in subsection (d), regulations prescribed under this section, insofar as they provide for the apprehension, detention, examination, or conditional release of individuals, shall be applicable only to individuals coming into a State or possession from a foreign country, the Territory of Hawaii, or a possession.

(d) On recommendation of the National Advisory Health Council, regulations prescribed under this section may provide for the apprehension and examination of any individual reasonably believed to be infected with a communicable disease in a communicable stage and (1) to be moving or about to move from a State to another State; or (2) to be a probable source of infection to individuals who, while infected with such disease in a communicable stage, will be moving from a State to another State. Such regulations may provide that if upon examination any such individual is found to be infected, he may be detained for such time and in such manner as may be reasonably necessary.

Suspension of entries and imports from designated places

SEC. 362. Whenever the Surgeon General determines that by reason of the existence of any communicable disease in a foreign country there is serious danger of the introduction of such disease into the United States, and that this danger is so increased by the introduction of persons or property from such country that a suspension of the right to introduce such persons and property is required in the interest of the public health, the Surgeon General, in accordance with regulations approved by the President, shall have the power to prohibit, in whole or in part, the introduction of persons and property from such countries or places as he shall designate in order to avert such danger, and for such period of time as he may deem necessary for such purpose.

Special powers in time of war

SEC. 363. To protect the military and naval forces and war workers of the United States, in time of war, against any communicable disease specified in Executive orders as provided in subsection (b) of section 361, the Surgeon General, on recommendation of the National Advisory Health Council, is authorized to provide by regulations for the apprehension and examination, in time of war, of any individual reasonably believed (1) to be infected with such disease in a communicable stage and (2) to be a probable source of infection to members of the armed forces of the United States or to individuals engaged in the production or transportation of arms, munitions, ships, food, clothing, or other supplies for the armed forces. Such regulations may provide that if upon examination any such individual is found to be so infected, he may be detained for such time and in such manner as may be reasonably necessary.

Quarantine stations

SEC. 364. (a) Except as provided in title II of the act of June 15, 1917, as amended (U. S. C., 1940 edition, title 50, secs. 191–194), the Surgeon General shall control, direct, and manage all United States quarantine stations, grounds, and anchorages, designate their boundaries, and designate the quarantine officers to be in charge thereof. With the approval of the President he shall from time to time select suitable sites for and establish such additional stations, grounds, and anchorages in the States and possessions of the United States as in his judgment are necessary to prevent the introduction of communicable diseases into the States and possessions of the United States.

(b) The Surgeon General shall establish the hours during which quarantine service shall be performed at each quarantine station, and, upon application by any interested party, may establish quarantine inspection during the 24 hours of the day, or any fraction thereof, at such quarantine stations as, in his opinion, require such extended service. He may restrict the performance of quarantine inspection to hours of daylight for such arriving vessels as cannot, in his opinion, be satisfactorily inspected during hours of darkness. No vessel shall be required to undergo quarantine inspection during the hours of darkness, unless the quarantine officer at such quarantine station shall deem an immediate inspection necessary to protect the public health. Uniformity shall not be required in the hours during which quarantine inspection may be obtained at the various ports of the United States.

Certain duties of consular and other officers

SEC. 365. (a) Any consular or medical officer of the United States, designated for such purpose by the Administrator, shall make reports to the Surgeon General, on such forms and at such intervals as the Surgeon General may prescribe, of the health conditions at the port or place at which such officer is stationed.

(b) It shall be the duty of the customs officers and of Coast Guard officers to aid in the enforcement of quarantine rules and regulations; but no additional compensation, except actual and necessary traveling expenses, shall be allowed any such officer by reason of such services.

Bills of health

SEC. 366. (a) Any vessel at any foreign port or place clearing or departing for any port or place in a State or possession shall be required to obtain from the consular officer of the United States or from the Public Health Service officer, or other medical officer of the United States designated by the Surgeon General, at the port or place of departure, a bill of health in duplicate, in the form prescribed by the Surgeon General. The President, from time to time, shall specify the ports at which a medical officer shall be stationed for this purpose. Such bill of health shall set forth the sanitary history and condition of said vessel, and shall state that it has in all respects complied with the regulations prescribed pursuant to subsection (c). Before granting such duplicate bill of health, such consular or medical officer shall be satisfied that the matters and things therein stated are true. The consular officer shall be entitled to demand and receive the fees for bills of health and such fees shall be established by regulation.

(b) Original bills of health shall be delivered to the collectors of customs at the port of entry. Duplicate copies of such bills of health shall be delivered at the time of inspection to quarantine officers at such port. The bills of health herein prescribed shall be considered as part of the ship's papers, and when duly certified to by the proper consular or other officer of the United States, over his official signature and seal, shall be accepted as evidence of the statements therein contained in any court of the United States.

(c) The Surgeon General shall from time to time prescribe regulations, applicable to vessels referred to in subsection (a) of this section for the purpose of preventing the introduction into the States or possessions of the United States of any communicable disease by securing the best sanitary condition of such vessels, their cargoes, passengers, and crews. Such regulations shall be observed by such vessels prior to departure, during the course of the voyage, and also during inspection, disinfection, or other quarantine procedure upon arrival at any United States quarantine station.

(d) The provisions of subsections (a) and (b) of this section shall not apply to vessels plying between such foreign ports on or near the frontiers of the United States and ports of the United States as are designated by treaty or may be designated by regulation; nor, to the extent prescribed by regulations, to such of the other vessels referred to in subsection (a) hereof as may be designated in such regulations.

(e) It shall be unlawful for any vessel to enter any part in any State or possession of the United States to discharge its cargo, or land its passengers, except upon a certificate of the quarantine officer that regulations prescribed under subsection (c) have in all respects been complied with by such officer, the vessel, and its master. The master of every such vessel shall deliver such certificate to the collector of customs at the port of entry, together with the original bill of health and other papers of the vessel.

Civil air navigation and civil aircraft

SEC. 367. The Surgeon General is authorized to provide by regulations for the application to civil air navigation and civil aircraft of any of the provisions of sections 364, 365, and 366 and regulations prescribed thereunder (including penalties and forfeitures for violations of such sections and regulations), to such extent and upon such conditions as he deems necessary for the safeguarding of the public health.

Penalties

SEC. 368. (a) Any person who violates any regulation prescribed under section 361, 362, or 363, or any provision of section 366 or any regulation prescribed thereunder, or who enters or departs from the limits of any quarantine station, ground, or anchorage in disregard of quarantine rules and regulations or without permission of the quarantine officer in charge, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or both.

(b) Any vessel which violates section 364 or section 366, or any regulations thereunder, or under section 367, or which enters within or departs from the limits of any quarantine station, ground, or anchorage in disregard of the quarantine rules and regulations or without permission of the officer in charge, shall forfeit to the United States not more than $5,000, the amount to be determined by the court, which shall be a lien on such vessel, to be recovered by proceedings in the proper district court of the United States. In all such proceedings the United States district attorney shall appear on behalf of the United States; and all such proceedings shall be conducted in accordance with the rules and laws governing cases of seizure of vessels for violation of the revenue laws of the United States.

(c) With the approval of the Administrator, the Surgeon General may, upon application therefor, remit or mitigate any forfeiture provided for under subsection (b) of this section, and he shall have authority to ascertain the facts upon all such applications.

Administration of oaths

SEC. 369. Medical officers of the United States, when performing duties as quarantine officers at any port or place within the United States, are authorized to take declarations and administer oaths in matters pertaining to the administration of the quarantine laws and regulations of the United States.

TITLE IV—NATIONAL CANCER INSTITUTE

TO BE A DIVISION IN NATIONAL INSTITUTE OF HEALTH

SEC. 401. The National Cancer Institute shall be a division in the National Institute of Health.

CANCER RESEARCH, ETC.

SEC. 402. In carrying out the purposes of section 301 with respect to cancer, the Surgeon General, through the National Cancer Institute and in cooperation with the National Cancer Advisory Council, shall—

(a) conduct, assist, and foster researches, investigations, experiments, and studies relating to the cause, prevention, and methods of diagnosis and treatment of cancer;

(b) promote the coordination of researches conducted by the Institute and similar researches conducted by other agencies, organizations, and individuals;

(c) provide training and instruction in technical matters relating to the diagnosis and treatment of cancer;

(d) provide fellowships in the institute from funds appropriated or donated for such purpose;

(e) secure for the institute consultation services and advice of cancer experts from the United States and abroad;

(f) cooperate with State health agencies in the prevention, control, and eradication of cancer;

(g) procure, use, and lend radium as provided in section 403.

ADMINISTRATION

SEC. 403. (a) In carrying out the provisions of section 402 all appropriate provisions of section 301 shall be applicable to the authority of the Surgeon General, and he is authorized—

(1) to purchase radium, from time to time, without regard to section 3709 of the Revised Statutes, to make such radium available for the purposes of this title, both to the Service and by loan to other agencies and institutions for such consideration and subject to such conditions as he may prescribe;

(2) to provide the necessary facilities where training and instruction may be given in all technical matters relating to diagnosis and treatment of cancer to persons found by the Surgeon General to have proper technical qualifications, and designated by him for such training or instruction, and to fix and pay them a per diem allowance during such training or instruction of not to exceed $10.

(b) The Surgeon General shall recommend acceptance of conditional gifts pursuant to

section 501 of this act, for study, investigation, or research into the cause, prevention, and methods of diagnosis and treatment of cancer, or for the acquisition of grounds or for the erection, equipment, or maintenance of premises, buildings, or equipment of the institute, only after consultation with the National Cancer Advisory Council. Donations of $50,000 or over in aid of research under this title may be acknowledged by the establishment within the institute of suitable memorials to the donors.

(c) In carrying out the purposes of section 402 grants-in-aid for cancer projects shall be made only after review and recommendation of the National Cancer Advisory Council made pursuant to section 404.

FUNCTIONS OF COUNCIL

SEC. 404. The council is authorized—

(a) to review research projects or programs submitted to or initiated by it relating to the study of the cause, prevention, or methods of diagnosis and treatment of cancer, and certify approval to the Surgeon General, for prosecution under section 402, of any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis and treatment of cancer;

(b) to collect information as to studies which are being carried on in the United States or any other country as to the cause, prevention and methods of diagnosis and treatment of cancer, by correspondence or by personal investigation of such studies, and with the approval of the Surgeon General make available such information through the appropriate publications for the benefit of health agencies and organizations (public or private), physicians, or any other scientists, and for the information of the general public;

(c) to review applications from any university, hospital, laboratory, or other institution whether public or private, or from individuals, for grants-in-aid for research projects relating to cancer, and certify to the Surgeon General its approval of grants-in-aid in the cases of such projects which show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis or treatment of cancer;

(d) to recommend to the Surgeon General for acceptance conditional gifts pursuant to section 501 of this act; and

(e) to make recommendations to the Surgeon General with respect to carrying out the provisions of this title.

APPROPRIATIONS

SEC. 405. Appropriations to carry out the purposes of this title shall be available for the acquisition of land or the erection of buildings only if so specified, but in the absence of express limitation therein may be expended in the District of Columbia for personal services, stenographic recording and translating services, by contract if deemed necessary, without regard to section 3709 of the Revised Statutes; traveling expenses (including the expenses of attendance at meetings when specifically authorized by the Surgeon General); rental, supplies and equipment, purchase and exchange of medical books, books of reference, directories, periodicals, newspapers, and press clippings; purchase, operation, and maintenance of motor-propelled passenger-carrying vehicles; printing and binding (in addition to that otherwise provided by law); and for all other necessary expenses in carrying out the provisions of this title.

OTHER WORK WITH RESPECT TO CANCER

SEC. 406. This title shall not be construed as limiting (1) the functions or authority of the Surgeon General or the Public Health Service under any other title of this act, or of any other officer or agency of the United States, relating to the study of the prevention, diagnosis, and treatment of cancer; or (2) the expenditure of money therefor.

TITLE V—MISCELLANEOUS

GIFTS

SEC. 501. (a) The Administrator is authorized to accept on behalf of the United States gifts made unconditionally by will or otherwise for the benefit of the Service or for the carrying out of any of its functions. Conditional gifts may be so accepted if recommended by the Surgeon General, and the principal of and income from any such conditional gift shall be held, invested, reinvested, and used in accordance with its conditions, but no gift shall be accepted which is conditioned upon any expenditure not to be met therefrom or from the income thereof unless such expenditure has been approved by act of Congress.

(b) Any unconditional gift of money accepted pursuant to the authority granted in subsection (a) of this section, the net proceeds from the liquidation (pursuant to subsection (c) or subsection (d) of this section) of any other property so accepted, and the proceeds of insurance on any such gift property not used for its restoration, shall be deposited in the Treasury of the United States and are hereby appropriated and shall be held in trust by the Secretary of the Treasury for the benefit of the Service, and he may invest and reinvest such funds in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. Such gifts and the income from such investments shall be available for expenditure in the operation of the Service and the performance of its functions, subject to the same examination and audit as is provided for appropriations made for the Service by Congress.

(c) The evidences of any unconditional gift of intangible personal property, other than money, accepted pursuant to the authority granted in subsection (a) of this section shall be deposited with the Secretary of the Treasury and he, in his discretion, may hold them, or liquidate them except that they shall be liquidated upon the request of the Administrator, whenever necessary to meet payments required in the operation of the Service or the performance of its functions. The proceeds and income from any such property held by the Secretary of the Treasury shall be available for expenditure as is provided in subsection (b) of this section.

(d) The administrator shall hold any real property or any tangible personal property accepted unconditionally pursuant to the authority granted in subsection (a) of this section and he shall permit such property to be used for the operation of the service and the performance of its functions or he may lease or hire such property, and may insure such property, and deposit the income thereof with the Secretary of the Treasury to be available for expenditure as provided in subsection (b) of this section: *Provided*, That the income from any such real property or tangible personal property shall be available for expenditure in the discretion of the administrator for the maintenance, preservation, or repair and insurance of such property and that any proceeds from insurance may be used to restore the property insured. Any such property when not required for the operation of the service or the performance of its functions may be liquidated by the administrator, and the proceeds thereof deposited with the Secretary of the Treasury, whenever in his judgment the purposes of the gifts will be served thereby.

USE OF IMMIGRATION STATION HOSPITAL

SEC. 502. The Immigration and Naturalization Service may, be agreement of the heads of the departments concerned, permit the Public Health Service to use hospitals at immigration stations for the care of Public Health Service patients. The Surgeon General shall reimburse the Immigration and Naturalization Service for the actual cost of furnishing fuel, light, water, telephone, and similar supplies and services, which reimbursement shall be covered into the proper Immigration and Naturalization Service appropriation, or such costs may be paid from working funds established as provided by law, but no charge shall be made for the expense of physical upkeep of the hospitals. The Immigration and Naturalization Service shall reimburse the Surgeon General for the care and treatment of persons detained in hospitals of the Public Health Service at the request of the Immigration and Naturalization Service unless such persons are entitled to care and treatment under section 322 (a).

MONEY COLLECTED FOR CARE OF PATIENTS

SEC. 503. Money collected as provided by law for expenses incurred in the care and treatment of foreign seamen, and money received for the care and treatment of pay patients, including any amounts received from any executive department on account of care and treatment of pay patients, shall be covered into the appropriation from which the expenses of such care and treatment were paid.

CARE OF PUBLIC HEALTH SERVICE PATIENTS AT ST. ELIZABETHS HOSPITAL

SEC. 504. Insane patients entitled to treatment by the service shall be admitted, upon order of the administrator, into St. Elizabeths Hospital or, upon order of the Surgeon General, into any hospital, institution, or station of the service especially equipped for the accommodation of such patients and shall be cared for and treated therein until cured or until ordered removed by the officer authorizing such admittance.

SETTLEMENT OF CLAIMS

SEC. 505. The Administrator may consider, ascertain, adjust, and determine any claim which shall accrue, on account of damages occasioned by collisions or incident to the operation of vessels of the Service, and for which damages such vessels are found by him to be responsible. To be considered for settlement under this section claims must be presented to the Administrator within 1 year of their accrual. The amount ascertained and determined to be due any claimant, not exceeding $3,000 in any one case, shall be certified to Congress as a legal claim for payment out of appropriations that may be made therefor by Congress, together with a brief statement of the character of each claim, the amount claimed, and the amount allowed. Acceptance by any claimant of the amount determined to be due under this section shall be deemed to be in full and final settlement of such claim against the Government of the United States.

TRANSPORTATION OF REMAINS OF OFFICERS

SEC. 506. Appropriations available for traveling expenses of the Service shall be available for meeting the cost of preparation for burial and of transportation to the place of burial of remains of commissioned officers, and of personnel specified in regulations, who die in line of duty.

SETTLEMENT OF ACCOUNTS OF DECEASED OFFICERS

SEC. 507. (a) In the settlement of the accounts of deceased commissioned officers where the amount due the decedent's estate is less than $1,000 and no demand is presented by a duly appointed representative of the estate, the accounting officers may allow the amount found due to the decedent's widow or legal heirs in the following order of precedence: First, to the widow; second, if the decedent left no widow, or the widow be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow or children or their issue, then

to the father and mother in equal parts, provided the father has not abandoned the support of his family, in which case to the mother alone; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes.

(b) Subsection (a) shall not be construed so as to prevent payment of funeral expenses from the amount due the decedent's estate if a claim therefor is presented, before settlement by the accounting officers, by the person or persons who actually paid such expenses.

TRANSFER OF FUNDS

SEC. 508. For the purpose of any reorganization under section 202, the Administrator, with the approval of the Director of the Bureau of the Budget, is authorized to make such transfers of funds between appropriations as may be necessary for the continuance of transferred functions.

AVAILABILITY OF APPROPRIATIONS

SEC. 509. Appropriations for carrying out the provisions of section 301 shall be available for expenditure for personal services and rent at the seat of Government, for books of reference, periodicals, and exhibits, and for printing and binding.

UNAUTHORIZED WEARING OF UNIFORMS

SEC. 510. Except as may be authorized by regulations of the President, the insignia and uniform of commissioned officers of the Service, or any distinctive part of such insignia or uniform, or any insignia or uniform any part of which is similar to a distinctive part thereof, shall not be worn, after the promulgation of such regulations, by any person other than a commissioned officer of the Service, and any person violating this section shall be subject to the penalties provided by the act of June 3, 1916, as amended (U. S. C., 1940 ed., title 10, sec. 1393), in the case of unlawful wearing of the uniform of commissioned officers of the Army.

ANNUAL REPORT

SEC. 511. The Surgeon General shall transmit to the Administrator, for submission to the Congress at the beginning of each regular session, a full report of the administration of the functions of the Service under this act, including a detailed statement of receipts and disbursements.

TITLE VI—TEMPORARY AND EMERGENCY PROVISIONS AND AMENDMENTS AND REPEALS

EXISTING POSITIONS, PROCEDURES, AND SO FORTH

SEC. 601. (a) The provisions of this act shall not affect the term or tenure of office or employment of the Surgeon General, or of any officer or employee of the Service, or of any member of the National Advisory Health Council or the National Advisory Cancer Council, in office or employed at the time of its enactment.

() Notwithstanding the provisions of this act, existing positions, divisions, committees, and procedures in the Service shall continue unless and until abolished, changed, or transferred pursuant to authority granted in this act.

EXISTING REGULATIONS, AND SO FORTH

SEC. 602. Notwithstanding the provisions of this act, existing rules, regulations of or applicable to the Service, and Executive orders, shall remain in effect until repealed, or until modified or superseded by regulations made in accordance with the provisions of this act.

FUNDS, APPROPRIATIONS, AND PROPERTY

SEC. 603. All appropriations, allocations, and other funds, and all properties available for use by the Public Health Service or any division or unit thereof shall continue to be available to the Service.

APPROPRIATIONS FOR EMERGENCY HEALTH AND SANITATION ACTIVITIES

SEC. 604. For each fiscal year during the continuance of the present war and during any period of demobilization after the war, there is hereby authorized to be appropriated such sum as may be necessary to enable the Surgeon General, either directly or through State health authorities, to conduct health and sanitation activities in areas adjoining military or naval reservations within or without the United States, in areas where there are concentrations of military or naval forces, in Government and private industrial plants engaged in defense work, and in areas adjoining such industrial plants.

EMPLOYEES' COMPENSATION

SEC. 605. (a) Section 7 of the act of September 7, 1916, entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended (U. S. C., 1940 ed., title 5, sec. 757), is amended by changing the period at the end thereof to a colon and adding the following: "*Provided*, That whenever any person is entitled to receive any benefits under this act by reason of his injury, or by reason of the death of an employee, as defined in section 40, and is also entitled to receive from the United States any payments or benefits (other than the proceeds of any insurance policy), by reason of such injury or death under any other act of Congress, because of service by him (or in the case of death, by the deceased) as an employee, as so defined, such person shall elect which benefits he shall receive. Such election shall be made within 1 year after the injury or death, or such further time as the Commission may for good cause allow, and when made shall be irrevocable unless otherwise provided by law."

(b) The definition of the term "employee" in section 40 of such act of September 7, 1916, as amended (U. S. C., 1940 ed., title 5, sec. 790), is amended to read as follows:

"The term 'employee' includes all civil employees of the United States and of the Panama Railroad Co., commissioned officers of the Regular Corps of the Public Health Service, officers in the Reserve of the Public Health Service on active duty, and all persons, other than independent contractors and their employees, employed on the Menominee Indian Reservation in the State of Wisconsin, subsequent to September 7, 1916, in operations conducted pursuant to the act entitled 'An act to authorize the cutting of timber, the manufacture and sale of lumber, and the preservation of the forests on the Menominee Indian Reservation in the State of Wisconsin,' approved March 28, 1908, as amended, or any other act relating to tribal timber and logging operations on the Menominee Reservation."

(c) In the case of injury or death of a commissioned officer of the Service occurring after November 10, 1943, and on or before the date of the termination of the present war, the election required by section 7 of such act of September 7, 1916, as amended (U. S. C., 1940 ed., title 5, sec. 757), may be made, and the notice required by section 15 thereof and the written claim required by section 18 thereof may be filed, within such time as may be provided by regulations of the United States Employees' Compensation Commission, but not later than the expiration of 1 year following the termination of the present war. Prior to the expiration of such year any such election may be revised, and such revision shall operate retroactively to the date of death or injury, but there shall be deducted from the compensation or other benefit payable pursuant to a revised election any sum (except the proceeds of any insurance policy) theretofore paid on account of such death or injury.

(d) In the case of death of a commissioned officer of the Service which occurred after December 7, 1941, and prior to November 11, 1943, the rights provided to surviving beneficiaries by section 10 of the Public Health Service Act of 1943 shall continue notwithstanding the repeal of that act. Such beneficiaries, in addition to the right to receive 6 months' pay, shall have the same right of election and of revising elections as is provided by subsection (c) of this section, except that in case of a revised election no deduction shall be made on account of such 6 months' pay.

COMPUTATION OF RETIRED PAY IN CERTAIN CASES

SEC. 606. In the case of commissioned officers of the Service appointed prior to the enactment of this act, there shall be included, in determining retired pay pursuant to section 211 (c) (1), noncommissioned service in the Public Health Service, as well as all commissioned service.

ALLOWANCES FOR UNIFORMS TO CERTAIN COMMISSIONED PERSONNEL

SEC. 607. Each commissioned officer of the Service who was appointed to the Regular Corps or called to active duty in the Reserve Corps since December 7, 1941, and prior to the enactment of this act, and who on or after November 11, 1943, was on active duty in the grade of junior assistant, assistant, or passed assistant, and was receiving the pay of the first, second, or third pay period, shall be entitled to receive an allowance of $250 for uniforms and equipment.

PATIENTS OF ST. ELIZABETHS HOSPITAL IN PUBLIC HEALTH SERVICE HOSPITALS

SEC. 608. Insane patients entitled to treatment in St. Elizabeths Hospital who may heretofore or hereafter, during the continuance of the present war, or during the period of 6 months thereafter, have been admitted to hospitals of the Service, may continue to be cared for and treated in such hospitals notwithstanding the termination of such period.

ELIGIBILITY OF OSTEOPATHS TO APPOINTMENT IN THE RESERVE CORPS

SEC. 609. For the duration of the present war and for 6 months thereafter graduates of reputable osteopathic colleges shall be eligible for appointment as reserve officers in the Service.

TEMPORARY PROVISIONS RESPECTING MEDICAL AND HOSPITAL BENEFITS

SEC. 610. (a) Subject to regulations of the President, members of the Women's Reserve of the Coast Guard, or their dependents, shall be entitled to the benefits provided by section 326 for male officers and enlisted men of the Coast Guard or their dependents: *Provided*, That the husbands of such members shall not be considered dependents, and the children of such members shall not be considered dependents unless their father is dead or they are in fact dependent on their mother for their chief support.

(b) Subject to regulations of the President, lightkeepers and assistant lightkeepers (who during their active service were entitled to medical relief at hospitals and other stations of the Public Health Service), and officers and crews of vessels of the former Lighthouse Service, who have been or who may hereafter be retired under the provisions of section 6 of the act of June 20, 1918, as amended (U. S. C., 1940 ed., title 33, sec. 763), shall be entitled to medical, surgical, and dental treatment and hospitalization by the Public Health Service.

REPEAL OF EXISTING LAW

SEC. 611. The following statutes or parts of statutes are hereby repealed:

Section 3689 in title XLI, and sections 4801, 4802, 4803, 4804, 4805, and 4806 in title LIX of the Revised Statutes of the United States;

The last paragraph under the heading "Miscellaneous" in chapter 130, 18 Statutes at Large 371, which paragraph is the seventh beginning on page 377;

Chapter 156, 18 Statutes at Large 485;

Chapter 66, 20 Statutes at Large 37;

Chapter 202, 20 Statutes at Large 484;

Chapter 61, 21 Statutes at Large 46;

Section 1, and the final clause of section 2 (which reads as follows: "and the said quarantine stations when so established shall be conducted by the Marine Hospital Service under regulations framed in accordance with the act of April 29, 1878"), of chapter 727, 25 Statutes at Large 355;

Chapter 19, 25 Statutes at Large 639;

Chapter 51, 26 Statutes at Large 31;

The last sentence of the paragraph headed "Office of the Supervising Surgeon General, Marine Hospital Service" in chapter 541, 26 Statutes at Large 908, which appears at page 923 and reads as follows: "And hereafter the Supervising Surgeon General is hereby authorized to cause the detail of two surgeons and two passed assistant surgeons for duty in the Bureau, who shall each receive the pay and allowances of their respective grades in the general service.";

Chapter 114, 27 Statutes at Large 449;

The last sentence of the paragraph headed "Office of Supervising Surgeon General, Marine Hospital Service", in chapter 174, 28 Statutes at Large 162, which appears at page 179 and which reads as follows: "And hereafter the Supervising Surgeon General of the Marine Hospital Service is hereby authorized to cause the detail of an additional medical officer and one hospital steward for duty in the Bureau, who shall each receive the pay and allowances of his respective grade in the general service.";

Chapter 213, 28 Statutes at Large 229;

Chapter 300, 28 Statutes at Large 372;

The last sentence of the paragraph headed "Office of Supervising Surgeon General, Marine Hospital Service", in chapter 177, 28 Statutes at Large 764, which appears at page 780 and which reads as follows: "And hereafter the Supervising Surgeon General of the Marine Hospital Service is hereby authorized to cause the detail of two hospital attendants from the port of New York for duty in the laboratory of the Bureau, and who shall each receive the pay equivalent to the compensation of a first-class hospital attendant.";

The proviso at the end of the paragraph headed "Office of Supervising Surgeon General Marine Hospital Service" in chapter 265, 29 Statutes at Large 538, which appears at page 554 and which reads as follows: *"Provided,* That the Secretary of the Treasury is hereby authorized, in his discretion, to grant to the medical officers of the Marine Hospital Service commissioned by the President, without deduction of pay, leaves of absence for the same period of time and in the same manner as is now authorized to be granted to officers of the Army by the Secretary of War";

Chapter 349, 30 Statutes at Large 976;

Section 10, chapter 191, 31 Statutes at Large 77, at page 80;

The first paragraph of section 97 of chapter 339, 31 Statutes at Large 141;

Chapter 836, 31 Statutes at Large 1086;

That portion of the third paragraph of section 84 of chapter 1369, 32 Statutes at Large 691, which appears at page 711 and which reads as follows: "and the provisions of law relating to the public health and quarantine shall apply in the case of all vessels entering a port of the United States or its aforesaid possessions from said islands, where the customs officers at the port of departure shall perform the duties required by such law of consular officers in foreign ports";

Chapter 1370, 32 Statutes at Large 712;

Chapter 1378, 32 Statutes at Large 728;

Chapter 1443, 33 Statutes at Large 1009;

The last sentence of the last paragraph under the heading "Public Health and Marine Hospital Service" in chapter 1484, 33 Statutes at Large 1214, which appears at page 1217 and which reads as follows: "And the Secretary of the Treasury shall, for the fiscal year 1907, and annually thereafter, submit to Congress, in the regular Book of Estimates, detailed estimates of the expenses of maintaining the Public Health and Marine Hospital Service,";

Public Resolution No. 21, 33 Statutes at Large 1283;

Chapter 3433, 34 Statutes at Large 299;

Section 17 of chapter 1134, 34 Statutes at Large 898, at page 903;

That portion of the third paragraph under the heading "Back pay and bounty" in chapter 200, 35 Statutes at Large 373, as amended by chapter 213, 52 Statutes at Large 352, which is at page 352 of 52 Statutes at Large and which reads as follows: "and of deceased commissioned officers of the Public Health Service";

The proviso in the tenth paragraph under the heading "Public Health and Marine Hospital Service" in chapter 285, 36 Statutes at Large 1363, which appears in the eighth paragraph on page 1394 and which reads as follows:

"Provided, That there may be admitted into said hospitals, for study, persons with infectious or other diseases affecting the public health, and not to exceed 10 cases in any one hospital at one time", and the substantially similar provisions appearing under the heading "Public Health and Marine Hospital Service" or the heading "Public Health Service" in the following statutes: Chapter 355, 37 Statutes at Large 417, at page 435; chapter 3, 38 Statutes at Large 4, at page 24; chapter 209, 39 Statutes at Large 262, at page 278; chapter 28, 40 Statutes at Large 459, at page 468; chapter 113, 40 Statutes at Large 634, at page 644; chapter 24, 41 Statutes at Large 163, at page 175;

Chapter 288, 37 Statutes at Large 309;

The proviso at the end of the last paragraph under the heading "Public Health Service" in chapter 149, 37 Statutes at Large 912, which appears at page 915 and which reads as follows: *"Provided,* That hereafter the director of the Hygienic Laboratory shall receive the pay and allowances of a senior surgeon";

That portion of the second paragraph under the heading "Public Health Service" in chapter 3, 38 Statutes at Large 4, which appears at page 23 and which reads as follows: "at least six of the assistant surgeons provided for hereunder shall be required to have had a special training in the diagnosis of insanity and mental defect for duty in connection with the examination of arriving aliens with special reference to the detection of mental defection;";

The proviso at the end of the twelfth paragraph under the heading "Public Health Service" in chapter 3, 38 Statutes at Large 4, which appears at page 24 and which reads as follows: *"Provided,* That hereafter commissioned officers and pharmacists, and those employees of the Service devoting all their time to field work, shall be entitled to hospital relief when taken sick or injured in line of duty";

The last clause of chapter 124, 38 Statutes at Large 387, which reads as follows: "and the said Secretary is hereby authorized to detail for duty on revenue cutters such surgeons and other persons of the Public Health Service as he may deem necessary";

Section 5 of chapter 414, 39 Statutes at Large 536, at page 538;

Chapter 26, 39 Statutes at Large 872;

That portion of section 16 of chapter 29, 39 Statutes at Large 874, which appears at page 885 and which reads as follows: "who shall have had at least 2 years' experience in the practice of their profession since receiving the degree of doctor of medicine, and";

The sixth paragraph under the heading "Public Health Service" in chapter 3, 40 Statutes at Large 2, at page 6;

The seventh paragraph under the heading "Bureau of Mines" in chapter 27, 40 Statutes at Large 105, which is the third full paragraph appearing on page 146;

Chapter 37, 40 Statutes at Large 242;

The proviso in the fourth paragraph under the heading "Public Health Service" in chapter 113, 40 Statutes at Large 634, which appears at page 644 and which reads as follows: *"Provided,* That the pay of attendants at marine hospitals, quarantine, and immigration stations, whose present compensation is less than the rate of $1,200 per annum, may be increased to a rate not to exceed $1,200 per annum";

The proviso in the eleventh paragraph under the heading "Public Health Service" in chapter 113, 40 Statutes at Large 634, which appears on page 644 and which reads as follows: *"Provided,* That the Public Health Service, from and after July 1, 1918, shall pay to St. Elizabeths Hospital the actual per capita cost of maintenance in the said hospital of patients committed by that Service";

The sixtieth paragraph under the heading "Bureau of Fisheries" in chapter 113, 40 Statutes at Large 634, which is the fourth full paragraph appearing on page 694;

Sections 1, 3, 4, 6, and 7 of chapter XV of chapter 143, 40 Statutes at Large 845, at page 886;

The thirteenth paragraph under the heading "General Expenses, Bureau of Chemistry" in chapter 178, 40 Statutes at Large 973, which is the second full paragraph appearing on page 992;

Section 2 of chapter 179, 40 Statutes at Large 1008;

Chapter 196, 40 Statutes at Large 1017;

Chapter 98, 40 Statutes at Large 1302;

The last paragraph under the heading "Public Health Service" in chapter 6, 41 Statutes at Large 35, which is the sixth full paragraph appearing on page 45;

The proviso at the end of the first paragraph under the heading "Public Health Service" in chapter 94, 41 Statutes at Large 503, which appears at page 507, and which reads as follows: *"Provided,* That the Secretary of the Treasury is authorized to make regulations governing the disposal of articles produced by patients in the course of their curative treatment, either by allowing the patient to retain same or by selling the articles and depositing the money received to the credit of the appropriation from which the materials for making the articles were purchased";

The second paragraph under the heading "Public Health Service" in chapter 94, 41 Statutes at Large 503, which is the seventh full paragraph appearing on page 507;

The last paragraph under the heading "Public Health Service" in chapter 94, 41 Statutes at Large 503, which is the seventh full paragraph appearing on page 508, and the substantially similar provisions in chapter 161, 41 Statutes at Large 1367, at page 1378;

The fourth paragraph under the heading "Quarantine Stations" in chapter 235, 41 Statutes at Large 874, which is the eighth full paragraph appearing on page 875;

The third paragraph under the heading "Public Health Service" in chapter 285, 41 Statutes at Large 874, which is the ninth full paragraph appearing on page 883;

Chapter 80, 41 Statutes at Large 1149;

The second paragraph under the heading "Public Health Service" in chapter 23, 42 Statutes at Large 29, which is the thirteenth full paragraph appearing on page 38;

The proviso at the end of section 4 of chapter 57, 42 Statutes at Large 147, which appears at page 148, and which reads as follows: *"Provided,* That all commissioned personnel detailed or hereafter detailed from the United States Public Health Service to

the Veterans' Bureau, shall hold the same rank and grade, shall receive the same pay and allowances, and shall be subject to the same rules for relative rank and promotion as now or hereafter may be provided by law for commissioned personnel of the same rank or grade or performing the same or similar duties in the United States Public Health Service";

The ninth paragraph under the heading "Bureau of Mines" in chapter 199, 42 Statutes at Large 552, which is the fourth full paragraph on page 588, and the substantially similar provisions in chapter 42, 42 Statutes at Large 1174, at page 1210; chapter 264, 43 Statutes at Large 390, at page 422; chapter 462, 48 Statutes at Large 1141, at page 1175;

The last sentence of the paragraph under the heading "Public Health Service" in chapter 258, 42 Statutes at Large 767, which appears at page 776, and which reads as follows: "The Immigration Service shall reimburse the Public Health Service on the basis of per capita rates fixed by the Secretary of the Treasury and the sums received by the Public Health Service from this source shall be covered into the Treasury as miscellaneous receipts";

The first proviso at the end of the ninth paragraph under the heading "Public Health Service" in chapter 84, 43 Statutes at Large 64, which appears at page 75 and which reads as follows: *"Provided*, That the Immigration Service shall permit the Public Health Service to use the hospitals at Ellis Island Immigration Station for the care of the Public Health Service patients, free of expense for physical upkeep, but with a charge of actual cost for fuel, light, water, telephone, and similar supplies and services, to be covered into the proper Immigration Service appropriations; and moneys collected by the Immigration Service on account of hospital expenses of persons detained under the immigration laws and regulations at Ellis Island Immigration Station shall be covered into the Treasury as miscellaneous receipts:",

and substantially similar provisions under the heading "Public Health Service" in chapter 87, 43 Statutes at Large 763, at page 775; chapter 43, 44 Statutes at Large 136, at page 147; chapter 126, 45 Statutes at Large 162, at page 174; chapter 39, 45 Statutes at Large 1028, at page 1039; chapter 289, 46 Statutes at Large 335, at page 347; chapter 110, 49 Statutes at Large 218, at page 229; chapter 725, 49 Statutes at Large 1827, at page 1839; chapter 180, 50 Statutes at Large 137, at page 149; chapter 55, 52 Statutes at Large 120, at page 133; chapter 428, 54 Statutes at Large 574, at page 585; chapter 269, 55 Statutes at Large 466, at page 481; and chapter 475, 56 Statutes at Large 562, at page 581;

Chapter 146, 43 Statutes at Large 809;

The words "and public health" in the last sentence of section 7 (b) of chapter 344, 44 Statutes at Large 568, at page 572;

The words "or public-health" wherever they appear in the second sentence of section 11 (b) of chapter 344, 44 Statutes at Large 568, at page 574, as amended;

Section 3 of chapter 371, 44 Statutes at Large 622, at page 626;

Chapter 625, 45 Statutes at Large 603;

The proviso at the end of the fifth paragraph under the heading "Public Health Service" in chapter 39, 45 Statutes at Large 1028, which appears at page 1039, and which reads as follows: *"Provided*, That funds expendable for transportation and traveling expenses may also be used for preparation for shipment and transportation to their former homes of remains of officers who die in line of duty",

and substantially similar provisions appearing under the heading "Public Health Service" in chapter 289, 46 Statutes at Large 335, at page 346; chapter 110, 49 Statutes at Large 218, at page 228; chapter 180, 50 Statutes at Large 137, at page 148; chapter 55, 52 Statutes at Large 120, at page 132; chapter 428, 54 Statutes at Large 574, at page 584; chapter 269, 55 Statutes at Large 466, at page 480;

Chapter 82, 45 Statutes at Large 1085;

The second paragraph under the heading "Government in the Territories" in chapter 707, 45 Statutes at Large 1623, which is the seventh full paragraph on page 1644;

So much of chapter 70, 46 Statutes at Large 81, as reads: ", and at his discretion to permit the erection of other buildings which may in the future be donated to promote the welfare of patients and personnel";

Chapter 125, 46 Statutes at Large 150;

Chapter 320, 46 Statutes at Large 379;

Section 4 of chapter 488, 46 Statutes at Large 585;

Chapter 597, 46 Statutes at Large 807;

Chapter 409, 46 Statutes at Large 1491;

The words "or public health" in the last sentence of section 2 of chapter 656, 48 Statutes at Large 1116;

The ninth paragraph under the heading "Public Health Service" in chapter 110, 49 Statutes at Large 218, which is the second full paragraph appearing on page 229;

Title VI of chapter 531, 49 Statutes at Large 620, at page 645;

Chapter 161, 49 Statutes at Large 1185;

That portion of chapter 550, 49 Statutes at Large 1514, which reads as follows: "or of the United States Public Health Service";

The proviso at the end of the thirteenth paragraph under the heading "Public Health Service" in chapter 725, 49 Statutes at Large 1827, which appears at page 1840 and which reads as follows: *"Provided*, That on and after July 1, 1936, the Narcotic Farm at Lexington, Ky., shall be known as United States Public Health Service Hospital, Lexington, Ky., but such change in designation shall not affect the status of any person in connection therewith or the status of such institution under any act applicable thereto";

The fourth paragraph under the heading "Public Health Service" in chapter 180, 50 Statutes at Large 137, which is the sixth full paragraph on page 148.

Section 2 of chapter 545, 50 Statutes at Large 547

Chapter 565, 50 Statutes at Large 559;

The first proviso in the paragraph having the subhead "Division of Mental Hygiene" under the heading "Public Health Service" in chapter 55, 52 Statutes at Large 120, which appears at page 134 and which reads as follows: *"Provided*, That on and after July 1, 1938, the United States Narcotic Farm, Fort Worth, Tex., shall be known as United States Public Health Service Hospital of Fort Worth, Tex., but such change in designation shall not affect the status of any person in connection therewith or the status of such institution under any act applicable thereto;";

Chapter 267, 52 Statutes at Large 439;

Chapter 92, 53 Statutes at Large 620;

Chapter 606, 53 Statutes at Large 1266;

Chapter 636, 53 Statutes at Large 138;

Section 509 of chapter 666, 53 Statutes at Large 1360, at page 1381;

Section 205 (b) of Reorganization Plan No. I, 53 Statutes at Large 1423, at page 1425;

Chapter 566, 54 Statutes at Large 747;

The fourth paragraph under the heading "Public Health Service" in Public Law 11, Seventy-eighth Congress, at page 4; and

Public Law 184, Seventy-eighth Congress.

PRESERVATION OF RIGHTS AND LIABILITIES

SEC. 612. The repeal of the several statutes or parts of statutes accomplished by section 611 shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause before such repeal, but all rights and liabilities under the statutes or parts thereof so repealed shall continue, and may be enforced in the same manner as if such repeal had not been made.

Mr. BULWINKLE. Mr. Speaker, I send two amendments to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BULWINKLE: On page 2, line 19, strike out the word "primarily."

The amendment was agreed to.

The Clerk read as follows:

Amendment offered by Mr. BULWINKLE: Page 14, line 12, strike out the words "sanitary engineering" and insert "sanitary engineering and pharmacist."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF RAILWAY LABOR ACT

Mr. SABATH. Mr. Speaker, by direction of the Committee on Rules, I file a privileged report on Senate Joint Resolution 91, to aid in effectuating the purposes of the Railway Labor Act (Rept. No. 1500).

Mr. Speaker, this rule was to have been filed by the gentleman from Missouri [Mr. SLAUGHTER], but I do not see him on the floor; no doubt he is engaged on important business elsewhere. In his behalf I am filing this report.

The Clerk read House Resolution 559, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 91) to aid in effectuating the purposes of the Railway Labor Act. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

The SPEAKER. Referred to the House Calendar and ordered printed.

RETIREMENT PAY FOR CERTAIN CIVILIAN OFFICIALS AND EMPLOYEES OF PANAMA CANAL

Mr. SABATH. Mr. Speaker, I call up House Resolution 549 for immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1117) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the

Committee on the Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, later on I shall yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, this bill makes in order the Peterson bill, H. R. 1117. This bill has been passed once or twice before by the Senate but unfortunately failed in the House. I do not know whether it failed to be reached during the session or whether it was defeated, but I know that if it was defeated it was because the Members did not have the information to which they were entitled; in other words, had they had all the information I am satisfied they would not have voted against passage but would have supported the measure.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently no quorum is present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 64]

Allen, Ill.	Gerlach	Merrow
Arends	Gifford	Morrison, N. C.
Baldwin, Md.	Gilchrist	Mundt
Baldwin, N. Y.	Goodwin	Murphy
Barden	Gorski	Myers
Barrett	Gossett	Newsome
Barry	Grant, Ind.	Norton
Beall	Green	O'Neal
Bell	Gross	O'Toole
Bender	Hall,	Patton
Blackney	Edwin Arthur	Peterson, Ga.
Boykin	Hall,	Pfeifer
Bradley, Pa.	Leonard W.	Philbin
Buckley	Halleck	Phillips
Burchill, N. Y.	Harris, Va.	Pracht,
Burdick	Hart	C. Frederick
Burgin	Hébert	Price
Butler	Heffernan	Ramspeck
Canfield	Hendricks	Rogers, Calif.
Cannon, Fla.	Holmes, Mass.	Scanlon
Capozzoli	Johnson,	Scott
Carter	Lyndon B.	Shafer
Celler	Kelley	Sheppard
Clason	Kennedy	Sheridan
Cooley	Kerr	Simpson, Pa.
Costello	King	Smith, Ohio
Dawson	Kleberg	Smith, W. Va.
Dewey	Klein	Snyder
Dickstein	Knutson	Stearns, N. H.
Dies	LaFollette	Sumners, Tex.
Disney	Lane	Sundstrom
Douglas	Lea	Taber
Engle, Calif.	Luce	Taylor
Fay	Ludlow	Thomas, N. J.
Fenton	Lynch	Torrens
Fernandez	McConnell	Treadway
Fish	McCowen	Vincent, Ky.
Folger	Magnuson	Vorys, Ohio
Fulbright	Manasco	Ward
Fulmer	Marcantonio	Weichel, Ohio
Furlong	Martin, Iowa	Wene
Gale	Martin, Mass.	Whitten
Gallagher	Merritt	Wolfenden, Pa.

The SPEAKER. On this roll call 302 Members have answered to their names—a quorum.

Further proceedings, under the call, were dispensed with.

EXTENSION OF REMARKS

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article from the New Orleans Times-Picayune and an article from the Shreveport Times, relating to John H. Olsen, of Louisiana.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, will the gentleman please explain the schedule for tomorrow?

Mr. McCORMACK. We will first take up the land-grant bill. As I remember, there are two other bills coming up. We are anxious to get through with the program scheduled for tomorrow, and that is why we are meeting at 11 o'clock, having in mind the practical considerations with reference to the latter part of June.

Mr. BROWN of Ohio. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RETIREMENT PAY FOR CERTAIN CIVILIAN OFFICIALS AND EMPLOYEES OF PANAMA CANAL

Mr. SABATH. Mr. Speaker, as I started to point out, this bill has passed the Senate twice and this session the Senate passed a similar bill, and I understand the gentlemen having the bill in charge will move to substitute the Senate bill for the House bill.

I did not make the point of order of no quorum, although I realize and fully appreciate how anxious the gentlemen on my left—Republican side—are always to hear me speak on any and every subject. Anyway, this being such a meritorious bill, and feeling that the Members are now familiar with it, I did not feel it would be necessary to have all of the Members present; however, I did welcome the point of order because the last time the bill was considered here the Members did not understand its merits and the benefits that would accrue to the few remaining and deserving old men who helped to construct the Panama Canal.

Mr. BLAND. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Virginia.

Mr. BLAND. The bill was not defeated, but it was withdrawn at that time because of parliamentary conditions and other things. The bill itself has never been defeated.

Mr. SABATH. I am glad to hear that. I do not quite recollect what happened to it, but I know something did happen to it and there was some opposition to it and because of the opposition it must have been withdrawn.

The bill takes care or aims to take care of less than 1,000 men of average age close to 70, who, between May 4, 1904, and March 31, 1914, were induced to go to Panama to construct the Panama Canal.

To benefit one must be a United States citizen and have served 3 years in Panama. It is not necessary for me to inform the House of the unfortunate experience of the French under De Lessips in trying to construct the Panama Canal some years before and of the thousands upon thousands of men who were brought down there and lost their lives due to yellow fever and other pestilential diseases.

When our Government started to build the Canal many of our people feared the health conditions there and consequently special financial inducements were offered them and assurances given. Unfortunately, some of those who did not die during those days of epidemic in the first few years of construction and remained, did not receive merited consideration. This bill would provide for these old men. I will say none of them are in my district. It will provide for them a small pension to which I feel they are entitled, because the members of the naval and military forces, those in the Public Health Service, and the higher-ups elsewhere all have been taken care of. Consequently, I feel that these men should be favorably considered. That is what this bill aims to do.

It is reliably calculated that all these beneficiaries will have passed on within 10 years and the aggregate cost of this proposal would be $10,446,000. It is estimated that the average monthly annuity would be $62.50.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. HOFFMAN. Under the principle of this bill would not every civilian who works outside of the continental United States in furtherance of our present war effort be likewise entitled to what you term a "pension"?

Mr. SABATH. No; I would not say that is an accurate statement.

Mr. HOFFMAN. Under the principle of the bill, would they not be also entitled?

Mr. SABATH. No.

Mr. HOFFMAN. Why not?

Mr. SABATH. I will read from the report of the committee. I very seldom do this; I very seldom have time to avail myself of that information, but for the benefit of the gentleman and the House I will read what the report states.

Mr. HOFFMAN. I have read that report.

Mr. SABATH. The report states the passage of H. R. 1117 therefore will not establish a precedent for any civil-service employee, whether in or out of service at the time of the passage of the Civil Service Retirement Act.

Mr. HOFFMAN. Well, they say so, but they do not tell us why it will not.

Mr. SABATH. I am satisfied that the chairman of the subcommittee [Mr. PETERSON of Florida] as well as the able Chairman of the Whole Committee on Merchant Marine and Fisheries [Mr. BLAND], having at all times the best interest of the Treasury at heart, will explain the merits of the bill and tell, convincingly, why it will not set a precedent.

Any Member who is familiar with the conditions on the Panama Canal when it was under construction, will, I am sure, not hesitate for a second before approving this proposal.

I had the good fortune as a member of the Committee on Interstate and Foreign Commerce to go to Panama with the committee, because our duty was to prepare a code for the Canal Zone; and during a week we were there I observed the conditions under which these men worked. I assure you gentleman that very few of you, or perhaps none of you, would have had the courage and stamina to remain there, to say nothing of doing the work that these men were obliged to do under most trying conditions.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mrs. BOLTON. Will the gentleman tell me if they had any policies of insurance of any kind?

Mr. SABATH. Not that I know of. They did not get the additional pay that was promised them at that time. They were induced to go there on grounds of patriotism and duty, and when they got to Panama very little was done for them and many of them died there. These older men are some of the lucky ones who remained there and who are still alive. The least we can do for them is to provide this little pension so that they will be to some extent compensated for the courage and patriotism they displayed when they remained in Panama under the terrible conditions that existed during construction of this great waterway, this great canal, which has been of such tremendous benefit to our Nation and the world.

Mrs. BOLTON. But they had no compensation?

Mr. SABATH. Yes; some compensation which they received at the time.

Mrs. BOLTON. They did receive some?

Mr. SABATH. Yes; they did not receive special or additional compensation.

Now, Mr. Speaker, I feel I have explained the bill as well as I am able to, and knowing that both the chairmen of the subcommittee and the full committee, as well as the ranking minority Member [Mr. WELCH], are here to further explain the bill and to give the Members more thorough information relative to it, I am concluding this presentation.

I will place in the RECORD at this point three relevant communications as follows:

THE PANAMA CANAL SOCIETY OF CHICAGO,
Chicago, Ill., May 19, 1944.

Hon. SCHUYLER OTIS BLAND *et al.*

MY DEAR CONGRESSMEN: In order that you may know something about the feelings of the old timers who actually helped to construct the Panama Canal, the attached resolution, which was unanimously passed at our May 6 annual dinner, is sent you for information.

We appreciate your consideration of this bill, and are very hopeful that when it comes up for vote, as it may very shortly, you will give it the same fine consideration that you did in committee.

Yours very truly,

_____,
Secretary Treasurer.

RESOLUTION

Resolved by the Panama Canal Society of Chicago, Ill., That the Society hereby gives its unanimous approval of S. 683 and H. R. 1117, a bill in recognition of civilian construction employees of the Panama Canal, pending in the present Congress, and that the officers of the society be authorized and directed to do everything appropriate in behalf of the society to bring about early enactment of the proposed legislation.

CHICAGO, ILL., *May 22, 1944.*

Hon. ADOLPH J. SABATH,
House Office Building,
Washington, D. C.:

Reliably informed H. R. 1117 will be called Monday, 22. This measure is designed to right an old standing injustice and reward pioneer Canal builders, many of whom are in dire need. I respectfully request you to be present and do your utmost to obtain passage.

ERNEST E. LEE.

WASHINGTON, D. C., *May 21, 1944.*

Hon. ADOLPH J. SABATH,
House of Representatives,
Washington, D. C.:

H. R. 1117 is scheduled to come before the House Monday, May 22, for action. The Senate has passed an identical bill, S. 683. The A. F. of L. and the railway labor organizations are strongly behind this legislation. We respectfully, but most earnestly, urge that you be present Monday and actively support this bill. This bill was carefully prepared, hearings have been held, its provisions are just and fair, and if enacted into law the unjust discrimination against the surviving American civilians will be removed. The late General Goethals and Hon. Theodore Roosevelt declared that the civilians covered by this bill were the real builders of the Panama Canal. Your support will be appreciated.

W. D. JOHNSON,
Vice President, Order of Railway Conductors; National Legislative Representative.

Mr. SABATH. I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and reserve the remainder of my time.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that I may have permission to address the House for 20 minutes tomorrow after the regular order of business and such special orders as may have been heretofore entered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RETIREMENT PAY FOR CERTAIN CIVILIAN OFFICIALS AND EMPLOYEES OF THE PANAMA CANAL

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Illinois [Mr. SABATH] has explained House Resolution 549, makes in order the consideration of H. R. 1117, which is a bill to provide for recognition of the services of civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

H. R. 1117, introduced by the gentleman from Florida [Mr. PETERSON] is an identical bill with H. R. 1124, introduced by the gentleman from California [Mr. WELCH], ranking minority member of the Committee on the Merchant Marine and Fisheries. This bill, which authorizes certain payments to civilian employees of the Federal Government who rendered yeoman service in the construction of the Panama Canal some 40 years ago, was unanimously reported by the Committee on the Merchant Marine and Fisheries and this rule was requested by both the majority and minority members of that committee.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. ROBSION of Kentucky. Did those persons go voluntarily? They were not in the armed services, were they? I want to get the facts.

Mr. BROWN of Ohio. I understand the individuals to whom this legislation would apply did volunteer for this service in the construction of the Panama Canal. However, I am not an authority on the details of this legislation.

Mr. BLAND. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. BLAND. Does the gentleman refer to civilians?

Mr. ROBSION of Kentucky. Yes.

Mr. BLAND. While it has been stated in opposition to the bill that the men of the Army and Navy and others went under compulsion, there is direct testimony that each man went upon volition. He did not have to go.

Mr. ROBSION of Kentucky. Did they not receive 25 percent more pay than was paid for comparable services in the United States?

Mr. BROWN of Ohio. It is my understanding that the civilian employees received some additional compensation. However, at that time they were not under civil service and protected by civil-service laws as are most of the employees who have been engaged in recent years in the construction of public works outside of continental United States, and who also receive additional compensation, I understand, for overseas duty.

Mr. ROBSION of Kentucky. Will the gentleman yield further?

Mr. BROWN of Ohio. I yield.

Mr. ROBSION of Kentucky. We have had thousands and thousands of men in the Army, the Navy, and the Marine Corps serving in that same country in the Regular Establishments. When they got home, under our law they can receive no pension or annuity.

Mr. BROWN of Ohio. It is according to what kind of service is rendered.

Mr. ROBSION of Kentucky. And they received less pay.

Mr. BROWN of Ohio. I understand that the men who served in the armed services during the construction of the Panama Canal are receiving compensation.

Mr. ROBSION of Kentucky. If they served during the Spanish-American War; but otherwise would they have to

prove disability contracted in the service, in line of duty? If I understand this bill, it requires no evidence that any of the persons who will receive these benefits received disabilities or have disabilities as a result of their service down there.

Mr. BLAND. That is true, and that is one of the points of discrimination complained of. The man in the Army, the Navy, or the Public Health Service received his advancement under the bill in 1915.

Mr. ROBSION of Kentucky. That is in the armed services?

Mr. BROWN of Ohio. Yes.

Mr. ROBSION of Kentucky. In the last war they served all over the world, in Russia and elsewhere, and there are several million who served before November 12, 1918, or in Russia before April 2, 1920, who can receive no compensation today, unless they can show disabilities contracted in the service in line of duty, or unless they can show that they are totally and permanently disabled.

Mr. BROWN of Ohio. I think perhaps the gentleman's statement is erroneous.

Mr. ROBSION of Kentucky. On what basis can you justify this legislation when those employees down there received two or three times more than the soldiers and sailors received at that time or in the last World War?

Mr. BROWN of Ohio. Mr. Speaker, I will yield to the gentleman from California [Mr. WELCH] to answer the gentleman from Kentucky.

Mr. WELCH. I am afraid the information which the distinguished gentleman from Kentucky [Mr. ROBSION] has received is erroneous. Men employed in the Public Health Service were not enrolled in the Army, and they receive extra compensation by reason of the hazards obtaining during the construction of the Panama Canal. I do not think you can make a parallel case.

Mr. ROBSION of Kentucky. I want to do the right thing for the men included in this bill. In all of our compensation laws for our war veterans, which laws were passed many years after the war, they provide that unless a man served in the war he is denied compensation because he cannot show service-connected disability. There are millions of men in that situation now.

Mr. BROWN of Ohio. I believe all the queries propounded by the gentleman from Kentucky and others will be fully answered in the general debate on the bill by members of the legislative committee, which first brought out this legislation, and who, of course, are much better acquainted with all of its various provisions than I am.

However, in conclusion, let me say this measure, as I understand it, applies to only about 1,000—perhaps a few under 1,000—men who served as civilian employees of the Government in the construction of the Panama Canal some 40 years ago. The bill has been reported by the Rules Committee for the consideration of the House. I believe it is worthy of our further consideration in the Committee of the Whole and ask for the adoption of the rule.

Mr. Speaker, at this time I yield 5 minutes to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Speaker, the bill under consideration provides for the recognition of services rendered by civilian officials and employees, citizens of the United States, engaged in the construction of the Panama Canal. A companion bill, Senate 683, has already passed the Senate.

This bill is designed to remedy and correct a long-standing injustice and discrimination against a limited number of civilian officials and employees who were actually engaged on the construction of the Panama Canal in the Panama Canal Zone.

The justice this bill proposes to give was recognized by Theodore Roosevelt as long ago as 1906, when he made the statement to these employees on the job in Panama, which is quoted at length in the committee report.

Teddy Roosevelt knew the hazards these men faced. He visited the Panama Canal Zone while the Canal was being constructed. He was fully cognizant of the unsatisfactory conditions under which they worked, the lack of sanitation, and the tropical diseases they had to fight. The Panama Canal Zone of those days was not the Panama Canal Zone of today. Justice delayed should not be turned to justice denied.

This bill has the unanimous approval and recommendation for passage by all authorities of our Government who have been in a position to know the facts. Included in this group is the Civil Service Commission which has recommended that these former employees of the Panama Canal be accorded this justice that their treatment may be the same as that given to members of the Army, Navy, Public Health Service, and civilian employees covered by the Canal Zone Retirement Act.

Those who will be benefited by this legislation are steadily decreasing in number. Their services were rendered 30 or 40 years ago. They are now of advanced years.

If justice is ever to be accorded to them, the need is greater now than at any time in the past.

Mr. Speaker, I ask unanimous consent to extend and revise my remarks and to include therein a poem entitled "At Your Service," by Berton Braley, which typifies the spirit which prevailed among the builders of the Canal.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(The poem is as follows:)

AT YOUR SERVICE

(By Berton Braley)

Here we are, gentlemen, here's the whole gang of us,
Pretty near through with the job we are on;
Size of our work—it will give you the hang of us—
South to Balboa and north to Colon.
Yes, the Canal is our letter of reference;
Look at Culebra and glance at Gatun;
What can we do for you—got any preference,
Wireless to Saturn or bridge to the moon?
Don't send us back to a life that is flat again,
We who have shattered a continent's spine;
Office work—Lord, but we couldn't do that again,
Haven't you something that's more in our line?
Got any river they say isn't crossable?
Got any mountains that can't be cut through?
We specialize in the wholly impossible,
Doing things nobody ever could do.
Take a good look at the whole husky crew of us,
Engineers, doctors, and steam-shovel men;
Taken together you'll find quite a few of us
Soon to be ready for trouble again.
Bronzed by the tropical sun that is blistery,
Chockful of energy, vigor, and tang,
Trained by a task that's the biggest in history,
Who has a job for this Panama gang?

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WELCH. I yield.

Mr. McCORMACK. Speaking in my personal and individual capacity as a Member, I think the bill is a justifiable and worth-while one. I am aware of the fact that the distinguished gentleman from California [Mr. WELCH] has made a fight for the passage of this bill, as well as other members of the committee in the House. This group went down there at a time when it was dangerous to health. Every other group down there has been taken care of except this particular group. As the gentleman has well said, it is nearly 40 years since they rendered their services, and not so many of them are living. It is only an act on the part of Congress that is consistent with justice. It seems to me, from my study of the facts, that it is only an act of justice that even at this date we should pass this bill and give to those men the consideration which all others have received, but which has been denied to them.

Mr. WELCH. I appreciate the contribution of the distinguished gentleman from Massachusetts.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. WELCH. I yield.

Mr. ANGELL. I agree heartily with what the gentleman from California has said and also with the remarks of the gentleman from Massachusetts who spoke a moment ago. This bill has been pending for a long time, as many of us know; it has passed the other body, and, as the gentleman has said, is justice too long delayed. I certainly hope we here today will rectify the mistakes that have been made in failing to recognize one particular group of those very efficient workers who were on the Canal Zone so long ago. While it is true they were not there by compulsion, they were not a part of the armed forces, yet they performed a very heroic work for this country, and in doing so many of them sacrificed their health and now certainly for the remainder of the time those still with us shall live this will provide but small stipend.

Mr. WELCH. I appreciate the contribution of the distinguished gentleman from Oregon.

The SPEAKER. The time of the gentleman from California has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, I will try in 5 minutes to cover some of the high spots of the bill. There is some lack of understanding—I will not say misunderstanding, but lack of understanding of the provisions, and I can sense by some of the questions being asked that certain Members are worrying about the question of precedent. If a precedent were set at all it was set when they recommended and provided for the promotion of those persons in the armed forces who subsequently came into Panama. These people were jumped certain grades and promoted by reason of the fact that they served in the Canal Zone; but later on, General Wood, in a telegram to the committee definitely stated that he felt he was no more entitled to that recognition than were the civilian employees who did the actual construction of the Canal. The main things, I believe, is whether or not an effort will be made to extend the same principle to everyone who might have served in foreign zones. The answer to that is that today we have a civil-service retirement system under which any person entering the employ of the Federal Government under civil service is provided for. An entirely different situation existed at the time of the construction of the Panama Canal. Those men now in the Public Health Service who served there and those who came in after the construction of the Canal were jumped certain grades, as well as those men who stayed in the service and later on came under the Retirement Act; but the men who went down there during the early period of blackwater fever and yellow fever, the men who had to sleep with snakes under their beds, are the ones this bill seeks to aid.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. BRADLEY of Michigan. The gentleman is, of course, a distinguished member of the committee. I listened to testimony before the committee. The charge has been leveled in the other body of this Congress that this is an open sesame to other groups who may eventually ask for similar pensions, but no evidence of that was submitted to our committee. Is that correct?

Mr. PETERSON of Florida. All the evidence is to the contrary, and the wording of the bill was carefully drawn to keep away from that.

Mr. BRADLEY of Michigan. The gentleman from Michigan supported the bill in the committee and will support it in the House.

Mr. PETERSON of Florida. I thank the gentleman very much.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. ROBSION of Kentucky. The gentleman spoke of the fact that under existing law civil-service employees receive retirement benefits, but does the gentleman know of any law which grants such benefits for only 3 years of service?

Mr. PETERSON of Florida. The very same law that provided for the advancement in grade of certain military personnel who served in the Canal Zone.

Mr. ROBSION of Kentucky. I am talking about the civilian employees of the Government; I am speaking about the law today; I am seeking information.

Mr. PETERSON of Florida. Today, if a man is employed under civil service and becomes totally disabled in the course of his service, he is immediately protected by the Retirement Act, even in wartime.

Mr. ROBSION of Kentucky. Is there the question of disability in this bill?

Mr. PETERSON of Florida. Oh, yes; there is. A great many of those who served in Panama are now feeling the effects of their service. Quite a number of the men who appeared before our committee 2 years ago are dead today. Applying the normal mortality rate, less than half of the men are alive today, and the gentleman will find they are leaving us very rapidly. I realize the general problem the gentleman refers to. I knew nothing about this. I originally introduced this bill because I was sympathetic and I sat there day after day and heard the testimony. No one could hear all the testimony we heard in the Committee on Merchant Marine and Fisheries without feeling that these men are entitled to this. We limit it; they must have served 3 years actually down in the Canal Zone before they are entitled to the 40 percent that is granted.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. BATES of Massachusetts. What about the men who served 4 years in the United States Army in the Canal Zone and then retired to private life? Will they get a pension? Will they get an annuity?

Mr. PETERSON of Florida. Certainly.

Mr. BATES of Massachusetts. How?

Mr. PETERSON of Florida. They were jumped grades under a special act, but General Wood himself protested to the committee that he did not feel entitled to it any more than civilian employees.

Mr. BATES of Massachusetts. I am talking about the ordinary private in the Army who served his entire period of enlistment in the Canal Zone.

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CURLEY].

Mr. CURLEY. Mr. Speaker, in all probability if the First World War had not taken place the Congress would not find it necessary at the present time to consider the pending legislation.

Legislation was introduced in 1913 making provision for substantially every class of individual that participated in the construction of the Panama Canal with the exception of those covered in the pending bill. I can recall some 30-odd years ago the Congress rectifying a mistake of President Theodore Roosevelt by making provision for payment to the Panamanian Republic of something like $25,000,000, that being payment for the land that had been seized for the Panama Canal. Some six thousand of the eight thousand men who went down there at the beginning of the work on the Panama Canal experienced the same fate the French experienced in the digging of the Canal. Six thousand of the eight thousand lie buried there. They were the victims of yellow fever, they were the victims of malaria, they were victims of typhoid. Then General Goethals came along and took charge of the work and practically rid the district of the mosquitoes, did away with malaria, did away with yellow fever and typhoid.

The two best authorities we have on the subject of justification for favorable action on this bill are those two men who best understood the question. General Goethals, who was in charge, is publicly on record in favor of payment to the survivors of the original group who went down on the construction of the Panama Canal. President Theodore Roosevelt himself has gone on record favoring legislation of this kind in a letter to Mr. Simmons, written on May 25, 1916. He said:

> DEAR MR. SIMMONS: In view of the action taken by Congress in substantially rewarding certain officers of the United States Army, Navy, and Public Health officials who served for more than 3 years in the construction of the Panama Canal, by providing for their promotion and retirement upon application I can see no reason why the civilian employees who served for a similar period and who in any event would not benefit by the liberal pension arrangements provided for the servicemen, should not be rewarded by a like recognition. As one who was instrumental in getting this work under way and who has followed its progress with deep interest and keen satisfaction, I am greatly concerned in seeing proper recognition accorded the civilian employees. General Goethals has designated these men as the real builders of the Panama Canal. I sincerely trust that prompt action will be taken by Congress toward early enactment of legislation to this end.
>
> Very truly yours,
>
> THEODORE ROOSEVELT.

Mr. Speaker, I am willing to accept the judgment of Theodore Roosevelt and the judgment of General Goethals rather than my good friend from Michigan.

Mr. SABATH. Mr. Speaker, I move the previous question on the rule.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. PETERSON of Florida. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1117) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 1117, with Mr. THOMASON in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. BLAND. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill has been before the Committee on the Merchant Marine and Fisheries for some time. I do not know of any other bill that has been before the committee for which I have had more calls and more earnest pleas to do something. The bill now before the House is identical with a bill introduced by the gentleman from California [Mr. WELCH].

We heard testimony and some of the things that have been suggested here today worried me. I came finally to the conclusion that it was a matter of justice and humanity that we should provide something for these old men who had suffered from yellow fever, black fever, and other tropical diseases, and who had endured as much as was endured in the building of the Panama Canal by the men who were rewarded years ago.

One thing has not been mentioned here. The finest asset that the United States has today for the future is the Panama Canal. This bill will cost about a million dollars annually for 10 years. With almost all of the vessels passing now through the Canal free of toll charges, it still pays into the Treasury of the United States in tolls over $3,000,000. The money coming from the efforts of those men will more than pay their pensions. In a very little while after the war shall have ended and we shall have resumed our trade with the south, east, and the west, we shall then be receiving larger sums than those received several years ago.

Mr. MAY. Will the gentleman yield?

Mr. BLAND. The gentleman said he is hard to convince, but I yield to him.

Mr. MAY. I only want information and I am sure the gentleman from Virginia is both able and courteous enough to give it to me.

Mr. BLAND. I do not know about my ability, but I will try to be courteous.

Mr. MAY. During the 3 or 4 years these men worked down there, did they receive added compensation over and above the average wage scale to the extent of about 25 percent, and if so, did they ever contribute to the fund that makes up the reserves of the civil-service employees of the Government?

Mr. BLAND. I do not think there existed any law at that time under which they could make contribution. They received the 25 percent just as the Army and Navy officers and Public Health Service officers were rewarded and received additional pay.

Mr. MAY. In the event this legislation is passed, is it not an exact precedent for allowing to the thousands of men who worked on the Siberian Railway under Daniel Willard during the First World War, and also to those who built the Alaskan Highway during this war added compensation?

Mr. BLAND. I do not think so. I have confidence in the House. I do not believe it will be recognized as a precedent. I will admit I was somewhat troubled by that problem at first.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLAND. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, I feel that the House will take care of that situation when it arises and if it will require the applicants then to wait 30 years as these men have waited, they will not be here plaguing you or me.

Mr. DONDERO. Will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Michigan.

Mr. DONDERO. I notice on page 4 of the bill that it also includes the widow of any deceased man who worked on the Panama Canal. How did the committee come to justify that provision?

Mr. BLAND. What page?

Mr. DONDERO. Page 4, section 4. Where a deceased person who worked on the Panama Canal has left a widow, it includes the widow. I understood this pension or pay was to go to the man who actually worked on the Canal.

Mr. BLAND. My recollection is that this only includes the wife who lived with her husband on the Panama Canal while the work was in progress.

Mr. LUTHER A. JOHNSON. Yes; for at least 1 year. She must have lived there at least a year.

Mr. BLAND. Yes; she must have lived at least 1 year on the Panama Canal while it was being constructed.

Mr. MILLER of Connecticut. Will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Connecticut.

Mr. MILLER of Connecticut. As I read this, the widow of one of those men who dies before the passage of this bill will receive nothing, but if the husband lives until this bill is signed, then that widow would receive the pension. In other words, a lot of them who died or who received disability incurred in Panama will receive nothing.

Mr. BLAND. They receive nothing anyhow.

Mr. MILLER of Connecticut. The widows receive it under this bill if they are living.

Mr. WHITE. Will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Idaho.

Mr. WHITE. The bill specifically states:

Provided, however, That in such cases where a deceased person, had he been alive on the date whereon the act takes effect, would have been entitled to receive an annuity hereunder—

And so forth. If he had died she would not get anything.

Mr. MILLER of Connecticut. Yes. They may have died as the result of the service, and they will receive nothing.

Mr. BLAND. That may be true, but to provide for all of the men who were employed there would have been so great that I doubt we would have been able to pass it.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Oregon.

Mr. ANGELL. Is it not a fact that the men and the widows who participate under this annuity, if this bill is passed, are approximately 70 years old now?

Mr. BLAND. Surely.

Mr. ANGELL. Their span of life will be very short in any event?

Mr. BLAND. They will be very short.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Ohio.

Mr. LEWIS. Is it not true that these people are practically all eligible for old-age pensions under the laws of most of their States now?

Mr. BLAND. That may be true. But these men have felt very keenly the fact that they were discriminated against in 1915 and that their Government then made no provision for them. They have wanted since that time to remove the stigma that rested upon them.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Tennessee.

Mr. JENNINGS. I have great confidence in the sense of economy and justice of the chairman of the committee, and I would like to ask this question. Is this legislation not predicated upon the fact that these men went down there at the imminent peril of their health and performed these services, and that those are the only men who participated in this great enterprise?

Mr. BLAND. At the time they went down there the Americans were leaving the Canal by the hundreds. That was one of the reasons for the payment of the 25 percent additional as an inducement. There was great difficulty in getting workers. They went down there and stayed while the Panama Canal was being built.

Under leave to extend and revise remarks in the RECORD, I would call attention to the fact that it has been asserted that the servicemen had no choice but to obey orders which detailed them to duty with the Commission while the civilians came of their own order.

Mr. Harvey E. Bovay, a resident of Memphis, Tenn., appeared as a witness before the Commission at hearings held on March 21, 1939. Mr. Bovay was first attached at the time he was in Panama in the office of General Gorgas, who was the chief sanitary officer and in a few months became Chief Clerk of that department, which he held until September 1914, nearly 10 years. He was familiar with all of the life of the entire period, with the statistics, the health, morbidity, and mortality statistics, during all of those years.

He says the following:

There were no private soldiers in the employ of the Panama Canal Commission, if I may make that correction; only officers.

* * * * *

General Gorgas, on August 23, 1907, submitted his annual report, which is a part of the annual report of the entire Commission. We all like to brag of those days, and here is the first sentence of that report, which I wrote:

"During the fiscal year 1906–7, the health conditions on the Isthmus have been good. * * * Our figures show that the death rate was 67 per thousand."

I think probably the death rate of Washington today—March 21, 1939—would be 6 or 7 or 8 per thousand. I am not going to tire you with statistics, but during that fiscal year we had 3,000 deaths, and about 1,200 of them were deaths of men between 20 and 30 years of age. Men do not die at that age in healthy climates.

Individually, I do not need any pension from the United States Government, but I have met many a derelict as the result of that job down there. Sitting in a little town in Arkansas one day I heard a man say, "The reason I am in this shape was because of my service on the Panama Canal." He did not know me; he did not know I was listening. He said, "I was blown to pieces in the Obispo explosion." Gentlemen, it was not only a question of health down there; it was a question of accidents; and we had no compensation laws in those days, and no provision was made for those men, and this poor derelict, with his bones all twisted out of shape, told his story to a bystander. I was chief clerk in the sanitary department on the Canal when that explosion occurred, and 73 were killed and 274 were injured, and no provision was made for those men at all. I was on the train one night when Dr. Caldwell, of Obispo, was bringing in a man with both of his legs cut off, and he was begging us to take care of his wife and baby. No provision has ever been made for that man. I do not know whether he is living now, and it is those cases that stand out in my mind, and I feel, gentlemen, there has been an injustice done.

The men who have stayed there have since come under the civil-service retirement, and I am glad they do, and, speaking for others than myself, I would like to see this Congress right this wrong.

I see here that Mr. Cole filed a picture of the cemetery. Only a few of them were buried there. We shipped most of the bodies back to the United States.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I have been trying to get some information in regard to this bill. No one appreciates more than I do the foresight of those in charge of our country at the time in the building of the Panama Canal, and the workers who helped to do that job. I have always, during my service in Congress, placed the defenders of this country and their dependents first, and I was somewhat at a loss to understand how this would fit into the picture.

We had soldiers down there at the time receiving less pay than these persons who were helping to build the Canal. That point has been cleared up by statements of some members of the committee to the effect that these soldiers were granted promotions as a reward for their services down there.

I am reminded we are pouring out billions of dollars, giving it away, to people in all parts of the world; people who never rendered to this country any sort of service, and most of them never will render any kind of service to our country. In fact, recently we passed a bill and started out on a program proposing to spend billions to rehabilitate people in all parts of the world, with initial obligations of nearly a billion and a half for that purpose. Here are, I believe, something like 900 old men. Their average age is 70 years, and they must have had service down there for 3 years before they come within the provisions of this law. If they leave a widow, in order for her to enjoy any benefits she must have lived down there with the American worker at least 1 year.

There is little involved and these men have rendered a great service to this country.

I feel, all in all, as does the distinguished chairman, the gentleman from Virginia [Mr. BLAND], for whose conservatism I have great respect, and for the policy of economy he has always pursued. Voting for this measure can be justified and then hearing the statements of former President Theodore Roosevelt and General Goethals, who was in charge of this great work, I feel I would be justified in casting my vote for this bill providing this small contribution to these 900 old men who cannot survive at most for a short time. Thousands have died already. They of course will not benefit by this bill. All other groups who worked down there except this group of 900 have been cared for by appropriate legislation years ago. I shall vote for the bill.

Mr. BLAND. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, at the beginning of the session of the Seventy-eighth Congress, the party that occupies the position on my left came out with the statement that met Nation-wide approval, not only in their own native States, but down in the rock-ribbed Democratic State of Texas. The citizenship cherished that statement. They said this would be a war Congress. That party dedicated itself to only such measures as would help win the war. I too thought it was a pretty good course to pursue, but oh, how we have deviated from it since that time. Our indebtedness now reaches somewhere in the neighborhood of $250,000,000,000. The interest on our indebtedness, when this war is over, and the inflationary period when war ceases to exist, will be more than we can pay and run the Government unless we retrench a long way from the way we are going now.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. No, not now. I will yield when I get through.

Mr. WHITE. Bear me in mind, please.

Mr. RUSSELL. All right. The gentleman would not yield to me a while ago, and I had to beg so hard for this time that I want to use it.

With that indebtedness hovering over us, and this Government not having one nickel now to operate, except on borrowed money, and will not have for years to come one single, solitary dime, except borrowed money, do you not think it is time that we should take a little interest in the future welfare—yes, I may say financial welfare of the American people? I hope to God that this Congress somewhere down the line will look down future's lane long enough so that we will stop, look, and listen, and not put the great-great-grandchildren of this country in bondage for their natural lives. Ordinarily, if times were good and we were not in a war, I might agree to this bill, yet there is no logical reason on earth to pension those men who worked on the Panama Canal back yonder, because I am old enough to know when and how it happened. I know the men who left my own town to go and work there, and how lucky they considered themselves to get the high wages they got there, and how they lorded it over the other boys who did not get to go. When they came back, with the money they saved up, they bought themselves homes. I remember the disappointment of those who tried to go and yet failed to go. The Government paid them every nickel it owed them, every nickel it contracted to pay them.

Mr. Chairman, what kind of a precedent are we setting today? Naturally, we like to help the old folks. That tender strain and tender feeling runs throughout our whole system when even their names are mentioned. As one gentleman said a few moments ago, every one of those people is entitled to an old-age pension. They are in my State, they are in other States. Any man who has worked for the Federal Government anywhere, at any time, now or hereafter, will have the precedent, if you pass this pension bill, to get on the pension rolls.

Let us stop, look, and listen a few minutes. Last week we passed a bill here that perhaps will run into a financial expenditure of $15,000,000,000. Another bill that came up called for a pension for World War veterans' wives. That was a good bill, and I supported it, but I thought it came at a bad time now, inasmuch as we are at war, because I am interested in winning this war more than anything else.

But unless we retrench, how long can we go on with this terrible spending? We can, as long as we can borrow money, but when the time comes that we cannot borrow the money to carry on with this war, then what shape are we going to be in? You have heard of a man who went to the mill to get flour, but the mill was dry. I am sure unless we use good, common sense, practical business sense, that a businessman would use in running our Nation's business and our Government, the time might come too soon for us. Some time ago, you know, we had an excellent gentleman as a Member of this body who very often would rise and ask the question, "Where are you going to get the money?" I would like to hear him now. I would like to hear that voice ringing again. I want to know where we are going to get this money. Yes, you say we might borrow it. In my business career I reached the point in life where I could not borrow it. These men have been paid. These men were paid well to go down there. These men got the fulfillment of the contract which the Government made with them. The men who went out on the frontiers in Kansas, Nebraska, Oklahoma, Wyoming, Montana, and Texas and blazed the trail and cleared the forests and pioneered the way for civilization, are sympathetically

just as much entitled to be put on the pension rolls of the United States Government as these men. The Government gave them nothing to go out and pioneer, but they went out there and did it and by so doing made a civilization for America. It is a terrible precedent. It is one that would entitle every man in America to a pension. We have got to leave two taxpayers, at least, to pay the taxes and not pension them all. Let us leave two of them, at least.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. WHITE. I want to ask the gentleman the question, Did he vote for U. N. R. R. A., for three and a half billion dollars?

Mr. RUSSELL. Yes; I did.

Mr. WHITE. Do you think it is better to give money to foreigners who never did any service for the United States than to give it to our own Americans?

Mr. RUSSELL. That is not giving away money. That is a fund to enable us to bring about conditions to save the civilized world.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. POAGE. The gentleman has well mentioned what we voted away last week. Will he mention what is coming in the future?

Mr. RUSSELL. What is going to come next?

Mr. POAGE. The gentleman knows what is on the calendar for tomorrow, just a bill to relieve the railroad corporations of America from their contractual obligations entered into, of just between a quarter and a half billion dollars a year. It is the taxpayers' money.

Mr. RUSSELL. That is correct. Mr. Chairman, the next bill on the docket—the next bill on the calendar—I said "docket," you know where I have been used to working—the next bill on the calendar is to tax the taxpayers of the United States of America a quarter of a billion dollars each year for the benefit of the railroad companies which made a contract back yonder and now they are playing the baby act. They have found out, or at least they think they made a bad contract. They want to get out of it, but they do not want to return the proceeds of the goods that they got in trade. They just want to make it a unilateral abrogation and just cancel the contract and hold what they got. So let us look into this thing. It is time to retrench. It is time to think for America, because there are troubled days ahead, I will say to the gentleman from Idaho, when the taxes will not amount to what we are going to have to pay. Then where will we get the money?

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. BUFFETT. The Fifth War Loan is coming up in a few weeks. Does the gentleman feel it is fair to go out to the school children and the people of this country, one by one, and sell them War stamps and War bonds and then turn around and use that money for a pension scheme? Is that fair?

Mr. RUSSELL. No; I do not think it is fair. Thank you.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF of Michigan. Mr. Chairman, I just want to remind the Members here today that when these men of whom we are talking went to work on the Panama Canal, they entered employment that was probably the most hazardous employment to be found anywhere in the world.

You will recall that the French made an attempt to construct a canal across the Isthmus of Panama. You will recall also that the effort proved a ghastly failure. Millions upon millions of dollars was spent in this attempt. It failed because sanitary conditions and pestilence so overwhelmed those engaged in the work that it was impossible to continue.

Men died like flies; thousands upon thousands lost their lives. Conditions were so horrible that it became impossible to continue the work.

When American authorities undertook the job, everyone recognized the fact that any man who proceeded to Panama to engage in this work literally took his life in his hands. Our civil employees who went there to work knew all about the conditions existing there during the French attempt. They knew of the lives that were lost; they knew of those who had been disabled for life, and yet in a true American spirit they volunteered their services in order that they might help create that great work which has contributed so much to the welfare and security of the American people. Just what would have been our situation today, when our men and women are fighting and dying on many war fronts all over the world, if we did not have a water highway over which we can and do transport men and supplies to those fronts?

It has been stated that these civilian employees were paid huge salaries. As a matter of fact, Mr. Chairman, the members of the committee reporting this bill have already disclosed to the House that the common workingman engaged there at that time received the munificent wage of 20 cents per hour. Of course, they were given their food and shelter in addition. Many thousands of men who worked on this job received different rates of pay, but the average pay, including those receiving higher wages, was only $128 per month. How any person can count this unusually high wages is more than I can understand when we consider the wages of today.

There was something, Mr. Chairman, I believe, that goes far beyond any ordinary situation. I hope and I believe that the men who engaged in that work were inspired to volunteer their services in order that they might have a part in building a project that all down the years to come will prove of the greatest possible value to our people. Thousands of those young men lost their lives. The fact that today we have the Canal, and have had it for many years, and will have it in the future, is due to courage and tenacity with which these men who are asking the aid of the Congress stood by their job. It should not be overlooked that of all those who served in the Canal Zone during the time of its construction, every other group long ago received pensions and other benefits. The only ones who have received no recognition whatsoever in this respect are those who actually engaged in the digging of the Canal. Mr. Chairman, I think it ill becomes any Member of this House to belittle and deride this attempt to render some measure of justice to these people.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF of Michigan. Certainly.

Mr. JENNINGS. Is it not a fact that while these men were down there working and their fellow workmen were dying of the pestilential diseases of that morass in which they worked, the President of the United States at that time, Theodore Roosevelt, went down there and told them they were doing a work comparable to that of a soldier at the risk of their life, and their country would see to it that they were properly taken care of?

Mr. WOODRUFF of Michigan. His whole life was an exemplification of the fact that he properly evaluated public service. As I started to say a moment ago, it ill becomes any Member of this House who voted for the lend-lease program, who voted for U. N. R. R. A., both of which propose to contribute to other peoples of the world billions upon billions of dollars for every conceivable purpose, to oppose this proposed legislation.

Mr. RUSSELL. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF of Michigan. Yes, I yield.

Mr. RUSSELL. Those men went of their own free will and accord, did they not?

Mr. WOODRUFF of Michigan. Yes, and I congratulate them upon having gone there on that basis.

Mr. RUSSELL. Their way was paid down there and back, was it not?

Mr. WOODRUFF of Michigan. It should have been.

Mr. RUSSELL. And none of them had to go, did they?

Mr. WOODRUFF of Michigan. No; God bless them for having gone on that basis.

Mr. RUSSELL. They considered it a good trade for them, did they not, by going?

Mr. WOODRUFF of Michigan. Knowing personally some of the men, as I do, I do not believe they put it on that basis.

Mr. CURLEY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF of Michigan. I yield to the gentleman from Massachusetts.

Mr. CURLEY. The gentleman who just propounded a question to you seems to lay great stress on the fact that the adoption of this legislation is equivalent to the creation of a precedent. As a matter of fact, every group as the gentleman has said that had anything to do with the construction of the Panama

Canal with the exception of these men, who were the lowest paid workers on the Canal, have already been rewarded by the Government.

Mr. WOODRUFF of Michigan. The gentleman is entirely correct. I hope the membership of the House will realize it is time these old folks were given recognition and that their services to the Government are recognized and that this bill will be passed.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BLAND. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, the gentleman from Texas and the opponents of this bill take a rather peculiar position. A question was just propounded by the gentleman from Texas [Mr. RUSSELL] as to these men volunteering. They did volunteer. The same thing that can be said of the soldiers in the Spanish-American War can be said of every one of these men—they were volunteers. They went of their own accord to protect their country and do something great for our Nation. The digging of the Panama Canal was an earth-moving job. These men had to go into the jungles of Panama, where they knew the French died by the thousands in the most pestilential hole in the whole globe, and they started to build the Panama Canal after the French tried and failed to dig this ditch. We know that the men went there with their eyes open and knowing what they were going to do. I wonder how many Members of this Congress have moved dirt or earth with steam shovels as they did at the Panama Canal. When they were digging the Panama Canal in 1906, I was moving dirt and employed in the same kind of work on a big railroad construction job in the West, where men worked under hardships in the rain and mud, where you had to grapple with railroad ties and heavy steel rails as you moved the tracks about from bench to bench as the lower levels of the cuts were dug. Does anyone here appreciate the back-breaking work of leveling up a steam-shovel pit and carrying forward the heavy sections of rails with cross ties attached so the steam shovel can move ahead?

I was working 10 hours a day just as they did in Panama. We did not have any refinements or shelter. We were plowing around in the mud up to our knees, in the rain and all kinds of weather. I know from my trip to Panama that they did work in these pestilential holes and swamps and mud and mire and jungles among the mosquitoes. You could not do away with all the insects in the Isthmus of Panama or the pestilence-bearing insects. They still have malaria in the Panama jungle. The first thing you are confronted with when you go to Panama is the big island containing the hospitals where they took care of the invalids and sick people who became ill working on the Panama Canal in the construction days. The hospitals are big institutions.

I think this reward comes too late. There are only a few of those men left. The gentleman from Texas stood here and said he voted for $3,000,000,000 to be distributed to the people in Europe, in foreign countries who never did anything for us. How do we know how that money is going to be spent? He voted it blind. He voted to put it in the hands of people that we do not know anything about. We know how the money in this bill will be spent. It will be paid to men who went down into the jungles of Panama and did the impossible—by giving us the greatest development this country has ever seen, the Panama Canal. If we would set aside the income in tolls from the Panama Canal for 1 year we would more than pay off all the pensions that will be provided under the terms of this bill.

I am for the bill and I hope the Committee will support it.

Mr. BREHM. Will the gentleman yield?

Mr. WHITE. I yield.

Mr. BREHM. Did not these men really set a precedent when they went down there?

Mr. WHITE. They certainly did.

Mr. BREHM. That being true, is not the Congress justified in setting a precedent in rewarding them for that precedent?

Mr. WHITE. The doctor is right. I thank the gentleman from Ohio. Being a doctor, the gentleman knows what they faced when they went onto the Isthmus of Panama. They went down in those jungles and created one of the wonders of the modern world. I could take time to tell you something about the movement of earth and the weather you have to endure in working on projects of this kind, and the many hardships. These men did the same thing. I was working at that time for the sum of $2.63 a day, working 10 hours a day in moving earth, and I paid for my room and I paid my board out of that money. And those men did the same thing. I am in full support of this bill.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. WHITE] has expired.

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. BRADLEY], a member of the committee.

Mr. BRADLEY of Michigan. Mr. Chairman, politics is a rather peculiar profession, but one which all of us, not only in the Congress but everywhere in the United States, must pay careful attention to these days.

This question is purely one of politics. These old men who sweat their life's blood away, who died of fever and pestilence and snake bites, men who crawled through mud up to their knees on their way home from their day's work down there is a mosquito and malaria-infested country, men who, when they sought a little relaxation at the end of the day went into a bar to get a glass of beer, occasionally at high tide felt a tug at their pants, and a great big sea crab had them by the pants—these men are the survivors of all those who did a courageous job down there in the Panama Canal in order that we today might be in a better position to fight this war, yet politics has denied them their just due all these many, many years. Why? Because they simply did not have enough votes to bring enough pressure to bear on a heartless Congress to receive justice. This Congress has listened all of these past 12 years to every pressure group, and seen to it that most of them got theirs out of this bucket of gold that we call the United States Treasury, which, as pointed out by the gentleman from Michigan [Mr. HOFFMAN], is rapidly runing dry, and, as the gentleman from Texas [Mr. RUSSELL] challenged, is already dry. But these poor old gentlemen—these poor old veterans—have never had their just due because they did not control enough votes back home to bring pressure to bear down here in Washington to get justice from Congress.

This question before us today involves the expenditure of a very few million dollars. That would be a lot of money in your pocket and in mine individually, but I have seen billions appropriated by this Congress with much less oratory than that here today.

Mr. LEWIS. Will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. LEWIS. That is a point I would like to have cleared up for my own satisfaction, and I assume most of the Members feel that way about it. Why does the gentleman say that these men did not get their just dues? In what respect did the Government fail to take care of them?

Mr. BRADLEY of Michigan. Because the Army, the Navy, and Public Health Service men and every other civil-service Government employee who was down there in other branches of the Government not only got the same bonus for working down there, not only got the increased wages that these men got, but when they came back they received their pensions. They received raises in rank in the Army and were pensioned on that basis. But these civilian employees working on the Canal, digging down there in the big ditch, have never been taken care of. That inequality has been recognized back as far as the time of Theodore Roosevelt. But the point I am making is this: There has never been over 5,000 of these veterans who could qualify under this bill. Today the number is less than 1,000. So they have been a voice crying in the wilderness, because their total benefit was to be so small, their potential voting strength, their political influence was so small that the Congress has never seen fit to take care of them. But let some foreign nation, or let some short-haired girls or long-haired boys in our bureaucracy set up some Prencinradio Corporation or some other phony set-up, come in here to throw the American taxpayer's money away all over the world, not necessarily to benefit the world but to benefit pseudo-patriotic Americans who will control the spending of that money in these foreign countries and profit thereby in the setting up of their own individual concerns and we will open the spigot wide and give them everything. Not on our side of the aisle

do we support it, but it has been done heretofore, and until next November will be done.

I shall support this bill here, as I did in our committee.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BLAND. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Chairman, I will try in 5 minutes to clear up some of these points. The question has been discussed as to the pay these men received. The testimony shows that the average pay, over-all, which includes engineers, high-type construction engineers, and everybody, was $128 per month. So that is not very much.

Mr. POAGE. Will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. POAGE. What was the pay of a private in the Army at that time?

Mr. PETERSON of Florida. I do not recall, but I was about to come to the point that when we say "average" we had men like General Goethals and high-type engineers included in that average.

The next thing that may be of interest to you is the actual day wages which men received ran 10 cents an hour, 13 cents an hour, 16 cents an hour, and 20 cents per hour. Men had to take quinine every day. There were big signs every place you went, "Do not forget your quinine today."

Then here is the testimony of one, referring to that:

> I saw a good many lose their lives through sickness and accident. However, I had the good fortune to outlive a serious case of ptomaine poisoning, several attacks of malaria, a broken leg, and a case of yellow fever. On entering the hospital I was unable to give my name or any information, but after taking 30 grains of quinine daily I revived.

Then, in addition to that, they say they went voluntarily. However, after they got down there they saw what they were up against and many were coming back. The testimony shows there was a turnover of 50,000. Fifty thousand came back. They did not stay. The testimony shows that when they were going to cut off the men, they were afraid to say, "We will cut off so many," because everybody would want to rush back to the States.

Then, President Theodore Roosevelt in making his statement, if you will read that statement, you will see there was a promise made by the Chief Executive of the Nation to those men that, if they would stay and perfect their work, they would receive just treatment.

Mr. FISHER. Will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. FISHER. Will the gentleman inform the Committee about the total amount that this proposition will eventually cost?

Mr. PETERSON of Florida. There is a variance on that. The Civil Service Commission sets forth on page 8, based on the normal mortality tables, that at the most it would be $1,443,000 a year, and then it goes on down. But the testimony is pretty well shown that those figures are more than 50 percent high. They have only been able to find 700, because the men have died.

Mr. FISHER. Will the gentleman yield further?

Mr. PETERSON of Florida. I yield.

Mr. FISHER. It is true that the President of the United States Civil Service Commission, in a letter to the chairman of the committee, estimated that the total cost would be $10,446,000.

Mr. PETERSON of Florida. That is based on the ordinary mortality tables. That is all they could go on, but, from the investigation made, it would be about half that.

Mr. FISHER. The president of the Civil Service Commission did not say that, did he?

Mr. PETERSON of Florida. No. He did say that it was based on the ordinary mortality rates.

Mr. FISHER. Upon what do you base your judgment that it would be half that amount?

Mr. PETERSON of Florida. On the fact that throughout the Nation, groups that were interested have tried to contact the various men who have worked there, and they found only six or seven hundred.

Another experience which points to the high mortality rate among these people is the fact that men who appeared before the committee and testified 2 years ago are now dead. I cannot yield further to the gentleman from Texas, for I have but 5 minutes, and there are some things I must cover.

The undesirable nature of the service there is further borne out by the fact that many who went down there wanted to come back. Then we must bear in mind the fact that the average salary paid those people was not very high.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. BLAND. Mr. Chairman, I yield 2 additional minutes to the gentleman from Florida.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. WHITE. Comparison has been made between soldiers and civilians. Is it not a fact that a soldier gets his board, clothes, barracks, and everything, whereas civilians must pay for them?

Mr. PETERSON of Florida. That is right. In that connection the President himself referred to these men as the industrial soldiers in the world's greatest undertaking. However, I am supporting soldiers' pensions.

Mr. WHITE. As a matter of fact, there should be no comparison between the soldier and civilian, because, while the civilian got more in wages he had to pay all his expenses as he went along.

Mr. PETERSON of Florida. Yes.

Mr. BATES of Massachusetts. How much did the soldier get in those days?

Mr. PETERSON of Florida. I have no knowledge of what he got.

Mr. BATES of Massachusetts. Fifteen dollars a month.

Mr. PETERSON of Florida. The testimony showed that many of these people when they came back to the States did not have any money. They were cut off without advance notice, because the authorities realized that if advance notice was given that they were going to cut off a thousand this week, two thousand next week, a thousand next month, that everyone would rush in to be part of the first thousand; so the policy was adopted of not giving notice. The result was that most of them were stranded when they got to the States. Many of them were sick, sick weeks at a time, laid up with malaria and tropical diseases. It is difficult in 5 minutes' time to present to this House testimony that took several days.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. BATES of Massachusetts. I wonder why the committee discriminates against the widow of a man who was entitled to the benefits of this bill and the widow still living of a man who died down there?

Mr. PETERSON of Florida. There was a good deal of objection to any widow being included, and we had to try to cut it down as much as we could, so we provided that the widow actually must have lived for a year with her husband in the Canal Zone.

When the bill is read under the 5-minute rule I propose to offer an amendment which will provide also that she must not have remarried.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

Mr. WELCH. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to ask the gentleman from Florida two or three questions. Do I understand that the wages paid in the Canal Zone at that time only ran up to 20 cents an hour? Was that the top wage paid to these civilian employees?

Mr. PETERSON of Florida. There were some engineers and technical employees of outstanding ability.

Mr. CRAWFORD. I mean for common labor.

Mr. PETERSON of Florida. Twenty cents an hour.

Mr. CRAWFORD. That was the top?

Mr. PETERSON of Florida. Yes. The average was from $125 to $150. That would be for what we call the white-collar class, foremen and that sort of thing, but when you figure the average down there were so few in the higher group that the actual average was $125.

Mr. CRAWFORD. As I understand, these civilian employees did not receive a bonus in pay.

Mr. PETERSON of Florida. That is my understanding.

Mr. CRAWFORD. On their daily wage?

Mr. PETERSON of Florida. That is right. They did not receive a bonus, but their wage scale was slightly higher than it was in the States. They got $2 instead of $1.50.

Mr. CRAWFORD. Let me ask the chairman of the committee or the gentleman from Florida [Mr. PETERSON] this additional question: Has it ever been the policy of this Congress since the incep-

tion of our Government to try to equalize the pay of the man in military uniform with that of the civilian employee? We have never followed that course, have we?

Mr. PETERSON of Florida. No.

Mr. CRAWFORD. Then why do Members bring up the argument today that the man in uniform received only a certain pay, whereas the man in civilian life received another pay? I do not follow that argument at all.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. WADSWORTH. Another factor to be considered is that the man in uniform has to obey orders, go where he is sent; he is not a free agent.

Mr. CRAWFORD. That is right, but we have never followed the policy of equalizing the pay of the man in uniform with the man in civilian life. We are not following it now and we did not follow it in the case of the Panama Canal building, and we do not intend to follow it in the future; there is no question about that, we just do not follow it; whether it is right or wrong we do not follow it.

Did not other countries fail in the attempt to build a canal across the Isthmus of Panama time after time up to the time these men went in there and did the work? Is that true?

Mr. WELCH. France failed.

Mr. CRAWFORD. So we have a group of civilian employees along with the civil service and the military force who went down there and did that job that the world had been waiting for, that this country had been waiting for; and we paid them for common labor the grand sum of 20 cents an hour. Was not that something? And they did the job, they stuck there, they fought and won out. They made possible the building of the Canal. This bill is in their favor.

The CHAIRMAN. The time of the gentleman from Michigan has expired; all time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That in recognition of the distinguished services rendered in and about the construction, maintenance, operation, sanitation, and government of the Panama Canal, and the Canal Zone, during the construction period of the Panama Canal, from May 4, 1904, to March 31, 1914, inclusive, by civilian officials and employees, citizens of the United States, the thanks of Congress are hereby extended to all and each of them so engaged or employed, who were not included in the recognition and benefits accorded by the act of March 4, 1915 (38 Stat. 1190).

SEC. 2. That in further recognition of the exceptional character of the services described in section 1, each civilian official and each civilian employee entitled to receive the thanks of Congress agreeably to the provisions of section 1, who has not been heretofore specially rewarded by gratuity, annuity, or other benefit under any provision of law; and who was engaged with, or employed by, the Isthmian Canal Commission or the Panama Railroad Co. on the Isthmus of Panama during the aforesaid construction period of the Panama Canal, for 3 years or more; and who, during such service, was a citizen of the United States; and who, on the date whereon this act becomes effective, shall be living, shall be entitled to receive, and there shall be paid to him by the Government of the United States, for and during the remainder of his life, an annuity, based on the salary, pay, or compensation received by and paid to him, for his aforesaid service, as

Forty percent of his average annual basic salary, pay, or compensation if such service was for as much as 3 years and not more than 4 years;

Fifty percent of his average annual basic salary, pay, or compensation if such service was for more than 4 years and not exceeding 6 years; and

Sixty percent of his average annual basic salary, pay, or compensation if such service was for more than 6 years.

The term "basic salary, pay, or compensation," as used in this act, shall be so construed as to exclude from the operation of the act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulations.

SEC. 3. Annuities granted under the provisions of this act shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued; and payment of all annuities and allowances granted hereunder shall be made by checks drawn by the disbursing clerk for the payment of pensions, in such form and manner, and with such safeguards as shall be prescribed by the Civil Service Commission, in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments; and the administration of this act shall be under the Civil Service Commission.

Each application for annuity hereunder shall be in such form as the Civil Service Cimmission may prescribe and shall be supported by such certificate from the head of the department, branch, or independent office of the Government, or the Panama Canal, or the Panama Railroad Company, which may have in possession the record of any service described or referred to it this act, as may be necessary to determine the rights of the applicant. Upon receipt of satisfactory evidence, the Civil Service Commission shall forthwith adjudicate the claim of the applicant, and, if title to annuity be established, a proper certificate shall be issued to the annuitant under the seal of the Civil Service Commission.

SEC. 4. Annuities granted under the provisions of this act shall commence from the date whereon the act takes effect and shall continue during the life of the annuitant: *Provided, however*, That in such case as where a deceased person, had he been alive on the date whereon the act takes effect, would have been entitled to receive an annuity hereunder, and shall have been survived by a wife undivorced from him, who was his wife living with him at least 1 year of his service on the Isthmus of Panama during said construction, such survivor shall be entitled to receive such annuity from the effective date of the act until her death: *And provided further*, That in any case where an annuitant hereunder shall die after he has received any annuity payment, or payments hereunder, and shall leave surviving him a wife undivorced from him, who was his wife living with him at least 1 year of his service on the Isthmus of Panama during said construction, such survivor shall be entitled to receive the annuity from the date to which same was paid to such deceased annuitant until her death.

Any surviving person as described in this section shall become an annuitant hereunder and shall be subject to all the provisions of this act regarding applications for, and payment of, annuities, and she shall furnish such proof of her marriage and marital relationships to establish her right to become such annuitant as may be required by the Civil Service Commission.

SEC. 5. If, after becoming an annuitant under the provisions of this act, any person, on account of any service rendered by him as hereinbefore indicated, or rendered by him as an official or employee of the permanent organization of the Panama Canal, or of the Panama Railroad Company, subsequent to March 31, 1914, shall elect to receive, and shall receive, any special reward or annuity, under any provision of law other than that provided for by this act, then and in that event all his further right to receive the annuity hereunder authorized shall thenceforth cease.

In any case where a citizen of the United States is receiving, or becomes entitled to receive, an annuity under the provisions of any law providing for the retirement of civilian officers and employees of the United States Government or any of its agencies, and had 3 years or more of service on the Isthmus of Panama of the character described in section 2, he may elect to have that annuity canceled, and thenceforth to become and be an annuitant under the provisions of this act. The annuity which may thus be paid to him under this act shall begin with the date whereon his other annuity, hereinbefore referred to, shall cease because of his election to cancel same; and the substituted annuity thus to be paid him, under the provisions of this act, shall thenceforth continue until his death. As an annuitant under this act, all its provisions shall be applicable to him.

SEC. 6. For the purposes of administration, the Civil Service Commission is hereby authorized and directed to perform, or cause to be performed, any and all acts, and to make such rules and regulations as may be necessary and proper for carrying into full force and effect the provisions of this act.

The Civil Service Commission shall make a detailed comparative report annually, showing all the receipts and disbursements on account of annuities paid under this act, together with the total number of persons receiving such annuities and the total amounts paid them.

SEC. 7. None of the annuities or moneys mentioned in this act shall be assignable, either in law or equity, or be subject to execution, levy, lien, attachment, garnishment, or other legal process.

SEC. 8. The Civil Service Commission shall submit annually to the Bureau of the Budget estimates of the appropriations necessary to pay the annuities hereunder authorized.

SEC. 9. There are hereby authorized to be appropriated annually such sums as may be necessary to pay such annuities and to carry out the provisions of this act.

Mr. PETERSON of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETERSON of Florida: On page 4, line 21, after the word "construction", insert "and has not since remarried" and add a comma.

Mr. PETERSON of Florida. Mr. Chairman, the purpose of this amendment is to comply with the exact verbiage of other pension legislation that has been adopted.

The amendment was agreed to.

Mr. PETERSON of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETERSON of Florida: Page 6, line 6, after the word "act", strike out the period, insert a comma and the following: "but he shall not receive both."

The amendment was agreed to.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to see if we can clear up what appears to me to be a misapprehension in reference to this bill. Section 4 as I interpret it very clearly provides for the payment of a pension to the widow of a deceased worker on this Canal who had he been living on the date of the enactment of this act would have been entitled to receive its benefits and which widow lived with him for 1 year while he worked in the Canal Zone. Is that correct?

Mr. BLAND. The gentleman is absolutely correct—undivorced and not remarried.

Mr. KEEFE. And under the amendment just adopted, offered by the gentleman from Florida, has not remarried and is undivorced. So let it be clear in the consideration of the bill that the widows who can qualify even though their husbands may have passed away years ago are still entitled to protection under this bill.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. JUDD. If the man had served more than 3 years in the Canal Zone his widow is still eligible, is she not?

Mr. KEEFE. And the widow lived down in the Canal Zone with him for a year.

Mr. JUDD. Has not remarried and is undivorced.

Mr. KEEFE. And he would have been eligible to receive the benefits if he were still living, such widow would be entitled to a pension.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. DONDERO. Does not the bill, however, provide that she must have lived with him as his wife in the Panama Canal Zone during the construction of the Canal?

Mr. KEEFE. I thought I made that clear; I intended to. If I did not make that clear to the gentleman I intended so to state.

Mr. DONDERO. That was omitted.

Mr. KEEFE. The other question I should like to have cleared up if we can: The question has been asked repeatedly as to the pay of these men in the Canal Zone, and it seems to me that it is quite important that the committee have before it just exactly what those basic pay rates were. There should be no question about that, because the entire pension is based upon a percentage of the basic pay, 40 percent of his average annual basic pay if the services were as much as 3 and not more than 4 years, and so on; and yet I find nothing in the report and I have heard nothing on the floor this afternoon which indicates what the basic pay of these men on the Canal Zone was, so that I as a member of the committee reading the bill am not able to understand what the actual pension is that will be paid.

I think the Members of the House are entitled to have that information, if it is available.

Mr. PETERSON of Florida. It was estimated that originally there were 4,000 who were there during the 3-year period. Ninety percent of them received salaries less than $2,000 a year.

Mr. KEEFE. What was the basic pay?

Mr. PETERSON of Florida. The base pay was less than $2,000 a year for 90 percent. Eight percent received between $2,000 and $3,000 and only 2 percent received over $3,000. The average monthly salary received during the construction for Americans was between $128 and $130 a month.

Mr. KEEFE. Average pay and average salary does not mean anything under this bill because payment of the pensions is based upon a percentage of the base pay in three different grades of employees.

Mr. PETERSON of Florida. Thirty-six hundred of them received less than $2,000 a year.

Mr. KEEFE. So they received $2,000 a year; and if they served not more than 4 years, they would receive a pension of 40 percent of that base pay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

Mr. PETERSON of Florida. Some of them got much lower than that. It only averages $128. That is the average.

Mr. KEEFE. In computing that average do you include the pay of the Bahamans and the West Indians and all the thousands of those kind of workers who were on the job?

Mr. PETERSON of Florida. No. These are American citizens. It is estimated that at various times there were 50,000 Americans there. The turn-over was so great there were only 4,000 who stayed 3 years. Of that 4,000, 3,600 received less than $2,000 a year, that is, made less than $2,000, down to the laborers, only 8 percent received between $2,000 and $3,000, and only 2 percent received over $3,000.

Mr. KEEFE. How many of them served for more than 6 years on the Canal?

Mr. PETERSON of Florida. We have not that broken down. We do have it in the testimony here at one place.

Mr. KEEFE. It seems to me that is quite important, because that is the basis upon which the computation is made. The pension is a certain percentage of the average annual basic pay.

Mr. PETERSON of Florida. About 400.

Mr. KEEFE. About 400?

Mr. PETERSON of Florida. Four hundred who served that length of time.

Mr. KEEFE. How many of them served for more than 4 but not to exceed 6 years?

Mr. PETERSON of Florida. The estimate is 979. Bear in mind, all of them are not living today. These figures were furnished by the Civil Service Commission.

Mr. LEWIS. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Ohio.

Mr. LEWIS. I would like the gentleman's advice on whether or not he thinks that a wife had to live with her husband on the Panama Canal Zone for 1 year under this bill?

Mr. KEEFE. The reading of the bill, it seems to me, makes that clear. It states his wife must have been living at least 1 year of his service on the Isthmus of Panama. You might construe that to mean that she was living with him during 1 year of his service on the Panama Canal, but the interpretation which I understand the committee wishes to put upon that language is that she must have lived with him down on the Canal Zone for at least 1 year; is that correct?

Mr. PETERSON of Florida. Yes.

Mr. WELCH. Forty years ago.

Mr. KEEFE. Yes; 40 years ago. Is there any belief that bills may be introduced in the future to provide for the children of those marriages?

Mr. WELCH. I believe I may safely say that no such bill will be considered by the committee.

Mr. KEEFE. Or for children who lived on the Panama Canal with their parents?

Mr. WELCH. Not at all.

Mr. KEEFE. No suggestion has ever been made to the committee to that effect?

Mr. PETERSON of Florida. It has never been made.

Mr. KEEFE. The gentleman thinks this will be the end of it?

Mr. BLAND. This will be the end of it so far as I am concerned.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. KEEFE. yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Suppose she had to stay home to take care of the rest of the flock. Why should she be penalized?

Mr. KEEFE. I am not in position to answer that question. I have asked these questions to clear up some of the arguments that have been made in the discussion of this bill. I was interested in the bill in 1939, the first 2 weeks I came to the Congress, when the matter was brought to my attention for the first time. It was assigned to the Committee on Merchant Marine and Fisheries. I have served on that committee for quite a while. This bill has been constantly before the committee ever since until the bill finally gets before the House for consideration at this time.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. May I ask the gentleman if he has any objection to striking out that language that she should have lived with him on the Panama Canal for at least 1 year during the period of the construction of the Canal, which would give the widow at home taking care of the rest of the children the opportunity to come within the provisions of this bill?

Mr. PETERSON of Florida. It will add to the bill.

Mr. KEEFE. May I suggest to the gentlemen that they suggest that at some other time. I would rather not discuss that at this time.

Mr. BATES of Massachusetts. I asked if he had any objection.

Mr. PETERSON. of Florida. If the gentleman will yield, I will answer the question.

Mr. KEEFE. I yield to the gentleman from Florida.

Mr. PETERSON of Florida. I am afraid it will add a large number. This was rather carefully considered. Some thought we ought to include all widows. Finally it was decided we would put in the widows who actually were there and shared the hardships with their husbands.

Mr. BATES of Massachusetts. If a woman went down there without any children and stayed a year, she is entitled to a pension, but the woman who had to stay at home to take care of the flock is not entitled to any pension. Is that the gentleman's conclusion?

Mr. PETERSON of Florida. It is not what I might say.

The CHAIRMAN. The time of the gentleman has expired.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 1117) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, pursuant to House Resolution 549, reported the same back to the House with sundry amendments agreed to in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered on the bill and amendments to final passage.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. RUSSELL) there were—ayes 73, noes 47.

Mr. RUSSELL. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 237, nays 63, answered "present" 1, not voting 128, as follows:

[Roll No. 65]

YEAS—237

Allen, La.	Grant, Ala.	O'Brien, N. Y.
Anderson, Calif.	Gregory	O'Connor
Anderson, N. Mex.	Gwynee	Outland
Andresen, August H.	Hagen	Patman
Andrews, Ala.	Hale	Peterson, Fla.
Andrews, N. Y.	Hare	Pittenger
Angell	Harless, Ariz.	Plumley
Auchincloss	Hays	Poulson
Barrett	Hébert	Powers
Barry	Heidinger	Priest
Beckworth	Herter	Rabaut
Bennett, Mich.	Hess	Ramey
Bishop	Hill	Randolph
Bland	Hinshaw	Reece, Tenn.
Bolton	Hobbs	Reed, Ill.
Bonner	Hoch	Reed, N. Y.
Boren	Hoeven	Rees, Kans.
Bradley, Mich.	Holfield	Richards
Brehm	Holmes, Wash.	Robinson, Utah
Brooks	Horan	Robsion, Ky.
Brown, Ga.	Howell	Rockwell
Brown, Ohio	Hull	Rodgers, Pa.
Brumbaugh	Izac	Rogers, Mass.
Burch, Va.	Jackson	Rohrbough
Busbey	Jarman	Rolph
Byrne	Jeffrey	Rowan
Canfield	Jenkins	Rowe
Carson, Ohio	Jennings	Sabath
Chapman	Johnson, Anton J.	Sadowski
Chenoweth	Johnson, Calvin D.	Sasscer
Chiperfield	Johnson, Ind.	Satterfield
Church	Johnson, J. Leroy	Sauthoff
Clevenger	Johnson, Luther A.	Schiffler
Cochran	Johnson, Ward	Scrivner
Coffee	Jones	Shafer
Cole, Mo.	Jonkman	Short
Cole, N. Y.	Judd	Sikes
Compton	Kearney	Simpson, Ill.
Courtney	Kee	Simpson, Pa.
Cox	Keefe	Slaughter
Cravens	Keogh	Smith, Maine
Crawford	Kilday	Smith, Va.
Crosser	Kirwan	Smith, Wis.
Cunningham	Landis	Snyder
Curley	Larcade	Somers, N. Y.
D'Alesandro	LeCompte	Sparkman
Davis	LeFevre	Spence
Day	Lemke	Springer
Delaney	Lesinski	Stanley
Dilweg	Lewis	Starnes, Ala.
Dingell	Ludlow	Stefan
Dirksen	McConnell	Stevenson
Dondero	McCord	Sullivan
Doughton	McCormack	Talbot
Drewry	McGregor	Talle
Durham	McKenzie	Thomason
Dworshak	McMillan	Tibbott
Eaton	McMurray	Tolan
Elliott	McWilliams	Towe
Ellis	Madden	Troutman
Ellison, Md.	Maloney	Voorhis, Calif.
Ellsworth	Mansfield, Mont.	Vursell
Elston, Ohio	Michener	Wadsworth
Feighan	Miller, Conn.	Walter
Fellows	Miller, Pa.	Weaver
Fitzpatrick	Monkiewicz	Weiss
Flannagan	Monroney	Welch
Fogarty	Morrison, La.	Whelchel, Ga.
Forand	Mott	White
Ford	Mruk	Wickersham
Fuller	Murdock	Wigglesworth
Gamble	Murphy	Willey
Gavin	Murray, Wis.	Wilson
Gearhart	Norman	Winter
Gibson	O'Brien, Ill.	Wolcott
Gifford	O'Brien, Mich.	Wolverton, N. J.
Gillespie	O'Connor	Woodruff, Mich.
Gillie	Outland	Woodrum, Va.
Gordon	Patman	Wright
Granger	Peterson, Fla.	Zimmerman

NAYS—63

Abernethy	Fisher	Lambertson
Andersen, H. Carl	Gathings	Lanham
Arnold	Gore	McGehee
Bates, Mass.	Graham	McLean
Bennett, Mo.	Griffiths	Mahon
Buffett	Hancock	Mason
Cannon, Mo.	Harris, Ark.	May
Carlson, Kans.	Hoffman	Miller, Mo.
Carrier	Hope	Mills
Case	Jensen	Murray, Tenn.
Colmer	Johnson, Okla.	Norrell
Cooper	Kean	O'Hara
Eberharter	Kefauver	O'Konski
Elmer	Kilburn	Pace
Engel, Mich.	Kinzer	Ploeser
	Kunkel	Poage
Rankin	Stewart	West
Rivers	Stigler	Whittington
Rizley	Stockman	Winstead
Robertson	Sumner, Ill.	Worley
Russell	Tarver	
Schwabe	Wasielewski	

ANSWERED "PRESENT"—1

Bryson

NOT VOTING—128

Allen, Ill.	Gallagher	Miller, Nebr.
Arends	Gerlach	Morrison, N. C.
Baldwin, Md.	Gilchrist	Mundt
Baldwin, N. Y.	Gillette	Myers
Barden	Goodwin	Newsome
Bates, Ky.	Gorski	Norton
Beall	Gossett	O'Neal
Bell	Grant, Ind.	O'Toole
Bender	Green	Patton
Blackney	Gross	Peterson, Ga.
Bloom	Hall, Edwin Arthur	Pfeifer
Boykin	Hall, Leonard W.	Philbin
Bradley, Pa.	Halleck	Phillips
Buckley	Harness, Ind.	Pracht, C. Frederick
Bulwinkle	Harris, Va.	Pratt, Joseph M.
Burchill, N. Y.	Hart	Price
Burdick	Hartley	Ramspeck
Burgin	Heffernan	Rogers, Calif.
Butler	Hendricks	Scanlon
Camp	Holmes, Mass.	Scott
Cannon, Fla.	Johnson, Lyndon B.	Sheppard
Capozzoli	Kelley	Sheridan
Carter	Kennedy	Smith, Ohio
Celler	Kerr	Smith, W. Va.
Clark	King	Stearns, N. H.
Clason	Kleberg	Sumners, Tex.
Cooley	Klein	Sundstrom
Costello	Knutson	Taber
Curtis	LaFollette	Taylor
Dawson	Lane	Thomas, N. J.
Dewey	Lea	Thomas, Tex.
Dickstein	Luce	Torrens
Dies	Lynch	Treadway
Disney	McCowen	Vincent, Ky.
Douglas	Maas	Vinson, Ga.
Engle, Calif.	Magnuson	Vorys, Ohio
Fay	Manasco	Ward
Fenton	Marcantonio	Weichel, Ohio
Fernandez	Martin, Iowa	Wene
Fish	Martin, Mass.	Whitten
Folger	Merritt	Wolfenden, Pa.
Fulbright	Merrow	
Fulmer	Miller, Mo.	
Furlong	Mills	
Gale	Murray, Wis.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Boykin for, with Mr. Bryson against.

General pairs:

Mr. Pfeifer with Mr. Grant of Indiana.

Mr. Green with Mr. Arends.

Mr. King with Mr. Bender.

Mr. Capozzoli with Mr. Douglas.

Mr. Newsome with Mr. Burdick.

Mr. Cannon of Florida with Mr. Mundt.

Mr. Hendricks with Mr. Scott.

Mr. Price with Mr. Knutson.

Mr. Manasco with Mr. Clason.

Mr. Lynch with Mr. Treadway.

Mr. Sheppard with Mrs. Luce.

Mr. Whitten with Mr. Weichel of Ohio.

Mr. Lea with Mr. Gilchrist.

Mr. Patton with Mr. Dewey.

Mr. Costello with Mr. Beall.

Mr. Peterson of Georgia with Mr. Allen of Illinois.

Mr. Scanlon with Mr. Halleck.

Mr. Bloom with Mr. Taber.

Mr. Lane with Mr. Holmes of Massachusetts.

Mr. Buckley with Mr. Martin of Massachusetts.

Mr. Philbin with Mr. Curtis.

Mr. Celler with Mr. Smith of Ohio.

Mrs. Norton with Mr. Goodwin.

Mr. Dickstein with Mr. Miller of Nebraska.

Mr. Vinson of Georgia with Mr. Baldwin of New York.

Mr. Fay with Mr. Wolfenden of Pennsylvania.

Mr. Hart with Mr. Martin of Iowa.
Mr. O'Toole with Mr. Vorys of Ohio.
Mr. Magnuson with Mr. Thomas of New Jersey.
Mr. Merritt with Mr. Harness of Indiana.
Mr. Kerr with Mr. Gross.
Mr. Klein with Mr. Fish.
Mr. Baldwin of Maryland with Mr. Edwin Arthur Hall.
Mr. Kennedy with Mr. Blackney.
Mr. Engle of California with Mr. McCowen.
Mr. Heffernan with Mr. Butler.
Mr. Kelley with Mr. Taylor.
Mr. Burchill of New York with Mr. Sundstrom.
Mr. Thomas of Texas with Mr. Phillips.
Mr. Bulwinkle with Mr. Gillette.
Mr. Torrens with Mr. Hartley.
Mr. Fulbright with Mr. Fenton.
Mr. Marcantonio with Mr. Stearns of New Hampshire.
Mr. Folger with Mr. Gallagher.
Mr. Ramspeck with Mr. Leonard W. Hall.
Mr. O'Neal with Mr. Gale.
Mr. Barden with Mr. Maas.
Mr. Sheridan with Mr. C. Frederick Pracht.
Mr. Bates of Kentucky with Mr. Merrow.
Mr. Bell with Mr. Joseph M. Pratt.
Mr. Camp with Mr. Carter.

Mr. BRYSON. Mr. Speaker, I voted "nay." Since I am paired with the gentleman from Alabama, Mr. BOYKIN, who would have voted "yea," I withdraw my vote and answer "present."

Mr. McLEAN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table, the bill S. 683, an identical Senate bill and pass the same.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in recognition of the distinguished services rendered in and about the construction, maintenance, operation, sanitation, and government of the Panama Canal, and the Canal Zone, during the construction period of the Panama Canal, from May 4, 1904, to March 31, 1914, inclusive, by civilian officials and employees, citienzs of the United States, the thanks of Congress are hereby extended to all and each of them so engaged or employed, who were not included in the recognition and benefits accorded by the act of March 4, 1915 (38 Stat. 1190).

SEC. 2. That in further recognition of the exceptional character of the services described in section 1, each civilian official and each civilian employee entitled to receive the thanks of Congress agreeably to the provisions of section 1, who has not been heretofore specially rewarded by gratuity, annuity, or other benefit under any provision of law; and who was engaged with, or employed by, the Isthmian Canal Commission or the Panama Railroad Co., on the Isthmus of Panama during the aforesaid construction period of the Panama Canal, for 3 years or more; and who, during such service, was a citizen of the United States; and who, on the date whereon this act becomes effective, shall be living, shall be entitled to receive, and there shall be paid to him by the Government of the United States, for and during the remainder of his life, an annuity, based on the salary, pay, or compensation received by, and paid to him, for his aforesaid service, as follows:

Forty percent of his average annual basic salary, pay, or compensation if such service was for as much as 3 years and not more than 4 years;

Fifty percent of his average annual basic salary, pay, or compensation if such service was for more than 4 years and not exceeding 6 years; and

Sixty percent of his average annual basic salary, pay, or compensation if such service was for more than 6 years.

The term "basic salary, pay, or compensation," as used in this act, shall be so construed as to exclude from the operation of the act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulations.

SEC. 3. Annuities granted under the provisions of this act shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued; and payment of all annuities and allowances granted hereunder shall be made by checks drawn by the disbursing clerk for the payment of pensions, in such form and manner, and with such safeguards as shall be prescribed by the Civil Service Commission, in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments; and the administration of this act shall be under the Civil Service Commission.

Each application for annuity hereunder shall be in such form as the Civil Service Commission may prescribe and shall be supported by such certificate from the head of the department, branch, or independent office of the Government, or the Panama Canal or the Panama Railroad Company, which may have in possession the record of any service described or referred to in this act, as may be necessary to determine the rights of the applicant. Upon receipt of satisfactory evidence, the Civil Service Commission shall forthwith adjudicate the claim of the applicant, and if title to annuity be established, a proper certificate shall be issued to the annuitant under the seal of the Civil Service Commission.

SEC. 4. Annuities granted under the provisions of this act shall commence from the date whereon the act takes effect and shall continue during the life of the annuitant: *Provided, however*, That in such case as where a deceased person, had he been alive on the date whereon the act takes effect, would have been entitled to receive an annuity hereunder, and shall have been survived by a wife undivorced from him, who was his wife living with him at least 1 year of his service on the Isthmus of Panama during said construction, and has not since remarried, such survivor shall be entitled to receive such annuity from the effective date of the act until her death: *And provided further*, That in any case where an annuitant hereunder shall die after he has received any annuity payment, or payments hereunder, and shall leave surviving him a wife undivorced from him, who was his wife living with him at least 1 year of his service on the Isthmus of Panama during said construction, such survivor shall be entitled to receive the annuity from the date to which same was paid to such deceased annuitant until her death.

Any surviving person as described in this section, shall become an annuitant hereunder and shall be subject to all the provisions of this act regarding applications for, and payment of, annuities, and she shall furnish such proof of her marriage and marital relationships to establish her right to become such annuitant as may be required by the Civil Service Commission.

SEC. 5. If, after becoming an annuitant under the provisions of this act, any person, on account of any service rendered him as hereinbefore indicated, or rendered by him as an official or employee of the permanent organization of the Panama Canal, or of the Panama Railroad Company, subsequent to March 31, 1914, shall elect to receive, and shall receive, any special reward or annuity, under any provision of law other than that provided for by this act, then and in that event all his further right to receive the annuity hereunder authorized shall thenceforth cease.

In any case where a citizen of the United States is receiving, or becomes entitled to receive, an annuity under the provisions of any law providing for the retirement of civilian officers and employees of the United States Government or any of its agencies, and had 3 years or more of service on the Isthmus of Panama of the character described in section 2, he may elect to have that annuity canceled, and thenceforth to become and be an annuitant under the provisions of this act, but he shall not receive both. The annuity which may thus be paid to him under this act shall begin with the date whereon his other annuity, hereinbefore referred to, shall cease because of his election to cancel same; and the substituted annuity, thus to be paid him, under the provisions of this act, shall thenceforth continue until his death. As an annuitant under this act, all its provisions shall be applicable to him.

SEC. 6. For the purposes of administration, the Civil Service Commission is hereby authorized and directed to perform, or cause to be performed, any and all acts, and to make such rules and regulations as may be necessary and proper for carrying into full force and effect the provisions of this act.

The Civil Service Commission shall make a detailed comparative report annually, showing all the receipts and disbursements on account of annuities paid under this act, together with the total number of persons receiving such annuities and the total amounts paid them.

SEC. 7. None of the annuities or moneys mentioned in this act shall be assignable, either in law or equity, or be subject to execution, levy, lien, attachment, garnishment, or other legal process.

SEC. 8. The Civil Service Commission shall submit annually to the Bureau of the Budget estimates of the appropriations necessary to pay the annuities hereunder authorized.

SEC. 9. There are hereby authorized to be appropriated annually such sums as may be necessary to pay such annuities and to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 1117, was laid on the table.

AMENDING THE TARIFF ACT OF 1930

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, with House amendments, insist on the amendments of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]? [After a pause.] The Chair hears none and appoints the following conferees: Mr. DOUGHTON, Mr. COOPER, Mr. DINGELL, Mr. REED of New York, and Mr. WOODRUFF of Michigan.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL, 1945

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk, the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1945, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none and appoints the following conferees: Mr. RABAUT, Mr. KERR, Mr. HARE, Mr. O'BRIEN of Michigan, Mr. CARTER, Mr. STEFAN, and Mr. JONES.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on three subjects and to include certain excerpts, including one which shows what $43.75 would buy 3 years after our entry into the first war and what it would buy now, 3 years after our entry into this war.

The SPEAKER. Is there objection?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article which appeared in the New York Times in regard to my colleague the gentleman from Minnesota [Mr. PITTENGER].

The SPEAKER. Is there objection?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the Appendix an article which appeared in the Philadelphia Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper article and also an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. DAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Fort Wayne News-Sentinel.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAYS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include a letter and an article.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. CURLEY] is recognized for 10 minutes.

ITALY SHOULD BE ACCEPTED NOW AS AN ALLY

Mr. CURLEY. Mr. Speaker, a measure is now pending before the Committee on Rules requesting the President to establish friendly diplomatic relations with Italy.

This measure is House Joint Resolution 274, and reads as follows:

Joint resolution requesting the President to establish friendly diplomatic relations with Italy

Whereas the President of the United States, acting with the full consent of the leaders of the United Nations, has pledged the Italian people the right to a free and democratic government of their own choosing; and

Whereas the present Government of Italy is preponderantly composed of the representatives of the six political parties, comprising every current of antifascist and prodemocratic sentiment in Italy; and

Whereas these political parties therefore reflect the will of the Italian people, not only of the liberated areas but of all of Italy; and

Whereas the presence of these Italian antifascist and prodemocratic parties in the Government of Italy offers clear assurance to the Italian people and to the world against unwanted forms of government in Italy, whether monarchial, dictatorial, or imperialistic; and

Whereas the resumption of full diplomatic relations between the United States and Italy and the recognition of the present Italian Government as a full and equal ally, entitled to lend-lease aid and to a proper role in the counsels of the United Nations, will release untold energies of the Italian people in both the liberated and occupied areas of Italy to give their fullest support to crushing the Axis, thus striking a hard political and military blow against Hitler and his agent, Mussolini, and shortening the war with consequent saving of the lives of thousands of gallant American soldiers now fighting on Italian soil: Therefore be it

Resolved, etc., That the President of the United States be, and is hereby, requested to direct the Secretary of State to resume friendly diplomatic relations between the United States and Italy, to extend lend-lease aid to Italy; and to use his good offices to the end that the other United Nations resume diplomatic relations with Italy and that the United Nations recognize Italy as a full and equal ally.

The Secretary of State, the Honorable Cordell Hull, in a radio address delivered April 9 before the women's division of the National Democratic Committee set forth his views as follows:

In Italy our interests are likewise in assisting in the development at the earliest moment of a free and democratic Italian Government. Here again we wish to give every opportunity for a free expression of a free Italy. We had hoped that before this enough of Italy would have been freed so that we might have had at least a preliminary expression of that will. Events have not progressed according to our hopes. But there is already promise of success in the activities of the political parties which are currently holding conferences with a view to drawing up a program for the political reconstruction of their country along democratic lines. The Permanent Executive Junta is seeking a resolution which will provide for the cooperation of the liberal political groups within the Government. Thus, after 21 years, we see a rebirth of political consciousness and activity in Italy which points the way to the ultimate free expression of the Italian people in the choice of their government.

We have a profound appreciation in this hour of unrest in the world of the character of service not only rendered in ancient times but in modern times by Italy, not only to Europe but to civilization throughout the entire world. For to Italy that has been the creator and the preserver of those essentials which mark the upward progress of mankind we owe more than to all other nations in the world combined; creator and preserver of all that we love in art, whether it be in painting or in sculpture, or in the work of the silversmith, to all that we love in literature, much that we enjoy in science and invention through the centuries. When the whole world is weary, as it was during the period of the First World War, and as it has recently been with industrial depression, and famine in various portions of the world, and again in this Second World War, the whole world turns its eyes for succor to the head of that great religious faith in Rome, where peace and confidence and serenity and spiritual leadership abide.

Shortly after the close of the First World War the spirit of unrest that made itself manifest in Russia with the mad march of communism that not only made for violence but possible chaos for all the standards that civilization has reared in nearly 2,000 years of the life of the world, when there was a prospect that all of those standards that make for morality and purity in the home and happiness in the land were threatened with destruction, when the red tide that had swept Russia threatened to engulf all Europe, it was Italy that stepped into the breach and made possible the estoppel of the mad march of communism and of atheism and made possible the preservation and perpetuation of Christian civilization.

To Italy the world owes an everlasting debt for the creation and perpetuation of worth-while memorials and traditions through which the light of civilization was permitted to spread from the Mediterranean to the Baltic.

Toward Italy annually turn the seekers of knowledge and the students of art, there to gratify their longings by gazing on those imperishable works that, despite the passage of time, have never been improved upon—the works of Dante and Tasso and Petrarch, of Raphael and Michaelangelo and Canova, of Verdi and Rossini, Bellini and Donizetti, of Tistori and Duse, and Salvini and Rossi, of Alfieri and Giacometti, of Cavour and Mazzini.

To the students of history or romance there is an appeal that can only be satisfied through a study of the literary contributions of such sons of Italy as Carlo Botta and Pasquale Villari, romancists like Manzoni and D'Annunzio, and masters of language like Bartalli and De Amicis.

Why prolong the presentation? The glory of the past will endure; it needs commendation or praise from no individual; the art of Italy is both animate and inanimate.

To Italy in every crisis the hearts, and the eyes, and the minds of the world have turned regardless of race, creed, or color, seeking that spiritual direction and comfort which the representatives of

St. Peter, from the sacred precincts of Rome, have never failed to give a waiting world.

When the materialistic forces in the world, blind with power and wealth, threatened by their excesses the destruction of the social system, the rules and order that society through 19 centuries has found necessary for the preservation of home and moral standards a waiting world has never failed to receive spiritual guidance from the Holy See.

Some day the history of the World War will be written, 50 or 100 years from now, with truth rather than falsehood and rumor as a basis and the world will learn what the Italian soldiery know—that for a period of 3 years the Army of Italy, with but scant assistance from the remainder of the Allied forces, held the Austrian Army in check, and had Italy yielded, and as a consequence of her yielding the forces on the eastern front been permitted to consolidate with the armies on the western front, the forces that stood for the preservation of free government in the world might have fared most badly.

No individual can read the poem of Joaquin Miller, the eccentric genius of the Sierras, dedicated to the discoverer of America, Columbus, without arriving at the conclusion that America in the destiny of the Almighty God has been designated as an instrument for the fulfillment of His mysterious decrees. It was Miller who said, speaking of the voyage:

Behind him lay the gray Azores,
Behind the Gates of Hercules,
Before him not the ghost of shores,
Before him only shoreless seas.
The good mate said: "Now must we pray,
For lo! the very stars are gone.
Brave Admiral, speak, what shall I say?"
"Why, say 'Sail on! sail on! and on!' "
Then pale and worn, he kept his deck,
And peered through darkness. Ah, that night
Of all dark nights! And then a speck—
A light! a light! a light!
It grew, a star-lit flag unfurled!
It grew to be Time's burst of dawn.
He gained a world; he gave that world
It's grandest lesson: "On! Sail on! and on!"

To this fair land have come in nearly every decade the oppressed and persecuted of every country seeking refuge, liberty, and opportunity. They have represented every race, creed, and color, and in the melting pot of the Nation have emerged as American citizens. To this land they brought traditions and customs common to the countries from which they came and have taken their places and played their part in peace and strife in the molding and upbuilding of the Nation.

The SPEAKER pro tempore (Mr. PRIEST). The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent, if those who have special orders following the gentleman from Massachusetts have no objection, that the time of the gentleman from Massachusetts [Mr. CURLEY] may be extended 2 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CURLEY. The field of battle has witnessed the shedding of their blood and the halls of legislation have benefited by their presence. They aided in making possible the emancipation of the black man and for 4 long weary years fought to preserve the Union.

In the First World War, despite the fact that war was waged against the countries of their birth, they fought loyally and devotedly for the land of their adoption.

In the present World War they are giving as patriotically and self-sacrificingly as in the First World War. In the First World War we were assured that it was a war to end wars and all looked and prayed for a permanent world peace as the price of our sacrifice of men and treasure. But alas! the scheming leaders of Europe when victory was assured reverted to form, being more eager for land than peace, and laid the foundation for the present war.

In every decade for 2,000 years wars have been the vogue in Europe and are destined to continue unless a peace based upon spiritual and human justice is agreed upon and accepted. The opportunity for such a peace at the termination of this war is possible, and unless one is agreed to, we should follow the admonition of the Father of our Country, "Friendly intercourse with all nations, entangling alliances with none."

We are now engaged in World War No. 2 and today Italy is joined with us and we ask in the name of justice and unity that they be accorded equal rights with other Allied nations.

To condemn Italy for joining with Germany is to blind oneself to the inescapable fact that the blockade of the Mediterranean left no other course open. Italy depends upon the world for 70 percent of her food supply and any other course must inevitably lead to the starvation of the entire people.

The Italian people never have had their heart in this war as proven by their participation and the futility of indicting an entire people for the acts of a few misguided leaders must be apparent to every right thinking individual.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. VURSELL] is recognized for 15 minutes.

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. VURSELL]?

There was no objection.

GIVE THE FARMERS MACHINERY NOW

Mr. VURSELL. Mr. Speaker, today I want to speak up for the farmers of my district and the Nation in order to call the attention of the Members of Congress to some of the unnecessary abuses being done to the detriment of food production and to the 20,000,000 of these patriotic, hard-working farm men and women who patiently toil long hours to meet the food production quotas set by the Government. I want to offer some constructive criticism in the hope that the men high in Government may correct such abuses. Let us briefly review the past.

MACHINERY REDUCED TO 20 PERCENT

In 1942 under the order of Joseph Weiner, a New York lawyer in charge, their farm machinery supply was cut to 20 percent of 1941 supply—at the same time they were urged to tighten their belts and produce more food for the war effort. Patriotically they did it.

In 1943, after getting rid of the incompetent and inexperienced Weiner, their allotment was raised but was still not nearly sufficient. Their Government asked them patiently to fight on and they worked longer hours and produced a bumper crop.

In 1944, with their labor shortage becoming more acute by reason of young farm men being taken into the Army, they were guaranteed livestock and poultry production prices, which have only partly been kept, and were promised more machinery. They planned their crops early and resolved they would redouble their efforts in food and livestock production.

THEIR TROUBLES INCREASE

Now, what is the situation, is it necessary, and what can be done about it?

We find that a directive was issued on February 25, 1944, by the President to General Hershey that no farm boys between the ages of 18 and 26 would in the future be deferred from military service, except in rare cases on the direct appeal and on the order of the State director of selective service. That means practically no deferments. This ruling is further depleting the farmers' manpower, which was already drained to a low point by reason of many of them being lured away from the farm by the high wages paid in the Nation's war plants. The loss of this farm manpower, if production of farm crops is to be kept to a high level, can only partly be offset by a greater supply and greater use of modern powered farm machinery.

SHORTAGE OF MACHINERY

Here again the farmer in his battle for production is threatened with defeat on two fronts. The rains, floods, cold weather, and late planting season has operated against him—has cut by 30 days or more his time to plant, grow, and harvest his crop.

And in the very face of his difficulties he now finds that the farm tools he was promised in volume is but a trickle of what he needs and must have. The Government could not control the weather, but it could and did not furnish him the farm tools he was promised. The Government had warning early in the fall of 1943, when farm-machinery officials and high-ranking men in the allocation of steel from the War Production Board and high officials of the War Food Administration were called to a meeting here in the House Office committee room by a committee of 50 Congressmen, of which I was one, when we questioned

them most seriously, pointing out to them that we were taking the matter of meeting the farm-machinery production for 1944 up with them in plenty of time so that allocations of materials could be made, so that there would be no excuse for their failure to get the farm tools manufactured and on the market in time for spring and summer use. They promised the job would be done. The farmer planned accordingly. It could have been done. It has not been done. Why?

FARM MACHINERY SHORTAGE

Bungling and incompetence by those in charge of the program of farm machinery production here in Washington are said by some who have dug into the matter to be a mild and charitable accusation.

A farm machinery shortage so serious that War Food Administrator Marvin Jones has refused to bring it out into the open for fear of the consequences to the fourth term ambitions was threatening yesterday to become one of the major scandals of the war.

Blamed for this farm-tool shortage that farm men say actually threatens "international disaster on the food front" are farm-machinery officials of the War Production Board who allegedly falsified production figures and the big eight of the farm-machinery manufacturers.

As agricultural men viewed the situation, approximately 20 to 50 percent fewer farm tools have been produced than W. P. B. and W. F. A. assured the farmers would be produced during the winter for their use this year.

Leaders of the national farm organizations, suspecting that the New Deal agencies were hiding something in their farm machinery production figures, Thursday sent Edward J. O'Neal, American Farm Bureau Federation president, to call on his friend, Administrator Jones, to "get the lowdown."

"Could it be that the Farm Machinery Division of W. P. B. wasn't going to fulfill its program?" O'Neal demanded of Jones, "could it be that it was dishing out glamorized reports?"

"It not only could be, but was," said Jones. He called in one of his specialists to prove it. Saying that he would do everything in his power to "needle" W. P. B. into action.

O'Neal, according to the Farm Reporter, came away from W. F. A. boiling. He called an immediate conference of the other farm organization leaders.

"A joint statement blasting the whole rotten mess wide open to the public view should be issued sooner than immediately," O'Neal reportedly told the farm men.

"Not so fast," retorted the other leaders. "Donald Nelson has been about the only big shot in the administration high command to go along with us," they cautioned.

Private information by some Members of Congress say the facts are as follows, and they follow the strange policy that is evidenced here on every hand, evidence that the rank and file of the people little suspect and will hardly believe from an administration that rode into power in opposition to big business as the champion of the cause of the little man.

The facts tend to prove that the power of big business has moved from Wall Street to Washington. The big meat-packing interests seem to dominate the meat packing and livestock tie-up. The big dairy companies control the price of milk, cheese, and dairy products. The result is independent creameries and small cheese factories are being forced to the wall and are bought up by the big milk companies. The independent oil men of the Nation are being gobbled up by the major companies whose high officials are the office associates and advisers of Secretary Ickes.

MACHINERY FOLLOWS SUIT

Analyze this set-up and draw your own conclusions.

There are approximately 1,500 companies equipped for manufacturing farm machinery.

Less than 10 of them under the orders and allocations of the War Production Board are given 66⅔ percent of the business. Many of these smaller companies have the manpower and equipment to manufacture farm machinery, yet some get less steel than they can use and some get none.

Here is the rule that creates the bottleneck, and also provides an excuse to gorge and glut the big companies and to starve out and keep out the little fellow.

The directors in charge of the Farm Machinery Division of the W. P. B. will not allow a company that did not manufacture farm machinery in 1941 to manufacture it now, even though they are equipped to do so.

Mr. Speaker, within the last 3 months approximately 150 such companies have been denied this right.

The 10 big companies that have been allotted 66⅔ percent of the steel are from 15 to 40 percent behind with their 1943 promised production.

Why do the officials in charge of W. P. B. Farm Machinery Division hold these 1,000 or more small manufacturers down to a trickle of steel and refuse any material to some of them? Can it be that the men who allocate this steel do not want new or small concerns to get their goods on the market and get their lines advertised and established as future competitors?

THE BIG BOYS ALLOCATE

A study of the following set-up of officials in the War Production Board throws light on this question.

HERE IS THE PICTURE

The Director of the Farm Machinery Division in the W. P. B. who helps to do the allocating of material is John Deere Wiman, former president of the John Deere Co. and grandson of the founder of the John Deere Plow Co.

His assistant is Harold Boyle, of the International Harvester Co. The head of the Division which contains the Farm Machinery Branch is Mr. William Frank, of the Copperweld Steel Co., and so it goes throughout the whole set-up.

Mr. L. G. Giraud, also of the International Harvester Co., has control of the Automotive Section, Machinery and Equipment Division of the Foreign Economic Administration furnishing these products to South America, Central America, and Mexico. Recently there was $4,000,000 worth of farm machinery turned over to Mexico. Mr. Swamberg, formerly with the International Harvester, allocates and selects the machinery that goes out through lend-lease.

Mr. Speaker, last week the gentleman from Missouri [Mr. BENNETT] discussed this question and pointed out that the Federal Trade Commission, at the request of Congress in 1936, was called upon to make an investigation to see if monopolistic practices in violation of the Sherman antitrust law were being practiced by the big farm-machinery manufacturers. He further pointed out that as a result of the investigation that this Commission found, and I quote, "that there is a serious monopolistic condition in the farm machinery industry" and recommended a certain amendment to the Clayton Act to correct the situation. The Commission specifically named John Deere & Co. and the International Harvester Co., setting forth that they practically dominated and froze out competition.

He further pointed out that the present administration had made no effort to pass such amendment to the Clayton Act to correct the situation.

The results are the War Production Board has, in fact, suspended the laws against monopolistic control on our statute books to the point where Government and big business in the farm machinery industry have joined forces in placing a strangle-hold monopoly against the smaller manufacturers and in favor of the big five manufacturers, which has kept the farmer from getting much of the machinery he needs.

The gentleman from Michigan, Congressman CRAWFORD, some few days ago introduced a resolution to make a complete investigation of all the facts surrounding the matter in order to bring out all of the facts leading to this farm machinery shortage. I want to commend him for this action, and pledge my support.

If the facts can be brought out it is my prediction that there will be uncovered a condition that will startle the country. All of the material for farm machinery production to the hundreds of small manufacturers must flow through the hands of the few big companies I have named. It is a bad set-up. Such power should not be placed in the hands of any small group of men by the Government who have such personal interest in the success of their companies.

It is to be hoped that their actions and the administration of their duties are free from any personal bias or discrimination. Yet, on the other hand no group of men so interested should be so tempted in handling public business.

The investigating committee should recommend some changes in the set-up by bringing into the administration of farm machinery allocation some men high in the councils of farm leaders who will represent the agricultural interests and the public.

The farmers of the Nation need some encouragement just now to offset the loss they are now taking because of the corn freeze that is forcing many of them out of the hog business with tremendous losses. They need help now to offset the losses many of them are taking because of the egg glut and other poultry losses which is a big factor in farm income.

They need farm machinery now because their young men due to the order against deferment of farm help from

18 to 26 will take hundreds of thousands of them away from the farmers, further depleting their manpower.

They need help now to produce food for our military forces, some for our allies and to avert a possible general food shortage that would seriously hurt our war effort.

It does appear that the farmers' interests are not considered with as close care and protection as are the interests of other large segments of our people.

Without a day's notice the corn freeze order was clamped on in 135 counties freezing the sale of corn to any one out of these counties. The Government needed 80,000,000 bushels of corn. The areas frozen contained 342,000,000 bushels. Farmers in southern Illinois were caught with tremendous hog and poultry production. Many of them had only a few days' supply and no provision was made for hardship cases where on a certificate of intense need they could have been provided with the opportunity to go into the frozen counties and bring out a small amount to tide them over. The same thing happened in many parts of the United States.

Farmers without corn rushed hundreds of thousands of head of unfinished hogs, breeding stock, and pigs on to the market at a terrific loss which, I believe, could have been avoided. Stockyards were glutted and many days refused to accept the hogs.

There were great losses taken in poultry and other livestock. I have received recently telegrams from merchants stating they had no sale at any price for eggs and were having to turn them back to the farmers.

On taking this matter up with the War Food Administration they tell me that the storage houses in the East and particularly in the Mississippi Valley are so packed full of meat products, canned goods, and cases of eggs that the Government reduced buying because of a lack of storage space.

War Food Administration told me last week that since the beginning of this year the Government had bought 14,000,000 cases of eggs, mostly for lend-lease, that the Army had bought over 6,000,000 cases and that they were now shipping millions of cases from the Mississippi Valley to the State of Washington where the eggs would be stored during the summer in the fruit packing plants of that State and shipped back East mostly in August because that space would have to be vacated before the fruit season there which begins about September 1. That the freight transportation charges would total two ways about 7 cents per dozen. They said that there was storage space available there for several thousand carloads of eggs.

Emphasizing the seriousness of the egg situation I want to place in the RECORD the following telegram from a merchant in my own county:

KINMUNDY, ILL., *May 16, 1944.*

C. W. VURSELL,
Congressman, Washington, D. C.:

Loaded beyond capacity with current receipts of eggs. No market whatever. Will have to suspend buying. Am sending eggs back to farms which creates critical situation. Is there any possible source you can refer me to for disposing of eggs that will help now? Answer immediately.

WHITES PRODUCER.

Mr. Speaker, I also want to place a short letter in the RECORD from William E. Tanner, of Salem, Ill., which happens to be my home town.

SALEM BUSINESS MEN'S ASSOCIATION,
Salem, Ill., May 17, 1944.

Congressman C. W. VURSELL,
House Office Building,
Washington, D. C.

DEAR MR. VURSELL: Thanks for your telegram. I have investigated the egg condition through this area and find a lot of merchants returning their eggs back to the farmers. I have contacted the Harrisburg Poultry Co. in Harrisburg, the Williams Poultry Co., also at Harrisburg, the Du Quoin Poultry Co., Du Quoin, the Turner Poultry Co., Beardstown, and they all give me the same kind of a story.

It seems the Government is buying contract eggs, but here is the catch: The Government is not allowing any production on egg containers or cases, therefore, when they accept a Government contract they have to leave their cases and, as they cannot replace containers, they would be automatically out of business. Therefore, the buyers are only buying the amount of eggs that can be used through the cracking and drying plants so they can get their cases returned.

I tried to contact Mr. Blood, of Chicago, Ill., and find that he was out of town, supposedly working on the egg situation.

Yours respectfully,

W. E. TANNER.

Mr. Speaker, from the above letter you get an insight into the workings of bureaucracies of which the farmer, the innocent victim, has no control. His Government urges him to produce eggs and he complies fully. When the Commodity Credit Corporation attempts to buy the eggs we find that the War Production Board, or some other bureau, will not release sufficient lumber to provide the necessary egg cases in which to distribute the farmers' product.

I am told by the War Food Administration this morning that in order to relieve, to some extent, the lack of egg cases, they have arranged now to crack and freeze the eggs to be used as egg powder in the coming winter for two reasons. First, so that the egg cases can be shipped back to the farmers or merchants and, secondly, that these broken eggs will require only a small amount of storage space which is lacking now because the Government, through the Army, the Commodity Credit Corporation, and other buying agencies, have gotten the warehouses of the Nation filled to the attics with food, possibly more in most cases than is needed, while the public is rationed against the full use of it. It is an amazing situation that confronts and confounds anyone who seeks to delve into the unbelievable facts.

Mr. Speaker, I am further informed that there is an overproduction of eggs. I am inclined to the belief that there has been an overproduction of bad planning on the part of those who planned it that way and doubtless there has been a great overproduction of meat rationing in this country by the O. P. A. because we know that there have been millions of pounds of meat spoiled, countless carloads of potatoes that have been bought up by the Government which have spoiled and wasted and consigned to the dump heaps of the Nation.

It is apparent and it is a known fact that the storage capacity of the Nation has been overloaded with food supplies for the past year partly because these supplies have been rationed to a point where the people were not allowed to consume them.

Mr. Speaker, my purpose is to bring these facts to the attention of the public; to bring them again to the attention of the Congress; and to bring them to the attention particularly of those officials here in Washington whose duty it is to allocate sufficient farm machinery, and particularly to the attention of the Office of Price Administration and other agencies in the hope that the proper corrections can be made which will relieve the farmer and the distribution channels for his products, so that he may continue in full production in support of the war effort and prevent a possible general food shortage for the Nation.

Mr. Speaker, in conclusion, let me say that in the interest of the Nation and the war effort it is to be hoped that unnecessary delay of farm machinery production and distribution will be stopped. In speaking today I have tried to present the facts as nearly as I could get them. With regard to the lack of machinery and manpower, I speak from some personal experience. I have not been able to procure more than half of the machinery or over half of the labor needed to operate my own farm. With only one man, I am trying to operate a rather large farm. It is impossible to secure other farm labor only for a few days at a time. It is imperative that there must be available more modern, power-driven machinery and a better-thought-out plan on the whole farm set-up, else we may later find the Nation facing a food shortage.

EXTENSION OF REMARKS

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein certain excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

SPECIAL ORDER

Mr. McLEAN. Mr. Speaker, I have a special order for this afternoon. In view of the lateness of the hour, I ask unanimous consent to extend my own remarks in the RECORD immediately following the remarks of the gentleman from Ohio [Mr. ROWE].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. MCLEAN]?

There was no objection.

The SPEAKER pro tempore. Under previous special order of the House, the gentleman from Ohio [Mr. ROWE] is recognized for 10 minutes.

EVERY SOLDIER WILL GET HIS VOTE

Mr. ROWE. Mr. Speaker, members of the armed forces and the merchant marine outside the United States, members of the armed forces inside the United States, and persons serving with the Red

Cross, the Society of Friends, the Women's Auxiliary Service Pilots, and the United Service Organizations, outside the United States, who are attached to and serving with the armed forces of the United States, will receive a complete constitutional ballot so that they may vote for every person who may be a candidate for each of the offices in the general election in November 1944 if they so choose.

High officers of the Army, Navy, and merchant marine, who are charged with the responsibility of delivering the ballots to all of the aforementioned persons and returning them to the proper election officials in time to be counted, were summoned before the House Post Office and Post Roads Committee to submit a report on the progress of their plan to insure those away from home the full opportunity to vote in the November elections. Except for those who for military reasons cannot receive communication of any nature whatsoever, every person will receive his ballot and have his vote returned to be counted, according to these officers. Applications will be in the hands of those eligible to vote outside the United States by August 16, and inside the United States by September 15.

To indicate the seriousness with which these officers and the War Department are regarding their responsibility, I want to tell you about their alertness to their task. Public Law 277 became effective on March 30, 1944. On April 3 a bulletin was dispatched to all outposts giving general instructions about preparations and plans to handle the job. On April 13 instructions on how to convert the application cards already on hand out there into proper legal form were radioed to those in command of our forces all over the world. These officers have high praise for the Government Printing Office because of their cooperation and the speed with which they are producing the material to implement the plan to get this job done. We are informed that it will require 13 days' maximum time to get the voting material to the distributing station in the most remote outpost, 8 days to the intermediate stations, and 4 days to the nearest ones outside our country. It will require an additional 30 days for the ballots to gravitate down to the military company units. It is estimated that 75 percent of the mail will not require this maximum time. This mail will be specially marked and will receive top priority in air-mail service. All pouches containing election mail will be routed under special record tags on which the time necessary for handling by each person as a link in the service will be recorded.

The War Department will correct all incorrect addressing through its directory service, and in failing will return ballots marked "Directory searched, no record found" or "No forwarding address available." In the case of casualties or persons missing, such information will be attached and ballot returned to Washington for confirmation before returning this information to sender.

If by October 1, any person who has applied for a complete ballot and for some reason it has not been delivered to him, he will be given a Federal ballot so that he may vote for President, Vice President, Senators and Representatives to the Congress, both district and at-large. The complete, or the Federal ballot, whichever the voter may use, will be delivered to him in a manner so that it can be voted as secretly as if he were at home in his own election booth. He will seal his vote and it will be returned to the election official in his home precinct if it is a complete ballot, and if it is the Federal ballot, it will go to the secretary of state in his home State via the Ballot Commission appointed by the President, to be validated by the proper officials, after which it will in the same manner reach the election official in his precinct.

The Post Office Committee and Congress I am sure want to express their commendation for the fine job the Army, Navy, and the merchant marine are doing in helping Congress give every citizen of our country, wherever possible, his or her full opportunity to cast a ballot in the elections this year.

We believe every person can vote a full legal ballot for all candidates, regardless of how minor the office to which they aspire may be regarded, under the plans worked out by the War and Post Office Departments. Much has been said in the Chambers of Congress about denying the soldiers their vote, but now we are assured that the proponents and supporters of Public Law 277 really insured the right to vote to our loved ones away from home. I am equally convinced that every Member of this House and of the other branch of Congress, regardless of his position during the progress of this law, was as deeply anxious to have our service people out on the battle fronts have the right to vote as any person could possibly be.

We should learn much from this experience. I also believe the people we represent can find a lesson in what has happened in the enactment of this law. The lesson to us is that our objectives, where they concern the welfare of our country and its people, are very much alike. We grow bitter and becloud our power to reason in our effort to agree.

I believe our people can see now that their representatives in Congress want to do the best they can for them, and that they may be better able to determine how to legislate properly than some of those persons who find great pleasure in exerting pressure on the Members here and holding them in ridicule when they refuse to obey their dictates.

On the first day that this legislation was brought to the floor, I was caused to cast a vote on procedure when the chairman of the Rules Committee moved for the previous question. The next day the only daily newspaper in the most populous city in the district I represent printed a boxed article on its editorial page, as follows: "ED ROWE votes against the soldier's vote." I do not believe this misrepresentation was intentional because I know the person who wrote it rather well. I know he is a good citizen. He, like some of us here, had his reasoning affected by the same propaganda and pressure. When I consulted him about it, he offered to print my side of the story. I declined, because I know you do not win arguments with editorial writers. Time has proven my position, and I know the Members of this House, the people of the country, and even my friend who writes the editorials in my home town paper, all wanted the soldiers and others away from home to have their right to vote. We are now assured by the War and Post Office Departments that they will have that right.

I am sure my colleagues feel as I do about the people we serve. There are none better on earth. I am anxious to receive their petitions and opinions on every matter that concerns them. When their opinions afford me praise, I am lulled into a state of self-satisfaction. When they are critical of me, I am stimulated to an honest examination of myself and the work I am doing here. I believe the latter is the best for me. Sometimes some of my constituents go to extremes in their praise or criticism, and it is surprising how similar their attitude is to ours here on this floor.

We have done a good job on the soldier-vote matter. We can do just as well on other important matters that are sure to come before us if we rise above partisan politics and personal ambitions in our endeavors during our Nation's most critical period. Out of this holocaust our great country has become a leader of nations. Let us try, by and in these crucial times, to become the leaders of our people.

THE INDIVIDUAL INCOME TAX ACT OF 1944

Mr. McLEAN. Mr. Speaker, I am addressing myself to the tax bill. It bears the title of "An act to provide for simplification of the individual income tax." The short title in the enacting clause is "The Individual Income Tax Act of 1944." The short title is the more proper title, and will be the title by which the act will be known.

I have charged that this bill will substantially increase the personal income taxes retroactive to January 1, 1944, and that instead of a loss of $60,000,000 there will be a very substantial increase in revenue resulting from the enactment of this measure. I reiterate that statement. My purpose is to make known to the country how it comes about—perhaps for future benefit rather than present.

A few days ago the chairman of the Committee on Ways and Means took exception to some observations I made concerning the bill. He directed attention to the fact that I had voted for the bill in committee and on the floor, but he neglected to add the qualifying statement I made at the time, namely, that "I voted to report it but not with a great deal of enthusiasm; that the country was demanding relief and because there was some good in the bill I was prepared to give it my support to send it on its way to the Senate where it might emerge with some improvement."

He also stated that I "had confused and misused the figures upon which my estimates were based; that I inferred the committee was deceiving Members of the House, and that I made an unwarranted

attack upon the intelligence of the committee and upon the capabilities of the actuaries."

As to any attack upon the intelligence of the committee, I do not understand that disagreement with gentlemen in a deliberative body can be construed as an unwarranted attack on the intelligence of any individual or group of Members. We are supposed by differences of opinion in debate to be guided to a proper decision. One may show his own lack of intelligence, but it does not necessarily follow that in doing so he attacks the intelligence of others. I do not even resent the criticism of the chairman. He is entirely within his rights. One expects censure here. I think the gentleman from Virginia [Mr. WOODRUM] put it very well when he said, "If you cannot take it, this is no place to be sticking around."

Nor does it follow that in pointing out defects or matters that have been overlooked or that have crept in by crror that there is any inference that the committee is deceiving Members of the House or the American people. Of course, the committee must suffer the consequences of its acts; and if there is deception, it will soon become known. If there is no deception, then there is no concern. I criticize, not the committee but the bill they have produced.

Now let us see if I have confused and misused the figures. If in certain instances I have taken the figures of the Treasury as correct and adopted them as my own, I can hardly be accused of confusion or misuse, and that I have done in three instances. Also, if I agree with the Treasury as to the means by which certain results are obtained and differ with them only as to the results, certainly I cannot be accused of confusion and misuse; and that is what I have done.

I have a copy of a memorandum issued by the Division of Research and Statistics of the Treasury which purports to show the results of changes in the law and shifting of the burden in the program of simplification. The Treasury contends that by eliminating the Victory tax and substituting therefor a normal tax of 3 percent on net incomes in excess of an exemption of $500 there will be a loss of revenue of $240,000,000; that in the reclassification of dependents and excluding income of dependents from income of parents or guardian there will be a loss of $290,000,000; that substituting standard deduction for taxes, interest, charities, and so forth, of 10 percent will result in a loss of $370,000,000. I accept these figures as correct. The total of these losses is $900,000,000.

To compensate for these losses the proponents of the bill suggest shifting the burden of the tax by increasing and adjusting the surtax rates and lowering the personal exemption. They concede that the change in personal exemption and dependent claim to $1,000, $500 and $500, will result in an increase of $300,000,000, and that from the increase in surtax rates, as proposed, there will be an increase of $490,000,000, the net result being a loss of $60,000,000 in revenue brought about by the simplification program.

I disagree with the Treasury estimates in two particulars and direct attention to the lack of reference to a third. We are in agreement that lowering the personal exemption and increasing surtax rates will produce additional revenue by increasing taxes. We differ only as to the amount.

First. As to the reduction in personal exemption. Under present law this exemption is $1,200. Under the pending bill it is reduced to $1,000. I am officially informed that there are approximately 20,000,000 people whose exemption will be reduced by $200 each. This will create new taxable income of $4,000,000,000, which at the minimum rates would produce $920,000,000. The Treasury's estimate conceded $300,000,000. The income from this item will be further increased as the taxable income falls in the higher surtax brackets. We are dealing with 6,000,000 taxpayers who have incomes ranging upward from $2,000. This new taxable income of $4,000,000,000 will spread itself over the different surtax brackets and be subject to various rates. On the $200 increase resulting from lowering the personal exemption a taxpayer with a net taxable income of $4,000 to $6,000 will pay 26 percent of it in taxes; $10,000 to $12,000, 38 percent; $12,000 to $14,000, 43 percent; $14,000 to $16,000, 47 percent, and so forth. How much this increase will amount to is not at this time ascertainable, but it will be substantial.

Additional revenue will be realized from the limitations placed on the use of the personal exemption by the taxpayer. Under present law the exemption may be divided between the husband and wife, or may be used entirely by either. Under the pending bill only $500 can be used by the taxpayer, except where the spouse has no income or a joint return is filed. Consequently, where each spouse has a separate income and separate returns are filed the personal exemption is reduced to $500, thus depriving one or the other of $700 of the present personal exemption and increasing the taxable income by that amount.

If your net taxable income is $6,900, with a personal exemption of $1,200, your surtax under existing law would be $980, plus 24 percent of excess over $6,000, that is, $980 plus $216, or $1,190. Under the pending bill with your exemption reduced to $1,000 your net taxable income would be increased to $7,100 and your tax, according to the new rates, will be $1,360, plus 30 percent on the excess over $6,000, that is $1,360, plus $330, or $1,690. And if your wife has an income and a joint return is not filed, your surtal personal exemption will be reduced $500 more, and your surtax would be increased by adding 30 percent of $500, or $150, a total of $1,840.

These figures are significant when it is remembered that an average increase of $200 levied on 10,000,000 of 41,000,000 taxpayers with incomes upward of $2,000 will produce $2,000,000,000. Of course, your normal tax will be reduced from 6 percent to 3 percent, but the saving can only amount to slightly less than $200 as against a surtax increase of $500.

On the other hand, if the income of husband and wife are combined and a joint return is filed to make available a $1,000 personal deduction, the taxable income will be carried further into the higher surtax brackets. Joint returns have been the desire of the Treasury for a long time. An effort was made only recently to make them compulsory. The argument at that time was that without joint returns the surtax and normal tax base would have to be expanded in order to provide necessary revenue. The principle is the same whether the joint returns are voluntary or compulsory. It will result in increased revenue. How much this increase will amount to is not at this time ascertainable, but it will be substantial.

Second. I disagree with the Treasury's estimate of income from the increased surtax rates. I have taken in each bracket the increase in the base amount and have applied the increase in the percentage to the first $1,000 of excess, multiplying this result by the number of taxpayers in the bracket. The result is that an increase of $580,124,000 is indicated as against $490,000,000 estimated by the Treasury. The number of taxpayers in the various surtax brackets used for this purpose are Treasury figures. This amount will be increased by the application of the percentage rates to that portion of the excess of taxable income above $1,000.

These increased surtax rates and these reduced exemptions which are calculated to raise additional revenue are retroactive to January 1, 1944. The withholding provisions where most of the simplification lies and which the increased surtaxes and reduced exemptions are intended to implement are not operative until January 1, 1945. Hence the admitted increases in personal income taxes will be effective during the current year.

Third. Attention is directed to the change in the credit for interest on obligations of the United States and Government corporations. These credits allowable for normal tax purposes are unchanged, but the decrease of the normal tax rates and the increase in the surtax rate will impose a greater tax on such interest than under present law.

The fact that $4,000,000,000 of additional taxable income will be created by the bill is not denied, but the loss resulting from increased allowance for dependents is cited as an offset. This increase is $150 for each dependent. I do not know how many dependents will be affected by this alteration. The chairman of the committee has stated that there will be twenty million. That being so, this would result in a loss of $3,000,000,000 of taxable income and still leave $1,000,000,000 from the reduction in the personal exemption. Nor does it necessarily follow that one would cancel the whole or any part of the other. They would both continue to operate in a sort of competition—the reduction in the personal exemption to increase revenue, and

the deduction for dependents to reduce it. It is a safe guess that the results produced by the reduction in the personal exemption would far outweigh that of the increased deduction for dependents, especially with a $1,000,000,000 differential in favor of the former.

When this bill begins to operate and the retroactive increases which it provides are known, it will then become apparent that the bill was properly named "The Individual Income Tax Bill of 1944."

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

POLITICAL SUPPORT OR WAR PRODUCTION?

Mr. HOFFMAN. Mr. Speaker, last week at least one newspaper carried the caption "250 planes lost." The news story then revealed that the planes were not lost, but, because of the so-called foremen's strike in Detroit, were never produced.

The leaders of that strike, which was called because the administration failed to recognize the independent union, were by General Arnold told, in substance, that the strike might well cost the lives of American airmen and the loss of much-needed bombers on which the fate of a battle might depend.

Secretary of the Navy Forrestal, Under Secretary of War Patterson, as well as General Arnold, pointed out in no uncertain terms that strikes throughout the country were not only endangering the lives of our fighting men, but might prolong the war and increase the loss of life.

Among other things, General Arnold said:

> But is it inconceivable from our point of view how you can have strikes that stop production when the material is so essential that it may even determine the extent of our bombing of Germany, so essential that it may even effect our invasion operations.
>
> * * * * *
>
> And this strike definitely tells me that I cannot furnish fighter protection when and where I need it. Must I then cut down on the number of bombers I send into Germany?
>
> If this strike continues it will enable the German air force to gain a respite and perhaps recover at a time when it is reeling under our blows.

The last month has seen a wave of strikes throughout the country, which in practically every instance resulted in the loss to the fighting men of either planes or of guns or war supplies of some nature.

The failure to produce guns, planes, or munitions of war of any kind is as much of an aid to the enemy as the destruction of similar materials in like quantities by the enemy's guns or bombs.

Thousands of our men have been killed on the battle front by the Germans and the Japs.

This administration has condoned strikes. Strikes, as has been pointed out by General Arnold and others, have held up the production of needed planes, guns, munitions of war.

For the want of planes, guns, and munitions men will die, battles may be lost and the war prolonged.

The responsibility for these strikes rests squarely upon the shoulders of the administration; squarely upon the shoulders of the Commander in Chief himself, or upon the shoulders of those who advise him, who control his actions; I know not which.

No man can serve two masters. No man can play politics, yield to political expediency and most efficiently fight a war.

It is time for this administration, it is time for this Congress, to determine whom it will serve. It is time for the administration, for Congress, to accept and to act upon its responsibility and to place production for war above all other domestic policies.

But the situation is nothing new. On February 17, 1942—CONGRESSIONAL RECORD, volume 88, part I, Seventy-seventh Congress, second session, page 1375—from the floor of this House I called attention to a news item in the preceding week where an Army officer, referring to a strike in the Detroit Willow Run plant, said:

> With men dying because of our lack of aircraft, it is an outrage that tools being prepared for the bomber plant should be crippled in this manner by such a trivial thing.

The strike in that instance grew out of the refusal of the Ford Co. to discharge one of two union men who had engaged in a fight.

Equally trivial was a strike last week where C. I. O. workers threw out of a Chrysler plant engaged in war production an A. F. L. teamster who was delivering soft drinks, and they threw him out because he was an A. F. of L. union man.

At Muskegon, in the Norge plant, because one worker produced more materials designed for the fighting men than the union thought he should produce, they demanded that he be fired, and when the company refused the union called a strike.

Now, think of the situation. The men at the front; the men in the bombers, in the fighting planes; the men in the trenches, in the fox holes; the men in the submarines, on the destroyers; our men who are risking their lives day after day, need the implements of war. But here at home, in factory after factory, for trivial reasons; because, it is said, men are producing too much, turning out too much work; because workers do not wear the right kind of a union button; because they have not paid their dues, or for no apparent reason, union after union has gone on strike, and this notwithstanding the no-strike pledge.

Yes; and the head of one great independent union, a union made up of the most skilled workers, the Mechanics Educational Society of America, who advocates strikes, last week testified here in Washington that many of the strikes which had occurred where C. I. O. or A. F. of L. men were employed were union-engineered strikes.

There is no question but that strikes have hindered the war effort. Way back in 1939, in Detroit, a C. I. O. union held up production of material needed by the Philadelphia Navy Yard. That was before the war, and time and again since that date war production has been delayed.

On the west coast, there was a strike which Assistant Secretary of the Navy Bard said delayed the sailing of convoys carrying needed supplies to the South Pacific.

Now, why is it that these strikes, which interfere with the war effort, can continue?

Is it not because this administration, in return for political support, has been favoring, granting special privileges to, certain labor unions?

We know that, more than once, union demands have been enforced by the seizure by the Government of war plants. We know that, after the Government has seized war plants, union demands have been granted.

For example, when 30 or more C. I. O. union men refused to pay dues, the Government, which had charge of the plant, ordered the men discharged unless the dues were paid.

The National Labor Relations Board has time and again ordered employers to sign a contract with a union which contained a security of membership clause, which is a form of, or which results in, a closed shop.

To put it briefly, and accurately, this administration time and time again, when labor disputes have arisen, has come to the aid of the labor union, and especially is this true when the strikes have been called by a C. I. O. union or have taken place in plants with which the C. I. O. had a contract.

It is more than a coincidence that, in return, the C. I. O. has endorsed the fourth term; has raised a campaign fund amounting to hundreds of thousands of dollars which it is now spending to elect the President to a fourth term.

If there ever was a wicked, corrupt political trade, it is the one in which this administration is now linked with the C. I. O. committee for political action.

The administration has by its tactics forced men into the C. I. O. union, and C. I. O. unions are now spending hundreds of thousands of dollars in support of the administration which has favored them.

In some instances the C. I. O. unions have gone so far as to put out handbills telling their members that a dollar should be contributed to the political fund and that shop buttons will be furnished those who have made their contribution of a dollar.

All familiar with union tactics know that such requested political contributions will in many instances be no more voluntary, no more freely made than has been the payment of dues which, in many instances, has been enforced by the picket line, by violence.

Last week Secretary of the Navy Forrestal, Under Secretary of War Patterson, Secretary of War Stimson, W. P. B. Chairman Nelson, and others demanded the passage of the bill which would draft labor. But none—no, not one of them—told the Senate committee whether the men so drafted would be required to pay union dues, contribute to a campaign

fund devoted to the reelection of the President.

One high Government official called attention to the fact that molders were desperately needed; that war production was bogging down because of the lack of skilled molders.

As long ago as August 17, 1943, I called the attention of General Hershey to the fact that a company at Bridgman, Mich., making heavy castings for turbines needed by the Navy, was having its expert molders taken from it by the draft. Do you know what Hershey wrote me? Let me quote his answer. Here it is:

> Mr. Mathieu's company must, along with all other essential industries, make necessary arrangements for the gradual and orderly withdrawal of at least the bulk of his employees who are of military age in order that military requirements for necessary manpower be met.

Now, mark you, you cannot go out in the street and pick up an expert molder. A molder cannot be made in a day, in a week, or in a few months. Years of experience are required before a man becomes skilled as a molder. Yet the draft continued to take these expert men and now we are told that the war effort will bog down unless the skilled man can be put in the shops.

But it is not a drafting of manpower that we need. We need a cessation of the political effort which has been restricting employment. Not one of the high Government officials who spoke in favor of the bill which would draft manpower had a word to say about opening the doors of the shops to nonunion men.

Is not this the position of the administration. We will have an all-out war production of planes, of guns, of munitions, if and only if employers sign either a closed shop or a security of membership contract; if the workers who produce them belong to a union, pay dues to the union, and, in some instances, make political contributions to the organization which demands a fourth term for the President?

The Government has seized the second Montgomery Ward plant. This time, it is a plant engaged in war production. It has seized that plant because the company has refused to sign a contract with a security of membership clause.

But the failure to sign that contract did not stop war production. Production was stopped when 525 A. F. of L. employees refused to work unless their union was given a contract with a security-of-membership clause. That meant that every employee in the company must either resign from the union within a stated period or thereafter remain in the union, pay all membership dues and assessments.

What about the freedom to work, the right to resign from a union? The security-of-membership clause in a contract between the employer and the union destroys that right. Yet the Government insists that workers shall surrender their right to remain or to get out of a union.

Did the Government do anything about the employees who went on strike? It did not. It seized the plant. It will continue to operate the plant under the same staff as heretofore, but it will enforce a contract with a security-of-membership clause.

The orders of the War Labor Board have not ended strikes. There is a fair inference, with plenty of evidence, to show that the orders requiring the security-of-membership clause either intimidate and coerce free citizens into becoming subjects of the union, paying tribute to it, or lead to strikes, slowdown, and work stoppages.

And what a contrast between the action of the Board with reference to Montgomery Ward and its action in the Sears, Roebuck plant.

For 2 years there has been a fight between the C. I. O. and the A. F. of L. over the right to represent and collect dues from the 1,100 Sears, Roebuck Minneapolis employees.

While the Government, in Ward's case, declared that it was an essential industry, the Sixth Regional War Labor Board, by a 6-to-2 vote, ruled that the Minneapolis plant of Sears, Roebuck should not be classed as essential to the war effort and refused to order the company to bargain with the certified union.

What the administration is saying in these labor disputes is that, unless the company signs the contract demanded by the union and ordered by the War Labor Board, our men on the battle line, the sons and the husbands of American citizens who are paying the cost of this war, shall not have the weapons which are necessary to preserve their own lives, to aid them in the winning of the battle, in the defeat of our enemies; that employers throughout the country must yield to the demands of the political allies of this administration.

We might just as well, once and for all, have the facts on the record. Do not the facts show that this administration and the War Labor Board, instead of placing production of war materials first, places first compliance with union demands?

As long as men who are not members of a union are drafted, compelled to go into the service of their country, to fight and to die for that country and for the preservation of its institutions, there is no reason, in my judgment at least, why men and women working here at home should be required to join a union, pay a membership fee, monthly dues, and special assessments in order to send the planes, the guns, the ammunition, the supplies to their sons, their brothers, their husbands who have gone across.

It is time that this administration ceased playing war, playing politics, and throw open the factory gates to all who want to work. When that has been done, there will be less need for a draft of manpower.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. CHURCH] is recognized for 30 minutes.

HOW MANY SHIPS CAN AMERICAN SHIPPING COMPANIES PROFITABLY OPERATE AFTER THE WAR?

Mr. CHURCH. Mr. Speaker, today is Maritime Day. America has built the greatest fleet in history, and I am glad the majority leader, the distinguished gentleman from Massachusetts [Mr. McCORMACK] has seen fit to address the House on this subject on this anniversary today.

Within the past several months at least a thousand speeches have been made on the subject of post-war merchant shipping. A considerable number of them have been made by officials of the Government and Members of the Congress; others by private individuals connected with the shipping industry and importing and exporting firms.

The vast majority of the speeches that I have seen were properly enthusiastic in tone, some going so far as to suggest that the overwhelming supremacy of the American merchant fleet should be utilized to capture a major share of world shipping, the thought being that this would result in great profits for the shipping companies and American commerce in general.

None of the speeches that I have seen, and I wish to emphasize this, none of the speeches that I have seen made any pretense of explaining how such a huge merchant fleet as visualized in these speeches was to operate. No one discussed the fundamental economics of the questions as they apply both to our foreign and domestic affairs. I wish some of the more competent speakers had done so. Everyone professed to be in favor of private enterprise and of private ownership of our merchant shipping, but no one told how private enterprise could operate, nor proposed definite measures by which it could function. Their failure to discuss this basic issue is to be regretted.

I do not know the answer to the questions that are raised by a discussion of this subject, and I am new on the Merchant Marine and Fisheries Committee; however, I intend to ask the questions and to try to get the answers to them. Surely the combined knowledge of those in the shipping industry, in foreign trade, and in the Government ought to be equal to producing the answers, and from these answers we in the Congress should be able to chart a course in keeping with the traditional system of private enterprise.

It seems to me that the sooner a definite and well-considered merchant-marine policy is adopted by the Congress, the better the Maritime Commission can carry out that policy, and the better the shipping industry and American commerce on a whole can prepare to assume the responsibilities that are theirs, and not the Government's.

There is one great question which must be soon decided. I do not know whether it can be decided by consultation and conference or whether it must resolve itself by operation of the law of supply and demand. That question is, How many ships can the American shipping companies profitably operate after the war.

On this question Admiral Land, Chairman of the Maritime Commission and Administrator of the War Shipping Administration, recently declared in an article which was published in several trade publications:

> No one knows how many ships we can maintain in profitable post-war service.

In contrast to Admiral Land's clear statement, attention is directed to two more recent articles in the New York Journal of Commerce. In the April 20 issue of that publication, it is reported that a committee within the Maritime Commission has, after studying the question of post-war shipping, recommended that the Maritime Commission should announce a definite, clear-cut policy. The following day, April 21, that publication reported that "officials of the Maritime Commission are becoming increasingly critical of what they describe as the failure of the shipping industry to present a working blueprint of its post-war aims." It appears that the experts in the Commisison do not keep up with what their chief says, or pay little or no attention to what he says.

Admiral Land says, "No one knows how many ships we can maintain in profitable post-war service." Is he right, or wrong? Does anyone know? If there is someone who knows, ought we not seek him out and find out what he says? As I see it, until we find that person, or persons, who knows how many ships can be profitably used after the war, Admiral Land's statement is the proper starting place for any intelligent discussion of post-war shipping.

The House should be reminded that the Government has invested upwards to $16,000,000,000 in merchant tonnage. By all previous comparisons that is a colossal investment in merchant ships. Ultimately a decision will have to be made as to what part of that $16,000,000,000 is to be written off as war costs; that is, what part is to be charged directly as a war expense. It would seem to me that this should be one of the first questions that should be taken up by Congress. An approach to this question has been made in the Bland-Bailey ship disposal bill which is set for hearing next Thursday in the Merchant Marine and Fisheries Committee, and it may be that this bill offers a constructive approach to the question.

On the other hand, thorough consideration of the bill may show that it "puts the cart before the horse," in that it provides a method for determining the price for which the Government is to sell its war-built vessels before it is known how many of these war-built vessels can be profitably operated by American shipping companies. In other words, the formula laid out in the Bland-Bailey bill may or may not be a good one. Certainly it will turn out to be not a good one if ships acquired at prices determined in accordance with the bill are in excess of those which would allow for profitable operations of the ships, or if those prices are below what the ships are worth in commercial operation.

The next matter to inquire into, it seems to me, is that of what constitutes profitable operations, and what is to be done to promote and encourage those in the shipping industry to undertake operations. The House needs no reminder of the fact that no one will go into the shipping business after the war, or buy the Government's tonnage, unless there is a reasonable expectation of making a profit. The profit incentive has to be there otherwise capital will not be risked.

This leads to the very heart of the problem, and I wish to quote several paragraphs from House Document 20–A, which has just been issued by the Merchant Marine and Fisheries Committee of the House. This document contains the most recent statement of the War Shipping Administration in exposition of its policies. I see by the papers that this statement has been called an "amazing" statement by certain ones in the shipping industry, and I agree with that characterization as almost everyone else will after an examination of it. As a matter of fact, the W. S. A. reveals that it has done exactly what the O. P. A. set out to do under the management of Henderson and Ginsberg. It will be recalled that when the Congress finally understood what Messrs. Henderson and Ginsberg were up to, their management of the O. P. A. was quickly terminated. The statement says:

Before the United States became a belligerent, steamship earnings rose substantially from 1939 to 1941. However, because of the passage of the Ship Warrants Act in 1941 and administrative action taken pursuant to that legislation, as well as other administrative measures, high earnings of the steamship industry in 1941 (when we were at peace) were rapidly brought under control and drastically reduced. The size of this accomplishment is demonstrated by the following tabulations showing the profits of 28 major freighter companies before and after taxes from 1931 through 1943:

Comparative statement reflecting net profit for the calendar years 1939 to 1943, inclusive, before and after Federal income tax as reported by 28 representative companies

	Profits before taxes	Profits after taxes
1939	$23, 661, 154. 55	$20, 777, 198. 43
1940	72, 386, 066. 93	60, 325, 255. 89
1941	149, 230, 726. 24	114, 172, 110. 19
1942	80, 957, 587. 73	46, 499, 209. 86
1943 (estimated)	56, 798, 438. 31	31, 991, 714. 06

Continuing, the War Shipping Administration statement says:

There can be no dispute as to the accomplishment of the Maritime Commission and the War Shipping Administration in drastically reducing ship rates and values in the face of an upward inflationary trend of our economic system, and contrary to all past experience in wartime when steamship rates and values have invariably spiraled to dizzy heights.

It will be noted that steamship earnings before taxes have declined approximately 66⅔ percent since 1941 and that estimated steamship earnings for 1943 were substantially below 1940 levels. The year 1944 promises further increases in costs and taxes and declines in revenue; therefore 1944 earnings may not exceed 1939 levels after taxes. While steamship earnings have thus been brought under control in this effective manner, earnings of business generally have been allowed to rise without serious check.

Mr. Speaker, there we have, indeed, an amazing statement. The W. S. A. boastfully says that while the earnings of all other industries were going up in an inflationary spiral, the W. S. A. drastically reduced ship earnings. I should like to know more about how the W. S. A. accomplished this feat. Was compulsion used? If so, to what extent? And for what purpose? It was not for the purpose of saving the taxpayers' money, for the W. S. A. admits in the same statement that "the possibility of adverse court action cannot be overlooked" even though the W. S. A. took steps to fix things so that a legal basis for claims did not exist.

Again, I wish to say that that is amazing language to come from an agency of the United States Government. To show how much they had accomplished, the W. S. A. cited the one adjudicated case for just compensation for a ship requisitioned by the Government in the war, the Olson case, which was decided in the district court of California.

In telling the story of that case, the W. S. A. itself says:

In that case the court held that a fair basic bareboat rate for a 25-year-old freighter for the period from December 1941 to August 1942 was $3 per dead-weight ton per month. That rate produces about twice the profit which had been allowed by the War Shipping Administration under the charters then in effect and is more than twice as much as the $1.25 bareboat rate fixed on April 7. The rates so fixed cover the period when substantially all vessels of the merchant marine were requisitioned by the War Shipping Administration. If the owners generally had refused our rates and sued in the courts the extra cost to the Government for charter hire alone on the basis of the Olson case, might have been over $150,000,000 per annum or $500,000,000 for the war period.

Mr. Speaker, in other words, as I interpret this language, the W. S. A. says that it has, by compulsion, taken from the steamship industry $150,000,000 a year notwithstanding the fact that the industry was entitled to it. Having done this, the W. S. A. says that it "has dealt equitably with owners," and, moreover, tried to fix it so that the owners could not go to court to obtain just compensation.

This is all very important, because it deals directly with the question of how many ships can we maintain in profitable post-war service. Of course, we can operate any number of ships that we choose to operate, but the question is, How many can we profitably operate? Will anyone buy ships from the Government unless it is thought that the ships can be profitably operated? Does not the W. S. A. policy of drastically reducing ship values of private owners necessarily drastically reduce the value of the Government's fleet? The question, therefore, arises, How much has the W. S. A. actually saved the taxpayers by its policy of reducing values? It points to a saving for charter hire alone of $150,000,000 a year, or a possible $500,000,000 for the period of the war. Is that true, or is it not a callow, cockeyed statement? And for this reason. As the Government has a $16,000,000,000 investment in merchant tonnage, any reduction in ship values must necessarily affect the Government's investment. Therefore, if the W. S. A.'s policy has reduced the value of the Government's merchant fleet by only 20 percent, the ultimate loss to the taxpayers is about $3,000,000,000, at least. That is a terrific sum to pay for a trifling saving

which the W. S. A. boastfully says it accomplished.

I wish to return for a moment to the compulsion which the W. S. A. exerted to bring about its accomplishment. Particularly impressing is that language which says:

This achievement is noteworthy not only because of the above accomplishments, but even more so for the successful administrative policies by which it has been attained.

Here I want to quote again from the W. S. A. statement in Document 20–A:

Before the United States became a belligerent, steamship earnings rose substantially from 1939 to 1941. However, because of the passage of the Ship Warrant Act in 1941 and administrative action taken pursuant to that legislation, as well as other administrative measures, high earnings of the steamship industry in 1941 (when we were at peace) were rapidly brought under control and drastically reduced.

Thus, the War Shipping Administration says that the accomplishment was achieved through the ship warrants bill which was passed in 1941. It is admitted that the compulsory features of the ship warrants bill were invoked to carry out its aim to reduce drastically ship earnings and ship values, which it characterizes as an accomplishment.

It should be recalled that representatives of the shipping industry were fearful of the possibility of compulsion when the ship warrants bill was under consideration by the Congress, and they pointed out that the powers conferred by the bill could be used destructively against the industry. To overcome these fears and to reassure the industry, the Maritime Commission prepared a statement on this question which it submitted to the Congress when that bill was before it. The Commission then said, page 46 of hearings before Committee on Commerce, United States Senate, Seventy-seventh Congress, first session, on H. R. 4700, June 24, 1941:

The bill is designed and will be administered only as priorities legislation, a regulatory plan for which there is ample legislative precedent and which will meet a vital need of our defense and our domestic economy.

The bill does not authorize nor will it be administered as a direct or indirect means of taking property or putting it to a public use without just compensation.

Any just compensation provision would be an invitation to, and a source of, controversy and litigation which may be disastrous to attaining the objective of the bill.

The bill must be enforced and construed in harmony with existing law for the taking of vessels or the use thereof. No just compensation is necessary in H. R. 4700 because it is already provided by existing law in the event of circumstances which would warrant its use.

Mr. Speaker, the reaction to the War Shipping Administration's statement of accomplishment is found in an editorial comment of the New York Journal of Commerce, which I quote in part:

THE SHIPPING OUTLOOK

(By Stanley Ferguson)

A MATTER OF DISCRIMINATION?

No matter from what angle the subject is approached, it is difficult to avoid the impression that the shipping industry is once again becoming the victim of political discrimination in Washington.

It is difficult to find a rational explanation for the disparity in the earnings of these different industries. Corporate and railroad earnings went up because the volume of business expanded greatly in that period. So, however, did the volume business handled by ship operators. While it is true that sinkings and requisitionings have cut the commercial earning power of privately owned fleets, it is also true that most lines are now handling far more ships than they ever handled before. As general or time charter agents for the War Shipping Administration, private operators are handling nearly twice as many Liberty ships alone than there were vessels in our pre-war fleet, more ships all told than those of all the rest of our allies combined. There was never a time when the shipping community had as much work to do, or when its experience and resources were more urgently required to do it. Why then the sharp decline in earnings?

For more than 2 years the question of ship values and earnings has been passed around Washington from agency to agency and from committee to committee without once arriving in any office where anybody will accept full responsibility for it. W. S. A. wanted to adopt a certain scale of values but the Comptroller General declared it was too high. The Comptroller did not have the authority to disallow payments and therefore he could not take the responsibility for it, but merely complained to Congress. W. S. A. felt it did have the authority, but hesitated to flout the Comptroller and entered into inconclusive negotiations with him instead. Three eminent judges were finally called in by the President to advise on the matter, but there is still no agreement on their own conclusions and the trend of earnings is still downward.

Surely it is time for Congress to look into the matter and find out what is wrong. If it is the law, the law should be changed. If it is a question of authority, the authority should be clarified. The Maritime Commission is already wondering why operators are unwilling to commit themselves to buy new ships. The situation will have to be cleared up soon and responsibility for it established if operators themselves are to be assured they will actually have anything with which to buy them.

Mr. Speaker, it is interesting to note that the first report of the Maritime Commission's accomplishment in reducing ship earnings and values was contained in a War Shipping Administration press release under date of April 7, 1944. Admiral Land issued the release and pointed out that the War Shipping Administration had brought ship values down to a basic level of $56.25 per deadweight ton for older freighters and he contrasted this level with that of the level of $160 in 1917. He also compared the 1944 charter rate of $1.25 a ton to the 1917 Shipping Board rate of $4.15 a ton and the rate of $6.60 a ton which was allowed by the courts in 1917.

I have already referred to the Olson case, in which the United States district court in California allowed $3 per deadweight ton for a 25-year-old freighter, as against the $1.25 allowed by the W. S. A. In this connection, I wish to call the House's attention to two other facts which bear directly on this point.

The W. S. A. says with pride that it brought down values of older ships to $56.25 a ton, yet the Government itself, through those officials within the W. S. A. was quite willing to pay $125 a ton for comparable ships.

Is it not therefore difficult to reconcile the statements Admiral Land made in this release of April 7, 1944, with the statement that he made several days afterward in connection with the Maritime Commission's purchase of the ships of the Morgan Line. It will be recalled that the Comptroller General questioned the wisdom of the Maritime Commission in spending $125 a ton for the Morgan Line's ships, and Admiral Land replied with a statement of justification of the price. In this statement he said:

The acquisition of the Morgan Line vessels played an important part in the national program of aid to the democracies. The vessels were acquired at prices which, on the average, were fair and reasonable in the light of existing market conditions, replacement costs, and other relevant factors. The acquisition prices, on the average, made a fair allowance for the cost of making good ordinary wear and tear and deterioration, and this is true as to all but one of the individual vessels, the cost of repairing, which was an unpleasant surprise and possibly, taken by itself, a subject of fair criticism. The total cost of acquiring the vessels and of all the work which was done to fit the vessels for use in the national program compares favorably with the cost experienced by a private shipowner.

The question that occurred to me is, If Admiral Land could justify the $125 a ton for the Morgan Line ships, how can he justify the $56.25 for other ships of comparable utility. Indeed, I am told that many of the ships which have been assigned the $56.25 value by the War Shipping Administration are better ships than the Morgan Line ships for which he justified the price of $125 a ton.

In any discussion of ship values it is important that the cost of the Liberty ship be borne in mind. The Liberty costs $157 a ton to build, according to a statement of the Maritime Commission which appears in the Appendix of the RECORD, page A1999. The Commission says:

The incentive system established under the Liberty ship contracts created keen rivalry among shipbuilders to reduce man-hours and cost. This competition reduced the man-hours from the first estimates of 635,900 per ship to an average of 520,000 and in one case to below 350,000. In terms of money saved this has reduced the cost of Liberty ships to approximately $157 per dead-weight ton, as compared to about $210 for the Hog Island vessels of the last war, despite the very substantial increase in wage rates that now prevail over that earlier period.

Mr. Speaker, if the Liberty ship is worth $157 a ton, how can the W. S. A. justify its figure of $56.25 a ton for ships which can, in many instances, outperform the Liberty in speed, capacity, and general all-round utility?

The Guaranty Trust Co. of New York, in the latest edition—April 25, 1944—of its monthly survey, deals with the question of values and earnings in consideration of post-war problems. It says:

In some quarters it is believed that the possibility of profitable operation even for a merchant fleet of fifteen to twenty million tons has become more uncertain as a consequence of the rate policy followed by the Government in recent years. Admiral Land recently pointed out that it has been the policy of the Maritime Commission and the War Shipping Administration to reduce rates and values for shipping services, with the

result that steamship earnings have declined more than 60 percent since 1941, while corporate earnings in general have increased more than 40 percent.

This rate policy is regarded in certain shipping circles as having an important bearing on the whole question of the post-war merchant marine, including the question of redistribution of shipping, and the question whether the American merchant fleet shall be owned and operated by private shipping companies or by the Government. If the decision should be in favor of private operation, there is some doubt whether a settled policy of reducing rates and values would attract venture capital into the industry or permit the companies to accumulate reserves sufficient to finance replacements for their fleets. Some steamship operators believe that a clarification of the rate policy must precede any further discussion of post-war shipping and of the distribution of American tonnage to other nations.

I see by the papers that Admiral Land is to address a meeting under the joint sponsorship of New York University and the Transportation Association of America in New York on next Wednesday, May 24. His subject, as announced in the papers, is The Future of Our Merchant Marine. I trust that he will make an effort to answer some of these very important questions.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein brief quotations and excerpts from certain newspaper articles, and from surveys of the Guaranty Trust Co. of New York, and also certain brief excerpts and quotations from committee reports and hearings herein referred to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ELLISON, for 1 day, May 23, on account of attendance of the Republican State Convention.

To Mrs. LUCE (at the request of Mr. MICHENER) for an indefinite period, on account of official business.

WAR AGENCIES DATA

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I have today introduced a bill which provides for the gathering eventually of all data accumulated by the war agencies with regard to our mineral wealth, and the placing of that data, when no longer needed by the present agencies, with the Bureau of Mines, for their safekeeping and further study.

At the beginning of this war, when the war metals and minerals were so badly needed, we had to spend vast sums of money to search this country from one end to the other to find new sources of these needed minerals. Of course, we had most of that data a generation ago during the First World War, but the records between the two wars have been destroyed, because there was no organized effort to preserve them.

The bill that I have introduced today is identical to one sponsored by certain western Senators, and seeks to remedy the situation in that this valuable information may be garnered by the Bureau of Mines and preserved for future study when needed, and not find its way to the incinerator as so many Government documents do when apparently no longer needed.

It may be thought by some that the preservation of all information concerning our national resources should be collected and carefully preserved, which is true, but that is more particularly true of data on mineral and mines, for our mineral wealth is not so easily discovered and appraised as is natural wealth on the surface of the earth such as in forests and agricultural items.

We can take our periodic censuses, which is done, and keep accumulative inventory of visible wealth but that does not apply to the raw mineral wealth under the surface. Old mines become caved in or filled with water and the knowledge which was once had of the probable ore volume becomes lost if not preserved, and often rumor or fancy becomes substituted for the accurate knowledge which was once had. Should there come a time after this war when production needs to be stimulated in great haste, the recent findings of Government men for which we have appropriated large sums of money would be as valuable generations hence as they are today, and would under this law be available without the necessity of duplicating that effort and expense.

Such information or data as may be confidential, if any, of course, could remain in the same confidential status when it becomes the property of the Bureau of Mines. There might, of course, be another bureau to which such data might be sent for such preservation and safekeeping, but it seems that the Bureau of Mines which has carried on much of this study during the war would be the logical agency to entrust with its preservation so that the greatest good might result.

CARELESS USE OF WORDS

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection

Mr. RAMEY. Mr. Speaker, twice in the well of this House I have spoken about the careless use of words. I hope we are not going to be governed by slogans instead of thoughts.

Some time ago I stated that there was no east, no west, no north, and no south. We are all citizens of the world. But recently we have reached the stage where folks, when they do not dare to be obscene or profane, have called someone either a Fascist or a Communist. How many people who use those words know what they are talking about? What do they mean?

Governor CURLEY, of Massachusetts, gave a splendid address on the loyal folks of Italy. The history of fascism begins with them, and communism with Russia. But I just wonder how many people in America know the meaning of either word as it is used now when calling someone either of those names?

Another word misused is the word "isolationist" or "interventionalist." I know there is not an isolationist in the House of Representatives. Neither is there an interventionalist. I mean in the sense that the slogan maker uses them. He maintains that an isolationist is opposed to a post-war world program and that an interventionalist is a visionary day dreamer who wants to do away with our ideals. We have neither.

I know that every man and woman here is a good man and woman. Yet little folks use words; men who do not study, Cathedral chimes with a Waterbury movements that do not think call others names. I had a beautiful experience a week ago yesterday afternoon. For some time I lived with the granddaughter of John Brown. She was the oldest daughter of John Brown, Jr., who lived at Put-in-Bay, South Bass Island, Ohio. I lived near John Brown's relatives when I taught school at those islands.

So a week ago yesterday afternoon I went to Charlestown and spent Sunday afternoon with the lady up there on Sampson Street whose father had charge of the hanging of John Brown. She was one of the most splendid women I ever met. There was no South to her nor was there any North to me. In these days when nearly everyone here has a son in the armed forces, when everyone is thinking of nothing but victory to be achieved soon why is it we still have little men calling folks little names? It is not argument. I would not know what to call it. If a man wants to be obscene and his mind is just a sink of iniquity, wherever he is, why does he not go out by himself in the woods and call the trees Fascists and Communists and butt his head against the trees until he comes to himself and then go home and reflect and study? I believe that the man who is the lowest citizen is the individual who resorts to the careless use of words. In the third chapter of James we read that we can control a ship with a rudder and we can control the most ferocious beast with a little bit in the mouth but the tongue of man "no man can tame—a restless mischief, full of deadly poison." I hope that during the coming campaign the men and women in either party will not resort to the little things known as name calling and if any man does use the word "Fascist" or "Communist" he will know what it means. Let him read Stuart Chase's Tyranny of Words or another good book, Language in Action, and then, if he knows wherein he speaks—and thinks without hate or confusion, then, perhaps, he will have a license at least to say something.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. PRATT] be permitted to extend his own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 254. An act for the relief of Edward Gillam; and

S. 1771. An act authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes.

ADJOURNMENT

Mr. ROWAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 15 minutes p. m.) the House, in accordance with its previous order, adjourned to meet tomorrow, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, May 23, 1944.

Business to be considered: To begin hearings on H. R. 4805, a bill entitled "To amend the Railroad Retirement Act of 1937, the Railroad Retirement Act of 1935, and the Railroad Unemployment Insurance Act," by Mr. CROSSER.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings, when available, will please notify the Clerk by letter.

Witnesses are requested to notify the Clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications, were taken from the Speaker's table and referred as follows:

1567. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 27, 1944, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Genesee River, N. Y., authorized by the Flood Control Act approved on June 22, 1936 (H. Doc. No. 615); to the Committee on Flood Control and ordered to be printed with an illustration.

1568. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 22, 1944, submitting an interim report, together with accompanying papers and illustrations, on a preliminary examination and survey of Sevier River near Redmond, Utah, made under the provisions of the Flood Control Act approved on June 28, 1938, which authorized surveys of streams draining into the Great Salt Lake, and the Great Basin, Utah and Nevada (H. Doc. No. 614); to the Committee on Flood Control and ordered to be printed with two illustrations.

1569. A letter from the Secretary of War, transmitting a draft of a proposed bill for the relief of Sigurdur Jonsson and Thorolina Thordardottir; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DICKSTEIN: Committee on Claims. H. R. 4591. A bill to provide for the reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943; without amendment (Rept. No. 1481). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Claims. H. R. 4604. A bill to provide for reimbursement of certain Navy personnel for personal property lost or damaged as the result of a fire in quarters at naval advance base depot, Port Hueneme, Calif., on February 6, 1944; without amendment (Rept. No. 1482). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Claims. H. R. 4607. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires in quarters occupied by naval construction battalions; without amendment (Rept. No. 1483). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Claims. H. R. 4590. A bill to reimburse certain Marine Corps personnel for personal property lost or damaged as the result of a fire at the marine barracks, naval supply depot, Bayonne, N. J., on April 25, 1943; without amendment (Rept. No. 1496). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 4728. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; without amendment (Rept. No. 1498). Referred to the Committee of the Whole House on the state of the Union.

Mr. SLAUGHTER: Committee on Rules. Senate Joint Resolution 91. Joint resolution to aid in effectuating the purposes of the Railway Labor Act; without amendment (Rept. No. 1500). Referred to the House Calendar.

Mr. BELL: Committee on Insular Affairs. Senate Joint Resolution 93. Joint resolution declaring the policy of the Congress with respect to the independence of the Philippine Islands, and for other purposes; with amendment (Rept. No. 1497). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Accounts. House Resolution 556. Resolution providing for further expenses of conducting the study and investigation authorized by House Resolution 294 of the Seventy-seventh Congress and continued by House Resolution 18 of the Seventy-eighth Congress; without amendment (Rept. No. 1493). Referred to the House Calendar.

Mr. COCHRAN: Committee on Accounts. House Resolution 557. Resolution authorizing the expenses of conducting the study and investigation authorized by House Resolution 521 of the Seventy-eighth Congress; without amendment (Rept. No. 1494); referred to the House Calendar.

Mr. BATES of Kentucky: Committee on Rules. House Resolution 558. Resolution for the consideration of H. R. 4120, a bill to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans; without amendment (Rept. No. 1495). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SCRIVNER: Committee on Claims. S. 1355. An act for the relief of Robert C. Harris, without amendment (Rept. No. 1470). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. S. 1416. An act for the relief of Mrs. Judith H. Sedler, administratrix of the estate of Anthony F. Sedler, deceased; without amendment (Rept. No. 1471). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. S. 1588. An act for the relief of the legal guardian of Eugene Holcomb, a minor; with amendment (Rept. No. 1472). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1774. A bill for the relief of Cyril Doerner; without amendment (Rept. No. 1473). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 2066. A bill for the relief of A. L. Rinkenberger and John Floering; with amendment (Rept. No. 1474). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2354. A Bill for the relief of Mrs. Phoebe Sherman; with amendment (Rept. No. 1475). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 2512. A bill for the relief of Betty Robins, with amendment (Rept. No. 1476). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 2873. A bill for the relief of Mr. and Mrs. D. F. Still; with amendment (Rept. No. 1477). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. H. R. 3636. A bill for the relief of Josephine Guidoni; with amendment (Rept. No. 1478). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 4107. A bill for the relief of the Stiers Bros. Construction Co.; with amendment (Rept. No. 1479). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 4589. A bill for the relief of the Muskingum Watershed Conservancy District; without amendment (Rept. No. 1480). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 4621. A bill for the relief of Claude R. Whitlock and for other purposes; with amendment (Rept. No. 1484). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. S. 891. An act for the relief of Rebecca Collins and W. W. Collins; without amendment (Rept. No. 1485). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 1318. A bill for the relief of Jack V. Dyer; with amendment, Rept. No. 1486). Referred to the Committee of the Whole House.

Mr. PATTON: Committee on Claims. H. R. 1497. A bill for the relief of Mrs. J. T. Taulbee; with amendment (Rept. No. 1487). Referred to the Committee of the Whole House.

Mr. PATTON: Committee on Claims. H. R. 2014. A bill for the relief of the Winston-Salem Southbound Ry. Co.; with amendment (Rept. No. 1488). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 3280. A bill for the relief of William Dyer; with amendment (Rept. 1489). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 3495. A bill conferring jurisdiction upon the United States District Court for the Northern District of California, northern division, to hear, determine, and render judgment upon the claims of Constantino Arguelles; Concha Arguelles, wife; and Carmen Arguelles, Richard Arguelles, Roberta Arguelles, and Maria Antonia Arguelles, minor children of said Constantino and Concha Arguelles; with amendment (Rept. No. 1490). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. H. R. 3586. A bill for the relief of Mrs. John Andrew Godwin; with amendment (Rept. No. 1491). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 3898. A bill for the relief of Frank Gay; with amendment (Rept. No. 1492). Referred to the Committee of the Whole House.

Mr. MARTIN of Iowa: Committee on Military Affairs. H. R. 171. A bill for the relief of James Fleming; without amendment (Rept. No. 1499). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOREN:

H. R. 4845. A bill to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PETERSON of Florida:

H. R. 4846. A bill to amend title III of the Merchant Marine Act of 1936, as amended; to the Committee on the Merchant Marine and Fisheries.

By Mr. RANDOLPH:

H. R. 4847 (by request). A bill to provide for the replanning of blighted and other areas of the District of Columbia and the assembly, by purchase or condemnation, of real property in such areas and the sale or lease thereof for the redevelopment of such areas in accordance with said plans; and to provide for the organization of, procedure for, and the financing of such planning, acquisition, and sale or lease, and for other purposes; to the Committee on the District of Columbia.

By Mr. REECE of Tennessee:

H. R. 4848. A bill to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SPENCE:

H. R. 4849. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. RANDOLPH:

H. R. 4850 (by request). A bill to amend the District of Columbia Alley Dwelling Act, as amended; to the Committee on the District of Columbia.

By Mr. HERTER:

H. R. 4851. A bill to provide for abandonment of the project authorized in the act of October 17, 1940, for a seaplane channel and basin in Boston Harbor, Mass.; to the Committee on Rivers and Harbors.

By Mr. MURDOCK:

H. R. 4852. A bill to insure the preservation of technical and economic records of domestic sources of ores of metals and minerals; to the Committee on Mines and Mining.

By Mr. ROBINSON of Utah:

H. R. 4853. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, to authorize appropriations for the post-war construction of highways and bridges, to eliminate hazards at railroad-grade crossings, to provide for the immediate preparation of plans and acquisition of rights-of-way, and for other purposes; to the Committee on Roads.

By Mr. JARMAN:

H. Res. 560. Resolution authorizing that the report from the Chief of Engineers, United States Army, dated August 27, 1941, submitting surveys and studies of the Cheat River and tributaries, West Virginia, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document; to the Committee on Printing.

H. Res. 561. Resolution authorizing that the report from the Chief of Engineers, United States Army, dated August 27, 1941, submitting surveys and studies of the Hungry Horse Dam, Mont., and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document; to the Committee on Printing.

H. Res. 562. Resolution authorizing that the report from the Chief of Engineers, United States Army, dated August 27, 1941, submitting surveys and studies of Youghiogheny River, Pa. and Md., and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASE:

H. R. 4854. A bill granting a pension to Benjamin C. Ash; to the Committee on Invalid Pensions.

By Mr. HARLESS of Arizona:

H. R. 4855. A bill for the relief of Captolia Colvin; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 4856. A bill for the relief of the Marine Engine Works and Shipbuilding Corporation, of Tarpon Springs, Fla., to the Committee on Claims.

By Mr. MALONEY:

H. R. 4857. A bill to confirm the claims of Charles Gaudet under Spanish patents to sec. 18, T. 11 S., R. 5 E., sec. 21, T. 12 S., R. 5 E., St. Helena meridian, parish of St. James, State of Louisiana, together with all accretion; to the Committee on the Public Lands.

By Mr. MILLER of Missouri:

H. R. 4858. A bill for the relief of Lewis J. Hart; to the Committee on Claims.

By Mr. TOLAN:

H. R. 4859. A bill for the relief of Mrs. Gertrude Verber; to the Committee on Claims.

By Mr. VOORHIS of California:

H. R. 4860. A bill for the relief of the State compensation insurance fund of California; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5710. By Mr. ANDREWS of New York: Resolution adopted by the board of education of the Barker Central School of Barker, N. Y., favoring the adoption of a school-luncheon program; to the Committee on Appropriations.

5711. By Mr. COFFEE: Petition of Local Lodge No. 568 of the International Brotherhood of Boiler Makers, Shipbuilders, and Helpers of America, affiliated with the American Federation of Labor, located at Tacoma, Wash., signed by Archie W. Swanson, secretary-treasurer, pointing out that the Office of Price Administration will expire on June 30 unless renewed by action of the Congress; insisting that labor, generally, has recognized the desirability of extending the life and functions of the Office of Price Administration; asserting that Congress should promptly take action extending the Office of Price Administration, urging that it be continued for 2 years after termination of the war; requesting an appropriation of an additional $15,000,000 for effective enforcement with sufficient personnel and means to carry out a program of test purchases to control profiteering; and therefore urging the Congress to work for and support proper legislation to effectuate such objectives; to the Committee on Banking and Currency.

5712. By Mr. HALE: Petition of the World Peace Council, favoring participation of all nations and peoples in the great world fair and peace exposition that is planned to open in the city of Washington on the centennial anniversary of the laying of the cornerstone of the Washington Monument, July 4, 1948; to the Committee on Foreign Affairs.

5713. Also, petition of the Calvin Coolidge Bible class of the First Congregational Church, Washington, D. C., commending the purposes of the World Peace Council; to the Committee on Foreign Affairs.

5714. Also petition of the World Peace Council urging proclamations by the President of the United States, Governors of all States and mayors of all cities, urging that impetus, publicity, prestige, and power be given to the proposal for a 3-day observance by all churches and other organizations in furtherance of peace on earth and good will; to the Committee on the Judiciary.

5715. By Mr. ROLPH: Petition of San Francisco Labor Council, San Francisco, Calif., urging reduction of the 30 percent cabaret tax to 10 percent; to the Committee on Ways and Means.

5716. Also, resolution adopted by Miscellaneous Employees' Union, Local No. 110, San Francisco, Calif., supporting Senate bill 1767, the veterans' omnibus bill; to the Committee on World War Veterans' Legislation.

5717. Also, resolution adopted by San Francisco Chamber of Commerce regarding penalties in connection with the wage and stabilization laws; to the Committee on Banking and Currency.

5718. Also, resolution adopted by joint committee on water problems of the California Legislature, Sacramento, Calif., endorsing House bill 4485, providing for construction of certain public works on rivers and harbors for flood control, and for other purposes, throughout the United States; to the Committee on Flood Control.

5719. Also, resolution adopted by joint committee on water problems of the California Legislature, Sacramento, Calif., endorsing House bill 4485, providing for allocation of funds for local flood protection at San Diego, Calif., on the San Diego River project; to the Committee on Flood Control.

5720. Also, resolution adopted by joint committee on water problems of the California Legislature, Sacramento, Calif., endorsing House bill 3961, which provides that excess-land provisions of the Federal reclamation laws shall not be applicable to lands which will receive a water supply from the Central Valley project; to the Committee on Rivers and Harbors.

5721. Also, resolution of California Alpine Club, San Francisco, relative to repeal of the Lacey Antiquities Act; to the Committee on the Public Lands.

5722. Also, resolution of San Francisco Post Office Clerks Union, Local 2, National Federation of Post Office Clerks, endorsing House bill 4501, adopted April 27, 1944; to the Committee on the Post Office and Post Roads.

SENATE

TUESDAY, MAY 23, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we thank Thee for all high moments of faith when moods of doubt seem treason to that changeless world where Thou dost reign in the uninvaded realm of the excellent and the true. As another morning climbs to noon, ascending the hill of the Lord may we breathe the purer air above the dusty plains of the trivial and the temporary. Here finding an altar of pardon and peace may the memory of Thy past mercies mingle like sweet incense with a strengthening assurance of Thy present nearness which no malignity nor cruel violence of man's devising can snatch from those whose minds are stayed on Thee.

Make this ancient Chamber of our national life a place of vision, a lighthouse of hope above the raging floods of human disaster and distress. Make us the architects of a new order for peace and justice for men in all the earth. Send us forth to waiting tasks grateful for a great heritage worth living and dying for and with a deathless cause that no weapon that has been formed can defeat. In Thy might lift up our hearts and make us strong. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, May 20, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 683) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

The message also announced that the House had passed the bill (S. 1029) to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes, with an amendment in which it requested the concurrence of the Senate.

The message further announced that the House insisted upon its amendments to the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. COOPER, Mr. DINGELL, Mr. REED of New York, and Mr. WOODRUFF of Michigan were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1945, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RABAUT, Mr. KERR, Mr. HARE, Mr. O'BRIEN of Illinois, Mr. CARTER, Mr. STEFAN, and Mr. JONES were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4646) to provide for simplification of the individual income tax.

The message also announced that the House had passed a bill (H. R. 4624) to consolidate and revise the laws relating to the Public Health Service, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 254. An act for the relief of Edward Gillam; and

S. 1771. An act authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes.

SELECTIVE SERVICE RECLASSIFICATION OF LEGISLATIVE EMPLOYEES—MEETING OF LEGISLATIVE DEFERMENT COMMITTEE

Mr. MAYBANK. Mr. President, in order that Members of the Congress may be fully apprised of the new regulations and rules promulgated by the Selective Service, I ask unanimous consent to have printed in the RECORD following my few remarks a copy of the orders which have been sent to us by the Joint Committee on the Deferment of Legislative Employees.

I may further say that the committee is to meet on Thursday for the benefit of Members of the House of Representatives and the Senate.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

The following procedure is established in accordance with the terms of Selective Service Local Board Memorandum No. 115, as amended under date of May 12, 1944:

"In the case of registrants' ages 30 through 37 the Senator or Representative is authorized to file with this committee for transmittal to the local board, using Selective Service Form 42, the information necessary for the local board to reclassify the employee whose induction is imminent and who is engaged in an essential activity, into classes II–A or II–2.

"Under the revised policy of the National Selective Service liberalizing the reclassification of men 30 years or over who are engaged in an activity in support of the national health, safety, or interest, even the replaceable, it is believed proper for the Joint Committee for Deferment of Legislative Employees to file requests for legislative employees who meet these liberalized requirements.

"Therefore, if any Senator or Representative has in his office or committee men 30 years or over and for whom reclassification is desired, it is suggested that you furnish the Joint Committee for Deferment of Legislative Employees the names, ages, local board, and addresses, together with occupational status, and a statement in your opinion that the individual for whom application is made is contributing to the national health, safety, and interest to warrant reclassification."

EXHIBIT BY ARMY SERVICE FORCES OF CAPTURED ENEMY WEAPONS, TOGETHER WITH AMERICAN COUNTERPARTS

Mr. JOHNSON of Colorado. Mr. President, the Army Service Forces, in conjunction with the Treasury, is presenting an exhibit of captured enemy weapons, equipment, and supplies, together with their American counterparts, in West Potomac Park, beginning May 22, which was yesterday.

Tuesday and Thursday mornings were reserved for private showings for Members of the Senate. Today is Tuesday, but cars will leave the Senate Office Building at 10 o'clock Thursday morning, and will return Senators to the Capitol by 12 o'clock.

Officers of the various technical services will be present to explain the items of equipment, and a team of enlisted men has been assigned to operate the weapons in simulated fire and to demonstrate the operation of combat vehicles. I know that the time spent in observing this demonstration will be worth while; and I wish to add my own invitation and that of the chairman of the Military Affairs Committee to the invitations Senators already have received from the War Department.

NOTICE OF PUBLIC HEARING ON NOMINATION OF AMBROSE O'CONNELL TO BE ASSOCIATE JUDGE, UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

Mr. McCARRAN. Mr. President, as chairman of the appointed subcommittee of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a routine public hearing has been scheduled for the 30th day of May 1944, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Ambrose O'Connell, of New York, to be associate judge of the United States Court of Customs and Patent Appeals, vice Hon. Irvine Luther Lenroot, resigned. At the hearing all persons interested in the nomination may make representations. The subcommittee consists of the Senator from Nevada [Mr. MCCARRAN], the Senator from Texas [Mr. CONNALLY], and the Senator from Connecticut [Mr. DANAHER].

THE POLL TAX—VOTE OF SENATOR LANGER ON LIMITATION OF DEBATE

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I received from Mr. Gay Gotham, of Chetek, Wis.,

which illustrates the fact that sometimes the votes which we cast on this floor are not accurately reported by the press. In this letter, Mr. Gotham condemns me for having voted against the limitation of debate on the anti-poll-tax bill, whereas as a matter of fact I voted for the limitation of debate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHETEK, WIS., *May 21, 1944.*

WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SIR: It was with a feeling of utter disgust that I noted your vote against limitation of debate on the anti-poll-tax bill. It was certainly a well-placed slap in the face of all liberal-minded people in the great Northwest.

Fortunately your vote on this matter cannot be explained away by your fear of instituting a gag rule on the question. Because, Mr. LANGER, even to us out here in the sticks, it just doesn't hold water. Even to you that excuse should sound very thin.

It does seem a bit ironical that these boys from the poll-tax States who are fighting and dying for democracy should have the basic democratic right withheld from them and their people by Representatives of a progressive State like North Dakota.

Yours very regretfully,

GAY GOTHAM.

FIFTEENTH REPORT OF LEND-LEASE OPERATIONS

The ACTING PRESIDENT pro tempore (Mr. LUCAS) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States of America:

I am submitting herewith the Fifteenth Report on Lend-Lease Operations for the period ending March 31, 1944.

United Nations forces are now about to strike new and mightier blows at Nazi-occupied Europe from offensive bases in the West, the South, and the East. The fighting men of many nations have been banded together in combined operations. They are armed with the most powerful weapons that the combined resources and ingenuity of the United Nations can produce. They are ready to bring to bear their strength to continue the crushing process against the Nazis and the German war machine.

Our American forces will go into battle side by side with the men of Britain, France, Norway, Poland, Czechoslovakia, Netherlands, and our other allies. At sea, warships flying many United Nations flags will escort the fleets. In the skies, the R. A. F. will join with the United States Army Air Forces in blasting the paths for our troops and in protecting them from air attack.

For this great undertaking, the United Nations fighting partnership has been made far stronger by lend-lease and reverse lend-lease. Through lend-lease we have made certain that every man in the forces of the other United Nations who common enemy as hard as possible. goes into battle beside an American fighting man has what he needs to hit the Through reverse lend-lease, the American forces have been similarly aided by our allies with everything they had that we needed.

On the eastern European front also, arms and other war supplies provided by the United States and the British Commonwealth, will continue to strengthen the Soviet Armies for the new blows that will be timed with our advances.

In the Far East and the Pacific our offensives in New Guinea, in Burma, and against the Japanese fortress islands in the central Pacific are proof that the battle for Japan is not waiting upon the successful conclusion of the battle against Nazi Germany. China is being helped to the utmost of our ability.

Decisive battles are ahead. Now, more than ever, it is vital to our own American Army and Navy and Air Forces, as well as to the forces of the other United Nations, that we continue to provide our fighting partners with the additional war supplies they need to supplement their own resources. Congress has again recognized this fact by its overwhelming vote to extend the Lend-Lease Act.

Only by uniting our full strength with the full strength of the other free peoples of the world have we moved from the defensive to the offensive, from defeats to victories. By maintaining our unity now we shall certainly achieve final victory. By continuing our unity after the war we can assure a peace in which mankind can live and work and worship in peace, freedom, and security.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 22, 1944.*

COMMENTS ON THE G. I. BILL OF RIGHTS BILL AS PASSED BY THE HOUSE OF REPRESENTATIVES

Mr. WAGNER. Mr. President, I desire to take this opportunity to make known to the Senate the reasons why I believe that some of the provisions of the G. I. bill of rights, S. 1767, as passed by the House, and which is now in conference, are undesirable, inequitable, and discriminatory to servicemen fighting in this war. I wish to refer particularly to the provisions of the bill relating to unemployment insurance to be found in title V of the bill, beginning on page 68.

DELIBERALIZATIONS IN HOUSE BILL

I should like to state first for the information of the Senate that the unemployment-insurance section of the G. I. bill of rights was first modeled along the lines of the provisions in a bill, S. 1545, which I introduced 6 months ago jointly with the distinguished chairman of the Finance Committee and the distinguished senior Senator from Missouri. Our bill was drafted so as to assure the veteran real protection against unemployment.

We introduced this bill 6 months ago, and, finally, after many weeks of consideration of the matter by the Senate Finance Committee, the Senate on March 24 passed the G. I. bill of rights. But the provisions of the bill as passed by the House so restricts, deliberalizes, and disqualifies veterans for unemployment insurance as to make this part of the bill a sad reflection upon the generosity of this great country. The House version of the bill has practically emasculated the Senate provisions of the bill on unemployment insurance. Instead of a bill to enable veterans to obtain unemployment insurance, the House bill reads like a bill to deny veterans unemployment benefits.

REDUCTION IN DURATION OF BENEFITS

Mr. President, the bill which the senior Senator from Georgia and the senior Senator from Missouri and I introduced in November provided that every unemployed veteran could get 52 weeks—1 year—of unemployment-insurance benefits after his return from the service if he needed the benefits for that period of time. Our bill, like the present bill, provided, of course, that if the veteran did not become unemployed—if he did not need the benefits—if he did not register at a local employment office, that he would not be eligible to receive such benefits. This provision for a maximum duration of benefits of 1 year seemed to us only fair and reasonable and was strongly endorsed and supported by the American Legion. Taking into account that many of our boys may find it difficult to readjust to civilian life after coming back from experiences which have taken them into every corner of the globe, we felt that a maximum of 1 year's protection was not too long to give our boys to readjust to normal civilian life. The G. I. bill of rights as passed by the Senate retained the maximum provision of 1 year of benefits but reduced this maximum period if the veteran had less than 7 months of service in the armed forces.

Mr. President, there are a number of comments in the nature of criticism of some of the restrictive amendments made to the G. I. bill by the House. I ask that I may be permitted to print in the RECORD as a part of my remarks the remainder of my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The remainder of Mr. WAGNER'S statement is as follows:

BENEFITS FOR AS LITTLE AS 9 WEEKS

I objected to the reduction in the duration of benefits which was put into the Senate bill and I still think that it is unwise. But the House version of the bill not only reduced the maximum duration of benefits from 1 year to 26 weeks, but to add insult to injury still further reduced the duration of benefits so that any veteran having less than 9 months of service will get less than the maximum benefits of 26 weeks provided. Under the House bill a veteran can get as little as only 9 weeks of unemployment benefits. What is he supposed to do after that?

Under the House bill, a veteran would be required to have over 5 months' service in order to receive merely 16 weeks of unemployment benefits. This is a more severe eligibility requirement than the laws of the 7 States which provide 16 weeks of benefits—Kentucky, Montana, North Carolina, North Dakota, South Carolina, Tennessee, and Virginia. Under the House bill a veteran would be required to have nearly 7 months of

service in order to receive 20 weeks of unemployment benefits. This is a more severe eligibility requirement than the laws of Utah, New York, and Hawaii. In many other States the duration of benefits provided requires less service than under the harsh provisions of the House bill.

As I said, the House bill will require a serviceman to be in the armed forces for 9 months in order to be able to draw his 26 weeks of unemployment insurance, although no unemployment insurance bill ever proposed in this country that I know of makes such stringent requirements for the receipts of benefits for either veterans or civilians. In brief, this provision in the bill is so restrictive and so lacking in generosity for our servicemen as to be a snare and a delusion when our fighting men return home.

BENEFITS SHOULD BE FOR 1 YEAR

In this connection I should like to repeat what I said to the Senate on February 15 when at that time I criticized such a provision for the variable and restricted duration of benefits:

I am of the firm conviction that every serviceman should be entitled to receive the same amount of benefits, for the same maximum period of time if he is unemployed. When a serviceman goes into the armed forces—whether for a day, or a week, or a month, or a year—he severs his ties with his family, his community, and his employer. If when he returns he cannot find a suitable job, in the light of both his past experience and his experience in the service, I think he should be entitled to unemployment compensation for at least 1 year if he is unemployed.

It must be kept in mind that if he isn't unemployed he does not get the benefits. But if he is unemployed I think the serviceman and his family are entitled to adequate protection irrespective of the length of his military service. We know that the length of a person's service in the armed forces is in most cases a factor over which the individual has little or no control. For instance, in this war a man may serve a short period of time in some special or technical capacity in a particular campaign and become injured. Although his injury may be physically minor and he may recover very quickly it may alter his entire employment opportunities. In such a case he may remain unemployed for a considerable period of time and I think he should be entitled to the maximum duration of the benefit provided in the bill. He served his country to the best of his ability—that is the important fact—and he is unemployed because of his service.

I urge the Senate conferees to make every effort to restore 1 year's protection to our servicemen so that we can say that we truly are concerned with the human aspects of demobilization.

DISQUALIFICATION OF VETERANS

Another portion of the unemployment insurance provisions of the House bill to which I take strong exception deals with the double penalties disqualifying servicemen from receiving their unemployment insurance benefits in certain situations. Of course, provisions which prevent the payments of benefits to individuals whose unemployment is due to conditions within their own control are a necessary part of any unemployment compensation plan, and S. 1767 contains such provisions. All State and Federal unemployment compensation laws, and those of foreign countries, guard against the payment of benefits to individuals who are out of work because they have refused, without good cause, to accept a reasonable offer of suitable work, or have left their jobs of their own will, or have been discharged for misconduct. Such provisions, however, should not be so harsh and restrictive as in the House bill so as to subvert completely the purpose of the legislation and to limit the rights and freedom which the veterans of this war have fought to protect. However, the disqualification provisions included on pages 71 and 72 of the bill are so unfair—so severe and restrictive as to require complete deletion in my opinion. These provisions are more restrictive than the present unemployment insurance laws of most States. They are inconsistent with the purpose of the bill, which is to assure protection to veterans whose unemployment is involuntary. They will create ill feeling and resentment when veterans find themselves penalized and denied the protection they have been expecting to get.

VETERAN DISQUALIFIED FOR TRYING TO GET NEW JOB

Under the bill, a veteran who voluntarily leaves a job without good cause may be denied benefits for 3 to 4 additional weeks immediately thereafter. In addition to postponing his benefits for this period, the total amount of benefits to which he is entitled is also reduced by the number of weeks of disqualification. To illustrate the unfortunate effects of this latter provision, let us consider the situation of a veteran, perhaps a young man whom any of us may know, who is entitled to only 3 remaining weeks to draw benefits because of long previous unemployment covered by allowances. Let us also assume that he left a temporary job to try to get a better job, or that he left his first job to be nearer his family. Under the House version of the bill, if some State official or clerk found, under the provisions of State law, that the veteran did not have good cause for leaving he could be disqualified from receiving any Federal unemployment benefits for a 3-week period, and, on top of that, would be denied all further benefits because the remaining 3 weeks of his eligibility period would be canceled.

The unemployment-compensation laws of 32 States contain no provisions for such cancelation of benefit rights. Moreover, the District of Columbia unemployment-compensation law and the railroad unemployment-insurance law, enacted by Congress, contain no precedent for such a double-penalty provision.

This provision really raises the vital question whether veterans should be encouraged, rather than penalized, when they seek that job which will enable them to make a greater contribution to our national output, or which the veteran thinks offers him a better opportunity. This provision really limits unduly the cherished American right to leave one job in order to take a better one—better for the veteran, for the community, and for the Nation.

S. 1767 contains an additional penalty for the veteran who leaves his job voluntarily by providing, in cases where such an occurrence is repeated, that no benefits whatsoever shall be payable to him until he shall have had 2 weeks of substantially full-time work or for such greater period of employment up to 4 weeks as the Administrator may prescribe. However, if he is unable to obtain such employment because no jobs are available in his occupation or his community, the House amendment provides that he cannot obtain one single, solitary cent of further benefits under this program.

No such penalties as the requirement of reemployment in cases of voluntary quitting are found in 44 of the existing State laws.

On the surface it may appear proper to assign a heavier disqualification to a person who quits several jobs in succession. Such a rule, however, is completely inapplicable to veterans. I strongly believe that a veteran who may have undergone the hardships of military life for 4 or 5 years, should not be denied the fair protection of this program if he finds it difficult to settle down on the first job or jobs he happens to accept after returning to civilian life. Such a penalty could have the effect of eliminating many veterans from all protection under the law.

We are all aware that many veterans, by reason of their military service, with its risks, and mental, physical, and emotional strains, will have great difficulty in adjusting themselves to civilian life and quickly settling down to regular jobs. After the hardships of 2, 3, or even 5 years of military life, in surroundings, completely different from those of their former civilian existence, they may well require some time to adjust to permanent employment. In my opinion, they should not be discouraged if they wish to try their hands at several types of work, either jobs similar to their previous civilian work, or jobs which will use the skills and experience gained while in the armed forces, or something completely different from either. The seriousness of the problems of personal readjustment is recognized by the War Manpower Commission, which has exempted veterans of the present war from all existing restrictions imposed on civilians as to the type of jobs they may take, and as to their freedom in making job changes during the first 60 days following their discharge from the armed forces.

DOUBLE PENALTIES FOR MISCONDUCT

Another ground for disqualification in this and other unemployment-compensation laws, is discharge for misconduct. This disqualification is commonly applied to individuals who have been dismissed from their jobs for violations of company rules regarding such things as tardiness or absence without excuse, smoking on the job, quarreling with a supervisor or fellow worker, and the like. The House bill provides for the same heavy disqualification penalties to be applied in such cases as are applied in cases

of voluntarily leaving work. While the criticisms I have already outlined also apply to the disqualification for misconduct, there are additional considerations which require attention.

Twenty-seven State laws, including that of the District of Columbia, have no provision for cancelation of benefit rights in cases of discharge for misconduct such as is provided by the House amendment. In addition, not one single solitary State law requires that a claimant, so discharged, must remain disqualified until he has been reemployed as the House bill requires.

Such severe disqualification provisions are especially undesirable in the case of veterans. We know that the ex-serviceman will not find it easy to adjust himself to the variety of rules, regulations, and working practices of civilian commercial and industrial establishments. Every new worker, whether he is a civilian or a veteran, has some difficulty in learning to live under the rules which govern his conduct in a modern department store or factory, although many such rules are intended for his own safety and protection. Relieved from the severe discipline of the armed forces, many veterans will not accept at once the host of company rules which they are expected to follow in their first civilian jobs. It is obvious that a veteran who is discharged for violation of rules governing smoking on the job, for example, will suffer a severe penalty in the fact of the discharge itself, since it will leave him without a job and require him to seek other employment. It seems to me that disqualification for a period of 3 to 4 weeks will prevent abuse of the unemployment allowance system. To go further and cancel the veteran's benefit rights would impose a penalty out of all proportion to his offense.

DOUBLE PENALTY WHERE VETERAN REFUSES FIRST JOB OFFERED HIM

There is still one more disqualification. That is the penalty for refusal of suitable work to which a veteran is referred under regulations of the Administrator, page 70, lines 8 to 11. Under the bill, this offense results in a 3- to 4-week disqualification, plus further loss of benefit rights until the veteran has worked 2 weeks or up to 4 weeks as prescribed by the Administrator. The severity of this latter requirement is matched by only 3 of the 51 State unemployment compensation laws.

I firmly believe that we should not pay benefits to individuals who are out of work because they have refused to accept suitable work without a good and justifiable reason. This is a genuine unemployment allowance, not a haven for the shiftless or the "goldbricker." At the same time, however, the penalty should be adapted to the problems at hand. Members of the Senate will agree, after consideration, that in determining what is suitable civilian work for a veteran of Tarawa or Cassino, possibly discharged with a slight physical disability, and what is good cause for refusing such work, we must not apply the rigid standards we have used in the past. Work in the veteran's pre-war occupation may not be suitable for him today because he may have learned new skills while in military service. Many a former retail clerk will come out of the war a skilled machinist, radio or television mechanic, airplane pilot or truck driver; he may have picked up some practical engineering experience, or developed qualities of leadership which would fit him for administrative or executive responsibilities.

A messenger boy's job would not be suitable for an ex-messenger who comes out of the war a captain in a paratroop battalion. A former architect or lawyer might have spent his military career as a stock clerk in an Army warehouse. A job as a stock clerk would not be suitable for him. Many veterans may refuse to accept jobs for reasons which may not appear entirely reasonable to local officials on the basis of rules and regulations developed over the past 8 years, but yet these reasons may be compelling to a veteran as a result of military experience. Disqualification for a stated 3-week period provides adequate protection against abuse. We should not add the further penalty which is contained in the bill that benefit rights are suspended until the veteran obtains new work. This may mean the complete denial of protection under the program to a veteran in a period when jobs are hard to find.

I am satisfied that these added penalties were transposed into this bill from a few of the most restrictive and illiberal State unemployment insurance laws, which are not typical of the main body of laws on the subject, and have no proper relation to a Federal plan of unemployment allowances for veterans. I urge the Senate conferees to delete these harsh provisions and see to it that the fair and just provisions in the Senate version be retained.

ADDITIONAL ELIGIBILITY CONDITIONS

A wholly new restrictive provision has been inserted in the bill by the House; namely, the requirement that the servicemen must have been in the armed forces for 90 days or more. I believe that this requirement should not be retained in the bill. The Senate version of the bill merely required that the person "shall have been separated from active service under other than dishonorable conditions." The double requirement in the bill as it now stands that the service must be 90 days or more and that the serviceman must have been discharged under honorable conditions will result in disqualifying thousands of veterans from benefits.

While such requirements may be a reasonable prerequisite for pensions, they are not necessary for unemployment benefits, which are payable for only a short period of time. In the first place, many veterans who will have been inducted into the service during the last 3 months prior to the termination of the war are likely to be released from service soon after the war ends and they will not be eligible for unemployment compensation benefits because they have not served 90 days. Moreover, they are the persons most likely to be returned to civilian life at the very time when there is unemployment arising out of readjustment to normal business activity and they, therefore, are likely to be out of a job and in addition ineligible for benefits. Such a situation seems to me inequitable and undesirable and I trust that the Senate conferees will adjust these provisions in order that the bill will not penalize those servicemen who are inducted during the last phase of our war effort.

Moreover, it is well known that a great number of persons have been inducted into the service who for one reason or another do not show the necessary aptitude, background, education, or experience to meet the high standards required by the armed forces.

In many cases the individual is perfectly well adjusted in his job in his community in civilian life but cannot fit into Army routine. Under the terms of the House bill such individuals would be disqualified from receiving benefits even though the United States Government was the cause of their breaking their previous employment relationship and thereby causing the individual to be unemployed. It is my belief that every person who has been inducted into the armed forces and who subsequently becomes unemployed after his discharge—other than under dishonorable conditions—should be entitled to unemployment benefits under the bill.

BENEFITS CANCELED

Another section added by the House to reduce the amount of benefits payable to a veteran is section 1000 (b) on page 75 of the bill. It provides that when a veteran receives unemployment benefits and subsequently, for any reason, receives educational allowances under title II of the bill the total amount of unemployment benefits received shall be deducted from the total educational allowances provided. On pages 56–57, in paragraph (7) of the education title of the bill a similar provision has been inserted which states that when any veteran receives educational allowances and subsequently, for any reason, receives unemployment benefits, any educational allowances received shall be deducted from the total unemployment benefits provided. The House provisions as now written are unduly harsh. They result in unjustly penalizing the veteran for making a perfectly proper shift from one program to another. I think that it is proper that provision be made so that unemployment benefits and the educational allowances cannot be received simultaneously. In the provisions of the bill as passed by the Senate there is a specific provision in section 1000—page 37—which covers this very point. I think, therefore, that the provision inserted by the House in section 1000 (b) appearing on page 75 is unnecessary and undesirable and should be stricken from the bill.

REDUCTION IN AMOUNT OF BENEFITS

The bill, as passed by the Senate, provided for payments of $15 a week for a single person or $20 a week where the claimant has a wife or $23 a week where he has a wife and one child or $25 a week where he has a wife and two children.

The bill as passed by the House strikes out any reference to benefits payable on basis of the dependents of the claimants and allows a flat amount to all individuals irrespective of his family circumstances.

The Senate is well aware of the fact that in all laws relating to veterans, the Congress has always taken into account the family circumstances of the veteran in pension payments. Moreover, in the educational allowances provided in title II of the bill as passed by the House the benefits take into account the family circumstances of the individual. But when it came to unemployment compensation the House struck out any reference to the dependents of the claimant, so that the married man with children will get no more than the single man will get. I strongly urge the conferees to insist upon including dependents' benefits in the final bill. We all know that it costs more for a man with a wife and child to live than a single man, and we would be flying in the face of economic facts which are evident to everyone if we refuse to include some provision for dependents' benefits in the final bill.

DISCRIMINATION IN ADMINISTRATION OF THE LAW

The bill as passed by the Senate provided for the unemployment-insurance benefits to be administered under uniform Federal standards so that there would be equity and uniformity with respect to every single man and woman who served Uncle Sam in the service. Specific provision was made so that the administration of these uniform standards could be decentralized by using existing Federal, State, and local facilities. The bill, however, as passed by the House specifically delegates certain of the vital matters affecting the rights of veterans to benefits to the States. This will result in great variation in the protection given to veterans and will cause unnecessary discrimination. I strongly urge, therefore, that the conferees consider these provisions and urge the retention of the provision found in the bill as passed by the Senate.

Section 800 (d) on page 72 of the bill provides that in determining "the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern." This section is a substitute for a section in the Senate version of the bill, page 33–34, which gave General Hines, the Administrator of Veterans Affairs, the authority to determine the standards which should apply to veterans in every part of the United States. The House version of the bill thus means that a veteran who applies for his benefits in California may be allowed to draw his benefits in California but may be disqualified from receiving benefits in another State which has more restrictive rules or regulations or local officials who are less generous. It means that the fact that a veteran served his country in north Africa, or in Italy, or in the south Pacific shall have no bearing on his rights to benefits but rather that the State in which by chance he happens to file his claim for Federal unemployment benefits shall determine whether he shall receive such benefits or not. No provision could to my mind be farther from assuring justice, equity, or proper treatment to our soldiers, sailors, and marines than this provision which has come over to us from the House. The Senate provision in the bill should be reinserted.

DISCRIMINATION IN ADMINISTRATIVE REVIEW

Section 1102 of the bill specifically provides that any claimant whose claim for his allowance has been denied shall be entitled to a fair hearing before an administrative tribunal not of the Federal Government but of the State government. The provision in the Senate bill was deleted by the House which enabled General Hines to designate other agencies other than State agencies. As the bill is now drafted the servicemen's rights to benefits would be reviewed in the first instance by the State administrative agencies thus making it almost impossible for the Veterans' Administrator to lay down uniform rules and principles in handling the thousands of cases in the individual States. This to my way of thinking is delegation run riot. We do not permit any such practice with respect to veterans' pensions and I do not think that we should inaugurate such a precedent in view of the fact that benefits provided in the bill are Federal benefits and not State benefits.

I should think that the various veterans' organizations would find it exceedingly difficult and confusing to have to inform themselves and their members of the many variations which exist in the practices of the different State review bodies. It is clear that, as the bill as now written, the Administrator of Veterans' Affairs would have the power to prescribe the general procedures and rules and regulations and standards to which the administrative tribunals of the various States would have to conform. However, in view of the fact that as I have pointed out, section 800 (d) of the bill on page 72 delegates authority to use State definitions and interpretations of certain terms used in the Federal law, it seems to me that handing over the initial review of such cases to the State agency can only result in confusion to the veteran and to the veterans' organizations which safeguard the veterans' rights. It can only result in delay in the payment of benefits to the veteran. I urg the conference committee to see to it that the Senate version of the bill is retained.

LACK OF UNIFORMITY IN ADMINISTRATION

In addition to the provisions which I have mentioned above pointing out that the Senate bill has been modified to delegate specific authority to the States to interpret the provisions of the Federal law, there is an additional provision which has been included in the House bill in section 901 (a) on page 73 which provides that the benefits may not be paid at intervals prescribed by the Veterans Administrator but must vary by "intervals prescribed by the unemployment compensation law in the State in which the claim was made." I think that this lack of uniformity in this provision and in the other provisions is highly undesirable as a matter of principle in the administration of a Federal law. But in order to show how utterly ridiculous this provision and the two previous provisions I have mentioned might become, I wish to point out to the Senate that the bill provides in section 1400 (c) that the definition of the term "State" shall include Puerto Rico. Therefore, all of these various provisions must be administered in Puerto Rico in accordance with the unemployment insurance law of Puerto Rico. But the fact is that Puerto Rico does not have an unemployment insurance law. Consequently there is no way in which the State law of Puerto Rico can be applied to Puerto Rico. Since the House version struck out the reference allowing Federal standards to be used in these various cases, there is no way that the Veterans' Administrator can pay the unemployment benefits in Puerto Rico except under Federal provisions to be prescribed by him.

It seems clear, therefore, that the only way in which the conference committee can avoid this absurdity—this discrimination—is to reinsert all the Senate provisions of the bill which provides that the Veterans' Administrator shall have the right to administer the bill on a uniform national basis.

EMPLOYMENT SERVICE PROVISIONS COMPLICATED

I should also like to point out that title IV, on page 63, of the bill relating to employment service for veterans, in the House bill is vastly inferior to and much more complicated than the provisions in the Senate bill. The provisions in the Senate bill were carefully worked out by the senior Senator from Missouri and myself with representatives of the American Legion who approved the Senate version. I still feel very strongly that the provisions in the Senate bill will promote the veterans' job opportunities better than the provisions that are found in the House bill.

The House bill in addition has attempted to include in section 607, on page 67, of the bill a completely unnecessary provision in no way related to the veterans' problem. Section 607 has absolutely no direct relationship to the bill but appears to have been inserted possibly in order to indicate that the Congress has already made a decision on the question of whether the entire employment service should remain a Federal service. As the Senate knows, Senator MURRAY and I have a bill pending, S. 1161, which provides for the continuation of the present Federal Employment Service on a Federal basis. This, to our way of thinking, is our only way to assure veterans and civilians alike the use of a truly national and efficient employment service in every part of our Nation. Section 607, inserted in the House, precluded full discussion of this problem by the Senate and I urge the Senate conferees to delete this provision which has absolutely no bearing on the pending bill.

EXORBITANT INTEREST RATE ON LOANS

Before concluding my remarks, I should like to point out one provision of the House bill relating to title III which

provides that interest up to 6 percent may be charged on loans made by the veteran for the purchase or construction of homes, farms, and business properties. In view of the present and prospective financial situation, I think that it would be exorbitant to charge the veteran as much as 6 percent interest on any such loan.

The Senate bill provided that any loan made by a veteran should not bear interest for the first year and that thereafter the interest rate should be 3 percent per year. The provision in the Senate bill seems to me fair and proper. I am inalterably opposed to the Federal Government permitting the veteran to be bled to death by charging him exorbitant rates of interest.

SUMMARY

I have tried to point out some of the most glaring and apparent discrimination and inequities in the bill as enacted by the House. Careful study by the Senate conferees will I believe convince them of the many injustices, restrictive qualifications and penalties which have been impossed on the veteran by the House bill. The bill in its present form is unworthy of approval of the Senate.

I have received hundreds of letters and telegrams from citizens of New York and from other States protesting against the House version of the bill. I hope that other Senators will join me in urging members of the conference committee to see to it that these unjust provisions are eliminated from the bill so that we may assure our fighting men throughout the world generous and fair protection when they return to civilian life. The harsh provisions included in the House bill are in direct contradiction to all the promises we have made to the men and women who are serving our country at this time. The unemployment compensation provision in the House bill is a snare and a delusion of our servicemen and women. In this present form the bill cannot be defended if we wish to claim that we want to protect our servicemen on a just and equitable basis.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Attorney General, submitting, pursuant to law, a report stating all of the facts and pertinent provisions of law in the cases of 190 individuals whose deportation has been suspended for more than 6 months under authority vested in the Attorney General together with a statement of the reason for such suspension (with accompanying papers); to the Committee on Immigration.

FREE POSTAGE FOR SOLDIERS, SAILORS, AND MARINES

A letter from the Postmaster General, relating to extension of the provision for free postage for soldiers, sailors, and marines beyond December 31, 1944, if there still exists a state of war; to the Committee on Post Offices and Post Roads.

SETTLEMENT OF WAR VETERANS, WAR WORKERS, AND OTHERS ON THE CENTRAL VALLEY PROJECT

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for the settlement of war veterans, war workers, and others on the Central Valley Project, for encouragement of the development of the project in family-size units, for cooperation by Federal, State, and private organizations to these ends, and for other purposes (with accompanying papers); to the Committee on Public Lands and Surveys.

LIMITATIONS ON APPROPRIATIONS FOR TRAVEL, PRINTING AND BINDING, ETC., IN SEVERAL AGENCIES

A letter from the Acting Director of the Bureau of the Budget, transmitting, pursuant to law, copies of letters addressed to the heads of the Office of Scientific Research and Development and the War Production Board which establish limitations on the amounts which may be expended for travel, printing and binding, and the purchase of motor-propelled passenger-carrying vehicles from sums set apart in appropriations to these agencies for special projects (with accompanying papers); to the Committee on Appropriations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Departments of the Treasury (2), Navy (4), and Commerce (3); United States Coast and Geodetic Survey, National Housing Agency, Interstate Commerce Commission (2), and Federal Security Agency which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the Yugoslav-American Central Council, of San Pedro, Calif., pledging support in the war effort and favoring official recognition of the National Anti-Fascist Liberation Council as the sole representative of democratic Yugoslavia and that the council be given essential assistance by use of the Lend-Lease Act; to the Committee on Foreign Relations.

A resolution by the Council of the City of Minneapolis, Minn., requesting that Congress amend House bill 4576, relating to coal, and similar legislation, so as to protect the benefits of the river transportation of coal; to the Committee on Interstate Commerce.

A resolution adopted by the eighth annual convention of the northern Washington district, International Woodworkers of America, at Seattle, Wash., favoring the extension and improvement of the Emergency Price Control Act; to the Committee on Banking and Currency.

A resolution adopted by the eighth annual convention of the northern Washington district, International Woodworkers of America, at Seattle, Wash., favoring the adoption of measures to establish a Nation-wide broadcast of congressional proceedings; to the Committee on Rules.

A resolution adopted by the eighth annual convention of the northern Washington district, International Woodworkers of America, at Seattle, Wash., favoring the enactment of pending legislation to eliminate the poll tax in Federal elections; ordered to lie on the table.

Resolutions by the Central Labor Council of Kalispell and Laborers Local, No. 273, of Great Falls, both in the State of Montana, favoring the adoption of measures to establish a Nation-wide broadcast of congressional proceedings; to the Committee on Rules.

A resolution of the International Woodworkers of America (C. I. O.), of Deer Park, Wash., favoring the extension and improvement of the Emergency Price Control Act; to the Committee on Banking and Currency.

By Mr. CAPPER:

A resolution unanimously adopted by the Methodist Ministerial Association of Pittsburgh, Pa., favoring the inclusion of milk in any program of school lunches; to the Committee on Agriculture and Forestry.

By Mr. TYDINGS:

A resolution adopted by the Chamber of Commerce of Baltimore, Md., favoring repeal of the land-grant provisions of the act relating to transcontinental railroads; to the Committee on Interstate Commerce.

ST. LAWRENCE SEAWAY—RESOLUTION OF MANITOWOC, WIS., CITY COUNCIL

Mr. LA FOLLETTE. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a resolution adopted by the City Council of the City of Manitowoc, Wis., on May 15, 1944, in relation to the St. Lawrence seaway project.

There being no objection, the resolution was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Whereas hearings are to be conducted by the special St. Lawrence subcommittee of the Senate Commerce Committee May 15 or thereabout, for the purpose of hearing all matters pertinent to the development and completion of the St. Lawrence seaway and power project; and

Whereas this matter is now before Congress for their consideration and decision; and

Whereas this development will open up a new shipbuilding resource of great capacity in Manitowoc, which is in close proximity to raw material, and will make it possible to turn out large numbers of naval craft, merchant vessels, and auxiliaries of all types on the Great Lakes. Likewise, it will provide low-cost water transportation for the agricultural and industrial produce of the Middle West and thereby open new markets in Canada, Europe, and Latin America; and

Whereas we likewise deem this development to be of paramount importance and to the best interests of our Nation for defense and commerce: Now, therefore, be it

Resolved by the mayor and Common Council of the City of Manitowoc, That we go on record unqualifiedly in favor of this development, satisfied that it will result in great and lasting benefits to the Nation as a whole; be it further

Resolved, That we earnestly recommend that construction of this waterway be commenced as soon as labor and materials are available; be it further

Resolved, That a copy of this resolution be sent to Hon. John H. Overton, chairman of Senate Finance Committee; Senator George D. Aiken; Senator Robert M. La Follette; Senator Alexander Wiley; Congressman La Vern Dilweg; and H. C. Brockel, secretary of Great Lakes Harbors Association.

Introduced May 15, 1944.

Adopted May 15, 1944.

EMIL BENISHEK.
OSCAR L. ANDERSON.
WILLIAM SCHROEDER.

RESOLUTIONS ADOPTED ON POLISH CONSTITUTION DAY AT BRISTOL, CONN.

Mr. MALONEY. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD at this point a resolution which I have received from officers of the Polish-American Central Committee of Bristol, Conn., representing 14 Polish-American organizations of that town. The resolution was adopted at a Polish Constitution Day observance on May 7, and refers to the present plight of Poland. It urges an open declaration of war aims and a frank statement of policy by our Government clearly defining coordination of military and diplomatic strategy.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the passing years are bringing added significance to the observance of Polish Constitution Day on the 3d of each May, and, because of the war, this year's observance stresses more forcibly than ever before the pertinence of the one-hundred-and-fifty-three-year-old document, and particularly its preamble, which declares "the political existence, the external independence, and internal freedom" of a nation to be "dearer than life" itself; and

Whereas, upon its adoption, the Polish Constitution of 1791 was hailed by Edmund Burke to be the "noblest benefit received by any nation at any time," and, at the present time, it is regarded by Poles who have become American citizens and by Americans of Polish extraction to be a prized heritage which has inspired them to become better Americans; and

Whereas the observance of the one hundred and fifty-third anniversary of the Polish Constitution might well be dedicated to contemplation of the present plight of Poland, the first of the Allied nations to offer resistance to the Nazi hordes, and of her sister nations in captivity; and

Whereas such contemplation cannot ignore the fierce love of liberty and self-determination of the Poles which gained new strength and hope from the declarations contained in the Atlantic Charter; nor ignore the right of the Polish Government in exile, together with other governments-in-exile, to be apprehensive of their future boundaries in consequence of the failure of our Government to take steps to prevent the aggrandizement of one Allied nation at the expense of another: Now, therefore, be it

Resolved, That the undersigned officers of 14 Polish-American organizations in Bristol, Conn., comprising about 2,000 members, urge open declaration of war aims and a frank statement of policy by our Government clearly defining coordination of military and diplomatic strategy to the end that the principles laid down by the Atlantic Charter shall not be violated and that our boys shall not have died in vain; and be it further

Resolved, That copies of this resolution as adopted at a Polish Constitution Day observance in Bristol, Conn., on this 7th day of May 1944, be addressed to President Franklin D. Roosevelt, Secretary of State Cordell Hull, Senators Francis Maloney and John A. Danaher, Congressman-at-Large B. J. Monkiewicz, and Congressman William J. Miller.

THE POLISH-AMERICAN CENTRAL COMMITTEE OF BRISTOL, CONN.,
ALEX P. KRISCENSKI, *President.*
Mrs. JOHN J. KACZKA, *Vice President.*
PETER LATALA, *Treasurer.*
Mrs. W. BRZEZINSKI, *Secretary.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

H. R. 4710. A bill authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes; without amendment (Rept. No. 900).

By Mr. BREWSTER, from the Committee on Commerce:

S. 1934. A bill to provide for abandonment of the project authorized in the act of October 17, 1940, for a seaplane channel and basin in Boston Harbor, Mass.; without amendment (Rept. No. 901).

By Mr. STEWART, from the Committee on Claims:

S. 1453. A bill for the relief of the City National Bank Building Co.; without amendment (Rept. No. 902).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 19, 1944, that committee presented to the President of the United States the following enrolled bills:

S. 771. An act to provide for payment of pensions and compensation to certain persons who are receiving retired pay; and

S. 1618. An act to amend the acts of August 26, 1935 (49 Stat. 866), May 11, 1938 (52 Stat. 347), June 15, 1938 (52 Stat. 699), and June 25, 1938 (52 Stat. 1205), which authorizes the appropriation of receipts from certain national forests for the purchase of lands within the boundaries of such forests, to provide that any such receipts not appropriated or appropriated but not expended or obligated shall be disposed of in the same manner as other national-forest receipts, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

Vice Admiral Marc A. Mitscher, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 21st day of March 1944;

Rear Admiral John H. Hoover, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 1st day of January 1943;

Capt. Matthias B. Gardner, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 19th day of July 1943;

Capt. George T. Owen, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, Fleet Air Wing 15, and commanding officer, naval air station, Port Lyautey; and

Sundry citizens to be second lieutenants in the Marine Corps.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BROOKS:

S. 1942. A bill for the relief of Dr. E. S. Axtell; to the Committee on Claims.

By Mr. CONNALLY:

S. 1943 (by request). A bill for the relief of the Trust Association of H. Kempner; to the Committee on Claims.

(Mr. WAGNER introduced Senate bill 1944, which was referred to the Committee on the Library, and appears under a separate heading.)

By Mr. LUCAS:

S. 1945. A bill relating to the admission of attorneys at law to practice before departments and agencies of the Government; to the Committee on the Judiciary.

Mr. GEORGE. Mr. President, on behalf of myself, the Senator from Utah [Mr. THOMAS], the Senator from Alabama [Mr. HILL], the Senator from Indiana [Mr. JACKSON], the Senator from Vermont [Mr. AIKEN], and the Senator from Wisconsin [Mr. LA FOLLETTE], I ask consent to introduce a bill expanding the vocational training and retraining programs for occupational adjustment and readjustment of veterans returning from military service, and so forth.

I ask that the bill be referred to the Committee on Education and Labor for consideration, and that a copy of it be referred to the special Senate Committee on Post-war Economic Policy and Planning for study.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. GEORGE (for himself, Mr. THOMAS of Utah, Mr. HILL, Mr. JACKSON, Mr. AIKEN, and Mr. LA FOLLETTE):

S. 1946. A bill to provide vocational training and retraining programs for the occupational adjustment and readjustment of veterans returning from military service, workers demobilized from war production plants and for other youth and for adults, that individuals and the Nation may attain economic stability and security, and to further extend the program of vocational education; to the Committee on Education and Labor.

By Mr. RADCLIFFE:

S. 1947. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. HATCH:

S. 1948. A bill to provide for the settlement of war veterans, war workers, and others on the Central Valley project, for encouragement of the development of the project in family-size units, for cooperation by Federal, State, and private organizations to these ends, and for other purposes; to the Committee on Public Lands and Surveys.

BOOKS FOR THE ADULT BLIND

Mr. WAGNER. Mr. President, I ask unanimous consent to introduce a bill to amend the act to provide books for the adult blind, and so forth. In this connection I request that a statement relating to the bill may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and the statement will be printed in the RECORD.

The bill (S. 1944) to amend the act entitled "An act to provide books for the adult blind" was read twice by its title and referred to the Committee on the Library.

The statement presented by Mr. WAGNER is as follows:

STATEMENT REGARDING A BILL TO AMEND THE ACT TO PROVIDE BOOKS FOR THE ADULT BLIND TO PROVIDE ADDITIONAL FUNDS FOR THE REPAIR AND MAINTENANCE OF GOVERNMENT-OWNED TALKING-BOOK MACHINES AND FOR TALKING-BOOK RECORDS FOR BLINDED SERVICE PERSONNEL

In 1931 the Federal Government assumed responsibility for the library service for the blind. An appropriation is made annually to the Library of Congress to meet the cost of manufacturing books for the adult blind.

These books are placed in 27 regional distributing libraries, most of which are maintained by local funds. The distributing libraries meet the cost of circulation and the Federal Government meets the cost of the books. The cost of circulating books for the blind met by local libraries is about equal to the cost of the books provided by the Federal Government.

At present the annual appropriation for books for the adult blind is $370,000. This is allotted as follows: $100,000 for books in raised characters; $250,000 for books on sound-reproduction records (talking books); and $20,000 for the maintenance and replacement of the Government-owned reproducers for the sound-reproduction records for the blind (talking-book machines).

The 23,000 talking-book reproducers owned by the Federal Government were constructed on a W. P. A. project sponsored by the Library of Congress and managed by the American Foundation for the Blind. The cost of constructing these machines was slightly over $1,000,000. These machines are lent to blind people who cannot afford to buy them. In addition to these, about 5,000 machines are owned by blind people. The present $20,000 appropriation for the maintenance and replacement of the Government-owned reproducers takes care of the maintenance of less than half the machines needing repairs each year with nothing for replacements. The balance of the machines out of commission is being stored awaiting repairs. If 3,000 machines are allowed to go out of commission annually, it will not be long before most of the blind people will be deprived of the use of the talking-book libraries.

Instead of $20,000, $50,000 should be expended annually for the maintenance of talking-book machines; an additional $50,000 should be spent for replacement of machines which are worn out· $250,000 should be expended, as at present, for the production of talking-book records for the civilian blind; and at least $50,000 should be spent for records of special interest to blinded servicemen.

The language of H. R. 4729 sponsored in the House by Mr. O'TOOLE would authorize the appropriation of a lump sum for talking-book records and for the maintenance and replacement of talking-book machines. This will give greater flexibility to the administration of the act so that the Library of Congress may decide each year what proportion of the appropriation should be spent on new records and what proportion on the maintenance and replacement of talking-book machines.

In brief, H. R. 4729 provides $100,000 for Braille books, as at present and $400,000 instead of the present $270,000 for the maintenance and replacement of talking-book machines and for the manufacture of records for the war and civilian blind.

Fifty thousand dollars for replacements of worn-out machines will provide approximately 1,250 machines a year. It would be better if $150,000 could be expended for this purpose because if we replace only 1,250 machines annually, some of the machines on hand will be 20 years old before we get around to replacing them. The Library of Congress, however, feels that $50,000 worth of replacement machines is all that Congress would provide at present. As a matter of fact we would probably have difficulty obtaining materials with which to manufacture more than 1,250 machines a year until the war is over. After the war it will be necessary to ask for another amendment to this law providing an additional $100,000 for replacements. In view of this fact no one can justly contend that the present bill is asking for more money than is needed.

This bill does not duplicate the bill authorizing the Veterans' Administration to provide guide dogs and mechanical and electronic equipment to blinded service personnel as the Veterans' Administration has no intention of setting up a special library service for blinded veterans. Representatives of that agency have already requested the Library of Congress to handle the library service for blinded ex-servicemen.

It should be pointed out that few persons losing their sight after reaching adult years ever learn to read Braille with any satisfaction. Therefore practically all the blinded veterans will be dependent upon the talking-book libraries for their reading matter. Fifty thousand dollars will provide these men with 20 or 25 titles a year of special interest to them. Of course, they will be interested also in the general talking-book reading matter provided the civilian blind.

HOUSE BILL REFERRED

The bill (H. R. 4624) to consolidate and revise the laws relating to the Public Health Service, and for other purposes, was read twice by its title and referred to the Committee on Commerce.

RIVER AND HARBOR IMPROVEMENTS—AMENDMENT

Mr. O'MAHONEY (for himself, Mr. AUSTIN, Mr. BUSHFIELD, Mr. CHAVEZ, Mr. CLARK of Idaho, Mr. DOWNEY, Mr. HATCH, Mr. HAYDEN, Mr. JOHNSON of Colorado, Mr. LANGER, Mr. MCCARRAN, Mr. MCFARLAND, Mr. MILLIKIN, Mr. MURDOCK, Mr. MURRAY, Mr. NYE, Mr. ROBERTSON, Mr. SCRUGHAM, Mr. THOMAS of Utah, Mr. THOMAS of Idaho, Mr. WHEELER, and Mr. WILSON) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

ADDRESS BY SENATOR WAGNER AT I AM AN AMERICAN DAY MEETING

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by him at I Am An American Day meeting, held at Central Park Mall, New York, on May 21, 1944, which appears in the Appendix.]

THE WAR IN REVIEW—ADDRESS BY SENATOR TRUMAN

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an address entitled "The War in Review," delivered by Senator Truman before the annual luncheon meeting of the Brooklyn Chamber of Commerce, at the Hotel St. George, Brooklyn, N. Y., on May 22, 1944, which appears in the Appendix.]

ADDRESS BY GOVERNOR BALDWIN OF CONNECTICUT BEFORE VERMONT REPUBLICAN STATE CONVENTION

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD the keynote speech delivered by Hon. Raymond E. Baldwin, Governor of Connecticut, before the Vermont Republican State convention, Montpelier, Vt., May 17, 1944, which appears in the Appendix.]

A PLATFORM FOR AMERICA—ADDRESS BY FORMER GOVERNOR LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address entitled "A Platform for America," delivered by former Governor Landon, of Kansas, before the one hundred and forty-seventh Rotary International district conference luncheon, Chicago, Ill., May 16, 1944, which appears in the Appendix.]

T. V. A. ON THE JORDAN, ARTICLE BY HON. GEORGE W. NORRIS

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article entitled "T. V. A. on the Jordan," by Hon. George W. Norris, from the New Republic, which appears in the Appendix.]

FEDERAL REGULATION OF MEDICINE—REPORT OF AMERICAN BAR ASSOCIATION

[Mr. OVERTON asked and obtained leave to have printed in the RECORD the conclusion of the American Bar Association committee report on certain provisions of the Wagner-Murray bill, S. 1161, relating to Federal regulation of medicine, which appears in the Appendix.]

IRRIGATION PROJECTS—EDITORIAL FROM KANSAS CITY STAR

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial entitled "Why Add Four Million Acres?" published in the Kansas City Star of May 14, 1944, which appears in the Appendix.]

LEND LEASE IN SOUTH AMERICA—ARTICLES FROM THE CHICAGO TRIBUNE

[Mr. BUTLER asked and obtained leave to have printed in the RECORD two of a series of articles by Stanley Johnston, from the Chicago Tribune, relating to lend-lease in South America, which appears in the Appendix.]

MANPOWER—REPORT BY LAWRENCE A. APPLEY

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD a report by Lawrence A. Appley, Deputy Chairman and Executive Director of the War Manpower Commission, which appears in the Appendix.]

CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH FOR MARCH 1944

Mr. BYRD. Mr. President, on behalf of the Joint Committee on Reduction of Nonessential Federal Expenditures, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, on itemized statement of the number of Federal employees as of March 1944, as compared with February 1944, showing a net increase of 13,986, and also to include an accompanying statement.

There being no objection, the statement and itemization were ordered to be printed in the RECORD, as follows:

I wish to present a report on civilian employment in the executive branch of the Federal Government for the month of March 1944.

The total number of paid employees for March 1944 is 3,286,015, including 288,563 civilian employees of the War Department stationed outside of the continental United States as of December 31, 1943. Complete figures are now available on these employees for the first time. Twenty-two thousand seven hundred and eighty-six of these employees are United States citizens; 37,576 are United States citizens by virtue of residence in Territories, and 228,201 are noncitizens.

There has been a net increase of 13,986 civil-service employees in the United States since the end of February and a total increase of 28,174 employees since January 1 when Federal civilian employment again started on an upward trend.

Thirty departments and agencies have increased the number of their employees by 20,170 during the month of March, while 31 departments and agencies have eliminated only 6,184 employees.

Substantial increases were made by the following: Navy Department, 8,216; Treasury Department, 3,096; War Department, 2,706; Office of Price Administration, 1,576; War Manpower Commission, 1,148; and Veterans' Administration, 851.

Greatest reductions were made by the following: Panama Canal, 1,119; Tennessee Valley Authority, 815; Department of Commerce, 580; National Housing Agency, 398; and the War Production Board, 346. The monthly fluctuation of the number of temporary substitute employees of the Post Office Department accounted for 1,859 of the total reductions.

Civilian employment of the executive branch of the Federal Government by department and agency for months of February and March 1944, showing increases and decreases in number of paid employees

Department or agency	March 1944	Febru ary 1944	In- crease	De- crease
EXECUTIVE OFFICE OF THE PRESIDENT				
Bureau of the Budget	555	553	2	
DEPARTMENTS				
State Department	8,533	8,476	57	
Treasury Department	90,370	87,274	3,096	
War Department [1]	1,214,655	1,211,949	2,706	
Justice Department	29,518	29,556		38
Post Office Department	349,237	351,096		1,859
Navy Department [2]	735,977	727,761	8,216	
Interior Department [3]	40,078	39,896	182	
Agriculture Department	80,015	80,226		211
Commerce Department	29,435	30,015		580
Labor Department	6,031	5,862	169	
NATIONAL WAR AGENCIES				
Committee on Fair Employment Practice	119	110	9	
Division of Central Administrative Services	4,111	4,208		97
Foreign Economic Administration	5,942	5,766	176	
National War Labor Board	3,972	3,423	549	
Office of Alien Property Custodian	924	981		57
Office of Civilian Defense	730	791		61
Office of Coordinator of Inter-American Affairs	1,377	1,391		14
Office of Defense Transportation	5,083	4,994	89	
Office of Economic Stabilization	10	11		1
Office of Scientific Research and Development	1,214	1,203	11	
Office of War Information	6,533	6,229	304	
Office of War Mobilization	23	19	4	
Smaller War Plants Corporation	1,762	1,789		27
War Manpower Commission [4]	25,846	24,698	1,148	
War Production Board	17,183	17,529		346
War Shipping Administration	4,973	4,872	101	
Office of Censorship	12,297	12,265	32	
Office of Price Administration	57,842	56,266	1,576	
Office of Strategic Services	1,793	1,843		50
Petroleum Administrator for War	1,334	1,390		56
Selective Service System	23,906	23,642	264	

Civilian employment of the executive branch of the Federal Government by department and agency for months of February and March 1944, showing increases and decreases in number of paid employees—Con.

Department or agency	March 1944	Febru- ary 1944	In- crease	De- crease
INDEPENDENT ESTABLISHMENTS				
American Battle Monuments Commission	1	1	0	0
Board of Investigation and Research—Transportation	51	64		13
Civil Aeronautics Board	333	336		3
Civil Service Commission	7,372	7,337	35	
Employees' Compensation Commission	513	514		1
Export-Import Bank of Washington	60	61		1
Federal Communications Commission	2,175	2,164	11	
Federal Deposit Insurance Corporation	1,047	1,050		3
Federal Power Commission	664	667		3
Federal Security Agency	30,880	30,850	30	
Federal Trade Commission	458	459		1
Federal Works Agency	20,394	20,574		180
General Accounting Office	11,095	10,979	116	
Government Printing Office	7,529	7,683		154
Interstate Commerce Department	2,156	2,169		13
Maritime Commission	9,922	9,858	64	
National Advisory Committee for Aeronautics	5,360	5,123	237	
National Archives	354	350	4	
National Capital Housing Authority	252	262		10
National Capital Park and Planning Commission	18	18	0	0
National Gallery of Art	264	261	3	
National Housing Agency	19,780	20,178		398
National Labor Relations Board	681	726		45
National Mediation Board [5]	89	95		6
Panama Canal	30,305	31,424		1,119
Railroad Retirement Board	1,748	1,748	0	0
Reconstruction Finance Corporation	7,874	7,747	127	
Securities and Exchange Commission	1,213	1,230		17
Smithsonian Institution	426	431		5
Tariff Commission	307	306	1	
Tax Court of the United States	123	123	0	0
Tennessee Valley Authority	22,261	23,076		815
Veterans' Administration	50,369	49,518	851	
Total	2,997,452	2,983,466	20,170	6,184
War Department civilian employees stationed outside of continental United States, as of Dec. 31, 1943 [6]	288,563	288,563		
Grand total	3,286,015	3,272,029		
Net increase			13,986	

[1] Does not include employees outside of the continental United States.

[2] Includes 10,324 employees of stations in the hands of the enemy.

[3] Now includes War Relocation Authority.

[4] Also includes Training Within Industry and the U. S. Employment Service.

[5] Also includes National Railway Labor Panel and National Railroad Adjustment Board.

[6] Reported quarterly only. Latest date for which these have been reported.

NOTE.—Employment figures now reported to the committee include dollar-per-annum employees and without-compensation employees of the consultant-expert type who are authorized to receive per diem in lieu of subsistence.

HISTORY OF PROHIBITION

Mr. MEAD. Mr. President, I rise to make brief reference today to a most unusual and enlightening document which I have received from Mr. Edwin B. Wilson, editor of the Brooklyn Eagle, one of the great metropolitan daily newspapers in the famous borough of homes and churches, the Borough of Brooklyn, in my own State of New York.

This publication is entitled "History of Prohibition." The reasons which inspired its publication and a description of its contents are set forth in the foreword on page 1, as follows:

Recently there has been talk of restoring prohibition as a wartime measure. This effort the Brooklyn Eagle views with alarm, not because it is against abstinence as a personal privilege but because it fears that the return of prohibition will bring again an increase in crime and disrespect for law and a lowering of public morals.

Those who advocate the return of prohibition may have forgotten that earlier era unparalleled in our national history for organized crime and attendant evils. To remind them, and to refresh the memories of those who agree with the Eagle, this History of Prohibition is published. It is the essence of the editorial comment on "the great experiment" ended by repeal in 1933.

The Eagle was alive to the goings on during that period. Besides the current news it published no less than 607 editorial comments. From these, 200 have been culled and briefed. The bulk—183—tells the day-by-day story; 17 are selected because they express the Eagle's attitude then and now. The collection, we believe, furnishes the only comprehensive historical account on this subject and is invaluable to anyone concerned with aspects of this social problem.

I wish it were practicable to reprint this entire volume in the CONGRESSIONAL RECORD so that the people of every State of the Union might share in the benefits to be derived from recalling, with the Brooklyn Eagle, the events which led up to prohibition, the evils which were visited upon our people during that dark era, and finally, repeal.

I am sure that anyone who reads with care, and learns the lesson to be learned from this compilation, will firmly resolve that the same mistake must not be made again.

Freedom of the press is one of the great bulwarks of our democracy. In the exercise of that freedom, the newspapers of America, large and small, have made a mighty contribution to the general welfare of our Nation.

This History of Prohibition, compiled and published by the Brooklyn Eagle, is in keeping with the traditional policy of that newspaper which has faithfully served the citizens of Brooklyn for so many generations. Justifiable civic pride, fervent patriotism, fearless courage, intelligent leadership, wise planning, painstaking effort, and, finally, a deep sense of the responsibilities of citizenship, have been combined in this effort of the publisher to light the path of those who share in the shaping of our destinies, that they may lead our country away from the pitfalls which experience has taught are dangerous to our institutions. I wish to pay public tribute, by these brief remarks, to the men and women responsible for this document.

Since it is not practicable to reprint all the material, I commend especially for attention the legislative history of

the eighteenth amendment and its repeal, appearing on page 2, the editorials on pages 18 and 19, entitled "Today" and "And in 1919," respectively, and the very excellent summary of this subject contained in the editorial on page 20 under date of February 21, 1933, entitled "America Without Prohibition." I ask unanimous consent that these items to which I have referred be printed in the RECORD in that order at this point.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

THE EIGHTEENTH AMENDMENT

The eighteenth amendment to the Constitution was submitted to the States by Congress December 18, 1917.

The first State, Mississippi, ratified it January 8, 1918.

The thirty-sixth State, Nebraska, ratified it January 16, 1919.

Whereupon, by proclamation of the Secretary of State January 29, 1919, it became effective 1 year from that date, January 16, 1920.

The legislatures of 45 States had ratified it by February 25, 1919.

The forty-sixth State, New Jersey, ratified it March 9, 1922.

It was not ratified by Connecticut and Rhode Island.

The Volstead (prohibition enforcement) Act was passed by Congress October 28, 1919, and went into effect January 17, 1920.

A bill passed by Congress amending the Volstead Prohibition Enforcement Act to legalize 3.2 percent beer and wine was signed by President F. D. Roosevelt March 22, 1933.

The act went into effect April 7, 1933.

The adoption of the twenty-first amendment (repealing the eighteenth amendment) by 37 States was proclaimed in force December 5, 1933.

TODAY, JANUARY 9, 1944, UNDERWORLD WOULD WELCOME THE RETURN OF PROHIBITION

It is hard to believe that there could be a serious demand for the return of prohibition from any responsible source, but it is here. Actually its advocates secured more than 100,000 signatures to petitions for immediate legislative action by Congress and a House judiciary subcommittee will begin public hearings this week on the subject.

How any one with a memory long enough to recall what happened under the first national prohibition law could support its revival, we fail to understand.

If the idea is to stop the drinking of alcoholic beverages, supporters of national prohibition may as well drop the plan now. One of the things proved during the period from 1919 to 1933 was that you cannot stop such drinking.

All that happened was that the business was driven underground. Smuggling and bootlegging became the order of the day. The character of the liquor deteriorated. Speakeasies were on every hand.

In the train of prohibition came a wave of crime, and particularly racketeering. Indeed, all our modern rackets—in business, in labor, and all the rest—trace back to that amazing era. The racketeers would not hesitate to murder in order to deliver the illicit liquor they handled.

Furthermore, a vein of corruption ran through official life, contaminating courts, legislative and law-enforcement bodies.

Naturally, this developed a complete contempt for the prohibition laws and out of that grew a general disrespect for all laws. The damage done by prohibition to the moral fiber of the American people is incalculable.

At the same time prohibition undid all the good that had been gradually accomplished by sane temperance campaigns through the years. Before 1919 we can understand how sincere temperance workers might have hoped for good results from this experiment noble in purpose. But we fail to see how such idealists can cherish a similar hope today when the record of 1919–33 is there for all to see.

It is our considered opinion that the chief beneficiary of prohibition would be the underworld. Undoubtedly the racketeers and gangsters and all the rest of the unsavory characters that amassed wealth under prohibition would welcome its return.

The self-respecting, law-abiding citizens of America should arouse themselves and demand that their Congressmen block this campaign for another prohibition era.

AND IN 1919, AUGUST 9, STILL TRYING TO FIGHT PROHIBITION

If the energy shown by opponents of prohibition since the constitutional amendment was adopted had been exercised when prohibition was still an open question the result might have been different. Men and organizations who slept placidly while the constitutional amendment was being fastened upon the country by a group of able and splendidly organized campaigners are now trying to find a way out after a solid wall has closed around them.

The counsel for the brewers and restaurant keepers of this State wants the next legislature to submit a referendum to the voters on the question of the sort of an enforcement law which shall be passed here; whether it shall banish all alcoholic beverages or shall permit the sale and use of wines and beer. There should have been a referendum on the question of the ratification of the constitutional amendment in this State. The legislature had no moral right, although abundant legal power, to act on that question without learning what the wish of the people of the State was. But a law passed now, saying that the Constitution of the United States should not be enforced here in the case of wines and beer would be merely a scrap of paper, if not, indeed, an act of nullification. Practically the enforcement laws of the States will make little difference. Congress has concurrent powers of enforcement and if its law prohibits the sale of drinks containing one-half of 1 percent of alcohol it will be enforced here, whatever this State may say.

The first remedy for the wets is to change the definition of "intoxicating" in the congressional enforcement law, provided that this Congress makes it too drastic, as is almost certain to be done. The next is to organize and carry through a Nation-wide campaign for the repeal of the eighteenth amendment. That last is well-nigh hopeless, but it ought not to be impossible in 1920 to elect a wet Congress, which in 1921 could amend the enforcement law to be passed this year. At least such an undertaking would be valid and would have a fighting chance. All other schemes to nullify constitutional prohibition are merely futile.

1933, FEBRUARY 21, AMERICA WITHOUT PROHIBITION

It is not easy to comprehend or contemplate what America will be like without national prohibition. So many factors have entered into the controversy over attempts to enforce an impractical law that many people have forgotten the real problems that existed before prohibition was adopted. Repeal of the eighteenth amendment and modification of the Volstead Act will revive those problems.

Prohibition failed for several reasons. It was regarded as an intrusion upon the personal rights of citizens and the rights of States. It failed to prevent drinking or to promote temperance. It led to widespread criminality and disrespect, not only for the prohibition law, but for all law. Finally, the feebleness of prohibition enforcement in the face of adverse public sentiment resulted in the creation of a gigantic liquor traffic that was absolutely without governmental control, and, while it enriched thousands, it brought no revenue to the Government.

Repeal of national prohibition will remove the complaint of interference by the Federal Government in the personal habits of citizens and in the rights of States to deal with their own problems. But repeal will not of itself remove the other serious conditions associated with the experiment in Federal prohibition. What has for so long been a national problem will soon be the problem of 48 States and tens of thousands of separate communities.

New laws will be needed. What is to take the place of national legislation will soon be occupying the attention of States. The problem is complex, but certain definite objectives should be kept in mind. First of all, the aim should be to get rid of the evils of prohibition itself. This will not be easy. There is grave danger that in a reaction against the eighteenth amendment we may be plunged into a period of extreme intemperance.

The greatest lesson of the prohibition experiment is that law, to be observed, must have the respect of citizens. New efforts to regulate the liquor traffic should be of the kind that will command such respect. We should make a supreme effort to curb the orgy of crime that has been associated with the era of bootlegging and racketeering. This means that the business of dispensing beverages must be made respectable and that there need be no excuse for evading the law.

In its later stages prohibition has become a matter of having Government reestablish some kind of control over the tremendous liquor traffic. Such control cannot be reestablished except by sensible laws, supported by local sentiment. But the weight of law must be brought to bear upon the dispensers of alcoholic beverages and not upon consumers. We need laws that those who buy drinks will have an interest in upholding.

Another important lesson going back to the old days is that most of the evils of the liquor traffic came from overstimulating the demand. Greed on the part of brewers and distillers, who stop at nothing to run up sales, caused the revolt against them. This should be guarded against by laws that will limit the profits to be made on the traffic. This, in turn, will keep the traffic within bounds.

Repeal, despite the vote in Congress, is still some time off. But it is not too early to prepare for the change that will again put upon the States full responsibility for regulating the liquor traffic. The main purpose of new liquor regulations should be to devise measures that will bring back respect for law and order and restore to the country a sense of security and decency.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the consideration of House bill 4679, the Interior Department appropriation bill.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Commitee on Appropriations with amendments.

Mr. HAYDEN. I ask unanimous consent that formal reading of the bill be dispensed with, that it be considered for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so or lered.

Mr. CLARK of Missouri. Mr. President, the Senator from Arizona and the Senate are undoubtedly familiar with the discussion had here a few days ago of the necessity for emergency flood-control work made necessary by the recent floods throughout the Mississippi Valley, if the levees are to be repaired in time to protect the growing crops at the time of the ordinary June and July floods. This matter was taken up a few days ago and discussed for some time. It was necessarily supplanted by the agricultural appropriation bill.

The Army engineers advise me that if the work is to be done at all it must be started immediately or it will be completely without force and effect, and I wonder if the Senator from Arizona will be willing to lay aside temporarily the Interior Department appropriation bill for the purpose of considering the flood-control measure. The Senator from Ohio [Mr. TAFT] offered an amendment to the bill a few days ago and discussed it at some length, and I do not think consideration of the matter at this time would take any considerable amount of time.

Mr. HAYDEN. So far as I am personally concerned, I think an arrangement of the kind suggested might be made. I understood that an address was to be delivered to the Senate, and several Senators desired to speak on general subjects, so perhaps we will have to have that part of the Senate's business disposed of.

Mr. WHITE. Mr. President, this is a matter in which the senior Senator from Ohio [Mr. TAFT] is very much interested. The junior Senator from Ohio [Mr. BURTON] is thoroughly familiar with it, and I suppose is able to speak for both Ohio Senators.

Mr. HAYDEN. It is entirely agreeable to me, if it will not take too much time, to lay aside the Interior Department appropriation bill temporarily.

Mr. BURTON. Mr. President, my colleague the senior Senator from Ohio [Mr. TAFT] is much interested in an amendment to the bill. He realized the bill might be brought up today, and he is anxious to have it acted upon promptly, so he authorized me to present the arguments for the amendment in his behalf; and if I can do that, I am in favor of proceeding to the immediate consideration of House bill 4793.

Mr. HAYDEN. If the Senator from Missouri will ask that the Interior Department appropriation bill be temporarily laid aside, I shall not object.

EMERGENCY FLOOD-CONTROL WORK

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that House bill 4793 be now considered.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Missouri?

There being no objection, the Senate resumed the consideration of the bill (H. R. 4793) to provide for flood-control work made necessary by recent floods, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is on the amendment offered by the senior Senator from Ohio [Mr. TAFT], which will be stated.

The CHIEF CLERK. It is proposed to add, at the proper place in the bill, a new section, to read as follows:

SEC. —. The Chief of Engineers of the United States Army is hereby authorized to repair and reconstruct dikes and levees along the south shore of Lake Erie in the Reno-Howard farm area, Jerusalem Township, Lucas County, Ohio, damaged in the extraordinary floods of July and October 1943, and to dewater and decontaminize the area affected in such manner as to make the land again suitable for cultivation in the year 1944. There is hereby authorized to be appropriated for such purpose the sum of $265,000.

Nothing in this act shall impose upon the United States any obligation, moral or legal, to maintain the dikes and levies repaired and reconstructed in this area or in any other area unless provided for by general law. The work shall not be undertaken until there has been formed under the laws of Ohio a conservation district covering the area in question and competent under the laws of Ohio to maintain the dikes and levies so repaired and reconstructed.

Mr. CLARK of Missouri. Mr. President, the pending bill is identical with a bill I reported some 10 days ago from the Committee on Commerce, and which has been on the calendar for some time. The bill which is now before the Senate is a House bill, identical with the Senate bill to which I refer. It is an authorization for an emergency appropriation of $12,000,000 for the repair of levees which have been broken by the very extraordinary and untimely floods which have taken place in the United States this year. The floods which have broken the levees in the Mississippi Valley and inundated millions of acres of the most fertile land in the world are not the ordinary floods which come generally in June and July, and which are as certain to come this year as the sun is to rise tomorrow morning.

Unless the levees are repaired, these millions of acres of fertile land will be subject to being inundated again, with the certainty that crops vitally needed in the economy of the United States this year will be ruined. The engineers have advised me that the time for making the repairs is very short and unless the authorization is made and the money supplied immediately there will be no possibility of saving the situation, and saving the crops, when the regular June and July floods occur. I hope very much that the measure may be passed immediately.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the senior Senator from Ohio [Mr. TAFT].

Without objection, the amendment——

Mr. OVERTON. No, Mr. President; I should like to be heard on that amendment. Perhaps the Senator from Ohio would first like to explain the amendment.

Mr. BURTON. Yes, Mr. President. The senior Senator from Ohio [Mr. TAFT] on May 17 explained the amendment. I shall be glad to explain it again briefly. It relates to a flood situation in the State of Ohio, on the shore of Lake Erie, comparable to the flood situations which arise on the rivers of the country and to the one which is now being sought to be relieved by the legislation being presented by the Senator from Missouri [Mr. CLARK].

It so happens that this flood in Ohio was a flood on the Great Lakes, when the Lakes were very high and at the same time there was a windstorm which drove the high waters over these lands, breaking down some local dikes which had been erected there some 45 years before, and inundated some 2,200 acres of land at that point. It so happened that this disaster occurred in 1943, shortly after the disaster in the West, and therefore the relief bill which relieved the flood situation in the West did not at all relieve the situation in the East on Lake Erie, and there was not an opportunity to obtain that relief at that time. The senior Senator from Ohio sought relief from the emergency fund of the President. Marvin Jones, the War Food Administrator, recognized the necessity of this land as a part of the food-production program, but we were not successful in obtaining the money from the emergency fund at that time. The reason, as then indicated, was that there had not been authority granted as yet by the Congress of the United States covering this sort of a flood on lakes, as contrasted with the flooding of rivers.

Mr. President, the amendment involves only $265,000. It expressly states that it shall not be regarded as a precedent for similar cases, because it says:

Nothing in this act shall impose upon the United States any obligation, moral or legal, to maintain the dikes and levies repaired and reconstructed in this area or in any other area unless provided for by general law. The work shall not be undertaken until there has been formed under the laws of Ohio a conservation district covering the area in question and competent under the laws of Ohio to maintain the dikes and levies so repaired and reconstructed.

Mr. President, in order to meet the housing situation there is a need for the houses which have been inundated by this flood. There is a need for the food which can be produced on this area. Although the amount involved is small, it is the contention of both the senior Senator from Ohio and myself that certainly this is precisely the same type of a situation that is being met by the pending measure, which provides $12,000,000 to cover the flood situation on the Missouri River. We ask that there be included in

the bill, as an amendment, the provision for $265,000 to cover a like situation on Lake Erie.

Mr. OVERTON. Mr. President, I rise in opposition to the amendment. A number of years ago there were two adventurous men, one by the name of Reno, the other by the name of Howard, who desired to improve themselves financially. They owned along the shores of Lake Erie a considerable area of marsh land, so they conceived the idea of building a private dike which would keep the waters of the lake from inundating this marsh land, together with a channel which would take care of the surplus water, and they then would be able to dispose of the land. So the levee, or the dike, was built, and they placed the land upon the market as a speculative venture, and they sold it. Like a good many private levees which are built, it was built very poorly. The project failed. When the winds and the storms came and the waves rolled against the dike it gradually crumbled until about 2 years ago it went under, and now the thought is that the Federal Government should come to the rescue of this privately organized venture.

The bill making such provision was originally introduced by the senior Senator from Ohio [Mr. TAFT], and referred to the Commerce Committee, and then referred to the War Department for report thereon. The Chief of Engineers reported against the bill. The pending amendment, as I understand it, is exactly what the original bill provided. Am I correct in that respect, I will ask the Senator from Ohio?

Mr. BURTON. Mr. President, I may say though, in reply to the question, that the report of the Army engineers, as I understand it, is based on the ground that the Congress has not as yet authorized such action on lakes as compared with rivers, and that is why we are offering the amendment at this time. It is not that the engineers do not recommend that this work be done as an engineering project. I might interject at this point that this reclamation project was begun 45 years ago, and if it was good enough to stand up for 45 years I do not think it can properly be designated as a poorly constructed project. The land involved is fine farming land and productive of much needed food. The men who reclaimed the land should not be blamed for what they did. The land was reclaimed much as land is being constantly reclaimed in the West. It was done at their own expense. The dikes stood up against ordinary rises of water and wind for 45 years, and then were overcome by high water combined with high winds. It seems to me that under those circumstances, if relief is justified on the rivers it is equally justified on the lakes.

Mr. OVERTON. Mr. President, this is not a flood-control project, and the Army engineers have reported against it. They do not go into the merits of the proposition, because the law does not provide now for any flood-control project of this character on the Lakes or on the coastal areas in the United States. It would require millions upon millions of dollars, indeed billions of dollars, to undertake to take care of similar projects along the coastal areas of the United States and also along the Great Lakes. The engineers reported against the proposal. Had they reported in favor of it, they certainly would have required what they always require, that is certain restrictions and limitations which would have made necessary a certain amount of local contribution, and there is none whatsoever provided in the amendment. They would probably have required that one-half of the cost be borne by local and private interests, as the Senator from Ohio knows is provided in the pending rivers and harbors bill which the committee is considering.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. OVERTON. Yes.

Mr. BURTON. On the point suggested by the Senator from Louisiana that there may not be a requirement of a local contribution specified in the engineers' report, I wish to point out that in the amendment presented by the senior Senator from Ohio [Mr. TAFT] it is provided expressly that—

> The work shall not be undertaken until there has been formed under the laws of Ohio a conservation district covering the area in question and competent under the laws of Ohio to maintain the dikes and levees so repaired and reconstructed.

That certainly is as strong a reservation and obligation upon the locality as I have ever seen in bills of this nature. It makes the project absolutely conditional upon the formation of a local conservancy district to maintain the dikes completely.

Mr. OVERTON. The amendment is the local contribution of the Senator from Ohio [Mr. TAFT], but it is not the local contribution which has been recommended by the Chief of Army Engineers. The amendment provides:

> Nothing in this act shall impose upon the United States any obligation, moral or legal, to maintain the dikes and levees repaired and reconstructed in this area or in any other area unless provided for by general law. The work shall not be undertaken until there has been formed under the laws of Ohio a conservation district covering the area in question.

But how much money are the local interests to contribute? Are they to hold the United States harmless against any claim for damages, a provision which applies to all flood-control projects? Are they to supply the right-of-way for the properties? None of those things have to do with the Army engineers, and no recommendation has been made by the Army engineers, because they wholly and utterly disapprove of the project.

Mr. President, if we adopt an amendment of this kind we enter the domain of "pork barrel" legislation, against which we legislated a number of years ago, when we provided that no project in reference to rivers and harbors, regardless of where situated, whether it be on a river or anywhere else, shall be considered by the Congress until there has been, first, an authorization for a preliminary survey and report—and none has been had in this case—and, second, until a report is made by the district engineer to the division engineer, then by the division engineer to the Board of Army Engineers for Rivers and Harbors; and then from that Board the matter must be referred to the Chief of Engineers, who passes on it, and thence to the Secretary of War.

We have guarded against "pork barrel" legislation and the injection into rivers and harbors bills and flood-control bills, or other bills, of legislation of this character, in order that we might conserve the interests of the Federal Goverment, and not have the funds of the Treasury expended merely on the presentation of some Senator who desires to have a project undertaken in his neighborhood or within the confines of his State.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BURTON. The Senator refers to his opposition to introducing items into flood-control and rivers and harbors bills. Let me ask if the pending bill, to which the amendment is offered, is a rivers and harbors bill or a flood-control bill.

Mr. OVERTON. It should be a rivers and harbors bill.

Mr. BURTON. I wish to point out to the Senator that the bill to which we have offered the amendment is itself a special bill for special relief in a special area, based on a disaster.

Mr. OVERTON. Oh, the Senator may call it that.

Mr. BURTON. That is precisely the situation here. This Ohio area was officially declared to be a disaster area, and the Red Cross provided relief there. I see no reason why we cannot provide relief in that distress area, just as relief is provided in a disaster area farther to the west, along the Missouri River.

Mr. OVERTON. Mr. President, there can be no area in the United States which needs flood control which is not an actual or a prospective disaster area. But the Senator's argument simply eliminates the matter of advice to the United States Senate—in fact, in this case it simply brushes it aside—because the Army engineers have reported against the project.

The main bill we are considering, which was introduced by the Senator from Missouri [Mr. CLARK], was submitted to the Corps of Army Engineers. They made a report upon it. That report was considered, and the bill was recommended for passage by the Senate Committee on Commerce. On the other hand, the amendment has been rejected by the Senate Committee on Commerce, and has been rejected by the Army engineers. It should be rejected by the Senate.

Mr. BURTON. Mr. President, will the Senator further yield?

Mr. OVERTON. I yield.

Mr. BURTON. I wish to emphasize the fact that this matter was submitted to the Army engineers. The estimate of $265,000, which is included here, is their estimate. The ground on which the

Army engineers declined to go ahead and recommend the project is that they are not authorized to construct these projects on lakes, as contrasted with rivers. That is why the amendment is offered—to show that when there is high water and high wind on a lake, the result is the same as when there is high water and high wind or windstorms along a river, which is precisely what was stated by the Senator from Missouri.

Mr. OVERTON. Mr. President, that is one of the grounds of rejection. Having rejected it, the Army engineers did not go into the question of local contributions. They did not go into other phases of the matter into which they would have gone under normal circumstances. They did not investigate such matters, because they rejected the item.

One of the grounds of rejection was that the Congress has authorized them to make a survey of the lake-shore areas throughout the United States. They are making that survey and will submit it to the Congress. When that report is made, Congress will act upon it and will formulate some plan of relief for lake-shore areas and for Atlantic and Pacific coastal areas.

Mr. BURTON. Mr. President, will the Senator yield to me again?

Mr. OVERTON. I yield.

Mr. BURTON. The survey to which the Senator has referred is the beach erosion survey. If we wait for that, the war will be over, the need for additional food will have passed, and the people who live in this particular area will have had their land under water for 2 years or more.

This matter is not one which merely involves a slight rise in the water along the regular shore line. In this case the people were protected in the use of their land by a dike which had been erected for approximately 45 years. That dike finally was washed out by the high water and heavy winds. This matter involves not only erosion, but flood and storms.

Mr. OVERTON. Mr. President, the ground upon which the Senator from Ohio defends the amendment represents an argument which can be made in favor of every flood-control and river-and-harbor project in the United States.

I think I have submitted my views on the matter. I yield the floor.

Mr. CLARK of Missouri. Mr. President, I know nothing about the special merits of this particular proposal. I am not familiar with the names of the men who originally built the dike, and I am not familiar with the facts about it. But I very sincerely hope that the amendment will be rejected, because to adopt the amendment will mean killing the bill. The effect of adoption of this amendment would be precisely equivalent to laying the bill on the table or defeating it by an outright vote. We know in advance that the House of Representatives will not accept any such proposal as that now presented. The amendment relates to a subject which is entirely separate and distinct.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I shall yield in a moment.

The amendment is a complete innovation and would establish a principle of appropriation which has never heretofore been recognized or adopted in this country and is on an entirely different theory.

The bill itself is an emergency measure, necessary to repair damage recently done, in order to bring into production very rich agricultural land. The amendment proposed by the Senator from Ohio has to do with an entirely different principle, namely, that of repairing damage done to an area over a year ago. As I have said, entirely irrespective of the merits of the matter, entirely irrespective of the question whether the United States should afford relief to areas along lakes where damage has been done, as well as to damaged areas along rivers, the amendment, if adopted, would be as certain to result in the defeat of the bill as would a motion, if made and agreed to, to lay it on the table.

Mr. AIKEN. Mr. President——

Mr. BURTON. Mr. President, the Senator said he would yield to me.

Mr. AIKEN. Mr. President, if the Senator will permit me to ask a question first, I simply wish to ask the Senator from Ohio or any other Senator what is the nature of the property which has been damaged by the breaking of the dikes, and who are the people who are concerned. Is the property industrial or agricultural?

Mr. CLARK of Missouri. I know nothing whatever about it.

Mr. OVERTON. It is partly agricultural and partly a resort area; partly urban and partly a resort for people of affluent circumstances, residing in the city of Toledo, Ohio.

Mr. AIKEN. Is it owned by various persons?

Mr. OVERTON. Oh, yes; the land has been sold to various persons.

Mr. BURTON. Mr. President, this area of 2,200 or 2,300 acres is occupied by 1,200 persons. About 400 different families reside there. The land is primarily agricultural. There are a few places which are used for summer recreation homes by people who live in the city of Toledo, Ohio. None of those homes are elaborate.

In about half of that area in 1942 450 acres of corn were raised, with an average production of 96 bushels an acre, or a total of 43,200 bushels. One hundred and two acres of wheat have produced 42 bushels an acre; 103 acres of sugar beets have produced 20 tons an acre; 60 acres of oats have produced 73 bushels an acre; 60 acres of barley have produced 38 bushels an acre; 100 acres of soybeans have produced 32 bushels an acre; 80 acres of alfalfa have produced 4 tons an acre, including three crops of alfalfa in one year. Furthermore, the people residing in that area raised hogs and cattle and sold them in 1942.

The area is one which contributes precisely the commodities to which Marvin Jones referred when he wrote to the President and indicated that this is the kind of area he wishes to preserve in these times, in order that the people residing there may produce food for themselves and also food for sale. The area is valuable for housing purposes and for food-raising purposes during the war.

I wish to point out to the Senator from Missouri that the amendment is precisely what he says his bill is. It is an emergency mattter. There has been a disaster there. The floods occurred in July and October, and this is the first season after that.

The project is a comparatively small one. Therefore, it does not involve the number of dollars of appropriations which a larger item would involve. But the issue is the same.

Let me say furthermore that I do not know how the Senator from Missouri knows what the action of the House of Representatives will be on this bill.

Mr. CLARK of Missouri. Mr. President, let me say that is because I have been notified by the Member of the House of Representatives who will be in charge of the bill that he will not receive or accept such an amendment.

Mr. BURTON. Does that Member of the House of Representatives completely control the House of Representatives?

Mr. CLARK of Missouri. He very largely does in this matter.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. OVERTON. It is a fact, is it not, that this project has been peddled all around through the governmental agencies, and finally has wound up with the Corps of Army Engineers. An effort was made to induce the President to use his emergency fund for the purpose. That was rejected.

It is true there is a report from the War Food Administration that some good food will be produced; but I can show the Senator countless acres of land in Louisiana where wonderful food can be produced at much less cost than the cost at which food can be produced in this area.

Mr. BURTON. I do not believe it is fair to say that it has been peddled all around. This is an area which needs relief. The people in that area have tried to obtain relief where it has been proper to do so. They properly asked for relief from the emergency fund. They properly asked for relief from the Army engineers. The Army engineers reply that the Congress has not authorized relief on the lakes as it has on the rivers. That is why this amendment is presented at this time, because Congress is the only agency which can act in this matter.

Mr. AIKEN. Mr. President, may I ask the chairman of the committee or the Senator from Missouri a question? If the Army engineers had recommended this project, would the chairman of the committee or the Senator from Missouri have been inclined to consider it favorably?

Mr. CLARK of Missouri. I certainly would not be inclined to consider favorably such an amendment to the pending bill, because it is on an entirely extraneous subject.

Mr. AIKEN. Would the Senator be inclined to consider it favorably if it had been recommended by the Army engineers?

Mr. CLARK of Missouri. If it had been recommended by the Army engineers, I would give it the fullest consideration as a member of the Commerce Committee. I would not under any circumstances be willing to accept an amendment which I know would kill the bill.

Mr. AIKEN. How else could this project receive Federal help?

Mr. CLARK of Missouri. In the ordinary course of legislation. That is the only way in which anyone receives relief.

Mr. AIKEN. Do I correctly understand that the Red Cross considers this a disaster area, and has extended aid?

Mr. CLARK of Missouri. I had not heard of the matter until it was brought up in the Senate.

Mr. AIKEN. The Senator from Ohio [Mr. BURTON] nods his head.

Mr. BURTON. The county declared it to be a disaster area. The Red Cross rendered relief in that area, as it would in any other disaster area. There is no question about it being a disaster area.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. BURTON]. [Putting the question.]

Mr. BURTON. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The ACTING PRESIDENT pro tempore. The bill is before the Senate and open to amendment. If there be no further amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H. R. 4793) was ordered to a third reading, read the third time, and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 1887 is indefinitely postponed.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes.

Mr. HAYDEN. Mr. President, before we take up the bill for amendment, perhaps I should make a brief statement with regard to what it contains.

The amount of the bill as it passed the House was $87,652,580. The amount added by the Senate was $35,976,765.36. The amount of the bill as reported to the Senate is $123,629,345.36.

I wish to compare that total with the appropriations heretofore made for the Department of the Interior. For the fiscal year 1942 the appropriations for that Department were $272,365,000. In 1943, realizing that war was coming on, and for that reason expenditures not essential to the war effort might be reduced, the amount appropriated was $198,122,000. In that year, after we got into the war, and after the Budget estimates were made up, the Secretary of the Interior asked that his budget be reduced by $10,000,000. He showed a very excellent spirit in that respect.

The principal items of increase in the bill are in the Bureau of Mines and in the Reclamation Service—about $15,000,000 in each. I shall give a detailed explanation of them. The remainder of the increases are principally the restoration of Budget estimates. The House committee made reductions in Budget estimates in approximately 220 instances. The Department requested restoration in about 180 instances. The committee felt, inasmuch as the appropriations in the bill had been materially reduced compared to similar bills for former years, that certain restorations could well be made.

RECREATIONAL FACILITIES FOR SERVICEMEN—STOP-OVER STATION AT LEXINGTON, KY.

Mr. CHANDLER. Mr. President, stop-over stations and stage-door canteens in America for the benefit of the men in our armed forces and those of our allies have contributed greatly to the happiness and pleasure of our soldiers.

My attention has been called to one such facility at Lexington, Ky., which has made an outstanding record. Mrs. Desha Breckinridge is chairman of the committee which sponsored this stop-over station. I have received a letter regarding this activity from a member of the veterans' organization at Lexington, a very good friend of mine, Mr. V. L. Slade. This is an outstanding achievement, and the people of Lexington, Ky., are to be particularly complimented on this fine service to the men in the armed forces. Those responsible for the station are entitled to citation by the service command for their zealous devotion to the public welfare.

I ask unanimous consent that the letter from Mr. Slade, telling of the activities of this station, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STOP-OVER STATIONS, INC.,
Lexington, Ky., May 19, 1944.

Hon. A. B. CHANDLER,
Washington, D. C.

DEAR HAPPY: Kindly refer to the CONGRESSIONAL RECORD Appendix as of May 11, 1944 to the speech of the Honorable MARION T. BENNETT of the Sixth Missouri Congressional District, relative to War Dads canteen on page A2277.

We wonder if you have overlooked what is considered the best serviceman's canteen in the United States of America and all points West located here in your own back yard. I refer to the Stop-Over Stations in Lexington, Ky.

These stations were in full operation March 1, 1942, organized in November 1941 before Pearl Harbor. At that time there were only a few servicemen here in Lexington these being with the R. O. T. C. at the University of Kentucky. In other words we were serving the man in uniform before he became popular and a sure bet.

Our stations were organized by the veterans' groups, and started with the large size sum of $85 in the treasury. Our purpose was to offer a friendly hand to the boys who were passing through, hence the name Stop-Over Stations.

As our armed forces grew and thousands were stationed here in our community we naturally grew with them and extended our services. Since September 1942 we have had sleeping accommodations for 200 men, of course free. We also have a colored branch as shown on letterhead and feed and house them also free.

Just to give you an idea of the size of this project it costs us $28,000 last year to operate and at least 50 percent of our food was donated by the people of this vicinity. This food donation amounted to at least an additional cost of $500 if we bought it on the market each month. This would have been an additional cost of $6,000. The local laundries each take a month apiece doing our laundry free. This is a saving of at least $2,000 a year. All of this makes the cost of operation at least $36,000 a year and that ain't hay. Our total cost of help ran only $4,000 a year due to the fact that we have 300 senior hostesses and 400 junior hostesses as well as the groups listed above helping to do all the work. Ours is not a doughnut canteen. Full meals are served at all hours. Boys who wish to catch any bus or train are called at any time.

The Stop Over has never sent house to house solicitors for funds. Your wife and daughter attended our formal opening and we had the pleasure of a song from your daughter.

We wish that you would take time off to investigate the record of the Stop-Over Stations and if the Honorable Congressman from Missouri has news that can get into the CONGRESSIONAL RECORD and a citation from the service command, God knows that you have a chance to put Kentucky and the blue grass before the entire Nation as well as the CONGRESSIONAL RECORD.

HOWS about it HAPPY?

Very truly yours,

V. L. SLADE,
(*Squash*).

SHIPMENT OF FARM MACHINERY TO FOREIGN COUNTRIES UNDER LEND-LEASE

Mr. LANGER. Mr. President, a few days ago I brought to the attention of the Senate the matter of shipping farm machinery to foreign countries under lend-lease. I desire to read a brief article which appeared in the Washington Times-Herald, in the column entitled "Capitol Stuff," by John O'Donnell, dealing with the problem of farm machinery:

W. P. B. Chief Donald Nelson is personally investigating the farm-machinery situation, which some farm leaders believe has in it the elements of a first-rate scandal. Nelson's assistants in charge of contract allotments for this essential machinery are alleged to have favored the big manufacturers. These industrialists have fallen down on their quotas. The result threatens to upset the War Food Administration's 1944 food-production plans.

Lend-lease shipments of farm machinery are moving on schedule to Russia and Great Britain. The alleged stall on domestic manufacture is reported due to refusal of the Big Eight to increase subcontracts among little manufacturers, fearing loss of post-war control over production and distribution. Nelson is looking particularly into this phase of the matter.

There is now a savage behind-the-scenes melee going on between Judge Marvin Jones' Food Administration and the Farm Machinery Division of Nelson's W. P. B. But both sides are taking seriously F. D. R.'s famous edict, at the time of the HENRY WALLACE-Jesse Jones public brawl, to the effect that the next administration official who howls his woes to the Nation's press can send his resignation

to the White House along with it. On the spot at the moment are two W. P. B. chiefs in charge of farm-machinery production—Col. Charles Deere Wiman (grandson of John Deere, of the Deere farm-machinery industry) and William K. Frank, copper products magnate.

I may add, Mr. President, that this is at the very time when my mail is flooded with letters from North Dakota to the effect that the farmers there cannot obtain combines, binders, drills, corn planters, or any other kind of machinery, nor can they obtain repairs. I have a nephew who is farming in that area. In order to get a combine, he had to go all the way to Oklahoma to purchase it and he had to agree to harvest a certain amount of the crop on the way back, which meant that he had to leave his farm for a period of 6 weeks in order to get a combine from Oklahoma and take it to North Dakota so that he could harvest his crop.

At the very same time, as Mr. O'Donnell says, combines and binders are being sent to Russia, Great Britain, and other countries. As a matter of fact, we cannot even obtain parts to repair the machinery we now have.

ORDER OF BUSINESS

Mr. BRIDGES obtained the floor.

Mr. McCARRAN. Mr. President, will the Senator yield to me in order that I may submit an amendment to a bill and make a brief statement in connection therewith? The statement will occupy about 10 minutes.

Mr. BRIDGES. I do not wish to yield for that purpose. I am sorry.

TERMINATION OF WAR CONTRACTS—LIMIT OF EXPENDITURES

Mr. LUCAS. Mr. President, will the Senator from New Hampshire yield to me for the consideration of several Senate resolutions?

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from New Hampshire yield to the Senator from Illinois?

Mr. BRIDGES. I yield.

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, without amendment, Senate Resolution 288, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 288), submitted by Mr. MURRAY on May 2, 1944, was considered and agreed to, as follows:

Resolved, That the limit of of expenditures under Senate Resolution 198, agreed to February 8, 1942, which authorized the War-Contracts Subcommittee of the Committee on Military Affairs to investigate war contracts, termination of war contracts, and related problems, is hereby increased by $10,000.

INVESTIGATION OF THE USE OF PUBLIC LANDS—LIMIT OF EXPENDITURES

Mr. LUCAS. From the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably, with an amendment, Senate Resolution 294, and ask unanimous consent for its present consideration.

There being no objection, the Senate proceeded to consider the resolution (S. Res. 294) submitted by Mr. McCARRAN on May 17, 1944, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, on page 1, line 6, after the words "increased by" to strike out "$10,000" and insert "$5,000", so as to make the resolution read:

Resolved, That the limit of expenditures under Senate Resolution 241, Seventy-sixth Congress, agreed to May 24, 1940, and Senate Resolution 147, Seventy-seventh Congress, agreed to September 8, 1941, and Senate Resolution 39, Seventy-eighth Congress, agreed to January 23, 1943 (relating to the investigation of the use of public lands), is hereby increased by $5,000.

The amendment was agreed to.

The resolution as amended was agreed to.

CONTINUATION OF SPECIAL COMMITTEE ON CONSERVATION OF WILDLIFE RESOURCES

Mr. LUCAS. From the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably, without amendment, Senate Resolution 293, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 293) submitted by Mr. CLARK of Missouri on May 17, 1944, was considered and agreed to, as follows:

Resolved, That the authority contained in Senate Resolution 246, agreed to April 17, 1930, authorizing a special committee to investigate the conservation of wild animal life, hereby is continued from February 1, 1944, to the end of the Seventy-eighth Congress; and the said committee hereby is authorized to expend from the contingent fund of the Senate $6,500 in addition to the amounts heretofore authorized for such purpose.

POSTPONEMENT OF MOVING DAY FROM SLUM AREAS OF THE DISTRICT

Mr. BILBO. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. BILBO. Mr. President, from the Committee on the District of Columbia I report favorably, without amendment, Senate bill 1941, to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended, and ask unanimous consent for its present consideration. The bill would postpone the day of moving by occupants of slums of the District of Columbia. We are anxious that the bill be passed by the Senate so that it may be considered by the other House before July 1, because if the bill is not favorably acted upon by that time the dwellers affected by the bill will be forced to move.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1941) to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 (b) of the act known as the District of Columbia Alley Dwelling Act, approved June 12, 1934, be amended to read as follows:

"(b) On and after July 1, 1945, it shall be unlawful to use or occupy any alley building or structure as a dwelling in the District of Columbia."

SEC. 2. That section 6 of such act be amended by striking "1944" and inserting in lieu thereof "1945."

AMERICA'S WAR AIMS

TRANSFER OF NAVAL VESSELS TO ALLIED POWERS

Mr. BRIDGES. Mr. President, before commencing my prepared remarks I should like to speak briefly on a subject which I feel typifies the actions on the part of the administration and which is disturbing the minds of the American people.

Reports have reached me that one or more units of the American Navy have been transferred to Russia. I have heard of at least one particular cruiser—and attempts have been made to seek either a confirmation or a denial of this information which has been bandied about among many persons for the past few days.

I believe, Mr. President, that the American people and that the American Congress are entitled to know the truth. I think that this is an example of where frankness should be the keynote.

I have supported the entire war effort. I have supported lend-lease, both in its original passage, the renewal of the act, and the appropriations for it. A substantial part of lend-lease has gone to Russia. We have given them tanks, planes, guns, ammunition, food, machinery, and other vital materials. I am in favor of doing all this. The American people are in favor of it. But if we have transferred, or intend to transfer any units of our Navy to Russia, the story is a different one. This is particularly true when we are engaged in an all-out war with Japan which, by its nature, will be primarily a naval war.

Russia is at peace with Japan. Therefore, we, principally, must carry the entire load of our war with Japan with help from only some of our other allies.

In fact, Russia and Japan have a nonaggression pact which was signed on April 13, 1941, and which will not expire for 2 years, or until April 1946.

I cannot understand the purpose of the transfer of a vessel or vessels of our Navy unless it is a part of our patchwork policy of appeasing Russia. I think that the American Congress and the American people are entitled to a forthright statement clarifying the entire matter, and telling us whether we have transferred any units of the American Fleet, and the reasons for such transfer.

ISSUES INVOLVED IN AN ENDURING PEACE

Mr. President, the issues of the present mortal struggle, which has engulfed the whole world, are yielding to the irresistible and merciless might of the

United Nations. The long night of agonizing uncertainty is streaked with the first faint gleam of the dawn of victory. This is the day for which the suffering peoples of the earth have waited, toward which they have labored with unmeasured courage and determination. This is the day which promised liberation from the hand of tyranny, freedom from fear and freedom from want. This is the day that promised peace.

All of this was envisaged by President Roosevelt in his inspiring speech on the "four freedoms" of January 6, 1941, from which I quote:

In the future days, which we seek to make secure, we look forward to a world founded upon four essential human freedoms. The first is freedom of speech. The second is freedom of every person to worship God in his own way. The third is freedom from want. The fourth is freedom from fear.

And he went on to say:

That is no vision of a distant millenium. It is a definite basis for a kind of world attainable in our own time and generation. The world order which we seek is the cooperation of free countries, working together in a friendly and civilized society. This Nation has placed its destiny in the hands and heads and hearts of its millions of free men and women; and its faith in freedom under the guidance of God. To that high concept there can be no end save victory.

But, Mr. President, there must be some mistake. Even in the earliest morning hours of this day, which promised peace, there are ominous clouds of suspicion, misunderstanding hatred, greed, and confusion scudding across the horizon. A military victory is assured. That issue is no longer in doubt, but even before the final victory of arms is won, it appears, Mr. President, that the prospects of an enduring peace are more uncertain than ever. If a military victory is to be the only issue settled by this terrible ordeal of fire and sword, then quite obviously this was not and is not our war. The American people have not entered the lists merely for the sake of tilting lances. Even now, we are not fighting merely for the sake of fighting. We are not involved in this terrible struggle merely for the sake of bringing our knowledge of modern warfare up to date. The American people entered this war under the leadership of President Roosevelt, not just to save our own skins, nor to pull a few chestnuts out of this world conflagration for a few favored friends. If, ultimately, these prove to be the only reasons why we have girded ourselves through the past few years for the showdown of strength which is so imminent, if these are the only reasons why we have sacrificed our fortunes and our youth, then we have been tragically advised or misled.

Mr. President, because the matter which I am presenting is so urgent, from this point on, I shall address myself directly to the President of the United States.

President Roosevelt, the American people are not going to be content with a military victory only. We, as a people, are utterly in sympathy with your own sentiments which you expressed in a radio talk on May 27, 1941, wherein you said:

Today the whole world is divided between human slavery and human freedom—between pagan brutality and the Christian ideal. We choose human freedom—which is the Christian ideal.

We will accept only a world consecrated to freedom of speech and expression—freedom of every person to worship God in his own way—freedom from want—and freedom from terrorism.

This means that the American people are not going to rest content with any issue out of this present struggle which results merely in a reshuffled game of balance-of-power politics, either in Europe or in Asia. We are not going to welcome any new-fangled sort of imperialism and, well you know, the people, whose highest representative you are, will never acclaim any outcome of this present conflict which merely sows the seeds of another and more horribly devastating war in the predictable future.

These are the anxieties and concerns which weigh heavily upon us as the world awaits with bated breath, the opening of the costliest and bloodiest clash of flame, flesh, and steel ever visited upon mankind; for, if this struggle ends only in a military victory we shall have won nothing but an armed truce and we shall have proven recreant to our duty. Surely you, President Roosevelt, are fully aware that such will be our fate and such will be the fate of the distraught peoples of the earth, except the whole venture upon which we have launched becomes the instrument of a high and noble purpose.

The late Secretary of the Navy, Mr. Frank Knox, warned us of the folly of unprincipled policies in 1941 when he said in an Armistice Day address:

War breeds vengeance. Vengeance breeds hatred. Hatred breeds revenge. Revenge breeds war. The circle must be broken if peace is ever to come either to Europe or to any other part of the world. The whole weight of the United States must be thrown upon the side of making a peace, not of revenge, but of justice and righteousness.

The world has looked to you for reassurance and leadership. The faith of millions of your fellowmen has been grounded in the high ideals and the integrity of purpose which you have constantly woven into your dealings with other nations. There has been no lack of such noble purposes. The air has been filled with the majestic flight of ideals which have flown from your tongue and pen. But now, for some mysterious reason, that flight is lost to view. President Roosevelt, the truth of the matter is that for the first time in American history millions of American boys, girls, men, and women are being called upon to make the supreme sacrifice for the sake of an ideal which has lost its shape, its sound, and its content. In olden days, men went into conflict with a battle cry ringing in their hearts and on their lips—a battle cry fashioned for them by those into whose hands they had entrusted everything worth living, fighting, and dying for. Wrought into those battle cries were the honor and integrity of that state or nation which warriors of every age have so gallantly served.

President Roosevelt, it is not right that a free people, the freest people on earth, should be called upon to sacrifice their all while neither they themselves nor their loved ones on the battlefield nor even their highest legislative representatives know what the sacrifice is for. As of today, all of your former ideals and principles have taken cover beneath the empty slogans of "defeat Hitler," "destroy fascism." But surely you, our President, would not have us believe that these are adequate ideals or aims. With these phrases too much popular thinking has been content to stop, when actually, it is at this point where every high and noble purpose should begin. We have not gone to war merely to defeat Hitler, nor to win a test of strength by force of arms. Surely there must be something above and beyond all this for which and toward which we are striving. President Roosevelt, the whole world is breathlessly waiting on your every word for a renewal of the promises, the ideals, and the purposes which your spirit has so often envisaged and expressed. But there must be some mistake for the world waits in vain.

In this realm, your fellow men have a right to expect such a great hope from you, for your ideals and principles and purposes have long since been written into a record for all the world to read. For instance, on December 29, 1940, just a little more than 3 years ago, you interpreted the sentiments of the American people concerning tyranny and dictatorship, whether of the right or of the left, when you said:

No man can tame a tiger into a kitten by stroking it. There can be no appeasement with ruthlessness. There can be no reasoning with an incendiary bomb. The history of recent years proves that shootings and chains and concentration camps are not the transient tools but the very altars of modern dictatorships. They may talk of a new order in the world, but what they have in mind is but a revival of the oldest and the worst tyranny. In that there is no liberty, no religion, and no hope.

At that time you made no distinction between dictatorships in your utter condemnation of them. You, yourself, have declared a Communist dictatorship to be the epitome of ruthlessness by which to judge the Nazi regime, when on May 27, 1941, you said in a radio address:

The Nazi world does not recognize any god except Hitler; for the Nazis are as ruthless as the Communists in the denial of God. What place has religion which preaches the dignity of the human being, of the majesty of the human soul, in a world where moral standards are measured by treachery and bribery and fifth columnists.

You were speaking as a champion of the inalienable rights of your fellow men when you uttered these words. Yet since Teheran all these things have changed, President Roosevelt, the American people have a great admiration for any people who resist any and every aggressor, and our great and powerful ally, Russia, has superbly defended her soil and her very life. But again let me remind you that the American people have not

changed their minds concerning dictatorships. Great as is their admiration for the military prowess and stoical determination of the Russian people, they still prefer, above all else, the American way of life, and they openly disavow communism or a Communist nationalism. They are justly apprehensive of the policies and practices which such a way of life provides for securing a just and peaceful settlement of international problems and disputes.

Certainly the American people have not gone into this struggle for the purpose of turning over Europe to the control of any nation or group of nations, much less to substitute the terrors of one dictatorship for another. It is not and it has not been our intention to divide, actually or in effect, the war-torn European nations into special spheres of influence or to reduce this or that section of Europe under the control of any nation no matter how benevolently inclined such a nation might profess to be. In your silence on the prospects of establishing peaceful relations among free nations in Europe, let me remind you that only through a genuinely international organization which is all inclusive, wherein "all nations, great or small, victor or vanquished," may have equal opportunity to collaborate, can the highest purposes of the American people be realized. We have no desire to be a party to the establishing of any post-war organization which is to be dominated by one, two, three, or four nations.

Much less have we entered into our present military alliances in order that our own American ideals and principles shall be conditioned, if not altogether dictated, by either a prime minister or a dictator, or both. With great dismay we have observed the unilateral attacks upon the Atlantic Charter, the bold denials of this and that principle, the reservations and exceptions heaped one on the other.

Mr. Stalin, immediately following the Moscow Conference, launched upon a series of independent acts, every one of which was a violation of the principle of collaboration upon which we had agreed. First came the mutual assistance pact with the Czechoslovak Government-in-exile, then the Kharkov trials, then, in rapid succession, the entry of Russian troops into Poland without any statement that they came as liberators and not as conquerors; Pravda's rebuff of Mr. Willkie; the rejection of our good offices in settling the Polish dispute; the Pravda report of a separate peace negotiation between Britain and Germany; the unprovoked attack on the Vatican; the change in the Russian Constitution which established 16 constituent republics including the Baltic States; the recognition of Badoglio; and the demand for units of the Italian Fleet; with every act straining the relations between the Big Four.

Then, on February 22, Mr. Churchill announced complete accord with Mr. Stalin's views on Poland when he said:

> I cannot feel that Russia's demand for reassurances about her western frontiers goes beyond the limit of what is reasonable and just. Marshal Stalin and I also spoke and agreed upon the need for Poland to obtain compensation at the expense of Germany both in the north and in the west. Here may I point out that the term "unconditional surrender" does not mean that the German people will be enslaved or destroyed. It means, however, that the Allies will not be bound to them at the moment of surrender by any pact or obligation. There will be no question, for instance, of the Atlantic Charter applying to Germany as a matter of right and barring territorial transferences or adjustments in enemy countries.

On April 9 Mr. Hull announced to the world that—

> There has been discussion recently of the Atlantic Charter and its application to various situations. It points the direction in which solutions are to be sought; it does not give solutions. It charts the course upon which we are embarked and shall continue. That course includes the prevention of aggression and the establishment of world security. The charter certainly does not prevent any steps including those relating to enemy states, necessary to achieve these objectives.

Does this mean, President Roosevelt, that you have lost the initiative in Europe? Is this why you have permitted these attacks upon the very document which you helped to create to go unchallenged? Is this why you no longer talk about a peace which shall endure? Is this why the New York Times and the St. Louis Post-Dispatch of December 18, 1943, both quoted you as saying in your press conference—

> The Allied conferees were motivated by the general thought that they did not want another war in the lifetime of the present generation.

I quote from the Christian Century of January 5 to remind you of the reaction of the American people to such a compromise, if compromise it was:

> There was a time when the President talked of a lasting peace, a peace which would mean that never again would the sacrifices of war be required. Now, if this report is correct, in the informal intimacy of his press conference he says that what he and Stalin hope for is a peace that will last a generation. We do not believe that such a peace will satisfy the men who are doing the fighting or those at home who pray for them day and night. Peace for a generation is just another long armistice. Mankind demands something better than that.

Does this mean that already, at this stage of the struggle, you, the President of the mightiest and most glorious nation ever to grace the earth, have been compelled to compromise the ideal of an enduring peace? There must be some mistake. Surely you have not surrendered your hope that we shall be able to bring peace, a just and enduring peace, to this stricken family of nations. This is the ultimate problem we confront, and we respectfully urge you to reassure a waiting world. Let us hear you proclaim again that our highest motives, our noblest designs, are all for a peaceful world, where the "four freedoms" shall be secured to each and every nation. These are our peace aims; are they not? There is nothing to be ashamed of in them. We have no ulterior motives, no specially favored friends among the suffering peoples of the earth. We urge you to proclaim to them that all our resources, our good will, and our concern are directed toward the establishment of a society of nations wherein law and order, mutual helpfulness and understanding, shall prevail, and that we are opposed to every form of dictatorship now as before.

President Roosevelt, your continuing silence will give substance to our deepening fears that you have already surrendered our right to speak for ourselves, that you are no longer free to herald our ideals, our own American ideals and purposes, to our fellow men. Has it happened that because we are now bound together through an Allied military command we are no longer free even to reassure ourselves of the high resolves that move us? Must we, as a free people, as a sovereign nation, wait upon the rulers of empires and totalitarian states for the opportunity and the occasion to reiterate our own ideals? Are we no longer free to speak for ourselves in moral matters?

I assure you that we entered this war as a free people, and we shall emerge a free people. But in order that this may be accomplished we must continue to conduct our relations among ourselves and between our Nation and other nations in a manner worthy of a free people. To this end the American people are determined we shall not be a party to blind and brute forces of destruction, nor to the creation of means for the settlement of international disputes which, by their very nature, partake of the forces we despise. We are not free to act without restraint, in defiance of the moral precepts of decency and justice. We are not free to become accomplices of tyranny and oppression, unrestrained by a noble purpose. The whole wide world is waiting for assurance that we have not deserted membership in the moral universe.

President Roosevelt, your silence in our behalf is precipitating greater and greater uneasiness and misgiving. Your silence has become embarrassing and humiliating. Mr. Stalin speaks and you are silent. Mr. Churchill speaks and you are silent. General Smuts speaks and you are silent. Mr. Fraser and Mr. Curtin speak and you are silent.

These men are speaking in such a manner that with every passing day the prospects of an enduring peace become more and more remote. Are you acquiescing in these rampaging demands, which will surely scuttle any peace if left unchallenged?

You can well understand that only the sincerest concern prompts these questions which are thronging our minds, and you must be aware that we cannot help but discover more and more ground for our fears as each day brings to light more of your policies in the fruit they bear.

For instance, we know that Mr. Hull's announcement of American foreign policy will never secure the kind of peace we seek if it rests upon unity at any price with any nation, or clique of nations.

We know that your risking our whole future and the future of the post-war world on the good will of Mr. Stalin, as Forrest Davis tells us you have done, in his two articles in the Saturday Evening

Post for May 13 and 20, will never be accepted by the American people as their only safeguard against war and the threat of war.

Our misgivings increase not a little when we are further told by Mr. Davis that "Stripped to the bare essentials we fought in 1917 and we are fighting now, to prevent the mastery of Europe by one aggressive power. Should Russia, as the sole European power, display tendencies toward world conquest, our vital interests would again be called into account."

What does this mean? Does it not mean that World War No. 3 hangs on the slender thread of Mr. Stalin's future disposition and good will?

We are amazed to read in the same article that you, our President, have learned thus far in this war:

> That hereafter only countries with an abundance of manpower and resources plus huge industrial plants can engage in the business of war.

Do you wonder that the American people are uneasy over the prospects of peace in the future? If such a lesson is put into practice or such policies are continued much longer, with agitation for securing American bases all over the world, with a demand to make the Pacific an American lake, it is little wonder that increasingly shall we feel ourselves being drawn into a post-war world where no man or nation will be safe unless guns are carried on the hip.

The Washington Post of May 10 also carried a story of the three peacetime plans which the Navy has formulated in anticipation of almost any kind of situation to emerge from this war. As our President, which of these plans do you contemplate will most nearly suit our needs in the months and years to come?

In all this welter of uncertainty the people of these United States are convinced that any attempt to corner control of the international organization, about which we have heard so much talk, is doomed to failure at the outset if appeasement of a totalitarian state is made the cornerstone of such a policy.

President Roosevelt, we cannot see what kind of a peace you are planning after the military victory is won. On what basis will an organization for peace rest—on good will and understanding, or on a continuance of armed might and the balance of power?

Every indication is that in order to maintain any semblance of peace in the post-war world we must become a military people, with a military economy, ready to strike at any moment, armed to the teeth, suspicious, arrogant, coercing where we cannot win, condescending where we cannot dare to be magnanimous.

And, Mr. President, what are you going to do about all the promises that have been made as to how we shall feed and reconstruct and rehabilitate the world when the fighting stops? If we are going to be compelled to continue to put our resources into armies and navies, our manpower under conscription, our industry under the strain of producing armaments, we shall never be able to fulfill even a small part of our promises, and the "four freedoms" about which we have talked so much will become sheer phantasies.

Again, may I quote from the wisdom of the late able Secretary of the Navy, Frank Knox:

> There comes a time in the life of every man and every nation when principles cannot be sacrificed and when vital and essential rights can no longer be ignored, a time when to go further would mean that our own liberality and forebearance would be misunderstood.

What are our peace aims, Mr. President, and do they bode good or ill? Do they promise hope to a suffering and grief-stricken world? Do they seek to inspire confidence in the future? Are they universal in application, binding upon us all, permitting of no exceptions or reservations, tainted with no selfish or ulterior motives? Or, are they a patchwork of unprecedented and unpredicted necessities which will merely postpone the final issue of war itself to the not too far distant future? Why do you not take us, your own people, into your confidence, Mr. President? Is it because you wish to overwhelm us with joy when you suddenly pull a patchwork peace settlement out of your hat, or is it because the monster which you have helped to breed has broken its leash and is now at large?

There is no need for me to remind you that the questions I am raising are born of a deep devotion to our great America. From the first days when I saw the dark clouds of war gathering over our heads I warned our people of the danger that threatened and I have sought to do everything in my power to support and hasten preparations for our own adequate defense. From that day in March 1937 when I, together with five of my colleagues, voted against the enactment of the Neutrality Act, down through to the present hour I have vigorously supported every measure which would guarantee the safety of American ideals and the American way of life.

President Roosevelt, it is on this record that I stand when I now respectfully urge you to proclaim to the world the ideals for which you have thus far labored. Now is the time to reach an effective understanding with our allies concerning the ultimate peace aims which guide our common efforts toward the winning of this war. Now is the time to reach such a common goal. When the last blistering bomb has burst, there is little hope that what we could not attain and effect under the strain and incentive of a common fellowship in a common cause, could ever be realized through the cold and calculating concern of nations turned in upon themselves, brooding while they lick their wounds.

I urge you to proclaim to the world a statement of peace aims which are in keeping with the universal principles of the Atlantic Charter, and expressed in its plain and unmistakable language.

On a hundred battle fronts our young men and young women, the flower of our manhood and womanhood, are joined in battle with the foe. Surely no nation ever has had more cause than ours to be proud of the splendid record of heroic achievement or of the untiring and selfless sacrifice of its people. Stretched over the face of the earth the mighty arm of our joint military command has wrought valiantly. From the fox holes of the New Guinea jungles, through the desert African wastes, on to the jagged mountains of Italy, strong hearts and hands have borne our Stars and Stripes on to victory.

Now, while millions of our own men and women crouch in tense anticipation of the word which will plunge the human race into the most titanic and brutal battle of all time; now, when every nerve is strained to catch the first syllable of what will be for many of our men the last command they shall ever obey; now, President Roosevelt, while the American people, whose servant and leader you profess to be, are gathering themselves against the mighty shock of such a battle—lift up your voice in a clarion call proclaiming to the world that America has taken the moral leadership of humanity into its heart and hands.

Now is the time. This is the hour. Tomorrow may be too late. Let our fighting men the world around find new meaning in their sacrifice and a deeper inspiration in their striving. Lift them up above the filth and grime of empty hopes and dreams and spur them on to victory. President Roosevelt, give the word, and these men and women will give their lives to make your highest dreams come true.

Let America speak. You are our leader, President Roosevelt; speak the word which will set American ideals burning in every heart, lift up our beacon of liberty before the weary eyes of men. Proclaim to the ends of the earth that we seek to preserve American ideals and the American way of life, that we seek to restore the birthright of every human being as a creature of God, that we seek a reconstituted Europe which is free from terrorism, want, and despotism, that all peoples, so far as lies within our power, shall have an equal opportunity to enjoy the blessings and riches of this life secure from the designing greed of any and every nation. Surely President Roosevelt, we have no other peace aims and we shall never be a party to the attainment of any others. Again I respectfully urge you to speak in the name of the American people the hopes and dreams which have so richly blessed this land we love.

THE GOVERNMENT OF LIBERATION IN YUGOSLAVIA

Mr. WALLGREN. Mr. President, a few days ago our South American ally and United Nations' partner in the war against the Axis, the great nation of Brazil, officially froze the funds held in that country in the name of the Royal Yugoslav Government in exile. For some time now evidence has been mounting to show that the royal government in exile is not an active ally in our war against fascism.

In my own State of Washington in an action, perhaps the first on the North American continent, certainly the first in these United States, the State senate unanimously passed a resolution calling upon the State Department not only to

freeze the funds held in this country by the royal government in exile, but to extend de facto recognition to the government of liberation in Yugoslavia, whose provisional president is a distinguished Yugoslav jurist, Dr. Ivan Ribar, and whose marshal of its Partisan armies is Josip Broz, popularly called Tito.

To make the action of our State senate the more impressive, let me remind you, Mr. President, that the State legislature was then in extraordinary session to consider only the question of legislation to facilitate soldier voting. In fact, the Governor of the State has specifically requested that only that question be discussed. Nevertheless, so strong was popular demand and so urgent the need that the senate, both parties of that body consenting, suspended the rules in order to pass the resolution directed toward the State Department and to the Foreign Affairs and Foreign Relations Committees of Congress, urging Federal action to freeze the funds held in the name of the Royal Yugoslav Government, and recognition, de facto or de jure, of the people's government of Yugoslavia, officially known as the government of liberation.

Why there should be any hesitancy on the part of the State Department to extend recognition appears, to say the least, puzzling to me, in the light of recently disclosed facts. For example, on the anniversary of the birthday of America's great citizen soldier and liberator, Gen. George Washington, Prime Minister Churchill, in addressing the House of Commons in London, revealed that Marshal Tito and the Partisan forces have been our allies in Yugoslavia, while at least detachments and commanders under General Mihailovic have been aiding the Nazi enemy. The Prime Minister of Great Britain quite obviously should be in possession of the facts. His son, Capt. Randolph Churchill, at last report, was on duty with the Partisan armies in Yugoslavia. In that same speech, Prime Minister Churchill stated that more than 250,000 soldiers, men and women, were fighting in the ranks of the Partisan Army against the Nazis. He revealed that the Partisan forces, including the guerrilla arm of the army of liberation, had been engaging 14 of an estimated 20 Nazi divisions in the Balkans.

From the Prime Minister's own words we can therefore estimate what a debt we owe to these Yugoslav patriots who, after their official government had fled the on-rushing Nazi panzers, started from scratch to form a people's army and, through it, to establish the first second front in Europe. Bereft of arms and robbed of a questionable leadership by retirement from the scene of action of King Peter and his courtiers, the people of Yugoslavia—Croats, Slovenes, Serbians, Montenegrins, those on the Dalmatian coast and from the isles of the sea—united to wrest from the enemy the arms by which they fought the enemy himself.

Like our Continental Army of the Revolution, fighting for similar aims, they have been through a long Valley Forge, and are now increasing both their numbers and their unity in the war of liberation. It has been their glorious fight which has deprived Hitler of divisions in Italy which might have added to the difficulties of our own advance up the Italian boot. If adequate military and medical supplies and more food were available to the Yugoslav army of liberation, Marshal Tito now estimates that, instead of merely 300,000, a million men and women could be aiding us in the battle of southern Europe which is aimed at the inner fortress of the crumbling Reich. Marshal Tito himself, in asking for additional aid, has prophesied that with it the fighting armies of liberation of Yugoslavia could cross over into northern Italy and eventually join us at the Po in a mopping up of the Nazi divisions now operating in Italy.

If there were any doubt left in our minds about the relative roles played in this war on Yugoslav soil by Marshal Tito and the Partisan forces, as against Mihailovic, war minister of the government in exile, and his so-called Chetniks, that matter should have been cleared up in an article by A. C. Cummings, cabled from London by the great Southam Press to Canada on May 5. As reported in the Vancouver Province, of British Columbia, Cummings wrote, in part:

> The Yugoslav military mission now in London has left little doubt that General Mihailovic, leader of one group of Serb insurgents, and war minister in the exiled Yugoslav government, has been actively pro-German and has assisted the enemies of Yugoslavia in many ways.

Apparently the royal exiled government in London finally has repudiated Mihailovic for his aid to the enemies of the Yugoslav people and the United Nations. Until recently there was an effort on foot to rehabilitate the debunked Mihailovic myth.

It may not be long until, not a few, but many in the American and British Armies will know the truth about Yugoslavia. It is no secret that on D Day, or soon after, we may find our armies of invasion on Yugoslav soil, fighting to reach the southern bastion of Hitler's shrinking fortress in Austria. When that day comes, unless Mihailovic can be rehabilitated diplomatically, it will be impossible for the Government in exile to maintain control over the more than $90,000,000 to which they now have title, because they are the recognized Government of Yugoslavia. It is tragic irony that the money now being spent in propaganda in the United States—the money which in addition is being squandered in exaggerated salaries for the king and his courtiers—is money which the people of Yugoslavia badly need to aid us in defeating our common enemy, Hitler's Reich.

Tito and the Partisan armies need military and medical supplies now. Their struggles for us on the field of battle, their sacrifice of life's blood, have earned for them the right to be treated as equals among the United Nations. Today, instead of occasional aid in the form of international charity distributed to Partisan convalescent camps near Cairo and on the Island of Sardinia, full lend-lease assistance should be accorded this fighting vanguard of a democratic Europe. With this, they can save hundreds of thousands of lives of our boys during the impending battles. With it, they can strengthen the will to resist among the peoples held in Nazi thralldom beyond the frontiers of Yugoslavia, in Bulgaria, in Greece, even in Rumania, Hungary, and in Italy. The short and easy step to strengthening one of our greatest fighting allies in this war is through recognition of the Government of liberation of Yugoslavia as the sole agency on the soil of that country which is allied to us in our common battle against fascism.

A preliminary step of considerable importance can be taken now through freezing the funds held in the United States in the name of the royal government in exile, but which rightfully belong to the people who fight for Yugoslavia on Yugoslav soil. Brazil has led the way, but it is for us to complete the task, for America bears an extremely heavy responsibility toward the people of Yugoslavia. The funds which supply the defamers of the government of liberation and support the general who has given aid to the enemy, are funds held in American banks. It is a fact that while funds are also held in Britain in the name of the royal government in exile, it is the funds from America that pay the salaries of King Peter and the maintenance of his queen, the exiled Princess of Greece. A sum, which is estimated at approximately $500,000 a year, including maintenance, gives Peter the dubious honor of being the second highest paid ruler in the world, and one who apparently dares not return to his native soil. So apparently callous is the Royal Yugoslav squanderbund in London, that when funds were being raised to give small aid through war chest drives to the fighting forces of the Partisan army, King Peter contributed not a dime in behalf of the suffering democratic peoples of his own homeland.

Recently Marshal Tito requested the immediate freezing of the funds of Yugoslavia now held by the Royal Yugoslav Government in exile. So far, only Brazil has answered that request with action. In the light of the facts, can we do less than the people of Brazil have done? Certainly Marshal Tito, who is called the George Washington of Yugoslavia, and is considered one of the great generals of this war, deserves at least the negative aid in his battle for us which freezing of the funds held in America in the name of the Royal Yugoslav Government could now give.

Personally, like my own friends in the Washington State Legislature, and the thousands more in all walks of life in my State, who are members of the American Committee for Free Yugoslavia, I hope the United States will do much more officially. I will not be satisfied, and I am sure that any who will investigate the truth about Yugoslavia will not be content, until de facto recognition is extended to the government of libera-

tion which fights with unparalleled bravery and against great odds with us against Hitler, and which fights for a post-war democracy throughout the Balkans, which, while recognizing the right of private property, will end the threat of imperialism and of new wars sweeping from a Balkan tinderbox throughout the world. With the fighting Partisan armies we can best say, "Death to Fascism! Liberty to the people!" and mean it by officially freezing the funds held in America in the name of the Royal Yugoslav Government in exile, and by speeding the de facto recognition of the government of liberation.

REEDUCATION OF THE GERMAN PEOPLE THROUGH GERMAN PRISONERS OF WAR

Mr. WILEY. Mr. President, on one occasion Mr. Justice Oliver Wendell Holmes said something to this effect: "The thinker of today controls the future." The great football coach, Knute Rockne of Notre Dame, said something similar when he said "The idea is the thing." You and I, Mr. President, have seen the awful power of ideas—wrong and right ideas—change a world since we came to the Senate. This new world order we hear so much about cannot be brought about mechanically. It is not primarily a thing of pacts and agreements. It is not a question of laying out a pattern now, when no one can see the imponderables of the future.

If we are to change the world it becomes a matter of nations and people being reborn and that is a matter of getting hold of dynamic ideas which will push them over and past the limitations which bind them today. We can command the future righteously and constructively only if "we use our heads."

America can become adequate to weave a pattern of international peace and order only if she is filled with the idea of a great purpose.

We have expressed ourselves—and by "we" I mean our leaders in government—in lofty phrases and sentiments, but we must make sure that those ideas are translated into constructive action, and we must make sure that America remains doubly alert in the future in this fast-changing world, lest we prove recreant to our trust as trustees of great human values. There must be no more Pearl Harbors in our history.

I stress the need of remaining on guard and seeing to it that the Republic and its system of checks and balances remains intact. This calls for the American people to maintain a strong independent Congress.

We know that the Hitlers of the world acquired absolute power only when the legislative branch in those governments became subordinate and destroyed. In other words, no "check" remained. Under the Republic—and we are not a democracy—a strong independent Congress will always provide a check and a balance on the Executive and keep liberty and freedom safe.

A rubber-stamp Congress in time of war or of peace provides a menace to constitutional government. The safety of the Republic depends upon the healthy maintenance of the constitutional system of checks and balances.

Mr. President, I repeat, we all recognize the awful power of ideas to change a world, but I should like to ask, What is being done to change the ideas of the German prisoners who are in this country? Those prisoners, when the war is over, will go back into Germany. Will we have sold them the validity of republican ideas, or will we miss that boat? Will they still be creatures of Hitler's philosophy when they get back to Germany, or will they become disciples of the American concepts?

What educational program, if any, are we putting into effect within these prison camps? The Congress of the United States has no information as to what we are doing. We are unacquainted with the facts relating to the conditions under which German prisoners are held captive within the United States. We know of no educational program relating to the welfare of those prisoners, or what is being done that they may become disciples of liberty when they return to their mother country. There are, I am informed, more than 200,000 German prisoners in this country, which fact constitutes either a potential menace to the future peace of the world, or a good influence for the future rehabilitation of their country and the world. I believe that those prisoners may be infiltrated with right ideas, and right thinking, and be converted to an appreciation of the cultural values and the great contributions that their country in the past has made to civilization. Their land has given great thinkers, great authors, great scientists, great musicians to the world—lovely things for man to live by. Goethe, Schiller, Beethoven, and a host of others have added beauty to living.

For more than a century the Germans who have emigrated to this country have made great contributions to the welfare, peace, and stability of the United States. I could mention numerous names, such as Carl Schurz, Charles Steinmetz, and others. In my own State, in every constructive field of human endeavor, the sons of Germany have made great contributions toward the American way of life.

To return these German prisoners to Germany when the war is over without at least making an effort toward their educational rehabilitation and appreciation of the aims of America in this global conflict, the great constructive ideas that Germany has given to the world, and the worthwhileness of the republican way of life, would negate our own war aims and fail to put out the fires that would make for another war.

We have read in the newspapers that the German prisoners by their conduct show absolute disrespect for American ideals, and are still Nazis at heart. I ask, What are we doing to antidote that condition? If the idea is the thing, if the condition of men's minds shapes the future, what are we doing in this situation?

We have heard much talk about reeducating the whole German Nation. What are we doing to impact the segment in our midst? I believe that a Senate committee should be created for the purpose of making a thorough investigation of this whole subject. After the investigation has been made it should file its findings with the Senate, such findings to recommend, among other things, what educational program should be put into effect now. I am certain that from such an investigation valuable information could be obtained that would throw light upon the procedure that should be followed in Germany when the war is over.

We know that the Goering youth are already educated and being prepared mentally for the next war. If these German prisoners could go back into Germany reconverted to a keener appreciation of spiritual, human, and cultural values, and the value of democratic ideas and ideals, this might provide the very ferment that would antidote the philosophy that has been bred into this new generation of German youth.

What are we doing about it, Mr. President? Are we asleep? Are we failing to grasp this great opportunity which is now at hand?

Mr. President, if this idea meets with any approval of my associates in the Senate, I will shortly hereafter introduce a resolution to create a committee for the purpose of making such an investigation and reporting its findings to the Senate.

Mr. President, I conclude with the thought with which I started, by quoting Justice Oliver Wendell Holmes: "The thinker of today controls the future."

THIRTY-PERCENT CABARET TAX

Mr. McCARRAN. Mr. President, I send forward and ask to have read an amendment to House bill 4464, to increase the debt limit of the United States.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the proper place in the bill, it is proposed to insert a new section, as follows:

SEC. —. Reduction of war-tax rate on cabarets, roof gardens, etc.

(a) Reduction of rate: Section 1650 is amended by striking out "30 percent" where it appears in the table therein as the war-tax rate on cabarets, roof gardens, etc., and inserting in lieu thereof "10 percent."

(b) Effective date: The amendment made by subsection (a) shall be applicable only with respect to the period beginning at 10 a. m. on the first day of the first month following the date of enactment of this act.

Mr. McCARRAN. Mr. President, prior to April 1 there was an unprecedented demand for the entertainment afforded in cabarets throughout the country. The owners of cabarets throughout the country, contemplating a falling off in business by reason of the 30-percent tax, made inquiries with respect to interpretations of the Revenue Act of 1942, which defines a cabaret as a place furnishing public performances. These interpretations were sought not for the purpose of circumventing the law, but for the purpose of obtaining interpretations for the individual cafe owner to decide

whether his place of business with his particular type of entertainment would be subject to the new 30-percent tax.

The Revenue Act of 1942, section 622, in referring to section 1700 (e) (1), excepts instrumental or mechanical music alone from the application of the tax. In other words, any place of business described in that section that has only instrumental or mechanical music is not subject to the tax. Under the 5-percent tax, although this exception was in the law, it is safe to state that in no case was any attempt made to obtain an interpretation, and so a 5-percent tax was paid. As a result of various interpretations cabarets throughout the country advertised that up to a certain hour there would be no cabaret tax. In fact, in the city of Washington, any newspaper which contains advertisements of cabarets includes advertisements from numerous establishments prominently displaying announcements that there is no cabaret tax up to a certain hour and in certain rooms, all in accordance with the interpretations of the revenue act.

By reason of the 30-percent tax and the interpretations sought by reason of this high tax, the Government is being deprived of millions of dollars. In the city of New York alone, there are two very well-known establishments which formerly paid a 5-percent tax on their gross business, which in each case was approximately $100,000 a month. By reason of the 30-percent tax and the exceptions set forth in the Internal Revenue Act of 1942 both these places now have only instrumental music, and the Government fails to collect the 5-percent tax formerly collected.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield in order that I may make an observation?

Mr. McCARRAN. I yield.

Mr. WALSH of Massachusetts. Evidence has been referred to by the Senator from Nevada with reference to the result of the entertainment tax in New York City. Similar evidence has been presented to me by various persons in my own State, such as those engaged in the hotel and restaurant business where cabaret entertainment is furnished. The evidence shows that a great loss in revenue has been suffered by the Government, and in some instances it has been necessary to discontinue business. I have rarely received in connection with any legislation a greater number of protests than I have received with reference to the cabaret tax.

May I ask the Senator if he contemplates making an effort to reduce the tax?

Mr. McCARRAN. I have had read from the desk an amendment which I shall offer to the debt-limit bill. We had an amendment prepared to the tax simplification bill which was passed the other day. The chairman of the committee requested us not to offer the amendment to that bill, stating that he would have no objection to our offering it to the debt-limit bill which will come before the Senate later.

Mr. WALSH of Massachusetts. So we shall all have an opportunity to register our votes on that question when the debt-limit bill is before the Senate.

Mr. McCARRAN. That is correct.

There is no question that these places dispensed with entertainers and stopped their patrons from dancing so as to avoid the 30-percent tax and maintain their gross business at its former level, with the result that now, with instrumental music only, they are able to maintain their business, and the Government is being deprived of approximately $10,000 a month in revenue from both of these places. It is safe to state that throughout the country there are similar instances one hundredfold.

The purpose of the revenue act and the increase in cabaret taxes to 30 percent was to obtain revenue. This highly confiscatory and discriminatory tax has proven a failure in its first month of operation. By reason of the tax numerous places throughout the country are being forced to close. Hence, the source of the revenue is lessened. Then, again, in order to avoid the tax by reason of the exception in the law, many places have already discharged their entertainers and are continuing to do so, throwing thousands of actors out of work. With the shutting down of these places and the falling off in business, not only are actors being forced out of work, but, likewise, waiters, cooks, and bartenders who are employed in these places. Many industries closely allied to the cafe industry are likewise directly suffering from the loss of business suffered by cabarets. Purveyors of foodstuffs, alcoholic beverages, supply men, costumers, repairmen, carpenters, and all industries which either supply or service the cafe industry have suffered a tremendous loss by reason of the falling off in business. It must be borne in mind that the gross business of the cafe industry throughout the country is $600,000,000. As an example of the falling off in business, the following are the figures from the leading places in the cities of Boston and New York:

Name	Mar. 1 to 25	Apr. 1 to 25	Cocktail lounge
Latin Quarter (Boston)	$56,617.14	$39,806.58	$13,044.92
The Mayfair (Boston)	32,240.35	17,582.88	4,949.10
El Morrocco [1]			
Hurricane	78,754.55	50,396.67	
Versailles	77,374.92	56,461.69	4,737.50
Village Barn	30,009.10	24,575.52	
Billy Rose	106,878.00	68,342.00	
Leon & Eddies [2]			

[1] Average loss, $250 a day.
[2] March 1943, $68,519.85; March 1944, $80,441.20; April 1943, $49,561.44; April 1944, $44,254.06.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. WALSH of Massachusetts. I may say that similar figures have been presented to me by the establishments named by the Senator, and I have every reason to believe that they are correct. I have also personal knowledge that very great injury has been done to these businesses. As I said before, some of them have closed and many of them will be obliged to close their doors and be wiped out of business if this tax is not repealed.

Mr. McCARRAN. I am very grateful to the Senator for his contribution. I have received many letters and much correspondence dealing with institutions and places in the Senator's State and in other States of the Union as well, which fortify the contention I am making.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. DAVIS. Do the figures stated by the Senator represent the loss of income to the Government or the loss to the places which are carrying on that sort of business?

Mr. McCARRAN. They represent a loss of business and of income to the institution, and, of course, a loss of revenue to the Government follows.

Mr. President, the figures I have cited represent class spots in the cities of New York and Boston. In this connection, it must be borne in mind that the city of New York is the entertainment center of the world, and we must look at conditions in the small places throughout the country which are greatly suffering by reason of this tax.

In other cities throughout the country business has taken a drop which makes it clear and evident that the purpose of the revenue act in attempting to create revenue has been defeated by its own terms, because it must be borne in mind that, with the falling off in business, the over-all tax situation is greatly affected, since the Government not only loses in admissions taxes but likewise loses with the shutting up and closing down of business additional revenue heretofore received in the form of income taxes not only from the cabarets but those industries relying on the cabarets for their income.

In the city of Chicago the leading establishments suffered as follows: Rio Cabana, business off 30 percent; Panther Room, business off 25 percent; Boulevard Room, business off 30 percent; Empire Room, business off 25 percent; Chez Paree, business off 30 percent; Marine Room, business off 25 percent; Latin Quarter, business off 30 percent.

In Hollywood, Calif., grosses in leading places fell off from 20 to 50 percent. Earl Carroll's theater restaurant, one of the leading places in Los Angeles, sustained a loss of $1,500 a night since the inception of the 30-percent tax.

The only method for the Government to raise money in the form of taxation on admissions to cabarets is by having a fair and equitable tax. A tax of 10 percent will prevent places from closing down, prevent unemployment, be fair to members of the armed forces who frequent these places, and in the final analysis bring in to the Government the added and additional revenue originally contemplated by the Internal Revenue Act of 1943. A fair tax of 10 percent will not destroy this business and industry. If the 30-percent tax continues, the entire industry faces ruin and destruction. The conclusion from this is very clear: That the Government will never receive either the original revenue heretofore received under the 5-percent tax nor the contemplated revenue at the time of the

passage of the Internal Revenue Act of 1943, which taxed admissions in cabarets at the rate of 30 percent.

The best evidence that the industry faces ruin and prominent places and small places will close down is that the Marine Roof of Brooklyn's Hotel Bossert announced on April 29 that it was closing this room because of the 30-percent tax. This room has been a favorite for 28 years. Especially in the summertime was this room a popular dining and dancing place, because it was located on the roof of the Bossert Hotel and overlooked New York's harbor.

In my opinion, time is of the essence. Any relief must come immediately, since once these places shut down and business continues to fall off at the rate it has, it is impossible to estimate how long it will take before business reaches its plane prior to April 1.

Mr. President, the Revenue Act of 1943 with respect to admissions in roof gardens, cabarets, and so forth, by its own terms defeated its purpose by fixing the cabaret tax at 30 percent. Delay at this time in passing legislation to reduce the 30-percent tax to 10 percent will likewise defeat the purpose of relief.

APPROPRIATIONS FOR THE INTERIOR DEPARTMENT

The Senate resumed the consideration of the bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes.

The PRESIDING OFFICER (Mr. BURTON in the chair). The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Office of the Secretary—Salaries," on page 2, line 2, after the word "elsewhere", to strike out "$1,222,420" and insert "$1,306,480."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Solicitor," on page 2, line 9, after the word "field", to strike out "$224,843" and insert "$243,900."

The amendment was agreed to.

The next amendment was, under the subhead "Division of Territories and Island Possessions," on page 2, line 12, after the name "District of Columbia", to strike out "$115,580" and "$155,580."

The amendment was agreed to.

The next amendment was, under the subhead "Grazing Service," on page 2, line 23, after the word "exceed", to strike out "$25,000" and insert "$30,000"; in line 24, after the word "vehicles", to strike out "$977,740" and insert "$1,041,000", and on page 3, line 3, after the words "in all", to strike out "$1,017,740" and insert "$1,081,000".

The amendment was agreed to.

The next amendment was, on page 3, line 10, after the numerals "1934", to strike out "$105,000" and insert "$125,000".

The amendment was agreed to.

The next amendment was, on page 3, line 17, after "(52 Stat. 1033)", to strike out "$8,000" and insert "$9,000".

The amendment was agreed to.

The next amendment was, under the subhead "Petroleum Conservation Division," on page 4, line 6, after the word "vehicles", to strike out "$200,000" and insert "$214,000".

The amendment was agreed to.

The next amendment was, under the subhead "Soil and Moisture Conservation Operations," on page 4, line 20, after the word "including", to strike out "$100,000" and insert "$105,000"; in line 25, after the word "exceed", to strike out "$4,000" and insert "$5,000"; and on page 5, line 2, after the word "vehicles", to strike out "$1,200,000" and insert "$1,300,000".

The amendment was agreed to.

The next amendment was, on page 5, line 23, before the word "for", to strike out "$8,000" and insert $10,000"; and, on page 6, line 5, after the name "Department of the Interior", to strike out "$525,000" and insert "$530,000."

The amendment was agreed to.

The next amendment was, on page 6, after line 6, to insert:

Payments of wards, war minerals claims: To complete payment of awards made by the Secretary of the Interior in accordance with the act of May 18, 1936 (49 Stat. 1355), amending the War Minerals Relief Act of March 2, 1919, and as authorized by the act of April 4, 1944 (Public Law 284), $54,775.82: *Provided*, That the settlement of awards under this appropriation shall be made through the General Accounting Office.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, Department of the Interior," on page 7, line 25, after the words "provided for", to strike out "$164,000" and insert "$168,000."

The amendment was agreed to.

The next amendment was, on page 8, line 12, after the word "Department", to insert "payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members"; and in line 16, before the word "and", to strike out "$500" and insert "$2,500."

The amendment was agreed to.

The next amendment was, under the subhead "Printing and Binding," on page 9, line 3, before the words "of which", to strike out "$200,000" and insert "$205,000."

The amendment was agreed to.

The next amendment was, under the heading "Bonneville Power Administration," on page 10, line 2, after the word "exceed", to strike out "$3,686,540" and insert "$3,940,540", and in line 9, after the name "District of Columbia", to insert a comma and "and not to exceed $485,000 of the construction funds in said unobligated balance shall be available for the construction of the transmission line from the Grand Coulee Dam to Brewster, Wash."

The amendment was agreed to.

The next amendment was, under the heading "United States High Commissioner to the Philippine Islands," on page 11, line 4, after the word "expenses", to strike out "$98,160" and insert "$115,675", and in line 5, after the word "exceeding", to strike out "$5,200" and insert "$10,000."

The amendment was agreed to.

The next amendment was, under the heading "Office of Fishery Coordination," on page 12, line 8, after the name "Department of the Interior", to strike out "$290,000" and insert "$300,000."

The amendment was agreed to.

The next amendment was, under the heading "Solid Fuels Administration for War", on page 13, line 7, after the word "services", to strike out "$4,669,200" and insert "$5,025,000."

The amendment was agreed to.

The next amendment was, on page 13, after line 11, to insert:

Fuels conservation: For all necessary expenses of the Solid Fuels Administration for War in carrying out a Nation-wide program of fuel conservation, including the preparation for and dissemination of fuel conservation information by various media (including radio, and still and motion pictures to be commercially made and released); such expenses to include personal services in the District of Columbia; not to exceed $100,000 for the employment of technically qualified persons or organizations, by contract or otherwise, without regard to section 3709 of the Revised Statutes, or the civil-service and classification laws; printing and binding; travel expenses, including attendance at meetings of organizations concerned with the purposes of this appropriation, and actual transportation and other necessary expenses and not to exceed $10 per diem in lieu of subsistence of persons serving, while away from their homes, in an advisory capacity without other compensation from the United States, or at $1 per annum; books of reference, periodicals, and newspapers; office supplies; furniture and equipment; purchase, maintenance, repair, and operation of passenger-carrying automobiles; reimbursement at not to exceed 3 cents per mile of employees for expenses incurred by them in official travel in privately owned automobiles within the limits of their official stations; and the acceptance and utilization of voluntary and uncompensated services; to be immediately available, $700,000: *Provided*, That section 3709, Revised Statutes, shall not apply to any purchase under this appropriation when the aggregate amount involved does not exceed $300.

The amendment was agreed to.

The next amendment was, under the heading "General Land Office," on page 15, line 3, before the word "including", to strike out "$850,000" and insert "$871,000."

The amendment was agreed to.

The next amendment was, on page 15, line 14, after the word "proceedings", to strike out "$20,000" and insert "$24,000."

The amendment was agreed to.

The next amendment was, on page 15, line 23, after the word "Secretary", to strike out "$500,000" and insert "$530,000."

The amendment was agreed to.

The next amendment was, on page 16, line 13, after the word "motorboats", to strike out "$370,000" and insert "$376,000."

The amendment was agreed to.

The next amendment was, on page 16, line 21, after the word "vehicles", to strike out "$174,000" and insert "$175,200."

The amendment was agreed to.

The next amendment was, on page 17, line 23, after the word "vehicles", to strike out "$300,000" and insert "$303,500."

The amendment was agreed to.

The next amendment was, on page 13, line 13, after the word "vehicles", to strike out "$40,000" and insert "$50,000."

The amendment was agreed to.

The next amendment was, on page 19, after line 4, to insert:

Payment to Department of Forestry, Oregon, and others: For reimbursement of certain organized protection agencies in the State of Oregon for protection of unappropriated public-forest lands intermingled with Oregon and California lands, pursuant to the act of March 1, 1944 (Public Law 243), as set forth in Senate Report No. 653, Seventy-eighth Congress, $4,852.54.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Indian Affairs—Salaries and general expenses", on page 19, line 15, after the name "District of Columbia" to strike out "$798,175" and insert "$828,175."

The amendment was agreed to.

The next amendment was, on page 19, line 23, after the word "available" to strike out "$41,800" and insert "$47,500."

The amendment was agreed to.

The next amendment was, on page 20, line 13, after the word "equipment", to strike out "$315,040" and insert "$321,000."

The amendment was agreed to.

The next amendment was, on page 20, line 19, after the word "therewith", to strike out "$182,000" and insert "$187,000."

The amendment was agreed to.

The next amendment was, under the subhead "Indian lands," on page 22, after line 8, insert:

Purchase of improvements on lands, Havasupai Indian Reservation, Ariz.: For the purchase of improvements on exchanged lands as authorized by and in accordance with the provisions of the act of March 4, 1944 (Public Law 246), $11,100: *Provided*, That title to any improvements so purchased shall be taken in the name of the United States in trust for the Indans of the Havasupai Reservation.

The amendment was agreed to.

The next amendment was, on page 23, after line 6, to insert:

Purchase of land, Fort Peck Reservation, Mont. (tribal funds): For the purchase of land and improvements thereon for the Indians of the Fort Peck Reservation, Mont., $25,000, payable from funds on deposit to the credit of the Fort Peck Indians: *Provided*, That title to any land and improvements so purchased shall be taken in the name of the United States in trust for the Fort Peck Indians.

The amendment was agreed to.

The next amendment was, on page 23, after line 13, to insert:

Purchase of land, Flahead Indians, Montana (tribal funds): For the purchase of land and improvements thereon for the Indians of the Flathead Reservation, Mont., $38,000, payable from funds on deposit to the credit of said Indians: *Provided*, That title to any land and improvements so purchased shall be taken in the name of the United States in trust for the Indians of the Flathead Reservation.

The amendment was agreed to.

The next amendment was, on page 23, after line 20, to insert:

Purchase of land, Eastern Band of Cherokee Indians, North Carolina (tribal funds): For the purchase of land and improvements thereon for the Eastern Band of Cherokee Indians, North Carolina, $2,500, payable from funds on deposit to the credit of said Indians: *Provided*, That title to any lands and improvements so purchased shall be taken in the name of the United States in trust for the Eastern Band of Cherokee Indians.

The amendment was agreed to.

The next amendment was, under the subhead "Industrial assistance and advancement," on page 24, line 13, before the word "*Provided*", to strike out "$504,000" and insert "$524,000."

The amendment was agreed to.

The next amendment was, on page 24, line 21, before the word "reimbursable", to strike out "$170,000" and insert "$180,000."

The amendment was agreed to.

The next amendment was, on page 26, line 3, after the word "equipment" to strike out "$681,000" and insert "$706,000."

The amendment was agreed to.

The next amendment was, on page 28, after line 6, to insert:

For all necessary expenses of the National Indian Institute for the United States of America in the performance of its functions as prescribed by Executive order of November 1, 1941 (No. 8930), including personal services in the District of Columbia; purchase of books of reference; and printing and binding; $22,500 of which not to exceed $1,000 shall be available for the payment of actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses of persons serving while away from their homes without compensation from the United States in an advisory capacity to the institute.

The amendment was agreed to.

The next amendment was, under the subhead "Development of water supply," no page 29, line 24, after the word "equipment", to strike out "$100,000" and insert "$108,800."

The amendment was agreed to.

The next amendment was, under the subhead "Irrigation and drainage," on page 30, line 10, after the word "below", to strike out "$274,630" and insert "$309,000."

The amendment was agreed to.

The next amendment was, on page 31, line 5, after the word "collections" and the semicolon, to insert "White Narrows, $25,000."

The amendment was agreed to.

The next amendment was, on page 31, line 13, after the word "expenses", to strike out "$77,460" and insert "$86,830."

The amendment was agreed to.

The next amendment was, on page 32, line 5, after the name "Arizona", to strike out "$118,180" and insert "$147,725"; in line 6, after the word "and", to strike out "$189,180" and insert "$236,475"; in line 10, before the word "and", to strike out "$118,180" and insert "$147,725"; in the same line, before the word "respectively", to strike out "$189,180" and insert "$236,475"; and in line 13, after the words "in all", to strike out "$307,360" and insert "$384,200."

The amendment was agreed to.

The next amendment was, on page 32, line 25, after the name "Arizona", to strike out "$10,000" and insert "$11,000"; on page 33, line 1, after the word "with", to strike out "$38,200" and insert "$41,600"; in line 2, after the word "and", to strike out "$36,400" and insert "$42,000"; in line 3, after the word "of", to strike out "$38,200" and insert "$41,600"; in the same line, after the word "and", to strike out "$36,400" and insert "$42,000"; and in line 7, after the words "in all", to strike out "$84,600" and insert "$94,600."

The amendment was agreed to.

The next amendment was, on page 38, line 3, after the word "guards", to strike out "$35,000" and insert "$36,000."

The amendment was agreed to.

The next amendment was, on page 38, line 24, after the word "binding", to strike out "$100,000" and insert "$103,750."

The amendment was agreed to.

The next amendment was, on page 38, line 25, after the words "in all", to strike out "$356,250" and insert "$360,000."

The amendment was agreed to.

The next amendment was, under the subhead "Education," on page 39, line 19, after the word "prescribe," to insert "construction"; and in line 22, after the name "Montana", to strike out "$6,000,000" and insert "and on the Fort Apache Reservation, Ariz., $6,230,040."

The amendment was agreed to.

The next amendment was, on page 40, line 19, after the word "than", to strike out "$400,000" and insert "$377,810", and in the same line, after the amendment just above stated, to strike out the comma and "including not to exceed $22,190 for payment of tuition for Chippewa Indian children enrolled in public schools and care of children of school age attending private schools in the State of Minnesota, payable from the principal sum on deposit to the credit of the Chippewa Indians in the State of Minnesota arising under section 7 of the act of January 14, 1889 (25 Stat. 645)."

The amendment was agreed to.

The next amendment was, on page 41, line 25, after the word "for", to strike out "$300,000" and insert "$340,000."

The amendment was agreed to.

The next amendment was, on page 42, line 10, after the word "hundred", to insert "and fifty"; in line 11, after the word "paper", to strike out "$169,705" and insert "$187,455", and in line 13, after the words "in all", to strike out "$193,405" and insert "$211,155."

The amendment was agreed to.

The next amendment was, on page 45, line 2, after the word "exceed", to strike out "$2,627,620" and insert "$2,645,370."

The amendment was agreed to.

The next amendment was, on page 46, line 6, after the word "heads", to strike out "$1,400,000" and insert "$1,488,500."

The amendment was agreed to.

The next amendment was, under the subhead "General support and administration," on page 48, line 1, after the word "provisions", to strike out "$3,202,700" and insert "$3,283,625."

The amendment was agreed to.

The next amendment was, on page 48, line 8, after the name "United States", to strike out "$500,000" and insert "$700,000"; in line 9, after the word "exceed", to strike out "$35,000" and insert "$46,000"; in line 11, after the word "exceed".

to strike out "$24,000" and insert "$32,000"; and in line 12, before the word "and", to strike out "not to exceed $100,000 shall be available for the rehabilitation of needy Indians."

The amendment was agreed to.

The next amendment was, on page 48, line 21, after the word "expenses", to strike out "$75,000" and insert "$96,300."

The amendment was agreed to.

The next amendment was, on page 48, line 21, after the word "expenses", to strike out "$75,000" and insert "$96,300."

The amendment was agreed to.

The next amendment was, on page 49, line 20, after the name "Cherokee", to strike out "$8,000" and insert "$8,500, including not to exceed a $500 gift to the American Red Cross."

The amendment was agreed to.

The next amendment was, on page 49, line 22, after the name "Klamath", to strike out "$216,045" and insert "$220,070"; on page 50, line 2, after the word "and", to strike out "not to exceed $72,380 for" and insert "to include", and in line 3, after the words "in all", to strike out "$217,045" and insert "$221,070."

The amendment was agreed to.

The next amendment was, on page 50, line 8, after the name "Colville", to strike out "$8,800" and insert "$11,300, including not to exceed $2,500 for compensation and expenses of an attorney or attorneys employed by the tribe under a contract approved by the Secretary; and in line 21, after the words "in all", to strike out "$34,870" and insert "$37,370."

The amendment was agreed to.

The next amendment was, on page 50, line 22, after the name "Menominee", to strike out "$114,400" and insert "$118,400"; and on page 51, line 11, after the words "Indian Affairs", to insert a colon and the following additional proviso: "*Provided further*, That not to exceed $10,000 shall be immediately available for an audit of the books, accounts, and operations of the Menominee Indian Mills by a certified public accountant or firm of accountants under a contract to be entered by said accountant or firm of accountants with the Menominee Tribe acting by its advisory council and approved by the Secretary of the Interior."

The amendment was agreed to.

The next amendment was, on page 51, line 19, after the word "exceed", to strike out "$544,325" and insert "$555,350."

The amendment was agreed to.

The next amendment was, on page 53, line 2, after the word "tribes", to insert "not to exceed $10,000 for repairs to the Choctaw Chapter House."

The amendment was agreed to.

The next amendment was, on page 53, line 21, after the word "including", to strike out "the employment of a tribal attorney who shall" and insert "the employment of a tribal attorney at the rate of $4,500 per annum to"; and on page 54, line 2, after the word "automobiles", to strike out "$213,700" and insert "$173,980."

The amendment was agreed to.

The next amendment was, under the subhead "Roads and Bridges", on page 55, line 15, after the word "amended" to strike out "$900,000" and insert "$1,100,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Reclamation", on page 57, line 24, after the word "expenses" to strike out "$95,000, including not to exceed $3,500 for printing and binding" and insert "$1,761,000, of which not to exceed $101,000 shall be available for personal services and other expenses in the District of Columbia including not to exceed $3,500 for printing and binding, and not to exceed $1,660,000 shall be available for personal services and other expenses for nonproject functions of the Bureau of Reclamation performed for the Commissioner outside of the District of Columbia, the latter amount to be reimbursable under the Federal reclamation laws only to the extent of services determined by the Secretary of the Interior to be appropriately chargeable to the investigation, construction, or operation and maintenance of particular projects, said determinations to be reported by said Secretary to the Congress by January 1, 1946."

The amendment was agreed to.

The next amendment was, on page 58, line 19, after the word "exceed", to strike out "$150,000" and insert "$200,000"; in line 20, before the word "for", to strike out "$20,000" and insert "$25,000"; in line 21, after the name "District of Columbia", to strike out "$25,000" and insert "$30,000"; in line 23, after the word "service", to strike out "$5,000" and insert "$7,500"; and on page 59, line 1, after the word "recordings", to strike out "$25,000" and insert "$30,000."

The amendment was agreed to.

The next amendment was, on page 60, line 15, after the word "exceed", to strike out "$340,000" and insert "$350,000."

The amendment was agreed to.

The next amendment was, on page 60, line 22, before the word "from", to strike out "$385,000" and insert "$400,000."

The amendment was agreed to.

The next amendment was, on page 61, line 4, after the word "maintenance", to strike out "$99,000" and insert "$100,000."

The amendment was agreed to.

The next amendment was, on page 63, line 3, after the word "exceed", to strike out "$125,000" and insert "$135,000."

The amendment was agreed to.

The next amendment was, on page 64, line 6, after the word "projects", to strike out "$200,000" and insert "$220,000."

The amendment was agreed to.

The next amendment was, on page 65, line 10, after the name "Idaho", to strike out "$250,000" and insert "$200,000."

The amendment was agreed to.

The next amendment was, on page 65, line 11, after the name "Oregon", to strike out "$1,250,000" and insert "$2,250,000."

The amendment was agreed to.

The next amendment was, on page 65, line 21, after the name "Federal Power Commission", to strike out "$400,000" and insert "$500,000."

The amendment was agreed to.

The next amendment was, on page 66, line 4, after the word "exceed", to strike out "$63,500" and insert "$70,000"; and in line 5, after the word "expenses", to strike out "$125,000" and insert "$150,000."

The amendment was agreed to.

The next amendment was, on page 66, line 6, after the word "fund", to strike out "$2,025,000" and insert "$3,100,000."

The amendment was agreed to.

The next amendment was, on page 66, line 8, after the word "fund", to strike out "$3,271,000" and insert "$6,033,000."

The amendment was agreed to.

The next amendment was, on page 66, line 9, after the word "exceed", to strike out "$950,000" and insert "$968,000"; and in line 23, after the word "Secretary", to insert a colon and the following proviso: "*Provided*, That on or before June 1, 1946, the Secretary shall report to the Congress on expenditures incurred and revenues received in the construction, operation, and maintenance of Boulder City, together with his recommendations for allocation and adjustment of such expenditures and revenues between the construction, operation, and maintenance of the Boulder Canyon project and other Federal activities; and that such expenditures from the Colorado River Dam fund prior to such allocation and adjustment, under this or other appropriation acts heretofore or hereafter enacted, shall be without prejudice to the rights, if any, of power contractors to have adjustments, with respect to such expenditures, made to accord with the substantive provisions of the Boulder Canyon Project Adjustment Act."

The amendment was agreed to.

The next amendment was, on page 67, line 19, after "(54 Stat. 708)" to strike out "$50,000" and insert "to be immediately available, $350,000, of which not to exceed $100,000 may be expended for the purchase of lands subject to seepage or overflow and improvements thereon: *Provided*, That the expenditure of any moneys for the purchase of said lands and improvements or for remedial or other necessary works for the protection of public or private property in or near the city of Needles, Calif., shall not be deemed a recognition of any obligation or liability whatsoever on the part of the United States: *Provided further*, That any moneys received by the United States as reimbursement in accordance with contracts heretofore entered into under the authority of the act of December 21, 1928 (45 Stat. 1057), as amended, and ratified by the act of August 30, 1935 (49 Stat. 1028), for work in or near said city of Needles, shall be covered into the Treasury as miscellaneous receipts."

The amendment was agreed to.

The next amendment was, on page 68, line 14, after the word "system", to strike out "$225,000" and insert "$600,000"; in line 16, after the word "division", to strike out "$175,000" and insert "$1,000,000"; in line 18, after the words "in all", to strike out "$400,000" and insert "$1,600,000"; and in line 22, after the word "exceed", to strike out "$8,000" and insert "$25,000."

The amendment was agreed to.

The next amendment was, under the subhead "General fund, construction", at the top of page 70, to insert:

Davis Dam project, Arizona-Nevada: *Provided*, The appropriation heretofore made for this project shall be available for construction of that part of the Davis-Phoenix transmission line from the vicinity of Parker Dam to Phoenix, Ariz.

The amendment was agreed to.

The next amendment was, on page 70, line 15, after the name "California", to strike out "$960,200" and insert "$3,495,200", and in line 16, after the amendment just above stated, to strike out the comma and "and in addition thereto the unexpended balance heretofore determined to be available for construction of transmission lines shall be allocated to other construction features of the project."

The amendment was agreed to.

The next amendment was, on page 70, after line 19, to insert:

Kings River project, California, $750,000.

The amendment was agreed to.

The next amendment was, on page 70, line 21, after the name "Colorado", to strike out "$1,437,000" and insert "$1,237,000."

The amendment was agreed to.

The next amendment was, on page 70, line 23, after the name "Anderson Ranch", to strike out "$4,300,000" and insert "$4,040,000."

The amendment was agreed to.

The next amendment was, on page 70, after line 24, to insert:

Tucumcari project, New Mexico, $2,250,000.

The amendment was agreed to.

The next amendment was, on page 71, line 1, after the name "Oklahoma", to strike out "$545,000" and insert "$945,000."

The amendment was agreed to.

The next amendment was, on page 71, line 2, after the word "division", to strike out "$700,000" and insert "$600,000."

The amendment was agreed to.

The next amendment was, on page 71, line 13, after the name "Federal Power Commission", to strike out "$375,000" and insert "$3,950,000."

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. Would the adoption of this amendment preclude the entry of a point of order to the paragraph at the proper time?

The PRESIDING OFFICER. The Chair understands the Senate is dealing with the House language in this paragraph, and that being already in the bill by action of the House a point of order does not lie against it at this time. If the Senator from Missouri wishes to move to strike out, he can do so.

Mr. CLARK of Missouri. I will move to strike out at the proper time. My inquiry was whether the adoption of the amendment would preclude the motion to strike.

The PRESIDING OFFICER. The adoption of the amendment would not preclude the later motion to strike out the paragraph.

Without objection, the committee amendment, on page 71, line 13, to strike out "$375,000" and insert "$3,950,000" is agreed to.

The clerk will state the next committee amendment.

The next amendment was, on page 71, line 21, after the word "exceed", to strike out "$235,000" and insert "$265,000."

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I move to reconsider the vote by which the amendment in line 13, on page 71, was agreed to.

The PRESIDING OFFICER. Without objection, the vote by which the amendment was agreed to is reconsidered.

Mr. CLARK of Missouri. Mr. President, I am opposed to the amendment because it increases the amount contained in the House bill from $375,000 to $3,950,000, and the purpose of the increase is perfectly disclosed by the report of the committee on page 14 where it says—

Of this increase of $3,575,000 recommended by the committee, $3,000,000 is allowed for continuation of investigations and for preparation for construction (other than the purchase of rights-of-way) of the Missouri Basin projects.

That simply means that this proposal is in pursuance of an attempt which is being made to extend the jurisdiction of the Reclamation Bureau all over the United States. A suggestion was made this morning in the Commerce Committee, to the absolute astonishment of every member of the committee, I think, except the one who made it, that the Reclamation Bureau ought to control the disposition of the power on the Alabama-Coosa River project in Alabama. The pending amendment would increase tenfold the authorization to the Bureau of Reclamation for roaming around and making general investigations at large. It seems to me to be entirely unjustifiable, and I do not think the Senate ought to adopt such a provision, which would permit the Reclamation Bureau simply to roam around wherever it pleases to make investigations.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 71, line 13.

Mr. HAYDEN. Mr. President, as is well known to Members of the Senate, there has been controversy, to which the Senator from Missouri has referred, before the Committee on Commerce, with respect to which was the most important use of waters in the Missouri River Basin, whether to maintain a channel for navigation, or for the development of lands by irrigation on the headwaters.

The thought of our committee, when this amendment was suggested by the senior Senator from Wyoming [Mr. O'MAHONEY], was that an ascertainment of the fact was the best way to settle the controversy. Where there is a serious difference of opinion, particularly among engineers, and the opinion is based upon a lack of sufficient data, the best way to get to the bottom of it is to find out just what are the conditions. Ultimately there is not any question at all that this whole problem will have to be looked into, and our committee adopted the view that the sooner we make a beginning the better, particularly in view of the necessity for post-war planning.

Mr. O'MAHONEY. Mr. President, will the Senator from Missouri yield?

Mr. CLARK of Missouri. I yield.

Mr. O'MAHONEY. I might add to what the Senator from Arizona has said that it was not the purpose of the committee in approving this amendment to furnish the Bureau of Reclamation or the Interior Department with funds to roam all over the United States seeking to expand the principle of irrigation. The purpose was to enable the Department of the Interior, through the Reclamation Bureau, to continue the studies involved in the Bureau of Reclamation report which has already been made a Senate document—No. 191—and that authority would be wholly under existing law, the Reclamation Act. The amendment does not increase the powers of the Bureau of Reclamation in the slightest respect, nor does it in any way, shape, or form alter the jurisdiction of the Army engineers over navigation.

I think I am rather intimately aware of the thinking of the group of Senators who have been urging an amendment to the river and harbor bill, and I may say to the Senator from Missouri that they have no thought whatsoever of taking away from the Army engineers the power over navigation. We are seeking merely to make an adjustment of uncoordinated activities of several bureaus. But, whatever may be the decision of the Commerce Committee or of the Senate with respect to that controversial item in the river and harbor bill, it certainly has no effect whatsoever upon this item, and this item has no effect upon that.

Mr. CLARK of Missouri. Mr. President, has the Senator from Wyoming concluded? If he has not concluded, I shall wait until he has concluded.

Mr. O'MAHONEY. I have concluded, Mr. President. I merely responded to the Senator from Missouri.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. JOHNSON of Colorado. With respect to the charge that the amendment would result in giving to the Reclamation Bureau the right to roam all over the country, I presume the Senator from Wyoming would not object to restricting the Bureau to points west of the ninety-seventh meridian, would he? If any Senator wanted to offer such an amendment, because some other Senator might be afraid the Reclamation Bureau would get out of bounds, I am sure the Senator from Wyoming would be satisfied if the Bureau were restricted to the areas west of the ninety-seventh meridian.

Mr. O'MAHONEY. It is certainly in areas west of that meridian that reclamation and irrigation are required.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. HAYDEN. There is always a firm working arrangement between the Committees on Appropriation of the House

and the Senate and the agencies of Government which spend the money, that they will be guided by statements made in the reports, and our report states on page 14 that the item is for continuation of investigations, and refers specifically to the Missouri Basin projects designated in Senate Document 191 of the Seventy-eighth Congress. It deals with that area and those projects, and nothing else.

Mr. CLARK of Missouri. Mr. President, of course, all Senators who have been at all familiar with the subject are aware that there has been a rather acrimonious controversy going on between those who conceive that all the water in the Missouri River should be taken out, if desirable, for irrigation purposes under control of the Bureau of Reclamation, and those of us who conceive that the resources of the Missouri Valley are also useful for other purposes, and, more particularly, between those of us who conceive that most of the work can be most effectively done, except for irrigation projects, as such, by the Corps of Engineers of the United States Army, and those who conceive that there should be a sort of suzerainty vested in the Secretary of the Interior, as the head, and the Bureau of Reclamation, below him, over all the resources of the country.

This item, as drawn, vests in the Secretary of the Interior the right to investigate and determine the whole subject, either by himself, through the Bureau of Reclamation or, if he happens to wish to do so—not necessarily, but if he happens to deign to do it—in cooperation with State agencies and other Federal agencies, including the Corps of Engineers of the United States Army.

Anyone who has observed the career of the present Secretary of the Interior for the past 12 years knows with what reluctance he has ever consulted with anyone, in cases in which he has had authority to act without consultation with anyone. The provision simply vests in the Secretary of the Interior, if he chooses to exercise it, control of the whole subject.

Mr. President, the provision as it was agreed to in the bill passed by the House, was vicious. It was not particularly vicious, because the sum appropriated was a sum suitable for the investigation according to the purposes set out in the report. But when the bill comes to the Senate, we find that the appropriation has been multiplied tenfold. That raises the suspicion that it is in line with the very serious attempt which is being made on the part of the Bureau of Reclamation to take control of the whole country.

The amendment seems to me to provide for an absolute waste of money, which cannot be justified on any ground whatever. It provides for an increase of approximately $3,500,000 on an original appropriation of $375,000—a multiplication by 10, without any particular justification, of the amount of money appropriated for this purpose. It seems to me the increase cannot be justified on any ground whatever.

THE PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 71, in line 13. (Putting the question.)

The "ayes" appear to have it.

Mr. CLARK of Missouri. I ask for a division.

The PRESIDING OFFICER. A division is called for.

Mr. CLARK of Missouri. Pending the division, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Overton
Austin	Gerry	Radcliffe
Bailey	Gillette	Reed
Ball	Green	Revercomb
Bankhead	Guffey	Reynolds
Barkley	Gurney	Robertson
Bilbo	Hatch	Russell
Brewster	Hawkes	Shipstead
Bridges	Hayden	Stewart
Brooks	Hill	Thomas, Idaho
Buck	Holman	Thomas, Okla.
Burton	Johnson, Colo.	Tobey
Bushfield	Kilgore	Truman
Butler	La Follette	Tunnell
Byrd	Langer	Tydings
Capper	Lucas	Vandenberg
Caraway	McCarran	Wagner
Chandler	McClellan	Wallgren
Chavez	McFarland	Walsh, Mass.
Clark, Mo.	McKellar	Walsh, N. J.
Connally	Maloney	Weeks
Cordon	Maybank	Wheeler
Danaher	Mead	Wherry
Davis	Millikin	White
Downey	Moore	Wiley
Eastland	Murdock	Wilson
Ellender	O'Daniel	
Ferguson	O'Mahoney	

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Utah [Mr. THOMAS] has been appointed by the President of the United States as a delegate to attend the International Labor Organization Conference in Philadelphia, and is therefore necessarily absent.

The Senator from Nevada [Mr. SCRUGHAM] is absent on official business.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Indiana [Mr. JACKSON], the Senator from Montana [Mr. MURRAY] and the Senator from South Carolina [Mr. SMITH] are detained on public business.

Mr. WHERRY. The Senator from Ohio [Mr. TAFT], the Senator from North Dakota [Mr. NYE], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

The question is on agreeing to the committee amendment on page 71, line 13.

Mr. CLARK of Missouri. Mr. President, I merely wish to reiterate what I said before the quorum call. This amendment represents an increase of tenfold, or 1,000 percent, in the appropriation contained in the House provision without any showing whatever of need or justification for such an increase. It is an increase to $3,950,000 from an appropriation of $375,000 as provided by the House. I understand that the Budget estimate was approximately $800,000, which was cut almost half a million by the House of Representatives, and now the amount is sought to be increased tenfold by the Senate committee amendment. I say that it is simply a part of the effort to aggrandize the Bureau of Reclamation and build it up at the expense of every other agency of the Government. Everyone knows that there has been a controversy going on between the proponents of tremendous expansion of irrigation and those of us who believe that there are some other uses to which water can be put.

No one denies the priority of claim of irrigation as it is now established, and within reasonable limits; but this is a proposal to authorize the Bureau of Reclamation to go as far as it likes in the matter of investigation, and to establish priority for itself in the controversy with the Army engineers.

Mr. O'MAHONEY. Mr. President, I am sure the Senator from Missouri misapprehends both the purpose and effect of this amendment. On behalf of those Senators who several days ago submitted an amendment to the rivers and harbors bill the purpose of which was to bring about coordination in the planning of projects to be constructed in the future in river basins, I can say without reservation or qualification that the Bureau of Reclamation, the Department of the Interior, and the authors of this amendment are perfectly willing that the Secretary of War shall have complete jurisdiction in any basin so far as navigation and flood control are concerned.

There is no purpose on the part of those Senators to extend the jurisdiction of the Bureau of Reclamation. What is true of the amendment to the rivers and harbors bill is more than true of this amendment. This money will be expended under existing law. This is an appropriation bill. It is not a legislative item. It grants no new power to the Department. It grants no new power to the Bureau of Reclamation. It grants no new power to the Secretary of the Interior. It merely provides that preliminary investigations may be made of feasible projects which, when they are constructed after the war, will make it possible for the Government of the United States to establish homes on hundreds of thousands of acres for returning soldiers.

I again assure the Senator from Missouri that he has misapprehended the entire purpose and effect of this proposed appropriation.

Mr. CLARK of Missouri. Mr. President, let me say to my distinguished friend from Wyoming that I did not misapprehend. I saw him when he drove in, which was some time ago. He has been driving very hard ever since.

The Senator from Wyoming says that I misapprehend the proposal to increase an appropriation ten fold, and put the handling of a controversy which is very active at the present time in the hands of one of the parties to the controversy, as this amendment would do. The amendment would increase by 1,000 percent the appropriation contained in the bill as passed by the House. The proposed appropriation is four times the

Budget recommendation. Let me say to the Senator from Wyoming that I do not misapprehend. I saw him when he drove in.

Mr. HAYDEN. Mr. President, I cannot quite follow the Senator from Missouri. We state in our report that $3,000,000 of this appropriation, when made, is to be expended in carrying on further investigation of the projects listed in Senate Document 191, of the Seventy-eighth Congress. That is a document which relates to projects in the States of Montana, North Dakota, South Dakota, Wyoming, Kansas, and Nebraska, and they are listed in the committee hearings.

The idea is to obtain accurate and complete information as to the feasibility of those projects. They may be feasible, or they may not. Their cost may be so great that they could not be undertaken as reclamation projects. I cannot understand why ascertaining a set of facts could in any way be construed as enlarging the jurisdiction of the Department of the Interior or taking anything away from the War Department.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 71, line 13, increasing the appropriation from $375,000 to $3,950,000. Before the quorum call the Chair put the question and announced that the ayes seemed to have it. The Senator from Missouri then requested a division. Does the request still stand?

Mr. CLARK of Missouri. Yes, Mr. President; I ask for a division.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 71, line 22, after the word "expenses", to strike out "$325,000" and insert "$375,000."

The amendment was agreed to.

The next amendment was, on page 71, line 23, after the word "construction", to strike out "$8,642,200" and insert "$17,642,200."

The amendment was agreed to.

The next amendment was, under the subhead "Water conservation and utilization projects," on page 72, line 4, after the word "exceed", to strike out "$120,000" and insert "$220,000"; in line 6, after the word "exceed", to strike out "$22,500" and insert "$25,000"; in line 9 after "(16 U. S. C. 590y, 590z)", to strike out "$1,400,000" and insert "$2,000,000", and in the same line, after the amendment just above stated, to strike out the colon and the following proviso: *"Provided,* That any funds appropriated to and unexpended by the Department of Agriculture for carrying out functions assigned to the Secretary of Agriculture by the act of August 11, 1939, as amended, are hereby transferred to the Department of the Interior together with the functions which the Secretary of the Interior is hereby authorized and directed to perform."

The amendment was agreed to.

The next amendment was, on page 72, after line 15, to insert:

Fort Peck project, Montana: For construction of transmission lines, substations and other facilities as may be required by the Bureau of Reclamation, as authorized by the act of May 18, 1938 (16 U. S. C. 833), $800,000, to be immediately available and to remain available until expended, which amount shall be available for personal services in the District of Columbia (not to exceed $12,000) and for all other objects of expenditure as specified in this act under the head "Administrative provisions and limitations" appearing under the caption "Bureau of Reclamation," but without regard to the amounts of the limitations therein set forth.

The amendment was agreed to.

The next amendment was, under the heading "Geological Survey," on page 73, line 24, before the word "of", to strike out "$1,180,360" and insert "$1,250,000"; and in the same line, after the word "exceed", to strike out "$300,000" and insert "$325,000."

The amendment was agreed to.

The next amendment was, on page 74, line 21, after the name "Alaska", to strike out "$177,000" and insert "$1,252,000"; and in line 22, after the word "exceed", to strike out $60,000" and insert "$150,000."

The amendment was agreed to.

The next amendment was, on page 76, line 2, after the word "binding", to strike out "$87,500" and insert "$100,000"; in line 3, before the word "and" where it occurs the first time to strike out "$27,840" and insert "$33,000", and in line 4, after the words "in all" to strike out "$350,340" and insert "$368,000."

The amendment was agreed to.

The next amendment was, on page 77, line 15, after the name "Geological Survey", to strike out "$6,658,160" and insert "$7,820,460."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Mines," on page 78, line 16, after the name "District of Columbia", to strike out "$772,595" and insert "$822,595."

The amendment was agreed to.

The next amendment was on page 78, line 24, after the word "exceed", to strike out "$80,000" and insert "$117,000"; on page 79, line 3, after the word "exceed", to strike out "$3,500" and insert "$70,000" and in line 12, after the word "industry", to strike out "$936,270" and insert "$1,527,880."

The amendment was agreed to.

The next amendment was, on page 79, line 20, after the word "exceed", to strike out "$116,500" and insert "$120,000", and on page 80, line 6, after the name "Department of the Interior", to strike out "$575,000" and insert "$600,000."

The amendment was agreed to.

The next amendment was, on page 80, line 23, before the word "for", to strike out "$22,500" and insert "$25,000" and on page 81, line 9, after the name "Department of the Interior", to strike out "$250,000" and insert "$300,000."

The amendment was agreed to.

The next amendment was, on page 81, after line 22, to insert:

Anthracite investigations: For all expenses necessary to conduct inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and use of anthracite coals; including temporary employment by contract or otherwise, without regard to the civil-service and classification laws, of engineers, scientists, architects, or firms or corporations thereof necessary to design and construct the building and plants; purchase of special wearing apparel and equipment for the protection of employees while engaged in their work; and other items otherwise properly chargeable to the appropriation "Contingent expenses, Department of the Interior," purchase not to exceed $4,500, operation, maintenance, and repair of passenger-carrying automobiles; and not to exceed $6,500 for personal services in the District of Columbia, $131,000: *Provided,* That of this amount $50,000 shall be available for the purchase of land and the construction and equipment of a laboratory building as authorized in the act approved December 18, 1942 (Public Law 812, 56 Stat. 1056), only upon the fulfillment of the condition that an equal amount shall be contributed for the same purpose by State or local organizations: *Provided further,* That the Secretary, through the Director of the Bureau of Mines, is authorized to accept buildings, equipment, and other contributions from public or private sources.

The amendment was agreed to.

The next amendment was, on page 82, after line 22, to insert:

Synthetic liquid fuels: For all expenses without regard to section 3709, Revised Statutes, necessary to carry into effect the act authorizing the construction and operation of demonstration plants to produce synthetic liquid fuels from coal, oil shales, agricultural and forestry products, and so forth, approved April 5, 1944 (Public, No. 290), including construction and acquirement of camp and laboratory buildings and equipment, personal services in the District of Columbia and elsewhere, purchase of books of reference and periodicals, purchase of special wearing apparel or equipment for the protection of employees while engaged in their work, purchase, maintenance, and operation of passenger-carrying automobiles, printing and binding, and purchase in the District of Columbia and elsewhere of items otherwise properly chargeable to the appropriation "Contingent expenses, Department of the Interior," $8,000,000, to remain available until expended: *Provided,* That these funds may be utilized to provide transportation between the proposed plants and related facilities and communities that provide adequate living accommodations, of persons engaged in the operation and maintenance of these plants; and for transportation to and from schools of pupils who are dependents of such persons, which transportation shall be by methods which the Office of Defense Transportation shall find to be most advantageous and efficient: *Provided further,* That pursuant to agreements approved by the Secretary and the Office of Defense Transportation, the transportation equipment available to the Bureau of Mines may be pooled with that of school districts and other local or Federal agencies for use in transporting persons engaged in operation and maintenance of these plants, pupils who are dependents of such persons, and other pupils, and in the interest of economy the expenses of operating such equipment may be shared.

The amendment was agreed to.

The next amendment was, on page 84, line 16, after the word "exceed", to strike out "$35,000" and insert "$36,000"; and in line 17, after the name "District of Columbia", to strike out "$435,000" and insert "$440,000."

The amendment was agreed to.

The next amendment was, on page 85, line 3, before the words "of which", to strike out "$600,000" and insert "$1,187,640"; and in the same line, after the word "exceed", to strike out "$48,500" and insert "$55,000."

The amendment was agreed to

The next amendment was, on page 85, line 13, before the words "of which", to strike out "$762,000" and insert "$772,000"; and in the same line, after the word "exceed", to strike out "$24,400" and insert "$25,000."

The amendment was agreed to.

The next amendment was, on page 85, line 22, after the word "improvements", to strike out "$160,000" and insert "$168,100."

The amendment was agreed to.

The next amendment was, on page 86, line 12, after the word "foregoing", to strike out "$575,000" and insert "$590,750"; and in line 13, after the word "exceed", to strike out "$452,000" and insert "$464,000."

The amendment was agreed to.

The next amendment was, on page 86, after line 14, to insert:

Investigation of raw-material resources for steel production (national defense): For all expenses, without regard to section 3709, Revised Statutes, necessary to enable the Bureau of Mines to develop individual deposits of minerals useful in the steel industry the existence of which is known, and concerning which preliminary geological or other reports are available from State mineral agencies, previous investigations of the Bureau of Mines, or other sources; to conduct geophysical surveys, surface and subsurface exploration on such deposits; to conduct laboratory, pilot plant, and demonstration-plant tests to establish methods for utilizing more fully the products of such deposits; including the purchase or lease of land or buildings; mineralogical explorations for and development of sources of ferrous, nonferrous, or nonmetallic minerals useful in alloying or coating by plating or otherwise of iron and steel to reduce or eliminate corrosion, and the research and development of commercial processes therefor; construction of buildings to house laboratories, pilot plants, or demonstration plants; procurement of necessary materials, ores, and equipment; travel expenses; purchase, not to exceed $75,000, operation, maintenance, and repair of passenger-carrying automobiles; not to $150,000 for temporary employment of engineers, architects, or firms or corporations thereof, by contract or otherwise, without regard to civil-service and classification laws, necessary to carry out the provisions of this appropriation; printing and binding; purchase in the District of Columbia or elsewhere of furniture and equipment, books of reference and periodicals, and purchase of special wearing apparel or equipment for the protection of employees while engaged in their work; purchase in the District of Columbia and elsewhere of other items otherwise properly chargeable to the appropriation "Contingent expenses, Department of the Interior"; and not to exceed $120,000 for personal services in the District of Columbia, $6,000,000: *Provided*, That the Secretary of the Interior, acting through the Director of the Bureau of Mines, is hereby authorized to accept buildings, equipment, and other contributions from public or private sources and to carry out the projects in cooperation with other agencies, Federal, State, or private.

Mr. HAYDEN. Mr. President, I wish to offer a clarifying amendment on page 87, line 11, after the word "to", to insert "exceed", so that the language will read "not to exceed $150,000," and so forth.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 93, line 19, after the word "exceed", to strike out "$75,000" and insert "$78,000"; and on page 94, line 3, after the word "employed", to strike out "$2,900,000" and insert "$3,000,000".

The amendment was agreed to.

The next amendment was, on page 94, after line 8, to insert:

Development of processes for recovery of waste metals (national defense): The appropriation under this head in the First Supplemental National Defense Appropriation Act, 1944, is hereby made available for the same purposes and under the same conditions until June 30, 1945.

The amendment was agreed to.

The next amendment was, under the heading "National Park Service", on page 97, line 5, after the word "system", to strike out "$407,165" and insert "$413,000."

The amendment was agreed to.

The next amendment was, on page 97, line 16, after the word "system", to strike out "$24,000" and insert "$25,000."

The amendment was agreed to.

The next amendment was, on page 99, line 10, after the word "vehicles", to strike out "$171,820" and insert "$199,000."

The amendment was agreed to.

The next amendment was, on page 99, line 20, after the word "Monument", to strike out "$441,000" and insert "$460,000."

The amendment was agreed to.

The next amendment was, on page 102, line 20, after the word "vehicles", to strike out "$133,000" and insert "$158,000."

The amendment was agreed to.

The next amendment was, under the heading "Fish and Wildlife Service—Salaries and expenses", on page 104, line 2, after the name "District of Columbia", to strike out "$196,100" and insert "$206,700."

The amendment was agreed to.

The next amendment was, on page 104, line 9, after the word "aquarium", to strike out "$1,097,555" and insert "$1,115,000."

The amendment was agreed to.

The next amendment was, on page 104, line 25, after the word "stations", to strike out "$547,265" and insert "$562,500."

The amendment was agreed to.

The next amendment was, on page 105, line 8, after the word "services", to strike out "$277,540" and insert "$342,540."

The amendment was agreed to.

The next amendment was, on page 105, line 13, after the word "products", to strike out "$92,420" and insert "$99,260."

The amendment was agreed to.

The next amendment was, on page 106, line 3, after the word "fur", to strike out "$126,150" and insert "$133,450."

The amendment was agreed to.

The next amendment was, on page 106, line 7, after the word "including", to strike out "$38,500" and insert "$40,130", and in line 15, after the name "Territory of Alaska", to strike out "$193,715" and insert "$243,715."

The amendment was agreed to.

The next amendment was, on page 107, line 3, after "(16 U. S. C. 667)", to strike out "$815,000" and insert "$1,000,000."

The amendment was agreed to.

The next amendment was, on page 107, line 17, before the words "of which", to strike out "$322,400" and insert "$347,400."

The amendment was agreed to.

The next amendment was, on page 107, line 24, after "(U. S. C. 192–211)", to strike out "$150,000" and insert "$156,530."

The amendment was agreed to.

The next amendment was, on page 108, line 11, after the word "Refuge" to strike out the comma and "$590,675" and insert a semicolon and "and not to exceed $36,000 for the purchase of approximately 6,000 acres of land in Humboldt County, Nev., as an addition to the Charles Sheldon Antelope Range, $666,675, and in addition thereto $40,000 of the unexpended balance for this purpose for the fiscal year 1944 is continued available for the same purpose for the fiscal year 1045."

The amendment was agreed to.

The next amendment was, on page 108, line 20, after "715–715r)" to strike out "$58,330" and insert "$63,330."

The amendment was agreed to.

The next amendment was, on page 108, line 21, after the word "expenses" to strike out "$5,028,350" and insert "$5,498,300."

The amendment was agreed to.

The next amendment was, under the subhead "Federal aid in wildlife restoration", on page 109, line 8, after "669–669j)", to strike out "$800,000" and insert "$1,300,000", and in line 11, after the word "Act", to insert a colon and the following additional proviso: "*Provided further*, That the limitation in said act upon the amount available for administrative expenses is hereby waived to the extent necessary to provide for overtime or additional compensation pursuant to the War Overtime Pay Act of 1943."

The amendment was agreed to.

The next amendment was, on page 109, line 16, after the word "Service", to strike out "$5,828,350" and insert "$6,798,300"; in line 19, after the word "exceed", to strike out "$784,000" and insert "$854,348"; in line 21, after the word "exceed", to strike out "$30,000" and insert "$42,700"; in line 22, after the words "for the", to strike out "purchase" and insert "exchange"; and on page 110, line 14, after the word "land", to insert:

Reimbursements for the cost of supplies and materials and the transportation and handling thereof issued from central warehouses authorized to be established by the act of June 24, 1936 (16 U. S. C. 667), may be credited to the appropriation current at the time supplies and materials are allotted, assigned, or issued, or at the time such reimbursements are received.

The amendment was agreed to.

The next amendment was, under the heading "Government in the Territories —Territory of Alaska," on page 112, line 23, after "321a-321c)", to strike out "$1,000,000" and insert "$1,180,000."

The amendment was agreed to.

The next amendment was, on page 113, line 1, after the name "Alaska", to strike out $1,000,000 and insert "$1,500,000."

The amendment was agreed to.

Mr. REVERCOMB. Mr. President, on pages 112 and 113 of the bill reference is made to Richardson Highway. Will the chairman of the committee, or the Senator having charge of the bill, tell me what is the Richardson Highway?

Mr. HAYDEN. Richardson Highway is the terminal section of the Alaskan Military Highway which has been under construction for some time. The estimated cost of the Richardson Highway is $6,200,000, and appropriations are made from year to year to carry on the work.

Mr. REVERCOMB. Is the item of $1,500,000 in line 1 on page 113 included in the approximately $6,000,000 to which the Senator has referred?

Mr. HAYDEN. Yes; that will be the total cost. The highway is all in Alaska. It is the terminal section inside of Alaska.

Mr. REVERCOMB. But the amount indicated is a part of the original sum which was set aside for the entire development?

Mr. HAYDEN. Yes; that is correct.

Mr. REVERCOMB. And the part to be expended under this appropriation is for the road within Alaska?

Mr. HAYDEN. That is correct.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, under the subhead "Territory of Hawaii," on page 114, line 21, after the name "Governor", to strike out "$3,100" and insert '$3,875"; in line 22, before the word "for", to strike out "750" and insert "935", and in the same line after the word "hire", to strike out "$21,600" and insert "$22,560."

The amendment was agreed to.

The next amendment was, under the subhead "Government of the Virgin Islands," on page 115, line 15, after the name "St. Croix", to strike out "$208,375" and insert "$216,000, to be expended under the direction of the Governor."

The amendment was agreed to.

The next amendment was, on page 115, after line 16, to insert:

For salaries and expenses of the agricultural experiment station and the vocational school in the Virgin Islands, including technical personnel, clerks, and other persons; scientific investigations of plants and plant industries, and diseases of animals; demonstrations in practical farming; official traveling expenses; fixtures, apparatus, and supplies; clearing and fencing of land; and other necessary expenses, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $47,260.

The amendment was agreed to.

The next amendment was, on page 116, line 4, before the words "to be", to strike out "$70,000" and insert "$140,000."

The amendment was agreed to.

The next amendment was, under the subhead "Puerto Rico," on page 119, after line 2, to strike out:

SEC. 8. Not to exceed a total of $25,000 of the appropriations contained in this act shall be available for expenditure for long-distance telephone tolls, and not to exceed a total of $25,000 shall be available for expenditure for telegrams and cablegrams, and the savings effected thereby in the items "communication services," as set forth in the Budget estimates submitted for such appropriations shall not be diverted to other use and shall be covered into the Treasury as miscellaneous receipts.

The amendment was agreed to.

The next amendment was, on page 119, line 12, to change the section number from "9" to "8."

The amendment was agreed to.

The next amendment was, at the top of page 120, to insert the following new section:

SEC. 9. No part of any appropriation contained in this act shall be used directly or indirectly by way of wages, salaries, per diem or otherwise, for the performance of any new administrative function or the enforcement or issuance of any rule or regulation occasioned by the establishment of the Jackson Hole National Monument as described in Executive Proclamation No. 2578, dated March 15, 1943.

The amendment was agreed to.

The next amendment was on page 120, after line 10, to strike out:

SEC. 11. No part of the money appropriated in this act shall be used to pay the salary of any male person between the ages of 18 and 30 years who is physically and mentally qualified for military duty, as shown by his Selective Service classification, and who has been deferred from military duty, either at his own request or the request of the Secretary of the Interior, for reasons other than dependency or as necessary to war production, and who, 30 days after the approval of this act, still retains such deferment.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. HAYDEN. Mr. President, by direction of the committee I offer an amendment which was intended to be proposed by the Senator from Oklahoma [Mr. THOMAS]. It relates to the fulfillment of the Atoka agreement with Choctaw-Chickasaw Nations of Indians. Twice the Senate has passed a bill of this nature. The amendment imposes immediately no obligation on the United States. It authorizes negotiation. When an agreement has been reached it must come back to the Congress for further approval.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 55, after line 4, it is proposed to insert the following:

Fulfillment of Atoka agreement with Choctaw-Chickasaw Nation of Indians: That pursuant to the provisions of the treaty between the United States and the Choctaw-Chickasaw Nations of Indians, known as the Atoka agreement, and the supplemental agreements thereafter made and the laws enacted by the Congress, the Secretary of the Interior is hereby authorized and directed to enter into a contract on behalf of the United States for the purchase from the Choctaw and Chickasaw Nations of Indians in Oklahoma for all the present right, title, and interest of said Indians in the land and mineral deposits reserved from allotment in accordance with the provisions of section 58 of the act entitled "An act to ratify and confirm an agreement with the Choctaw and Chickasaw Tribes of Indians, and for other purposes," approved July 1, 1902. The Secretary shall cause such contract to be executed on behalf of said Indians by the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation, and shall then submit such contract to said Indians for their approval. If and when such contract has been approved by said Indians, the Secretary shall submit the contract to the Congress for its ratification: *Provided*, That the approval of such contract by the said Indians shall be through a special election called and held pursuant to rules and regulations to be promulgated by the said Secretary of the Interior: *And provided further*, That before the said rules and regulations are promulgated they must be submitted to and approved by both the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation. Such contract shall not be binding upon any of the parties thereto until it shall have been ratified by the Congress.

Upon the approval of such contract by the Congress—

(a) The amount of the purchase price fixed in such contract when appropriated shall be placed to the credit of the Choctaw and Chickasaw Nations of Indians on the books of the Treasury of the United States, and thereafter such proceeds shall be distributed to such Indians in pursuance with the terms and provisions of such contract and shall be exempted from attorney fees and other debt contracted prior to the passage and approval of this act; and

(b) The Secretary shall cause a proper conveyance to be executed by the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation conveying all right, title, and interest of said Indians in such lands and mineral deposits to the United States, and thereupon, all such right, title, and interest shall vest in the United States.

The appropriation of such sum as may be necessary for making the payments to such Indians pursuant to section 2 (a) of this act is hereby authorized. There is also authorized to be appropriated the sum of $20,000 to be expended under the direction of the Secretary of the Interior, to defray the expenses of negotiating the contract and holding of the election authorized by section 1 hereof, including the making of such appraisal or appraisals as may be deemed necessary.

The land and mineral deposits when acquired hereunder shall become part of the public domain subject to the applicable public land mining and mineral leasing laws, the coal deposits acquired hereunder may be leased in accordance with the provisions relating to coal of the Mineral Leasing Act of February 25, 1920 (41 Stat. 437), as amended. The asphalt deposits acquired hereunder may be leased by the Secretary of the Interior through advertisement, competitive bidding, or such other methods as he may by general regulations prescribe, and in areas not exceeding 640 acres each. Leases for such asphalt deposits shall be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease, not less than 25 cents per ton of 2,000 pounds of marketable production, and upon payment in advance of a rental 25 cents per acre for the first calendar year or fraction thereof; 50 cents per acre for the second, third, fourth, and fifth years,

respectively; and $1 per acre per annum thereafter during the continuance of the lease, such rental for any lease year to be credited against royalties accruing for that year. Leases for such asphalt deposits shall be for a period of 20 years, with preferential right in the lessee to renew the same for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the expiration of such periods. All asphalt leases issued hereunder shall be subject to such further terms and conditions, not inconsistent herewith, as may be incorporated in each lease or prescribed by general regulations adopted by the Secretary of the Interior prior to the issuance of the lease, including covenants relative to mining methods, waste, period of preliminary development, initial investment, and minimum production. The Secretary of the Interior is authorized to modify or amend as to area any asphalt lease issued hereunder upon application of the lessee if he finds such modification or amendment to be to the best interests of the United States and of the lessee. The general provisions of sections 1, 27, 29, to 34, inclusive, 37, and 38 of the Mineral Leasing Act of February 25, 1920 (41 Stat. 437), as amended, shall apply to asphalt leases issued under the provisions of this act, sections 1, 34, and 37 thereof being amended to include deposits of asphalt acquired hereunder, and section 27 thereof being amended to provide that no person, associate, or corporation shall take or hold more than 2,560 acres under asphalt lease at any one time. The entire net income from coal and asphalt leases issued under this act shall be deposited in the general fund of the Treasury of the United States.

Mr. REVERCOMB. Mr. President, as a matter of information, may I inquire what is the character of the minerals in this land which is to be conveyed to the United States?

Mr. HAYDEN. There are asphalt deposits, oil deposits, and other minerals in the land. As the Senator very well knows, Oklahoma is a great petroleum-producing State and there are deposits of the type referred to there. The idea is to try to clean up the remnant that is left of this area, pass title to it to the United States, and to have it operated under the Mineral Leasing Act. The point is that this authorizes the negotiation of an agreement to that effect, which must come back to Congress for approval. There has been a disagreement between the Indian tribes and the Government of long standing.

Mr. REVERCOMB. Do the Indians own the minerals at this time?

Mr. HAYDEN. Yes; they have title to them.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona on behalf of the Senator from Oklahoma [Mr. THOMAS].

The amendment was agreed to.

Mr. HOLMAN. Mr. President, if it is in order, I should like to request that the Senate revert to page 49, line 22.

Mr. HAYDEN. Mr. President, if the Senator will pardon me there are two committee amendments the Senator from Wyoming was authorized, by the committee, to offer. It will not take long to dispose of them.

Mr. HOLMAN. Very well, I will withdraw my request if the Senator in charge of the bill will prompt me at the proper time when I may offer the amendment I have in mind.

Mr. O'MAHONEY. Mr. President, the Shoshone and Arapaho Indians on the Wind River Reservation in Wyoming recently adopted a resolution indicating their desire to expend not to exceed $7,500 of the tribal funds, to pay a per diem compensation to the members attending council meetings, to pay a per diem compensation of $10 to the delegates who may be required to go to Washington or to Chicago for conferences with the Indian Office, and to pay compensation for certain Indian game and fish wardens on the reservation. The amendment has the approval of the Bureau of Indian Affairs and also the unanimous approval of the Committee on Appropriations. By authority of the committee, therefore, I offer the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 50, after line 3, it is proposed to insert the following:

Expenses of tribal officers and other purposes, Shoshone and Arapaho Tribes, Wyoming (tribal funds): For the current fiscal year the Secretary of the Interior, or such official as may be designated by him, is hereby authorized to pay out of any joint tribal funds of the Shoshone and Arapaho Indians of the Wind River Reservation, Wyo., in the Treasury of the United States the following salaries and expenses:

To the chairman, secretary, and interpreter of the Shoshone and Arapaho Joint General Council and members of the Shoshone and Arapaho Joint Business Committee, or other committees appointed by the Joint General Council, when engaged on joint business of the tribes, a sum of not to exceed $8 per diem for attendance to cover salary and all expenses; to such official delegates of the Shoshone and Arapaho Tribes who may carry on the joint business of the tribes in Washington or Chicago a per diem of not to exceed $10 in lieu of salary and expenses: *Provided*, That the rate per diem shall be fixed in advance by the Joint General Council or by the Joint Business Committee if authorized by said Joint General Council: *Provided further*, That the official delegates of said tribes carrying on business in Washington or Chicago shall also receive the usual railroad and sleeping-car transportation to and from Washington or Chicago: *And provided further*, That the length of stay of the official delegates in Washington or Chicago shall be determined by the Commissioner of Indian Affairs. The Secretary or his designate is also authorized and directed to expend from said joint tribal funds of the Shoshone and Arapaho Indians with the consent of the Joint Business Committee, not exceeding $1,500 per annum for pay of game and fish wardens to be appointed by the Joint Business Committee, for patrolling the lakes, streams, and hunting areas of the Wind River Reservation: *Provided*, That receipts derived from fishing and hunting licenses and permits and from fines shall be deposited into the Treasury of the United States to the credit of the tribes pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560): *Provided further*, That all the aforesaid pay and expenses for all purposes shall not exceed, in the aggregate, $7,500 per annum.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] on behalf of the committee.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, during the past several months Congress has been considering the problem of the manufacture of synthetic fuels. A law was enacted authorizing the appropriation of not to exceed $30,000,000 to carry out the program for the construction of demonstration plants. The Appropriations Committee has approved and the Senate has already approved this afternoon an appropriation of $8,000,000. I am authorized to offer a legislative amendment authorizing the department to make contractual obligations for the remaining $22,000,000.

The purpose of the amendment is to enable the Department to carry into effect the program as a whole. If it were not given this authority, it would be hampered in preparing plans for carrying on the work. The law contemplates a 5-year program. An appropriation is made for a million dollars, which is the amount that may be expended during the next fiscal year, and the authorization, if granted, will enable the program to be carried out.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Louisiana.

Mr. OVERTON. Are there any limitations as to the area in which this fund may be expended?

Mr. O'MAHONEY. The law as passed, as I recall, did not have any limitations as to area.

Mr. OVERTON. I was interested because there are a number of places in the South where I should like to see such plants established.

Mr. O'MAHONEY. The Senator from Alabama, a member of the committee, spoke of the desirability of that which the Senator from Louisiana suggests during a committee hearing at which the Senator from Louisiana was unable to be present because of the rivers and harbors' bill, which was been occupying so much of his time.

Mr. OVERTON. I understand the Senator from Alabama referred to it in the committee, and I regret I was not able to be present.

Mr. O'MAHONEY. There is no limitation in the law.

Mr. OVERTON. I understood there was something that would prohibit the doing of what I have in mind, or that perhaps the funds had already been allocated for certain areas, and that there would be none available for the South, Louisiana in particular.

Mr. O'MAHONEY. There has been no allocation of the funds.

Mr. OVERTON. I thank the Senator.

Mr. O'MAHONEY. I offer the amendment.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Wyoming on behalf of the committee.

The CHIEF CLERK. At the proper place in the bill, under the heading "Bureau of Mines," it is proposed to insert the following: "*Provided further*, That in addition to the amount herein appropriated the Secretary of the Interior is

hereby authorized to enter into contracts for additional work not exceeding a total of $22,000,000 during the period covered by the aforesaid act, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and appropriations hereafter made for the construction and operation of demonstration plants to produce synthetic liquid fuels shall be considered available for the purpose of discharging the obligations so created."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] on behalf of the committee.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, that I think concludes the committee amendments, and the Senator from Oregon may now take up the matter to which he referred a few moments ago.

Mr. HOLMAN. Mr. President, I request the Senate to advert to page 49, line 22, and at that point I move to strike out the figures "$220,070" and insert in lieu thereof the figures and words: "$223,670, of which not to exceed $1,200 shall be available until expended in units of $300 for standing rewards for information leading to the apprehension and conviction for the theft or killing of any Indian cattle (tribal or individual) on the Klamath Reservation, of any person or persons, under rules and regulations adopted by the Klamath Cattle Committee and approved by the Commissioner of Indian Affairs, and."

Mr. President, in justification of the proposed amendment, I may say that its effect would be to appropriate an additional $3,600 of Klamath tribal funds, of which $1,200 would be available for use in units of $300 for the payment of rewards for information leading to the apprehension and conviction for the theft or killing of Indian cattle on the Klamath Reservation; and $2,400 would be available for the tribe to engage a dentist to take care of the teeth of members of the tribe, in particular, children.

These are very small items, but they are of great importance to the tribe.

Mr. HAYDEN. I notice that the Senator's amendment provides that the funds shall not be expended unless approved by the tribal council.

The matter came to the attention of the committee after we had made up the bill; otherwise, it would probably have been included. Under the circumstances, I shall be glad to accept the amendment and take it to conference.

The PRESIDING OFFICER. Before the amendment may be entertained it will be necessary to reconsider the vote by which the committee amendment on page 49, line 22, was agreed to.

Mr. HOLMAN. I ask unanimous consent that the amendment at that place be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is reconsidered.

The question now is on the amendment offered by the Senator from Oregon [Mr. HOLMAN] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be offered the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4679) was read the third time and passed.

Mr. HAYDEN. Mr. President, in view of the fact that it is desirable to secure final action on the appropriation bill as soon as possible, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. BANKHEAD, Mr. O'MAHONEY, Mr. CHAVEZ, Mr. NYE, Mr. HOLMAN, Mr. GURNEY, and Mr. BURTON conferees on the part of the Senate.

Mr. HAYDEN. I ask unanimous consent that the clerk be authorized to correct all totals.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

The Chair hears none, and the clerk is authorized to correct all totals in the bill.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. BURTON in the chair) laid before the Senate a message from the President of the United States, which was referred to the appropriate committee.

(For nomination this day received, see the end of Senate proceedings.)

RECESS TO THURSDAY

Mr. BARKLEY. Mr. President, there is no Executive Calendar, so I shall not move an executive session. It is my purpose to move a recess until Thursday, on which day I hope we may have a call of the calendar. So far as I know, there will be no other business of any importance on that day, unless an appropriation bill shall be ready for consideration, and I do not think any will be.

I move that the Senate take a recess until Thursday next at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 13 minutes p. m.) the Senate took a recess until Thursday, May 25, 1944, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 23 (legislative day of May 9), 1944:

IN THE NAVY

Capt. Worrall R. Carter, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as Commander, Service Squadron 10.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 23, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Christ, Thou who didst stand for the poor, the friendless, and the enslaved and hast given the world a genuine measurement of the value of man, in Thy name we pray. As Thou art the solvent of our risingly critical problem, teach us to follow Thee and thus avoid attendant intolerance and hatred with their tangled and puzzled relationships. We praise Thee; Thou didst leave nothing Thou didst not touch, and touched nothing Thou didst not adorn.

Heavenly Father, who girdest the souls of men and women, make Thyself felt in the great crisis of our conflict that we may never become its victims, dwarfed by our weakness or desire for material gain. Give us a genuine infusion of unity and cooperation that will make us tread bravely toward the prime essentials in the life and character of our Republic. Sustain us with an unshaken faith and with a valiant, unbroken hope, lifting us above the selfishness of man and the throes of self-complacency which chill and stiffen the cause of our liberation. Hear the cries and prayers which are arising along the ways of our tortured humanity. In the name of Him who made the eternal sacrifice. Amen.

The Journal of the proceedings of yesterday was read and approved.

ACTING CLERK OF THE HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 22, 1944.

The Honorable the SPEAKER,
House of Representatives.

SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin Megill, an official in my office, to sign any and all papers and do all other acts for me which he would be authorized to do by virtue of this designation and of clause 4, rule III, of the House.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

COLORADO PROPOSES REGULATIONS FOR INTERSTATE AIR CARRIERS

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. BULWINKLE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include

therein a copy of an editorial from the Crowley (La.) Daily Signal.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article that appeared in the Washington Post on May 20, 1944.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my remarks and include two different sets of clippings on the subject of aviation.

The SPEAKER. Is there objection?

There was no objection.

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a comparison of the Internal Revenue Code with the surtax tables of the pending bill, and a table prepared by the Treasury Department showing the estimated number of recipients in the various surtax brackets.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SIMPLIFICATION OF INDIVIDUAL INCOME TAX

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. McLEAN. Mr. Speaker, a few days ago the chairman of the Committee on Ways and Means took exception to some observations I made concerning what is now known as the Individual Income Tax Act of 1944.

It was my intention yesterday afternoon to make rebuttal, but owing to the lateness of the hour I contented myself with the insertion of my remarks in the RECORD. They will be found at page 4829. It is my hope that they may be read before the vote is taken today.

When this bill begins to operate and the retroactive increases it provides become known we Members will have much to answer for. The bill started out under the title "A bill to provide for simplification of the individual income tax." Now it bears the title "The Individual Income Tax Act of 1944." And that is exactly what it is.

EXTENSION OF REMARKS

Mr. POULSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances, in one to include a letter and in each of the others to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a telegram from one of the leading superintendents of schools of Illinois, in opposition to the school-lunch program.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEONARD W. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address made by me.

The SPEAKER. Is there objection?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper story from Iowa.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein copies of two letters.

The SPEAKER. Is there objection?

There was no objection.

SIMPLIFICATION OF INDIVIDUAL INCOME TAX

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table, the bill (H. R. 4646) to provide for simplification of the individual income tax, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 9, strike out lines 18 to 24, inclusive, and insert:

"(4) Any tax assessed against the child, to the extent attributable to amounts includible in the gross income of the child and not of the parent solely by reason of paragraph (1), shall, if not paid by the child, for all purposes be considered as having also been properly assessed against the parent."

Page 12, after line 15, insert:

"(d) Capital gains and losses.

"(1) Definition of capital net gains: Section 117 (a) (10) (B) is amended by adding at the end thereof a new sentence to read as follows: 'If the tax is to be computed under supplement T, "net income" as used in this subparagraph shall be read as "adjusted gross income."'

"(2) Limitation on capital losses: Section 117 (d) (2) is amended by adding at the end thereof a new sentence to read as follows: 'If the tax is to be computed under supplement T, "net income" as used in this paragraph shall be read as "adjusted gross income."'"

Page 18, line 7, after "income", insert "for the calendar year in which the taxable year of the taxpayer begins."

Page 18, line 10, after "income", insert "for the calendar year in which the taxable year of the taxpayer begins."

Page 18, line 14, after "51", insert "for a taxable year beginning in such calendar year."

Page 18, lines 23 and 24, strike out "support for the taxable year" and insert "support, for the calendar year in which the taxable year of the taxpayer begins."

Page 20, line 2, after "States.", insert "A payment to a wife which is includible under section 22 (k) or section 171 in the gross income of such wife shall not be considered a payment by her husband for the support of any dependent."

Page 21, line 14, strike out "SEC. 214. Exemption for Dependents." and insert "SEC. 214. Credits against net income."

Page 22, strike out lines 14, 15, and 16 and insert "purposes) is amended by striking out '25 (b) (2) (A), and 171, and the last sentence of section 401 (a) (2)' and inserting in lieu thereof '171, and the last sentence of section 25 (b) (3).'"

Page 37, after line 9, insert:

"SEC. 14. Technical amendment of definition of deficiency.

"(a) In general: Section 271 (defining the term 'deficiency') is amended to read as follows:

"'SEC. 271. Definition of deficiency.

"'(a) In general: As used in this chapter in respect of a tax imposed by this chapter, "deficiency" means the amount by which the tax imposed by this chapter exceeds the excess of—

"'(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return, if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"'(2) the amount of rebates, as defined in subsection (b) (2), made.

"'(b) Rules for application of subsection (a). For the purposes of this section—

"'(1) The tax imposed by this chapter and the tax shown on the return shall both be determined without regard to payments on account of estimated tax, without regard to the credit under section 35, and without regard to so much of the credit under section 32 as exceeds 2 percent of the interest on obligations described in section 143 (a);

"'(2) The term "rebate" means so much of an abatement, credit, refund, or other repayment, as was made on the ground that the tax imposed by this chapter was less than the excess of the amount specified in subsection (a) (1) over the amount of rebates previously made; and

"'(3) The computation by the collector, pursuant to section 51 (f), of the tax imposed by this chapter shall be considered as having been made by the taxpayer and the tax so computed considered as shown by the taxpayer upon his return.'

"(b) Amendment of sections 3801 and 3806: The second sentence of section 3801 (d) (relating to ascertainment of amount of adjustment under section 3801), and the third sentence of section 3806 (b) (3) (relating to ascertainment of credit for barred year under section 3806), are respectively amended to read as follows: 'The amount of the tax previously determined shall be the excess of—

"'(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return (determined as provided in section 271 (b) (1) and (3)), if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"'(2) the amount of rebates, as defined in section 271 (b) (2), made.'

"(c) Interest on deficiencies: Section 292 (a) (relating to interest on deficiencies) is amended by inserting at the end thereof the following: 'If any portion of the deficiency assessed is not to be collected by reason of a prior satisfaction, in whole or in part, of the tax, proper adjustment shall be made with respect to the interest on such portion.'

"(d) Overpayment found by Tax Court in case of deficiency: Section 322 (d) (relating to overpayments found by Tax Court) is amended by inserting after 'in respect of which the Commissioner determined the deficiency,' the following: 'or finds that there is a deficiency but that the taxpayer has made an overpayment of tax in respect of such taxable year.'

"(e) Taxable years to which applicable: The amendments made by subsection (a), (c), and (d) shall be applicable with respect to taxable years beginning after December 31, 1942. The amendment made by subsection

(b) to section 3801 (d) of the Internal Revenue Code shall, for the purposes of such section and sections 124, 130, and 3807 of such code, be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. The amendment made by subsection (b) to section 3806 (b) (3) of such code shall, for the purposes of such section, be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. In the application of the amendments made by this section in the case of taxable years beginning in 1943, 'section 35' in the amendment made by subsection (a) shall be read as 'section 35 and section 466 (e)'."

Page 45, strike out lines 14 to 18 inclusive and insert:

"(C) An exemption for each individual with respect to whom, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable a surtax exemption under section 25 (b) (3) for the taxable year under chapter 1 in respect of which amounts deducted and withheld under this subchapter in the calendar year in which such day falls are allowed as a credit."

Page 46, after line 22, insert:

"(C) Change of status, etc., which affects next calendar year: If on any day during the calendar year the number of withholding exemptions to which the employee will be, or my reasonably be expected to be, entitled at the beginning of his next taxable year under chapter 1 is different from the number to which the employee is entitled on such day, the employee shall, in such cases and at such times as the Commissioner, with the approval of the Secretary, may by regulations prescribe, furnish the employer with a withholding exemption certificate relating to the number of withholding exemptions which he claims with respect to such next taxable year, which shall in no event exceed the number to which he will be, or may reasonably be expected to be, so entitled."

Page 47, line 18, after "furnished" insert "; but a certificate furnished pursuant to paragraph (2) (C) shall not take effect, and may not be made effective, with respect to any payment of wages made in the calendar year in which the certificate is furnished."

Page 49, strike out lines 1 and 2 and insert "number which he would be entitled to claim if the day on which such certificate is so furnished were January 1, 1945."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. McLEAN. Mr. Speaker, reserving the right to object, I desire to propound a parliamentary inquiry.

If the request of the gentleman from North Carolina is granted the Senate amendments will be adopted without committee reference or consideration, and also without debate. Is that correct?

The SPEAKER. The first part of the gentleman's statement is correct, but under the reservation the gentleman can debate the matter if he desires.

Mr. McLEAN. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McLEAN. The gentleman from North Carolina could include in his unanimous-consent request a provision for time for debate?

The SPEAKER. He could do that.

Mr. McLEAN. Mr. Speaker, will the gentleman from North Carolina yield?

Mr. DOUGHTON. Yes; gladly.

The SPEAKER. How much time does the gentleman desire?

Mr. McLEAN. I only desire to propound an inquiry to the gentleman from North Carolina.

Is it the purpose of the gentleman from North Carolina to allow any time for debate or consideration on the floor of the Senate amendments?

Mr. DOUGHTON. If it is within the province of the gentleman from North Carolina he would have no objection to debate.

Mr. McLEAN. Mr. Speaker, will the gentleman yield me half an hour for consideration of the bill?

Mr. DOUGHTON. Of the amendments?

Mr. McLEAN. Of the amendments and the bill in its present form as it comes from the Senate.

Mr. DOUGHTON. Does the gentleman wish to discuss the amendments?

Mr. McLEAN. I wish to confine myself to a consideration of the bill under the rules of the House if I may be granted one-half an hour with the right to yield part of the time to others.

Mr. DOUGHTON. Is the gentleman opposed to the bill? I do not know what there is to discuss. I have no objection to discussion if it is in order. This bill passed the House unanimously and passed the Senate unanimously with no changes in the bill other than technical changes and clarifying amendments. There has been no basic change made in the bill since it passed the House, and it passed both bodies unanimously after careful consideration. The Treasury staff and the staff of the Joint Committee on Taxation all agree there is no basic change since it passed the House, so I do not know what there is to discuss.

Mr. McLEAN. Does the gentleman intend to explain the provisions? The Senate has added one amendment carrying entirely new matter. It is a long amendment. It deals with what is known as deficiencies and provides a procedure whereby a taxpayer can decide what his deficiency is and what he should do about it. Does the gentleman expect to explain that provision or must we take the word of experts and pass everything carte blanche because an expert says it is all right?

Mr. DOUGHTON. The chairman of the committee does not know that he could make a better explanation than the experts have made, but if there is not sufficient explanation as to what the amendments mean in the report of the Senate Finance Committee and the debate in the Senate, if it is in order the gentleman from North Carolina, of course, has no objection to any debate that will throw any light on the subject.

Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DOUGHTON. Under the present parliamentary situation is debate in order?

The SPEAKER. It is not; the gentleman from North Carolina would have to change his request to make debate in order.

Mr. DOUGHTON. I would have no objection to debate. I want the gentleman from New Jersey, who is a distinguished and useful member of the committee, to know there is certainly no disposition on my part or the part of any member of the committee to cut off any proper debate or prevent the gentleman's getting any explanation that is necessary with respect to the matter.

Mr. McLEAN. Does the gentleman from North Carolina expect to explain the Senate amendments to the House?

Mr. DOUGHTON. The gentleman from North Carolina will do the best he can.

The SPEAKER. Allow the Chair to make a statement. There are two ways in which this matter may be handled: The gentleman from New Jersey under the rule can reserve the right to object and then ask the gentleman from North Carolina to make any explanation he desires; or, if that is not satisfactory to the gentleman from New Jersey then the gentleman from North Carolina could ask unanimous consent to take the bill from the Speaker's table and consider the Senate amendments.

The expeditious way to handle this would be for the gentleman from New Jersey to reserve the right to object and ask such questions as he desires, and he can do that for quite some time if he desires.

Mr. McLEAN. I have no desire, Mr. Speaker, to delay the legislative processes on this measure. I reserve the right to object.

The bill went to the Senate, was considered in the Senate, and certain amendments were added. I had a copy of the bill, and I had a copy of the report. The matter was of so much importance in the Senate, as I recall on my visit there, that Senator GEORGE made it a matter of special comment in his analysis of the bill. As I understand the amendment, it affects the procedure on what is called deficiencies. The ordinary taxpayer will find himself faced with a deficiency, and I gather from a reading of the amendment that there is some sort of penalty connected with it.

Under the scheme of this so-called simplification act which now is known as the Individual Income Tax Act of 1944, a change in the rates and a change in the exemptions is contemplated which will change the tax liability and increase the taxes of a great many taxpayers. This increased tax will not become known to many of them until March 15, 1945. At that time they will find that the declaration they already submitted for this year was incorrect and they will have to readjust their anticipated income to their actual income and to the new rates which this bill provides. It increases the taxes of many of our taxpayers, and this provision is made, as I understand, to cover individuals who find themselves in that situation. I think a matter that affects increased taxes on 10,000,000 taxpayers throughout the country is worthy of more serious consideration than a mere statement on the part of the chairman that experts are all agreed and that therefore we should accept the Senate amendments without reference to a committee or without discussion on the floor. There

is no copy of the tax bill on the floor at this moment.

Mr. DOUGHTON. We can get plenty of copies.

Mr. McLEAN. There is no report on the floor at this moment. I have spent a number of hours trying to analyze the bill and the report.

Mr. DOUGHTON. Here is a copy if the gentleman wishes it; and I will see that anyone else gets a copy who wants it right now.

Mr. McLEAN. I shall be glad to have it.

Mr. DOUGHTON. I am glad to accommodate the gentleman.

Mr. McLEAN. I suppose when the gentleman from North Carolina asks unanimous consent with his knowledge of the situation, the experience he has had, his association with the Secretary of the Treasury and the chairman of the Senate Committee on Finance, he is thoroughly familiar with this additional provision and understands exactly what it means to those who will have to pay increased income taxes under this Individual Income Tax Act of 1944.

This amendment concerning deficiencies begins on page 38, it covers all of page 39, it covers all of page 40, covers all of page 41, and covers the greater part of page 42. I will be very glad to take the time to read it; probably it could be understood, but it might expedite matters and I will be obliged if the gentleman from North Carolina will explain to us what this amendment means.

Mr. DOUGHTON. Did not the gentleman have every opportunity to ask questions about the bill when it was before the committee? Was it not thoroughly and fully considered on the floor and was he not given every opportunity to ask any question he wanted, and did not the gentleman vote for the bill?

Mr. McLEAN. Yes; will the gentleman yield to me?

Mr. DOUGHTON. Yes; I yield.

Mr. McLEAN. I voted for the bill; I voted for the bill in the Committee on Ways and Means. If I had then the knowledge I have now perhaps I would not have done so.

Mr. DOUGHTON. What did the gentleman lack in the way of full knowledge? Why was it that the gentleman did not have any knowledge as to what was in it?

Mr. McLEAN. The distinguished gentleman from North Carolina did me the honor to stay on the floor of the House and listen to my humble remarks. He will recall that when I stated I voted for the bill in committee and voted for it on the floor, I did so with some hesitation.

Mr. DOUGHTON. At times we all do that more or less.

Mr. McLEAN. And I gave my reasons for doing so. I realize the great burden there is on the gentleman from North Carolina, particularly in these times of stress and anxiety. I like him, as we all do, and he will not deny that there have been times when in a spirit of cooperation I have tried to relieve him and help him carry the load; besides, I try to follow those rules of gentlemanly conduct which are supposed to guide youthful members of a committee in the respect they owe to the chairman and also that which we all owe to our elders. It would not be for me to put any stumbling block in the way of progress of any legislation that might relieve the gentleman from North Carolina in his labor. Of course, what the gentleman says about debate on the floor is correct, but I am not addressing myself to anything that has been heretofore discussed. What I am directing my attention to is that which appears in italics in the Senate bill, the new matter inserted in the bill by the Senate known as section 14, "Technical amendment of definition of a deficiency."

If the gentleman from North Carolina is prepared to explain to the House just what that technical definition of deficiency is, and what effect it will have upon those whose income taxes will be increased under this act, I am perfectly well satisfied and may withdraw any rights I may have under my reservation of objection. I have no desire to delay the legislative processes on this matter. I could not do that if I would. I am sensible enough to know that. The steam roller rolls. I have been participating in legislative activities for some time, and I know how these things work, but I want my associates to be informed as to what is going on, and I try to give them the information I have to the best of my ability.

Mr. DOUGHTON. May I say to the gentleman that there is no issue between the gentleman and myself so far as his usefulness on our committee is concerned and so far as his courtesy to me at all times is concerned. It has been uniform and unvarying. His friendship I appreciate, his fine services to the Congress and to the committee I appreciate. I do want to say, however, that I ask no special consideration on account of my age. I would not ask that. I do not ask any sympathy on that account.

Mr. McLEAN. I do not extend sympathy. I give you honor, admiration, and respect.

Mr. COOPER. Will the gentleman yield?

Mr. McLEAN. I yield to the gentleman from Tennessee.

Mr. COOPER. With respect to the amendment referred to by the distinguished gentleman from New Jersey dealing with the question of deficiency assessment, I think it might be well to point out that the Senate amendment is purely technical in nature and clarifying and is an effort to try to improve the situation that exists. In effect it restores the definition of deficiency that has been in existence for some 20 years or so, but was made difficult to apply because of the enactment of the so-called pay-as-you-go income tax system. It will be remembered the starting point in determining a deficiency is the tax reported on the return by the taxpayer. If the amount shown on the return is less than the correct tax, a deficiency results.

Under this bill we are trying our best to eliminate tax returns for some 30,000,000 of our individual taxpayers by allowing them to use the so-called W–2 form, which results in the taxpayer not computing his own tax but having his tax computed by the collector. Since there is no tax reported on the return of the taxpayer, the deficiency rule under existing law is not applicable. In order to secure the benefit of this simplification act, the tax determined by the collector on this W–2 form will have to be taken as the starting point for determining a deficiency. If the taxpayer owes an additional amount, this additional amount will constitute a deficiency. This whole thing is for the purpose of removing complications and difficulties that have arisen by reason of the enactment of the so-called pay-as-you-go system and is further required by reason of this simplification act that we now have under consideration.

Mr. McLEAN. Will the gentleman assure me that if any taxpayer finds that he has to pay more taxes under this act on March 15 next year, if he finds himself confronted with a deficiency compiled by the collector of internal revenue due to a situation created by this act and not by himself, that there will be no penalty attached to any deficiency assessed by the collector of internal revenue?

Mr. DOUGHTON. Does the gentleman see anything in the bill that provides a penalty?

Mr. McLEAN. I am asking the gentleman from Tennessee if my statement is correct.

Mr. COOPER. The taxpayer will still have all the rights he now has with respect to deficiency assessments. He will have the right to go to The Tax Court just as he does now and it should be borne in mind it is by reason of a deficiency determination that he can go to The Tax Court. If there is no deficiency determination, there is no occasion for him to go to The Tax Court.

Mr. McLEAN. One of his rights is to pay a penalty of 6 percent on a deficiency. If such a deficiency comes about and the collector tells him under this provision he has a deficiency, I do not think it would be fair to assess him a 6-percent penalty.

Mr. COOPER. That has nothing whatever to do with this, and there is no change in the present law on that point.

Mr. McCORMACK. Will the gentleman yield?

Mr. McLEAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. When I was a member of the Ways and Means Committee I always felt that 6 percent was too high, particularly where the Government does not pay 6 percent for overpayment. I am wondering if my friend from New Jersey supported me when I tried to clarify that situation?

Mr. McLEAN. The gentleman from Massachusetts will recall that about the time I became a member of the Committee on Ways and Means he had been advanced to the very distinguished position he now holds as majority leader of the House. Hence when I arrived I found one of the attractions that had created in me a desire to become a member of the Ways and Means Committee was not there and to enjoy him I had

to become a more regular attendant on the floor.

Mr. McCORMACK. I may say that the gentleman and I both served on the Ways and Means Committee. We are all enjoying this little colloquy between two dear friends who have temporarily strayed apart. I think I can inject myself into this matter, because when I was a member of the Ways and Means Committee, that committee, without regard to party, was a sort of a family. We would have our little scraps among ourselves, but outsiders could not butt in very well. I can assure the gentleman that the House is enjoying this very much. I know if anybody here would undertake to say anything that would indirectly even constitute an attack on the distinguished gentleman from North Carolina, the distinguished gentleman from New Jersey would be battling him vigorously and strongly in defense of our friend from North Carolina.

Mr. McLEAN. Thank you, Mr. Leader. It is a compliment to know the impression my habit of life has fixed in the mind of the gentleman from Massachusetts.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. McLEAN. I yield to the gentleman from Tennessee.

Mr. COOPER. I think it would be appropriate to add one further word with respect to the 6 percent mentioned by the gentleman from New Jersey, as well as the gentleman from Massachusetts. While 6 percent is provided for deficiencies, it should be borne in mind that the Government has to pay 6 percent on refunds that are made. It works both ways.

Mr. McLEAN. May I say this to the gentleman from Tennessee, and I think it is a matter which ought to be made known to the public. When we passed the provision providing for the filing of estimated returns, there was a penalty included, and since that time the House has corrected that situation so that errors in estimates need not worry the taxpayer about a penalty.

Mr. COOPER. The gentleman is correct. It will be remembered that in the tax bill passed this year certain very important changes were made with respect to the penalties provided for the estimated tax. It will be remembered that under the bill that was passed earlier this session, the one that was passed over the Presidential veto, a provision was included that if the taxpayer estimates his tax for the current year on the basis of his income for the previous year, he is relieved of any penalty.

Mr. DOUGHTON. I would like to say to my distinguished colleague from New Jersey, a member of our committee, that he knows that he is privileged in his own right to raise the question and ask for an explanation, and I appreciate it. I am glad for him to do that, and if there is anything we can explain that he does not understand, or anything that we do not know that he has found out, why we are glad to know that. There is not a man on our committee who has rendered a finer service than has the gentleman from New Jersey, and so far as I am concerned, his friendship is fixed for life. I have too high regard for his ability and statesmanship to question anything he does about anything.

Mr. McLEAN. I thank the chairman.

Mr. Speaker, I am so overwhelmed by these encomiums that I am almost constrained to withdraw my objection. I am reminded of the story told of Joseph H. Choate and an associate of the Jewish faith in an important law case. The question arose over the fee. Mr. Choate's associate suggested $5,000, which surprised Mr. Choate, who said he would not take a cent less than twice that amount. Whereupon his associate exclaimed: "Thou almost persuadeth me to be a Christian."

Mr. Speaker, yesterday afternoon I spread my thoughts on the RECORD at an appropriate place where those who are at all interested may read about the intricacies of tax bills and how, when you want to amend a tax bill or simplify anything, you do it upside down.

I appreciate the importance of expedition in our legislative processes, and I know what would happen if I insisted upon my objection and prevented momentarily, by objecting to this unanimous consent request, the consideration of this bill. The gentleman from North Carolina would put his request into a motion. The bells would ring. Everybody would be brought in. That would cause a lot of trouble and the result would probably be a little bit more embarrassing to me than if I withdrew my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate amendments as follows:

Page 9, strike out lines 18 to 24 inclusive and insert:

"'(4) Any tax assessed against the child, to the extent attributable to amounts includible in the gross income of the child and not of the parent solely by reason of paragraph (1), shall, if not paid by the child, for all purposes be considered as having also been properly assessed against the parent.'"

Page 12, after line 15, insert:

"(d) Capital gains and losses.

"(1) Definition of capital net gains: Section 117 (a) (10) (B) is amended by adding at the end thereof a new sentence to read as follows: 'If the tax is to be computed under Supplement T, "net income" as used in this subparagraph shall be read as "adjusted gross income."'"

"(2) Limitation on capital losses: Section 117 (d) (2) is amended by adding at the end thereof a new sentence to read as follows: 'If the tax is to be computed under Supplement T, "net income" as used in this paragraph shall be read as "adjusted gross income."'"

Page 18, line 7 after "income" insert "for the calendar year in which the taxable year of the taxpayer begins."

Page 18, line 10, after "income" insert "for the calendar year in which the taxable year of the taxpayer begins."

Page 18, line 14, after "51" insert "for a taxable year beginning in such calendar year."

Page 18, lines 23 and 24, strike out "support for the taxable year" and insert "support, for the calendar year in which the taxable year of the taxpayer begins."

Page 20, line 2, after "States." insert "A payment to a wife which is includible under section 22 (k) or section 171 in the gross income of such wife shall not be considered a payment by her husband for the support of any dependent."

Page 21, line 14, strike out "SEC. 214. Exemption for dependents" and insert "SEC. 214. Credits against net income."

Page 22, strike out lines 14, 15, and 16 and insert "purposes) is amended by striking out '25 (b) (2) (A), and 171, and the last sentence of section 401 (a) (2)' and inserting in lieu thereof '171, and the last sentence of section 25 (b) (3).'"

Page 37, after line 9, insert:

"SEC. 14. Technical amendment of definition of deficiency.

"(a) In general.—Section 271 (defining the term 'deficiency') is amended to read as follows:

"'SEC. 271. Definition of deficiency.

"'(a) In general: As used in this chapter in respect of a tax imposed by this chapter, "deficiency" means the amount by which the tax imposed by this chapter exceeds the excess of—

"'(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return, if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"'(2) the amount of rebates, as defined in subsection (b) (2), made.

"'(b) Rules for application of subsection (a): For the purposes of this section—

"'(1) The tax imposed by this chapter and the tax shown on the return shall both be determined without regard to payments on account of estimated tax, without regard to the credit under section 35, and without regard to so much of the credit under section 32 as exceeds 2 percent of the interest on obligations described in section 143 (a);

"'(2) The term "rebate" means so much of an abatement, credit, refund, or other repayment, as was made on the ground that the tax imposed by this chapter was less than the excess of the amount specified in subsection (a) (1) over the amount of rebates previously made; and

"'(3) The computation by the collector, pursuant to section 51 (f), of the tax imposed by this chapter shall be considered as having been made by the taxpayer and the tax so computed considered as shown by the taxpayer upon his return.'"

"(b) Amendment of sections 3801 and 3806: The second sentence of section 3801 (d) (relating to ascertainment of amount of adjustment under section 3801), and the third sentence of section 3806 (b) (3) (relating to ascertainment of credit for barred year under section 3806), are respectively amended to read as follows: 'The amount of the tax previously determined shall be the excess of—

"'(1) the sum of (A) the amount shown as the tax by the taxpayer upon his return (determined as provided in section 271 (b) (1) and (3)), if a return was made by the taxpayer and an amount was shown as the tax by the taxpayer thereon, plus (B) the amounts previously assessed (or collected without assessment) as a deficiency, over—

"'(2) the amount of rebates, as defined in section 271 (b) (2), made.'

"(c) Interest on deficiencies: Section 292 (a) (relating to interest on deficiencies) is amended by inserting at the end thereof the following: 'If any portion of the deficiency assessed is not to be collected by reason of a prior satisfaction, in whole or in part, of the tax, proper adjustment shall be made with respect to the interest on such portion.'

"(d) Overpayment found by Tax Court in case of deficiency: Section 322 (d) (relating to overpayments found by Tax Court) is amended by inserting after 'in respect of which the Commissioner determined the deficiency,' the following: 'or finds that there is a deficiency but that the taxpayer has

made an overpayment of tax in respect of such taxable year.'

"(e) Taxable years to which applicable: The amendments made by subsections (a), (c), and (d) shall be applicable with respect to taxable years beginning after December 31, 1942. The amendment made by subsection (b) to section 3801 (d) of the Internal Revenue Code shall, for the purposes of such section and sections 124, 130, and 3807 of such code, be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. The amendment made by subsection (b) to section 3806 (b) (3) of such code shall, for the purposes of such section be applicable in the determination of a tax previously determined only if such tax is for a taxable year beginning after December 31, 1942. In the application of the amendments made by this section in the case of taxable years beginning in 1943, 'section 35' in the amendment made by subsection (a) shall be read as 'section 35 and section 466 (e).'"

Page 45, strike out lines 14 to 18, inclusive, and insert:

"'(C) An exemption for each individual with respect to whom, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable a surtax exemption under section 25 (b) (3) for the taxable year under chapter 1 in respect of which amounts deducted and withheld under this subchapter in the calendar year in which such day falls are allowed as a credit.'"

Page 46, after line 22 insert:

"'(C) Change of status, etc., which affects next calendar year: If on any day during the calendar year the number of withholding exemptions to which the employee will be, or may reasonably be expected to be, entitled at the beginning of his next taxable year under chapter 1 is different from the number to which the employee is entitled on such day, the employee shall, in such cases and at such times as the Commissioner, with the approval of the Secretary, may by regulations prescribe, furnish the employer with a withholding exemption certificate relating to the number of withholding exemptions which he claims with respect to such next taxable year, which shall in no event exceed the number to which he will be, or may reasonably be expected to be, so entitled.'"

Page 47, line 18, after "furnished" insert "; but a certificate furnished pursuant to paragraph (2) (C) shall not take effect, and may not be made effective, with respect to any payment of wages made in the calendar year in which the certificate is furnished."

Page 49, strike out lines 1 and 2 and insert "number which he would be entitled to claim if the day on which such certificate is so furnished were January 1, 1945."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REPEAL OF LAND-GRANT RATES ON TRANSPORTATION OF GOVERNMENT TRAFFIC

Mr. SABATH. Mr. Speaker, I call up House Resolution 543 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of the bill (H. R. 4184) to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic; that after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SABATH. Mr. Speaker, this rule makes in order consideration of H. R. 4184, looking to discontinuance of land-grant rates for transportation of Government traffic. The bill comes from the Committee on Interstate and Foreign Commerce under the leadership of the gentleman from Oklahoma [Mr. BOREN].

The rule was given to the gentleman from Georgia [Mr. COX], who, unfortunately, is unable to be here this morning; therefore, in his stead, I am calling it up.

The rule provides for 2 hours' general debate. It is a broad and liberal rule and the bill will be read for amendment, as usual.

To be perfectly candid with the House, there is some opposition to this bill; nevertheless the Committee on Rules felt that the House should have an opportunity to pass upon the subject.

At the time these grants were made by the Government an agreement was entered into by which the railroads would transport Government freight free, the Government to furnish all transportation equipment. Later the Government asked the railroads to furnish transportation equipment, which was done, and these railroads agreed that thereafter they would carry the traffic of the Government for 50 percent of the regular commercial rate, which reduced rate this bill aims to eliminate.

A great deal of this land that was given to the railroads has been sold by them, in many instances at handsome prices, and the railroads are the beneficiaries; and in addition to making money on this land they have built up those sections, creating profitable traffic for their own roads, so that today some of these roads, as you know, are in splendid financial condition. I think they are in a better position today than they have ever been in the history of our country. Most of them are making money. They are refinancing some of their outstanding debts, and some of them are even paying the back interest on the bonds that heretofore they had been unable to pay until, of course, the Democratic administration made it possible for them to be as prosperous as they are.

I fully appreciate that the railroads have helped to develop the West and the Southwest, but any man who has studied the situation must come to the inevitable conclusion that the promoters were not so much originally interested in building up the country as they were in building the roads with the aid of the National Government. To that end the Government, beginning in 1850, gave these promoters millions upon millions of acres of land, mostly in the West, which land the railroads sold at high prices, as I have said, and there are now about 130,000,000 acres of that land still in possession of the railroads. They desire now to cancel the contract by which they agreed to carry Government traffic at 50 percent of the commercial rate, but they are not willing to return the land.

I would favor this bill if the railroads would return the unsold land to the Government. This bill aims to cancel the contract calling for transportation of Government traffic at 50 percent of the commercial rate, and if the bill is enacted into law it will cost the Government a half billion dollars in the next 2 years, according to testimony of representatives of the War Department. I feel that the unsold land these railroads still have is worth many times half a billion dollars.

The excuse they have for not deeding the land back to the Government is that they have mortgaged it. Of course, they have not made any request upon those mortgagees to exempt this land from the trust deeds or the mortgages. I suppose it would be hard to accomplish that, but it would be still harder upon the American people if we should relieve the railroads of their contract with the Government and let them retain all these valuable lands.

Anybody who has studied the manipulation of the railroad promoters, the operations of bankers handling railroad securities, and who knows how the railroads were unjustifiably thrown into receivership and trusteeship so as to mulct the bondholders and stockholders, will know just what this proposal means.

This effort on their part is in line with their long years of manipulation.

Although I have called up this resolution to give Members an opportunity to vote on it, I do not believe the bill should pass.

Notwithstanding the fact that I have requests by some bankers to vote for the bill, I cannot bring myself to favor the bill; my conscience will not allow me to vote for it.

Perhaps in years to come—and I hope not—the railroads will not fare so well as they are faring just now, but I cannot quite understand why this bill should be urged at this time. However, I am the obedient servant of this House. The Committee on Rules felt that the rule should be granted, and I, who always believe that the House should have a voice and a vote on any and every important piece of legislation that is reported by any committee, naturally, felt that such should be the case today.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Georgia.

Mr. TARVER. Is this the same bill which was overwhelmingly defeated by the House a couple of years ago by being recommitted to the committee?

Mr. SABATH. It is not the same bill, but I think it aims to accomplish the same purpose.

Mr. TARVER. Substantially, it is the same bill. Does the gentleman know of any changes in conditions which have occurred since that time which would justify the House in reversing its position and now enacting this bill?

Mr. SABATH. No; I do not; but I did not have the time to study the bill thoroughly inasmuch as I originally did not contemplate calling up this rule, as I have explained.

Mr. BOREN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Oklahoma.

Mr. BOREN. Does the gentleman know how many Members of the Congress voted on this question when a similar measure was up before?

Mr. SABATH. There are a lot of things that I do know but there are a great many more things that I do not recollect, and I do not remember that.

Mr. BOREN. I just do not want the House to be under the false impression that a majority of this House had had any real opportunity to consider this bill.

Mr. SABATH. I have the utmost confidence in the gentleman from Oklahoma. He will be able to explain that situation later. There will be 2 hours of general debate. I know that with his ability he may be able to enlighten the House as to this and many other questions.

I have been obliged to promise some time to the opposition on this rule, consequently I am obliged, of course—and no one will regret it—to conclude my remarks now and yield to the gentleman from New York the usual 30 minutes that he always desires.

Mr. BOREN. May I suggest that the gentleman from Missouri [Mr. SLAUGHTER] a member of the Committee on Rules, is present supporting the bill. Has the gentleman made arrangements for yielding some time to him?

Mr. SABATH. Yes. The gentleman knows by this time that I always try to play fair and divide the time equally, to the best of my ability, contrary to anything that was said heretofore on the floor by a certain Member.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1945

Mr. COFFEE, from the Committee on Appropriations, reported the bill (H. R. 4861) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes (Rept. No. 1501), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. STEFAN reserved all points of order on the bill.

Mr. McCORMACK. May I ask the chairman of the Subcommittee on Appropriations for the District of Columbia if the committee has agreed on the time for general debate? I should like to get that information for the information of the House.

Mr. COFFEE. Two hours of general debate.

Mr. McCORMACK. Does the gentleman expect to dispose of the bill tomorrow?

Mr. COFFEE. Yes.

AIR FORCES OF THE ARMY

Mr. SLAUGHTER, from the Committee on Rules, submitted the following privileged resolution (H. Res. 563), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4219) to provide for the appointment of female pilots and aviation cadets in the Air Forces of the Army. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order any amendment offered by direction of the Committee on Military Affairs relating to the appointment or commissioning of officers in the Army of the United States. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by our colleague the gentlewoman from Maine [Mrs. SMITH].

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REPEAL OF LAND-GRANT RATES ON TRANSPORTATION OF GOVERNMENT TRAFFIC

Mr. FISH. Mr. Speaker, I have listened with great interest to the remarks of the gentleman from Illinois, the distinguished chairman of the great Committee on Rules, but I have been unable to ascertain whether he is for or against the bill. Although his remarks were a contribution to the general knowledge of the House, I still do not know whether he is in favor of the bill or not.

Mr. SABATH. We are speaking now on the rule, and the bill is not before us. Of course, I am in favor of the rule.

Mr. FISH. I begin to suspect that the gentleman is not ready to commit himself on the bill.

Mr. SABATH. There is no necessity for my making a declaration now.

Mr. FISH. I do not want to do an injustice to the gentleman from Illinois. I was just wondering where he did stand on this important legislation.

Mr. SABATH. I hope the gentleman will bring himself to the position of doing justice to me.

Mr. FISH. I am not a mind reader. I was particularly interested in what the chairman had to say about the Democratic Party having brought about the prevailing prosperity for our railroads—most of it being war prosperity. Does the gentleman imply that his party also brought on the war, and as a result of the war there is prosperity on the railroads? Is not that a fair deduction from the remarks of the gentleman?

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FISH. If the gentleman will explain how the railroads obtained the prosperity, I will yield.

Mr. SABATH. The gentleman is too intelligent not to know that this war was brought upon us and we were forced into it, notwithstanding that our President pleaded and urged against it.

Mr. FISH. I thought the gentleman was urging that the prosperity of the railroads was the result of the actions of the Democratic Party when it actually emanates from the war. I just wanted to correct the gentleman.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Idaho.

Mr. WHITE. The gentleman does not make the contention here that the prosperity enjoyed by the railroads from 1933 to 1940 was a result of the war?

Mr. FISH. Certainly not. There was no such prosperity. The railroads only began to get out of the red in 1940.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. FISH. Certainly I yield.

Mr. MASON. I, as one person who has studied the history of the railroads, have never found that there was any prosperity in the railroad industry in general outside of two or three railroads, from 1933 to 1940, and that the general prosperity of the railroads has come since 1941.

Mr. FISH. I thank the gentleman for his contribution. It is a very accurate and fair description of the condition of the railroads.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the majority leader to contribute his knowledge to this discussion.

Mr. McCORMACK. Getting away from the war or the depression, I think one of the important things that has been done in recent years with reference to railroads has been done by the Interstate Commerce Commission in looking into the excess capitalization and the reduction, I think, of over $3,000,000,000 in capitalization of the roads, which reduces the fixed income. I think that, with other factors, has had a marked influence upon the success of the railroads so benefited.

Mr. FISH. I think the gentleman is correct. I agree with him that it was a wise step, but that also did not occur until 1940.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield always to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. I think the records will show as recently as 1938 one-third of the railroad mileage in this country was in the hands of a receiver and over one-third was on the verge of going into receivership.

Mr. FISH. I think that is also an accurate statement. There is no question about it, more than one-third was in the

hands of a receiver and another third was just about to go in. They teetered back and forth on the verge whether they should go into receivership or stay out.

Mr. BOREN. Mr. Speaker, will the gentleman yield.

Mr. WHITE. Mr. Speaker, will the gentleman yield? Tell us how the railroad tries to get out of the hands of the receivers.

Mr. BOREN. I want to ask this question of the gentleman. Unless this bill passes that we are here considering about a third or more than half of the railroads of this country will be in receivership before too many months hence and within very few months, and within 30 or 60 days all the railroads of this country will be before the Commission requesting for confiscatory rates, and the prosperity referred to will go out of the picture.

Mr. FISH. I am for the bill, very much for the bill. I think, however, that the statement of the gentleman is a little bit strong. I doubt whether many railroads will be in distress if this bill fails to pass. Certainly, we are all interested in post-war planning. We are all interested in keeping our railroads moving and the wheels turning after the war and employing the maximum number of railroad employees. Today there is great uncertainty because of these land-grant rates, and there is a lot of litigation going on. If the railroads are to plan with any degree of assurance it is necessary to pass legislation of this kind because many of them are now in litigation over land-grant rates. They will have to plan for the future and develop and equip their lines to meet post-war competition. Therefore, there is urgent need for this legislation. As a matter of fact, it was a good deal—not "New Deal"—a good deal all around when the land grants were provided by the Government to promote new railroads, largely in the West and in the South. The railroads benefited, of course, at that time, and so did the Government. But it is an old deal now. It was not only a good deal whereby the railroads benefited, as well as the Government, but the Government itself, it is estimated, has made over $500,000,000 out of these land grants. That is why I say it was a good deal for the Government as well as for the railroads.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FISH. Although the land grants were made 70 or 80 years ago, and even 90 years ago in some cases, it was a good deal at the time. Now they have reached the stage where the land-grant railroads and the Government have agreed on a 50-percent reduction of rates. These rates are now causing a lot of uncertainty on the railroads that do not have any land grants. There are only 14,000 miles of land-grant railroads today.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. McCORMACK. The gentleman says it was a good deal when it was made, but it is an old deal now. I therefore take it the gentleman is arguing for a new deal at the present time?

Mr. FISH. No; I am not arguing for a new deal. I am arguing for something much better than a new deal; I am arguing for a square deal and the square deal that I am arguing for is both for the railroads and the American public. I am also in favor of putting the railroads in position to start their post-war planning and to continue as many employees on the pay roll after the war as possible. The railroad brotherhoods are united in their support of this bill. I have studied the problem and listened to the arguments presented before the Committee on Rules and carefully read the report, and I am convinced that this kind of legislation is necessary if we are to have proper and adequate post-war planning by our railroads. Unless the railroads know just where they stand on their debts and balance sheet there is apt to be delays and uncertainty in proper post-war planning which may result in chaos and unemployment.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes; I yield.

Mr. COCHRAN. Did the gentleman read the hearings and testimony of Colonel Lasher?

Mr. FISH. No; I have not read any of the hearings at all. I have just read the report and listened to those who asked for a rule.

Mr. COCHRAN. You will not find in the hearings very much in opposition to the bill. The hearings evidently were taken up almost entirely by those in favor of the bill. But the gentleman said the Government is benefiting to the extent of 50 percent of the regular rates. The Chief of Transportation of the War Department says it is 10 to 17 percent.

Mr. FISH. Well, the law provides for 50 percent. Exactly what it is, of course, I do not know. I know the Government is entitled to a 50-percent reduction in the rate and it has caused not only a lot of uncertainty in the accounting and in litigation, but it has compelled the other railroads, competing railroads, to reduce their rates to meet the competition. You will find situations where the manufacturer or the farmer is shipping over one railroad, which is a land-grant road providing a 50-percent reduction, and his competitor is shipping over another railroad that has no land grants. As a matter of fact about 80 percent of the income of the railroad goes back to the Government in taxes. So, we are not really increasing the Government's expenditures materially as 80 percent comes back in taxes. We are helping the railroads, however, in relieving them of the uncertainties and litigations. And if that is true there certainly ought not to be much opposition. I understand that the Committee on Interstate Commerce which considered this bill was practically unanimously for it. They must have read the hearings. They must have listened to the witnesses and obtained all the facts. I understand only one or possibly two members on that committee are opposed to the bill. That being the case we have to rely upon the various committees of the House to study the hearings, listen to the witnesses, and report back to the Congress. I am willing to believe that they did their full duty in that respect.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield; yes.

Mr. COCHRAN. Does the gentleman feel that the non-land-grant railroad would make an equalization agreement, which they do not have to make, unless they could make money by carrying the freight and the passengers at the land-grant rates?

Mr. FISH. I will answer the gentleman in this way: Certainly, I do. I believe they are practically compelled to do it.

Mr. COCHRAN. Oh, no.

Mr. FISH. It is a matter of coercion. They have not got much choice. They have to meet competition. It is not only the railroads who have to meet competition, it is also bus lines and river traffic and all forms of transportation which have to meet this land-grant competition. It was a fine thing 70 or 80 years ago and it served its purpose well, but now it is creating a disruptive situation that is almost bringing on financial and economic chaos and compels these other railroads to meet this competition in fairness to their own shippers. That is what they are concerned with. They do not want to have their own shippers discriminated against, whether industrial or agricultural. That is the reason some of these railroads are being compelled to meet the 50-percent land-grant rates.

Mr. Speaker, it is not for me to go into the merits of this proposition. That is a matter for the members of the Committee on Interstate and Foreign Commerce in charge of the bill. I felt strongly enough to give some of my views on it under the rule, but I presume the details and all the facts will be brought out in considering the bill in the ordinary and usual way. Therefore, Mr. Speaker, I now yield to the gentleman from Indiana [Mr. HALLECK] 5 minutes. The gentleman from Indiana, is a member of the committee and heard all the testimony.

Mr. HALLECK. Mr. Speaker, before I go into a discussion of this proposition I want to say, supplementing what the gentleman from New York [Mr. FISH] said in reply to the question propounded by the gentleman from Missouri [Mr. COCHRAN] in respect to whether or not roads other than land-grant roads had been required to provide so-called equalization rates, that in the highly competitive situation existing among the railroads, certainly in normal times, the roads that were not land-grant roads of necessity had to enter into equalization rates. Many times they did that on the basis of so-called out-of-pocket costs. They figured if they had another car or two on a freight train they could afford to take it along at a reduced rate. Of course, since the war and the movement of freight has increased so tremendously, we deal in train loads rather than carloads, and in many instances those equalization rates are a tremendous burden on the roads that entered into them.

Mr. COCHRAN. Will the gentleman yield?

Mr. HALLECK. Let me pursue my statement, please.

Mr. COCHRAN. Will the gentleman yield for a correction?

Mr. HALLECK. Let me pursue my statement, then I will yield.

Mr. COCHRAN. I wanted to correct what the gentleman from New York [Mr. FISH] said.

The SPEAKER. The gentleman declines to yield.

Mr. HALLECK. I have been for this bill for a long time. I think it is a just and equitable measure that should be enacted into law. I was not a member of the subcommittee this time and did not hear all of the last hearings, but I have been present at many of the hearings when this matter has been gone over, and I think I am qualified to speak about it.

The gentleman from Missouri [Mr. COCHRAN] commented on the fact that there did not seem to be much testimony in the record against the bill. That is simply because there are not many people or organizations against the bill. To my mind, it is a commendation of the bill itself.

I suggest to the membership that if you have an opportunity to read the report that has been filed with this bill, you do so. Frequently, and I think sometimes too frequently, reports from legislative committees are not comprehensive. They are not explanatory. They do not give the arguments that are involved in the controversy. But this is a good report. I commend the subcommittee for its preparation and I advise that everyone read it.

Briefly, these lands were granted to the railroads back in 1850–70 not primarily for the purpose of getting a reduced rate for Government traffic but really to encourage the building of the railroads to open the vast empire of this country. The roads were built. The land that the Government retained has been so enhanced in value that on that score the Government has been amply repaid for what it afforded in the way of land grants. But beyond that the testimony discloses that the reduction in rates to the Government through the years far exceeds the value of the lands that were granted. So on that basis the Government has received a full return for what it gave to the railroads to bring about their original construction.

Today there are about 14,000 miles of land-grant roads, but the effect of the land-grant rates, as has been pointed out, applies on other roads because they have had to equalize their rates to meet the competitive situation. In fact, Government agencies in determining routes and rates will figure the most circuitous routes in order to take advantage of the land-grant or equalization rate. That, of itself, has involved a tremendous burden.

Some people say on occasion that this is a railroad bill. At first glance, one might conclude that it is a railroad bill. But in truth and in fact, it is a shippers' bill, a bill designed to bring about fair and equitable treatment of the private shippers of the country. That is the reason that the farm organizations, the great associations of shippers across the country, the regulatory bodies in the States, all manner of people interested in the problem of transportation have insisted that this bill be passed.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. FISH. Mr. Speaker, I yield to the gentlemen 5 additional minutes.

Mr. HALLECK. Now, what is the situation? The passage of this bill might require the Government to pay a little more on its freight bill, but the over-all sum of money that will be collected from the people of this country to pay the over-all freight bill of the country will be very little more, if any more. There is a positive mandate in this bill to the Interstate Commerce Commission to reduce rates to provide for or take care of any additional revenues that come to the railroads by reason of the increased Federal rate that the Government would pay.

Now, let us get down to brass tacks about the shipping bill of the country. I know many people in the South and West have violently opposed this bill. They have their reasons for doing that. They are the same people who complained most about the high freight rates prevalent in their territories. At the time they were making those complaints some years ago, and even in a measure yet today, the railroads in their areas were operating in the red. What did that mean? That meant that except as you take money out of the Federal Treasury, possibly by way of a direct subsidy, you could not reduce the rate to the private shipper. But on the other hand, if in those sections the Government of the United States, being the taxpayers of all the country, not only in southern and western territory, but in official territory, were to pay the full, prescribed rate, then those increased revenues coming to the railroad would permit the Interstate Commerce Commission to reduce the rates to the private shipper without bankrupting the railroad and destroying its operation. If anyone can contend successfully against that argument I would like to hear him do it. To me it is as apparent as that two and two make four.

There are no land-grant railroads in official territory. As I said, they are principally in the South and in the West. If the Government is to have its traffic moved at 50 percent of the rate, then it follows inevitably that the private shippers must make up the difference in order to provide for the operation of the railroad. A railroad cannot operate except it takes in enough revenue to pay its fixed charges and its operating costs. We know many of them cannot do that. This bill will require the Government to do nothing more than to pay the rate that is established. When the Government pays the rate that is established, then the farmer shipping his produce to market will get a cheaper rate for that operation.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I would like to pursue my statement if I may?

Mr. WHITE. The gentleman had a second 5 minutes.

Mr. HALLECK. Of course, I did, but I still want to make this statement.

There is another feature that should be considered about this bill. The Interstate Commerce Commission has been created, and through all of its history has been moving in the direction of preventing discriminations between shippers; to lay the rates on top of the table with no secrecy about them. Every man who is competing understands and knows what his rate is, and what the rate of his competitor is, everybody to be treated alike.

Now, in respect to much of this Government business, the producer or manufacturer who, by reason of the chance that put him on a land-grant road has a cheaper rate than a competitor who does not have the benefit of such a location, has a definite advantage. To my mind that lies right straight in the face of the whole rate-making theory and history of the country.

In determining what shall be done about this matter there is another matter that seems to be important. It is a tremendous problem for the railroads and the Government to figure out just where the land-grant rates apply and in what percentage and amount they apply. There is constant controversy and contention about them. Those items are audited by the General Accounting Office and according to the hearings they are years behind in their accounting determinations.

The SPEAKER. The time of the gentleman from Indiana has again expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, this is D day on the home front. The railroad barons of the country are leading an invasion on the Treasury of the United States. They seek in time of war to saddle upon the taxpayers of this country an additional burden for transportation of the armed forces and supplies that will amount to more than $500,000,000 a year. Read the hearings and see where the head of the Transportation Division of the War Department, speaking for the War Department alone, said there would be $250,000,000 additional in transportation charges for the War Department to pay if this bill passes. It is my understanding that the officials of the War Department went before an appropriations subcommittee the other day and told them how much they need for transportation for the next fiscal year but they placed a reservation on it to the effect that if Congress repeals the land-grant rates they would be back for more. The War Department alone during the calendar year 1943 had a transportation bill of $1,500,000,000.

It was agreed at the time this Government gave to the railroads—I say gave to the railroads—130,000,000 acres of land, an area three times the size of the New England States, that the benefits that were to accrue to the Government as a result of that gift was that the rail-

roads should carry Government supplies, civilian employees, the Army and Navy personnel, and supplies at a reduced rate. The Congress just a few years ago changed that law to the effect that the civilian employees of the Government and supplies for civilian uses were not to be considered as being entitled to land-grant rates. That in itself was a concession.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. No; my time is too limited.

We did retain for the Government the land-grant rates to carry the military and naval personnel and the supplies needed for the national defense. Yes; the hearings show that there was little opposition to this bill before the committee. Only one Government official appeared there and spoke for a Government department—that was the transportation official of the War Department. Two other gentlemen appeared employed by the Government, but they spoke as civilians, not as representing any Government agency; in the hearings, however, you will find, and you will not find it in the report, a letter from the Under Secretary of the Treasury, Mr. Bell, and the Assistant Secretary, Mr. Sullivan, opposing this bill. You will find a letter from the Navy Department opposing this bill. You will find a letter from the Secretary of the Interior opposing this bill. I have here statements sent to the committee not appearing in the record from the Secretary of Agriculture opposing this bill.

Mr. BOREN. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. If the gentleman will yield me some time; yes.

Mr. BOREN. We are going to see that the gentleman gets time.

Mr. COCHRAN. If the gentleman has time to yield, I will; otherwise I cannot. The gentleman can get time in his own right.

Mr. BOREN. The gentleman would ask me if I would yield time.

Mr. COCHRAN. Will the gentleman from Illinois yield me some more time?

Mr. SABATH. I have not got it; I am sorry.

Mr. BOREN. I will not control time, of course, until we go into Committee for the consideration of the bill.

Mr. COCHRAN. Another thing, let me tell you this legislation has not cleared the Bureau of the Budget.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. COCHRAN. The Bureau of the Budget has not cleared this bill. Where are you going to get the $500,000,000 except from the taxpayers of this country? The gentleman from New York [Mr. REED] the other day said that the Republican program is to reduce taxes. Well, here is $500,000,000 you are not going to add if you pass this bill. I believe it is our duty to think of the people of this country who must pay this bill. This is absolutely no time to bring legislation of this character before the House of Representatives when the railroads of the country are enjoying the greatest prosperity they have ever known. If it is wise to repeal these land-grant rates a year or 2 years after the termination of this war, that is another thing, but the land-grant rates should remain in effect so that the Government will get the benefit that should accrue to it as a result of this gift until this war is over, our armed forces are home, and our supplies have been brought back.

I say again this is a raid upon the Treasury. The lobbyists have been busy bringing pressure to bear upon Members of this House. Your constituents, the taxpayers, are the ones you should protect and not let them be required to pay $500,000,000 additional at this time. Let us spend this money for war purposes.

Mr. BOREN. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. Yes; I yield if I have any time.

The SPEAKER. The time of the gentleman from Missouri has again expired.

Mr. FISH. Mr. Speaker, may I inquire how much time is left on both sides?

The SPEAKER. The gentleman from Illinois has 15 minutes remaining, the gentleman from New York 4½.

Mr. FISH. Mr. Speaker, will the gentleman from Illinois yield me 2½ minutes?

Mr. SABATH. I believe I used 2½ minutes of the gentleman's time, and, as I want to be fair, I yield 2½ minutes to the gentleman from New York.

Mr. FISH. That makes 7 minutes, according to my mathematics, Mr. Speaker.

The SPEAKER. Four and one-half and 2½ makes 7.

Mr. FISH. Inasmuch as we are in accord, Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Speaker, I believe the Congress and the House has a very serious job on its hands today to decide the equities involved, because you are being asked to cancel a solemn agreement which was made between the Government of the United States and the railroads, some of it as much as 90 years ago, some of it 70 years ago.

I believe it is generally known that this bill was before the House 2 years ago, on April 29, 1942. It was defeated by the House upon a state of facts which I believe was more favorable for its passage at that time than today. It is a rather serious thing to treat lightly a solemn agreement which was made, whether between the United States and the railroads or between individuals; but I do believe you are going to decide that before you get through here today.

The Government of the United States, not as an inducement to the railroads but as a consideration on the part of the Government, that if the railroads would complete those roads and give the Government—"toll free" is the term used—rates, conveyed to the railroads of the United States some 130,000,000 acres of land. There still remains somewhere between fourteen and twenty million acres of land in the hands of these same railroads. One hundred and thirty million acres of land is about an acre for every human being in the United States today.

Reference is made very feelingly by those who are enthusiastically for this bill that the land is not of much value, but if you will look over some of the land and find oil on it, or timber, which is very valuable, or lead or other minerals, there is considerable value left.

Mr. Speaker, one of the reasons the bill was defeated 2 years ago was because the House was not advised as to the value of some of this land. In reading the hearings, the value of this land is still a very uncertain thing, as many other figures in this report are uncertain.

It is rather serious to be dealing with the question of equalization and equities unless we know values. From the toll-free agreement the railroads and the Government have entered into an agreement where in carrying military freight in time of war and military personnel the railroads are only paid a 50-percent rate. When the railroads received 130-000,000 acres of land they go not only the land but a very valuable franchise, the right to operate a railroad and keeping out somebody else as a competitor, which we must not forget. When the Government reduced the agreement to 50 percent, and the fact that the railroads in 1943 earned in excess of $9,000,000,000 despite this 50-percent land-grant rate, the railroads have not done so badly. That is the greatest income for railroads in the history of this country. Therefore, this legislation is most untimely.

Mr. Speaker, I am not a railroad baiter. I represented two transcontinental railroads in my little law practice. Some of my close friends are railroad people out in my home State, both in the legal end of it and in the personnel end of it. I am very fond of them personally, but, Mr. Speaker, in time of war I cannot see the proposition of giving away a very valuable right to the railroads simply because it is being asked at this time. I think the railroads have another problem and that is the tax aspect.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield the gentleman the balance of the time on this side.

Mr. O'HARA. Mr. Speaker, the railroads have a problem, and that is the tax situation. Their rolling stock should be permitted to be built up by setting aside funds so that the equipment can be replaced when the materials are available. That is a very serious problem but because of that problem I do not think we should, on the other hand, break this solemn agreement with the Government of the United States and give away this property.

I have tried to follow the hearings by reading the testimony. I was not a member of the subcommittee. If agreements mean anything then they should be followed. You will have the argument advanced that the value of this land was very low, that it did not amount to much when the land was given to

the railroads, but what is it worth today? The same argument would apply to these Indians who were traded out of the Island of Manhattan for 2 or 3 strings of beads. They have a very good case on the same argument. They did not know that land was going to be built up with skyscrapers and valuable buildings.

The SPEAKER. The time of the gentleman has expired.

Mr. SABATH. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, if this were their own property, if this were their own contract entered into with third parties concerning something that belonged to them as individuals, there would not be a Member of this House who would think of coming up here and advocating rescission of this contract without any consideration in return, without even a restoration of the property that the railroads received originally. If you had a contract of that kind with the railroads, if you were the shipper in your individual capacity rather than as a representative of the people who are in this case the shippers; if you had to pay the bill out of your own pocket, rather than out of the Public Treasury, you would not agree to rescission of this contract on the terms that we are called upon to accept for the people today. I have never believed that we have either a legal or a moral right to represent our people in a way in which we know we would not represent ourselves if our own money were involved. There is not a man or woman here who will stand up and say that as an individual he or she would wipe out a contract, if he personally had so favorable a contract as that which the United States Government has with these railroads.

Why should not the representatives of the people deal with the people's money like they would deal with their own money? There is a vast amount of money involved here. We know it will run to a quarter of a billion dollars a year and it may run to much more. If you vote for this bill, you are voting to give that money to the railroads. There is no consideration of any kind moving to the people or to the Government. This bill does not even ask the railroads to bring back the property we gave them. We gave them a suit of clothes and they have not paid for it. Now they want to be relieved of payment. They want us to tear up the note. Why do they not bring back the suit of clothes? It is unreasonable to ask Members of this House to apply the same common-sense business principles when you are charged with the responsibility of billions of dollars of the people's money that any second-hand junk dealer would use?

Mr. Speaker, I simply cannot understand the philosophy that allows a Representative of the people to vote one way when his own money is involved and another way when he is dealing with the Government's money.

In the few moments remaining I want to make reference to a statement that was made by the gentleman from Indiana. He said that those of us who live in the Southwest have long complained about the inequitably high freight rates we have had to pay. So we have. The gentleman then said that we ought to wipe out these land-grant rates and that perchance or perhaps that might help. I call the gentleman's attention to the fact that there is not 1 mile of land-grant railroad in that imperial empire known as Texas, the heart of the Southwest, which has given approximately 33,000,000 acres of public lands for the building of railroads without requiring a penny's reduction in the rates. My great State has not a mile of land-grant railroads in it, yet we have among the highest railroad rates in our Nation. Nor does the State of Oklahoma, represented by the distinguished chairman of the subcommittee who brings in this bill, have a land-grant line within the State; yet he suffers from some of the highest rates in our Nation. No, Mr. Speaker, the very areas of this country that have no land-grant railroads have the highest freight rates in all America. All that can be said in defense of the action of the Legislature of Texas in granting 33,000,000 acres of State land to the railroads with no agreement to reduce rates is that they had no experience to guide them. You and I have the light of experience. We have no excuse whatsoever if we give away the property of the people.

Mr. SABATH. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Missouri [Mr. SLAUGHTER].

Mr. SLAUGHTER. Mr. Speaker, I rise in behalf of the rule because it seems to me that in the last analysis, and getting down to brass tacks, this bill proposes to carry out what is the announced and avowed transportation policy of this country, which is a policy of equality throughout our whole rate structure.

Let us look at the historical angle for a minute. These lands were not given to the railroads by the Government as a charity proposition. It was a cold dollars-and-cents proposition from the standpoint of the Government, and it was likewise a proposition of general public policy.

During the fifties and early sixties such men as Stephen A. Douglas and Abraham Lincoln, who first advocated the large land grants, were fearful that with our tremendous expanse of territory and our sparse population this country would break apart, due to the fact that we were spread out so thinly over such a tremendous area. Thus it came about that these grants were given to the railroads, not to help the railroads, if you please, but to encourage settlers to go into the Mississippi Valley and further on across the Rockies and finally to the west coast to settle this country and to make it one strong, unified country, which was done.

Of course, it is true that the railroads received great advantages from these grants, but, by the same token, so did this Republic that gave those grants to the railroads.

On a dollars-and-cents basis, a very good argument can be made that the railroads have repaid and discharged their obligations. At the time the grants were made something like 126,000,000 acres of land were granted to railroads, and at that time those grants cost the Government in actual money, if they had sold the land to private individuals, approximately $125,000,000. Since that time, due to a revision of rates over a period, it is estimated that the Government has received a return of $600,000,000, which fairly well discharges the obligation.

The gentleman from Texas who preceded me made the statement that it came with poor grace on the part of the railroads to ask to have this land-grant section repealed without offering to restore the land they still have. Obviously that is impractical for a dozen reasons, two of which are outstanding. The first reason is that some of these railroads have sold or otherwise disposed of the lands which they received by way of grants, but of the millions of acres still remaining in the hands of the railroads, from a practical standpoint there is no way by which they could be turned back to the Government, because there is not one of these land-grant railroads that has not had two, three, four or more receiverships and reorganizations. Their bonded indebtedness is now based on all of their assets, including these lands which are indentured. If it were feasible from other standpoints, it would not be practical to turn these lands back under those circumstances.

Mr. MANSFIELD of Texas. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Texas.

Mr. MANSFIELD of Texas. Is it not true that most of those lands are also under mortgage?

Mr. SLAUGHTER. I thank the gentleman. That was the point I was trying to make plain. All of these lands are under general indentures which have been put on from time to time during various receiverships through which these roads have passed.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Kentucky.

Mr. MAY. Aside from the reduction in freight rates that the Government has received, which amounts to several times the original value of the land, what has been the return to the Government in the form of taxes as the result of the development coming from these railroads and the construction of the railroads themselves?

Mr. SLAUGHTER. I thank the gentleman for his contribution. Of course, the benefits to the Government are incalculable. There is no way it can be calculated what the Government and the States and the subdivisions have received by virtue of the building up of these territories and the enhancement of values, which are reflected in tax values.

Mr. MAY. As well as school taxes.

Mr. SLAUGHTER. But there is another situation that makes the repeal of this provision if not mandatory at least highly desirable, and that is the fact that we have approximately 230,000 miles of railroad in the United States and only 17,600 miles are connected, directly or indirectly, with any land grants. Nevertheless, when the Government is shipping its freight all over the country, as it is now doing, if it goes or could go over a land-grant road, of course, that differential must be taken into account. It must either go over the land-grant road at a reduced rate or by an equalization process go over some other road at the same rate, with the result that the General Accounting Office is something like 4 years behind on auditing these complicated and disputed freight claims.

Mr. HARNESS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. I wonder if the gentleman has any figures to show the cost to the Government of maintaining the agencies and the accountants, and so forth, in the various departments to figure these land-grant rates and the amount of refunds due to the Government.

Mr. SLAUGHTER. I will say to the gentleman that I do not have those figures available, but I think the argument speaks pretty well for itself when the General Accounting Office is 4 years behind on calculating these computations caused by the differential in rates.

Mr. HARNESS of Indiana. That would be a saving to the Government by eliminating the necessity of auditing these accounts.

Mr. SLAUGHTER. It would be a tremendous saving. I have to pass along quickly now because my time is drawing to a close.

This is not only a bill to help the railroads. Of course, they will get some help out of it, but it will also help the shippers. It will help the shippers, among other ways, in this particular. Suppose a company has a factory located on a land-grant road that produces a given product which it desires to sell to the Government at a given price, and you, on the other hand, own a factory several miles away on a road which has no land grant. You produce your product at the same price. You are ready to sell to the Government at the same price as the man on the land-grant road. Of course, if the Government procurement officers are doing their duty and looking out for the Government interest, they are going to buy from the manufacturer on the land-grant road, because the Government can move its product more cheaply than it can from the manufacturer who is on a road that does not have the benefit of land grants, with the result that the manufacturer or producer on a nongrant road is discriminated against.

In addition to the railroads, who naturally are for this bill, and for that reason must be discounted to some extent, as far as I know all of the large traffic associations are for it. The Interstate Commerce Commission is for it. When I say "the Interstate Commerce Commission is for it", I am basing my declaration on the statement of Mr. Mahaffie and on the statement of the late Joseph B. Eastman which was made at the last hearing 2 years ago. The very able committee of this House, headed by the distinguished gentleman from California, [Mr. LEA] and the subcommittee headed by the gentleman from Oklahoma [Mr. BOREN] have gone into this matter fully, and they recommend the passage of the bill. Railroad labor has endorsed it. Mr. Robertson of the Firemen and Enginemen's Union has endorsed the bill. Mr. Whitney, the head of one of the other brotherhoods, has come forward with the same sort of a statement. They are all in accord with the general policy of this country with respect to rate structures ever since the day that the Interstate Commerce Commission came into existence, and that is equality with respect to rates and not inequality of railroad charges.

The SPEAKER. The time of the gentleman from Missouri has expired. All time has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, the gentleman from South Dakota [Mr. MUNDT] be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a radio address.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

REPEAL OF LAND-GRANT RATES ON TRANSPORTATION OF GOVERNMENT TRAFFIC

Mr. BOREN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4184) to amend section 321, title III, part 2, transportation act of 1940, with respect to the movement of Government traffic.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4184, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. LEA] is entitled to 1 hour, and the gentleman from New Jersey [Mr. WOLVERTON] is entitled to 1 hour.

Mr. BOREN. Mr. Chairman, acting on behalf of the chairman of the committee, I yield myself such time as I may require to make my opening statement.

Mr. Chairman, I know there has been no disposition on the part of my colleagues that have made statements heretofore on the bill this morning to be anything except fair and reasonable in their opposition. However, I must of necessity point out the error of some of the information that has been presented here today.

In the first place, I know that my colleague, the gentleman from Missouri [Mr. COCHRAN] did not mean to imply that anyone in this House was influenced away from his judgment any more than the gentleman from Missouri was influenced from his judgment.

We have just one question to consider here today, whether or not this issue as this committee resolved it is right. If it is right, it ought to be enacted, and if it is not sound and right for the Nation's interest it ought to be defeated.

There have been allegations made here this morning that this bill would cost the War Department alone $500,000,000 a year. The Army's transportation bill was $1,500,000,000 for last year, according to the Chief of Transportation when he appeared before our committee. We invited the War Department and every other department of the Government to come before our committee. There has been no disposition to close anybody off. The gentleman from Texas who spoke here in opposition a few moments ago will bear me out in the statement that what witnesses came seeking to be heard were heard. We invited every Government department. We specifically invited the Department of Agriculture, which was referred to. They declined to appear in person to present their case and subject themselves to cross-examination. They did not submit any letter at all to this committee until 5 days after the committee hearings had gone to print. Even at that time I made it a part of the committee record and called a meeting of the committee to call to their attention what the facts were according to the presentation of the Department of Agriculture.

I do not accuse the Department of Agriculture of bad faith, but I just do not want this House to be under the false impression that there has at any time on the part of this committee been anything except a clear-cut, judicial, open-minded, and fair attitude in the consideration of this measure. I accord everybody else what I demand for myself and my committee, the right to have our opinions considered on that basis.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Kentucky.

Mr. MAY. I know personally that the gentleman's committee even allowed volunteers to appear and testify.

Mr. BOREN. I thank the gentleman for his contribution. He is perfectly right about that.

When the Chief of Transportation appeared before our committee that was charged with the responsibility of deciding this question, he said that the cost of transportation for the War Department was $1,500,000,000 a year—if he went before the Committee on Appropriations and said something else, I do not know it—and that the percent of the $1,500,000,000 a year that land-grant rates amounted to was 10 percent, with a fractional leeway one way or another. The highest estimate that was made was that it might reach as high as 17 percent.

I want to make one remark about this contract. I am not sure that a contract is sacred which might be made for eternity predicated upon the possible advancement of the Nation. This contract is 100 years old. I am going to point out in the statement I am about to make that this contract is not the thing you see here today at all, that this contract has never been anything in its practical effect but a voluntary agreement on the part of the railroads, from time to time altered to meet changing conditions as this Nation advanced in development. That will appear in the statement I am about to make. For the next few minutes I shall make a general statement about the merits of this bill and the reason why this committee brought it to you for your consideration and recommended it to you for your adoption.

Mr. Chairman, this bill presents an issue with which the House is quite familiar. It will be recalled that a bill almost identical in language and, in fact, identical in purpose was before the House for consideration 2 years ago. It came to the House as the result of a unanimous favorable report by the House Committee on Interstate and Foreign Commerce. It was debated at some length on April 29, 1942. The bill, after its consideration in Committee of the Whole, was remanded to the committee for further study and consideration. Two years have passed since that action was taken.

The committee has given further careful consideration to the issues involved. A subcommittee was created, of which I happen to be chairman, and extended hearings were had over a period of 6 days. The subcommittee reached the conclusion that the bill should be enacted and this recommendation of the subcommittee was endorsed by the full committee and its report discussing all of the important phases of the matter has been on file for several days.

The bill, shorn of technical language, provides that the Government of the United States shall pay full commercial rates for transportation of war and Navy materials owned by it and for the transportation of troops. The bill, however, is without prejudice to the right of the Government to negotiate with the carriers for special rates under section 22 of the Interstate Commerce Act. It may be worth while to state a few outstanding facts.

In 1850 the Government found itself owning nearly 1,500,000,000 acres of land. This land could not be sold nor could settlers be found for it due to the lack of transportation facilities. The responsible statesmen of that period, of whom Stephen A. Douglas and Henry Clay may be cited as typical, conceived the idea that it would be in the public interest to enhance the value of this vast domain by using a relatively small proportion of the land in encouraging the construction of railroads, then and now the most important of our transportation facilities. Congress, therefore, provided that there should be grants of certain lands to railroads who would agree to construct their lines into this unsettled wilderness.

On the whole, some 130,000,000 acres of land were granted to railroads located principally in the West and South. Mr. Eastman, when he was Federal Coordinator made some investigation of the value of these lands, and reached the conclusion that at the time they were granted the average value was 97 cents an acre, which would represent about $126,000,000.

The acts of Congress granting these lands to various railroads provided that the Government should have the right to use the lines "free of tolls." This rather inappropriate term was used by reason of the fact that prior to these land grants to the railroads the Government from time to time had made grants of lands for the construction of highways and the improvement of waterways in various parts of the country. Some of these improved highway and waterway projects were constructed under State statutes which authorized the imposition of tolls for their use. The Government, however, reserved the right to have its vehicles use these highways and waterways free of tolls. When the railroad land-grant acts were passed this term was employed, without much consideration, I suspect, of its practical effect.

Later on, after the roads were constructed, a dispute arose between the railroads and the Government as to the proper interpretation of the term. The matter reached the Supreme Court of the United States, and it was there decided that the railroads were not compelled to transport Government freight and troops free of charge, but that the law must be construed as requiring the railroads to furnish reduced rates measured by the value of the right-of-way. After considerable litigation, the Court of Claims, following the instructions of the Supreme Court, worked out a formula which, in effect, provided that the Government should move its freight and troops at half price. This decision of the Court of Claims was subsequently ratified by acts of Congress.

It should be stated here that at the present time there are about 230,000 miles of railroad in the United States. Of this mileage, only 17,600 miles were built as the result of these land grants. I call the attention of the Members to a chart which shows in black lines the entire mileage in the United States and in red lines the so-called land-grant roads, meaning thereby the railroads which were built under the provisions of the land-grant acts.

In view of the relatively small amount of mileage which can be called land-grant mileage, it might be thought that the question is not of great importance. However, in order to understand the situation, we must consider the effect of the so-called equalization agreements. All of the railroads of the country, whether or not constructed with land-grant funds, have agreed to meet the rates of the land-grant roads between any two given points. The situation can be illustrated by examining the chart showing the amount of land-grant mileage.

You will observe that between San Francisco and Chicago, if the shipment is sent over the Southern Pacific to Tacoma, thence over the Northern Pacific to St. Paul, thence over various lines from St. Paul to Chicago, practically the whole distance is land grant. On the other hand, if the shipment moved by the direct route between San Francisco and Chicago, which would be the Southern Pacific to Ogden, Union Pacific to Omaha and North Western from Omaha to Chicago, only a small part of the mileage is land grant.

It was highly desirable from the Government point of view that it should be able to ship its freight and move its troops by the direct route. In the absence of an equalization agreement, this could not be done, since under the law the Government is required to avail itself of the lowest rate. In normal times, prior to 1933, the amount of Government freight was comparatively small and the movement of troops was not considerable. In that period of time, the railroads were subjected to no particular hardship if they were called upon to move a relatively small amount of traffic at these low Government rates. Partly, therefore, for the benefit of the railroads and particularly for the benefit of the Government, these equalization agreements were entered into. As a result, the question here involved is of interest to almost every railroad in the United States.

In 1933, which marked the beginning of the Government's extended program of relief, the Government began to move a large amount of civilian goods for relief purposes. These were owned and transported ordinarily by agencies of the Government and under the decisions of the courts, these agencies were entitled to the land-grant deductions, just as if the shipments had been made by the Government itself. The amount of this civilian traffic owned and shipped by the United States became so great that in 1940, when there was some revision of the transportation code, Congress adopted section 321, which provided, in effect, that the Government should pay full rates for mail, theretofore subject to a 20-percent reduction when moving over land-grant lines and equalization lines, and should also pay full commercial rates for all civilian goods. The law provided, however, that the land-grant rates should continue to apply to the transportation of military or naval property of the United States moving for military or naval and not for civil use. The land-grant rates were to apply also to the transportation of troops of the United States.

In a comparatively short time after this law became effective, we entered upon our program for national defense

and in December 1941 we entered the World War. As a result of our defense and war activities the Government ceased to become an important shipper of civilian goods and instead became an exceedingly important shipper of military and naval goods. Mr. W. M. Jeffers, president of the Union Pacific Railroad, who, you remember, conducted the job of Rubber Director with conspicuous success, testifying before the committee, stated:

> On the Union Pacific 65 percent of the business handled at the present time is war traffic of some kind or character as distinguished from what it was at the outset of some 3 or 4 percent.

This may not be typical of all of the western lines, but it is safe to say that a very considerable amount of the business of the western railroads is war business. It is obvious, therefore, that the amendment made in 1940 has not been of very great benefit to the railroads of the country.

One phase of the matter which may be mentioned briefly grows out of the great difficulty which the railroads have in determining what their charges should be. On civilian traffic owned by the Government, they are entitled to full commercial rates. On military and naval traffic, they must make the land-grant concessions. Nobody seems to have been able to determine definitely the line of demarcation between civilian goods and military goods. Disputes have arisen between the Government and the railroads which create some very embarrassing situations.

Bills are now being rendered by the railroads according to their theory of the law. Under the act, these bills are paid without preaudit, the Government, however, very properly reserving the right to make a thorough audit later on. To make a long story short, the testimony in this case shows that the railroads may be called upon, in the post-war period, to pay back to the Government probably two or three hundred million dollars, the amount depending upon the final conclusion of the General Accounting Office and of the courts as to what constitutes military or naval traffic. In this category of disputed items are lend-lease materials, materials for the reconstruction of the locks on the Panama Canal, material going into the construction of Army buildings and merchant-marine vessels being constructed either by the United States or under contracts with the United States.

The railroads are collecting very considerable sums of money on their theory of the law and are paying taxes on these amounts. They face the danger, however, in the post-war period of being required to refund enormous sums of money which threaten the solvency of these important transportation agencies. Mr. Jeffers, for example, pointed out that in the year 1943 the deductions on his road amounted to something like $48,000,000, and of this amount $23,000,000 is in dispute.

I should like to make it clear that the idea of repealing land-grant rates did not originate with the railroads. In other words, this is a shippers' bill. The great urge for the enactment of this measure comes from Government authorities having to do with the regulation of transportation and from the important shipping interests of the country. The hearings on this bill developed the fact that the bill is advocated by the National Industrial Traffic League, which is a Nation-wide organization, embracing in its membership individual shippers, industries, and commercial or trade organizations representing practically every line of business in the country. This league, as far back as 1936, went on record by a vote of its membership favoring the repeal of the land-grant rates. The president of the league, Mr. John B. Keeler, testifying at these hearings and speaking on behalf not only of the National Industrial Traffic League, but for the Pittsburgh Chamber of Commerce and the Allegheny Regional Shippers Advisory Board, stated that these land-grant rates had been a matter of grave concern to shippers for many years. Mr. Keeler said:

> In fact, we started a movement to repeal land-grant rates before the railroads became really active in the matter. For a number of years the members of the National Industrial Traffic League have debated the question of land-grant rates and have been in favor of repeal of those rates.

There is another important shippers' organization, known as the National Association of Shippers Advisory Boards. This is a national organization, composed of numerous regional groups. It has 22,000 members, consisting of shippers and receivers of freight, newspapermen, bankers, lawyers, and, in fact, every class of citizens who are interested in railroad transportation. Many farmers belong to this organization. A representative of the national association appeared before the committee and strongly advocated the repeal of the Land Grant Acts, not only because of the injustice to railroads, but of the discrimination between shippers and localities. At the hearings, also advocating the repeal, were representatives of the New York Board of Trade, the New York State Chamber of Commerce, the transportation bureau of the Commerce and Industry Association of New York, the traffic director of the Chicago Association of Commerce, the traffic director of the Indiana State Chamber of Commerce, the manager of the transportation and communication department of the United States Chamber of Commerce, a representative of the United Fresh Fruit and Vegetable Association, the National League of Wholesale Fresh Fruit and Vegetable Distributors, and many others. It can confidently be asserted that the shipping interests of the country are unanimous in opposition to continuing in effect these land-grant rates.

The question naturally arises as to why the shippers take this position. The answer can be illustrated by a series of charts to which I call the attention of the Members of Congress.

The first of these is a chart illustrating the effect of the land-grant rates on the movement of lumber to Chicago from two important points of origin, these being Klamath Falls, Oreg., and Westwood, Calif. The distance from Klamath Falls to Chicago is 2,263 miles. The distance from Westwood, Calif., to Chicago is 2,118 miles. Since mileage has a great influence upon rates, we are not surprised to find that the commercial rate on lumber from Klamath Falls, the greater distance, is 75½ cents per 100 pounds, while the rate from Westwood, the shorter distance, is 72 cents. Klamath Falls is at a disadvantage of 3½ cents by reason of its greater distance. However, it so happens that Klamath Falls is so located that shipments from that point can be moved over land-grant mileage, whereas shipments from Westwood cannot be moved over land-grant mileage to anything like the same extent. As a result, the Government rate per 100 pounds on lumber from Klamath Falls to Chicago is 42.319 cents, whereas the applicable rate from Westwood, with less land-grant mileage, is 58.913 cents. Therefore, the Westwood people, who are entitled to the advantage of their location, and who have a 3½-cent advantage in the commercial rate, find themselves at a disadvantage of 16.594 cents, notwithstanding the shorter distance.

Here is another example: Cement moves to Jacksonville, Fla., from Birmingham, 628 miles, and from Clinchfield, Ga., 271 miles. Clinchfield, by reason of its location so much nearer to Jacksonville than Birmingham, has a rate of 16 cents per 100 pounds, as against the Birmingham rate of 22 cents per 100 pounds. In other words, Clinchfield has a 6-cent advantage in the rate, which grows out of its location. However, in shipping from Birmingham it is possible to work out a rate over a circuitous route containing land-grant mileage under which the rate from Birmingham to Jacksonville becomes 11 cents and the rate from Clinchfield 12.72 cents. Clinchfield, therefore, loses the benefit of its proximity to Jacksonville and finds itself at a positive disadvantage by reason of the fact that it is not so located as to avail itself of land-grant mileage.

I call attention also to a chart showing the situation with reference to iron and steel articles moving to Portland, Oreg., from two points of origin, one of these being Chicago, distant 2,169 miles from Portland, and the other Minnequa, Colo., distant 1,306 miles. The commercial rate from Chicago to Portland is $1.10 per 100 pounds and from Minnequa, the shorter distance, only 85 cents per 100 pounds. However, when Government freight is involved, it is possible to work out a land-grant rate from Chicago amounting to 56.01 cents per 100 pounds, as against the Minnequa rate for a much shorter distance of 62.855 cents per 100 pounds. Minnequa, therefore, much to its surprise and greatly to its discomfiture, finds its natural advantage of 25 cents changed to a disadvantage of nearly 7 cents.

Here is another chart, having to do with the movement of coal to Portland, Oreg., from Duluth, Minn., 2,044 miles away, and Rock Springs, Wyo., only 976 miles away. At both Duluth and Rock Springs coal originates, the Duluth coal being, presumably, so-called dock coal, which has moved to that port over the

Great Lakes. The commercial rate from Duluth is $9 per ton. For the much shorter distance from Rock Springs, the rate is $5.20. However, when Government traffic is involved on a movement from Duluth, land-grant rates are available, which reduces that rate to $4.50 a ton, whereas Rock Springs must pay $4.99 a ton. In other words, the Rock Springs advantage of $3.80 is changed to a disadvantage of nearly 50 cents per ton.

Another interesting illustration is shown by a chart having to do with the movement of structural steel to Memphis, Tenn., from Chicago, distant 527 miles, and from St. Louis, distant 313 miles. Naturally, St. Louis has a lower normal commercial rate because of its shorter distance. The St. Louis rate is 35 cents per 100 pounds; the Chicago rate, 42 cents. However, much of the mileage from Chicago to Memphis is land grant and that reduces the rate to 27.723 cents per 100 pounds, as against an available St. Louis rate of 30.911 cents per 100 pounds. The St. Louis advantage of 7 cents attributable to more favorable location is changed into a disadvantage of 3.188 cents by reason of the operation of the land-grant rates.

I submit another chart, having to do with the movement of packing-house products to San Francisco from Chicago, distant 2,261 miles, as against a movement from Fort Worth, Tex., of 1,841 miles. The normal Chicago rate is $2.79 per 100 pounds; the normal Fort Worth rate, $2.60 per 100 pounds. When the land-grant feature gets into it, however, the Chicago rate goes down to $1.49 per 100 pounds and the Fort Worth rate is reduced to $1.96 per 100 pounds. Therefore, the Fort Worth advantage of 19 cents due to its location is changed to a disadvantage of 46.69 cents, notwithstanding the fact that the Fort Worth distance is 420 miles shorter. This chart also shows that in 1943 the Government purchased 30 percent of all the packing-house products produced in the United States.

Some Member of Congress might be a little confused as to why a lower land-grant rate applies to some of these longer distances. I have a series of charts here which illustrate how absurdly these rates are constructed and will serve also to indicate the uncertainty in the minds of the shippers as to what the applicable rate is in a given case.

One of these charts has to do with the movement of freight from Cleveland, Ohio, to Fort Knox, Ky., an important military post. By the direct route, the distance is 417 miles, and this is the route over which the traffic ordinarily moves. However, the land-grant experts in the Government can figure out a route between Cleveland and Fort Knox 943 miles long, over which, due to the land-grant mileage contained therein, the rate would be reduced. This would contemplate the movement of the traffic from Cleveland to Chicago over the New York Central, from Chicago to Cairo over the Illinois Central, and from Cairo to Fort Knox also over the Illinois Central. Were it not for the equalization agreements, this traffic would doubtless move over this 943-mile route through Chicago and Cairo, an excess distance of 526 miles. It should be understood that these routes are open routes, so-called, and it is the task and the obligation of the experts in the General Accounting Office to examine all available routes and apply, theoretically at least, the rate over the one which produces the lowest actual rate to the Government.

I have another chart here, which has to do with the movement of freight from Kansas City, Mo., to Memphis, Tenn. The direct line is the Frisco, 473 miles in length. However, the land-grant experts are able to figure out a route through Galesburg, Ill.; Centralia, Ill.; Cairo, Ill.; Little Rock, Ark., and back to Memphis, 940 miles in extent, over which route, if used, the rate would be lower, by reason of the inclusion of land-grant mileage, than if the shipment is made direct over the Frisco from Kansas City to Memphis. The circuity is over 100 percent.

Another interesting chart has to do with the movement of freight from Inglewood, Calif., a point near Los Angeles, to Brookley, Ala., Brookley being a point in the Mobile area. The actual route over the Southern Pacific and the L. & N. amounts to 2,449 miles. However, a land-grant route can be figured out, under which the traffic, instead of moving directly to Mobile, would move north through California, Oregon, and Washington to Tacoma, thence east to Duluth and Superior and by various circuitous routes through Cairo and Meridian, Miss., a distance of 4,732 miles. That is how the traffic would move but for the equalization agreements. It is no exaggeration to say that the experts in the Treasury could probably find 100 routes between this point in southern California and Mobile over which the traffic could move under the open tariffs. It is the duty of the General Accounting Office to examine all of these routes and pick out the one that yields the lowest rate. We need not be surprised, therefore, at the testimony of some of the witnesses that it requires many hours of patient labor on the part of railroad and Government rate experts even to approximate the applicable rate. No one can, in fact, be sure just what rate will be applied until the General Accounting Office says the last word.

I call attention also to a chart illustrating the movement of freight from San Francisco, Calif., to Charlotte, N. C. The actual route of movement is 3,111 miles. However, a land-grant route can be figured out, and it has been figured out and used by the General Accounting Office, where the distance is 5,202 miles, an excess distance of 2,091 miles and a percentage of circuity of 67 percent.

And, finally, I call attention to a chart which is almost a reductio ad absurdum. On a movement of Government freight from Sheffield, Ala., to Corinth, Miss., the distance is 54 miles over the direct route, that being the Southern Railway. However, on an actual shipment, the General Accounting Office was able to figure out a route 484 miles long through Birmingham and Meridian, and it was applied to this shipment from Sheffield to Corinth, a circuity of 800 percent.

Consideration of these charts and the explanation I have made carries conviction as to the sincerity of the shippers when they announce their strong desire that these land-grant rates should be abolished. Merchants and manufacturers are, of course, interested in selling goods to the Government. At this time, when the Government is such a heavy purchaser of manufactured articles of every variety and food of every description, the Government business cannot be ignored.

Ordinarily, the Government asks for a delivered price; however, the request for bids carries with it a statement that the Government will undertake to pay the freight and the bids must be made on that basis. Here is a manufacturer located 500 miles from a point where the Government wants the freight. He is on a non-land-grant line. His competitor is a manufacturer on a land-grant line, also 500 miles from the point where the goods are to be delivered. The man on the non-land-grant line knows of his competition and he must take into consideration the fact that his competitor has this land-grant advantage. He does not know, however, how much the advantage really amounts to. The man on the land-grant line 500 miles away from the point of consumption ships the freight and the Government pays the freight charges.

The expert in the General Accounting Office sits down to determine how much that rate was. He probably has 50 or 100 routes to examine. Some of them have land-grant mileage and some do not. Some routes have more land-grant mileage than others. Ultimately, the expert reaches a conclusion as to what the rate is. It is certain that the man on the land-grant line will have an advantage over his competitor on the non-land-grant line, although there is great doubt as to what that advantage amounts to. This is discrimination of the worst sort and denies to many shippers the natural advantage of their location.

The act to regulate commerce was passed to remove discriminations and injustices under which certain shippers received special privileges not justified by transportation conditions. During the 55 years when the act to regulate commerce has been in effect, the Commission and the courts have repeatedly pointed out that the very heart of the act is the provision which prohibits unfair and unjust discriminations. Yet at this time, when so great an amount of traffic is Government freight, this land-grant proposition works out in such a way as to produce the worst kind of discrimination. The matter is very well summarized by the representative of the Chicago Association of Commerce, who, testifying in this matter, said:

> The shippers' primary interest in the repeal of the land-grant provisions of the law is due to the uncertainty of application, the discrimination which the present act causes between competing shippers, and the impossibility of determining with any degree of accuracy the transportation charges to be assessed on traffic moving under land-grant

rates. The shippers have no information on the rates to be charged under the land-grant arrangements between the Government and the carriers. Therefore, when asked to bid upon a Government project, the manufacturer or producer has no way of determining what the transportation charges of his competitor will be and cannot provide a bid on a fair and reasonable competitive basis.

The act to regulate commerce requires the railroads to establish reasonable rates. Obviously, these land-grant rates are unreasonable. The act also requires the carriers to maintain rates which are not unduly discriminatory. These land-grant rates produce discriminations which are obviously harmful to the public. The Interstate Commerce Act prohibits charging a greater amount for a shorter distance than for a longer distance, if the shorter distance is included in the longer distance. This is the famous fourth section about which there has been so much controversy. However, these land-grant rates ignore all long- and short-haul considerations and frequently apply a higher rate for a shorter distance than for a longer distance, even though the shorter distance is included in the longer. Every sound principle of rate making is ignored and, indeed, openly defied by these land-grant-rate arrangements. As said by the accomplished chairman of the committee in a statement made by him at the hearing:

The land-grant-rate system has no legitimate place in an equitable and just system of regulation of rates in this country. It partakes of the quality of discrimination which is obnoxious to a good rate system. It is out of harmony with the general system of regulation, the equality of rates, and just regulation and just prices as between localities and the same types of freight that move over the transportation lines of the country.

The gentleman from California [Mr. LEA] also pointed out in this statement that this is a question of particular interest and responsibility just now, in view of the fact that Congress, when the matter was up before, specially charged the committee with responsibility to make a further investigation and report.

Not only are the railroads affected but other forms of industry as well. A representative of the American Trucking Association appeared at the hearing and pointed out the fact that the present system is injurious to motor transport, since motor vehicles must meet the competition of the rail lines if they are to continue in the business. The executive secretary of the Freight Forwarders Institute pointed out the reasons why freight forwarders are opposed to continuing the present system.

There is a letter in the record from the then Acting Director of the Office of Defense Transportation, pointing out the reasons why that important arm of the Government is opposed to the continuance of the present system. There is also a communication there from the Board of Investigation and Research condemning these land-grant rates.

Every State railroad commission is on record as urging the repeal of the land grants, as is shown by the testimony of the general solicitor of the National Association of Railroad and Utility Commissioners.

Every railroad labor union is on record as advocating the repeal of these acts. No one can read the testimony in the record of such men as Mr. D. B. Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen; Mr. John T. Corbett, assistant grand chief engineer, Brotherhood of Locomotive Engineers; and the written statements of Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, without reaching the same conclusion as that expressed by Mr. J. G. Luhrsen, executive secretary-treasurer of the Railway Labor Executives' Association, all of whom unanimously urge Congress to repeal these statutes. I do not think we have ever had a proposition where there has been such a unanimity of sentiment among people who know something about the transportation problem as there is in favor of this long-delayed and much-needed reform.

If it be said that the railroads made the bargain and should abide by it, reference may very well be made to the fact that this is the age of renegotiating contracts. Certain representatives of the Government have appeared before the committee and objected to the bill, not in principle but because it would require an increase in the expenses of carrying on the war. But wherever it appears that industry, as a result of contracts with the Government, is making undue profits, renegotiation is demanded—and with that policy I have no quarrel.

In this case, where the Government gave to the railroads $126,000,000 in land values, the railroads now, according to the testimony, have repaid probably as much as $600,000,000. Even if the consideration be appraised not at the value of the lands when granted to the railroads, but their value when they were sold by the carriers, no figure can be suggested which would even approximate so huge a sum as $600,000,000. In other words, the railroads have paid for the lands by every method of calculation, and, under the principle which underlies the philosophy of renegotiation, the Government should be willing now, having received more than a quid pro quo, to do equity by not insisting upon its pound of flesh.

There is really no opposition to this bill except that the War Department has made it clear that it does not look with enthusiasm upon an increase in the cost of transporting war materials. The War Department, however, seems to have lost sight of the fact that, due to the tax situation, in all probability something like 85½ percent of the amount which the railroads receive in increased revenue will be paid to the Government, under present conditions, in the form of excess-profits taxes.

Aside from that, since the railroads have more than repaid the Government, and since there is no way by which these serious discriminations can be removed except by sweeping away the whole plan, obviously the public interest requires that we should follow the advice of Mr. Eastman, that lamented and heroic figure in the field of transportation, who, when this bill was before the committee 2 years ago, made this statement, speaking in his capacity as Director of the Office of Defense Transportation:

It seemed to me entirely fair that such relief should be given, because the real quid pro quo for these land grants, in my judgment, was the opening up of the country. That is why they were given, to enable the railroads to be built, to open up the western territory, particularly, and they accomplished that result, and the Government, and everybody else, profited and benefited very largely from the construction of the railroads for that purpose.

The Government had a direct financial benefit through the increase in the value of the large amounts of public land which it retained.

Now, that is the principal reason why, to my mind, it is fair that these land-grant rates should be eliminated, because the Government and the whole country have already got very substantial compensation for the land grants. They accomplished their purpose of getting the railroads constructed and opening up the country.

Another is that while these land grants apply only over a comparatively few railroads, for competitive reasons they have been equalized by the other railroads to a very great extent, so that many of the reductions are now suffered by railroads which got no land grants at all.

In the third place, because since the time when the land grants were received, many of the railroads have changed hands—often because of bankruptcies and insolvencies which wiped out the original stockholders, so that the present owners of the properties have received them for value and have had no direct benefit from the land grants.

Furthermore, it seems to me that the Government ought to pay the same rates for carriage of traffic as are paid by its own citizens, who really made up the country. If you analyze this down far enough the land-grant reductions, to my mind, are really a burden upon the citizens of the country generally, because there is an obligation on their part to provide adequate earnings for the railroads.

I think we can safely follow the advice of this great student of the transportation problem, who lately fell at his post of duty, the victim of his devotion to the war effort, as heavy a war casualty as we have been called upon to endure.

I call the attention of the Members to this chart. The black lines show the entire mileage in the United States. In red lines are shown the so-called land-grant roads, meaning thereby railroads built under the provisions of the Land Grant Act. Every black line on this chart is a railroad. The black lines represent the total mileage; every black line in this chart is a railroad which was not built by land grant. Only the red lines represent railroads which were built by land grants. You can also see the geographical lay-out of these lines. By looking at this map you can see that most of them are in the South and in the West and in the middle western area, such as in the area of the gentleman from Minnesota, for example, whose discussion we heard before.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. O'HARA. Does the gentleman know how many land-grant railroads there are in Minnesota?

Mr. BOREN. No; I am not familiar with that.

Mr. O'HARA. There is only one, the Northern Pacific.

Mr. BOREN. I am not familiar with how many land-grant railroads there are by name at all. I have not paid any attention to the names of the railroads at all. I am not interested in any particular railroad. I have not looked into it to see who owned land-grants, the Santa Fe, the Rock Island, or the Northern Pacific. I am not interested in what happens to a particular railroad. I am interested in what is happening to my country in this picture. Here is the fact of the situation. There are 17,000 miles that were built by land grants. I might say in passing that of the 17,000 miles I feel reasonably sure that not a mile of it has not been through a number of receiverships since the time the contract was made. Talk about the sacredness of a contract, if it means anything. Suppose a man makes a contract with a city, that in consideration of a city placing a street light on his corner he would maintain the street light for the next 100 years. If a man goes broke and loses that property, whose obligation is it to maintain that street light, especially if the property goes back to the city for taxes?

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. BUFFETT. The United States Government made a contract to pay some obligations in gold, but did not keep that contract when it became inconvenient to do so.

Mr. BOREN. Some reference was made to the Indians a while ago. I might say the United States Government made innumerable contracts with the Indians and started breaking them just as fast as the ink on the paper was dry. But then I am not arguing against the importance of contracts or the validity of them. I just want to point out to you when you take a contract which was made during a historic period, you must take into account the developments affecting the contract, and any court in the country would do so.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. ROBSION of Kentucky. Perhaps the gentleman has developed this feature of this proposition. The railroads have developed various sections of the country and they have been followed by other forms and means of transportation, such as buses and trucks and so on. Now what has been done about the rates fixed for trucks and buses in those States where the railroads compete with them, that is, these land-grant railroads?

Do they have to come down also because of that?

Mr. BOREN. Oh, yes; certainly, indeed. The law entitles them to a competitive rate and they have to meet the competition of the land grant, wherever it may be; and it affects one segment and misses another. That is the thing we are trying to erase. So the land grant is a depressing burden on the normal development of truck lines and any other sort of transportation.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. FISH. Mr. Chairman, I would like to ask this question in reference to this bill of the gentleman from Oklahoma [Mr. BOREN], who knows more about this than anybody else. Is it not a fact that 2 years ago the railroad brotherhoods opposed this legislation and today they are in favor of it?

Mr. BOREN. I believe the gentleman is correct on that point. They certainly have appeared before us and have expressed themselves in favor of it for valid reasons.

Mr. FISH. The passage of this bill would remove these uncertainties so that the railroads after the war could re-equip themselves.

Mr. BOREN. Employment is what they are concerned about. For example, the General Accounting Office is some 4 years behind in their accounting. That means, for instance, take the Union Pacific, which I think crosses your country, may I say to the gentleman from Minnesota?

Mr. O'HARA. No.

Mr. BOREN. Well, anyway, the Union Pacific tried to set up a fund with which to meet this uncertainty and they wanted to set aside $10,000,000 a year. The Treasury Department said, "Well, set it aside and we will take 87 percent of it," which was right, under the taxes, of course, if they had that much surplus. And so they are faced with these uncertainties and naturally the brotherhoods are deeply concerned as to whether or not the railroads will be in a position to employ or reemploy the men after the war.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. O'HARA. Of course, with reference to the equalization agreements, there is nothing in the world to prevent these railroads who entered this equalization agreement from withdrawing at any time? They would withdraw this minute if they wanted to.

Mr. BOREN. Well, it is a contractual obligation.

Mr. O'HARA. So far as the equalization agreement is concerned they could withdraw at any time. Is that not true?

Mr. BOREN. I doubt that.

Mr BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. BROWN of Ohio. Certainly the railroads could not withdraw unless they wrecked the business of many of the enterprises situated along their lines or make it impossible for them to sell their products.

Mr. BOREN. Certainly it must be a contractual arrangement entered into by the association. I think they could break the agreement through the process of litigation.

Mr. BROWN of Ohio. Certainly the railroads could not withdraw from the agreement at this time without having the charge made, perhaps by demagogs, that they were unpatriotic.

Mr. BOREN. If they did withdraw, it would destroy the war transportation of this country and just about make it utterly impossible.

Mr. O'HARA. Mr. Chairman, will the gentleman yield at that point?

Mr. BOREN. I yield.

Mr. O'HARA. I am sure the gentleman is wrong in his statement that they cannot withdraw. It is purely voluntary, the equalization agreement is purely voluntary.

Mr. BOREN. They were entered into voluntarily.

Mr. O'HARA. They can withdraw at any time, those who are members of the equalization agreements.

Mr. BOREN. The gentleman may be absolutely correct.

Mr. O'HARA. At least I am advised so by one of my railroad friends.

Mr. BOREN. The gentleman may be absolutely correct. I do not want the record to show that they cannot withdraw, because I do not know exactly how the contract was entered into. I do say that if the equalization agreements ended today, the war effort would be stalled automatically.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. WRIGHT. I was going to speak about the question of contract. I think we make a mistake when we speak of a contract between a government and one of its cititzens or corporations in the same manner as we speak of a contract between two individuals. To my mind, the Government is interested in the solvency of the railroads. It has an interest in the efficiency of the railroads. It has an interest in equal rates being charged in various portions of the country. That is a part of our Government policy.

Mr. BOREN. The gentleman is absolutely correct. We have recognized that difference between contracts in fixing it so that the Government could not be sued without its own consent.

Mr. RUSSELL. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. RUSSELL. The gentleman was speaking about the equalization agreements. Will the gentleman please explain to the House if the land-grant roads are suffering at the hands of the Government to the extent that the Government ought to come in now and vitiate a contract, why these other railroads wanted to be robbed in the same manner and went into agreements upon their own application for those agreements?

Mr. BOREN. Of course, the implications in the gentleman's question answers his own question. He answers his question according to the answer he would like to receive.

Mr. RUSSELL. Well, you tell them why, if they are being robbed, they went into it.

Mr. BOREN. If the gentleman will be patient, I think I can make that quite clear. Remember this, this bill does not affect only 17,000 miles of railroad. It is to bring relief to the transportation system of the country—to the 230,000 miles.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Miss SUMNER of Illinois. In our committee we have been considering the O. P. A. bill, and every other industry in the country which is making a lot of money, even if it lost some money on a single item or in a single company, we are taking the position—at least the O. P. A. is, and the Congress is backing them up, that they will not permit an increase in ceiling prices. When you pass this bill it seems to me you are making the railroad transportation industry a favored industry as compared with the treatment the Government is giving any other company, because you are permitting them to raise rates whereas you would not in the other case.

Mr. BOREN. I am sure if the gentlewoman had sat in the committee and heard all the evidence she would be in favor of this bill.

Miss SUMNER of Illinois. I read the hearings.

Mr. BOREN. I might add also, does the gentlewoman believe that the Government should require of the plane factories, and any other type of industry, a below-cost rate on anything it has by contract?

Miss SUMNER of Illinois. Is the gentleman contending that the railroads have always been operating on a cost-plus basis in their contracts? And is the gentleman contending that the railroads are not making money at present?

Mr. BOREN. Some railroads are making money and some are not.

Now, Mr. Chairman, because I do not want to take up too much time, and because I have a prepared statement I would like to finish my statement without further interruption.

Mr. LECOMPTE. Mr. Chairman, will the gentleman yield for a question?

Mr. BOREN. I yield just for one question.

Mr. LECOMPTE. What part of the total freight business of the land-grant railroads is Government business at the present time?

Mr. BOREN. Well, it varies considerably.

Mr. LECOMPTE. Roughly speaking? Would it be 50 percent?

Mr. BOREN. Mr. Jeffers indicated that on his railroad 65 percent—and that is not a land-grant railroad—about 65 percent of the business on his railroad today is land-grant traffic, whereas in normal times 3 percent of it was that kind of traffic.

Mr. LECOMPTE. Is that the Union Pacific?

Mr. BOREN. It is. And it is not a land-grant line.

Mr. LECOMPTE. Would that be about typical of the others?

Mr. BOREN. Yes; but remember it is not a land-grant line. He made no contract with the Government.

Mr. HARRIS of Arkansas. Will the gentleman yield for a correction?

Mr. BOREN. I yield.

Mr. HARRIS of Arkansas. Two million nine hundred and twenty-three thousand acres were under land-grant to the Union Pacific.

Mr. BOREN. Well, they acquired some land in taking over some railroads which went into receivership, but in itself it was a land-grant line.

Now, I think I can present a clear picture to you if you will bear with me without interruption, and I will try to complete it.

Referring now to the second chart, you will observe that between San Francisco and Chicago, if a shipment is sent over the Southern Pacific to Tacoma and thence over the Northern Pacific to St. Paul—I am not sure whether you can see this chart, but starting from San Francisco and going to Chicago, I want you to notice the line of travel. Going up by way of Tacoma and around by St. Paul practically the whole distance is land grant; but if the shipment moved by direct route between San Francisco and Chicago, which route is in existence, and it went on the Southern Pacific to Ogden, Utah, and Union Pacific to Omaha, in a direct route, generally speaking, to Chicago, practically none of it is land grant.

Mr. O'HARA. Will the gentleman yield for a clarification of the chart he has been talking about?

Mr. BOREN. Yes.

Mr. O'HARA. Is the red line on that chart originally land grant? It is not as they exist today as land-grant roads, is that not true?

Mr. BOREN. It showed the original land grant or railroad mileage, and as it exists today as land grant. Whenever a railroad was built, whoever owns it now, however, many times it has been through receivership, it makes no difference.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. STEFAN. The gentleman will also recall that Mr. Jeffers testified that the increased revenue of the Union Pacific was around 36 percent while their increased overhead was around 34.5 per cent. He also testified, as I recall, that the Union Pacific Co. at their own expense spent $100,000,000 preparing for the war.

Mr. BOREN. Yes.

Mr. STEFAN. That was at the expense of the Union Pacific and at no expense to the Government.

Mr. BOREN. And the railroads have not hesitated to make these outlays during this war period in adding additional rolling stock, in adding spurs that will not be used in normal traffic or at all after the war. They put in sidings and spurs innumerable that will be of no use when the war ends.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. STEFAN. The gentleman in his statement referred to the shipment of cement from Birmingham to Jacksonville and from Clinchfield to Jacksonville, showed first the expected difference in rates in favor of the shorter haul and then showed how due to the operation of the land-grant rates the situation was reversed and the advantage lay with Birmingham, twice the distance. Do I understand that the shipment was made over the same lines in each instance?

Mr. BOREN. Yes; in this instance it can be done over the same line in the same direction. The figuring of these rates, you see, is under the land-grant terms and is a paper routing only whereby this rate is figured over same imaginary route up and down through some other State.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. ROBSION of Kentucky. I should like to know whether under this bill that situation will be corrected.

Mr. BOREN. This bill would correct those inequities throughout the country and that is the reason the shippers want it done.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. JENNINGS. Does the gentleman mean to say that the unfair differential that has grown up in favor of Birmingham as against Clinchfield is arrived at by figuring a rate on land-grant railroads over which the shipment is not sent?

Mr. BOREN. Absolutely.

Mr. JENNINGS. They are simply used for the purpose of calculating the rate and then the shipment is sent over railroads that are not land-grant lines?

Mr. BOREN. That is exactly what happens.

Mr. ROBSION of Kentucky. That is cockeyed!

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. HINSHAW. In this particular instance that is being referred to the route is figured out by way of Pensacola, Fla., in order to get the land-grant rate.

Mr. BOREN. Yes. The figure is, of course, as the gentleman pointed out, fictitious.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. POAGE. The gentleman says the figures are fictitious but does not the gentleman know that the Government cannot figure that rate by way of Mobile or any other circuitous route unless the route is open to everybody, to the public to ship private goods? Is it not correct that the Government cannot take advantage of land-grant rates figured on a circuitous route unless the circuitous routing is thrown open to the whole world to ship over?

Mr. BOREN. The gentleman wants to be fair about this. He is incorrect to a certain extent. What I meant was this: It is possible to ship this stuff by land-grant mileage from point to point, as indicated. I have not created any conditions that do not actually exist. In order to ship it from Birmingham to Jacksonville by land-grant mileage you may have to ship it 8,000 miles.

Mr. POAGE. The gentleman does not get the point. I am saying if you have to ship it 8,000 miles, you cannot ship it that 8,000 miles unless the railroads offer to accept freight from the public at large for shipment on that same route. In other words, the railroads hold themselves out as public carriers

and any shipper in the world can take advantage of it. He could ship cement from Birmingham, Ala., around via Mobile into Jacksonville over the route the gentleman described. They actually offer to transport it for the public, not simply for the United States Government, because the United States Government cannot take advantage of any route that is not available to any shipper in the world. That is the thing it seems to me that the gentleman has not got clear in his own mind or has not cleared up.

Mr. BOREN. The gentleman is absolutely correct to the extent that the railroad publishes its routes and anybody can ship over the routes, but when it comes to figuring what rate is going to be paid they figure the rate according to whether there is any land-grant mileage that could be applied to that rate regardless of how it goes. There is no difference between us on that point.

Mr. O'HARA. Will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Minnesota.

Mr. O'HARA. I know the gentleman wants to be fair. An individual shipper often gets a circuitous route also, does he not? The gentleman is not claiming that this circuitous route applies only to land-grant railroads?

Mr. BOREN. There are alternate routes, but there is never any such fanciful routes as I have indicated. There are alternate routes that may make a difference of 5 miles one way or the other but there are no such outlandish alternate routes.

Mr. O'HARA. How many of these outlandish examples were there?

Mr. BOREN. They are multiplied by the thousands. I am going to point out one or two more.

Mr. H. CARL ANDERSEN. Will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Can the gentleman tell me when they ever shipped coal from Duluth to the west coast?

Mr. BOREN. I am not familiar with the extent or whether they do or not, but the answer is yes. I did not use any example that was not legitimate. I found out whether or not the product moved in that direction.

Mr. H. CARL ANDERSEN. The gentleman has mentioned a certain product, coal. He is taking coal as a certain product. I have lived along the Northern Pacific for years and in all my recollection I have never seen a carload of coal moving from Duluth to the west coast.

Mr. ROBSION of Kentucky. Coal from Kentucky, Virginia, and Tennessee can go to the Great Lakes, up there to Duluth and then across.

Mr. BOREN. I will not debate with the gentleman on that question. I do not know to what extent coal travels that way, but I have given an illustration of what happens.

Mr. LEWIS. Will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Ohio.

Mr. LEWIS. Coal from my district in Ohio goes to Duluth. I live in the upper Ohio Valley and coal goes from there to Cleveland, where it is loaded onto boats. They carry it clear up to Duluth and I understand the ultimate destination of that coal sometimes is Puget Sound.

Mr. LEA. Will the gentleman yield?

Mr. BOREN. I yield to the gentleman from California.

Mr. LEA. I would like to call the attention of the gentleman to an argument that has been referred to here today relating to the question of the original obligations of the railroads. Is it not true that in the majority of cases, but not all, the only obligation on the railroad was to furnish the road bed for the Government to transport its own rolling stock over and that if the original obligation were here today and nothing else it would be of very little practical value to the Government? It is only because Congress stepped in and imposed this arbitrary condition that the railroads have the obligation today which is burdensome.

Mr. BOREN. The distinguished chairman of the Committee on Interstate and Foreign Commerce is absolutely correct. The contract entered into originally bears no resemblance to the one we have today.

Mr. DWORSHAK. Will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Idaho.

Mr. DWORSHAK. In reading the report I notice a statement was included from the various departments of government with the exception of the Department of Agriculture which supervises our forest areas. Will the gentleman explain why there is no statement from the Department of Agriculture?

Mr. BOREN. I explained that at the outset if the gentleman had been present. They were requested to be present and they declined to appear in person.

Mr. DWORSHAK. Were they requested in time so that they might appear?

Mr. BOREN. They were requested something like 6 or 7 weeks ahead of the time we suggested the hearing be opened.

The CHAIRMAN. The gentleman has consumed 49 minutes.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, 30 or 40 years ago when demagogery ran rampant in congressional Halls and other places, it was a popular thing to make the railroads of the country a sort of a whipping boy and to criticize everything that might be done by the railroads, to legislate and to levy heavy judgments against them. Such efforts went so far as to bring practically every road in the country into bankruptcy or to the very edge of complete financial collapse.

Of course, I realize and appreciate that today we no longer practice demagogery in the Halls of the Congress or elsewhere in the country, but certainly if there is to be any demagogic appeal made at any time, this is the type of a bill upon which it could best be made. It is popular at times to attack great industry and free enterprise. Railroad rates, as well as the various problems that are created by the establishment of such rates, are always difficult to understand and are usually easy to misunderstand.

There has been a great deal of talk here today about what has been given the railroads. Let me say to you almost every form of transportation that has been developed in this or any other country has been subsidized one way or the other by government. The railroads which received these so-called subsidies, better known as land grants, in the early days of rail transportation, when this country was being developed, do not stand alone. We have not changed that policy. Today we are subsidizing the air routes of the Nation. Today we are subsidizing the traffic on the rivers and the lakes of the country. Yes; we are also providing harbor facilities along our sea coasts, and in that way subsidizing ocean-going traffic.

Let us stop for a moment and look at this problem which confronts us in a cool, analytical way. Originally approximately 130,000,000 acres of then almost valueless land was given to certain railroads, not in the far West as many believe, but mostly in the Mississippi Valley, as aid, as financial assistance, as it were, for the construction of such railroads; and, also, if you please, for another purpose: For developing an empire. Our forefathers knew and appreciated that transportation was an absolute necessity in the building of a great nation here in America. At the time that land was given to the railroads it was worth an average of 97 cents per acre, which means, if you wish to call it a subsidy, that aid or financial help, of approximately $126,000,000 was given to the railroads. This $126,000,000 worth of land went to approximately 21,000 miles of railroad, known as land-grant railroads. Since that time or over 70 or 80 years, this mileage of land-grant trackage has been reduced, through abandonment of lines, and for other reasons, down to approximately 14,400 miles, if my memory serves me correctly. Practically every mile of the 14,400 miles of land-grant railways still in existence has been through receivership, not once, but, in many instances, several times.

But a short time ago this Congress was greatly concerned over the financial condition of the railroads. You will remember there was then brought before this body a bill for the financial relief of the railroads to permit them to go through bankruptcy and thus continue to operate. So the original stockholders, and also the railroads which received the original land grants, are no longer in existence.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. Not now. I will yield when I finish my statement.

Instead, new companies have taken their places. Many of these land-grant railroads today do not own a single acre of the original granted land. Some of these grants were for every other section, some of them were for every third section, some were for every fourth section, some were for every sixth section. The development of the great midcontinental area came about as a result of this policy of land grants which was adopted by those who preceded us in this Congress 70 or 80 years ago.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. Not just now, but when I complete my remarks I will be very happy to yield to the gentlewoman from Illinois.

We are being told today that we should not consider this bill at this time, because the railroads are making money. I say to you that I am happy to report that most of the railroads of the United States, though not all of them, are today making an operating profit. I believe that each and every one of us can be proud of the great job that is being done by the railroads of this country, and by the men who work on those railroads, in hauling the materials necessary to supply the factories that are manufacturing war equipment, and then in turn delivering those war supplies to the seacoast so that they may be shipped to the battle zones.

I believe, of course, the earnings the railroads are making are not exorbitant. I do not believe you can find very many exorbitant profits being made by our railroads today. But I want to point out one thing that has not been mentioned in debate in that connection, and that is that today the trackage and rolling stock of these railroads is actually depreciating at a rate much more rapid than that allowed by the Federal Government. In other words, the wear and tear of wartime traffic is much heavier on the railroads than is normal.

It is estimated by those who should know best, not by the representatives of the railroads but by men who have made a study of it, some of them for committees of this Congress, that it will take every dollar of the profits the railroads will make during this war era to put them back into proper operating condition in the post-war period; that every dollar of profits must be expended if we are to have a properly functioning railroad system in this country following the war.

Another feature of this bill that I believe is of the utmost importance is that while $126,000,000 worth of land was granted to the railroads, they have thus far paid back something like $550,000,000 to $575,000,000 in reduced rates to the Government. A pretty fair deal, if I may say so, for the Government.

You talk about there being a contract. The original contract, as the chairman of this committee, the gentleman from California [Mr. LEA] mentioned a moment ago, between the land-grant railroads, on the one hand, and the Government on the other, was that the railroads would simply permit the Government to use the rights-of-way. The Government would furnish its own engines and its own cars. Out in the West, where there were a few frontier military posts from which to fight the Indians of that day, out on the Kansas plains, the Government could put a few cars and an engine on the track and let a soldier haul a few troops from one post to another or haul in some supplies. But the plan would not work, so the agreement was finally reached that the railroads should furnish the operating equipment and the manpower to operate it. Instead of granting the transportation free, as under the other arrangement, the charge was then fixed at 50 percent of the normal rate.

At that time the Government's shipments were very small, but today, in this era, when we have an all-out war effort, the freight shipments over the railroads of this country are more than 50-percent Government shipments. The freight hauled by the railroads today actually totals more than 50-percent Government freight. Some railroads run as high as 75 and even 80 percent; others run lower.

In my section of the country we do not have a single foot of land-grant railway, yet my shippers in selling to the Government are penalized in competing with shippers who are located along land-grant railways. So this bill today is really a shipper's bill, because it provides—and I do not want you to overlook this—that any savings or profits made by the railroads as a result of the passage of this legislation shall and must be taken into consideration by the Interstate Commerce Commission in fixing civilian freight rates.

Let us stop for a minute and reason with ourselves. The Interstate Commerce Commission is a creation of this Congress. I believe it is right to assume that it is an honest agency of the Government and has done its job very well. The Congress passed a law, which has been on the statute books for many years, that requires the Interstate Commerce Commission to fix freight rates at such a level as to permit the railroads to make a reasonable return on their investment, to take care of their depreciation, to take care of their operating costs, and to make a reasonable return on their invested capital. If you let the Government ship its freight at half price, at less than the cost of such transportation to the railroads, so that actually there is a loss to the railroads on every ton of freight hauled for the Government, it means that the railroads must charge more than a fair rate for every ton of freight hauled for free enterprise or private business, in order to make the average rate on both Government freight and private-business freight equal a fair return on the capital investment of the railroads. That is the law today, and that is what we wish to correct.

Mr. BOREN. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, may I say at the outset that I am for this bill and hope that it passes, although I have no railroads in my State affected as land-grant railroads, because of the fact that these railroads have now fulfilled their contract with the Government. In the first place, I have a great deal of confidence in the committee which has been studying this legislation, and, as I understand it, the majority of them favor its passage. I assume that they took into consideration the objections that have already been raised here on the floor, the chief objection being, of course, that the passage of this legislation would necessarily increase the amount that would of necessity have to be paid by the Government to the railroads for the transportation of military personnel and war materials. Obviously this would be true. But let us look at the matter in the broad view and over a long period of time to see what the situation really is.

As the gentleman from Indiana [Mr. HALLECK] said in speaking on the rule making in order this legislation, it seems to me he put his finger on the crux of the whole matter. In effect, he said when the railroads allow to the Government a rate 50 percent less than the rate charged to other shippers, it would not be contended by anyone that such a rate would be a compensatory rate. In other words, it would not pay the costs of transportation. This being true, then who would pay it? The answer is, the other shippers who transport their goods over the railroads sell them to the consumers at a price sufficient to take care of the freight differential, and the consuming public, therefore, pays the difference.

The biggest headaches encountered by the Interstate Commerce Commission and the various State regulatory bodies have been caused because of this very reason, a discrimination in favor of one customer as against the other. So while it may seem at the moment that the taxpayers are compelled to pay more taxes, yet on the other hand they should be compensated by having their freight hauled cheaper and the products sold to the consuming public purchased at less cost.

In view of the fact that the enactment of this legislation might result in an increase in revenue to the railroads, it also provides that the Interstate Commerce Commission shall take into consideration this revenue when it has under consideration the fixing of rates and tariffs. Therefore, it seems to me the public is amply protected.

A great deal has been said about these early land grants to the railroads but even that was not a one-way deal, it was not only for the benefit of the railroad but also for the benefit of the entire Nation. These grants were made for the specific purpose of developing the country and, of course, railroad building necessarily opened up forest lands, grazing lands, coal lands, agricultural lands, not only for the benefit of the railroads but the benefit of the private lands owned by citizens in every part of the country.

If the statement made by the gentleman from Texas [Mr. POAGE] is true, that the railroads would be presented with a gift, as he said, of from a quarter- to a half-billion dollars a year, what would happen to it? It certainly could not be hidden or unaccounted for. It would

simply mean that a great share of it would be paid into the Federal Treasury in the form of taxes. So, looking at it from the angle of loss to the Government, it is not nearly as bad as some gentlemen would have you believe.

Certainly no one has ever accused me of being pro-utility-minded, and in spite of the fact that contentions are made on the floor that there has been a great lobby to pass this bill, I can say frankly that I have been lobbied by no one. As the gentleman from Ohio [Mr. BROWN] has said, this bill does furnish a glorious opportunity for demagoguery, but I think it comes with ill grace upon the part of anyone to condemn the railroads. They are one outfit that learned something from the last war and profited by it. Under the most trying circumstances, the railroads have integrated their operations to such an extent that, with fewer cars and fewer engines in proportion to the freight and personnel that has been moved, when the history of this war is written it will have been one of the outstanding achievements, both on the part of the owners, operators, and the men who have done the laborious work.

I, too, believe that in the consideration of post-war planning as it affects transportation, only half of the job will have been done unless railroad transportation is considered in conjunction with every other kind of transportation. In spite of everything that has been said about air transportation, farms, mines, and factories are going to depend on, and their success be determined by, the kind of railroad transportation we have for a long, long time after the war is over. Therefore, in my judgment, the passage of this legislation would in the long run be in the interest of all classes of shippers and the consuming public generally and certainly in the interest of the men and women who operate the railroads, for it must be remembered that somewhere between 60 to 70 percent of all the revenue taken in by the railroads is spent for labor.

Mr. BOREN. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. MALONEY].

Mr. MALONEY. Mr. Chairman, the bill that is now being considered, H. R. 4184, has for its purpose, as I understand it, cancelation of provisions that are contained in the so-called land-grant contracts to railroads.

These contracts were made almost 100 years ago. Vacant lands were deeded to certain railroads, and in consideration the Government exacted conditions, including a reduction in freight and passenger charges that they would have to pay to the railroads for business transacted with them. The real purpose of these grants was for the development of isolated territory. To do this the railroads were called upon to make quite an investment in extending railroad facilities to these territories. Of course, when these facilities were instituted it immediately built up the value of these lands. The railroads were compensated to a large extent in the improved value of the lands and potential traffic, and the Government, on the other hand, also has been enriched very largely by such improvement.

As I look at it, these contracts have served their purpose—both to the great benefit of the United States Government and the land-grant railroads. However, the time has come when the continued carrying into effect of the discount from the regular rates for services rendered by the railroads to the Government becomes onerous upon the land-grant railroads, besides doing an injustice to those roads that do not have land-grant contracts that have to meet the land-grant contract rates or else lose the Government's business, or that portion of it which comes under these conditions.

While it is true that the Government saves considerable money in its transportation charges, it is also true that this saving comes from the pocketbooks of those who use the railroads' service and pay for it at normal rates. It also has a very uneven treatment when used by competing business firms where one can receive the benefits of the land-grant rates, and the other cannot in doing business with the Government.

I consider the time has come when the railroads should be released from the hardship provisions of these contracts. I think the Government's discount privileges have upset the smooth operation of the general rate-making structure to a large extent, and have also given the Government and railroad accounting offices much difficulty and delay in arriving at settlements, as there are so many confusing situations that have arisen under new conditions in these times.

We must recognize the fact that our Government is a preference partner in every business undertaking only on the profit side, and that the Government's percentage of the profits has steadily increased through the income-tax laws, and in many instances its share is enormously high, and when we grant any consideration to these land-grant railroads that will in any way increase their income we also increase the Government's; and while, on the one hand, the Government may save the cost in the movement of its freight by continuing the land-grant contracts in operation, this reduction, of course, comes mostly from the pockets of those who use the railroad service at normal rates.

While on the other hand—if the land-grant contract rates are repealed, the Government will obtain its full share of any benefit that may come to the railroads through increased earnings, which is as it should be.

I think the bill before us should be approved.

Mr. BOREN. Mr. Chairman, I yield the balance of my time, 10 minutes, to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I appreciate the gracious action of the chairman of the Land Committee in giving me all of the remaining time. I hope to use that time to outline the history of the land grants and to give you the authority for certain statements about the facts of this case. I do this because there seems to be considerable misunderstanding or lack of understanding about this problem. I believe it will help us all to get a clearer picture if I will cite the authority for my statements as I go along. This I will attempt to do.

Between 1850 and 1870 the Congress granted approximately 130,303,668 acres of public land to some thirty-odd railroads or their predecessors. This is roughly 10 percent of the entire area of the United States. In addition, the State of Texas granted about 33,000,000 acres to railroads. Other States granted about 15,000,000 additional acres. All told, the railroads received a net total of 179,187,040 acres of land. Among the railroads of my section that received land were the Southern Pacific, which received a total of 32,514,611—10,865,930 from the States of Texas and Oregon; the Santa Fe, which received a total of 18,743,435 acres—3,856,640 from the State of Texas; the Missouri Pacific, which received 16,738,413 acres, of which 12,989,256 acres were given by the States of Texas and Arkansas; and the Missouri-Kansas-Texas, which received 3,362,603 acres—2,785,920 acres from the State of Texas.

These figures are from the report of the Board of Investigation and Research addressed to the chairman of the committee on March 9, 1944.

The railroads have suggested that this land was worth less than $1 per acre, and therefore claim that "the Government has been repaid several times over the value of the land originally granted" but the Board of Investigation and Research which the railroads quote on other matters states in its report to Congress that:

> The reported total gross proceeds to the railroad from land-grant rates to December 31, 1941, as given above aggregates $602,445,137 (p. 25).

This is for the land sold. The railroads still hold 15,840,077 acres of Federal grant lands, and the Board states on page 26 that—

> The net proceeds which the railroads will receive from the remaining grant lands held by them for sale is uncertain.

Later the Board estimates the value at $3.78 per acre—page 27—or a total of $60,684,032. This estimate is surely conservative. Against this, total value sold and unsold, the railroads claim to have had administrative expenses and taxes amounting to $167,638,466. I think these administrative expenses are subject to considerable question, and the Board of Investigation and Research itself states that:

> The amounts given as net proceeds are understated to an indeterminate extent.

On the other hand, the Board states that the cumulative total of land grant deductions to June 30, 1943, were approximately $580,000,000—page 42. It therefore seems clear to me that it is certainly a gross exaggeration to say that the Federal Government has been repaid many times the value of the land. It is probably right now approaching full payment for the first time in history, and as usual, just as soon as it becomes evident that the Government has made a good trade, those who traded with the Government want to break their contract.

In any event, these are tremendous grants, and it must be supposed that the legislators who gave them expected that the Government would get very substantial benefits in return. The Federal Government contracted for a great deal more than the mere construction of railroads. It provided in most—not all—of the granting acts that the proposed railroad should "be a public highway for the use of the Government of the United States, free from any toll or other charge upon the transportation of any property or troops of the United States." Before many years had passed, the railroads had induced the courts to hold that this only provided for the use of the roadbed, and that the Government should pay for the rolling stock used. In 1879, the Court of Claims held that the Government should pay 50 percent of the regular commercial rate. This condition existed until 1940, when the Congress at the request of the railroads relieved the carriers of all obligations created under the acts that granted the lands except as to the transportation of persons and property for "military and naval and not for civil use." This military movement continues to pay half rate. I voted against the 1940 bill, asking then, as I expect to ask in connection with this bill, that if the railroads are to be relieved of their obligations to the United States that they should either return to the Government the property which they hold as a result of their trade with the Government, or that they give the public some corresponding benefit in the way of general rate reductions and equalizations.

Another effort was made in 1942 to relieve the railroads of any liability to carry out their contract. This effort was not successful. The bill was recommitted. We are now faced with the best organized and financed effort of all. The railroads have spared no effort or expense. They have flooded the Members with letters and telegrams. Today they have the best organized lobby that has been in Washington this session. They now have before the House a bill which simply relieves them of all obligation to give the Government the reduced rates which were promised as a part of the consideration for the princely domain of public lands which the Government conveyed to them. This bill imposes no obligation on the railroads. It does not require them to restore the land—not even the lands they still hold. It does not require them to equalize freight rates over the country. It does not even require them to pass the increased earnings on to the shipping public. It contents itself with a pious wish that the I. C. C. would consider giving the public part of the profits.

The railroads say "the land-grant rates discriminate as between shippers," and in my own State they have argued that they discriminate against Texas manufacturers. It is true that there are no land-grant roads in Texas, as our State did not contract for any rate reductions in consideration for the 33,000,000 acres given to railroads by the State of Texas. Therefore, it is doubtless true that Texas manufacturers may be at a disadvantage as compared with competitors in such States as North Dakota, Montana, or Minnesota, where most of the railroads are land-grant railroads, but the truth is that our manufacturers have little competition to face from those States. Actually, most of the competition comes from States like Pennsylvania, New Jersey, New York, and Massachusetts. As far as I know, there is not a mile of land-grant railroad in any of the four States just named, but the manufacturers in these four States do have a freight-rate advantage over Texas manufacturers that is far more effective than the land-grant rates. These and other Eastern States enjoy what is known as official rate, whereas in Texas we must pay an interregional freight differential, which makes a Texas shipper pay $1.61 to ship the same weight of first-class freight that would move the same distance in official territory for $1. This is applicable to all class freight, private as well as Government business. As I see it, our people are being injured a great deal more by these discriminations that the railroads have imposed than they are by the land-grant rates. I have, therefore, suggested that we wipe out all freight differentials and get the real equality of competition that the railroads say they want. So far, I have not had the support of any of the railroads. At the proper time I shall offer an amendment to accomplish this.

The railroads have urged that they should have greater revenues. Under the law as it now exists, the Interstate Commerce Commission must allow rates high enough to give the railroads a reasonable return. If they are not getting that now, they have an existing right to get their rates increased, but they know that they are actually getting much more just now, as their income-tax returns will show. What they actually want is for Congress to increase their income in excess of that found to be reasonable by the Interstate Commerce Commission. Otherwise, why should they object to the amendment which I propose to offer to this bill requiring a general rate reduction equivalent to the increased Government payments? The benefits of this bill as written all pass to the railroads—not to the Government or to the people. Personally, I can see no justification for passing legislation that will cost the taxpayers of the United States more than a quarter of a billion dollars this coming fiscal year to simply increase the earnings of the railroads.

Now from a legal standpoint, it seems clear to me that if the railroads want to be relieved of a contract that they now claim has become unduly advantageous to the Government that they should at least restore the consideration which they received from the Government. This they steadfastly refuse to do, although as of December 31, 1941, the Santa Fe still held 1,784,616 acres of this land, the Northern Pacific 4,819,732 acres, and the Southern Pacific still held unsold 8,044,476 acres. If these railroads really feel that the Government took advantage of them, why do not they at least offer to return this land to the Government when they ask to be relieved of paying for it? I shall propose an amendment to require this. If it should be considered unfair to apply the legal rules applicable to the cancelation and rescission of contracts between individuals which rules have always required the restoration of the consideration remaining in the hands of the parties, then let us at least follow the suggestion of some of the Government agencies and postpone the effective date of the act so as to build up a fund to enable the Government to purchase the lands.

On the other hand, if the railroads are going to refuse to restore the consideration for the contract, it seems to me that common sense would suggest that if we, as the representatives of the people, should try to secure a revision of the existing discriminations which the railroads themselves enforce particularly against the South and West; that we should insist that provisions to protect the people of every section of the country against discriminations should be put into the same bill. If we ever expect to get the railroads to restore any part of the value the Government paid for this rate reduction, now would seem to be the appropriate time. Why should this legislation consider only the welfare of the railroads? Why should not the railroads grant a general freight-rate reduction if the Government is to pay an extra $250,000,000 per year? The present freight and passenger rates are paying a handsome return to the railroads. The railroads are making more money than they have made in years. If we pass this bill, the railroads will make still more. The taxpayers will pay more. Why not at least provide that the general rate structure shall be reduced by the amount of the extra Government payments so that the people who pay both the taxes and the freight would get back in lower freight rates what they have to pay in higher taxes? And why should we not require in the same bill that the railroads wipe out the interterritorial freight differentials? If there is any injustice in the land-grant rates, I am willing to try to correct it, but I insist that the railroads exhibit some willingness to correct their own practices at the same time. I recognize that there are certain advantages to be had by eliminating the land-grant rates, and I am perfectly willing to negotiate with the railroads, but I think that the same rule should apply to the railroads that would apply to anyone else who wants to rescind a contract. Let us at least have a provision that is going to say that freight rates are actually going to be reduced and not simply a pious wish that they may, at some future time perhaps, be reduced.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Surely.

Mr. O'HARA. Does the gentleman find any place in the testimony where any member of the Interstate Commerce Commission or any representative of the railroads promised there will be any reduction in freight rates?

Mr. POAGE. No; there is no such promise, but I want to write a provision into the act to make sure that they are compelled to give this reduction.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Miss SUMNER of Illinois. On page 254 a representative of the War Department told the gentleman from Ohio [Mr. BROWN] who just spoke, that there would not be any such reduction and that 81 percent of it would go to the railroads and 19 percent of it would go to taxes.

Mr. POAGE. I think that is about what would happen if we pass this bill as it stands.

I propose, however, to offer amendments to cover the three items I have mentioned.

First. I will offer an amendment to require the roads to reconvey to the Government the land they now hold as a result of their contract which they ask to break.

Second. I will offer an amendment to require the Interstate Commerce Commission to reduce freight and passage rates in keeping with the increased earnings of the railroads and to make such reductions effective before the act becomes effective, and

Third. I will offer an amendment to eliminate the differentials that have been created by the action of the railroads between regions or territories as well as the lessor differentials created by the land grant rates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Chairman, I cannot feel that the country is in any great danger from the railroads. No industry has rendered our country any greater service in war or in peace. There is no occasion for us to get scared about this matter, even if the railroads should appear to benefit by it. It is not a matter of as great importance to the railroads as it is to the people. As has been explained, the land-grant principle came about in the first instance in the construction of turnpikes and canals, when in return for certain lands which the Government gave to those constructing turnpikes and canals, the Government was given the right to use those turnpikes and canals in the transportation of soldiers and Government shipments. Then when the railroads began to project lines into the West, the Government continued the same policy, and later that contract was changed, whereby the Government was given the privilege of shipping their goods and soldiers on a 50 percent basis. The original contract was changed. I do not feel that there is any sound basis in the argument that we do not have any right now to enact this legislation as a matter of moral principle.

The moral principle lies in favor of making the change. If the Government is given the privilege of shipping on a 50-percent basis, it is according to itself as a shipper a different privilege than it is according citizens. The Government is made up of its citizens. Every dollar that the Government gains by reason of this reduced rate must, of necessity, be made up at the expense of the citizens. It would be a much sounder policy for the Government freight to be shipped free of charge, as far as the Government is concerned, and then have appropriations made out of the Treasury, which would come from all the people, to remunerate the railroads for the transportation of Government property rather than having it on a 50-50 basis, as is provided in the land-grant provisions of the law, because the 50-percent advantage which the Government now gets must be paid, not by all the people but by the remaining shippers. That is why all of the traffic associations are in favor of the repeal of the land-grant rates. So long as land-grant rates are on the statutes, shippers must make up this 50-percent advantage which the Government gets in the shipment of its traffic. I think the fairer method would be for us to appropriate money out of the Treasury and pay for the traffic which the Government ships over these lines than for us to require the railroads to ship it at 50 percent of the cost involved and then require other citizens—a particular class of citizens who have business with the railroads—to make up this 50 percent, but the proper course to pursue is to pass this bill and repeal the land-grant rates and let all shippers stand on the same basis.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. REECE] has expired.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, there has been more heat than light in this debate. I would like to do my part to throw a little light, especially to the gentleman from Texas [Mr. POAGE], if I may have his attention for a moment.

I would like to point out to the gentleman from Texas that one of the reasons why his freight rates on War Department shipments to Chicago are so high in comparison with some other points to Chicago is because he does not have any land grants in his State. On shipments of Government freight from other points in the United States to Chicago the rates are necessarily lower for the same mileage than they are from the gentleman's State just on that account. I am sure the gentleman will understand that.

Mr. POAGE. Will the gentleman yield?

Mr. HINSHAW. I yield for a question.

Mr. POAGE. Will the gentleman explain why the ordinary commercial rates are higher in the State of Texas than they are in the State of Illinois?

Mr. HINSHAW. I expect in the State of Illinois they handle more tons of freight per mile of road than they do in the State of Texas, and, consequently, the cost is lower. I would not be surprised that the gentleman could find that out if he examined the figures. The gentleman is not talking about land-grant rates now anyway.

Mr. POAGE. The gentleman suggested what the gentleman from Texas might find out. The gentleman from Texas has examined the figures, and the figures show that it cost about 97 cents to move freight in Texas and it would cost a dollar to move the same freight in Illinois. That is the figure. It cost more to move it in Illinois than it does in Texas.

Mr. HINSHAW. Now, I would like to point out to the House that all of the railroads in the United States are bearing the cost of this land-grant provision. Individual railroads that happen to have land-grant mileage between their terminals are not bearing it any more than other parallel railroads are. If you start a shipment from New York or Boston and send it to Fort Worth, Tex., or to Los Angeles, or to San Francisco, it goes over a great many sections of rail. A great many different parts of railroads are involved in that shipment. The Quartermaster Corps of the United States Army gets out a book like this one I am showing you. I want you to look at that book. That is a book which enables the Quartermaster Corps to figure out what the percent of discount shall be on the shipments of freight over various sections of line between given points. It is all figured out in percentage tables, but it does not mean at all that the freight is going to be shipped via the routes set forth in these tables, because, as a matter of fact, these discounts are figured very circuitously. The discount route from Chattanooga, Tenn., might go clear down to Pensacola, Fla., then up to Duluth, then to Spokane, and then down to San Francisco, for the purpose of rate making, but the shipment will be made directly across the United States by lines that may have no land-grant in them at all. Consequently, the various roads that go to make up the actual route used, take a proportion of the total discount figured by the circuitous route, on the portion of the freight that is handled over their particular line. It is a silly procedure. As the gentleman from Texas [Mr. POAGE] said, if the actual land-grant line were taking the discount of 50 percent, they would all go broke in these times, because they could not afford to handle freight at that kind of price. But actually they do not, at all. These land-grant rates are applied to all railroads that participate in handling Government freight, in the proportion that the mileage within their system which is included within the entire route, bears to the total mileage of the trip. That is why all of the railroads of the United States, whether they have any land grant in them or not, are in favor of this bill. That is why all of the shippers in the United States are in favor of this bill.

Pennsylvania, for example, has no land-grant, yet the Pennsylvania Railroad, the New York Central, and the Baltimore & Ohio, and all other roads which go through Pennsylvania take some percentage of discount on the freight originating in Pennsylvania, that passes through land-grand territory. You might say that it is unfair that the Pennsylvania, Baltimore & Ohio, the New York Central, and the rest of them would have to take that discount. But as a matter of fact, the Government is very anxious to have them do that, and the railroads are willing to do it because they know if they do not do it somebody

else will, and as a matter of competition between them, they all have to bear their share.

The net result of it is that there is great over-all discount during this war effort on Government freight. Some railroads in the East, or perhaps in Texas, do not have to bear very much of the proportion of the land-grant discount. Other railroads which run parallel to land-grant roads are taking a terrific discount and a terriffic beating. The net result is that certain territories, certain cities, towns, and industrial areas find themselves at a great disadvantage.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield briefly.

Mr. O'HARA. Does the gentleman know whether the land grant enters into the matter of rate making, as far as the railroads or the Interstate Commerce Commission are concerned?

Mr. HINSHAW. The land grants enter into rate making insofar as this is concerned: That where a section of land grant is in a given route, the Government takes the established commercial rate and takes a discount of 50 percent on the mileage that is land grant and that is figured in proporction to the total mileage of the route in order to figure an over-all discount.

To that extent, of course, any railroads that have to bear a large land-grant discount whether or not there is any land-grant in the line must have higher prices for the hauling of civilian goods over the same route. This stands to reason. I do not intend to argue with the gentleman.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. O'HARA. I have read the bill. Apparently the gentleman has not read Colonel Lasher's testimony.

Mr. HINSHAW. I heard Colonel Lasher when he was here and I never heard such a demogogic statement in all my life. Just because the War Department has the power to screw down these rates they do it. Colonel Lasher does not want to have any bigger budget for the Quartermaster Corps than he can get away with, of course. He insists on getting every nickel he can. He has a whole slew of employees down in the Quartermaster Corps who do nothing but sit there day after day trying to figure little decimal points to see if they can get another nickel out of the railroads on an item of freight. That is their business. Do away with these land-grant rates and you would save a lot of money for the Quartermaster Corps by letting all those land-grant-rate clerks out. If the gentleman had had the experience with those people that our committee had he would not be loath to see that happen either. I say that perfectly frankly. The extent to which they go is unbelievable.

Let us take the case of a shipment of steel plate from the Chicago area to the Louisiana coast shipbuilding yards. The Government takes title to the steel in Chicago in order to get the benefit of the land-grant rates between Chicago and the Louisiana point of destination. The civilian shippers have got to foot the bill because one principle of figuring these rates is that the railroads are entitled to compensatory rates. If it is taken from one side, then the other side has got to pay more to make it up.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. JUDD. Will the gentleman advise the House whether section 3 is mandatory on the Interstate Commerce Commission, mandatory for it to reduce the general rate structure and charges to shippers by the increased amount which will be received by the railroads through passage of this law abolishing land-grant rates?

Mr. HINSHAW. The gentleman can read the section as well as I. I may say that at the present time the proportion of Government shipments is so high as compared to the total shipments that it is a terrific burden.

Consequently, in dealing with this section 3 we are talking about we have to consider that we are at war. I will say this, that the Government will take it up in taxes if it does not take it up through these land-grant rates.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, when I was about 6 or 8 years old I recall a stranger coming to our home. He inquired of my father as to the character of one of our neighbors. My father replied that his word was as good as a Government bond. From that day until now I have looked upon a Government bond as one of the soundest and safest investments one could make. Why is a Government bond so sound? It is not because of the value of the country nearly so much as it is the character of the 130,000,000 people who make up this country. The overwhelming majority of our people are fundamentally sound, they are fundamentally fair, they are fundamentally equitable. So for all these years we have been taught and we actually look upon anything issued by our Government as one of the safest and best investments in the world. More than that, Mr. Chairman, during this period of the development of our country our people have come to look upon their Government as being equitable, as being fair, as being just in every sense of the word. Why? Because the people, the overwhelming majority of them, are fair, and they are just, and they believe in fair play; they expect their Government to treat its people fairly. Each and every one of us to that extent, even the transgressor of the law, is assured a fair trial, having had a part in establishing this reputation of the Government.

A great number of our people are affected by this bill today and these people expect justice and fairness on the part of their Government. Who are these people? They are the holders of the securities in these railroads and they are almost legion in number; they are the common people here, there, and everywhere who have put their life savings in the railroads. In addition to that we have the shippers which includes the farmers and members of the farm bureaus. We also have the employees of the railroads and the future of their families tied up in this legislation.

When this agreement was entered into about 70 years ago neither the Government nor the railroads could vision the situation today. Had they been able to divine it it would not have been entered into. Let us look at what happened at that time. We had this great West. The only way that the West could be developed and populated was through the aid of the railroads. So a deal was entered into, or an agreement was made, whereby the railroads were to be the pioneer builders of an empire. They undertook that task and performed it nobly. In return for that pioneering the Government gave them a certain amount of land. That was the principal contract, but in addition as these railroads were pushed out into the great West homesteaders went there and built their homes. They needed protection from the Indians. Forts had to be built to protect those people and in turn we had to get our soldiers, their supplies, and equipment to those forts. In addition to that the railroads had to have protection from the Indians through the soldiers posted at the forts, so the railroads agreed to transport the soldiers and their equipment to these forts free. From that agreement has developed this octopus that is sucking the life blood out of the railroads.

Simple justice, Mr. Chairman, demands that this bill be passed because, as I said in the beginning, our people believe in simple justice and they demand that it be passed. The statute of limitations has long since run against this agreement. It is now 75 years since it was entered into. There is not a State of the 48 that has a statute of limitation of any kind that extends beyond a period of 30 years. The lowest is 5 years, but instead of taking the average, taking the one with the longest statute of limitations here is an agreement outlawed two and one-half times. I favor passage of this bill without amendment.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. HOWELL].

Mr. HOWELL. Mr. Chairman, every Member of the House should approach the matter contained in this bill today with a fair understanding of what is involved and the effect its passage will have not only upon the general public but upon the shippers, upon the people who labor, and upon all the elements that go to make up our great economic society in America today. We have heard a lot of talk about the $500,000,000 the Government is going to have to turn back to the railroads and that the taxpayers will have to make up. As a matter of fact this amount of money is not involved at all. According to all the testimony before the subcommittee from witnesses representing the shippers, the railroads, the representatives of labor unions, and all the witnesses who came before the committee, they testified from an expert

point of view, having before them the statistics of the operating railroads. According to the fairest estimates it would mean approximately $240,000,000 to $250,000,000 a year. From the argument one would suppose that amount was going to be turned back to the railroads and the taxpayers were going to have to pay it into the Treasury in the form of increased taxes or the shippers in the form of increased rates. As a matter of fact the railroads pay about 81 percent in taxes, normal taxes, surtaxes, and excess-profits taxes. So 81 percent of the 240 or 250 million dollars would immediately be recaptured by the Federal Government by means of the Federal taxing law. Therefore, the actual amount involved would be approximately 35 or 40 million dollars which would be left to the railroads after they paid their taxes.

You ask, "Why should the railroads be given this sum of money when there is some semblance of an obligation left to the Government?" It might be well to bear in mind that the railroads have probably been performing, along with a lot of our other producers and other factories in America today, one of the most outstanding miracles of this war. They run their equipment at all hours of the day, at all hours of the night, during all seasons of the year, and they have done a pretty good job in the way of performance. You can recognize, as anyone can who has the slightest knowledge of railroads and their equipment, that their engines, locomotives, cars, their rolling stock, have been overtaxed, have been driven more rapidly to a possible breakdown. A large portion of this rolling stock today is in need of repair, is in need of replacement, and just as soon as the opportunity presents itself that will be the first job that the railroads will undertake. They will undertake to build up their rolling stock, their rights-of-way, their grade crossings, grade separations. All of these things must be taken into consideration. Under our present tax laws the railroads are not permitted to set aside any reserves for the replacement of equipment or obsolescence. If we leave this amount of money with them, I think we can do so with the assurance that it will be devoted to these purposes that I have just outlined. Over and above that, Mr. Chairman, the railroads have an obligation to their employees. Today they employ 1,350,000 people and they have in the armed forces today 277,000.

When this war is over and these railway employees come back to their peacetime pursuits, certainly the railroads want to give them back a job in a gainful industry and they therefore must have the means, they must have the funds to undertake these replacements, the rebuilding of their roadbeds, their rolling stock, purchase new types of equipment that will come as a result of the war and all those things will require capital and money to get started in order to produce the things that the railroads need. That is the whole argument about the amount of money involved. According to the best witnesses we were able to find, this amount would run approximately $240,000,000 a year. You may consult the members of the Ways and Means Committee or the tax experts and you will find that 81 percent of that will come back to the Federal Treasury in the form of taxes.

Mr. DONDERO. Will the gentleman yield?

Mr. HOWELL. I yield to the gentleman from Michigan.

Mr. DONDERO. Is that $240,000,000 annually based upon war conditions or normal-time conditions?

Mr. HOWELL. Wartime conditions. The Transportation Act of 1940 came up for consideration in this Congress and there was in it section 321 which was a provision which required the Government to pay only on military and naval goods. The gentleman from Texas [Mr. POAGE] was present on that day and I may say at this time that he was consistent upon that occasion for he offered an amendment to strike out that section of the law of 1939 on July 26, which amendment lost by a vote of about 2 to 1. To be exact, it was 39 to 53. Then there was a motion to recommit the bill, which lost by a vote of 273 to 99.

I heard the gentleman from Missouri speak a few minutes ago about the $500,000,000 involved today, yet he voted against the motion to recommit on July 26, 1939. Here is a complete answer to the gentleman from Michigan: At that time there were actually $10,000,000 a year involved and the reason this relief was given was because of the unprecedented amount of Government merchandise that was being moved through W. P. A. and other agencies, including the relief agencies existing at that time. The committee of six appointed by the President, three representing industry and three representing labor, came in and recommended that the land-grant statutes be absolutely repealed. Today, with its attendant wartime economy and the tremendous volume, $20,000,000 a month or $240,000,000 a year, based upon this tremendous increase in the business and activities of the railroads, the need for relief is all the more intensified today, in 1944, magnified by 24 times what it was in July 1939.

Mr. CRAWFORD. Will the gentleman yield?

Mr. HOWELL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I wonder if a study has been made and placed before the committee which shows the net profit of the railroads during the war period as against the sum which the railroads will have to spend in the post-war period to provide rolling stock, put on new trains, and so forth, in order to keep the transportation system going for the benefit of the people? Has any study like that been made?

Mr. HOWELL. If there has been I do not know that that testimony came out in committee.

Mr. CRAWFORD. We will expect the railroads to employ tens of thousands of men and to carry their share of the expanded labor force. The question I am raising is what chance the Congress is giving the railroads to prepare their purse for the post-war period to carry this additional load?

Mr. HOWELL. It is my opinion that we are giving them very little chance and have up to the present moment. By means of this bill we give them an opportunity in a small way to undertake these programs that will naturally follow the war.

There is another phase to this matter of the railroads getting two hundred and forty or two hundred and fifty million dollars a year. A question was asked here a minute ago whether we could expect the freight rates to the shippers to be reduced as a result of this activity on the part of the Congress. All of us have confidence in the Interstate Commerce Commission, in its personnel and its facilities. When we direct under the provisions of this law the Interstate Commerce Commission in the exercise of its power to prescribe just and reasonable rates, fair charges, and that they shall give due consideration to the increased revenues that the carriers will receive as a result of the enactment of this bill, the Interstate Commerce Commission will do just that, and I think we have every assurance that if there is anything on the part of the railroads in the way of excess profits or unreasonable fares and charges that that shall be reflected in lower shipping rates to the general public.

Mr. COCHRAN. Will the gentleman yield?

Mr. HOWELL. I yield to the gentleman from Missouri.

Mr. COCHRAN. That is the same story we were told on the floor of the House in 1940 when we amended the act. I would like to have some gentleman get up here on the floor of the House and show where there has been a reduction in rail rates as a result of the passage of the amended Transportation Act of 1940.

Mr. HOWELL. I regret to say to the gentleman from Missouri that I was not here at that time, but the gentleman did vote for the amended Transportation Act of 1940.

Mr. CRAWFORD. Will the gentleman yield?

Mr. HOWELL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Any man who knows anything about transportation today, whether it be water, rail, highway, or air, knows that the costs have gone up and up and up in every phase of the activity since 1940. I am surprised the gentleman would ask that question.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield one-half minute to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, the gentleman from Missouri should know that the wages paid to railroad labor have been very materially increased since then, which is one of the reasons why railroad labor is for this bill. Maybe they think they might be entitled to more increase in wages which could only

come from revenues. This bill is approved and endorsed by all of the operating and nonoperating railroad brotherhoods. They have a thorough understanding of the need for this legislation, as will be disclosed by the hearings.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, in the consideration of this bill today seeking to repeal legislation on the statute books affecting railroad rates by reason of the Land Grant Act, let us examine and find out what is the right and equitable course to follow.

From 1850 to 1871, in order to bring settlement and improvement, by acts of Congress there was granted to railroad companies title to 130,000,000 acres of Government land. This land, at the time, was inaccessible so far as transportation was concerned, and its value and selling price would not exceed $1 per acre or $130,000,000.

Sections of land were allocated to the railroad companies in checkerboard fashion along suggested lines. The Government, while giving away 130,000,000 acres, retained the major share or 1,300,000,000 acres.

Because of such encouragement, railroad companies increased their extension of lines, constructing through these territories in the great West and the South, 17,600 miles of railroad. The extension of these lines doubled and trebled the value of the land owned by the Government, brought in millions of homesteaders and settlers and extended the power, development, and wealth of this country, both industrially and from an agricultural standpoint, proving this Land Grant Act to be one of the wisest moves made by the Government for the development and settlement of the Nation.

Later on the Government decided it should have some revenue by reason of this gift of land to the railroad companies. After much consideration in the Congress an act was passed in 1879 providing that railroads receiving land-grant aid should carry Government troops, supplies, and other freight at 50 percent of the regular commercial rate and mail at 80 percent of the usual rate.

This arrangement continued for 60 years until the Transportation Act of 1940 was placed upon the statute books by the Congress which provided that hereafter deductions in transportation charges should be made only on military personnel and on military and naval property of the United States being moved for military and naval purposes and not for civilian use.

With the Nation being plunged into war, the act of 1880 and the later act of 1940, bring about a situation which has caused the introduction of the bill we are considering today.

Mr. Chairman, today the railroads are hauling more military personnel and Government property coming under the act of 1940 at 50 percent of the regular commercial rate than of all other freight. There has been such an increase in this type of traffic that in 1942 the deduction in railroad transportation charges was estimated by the Board of Investigation and Research at $240,000,000 a year.

Since 1880 there has been a 50-percent reduction to the Government and now we find $240,000,000 a year, or more, being credited back to the Government to pay for a gift of approximately $130,000,000 made over 60 years ago. Even though we concede that much of the $1-an-acre land originally granted to the railroad companies was sold at many times that price as development through the years continued yet, I believe, it is a fair assumption that if the figures could be had showing the total amount received by the various railroad companies for all the land given them, that the rebate in transportation charges by the roads to the Government would probably show $2 for $1 or better by reason of the legislation.

Mr. Chairman, the act should now be repealed in the interest of all the railroad companies and more important, in my judgment, in the interest of all the private shippers and users of railroad transportation in America. It should also be repealed as a matter of simplification in the competition of railroad rates and in the interest of sound governmental economy.

While these land-grant rates were made to a few companies which control only 17,600 miles of railroad, it has affected those other companies which later developed some 210,000 miles of railroads not directly affected by the Land Grant Act.

In order to meet this unfair competition and to get their fair share of freight these companies had to bring down their rates, in most instances, to the level of the rates on Government property imposed upon the land-grant roads.

With the tremendous amount of Government transportation of military personnel and merchandise going into the war effort, those industrial concerns located on land-grant routes are placed in a more favorable position. It has brought about greater inequity by reason of geographical location and has tended to congest certain routes and by reason of the formula worked out for computing transportation costs all over the United States there is now in dispute between the railroads and the General Accounting Office something like $200,000,000 in freight charges.

Mr. Chairman, under the rate system worked out by the Government, in an attempt to equalize the transportation costs on the over 200,000 miles of railroads in this country by reason of the 50 percent deduction on military personnel and freight, a condition is arising as between the Government and the railroad companies where the courts will be clogged with litigation, where due to this confusion and lack of being able to work out an equitable rate charge and making decisions as to what is Government property and what is not Government property that has been transported during the war, decisions later will doubtless be handed down affecting $600,000,000 or more, as there is in dispute now over $200,000,000 of such freight charges. If such decisions were adverse to the railroad companies, some of them might be wrecked financially.

Mr. Chairman, the purpose for which the land was granted was to fill up the country with settlers, develop agriculture and industry. The purpose of the gratuities or land grants offered the companies to stimulate this activity has been accomplished. The Government has been reimbursed twofold. There is every reason now why this bill should be passed taking the Government entirely out of the picture. The Interstate Commerce Commission, under statutory powers, will then be able to determine just and equitable rates in the future that should be charged by the railroad companies.

If it is argued that the railroad companies are making a large amount of money now and this act will greatly increase their earnings, the answer is that the excess-profits tax and other taxes will take care largely of that problem.

And in this connection may I suggest that the railroad companies, most of which have been operating for years at a loss, are today wearing out their old equipment and by reason of the efficiency of their organization and the loyalty of their employees have delivered a war transportation job for the Nation that is next to a miracle.

And let me point out. This is not a bill in the interest of the railroads. This bill is a shippers' bill, a bill in the interest of the farmers, the livestock shippers, and the civilians, who with the Government, being subsidized, is causing them to pay higher freight rates.

This bill when passed will place the Interstate Commerce Commission in a position where it can, and doubtless will, reduce rates which will benefit the farmers, livestock producers, and the civilian population whose rates are now too high by reason of over half of the transportation volume of the Nation being carried for the Government at half the rates now being imposed upon the farmers, livestock growers, and shippers.

Mr. Chairman, it is to be hoped, in the interest of the entire Nation, that the great railroad organizations of this country whose bonds are owned by the larger insurance companies as prime security for the life insurance policies of the rich and poor alike—who occupy such an important place in the financial and economic set-up of our Nation will have an opportunity to have earned and laid by a very large financial backlog so that they can rebuild and develop more modern transportation facilities in the post-war era furnishing employment, transportation, and work for millions of Americans who know that railroad companies in a sound financial position will help to pull the country through the trying post-war era and, conversely, when the railroad companies have worn out their equipment as they are doing at the present time in this emergency if they are penalized by Government rules and legislation and come out of this war in the adverse financial status they have been in for years, that the very lack of

their virility and ability to help develop the Nation in the post-war era will help to bring on a depression rather than an era of prosperity.

Finally, this bill should be passed in order to equalize transportation costs to everyone throughout the Nation. It is my opinion that the Government supported by all of the people after it has been paid back its gratuities by the railroad companies certainly should pay its regular amount of transportation costs. If it does not, added freight costs are charged to the farmers and individual shippers. It is my opinion that the farmers of the Nation and civilian shippers generally may find that the repeal of this act will make it possible when the whole rate structure is given restudy by the Interstate Commerce Commission that their rates may be lowered.

Mr. Chairman, in closing let me point out that the late Joseph B. Eastman, Director of the Office of Defense Transportation, and for 25 years a member of the Interstate Commerce Commission, and regarded as the highest authority on railroad rate transportation, before the House of Representatives' Committee on Interstate and Foreign Commerce as late as February 19, 1942, made this statement:

Ever since 1938 I have favored the elimination of the land-grant reductions.

It seemed to me entirely fair that such relief should be given, because the real quid pro quo for these land grants, in my judgment, was the opening up of the country. That is why they were given, to enable the railroads to be built, to open up the western territory, particularly, and they accomplished that result, and the Government, and everybody else, profited and benefited very largely from the construction of the railroads for that purpose.

The Government had a direct financial benefit through the increase in the value of the large amounts of public land which it retained.

Now, that is the principal reason why, to my mind, it is fair that these land-grant rates should be eliminated, because the Government and the whole country have already got very substantial compensation for the land grants. They have accomplished their purpose of getting the railroads constructed and opening up the country.

Furthermore, it seems to me that the Government ought to pay the same rates for carriage of traffic as are paid by its own citizens, who really made up the country. If you analyze this down far enough the land-grant reductions, to my mind, are really a burden upon the citizens of the country generally, because there is an obligation on their part to provide adequate earnings for the railroads.

Mr. MURPHY. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Pennsylvania.

Mr. MURPHY. I would like to add to what the gentleman has said, to prove the correctness of his assertion, that the American Trucking Associations is wholeheartedly and enthusiastically in favor of the passage of this bill.

Mr. VURSELL. I thank the gentleman for his contribution.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield to the gentleman from Ohio [Mr. McGREGOR] such time as he may desire.

Mr. McGREGOR. Mr. Chairman, in fairness to all the people, I favor and expect to vote for this legislation.

I regret exceedingly that every time a bill is before us for consideration, that has to do with railroads, there seems to be a cry from some of my distinguished colleagues "railroad grab." I have only been in Congress for a few terms, but from memory have yet to find one bill that the railroad companies have asked for consideration, that they did not have a fair and equitable reason and argument for its passage.

I just wonder, Mr. Chairman, what would happen to our country if the railroads of our Nation did not serve the people and if they did not pay taxes. I believe some would then realize that the railroads play a major part in the functioning of our Government with very little consideration by the Government. This bill, H. R. 4184, by Representative BOREN, proposes to repeal the requirement of land-grant deductions, a law that has been in effect better than 75 years; a law that makes it mandatory for the railroads to handle the shipping for our Government at a rate of approximately 50 percent.

At this time, it seems nothing more than fair to me that this law be repealed immediately, especially when we take into consideration that more than 90 percent of the railroads never received any of the land grant. The actual figures show only approximately 17,600 miles of railroad were granted land under the bill out of a total mileage of 230,000 miles.

When we realize that the Government deductions, even in the year of 1942, in railroad transportation charges, were estimated by the Government's own Bureau of Investigation of Research at $20,000,000 per year, there is no question but that this amount is even greater now. This means the Government is receiving every year, in the form of deductions of transportation charges, more than twice the total value of all land granted to the railroads at the time it was granted.

There is no question in my mind that the passage of this bill will be of major importance to every citizen of the United States.

We must realize the Interstate Commerce Commission grants to the railroads a fair profit on their return. So, therefore, if the railroads are compelled to carry this enormous amount of Government tonnage at a loss, it is mandatory that higher rates must be collected from other shippers in order to overbalance this loss and give the railroad companies a reasonable profit as allowed by the law.

Let us consider the enormous amount of red tape and confusion that is now in effect because of this land-grant law. The railroad companies have no idea of what rates can be charged between various points, as they must take into consideration the rates of the land-grant railroads involved. This means there are millions of dollars tied up waiting for definite rates to be determined; and I am reliably informed that the Government bureau which handles this subject is at least 2 years behind in its work.

This bill, H. R. 4184, is recommended by practically all organizations that have to do with shipping. May I, Mr. Chairman, just cite some of those who appeared before the committee and recommended this bill be passed.

Charles D. Mahaffie, a member of the Interstate Commerce Commission—and I quote:

We feel sure that the relations between the administrative officials of the Government and transportation agencies of the country would be greatly improved by the immediate abolition of the land-grant rates in toto. It may be argued, as it has been in the past, that the Government would suffer financially and some railroads might be unjustly enriched through such action. The income taxes now in effect and those which seem likely in the future furnish an answer to this argument. The Interstate Commerce Commission has long been in favor of the discontinuance of the land-grant rates, and in our judgment the recent developments before mentioned make this more desirable than ever. We, therefore, recommend that H. R. 4184 be passed.

Mr. Robert E. Webb, chairman, Board of Investigation and Research, summarized the Board's reason for recommending repeal of extending land-grant provisions:

The primary reason is that the grants of some 130,000,000 acres of land by the Federal Government in the period of 1850 to 1871 have long since served their intended purpose of promoting the development of the unsettled parts of the country. Railroads which did not receive grants of land, have had to equalize with land-grant rates in order to complete with land-grant roads for Government traffic. By means of land-grant deductions from traffic rates, the railroads collectively have made adequate compensation for the benefits they have received from the grants. The total rate deductions to date substantially exceed the net amounts of productive capital realized by the railroads from these grants. The elimination of land grants would put the Government on an equal footing with its own private citizens in bearing charges for the support of the Nation's railroad system * * * preferential rates on Government traffic tend to shift a burden to private users of railroad service.

D. B. Robertson, president, Brotherhood of Locomotive Firemen and Engineers:

The railroad industry has privately paid for that Government land twice a year, four times in all, since the attack on Pearl Harbor. The land grants had already been paid for in full, and more, before 1938.

L. G. Luhrsen, executive secretary-treasurer, Railway Labor Executives Association:

We feel that justice requires that the railroads now be relieved of the land-grant obligation and of this huge contribution which their competitors are not called upon to make.

A. F. Whitney, president, Brotherhood of Railroad Trainmen:

Our transportation system is one of the greatest weapons in the winning of the war, and it should not be hampered by a con-

dition growing out of land grants at a time when a present emergency could not be anticipated; therefore, the Brotherhood of Railroad Trainmen joins with others in favor of immediate enactment of H. R. 4184.

John T. Corbett, assistant grand chief, Brotherhood of Locomotive Engineers:

As their representative, I respectfully request your support for this legislation, which we believe should be adopted.

George M. Harrison, president, Brotherhood of Railway and Steamship Clerks, in a letter of March 15, 1944, to the gentleman from Oklahoma, Representative BOREN:

We favor the enactment of this legislation. We feel, since railroad transportation charges are generally fixed by the Interstate Commerce Commission, and are presumed to be reasonable and lawful, the Government should be agreeable to pay the same charges for transportation services paid by all other users. When the Federal Government is privileged to use these transportation services at less than rates fixed for all the people, the people must make up the amounts involved in the rates they pay, or the industry must carry the burden.

The late Joseph B. Eastman, Director, Office of Defense Transportation, and for 25 years a member of the Interstate Commerce Commission:

Ever since 1938 I have favored the elimination of the land-grant reductions. The Government had a direct financial benefit through the increase in the value of the large amount of public lands which it retained. Furthermore, it seems to me that the Government ought to pay the same rates for carriage of traffic as are paid by its own citizens who really made up the country. If you analyze this down far enough, the land-grant reductions, to my mind, are really a burden upon the citizens of the country generally, because there is an obligation on their part to provide adequate earnings for the railroads.

Mr. Chairman, I feel the above statements of individuals who are internationally known for their fairness and who are all recognized for their ability, substantiates my previous statement that H. R. 4184 should be immediately passed.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. ELLIS] such time as he may desire.

Mr. ELLIS. Mr. Chairman, 20 or 30 years ago it was a popular thing to make the railroads a sort of "whipping boy." It was a safe place for the demagogs to lay the blame for all the ills that befell our country and our people. But now our viewpoint has changed. We find that the men at the head of our great railroad systems are human beings and that railroad labor is the best managed in this country. Railroad employees are a patriotic group and they have done a magnificent wartime job.

The land grants served their purpose well at the time of early railway construction. It is estimated that land valued at $126,000,000 was granted the railroads as a subsidy for construction across the country 70 or 80 years ago, and they have thus far paid back something like $550,000,000 to $575,000,000 in reduced rates to the Government. It seems like a pretty fair deal for the Government, but it must be remembered that this reduced rate allowance to the Government has come out of the pocket of all the shippers; hence, the consumer.

In the early days Government shipping did not amount to much, but today wartime Government shipping is enormous and has thrown the whole rate structure out of balance and has caused great hardship to railroads and shippers alike. Land-grant rates for transportation should be discontinued. Therefore, I support this measure. It is virtually a shipper-consumer bill and not a railroad bill.

It will interest my colleagues to know that the measure has the support of the late Joseph B. Eastman, former Director, Office of Defense Transportation; R. V. Fletcher, vice president, Association of American Railroads; Martin H. Miller, national legislative representative, Brotherhood of Railroad Trainmen; D. B. Robertson, president, Brotherhood of Locomotive Firemen and Enginemen; J. G. Luhrsen, executive secretary-treasurer, Railway Labor Executives' Association; and Alvin B. Barber, manager, transportation and communication department of United States Chamber of Commerce; and many others representing the railroad, labor, railroad management, shippers, and the consuming public.

It is interesting to know that on September 20, 1938, the President appointed a committee of 6, 3 from railroad management and 3 from the railroad labor organizations, to consider and to recommend, on a broad scope, legislation covering all of the general transportation problems, so as to insure a fair field for all and special favors for none of the various modes of transportation.

The members of the committee were: For the railroads—M. W. Clement, president, Pennsylvania Railroad; Carl R. Gray, president, Union Pacific Railroad; Ernest E. Norris, president, Southern Railway. For the railroad labor organizations—D. B. Robertson, president, Brotherhood Locomotive Firemen and Enginemen; George M. Harrison, president, Brotherhood of Railway Clerks; Bert M. Jewell, president, Railway Employees' Department, A. F. of L.

This committee submitted its report to the President under date of December 23, 1938, and, in its summary of recommendations, the following language appears:

Land-grant rates: Repeal of the reduced rates provisions of the so-called land-grant statutes.

This measure will rectify an injustice which has existed for too many years.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield to the gentleman from California [Mr. GEARHART] such time as he may desire.

Mr. GEARHART. Mr. Chairman, one of the reasons given by the committee for its favorable report on this bill is that its enactment will remove a source of unending controversy and litigation between the Government and the railroads, with all of the expense and annoyance incident thereto. That finding of the committee relates to a situation with respect to these land-grant deductions that cannot be adequately described as other than intolerable.

Under existing law, the Government is not entitled to claim the land-grant deductions on a shipment unless it meets certain requirements specifically laid down in the act. One of those requirements is that title to the shipment must be in the United States at the time it is being transported. Another is that the shipment must consist of military or naval property. Still another is that the property must be moving for military or naval and not for civil use. If any one of those three conditions is not met, the railroads are lawfully entitled to collect their regular commercial rates for the transportation service involved, unless they voluntarily agree, under section 22 of the act, to handle it for less.

It takes but a brief consideration of the varied character of shipments which are being made by the Government these days and the varying circumstances under which they are made to realize the difficulties involved in determining whether particular shipments meet all three of those requirements. For example, in the case of shipments purchased by contractors performing work for the Government under cost-plus-fixed-fee contracts, the question inevitably arises as to whether title to the shipments at the time of their movement actually rests in the United States or in the contractor. In the case of commodities purchased by a contractor who is operating one of the Government ordnance plants, such as coal to be used for fuel and raw materials to be used in the manufacture of explosives, there is presented not merely the question of where title to the shipments rests at the time of their movement, but there is also serious question in many instances as to whether the shipments can properly be said to consist of military or naval property.

Again, under its lend-lease program, the Government is purchasing and shipping to various of our allies commodities of all descriptions, ranging all the way from fertilizer materials, farm equipment, and food supplies to guns, tanks, airplanes, and armament of all descriptions. In the case of such shipments, there is usually no question that title thereto is in the United States at the time of their movement. There is serious question, however, as to many of such shipments, whether they can be said to consist of military or naval property. Even where they admittedly consist of property of that description, there is still a question under the law whether their contemplated use for military purposes by some other nation is the military use referred to in the statute.

Although the lend-lease program was initiated long before the entry of this country into the war and at a time when our Government was professing to maintain a policy of strict neutrality as between the warring nations, the Lend-Lease Administration insists that the over-all purpose of the lend-lease program is essentially military and gives

that character and purpose to all shipments made thereunder, thus entitling them to the land-grant deductions regardless of what they consist of or the actual use that is to be made of them. The Comptroller General has indicated that he will accept such administrative determination as binding.

Many other Government shipments consist of materials intended for use in the construction of some facility which, while admittedly for some military purpose, is also admittedly intended for civilian use. That is the situation with respect to shipments made in connection with the construction of numerous airfields in this country prior to and since our entry into the war. It is also the situation with respect to shipments made by the Maritime Commission in connection with the construction of numerous cargo vessels. It is likewise the situation with respect to shipments of pipe made by the Government for the construction of a pipe line into Key West to provide a water supply for the naval base located there, and at the same time to supply water for the municipality.

In the case of certain of these airfields the Comptroller General has ruled that the contemplated civilian use of the facilities was such as to deprive the Government of the right to the land-grant deductions on shipments of materials used in their construction. In the case of the Key West pipe line, however, the General Accounting Office has reached the opposite conclusion. In the case of the cargo vessels which have been and are still being constructed by the Maritime Commission, that Commission has adopted a formal resolution to the effect that such vessels are being built for military purposes, and that, consequently, the land-grant deductions are properly applicable on all materials used in their construction. The Comptroller General has indicated that he will accept that conclusion as binding. Yet we are being greeted almost daily with statements by Admiral Land and other members of the Maritime Commission as to the important part these cargo vessels will play in providing this country with an adequate merchant marine when the war is over.

There are numerous other classes of shipments that present similar difficulties. However, I think those which I have mentioned are sufficient to indicate why the present law relating to land-grant deductions can be expected to be such a fruitful source of litigation if it is permitted to continue in effect. In fact, it would be difficult to imagine a more ideal set-up for continuous litigation. First, you have a statute which leaves the door wide open for honest differences of opinion as to its proper interpretation and application. Then, in connection with each Government shipment you have on the one hand a railroad accounting officer charged with the responsibility, usually not only to his own company but to other railroads that have participated in the transportation, of making collection from the Government of all the freight charges to which the railroads are properly entitled for the services rendered. On the other hand, you have a Government accounting officer charged with the responsibility of seeing that the Government pays no more for transportation services rendered it than it is lawfully required to pay. Obviously, it could be only through dereliction of duty, either on the part of responsible railroad officers or on the part of responsible Government officers, that a situation of that sort could fail to result in continuous litigation.

Certainly this Congress will be failing in its duty if it permits such a situation to continue.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. SCOTT] such time as he may desire.

Mr. SCOTT. Mr. Chairman, I would like to contribute this thought to the many substantial reasons which have been advanced in favor of this legislation. I understand that governmental agencies often require weeks in which to figure out what particular manufacturer has submitted the low bids on a Government contract after taking into consideration land-grants rates. I believe that it is also true that this rate system has tended to favor some manufacturers more than others.

The land-grant rates have been the cause of routing of shipments by the Government in some cases so as to require two or three or more times the minimum rail miles from point to point. This is particularly unfortunate under a war economy.

The committee has given careful consideration to this legislation and I believe its adoption to be in the best interest of the public generally.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield myself such time as may remain.

Mr. Chairman, it is not my intention to make any extended explanation of this measure for the reason that those who have already spoken in favor of the bill have demonstrated, I think, the right and justice of this bill.

This bill was given very careful consideration by the Committee on Interstate and Foreign Commerce. It was reported to the House without a dissenting voice. If the members of the House will take the time to examine the hearings held by the committee and if they will particularly examine the list of witnesses who appeared before the committee, it will be realized that no legislation has ever come before this House with a finer array of witnesses to support it. The witnesses were men who have been actively engaged in every kind of transportation and who are thoroughly familiar with the entire subject as it affects the railroads, motor carriers, and other forms of transportation. They likewise were qualified to speak for shippers and consumers. Every name is one that is outstanding in his particular field of activity.

I hold in my hand a file which represents communications received from chambers of commerce, trade associations, and shippers associations extending from the Atlantic to the Pacific, and from the north to the Gulf of Mexico. They are all in favor of the passage of this legislation. I also call the attention of the House to the testimony given by one in behalf of this bill for whom every Member of this House had great respect, and who only a few weeks ago passed from his Government activities with the highest praise that has ever been given to any individual in Government service. No one in this House will deny a single word that was spoken in praise of Joseph Eastman. I am certain you all agree with the compliments that were paid to him on the floor of this House and elsewhere and the appraisals that were made of his ability and of his integrity in the Government service. One individual, well qualified to speak, has spoken of him as the most outstanding in his field. I think all will agree that whatever position Joseph Eastman took on any subject of transportation, it was certain to have real reason and logic to sustain it. I mention Joseph Eastman for the reason that in his testimony before the Committee on Interstate and Foreign Commerce he demonstrated that he applied to this subject of land-grant repeal the same careful consideration that he gave to every subject that required his consideration. In reference to land-grant repeal legislation, he said:

It happens that ever since 1938, as a member of the Interstate Commerce Commission, I have favored the elimination of the land-grant reductions. I appeared before a subcommittee of this committee on that matter as early as May 31, 1938.

Now, as you know, these land grants were given to the railroads by the Government for the construction of new lines of railroad, particularly in the West and in the South—in the West particularly—to open up that territory. They were granted in the period roughly between 1850 and 1870 and in the neighborhood of 134,000,000 acres of Government lands were so granted.

As Federal Coordinator of Transportation I made a complete investigation of this subject and all of the facts in regard to it appear in volume II of the Report on Public Aids to Transportation.

All the available facts in regard to land grants are in that report.

He goes on in a long statement to give his reasons in detail as to why he favors the legislation that is now before the House:

It seemed to me entirely fair that such relief should be given, because the real quid pro quo for these land grants, in my judgment, was the opening up of the country. That is why they were given, to enable the railroads to be built, to open up the western territory, particularly, and they accomplished that result, and the Government, and everybody else, profited and benefited very largely from the construction of the railroads for that purpose.

The Government had a direct financial benefit through the increase in the value of the large amounts of public land which it retained.

Now, that is the principal reason why, to my mind, it is fair that these land-grant rates should be eliminated, because the Government and the whole country have already got very substantial compensation for the land grants. They accomplished their purpose of getting the railroads constructed and opening up the country.

Another is that while these land grants apply only over a comparatively few railroads, for competitive reasons they have been equalized by the other railroads to a very great extent, so that many of the reductions are now suffered by railroads which got no land grants at all.

In the third place, because since the time when the land grants were received, many of the railroads have changed hands—often because of bankruptcies and insolvencies which wiped out the original stockholders, so that the present owners of the properties have received them for value and have had no direct benefit from the land grants.

Furthermore, it seems to me that the Government ought to pay the same rates for carriage of traffic as are paid by its own citizens, who really made up the country. If you analyze this down far enough the land-grant reductions, to my mind, are really a burden upon the citizens of the country generally, because there is an obligation on their part to provide adequate earnings for the railroads.

When a man of the integrity, ability, and wide knowledge of Joseph Eastman, as member of the Interstate Commerce Commission, Coordinator of Transportation, and Director of Defense Transportation, recommended the passage of this legislation, there is no sound reason to justify anyone with less knowledge in opposing this bill. His testimony justifies without further argument its passage by this House.

The CHAIRMAN. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That subsection (a) of section 321 of title III, part II, of the Transportation Act of 1940, be, and the same is hereby, amended by striking out the following: "except that the foregoing provision shall not apply to the transportation of military or naval property of the United States moving for military or naval and not for civil use or to the transportation of members of the military or naval forces of the United States (or property of such members) when such members are traveling on official duty;", so that said subsection, as so amended, shall read as follows:

"SEC. 321. (a) Notwithstanding any other provision of law, but subject to the provisions of section 1 (7) and 22 of the Interstate Commerce Act, as amended, the full applicable commercial rates, fares, or charges shall be paid for transportation by any common carrier subject to such act of any persons or property for the United States, or on its behalf, and the rate determined by the Interstate Commerce Commission as reasonable therefor shall be paid for the transportation by railroad of the United States mail: *Provided, however*, That any carrier by railroad and the United States may enter into contracts for the transportation of the United States mail for less than such rate: *Provided further*, That section 3709, Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5), shall not hereafter be construed as requiring advertising for bids in connection with the procurement of transportation services when the service required can be procured from any common carrier lawfully operating in the territory where such services are to be performed."

Mr. MAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I expect to vote for the pending bill on the simple ground of common justice and a square deal for all the railroads of this country, the shippers, and the workers.

That is all I care to say about the legislation at this time. I ask unanimous consent that for the remainder of my 5 minutes I may speak out of order, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Chairman, I am sure this information furnished me by Col. C. J. Hauck, of the War Department, will be of interest to the Members of the House.

Beginning May 22, in West Potomac Park, the Army Service Forces and the Treasury Department will present the first comprehensive public display of captured enemy weapons, equipment, and supplies with our own counterparts for purpose of comparison.

Members of the House have been invited to private showings Wednesday and Friday mornings. The War Department will provide cars which will leave the House Office Building at 10:10 o'clock on those 2 days and will return Members to the Capitol by noon.

Technical officers, familiar with both the American and captured equipment, will be on hand to answer questions and to explain the uses of the weapons and supplies. There also will be a team of enlisted men to operate the guns and vehicles.

I am sure that Members of the House will find this display not only of great interest but of real value, and as chairman of the Military Affairs Committee, I want to add my own invitation to that of the Army which you already have received.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Has the gentleman seen this exhibit?

Mr. MAY. No; I have not.

Mr. CRAWFORD. The reason I ask the question is this: When they had the big show down here near the Washington Monument, three or four pieces of Japanese and German war equipment were displayed. I looked at them with a great deal of interest. What was displayed was so flimsy and so out of line with the equipment we have that I think we did our boys in the service an injustice by displaying it, because thousands of people got the idea that our men in uniform do not have much of a job to perform in using our fine equipment against that which was there displayed. I do not think the equipment which was there displayed was representative of what the boys have to fight against. I hope that in this exhibit they will have some of the real equipment to show what our boys have to fight against.

Mr. MAY. At that time we had not captured a great deal of their major equipment. I understand that now they have some of it. I may say to the gentleman, however, that if he will go over to the Aberdeen Proving Ground he will find some real equipment of the type the German Army has in use that is equal to ours. Of course, no one will admit that our fighting men are not superior to either the Germans or the Japs.

Mr. CRAWFORD. I have been there and have seen some of it. That is the reason I protested against what was displayed to the public down here at the Washington Monument.

Mr. MAY. I do not know what is on display at this place. I have not been there. I hope those who go to see it will find it interesting.

Mr. WRIGHT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I just want to add one more observation to the valuable contributions which have already been made by the proponents of this bill. I would like the Committee to reflect upon the tremendous problem of reemployment which we are going to have after the war. Undoubtedly, the railroads are going to have to assume a portion of this job. But that is not the whole story. We have increased our furnace capacity so that we now produce more steel in this country than all other nations of the world put together. Our coal mines are operating at greatly increased capacity. That steel and coal are being poured into war equipment, and after the war is over we are going to have to find some market for steel and coal that will bring employment to the people in our steel mills and in our coal mines. Traditionally, the railroads have been one of the greatest users of heavy steel and consumers of coal, but during the depression years they allowed their equipment to go down because of the fact they were not getting the revenue to provide for replacements. I think we should take a great interest as a Nation in assuring, to the best of our ability, the financial stability and prosperity of the railroads, because it not only affects the railroad industry and their reemployment problem, but it affects almost every other industry in the country, and it will be of inestimable advantage to our soldiers when they come back looking for jobs.

Mr. SAUTHOFF. Mr. Chairman, I move to strike out the last three words.

DISCONTINUANCE OF LAND-GRANT RATES

The House is once more considering the somewhat complicated question of land-grant rates, and whether or not these concessions should be ended. There has been some confusion, some misrepresentation, and some misunderstanding about this entire subject matter. A substantial portion of our membership feels that it is a grab by special interests that are seeking to get something for nothing out of the Government. However, a careful perusal of the material that has been presented to me, as well as to other Members, makes it a well-established fact that, not only the railroads, but also the shippers, are interested in discontinuing these land-grant rates, and last but not least, the railroad brotherhoods are also in favor of putting an end to these concessions. If the railroads alone were asking for this particular bill, a charge of special interest might be made, but when you have such uniformity by all classes interested, it would seem that such a contention cannot be maintained.

WHAT ARE LAND GRANTS?

When railroads were being built, mostly in the West and a few in the South, 75 to 100 years ago, the Government, in order to develop these areas of our country and to provide a connecting link with

the far West, granted alternate sections of land in a strip extending back for 10 miles on each side of these particular railroads.

According to the report made by the late Joseph B. Eastman, as Federal Coordinator of Transportation, the average value of all granted lands at the time of the grants was about 97 cents per acre. Of course, those land grants could not possibly pay for the construction of the railroads but aided by giving the railroads the opportunity to sell the lands to settlers whose products had to be shipped. The total value of these land grants amounted to approximately $125,000,000. Up to June 30, 1942, the concessions granted the Government in return for these grants amounted to $340,783,000. Since June 30, 1942, it is estimated that the monthly rate of concessions to the Government has been $20,000,000, or approximately $400,000,000 since June 30, 1942, making a total of $740,783,000. In the face of the fact that the railroads for years have been staggering under a huge debt load, which is Government money to a great extent, it would seem inconsistent to still maintain these concessions, for it is evident that the Government has been repaid many times over for everything that was given the railroads under the early land-grant contracts.

DISCRIMINATION AMONG SHIPPERS

Many illustrations are offered to show the discriminations that result from these land-grant deductions in rates. The shipper located on a land-grant line has a decided advantage over his competitor not so geographically located. The reasons are obvious. The Government makes its purchases under competitive bidding and on a delivery basis. Therefore, the shipper who has an advantage of anywhere from 5 to 15 cents a hundredweight can underbid his competitor.

I take just one example from the committee report. This example is with respect to the rates on lumber from Klamath Falls, Oreg., and Westwood, Calif., to Chicago. The latter distance is 2,118 miles and the commercial rate is 72 cents. The former distance is 2,263 miles and the commercial rate is 75½ cents. In other words, the California mill has an advantage over the Oregon line of 3½ cents per hundredweight. Now, in the case of lumber bought by the Army and moving for military and naval and not for civil use, the net cash charge from Klamath Falls to Chicago would be 42.913 cents per hundredweight, whereas on a similar shipment from Westwood, the net charge would be 58.913 cents. Hence, the charge from Westwood, instead of being 3½ cents less than from Klamath Falls, becomes 16 cents higher after the deduction of the land grant. Any number of similar instances could be quoted, but time does not permit.

TAXATION

Another source of irritation and confusion results from equalization agreements. Motor carriers, as well as other railroads operating in land-grant territory in order to handle Government traffic, have entered into agreements with the Government under which they agree to apply to Government shipments moving over their lines the lowest net land-grant charges available to the Government via any route between the same points.

As a result, the Government makes use of circuitous and utterly impractical routes in computing the charges claimed by it under the equalization agreements. I take one case in point from the committee report.

Sheffield, Ala., is 54 miles from Corinth, Miss. Nevertheless, the Government insisted upon land-grant deductions based on a very roundabout route—484 miles in length and involving a number of different lines of railroads. Because of such distorted methods of working out the rates on these shipments, the railroads cannot definitely determine what their taxes should be because there is no accounting until the amount has been agreed upon with the General Accounting Office or it has come to a final determination in the case. As a result, we have differences about freight rates pending for 5 to 7 years. Income taxes are taking as much as 83½ cents of each additional dollar of income. In the case of railroads which are in the excess-profits class, 86 percent of the gross revenues of all class I roads will probably be in the excess-profits class for the present calendar year, so it can readily be seen what a confusing problem it is for anyone to estimate the taxes.

A case in point: The trustee of one of the large railroads now in bankruptcy stated that in 1943 the revenues of his road had been reduced $10,000,000 as a result of applying land-grant deductions, and that, in addition to that, his road had set up a reserve of $3,500,000 to cover possible subsequent deductions on traffic because of disputes between the railroads and the General Accounting Office as to how the shipments were to be classified.

In an article by D. B. Robertson appearing in the magazine of the Locomotive Firemen and Enginemen for May 1944 a comprehensive review is made of this entire subject matter. Time does not permit that I should go into it here, but I should like to present an excerpt or two from Mr. Robertson's article:

> Only 18,000 miles of railroad out of the 240,000 miles in the United States were actually constructed with the aid of land grants from the Government. Land-grant aid was thus supplied on only 7.5 percent of the mileage of American railways, and its total value was less than one-half of 1 percent of the investment in their construction.

In the early days when these agreements were entered into with the Government, the shipments made by the Federal Government were only a trickle, but as Mr. Robertson points out:

> What was then thought would be only a trickle, has grown into a flood that is now the main current of railway business. Transportation of military and naval supplies and personnel is the major job of American railways today.

I quote again:

> During the years when the land grants were being made to aid in the construction of American railways the Federal Government was compelled to fight and finance 4 years of Civil War. Those 4 years of war cost the Government $3,065,000,000—about $750,000,000 per year. That was the scale of Government expenditures when the land-grant rate reductions were originated.
>
> During the first 2 years of this war we spent $153,000,000,000; during the month of November, 1943, the Federal Government paid out in cash $7,800,000,000 for war purposes. In 1 month we spend 10 times the annual rate of Civil War expenditure, and twice as much as the 4 years of Civil War altogether. A governmental railway policy, devised in the days when a war involving our whole national existence was costing $2,000,000 a day is being applied now when our war cost is $250,000,000 a day. The value of the war materials being transported must be roughly 125 times what it was when this rate-reduction policy was laid down—and the railways are being required to reduce transportation rates on that tremendously multiplied volume of military traffic.

ROAD EQUIPMENT

It occurs to me that the tremendous burden now loaded upon the railroads in the shipment of both material and personnel is bound to result in a rapid deterioration not only of rolling stock but also of the roadbed, rails, and so forth. Some provision will have to be made by the railroads to rebuild all this worn-out equipment when the emergency is over, or else the Government will have to do it. The railroads requested the Interstate Commerce Commission to permit them to set up a fund free from taxation to take care of deferred maintenance when the war is over. The Interstate Commerce Commission directed them to set aside such an amount. However, the tax department refused to consider this fund nontaxable and considered it as excess profits and taxed it as such. Consequently when the war is over and the rolling stock and other equipment are worn out, the railroads will have no such fund with which to replace it. If the railroads cannot do it, then the Government will have to do it.

I prefer that this should be done by those who are trained in the business, whose lives have been spent in railroading, and who understand the subject thoroughly. It would seem to me good business to discontinue these land-grant concessions so that reserves may be set up to properly rebuild and reequip and replace run-down and worn-out railroad property.

I, therefore, feel that while I have touched only a few of the high spots in this discussion, nevertheless that the equities of this matter are all on the side of the passage of this bill, and I trust the membership of the House will support the committee in its conclusions in regard to this measure and vote for the bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GEARHART. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, if I understand the purpose of the Interstate Commerce Commission, one of their purposes at least is to authorize rates to be charged by the transportation companies which will, after all costs and charges have been taken into consideration, yield to the railroad companies a reasonable return on their investment. Now, it is a mani-

fest truism that, in the fixing of rates, one class of shippers are granted preferences—that is, rates that are lower than those which would afford the railroad company a fair return on its investment; the remaining shippers will necessarily have to be subjected to higher rates, this in order to bring the two rate standards to an average, one which will insure the fair return to which the transportation company is entitled.

But a moment's reflection will convince anyone that that which I have just said is an indisputable fact. So when we impose upon the railroads under a sacred contract which is now more than 90 years old an obligation to carry Government-owned materials at half a fair rate, we necessarily have to impose on all of the other shippers a corresponding obligation of making up that which we forgave the Government in that contract.

Some of those who have addressed you today have said that this is not a railroad bill; that it is a shippers' bill. Well, that is correct so far as it goes. It is quite true that in the first instance the shippers are the ones who are "stuck" for that which we forgive the Government from paying. If you will just think a moment, you will see how clear that is. And upon further reflection, I think it will become equally apparent that when we say "shipper" we really mean "consumer," for, indeed, transportation charges become merged in the "price" which the ultimate consumer will have to pay for the article which has been shipped.

It is my contention that Uncle Sam's bills, including his hauling charges should be paid for by all of the taxpayers; not by just a part of the people who happen to be consumers of shipped goods. Simple fairness requires us to protect the consumers of shipped goods against this gouge which a contract made 90 years ago has imposed upon them.

The people I represent ship oranges to the people of the East, and because of this special privilege which an ancient contract has granted the Government of the United States, the consumers of oranges throughout the United States pay more for those oranges. That excessive freight charge, imposed upon private shippers as a consequence of knocking down the rate on Government shipments, must necessarily be figured in the price the consumer must pay. I represent shippers who send to the East grapes and raisins. The consumers of grapes and raisins in the United States are paying more for their grapes and raisins simply because 90 years ago we extended this special privilege to the Government of the United States of shipping Government property at one-half of that which a fair rate would be.

So, Mr. Chairman, I am quite sure that everyone will see the point if they but reflect upon the highly complicated situation which this badly out-of-date land-grant contract has created. It saves the Government a part of its freight bill, true, but it, as an unavoidable consequence, imposes that bill upon a small group that does not deserve such unfair treatment—the consumers of goods and chattels that had been privately shipped to them. It would not be so bad if the Government saving were made up by all of the people but, unfortunately, the saving is unloaded on but a small part of our people.

There is only one fair way, and, that is, let all the taxpayers pay their Government's transportation bill as they do every other obligation of their country and let all of our private citizens pay the transportation companies in accordance with the services they received and at rates that are nondiscriminatory, fair in respect to all shippers, public and private alike.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. POAGE. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 2, after line 20, strike out the period and insert the following: "*Provided, however,* This act shall not become effective as to any common carrier which, on May 23, 1944, held any lands originally granted by the United States as a bonus or inducement to secure the construction of any railroad until all such lands except those that are now in use for right-of-way and carrier use shall have been reconveyed to the United States."

Mr. POAGE. Mr. Chairman, as is well known, the railroads of the United States now hold something in excess of 15,000,000 acres that was granted them as bonus land on a consideration which involved the carrying of the property and troops of the United States at a reduced rate. We are now called upon to wipe out that portion of the obligation as it relates to the benefits that the United States Government will receive.

I never did claim to be a great student of the ancient law or of equity, but I did learn a long time ago that there was an old saying that seemed to be sound and semed to me to be proper, "He who seeks equity must do equity." And, "He who would come into equity must come with clean hands."

There is some kind of a maxim in the law books which says that if one comes seeking rescission of a contract, that no matter what the circumstances, he must come into court and turn back that portion of the proceeds which he still has which he received under the terms of the contract.

That is all I am asking. I am simply asking that the unspent portion of that great legacy that the United States bestowed upon these railroads in consideration for their obligation to perpetually move the troops and properties of the United States at a reduced rate, be returned to the United States before the railroad in question be relieved of the obligation which it voluntarily—no, not voluntarily—which it itself sought to assume back in the days when these contracts were made.

Do not forget, these contracts were sought by the railroads. They then had a lobby before this Congress seeking these contracts, even as today they have a lobby seeking rescission of the same contracts. They are not the same men but they represent the same interests. At that time they wanted the Government to enter into a contract. Now, they want the Government to relieve them of the obligations of that contract.

I think it is well to consider the high respect we have for Government bonds. One of the speakers who preceded me emphasized this point. But he did not mention the fact that the obligation of the Government to pay can never be secure unless the obligations of those who bind themselves to pay the Government are also inviolate. The Government must enforce obligations that are made in favor of the Government just as truly as it must pay the obligation that the Government assumes.

You, as representatives of the people and of the United States Government have the same duty to see that the Government is dealt with fairly as you have to see that the Government deals fairly with individuals and corporations. No one wants to take from these railroads anything to which they are justly entitled. But they made a trade, a fair trade, with their eyes open. There is no charge that there was any fraud on the part of the Government in forcing them into it. They voluntarily came and sought it.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. MOTT. Many of these land-grant railroads sold their land. Some of them kept a part of it. If you are going to require those railroads who kept a part of the land to return it to the Government, why not require those who have sold their land to return to the Government the proceeds of the sale? If one is fair, why is not the other?

Mr. POAGE. Simply because it is a great deal easier to get things that are here today, that are visible and tangible than it is to try to engage in a lot of lawsuits to set aside a lot of titles that have been issued. Simply applying the same rule that is applied in every district court in the United States, that when one comes in seeking to rescind a contract, that portion of the property that is still available, that portion of the property that is still there, shall be returned. If the railroads as a whole are so interested in the passage of this bill they can if they want to share the cost of returning this land but this portion of the property is still here. What has become of some of it I do not know. I think it would be fair to go back and require every railroad to compensate the Government for the land it got before the contract was rescinded, but this is one practical step that we can take right now. Do not set it aside by saying you ought to take more. Let us do this and then talk about more. If the gentleman wants to offer an amendment to require payment from all the roads that got land, I will gladly support it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ANDERSON of New Mexico. Mr. Chairman, I rise in opposition to the amendment. I support the Boren bill, and I cannot cripple it by this amendment by the gentleman from Texas [Mr. POAGE].

Mr. Chairman, I think it is a strange theory under which the gentleman suggests that we should take from one person and not take from those who have already turned back their property. I think it is a strange thing to suggest that one group of people, having received lands under a land-grant contract and having sold that land, should be left absolutely alone, but those who have husbanded those resources and stayed with them over a long period of years, should suddenly find the United States Government reaching out and talking that land away. That does not strike me as justice.

May I suggest to the gentleman that in the particular State I represent, we do not want this land to revert to the Government of the United States, and we have a strong reason for it. More than 70 percent of the public domain in Arizona and more than half the public domain in my State of New Mexico now belongs to the State or Federal Government. We are trying to get land on the tax rolls of our State. A short time ago, some of it went back to the Federal Government. The Department of the Interior took it over and gave it to needy Indians that it felt were entitled to it. But they removed cattlemen who had operated there for a long time. Most responsible citizens in my State opposed it. but there was nothing we could do about it. If returned to the Government, this land passes off the tax rolls of our State and we suffer thereby. I say it is not a good idea to take this land belonging to the railroads and turn it back to the public domain.

It has been my distinct pleasure and privilege for a good many years to be a book collector. That is a bad habit to get into; but in the time I have been delving into the history of the American frontier I have made a long and careful study of the early days, of the times in which the railroads of this country were constructed. I say to you that in all of the reading I have devoted to that subject I have yet to find a claim that these land grants were given in exchange for a preferential freight rate. There is not a word in the story of the Santa Fe Railroad, which runs through my State, that suggests that there was any chief consideration to the contract except that we wanted spans of steel to reach across this continent, that we wanted to link together the eastern seaboard with the western seaboard, that we wanted to open highways toward Asia, and we wanted rail strands to stretch from one end of the country to the other. That was the appeal made in every meeting in which promoters were trying to raise money for these railroads. It was on that basis of spanning the continent and on that basis alone the grants were made to the railroads. True, later, other features relating to freight rates were put into the contracts, but the one fact that runs through it over and over again, the one red thread that runs through the whole fabric, was that this country wanted transcontinental systems. That contract to cross the country with steel rails was fulfilled.

If you want to go back into the story, you will find how delegations of citizens from the States represented by the gentlemen from Arizona [Mr. MURDOCK and Mr. HARLESS] and myself went back to the Eastern States and pleaded with those people to build the railroads. They told them what the States themselves would do. The States themselves gave money, yet the States did not ask or claim nor did they receive any preferential freight rates. There was only one real contract, and that contract was to span the continent; and that contract has been fulfilled; and having been fulfilled, we contend that the contract should now be terminated when it results to the disadvantage of the shippers of the country.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. GRANGER. The gentleman heard me say I was for this bill; I assume he is.

Mr. ANDERSON of New Mexico. Yes.

Mr. GRANGER. But if we adopt the amendment offered by the gentleman from Texas it would change my idea entirely and I could not vote for the bill.

Mr. ANDERSON of New Mexico. Neither could I. The gentleman as a practical raiser of livestock in his State realizes the possibilities that may come from it. He is correct in his stand for the protection of the best interests of his State.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of New Mexico. I yield.

Mr. POAGE. I wonder if the gentleman from New Mexico would be just as anxious to support this private ownership if it meant giving back to the Government the mortgages and indentures, that are out against it, if they went along as part of the trade?

Mr. ANDERSON of New Mexico. I am not going into that because I am sure the gentleman from Texas when he stops to think about it will not do injustice to one particular group at the expense of another.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. JENNINGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the questions involved in this measure and in the proposed amendment are not questions with respect to the rescission or violation of a contract; we are acting under our powers as the representatives of the people under the commerce clause of the Constitution which gives us the power to regulate interstate commerce. I am looking at this measure in the light of the facts as they exist in 1944, and I do not propose to journey back through the corridors of time for 71 or 90 years to a time which has long since passed into the limbo of things that are gone. We are looking at this in the light of conditions and facts as they exist today. The people affected were not parties to any agreement made at that time; the people affected are the present owners of the railroads and the present management of the railroads, the employees of the railroads, and the shippers of the country, and all of the people. What would production be worth to us as a people if we had no means of transportation? And what is the universally—I may say almost universally—used instrumentality of transportation in this country today? The railroad systems; they constitute the circulating systems through which the trade and commerce, which is the lifeblood of the economic existence of this country, flow, and without which we could not function as a people; we could not fight this war; we could not prosper.

It is beyond controversy that as a result of the artificial rates now in existence under the law as it now is shippers who live two, three, four, or five hundred miles from the point to which they wish to ship their products are penalized and must pay a higher rate than people who live five hundred to a thousand miles farther from the same point to which they also wish to ship similar goods.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. No; I cannot yield; I am sorry, but I cannot.

Mr. WHITE. Is the gentleman afraid to?

Mr. JENNINGS. No; I am not afraid to, but I just do not want to waste the time of this House.

Getting right down now to brass tacks, we want to keep the railroads solvent. Everyone who gives this matter attention must realize that the equipment, the rolling stock of the railroads, is in bad condition. This must be replaced by new equipment just as soon as we can cease making the implements of warfare. This will cost money. Everyone knows we have increased the wages of railroad workers, and justly so.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. If there is not enough order on the floor so that from the debate a Member can learn what the bill is about, is it permissible to ask for a reading of the engrossed copy before the vote is taken.

The CHAIRMAN. A Member may ask for the reading of an engrossed copy of the bill but not in the Committee.

Mr. HOFFMAN. That is what I mean, in the House just before the vote is taken.

The CHAIRMAN. In the House; yes.

The gentleman from Tennessee will proceed.

Mr. JENNINGS. One of my reasons for supporting this bill, Mr. Chairman, is to keep the railroads solvent so that when they return to a peacetime basis of operation they can buy new equipment, new rolling stock, and keep their employees on the pay roll. The reasons I have given are enough to induce me to support this measure.

I keep in close touch with the people whom I represent in this body under our form of representative government. I believe that these, the shippers, the railroad people, the employees of the railroads, the owners of the railroads have a

right to be heard and to speak through me as their representative in this body. I register the will of my people in expressing my conviction on this measure. I shall support it as a just and equitable measure that is absolutely necessary. The railroads have performed miracles of transportation and have made an indispensable contribution toward the winning of the war. The bill should and will pass. It will put an end to the unjust and unjustifiable discrimination in rates that now exist. And it will keep our great transportation systems solvent for the benefit of all the people—the owners, the employees, and the thousands of railroad employees who are now fighting on battlefields all over the world.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BOREN. Mr. Chairman, I wish to see if we can reach an agreement as to closing debate on this particular amendment.

I ask unanimous consent that all debate on this amendment close in 20 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RUSSELL. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I have heard some very peculiar logic here this afternoon, and some very peculiar rules of equity and of law. I thought I had a fair understanding of those rules, but from what has been stated here in the well for the last 30 minutes, I do not have any understanding at all.

The gentleman from New Mexico [Mr. ANDERSON] said that he knew nothing about a contract between the Government and the railroads except a contract to get the rails to the Pacific coast. Undoubtedly the gentleman has not read the bill nor the record of the hearings nor heard anyone speak, if that is his idea about it. He also said it was a peculiar thing to him that my colleague from Texas would want to rob only a part of the people who received this land under that contract which he did not seem to know anything about. Oh, consistency, thou art a jewel. How could there not be a contract and yet they received that land?

The rule of equity has certain demands. It is a lot different from what my colleague said. In order to rescind a contract you have got to make the other party whole, when you come into court, and if you are unable to do that you have got to make him whole insofar as you are able to do so at the time you ask rescission of the contract. The amendment in this case only asks for those that have the land yet in their hands to return it, deed it back to the Government, so that the Government can hold it for the many settlers, or hold it as a vast post-war area for the returning soldiers so that they can live on it when they return.

Mr. DONDERO. Will the gentleman yield?

Mr. RUSSELL. I yield to the gentleman from Michigan.

Mr. DONDERO. I assume we are both lawyers.

Mr. RUSSELL. I was vaccinated and I hope it took.

Mr. DONDERO. The amendment offered by the gentleman from Texas while it is a strong appeal presents a legal question. How could the railroads in justice return the land that they have if the land is mortgaged to other people?

Mr. RUSSELL. Of course, the Government would have to take it subject to the mortgage or it could relieve the land of the mortgage. They have plenty of finances, according to the Government, because not long ago, I may say to the gentleman, the Government stated that the railroads were receiving plenty of compensation, enough to raise the wages of all of their employees. Therefore, they must be doing fairly well at this time.

Mr. Chairman, I want to talk just a little bit about this contract. The contract entered into between the Government and these railroads was, of course, for a right-of-way free of toll. The railroads did not understand it and they went into court themselves and asked for an interpretation of the ambiguity of that contract. The court then defining it decided that it only gave the Government the right to use the roadbed. They could furnish their own trains and their own equipment, which the Government was getting ready to do. But that did not satisfy the railroads. The railroads went into court again—mind you it is the railroads every time—and asked the court to interpret it a different way.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. RUSSELL. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. If the argument that these lands are mortgaged or obligated prevents their being reconveyed to the Government, by the same token they could never be disposed of by the railroads in any respect?

Mr. RUSSELL. Certainly. That is known by everyone.

The court then held that it would not be proper for the Government to put a train of their own, with their cars and their locomotives and their hands, on the roadbed but set up a compromise for the benefit of the railroads, stating "That the Government should pay 50 percent of the tariff that railroads charged to every other shipper for the service of carrying freight over the Government's road," which it had a right to do. Now, as I said, in 1940 that was curtailed again. The rates they are paying, it is stated, are 50 percent. On the average the reduction in rates that the Government is getting now on the whole, taking into consideration the over-all picture, is between 10 and 17 percent, not a 50-percent reduction.

The CHAIRMAN. The time of the gentleman has expired.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I want to try to get some information. I wish that some member of the committee would explain to me what the difference is between the amendment offered by the gentleman from Texas and section 321 (b) of the Transportation Act of 1940. Section 321 (b) of the Transportation Act of 1940 requires the roads as a condition of suspension of the land-grant rates to everybody except the Army and Navy to return certain lands to the Government. I am informed that some 8,000,000 acres of such land have been returned. What is the difference between this land and the land that would be affected by the amendment offered by the gentleman from Texas?

Mr. HALLECK. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman.

Mr. HALLECK. I am a member of the committee. My memory may not serve me correctly, but I think it does. That reference was only to land about which there was litigation pending, and it was put in there in order that the litigation might be terminated and end those questions that were still in litigation by removing those lands from the controversy. The chairman of the committee is here, but I am quite sure my recollection about that is correct. It is an entirely different situation from the one covered by this amendment.

Mr. LEA. That is true.

Mr. VOORHIS of California. I would like to know what the explanation is of the material in the hearings before the committee where there are many pages devoted to reports from the Interior Department telling about the number of acres of land that have been returned to the Government by the Northern Pacific, the Santa Fe, Southern Pacific, and other railroads. Where did that come from?

Mr. BOREN. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Oklahoma.

Mr. BOREN. It was returned through the process of taxation, just as you return your city property or farm property to your State or county government.

Mr. VOORHIS of California. I do not if I can help it.

Mr. BOREN. Well, that happens sometimes.

Mr. VOORHIS of California. In my opinion, there are some good arguments in favor of this bill, but I am concerned about this land question, and I hope my information is correct, because if it is correct I can more readily support the bill. As a matter of fact, the Transportation Act of 1940 did require the roads to return lands which were not yet patented by them to the Government, according to my understanding. I would like to know whether that is true.

Mr. BOREN. Which are not patented?

Mr. VOORHIS of California. That is right. Let me read that section. It says:

> Nothing in this section shall be construed as requiring any such carrier to reconvey to the United States lands which have been heretofore patented or certified to it, or to prevent the issuance of patent confirming the title to such lands as the Secretary of the Interior shall find have been heretofore sold by any such carrier to an innocent purchaser for value.

If that is a limitation on the matter why is not the requirement then the return of unpatented land?

Mr. BOREN. I thought when the gentleman first raised the question he was talking about land that had already been patented. In some instances there have been releases of that type of land. If the gentleman had read the paragraph before that, there is a definite requirement that they do return the land.

Mr. VOORHIS of California. Return what?

Mr. BOREN. The lands that are unpatented.

Mr. VOORHIS of California. In other words, the unpatented lands, according to the Transportation Act of 1940, are to be returned to the Government; is that correct?

Mr. BOREN. Yes.

Mr. VOORHIS of California. Thank you very much. That is what I wanted to find out.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I am informed that the railroads of this country have an invested capital of $26,800,000,000 in their plants now in operation, with an accrued depreciation of $3,600,000,000, leaving a net investment of about $23,000,000,000, in round figures. Their employees total about 1,500,000, or an investment per employee of about $16,000. Some of the basic industries in the country have an investment as high as $25,000 per employee on the pay roll. A great many industries have to invest as much as $6,000 per employee before they can open up shop and start business in this great industrial machine of ours.

In the post-war period we will expect our railroads to further wither the space between point of origin and point of destination to the end that our people may travel more comfortably and reach their destinations more quickly. Somebody will have to put up a great sum of money to meet the public demand when hostilities cease and we go back into business here in the United States.

I want to go on record in opposition to the amendment and in favor of the bill as presented by the committee. I do not believe that the Congress at the present time is giving the right kind of consideration and treatment to American industries from a taxing and profit standpoint, with reference to the post-war period. There will come a day when millions of workers will want jobs. And at that time Congress will expect industry to do the necessary. But now is the time for us to prepare the way for industry to go forward and be ready for that day of full employment. It requires the investment of dollars, the making of profit, the building of vast plants. Certainly we want industry and individuals to do this instead of depending upon the Federal Government in peacetime. Somebody will have to put up the money to make jobs for at least 8,000,000 new workers that will come in looking for jobs in the post-war period as new employees. We can figure that a minimum requirement will be $40,000,000,000 of new capital or $5,000 per new employee. I know that the railroads will do the necessary thing if they are given the chance. I think this is a step in the right direction. I do not believe our people will ever criticize the Congress for doing this particular job. For the reasons stated I shall favor the bill.

Mr. Chairman, if I may divert the thought just a moment, but still speak to communication and transportation, I should like to point out that tomorrow morning in this great Capitol we will commemorate the one-hundredth anniversary of the formal inauguration of telegraphic communication between cities. To me the telegraph business has always been associated with the railroad business.

It was 100 years ago tomorrow that Samuel Finley Breese Morse sat at an instrument in this Capitol and clicked off the Biblical quotation "What hath God wrought." The message was received in the form of dots and dashes on an instrument in Baltimore by Morse's collaborator, Alfred Vail.

That great event resulted in the withering of the world, insofar as communications are concerned.

I do not for one moment want to detract from the glories of the event we are about to celebrate or rob the memory of Morse of the honor due him, but I feel it is fitting that on this occasion we should also pay tribute to an unidentified, alert newspaper editor, who, true to his profession and ever watchful for the traditional newspaper scoop, ordered the first telegraphic press dispatch within a few minutes of the opening of this telegraphic service.

In recognition of the vigilance of the American press and its constant striving to render public service through prompt dissemination of the news of the hour, I have today introduced a resolution calling upon the Rules Committee of the House, which has the jurisdiction of the press gallery, to provide a suitable tablet there indicating that the first telegraphic press dispatch in the world was sent from this Capitol on May 24, 1844, and that an unidentified editor of a Baltimore newspaper originated the telegraphic press dispatch system.

Like most newspapermen, the editor of the Baltimore Patriot was on his toes looking for the very latest news. No sooner had the preliminaries marking the opening of the world's first intercity telegraph line been completed than he flashed instructions to his reporter in Washington to "send a dispatch at 2 p. m." His complete message, sent at 12:30 p. m., May 24, 1844, was: "Ask a reporter in Congress to send a dispatch to the Baltimore Patriot at 2 p. m."

History records that in about a minute the answer came back thus: "It will be attended to."

The first telegraphic press dispatch to be published was as follows:

Two o'clock p. m.: The dispatch has arrived and is as follows:

"One o'clock: There has just been made a motion in the House to go into Committee of the Whole on the Oregon question. Rejected—ayes 79, nays 86.

"Half past one: The House is now engaged on private bills.

"Quarter to two: Mr Atherton is now speaking in the Senate."

So that we are thus enabled to give to our readers information from Washington up to 2 o'clock. This is indeed annihilation of space.

Thus we see that the first telegraphic press dispatch in the history of the press was not only sent from the United States Capitol but the first dispatch was entirely concerning the activities of the United States Congress.

Therefore, I believe it is appropriate that we should provide some form of a memorial tablet in the press gallery recognizing the alertness of this Baltimore Patriot editor, who originated the system of telegraphic press dispatches which now spans the world, truly annihilating space, and considered the business of Congress as of vital interest to the people.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I intended to take the entire 5 minutes' time on the discussion of this bill, and particularly the Poage amendment now before us, but the remarks of the gentleman from Michigan reminded me of the great celebration we are to have here at the Capitol tomorrow morning celebrating the one hundredth anniversary of the first official opening of electric telegraphic communication.

I take many of my friends around the Capitol every chance I get. I always take them down in front of the original Capitol Building to that middle window right opposite the Chamber of the Supreme Court over which John Marshall presided, and usually point out to them that the third or middle window was formerly a door. It was through that door 100 years ago a telegraphic message was sent and received. That first telegraphic message, consisting of the four words which the gentleman from Michigan has quoted, was received over the first telegraphic instrument to be officially used.

It is a mighty interesting story and I never fail to point it out to my young friends who are interested in every significant phase of American history. I took great pride a few weeks ago in watching the efforts of my good friend, the gentleman from North Carolina, Major BULWINKLE, as he put through a measure which will bring about this appropriate celebration tomorrow.

Mr. Chairman, in regard to this bill I favor it, but I am in opposition to the amendment. The gentleman from California brought out the fact that certain railroads, under the Transportation Act of 1940, have already turned back their lands. I think that is true in Arizona.

Out of 8,000,000 acres of land the railroads have turned back to the Government to date, 1,400,000 acres lie within the State of Arizona.

There are certain northern counties of Arizona which are greatly handicapped now in their local revenues because of that fact. For instance in Coconino County, Ariz., the second largest county in all America, only 8 per-

cent of the land area of that county is in private ownership. Those people are handicapped in regard to their school districts and their local governments generally, because the land which was formerly on the tax roll has now been turned back to the public domain. Incidentally, that has had an adverse effect upon the livestock industry, and in many other respects.

I think we should not do as a bill, H. R. 838, now contemplates, turn that land back to Indian reservations, national forests, parks, monuments, and other governmental reservations. Once that land has been turned back to the Government, if turned back at all, it should go into the public domain and be put into grazing districts, where it can be used by the livestock people and the other inhabitants of those counties, so that it may produce revenue, which it formerly did produce when owned by the railroads.

Mr. LEA. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from California.

Mr. LEA. May I ask the gentleman if he will not agree to this proposition. The purpose of this bill is not to require the railroads to disgorge something they have no right to; on the contrary, the basis of this bill is the fact that the railroads have paid to the Government the obligation they owe.

Mr. MURDOCK. I think that is true. They built their lines across the wilderness from ocean to ocean. That was what we tried to get them to do. They have done that now and fulfilled their obligation. The prosperity of my part of the country, Arizona, depends upon those railroads. I feel that they have performed their obligation well and wholesome results would flow from this legislation.

Mr. Chairman, I favor this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. POAGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 2, line 20, strike out the period and insert the following: "*Provided, however,* This act shall not become effective until the Interstate Commerce Commission shall have given due consideration to the increased revenues which carriers will receive as a result of the enactment of this act, and shall have prescribed just and reasonable rates, fares, and charges reflecting such increased revenues, and shall have made such just and reasonable rates, fares, and charges effective as of the date the increased revenues provided by this section become effective."

Mr. HINSHAW. Mr. Chairman, I reserve a point of order against the amendment.

Mr. POAGE. Mr. Chairman, this amendment attempts to accomplish the same thing that is hoped for, in section 3, which is the second committee amendment. I am in full accord with the suggestion of making sure that if we give the railroads an additional income of a quarter of a billion dollars a year they in turn shall be required, not simply asked, to give the people of the United States a reduction in rates.

The committee amendment known as section 3 is as follows:

The Interstate Commerce Commission, in the exercise of its power to prescribe just and reasonable rates, fares, and charges, shall give due consideration to the increased revenue which carriers will receive as a result of the enactment of this act.

That is in the law now. The Interstate Commerce Commission is supposed to give due consideration to anything that comes along. I do not doubt that the Interstate Commerce Commission will consider it but I do not know how long the Commission may consider it. They sometimes consider things a long time.

I hope I can make the members of this committee understand what this amendment does. It simply states that instead of hoping the Interstate Commerce Commission will take some action and pass on some of this tremendous amount of money to the people of the United States, the Commission shall take some action, and that until it does the railroads cannot get the advantage of the additional income this bill otherwise gives them.

It is just a question of whether you want to be sure that you will get a rate reduction passed on to the people or whether you prefer to live on hope.

Those of us down in the Southwest have been hoping for equalization at the hands of the Interstate Commerce Commission for a good many years, but we are still looking, and we are still wishing. It is like trying to find the foot of the rainbow, because that is all we have ever gotten out of those expressions of pious hope that the Interstate Commerce Commission would do something for us. We want to know that this money is going to be passed on to the public. I think that if the Government gives up $250,000,000 a year the people should get something out of it.

The bill as now written amounts to this: The railroads will get the money, but we hope they will pass it on. If you adopt this amendment, it will say that before the railroads can get the money the Interstate Commerce Commission must take some action and pass on to the people what it thinks is fair. I cannot see how anyone who actually wants the people to get the benefits of this quarter of a billion of Government money could oppose this amendment.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. I still do not understand how we can consistently vote the O. P. A. bill, holding the line on every industry in the United States regardless of whether their costs exceed their profits, and make a pet of the railroad industry, which is making money.

Mr. POAGE. I wonder if the gentlewoman expects me to explain that. That is beyond me. I cannot understand it either. As I understand the theory of holding the line, it is that we are not going to raise our costs, we are not going to spend more money for something than we spent before. As I understand, the O. P. A. theory is that we are going to keep prices down, we are not going to let prices be brought up unless it is absolutely essential.

As to the railroads, it is admitted they are making more money than they ever made in their history. It is admitted they do not have to have this increase. Yet, we say, "Let us spend a quarter of a billion dollars a year of extra money, tax money, on the railroads." Why is it not inflationary? Why is it not inflationary to put a quarter of a billion dollars of tax money into the hands of the railroads? How does it happen to be inflationary if you raise the price of cotton, if you raise the price of hogs, or if you raise the price of corn? Why is it inflationary if you let the farmer get a little bit of increase in money income, and not inflationary to give the money to the railroads, who are now making more money than they ever made?

No; I cannot understand it either. The gentlewoman from Illinois will just have to ask some of the proponents of this bill. I am not one of them. I am not trying to reconcile this with any policies of the Government. I do not think it can be done.

Two years ago we had a report up here saying this bill was not in accord with the policies of the President. Today we do not have any report. We do not have a report, whether it is in accord with other governmental policies or whether it is not. There is no report anywhere showing that this bill is approved by the Budget, but 2 years ago we had a report that it was not in accord with the policies of the President. I do not think that it is today. We know all the departments that have reported on it have opposed it.

Mr. HINSHAW. Mr. Chairman, I withdraw my reservation of a point of order against the pending amendment, and rise in opposition to the amendment.

Mr. BOREN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. RUSSELL. I object, Mr. Chairman.

Mr. BOREN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOREN. If the gentleman will yield further, I want to make it quite clear that there is no disposition on my part to shut off debate, but I want to save as much time as possible so that we can finish the bill today.

Mr. HINSHAW. Mr. Chairman, as I understand the pending amendment, it calls upon the Interstate Commerce Commission to perform a certain act in connection with the equalization of freight rates all over the United States before this pending measure, which has nothing to do with that, can take effect. I think we all have sympathy with the gentleman from Texas in the matter of freight rates in that area. I hope that some day his State may develop enough traffic to more adequately support the railroads so that they can eventually reduce the rates. In the meantime, however, I am sure that he does not want to

entangle that proposition, which is now under study by the Interstate Commerce Commission and also by the committee appointed by the President of the United States under the Transportation Act of 1940.

I trust that the amendment will receive the unfavorable consideration of the Committee, even though I greatly respect the purpose for which it was offered.

Mr. RUSSELL. Mr. Chairman, I rise in support of the amendment. If my friends in support of this bill are serious and earnest in their display of interest for the shipper, how in the name of high heaven could you be opposed to this amendment? If one of the things the railroads say is that they want the Government to pay them full tariff so that they can reduce the tariffs to the shippers, this amendment just requires them to do it. I do not see how you can oppose it at all if you are in line with the railroads and their argument. As I said a while ago, and the continuation of my remarks will be in line, in support of the amendment at this time, I said that it was not a 50-percent reduction in rates that the Government was receiving, but only a reduction of from 10 to 17 cents on the over-all picture.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. HINSHAW. I trust the gentleman has read section 3 of the bill which calls upon the Interstate Commerce Commission to give due consideration to the increased revenues in making the new rates. That is provided for in the bill.

Mr. RUSSELL. This says they shall do it. This amendment says they must do it. It makes it mandatory on them. Then why do you object to it? If you force them to do what you say you want them to do, then that is all there is to it. The Government turned over to the railroads under this contract—some men say there was no contract—132,000,000 acres of land at the agreed value at that time of $192,000,000. In November 1937, at that time figuring the interest on the amount the Government had given the railroads, it was $806,000,000 at 6-percent interest, which was the customary rate of interest at that time. At that time, taking into consideration the reduced rates that they had given to the Government on the freight up until 1937, it only amounted to $159,000,000.

Of course, since then, and especially since 1941, these rates have been much lower. But I give you that to show you the Government has not robbed the railroads. On the other hand they have given them this volume of business at an over-all reduction of from 10 to 17 percent, when the northeastern or industrial areas of this country set up as a reason for the discriminatory rates against the west and the southwest, your land also, I will say to the gentleman from Minnesota, and your land also, I will say to the gentleman from Nebraska, where they discriminated against us, they said the reason they could do it up here was because of the volume, the increased volume of business. I am here to tell you, Mr. Chairman, that there is not a railroad in the United States if offered the volume of business that they have been getting from the Government the last 2 years but what would run over themselves in order to get to it to get it. They would take it from any private citizen or any private shipper at a reduced rate at that price. So I say to you now they come and say, "Well, now, yes, we made a contract with you but it occurs to us now, that you got the best of the contract so we will keep what you gave us and cancel that part of it. That is beneficial to you."

I met my friend, the gentleman from Michigan [Mr. CRAWFORD] in the little town of Dublin, close to where he and I both grew up. We traded horses. I wonder what my friend the gentleman from Michigan [Mr. CRAWFORD] would say if I said, "Fred, I want to trade back. You got the best of this trade. I want you to give me back my horse." The first thing Fred would say, "Sam, where is the horse I traded you?" "Oh, I sold him to another fellow, or I went and mortgaged him for a buggy. I have got him mortgaged. But I want my horse back."

Now, that is the proposition. That is what you have here. If you vote for the amendment offered by my colleague from Texas you will be making the Interstate Commerce Commission do what you say the railroads want to do. Then vote for this amendment and they will have to do it.

The CHAIRMAN. The time of the gentleman from Texas [Mr. RUSSELL] has expired.

Mr. O'HARA. Mr. Chairman, I appreciate there is a great deal of enthusiasm for the bill as it has been written by the committee, but I do want to say to the gentleman from Texas [Mr. POAGE] the author of this amendment, that I think he has offered two very good amendments to this bill. Nevertheless, whether the temper of the House is in agreement with the gentleman from Texas, or not, at least he has done his share to try to get justice in the consideration of this bill.

Mr. Chairman, I am reminded of a little story that one of my friends tells about being out playing golf. He made a shot off the tee, which went into the rough. In fact, it was in the woods. He said to his friend, "That will make an interesting second shot." What I am thinking about is that 3 or 4 years from now some of us may think this was a very interesting vote, when we start to analyze it.

We are confronted with a situation today wherein I believe that for the consideration that is due this subject, the gentleman from Texas [Mr. POAGE] has not had the full consideration of some of the membership of the House which the importance of his amendments entitled him to have. I would like to call attention if I may to the fact that at a time when practically all transportation had to be hauled by the railroads, the Interstate Commerce Commission increased, on its own motion, the freight rates 10 percent. That applied to the passenger rates as well. Subsequent to that time, the 10-percent increase has been taken off the freight rates. The passenger rates continue at the increase of 10 percent, at a time when nearly all travel is done by railroad. So that I do not think the railroads have lost any money by virtue of the Interstate Commerce Commission. I think further it is true that in the last tax bill we have added a considerable burden to the taxpayers.

Mr. BRADLEY of Pennsylvania. Will the gentleman yield?

Mr. O'HARA. I yield.

Mr. BRADLEY of Pennsylvania. Does not the gentleman think that with the rising national debt, due to the war, it would be foolish for us to vote another $250,000,000 expense on the taxpayers?

Mr. O'HARA. I think that $250,000,000 is a lot of money for the taxpayers or for any individual, as far as that is concerned.

I am opposed to this bill, as I announced at the start of the debate. I think we are doing a very serious thing without serious consideration of the results. This House will be presented with an appropriation bill for the War Department, and if you pass this bill they will have to ask for increased appropriations for the purpose of carrying the necessary commodities and personnel of the War Department.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. O'HARA. I yield.

Miss SUMNER of Illinois. The gentleman says $250,000,000, and others have used that same figure. As I recall it, Mr. Fletcher said it might amount to $300,000,000 and that is the way they computed it rather than the Government.

Mr. O'HARA. That is true. There was some conflict as to the amount this would cost. This is not the end altogether. This is just for the last year, 1943. Can anyone tell me how long the war is going to last and how much money we are going to pay out? There are many things that enter into the determination of what this cost will be.

The CHAIRMAN. The time of the gentleman has expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. POAGE].

The amendment was rejected.

Mr. POAGE. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 2, after line 20, strike out the period and insert the following: "*Provided, however,* This act shall not become effective until the Interstate Commerce Commission shall have entered its order requiring all rail carriers in the United States to establish and maintain uniform class freight rates throughout the United States without regard to any regional or territorial differences."

Mr. BOREN. Mr. Chairman, I must raise a point of order against the amendment as not being germane to the bill. This amendment encompasses legislation affecting the entire transportation system, rate making in a general way, that goes beyond the scope and compass of this bill. While I have always felt that the principle which the gentleman states

in this amendment is sound and should be eventually a part of the transportation policy of this country, it has no place in this bill.

The CHAIRMAN. Does the gentleman from Texas [Mr. POAGE] desire to be heard on the point of order?

Mr. POAGE. Yes; I desire to be heard briefly, Mr. Chairman.

I would like to suggest that this amendment simply carries the policy stated to be the policy of the bill. They state the policy is equalization of freight rates, and this carries it out. This carries out exactly what the committee report says the bill contemplates. I respectfully refer the Chair to the report, as to what the purpose of the bill is. One of the purposes is to equalize freight rates. I propose to equalize them. I submit the amendment is in order.

The CHAIRMAN (Mr. MILLS). The Chair is ready to rule.

In the opinion of the Chair, the language offered in the amendment by the gentleman from Texas [Mr. POAGE], is subject to a point of order, not being germane to the purposes of the bill.

Therefore, the point of order is sustained.

Mr. ANDERSON of New Mexico. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ANDERSON of New Mexico. Mr. Chairman, I shall discuss only a single feature of this bill, but that is a feature of paramount importance—one which, in my opinion, is sufficient, standing alone, to guide our action and determine our judgment.

I refer to the effect of the bill upon private shippers—all shippers except the Federal Government—located in every State and every county of this country.

So far as private shippers are concerned, an intolerable situation of injustice and discrimination has grown up and is being kept alive as a result of land-grant rates. It can be eliminated only by eliminating all such rates, and that is what this bill would do.

Before land-grant rates were understood as well as they are today, it was the general impression that such rates were a matter of concern only to the railroads and the Government. It was thought that there was involved no question of public interest, except insofar as the public interest requires the Government to deal fairly with all its citizens, including those who operate the railroads and those who are employed by the railroads.

But it has now become clear that this view of the problem presented by land-grant rates was much too narrow. It overlooked completely fundamental principles which must govern a sound national transportation policy. It has become clear that our entire philosophy and scheme of railroad-rate regulation, designed chiefly for the purpose of protecting shippers, is endangered and impaired by rates of this character.

Shippers from every section of the United States, without important exception so far as I can learn, are urging the enactment of the measure we have under consideration. The record of hearings leaves no doubt about the position of these shippers, or about their deep dissatisfaction with existing conditions. This is a significant fact which should challenge and arrest our contention.

And we are confronted with another and related fact which is equally significant. The Interstate Commerce Commission and the State commissions throughout the country are unanimous in their support of the bill. These commissions are the duly authorized governmental agencies charged with the responsibility of prescribing and maintaining a reasonable and nondiscriminatory railroad rate structure—a rate structure which provides fair opportunities for all shippers and special favors for none.

It would seem to be reasonably obvious that the private shippers and the Federal and State regulatory bodies would not be concerned, as they are concerned about this bill, if the only question involved were one between the railroads and the Federal Government. It is plain enough that private shippers, and Government authorities having control over railroad rates, would not be deeply interested in doing away with land-grant rates—and the record of hearings shows how deeply interested they are—unless rates of this character resulted in conditions directly and immediately injurious to shippers and widespread and far reaching in their adverse effects.

Since land-grant rates are available only to the Federal Government, and since the Government is ordinarily not in competition with private enterprise, it might appear at first glance that these rates could have no impact upon private shippers or upon competitive relationships between private shippers.

But nothing could be further from the truth. After examination and analysis of the practical conditions brought about by rates of this kind, there is no difficulty in readily understanding why "land-grant rates are practically friendless among the shippers" or in understanding why, I quote again, "land-grant rates have been a matter of grave concern to shippers for many years," and that ends the second quotation. The language I have just quoted is that of a witness who appeared at the hearings, Mr. John B. Keeler, president, National Industrial Traffic League, who spoke for great numbers of shippers in every part of the United States.

At the outset, let me summarize in a few words the objections of private shippers to land-grant rates. Later I shall seek to illustrate these objections by actual concrete cases, so far as time permits.

In the first place, land-grant rates deprive shippers of fair and equal opportunities to bid on Government contracts for materials.

In the second place, land-grant rates result in the payment by the Federal Government, as a shipper, of less than its fair share of the cost of providing and maintaining railroad transportation, and, therefore, place the burden upon the general shipping public, including all farmers and all commercial shippers, of contributing more than its just share. In short, private shippers are forced to pay a part of the cost of transportation for the Federal Government.

Coming back to the first objection of the private shippers—that is, the injustice caused by land-grant rates to producers who bid or desire to bid for Government contracts. A purchaser of goods, whether it be a private interest or the Government, determines from whom it will buy on the basis of the delivered cost of the goods, other things being equal. One of the factors entering into the delivered cost is, of course, the cost of transportation.

When competing producers located at different points wish to bid on goods to be bought by a private interest, the transportation cost is calculated upon the basis of just and nondiscriminatory rates for the services performed—rates fixed or subject to being fixed by the Interstate Commerce Commission or a State commission. Moreover, the transportation rate which each competitor for private business must pay is known to him and to every other competitor—in fact, it is openly published and known to the general public. For more than half a century this has been fundamental in our system of railroad regulation.

Under the conditions I have described with respect to sales to private concerns, every producer, in making his bid, takes into account a transportation cost for his product which properly reflects the transportation service he will receive and takes into account a transportation cost for his competitor's product which properly reflects the transportation service it will receive. As I have said, each bidder knows exactly what his transportation cost will be and what his competitor's costs will be. Accordingly, he is able to bid intelligently, and the natural advantage or disadvantage of his location is reflected in the amount of his bid.

Contrast this situation involving sales to private interests with that which prevails, because of land-grant rates, when the Federal Government is the purchaser. The Government accepts or rejects bids, generally speaking, as do private interests, on the basis of delivered cost. In determining the delivered cost, it takes into account the transportation rate from point of shipment to point of delivery, which means the lowest land-grant rate, if land-grant rates are available.

The bidder does not know—he can only estimate or guess—what land-grant rate will be used in evaluating his bid. Furthermore, he is almost completely in the dark with respect to the land-grant rates which will be used in evaluating the bids of his competitors located at other producing points. The difficulties of his position need no elaboration.

At this time perhaps I should point out briefly why land-grant rates are, in large degree, secret rates, so far as the bidders on Government contacts are concerned.

The land-grant rate applicable to a railroad route made up wholly of land-grant mileage is 50 percent of the commercial rate. If a railroad route is made

up of both land-grant mileage and mileage in connection with which there was no land grant, then the through land-grant rate represents 50 percent of that part of the commercial rate applicable to the land-grant mileage and 100 percent of that part of the commercial rate applicable to the non-land-grant mileage.

Thus, the greater the proportion of land-grant mileage contained in a railroad route, the lower the land-grant rate in comparison with the commercial rate. Between any point of shipment and any point of destination, there are generally innumerable routes, running in many cases into the hundreds. It is necessary to check every possible route, no matter how long or fantastic it may be, and to determine the proportion of land-grant mileage contained therein, before the applicable land-grant rate can be ascertained. The record of committee hearings contains reference to a shipment from Corinth, Miss., to Sheffield, Ala. The route of actual movement was 54 miles in length, including no land-grant mileage, but the land-grant rate was calculated on the basis of a theoretically possible route, 485 miles in length, which included a large amount of land-grant mileage.

After the land-grant rate has been ascertained, in the manner described, it becomes applicable over all routes between origin and destination, as a result of equalization agreements. The determination of land-grant rates is a strange and wonderful process which, as a rule, is far beyond the powers or possibilities of private shippers or producers.

The result, as has already been stated, is that the bidder on Government contracts must, to a very large extent, bid blindly in those cases where land-grant rates are involved.

But blind bidding is by no means the only evil which a bidder for Government business must face because of land-grant rates. This brings me again to the unwarranted discrimination between bidders for Government business which is an unavoidable result of land-grant rates. Such discrimination is entirely without economic justification. I arises from the purely adventitious circumstance that the land-grant mileage available from one producing point to a given market is greater than that available from a competing producing point. It gives one producer an artificial advantage and deprives another of a natural advantage.

For the purpose of ready understanding, I shall consider an actual, concrete example, arising in my own neighborhood and included in the record of the hearings along with a great many similar examples.

Iron and steel is produced at Chicago, Ill., and also at Minnequa, Colo., just outside of Pueblo. Portland, Oreg., is a market for these products. From Chicago to Portland, the distance is 2,169 miles, while from Minnequa or Pueblo, in the district adjoining mine and so ably represented here by the gentleman from Colorado [Mr. CHENOWETH], to Portland, the distance is only 1,306 miles. Quite naturally, the commercial rate from Chicago to Portland is considerably higher than from Minnequa to Portland—$1.10 as compared with 85 cents. It follows that, as to ordinary commercial business, the Minnequa producer has, due to his location, an advantage of 25 cents in transportation costs in the Portland market.

But what is the situation on iron and steel purchased by the Government for delivery at Portland? The land-grant rate from Chicago is only 56 cents, while the land-grant rate from Minnequa is 62.8 cents, or about 7 cents higher. Therefore, on Government business, the Colorado Fuel & Iron Co., at Minnequa, loses its natural advantage of 25 cents and becomes subject to an artificial disadvantange of 7 cents merely because there is more land-grant railroad mileage between Chicago and Portland than between Minnequa and Portland.

I regret I have no time for additional examples—the record is full of them. But the one I have given will serve, I hope, to demonstrate the crippling handicap which land-grant rates impose upon an unfortunate bidder for Government business, whose plight is due not to any fault of his or to any economic consideration, but solely to an artificial rate condition for which he has no responsibility and over which he has no control.

Before leaving the Chicago-Minnequa-Portland situation, I should call attention to an extremely interesting fact—one of serious import during wartime when the volume of traffic is swollen and the capacity of the railroads necessarily strained. In that situation, the land-grant rates aid the distant-producing point as against the nearby producing point and thus encourage wasteful and uneconomical transportation service.

So much for the unjustifiable discrimination between producers caused by land-grant rates. I shall now revert for a few moments to the other objection to those rates which has been emphasized by the private shippers. This objection may be stated as follows: Subnormal rates for the Government result in a higher level of rates for private shippers than would otherwise be necessary.

Manifestly, the railroads must receive as freight and passenger revenues a sufficient amount of money to keep themselves in financial and physical condition to serve the public efficiently. If a substantial part of the total traffic—and I have in mind that part of the traffic which is transported for the Government—pays less than its just share of the necessary revenues, as a result of land-grant rates, then the remainder of the traffic—that part which is transported for private shippers—must pay more than its just share of the revenues required to support the railroad system.

I see no reason, and I have never heard any advanced, why the Government should cast upon the general shipping public a part of the cost of transportation performed for the Government. It will not be forgotten that this bill expressly directs the Interstate Commerce Commission, in fixing the level of rates and fares for private shippers, to give consideration to the increased revenues which the railroads will receive as a result of the elimination of subnormal land-grant rates. This provision in the bill serves to preclude any possible doubt that the general shipping public will benefit in the long run as a result of the abolition of land-grant rates and the payment by the Government of its fair share of transportation costs.

For reasons I have attempted to explain the interests of the shippers of this country demand that all vestige of land-grant rates be removed as promptly as possible from the rate structure. When such rates are done away with, at the same time and by the same token we shall also do away with the economic crazy quilt, or perhaps I should say the "uneconomic crazy quilt," which has developed in connection with Government purchases. And in addition, we shall remove from the back of private shippers the burden of paying a part of the cost of Government transportation. After all, the transportation charges which the Government escapes because of subnormal land-grant rates are paid instead by the private shippers of this country and must continue to be paid by them so long as such preferential rates are permitted to exist.

We have settled the famous Northern Pacific case. We have arranged to have unpatented lands received in grants returned to the Government. We should now complete the cycle and pass this bill not only to insure the continued solvency of our railroads in the years following the war but to do justice to the shippers of the Nation who now suffer from the jumbled pattern of freight tariffs brought into existence by land-grant rates.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 21, insert the following:

"SEC. 2. The amendment made by this act shall take effect 90 days after the date of enactment of this act."

Mr. COCHRAN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: Page 2, line 22, after the word "effect", strike out the remainder of the line and insert "1 year after the termination of the present war as officially declared by Congress."

Mr. COCHRAN. Mr. Chairman, during the debate, time and again, Members have referred to the amount involved in this bill as $200,000,000 or $250,000,000. I invite attention to the hearings, starting at the bottom of page 248: Mr. NEWSOME, Mr. PRIEST, and Mr. HARRIS, all members of this subcommittee, questioned Colonel Lasher of the War Department in reference to the additional cost. Colonel Lasher made it plain that it would be $250,000,000 additional for the War Department alone. The Navy Department says it will need $90,000,000 additional. Other branches of the armed services are affected by this bill the same as the War and Navy Departments, and so is lend-lease. As I stated earlier in the day, when the transportation division of the Army went before the Subcommittee on Appropriations

and asked for their appropriation for next year for transportation they put in a reservation that if the House passed this bill they would want at least $200,000,000 more. I have named the figure as from $400,000,000 to $500,000,000 a year based upon what we spent in the calendar year 1943 for transportation.

This is a bill solely for the relief, not of the employees, not of those who have made the efficient management of the roads possible by keeping the trains going, not for the relief of the poorest paid class of skilled workers in the country, the white-collar employees of the railroads; it is a bill for the relief of the capitalists who run the financial end of the railroads. I come from one of the biggest railroad centers in the United States. Over 30 trunk lines enter my city and not a train ever goes through the city. It either stops there or is made up there. I know something about what they are paying their men and women in the offices. The railroads have never been generous to anybody. Everything the railroad employees have received they had to fight for and fight hard.

If you want to grant any relief to the railroads it might be that when this war is over the railroads can present a case showing that they have repaid the Government for the 130,000,000 acres of land they have received, so my amendment provides that this act shall not go into effect until 1 year after the termination of the war as declared by the Congress. That is fair to the railroads.

Our members of the armed forces will be back then and our supplies will be back then. The prosperity that is now visited upon the railroads of this country, the like of which they have never experienced before, will continue for at least a year after the termination of the war. I say this is a fair amendment.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. In just a second.

I say the Government is entitled to this protection during a period when it is engaged in the greatest war the world has ever known.

If I recall correctly 2 or 3 years ago in debating a bill, either the Transportation Act of 1940 or a bill similar to this, it was pointed out on the floor of the House that the railroads have received over $500,000,000 in cash for part of the 130,000,000 acres of land they received from the Government. They have ground today on which oil has been discovered, where coal has been discovered, where minerals have been found, yet some people will say that ground was worth only $1 an acre. I think it is up to the Congress of the United States to protect the Treasury as much as we can at a period such as this. We should go along as we are going now and instead of saddling the additional cost upon the taxpayers we should use that money for planes, tanks, vessels, and munitions of war to hasten the end of this conflict.

I hope my amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BOREN rose.

Mr. PACE. Mr. Chairman, I rise in support of the amendment and ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is the gentleman from Oklahoma seeking recognition?

Mr. BOREN. Mr. Chairman, I wish to seek recognition to reply to the gentleman from Missouri, but I am willing to wait until the gentleman from Georgia completes his statement. Did I understand the gentleman from Georgia to ask unanimous consent to proceed for 3 additional minutes?

Mr. PACE. Yes.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, are we pretty near the end of the debate? Just a little while ago I noticed when an amendment was offered there were shouts all over the House for a vote. Some of us have been sitting around here all day wanting to speak on this bill.

Mr. BOREN. There has been a lot of solicitation on the part of the people here waiting to vote on this bill to get to the stage of voting on this measure, but that is a matter within the control of the House.

Mr. HOFFMAN. I just give the gentleman notice that I am withdrawing now.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to proceed for 3 additional minutes.

Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Georgia [Mr. PACE] is recognized for 8 minutes.

Mr. PACE. Mr. Chairman, I hope very much that I may have the close attention of the Members. I believe every Member of the House wants to understand what he is doing when he votes to make this bill effective within 90 days.

Mr. Chairman, I do not like to challenge any Member of the House or any committee of the House, but the statement has been repeated here that this bill will cost the Government only $240,000,000. As the hearings will show, on page 33 I believe, that estimate was made in June 1942, about 6 months after war was declared. But what is the situation today? The chairman of the Appropriations Subcommittee for the War Department the gentleman from Pennsylvania [Mr. SNYDER] stated to me that it was testified before his committee last week that if this bill is passed, the War Department will be required to ask for an additional $200,000,000 each year for increased transportation costs. Put that down, $200,000,000. I have just talked with the Lend-Lease officials. They state that for the first 3 months of 1944 in excess of $4,000,000,000 of material was shipped under lend-lease. If there is a traffic man on the floor, I should like to have an estimate from him as to how much of that is railroad transportation and truck transportation. Am I right in saying that 10 percent is a low estimate? All right; that is $200,000,000 for lend-lease transportation cost.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. HINSHAW. The gentleman ought to take 7 percent of that as being the amount affected by these land-grant rates.

Mr. PACE. The hearings do not sustain that.

Mr. HINSHAW. Oh, yes; they do, begging the gentleman's pardon. The entire amount, of course, is not being discussed here.

Mr. PACE. The hearings show, if you will refer to them, pages 248 and 249, that the Government saves between 10 and 17 percent on its cost of transportation by reason of these land-grant rates. Let us be conservative and say it averages 12 percent. Then, if lend-lease shipped over four billion in goods the first 3 months of this year, they might ship sixteen billion before the end of the year. But let us say it will total only $10,000,000,000. Ten percent of that for transportation cost would be $1,000,000,000; then 12 percent of that, or $120,000,000, is the amount the Government saves by reason of the land-grant rates and is the additional amount the Government will have to pay for transportation of lend-lease materials if this bill is passed.

Then take the Maritime Commission and the Navy Department. Hardly a day passes that my friend the gentleman from Georgia [Mr. VINSON] does not ask us for a billion dollars more for landing craft, for this, for that, and for the other. Every piece of the lumber has to be hauled by the railroads to the construction centers. Every piece of steel has to be moved to the navy yards. How much do you want to put down for the Navy? Is a hundred million dollars too much for the Navy Department and the Maritime Commission if the War Department has $200,000,000?

Mr. Chairman, on the check I have made in my position as a Member of this House, I believe a conservative estimate is that this bill will cost the United States Treasury at least $500,000,000 each year while the war goes on at its present rate. Now, let me say to my distinguished friends on the left. They seem to be especially concerned about the passage of this bill and I can understand their interest. If this additional burden of $500,000,000 each year is placed on the Treasury of the United States and on the taxpayers of this Nation they certainly cannot continue to get up here and complain about the national debt. I took occasion to study the respective financial condition of the railroads and the United States Treasury in considering this bill and I found, Mr. Chairman, that on a comparative basis the railroads of this Nation are in a much better condition than the United States Treasury. Our national debt is increasing by millions every day, by billions every month, and will soon total as much as our entire national wealth.

I therefore appeal to you, I beg you, to at least defer the effective date of this bill until after the war. If the day does come after this conflict when the railroads are in financial difficulties, then the bill can become operative, but if you make it effective in 90 days from its passage you will be adding $500,000,000 a year to the taxpayers of this Nation and to the national debt of this Nation.

The record shows that between 65 and 70 percent of all freight carried by the railroads today is for the Government—that is, for the War Department, the Navy Department, the Maritime Commission, and for lend-lease. Our Government is the greatest shipper the world has ever known. The only real problem the railroads have is to get the men and rolling stock necessary to move this enormous amount of freight. I submit that, aside from all other considerations, our Government is entitled to special rates on a quantity basis alone.

The record also shows that last year the gross income of the railroads was $9,000,000,000, the greatest ever known. While they enjoy such prosperity and while the burden of the taxpayers is mounting higher and higher every hour, we should not seek to increase the profits of one, and at the same time increase the burden of the other.

For these reasons, and because these same railroads continue to impose discriminatory freight rates against the people of my State, I am unable to give my approval to this bill.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have no disposition to delay this matter. Various Members have stated they wanted to vote tonight to get away to do this, that, or the other thing. I have noticed within the last week, particularly when the so-called veterans' bill was before the House, that as we got along toward the latter part of the day, every amendment, no matter how meritorious it may have been, was shouted down. Too often, every time someone proposes an amendment, or every time someone wants to speak who has not had an opportunity to speak on the bill, even though the debate has run along for 2 or 3 days, the cry goes up, "Vote!"

I am telling you right now, if you keep on shutting off debate when it comes along to a situation of this kind, I am going to demand the reading of an engrossed copy of the bill. That will be one way of shutting off the drive to rush legislation; one way of slowing it up so that some of those who stay around for 2 or 3 days can be heard.

Mr. Chairman, getting down to this bill, with very few exceptions, I have noticed those who make the greatest plea for economy have been voting during the last 8 years for appropriations covering practically everything, while some of the rest of us have been voting for economy, voting against appropriations. Unless I am mistaken, the gentleman who has had as much to say this afternoon as any one, the gentleman from Missouri [Mr. COCHRAN] has voted time and time again for billions of dollars to be appropriated for this, and that, and the other thing, boondoggling, and everything else.

The railroad systems of this country are not in the best of condition, as everyone knows. Their equipment is poor, out of repair, and insufficient. The gentleman from Pennsylvania [Mr. BRADLEY] awhile ago signified that he was opposed to this bill. I notice, though, that every time a bill comes up to increase the wages of railroad employees he is for it. How are you going to take away from them their revenue and still keep them going, and paying increases in wages?

I may say to the gentleman from Missouri, too, unless I am mistaken he and many others who oppose this bill on the ground of economy voted for U. N. R. R. A. to the extent of $1,350,000,000, a part of which, no doubt, more than $500,000,000, will be used to build railroads in other countries and to pay the employees who work on those railroads.

Why not just now and then—a part of the time, at least, take care of some of our home folks, some of our home industries? You can vote to give U. N. R. R. A. a billion or more dollars; you can vote to give these other agencies of the administration billions of dollars to spend across the seas and every place else, but when it comes to aiding those who will give employment here at home, those who carry on the transportation systems of this country, on the efficient operation of which the success of the war depends, they want to economize. I am for giving something to the home industries. The A. F. of L., the railway workers, the shippers want this legislation—the railways need it. I shall vote for it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOREN. Mr. Chairman, the issue before us is familiar to everyone. I pointed out in my general statement on the bill the situation so far as the General Accounting Office is concerned that they are 4 years behind in their work and what it means in the general volume of the railroad business when in normal times it is about 3 percent and raised during wartime, in the case of the Union Pacific, 65 percent. It is clear in the mind of everyone the effect such an amendment as is now pending would have. The issue is clear, I think we all understand it, and I would suggest a vote.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I would like to begin by paying a very brief but most sincere tribute to the gentleman from Missouri [Mr. COCHRAN] who offered the pending amendment. Many times Members do not quite value the gentleman from Missouri and what he really stands for in this House as much as we ought to. I would like to pay him that tribute.

I have tried to discuss this amendment with some of the members of the committee and I am told that there are serious complications involved in the matter so far as accounting is concerned. I am not convinced, however, that those complications cannot be overcome or that they are half as important as the principle that seems to me to be involved in the amendment. Now it is true that heretofore I have not supported this legislation as a whole, but I have become convinced of the importance of certain arguments, for instance the one advanced by my colleague from California [Mr. GEARHART] a while ago in which he pointed out that if the Government rates on freight are reduced then the rates on other shippers' freight are going to have to be higher than would otherwise be the case. It is also true that railroad rates are fixed by the Interstate Commerce Commission, and also that the fact that these land-grant rates apply to some roads and not to others presents a very complex situation with a lot of ramifications. Some day the whole business is going to have to be changed. I agree to that. The question this amendment presents to us is when we are going to do that.

The gentleman from Missouri proposes that instead of in the midst of the war adding to the cost of the war, as the gentleman from Georgia explained we would do, we wait until after the war shall have been finally won.

He proposes that we pass this bill now to inform and serve notice upon everybody, railroads and everybody else, that once the war is finally won the land-grant-rate situation is going to be ended.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Indiana.

Mr. HALLECK. If in principle it is right to repeal this land-grant provision, to be effective after the war, why is it not right in principle to repeal the provision now?

Mr. VOORHIS of California. That is what I am coming to; precisely for the reason advanced over and over again in this House that during the war we should ask of everybody the maximum possible service to this Nation; that we should do nothing which could possibly, even by misunderstanding, to a certain degree, be interpreted as doing anything to place any sort of private interest ahead of the full consideration of the national interest as long as the war lasts. Once the war is finally over, then a different situation confronts us.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. Commissioner Eastman, who was in charge of the Office of Defense Transportation, had a different view and thought that the enactment of this legislation would in nowise interfere with the war effort but, on the contrary, would assist it.

Mr. VOORHIS of California. I did not say it would interfere with the war effort. I think, as other Members have expressed themselves, that the railroads and railroad labor have done a magnificent job during this war, and I think they will continue to do it, no matter what we do about this bill. But at the same time my point is that if we make this provision applicable to the war period it is, I think, an undisputed fact that a very considerable amount is going to be added to the cost of the war to the American taxpayer.

I just feel that it would make this bill something I think almost every man in the House could support if the amendment of the gentleman from Missouri were adopted. I believe it is more im-

portant to observe these considerations than it is to be scared by the complications of the accounting.

Mr. LEA. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from California.

Mr. LEA. Does the gentleman make that statement in view of the fact that Congress may not declare peace until a few years after the war is over?

Mr. VOORHIS of California. I will say to the gentleman, I hope that that would not happen. If it did we could certainly pass a special provision covering this particular matter.

Mr. LEA. Does the gentleman think that this is not the right time to do it?

Mr. VOORHIS of California. I have tried to explain that during the period of the war we are in a different situation. We are asking our men to go and fight and maybe die for their country. We are making exactions on every line of business in this Nation, and I would hate to be in a position of our not providing all that can be done by every group.

Mr. HARLESS of Arizona. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment. It appears to me that you are overlooking something here. The argument has been made that this will cost the Nation from $250,000,000 to $500,000,000, and yet every day we depend upon the integrity and the honesty of the Interstate Commerce Commission to fix our rates.

There is a provision in the committee amendment that the law shall take effect 90 days after its passage. We are all aware that in fixing the rates the Interstate Commerce Commission has a very complex job. There is no possible way that you can fix rates in advance without knowing what the situation will be. The bill itself provides that these increases shall be taken into consideration. In that 90-day period the Interstate Commerce Commission can work out a system whereby there will not be any $250,000,000 or $500,000,000 increase to the railroads.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentleman from California.

Mr. HINSHAW. I think some of the Members have failed to take into consideration that the present law makes provision as follows:

> Nothing in this chapter shall prevent the carriage, storage, or handling of property free or at reduced rates for the United States, State, or municipal governments.

It is perfectly possible to negotiate an over-all net discount for the Government, if they see fit, without following this land-grant set-up.

Mr. HARLESS of Arizona. That is true. In addition, if you are going off on the assumption that there will be no adjustment of rates, you are going off on a fallacious assumption. The law presumes that the Interstate Commerce Commission will adjust the rates.

Mr. Chairman, I contend that the average shipper in those adjustments will be given equality. Is it not fair that the shippers and all those who are benefiting from the shipments, or obligated to pay for the shipments over the railroads, shall receive equality, and that the taxpayers of this country shall bear their share of the burden in carrying on the expenses of the railroads when they are using the facilities? Is it not fair to assume, when it costs more than the Government is now paying to carry those shipments, that the Government itself should lift the rates it is paying so that the other shippers in the country can also benefit?

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The real question here is whether the private shippers and private business of the country shall pay half of the cost of shipping war materials or whether the Government shall pay the full cost. Is that not the question?

Mr. HARLESS of Arizona. That is right. It means a great deal to the people in my State, who ship out hundreds of carloads of vegetables every winter and several thousand carloads of cattle, to see that their share of the expense of shipping over the railroads of this country is not paying the Government's share. Therefore I contend that to assume there will be no adjustment is not a fair argument.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. I do not see how anybody could argue that the shippers are going to get any cheaper rates from the increased income of the railroads when we already know that for the past 2 years their income has increased something like 30 percent, and the shippers have received no lower rates in spite of that.

Mr. BROWN of Ohio. The answer is that most of the increased business in the last 2 years has not been at a profit.

Mr. HARLESS of Arizona. That is true. In addition to that you are not giving full justification to the provision of this bill which requires that adjustments shall be made in the rates.

Miss SUMNER of Illinois. That provision is not mandatory.

The CHAIRMAN. The time of the gentleman from Arizona has expired. All time has expired.

The question is on the amendment offered by the gentleman from Missouri to the committee amendment.

The question was taken; and on a division (demanded by Mr. COCHRAN) there were—ayes 45, noes 115.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> Committee amendment: At the end of the bill insert the following:
>
> "SEC. 3. The Interstate Commerce Commission, in the exercise of its power to prescribe just and reasonable rates, fares, and charges, shall give due consideration to the increased revenues which carriers will receive as a result of the enactment of this act."

Mr. PACE. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

> Amendment offered by Mr. PACE to the committee amendment: On page 3, line 1, after "charges", strike out "shall give due consideration to" and insert "shall prescribe and order a general reduction in prevailing rates, fares, and charges comparable with the amount of."

Mr. HARRIS of Arkansas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope the members of the committee will give serious consideration to the amendment offered by the gentleman from Georgia.

As a member of the subcommittee, I had something to do with promulgating and including the committee amendment known as section 3. If the amendment offered by the gentleman from Georgia were to be accepted, it would destroy completely the effect of the committee amendment.

Mr. Chairman, the purpose of this bill, H. R. 4184 as has been stated, is to require the Government to pay on traffic which it transports the same rates that are paid by the general public, subject to the special rates that may be made under section 22 of the Interstate Commerce Act. The question of land grants is not a new one. It has been a highly controversial question before the American people for many years. During the tragic and terrible war, the problems have reached such tremendous proportions to full realization as to what the procedure and practice can and is doing in this country and the tremendous effect it has on various and sundry interests in the field of business and industry.

I think in order to fully understand and properly consider fairly and impartially the repeal of land-grant provisions it would be helpful to briefly get a historical picture of land grants, which under present law requires the transportation of Army and Navy traffic at 50 percent of the rates paid by all other shippers.

There was a vast amount of land, probably 1,500,000,000 acres owned by the Government, which could neither be sold nor settled because of the lack of transportation. In 1850, after the Government had tried for years to dispose of the land with little success, Congress decided to dispose of some of this land to encourage and assist the building of railroads, which would give an opportunity for its settlement and thereby become useful to the Nation.

Prior to that time Congress had used the land-grant arrangement to encourage and assist in building roads and improving waterways and building canals. Originally the lands granted thus gave the Government the privilege of using turnpikes or canals for its vehicles or vessels without payment of tolls

paid by others, the real purpose of the grants being to get sufficient transportation facilities constructed.

In 1850, the first of such grants was made to the railroad. By 1871, when the last grant was made, the Government had granted 130,000,000 acres of land to railroad companies to provide transportation that would develop the western part of the United States.

It has been estimated that the value of those lands at that time was approximately 97 cents per acre. This estimate was made by the late Joseph B. Eastman, who was Chairman of the Interstate Commerce Commission and was one of the greatest public servants and perhaps the greatest authority on the transportation problems in the United States.

With the granting of these lands there was builded through the unsettled sections a little more than 17,000 miles of railroad. It is well to remember that the building of these roads was not merely to add value to the 130,000,000 acres granted to the railroads, but to the 1,300,000,000 acres retained by the Government, much of which was sold by the Government or granted to homesteaders. The railroads likewise put much of their lands on the market at prices low enough to attract the settlers and to build up that part of the country. Needless to say, it has worked successfully toward the building of the greatest nation in the world.

As I have said, in the early granting of lands for turnpikes and canals, there was a secondary consideration, a requirement that Government vessels might use them free of toll. When land grants began to be made to the railroads 30 or 40 years later, the same provision was inserted in the law. It was soon discovered that it was not practical to carry out this arrangement in our railroad operations. It was generally recognized that the Government was entitled to some consideration in its transportation charges, representing as nearly as possible the value of the toll-free privilege. Through years of negotiation and litigation, a formula was finally worked out by the United States Court of Claims in 1879 and applied by an act of Congress whereby roads that had received land-grant aid should transport troops, supplies, and other freight at 50 percent of the commercial rate and mail at 80 percent.

This formula continued without change until the Transportation Act of 1940, when Congress declared that thereafter the deduction in transportation charges should be made only on military personnel and on military and naval property of the United States being transported for military or naval purposes.

Having had this historical picture of land grants, the question may well be asked, Why should this formula now be discontinued? There are many reasons in my opinion why this bill should be passed, repealing the land-grant provisions of the law. In the first place, it has long since served its original purpose in the building up of those unsettled areas.

Someone might well say: Have not the railroads by this procedure been builded into perhaps the greatest industry in all the land? No one would deny this fact. The railroad industry is one of the greatest. It has made and is making a tremendous contribution to the welfare of this great country. Its real worth has again been shown during this war. We cannot do without them.

As has been stated there were approximately 17,600 miles of land-grant railroads. There are approximately 230,000 miles of railroads in the United States. Not only is the 17,600 miles of land-grant railroads affected by this formula but most all of the entire system of 230,000 miles. Because of competitive conditions surrounding transportation the railroads entered into what is known as equalization agreements with the Government by which the roads which include in their routes between two points some of the land-grant mileage or even none, agree to haul Government traffic at the same rates as those routes which received the lands.

This agreement worked both ways, for both the Government and the railroad. The Government is enabled to use practically all the railroad system at the reduced rate and the railroads would have the opportunity of getting a portion of the business. In other words because of competition approximately 222,400 miles of railroad that never received any of the grants are compelled to give the same rates as the 17,600 miles of railroad, which received the grants. Obviously this is wrong and wholly unjust.

It might be asked: Why do the railroads continue with the agreement in this war? It is estimated 65 to 70 percent of the total traffic is Government property. All of our railroad facilities must be used—not only would it be an unpatriotic act for the railroads to take advantage of this tragic circumstance but it throws the whole problem of transportation open to such confusion that would make it almost impossible to have an understanding between the General Accounting Office, who figures out these land-gran records, and the railroads in transporting the Government property.

Also, up to June 1942 it is estimated the savings to the Government from land-grant deductions on troops and property movement and mail and express is approximately $340,000,000. It is much more than that now because the travel and transportation activities of the armed forces are much greater than it was at that time. The value of the original grant was approximately $126,000,000. The Government has therefore, already benefited from this single transaction in dollars and cents several million dollars.

It has been said that if this bill is passed and land-grant rates repealed, it would mean approximately $240,000,000 annually to the railroads; that the railroads are earning more money than ever before in their history. Since during this tragic war 65 or 70 percent of the traffic moved is for the Army and Navy, the testimony before the committee is that it would mean approximately $20,000,000 per month or a total of approximately $240,000,000 per year. However, much of the money being paid to the railroads does not represent real earnings. The majority of the money to the railroads by the repeal of land grants would not be to the benefit of the railroads but would go to the Government in taxes.

While it is true that in 1943 the railroads collected an unprecedented amount of revenue, their tax bill and operating expenses were also far beyond any precedent. In fact, after the payment of taxes and expenses, and the payment of their fixed charges, they had substantially less with the increased movement in 1943 than they had in 1942. The major railroad companies are in the excess-profits brackets of income tax, which would mean that 70 to 80 percent of the $240,000,000 the railroads might get by the repeal of land grants would go into the Treasury of the United States. This would mean that more than $175,000,000 would be recaptured by the Government in taxes which would mean an actual increase to the total railroad system of less than $65,000,000 per year.

I do not advocate this purely from the standpoint of the railroad interest but due to equity to the shippers and in the public interest of all the people of the United States.

May I call to the attention of this Congress another significant and very important fact as with every other industry in business in this country that there is a serious post-war problem involved with the railroad industry. It is important to consider the amount of deferred maintenance, which is accumulating on the railroads of this country. From the best information the committee could obtain, there is accumulating annually as much as $200,000,000 of deferred maintenance on roadbed and equipment. It will probably reach much more than that when all the information and facts are obtained after the war. This will necessarily have to be made up in the post-war period when men and materials are available and the railroads will necessarily have to be in a position to put their facilities back into condition and serve the public interest. If not, the Government will have to step in again and be required to expend vast sums of money as they did a few years ago. In fact, the railroads last year put out in dividends to their stockholders only about one-fourth of the net income available for that purpose. The balance was held in reserves to be used largely for correcting maintenance conditions.

The shippers are most seriously affected as has been stated and due to these land-grant rates discriminations exist throughout the country that even excels as between the shippers the discrimination that exists on class rates between the official zone and the southern and western zones. These discriminations in the interest of the public should not be permitted to continue.

In 1941, the General Land Office said:

> In return for an empire of land, the Government got a transportation system that won the West and established a Nation stretching from the Atlantic to the Pacific Ocean.

On a report issued March 9, 1944, by the Board of Investigation and Research, it is stated:

On the basis of data given in the report which is enclosed and for the reasons stated therein the Board believes that it is in a position to express an informed and considered opinion that all existing land-grant rate provisions (which since 1940 have been intended to be applicable only to military and naval property and military or naval personnel when traveling on official duties) should be repealed.

The Board further says:

Apart from the practical difficulties which have arisen in attempting to distinguish clearly between military and civil property of the Government, there are other more fundamental reasons for the conclusion that it would be in the public interes to eliminate these land-grant rate provisions.

The Board goes on then and gives and explains eight of these more fundamental reasons which cannot be denied. No one can say that the members of this Board of Investigation and Research are in any way controlled or influenced by the railroads. They are highly technical and experienced men in the field of transportation and the reports of their various studies show their interest to be for the general public throughout the land.

The late Mr. Joseph B. Eastman, on February 19, 1942, told this Congress, that since 1938 as a member of the Interstate Commerce Commission, he favored the elimination of land-grant reductions. On pages 3, 4, and 5 of the hearings you will find a full explanation of his reasons why land-grant rates should be repealed. I invite your attention to the sound reasons given by this great public servant who has now gone to the Redeemer.

Labor strongly advocates this legislation. In fact, there is a unanimity of opinion among all those interested in the industry, the railway companies, the shippers, the Interstate Commerce Commission, employees of the railroads, and even the Congress itself expresses the desirability of eliminating this unstable and unequitable provision. I say this because it is the thought of some that Congress intended in 1940 to remove all but a negligible element of the land-grant rate reductions.

Only the unexpected expression of our military and naval establishments raised this minor remaining factor to a dominant position in railway finance. This was the position of Mr. D. B. Robertson, president of the Brotherhood of Locomotive Firemen and Engineers before the committee.

Now, let me call your attention to what I think is the crux of this proposed legislation. To those who would indicate that this legislation is not in the interest of the people, I wish to call to the special attention the committee amendment beginning on page 2, section 3, which says:

The Interstate Commerce Commission in the exercise of its power to prescribe just and reasonable rates, fares, and charges shall give due consideration to the increased revenue which carriers will receive as a result of the amendment of this act.

What does this mean and how will it affect the general shipping public? It may be said by the opponents of this legislation to wait until rates are adjusted to give the full benefit of any increased revenues to the public and then repeal the land-grant rates.

This is important now because on December 13, 1941, a petition was filed for an increase in the rates, fares, and charges of the railroads due to an increase in operating expenses as a result of wage increase, which resulted from mediation agreements of some $311,711,000 and which the carriers deemed would result in an inadequacy of revenue. The petition sought an increase of 10 percent on passenger fares and freight rates and charges, with the exception that on coal and ore specific increases were requested in cents per ton, so as to preserve original relationships.

After a hearing the Commission granted an increase of 10 percent in passenger fares. They allowed an increase of 6 percent generally as to freight rates and charges, with certain exceptions on farm products, and so forth.

The passenger increases took effect February 10, 1942, and the freight increase March 18, 1942. The original decision authorized these increases to continue until 6 months after the termination of the war. In December 1942 the O. P. A. and others filed a petition with the Commission asking for a reopening of the case and the elimination of the increase. Hearings were held and the Commission concluded that the increased passenger fares should be continued but that all other increases should be suspended from May 15, 1943, to January 1, 1944.

The Interstate Commerce Commission, under date of October 7, 1943, ordered that the railroads and all other parties to the proceedings show cause, if any, why the Commission should not modify its previous orders extending the period of these increases for the further period of 6 months. Under date of November 8, 1943, the Commission required the advanced freight rates to be further extended until July 1, 1944.

Now what would likely be the effect of the cancelation of land-grant rates at this time. No one can deny that it would have considerable bearing on this pending question of increase in general freight rates of 6 percent. The Commission would not grant any increase unless the railroads could show from their actual operations the necessity therefor and it is obvious that with land grants eliminated, there would be much likelihood of ability to demonstrate the necessity for further revenues. If this 6 percent increase goes back into effect, it will mean an increase of freight rates and charges to the general public of this country of much more than $240,000,000 annually. I therefore, submit for your especial consideration this amendment which gives a mandate to the Interstate Commerce Commission to reflect any increased revenues to the general public.

Finally, I wish to call to your attention the other committee amendment making the act effective 90 days after its enactment. This was done in order to give time for the adjustment of contracts before the Government and the carriers and to avoid further confusion that would result from the immediate taking effect of the legislation. The Treasury Department suggested 6 months but after consideration it was decided that 3 months would be sufficient time to make necessary adjustments, and the completing of many contracts.

Let us remove this existing discrimination. Let us give to all shippers, agricultural and industrial, a fair opportunity to compete for sales to the Government and let us relieve both the Government and the railroads the confusion and large expense by removing this source of unending controversy and litigation between them. Let us get rid of the uncertainties existing in this field in order that we can plan more intelligently to meet the inevitable uncertainties.

Mr. LEA. Mr. Chairman, will the gentleman yield?

Mr. HARRIS of Arkansas. I yield to the gentleman from California.

Mr. LEA. If I understood properly the reading of this amendment, it would do two things. In the first place, it would deprive the Commission of its discretionary power in fixing rates, and in the second place it would require the Commission to deprive the railroads of all the raises that otherwise would exist under this bill.

Mr. HARRIS of Arkansas. The gentleman is obviously correct. I hope the House votes down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was rejected.

Mr. CROSSER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it has been well said that transportation is the circulatory system of commerce. I might even be more emphatic than that by saying that we would have practically no commerce without a sound system of transportation.

More than 50 years ago the Government assumed very definite control of the railroads of the United States in an attempt to bring some order out of the chaos that had previously existed. An effort was made to establish a sound rate system, a rate system which would enable the railroads of the country to operate as nearly as possible as a unit, so that all persons in the United States would enjoy, as nearly as possible, equal benefits of the transportation system.

The establishment of a just system of rates entails a great deal of work. The rate structure which applies to the railroads is, because of the great amount of time required for its thorough study, not generally understood. Let us consider the problem involved in the pending bill with particular reference to the maladjustment it causes in the rate structure. A few of the railroads are subject to the terms of old contracts providing that the Government shall have transportation service in most cases at half the rate

established for the general public. Anyone who believes that that helps the public does not understand the subject. That not only denies a fair return to the railroads subject to such terms, for the services they render, but it forces other railroads to do exactly the same thing. Other railroads, in order to secure a reasonable share of the traffic, go out of their way to compete on the same basis as that on which the land-grant railroads are required to render service. The result is that no very sound rate structure has yet been devised.

Nevertheless, the very people who complain most about unfair rates are those who oppose the correction of the trouble by the repeal of the land-grant rate provisions. The only way in which we shall ever be sure of having a sound system of transportation is by establishing a rate structure for commodities and passengers which will as nearly as possible assure even-handed justice for every part of the country, so that every citizen will, without discrimination, enjoy the benefits and advantages of the Nation's transportation system.

It is interesting to note that one resident of the United States utilizes annually about the same amount of transportation service as other residents utilize. Regardless of how much the original shipper pays for transportation, the ultimate consumer finally pays the freight. Since, as has been noted, all persons utilize about the same amount of transportation service per annum, the amount they pay annually should be about equal. That ideal cannot be realized if a large part of the traffic is carried at half its cost. Xeno it was who said "Ex nihilo nihil fit." In other words, you cannot make something out of nothing. Who pays the cost of the transportation system? Who is it who supplies the revenue? Obviously the people of the United States. Would we be benefiting the people of the United States, for example, if you were to require that the United States Government and all of the State governments should all have their commodities and their personnel carried free of charge by our transportation system? Would that be good sense? Who would pay the cost of such free service? How would we secure the revenue to operate the railroads? After all, the railroads must pay their expenses. They are also entitled to a reasonable return on their prudently invested capital. If we were to provide such free transportation service it would be necessary to practically double the charge for transportation service to the private shippers of the United States. I know that no one who gives the subject a little thought desires to subject the people of the United States to such an injustice. I might say, too, that the men who do the work on these railroads have, through their labor organizations, unanimously approved this bill.

I trust that the measure will receive an overwhelming majority.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HOBBS. Mr. Chairman, I offer an amendment in the form of a substitute for the committee amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. HOBBS: On page 2, beginning at line 23, insert:

"SEC. 3. The Interstate Commerce Commission, in the exercise of its powers to prescribe just and reasonable rates, fares, and charges shall give due consideration to the increased revenues which carriers will receive as a result of the enactment of this act, so that such increased revenues will be reflected in corresponding reductions in rates, fares, and charges to shippers."

Mr. BOREN. Mr. Chairman, if the gentleman will yield, if the gentleman will consider substituting for the words "corresponding reductions" the words "appropriate readjustments," I feel that the committee could agree on this amendment, because this seeks to do the same thing that the committee has sought to do in the language presented in the bill. The reason I find fault with the two words I mentioned to the gentleman here is, for example, before the Commission at the present time there is a 10-percent over-all increase in the rates that have been granted to railroads. That was suspended until July 1, 1942. My colleague informs me that it was a 6-percent over-all increase. But at any rate the point the gentleman has in mind is in exact accord with the committee viewpoint. But if the Commission had, on the one hand, to make a finding of dollar-and-cent decreases and, on the other hand, grant the raise, we will say, there would be nothing gained except a burden on the Commission. While, if it effected an offset of the 6 percent, we will say, readjustment so that that 6 percent would be suspended, plus a 1-percent reduction or 2-percent reduction, instead of a reduction on the one hand but granted it on the other, it would make it less burdensome on the Commission. Does the gentleman find any fault with the suggestion as to the substitution for the two words in his proposal? It really rests on whether or not you have confidence in the Commission judging a question on the one hand against a separate special study on the other.

Mr. HOBBS. Mr. Chairman, I have no objection to the substitution of the two words, with the explanation which clarifies their meaning as given by the author of the bill. I will be glad to accept those two words in lieu of the words pointed out in the substitute offered by me, with the understanding that we are all driving at the same thing, which is the equitable reduction of the rates because of this consideration, which, in aid of removing the discrimination between railroads and shippers, should be granted for the interest of all the people.

Mr. BOREN. I want to make the statement it is the purpose of this committee with exactly the same detachment here to see to it that any benefits which accrue to the railroads reflect to the benefit of the general shipping public.

Mr. HOBBS. I would like to say further, Mr. Chairman, that as I understand it, this Committee amendment, No. 3, was a sincere desire on the part of the experts composing the Committee of this House on Interstate and Foreign Commerce, to conform to the ideas which I had the temerity to advance before the committee in its hearings and that I know their sincerity is beyond impeachment and, therefore, in their superior wisdom and bowing to it, I am delighted to accept those words with the explanation made on the floor by the author of the bill.

The CHAIRMAN. Does the gentleman from Alabama desire to propound a unanimous consent request that his amendment be modified?

Mr. HOBBS. Mr. Chairman, that is exactly what I wish to do.

The CHAIRMAN. Will the gentleman from Alabama [Mr. HOBBS] state his unanimous-consent request, so that the Chair may understand it?

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that the two words "appropriate readjustments" be substituted for the words "corresponding reductions."

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The Clerk will report the substitute amendment offered by the gentleman from Alabama [Mr. HOBBS] as modified.

The Clerk read as follows:

Substitute amendment offered by Mr. HOBBS: On page 2, beginning at line 23, insert:

"SEC. 3. The Interstate Commerce Commission in the exercise of its power to prescribe just and reasonable rates, fares, and charges, shall give due consideration to the increased revenues which carriers will receive as a result of the enactment of this act, so that such increased revenues will be reflected in appropriate readjustments in rates, fares, and charges to shippers."

The CHAIRMAN. The question occurs on the substitute amendment offered by the gentleman from Alabama.

The substitute amendment was agreed to.

The CHAIRMAN. The question recurs on the committee amendment as amended by the substitute offered by the gentle- from Alabama [Mr. HOBBS].

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration, the bill, H. R. 4184, pursuant to House Resolution 543, reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. O'HARA. Mr. Speaker, I offer a preferential motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. O'HARA. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion of the gentleman from Minnesota.

The Clerk read as follows:

Mr. O'HARA moves to recommit the bill to the Committee on Interstate and Foreign Commerce.

Mr. BOREN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. O'HARA) there were—ayes 236, noes 16.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER (after counting). Five Members have arisen; not a sufficient number.

The yeas and nays were refused.

So the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BARRY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech I made last night on O. P. A. judicial review.

The SPEAKER. Is there objection?

There was no objection.

(By unanimous consent, Mr. MURRAY of Wisconsin and Mr. RABAUT were granted permission to revise and extend their own remarks.)

Mr. JUDD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter and a telegram.

The SPEAKER. Is there objection?

There was no objection.

Mr. HANCOCK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech made by my colleague the gentleman from New York [Mr. LEONARD W. HALL], at Glens Falls, on May 20.

The SPEAKER. Is there objection?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the Appendix two articles which appeared in the Philadelphia Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include two brief articles.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that on Monday, after the other special orders I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper article.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. I also ask unanimous consent to extend my own remarks on another subject.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

TRANSFER OF AMERICAN NAVAL VESSELS TO RUSSIA

Mr. HOFFMAN. Mr. Speaker, when the Italian Fleet was surrendered there was a newspaper statement to the effect that part of that fleet was to be given to Russia. Later the press carried considerable adverse comment on that incident and we were then advised through the press that our Government would transfer to the Russian Government, vessels of our own—United States vessels in lieu of Italian ships.

I have no disposition to make any critcism of any transfer of ships or of materials of war, because I assume that those in charge of our war are best qualified to tell where and when our ships and our men should be used. But today the report is circulated that recently some of our ships were transferred to the Russians, and included in that list it was stated there were several cruisers, or at least one cruiser, the *Milwaukee* and another the *Omaha* was named. What I would like to have someone on the majority side tell us if it is compatible with the war effort, is whether or not if that cruiser the *Milwaukee* or others were transferred, the crew went with it. That is, whether our seamen, or any of those who manned any of those ships are being transferred with the ships to the Russian Government so that they would be under command of Russian officers.

Mr. HÉBERT. Will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. HÉBERT. Will the gentleman state what authority he has that these vessels will be turned over to the Russians?

Mr. HOFFMAN. Will be?

Mr. HÉBERT. Yes; or have been.

Mr. HOFFMAN. I understand the report to be that they were turned over. I think I read it in the press but in any event that is not material. The question is whether or not they were.

Mr. HÉBERT. For the gentleman's information, I was in touch with Secretary Forrestal this afternoon and there has been no such transaction, and the Navy knows of no such transaction.

Mr. HOFFMAN. No ships have been transferred?

Mr. HÉBERT. None.

Mr. HOFFMAN. I am glad to have that information, although as far as I am concerned I would not be disposed to criticize any transfer if it had been made, though it does seem that as long as Japan is not being assailed by Russia we could use our ships in the Pacific. In view of other reports that have come to us from time to time—for example, in view of the report that came out after Pearl Harbor—I remember how my colleague the gentleman from Michigan [Mr. WOLCOTT] long after the event said we had lost at that time certain vessels. Within a week his statement was branded by the President as being absolutely untrue. I remember that later, almost a year later, we learned that the statement made by the gentleman from Michigan [Mr. WOLCOTT] had been correct in every detail, that the Commander in Chief was in error, that every vessel the gentleman from Michigan [Mr. WOLCOTT] named as having been put out of commission was put out of commission. Now I am not criticizing, or let me put it this way, I am not questioning the statement of the gentleman from Louisiana [Mr. HÉBERT] at all, but I do not always accept as accurate the statements that come from some of these departments.

Mr. HÉBERT. Mr. Speaker, will the gentleman yield there?

Mr. HOFFMAN. I yield.

Mr. HÉBERT. Does the gentleman accept as true and correct every statement he sees in a newspaper?

Mr. HOFFMAN. Oh, no. But the news printed by the A. P., the U. P., and the I. N. S. is usually accurate. As a rule you can rely upon it.

Mr. HÉBERT. I just wanted to know where the gentleman balanced the scales, where he drew the line.

Mr. HOFFMAN. Where I draw the line? I draw the line very largely by the use of knowledge gained from experience and what little common sense I possess. For example, I recall now very distinctly having read an account about the *Queen Mary* being refitted to carry men, being refitted as a transport. I made that statement myself because of information which I thought was reliable. It was stated at the time that I was completely in error, that there was not a word of truth about it. Later on we found that I was absolutely right, that the *Queen Mary* had been fitted as a transport.

Mr. HÉBERT. In either of those instances did the gentleman have any real authority for the statement?

Mr. HOFFMAN. No; I would not say that I had real authority in the sense of personal knowledge. I do not have personal knowledge that Europe is east of us because I never went.

Mr. HÉBERT. I ask the gentleman what is his authority for the statement he makes today.

Mr. HOFFMAN. Perhaps it might be unfair for me to disclose it and as I am

asking for information can see no need for naming names.

Mr. HÉBERT. I submit that the Secretary of the Navy is my authority. Can the gentleman compete with that authority?

Mr. HOFFMAN. I do not know anything about the Secretary of the Navy's desire to give out information, I am sure; but I can say this, that I have had instances in the past, for example I recall an incident where it was charged certain union men objected to unloading ships in the southwest Pacific. After that had been denied, I think by Vandegrift—he is an admiral is he not?—within a month, yes, within 2 weeks I talked to two lieutenants, one of whom I have known personally and who lived within 23 miles of my home town. He said he witnessed the incident which had been denied.

Mr. HÉBERT. In that connection, if the gentleman will yield further——

Mr. HOFFMAN. Certainly.

Mr. HÉBERT. I am very sorry the gentleman chose that particular incident, because it so happens that I served on the special committee which investigated that incident.

Mr. HOFFMAN. Yes; I know.

Mr. HÉBERT. There was specific proof brought before that committee——

Mr. HOFFMAN. Yes.

Mr. HÉBERT. That there was nothing to substantiate those reports——

Mr. HOFFMAN. Yes.

Mr. HÉBERT. That a reporter reported it in a newspaper, which was one of the most miserable examples of news reporting I have ever seen in my life——

Mr. HOFFMAN. Yes. I hope the gentleman will leave a little of my time for me to use myself.

Mr. HÉBERT. I know it must be very unusual experience for the gentleman to have his time taken this way when he takes so much of others' time.

Mr. HOFFMAN. I have not taken any time that does not belong to me. All the gentleman need to do if he does not want me to take time is to object.

Mr. HÉBERT. I do not object.

Mr. HOFFMAN. Then do not take all my time.

Mr. HÉBERT. The gentleman is afraid if he yields further I will refute his statement still more.

Mr. HOFFMAN. Not at all. The statement you make does not alter my position at all. I respect the gentleman's views. I know he knows that even committees do not always get to the bottom of things. I do not know who his committee heard, but I am telling him that I talked with a lieutenant I know who was out there, who witnessed the incident. I talked with two of them. One I have known for years. They were witnesses to it. I do not know what testimony was taken before the gentleman's committee, whether they heard anybody who witnessed these things or not. But proof that one man or a hundred did not see it does not outweigh the testimony of one man who did.

Mr. HÉBERT. Did not the gentleman know of it at the time my committee was sitting?

Mr. HOFFMAN. I did not know; no.

Mr. HÉBERT. Otherwise the gentleman would have brought it to my attention?

Mr. HOFFMAN. I am not sure of that. The gentleman knows that officers cannot always tell all they know, nor can privates. Too often there is pressure. I have a friend, a doctor, who was down at Williamsburg, whom I have known for 10 years. He wrote to me about some boys down there who were sick, that they could not get the things they should have to eat. I have the letter; I will show it to the gentleman in confidence, but I would not want him to spill it all over creation. He said: "Don't mention my name, because if there was ever a closed shop I am in it." There you are. The gentleman knows how those things come up. I can see the little smile on the gentleman's face; but I will take that out of the RECORD, the reference to the smile.

Mr. HÉBERT. No; I want the gentleman to keep that in the RECORD.

Mr. HOFFMAN. Not the smile.

Mr. HÉBERT. Yes; I want to keep that in the RECORD because it shows exactly my attitude about the gentleman's remarks, that I accept them but accept them with a smile.

Mr. HOFFMAN. The smile might indicate that the gentleman was trying to flimflam me with this information.

Mr. HÉBERT. No; only that I thought the gentleman has been trying to flimflam us with this information and I did not accept it.

Mr. HOFFMAN. Maybe in a couple of years from now we can meet here again if we are both lucky, or unlucky, whichever it may be, and the result will be known, whether I am right about this incident of the ships or not. It was the same story over again in the case of the destroyers. We are just beginning to learn of some of the things President Wilson did in the First World War. We did not know about them then; perhaps it was just as well, perhaps if we had we could not have taken it. Anyway, I want to thank the gentleman for his contribution, his assistance, and his kindness.

And don't forget that we have not yet learned the truth from Short or Kimmel about Pearl Harbor. Someone evidently fears to let them talk.

The SPEAKER. The time of the gentleman from Michigan has expired.

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 20 minutes.

THE TRUTH ABOUT PRICE CONTROL

Mr. HOLIFIELD. Mr. Speaker, within the next month this Congress will consider the extension of the Price Control Act. So much misinformation has been released to the public on this subject that I have asked for this time to present some truths on this important subject.

The people of America are entitled to know the truth about a function of Government which affects the standard of living of 132,000,000 people. Immediately after Pearl Harbor the surge of war activities had started a rapid advance in prices of food, clothing, shelter, wages, and rents. In order to check the rising spiral in the cost of living and prevent the disastrous repetition of the inflation that occurred during and after World War No. 1, Congress, on January 30, 1942, passed the Emergency Price Control Act. This act expires on June 30, 1944.

Congress must decide on the manner of its extension before that date. We have had price control and rationing in the United States for 24 months. That gives us ample time to analyze its worth and benefits. The fact that no responsible individual or group has the temerity to advocate its abolishment speaks eloquently for its success. But because the opponents of price control lack the courage to advocate its abolishment, this does not mean that they will not attempt to emasculate price control by cunning amendments which will prevent its successful operation. This is exactly the strategy they are pursuing. The selfish pressure groups are too shrewd to openly oppose the principle of price control. They know the people are convinced of its value. Instead, they are going to attempt to amend it to death.

Many amendments which appear reasonable will be offered, but they intend by dropping a word here and adding a clever amendment there to cut the heart out of the law. For instance, the Price Control Administration is ordered, under the act, to establish "generally fair" prices. Prices cannot be absolutely fair for everybody; some inequities are inevitable. A price may enable 90 percent of an industry to make a fair profit. The price may be too low for 10 percent of the industry. Eliminate the word "generally" from the act and the price must be raised because of the 10-percent high-cost producer. The 90 percent are then able to make exorbitant profits. The public pays the bill. A second amendment which will be offered and which sounds reasonable, but would be equally deadly in its effect, is the one which provides that any ruling of O. P. A. can be reviewed by any of the 95 Federal district courts instead of the one Emergency Court of Appeals.

By the adoption of this court reviewal amendment, every price frozen by O. P. A. could be set aside by injunction and made inoperative, pending a court trial and decision. A final decision could be delayed months by resorting to legal technicalities, and in the meantime the price-control program would be ruined beyond repair, the speculators and greedy profiteers would make millions and the curse of inflation would descend upon the common people of America.

Before we disclose the opponents of price control, let us analyze the important benefits of the act. War is economic waste. It always causes scarcity. Scarcity usually means high prices and high prices mean inflation. After inflation

comes deflation—the collapse of business which we call depression. This cycle has occurred in every war of history. It was to prevent this vicious cycle that Congress passed the Price Control Act in 1942.

At the close of the Civil War we had a general inflation of 56 percent. At the close of World War No. 1 we had a general inflation of 60 percent. World War No. 2 has been going for 53 months and we have had price control for only 24 months of that time. Yet the rise in the cost of living has been only 25 percent, according to the Bureau of Labor Statistics—less than half of the rise that took place during the last war. Most of this 25-percent rise occurred before price control. Only 6½ percent since the inauguration of the Stabilization Act. According to Mr. Chester Bowles, the O. P. A. Administrator, the rise in the cost of living now not only has been stopped, but there has been an actual decrease of ½ percent during the past 12 months.

Now I want to emphasize certain points. The O. P. A. program is not static. It is constantly fluctuating as conditions change. When a surplus develops in a certain commodity, point values are lowered or eliminated. When a scarcity threatens in certain controlled items, the point requirements are increased. Again the O. P. A. widens its fields of operation and establishes generally fair prices and in some instances, rationing on articles heretofore on the uncontrolled list. Inflationary high prices are not always caused by actual scarcity. They can be created by artificial scarcity caused by speculators cornering the available supply and withholding commodities from the market.

The O. P. A. stops the speculator by freezing the price of the commodity. High prices can also be caused by exorbitant profits on the part of the middle man. A recent example of this occurred in the marketing of oranges in my home State of California. In order to protect the consumer against exorbitant profit of the middle man, the O. P. A. had issued a ruling, limiting the wholesaler's profit on oranges to 32½ percent of the producer's price. Some greedy profiteers saw a chance here to make an exorbitant profit by multiplying the number of wholesalers handling a specific box of oranges, each wholesaler charging the maximum percentage of 32½ percent. When this was called to the attention of O. P. A., they immediately issued a regulation which allowed only one wholesaler's fee of 75 cents per box on each box of oranges. This stopped the profiteer and reduced the price of oranges from 15 to 10 cents per pound for the consumer; it also protected the producer by insuring to him a stable price and market.

Now I want to give you some factual comparisons between the uncontrolled prices of World War No. 1 and the controlled prices of World War No. 2. Clothing increased 107 percent in World War No. 1. It has increased only 34 percent in World War No. 2. House furnishings increased 95 percent in World War No. 1. They have advanced only 27 percent in this war. Food increased 80 percent in World War No. 1. The O. P. A. has stopped it at 47 percent in this war.

And what about rents? This item runs from 18 to 25 percent of most people's budgets. Wherever rent control has been adopted, there have been no increases in rent. Rent control is in effect in 278 emergency defense areas in the United States.

Now let us consider the savings the O. P. A. has made the average consumer or taxpayer on some specific items. Steel plates and petroleum are two of the greatest items in war use. In the last war period steel plates rose from $20 to $180 per ton—a price rise of 696 percent. Petroleum rose from 75 cents a barrel to $3.50 a barrel—a price rise of 500 percent. The steel and oil corporations made millions and the taxpayers paid the bill. What has happened in this war? The O. P. A. froze the price of steel and the price of oil, and the American taxpayer has been saved an additional tax burden on these and other war supplies of over $65,000,000,000. The total war bill of World War No. 1 was $32,000,000,000—one-third of this, thirteen and one-half billion, was inflation. Our war appropriation bill to date has been close to $200,000,000,000. Without the Price Control Act, we would have had to appropriate at least $100,000,000,000 more at the same rate of inflation.

Just think what that would mean in increased debt and taxes.

Now let us consider some of our food and clothing items. In World War No. 1 period sugar rose from 5 cents to 27 cents per pound. Butter went from 30 cents to 78 cents per pound. Eggs went to $1 per dozen. In terms of averages, retail food prices advanced over 126 percent. The rich paid the price and got the food. The poor could not pay these exorbitant prices and they went hungry. Millions of American adults and their children forgot the taste of eggs, butter, and meat. And here is the place I want to emphasize the importance of rationing, which is a vital part of the price control program.

I have pointed out to my listeners that in the last war the wealthy person could afford as much of any scarce article of food or clothing as he wanted because he had the money to buy it, regardless of price. The American family of limited means could not pay exorbitant prices, and, therefore, went hungry or ill-clothed. This was cruel, inhuman, and contrary to the American principle of equal sacrifice during wartime. The theory of rationing or dividing the available supply of scarce articles has been one of the greatest demonstrations of democracy at work that the world has ever known. The poor man is entitled through rationing to the same amount of sugar, butter, meat, shoes, and so forth, as the rich man. And through price control he has the money to pay for it. This is Americanism. This is protecting the poor and helpless dependents of the boys who are fighting the enemies of democracy. Without the O. P. A. this condition would not exist. We would be repeating the history of every previous war in the world's history. This is the first time the common people have been given a break. I do not claim that the O. P. A. has been perfect. They have made mistakes and will make more, but the benefits far outweigh the evils. I believe I have proved that in the undeniable facts I have given you tonight. And if I have been successful in proving the worth of the O. P. A. we might turn now to see who the opponents of the O. P. A. are. Why do they want to emasculate its operation by crippling amendments? What is the motive behind their sinister attack?

In my opinion, the opponents fall into two classes: Those who oppose the act from political reasons, and those who oppose O. P. A. on the behalf of profiteers in order to reap the temporary profits of inflation. First, the political opponents: This is the Presidential and congressional campaign year. The "outs" want to get "in." They hope to magnify the mistakes of O. P. A., enlarge upon the irritations caused by war regulations, and minimize the benefits the people have received from price control and rationing. This is as despicable and dangerous as it is reprehensible. To cause disunity and discontent among our people during this war in order to gain political advantage is a form of treason to the best interests of the Nation. I think this group is very small in comparison to the second group, the profiteers. Who are the profiteers?

Congress has been pressured by certain blocs who stand to make millions out of a rise in the price of commodities. Professional representatives or lobbyists of great farm operators, who want the price of cattle and food to rise uncontrolled; representatives of the great processors of food—canners and meat packers; great distributing firms whose food and clothing inventories would double or treble if price control is broken. All these blocs, producers, processors, and distributors are making more money than ever before. Because the frozen prices as established by O. P. A. were generally fair and equitable and because of the tremendous demand from civilian, military, and lend-lease purchasers, they are operating at a volume never before attained. A study of individual and corporate incomes proves my contention that they are making more profits than they ever made before. Why do they want to destroy price control then? There is only one answer—greed. Pure and unadulterated greed. The war to them does not mean what it means to you and me. We believe that it is a struggle for the liberty of the common man throughout the world. We believe it is the age-old struggle against tyranny and for freedom. We believe the millions of American people on fixed incomes should be protected against the war profiteers. We believe that this war our sons and daughters are winning with their maimed and broken bodies, should not create another

batch of blood millionaires. We believe the dependent families of these boys and girls are entitled to protection against war profiteers, so their meager allowances will cover the cost of the necessities of life. The O. P. A. is their only defense against inflation. It should be strengthened and extended until the emergencies of war are over and the normal function of a peacetime economy is restored.

TO EXPEDITE PAYMENT FOR LAND ACQUIRED DURING WAR PERIOD

Mr. SABATH, from the Committee on Rules, submitted the following report on the bill (S. 919) to expedite the payment for land acquired during the war period (H. Res. 565, Rept. No. 1508), which was referred to the House Calendar and ordered printed.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 919) to expedite the payment for land acquired during the war period. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday business in order on tomorrow, May 24, may be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a radio address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD by including a speech by Dr. Luis Manuel Debayle, Director of Public Health of Nicaragua, given at the Washington Chapter of the Pan American Medical Society, Washington, D. C., on Sunday, April 23.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from South Dakota [Mr. MUNDT] is recognized for 15 minutes.

OLD-AGE ASSISTANCE

Mr. MUNDT. Mr. Speaker, I take this time this afternoon to call the attention of the House to a bill I have just introduced and which may be secured from the document room in the morning. It is H. R. 4862. It has been referred to the Committee on Ways and Means. As it is only one page in length, I ask unanimous consent that I may incorporate it with my remarks at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(The bill referred to follows:)

H. R. 4862

A bill to provide that individuals receiving old-age assistance may be gainfully employed during the present war and 6 months thereafter

Be it enacted, etc., That notwithstanding provisions of title I of the Social Security Act, as amended (relating to grants to States for old-age assistance), and of appropriations for payments thereunder, in any case in which any State pays old-age assistance to any individual, any failure to take into consideration any income and resources of such individual arising from labor performed by him after the date of enactment of this act and prior to the seventh calendar month occurring after the termination of hostilities in the present war, as proclaimed by the President, shall not be a basis of excluding payments made to such individual in computing payments made to States under section 3 of such title, of refusing to approve a State plan under section 2 of such title, or of withholding certification pursuant to section 4 of such title.

SEC. 2. Section 5 (f) of the joint resolution entitled "Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943," approved April 29, 1943, as amended (U. S. C., 1940 ed., supp. III, title 50, War, Appendix, sec. 1355 (f)), is hereby repealed.

Mr. MUNDT. In brief, Mr. Speaker, this legislation is designed to meet two problems now confronting the country: The first is the manpower problem, and the second is the problem confronting the elder citizens of this country who are finding it exceedingly difficult to get along on the pensions they are receiving through the old-age-assistance checks that come to them, in view of the constantly rising cost of living.

This legislation is modeled after action taken by the House in Public Law 45 of the Seventy-eighth Congress, whereby in section (f) of that bill we permitted people during certain periods who worked on farms to receive the earnings which they procured in that manner without having to undergo a deduction in their social-security and old-age-assistance checks; but as the House remembers, that legislation applied only to agricultural workers. The purpose of my resolution, H. Res. 4862, is to expand that type of arrangement and make it applicable to laborers in any industry in addition to agricultural workers. It would enable such laborers to earn what they can in helping to meet the manpower problem and support themselves, and let them keep that money without having it deducted from the old-age-assistance checks which they secure.

This is definitely emergency wartime legislation and would expire under the terms of my resolution in the seventh month following the termination of hostilities in the present war as proclaimed by the President of the United States.

Mr. Speaker, may I say that the need for this legislation was brought to my attention by the Governor of South Dakota, Mr. M. Q. Sharpe, who in a letter addressed to the members of the South Dakota delegation in Congress under date of May 15 suggested that some such bill as this be passed.

Mr. McCORMACK. Will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The thought has entered my mind that during this war emergency the Congress might well, at least for the period of the war, consider increasing the Federal contribution for the aged persons who are receiving noncontributory old-age assistance. I was wondering what the gentleman's reaction is to that thought.

Mr. MUNDT. I have been thinking along the same lines, and I will answer the majority leader by saying that there are many valid arguments in support of bringing about that kind of temporary relief during the war. I know I have received many serious letters with a lot of pathos in them, as has the majority leader, I am sure, from old people who find it impossible to get along with the rising living costs on the amount they are getting. I think we should do something to remedy this situation.

Mr. McCORMACK. They are the ones who are affected the most by any increased living costs because they have no normal income of their own, and the amount they receive is at the best very small.

Mr. MUNDT. That is true even in normal times.

Mr. McCORMACK. It is stationary. I have very strong convictions on that matter, and I wanted to get my distinguished friend's reaction.

Mr. MUNDT. I thank the gentleman and I agree with him. This resolution I have introduced will help meet that problem in a number of cases where men and women are able to do some constructive work because they can make that extra money without having it deducted from their old-age checks.

Mr. Speaker, I ask unanimous consent to include in my remarks this letter from Gov. M. Q. Sharpe, also copy of the executive order which he issued in South Dakota showing how the problem was met there from the standpoint of the farmers.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

MAY 15, 1944.

The Honorable CHAN GURNEY,
Member of Congress,
Senate Office Building,
Washington, D. C.

The Honorable HARLAN J. BUSHFIELD,
Member of Congress,
Senate Office Building,
Washington, D. C.

The Honorable FRANCIS CASE,
Member of Congress,
House Office Building,
Washington, D. C.

The Honorable KARL MUNDT,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR SIRS: I would like to invite your attention to Public Law 45, Seventy-eighth Congress, chapter 82, first session, House Joint Resolution 96, referring especially to

section 5 (F). You will note that if an individual is receiving more old-age assistance than he received in April 1943, any income he derives from his own labor for agricultural purposes must be taken into account in fixing the grant.

Since that public law was enacted the labor situation has changed much for the worse in South Dakota and probably in the entire Nation. There is more need for augmenting the labor supply than there was at that time. Likewise, since 1943 (April), in South Dakota at least, and no doubt in many other States, there has been an increase in the grants to old-age-assistance individuals, based on the theory that food and clothing prices were increasing in price and that they needed some increase of grant simply to be in the same condition they were originally.

Last year I published an executive order authorizing old-age-assistance people of South Dakota to labor in agricultural pursuits without the necessity for accounting for their income. The order resulted in a lot of them going to work and at least prevented many of them from asking for increased grants. In fact, it encouraged many of them to seek employment and to aid the agricultural labor situation.

I think it would be legislative wisdom to amend that public law again and remove the April 1943 restriction and also to make it applicable to any kind of labor, so that any old-age-assistance client who is willing to work could go ahead and work and have all his income without the necessity of accounting for it in fixing his old-age-assistance grant. I think that encouraging the old-age assistance people to work is a good policy anyway. Otherwise they simply remain static on their grant and are nonproductive and all the grant to them is practically a total expense to the Nation and the State.

I believe that in view of the existing labor shortage all over the country this public law should be amended in all of those particulars so that all old-age-assistance clients would go to work.

I am enclosing in this letter a copy of the order which I made last year and which we know had a very salutary effect in South Dakota. If we get this joint resolution amended as above suggested, I could make one this year which would be still further productive of benefits to the war effort in my opinion.

Yours sincerely,

TED, *Governor.*

I, M. Q. Sharpe, Governor of South Dakota, do hereby certify that the following is a full, true, and correct copy of Civilian Defense Act Order No. 7, dated July 10, 1943, as the original now remains upon file in my office.

M. Q. SHARPE,
Governor of South Dakota.

STATE OF SOUTH DAKOTA,
Office of the Governor.

CIVILIAN DEFENSE ACT OF 1943, ORDER NO. 7

ORDER SUSPENDING EFFECT OF SDC 55.3610 AS AMENDED, AND ALL SIMILAR STATUTES, RULES, AND REGULATIONS CONCERNING THE SAME SUBJECT MATTER, IN CONNECTION WITH INCOME FROM AGRICULTURAL LABOR EARNED BY PERSONS RECEIVING OLD-AGE ASSISTANCE BENEFITS; AND DECLARING AN EMERGENCY

This order is made pursuant to the provisions of subdivisions (b) and (f) of section 3 of chapter 151 of the 1943 Session Laws of the State of South Dakota, and in accordance with the Constitution and other laws of the State of South Dakota.

It is necessary for efficient cooperation with the United States in the war to salvage and prevent waste of strategic materials, and to provide ample supply of labor, to make the following order and to suspend certain provisions of SDC 55.3610, as amended by chapter 310 of the 1941 Session Laws, and to suspend any and all laws, rules, and regulations in any manner inconsistent with the provisions of this order:

Now, therefore, I, M. Q. Sharpe, Governor of the State of South Dakota, do hereby order that during the months of July, August, September, and October of the year 1943, any and all provisions of SDC 55.3610, as amended by chapter 310 of the 1941 Session Laws of South Dakota, and all other laws, rules, and regulations in any manner inconsistent herewith, which in any manner tend to minimize the benefits, reduce the payments, or otherwise injuriously affect the rights of old-age assistance recipients in receiving such assistance, by taking into consideration in determining such benefits, payments, or rights, any income and resources of such recipient or applicant for such assistance, arising from agricultural labor performed by him as an employee, or from labor otherwise performed by him in connection with the raising or harvesting of agricultural commodities, during said months, are hereby suspended. No payments being made to any such recipient shall be reduced in any way because of said income during said months; nor shall any future determination of amounts of his assistance take into consideration any funds or property accumulated by him by such labor during such months; nor shall his rights to continue to receive such assistance be in any manner affected or determined because of such accumulations or income. Such income shall at all times be for the free and unrestricted use and benefit of the person earning or accumulating it and shall not be in any manner considered or inquired into in determining any of his old-age assistance rights, benefits, or payments, now, or in the future.

Whereas this order is necessary for the preservation of public peace, health, and safety, an emergency is hereby declared to exist and this order shall be in full force and effect beginning July 10, 1943.

Done at Pierre, the capital, July 10, 1943.

M. Q. SHARPE,
Governor of South Dakota.

Attest:
[GREAT SEAL] Mrs. L. M. LARSEN,
Secretary of State.

Receipt of a duplicate of above Order No. 7 acknowledged this 10th day of July 1943, and same filed in my office on said date.

Mrs. L. M. LARSEN,
Secretary of State.

Mr. MUNDT. Mr. Speaker, I want to say just one thing about another bill which I introduced on the 16th of May (H. R. 4809), which has as its purpose making it optional with Government employees who have reached the age of 55 years and who have served for 25 years in the Federal service to get retirement on the proportionate basis as to what they would receive if they had served the full 30 years. Their retirement checks would not be as large, of course, if they retire at 55 as if they retire at 60.

My primary purpose in introducing this legislation is that after the war we are going to have a terrific problem in finding good, honest, honorable positions for the soldiers of this war. Many of them will seek Government employment. They will have veterans' preference and will have an opportunity to enter Federal employment provided jobs are available. I believe if this option proposed in H. R. 4809 were given the present people under the Civil Service many of them would voluntarily retire at the age of 55, thereby vacating positions which could be filled by these returning soldiers. I have been trying to find out from the Civil Service Commission approximately how many jobs it would open and I have a rough estimate that it will open approximately 100,000 jobs. This is subject to correction, however, until the Civil Service Commission can get me the authentic figures.

This will make available positions in the Government; it will at the same time enable the present civil-service employee who so desires to take a smaller retirement check and retire at the age of 55; it will give the veterans opportunity to get into the Government service; it will inject new blood into our bureaucratic offices; and it will above everything else help solve the post-war employment problem which will some day confront our Republic.

WAR AGENCIES APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that it may be in order to take up the war agencies bill immediately after disposition of business on the Speaker's table on Thursday next, that points of order on the bill be waived, and that general debate be confined to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. TABER. Mr. Speaker, reserving the right to object, the gentleman means points of order on matters contained in the bill?

Mr. CANNON of Missouri. Yes; only points of order on matters reported by the committee, not points of order that may be raised during consideration of any amendment that may be offered to the bill in the Committee of the Whole.

Mr. TABER. Did the gentleman incorporate in his request that debate be confined to the bill?

Mr. CANNON of Missouri. Yes; that debate be confined to the bill.

The SPEAKER. The gentleman's request is that all points of order on matters in the bill be waived; is that correct?

Mr. CANNON of Missouri. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, may I ask the chairman of the Appropriations Committee if any arrangements have been made as to the period of general debate, so that it may be in the RECORD?

Mr. CANNON of Missouri. General debate will not exceed 1 day. We hope to begin reading the bill before the close of the day.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ANDREWS of Alabama, for an indefinite period, on account of illness of his mother.

To Mr. McCORD, for 2 days, on account of official business.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 28 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 24, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, May 24, 1944.

Business to be considered: To begin hearings on H. R. 4805, entitled "A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Act of 1935, and the Railroad Unemployment Insurance Act," by Mr. CROSSER.

SELECT COMMITTEE TO INVESTIGATE SEIZURE OF MONTGOMERY WARD & CO.

The Select Committee to Investigate the Seizure of Montgomery Ward & Co. will hold a public hearing Wednesday, May 24, 1944, at 10 a. m. in the Ways and Means Committee hearing room, New House Office Building. Attorney General Francis Biddle will be the witness.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings, when available, will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons' other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1570. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1571. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 190 individuals whose deportation has been suspended for more than 6 months under the authority vested in him, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

1572. A letter from the Acting Director, Bureau of the Budget, transmitting copies of letters addressed to the heads of the agencies listed below which established limitations on the amounts which may be expended for travel, printing and binding and the purchase of motor-propelled passenger-carrying vehicles from sums set apart in appropriations to these agencies for special projects: Office of Scientific Research and Development, and the War Production Board; to the Committee on Expenditures in the Executive Departments.

1573. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to provide for the settlement of war veterans, war workers, and others on the Central Valley project, for encouragement of the development of the project in family-size units, for cooperation by Federal, State, and private organizations to these ends, and for other purposes; to the Committee on Irrigation and Reclamation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COFFEE: Committee on Appropriations. H. R. 4861. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes; without amendment (Rept. No. 1501). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Claims. H. R. 4606. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the bachelor officers' quarters, naval operating base, Argentia, Newfoundland, on January 12, 1943; without amendment (Rept. No. 1506). Referred to the Committee of the Whole House on the state of the Union.

Mr. BELL: Committee on Insular Affairs. Senate Joint Resolution 94. Joint resolution establishing the Filipino rehabilitation commission, defining its powers and duties, and for other purposes; with amendment (Rept. No. 1507). Referred to the Committee of the Whole House on the state of the Union.

Mr. SLAUGHTER: Committee on Rules. House Resolution 563. Resolution providing for the consideration of H. R. 4219, a bill to provide for the appointment of female pilots and aviation cadets in the Air Forces of the Army; without amendment (Rept. No. 1502). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHENOWETH: Committee on Claims. H. R. 3281. A bill for the relief of Margaret L. Hawkins; with amendment (Rept. No. 1503). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 4458. A bill for the relief of J. G. Power and L. D. Power; without amendment (Rept. No. 1504). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 4605. A bill for the relief of Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve; without amendment (Rept. No. 1505). Referred to the Committee of the Whole House.

Mr. SABATH: Committee on Rules. House Resolution 565. Resolution providing for the consideration of S. 919, a bill to expedite the payment for land acquired during the war period; without amendment (Rept. No. 1508). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COFFEE:

H. R. 4861. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. MUNDT:

H. R. 4862. A bill to provide that individuals receiving old-age assistance may be gainfully employed during the present war and 6 months thereafter; to the Committee on Ways and Means.

By Mr. PAGÁN:

H. R. 4863. A bill to provide for the donation of certain property of the United States in Vieques, P. R., to the municipal government of Vieques, P. R.; to the Committee on Naval Affairs.

By Mr. HOLIFIELD:

H. R. 4864. A bill to exclude from income tax the compensation of persons in the military or naval service; to the Committee on Ways and Means.

By Mr. PACE:

H. R. 4865. A bill to provide for the discharge and cancelation of certain loans made by the Secretary of Agriculture for the purchase of capital stock in agricultural credit corporations, and for other purposes; to the Committee on Agriculture.

By Mrs. SMITH of Maine:

H. R. 4866. A bill to provide for the establishment and maintenance of forest products pilot plants, and for other purposes; to the Committee on Agriculture.

By Mr. D'ALESANDRO:

H. R. 4867. A bill to extend the health regulations of the District of Columbia to Government restaurants within the District of Columbia; to the Committe on the District of Columbia.

By Mr. CRAWFORD:

H. R. 564. Resolution authorizing the Rules Committee to consider placing a memorial in the House Press Gallery; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Municipal Assembly of Bayamon, P. R., memorializing the President and the Congress of the United States to endorse Congressman MCGEHEE'S resolution demanding the immediate removal of Rexford Guy Tugwell as Governor of Puerto Rico; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 4868. A bill for the relief of Palmer G. Snedecor; to the Committee on World War Veterans' Legislation.

By Mr. PACE:

H. R. 4869. A bill for the relief of A. P. Scarborough and J. D. Etheridge; to the Committee on Claims.

By Mr. O'BRIEN of Michigan:

H. R. 4870. A bill for the relief of Marion Ruth Strotter; to the Committee on Immigration and Naturalization.

H. R. 4871. A bill for the relief of Julia Peterson Mills; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5723. By Mr. DAY: Petitions signed by 71 residents of Wheatland Township, Will County, and Naperville Township, Du Page County, Ill., registering opposition to House bill 3947 providing for peacetime military conscription; to the Committee on Military Affairs.

5724. By Mr. DOUGLAS: Petition of 91 citizens of Herkimer, N. Y., favoring the passage of House bill 2082, providing for the prohibition of the manufacture of alcoholic beverages for the duration of the war; to the Committee on the Judiciary.

5725. By Mr. JOSEPH M. PRATT: Resolutions of the women's clubs concerning United Nations, adult education, etc.; to the Commiteee on Foreign Affairs.

5726. Also, resolution concerning the Price Control Act; to the Committee on Banking and Currency.

5727. By Mrs. SMITH of Maine: Petition of Richard Astbury and other citizens of Maine, urging that the appropriation for United Nations relief be reduced 50 percent from its present amount believing that the amount of farm machinery to be delivered to various European countries during 1944 and 1945 is excessive in amount and beyond reasonable necessity when our own farmers cannot obtain farm machinery; also, that the appropriation requested by the Office of War Information be reduced 75 percent, being excessive and unnecessary for the best promotion of the war effort; and further petition that the Army and Navy handle war information; to the Committee on Appropriations.

5728. By the SPEAKER: Petition of Ethel White and various citizens of New York City, petitioning consideration of their resolution with reference to urging passage of House bill 2082; to the Committee on the Judiciary.

5729. Also, petition of the city clerk, city of Minneapolis, petitioning consideration of their resolution with reference to a request to amend House bill 4576, and four similar bills identically worded, by protecting the benefits of river transportation of coal; to the Committee on Ways and Means.

5730. Also, petition of the Yugoslav-American Central Council, of San Pedro, Calif., petitioning consideration of their resolution with reference to recognition of the National Anti-Fascist Liberation Council as the sole representative of democratic Yugoslavia; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 24, 1944

The House met at 12 o'clock noon.

Rev. Dallas F. Billington, pastor, Akron Baptist Temple, Akron, Ohio, offered the following prayer:

Our Father who art in heaven, we come to Thee at this hour of war and bloodshed of all nations. We pray that Thou will bless this great body and Members of Congress, collectively and individually. We pray that the Holy Spirit of God will guide their minds and hearts and direct them to rule this Nation in this crucial hour of war, that our Nation may be guided to a more noble and greater destiny for which our forefathers suffered, bled, and died. We pray that Thou will bless the President of the United States and all the leaders of this the greatest country under heaven, that we may always be that great Nation that our fathers established when they left the Old World and came to this the greatest of all nations, seeking a place to worship God in spirit and in truth. May the freedom of speech, of worship, and of thought continue in this country until the Lord Jesus Christ comes in the clouds of heaven to establish a better and holy kingdom upon earth. We ask these blessings in the name of our Lord and Saviour, Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4793. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1941. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4679. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. BANKHEAD, Mr. O'MAHONEY, Mr. CHAVEZ, Mr. NYE, Mr. HOLMAN, Mr. GURNEY, and Mr. BURTON to be the conferees on the part of the Senate.

The message also announced that the Acting President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Commerce.
2. Department of the Navy.
3. Department of the Treasury.
4. Federal Security Agency.
5. Interstate Commerce Commission.
6. National Housing Agency.
7. United States Coast and Geodetic Survey.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, my colleague the gentleman from Massachusetts [Mr. GIFFORD] be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. WOODRUFF] be permitted to extend his remarks in the RECORD in two instances; in one to include a newspaper article and in the other an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New York [Mr. MERRITT] be permitted to extend his remarks in the RECORD and include therein an article from the New York Herald Tribune.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BURCHILL of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article entitled "Price Stabilization Must Continue," which appeared in the New York Packer on May 13, 1944. Since the House will soon be considering legislation having to do with the extension of the Office of Price Administration, I commend this excellent presentation to the reading of all the Members.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE STEWART PENSION BILL

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include therein a short bill I recently introduced.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

[Mr. STEWART addressed the House. His remarks appear in the Appendix.]

O. P. A. HAS NO AUTHORITY OVER LUXURIES

Mr. MCKENZIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MCKENZIE. Mr. Speaker, what is the authority of the O. P. A.? What is its purpose? By these questions I mean what does the O. P. A. purpose and what idea or purpose did this Congress have in mind when it passed the price control act and created the O. P. A. to administer that act? Was the O. P. A. set up to regulate the cost of food and those articles and commodities essential to life and the prosecution of the war? Or was

it set up to be used as a vehicle to bring about the regimentation of the American people? Where does its authority and usefulness end? What is a luxury?

By legislative enactment this Congress has designated certain commonly used and desirable, but by no means essential, items as being luxuries and in the recent tax bill has imposed a luxury tax on those items. Furs are among these items. Luxurious furs. With a luxury tax of 30 percent passed by this Congress and signed by the President. Officially a luxury, and the O. P. A. proposes to put a ceiling on furs and pelts. Mr. Speaker, this is outrageous and defiant. The O. P. A. should not have, and I do not believe it does have, any authority over items taxed as luxuries.

I hope the Congress will bear this in mind when considering the O. P. A. extension bill.

EXTENSION OF REMARKS

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL, FISCAL YEAR 1945

Mr. COFFEE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4861) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes; and, pending that motion, I ask unanimous consent that general debate be limited to not to exceed 2 hours, to be equally divided and controlled by the gentleman from Nebraska [Mr. STEFAN] and myself.

Mr. STEFAN. That is satisfactory, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4861, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. COFFEE. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, doubtless the members of this committee are aware of the fact that the costs of operating the District of Columbia government are defrayed out of revenues received by the District of Columbia and not out of the revenues of the Federal Government. The District of Columbia appears to be in excellent financial condition. In addition to liquidating the balance of a $15,000,000 debt which had been acquired by the District government over the past 3 years for which an item of approximately $5,000,000 has been included in this bill, and in addition to investing another $5,000,000 in United States Government short-term securities, also included in this bill, the District will have an unencumbered balance at the end of the next fiscal year of approximately $1,500,000 The amount of a little over $68,000,000 is being recommended in this bill.

The amount of the bill before you reflects an increase of $10,000,000 over the current year's appropriation and an increase of something over $1,000,000 in the amount of the budget estimates.

With respect to the increases over the current year's appropriation, $5,000,000 is accounted for by the proposed investment in Government securities as I have already mentioned.

Approximately $700,000 is an increase for the public-school system, a little over $100,000 for the Recreation Department, approximately $220,000 for the Metropolitan Police, $230,000 for the Fire Department, $650,000 for the courts, something over $1,000,000 for the Health Department, $156,000 for public-welfare services, approximately $3,200,000 for public works, and nearly $180,000 for the Washington aqueduct.

The balance of the increases over the current year's appropriation are the result of increased requests for war overtime and additional compensation. The amount of approximately $3,854,000 is being requested for this purpose for the fiscal year 1945 as compared with the amount of $2,123,000 appropriated for this purpose for 1944. Although the amount requested has been reduced somewhat in line with other reductions the increase is nevertheless substantial and was allowed on the contention of the District officials that although a considerable amount of the overtime was absorbed during the current fiscal year, the filling of vacancies would preclude them from saving as much during the next fiscal year. This, in brief, summarizes the increases by the major activities of the District government.

With respect to the decreases under the budget estimates effected by the committee, you have no doubt observed on the tabulation at the end of the report that the action of the committee resulted in an increase over the budget estimates of approximately $1,100,000. This came about by the inclusion in the bill of an additional amount of $2,000,000 for investment in Government securities. The net result of the action of the committee, therefore, is a decrease under the budget estimates of $900,000.

It is the feeling of the subcommittee that the amounts contained in this bill have been generally well justified. Actually additional reductions could perhaps have been made, especially in the Public Welfare and Health Departments, on the basis of the great number of existing vacancies in these activities, but the individual members were not disposed to effect further reductions because of the vital services these agencies are rendering and in the hope that the necessary personnel may be recruited during the next fiscal year.

As I have already indicated, the principal item of increase in the bill is for public works. The total amount recommended is approximately $12,680,000. This head includes all activities subject to the direction of the Engineer Commissioner, although it is apparent from the items contained in the tabulation at the end of the report that all of these cannot be considered as strictly public-works projects. The increase of $3,200,000 over 1944 is in the main divided between the Street and Bridge Divisions, $2,180,000, and the Sewer Division, approximately $6[illegible]7,000. It was testified that much of the street program has been delayed because of other more pressing projects especially during the war period, but the Commissioners now feel that they are in a position to proceed with the extension and improvement of the street and sewer facilities as demanded by the extensive building construction which has already taken place in the city of Washington. Included in the over-all increase for public works is the amount of $750,000 for continuing the construction of the Anacostia River Bridge previously authorized.

The subcommittee went into the services being rendered the Federal Government by the District rather extensively. For obvious reasons nothing was stated in the report about this matter, but I can assure you that the Federal Government is receiving more than full value for the annual appropriation of $6,000,000 which is made the District Government out of the general revenue fund of the United States Treasury.

At this point in my prepared remarks I should like to interrupt myself and pay what I believe to be a condign tribute to the services rendered by my predecessor, the gentleman from Texas, the Honorable GEORGE MAHON, who filled the portfolio of chairman of the subcommittee on the District of Columbia, in my judgment, in most capable and efficient fashion. I say to his colleagues of the House that we on the subcommittee of the Committee on Appropriations dealing with the District of Columbia miss the gentleman from Texas, GEORGE MAHON, very much. We not only miss him by reason of his genial personality, but we miss him because of his recognized knowledge and profound interest in the affairs and welfare of the District of Columbia. The gentleman from Texas [Mr. MAHON] necessarily, by reason of exigencies arising in his own district, voluntarily retired as chairman of the District of Columbia subcommittee.

I want to say a word for our clerk, who is serving for the first time as the clerk of the subcommittee on the District of Columbia, Mr. Corhal D. Orescan. He has given us his talents and his energies and abilities devotedly and unstintingly, and deserves the appreciation and gratitude not alone of the whole Committee on Appropriations but of the Whole House of Representatives. He has in his service with this committee placed himself in a place similar to the position that has already been assumed by other deputy clerks of the Committee on Appropriations, as one of those brilliant

young men who have lightened the burdens and helped and enhanced the reputation and the prestige of the House of Representatives.

Other members of the subcommittee on the District of Columbia who have served devotedly and well are three Democratic members and three Republican members. Without casting any invidious reflections upon the other members of the subcommiteee, outstanding and single in his devotion to and knowledge of the affairs of the District of Columbia is the gentleman from Nebraska [Mr. KARL STEFAN], who through a long period of years has served devotedly the interests and has been concerned with the welfare of the taxpayers and residents of the District of Columbia, and has given such service as to deserve the panegyrics and thanks of the people of the entire Nation.

It is not always the most thankful sort of service on the District of Columbia Appropriations Subcommittee or the policy committee. Certainly no one can figure that many votes are obtained by Members serving on the District of Columbia Appropriations Subcommittee or on the policy committee, by reason of this labor, but it is a job that has to be performed. After all, in a sense, we are the trustees for the Nation in connection with the handling of the government of the District of Columbia and the supervision of its finances. Therefore, I feel that it is the duty of any Member of Congress, when called upon, to serve faithfully in dealing with the affairs of the District of Columbia. In that respect the gentleman from Nebraska [Mr. STEFAN] not only is a credit to the State of Nebraska, which sent him here, and to the Republican Party, of which he is an outstanding member, but to the House of Representatives, of which he is one of the leading figures. I am proud to have him as ranking member of the minority party on the District of Columbia Subcommittee on Appropriations.

In addition to the gentleman from Nebraska [Mr. STEFAN], we have Mr. BEN JENSEN, the gentleman from Iowa. We have the gentleman from Idaho, Mr. HENRY DWORSHAK, both of whom served devotedly and well on the District of Columbia Subcommittee on Appropriations.

I would be remiss in my duty if I were to fail to mention the services rendered by the Democratic members of the subcommittee, Mr. CLINTON ANDERSON, the gentleman from New Mexico; Mr. WILLIAM F. NORRELL, the gentleman from Arkansas; Mr. JAMIE WHITTEN, the gentleman from Mississippi, all of whom gave unselfishly of their energies and their talents. Because of their outstanding ability, scholarship, and profundity, the District of Columbia was well served and the House of Representatives and the Nation are benefited by their exceptional services.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. COFFEE. I will be glad to yield.

Mr. VOORHIS of California. I would like to express myself as agreeing heartily with what the gentleman has said about the service of Members in connection with District of Columbia matters. I agree with him that it is one of the hardest tasks and one for which Members, on the whole, receive the least recognition. I would like to add that I think the chairman of the subcommittee, who is now addressing the House, should perhaps receive first mention in that connection, as he has so generously made mention of the other members of that committee.

Mr. COFFEE. I thank the distinguished gentleman from California for his very gracious encomiums. I appreciate them very much. I agree with the gentleman that service on the District of Columbia Committee is an important function and it is a service which has been too long looked upon with some disfavor by some of our colleagues. But I believe it is becoming increasingly recognized as a very important function. After all, the House of Representatives and the Congress as a whole is interested in doing all it can to aid and cooperate with the officials of the District of Columbia in an endeavor to make the Capital of the Nation the most beautiful Capital and the best run Capital City of all the capital cities of the world. This is the most important city in America, from the standpoint of government, and in an increasing sense is becoming one of the most important cities in the world, to the extent and in proportion to the increasing importance of the Capital of the United States in its more neighborly relationship with the other important nations of the world.

The District of Columbia is governed by the United States under the authority of the constitutional provision authorizing the Congress "to exercise exclusive legislation in all cases whatsoever over such District—not exceeding 10 miles square—as may, by cession of particular States, and the acceptance of Congress, become the seat of the Government of the United States." The District of Columbia is not only the name of this Federal city, but also the name of the rather loosely constituted municipal corporation, which exercises all the functions of a city, county, school district, and other type of political subdivision ordinarily set up by the States, as well as most of the functions of a State.

If the Members of the Congress, which in 1878 provided for "a government by the name of the District of Columbia, by which name it is constituted a body corporated for municipal purposes" were here today, those distinguished gentlemen would be amazed at what has happened through the years. It was their intention that the governing body of the municipal corporation should be the Board of Commissioners comprising two residents of the District of Columbia appointed by the President with the advice and consent of the Senate for a term of 3 years, and an officer of the Corps of Engineers of the United States Army detailed from time to time by the President to serve as Engineer Commissioner.

We have the Board of Commissioners, but we also have an involved organization composed of numerous agencies and boards varying in form and in authority. The result is confusion.

It is difficult to determine limits of authority and responsibility. The powers of government are divided among groups independent of each other, so that instead of one government we have many separate governments each exercising limited functions.

This condition is not very salutary, nor is it satisfactory from the employees' viewpoint. Many employees are in doubt as to whether or not they are Federal or District employees. Some groups comply with official orders of the Commissioners in reference to hours of labor, personnel records, and other administrative items, while others totally disregard them.

You may be interested in knowing that not only does the President appoint the Board of Commissioners, but he also appoints the three members of the Public Utilities Commission, all of the judges of the various courts, the people's counsel, the Recorder of Deeds, and the Register of Wills. It is quite natural that these individuals, thus appointed, feel responsible to the President of the United States alone. Their office may be purely local in character, housed in property which belongs to the District of Columbia, their salary and the salary of their employees paid by District taxpayers, but nevertheless they have the feeling that as Presidential appointees their office is Federal, and that the District Commissioners are powerless to exercise any jurisdiction over them, except that of budget control.

In many instances, members of boards and individual heads of agencies are appointed by the Board of Commissioners, and in others by the courts or other appointing authorities. In most cases, subordinate employees are appointed by the heads of agencies or boards, as the case may be, without any reference to the Commissioners whatsoever. These employees, over whom the Commissioners have no appointing power and little or no administrative authority, constitute nearly one-half of all the permanent employees of the District of Columbia government.

It is recognized that in some of these agencies there exists a Federal responsibility which the Commissioners cannot assume. The Washington aqueduct by law is under the Chief of Engineers, United States Army. The taxpayers of this District pay its bills, but they or their representatives have nothing whatever to do with its administration. The National Capital Parks and United States Park Police are under the National Park Service which is under the Secretary of the Interior. The local taxpayers pay the bill for their services within the District of Columbia but have nothing whatever to say about administration The National Zoological Park, as its name implies, is a national zoo for all the people of the United States. The other two agencies are engaged in activities within the District, which appear to be purely local in character. As a part of the municipal government they should be separated from the Army and from the Interior and incorporated in the municipal structure.

There are many other offices exercising purely municipal functions which

might well be said to be separate governments in themselves over whom the Commissioners exercise little or no control. The Commissioners, however, receive the full blast of criticism when things go wrong.

Much has been said about the Board of Public Welfare. Under that Board there are more than 1,000 employees. It has supervision of all forms of relief: The workhouse and reformatory, the feebleminded institution, the training schools, and the Home for the Aged. Its appropriations run into the millions. We find that the District Commissioners are severely criticized for any irregularity, but we also find that they have little administrative control over any of these numerous employees or the institutions in which they work.

Public Law 363, Seventy-seventh Congress, provided that all personnel be appointed by the District Commissioners upon the nomination of the Board of Public Welfare. This Board is composed of public-spirited citizens who are willing to give of their time and talents gratis for public-welfare work, and we cannot too highly commend them for what they are doing, but we, nevertheless, feel that their functions should be advisory only.

The Recreation Board with 113 employees, the Public Library with 307 employees, the courts with nearly 200 employees, the Public Utilities Commission with 31 employees, the public schools with 4,430 employees, and so forth, all are little separate governments over which the Commissioners have little or no administrative authority. They have nothing to do with the employment of all of these employees, and nothing to do with their dismissal from the service.

It is remarkable that we have the efficiency we do, with such a conglomeration of agencies, and such a division of authority. Delay in action, and failure to fix responsibility on the proper individual, are inevitable when management is turned over to a board or an agency. It is too much to expect of these groups, many of whom receive no compensation whatsoever, to give adequate time to the countless details of efficient management. In an advisory capacity, however, such groups are of inestimable value.

One of the difficulties in the District of Columbia government is the overlapping of jurisdiction. Another one of our problems is that the outlay for many national functions, which are very laudable in their nature, are laid upon the taxpayers when in equity and in justice they should be expenses assumed by all of the Nation's taxpayers, or at least a large part of the expense should be assumed by them.

I mentioned a while ago the National Zoo, which is located on Connecticut Avenue and with which most of you are familiar. Yet, the National Zoo is paid for by the taxpayers of the District of Columbia, although it is a national institution.

We have a library for the blind in the District of Columbia which is doing a very splendid work, but which is a national institution. Yet, we have an item in here of $7,500, which is charged up to the taxpayers of the District of Columbia, because that follows a precedent over a long period of time.

It is the opinion of the committee that certain functions, the pecuniary costs of which are paid by the taxpayers of the District of Columbia should be assumed by the community chest or the war fund, as it is presently called, as they are eleemosynary institutions, charitable in their nature, which are justly chargeable to fund accounts raised through voluntary donations made by the citizens of the District of Columbia.

We have a very anomalous situation in the Water Department of the District of Columbia, where the citizens pay for the water that is used by the Federal Government. One of the recent additional charges imposed on the taxpayers was the Pentagon Building, with its 38,000 inhabitants, all of whom use water extensively, and all of whose water use is charged up to the District of Columbia and is not reimbursable to the District of Columbia from the Government of the United States.

There are certain functions which the committee felt were not properly charged up to the District, such as the housekeeping aids, the cost for whom was accepted by the committee a year ago at the request of the welfare agencies, which enterprise is performing a very worth-while function. The committee, in its report a year ago, the conference report adopted by the Senate and House conferees, and which was agreed to by both Houses, specifically stated that this housekeeping item should be tried out as an experiment for 1 year only, and categorically provided that at the end of the year it should no longer be a charge upon the taxpayers of the District of Columbia. The sponsors or protagonists of that project came before the committee, urging that not only should it be retained and continued but that it should be enlarged substantially. The committee and the Commissioners of the District of Columbia both felt, after a study of the subject, that, regardless of the worth-while qualities of this very splendid endeavor or undertaking, which it is recognized performs a valuable function, it was not properly chargeable to the taxpayers of the District of Columbia.

Mr. Chairman, I yield back the remainder of my time.

Mr. STEFAN. Mr. Chairman, I yield myself such time as I may desire, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. STEFAN. Mr. Chairman, the bill that has been placed before you at this time is the one that makes appropriations for the government of the District of Columbia for the fiscal year 1945. The total amount of the bill recommended by your committee is $68,585,607, which is $1,104,483 above the Budget estimate and $10,458,263 above the 1944 appropriation.

The District government is in a very favorable financial condition. In 3 years this Congress has provided for debt retirement in the amount of $14,685,849, which means that for the first time in 13 years the District of Columbia will be free of debt. This is a splendid accomplishment, permitting considerable savings in interest payment and paving the way for financial reserves so that capital-improvement programs can be initiated as soon as priorities permit.

A rather substantial amount is to be invested in Federal securities, as a reserve for public works. This, we think, is wise planning. It has been accomplished without limiting to any degree heretofore approved functions of the municipal government. Your committee is constantly striving for an efficient municipal government and constantly seeking ways and means of increasing that efficiency. Efficiency is concerned with the wise expenditure of whatever funds, be they large or small, that have been made available for service. There is no excuse for a department to be administered in any but a most efficient manner, even though its funds are said to be limited. You must, however, in simple justice, have in mind, when questions of efficiency arise, the difficulty faced by the municipal government because of war restrictions and manpower problems.

It has been a great privilege for me to work with the distinguished gentleman from Washington [Mr. COFFEE], who is chairman of the subcommittee which has had this bill under consideration. As our new chairman he has earned our admiration, and a careful reading of the hearings on this bill will disclose that he has brought out many pertinent and interesting items.

Other members of the committee who have contributed a great deal to this legislation are Messrs. DWORSHAK, of Idaho; JENSEN, of Iowa; ANDERSON, of New Mexico; NORRELL, of Arkansas; and WHITTEN, of Mississippi. Our former committee clerk, Mr. Williams, entered the armed services, and Mr. Orescan assumed his duties. Our committee is indebted to him for his valuable and efficient work, which was extra burdensome this year because of the very material changes constituting a revision of the District's annual appropriation act. This proposed change directly reflects the organization of the District of Columbia Government, groups together related functions, consolidates split appropriations, standardizes and shortens appropriation language, segregates operations from capital outlays, includes items heretofore to be found only in other appropriation acts, and reduces the total number of items to be appropriated for to less than half the number in the 1944 act.

This revision will greatly facilitate the preparation and understanding of the District budget. It has been referred to on several occasions by our former chairman, the distinguished gentleman from Texas [Mr. MAHON] before other appropriations committees when he expressed the hope that other agencies might follow the example of the municipal government in the preparation of their budgets for the consideration of appropriations committees.

Our distinguished chairman has given the committee a very complete picture of the details in this bill, so I will confine

myself merely to a few observations which may be of interest to the Committee.

First, I want to emphasize that this bill is in reality a citizens and taxpayers' bill. The Federal Bureau of the Budget did not eliminate a single item. Your committee made personal investigations of many facilities located in and outside of the District, and is taking into consideration the wishes of the representatives of the various citizens' organizations. All the needs of the District, of course, are not met, due to the fact that many of the proposed changes and plans for more efficient operation, better service, and more adequate facilities are still in the formative stage.

Committees of this Congress and committees composed of private citizens have made various reports which have received considerable publicity, and each of these reports have been brought to the attention of your committee, have been given careful consideration, and we are assured that just as soon as the details of the improvement plans can be effectively worked out, they will be presented to your committee for consideration.

GROWTH OF DISTRICT

Washington is truly a metropolitan city. You can hear practically every language of the world spoken on the streets of Washington. The civilian population of the District of Columbia and the metropolitan counties—Montgomery County, Md.; Prince Georges County, Md.; Alexandria, Va.; and Arlington County, Va.—as of November 1, 1943, exceeded 1,175,384. This is an increase from 1930 to 1940 of over 46 percent. During the period from 1930 to 1940 the population of the District of Columbia increased 36.2 percent, the colored population during the same period increased 41.8 percent, while the white population increased 34.1 percent. At the same annual rate of increase the percentage of colored population for the District for the year 1943 would be 28.5 percent and the white population 71.5 percent.

The civilian population of the District of Columbia has increased from 658,018 as of April 1, 1940, to 833,720 as of March 1, 1943—an increase of 26.7 percent. Its rank in size among the cities of the United States has been raised from twenty-sixth in 1800 to eighth in 1943.

Federal employment in Washington in November of 1918 was 117,760. In 1943, Federal employment in the Washington metropolitan area had reached the total of 279,689. It is interesting to observe in this connection that even though there was a material reduction of Federal employees in the District of Columbia beginning with the year 1920, reaching a low of 59,800 in 1937, during all those years the civilian population of the District nevertheless continued to increase very rapidly.

THE PUBLIC SCHOOLS

While we are considering population data, it might be well to refer to our public schools. The decrease of enrollments in the white schools of from 55,420 in 1941 to 50,756 in 1943, is due principally to the reduction in the number of high-school pupils. Enrollments in the white high schools decreased from 25,384 in 1941, to 22,317 in 1943, or a decrease of 12.1 percent. The reduction in colored high-school pupils during the same period was 7.3 percent. The decrease in the number of high-schoo' pupils of the District of Columbia is chiefly the result of a war measure. The pupils who have completed the eighth grade left school to go to work. White pupils in the elementary schools were 5.2 percent less in 1943 than in 1941, while colored pupils in the elementary schools increased 5 percent.

We have been particularly interested in our public-school system of the District of Columbia, and recognize it as one of the best systems in the country. Our committee missed the very brilliant former superintendent, Dr. Frank W. Ballou, who found it necessary to retire because of ill health, but we are confident that the new superintendent, under the direction of a very capable Board of Education, will continue to carry on in a very commendable manner his multifarious responsibilities.

This city, as you know, has a dual school system that has worked itself into the war picture. Its vocational and physical training program is of tremendous value to our war effort. I have been tremendously interested in vocational and physical training, and I am happy to report that great progress is being made in the schools for white children and in the schools where colored children are taught.

It is because of many outstanding features in connection with our public-school system that many thousands of children who should receive their education at the expense of Maryland and Virginia receive free tuition here. I have been consistently opposed to his heavy burden on the local taxpayer. On numerous occasions this House has approved the discontinuance of that practice, but the other body has always been successful in overcoming our objections because we have been unable to get the school authorities to show the actual savings which would result. The school authorities have been directed to make a study of this problem, and it is expected that some tangible remedial action will be suggested by our committee at a later date.

This is a time of great emergency, and hundreds of thousands of our own constituents are living here in the metropolitan area. They come from every congressional district in the United States. In the consideration of this bill your committee had in mind not only the protection of the financial interests of the taxpayers of this city, but the welfare and interest of all the people who are here even temporarily. This is a natural and altogether proper attitude to assume because after all, Washington is the Capital of the Nation, and it belongs to all the people of the United States.

DISTRICT LAND AREA

Physically, the District of Columbia, as we know it, is what remains of the 10-mile square area originally ceded to the Federal Government by the States of Maryland and Virginia in 1790, and which, including water and land, contains approximately 69¼ square miles. It has been estimated that the present land area, excluding the Anacostia and Potomac Rivers, is approximately 61 square miles. The land ceded was carved out of Montgomery and Prince George's Counties, Md., and Fairfax County, Va. The location of the seat of the Federal Government in what is now the District of Columbia is the result primarily of the determination of both the Continental Congress and the Congress of the United States never again to be harassed by the failure of State governments to afford facilities and protection to the Congress.

Its political history is fascinating and intensely interesting, but it would serve no good purpose to refer to it at this time. Suffice it to say that the present form of government is a commission form consisting of three Commissioners, two of whom are appointed by the President for 3 years, subject to confirmation by the Senate, and one detailed by the War Department from the United States Corps of Engineers.

It is the most natural thing in the world for the citizens of this District to desire the privilege to vote, as do the citizens of other States and municipalities. Taxation without representation has never been popular. Of course, a very large number of Federal employees maintain their voting privileges, but it is of that other larger group that we constantly think—those who obey the laws they have no part in making, who pay the taxes they have no part in voting for. It is my thought that the Congress will always want to hold its exclusive jurisdiction over the affairs of the District of Columbia. This perhaps should be done, but it does not necessarily follow that these thousands of citizens should be forever deprived of the fundamental rights of citizenship merely because they are residents of the District of Columbia.

The residents of this city paid $7? 576,-233 in Federal income taxes in :42. This amount exceeds the payment of each of 28 States, and also exceeds the combined payment of 8 States. The Federal income taxes for 1943 will be much greater, and certainly people who are taxed to this extent should have some say in their government.

The total land area of the District of Columbia, exclusive of the streets and alleys, is 31,060 acres. Of this amount, 51.2 percent is taxable; 40.8 percent is owned by the United States; 3.3 percent is owned by the District Government, and 4.7 percent is privately owned exempt property. You will observe that the Federal Government owns approximately 41 percent of the total land of the District of Columbia, exclusive of streets and alleys. The Federal Government also has title to all the streets and alleys within the boundary of the original city of Washington, which, generally speaking, is that area lying between Florida Avenue and the Potomac and Anacostia Rivers. In addition to tax exemption, the Federal Government is furnished water without charge, and is not assessed for special

improvements, such as curb and gutter, sidewalk, alley paving, sewer and water mains.

Several weeks ago a Lockheed Constellation transport flew into Washington from California in 6 hours and 58 minutes. In a few years thousands of planes will be bringing people here from all over the world.

Great changes will undoubtedly take place. Rapid transportation facilities in the metropolitan area will constantly expand, but it is altogether probable that the Federal Government, which now owns 41 percent of the present land area, will own considerably more. When Abraham Lincoln came to Washington in 1860, the total population of the District of Columbia was 75,080. Today, in one building across the river known as the Pentagon Building, there are employed 40,000 employees. Each of the five sides of this building is 986 feet long, and it is approximately 1 mile in circumference. It has 83 acres of net office space, and all of its water is furnished free by the District of Columbia.

TAX-EXEMPT PROPERTY

As the taxable land area decreases, as tax-exempt property increases, as the demand on District facilities becomes ever greater, more attention will have to be given to a more equitable financial relationship between the Federal and the District Governments.

On June 11, 1878, in the act creating the present commission form of government, it was provided that Congress should appropriate 50 percent of the funds for District expenditures, and that the other 50 percent should be levied from "taxable property and privileges in said District, other than property in the United States and in the District of Columbia." This lasted until the fiscal year 1921, when the United States' share was 40 percent. The 60–40 basis remained on the statute books until it was repealed on July 26, 1939, but never since 1924 has the District ever received any such share of its expenses. It has been steadily reduced until it is now below 10 percent.

Property owned by the United States and tax exempt amounts to $696,526,822. It would serve no useful purpose to dwell upon the personal property valuation of the Federal Government in the District of Columbia or the inability of the local municipality to collect income tax from many thousands living here and enjoying all the benefits of police and fire protection, schools, and sanitary systems because they are domiciled in the States.

THE WATER SITUATION

I do, however, want to invite your attention just a moment to the question of free water. I have just made reference to the Pentagon Building where approximately 1,000,000 gallons of free water is used per day. In addition, on the Virginia side, using free District water, are the Army Air Corps, the antiaircraft encampment, the Navy Building, the Marine Corps barracks, the Arlington Farms residence hall housing 7,000, Public Roads Laboratory, and the National Airport. From this, you can see how this service is expanding outside of the District limits.

I refer to this free water because I am convinced that we want to be equitable in our treatment of the District of Columbia. After all, the government of the District is simply an agency of the United States for conducting the affairs of its government in this Federal District. If we abuse our power, we hurt not only the citizens of this District, but also your constituents and mine.

This matter and the question of the Zoological Park, the National Capital parks, the Washington Aqueduct, and similar agencies in their relationship to the municipal government should be more clearly defined.

Another matter of extreme importance is the court situation in this District. The appropriation for the juvenile court for the fiscal year 1935 was $60,117; the estimates for 1945 were $154,160; the United States courts in 1935 was $441,329; the estimates for 1945 being $625,000. It is interesting to note that in 1935 the District of Columbia paid the full cost of the United States courts. Now, when the District pays 60 percent, the 60 percent far exceeds the total cost of 1935.

In 1935, the juvenile court, the municipal court, the police courts, the United States courts, and the probation system cost the District $719,308. Today the cost is $1,231,090.

I call attention to the courts because our Federal courts in this jurisdiction are receiving a considerable amount of publicity as the result of the sedition trial, which is arousing critical comments throughout the United States. At the present rate of progress, this is going to be a record-breaking, time-consuming trial. It is estimated that it will cost many, many thousands of dollars, and when it is all over, and the books are closed, the District taxpayers will pay 60 percent of that cost. This is not fair.

POLICE AND FIRE DEPARTMENTS

Mr. Chairman, we are not unmindful of the criticisms frequently leveled at some of the District departments and agents of the municipal government working therein. When you consider that the District government is composed of approximately 70 departments, divisions, and agencies, constituting a vast business organization, you cannot help but realize that there is bound to be criticism. It would be impossible for an organization of this magnitude to function so smoothly as to prevent criticism, and so year after year we do give consideration—and very careful consideration—to the complaints of those who are aggrieved. On the other hand from our own personal knowledge, not only obtained through interviews but obtained from personal observation, we have found many things to commend very highly in the District service.

We have a very splendid police department. It is doing a good work with its newly organized police academy. I have attended its exercises and seen it in operation, and even today with a severe loss of personnel this Department is maintaining its very high standard.

This city has a splendidly organized and most efficient fire department. The total estimated fire loss during 1943 was $667,995, a decrease of $260,033, as compared with the loss for 1942. The per capita loss was 79 cents; this figure is considered to be exceptionally low by fire-control authorities, and is a decrease of 30 cents as compared with the 1942 figure.

Notwithstanding all reports to the contrary, from actual investigation and personal inspection, we conclude that Washington is one of the healthiest cities in the United States. Improvement in health matters is being made continuously, and we are assured that precautions are being taken against a possible epidemic in the Capital. We were somewhat disturbed about this situation due to the shrinkage of the world as a result of rapid air transportation. We wanted to be assured that every precaution is being taken by those in authority to prevent diseases prevalent in foreign countries being transmitted through air transportation to our municipalities. We are strengthening the health agencies of the District through this bill, and we are inaugurating mental-health clinics which may go a long way toward reducing the steady stream of commitments to St. Elizabeths Hospital. For the years 1931 through 1943 the District has paid St. Elizabeths Hospital, for maintenance of its patients there, in excess of $28 000,000. We hope that preventive medicine may find some way of reducing this terrific burden.

As we review the history of the District of Columbia in the light of present-day criticisms, we find an ever-increasing forward march of progress. In 1826 it was pointed out in the House that in a territory under the exclusive control of Congress and in Alexandria County alone the law punished 30 crimes with death, while in Washington County there were 14 capital crimes. Among the capital crimes were burglary to the extent of $4; breaking out of prison by a person charged with a felony; a slave preparing or giving medicine with bad intent; maliciously burning any house; breaking or entering a storehouse, or tobacco house; or stealing to the value of 5 shillings. The penalty provided for a slave convicted of petit treason, murder, or arson required that he "be hanged, his head cut off, and his body divided into quarters and his head and quarters set up in the most public places in the District."

In 1831 branding, whipping, and like punishments were abolished, and the number of capital punishment offenses reduced—imprisonment with prescribed penalties being substituted. So on through the years investigations brought about improvements. An excerpt from a report to Congress following an investigation of the jail in 1862 is as follows:

> Two hundred and forty human beings of various ages and both sexes, huddled together in cells and corridors capable of accommodating not more than 80 or 100 with tolerable decency, without ventilation, subsisted at 11 cents a day, subjected to "cobbing" at the caprice of an inhuman jailer. * * * No distinction as to age in any portion of the building. Small boys are confined with persons charged with murder.

Year after year improvements have been made so that today when we walk into our jail, reformatory, and other institutions even though they may not be models of perfection we, nevertheless, do not have to hang our heads in shame.

We must not permit ourselves to be driven to extremes by the headlines or by statements made by well-meaning individuals who constantly cry for larger appropriations, more personnel, and increased compensation.

The revenues of the District, plus the Federal payment are to be apportioned among the 70 departments and agencies of the District Government. Our responsibility is to allocate these funds wisely. If we are unduly influenced by the clamor of the moment, there may not be an equitable disposition of funds.

We want adequate and efficient service. Adequate service represents the standard we see fit to provide by our appropriations. It is entirely a matter of degree. The sky may be the limit. We could have a policeman on every corner; a firehouse in every block, and a social worker in every home. Service adequacy is distinctly a policy decision which cannot be delegated to department heads, citizen groups, or investigating committees. The health officer, the Board of Public Welfare, the Recreation Board, the Board of Education, the sanitary engineer, or any other department head should not be denied the right to seek additional resources to carry on their respective programs. They would be poor administrators indeed if they were not sufficiently enthusiastic about their particular service to constantly see the opportunity for expansion.

However, they must realize that their own expertness and responsibilities tend to incapacitate them from balancing the needs of their service against the needs of other services. One strong administrator in a department having great public appeal usually get continuous increases in appropriations, while another essential department with litttle or no public appeal stagnates.

An examination of the hearings will disclose, I think to your satisfaction, that this committee went very carefully into all phases of recent criticisms leveled at certain departments of the District Government. I think we know exactly what the situation is, and I am confident that everything which we have done is for the best interests of all concerned.

Too many independent agencies within a municipal structure is unwise. We seem to be creating more and more such agencies over whom the Commissioners of the District of Columbia have no administrative control whatsoever. It is a very fine thing to be able to utilize the services of outstanding citizens who are willing to give of their time and talents without any compensation as members of the Board of Public Welfare, Recreation Board, Parole Board, and many other similar Boards now existing in the municipal framework, but, as has been well said, when anything goes wrong it is the Commissioners of the District of Columbia who are blamed.

In the course of my service on this committee many witnesses have indicated that they would not care for any change of the form of government in Washington. Most seem to favor the commission form or the city-manager form of government. If the present form is to continue, then, in my opinion, it is high time that we examine into some of these boards and agencies and transfer their administrative authority to the Commissioners and then hold the Commissioners strictly responsible for an efficient administration.

Much interest has been centered recently on the Alcoholic Beverage Control Board, and our committee was very interested in the activities of the three who constitute the present Board. We were conscious of the anxiety of some of our colleagues over the present situation, and we pressed home in no uncertain terms our definite determination that this Board must conform strictly with the law of this Congress, and all rules and regulations made pursuant thereto.

Liquor is scarce, and that scarcity tends to bring back those conditions which we insist must never again get the upper hand in this Federal city. The Alcoholic Beverage Control Board and the Commissioners have no knowledge of any monopoly in the District of Columbia and do not think that one exists. They think that they have ample statutory authority to control the liquor situation in this city in the manner that Congress desires it to be controlled. We will look to them for strict enforcement of all the laws that have anything to do with this business.

THE DISTRICT COMMISSIONERS

The present president of the Board of Commissioners is John Russell Young, a lifetime resident of Washington and former newspaperman. The other members are Guy Mason, a lawyer, and Col. Charles W. Kutz, of the Corps of United States Engineers. These Commissioners have been very active and have manifested a profound interest in District affairs. They are, I am confident, not interested in increasing their own authority to any extent, which, after all, may be short lived, but are interested in maintaining good government in this Capital City. I desire to express my high appreciation and commendation for the services they have rendered and for their continuous battle to improve conditions so that Washington will continue to be the most beautiful and the finest Capital City in all the world.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. WHITE. In light of what the gentleman said about reducing the debt of the District of Columbia, I find on page 16 of the table in the committee report:

District debt service, for reimbursement to the United States, $5,035,849, or an increase of $152,325.

Debt service. What does that mean?

Mr. STEFAN. We have no debt at all; there is no indebtedness.

Mr. WHITE. What is that item on page 16 of the report?

Mr. COFFEE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. COFFEE. Is the gentleman referring to the table on page 16 of the report?

Mr. WHITE. Yes; an item on the District debt reimbursement to the United States.

Mr. COFFEE. The gentleman from Nebraska can explain that, I am sure, because that is the final item we included this year which completely liquidates the debt of the District.

Mr. STEFAN. I may say to my friend from Idaho that when I referred to that item of $14,685,849 which represented the debt retirement in 3 years this item to which the gentleman refers is part of that; it is part of the retirement of the indebtedness of the District. For the first time in 13 years we are entirely out of debt in the District of Columbia.

Mr. CARLSON of Kansas. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Kansas.

Mr. CARLSON of Kansas. First I want to compliment the members of the subcommittee. I think they are rendering a real service and it is probably a thankless one at times. I know it is greatly appreciated by Congress and I am sure by the District. I wish to ask the gentleman whether the appropriation carries sufficient funds to extend the sewer service of the District.

Mr. STEFAN. Yes; we have provided for everything the Commissioners asked in regard to the extension of sewers. Has the gentleman any particular place in the city to which he refers, or any particular item in the bill?

Mr. CARLSON of Kansas. I have been advised that home owners in certain sections have made application for connection with District sewers but are unable to get the sewers extended so they may have those connections. I wanted to be sure that the bill carried sufficient funds to remedy the situation.

Mr. STEFAN. I do not know what the particular item is. In the District of Columbia, of course, there are still slums and houses not yet connected with sanitary sewers. We have been assured that we have provided the District with sufficient funds to eliminate any insanitary conditions and to hook up sewers wherever that is possible and to construct additional sewers. I advise the gentleman to tell people who want that service to make application for it.

Mr. CARLSON of Kansas. I happen to be familiar with a section that is served with septic tanks, some of which cause a good deal of odor. I am sure these people will be greatly relieved to learn that the bill carries funds to connect with the regular sewage system.

Mr. STEFAN. There are plenty of funds to make improvements where they possibly can be made.

Mr. LANE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. LANE. I wonder if the gentleman can inform me whether or not additional funds have been appropriated in this bill to provide for further additional Alcoholic Beverage Control Board inspectors in the District which are so badly needed?

Mr. STEFAN. I may say to the gentleman from Massachusetts that our colleague the gentleman from Missouri [Mr. COCHRAN] came before our committee and delivered quite a talk on the Alcoholic Beverage Control Board. He was not satisfied with their operation. If the gentleman will look in the report he will find that the committee went along with the gentleman from Missouri and provided for additional inspectors in order that the Board may become effective. We have provided for seven additional inspectors.

Mr. LANE. How many?

Mr. STEFAN. Seven additional inspectors are provided for the Board with language in the report indicating that this Congress wants the Board to carry out the intent of the law and enforce the liquor laws here.

Mr. LANE. I want to compliment the committee on that part of the report.

Mr. WHITE. Turning again to page 16 of the report, if the gentleman will yield further, there is an item, public works investment fund; it seems the committee is appropriating $5,000,000 for investment in United States bonds.

Mr. STEFAN. That is right.

Mr. WHITE. I am wondering also about the Freedman's Hospital item of $516,000. Is not that supported by appropriations from the Federal Treasury?

Mr. STEFAN. Supplemented by appropriations from the District funds.

Mr. WHITE. It gets Federal appropriations and District funds, too; is that the idea?

Mr. COFFEE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to my chairman.

Mr. COFFEE. I may say for the benefit of the gentleman from Idaho that heretofore the charge against the District of Columbia for Freedman's Hospital has been carried in direct appropriations in the Interior Department bill. It was always made a direct charge against the District of Columbia but was never carried in the Budget as such and we did not include it. This time under the streamlined procedure these charges have been made against the District of Columbia which in other years have been taken care of in other bills. That is what accounts for some of the increase in this bill. They are not increases at all.

Mr. WHITE. Does Freedman's Hospital serve citizens of the country outside the District or is it a District institution?

Mr. COFFEE. It serves the whole country.

Mr. STEFAN. And the funds that are found here are supplemental to those funds?

Mr. WHITE. As I understand it Freedman's Hospital takes care of certain indigent people in the District; it is a charge against the District and that is covered by this appropriation.

Mr. STEFAN. That is right. The gentleman will find other institutions in the District of Columbia such as St. Elizabeths Hospital to which we pay millions of dollars a year to take care of people who should not be a direct charge on the District taxpayers.

Mr. Chairman, I reserve the balance of my time.

Mr. COFFEE. Mr. Chairman, I yield 10 minutes to the gentleman from Nevada [Mr. SULLIVAN].

Mr. SULLIVAN. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SULLIVAN. Mr. Chairman, there has been introduced and is pending before this body House Joint Resolution 281 proposing a new article of amendments to the Constitution on the subject of marriage and divorce. The Constitution in its present form reserves control of these subjects to the States and the people, and I, for one, intend to oppose this resolution to the extent of my ability.

If this resolution took the form of a delegation by the States and the people of additional power to the United States so as to embrace the power of Congress to legislate on the subject matter, it would not be so objectionable, although still wrong in principle. But it by-passes Congress entirely and, like the prohibition amendment, seeks to write an unchangeable statute into our body of law that will be irrepealable and self-enforcing.

Mr. Chairman, our Constitution is a fundamental document, general in scope, consisting of a framework of government, a distribution of powers and a bill of rights. As a framework of government it is necessarily in detail, with some adequate provision for execution by supplemental legislation. In the matter of the distribution of powers between the legislative, executive, and judicial branches of government as well as in the domain of delegated and reserved powers as between the States and the National Government, it is more general, rigid, and permanent. In the department of rights, embraced largely in the first 10 amendments, it was made specific at the insistence of the States who feared the possibility of encroachments upon important preexisting rights merely because they were not enumerated. Outside of those features in which the particularity of a statute was unavoidable, it has been the practice in amending the Constitution to do so in general words granting power to Congress to fill in the details. Most of the inhibitions have been upon the National Government, but we find in the fourteenth amendment a prohibition against the making or enforcement by the States of any law "which shall abridge the privileges and immunities of citizens of the United States."

However, in spite of the general principles followed in making the Constitution and the amendments thereto, we embarked on the statutory type of amendment respecting prohibition, with what disastrous results history has already recorded.

We are now confronted with a proposal to write another statute into the Constitution—not a delegation or reservation of power and not a necessary plan in the outline of Government, but as the supreme law of the land, removed alike from the legislative jurisdiction of the Congress and that of the several States.

The plan, Mr. Chairman, is a bad one, no matter what the subject matter of the innovation may be. But it is particularly bad in the present instance, dealing as it does with marriage and divorce and the rights of the diverse local communities in this country to prescribe rules of civil conduct covering the privileges, status and the modes of living of the people who from time immemorial have had the right to seek out without penalty those territories offering to their minds the largest degree of freedom and enlightenment.

Consider the scope of this amendment, Mr. Chairman:

It limits the rights of citizens of the United States respecting marriage and divorce, by the accident of domicile or matrimonial domicile in the State of original residence. In other words, if a man ever lived in one State he could not marry in another State after divorce except by consent of the State of original residence. And if a man and wife lived together in one State neither could obtain a divorce in another State, except by consent of the State of their original residence. One could not leave the State for divorce against the other without bringing the other. The practical result of such a rule would be to coerce all the States to adopt uniform grounds of divorce. This, we have learned, is impossible. The attempt would force people living in hostility in an illiberal State, either to a life of continued unhappiness or to live a life of immorality, equally scandalous.

The effect of such legislation would be such that every State could adopt the rule "once domiciled, forever domiciled." The question of domicile in fact would no longer be one for the determination, like any other fact, of the courts to whom a litigant appealed for judgment as to his status, wherever he might be, but it would be one concerning which each State might adopt conflicting definitions and reserve the right to adjudicate anew to the utter confusion of all public order and morality. Similar restrictions are made respecting annulments of marriage, confining them to the State of marriage.

Mr. Chairman, we have sufficient chaos in this particular as it is. We have the spectacle of several States finding the domicile for inheritance- and succession-tax purposes, of a given decedent, in each of their respective territories and the Supreme Court declining to intervene. We have in like cases and income-tax cases the old provision that personal property follows the owner twisted about so that wherever a man goes he may be taxed for a mythical protection to his wealth as well as in the jurisdiction where it is actually located and employed. In divorce we had one line of decision begun 41 years ago wherein a State was absolved from the charge that it denied full credit to the judgment of a sister State, because it relied on the fact that its public policy did not approve of divorces obtained in another State. This rule has been followed a

year ago last December by a reversal in which South Carolina was held to have unjustifiably denied full faith and credit to a Nevada judgment on the score that it offended the public policy of South Carolina. The amendment is designed to reverse the latest rule established by the Supreme Court. There would be no conflict of law respecting the fact of matrimonial domicile, but separate, individual domicile, the very freedom of locomotion without penalty, would be wiped out by constitutional edict.

Mr. Chairman, excuse for this proposed amendment is based on the claim that under present circumstances a rich man may get relief from his marital entanglements whereas the poor man must suffer for want of necessary funds to enable him to circumvent the laws of his original residence. This is not so. It is just as onerous to require a poor man to live 1 year or 2 years in the State he might not otherwise select for employment or other reasons, before the courts will hear his petition for divorce, as to require him to travel to a distant State even at considerable expense if he seeks greener pastures and more liberal divorce laws. The same is true of defenses to divorce actions. A defendant wife is accorded suit money and allowances necessary to contest the action. The definition of domicile for divorce purposes is the same in all States. In Nevada domicile must not only be proved but continuous physical presence for the statutory period must be established. The grounds of divorce in my own State of Nevada are standard in the States as a whole. The prevalence of migratory divorce is a result of the severe and almost prohibitive attitude of the "holier than thou" States, no less than the liberality of those States which recognize the realities of life.

Mr. Chairman, even as water seeks its level, those seeking to dissolve the bonds of matrimony will go to that State that suits their convenience, balancing the cost in time, effort, and money against the advantage offered. Men move from State to State in search of the opportunities of life—for health, for the purposes of business and industry, for educational advantage, and for escaping the burdens of taxation. They avoid rather than evade conditions in one community in favor of those of another. So long as the public policy of States is expressed in their laws and the decisions of their courts, States will differ one from another in their character. Who is to say that the public policy of any State is wrong because it is different? What power exists to alter the public policy of any State? Certainly it does not reside in any one State to be directed against another. And much less does it reside in the Nation at large. Uniformity of legislation is a voluntary matter of slow growth. Let us leave to the States the determination of the status of inhabitants submitting to their laws, giving all parties in interest the due process of a day in court under the law of the land, rather than fasten on our people the dead hand of a discarded allegiance.

Mr. STEFAN. Mr. Chairman, I yield 10 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, in consideration of the District appropriation bill, I, too, want to give expression to my gratitude to the chairman of this committee. The faithfulness of his service and the sincerity of his application are something for which we should be very grateful. I am happy to be able to take a moment to pay tribute to the splendid work in which he has been so consistently aided by the ranking minority member, the gentleman from Nebraska, the Honorable Mr. STEFAN.

May I draw the attention of the Committee to the report of the health work in the District. We have in the statement made by the director a most amazing report. He told the subcommittee that during the year of 1943 "we have completed the best health record in the District's history." When we consider that the population of the District of Columbia has been increased phenomenally which in itself brings the possibilities of epidemics on every side, and we learn that the result of the health "protective work is a better health record than ever before, we should feel very happy that such service is available to the people of the District of Columbia. It means good administration, it means application, it means much overtime work that never gets paid for. It bespeaks ability, and I want to express here and now my appreciation to the director and all his staff.

There is one matter that has troubled me very much as I have studied District matters. I am convinced that there should be a careful restudy of salary schedules by the officials of the District and of the Civil Service Commission. I recognize the fact that it is not within the province of the Appropriations Committee, but it is my hope that the Congress as a whole will in some way prevail upon the civilian authorities, the District officials, and the civil-service groups to restudy the whole salary basis, not only of the Health Department but also of all other departments of the District, so that there could be a wiser use of the salary funds and a more just distribution on a basis of responsibility carried.

I would like to bring to the attention of the Committee at this time the very fine cooperation that exists between the Department of Public Welfare and the privately financed Instructive Visiting Nurse Society. That society has on its rolls now about 85 nurses, 75 of whom are field nurses; the others are in administrative positions in the various branches. These nurses work in closest cooperation with the Federal nurses. Such harmony bespeaks the splendid quality of these organizations. We should pay tribute to both groups.

May I once more commend the committee for its excellent work and its real service to the District.

Mr. Chairman, I yield back the balance of my time.

Mr. STEFAN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, the political picture is growing clearer day by day. It makes one think of the little instrument we used to have years ago. You looked through a couple of glasses when you put it up to your face, and you saw pictures. We used to draw the slide back and forth until you got the right sort of focus and the picture became clear and distinct. I believe we called it a stereoscope. It looks to me as though political events are now coming into focus so we know about what we will have to meet in November, as already the political picture is taking shape.

For a long, long time some of us have been telling the voters in our respective districts that the contest down here in the House was not so much between Republicans and Democrats as it was between New Dealers, Communists, and some labor leaders on one hand, and Democrats and Republicans on the other, that the lines were being drawn along that front.

Those of you who last night looked at the Washington Star, if you read the editorial page, could not help but have noticed the similarity between, at least, two articles, the one by David Lawrence, where he called attention to the fact that the C. I. O. had fallen to a large extent, as was some time ago charged by John L. Lewis, under the influence of the Communists, and that the Democratic Party was being taken over by the C. I. O. controlled, as it was, by the Communists, and the editorial on the same page. Lawrence has long been an ardent admirer of the President. He has had many, many very pleasant things to say about the administration, but it is evident that even his stomach will not stand all that the New Deal has been dishing out. So last night he attempted to call attention to the fact that the Democratic organization, the party organization, as such, is being, if it has not already been, taken over by this new group.

He also had a subcaption in that article which was, if I recall correctly, to the effect that bayonets, under the direction of the President, were being used to enforce the payment of union dues. He called attention also to the fact that the C. I. O., when once installed by the armed forces of the United States, was in some instances collecting a campaign fund from union members which, although he did not so state, it might be logically inferred, with the consent of the administration, and because of the administration's aid in insuring its collection, was being used to promote the election of the President for a fourth term. It may be stated a little differently. The administration was forcing employees in factories to remain—and Lawrence, by the way, said that there was no authority in law for that position—as members of the union, and to

pay into the union treasury a dollar for campaign purposes a fund amounting, as he stated, to more than a million dollars, and that that vast fund, collected by the administration's assistance or through its assistance, was then used to promote the President's reelection.

The administration, using its great power and, in one instance at least, the Army, forces men to remain in a union, and affiliates of that union—if not that union itself—force those so compelled to remain members of a union to make political contributions, which, in turn, are used to promote the election of the Commander in Chief of the Army, who compels those workers to remain in the union.

Well, now, that is a sorry story, but undoubtedly the facts bear it out. Mr. Lawrence suggested that some of the southern Democrats should do something about it; or, at least, they were disturbed about the situation.

That I may avoid being accused of either misquoting or misinterpreting Mr. Lawrence's article, let me state that it reads as follows. I quote:

SOUTH SEEN WORRIED BY LEFTIST DEMOCRATS—UNION SLUSH FUNDS DISTURB CONGRESS MEMBERS

(By David Lawrence)

Democratic Members of Congress from the Southern States are very much concerned over the political news they have been reading lately. For one thing, they do not like to see the Democratic Party taken over by the American Labor Party, the Communist Party, and the so-called Liberal Party, which was formed recently out of the right wing of the American Labor Party. The fact that Earl Browder and the Communists have endorsed President Roosevelt for a fourth term and will now become active in the Democratic Party is not relished by the Democrats in the South.

Also, it is apparent that a large slush fund has now been made available for the left-wing groups to enter the Democratic primaries and unseat the regular Democrats. Although Congress, while writing the Smith-Connally law, adopted a provision amending the Federal Corrupt Practices Act so as to prohibit labor unions from making political contributions, this has not as yet cramped the style of the C. I. O. Political Action Committee or any other labor unions.

BAYONET AIDS DUES COLLECTION

Many millions of dollars have been collected by assessments, membership dues, or otherwise from the labor union members throughout the country. This drive is, curiously enough, being assisted by the Federal Government itself, which is using the armed forces of the United States to compel employers at the point of a bayonet to accept clauses in union contracts whereby members of the union cannot withdraw from such unions once they join. This helps increase the amount of dues collectible by the unions. Some of the constitutions of the unions do not permit withdrawal of members, and there is no statute which authorizes the War Labor Board or any other governmental agency to vitiate labor union contracts. There really is no authority in law either for the maintenance-of-membership clauses, but the President feels that he has sufficient power as Commander in Chief to use the bayonet to compel maintenance of membership in labor unions.

The Federal Corrupt Practices Act was written originally many years ago by Congress to prevent the use of slush funds in political campaigns. It was aimed at corporations which used company funds to influence elections. The statute has been very effective in preventing corporate funds from being applied to elections. Although individual businessmen have made contributions of a limited nature out of their own pockets, corporate funds have pretty generally been kept out of the campaigns because of the Federal Corrupt Practices Act.

Now, under a ruling by Attorney General Biddle, it is apparent that any sum spent by corporations or labor unions in primary campaigns will not result in prosecutions. The Federal Corrupt Practices Act itself defines election as a "general or special election," but does not include a primary election or convention of a political party.

This means that the C. I. O. Political Action Committee can use its funds to enter primaries, especially in States where the outcome of a primary election is equivalent to the final ratification in the autumn election. The southern Democrats are the ones who have the most to fear from the use of the C. I. O. union funds. Already a campaign fund of nearly one million dollars has been set aside by labor unions for "political action."

DIFFICULTY OF INVESTIGATION

Congress, of course, can protect itself by adopting a statute at once to make the Federal Corrupt Practices Act apply to primary elections as well as general elections, and it would not be surprising if something of this sort is done, though it may come only after a general inquiry by a congressional committee. The resolution is pending, and doubtless will be passed by the House very soon.

The difficulty about a congressional committee investigation is that the administration can put rubber-stamp Members into control of the committee. The usual congressional investigating committee consists of five members—two Republicans and three Democrats—but, since the Speaker of the House appoints whoever the administration wishes appointed, it means that almost any congressional investigation can be squelched at the outset. It may be that Speaker RAYBURN, who comes from a State which is vitally interested in the C. I. O. Political Action Committee, may find it desirable to appoint committee members who are not going to whitewash the use of slush funds by labor unions in political campaigns, but this is the very question which is now being debated in the cloakrooms on Capitol Hill.

Eleven years ago, when the Roosevelt administration came into power, it talked a good deal about driving the "money changers from the temple." It professed high ideals. It spoke of itself as a "liberal" administration. But it has turned out to be not a bit different from its Republican predecessors—ready and anxious to use political funds and public power to perpetuate itself in office.

Today, in the Washington News, as I picked it up I noticed this caption, "Texas Democrats give party an ultimatum."

The Texas Democrats, it seems, had their State convention. They held a rump convention as well as a regular convention. The Texas regular Democratic convention notified the national leaders that unless the national convention adheres, and I read "to what Texans consider the fundamental principles of the party," that the folks down in Texas—and practically all of them are Democrats, I understand—the Democrats down there were not going to be bound to vote for the candidate nominated at Chicago.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Colorado.

Mr. HILL. I hold in my hand something in which I am sure the gentleman will be interested. It is a copy of the Texarkana Daily News of Tuesday, May 9, 1944.

Mr. HOFFMAN. That is a reliable newspaper, I assume?

Mr. HILL. The heading is "Bowie County Democrats slap New Deal." This is a considerable time ahead of the convention yesterday.

Mr. HOFFMAN. From whose district does that paper come?

Mr. HILL. The gentleman from Texas [Mr. PATMAN]. If the gentleman would permit, I should like to read what those fellows said.

Mr. HOFFMAN. If it is not too long, and on the understanding that I express no opinion on it, for I have not seen it, I consent.

Mr. HILL. I would be glad to read it.

Mr. HOFFMAN. All right, go ahead. Can the gentleman from Nebraska yield me some more time?

Mr. STEFAN. Mr. Chairman, I yield 5 additional minutes to the gentleman from Michigan.

Mr. HILL. This is what it says:

Bowie County Democrats slap New Deal; vote resolution opposing F. D. R. for fourth term.

This is what they said in these six resolutions:

1. In favor of all plans and proposals presented to the State convention, which are recommended by the State executive committee, and which confirm that right of the Democratic executive committee, and which confirm the right of the Democratic Party of Texas to determine who shall constitute the members of such party in Texas.

2. In favor of sending to the Democratic national convention to be held in Chicago on July 19, 1944, a delegation uninstructed as to whom they shall vote for as the Presidential nominee and the Vice Presidential nominee of the Democratic Party.

3. In favor of inviting Gov. Coke Stevenson to be chairman of the delegation to be sent to such Democratic national convention.

4. In favor of instructing the delegation to such Democratic national convention to work and vote in that convention for the restoration of the two-thirds rule in the selection of the nominee for President and Vice President on the national Democratic ticket.

5. To vote for all motions, petitions, and applications to insure race segregation necessary for the well-being of the South, and to favor all proposals that would insure strictly a white man's primary in Texas.

6. To vote for and support all motions, petitions, or proposals that would insure the South and Southwest to representations on the Supreme Court of the United States.

The article then goes on to say:

The following amendment to the foregoing resolution was offered by William V. Brown, and upon vote of the entire convention was carried:

To amend Resolution No. 2, so that the same shall read as follows:

"In favor of sending to the Democratic National Convention, to be held in Chicago July 19, 1944, a delegation instructed to vote against Franklin D. Roosevelt, as the Presidential nominee, and against HENRY WALLACE, as Vice Presidential nominee, of the Democratic Party."

This was on Tuesday, May 9, 1944, and undoubtedly was a shadow showing exactly what would happen on yesterday, and it did happen.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I heard over the radio that Assistant President Byrnes made a speech up in New York yesterday in which he said that this country would lose the peace unless we were united here in the United States. I am wondering just what the gentleman thinks Mr. Byrnes might have in mind to get the people united. Does the gentleman believe it is to agree with everything that some of our allies want, or does he think it means that we should remain united on the home front and let the C. I. O. take over everything? Or just what does the gentleman think he may have had in mind?

Mr. HOFFMAN. I have no way of knowing what Mr. Byrnes had in his mind, but I do know that it seems to be the administration's idea that we should have unity, but unity of a peculiar kind. Unity is a desirable end. It seems to be the administration's idea that we can have unity if, and only if, we agree with all the New Deal policies. The C. I. O. takes the position that no one is fit to serve in Congress in either branch unless he has their endorsement and gives them unquestioning obedience. Yet I am inclined to think that if the C. I. O. will ask their shop stewards or organizers or some of the heads or, more correctly, their so-called leaders, I mean those who have come from foreign countries and who have become citizens, and who now seem to be directing the political activities of the C. I. O., and who seem determined to map out the course which this Nation shall take in the years to come—we will learn we can have unity according to their theory if we do not raise any objection to what they want; but if anyone ventures to speak for America, if anyone ventures to speak for those who are in the armed forces or for constitutional government or for businessmen or for farmers or independent American citizens, and to oppose anything any internationalist wants, then, according to the idea expressed by the administration's spokesmen and by the C. I. O. committee for political action, we are all creating disunity.

Last night, just across the column from the article by Lawrence, there was an editorial in the Star. All these Washington papers, if I get the correct history of them, are always proadministration. It does not make any difference whether it is a Republican or a Democratic administration, they are inclined to go along, and perhaps that is as it should be; I am not expressing any opinion on that.

The Star, I notice, has had many a fine write-up of the New Deal. They have called some of us who oppose some of the New Deal policies disloyal or lacking in patriotism. The local papers intimate at times—and especially the Washington Post—that we really do not know anything, anyway, that our people must be possessed of little or no judgment to send us down here.

I can recall the time when I first came here, all I had to do if I wanted to learn how to be, in the opinion of the Post, a good Congressman was to read the editorials and follow their advice. There never was a bill of any importance coming before this House that the Post did not have an editorial upon it, and if you did not agree with it, well, it was just too bad for you, it was regrettable that you did not have more good sense, that you did not exercise better judgment. That was the opinion usually expressed by the Post.

In the Star last night there was this editorial commenting on the assumed change in the Communist Party, where Mr. Browder and his friends and supporters do away with the Communist Party, and lo and behold, the same people form another organization—called the Communist Political Association. They pretended to abolish the old one, the Communist Party organization, and now they come along with this—what is it, Communist Political Association—the same officers, the same people acting in the same way using the same methods but supporting Mr. Roosevelt for a fourth term.

As I read that editorial where they quote the Communist platform of 1940, I recall that Browder was the fellow who, when he was in prison, for national unity, the President said, was released from jail. Well, Browder was released, and from the day he got out down to the present moment, when he formed this new association of Communists, from that day right down to this moment he has advocated the reelection of the President. So now the President, if he becomes the nominee of the so-called Democratic Party when it holds its so-called convention in Chicago, if the President becomes the nominee of that party he will also be the candidate of the Communist Political Association, successor and heir of the defunct Communist Party.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DWORSHAK. Mr. Chairman, I yield 2 additional minutes to the gentleman from Michigan.

Mr. HOFFMAN. Our friends on the majority side when they support him will be supporting the nominee, the candidate, not only of the—I do not know how you would refer to it; it has not altogether passed out because they have the name—of the captive Democratic Party, of the new Communist Political Association of the C. I. O., of its committee for political action, and of the American Labor Party, he will have the support of all of those who believe that we ought to take care of all the rest of the world before we do anything for our own country, of all of those who think more of foreign systems of government than of our own, of many who are on Federal pay rolls of those who are receiving special favors and privileges.

Mr. AUGUST H. ANDRESEN. The gentleman has heard of infiltration?

Mr. HOFFMAN. Yes; but that is not quite the right expression; no; no; they have just taken over the Democratic organization. They just take it over. They just do not work in and around, they just grab the whole thing. Did you ever fish for bass? A bass comes along, you know, and grabs a little shiner and the shiner is gone just like that—he is out. The bass does not fuss around like a pike, giving a bite here and there or taking his time. He grabs his victim and swallows him. That is what the New Deal, the President, and the Communists have done to the Democratic Party. That is what has happened to the Democratic Party. I do not know whether these gentlemen over here on the right realize it, but some of them, some from Alabama, some of them down in Texas and some from other places are beginning to understand now just what has happened, is happening to them.

That I may not be charged with misquoting or misinterpreting the editorial from the Washington Star, let me read it:

THE SPOTS REMAIN

The election of Earl Browder as president of the Communist Political Association will not come as a breath-taking surprise to anyone who has followed the maneuverings of the American Communists.

The Communist Political Association is the old Communist Party under another name. It had been found, according to Mr. Browder, that the organization of Communists as a political party was an obstacle to that wholehearted collaboration in the working out of American problems in the American way, which is so dear to the heart of a Communist. Hence, the party is disbanded and the political association emerges.

Curiously enough, however, there are many points of resemblance. The members of the association are the same persons who were members of the party. All of the members of the governing body of the old party are members and a majority of the new national committee. And now Mr. Browder, general secretary of the party and twice its Presidential candidate, has the good fortune to be elected president of the new association.

To complete the record two real changes should be noted. In addressing the convention Mr. Browder began with "ladies and gentlemen" instead of the more familiar "comrades." Second, the new and somewhat larger national committee includes five more or less prominent trade-union officials, where only one had served on the governing body of the old party. Mr. Browder said this constituted a "timid step" in drafting trade-unionists to the committee which will be expanded in the future.

Despite these minor changes, however, the Communist organization remains substantially as it was. For the moment they are 100 percent behind President Roosevelt and fervently in favor of an all-out prosecution of the war. Yet, as the New York Times recalls, they are the same men who, in 1940, adopted a Communist Party platform which said:

"Combat the imperialist acts and policies of the President. * * * No aid to the imperialist warmakers in London. * * * Oppose all war loans and credits to the warring imperialist powers. * * * Stop the sale and shipment of munitions to the belligerents. * * * Resist the militarization and armaments program of the administration and Congress. * * * Not a cent, not a gun, not a man for war preparations and the imperialist war."

That was when Russia, under its nonaggression pact, was a de facto partner of Nazi Germany. Now that Russia is at war with Germany, the American Communists have adopted a new line and changed their name. But the spots remain the same.

It has taken Mr. Lawrence and the Washington Star a long, long time to catch up with Midwest thinking.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. DWORSHAK. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, in looking over the report on the bill that is now before us I find that the budget and the committee approval is for approximately $10,458,000 over the budget for the fiscal year 1944–45. Most of our appropriation bills that are coming in, I think, show an increase in the amount of money that is allowed. We get into larger expenditures both for the normal running of the Government, as well as for war expenditures, to say nothing about the international relations which we are financing from time to time. The deficit which is now running and which is amounting to several billion dollars per month, the rapid increase in the growth of the debt, the approach we make toward remobilizing for peace in the post-war period, and the fact that we shall probably have at least 8,000,000 new workers who will want positions on the pay rolls of the industries of this country when the war is over causes me to give some thought to how our private enterprise system is to operate in the post-war period; whether or not the profit incentive is to be eliminated, and, if so, on what basis is risk capital to be obtained from the citizens of this country; and whether or not the citizens of America will finance industry or whether or not we will depend upon government to build the plants in which to employ the people for the purpose of producing the goods that we have reason to want and expect to enjoy as we go on through life.

I wish to direct my remarks to this question:

WHY A POST-WAR O. P. A.?

Mr. Chairman, too many people are assuming that somehow efficiency is begotten in war by a regimentation which in peace would be condemned as the surest path to rewards for incompetence. "At best," says Prof. Ray Westerfield, of Yale, in writing about commodity price regulation and reconversion in the Commercial and Financial Chronicle for April 20, "price controls merely postpone the effects of inflation." At worst—that is, with the use of subsidies—these controls, by creating and freezing excessive cash balances which escape taxation and become savings, prevent the liquidation of war costs by taxation and so defeat their own ends.

Yet, Price Administrator Bowles alleges that O. P. A. can by this process prevent—not merely postpone—the effects of inflation. He has even represented that, by contrast with World War No. 1, there will be no post-war boom and depression if O. P. A. is not compelled to ease prices upward by amendment of the act to prohibit subsidies, which, he says, must play an essential role in holding the line. "We shall provide a firm price level on which to base an era of post-war prosperity," says a chart set up before congressional committees, "if we continue to hold the line."

If, however, price controls are only putting off the evil day of reckoning, this notion can be little more than wishful thinking. Indeed, indefinite continuance of O. P. A. may be forecast precisely as the Administration is correctly represented as relying on price fixing to prevent the boom-bust business cycle. Continuance of the close alliance with the Keynesian school favoring deficit spending plainly bears an implication of perennial price fixing—witness the comment of Dr. Henry Simons, of Chicago, on Hansen and Fiscal Policy, as published 2 years ago in the Journal of Political Economy. I quote:

> The argument (of Hansen) is evidently designed to support the view, common among Keynesians, that attention should be focused on spending adjustments and not upon taxes. * * * Spending purchases the votes and loud applause of organized, articulate minorities, while tax (adjustments) concern only the unarticulated interests of everyone as buyer of goods and seller of services. * * *
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> What matters is whether the private enterprise sector is to be an area of free markets or not. * * * If not, it cannot long survive at all, much less maintain itself in absolute or relative size. How is private enterprise to be strengthened and revitalized to carry greater tax burdens and to override the inhibitions of adverse political risks? On this score Hansen has nothing to propose save larger governmental control of prices and wages.

Since Dr. Simons wrote this comment, critics of Keynesian finance have not wavered. Let me cite, for example, the following comment from Professor Mering, of Tufts College, a refugee from Berlin who, as a German scholar, witnessed the failure of the same policies when attempted by Hitler. Says Professor Mering—American Economic Review, March 1944, page 93:

> An essential factor in the whole economy—the fact that the unemployed need not fear starvation and that the policy of the labor unions can be based upon government aid—is taken (by this Keynesian approach) as given. Consequently, not an individualistic system is assumed, but a system with strongly marked social control.
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> The conclusion which is finally reached, then, is that the existing amount of social control is not sufficient. At the same time the inference that less government activity than originally taken for granted might also be a solution to the problem of unemployment is excluded. Government planning is considered flexible only in the direction of more planning.
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> Alvin H. Hansen indeed states this in unmistakable words: "In a controlled economy the government, the corporation, and organized groups all exercise a direct influence over the market mechanism. * * * There can be no doubt that these profound changes in institutional arrangements are significant. It is not possible to go back to the atomistic order. Corporations, trade unions, and government intervention we shall continue to have. Modern democracy does not mean individualism. It means a system in which private, voluntary organization functions under general, and mostly indirect, government control. Dictatorship means direct and specific control. We do not have a choice between plan and no plan. We have a choice only between democratic and totalitarian regimentation." The author does not seem to realize that this statement deprives the theoretical discussion of its solid foundation. For it can always be claimed that one or the other critical government measure cannot be introduced or withdrawn for some political reason. * * * In other words, what should be proved is placed among the suppositions.

The odd notion offered by Mr. Bowles that the death knell of private enterprise will be sounded if O. P. A. ceilings are raised to guarantee profits to all producers who can stay in business competitively, is of a piece with this what some designate as an illusory philosophy of compensatory spending; for how can price controls ever be abandoned without this so-called guaranty coming into play as long as $75,000,000,000—and more, as the war goes on and as bonds are cashed; the sum is already nearly four times the money supply of World War No. 1—is being held in the form of cash savings immune from taxation and therefore subject to no diminution except by collapse of the credit structure in which the Treasury is so heavily involved and which the squander system is all set to prevent? Says Professor Hansen in a recent statement in the Commercial and Financial Chronicle:

> I feel very strongly that it is of the utmost importance to maintain general price control and rationing in such areas as seem necessary. Price control and rationing in the post-war period is not anything that anyone needs to be the slightest disturbed about with respect to continued Government control, I believe. * * * On the other hand, consider how enormously important it is even from the standpoint of private business. If we do not continue price control and rationing, it seems to me that there is not the slightest doubt that food prices will rapidly rise, and in turn this would lead to excessive demands for higher wages. This would give us exactly the spiral which would bring us a serious post-war inflation.

Yet if price control maintains the same statistical effect on production as O. P. A. charts have implied it will have, there should be mountains of surplus foodstuffs by the time the war is over. Already, says Mr. Bowles, there has been a 21-percent increase, and so forth. The obvious inference is that these increases will continue because of the efficiencies allegedly induced by price fixing. The O. P. A. is, indeed, seeking by subsidies to guarantee profits to producers who are not able to meet competition in costs at prices set as generally fair and equitable, and therefore, by Mr. Bowles' own statement, it is sounding the death knell of private enterprise as it has heretofore been known to operate. Or does he think that subsidy is a way of preserving free competition? Subsidies, it seems, are a four-way vitamin pill, good for what ails you—for deflation in the thirties, inflation in the forties; peacetime depressions, wartime booms; winning war, or winning peace, and financing a new-world order or an old-world order; for Santa Claus, or for Shylock.

Such cure-all incongruities are inevitably invoked by a politically tainted theory of the inflationary spiral. It seems to be defined as a process of step-ups in wages based on the indefensible policy of a percentage rise for organized, factory labor as a compensation for every percentage rise in items selected to represent the cost of living statistically, allegedly to preserve New Deal social gains. Low-paid, unorganized labor, it would appear, is neither involved nor compensated in this so-called spiral. What policy could more surely or needlessly raise the cost of factory products for war? Why should we not, in employing a purely noncompetitive, arbitrary, wartime policy of wage payments, offer merely a dollar-and-cents raise, instead of a percentage raise, to compensate for living costs?

The truth is that it is not the effect of a rising cost of living that creates the inescapable step-up in wage costs, but rather the effect of what economists call opportunity costs due to the shift from underemployment; that is, from a buyers' labor market, to overemployment, or a sellers' market. With pre-war underemployment, there was none of this opportunity cost for labor. The individual had to take what he could get, thus creating a great many different wage costs even in the same industry, particularly as unions forced out competition, or scab labor, and set up the principle of absorbing profits.

But with wartime overemployment collective bargaining cannot control wages against an upward movement. It is adapted to control of too low wage levels, where uniform opportunity costs are lacking, as against the control of the excessive opportunity costs presented to the individual by wartime labor conditions and exaggerated by the deliberate policy of percentage escalation of wages. In the war boom, striking for better pay takes the form of unorganized migrations instead of collective demands; and it is this which alters the whole structure of pre-war costs and forces a reconstruction that makes an economic freeze practically impossible.

Nor is the impracticality of the hold-the-line order being overlooked. Subtly a reconversion program which invokes higher prices for manufacturing to meet, not greater profit and tax-paying margins—these are rigorously held to pre-war levels—but higher wage costs, is being framed as a present expedient in avoiding the pyramiding of raids on the Treasury for subsidies. Subsidies are to be confined to boosting real wages. In factories these have been advanced over 16 percent since January 1941 when they were already at a record high relative to living costs. Nearly half of this rise developed within 40 weeks in the latter part of 1943.

It was hardly to be expected that this program of partiality in price-raising directives, all set to break the line for political action, would be reported by any agency in control of the Nation's first third-term administration. It was well under way before the Baruch-Hancock report, or that of the Senate's Special Committee on Post-war Economic Policy and Planning. The article by Dr. Westerfield, already cited, is worth quoting on this score:

In both of these reports, however, there is one striking omission, namely, that nothing is said specifically about the abandonment of the wartime price controls—nothing as to the extent, timing, methods, or principles that should govern this important element of reconversion. The reports are singularly silent even as to price policies that should be followed in the reconversion process.

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Quite plainly neither of these reports was minded to come to grips with the basic question whether the Government controls of production and prices should be lifted straightway once the war ends. The Senate report did declare that the "paramount consideration in the handling of all demobilization problems should be the preservation and strengthening of the American system of free competitive enterprise," and the other report in a sentence tells how the productive capacity of our individual enterprise system exceeds that of communism, fascism, and nazi-ism, how desirable it is speedily to extricate our Government from industry, and to close "the books on the war as quickly as possible," not leaving "the Government after the war a jackpot of controls which invites every pressure group to hit it." Nevertheless, the reports are replete with proposals that directly require long continuance of the "jackpot of controls," which wittingly or unwittingly may well make for totalitarianism. It is unfortunate that neither report takes as a major theme the absolute necessity of wiping out the whole array of war controls if our individual enterprise system is to be rehabilitated.

Among the various war controls price control is less defensible than control of manpower and physical materials, and it rests on a different basis. The war is fought by men and materials—they are indispensable in destroying the enemy, and the state is warranted in drafting and controlling labor; and in requiring the maximum production and conservation of materials. Such warrant as obtains for rationing and price control of civilian goods lies in shifting the costs of war as among social classes, from what the incidence would be under a free economy; they are designed to defeat the use and natural effect of the plethora of money that war financing puts into the hands of the people. In order to arouse and then maintain the maximum effort of the people, it is deemed expedient to bribe them by high wages and profits; but the present enjoyment of the higher incomes is straightway defeated by rationing and price control, as well as by taxation, bond purchases, and forced saving.

All these controls are inconsistent with the freedom of spirit and action characteristic of the individual-enterprise system. They are tolerated by the people in wartime only because they are thought to promote the successful prosecution of the war. During the war patriotism, common dangers, and common objectives make the people tolerate these irksome controls, on a larger scale and more intensive as the war proceeds. The controls may reach—are likely, in fact, to reach—the stage of totalitarianism, which is the very pole of the individual-enterprise system.

At the conclusion of the war there is only one way to restore the traditional American system of private enterprise, constitutional government, and personal freedom: The war controls must be abandoned, as well as many of the controls initiated during the depression of the 1930's. During that decade the trend toward totalitarianism was pronounced, and the war greatly accelerated the pace. Never in our history have we departed so far from the first essentials of the traditional American way of life, and it can be retrieved only by sharp decision, unequivocal determination, and persistent effort. And it will require sacrifice, patience, and courage. Although we note the cumulated irritation from rationing, price ceilings, priorities, and material allocations, we cannot count on it mounting to an irresistible demand for the immediate restoration of free enterprise and free markets. After a decade of toleration, interests will have become vested who will find for continuance of controls and theorists will rise to defend them and even to argue for a totalitarian economy.

One group will be apprehensive of inflation, another of deflation, if the controls are removed. These apprehensions have some warrant in theory and in precedent, but they fail to give due consideration to the necessities of the individual enterprise system. If the price of any commodity rises or falls with respect to the prices of other things due to scarcity or plethora, the rise is tell-tale and self-corrective; it is prices that direct production and distribution; it is prices that guide the economic system when markets are free, instead of the dictator in a totalitarian regime or the O. P. A. Director in our war economy. On the one hand, high and rising prices make for more production, bigger profits, higher wages, and prosperity; and on the other hand, they cut the demand, making the people ration themselves. Shifts in supply and demand soon bring prices into line.

If it be general inflation that is feared—on account of an excessive supply of money—it cannot be obviated by price control and rationing devices in time of peace, nor is it likely that it can be obviated by increasing the supply of goods. Without the toleration and cooperation of the people, as in time of war, the control devices are doomed to break down; and if the money supply has been jumped twofold, threefold, or morefold, it is beyond physical possibilities to jump the volume of production comparably. Efforts to hold down the price level will only delay the rise. The only effective technique would be the imposition of very high taxes on the income receivers and the destruction of the money received. The present prospect is that for the rest of the war and for a long time after the war more money will be created than destroyed, and inflation will proceed willy-nilly. In other words, if rationing and price controls are kept after the war ends with a view of obviating inflation, there can be no stopping—we shall surely proceed to totalitarianism. It seems the greater wisdom to discard controls and let the price level adjust itself to the supply-demand situation quite soon after the war.

The coming depreciation of the dollar will merely allocate and distribute the monetary cost of the war after the manner prevented during the war by the resort to price ceilings, rationing, and other controls. Recently the Price Administrator has boasted that his price controls have saved the people of our country $67,000,000,000; even grander estimates of alleged savings from price controls by more imaginative advocates have appeared. This is utter deception. One group of people saved in expenditure what another lost in receipts; as a nation there was no saving. What really transpired was that, for the time being and to the degree prices were stabilized, all creditors, receivers of fixed incomes, owners of money, and bank balances were not despoiled by debtors, employers, and owners of equities and land. At the best the price controls merely postponed the effects of inflation.

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A government truly interested in encouraging production and employment will assure all its citizens full freedom of contract

and the right to enjoy the fruits of their toil. When a government tries to promote the welfare of favored groups of its citizens, it proceeds by restricting the freedom of the market, the freedom of contract of sale or hire, and substitutes arbitrary laws and directives, so that the individual citizen no longer has the opportunity to provide for his own needs by using his talents in the fittest way and as his ambitions and desires may direct.

Scarcely anything could be worse in defeating reconversion of industry from war to peacetime basis than Stabilization Director Vinson's recent 2-percent profit directive, stipulating an arbitrary profit ceiling on production—that average pre-war price margins over cost are to apply on all mandatory production of civilian goods so long as W. P. B. directs the national production pattern. The extension of such mandatory production programs to many lines and with narrow profit margins is a sure way of perpetuating price and other controls. This directive typifies government action in trying to promote the welfare of one group of citizens (in this case the consumers, wage earners) at the expense of another group (entrepreneurs).

* * * * *

The extrication of our individual enterprise system from the thralldom of war controls will be a difficult task, for the continuance of the controls will be supported by the bureaucracy reluctant to abandon positions of safety and power; by theorists who advocate Government regimentation and the redistribution of wealth; by the industrialists who lack courage and seek protection and subsidy from Government; by visionaries bent on saving the world; by labor and other groups who have enjoyed favors from Government during the war; and by those who have lost faith in private enterprise.

It is of fundamental importance that the controls end at the earliest possible moment and that the country be assured that this is the Government policy. Too much attention to the orderly demobilization of the war machine and to the prevention of run-away prices is too likely to perpetuate the war controls. Private enterprise can live and flourish only in freedom under law—freedom from the discretionary managerial authority of bureaucrats. Its peacetime functioning cannot be successfully combined with wartime controls. These controls must end with the war.

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I want to go back to the matter about which the gentleman from Michigan [Mr. HOFFMAN] was speaking awhile ago, when we were talking about the dissolution of the Communist Party and Earl Browder coming in with the New Deal. It is interesting when we think back now to when Earl Browder was pardoned from Atlanta Penitentiary by the President, not so many years ago, in the interest of national unity. Now it is clear to us that it was in the interest of political unity. I am wondering what those Jeffersonian Democrats, who have gone along, are thinking today when they see Earl Browder push them out of the political bed and move over next to the Chief. I am wondering what those Jeffersonian Democrats are thinking. It is not any innovation that they are getting into bed together for the first time. They have been there, but Earl Browder has pushed those Jeffersonian Democrats over and got next to the Chief. That is the important thing. It should be very interesting to us in this country. We associate other things with it. This man Sidney Hillman who was the President's choice to head labor in this war effort at first. They took him out of that for a bigger task that they all knew about, and put him in charge of the C. I. O. committee for political action. He was running the labor war and he went out of that into leadership for the fourth term. Everybody was cognizant of all that was going on.

Associated with him today we find some other interesting people. It is interesting because the Pace Conference Report will be submitted tonight, I understand, and printed in the RECORD, giving life to Farm Security. The man who was at the head of Farm Security the last few years until recently is now Mr. Hillman's assistant in the C. I. O. committee for political action, Mr. Baldwin. He headed Farm Security for several years.

May I say right there, incidentally, I hope we will all be on our toes and be ready for this Pace Conference Report, which gives life and the first authorization to Farm Security that it ever had. It gives the first legality, even after the Committee on Agriculture of the House refused to bring out a bill giving it authorization because they are asking for so much. The Senate puts it in, our conferees accept it. The main thing is that they have asked to change their name. You remember we heard the New Deal had asked to change its name last winter or last fall from the New Deal to the War Party. That is characteristic of the New Deal, to change its name. Tugwell and Farm Security and some of those things have changed their names three or four times. But we will be asked to give it life now for the first time, in the Pace Conference Report, on which there will be only 1 hour debate, and the school-lunch program is thrown in with it, too.

Now, if we get into the majority next year, and I am sure we will in this House, just as positive as I can be, we are going to assume leadership in expenditures, and we are going to be asked on every hand what we are going to do. We are going out in this campaign and promise how we are going to cut things down. If the Republicans do not come in here solidly and eliminate Farm Security, what are you going to tell your constituents as to where you are going to begin to cut? Please answer that.

That is the next thing in order. You remember how hard it was to cut out W. P. A.; you remember how hard it was to cut out the C. C. C.; how hard it was to cut out the N. Y. A.; oh, we had a difficult job. Last year we finally cut out crop insurance. The next thing in order, according to Hoyle, is Farm Security. Cut it out.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. ROWE. Is it not rather an empty gesture, however, if we eliminate the so-called alphabetical agencies enumerated by the gentleman from Kansas, but the appropriations continue to increase and something else is substituted for them equally vicious only under another name?

Mr. LAMBERTSON. The gentleman is right.

Mr. COFFEE. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Chairman, at a recent special session of the Washington State Legislature, called for the purpose of expediting soldier voting, the State Senate unanimously passed a resolution urging the recognition of the Government of Liberation of Yugoslavia now. The fact that my State was the first in the Union to take such action, even though it required the suspension of the rules for the extraordinary session of the legislature, was the result of widespread interest in and sympathy for the cause of the fighting people of Yugoslavia who comprise the fighting armies under Marshal Tito and the budding democracy under the government of liberation, headed by its provisional president, Dr. Ivan Ribar. The people of my State are keenly aware that in advancing the cause of freedom in Yugoslavia, and in strengthening the power of its armed forces, we will save hundreds of thousands of lives of our men who soon may possibly be crossing over into Yugoslavia in great numbers, as part of the invasion of the inner fortress of Hitler's crumbling Reich.

Furthermore, the people of my State realize that as Yugoslavia goes, so may go all of Europe. If the pledges of the Atlantic Charter are kept with the people of Yugoslavia who already have made inestimable contributions to our cause, then the other peoples of the Balkans and in underground Europe will be confident of the truth of our pledges to them. History is replete with evidence that the Balkans have been the focal point of the imperial conflicts of the great European powers which have resulted in the wars which have flamed across Europe and across the world. To put out forever the fires of war in the Balkans is to go a long way toward extinguishing the flames of war throughout the world. To the people of my State who have eloquently expressed their recognition that we must give the peoples in this war something to fight for, as well as weapons to fight with, de facto recognition of the government of liberation under Dr. Ribar and Marshal Tito is not only mere justice, it is just good sense from an American point of view.

Action by the State legislature requesting recognition by the United States Government of our fighting allies in Yugoslavia is but one form of activity on the part of the people of my State in the cause of a free Yugoslavia. Thousands of citizens of the State of Washington, regardless of political party and from all walks of life, have joined a committee called the American Committee for Free Yugoslavia, have made donations to the Committee of South Slavic Americans, recently headed by one of America's great authors, Louis Adamic, to aid in clearing up the confusion over Yugoslavia's status as a partner in arms against the Axis. Two thousand copies of Adamic's latest best-selling history of the struggle of the people of Yugoslavia, My Native Land, have been purchased

and donated to Adamic for distribution among news commentators, university libraries, and other influential American citizens. The American Committee for Free Yugoslavia in my State is now attempting to make direct contact with the camps for convalescent soldiers of the army of liberation in order that direct aid, both medical and otherwise, may be sent to them by grateful American citizens.

Naturally, the nucleus for the American Committee for Free Yugoslavia was formed from American citizens of Yugoslav birth or extraction. I say naturally, because it is a fact that among some of the pioneers of our State, and on the role of its most distinguished citizens, are many who came in their youth from Yugoslavia. The gigantic fishing industry which centers in the north Pacific owes much for its great advance to the contributions made by my distinguished fellow citizens of Yugoslav extraction. Some of the best fishing boats in the world are built in the yards of northwest Yugoslav shipbuilders, and undoubtedly the world's most efficient fleets are, in part, manned and owned by our Yugoslav-American citizens in the State of Washington. But whether businessman, shipbuilder, industrialist, fisherman, or labor official, whether of Serb, Croat, Slovene extraction, or from the islands of the Adriatic Sea, these fellow citizens of mine are united with thousands of others of non-Yugoslav extraction or birth, as Americans interested in strengthening the armies and the democracy of Yugoslavia for the security of the United States in the post-war world and to immediately strengthen the chances that the lives of hundreds of thousands of Americans who are now facing the greatest task in all wartime history may be saved.

There is no doubt that if the people of the Nation were as well aware of the truth about Yugoslavia and its importance to the cause for which our sons are now fighting as the people of my own State of Washington, the government of liberation would now be recognized and its representative would be here in place of that misrepresentative of the government in exile, Mr. Konstantine Fotich. But while the people of the Nation as a whole may yet be confused by the poisonous propaganda emanating from the Royal Yugoslav Government in exile and its representatives in London and in Washington, surely our State Department is in full possession of the facts. While no widespread publicity was given here in America of the recent speech made in the House of Commons by Winston Churchill, certainly the information in that speech must have been contained in the diplomatic pouches which reach Washington from London. In a speech to the House of Commons February 22—appropriately on the birthday of the general who forged the world's first democracy with the aid of the citizen soldiers of the American Colonies—the Prime Minister of Great Britain acknowledged the heroic contribution made by Marshal Tito, the Partisan armies, and the government of liberation in these words:

> In the autumn of 1941 Marshal Tito's Partisans began a wild and furious war for existence against the Germans, and they wrested weapons from German hands. They grew in numbers rapidly. No reprisals, however bloody, whether of hostages or villages, deterred them. For them it was death or freedom. Soon they began to inflict heavy injuries on the Germans and became masters of wide regions. Led with great skill and organized on the guerrilla principle, they were at once illusive and deadly. They were here, they were there, they were everywhere.
>
> Large-scale offensives have been launched against them by the Germans, but in every case the Partisans, even when surrounded, escaped after inflicting great loss and toll upon the enemy.
>
> The Partisan movement soon outstripped in numbers the forces of General Mihailovich. Not only Croats and Slovenes but large numbers of Serbians joined with Marshal Tito, and he has at this moment more than a quarter of a million men with him and large quantities of arms taken away from the enemy or from the Italians. These men are organized without losing their guerrilla qualities into a considerable number of divisions and corps. The whole movement has taken shape and form without losing its guerrilla qualities, without which it could not possibly succeed. These forces are at this moment holding in check no fewer than 14 out of 20 German divisions in the Balkan peninsula. * * *
>
> In Marshal Tito the Partisans have found an outstanding leader, glorious in the fight for freedom. * * * Inevitably, these new forces came into collision with the forces under General Mihailovich. Their (the Partisans) activities upset his (Mihailovich's) accommodations with the enemy. He (Mihailovich) endeavored to suppress them. * * *
>
> I can assure the House that every effort in our power will be made to aid and sustain Marshal Tito and his gallant bands. The Marshal sent me a message during my illness and I have since been in constant and agreeable correspondence with him. We intend to back him with all the strength we can draw on, having regard to our other main obligations.

According to latest reports, Capt. Randolph Churchill, a paratrooper, is now with Marshal Tito's armies in Yugoslavia.

Since this historic speech, made on Washington's Birthday by the Prime Minister of Great Britain, a Yugoslav military commission has arrived in London, presumably to aid in the preparations for the coming collaboration between their forces and our forces which may be coming across the Adriatic. As reported by A. C. Cummings, May 5, from London for the great Southam press of Canada, little doubt has been left that Tito and the Partisans are our allies and Mihailovich, War Minister for the Government in exile, our enemy in the Balkans. Cummings reports, in part:

> The Yugoslav military mission now in London has left little doubt that General Mihailovich, leader of one group of Serb insurgents, and War Minister of the exiled Yugoslav Government, has been actively pro-German and has assisted the enemies of Yugoslavia in various ways.

In the face of such impressive evidence that the Yugoslav Government of Liberation and its army under Marshal Tito are our allies in Yugoslavia, and the representative of the Government in exile, General Mihailovich, is our enemy, can there be doubt now that each hour we delay recognition of our allies, we are aiding our enemies as well as theirs? Recently, Marshal Tito requested that all funds held in the possession of the Royal Yugoslav Government in exile be frozen. That message was directed toward London. In some respects, it might better have been directed toward Washington. The Royal Yugoslav Government in exile has in its control some $90,000,000 remaining from the one hundred and ten million which they secured when they left their fellow countrymen and fled the approaching panzers. The funds which maintain the exaggerated standard of living for young King Peter come from funds held in the name of the Royal Yugoslav Government in exile here in the United States. King Peter is the second highest-priced ruler in the world.

King Peter's maintenance and income constitute, however, but one way in which the money of the people of Yugoslavia is being misspent. The high-priced publicity and the propagandists who succeeded for a time in falsely impressing the world that Mihailovich and his so-called Chetniks were winning the victories which in reality have now been proven to have been those of the heroic Partisans under Marshal Tito. But even in spite of the first-hand reports of correspondents who are on the ground, and the statements made by such distinguished authorities as Prime Minister Churchill, the well-paid propagandists, including members of the government in exile in London, still continue their game of attempting to confuse the outside world about Yugoslavia and to weaken the overwhelming popular support of the government of liberation in that country. Their purpose is both obvious and dangerous. In the present effort to rehabilitate the Mihailovich myth, they hope to secure control of the present funds of the Yugoslav people now in their possession by the mere fact that we still recognize only the Royal Yugsoslav Government in exile as the official government of the people.

To permit this condition to continue is not only unjust to the hard-pressed and suffering Yugoslav people, but it is downright dangerous to our own coming campaign in Europe. The Yugoslav armies of liberation are in need of considerable more in the way of supplies, both military and medical, as well as food, than they now receive. Recognition that they are representative of the people of Yugoslavia and, therefore, are rightfully the possessors of the funds now held by the Royal Government in exile would place them in the position to receive supplies from us as full allies, rather than aid in the form of charity.

Until this war is over, we shall never know how much more heroic has been the battle waged for our sakes as well as their own by the people of Yugoslavia. But, as Prime Minister Churchill states, we now know that they, left by the government to their own devices and those of the Nazis, wrested arms from the enemies with which to fight back. And fight back they have, not only against the enemies from without but the Quislings from within and the misrepresentatives from the Royal Government abroad.

Since the Prime Minister spoke it has been estimated that there are 300,000 men and women under arms in the cause of the United Nations in Yugoslavia. With the necessary additional arms, Marshal Tito now estimates that a million Yugoslavs stand ready to join our common battle against the enemy. With sufficient help, Tito believes, and his estimates must be respected because he has proven one of the great generals of this war, that his valiant warriors can engage the enemy even on northern Italian soil, even to the point of relieving our hard pressed forces in southern Italy and sweeping down the peninsula to join our north-driving Armies at the Po.

Recognition, even de facto, which is all the government of liberation asks for, would wipe away a somewhat justified cynicism toward our pledges which is still held by millions of people in the Balkans who would join actively in support of our battle against Hitler. The recognition of the rights to self-government and control of their own funds by the people of Yugoslavia would increase the morale and the fighting fervor of other potential allies in Bulgaria, in Greece, and even underground within the Axis satellites of Rumania and Austria.

In increasing numbers they now recognize Tito's battle for liberation as their own. Already, troops from Hungary, from Italy, even soldiers from Austria and Rumania form international brigades, fighting against the Axis in Yugoslavia on the side of the armies of liberation. A Czech Army has for months been fighting with Tito in Yugoslavia. We must recall that despite a lack of aid and even understanding of their campaign in this common struggle against dictatorship and fascism, the Yugoslav people, calling upon their own inner strength and resources, and without benefit of a cooperating official government, established the first second front in Europe. To give them the additional support which recognition will secure can send the flames of revolt against the Axis and the satellite puppets throughout the Balkans on the eve or the greatest task of history, the invasion of Hitler's fortress Europe.

Recently, a short step in the direction of increasing support for our fighting ally, the government of liberation in Yugoslavia, was taken by our great Pan-American neighbor and United Nations' partner, Brazil. Brazil has frozen the funds held in that country in the name of the Royal Yugoslav Government in exile. But Brazil's responsibility is slight compared to ours, since most of the funds now being used against recognition and aid are supplied from funds here in the United States. It is we, rather than Brazil, who should have taken leadership in freezing the funds.

It is certainly we, rather than any other nation, who should take the leadership in recognizing, at least de facto, the government of liberation as the sole agency of the democratic forces in Yugoslavia. It is time that we stopped the squanderbund in London from riotous living at the expense of the people who fight for us without medical supplies to care for their own wounds, and whose very children, too young to fight, still act as couriers. When wounded while carrying messages from one unit to another, they are forced to suffer a long trek by mule-back down to the coast to be transported via fishing boat to Bari before receiving even minor attention. It is time that the thousands recuperating from their wounds on the island of Sardinia and in convalescent camps near Cairo get full aid, rather than the haphazard and inadequate care they receive through benevolent international charity organizations. And it is only justice that young King Peter be deprived of his enormous income to aid our fighting allies, since to date, despite the willingness of American citizens to make donations through the war-chest funds to give some relief to the Yugoslav people, King Peter has not parted with a dime of his $425,000 a year income. Let Peter, as the government of liberation has suggested, return to his native land and fight alongside of his heroic fellow citizens, enjoying the same fare and the same hardships, if he seeks to win the right to symbolize Yugoslavia's struggle for freedom in this war. But, although an officer in name at least, King Peter spends his time in London with his new bride, the daughter of the exiled King of Greece, hoping for the day when the war is over and his funds will permit him to come to America and try his luck in Hollywood.

But the war in Yugoslavia is no Hollywood cinema. It is a stark and realistic people's war, which harks back to the day of our own struggle for independence in 1776. Tito and his people are citizen soldiers. They have been through a very long Valley Forge. They have battled the redcoats from abroad and the tories from within. And like us, they deserve outside aid from those who are sympathetic to the struggle for liberty to the people. As France aided the cause of General Washington and the Continental Army, so now, we have the privilege of aiding, from this side of the Atlantic, the fighting vanguard of a democratic Europe, the Partisan armies of Marshal Tito and the government of liberation in Yugoslavia.

In their declaration of independence from past tyrannies and bitter fratricidal struggles among their own state groups, they seek now those simple fundamental rights which we sought and won through our War of Independence in 1776. The provisional government fights to give the people the right of complete self-government, the right to practice their religions without state interference, the right to freedom of education for all, equal rights for all of the states that make up Yugoslavia but dominance by none, the security of ecclesiastical and secular private property, and the privilege of deciding for themselves whether there shall be a king or a president in the post-war period.

Those objectives, coupled with the overwhelming desire to crush fascism, should win the gallant people of Yugoslavia the overwhelming admiration and sympathy of the American people. For us to aid the people in Europe struggling for the foundations of democracy which we won in 1776 requires less of us officially than France proffered us generously in the days of our own battle for freedom. The French aided the Continental armies by direct gifts. The only gift we need give to the people of Yugoslavia today is the right to possess that which is rightfully theirs. This little we can do, and as patriotic Americans we must do, by immediately freezing all funds held in the name of the Royal Yugoslav Government in Exile, and in extending de facto recognition of the government of liberation.

As I talk to you, a military mission from General Tito's armies is in London. It is reported they would like visas to come here to Washington to discuss problems of the coming battle in southern Europe. If we had today de facto recognition, a representative of the people of Yugoslavia would be sitting where Fotich now sits, and this military mission would officially enjoy the courtesy they so richly deserve—that of automatic diplomatic visas.

I believe it is the duty of the State Department to speed the day of recognition, and the duty of Congress, through the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate, to urge the State Department to take such action now. Such action would show our Yugoslav allies that the United States considers their battle cry for freedom more than a mere wartime slogan, and that we, like they, say, "Death to fascism! Liberty to the people!"

Mr. STEFAN. Mr. Chairman, I have no further requests for time.

Mr. COFFEE. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman from Washington is recognized.

Mr. COFFEE. Mr. Chairman, in winding up the debate on the District of Columbia appropriation bill I feel I would be egregiously derelict in my responsibilities, or certainly peccable in the common amenities, if I neglected to pay a deserved tribute to the three Commissioners of the District of Columbia, Mr. John Russell Young, Mr. Guy Mason, and Colonel Kutz, all three of whom serve with distinction in that capacity and all three of whom have worked wholeheartedly and tirelessly in cooperation with the members of the District of Columbia subcommittee on appropriations in helping us in our deliberations and in very willingly supplying us with details and documentary data whenever we solicited the same from them.

I want to say a word also in praise of Mr. Walter L. Fowler, a very tireless worker, who is Chief Budget Officer of the District of Columbia. In my long experience with municipal corporation problems, both in my home State and in the National Capital, I have never seen a man who is superior to Mr. Walter L. Fowler in knowledge of public administration problems and details or any man more devoted to public service than Walter Fowler.

The same tribute is due to Mr. William Wilding who for thirty-some-odd years has faithfully served the District of Columbia as Assistant Budget Officer

and in related capacities and whose knowledge of the District's diverse and varying problems and governmental organizations is almost limitless.

I wish to say a word also in connection with the Police Department of the District of Columbia because many Members of Congress are not aware of the outstanding qualities of the police department in this city. It has a record without parallel in the entire Nation for the number of felonies cleared, by which I mean that the person responsible for the commission of the felony is actually arrested, and bound over for grand jury action; the highest percentage of any major city in the Nation, of apprehensions on felonies, is obtained in the District of Columbia.

The Fire Department of the District of Columbia is without exception the finest fire department of any major city in the United States. We have the lowest fire losses in proportion to the total of assessed value of improved property of any city of over a hundred thousand within the United States.

Mr. ROWE Mr. Chairman, will the gentleman yield for a question?

Mr. COFFEE. I yield.

Mr. ROWE. Has the gentleman inquired as to what is the proportionate expense on a per capita basis of the members of the Police and Fire Departments compared with the population of the District?

Mr. COFFEE. The Fire Department is relatively low in cost; as a matter of fact, it is below the average for the entire Nation's largest cities. The per capita cost of the Police Department is higher than average because a very peculiar situation obtains in the District of Columbia due to the fact that there is placed upon the taxpayers of the District the pecuniary onus of policing the various governmental agencies, of taking care of the safeguarding of Federal structures, of policing the embassies in the District of Columbia. We have a Capitol Police Force, a National Park Police Force, three police systems all of which are under different public jurisdiction, but we have an extra added police cost here by reason of the fact that there are so many Government activities which the local police are supposed to safeguard sedulously, and for which policing the local taxpayers are expected to supply the funds. At the present time we have 249 vacancies in the Police Department in those positions for which there are current authorizations in law.

The school system of the District of Columbia is exceptional and is a very fine operation. The teachers here, considering the expense of living in the National Capital, are paid a relatively low compensation as compared with such cities as Kansas City and Los Angeles; but we have an exceptionally efficient corps of teachers, a very fine supervisory personnel, and a commendably high standard of curriculum.

Reverting back to the Police Department again, we have an unusual set-up known as the Police Academy, the head of which is a very outstanding figure by the name of Captain Fowler, whom we are making an inspector under this bill. Captain Fowler, in the operation of the Police Academy, has encouraged the participation of the subordinate officers in the Police Department in the Police Academy. This is a school which is operated by the Metropolitan Police Department of the city of Washington for the purpose of educating its own police officers in the more complicated procedures of crime detection. They secure the cooperation of the F. B. I. and of the police departments of great cities such as New York, Chicago, and Philadelphia; in fact, they have the cooperation and the aid willingly given of the leading crime-detection experts in the United States. Men in the Police Department, out of their own time, study in the Police Academy and are given certain credits on graduation. Also, there are admitted into the Police Academy for study, members of the police departments of surrounding States. The District Police Academy has established quite a record for itself and we are quite proud of its operation.

We have a police band here which is one of the most exceptional police bands in the Nation, at the head of which is a retired naval officer who has been working on his retired salary as a naval officer, receiving no funds from the District of Columbia. The band has already earned a reputation throughout the East because of its exceptional quality. Due to the fact there is no authorization in law for this police band, there is no allowance in this bill for any funds with which to operate the police band. We are confident it will continue to operate, however, on funds voluntarily raised by various civic groups, including the local board of trade.

While this is the largest bill in total of appropriations which has so far been submitted to the House of Representatives for the operation of the District of Columbia, we should bear in mind that the funds for this bill exclusively come out of the District of Columbia taxpayers except for a contribution made by the Federal Government in the amount of $6,000,000, which is more than offset—in fact, offset many times—by the contributions made by the District of Columbia taxpayers for the benefit of the Government of the United States.

It might be interesting to the Members to know that before the committee every opportunity adequately was afforded for appearance by taxpayers groups or those interested in cutting down taxes. The Taxpayers Association of the District of Columbia, and the Board of Trade, which is equivalent to the chamber of commerce in other cities, did not appear before the committee to protest any of the items in the bill or the budgetary items nor the amount sought to be appropriated by the committee or by the District officials. In fact the Board of Trade generally approved the appropriation items.

On the whole I am happy to assure the Members of Congress that the District officials are an exceptional corps. I have had considerable experience in dealing with officials of counties, of cities, of States, and of other municipal corporations, such as dike districts, sewer districts, port districts, and park districts. Our committee was impressed with the high caliber and really exceptional quality of its public officials. This is a very remarkable situation in view of the fact that the District of Columbia is unique in that officials governing the District are not elected by the people but are appointed by the President of the United States. So that we have here an unusual and almost unparalleled situation. We also have here no municipal machine, and by machine I mean any so-called political group of ward heelers or gangs who dominate the workings of the city government such as are found, unfortunately, in some other large cities of the United States.

Some comment has been made about the situation pertaining to traffic control. Most Members of Congress who drive automobiles or who ride taxicabs are distressed, if not disgusted, with the enormous number of traffic lights which are found in the Nation's Capital. More traffic lights are located here than in any other city of its size in America, in proportion to area covered. It is interesting to note that for every intersection in the city of Washington the taxpayers have to spend about 1.225 per traffic-light installation in the first place. The Supervisor of Traffic Control, Mr. Van Duzer, came before the committee and sought to have a large sum of money appropriated by the committee in addition to the amount appropriated last year. The committee disallowed the increase, because we felt that they could make use of the vast number of traffic lights now saturating the residential districts of the city of Washington and put them at such intersections as are found to be in need of traffic lights. We felt that Mr. Van Duzer could and should heed a great deal of advice and education and effect improvement in the matter of reducing the number of traffic lights and reducing the time that automobile users have to wait at traffic-light-controlled intersections.

It is worthy to note that the Washington Daily News, an enterprising daily newspaper of the city of Washington, some 2 or 3 years ago made a study of the traffic situation in the city of Washington and brought forward a very fine plan. Also Mr. Delano, on one of the President's boards, made a very extensive study of the traffic situation in the city of Washington and brought forward a plan which, in my judgment, should have long since been adopted. Therefore the committee, feeling as I do in this matter, reduced the amount of appropriations for traffic lights requested in the budget and put in the report a strong recommendation that Mr. Van Duzer should reduce rather than increase the number of traffic lights.

Many people are worried about rat infestation in the District of Columbia. There is no doubt that many areas in this city are afflicted with a substantial number of rodents. This is a disgraceful condition in one of the most beautiful cities in the world, but it is due to the fact this city has a great number of buildings which are outmoded and

obsolete and which have not been renovated in recent years, providing an ideal harboring place for rodents. We also have vast areas of parks running right through the center of the city where rats delight to make merry on the nuts and other things which fall from the trees, which parks are adjacent to the residential districts, thus providing a free and easy method for the rats to go back and forth.

We also have too much trash left in alleys and vacant lots, but the Refuse Department under the supervision of Mr. Xanten, one of the outstanding public officials of the city, is improving this service immensely.

We have another interesting development and that is mosquito control of stagnant pools and fountains throughout the city. In this bill the committee allowed a reasonable increase in the appropriation for mosquito control of stagnant pools and streams in and about the District of Columbia for the purpose of keeping down the menace of mosquitoes. It may not be known to the average Member of Congress but in this area the anopheles mosquito is not unknown and this is a breeder of malaria, though very rarely has it been found. However, it has been found now and then. Dr. Ruhland, Supervisor of Public Health of the District of Columbia, is making strenuous efforts to control all minatory or potential areas where such mosquitoes might breed. Therefore we have provided for a considerable increase in funds to enable the Health Department here to pour oil and other mosquito-arresting insecticides upon such pools so that the District residents will not be menaced by the mosquitoes and particularly to prevent the development in any number here or in any number at all of the malaria-breeding mosquito.

One more item; then I will not burden the committee further with a discussion of the District of Columbia, and we will get on with the reading of the bill. The genial gentleman from Missouri, that very fearless and distinguished son of old Missouri, the Honorable JOHN COCHRAN, came before our committee and made a very strong presentation as to the need for further and more rigid enforcement of the rules and regulations with respect to liquor control. The gentleman from Missouri [Mr. COCHRAN] is not a prohibitionist. He very frankly asseverates that he is not a prohibitionist. He did not come before the committee with the idea of attempting to impose upon the National Capital any such thing as prohibition, but he did want to impress upon the Alcohol Beverage Control Board of the District of Columbia the argument, or at least impress them with the imperative need, for that Board to take such steps as would insure that the permittees who hold the liquor licenses, retail and wholesale, in the District of Columbia shall be compelled to adhere strictly to the rules and regulations now on the statute books and handed down by that Board, such as the prevention of minors consuming liquor on the premises, and such as being vigilant in investigating applicants for new liquor permits and in transferring liquor permits already in existence.

Mr. ROWE. Will the gentleman yield?

Mr. COFFEE. I yield to the gentleman from Ohio.

Mr. ROWE. I would like at this point to commend the gentleman's effort to treat with this so-called traffic problem that we have in the city of Washington. It was my privilege to write an ordinance covering traffic control in a city comprising about one-third the number of residents in Washington under wartime pressure. I may say to the gentleman that the traffic light application and its control in Washington is bad. I have never seen such lack of coordination and synchronization and timing of lights in a way that would probably obstruct traffic than in the District of Columbia.

One other thing I would like to touch on while the gentleman is here. I have reference to the Department of Public Welfare. I have been making a quiet investigation, and I know the gentleman himself has, and it seems to me that the element of control in that whole Department of Public Welfare is not properly placed in an advisory commission now, with the right to manage as much as eight and a quarter million dollars in each year, criticism being pointed to Commissioners and advisory groups in the regular District Committee for being negligent in attendance upon the responsibilities that are theirs in the spending of this money. I think that is something to which this House should give its attention.

Mr. COFFEE. I thank the gentleman for his contribution. In connection with the Board of Public Welfare, I may say that that Board is composed of citizens who are appointed by the Commissioners of the District of Columbia, but after they are once appointed there is practically no control which can be exercised by the Commissioners over the Board. The members of the Board also serve without compensation.

Mr. ROWE. Is it the gentleman's opinion that it would be better to vest authority somewhere else where responsibility could be fixed and where we could get hold of someone responsible for the governing of that whole operation?

Mr. COFFEE. I agree with the gentleman's conclusion. Certainly the responsibility should be fixed in people over whom we have some control; however, the members of the Board of Public Welfare serve without compensation and meet on the average of once a month in regular meetings, plus a few irregular meetings held from time to time by subcommittees, which is not sufficient, in my opinion, to enable that Board to function with proper efficiency and attention to details; although I want to compliment the members upon the fact they are working without compensation and are giving of their services to the District generously and altruistically.

At the same time there is decided room for improvement, as the gentleman has so well pointed out.

The Alcoholic Beverage Control Board asked for seven additional inspectors. They asked for these inspectors on the ground that they did not have a sufficient number of inspectors to enforce strictly the regulations and statutes on the books with reference to alcohol control. The committee authorized the creation of these inspectors with the strict injunction that it would hold them to account during the coming year and watch carefully over their actions to see that they were functioning efficiently.

Mr. ROWE. Has any thought been given to those places where you have alcohol without control? We have many places in Washington that are controlled under the authority vested in the Board, but there are a number of places that you can bring alcoholic beverages to, over which there is no control. They run all hours. I have been to places, as a matter of observation, and I have noticed that at 12 o'clock, where they are under control, they will shut their doors and cease dealing in what are considered to be intoxicating liquors, but you can move from that place and go to others where there is no control, and no license, bringing your alcohol with you, and stay until the wee hours of the morning with little or no regulation.

Mr. COFFEE. I thank the able gentleman for his helpful contribution.

Mr. STEFAN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Chairman, my distinguished colleague from the State of Washington said he would be somewhat derelict in his duty if he did not call the attention of the House to certain features of the District of Columbia appropriation bill. I think the Members of the House, other than those on this committee, would be somewhat derelict in their duty today if they did not call attention to the fact that the members of the subcommittee on the District of Columbia Appropriations Committee have done a great service, not only to the District but to other Members of Congress, in working long and laboriously on this bill. When a man first comes to Congress, the committee he does not want is the District Committee, or the District Appropriations Subcommittee. It takes time away from normal work and his constituents. It takes time that he would devote to his own district matters, and sometimes it is almost love's labor lost.

I think the Members of this House ought to give a rising vote of thanks to those who have spent their time, this extra time, as it were, in taking care of the appropriations for the District.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I fully agree with the remarks made by my distinguished friend. I might say that the leaders on both sides of the aisle have recognized the difficulties under which the District of Columbia legislative committee and the Subcommittee on Appropriations for the District have labored. On all occasions the leaders on both sides, Democratic as well as Republican, have cooperated in bringing up District legislation as quickly as possible, in the case of the legislative committee even allowing it to

bring up legislation by unanimous consent, without waiting for the regular District day.

Mr. MAGNUSON. I am sure we all appreciate what these gentlemen have done, and I think the Members of the House owe them a rising vote of thanks.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk proceeded to read the bill.

Mr. CRAWFORD (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that amendments be in order to any paragraph of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COFFEE. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 4861) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes, had directed him to report the same back to the House with the recommendation that the bill do pass.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

ERADICATION OF CERTAIN ANIMAL AND PLANT PESTS AND DISEASES

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report on the bill (H. R. 4278) to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an oration by Bob Ripley, of Kalispell, Mont.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to include in the remarks I made this afternoon some excerpts from the Financial Chronicle.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks twice in the RECORD and include therein editorials.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein two articles, one by Mr. Ernest Lindley and the other by Marquis Childs, appearing in today's Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FEDERAL LAND BANK AND LAND BANK COMMISSIONER LOANS

Mr. BATES of Kentucky. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 558 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4102) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BATES of Kentucky. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, House Resolution 558 makes in order the consideration of the bill (H. R. 4102) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans. This bill was brought to the Committee on Rules by the House Committee on Agriculture, and the Committee on Rules has granted a rule which would make in order 1 hour of general debate on this measure. This is a matter of great importance to the agricultural interests of the United States, and I am, of course, hopeful that the rule will be adopted.

Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. MURRAY].

THE FARM INTEREST-RATE SITUATION

Mr. MURRAY of Wisconsin. Mr. Speaker, the interest rate on Federal land bank loans has been 3½ percent since July 1, 1935, and on Land Bank Commissioner loans since July 1, 1940. You will note that the 3½-percent rate on Land Bank Commissioner loans was put into operation the eighth year of the present administration. On two different occasions, in 1936 and 1938, when these interest rates were reduced, it was accomplished by passing the legislation over a Presidential veto. This 3½ percent rate was last extended in 1942 for 2 additional years.

The present administration now desires to allow the interest rate on Federal land bank loans to become 4 percent and on Land Bank Commissioner loans 5 percent on July 1, 1944. This statement is supported by a press release of the United States Department of Agriculture, by a letter I received from Dr. A. G. Black, then Governor of the Farm Credit Administration, and by a letter I received from Mr. Grover B. Hill, Acting Secretary of Agriculture. In Dr. Black's letter dated March 11, note the following paragraph:

> We believe that 4 percent per annum is a fair and reasonable rate on long-term mortgage loans of the type made by the Federal land banks through National farm loan associations and with their endorsement. Similarly we believe that 5-percent interest rate is reasonable for the type of first- and second-mortgage loans made by the Land Bank Commissioner, which carries no endorsement liability, and which, in general, is a more hazardous credit risk than the land bank loan.

In the letter from Mr. Grover B. Hill dated April 27, in answer to two letters I had written Secretary Wickard, one on March 31 and one on April 18, note the following paragraphs:

> In his letter of March 11, Governor Black stated the position of both the Department of Agriculture and the Farm Credit Administration with respect to the action taken by the land banks on interest rates.

On February 1, 1944, I introduced H. R. 4102 for the purpose of continuing the 3½-percent rate for 2 more years. This bill was referred to the Agriculture Committee. The Agriculture Committee did not have any hearings but appointed a committee to study the problem and report back to the committee. Frankly, I expected the committee to bring back a recommendation to extend the rate at 3½ percent for 2 years. I had previously advised the acting chairman that I had no pride of authorship and that I would gladly agree to have the committee bring out the bill to extend the 3½-percent rate for 2 additional years.

The appointed committee, however, recommended a 4-percent rate and the full Agricultural Committee reported the bill with the committee amendments. I voted against the committee amendment as I felt and still feel that the 3½-percent provision should prevail.

I should say at this point that possibly some members of the committee thought

it best to pass the bill as amended in order to get the bill out on the floor of the House. The position these members take at this time will indicate their true sentiments.

There are numerous Federal loan agencies—with varying rates of interest and operating under various timetables. The Federal land bank and the Land Bank Commissioner are two of these loaning agencies.

There are many sound reasons that justify the maintenance of the 3½-percent rate for 2 additional years. I shall discuss some of them.

First. At the prevailing value or cost of money a 3½-percent rate is a fair rate when land, an unexcelled security, is provided. Is there anyone here that can or wishes to say money costs any more today than in 1942 or 1940?

Second. In some sections of the country 25 to 50 percent of these loans have been delinquent. These borrowers have been paying 6 percent on their delinquencies. The Federal land bank law says 8 percent incidentally should be applied to delinquencies.

Third. The prices that farmers receive for their products has been frozen by the Office of Price Administration and the War Food Administration by law. It does not appear that the same administration is justified in raising the interest rates after freezing the income.

Fourth. How can a Congress that appropriates funds year after year, including the present year, for a farm loan setup such as the Bankhead-Jones loan program whereby funds are provided for new farmers and where 100-percent loans are made for 40 years at 3-percent interest, be expected to raise the interest rates by one-half percent and 1½ percent on over 800,000 bona fide farmers who have lived through and struggled through low prices and droughts for 10 long years, or from 1930 to 1940? Can you justify your vote if you vote an increase in interest for these 800,000 bona fide farmers?

Fifth. When $10,000,000, or between $250 and $300 per farm, has been appropriated as expenses incurred in selecting new farms for the chosen few, it surely is not common fairness to exact this extra amount from the 800,000 bona fide farmers that obtained their own farms by their own efforts in the first place. There is an appropriation of three-quarter of a million dollars in the agriculture bill passed this year for expenses in looking up farms for would-be farmers.

Sixth. Ninety thousand Federal land-bank and Land Bank Commissioner loans were foreclosed on bona fide farmers between 1930 and 1940 because these farmers could not pay an average mortgage of $3,000 to $4,000 and with an interest rate of 5 to 6 percent a part of this time. Thousands upon thousands of additional farms were lost by their original owners by selling out before the foreclosure took place. During this same period 167,000 housing units were provided for our city cousins that cost an average of nearly $5,000 each, and some projects cost over $6,800 per unit. In this housing program a subsidy of $28,000,000 per year was provided for 60 years, or a total subsidy of over a billion dollars. Do you wish to take the pound of flesh in the form of some $11,000,000 from 800,000 bona fide farmers in the form of additional interest on their $3,000 and $4,000 loans in order to subsidize or finance the above-mentioned projects?

Seventh. During the present session of Congress, when the agriculture bill was considered, I showed where 33,000 large landowners had in 1942, during wartime, received $58,000,000 for doing or not doing something. This program is in operation even at this stage of the war. If H. R. 4102 is not passed the United States Treasury will be enriched by some $11,000,000. This $11,000,000 would come from the pockets of 800,000 working farmers carrying an average $3,000 to $4,000 loan. I wish to ask you if you wish to extract this $11,000,000 from 800,000 farmers to give as a part of the contribution to 33,000 operators, many of whom are not real bona fide farmers? Do you wish to vision the extraction of this $11,000,000 and then see it passed out in $10,000, $50,000, and, yes, $100,000 checks to people who should be able to carry on their own operations? Did you know there is a movement on now to raise the limit on Federal land-bank loans from $50,000 to $100,000? What does that really signify?

Eighth. Since money is provided for loans at 2 percent for Rural Electrification Administration loans to farmers, how can you explain why the same farmers should pay 4 and 5 percent on their farm loans? Or why their interest rate should be raised at this time on their farm loans from 3½ to 4 and 5 percent? Can you?

Ninth. If these interest rates are allowed to be increased it would not only increase the interest rates on the 800,000 Federal land bank and Land Bank Commissioner Federal loans, which total some $1,700,000,000 on January 1, 1944, but will automatically increase the interest rates of private farm loans and will give an upward swing to all farm-loan rates now held or to be taken by any farm loan agency. The total farm value on January 1, 1944, was about $35,000,000,000, and now estimated as over $40,000,000,000. The recorded mortgaged debt runs between $6,000,000,000 and $10,000,000,000, so you can readily see what an advance in interest rates really means.

Tenth. As long as this or any other Congress appropriates money to furnish would-be farmers farm loans at 3 percent, loans that represent 100 percent of the investment in the farm and for 40 years' time, and in addition furnishes money to equip and stock the farm for the would-be farmer, it does not make sense to raise the Federal land bank loans from 3½ to 4 percent, and the Land Bank Commissioner loans to 5 percent. If these favored loans of 3 percent are to be continued, the Federal land bank and the Land Bank Commissioner loans should be reduced to 3 percent instead of being increased to 4 to 5 percent. Is there any Member that wishes to question this conclusion? If so I gladly yield. I wish to call your attention to the fact that one State, Georgia, has over one-tenth of these 3-percent loans. I wish further to call your attention to the fact that over 11,500 of the 35,000 3-percent title I Bankhead-Jones loans are in four States, Alabama, Georgia, Arkansas, and Mississippi. If the present formula is followed such States will soon have all 3-percent loans and the real farm States will end up with 4- and 5-percent loans. If Texas is added to these four, over one-third of these 3-percent loans will be found in these five States. I called your attention a few weeks ago to the fact that in 1942, 3,300 big Texas operators received nearly $5,000,000 in Government payments while the 174,000 small operators received less than $3,000,000.

Eleventh. Millions upon millions are being spent in distributing money by the thousands of dollars to individuals and groups that have never asked for it, and is being given to individuals and groups that do not need it. One agency in its bucket-shop operations does not even know how much they gave to each individual. One of my colleagues showed me a New York Times a few days ago which stated they had bet $2,600,000 on one horse race in New York and I thought what a shame it was they could not or did not want to even pay their grocery bills. Did you know that 5,442 cars of hay, representing 83,916 tons of hay with a $13.25 per ton average subsidy was distributed in Virginia this year, not on a basis of need, at a total cost of $1,111,000 for future generations to pay? Did you know that the Virginia 1943 corn crop averaged 25 bushels per acre in comparison to a 25.1 bushel per acre 10-year average; that the 1943 Virginia oats crop was the second highest in the 10-year period; that the 1943 Virginia tame hay crop was the third largest crop in the 10-year period and was 182,000 tons above the 10-year average; that their need for more feed was largely caused by the increase in numbers of livestock which is shown in the increase in dairy cows from 187,000 in 1939 to 204,000 in 1943; that the United States Department of Agriculture is still pounding the farmers of the West and Midwest on the backs in collecting the old feed loans of 1930 to 1940, where the loans were made on the basis of need?

Why did not Oklahoma get free hay with 40 percent less tame hay in 1943 than in 1942?

Do you wish to exact the pound of flesh from 800,000 bona fide farmers at a time that certain milk plants are allowed to pour milk down sewers after subsidies are paid to produce it in the first place?

Twelfth. We all are compelled to consider the ever-increasing public debt. We vision a public debt of $300,000,000,000 and on this floor we often hear of the $8,000,000,000 to $9,000,000,000 it will take to service this debt. Do you think that $8,000,000,000 or $9,000,000,000 will service this public debt if we as a Congress start the upward swing by increasing farm-interest rates? Do you wish to take this responsibility? If farm-interest rates advance you can be assured that other interest rates will advance. Do you wish to increase the interest by 42

percent for 318,000 farmers with Land Bank Commissioner loans at this time?

Thirteenth. If this interest rate is raised to 4 and 5 percent, when and by whom do you think it will again ever be reduced? I called your attention to the fact that President Roosevelt had already vetoed legislation that provided these lower interest rates on two separate occasions. He has not done so though in 1940 and 1942 and I see no reason to expect him to do so in 1944. At the present cost of money the 3½-percent rate is more in line than it was in many of the past years.

Fourteenth. Do not be misled by anyone, anytime, anywhere trying to argue that farm prices are good now and the farmer can pay a higher interest rate. The price of farm products is surely not the basis of their interest rate or there would not have been any valid reason to collect any interest during many of the years between 1930 and 1939. This is especially true with the farm prices that prevailed in 1932 and 1939.

Fifteenth. There are some 11 Federal loan agencies. The agencies come under 2 or 3 departments here in Washington but out in the field they fan out in such a manner that maximum results are not obtained nor is efficient administration possible under the present set up. The Cooley committee has worked a year on one phase of farm loans, but as yet has not had its labors enacted into law. We should keep the 3½ percent interest rate on Federal land bank and Land Bank Commissioner loans until a constructive approach is made to this farm problem. At present the picture is most confused and I feel we should not confuse it further by raising the interest rates at this time—this time of cheap money. According to the press, Secretary Wickard and Democratic Committeeman Quinn fail even now on whom should be Governor of the Farm Credit Administration.

Sixteenth: It seems to me we have had many administration spokesmen talking and writing about inflation. We have heard much about holding the line. Now I ask what inflation line does this administration want to hold? Does this administration want you to hold your line, but be relieved of the responsibility of holding the inflation line when they have complete control? When you increase interest rates from 3½ to 5 percent you increase the interest a farmer pays by 42 percent. Is this holding the line? How do the administration spokesmen answer this question?

Seventeenth: Since one Federal farm loan agency had one employee for each $3,500 original loan made last year, and since the Federal Land Bank and the Land Bank Commissioner loans are being reduced in number, it appears that a little more business judgment and a lot less politics in the United States Department of Agriculture could account for a saving of many times the $11,000,000 that the administration is seeking to extract from the pockets of 800,000 farmers at this time. This move is not in the best interests of the war effort.

Eighteenth: There are deeper considerations involved in this effort to raise the interest rates one half to 1½ percent. We must ever have in mind the philosophy, the teachings and the writings of those of the inner circle. Those who seem bent on the European pattern of a few big cities and with peasants to furnish cheap food. We are heading in that direction. I always remember the book, For What We Are About To Receive, by Jay Franklin. Let me quote you a few paragraphs:

> The farmer has arrogated to himself all virtue and all knowledge. He has voted against progress, and civilization, against the city, against science, against art. He has made and unmade Presidents in the image of Main Street. He has exhausted our soils, as he has exhausted our Treasury if given half a chance. He is the great obstacle to human progress, the great threat to political stability. Sooner or later we shall discover, as the Roman Church discovered, as England discovered, as Soviet Russia discovered, that the pagan, the landed proprietor, the Kulak, is simply so much mud on the paths of progress and must be swept aside if society is to advance.
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> These are harsh words, but they are justified. The American farmer as a political institution is a danger to our civilization.
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> Some day, some leader of some party will be compelled to rouse the people against the farmer and crush him as an obstacle to the national welfare, as he has been crushed in every nation and age which has experienced his predominance. The fact that it is good politics now to help the farmer is going to make it better politics in the future to injure him.
>
> It is a shame that he cannot be changed by less drastic methods, but he has taken to politics, and the problem of farm relief will become not "How shall we relieve the farmer," but "Who shall relieve us of the farmer"?

We know the boy friends and the playmates that subscribe to this philosophy. Let us not be deceived by those who claim to know so much, but who do not appreciate the fact that a country with a large percentage of farms owned and operated by the man living on them is the real constructive approach and the real backbone of any country.

Nineteenth. Please allow me to call your attention to the bill passed just 1 year ago. It was called overtime pay and also a cost-of-living bonus. The Federal employees in the lower income brackets needed and were entitled to this increase. However, the lower income groups received up to $300 per year, and the higher income groups received over $600; in fact, $628.32, or more than the base pay of a soldier. In fact, some Government employees in the higher income brackets and receiving $10,000 to $15,000 per year also received this additional pay. The total cost to the Government is some seven hundred to eight hundred million dollars.

The question is this: Do you wish to give your approval to legislation that exacts an extra $11,000,000 from 800,000 farmers who are working long hours without overtime, in order to provide funds to hand out in overtime checks to Federal employees receiving $10,000 to $15,000 a year?

Twentieth. The farmers, under severe handicaps, during this war have made a most excellent production record. Through their patriotic desire to produce, together with favorable weather and use of accumulated stock piles of feed, have achieved most splendid results. The guaranties of floor prices have not been maintained in accordance with the law. This has been especially apparent on hogs and on eggs. Since the farm people have taken this loss by being compelled to sell below the legal promised prices, with protest but without threats, why should they as a class be subjected to this move to exact $11,000,000 from their pockets at this time?

Twenty-first. Let us not be misled by anyone on this important question, but let us assure over 800,000 American farmers that we as their representatives are not going to meekly submit to the unfair program of raising these interest rates that the Farm Credit Administration is trying to put into effect. This might be a desirable time to stand up and be counted and really find out who believes in the American farmer and, incidentally, who does not.

Since passing the G. I. bill it will be appropriate to note that there is no reason to raise these interest rates that returning veterans will pay when they secure a farm. If these 3½ percent rates have been prevailing for several years, what justification is there for raising the rate for farm owners of the future—largely veterans? Do you think it is a good policy to raise these interest rates when the veteran is not here?

Once more I say let us leave well enough alone. Let us remember that most of the loans are in the States that are really furnishing the food that is needed for this war. If we were justified in continuing the 3½ percent rate in 1942, we assuredly are now.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. At the present time the law provides for 3½ percent interest on farm loans and also on Commissioner loans.

Mr. MURRAY of Wisconsin. The gentleman is correct.

Mr. ROBSION of Kentucky. This measure would increase the rate on the Commissioner loans to 5 percent?

Mr. MURRAY of Wisconsin. The present bill would not, but the administration position would.

Mr. ROBSION of Kentucky. The bill as presented here increases to 4 percent the land-bank loans, and continues at 4 percent the Land Bank Commissioner loans?

Mr. MURRAY of Wisconsin. That is right.

Mr. ROBSION of Kentucky. But what the administration wants is 4 percent for the emergency farm mortgage loans and 5 percent for the Land Bank Commissioner loans?

Mr. MURRAY of Wisconsin. That is correct. Four percent for the Federal land bank loans and 5 percent for the Land Bank Commissioner loans, which are direct loans in themselves.

Mr. ROBSION of Kentucky. This bill does not carry any 5 percent, does it?

Mr. MURRAY of Wisconsin. No.

Frankly, I expected the committee to bring in a recommendation of 3½ percent. It had to be done before July 1. I was much surprised that it did not agree to the 3½ percent, but it did make it 4 percent. I am sure that some members of the committee voted for the bill for the purpose of getting it out on the floor of the House. They can surely make their own positions known today, whether they believe in the committee bill or whether they believe in the bill as introduced by me, or whether they want to amend it and agree to the Administration plan of 4 and 5 percent.

I did not have any pride of authorship in this bill and offered to give it to the committee, as far as I was concerned, but surely wanted it to be based on leaving interest rates where they are. There are many reasons why I think we should do that. I am not going to quarrel with anyone who wants to take any different position. These things will all work out all right anyway, but I think there are a few reasons why we should not.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Most of the present loans were made some years ago upon low land valuations, so that the security today is ample for most of the loans that are outstanding.

Mr. MURRAY of Wisconsin. The F. L. B. loans have been made ever since 1916.

Mr. BROWN of Ohio. Yes; but these rates apply mostly to loans that have been made in the last 10 to 12 years.

Mr. MURRAY of Wisconsin. In the last 10 years, since 1930.

Mr. BROWN of Ohio. And they were made on low land valuations; is that not true? So that the Government is rather secure in these loans and there is not much danger of loss?

Mr. MURRAY of Wisconsin. That will come out later. But the loans were made, of course, or supposed to be made, on the basis of valuation, and there has been more or less a fluctuation in what is the normal agricultural value of land, even from 1930 to 1940.

Mr. BROWN of Ohio. But the valuations on which those were made originally were much lower than the value of the land today; is that not true?

Mr. MURRAY of Wisconsin. I dare say, as a general statement, that many of these loans were made when the land was selling higher even than it is selling today.

Mr. BROWN of Ohio. Today the money market is such that you can borrow money on good security at a very low rate of interest.

Mr. MURRAY of Wisconsin. Well, there is another point. No one could contend that money today costs more than it did 2 years ago or 4 years ago, when we renewed it. I might say the President has not vetoed it any time since I have been a Member of this House. I do not know that there is any reason why he should veto it at this time.

Mr. BROWN of Ohio. Money is more plentiful today and more available to get loans than it was 2 years ago or 4 years ago?

Mr. MURRAY of Wisconsin. If that is the case, surely there is no reason not to provide an interest rate in keeping with the market the way it is at the present time.

Mr. BROWN of Ohio. That was the thought behind my question.

Mr. MURRAY of Wisconsin. Yes.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes.

Mr. HORAN. What is the reason given for the arbitrary raising of rates from 3½ to 4 percent.

Mr. MURRAY of Wisconsin. The reason given by Dr. Black, as I read it, was that farmers are in better shape now to pay an increased rate. Of course, the answer to that is that from 1930 to 1940 they should not have paid any at all, because they were losing their farms by the thousand, if that is going to be the basis of the interest rates.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes.

Mr. AUGUST H. ANDRESEN. Would not a further reason be that all of the contracts contain a higher rate than 3½ percent, which is just an emergency rate, which expires on June 30?

Mr. MURRAY of Wisconsin. It expires June 30 of every other year, ever since the rate was reduced.

Mr. AUGUST H. ANDRESEN. All of the contracts are written at a higher rate than 3½ percent.

Mr. MURRAY of Wisconsin. Some are written at 6½ percent.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 additional minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. RIZLEY. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. RIZLEY. The gentleman from Wisconsin keeps talking about raising the rates or lowering the rates. I do not quite understand the situation. I happen to have had a Federal land bank loan and also a land bank commissioner loan. My contract provided for much higher rates than the gentleman is talking about. Now, what you mean to say is, for a number of years we have been subsidizing the farmer by paying part of his contract price of interest. That is what you are talking about when you talk about lowering or increasing the rates. The rate to the farmer was 5 percent, was it not, on Federal land bank loans, but by various acts of Congress from year to year we have changed the contract that the loaning agency made with the farmer and we go into the Federal Treasury and get the money to pay the additional amount between what his contract calls for and the rates provided in the contract.

Mr. MURRAY of Wisconsin. I will answer the gentleman by saying, if I read the report that accompanied this bill, if I believed in that report, I would not be for my bill, nor would I be for the committee amendment. I would be for the administration's position. But the report does not give a true picture. My colleague the gentleman from Wisconsin [Mr. KEEFE] when we first came here called my attention to that expenditure of money and wanted to know why that was. If you take the time to investigate it or break it down, you will find that that is not a subsidy so far as interest is concerned. If they are borrowing money for 1 percent and loaning it at 4 percent for land bank commissioner loans, how do you think they come out with 3-percent Bankhead-Jones loans; how are they going to come out with R. E. A. 2-percent loans if they have to have a subsidy on interest on commissioner loans which are direct loans where money is bringing 3½ percent?

Mr. RIZLEY. The thing that is not quite clear to me and which I cannot quite understand is this, Why do we have contract rates of interest fixed on these loans that are being made and then Congress from time to time voting money out of the public Treasury to pay the difference, whether it is interest or not, unless it is in time of distress or time of depression when I can well understand that we might go into the public Treasury and help the farmer?

Mr. MURRAY of Wisconsin. I have not agreed with the gentleman. I have not agreed with the gentleman, admitting there have been subsidies for interest for Commissioner loans. Somebody will have to show me that before I believe it. It has never been shown there is any subsidy on interest.

Mr. RIZLEY. Let me ask the gentleman this question: Does the farmer pay the amount of interest himself that is provided in the Commissioner loans?

Mr. MURRAY of Wisconsin. He pays whatever the law says, and the law says "3½ percent interest" and the face of the contract may say 4 percent, 5 percent or 6 percent or 6½ percent interest.

Mr. RIZLEY. Yes.

Mr. MURRAY of Wisconsin. And Congress changed the law, making it 3½ percent. There is no subsidy involved in the Commissioner loans so far as interest is concerned. If there is, all they are trying to do there is cover up their maladministration. Now, what do they bring out here? Every year it is bandied around about how you are subsidizing the farmer on his interest. All you are subsidizing is the lack of business ability on the part of the people running it. That is what you are subsidizing.

Mr. RIZLEY. Can the gentleman answer this question? Why do we continue, then, making loans and contracting with the farmer to pay one amount and then pass some law, as we are trying to do now, fixing a different amount? Why do we not say right in the contract what he is going to pay when he gets the loan?

Mr. MURRAY of Wisconsin. I would be willing to make it 3½ percent when they make it, so far as I am concerned, but I did not happen to have the responsibility of outlining the program for this administration. You were here 2 years ago and probably you were here 4 years ago. And the question then surely

should have been brought up. It should not be brought up during this war. Why did not you oppose this in 1942 and 1940?

Mr. RIZLEY. I can understand how, during a time of crop failure and during a time of depression, Congress ought to take money out of the Federal Treasury to pay somebody's interest. But it looks to me as if we are getting to the point where we ought to fix an amount and stand on that amount rather than having an agency that is contracting for a certain thing come in here year after year and ask for a subsidy, or anything else. I am tired of paying subsidies to anybody.

The SPEAKER. The time of the gentleman from Wisconsin has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan.

Mr. CRAWFORD. Mr. Speaker, I am in favor of the adoption of the rule and I shall vote to continue an interest rate not to exceed 3½ percent on these farm mortgages. Looking over the analysis of the public debt I find one set of bonds listed at 4¼ percent, which was issued in 1922; another one at 4 percent, issued in 1924. Since that date we have been funding the operations of this Government at a rate of interest running from about twenty-five one-hundredths of 1 percent to 2¼ percent, with a few bonds at 2½ percent, and savings bonds at 2.9 percent. The long-term bonds which we now issue for the purpose of financing this war and financing countries all over the world run from 2½ percent down. I do not propose to be a party to charging the farmers of this country a rate of interest of 4 percent with the money markets in their present state, and when the Government with reference to financing maintains a low-interest rate such as we are now enjoying, we might say, if you call paying interest at any rate, enjoyment. Therefore, I am absolutely against freezing this interest rate at 4 percent on regular mortgages and 5 percent on Land Bank Commissioner loans.

Since coming here in 1935 I think I have voted on this proposition three different times. As I recall, I voted twice to override a Presidential veto so that these farmers can enjoy a rate not to exceed 3½ percent on these farm association loans. I do that because I contend that the farmers of this country are entitled to as low rate of interest on money they borrow as is organized industry. If this Congress does not have the ability to manage our fiscal affairs so that the farmers, in cases of this kind, can receive as low interest rate, then it is time for the farmers to do something about that with respect to Congress. As the gentleman from Wisconsin [Mr. MURRAY] said, these bills come up, and they show maladministration. I do not mean so much on the part of the Bureau, but on the part of the Congress in not having put its house in order so that these farmers can enjoy not to exceed 3½ percent interest rates, when interest rates are manipulated and managed at presently low rates.

Mr. RIZLEY. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. RIZLEY. I think I can agree with the gentleman that the farmer is entitled to as cheap a rate of interest as industry or business or anything else, but what I cannot understand is this: If we are going to write a bill, why do we not write a permanent bill to that effect, so that when the farmer gets ready to borrow money from the Federal land bank or the Land Bank Commissioner, he has a contract providing that? Why come in here every year and say, "Notwithstanding the fact that you have a contract we are going to fix the rate of interest at 3½ percent?" Why do we do it that way?

Mr. CRAWFORD. The question comes in here every 2 or 3 years because we did not originally do the necessary. In other words, why do we not extend this for a period of 2 years at a time? We know we have got to maintain low interest rates on Government bonds for the next several years. There is no escape for that unless you want to repudiate the debt and I certainly do not advocate that. You talk in terms of two hundred and fifty or three hundred billion dollars as the national debt. You have got to carry a low interest rate. You have got to refund these maturing issues on a low rate of interest. Why should we go along here and slap the food producers of this country in the face and tell them we are going to raise interest rates at this time up to 4 percent? I do not propose to do it and I think I can defend myself anywhere in the United States on this issue, among businessmen, laboring groups, farmers, or anybody else, and I am prepared to attempt it, at least.

Mr. PACE. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. PACE. You understand there is no attempt to raise the interest rates to 5 percent.

Mr. CRAWFORD. The Land Bank Commissioner loans? They are 3½ percent under the present arrangement.

Mr. PACE. No. It is reducing them from 5 percent to 4 percent.

Mr. CRAWFORD. What is the highest you propose to put on them under this proposed amendment?

Mr. PACE. Four percent.

Mr. CRAWFORD. What is it on the regular loan?

Mr. PACE. Everything will be 4 percent.

Mr. CRAWFORD. Why do we make the Land Bank Commissioner loans the same rate of interest as the other? I now refer to the second-mortgage loans.

Mr. PACE. The gentleman is blaming Congress for not having done what he has called "the necessary." Can the gentleman explain to me how the Federal Land Bank bonds can be refunded until they are callable?

Mr. CRAWFORD. If we were so loose originally in putting out bonds that never mature, we certainly do it differently today than what we did in those days. When were those bonds issued?

Mr. PACE. The gentleman does not blame that on the present Congress?

Mr. CRAWFORD. No; I am talking about Congress as an institution. We are supposed to furnish the necessary leadership to protect the various types of industry in this country. Under whose administration and when were those bonds issued, and when do they mature? Let me say this: We are taxing people all the time to pay interest on financing governments all over this world. What do you call that but a subsidy, if you want to get into the field of subsidies? Why can we not do as much for the people of the United States as we do for people all over the balance of the earth? I am for the United States first, last, and all the time, just as our friend in England is for the English Empire, and Russia for the Russian Empire, and China for the Chinese Empire. As we give these things away, let us give at least some of them to the people at home. That is fundamental with me, and that I do not intend to deviate from. If we cannot make it work out right, let them send somebody down here that will make it work out right.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, I know the farm situation. I know it from boyhood experience and from observation more recently. I know it from the time my father paid 12 percent interest and a bonus, and the time when my mother sold eggs for 7 cents a dozen and butter for 6 cents a pound.

I know that we have had a few years of good crops, but I know that there will again be poor crops as well as good. We know that the banks today are willing to loan money at 3 percent. I would like to know why in the world you want to authorize the Federal land bank to raise its rates to 4 percent. The Federal land bank was created to help the farmer, and not to fleece him. The truth is that whenever we create an agency to help a class that needs help, then in a few years it is so amended, or so misconstrued by the courts, as to become useless. In fact, in the end these agencies become generally the agencies of extortion rather than of aid as originally intended.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. LEMKE. I yield.

Mr. PACE. One thing above all things that we want to do, the Federal Land Bank System is supposed to be farmer-owned and farmer-controlled.

Mr. LEMKE. That is a misstatement of fact. It was supposed to be farmer-owned and farmer-controlled, but it is controlled by the Farm Credit Administration, and the farmer has not got a thing to say about it.

Mr. PACE. Now, why? It is because there are several million dollars of Government money in there and we want to get it out so that the farmers will own it and control it.

Mr. LEMKE. If there are several million dollars of Government money in it, then you had better take it out of the

$1,350,000,000 that you voted for an international W. P. A. Take care of your own people first, and let the foreign people take care of themselves. Charity begins at home. After we have taken care of our own there will be time enough to look after foreigners.

Mr. PACE. I did not vote for it.

Mr. LEMKE. I am glad to hear that.

Mr. POAGE. Will the gentleman yield?

Mr. LEMKE. I yield.

Mr. POAGE. The Houston Land Bank has not got a dollar of Federal money in it, but the land bank at St. Paul, that represents the area from which the gentleman comes, has $151,000,000 of Federal money in it.

Mr. LEMKE. I am not concerned with the Houston Land Bank, because it had its nose in the Federal trough just the same as the others, and so have the people of the State of Texas. They have been milking the Treasury in connection with cotton and other products. But whenever we wish to do something for the rest of the States they object to it.

Now, I repeat the time has come that we should not be sectionally divided. This is one Nation, composed of 48 States, but each State ought to have the decency to cooperate as one for the good of the Nation. This without any sectional preference or sectional favoritism.

We ask that this rate be kept where it was. Former Congressman Bierman in cooperation with some of us is responsible for this 3½ percent on Federal land bank mortgages. He offered the 3½ percent amendment as a compromise for the Frazier-Lemke refinance bill. That is how the Federal land-bank rate was reduced from 5½ to 3½ percent. If it had not been for the fight that we made for the 1½ percent rate at that time, the interest rate in the Houston, Federal land bank would have been 5½ percent and not 3½ percent for the last 8 years.

The Federal Land Bank of Houston and the farmers of Texas have gotten the benefit of this 3½ percent the same as the people of North Dakota have been getting it. There are just as many busted and broken farmers in the State of Texas today as there are in North Dakota. I can speak from experience because I have defended Texas farmers before the Supreme Court who could not meet their obligations and had to take advantage of the Frazier-Lemke moratorium.

So, let us consider this situation: The private banks are willing to loan money at 3 percent interest, as well as the insurance companies. Here you have an institution created by an act of Congress to help the farmers and you want to raise the rate of interest to 4 percent. That is a higher rate than you can loan money for from the private banks.

It is unjust, and I think it is unfair. I think somewhere behind the scenes there must be some private interest that wants to put the Federal land bank out of business so that private companies can again make all the loans. I have no objection to that if they would make those loans when the hard times come as well as when good times are here.

The SPEAKER. The time of the gentleman from North Dakota has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. FISH].

The SPEAKER. The gentleman from Ohio has 3 minutes remaining.

Mr. BATES of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from New York.

The SPEAKER. The gentleman from New York is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FISH. Mr. Speaker, I take this time today to speak not on the rule but to try to correct a misapprehension that was conveyed in the press of yesterday in regard to the action of the Committee on Rules in reporting out the Anderson bill to investigate campaign expenditures. Most of the Members of Congress reading the newspapers were under the impression that the Committee on Rules has quashed any posible investigation of the C. I. O. Political Action Committee. The resolution we reported out, it is true, was the Anderson resolution, but everything after the enacting clause was stricken out and in its place was inserted the Gathings resolution which has teeth in it and provides for a real investigation entirely and completely contrary to what appeared in the press of the country. Section 5 of the Gathings resolution which was substituted for the Anderson resolution includes the following language:

> Violation of any of the following statutes of the United States: (a) Federal Corrupt Practices Act; (b) title 18, section 61 (t) inclusive United States Code 1940, relating to pernicious political activity, commonly referred to as the Hatch Act; (c) the provisions of section 9, Public Law 83, Seventy-eighth Congress, chapter 144, first session, referred to as the War Labor Disputes Act.

That is the Smith-Connally bill.

The provisions of the amended Anderson resolution provide for an investigation of the C. I. O. political action committee, of corporations, or anyone else who has violated the law, and it puts teeth in the former customary resolution regarding campaign expenditures because it provides that the committee or any duly authorized subcommittee thereof may authorize any one or more persons to conduct on behalf of the committee any part of the investigation herein provided for and for such purpose any person so authorized may hold such public hearings, issue subpenas, and so on. That was not provided in the customary House resolution for investigating campaign expenditures. I believe had we passed the usual resolution it would have been a mere gesture, a scrap of paper, utterly useless and meaningless because all that would happen would be that Members of Congress would make a complaint and after election nothing would be done about it. In fact, the committee had no power to employ investigators. But this resolution has teeth in it. Knowing the Speaker of the House as I do, I am sure that he will appoint upon this committee courageous, fearless, and able Members of the House on both sides and that there will be a complete and thorough investigation of any person who violates the law, and that the C. I. O. political action committee, if it is violating the law will be treated the same as any other corporation and be investigated without fear or favor, otherwise the action of the Committee on Rules, which was taken unanimously, would be meaningless. If the amended Anderson resolution is adopted by the House and proper action is not taken to investigate violations of the Federal Corrupt Practices Act and the War Labor Disputes Act, it will be in defiance of the will of the House.

No individual, no corporation, and no political action committee is above the law of the United States. I thought in justice to Members on both sides of the aisle these facts should be presented to the House because the newspapers published an utterly erroneous account of the proceedings in the Committee on Rules except that we did report out unanimously the Anderson resolution, but the Anderson resolution was amended by striking out all after the enacting clause and in lieu thereof the Gathings resolution was inserted, which has teeth in it. If adopted by the House and carried out in accordance with its provisions there will be a complete and thorough investigation of all violations of existing statutes governing campaign expenditures.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BATES of Kentucky. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

CALL OF THE HOUSE

Mr. HOPE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. BATES of Kentucky. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 66]

Allen, Ill.	Dewey	Heffernan
Andrews, Ala.	Dickstein	Hendricks
Baldwin, N. Y.	Dies	Holmes, Mass.
Barden	Dirksen	Jeffrey
Bell	Disney	Jenkins
Bender	Douglas	Johnson, Lyndon B.
Bland	Durham	Kee
Bonner	Eberharter	Kennedy
Boykin	Elston, Ohio	Kerr
Bradley, Mich.	Fernandez	King
Brehm	Fitzpatrick	Kleberg
Brumbaugh	Fogarty	Knutson
Buckley	Folger	Lea
Bulwinkle	Ford	Luce
Burdick	Fulbright	McCord
Burgin	Fuller	McLean
Byrne	Furlong	Madden
Cannon, Fla.	Gallagher	Magnuson
Capozzoli	Gavin	Manasco
Carson, Ohio	Gilchrist	Martin, Iowa
Carter	Gore	Mason
Case	Granger	Merritt
Celler	Grant, Ind.	Merrow
Clark	Green	Miller, Pa.
Cole, N. Y.	Griffiths	Monroney
Costello	Gross	Morrison, N. C.
Curtis	Hart	Myers
Davis	Hays	Newsome
Dawson	Hébert	

Norton	Rogers, Calif.	Vincent, Ky.
O'Brien, Mich.	Scanlon	Wasielewski
O'Neal	Shafer	Welchel, Ohio
Patton	Sheridan	Whelchel, Ga.
Pfeifer	Smith, W. Va.	Whitten
Philbin	Smith, Wis.	Wickersham
Plumley	Starnes, Ala.	Wigglesworth
Ramspeck	Stearns, N. H.	Wolfenden, Pa.
Randolph	Sumner, Ill.	Woodrum, Va.
Reece, Tenn.	Sumners, Tex.	Worley
Rees, Kans.	Taylor	
Robinson, Utah	Treadway	

The SPEAKER. On this roll call 311 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

RESIGNATION

The SPEAKER laid before the House the following communication:

MAY 23, 1944.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

SIR: I beg leave to inform you that I have this day transmitted to the Governor of California my resignation as a Representative in the Congress of the United States from the Sixteenth District of California.

Respectfully,

WILL ROGERS, Jr.

COMMITTEE ON THE JUDICIARY

Mr. HOBBS. Mr. Speaker, I ask unanimous consent, on behalf of the Committee on the Judiciary, to file a supplemental report on the bill (S. 919) to expedite the payment for land acquired during the war period.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

FEDERAL LAND BANK AND LAND BANK COMMISSIONER LOANS

Mr. FLANNAGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4102) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4102, with Mr. SIKES in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. FLANNAGAN. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, under the law, the Federal land banks are authorized to make loans to farmers and to charge not in excess of 1 percent above the cost of the money. The Federal land banks finance themselves. It is supposed to be farmer-owned and farmer-controlled. It has not been for the last several years, because during the depression it was necessary for the Government to put in nearly $300,000,000. The farmers of the Nation, together with the members of the House Committee on Agriculture, are eager for these Government funds to be repaid as quickly as possible and for the Federal land banks to be what they were intended to be, a farmer-owned and farmer-controlled agricultural credit system, free of Government control and free of Government subsidies.

Under the law, without the special consent of the Governor, no loan can be made in excess of 1 percent of the cost of money. That is to say, the Federal land bank goes into the market and sells its bonds, and then it makes the loans to the farmers at 1 percent above that figure.

If you turn to page 2 of the committee report, you will observe the interest rates on the loans which are now outstanding, ranging from 4 percent as a minimum to 6½ percent as a maximum. Those are the contract rates. That is what the farmer agreed to pay when he made the loan. Then the depression came and in 1933, due to the fact that agricultural conditions were so severe, the Congress provided that, beginning July 1, 1933, the interest rate on these loans should be reduced to 4½ percent. That continued from 1933 to 1935. In 1935, effective July 1, 1935, the interest rate was reduced by Congress from 4½ percent to 3½ percent. Then in order to keep the Federal land banks going it was necessary for the Congress to appropriate money to make up this difference. And up to now the Congress has appropriated to the Federal land banks as a subsidy, $282,667,000. That amount it has been necessary to pay to the Federal land banks to compensate them for the difference between the contract rate, the cost of their money plus 1 percent, and what we fixed it at by reducing it first to 4½ percent and then down to 3½ percent. In addition to the Federal land-bank loans there are what is known as the Land Bank Commissioner loans which were authorized during the emergency of 1933, which is a loan made over and above the Federal land-bank loan, the Federal land-bank loan being limited to 50 percent of the value of the land and the Commissioner loan being authorized up to 75 percent of the value of the land. Under the law, in 1933, at the very depth of the depression, Congress provided that these Land Bank Commissioner loans should draw interest at 5 percent. I was not here, but you probably fixed that rate because it is a high risk loan. It is a 75-percent-of-value loan. So you fixed the rate at 5 percent. Then in 1937 we decided that the 5 percent rate was a little high and provided that that rate should be reduced to 4 percent and from July 22, 1937, to July 1, 1940, the rate was 4 percent on the Commissioner loans. Then in 1940 Congress reduced the interest from 4 percent to 3½ percent and from July 1, 1940, to July 1, 1944, the rate has been 3½ percent.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question there?

Mr. PACE. Yes; I yield to the gentleman.

Mr. DONDERO. Was the 75-percent provision continued?

Mr. PACE. Oh, yes; that will continue until 1 year from next July 1. It expires June 30 of next year. That required the appropriation of funds by the Congress to make up that difference in interest and you have appropriated for that $59,125,000. Therefore you have appropriated, as I stated, $55,000,000 to make up the shortage in interest on Commissioner loans and $282,000,000 to make up the deficiency in land-bank loans, and the Congress has therefore appropriated as a subsidy to pay interest on those loans through those years $341,792,000. That is what this reduction in interest has cost the Government during these years. The gentleman from Wisconsin [Mr. MURRAY], who is one of the ablest members of my committee, and who is very much interested in the welfare of the farmers, introduced a bill to continue the 3½ percent interest rate for 2 more years. It was taken up by the committee. We deliberated on it and we reported out what you find as the committee amendment in lieu of the language offered by the gentleman from Wisconsin. Let me first explain what that language does. The Federal land bank is getting in better shape. I wish I had the time to tell you the things they have done and are doing to get on their feet. In fact, they are all on their feet with one exception where one of the Federal land banks, due to local conditions, has been in a rather critical condition, but it is coming out. They are getting on their feet. They have now come voluntarily, although they hold contracts with the farmers which draw interest of from 4 percent to 6½ percent, they have come in voluntarily without any Government subsidy and have written off all interest down to a flat 4 percent and they are now making 4-percent loans. So hereafter the Federal land bank interest rate is a flat 4 percent, requiring no Government subsidy whatsoever.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. PACE. Yes.

Mr. MAY. Does that apply to both direct loans and Commissioner loans?

Mr. PACE. It applies to Federal land bank loans. Therefore the Federal land banks have voluntarily come in and reduced their rate to 4 percent until the loan is paid in full. They cannot change it next year. It is a permanent rate of 4 percent and requires no Federal subsidy. Now unless the Congress acts, however, on the Commissioner loans before July 1, they will automatically go up to 5 percent. Therefore this amendment that the committee has reported provides that the Commissioner loans shall be held down to 4 percent just like the Federal land bank loans. Therefore, under this bill you would have the Federal land bank loans at 4 percent and you would have the Commissioner loans at 4 percent and the Committee on Agriculture will, in a few days, report to you a bill fixing the farm-tenant-purchase loans at 4 percent. The flat, across-the-board rate will be 4 percent for all of the long-term farm-land loans. I think that is justified. I think the rate in the past of 3½ percent, and certainly no Member of this House fought more vigorously than I did in voting for it and in overriding the veto of the President to get the

3½ percent, I think the rate in the past of 3½ percent was justified because the farmer was then selling his commodities in many cases for less than the cost of production. But one of the things that the committee wants to do and one of the things I believe the farmers of the Nation want to do and I believe that the Congress wants to do is to put this system on a sound, business basis where we can free ourselves of this Government subsidy. The farmers of this Nation do not want to live under a Government subsidy. What do you have today? You have been subsidizing these loans and therefore you have been controlling these loans from Washington. When we are able to pay back the Government money that is now in the land-bank system, then it will be 100 percent farmer owned and 100 percent farmer controlled. That, I think, is the ideal system. The committee feels that as long as there is a Government subsidy in this land-bank system in farm credits, then it faces the constant danger of being destroyed because it cannot stand on its own feet. Therefore the committee bill does simply one thing, it leaves the land-bank rate where the land banks themselves have come in voluntarily and fixed it at 4 percent. Therefore we do not need a subsidy to maintain this rate.

The committee feels that the Land Bank Commissioner loans should be brought down to the same level. As I stated to you, the Land Bank Commissioner loan authority expires this time next year. Our committee must necessarily consider whether or not they will continue to authorize the Land Bank Commissioner loans to be made. Frankly there is some doubt that the committee will recommend it, because the emergency does not exist today that existed when this type of loan was authorized. There is under consideration the proposal to increase the land-bank loans from 50 percent to 65 percent of the normal value of the farm, and eliminate this duplicate organization of Land Bank Commissioner loans. But that entire subject matter will have to be considered by the committee and considered by the Congress before another year.

I feel that the farmers are entitled to the benefit of the cheapest money that is sound. I do not think under present conditions that they can ask for more. One of the problems of the Federal land bank today is to find somebody to borrow their money. One of the greatest problems which the Federal land bank has today is the surplus money they have on hand. If you will look at the report you will see that the farmers paid back about $350,000,000 last year of their land bank and Commissioner loans. The Governor of Farm Credit states they are now paying back at the rate of 5 to 1. That is, they are paying back $5 for every $1 they borrow. So certainly if there is ever going to be a day when we should put the system on a sound basis, had we not better do it now when the farmer is able to pay a rate of interest that is reasonable? If we continue now this subsidy payment in order to get 3½ percent interest, then we may not be able when the war is over and times get bad again, to come back here and reduce the interest rate again. I hope it will not be necessary. But certainly with conditions as they are, the land banks having voluntarily come in and reduced the rates, the farm income having substantially increased in the last year or two, the farmer being in a position to pay this rate, I believe if you will consult the farmer he will say, "Put that system on a sound basis while we have a chance, and let us control it from this time on and take the Government out of it."

The CHAIRMAN. The time of the gentleman from Georgia [Mr. PACE] has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DONDERO. Will the gentleman yield?

Mr. PACE. I yield.

Mr. DONDERO. I want to commend the gentleman for his very clear and understandable statement. I would like to ask him this question: What hope or promise is there in this picture of repaying the $339,000,000 to the Federal Government and getting the Federal Government out of the business of loaning money to its citizens, in competition with private enterprise?

Mr. PACE. We had a conference last week with five presidents of the Federal land banks who were serving at a committee representing the 12. They said to us that with the exception of 1 bank they hoped to be able to pay this money back within 2 years, and certainly within 5 years; have every dollar of it paid back to the Treasury and be entirely free of debt. The other bank said they could go a long way in 5 years and they were confident that within 10 years they would be paid out in full.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. MAY. I would like to inquire about one other feature of the measure and that is this: Sometime last year, as I recall it, the President and the chairman of the Federal Land Bank Board, or somebody, jointly issued a letter to the borrowers from Federal land banks, encouraging them to liquidate and take out their loans while this easy money was going.

Mr. PACE. I do not think there is anything more important than for a farmer to pay his loan and get out of debt and be ready for any hard times which may be ahead of us.

Mr. MAY. Has the gentleman gone into the question of the extent to which they have reduced these loans?

Mr. PACE. Oh, yes. If the gentleman will turn to the report he will find that they paid nearly $400,000,000 last year.

Mr. MAY. What is the amount of the loans outstanding to farmers?

Mr. PACE. On January 1 it was $1,357,937,416, Federal bank loans, and $406,190,206 of Commissioner loans, a total of about $1,760,000,000. When we fix this interest rate we are affecting only 30 percent of the farmers of the Nation who have farm loans. The total farm debt on farm lands is about $6,000,000,000. The statement has often been made that it is unfair that just farmers who borrowed from the Government would get this cheap rate of interest, while the man borrowing from an insurance company or other lenders was not getting it. So we are only dealing with about 30 percent of the farm loans.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. LUTHER A. JOHNSON. If the bill as reported by the committee becomes law, the rates will be 4 percent, and if not they will be 5 percent?

Mr. PACE. On Commissioner loans; yes.

Mr. LUTHER A. JOHNSON. I agree with what the gentleman said about having the lowest possible rate of interest for these farm loans we can have upon a sound basis.

Mr. PACE. That is right. That is the policy of the Houston Land Bank in the gentleman's State.

Mr. LUTHER A. JOHNSON. The Houston Land Bank is one of the best in the system?

Mr. PACE. Yes. It has a very fine record.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. PACE. I yield.

Mr. WHITTINGTON. Are the Federal land banks repaying these amounts advanced by the Government as you go along?

Mr. PACE. They are. The statement was made by a Member a few minutes ago that the Government could borrow money so much more cheaply than this, and three-fourths of 1 percent was mentioned. Of course, we have studied that. You understand these are 20- and 30-year loans. Of course, 30-year money is quite different from 90-day money or 30-day money or 6 months' or 9 months' money. We have consulted with the best authorities we know, and there is practically no hope, even under the present money market, of getting this money even on a 10-year basis, at cheaper than 2½ percent. So when you talk about getting money for practically nothing, that is usually 90-day money.

Mr. MICHENER. Will the gentleman yield?

Mr. PACE. I yield.

Mr. MICHENER. The gentleman has made a very good case. His statement has been exceptionally clear and enlightening. I hope every Member interested will read it.

Mr. PACE. I thank the gentleman.

Mr. MICHENER. I have received a great number of letters recently from small banks in agricultural communities protesting against the method used by these banks in soliciting loans.

Mr. PACE. I am sure the gentleman has reference to the production credit associations.

Mr. MICHENER. No; I have reference to Federal land banks. Does the gentleman know anything about that?

Mr. PACE. That is the first complaint I have ever received from any bank objecting to a 20- or 30-year loan. None of them that I have ever heard of has been interested in making 20-year loans.

Mr. MICHENER. No. The objections come from banking associations in small communities. The objection is that these agents for the Federal land bank go out and see the farmer and tell him, "Now, we are liable to have a depression later and you had better get a long loan, because if you taken a loan from your local bank he will not be in as good a position to renew the loan."

Mr. PACE. The private banks are not authorized to make this type of loan.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. FLANNAGAN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Will the gentleman yield to me?

Mr. PACE. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. Is it not a fact that the president of the American Bankers Association appeared before our committee 2 or 3 weeks ago and made the statement that neither the city banks nor the country banks objected to the interest rate charged by the Federal land bank and the rate charged on Commissioner loans?

Mr. PACE. He certainly did. I fear the banks in writing to the gentleman from Michigan have used the words "farm credit." I am confident they had reference to the production credit associations, because they have been severely criticized for what the gentleman has suggested.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. PACE. I yield.

Mr. ZIMMERMAN. I will say to the distinguished gentleman from Michigan [Mr. MICHENER] that all of these small banks—that is, the banks you heard from—cannot make 20-year loans. The Federal Land Bank is not in competition with those banks.

The only objection that has come to our Federal lending system has been from some of our rural banks complaining of the Production Credit Corporation and their actions not on mortgages, but on short loans. I may say further as was stated by the distinguished gentleman from Virginia, that the American bankers' representatives and the banks throughout the country came before our committee but made no complaint.

Mr. PACE. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. ROBSION].

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield 2 additional minutes to the gentleman from Georgia.

Mr. ROBSION of Kentucky. Did I understand the gentleman correctly that the Congress has appropriated $347,000,000?

Mr. PACE. Three hundred and forty-one million dollars.

Mr. ROBSION of Kentucky. Three hundred and forty-one million dollars as subsidies to make up these cuts that were made in interest rates?

Mr. PACE. Yes; and this committee bill will end that.

Mr. ROBSION of Kentucky. The gentleman has stated that if we pass this bill that will be the end of that; there will be no more subsidies.

Mr. PACE. That is right.

Mr. ROBSION of Kentucky. Is there any plan by which any part of this subsidy will be recovered?

Mr. PACE. Oh, none whatever; none whatever.

Mr. ROBSION of Kentucky. That is gone; but the gentleman's plan is not to make any more.

Mr. PACE. That is right.

Mr. THOMASON. In that connection, if the gentleman will yield, what is the rate of interest now charged by the Production Credit Corporation?

Mr. PACE. It varies across the Nation; it depends upon what association it is in. It ranges from a minimum of 4½ percent up to 8 or 9 percent.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. MURRAY of Wisconsin. Did I understand correctly that the gentleman stated there had been some three hundred-odd million dollars of subsidies to the Federal land bank and Commissioner loans as a result of the decreased interest rates?

Mr. PACE. The committee report gives exact figures. The Congress has appropriated $282,000,000 for interest reductions on Federal land bank loans and $59,000,000 for interest reductions on the Commissioner loans. Let me say that the Commissioner loans, of course, in a way, are bookkeeping transactions because it is all Government money.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Kansas is recognized for 10 minutes.

Mr. HOPE. Mr. Chairman, this bill was originally introduced by the gentleman from Wisconsin [Mr. MURRAY]. The bill by its terms reduced for a period of 2 years the rate upon Federal land-bank loans and Land Bank Commissioner loans to 3½ percent. A few months ago the Federal land banks collectively announced that beginning July 1 the rates on Federal land-bank loans would be uniformly 4 percent. Some of them have run as high as 5½ and 6 percent, but by reason of the low interest rates prevailing generally and the ability of the land banks to refund some of their outstanding obligations at lower interest they are able at this time to reduce the interest rates permanently to 4 percent on all of the loans they hold, which I think everyone will agree is a fair and reasonable rate.

The rate upon Federal farm-mortgage loans, what we call the Commissioner loans, has been by statute 5 percent. The committee has amended the original Murray bill by reducing the rate on Commissioner loans to 4 percent for 1 year. The reason we made the rate 4 percent for 1 year only on Commissioner loans was that the authority of the Land Bank Commissioner to make loans will expire a year from July 1 and before that time we shall have to determine whether or not we are going to extend that authority or just what arrangement will be made. We can take care of the permanent interest rate at that time. By reason of the action heretofore taken by the Federal land banks no action by Congress is necessary to reduce their rates to 4 percent. I have in the past, as have practically all of the Members of the House, favored the 3½-percent interest rate. It was put in effect back in 1934 in the beginning but as we all know cash farm income at that time was about a third of what it was for the year 1943. Conditions did not improve very much for the next 6 or 7 years as far as farm income was concerned and we continued the rate.

It was a subsidy, admittedly a subsidy, because we had to pay money out of the Federal Treasury every year in order to maintain this rate. As the gentleman from Georgia told you, during that period of time we paid out of the Federal Treasury $341,000,000 in subsidies, and I think it was justified. The question now before us is whether or not at a time like this we can further justify taking money out of the Federal Treasury for that purpose.

The condition of the Federal Farm Mortgage Corporation now with reference to finances is such that the committee felt that a 4-percent rate would not make it necessary to resort to a Federal subsidy; so if you pass the bill as recommended by the committee there will be no subsidy involved. Most of us from the farm sections of the country have taken a firm position throughout this Congress in opposition to subsidies. We have taken the position that the farmer should get a fair price in the market place and that if he did there need not be a Government subsidy for agriculture. It seems to me it is rather inconsistent for anyone representing an agricultural section who has been opposing Government subsidies during this past year to come in now and support a Government subsidy on interest. In that I am not alone. My opposition, I think I can say is the opposition of the farmers of this country. Every year preceding prior to the passage of this bill reducing interest rates I have been the recipient of many letters from farmers and farm organizations requesting a reduction to 3½ percent. Other Members of Congress have had the same. This year I have not received a single letter from any farmer asking for a continuation of the 3½-percent rate. I have had only one letter on the subject, and that was from the organization of Federal land-bank secretaries in my State, in which they suggested that the Commissioner loan rates should be 4 percent.

Within the last 2 days I have contacted Mr. Albert Goss, the master of the National Grange. I asked him if his organization had taken any position on this matter. The reason I asked him that was because the Grange has endorsed the 3½-percent rate regularly

every time it has come up in the preceding sessions of Congress. Mr. Goss said his organization had not endorsed the 3½-percent rate, that they had taken no position on the matter at all at their national convention, but at the last meeting of the executive committee of the Grange the matter was considered. Mr. Goss did not have before him at the time a copy of the minutes but he dictated to my secretary over the telephone the following statement which he said I might use as indicating the action the executive committee had taken on that question. The statement reads as follows:

The executive committee considered the problem of the expiring interest reduction on land-bank loans. Information was presented to the effect that land banks are now in a position to reduce the interest rate on the higher rate loans to 4 percent. The committee reached the conclusion that if the bank reduced the rate to 4 percent no request for a lower rate of interest was justified at this time.

Mr. Chairman, I also called up the headquarters of the American Farm Bureau Federation in Washington and I asked for Mr. O'Neal, the president, but I was informed he was out of town. I talked with Mr. Ogg, the Washington representative, and he stated that while in the past their organization had taken a position in favor of the 3½-percent loan, the organization had not taken any action on the matter at this time. So we have no request, as far as I know, from any farm organization for the 3½-percent rate and I am sure there are few, if any, requests from individual farmers for a reduction of the rate.

One further thought and then I am going to conclude because I know we are all anxious to get through with this bill as rapidly as we can. After all, there is not very much money involved in the difference between the two rates. The difference between 3½ and 4 percent is only $5 per thousand and the average Federal land-bank loan is about $3,000 at the present time. That would mean then that the difference between the 3½ percent and 4 percent on a loan of $3,000 is $15, which is about the price of 10 bushels of wheat. I have stood, and stand, for farm prices which are high enough to enable the farmer to pay a fair rate of interest. If the farmer has that he will not ask for a subsidy on his interest rate.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, this one-half of 1 percent does not amount to anything as far as the farmer is concerned if he is getting a fair price. That is the position I think we ought to take, those of us who represent agricultural districts; that the farmer is entitled to fair prices, to parity prices. He is getting more than parity prices today. If he does get parity prices then he does not want an interest subsidy. What he wants, as the gentleman from Georgia has told you, is a land-bank system that is sound, one that will go down through the years, one that he can depend on, one that will be there when he needs a loan and when perhaps he cannot get one anywhere else.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. In view of the fact that farm income is now higher than it has ever been and that our farmers are in a better position to pay than they have been for a long time, does not the gentleman think this is the time for the Congress and the country to embark on a program by which we will in the future eliminate the subsidies that this Congress had to vote from year to year and get on a self-sustaining basis? Is this not the proper time to do that?

Mr. HOPE. If we cannot do it now, then we will never be able to do it.

Mr. ZIMMERMAN. And this is the time to do it.

Mr. HOPE. I agree with the gentleman.

Mr. KEEFE. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Am I correct in the belief that these land-bank loans are made for a period of 20 years?

Mr. HOPE. The land-bank loans are made for a period of 33 years. The Commissioner loans are made for a period of 20 years .

Mr. KEEFE. Are the loans payable by the mortgagor at any time?

Mr. HOPE. I am not sure about the Commissioner loans. The land-bank loans can be paid at any time after 5 years.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. My understanding is that both the Commissioner loans and the land-bank loans may be paid at any interest period and ordinarily they accept them between the period.

Mr. HOPE. That is, after 5 years?

Mr. WHITTINGTON. Yes, that is true.

Mr. HOPE. That is my understanding on land-bank loans.

Mr. KEEFE. If any borrower wanted to avail himself of cheap money at a bank or an insurance company or any other place where he might get the money at a cheaper rate, he could borrow it and pay off his land-bank or Commissioner loan at any interest-paying date, is that right?

Mr. HOPE. Yes; I may say that about $400,000,000 of land-bank loans have been paid off since December 31, 1941. I do not think that those have been paid off by the proceeds of other loans. They have been paid off because the farmers have had the money to go in and pay off the loan. They have been able to do so, because they have had good crops and good prices.

Mr. KEEFE. Did the evidence before the gentleman's committee disclose any substantial number of these land-bank or Commissioner loans to have been refinanced by borrowing the money from private lending agencies?

Mr. HOPE. I cannot say; I have no information on that, but I do not think so because, in my opinion, the money could not be secured from private lending agencies at a lower rate than 3½ percent which has been the prevailing Federal rate, so I doubt very much if there have been any in that category.

Mr. PACE. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman will recall that one witness stated last week that they were now disregarding the 5-year payment rule and were accepting payments at any time?

Mr. HOPE. I was not present at that meeting but I am glad to have the information.

Mr. WHITTINGTON. In practice, both the Commissioner loans and the Federal land-bank loans have been accepted regardless of the 5-year term.

Mr. HOPE. I think that is true.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. If this legislation, as amended by the committee, is not passed, the Commissioner loans will continue at 5 percent and the Federal land bank loans at 4 percent?

Mr. HOPE. That is correct.

Mr. DONDERO. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Michigan.

Mr. DONDERO. Was there any evidence before the gentleman's committee that loans made by private lending agencies had been displaced by Government loans?

Mr. HOPE. The committee did not go into that question and I cannot say. I do not think any have been recently because, as a matter of fact, the Federal land banks have not been making many loans recently. The farmers have not been borrowing on their land.

Mr. DONDERO. Can the gentleman advise the House what hope there is or what promise there is of getting the Federal money out of these land banks so they will be privately-owned and the Government will not be in competition with its own citizens?

Mr. HOPE. The Federal land banks are in excellent shape today. The Federal money is out of some of the banks already and it is being paid off rapidly in others.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Following up what the gentleman from Michigan [Mr. MICHENER] said a while ago, we know that production credit is the main competition of the country banks. Of course, there is some other competition. I am in favor of this bill and I am in favor of the Federal land banks, but, may I say that in connection with the agricultural appropriation bill we went over

farm credit and when we got to production credit, which is the main competition of the country banks, they stated that it is authorized by law and we could not do anything about it. If the country does not need the Production Credit Corporation, is the gentleman's committee doing anything to repeal the law, and, if not, why not?

Mr. HOPE. The committee is not doing anything to repeal that law and I would not be in favor of repealing the law. The committee is giving consideration to the Government subsidy that is contained in the present production credit set-up and, in my opinion, the committee will take some action on that matter when we consider the whole question of farm credit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, I am opposed to any increase in rates on Federal land-bank mortgages and Land Bank Commissioner's mortgages at this time. The argument has been made that the farmers are in better position now to pay a higher rate of interest than they were a few years ago when these rates were reduced. It might with equal propriety be said that the people of this country are able to pay 3 or 4, maybe 5 percent, on Government bonds now than they were able to pay 5, 6, 7, or 8 years ago; consequently, a bill should be introduced in Congress to increase the rate of interest on Government bonds.

Another statement made by the gentleman from Georgia in his very fine presentation was to the effect that the Federal land bank wanted to pay back the subsidies which it had received because of this reduction in interest, and that if we let them have the rate at 4 instead of 3½ percent, they could charge their indebtedness to the Government.

I think that it is the first time it has ever been suggested on the floor of the House that these subsidies which have gone out, not only to the farmers, but to scores and hundreds of other lines of industry, should be paid back eventually to the Government by compelling the man who produces to take either an increased price or a lower price, one way or the other.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. HULL. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. I do not think the gentleman from Georgia made the statement that the subsidy would be paid back. It was never contemplated that the subsidy would be paid back. As a matter of fact, I do not think it will ever be paid back. It is the money that the Federal Government, in addition to the subsidy, put into the Federal Land Bank System in order to save it during the depression that will be paid back.

Mr. HULL. The gentleman may be correct.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. HULL. In any event, it is proposed to say to the farmers of this country, "We are going to increase the rate on your loans in order to pay back something which the Government has expended." If we are going to adopt any such policy it would seem to me that the first thing Congress should do would be to pay attention to such loans as the loan of $71,000,000 that was made to the Argentine 3 or 4 years ago, of all nations in the world, to stabilize the price of corn. Let us raise these funds from some other source, not from our own farmers.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I want to speak briefly about two things. I want to emphasize the fact that there really should be something done about Federal credit where it is in competition with country banks. If we believe that the country banks should be sustained, we have to do something about it. We have to repeal some provisions of the Federal law and a few other things, and this Committee on Agriculture has to start it.

The second thing I want to emphasize is this: My distinguished colleague said that we are all against subsidies, that the farmers are against it. Of course they are. But we are going to be faced in a week with the inevitable situation that the Committee on Agriculture Appropriations faces, and that is to continue subsidies to the milk producers. We are forced into the situation because we have been whipped in both Houses because we did not have two-thirds. Mr. Fred Vinson has set a ceiling, and now if we take away the subsidies from the milk producers we are sabotaging the milk producers. We are going to face the proposition in a few days of being called saboteurs if we take the subsidies away from the milk producers right now.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I may say to the gentleman that down in Georgia, a week ago Sunday, 1,000 gallons of milk were poured down the sewers, on which a special subsidy of 60 cents a hundred was paid.

Mr. LAMBERTSON. And some of the Members who are talking against subsidies today are going to be supporting it on this floor within a week, I predict.

Mr. HOPE. Mr. Chairman, I yield the remainder of the time to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. I do not like to get into this kind of an argument when we have such a short time in comparison to the other side but I guess we are in it and we will have to do the best we can. It appears like 15 minutes for one side and 45 minutes for the other side. If there is anybody in this Chamber who wants to raise the interest rates on the farmers at this time, I will be very glad to have him stand up and be counted. He should be given the chance to explain why the 800,000 bona fide farmers of this country should be asked to pay for the pound of flesh at this time when millions are being scattered around the way they are being scattered around. You are taking $28,000,000 a year for 60 years to build houses or housing units right now for people who never owned houses before, when you have driven farmers off their farms and out of their homes because they could not pay a three or four thousand dollar loan. You are building homes for these people costing from five to six thousand a unit, subsidizing them with this $28,000,000 and are taking this $11,000,000 pound of flesh from the farmers to pay it.

A year ago you felt sorry for the bureaucrats, even those getting ten and fifteen thousand dollars a year. You had to pay them overtime. You gave them more overtime than the base pay of a soldier amounts to in order to get them to help win the war. You have to give it to the bureaucrats, even if we have to go down now and take this $11,000,000 pound of flesh from 800,000 farmers who have not asked for any overtime.

I say to the Members of this House that there has never been a $300,000,000 subsidy interest for farmers, regardless of the report, and regardless of every speaker who has been up here and said so. I repeat this statement. If you take time to look at that report you will find that next year the Land Bank Commissioners will need $7,400,000 for subsidizing interest on $400,000,000. That is 1¾ percent. In other words, it is going to take over 5¾ per cent interest in order to carry the thing on its own; therefore, there has not been a subsidy of that amount of money on interest. The necessity for subsidy has been due to the inefficient operation of those programs. Had they been run efficiently, there would have been no reason to come around and take this $11,000,000 pound of flesh out of the 800,000 farmers who have lived through 10 years of drought, who have lived through 10 years of depression, and then come along at this late date and say, "We have to raise your interest; we cannot carry on the way we have been."

There is another point I want to bring out here. Stop and look at some of these other appropriations. Take the Bankhead-Jones loans. Where are the Bankhead-Jones loans? How much are they? Oh, that is a subsidy too; you never hear about that when that appropriation is up.

THE 100-PERCENT, 40-YEAR, 3-PERCENT LOANS FOR THE FEW

Mr. Chairman, since this Congress appropriated $15,000,000 for Bankhead-Jones loans for next year and appropriated up to 5 percent or $750,000 or $250 to $300 per farm to find farms for new farmers, even during the war, there are a few facts I wish to bring to your attention. It would appear to be a time to save the effort, the manpower, and the funds so as to have more of all of these factors to use later in connection with procuring farms for veterans.

Appointments as rural carriers and other governmental jobs are evidently being held up for future appointments and this suggestion is surely comparable so far as securing farms is concerned.

In other words why spend $250 to $300 per farm of public money to find a farm for a man who has never owned one when the man now on a farm cannot find the manpower to efficiently operate the one he already has?

I also wish to call your attention to the following fact: The official table on page 4365 of the RECORD shows the following:

1. Total number Bankhead-Jones title loans to Dec. 31, 1943	35,146
2. Total number of loans made in Georgia	3,546
3. Total number of loans made in Alabama	3,071
4. Total number of loans made in Mississippi	2,799
5. Total number of loans made in North Carolina	2,495
6. Total number of loans made in Texas	2,682
Total	14,593

This shows that over 10 percent of the 40-year 100-percent valuation 3-percent loans were made in one State, and nearly one-third in four States, and over 40 percent of them in five States.

Information received from Mr. Robert Shields, Solicitor for the United States Department of Agriculture, shows the following:

Section 4, equitable distribution of loans under title I, farm-tenant provisions of Public, No. 210, Seventy-fifth Congress, chapter 517, first session, H. R. 7562, reads as follows:

> In making loans under this title, the amount which is devoted to such purpose during any fiscal year shall be distributed equitably among the several States and Territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

Under Public Law 129, Seventy-eighth Congress, first session, H. R. 2481, chapter 215, page 40, I find the following:

> *Provided*, That the amount which is available to any State or Territory for making loans under such title I shall be distributed by the Secretary, in accordance with rules prescribed by him, among the several counties or parishes in such State or Territory, except that he shall not distribute to any such country or parish in excess of two times the amount which would be distributed to such county or parish in excess of two times available to the State or Territory distributed among the several counties or parishes in such State or Territory on the basis of farm population and the prevalence of tenancy, or an amount sufficient to make not more than five loans in any one State or Territory, whichever amount is the larger.

Table 740, page 620, of the 1942 agricultural statistics shows:

Total number farm-owner operators, part-owner operators, and managers in the United States in 1940	3,735,489
Total number tenants, croppers, and cash tenants in the United States in 1940	3,416,999

This same table also shows that in 1940 there were 86,000 farm owners, part owners, and managers in Georgia in comparison to 218,000 tenants, croppers, and cash tenants; that there were 95,000 in the owner group, and 217,000 in the tenant group in Alabama; that there were 101,232 in the owner group, and 179,933 in the tenant group in Arkansas; that there were 154,000 in the farm-owner group and 194,000 in the tenant group in North Carolina; and that there were 213,000 in the owner group and 275,000 in the tenant group in Texas. The above shows that if croppers are classed as tenants, the 100-percent, 40-year, 3-percent loans have not been too far out of line, though some provisions of the Agricultural Adjustment Act increased the land operated by the owner and resulted in tenants being replaced by hired hands.

I do, however, want to make this self-evident point and that is this: If the present timetable and formula is used, a few States will soon have the 100-percent, 40-year, 3-percent loans, and the real farm States that produce the food in peace and war will have 4-percent loans based on 50-percent valuation, and 5-percent loans based on 75-percent valuation. In other words, the real bona fide farmer who obtains his farm by his own efforts will pay 33⅓ to 66⅔ percent more interest each year than the hand-picked administration-sponsored farmer if the present intentions of the present administration are carried into effect.

The point I want to make is this. If you follow the present formula, if you follow the present leadership of this administration, what are you going to come up with? A few States will have the 100-percent, 40-year, 3-percent loans, and the real farm States that produce the food in peace and war will have 4-percent loans based on 50-percent valuation, and 5-percent loans based on 75-percent valuation.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Georgia.

Mr. PACE. Did the gentleman hear my statement a moment ago to the effect that the committee sought to make the tenant purchase loans 4 percent?

Mr. MURRAY of Wisconsin. I heard the statement, but the point I want to make is this. In other words, the real bona fide farmer who obtains his farm by his own efforts will pay 33⅓ to 66⅔ percent more interest each year than the hand-picked administration-sponsored farmer if the present intentions of the present administration are carried into effect.

As far as I am concerned, there is nothing personal about it. Every Member here can vote to raise the farmer's rate of interest, but if that is his judgment, and if that is his opinion of fairness, I am glad to abide by the decision of this House.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Let us get down to the crux of this thing. Look at page 2 of your report, and let us talk about the financial end of this for a few minutes. You have $1,361,000,000 outstanding, according to the table there. When did that first issue, of May 15, 1934, mature? It was called on the 15th day of this month. At what rate can they put that money out again? The top rate is 2½ percent on Government bonds. These banks have the money. The gentleman from Georgia has stated, in substance, I believe, that they do not know what to do with the money that is being paid in by the farmer, yet they are proposing to give him the liberal rate of 4 percent. Why do they not give him a rate of interest in line with the money market today, like any other banking institution?

Let us take the next issue, July 1, 1934. When will that be called? July 1, 1944, just a few days from now.

Take the next issue, July 15. When will that be called? This gets into the question I raised in my original remarks about calling and refunding these bonds if you have to have the money, but the money is being paid in. Will the gentleman comment on that phase of this question?

Mr. MURRAY of Wisconsin. There is no doubt that this money is cheap and there is no doubt that you are absolutely right.

Mr. CRAWFORD. This is my point. You put your money out today at 2½ percent, that is to say, money is available at 2½ percent. Add your 1 percent, which is the historical background, and it gives you a 3½ percent rate to charge the farmers, so the rate the gentleman proposes is exactly right. It is right on the market nose. There is no need of talking about the 4 percent because you cannot justify it. If they could put the money in Government bonds at a higher rate than 2½, that is a different story.

Mr. MURRAY of Wisconsin. I thank my distinguished colleague from Michigan for his keen analysis of the situation.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FLANNAGAN. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, this is a splendid piece of legislation to demagog on, but when you go into the farm-credit situation and try to do what is right, I believe you will come to the conclusion that the committee acted wisely in trying to fix a uniform rate of 4 percent on all farm loans. The land banks have voluntarily reduced their interest rate, effective June 30, to 4 percent, and I understand that the Land Bank System will be able to continue that rate through the years and at the same time be in a position to retire the money it has borrowed from the Federal Government.

By this legislation we are bringing the interest on the Commissioner loans down to 4 percent, thus providing a uniform rate for both land-bank and Commissioner loans. Moreover, the Committee on Agriculture in considering the interest on farm-tenant loans has unanimously agreed to bring those loans up to 4 percent. When this is done we will have a uniform interest rate on all types of agricultural loans, and that is as it should be.

The Federal Government has been more than fair to the farmers. During the depression we reduced the interest rate not only on land-bank loans but on Commissioner loans to 3½ percent, and that reduction cost the taxpayers of America something over $300,000,000. We will never get back one penny of that subsidy, if you want to call it a subsidy, that we paid the farmers when we reduced the interest rate on Commissioner loans and land-bank loans, to 3½ percent.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. The reason we had to reduce that interest rate to 3½ percent was that the farmer was not getting a fair price for his product. Now that he is getting a fair price, I think the gentleman will agree that he should pay a fair rate of interest, in line with other interest rates.

Mr. FLANNAGAN. I believe the farmer wants to pay a fair rate of interest. As far as I know, there has been no demand from the great farm organizations, nor has there been any demand from the farmers themselves, from the individual farmer, to keep this rate at 3½ percent. While I am not satisfied with all farm prices, I do believe the farmers are now in position to pay the 4-percent rate.

We talk about cheap money. I realize that money is cheap today, but we are not dealing in this legislation with short-term loans. I know you can get cheap money on 60-day and 90-day paper, or for 6 months or a year, probably; but here you are dealing with loans that run from 20 to 33 years. The land-bank loans run for 33 years and the Commissioner loans run for 20 years. Where can a farmer get this cheaper interest rate on long-term loans? He cannot get the same type of loan from his bank today at 4 percent. If he can, it is in mighty few sections, and I dare say that very few, if any, of the insurance companies are making loans today on farms at a lower rate than 4½ or 5 percent. These cheap interest rates that we hear so much about are on short-term loans, and such a loan would do the farmer no good.

We are trying to put the Federal Land Bank System upon a sound basis. We are trying to get the Government money out of the Federal system so that the system will be owned by the farmers themselves, and another thing, and an important thing, so that it will not only be owned by the farmers themselves but will be controlled by the farmers themselves. You know and I know that as long as we have Federal money invested in the system the farmer is not going to be in charge of his own bank.

We had a meeting with the representatives of the Federal Land Bank System just the other day. A committee was appointed from among the presidents of the 12 Federal land banks. They met with the Committee on Agriculture and they assured us that within a period of 5 years they would be able to pay off every cent the Federal Government has invested in the Federal Land Bank System. Moreover, all of the Federal land banks in the United States except one, as I understand, will be able to pay back to the Federal Government every cent due within a period of approximately 2 years.

Mr. Chairman, I hope it will be the pleasure of the House to pass this bill.

The CHAIRMAN. The time of the gentleman from Virginia has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That (a) the first sentence of paragraph twelfth of section 12 (relating to the 3½ percent interest rate on Federal land bank loans) of the Federal Farm Loan Act, as amended (U. S. C., 1940 ed., Supp. II, title 12, sec. 771), is amended by striking out "occurring within a period of 9 years commencing July 1, 1935" and inserting in lieu thereof "occurring within a period of 11 years commencing July 1, 1935."

(b) The fifth sentence of said paragraph twelfth (relating to the 1944 time limit on payments made by the United States to land banks on account of such interest reduction), is amended to read as follows: "No payments shall be made to a bank with respect to any period after June 30, 1946."

SEC. 2. The last paragraph of section 32 (relating to reduction in the interest rate on loans by the Land Bank Commissioner) of the Emergency Farm Mortgage Act of 1933, as amended (U. S. C., 1940 ed., Supp. II, title 12, sec. 1016 (i)), is amended to read as follows: "Notwithstanding the foregoing provisions of this section, the rate of interest on loans made under this section shall not exceed 4 percent per annum for all interest payable on installment dates occurring on or after July 22, 1937, and prior to July 1, 1940, and shall not exceed 3½ percent per annum for all interest payable on installment dates occurring on or after July 1, 1940, and prior to July 1, 1946. Notwithstanding the interest rate provided for in so-called purchase money mortgages and real estate sales contracts taken by the Federal Farm Mortgage Corporation, the rate of interest payable on such mortgages and contracts shall not exceed 4 percent per annum for all interest payable on installment dates occurring on and after July 1, 1944, and prior to July 1, 1946."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the first sentence of the last paragraph of section 32 (relating to reduction in the interest rate on loans by the Land Bank Commissioner) of the Emergency Farm Mortgage Act of 1933, as amended (U. S. C., 1940 ed., Supp. II, title 12, sec. 1016 (i)), is amended to read as follows: 'Notwithstanding the foregoing provisions of this section, the rate of interest on loans made under this section shall not exceed 4 percent per annum for all interest payable on installment dates occurring on or after July 22, 1937, and prior to July 1, 1940, and shall not exceed 3½ percent per annum for all interest payable on installment dates occurring on or after July 1, 1940, and prior to July 1, 1944, and shall not exceed 4 percent per annum for all interest payable on installment dates occurring on or after July 1, 1944, and prior to July 1, 1945'."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last word.

I find myself in a somewhat difficult situation today, having to take the other side of the issue from that of my good friend, the gentleman from Wisconsin [Mr. MURRAY]. I want to say that there is no man who has the interest of agriculture more at heart than the gentleman from Wisconsin [Mr. MURRAY]. He is always on the alert to protect the welfare of the farmers and the other people of the country whether they are in his district or not. His services are valued by all of us. But with me this is not a question of interest rates as much as it is that of restoring the farm-credit system to farm ownership and farmer control. As long as the Federal Government puts in a subsidy to make up the difference in interest rates which happens to be a few million dollars, if the motion of the gentleman from Wisconsin prevails, the Federal Government will continue to exercise control over the management and operation of the system and it will be that much longer before the farmers are restored to control of their credit-system agency originally built and intended for their operation and benefit.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Just for a question.

Mr. WHITE. It is my understanding that the Government came in and subscribed to the majority of the stock of the Federal land banks and in that way controlled the Federal land banks and controlled the directorships; is that not correct?

Mr. AUGUST H. ANDRESEN. Not only that, but the law specifically provides that the farm credit organization, the local organizations, are to name four out of the seven directors, so they have control over the policy. But as long as the Federal Government either has capital in it or has to put in subsidy money to make up for the different rates, then the Federal Government can exercise just that much more control over credit policies. Many of us on the Committee on Agriculture feel we want to get this credit agency back into the hands of the farmers themselves, so they can have a truly cooperative credit agency to take care of their needs. It is not a question of this $5 difference in interest on the thousand dollars. It is a question of getting this agency out of the clutches of bureaucracy and putting it into the hands of the board of directors who are selected by the farmers.

We have had called to our attention some comparison about the Bankhead-Jones loans. That is an experiment authorized by Congress to put people on the farms with a 100-percent loan under a 3 percent rate of interest.

The question of getting farms for veterans as they return at 3 percent interest, is an entirely different matter from having a system wherein we have sound credit based upon a valuation where the security will sustain the amount that is loaned. I believe we should adopt the committee amendment which was agreed to by all members of the committee, I believe, with the exception of the gentleman from Wisconsin, and I am satisfied that even though he is insisting that the rate should be continued at 3½ percent, he will feel

better if we can reestablish farm credit under farmer control and operation.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. CRAWFORD. How much money did the Federal Government put into this proposition roughly?

Mr. AUGUST H. ANDRESEN. I think the Federal Government still has about $300,000,000.

Mr. CRAWFORD. Why did the Government put that in?

Mr. AUGUST H. ANDRESEN. It put it in to get it started. Some of it went in to get it started, subscribed to the capital, and the other went in during the depression years to give them additional money to loan.

Mr. CRAWFORD. In other words, when real financial trouble developed in the agricultural areas, the party in power, and I certainly assume the gentleman's party is going to do the same thing if the situation ever arises, the Government stepped in and met the situation and saved the farm people of this country; did it not?

Mr. AUGUST H. ANDRESEN. Yes. And the gentleman's party, which happens to be the party of the gentleman who is addressing me, if there is agricultural distress again, and we hope it will not occur, our party will be in there to give relief to the farmers wherever they need it.

Mr. LEMKE. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. LEMKE: On page 3, line 12, after the word and figure "July 1", strike out "1944" and insert "1946" and strike out the rest of the paragraph.

Mr. LEMKE. Mr. Chairman, I am in favor of keeping the Federal land bank interest rate at 3½ percent. There is no reason for increasing it to 4 percent. The Government has put a ceiling on farm products. It has kept farm prices down. It ought to be ashamed to now ask Congress to increase the interest rate on Federal land bank loans. This 3½ percent was the compromise made a few years ago between the Federal land bank's 5½ and the 1½ percent in the Frazier-Lemke refinance bill. It should be made permanent.

I know the farm situation. I know it from boyhood experience and more recently from observation. I know it from the time that my father paid 12-percent interest and a bonus, and used to sell wheat at 37 cents a bushel. I know it from the time my mother sold eggs for 7 cents a dozen and butter for 6 cents a pound.

I know that because of three abundant crops and war prices, farm conditions have improved. I know that the Secretary of Agriculture claims credit for the war prices and for the rainfall. I also know that he is a poor prophet because a few short years ago he informed us that the Dust Bowl was permanent. He was wrong then, and he is wrong now.

I know that the farmer realizes that these conditions will not continue. That he realizes that the war will end, that there will again be lower prices and that there will again be poor, as well as good crops. He realizes that in order to measure his future prosperity, you must measure his income over a period of years. He knows that in considering his future welfare you must take the average and not select only a few favorable years.

When this cruel war is over, the farmer will again be made the goat. He will again be made the shock absorber—he will again be deflated—unless Congress assures him cost of production. For 30 years the Government has farm boarded, triple A'd, O. P. A.'d, W. P. B.'d, subsidized, parity'd, penalized and deceived the farmer. He has been rolled-back and regimented by an ignorant bureaucracy in the Department of Agriculture.

The farmer has been fleeced and made to believe that he was being subsidized and helped. His production was curtailed and restricted. His hogs and calves were wantonly destroyed—and his wealth curtailed. Under the philosophy of "the abundant life by scarcity," the Secretary of Agriculture told him what he could plant and what he could not plant, what he could wear and what he could not wear—that he could eat or that he could not eat the products of his own labor.

The farmer was penalized 49 cents a bushel for winter wheat planted 7 months before the law was passed. It became a crime for his wife to grind in a coffee mill a few pounds of wheat raised on their own farm and bake it into bread. Under this unconstitutional law the Department of Agriculture filched from the farmers over $20,000,000.

Some farmers burned their wheat rather than to submit to this extortion. I know the Supreme Court held that that penalty was constitutional. My answer is that that decision is unconstitutional. It violates the Constitution that the judges took a solemn oath to uphold and defend against all enemies foreign and domestic.

About a year ago the Secretary of Agriculture bungled some more. He asked the farmer to increase his hog and poultry production 20 percent. Last fall the Food Administration prohibited the marketing of these hogs. The loss in feed and dockage for overweight was the farmer's. Just now the Food Administrator prohibits the farmer from feeding corn to his poultry and livestock. These bureaucrats with their ceiling below cost of production and roll backs will soon create a shortage of beef and dairy products.

Again the farmer is still hounded by the Federal feed and seed loan collectors. The Government canceled the franchise tax of the Federal Reserve banks and the railroads. I hope that Congress will accept my amendment to the Cooley bill and cancel these old feed and seed loans. The Farm Credit Administration is opposing this amendment. They claim that last year they collected—should be extorted—$12,000,000 from the farmers.

Yes, like Shylock of old, they got their pound of flesh. In some cases where the husband died they refused to allow the widow even enough for funeral expenses. In other cases, they garnisheed the farmer's wages long after he had lost his farm. I know of no buzzard that goes after his carrion with more zest than the Federal collection buzzard parading under the authority of the Government of the United States.

Another set of bureaucrats are telling the farmer when he may buy a tire, a stove, a washing machine, a cream separator, a tractor, a plow, or a combine. This so that they can sell them to people of other nations—to buy good neighbors with. Another set of bureaucrats drafts the sons and husbands and tells the wives that if they and their children cannot do the work of men they will substitute imported Jamaicans and Mexicans for them.

The time has arrived to call a halt to this insane dictatorial lunacy. The whole bureaucratic program is out of joint. It needs a mental physician. About two years ago some of us took the initiative—we tamed some of the bureaucrats. We realize, however, that government by bureaucracy must be completely eradicated if our Republic is to survive.

The Government gave the farmer a few good things that should be made permanent. Among these was the F. S. A. Because of some abuse, Congress, over our protest, strangled it. The Cooley bill reestablishes it. The Government also gave the farmer crop insurance, but that, too, was abolished. There is a better bill pending, and I am sure that this Congress will pass it. However, I feel that no crop insurance will be a success unless the Government pays part of the premiums. The Government should protect the producers of the Nation's food supply against loss.

Again, the Government gave the farmer soil conservation. That is a good program and will be permanent. It gave him the Frazier-Lemke moratorium which has just lately, by unanimous vote, been extended for 2 additional years. It will be made permanent. The Federal land bank and some corporation-minded courts have done all in their power to annihilate this law. These courts have deliberately misinterpreted the plain English language of the act. However, I am sure that this Congress will correct these erroneous decisions.

There may have been some undervaluation, but, for every undervaluation these courts, under the spell of the hired witnesses of the Federal land bank, overvalued ten. This law has saved thousands of farm homes. Many of these never had to take advantage of the Frazier-Lemke Act, but, the fact that it was there protected the homes of over 250,000 farm families, or a million people. As one of the largest insurance companies puts it "It is cheaper to keep the farmer and his family on the farm than to pay taxes to support them in a city."

There are hundreds of farmers in North Dakota who saved their homes by this act. Here is one of many telegrams and letters I have received from farmers throughout the Nation.

I own and farm over 500 acres. • • • Banks took quick judgment and chattels

were advertised for sale. My farm would come next so I filed a Frazier-Lemke petition * * *. I expect to pay my debts. But without this law I would have lost my home.

Do not permit pussy-footing, whispering political snipers tell you that the Frazier-Lemke Act is no good. I am not responsible for the judges that cannot read English. I am confident, however, that Congress will take some action and some of these sniper's underhand activities will be aired. I am sure the law will be amended to correct erroneous court decisions, that it will be made a permanent part of the Bankruptcy Act.

The farmers compose about one-third of our population. Ultimately, in self-preservation, the farmers will unite solidly for this legislation. Why not now? If they ever organize with the same unity that labor has organized, then they will get what they are entitled to. Then they will get cost of production. This war has not solved the agricultural problem. It will not solve it. There will again be deflation—a financial collapse. This, unless Congress passes the cost-of-production bill. This bill, and this bill alone, can protect the farmer. It is the solution to the farm problem.

When this war ends, someone will have to pay the interest on the $358,000,000,000 of public debt. This cannot be done unless the basic industry—agriculture—is prosperous. Let us wake up before it is too late. I repeat, the cost-of-production bill and the veterans' rehabilitation bill that I have introduced will prevent a financial collapse. These bills, when passed, will give an opportunity to taper off the inflation—the extra $15,000,000,000 of paper money that we have printed for the cost-plus contractors and the lend-leasers.

This bill would give to the farmer cost of production for all agricultural products whose annual farm value exceeds $20,000,000. The provisions of this bill would include 43 of the principal agricultural products. It provides that the producer of these products shall be paid, as a minimum, the average cost of production of such products in the United States.

It provides that the average cost of production shall include all production expenses, interest, taxes, wages of farm and family labor, a return of 4 percent on farm property equity, and compensation to the average farm operator, equivalent to the average weekly earnings of the industrial worker. Such average cost of production to be determined after public hearings, participated in by farmers' organizations and interested parties. These are the minimum prices that would be paid for that part of each product domestically consumed.

If the world price of any of these products is below cost of production, then, the surplus, if any, would be turned over to the Secretary of Agriculture, or some bonded exporting corporation, to be sold in foreign countries. The producer would receive cost of production for that part consumed within the United States, and the world price for that part which is not required for domestic consumption.

It provides further that in order to carry out the purposes of this act, the Secretary of Agriculture is directed that whenever he finds, upon investigation that the world price, computed in United States currency, of any foreign agricultural product or substitute, in its manufactured or unmanufactured state, is below the cost of production price of any competing domestic agricultural product, in its manufactured or unmanufactured state, to notify the Secretary of the Treasury thereof.

It shall thereupon become the duty of the Secretary of the Treasury to levy and collect upon such foreign competing agricultural product or substitute notwithstanding that such agricultural product or substitute may have been originally produced in the United States or its possessions, in its manufactured or unmanufactured state, when imported from any foreign country into the United States or any of its possessions, a duty equal to the difference between the world price and the cost-of-production price of such product, plus 10 percent of such cost of production price.

Do not permit the Washington bureaucrats to fool you. The farmer has not been put on an equality with the industrial worker. He has been and is being discriminated against. Here are the prices that the farmer actually received and the prices that he would have received if he had been put on an equality with the industrial worker—if we had given him the cost of production bill. These are the average prices:

Product	Price received	Cost of production price
1. Milk, wholesale hundredweight	$3.35	$4.86
2. Butterfat pound	.508	.84
3. Eggs dozen	.346	.63
4. Chickens pound	.239	.40
5. Hogs hundredweight	12.80	18.76
6. Beef cattle, prime do	18.00	23.03
7. Veal calves do	12.70	18.36
8. Lambs do	12.50	21.35
9. Corn bushel	1.13	1.69
10. Oats do	.775	.90
11 Wheat do	1.46	2.53
12. Barley do		1.32
13. Cotton, lint pound	.201	.40
14. Cottonseed ton		69.45
15 Soybeans bushel	1.82	2.53
16. Hay, all ton	15.70	25.98

Again, let us compare the farmer and the industrial laborer's weekly income for the years 1926 to 1943. In this comparison let us charge the farmer with his own farm products that he consumes. Here is the comparison:

Years	Farmers' weekly income			Labor's weekly income
	Value of farm food consumed	Cash	Total	
1926	$5.57	$6.57	$12.14	26.44
1939	3.85	3.86	7.71	25.26
1940	3.89	4.75	8.64	26.62
1941	4.40	24.45	28.85	31.26
1942	5.34	21.07	26.41	36.68
1943	5.51	25.92	31.43	42.60

These figures show that the farmer has not, and does not, receive nearly as much income for his work as the industrial worker. The farmer works 16 hours a day without extra pay. The industrial worker works 8 hours a day with time and a half for overtime. The amount that he receives does not include anything for his wife and children who work early and late to help him produce the food to feed the Nation.

Here are figures showing how the average cost of production of agricultural products has increased. We will take the average of the years 1910 to 1914 as 100 percent basic cost of production. You will find that by 1943 the cost of production increased from 100 percent to 264 percent. In other words, in 1943 it cost the farmer on an average 2⅔ times as much to produce food for the Nation as it did between the years 1910 to 1914:

Year	Farmers' cost of production	Percentage of cost of production received
1910–14	100	85.7
1926	194	76.8
1939	168	66.2
1940	175	66.8
1941	199	76.9
1942	232	88.5
1943	264	89.4

You will note that in 1943, the banner year, the farmer was still short 10.6 percent of getting cost of production if you allow him wages for his own work, and that of his family, comparable to that of the industrial worker.

We know that the last 3 years have been exceptionally favorable years for agriculture. This was not because prices equaled cost of production, but, because of the abnormal crops produced by an abundant rainfall. Take the wheat crop in my own State, North Dakota. The normal annual yield for the 10-year period, 1930–39, was 8½ bushels per acre, while in 1941 it was 17.8 bushels, in 1942 it was 20.5 and in 1943 it was 18.8, or an average of annual yield of 19.3 bushels.

Now let us see what prices the farmer received and what the gross income was during those 3 years and what he would have received if the yield had been the average yield of 8½ bushels for the 10 year period, 1930–39.

Year	Price received	Farm value of wheat crop	Farm value if yield per acre average same as 1930–39
1941	$0.94	$137,426,000	$65,690,000
1942	1.07	160,585,000	66,643,000
1943	1.31	202,171,000	91,381,000

You will note that during the 3 years from 1941 to 1943, the average yield was 2.2 times the average yield of the 10 previous years, 1930–39. What is true of North Dakota is more or less true of the Nation. I submit that you cannot honestly figure the farmer's income on the basis of the last 3 years. If you are going to be honest with him you will have to give him cost of production on the 43 principal agricultural products.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman who has just left the floor [Mr. LEMKE] called attention to the need of a solvent agriculture at the end of this war. I think we can all agree that this Nation cannot remain solvent without a solvent agriculture. However, I do not think you can have solvency in agriculture unless you establish that agriculture on a sound and self-supporting basis. That is, on a basis where the farmers who produce the crops are able to receive from the sale of those crops enough to pay for the production of those crops and together with a reasonable wage for their labor and a reasonable return on their capital. You are not going to establish sound agriculture by establishing soft credit. Soft credit, subsidized credit, has never pulled anybody out of the hole as a permanent or long-time solution. There are times when you need to bridge over temporarily some kind of a catastrophe when you need that type of credit, but on a long-time basis agriculture can only prosper on foundation of fair prices.

Do not talk to me about that soft credit that the gentleman from North Dakota [Mr. LEMKE], talks about, as a foundation for sound agriculture because all of my life I have been observing the gyrations of the operators in the Dakotas, who have the idea that through some method of credit manipulations without regard to farm prices you could arrive at prosperity on the farm. In spite of the production of very good crops in the last few years, the section represented by the gentleman from North Dakota, is today in probably the worst shape of any agricultural section of this Nation, nor is there at the present time a land bank in the whole system of the United States that is in anything like the desperate straits than is the land bank at St. Paul, which serves the area from which the gentleman from North Dakota comes. They have $151,000,000 of the $250,000,000 of Federal money that is in the Land Bank System today. It is right up there in that Dakota area where they have been extended this soft credit, and where they have been making excessive loans and where they have been taking advantage of the Frazier-Lemke Act time and again, that we find the lowest land values and the most insolvent farmers, yet they have had a large dose of soft credit.

In my part of the country I am proud to say the land bank operates on a very conservative basis. We have a sound system of credit in the Houston Land Bank area. We have a bank that is able to provide credit for our farmers, and I believe our farmers are better off by reason of having a bank that is operated on a sound, financial, businesslike basis than they would be if we had that soft credit, which the gentleman suggested should be spread over the Nation. All we need to do is compare the condition of the people who have lived under the credit system which the gentleman proposes, and the condition of the farmers who have lived under a sound credit system, and see which system you would rather have for the Nation.

As to those of you who do not represent farming areas, those who come from the large cities; I hope you will recognize that those of us who do represent the farming areas are sincere when we say to you that we simply want an opportunity to establish a sound credit system and fair prices. Give our farmers good weather and fair prices and they will be glad to pay their debts. We are not asking a hand-out.

We do not come as the railroads came yesterday, asking for a quarter of a billion dollars of taxpayers' money. On the other hand, we only ask that the Government stop giving a subsidy when it is not necessary. We do not come as those from the Panama Canal came the day before yesterday, asking that you give us something for nothing, but we come here asking that the Federal Government stop giving a subsidy when that subsidy ceases to be necessary. We think that we came with clean hands during the periods when the farmer's prices were so depressed that he could not pay a fair interest rate. We then asked that the Government recognize the conditions that then existed, and we were asking that you make a compensating provision in regard to this interest rate for conditions that then existed. But, just as we had a righteous claim on the Government at that time, we would be unfair if we stood before you today and asked that you give us something that we did not have to have. Our farmers will come to this Congress and ask for what we have to have when we must have it and their Representatives here will support them but we are not coming asking for something that we do not need. We can reduce the interest rate on these loans to 4 percent without any Government subsidy. That is a saving of 20 percent on interest to the average farmer below his contract. I think our farmers will appreciate this reduction which they have earned. I do not think you have to buy farmer support by giving a little more than you can support without a Government subsidy. Let us keep farm credit sound.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FLANNAGAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. FLANNAGAN]?

Mr. CRAWFORD. Mr. Chairman, reserving the right to object, and I do not want to object, but I do think we are entitled to debate this a little more. We have two amendments before us. We have the committee amendment and we have the amendment to the committee amendment. This case has not been fully developed. I hope the gentleman will not press that request.

Mr. FLANNAGAN. Suppose we agree on 20 minutes, then?

Mr. CRAWFORD. What does that allow each member? I think we ought to have 5 minutes.

Mr. FLANNAGAN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes.

The motion was agreed to.

At the time debate on this amendment was limited the Chair jotted down the names of the Members seeking recognition on the amendment, as follows: Messrs. RIZLEY, CASE, HOPE, CRAWFORD, and MURRAY of Wisconsin. Are there others?

Mr. FLANNAGAN. Mr. Chairman, I desire recognition out of that time.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. RIZLEY] desire recognition at this time?

Mr. RIZLEY. Mr. Chairman, I should like to yield my time to the gentleman from Michigan [Mr. CRAWFORD].

The CHAIRMAN. Without objection, the gentleman may do so.

There was no objection.

The CHAIRMAN. Does the gentleman from South Dakota [Mr. CASE] desire recognition at this time?

Mr. CASE. Yes.

The CHAIRMAN. The gentleman from South Dakota is recognized for 3 minutes.

Mr. CASE. Mr. Chairman, I rise to get information partly for myself and possibly for some others. I should like to have the attention of the chairman of the committee or the ranking minority member to ask a few questions. First of all: Does the bill H. R. 4102, as originally presented by the gentleman from Wisconsin, cover both land-bank loans and Commissioner loans?

Mr. HOPE. If the gentleman is addressing that question to me I will say that it does.

Mr. CASE. And the portion of the bill which covers the land-bank loans is the first section?

Mr. HOPE. Yes.

Mr. CASE. And the second section of the bill is that portion which relates to Commissioner loans?

Mr. HOPE. That is correct.

Mr. CASE. And the committee amendment relates entirely to Commissioner loans; is that correct?

Mr. HOPE. Yes.

Mr. CASE. The effect of the committee amendment striking out all after the enacting clause is to strike out section 1 in its entirety and also section 2.

Mr. HOPE. That is correct.

Mr. CASE. Then the amendment proposed by the gentleman from North Dakota to the committee amendment although providing 3½ percent, would leave the bill applying only to Commissioner loans.

Mr. HOPE. Yes; that is correct.

Mr. CASE. And in that situation we would have a bill, if it passes, making the interest rate on Commissioner loans 3½ percent but leaving the land-bank loans at 4 percent.

Mr. HOPE. That is correct.

Mr. CASE. Then those Members who want to have 3½ percent established as the interest rate for both Commissioner loans and land-bank loans should vote against the adoption of the committee amendment, whether amended or not, in

order that the bill as originally presented may be considered.

Mr. HOPE. That would be my understanding; yes. It is certainly true that if we adopt the Lemke amendment it would apply only to Land Bank Commissioner loans.

Mr. CASE. Then I should like to point out that we would have a higher rate of interest on the land-bank loans than on the Commissioner loans, yet as a general rule Commissioner loans are junior to land-bank loans and presumably the security is not as good.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CASE. Yes; I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I want to correct the gentleman there by saying the 40 percent of the Land Bank Commissioner loans are first-mortgage loans of comparable if not fully as good character as the Federal land-bank loans.

Mr. CASE. But if either loan is a second mortgage the Commissioner loan is the one and my point is that if either loan should have a lower rate of interest it should be the regular land-bank loans rather than the Commissioner loans that are junior in order of security. Hence, if members want the 3½-percent rate on land-bank loans, in the final vote they should vote against the committee amendment regardless of whether it is amended by the Lemke amendment or not.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I again call attention of the Members to page 2 which shows that the $1,361,000,000 worth of consolidated farm-loan bonds will all mature between now and May 1, 1946; they are callable. So that takes them out of the realm of speculation as to the high interest rate. That is fundamental No. 1. The Federal Farm Mortgage Corporation holds a great many of these bonds, as they stated to me over the telephone a few minutes ago. So your so-called high-interest bonds pass out of existence because they will be called.

Both parties, Democratic and Republican, I hope, are going to back up agriculture. That means these farm loans are good; made no mistake about that.

If you will refer to the Treasury statement you will find that in 1938 we began to issue 25-year Federal Treasury bonds at 2¾ percent interest. In 1943 we were issuing bonds due in 1969 at 2½-percent interest. On bonds due in 1970 the interest was 2½ percent. So you have established, may I say to the chairman of the committee, these long-term bonds at a rate of 2½ percent, or less.

There is no way that you can justify a higher rate than 3½ percent and when you talk in terms of billions of dollars of loans one-half of 1 percent is something; make no mistake about that. The gentleman from Georgia has referred to the cheapest money that is sound. If farm mortgages in this country, backed up by Federal money to the extent of $300,000,000, as has been stated here, are not sound, you tell me what is sound. Here you have $35,000,000,000 that the Government has borrowed from the people at 2.9 percent on savings bonds. You have $23,000,000,000 which the Government has borrowed at a rate running from three-eighths of 1 percent up to 1.07 percent. You have twenty-five billion at seven-eighths of 1 percent. You have thirteen billion borrowed at three-eighths of 1 percent. Those are the interest rates.

Mr. Chairman, we can finance these bonds on the basis of 2½ to 3½ percent today if we want to do so. You can take your own responsibility with the farmers on that statement. I have watched these interest rates, and I know what we can do; I know what the market will support today, and I am not going to vote for 4 percent now or later when the market is in the condition it is in at the present time.

It has been stated here that these banks have the money on hand that they do not know what to do with, that there is no market for the money, but they are asking farmers 4 percent. Yet they lend to the Government on a 25-year basis and they get 2½ percent. Why not give these farmers not to exceed the 3½-percent rate?

Mr. MICHENER. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. MICHENER. If the 3½ percent is adopted will we continue to have to pay the subsidy which the Government is paying to the farmers on these loans now?

Mr. CRAWFORD. It has been stated here that the banks are oversupplied with money, that they have more money than they can lend to the farmers, but the banks want to charge the farmers 4 percent when the same banks can only get 2½ percent in Government 25-year bonds. They can lend the money at 3½ percent and pick up 1 percent over and above what the Government will pay them on the money they lend to the Government; therefore, you cannot justify the 4-percent rate and that to me automatically removes the subsidy from the picture.

Mr. PACE. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Georgia.

Mr. PACE. How are the banks going to pay the balance of this $300,000,000 which the Government has if it takes 1 percent to service the loans and to cover the losses?

Mr. CRAWFORD. Your Government is borrowing money at from three-eighths of 1 percent up to 2½ percent today. Why do those banks have to pay 3½ percent? Your bonds are maturing subject to call, as I pointed out, and as your report shows. Why do the banks have to pay the Government 3½ percent?

Mr. PACE. The gentleman, as a businessman, would not advocate the land banks getting more short-term money for 2 or 3 years on a 33-year loan, then 4 or 5 years from now have to pay 5 or 6 percent?

Mr. CRAWFORD. If the Government can sell paper today due in 25 years at 2½ percent, the Government should sell the paper if it needs the money at this low rate, and if it can borrow money payable in 50 years at 2½ percent then do that also.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I want to take this time to assure the gentleman from Kansas [Mr. HOPE] that I appreciate his timely advice and I will make every effort to keep on the good side of the farmers of my particular district. I did not make very many promises to get back to the Congress, but I did make one to my people and that was that I would not do one thing nor have one thought or say one word that would make this war last 1 day longer than necessary. If I were the most ardent administration man there is in Congress I could do no more than I am trying to do here today. In my opinion it would be a mistake for the administration at this time to allow these interest rates to be raised. There are many reasons why we should not do this. There is much confusion in the agricultural world now. We do not even know who is going to be Governor of the Federal land bank. We do not know whether Mr. Quinn will name the Governor, or whether Mr. Wickard will name the Governor.

Mr. Chairman, at this time we should leave these interest rates alone and not give any group any reason for complaints. We should let these farmers go ahead with their present rates and not be a party to raising the rates at this time.

The CHAIRMAN. The Chair recognizes the gentleman fom Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, I rise at this time to point out what the effect of the pending amendment will be. As has been suggested by the gentleman from South Dakota [Mr. CASE] the effect of the Lemke amendment would be to make the rate on Commissioner loans 3½ percent.

Commissioner loans are in some cases second mortgages. In all other cases they are based upon 75 percent of the value of the land. In other words, they are a less safe loan than the land-bank loan. If you are going to charge a lower rate for a more hazardous type of loan than upon a sound loan, this will have the effect of driving the good loans away from the Federal land banks and into the Federal Farm Mortgage Corporation because there is no reason why anyone should pay 4 percent when he can get a loan on a larger valuation for 3½ percent. The effect, of course, is going to be ultimately, that if carried to its logical conclusion, the Federal Land Bank System will be destroyed. The Land Bank System is the thing we want to preserve. That is the System the farmers have set up for themselves.

When the indebtedness of the Government is paid off it will mean that the farmers will then own and control their own lending system which will go on and function through the years, in good times and bad, and to the extent it is used will relieve farmers from dependence either upon private credit or governmental credit. I would hate to see anything done today that would in any way impair the vitality and the vigor of that System.

Mr. MICHENER. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Michigan.

Mr. MICHENER. Is that the reason that the Grange, the Farm Bureau, and other farm organizations are opposed to the 3½ percent and favor the committee bill?

Mr. HOPE. I am not authorized except as to the statement which I read from Mr. Goss to say whether farm organizations are for or against the committee bill. I can say, however, that no farm organization has requested a continuation of the 3½-percent rate although all of them have done so in the past.

Mr. LEMKE. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from North Dakota.

Mr. LEMKE. Did I understand the gentleman to say that the farm organizations have O. K.'d the committee bill or have they just been silent because they did not know what you were doing?

Mr. HOPE. The farm organizations were all aware that this bill was pending. None of them asked for the 3½ percent rate.

Mr. LEMKE. Have any of them asked for the 4 percent?

Mr. HOPE. Awhile ago I read a statement made by Mr. Albert Goss of the Grange in which he stated the position of the executive committee of that organization on the 4 percent rate.

Mr. LEMKE. I am satisfied that the Farmers Union is against it.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Chairman, I want to clear up just a few matters. One of the gentlemen stated that there were around $7,000,000,000 in farm mortgages in America, intimating, at least, that all of these mortgages are being carried by the Federal Land Bank System. To be exact farm mortgages are around $5,800,000,000.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Is the gentleman taking into consideration the chattel mortgages which would amount to an additional $5,000,000,000 at least, besides the seven billions of farm mortgages? My estimate, if anything, was very conservative as to the total farm indebtedness.

Mr. FLANNAGAN. I am talking about farm mortgages. That is what the gentleman was talking about.

The gentleman said that a reduction of one-half of 1 percent on $7,000,000,000 would be around $35,000,000 per year. Let me call the gentleman's attention to the fact that less than $2,000,000,000 of those mortgages are carried by the Federal land banks and the land bank commissioners.

Mr. H. CARL ANDERSEN. Will the gentleman yield further?

Mr. FLANNAGAN. I do not have the time.

Mr. H. CARL ANDERSEN. As long as the gentleman brought my name into the discussion, may I bring something to the gentleman's attention. He fails entirely to bring out the fact that all farm indebtedness is eventually affected by this increase of one-half of 1 percent and I still maintain that my statement as to $35,000,000 cost to agriculture is very conservative.

Mr. FLANNAGAN. No, unless the gentleman has a question. I have only 3 minutes.

The fact is that less than $2,000,000,000 of the farm mortgages are owned by the Federal Land Bank System. You are dealing with only one-half of 1 percent on that amount of loans and not on the $5,800,000,000 farm mortgages, or, in other words, 8 or 9 million dollars instead of $35,000,000. What we are anxious to do is to put the Federal Land Bank System upon a sound basis so it can eventually be farmer-owned and farmer-controlled as this Congress intended it should be. You know and I know that as long as we have a single penny of Federal money invested in the Federal Land Bank System, the control of that Systems will not be in the hands of the farmers.

Now, another thing, the best financial advisers on such matters that we could find stated that it would take from 1 to 1½ percent to service these loans, pay losses, and lay aside a reasonable surplus in order to retire the Federal money invested in the System. One of the gentlemen harped on the fact that long-term money could be obtained at 2½ percent interest. Assuming that you could get money at 2½ percent for a sufficient length of time to finance these loans—some of them run for 20 years and others for 33 years—when you add to this rate the servicing of the loans and the losses you will find that the 4-percent rate is reasonable. This only allows a play of 1½ percent, out of which will have to come servicing, losses, and surplus. And if the Federal money is ever retired so the System will become farmer-owned and controlled you have got to lay aside a surplus out of which Federal funds can be paid off.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment to the committee amendment.

The question was taken; and on a division (demanded by Mr. LEMKE) there were—ayes 12, nays 69.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. WHITE) there were—ayes 83, nays 23.

So the committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SIKES, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 4102) to extend for 2 additional years the reduced rates of interest on Federal land-bank and land-bank commissioner loans, pursuant to House Resolution 558, reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Mr. FLANNAGAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 67]

Allen, Ill.	Folger	Manasco
Andrews, Ala.	Ford	Mansfield, Tex.
Andrews, N. Y.	Fulbright	Martin, Iowa
Baldwin, Md.	Fuller	Mason
Baldwin, N. Y.	Furlong	Merritt
Barden	Gallagher	Merrow
Beall	Gavin	Morrison, N. C.
Bell	Gilchrist	Murphy
Bender	Gore	Myers
Bland	Granger	Newsome
Bonner	Grant, Ind.	Norton
Boren	Green	O'Neal
Boykin	Griffiths	Patton
Bradley, Mich.	Gross	Pfeifer
Brehm	Halleck	Philbin
Brumbaugh	Hart	Plumley
Buckley	Hays	Ramspeck
Bulwinkle	Hébert	Randolph
Burdick	Heffernan	Rees, Kans.
Burgin	Hendricks	Robinson, Utah
Byrne	Holifield	Sasscer
Cannon, Fla.	Holmes, Mass.	Satterfield
Capozzoli	Howell	Scanlon
Carson, Ohio	Hull	Scrivner
Carter	Izac	Shafer
Celler	Jackson	Sheridan
Cole, N. Y.	Jenkins	Smith, W. Va.
Costello	Johnson,	Stearns, N. H.
Curley	Lyndon B.	Sumner, Ill.
Davis	Kee	Sumners, Tex.
Dawson	Kennedy	Taylor
Dickstein	Kerr	Treadway
Dies	King	Vincent, Ky.
Disney	Kleberg	Vinson, Ga.
Douglas	Klein	Wasielewski
Durham	Knutson	Weaver
Eaton	Lea	Wene
Eberharter	Luce	Whelchel, Ga.
Ellsworth	McCord	Whitten
Fernandez	McLean	Wickersham
Fitzpatrick	Maas	Wolfenden, Pa.
Fogarty	Madden	Woodrum, Va.

The SPEAKER. On this roll call 306 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

FEDERAL LAND BANKS AND LAND BANK COMMISSIONER LOANS

The SPEAKER. The question is on agreeing to the committee amendment.

The question was taken; and on a division (demanded by Mr. CASE) there were—ayes 216, noes 43.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MURRAY of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MURRAY of Wisconsin. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion of the gentleman from Wisconsin.

The Clerk read as follows:

Mr. MURRAY of Wisconsin moves to recommit the bill to the Committee on Agriculture with instructions to report the same back forthwith with an amendment to provide extension of 3½ interest rate for 2 years as provided in the original, H. R. 4102.

The SPEAKER. The question is on the motion.

Mr. HOPE. Mr. Speaker, I make a point of order against the motion to recommit. It is exactly the same question upon which the House has just voted.

The SPEAKER. The Chair would be compelled to hold that the language is not identical. This is a motion to recommit, as well.

The question is on the motion to recommit.

Mr. H. CARL ANDERSEN. Mr. Speaker, on that I ask for the yeas and nays.

The SPEAKER [after counting]. Twenty Members have arisen; not a sufficient number.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed. A motion to reconsider was laid on the table.

The title was amended so as to read: "To extend for 1 additional year the reduced rate of interest on Land Bank Commissioner loans."

AMENDMENT OF SECTION 451 OF TARIFF ACT OF 1930

Mr. DOUGHTON, from the Committee on Ways and Means, submitted a conference report and statement on the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, for printing in the RECORD.

NAVY DEPARTMENT APPROPRIATION BILL

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4559) making appropriations for the Navy Department and the Naval Service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. SHEPPARD]? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. SHEPPARD, Mr. THOMAS of Texas, Mr. COFFEE, Mr. WHITTEN, Mr. PLUMLEY, Mr. JOHNSON of Indiana, and Mr. PLOESER.

EXTENSION OF REMARKS

(Mr. GIBSON, Mr. SCANLON, and Mr. BOREN asked and were given permission to revise and extend their own remarks in the RECORD.)

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. HOFFMAN] may revise and extend the remarks he made today and include therein a newspaper article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a short editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TIBBOTT. Mr. Speaker, I have two requests: First, to extend my own remarks in the Appendix and include an address by the Senator from Pennsylvania, Hon. JAMES J. DAVIS, before the Pennsylvania Republican State Committee in Philadelphia on May 20; and second, to extend my own remarks and to include a newspaper article from a publisher in Cambria County, Pa., concerning boys 18 years of age.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks on three different subjects, to include in one a poem on Mother's Day, in the second a very able address delivered by ex-Ambassador Joseph C. Kennedy at Boston, and third, to include a resolution adopted by the city council of Lynn, Mass.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my own remarks on three subjects and to include therein a resolution of the city council of Chicago, and two items from the Times-Herald of Washington.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a letter from one of my constituents on the subject of the American soldier.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a brief magazine article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include an article that appeared in the Vernon County Broadcaster of Virogua, Wis., of May 11, 1944.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a telegram.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an article from the Fergus Falls Daily Journal.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ROLPH. Mr. Speaker, I ask unanimous consent that on Friday next after the disposition of the legislative business of the day and other other special orders I may address the House for 10 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent that on tomorrow after the conclusion of the legislative business of the day and other special orders I may address the House for 15 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RESIGNATION OF HON. WILL ROGERS, JR.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I cannot let the day go by without commenting upon the resignation as a Member of the House of our colleague from California [Mr. ROGERS], whose resignation was read to the House earlier today.

BILL ROGERS was elected to this body without any campaigning on his part and while serving in the armed forces of his country. And it is back to the Army that he has determined to go now. I want to pay my most sincere tribute to the profound patriotism which has prompted his decision.. The son of a great father, he stands in his own right as one of America's finest citizens, forthright and honest almost to a fault. I predict when the war has at last been won, those qualities will carry BILL ROGERS back to membership in this House again. He is a man who holds his convictions high in whatever circumstance he may find himself and I want to wish him Godspeed and to pay him tribute for the patriotic action he has taken in entering again the armed forces of his country during this time of her crisis and danger.

LEAVES OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To. Mr. HAYS, for 3 days, on account of official business.

To Mr. CAPOZZOLI (at the request of Mr. KENNEDY), for an indefinite period for official business as chairman of Subcommittee on Shipyard Production.

To Mr. JACKSON, for 3 days, to attend hearings of Merchant Marine Committee out of the city.

To Mr. VINCENT of Kentucky, at the request of Mr. CHAPMAN, indefinitely, on account of necessary official business.

ADJOURNMENT

Mr. ROWAN. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes) the House adjourned until tomorrow, Thursday, May 25, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Thursday, May 25, 1944, at 10 a. m., on H. R. 4486, to provide for the sale of certain Government-owned merchant vessels, and for other purposes.

Persons desiring copies of the printed hearings, when available, will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearings of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearings should be submitted to the reporter in duplicate.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, May 25, 1944.

Business to be considered: To begin hearings on H. R. 4805, entitled "A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Act of 1935, and the Railroad Unemployment Insurance Act," by Mr. CROSSER.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1574. A letter from the Postmaster General, transmitting a recommendation for the passage of legislation with reference to continuation of section 901, title IX, of the Second War Powers Act of 1942, approved March 27, 1942, and title XV of the same act; to the Committee on the Post Office and Post Roads.

1575. A letter from the Secretary of War, transmitting copies of the reports of the district and division engineers, the Board of Engineers for Rivers and Harbors, and the letter of the Chief of Engineers on this investigation, together with a copy of the letter of transmittal to the Commerce Committee; to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOBBS: Committee on the Judiciary. Supplemental report to part II to accompany S. 919. A bill expediting payment for land acquired during the war period. Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. H. R. 3690. A bill to safeguard the admission of evidence in certain cases; with amendment (Rept. No. 1509). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULMER:

H. R. 4872. A bill to amend the Federal Crop Insurance Act; to the Committee on Agriculture.

By Mr. HOBBS:

H. R. 4873. A bill to amend section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 4874. A bill to provide for weekly pay days for postal employees; to the Committee on the Post Office and Post Roads.

By Mr. HAGEN:

H. R. 4875. A bill to authorize a preliminary examination and survey of the following stream: Rabbit River, a branch of the Red River of the North, in the State of Minnesota, for flood control, for run-off and water-flow retardation, and soil-erosion prevention; to the Committee on Flood Control.

By Mr. COOLEY:

H. R. 4876. A bill to simplify and improve credit services to farmers and promote farm ownership by abolishing certain agricultural lending agencies and functions, by transferring assets to the Farmers' Home Corporation, by enlarging the powers of the Farmers' Home Corporation, by authorizing Government insurance loans to farmers, by creating preferences for loans and insured mortgages to enable veterans to acquire farms, by providing additional specific authority and directions with respect to the liquidation of resettlement projects and rural rehabilitation projects for resettlement purposes, and for other purposes; to the Committee on Agriculture.

By Mr. CANNON of Missouri:

H. Con. Res. 86. Concurrent resolution to provide for open sessions of conference committees of the two Houses of Congress; to the Committee on Rules.

By Mr. JARMAN:

H. Con. Res. 87. Concurrent resolution authorizing the disposal of certain obsolete Government publications now stored in the folding rooms of the Congress; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ELLSWORTH:

H. R. 4877. A bill for the relief of the Oregon Caves resort; to the Committee on Claims.

By Mr. McCORMACK:

H. R. 4878. A bill for the relief of the estate of Emma B. Fleet, deceased; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5731. By Mr. BRYSON: Petition of Mrs. E. Wilkins and 20 other citizens of Baltimore, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5732. Also, petition of Sue M. Wagner and 21 other citizens of Baltimore, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5733. Also, petition of Rev. David E. Martin and 21 other citizens of Patterson, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5734. Also, petition of J. W. Fisher and 22 other citizens of St. Paul, Minn., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5735. Also, petition of Mrs. Ulric Prather and nine other citizens of Eunice, La., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5736. Also, petition of Maggie Smith and 21 other citizens of Leesville, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5737. Also, petition of Anna R. Henderson and 39 other citizens of DeWitt, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5738. Also, petition of Ruth E. Richardson and 23 other citizens of Providence, R. I., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5739. Also, petition of Fred M. Jones and 28 other citizens of Aberdeen, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the

manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5740. Also, petition of William E. Roop and 16 other citizens of Westminster, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5741. Also, petition of Blanche Matron and 20 other citizens of Watervliet, Mich., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5742. Also, petition of Eunice Lee Smith and 18 other citizens of Hanford, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5743. Also, petition of Jennie Collins and 43 other citizens of Mount Vernon, Ill., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5744. Also, petition of J. A. Lawrence and 18 other citizens of Baltimore Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5745. Also, petition of Richard Ennis and 22 other citizens of Chance, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5746. By. Mr. CANFIELD: Resolution adopted by the borough of North Haledon, county of Passaic, N. J., endorsing Senate bill 1737 sponsored by Senator HAWKES, of New Jersey, providing for certain payments to States and their political subdivisions as compensation for loss of revenues occasioned by the acquisition of real property by the United States for military purposes; to the Committee on Military Affairs.

5747. By Mrs. NORTON: Petition of the Polish Council of Bayonne, N. J., petitioning the Government and the Congress of the United States to use their fullest influence and authority to the end that Poland may be accorded justice and freedom; to the Committee on Foreign Affairs.

5748. By Mr. THOMAS of New Jersey: Petition of boroughs of Glen Rock, Passaic, Washington, Sussex, Milford, township of Hardyston and the Board of Chosen Freeholders of Bergen County, N. J., endorsing the measures now pending in the United States Senate known as Senate bill 1737; to the Committee on Banking and Currency.

SENATE

THURSDAY, MAY 25, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, whose handiwork the earth showeth, the centuries casting their shadows on the dial of eternity, where a thousand years are but as yesterday when it is past but record the slow yet steady attainment of Thy purpose in a universe whose heart is love: Thou hast made man so that in Thy image he may read Thy thoughts after Thee. It is Thou who hast put the golden key of invention and discovery in his searching hand with the promise which is a prophecy: "Thou shalt have dominion." At Thy bidding he has harnessed the mystic energy which, untamed, shatters and stabs with its forked sword; and, lo, as the servant of man's desire speeding his thoughts across the mocking miles, it whispers, "What hath God wrought!" So on the wings of the lightning soundeth Thy word. Thou dost cause even the spiteful wrath of man to praise Thee. The wonders man's mind hath wrought, which, without the reign of Thy will, tear and destroy, become the messengers of brotherhood and of an understanding which encircles the earth as it spells out the accents of good will.

Bring us to a golden tomorrow when the instrumentalities that now destroy shall be the channels of health and healing, when redeemed generations living in peace and plenty shall lift up the grateful paean of praise, "What hath God wrought!" We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 25, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ELMER THOMAS, a Senator from the State of Oklahoma, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. THOMAS of Oklahoma thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday May 23, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHEPPARD, Mr. THOMAS of Texas, Mr. COFFEE, Mr. WHITTEN, Mr. PLUMLEY, Mr. JOHNSON of Indiana, and Mr. PLOESER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4102. An act to extend for 1 additional year the reduced rate of interest on Land Bank Commissioner loans;

H. R. 4184. An act to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic; and

H. R. 4861. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by Local No. 639, U. A. W. (C. I. O.), of Flint, Mich., favoring the appropriation of $585,000 to finance the F. E. P. C. for another year; to the Committee on Appropriations.

A resolution adopted by Local No. 465, Protective Order of Dining Car Waiters, of Los Angeles, Calif., favoring extension of the Emergency Price Control Act; to the Committee on Banking and Currency.

Resolutions adopted by United Cannery Packing and Food Preservers Local No. 7-2, (C. I. O.), of Seattle, and the Tacoma and Pierce County Industrial (C. I. O.) Union Council, of Tacoma, both in the State of Washington, favoring the extension and improvement of the Emergency Price Control Act; to the Committee on Banking and Currency.

A resolution adopted by Journeymen Barbers Union, No. 295, of Los Angeles, Calif., favoring the maintenance of ceiling prices and the continuance of the O. P. A. program and endorsing the resolutions adopted by the cost-of-living conference held at Los Angeles, Calif., on April 2, 1944, relating to renewal of the Emergency Price Control Act and support of the O. P. A. subsidy program; to the Committee on Banking and Currency.

Resolutions adopted by United Cannery Packing and Food Preservers Local No. 7-2 (C. I. O.), of Seattle, and Tacoma and Pierce County Industrial (C. I. O.) Union Council, of Tacoma, both in the State of Washington, and the San Diego County Federated Trades and Labor Council, of San Diego, Calif., favoring the adoption of measures to establish a Nation-wide broadcast of congressional proceedings; to the Committee on Rules.

By Mr. WEEKS:

Petitions of sundry citizens of Massachusetts, praying for the enactment of the bill

(S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. TYDINGS:

A resolution adopted by the national board of the Ancient Order of Hibernians in America and its ladies' auxiliary at New York City, N. Y., favoring removal of the political boundary dividing Northern and Southern Ireland and urging relief for Ireland from measures taken because of alleged violation of her neutrality; to the Committee on Foreign Relations.

RESOLUTIONS BY BOARD OF DIRECTORS OF ILLINOIS MANUFACTURERS' ASSOCIATION—LABOR POLICIES

Mr. BROOKS. Mr. President, I request unanimous consent for publication in the CONGRESSIONAL RECORD and appropriate reference thereof of resolutions adopted by the board of directors of the Illinois Manufacturers' Association.

In view of the numerous strikes that are being reported daily and the inquiry into the seizure of the Chicago and Springfield property of Montgomery Ward & Co., these resolutions are timely and deserving of the consideration of the Congress.

There being no objection, the resolutions were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY BOARD OF DIRECTORS, ILLINOIS MANUFACTURERS' ASSOCIATION, RE SEIZURE OF CHICAGO PROPERTY OF MONTGOMERY WARD & CO., APRIL 26, 1944

Whereas recently, in the city of Chicago, Ill., where the courts, both State and Federal, were functioning and commanded the respect and support of the people, and where ample and efficient police forces were available to carry out the mandates of these courts, the head of the legal branch of the executive department of the Federal Government disdained to employ due process of law and, in disregard of the rights of all citizens, used the ruthless methods of martial law to enforce an Executive order: Now, therefore, be it

Resolved, That the directors of the Illinois Manufacturers' Association hereby express their condemnation of such unprecedented and high-handed procedure and call upon the Congress to take such action as will make impossible future outrages of this character. We further urge that the Congress by appropriate means hold accountable those responsible for this violation of the rights of the citizens and of the letter and spirit of the fundamental charter of our liberties.

RESOLUTION ADOPTED BY BOARD OF DIRECTORS, ILLINOIS MANUFACTURERS' ASSOCIATION, RE POLICY OF WAR LABOR BOARD ON UNION MAINTENANCE AND UNION SECURITY

Whereas under date of May 9, 1942, the board of directors of the Illinois Manufacturers' Association approved and issued the following statement:

"The War Labor Board has issued several decisions ordering the firms involved to incorporate the so-called union-security and union-maintenance provisions in contracts with organized labor groups. We believe that the inevitable result of these decisions will be to impose the closed shop and the un-American check-off upon the employers and employees involved.

"Under these decisions, the employer is in effect ordered to join with union leaders to require workers to produce a union card and pay dues as a condition of employment in the production of war materials.

"The wrongfulness of requiring workmen to belong to any organization or to pay tribute to any person or group as a condition precedent to the right to work is entirely clear.

"We believe that the overwhelming majority of persons in all walks of life share the conviction that as a matter of principle, workmen should not be required to support a union as the price of being permitted to continue to produce vital war materials for the Army and the Navy.

"However, the primary test which should be applied to the propriety of these decisions of the War Labor Board is whether they will help win the war, whether they will expedite war production.

"In our opinion, these decisions will not help win the war. On the other hand, we believe that the ultimate effect of these decisions will be a serious deterrent to the war effort. These decisions will, we submit, incite labor union organizers in war-production plants throughout America to raise the union-shop or the closed-shop issue in those plants, to agitate to the point of endangering war-materials production, and thus to force that issue into the hands of the War Labor Board, whence they may reasonably expect to get the camouflaged closed shop in the name of union security or union maintenance.

"This campaign of organized labor leaders to get the closed shop and the check-off will spread rapidly. Many industrial executives from this State, who should be devoting their time to the vital problem of war production, are already required to divert their time and energies to this closed-shop issue. Many executives of Illinois industry, engaged in war production, will be obliged to spend much time before the War Labor Board.

"The practical effect of any device which will force the closed shop upon the war industries of America will be to take away from American workmen and from American management the control over the production of the armaments, munitions, and materials essential to the prosecution of the war.

"A general closed shop will vest in the labor unions and the labor-union leaders practically complete domination and control over the workmen and the war industries of America.

"The serious threat to our war production program involved in this issue will be immediately clear to anyone who is familiar with the realities of employment relations.

"The only adequate answer to this problem is the prompt passage by Congress of a measure which will prohibit any agreement requiring any employee to belong to any organization as a condition of employment in the production of any war materials.

"Congress, and only Congress, can meet this threat to our war production effort.

"No man is required to produce a union card at the battle front, and no man should be required to produce a union card at the war-materials factory gate.

"Congress should act now to protect war production and national security.

"The issue is union security versus national security."

Whereas the Illinois Manufacturers' Association and the individual member firms of the association have frequently, since the beginning of the war emergency, urged upon the Federal administration, the Members of Congress, and members of the War Labor Board the vital importance to the war production program of the adoption by Congress of a law which would prohibit any agreement requiring any employee to belong to any organization as a condition of employment in the production of any war materials; and

Whereas thus far legislation of the character recommended in the statement of the board of directors of the Illinois Manufacturers' Association adopted on May 9, 1942, as quoted above has not been adopted, but on the contrary the National War Labor Board has made it a practice to order and require employers engaged in war production to enter into contracts providing "union maintenance" and "check-off," the effect of which is to require workers to produce a union card and pay dues as a condition of employment in the production of war materials;

Whereas it has become the practice of the executive branch of the Federal Government to enforce such contracts by threat of seizure and by seizure of the properties and businesses of such employers: Now, therefore, be it

Resolved by the board of directors of the Illinois Manufacturers' Association, That Illinois industry again urge the adoption of a Federal law which will provide that no governmental agency shall require any employer to require any employee to belong to any organization as a condition of employment in the production of any war materials.

PROTEST AGAINST MEASURES THAT MAY CAUSE RISE IN LIVING COSTS

Mr. CAPPER. Mr. President, I have received a telegram from William C. Fox, president of the Wichita Trades and Labor Assembly, protesting against the enactment of any legislation which will cause a rise in the cost of living. I ask unanimous consent to have this message printed in the RECORD and appropriately referred.

There being no objection, the telegram was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

WICHITA, KANS., *May 17, 1944.*

The Honorable Senator ARTHUR CAPPER,
Senate Chamber, Washington, D. C.:

We are informed amendments proposed in Banking Committee will seriously impair the effectiveness of the price-control law. O. P. A. has, up to now, done a good job for the common citizen. We protest the enactment of any amendment which will cause a rise in the cost of living.

WILLIAM C. FOX,
President, Wichita Trades and Labor Assembly.

EXTENSION OF EMERGENCY PRICE CONTROL ACT

Mr. CAPPER. Mr. President, I have received an interesting letter from the Woman's Missionary Federation of St. Louis, urging support of the Price Control and Stabilization Act as a means of keeping the cost of living as stable as possible. This group is also urging that something be done in the way of feeding the starving children of Europe. I ask unanimous consent to have this letter printed in the RECORD and appropriately referred.

There being no objection, the letter was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

WOMAN'S MISSIONARY FEDERATION OF ST. LOUIS,
St. Louis, Mo., May 20, 1944.

Hon. ARTHUR CAPPER.

DEAR SIR: The members of the Woman's Missionary Federation wish to urge your support of the Price Control and Stabilization Act, S. 1745, as a means of keeping the cost of living as stable as possible.

This is not in any sense a political organization and we are not prepared to say what improvements may need to be made in the

present act. We are only interested to see that the less prosperous of our people have their fair share of the available food supply, and it seems that the present plan has been working reasonably well in assuring them of that share.

This organization is also interested to know why nothing has been done about feeding the starving children of Europe. Was not a bill passed in both the House and the Senate providing for the allocation of funds for this program sometime ago?

ELSIE M. DUWE (Mrs. A. H.),
Corresponding Secretary.

NATION-WIDE BROADCAST OF CONGRESSIONAL PROCEEDINGS

Mr. CAPPER. Mr. President, the School Custodians Local No. 255, of the American Federation of Labor, Kansas City, Kans., have adopted resolutions urging Congress to establish a Nation-wide broadcast of its proceedings, a proposal which I think might be worthy of serious consideration. I ask unanimous consent to have the resolutions printed in the RECORD and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Rules and ordered to be printed in the RECORD, as follows:

Resolution requesting that the proceedings of Congress be broadcast so that the people will understand clearly the functions of democracy in the making

Whereas the affairs of Congress and of government in general are vital to every citizen; and

Whereas no present method exists to provide full information to the average citizen about the real happenings in our Congress; and

Whereas radio is the simplest and most effective medium for communicating with every American in every part of the country; and

Whereas New Zealand adopted a program of short-wave broadcasts of the proceedings of its Parliament, and has successfully demonstrated that full knowledge by citizens of the affairs of government stimulates and strengthens the democratic system; and

Whereas our Congress could lease radio time from one or more networks, several important and powerful stations, or broadcast by short-wave all important debates, excepting such matters as might jeopardize national security during this war: Now, therefore, be it

Resolved, That we propose and urge upon Congress enactment of the necessary measures to establish a Nation-wide broadcast of its proceedings; and be it further

Resolved, That we communicate with each political party asking that this proposal be considered and included in the program adopted at its next convention; and be it further

Resolved, That a copy of this resolution be sent to the Members of Congress.

By CHARLES H. IRELAND,
Secretary, Local No. 255, B. S. E. I. U. of A. F. of L.

RIVER AND HARBOR IMPROVEMENTS—REPORT OF COMMERCE COMMITTEE

Mr. OVERTON. From the Committee on Commerce, I report back favorably, with amendments, the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, and I submit a report (No. 903) thereon.

Mr. GUFFEY. Mr. President, will the Senator yield for a question?

Mr. OVERTON. Certainly.

Mr. GUFFEY. Has the bill as proposed to be amended been printed?

Mr. OVERTON. It has not as yet been printed. I am reporting it now so that it may be printed in the next day or two.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and the bill will be placed on the calendar.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LANGER, from the Committee on the Judiciary:

S. 1898. A bill to amend section 99 of the Judicial Code, as amended, so as to change the term of the District Court for the District of North Dakota at Minot, N. Dak.; without amendment.

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

H. R. 634. A bill to provide for the advancement of Rear Admiral Emory S. Land, Construction Corps, United States Navy, retired, to the rank of vice admiral; without amendment (Rept. No. 904).

By Mr. WHEELER, from the Committee on Interstate Commerce:

S. 1473. A bill to amend the Interstate Commerce Act, as amended; with amendments (Rept. No. 905); and

H. J. Res. 227. Joint resolution extending the period for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts; without amendment (Rept. No. 906).

By Mr. BYRD, from the Committee on Civil Service:

H. R. 4115. A bill to give honorably discharged veterans, their widows, and the wives of disabled veterans, who themselves are not qualified, preference in employment where Federal funds are disbursed; with amendments (Rept. No. 907).

By Mr. KILGORE, from the Committee on Claims:

S. 887. A bill conferring jurisdiction upon the United States District Court for the Western District of Virginia to hear, determine, and render judgment upon the claims of John Weakley and Rella Moyer; without amendment (Rept. No. 908); and

H. R. 3596. A bill conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Zephyr Aircraft Corperation against the United States; without amendment (Rept. No. 909).

By Mr. EASTLAND, from the Committee on Claims:

H. R. 2769. A bill for the relief of Mrs. Lillian W. Timmerman, mother of Ann Timmerman, a minor, deceased; without amendment (Rept. No. 910); and

H. R. 3737. A bill for the relief of M. H. Harris; without amendment (Rept. No. 911).

By Mr. TUNNELL, from the Committee on Claims:

S. 1365. A bill for the relief of J. C. Drewry; without amendment (Rept. No. 912);

S. 1709. A bill for the relief of Mrs. Clark Gourley; with amendments (Rept. No. 914);

S. 1904. A bill for the relief of J. Fletcher Lankton and John N. Ziegele; without amendment (Rept. No. 913); and

H. R. 2097. A bill for the relief of W. J. Cox; with amendments (Rept. No. 915).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 23, 1944, that committee presented to the President of the United States the following enrolled bills:

S. 254. An act for the relief of Edward Gillam; and

S. 1771. An act authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities; and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. McCARRAN introduced Senate bills 1949 and 1950, which were referred to the Committee on Commerce, and appear under a separate heading.)

By Mr. KILGORE:

S. 1951. A bill granting an increase of pension to Robert Blake; to the Committee on Pensions.

By Mr. WHEELER:

S. 1952. A bill authorizing and directing the Secretary of the Interior to issue to Minnie Ortley Kirk, a patent in fee to certain land; to the Committee on Indian Affairs.

By Mr. CHAVEZ:

S. 1953. A bill to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; to the Committee on Indian Affairs.

(Mr. FERGUSON introduced Senate Joint Resolution 133, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

DOMESTIC AND FOREIGN COMMERCIAL AVIATION

Mr. McCARRAN. Mr. President, some time ago I introduced a bill, now known as S. 1790, bearing on the subject of aviation. The bill had in it two outstanding phases affecting the law of aviation. One was that relating to domestic aviation. It was, and is, a complete rewriting of the law of aviation. The other phase of the bill dealt with foreign commercial aviation.

At the time of the introduction of the bill I issued an explanatory statement, and sent copies of the bill throughout the entire country, for study by those who are interested in the subject.

Since that time the Committee on Commerce has been giving careful attention to the general subject of post-war aviation. The comments I have received from students of this subject have impressed me with the thought that the whole subject would best be understood and both phases of the question would best be studied and considered if the two phases were separated, that is if the provisions relating to the law of domestic aviation, as I have hoped to write them, should be considered separate from the provisions relating to the law of what I choose to call foreign aviation, or that form of commercial aviation having to do with air transportation from this country to the other countries of the world.

In order that the Committee on Commerce may have a better opportunity to study the question both as an entirety as it is now before the committee in Senate bill 1790, and in order that it may have the opportunity of studying the question from a domestic standpoint separated from foreign commercial aviation, and in order that the committee may study the foreign phase of commercial aviation separate from the domestic

phase, I have thought it best to divide the bill S. 1790, and I am now introducing a bill to cover the domestic side of commercial aviation and also a bill specifically to cover what, in my judgment, is the proper method for this country to pursue in the post-war period and almost immediately, if you please, in relation to our commerce by air with the countries of the world.

Let it be understood that no one change is made in the policy or plan of my original bill. Only that the committees may study the two phases of the question separately and that the Congress may study them separately and that the country may study them separately have I divided the subject. I now send forward a bill dealing with the domestic side of aviation which I ask consent to introduce.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

Mr. McCARRAN. I also ask consent to introduce a bill dealing with the foreign side of aviation, as I please to term it.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

The following bills, introduced by Mr. McCARRAN, were each read twice by their titles and referred to the Committee on Commerce:

S. 1949. A bill to create an independent Civil Aeronautics Authority and an independent air safety board, to promote the development and safety and to provide for the regulation of civil aeronautics, and to promote world leadership by the United States in aviation; and

S. 1950. A bill to create the All-American Flag Line, Inc., and to assure the United States world leadership in the field of air transportation.

EXTENSION OF TIME FOR CERTAIN COURT-MARTIAL PROCEEDINGS

Mr. FERGUSON. Mr. President, on December 7 last, Congress extended for a 6 months' period the time within which court-martial proceedings might be brought against any person or persons guilty of any dereliction of duty in connection with the Pearl Harbor disaster. In the same joint resolution Congress extended the statute of limitations for bringing any action against any civilian for the same period of time.

If any prosecution is to be had against any military or naval officer or member, proceedings must be begun within this 6 months' period. The same thing is true of civilians.

We have had no evidence from either the Department of Justice or the Army and Navy that any such proceedings have been taken. We have had some information from newspaper reports indicating that the Navy has designated Admiral Hart to obtain depositions or affidavits in connection with the Pearl Harbor disaster, but no detailed information of their contents or purpose is available to Congress.

It is, therefore, but fitting that we extend the period within which actions might be brought against anyone in the military or naval service or any civilian, as the case may be, for a further period of 3 months.

I believe that sufficient time has been allowed to all authorities, civil and military, within which to bring such proceedings. But as we have only a few days until the present extension of the statute of limitations will expire, I believe that a 3-month extension should be granted, and that a further provision should be enacted which would direct the Secretary of War and the Secretary of the Navy to institute court-martial proceedings on all charges against any person or persons, to whose court martial the extension of time provided for in section one of the resolution relates, and that such proceedings be brought as soon as possible, and in no event not later than the period of extension provided for in the joint resolution—that is, 3 months.

It is a well-known fact that delay in bringing prosecutions as a rule is beneficial to those who are guilty of any crime or dereliction of duty. It is equally true that for those who have a legitimate defense delay may be detrimental to the presentation of such a defense.

It is therefore important that Congress perform its duty and extend this statute of limitations, and also direct the Secretary of War and the Secretary of the Navy to institute proceedings within this period, that justice may be done.

This is not only our constitutional right, but it is our constitutional duty. Section 8 of article I of the Constitution provides that—

> The Congress shall have power to * * * provide for the common defense and general welfare of the United States; * * *
>
> To raise and support armies; * * *
>
> To provide and maintain a navy;
>
> To make rules for the Government and regulation of the land and naval forces; * * *
>
> To provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States; * * *
>
> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Mr. President, I ask consent to introduce a joint resolution, and request that it be referred to the Committee on the Judiciary for action.

The ACTING PRESIDENT pro tempore. Without objection, the joint resolution will be received and referred as requested.

The joint resolution (S. J. Res. 133) to extend the time limit for immunity was read twice by its title and referred to the Committee on the Judiciary.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 4102. An act to extend for 1 additional year the reduced rate of interest on Land Bank Commissioner loans; to the Committee on Banking and Currency.

H. R. 4184. An act to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic; to the Committee on Interstate Commerce.

H. R. 4861. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes; to the Committee on Appropriations.

ABOLITION OF POLL TAX BY CONSTITUTIONAL AMENDMENT—ADDITIONAL SPONSOR OF SENATE JOINT RESOLUTION 132

Mr. WHERRY. Mr. President, by unanimous consent, at the request of the Senator from Oregon [Mr. HOLMAN], who has just returned to the city from Oregon, I ask unanimous consent that his name be added to those of the sponsors of Senate Joint Resolution 132, proposing an amendment to the Constitution of the United States relative to removal of the requirement for payment of poll tax.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INVESTIGATION OF WAR CONTRACTS—LIMIT OF EXPENDITURES—AMENDMENT OF RESOLUTION

Mr. BARKLEY. Mr. President, on Tuesday last the Senate agreed to Senate Resolution 288, increasing by $10,000 the limit of expenditures by the War Contracts Subcommittee of the Committee on Military Affairs under authority of Senate Resolution 198 of the present Congress.

The date on which the Senate agreed to Senate Resolution 198 is incorrectly stated in Senate Resolution 288 as February 8, 1942, whereas the correct date, as shown by official Senate records, is February 8, 1944.

For the purpose of correcting this clerical error, I submit the following unanimous-consent request, namely:

That the vote agreeing to Senate Resolution 288 on Tuesday be reconsidered; that the resolution be amended by striking out the figures "1942" and inserting "1944"; and that the resolution as thus amended be considered as agreed to.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

CENTENNIAL OF THE TELEGRAPH—ADDRESS BY SENATOR AUSTIN

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD the address delivered by him in the Capitol on May 24, 1944, on the occasion of the presentation of a plaque commemorating the centennial of the telegraph, which appears in the Appendix.]

ANNOUNCEMENT FOR SENATE—ADDRESS BY SENATOR THOMAS OF OKLAHOMA

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a radio address announcing his candidacy for reelection to the Senate, delivered by him May 16, 1944, in Oklahoma, which appears in the Appendix.]

THE POLITICAL SITUATION IN OREGON—ADDRESS BY SENATOR HOLMAN

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an address on the political situation in Oregon, delivered by him on May 18, 1944, which appears in the Appendix.]

THE FUTURE OF COMMUNICATIONS—ADDRESS BY SENATOR WHEELER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a radio address

entitled "The Future of Communications," delivered by him at the exercises held in the rotunda of the Capitol Building, Washington, D. C., on the occasion of the celebration of the centennial of the telegraph, May 24, 1944, which appears in the Appendix.]

ADDRESS BY BERNARD M. BARUCH IN ACCEPTING THE CHURCHMAN AWARD

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by Bernard M. Baruch on the occasion of his acceptance of the Churchman award, at a dinner at the Waldorf-Astoria Hotel, in New York City, on May 23, 1944, which appears in the Appendix.]

WHAT HAPPENS AFTER THE WAR?—ADDRESS BY CHESTER BOWLES

[Mr. TUNNELL asked and obtained leave to have printed in the RECORD an address entitled "What Happens After the War?" by Chester Bowles, Price Administrator, published in the Washington Post for May 4, 1944, by the International Latex Corporation, which appears in the Appendix.]

VIEWS OF GOVERNOR DEWEY ON THE ST. LAWRENCE SEAWAY

[Mr. AIKEN asked and obtained leave to have printed in the RECORD comments on a press conference held by Governor Dewey, of New York, from the Watertown Daily Times, the Albany Knickerbocker News, the New York Times, and the Buffalo Evening News, which appear in the Appendix.]

AMERICAN-BRITISH INFLUENCE IN ARGENTINA—ARTICLE BY STANLEY JOHNSTON

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "United States Carrying Britain's Ball in Running Against Argentina," by Stanley Johnson, published in the Washington Times-Herald for May 25, 1944, which appears in the Appendix.]

PRESIDENTIAL ELECTION IN ARGENTINA—ARTICLE BY STANLEY JOHNSTON

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Argentines See Opportunity to Elect Their President," by Stanley Johnston, published in the Washington Times-Herald for May 24, 1944, which appears in the Appendix.]

THE CABARET TAX

Mr. MEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Buffalo Evening News, of Buffalo, N. Y., under date of May 22, 1944, the title of which is "The Cabaret Tax."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CABARET TAX

As an amendment to the debt-limitation bill scheduled to come before the Senate this week, a proposal is made to cut the cabaret tax rate from 30 percent to 10 percent, formerly the rate. Chairman WALTER F. GEORGE, of the Finance Committee, is said to be willing to accept the change, but the Treasury has gone on record against a reduction in this tax.

The proposal is deserving of serious consideration. Protests have been made against the 30-percent tax, principally by entertainers, waiters, and other workers who have been complaining about loss of jobs. In New York City hundreds of cocktail lounges, cafes, and night clubs have closed and it is estimated by union officials that from 8,000 to 10,000 have become jobless.

Virtually every city has felt the effect of this heavy tax. Adjustments have been made by many of the night clubs to avoid its payment, generally resulting in a reduction in the number of employees. There were optimistic estimates about the amount of revenue this increase in tax would bring, but it may turn out that it will defeat that objective. The economic law of diminishing returns cannot be set aside by theories and doctrines.

Mr. MEAD. While I am dealing with the subject I wish to pay tribute to my colleague, the Senator from Nevada [Mr. MCCARRAN], who is sponsoring an amendment to the cabaret-tax provision, and who will offer that amendment when the bill extending the debt limit is reported by the Finance Committee to the Senate.

I also ask unanimous consent to have printed as a part of my remarks a letter of explanation respecting the proposal to amend the cabaret tax, received from Richard T. Flanagan, chairman of the Cafe Owners' Association, as follows:

1. The night club and hotel entertainment industry is one of the largest taxpaying industries in the country. We pay enormous taxes such as the cabaret tax, floor tax, Social Security, withholding, and numerous other Federal taxes. Because of the 30 percent tax, a great number of clubs and hotel rooms must close. Many people have put forth the idea that although a club loses 80 percent of its business, the Treasury Department will still receive the same amount of tax. While this is true, any club or hotel room when it loses 50 percent of its business will close. It won't even wait until it loses 80 percent. While it is a fact that the Treasury Department has received a greater amount of tax during the month of April and again in May, this condition will not last—because all of the major clubs on Broadway in New York City, and I know that the same applies to the rest of the country, who have been paying this huge amount of tax will close within the next 3 weeks unless aid is given to them. The Government has lost an enormous amount of taxes from places that have already either closed or cut out their entertainment entirely. The Government has also lost a great amount of tax from places that have cut out entertainment during the dinner hour. Heretofore the Government was collecting 5 percent in all of these clubs and hotel rooms mentioned.

2. Thousands of people have been thrown out of work and many thousands more will follow, unless relief is given. Opponents to the reduction of this tax have stated that waiters could go into defense industries. I know from speaking to many of them that they were turned down for defense jobs because of physical disabilities.

3. Night clubs and hotel rooms have played a tremendous part in keeping up the morale of this country. Our entertainers have given freely of their time doing Army and Navy benefit shows, touring the various camps and canteens. We have played an important part in every Red Cross and U. S. O. drive, and more especially in bond drives. Bond drive nights held in night clubs throughout the country produced many millions of dollars for the United States Treasury. No one can doubt our effort on the morale of the service men on furlough, who have either been across or are going across and need these moments of relaxation which can only be found in clubs with entertainment.

OUR GOOD NEIGHBOR POLICY TOWARD LATIN AMERICA

Mr. THOMAS of Idaho. Mr. President, a recent issue of the Idaho Daily Statesman, published at Boise, Idaho, comments editorially on the timely warning given by the Senator from Nebraska [Mr. BUTLER] as to the effects of our present good-neighbor policy toward South America and the necessity for a change. I ask unanimous consent to have the editorial printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR GOOD NEIGHBORS

South of the Panama Canal the prestige of this Nation is steadily falling. In fact, it has probably never been so low as it is today. Argentina's Fascist Government has been recognized by Bolivia, Chile, and Paraguay, and it seems probable at this writing that some other South American countries will fall in line. If Stalin recognizes it, the irony will be perfect and complete.

We recognize, as all thoughtful Americans must, that the establishment of a workable good-neighbor policy is no easy matter. After all, the world is in a state of unrest and ferment, with the yeast of fascism working in many a revolutionary brew; but it is obvious by this time that Senator BUTLER'S warnings were to the point. Our policy simply isn't working and we need a change.

What the change should be we don't pretend to know; but we suspect that more firmness and less HENRY WALLACE would be a good ingredient. We have tried to buy good will; it can't be bought from any proud and civilized people. We have taken the role of the big brother guardian, but apparently our neighbors don't look upon us as their keeper. And we have dislocated their economy, arbitrarily raised their wages, and raised the merry devil between employer and employees.

It is still a world in which force speaks the loudest language; in which the exchange of goods means more than volumes of empty idealism; and in which most nations understand horse trading better than sermons. South Americans have goods to sell which we need and can use; we have goods to sell which they want. Beyond the economic basis there isn't much upon which a sound good-neighbor policy can be built. We'd like to see hard-headed businessmen sent down there instead of Rockefeller's culture boys and the New Deal's planners. Then perhaps we'd get somewhere.

RELEASE ON JOINT STATEMENT OF SOCIAL SECURITY BY THE NATIONAL PLANNING ASSOCIATION

Mr. WAGNER. Mr. President, I wish to call the attention of the Senate to joint statement on social security, recently issued by the National Planning Association, which contains the joint recommendations of the distinguished members of the association's agriculture, business, and labor committees on national policy. This statement is a comprehensive and informative report on the subject of social security, and it deserves our careful attention and study. I ask unanimous consent to have printed in the RECORD a release issued by the Nation Planning Association on April 30, which summarizes the main points of the joint statement.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

Immediate action to guarantee a minimum flow of incomes through an effective social-security program is as much in the interest of business as of labor, according to a joint statement on social security by

its agriculture, business, and labor committees on national policy, issued today by the National Planning Association. Assurance of continued purchasing power, the committees said, is an important element in a program of full employment because it will help to maintain markets on which business and agriculture can count and to avoid a downward spiralling of economic activity in the period of post-war readjustment.

William L. Batt, N. P. A. chairman, in commenting on the 48-page statement discussing the issues raised by social-security extension and presenting a series of concrete proposals, said, "When you get a representative group of business, labor, and agriculture agreeing on a social-security policy, I think you have something." Chairman of the three committees responsible for the statement are: Theodore W. Schultz, University of Chicago, for agriculture; David C. Prince, General Electric Co., for business; and Clinton S. Golden, United Steelworkers of America, for labor.

In emphasizing that immediate action is required, the committees state, "We believe that the specific program we have outlined is practical, economical, and democratic. * * * It would be highly irresponsible to assume that all the necessary post-war adjustments can be carried through without the accompaniment of some measure of unemployment. Early achievement of the program we have suggested would make possible the accumulation of benefit rights, so that if and when post-war unemployment comes, benefits may be paid according to the orderly processes of social insurance. Lacking such advance provision, we shall only repeat the errors of the 1930's."

Of first importance, the statement emphasizes, is a program to help returning soldiers and displaced war workers live while they are looking for peacetime jobs. A special unemployment insurance program and measures to protect the rights of ex-service men and women under old-age and survivors and disability insurance programs should "properly be regarded as a war cost and charged to the Federal Government." Similarly, benefits for all displaced ex-war workers during the reconversion period should be assured, either through extension and federalization of the existing unemployment insurance systems or through a temporary Federal war-adjustment pay program.

The committees specifically propose extending coverage to those ineligible under the present social security system—agricultural and domestic workers, employees of nonprofit corporations, the self-employed, and the owners of small businesses. They call for a new program of insurance benefits for sick or disabled workers, and recommend an expanded unemployment insurance program which will pay benefits for as much as 26 weeks to those who cannot find jobs, either public or private. To assure a basic living for needy persons, not covered by the proposed program, the committees suggest Federal grants-in-aid to States, so distributed that relatively more financial aid would go to the poorer States.

The statement also calls for a strengthened employment service and for expanded curative and preventive health services. These proposals were included in the joint statement because the committees were "impressed with the obvious waste both in human and financial terms of failing to take advantage of any measures which would reduce the need for income maintenance to a minimum. So long as these constructive and preventive measures are incompletely developed, so long will the Nation's bill for social security be unnecessarily large."

Unlike most social security proposals now before the American public, this statement presents estimates of the upper and lower limits of the money costs of the recommended programs. Emphasizing the difficulties of preparing such estimates, the committees purposely selected a series of assumptions which, they believe, lead to overestimates rather than underestimates of probable costs. "Even if the national income does not rise above $120,000,000,000 during the next decade" the report states, "expenditures for income maintenance and health and employment services would only amount to about 7.5 percent of the national income."

These estimates which are also projected 60 years ahead and on differing assumptions as to the severity of unemployment show clearly that the higher cost figures which are often quoted by opponents of social security extension must refer to a period after 1980 and be assuming unemployment in the neighborhood of ten million. Regarding the first condition, it is stated, "if the costs of social security are to be judged in terms of the probable costs of the year 2000 it is incumbent on those who regard the burden as staggering to state their assumptions as to the level of national income at that future date. If the experience of the past continues, output per man-hour will continue to increase."

Regarding the high-cost figures which would result from assuming an average level of 10,000,000 unemployed, the statement asserts, "We do not believe that a progressive society will be prepared to plan for the future on the assumption that 10,000,000 unemployed must be accepted as normal. If this defeatist attitude is rejected, the extremely high-cost estimates for social-security programs, which assume so high an unemployment level, must also be rejected."

The statement recommends that the costs of the social-insurance program proposed should be shared by employers and workers through wage and pay-roll taxes, and by the citizens generally out of national tax revenues. Careful consideration of the possible inflationary or deflationary effects of different methods of financing social-security expenditures is also called for.

A 9-page foreword by the N. P. A. executive committee, signed by its chairman, H. C. Sonne, of Amsinck, Sonne & Co., asserts that an important feature of the statement lies in its demonstration "that men and women who take their civic responsibilities seriously can work out an area of agreement, despite the fact that none would claim to be expert on social security." The statement, approved by representatives of each major economic group of the country, emphasizes this point by including a number of "basic facts" concerning social security, which members of the committees believe will "command a very wide measure of support throughout all segments of the Nation."

"BASIC FACTS

"1. No democratic country can afford to stand passively by if millions of its citizens are deprived of income.

"2. A social-security program is not a substitute for a program of full employment, although by maintaining a minimum of purchasing power it is an important element in such a program.

"3. The major goal of the post-war economy should be enough jobs and lasting jobs at fair rates of pay and reasonable hours of work.

"4. Knowledge about some causes of maladjustment in our economic system is still inadequate, and considerable disagreement exists among professional students and in other circles about the needed remedies.

"5. Unemployment, should it occur, not only causes need and suffering to the workers concerned; it also threatens the standard of living of the entire Nation; for the total national income on which our prosperity depends is lowered when men and plants are idle.

"6. Want and distress do not arise solely as a result of unemployment. Many families in need do not have employable members.

"7. In large measure, the costs of assuring income to those who are at any given time deprived of private incomes, are inescapable.

"8. Far too large a proportion of the inability to work or to find employment and thus of the need for social security income is due to conditions which even now could be prevented.

"9. The problem of insecurity weighs heavily on the minds of many millions of Americans.

"10. Social insurance applies the sound principle of pooling risks to reduce individual hardship.

"11. The provisions of the present Social Security laws are, however, far from adequate.

"12. The increasingly large scale on which governmental-security programs must necessarily operate has tended to divorce the citizen from participation in the program."

PROPOSALS FOR INCOME MAINTENANCE PROGRAM

The committees recommend increased benefits for the present old-age and survivors insurance program and extended coverage "to include employees and nonprofit corporation, agricultural and domestic workers and the self-employed as well as owners of businesses."

Income losses due to sickness and disability should be provided for by setting up a disability-insurance program covering the gainfully employed population, including agricultural workers and the self-employed. It is obvious that such a program must be complemented by a program for medical treatment and rehabilitation.

The unemployment-insurance system should provide, after a waiting period of 1 week, for payment of normal benefits for 26 weeks of involuntary unemployment. Extension of benefit beyond that period, if neither private nor public work is available, should be made dependent on training or retraining or other steps which would enhance prospects of employment. Coverage should be extended to include seamen, agricultural wage earners, and employees of small firms and nonprofit corporations, and the system should be amended to raise the level of benefits and provide benefits for dependents; and to protect those who work in more than one State during their eligibility period from impairment of benefit rights.

State and local general relief programs should be strengthened and made more adequate by the provision of a Federal grant-in-aid distributed to States inversely according to wealth, so that relatively more financial aid would be given to the poorer States.

The old-age and survivors' unemployment and temporary and permanent disability-insurance programs should be administered by the National Government. The public-assistance programs, both special and general, should continue to be operated by the States and localities. There should be conveniently accessible to every citizen seeking advice, aid, or services a single central information office where he could discover what community resources, either public or private, are available to him and where he could be put in touch with appropriate service agencies.

Day-to-day administration of the social-insurance programs can be decentralized through a network of area and local offices and more extensive use of regional organization, and more effective use of local advisory bodies and citizen participation.

Calling for more democracy in social security, the committees suggest appointment by the President, with the approval of the Senate, of a "truly representative national advisory committee on social security, composed of a cross section of business, agriculture, labor, and the general public," to

study the operation of the social-security system as a whole and make periodic reports and recommendations to the Congress. Similar advisory bodies in the States and large communities are suggested to perform the same functions for their respective areas.

PROPOSALS FOR SPECIAL WAR EMERGENCY MEASURES

Steps must be taken immediately to create a special unemployment-insurance program providing benefits at uniform rates for unemployed ex-service men and women and their dependents for a period of 26 weeks following demobilization, or longer if no private or public work is available. For the old-age and survivors and disability-insurance programs, continuity of benefit rights and amount of benefits of those absent from covered employment because in the armed forces should be assured by crediting their accounts with a specified sum. In both cases the cost of these benefits should properly "be regarded as a war cost and charged to the Federal Government." The least the Nation can do, the report continues, "is to make sure that ex-service men and women are not penalized by their military service."

The committees insist that it "is necessary to make some special provision to supplement at Federal expense the existing system of unemployment insurance during the process of reconversion already begun and until such time as a comprehensive program * * * shall become operative." The advantages of the temporary scheme suggested would "insure comprehensive coverage and payment of benefits for a significant period to all workers affected by the process of reconversion, while allowing time for the reconciliation of the present divergent views as to the future roles of the Federal Government and the States in the permanent unemployment-insurance program," and would protect the finances of present State programs from actuarial distortions due to the emergency and nonrecurrent character of the post-war reconversion drain.

PROPOSED ESSENTIAL PUBLIC SERVICES

The statement calls for an effective employment service to assist in the solution of labor-market problems in the reconversion period. "Whatever form of collaboration between the Federal Government and the States may ultimately be decided upon," the committees believe that the following features must characterize the employment service: provision for labor-management participation on a national and local basis; power and equipment to carry out estimates; labor-market analyses for local communities, States, and the Nation as a whole; special guidance and placement of youth, veterans, and other special groups such as handicapped workers; means for facilitating the geographical movement of workers; cooperation at all levels with agencies responsible for rehabilitation and vocational education; an adequate and well-trained staff.

The report calls for an expansion of both curative and preventive health services. Proposals are made for an expanded and broadened public-health service, effective and well-planned nutrition programs, efforts within industry by management and labor to keep occupational accidents and diseases to an irreducible minimum; and medical care, including facilities for hospitalization and rehabilitation, for all people.

The committees emphasize that a program "adequate to save all our people from the specter of want arising from inability to earn" can yet leave ample leeway for the individual, through his own efforts, to provide for himself and his family a larger share of the goods and services which our great American productive potential makes possible over and above this minimum.

They were under no illusion, says the statement, "that a social-security program is a final and complete answer to all the problems associated with poverty and insecurity * * * or that any one program would be satisfactory forever * * *. But the members of the agriculture, business, and labor committees believe that it would be unwise to follow a no-action policy, on the ground that the proposed program is incomplete or that a better solution may be found in later years. For what happens or does not happen to the people of America in the first post-war decade," they say, "may well be crucial * * *. The proper course, therefore, appears to us to be to take such steps as are even now indicated in the light of our present knowledge and needs and to continue to press for a solution of the problems that still remain."

Among questions which the committee would like to see the subject of further study are: (1) The feasibility of insuring to all aged persons the right to a certain minimum income which would assure independence in old age. (2) The feasibility of making more adequate provision for the special needs of children. (3) Consideration of the special problems of agriculture—a subject which is currently being studied by the agriculture committee. (4) The feasibility of strengthening inducements to maintain a continuing high level of employment. (5) Ways and means of increasing the effectiveness of the employment service.

STANDING COMMITTEES ON NATIONAL POLICY OF THE NATIONAL PLANNING ASSOCIATION, JANUARY 10, 1944

AGRICULTURE COMMITTEE

Theodore W. Schultz, chairman, University of Chicago; James G. Patton, vice chairman, National Farmers Union; Frank App, Seabrook Farms; Henry B. Arthur, Swift & Co.; Murray R. Benedict, Giannini Foundation; John D. Black, Harvard University; Eugene W. Burgess, General Mills, Inc.; Harry B. Caldwell, North Carolina State Grange; Harry Clark, Mountain States Beet Growers Marketing Association; Oscar Johnston, National Cotton Council of America; Allan B. Kline, Iowa Farm Bureau Federation; Donald B. Murphy, Wallaces' Farmer and Iowa Homestead; Lowry Nelson, University of Minnesota; Charles W. Smith, Eastern Oregon Wheat League; Thad Snow, Charleston, Mo.; Glenn J. Talbott, North Dakota Farmers Union; M. W. Thatcher, Farmers Union Grain Terminal Association; Odin Thomas, Harry Ferguson, Inc.; Marcel J. Voorhies, American Sugar Cane League.

BUSINESS COMMITTEE

David C. Prince, chairman, General Electric Co.; Beardsley Ruml, vice chairman, R. H. Macy & Co.; J. O. Chesley, Aluminum Co. of America; A. D. Chiquoine, Jr., Batten, Barton, Durstine & Osborn, Inc.; David Craig, American Retail Federation; Guy Emerson, Bankers Trust Co. of New York; H. K. Ferguson, The H. K. Ferguson Co.; S. T. Henry, McGraw-Hill Publishing Co.; S. A. Holme, General Electric Co.; Arthur A. Hood, Johns-Manville, Inc.; T. G. McGowan, Akron, Ohio; Anderson Pace, Illinois Central System; Leo H. Rich, Walter Dorwin Teague; Edgar W. Smith, New York, N. Y.; H. Chr. Sonne, Amsinck, Sonne & Co.; Charles J. Stilwell, Warner & Swasey Co.; P. B. Stull, Hercules Powder Co.

LABOR COMMITTEE

Clinton S. Golden, chairman, United Steelworkers of America; Marion H. Hedges, vice chairman, International Brotherhood of Electrical Workers; Solomon Barkin, Textile Workers Union of America; James Carey, Congress of Industrial Organizations; John Childs, American Federation of Teachers; S. H. Dalrymple, United Rubber Workers of America; Katherine Pollak Ellickson, Congress of Industrial Organizations; Frank Fenton, American Federation of Labor; H. W. Fraser, Order of Railway Conductors of America; Paul Hutchings, International Council of Office Employees Union; David Kaplan, International Brotherhood of Teamsters; Julius Luhrsen, Railroad Labor Executives Association; Walter Reuther, United Automobile Workers; Emil Rieve, Textile Workers Union; Harold Ruttenberg, Congress of Industrial Organizations; Boris Shishkin, American Federation of Labor; Theodore F. Silvey, Congress of Industrial Organizations; Mark Starr, International Ladies Garment Workers' Union; Lazare Teper,[1] International Ladies Garment Workers' Union; Florence C. Thorne, American Federation of Labor; Raymond Walsh, Congress of Industrial Organizations; Robert J. Watt, American Federation of Labor.

THE CONTRIBUTION OF FARMERS TO THE WAR

Mrs. CARAWAY. Mr. President, I should like to bring to the attention of the Senate a matter which has been on my mind for some time. It is in regard to a group whose contribution to the war is not only as essential as any in this country, but compares favorably with any group in these United States from the standpoint of sheer achievement. I refer to the farm people of this great Nation.

Last summer I heard much said and read much printed matter to the effect that our people would be on the verge of starvation by winter, and it was even predicted that by February there would be food riots because of shortages. The facts have proved the fallacy of those predictions.

It was not taken into account that farmers and their families would be willing to work longer hours, with less help and less machinery and equipment, in order to grow the products which are so essential to winning this war. I beg the indulgence of my colleagues for a few minutes while I review some of the amazing contributions the farm people are making to the defeat of Hitler and Tojo.

We know that the demand for the products of the soil, like the demand for the products of the factory, is at an all-time high in the Nation's history. This emergency has clearly demonstrated that food is as truly a war weapon as any top-priority item on the munitions list. This is substantiated by the fact that the success of every battlefield operation begins in the mess line. And back of that is the food-supply line, which originates on the fields of our farms.

Only strong, able-bodied men can survive the grueling experience of front-line action. We know that strenuous physical exercise can harden muscles, but that only nourishing food can build them.

I wonder if all my colleagues have ever stopped really to consider the tremendous job the soldiers of the soil are doing here on the home front. Those millions of men, women, and children—for on the farm they all work—are truly turning their farm fields into battlefields.

Think for a moment, Mr. President, if you will, of all the people who are looking to the American farmer for the sustenance of life. In addition to our fighting men on the far-flung battle stations around the world, our army of war workers who are turning out the industrial

[1] Absent while serving in the armed services of the United States.

products of war, and the rest of our civilians on the home front, many of our allies, and the unfortunate peoples in Axis-occupied countries—all are looking to the American farmer.

I should like to give a few figures showing what the farmer has done in this war. To begin with, the output of food has been increased appreciably each year since the war started. Moreover, the output of some specially needed war crops has been increased several hundred percent. It is significant to note also that food production in 1943 was about one-third greater than the pre-war average, 1935–39, and almost one-half greater than in 1918. Mind you, this was accomplished in the face of the dwindling supply of manpower, farm machinery, and fertilizer. I am often immensely intrigued by wondering how much the farmer would have produced last year if he could have had all the labor and other production facilities he needed, including machinery and fertilizer.

Just to give an idea of the commodity level of production farmers achieved in 1943, here are some figures which certainly merit a hearty vote of thanks to the farmer. Record production of oil crops and direct food crops included soybean production at 380 percent of the 10-year pre-war 1932–41 average, peanuts 211 percent of that average, flaxseed 366 percent, dried peas 415 percent, beans 152 percent, and potatoes 128 percent. Egg production was at record levels, and milk production was higher than in any year except 1942. Livestock production was 8 percent above 1942 and one-third above the 5-year average 1937–41. The year ended with the largest livestock inventory in history, with 3 percent more cattle, 19 percent more hogs, and 4 percent fewer sheep and lambs than a year earlier.

Production of hay and the four principal feed grains was second only to the record crops of 1942. In spite of consumption by the 1943 record number of livestock, the year ended with total supplies of feed grains the largest in history with the exception of 1942.

After hearing figures such as these, some might be inclined to wonder how it was possible for the farmer to produce so much when he was handicapped by shortages of production materials. It seems to me that there are a number of factors that account for this astounding success. First and foremost is the indisputable fact—and, incidentally, one which is often overlooked—that farmers worked harder and longer hours perhaps than in any single year in history. There are no 8-hour workdays with the farmer. He works from sun to sun—and then some.

Mr. President, I was born and reared on a farm. I have done farm work. I know something of the never-ending toil necessary to make farm life a success. On coming to the Senate, I asked and received an appointment to the great committee on Agriculture and Forestry. The lack of knowledge of the problems of the farmer, both in that committee and in the Senate, has been a matter of interest and wonder to me. If all of us were better acquainted with the difficult lot of those who till the soil, I think they would receive better treatment at the hands of the Government and the Congress. The farmer has to contend with the elements, pests, the high cost of those things which he has to buy, and many other problems, and when his crop is made, he is one of the few who cannot demand a certain price for his product, as do others. He has to take what he can get in uncertain markets. Early one cold morning last fall, as I was driving along the highway in Arkansas, I passed a cotton field. The farmer and his family were picking cotton. As I watched the little chilled fingers picking this valuable crop I thought then, as I think now, that there are few other groups of our people who give as much to their Nation as do our farmers. I, for one, shall continue my efforts to see that the farmer gets justice. Farming is the basic asset of this Nation. When the farmer is prosperous, the rest of us are prosperous. He is entitled to special consideration at the hands of his Government and the Congress.

Another factor that figured so largely in the success of last year's agricultural production record was the increase in crop yields, attributable in a large measure to the reserves of soil fertility accumulated and stored through recent years of the farm program. Of course, we know that farmers in general also got a fair break in the weather last year. But good weather alone cannot produce heavy crop yields on land that is severely depleted of its fertility. During the past 6 years crop yields averaged 21 percent above the 10-year average, 1923–32. They were 24 percent above the average in 1943. I do not mean to imply by any means that the conservation job is finished. It is my opinion—and I believe that opinion is shared by the Department of Agriculture—that conservation is one of the fundamental post-war problems which we need to be considering in connection with agriculture. There are in the Department of Agriculture some who are in a position to know who say that about 90 percent of the conservation job still lies ahead. But we cannot hope to see that job through until this war has been fought to a successful conclusion.

By extolling the accomplishments of the farmer thus far in the war I do not mean to minimize the job that lies ahead of him. I do not think there is any doubt that the toughest part of the farmer's job perhaps is still to be coped with. For example, the goal for this year's production is even higher than the 1943 record output. The crop-acreage goal of 380,000,000 acres is about 5 percent higher than last year's acreage. I want to call the attention of my colleagues to the fact that if farmers achieve next year's phenomenal production goal they will have set a new food-production record for 8 consecutive years. The farmer needs all the aid his Government and the Congress can give him.

Mr. President, it is my hope that my words will serve in some measure to arouse in others, particularly the public in general, a deeper appreciation of the farmers' problems and a keener sense of gratitude for the great service our farm people are rendering to their Nation and to humanity in this time of war.

AUTHORITY TO REPORT EXTENSION OF PRICE CONTROL AND STABILIZATION ACT

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Committee on Banking and Currency be authorized to report during any recess of the Senate until next Monday the House bill extending the Price Control and Stabilization Act.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORITY TO RECEIVE MESSAGES AND SIGN BILLS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the House, and that the Presiding Officer of the Senate be authorized to sign bills and resolutions, during the recess of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HOURS OF DUTY OF POSTAL EMPLOYEES—ORDER FOR CONSIDERATION OF CONFERENCE REPORT

Mr. McKELLAR. Mr. President, there is on the table a conference report on House bill 2928, to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended. I have agreed, and the Senator from Kansas [Mr. REED] has agreed to have it taken up the first thing on Monday. I ask unanimous consent that the bill be taken up at that time.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

THE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection, beginning with Calendar No. 805.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will proceed to call the calendar.

FREDERICK G. GOEBEL

The bill (S. 1461) for the relief of Frederick G. Goebel, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $103.45, to Frederick G. Goebel, of Van Buren, Maine, a customs patrol inspector, United States Bureau of Customs, in full satisfaction of his claim against the United States for reimbursement of the total amount refunded by him as the result of the disallowance by the General Accounting Office of part of the travel expenses incurred by him during the period January 22 to February 7, 1937, inclusive, in traveling by personally owned automobile from Buffalo, N. Y., to Portland, Oreg., such excess travel expenses having resulted from the taking of a circuitous route necessitated by acts of God and other conditions beyond the control of the said Frederick G. Goebel: *Provided*, That no part of the amount appro-

priated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MISSISSIPPI RIVER BRIDGE AT SAUK RAPIDS, MINN.

The bill (H. R. 3028) to extend the time for completing the construction of a bridge across the Mississippi River at or near Sauk Rapids, Minn., was considered, ordered to a third reading, read the third time, and passed.

CHRISTIAN WENZ

The bill (H. R. 2332) for the relief of Christian Wenz was considered, ordered to a third reading, read the third time, and passed.

MARGARET HAMILTON AND OTHERS

The bill (H. R. 2757) for the relief of Margaret Hamilton, Mrs. Catherine Higgins, Mrs. Rebecca Sallop, and Mrs. Dora Projansky was considered, ordered to a third reading, read the third time, and passed.

JOHN HIRSCH

The bill (H. R. 1628) for the relief of John Hirsch was considered, ordered to a third reading, read the third time, and passed.

BERNADINE SALMONS

The bill (H. R. 2438) for the relief of Bernadine Salmons was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF GERTRUDE MULLINS

The bill (H. R. 2472) for the relief of the estate of Gertrude Mullins was considered, ordered to a third reading, read the third time, and passed.

FRANK ROBERTSON

The Senate proceeded to consider the bill (S. 1572) for the relief of Frank Robertson, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, after the words "sum of", to strike out "$50, together with interest thereon at the rate of 4 percent per annum, compounded annually, from February 20, 1919, to the date of payment," and insert "$86.13"; in line 10, after the figures "$50", to insert "Fourth", and, after the word "Liberty", to insert "Loan"; and on page 2, line 2, after the words "to him", to insert "with interest at the rate of 4¼ percent from date of issue, October 24, 1918, to October 15, 1935, the final redemption date of bonds of said Fourth Liberty Loan."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank Robertson, of Portland, Oreg., the sum of $86.13, in full satisfaction of his claim against the United States for payment on account of a $50 Fourth Liberty Loan bond which he purchased and paid for through the disbursing office at the United States Navy Yard, Puget Sound, Wash., but which was never delivered to him, with interest at the rate of 4¼ percent from date of issue, October 24, 1918, to October 15, 1935, the final redemption date of bonds of said Fourth Liberty Loan: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

RECOVERY OF PAYMENTS UNDER CIVIL SERVICE RETIREMENT ACT

The bill (S. 461) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, was announced as next in order.

The ACTING PRESIDENT pro tempore. Calendar No. 860, House bill 1475, is an identical bill. Without objection, the House bill will be substituted for the Senate bill, and will be considered at this time.

There being no objection, the bill (H. R. 1475) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, was considered, ordered to a third reading, read the third time, and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 461 will be indefinitely postponed.

DISPOSITION OF TRIBAL FUNDS OF MINNESOTA CHIPPEWA TRIBE OF INDIANS

The bill (S. 873) to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, the tribal funds now on deposit or hereafter placed to the credit of the Minnesota Chippewa Tribe of Indians, in the United States Treasury, shall be available for such purposes as may be designated by the tribal council of said tribe and approved by the Secretary of the Interior.

ADDITION OF CERTAIN LANDS TO UPPER MISSISSIPPI RIVER WILD LIFE AND FISH REFUGE

The bill (S. 1081) to add certain lands to the Upper Mississippi River Wild Life and Fish Refuge was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to acquire, for and as part of the Upper Mississippi River Wild Life and Fish Refuge, established pursuant to the authority contained in the act of June 7, 1924 (43 Stat. 650), as amended, those tracts of land situated in Wabasha County, Minn., described as lots 6 and 10, section 19, township 110 north, range 9 west, fifth principal meridian, containing approximately one hundred ten and twenty-four one-hundredths acres, which tracts of land were acquired pursuant to authority contained in the acts of June 29, 1888 (25 Stat. 228), and March 2, 1889 (25 Stat. 992), for Indian use, but are no longer used by Indians.

SEC. 2. In order to carry out the provisions of section 1 hereof, the sum of $1,261.20 from funds heretofore made available to the Fish and Wildlife Service for the purchase of lands for the Upper Mississippi River Wild Life and Fish Refuge is hereby made available for transfer on the books of the Treasury of the United States to the credit of the Medawakanton and Wahpakoota Bands of Sioux Indians, pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560), and said sum, when so transferred, shall operate as a full, complete, and perfect extinguishment of all their right, title, and interest in and to the lands above described, and shall be subject to disbursement under the direction of the Secretary of the Interior for the benefit of the Medawakanton and Wahpakoota Bands of Sioux Indians. Where groups of such Indians are organized as tribes under the act of June 18, 1934 (48 Stat. 984), the Secretary of the Interior may set apart and disburse for their benefit and upon their request a proportionate part of said sum, based on the number of such Indians so organized.

REPAYMENT AND INCREASE OF CROW INDIAN REVOLVING FUND

The bill (H. R. 2105) extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians was considered, ordered to a third reading, read the third time, and passed.

EXCHANGE OF LANDS WITHIN NAVAJO INDIAN RESERVATION, ARIZ.

The bill (H. R. 2140) to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz., was considered, ordered to a third reading, read the third time, and passed.

ELIMINATION OF PAYMENT OF INTEREST ON REFUND CLAIMS

The Senate proceeded to consider the bill (H. R. 4292) to amend section 12 (b) of the act of May 29, 1930, as amended, which had been reported from the Committee on Civil Service, with amendments, on page 1, line 4, after the word "following", to insert the words "'employees' where it appears at the end of"; and in line 6, after the word "following" and the colon, to strike out "except that" and insert a colon and the words "*Provided further*, That."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

COMPUTATION OF INTEREST ON CONTRIBUTIONS TO CIVIL-SERVICE RETIREMENT FUND

The Senate proceeded to consider the bill (H. R. 4320) relating to the computation of interest on contributions to the civil-service retirement fund returned to employees upon their separation from the service, which had been reported from the Committee on Civil Service, with amendments, on page 1, line 7, after the word "month", to insert "in the total service of an officer or employee"; in line 8, after the word "disregarded", to strike out "unless it amounts to more than half

a month, in which case it shall be considered as a full month."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RIGHTS OF BENEFICIARIES OF REEMPLOYED ANNUITANTS UNDER CIVIL SERVICE RETIREMENT ACT

The Senate proceeded to consider the bill (S. 198) to amend further section 2 of the Civil Service Retirement Act, approved May 29, 1930, as amended, which had been reported from the Committee on Civil Service, with amendments, on page 2, line 5, after the words "from the", to strike out the word "basic"; in line 6, after the word "employee", to strike out "a sum equal to the", and insert "at each pay period a proportionate amount of the annual"; in line 9, after the word "annuity", to strike out "received", and insert "elected"; and after line 12, to insert a new section, as follows:

Section 2. The amendment made by the first section of this act shall be effective as of January 1, 1940.

The amendments were agreed to.

Mr. LA FOLLETTE. Mr. President, I send to the desk an amendment which I offer and ask to have stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 1, line 9, after the word "receiving", it is proposed to insert "or had elected and was otherwise entitled to."

Mr. LA FOLLETTE. Mr. President, I have discussed this amendment with the Senator from California [Mr. DOWNEY], who is chairman of the committee, and I have also discussed it with the retirement authorities. I think the amendment is agreeable to both.

Mr. DOWNEY. Yes; it is.

Mr. LA FOLLETTE. I think it carries out the intent of the bill, as it was reported from the committee, but adds one category which obviously should be taken care of.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph (b) of section 2 of the Civil Service Retirement Act approved May 29, 1930, as amended, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a colon and adding the following: "*Provided, however*, That nothing in this act shall be so construed as to affect the rights of the annuitant's beneficiary if the annuitant has been receiving, or had elected and was otherwise entitled to a reduced annuity under section 4 (d) and dies while so reemployed or within 30 days after the termination of his reemployment, but all such rights shall continue and may be enforced in the same manner as if the annuitant had not been reemployed: *And provided further*, That during such reemployment there shall be deducted and withheld from the salary, pay, or compensation of such employee at each pay period a proportionate amount of the annual difference between the life annuity to which the employee would have been entitled and the reduced annuity elected by the employee. The amounts so deducted and withheld shall be deposited in the Treasury of the United States to the credit of civil service retirement and disability fund."

SEC. 2. The amendment made by the first section of this act shall be effective as of January 1, 1940.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The Senate proceeded to consider the bill (S. 1481) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, which had been reported from the Committee on Civil Service, with an amendment on page 2, line 3, after the word "that", to strike out "where such annuity is payable on account of the same disability for which compensation under such section of said act of September 7, 1916, has been paid," so as to make the bill read:

Be it enacted, etc., That section 6 of the Civil Service Retirement Act, approved May 29, 1930, as amended, is hereby amended by adding at the end thereof the following paragraph:

"Notwithstanding any provision of law to the contrary, the right of any person entitled to an annuity under this act shall not be affected because such person has received an award of compensation in a lump sum under section 14 of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916, as amended, except that so much of such compensation as has been paid for any period extended beyond the date such annuity becomes effective, as determined by the United States Employees' Compensation Commission, shall be refunded to the United States Employees' Compensation Commission, to be covered into the Employees' Compensation Fund. Before such person shall receive such annuity he shall (1) refund to such Commission the amount representing such computed payments for such extended period, or (2) authorize the deduction of such amount from the annuity payable to him under this act, which amount shall be transmitted to such Commission for reimbursement to such fund. Deduction from such annuity may be made from accrued and accruing annuity payments, or may be prorated against and paid from accruing payments in such manner as the Employees' Compensation Commission shall determine, whenever it finds that the financial circumstances of the annuitant are such as to warrant such deferred refunding."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NIGHT DIFFERENTIAL FOR CERTAIN EMPLOYEES

The bill (S. 1705) to provide night differential for certain employees was announced as next in order.

The ACTING PRESIDENT pro tempore. Calendar No. 899, House bill 3891, is an identical bill. Is there objection to the consideration of the House bill?

There being no objection, the bill (H. R. 3891) to provide night differential for certain employees, was considered, ordered to a third reading, read the third time, and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 1705 will be indefinitely postponed.

Mr. MEAD subsequently said: Mr. President, earlier today House bill 3891 was passed. I regret I was not present when the bill was substituted for Senate bill 1705, Calendar No. 828, and passed. I have been authorized by the Civil Service Committee to present a clarifying and corrective amendment. The amendment is at the desk, but I was not in the Chamber when the bill was considered and passed. So, I now ask that the vote by which House bill 3891 was passed, together with the vote ordering its third reading, be reconsidered in order that I may offer an amendment to it.

The ACTING PRESIDENT pro tempore. Without objection, the vote by which the bill was passed, together with the vote ordering its third reading, is reconsidered, and the amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. On page 1, in line 5, after the word "paid", it is proposed to insert a comma and the following: "In respect of their regular workweek of 40 hours and except when in leave status."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3891) was read the third time and passed.

BILL PASSED OVER

The bill (S. 1419) to authorize collectors of internal revenue to receive cashiers' checks of certain banking institutions in payment for revenue stamps was announced as next in order.

Mr. BARKLEY. Mr. President, at the request of the Senator from Florida [Mr. PEPPER], the author of the bill, I ask that it be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

INDIANS OF THE FORT BERTHOLD RESERVATION IN NORTH DAKOTA

The bill (S. 338) for the relief of the Indians of the Fort Berthold Reservation in North Dakota was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $400,000, in full and final settlement of all claims and demands of the Indians of the Fort Berthold Indian Reservation in North Dakota, composed of the Arickarees, Gros Ventres, and Mandans, which claims are based upon stipulations of an unratified treaty dated July 27, 1866 (Kappler's Laws and Treaties, vol. 2, p. 1052): *Provided*, That the amount when appropriated shall be deposited in the Treasury of the United States to the credit of the Indians of the Fort Berthold Reservation and shall draw interest in accordance with existing laws: *Provided further*, That not to exceed 5 per-

cent of the amount herein authorized may be used by the Secretary of the Interior for payment of fees and expenses of attorneys employed under contract approved in accordance with existing law.

DISPOSITION OF CERTAIN NONRESERVATION INDIAN LANDS, SHERMAN INSTITUTE, CALIFORNIA

The bill (S. 1580) to authorize the Secretary of the Interior to dispose of certain lands heretofore acquired for the nonreservation Indian boarding school known as Sherman Institute, California, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized in his discretion and subject to such terms and conditions as he may prescribe, to sell or exchange all or any part of those two certain tracts of land containing 10 acres and 100 acres more or less, respectively, heretofore acquired by the United States for the use of the nonreservation Indian boarding school known as Sherman Institute, Riverside, Calif., by deed dated August 30, 1900, from Frank A. Miller and Isabella D. Miller and by deed dated September 10, 1901, from George Frost, president of the Riverside Land Co. In effecting any sale or exchange hereunder the Secretary of the Interior is authorized to execute such deeds or other instruments as may be necessary to transfer the title to any land so sold or exchanged, and the proportionate share or shares of capital stock of the Riverside Water Co. evidencing the right of the lands so sold or exchanged to participate in the use of water furnished by said company for domestic and/or irrigation purposes. Any exchanges of land and/or water rights effected pursuant to this act shall be on an equal-value basis.

SEC. 2. That the proceeds derived from any sale made under authority of this act shall be deposited in the Treasury of the United States as school revenues, pursuant to the act of May 27, 1926 (44 Stat. 560), and shall be available in the discretion of the Secretary of the Interior for the purchase of other lands for the use of said Sherman Institute, including the water right or shares of water stock representing the right of the lands so purchased to the use of water for irrigation and/or domestic purposes.

PAYMENT OF ATTORNEYS' FEES FROM OSAGE TRIBAL FUNDS

The bill (S. 1847) to provide for the payment of attorneys' fees from Osage tribal funds was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That pursuant to the terms of a contract approved by the Assistant Secretary of the Interior February 14, 1938, between Fred Lookout, principal chief of the Osage Tribe of Indians, and certain attorneys named therein, employed pursuant to Osage council resolution No. 82, dated December 6, 1937, and extended for a period of 3 years from February 14, 1941, there is authorized to be expended from any funds collected as a result of any suit brought under said contract such sum as may be necessary to pay the fees of the attorneys so employed, as provided by the terms of the contract.

OBLIGATIONS FOR THE BENEFIT OF NATIVES IN ALASKA

The bill (H. R. 329) to authorize the Secretary of the Interior to incur obligations for the benefit of natives of Alaska in advance of the enactment of legislation making appropriations therefor was considered, ordered to a third reading, read the third time, and passed.

MARRIAGE AND DIVORCE AMONG MEMBERS OF THE KLAMATH AND MODOC TRIBES AND THE YAHOOSKIN BAND OF SNAKE INDIANS

The Senate proceeded to consider the bill (S. 267) relating to marriage and divorce among members of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians, which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and insert:

That from and after 6 months after approval of this act no marriage thereafter entered into, to which a member of the Klamath or Modoc or Yahooskin Band of Snake Indians of the Klamath Indian Reservation in Oregon is a party, shall be valid for any purpose unless such marriage shall have been solemnized pursuant to the laws of the State in which the ceremony is performed.

SEC. 2. Bona fide Indian custom marriages existing prior to the effective date of section 1 of this act are valid, and recordation of such marriage with the superintendent of the Klamath Indian Agency, if both parties are then living, in a book kept by him for that purpose shall be prima facie evidence of such marriage. The nonrecordation of such a marriage shall be prima facie evidence of the nonexistence of such marriage.

SEC. 3. From and after the date of the approval of this act, divorces in which a member of the said tribes or band of Indians is a party shall be effected only by decree of a State court of competent jurisdiction.

SEC. 4. No person shall be entitled to inherit as the surviving spouse of a deceased member of the Klamath or Modoc Tribes or Yahooskin Band of Snake Indians by virtue of a marriage entered into subsequent to the effective date of section 1 of this act unless his or her marriage to the decedent has been solemnized in conformity with the provisions of this act: *Provided*, That nothing herein contained shall be construed to authorize the devolution of restricted property within the Klamath Reservation to any person not qualified under the provisions of section 5 of the act of June 1, 1938 (52 Stat. 605).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAYMENTS TO CERTAIN MEMBERS OF THE SEMINOLE TRIBE OF INDIANS

The Senate proceeded to consider the bill (S. 1240) to authorize payment to certain enrolled members of the Seminole Tribe of Indians under act of July 2, 1942 (Public, No. 645, 77th Cong.), which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and insert:

That section 1 of the act of December 24, 1942 (56 Stat. 1080), entitled "An act to provide for the probate and distribution of restricted estates not exceeding $2,500 in value of deceased Indians of the Five Civilized Tribes in Oklahoma," is hereby amended to read as follows:

"That exclusive jurisdiction is hereby conferred on the Secretary of the Interior to determine the heirs after notice and hearing under such rules and regulations as he may prescribe, and to probate the estate of any deceased restricted Indian, enrolled or unenrolled, of the Five Civilized Tribes of Oklahoma, whenever the restricted estate both real and personal under the control of the Department of the Interior, is of an aggregate value, as determined and appraised by the superintendent of the Five Civilized Tribes, not exceeding $2,500: *Provided*, That where such decedent died prior to the effective date of this act, the distribution of such estate, including the decedent's share of any tribal funds, shall be made in accordance with the statute of descen and distribution applicable at the date of death: *Provided further*, That where the decedent dies subsequently to the effective date of this act distribution of all such estate, including tribal funds aforesaid, shall be effected in accordance with the statute of descent and distribution of the State of Oklahoma: *Provided further*, That whenever such estate comprises only funds not exceeding $250 in the aggregate, distribution may be made to the heirs upon proof of death and heirship satisfactory to the superintendent, and the findings of said superintendent upon such proof shall be final and conclusive for all purposes of such payment."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the act of December 24, 1942 (56 Stat. 1080), relating to estates of certain deceased Indians of the Five Civilized Tribes in Oklahoma."

CLAUDE R. WHITLOCK

The Senate proceeded to consider the bill (S. 1848) for the relief of Claude R. Whitlock, and for other purposes, which had been reported from the Committee on Indian Affairs, with an amendment, in section 2, on page 2, line 1, after the word "hereby", to insert "authorized to be", so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of Claude R. Whitlock, superintendent and special disbursing agent, Rosebud Indian Agency, Rosebud, S. Dak., for the sum of $3,058.27, plus accrued interest thereon, representing public and trust funds embezzled by Theodore A. Garnette, a former employee of said Indian agency.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,382.77, which shall be deposited by the Secretary of the Treasury to the official trust fund checking account of the special disbursing agent of the Rosebud Indian Agency for credit to the individual accounts of the Indians who sustained losses as a result of the embezzlement of their funds by Theodore A. Garnette: *Provided*, That notwithstanding any other provision of existing law the Secretary of the Interior or his authorized representative is hereby authorized to appropriate any funds now or hereafter due Theodore A. Garnette by reason of his status as an Indian and to apply such funds on the indebtedness created by his embezzlement of said public and trust funds.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BOUNDARIES OF WARM SPRINGS INDIAN RESERVATION IN OREGON

The Senate proceeded to consider the bill (S. 845) to define the exterior boundaries of the Warm Springs Indian Reservation in Oregon, and for other purposes,

which had been reported from the Committee on Indian Affairs with amendments.

The first amendment of the Committee on Indian Affairs was, in section 2, on page 2, after line 14, to insert:

Such withdrawal and addition shall be in full satisfaction of all claims of the Confederated Tribes to any lands within the area delimited by present northern and western boundaries of the reservation and by the northern and western boundaries of the reservation as extended and defined by this act, and shall be in consideration of the relinquishment of the tribes of any such claims. The United States shall hold the lands transferred for the sole benefit and use of the Indians of the Warm Springs Reservation as if they had become a part of the reservation pursuant to the treaty of June 25, 1855 (12 Stat. 963).

The amendment was agreed to.

The next amendment was, on page 3, to add a new section, as follows:

SEC. 3. Upon the enactment of this act, the Confederated Tribes shall abandon all further proceedings in the Court of Claims in the action which was brought by the tribes pursuant to the provisions of the act of December 23, 1930 (46 Stat. 1033), and in which a judgment was rendered November 3, 1941 (*Warm Springs Tribe of Indians* v. *United States*, 95 Ct. Cl. 23). The Secretary of the Interior shall determine the proper fees to be paid to the attorneys of the Confederated Tribes as full compensation for services rendered and amounts necessarily expended by them in representing the tribes in such action. Such fees shall be paid out of the tribal funds of the Confederated Tribes.

The amendment was agreed to.

Mr. CORDON. Mr. President, I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

ACQUISITION OF CERTAIN INDIAN LANDS FOR GRAND COULEE DAM AND RESERVOIR

The Senate proceeded to consider the bill (S. 1597) to amend section 1, act of June 29, 1940 (54 Stat. 703), for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes, which had been reported from the Committee on Indian Affairs, with amendments.

The first amendment of the Committee on Indian Affairs was, on page 1, line 5, after the word "construction", to strike out "of."

The amendment was agreed to.

The next amendment was, on page 2, line 16, after the word "any", to insert "such."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first paragraph of section 1 of the act approved June 29, 1940 (54 Stat. 703), be amended to read as follows: "That, in aid of the construction, operation, and maintenance of the Columbia Basin project (formerly the Grand Coulee Dam project), authorized by the act of August 30, 1935 (49 Stat. 1028), the act of August 4, 1939 (53 Stat. 1187), and the Columbia Basin Project Act (Public, No. 8, 78th Cong. 1st sess., 57 Stat. 14), there is hereby granted to the United States, subject to the provisions of this act, (a) all the right, title, and interest of the Indians in and to the tribal and allotted lands within the Spokane and Colville Reservations, including sites of agency and school buildings and related structure and unsold lands in the Klaxta town site, as may be designated therefor by the Secretary of the Interior from time to time: *Provided*, That no lands shall be taken for reservoir purposes above the elevation of 1,310 feet above sea level as shown by General Land Office surveys, except in Klaxta town site and except where in the judgment of the Secretary of the Interior, special circumstances concerning the reservoir or its operation and maintenance require the taking of land above that elevation; and (b) such other interests in or to any such lands and property within these reservations as may be required and as may be designated by the Secretary of the Interior from time to time for the construction of pipe lines, highways, railroads, telegraph, telephone, and electric-transmission lines in connection with the project, or for the relocation or reconstruction of such facilities made necessary by the construction of the project."

DISPOSITION OF PERSONAL PROPERTY OF JACKSON BARNETT, DECEASED CREEK INDIAN

The bill (S. 1710) to authorize the sale and conveyance of certain property of the estate of Jackson Barnett, deceased Creek Indian, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to sell and convey any or all of the property hereinafter described, upon such terms and conditions as he shall prescribe: Lot 2 of tract No. 8553, as shown on map recorded in book 105, pages 22 and 23 of maps, and the southerly 40 feet of lot 20 and all of lot 21 of tract No. 3446, as shown on map recorded in book 37, page 84 of maps, in the office of the county recorder of Los Angeles County, Calif., together with all improvements thereon, and all furniture, fixtures, and personal property, belonging to the estate of Jackson Barnett, located in or on said real property.

HELEN HALVERSON

The Senate proceeded to consider the bill (S. 1731) for the relief of Helen Halverson, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helen Halverson, of Kimball, S. Dak., the sum of $3,000, in full satisfaction of her claims against the United States for compensation for personal injuries sustained by her, and for reimbursement of medical, hospital, and other expenses incurred by her, as a result of an accident which occurred when the bicycle which she was riding was struck by a United States Navy vehicle on St. Simons Island, Ga., on April 3, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MR. AND MRS. JOHN BORREGO AND OTHERS

The Senate proceeded to consider the bill (S. 1605) for the relief of Mr. and Mrs. John Borrego and Mr. and Mrs. Joe Silva, which had been reported from the Committee on Claims, with an amendment, on page 1, line 5, after the word "of" to strike out "Santa Ana, Calif., the sum of $, in full satisfaction of their claims against the United States for compensation for the deaths of their minor daughters, Faith Borrego and Rosealva Borrego, and for personal injuries sustained by their minor son, Frank Borrego, as a result of an explosion which occurred when an Army airplane crashed near Huntington Beach, Calif., on June 27, 1943; and (2) to Mr. and Mrs. Joe Silva, of Santa Ana, Calif., the sum of $, in full satisfaction of their claims against the United States for compensation for the deaths of their minor daughters, Frances Silva and Mary Silva, and for personal injuries sustained by their minor sons Rueben Silva and Rudolph Silva, as a result of such explosion," and insert "Garden Grove, Calif., the sum of $6,622.48, in full satisfaction of their claims against the United States for medical and hospital expenses incurred by them for the treatment of their minor children, Rosealva Borrego, Faith Borrego, and Frank Borrego for burial expenses for Rosealva Borrego and Faith Borrego, and for compensation for their deaths; (2) to Mr. and Mrs. Joe Silva, of Garden Grove, Calif., the sum of $6,732.48, in full satisfaction of their claims against the United States for medical and hospital expenses incurred by them for the treatment of their minor children, Mary Silva, Frances Silva, Rueben Silva, and Rudolph Silva, for burial expenses for Mary Silva and Frances Silva, and for compensation for their deaths; and (3) to the legal guardian of Frank Borrego the sum of $1,000, to the legal guardian of Rueben Silva the sum of $1,000, and to the legal guardian of Rudolph Silva the sum of $1,000, in full satisfaction of all claims against the United States for personal injuries sustained by the said Frank Borrego, Rueben Silva, and Rudolph Silva; all as a result of an explosion which occurred when an Army airplane crashed near Huntington Beach, Calif., on June 27, 1943", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Mr. and Mrs. John Borrego, of Garden Grove, Calif., the sum of $6,622.48, in full satisfaction of their claims against the United States for medical and hospital expenses incurred by them for the treatment of their minor children, Rosealva Borrego, Faith Borrego, and Frank Borrego, for burial expenses for Rosealva Borrego and Faith Borrego, and for compensation for their deaths; (2) to Mr. and Mrs. Joe Silva, of Garden Grove, Calif., the sum of $6,732.48, in full satisfaction of their claims against the United States for medical and hospital expenses incurred by them for the treatment of their minor children, Mary Silva, Frances Silva, Rueben Silva, and Rudolph Silva, for burial expenses for Mary Silva and Frances Silva, and for compen-

sation for their deaths; and (3) to the legal guardian of Frank Borrego the sum of $1,000, to the legal guardian of Rueben Silva the sum of $1,000, and to the legal guardian of Rudolph Silva the sum of $1,000, in full satisfaction of all claims against the United States for personal injuries sustained by the said Frank Borrego, Rueben Silva, and Rudolph Silva; all as a result of an explosion which occurred when an Army airplane crashed near Huntington Beach, Calif., on June 27, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mr. and Mrs. John Borrego; Mr. and Mrs. Joe Silva; the legal guardian of Frank Borrego; the legal guardian of Rueben Silva; and the legal guardian of Rudolph Silva."

RAU MOTOR SALES CO.

The bill (S. 1501) for the relief of the Rau Motor Sales Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Rau Motor Sales Co., of Harrold, S. Dak., the sum of $250, in full satisfaction of its claim against the United States for reimbursement of the amount paid by the said company in settlement of its liability to the United States under contract No. I-1-Ind-19827 covering the procurement of a school bus for the Department of the Interior, such contract having been awarded to the said company despite a request made by it prior to the awarding of such contract that its bid thereon be canceled because of an error made in computing the price quoted in such bid: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

RUTH COE

The bill (H. R. 3114) for the relief of Ruth Coe was considered, ordered to a third reading, read the third time, and passed.

MRS. MAE SCHEIDEL AND OTHERS

The bill (H. R. 2008) for the relief of Mrs. Mae Scheidel, Mr. Fred Scheidel, Mr. Charles Totten, and Miss Jean Scheidel, was considered, ordered to a third reading, read the third time, and passed.

MRS. MILDRED MAAG

The bill (H. R. 2711) for the relief of Mrs. Mildred Maag was considered, ordered to a third reading, read the third time, and passed.

O. W. JAMES

The Senate proceeded to consider the bill (H. R. 2303) for the relief of O. W. James, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$500" and insert "$660."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DISPOSITION OF PROCEEDS OF JUDGMENT BY THE MENOMINEE TRIBE OF INDIANS

The joint resolution (H. J. Res. 166) to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians and for other purposes was announced as next in order.

Mr. DANAHER. Mr. President, may we have an explanation of the joint resolution?

Mr. LA FOLLETTE. Mr. President, the joint resolution is designed to take care of a situation which has arisen in connection with the decisions of the Court of Claims under an act passed in 1935, giving the Menominee Tribe of Indians the right to test their claims against the Government in the Court of Claims.

This reservation was created in 1854, and a large timber mill was established in 1908, under a bill which my father sponsored, to provide for the management of the valuable timberlands in the reservation by and for the Indians on a continuous-yield or selective-cutting basis. This is one of the few tribes in the United States which are self-supporting. It so happened that there were certain so-called swamplands which the Indians believed—and I believe it is a fact—were ceded to them under a treaty. The lands are checkerboarded in the reservation. Subsequently it developed that those lands belonged to the State of Wisconsin under a decision rendered concerning similar lands in the State of Minnesota.

The Indians have prosecuted several cases and have obtained interlocutory judgments in three of them. It is very desirable, from the standpoint of the future economic operation of the timber on the reservation, that the swamplands which the United States gave to the Indians under the treaty, but which the Supreme Court said later belonged to the State, should come into the possession of the Indians in order that the checkerboarded areas involved in the swamplands may become an integral part of the reservation. It will greatly increase their timber holdings, and will enable them, we believe, if fire is kept out, to continue for many generations as self-respecting, self-supporting people, operating on the basis of their own natural resources.

All the joint resolution seeks to do is to permit the proceeds which the Court of Claims has found are due the Indians to be utilized to buy the swampland from the State of Wisconsin, and thus round out the reservation and get rid of the checkerboarded area. In order to do that it is necessary to provide that claims against the Indians for gratuities shall not be set off against this particular judgment.

There are other cases pending. The Department of Justice and the Department of the Interior are satisfied that the Government's claims can be fully offset against the results of the verdicts in the other cases. After long negotiations a price has been agreed upon which is satisfactory to the land commissioners of the State of Wisconsin, to the Department of Justice, to the Indian Bureau, and to the Department of the Interior. It is also satisfactory to, and has been approved by, the tribe.

I wish to say, Mr. President, that I think the tribe has shown great wisdom in desiring that the cash should be utilized for the purpose of increasing the base upon which its economic livelihood depends, rather than to have the money placed in its fund in the Treasury.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. DANAHER. As I understand, the amount involved is $1,767,000 plus.

Mr. LA FOLLETTE. That is correct.

Mr. DANAHER. The original act under which the action is brought authorized attorneys' fees up to 10 percent of the amount of the judgment.

Mr. LA FOLLETTE. It authorizes not to exceed 10 percent. It contains the usual standard attorneys' fees provision, which has been written into bills of this character for many years.

Mr. DANAHER. Mr. President, if the Senator will yield, I have one further question.

Mr. LA FOLLETTE. I yield.

Mr. DANAHER. In the joint resolution, as it came from the House, I note the following language:

> In rendering final judgment under this section—

Meaning section 5—

> the court may redetermine the amount of the attorneys' fees.

Does the Senator from Wisconsin understand that language to apply to a possible reduction of the allowed maximum of 10 percent?

Mr. LA FOLLETTE. I have no way of knowing what the court will do in this connection. However, I may say to the Senator from Connecticut that in this case the joint resolution does not extend, broaden, or liberalize in any respect whatever the present policy with respect to attorneys' fees. It takes cognizance of the fact that the attorneys have had to spend a great deal of time—the value of which the court will, of course, ultimately determine—in connection with all the negotiations which had to take place. The attorneys affected are the regularly constituted attorneys for this tribe.

Mr. DANAHER. Mr. President, will the Senator further yield?

Mr. LA FOLLETTE. I yield.

Mr. DANAHER. The way the language reads in the House joint resolution, if the court is authorized to redetermine the amount of attorneys' fees it may redetermine the amount upward as well as downward. Ten percent of $1,700,000-odd is $170,000 plus, which is a very considerable fee. I wonder if it is the Senator's understanding that the court, under this joint resolution, would be authorized to increase the fee hitherto permitted to the attorneys under the original act.

Mr. LA FOLLETTE. The full purpose of this language, as I understand, is to permit the court to take into consideration the additional professional services which have been rendered in connection with the entire transaction. I think the Senator may rest assured that the court will not allow any excessive fees. As I understand, the record of the Court of Claims is not one of allowing unconscionable fees. The attorneys are entitled to have the matter reconsidered in the light of developments which have taken place, and the necessity of their rendering professional services, which were not in the purview of the original determination of the court.

Mr. DANAHER. I thank the Senator.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 166) to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians and for other purposes, which had been reported from the Committee on Indian Affairs with amendments, on page 2, line 10, after "and (b)", to strike out "$1,420,836.03" and insert "$1,767,616.11"; and on page 4, line 23, after the word "within", to strike out "three years" and insert "one year."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The preamble was agreed to.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks, the report of the committee, together with a letter dated May 24, 1944, from Hon. Francis Biddle, Attorney General of the United States.

There being no objection, the report (No. 838) and the letter were ordered to be printed in the RECORD, as follows:

The Committee on Indian Affairs, to whom was referred the House joint resolution (H. J. Res. 166) to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes, having considered the same, report favorably thereon with two amendments and recommend that the joint resolution, as amended, do pass.

The amendments are as follows:

On page 2, lines 10 and 11, strike the figures "1,420,836.03" and in lieu thereof insert the figures "1,767,616.11."

On page 4, line 22, strike the words "3 years" and in lieu thereof insert "1 year."

PURPOSE OF THE BILL

This bill sets up the mechanics and procedure by which the United States may carry out a treaty obligation to the Menominee Indians which has now been adjudicated in favor of said Indians by the Court of Claims.

It has favorable reports from the Departments of Interior and Justice, the Bureau of the Budget, and has the approval of the Menominee Indians and the unanimous endorsement of your committee.

The treaty obligation and the procedure devised for its fulfillment may be summarized as follows:

On May 12, 1854, the United States entered into a treaty with the Menominee Indians (10 Stat. 1064) by which, in exchange for the surrender of extensive areas of land to the United States, the United States agreed to set apart and forever hold as a reservation for the Menominee Indians 12 townships of land, which were specifically described. Later the Indians ceded 2 of these townships to the United States, retaining 10 for their reservation. Subsequently the State of Wisconsin claimed title to all the swamplands located within the remaining 10 townships, by virtue of the Swamp Land Act of September 28, 1850 (9 Stat. 519), which ceded to the States all swamplands within their respective borders. (Legally swamplands constitute those legal subdivisions of land which are preponderantly swamp; consequently large acreages of these swamplands are actually nonswamp in character.) The claim of Wisconsin was resisted by the United States, resulting in a controversy between the United States and the State of Wisconsin, which persisted for nearly fourscore years and which 2 different commissions failed to settle.

Finally, in 1925, the United States Supreme Court in *Minnesota* v. *United States* (270 U. S. 181), which involved a similar dispute between the State of Minnesota and the United States, held that the Swamp Land Act of 1850 effected a gift in praesenti of all swamplands in the respective States and that any subsequent conveyance of these swamplands to Indian tribes by the United States was of no effect. In reliance on that decision the United States dismissed an original suit which it had filed in the Supreme Court against Wisconsin involving the very swamplands here involved.

The Supreme Court, having thus decided that as between Wisconsin and the United States the former owned the swamplands, Congress by act of September 3, 1935 (49 Stat. 1085), authorized the Menominee Indians to sue the United States to determine whether, because of failure to obtain such lands, the Indians were entitled to recover the present acquisition value thereof from the United States.

In litigation instituted pursuant to the act of Congress, the Court of Claims has now held that the Indians are entitled to recover from the United States (95 C. Cls. 232) the value of timber removed from these swamplands and the present acquisition cost of such lands, including the value of the timber attributable thereto.

Under the jurisdictional act, the United States, in lieu of paying a cash judgment representing the present acquisition cost of the land, may acquire and hold said swamplands (comprising 33,870.23 acres) in trust for the sole benefit and use of the plaintiff tribe of Indians. This alternative is very desirable since the timbered swamp areas involved are widely scattered throughout the Indians' reservation, and should properly be made a part thereof as was originally contemplated by the treaty. The sale of these lands to anyone else would seriously complicate the logging and lumbering operations conducted on the reservation by the Government for the Indians. Without these lands, it would be difficult to continue to operate the forests on a sustained-yield basis as contemplated by existing law (act of Mar. 28, 1908, 35 Stat. 51). On the other hand, the acquisition of these lands for the Menominee Tribe would increase the value of their timbered lands and be of substantial help to the tribe in enabling it to continue to be self-supporting, and thus not be required to ask for help from the Public Treasury. (The Menominee Tribe is one of the few tribes that are self-supporting, even paying for its own education.)

The jurisdictional act, however, does not set up any procedure for the acquisition of these lands. Furthermore, although it was evidently intended under that act that the United States might use the judgment money to acquire the lands in behalf of the tribe, it is possible, because of other broad language in the present act, that the United States may set off against the judgment the amount of all gratuities expended for the benefit of these Indians since March 28, 1908. If this were done, even though the amount of gratuities expended for the tribe may be relatively small, the net amount of the judgment would be insufficient to permit the United States to exercise the desired alternative.

The proposed bill would remedy this situation (1) by providing for the purchase of the swamplands for the Indians instead of paying them a monetary judgment, and by (2) providing that gratuities, if any, given to the tribe by the United States shall be deferred and applied against judgments obtained in other suits of the Menominee Tribe now pending, and not be offset against the present judgment. The United States will not thereby be deprived of these offsets, for the Court of Claims has already rendered judgment against the United States in two other suits against which the United States may deduct its offsets.

This solution of the litigation, as above indicated, meets with the approval of the Department of Justice, which has been defending the suit, and which will not take any appeal from the present judgment.

The bill, as it came from the House of Representatives, provided that the acquisition cost of the land was $1,420,836.03. That valuation was based on a survey and timber cruise made in 1929–30 by the State of Wisconsin. After the bill was acted upon by the House, the State of Wisconsin completed its tabulation of a cruise made by it, with the assistance of the Forest Service of the Department of Agriculture, as late as September of 1943, which showed considerable more timber than was revealed by the 1929–30 cruise, occasioned, no doubt, by (1) greater utilization at present, and (2) the intervening growth.

On the basis of this up-to-date cruise and after conferences between the attorneys for the Indians, representatives of the Departments of the Interior and Justice, and the commissioners of public lands of the State of Wisconsin, as more fully explained in a letter of the Secretary of the Interior dated April 25, 1944, attached hereto, it was determined that a fair acquisition cost for the swamplands is $1,767,616.11, which it is admitted is less than the timber would bring if it were sold upon the present market at present prices.

The commissioners of public lands of Wisconsin have made a formal offer in writing to the Secretary of the Interior to sell the land for that sum, less such attorneys' fees as are allowed out of the judgment by the Court. This new sum has been accepted as an amendment to the bill by your committee.

A copy of said written offer, dated April 14, 1944, is attached hereto and made a part of this report.

The reports of the Secretary of the Interior, the Attorney General, and the Bureau of the Budget on the proposed legislation are as follows:

DEPARTMENT OF THE INTERIOR,
Washington, D. C., September 16, 1943.

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: Transmitted herewith is a draft of a proposed bill to authorize the use of the proceeds of a judgment against the United States in favor of the Menominee Indians for the purchase from the State of Wisconsin of swamplands within the exterior boundaries of the Menominee Indian Reservation. I request that the proposed bill be placed before the Congress for favorable consideration.

Congress, by the act of September 3, 1935 (49 Stat. 1085), as amended by the act of April 8, 1938 (52 Stat. 208), conferred jurisdiction on the Court of Claims to hear and determine suits brought pursuant to such legislation by the Menominee Indians against the United States. One of the suits filed in that court, No. 44294, alleged that the United States failed to convey certain swamplands to the Menominee Indian Tribes as provided by a treaty of May 12, 1854 (10 Stat. 1064). After trial of the case, the court found that the United States had failed to cede to the plaintiff Indians certain lands within the Menominee Indian Reservation classified as swamplands. The court further found that the reason for this failure to fulfill the treaty was that these lands had been conveyed by the United States to the State of Wisconsin under the Swamp Land Act of September 28, 1850 (9 Stat. 519). The court concluded as a matter of law that under the terms of the jurisdictional act the plaintiff Indians were entitled to recover, subject, however, to deductions of offsets, if any, the value of the timber removed from the swamplands since May 12, 1854, together with 4 percent interest thereon, and also the present acquisition cost of these lands. According to a stipulation of facts filed by the attorneys for the plaintiff and the defendant in this case, the Menominee Tribe is entitled to recover $13,666.80 (including interest) for timber removed from the swamplands and $1,420,836.03 for the acquisition cost of 33,870.23 acres of swamplands, including the value of the timber remaining thereon, or a total sum of $1,434,502.83.

Under the jurisdictional act, the United States may, in lieu of paying that part of the cash judgment which represents the purchase price of the aforesaid 33,870.23 acres of land, acquire and hold said lands in trust for the sole benefit and use of the plaintiff tribe of Indians. This alternative is very desirable since the timbered swamp areas involved are widely scattered throughout the Indians' reservation, and should properly be made a part thereof as was originally contemplated by the treaty. It would facilitate the logging and lumbering operations conducted by the Government for the Indians. Without these lands, it would be difficult to continue to operate the forests on a sustained-yield basis. The Indians of the Menominee Tribe desire to have this area permanently made a part of their reservation.

The jurisdictional act, however, does not set up any procedure for the acquisition of these lands. Furthermore, under that act it is possible that the United States may set off against the judgment the amount of all gratuities expended for the benefit of these Indians since March 28, 1908. If this were done, even though the amount of gratuities expended for the tribe may be relatively small, the net amount of the judgment would be insufficient to permit the United States to exercise the desired alternative. The proposed bill would remedy this situation by providing that no gratuities shall be offset against the judgment in this case but that such offsets, if any, shall be deferred and applied against other suits of the Menominee Tribe now pending or hereafter brought in the Court of Claims. It provides for the purchase of the land for the Indians instead of paying them a monetary judgment. Further, the acquisition of these lands for the Menominee Tribe of Indians would increase the area and the value of the timbered lands of the reservation, thereby enabling the Indians to continue to be self-supporting.

I am informed that this solution of the litigation meets with the approval of the Department of Justice, which has been defending the suit. I understand that it also meets with the approval of the State of Wisconsin which owns the swamplands in question. The attorneys for the plaintiff and the defendant in this case have conferred with the land commissioners of Wisconsin who have jurisdiction over these swamplands and who have indicated that if the judgment money should be made available for the purchase, they would be agreeable to the sale of the lands. The money which would be paid to the State of Wisconsin for these lands would, under the State's constitution, go into the educational fund of that State.

During the 89 years that have elapsed since the Treaty of 1854 with the Menominee Indians, many attempts to settle the matter have failed because there was no judicial determination that the United States had violated its treaty obligations. That judicial determination now having been made, it is recommended that Congress enact the proposed legislation so that this claim can be settled promptly.

The Bureau of the Budget has advised me that there is no objection to the presentation of this proposed legislation to the Congress.

Sincerely yours,

ABE FORTAS,
Acting Secretary of the Interior.

Correspondence from the Attorney General is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., October 5, 1943.

Hon. JAMES F. O'CONNOR,
Chairman, Committee on Indian
Affairs, House of Representatives,
Washington, D. C.

MY DEAR MR. O'CONNOR: At the request of the House Committee on Indian Affairs, I am transmitting herewith copies of letters dated August 31 and September 9, from the Attorney General, addressed to the Director of the Bureau of the Budget. The amendments proposed in these communications were all incorporated in the measure before it was introduced as House Joint Resolution 166.

Sincerely yours,

OSCAR L. CHAPMAN,
Assistant Secretary.

AUGUST 31, 1943.

Hon. HAROLD D. SMITH,
Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. SMITH: This refers to the letter of F. J. Bailey, assistant director, legislative reference, dated August 7, 1943, requesting my views on a proposed joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes, and an accompanying explanatory letter from the Department of the Interior in respect thereto.

In the case of *The Menominee Indians* v. *United States*, No. 44294, filed in the Court of Claims pursuant to the provisions of the act of September 3, 1935 (49 Stat. 1085), as amended, it was alleged that the United States had failed to convey certain swamplands to the Menominee Indians as provided by the treaty of May 12, 1854 (10 Stat. 1064). Upon trial of the case the Court of Claims found that the United States had failed to cede to the plaintiff Indians certain lands scattered throughout the Menominee Indian Reservation and classified as swamplands and that the reason for this failure to fulfill the terms of the treaty was because the lands in question had been conveyed by the United States to the State of Wisconsin under the Swamp Land Act of September 28, 1850 (9 Stat. 519). The court concluded as a matter of law that the plaintiff Indians were entitled to recover, among other things and subject to the deduction of offsets, if any, the present acquisition cost of these lands.

Under the terms of the jurisdictional act, the United States may, in lieu of paying that part of the judgment representing the acquisition cost of the aforesaid lands, acquire and hold the lands in trust for the sole benefit and use of the plaintiff Indians. The jurisdictional act, however, fails to set up any procedure for the acquisition of these lands, and under the terms of the act the court must set off against the judgment the amount of all gratuities expended since March 28, 1908, by the United States for the benefit of the plaintiff Indians. Counsel representing the plaintiff Indians and the United States have filed stipulations of fact in which it is agreed that the present acquisition cost of the aforesaid lands amounts to $1,420,836.03. It is understood that the lands may be acquired from the State of Wisconsin, the present owner, with money to become available from a judgment in this amount. In the event, however, that gratuities expended for the benefit of the plaintiff Indians are set off against this figure, the net amount of the judgment would be insufficient to permit the United States to exercise the alternative mode of settlement provided in the jurisdictional act.

The proposed legislation would provide a procedure for carrying out the alternative mode of settlement provided in the jurisdictional act by authorizing offsets against the judgment in case No. 44294 to be deferred to other or subsequent suits by the Menominee Indians against the United States and by authorizing the Secretary of the Interior to acquire the lands in question from the proceeds of said judgment.

The satisfaction of the judgment by the acquisition of land to be held in trust for the plaintiff Indians rather than by a cash payment to them presents a matter primarily involving the administration of Indian Affairs with which this Department is not ordinarily concerned. The accompanying explanatory letter of the Department of the Interior presents persuasive reasons supporting this alternative mode of settlement and no objection to it is perceived. Before the proposed legislation is presented to the Congress, however, I believe the following changes in it should be made:

On page 1, line 3, of the first introductory clause strike the words "jurisdiction conferred by" and insert in lieu thereof the words "the provisions of."

On page 2, section 1, strike all of the clause after the semicolon beginning "and no offsets * * *" to the end of the section and insert in lieu thereof the following: "and no offsets, including gratuities, shall be allowed to the United States in determining the amount of such judgment, but any such offsets which the United States may have, including gratuities, may be pleaded and allowed in any other suit now pending or hereafter to be brought by the Menominee Tribe of Indians against the United States."

On page 3, section 4, strike the period at the end of the first sentence and insert a semicolon and the words "said appropriation to be disbursed by the Secretary of the Interior as herein provided."

On page 3, section 4, between the words "attorneys' fees" and "shall" in the second sentence insert the words "in the same ratio that the total amount of attorneys' fees bears to the total amount of the judgment."

On page 5, section 5, in the last sentence strike the words "surplus fund" and insert in lieu thereof the words "General Fund."

In accordance with the request contained in Mr. Bailey's letter of August 7, 1943, the draft of proposed legislation and accompanying explanatory letter there enclosed are herewith returned.

Respectfully,

FRANCIS BIDDLE,
Attorney General.

SEPTEMBER 9, 1943.

Hon. HAROLD D. SMITH,
Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. SMITH: This refers to my letter of August 31, 1943, relating to a proposed joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes, submitted by the Secretary of the Interior. The proponents of the proposed legislation fear that the amendment suggested by this Department to section 1 might be construed as repealing the provision in section 3 of the act of September 3, 1935 (49 Stat. 1085, 1086), that "no gratuities, however, paid to or expended for said tribe or members thereof prior to the act of Congress of March 28, 1908 (35 Stat. L. 51) * * * shall be pleaded by the United States as offsets."

It is not intended by the proposed amendment to repeal this provision. I, therefore, suggest that the amendment proposed to section 1, as set forth on page 2 of my letter of August 31, 1943, be changed to read as follows: "and no offsets, including gratuities, shall be allowed to the United States in determining the amounts of such judgment, but any offsets which the United States may have, including gratuities, as defined in section 3 of the act of September 3, 1935 (ch. 839, 49 Stat. 1085), as amended, may be pleaded and allowed in any other suit now pending or hereafter to be brought by the Menominee Tribe of Indians against the United States."

Respectfully,

FRANCIS BIDDLE,
Attorney General.

The report of the Secretary of the Interior with respect to the amendment added by your committee, increasing the acquisition cost of the swamplands from $1,420,836.03 to $1,767,616.11, follows:

DEPARTMENT OF THE INTERIOR,
Washington, D. C., April 25, 1944.

Hon. ELMER THOMAS,
Chairman, Committee on Indian
Affairs, United States Senate.

MY DEAR SENATOR THOMAS: This letter is in response to your request of April 19 for the views of this Department on the amendment proposed by Senator LA FOLLETTE to House Joint Resolution 166, which would increase the present acquisition cost of swamplands within the Menominee Reservation from $1,420,836.03 to $1,767,616.11. I recommend that the amendment be adopted.

The original sum of $1,420,836.03 was based, as to volume of timber, on a timber cruise of the swamplands in the Menominee Reservation made by foresters for the State of Wisconsin in 1929–30, which was checked by the Indian Office and found not to overstate the volume of the timber on that land, and was based, as to prices for the several species of timber, on the prices prevailing on June 1, 1942. At the time this sum was incorporated in the proposed bill submitted by this Department to the Congress, the commissioners of public lands of the State of Wisconsin, who have exclusive and full power to sell the lands, had tentatively indicated that they would be willing to conclude a sale at this figure. At a later date the commissioners felt obliged to make a further cruise for the purpose of checking the cruise made in 1929 and of determining the present volume.

Accordingly, in September of 1943, another cruise was made of some 62 of the most heavily wooded 40-acre tracts on the reservation which, we are informed, were selected at random throughout the entire area of swamplands, in such a manner as to make the cruise a representative one. This cruise was made by cruisers of the Forest Service of the United States Department of Agriculture, cruisers of the Land Conservation Commission of the State of Wisconsin, and cruisers representing the commissioners of public lands of the State of Wisconsin.

Each of these three groups of cruisers found that the respective tracts which they cruised in 1943 had considerably more timber on them than was shown by the cruise made in 1929–30. The largest overrun was obtained by the cruisers of the Forest Service of the Department of Agriculture. The average overrun and underrun of timber found by the cruisers in September 1943, as compared with the 1929–30 cruise, is as follows:

	Percent
White pine, overrun	57.90
Norway pine, overrun	43.10
Hemlock, underrun	6.84
Yellow birch, underrun	1.48
Basswood, overrun	50.00
Maple, overrun	13.19
Elm, overrun	126.79
Oak, overrun	11.95
Ash, overrun	94.38

The above nine species represent the principal species of sawlog timber found on the reservation. The 1943 cruise did not attempt to make a complete check of other minor species, nor of the pulpwood, posts, and poles, as reflected by the 1929–30 cruise.

This Department is also advised by the commissioners of the public lands that during the calendar year 1943 they sold stumpage of the same species from other State-owned land for which they received prices greatly higher than those prevailing in June 1942.

The prices used as the basis for the first figure of $1,420,836.03 and the average prices per thousand feet, board measure, at which the commissioners of public lands sold timber during the year 1943 are as follows:

	Agreed price June 1942 figures	Average price 1943
White pine	$12.44	$18.49
Norway pine	8.78	25.85
Birch	17.60	27.83
Hemlock	5.18	5.74
Basswood	13.20	18.08
Maple	9.30	11.29
Elm	7.50	12.30
Oak	12.89	10.00
Ash	7.00	10.36

If the same percentage of overrun, found in September of 1943 to prevail on the sixty-two 40-acre tracts with respect to the above nine species, is applied to the volume of timber of these same species found by the 1929–30 cruise to be attributable to the entire 33,870.23 acres of swampland, and if no allowance is made for overrun either on the remaining species of saw timber, or on pulpwood, posts, or ties, the acquisition cost of the land and timber attributable to this acreage, based on 1942 prices, is $1,767,616.11. If, instead of using the 1942 prices, the 1943 prices should be used, the acquisition cost of the land and timber attributable to this acreage would be in excess of $2,000,000.

The commissioners of public lands of Wisconsin have informed this Department that the combination of increased volume and advanced prices has made it impossible for them now to accept the acquisition cost of $1,420,836.03 which had been set in the original bill.

Instead, on April 14, 1944, the commissioners of public lands, after conferring in Washington, D. C., with representatives of this Department, the Department of Justice, and the attorneys for the Menominee Indians, addressed a letter to the Secretary of the Interior offering to sell the land in question for the sum of $1,767,616.11, which is the sum specified in the La Follette amendment, less such amount as the Court of Claims may award as compensation to the attorneys for the Menominee Indians. The offer provides that it shall terminate if the Congress shall fail to pass the proposed legislation within 1 year of the date of the offer. A copy of the commissioners' letter is attached hereto.

The price of $1,767,616.11 seems to be a reasonable figure for the present acquisition cost of the lands. It takes into consideration the increased volume of timber found by the 1943 cruise but holds to the 1942 prices. Even if the volume found by the State of Wisconsin in 1929–30 were not changed, still the State would probably receive more than this sum if the timber were now sold at present-day prices. Consequently, this Department feels that this figure represents a fair compromise basis for a settlement with Wisconsin.

The Court of Claims has found that the United States agreed in 1854 to convey these lands to the Indians. They constitute an integral part of the Menominee Reservation, on which extensive logging operations are being conducted for the Menominee Indians under the act of March 28, 1908 (35 Stat. 51). Economical and efficient management of this enterprise could not be accomplished if these swamplands should be sold to outside interests. The swampland areas are so widely scattered throughout the reservation that the ascertainment by the Indians and the outside interests of the identity of their respective land and timber holdings would cause no end of difficulties. Furthermore, a sale of these swamplands to outside interests would undoubtedly result in the clear cutting of these lands on a scale and in a manner that would not conform to the policy of selective cutting which is being practiced on the reservation under the act of March 28, 1908, supra. Moreover, clear cutting of the swamplands would create a tremendous fire hazard to all the timber on the reservation.

At the present time all logging operations on the reservation are being conducted on a sustained-yield basis and only a portion of the mature timber is being removed. The commissioners of public lands of Wisconsin have stated that they greatly prefer to sell these lands to the United States rather than to outside interests, because, with the type of logging operations now employed, the forest on these lands will be preserved, both for the economic use of the Indians and as a scenic attraction of great beauty for all the citizens of Wisconsin. A sale of this land to private operators would completely upset the plan of this Department to preserve the reservation intact and would also seriously interfere with this Department's plan of forest management, possibly requiring a diminution of the annual cut from 20,000,000 feet to 15,000,000 feet with resultant partial closing of the Menominee mills and unemployment for the Indians.

The immediate termination of the controversy, which has continued for nearly a cen-

tury, will make the timber on these swamplands immediately available for cutting as part of the reservation program for war purposes. The War Production Board has been urgently requesting maximum production at the Menominee Indian mills. The timber in question, after it has been acquired, will be manufactured at these mills. The yellow birch on the area is critically needed for airplane construction.

The La Follette amendment would also substitute the words "1 year" for the words "3 years" in line 22 of page 4 of House Joint Resolution 166. Since it is desirable that the purchase be completed as expeditiously as possible, this amendment is not objectionable.

The concluding paragraph of the attached letter from the commissioners of public lands of Wisconsin indicates that if House Joint Resolution 166 is enacted, with the amendment proposed by Senator LA FOLLETTE, and if the sums necessary to carry out its provisions are appropriated in due time, they will quitclaim to the United States all the right, title, and interest of the State of Wisconsin in and to all the swamplands within the Menominee Reservation to which the State is entitled under the swampland laws heretofore enacted by the Congress. With this offer in mind, I recommend that favorable action be taken on House Joint Resolution 166, as proposed to be amended by Senator LA FOLLETTE.

You asked that the views of this Department be submitted immediately, and since it is understood that the amendment will be considered by your committee at a special meeting on April 25, time did not permit the submission of this report to the Bureau of the Budget. The Department has previously reported to the Congress in a letter of September 16, 1943, to the Speaker of the House of Representatives, that the Bureau of the Budget had no objection to the legislation as then submitted.

Sincerely yours,

ABE FORTAS,
Acting Secretary of the Interior.

THE STATE OF WISCONSIN,
COMMISSIONERS OF THE PUBLIC LANDS,
Madison, April 14, 1944.

SECRETARY OF THE INTERIOR,
Washington, D. C.

DEAR SIR: On December 1, 1941, in a suit brought under the jurisdictional act passed by Congress on September 3, 1935 (49 Stat. 1085), as amended on April 8, 1938 (52 Stat. 208), the United States Court of Claims entered an interlocutory judgment in the case of *Menominee Tribe of Indians* v. *United States*, Docket No. 44294, holding that the Menominee Indians were entitled to recover from the United States the present acquisition cost of swamplands owned by the State of Wisconsin within the Menominee Reservation, but reserved for future proceedings the determination of such acquisition cost and offsets. The interlocutory judgment also provided that the United States may, in lieu of paying such judgment, acquire and hold such lands in trust for the Menominee Tribe.

During the past 2 years extensive negotiations have been had by the representatives of the Departments of Interior and Justice, the attorneys for the Menominee Tribe, and ourselves as commissioners of public lands of the State of Wisconsin, with a view to arriving at an agreement as to the value of the swamplands within the Menominee Reservation and of the timber thereon, in order that the United States might acquire said lands for the Menominee Tribe out of the proceeds of the final judgment to be entered in the suit. We understand that in the absence of further legislation the full sum for which the court will enter judgment will not be available for the purchase of the land because the jurisdictional act under which the pending litigation was instituted permits the United States to set off against the judgment certain gratuities expended for the benefit of the Menominee Tribe of Indians and also permits attorneys' fees of not to exceed 10 percent of the judgment to be paid therefrom, which fees, in effect, constitute a lien upon the moneys recovered by said judgment.

You have informed us that if we, as the commissioners of public lands of the State of Wisconsin, will make a definite offer to sell the lands to the United States upon terms that are agreeable to you and will hold the offer open until such time as you are in a position to act upon it pursuant to authority conferred by Congress, provided that such authority is conferred within 1 year from this date, you will ask Congress for legislation authorizing the Court of Claims to enter a final judgment, which shall not be subject to diminution because of any gratuities or other offsets, and further authorizing you on behalf of the United States, in lieu of paying the judgment to the tribe, to the cash equivalent of such judgment for the payment of the attorney's lien and the purchase of the swamplands for the tribe.

After fully considering the legal situation as set out above and the further fact that the proposed judgment will constitute the only existing source of funds available to the United States for the purchase of the swamplands, we beg to advise that, in the event you ask Congress to pass legislation directing the court to enter a final judgment in said suit in the amount of $1,767,616.11 as the present acquisition cost of the lands, and authorizing you to use the proceeds of such judgment, less the amount awarded as attorney fees, to acquire the lands, this commission, on behalf of the State of Wisconsin, offers to sell to the United States all its right, title, and interest to all the swamplands within the Menominee Reservation and to execute a deed therefor for such amount of said judgment of $1,767,616.11 as remains after the deduction of an amount sufficient to pay the attorney fees. In so advising you, we fully understand that the court may allow attorneys' fees up to 10 percent of the amount of the judgment. This offer shall remain open until such time as you are in a position to act upon it under the terms of the legislation to be requested of Congress, provided, however, that it shall be terminated if Congress shall fail to pass such legislation within 1 year of this date.

Yours very truly,

COMMISSIONERS OF PUBLIC LAND OF THE STATE OF WISCONSIN,
FRED R. ZIMMERMAN, *Secretary of State.*
JOHN M. SMITH, *State Treasurer.*
JOHN E. MARTIN, *Attorney General.*

MAY 24, 1944.

Hon. ELMER THOMAS,
Chairman, Committee on Indian Affairs,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This is in response to your request for my views concerning certain amendments to be proposed to House Joint Resolution 166, which relates to an action brought by the Menominee Tribe of Indians in the Court of Claims.

Pursuant to authority granted by a special act of Congress approved September 3, 1935 (49 Stat. 1085), the Menominee Tribe of Indians brought an action against the United States in the Court of Claims. An interlocutory judgment was rendered in their favor (95 C. Cls. 232) declaring that certain swamplands, which were in fact the property of the State of Wisconsin, had been ceded by the United States to the Menominee Indians by the treaty of May 12, 1854 (10 Stat. 1064), and that the Indians were entitled to recover the present acquisition costs of the land.

The above-mentioned act of 1935 provided that in the event of a judgment against the United States, the United States might in lieu of paying the present acquisition costs of the land, acquire and hold the land in trust for the benefit of the Menominee Tribe of Indians.

It was deemed desirable by the Department of the Interior and by this Department to take advantage of this option and to acquire the land for the benefit of the Indians. Negotiations to that end were carried on by the Department of the Interior with the authorities of the State of Wisconsin and a tentative agreement was reached whereby the State of Wisconsin would convey the land to the United States in trust for the Indians in consideration of the payment of the sum of $1,420,836.03. House Joint Resolution 166 would direct the Court of Claims to enter judgment for this amount in favor of the Indians and to provide that the appropriation made for the payment of the judgment should be available for the purchase of the land.

Subsequently the State of Wisconsin determined not to convey the land except in consideration of the payment of the sum of $1,767,616.11.

The proposed amendment to House Joint Resolution 166 would substitute the last-mentioned amount for the previous amount of $1,420,836.03.

It is the view of this Department that the swamplands should be acquired for the Indians from the State of Wisconsin. This Department, however, does not have available any data which would enable it to express an opinion whether the amount proposed to be paid for the land is reasonable. I suggest that the views of the Interior Department on this point be obtained, and if that Department reaches the conclusion that the proposed increased purchase price is proper, I find no objection to the proposed amendment and to the enactment of the joint resolution if so amended.

I have been advised by the Director of the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

FRANCIS BIDDLE,
Attorney General.

FREE MOVEMENT OF DEPENDENTS AND HOUSEHOLD EFFECTS OF MILITARY PERSONNEL

The ACTING PRESIDENT pro tempore. The clerk will state the next bill on the calendar.

The Senate proceeded to consider the bill (S. 1834) to amend sections 4 and 5 of the act entitled "An act providing for sundry matters affecting the Military Establishment," approved June 5, 1942 (56 Stat. 314), with respect to the movement at Government expense, of dependents and household effects, of certain military personnel, which had been reported from the Committee on Military Affairs with an amendment, on page 6, after line 3, to insert the following new section:

SEC. 3. Any funds available for the payment of travel allowances and travel in kind shall be available for the payment of such travel in kind as may be authorized by the Secretary of War for persons administratively discharged for desertion and physical disability.

So as to make the bill read:

Be it enacted, etc., That sections 4 and 5 of the act entitled "An act providing for sundry matters affecting the Military Establishment," approved June 5, 1942 (56 Stat. 314), are amended to read as follows:

"SEC. 4. (a) That any funds available for the payment of travel allowances and travel in kind, shall be available for the payment

of such allowances as are now or may hereafter be authorized for dependents of personnel of the Regular Army, for travel of dependents of personnel of corresponding grades in the Army of the United States while in the service of the United States, and from home to first station and from last station to home when ordered to or relieved from active duty: *Provided*, That the provisions of this subsection shall be applicable to travel performed by dependents on and after September 8, 1939.

"(b) Notwithstanding the authority contained in the succeeding subsections, and in addition thereto, when such military personnel are on duty at places designated by the Secretary of War as within zones from which their dependents should be evacuated for military reasons, dependents of officers, warrant officers, and enlisted men above the fourth grade, and household effects which are authorized to be moved at Government expense, may be moved at Government expense to such locations as may be designated by the Secretary of War or the officer, warrant officer, or enlisted man concerned: *Provided*, That the movement of dependents and household effects pursuant to this subsection shall not constitute a movement or shipment so as to bar a movement or shipment under the provisions of subsections (c) (1) and (c) (2) of this section unless such movement or shipment was made to a place or places designated by the military personnel concerned.

"(c) For the purpose of enabling military personnel to locate their dependents and household effects on a permanent basis during the present wars and to minimize transportation requirements under war conditions, the Secretary of War is authorized to provide, under such restrictions and limitations, including the right to restrict the transportation of dependents of such personnel under section 12 of the Pay Readjustment Act of 1942, as he may by regulations prescribe:

"(1) For the transportation at Government expense of dependents, as defined in the Pay Readjustment Act of 1942, of any officer, warrant officer, or enlisted man above the fourth grade of the Army of the United States from any place or places where such dependents may be situated to any place in the United States designated by such officer, warrant officer, or enlisted man, regardless of whether such persons may be ordered to make a change of station;

"(2) For the transportation at Government expense of all or any portion of the household effects of any officer, warrant officer, or enlisted man above the fifth grade from any place or places where such household effects may be situated to any place in the United States designated by such officer, warrant officer, or enlisted man, regardless of whether such person may be ordered to make a change of station; and

"(3) For the subsequent movement, at such time as the Secretary of War shall determine that the need for restricting the movement of dependents or household effects of military persons has ceased, in whole or in part, of such dependents and household effects at Government expense to any permanent-duty station to which such officer, warrant officer, or enlisted man may be assigned, or at any subsequent time, upon the retirement, relief, or release from active duty or discharge of such person, to his home: *Provided*, That if the subsequent movement of such dependents or household effects as herein provided is made from a point or points other than that to which originally moved under the provisions of (1) or (2) above, the excess cost of such subsequent movement shall be at the expense of such officer, warrant officer, or enlisted man.

"The regulations prescribed by the Secretary of War under this subsection may provide for the payment, when such travel shall have been completed, in money of an amount equal to the commercial cost of such part of such travel of dependents as may not have been furnished at Government expense.

"(d) Any officer, warrant officer, or enlisted man above the fourth grade of the Army of the United States who, on or after September 1, 1942, and prior to the date of the enactment of this amendatory act, shall have moved his dependents to a place within the United States under the authority of War Department orders, regulations, or directives purporting to authorize such movements at Government expense, shall be entitled to be paid travel allowances covering the entire journey for the travel of such dependents, less the commercial value of transportation furnished or the amount of reimbursement previously received in connection therewith.

"(e) No person shall be deemed, within the meaning of subsection (d) above, to have been furnished transportation for his dependents or to have been paid travel allowances therefor if he has been required to reimburse the Government for such transportation or to repay such travel allowances.

"SEC. 5. That any funds available for the transportation of baggage, household effects, and goods shall be available for the transportation, packing, crating, and unpacking of such baggage, household effects, and goods, in the manner and under such conditions of service of military and civilian personnel as the Secretary of War may prescribe and designate by regulations, and such transportation may be authorized by means of rail, water, or van, without regard to comparative costs."

SEC. 2. Nothing herein shall be deemed to deprive any person of any benefits which have accrued under the said act of June 5, 1942.

SEC. 3. Any funds available for the payment of travel allowances and travel in kind shall be available for the payment of such travel in kind as may be authorized by the Secretary of War for persons administratively discharged for desertion and physical disability.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend sections 4 and 5 of the act entitled 'An act providing for sundry matters affecting the Military Establishment,' approved June 5, 1942 (56 Stat. 314), with respect to the movement at Government expense, of dependents and household effects, of certain military personnel, and for other purposes."

SETTLEMENT OF ACCOUNTS OF DECEASED PERSONNEL OF THE ARMY

The bill (S. 1795) to amend that portion of the act approved June 30, 1906 (34 Stat. 697, 750), authorizing the settlement of accounts of deceased officers and enlisted men of the Army, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the portion of the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1907, and for other purposes", approved June 30, 1906 (34 Stat. 697, 750; 10 U. S. C., 863), relating to the settlement of accounts of deceased officers and enlisted men of the Army, is amended by striking out the words "five hundred" appearing in line 31, page 750, of volume 34 of the United States Statutes at Large, and inserting in lieu thereof the words "one thousand", and by changing the colon after the words "per stirpes" in line 42, page 750, of said Statutes at Large, to a period and adding the following language: "Where the amount due the decedent's estate is $1,000 or more and no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow $1,000 of the amount due to the estate to the widow or legal heirs in the order of precedence hereinabove set forth."

LT. (JR. GR.) HUGH A. SHIELS, UNITED STATES NAVAL RESERVE

The bill (S. 1837) for the relief of Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve, was announced as next in order.

Mr. WALSH of Massachusetts. Mr. President, this bill and the five bills which follow on the calendar relate to compensation for loss of personal property by persons in the naval service caused by fires.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $215.85 to reimburse Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve, for the value of personal property lost in a fire in a warehouse used by the Navy at the naval section base, Sand Point, Alaska, on December 17, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF CERTAIN NAVAL AND MARINE CORPS PERSONNEL FOR PERSONAL PROPERTY LOST OR DAMAGED

The bill (S. 1838) to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires in quarters occupied by naval construction battalions, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $910.07, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of fires in quarters occupied by members of the Twelfth Naval Construction Battalion on December 26, 1942, and by members of the Forty-second Naval Construction Battalion on March 29, 1943, respectively: *Provided*, That in the case of the death of any claimant payment may be made to the relative designated by the Secretary of the Navy: *Provided further*, That

no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill (S. 1839) to provide for reimbursement of certain Navy personnel for personal property lost or damaged as the result of a fire in quarters at naval advance base depot, Port Hueneme, Calif., on February 6, 1944, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums amounting in the aggregate not to exceed $466.24, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel for the value of personal property lost or damaged in a fire in quarters at the naval advance base depot, Port Hueneme, Calif., on February 6, 1944: *Provided* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill (S. 1840) to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the bachelor officers' quarters, naval operating base, Argentia, Newfoundland, on January 12, 1943, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $8,080.61, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged in a fire in the bachelor officers' quarters, naval operating base, Argentia, Newfoundland, on January 12, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill (S. 1841) to provide for the reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $7,812.10, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill (S. 1842) to reimburse certain Marine Corps personnel for personal property lost or damaged as the result of a fire at the marine barracks, naval supply depot, Bayonne, N. J., on April 25, 1943, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,268.06, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Marine Corps personnel for the value of personal property lost or damaged as the result of a fire at the marine barracks, naval supply depot, Bayonne, N. J., on April 25, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

TEMPORARY APPOINTMENT OF MEMBERS OF ARMY NURSE CORPS AND OTHERS AS OFFICERS IN THE ARMY OF THE UNITED STATES

The bill (S. 1808) to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), appointed under the provisions of the act of December 22, 1942 (56 Stat. 1072), and female persons having the necessary qualifications for appointments in such department as female dietetic or physical-therapy personnel under the provisions of the act of December 22, 1942 (56 Stat. 1072), may be appointed as officers in the Army of the United States under the provisions of the joint resolution of September 22, 1941 (55 Stat. 728), as amended by the act of July 7, 1943 (Public Law 114, 78th Cong.), in the grades therein prescribed, and assigned, respectively, to the Army Nurse Corps and Medical Department of the Army. All persons so appointed and assigned shall have authority in and about military hospitals as regards medical and sanitary matters and all other work within the scope of their professional duties next after other officers of the Medical Department and, except as above provided, shall exercise command only over those members of the Army of the United States specifically placed under their command. Members of the Army Nurse Corps so appointed and assigned shall not by acceptance of their appointments vacate their appointments in the Army Nurse Corps.

SEC. 2. All persons appointed and assigned as officers in the Army of the United States under the provisions of section 1 of this act and their dependents and beneficiaries shall have all the rights, privileges, and benefits accorded in like cases to other persons appointed under the joint resolution of September 22, 1941 (55 Stat. 728), as amended, except where otherwise expressly provided in this or any subsequent act.

SEC. 3. In addition to members of the Army Nurse Corps, any person appointed and assigned as an officer in the Army of the United States under the provisions of section 1 of this act shall be eligible to be retired under any law providing for the retirement of members of the Army Nurse Corps, and any such person, including members of the Army Nurse Corps, who, while serving under such appointment and assignment, is so retired for disability shall receive retired pay at the rate of 75 percent of the active duty base and longevity pay received by her while serving in the highest grade in which she served under any such appointment and assignment, and, notwithstanding any other provision of law, shall be placed upon the Army Nurse Corps retired list in such highest grade. Any member of the Army Nurse Corps retired between December 7, 1941, and the date of enactment of this act for disability and any female dietitian or physical-therapy aide so retired between January 12, 1943, and the date of enactment of this act shall receive, effective on the first day of the first month next following the date of enactment of this act, retired pay at the rate of 75 percent of the highest active duty base and longevity pay received by her while serving in the Army Nurse Corps or Medical Department of the Army, as the case may be, during the above-cited applicable period.

SEC. 4. In computing years of service for all purposes of members of the Army Nurse Corps appointed and assigned under the provisions of section 1 of this act there shall be credited active service in the Army Nurse Corps and in the Navy Nurse Corps, active service as a contract nurse prior to February 2, 1901, and service rendered pursuant to an appointment under this act.

SEC. 5. In computing years of service for all purposes of female dietetic and physical-therapy personnel appointed and assigned under the provisions of section 1 of this act, there shall be credited all active full-time service (except as a student or apprentice) in the dietetic or physical-therapy categories rendered subsequent to April 6, 1917,

as a civilian employee of the War Department, service rendered pursuant to an appointment as a female dietitian or physical-therapy aide under the provisions of the act of December 22, 1942 (56 Stat. 1072), and service rendered pursuant to an appointment under this act.

SEC. 6. Notwithstanding any other provision of law, no woman appointed and assigned under the provisions of section 1 of this act who is a member of the Army Nurse Corps or who has previously held an appointment as a female dietition or physical-therapy aide under the provisions of the act of December 22, 1942 (56 Stat. 1072), shall be entitled to any uniform allowance payable to officers of the Army of the United States. Any such woman who, either as a member of the Army Nurse Corps or a dietitian or physical-therapy aide, has not received a complete issue of uniforms, insignia, accessories, and equipment prescribed by regulations of the Secretary of War for persons in the respective categories may be issued the remainder of such prescribed articles, and any such woman who has heretofore or may hereafter receive such complete issue, or any part thereof, may retain such articles as her personal property.

SEC. 7. For the purpose of effectuating prompt and equitable appointments under section 1 of this act of the personnel mentioned in the title of this act who are on active duty on the date of enactment of this act, the President is authorized to appoint, in commissioned grades corresponding to the relative rank held by such personnel on the effective date of the order of appointment, all or any part of such personnel by means of a blanket order without specifying the names of the personnel so appointed. Any person so appointed by such blanket order shall be deemed for all purposes to have accepted her appointment as an officer in the Army of the United States upon the effective date of such blanket order unless she shall expressly decline such appointment, and shall receive from such date the pay and allowances of the commissioned grade to which she was so appointed. No such person who, upon receiving an appointment in the Army of the United States, shall have subscribed to the oath of office required by section 1757, Revised Statutes, shall be required to renew such oath or to take a new oath upon her appointment as a commissioned officer, if her service in the Army of the United States after the taking of such oath shall have been continuous.

DENTAL CORPS OFFICERS' COMMAND

The bill (S. 1809) to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act making appropriation for the support of the Army for the fiscal year ending June 30, 1912," approved March 3, 1911, is amended by striking out from the fourth paragraph under the heading "Medical Department" the sentence which reads: "Their right to command shall be limited to the Dental Corps" (36 Stat. 1054; 10 U. S. C. 130).

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The bill (H. R. 1475) to amend further the Civil Service Retirement Act, approved May 29, 1940, as amended, was considered, ordered to a third reading, read the third time, and passed.

Mr. MEAD subsequently said: Mr. President, I ask that the Senate recur to order of business No. 860, House bill 1475, which had previously been passed by the Senate, in order that I may offer an amendment to the bill.

The ACTING PRESIDENT pro tempore. Without objection, the vote by which the bill was passed, together with the vote ordering its third reading, is reconsidered, and the clerk will state the amendment offered by the Senator from New York.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

SEC. —. Nothing contained in the second paragraph of section 2 of the act entitled "An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government," approved July 13, 1937, as amended, shall be construed to prevent the deduction and withholding from the basic salary, pay, or compensation of any employee with less than 7 years of service, whose salary or any part thereof is paid by the disbursing officer of the Senate, of sums required to be deducted and withheld by section 10 of the Civil Service Retirement Act, approved May 29, 1930, as amended, if such employee shall have given notice in accordance with section 3 of the Civil Service Retirement Act, approved May 29, 1930, as amended, of his desire to come within the purview of such act. This section shall take effect as of January 24, 1942.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New York [Mr. MEAD].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RESTORATION OF STATUS OF CERTAIN HAWAIIAN HOME LANDS

The bill (H. R. 3403) to withdraw and restore to their previous status under the control of the Territory of Hawaii certain Hawaiian home lands required for use for airplane landing fields, and to amend sections 202, 203, and 207 of title 2 of the Hawaiian Homes Commission Act, 1920, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

STAY OF CERTAIN JUDICIAL PROCEEDINGS AGAINST THE UNITED STATES UNDER THE PUBLIC VESSELS ACT

The Senate proceeded to consider the bill (S. 1173) to suspend, as respects vessels of the Navy or in the naval service, certain provisions of the act approved March 3, 1925, authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels of the United States, and to authorize the Secretary of the Navy to settle and pay claims for damages caused by vessels of the Navy or in the naval service, or for towage and salvage services to such vessels, and for other purposes, which had been reported from the Committee on Naval Affairs with an amendment to strike out all after the enacting clause and insert:

That whenever in time of war the Secretary of the Navy shall certify to a court in which is pending a suit of the nature hereinafter defined, or to a judge of such court, that the prosecution of such suit would tend to endanger the security of naval operations in such war, or to interfere with such operations, all further proceedings in such suit shall forthwith be stayed until 6 months after the cessation of hostilities in such war, or until such earlier date as may be stated in such certificate. The suits to which this act applies are hereby defined as follows: All suits under the act approved March 3, 1925, entitled "An act authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes" (43 Stat. 1112; 46 U. S. C. 781 ff.), wherein a claim is made for damages caused by a vessel of the Navy, or in the naval service, or for compensation for towage or salvage services, including contract salvage, rendered to any such vessel. The stay of proceedings in pending suits as provided in this section shall not operate to suspend the issuance of process to take or preserve evidence to be used in the trial of the issues of the suit, or to prevent the completion of action under the authority of similar process already issued at the time of such stay of suit: *Provided*, That if at the time of certification by the Secretary of the Navy for stay of proceedings, as provided in this section, or at any time thereafter prior to the termination of stay, the Secretary of the Navy shall file with the court an additional certificate that the issuance of such process to preserve evidence or the completion of action on process already issued would tend to endanger the security of the United States or any of the naval or military operations in such war, or to interfere with such operations, then all such proceedings for the taking or preserving of evidence to be used by either party in the trial of the issues in such suit shall be suspended until 6 months after the cessation of hostilities in such war, or until such earlier date as shall have been fixed in the certificate for stay of proceedings in such suit.

SEC. 2. Whenever in time of war the Secretary of the Navy shall certify to the court, or a judge of the court in which proceedings for the purpose are pending, that the granting of a dedimus potestatem to take depositions, or a direction to take depositions in perpetuam rei memoriam, or the taking of depositions or production of evidence pursuant to such dedimus potestatem or direction, or pursuant to any other proceeding for the purpose, in connection with or in relation to any claim against the United States on which such suit would lie, would tend to endanger the security of the United States or any of the naval or military operations in such war, or to interfere with such operations, then such dedimus potestatem shall not be granted, such direction shall not be made, and such deposition shall not be taken or evidence produced, until 6 months after the cessation of hostilities in such war, or such earlier date as may be stated in such certificate, and if prior to filing such certificate such proceedings shall have been commenced, the same shall upon filing such certificate forthwith be stayed until 6 months after cessation of such hostilities or such earlier date as may be stated in such certificate.

SEC. 3. The phrase "vessels of the Navy or in the naval service" shall include, for the purposes of this act, in addition to all vessels of the Navy, and of the Coast Guard when operating as a part of the Navy, all vessels manned by the Navy, including the Coast Guard when operating as a part of the Navy, and all vessels chartered on bare-boat charter to the Navy, or to the Coast Guard when the Coast Guard is operating as a part of the Navy.

SEC. 4. At any time while a stay is in effect under this act the Secretary of the Navy may file with such court or judge his certificate extending or shortening the time stated in his prior certificate, during which the prosecution of such suit or the taking of such deposition or production of evidence would

tend to endanger the security of the United States or of such operations in time of war, or to interfere therewith. Any claimant or party deeming himself adversely affected by a stay under the provisions of this act may serve on the Secretary of the Navy at Washington, D. C., a written notice, requesting the Secretary of the Navy to reconsider the stay previously issued and to issue a further certificate. Such written notice shall identify the stay then in effect by attaching a copy of the certificate of the Secretary of the Navy upon which the stay is based or by a description sufficient for its identification. The said notice shall not contain any recital of the facts or circumstances involved. Within 10 days after receipt of such notice, the Secretary of the Navy or some official designated by him, shall hold in secret a hearing at which the claimant or his representative may present such facts and arguments as he may think material with respect to the question as to whether or not a stay should be issued or maintained. Within 10 days after such hearing, the Secretary of the Navy shall file with the court in which said stay is pending, or the court in which the proceeding stayed was instituted, his further certificate stating whether the stay shall then be terminated, or for what time the stay is to continue in effect. If the Secretary of the Navy shall fail to file such further certificate, the court, upon application by such claimant or party, shall issue its order directing the Secretary of the Navy to file a certificate within the time to be specified in such order. Any certificate issued by the Secretary of the Navy shall remain in effect for the time stated therein or until it is terminated or altered by a further certificate. The filing of any further certificate under this section shall extend or shorten the time, as the case may be, during which the stay in relation to which it is made shall continue in effect, to the time stated in such further certificate, or shall terminate such stay if it be so stated in such further certificate: *Provided*, That in no case shall any stay under this act remain in force longer than 6 months after the cessation of hostilities in such war.

Any certificate issued by the Secretary of the Navy pursuant to this act may, in his discretion, be restricted, so that it stays only the taking of testimony of certain witnesses or evidence on certain subjects, in which event such proceedings as are not so stayed may continue.

Before making any certificate provided for in this act, the Secretary of the Navy shall make or cause to be made such investigation of the case to which the certificate relates as to satisfy himself that the issuance of the certificate for the purposes authorized by this act is necessary.

SEC. 5. The time during which a claimant may file suit of the nature described in section 1 upon a claim against the United States shall be computed by excluding the time during which a stay under section 2, or any extension thereof, shall be in effect as to any proceedings by or on behalf of such claimant for the taking of a deposition or the production of evidence in connection with or in relation to such claim.

SEC. 6. The Secretary of the Navy is authorized to consider, ascertain, adjust, determine, compromise, or settle claims for damages caused by vessels of the Navy or in the naval service, and for compensation for towage and salvage services, including contract salvage, rendered to such vessels, and to pay the amount of any claim so determined, compromised, or settled, and upon acceptance of such payment by the claimant, and not until then such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding: *Provided*, That this section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of all other provisions of law authorizing consideration, adjustment, determination, settlement, and payment of claims: *Provided further*, That no claim in excess of $3,000 shall be considered hereunder which accrued prior to September 8, 1939: *Provided further*, That all payments of claims made under this section shall be made out of the appropriation "miscellaneous expenses, Navy": *And provided further*, That the payment of any claim on which a net amount exceeding $100,000 is determined to be due from the United States, or which is compromised or settled at a net amount exceeding $100,000 payable by the United States, shall not be authorized by this section, and all claims determined, compromised, or settled hereunder at a net amount exceeding $100,000 payable by the United States shall be certified by the Secretary of the Navy to the Congress.

SEC. 7. (a) On payment of any claim determined, compromised, or settled under section 6 of this act at a net amount exceeding $3,000, but not exceeding $100,000, payable by the United States, the Secretary of the Navy within 20 days of payment shall file a report with the Naval Affairs Committee of the Senate and House of Representatives setting forth the nature of the claim, the vessel or vessels involved, the amount paid with respect thereto, the basis of the determination, compromise, or settlement, and other pertinent facts: *Provided*, That during any war the reports required under this section may omit any fact or facts disclosure of which, in the opinion of the Secretary, would be prejudicial to the national security.

(b) Subject to the proviso of subsection (a) of this section, the Secretary of the Navy shall report to the Congress, at each session thereof, all claims which have been paid under this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for staying judicial proceedings against the United States in time of war, on claims for damages caused by vessels of the Navy, or for towage or salvage services to such vessels, when the Secretary of the Navy certifies that the prosecution of such proceedings would endanger the security of naval operations or interfere therewith, and to authorize the settlement and payment of such claims, and for other purposes."

ACQUISITION OR CONSTRUCTION OF CERTAIN LANDING AND DISTRICT CRAFT FOR THE NAVY

The bill (S. 1880) authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes, was announced as next in order.

Mr. WALSH of Massachusetts. Mr. President, House bill 4710, calendar No. 912, is an identical bill. I ask that the House bill be substituted for the Senate bill and be considered at this time.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of House bill 4710?

There being no objection, the bill (H. R. 4710), authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 1880 will be indefinitely postponed.

REIMBURSEMENT OF NAVAL PERSONNEL FOR PERSONAL PROPERTY LOST OR DAMAGED

The bill (S. 1881) to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fire at the naval advance base depot, Port Hueneme, Calif., on January 12, 1944, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,599.54, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in quarters occupied by said personnel at the naval advance base depot, Port Hueneme, Calif., on January 12, 1944: *Provided*, That in the case of the death of any claimant, payment may be made to the relative designated by the Secretary of the Navy: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

AMENDMENT OF RECLAMATION PROJECT ACT OF 1939

The Senate proceeded to consider the bill (S. 1782) to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes, which had been reported from the Committee on Irrigation and Reclamation, with amendments on page 1, line 7, after the word "per", to change the word "centum" by striking out the letters "um" thereof; and on page 2, line 23, after the words "report to", to insert "the Congress on any proposed contracts negotiated pursuant to", so as to make the bill read:

Be it enacted, etc., That section 4 (d) of the Reclamation Project Act of 1939 is hereby amended to read as follows:

"(d) For each project contract unit where a repayment contract is entered into pursuant to this section, each year the percent of the normal returns for said year by which the annual returns of said year exceed or are less than said normal returns shall be determined by the Secretary. For each unit or major fraction of a unit of said percentage of said increase or decrease there shall be an increase or decrease, respectively, of 2 percent in the amount or amounts of the installment or installments for said year under the organization's obligation or obligations as determined under subsections (b) and (e) of this section. Said latter amount or amounts as thus increased or decreased shall be the payment or payments of construction charges due and payable for said year, except that in no event shall the amount of the said payment or payments due

and payable for any year be less than 15 percent nor, as determined by the Secretary, more than from 150 to 200 percent, inclusive, of the amount or amounts of the installment or installments for said year under the organization's obligation or obligations as determined under subsections (b) and (e) of this section. The Secretary is hereby authorized to amend any repayment contracts heretofore or hereafter entered into pursuant to the provisions of this section to conform to the provisions of this amendment."

SEC. 2. Section 7 (c) of the Reclamation Project Act of 1939 is hereby amended to read as follows:

"(c) The Secretary from time to time shall report to the Congress on any proposed contracts negotiated pursuant to the authority of subsection (a) or (b) (1) of this section, and he may execute any such contract on behalf of the United States only after approval thereof has been given by act of Congress. Contracts, so approved, however, may be amended from time to time by mutual agreement and without further approval by Congress if such amendments are within the scope of authority heretofore or hereafter granted to the Secretary under any act, except that amendments providing for repayment of construction charges in a period of years longer than authorized by this act, as it may be amended, shall be effective only when approved by Congress."

SEC. 3. Section 17 of the Reclamation Project Act of 1939 is hereby amended to read as follows:

"(a) The authority granted in sections 3 and 4 of this act for modification of existing repayment contracts or other forms of obligations to pay construction charges shall continue through December 31, 1950, or December 31 of the fifth full calendar year after the cessation of hostilities in the present war, as determined by proclamation of the President or concurrent resolution of the Congress, whichever period is the longer.

"(b) The Secretary is hereby authorized, subject to the provisions of this subsection, to defer the time for the payment of such part of any installments of construction charges under any repayment contract or other form of obligation (exclusive of contracts entered into under this act) that are due and unpaid as of the date of this amendment or which will become due prior to the expiration of the authority under subsection (a) of this section as he deems necessary to adjust such installments to amounts within the probable ability of the water users to pay. Any such deferment shall be effected only after findings by the Secretary that the installments under consideration probably cannot be paid on their due dates without undue burden on the water users, considering the various factors which in the Secretary's judgment bear on the ability of the water users so to pay.

"The Secretary may effect the deferments hereunder subject to such conditions and provision relating to the operation and maintenance of the project involved as he deems to be in the interest of the United States. If, however, any deferments would affect installments to accrue more than 12 months after the action of deferment, they shall be effected only by a formal supplemental contract. Such a contract shall provide by its terms that, it being only an interim solution of the repayment problems dealt with therein, its terms are not, in themselves, to be construed as a criterion of the terms of any amendatory contract that may be negotiated pursuant to sections 3, 4, or 7 of this act.

The amendments were agreed to.

Mr. HAYDEN. Mr. President, I offer a further amendment proposing an additional section to the bill. I have conferred with the Senator from New Mexico [Mr. CHAVEZ], who reported the bill, and I believe it is agreeable to him. I will ask that the amendment be stated, and then I shall explain it.

The ACTING PRESIDENT pro tempore. The amendment offered by the Senator from Arizona will be stated.

The CHIEF CLERK. On page 4, after line 24, it is proposed to insert the following new section:

SEC. 4. The act entitled "An act authorizing the sale of surplus power developed under the Salt River reclamation project, Arizona," approved September 18, 1922 (42 Stat. 847), is hereby amended by adding thereto a new section, as follows:

"SEC. 2. After the retirement of all debt owed by the project to the United States and all bonded debt, the net power revenues shall be covered into the reclamation fund. No distribution or dividend of power revenues, before or after completion of debt retirement, shall be made to individual water users or others: *Provided*, That the application of power revenues heretofore or hereafter made to reduce the cost of water service shall not be deemed a distribution or dividend."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. HAYDEN. Mr. President, for the sake of the record I think there should be printed the text of the act that is proposed to be amended. It is short. I should like also to include a memorandum that I made in regard to the matter nearly 2 years ago which was supplemented by a letter to the Secretary of the Interior written by the president of the Salt River Valley Water Users' Association.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The act proposed to be amended is as follows:

Chapter 323

An act authorizing the sale of surplus power developed under the Salt River reclamation project, Arizona

Be it enacted, etc., That whenever a development of power is necessary for the irrigation of lands under the Salt River reclamation project, Arizona, or an opportunity is afforded for the development of power under said project, the Secretary of the Interior is authorized, giving preference to municipal purposes, to enter into contracts for a period not exceeding 50 years for the sale of any surplus power so developed, and the money derived from such sales shall be placed to the credit of said project for disposal as provided in the contract between the United States of America and the Salt River Valley Water Users' Association, approved September 6, 1917: *Provided*, That no contract shall be made for the sale of such surplus power, which will impair the efficiency of said project: *Provided, however*, That no such contract shall be made without the approval of the legally organized water users' association or irrigation district which has contracted with the United States to repay the cost of said project: *Provided further*, That the charge for power may be readjusted at the end of 5-, 10-, or 20-year periods after the beginning of any contract for the sale of power in a manner to be described in the contract.

Approved September 18, 1922.

Mr. HAYDEN. The amendment provides that after all the debts of the Salt River project have been paid, any net revenues derived from the operation of the electric power system on the project shall be paid into the reclamation fund. It further provides that no distribution or dividend of power revenues may be made to individual water users or others at any time either before or after the repayment period is over. This prohibition is qualified to the extent that the past or future use of power revenues to cut down the cost of water to the farmers is not to be considered a distribution or dividend of power revenues to the individual farmer.

Since 1917 the project has been managed and operated by the Salt River Valley Water Users' Association under contract with the United States. The association has been at all times subject to the reclamation laws and its contract with the United States. Excess power revenues, over and above debt service and operation and maintenance, have been applied by the association to reduce the water assessments against the farmers. This has been in accordance with the association's understanding of its responsibilities under the reclamation law, as operator of a Federal reclamation project. The theory of the reclamation law is to furnish water to farmers for irrigation as cheaply as possible, and if by selling electric energy the cost of water to the farmer can be cut, the result is in keeping with what the reclamation laws are intended to accomplish. After the retirement of all debt on the project, net power revenues should go to the United States as owner of the project. This is the true meaning of the existing law, but clarification appears necessary.

Confusion has arisen as to the interpretation of the reclamation laws in regard to the use of power revenues from the Salt River project, and the proposed amendment is intended to clarify the situation in accordance with the best interests of the United States and the project. The problem has been brought to a head at this time by reason of a claim for income taxes which has been asserted by the Bureau of Internal Revenue against the association, based on the assumption that the association owns the power revenues and has an equity in the project, which assumption is not in keeping with the interpretation of the reclamation laws which the association has always understood to be the correct one.

The memorandum and letter submitted by Mr. HAYDEN are as follows:

UNITED STATES SENATE,
June 25, 1942.

Memorandum for the Secretary of the Interior:

This memorandum relates to the proposal of the Treasury Department to collect income taxes upon revenues produced by the Federal power plants and water supply works on the Salt River Reclamation project, Arizona, operated by the Salt River Valley Water Users' Association. I venture to express an opinion because this proposal involves the destruction of a sound public policy with which I am familiar as a result of participation in the enactment of legislation by which it was established and continued in effect.

There are three types of Federal reclamation projects:

(1) Projects operated by the United States, tax free;

(2) Projects operated by political subdivisions of States such as irrigation districts, tax free;

(3) Projects operated by incorporated water users' associations, the revenues of which the Treasury Department is seeking to tax.

In transferring the care, operation, and maintenance of reclamation projects, in which many millions of dollars of Federal funds have been invested, either to irrigation districts or to water users' associations, it is of the highest importance that the repayment of the cost thereof, as provided by the reclamation laws, shall be insured. Both a district and an association must remain solvent in order to meet its obligations to the Government. The association has two positive advantages over the district form of organization:

First. The authority to refuse delivery of water unless assessments are paid in advance. Farmers cannot grow crops without water, and this is the only sure-fire method of collection, whereas irrigation district tax delinquencies have continually caused serious trouble.

Second. The associations' bylaws limit voting participation to not in excess of 160 acres per farmer, which is in accordance with the intent of the reclamation law. This places the political control of a project in the hands of those who own family-sized farms, whereas large corporation-owned farms often dictate the management of irrigation districts because of the right to vote according to the total number of acres held. The bylaws of a water users' association cannot be changed without the approval of the Secretary of the Interior.

A judicial determination by the Treasury Department in the case now pending before the Board of Tax Appeals, if decided adversely to the Salt River Valley Water Users' Association, would result in an interpretation binding on the United States, and consequently on the Interior Department, to the effect that the revenues produced by the Federal reclamation project works are owned by the association which operates them, and that the association owns the equity in these works, the Government retaining title for security purposes only. Such conclusions would be entirely contrary to the purpose and policy of the Federal reclamation laws.

The reclamation laws, making money from the United States Treasury available for the reclamation of arid lands, do not contemplate that any intermediary between the Government and the landowners shall make a profit out of the revenues produced by these Federal properties, nor acquire any proprietary interest in them. The association in question does not assert any such ownership in revenues or properties. It claims to be simply a conduit between the landowners and the Government.

The officials of the Salt River Valley Water Users' Association have furnished me with a copy of the inquiries addressed by the Secretary of the Treasury to the Secretary of the Interior under date of February 20, 1942. I quote these inquiries with my comments thereon:

"No. 1. Are the purposes, form of organization, and financial structure of Salt River Valley Water Users' Association fundamentally the same as the purposes, form of organization, and financial structure of other water users' associations and irrigation districts?"

They are. This water users' association is one of 14 associations with which the Reclamation Bureau has contracts. Federal reclamation laws recognize associations and district indiscriminately and authorize the Secretary to contract in exactly the same way with either form of water users' organization. This is demonstrated by various laws, in the enactment of which I actively took part, now embodied in the following sections of the United States Code: 423 (d), 485 (h), 485 (c), 477, 491, 493, 498, 499, 500, 501, 511, 521, 523, of title 43.

The association's stock is appurtenant to the land, like the water rights, and cannot be sold separately. Association landowners vote in proportion to their acreage, and pay association assessments, instead of district taxes, but the assessments, like taxes, are construed by the local courts as liens having precedence over private mortgages.

The Interior Department has always recognized the association type of organization as serving the same purposes and functions served by the public corporations in the matter of the repayment of the Government's investment in reclamation projects and in their operation and maintenance.

The general parallel between water users' associations and irrigation districts is explained in *Citrus Growers Development Association* v. *Salt River Valley Water Users' Association* (268 Pac. 773 (Ariz., 1928), at p. 775); *Saylor* v. *Gray* (20 P. (2d) 441 (Ariz., 1933), at p. 443); *Orme* v. *Salt River Valley Water Users' Association* (25 Ariz. 324, 217 Pac. 935). In the Citrus case, first cited, the Arizona Supreme Court said:

"Its affairs are conducted in many respects as are those of a municipal corporation, its purposes are those generally found only in organizations such as irrigation districts and other similar institutions, which are considered as municipal corporations for most purposes, and it has been given the right to exercise many powers similar to those usually conferred only on branches of the Government. It can probably be best described as a private corporation with a public purpose, and having quasi-governmental powers."

"No. 2. Does the Department of the Interior exercise extensive control over the activities of the Salt River Valley Water Users' Association in furnishing water to members, in the distribution of electric power, both to members and nonmembers, in the determination of rates for both water service and power, and in the distribution of earnings from whatever source derived?"

The answer is in the affirmative. The Department is now conducting a study of power rates on the Salt River project, asserts the right to exercise plenary control over such rates, has power to make rules and regulations governing them, and requires that power contracts extending beyond 1 year be submitted to the Department for approval.

The degree of the Department's control over the application of earnings is a matter of construction of the Federal reclamation laws, the articles of incorporation and bylaws of the association, and the contracts between the association and the United States. While differing interpretations might be argued, inasmuch as both the statutes and the contracts have grown by a process of accretion during the evolution of the present Federal reclamation policies, the interpretation of its contracts asserted by the Salt River Valley Water Users' Association is in accord with existing departmental policies.

"No. 2. Is it the policy of the Bureau of Reclamation to encourage expansion of the activities of water users' associations in the distribution of electrical energy and to utilize the proceed in amortizing the cost of construction of irrigation work and power projects?"

The answer is in the affirmative. The plan originally adopted was that of having the water users' associations or irrigation districts underwrite all the costs of a particular project and providing by statute that net power revenues should be credited to the total cost of the project. Provision was later made for application of the power revenues against current repayment installments. See subsection (i) of the act of December 5, 1924 (43 Stat. 703).

The present policy brings substantially the same result insofar as having power assist in the repayment of the project costs is concerned, but does not permit individual participation in power profits when repayment is complete (if, in fact, any individual participation after repayment was contemplated by the older law, which the Department does not concede would be the case, and which the association does not assert). Present policy requires an allocation, at the outset, of the estimated costs of the project which are to be borne by the water users and those which are to be returned from power revenues.

In determining the water users' obligation, consideration is given to their probable repayment ability. The water users are asked to assume only those costs allocated to them, and the United States, retaining title to the power facilities and revenues therefrom, assumes the responsibility for recovering the moneys invested in power plus whatever portion of the irrigation allocation is allocated to be returned from power revenues. Under this plan, the water users as a whole realize, from the commencement of the project, the benefit from power development. See section 9 of the Reclamation Project Act of 1939 (53 Stat. 1187).

"No. 4. Is title to the project, including its power features, vested in the United States? Upon complete payment of the indebtedness incurred in respect of the project will title thereto under present law still remain in the United States? Does any 'equity' resulting from the activities of the Salt River Valley Water Users' Association accrue to or be realized by individual members?"

As to the first question: Title to the project, including its power features, is vested in the United States, and by act of Congress must remain so until otherwise provided by Congress (sec. 6 of the act of June 17, 1902, 32 Stat. 388). This applies both to works built by the United States and works built by the association. The latter were constructed upon public lands of the United States pursuant to contracts providing specifically for the vesting of title in the United States.

As to the second question:

"Upon complete payment of the indebtedness incurred in respect of the project, will title thereto under present law still remain in the United States?"

Yes. Title remains in the United States to all these works until otherwise provided by Congress (sec. 6 of the act of June 17, 1902, supra). This result obtains after the repayment period as well as before.

As to the third question:

"Does any equity resulting from the activities of the Salt River Valley Water Users' Association accrue to or be realized by individual members?"

No. Neither the association nor its members have a contractual right to acquire title upon completion of repayment of the cost of the works, nor do they have any interest therein which is capable of hypothecation or sale, nor do they have any contractual right to obtain such an interest. The association, as a corporate entity, is entitled under the terms of its 1917 contract with the United States, to operate and maintain the project works, or, at its option, to return operation and maintenance to the United States; and it may be discharged from that function on failure to maintain the works to the satisfaction of the United States.

The function of the association as operator during the repayment period does not differ from its function as operator thereafter. Upon retirement from that function, voluntarily, or by action of the United States, in consequence of the association's failure properly to maintain the Federal works, it takes nothing with it; that is to say, it has not acquired, out of the receipt and disbursement of project revenues, or the operation of the Federal works, any assets or equity which it might liquidate. The same

would be true if the association should dissolve. It would have no assets to distribute.

The individual landowners on every project, whether the project is operated by an association, by an irrigation district, or direct by the United States, do, of course, benefit by the gradual repayment to the United States of the obligations incurred for construction and operation of the works, particularly if power revenues are available for that purpose, in lieu of full collection of all charges by way of taxes or assessments. Upon completion of repayment, the individual landowner, regardless of how the project is operated, will undoubtedly hold a perpetual contract right entitling him to the delivery of water from the project works.

The important point is that there is no distinction in this respect between landowners on projects operated direct by the United States, projects operated by districts, and projects operated by associations, and consequently there should be no differentiation in the tax policies applicable to the revenues from water and power which go to accomplish this result, whatever the exact nature of the resulting contractual claim of the individual landowners upon the United States may be after repayment of the debt.

RECOMMENDATION

There is a definite conflict between the policies of the Interior Department, on the one hand, reflecting the policies of Congress as expressed in the reclamation laws, in making Federal funds available for the construction of reclamation works and making power revenues available to help pay for them, all so that the farmers will not have to pay more for water than they can afford; and, on the other hand, the policy of the Treasury Department, expressed in the pending Salt River Valley Water Users' Association tax case, to collect income and excess-profits taxes upon these same power and water revenues as though the projects were built and operated for private gain. That conflict ought to be resolved by an agreement between the two Departments at the policy-making level.

The pending Salt River tax case should be closed by a stipulation between the Treasury and the association, satisfactory to the Interior Department, correctly stating and applying what we all know to be the intent of the reclamation law as to the Government's ownership of and control over project works and revenues, and the consequent lack of any taxable interest in them for the account of anyone else.

The Interior Department ought to take the strongest possible initiative in the matter, bearing in mind that while the Treasury will suffer no loss of future revenue by such a settlement, inasmuch as all of the associations are perfectly free to change into district tax-free forms of organizations, the Reclamation Bureau will suffer serious embarrassment if the case goes to trial and the Bureau of Internal Revenue wins. Such a decision would lay the foundation for the claim on every project, whether operated by districts or by associations, that the operator owns the project and its revenues, and that the Government holds title simply for security. The association form of operation would be lost to the farmers as well as the Government, and the so-called equity would probably be laid open to local ad valorem taxation, bankrupting every project exposed to it.

The Salt River Valley Water Users' Association has been a successful operating device since 1903 and should not be driven into a district form of organization under the pressure of nonuniformity in the administration of tax laws.

Respectfully submitted.

CARL HAYDEN,
United States Senator from Arizona.

SALT RIVER VALLEY WATER USERS' ASSOCIATION,
Washington, D. C., June 25, 1942.

HON. HAROLD L. ICKES,
The Secretary of the Interior,
Washington, D. C.

MY DEAR MR. SECRETARY: Senator HAYDEN has shown us the memorandum he has written you on the subject of the taxes which the Bureau of Internal Revenue is endeavoring to collect on the power and water revenues of the Salt River project.

I have read it, and so have the other members of the board of governors, who are here with me in Washington, and we entirely agree with what the Senator says.

I simply want to add that if there is any uncertainty arising from the association's contractual relations with the Secretary of the Interior, which I do not believe to be the case, and if it proves necessary in order to dispose of the tax problem, the association will gladly proceed to amend those contracts to conform with the principles stated in the Senator's memorandum.

These involve the Secretary's power of review and control over power contracts and rates, Federal title to all of the project's power and water facilities, Federal ownership of the net power revenues after the repayment of all investments of the power and water facilities of the project (subject to the continuing right of the project to the utilization of power for pumping and project purposes), and Federal authority over the association's operation and maintenance of the power and water facilities of the project. We believe the contracts are clear in these respects now, but we will be glad to make them explicit if there is any uncertainty about them which exposes the project to taxation. It is unreasonable that the project should be taxed upon an interpretation of the contracts not asserted by either party to them, giving us greater rights than we claim or the Department would grant.

Respectfully,

LIN B. ORME, *President.*

BILL PASSED OVER

The bill (H. R. 3429) to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406), as amended by the Act of April 22, 1940 (54 Stat. 148), was announced as next in order.

Mr. VANDENBERG. I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

KLAMATH DRAINAGE DISTRICT

The Senate proceeded to consider the bill (H. R. 3476) to approve a contract negotiated with the Klamath drainage district and to authorize its execution, and for other purposes, which had been reported from the Committee on Irrigation and Reclamation with an amendment on page 3, line 19, after the word "increment", to strike out "of" and insert "to."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HUNGRY HORSE DAM ON SOUTH FORK OF FLATHEAD RIVER, MONT.

The Senate proceeded to consider the bill (H. R. 3570) to provide as an emergency war project for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes, which had been reported from the Committee on Irrigation and Reclamation with an amendment, on page 1, line 6, after the word "energy", to strike out "urgently needed for the war effort."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. DANAHER. Mr. President, is the Senate considering Calendar No. 873, House bill 3570?

The ACTING PRESIDENT pro tempore. The Senate has had under consideration and just passed that bill.

Mr. DANAHER. I was seeking recognition. I have no objection to action on the amendment, but I do not want action on the bill until an explanation may be made of it. I ask unanimous consent that the vote on the passage of the bill be reconsidered.

The ACTING PRESIDENT pro tempore. Without objection, the vote whereby the bill was passed is reconsidered.

Mr. DANAHER. Now, Mr. President, may we have an explanation of the bill for the RECORD, please?

Mr. WHEELER. Mr. President, this bill is simply an authorization for a project which has been under consideration and for which surveys have been made in Flathead Valley, Mont. The Senator has probably heard Members of Congress from Montana talk about the project. The Army engineers proposed to raise Flathead Lake some 20 feet, as I recall the height—I may not be exact in the figure—but because of protests which were made by people living in the district and because of the fact that it was proposed to flood large areas of farm lands, to leave the city of Kalispell practically an island, and to flood certain industries, particularly the lumber industries, this project was suggested as an alternative, for the purpose of storing up enough water in this particular region to help the flow of water downstream for the power projects at Spokane and also for irrigating certain lands. It is recommended by the Department of the Interior, by the Bonneville Power Authority, and also by the Reclamation Bureau.

The bill was passed by the House as an emergency war measure. The Bureau of the Budget objected to it, but said—and I have their letter—that they had no objection to it being proposed as a project to be completed after the war. The bill merely provides an authorization and not an appropriation.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DANAHER. Mr. President, I ask that the bill be temporarily passed over.

Mr. WHEELER. I hope the Senator will not ask that the bill be temporarily passed over, because it passed the House some time ago. We have had hearings on it before the committee on two different occasions, and it is a matter of great

urgency to the people of my State, where it has been under consideration for a long time. It is merely an authorization for a future appropriation after the war, if and when the Congress authorizes it.

Mr. DANAHER. Mr. President, I am constrained by the eloquence of the Senator from Montana to review my previous request, but I fail to find the urgency which he cites as applicable to a post-war proposition. I do not understand that we have to pass a bill this afternoon for a post-war program in Montana, however desirable it may be for the people of Montana.

My point in asking that the bill be temporarily passed over is simply in order that I may look into the program with reference to the desirability of authorizing facilities for generating electric energy. I do not know whether or not we wish to go into new authorizations of that character. It might well be that it is an eminently desirable and ultimately worthwhile end, but, Mr. President, I am not convinced of it, and I hoped that perhaps I could satisfy myself on that point by discussing it with Members of the Senate in whose judgment I have great confidence.

Mr. WHEELER. Let me say to the Senator that the urgency for the measure is that the War Department and the Bonneville Power Authority recommended the raising of Flathead Lake between, as I recall, 20 and 27 feet. The Members of Congress were not consulted the first time the recommendation was made by the War Department. Subsequently they came to me and asked my views about it. I suggested they have a hearing in the district. Such a hearing was held, and about 5,000 people attended the hearing and protested raising the dam on the Flathead Lake, raising the level of the lake, increasing the power, and taking over the present power site by the Government. Finally the Montana delegation, because of that protest, suggested if it was desired to have more water for the Bonneville project, the construction of this particular project, which would store water to take the place of a part of the water at least they would have by increasing the height of the lake.

The people of Montana and of that section generally agreed that this is one of the projects that should be undertaken, rather than to flood out hundreds of acres of the best land in Montana, to make an island out of the beautiful little city of Kalispell, in Flathead County, and flood the lumber mill of the Great Northern Railway located at Somers. This is the project which was worked out as a compromise to save these people.

The great emergency about it is this: The people there have been very much upset and greatly afraid that if this compromise bill is not passed the authorities will, perhaps by a directive, or something else, attempt to do what they have talked about doing in the past. The emergency is not incident to building the dam, but certainly there is an emergency insofar as allaying the fears of thousands of people in that section of the State that something more drastic may be done. The project is for the storage of water, for flood control, and for irrigation. That is the purpose of it.

Mr. DANAHER. Mr. President, can the Senator tell us what is the estimated cost of the project, if it were to be proceeded with?

Mr. WHEELER. I cannot say offhand, but I can say that testimony was taken before the committee. I have not the figures now before me; I may have them in the file. But as a project it is going to be absolutely necessary. The War Department and the Interior Department and others interested say that in order to supply sufficient water to operate the Bonneville Dam in dry years it will be necessary to store water on the upper reaches of the Flathead River which flows into the Columbia River.

Mr. DANAHER. Will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. DANAHER. Does not the Senator's inability to answer the very question I asked indicate the reasonableness of my request that the bill be temporarily passed over?

Mr. WHEELER. Frankly, I do not think so. I can find the figures for the Senator in a very few minutes.

Mr. DANAHER. Then, if it be temporarily passed over, it may be that that very few minutes will suffice. That is all I ask, that the bill be temporarily passed over.

Mr. WHEELER. If that is all the Senator wants, I am willing to have that done.

Mr. DANAHER. That is all I asked.

Mr. WHEELER. But I should like to have the bill passed today, because it has been on the calendar for some time.

The ACTING PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

Mr. WHEELER subsequently said: Mr. President, I ask unanimous consent to recur to Calendar No. 873, House bill 3570, which was passed over at the request of the Senator from Connecticut [Mr. DANAHER]. I am sure the Senator has no objection now to passage of the bill.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3570) to provide as an emergency war project for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to recurring to the bill?

There being no objection, the Senate resumed the consideration of the bill, and it was read the third time and passed.

The title was amended so as to read: "An act to provide for the partial construction of the Hungry Horse Dam on the south fork of the Flathead River in the State of Montana, and for other purposes."

NATIONAL SURVEY OF FOREST RESOURCES

The bill (H. R. 3848) to amend section 9 of the act of May 22, 1928, authorizing and directing a national survey of forest resources, was considered, ordered to a third reading, read the third time, and passed.

EXPORTATION OF CERTAIN COMMODITIES

The Senate proceeded to consider the bill (S. 1826) to amend section 6 of the act of July 2, 1940 (54 Stat. 714), relating to the exportation of certain commodities, and to continue said act in effect, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 4, after the word "amended", to insert "by the act of June 30, 1942 (56 Stat. 463)", and on line 9, after the date "June 30", to strike out "1946" and insert "1945", so as to make the bill read:

Be it enacted, etc., That section 6 of the act of July 2, 1940 (54 Stat. 714), as amended by the act of June 30, 1942 (56 Stat. 463), is hereby amended by deleting from subsection (b) thereof the words "Board of Economic Warfare" and substituting therefor the words "Foreign Economic Administration" and by deleting from subsection (d) thereof the words "June 30, 1944" and substituting therefor the words "June 30, 1945."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF WIDOW CESAIRE DE BLANC

The bill (S. 1593) for the relief of the heirs and assigns of Widow Cesaire De Blanc was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That title to the following described lands, including all mineral rights therein, situated in Iberia Parish, La., which were located by Widow Cesaire De Blanc under school land warrant No. 1809, issued by the State of Louisiana on June 7, 1855, pursuant to the act entitled "An act to appropriate lands for the support of schools in certain townships and fractional townships, not before provided for," approved May 20, 1826 (4 Stat. 179), is hereby confirmed to the said Widow Cesaire De Blanc, her heirs and assigns: The north half of the southeast quarter of section 8, township 12 south, range 6 east of the Louisiana meridian.

CONFIRMATION OF TITLE TO THE SALINE LANDS, JACKSON COUNTY, ILL.

The bill (S. 1451), to amend the act entitled "An act for the confirmation of the title to the Saline Lands in Jackson County, State of Illinois, to D. H. Brush, and others", approved March 2, 1861, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act for the confirmation of the title to the Saline Lands in Jackson County, State of Illinois, to D. H. Brush, and others," approved March 2, 1861 (12 Stat. 891), is amended by striking out so much thereof as reads as follows: "To Stephen Holliday, the southwest quarter of the southeast quarter of the southeast quarter of section 31, township 8, of range 2", and inserting in lieu thereof the following: "To Stephen Holliday, the southeast quarter of the southeast quarter of section 31, township 8, of range 2."

SEC. 2. The amendment made by the first section of this act shall be effective as of March 2, 1861.

INVITATION TO CONGRESS TO SEND A DELEGATION TO THE BRITISH PARLIAMENT

The concurrent resolution (S. Con. Res. 43) relating to the invitation to the Congress of the United States to send a delegation to visit the British Parliament, was considered and agreed to, as follows:

Resolved, etc., That the Congress of the United States expresses to the House of Lords and the House of Commons of Great Britain its cordial appreciation for such invitation;

That because of the urgency of official business at this time, it will be impracticable for the Houses of the Congress to accept the invitation and to send a delegation of the Members to Great Britain at present;

That when the exigencies of public business make it possible such invitation will have further consideration by the Houses of Congress.

The preamble was agreed to.

Mr. BARKLEY. Mr. President, in connection with the concurrent resolution just agreed to, which is in reference to an invitation officially extended by both houses of the British Parliament inviting the Congress of the United States to send a delegation of the two Houses to England as their guests, I think I should not let the opportunity pass to say that the Committee on Foreign Relations considered the concurrent resolution and, as will be seen from the measure, expressed its appreciation to the British Parliament for the invitation to send a delegation from the two Houses of Congress to England as their guests, purely an informational trip. The committee felt that the time was not propitious to try to take this trip, in view of our domestic situation, and with an election impending, and it might be difficult to obtain a delegation the members of which would be in the position to go. The concurrent resolution does not preclude the possibility of acceptance in the future. It merely states that at this time it is not appropriate to try to accept the invitation, but it does express the appreciation of the committee, and I wish to express the appreciation of the Senate to the two houses of the British Parliament, for the very courteous invitation they have extended to us, and to express my hope that at a later time we may be able to accept the invitation.

MARY ELLEN FRAKES

The Senate proceeded to consider the bill (H. R. 3126) for the relief of Mary Ellen Frakes, widow of Joseph A. Frakes, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of", to strike out "$5,000" and insert "$3,500."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PAUL J. CAMPBELL, LEGAL GUARDIAN OF PAUL M. CAMPBELL

The Senate proceeded to consider the bill (H. R. 1220) for the relief of Paul J. Campbell, the legal guardian of Paul M. Campbell, a minor, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the word "to", to strike out "Paul J. Campbell, of East St. Louis, Ill., the sum of $2,000; to pay"; and, on line 8, to strike out "$3,000" and insert "$3,500."

The amendments were agreed to

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of the legal guardian of Paul M. Campbell, a minor."

PAUL BARRERE

The bill (H. R. 1984) for the relief of Paul Barrere was considered, ordered to a third reading, read the third time, and passed.

HAMP GOSSETT CASTLE AND OTHERS

The bill (H. R. 3136) for the relief of Hamp Gossett Castle, and others, was considered, ordered to a third reading, read the third time, and passed.

SAUNDERS MEMORIAL HOSPITAL

The bill (H. R. 1737) for the relief of Saunders Memorial Hospital was announced as next in order.

Mr. DANAHER. Let the bill go over.

The ACTING PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

WILLIAM E. SEARCH AND OTHERS

The bill (H. R. 1635) for the relief of William E. Search and the legal guardians of Marion Search, Pauline Search, and Virginia Search was considered, ordered to a third reading, read the third time, and passed.

CLARENCE E. THOMPSON AND MRS. VIRGINIA THOMPSON

The bill (H. R. 2408) for the relief of Clarence E. Thompson and Mrs. Virginia Thompson was considered, ordered to a third reading, read the third time, and passed.

REESE FLIGHT INSTRUCTION, INC.

The bill (H. R. 2507) for the relief of Reese Flight Instruction, Inc., was considered, ordered to a third reading, read the third time, and passed.

PETE PALUCK

The bill (H. R. 2689) for the relief of Pete Paluck was considered, ordered to a third reading, read the third time, and passed.

McCULLOUGH COAL CORPORATION

The bill (H. R. 1519) conferring jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the McCullough Coal Corporation against the United States was announced as next in order.

Mr. DANAHER. I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

ESTATE OF JOHN BUBY

The Senate proceeded to consider the bill (H. R. 2855) for the relief of the estate of John Buby, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of John Buby, of Brown City, Mich., the sum of $5,475.86, in full settlement of all claims against the United States on account of the death of John Buby, who was fatally injured on December 20, 1942, when struck by a United States Army vehicle near Disco, Mich., on Michigan State Highway M-53: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. VANDENBERG. Mr. President, in respect to this bill I wish to make a brief statement and request. It is a bill to reimburse the widow of John Buby, the mother of eight children, for the loss of the life of her husband, the breadwinner of the family, as the result of an accident concerning which the responsibility is unmistakable and incontrovertible. The War Department accepts the responsibility. The deceased was killed on a highway as the result of the negligence of the driver of an Army truck at that point.

Mr. President, when the House committee reported the bill—and the Senate committee report is based upon the House report—the House committee reported as follows:

Mr. Buby left a wife, 33 years of age, and eight minor children. The War Department recommends the sum of $5,475.86. However, your committee are of the opinion that this would not be sufficient in view of the fact that he left eight children ranging from a baby born 3 months after his father's death, and others ranging from 1½ to 15 years of age, to be supported and educated. Therefore, your committee recommend the sum of $7,975.86 be paid to the estate of John Buby.

Therefore, Mr. President, the sole question which I bring to the Senate is the question of whether, in respect to an accident for which the responsibility is accepted by the Government, the reimbursement of a mother of eight children is adequate at $5,000 and expenses, or whether the compensation should be set at the point which the House committee recommended, $2,500 more.

Mr. President, when the bill reached the floor of the House, the House amended it by cutting it back to the present figure. Since then I have been told that if it were resubmitted to the House the recommendation of the committee would unquestionably be accepted. I think the able Senator from Delaware [Mr. TUNNELL] was fully justified in reporting the bill on the basis on which it was passed by the House. I am merely asking that the Senate accept an amendment, for the purpose of taking it to conference, so that the matter may be resolved in the light of these facts.

I move that in line 6 the sum "$5,475.86" be stricken out and that "$7,975.86", as recommended by the House committee originally, be substituted. I shall be quite content to have the matter

canvassed in conference, and any conclusion that is reached will be entirely satisfactory to me.

The ACTING PRESIDENT pro tempore. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 1, line 6, it is proposed to strike out "$5,475.86" and to insert in lieu thereof "$7,975.86."

Mr. TUNNELL. Mr. President, I do not think I have any objection to the amendment suggested by the Senator from Michigan. It is always a question with me, in the Committee on Claims, as to what should be done in a case where there are a widow and many children. I do not know how to divide the damage. There has been a sort of unwritten rule in the Committee on Claims that we would try to hold the damage for death down to $5,000. To that sum from time to time have been added expenses, which perhaps is the reason for the amount fixed. I shall not offer any objection, under the circumstances.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. VOLA STROUD POKLUDA AND OTHERS

The Senate proceeded to consider the bill (H. R. 272) for the relief of Mrs. Vola Stroud Pokluda, Jesse M. Knowles, and the estate of Lee Stroud, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the words "sum of", to strike out "$1,500" and insert "$1,000"; on line 7, after the words "sum of", to strike out "$2,500" and to insert "$1,000"; and on line 8, after the words "sum of", to strike out "$5,000" and to insert "$4,000."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ISSUANCE OF PATENT IN FEE TO WINNIE LEFT HER BEHIND

The Senate proceeded to consider the bill (S. 1602) authorizing and directing the Secretary of the Interior to issue to Winnie Left Her Behind a patent in fee to certain land, which was read as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Winnie Left Her Behind, a Sioux Indian of the Rosebud Indian Reservation, S. Dak., a patent in fee to the northeast quarter of section 25, township 42, range 31 east, of the Black Hills meridian.

Mr. WHERRY. Mr. President, may we have an explanation of the bill?

Mr. BUSHFIELD. Do I understand the Senator from Nebraska to request an explanation of the bill?

The ACTING PRESIDENT pro tempore. The Chair so understands.

Mr. BUSHFIELD. Mr. President, as I look over various names on the calendar, I see names such as Pokluda and Buby and Paluck, and even when I look around the Senate, right back of me I see individuals with names just as peculiar as the name "Winnie Left Her Behind." I assure the Senate that out in the open spaces of South Dakota the Sioux Indians pick appropriate names which mean something. Whether Winnie was left behind by someone who went away, and left her in custody of another, or whether the name refers to someone else, whom Winnie left behind her, I do not know. I think we should leave the interpretation of the name to the Senator himself. However, Winnie Left Her Behind is her name.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSPORTATION TO THEIR HOMES OF UNDER-AGE PERSONS DISCHARGED FROM NAVAL SERVICE

The bill (S. 1894) to provide for the transportation to their homes of persons discharged from the naval service because of under age at time of enlistment, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That appropriations which provide for pay, allowances, and transportation of enlisted personnel of the Navy, Marine Corps, and Coast Guard, including reserve components thereof, shall be available for the payment of pay and allowances to and including the date of termination of the enlistment contract, and for the same transportation as is provided for enlisted men of the Navy under the age of 18 years discharged on the application of either of their parents or legal guardian, of any enlisted person whose enlistment contract is terminated by cancelation or discharge while under the minimum statutory or administrative age limit by reason of having falsely stated his age on his application for enlistment.

EXTENSION OF TIME FOR BUILDING BRIDGE ACROSS CALCASIEU RIVER, LA.

The bill (H. R. 4050) to extend the times for commencing and completing the construction of a bridge across the Calcasieu River at or near Lake Charles, La., was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1559) authorizing the appointment of an additional judge for the third judicial circuit, was announced as next in order.

Mr. DANAHER. I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

DR. A. R. ADAMS

The bill (S. 1465) for the relief of Dr. A. R. Adams, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. A. R. Adams, of Leavenworth, Kans., the sum of $225, in full satisfaction of his claim against the United States for compensation for services rendered in conducting physical examinations of prospective employees of the United States pursuant to contract No. W-425-eng-409, dated April 14, 1942, with the post engineer, Corps of Engineers, at Fort Leavenworth, Kans., such claim having been disallowed by the Comptroller General on the ground that payment for such examinations was not authorized by law: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MRS. EUGENE W. RANDALL

The Senate proceeded to consider the bill (S. 1471) for the relief of Mrs. Eugene W. Randall, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$1,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Eugene W. Randall, route 1, Riverview Station, St. Paul, Minn., the sum of $1,000, in full satisfaction of all claims against the United States for damages sustained by her as a result of being struck by an automobile operated by a rural mail carrier on July 8, 1942, in the driveway to her home: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BESSIE EASON

The bill (H. R. 3537) for the relief of Bessie Eason was considered, ordered to a third reading, read the third time, and passed.

MARINO BELLO

The Senate proceeded to consider the bill (S. 1483) for the relief of Marino Bello, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,233" and insert "$2,333", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marino Bello, of Los Angeles, Calif., the sum of $2,333, in full satisfaction of his claims against the United States for (1) compensation for personal injuries sustained by him, (2) reimbursement of medical expenses incurred by him because of such injuries, and (3) damage to his automobile, as a result of an accident which occurred when his automobile was struck by a United States Army vehicle at the intersection of Aliso and Alamedo Streets in Los Angeles, Calif., on January 29, 1942: *Provided*, That no part of the amount appropriated in

this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. EVA M. DELISLE

The Senate proceeded to consider the bill (H. R. 3102) for the relief of Mrs. Eva M. Delisle, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of", to strike out "$5,335.75", and insert "$3,335.75."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SQUARE D CO.

The bill (S. 1763) for the relief of Square D Co., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of the Square D Co. for payment for certain electrical supplies which were delivered by the said company to the War Department, construction quartermaster, Borinquen Field, P. R., on or about April 1, 1941, upon the failure of a Government contractor to make delivery thereof, and to allow in full and final settlement of the claim the sum of not to exceed $8,276.82. There is hereby appropriated the sum of $8,276.82, or so much thereof as may be necessary, for the payment of said claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

The bill (S. 1849) for the relief of Muskingum Watershed Conservancy District, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of the Muskingum Watershed Conservancy District, New Philadelphia, Ohio, for the balance necessary to cover the reasonable compensation for a flowage easement which was granted to the United States by deed dated January 8, 1941, prior to the change in plans by the United States and the State of Ohio for the relocation of a State highway, which relocation deprived the claimant of any access to its buildings situated on a part of the land not affected by the flowage easement, and to allow in full and final setlement of the claim the sum of not to exceed $1,745 upon the receipt by him of evidence that a release, satisfactory to the War Department, of the United States from any further claim for damages and from any further liability of any kind by reason of the grant of the easement, has been executed by the Muskingum Watershed Conservancy District and has been recorded in the proper land records of the State of Ohio. There is hereby appropriated the sum of $1,745, or so much thereof as may be necessary, for the payment of said claim.

FERMIN SALAS

The Senate proceeded to consider the bill (S. 1093) for the relief of Fermin Salas, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of", to strike out "$181.44. The payment of such sum shall be in full settlement of all claims of the said Fermin Salas against the United States on account of personal injuries sustained by him on March 16, 1943, in Albuquerque, N. Mex., when the automobile which he was driving was struck by a United States Army motor vehicle" and to insert in lieu thereof, "$400, in full settlement of all claims of the said Fermin Salas against the United States for property damages and personal injuries sustained by him as the result of an accident which occurred on March 16, 1943, when his automobile was struck by an Army reconnaissance car on North Sixth Street, Albuquerque, N. Mex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fermin Salas, Albuquerque, N. Mex., the sum of $400, in full settlement of all claims of the said Fermin Salas against the United States for property damages and personal injuries sustained by him as the result of an accident which occurred on March 16, 1943, when his automobile was struck by an Army reconnaissance car on North Sixth Street, Albuquerque, N. Mex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE EXPEDITING ACT

The Senate proceeded to consider the bill (H. R. 3054) to amend the Expediting Act, which had been reported from the Committee on the Judiciary with amendments on page 2, line 4, after the word "immediately", to strike out "sent" and insert "certified"; in line 6, after the word "brought", to insert "which court shall thereupon have jurisdiction to hear and determine the appeal in such case"; in line 21, after the words "reason of", to insert "disqualification"; and on page 3, line 8, to strike out "This amendment shall apply to every case pending before the Supreme Court of the United States on or after the date of enactment of this act", and insert "This act shall apply to every case pending before the Supreme Court of the United States on the date of its enactment."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SEAPLANE CHANNEL AND BASIN IN BOSTON HARBOR, MASS.

The bill (S. 1934) to provide for abandonment of the project authorized in the act of October 17, 1940, for a seaplane channel and basin in Boston Harbor, Mass., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the project for construction of a seaplane channel and basin in Boston Harbor, Mass., authorized in the act of October 17, 1940, is hereby abandoned, such abandonment having been recommended by the Chief of Engineers in a report contained in House Document No. 472, Seventy-eighth Congress.

CITY NATIONAL BANK BUILDING CO.

The bill (S. 1453) for the relief of the City National Bank Building Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue is authorized and directed to consider and act upon the claim filed on or about September 27, 1940, by the City National Bank Building Co., of Omaha, Nebr., for a refund of deficiencies in income tax and interest paid by the said company on or about September 16, 1937, with respect to the fiscal years ended October 31, 1933, to October 31, 1936, inclusive, and to make any refund found due the said company, in the same manner and to the same extent as if such claim had been filed within 2 years from the time such income tax and interest were paid and had not heretofore been disallowed; the Supreme Court of the United States having rendered a decision on December 4, 1939, in the case of Helvering against F. and R. Lazarus & Co., which, in effect, overruled the conclusions upon the basis of which such deficiencies were assessed.

The ACTING PRESIDENT pro tempore. That completes the calendar.

REGULATION OF CERTAIN INSURANCE RATES IN THE DISTRICT OF COLUMBIA

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House to the bill (S. 1029) to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes, which was, to strike out all after the enacting clause and insert:

That in this act, unless the context otherwise requires—

"District" means the District of Columbia;

"Superintendent" means the superintendent of insurance of the District of Columbia;

"Company" means any insurer, whether stock, mutual, reciprocal, interinsurer, Lloyd's, or any other form or group of insurers;

"Agent" means and shall include any individual, copartnership, or corporation acting in the capacity of or licensed as a "policy-writing agent," "soliciting agent," or "salaried company employee," as defined under section 3, chapter I, of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1064; D. C. Code, 1940 edition, title 35, sec. 1303); and

"Broker" means any person who for a consideration acts or aids in any manner in the solicitation or negotiation on behalf of the assured of contracts of insurance.

SEC. 2. The provisions of this act shall apply to insurance in the District of Columbia against loss of or damage to property or any valuable interest therein by or as a consequence of fire, lightning, tornado, windstorm, and explosion, or any one or more of such hazards, including all supplemental, additional, or extended forms of coverage written in connection with fire insurance, and including any policy which insures property, while it is at a permanent location, against the hazard of fire, lightning, tornado, windstorm, or explosion; but this act shall not apply to ocean marine, transportation, boiler and machinery, or motor-vehicle insurance, nor to insurance covering the property of interstate common carriers, nor to any form of insurance designated by the Superintendent as inland marine insurance.

SEC. 3. The Superintendent is empowered to investigate the necessity for an adjustment of the rates on any or all risks or classes of risks within the scope of this act, and to order an adjustment of such rates whenever he determines, after investigation of the experience showing premiums and losses for a period of not less than 5 years next preceding such investigation, that the rates for any one or more classes of risks are excessive, inadequate, or unreasonable. In determining the necessity for an adjustment of rates, the Superintendent shall give consideration to all factors reasonably attributable to the risks, to the conflagration or catastrophe hazard, both within and without the District, and to a reasonable profit. The Superintendent is also empowered, after investigation, to order removed, at such time and in such manner as he shall specify, any unfair discrimination existing between individual risks or classes of risks.

Any person, firm, or corporation aggrieved by any order, ruling, proceeding, or action of the Superintendent, or any person acting in his behalf and at his instance, may appeal to the Commissioners of the District, or contest the validity of such order, ruling, proceeding, or action in any court of competent jurisdiction by appeal or through any other appropriate proceedings, as provided under sections 44 and 45, chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1082; D. C. Code, 1940 ed., title 35, secs. 1348 and 1349).

SEC. 4. Within 120 days after the approval of this act and under the supervision of the Superintendent, the insurance companies authorized to effect insurance in the District against the risk of loss or damage by hazards within the scope of this act shall organize a rating bureau for the purpose of administering rates for such insurance, and all such companies now or hereafter authorized to transact such business in the District shall be members of such bureau. The government of the rating bureau shall be vested in its members and it shall not be subject to the direction or control of any other bureau, association, corporation, company, individual, or group of individuals. The rating bureau shall have power to establish reasonable agreements and bylaws for its governance, and shall be permitted to adopt reasonable rules and regulations necessary to carry out its functions, but such agreements, bylaws, rules, and regulations shall not be inconsistent with the provisions of this act, and the same and amendments thereto shall be approved by the Superintendent before becoming effective. The rating bureau, subject to the approval of the Superintendent, shall apportion the expenses of its operation among its members in proportion to the premium income on risks in the District.

SEC. 5. No company, agent, or broker shall issue or deliver, or offer to issue or deliver, or knowingly permit the issuance or delivery of, any policy of insurance in the District which does not conform to the requirements approved by the Superintendent: *Provided, however,* That a company may deviate from such requirements if the company has filed with the rating bureau and with the Superintendent the deviation to be applied, and provided such deviation is approved by the Superintendent. If approved, the deviation shall remain in force for a period of 1 year from the date of approval by the Superintendent, unless such approval is withdrawn by the Superintendent for cause after notice to the insurer, or withdrawn by the insurer with the approval of the Superintendent.

It is further provided that a rate in excess of that promulgated by the rating bureau may be charged, provided such higher rate is charged with the knowledge and written consent of the insured and the Superintendent.

SEC. 6. The rating bureau shall keep a record of all rates, schedules, and proceedings. Every agent shall keep a record of every policy contract issued by or through his agency.

SEC. 7. The Superintendent, his deputy, or duly authorized examiner, is authorized and empowered to examine all records of the rating bureau, companies, and agents, and to require every company to furnish statistical reports of premiums and losses in such form and according to such classifications as the Superintendent shall prescribe and any other information which the Superintendent may deem necessary for the administration of this act. The Superintendent may require the rating bureau to consolidate the reports of classified experience.

SEC. 8. No rate, premium, schedule, rating method, rule, bylaw, agreement, or regulation shall become effective or be charged, applied, or enforced in the District by the rating bureau, or by any company, agent, or broker governed by the provisions of this act, until it shall have been first filed with and approved by the Superintendent: *Provided,* That a rate or premium used or charged in accordance with a schedule, rating method, or rule previously approved by the Superintendent need not be specifically approved by the Superintendent. No company, agent, or broker shall issue any form of policy, clause, warranty, rider, or endorsement until such form shall have been filed with and approved by the Superintendent.

SEC. 9. Any company or any agent or broker guilty of violating any of the provisions of this act shall be subject to the provisions of sections 3 and 36, respectively, and as may be amended, of chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1066 and 1079; D. C. Code, 1940 ed., title 35, secs. 1306 and 1340).

SEC. 10. All laws or parts of laws, insofar as they relate to business affected hereby and in conflict with any of the provisions of this act, are hereby repealed.

SEC. 11. Should any section or provision of this act be decided by the courts to be unconstitutional or invalid, the validity of the act as a whole, or of any part thereof, other than the part decided to be unconstitutional, shall not be affected.

Mr. McCARRAN. Mr. President, I move that the Senate concur in the amendment of the House.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. WHITE. Mr. President, will the Senator from Nevada indicate what change the House has made in the Senate bill?

Mr. McCARRAN. The House almost rewrote the bill, putting in certain provisions. After further consideration, the members of the Senate Committee on the District of Columbia, who had charge of the bill here, believed the House provisions made the bill a much better one.

Mr. WHITE. Has the amendment of the House had the consideration of the members of the Senate Committee on the District of Columbia?

Mr. McCARRAN. Yes; it has the consideration of the Committee on the District of Columbia, which had charge of the bill in the first instance.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada that the Senate concur in the House amendment.

The motion was agreed to.

BOOKS FOR THE ADULT BLIND

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report favorably, without amendment, Senate bill 1944, and ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1944) to amend the act entitled "An act to provide books for the adult blind."

Mr. BARKLEY. Mr. President, I may state that this is a Senate bill providing for increasing the authorization for the Library of Congress in providing books and other necessary equipment for the blind in the United States. The bill is a very worthy and meritorious measure.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky for the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, as amended, is amended to read as follows:

"That there is hereby authorized to be appropriated annually to the Library of Congress, in addition to appropriations otherwise made to said Library, the sum of $500,000, which sum shall be expended under the direction of the Librarian of Congress to provide books published either in raised characters, on sound-reproduction records, or in any other form, for the use of the adult blind residents of the United States, including the several States, Territories, insular possessions, and the District of Columbia: *Provided,* That of said annual appropriation of $500,000, not exceeding $100,000 thereof shall be expended for books in raised characters, and not exceeding $400,000 thereof shall be expended for sound-reproduction

records and for the maintenance and replacement of the Government-owned reproducers for sound-reproduction records for the blind. In the purchase of such books, the Librarian of Congress, without reference to section 3709 of the Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5), shall give preference to non-profit-making institutions or agencies whose activities are primarily concerned with the blind, in all cases where the prices or bids submitted by such institutions or agencies are, by said Librarian, under all the circumstances and needs involved, determined to be fair and reasonable."

SEC. 2. This act shall be applicable with respect to the fiscal year ending June 30, 1945, and for each fiscal year thereafter.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, I wish to state for the information of the Senate that it is my purpose to move, in a few minutes, that the Senate take a recess until Monday. So far as I know, there will be no important business to be transacted on Monday. Inasmuch as Tuesday will be Decoration Day, it is not planned to have a session of the Senate on Tuesday. Unless the Senator from Georgia wishes to have the Senate take up the debt limitation bill on Wednesday, it is anticipated that on Monday the Senate will take a recess until Thursday, at which time the O. P. A. extension bill will be ready for consideration by the Senate.

AUTHORITY TO FILE PRELIMINARY REPORT ON LIQUOR INDUSTRY

Mr. McCARRAN. Mr. President, I ask unanimous consent that during the recess which will be taken today until Monday next, the Committee on the Judiciary, or a subcommittee thereof, acting under Resolution 206 of the Senate, be permitted to file with the Senate its preliminary report on the liquor industry in the United States.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received, and nomination withdrawn, see the end of Senate proceedings.)

GRADUATING CLASS AT UNITED STATES MILITARY ACADEMY

Mr. CHANDLER. Mr. President, from the Committee on Military Affairs I report the nominations of the graduates in this year's class at the United States Military Academy, and I ask for immediate confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. WHITE. Mr. President, I take it this is simply a routine matter. In due course anyway these men will be given their commissions?

Mr. CHANDLER. Yes.

Mr. WHITE. I see no reason for objecting to confirmation of the nominations at this time.

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the list of nominations of graduates from the United States Military Academy at West Point.

Mr. CHANDLER. I ask unanimous consent that the nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the nominations? The Chair hears none. Without objection, the nominations are confirmed en bloc.

Mr. CHANDLER. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be so notified.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

By Mr. CHANDLER, from the Committee on Military Affairs:

The following-named officers for appointment as brigadier generals in the Regular Army, with rank from September 1, 1943:

Lt. Gen. Brehon Burke Somervell (colonel, Corps of Engineers), Army of the United States, vice Brig. Gen. Henry C. Pratt, appointed major general, Regular Army.

Lt. Gen. Joseph Taggart McNarney (colonel, Air Corps), Army of the United States, vice Brig. Gen. Walter K. Wilson, appointed major general, Regular Army.

Lt. Gen. George Churchill Kenney (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States, vice Brig. Gen. Ernest D. Peek, appointed major general, Regular Army.

Lt. Gen. Carl Spaatz (brigadier general, Assistant to the Chief of the Air Corps), Army of the United States, vice Brig. Gen. Frederic H. Smith, appointed major general, Regular Army.

Lt. Gen. Omar Nelson Bradley (lieutenant colonel, Infantry), Army of the United States, vice Brig. Gen. Philip B. Peyton, appointed major general, Regular Army.

Lt. Gen. Ira Clarence Eaker (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States, vice Brig. Gen. Adna R. Chaffee, appointed major general, Regular Army.

Lt. Gen. Millard Fillmore Harmon (colonel, Air Corps), Army of the United States, vice Brig. Gen. Clement A. Trott, retired.

Lt. Gen. Robert Lawrence Eichelberger (colonel, Infantry), Army of the United States, vice Brig. Gen. Delos C. Emmons, appointed major general, Regular Army.

Maj. Gen. Thomas Troy Handy (lieutenant colonel, Field Artillery), Army of the United States, vice Brig. Gen. Edmond L. Daley, retired.

Maj. Gen. Walter Bedell Smith (lieutenant colonel, Infantry), Army of the United States, vice Brig. Gen. Joseph M. Cummins, retired; and

Lt. Gen. Mark Wayne Clark (lieutenant colonel, Infantry), Army of the United States, vice Brig. Gen. John N. Greely, retired.

Lt. Gen. Jonathan Mayhew Wainwright (brigadier general, U. S. Army), Army of the United States, to be major general in the Regular Army, with rank from August 31, 1943, vice Maj. Gen. Walter S. Grant, retired;

Lt. Gen. Joseph Warren Stilwell (brigadier general, U. S. Army), Army of the United States, to be major general in the Regular Army, with rank from September 1, 1943, vice Maj. Gen. Walter C. Short, retired;

Lt. Gen. Brehon Burke Somervell (colonel, Corps of Engineers), Army of the United States, to be major general in the Regular Army, with rank from September 3, 1943, vice Maj. Gen. Ernest D. Peek, retired;

Lt. Gen. Joseph Taggart McNarney (colonel, Air Corps), Army of the United States, to be major general in the Regular Army, with rank from September 4, 1943, vice Maj. Gen. Daniel Van Voorhis, retired;

Brig. Gen. Frank Thomas Hines, Inactive Reserve, who resigned his commission as brigadier general, Regular Army, after more than 15 years of military service, and who subsequently served for a period of more than 15 years as Director of the Veterans' Bureau and as Administrator of Veterans' Affairs, to be brigadier general in the Regular Army, with rank from March 10, 1944, under the provisions of law;

Sundry officers to be first lieutenants in the Regular Army, Medical Corps, under the provisions of law, with rank from the date of appointment;

Sundry officers for promotion in the Regular Army, under the provisions of law;

Sundry officers for appointment, by transfer, in the Regular Army;

Kenneth H. McGill for appointment as chief statistician in the Selective Service System, under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940. (Compensation to be paid Mr. McGill will be $6,500 per annum);

Frank D. Rash for appointment as State director of selective service for Kentucky, under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940, as amended. (Compensation for the office of the State director of selective service for Kentucky will be at the rate of $5,600 per annum); and

Louis A. Boening for appointment as assistant State director of selective service for Illinois, under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940. (Compensation for the office of the assistant State director of selective service for Illinois will be at the rate of $5,600 per annum.)

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Matthias B. Gardner, to be rear admiral in the Navy, for temporary service.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Marc A. Mitscher, to be vice admiral, for temporary service.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John H. Hoover, to be vice admiral, for temporary service.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George T. Owen, to be commodore, for temporary service, to continue while serving as commander, Fleet Air Wing Fifteen, and commanding officer, naval air station, Port Lyautey.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

That completes the Executive Calendar.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 1 o'clock and 35 minutes) the Senate took a recess until Monday, May 29, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 25 (legislative day of May 9), 1944:

FEDERAL POWER COMMISSION

Leland Olds, of New York, to be a member of the Federal Power Commission for the term expiring June 22, 1949. (Reappointment.)

APPOINTMENTS IN THE REGULAR ARMY

The following-named cadets, United States Military Academy, who are scheduled for graduation on June 6, 1944, for appointment in the Regular Army of the United States, under the provisions of sections 23 and 24e of the National Defense Act, as amended:

To be second lieutenants with rank from June 6, 1944

CORPS OF ENGINEERS

Henry Spiese Aurand, Jr.
Joseph Philip Barnes
Albert Lambert Bethel
John Pierre Bradley
Albert Quincy Brooks
Jack Brown Bruno
Jerry George Capka
John Henry Carlson
John Goold Cleveland
Robert Bruce Codling
Robert Warren Conant
Kenneth Banks Cooper
John Holloway Cushman
Albert Guy Dancy
Charles Junior Davis
Robert Sherwood Day
Edwin Radford Decker
Keith Edward Eiler
Richard Erlenkotter
Franklin Oliver Forthoffer
John Edward Glab
William Byron Graham
Ernest Graves, Jr.
Walter Allen Guild, Jr.
Francis Joseph Hale
Roger Joseph Hendrick
John Welsh Howell
John William Huling
Donald Clarence Ingram
James Irvine, Jr.
Andrew King Keller
John Franklin Kimbel
Erwin Howard Kleist
Dallas Loyd Knoll, Jr.
Jean Belair LaMarre
Bryan Henry Leeper
Kermit Orvill Lindell
Alexander Morton Maish
Arthur Roy Marshall
Howard Charles Metzler
Franklin Boyd Moon
Arthur Derry Nelson
Robert Tharp Nixon
Edwin Thomas O'Donnell
Robert Boyd Robinson
Robert Morris Rodden
Beverly Carradine Snow, Jr.
William Frederic Spalding
Charles Lowndes Steel, Jr.
Otto William Steinhardt
John James Tkacik
William Milner Wallace, Jr.
Alan Evans Weston
James Todd White, Jr.

SIGNAL CORPS

Oliver George Becker
Lawrence Frank Ciszewski
Howard Kaplan
Vernon Everett Robbins
James Franklin Scoggin, Jr.
Donald Foster Thompson

CAVALRY

Frank Errette Cash, Jr.
Richard Mansur Cowherd
Alva J. Forsythe
John Stapleton Howland
Edward Worthington Samuell, Jr.
Stephen Harrison Smith

FIELD ARTILLERY

Wendell Glen Allison
Roald Max Andresen
James Tuttle Bartley
James Thomas Blandford, Jr.
George Bellinger Brown, Jr.
Harry Archer Buzzett
Jelks Henry Cabaniss, Jr.
James Boniface Campbell
Edward Charles Christl, Jr.
Joseph Frederick Hughes Cutrona
Clarence Wilfred Cyr
Eugene Alex Dabrowski
Robert Clinton Dart
Harold Griswold DeArment
Dale Denman, Jr.
John Benedict Desmond
Wilfred LaVern Dondanville
James Wilkie Dunham
Thomas Francis Flynn, Jr.
Henry Minton Francis
Douglas Warren Gallez
Robert Neville Ginsburgh
Henry Augustus Grace
Fielding Lewis Greaves
John Louis Grimmeison
Donald Alfred Gruenther
Douglas Lee Harris
Walter Rawlins Harris
George Robert Hayman, Jr.
John Livermore Hazen, Jr.
Saul Aaron Jackson
Wilbur Leonard Kahn
Leo Douglas Kinnard
Archer Lynn Lerch, Jr.
Rodney Walter Lindell
Dennis Philip McAuliffe
Alfred Mudge McCoy, Jr.
Thomas Joseph McGuire, Jr.
Gerald St. Claire Mickle, Jr.
Thomas Edward Moore, Jr.
Robert McClellan Mummey
Robert Houstoun Murphy
William Best Murray
Richard Nalle
Patrick McAlester Neilond
James Kenneth O'Brien
David Ewing Ott
Elton Caron Parker
Robert White Parks
Nels August Parson, Jr.
Robert McIntyre Pearce
Dee William Pettigrew, Jr.
Jack Murph Pollin
Robert Paul Reagan
Robert Warren Samuel
Dorsey Daniel Schaper
Ralph Anthony Sciolla
Norman Cornelius Shepard, Jr.
William Madison Shirey
Harold Blackwood Sloan
Robert Alexander Smith
Winfield Scott Solomon 3d
John Case Trimmer
Anthony Jack Vitullo
Alvin Miles Wald
Richard Samuel Ware, Jr.
Mason James Young, Jr.

COAST ARTILLERY CORPS

James Bradshaw Adamson
Leslie Edwards Babcock, Jr.
DeRosey Carroll Cabell, Jr.
Leslie Griffin Callahan, Jr.
Robert Mitchell Cowherd
Edward Basilio DiNapoli, Jr.
Edward Johnson Dravo
George Harold Farne
Grey Fitzpatrick
John William Gaffney
Robin Schofield Kendall
Mark Joseph Klein
Henry Caleb Lindsey
John Francis Mangan
John Francis Xavier McArdle
William Thomas Miller
Robert Stephen Mills
George Steve Pappas
John Thornton Peterson
Robert Gist Pickens
Robert Kelly Routh
Robert Nicholas Rudelic
Bruton Burke Schardt
Robert Francis Shannon
John Mills Simmons
Leonard Henderson Sims, Jr.
William Benjamin Tuttle, Jr.
James Wesley Weathers, Jr.
Grady Olan White

INFANTRY

Edwin Moriel Aldrich
Peter Williams Almquist
Theodore John Altier
Raymond Adelbert Auringer, Jr.
Frederick Harry Black, Jr.
George Samuel Blanchard, Jr.
Pierre Bontecou
Wilson Norton Boyles, Jr.
John Bernard Brady
Dean Michael Bressler
Harry Grandy Brickhouse, Jr.
John Wesley Brown, Jr.
Henry Hastings Burnett
William Edward Burr 2d
John Wisdom Carley
Doniphan Carter
Randolph Jefferson Cary
Duncan Dixon Clore
Warren Sanderson Conlon
James Maguire Connell
Francis Allyn Cooch 3d
Robert Charles Daly
Charles David Daniel
Chalmer Lee Deeter, Jr.
Andrew James DeGraff
Armond DiSilvio
John Willson Donaldson
James Shepard Douglas
Robert Evans Drake
Oscar Eugene Duttweiler, Jr.
John Sheldon Doud Eisenhower
Paul Caspar Emley

William Francis Enos
John Robert Flynn
Nicholas Anthony Fuller
James Bascom Giles, Jr.
Abraham Merton Glass
Raymond Lee Gordon, Jr.
Philip Schuyler Grant
Leslie Harrison Halstead
Arthur Linton Handley, Jr.
Wilson Clark Harper
Harold Ira Hayward
John Joseph Hennessey
Edward Heacock Hibbard
Ralph Carl Hollstein
Louis William Howe
Robert Henry Hurst
Arthur Siegmar Hyman
Leverett Norton Jenks
Charles Spurgeon Johnson, Jr.
Henry Sweet Jones, Jr.
William Charles Jones 3d
Frederick John Keifer, Jr.
William Clark Kennedy
Henry Paul Kutchinski, Jr.
Thomas Edward Lawrence
James Richard Lynch
Donald Gribble MacWilliams
Frank Cadle Mahin, Jr.
Thomas Owen Mahon
Simon Seelig Marks
Willard Ainsworth Marks
Max Lawrence Marshall
Charles Coleman Martin, Jr.
Robert Taylor Martin
Alfred Stewart McCorkle, Jr.
Bernard Edward McKeever, Jr.
James Thomas Milam
Edgar Norman Millington
Clarence Andrew Mitchell, Jr.
Cornelius John Molloy, Jr.
Frank Edward Moore, Jr.
Wallace James Moulis
Steve Watson Mulkey, Jr.
Maxwell Cole Murphy, Jr.
Michael Edward Nicoletti
George Buford Norman
Charles Byers Nye
Alan Lyon Partridge
Richard King Patch
James Joseph Patterson
Oliver Beirne Patton
Carl Leroy Peterson, Jr.
Paul Washington Phillips
Thomas Oakley Phillips, Jr.
George Edward Pickett 4th
John Christopher Pile
Kern Phillips Pitts
Howard Wade Richards
Dixon Carle Rogers
Harry Lovejoy Rogers 3d
Robert Warren Selton
Joseph Richards Shelton, Jr.
David Linton Silver, Jr.
Frederick Adair Smith, Jr.
Walter Hugh Snelling
Bruce Ingle Staser
James Harvye Stewart
William McGregor Stowell
Robert Homer Strecker
John Stephen Sullivan, Jr.
Thomas McKee Tarpley
William Neely Todd 3d
Philip Barrett Toon
Donald Edgerton Tripp
Corbie Ralph Truman
Larkin Smith Tully
George Albert Tuttle
Luther Daniel Wallis, Jr.
Frank Edward Walton, Jr.
George Elmer Wear
John Thomas Wells 3d
Robert Rogers Wessels
William Blackburn White 4th
Harold Langford Wilhite
Candler Asbury Wilkinson, Jr.
Clarence Emanuel Wolfinger, Jr.
Andrew Woloszyn
David Perry Wood, Jr.
David Zillmer

QUARTERMASTER CORPS

Lorin Russell Klingle

CHEMICAL WARFARE SERVICE

William Bell 3d
Alexander Carver Bridewell, Jr.
John Tyler Elliott

ORDNANCE DEPARTMENT

E. Paul Anderson
Charles Roscoe Howland Bootz
Lindley Corydon Ellis
Hiram Baldwin Ely, Jr.
Alfe Levando Francis Erickson
Charles Francis Frock
Gerald Dean Hall
Robert Odell Harper
Gerson Kirkland Heiss, Jr.
Roy Albert Hoffman
Joseph Wesley Losch
William John Nelson
Joseph Carlton Petrone, Jr.

AIR CORPS

Robert Louis Algermissen
Carl Bayard Anderson, Jr.
Winston Paine Anderson
Randolph Hutchinson Andrews
Luther Erwin Armstrong, Jr.
Robert Hawkins Armstrong
Noel Degner Austin
Roy Andrew Bahls
William Albert Baker
James Ross Bandy, Jr.
Lloyd Barnett, Jr.
Theodore John Bartz
Henry Shaw Beukema
Arthur Peter Bick, Jr.
William Lane Bingham
David Blake
John Boning
Heath Bottomly
Harold Knight Boutwell
William Francis Bradley
Paul Bradshaw, Jr.
Robert Paul Bright
Robert Graham Brotherton
George Andrew Brown
Robert Henrik Brundin
William Robert Buckley, Jr.
Hugh Robert Burns, Jr.
Gordon Emmons Burrell
John Davis Calhoun
Eugene Francis Callaghan
Robert Brown Callan
William Sidney Chandler
William Edward Charlson
Geoffrey Cheadle
Lawrence Locke Clayton, Jr.
Clifford Dixon Coble
John William Combs
William Taylor Courtney
James Oliver Cowee
Richard Lawrence Creed, Jr.
Dean Garland Crowell
James Richard Cumberpatch
Andrew Joseph Cupper
Charles Harold Czapar
George Arthur Davis, Jr.
Bruce Keeley Deakin
Lyall Davies de la Mater, Jr.
Richard Llewellyn Dennen
James Albert Downs, Jr.
Ray Aloysius Dunn, Jr.
Alan Clifford Edmunds
Harold Robert Emerson
Robert William Faas
William Herman Fairbrother
Stephen Adam Farris, Jr.
David Edwards Fitton, Jr.
Richard Bernard Fowler
William Charles Fullilove
Louis George Gamble
Theodore Hess Geltz
Frederick William Gerhard, Jr.
James Cruden Gerhard
Frederick Banks Gervais
John Russell Geyer
Channing Wallace Gilson
Gregg F. Glick
William Harry Goes
Noble Franklin Greenhill, Jr.
Edgar Willis Gregory 2d
Paul James Hamm
William Robert Hammond
John Warren Hanley
Glen Roger Hempleman
Frank David Henderson, Jr.
William Justus Henderson
Leslie H. Hendrickson, Jr.
Francis Benedict Hennessy
Sam Dowty Hesse
Leo Hinkey
George Earl Hoffman, Jr.
Harlan Ware Holden, Jr.
Thomas Byron Hoxie
William Johnston Humma
Robert Dorrance Ingalls, Jr.
George Lyman Ingersoll
Quitman Bellinger Jackson, Jr.
Raymond Janeczek
John Nettleton Johnson 3d
Louis Verne Jones, Jr.
Paul Jones, Jr.
Charles Jay Keathley
John Peyton Kincaid
John Creighton King
John Oscar Lamp
Daniel Pryor Lee
John Travis Lisenby, Jr.
Thomas James Lynn
Thomas Edmund Mahoney, Jr.
George Emmett Maxon, Jr.
Martin Everett McCoy, Jr.
John Octavius McElvey 2d
William Claude McGlothlin, Jr.
Arthur Joseph McLean
John Richard McPherson
Francis Ellis Merritt, Jr.
Malcolm Pitzer Mickelwait
William Henry Milnor
Odie David Minatra, Jr.
Evarice Camile Mire, Jr.
James Gregory Monihan, Jr.
John Peter Moore
John Tardy Moore, Jr.
Wallace Daniel Moore
Robert Eugene Morrison
Robert Amos Mortland
Hollis LeRoy Mulier, Jr.
Charles Harris Mullin
Edward Conley Murphy
Gerard Francis Murphy
Casimir Myslinski
Ivan Windingland Nealon
James Richard Nelson
Marshall Emerson Nolan
Lewis Sheppard Norman, Jr.
Aloysius Arthur Norton
James Harvey O'Connor
Duncan Palmer
Munson Hackett Pardee
William Earl Peugh
Frederick Brenton Porter, Jr.
Val Edward Prahl
Lloyd Randolph Pugh, Jr.
Thomas Ben Ragland, Jr.
Owen Thornton Reeves
Ralph Leach Rhodes
Robert Stafford Rivers
John Nicholas Robinson, Jr.
Robert Louis Royem, Jr.
Lester LeRoy Salzer
Charles William Sampson
John Sanders
Corydon Fargo Schellenger
Robert Carey Sellers, Jr.
Robert Milton Shoemaker
Carleton Paul Smith, Jr.
Drew Merritt Smith
Foster Lee Smith
Bernard Sohn
Edward Schuyler Stahl
Eugene Quirn Steffes, Jr.
William Elbert Steger
John Clarence Stevens
William Randolph Sullivan
John Leon Susott
George Van Swearingen

Howard Hamlet Symons
Howard Nelson Tanner, Jr.
Pierre Anthony Tisdale
Robert Chester Tompkins
Donald Charles Vogler
William Henry Walters
Joseph Raymond Waterman
John Gordon Weir
John Martin Werner, Jr.
Carlyle Fairfax Whiting
William Edward Wightman
John Gordon Williams, Jr.
Louis Andrew Wilson, Jr.
Melville Brooke Withers
Graham Castel Woodlaw
Robert Charles Zott

IN THE MARINE CORPS

The following-named midshipmen to be second lieutenants in the Marine Corps from the 7th day of June 1944, in lieu of appointment as ensign in the Navy as previously nominated and confirmed:

William L. McCulloch
Robert J. McDevitt
Sumner A. Vale

POSTMASTERS

The following-named persons to be postmasters:

ARKANSAS

James J. Sharum, Walnut Ridge, Ark., in place of C. C. Snapp. Incumbent's commission expired June 23, 1942.

CALIFORNIA

Letha L. Ford, Oceano, Calif., in place of D. M. Montgomery, resigned.

Walace J. Carter, Pismo Beach, Calif., in place of J. R. Simmons, resigned.

DELAWARE

Joseph Harper Cox, Seaford, Del., in place of J. H. Cox. Incumbent's commission expired June 23, 1942.

HAWAII

Charlotte M. Keala, Kamuela, T. H., in place of D. C. Pang, resigned.

IDAHO

Letitia I. Glasby, Athol, Idaho. Office became Presidential July 1, 1943.

ILLINOIS

Samuel L. Florest, Bellwood, Ill., in place of J. R. Engleman, resigned.

Daniel E. Brown, Crossville, Ill., in place of H. O. Given, transferred.

Michael Shannon, Johnston City, Ill., in place of R. C. Patterson, transferred.

KANSAS

Julia E. Clouston, Ness City, Kans., in place of C. M. Cook, resigned.

MARYLAND

Norman E. Ward, Rockville, Md., in place of G. L. Edmonds, deceased.

MASSACHUSETTS

Irene S. Leary, East Pepperell, Mass., in place of T. J. Drummey, retired.

MISSOURI

Harry M. Ward, Canton, Mo., in place of F. F Page, deceased.

William W. Bledsoe, East Prairie, Mo., in place of K. E. Jackson, resigned.

Raymond E. McCanse, Mount Vernon, Mo., in place of Robert Stemmons, resigned.

NEBRASKA

Lola M. Aufdengarten, Arthur, Nebr., in place of O. D. Adkins, transferred.

NEW YORK

Charles W. Craig, Binghamton, N. Y., in place of M. L Sullivan, deceased.

NORTH CAROLINA

Hazel A. Valentine, Nashville, N. C., in place of J. K. Bridges, Sr., removed.

Wiley E. Dunn, Williamston, N. C., in place of L. T. Fowden, resigned.

NORTH DAKOTA

Gladys S. Dunn, Center, N. Dak., in place of S. J. Dunn, resigned.

OKLAHOMA

Estella C. Lacy, Kingston, Okla. Office became Presidential July 1, 1943.

PENNSYLVANIA

Edward A. Schoeffel, Evans City, Pa., in place of C. R. Wahl, resigned.

Robert Stanley Davis, Kimberton, Pa. Office became Presidential July 1, 1943.

Dorothea B. Wright, Morton, Pa., in place of G. G. Makens, resigned.

SOUTH CAROLINA

William B. Gillespie, Effingham, S. C. Office became Presidential July 1, 1943.

SOUTH DAKOTA

Jane Dunn, Elkton, S. Dak., in place of J. E. Dunn, deceased.

VIRGINIA

William W. Argabrite, Blacksburg, Va., in place of J. H. Woolwine, retired.

WISCONSIN

Norman L. Adams, Hancock, Wis., in place of R. E. Caves, transferred.

Grace A. Johnson, Merrimack, Wis. Office became Presidential July 1, 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 25 (legislative day of May 9), 1944:

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

The following-named cadets, United States Military Academy, who are scheduled for graduation on June 6, 1944, for appointment in the Regular Army of the United States, under the provisions of sections 23 and 24e of the National Defense Act, as amended:

To be second lieutenants with rank from June 6, 1944

Henry Spiese Aurand, Jr., et al.

(NOTE.—A full list of the names of the cadets graduating from the United States Military Academy, whose nominations to be second lieutenants in the Regular Army were confirmed today, may be found under the caption "Nominations" at the close of the Senate proceedings in the CONGRESSIONAL RECORD for today.)

IN THE NAVY

TEMPORARY SERVICE

Matthias B. Gardner to be a rear admiral in the Navy, to rank from July 19, 1943.

Marc A. Mitscher to be a vice admiral in the Navy, to rank from March 21, 1944.

John H. Hoover to be a vice admiral in the Navy, to rank from January 1, 1943.

George T. Owen to be a commodore in the Navy, to continue while serving as commander, Fleet Air Wing Fifteen, and commanding officer, naval air station, Port Lyautey.

IN THE MARINE CORPS

REGULAR SERVICE

To be second lieutenants

Whitman S. Bartley
George A. Phillips
George P. Blackburn, Jr.
Wray C. Lewis
Philip H. McArdle
Coburn Marston
Lawrence F. Snoddy, Jr
David A. Brewster
Clifford R. Buys
Burtis W. Anderson

POSTMASTERS

ALASKA

S. David Mazen, Nome.

CALIFORNIA

Augustine P. Madrid, Jamestown.
Clifford E. Hammontree, Los Gatos.

GEORGIA

Viola Browning, Arco.
Thomas C. Conley, Blairsville.
Leon M. Bleckley, Clayton.

IDAHO

Betty G. More, Bayview.

ILLINOIS

Michael C. Appleman, Atkinson.
Walter H. Powers, Cambridge.
Valentin W. Streit, Eola.
Walter J. Holt, Hanna City.
Percy E. Bail, St. Elmo.
Joseph B. Casassa, Spring Valley.

INDIANA

Harry W. Ohming, Michigan City.
Elsie E. Mitchell, Sweetsers.
James L. Wall, Winchester.

KANSAS

Sarah Zoe Alley, Derby.
Thomas J. McCarthy, Lansing.
Dorothy E. Stewart, Nashville.
Hudson O. Turner, Portis.
Iona F. Helmke, Zenda.

MISSOURI

Edna J. Donaldson, Diamond.
James P. Payne, Gilliam.
Ernest A. Hisle, Miami.
Albert R. White, Nelson.
Lou A. Kaylor, Shelbyville.
Maude Dahl, Tipton.

NEBRASKA

Edith E. White, Du Bois.
George W. White, Fairmont.

NEW MEXICO

Edward L. Manson, Clovis.

NORTH CAROLINA

Alvah Early, Ahoskie.
Russell Best, Calypso.

VIRGINIA

Dennis L. Good, McGaheysville.

WEST VIRGINIA

Donal E. Woods, Cowen.
Seba J. Martin, Shinnston.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 25 (legislative day of May 9), 1944:

POSTMASTER

NEW YORK

Harry S. Hickey, Jr., Fredonia, N. Y.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 25, 1944

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou unto whom the darkness and the light are both alike, lead us unto Thee by our joys and by our sorrows; forgive our misinterpretation of Thy purpose, though painful and hard for us to understand. As this world of contention fails to renew the sinews of our hope and cheer, inspire us with an espousal of that cause that cannot fail: "One flag, one land, one heart, one hand, one Nation evermore."

Amid all tests that wring the soul, take from our hearts weary doubts, misgivings and suspicions which destroy the

peace of mind that flows through the book of human experience. Thou who lovest all things, help us to apprehend Thee in the many emergencies which befall humanity, piercing the causes and earthly conditions which lure us by the elements of weakness and disobedience: "Let God arise; let his enemies be scattered; let them also who hate Him flee before Him. As smoke is driven away, so drive them away; as wax melteth before the fire, so let the wicked perish at the presence of God. Let the righteous be glad; let them rejoice before God; yea, let them exceedingly rejoice." O magnify Thy name above every name and vindicate our right to be servants of equal justice to all men.

"No foe shall stay our might;
Though we with giants fight,
We will make good our right
To be a pilgrim."

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1945

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes (Rept. No. 1511), which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. TABER. Mr. Speaker, I reserve all points of order on the bill, and I desire to propound a parliamentary inquiry at this time.

The SPEAKER. The gentleman will state it.

Mr. TABER. Mr. Speaker, on Tuesday afternoon prior to adjournment the gentleman from Missouri [Mr. CANNON] asked unanimous consent in substance that it might be in order to take up this bill today and that all points of order against it be waived. There being no objection, that consent was given.

My parliamentary inquiry is: That bill not having been reported by the subcommittee to the full Committee on Appropriations or by the full Committee on Appropriations of this House, were points of order against the bill waived?

Mr. TARVER. Will the gentleman pardon an interruption before the Chair rules?

Mr. TABER. Yes, that is satisfactory.

Mr. TARVER. The gentleman, of course, is aware of the fact that no Member of the House, no member even of the full Committee on Appropriations except those on the subcommittee reporting the bill, were advised on Tuesday as to what the bill would contain when it might be introduced in the House; therefore, the request made on Tuesday by the chairman of the full Committee on Appropriations that all points of order against the bill be waived was a request that the Members waive all points of order against provisions with which they could not possibly at that time have been familiar.

Mr. TABER. That is unquestionably true because, of course, while the bill had been voted upon in the subcommittee it had not been voted upon in the full committee and might have been reported in a different form that in which the subcommittee reported it.

Mr. CANNON of Missouri. Mr. Speaker, if the gentleman will permit, this procedure is in keeping with the practice which has been followed as far back as any Member of the House can remember. It is always customary when a bill of this character is to be called up for the subcommittee to take one of two courses—either ask for a rule from the Committee on Rules or ask unanimous consent on the floor of the House. In this instance we decided to request consent on the floor in order to save the time which otherwise would be consumed in debate on the rule. It has been asked and granted a thousand times. This is the first time it has ever been questioned and certainly the first instance in which such a point of order has been raised.

Mr. TABER. Yes. According to my recollection, this same practice has been followed on numerous other occasions, although, frankly, I do not think this question which is now raised has ever been raised before on the floor of the House.

Mr. TARVER. Mr. Speaker, it has been my observation that unanimous-consent requests to waive points of order against appropriation bills have always been submitted after the bill has been reported. I am not aware of any practice of coming in 2 days ahead of the reporting of a bill at a late hour in the afternoon when very few Members are on the floor and obtaining unanimous consent to waive points of order against a bill which has not even been formulated, not even introduced, not even as yet considered by the committee from which it is to be reported.

Mr. TABER. Mr. Speaker, I have known of at least 10 cases in the last 10 years where the same practice has been followed.

The SPEAKER. The Chair is prepared to rule.

On page 4917 of the RECORD of May 23 the following occurred:

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that it may be in order to take up the war agencies bill immediately after disposition of business on the Speaker's table on Thursday next, that points of order on the bill be waived, and that general debate be confined to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. TABER. Mr. Speaker, reserving the right to object, the gentleman means points of order on matters contained in the bill?

Mr. CANNON of Missouri. Yes; only points of order on matters reported by the committee, not points of order that may be raised during consideration of any amendment that may be offered to the bill in the Committee of the Whole.

Mr. TABER. Did the gentleman incorporate in his request that debate be confined to the bill?

Mr. CANNON of Missouri. Yes; that debate be confined to the bill.

The SPEAKER. The gentleman's request is that all points of order on matters in the bill be waived; is that correct?

Mr. CANNON of Missouri. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

The gentleman from Massachusetts [Mr. MCCORMACK] then asked if any arrangements had been made as to the period of general debate, and so forth.

Then the gentleman from Missouri [Mr. CANNON] said:

General debate will not exceed 1 day. We hope to begin reading the bill before the close of the day.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

It matters not how few Members were in the House of Representatives. The House was in session and the unanimous-consent request was made, which has been made in similar instances many, many times. It has been held that the Committee on Rules may report a resolution providing for the consideration of a bill which has not been introduced. When a rule is reported it can be adopted only by a majority vote of the House.

It would seem to the Chair that a unanimous-consent request about which there was no contest would be even stronger than that.

Mr. WOODRUM of Virginia. Would the Chair hold that the Committee on Appropriations, which does not have legislative authority, would have no right to report a legislative provision, unanimous consent having been obtained before the bill was even reported to the full committee, no matter what objectionable legislative features may have been put in the bill by the full committee, and yet when it comes to the House it would not be subject to a point of order?

The SPEAKER. Any time that any Member of the House desires to object to a request of this kind he may exercise his right to do it.

The Chair holds that points of order against the provisions in this bill have been waived.

Mr. CASE. Mr. Speaker, in view of the importance of this as a matter of setting a precedent, I respectfully appeal from the decision of the Chair and ask for recognition.

The SPEAKER. The gentleman from South Dakota [Mr. CASE] is recognized.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present. I think the Members of the House ought to be here to listen to this debate. This is one of the most important issues that has come up since I have been in Congress.

The SPEAKER. Evidently a quorum is not present.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 68]

Allen, La.	Brumbaugh	Compton
Andrews, Ala.	Buckley	Cooley
Barden	Burdick	Costello
Bell	Burgin	Dawson
Bennett, Mo.	Byrne	Dewey
Bolton	Cannon, Fla.	Dickstein
Bonner	Capozzoli	Dies
Boren	Carson, Ohio	Dirksen
Boykin	Carter	Disney
Brehm	Cole, N. Y.	Douglas

Durham	Jones	Randolph
Eaton	Judd	Rees, Kans.
Elston, Ohio	Kearney	Robsion, Ky.
Fernandez	Kennedy	Satterfield
Folger	Kerr	Shafer
Ford	King	Sheridan
Fulbright	Klein	Simpson, Pa.
Furlong	Knutson	Smith, W. Va.
Gallagher	Lewis	Smith, Wis.
Gavin	Luce	Stearns, N. H.
Gilchrist	McCord	Sumners, Tex.
Grant, Ind.	Maas	Taylor
Green	Manasco	Treadway
Griffiths	Martin, Iowa	Vincent, Ky.
Gross	Merrow	Wadsworth
Halleck	Morrison, N. C.	Wasielewski
Hays	Mott	Wene
Heidinger	Murphy	Whelchel, Ga.
Holmes, Mass.	Newsome	White
Hull	O'Neal	Whitten
Izac	O'Toole	Wolfenden, Pa.
Jackson	Patton	Wright
Jenkins	Pfeifer	
Johnson, Lyndon B.	Philbin	
	Plumley	

The SPEAKER. On this roll call 327 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

WAR AGENCIES APPROPRIATION BILL

The SPEAKER. The gentleman from South Dakota [Mr. CASE] is recognized.

Mr. CANNON of Missouri. Mr. Speaker, I wonder if the gentleman would yield to me to make a request?

Mr. CASE. I yield.

Mr. CANNON of Missouri. The gentleman from South Dakota [Mr. CASE] is recognized for 1 hour. In order to insure equal debate I wonder if he would yield one-half of that hour to those in opposition?

Mr. CASE. I would prefer not to do so. I may say I do not intend to use the hour. I think that in 10 minutes I can state the issue. I intend to state it as clearly as I can, and explain the parliamentary situation involved, and try to avoid getting into any extraneous matters.

Mr. CANNON of Missouri. The gentleman will not yield to anyone?

Mr. CASE. I do not expect to yield to anyone, but expect to move the previous question as soon as I have concluded my presentation of the issue involved.

Mr. CANNON of Missouri. Does not the gentleman think the other side ought to be heard?

Mr. CASE. That side has been pretty well covered in the debate that occurred before the question arose.

Mr. CANNON of Missouri. Unfortunately the Member in charge of the bill was not recognized, and has had no opportunity to present the views of the subcommittee reporting the bill. It would be an extraordinary procedure for the gentleman to consume all the time he desires in presenting his version of the question and permit no one else to be heard.

Mr. CASE. I prefer not to yield at this time.

The SPEAKER. The gentleman from South Dakota declines to yield.

Mr. CASE. Mr. Speaker, I shall try to state the situation that is involved here as clearly and as fairly as I can. I had no desire to get into this situation. I have no particular ax to grind. There is only one question involved in my mind and that is the integrity of the legislative procedure of the House, and the integrity of the jurisdiction of the various committees. I have appealed from the decision of the Chair only by reason of the fact that, as the gentleman from New York [Mr. TABER] said, this is the first time this particular question has arisen. Here is the situation: A few days ago, the gentleman from Missouri [Mr. CANNON]——

Mr. CANNON of Missouri. Will the gentleman yield? I think it will be recalled that the gentleman from New York [Mr. TABER] said this was the first time the question had been raised by an appeal. He certainly did not say it was the first time this parliamentary procedure had been followed, because it has been followed a thousand times.

Mr. CASE. Very well. This is not the first time this thing has happened, but it is the first time it has happened precisely in this way.

If you will bear with me I think I will make that clear.

A few days ago the chairman of the Committee on Appropriations the gentleman from Missouri [Mr. CANNON] came before the House at the close of an afternoon session after legislative matters had been disposed of and at the end of the special orders, and asked unanimous consent that when the particular appropriation bill that is now under consideration for today, the bill to provide for the national war agencies, should be considered, it be considered with a waiver of points of order. He asked unanimous consent to that effect. The gentleman from New York [Mr. TABER] commented upon that briefly at the time but did not object, and consent was given.

The bill at that time had not been reported to the full Committee on Appropriations and was not reported to the full Committee on Appropriations until this morning. Nobody outside of the subcommittee at that time knew what would be in the bill. I think the membership is fully aware of the fact that the rule that an appropriation bill may not report legislation is for the protection of the jurisdiction of every other committee of the House.

I happen to be a member of the Committee on Appropriations, and possibly as much as any other member of the Committee on Appropriations I have been jealous of the rights of a member to make points of order against legislation in an appropriation bill, if I wanted so to do. By the same token I have been jealous of the prerogatives of the Appropriations Committee to protest appropriations made in legislative bills reported by other committees. However, under a practice of getting consent as was granted the other day it would be possible for any appropriation subcommittee to agree within its membership that it would report a bill providing legislative restrictions of one sort or another, or propose legislation of one sort or another, that ordinarily would come from any of the legislative committees of the House, and if the chairman and the ranking minority member should come before the House at a time when few Members were present and secure unanimous consent that points of order should be waived, then it would be possible to destroy, in effect, the legislative prerogatives of every legislative committee of the House.

The gentleman from New York [Mr. TABER], recognizing that situation today when the appropriation bill was reported, sought to reserve points of order.

He did not want the Appropriations Committee, himself, or the House, to be put in the position of failing to have points of order reserved at the time the appropriation bill was reported to the House. The Chair ruled that he could not reserve points of order at this time. From that decision I appealed and the gentleman from Mississippi [Mr. RANKIN], made a point of "no quorum." A vote will come on the appeal from the Chair's ruling.

Every Member of the House, I believe, is entitled to expect that if a waiver of points of order is to be made it will be made at the time the appropriation bill is reported to the House. The House Manual, in a comment in paragraph 835 dealing with this subject, states:

> It is the practice, therefore, for some Member to reserve points of order when a general appropriation bill is referred to the Committee of the Whole, in order that portions in violation of rule may be eliminated in the Committee.

I emphasize "when"—when the bill is referred to the Committee of the Whole. That is, in effect, when the bill is reported.

That decision was made by Chairman Chinddlom, February 6, 1926, Sixty-ninth Congress, first session, page 3456, at a time when the question had been raised. Another man who served with some distinction in this House, Mr. Cannon of Illinois, cited the principle which was the basis of the Chair's ruling and the ruling was sustained on an appeal at that time. I seek to preserve that principle.

I am not quarreling with the immediate or the obvious decision of the Speaker so far as the RECORD is concerned. The RECORD shows, of course, that unanimous consent was asked and given that this bill be considered with points of order waived. But the way in which this situation differs from any that has previously arisen is that, notwithstanding that situation, this morning the gentleman from New York sought and was not allowed to reserve points of order against the bill at the time points of order are ordinarily reserved against an appropriation bill. This is the first time, as he indicated, that this particular situation has arisen.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CASE. I prefer not to yield for just a moment until I complete the sequence of my argument.

Mr. Speaker, the House will remember that a year ago we had some warm discussion on the issue involved at the time the agricultural bill was reported, when the ranking minority Member failed to reserve points of order. There was much protest on that occasion.

There is a remedy for this situation, that is, for the Appropriations Committee, when it feels that it is necessary to

report an appropriation bill carrying legislation, to apply to the Committee on Rules for a rule waiving points of order.

If the precedent should be allowed to stand, the issue having been raised that the chairman and the ranking minority member of a subcommittee may come before the House at a time when no one expects it, when the legislative business is over, when few Members are on the floor, and ask for a waiver of points of order against a bill which has not even been written, let alone reported to the full committee, when no one outside the subcommittee can possibly know what legislation may be in the bill, then an unfortunate situation will have been created; then no committee will dare permit the House to be in session at any time without having some watchdog from that committee on the floor to prevent some other committee from reporting a bill trespassing upon its jurisdiction.

It is difficult enough for the average Member of the House to know when an appropriation bill is going to be reported. He does not have advance notice. An appropriation bill is a privileged measure; it can come up whenever the chairman of the subcommittee reports it and calls it up, which usually, of course, is during the morning hour or at least during the legislative portion of the day. But if they may come in at an unusual time and get a waiver of points of order, the legislative committees may find their jurisdiction violated time and again. That is why I appealed from the decision of the Chair, not that I question but what the ruling of the Chair was correct so far as unanimous consent having been given is concerned, but I do feel that when thereafter the ranking minority Member seeks to reserve points of order at the time the bill is reported, his right to do so should be preserved, and he should be recognized for that purpose.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. CASE. So should the right of every Member of the House. I am just as jealous of the rights of the Appropriations Committee as other Members are of their committees, but I recognize——

Mr. CANNON of Missouri. I think the gentleman should yield.

Mr. CASE. I recognize that if the Appropriations Committee can bring in bills and fail to reserve points of order or even go further and expressly get consent to waive points of order, the balance of the membership of the House will refuse to let the Appropriations Committee have the prerogatives it now has.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. CASE. So I am seeking not merely to preserve the rights and prerogatives of the legislative committees, I am seeking to preserve the Appropriations Committee itself, and in raising this question I also seek to preserve the right of any Member to reserve points of order at the time an appropriation bill is reported.

Mr. CANNON of Missouri and Mr. McCORMACK rose.

Mr. CASE. I must yield first to the gentleman from Massachusetts.

Mr. McCORMACK. Without discussing the merits of the gentleman's appeal, do I understand the gentleman is not going to give any Member an opportunity of presenting to the House views in support of the Speaker's ruling? Is that the position the gentleman intends to take? If so, it is an amazing proposition that the gentleman will move the previous question when but one side has been presented. The House, of course, would have to vote it down, but certainly the gentleman ought to give someone an opportunity without the necessity of arguing that the previous question be voted down, to present the arguments in support of the ruling which the gentleman says is correct, he just said the ruling was correct——

Mr. CASE. If the gentleman can cite anything to show I have not correctly stated the issue, I will yield for that purpose.

Mr. McCORMACK. Without getting into the merits, this is a matter involving the integrity of the House. Unanimous consent has been granted. We must take cognizance of the RECORD, of what has happened before. In the Seventy-sixth Congress, on January 11, the gentleman from Virginia [Mr. WOODRUM] submitted this request:

> Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that it shall be in order at any time after it is reported to the House to consider the joint resolution making additional appropriations for work relief and relief for the fiscal year ending June 30, and that all points of order against such joint resolution shall be considered as waived.

This is a matter where the integrity of the House is questioned. I am very sorry it has happened, but we have got to go by the record. I am not going to argue with the gentleman on the merits.

Mr. CASE. This is not the first time an appeal has been made from a decision of the Chair. I have tried to get across this idea: I am not saying that unanimous consent was not granted; I am saying, however, that the Speaker has it within his discretion to recognize or not to recognize a Member to submit a unanimous-consent request at any time; and I believe the House by its vote now should say that the Speaker should not recognize a Member to request unanimous consent to report appropriations bills with points of order waived except at the time the bill is reported to the House.

That is the issue involved.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CASE. I yield to the gentleman from New York; I referred to him two or three times.

Mr. TABER. It seems to me that the fair thing to do is to have the thing brought out fully so that the House will understand just exactly what has happened, just exactly what the practice has been, and have the whole picture in mind before it casts a vote. The fair thing to do would be to yield some of the time for discussion to those who feel that the Chair should be sustained. Frankly, I feel that I would like about 10 minutes myself, because I am rather involved in this situation and I think the House should know just what the picture is.

Mr. CASE. Let me ask the gentleman this question: Why did the gentleman this morning seek to reserve points of order?

Mr. TABER. Because the gentleman from Virginia and some others in the committee felt that something had been done in an irregular manner, and I felt that we should have a ruling on the question as to whether or not the House by unanimous consent had the right in advance of a bill being reported and really being in existence as a bill to give such consent in the way that this was done and in the way that it has been done so many times before.

Mr. CASE. Mr. Speaker, I am going to decline to yield further and I do that for this reason: There are some highly controversial issues in this bill that if we get into a general discussion would get the question away from the strictly parliamentary question involved in my appeal from the Chair. I could not yield generally without yielding to some who might raise those extraneous issues. So I am going to move the previous question, but just before doing so I want to make one further statement.

Mr. COX. Will not the gentleman yield?

Mr. CASE. Mr. Speaker, I am not going to yield further, and I say that with due respect to everyone. I can see if I yield any further that we are going to get far afield.

Mr. COLMER. Will the gentleman yield on the parliamentary situation?

Mr. CASE. The question involved is whether or not you want the Speaker to recognize Members to ask for the consideration of appropriation bills with points of order waived and let that recognition come at any time regardless of whether or not the bill has been reported to the House.

Mr. Speaker, I move the previous question.

Mr. McCORMACK Mr. Speaker, I move that the appeal be laid on the table.

The SPEAKER. The motion of the gentleman from Massachusetts is preferential.

The question was taken; and the Chair being in doubt, the House divided; and there were—ayes 175, noes 54.

Mr. GATHINGS. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. Twenty-six Members have risen, not a sufficient number.

The yeas and nays were refused.

So the motion was agreed to.

The SPEAKER. The motion offered by the gentleman from Massachusetts is agreed to, and the decision of the Chair sustained.

The Chair desires to say that the Chair does not wish to recognize any Member to proceed for 1 minute. The Chair will recognize Members for unanimous-consent requests.

PARLIAMENTARY INQUIRY

Mr. CASE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE. Mr. Speaker, did I understand the Speaker to state that the decision of the Chair was sustained or that the appeal was laid on the table? The effect is perhaps the same.

The SPEAKER. The motion to lay the appeal on the table was agreed to. The ruling of the Chair was thereby sustained.

Mr. CASE. The Chair holds that the two things were involved in laying the appeal on the table?

The SPEAKER. They were in the disposition of the appeal.

EXTENSION OF REMARKS

Mr. BULWINKLE. Mr. Speaker, I have two unanimous-consent requests, first, that the speech of the Speaker of the House in the small rotunda of the Capitol yesterday be placed in the Appendix of the RECORD, and secondly, that a poem written by Horace C. Carlisle of the Architect's office on the centennial be included in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BULWINKLE]?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an address by ex-Ambassador Joseph P. Kennedy, at the Maritime Day dinner held in the Copley Plaza Hotel, Boston, Mass., on May 22, 1944.

Mr. Speaker, I have an estimate from the Public Printer that this will exceed the amount allowed by $114.40 and I ask that this may be included notwithstanding the estimate of the Public Printer.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

There was no objection.

Mr. BARRY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BARRY]?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the city of Los Angeles and a resolution attached thereto.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HOLIFIELD]?

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and I also ask unanimous consent to extend my own remarks in the RECORD and to include certain editorials with reference to a United States Senator from Louisiana.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. LARCADE]?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Philadelphia Daily Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. MYERS]?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, by direction of the Judiciary Committee, I ask unanimous consent that that committee may be privileged to meet while the House is in session on Wednesday next to consider the contract renegotiation bill.

The SPEAKER. The Chair cannot entertain that request at this time.

EXTENSION OF REMARKS

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Philadelphia Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. BRADLEY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to draw to the attention of the House a signal victory won in Italy by American forces which has been announced in papers that have just come out.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by Hon. Winston Churchill before the House of Commons on yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Illinois [Mr. DIRKSEN] be permitted to extend his remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

(Mr. MCGREGOR and Mr. LAMBERTSON asked and were given permission to extend their remarks in the RECORD.)

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein certain tabulations and correspondence in connection with the remarks I intend to make on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein some resolutions on the St. Lawrence seaway.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address on the essential need of an adequate peacetime merchant marine.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARRIS or Arkansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a speech delivered by the Honorable James L. Fly, at the centennial telegraph celebration last night.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent that on Monday, at the conclusion of the legislative program of the day, and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, evidently some of the Members who have spoken are under a misapprehension in regard to the matter under discussion.

In the first place there seems to be an impression that the request made for the consideration of the bill was a departure from the established practice. On the contrary, it is a procedure followed for many years. And there would have been no objection to it on this occasion had it not been that the bill contained one provision on which certain Members of the House have a deep conviction.

And there arises the second misapprehension. It seems to be generally believed that this item is subject to a point of order—that it is legislation on an appropriation bill—and the gentleman from South Dakota [Mr. CASE] made his entire speech on that assumption. His argument was beside the point and could have no reference to the case in hand for the reason that this item is submitted by the Bureau of the Budget as being authorized under the war powers of the President. If that is true, a point of order would not lie and the order which was made yesterday for the consideration of this bill did not apply in any way to the appropriation for the Fair Employment Practices Committee.

It is a matter of surprise that the gentleman from South Dakota would peremptorily move the previous question

without permitting anyone to discuss his motion but himself: I have never seen it done before.

But the fact remains that the item was transmitted to the House by the Bureau of the Budget under the following authority:

Whereas the successful prosecution of the war demands the maximum employment of all available workers regardless of race, creed, color, or national origin; and

Whereas it is the policy of the United States to encourage full participation in the war effort by all persons in the United States regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders; and

Whereas there is evidence that available and needed workers have been barred from employment in industries engaged in war production solely by reason of their race, creed, color, or national origin, to the detriment of the prosecution of the war, the workers' morale, and national unity:

Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States and Commander in Chief of the Army and Navy, I do hereby reaffirm the policy of the United States that there shall be no discrimination in the employment of any person in war industries or in Government by reason of race, creed, color, or national origin, and I do hereby declare that it is the duty of all employers, including the several Federal departments and agencies, and all labor organizations, in furtherance of this policy and of this order, to eliminate discrimination in regard to hire, tenure, terms, or conditions of employment, or union membership because of race, creed, color, or national origin.

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FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 27, 1943.*

Mr. Speaker, I have been a Member of the House for nearly a quarter of a century, and all that time I have never been accused of sharp practice, and I certainly do not want to depart from that record at this late day.

It means no more to me than to any other Member of the House whether this bill becomes a law. There is not an item in the bill in which I am personally interested. There is no reason why I should resort to questionable methods to secure passage of the bill or any item in it. And this particular item which has occasioned the discussion I did not consider as in any way affected by the order. If it is authorized under the war powers of the President it will stay in the bill—order or no order—until and unless it is voted out by a majority of the House. So what could I have to gain by taking advantage of the House and the Nation in any such manner?

My only purpose in asking for the order was to expedite consideration of the bill in the usual way. That is shown by the fact that after we had agreed to ask for an order the gentleman from New York [Mr. TABER] referred to this item and suggested that I call up a member of the committee who had discussed it and who did not happen to be present at the time.

In response to Mr. TABER'S suggestion, I called up the member over the telephone and asked if it would be all right to present a unanimous request to the House. He said, "Go ahead; that is the thing to do."

Mr. HOFFMAN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. The point of order is that debate must be confined to the bill, and the gentleman is now talking about the question of waiver of points of order, which has nothing to do with the bill.

The SPEAKER. The gentleman is not speaking to the bill. He is speaking under a unanimous-consent request.

Mr. CANNON of Missouri. Mr. Speaker, to be certain that every Member of the House is given every opportunity to exercise his parliamentary rights—or what he construes to be his parliamentary rights—and in order to demonstrate the innocuous effect of the order on the particular item in question, I ask unanimous consent that the special order for the consideration of the bill be modified so as not to apply to the item on page 9 of the bill, beginning with line 11 and concluding with line 24.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, it seems to me that all of this maneuvering would make it possible to make a point of order against the appropriation of $500,000 for the F. E. P. C. This request would vacate the unanimous-consent request heretofore granted which prohibits points of order against the F. E. P. C. item. Therefore I object.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield, but I am not going to yield my right to object.

Mr. CANNON of Missouri. I trust the gentleman will not object. The item is not affected by the order for consideration of the bill.

Mr. MARCANTONIO. I am not going to take any chances. I object.

Mr. TABER. The question has not been put or the request made.

The SPEAKER. The gentleman's request is that the order be set aside with respect to the item beginning on page 9, line 11.

Is there objection to the request of the gentleman from Missouri?

Mr. MARCANTONIO. I object.

The SPEAKER. The gentleman from New York objects.

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Speaker, this is just a little post mortem. I would not take the well after the whole thing is decided except for the fact that the gentleman from Missouri referred to me. While the Members of the House might not know to whom he was referring, the members of the Committee on Appropriations knew to whom he was referring. He said I had taken the lead in it. I am sure you wondered of whom he was speaking, because I have not said anything about it here at all. No one has heard me open my mouth on the point of order or anything else.

I was opposed to the inclusion of this item for the Fair Employment Practice Committee in the deficiency bill, for the reason that I did not think it was authorized by law. The House Committee on Labor evidently does not think it is authorized by law because it already has hearings set down to consider the substantive legislation for it. I have always taken the position, as have the gentleman from South Dakota and other members of the committee, that the Committee on Appropriations ought not to try to bring legislation in on the floor of the House. For that reason, in the full committee I called attention to the fact that this unanimous consent secured 3 days before the bill was formulated or reported, before even the chairman of the committee and the minority member knew what would be in the bill, was a proceeding I have never known of. If it has been invoked, it ought not to be invoked any more. If it is the rule of the House now, the rules of the House ought to be changed, because I do not think the Appropriations Committee of the House, of which I am a member, ought to have the right to come into this body and ask unanimous consent to waive points of order on a bill when the members of the committee themselves do not know what is in the bill and before the bill is even reported.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from New York.

Mr. TABER. I just want to call the attention of the gentleman to the fact that on June 2, 1941, he made a similar request prior to the reporting of a relief bill.

Mr. WOODRUM of Virginia. If it was prior to the reporting of it, I will say to the gentleman that it was at the noon hour of the day, when the House was in session. The gentleman from New York was present. The gentleman from New York reserved the right to object and painstakingly outlined to the House at that time what was in the bill that would be subject to a point of order. The gentleman upon that occasion was scrupulously careful to see to it that the House knew what they were agreeing to when they did it. But in this case it was at 5:30 in the afternoon. Few Members of the House were present. The gentleman from New York and the gentleman from Missouri both knew that there was a provision in this bill to which many Members of the House did violently object.

Mr. TABER. Frankly, I thought that the gentleman from Virginia had been advised that the request was to be made.

Mr. WOODRUM of Virginia. I was advised. I am glad the gentleman reminded me of that. That is quite true.

Mr. TABER. I did not advise the gentleman.

Mr. WOODRUM of Virginia. No. That is quite true. The gentleman from Missouri called me and asked me if it would be agreeable to make a unanimous-consent request to make the bill in

order, in order to avoid going to the Committee on Rules, and I said it was agreeable. Nothing whatever was said about waiving points of order. That is usually done when the bill is reported.

Mr. CANNON of Missouri. The only purpose for which we could have made such a request was to waive points of order, because under the rules of the House general appropriations bills are privileged and we could bring the bill up at any time, consent or no consent.

Mr. WOODRUM of Virginia. Not at all.

Mr. HOFFMAN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. The point of order is that the gentleman from Missouri has not addressed the Chair.

Mr. WOODRUM of Virginia. That is all right; I yield to the gentleman from Missouri.

The SPEAKER. The gentleman belongs to the vast majority. However, the gentleman from Virginia yielded to the gentleman from Missouri.

Mr. WOODRUM of Virginia. This is a tempest in a teapot, and it is all over. I do think it is a serious situation about the rules, entirely aside from any question of the merits involved in this item that is involved in the bill. If the Committee on Appropriations has that power, then I think the power of our committee in the interest of the other legislative committees of this House ought to be curtailed by some definite action of this House in amending the rules.

Mr. COLMER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COLMER. The gentleman from Missouri asked unanimous consent to vacate the unanimous-consent request granted. That was objected to by the gentleman from New York. Would it now be in order for the gentleman from Missouri to move to vacate it?

The SPEAKER. Such a motion would not be privileged. It would have to be done by unanimous consent.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Would it be in order for the Committee on Rules to bring in a rule setting aside this monstrosity waiving points of order?

The SPEAKER. The Committee on Rules may bring in a rule at any time changing the rules of the House or making a bill in order, just as the House can do it by unanimous consent.

Mr. COX. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COX. Would a motion to strike this item from the bill when it is reached be in order?

The SPEAKER. It would be in order.

Mr. CANNON of Missouri. Mr. Speaker, I desire to ask the Speaker if he will recognize me at this time to move to suspend the rules and amend the order.

The SPEAKER. The Chair is not privileged to recognize Members today to suspend the rules. The gentleman, being a great parliamentarian, at one time Parliamentarian of the House, and a very able one, knows that there are only 2 days in the month in which it is in order to make that motion.

Mr. CANNON of Missouri. I desire to exhaust every possible parliamentary resource in order to amend this order.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. Will the gentleman ask the Committee on Rules for a rule to correct this?

Mr. CANNON of Missouri. I would welcome a rule from the Committee on Rules, and shall be glad to go before the committee with the gentleman and support a request for a rule.

Mr. RANKIN. If the gentleman will yield further, I will say to the gentleman from Missouri that this goes to the very root of the integrity of the proceedings of this House. It is the most dangerous thing that I have seen occur since I have been a Member. I hope the gentleman will call on the Rules Committee for this correction and that the Rules Committee will give it. If the gentleman does not do it, this is the beginning of the end of parliamentary government in this country.

Mr. CANNON of Missouri. I say to the gentleman very sincerely that at the time this request was made there was no thought of this particular item as far as I was concerned. The only purpose was to secure the usual order. That is conclusively borne out by the fact that I have never had the slightest idea that the item in which the gentleman is interested is subject to a point of order. The only desire was to adopt the usual method of expediting the consideration of a bill. As an afterthought, we took the precaution to notify in advance the only member of the subcommittee who had expressed any interest in the elimination of the item.

I have made this request repeatedly in the consideration of appropriation bills. I made it on House Joint Resolution 280 only a couple of weeks ago, and no one objected. Now that the objection has arisen, I have exhausted every opportunity and every parliamentary resource to amend the rule.

Mr. HOFFMAN. Mr. Speaker, I make the point of order that the gentleman now addressing the House is not proceeding in order.

The SPEAKER. The Chair suggests that the gentleman from Missouri is proceeding by sufferance.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Louisiana.

Mr. BROOKS. In the interest of fairness, the gentleman told me that the bill had not been completed and had not been approved by the full committee. I asked the gentleman specifically in reference to one item covering the fair labor practices, and the gentleman would not impart any information regarding that item to me at that time.

Mr. CANNON of Missouri. The gentleman knows that is the immemorial practice of all of the major committees of the House, the Ways and Means Committee, the Appropriations Committee, and all others. It does not rest with the Member in charge of a bill to follow his personal preferences in such matters. He is bound by inflexible rules which have come down to us from the past and for which there are the weightiest of underlying reasons. It is an imposition to ask a Member, however warm and intimate his friendship, to violate a rule of the House.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. May I ask the gentleman if he and the ranking minority member from New York were aware that this controversial matter would be in the bill when he made the request?

Mr. HOFFMAN. Mr. Speaker, I make the point of order that the gentleman from Pennsylvania has not addressed the Chair.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I addressed the Chair when I asked the gentleman from Missouri [Mr. CANNON] to yield.

The SPEAKER. The gentleman from Pennsylvania [Mr. BRADLEY] did address the Chair when he asked the gentleman from Missouri to yield.

The gentleman from Missouri [Mr. CANNON] has the floor for half a minute.

Mr. BRADLEY of Pennsylvania. I ask the gentleman if he and the ranking minority Member, the gentleman from New York, were aware that this matter which is now in controversy would be in the bill when the request was made.

Mr. CANNON of Missouri. I will say to the gentleman frankly that I do not remember whether it was before or after the final action on the item. It would have made no difference one way or the other. I did not consider it subject to a point of order.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, can this order be vacated in the Committee of the Whole?

The SPEAKER. It cannot.

Mr. MARCANTONIO. I simply want it for the record.

The SPEAKER. No action of the House can be vacated in the Committee of the Whole.

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TABER. I knew at the time this request was made that this item was in the bill.

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. WOODRUM of Virginia. The gentleman from Missouri [Mr. CANNON] says he did not know about it. Does the gentleman recall we had two roll calls in the Committee, during which we had to send out for reserves to vote on it?

Mr. TABER. No; it was five roll calls.

Mr. WOODRUM of Virginia. It was five; that is right.

Mr. CANNON of Missouri. I must correct the gentleman. I did not say I did not know about it. I said I did not remember whether I telephoned before or after final action was taken. It is inconsequential, anyway.

The SPEAKER. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes; and, pending that motion, I ask unanimous consent, if it meets with the approval of the gentleman from New York [Mr. TABER], that debate be confined to the bill, and continue for the remainder of the day, at the conclusion of which the first paragraph of the bill be read.

Mr. TABER. Mr. Speaker, reserving the right to object, we have already consumed much time out of the debate and I am afraid we cannot get along with just the rest of the afternoon and we will need an hour or an hour and a half tomorrow, and perhaps 2 hours. I do not think we should interfere with our finishing the reading of the bill, because I do not believe there are items that will be controverted. I do not think we can expedite the thing by trying to choke down the debate too much. I think we had better just have it continue through today and if we can get through, all right; and if we cannot, then we can go along for a little time tomorrow.

Mr. CANNON of Missouri. The gentleman refers to choking down debate. The gentleman will recall we had agreed in advance that debate should last 1 day and that we should read the first paragraph of the bill before adjournment tonight. I have no objection to debate going on tomorrow if the gentleman from New York wishes it, but I do object to any inference that I desire to choke debate. I have always at all times advocated full and free debate, and the only reason I have made the request that debate run for 1 day is that the gentleman from New York and I conferred and mutually agreed to that effect. If there is any proposition to choke debate it is the gentleman's proposition as it was his agreement.

Mr. TABER. I was not criticizing anyone, but I was simply stating a fact. We would have to choke down debate if we finish today.

Mr. CANNON of Missouri. If it would choke down debate it is the gentleman's proposition. He has not notified me of any change of plans.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I might say, Mr. Speaker, it was my intention today to ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow. I intended to do that later on in the day. If the gentleman from Missouri [Mr. CANNON] yields to me for that purpose I would like to make that request at the present time.

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WAR AGENCIES APPROPRIATION BILL

Mr. TARVER. Mr. Speaker, reserving the right to object, may we be assured if you do finish general debate today you will not begin the reading of the bill for amendment today?

Mr. CANNON of Missouri. I would like to confer with the gentleman from New York [Mr. TABER] on that. When does the gentleman from New York desire to begin the reading of this bill?

Mr. TABER. I do not think we ought to definitely close debate today. I think we ought to continue through today, and if we can finish it, all right; that is, taking care of reasonable demands. If not, we ought to have some time tomorrow. We ought to take care of reasonable demands for debate. I feel that would be better than to operate wildly under the 5-minute rule and take an hour and a half on an amendment.

Mr. CANNON of Missouri. Mr. Speaker, under previous order of the House all debate is confined to the bill. I will say it is my intention in the debate on this bill to recognize any Member and every Member from either side of the House as long as anybody wants to be heard on the bill.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think that is a simple question that can be answered. The gentleman from Georgia [Mr. TARVER] asked if there would be no amendment offered today, and if the debate should close that there be no reading of the bill for amendment. Cannot the gentleman state to the House that there will be no amendments offered to the bill this afternoon and no reading of the bill for amendment?

Mr. CANNON of Missouri. We have already agreed that the bill should not be read this afternoon and already agreed that general debate will go over to tomorrow.

Mr. McCORMACK. In other words, there will be no reading of the bill for amendment.

Mr. TARVER. I thank the majority leader.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that one-half of the time be controlled by the gentleman from New York and one-half by myself.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized.

Mr. CANNON of Missouri. Mr. Chairman, this bill comes at a crucial period in the war. We are now entering on the last phase of the conflict. The period of planning, the period of plant construction, the great period of preparation has passed. Our Army has been mobilized and trained and is ready. Ample facilities, food, weapons, and munitions are being supplied. We are on the eve of what is expected to be the last decisive drive of the European War.

It follows then that this bill, which deals with a wide diversity of subjects, all connected directly with the war, and which covers practically every field of operation in the war, will show the effects of the declining need for urgent and precipitous preliminary action which characterized the previous bill and like bills, enacted in the early part of the war.

The situation has changed. The emphasis has changed. The sphere of activity has shifted to the other side of the water. So we are glad to bring to the House a bill which marks a decrease in the annual appropriations for all but half a dozen of the numerous war agencies involved—not merely a decrease but a radical decrease in some respects and in some agencies. Some of the war activities are eliminated altogether. Others were drastically reduced. In only two of all the war activities, provided for in the bill, is any material increase recommended, namely, Office of Strategic Services and Office of War Information.

We have been in a position to give more attention to this bill than to similar bills presented heretofore. The reduced pressure of the war situation permitted us to exercise greater circumspection in its preparation. We have held hearings for approximately 2 months. The transcript of the hearings which was released last week, although it necessarily excludes much confidential information given the committee, covers over 1,800 pages. Committee investigators were on

duty in the preparation of the bill, in connection with several agencies, and every attention was given any prospect for retrenchment. Final action on an item was largely reduced to the consideration of two questions. First, whether the proposed appropriation was essential to the war program; and, second, what was the minimum amount that could be provided to secure adequate and efficient service by the agency.

The result of this long and exhaustive conference and research is presented in the pending bill. As is the custom of the committee and as has been our practice on all war supply bills, we present a unanimous report approved by every member of the committee.

I trust the Members of the House will find time to read carefully and critically the report and the hearings. In the years to come, when the history of this vast conflict is finally written, no historian can write the story and no historian will write it without reading this report and these hearings. It is a chapter—it is an indispensable chapter—in the history of the war. If time is lacking for a detailed reading of all of the hearings, I trust the Members of the House and all who are interested will at least read the opening statements made by the heads of the various agencies, with which we always preface the hearing before the committee. It is a record not only essential to a complete understanding of the war; it is a record which every American citizen can read with pride. It is a record preliminary to the victory which our armed forces will achieve with the cooperation of the activities provided for in this bill.

Taking the items in the bill categorically as they appear in the report, the committee recommends for the Office of Censorship approximately the amount appropriated for the current year. Censorship of press and radio is on a voluntary basis and the committee desires to take advantage of the opportunity to comment on the splendid cooperation both of the press and the radio industry. In striking contrast with the exercise of censorship in the First World War there have been no problems nor criticisms of sufficient difficulty to reach the public ear.

There was some question in the committee as to whether the amount recommended would be sufficient, as in addition to the ordinary duties of censorship, the Office deals with mail and messages which constitute the principal costs, costs which are steadily increasing. However, it is believed the amount carried by the bill will be sufficient for present needs and if exigencies arise requiring additional funds they can be provided by deficiency appropriations.

The Petroleum Administration for War is given the funds considered essential for the current year. It should be mentioned that this activity, dealing with the lifeblood of all war machinery; supplies without which neither Army, Navy, nor Air Force could operate a single hour has been unusually well administered. It is a source of gratification that in a war area stretching from the Tropics to the Arctic Circle there has been no instance in which oil and gas have been lacking on any front.

The Selective Service System for supplying manpower for the Army has been given a decrease of a little over $2,000,000 below the amount of the Budget estimate. It seemed to the committee, in view of the fact that the Army has now apparently reached the objective which our military authorities agreed upon, its slackening activities permitted a decrease in appropriation. At the same time it was necessary to take into consideration the fact that the agency is also engaged in handling honorably discharged servicemen released from the armed forces which up to last March aggregated 1,200,000 men and which are now returning to civil life at the rate of 100,000 a month. Due to this fact it was felt that while the work could be performed at something less than the Budget estimate, the reduction should be gradual and $2,000,000 was considered ample under the circumstances.

The Office of Strategic Services, which has been given an increase, operates under the efficient direction of Brigadier General Donovan, as an agency of the Joint Chiefs of Staff. Its principal functions consist of intelligence work. In view of the fact of its rapidly accelerating activities and its increased needs, especially its prospective demands within the next few months, the Budget increase was allowed. It is to be regretted that this appropriation could not be more fully discussed in the record, but that was inexpedient for the reason that it deals with matters in which secrecy is essential and much of the testimony could not be placed on record.

For the Division of Central Administrative Services a very material reduction was made. This agency has been rendering centralized administrative functions for a number of the war agencies.

Committee investigators have made two studies and reports on the operations of the Division and its relationship to the agencies serviced. Undoubtedly at the outset of war agencies the function of the Division saved considerable time and funds in the process of the organization of the agencies and in starting them operating. All agencies are now on a completely organized basis.

The committee is convinced that there exists as between the Division and the agencies served a considerable amount of lost motion and duplicated expense. Practically all agencies have the necessary supervisory personnel to direct these functions without additions to staffs for this purpose. Many of them now are obliged to perform some part of a function carried on for them principally by the Central Administrative Services before the latter can continue the carrying out of the function.

Data received by the committee from the Central Administrative Services as to cost of performance of certain of these functions for the agencies, compared with data furnished by the agencies as to what they estimate they could take over these functions for themselves, indicate a wide divergency in cost. The functions reported on for the agencies contacted show a reported cost by Central Administrative Services for performing the functions of $5,671,921 and the agencies' own estimates for performing these same functions total $2,968,701, or $2,703,220 less than the cost reported by Central Administrative Services. The committee recognizes that there are some variables in these cost figures. The Central Administrative Services' reported cost is on an estimated basis and not on a cost-accounting basis—a figure which is not kept or available. The agencies' estimates may not be complete, yet on the basis of experience the committee is inclined to feel that they would be more likely to overestimate than underestimate. The difference of $2,700,000 is too sharp a spread in costs to be ignored.

It is the committee's recommendation that many of these functions can be performed by the agencies themselves at reduced cost. It is recognized that the central duplicating function and the central switchboard operation in Washington cannot be distributed to agencies. They present no special problem. The duplicating function could be handled by whatever agency is the largest customer of the plant and be at least as efficiently run—such agency in this case is the War Production Board. The central switchboard function could be effectively handled by the Public Buildings Administration, which has familiarity with such operations in connection with management of public buildings.

Manifestly it is impossible for the committee to make an administrative determination of the matter. It requires handling both for the District of Columbia and field operations. The decrease of $1,350,000 is made on the basis of one-half cut in the amount of difference in the figures above quoted, which are on an annual basis. It will take time to make the necessary changes and the committee has left those for administrative action. The language of the bill has been adjusted to make possible retransfer of funds from Central Administrative Services to agencies and transfer of functions can be accomplished within the framework of existing law.

The Office of Civilian Defense has suffered the greatest reduction both in comparison with the appropriations for the current year and in comparison with the Budget estimates, of any item in the bill. While there is a general understanding that danger of invasion by enemy forces has now largely passed and on that account many of the activities of this Office could be dispensed with, it was felt upon the advice of the military authorities and those in position to pass upon the question, that the time has not yet arrived when it could be entirely eliminated, and for that reason an appropriation of $1,000,000 was retained in the bill. As will be noted from the figures in the report, the decrease in Federal funds is from $4,700,000 for 1944 to $1,000,000 for 1945 in total. The sum allowed is divided into two component parts for separate activities. The amount for civilian defense activities is $538,500, compared to a total for the present fiscal year of $4,000,000, a decrease of $3,461,500, or

86.5 percent, and $100,000 under the Budget estimate. The main portion of the sum recommended is for the Division of Federal-State Corporation.

No regional offices are provided for the fiscal year 1945 and contacts with States by field representatives will be made by personnel traveling from 4 field offices to be maintained at San Francisco, Chicago, New York, and New Orleans. Full-time civilian personnel as of June 30, 1943, was 1,142, reduced to 655 on December 31, 1943, to 295 on March 31, and provision is made for the fiscal year 1945 for a total of 132. Military personnel assigned to the Office of Civilian Defense will consist of 27 from the Army and 6 from the Public Health Service—the latter on a reimbursement basis—contrasted with the present number of 46 from the Army and 6 from the Public Health Service.

The amount recommended for accounting, handling, warehousing, and shipment of Government property for civilian-defense purposes is $461,500 against a Budget estimate of $500,500 and a current administrative fund of $700,000. An original appropriation of $100,000,000 was made for procurement of gas masks, fire-fighting apparatus and equipment, protective clothing, and medical equipment and supplies, for use in connection with defense against air raids and enemy attack. Of this amount approximately $53,000,000 was expended and property to the extent of $43,000,000 has been loaned to States and local communities and approximately $10,000,000 is centralized in three warehouses located at New Castle, Ind., Hanover, Pa., and Salt Lake City, Utah. Title to all of this property is in the United States. The amount allowed will provide for warehousing the inventory, redistribution and reallocation, and reshipment of equipment now loaned to local communities, and keeping of records of all property.

The Committee for Congested Production Areas, however, which served a needed purpose in the early days of the war when new plants were being started, and when industrial centers were being built up overnight and congested populations required facilities which could not be locally supplied, is no longer essential, and the committee felt that the situation in the production areas was now sufficient to warrant complete elimination of the activity. On that account the Budget estimate was denied.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I read with great interest a statement given to the press of the Nation by Mr. Elmer Davis, Chief of Office of War Information, as to his intentions, relative to the handling of political news overseas.

Mr. Elmer Davis' avowal of impartiality in reporting the forthcoming political campaign to the world fails to impress those who have heard similar expressions from the O. W. I. Chief many times in the past only to find that such assurances were given with tongue in cheek.

Mr. Davis could not be any more impartial than Harry Hopkins, David Niles, Felix Frankfurter, Sidney Hillman, or Earl Browder. He is completely allied with this group of fourth-term drum beaters. For him even to suggest that under his direction the O. W. I. would report political news without regard to partisanship is an insult to all those who are familiar with his record.

There is pending in the House a resolution which I recently offered, providing for the establishment of a bipartisan committee to review the material distributed by governmental agencies with regard to insuring the impartiality of which Mr. Davis speaks. He opposed that resolution.

If he is sincere in his promise to give the world a factual report on the coming Presidential and congressional campaigns, free from fourth-term coloring, why does he object to such a committee of Congress reviewing material distributed and broadcast by his agency?

On the face of it, it would appear that Mr. Davis is up to his old tricks and that under his direction we can expect a continuation of his political propagandizing in the months to come.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. Evidently no quorum is present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Allen, La.	Gallagher	Manasco
Andrews, Ala.	Gamble	Martin, Iowa
Arends	Gavin	Mason
Baldwin, Md.	Gearhart	Merritt
Barden	Gifford	Merrow
Bell	Gilchrist	Monroney
Bennett, Mo.	Grant, Ind.	Morrison, La.
Bolton	Green	Morrison, N. C.
Bonner	Griffiths	Myers
Boren	Gross	Newsome
Boykin	Hagen	Norton
Bradley, Mich.	Harless, Ariz.	O'Brien, Mich.
Brehm	Hays	O'Neal
Buckley	Hébert	O'Toole
Bulwinkle	Heffernan	Patton
Burdick	Heidinger	Pfeifer
Burgin	Hinshaw	Pracht,
Butler	Holmes, Mass.	C. Frederick
Byrne	Horan	Ramey
Cannon, Fla.	Hull	Ramspeck
Capozzoli	Izac	Randolph
Carson, Ohio	Jackson	Rees, Kans.
Carter	Jenkins	Robsion, Ky.
Celler	Johnson,	Rowan
Clark	Calvin D.	Satterfield
Cole, N. Y.	Johnson,	Sauthoff
Compton	Lyndon B.	Shafer
Costello	Johnson, Okla.	Sheridan
Curley	Jones	Simpson, Pa.
Curtis	Judd	Smith, W. Va.
Dewey	Kearney	Smith, Wis.
Dickstein	Kennedy	Stearns, N. H.
Dies	Kerr	Stigler
Dirksen	King	Stockman
Disney	Kleberg	Sumner, Ill.
Douglas	Klein	Sumners, Tex.
Durham	Knutson	Taylor
Eaton	Larcade	Treadway
Eberharter	Lea	Vincent, Ky.
Elliott	Lewis	Vursell
Fernandez	Luce	Wasielewski
Fitzpatrick	McCord	Wene
Folger	McLean	White
Ford	Maas	Wolfenden, Pa.
Fulbright	Maloney	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 4879, and finding itself without a quorum, had directed the roll to be called, when 293 members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

Mr. TABER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the chairman of the Committee on Appropriations has quite fully discussed most of the items in this bill. I shall only call attention to a few of them, although I shall be prepared to answer questions on any subject that anyone cares to ask. I shall only call attention to the few that I feel are subject to considerable criticism.

First, Office of Civilian Defense. This item has been cut down from a current appropriation of $4,700,000 to $1,000,000. Frankly, I think that the appropriation for civilian defense activities is away out of sight for what they have to do. If they have anything at all to do, it is simply to maintain a small organization which should not cost over $50,000 at the most.

They have a certain amount of property they have to look after. It probably runs into many millions of dollars, $50,000,000 to $60,000,000, although it will not sell for that much when we are through.

On the other hand, their activities are down to almost nothing. They have regional offices all over the country they do not need. They told us that one of the principal reasons they had for maintenance of their national office and the regional offices was that the State War Councils and the people of the States who were mixed up with the Office of Civilian Defense would not do anything unless they told them to. They cited as an illustration the organization in Rhode Island, where it was necessary for a representative from Washington to go up there to tell the local civilian defense organization to cooperate in a Government bond drive. Just imagine such a thing as that. They had them so well trained that they would not operate unless they pressed the button here in Washington.

Frankly, the folks up in my territory would not stand for that kind of training. They are not that way. They are prepared to take part in all sorts of activities to support the war effort without any punching of the button from Washington. I believe that with these regional offices and the set-up here in Washington they have a good deal more money than they need.

I want to say a word or two about the the Committee on Fair Employment Practice and the way it seems to me the colored folks have been treated. This committee came before us, and the first activity they mentioned that required their efforts and kept them busy was to do away with discrimination against German aliens in employment in war industries. Just imagine, laying to the

colored man such a performance as that. I wonder if the colored man is dumb enough to put up with that kind of performance. Frankly, I told those people that that kind of business was entirely improper and that I hoped this would be the end of that kind of performance. A very substantial portion of their activity was devoted to that sort of thing. It is all set forth in the hearings. Just think, a governmental agency chasing around to a manufacturer who has a war contract and telling him that he has to employ German aliens in that place, when we are spending millions of dollars for the F. B. I. and other governmental organizations to protect the United States of America and the war effort from just that sort of thing.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. MAY. I regret to expose my ignorance about this thing, but what is this organization? Where did it originate, and what does it do?

Mr. TABER. This is the Fair Employment Practice Committee, headed by Malcolm Ross.

Mr. MAY. How was it created? I do not recall voting to authorize it?

Mr. TABER. It was created by Executive order. They claim that the authority for the Executive order was one of the War Powers Acts we passed. I do not know whether it is or not.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. On page 13 of the report is a short paragraph of explanation:

> The minority groups affected by the order fall into four broad classifications—Negroes, religious groups, aliens, and workers of other national origins. Of the cases pending at the time of the hearings, 78 percent affected Negroes, 10 percent affected religious affiliation, 7 percent affected aliens, and 5 percent affected workers of other national origins.

If a Government contract is involved, they would not have aliens working under a Government contract.

Mr. TABER. All I know is what Mr. Ross told us. He said that the authority for his attitude was the Executive order.

I will say this for the outfit. They sent a man around to see me afterward, after the hearings were over. They said they had had a meeting and had agreed that they would not operate that way any more, that they would stop this job of trying to do away with discrimination against German aliens as to employment in war plants. If they had not said that, I would be here trying to throw that thing out, because I would not stand for that kind of thing in a bill. I hope and believe that that activity of the organization is ended. I do not like the idea of any organization in the Government advertising that it is an organization to promote fair practices for the Negroes and getting involved in such a thing as that.

The Coordinator of Inter-American Affairs has a very substantial appropriation. On the other hand, it is not as large as it was last year. It is down a very substantial amount, and we have the assurance of the Coordinator that as soon as the war is over, it is over.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Arkansas.

Mr. NORRELL. Speaking of other nationalities being represented on this board, I wonder if the gentleman knows if there is anyone representing the Finns on the board, or the Poles, or the Czechs, or any other nationality than the Negro.

Mr. TABER. There are people on the board who are of different nationalities and different races than the Negro. I may not pronounce his name right, but there is a Mr. Shishkin, who represents the American Federation of Labor.

Mr. NORRELL. What nationality is he?

Mr. TABER. I do not know what nationality he is, but I thought it was one of the Balkan States, although I would not be sure. There was a lady from Baltimore who was in some business or other, I cannot tell just what.

Mr. NORRELL. It is true that the entire personnel are members of the Negro race?

Mr. TABER. No; Mr. Ross is not; Mr. Shishkin is not; and this lady from Baltimore is not. I cannot remember her name.

Mr. NORRELL. Is the gentleman satisfied that all minority groups are represented on the board with the same degree of interest that the Negro race is represented?

Mr. TABER. No; I am not. Their activity is probably two-thirds Negro. How much they help the Negro, I do not know. I do not know of any case where they have actually done anything. I do not mean by that that there is nothing in the record to show that; their claims along that line, or the detail; but I do not know personally of any case where they have done anything. I have not been able to follow the thing through to where I would have personal knowledge.

Mr. NORRELL. I agree with the statement the gentleman makes. I know of no good that it has done so far, even to the Negroes themselves.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. On page 601 of the hearings appears a tabulation setting forth the distribution of alien cases closed from July 1 to December 31, 1943, by national origin and type of disposition. There are 12 cases in all dealing with German aliens. Five of the cases were dismissed, 4 were withdrawn, and 3 were satisfactorily adjusted. That is the whole story about that.

Mr. TABER. That was the first item that Mr. Ross started to talk to us about.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MARCANTONIO. Does the gentleman contend that people of German origin or other foreign-born people are not loyal to the Government in this war; and, if they are loyal, are they not entitled to protection against discrimination? Further, is not the gentleman aware that both the Army and the Navy have asked that so-called aliens be employed in defense plants?

Mr. TABER. Citizens are one thing and aliens are another. When you are dealing with enemy aliens it is rather difficult for us to place them in the same category with citizens of the United States or those who come from nations other than enemy nations. We have got to discriminate in connection with our war industries against employment of aliens, otherwise we are going to be in a very dangerous position. I feel that very decidedly.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COLMER. With reference to this fair-practices provision that has created so much consternation here, I have no desire to put the gentleman on the spot, but I want him to yield to me to make a statement more in the nature of an observation: The thing some of us are concerned about is whether or not this is broad enough to protect the white people of this country against discrimination. Some of us have got the idea that while the thing is set up to protect the colored people, it is the white people who are being discriminated against in the administration of these things.

Mr. TABER. The language of the Executive order is broad enough to protect the white people against discrimination, but whether there is a disposition on the part of the management of the Commission to do that, I would not know. I have not known of a single case of that kind that has been put up to them. I have no report on it. Mr. Ross stated to us that he was doing one thing absolutely, he was keeping away from everything except employment. He was not getting into any social discrimination or anything of that kind.

Mr. COLMER. No, sir; that would come next. I was thinking about the employment stage of it when I made my observation.

Mr. TABER. Yes; I can appreciate the gentleman's feeling.

Mr. COLMER. Of course, the gentleman realizes that this thing is set up here, and I believe we have an election in November, and that is given some consideration. And the gentleman further realizes, I am sure, that the men are appointed on this thing with the objective to see that a certain race is given preference over all other races.

Mr. TABER. For my own part I would not stand for it for a minute if I thought there was going to be discrimination in favor of any particular group. For my own part I think the worst thing that any man could do for the Negro or any other racial or religious group would be an attempt on the part of the Government to give them preference or priority, or to promote them as against the other elements in our population. That would be the worst curse that could be placed upon them. If those people get to doing that they will be the greatest menace to the Negro race that could possibly be imagined. There is not any question

about that and they must guard themselves against it, for they are going to be in just that situation.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield at that point?

Mr. TABER. Yes.

Mr. MARCANTONIO. There is no evidence to indicate that this committee has been attempting to give preference to any one. It seems to me that the record is replete with evidence that all this committee has been doing has been to protect people against discrimination in employment because of race, color, or creed. Is that not correct?

Mr. TABER. There is no evidence in the record of anything other than that; that is true.

Mr. NORRELL. Mr. Chairman, will the gentleman yield for one more question?

Mr. TABER. Yes.

Mr. NORRELL. The record ought to show who the gentlemen were who went before the subcommittee and made that record.

Mr. TABER. The record was made by Mr. Ross, Mr. Shiskin, the lady I spoke of, Mr. Johnson, and one other man from the committee. I will put the names of those who appeared before the committee in the RECORD, as well as their positions. The other names follow: Will Maslow, field director; John A. Davis, director review; Charles H. Houston, law member; John Brophy, C. I. O.

Mr. NORRELL. In other words, it was an ex parte proceeding.

Mr. TABER. Some of them were on the board and some of them were employees of the board.

Mrs. ROGERS of Massachusetts. Mr. Chairman will the gentleman yield?

Mr. TABER. I yield.

Mrs. ROGERS of Massachusetts. I notice that the committee cut the Office of Censorship. I think it is $114,000 below the Budget estimate.

Mr. TABER. Yes.

Mrs. ROGERS of Massachusetts. Does the gentleman know the reason for that?

Mr. TABER. This is the point involved in that. It does not make any difference what an activity is if it is apparent that they are not going to be able to get the number of people they had hoped to get and if their own evidence indicates that they cannot get the number of people they hoped to get. There is not any sense in our appropriating money for an organization on a scale larger than it is possible to recruit their forces.

Mrs. ROGERS of Massachusetts. Mr. Byron Price has had great praise for his censorship work.

Mr. TABER. I would not regard this cut as a reflection on Mr. Price. That was a cut that was based upon our thought as to what they might be able to do in obtaining personnel to fill positions, from their own testimony. That is the reason for that particular cut.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield myself 20 additional minutes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield further?

Mr. TABER. Yes.

Mrs. ROGERS of Massachusetts. They are trying to add more civilian personnel you state. Are they going to employ more Navy personnel for cable censorship as the result of not being able to get the men for civilian positions of censorship?

Mr. TABER. I would not imagine they would, very much. Of course, they may be able to do better than they figured, because as we go along in this war situation, the employment situation, perhaps, may not be so bad in some respects, with the type of people that they have to have.

Mrs. ROGERS of Massachusetts. How do the salaries compare with the pay given to Navy personnel? Does the gentleman know that? I suppose civilian salaries in the higher brackets are a good deal larger?

Mr. TABER. Well, the pay in the low-salary group is higher but the cost is probably less, because the Navy personnel receive their food and their lodging and all that sort of thing in addition to their pay, while these people have to cover those things out of their own pockets. Some of the personnel in the higher brackets in censorship is higher paid than the Navy.

Mrs. ROGERS of Massachusetts. But on shore duty they have to pay for their lodgings.

Mr. TABER. But they are given an allowance.

Mrs. ROGERS of Massachusetts. Not very much.

Mr. TABER. Oh yes; very considerable.

Now, with reference to the Office of War Information, I think perhaps the best statement upon the Office of War Information was made to us on page 132 of the hearings, by Mr. Cowan, head of the New York office of O. W. I. The chairman of the committee, the gentleman from Missouri [Mr. CANNON], was questioning him. Mr. Cowan said this:

> As we all know the peoples of the world have been subjected to a lot of propaganda, particularly in the occupied countries. So no doubt they are pretty well fed up on it.

That is the actual picture with reference to the propaganda situation. We have provided a very large sum of money. We have provided enough money so that they can go ahead and broadcast three or four sets, 24 hours a day. I understand there is one set broadcasting from England, several short-wave sets going into Europe from New York, three and sometimes four; there are one, two, or three from San Francisco going all the time, and there is another one in process of construction out nearer to Japan. The worst trouble with that set-up, as far as I can see, is these articles that they put out are not well written. They have an enormous quantity of it, and a great deal of it reads as though it were a lot of words thrown together. It is not forceful; nor can it be effective. It is very inept.

That is the trouble with that organization. I have been hopeful that they would take to heart some of the criticism that has been made of it and would reform their activities. They get out magazines and all that sort of thing, but I do not believe the magazines have been effective in doing us any good. They get out all sorts of pictures, they get out printed propaganda to distribute in neutral countries. Very little of it goes into enemy countries. Out of a printing appropriation of $3,500,000, I imagine $100,000 is used on the leaflets that go into enemy countries. Those leaflets are short, and the cost of getting them up is very great. I have felt that a great deal of that activity could be reduced.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. BUFFETT. Does the gentleman have any information on the comparable amount that Great Britain and Russia spends on that kind of activity?

Mr. TABER. We had no information except what was given us by the O. W. I. They told us that Great Britain was spending more money. For my own part I do not know and I have no way of checking it.

Mr. BUFFETT. Does the gentleman have any information about Russia?

Mr. TABER. I do not think Russia is spending a large sum on propaganda at this time, although they are spending some.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. The testimony adduced before the committee showed that England is spending $80,000,000 and Germany $540,000,000.

Mr. TABER. Yes; but the gentleman from Nebraska was asking about Russia.

Mr. CANNON of Missouri. The money spent by the Axis Powers is out of all proportion to that spent by the Allied Powers.

Mr. TABER. I understand that.

Mr. BUFFETT. Russia seems to be doing the most successful job.

Mr. TABER. That is probably so.

Mr. BUFFETT. Perhaps we ought to consult with them on matters of this kind.

Mr. TABER. I think if a majority of the House could read these broadcasts that they get out day after day, hour after hour, they would appreciate the real desirability of stepping up the caliber of these broadcasts.

Mr. CASE. Will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE. I was wondering if the gentleman was going to say something about the so-called Official Handbook of the United States.

Mr. TABER. I have talked about that heretofore. I had intended to say a great deal. It seemed to me that it was largely political. It was based upon the theory that all power should be lodged in the President, and it practically says that. It goes along down the line indicating that the Congress must delegate authority to the President to do everything, when we all know that the troubles we

have gotten into in this country have been when we have delegated authority and have not met our own responsibilities here in the Congress full-fledged.

Mr. CASE. Will the gentleman say whether or not it is proposed to print any additional copies of the book in its original form?

Mr. TABER. I do not think it is. There is a book called The U. S. A., or something like that, of a smaller character, that I understand they are printing. They are printing what they call a Victory magazine, in several languages, which goes out to other countries and is sold for a small sum. As I understand, that magazine costs a great deal more to produce than such a magazine as Life or Collier's, or something of that nature.

Mr. CASE. It is my understanding that the purpose of that publication, as well as other publications, is to give a correct interpretation and understanding of the United States to other countries; but from what I saw of that particular publication, they give a very distorted view of the country and of its history.

Mr. TABER. That is true; and, for my own part, I think it was a damage. I thought they could do well without it. Frankly, I believe that the O. W. I. could be operated and do a better job with $20,000,000 than it can with $60,000,000.

Mr. ELLIS. Will the gentleman yield?

Mr. TABER. I yield.

Mr. ELLIS. Reference has been made to the sum of money expended by Germany, some $540,000,000. It is interesting to note, according to their report, that the German Government owns or directs or controls every newspaper published in Germany and the entire German radio system. So that the two issues are not comparable at all.

Mr. TABER. I think probably there is something to what the gentleman says, that their whole propaganda set-up involves the whole communication set-up in Germany and is not limited strictly to propaganda.

I do not want to take too much of the time of the committee, but I wish to call attention to one or two things that seem to me to be needing considerable attention.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield at that point?

Mr. TABER. I yield.

Mr. WOODRUM of Virginia. Would the gentleman say in the matter of the item of the Office of War Information that the committee discussed and worked over it and that the report which the committee brings in is a unanimous report of the subcommittee and of the full committee.

Mr. TABER. As to the amount; we agreed upon the amount.

Mr. WOODRUM of Virginia. Made a substantial cut.

Mr. TABER. There was a cut of approximately $6,000,000 on the combined appropriation for the domestic and foreign overseas branch.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mrs. ROGERS of Massachusetts. I notice the hearings cover an item of $550,000 for the Petroleum Administration for War. I wonder if the gentleman will tell us why that cut was made when oil and gasoline are so vital?

Mr. TABER. Very largely because they were getting along with less help than they were allowed this year. They were having difficulty recruiting help. We felt that even though we allowed them more money they would not be able to get the help.

Mrs. ROGERS of Massachusetts. And the oil and gas situation is a good deal better, is it not? The completion of the laying of the 24- and 20-inch pipe lines that we fought so hard to secure has helped that situation in the East somewhat.

Mr. TABER. It is somewhat better. I do not believe there is any shortage of needed funds for any necessary activity on the part of the Petroleum Administration for War.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WIGGLESWORTH. And the report indicates in this connection that the decrease has been accomplished with the cooperation of the officials of the administration itself.

Mr. TABER. That is correct.

Mr. WIGGLESWORTH. They have made consolidations within the organization, and so forth, which have resulted in savings of approximately $90,000 a year.

Mrs. ROGERS of Massachusetts. So they cannot claim that lack of funds prevents them from allowing us all the oil and gasoline that is needed.

Mr. TABER. They have no shortage of funds.

I want to call attention to the War Relocation Authority and then I shall yield the floor. The War Relocation Authority is the set-up that looks after the Japanese prisoners, and it is quite a substantial group. A small cut has been made in their funds. On the other hand, they have been absolutely wild in raising salaries. Out of a group receiving $8,000 a substantial number received increases at the time of employment averaging $1,250. Forty percent received increases averaging $1,850 within a period of 10 months after appointment. In the $6,500 group 87.5 percent received an increase in salary at the time of employment averaging $1,119. Fifty percent of this group received promotions of $1,500 within an average of 9 months after appointment. Forty-three percent of the same group received promotions averaging $2,840 apiece. In the $5,600 wage group 56 percent received increases at the time of appointment averaging $1,047. Forty-eight percent received an average promotion of $1,219 within 9.7 months after appointment. Forty percent of this group received increases at appointment and promotions thereafter averaging $2,192 each.

In the $4,600 wage group 69 percent received an increase in salary at appointment averaging $945; 49 percent received promotions averaging $1,015 within a range of 8 months; 30.3 percent received an increase at appointment and promotions thereafter aggregating $1,781 each. These people have gone out and stripped the States where these camps are located of their school teachers and taken them in to teach these people who are in the camps. They have raised the salaries of these school teachers, many of them to double what they received in the State service, with the result that these States have been absolutely without teaching facilities for their own American children. The thing has gone so far that it has created a very bad situation. In some of these States they have had to go out and get volunteers and people who have been retired, people who are not physically able to carry the burden, to come in and teach to keep their schools swinging. The whole thing has been managed on a most reckless and, to my mind, incompetent scale. We would do very much better by this agency and get more efficiency out of it if we gave them less money. I really believe this is an agency that should have considerable attention.

I am going to give you a little illustration of some of the backgrounds of these employees. One man was an announcer and writer in 1934 at $1,400. He entered the employ of the Federal Government as a special assistant in December 1934 at $3,600. In January 1942 he was receiving $5,600; in March 1942 he transferred to W. R. A. to a position paying $6,500, an increase of $900; and in less than 14 months he was promoted to $8,000, a total increase of $1,500. This shows an increase of $2,400 in less than 14 months. There are several others I have here of just about the same type.

The CHAIRMAN. The gentleman from New York has consumed 40 minutes.

Mr. TABER. I yield myself 1 additional minute and will finish at this point. I was trying to cover a few of these items. When this particular item I have just spoken about is reached I am going to try to tell a little bit more about it.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

FINE WORK DONE BY O. W. I.

Mr. PATMAN. Mr. Chairman, I have read this bill with interest, especially one part in which I am very much interested, that is the part which relates to O. W. I. I do not mean by that that I am not interested in some of the other provisions, but I have had occasion to come in contact with the work of the O. W. I. more than I have come in contact with the work of any other branch or division covered in this appropriation bill.

I am glad to know the appropriation for O. W. I. has been increased $20,000,000. I know it is not too much, especially in view of the fact that England is spending $80,000,000 a year for the very purposes that we are spending very much less than that for and in view of the fact that Germany is spending $540,000,000 a year for propaganda purposes.

It is true that in Germany all the radio stations and all the newspapers are

owned by the German Government, but that makes it easier for Germany. In this country we do not control the newspapers, neither do we control the radio stations. In some cases we hear a lot over the radio that is not just exactly in the interest of proper coordination or efficiency of effort, and we have a lot of newspapers that are not playing on the same team of unity that newspapers should play in a country engaged in war. I do not say that any of them are guilty of treasonable conduct, no, because we are in a country where we have the right of free speech. Hitler at one time said that he did not fear the ultimate outcome of a war that he might have with a country that insisted upon the right of free speech. He said that in a country that had and continued free speech the people would soon fall out among themselves, there would be so much disunity and discord and working against one another that the country would soon fall or so many of them would come over on his side that to conquer them would be much easier than in any other kind of a country. So it certainly is necessary that we do something to counteract this propaganda that Hitler and the Japs from day to day are putting out, especially in these neutral countries.

ELMER DAVIS TO BE COMMENDED

Mr. Chairman, in my opinion Elmer Davis is doing a wonderful job. I do not know of any other man in the United States who could do a better job. He is staying on the job here in Washington and elsewhere in the United States 14, 16, 18 hours a day, working just as hard as he can work and at a great personal sacrifice, financial and otherwise. I think he is to be commended for the fine, patriotic work that he is doing in this war. If we would all play on this team that we should play on with the degree of unity, support, and cooperation that Mr. Elmer Davis is playing, this war would be shortened and our boys would get back home much earlier.

WAR COULD BE SHORTENED

I cannot help but believe that the disunity and discord that we hear every day, and I am sorry to say that some of it is in Congress, is bound to give great aid and encouragement to our enemies. It is bound to give them courage to think that possibly one of these days our country will crack, thereby enabling them to encourage their own people to keep going. "Listen to them over in the United States, listen to them fighting among themselves; listen to what they are doing." It is bound to lengthen this war. So I think the quicker we get together and fight and all play on one great team and support the 11,000,000 fighting men we have in the war today the quicker this war will be over. It will certainly be shortened by unity.

O. W. I.'S RECORD ON PREVENTING INFLATION

I want to say something about the O. W. I. and what it has done to enlist public support and to prevent wartime inflation.

In a fascist state the effort to prevent wartime inflation depends upon compulsion. In a democracy it depends primarily upon the voluntary actions and cooperation of individual citizens.

This cooperation, in turn, depends upon understanding. Information is therefore an important part of the fight to prevent wartime inflation in the United States.

May I say here that during the past 12 months the line has been held against prices and inflation, the first time in the history of the world an effort has been made to control prices and wages during wartime. We can point with pride to the successful record that has been made. If we had paid the same prices for the material and the labor that have gone into our war machine up until December 31 last that we paid during a similar period of time in World War No. 1, the cost of this war would have been increased and our national debt would have been that much larger, to the extent of $65,000,000,000. We can point with pride to that. It means $500 for every man, woman, and child in the United States saved on the war cost alone. In addition to that, there are $22,000,000,000 that have been saved in cost of living, which is equal to $700 for every American family. That is a wonderful record. In Germany citizens can be told what to do. The entire police machinery, not excluding the feared and hated S. S., is used to check on compliance with regulations. Punishment is meted out arbitrarily and ruthlessly—the death sentence is not an uncommon punishment for failure to observe rationing regulations.

In this country, in contrast, primary reliance is placed on the good sense, the voluntary actions, and the cooperation of all citizens. To be sure, some phases of the anti-inflation program necessarily involve compulsion. Essential goods in scarce supply are rationed and most goods have been made subject to price control.

Let it be remembered also that we have 8,000,000 different prices and with 8,000,000 different prices we are going to have some mistakes made. Mistakes are perfectly natural since human beings are administering these laws, but the over-all picture is a good one.

But these measures, too, reflect the wishes of the American people and depend for their success not on rigid enforcement but on voluntary compliance; there is, in fact, on the average less than one paid investigator of infractions per county. In a broad sense it may be said that every phase of the Nation's anti-inflation program depends upon the voluntary cooperation of individual citizens. This is obviously true of such things as self-restraint in buying and the purchase of War bonds; in the last analysis it is no less true of compliance with rationing and price control.

There can be but one sound basis for this kind of democratic cooperation: Understanding. And understanding is a product of information. It is only when people understand a problem that they may be expected to comply with restrictions and to gear their actions to the Nation's needs. Particularly is this the case when the actions run counter to certain natural impulses—the impulse, for example, to spend freely when one has the money and wants things; the impulse to get as much as one can for one's labor or the goods one has to sell. Information is essential to the success of economic stabilization in a democracy.

Recognizing this, in May 1943 the Office of War Information launched an information program on economic stabilization in cooperation with the Government agencies administratively concerned with the problem. The program had the following objectives:

To explain why there is a danger of rapidly rising prices in wartime.

To develop a widespread awareness of the havoc an inflationary price rise could cause both during the war and after the war when the boom bursts.

To enlist each citizen in the fight against inflation and tell him specifically what he can do.

Mr. TABER. Mr. Chairman, under the circumstances I will have to make a point of order.

Mr. PATMAN. All right, you can make the point of order but I will not yield until I am through.

Mr. TABER. Then I will make it now.

Mr. PATMAN. All right.

Mr. TABER. The gentleman is not speaking to the bill, and debate has been confined to the bill.

Mr. PATMAN. I certainly am.

Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The gentleman will proceed in order.

Mr. PATMAN. In connection with this last objective, seven specific active suggestions were made.

Mr. TABER. Mr. Chairman, it is perfectly clear that the gentleman is not speaking to the bill. I renew my point of order.

The CHAIRMAN. The point of order is overruled. The gentleman will proceed in order.

Mr. PATMAN. First. Buy only what you really need.

Second. Pay no more than ceiling prices.

Third. Pay off old debts and avoid making new ones.

Fourth. Pay willingly any taxes that your country needs.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 70]

Allen, La.	Brehm	Curtis
Anderson, N. Mex.	Buckley	Davis
Andrews, Ala.	Bulwinkle	Dawson
Andrews, N. Y.	Burch, Va.	Dewey
Arends	Burdick	Dickstein
Auchincloss	Burgin	Dies
Baldwin, Md.	Cannon, Fla.	Dingell
Barden	Capozzoli	Dirksen
Barry	Carson, Ohio	Disney
Bell	Carter	Dondero
Bloom	Celler	Douglas
Bolton	Cole, N. Y.	Durham
Bonner	Compton	Eaton
Boren	Cooley	Eberharter
Boykin	Costello	Elmer
	Cox	Fernandez

Fitzpatrick	Kearney	Randolph
Flannagan	Kefauver	Rees, Kans.
Folger	Kennedy	Robsion, Ky.
Ford	Kerr	Satterfield
Fulbright	King	Sauthoff
Fuller	Kleberg	Shafer
Furlong	Klein	Sheridan
Gale	Knutson	Simpson, Pa.
Gallagher	Lanham	Slaughter
Gamble	Larcade	Smith, Va.
Gavin	Lewis	Smith, W. Va.
Gilchrist	Luce	Smith, Wis.
Grant, Ind.	McCord	Snyder
Green	Maas	Somers, N. Y.
Griffiths	Manasco	Stearns, N. H.
Gross	Martin, Iowa	Stewart
Gwynne	Mason	Stigler
Harness, Ind.	Merritt	Stockman
Hart	Merrow	Sumners, Tex.
Hays	Morrison, La.	Taylor
Hébert	Morrison, N. C.	Treadway
Heffernan	Mott	Vincent, Ky.
Heidinger	Murphy	Vinson, Ga.
Holmes, Mass.	Murray, Tenn.	Vursell
Hope	Myers	Wadsworth
Hull	Newsome	Wasielewski
Izac	O'Neal	Weaver
Jackson	Pace	Welch
Jenkins	Patton	Wene
Johnson, Lyndon B.	Pfeifer	Whelchel, Ga.
	Plumley	White
Johnson, Ward	Pracht, C. Frederick	Wilson
Jones		Wolfenden, Pa.
Judd	Ramey	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 4879, and finding itself without a quorum, directed the roll to be called, when 281 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

FIGHTING INFLATION

Mr. PATMAN. Mr. Chairman, I did not make the point of no quorum. It was made by another Member. However, I am glad that the audience has increased and I will be able to show what the O. W. I. has done. The O. W. I. has done a wonderful work. First, the purpose of the second front was to relieve the enemy pressure on the first front by striving for two main objectives, one to increase public understanding of the forces which cause inflation, and secondly, to tell every American precisely how he can and should fight inflation by taking certain specific action.

Here is what the O. W. I. is doing. Here is the nature and extent of support being given the anti-inflation program by established media. This support is obtained directly by O. W. I., which prepares all needed background activities and coordinates all activities: Movies, posters, newspapers, magazines, and radio. In only a few typical months, from July to December 1943, the O. W. I. radio facilities carried anti-inflation messages to 738,000,000 listeners. Magazines initiated by O. W. I.: The Magazine Publishers' Committee is running advertisements regularly in magazines with a total circulation of 92,000,000 monthly, plus consistently heavy editorial support in the form of articles and featured sections.

Under various plans created by the O. W. I., anti-inflation advertisements are appearing in thousands of newspapers.

O. W. I. controlled-circulation newspapers, 60,000,000.

O. W. I. community newspaper plan, 47,000,000.

Insurance companies' program, 30-, 000,000.

Total circulation, 137,000,000.

Plus a tremendous volume of editorial support in these and other papers.

Motion pictures: Three pictures have been made through O. W. I. facilities: Skirmish on the Home Front, Ceilings Unlimited, and The Why of High Wartime Taxes, each distributed to over 15,000 theaters; each seen by about 100,-000,000 people.

Posters: Prepared by the insurance companies with the advice of O. W. I., and distributed by O. W. I., are anti-inflation posters numbering 2,650,000, plus a comprehensive monthly showing of 24-sheet billboards in urban markets.

It is impossible to set a dollar value on the amount of editorial support O. W. I. has obtained for the anti-inflation program. But it undoubtedly exceeds by many times the value of advertising support received.

And the estimated value of advertising support received in only the first several months of the program's operation was $11,300,000.

How effective has it been?

According to a careful, comprehensive O. W. I. survey made in January 1944, 58 percent of the population reported either reading or hearing over the radio something about what they could do to help hold down prices.

From May through December of 1943, the cost-of-living index dropped seven-tenths of a point.

Conclusions: The O. W. I. anti-inflation program has yet to reach nearly half the public.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. PATMAN. The understanding of inflation problems and of individual responsibilities in combating inflation is demonstrably better among people who have been reached than among those who have not.

For example, of those reached compared to those not reached, nearly twice as many of the former knew of something in addition to price ceilings that the Government was doing to hold down prices. Knew they could help hold down prices by saving, investing in War bonds, and buying only necessities. Knew that higher taxes help hold down prices.

The O. W. I. anti-inflation program activities are accordingly being intensified.

The time and space devoted to this program has not cost the Government 1 penny. Not 1 penny.

So this program carried on by O. W. I. that would have cost this Government tens of millions of dollars in advertising over all these different kinds of communication——

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MARTIN of Massachusetts. Will the gentleman tell us who pays for it?

Mr. PATMAN. Well, the newspapers were patriotic enough to cooperate and furnish advertising; and the radio owners did the same thing. But they had the assistance of the coordinating effort of O. W. I., that made it possible. Otherwise it would not have been possible. The life-insurance companies of America have done a wonderful job in cooperation with O. W. I. This shows where a few pennies spent by our Government for coordination has enabled us to receive what would have cost us tens of millions of dollars a year. So I think money spent in that way is spent in the best possible way.

Mr. HOFFMAN. Will the gentleman yield?

Mr. PATMAN. I do not yield.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. PATMAN. I am sorry. There is nothing personal, I assure the gentleman, but I do not yield.

Before the point of no quorum was made, I had mentioned seven specific suggestions about the stabilization program. We are trying, if possible, to avoid the breaking of small-business men in this country like they did during the last war, by goods going higher and higher all the time and then buying higher and higher. Then when the spiral of inflation had been reached most of them were broke and we had the worst situation we have ever had in this country. We are trying to avoid that.

In connection with this last objective seven specific action suggestions were made:

First. Buy only what you really need.

Second. Pay no more than ceiling prices; buy rationed goods only with stamps.

Third. Pay off old debts and avoid making new ones.

Fourth. Pay willingly any taxes that your country needs.

Fifth. Provide for the future with adequate life insurance and savings.

Sixth. Do not ask more money for goods you sell or work you do.

Seventh. Buy all the War bonds you can afford and keep them.

It was recognized from the beginning that this information program was one of the most difficult ones the Office of War Information had tackled. It was extremely broad in its scope. It dealt with relatively abstract and difficult material. Everyone was likely to object to one or another phase of it—because, while nearly everyone favors price control for the other fellow, relatively few are initially prone to accept it when it steps on their own toes. Finally, it was necessary to tread carefuly, for while fear of inflation may be a deterrent to inflationary actions, the belief that inflation cannot be prevented may have just the opposite effect and lead people to act in a way which will cause prices to shoot up.

It was therefore decided that the information program should scrupulously

avoid any suggestions that inflation is inevitable; it was insisted, on the contrary, that if everyone stood together this Nation could prevent a runaway price rise from occurring. Emphasis was put on people's interest in the fight against inflation as Americans; and, secondarily, on the fact that every group stood to lose in the long run from an uncontrolled rise in prices.

The cooperation of all the established media of mass communication was then solicited. The Office of War Information acted as the agent for all the agencies concerned with the prevention of inflation—the Office of Economic Stabilization, the Office of Price Administration, the War Labor Board, the Department of Agriculture, the War Food Administration, the Treasury Department, and the Federal Reserve Board. It attempted to coordinate the informational efforts of these agencies—which was a convenience for everyone concerned—and took the lead in securing media support.

The response of the media was magnificent. Over a billion and a half listener impressions were secured for economic stabilization messages over the air. Literally hundreds of radio programs, writers and actors cooperated in the effort to explain the danger of wartime inflation and the citizen's personal responsibility in combating it in vivid personal terms. Stars like Kate Smith and Bing Crosby used their talent for reducing even a complex problem to simple, homey language.

Newspapers ran innumerable editorials on various aspects of the inflationary problem. They gave prominent attention to statements on the subject by Government officials, businessmen, and economists. The Office of War Information issued monthly economic summaries and quarterly "box scores," which brought together pertinent facts about the wartime economy, and these were widely used in the press.

The O. W. I. Magazine Bureau arranged a meeting of prominent magazine editors in Washington last May, at which Judge Byrnes, then the head of the Office of Economic Stabilization, personally explained the gravity of the inflationary threat and the importance of wider public awareness of the danger. The cooperation of the Writers' War Board was also enlisted. Partly as a result of these efforts, hundreds of articles, stories, and features have appeared in the Nation's magazines about inflation and the way to combat it. Material has appeared in publications as diverse as Harper's and the pulps, the New Yorker and the Superman comic books.

The motion-picture industry, working through its war activities committee, has produced two 10-minute shorts for the O. W. I. to support the anti-inflation information program. The first film, Prices Unlimited, explains the reasons for price control and rationing and the importance of cooperating with them. It was released March 16. The second film, Skirmish on the Home Front, deals with the over-all economic stabilization problem and was released May 11. An indication of the importance Paramount, the producer, attached to the film is shown by the stars assigned to it: Betty Hutton, Susan Hayward, Alan Ladd, and William Bendix. Before they have completed their runs these films will have been exhibited in 16,000 theaters to an estimated audience of 90,000,000.

Advertisers have given the information program on economic stabilization their unstinting support. Despite a tight space situation, about 500 magazines, with a combined circulation of 90,000,000, have contributed a page a month for an economic stabilization ad. The country's advertising agencies, banded together to contribute to the war effort through the War Advertising Council, assigned a particular task force to prepare these ads. The Office of War Information has worked closely with the advertising council and the task force and furnished the factual material on which the ads are based.

The life-insurance companies of America have backed the program with ads running in newspapers with a circulation of 25,000,000 and farm papers with a circulation of 5,000,000. They have paid for the production of a half million copies each of a series of 5 anti-inflation posters, which are now being distributed by O. W. I.

Many individual advertisers have also backed the program, basing their ads on material supplied through an information program book and a formula folder specially prepared for advertisers. The War Advertising Council estimates that the total value of the advertising support given the economic stabilization program in 1943 amounted to $11,300,000.

The exact results of these information efforts are, of course, not precisely measurable, but they have certainly played a significant part in the amazing success this Nation has had thus far in its fight to hold the line against rising prices. Studies show that the people who have been reached by the information program rank consistently higher than those who have not in understanding of the problem of inflation and in cooperative attitudes toward measures designed to prevent it. For example, awareness of the role of taxes and War bonds in holding prices down was twice as high among the people who had been exposed to information as it was among those who had not been. This was true at all educational levels—among those who had a high-school education or better and among those who had less than a high-school education.

It is clear that the informational activities undertaken by the Office of War Information have helped to develop public understanding of the danger of wartime inflation and contributed to the success we have had in neutralizing that danger. In achieving these results the O. W. I. has operated in accordance with the policies laid down by Congress and Executive directives. It has coordinated the informational efforts of all the Government agencies concerned with this particular problem. It has worked with and through the established media. It seems to me that its activities in this one sphere prove its worth and justify its continuance. For, aside from the Axis itself, inflation is the most dangerous enemy that threatens our country today; and the defeat of this enemy clearly depends on bringing people the facts, so that of their own accord they will do everything in their power to hold prices down and keep the economy stable and strong.

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may require to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I would like to suggest to all Members that they read with care the report of the Appropriations Committee on this bill. It is a very illuminating document. It is replete with information concerning our war activities which have ramifications extending all around the world. It is written in a most interesting style and is flavored with a high literary quality. Marcellus Sheild, clerk of our committee, has written many splendid reports in his time, dealing with operations and events of epochal significance, but it is my considered judgment that this is his masterpiece. It deserves a place in every school and library in the land.

In discussing the appropriation for the Office of War Information to which I shall confine my attention, I think that perhaps the best service I can render to the House is to state the impressions I obtained in a visit at the headquarters of the O. W. I. in New York City last Saturday. I would be the last person to claim infallibility for my conclusions but I will at least give you my honest opinion. I undertook this investigation armed only with a newspaperman's natural inquisitiveness and without any preconceived notions that convincing evidence would not have overcome.

Headed by Judge WOODRUM of Virginia, a contingent of the Deficiencies Subcommittee, including Mr. SNYDER, of Pennsylvania; Mr. RABAUT, of Michigan; Mr. LAMBERTSON, of Kansas, and myself, made the trip to New York City by airplane, and, of course, Marc Sheild, clerk of the Appropriations Committee, on whom we relied heavily for the success of the expedition, went with us. We plunged into the investigation immediately on arrival in New York, pausing briefly at noon for sandwiches and coffee, then continuing our inquiry and inspection well into the afternoon. Not a word of advance information in regard to our trip had gone out and the O. W. I. officials in New York were taken completely by surprise. Some of them displayed considerable nervousness on seeing a segment of Congress walk in on them unannounced, but they hastily organized to show us through the two buildings and invited us to inspect everything from top to bottom and to ask questions as the spirit moved us. We were invited to view films, to listen to broadcasts, and even to pick up letters and manuscripts from the desks and read them, which we did in many instances. If ever there was a wide-open investigation, this was it.

The main building occupied by the Office of War Information in New York is nine stories in height and there is an overflow which occupies part of an adjoining building. In the two buildings 1,700 persons are employed. We began

our investigation at the top of the nine-story building, where the news department, the heart of the O. W. I. operation, is located. From there we worked downward, inspecting the operations on each of the eight other floors, and finally directing our attention to the Publications Division in the adjoining building, where we also witnessed a news reel and a film pertaining to the war.

Without impinging too much on the time of the House, I will state that my net conclusion as a member of the investigating party was that the Office of War Information is well organized and systematized to accomplish the purposes for which the office was created, that its work is well coordinated, and that it operates with as little waste as could reasonably be expected. As an offhand impression I will venture to say that, compared with the good it does, there is no other activity of the war that is run with as little waste. I doubt whether the actual waste of the Office of War Information in a year's time equals the money that is lost when one of our bomber planes is destroyed. Yet, we frequently read of raids in which 10 or 20 or more of our planes go down and we accept that loss without question as one of the sad misfortunates of war. We cannot assume that an emergency organization created out of the clear sky like the O. W. I. and built up to a certain extent by the trial and error process always functions economically by the strict rule of thumb. We should rather judge it, I think, by its accomplishments as to whether its propaganda and psychological warfare are helping to win the goals we have set in the world conflict and to save lives that might otherwise be sacrificed in the holocaust of war. I believe it is doing those very things and that by all of the tests of dependability it is entitled to our support and confidence. Anything that will contribute toward bringing the war to a successful close without sacrificing the lives of our boys certainly is entitled to our careful consideration.

I had a question as to the scope of some of the publications and broadcasts of the Office of War Information. It seemed to me at first blush that these particular outgivings might well be curtailed or eliminated. I had in mind musical programs and articles dealing with such subjects as health topics, wool growing, and so forth. There was one particular publication that challenged my attention and curiosity. It is entitled "Small Town United States of America." That particular publication is a nicely illustrated pamphlet dealing with home and community activities in a typical American small town, Alexandria, Ind.

My natural inquiry was, "What do such things have to do with winning the war?"

Two reasons were given for including such releases and publications within the scope of the output of O. W. I.:

First. It is the duty of O. W. I. to sell the United States to the favorable opinion of the world.

Second. It frequently happens that a discussion of a matter of particular interest to the people of a particular country serves to rivet their attention to propaganda embodied in the article for which an audience could not otherwise be obtained. Frankly, it was admitted that what appears to be irrelevant matter contained in some of the broadcasts is "bait" to secure an audience. The booklet about Alexandria, Ind., is intended to give foreign readers an idea of the joys of home life in a free country and thus encourage them to throw off the yoke of tyrannical rulers. I could not find it in my heart to complain of these publications when their purpose was revealed. We found that the New York headquarters of the O. W. I. works clear around the clock, 24 hours a day and 7 days a week.

As for overstaffing, I could not see any evidence of it at O. W. I. headquarters. Of course, many persons are employed there but in operating an activity of world-wide scope many are required.

The output goes to the world in 25 languages, and to conduct these operations persons must be employed who not only know the standard languages of the world but also the local dialects and idioms. This accounts for what appears to be an unusually large number of foreign names among the employees, but every person engaged there has for security reasons been checked and rechecked by the F. B. I. and all of the intelligence agencies. Many of the employees are in the IV-F classification. Some are wounded men returned from the theaters of war. Some are beyond military age. Many have won high distinction in the field of journalism. The salaries paid under civil-service classification are frequently very low compared with what the employees have heretofore earned or would be capable of earning in civil life. We listened to a dialog broadcast between the O. W. I. headquarters and north Africa. The colored girl who took down the broadcast by stenotype was a marvel of efficiency. Her salary under civil-service classification probably is $1,620 a year. The official reporter who performs exactly similar stenotype service at our Appropriations Committee hearings in Washington draws a salary of $7,000 a year. It is a fair statement, I think, to say that the O. W. I. employees are not in any instance overpaid.

Every broadcast from O. W. I. has to pass the watchful eye of Lt. Comdr. Harold Harding, who censors the manuscripts. We called on him at his office and he did not appear to be an overworked individual.

"How many words have you deleted today?" he was asked. He answered, "None." He indicated that work had fallen off since Representative TABER called on him recently, when his deletion record for the day was one word. He was asked, "Does not the fact that you delete so few words indicate that the manuscripts are well prepared from the security standpoint when they come to you?"

"It certainly does," he replied, but he wanted it distinctly understood that lack of use of the blue pencil does not mean that he does not have plenty to do, as he carefully reads every word of every manuscript.

Likewise every news release emanating from the news bureau has to pass the eagle eye of a representative of Byron Price's office of censorship. We were amused when we read on the wall of his office this sign:

> The censor needs the eye of a hawk, the memory of an elephant, the nose of a bloodhound, the heart of a lion, the vigilance of an owl, the voice of a dove, the sagacity of a Solomon, the patience of Job, and the imperturbability of the Sphinx.

Byron Price has some good men on his staff but I seriously doubt whether he has one who could meet all of those requirements.

One department of O. W. I. that intrigued me, as I think it did all of us, was the radio photography department. Often a picture contains more genuine, clean-cut propaganda than 50 newspaper columns, and this is an important department. We witnessed the mechanical process of sending pictures by radio to the O. W. I. outposts around the world. Amazing economies have been effected in this department. The minimum cost of sending a picture by radio through commercial channels is $60, but by using a multiple device O. W. I. sends them at a unit cost of $1.25.

Leaflets prepared at the New York headquarters of the O. W. I. have been influential in inducing Germans to surrender and have thus accomplished bloodless victories of high importance in the war effort. These leaflets have offered "safe conduct" into United Nations lines and have had a powerful appeal to discouraged and war-weary enemy soldiers. Some of the leaflets have been dropped from airplanes; others have been shot from guns that carried them 6 or 7 miles into enemy territory. On page 83 of the hearings on this bill is the testimony of Edward W. Barrett, executive director of the Overseas Branch, who personally witnessed 25 Germans surrender in Italy, bringing the leaflets with them, this program of bombarding enemies with leaflets offering safe conduct and fair treatment was undertaken at the request of General Eisenhower and General Devers, who recognize its great value. I believe it is one of the most important parts of O. W. I. work and that it should be continued and enencouraged.

In view of the prospective invasion of Europe and the unpredictable additional burdens that will be placed on O. W. I. by events that are certain to come in that and other theaters of war, the O. W. I. asked the Budget Bureau for an appropriation of $76,000,000 to carry it through the next fiscal year. The Budget Bureau cut the estimate to $64,390,000, and the bill now before you asks for $58,625,367. I believe the O. W. I. is doing a fine job helping to win the war by propaganda and psychological warfare. I believe it has saved, and will continue to save, the lives of many American boys, and I hope it will be implemented with sufficient funds to carry on efficiently. I have voted for enormous sums for implements of destruction because I believed it was my duty to do so. I am glad to support

the O. W. I., which I regard as a potential instrument to bring about victory without destruction.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, and had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their own remarks in the RECORD on the bill now being considered.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain statements and excerpts, including part of the committee's report on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. MRUK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article appearing in the Four-F Digest, a publication devoted to the interests of handicapped people, edited by Mr. Willard H. Woods, of Springfield, Mass., descriptive of Handicapped Persons in Industries, Inc.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MRUK]?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. HARTLEY] is recognized for 15 minutes.

LEND-LEASE AND/OR U. N. R. R. A. PREFERENCES

Mr. HARTLEY. Mr. Speaker, a Member of another body who, within the week, stated that an American warship had been transferred to the Soviet Government under lend-lease was charged with having revealed a military secret.

The information I am about to give the House is not a military secret, but might come under the heading "millinery" secret.

It is a well-known fact that at the moment there is a serious shortage of cotton goods and manufacturers are unable to obtain sufficient cotton yard goods to meet the demands of the American women and children for dresses.

I have here a seersucker dress and I am reliably informed that at least 6,000,000 of these dresses are being shipped abroad under lend-lease or U. N. R. R. A. How many million more are to be sent, I am unable to find out up to the moment. This is a finer dress than is carried by any retailer in America today.

The first question I would like to ask is why, with the shortage of cotton dress goods which exists here, the seersucker type of dress is being shipped abroad?

Thirty-five percent more dresses could be produced, with approximately 50-percent savings in weaving labor, if the same plain materials were used that are available to Americans.

American women and children, with the hot summer months coming on, would appreciate obtaining this type of dress here in the United States. A search was recently made in the metropolitan area, and most stores were without any similar type of dress.

I have here two dresses that were finally obtained, and I may add they are the best and most expensive seersucker dresses that are available for purchase by American women. One was purchased for $3.95 and the other for $4.95. The amazing revelation, to my mind, is the fact that these dresses are inferior in both workmanship and quality of goods than those which we are blandly shipping all over the globe.

All three dresses were examined by the Hatch Textile Research Bureau, and this examination revealed that the thread count in the green striped dress was 98 by 87.2 threads per square inch as compared with the brown striped dress, which averages 84.8 by 64.8 threads per square inch, and compared with the red striped dress, which averaged 88 by 78 threads per square inch. And, as I said before, the quality of workmanship is much superior.

I would like to interpolate at this point to say that, even though both of these dresses are inferior to the ones shipped abroad, today they are barred by W. P. B. rulings, and were undoubtedly on hand in the inventories of these companies before the latest W. P. B. ruling was issued. As I stated before, the quality of workmanship in this lend-lease or U. N. R. R. A. dress is far superior to that of the other two.

Mr. Speaker, not only are the women of America forced to accept this inferior merchandise, while the recipients of the benefits under lend-lease or U. N. R. R. A. are "dressed to kill," and at no cost to themselves, but in addition American manufacturers are unable to obtain priorities to manufacture dresses for domestic consumption, while they have a high priority preference when they manufacture for lease-lend or U. N. R. R. A.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. I noticed this display out in the hall prior to the gentleman taking the floor. May I say the gentleman is making a very interesting disclosure. I noticed distinctly that on the brown dress as well as on the red dress the American labels, of which we are so proud, are very securely attached to the dress as is the general practice in this country. I notice in the case of the label attached to the green dress, which I understand goes overseas under U. N. R. R. A., the sign reads: "Product of the United States, one of the United Nations." I notice, too, that is very conveniently caught with a slip attachment so that it could be very easily slipped off and some other nation's label attached thereto.

Mr. HARTLEY. It is true, as a matter of fact, that that label fell off twice today while I was trying to keep it on.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HARTLEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I notice that the label has an American flag in color on it.

Mr. HARTLEY. That is right.

Mrs. ROGERS of Massachusetts. What is the material; seersucker?

Mr. HARTLEY. It is.

Mrs. ROGERS of Massachusetts. It looks very much like the uniforms worn by the marines. Is it finer than that? I think it has a narrower stripe.

Mr. HARTLEY. I would say it is finer than that worn by the marines, and, furthermore, it is finer than any woman or child in the United States can buy in any department store.

Mrs. ROGERS of Massachusetts. It seems to be a narrower stripe, which makes it more difficult to weave than the wider stripe; is not that correct?

Mr. HARTLEY. Much more difficult, and it takes more material.

Mrs. ROGERS of Massachusetts. I have had a great many requests from people who wanted cotton cloth of that type; seersucker.

Mr. BRADLEY of Michigan. I am glad that the distinguished gentlewoman from Massachusetts made the observation that there is an American flag on that tag. But I repeat that that tag is so made that it can very easily be removed from the garment. As the gentleman said, he had great difficulty in trying to keep it on because it falls off very readily, as I fear some nations would like to see the American flag fall off.

Mr. HARTLEY. Mr. Speaker, I voted for every one of the lend-lease appropriations and for U. N. R. R. A., but I cannot remain silent when I see it being perverted at the expense of the women of America.

I, of course, want us to do everything we possibly can to aid our allies and to cooperate in defeating the common enemy, but I must protest this overgenerous dissipation of American resources that makes us look like just plain saps.

Let us be good neighbors, but not by impoverishing our own families.

Mrs. ROGERS of Massachusetts. I do not know whether it is true or not, but I have been told that there was a shortage of cotton shirts for men.

Mr. HARTLEY. That is also true. That was testified to before the select committee by O. P. A. officials.

Mr. STEFAN. I have been working many weeks trying to get overalls for farmers out in my district who are short of overalls and work clothes for the children, who have to work out in the fields because the older boys have gone to war. They tell me that the manufacturers were unable to get higher prices for overalls, but now that they are getting higher prices they will perhaps make more overalls and work clothes for the men and

children, and also work clothes for the women.

Mr. HARTLEY. May I suggest to the gentleman that that situation will continue to prevail unless the high price line under the Price Control Act is changed.

Mr. STEFAN. Something must be done about it or we will not have any work clothes or shoes for our children, boys and girls, men and women, out in the country, while you are asking us to produce food for ourselves and the people elsewhere over the world.

Mr. HARTLEY. Exactly. In my opinion, by the time these long-haired boys and short-haired women finish their planning, not only the economy of the Nation but the economy of the whole world will be ruined.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Oregon.

Mr. ANGELL. I received a telegram this week from a manufacturer of work clothes, shirts, and overalls, and that type of material, saying that it is impossible for them to get the material. I have taken it up with W. P. B., but thus far have made no headway.

Mr. HARTLEY. The gentleman might inquire of U. N. R. R. A. or Lend-Lease. Perhaps that is where it has gone.

Mr. HANCOCK. Several cases have come to my attention where they have allocated cotton clothes to be exported when the American manufacturer could not obtain any. Our factories are closing, but the factories abroad can operate.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Speaking of the shortage of overalls, this is what a constituent in my district sent me just the other day. These women, whose sons have been taken to fight for our country, are asked to run tractors, and after they run the tractors all day long and milk the cows they have to stay at home and patch up overalls. This woman informs me that in patching and repatching these overalls she has put in at least 30 hours of good time. They cannot even get a pair of overalls to work in. The only thing they can get in my district is a pair of $10 pants to milk the cows in.

Miss SUMNER of Illinois. That reminds me of the old poem about the barefoot boy with cheeks of tan. If all the people can get is overalls of that kind the poem will have to be changed to "bare-legged boy."

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman pointed out that the Lend-Lease U. N. R. R. A. dress, the green dress on display on the panel, is made of a very fine woven seersucker material; that is the situation, is it not?

Mr. HARTLEY. Exactly.

Mr. CRAWFORD. And much higher in quality than the brown- and the red-striped dresses which are for domestic consumption?

Mr. HARTLEY. That is correct.

Mr. CRAWFORD. Is it not a fact that it takes more yardage of goods to make a seersucker dress than it does if the cloth is plainly woven?

Mr. HARTLEY. It takes 34 percent more yardage and 50 percent more labor.

Mr. CRAWFORD. The gentleman has raised a fundamental question here. Why do we, under U. N. R. R. A. and lend-lease, use the seersucker type of yardage for export when certainly those people would be perfectly delighted to receive the plain cloth? We give it to them as a gift. We are taking the material which our own people are accustomed to, shipping it out of this country, and depriving our own civilian population of that type of goods.

Mr. HARTLEY. That is right.

Mr. CRAWFORD. The people of this country do not know those facts. The gentleman is to be congratulated for developing these facts here. He has reported these great international movements.

I happen to be one who voted against U. N. R. R. A. I voted against lend-lease. I voted against them because I was positive that this type of operation was being carried on. I protest against it. I do not like it. I do not think it is fair to the people in the other parts of the world or our own people.

If the gentleman will yield further, let us go to the overall situation. There is a shortage of blue denim cloth, out of which overalls are made. There is a shortage of blue chambray cloth, out of which work shirts are made for our civilian population, because the War Production Board has issued a directive to the cotton looms to make the cloth to be sent to these other countries and to these other services, and that is why the civilian population cannot get the goods.

Mr. HARTLEY. I thank the gentleman for his contribution, and I agree with everything he has said.

Mr. STEFAN. Has the gentleman made some investigation as to whether or not the foreign purchasing agencies, or Mr. Lehman's agency, put down certain specifications for certain kinds of dresses or material that is to be shipped overseas? For, instance, take Lend-Lease or the British Purchasing Agency or the Russian Purchasing Agency; do they not have specifications which we must meet?

Mr. HARTLEY. Exactly.

Mr. STEFAN. What is the situation in U. N. R. R. A.?

Mr. HARTLEY. From the information I have, I would say it is the same.

Mr. STEFAN. With the result that we are impoverishing our own people.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HARTLEY. I yield.

Mr. BROWN of Ohio. Has not the Office of Price Administration fixed ceiling prices on women's wash dresses and also on men's work clothes at such a low price that it is impossible for the merchant to purchase such goods and still sell them at a profit?

Mr. HARTLEY. The gentleman is absolutely correct. As a matter of fact, under the high-price line limitation, under the Price Control Act, you will find that many merchants are unable to sell a dress, we will say, for $9, because they never sold a dress at a higher price before, and a competitor in the same block, a newcomer in the same business, can sell the same dress for $12. So instead of preventing inflation, it is actually encouraging it and causing the women who want to buy that particular dress to pay $12 instead of $9.

Mr. BROWN of Ohio. And also creating a shortage.

Mr. HARTLEY. Exactly. The high-price limitation has driven the low-price goods off the market instead of helping the situation as it was supposed to.

Miss SUMNER of Illinois. I should like to comment on two things. First, I should like to draw the attention of the Members to the hem of the skirt we are sending abroad as compared with the others. It is done so carefully. It looks as though it were handwork, hand embroidery. It also has lovely little buttons. The ones for the American women have no buttons, none made with that particular care.

The second thing I want to point out, as has been suggested, and as has been done in the time of disaster in our country repeatedly in the past, we could have organized a dress line here and brought out second-hand clothing and given it to the people who were really in need and glad to have it, and then see that this money is appropriated for the food that the Europeans really need, instead of for these dresses.

Mr. HARTLEY. I thank the gentlewoman. She is in a better position to describe the niceties of these dresses than I am.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. The gentleman said he did not know anything about the manufacturing cost. I do not know so very much about it either, but if you take this green dress and you look at where they sewed up the seams on the inside, you notice where they pinked the cloth, so that it would not ravel, and if you look at the brown dress and the red dress you will see that there is three or four times the work on this green one than there is on either of the others. The gentleman said he cannot give the cost. If I understand correctly, he cannot give the cost of this green dress because the Government furnishes the cotton. He told you that there is 33⅓ percent more in this than there is in the brown or the red. The Government furnishes the cotton, then pays the manufacturer for making them. So the cost of that, which should be somewhere between $5 and $7, or more than that, even, is concealed from the American public. Then millions are given away while our own people do without.

There was some laughter when those overalls were held up by the gentleman from Wisconsin for your inspection. I

have been home a couple of times. I tell you that the farmers are working, and their wives, too, driving tractors. They are working nights. They are working Sundays. They have headlights on their tractors and their farm machinery. All you have to do is drive anywhere through the Midwest and you will find there is no such thing as an 8-hour day. They are at it all the time. There is many a farmer, and many a farmer's wife, who is wearing clothing similar to that which has been held up here, and there is no joke about it. Rags patched together is what some of them wear. As the season goes on, in Michigan, in the district I represent, where they have acre after acre of muck growing vegetables, mint, onions, and things like that, you will find them down on their knees from daylight way along until dark. The farmers themselves and, as I said a moment ago, the farmers' wives, are running machinery long after dark, with darned short lunch periods off and no pay while they are getting it and no time and a half for overtime.

Let me show you these figures about what the O. P. A. is doing here. The O. P. A. at least might tell the truth when it goes before these committees. Here is some testimony that they gave over here. Bowles gave some of this. It is that the Grant Co. profits before taxes were as follows. I give you only a few.

Take for instance 1941, the O. P. A. gave the profits as being $5,300,000. The actual profits as shown by the books were $9,217,392, almost twice as much. What was the purpose in giving that low figure?

Then for 1942 the O. P. A. gave the profits as $9,100,000, to show a big jump in the profits under O. P. A. management. As a matter of fact, it was not that way at all. The actual profits were $9,683,723, just about $400,000 more, instead of something like $4,000,000 more.

The actual figures for the years 1939 to 1943, inclusive, are as follows:

O. P. A. testified that the Grant Co. profits, before taxes, were as follows:

1939	$3,600,000
1940	5,000,000
1941	5,300,000
1942	9,100,000
1943	10,400,000

The facts are: Audited Grant Co. profit, before taxes, follow:

1939	$4,784,996
1940	5,068,211
1941	9,217,392
1942	9,683,723
1943	10,406,345

Audited Grant Co. net profits follow:

1939	$3,824,996
1940	3,542,211
1941	4,446,393
1942	3,762,223
1943	3,810,345

O. P. A. failed to report net profit figures, although Mr. Bowles made the following comment: "They have tripled their profit."

Actually, during the first year of price control—1942—the Grant Co. profits declined $684,170.

You see what they are up to. Mr. Bowles failed to report the net profit, although he said they had "tripled their profit." It was not true.

My theory is that when they make those statements before these committees, when they disregard the figures, we ought to call them in and confront them with the representatives of the company, with the books of the company, with an independent auditor, and if they make a misstatement, make them acknowledge it, acknowledge not only that it is an error, but, wherever they do it repeatedly and deliberately, make them admit on the record that they are not telling the truth. There is no reason why they should crucify business the way they are doing. There is no reason why they should misrepresent, why they should deny facts to this Congress. Until we do that, make them give us the whole truth, they will continue to wipe the businessmen out.

Mr. HARTLEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. HARTLEY. Is it not a fact also that O. P. A. officials in testifying before the committee in this particular case presented figures which they said were figures supplied by the Bureau of Labor Statistics, but as a matter of fact when the Bureau was called it admitted it had no such figures?

Mr. HOFFMAN. The gentleman has the record. I will say one thing more. I will give you some more of these figures shortly on another occasion. I will say that the administration is not satisfied with having seized the commercial plant of Ward's; it is putting into the record figures with reference to their business which are not true. I hope that the Smith committee or the Committee on Banking and Currency will call them before the committee and confront them with the actual figures, and if they are not accurate make them admit that they are not telling the truth.

EXTENSION OF REMARKS

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the San Francisco Chronicle.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BULWINKLE, for May 26, 27, 29, 30, and 31, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1941. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; to the Committee on the District of Columbia.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4793. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes; and

H. R. 4646. An act to provide for simplification of the individual income tax.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 683. An act to provide for the recognition of the service of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

ADJOURNMENT

Mr. MANSFIELD of Montana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) under its previous order, the House adjourned until tomorrow, Friday, May 26, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Friday, May 26, 1944, at 10:30 a. m., to consider H. R. 1654, H. R. 4095, H. R. 3384, and S. 1335, and such other matters as may properly come before the committee.

EXECUTIVE COMMUNICATIONS, ETC.

1576. Under clause 2 of rule XXIV, a letter from the Secretary of the Treasury, and managing trustee of the trust fund, board of trustees of the Federal old-age and survivors insurance trust fund, transmitting the Fourth Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund (H. Doc. No. 620); to the Committee on Ways and Means and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 4879. A bill making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes; without amendment (Rept. No. 1511). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 4445. A bill to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes; with amendment (Rept. No. 1512). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 1669. An act to clarify the law relative to allowances for mileage of graduates of the United States Military Academy and trans-

portation of their dependents on assignment to their first duty station and to the mileage allowance of persons entering the United States Military Academy as cadets; with amendment (Rept. No. 1513). Referred to the Committee of the Whole House on the state of the Union.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 4733. A bill to amend section 514 of the Soldiers' and Sailors' Relief Act; with amendment (Rept. No. 1514). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists, the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes; without amendment (Rept. No. 1515). Referred to the House Calendar.

Mr. WEAVER: Committee on the Judiciary. House Joint Resolution 283. Joint resolution to extend the time limit for immunity; with amendment (Rept. No. 1516). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 4880 (by request). A bill to amend the provisions of the act approved March 9, 1920, as amended, authorizing suits against the United States in admiralty, to extend the statute of limitations with respect to causes of action arising after the declaration of the present national emergency; to the Committee on the Judiciary.

By Mr. DOUGHTON:

H. R. 4881. A bill to amend the Internal Revenue Code, the Narcotic Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 4882. A bill to authorize the completion, by the use of Lanham Act funds, of hospital projects initiated by the Works Progress Administration and the Work Projects Administration; to the Committee on Public Buildings and Grounds.

By Mr. KEOGH:

H. R. 4883. A bill to amend section 22, subdivision (b), paragraph (2) of subparagraph (B) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. COLMER:

H. R. 4884. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 so as to guarantee to persons after their period of military service certain rights with respect to employment; to the Committee on Military Affairs.

By Mr. WRIGHT:

H. R. 4885. A bill to authorize State and local taxation of machinery owned by the United States which is being used in war production by private contractors; to the Committee on Ways and Means.

By Mr. STARNES of Alabama:

H. Con. Res. 88. Concurrent resolution authorizing the printing of additional copies of the report (No. 1311) of the Special Committee on Un-American Activities of the House of Representatives, dealing with the leadership of the Congress of Industrial Organizations political action committee; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. CHURCH:

H. R. 4886. A bill for the relief of Oscar R. Steinert; to the Committee on Claims.

By Mr. PATMAN:

H. R. 4887. A bill for the relief of Dr. James M. Hooks; to the Committee on Military Affairs.

H. R. 4888. A bill for the relief of Dr. Ernest H. Stark; to the Committee on Military Affairs.

By Mr. SPRINGER:

H. R. 4889. A bill for the relief of Bart B. Pigman; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

5749. By Mr. ANDREWS of New York: Resolution adopted by the Buffalo Real Estate Board on May 19, 1944, opposing the development of the St. Lawrence seaway project; to the Committee on Interstate and Foreign Commerce.

5750. By Mr. SCHIFFLER: Petition of the National Society, United States Daughters of 1812, urging Congress to take recognition of the fact that the act providing for the elimination of all subversive elements from radio stations in the merchant marine is not being enforced and to take such steps as in its judgment may be deemed appropriate and necessary; to the Committee on the Judiciary.

5751. Also, petition of the National Society, United States Daughters of 1812, urging that the Constitution of the United States be upheld; to the Committee on the Judiciary.

5752. Also, petition of the National Society, United States Daughters of 1812, urging that the migration of hugh masses of immigrants be restricted; to the Committee on Immigration and Naturalization.

5753. Also, petition of the National Society, United States Daughters of 1812, urging freedom of the radio and freedom of the press and speech; to the Committee on the Judiciary.

5754. Also, petition of the National Society, United States Daughters of 1812, protesting against the regimentation of science in the field of technical invention and in medicine; to the Committee on Education.

5755. By Mr. SLAUGHTER: Petition of Charles E. Phillips and 2,087 other citizens of Kansas City, Mo., protesting against the passage of House bill 2082, the so-called Bryson bill; to the Committee on the Judiciary.

5756. Also, petition of James R. Browne and 1,401 other citizens of Kansas City, Mo., protesting against the passage of House bill 2082, the so-called Bryson bill; to the Committee on the Judiciary.

5757. By the SPEAKER: Petition of the Watertown Building and Construction Trades Council, Watertown, N. Y., petitioning consideration of their resolution with reference to approval of Senate bill 1385; to the Committee on Rivers and Harbors.

5758. Also, petition of the secretary, Journeymen Barbers Union, Local 295, Los Angeles, Calif., petitioning consideration of their resolution with reference to the importance of maintaining ceiling prices and the continuance of the Office of Price Administration program; to the Committee on Banking and Currency.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 26, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Dear Lord, we would say with most grateful hearts: "Still, still with Thee." For the hand that reaches down to the one who fails and to the one who climbs, send out Thy light and truth. For all the intimations of Thy dignity and power and for Thy exceeding great and precious promises, we give Thee all honor and praise.

Where there is heaviness and deadness of heart; where there is peril and sorrow, perplexity and despondency, we pray Thee to show Thyself transcendent and infinitely beyond the reach of human limitations in the power of wisdom and in the beauty of Thy holiness. Give us the conviction that the future will be full of fidelity, of gladness and peace. O keep the mind of our country from levity and from the lack of earnestness, remembering the counsels and teachings of our Heavenly Father. Teach us not to count our present afflictions worthy to be compared to the joyous freedom that awaits all true and devout lovers of the imperishable worth of the individual. Take away all selfish ambitions and conceit, lead us away from these shivering regions of deception and let us go forth toward the fulfillment of those gracious liberties for which we labor and pray. In the name of the Son of man. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 329. An act to authorize the Secretary of the Interior to incur obligations for the benefit of natives of Alaska in advance of the enactment of legislation making appropriations therefor;

H. R. 1628. An act for the relief of John Hirsch;

H. R. 1635. An act for the relief of William E. Search, and to the legal guardian of Marion Search, Pauline Search, and Virginia Search;

H. R. 1984. An act for the relief of Paul Barrere;

H. R. 2008. An act for the relief of Mrs. Mae Scheidel, Mr. Fred Scheidel, Mr. Charles Totten, and Miss Jean Scheidel;

H. R. 2105. An act extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians;

H. R. 2143. An act to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.;

H. R. 2332. An act for the relief of Christian Wenz;

H. R. 2408. An act for the relief of Clarence E. Thompson and Mrs. Virginia Thompson;

H. R. 2438. An act for the relief of Bernadine Salmons;

H. R. 2507. An act for the relief of Reese Flight Instruction, Inc.;

H. R. 2689. An act for the relief of Pete Paluck;

H. R. 2757. An act for the relief of Margaret Hamilton, Mrs. Catherine Higgins, Mrs. Rebecca Sallop, and Mrs. Dora Projansky;

H. R. 3028. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near Sauk Rapids, Minn.;

H. R. 3114. An act for the relief of Ruth Coe;

H. R. 3136. An act for the relief of Hamp Gossett Castle, Lois Juanita Gimble, Margaret Carrie Yarbrough, and Roy Martin Lyons;

H. R. 3403. An act to withdraw and restore to their previous status under the control of the Territory of Hawaii certain Hawaiian home lands required for use for airplane landing fields, and to amend sections 202, 203, and 207 of title 2 of the Hawaiian Homes Commission Act, 1920, and for other purposes;

H. R. 3537. An act for the relief of Bessie Eason;

H. R. 3848. An act to amend section 9 of the act of May 22, 1928, authorizing and directing a national survey of forest resources;

H. R. 4054. An act to extend the times for commencing and completing the construction of a bridge across the Calcasieu River at or near Lake Charles, La.; and

H. R. 4710. An act authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 272. An act for the relief of Mrs. Vola Stroud Pokluda, Jesse M. Knowles, and the estate of Lee Stroud;

H. R. 1220. An act for the relief of Paul J. Campbell, the legal guardian of Paul M. Campbell, a minor;

H. R. 1475. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended;

H. R. 2303. An act for the relief of O. W. James;

H. R. 2472. An act for the relief of the estate of Gertrude Mullins;

H. R. 2711. An act for the relief of Mrs. Mildred Maag;

H. R. 2855. An act for the relief of the estate of John Buby;

H. R. 3054. An act to amend the Expediting Act;

H. R. 3102. An act for the relief of Mrs. Eva M. Delisle;

H. R. 3126. An act for the relief of Mary Ellen Frakes, widow of Joseph A. Frakes;

H. R. 3476. An act to approve a contract negotiated with the Klamath drainage district and to authorize its execution, and for other purposes;

H. R. 3570. An act to provide as an emergency war project for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes;

H. R. 3891. An act to provide night differential for certain employees;

H. R. 4292. An act to amend section 12 (b) of the act of May 29, 1930, as amended;

H. R. 4320. An act relating to the computation of interest on contributions to the civil service retirement fund returned to employees upon their separation from the service; and

H. J. Res. 166. Joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 198. An act to amend further section 2 of the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 267. An act relating to marriage and divorce among members of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians;

S. 338. An act for the relief of the Indians of the Fort Berthold Reservation in North Dakota;

S. 873. An act to provide for the disposition of tribal funds of the Minnesota Chippewa Tribes of Indians;

S. 1081. An act to add certain lands to the Upper Mississippi River Wildlife and Fish Refuge;

S. 1093. An act for the relief of Fermin Salas;

S. 1240. An act to amend the act of December 24, 1942 (56 Stat. 1080), relating to estates of certain deceased Indians of the Five Civilized Tribes in Oklahoma;

S. 1451. An act to amend the act entitled "An act for the confirmation of the title to the Saline Lands in Jackson County, State of Illinois, to D. H. Brush, and others," approved March 2, 1861;

S. 1453. An act for the relief of the City National Bank Building Co.;

S. 1461. An act for the relief of Frederick G. Goebel;

S. 1465. An act for the relief of Dr. A. R. Adams;

S. 1471. An act for the relief of Mrs. Eugene W. Randall;

S. 1481. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended;

S. 1483. An act for the relief of Marino Bello;

S. 1501. An act for the relief of the Rau Motor Sales Co.; and

S. 1572. An act for the relief of Frank Robertson.

S. 1580. An act to authorize the Secretary of the Interior to dispose of certain lands heretofore acquired for the nonreservation Indian boarding school known as Sherman Institute, Calif.;

S. 1593. An act for the relief of the heirs and assigns of Widow Cesaire De Blanc;

S. 1597. An act to amend section 1, Act of June 29, 1940 (54 Stat. 703), for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes;

S. 1602. An act authorizing and directing the Secretary of the Interior to issue to Winnie Left Her Behind, a patent in fee to certain land;

S. 1605. An act for the relief of Mr. and Mrs. John Borrego; Mr. and Mrs. Joe Silva; the legal guardian of Frank Borrego; the legal guardian of Rueben Silva; and the legal guardian of Rudolph Silva;

S. 1710. An act to authorize the sale and conveyance of certain property of the estate of Jackson Barnett, deceased Creek Indian;

S. 1731. An act for the relief of Helen Halverson;

S. 1763. An act for the relief of the Square D. Co.;

S. 1782. An act to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes;

S. 1795. An act to amend that portion of the act approved June 30, 1906 (34 Stat. 697, 750), authorizing the settlement of accounts of deceased officers and enlisted men of the Army;

S. 1808. An act to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes;

S. 1809. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps;

S. 1826. An act to amend section 6 of the act of July 2, 1940 (54 Stat. 714), relating to the exportation of certain commodities, and to continue said act in effect;

S. 1837. An act for the relief of Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve;

S. 1838. An act to provide for reimbursement of certain Navy personnel and former Navy personal for personal property lost or damaged as the result of fires in quarters occupied by naval construction battalions;

S. 1839. An act to provide for reimbursement of certain Navy personnel for personal property lost or damaged as the result of a fire in quarters at naval advance base depot, Port Hueneme, Calif., on February 6, 1944;

S. 1840. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the bachelor officers' quarters, naval operating base, Argentia, Newfoundland, on January 12, 1943;

S. 1841. An act to provide for the reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943;

S. 1842. An act to reimburse certain Marine Corps personnel for personal property lost or damaged as the result of a fire at the marine barracks, naval supply depot, Bayonne, N. J., on April 25, 1943;

S. 1847. An act to provide for the payment of attorneys' fees from Osage tribal funds;

S. 1848. An act for the relief of Claude R. Whitlock, and for other purposes;

S. 1849. An act for the relief of Muskingum Watershed Conservatory District;

S. 1881. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fire at the naval advance base depot, Port Hueneme, Calif., on January 12, 1944;

S. 1894. An act to provide for the transportation to their homes of persons discharged from the naval service because of under age at time of enlistment;

S. 1934. An act to provide for abandonment of the project authorized in the act of October 17, 1940, for a seaplane channel and basin in Boston Harbor, Mass.; and

S. Con. Res. 43. Concurrent resolution relating to the invitation to the Congress of the United States to send a delegation to visit the British Parliament.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1029. An act to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes.

HON. ROBERT RAMSPECK

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include therein a splendid article by Merlo J. Pusey, which appeared in the Washington Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. HOBBS addressed the House. His remarks appear in the Appendix.]

AMERICAN PRISONERS OF JAPANESE GOVERNMENT

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include

therein a press release issued by the State Department.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. LUTHER A. JOHNSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

NAVY DEPARTMENT APPROPRIATION BILL, 1945

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report on the Navy Department appropriation bill.

The SPEAKER. Is there objection?

There was no objection.

POLICY OF THE BRITISH GOVERNMENT TOWARD PALESTINE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. DICKSTEIN addressed the House. His remarks appear in the Appendix.]

RETIRED COMMISSIONED OFFICERS EMPLOYED IN CIVILIAN POSITIONS BY THE GOVERNMENT

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a copy of the bill H. R. 3872, which I have introduced.

The SPEAKER. Is there objection?

There was no objection.

[Mr. GILLIE addressed the House. His remarks appear in the Appendix.]

THE DEMOCRATIC PARTY

Mr. MASON. Mr. Speaker, I ask unanimous consent to speak for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I hold in my hand the Weekly Clip Sheet of the Democratic National Committee, published here in Washington and dated May 11, 1944. On the front page, under the heading "The Democratic Party," we find the following very modest declaration:

The Democratic Party has contributed to this Nation four of its greatest documents—the Declaration of Independence, the Constitution, the Bill of Rights, and the Monroe Doctrine.

Mr. Speaker, the only comment I care to make concerning this very modest claim is: "My, oh, my! What has not the New Deal done to these four historic documents and the Democratic Party during the last 10 years, in cooperation with the Communist Party and its affiliates."

EXTENSION OF REMARKS

Mr. ROWE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a speech made by Mr. Baruch.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a radio address I made last evening.

The SPEAKER. Is there objection?

There was no objection.

Mr. TARVER. Mr. Speaker, I ask unanimous consent to incorporate in certain remarks which I expect to make today in Committee of the Whole, a letter relating to the subject matter of those remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that my colleague [Mr. HÉBERT] be permitted to address the House for 30 minutes on next Monday, May 29, after the regular business of the day and any other special orders.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article from the Evening Bulletin.

The SPEAKER. Is there objection?

There was no objection.

AMENDMENT OF SECTION 451 OF TARIFF ACT OF 1930

Mr. DOUGHTON. Mr. Speaker, I call up the conference report on the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the title of the bill.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 6, 7, 8, and 9, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment, as follows:

Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "operator, or agent of a highway vehicle, bridge, tunnel, or ferry,"; and the House agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment, as follows:

Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry"; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows:

Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, between the United States and Canada"; and the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment, as follows:

Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "or agent of any such highway vehicle, bridge, tunnel, or ferry, or other person"; and the House agree to the same.

Amendment numbered 5: That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment, as follows:

Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "over highways or toll bridges"; and the House agree to the same.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
Managers on the part of the House.

PETER GERRY,
A. H. VANDENBERG,
TOM CONNALLY,
ROBERT A. TAFT
(per A. H. V.),
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment numbered 1: The Senate bill relieved owners and operators of bridges, tunnels, and ferries between the United States and Canada and between the United States and Mexico from paying the compensation of customs inspectors assigned to duty on Sundays, holidays, or at night to duties in connection with the arrival in and departure from the United States of persons and property by means of such bridges, tunnels, and ferries.

The amendment of the House numbered 1 extended the benefits of this provision to owners and operators of highway vehicles and aircraft operating between the United States and Mexico and between the United States and Canada.

The Senate recedes with an amendment the effect of which is to omit aircraft from the House amendment.

Amendment numbered 2: The amendment of the House numbered 2 was a technical amendment made necessary by the amendment of the House numbered 1.

The Senate recedes with an amendment in conformity with the action on amendment numbered 1.

Amendment numbered 3: The Senate bill required the collector, under regulations prescribed by the Secretary of the Treasury, to assign customs officers and employees to duty,

at ports of entry where persons or property arrive in or depart from the United States by motor vehicle, trolley car, on foot, or by other means upon, over, or through any bridge, tunnel, or ferry between the United States and Canada and the United States and Mexico, at such times during the 24 hours of each day, including Sundays and holidays, as the Secretary in his discretion determined to be necessary.

The amendment of the House numbered 3 extended this requirement to include the assignment of customs officers and employees to duties at customs stations on highways between the United States and Canada and the United States and Mexico and at ports of entry where persons and property arrived in or departed from the United States to Canada or Mexico by aircraft.

The Senate recedes with an amendment the effect of which is to limit the amendment to requiring assignment of customs officers and employees to stations on highways.

Amendment numbered 4: The Senate bill provided that in the cases described in connection with amendments numbered 1 and 3, the compensation payable to the customs officers and employees for duty on Sundays, holidays, or at night shall be paid by the United States without requiring a bond, license, financial undertaking, or payment in connection therewith, on the part of the owner, operator, or agent of any bridge, tunnel, or ferry covered by the bill.

The amendment of the House numbered 4, in conformity with amendments numbered 1 and 3, extended this relief from payment, license, giving bond, etc., to owners and operators of highway vehicles and aircraft.

The Senate recedes with an amendment the effect of which is to limit the extension of this relief under the House amendment to owners and operators of highway vehicles; in conformity with the action on amendments numbered 1, 2, and 3.

Amendment numbered 5: The Senate bill provided that the extra compensation of customs officers and employees heretofore assigned to the performance of inspectional services in connection with traffic between the United States and Canada and the United States and Mexico by means of facilities described in connection with amendment numbered 1, shall be payable by the United States without reimbursement.

The House amendment, in conformity with amendments numbered 1, 2, 3, and 4, extended this provision to include customs officers and employees heretofore assigned to duty in connection with traffic by aircraft, highways, and toll bridges.

The Senate recedes with an amendment the effect of which is to limit the extension of this provision under the House amendment to customs officers and employees assigned to duty in connection with traffic by highways.

Amendment numbered 6: The Senate bill provided that any reimbursement of compensation made payable by the United States without reimbursement under section 2 of the bill shall be refunded.

The amendment of the House numbered 6 limits the refund to amounts which have accrued and been collected since January 6, 1941.

The Senate recedes.

Amendment numbered 7: The Senate bill directed the Director of the Bureau of the Budget to cause an investigation to be made concerning differences between the compensation of customs personnel performing inspectional work and of other Federal personnel performing comparable work under comparable circumstances, and to report his recommendations to the Congress for the equalization of any differences which will eliminate the necessity for the assignment of individual customs employees to work regularly on seven days in any week. The bill also directed that the Bureau make recommendations with respect to the establishment of pay differentials for customs employees required to work on Sundays, holidays, or at night.

The amendment of the House numbered 7 provided that this investigation, and these recommendations, should be made by the United States Civil Service Commission in lieu of the Director of the Bureau of the Budget.

The Senate recedes.

Amendments numbered 8 and 9: The amendments of the House numbered 8 and 9 are clerical amendments made necessary by amendment numbered 7.

The Senates recedes.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
Managers on the part of the House.

Mr. DOUGHTON. Mr. Speaker, this bill passed the House some days ago with certain amendments to the Senate bill. In the conference the Senate conferees agreed to all the House amendments except one pertaining to airplanes.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, this bill, S. 1758, is to clarify a situation caused by a decision of the Supreme Court in what is known as the Myers case. Prior to this decision the Treasury Department had furnished free inspectional service at international bridges, certain ferries and tunnels, on Sundays and holidays.

Under the Myers case the Treasury Department is precluded from assigning custom officers and employees to perform inspectional work on Sundays and holidays at toll bridges, toll tunnels, and certain ferries, unless such inspection employees are paid overtime. Thus, as a result of the decision in the Myers case, the Treasury feels it has no authority under existing laws to assign inspection work on Sundays and holidays as it did prior to the Myers case, without guaranties from the interested facilities to reimburse for the overtime paid the custom inspectors.

The facilities, such as the toll bridges owned jointly by the United States and Canada and by Mexico and the United States, cannot pay the overtime without international complications. The result is that traffic is stopped at many points on the international boundary.

I am in favor of every provision in this bill.

My opposition is to the elimination of what was put in the bill by a unanimous vote of the Ways and Means Committee.

The part eliminated was an amendment to provide the same free inspection service for airplanes on the boundary between Mexico and the United States and on the boundary between Canada and the United States.

The planes at these two boundary lines land and leave under military orders, yet they will be obliged to pay overtime for inspection service on Sundays and holidays, in fact at all times.

What reason—or rather, excuse—is given for this discrimination? A whispering campaign from bureaucratic sources that unless airplanes are eliminated from fair treatment, the President would veto the bill.

I repeat that the only objection that was made to including airplanes in this provision was this one thing, the usual whispering bureaucratic propaganda that if airplanes were included in the bill President Roosevelt would veto it. I do not mind saying here and now that I believe in the independence of this legislative body. We should not be terrified by the threat of a veto when legislation is brought into this House for consideration. I say it is time to stand up and be counted as an American Congress and not let this body descend to the low level of a Reichstag.

I have no objection to the bill except as stated. I want it to go through at this time to relieve the congestion on the international borders.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein certain tables.

The SPEAKER. Is there objection to the request of the gentleman from New York.

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS of New York. Mr. Speaker, I simply want on this occasion to compliment the chairman of the Committee on Ways and Means, the gentleman from North Carolina [Mr. DOUGHTON]; the gentleman from Texas [Mr. WEST], who sponsored this legislation in the House; and the members of the Committee on Ways and Means, for so promptly effecting this legislation which will relieve a most distressing situation at every international bridge in the country, seven of them in New York, a number in Michigan, and on the Mexican border.

I want also to pay my respects to the members of the Finance Committee in the Senate who considered the bill so promptly. I had hoped that the Senate could agree to these provisions today and that the bill would be signed by the President before Decoration Day. However, inasmuch as the Senate is in recess today, this cannot be accomplished now until Monday.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair recognizes the gentleman from Montana.

Mr. RANKIN. Mr. Speaker, will the gentleman from Montana yield for a unanimous-consent request? I should like to be recognized before we take up any business to submit a unanimous-consent request.

The SPEAKER. The Chair has agreed to recognize the gentleman from Montana to take up a bill for consideration.

Mr. RANKIN. Would the gentleman from Montana like to have a quorum?

It is customary, Mr. Speaker, to take up these consent requests before we get into a long legislation program.

The SPEAKER. It is customary for the Chair to transact business like conference reports at any time.

Mr. RANKIN. If we are going to have legislation considered, we probably ought to have a quorum here to help consider it.

Mr. KEEFE. This will take just a minute.

Mr. O'CONNOR rose.

The SPEAKER. For what purpose does the gentleman from Montana rise?

Mr. O'CONNOR. Mr. Speaker——

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently no quorum is present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Allen, Ill.	Gallagher	LeFevre
Andrews, Ala.	Gavin	Lewis
Baldwin, Md.	Gilchrist	Luce
Barden	Gillespie	McCord
Bell	Grant, Ala.	McLean
Bolton	Grant, Ind.	Manasco
Bonner	Green	Martin, Iowa
Boren	Griffiths	Merritt
Boykin	Gwynne	Merrow
Brehm	Harris, Ark.	Morrison, La.
Bulwinkle	Harris, Va.	Morrison, N. C.
Burdick	Hébert	Newsome
Burgin	Heffernan	Patton
Butler	Heidinger	Pfeifer
Cannon, Fla.	Hendricks	Philbin
Capozzoli	Hinshaw	Pracht,
Carter	Holmes, Mass.	C. Frederick
Case	Hull	Randolph
Celler	Jackson	Rees, Kans.
Clason	Jarman	Robsion, Ky.
Cole, N. Y.	Jeffrey	Sadowski
Compton	Jenkins	Shafer
Cooley	Johnson,	Snyder
Costello	Anton J.	Stearns, N. H.
Curley	Johnson,	Sumners, Tex.
Dewey	Calvin D	Taylor
Dies	Johnson,	Vincent, Ky.
Dirksen	Lyndon B.	Wasielewski
Disney	Johnson, Okla.	Weiss
Douglas	Jones	Wene
Durham	Kearney	Whittington
Eaton	Kee	Wilson
Fernandez	Kennedy	Winter
Fish	Kerr	Wolfenden, Pa.
Flannagan	King	Woodruff, Mich.
Folger	Klein	Zimmerman
Ford	Knutson	
Fulbright	Larcade	

The SPEAKER. On this roll call 320 Members have answered to their names, a quorum.

Further proceedings, under the call, were dispensed with.

EXTENSION OF REMARKS

(Mr. O'CONNOR asked and was given permission to extend his own remarks in the RECORD.)

MENOMINEE TRIBE OF INDIANS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 166) to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, lines 10 and 11, strike out "$1,420,836.03" and insert "$1,767,616.11."

Page 4, line 22, strike out "3 years" and insert "1 year."

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain these amendments?

Mr. O'CONNOR. I yield to the gentleman from Wisconsin [Mr. KEEFE], to explain them.

Mr. KEEFE. Mr. Speaker, this joint resolution passed the House unanimously on December 6, 1943. It passed the Senate on May 25, 1944, with two minor amendments. I should like to explain to the Members just what this resolution provides.

Mr. MARTIN of Massachusetts. Will the gentleman explain the amendments particularly?

Mr. KEEFE. I will explain the amendments as soon as I have explained what the resolution is, so that you will understand the resolution and then will understand what the amendments are.

The purpose of this bill is to settle the controversy between the United States and the State of Wisconsin and Menominee Indian Tribe, which dates back to 1854. It grows out of a situation which arose when, in 1854, the Government of the United States ceded certain lands to the Menominee Indians for a tribal reservation. Thereafter under the provisions of the Swamp Land Act it was held by the courts that the Government of the United States had ceded certain of this land involved in the treaty obligations to the State of Wisconsin under that act. Therefore the Menominees never did receive from the United States Government the number of acres of land that were supposed to be included within their treaty with the Government. Thereafter this Congress authorized the commencement of an action in the Court of Claims in behalf of the Menominee Tribe of Indians to ascertain the value of the land that should have been ceded by the Government to the Menominee Indians. That action has been tried and determined and the Court of Claims has entered an interlocutory decree holding that the Government failed to turn over to the Indians the lands provided by treaty. The interlocutory decree provided for the computation of the damages. The Government and the tribe have now agreed that the sum of $1,767,616.11 represents the proper measure of damages. The original resolution as passed in the House provided for a judgment in the amount of $1,420,836.03. The legislation passed by the House provided that in lieu of payment of this sum of money to the Indians the proceeds of the judgment should be used in purchasing these lands for the Indians by payment to the State of Wisconsin which has legal title to the land, the amount agreed upon in the final judgment.

The amount as finally agreed upon is the amount specified in the Senate bill, which raises the amount from $1,420,836.03 to $1,767,616.11, as the result of the findings resulting from the joint action of a cruise made by the State of Wisconsin and the Land Office of the Federal Government and the Department of the Interior. This bill has the approval of the Department of Justice, the Department of the Interior, the Indian Department, and the Bureau of the Budget. May I say also to the Members of the House that the Menominee Indian Tribe is one of the self-supporting tribes in the United States. Their principal support comes from the operation of a large sawmill which this Congress provided for years ago. They need this timber to get it out into the sawmill for war production purposes. There is involved on this land one of the finest stands of birch timber that exists in the United States. The Army and Navy are tremendously anxious to get that timber into the mill and get it into production. The only way that can be done is to pay the proceeds of the judgment against the United States that the Menominee Indian Tribe has, to the State of Wisconsin, as the purchase price of this timber land. This will then put these Indians in a position where they will be for all time self-sufficient. They are simply asking you to let them use their own money to acquire these lands and thus carry out what the Government of the United States originally agreed it would do, and give them the land that their treaty obligation called for. This is simple justice.

Mr. O'CONNOR. The Attorney General has already approved the Senate amendment.

Mr. KEEFE. The Senate amendments have been approved by the Attorney General and the Department of Justice and all the agencies of Government that are interested in this matter.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. RANKIN. You say all the agencies of Government. Did you consult the F. E. P. C.? I want to warn the gentleman if he did not, and called those people Indians, he may be subject to be called up on the carpet down there and excoriated, as the Dallas News was, for mentioning the race. They would much rather see those Indians do without the benefits of this bill, I am sure, than to have the members of this committee, the Members of Congress, or anybody else violate the holy orders of the F. E. P. C., that conglomerate bunch of communistic crackpots who are trying to run this country.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. If the gentleman from Montana will yield to the distinguished majority leader?

Mr. O'CONNOR. I yield.

Mr. McCORMACK. The House has already manifested unanimous consent as to the purpose of this bill. The only question is on agreeing to the Senate amendment which the chairman of the committee and the gentleman from

Wisconsin state carries out the understanding of the Government and brings justice to this group or tribe of Indians.

Mr. KEEFE. That is exactly right.

Mr. McCORMACK. The purpose of this bill is to give them justice. Is that right?

Mr. KEEFE. That is exactly right.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. KEEFE. Mr. Speaker, I may say I discussed this matter yesterday with the ranking minority member of the Committee on Indian Affairs, the gentleman from South Dakota [Mr. MUNDT], in the absence of the gentleman from Iowa [Mr. GILCHRIST] and it has his full and complete support.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

HUNGRY HORSE DAM

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3570) to provide as an emergency war project for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 6 and 7, strike out "urgently needed for the war effort."

Amend the title so as to read: "An act to provide for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what does the amendment do?

Mr. O'CONNOR. I yield to my colleague the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD of Montana. Mr. Speaker, this is an authorization for the Hungry Horse Dam on the south fork of the Flathead River in northwestern Montana as a post-war project. I might say to the distinguished gentleman from Massachusetts [Mr. MARTIN] that the bill has already passed the House unanimously.

Mr. MARTIN of Massachusetts. What are the Senate amendments?

Mr. MANSFIELD of Montana. There is only one and that is to make it a post-war project instead of a war emergency project. That is the only difference.

Mr. MARTIN of Massachusetts. You are not going to do it in wartime? It was originally passed as a war measure and now you are going to put it in as a post-war measure?

Mr. MANSFIELD of Montana. No; it was passed with that inclusion in it because of the fact that the Army engineers came into the Flathead last summer and were going to raise our lake to a height of 37 feet eventually, which would have affected 50,000 people directly and indirectly and 50,000 acres of the best land in Montana and inundated numerous towns along the lake and adjacent to it. Because of that we included this as an insurance and as an alternative in case they ever did come in again. We do not know when an emergency will arise, I might say to the gentleman, hence our desire for this bill, no piece of legislation has affected western Montana as this matter now before us for consideration.

Mr. MARTIN Massachusetts. Has this amendment been submitted to the committee?

Mr. MANSFIELD of Montana. Individually, yes; I have contacted the gentleman from Wyoming [Mr. BARRETT], the gentleman from Colorado [Mr. ROCKWELL], the gentleman from Washington [Mr. HORAN], and all the others, and the chairman, the gentleman from Idaho [Mr. WHITE].

Mr. MARTIN of Massachusetts. In other words, this practically postpones the project?

Mr. MANSFIELD of Montana. That is right. I can assure the House that the people of Montana will be deeply appreciative if the Members will consent unanimously to pass the bill, as amended, now before us for consideration.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include two editorials.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire as to what the program is going to be the rest of this week and next week.

Mr. McCORMACK. The program for today is the further consideration of the appropriation bill now before the House.

If the bill is disposed of today, which I hope, then I will ask unanimous consent that when the House adjourns tonight it will adjourn to meet on Monday next.

On Monday, the Labor Department appropriation bill will be taken up for general debate.

Tuesday is Memorial Day and there will be no legislative business.

Wednesday is the House memorial for our deceased Members. Outside of the memorial exercises there will be no legislative business.

On Thursday there will be a continuation of the consideration of the Labor Department appropriation bill, and thereafter, the lend-lease and U. N. R. R. A. appropriation bills will be the next order of business.

I want to make one reservation, that conference reports, of course, might be considered, that are in order next week, but the House will be advised so that the Members will have notice.

Mr. MARTIN of Massachusetts. As I understand, the tentative plans are to meet at 11 o'clock on Thursday?

Mr. McCORMACK. I think so; yes.

Mr. MARTIN of Massachusetts. It might be well to state that so that if the Members are away for Memorial Day they will be aware of that.

Mr. McCORMACK. I think probably we will come in at 11 o'clock some days next week. I do not want to commit myself about Thursday, but I do know that from now on if we are going to dispose of our program by June 20, or thereabouts, we will have to speed up. The House has been doing a mighty good job. We will probably have to sit on Saturdays and come in at an earlier hour on many days between now and June 30.

Mr. COCHRAN. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. COCHRAN. As I understand, it has been stated that on Thursday a very important matter is going to come before this House. That is the conference report on the independent offices appropriation bill. There are four or five items of legislation on that appropriation bill that are in disagreement and will have to come back for a vote in the House, including the T. V. A.

Mr. McCORMACK. I would like to inquire from the chairman of the Subcommittee on Appropriations, if it is the intention to bring up the conference report on the independent offices bill next Thursday?

Mr. WOODRUM of Virginia. The House and Senate conferees have met, and the House conferees have signed a report. The latest information I have is that there is some hesitancy on the part of the gentlemen in the other body, but I believe a report will be filed, and it is my thought at the moment that it would be ready for consideration by Thursday, if the program of the House will permit it.

Mr. MARTIN of Massachusetts. How about the conference report on the Navy Department appropriation bill?

Mr. McCORMACK. I think we might as well clear up some of these conference reports if we can. If the conference report on the independent offices appropriation bill, which involves many items, is ready for Thursday, I think it should be in order on that day.

Mr. WOODRUM of Virginia. It will take about 3 hours.

Mr. McCORMACK. If the conference report is reported in, it will be set down for next Thursday.

Mr. PACE. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. PACE. Many Members are especially interested in the bill providing for school lunches. The conferees are filing their report today.

Mr. McCORMACK. Will that be controversial?

Mr. PACE. In part.

Mr. WOODRUM of Virginia. That is a matter that will have to wait until the latter part of the week.

Mr. TARVER. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. TARVER. I think it is a matter of the utmost importance that this conference report on the Pace bill be considered by the House at as early a time as possible, because it involves the school-lunch program and the Farm Security Administration appropriation. The conferees on the Department of Agriculture appropriation bill have deferred further conferences with the Senate until that conference report is acted upon by the House. I sincerely hope that the majority leader may permit its consideration on Monday.

Mr. McCORMACK. What the gentleman says is thoroughly appreciated. I am sure the gentleman realizes that on Monday the Labor Department appropriation bill should be considered for general debate. It is impossible to set down that conference report for Monday. It will be considered as soon as possible after Wednesday.

Mr. MARTIN of Massachusetts. I understand the Navy Department appropriation bill conference report is controversial.

Mr. COCHRAN. The gentleman from California, [Mr. SHEPPARD] this morning received permission to file that conference report before midnight tonight. He told me there was a very controversial amendment which was be brought back to the House for a separate vote.

Mr. McCORMACK. Conference reports will not be brought up before Thursday. The independent offices appropriation bill conference report will be in order on Thursday. I am not making any commitment about the others now because it is not possible, but I will bring them up as soon as the order of business will permit.

Mr. RABAUT. The State, Justice, and Commerce Departments bill will be ready.

Mr. McCORMACK. I understand the State, Justice, and Commerce Departments bill will be ready. Those matters will be brought up as soon as possible, but none before next Thursday.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. MARTIN] has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for an additional minute.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry. I understood the gentleman from Massachusetts [Mr. MARTIN], had the floor.

The SPEAKER. The gentleman from Massachusetts [Mr. McCORMACK], had the floor by sufferance. The gentleman from Massachusetts asks unanimous consent to proceed for 1 minute. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. I yield to the gentleman from Michigan for an inquiry.

Mr. HOFFMAN. In view of the gentleman's statement about this adjournment Thursday, something was said about June, and our finishing up the work then. Is it the understanding or the thought that when we adjourn in June we may adjourn until September sometime?

Mr. McCORMACK. Of course, that is something I cannot give any definite statement about at the present time.

Mr. HOFFMAN. I did not expect a definite statement, but just sort of a thought you might have.

Mr. McCORMACK. The penetrating mind of the gentleman on this occasion is unable to receive from me a response that I could have confidence in myself. We are hopeful that some kind of arrangement may be made. I am not talking about an adjournment or anything else, but an arrangement of a nature that could be made, having in mind the two conventions and other problems of a practical nature that confront and will confront Members from June on.

Mr. MAY. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MAY. I would like to ask the gentleman if there is some possibility of getting either the Nurses Corps bill, or the WASP bill next week, or the week following.

Mr. McCORMACK. Not next week. I am very anxious that both bills be considered. Of course, the WASP bill was up last week and it was displaced because of reasons with which the gentleman is undoubtedly acquainted. However, it is impossible to put on either bill next week. The Nurses Corps bill is a very vitally important bill, and I was hopeful that we might pass that by unanimous consent.

Mr. MAY. I would be willing to have that done.

Mr. McCORMACK. It might be well for the gentleman from Kentucky to work on that and see if that can be accomplished. But I have both bills in mind for the week after next week.

I cannot give a definite promise.

Mr. RANKIN rose.

The SPEAKER. For what purpose does the gentleman from Mississippi rise?

Mr. RANKIN. Mr. Speaker, I should like to make a statement in response to the inquiry of the gentleman from Michigan. It is my understanding that the majority leader in the Senate announced yesterday that there will be no recess. I am not sure of that; you might look at the RECORD.

But I want to say with reference to conference reports that as I see it now it will not be possible to bring up the conference report on the veterans' bill, the so-called G. I. bill next week. Senator CLARK, chairman of the committee of conference, was called home and the conference was adjourned for a few days until he returns. We will meet again at the call of the chairman and expedite our work just as rapidly as possible with a view to bringing the conference report to the House as soon as we can.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. CANNON of Missouri. By way of recapitulation, we will resume consideration of the War Agencies Appropriation bill in the hope it will be completed this afternoon. If it is completed there will be no session tomorrow. If it is not completed this evening we will dispose of it tomorrow in a Saturday session.

Mr. McCORMACK. Of necessity we shall have to.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I have several unanimous-consent requests to submit.

On yesterday I asked unanimous consent to insert in the RECORD the address of Prime Minister Churchill before the House of Commons on day before yesterday. I find now that it will cover five pages of the RECORD and if all costs are included of running the Government Printing Office, and so forth, for that time, it would amount to $260; but this is one of the most important statements on international affairs that has been made since the beginning of the war, and it was published in full in only one newspaper in the United States that I have been able to find, the New York Times. In the light of that situation I am going to ask unanimous consent that it may be inserted in the RECORD with these facts before us.

The SPEAKER. Without objection, notwithstanding the cost the extension may be made.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks on the river and harbor bill and to include therein excerpts from some statements made before the Committee on Rivers and Harbors by Colonel Feringa and also some made before the Committee on Commerce of the Senate by Gen. Thomas M. Robins, the Assistant Chief of Army engineers.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Now, Mr. Speaker, I ask unanimous consent that in the remarks which I shall make in the House today on the so-called F. E. P. C. item, to which I referred a few moments ago, I may extend my own remarks and include several clippings from Texas newspapers.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects and to include newspaper articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech I made last Saturday over the Columbia Broadcasting System.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects and to include therein an article by Mr. Fred McCollum, of the Forest City Times Herald, Forest City, Ark.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PUNISHMENT FOR WILLFUL INJURY TO WAR MATERIAL

Mr. CLARK, from the Committee on Rules, submitted the following report on the bill (H. R. 3442, Rept. No. 1517) to amend sections 1, 2, and 3 of the act entitled "An act to punish the willful injury or destruction of war material, or of war premises or utilities used in connection with war material, and for other purposes", approved April 20, 1918, as amended (40 Stat. 533; U. S. C., title 50, secs. 101, 102, and 103), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3442) to amend sections 1, 2, and 3 of the act entitled "An act to punish the willful injury or destruction of war material, or of war premises or utilities used in connection with war material, and for other purposes", approved April 20, 1918, as amended (40 Stat. 533; U. S. C., title 50, secs. 101, 102, and 103). That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

LABOR AND FEDERAL SECURITY APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent, in view of the statement made by the majority leader, that the Committee on Appropriations may have until midnight tomorrow night to file a report on the Labor and Federal Security appropriation bill; and I couple with that the request that all points of order be reserved on the bill.

INDEPENDENT OFFICES APPROPRIATION BILL

I further request that the committee also have until midnight tomorrow night to file a conference report on the independent offices appropriation bill, and that all points of order be likewise reserved on that conference report.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman means that points of order be reserved, not waived.

Mr. CANNON of Missouri. My request is that all points of order be reserved on both bills.

Mr. TABER. Mr. Speaker, reserving the right to object, the gentleman is making that request contingent upon the House being in recess tomorrow.

Mr. CANNON of Missouri. Yes. If the House is in session we will, of course, file it under the rules without securing leave.

The SPEAKER. The gentleman from Missouri [Mr. CANNON] asks unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file conference reports on the Labor and Federal Security bill and on the Independent Offices bill and that all points of order to each be reserved.

Is there objection?

There was no objection.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1945

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes.

The SPEAKER. Does the gentleman desire to fix the time of general debate?

Mr. CANNON of Missouri. I have no requests to submit as to time, Mr. Speaker.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4879), the National War Agencies appropriation bill, 1945, with Mr. COOPER in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. Allow the Chair to announce that at conclusion of debate on yesterday the gentleman from Missouri [Mr. CANNON] had consumed 1 hour and 30 minutes, the gentleman from New York [Mr. TABER] had consumed 43 minutes.

Mr. CANNON of Missouri. Mr. Chairman, I ask to be recognized for 5 minutes.

The CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes.

Mr. CANNON of Missouri. Mr. Chairman, Members have said that had they understood that the item which caused such controversy yesterday was not subject to a point of order they would have voted differently. In view of this misconception and the fact that the entire argument yesterday of the gentleman from South Dakota [Mr. CASE] was based upon the assumption that the item was subject to a point of order on the ground that it was proposed, an appropriation without authority of law, I desire to make a brief statement citing the authorities and in substantiation of the fact that the item is not subject to a point of order; that whether this request had been granted or had not been granted, it could not have been taken out by raising a point of order. It could not be eliminated by a point of order because it was authorized under Executive Order No. 9346.

Mr. TARVER. Mr. Chairman, will the gentleman yield at that point?

Mr. CANNON of Missouri. I yield to the gentleman from Georgia.

Mr. TARVER. The gentleman says it is authorized by certain legislation. Will the gentleman, waiving any question as to whether or not an appropriation for the agency is authorized by legislation, explain what legislation authorized the temporary employment of persons by contract or otherwise without regard to section 3709 of the Revised Statutes?

Mr. CANNON of Missouri. That is the very point I now propose to discuss.

Mr. TARVER. The gentleman admits that is legislative in character and therefore the whole paragraph undoubtedly would have been stricken on a point of order.

Mr. CANNON of Missouri. If the gentleman will contain his soul in patience, I shall be glad to enlighten him on the subject.

Mr. TARVER. I am perfectly patient, but I do not think the gentleman proposes to enlighten me.

Mr. CANNON of Missouri. If that is possible.

Mr. Chairman, this item was submitted to the Congress by the President, after having been transmitted to him by the Bureau of the Budget, and referred to the Committee on Appropriations under Executive Order No. 9346, issued by the President on May 27, 1943, just 1 year ago tomorrow. He issued the Executive order by virtue of the authority vested in him as President of the United States and as Commander in Chief of the Army and Navy by the powers conferred in section 2, article II, of the Constitution.

Mr. Chairman, this matter has been passed upon by the Supreme Court of the United States and I will take just a minute or two to quote the opinion of the Court.

In *Hirabayashi* v. *United States* (320 U. S. 81), the Supreme Court said in upholding the west coast Japanese curfew orders:

It [the war power] extends to every matter and activity so related to war as substantially to affect its conduct and progress. The power is not restricted to the winning of victories in the field and the repulse of enemy forces. It embraces every phase of the national defense.

Similarly Chief Justice Charles Evans Hughes, in an article written for the American Bar Association during the First World War, wrote that the President's war powers were coextensive with "the power to wage war successfully"—42 A. B. A. report 232, 238.

In the recent case of *Ken-Rad Tube & Lamp Corporation* v. *Badeau* (No. 132 D. C. Western District Ky., May 9, 1944), Judge MacSwinford, in discussing the President's powers aside from statute, to

seize the plant in question, wrote as follows:

I further conclude that without an act of the Congress there was sufficient authority by the terms of the Constitution itself to justify the action of the President in this case. The President has no power to declare war—that belongs exclusively to Congress. But when war has been declared and is actually existing, his functions as Commander in Chief become of the highest importance and his operations in that connection are entirely beyond the control of the Legislature. There develops upon him by virtue of his office a solemn responsibility to preserve the Nation and it is my judgment that there is specifically granted to him authority to utilize all resources of the country to that end.

* * * * *

Charged with the grave responsibility of preserving a Government which guarantees the property rights of individuals the Chief Executive as Commander in Chief must not be hampered in the prosecution of the war effort. His exercise of authority to this end is subject only to the review by the Court that his actions are not artbitrary or without reasonable justification. With this limitation there need be no fear that constitutional government as we know it in these United States will be abolished, destroyed, or impaired.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 10 additional minutes.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Missouri yield for a parliamentary inquiry?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. HOFFMAN. Mr. Chairman, does this 10 minutes come out of the time of debate or is it in addition to that?

The CHAIRMAN. Answering the parliamentary inquiry, this is general debate and any time yielded, of course, comes out of general debate.

Mr. HOFFMAN. Will the gentleman yield for a question?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. HOFFMAN. Does the gentleman contend that the President has a right, for example, to tell the railroads of the South or of any part of the country whom they shall employ?

Mr. CANNON of Missouri. The gentleman understands that we are trying to dispose of this bill today, and I am taking as little time as possible on the question before the House. For that reason I am confining myself to the point under consideration at this time. At some later time I shall be glad to take up other issues with the gentleman.

Mr. HOFFMAN. This $500,000 is in this bill and that is one of the points that is before the House.

Mr. CANNON of Missouri. If my friend will permit, I am discussing the parliamentary situation status of the item on page 9 under the order granted by the House on Wednesday.

Mr. RUSSELL. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. RUSSELL. Inasmuch as the gentleman has made the statement that the President has power under Article II, Section 2, of the Constitution to set up this bureaucratic institution, which the gentleman has discussed, under Section 2, Article II, I would like for the gentleman to point out one phrase, one word, or one clause in Section 2, Article II, of the Constitution that authorizes the President to set up such an agency.

Mr. CANNON of Missouri. I would not presume to undertake to do what the Court itself has done so much better and more authoritatively.

Concerning the existence of the President's Constitutional powers, Attorney General Murphy said—39 Opinions 347:

You are aware, of course, that the Executive has powers not enumerated in the statutes—powers derived not from statutory grants but from the Constitution. It is universally recognized that the constitutional duties of the Executive carry with them the constitutional powers necessary for their proper performance. These constitutional powers have never been specifically defined, and in fact cannot be, since their extent and limitations are largely dependent upon conditions and circumstances. In a measure this is true with respect to most of the powers of the Executive, both constitutional and statutory. The right to take specific action might not exist under one state of facts, while under another it might be the absolute duty of the Executive to take such action.

Theodore Roosevelt wrote in his autobiography:

My view that every executive officer, and above all every executive officer in high position, was a steward of the people bound actively and affirmatively to do all he could for the people, and not to content himself with the negative merit of keeping his talents undamaged in a napkin. I declined to adopt the view that what was imperatively necessary for the Nation could not be done by the President unless he could find some specific authorization to do it. My belief was that it was not only his right but his duty to do anything that the needs of the Nation demanded unless such action was forbidden by the Constitution or by the laws.

The wartime powers of the President can best be explained by pointing out some of the most famous historical examples of the exercise of those powers. Abraham Lincoln, who took office at a time when Congress was not in session and when rebellion was spreading swiftly throughout the Southern States, had to take many drastic steps under his war powers. He issued a call for volunteers, he increased the size of the Regular Army and Navy, he issued regulations which in effect resulted in compulsory conscription, he authorized the seizure of property of private citizens wherever it was indispensable to the successful prosecution of the war, he ordered the blockade of southern ports, and he proclaimed the emancipation of the slaves—all without enabling legislation. At his direction, Postmaster General Blair closed the mails to certain newspapers which publicly advocated that the Federal Government accede to the demands of the Confederacy. A congressional committee, investigating this action, concluded that the President not only had the authority, but that it was his positive duty to close the mails in such cases. The committee stated that "Every government, unless by its constitution restricted, has the most ample power of self-preservation, and it is by no means essential to that power that it should be enumerated among its expressly granted powers. It springs from the essential elements of government itself."

Our Presidents have often been forced to use these constitutional powers to protect American shipping. Thus President Adams in 1798 authorized the arming of American merchantmen to resist the attacks which were being made upon our commerce by the French, and in 1801 President Jefferson sent a squadron of frigates into the Mediterranean to protect our commerce against the Barbary brigands. Naval vessels were ordered to sea to protect the merchant marine of the United States by Buchanan in 1858 and by Lincoln in 1861, with no congressional authorization. Blockades were established with no legislative authority along the Mexican coast by Polk in 1846, along the southern coast by Lincoln in 1861, and before certain Cuban ports in 1898 by McKinley. These are all examples of the type of special emergency powers which the President must exercise when he finds that the national safety demands such action.

In more recent times, our Presidents, in the emergency of war or of threatened war, have had to take sudden and drastic steps to preserve the national strength. During the last war, for instance, when President Wilson found that our national safety demanded an immediate control of messages entering and leaving the country, he ordered a very strict censorship of all foreign cable, telephone, and telegraph messages, solely in his authority as Commander in Chief. Before we entered the present war, President Roosevelt found it necessary to direct the Secretary of War by Executive order to take over the plant of the North American Aviation Co., and and to produce the airplanes called for by its Government contracts because it was apparent that a strike there was seriously hampering our national defense. The legal basis for this action was stated by the Attorney General:

There can be no doubt that the duty, constitutionally and inherently, rested upon the President to exert his civil and military as well as his moral authority to keep the defense effort of the United States a going concern.

These and many other actions of Presidents of the United States, taken in pursuance of their duty to protect the Nation and its citizens, have sometimes been challenged as being beyond the scope of authority outlined for the President in the Constitution. The general approval of the American people, however, and the frequent recognition and ratification of such acts by Congress have conclusively answered the arguments of those who would make the President powerless in a time of national crisis. As former Chief Justice Hughes once said:

The framers of the Constitution did not contrive an imposing spectacle of impotency.

> • • • Self-preservation is the first law of national life and the Constitution itself provides the necessary powers in order to defend and preserve the United States.

"The transaction of business with foreign nations," which as Jefferson said, "is executive altogether," is also a very important element in determining the war policies and actions of the United States. Even in the process of making a formal treaty, which must of course be ratified by the Senate, all the preliminary negotiations are completely in the hands of the President or his agents. In time of war or of international emergency, it is the President's duty to make clear, by declaration or by agreement with representatives of other nations, the policy which the United States intends to pursue with regard to the war or the emergency. Because of his special sources of knowledge and because of his responsibility for the direction of our State Department and our ministers abroad, the President must both formulate our American foreign policy and make certain that it is understood by the nations whom it concerns.

The earliest important exercise of this power was the proclamation of neutrality issued by President Washington in 1793. Mindful of the weakness of the new republic and fearing that our free growth might be damaged should we become involved at that time in the war between France and Great Britain, Washington determined that the national interest required that we remain free from involvement in that struggle.

The proclamation of the Monroe Doctrine in the President's message to Congress of 1823 is perhaps the most famous example of the exercise of Executive power in the field of foreign relations. Although announced by President Monroe with no legislative authorization, this "Doctrine" which has served as a warning to any European or Asiatic nation whose actions threaten the liberty and safety of any independent government on either of the American continents, has from the time of its announcement to the present day been one of the fundamentals of our national foreign policy. As President Cleveland said of it:

> It may not have been admitted in so many words to the Code of International Law but • • • it has its place in the Code of International Law as certainly and as securely as if it were specifically mentioned.

Another declaration made by the President, over a century later, in conjunction with the Prime Minister of Great Britain, may become an equally important part of our foreign policy in the future. This is the Atlantic Charter, a declaration of joint policy of the United States and Great Britain in relation to the people of every land on the face of the earth, which was signed by President Roosevelt and Prime Minister Churchill at a meeting on a warship in the North Atlantic during August 1941.

The President's power with regard to foreign affairs does not stop, however, with mere declarations of policy. He has also the power to enter into international agreements of more immediate and practical importance. Under such an agreement the United States Government in September 1940 transferred 50 destroyers to Great Britain in return for leases of important naval bases on British territory in the Western Hemisphere. In transmitting to Congress copies of the notes which had been exchanged, the President explained this action by pointing out that—

> Preparation for defense is an inalienable prerogative of a sovereign state. Under present circumstances this exercise of sovereign rights is essential to the maintenance of our peace and safety.

The President thus, acting under the Executive power placed in him by the Constitution, buttressed the strength of one of our future allies in one of her most critical hours and at the same time greatly strengthened our own national defense.

No President of the United States, however, takes it upon himself—as do the dictators and ruling cliques of the Axis nations—to ignore or violate the will of the people by acting solely upon his own personal convictions or desires. The sweeping emergency actions of American Presidents have been taken in times of national crisis when Congress was not in session or could not act quickly enough to meet the necessities of the moment. Such acts have always been in accord with the President's belief as to the way in which the people and the Congress of the United States would direct him to act were there sufficient time to consult them through elections or the regular legislative processes.

Often when the President has been forced to use his emergency powers, he has asked that Congress specifically approve and authorize these acts. Thus, the action of President Jefferson in sending the American Fleet into the Mediterranean to wage war against Tripoli was communicated to Congress at the opening of its next session, and Congress thereupon gave its authorization to the hostilities. Similarly, all the orders and proclamations of President Lincoln, increasing the size of the Army and Navy and calling out volunteers, were, by later act of Congress "approved and in all respects legalized and made valid, to the same intent and with the same effect as if they had been issued and done under the previous express authority and direction of the Congress of the United States."

During the First World War, President Wilson had, with no statutory authority, ordered Mr. Hoover, the Chairman of the Committee on Food Supply and Prices, to take all necessary steps to further the saving of food and the elimination of waste, because he believed it essential to our war effort that the program be started immediately. Shortly thereafter Congress passed the Food and Fuel Control Act, which not only confirmed the powers the President had already exercised but also authorized him to take many other steps necessary to guarantee an adequate supply of food and fuel at reasonable prices. Since the start of the present war, Congress has similarly ratified an order of President Roosevelt which gave the Secretary of War and certain military commanders the power to set up military areas, to exclude any or all persons therefrom, and to impose restrictions "in his discretion" on the right of any person to enter, remain in, or leave such an area. Realizing that this order was necessary because of emergency situations in our coastal area, Congress recognized its validity and gave it added strength by making it a criminal offense to violate any of the restrictions imposed in such military areas.

When circumstances permitted, the President has often consulted with the Congress about an emergency action, even though he already had the power to act under the Constitution or under existing statutes. Thus, President Wilson, when he wished to arm our merchantmen in 1917, said in a message to Congress:

> No doubt I already possess that authority without special warrant of law by the plain implication of my constitutional duties and powers, but I prefer in the present circumstances not to act upon general implication. I wish to feel that the authority and the power of the Congress are behind me in whatever it may become necessary for me to do. We are jointly the servants of the people and must act together and in their spirit, so far as we can divine and interpret it.

It was only after the President saw that an overwhelming majority of both Houses were in favor of specifically granting him this power and that the passage of a bill to that effect was being delayed by the technical obstructions of a small minority that he ordered the merchantmen armed.

Similarly, President Roosevelt, in the present war, although convinced that he had the power to limit the further rise of prices on agricultural commodities, preferred to go to Congress for specific authority to do this. In his message of September 7, 1942, he said:

> The President has the powers, under the Constitution and under congressional acts, to take measures necessary to avert a disaster which would interfere with the winning of the war. I have given the most thoughtful consideration to meeting this issue without further reference to the Congress. There may be those who will say that if the situation is as grave as I have stated it to be I should use my powers and act now. I can only say that I have approached this problem from every angle, and that I have decided that the course of conduct which I am following in this case is consistent with my sense of responsibility as President in time of war, and with my deep and unalterable devotion to the processes of democracy.

But the conduct of our national defense does not depend entirely or even to a large extent on the special emergency powers of the President. Most of the broad discretionary powers which a President exercises in time of war are given to him by acts of Congress. When the Nation enters upon a war, or when it is confronted by a threat to its safety, the people and Congress have always recognized that many serious problems will arise which demand a solution so swiftly that they cannot be solved by specific congressional action. Trusting in the wisdom of the President to use his powers only to the extent necessary to save the Nation harmless through these crises, Congress has therefore delegated to him many types of wide and general powers.

In some instances the grants of power have been only temporary, designed to meet an immediate but passing need. In others they have remained a part of the body of our national law as a reserve of legislative preparedness for the emergencies of national defense.

One of the first national emergencies which called forth legislation of this type was the Pennsylvania Rebellion of 1792. To enable President Washington to put down this rebellion, Congress empowered him to call out the militia of the States to enforce the laws "whenever the laws of the United States shall be opposed, or the execution thereof obstructed," or "whenever the United States shall be invaded, or be in imminent danger of invasion from any foreign nation." This statute, enacted and reenacted in many different forms throughout our national history, finds a place still in our code of laws today.

From the early history of our country comes also the act of 1798, still in force, that empowers the President in time of war or of threatened invasion to apprehend and detain enemy aliens. In answering objections to the breadth of power given the President by this act, the chairman of the committee which had drafted it explained that—

> It would be impossible for Congress to describe cases in which aliens * * * ought to be punished or not; but the President would be able to determine this matter by his proclamation.

This recognition by Congress of the necessity of providing for the President a wide sphere of discretionary action in certain types of emergency cases where the specific problems cannot be foreseen has continued throughout our national history, and has been one of the greatest elements in the success with which our democracy has been able to meet a crisis.

It has been recognized throughout our history, for instance, that in war, when there is not the time to go through the ordinary processes of bargaining and contract, it may be necessary for the Government to take the property of a citizen for military purposes upon the payment of its fair value. Before our National Government had been formed, General Washington was given the power by the Continental Congress during the struggle by which we obtained our independence "to take, wherever he may be, whatever he may want for the use of the Army, if the inhabitants will not sell it, allowing a reasonable price for the same."

During the last war the President was empowered to take over and operate any factories or industries necessary for the production of military supplies if the owners refused to produce war supplies for the Government. An almost identical statute was passed in September 1940, even though we were then still at peace, because of the necessity of swiftly strengthening our defenses.

A very broad requisitioning statute was passed a few months before our entrance into the present war. This act applies to a wide range of military or naval equipment and to the tools and materials necessary to produce or operate that equipment. If the need for a particular piece of property is immediate, if there is no other source of supply, and if it cannot be obtained upon fair and reasonable terms, the President "is authorized to requisition such property upon the payment of fair and just compensation, and to dispose of such property in such a manner as he may determine is necessary for the defense of the United States."

The history of this statute is an illustration of the self-corrective processes of our American democracy. During the First World War, as the need for the exercise of requisitioning powers became evident, a long series of statutes was passed, each of which gave to the President the power to requisition a different type of article. When we began to prepare our national defense before the present war, Congress realized from this experience that piecemeal delegation of the requisitioning power is not adequate, because it is never possible to foresee all the types of articles which will have to be taken. Congress, therefore, gave to the President the general requisitioning power which they believed he needed.

Another type of Presidential power which has been found necessary during time of war is the authority to prohibit commercial intercourse with enemy nations. As our international commercial relations have become ever more complex, it has been necessary for Congress to delegate broader powers in this field. Within 2 weeks after our entrance into the present war, the First War Powers Act gave to the President complete discretion to regulate or prohibit any transactions whatsoever involving any property in which any foreign nation or citizen of a foreign nation has any interest.

As the mechanization of armies has increased, the mobilization of manpower for the armed forces has been increasingly matched by the mobilization of the Nation's physical and industrial resources. Today this discretionary control of the President over the Nation's business and industry has expanded until he has a complete power of life and death over every enterprise in the Nation. He may order factories to produce certain specified articles and nothing else; he may permit them to purchase certain raw materials in certain quantities for certain purposes or he may cut them off entirely; he may designate the persons to whom they may sell and the quantities they may sell. All these powers, tremendous in their potentialities of abuse, have been freely given to the President for the period of the war because of our knowledge and faith that he will use them for the common good alone.

In order that the war mobilization of the Nation's resources might be achieved without disastrous effects on the civilian population, the Food and Fuel Control Act was passed in 1917. It vested in the President the power, whenever he deemed it essential, to license the importation, exportation, manufacture, and distribution of food, feed, fertilizer, and fuel; to regulate the businesses so licensed; to fix prices of such food and fuel; to requisition food, fuel, and other supplies or factories or mines in which they were produced; and to take many similar steps to preserve a free and adequate flow of food and fuel. Under this act, the President was able to do much to prevent the unnecessary hardships and deprivations of the civilian population which the continued unchecked operations of our peacetime economic system would have produced.

In the present war, several sweeping delegations of power have been made to enable the President to meet similar problems. Among these, for instance, is the act of October 2, 1942, which authorizes and directs the President "to issue a general order stabilizing prices, wages, and salaries, affecting the cost of living." This act contains, of course, certain limitations of the power of the President and certain directives of policy which the Congress wishes him to follow; but by and large, it delegates to the President the power to take any steps he deems necessary to prevent inflation and resulting economic hardships. It constitutes a recognition by Congress that such a problem can be solved only by day-to-day decisions, as new difficulties arise which must be solved instantly and effectively.

A delegation of power of a new type was made to the President during the emergency which preceded our entrance into the present war. Although we were not yet involved in hostilities, the people of America and the Members of Congress saw clearly that our national safety depended upon the continued resistance of the democratic nations which were fighting a gallant struggle against the aggressors. For this reason, we desired to supply those nations with arms and other necessary supplies even though they no longer had the money to pay us for them. It was evident that such a program could not be carried through by numerous specific statutes. Under the Lend-Lease Act, therefore, he is empowered "when he deems it in the interest of national defense" to authorize the manufacture or procurement of any defense article "for the government of any country whose defense the President deems vital to the defense of the United States." The terms and conditions upon which such aid is to be given are to be "those which the President deems satisfactory" and the benefit to the United States may be payments, repayments in kind, or "any other direct or indirect benefit which the President deems satisfactory."

These are only a few illustrations of the vast powers which have been freely delegated to the Presidents of the United States in times of national emergency. They constitute the most eloquent proof that can be found of the faith of the American people in our democratic system of government. These powers were not seized arbitrarily by a small clique as in Japan; they were not obtained by elections where there is only one possible way to vote, as in Nazi Germany; they do not rest upon the meaningless assent of a packed, sham legislature, as in Fascist Italy. They were given freely by a democratic Congress to a President freely elected by the people, so that he can coordinate the energies, the labor,

and the property of all the people for the common welfare in time of national peril. They were given only temporarily, for use in emergency situations. As President Roosevelt has said, "When the war is won, the powers under which I act automatically revert to the people—to whom they belong."

Mr. Chairman, the authorities, and the instances of exercise of the war powers of the President which I have cited, conclusively sustain the contention that the item on page 9 of the bill is not subject to a point of order under the rules of the House. I regret that there was no opportunity to present them yesterday when the issue was raised.

They effectively refute any suggestion that the order for the consideration of the pending bill in any degree affected the status of the appropriation recommended by the Committee on Appropriations for the Committee on Fair Employment Practice.

I shall be glad to answer any further questions on the subject during consideration of the bill under the 5-minute rule.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, as the report indicates, this bill carries appropriations for 18 agencies. For those 18 agencies the Congress has provided appropriations or contract authorizations for the present fiscal year to the extent of $2,819,000,000. This bill provides appropriations or contract authorizations amounting to about $1,033,000,000 for these agencies. In other words, the sum recommended is about $1,785,000,000 less than the sum carried for the present fiscal year, and about $38,000,000 less than recommended by the Bureau of the Budget.

In view of the extended comments by the chairman of the committee the gentleman from Missouri [Mr. CANNON], and the remarks of the gentleman from New York, the ranking minority member of the committee [Mr. TABER] I shall confine my remarks to comments on two or three of the agencies which are provided for in this bill.

WAR SHIPPING ADMINISTRATION

The largest item in the bill is an item of $550,350,000 for War Shipping Administration, which compares with an appropriation for the current fiscal year of $2,272,350,000.

The appropriation provides, first, the sum of $350,000 for the State marine schools. The same amount was provided for the current fiscal year. The appropriation provides next the sum of $80,000,000 as compared with $72,000,000 for the current fiscal year, for the maritime training fund, the increase being due to the increased number of trainees and recruits estimated for the next fiscal year. Finally it provides the sum of $470,000,000 for the agency's revolving fund. That sum of $470,000,000 is to be increased by a $100,000,000 transfer from the insurance fund of the agency and by $821,000,000, representing an unexpended balance for the current fiscal year. In other words, there will be $1,391,000,000 available for the revolving fund.

While on the face of things there appears to be a decreased appropriation, it is really an increase when the unexpended balance of $821,000,000 is taken into consideration. The agency estimates gross expenditures for the next fiscal year of $2,840,000,000, an increase of about 24 percent, which results in the main from an increase in the fleet of ships from something over 3,000 to something over 4,000, or about 33 percent. The committee has allowed the full request for the agency with the exception of $20,000,000.

The tremendous contribution which the War Shipping Administration is making to the war effort is shown in the hearings and is rather fully outlined in the committee report.

On January 27 last, when the Maritime Commission appropriation was under consideration by the House, I inserted in the RECORD certain detailed information indicating, in the absence of explanation, and regardless of legal questions, gross waste of the people's money.

As the Members will recall, I placed in the RECORD tables compiled from figures presented by the Maritime Commission, War Shipping Administration, and other official sources, referring to purchase prices, charter hire, insurance, Red Sea charters, ships traded in for credit, agency fees, profits, and so on. It was at about the same time that the Comptroller General made his report to the Congress in respect to the purchase of 10 vessels from the Southern Pacific Co., Morgan Line, in the course of which he stated:

> There is evidence that the Commission utterly disregarded its responsibility to the Congress and the taxpayers of the United States by pursuing a course of action which was unsound and improvident at the very outset, and could lead only to waste and extravagance in the expenditure of public funds.

Some time later on, March 28 to be exact, further information and further tables were inserted in another body purporting to show the increase in assets, the increase in capital, dividends and profits, of 11 or 12 companies referred to during the period 1938–43. This information appears at page 3183 of the CONGRESSIONAL RECORD of March 28, 1944.

These tables indicate among other things that one company during the years 1938 to 1943 increased its assets from $9,000,000 to $43,000,000, increased its capital from $4,000,000 to $31,000,000, paid preferred stock dividends of 5 percent in each of the years and common stock dividends reflecting increases in the respective years of 55 percent, 96 percent, 100 percent, 150 percent, and 200 percent.

The War Shipping Administration in the record now under consideration reports that a new schedule of reduced rates is now proposed. That schedule calls for a basic bare boat rate of $1.25 per dead weight ton per month, reflecting a decrease of from 5 to 10 percent and a rate for insurance valuation of $56.25 per dead weight ton, a decrease of about 25 percent, with an estimated saving, according to the agency, of some $50,000,000. The details appear in the record.

The whole matter has been complicated by the legal questions which have been raised with reference to the interpretation of section 902 of the Merchant Marine Act and the so-called enhancement clause. The legality and propriety of the proposed reductions may still be open to question. Further detailed information is essential.

The War Shipping Administration seeks to fix rates which it considers both legal and fair. It is interesting to compare in this connection the $1.25 rate per dead weight ton per month now suggested as fair, with the $5.13 average per dead weight ton per month rate actually paid in respect to the Red Sea charters.

Commenting editorially recently on this general situation, the New York Journal of Commerce stated that:

> For more than 2 years the question of ship values and earnings has been passed around Washington from agency to agency, and from committee to committee, without once arriving in any office where anybody would accept the full responsibility for it.

It went on to state that W. S. A. wanted to adopt a certain scale of value but the Comptroller General declared it was too high; further, that W. S. A. hesitated to flout the Comptroller and entered into inconclusive negotiations with him instead; further, that three eminent judges were finally called in by the President to advise on the matter but that there is still no agreement on their own conclusions. It states:

> Surely it is time for Congress to look into the matter and find out what is wrong.

If Congress is to look into this matter, Mr. Chairman—and it should be looked into immediately—it cannot, in my judgment, be done within the scope of appropriation hearings. Only through a thorough investigation can we ascertain all the facts as a basis for intelligent action.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to my distinguished friend from the Committee on the Merchant Marine and Fisheries.

Mr. O'BRIEN of New York. I wish to inform the gentleman that I have been tremendously interested in what he has had to say. The various illegalities that he refers to are now under advisement and have been under advisement by the Committee on the Merchant Marine and Fisheries and its subcommittees for quite some time. Some of these cases have been adjudicated. As far as the Comptroller General's office is concerned—and I believe the gentleman is aware of that—may I ask if there is another agency in Washington, in the gentleman's estimation, that has done the splendid job that the Maritime Commission has done under the able leadership of Admiral Land?

Mr. WIGGLESWORTH. I have many times on the floor of this House taken off my hat to the fine work that both the Maritime Commission, in terms of construction, and the War Shipping Administration, in terms of transportation, have contributed to the war effort. The criticism which I have directed at both agencies, as the gentlemen well knows, has been directed at the financial opera-

tions of the two agencies. I think that sooner or later those operations will have to be thoroughly investigated.

I fully appreciate the fact that the committee of which the gentleman is a member has had under consideration some of these matters for a very long time, as the gentleman indicates. I hope that it will not be much longer before the House may have the benefit of the critical conclusions of that committee.

Mr. O'BRIEN of New York. I appreciate the gentleman's criticism because it is always constructive and very beneficial to the members of the committee. I for one appreciate it.

Mr. WIGGLESWORTH. I thank the gentleman.

Mr. Chairman, the record indicates that the results of W. S. A. renegotiation have not been substantial and that further progress in this connection in respect to the Red Sea charters has not yet been made. Two lines, and two only, have made voluntary repayments aggregating something like $310,000.

The Members will find further information in regard to trade-ins for credit under section 510 of the act in a table on page 499 of the hearings. The information is not complete, however, in that original construction costs and dates of trade-ins are not furnished.

Agency fee figures will be found at page 503 of the hearings.

Three other matters may be mentioned in passing. First, in reference to the agency's inspection force, the record develops that instead of the $50,000,000 saving that was confidently anticipated in November when an inspection force of 5,000 was requested and allowed by the Congress, it is now estimated that the saving will be somewhere between $2,000,000 and $10,000,000, and that the inspection force will be reduced to about 100 individuals.

Second, in the matter of the auditing of W. S. A.'s finances, in May of 1943 Admiral Land advised your committee that a complete audit of W. S. A. had been requested by the Comptroller General and that it would require only a matter of months to complete it. In April of 1944 he advised your committee that the Comptroller General was still working on the audit and that he had no idea how long a job it would be. I have a letter dated May 5, 1944, from the Comptroller General indicating that this audit is in active progress, but that it has not yet been completed.

The CONGRESSIONAL RECORD of March 28, 1944, at page 3175, quotes the Comptroller General in this connection as follows:

> The latest balance sheet available is as of June 30, 1942. A recent examination thereof was made by a representative of this office who reported that the records were in such condition—supporting documents and papers being missing—that a proper verification of the balance sheets of the War Shipping Administration and the United States Maritime Commission as of June 30, 1942, was impossible.

Finally, in respect to the matter of expense accounts, I have a letter from the Comptroller General indicating that one of the big shipbuilding corporations of this country has been paying for rooms, meals, cafe charges, transportation, and other expenses of officials and employees of the United States Maritime Commission, and not only of the officials and employees themselves but of their wives and other members of their families.

The aggregate sum paid is not a large amount but the principle involved is fundamental. The payments listed number 155, the officers and employees named number 33, and include some of the high ranking officers of the agency. Obviously it is improper to accept such payments from a contractor doing work for the Federal Government The matter does not reflect creditably upon the agency. It is to be hoped and assumed that there will be no repetition of this practice.

OFFICE OF WAR INFORMATION

Now, Mr. Chairman, I want to comment on the O. W. I., for which the sum of $64,390,000 was requested as compared with $38,222,504 for the current fiscal year. The request is divided into three parts: First for administration, about $2,363,000, an increase of about $200,000 as compared with the present fiscal year; second, about $2,264,000 for the Domestic Branch, a decrease of about $300,000; and third, about $59,562,000 for the Overseas Branch, an increase of about $26,200,000, or 70 percent.

The committee allowed the request for administration expenses in full, cut the request for the Domestic Branch by something over $264,000 and reduced the request for the Overseas Branch by $5,500,000, a total reduction of $5,764,633.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. BROWN of Ohio. The Committee on Appropriations, however, is giving to the O. W. I., in this appropriation, a little more than $20,000,000 above the appropriation for this year; is that correct?

Mr. WIGGLESWORTH. The gentleman is correct.

Mr. BROWN of Ohio. That means that the total appropriation for the O. W. I. for the coming fiscal year will be somewhere above 30 percent more than for the present fiscal year; is that correct?

Mr. WIGGLESWORTH. It will be about $58,625,000 as compared with about $38,222,000.

Mr. BROWN of Ohio. That is an increase of better than 30 percent, or almost 35 percent, if my mathematics are correct.

Mr. WIGGLESWORTH. It is more than that. It is over 50 percent.

Mr. BROWN of Ohio. Yes; 50 percent. Now you have included in your original appropriation, of course, the deficiency appropriation?

Mr. WIGGLESWORTH. Yes; that is in there.

Mr. BROWN of Ohio. So that actually the increased appropriation this year over last year, counting the regular appropriation and the deficiency appropriation, is more than 50 percent?

Mr. WIGGLESWORTH. That is correct.

Mr. BROWN of Ohio. Has that unusual increase been justified, in your opinion?

Mr. WIGGLESWORTH. So far as I am concerned the figure reported represents a compromise agreement in committee.

Mr. BROWN of Ohio. Was there a unanimous agreement in the committee on the amount?

Mr. WIGGLESWORTH. As finally reported the figure was unanimously agreed to.

Mr. BROWN of Ohio. Can you tell the Committee in a few words or sentences just what this additional $20,000,000 is to be used for?

Mr. WIGGLESWORTH. It is practically all for the Overseas Branch of the agency. If the gentleman will look at page 40 of the hearings he will find a break-down of the various divisions of work of the agency, and the increases requested for each.

Mr. BROWN of Ohio. I have read that break-down, but I still do not understand just what new situation has developed that calls for such a great increase in the appropriation.

Mr. WIGGLESWORTH. Of course, the major item in the increase is in respect to the outpost service of the Overseas Branch for which the agency asks, if I recall correctly, 35 additional outposts. The work is being built up all along the line in view of the contemplated invasion.

Mr. BROWN of Ohio. Have any of the conditions of which the members of this committee complained at the time the deficiency appropriation was before the House last autumn, or the regular appropriation was before the House last May, been corrected?

Mr. WIGGLESWORTH. I will say to the gentleman that I think there has been some improvement but that personally I am far from satisfied in my own mind, as I shall develop as I go along, with conditions as they appear to be at this time.

Mr. BROWN of Ohio. It is rather, in my opinion, if I may say so, strange, and there must have been some great change in conditions or certainly some great change in the attitude on the part of the committee to cause the committee which originally criticized greatly the action of the O. W. I., to suddenly come in here with a bill that is $20,000,000 higher or 50 percent higher than in the current year and approve it unanimously and ask the House to accept it without question. I cannot understand it.

Mr. WIGGLESWORTH. I will say to the gentleman that the minority members of the committee have been very critical of O. W. I. in the past and so far as I know they are very critical of the O. W. I. at the present time. The fact remains, however, that the picture is very different today from the picture, let us say, in November, because of the impending invasion.

Mr. BROWN of Ohio. Well, you do not know of any of these members of the O. W. I. who are going to do any fighting, do you? They are not going to carry guns or get into the conflict?

Mr. WIGGLESWORTH. I think it is a very great question how much of the work of this agency is of value and how much of it is valueless. But the basis for stepping up the request is the stepping up of its work all along the line in the light of the impending invasion.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield briefly.

Mr. CELLER. It is well to make a comparison between the expenditures made by our Government through the O. W. I. and that which the Germans are making: For example, Mr. Davis testified, according to the statement in the London Economist, that the Germans spent, altogether, about $540,000,000 a year for propaganda. Our efforts are Lilliputian in comparison.

Mr. WIGGLESWORTH. I do not think that is a fair comparison. In fact, I think it is pretty valueless for the reason pointed out on the floor yesterday that the entire radio set-up and all the newspapers of Germany are under government operation.

Mr. CELLER. It may not be an exact comparison, but it certainly leads to the conclusion we are spending very little in that regard.

Mr. TABER. Mr. Chairman, if the gentleman will yield there, it probably costs the Germans $500,000,000 to operate their newspapers and their radios without anything else. If their total is $540,000,000 that would be about $40,000,000 for propaganda. Of course, my guess is just as good as yours and yours is just as good as mine. But that is the picture. That is why the thing is not a fair comparison between the O. W. I. and the German figure.

The German figure is the over-all publicity and communication cost.

Mr. CELLER. That may be so, but it is interesting nonetheless to have these figures with reference to what the Germans spend for their over-all propaganda.

Mr. TABER. The British figure of $80,000,000 includes British-owned radio, whereas our domestic radios are privately owned.

Mr. CELLER. I am not criticizing.

Mr. TABER. That is one reason why it is not a dollar-for-dollar comparison.

Mr. CELLER. I am not criticizing what the Appropriation Committee has done or what the gentleman from New York has said or done, but I think it is well to have before the House information which I have given.

Mr. BENNETT of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. BENNETT of Missouri. I notice on page 132 of the hearings the comments of some gentleman by the name of Cowan. Who was he? Was he connected with O. W. I.?

Mr. WIGGLESWORTH. You will find on the first page of the hearings his exact title.

Mr. BENNETT of Missouri. I notice he makes the statement that "the people of the world have been subjected to a lot of propaganda, particularly occupied countries, and are pretty well fed up on it."

Mr. WIGGLESWORTH. I recall that statement.

Mr. BENNETT of Missouri. If that is true, this tremendous increase of several millons in the appropriation would just add to the nausea, would it not?

Mr. WIGGLESWORTH. I will say to the gentleman that the figure before the House is a compromise figure. Had I been setting the figure personally, I would have set it lower, but I have agreed to this figure, and I am going along with it in the light of the conditions overseas by which we are confronted.

Mr. BROWN of Ohio. Will the gentleman yield further?

Mr. WIGGLESWORTH. I yield briefly.

Mr. BROWN of Ohio. The amount of the increase contained in the appropriation for O. W. I. is for the foreign division?

Mr. WIGGLESWORTH. Yes; most of it.

Mr. BROWN of Ohio. Practically all of it?

Mr. WIGGLESWORTH. Yes.

Mr. BROWN of Ohio. What percentage of the amount of money spent by O. W. I. for foreign propaganda is spent for propaganda within Great Britain or within countries where the English language is read and where the propaganda material is printed in English.

Mr. WIGGLESWORTH. I cannot give the gentleman a specific answer to that. There was a break-down in the hearings last November, as I recall it, but I do not think the present record brings it up to date.

Mr. TABER. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. TABER. Fifty percent at least of the short-wave broadcasts going out of New York are in English. That applies probably about the same on the west coast. So that all of that might be said to be directed to the British as well as to those who understand English on the Continent. How many of them there might be I would not say.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. WIGGLESWORTH] has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. BROWN of Ohio. Will the gentleman yield.

Mr. WIGGLESWORTH. I yield.

Mr. BROWN of Ohio. How many English-speaking nations do we have listed among our enemies? Are there any? I know of no enemy of the United States today that speaks English. Yet, a great percentage, perhaps half or more of all the propaganda put out by the O. W. I. in their foreign branch, is printed or spoken in English. Evidently we are propagandizing not our enemies, but our allies. I wonder why it is necessary to spend so much money for that purpose.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. VURSELL. I know the committee has done its very best. As I understand, the requests for these appropriations are based largely upon the testimony of Mr. Sherwood, in charge of the Overseas Branch, and Mr. Davis. Is that not the basis?

Mr. WIGGLESWORTH. Mr. Sherwood was not present in person, but Mr. Davis was present, as were other principal officers of the agency.

Mr. VURSELL. Unfortunately, from the standpoint of economy, those two men are newspapermen—advertising men. They handled this matter so badly that the Congress practically had to stop some of their work in the United States. So it seems to me they are likely asking for a greater amount of money than is needed, and that possibly we are getting off to a bad start if their testimony is relied upon.

Mr. WIGGLESWORTH. I think the gentleman may very well be right.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr WIGGLESWORTH. I yield.

Mr. COCHRAN. Being the ranking member of the subcommittee handling the independent offices appropriation bill, the gentleman naturally is advised with reference to the Senate amendment. which being legislation, will have to be brought back to the House for a separate vote by the conferees, which as I understand, prohibits the spending of any money from any appropriation bill for certain activities after January 1, 1945. Is that correct?

Mr. WIGGLESWORTH. Unless the Congress specifically appropriates for them.

Mr. COCHRAN. Then how many of the appropriations in this bill will be affected by that amendment?

Mr. WIGGLESWORTH. I do not think any one of them will be affected by it if the Congress specifically appropriates for them. If the gentleman will pardon me. I would rather reserve discussion on that until we get to the independent offices bill, because I want to proceed with the subject under discussion.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a brief question?

Mr WIGGLESWORTH. I yield.

Mr. DONDERO. What evidence was presented to your committee to justify this increased appropriation for O. W. I. particularly for the foreign broadcasts?

Mr. WIGGLESWORTH. As I have already indicated, the fundamental basis is the stepping up all along the line, of all divisions of the overseas branch, in view of the pending invasion.

Mr. DONDERO. It is mostly speculative as to what value it has?

Mr. WIGGLESWORTH. Well, it is a matter of judgment; yes.

Now I might point out to the gentleman from Ohio that the sum which we have discussed does not represent the entire sum that the agency is to receive, because in addition it is to receive something under reverse lend-lease. Just what that will amount to, I do not know. But it appears from the record that one item alone under reverse lend-lease, namely, power in north Africa, will amount to the equivalent of about $1,800,000, in a calendar year.

In addition to that, it appears that the agency has had the use of Army signal corps communication facilities during

the past year, and presumably will during the coming year, to the tune of about two and one-half million dollars. There are other items like printing, which is done in Great Britain under reverse lend-lease, which will increase the overall sum available.

It is a tremendous sum. And the field which the agency is attempting to cover is also a tremendous one. How much is of value, how much is valueless, and even harmful as is charged, I think it is almost impossible to determine with any real accuracy, in the absence of a thorough-going investigation.

The record indicates among other things that O. W. I. sends out 2,850 broadcasts a week. That is said to be more than double the broadcasts sent out by N. B. C. and C. B. S. together. It indicates control of all short-wave frequencies in the country. It indicates 100,000 words a day over cable and wire services. It indicates 2,300 still pictures a day sent out to various points. It indicates 8 to 10 radio photograph programs a day. It indicates 288 motion-picture reels in a single year. It indicates 12,000 cartoon mats and proofs per week as well as miscellaneous features, pamphlets and other publications to an unlimited number. The news sent out seems to comprise news of every conceivable description, including religion, sports, music, entertainment, and almost anything else that can be thought of.

It has been stated that in the month of February the O. W. I. sent some 808,000 words to Algiers; 155,000 to Beirut; 32,000 to Bagdad; 61,000 to Berne; 81,000 to Brazzaville; 109,000 to Chungking; 170,000 to Istanbul; 56,000 to Kabul; 83,000 to Sydney and so on.

Everyone, Mr. Chairman, appreciates the value of psychological warfare on the fighting fronts—no one would deny a dollar necessary for that purpose.

It is charged, however, and constantly charged that some of the work of the O. W. I. has been harmful, that much of the work has been valueless and wasteful and that the agency's personnel is not in the condition it should be.

For my part I am frank to confess that I think there is ample evidence to justify grave misgivings on all three counts.

Several Senators who made a tour of the world during the last year on their return were very critical of the work of this agency, of the work done in Allied and neutral countries, particularly in Australia and India. Others of standing returning from Europe have a similar point of view. It has been stated to me and stated repeatedly by persons of such authority that I cannot brush aside the statements, that much of the broadcasting of O. W. I. to friendly countries has been sheer communism and to that extent harmful rather than helpful to the war effort. The foreign language press of this country has been repeatedly critical of the work of the O. W. I. Serious criticism has been directed at the Hungarian desk, the Italian desk, the Polish desk, and the Yugoslav desk.

We all know that it was reported authoritatively last autumn that the American Federation of Labor and the Committee for Industrial Organizations had liquidated their labor short wave bureau set-up to aid O. W. I. after protesting for months to Mr. Davis that the O. W. I. overseas branch was regularly broadcasting communistic propaganda; that they liquidated it because they could find no basis for agreement for the elimination of the O. W. I. communistic influence. They objected particularly, as you will recall, to the man who was then head of the bureau, retained because of the insistence of Mr. Barnes, despite his alleged communistic affiliations. It is interesting to note that the World Telegram of December 10, last, reported the resignation of this gentleman, stating that he had joined—

A pro-Communist labor news service which became in recent years a haven for Communist and fellow-traveler newspaper men.

These are serious charges, Mr. Chairman.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. You will find on page 149 of the hearings a list of publications, booklets, and pamphlets published between July 1, 1943, and March 31, 1944.

Included is the Alphabet Primer of Friendship, of which I have a copy in my hand. If time permitted I should like to discuss it in detail. Included also is Children of the U. S. A., a large pamphlet of 56 pages, full of pictures probably 8 by 10 inches in size. Here is a copy. Included also is another called Small Town in U. S. A., of about the same dimensions and covering some 36 pages. Here again is a copy.

You will also find included the famous John's Book that has been produced on this floor before this. You will find also A Pocket Calendar, The Women of the U. S. A., Photo Review, Music in the U. S. A., and The Rumor Monger, a cartoon booklet.

I confess it is difficult for me to see how these publications contribute to the war effort. Are they worth the money expended in their preparation, Mr. Chairman?

On page 162 of the hearings you will find a list of the motion pictures completed or in process of completion. Here are some of them: Cowboy, The Town, City Harvest, Pipeline, Yellow Springs, Valley of the Tennessee, Steel Town, Playing Fields of America, New England, The American Child, Iowa University, Native American Music.

Again, Mr. Chairman, I question whether these pictures contribute to the war effort and whether they justify the costs of production.

I understand that the O. W. I. among other things has dramatized a mail-order catalog.

A recent press publication written by one who had been through some of the clip sheets prepared for distribution abroad, reports that among other articles found were Radium Lost and Found, Atoms at Work, Singing Lady Who Likes People, Tin Pan Alley Always in Tune, and Bogey Andrews, Grand Old Man of the Stage.

Under leave to extend my remarks, I include the newspaper article at this point in the RECORD:

O. W. I. HAS SPENT $66,000,000 AND ASKS 64 MILLION FOR 1945

(By Charles T. Lucey)

NEW YORK, April 14.—Government press agentry, a flossy phenomenon of the New Deal which has cost untold millions, is in its greatest flowering in 1944. Never before was a war press-agented like this one. It has cost $66,000,000 so far, and $64,000,000 is being sought for next year.

This is just the Office of War Information. The other war agencies are using the bellows, too. The Navy, for example, has 161 officers, enlisted men, and civilians in its Washington public-relations office. George Creel had about three doing the Navy's press job in the First World War.

You might think the avalanche of words going overseas was significant stuff with a strategic relationship to fighting the war. But a check of some O. W. I. material shows plenty of trivia which would be interred far back with the eczema remedy advertisements in any newspaper.

The O. W. I. dotes on birthdays, for example. Is it the birthday anniversary of Dedrich Smetana, Czech composer? Good. That will make a fine broadcast to Czechoslovakia. Einstein? Good again, and O. W. I. goes to Princeton or somewhere to get proper statements about it, aimed at showing how genius, stifled under dictatorship, thrives in a democracy. Carl Schurz? More of the same.

ALWAYS FINDS WORDS

Or it may be the anniversary of an outstanding Swede or Turk or Egyptian. The O. W. I. can always drum up statements to show how conscious is the United States of the various foreign cultures.

In the O. W. I. shop here there's a press review desk which combs United States publications to produce clipsheets for distribution abroad. Look at one of these in the field of science and you find handled such subjects as Radium—Lost and Found, Atoms at Work, Aluminum News Letter, and The All-American Highway.

In an arts-and-letters clipsheet you unearth such stirring headings as "Singing Lady Who Likes People," "Tin Pan Alley Always in Tune," or "Bogey Andrews, Grand Old Man of Stage."

How does it help win the war? Well, when people in foreign lands read about the Singing Lady and Tin Pan Alley and hundreds of other subjects dished out to just about anyone who will take them—at United States taxpayer expense, of course—the idea is that they're supposed to understand and like us better. A bit indirect, you may think, but it's part of the O. W. I.'s propaganda thinking.

Then there's the bale of material, 100,000 words daily, that is piped around the world by cable and wireless. Here are samples of the material dispatched to London:

A business-paper article reporting that gasoline and water do mix profitably in airplane engines, 1,200 words.

List of anniversaries (Madison's birthday, West Point established, United States troops arrival in Australia, General Stilwell named Chinese chief, Philippine independence bill signed).

High vegetable prices and lower beet-sugar production, about 1,200 words; Representative EATON (Republican, New Jersey) praises Lend-Lease, 250 words; woman war workers honored, about 1,000 words; lumber situation, 150 or so words; Maltese residents present scroll to Mr. Roosevelt; new military

demands for anhydride, 400 words; congressional committee meeting, 150 words; machine-tool shipments, 250 words.

MUCH HITS WASTEBASKET

That's a fair sample to show the exciting nature of some of the O. W. I. output. It's not too surprising that O. W. I. men acknowledge that much of the output has gone directly into the wastebaskets in foreign bureaus.

Similarly with O. W. I. material shortwaved overseas—nobody will ever know how much of it is utterly wasted, but the percentage must be high. Due to atmospheric conditions, the short wave is perhaps only 60 per cent effective, and even when it gets through it is questionable how much is heard. In Germany and occupied Europe the Gestapo tries to bar radio listening, of course.

O. W. I. says it has evidence that short-wave broadcasts to Germany are being heard there, but for reasons of security it can't tell just how it knows. A recent magazine article out of Stockholm, though, tells of a lack of short-wave listening in Berlin—and the bulk of O. W. I. radio output to Germany is by short wave. Of 1,125 short-wave programs monthly in German, only 217 are relayed by medium wave—more likely to be heard—from Mediterranean points, and 71 medium-wave broadcasts monthly go into Germany from England.

O. W. I. has a carefully designed propaganda line to Germany, but people inside the agency concede it is weakened by lack of a definite statement on what the United States expects to get out of the war—a creed comparable to the 14 points President Wilson gave George Creel.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield briefly.

Mr. MICHENER. I do not quite understand what is done with all these publications that are printed by the Government at the taxpayers' expense.

Mr. WIGGLESWORTH. I understand they are sent overseas with a view to expediting the successful prosecution of the war.

Mr. MICHENER. The gentleman heard the testimony at the hearings. Did he inquire what Tin Pan Alley had to do with winning the war?

Mr. WIGGLESWORTH. No; we did not have a chance to go into that detail. In a list of publications which I have received, partly as the result of a request which I made for the RECORD, it came to light.

Mr. MICHENER. I commend the gentleman for at least getting the names of so many of these publications. I hope at the time the next appropriation bill is considered he will be able to tell the House just what the Government does with these various publications.

Mr. WIGGLESWORTH. Mr. Chairman, I realize that this represents only a small portion of the work of the agency. It seems to me to be important, however, as indicative of the type of work that is being done. It indicates to my mind that work which has been undertaken had much better not have been undertaken, the money expended being saved for the taxpayers of the country.

I do not want to take too much time but in passing I call attention to the work of the so-called Surveys Division of the Domestic Branch of O. W. I. You will find it at pages 304 to 308 of the hearings. From my point of view the work reported is absolutely without justification. Some of it is ridiculous and a sheer waste of money. In one instance the survey found among other things that women with three children turned in less tin cans in a tin-can drive than women with two children. I may say that this work has been eliminated by the committee.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Massachusetts 5 additional minutes.

Mr. WIGGLESWORTH. The record indicates the continued maintenance of six libraries and an unlimited number of lecturers and incidentally that there has been no reduction in personnel in any of the other information services of the Government.

Now, just a word as to the personnel of this agency.

There have been many changes made since O. W. I. was before the Congress previously, some of them in major positions. Mr. Barnes has resigned, Mr. Johnson has resigned, Mr. Warburg has resigned, Mr. Alan Cranston has left and joined the Army.

There is evidence also of some progress in eliminating personnel of questionable loyalty or capacity. Forty-two persons have been eliminated since January 1, 1943, at the instigation of the Civil Service Commission or the O. W. I. security committee. I have a list of those 42 people. In my judgment the elimination of some of them was long overdue.

The records indicate, however, that there are still 533 aliens on the rolls of this agency here in this country as compared with 417 a year ago; and that there are 1,089 people on the rolls whose backgrounds have not been as yet investigated.

The work of the Civil Service Commission in this connection seems to be painfully slow and in some cases, in my judgment, fairly open to question.

One year ago I gave to the O. W. I. a list of 45 names who from information I had received seemed to deserve investigation. Fifteen of those 45 have been eliminated from the rolls of the agency. There are still 8, however, in respect to which it is reported that the investigation has not as yet been completed. A year ago their names were brought to the attention of the agency, still they have not been investigated, this in spite of the fact that 1 or 2 of them have allegedly notorious backgrounds.

Frankly, I think that the committee appointed to investigate the Civil Service Commission should call for the files not only of those whose investigation has not been completed but also of some of those whose investigation has been completed and who have been given clearance.

The list of personnel still includes many whose backgrounds have been questioned. A supplementary list was presented to the agency this year. The report indicates that one-third of those on the list have not yet been investigated.

Surely the O. W. I. is one of the last places for persons of questionable loyalty to this Government.

Mr. Chairman, I am going along with this item, as already indicated, because of my appreciation of the importance of psychological warfare on the fighting fronts and because of the impending invasion.

In my opinion, it is impossible to pass on the charges to which I have referred with certainty within the scope of appropriation hearings. They can only be dealt with fully, in my judgment, by a thoroughgoing investigation. An investigation resolution has been pending before this House for a considerable period of time. In my opinion it should long since have been adopted. Only in this manner can we ascertain exactly what has been sent out over the radio, exactly what has been sent out in various publications, exactly what the condition of the personnel rolls of the agency is.

NATIONAL WAR LABOR BOARD

Mr. Chairman, I want to conclude with a brief word as to the National War Labor Board. The request in this instance was for $15,596,000, as compared with $14,437,300 in the current fiscal year—$15,000,000 is recommended by the committee.

The great complaint which comes to me, and I am sure it comes to many of us in reference to the War Labor Board, is complaint at delay, complaint at procrastination, complaint at duplication of effort.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield to the gentleman 2 additional minutes.

Mr. WIGGLESWORTH. Mr. Chairman, the agency reports that its wage-adjustment cases should be handled in 5 weeks, that its dispute cases should be handled in 5 months. This is certainly not in accord with my experience and I am sure it is not in accord with the experience of many of us.

Case after case has arisen in respect to which there has been interminable delay. Strikes have resulted not so much against management as against the War Labor Board itself because of the impossibility of obtaining a decision. I know of one dispute today which has lasted for over 10 months resulting only recently in a strike. I know of another which has been pending for some 14 months.

I hold in my hand an article quoting a leading labor leader of long standing, Mr. Robert Watt. The article appeared in the Washington News under date of December 31, 1943. It is entitled "Utter Confusion Rules United States Handling of Labor Disputes."

Let me read it to you. I quote:

"UTTER CONFUSION" RULES UNITED STATES HANDLING OF LABOR DISPUTES

(By Fred W. Perkins)

"Utter confusion" in Government handling of labor disputes was charged today by Robert Watt, an American Federation of Labor representative on the War Labor Board since its creation 2 years ago, and before that a member of its predecessor, the National Defense Mediation Board.

Mr. Watt, just back from a London meeting of the governing body of the International Labor Organization, of which he is

the American worker member, declared that conditions in the same field are much better in Great Britain—because, he said, the official agencies dealing with labor problems there are "integrated," in contrast with "duplication, scattered authority, uncertainty and unbelievable delays" in this country.

"The weakest link in our whole war set-up," he asserted, "is in the Government agencies dealing with labor, directed in many instances by persons of good intentions and abilities in other lines, but with no experience in labor problems.

"The confusion is undoubtedly a substantial factor in causing dissatisfaction, unrest, and occasional strikes or lock-outs."

Mr. Watt's views were said to represent a substantial portion of sentiment in organized labor.

GOT PROMISE

"When labor gave its no-strike pledge," he said, "it did so on the promise of a tripartite tribunal for settlement of grievances and disputes. The War Labor Board was accordingly established. When the 'hold the line' policy was established to curb inflation, the W. L. B. was made responsible for controlling wages. But in neither field has the Board been given full authority.

"A reasonably satisfactory handling of disputes could be expected if employers would deal in good faith with labor unions. But the employer in too many cases employs a labor expert who considers his job that of outmaneuvering the union. Delays and technicalities become his stock in trade too often.

"A union seeking contractual relations usually has to deal with the exhausting, slow, legalistic, business-as-usual routine of the National Labor Relations Board. Then when bargaining is attempted the union frequently finds that the employer insists he must check with the uninformed labor relations experts of the Army, Navy, Maritime Commission, etc.

CONCILIATOR NEXT

"About the time when patience is exhausted, the United States Conciliation Service is called in. The conciliator can settle the cases only by argument and persuasion, and he does settle a lot of them that way.

"After conciliation more time is used in certification of the dispute by the Secretary of Labor to the War Labor Board.

"If the order or decision is finally established by the War Labor Board, the case is still faced by another time-consuming obstacle if the wage issue involves any possible petition of the employer to the Office of Price Administration for price relief.

"No matter how many months have been used, nor how many earnest officials, representing the public, management, and labor, have wrestled with the case to reach an equitable judgment, the case is still subject to veto or revision by the one-man boss of wage stabilization whose authority closely resembles the systems we are fighting against. Despite all the democratic processes that have been used the decision is still subject to the dictum of one man.

CLASSIC EXAMPLE

"The case of the nonoperating railroad unions with which the War Labor Board had nothing to do, but which during more than a year went through all the processes provided for such matters by the Railway Labor Act, was a classic example of such an unfortunate and undemocratic finale."

The "one-man boss" referred to by Mr. Watt is Fred M. Vinson, Director of Economic Stabilization.

"If the country wants to reduce unrest and labor disputes," Mr. Watt recommended, "it ought to set up a clear, simple, straightforward, tripartite labor-relations agency working under one set of rules administered by one policy-making board."

Mr. Chairman, I urge all those desiring prompt and fair adjustment of labor disputes to consider with care the views attributed to Mr. Watt.

I reserve, Mr. Chairman, such further comments as I may have to make for discussion of the bill under the 5-minute rule.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. BRADLEY].

Mr. BRADLEY of Michigan. Mr. Chairman, I have great regard for much that has been accomplished and is being accomplished by the War Shipping Administration and by the Maritime Commission. They have turned out a great many ships in this emergency and undoubtedly in turning them out at such a rapid rate they have at times spent a lot more money than would normally be expended on the same construction under different circumstances; however, in my humble opinion, based on such knowledge as I may have picked up from 18 years' experience as a purchasing agent for a large corporation the Maritime Commission purchasing department is not above reproach in any sense of the word.

A little while ago they called for bids on a quantity of small motors for 100 ships now under construction known as the C–1–M–A V–1 vessels. A gentleman representing a firm in Gladstone came into my office who sought to bid on those motors. Because of low overhead, favorable labor conditions, and favorable wage rates in his concern, he thought that he could bid a lower price for those motors than some of his competitors. So he submitted his bid to the Maritime Commission. At the same time he was satisfied that because of the splendid reputation that his company had for its products there was no reason why their bids should not be acceptable as to quality. He was certainly able to meet the delivery dates required by the Maritime Commission.

This man was notified, however, that his bid would be thrown out because of the fact his quality was not suitable and that he did not have the proper facilities for meeting the delivery schedules, and so forth. He was denied the opportunity to personally appeal his case to the purchasing department of the Maritime Commission and in my absence from the city on April 6 during these negotiations my secretary took him over to the gentleman from New York [Mr. O'BRIEN], who went right to the top of the Maritime Commission, to Admiral Land himself, and insisted that this man be given an opportunity to state his case. That interview was then given him.

The gentleman in question in the Commission who had made the statement that his product was not satisfactory admitted, of course, having made the statement, and immediately this gentleman suggested that the two of them make a trip to Gladstone and inspect the factory. This inspection trip was made immediately, and the two gentlemen spent all day, April 8, inspecting that factory.

On that Saturday afternoon, following the inspection, and in the presence of this salesman, this man from the Production Survey Division Office of the Maritime Commission called his chief here in Washington on long distance telephone and gave that company a clean bill of health, and stated that the Commission would make no mistake whatsoever in awarding the business to that firm.

Furthermore, on the following Monday, while they were looking over the source of the motor controls that this company had tied into their bid, he again contacted his superiors here in Washington and again repeated the same statement. He told these gentlemen in the purchasing department and in the Production Survey Division that he was amazed at the plant this firm had; he was amazed at their set-up and their ability to perform. He pointed out that there were a good many people in the organization above the draft age; that there was no problem of a potential labor shortage; that there was no probability of labor difficulty, owing to the fact that many of these men owned their own homes and they were satisfied with conditions of employment; that many of them had been there ever since the plant started production in 1917.

So this Gladstone firm was given an opportunity to bid. They submitted their bids and they were considered. But even after all that I was told, on or about May 1, that there was still the probability of their being frozen out of any of this business. However, they have since received approximately a quarter of a million dollars worth of this business. I have here a complete break-down of the bids which I received from Admiral Vickery's office on this particular series of inquiries.

Motors and controls for C1–M–AV1 vessels, U. S. Maritime Commission
(100 shipsets—with spares)

Inquiry No.	Required	Purchase price	Low bid	Next low bid	Saved	Lost
2-646	2-10 horsepower 2-7½ horsepower	$135,025	$135,025	$178,100	$43,075	
2-646-A	2-10 horsepower 1-15 horsepower	132,925	132,925	159,350	26,425	
2-647	2-25 horsepower	127,135	103,500	127,100		$23,635
2-735	2-7½ horsepower	75,300	75,300	89,300	14,000	
2-738	2-15 horsepower	117,335	110,770	123,900	6,565	6,565
2-741	1-15 horsepower	109,000	77,600	109,000		31,400
2-753	2-9.4 horsepower	112,075	92,115	112,000		19,960
2-736	1-7½ horsepower	42,863	37,000	42,863		5,863
2-755	2-10 horsepower	78,925	77,985	78,850		940
		930,583	842,220	1,020,463 842,220	[1] 90,065	88,363
Total possible saving				178,243		

[1] Actually saved.

The total purchase price of the motors and controls as finally awarded in this series amounted to $930,583. If the Maritime Commission had accepted the low bid in each of these several inquiries, that series of orders could have been purchased for $842,220, but if they had thrown my constituent completely out of the picture, and refused to accept or give him any consideration whatsoever, it would have cost the taxpayers of this country $1,020,463. In other words, by their arbitrary practices in the Maritime Commission purchasing department it would have cost the taxpayers of this country an overcharge of $178,243 on a million-dollar purchase, which is about 18 percent.

I wonder just how much further such practices have spread all through the purchasing department in the Maritime Commission. Since I have gone into this investigation I have talked to men who have sought to deal with the Maritime Commission purchasing department in other lines, and they find that that is often their general practice. I have told Admiral Vickery this: It is about time that the Maritime Commission gets to work and checks into their own purchasing department, and if it is as inefficient, extravagant, and arrogant and arbitrary as it has been pictured to me, it is about time that they clean house and get some good buyers in there. And by the way, do not think for one moment that that company has not been severely criticized—or chastised—because they had the effrontery to appeal to their Congressman as their last hope when they disliked being frozen out of business which they wanted and on which I have shown they could save the overburdened taxpayers of this country almost 20 percent.

Mr. Chairman, what I want to know, and every other Member of this House wants to know, is when has it become a crime in this country for honest, upstanding businessmen to come to their Congressman for redress when autocratic bureaucrats refuse to give them a fair opportunity to present their case and to compete honestly and fairly and openly in their quest for Government business?

I fully appreciate that any time a purchasing agent is operating under emergency conditions that he may have to sacrifice price, and even at times sacrifice quality, in order to secure the deliveries required to keep an over-all production line moving, and I have faced that issue too often myself during my 18 years of experience. However, there is never any justification for freezing any honest, reputable bidder out of the picture. Any legitimate bidder is entitled to the utmost courteous consideration by Government purchasing agents at all times, because let them remember once and for all that they are just as much servants of the people as are we Members of Congress. Any time they forget that, they are no longer worthy to draw their pay from Uncle Sam. And let me serve notice right now, Mr. Chairman, that if I hear of any more complaints of badgering this company by the purchasing department of the Maritime Commission because they appealed to me in this instance, you will hear plenty more about it on the floor of this House.

Now, Mr. Chairman, in explanation of the reasons for not always purchasing from the lowest bidder, and especially as illustrated by this case in question, Admiral Vickery sent me a letter dated May 10 which was delivered to me by special messenger on May 18 at 1 p. m. Seemingly it takes a long time to get communications across the city of Washington by special messenger. I want to quote from that letter in part as follows:

Reference is made to your letter of May 3, 1944, in regard to the subject inquiries. Attached are price tabulation sheets covering the motor and control bids received from all the manufacturers quoting on this equipment. In the awarding of these contracts, consideration was based on the following:

1. As the normal amount of time required for plan approval is from 6 to 8 weeks, and the time element always plays an important part, every consideration was given to the manufacturers who had prior plan approval, and are in production on this equipment. In most instances these vendors are in a position to offer the most attractive delivery schedule.

2. Where bids were submitted to the design agent for analysis the technical analysis sheets received on these inquiries are carefully checked, and it is the endeavor wherever possible to follow the design agent's recommendations.

3. It is the policy of the Procurement Division to check the facilities of the various manufacturers with the view of not overloading their production capacity, and thus it is often necessary to make award to other than the low bidder.

4. It is also our policy not to tax the capacity of a concern not having had previous marine experience inasmuch as it is the endeavor of the United States Maritime Commission to produce ships with the least possible delay.

Each inquiry was analyzed on its own merit and we list below a complete summary of the awards that have been made on the subject inquiries.

Now, Mr. Chairman, I am frank to say that I very plainly told Admiral Vickery over the phone that, in my humble opinion, the foregoing explanation, as applied to this particular transaction, could be well dubbed succinctly as nothing more than eyewash. These motors, Mr. Chairman, in the sizes covered by these inquiries, regardless of the manufacture, are standard motors, all of them built to N. E. M. A. standards as to motor, frame size, base size, and so forth. Each manufacturer's equipment is equally interchangeable with the others. True, some manufacturer's quality is better than others insofar as serviceability and ruggedness is concerned; but, as I have previously stated, the Maritime Commission's own men, who had been critical in the first instance, gave this company a clean bill of health.

In my 18 years' experience as a purchasing agent—let me point out that was for a steamship-operating concern, and during which time I was connected with the building of six ships of entirely different design and of a far more intricate design, being Great Lakes self-unloaders, than are these vessels in question—I have had plenty of experience with the so-called design agents and their recommendations. That, too, is a lot of eyewash to cover up a waste of the taxpayers' money.

I was particularly interested in point No. 4, advanced by Admiral Vickery, intimating that this concern had not had previous marine experience. As a matter of fact, this gave me a tremendous kick because of all the hullabaloo that has been raised about the success of Henry Kaiser and the Bechtel boys, and all these other famous dam builders who have been doing an admittedly good job turning out merchant ships. Since when has the Maritime Commission now decided that reputable manufacturers in other lines are incapable of finding their niche in the maritime program. However, as a matter of fact, this concern in my district has had plenty of marine experience, because they furnished a great many motors heretofore to the United States Navy and have been renegotiated by the Navy during the past year. In fact, I referred to them and their experience in a broadcast which I made on April 9 last and which appeared in the Appendix of the RECORD under date of April 13, from which I quote, as follows:

I have a letter in my files from a relatively small but very capable manufacturer in my district, who last year did a half-million dollars' worth of Government business. He showed a paper profit of roughly $145,000, of which taxes ate up $115,000. He set aside as a reserve for post-war adjustments $11,000, leaving him a net profit of $29,000. Now, this is not unreasonable bookkeeping, but along comes Mr. Renegotiation, and he takes $10,000 in addition to the taxes of $115,000, leaving the manufacturer a net profit for distribution among his stockholders of $20,000, and a reserve for post-war adjustments of but $4,000.

And remember this: No provision remains for the absorption of any losses. Government takes away the profits, but Government is never renegotiated to make good on any losses. That is simply the manufacturer's tough luck.

So here we have another case, Mr. Chairman, where an agency of this Government seeks not to be the servant of the people but the master of the people, and seeks not only not to permit a reputable bidder to have an opportunity to secure some Government business, but on the other hand when he appeals to his Congressman, he is severely reprimanded for going out of bounds by these arrogant, autocratic bureaucrats. Wake up, America, and bring this folly to an end.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I shall at the proper time submit an amendment to the pending bill to strike therefrom the proposed appropriation for the Fair Employment Practice Committee. I submitted an amendment in the full Committee on Appropriations where it was rejected on a roll-call vote of 16 to 11, with 15 members of the committee not present.

It has not been my practice during more than 17 years of service in Congress to unnecessarily raise or discuss questions which involve race problems and with regard to which no remedial

action could reasonably be anticipated by legislative means or benefit to the public welfare brought about by lengthy discussion in this forum. I raise this question now with regard to the activities of the Fair Employment Practice Committee because I believe it to be one with regard to which remedial action by Congress may be reasonably expected and because I feel that if such action is taken it will contribute to the cause of unity in the war effort and eliminate a source of disunity which has been, and will continue to be, unless eliminated, a fruitful source of dissatisfaction to millions of American men and women who are laboring in war activities and to whose morale the activities of the Fair Employment Practice Committee have not only not been helpful but have been exceedingly destructive.

There is no reason why I should detail the various items of a great volume of evidence which support this conclusion. Many of these items are within the knowledge of the membership of this House. I have not personally discussed them with any Member of the House, whether Democrat or Republican, but that he deplored their existence and agreed that unity in the war effort would be best served by the elimination of the possibility of their recurrence.

I shall make reference, however, to some of the most outstanding of these items of evidence. The facts with regard to some of them have been thoroughly developed in hearings before the Smith committee. I refer particularly to the evidence relating to the issuance of certain directives against 21 different railroads, one of which was the Southern Railway Co., and against various railway labor organizations, the purpose of which was to require these railroads and these railroad brotherhoods to eliminate certain employment practices which have been followed for many years and which have been found satisfactory to the railroads and to their employees. Twenty-four percent of all of the employees of the Southern Railway Co. are Negroes, yet until the F. E. P. C. undertook its efforts to stir up racial trouble among its employees there had been no complaint from the great body of these Negro employees as to any unfair discrimination in employment as between Negroes and whites. The effect of the F. E. P. C.'s efforts, therefore, was to promote disunity where none had existed and instead of contributing to the unity of the war effort to bring about dissatisfaction and threats of strikes with the possibility of serious interference with transportation essential to the successful prosecution of the war effort.

This statement is applicable not only to the Southern Railway Co. and its employees, but to all of the railroads and their employees in the South and Southeast against whom the directives were filed. It is a significant circumstance that, while there was evidence of alleged discrimination against the cited railroads in the Northeast, the Pennsylvania, the New York Central, the Baltimore & Ohio, and the Baltimore & Ohio Chicago Terminal, of their refusal to employ Negroes in certain categories of work, and although findings of fact and directives were issued by the F. E. P. C. against those railroads finding them guilty of alleged discrimination against Negroes contrary to Executive Order No. 9346, and "directing" them to cease such discrimination and to employ Negroes in all categories of employment without discrimination, Chairman Ross and the F. E. P. C. have soft-pedaled the actions taken against those railroads in the Northeast and have made a deliberate effort to sectionalize the matter and to publicize only findings and directives against railroads in the South in an apparent attempt to capitalize on some sentiment in the North and West against the South and its attitude toward the solution of difficult racial problems. The action of the F. E. P. C. in these railroad cases, therefore, was patently not an attempt to promote national unity, but to bring pressure to bear on the South to change its attitude in the control of matters affecting the relationships of the races from that attitude which has always been satisfactory to the vast majority of both races in the South and relates to one of the basic problems of our southern civilization and concerning which no issue arises until that issue is raised by pettifogging and troublemaking busybodies in other sections of our country who know nothing about our problems, care nothing about them, and whose sole purpose is to oppress and, if possible, to destroy the progress of the southern people. Among this type of troublemakers, the F. E. P. C. is entitled to high rank.

Its capacity for making trouble, however, has by no means been confined entirely to the South. Members of the House are no doubt familiar with the case of the Philadelphia Rapid Transit Co. and the employees' union of that company who were directed by the F. E. P. C. to provide for the employment of colored men as motormen, conductors, operators, and cashiers and thus to violate a contract of long standing between the company and the union which required the continuance of practices of employment which had been followed for many years and which had been found satisfactory, not only to the white employees, but to the colored employees of the company.

Thus, a fruitful source of trouble was explored in the Philadelphia case involving, as I recall, approximately 10,000 employees engaged in transportation work vital to the war effort, and difficulties were brought about where no difficulties had theretofore existed. In this connection I may say that I have been unable to find evidence of a single case in which these efforts of the F. E. P. C. have contributed to unity in the war effort. All of its efforts with which I am familiar have contributed to disunity.

There is also the case brought to the attention of the Smith committee by the Seafarers International Union of North America. I shall insert in the RECORD in connection with my remarks a letter from the secretary-treasurer of this union to the gentleman from Virginia, Representative HOWARD W. SMITH, chairman, Special Committee to Investigate Executive Agencies, dated January 28, 1944. I shall quote from it at this point two or three paragraphs relative to the activities of two agents of R. M. O. inspired by F. E. P. C. named Vincent and Pollatsek:

Messrs. Vincent and Pollatsek are trying to compel our union to abandon a sound and tested policy which has resulted in harmonious relationships between Negro and white members over a period of many years. This policy, which is supported by the more than 2,000 Negroes in our membership, provides for a rotary hiring hall system, fair and equitable in every way, which enables whites to share ships' quarters with whites and Negroes with Negroes.

The Negro members of our union receive the same wages and voting privileges and enjoy precisely the same working conditions as our white members.

If the views of these two officials are permitted to prevail—and they have the enthusiastic endorsement of every Communist and sympathizer infesting the water front—in other ports throughout the country they inevitably would create a state of chaos in the maritime industry in a critical hour for our country. We would see a mass exodus of trained seamen to other jobs, we would see a flare-up of race hatreds and we would pay for all this in costly delays in the shipping of supplies and equipment to our fighting fronts.

It should be pointed out here that the R. M. O., in the Atlantic coast district is misrepresenting or concealing the facts when it recruits boys from American homes and then tries to compel them to depart abruptly from old-time family traditions to share eating and sleeping quarters on American ships with members of another race, particularly when such condition is not at all necessary and is disruptive of rather than helpful to the war effort.

There have been repeated instances where the R. M. O. office in New York has refused to send Negroes to our hiring hall in order to be dispatched to our contracted ships. This resulted in these ships sailing undermanned. On other occasions when our hiring hall was closed for the night or over Sunday, the R. M. O. deliberately dispatched Negroes to vessels with white crews, thereby arousing protests and unnecessary ill feeling.

By permission heretofore granted in the House I insert here the entire letter:

JANUARY 28, 1944.

Representative HOWARD W. SMITH,
Chairman, Special Committee to Investigate Executive Agencies, House of Representatives, Washington, D. C.

MY DEAR MR. SMITH: I consider it an urgent obligation to direct the attention of your committee to a situation which is fast developing to a point where it may hamper the delivery of the cargoes so desperately needed by our fighting forces.

I have reference to the arbitrary, dangerous, and unrealistic interpretation being applied to the President's Executive order establishing the Fair Employment Practice Committee by a pair of starry-eyed fellow travelers heading the Atlantic coast district of the recruitment and manning organization of the War Shipping Administration.

These gentlemen, Mr. Craig S. Vincent, Atlantic coast representative of the R. M. O., and Mr. Frank Pollatsek, Chief of the R. M. O., office in New York, are insisting that the President's order is being violated in connection with the hiring of ships' crews because our union requires that white seamen shall not be forced to eat and sleep in the same quarters with Negro seamen, and vice versa.

Under this arrangement, each race is irrespectful of the other's rights, just as prevails in the armed forces of our country.

Messrs. Vincent and Pollatsek are trying to compel our union to abandon a sound and tested policy which has resulted in harmonious relationships between Negro and white members over a period of many years. This policy, which is supported by the more than 2,000 Negroes in our membership, provides for a rotary hiring hall system, fair and equitable in every way, which enables whites to share ships' quarters with whites and Negroes with Negroes.

There is not the slightest vestige of discrimination in the running of our union. In fact, a number of our officers are Negroes. The union lives up in every regard to our section of the President's order which calls for the elimination of discrimination with relation to hire, tenure, terms or conditions of employment or union membership because of race, creed, color, or national origin.

The Negro members of our union receive the same wages and voting privileges and enjoy precisely the same working conditions as our white members.

It is this particular section of the President's order which is being twisted and distorted by Messrs. Vincent and Pollatsek to conform to certain social reformist theories which they are seeking to experiment with at the expense of the American seaman and the war effort, and in defiance of the sober judgment of practical men who have spent the greater part of their lives in the maritime industry.

If the views of these two officials are permitted to prevail—and they have the enthusiastic endorsement of every Communist and sympathizer infesting the waterfront—in other ports throughout the country they inevitably would create a state of chaos in the maritime industry in a critical hour for our country. We would see a mass exodus of trained seamen to other jobs, we would see a flare-up of race hatreds, and we would pay for all this in costly delays in the shipping of supplies and equipment to our fighting fronts.

It should be pointed out here that the R. M. O., in the Atlantic coast district, is misrepresenting or concealing the facts when it recruits boys from American homes and then tries to compel them to depart abruptly from old-time family traditions to share eating and sleeping quarters on American ships with members of another race, particularly when such condition is not at all necessary and is disruptive of, rather than helpful to, the war effort.

The interpretation which Messrs. Vincent and Pollatsek are so zealously trying to read into the President's order is a flat violation of the statement of policy which our union signed with the War Shipping Administration on May 4, 1942. This statement of policy reaffirms article 3 of the service agreement signed between general shipping agents and the War Shipping Administration and states specifically: "If the general agent has contracts with unions and those contracts require, for example, preference of employment or use of union hiring halls, the agent would be required to procure men in accordance with the contracts."

What Messrs. Vincent and Pollatsek are trying so hard to do is to disturb our existing and harmonious policy with regard to this union's hiring-hall system in order to grind their own pet reformist ax. Apparently they have no concern over the inevitable consequences.

The views of these men also run counter to the statement of principles governing wartime policy which was signed on December 18, 1941, following negotiations by representatives of the maritime industry, the maritime unions, and the Government.

In arriving at the statement of policy it was agreed that the hiring-hall system embodied in our contracts was to be respected and not interfered with in any way. The union agreed to waive its right to strike for the duration and that pledge has been lived up to faithfully. There have been no strikes or delays on our ships since the war started.

There have been repeated instances where the R. M. O. office in New York has refused to send Negroes to our hiring hall in order to be dispatched to our contracted ships. This resulted in these ships sailing under manned. On other occasions when our hiring hall was closed for the night or over Sunday the R. M. O. deliberately dispatched Negroes to vessels with white crews, thereby arousing protests and unnecessary ill feeling.

Our understanding is that the R. M. O. was set up for the explicit purpose of supplementing the unions and the operators in the supplying of seamen personnel in order to prevent delays in sailings.

This is clearly a situation which calls for a thoroughgoing investigation by your committee in the interests of the American seamen and the maritime industry.

The taxpayers' money which is being appropriated for the running of the R. M. O. office in New York could be agent to far more useful and constructive purpose. I am sure our Congress never intended to countenance the use of Government funds to promote theories and reforms inconsistent with American traditions and with plain ordinary common sense.

Yours very truly,

JOHN HAWK,
Secretary-Treasurer and First Vice President of the Seafarers International Union of North America.

It is quite apparent from the statements made by this union official that in this case, as in many others, the F. E. P. C. is engaged, not in an effort to promote the war effort, but in an effort to foist certain ideas of social, not economic, equality, which have long been entertained in communistic quarters in this country, upon the white people of the country who feel a certain pride in their race, and justly so, and who, while they are willing and anxious that the Negro shall have his economic rights, are not willing, and will never submit, to his being forced upon them as a social equal and bedfellow. There are undoubtedly many white people in this country who feel they are no better than Negroes. With their appraisal of themselves I have no quarrel, but the fact remains that God Almighty when He made the races of mankind provided the white man with more powerful mental faculties than He did the people of the Negro race and endowed the Negro with certain racial traits and characteristics which will never permit him to be a satisfactory social associate of the white man.

While these facts have been controverted in the communistically prepared publication The Races of Mankind, which was prepared for circulation among our armed forces and which has been severely condemned by a subcommittee of the Military Affairs Committee, they cannot be successfully challenged by men and women of intelligence who are, in good faith, endeavoring to state facts.

As a further evidence of the purpose of the F. E. P. C. to stir up racial animosities, rather than to allay them, I have been advised that that organization has recently stationed in an office building in Atlanta, Ga., a Mr. Bruce Hunt, a white man, as its representative in that city who installed himself with a Negro stenographer in an office building otherwise occupied entirely by whites and insisted upon his Negro stenographer being allowed to use the rest rooms provided for white women employees in that building.

Atlanta is one of the focal points of war industry in this country and those who know the people of Atlanta and of the South cannot fail to realize that such a studied affront to southern customs and usages, not only will not contribute to the war effort but will stir up racial bitterness and hatred where no racial troubles would have otherwise existed. Other citations of the activities of F. E. P. C. that are harmful to the war effort might be continued indefinitely. We are all familiar with its insistences that employers who desire to employ white stenographers through United States Employment offices must accept Negro stenographers if available whether they want them or not, and it is even reported that in one case in California an employer was required to reduce the number of his white Caucasian employees already employed and provide for the employment of a certain proportion of clerical employees who should be Negroes or people of another race.

I say, therefore, that F. E. P. C. is not only not contributing anything to the war effort, but is a tremendously disturbing factor. It has never been authorized by law. I am aware, of course, that the chairman of the Committee on Appropriations has insisted that it is authorized by law, but he has so far been unable to point out the specific provision of any existing statute which authorizes Congress to appropriate for it. It is in the bill under a waiver of points of order obtained 2 days before the bill was reported to the House by the Chairman of the full committee in late afternoon when few Members were on the floor, when the bill had not been reported even to the full committee; when no Member of the House excepting those serving on the subcommittee knew what was in it and at a time when no Member of the House had any reason to suspect that such a request for waiving points of order would be submitted.

The mere fact it was thought necessary to secure unanimous consent to waive points of order is sufficient evidence that it is realized that the appropriation is not authorized by law, because if authorized by law the waiving of points of order would not be necessary. The gentleman from New York [Mr. MARCANTONIO] realized this fact on yesterday because when the chairman of the full committee sought to obtain unanimous consent to undo the mischief he had accomplished by securing the waiver of points of order against the bill the gentleman from New York promptly objected. It is also to be noted that the Committee on Labor is now considering legislation to authorize appropriations to the Fair Employment Practices Committee. If appropriations are already authorized by law, such legislation would not be necessary.

Members of the House will recall that when the agricultural appropriation bill was presented to the House, it did not include any items for the school-lunch program or for the Farm Security Administration, although there are many Members of the House, including myself, who would have been glad to have had such items included. They were not included because they were not authorized by law. The Senate has placed them in the agricultural appropriation bill and the committee of conference on the bill has deferred action on these items until the House shall have an opportunity to consider the conference report on the Pace bill which it is understood will contain proposals for legislation authorizing these items. I consider that procedure entirely appropriate and I think it would be appropriate in this case, that the House should await the submission of legislation from the Labor Committee authorizing appropriations for the F. E. P. C. and take action thereon before undertaking to make an appropriation for that activity.

I regret that in the discussion of this matter, it has been necessary to discuss frankly certain racial problems. I am a friend of the Negro race. I believe in according to the people of that race the fullest measure of economic opportunity which they are capable of using advantageously. I know that the people of the South are the best friends the Negro ever had, or ever will have, and that my views are in accord with those of the vast majority of the southern people.

I know the real enemies of the Negro are those who, falsely, pose as his friends and seek to stir up dissatisfaction in his heart and mind with conditions on account of which he would not be dissatisfied excepting for their meddlesome interference.

I know that F. E. P. C. is only one tentacle of a devilfish which is seeking to fasten itself today upon the structure of southern civilization. Other tentacles are represented by such things as the recent decision of the Supreme Court in the Texas primary case; the policy adopted during the war of having Negroes incorporated in, and made a part of, white military organizations, of having white men in the service in many instances subjected to the commands of Negroes; of having whites and Negroes hospitalized together at Army general hospitals. I have in mind also a policy which is being pursued here in Washington, and with which you are all familiar, of integrating the Negro and white clerical employees of departments and bureaus of the Government into one body, requiring them to eat together in departmental cafeterias, withdrawing administrative sponsorship for organization dances unless the Negroes are invited to dance with the white people, and other matters of a similar type. All of this, of course, does not spring from the F. E. P. C. The F. E. P. C. springs from the over-all source which is directing these many assaults upon the social system of the country and particularly of the South, in an effort, not to win the war, but in an effort to use the war as an excuse for bringing about integration of the races, socially and otherwise, in a manner which could not have been hoped for by the proponents of the plan under peacetime conditions. This is the lowest type of effort in which the National Government could engage. I am opposed to it, and I think a vast majority of the people of this country are opposed to it, even the intelligent Negroes of the country. I propose to do everything I can to bring about the elimination of this policy. I believe that it cannot succed in accomplishing the catastrophic results for which its sponsors hope.

The Republican Party in the coming national campaign will appeal to the people of the South to vote against the incumbent administration and its candidate for President, whoever he may be, because of these recognized evils in policies which are being pursued by the administration. I have frequently said to the people of my district, when they have discussed these matters with me, that while, in my judgment, their complaints against the policy of this administration in these particulars are well founded, they have no hope that the Republican Party will ever do anything for the correction of these evils, and the entire history of the Republican Party supports that statement. I wonder how many members of the Republican Party today will show by their votes that that conclusion is correct. You have criticized the bureaucracy which has grown up in Washington, the establishment of bureaus without the authority of law, the expenditure of public funds which have not contributed to the war effort, and you have here an opportunity to vote to eliminate one of these bureaus set up by Executive order and not by law, performing a disservice to the war effort, instead of a service, fostering disunity among our people and stirring up racial hatreds, and I am wondering if, in recognition of these generally accepted facts, you will stand up today and vote to strike this appropriation from the bill, thereby showing the Republican Party is willing to do something to correct these policies of which our people complain, or whether you will vote to continue this unauthorized bureau with all of the purposes which its organizations and conduct evidence? Will you be more responsive to the overwhelming cry of the white people of the South for the cutting out of this cancer on the body politic, or will you here in Committee of the Whole, where no roll-call vote can be taken, avoid a record vote by voting down this amendment which I have offered, and thus evidence greater consideration for the views of the Negro voters and voters, like the gentleman from New York [Mr. MARCANTONIO], in New York and Philadelphia in Pittsburgh and in Chicago, than you have for the many millions of white people in this country who, by reason of their geographical locations, have primary responsibility for dealing with the Negro problem and working out its satisfactory solution? The vote which will be taken here today will demonstrate whether the South can entertain any hope for the correction of these evils through action by the Republican Party as taken by its representatives on this floor.

Mr. LUTHER A JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. I think the gentleman from Georgia has made a very excellent statement. I shall vote for his amendment to strike out the entire appropriation for the Committee on Fair Employment Practice. I think this organization has committed some violent abuses and, as the gentleman says, has rendered a disservice, and created a disunity in time of war. In addition to specific instances of meddling cited, I have in mind the instance of the Dallas News, wherein the Dallas News advertised, "Wanted: Colored man." And this organization, the Committee on Fair Employment Practice, took that up with the Dallas News and said they had no right to use the word "colored" in an advertisement, that it was discriminatory as to race, and demanded that this ad should not be used. The News wanted a colored man and not a white man for a particular job, but they must not so advertise for fear of offending the colored race. An agency which has no more sense than that should be abolished.

Mr. TARVER. My attention has been called to that incident of the abuse of authority, or rather the use of authority which they do not possess under the laws of this country, by the F. E. P. C. I am hearily in accord with the views expressed by the gentleman from Texas.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. NORRELL. I want to say to the gentleman I was one of those who supported his action in the committee. I propose to vote for his amendment.

Mr. GIBSON. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. GIBSON. Is it not true under the Executive order setting up this Committee they are given authority to make their own laws and regulations irrespective of any law of the land?

Mr. TARVER. It depends on whether the gentleman means by the words "they are given authority" that they are given legal and constitutional authority or whether he means that they are given assumed authority which the person undertaking to delegate that authority to them did not possess and which he does not have the power to delegate.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. POAGE. Is it not true, even if the person who attempted to delegate that power had had the power to delegate it, and I do not think he had, that even that order itself says it is confined to war work and confined to war activities and they have assumed to have the power to interfere with every kind of activity?

Mr. TARVER. I think the gentleman's position is entirely correct.

Mr. GIBSON. Mr. Chairman, will the gentleman yield further?

Mr. TARVER. I yield.

Mr. GIBSON. The following is one of the powers granted under the order:

4. The committee shall receive and investigate complaints of discrimination. It may conduct hearings, make findings of fact, and take appropriate steps for the elimination of such discrimination.

That is one of the powers granted in the order.

Mr. TARVER. I certainly hope that the amendment which I will offer when the proper place is reached in the bill to strike out the $500,000 which is proposed for this activity may prevail and that that amount of money may be saved to the Government and the dissatisfaction and just complaints occasioned by the activities of this organization be eliminated.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Texas [Mr. MAHON] such time as he may desire.

Mr. MAHON. Mr. Chairman, I have listened carefully to the address of the gentleman from Georgia [Mr. TARVER] in condemnation of some of the activities of the Fair Employment Practice Committee. I shall support the gentleman's motion to strike from the bill the appropriation for this organization.

The gentleman from Texas [Mr. LUTHER A. JOHNSON] has just referred to one of the most utterly absurd and ridiculous actions which has been taken by the committee, and I want to join with the gentleman in condemnation of this action. I am referring to the efforts of the Committee on Fair Employment Practice to prevent Texas papers from carrying advertisements in their help-wanted columns for colored help, the advertisement quoted by the gentleman from Texas. If there is anything illegal, unconstitutional, unfair, or discriminatory in placing an advertisement in a newspaper for colored help, I am unable to see it. I positively refuse to vote public funds to pay the salary of any person who is so lacking in intelligence and ordinary common sense.

We are in the midst of a great war—the worst possible time to arouse race prejudice and hatred. Our enemies are seeking to create disunity among us. It is intolerable that people on the pay roll of the Government should be engaged in the same practice.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. WHITTEN] such time as he may desire.

Mr. WHITTEN. Mr. Chairman, I am very much in sympathy with the action of the gentleman from Georgia [Mr. TARVER]. I was for his motion before the committee, and certainly expect to do everything I can and vote with him in his efforts here.

Many things have been done by departments of this Government which in my opinion have not aided the war effort and which have in fact done a great deal of damage to the Nation. Of all acts done by such departments none has done more to incite racial disturbance, unrest, and riots than has the so-called Fair Employment Practice Committee. Set up by the executive department, financed by its emergency funds, it is my opinion that no legislative authority exists for its continuance.

Mr. Chairman, I was opposed to any appropriation for this group of agitators before the committee. I am opposed to it now and expect to support the motion of the gentleman from Georgia [Mr. TARVER] to strike the appropriation from the bill.

Mr. Chairman, the real American people of this Nation are sick and tired of all national political parties catering to, and running after the racial and political minorities of the country in order to secure their vote. Sometimes it looks like the Democratic Party and the Republican Party will do anything to secure the vote of the Negro, the support of the C. I. O., and other organized minorities in the national election. Both parties seem willing to ignore the rights of the solid white Americans. They are letting the tail wag the dog.

No one objects to fair treatment. However, it is not fair treatment which this outfit, F. E. P. C., desires. Look to the record. The gentleman from Georgia [Mr. GIBSON] recently put some interesting figures in the record on this so-called Fair Employment Practice Committee, which claims one of its purposes is to see that members of the various races are employed in the same proportion they have in the Nation. Mr. Gibson's figures show that, while there are 12 or 13 times as many white people in this Nation as there are Negro, of the 106 persons employed in the F. E. P. C. 61 are Negro and 45 are white. The 45 white employees draw $143,600 per annum and the 61 Negroes draw $173,560 per annum. The employees of this Bureau are the highest paid of any bureau or department of the Federal Government. In the Washington office there are 13 white employees and 35 Negro employees. While the chairman is white, his associate examiner is Negro. The office of the chairman is staffed by two other whites and three Negroes. The administrative office is staffed by 11 Negroes and no whites. The operations section has 7 Negroes and 6 whites. The review and analysis section has 7 Negroes and 3 whites. It is apparent this group was not set up to secure fair employment practices. The entire committee is Negro dominated with a sprinkling of white employees to attempt to claim fairness.

Mr. Chairman, in my opinion both parties are using this committee and most of those supporting it are doing so for political purposes. If this were not so the make-up of this committee would not be predominately Negro.

There is much evidence that I am correct in my belief. Men who do the hiring in various departments tell me that they can turn down an average white American because of failure to meet qualifications and nothing is said about it. If, however, a Negro is turned down then that is termed racial discrimination.

A confession of the length political parties go in courting the Negro vote was made in the Senate recently by a Senator from Missouri, a man prominently mentioned as a candidate for Vice President on the Democratic ticket. This Senator, in paying tribute to a Negro by the name of Tompkins, recorder of deeds, said:

Mr. President, the Negroes of the United States look to the person holding the office of recorder of deeds (Tompkins) for interpretations of political questions. * * *

We have frequent occasion to consult and advise with him on matters concerning our colored constituency back home.

The Congress recognized the value of his advice on political matters when it specifically excluded him from the prohibitions contained in the Hatch Act—passed some years ago and which prevents Federal office holders from taking part in politics. He, as recorder of deeds, is the only Negro Government official who is permitted under the Hatch Act to participate in political campaigns.

Mr. Chairman, the office of recorder of deeds, according to this Senator, has adorned the walls of the building, a Federal building, with seven murals showing the contributions Negroes have made but not a single one showing any contribution to the Nation by a white man.

No, Mr. Chairman, it is not fair treatment for the Negro—the group who exempted Tompkins from the Hatch Act; it is not to prevent unfair discrimination against Negroes that this so-called Fair Employees Practice Committee exercises itself. What they wanted, what they have done and are doing is to discriminate in favor of the Negro in an effort to secure the votes of the Negroes that they may win the national elections.

Not only is the recorder of deeds exempted from the operation of the Hatch Act but his employees are exempted from the Civil Service. He may employ a Negro from Chicago, New York, or St. Louis without regard to his qualifications if it will help the party in power.

This same practice was followed by the Republican Party when it was in power. This desire and effort on the part of both parties to cater to the racial and political minorities in order to win national elections is doing more to undermine our Nation than anything I know.

How can a Congress, sworn to uphold the Constitution of Washington and Jefferson say the Government or any employer shall hire so many Negroes, so many Chinese, so many Indians, and so on? Mr. Speaker, that is strictly un-American. Such practices look to the destruction of our whole system. It follows the Communists' lead. Both parties are permitting the tail to wag the dog.

Through the years we have gotten along with the Negro in the South by having segregation. We expect to continue that practice because we know it is the only way the two races can live together in harmony. If today you make this appropriation to continue this committee, you are doing more to create strife, riots, to destroy our America, than anything you could possibly do.

You will be marching further along the road of forcing the solid American citizens to band together against organized racial and political minorities, and when that day comes these same minorities will regret the day you surrendered the Constitution in an effort to secure votes to win a national election.

The Good Lord made the Negro black. He is black. If he accepts that fact, he can be a credit to himself and to his race. All the committees in the world will not change his color. All the orders of the F. E. P. C. that he shall not be referred to as colored will not change that color. If the F. E. P. C. is abolished and the Negro and the white man left alone, racial problems will be solved. In the South, the only place where the two races have gotten along, we have practiced segregation. The white man is protected in his home and in his meeting places from interference. The Negro is protected in his home. We expect to keep that segregation. To do as is advocated by those who sponsor the F. E. P. C. is to destroy such segregation. White and Negro would have social intermingling. The natural result through the years means a mongrel race. We from the South will have no part of it.

You must refuse this appropriation. Some things are more dear than winning any election. We must preserve our country, and destroying this committee will do much to preserve it.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Georgia [Mr. PACE] such time as he may require.

Mr. PACE. Mr. Chairman, I feel that I should extend my congratulations to my colleague from Georgia, Judge TARVER, for his accurate description of the conditions which have been brought about through the activities of the Committee on Fair Employment Practices. He has so truly and fully presented the question that there is little I can add.

I have investigated the activities of the agents of this committee, and if they continue much longer it is going to be necessary for the white people, not only in the South, but in many other sections of the country, to organize committees for their own protection. The agents and employees of this so-called Fair Employment Practice Committee are nothing more than agitators, deliberately trying to stir up trouble between the races. They should be dismissed immediately.

This committee has never been authorized by law, and Congress has never appropriated any funds to pay the salaries and expenses of the numerous agents and employees of the committee. The committee was set up by an order of the President issued May 27, 1943, and its expenses have been paid by the President out of funds which the Congress appropriated to the President for other purposes.

In his order creating this committee the President indicated that he was doing so in order to contribute toward unity in the war effort. He should have known then, and certainly he does know by now, that the activities of this committee would have just the opposite effect. It is bringing about more disunity among the people than everything else which has been done by the numerous Government agencies since the beginning of the war. It is nothing more than a deliberate effort to take advantage of war conditions, to impose upon the patriotism of the white people of the country, and to try to force social equality.

It is unfair to millions of our white boys now in the service. I do not know of any of them who have gone to offer and give their lives for the establishment of social equality for the Negro. Certainly those from my section of the country, at least, are going to be greatly disturbed and disappointed when they return home to learn that their Commander in Chief has set up and promoted this agency to try to change the social and economic ways of this Nation while they were out on the battle front. They responded to the call of duty because they love their country, they love their way of life and were willing to fight to defend it, but they did not enter the service in order to have that way of life changed during their absence.

I do not regard this as purely a southern problem. Already in most of the war-production centers of the East and the Northwest there have been strikes and other disturbances brought on by the activities of this committee. Numerous Members of this House have told me that race relations in their States are growing more critical every day and are approaching the explosive point. Unless these activities are brought to an end I fear some terrible consequences are going to follow, bringing on disunity almost comparable with that which existed back in the sixties, except it will not be confined to an issue between sections.

Very few people outside of the South have any understanding or appreciation of our race problem. Very few Members of Congress from the other sections understand our difficulties or appreciate our efforts to treat the Negro fairly and maintain proper relations. There is one thing I have definitely satisfied myself about, and that is that the southern white man has more concern about the welfare of the Negro than do the people in many other sections.

As my colleague stated a few minutes ago, there appear to be some white people who do not regard themselves any better than a Negro, and, like my colleague, I am ready to accord them the right to reach their own estimate of themselves, but if you will study the activities of such people you will find that many, if not most of them, are actuated by what they can get from or out of the Negro rather than a sincere effort to be helpful to the Negro.

We have our problems in the South, economic and racial. They are great problems and require the best thought and best effort of our people. I believe we can solve them, if we are permitted to do so, in a way consistent with the best interest of all. All the South is asking today is to be let alone, to be permitted to settle our local problems just as the founders of this Nation intended for them to be settled. It seems to me that is so little to ask, and yet there are so many people who want to take a hand in our affairs.

Mr. Chairman, I earnestly hope the Members of the House will support the motion of my colleague the gentleman from Georgia [JUDGE TARVER], to strike out the paragraph in this bill which would appropriate $500,000 to continue the activities of this Committee on Fair Employment Practice.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, and members of the committee, if I may have your attention for just a moment: Times without number I have heard Members of this body declare in the well of this House that they would never vote to appropriate a single dollar of the taxpayer's money which was not essential for the war effort or absolutely essential to carry on the necessary civil affairs of government. In the matter that I intend to present this afternoon and the amendment which I shall offer when this bill is presented for amendment I shall endeavor to test the sincerity of those statements. May I say to you as a member of the subcommittee of the Committee on Appropriations which will shortly bring before you the Labor-Federal Security Agency appropriation bill, with the aid of other members of that subcommittee, we have been trying diligently to find out where there is duplication of effort in various agencies of Government with the ultimate objective in mind of trying to eliminate duplication of effort wherever it may be found and thus save some money for the taxpayers of this Nation. I know there are some people who say, "Oh, saving a million dollars does not mean anything." So far as I am concerned I have told the people whom I have the honor to represent that I will not vote for a single dollar of appropriation that is not justified in the public interest or in the necessary effort to carry on the war.

Let me call your attention to the fact that by legislative action of the Congress we created in the Government a Department of Labor and charged it with certain specific fundamental responsibilities. I want the Department of Labor to function and to be in a position to carry out the responsibilities that this Congress has placed upon it in aiding the solution of the multiple problems that confront that department of government today.

Now, let me be specific. In the hearings before the subcommittee this year there appears an item of $200,000, requested by the Secretary of Labor, in order to carry on what is known as the working-conditions program. It appears that the Secretary of Labor was given this amount in a deficiency appropriation last fall. The amount became available January 1, 1944, and pursuant to that appropriation, the Secretary of Labor set up in the Department of Labor an organization known as the working-conditions program. Now, what is this for? This money was appropriated and the program was established to enable the Secretary of Labor, operating through the Labor Standards Division of the Department of Labor to look after working conditions of men and women in production, in the factories of this country, to try to make suggestions as to the health, sanitation, and general

working conditions, and to investigate and to cooperate with manufacturers and industry in an effort to provide better working conditions. That is a fundamental function of the Department of Labor and is to be found in its basic law as passed by this Congress when the Department of Labor was created.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. If the gentleman will pardon me I prefer not to yield just now.

This year the Department of Labor seeks to incorporate that $200,000 into its regular appropriation bill. I am not critical of the Department of Labor for engaging in this activity. It is an activity that it is contemplated the Department of Labor will perform.

I now find upon examination, however, that the War Production Board has set up within it an agency known as "The Labor Production Office," and they are asking in the particular bill that is now before us for an appropriation of $600,700. For what purpose? In part, at least, to do exactly the same work, specifically the same work that is contemplated to be done under the $200,000 appropriation requested by the Secretary of Labor in her request for appropriation. The work in the Secretary's office is to be performed by the Division of Labor Standards, and over in the War Production Board is this labor production office, headed by Mr. Keenan, which is doing exactly the same thing. Now, I ask any of you on the floor of this House to stand up here and, after investigation and analysis of that activity, tell me whether there is any justification for having two agencies of Government spending the taxpayers' money to do exactly the same thing.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. JUDD. The gentleman is aware, is he not, that a great deal of exactly the same work, this same sort of activity, is handled by the Office of the Surgeon General, the Public Health Service, partly through the State departments of public health. For example, in my State, they have a very extensive program, partially supported by Federal funds through the public welfare, and partly through State funds through the public welfare, and the department of public welfare inspects and coordinates these factory standards and conditions. The same thing is being done in three departments, not just two departments.

Mr. KEEFE. I am fully aware that the Public Health Service, operating in conjunction with the State public health services, is engaged in the matter of the protection of the health generally of the citizens of the various States. I do not think they have any specific duties or functions, however, in this particular field.

I am calling attention to this particular situation because at the proper time by suitable amendment, I intend to move to eliminate the appropriation for the War Production Board that is found in the pending bill, that proposes to duplicate the work of the working conditions program in the Department of Labor.

Now, let us take up another item. We have in the Department of Labor the Conciliation Service, which is headed by Dr. John Steelman, a man in whom I personally have utmost confidence, and whose organization, in my judgment, is performing a splendid function and a splendid service for the people of this country in attempting to mediate and conciliate labor difficulties throughout the country.

Now, what is the job that Mr. Steelman is charged with performing, under the law? His specific function is to mediate and conciliate labor difficulties and labor disputes. We provided him with a constantly expanding appropriation to enable him to hire all the conciliators and mediators that might be necessary in order to meet the growing demand on the part of both labor and industry for that type of service.

As far as I am concerned, I want that service performed. It is a vital service. But we find now that the War Production Board, in setting up this Labor Production Office, is again duplicating the work of the Conciliation Service. Not only duplicating the work but actually interfering with the orderly work of the Conciliation Service. Now, the question is, do you want to appropriate public funds to maintain in the War Production Board, a labor department that, for all practical purposes, is infringing and impinging upon the jurisdiction and authority of the regular agencies of Government in the Department of Labor, and actually not only duplicating the work, but impeding the efforts and work of the regularly established agencies that we have charged with responsibility in that field?

The supporters of this appropriation for the Labor Production Office will contend that there is no duplication of effort. I want to say to the Members of this Congress that I do not care what Mr. Keenan says in the testimony that he gave before this subcommittee. A careful analysis of his testimony read in connection with the testimony of Miss Perkins and Dr. Steelman before the Labor-Social Security Subcommittee is sufficient proof to me that there is absolutely duplication of effort. I went into this matter with the Secretary of Labor and with Dr. Steelman and I knew that it would be claimed that they had a working agreement with the Labor Production Office of the War Production Board so that there would not be any duplication of effort. The War Production Board, under its program, has a lot of men here in the office at Washington, 201; and about 100 or 125 out in the field. They are charged, so they say, with the responsibility of trying to get out production. The Army has a similar organization in the field, consisting of expediters and other personnel. The Navy has a similar organization in the field. The testimony of Dr. Steelman is that so far as the Army and Navy are concerned there is no duplication of effort and they work in the strictest harmony, but a reading of his testimony with reference to the conflict between his agency and the similar agency of the War Production Board does not disclose that situation to exist.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield at that point?

Mr. KEEFE. I yield.

Mr. H. CARL ANDERSEN. I merely wish to state, Mr. Chairman, that in my capacity as a member of the Subcommittee on Labor and Social Security, along with the gentleman from Wisconson [Mr. KEEFE] and other Members, that everything the gentleman from Wisconsin is saying today is proven by the hearings we have just concluded. I want to compliment the gentleman from Wisconsin for the splendid research and diligent work which he has done in this and many other matters which concern the Appropriations Committee.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I rather anticipate the inquiry the gentleman from Michigan is going to make. Let me proceed 1 minute and I think I will answer the gentleman's question.

On page 691 of the hearings on the present bill Mr. Keenan made this statement. He was challenged by the chairman of the committee that there was duplication of effort. This is what he said:

> As to what we have found in the Labor Department, at the last hearings a year ago there were some complaints about our overlapping with the Conciliation Service and some of the other functions of the Labor Department. We met with the Secretary of Labor and straightened it out. Our job is entirely confined to war production.

I asked Miss Perkins about that situation and specifically with reference to the $200,000 appropriation for the working-conditions program to which I have heretofore referred, and this is what she stated. The question was:

> Does this group operate in cooperation with a similar group of the War Production Board and one of the War Labor Board which have representatives apparently doing the same work?

I call your particular attention to this answer of Secretary Perkins:

> The War Labor Board is not doing anything that remotely resembles this. What the War Production Board is doing I think I had better not talk about, because we have a very limited understanding of what they are doing. I cannot therefore speak for them.

When the situation was before the committee with respect to the Conciliation Service some questions were submitted to Dr. Steelman along this line, and I want to say to you Members who are all familiar with the way these committees operate, you know how difficult it is to get the head of an agency of Government to find any fault or be critical in any way whatsoever of any other agency of Government. The fight that developed between Mr. Wallace and Jesse Jones resulted in a Presidential decree, you will recall, which kind of put a damper upon any comment before congressional committees by one agency of the Government about another, and so it is very dif-

ficult to elicit information on the record from these men that might be critical of some other agency of Government. But I want you to listen to what John Steelman had to say about this situation:

Do you not think, for the efficient operation of the conciliation service that is charged with the direct responsibility and the primary responsibility of endeavoring to settle labor disputes, that it is a proper subject of inquiry to go into and ascertain how many other agencies of Government may be engaged in the same or similar activities?

And his answer was: "Yes."

Then I asked him this question:

Do you not think that all of these activities should be concentrated into one responsible agency?

His answer was:

Yes; I think it is very unfortunate that there is duplication. With all the good intentions we may have I think it is unfortunate for the Government to have different agencies doing the same job. I think whatever one is best fitted for the job ought to be recognized as the one to do that job. I think other people ought to come into the picture when they are requested or when they come make a contribution and as I say I am sure those are the instructions from the Army and Navy to their people. In recent months we have gotten along very well indeed with perhaps only one or two little misunderstandings.

Then I asked him about the War Production Board set-up and he said: "Yes; they had some difficulty in earlier days." Then I asked him this question:

I am not referring to earlier days but right now. Let us be fair and if they are not doing it say so and if they are without being critical of their activities at all say so. You are testifying in response to the request of a member of this committee.

Dr. STEELMAN. Yes; in spite of the instructions from Washington I think there will always be instances where people out in the field will become interested and involved in these matters. It is just unavoidable.

Then he was asked this question:

You mean to say they are involved in it to some extent today?

Dr. STEELMAN. Occasionally.

Question. Despite instructions to the contrary from Washington?

Dr. STEELMAN. That is right.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Wisconsin 10 additional minutes.

Mr. KEEFE. That is what appears on the record, Mr. Chairman; but the realities of the situation are that the War Production Board does have these representatives all over this country out in the field in this Labor Production Office who are attempting to do exactly the same thing that John Steelman is charged with responsibility for. Their justification, they say, is that they have these people right out on the job in the factories so that when a dispute comes up they are on the job to handle it right away, and if it gets bad they can call in the conciliator. My opinion is that because of that meddling of another agency in the job of the conciliation service the situation frequently gets to a point where the conciliation service cannot function due to the interference of the duplicating agency of Government.

Another thing, we have this Labor Standards Division in the Department of Labor. What is its job? What is it supposed to do? It is supposed to provide for the inspection of plants in this country for health, safety, and sanitation; that is the fundamental purpose of the operation of the Division of Labor Standards, to assist labor unions and management in sitting down and understanding the collective bargaining processes, to advise them as to their rights under the law, to advise them as to what the law is, to provide them with contracts and forms. Here we find part of this Labor Production Office right now in the language of Dr. Keenan himself, doing exactly the same work.

What are we going to do about this thing? Are we just going to say, "Well, here is the testimony of Mr. Keenan. Here it is. Here is what he says they are doing." Mind you, there is no testimony of anyone else who has looked into the situation, but I have taken it upon myself, Mr. Chairman, to look into the matter and I have gone into it at some length. I would not be here this afternoon were I not most thoroughly convinced that there is the most atrocious waste of money arising out of this duplication.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. I wonder if the gentleman would join me and other members of the committee in authorizing an investigation of this matter in order to secure the facts?

Mr. KEEFE. So far as the gentleman from Wisconsin who is now speaking is concerned, I have no authority to join the gentleman from Missouri in making any such request. The resolution providing for the appointment of investigators was prepared by the gentleman from Missouri in cooperation with the ranking Republican member of the committee, the gentleman from New York, and the gentleman well knows what the provisions of that resolution are. It does not require my signature as a member of the subcommittee, and so far as I am concerned, I do not intend to delay action upon this matter through the ruse or medium of some alleged investigation by a set of investigators who will go down here to these departments, talk with interested people, and check their files. So far as I am concerned, I have made my own investigation on my own responsibility as a member of the Appropriations Committee of this House and I am bringing to the attention of the House the facts that my investigation has found and which are fully supported and disclosed by the sworn testimony taken before a regular committee of the House when the witness was subject to interrogation.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. I trust the gentleman will join us in an investigation in view of the gentleman's statement there ought to be an investigation both here and in the field. Will the gentleman cooperate with us?

Mr. KEEFE. What cooperation does the gentleman want from me? Has not the gentleman the full authority to order an investigation?

Mr. CANNON of Missouri. Will the gentleman approve the investigation?

Mr. KEEFE. I understand the gentleman's attitude. I have refused to sign such a request, so far as I am concerned, because I do not want the gentleman to put me, in his usually clever manner, in the position where the gentleman can get up and say, "Well, there is no need of doing anything about this now. We are going to have an investigation and the investigators will report next month or 6 months from now, then we will have an opportunity to pass upon it." In the meantime the bill which is now under consideration and must be voted on will have passed the House and we will have to rely upon sticking some language in a future deficiency bill in order to cure the evil. So far as I am concerned, may I say to the chairman of the Committee on Appropriations, this problem is before the House today. The gentleman's committee has reported this bill. Can the committee reporting this bill in good conscience come before the House and say, as the gentleman has said, "Yes; there may be something to what the gentleman from Wisconsin says, the gentleman is perhaps right, there may be and perhaps is duplication of effort." If that be true, I ask the gentleman, Why, then, was not an investigation made and ordered before his committee reported this bill to the House for consideration? That was the time to have that investigation, not now or some time in the future.

Mr. CANNON of Missouri. Let us have an investigation, let us call on the War Production Board and Mr. Keenan whom, apparently, the gentleman has not consulted.

Mr. KEEFE. I have consulted the hearings and the justification which was presented to the gentleman's committee.

Mr. MASON. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Illinois.

Mr. MASON. Would the gentleman be willing to cooperate in this investigation if we returned this bill to the committee for further consideration?

Mr. KEEFE. I may say to the gentleman I do not think that is necessary. I have the facts and I do not have to rely upon some investigator who perhaps is not as familiar with the facts as is the present speaker, who has made it his purpose and his object to ascertain the facts by consultation with the people who are involved.

Mr. RABAUT. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Michigan.

Mr. RABAUT. Inasmuch as the gentleman has taken the facts from the hearings I will ask him to read page 691:

Our job is entirely confined to war production.

Mr. KEEFE. The gentleman is now reading from the testimony of Mr. Keenan?

Mr. RABAUT. I am reading the hearings that guide the committee in bringing bills to the House.

Mr. KEEFE. The gentleman is reading the testimony by Mr. Keenan.

Mr. RABAUT. It is one thing to talk a lot about it but it is another thing to take a look at what the facts are before the committee. These are the facts before the committee. The gentleman just finished saying that he based his statement on the facts. Read the facts, let the committee have the facts as they are set forth on page 691.

Mr. KEEFE. If I could have enough time to read Mr. Keenan's full statement I would be most happy to accommodate my valuable friend from Detroit.

Mr. RABAUT. To save time, put it in the RECORD.

Mr. KEEFE. Let me say this to the gentleman: If he knows so much about this situation and is so positive that he is right and that the committee's action is right, why is he now asking for an investigation, wanting to send investigators out to find out whether the action of the committee is right or not?

Mr. RABAUT. Because of the statement that the gentleman made in the full committee. Now, the gentleman will not go along, after he has made the statement very similar to the statement he has made on the floor of the House today.

Mr. KEEFE. This is a little dodge of the New Deal and the gentleman who speaks so volubly for it is just reiterating the thing which always happens when a situation of this kind arises.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. KEEFE. Mr. Chairman, may I say to the gentleman from Michigan and the chairman of the Committee on Appropriations, you are not going to put me in that hole. I have a responsibility as a Member of this Congress. I have made my investigation. If you want to make an investigation you go out and make it. I think you should have made the investigation before you reported this bill. That is as far as I am concerned.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. The gentleman knows we do not make these investigations personally. No investigation made by any man with preconceived notions is of any great value. We have a wholly impartial, nonpartisan, nonpolitical investigating force whose fairness or efficiency has never been challenged. It has never failed to get the facts. Now, why have an impartial investigation? The gentleman should leave it to somebody who will secure authoritative data about which there will be no question. The gentleman should permit us to do that and should assist us in getting the facts directly and immediately from the War Production Board and Mr. Keenan. The gentleman has heard only one side of the case.

Mr. KEEFE. The gentleman recalls the time of my trying to do something about penalty mail. If the gentleman remembers, we had assurances given at that time if I would consent to withdraw the amendment which this House on three separate occasions by a record vote agreed to, legislation would be passed to take care of the situation. We got the legislation passed and it has been lying over there in a pigeon hole in the other body ever since. You cannot get any action at all. The thing goes on and on and on. Now, this bill is up here for consideration. Does the gentleman from Missouri think I am outside of my rights as a Member of Congress?

Mr. CANNON of Missouri. I think the gentleman ought to join us in an impartial investigation. We can all give our own views on it, but the need is for unchallenged facts.

Mr. KEEFE. Does the gentleman from Missouri dispute any of the facts I have submitted this afternoon?

Mr. CANNON of Missouri. I do not know anything about them. No authoritative agency has certified them.

Mr. KEEFE. Well, if the gentleman does not know anything about them how could he report this bill?

Mr. CANNON of Missouri. The gentleman ought to substantiate his own conclusions by facts secured through recognized and established agencies.

Mr. KEEFE. I have gone to the proper agencies and I have right here in my hand the answer to the whole situation.

Mr. RABAUT. Will the gentleman agree to have an investigation made by the investigators?

Mr. KEEFE. We have right here the answer to the whole situation, which is the field service manual issued by this Keenan organization and the subject is: "Relations of the War Production Board with other agencies handling labor disputes."

The situation was attempted to be put before the Committee on Appropriations that Mr. Keenan's organization had a contract relationship with the Department of Labor Conciliation Service by which their specific fields of activity were clearly defined.

I ask you to turn to the record on page 691, in view of the fact that my friend from Michigan has been so meticulous in calling attention to the record, and point out, if you will, from the list of contracts submitted by Mr. Keenan, where there is any contract with the Labor Department as to the operations of his agency in connection with the Conciliation Service. You will not find it. It is not there.

I do not intend to be dissuaded from the objective which I have in mind, and that is to ferret out these duplicating agencies of Government, and to eliminate them wherever they can be found. I hope the time will come sometime in this Government of ours when the Congress of the United States will see to it that the matters affecting labor and labor relations are concentrated in the agency which we have set up to deal with that problem, and not find 15 or 16 other agencies of Government dealing with that very problem.

The complaint that I find emanating from labor itself is that there are altogether too many agencies of Government meddling with this intricate problem of labor relationships today. What I am seeking to do is to place in the Department of Labor the responsibility for handling these problems of labor-management relationship, and not have them duplicated and scattered throughout a dozen different agencies of Government, one overlapping the other, and many of them in conflict with the operations of the other.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Iowa.

Mr. JENSEN. Mr. Chairman, I want to say that I agree perfectly with everything the gentleman is saying, especially when he says he wants the regularly established departments of government to take care of the things they should take care of. I notice in the list of persons who are employed in the Office of Labor Production, who receive a salary of $5,600 a year and over, is the name of one David Lasser. He is Assistant Director of the Plant Production Division. Is that the same David Lasser whom the Congress took off the pay roll at one time because it was proven very conclusively that he believed in the destruction of our American institutions by force? Is that the same David Lasser?

Mr. KEEFE. I will say to the gentleman that I read that list of names inserted in the record, and I found a number of very familiar names, including among them David Lasser and Dave Saposs, and some others, on the pay roll of this agency. I am not attacking this item because of the character of any of its personnel. I am attempting to put that work where it belongs and to put the responsibility for carrying on those activities in the agency of government that is charged under the basic organic law with that responsibility.

Let me call your attention to another one. We have in the Department of Labor an organization known as the Wage Adjustment Board which is headed by the Assistant Secretary of Labor, Mr. Tracy. Time will not permit me to give an evaluation of the testimony of Mr. Tracy except to say this:

If you will read the testimony of Mr. Tracy as to the objectives of the Wage Adjustment Board, and what it is doing in the field of wage adjustment and labor relations in the building trades industry, you will find over here in the War Production Board an absolutely duplicating activity carried on by Mr. Keenan. That is another case where you have two agencies doing exactly the same thing. All you have to do is to read the justification of Mr. Keenan and you will see that he justifies that activity in almost

the identical language that Mr. Tracy justifies a similar activity in the Labor Department.

Now you are going to have a chance to put your minds to work on this proposition and determine on this pending appropriation bill where these issues are involved, whether we are going to continue to vote continuing appropriations to various agencies of government in order to provide jobs and duplicating work that is being done by the regularly established agencies of the Government.

I want it to be perfectly clear that I am not attempting to interfere with any investigation that the Committee on Appropriations or the Subcommittee on Deficiency sees fit to make. I have no responsibility in that matter. That is a matter in charge of the chairman of the committee and the ranking minority member. If they want to go on with this investigation in an attempt to delay consideration of the facts which I have brought out, and which I defy anybody to controvert, then let them go ahead with the investigation. I shall stand upon my right, as a Member of the Congress, to bring these things out at the proper time, which long months of investigation have brought to my attention, and that time is when the appropriation under consideration is before the House.

Mr. RABAUT. Mr. Chairman, will the gentleman yield to me for a correction in his last statement?

Mr. KEEFE. Yes; I yield to the gentleman from Michigan.

Mr. RABAUT. The gentleman says he has nothing to do with this investigation. The gentleman is a member of the Subcommittee on Labor and Social Security. The very matters that the gentleman is complaining about are matters that arise in both subcommittees, namely, the Subcommittee on Deficiency and the Subcommittee on Social Security and Labor. Under the circumstances, if you want a committee investigation—and the main complaint about duplication has come from the gentleman addressing the House—it should be signed by the members of both subcommittees. The gentleman should be willing to do that.

Mr. KEEFE. The distinguished gentleman from Detroit cannot disturb me at all by that statement. He obviously is not familiar with the rule. If he was, he would know that the request would come from the chairman of the subcommittee and the ranking Republican member of that subcommittee and not from me.

Mr. RABAUT. Does the gentleman want one in a higher position than the chairman of the full committee to make the request?

Mr. KEEFE. You can make your investigation in this deficiency bill. You do not need me for that. Go ahead and make it, but in the future I hope you will make your investigations before you report the bill.

Mr. RABAUT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, in order that the facts in the case may be properly presented in the RECORD, when we return to the House I will ask that certain language in the hearings be printed in the RECORD at this point.

Mr. KEEFE. Which language?

Mr. RABAUT. The language dealing with the debate that has just taken place. I would like to quote.

Mr. TABER. What page, please?

Mr. RABAUT. I will quote from pages 691, 693, and 694. Here is something that might be told to the House. Mr. Keenan said:

Where we find the Conciliation Service we get out. We get complaints before they come to the Conciliation Service. Where we find production interfered with, or where there may be slow-downs, where management should know it, they call in some office in the industry division and notify them and then we are called to help settle the problem.

This whole activity deals with war production—

Mr. KEENAN. In 1941 when we got into the great building program we had conditions which were different all over the United States. Every little town had a different condition.

General Somervell called us into the office and asked us if we could not work out a stabilization program to apply to Government construction. We had a meeting and the first group that we met with included representatives of the Army, the Navy, the Maritime Commission, and the Federal Works Agency. Later the D. P. C. came in. They set up a stabilization program in a building trades stabilization agreement, which I am submitting for the record. This stabilization program had a clause in it to the effect that any dispute which came up over this agreement would be decided by the board of review, made up of a man from the Government, a man from the building construction trade, and a man from the services.

The only thing that they act on is disputes that come up on the terms of the agreement. We have nothing to do with wages; that is handled by the wage adjustment board. All that this group does is to make interpretations of the agreement and to hear the disputes that come up under the agreement.

INDUSTRIAL RELATIONS DIVISION

The CHAIRMAN. I notice that the Industrial Relations Division is asking for some increase, 10 in personnel and about $50,000 in in funds. What is the program involved in this increase?

Mr. KEENAN. This is to take care of the changes in the War Production Board program and to meet production problems of critical product programs. From time to time, now as the war changes we are going to move into civilian production. We are going to increase civilian production. Most of this will be done where we have materials and manpower. There have been some investigations made. We will allow this increased production where there will be no interference with war work. These people are people who work in the shops and know the job that they will be doing and they will go out and make these investigations for us to be sure that we will not interfere with war production.

It is also to work on increased production problems of key products because today, with the Army drawing off people for the draft, we will be compelled from now on to get more production out of every person. In many cases we will have to increase hours. It may be that there will be contracts that have to be set aside. That is the type of job that these fellows will have to do and it will continue until this thing is out of the way.

The CHAIRMAN. That is a very sensible thing.

Mr. RABAUT. I understand your work is confined to war production; that is what it has been confined to in the past?

Mr. KEENAN. Yes.

Mr. RABAUT. Now you are charged to make the adjustments involved in the reconversion program?

Mr. KEENAN. That is right.

Mr. RABAUT. That is what you are planning for?

Mr. KEENAN. Yes.

Mr. RABAUT. Have you assisted in the work of production to the point of really getting much greater production?

Mr. KEENAN. Yes, sir.

As to what we have found in the Labor Department, at the last hearing a year ago there were some complaints about our overlapping with the Conciliation Service and some of the other functions of the Labor Department. We met with the Secretary of Labor and straightened it out. Our job is entirely confined to war production. Most of the work that we have is before anything happens. We are in production mainly, and if we find that there is dissatisfaction in the plant we go in and try to find out what the dissatisfaction is and start to straighten it out so we can increase production. We are building up a relationship between labor and management. I know that you know that many of these plants have just been organized in the last 3 or 4 years and they have not much experience. There is generally a barrier between the two and we have been trying to get them to work together to increase production.

It is one thing to stand here and talk about it but it is quite another thing to get the production for the war effort to the maximum height to which it has gone in the United States, to the admiration of the world.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is the gentleman aware of the fact that in the appropriation for the Labor Department and its various agencies we have included wartime appropriations for national defense to augment for national defense purposes the activities of every one of these agencies of the Government, and the appropriation carried two items——

Mr. RABAUT. Yes, but I should like to refer the gentleman to the extracts of the hearings above especially the reference to General Somervell.

What further evidence does the gentleman want? How many agencies does he want interested in the war effort and in the production of war goods? I am a little disturbed that this argument should have gone to the extent that it has, in view of the fact of the national emergency.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RABAUT. Mr. Chairman, I yield myself 2 additional minutes.

Mr. KEEFE. Is the gentleman familiar with the functions of the Wage Adjustment Board in the Department of Labor?

Mr. RABAUT. I am familiar with the matters that came before us in this hearing, but I asked the gentleman if he knew what was in the hearings and he said he quoted from the record. Then

he did not quote from the record at all, because if he had he would have known what General Somervell had said.

Mr. KEEFE. General Somervell did not even testify before the gentleman's committee, and the gentleman knows it.

Mr. RABAUT. No; he did not testify. I am not trying to twist the facts for the House or for the gentleman. I said that General Somervell was quoted by the witnesses as having invited the witnesses before him and telling them what he wanted done in this regard, and that information has been told to the gentleman in truth and not twisted before this body.

Mr. KEEFE. Will the gentleman answer my question? Does he know the work of the Wage Adjustment Board?

Mr. RABAUT. I have just told the gentleman the answer to his question. I know the things I am supposed to know about, and I am speaking of them, but I do not believe that could be said of the gentleman who gave us the long talk on this subject.

Mr. KEEFE. Then the answer of the gentleman is that he does not know anything about the Wage Adjustment Board, which is doing the same thing?

Mr. RABAUT. There is another interpretation of his own that the gentleman is making.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, I am unalterably opposed to that part of the pending bill which provides for an appropriation of $500,000 to be expended by the Committee on Fair Employment Practice. In the first place, we have never authorized such an agency by direct legislative enactment. In the second place, its operations can have no other effect than to promote centralized and bureaucratic regimentation which will result in disunity and internal strife at the very time when harmony is vitally essential in speeding our war effort to victory.

The order which established this committee states that it is based upon the premise that—

> It is the policy of the United States to encourage full participation in the war effort by all persons in the United States regardless of race, creed, color, or national origin.

In my judgment, the best way to assure such full participation is to refrain from stimulating such dissension as the activities of this very committee create. Upon it rests the responsibility for much of the strife and misunderstanding and disunity which have thwarted and delayed the uninterrupted progress of our war effort.

For a century and a half America has prospered under the dual system of government which the fathers founded. Now we see creeping in another and a spurious philosophy based upon the false theory that administrative agents sitting in swivel chairs in Washington know better how to run the affairs of the respective States than the States themselves. The boys at the front are fighting and fighting valiantly to rid the world of this very doctrine of centralized government which has wrought havoc for liberty-loving people wherever it has been practiced. We shall be unfaithful to them, and we shall be promoting the subversive systems against which they so bravely battle, if we do not put a stop to this unwarranted encroachment upon the sound and fundamental principles of freedom which have characterized our American life and accomplishment.

I believe, for instance, that the people in Texas know better how to run their own affairs than some emissary of bureacracy coming to them from some other State or from Washington and usually unfamiliar with their history and their conditions and frequently out of sympathy with their ideals and purposes. Such pilgrimages of uninformed and unsympathetic administrative agents make for discord and not for unity. In our governmental capacity let us stop sowing the wind while there is still fair opportunity to avert the harvest of the whirlwind. Surely the operations of this Committee on Fair Employment Practice, the "fairness" being based upon the self-determined standards of the Committee itself, are retarding rather than speeding our triumph at arms. It is violating the very purpose for which ostensibly it was created.

Let us get on with winning this war and preserving our American way of life. The boys at the front are performing a wonderful service to this end. In the same spirit of victory which inspires them, let us banish from the land for which they fight the subversive principles and practices which imperil our present progress and our permanent security.

Mr. CANNON of Missouri. Mr. Chairman, I yield 7 minutes to the gentleman from Washington [Mr. COFFEE].

Mr. COFFEE. Mr. Chairman, in a totalitarian state where the power of the state rests in the hands of a dictatorial few the security of that power depends upon keeping the people in ignorance. In a democracy such as ours where the power of the state rests with the people the security of that power depends upon keeping the people fully informed. In the words of Justice Douglas, "Democracy will be as vigorous as it is informed." Particularly is this true in a time of stress and crisis such as our country is undergoing at the present moment.

The Office of War Information has the great responsibility to see that the people of the United States get as much information about the war as security will permit. It is the Domestic Branch of the Office of War Information which exercises this function of seeing to it that public knowledge about the war is based upon complete and accurate facts. Never has the responsibility of O. W. I. and its domestic branch to keep the people informed been greater. All of us know that what may prove to be the turning point in the war is at hand. A great offensive has been launched in Italy. American troops, side by side with our allies are fighting fiercely in the jungles of Burma. In the Pacific our soldiers, sailors, and marines are moving island by island closer to Japan. And on the perimeter of the Fortress Europe our boys are poised for a great assault which will crush the Nazis and free Nazi-occupied Europe.

Never has the need for an effective and efficient Office of War Information been so great. All that O. W. I. has done heretofore to keep the people informed is but a preliminary to the task that lies ahead. I have no doubt that with our support in giving O. W. I. adequate funds and personnel it will do its job thoroughly and well.

From the very beginning Mr. Davis and the successive heads of the Domestic Branch of O. W. I. have joined with the military authorities in an effort to get to the people every possible bit of news about military operations and about the war. The American people demand and deserve the facts. They want the hard facts. They want the bad news along with the good and I know and I think most of us know that O. W. I., in collaboration with the Army and Navy, has done its utmost to see that the facts were got to the people.

It has not been an easy job for O. W. I. and the Army and the Navy to give out the facts. It has been a job of balancing the value of security and surprise against the value of the strength that arises from a people fully informed. There have been criticisms that news was being suppressed. The average American put it bluntly that he was not getting his war news play-by-play. He wanted human interest. He wanted an action report on how his son and his neighbor's son gained their objective, what it cost in travail, agony, and death.

The armed forces were as aware of this situation as was the Office of War Information. The War and Navy Departments were prompt in responding to an appeal made by O. W. I. in its attempt to widen the scope of all war news coverage. In discussions with military authorities, O. W. I. held that if America thoroughly understood the character of its enemies, the nature of the fighting, the use to which its war matériel is put, it would work harder and longer to achieve victory than it would if the information is kept secret. It urged that the full story of the war be told, completely and realistically—within the limitations of military security—and it believed further that many of this country's domestic war problems would fall of their own weight. It urged that the story be told fully while it could be used as an effective weapon, instead of waiting 25 years for the historians.

Full credit must be given to the Navy for inaugurating a new policy of complete news coverage of combat. The attack on Tarawa was described in reports sent in such quantity and with such celerity that the American people on the very day of the attack were able to read the most comprehensive and intimate accounts of their sons under fire.

This was the turning point of the war insofar as war reporting was concerned. From that day to this the improvement has continued uninterruptedly. O. W. I. shares with the armed services credit for bringing this improvement about. The

improvement is continuing. For example—

Victory is the first concern of military commanders in the field. These commanders carry a heavy burden of responsibility for the lives of many men and the success of operations. Their decisions, including those on publication of news, are influenced accordingly. Theater commanders, however, may not always be in a position to balance the relative importance of local problems against the need of giving the American people a full and accurate picture of the war situation as a whole. To insure the fullest possible flow of information without distorting the importance of either good news or bad, theater commanders have recent instructions based on an agreement reached by the Office of War Information and the War and Navy Departments that news of military and naval operations should be made public as soon and as fully as military security permits. Whenever a theater commander resolves a doubt in favor of withholding news, the facts will be submitted, according to the agreement, to Washington for review and decision as to release by officials of the War and Navy Departments and the Office of War Information.

When last winter the Allied leaders agreed to the establishment of a second front in Europe, O. W. I. realized that this would be the greatest news story of the war and planned immediately to offer its facilities and to coordinate facilities of the armed forces to bring about its proper coverage. An O. W. I. executive, long-trained in the newspaper and communications fields, is now in London arranging details of the coverage of this forthcoming mighty military event. His basic job is to see that correspondents are permitted to accompany and to follow the troops during the invasion and to have at their disposal extensive facilities to transmit their reports home with speed and completeness.

Working in close collaboration with Army and Navy public relations officers, representatives of O. W. I. have seen to it that the American press and radio were given every facility possible to bring the news of the invasion to the American people. Censorship of dispatches has been simplified. A stand-by radio channel supplied by the Signal Corps has been arranged for, for the handling of press copy. In negotiations with the British concerning the timing of communiques, O. W. I.'s representative has been in there arguing for the benefit of the American correspondents. It is in large part as a result of the efforts of O. W. I. that there are to be two invasion communiques a day instead of one, and that special communiques and announcements will be given out as the news breaks.

Thanks in large measure to O. W. I. the American press and radio, and the American people stand to get more news, more accurate news, and prompter news about the coming invasion of Europe than has ever before been made available to any people about so vast and critical an event.

Through its Domestic Branch, O. W. I. has lived up to Mr. Davis' promise:

This is a people's war, and to win it the people should know as much about it as they can. This Office will do its best to tell the truth and nothing but the truth, both at home and abroad. Military information that will aid the enemy must be withheld; but within that limitation we shall try to give the people a clear, complete, and accurate picture.

ARGENTINE FASCIST INTERVENTION IN AMERICAN AFFAIRS

Mr. Chairman, I read with great alarm this morning's Washington Post in which there was a story telling how the unrecognized Argentine Ambassador to the United States, Sr. don Adrian C. Escobar, had attempted to use the students of a Washington school to gain a blessing for the Hitler-like Fascist dictatorship in Argentina.

Argentina is the only country in the Western Hemisphere which has enthusiastically continued to give not only aid, but comfort as well, to the enemies of our Government and the United Nations.

Not so long ago, when the American Ambassador to Argentina attempted to lay a wreath at the statue of George Washington in Buenos Aires, he was attacked by an angry mob of Fascists incited by the anti-American demagogic speeches and actions of the military dictators who currently run Argentina.

We should be proud of the principal, teachers, and pupils of McKinley High School who refused to participate in the Argentine Independence Day ceremonies yesterday when they found that the unrecognized Argentine Ambassador was attempting to participate with them in their program.

The viciousness and hypocrisy of the dictatorship in Argentina has once again been exposed by courageous educators and the free American press. I would be derelict in my duties if I did not include in these remarks the highest praise for Francis C. McCarthy, commander of the American Legion of the District of Columbia, who was instrumental in forcing the cancelation of the celebration of Argentine Independence Day. The school children of the District of Columbia—yes, and all freedom-loving Americans—extend their hand in sympathy and friendship to the people of Argentina. However, for the Government of Argentina and its satellite agents here in Washington and all over the world, we have nothing but shame and contempt.

The article from this morning's Washington Post, revealing the latest miserable efforts of the agents of Fascist Argentina to use American school children as their propaganda dupes, is as follows:

PROTESTS HALT SCHOOL RITE FOR ARGENTINE HERO

(By David Karr)

Efforts of Argentine diplomats to use Washington school children to gain a spurious endorsement of the pro-Fascist Buenos Aires dictatorship failed yesterday when a chorus of angry protests caused cancellation of Argentine Independence Day ceremonies in which McKinley High School students were slated to participate with Señor Don Adrian C. Escobar, the unrecognized Argentine Ambassador to the United States.

The cancelation was announced yesterday afternoon by Frank C. Daniel, principal of the school.

Mrs. C. A. West, adviser to the Spanish Club of McKinley High, told the story of how the Argentine diplomats attempted to use Washington school children for propaganda purposes. She said the Spanish club has decided to lay a wreath on the statue of Jose San Martine, the "George Washington of Argentina," at Fourth and E Streets NW., yesterday as a demonstration of the friendship which the people of the United States have for the people of the Argentine.

"There was no suggestion that we had anything but contempt for the government in Buenos Aires," Mrs. West said. "However, I received a call Wednesday from the Argentine Embassy informing me that the Ambassador would be present at the ceremonies and would make a short address."

Mrs. West said that she didn't want to affront a diplomat and so had reluctantly assented. She declared, however, that she later arranged with her pupils not to recognize the Argentine Ambassador as a diplomat, because the United States and Argentina do not have diplomatic relations at the present time. He was to have been introduced at the ceremonies without mention of his title, Mrs. West said.

Francis C. McCarthy, commander of the American Legion for the District of Columbia, promptly issued a blunt protest against the participation of Washington school children in any celebration with officials of the Fascist Latin-American regime. It was prepared on the basis of this vigorous statement that McKinley officials announced the cancelation.

"In view of the representations of various persons and organizations, and at the specific request of the American Legion, the faculty and officials of the school have voted to cancel the celebration," Principal Daniel said.

Before the cancelation, Robert I. Haycock, Superintendent of Schools, said:

"I have no information which indicates there is anything wrong with the project."

However, students at McKinley had a different view. Barbara Benedict, 18, of 1329 Trinidad Avenue NE., president of the McKinley Spanish Club, said she was glad not to have been put in a position of having to introduce the Argentine Ambassador at the wreath-laying ceremonies.

"We thought we would be demonstrating friendship with the Argentine people and not with the Argentine Government until that Ambassador stuck his nose into the picture," she said, "We thought that if the Argentine people knew the United States people were for them and against their Fascist government, they might do something about the situation."

Richard Stanton, 17, who lives at 1517 Fort Davis Street SE., concurred with the view. Stanton, treasurer of the Spanish Club, said he was greatly surprised at the actions of the diplomats.

"The Argentinians who claim to be diplomats must be getting pretty lonesome and desperate for evidence to show their Fascist government what a great job they are doing over here, if they have to use a group of uninitiated high school students to prove that the Argentine dictatorship has friends in this country," Stanton said.

Another student, Patricia Joyce, 17, of 210 Rhode Island Avenue NE., said the Argentinians were attempting to use Washington school children to convince youngsters of like age in Argentina of the popularity the Latin-American dictatorship has gained here. Said she:

"They tried this trick so they could convince students in their own country who have so admirably opposed the dictatorship, that the Hitler-like Buenos Aires government has friends here. American students are opposed to Fascism in all its forms."

In conclusion I desire to compliment the members of the subcommittee who gave this subject their careful, comprehensive, and fair analysis and were very interested in the operations of the O. W. I. I think it is only proper that it be said to the credit of the Committee on Appropriations and particularly the subcommittee dealing with the Office of War Information, that they have given a very fair appraisal of the operations of the O. W. I. and have made a profound study of its functions and have accorded to its officials adequate opportunity to present their case and have shown their willingness and desire to cooperate with the Army and Navy and the whole Government program in affording to the Office of War Information adequate help and in their recommendation of appropriation, though cut $6,000,000 below the estimate. In my judgment, the committee has done an excellent job, and I desire to compliment the subcommittee who have been handling this situation for the painstaking work which they have so well performed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. ALLEN] such time as he may require.

Mr. ALLEN of Louisiana. Mr. Chairman and Members of the House, I have asked for this time in order to enter a protest against the inclusion in this bill of the appropriation for the Committee on Fair Employment Practice. I understand the gentleman from Georgia [Mr. TARVER] will offer a motion to strike this provision from the bill. I strongly favor the Tarver amendment to be offered and I hope very much that it will prevail.

This agency was established and its duties were outlined by Executive Orders, 8802 and 9346. The Congress has never passed any law to do this. In my humble opinion, it is causing more trouble and creating more discord in this country than anything else I know of. Persons in high places in this Government have repeatedly pursued a course with reference to our race relations which can have no other result than to bring on trouble and strife at a time when our people should be united behind the war effort. Any move which divides our people during the progress of this war can only hurt the war effort.

The Communists and other radical groups are taking advantage of the war to push to the front their own economic and social theories. These groups, aided and counseled by persons in the Government, are using this very Committee on Fair Employment Practice as their chief vehicle for undermining the economic and social fabric of this Nation and especially the South. If this committee, set up by Executive order, is sanctioned in this bill, it may undertake to control employment in every establishment in this Nation. What the end will be, nobody can prophesy. When the time comes that this committee in Washington, created by Executive order, and not by Congress, can reach into the businesses and perhaps the schools, and even the homes of the Nation and tell us whom we can employ and whom we cannot employ, that is a great step toward dictatorship, and worst of all, the dictatorship of the minority.

I am informed, Mr. Chairman, that this so-called Fair Employment Practice Committee has in its Washington office 48 people, 35 of whom are of the colored race. I noticed reports from Dallas, Tex., a few days ago to the effect that this committee operating out of Washington had even told newspapers in Dallas that they could not use the word "colored" where some person in Dallas had advertised for colored workers only.

Mr. Chairman, this question is certainly one of the most serious issues presented to our Nation in many a year. It aims a dagger right at the heart of the South. Knowing the activity of Communists and other radicals who are pushing this, Southern Members of Congress cannot in good conscience support it. I repeat, it can only bring discord and trouble when we sorely need harmony in this Nation. The South is doing its best in the war effort. Our sons and daughters are in the services, our farmers are working long hours, our industries have been largely free from strife, and our people out of their meager resources are buying bonds and making every contribution to the war effort. This scheme can have no other effect than to bring keen resentment among our people. I warn the Members of this House that you will make a serious mistake if you undertake to put this over on the people. I would that you would stop and think before you do that. You are embarking upon upon a dangerous course. Now is the time for calm judgment to prevail.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Alabama [Mr. HOBBS] 15 minutes.

Mr. HOBBS. Mr. Chairman, the gentleman from Wisconsin [Mr. KEEFE] has just made a very potent argument. He usually and uniformly does. I was delighted with that speech because his argument was so perfectly applicable to the so-called Fair Employment Practice Committee, and leads forcibly to the conclusion that no money should be appropriated for that infamous outfit. The gentleman is so honest and so sincere that I am sure he is also against this iniquitous F. E. P. C., and will, at the proper time, vote to cut out also that duplication of existing agencies. That is another scalp that he may add to his collection. So I am delighted that the gentleman from Wisconsin [Mr. KEEFE] has already come to our side of the issue and has so ably espoused it.

Today I am going to exercise the temerity again to address you in a rather serious vein with respect to some of the fundamentals of government. I hope that I may have your ears, and not only your ears but your minds as well, for the few minutes that I shall endeavor to hold your attention.

Particularly I beg to address my remarks to my friends, and they are my friends, as every Member of this House is, my friends on the Republican side of the aisle. I would, if I may, call your attention to the fact that your forefathers and mine in the debates in the Constitutional Convention, time and time and time again, stressed these two points: First. that this was to be a government of laws and not of men; and second, that this Government would be imperiled to the point of absolute certainty of destruction if we allowed it to become a bureaucracy with all power centralized in Washington; so that the Government of the people, for the people, and by the people would be taken from the people and would inevitably perish from the earth. That was the burden of 4 months' debate. These founding fathers were certainly great men. They were preeminent in their wisdom, character, and patriotism. When they harped on those two warnings, they were not talking to themselves alone, nor to their generation, but also to those patriots of posterity who would love the United States enough to heed these injunctions and thus preserve this Nation as the land of the free, and the home of the brave.

Now then, what do we have here? An appropriation of a half million dollars to approve and maintain a national agency created not by law, but by man. Another bureaucracy added to the number of those that now make the people weary in well doing. With constitutional sanction? Oh, no.

There is not a word—not one word—I reiterate, not one word in the Constitution that even approaches justification for the creation of this committee. I hoped that some of you who favor this F. E. P. C. appropriation might challenge me on that, but you do not. You know I speak the truth.

Would some like to suggest the thirteenth amendment? The thirteenth amendment relates solely to slavery. Human slavery was thereby damned, and we all, with one accord, thank God that that curse and blot upon our civilization is gone forever. But that is no authority for this committee. The thirteenth amendment states that no man should be compelled to work. This is the reverse, that he must be compelled to work if he has the proper color of skin, the proper religion, or is of proper national origin. In other words, that, in itself, is almost a violation of the thirteenth amendment. What the F. E. P. C. is seeking is to make their pets work whether they are fitted to work, or not, and whether, or not, they are qualified for the jobs into which they are forced.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the brilliant and distinguished gentleman from New York.

Mr. MARCANTONIO. I thank the gentleman for his compliment. I want to point out to the gentleman that an examination of the record of the F. E. P. C. will disclose that there is no such activity as compelling anybody to work. What the record will show is that the committee has confined itself to only one activity, that is to prevent discrimination in employment against anyone because of race, color, or creed. As for authority in the Constitution, the gentleman will find ample authority in the fourteenth amendment, for when you de-

prive a person of employment you are certainly depriving him of fundamental rights without due process of law, when you deprive him of employment because of his race, his color, or his creed.

Further than that, I am sure the gentleman will bear in mind that the F. E. P. C. was set up in the war emergency period. It is a part of the war program. It was set up primarily to promote the war program. Consequently it comes under the war powers of the President. I go further and say that there is ample authority in peacetime under the fourteenth amendment, and particularly under the enforcement clause of the fourteenth amendment.

Mr. HOBBS. I thank the gentleman for that splendid contribution. He is right in one assertion, that the F. E. P. C. does not make anyone work. He might have added that they do not expect their pets to work, nor care whether their protégés earn their pay or not. Far be it from me, a country boy from Alabama, to disagree with the distinguished gentleman from New York [Mr. MARCANTONIO] on that point. But I do believe, and I submit in all candor, that I know a great deal more about the operation of F. E. P. C. than does the gentleman. I have seen its work in the field. I asked no questions of any partisan, pro or con. I have seen it with my own eyes. I know whereof I speak. I have shuddered at the manifestations of its arrogance, ignorance, and race prejudice against Caucasians in Alabama and elsewhere.

The gentleman says that the fourteenth amendment of the Constitution gives ample authority for the creation and work of the F. E. P. C. I welcome the opportunity this gives me to try to answer such a contention; I am delighted to do so, and in all humbleness, because I understand the gentleman is an authority on the subject, but I simply wish to advance some arguments in opposition.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the distinguished gentleman from Illinois.

Mr. MASON. My point is this: The gentleman from New York [Mr. MARCANTONIO] has just stated that under the war powers, which is a vague and indefinite field, the President had the power and the right to issue his Executive order establishing this commission. Our distinguished Attorney General says that under an accumulation of powers, whatever that means, he has the power to do certain things. I want to ask the distinguished gentleman from Alabama, if either under an accumulation of powers or under the war powers the President has any right to establish something that is not constitutionally and legislatively proper?

Mr. HOBBS. I think the gentleman's question must be answered with an emphatic negative. I think he is absolutely right in the argument that he makes.

Mr. MARCANTONIO. If the gentleman will be kind enough to yield once more.

Mr. HOBBS. Certainly, sir, for a question.

Mr. MARCANTONIO. I dislike to interrupt the gentleman, but I think both the gentleman from Alabama and the gentleman from Illinois agree on a supposition or on a hypothesis which is not founded either in fact or in law.

Mr. HOBBS. We are delighted to have your frank expression of that opinion, but we will attempt to disabuse your mind of it as we go along. The fourteenth amendment!

The gentleman might just as well cite the code of Hammurabi. The fourteenth amendment no more justifies the creation and the practices of the F. E. P. C. than it fixes the price of eggs on Mars. What does the fourteenth amendment say? Its pertinent parts, so far as the gentleman's argument is concerned, read as follows:

> All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction, the equal protection of the laws. * * * The Congress shall have power to enforce, by appropriate legislation, the provisions of this article.

The prohibitions of the fourteenth amendment relate solely to State action. Except to the blind, and there are none so blind as those who will not see, all may see at a glance that the fourteenth amendment relates solely to how the States must function. No prohibition therein contained applies to the Government of the United States nor to any department, agency, or agent thereof. No one except the gentleman from New York [Mr. MARCANTONIO] even suggests that any State has done anything discriminatory; nor that any State has made or enforced any law that might abridge the privileges or immunities of citizens of the United States; nor that any State has sought to deprive any person of life, liberty, or property without due process of law; nor that any State has sought to deny to any person within its jurisdiction the equal protection of the laws. So, since no State has been accused of any wrongdoing, there can be no possibility of any justification for the pending legislation on the theory that Congress has power to enforce, by appropriate legislation, the provisions of the fourteenth amendment.

The gentleman's citation of the fourteenth amendment, therefore, reminds me of the story of a colored man who had a marvelous gift of prevarication, stimulated and implemented by a most vivid imagination. He came back from a wildcat hunt telling of a rabbit who climbed a tree and hurled himself into the face of a pursuing wildcat. One of his hearers remarked, "Why, Uncle George, you know rabbits don't climb trees." To this Uncle George replied, "Yas; I knows that rabbits don't climb trees, but this 'un was in sech a tight place he was jes' obleeged to."

Similarly the gentleman from New York [Mr. MARCANTONIO] was in a tight place, having been challenged to cite any constitutional authority whatsoever in support of the creation or practices of the F. E. P. C., so he was "jes' obleeged" to say something, and in his confusion he cited a part of the Constitution as foreign to the question at issue as it is for a rabbit to climb a tree or attack a wildcat.

Even if there were any pretense that any State had violated any provision of the fourteenth amendment—which there has not been and cannot be—the only possible application even by a tortured construction would be that the failure to employ someone considered for employment constituted a deprivation of property without due process of law.

Had the gentleman cited that clause of the fifth amendment which reads, "No person shall be deprived of life, liberty, or property without due process of law," his citation would have been more nearly in point than his citation of the fourteenth amendment, which is utterly pointless in this connection. But under either citation the argument as to deprivation of property because of a failure to employ is utterly untenable.

Whoever heard of a job in expectancy, which one has never had, being called his property? There is no one, not even the distinguished gentleman from New York, on second thought, who would make such a foolish contention. It is absolutely unsound and preposterous. There never has been a hint of such a theory in the history of jurisprudence. If I have a job and you take it away from me, then there may be a question of my property right in that job; but no such question could possibly arise as to a property right in a mere hope of future employment.

However, I agree with you fully that discrimination is being practiced daily as to employment. It is being fomented and practiced by the infamous outfit known as the F. E. P. C. It is not being practiced against the ones you would serve, sir; not against the Negro; not against any whose skin pigmentation, nor race, nor creed makes them beloved in your eyes. It is being fomented and practiced against Caucasians—native-born American citizens, the bulk of our taxpayers. These are they who are being discriminated against in two very material ways every day that the F. E. P. C. is allowed to function. In the first place, they are ousting those who have the misfortune, in their eyes, to have a white skin, from employment that they already have. In the second place, they are discriminating against them because of the fact that they will not give them jobs, so that they may discriminate in favor of those you consort with and fawn upon, for obvious reasons.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. HOBBS. I will not yield any further. I want to make my own speech. If, when I have finished, I have not consumed my allotted time I will yield gladly.

Mr. MARCANTONIO. I challenge the gentleman to give a single illustration.

Mr. HOBBS. Oh, you cannot find one in New York, but you can if you go to the war plants.

It is the practice of this Fair Employment Practice Committee to prevent white people from obtaining jobs, and to get white people ousted from jobs they have, so as to make places for their pets.

Mr. TABER. Will the gentleman yield?

Mr. HOBBS. I will be so happy to yield to the distinguished gentleman from New York.

Mr. TABER. Does the gentleman mean that this committee is promoting dislodgment of white citizens from their jobs?

Mr. HOBBS. Why, of course, sir.

Mr. TABER. And that as a result of it they have no jobs? Has the gentleman illustrations of that? I wish you would give them, because I think the House ought to have them.

Mr. HOBBS. I not only have illustrations of it, but I have seen it with my own eyes. The displacement of anybody they can, whose ouster would make room for a pet.

An illustration of the functioning of the F. E. P. C. is in the case of the Dallas Morning News, a privately owned newspaper published in Dallas, Tex. This newspaper desired to employ a helper in its plant and printed an advertisement in its newspaper which read as follows: "Wanted—Colored man to work at night as paper handler. Essential industry." The regional director of the F. E. P. C. wrote the Dallas Morning News a letter with reference to this advertisement from which the following quotation is taken:

> The Committee on Fair Employment Practice, operating under Executive Order No. 9346, a copy of which is attached, considers that such advertisement is a violation of the order. It limits applications to a narrow field described in the advertisement, and automatically bars persons of other race or color from applying, even though these latter may also possess skill needed for your establishment. You are therefore requested to take immediate steps to remove from this and from any other advertisement for employees any features which are discriminatory as to race, creed, color, and nationality. You are further requested to advise your personnel office or hiring agent that they should disregard such specifications in considering applications for employment. This includes the United States Employment Service.

This is important because it appears to be a sincere effort on the part of the regional director to prevent the exclusion of members of the Caucasian race from an opportunity for employment. Of course the regional director overstepped the bounds of his authority because the advertiser offering employment was a privately owned newspaper and not yet within the control of the F. E. P. C., but he shows that his intention was good. He really tried to prevent even a minor discrimination against the Caucasian race. However, when the newspaper resented this unwarranted intrusion into the field of private employment, the chairman of the F. E. P. C. rebuked the regional director for exceeding his authority because private employment was beyond the control of the F. E. P. C. So, the only case that has come to light, as far as I know, in which anyone in the F. E. P. C. tried to prevent discrimination against members of the Caucasian race, died aborning.

A glaring illustration of discrimination against members of the Caucasian race is right here in the District of Columbia. There are in the Capital of our Nation, hundreds of perfectly well qualified citizens of the United States who might have been employed in the Office of the Recorder of Deeds. Nevertheless, if my information be correct, there is not a single employee in that office who is not a Negro.

Information is current that directives issued in aid of the Executive orders under which the F. E. P. C. was created and is functioning, require that the percentage of Negroes employed in any office must equal the percentage of Negroes in the population of the community. The percentage of Negroes of the total population of the District of Columbia is not yet 100 percent, nor is it 100 percent of those who constitute the citizenship of the District of Columbia.

Similarly the Executive orders under which the F. E. P. C. was created and is functioning deal only with employment and seek to prevent discrimination solely by reason of race, creed, color, or national origin. But it is said that some of the directives require that there be no segregation among employees. The basis of the Executive orders is recited to be the desirability of promoting the fullest utilization of all manpower by maximum employment. Does this objective make imperative the abolition of segregation of those already employed? Does compulsory intermingling of employees promote the war effort? Even where all persons concerned prefer segregation? Or would the tendency be in the opposite direction?

Mr. RANKIN. Will the gentleman yield?

Mr. HOBBS. I would like to make my own speech. I do not mean to say that you gentlemen could not make a better one.

Mr. RANKIN. I just want to say that the gentleman from Alabama and other Members of the House need not get excited over the fact that the reason why Americans are discriminated against by this Communist bunch, known as the F. E. P. C., is because the white Americans are in hopeless minority on that conglomerate committee.

Mr. HOBBS. Let me call attention to the premises upon which the Executive order creating the F. E. P. C. is predicated:

> Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States and Commander in Chief of the Army and Navy—

With confidence I challenge anybody to point out one syllable or one word of such authority that he has, either as President of the United States or as Commander in Chief of our Army and Navy. His duties as President are clearly indicated in the Constitution, but there is not one of them that authorizes the creation of the F. E. P. C., either expressly or by implication, I submit, most humbly and respectfully. The Commander in Chief of the Army and Navy has the duty to command the Army and Navy which the Congress, and the Congress alone, is, under the Constitution, authorized to create and maintain.

Be this as it may, it is not the words of the Executive orders as much as it is the maladministration thereunder that causes so much opposition. There is discrimination shown in our national employment picture, but it is not against but in favor of race, creed, or color—differing from that of the majority of our citizens. The majority of us are taxpayers and therefore interested in efficiency. These Executive orders are being administered so as to force employment of members of spoiled and petted minorities, wholly without regard to qualification.

There is only one question here involved. It is not whether or not we favor a fair, square deal to all alike, nor whether or not the F. E. P. C. should have been established, but whether or not we are going to make an appropriation of $500,000 to keep the F. E. P. C. functioning for the next fiscal year.

Of course, this is legislation tacked on to an appropriation bill. This is contrary to the rules of the House and unpardonable. It should be rebuked and defeated.

A country carpenter, whom most of us worship as God, once asked a question so full of divine wisdom that no one ever thought an answer was necessary: "Do men gather grapes of thorns or figs of thistles?"

If any one of you doubts that the F. E. P. C. has produced a crop of thorns and thistles, then you just simply do not know what has been going on.

And it is not by the claims in catalogs but "by their fruits ye shall know them."

The Executive order under which the F. E. P. C. operates proclaims the purpose for which it was created to be:

> To promote the fullest utilization of all available manpower and to eliminate discriminatory employment practices; "* * * the successful prosecution of the war demands the maximum employment of all available workers, regardless of race, creed, color, or national origin;" * * * it is the policy of the United States to encourage full participation in the war effort by all persons in the United States, regardless of race, creed, color, or national origin.

These proclamations would require the fullest utilization, the maximum employment, and the full participation in the war effort of "all available manpower," "workers," and "of all persons in the United States, regardless of race, creed, color, or national origin," and regardless also of health, education, skill, aptitudes, abilities, or the lack of any one or all of them.

You search in vain for any requirement or suggestion that any consideration should be given as to the particular job to be done or of ability to do it. No honest, fair, and conscientious discrimination based on these considerations must be taken into account. The injunction is clear and mandatory that there must be no discrimination because of race, creed, color, or national origin, but as silent as death on the subject of

qualification, or its lack. There is unutilized manpower; so stenographic places must be filled, whether or not those employed can write, spell, take shorthand notes, or use a typewriter. Of course, one who could not write, take dictation, or use a typewriter might be perfectly qualified to do some other work well, but such a person should be discriminated against when hiring a stenographer. One might be doing nothing in aid of the war effort, but unless qualified that person should be discriminated against when hiring an accountant. One who cannot read might be flattered by being employed as a proofreader, and might need the salary, but such a person ought not to be employed for such a job. If you are not a carpenter, you are not entitled to a carpenter's job or pay. The same is true as to every other job requiring a particular skill. However, according to the F. E. P. C., if there are in a community 10 Negroes out of each 100 persons, then 10 percent of those employed in each category of employment must be Negroes, regardless of every consideration save the color of their skins.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 additional minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Thank you, sir. I want to call your attention to one point further: There is no policy of Government except established in one of two ways: It may arise, as this one has arisen, from the innate character of the American people—we believe in a square deal, a square deal to all without any question of race, creed, color, or origin, we believe that everyone should have an absolutely square deal. That is one source of policy; the other way, and the only other way, that it can arise is from the law or the Constitution. I challenge any man to dispute it; these are the only ways policy can come into being. But if there were policy it would not be in the discretion of the President, either as such or as the Commander in Chief of the Army and Navy, to enforce it by a committee created without constitutional or statutory authority.

Mr. ELMER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I shall be so happy to yield.

Mr. ELMER. What is bothering me and what I want to know is whether if these two Executive orders, No. 8802 and No. 9346, are not upheld by Congress are we going to lose the war?

Mr. HOBBS. We not only are not going to lose the war because of any such action, but we may help the enemy if we do not. Not that any such idea was intended, but because of maladministration by the F. E. P. C. the results have proven divisive, and destructive of morale of our whole people.

Both major political parties have from time immemorial each had in their platforms in various and sundry wordings the same outcry against bureaucracy, the same pledges to cut it down, the same pledges of economy. I certainly welcome the test of whether we mean it or not. Do we mean that our platforms are like railway coach platforms, just something to get in on? Or do we really mean to curb bureaucracy? Do we mean to economize? If there be any law to be enforced, why not leave its enforcement to the Department of Justice, for the maintenance of which we appropriate $116,000,000 a year? Or to the three other agencies now functioning and charged with the duty of enforcing laws requiring that no discrimination in employment practices be permitted? Why should we countenance the continuance of the F. E. P. C. when the Department of Labor, the Labor Division of the War Production Board, the Public Welfare Division of the Bureau of Public Health, and the Department of Justice—all four—already enforce such laws? Why appropriate another half million dollars for the F. E. P. C. and its maladministration, creating discord, disunity, and worse?

We are not inveighing against law enforcement but against extravagant and confusing duplication of agencies to do that single job, especially against the maintenance of that fifth agency which has proven itself an enemy fifth column, misconceiving, misinterpreting and bringing into disrepute and disgrace the laws and the Executive orders it was established to enforce.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I shall be delighted to yield, sir.

Mr. AUGUST H. ANDRESEN. The gentleman referred to the two major political parties; I assume he referred to the Republican and Democratic Parties.

Mr. HOBBS. I certainly did, sir.

Mr. AUGUST H. ANDRESEN. Was he also including the New Deal Party, the Labor Party, the Communist and other parties that are not major parties?

Mr. HOBBS. As far as that is concerned I have never read a New Deal platform. I do not recognize any such party, except as a part of the Democratic Party. Nor have I ever read a platform of some of our other so-called parties.

Mr. ROWE. Mr. Chairman, will the gentleman yield for a question?

Mr. HOBBS. I shall be delighted to, sir.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 2 additional minutes to the gentleman from Alabama.

Mr. ROWE. I find from the figures in this report that available for the year 1944 was $474,933 for this activity. The gentleman has just indicated that with the passage of this appropriation bill containing this item we would be giving legal aspect to a commission created by edict. Did we not do that when we appropriated the $474,933 last year?

Mr. HOBBS. No, sir; no such appropriation has ever been made. This is the first time authority or money has been asked of Congress for the F. E. P. C.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I shall be delighted to yield to the gentleman from New York.

Mr. MARCANTONIO. What I am about to say, I do not say for the purpose of undermining the gentleman's prestige as a great constitutional authority. For all the years I have known the gentleman, however, I have found that despite the vehemence with which he has urged certain constitutional positions in this House, the Supreme Court of the United States has unfailingly disagreed with him; has disagreed with him time and time again.

Mr. HOBBS. I am perfectly cognizant of the fact, sir, that that is the gentleman's opinion; but I want to say to you, sir, that the Supreme Court has upheld far more of the constitutional positions I have taken than it has blasted. But whatever my experience in this regard may have been, I rarely have agreed with you, sir. So, no condemnation of me from any source may impair your standing as a constitutional lawyer. I will follow the gleam as I conscientiously see it, and will, without too much apprehension, take the verdict of the record.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. TABER. Mr. Chairman, I yield 7 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I am taking this time for the sole purpose of securing information from members of the Appropriations Committee in charge of this particular legislation. I have always been a great admirer of good campaign literature; in fact every man in public life who must go before the people to secure votes is constantly trying to secure the type of literature that will attract the attention of the people. Some years ago in my home county a man was running for the office of sheriff. There were several candidates. He felt quite secure that he would win the election, and it was in those days when candidates were allowed to pass out cigars. He was driving along the road on the edge of his county and he saw a large bunch of men threshing grain. He stopped and passed cigars around to those men. They all promised to vote for him. But when the votes were counted he got very few and he was wondering about the men down in that particular area where he had passed out so many cigars who had promised to vote for him and what happened to them. He went down there and talked to them and he found out they were living in another county.

A short time ago a friend of mine over in Algiers sent me a very interesting document. It was so intriguing that I felt I should bring it up here today and try to get some information about it from the chairman of the great Appropriations Committee, a man for whom I have the utmost respect and I know that he possesses the answers to my questions. This document that this friend in Algiers sent me consists of 20 pages and is entitled "Histoire de la vie de Franklin D. Roosevelt, President des Etats Unis," which translated means "History of the Life of Franklin D. Roosevelt, President of the United States." It is written in French and, as I stated, consists of 20 pages, having

66 illustrations of the life, character, and progress made by our great President. It would be a splendid campaign document for any candidate for President. The back of it shows it was printed by the Government of the United States of America. While I cannot speak French, I can read it and understand it and the pictures are very good and very clear. So it is apparent it was sent over to Algiers and distributed among the French people over there for a certain definite purpose.

It would make a splendid campaign document for any man in this House who is running for office if he could afford to get out such a document about himself. I recognize it would not be possible for any man in the House to go to the expense of publishing a document of this kind due to the tremendous cost and also due to the shortage of paper in this country. I notice, too, that the same document is probably published in 27 different languages, so that you may have your choice of whatever language you want. I only have the French version that was published last year.

I would like to know from the distinguished gentleman from Missouri, chairman of the Appropriations Committee, as to whether or not this publication is one of the publications of the O. W. I. for which an additional $20,000,000 is asked in appropriations at this time?

Mr. CANNON of Missouri. Unfortunately, I am not familiar with the publication, but I am gratified to hear the gentleman say it is interesting because that was why it was published, that is, to be interesting. I suppose it states there what the publishing authority is. The gentleman prefaced his remarks by saying he proposed to offer something political. This publication could not be political for the reason that it cannot be distributed among United States troops at home or abroad. It could not be distributed to anyone but these natives over there who will have no voice in any election in the United States. But it is exceedingly important that we have their interest, their good will, and cooperation. Of course, those who have lived under the forms of government they have in Europe attach great significance and importance to the head of the government. Their first inquiry is, who is the head of this friendly Government? And this book answers that question and numerous others which impress the local people and insure their good will.

Mr. AUGUST H. ANDRESEN. Will the gentleman permit this observation? This is put out by the Government of the United States, and I assume that documents like this are covered in the appropriation for the O. W. I.

Mr. CANNON of Missouri. Documents of this character are essential to our program of local conciliation and good will. In the furtherance of that purpose we have published and distributed all sorts of things which might be of interest to the local people and which have resulted in securing their friendship and cooperation which has been of inestimable value, both in our conquest of these occupied countries and in our occupation after they are cleared of the enemy.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. CANNON of Missouri. We have had letters which have been read in this House from the American commanders testifying to the helpful reaction resulting from the dissemination of this and similar literature.

Mr. AUGUST H. ANDRESEN. I thank the gentleman for his contribution. The gentleman from Missouri has answered the question very well. I can now see the usefulness of this document depicting the life and character of the President of the United States. He also concedes that the additional $20,000,000 that is asked for in the O. W. I. appropriation will be used to extend this service to people of the other countries of the world.

Mr. CANNON of Missouri. Only a part of it. The remainder will be invested in other materials and activities which prepare the way for our armed forces, save the lives of American soldiers and expedite the close of the war.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the people of this country should know where their money is being spent and for what purpose. That is one reason why I brought this up today. I am not claiming this is being used for a campaign document in Africa.

Mr. HOFFMAN. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman's story is all right but it is not applicable to this case because this candidate is running for President of the world. He is running for President all over the world as well as in the United States and that is why those things go over there.

Mr. AUGUST H. ANDRESEN. I can admit it is very valuable in that respect, but I would hesitate to express that opinion as to the purpose of it.

Mr. TABER. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from New York.

Mr. TABER. Can the gentleman tell us whether or not the phamphlet was transmitted to him by a member of the armed forces of the United States overseas?

Mr. AUGUST H. ANDRESEN. It was a captain in the United States Army. I would not want to use his name because there might be difficulties for him.

Mr. TABER. Then it evidently must be distributed to the troops overseas under those circumstances.

Mr. AUGUST H. ANDRESEN. He said they were found generally throughout Algiers where he secured this particular copy.

Mr. SHORT. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Missouri.

Mr. SHORT. I wonder if the author of this pamphlet will clothe the naked and feed the hungry in starving Europe also?

Mr. AUGUST H. ANDRESEN. That is worthy of consideration. I know the people in occupied countries want our soldiers to come over there and free them from the tyranny of dictators and bring food for the hungry.

Mr. JENSEN. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Iowa.

Mr. JENSEN. I note the picture of the President on the front cover. Can the gentleman find a picture of Uncle Sam any place in the book or a picture of the American flag?

Mr. AUGUST H. ANDRESEN. Here are the pictures.

Mr. JENSEN. Does the gentleman find a picture of Uncle Sam in there?

Mr. AUGUST H. ANDRESEN. I am not certain. There are 66 pictures in the publication—all of Mr. Roosevelt.

Mr. JENSEN. It should be noted that the picture of Uncle Sam who we respect very much or at least used to has almost disappeared from all the bulletins and signboards put out by this administration.

Mr. AUGUST H. ANDRESEN. When we read this bill for amendment I think this is something that should receive the consideration of the House.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, discussing this matter from a serious point of view—and it is only from a serious point of view that we can afford to discuss such vital matters—the book was not issued this year. It was issued last year. It was issued while the Germans were still in north Africa.

It was not issued to the soldiers either in Africa or in the United States. It was distributed to the local civilian population for the purpose of winning their friendship and support, and it worked so effectively that it was undoubtedly one of the factors in winning their friendship and their cooperation in the campaign which drove the Germans out of Africa. If the pamphlet referred to by the gentleman was sent back by a member of the armed forces it was captured or bought from some of the natives, as there was no other source. It was an effective weapon of warfare. It saved the lives of American soldiers, and it assisted us in the organization and maintenance of the campaign in which Allied troops drove Rommel from the last stronghold in north Africa.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, I desire to open my remarks with the statement that when we visited the Office of War Information in New York and saw pamphlets on the wall we were confronted with a pamphlet with a picture of Mr. Dewey, the Governor of New York, which had been sent overseas by the O. W. I. Do not deride these remarks of mine as you did the statement concerning the

President of the United States. Some sit here in this deliberative body and ridicule the leadership of the greatest of nations. If that is not something for Hitler to publish, there is nothing that ought to be published in Germany.

I am not proud of what took place here a few minutes ago, and there is not a man in this House who is proud of it now. It cries for shame; shame for belittling the President of the greatest Nation in the world, and the forced laughing at the mention of his name in the Halls of the American Congress. If someone else did it there would be a first-class brawl on the highway, but we are so important to ourselves and so intoxicated with politics at this time that we fail to even stand upon that which is known as decency.

I have here pamphlets that the O. W. I. has sent across the ocean to various countries, printed in many languages; pamphlets concerning which I am proud.

Here is one that shows interest in the youth of America. It pictures a soldier wrapped in his country's cloth and taking in his arms the waif of a foreign land. If you want to ridicule it the privilege is yours. For my part, I hold it high depicting the humanitarian blood that flows in the veins of America.

Here is one that shows the leadership of America. You may be ashamed of it; I am proud of it.

Here is one that shows the making of a ship by the industrial genius of this Nation in 4 days, 15 hours, and 25 minutes. This pamphlet was passed out in many languages in many parts of the world. You may be ashamed of it; I am proud of it.

Here is one that shows the creation of the American bombers that are seeking to restore peace to the world. You may be ashamed of these pamphlets of America that O. W. I. sends across the seas; I am proud of them, and I want the pride that I have for them printed boldly in the CONGRESSIONAL RECORD. I am proud of this pamphlet exemplifying our ships: where they go, what they do, and of the story that will be written in history because of their performance. You may be ashamed of it, but I am proud of it; and I hope that that, too, will be recorded.

I hold in my hand a copy of Signal, a German publication, tearing apart American ideals. We have put out the counter publication—Victory. Perhaps you are proud of these German generals. I am not, but I am proud of the children of the United States of America and this publication depicting child life in America, put out by O. W. I.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. RABAUT. Mr. Chairman, here is a picture of boys in Boy Scout uniforms singing God Bless America. You may be ashamed of it; I am proud of it.

Here is a story relating to the health of our children and the care which we give them. You may be ashamed of it, but I am proud of it.

Here is a boy who glories in the fact that he can play without hindrance, not under the Hitler Youth Movement, but in the freedom of the schoolyard of America. I am proud that that picture can be sent all over the world showing our interest as a nation in our children.

Oh, these pages are pregnant with everyday scenes in America; not pregnant with political chaos, but pregnant with facts and upright dealings of Americans with their own people, by which we seek to tell our story to the world.

Mr. Chairman, I could go on. No one is so unmindful as to be carried away with the type of hatred that has been shown here today making the O. W. I. the annual whipping boy in this body, for the facts will become known to the American people when these publications are brought to their door.

It was the action of this House that prevented domestic distribution and authorized the little sticker upon every one of these pamphlets. The little sticker reads: "Restricted. This publication is not for distribution in the United States."

Why? Because some were afraid even in these war days—victims of political fear. Afraid that the facts should be known in America of the good will, of the idealism, and of the determination of this country of ours to serve the downtrodden peoples of the world.

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. PETERSON].

Mr. PETERSON of Georgia. Mr. Chairman, I am opposed to the item in this bill providing an appropriation of $500,000 for the Committee on Fair Employment Practice, and I reserve the right to vote against the entire bill if this item is left in the bill. In the first place, there is no legal authority for such a committee. Congress has never authorized such a committee and has never appropriated any funds for such a committee. It is a dangerous procedure for Congress to appropriate money for an agency never authorized by Congress and it is setting a dangerous precedent.

In the next place this so-called Fair Employment Practice Committee is not in fact a fair employment practice committee but rather a committee to discriminate against fair labor practices in favor of special groups and to attempt to enforce upon the people of this country social equality among the white and Negro races and other radical theories that are foreign to the standards and beliefs of the people of this country.

I am submitting for insertion in the RECORD at the close of this address a list of employees of the F. E. P. C. and the salaries they are getting. I understand that over two-thirds of those listed are Negroes. This within itself is rank discrimination, for upon its face it is absurd to talk about fair practices by a committee composed of two-thirds Negroes when Negroes compose only one-tenth of the population of this country. Negro domination of this nature is both unfair and intolerable.

Furthermore, I call attention to memorandum furnished by the Civil Service Commission, which I also have inserted, showing average salaries of F. E. P. C. employees to be $3,015.40 against average salaries of all Government employees of $2,000. This cannot by any stretch of the imagination be called fair practice but is rank discrimination.

So it can be seen that this unauthorized committee has been initiated under conditions of rank discrimination and operates without legal authority under conditions that carry with them every element of prejudice and discrimination.

I have had opportunity to investigate some of the activities of this F. E. P. C. group, and I refer you to the hearings held before the Special Committee of the House to Investigate Executive Agencies of the Government. The record clearly shows that they are attempting to run roughshod over established labor practices and in utter disregard of working agreements which have through the years been proven to be satisfactory to employers, employees, and the public. I call particular attention to the hearings before our committee on complaints filed by employees of the Philadelphia Transportation Co. I call your attention to the fact that it was the employees, the laborers, who filed this complaint in protest of the orders issued by the F. E. P. C. Similar complaints were filed by employees of 14 southern railroads, and by employees of the United States War Shipping Administration, and others. It was clearly demonstrated that the F. E. P. C. is attempting to force upon our people working arrangements among employees which would break down the satisfactory formulas and agreements that have been proven sound and practicable through the years; force the public to accept Negroes in places of tremendous responsibility, such as engineers on passenger trains, cause general dissatisfaction and unrest among both laborers and the public; and, worst of all, make it possible for administrative officers to force upon laborers and workingmen a condition of social equality.

During our hearings a witness called attention to the fact that under F. E. P. C. regulations a Negro could have been engineer upon the engine pulling a passenger train which ran into another passenger train on the Atlantic Coast Line Railroad, killing and injuring many passengers several weeks ago. What would have been the public reaction had the trains involved in this wreck been under the operation of Negroes?

This is only one typical illustration of the terrible consequences which can so easily result from some of the foolish ideas this irrational group is trying to put into effect.

Yet here is a proposal to appropriate $500,000 to this group, who have no legal standing, for them to use in promoting their absurd and dangerous theories, stirring up unrest and bitterness and confusion among our people at a time when we are in the most terrible war in our history and when we should be doing all within our power to keep harmony and unity here at home.

There is no justification for the existence in our Government of any such unfair and discriminatory agency as the Fair Employment Practice Committee and this Congress should not appropriate 1 red penny for the support of any such committee.

There has been much said on the floor of this House and throughout the length and breadth of our country during recent months to the effect that our Federal Government is rapidly being transformed from a government of laws to a government of men. That such a condition prevails and that such thoughts exist among our people can no doubt be attributed to a large degree to the national crisis which confronts our country and to the terrible war which is now raging throughout the length and breadth of the universe.

I think that everyone will agree that under such trying conditions when we are being taxed to the utmost both in manpower and material resources in a titanic struggle against a powerful and aggressive enemy, it is necessary that the people delegate to their duly elected representatives powers and authority which are extraordinary in nature and beyond anything that the people would think of doing during normal, peaceful times. This has always been true in periods of grave national crisis when our Nation has been engaged in bloody warfare. In fact it appears from the very nature of the office of the President of the United States wherein he is not only the Chief Executive but also the Commander in Chief of our armed forces, that it was contemplated by the founding fathers that such extraordinary powers would be designated to, but not assumed by, him.

It has never been contemplated, however, that those in places of authority should take advantage of extraordinary conditions or use the extraordinary powers granted under these abnormal conditions to create such agencies as the F. E. P. C. or to place into effect theories of government or social and economic doctrines that are either revolutionary in character or foreign to the established principles and practices of our people.

It is, therefore, of greatest importance that those in places of authority under these abnormal conditions remain true and faithful to the ideals and to the political, social and economic philosophies which underlie our civilization and which have long prevailed among our people.

If the vicissitudes of war require to a degree a government of men rather than of laws then the greatest care should be exercised in the selection of the men who are to constitute such a government and who are to direct the affairs of our country during such times, and in providing funds for them.

It is well known that there are groups in this country who do not believe in our American system of free enterprise or our American standards of civilization and who have been preaching and promoting their theories and their doctrines for many years. It is not right nor fair to the American people for men of such beliefs to be placed in key positions in our executive departments or agencies or to take advantage of any official position to which they may have been advanced during this period of grave national emergency to attempt to fasten their beliefs and their doctrines upon this Nation. Neither is it fair to make public funds available to them for these purposes.

Likewise, there are those in this country, as is well known to all of us, who do not believe in the social standards and customs of our civilization and who have been advocating and preaching a communistic doctrine of social equality among the races in this country for many years. It is not right for those of such beliefs to be elevated to positions of authority where they cannot only attempt but do force upon the American public their beliefs and doctrines or compel the individual citizen employed in essential war work to live in a condition of social equality while engaged in such employment. Neither should they be permitted to draw one penny salary from the Public Treasury.

Such official practices not only result in the planting of the seeds of discord and strife which will bear horrible fruits in the years to come, but at the same time strike a note of discord here on the home front. This tends to betray the confidence and trust of the American public and the men fighting in our behalf and to offer a grave stumbling block to our efforts at home to present a united front to our enemies.

I feel it my duty as a Member of this Congress to do everything within my power in support of the war and in preventing discord and dissention here at home, and in my opinion one of the effective ways of doing this is to bring to light any activities on the part of any public officials tending to harass our people and to cause unrest among those engaged in vital war activities and to attempt to keep them off the public pay roll.

There has recently been brought to my attention as a member of the Smith committee, which is investigating the activities of executive agencies, a glaring instance of this very nature, and it is my purpose here now to briefly set out some of the circumstances and to name some of the officials involved.

The particular case which brought this matter to my attention was a complaint filed by a group of laborers employed by the United States Maritime Commission in manning ships which are sailing with vital cargoes on the seven seas. This group of laborers, through the Seamen's International Union, made complaint to our committee that officials who have charge of supplying members of crews for the ships were engaged in a conscious attempt to force seamen to intermingle both in sleeping and eating arrangements on board the ships regardless of race or color. Living quarters on these ships are such that the members of the respective crews have to sleep in adjoining bunks, use the same facilities, live in the same rooms and quarters and eat at the same tables. The conditions were made such as to force the members to commingle in a state of social equality.

The evidence is that it is not necessary to force such conditions upon members of crews in order to supply ample manpower.

There has been set up by Executive order without any legal authorization of any nature whatsoever, a committee known as the Fair Employment Practice Committee. This committee has issued regulations providing that men should be employed without regard to race, color or creed, and these regulations are supposed to be applied by the various Government agencies.

Craig S. Vincent was employed by the War Shipping Administration at a salary of $7,500 per year. At that time the War Shipping Administration was experiencing no difficulty in providing crews to man the ships and insofar as I have been able to learn was not attempting to enforce the Fair Employment Practice Committee's recommendations where such employment would result in placing mixed crews of whites and Negroes on ships against the wishes of either the operators or the members of the crews themselves. Mr. Vincent, however, decided that special instructions should be issued by the War Shipping Administration calling for the strict enforcement of these regulations. He was then transferred to the official position as regional director of the recruitment and manning organization of the War Shipping Administration for the entire Atlantic coastal area which included the Port of Savannah, Ga., which I have the honor to represent in Congress. Among his duties is that of furnishing men for the crews of the ships of the War Shipping Administration when called upon to do so. In the course of the hearings upon the complaint filed by the representatives of the seamen to the effect that the checkerboarding system of furnishing members of crews was forcing a condition of social equality among the white and Negro members of the crews against their wishes, Mr. Vincent was brought before the committee. In his testimony Mr. Vincent frankly stated that he believed in social equality among the whites and the Negroes. He further stated that he believed that the regulations or instructions which he himself recommended that the Maritime Commission put into effect which resulted in the checkerboarding of the crews or the employment of both Negro and white members of the crews irrespective of whether or not such employment brought about a living condition of social equality against the will of the employer or the members of the crews should be enforced.

It is evident that the complaints filed with the committee are the direct result of Mr. Vincent forcing these men who are engaged in this vital and hazardous work of undertaking the manning of the crews of our ships to accept his belief in social equality of whites and blacks ir-

respective of their own personal views and beliefs.

This was further emphasized by the fact that other officials in this particular branch of the Maritime Commission activities stated before the committee that they made exceptions to the rules and regulations when they deemed it in the interest of the service to do so; thus it can be clearly seen that Mr. Vincent could have made exceptions so as not to force this condition of social equality upon these laborers had he cared to.

A further inquiry into Mr. Vincent's record and background, included a comprehensive personnel report upon him which was made by the Federal Bureau of Investigation which is some 60 pages in length. This report shows him as having belonged at one time or another to a number of organizations which have been defined by the Attorney General of the United States as subversive in nature, including the Washington Committee for Democratic Action, the American League for Peace and Democracy, and the Washington Book Shop.

All of these facts were brought to the attention of Marshall Dimock, Assistant Administrator of the War Shipping Administration, and other high officials of the War Shipping Administration. Mr. Dimock was present at the hearings held by our committee when Mr. Vincent freely admitted on the witness stand that he believes in social equality between the whites and blacks and that he believes that the regulations of the Fair Employment Practice Committee should be rigidly enforced even though such enforcement compels the members of the crews of the ships to live in a condition of social equality against their will.

It was further brought out in the hearing that this man, Vincent, had for a period of several months drawn two salaries for two separate and distinct official positions and that when this was brought to the attention of the proper officials it took the Government approximately 8 months to secure a repayment from him for the amounts due the Government.

Mr. Dimock was later placed on the witness stand and questioned as to whether or not he believed Vincent should remain in his present position, in view of his connection with subversive organizations, his social-equality views, and in view of his forcing his social-equality views on the laborers engaged in vital war activity.

In the face of all this evidence, Mr. Dimock boldly told the committee that he believed that Vincent should remain in his present position. Mr. Dimock even stated that in his opinion Mr. Vincent had been "stupid" and "naive" in answering questions asked him as to his beliefs of racial, social equality.

In spite of the fact that the checkerboarding or intermingling of the members of the crews of the ships on the basis of social equality achieved by means of the activities of Vincent and his subordinates has resulted, according to the testimony of union officials in many labor disturbances aboard the ships of the merchant marine and in some cases to the actual delay of ships carrying vital materials of war.

This is a clear case of an individual given unusual powers and authority during the period of emergency attempting to put into effect social doctrines which have heretofore been entirely foreign to our American standards of civilization, and the man who is doing this has been declared by his superior officer as one of those Government officials considered by his superiors as indispensible. But Mr. Vincent himself admitted before the committee that there are those within his own acquaintance who could fill the job which he now fills.

This is a clear illustration of some of the things that are going on behind the curtain and some of the efforts that are being made by men in places of authority today through the F. E. P. C. to take advantage of the American people and of the men who are fighting the battles of our country, to bring into effect social and economic practices that are not only foreign to the ideals and beliefs of the American people but are destructive of the very heritage which we cherish so greatly and for the preservation which our men are now fighting with all their might.

This condition has been brought by our committee to the attention of the War Shipping Administration, and the evidence given before our committee has been made available to Mr. Vincent's superior officers.

Marshall Dimock, in defending Mr. Vincent in his beliefs and practices, in my opinion, is accepting and embracing these same beliefs and practices, and is in this manner doing his part toward sowing the seed of disunity and discord among our forces here at home.

Mr. Vincent is to be commended, at least, for being honest and frank in his testimony before our committee, but he should not continue in office. Unfortunately there are many others in places of similar importance who refuse to be so straightforward and who through their very acts of evasion give rise to fears of similar sinister motives.

There is hardly a Member of this House who has not at one time or another during the recent months found this attitude prevailing among men in high key positions.

The case of Mr. Vincent is only one case that we have been successful in bringing to light and uncovering some of the real schemes that are on foot during these dark days of trouble, wars, and bloodshed.

As I have stated, it is the duty of each of us to keep peace and harmony at home and to preserve here in our own midst the ideals and the concepts of human relations which our men in the fighting forces believe in and expect to find whole and intact when they return from the battlefields. I am, therefore, convinced that men who believe as Mr. Vincent believes should be immediately removed from the responsible places they hold during this emergency period and be replaced by honest, fearless, efficient American citizens who believe in our American civilization and who believe in the rights of the individuals of this country and who believe in our great system of free government as guaranteed by our Constitution.

Such irrational groups as those composing the so-called Fair Employment Practice Committee should not be tolerated in the administration of our Government.

In my stand on this I believe that I reflect the views of the people I represent as well as the best interests of our country and all our people.

President's Committee on Fair Employment Practice, schedule of personnel, Dec. 27, 1943

Name	Title	Grade	Race	Base pay
Departmental:				
Ross, Malcolm	Chairman	CAF-16	White	$10,000
Johnson, George M	Deputy chairman	CAF-14	Colored	6,500
Bourne, St. Clair T	Information specialist	CAF-9	Colored	3,200
Wright, Barbara H	Report reviewer	CAF-7	White	2,600
Alexander, Dorothy E	Secretary	CAF-7	Colored	2,600
Clifton, N. Jeanne	Clerk stenographer	CAF-5	Colored	2,000
Brooks, Mary E	do	CAF-3	Colored	1,620
Whiting, Margaret B	do	CAF-3	Colored	1,620
Administrative:				
Jones, Theodore A	Administrative officer	CAF-13	Colored	5,600
Douglas, Lela M	Chief, mail and files	CAF-5	Colored	2,000
Foggie, Harriet A	Clerk-stenographer	CAF-4	Colored	1,800
Welch, Selena E	Clerk, file	CAF-3	Colored	1,620
Hollomon, Irving B	do	CAF-2	Colored	1,440
Pinn, S. Pauline	do	CAF-2		1,440
House, Marguerite H	do	CAF-2	Colored	1,440
Holland, Edna E. (Temporary)	do	CAF-2		1,440
Gamble, Jessie G	do	CAF-2	Colored	1,500
Sturdivant, Evelyn	Clerk-stenographer	CAF-3	White	1,620
Mitchell, Regina B	Clerk, file	CAF-2	Colored	1,440
Vashti, R. Curlin	Clerk-typist	CAF-3		1,620

President's Committee on Fair Employment Practice, schedule of personnel, Dec. 27, 1943—Continued

Name	Title	Grade	Race	Base pay
Operations:				
Maslow, Will	Chief, operations (field)	CAF-13	White	$5,600
Mitchell, Clarence M	Associate director	CAF-12	Colored	4,600
Davidson, Eugene	Assistant director	CAF-12	Colored	4,600
Bloch, Emanuel	Senior fair practice examiner	CAF-12	White	4,600
Metzger, Stanley D	do	CAF-12	White	4,600
Gregory, Robert H	do	CAF-11		3,800
Houston, Theophilus J	Assistant fair practice examiner	CAF-7	Colored	2,600
Blanche, Vida G	Clerk-stenographer	CAF-4	Colored	1,800
Rogers, Eleanor	do	CAF-3	Colored	1,620
McMillan, Lucille S	do	CAF-3	White	1,620
Smith, Delphia	do	CAF-3	Colored	1,620
Review and analysis:				
Davis, John A	Director, review and analysis	CAF-13	Colored	5,600
Lawson, Marjorie M	Associate director	CAF-9	Colored	3,200
Golightly, Cornelius	Associate compliance analyst	CAF-7	Colored	2,600
Davis, Joy P	Report reviewer	CAF-7	Colored	2,600
Hoffman, Celia B	Clerk-stenographer	CAF-4	White	1,800
Simmons, Walter L	do	CAF-3	White	1,620
Hemphill, India W	Junior professional assistant	CAF-5	Colored	2,000
Coan, Carol	do	CAF-5	White	2,000
Dumas, Joan S	Clerk-stenographer	CAF-3	Colored	1,620
Consultants:				
Marvin C. Harrison (Term)	Consultant	CAF-14	White	8,000
George E. Hayes (Term)	do	CAF-14	Colored	8,000
Legal:				
Hubbard, Maceo W	Hearing examiner	CAF-13	Colored	5,600
Trimble, Ernest G	do	CAF-13	White	5,600
Crockett, George W., Jr	do	CAF-13	Colored	5,600
Reeves, Frank D	Attorney	CAF-9	Colored	3,200
Bass, Dorothy C	Clerk-stenographer	CAF-3		1,620
Gordon, Jernevieve M	do	CAF-3	Colored	1,620
REGIONAL OFFICES				
New York, N. Y.:				
Lawson, Edward	Regional director	CAF-13	Colored	$5,600
Jones, Robert	Associate fair practice examiner	CAF-9	Colored	3,200
Morand, Edward V	do	CAF-9	White	3,200
Madison Sumner Jones, Jr	do	CAF-9	Colored	3,200
Risk, Samuel	Assistant fair practice examiner	CAF-9	White	3,200
Souffront, Dennis	Clerk-stenographer	CAF-4	Colored	1,800
Irish, Miriam	do	CAF-4	Colored	1,800
Ashepa, Tillie	do	CAF-3	White	1,620
Lewis, Alfred Baker	Consultant	Without compensation		
Frisch, Ephraim	do	do		
Philadelphia, Pa.:				
Fleming, G. James	Regional director	CAF-12	Colored	4,600
Manly, Milo A	Fair practice examiner	CAF-9	Colored	3,200
Greenblatt, Mildred	do	CAF-11	White	3,800
Gorgas, Helen P	Clerk-stenographer	CAF-3	White	1,620
Weitzman, Shirley	do	CAF-2	White	1,440
Washington, D. C.:				
Hook, Frank E	Regional director	CAF-13	White	5,600
Evans, Joseph H	Fair practice examiner	CAF-12	Colored	4,600
Huggins, Buell D	Clerk-stenographer	CAF-3		1,620
Chisolm, Ruby F	do	CAF-3	Colored	1,620
Cleveland, Ohio:				
McKnight, William Thomas	Regional director	CAF-11	Colored	3,800
Clore, Lethia	Associate fair practice examiner	CAF-9	Colored	3,200
Bressman, Mildred	Clerk-stenographer	CAF-4	White	1,800
Walker, Lillian B	do	CAF-3	Colored	1,620
Nobleman, Bernice	Clerk-typist	CAF-2		1,440
King, Hortense M	do	CAF-2		1,440
Detroit, Mich. (sub):				
Swann, Edward McCallan	Fair practice examiner	CAF-10	Colored	3,800
Donovan, Daniel R	do	CAF-11	White	3,800
McClure, Catherine E	Clerk-stenographer	CAF-2	White	1,440
Chicago, Ill.:				
Henderson, Elmer W	Regional director	CAF-12	Colored	4,600
Gibson, Harry H. C	Fair practice examiner	CAF-9	Colored	3,200
Schultz, Joy	do	CAF-9	White	3,200
Zeidman, Penny M	Clerk-stenographer	CAF-3	White	1,620
Bell, Minnie L	do	CAF-3	Colored	1,620
Atlanta, Ga.:				
Hunt, Bruce	Regional director	CAF-12	White	4,600
Hope, John II	Fair practice examiner	CAF-9	Colored	3,200
Bunting, Myra	Clerk-stenographer	CAF-4	White	1,800
Kansas City, Mo.:				
Hoglund, Roy A	Regional director	CAF-12	White	4,600
Brown, Theodore E	Fair practice examiner	CAF-9	Colored	3,200
Anderson, Clara O	Clerk-stenographer	CAF-3	White	1,620
Groves, Lonnetta A	Clerk-typist	CAF-2	Colored	1,440
Dallas, Tex.:				
Brin, Leonard	Regional director	CAF-12	White	4,600
Castenada, Carlos E	Fair practice examiner	CAF-12	White	4,600
Williams, LeRoy V	do	CAF-9	Colored	3,200
Guttenben, Willetta G	Clerk-stenographer	CAF-3	White	1,620
Dubose, Helen H	do	CAF-2	White	1,440
San Francisco, Calif.:				
Kingman, Harry	Regional director	CAF-13	White	5,600
Rutledge, Edward	Fair practice examiner	CAF-11	Colored	3,800
Rogers, Jewell E	Clerk-stenographer	CAF-3	White	1,620
Seymour, Virginia R	do	CAF-4	White	1,800
Los Angeles, Calif. (sub):				
Brown, Robert E	Fair practice examiner	CAF-11	Colored	4,000
Burke, Jack B	do	CAF-11	White	3,800
Calvaruso, Helen	Clerk-stenographer	CAF-4	White	1,800
Vetter, Vera G	do	CAF-2	White	1,440

Mr. Mitchell, of the Civil Service Commission, advises that the average salaries for United States Government employees are as follows:

Average over-all salaries	$2,000.00
Average salaries civil-service employees (plus overtime)	1,900.00
Average salaries civil-service employees (without overtime)	1,700.00
Average salaries F. E. P. C. employees (without overtime)	3,015.40

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. LAFOLLETTE].

Mr. LAFOLLETTE. Mr. Chairman, I had asked for this time about a half hour ago. I had possibly a different purpose in mind. I do not know now whether I can help this situation very much. I am mindful of the position of the first-term man in this body. But I do not believe there is total right, nor has there been total right, on either side of the aisle in many of the debates that I have heard since I have been here. I have tried since I have been here, at the expense of not being understood, to do the things that I thought I had to do, without regard to my personal feeling with reference to the President of the United States or his desire to remain in office for more than two terms. I think it should be remembered that free government and parliamentary institutions depend upon rules and upon principles and not upon men. I said something at Jeffersonville, Ind., on Lincoln's Birthday, on February 12 this year, that I would like to repeat here.

I am worried about this country because it is composed of too many people who think the President of the United States can do no wrong, and too many people who think the President of the United States can do no right. If you continue to personalize causes in this country you are sowing the seed out of which social disorder and disruption have risen all over the surface of the earth.

If we are to make progress in America this is the body which must make it, or one of the bodies. The Congress of the United States must do it. We have been discussing the Fair Employment Practice Committee. I have introduced a bill to make that organization permanent. I say to you in all candor I think it should be permanent. But until we reach a point where we make these parliamentary institutions, this one and the other one, flexible so that we may put to debate and discussion these questions which are bothering us, then we have to put up with certain Executive orders. As long as we do that we are establishing a principle of Executive order, which I abhor, because our parliamentary bodies are not flexible enough to meet squarely the social and economic issues of our time. So that we rather create the situation, do we not, out of which these issues arise? We cannot avoid them. They are here. I am not unmindful of some of the situations. Why, gentlemen on this side of the aisle, my country was copperhead country in the Civil War. It was almost equally divided. I know something of these problems.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. LAFOLLETTE. I would rather not.

Mr. BROOKS. May I just say to the gentleman, since he has alluded to that, we are not fighting the Civil War. We are fighting the Second World War. What we want to do is win this World War, and we want to win the war without distrust aid dissatisfaction, and dissension.

Mr. LAFOLLETTE. Mr. Chairman, I decline to yield further.

I am very sorry the gentleman misunderstood me. What I was trying to say to the gentleman is that the people who live in my district are very much like the gentleman's people. They have very much the same prejudices and the same thinking. But I know that we cannot overcome those prejudices unless we face them. We cannot avoid these things unless we meet them. The same way with this question of attempting to personalize progress. May I say to my friends on the right of the aisle, and I think I have a right to say this, do not boast too much about your progressiveness and the things that you have produced, as long as you have to tie all of that progress to the identity of one person. If you have really imbued America with the progressive spirit that I think it needs to be imbued with, you would spend more time selling the principles in which you say you believe than riding in every 4 years on the coattails of one man. Progress will not be made, my friends, in that manner.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. GIBSON].

Mr. GIBSON. Mr. Chairman, it is with deep humiliation and with a strong spirit of revolt that I had to witness before this body Thursday of this week what is to me one of the most pitiful spectacles that could ever cast a shadow over a body that should hold as sacred its responsibilities to the peoples of the world, and especially of this Nation. It is inconceivable to even remotely presume that such a thing could happen within these Halls while our boys are scattered over the many far-flung and bloody battle fronts of the world, with no voice in the total making over of our Government.

While they are fighting to maintain the stability of a God-given democracy we find ourselves faced with the condition that faces us now.

I gave to this body in a speech on April 14, 1944, the facts about this damnable set-up designated and known as the Fair Employment Practice Committee. I will not at this point go into further detail with regard to its warped and unreasonable organization and dictatorial operations. The philosophy behind this pitiful governmental set-up, which is even too low to be given the loathsome name of a bureau, of course, is of communistic birth, which has no more place in the orderly procedure of American democracy than a jackass in grand opera. Its purpose is to play to the prejudice of both the white and colored races in an effort to generate and magnify hatred between the races for the sole purpose of laying the foundation for a revolt in this country if they are not successful in taking over the Government by what they term "peaceful means." I would like to warn this body that unless there is more courage displayed by the membership of this august body, a real revolt will never be necessary. We are fast slipping into a communistic state, and if this progress is not halted, we shall soon be totally swallowed up by the damnable philosophy of communism.

Mr. ELMER. Will the gentleman yield?

Mr. GIBSON. Yes; I yield.

Mr. ELMER. Who is it that established this policy of communism in this matter you are talking about now?

Mr. GIBSON. If I were to call names, it would be a multitude of about five or six million people, and I do not have time to name all of them.

Mr. ELMER. Did all of the people establish these orders you are talking about?

Mr. GIBSON. I do not think they did.

Mr. ELMER. Who did establish them?

Mr. GIBSON. If you have not kept up with the progress of your Government well enough to know, then I decline to yield further.

Mr. THOMAS of New Jersey. Will the gentleman yield?

Mr. GIBSON. I yield.

Mr. THOMAS of New Jersey. Does the gentleman know the name of the one person who made this order which brought about this Board?

Mr. GIBSON. I will answer that question by asking the gentleman a question. Do you know?

Mr. THOMAS of New Jersey. Yes; I do.

Mr. GIBSON. Why do you ask me, then?

Mr. THOMAS of New Jersey. I just wanted to know if you knew.

Mr. GIBSON. Mr. Chairman, this committee and its effects transcend any purpose of any person in advocating equality of races. If it were true that there was not but one race in this country, then this committee and its operations would be totally out of place in a democracy. When you have a committee set up in Washington which can go into private business throughout the land and tell employers whom they can employ and whom they cannot, then you have reached heights which Hitler and Mussolini never surpassed.

I would like to bring to the attention of the membership of this House the fact that one Brin, regional director of this Committee in Texas, recently instructed the Dallas Times that it could not, in its want ads, carry an ad of the following substance: "Wanted: Colored man, paper handler to work at night." Such an ad was run by the Dallas Times and this

dictator notified them that they could not in the future carry such ads, that they would not be permitted to designate in any ad any color, and the one running the ad must receive and employ those responding without discrimination. When this same bigot was requested to give an interview to the press he declined with the statement, in substance, that he had instructions from Washington that he could not give an interview without first submitting the questions to Washington and getting the answers therefrom. Of course, he had to come to this central pool of power and let an organization of 48, 35 of whom are Negroes, tell him what he could say. I have heard of people not practicing what they preach, but he certainly does. He denies to the press and the public the right of a free press and of free speech and he himself surrenders his right to answer a civil question until a bunch of Negroes in Washington has told him what he can say. In all his power, he is a lion minus his roar.

It is inconceivable to me to see any man stand up and cast his ballot and raise his voice in approval of such a condition in what we have through the ages, with pride, referred to as free America. Could someone please tell me for what our boys are fighting and dying? To come back and see perished and gone the liberties they fought to preserve and a state of anarchy running wild?

There is one thing that the record bears out which I want to bring to the attention of the American public, and I hope it is not forgotten. This appropriation of $500,000 of the taxpayers' money to continue and expand this un-American, filthy agency designated as the Fair Employment Practice Committee was placed in this bill and put before this body by a member of the Democratic Party. I hope that no citizen of the United States will forget that this thing was dragged in here, and under very questionable circumstances, by a man who belongs to the Democratic Party.

Regardless of the opinion you hold of the committee and the merits or demerits of this appropriation for its operation, I appeal to my Republican friends to help us vote this portion of the bill down, and all of the bill if it takes that, to get rid of this item, clearly in disapproval and condemnation, if you please, of the means whereby it got into this measure. There are orderly and fair ways to get the issue before the House, and I appeal to both sides of the House to see that if it passes it does so in this manner. There is nothing so meritorious as to justify such means. In fact, if it cannot be passed without being done in this manner, then it should not be passed at all. The end can certainly not justify the means.

When will the time come when men will be men and forget their own political interest when the destiny of their Nation is hanging in the very balance? I say without fear of contradication, that in the secret recesses of the hearts of the membership of this House, that there are not more than 20 that, as a matter of truth and fact, who actually favor this damnable organization. Is your seat in Congress worth more to you than your Nation?

You boys who fly under the Democratic banner seem to think there is no limit to the abuse the South will endure at your hands, and from past observations I can easily see why you should so think. But let me tell you and this to many from below the Mason and Dixon's line, that if you do not cease to heap insult upon insult on our people, you are going to get the shock of your lives. Our people are about fed up; they have been booted about from pillar to post until they are near the breaking point. If you continue to sow the seeds of bitterness and yield to every whim of minority groups in the North for the sake of their few votes, you may have occasion soon to repent your sins. If this Democratic Party does not begin to sober up it is going to lose its own soul.

I warn the membership of this House, and the populace of this great Commonwealth that there are only two things that are going to save this Nation. One is ballots and the other is bullets. If the ballots of the Members of the House, who have been entrusted with the destiny of the Nation, do not have courage enough to save the Nation, then I ask the people of the United States to think deep enough and have courage enough to save this Nation by their ballots, that it may not have to be saved by bullets.

Mr. CANNON of Missouri. I yield 5 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Chairman, I am sure we all deplore the level that the debate has taken here today. Here in wartime, here with the galleries filled with the men wearing our uniforms, we are engaged in hot debate, with tempers running wild, religion being injected into the debate, and everything that would create disunity rather than the one goal we all seek—unity. What is the reason for this? What brought all this on, and what is the cure for it?

I have here the RECORD for Tuesday, May 23. Here on page 4917 of that day is a request by the distinguished chairman of the great and powerful Committee on Appropriations asking unanimous consent to waive all points of order against a tremendous appropriation bill full and replete with controversial issues many of which were not authorized by law.

What happened?

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. COLMER. If the gentleman will permit I prefer to proceed.

Mr. CANNON of Missouri. Just one question: Why did not the gentleman make similar protests on the numerous other occasions I have submitted such requests? Why does he pick out the one request of yesterday?

Mr. COLMER. I may say to the gentleman from Missouri that I have risen as a member of the Committee on Rules in the well of this House and served notice that I was going to try to stop the procedure; and that is the purpose of my being here now, to try to stop that kind of procedure.

Mr. CANNON of Missouri. If the gentleman stops it, he stops a procedure that has been in use for a hundred years.

Mr. COLMER. Permit me to have my 3 minutes; the gentleman has had 2 days in which to state his position; he stated it on yesterday, restated it, and again restated it.

Mr. CANNON of Missouri. But the gentleman has referred to me by name.

Mr. COLMER. I am taking only 3 minutes in which to state my position on the matter.

What happened? At page 4917 there appears the motion to adjourn. Adjournment, at what time? Five o'clock and 28 minutes p. m. Now we know as a matter of practical knowledge that when the business on the Speaker's table is completed we go to our offices and sign mail and attend to our congressional duties.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. COLMER. Pardon me just one moment. I am not charging anything; I do not want to add anything to the temper of this debate; I am merely saying that if that is to be the rule of procedure in this House it ought to be changed, and I for one propose to try to do something about it. Follow that analogy: If the gentleman from Missouri, the chairman of this committee, was within his rights—I am not arguing that; I do think it was bad practice; that is my opinion—but if that was correct practice what could he do? He could come in here when this Congress reconvenes after election, when the Seventy-ninth Congress comes in next January, he could come into the well of this House and ask unanimous consent and no doubt get it to waive points of order against every appropriation bill to come up in the Seventy-ninth Congress. Is that good practice?

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. COLMER. Will the gentleman pardon me, please.

Mr. HARE. For just one observation.

Mr. COLMER. I cannot, of course, resist my friend; I yield.

Mr. HARE. I want the gentleman's judgment on the matter of whether the chairman of the full committee was acting within his rights, because he was not acting as chairman of the full committee but as chairman of a subcommittee and asked to waive points of order against a bill that had not yet been presented to the full committee and therefore could not have been a bill of the Appropriations Committee.

Mr. COLMER. The gentleman is correct.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Chairman, I wonder if the distinguished chairman of the Committee on Appropriations would yield me 2 more minutes?

Mr. CANNON of Missouri. I yield the gentleman 5 additional minutes.

Mr. COLMER. I thank the gentleman for his generosity.

Mr. Chairman, the gentleman from South Carolina is a member of the Committee on Appropriations; he has the

right to say what he pleases about the chairman of his committee. As I said, this evidently is bad practice; it is responsible for all of this debate and this furor and this rumpus that we have had here. Some of us do not, of course, like some of the provisions that they are trying to ram down our throats through this procedure, because we thought we had the parliamentary right to invoke parliamentary procedure. We know, of course, what will happen here today; we have an election in November; we realize how some of these gentlemen who criticize the executive powers and the Executive orders will vote when it comes to a vote on this question. So we had a right to rely upon the legislative parliamentary situation to protect ourselves; but in the stealth of night that was taken away from us. "All right," they say, "why did you not object to the unanimous-consent request?" I will ask any Member why he did not object. He did not object, and I did not object, because we did not know what was in the bill; it never had been written at that time, and if it had been written, bear in mind that this great Committee on Appropriations is the one committee in this House that conducts its sessions in secret. There was no opportunity to object.

Mr. CANNON of Missouri. Surely; will the gentleman yield?

Mr. COLMER. As was pointed out on the floor yesterday, and the gentleman from Missouri himself admitted that they were executive sessions, and he could not tell what went on.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I must certainly yield to my generous friend.

Mr. CANNON of Missouri. The Ways and Means Committee never releases its bills until reported.

Mr. COLMER. I believe we can settle this if the gentleman can answer one question for me.

Mr. CANNON of Missouri. It is a practice we have followed for at least a hundred years.

Mr. COLMER. If the gentleman would just answer one question that would be all that is necessary. The hearings and proceedings conducted in the Committee on Appropriations are not made public until after the bill is reported to the House; is that correct?

Mr. CANNON of Missouri. Certainly, but the gentleman was asking about another committee which follows the same custom and in reply I name the Ways and Means Committee. Anybody who knows the rules at all knows it has been the rule from time immemorial, from a time when the memory of man runneth not to the contrary.

Mr. COLMER. This House ought to do something about it. It may hurt somebody from my State or somebody else's State this time; it may hurt your State the next time. The chickens will surely come home to roost. If you permit this kind of practice to continue you might just as well bear that fact in mind.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. COLMER. Of course, I yield to my good neighbor.

Mr. RANKIN. I just want to say to the gentleman from Mississippi that if they continue this crazy F. E. P. C. there may be no country to hurt.

Mr. COLMER. I, of course, am opposed to some of these things but I still am trying not to add anything to the furor of the debate. I merely want to say, Mr. Chairman, that I believe the practice and the procedure of the House ought to be changed. As a member of the Committee on Rules I propose to try to do something about that. I want to see the rights and privileges of the Members of this House protected, and there is nobody who can justify the procedure that has been had in the handling of this matter. It is reprehensible.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Chairman, I want to corroborate what my colleague has said about this Fair Employment Practice Committee. I happened to be at home when this outrageous unjustifiable directive from the regional director of F. E. P. C. was issued to the Dallas morning newspapers, that they could not mention the color of an employee whom they seek.

The next step of such radical, communistic interference with private enterprise would be to say to the person who advertises for an employee that, "You must accept the first one who calls." Bear in mind this advertisement sought a colored employee. The regional director insists that that was a discrimination against white employees. Many people down in our part of the country prefer colored maids. The next step in line with this policy is this: You advertise for a maid. You cannot specify whether you want a white or colored maid. Suppose a white maid shows up at your home and she possesses all of the qualifications except as to color. Then you have got to hire her. If you do not hire the white maid then you have violated the policies laid down by this F. E. P. C. I submit to you such a thing would not take place in communistic Russia. I doubt that Hitler would issue such an edict to the people in the Reich. I say to you we should call a halt to such practices. The F. E. P. C. promotes unfair practices, it breeds discrimination, it stirs up trouble, it constitutes a menace to democracy.

Mr. Chairman, I have here a telegram received from the distinguished chairman of the Committee on the Judiciary of the House, now in Dallas, Tex., which reads as follows:

I have just come in contact with one of the activities of the Committee on Fair Employment Practice and the result of its hurtful interferences in the affairs of this community.

The Dallas Morning News, engaged in the ordinary activities of publishing a newspaper, printed in its paper recently this advertisement: "Wanted colored man to work at night as paper handler. Essential industry."

The paper received a letter from the regional director here with regard to this advertisement from which I quote:

"The Committee on Fair Employment Practice, operating under Executive Order No. 9346, a copy of which is attached, considers that such advertisement is a violation of the order. It limits applications to a narrow field described in the advertisement, and automatically bars persons of other race or color from applying, even though these latter may also possess skill needed for your establishment. You are therefore requested to take immediate steps to remove from this and from any other advertisement for employees any features which are discriminatory as to race, creed, color, and nationality. You are further requested to advise your personnel office or hiring agent that they should disregard such specifications in considering applications for employment. This includes the United States Employment Service."

Other employers have been similarly directed. Many of them have complied under apprehension of adverse governmental action should they refuse.

The confusion, accumulating resentment, inconvenience to people seeking employment, and interracial irritation from the activities of this agency has become a most serious matter. Pair me against continuing appropriation for this activity.

HATTON W. SUMNERS.

Mr. Chairman, if this is a democratic country, then we will strike from this appropriation bill any money whatsoever for any such outfit. We must get rid of such ridiculous bureaucratic meddling with the reasonable and orderly proceedings of legitimate business.

Mr. BECKWORTH. Will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from Texas.

Mr. BECKWORTH. I concur in all my colleague the gentleman from Texas [Mr. GOSSETT] has said, and all my colleague the gentleman from Texas [Mr. SUMNERS] has stated in his telegram. I am very much opposed to the item in this bill which would make money available to the Committee on Fair Employment Practice. This Committee is causing in time of war much friction and disunity by its unwise and senseless acts. No men have worked harder and done a better job than our railroad employees; this Committee has them disturbed; by all means, this Congress should abolish the Committee; I am opposed to its existence.

Mr. GOSSETT. I thank the gentleman for his contribution.

Mr. CANNON of Missouri. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

For all expenses necessary to enable the Committee on Fair Employment Practice to carry out the functions vested in it by Executive Orders Nos. 8802 and 9346, including salary of a Chairman at not to exceed $10,000 per annum, and six other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $500,000.

Mr. TARVER. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TARVER: Page 9, strike out lines 11 to 24, inclusive.

Mr. TARVER. Mr. Chairman, as I advised the House during general debate, I offer this amendment for the purpose of giving the Committee of the Whole an opportunity to vote on the question of whether they will eliminate from this bill the proposed appropriation for the Fair Employment Practice Committee. So far in the general debate, and I have endeavored to listen to all of the speakers, no member of the Committee of the Whole has undertaken to say one word in defense of the Fair Employment Practice Committee, unless the interruption of speakers by the gentleman from New York [Mr. MARCANTONIO] could be construed as a defense or unless the speech made by the gentleman from Indiana [Mr. LAFOLLETTE] could be so construed. The gentleman from Indiana [Mr. LAFOLLETTE] for whom I have profound respect, indicated in his remarks that he has introduced a bill proposing to legalize the Fair Employment Practice Committee and he also indicated that while he recognized by the introduction of the bill that that committee and its activities are not authorized by law he feels that under the circumstances now existing the Congress should proceed to appropriate money for this unauthorized activity notwithstanding lack of legal authority so to do. I do not agree with him and I hope you will not agree with him. It is uncontroverted here, I think, that this is an organization which is contributing greatly to lack of unity, to disunity on the part of the American people. It is an organization which is not operating in accordance with law because despite the assurances of the gentleman from Missouri [Mr. CANNON] it is perfectly clear to any lawyer who has given any study to the proposition at all that there is no statute on the books which authorizes appropriations to this activity.

The question is, Are you—after complaining, as many of you have done, especially on the Republican side of the House, about the appropriation of money for activities not authorized by law—you who have complained about the setting up of bureaucracies in the Government, the carrying on of activities with which the majority of the American people are not in accord, the waste of public money along these lines; are you, because of your desire not to go on record on a question as to which your attitude might be offensive to the Negroes up in Philadelphia, New York, Pittsburgh, and Chicago—are you Republican Members of the House going to rise against this amendment which I have offered and refuse to strike this illegal appropriation from the bill?

You will recall that when the agricultural appropriation bill was up, when the school-lunch program and the Farm Security Administration appropriations were involved, which were not authorized by law, we left them out of the bill. We did not undertake to have the House insert them in the bill despite the lack of legal authorization, and when the Senate inserted them by amendment we postponed action on the conference report. We are continuing in conference with the Senate now, awaiting the coming before this House of the conference report on the Pace bill which proposes to authorize the school-lunch program and the Farm Security Administration, in order that this House may have an opportunity first to say whether it will legislatively authorize making such appropriations before we undertake to come in and suggest that money be appropriated out of the Public Treasury for these purposes. Why should not the same procedure be followed here? The Committee on Labor is considering this matter. Why not wait until it brings in a bill and then vote on the question of whether you want to authorize this activity or not before you undertake to appropriate money for it?

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The gentleman has made a very able presentation and it is very convincing. I think under the circumstances the amendment should be adopted. I surely hope the House will adopt this amendment and bring this question up in a different way if at all.

Mr. TARVER. I thank the gentleman for his contribution. I feel that if the Members of this House will vote according to the dictates of their consciences—and I am not intimating that any Members would not do that—they will vote for this amendment and will strike this unauthorized appropriation from the bill. Certainly, no Member can undertake to get on this floor—or has so far undertaken to get on the floor—and point out where one single item of benefit has been derived by anybody in the war effort from the moneys which have been expended for this purpose heretofore. Even if these activities were authorized by law, since it is undoubtedly the fact that they produce no benefit, and since the activity is contributing to disunity rather than unity, it ought to be eliminated and no money appropriated for it.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Does the gentleman recall where any agency has been established by Executive order, either in peace or under the War Powers Act, that it has ever been held by this House that it was an authorization for an appropriation without legislation to that effect?

Mr. TARVER. Not only that, but I understand the independent offices bill contains a proposal, inserted in the Senate, to bar the expenditure of moneys appropriated to the President's emergency fund, or in any other way, for activities for which the Congress has not specifically made appropriation or established legislative authorization after a period of time following their establishment by Executive order. It is understood that that bar, if adopted by the Congress, will eliminate the activities of the Committee on Fair Employment Practice unless you make this appropriation.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. VORYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. VORYS of Ohio. Mr. Chairman, I am one of those who are opposed to appropriations for purposes not authorized by law, but since the discussion of this particular section on fair-employment practices began, I have been looking into the books a little bit.

I find that under the fourteenth amendment there is a requirement that no State shall "deny to any person the equal protection of the laws." Section 5 of that amendment provides that Congress shall have power to enforce the provisions of this article.

On May 31, 1870—74 years ago—the first one of the civil rights statutes was passed. Let me read it to you:

All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by white citizens, and shall be subject to like punishment, pains, penalties, taxes, licenses, and exactions of every kind, and to no other (8 U. S. C., sec. 41).

This 74-year-old law is very broad. It guarantees equal security under the law, for all races, and would bar almost every conceivable form of economic racial discrimination.

I find since 1933 that the Congress has enacted for relief, public works, and other provisions, 24 different requirements forbidding discrimination because of race, color, or creed. I find that since the national-defense program started, Congress has enacted, for instance, in the Selective Service Act, and I quote:

There shall be no discrimination against any person on account of race or color—

September 16, 1940.

In the defense public-works appropriation, June 28, 1941, was the requirement:

Public works shall be provided on the basis of need and in determining need no discrimination shall be made on account of race, creed, or color.

During the war period there has been a provision for training of defense workers. I quote:

No trainee under the appropriations provided for * * * shall be discriminated against because of sex, race, or color.

We enacted this October 9, 1940, and again on July 1, 1941, and again in 1942.

The Congress would not have provided for training defense workers without discrimination as to color if they had not expected those defense workers to be hired after they were trained without discrimination under the general laws for war contracts that Congress enacted.

Thus the Executive had and has, I submit, the duty, the obligation of executing the laws that Congress has enacted un-

der the constitutional provisions of the fourteenth amendment.

The Executive could point out these laws to all of the agencies and authorize and direct them to prevent discrimination, but instead of that the Executive has appointed one committee, without any coercive power, with only persuasive power, to enforce these provisions. There may have been abuses of that power. There may be places where this committee is not functioning properly, but from the records of the hearings I find that the result is that at the present time only about 7 percent of Negroes are employed in war industries, although the population figure is about 10 percent. I find that in only two cases have they taken the most drastic action the committee can take, and that was to refer the matter to the Chief Executive. They say that all they are doing is to make sure that war contractors carry out an antidiscrimination provision in war contracts, which the Executive has the right, and probably the duty to insert, to carry out the fourteenth amendment as implemented repeatedly by Congress.

If we want to look into this thing on its merits, this would be one instance where the Executive is executing laws which the Congress itself has enacted over a period of 74 years; 24 of these laws in the last 10 years and a great many of them in the past few years during the war emergency period. Therefore, I cannot see where this argument comes from that there is no authorization in law for the work of the F. E. P. C. This is simply an appropriation to see to the carrying out of laws we have made. Laws against discrimination do little good on the books. To be effective, they must be carried out in action. That is what this committee is for. In my judgment this is not comparable to a number of other agencies that have sprung up without any authority in law. If this agency is abusing its powers we should limit it, but not destroy it.

This matter of racial discrimination is no easy matter to handle. We cannot change human nature by law. We cannot, by law or by Federal agencies, force people to like to work with people they do not like. We have the power, however, to take steps to persuade people who receive Government contracts from acts of racial discrimination in the employment of people to carry out those contracts and, in this way, to give many members of minority groups a chance to show to their employers and to their fellow workers their worth as individual workers. I am not in favor of, or against, certain races. I think every American, regardless of his race, color, or creed, should get a chance to be considered according to his individual worth. This is what we are trying to accomplish in carrying forward the work of the F. E. P. C.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. TABER rose.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. TABER. Mr. Chairman, I want to see if we cannot get an agreement on closing debate on this amendment. How would 30 minutes do?

Mr. BROOKS. I object, Mr. Chairman.

Mr. TARVER. I hope the gentleman will withhold his objection for a moment. May we not call the attention of the Members to the fact that we are attempting to close debate, and let all who want to be heard rise, and then set a time for closing debate?

Mr. TABER. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 1 hour.

Mr. TARVER. Will not the gentleman make that an hour and 30 minutes?

Mr. TABER. I think we have had a good deal of debate. An hour will allow 4 minutes apiece for each Member who is now standing seeking recognition. That would seem to be a fair allotment of time.

Mr. TARVER. Mr. Chairman, I move as a substitute for the motion of the gentleman from New York that the time be fixed at 1 hour and 30 minutes, to be equally divided between the gentlemen who have risen.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Georgia, that debate on this amendment and all amendments thereto close in 1 hour and 30 minutes.

The substitute motion was rejected.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York that debate on this amendment and all amendments thereto close in not to exceed ½ hour.

The motion was agreed to.

Mr. TARVER. Mr. Chairman, it is already 5 o'clock. I move that the Committee do now rise. Let us see whether or not the gentlemen would not rather return tomorrow and finish this matter then.

The CHAIRMAN. The question is on the motion offered by the gentleman from Georgia.

The question was taken and; the Chair being in doubt, the Committee divided; and there were—ayes 56, noes 99.

So the motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia. I do not want anyone to get the impression from what I shall have to say that anyone is not going to vote according to the best dictates of his own conscience, but I feel that the Members of this House, regardless of how they may feel about the merits of this particular agency, should at this time vote in favor of the amendment if for no other reason than to maintain the legislative integrity of this body.

It has been only a year or a little more since we had the Agricultural Appropriation bill before the House, and there were at least forty or fifty items in that bill that had been carried in the appropriation year after year, almost as long as long as we have had a Congress, without any specific authority of law. In order to establish once and for all the integrity of the legislative committees, the members of the Committee on Agriculture, of which I happen to be a member, rose on the floor of this House and objected to item after item that had been carried year after year, simply because there was no legislative authority for those items. As a result, we this year brought before the House what was known as the Pace bill, to authorize those many items.

What do you have here today? You have the Committee on Appropriations bringing in this highly controversial item for which there is no authority of law, the gentleman from Ohio [Mr. VORHIS] to the contrary notwithstanding, and I do not believe he was serious in his contention when he attempted to say that, that under section 5 of the fourteenth amendment to the Constitution, legislative authority is authorized for this appropriation. It is so utterly ridiculous as to not warrant serious consideration and just a further subterfuge on the part of those who seem to be willing to permit government by Executive directives to continue in this country.

That is one of the troubles, as I see it, in the country today. I do not care whether we are Republicans or Democrats, there are certain fundamentals that, if this Nation is to stand, must be adhered to. We cannot as legislators, Republicans or Democrats, afford to adopt these short cuts. This Congress should either function or else completely abdicate in favor of the Executive. I do not propose to abdicate for political expediency. Legislation is now pending before the proper legislative committee involving this very agency, that has heretofore been set up by Executive order. Are you Republicans, who have been howling so loudly about constitutional Government, and the functions of the Congress, who have been asking the country to return our party to power on the theory that we will cut out this government of the people by Executive orders, are you going to abandon ship now for the sake of what you believe to be political expediency.

As one Republican, I am going to practice what I have been preaching, namely, to quit voting these huge appropriations that are not essential to the war effort, and refuse to approve additional boards and bureaus set up by the Executive order.

The CHAIRMAN. The gentleman from South Carolina [Mr. HARE] is recognized.

Mr. HARE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia, but before addressing myself to the matters involved I want to register my protest against the parliamentary procedure adopted to bring this bill with this provision before the House for consideration. It was shown here yesterday that the chairman of the Appropriations Committee obtained your unanimous consent last Tuesday to bring up this bill for consideration yesterday, but I want it clearly understood that this unanimous request was not made by the gentleman from Missouri as chairman of the full Committee on Appropriations, but it was made as chairman of a subcommittee

because the bill at that time had never been submitted to the full committee and while the bill may have been prepared by the subcommittee there was really no bill at that time to submit by the Appropriations Committee. The chairman of the subcommittee, therefore, had not and could not have been given authority to make the request in behalf of the full committee. It did not show proper consideration of the other members of the committee or the membership of this House. I want to insist that the procedure should never be resorted to again in this body.

Mr. Chairman, we all know that the program involved in this appropriation was inaugurated without the knowledge or consent of the legislative representatives of this country, but we know further that we are now being called upon to endorse it and ratify the actions of this agency to appropriate $500,000 to continue its operations for 1 year. I happen to be 1 of the 11 members of the Appropriations Committee who protested against its inclusion and voted for its elimination a few days ago when I stated as clearly as I could my objections to the proposal and now I welcome an opportunity to state as definitely and as clearly as I can within the time allotted some of the reasons I am going to support the motion to eliminate this item.

In the first place, the program was predicated upon the theory that in order to promote unity of purpose and action in our war effort and war production program there should be no discrimination in the employment of persons engaged in the program on account of race, creed, or color. As a matter of fact, those who sponsored the program and those who have been in charge of its administration have shown conclusively that they were not interested in preventing discrimination against persons on account of race, creed, or color, but their main objective was to secure authority and power to demand discrimination in behalf of such persons and this conclusion is based upon the hearings and unsolicited evidence submitted from time to time.

I think it is common knowledge that the F. E. P. C. has demanded and succeeded in having many positions in many or practically all of the Government agencies here in Washington filled with persons who are not qualified to do the work to which they have been assigned, and the appointments are due wholly to the fact that they happen to be colored or happen to have a particular creed. There is not an agency that has come before the various subcommittees for appropriations but what has admitted there has been an unprecedented turn-over in the personnel and that the qualifications of their personnel is now far below that demonstrated at any time in our history. One of the witnesses before my committee some time ago testified there were a large number of colored people employed in his agency and that in his judgment the average training of these persons would not exceed that obtained in the fourth or fifth grade of our public schools, and this gentleman did not come from one of the Southern States, where we have a large percentage of colored people. Another gentleman testified off the record that the policy adopted under the F. E. P. C. had actually retarded the work of his agency for he said it took more time for the efficient clerks in his office to correct the errors and mistakes of such inefficient employees than it would have taken them to do the work in the beginning. Now if these witnesses are to be believed, the only conclusion I can reach is that these people would never have been employed if the F. E. P. C. had not insisted and, in fact, directed that there should be discrimination in favor of appointing these people instead of appointing more capable and efficient white persons in their place.

It is not a discrimination for or against anyone for the Government to undertake to select the most capable and most efficient persons available for its work. In fact, the Congress many years ago created an agency, the Civil Service Commission, and charged it with the duty and responsibility to adopt plans and methods for use in securing for employment in the Government service the most capable and efficient persons available, but simply because there was not a sufficient number of colored people to qualify for these positions under an established rule to satisfy the egotism or the desire for social equality, the promoters of this agency have taken advantage of the war situation to have the President exercise what they thought was his right and authority to set up an agency to displace the Civil Service Commission and thwart the purposes of Congress in an effort to secure efficient governmental administration and attempt to clothe this agency with authority and power to supercede the rights and authorities of the Civil Service Commission and compel Government agencies to employ people not qualified for the work simply upon the ground that such person had been discriminated against on account of race, creed, or color. Now for the Congress to permit a continuation of such a policy or program is a reflection upon its announced purposes heretofore when it insisted that Government agencies should be required, in making appointments, to secure persons who could render the greatest amount of efficient services for the compensation paid.

In further support of my contention that this agency is not trying to protect persons "against" discrimination on account of race, creed, or color, but is engaged primarily in insisting upon discrimination in "favor" of such persons, I want to quote from the hearings before the subcommittee to which I have referred but do not happen to be a member. The quotation is found on page 528 of volume II of the hearings where the Chairman of the F. E. P. C. is testifying and says by way of illustration of the work and functions of his agency as follows:

> Again, Latin-American workers in an aircraft plant are being kept at work below their capacities. Their complaint to F. E. P. C. leads to an interview with the employer who concedes the injustice and upgrades the workers. This is direct F. E. P. C. action.

Certainly it is direct action and it is action upon direction. The Latin-American workers were upgraded at the "direction" of the F. E. P. C., which I call discrimination in favor of a race. I have on my desk this morning a complaint from a white man in my district saying that he worked at the Charleston Navy Yard this last spring for 3 months or longer and had to retire because of a refusal to upgrade him, but if he had been a Latin-American or a man of color he would have been upgraded. The discrimination would have been in his favor.

Another illustration, and I quote from the Chairman of the F. E. P. C., Mr. Ross, as follows:

> Or again, a Negro worker complains to the War Manpower Commission that a completed training course ended with white trainees assigned as welders and himself at the end of a broom. War Manpower Commission, which holds no specific authority to investigate complaints of discrimination filed with it, attempts unsuccessfully to have this needed and available worker placed at his proper skill, then turns the case over to F. E. P. C.

Why was it turned over to F. E. P. C. if it were not for the purpose of having the F. E. P. C. exercise authority claimed under an Executive order to direct this Negro worker to be given employment equal to others or similar to others irrespective of his fitness or qualifications? In fact, the work of this agency is really retarding the work of our war program, particularly in the administrative agencies of the Government by insisting and directing that persons be employed simply because they happen to belong to a particular race or color.

There has not been one single argument submitted here today or yesterday that will refute my conclusions or justify this appropriation and I insist that if we want to promote our war program and be fair and just to the taxpayers of this country we should adopt the amendment offered by the gentleman from Georgia.

The CHAIRMAN. The gentleman from Louisiana [Mr. BROOKS] is recognized.

Mr. BROOKS. Mr. Chairman, I want to register my most emphatic protest against the Committee on Fair Employment Practice.

Mr. Chairman, the Committee on Fair Employment Practice has created confusion, discord, and dissension in the South. It has done this in many ways and has tremendously impeded the war effort. Its recent decision about the 12 southern railways is an outstanding example of what I speak. I was at home several months ago when news of this decision reached the country; and I talked to many railway men who were much concerned about its effect upon the transportation system of the country. Men who had railroaded for years understood that this decision would do away with their seniority rights which had been built up by the blood, sweat, and toil of railway workingmen over many years of time. Others with less seniority were informed that there would be more outside interference and official

meddling with the resulting deterioration in railway performance and service to the Nation during the critical period of this war. We cannot have meddling in our railway management and employment during this period. The Nation cannot afford to experience a breakdown in its transportation system. We cannot continue to have bureaucratic intermeddling in industry of this committee.

Mr. Chairman, this committee has done nothing good. The expenditure of $500,000 of public money for this purpose cannot help the war effort and is purely and simply a waste of money. I am against this appropriation as being hurtful to the war effort, and I condemn official interference from Washington in the racial situation in the South.

Mr. Chairman, I do not believe ordinarily in indulging in post mortems; but I feel that a practice which is most unfortunate has grown up in this House. It is the practice of reporting bills to the House of Representatives on the very day they are to be debated and voted and before they have been studied by the House of Representatives. In this particular instance, I was anxious to find out what was being placed in this appropriation bill. Several days before it came to the floor, I discussed the matter with other Members who were ignorant of what was expected to be in the bill. I asked the chairman of this committee the day before the bill came to the floor for a copy of it or for some idea of its contents. This was refused. A $1,000,000,000 appropriation bill not completed and not available for study by Congress the night before it comes to the floor for debate! This is a most unfortunate practice which does not reflect credit upon Congress and I am certain will not meet with the approval of the country. I hope the Rules Committee will make suitable changes in our rules. Mr. Chairman, I want to speak most emphatically against the Fair Labor Practice Committee. In this bill is an appropriation for $500,000 for this committee. This appropriation is placed in this bill in spite of the fact that Congress has never approved this committee and has never authorized its creation. It is created by Executive order. It does not have the approval or legislative sanction of Congress.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. BECKWORTH. Is it not true in our particular locality it brought about probably more disunity than any other one thing?

Mr. BROOKS. I think so.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KLEBERG. Mr. Chairman, it is not my purpose to reiterate any of the things that have been said thus far in this debate. But I would like to call your attention to the fact that for a long time, 160 years, this Nation got along under a government of law. Now, even the procedure under which the law has been made in the past is undergoing rapine and being ravaged. As a matter of fact, Mr. Chairman, I have lots of friends among all of the varied races that make up this country. It does not require this particular committee to keep me on the basis whereby I will continue to give them a square deal, both as a Member of Congress and as a citizen. I have considerable pride in my kinfolk, Mr. Chairman, as I know all of you do in this committee, and my purpose in rising in support of this amendment is that it is a step in the direction of keeping one of my most beloved relatives, the most loved of all of them—Uncle Sam—still with gray whiskers. I do not want them painted pink. I do not want to have those whiskers shaved off, Mr. Chairman, and when remarks are directed to Democrats and to Republicans as such, in my earnest opinion, there can be no man regardless of his party affiliations who can take offense at the statement that this amendment is purely an amendment to continue the American system of law whereby the laws are written by representatives of the people and whereby the various agencies of government have funds appropriated for their activities under the regular order and procedure, and not by Executive order. I shall vote to support this amendment looking toward continuation of the system which has made this Nation great.

The CHAIRMAN. The gentleman from Mississippi [Mr. WHITTINGTON] is recognized.

Mr. WHITTINGTON. Mr. Chairman, the appropriation under consideration involves an appropriation without authorization by law. The only authorization that has been attempted to be cited thus far is the contention of the gentleman from Ohio [Mr. VORYS] that if a proposal is not in conflict with laws that may be passed under the Constitution of the United States, an appropriation is authorized if an Executive order provides for it, although there is no statute authorizing the appropriation. If we can dignify that contention by argument, there would be no occasion for any laws whatsoever. All appropriations could be made under the edict, flats, and orders of the Executive. I challenge any Member of this body to produce any precedent or any rule that justifies an appropriation under an Executive order of the President, made either in peacetime or wartime, under the War Powers Act, or under his authority as Commander in Chief of the Army and the Navy. There is no such rule, precedent, or authority. There can be no such authority. Under the section that we are considering, appropriation is made for carrying out the functions under Executive Order No. 8802, as amended by Executive Order No. 9346. The first was issued on June 25, 1941, long before Pearl Harbor. The second was issued on May 2, 1944. This is the first time that Congress has been asked to make an appropriation for this purpose. This agency was established by the Chief Executive and it has been financed out of emergency funds allocated to him for the prosecution of the war.

The Executive has been criticized for usurping authority, on both sides of the aisle. If there be no authority for an appropriation under an Executive order, it is time for the Congress of the United States to say so in no uncertain terms, or forever hereafter cease complaining about usurpation of authority not conferred by the Constitution or the laws of the country.

I favor the amendment to strike this appropriation because there is no authority of law for the appropriation. An Executive order is not the equivalent of a statute carrying such authority. Moreover, I oppose the appropriation on the merits of the question. The Committee on Fair Employment Practice is hindering the war effort and is rendering a distinct disservice to the country.

I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FISHER. Mr. Chairman, I rise in support of the Tarver amendment which, if adopted, will strike from the pending bill an item of $500,000 for the Fair Employment Practice Committee.

This bureau was created by Executive order a year ago and has never been authorized by any act of Congress. During the past year a total of $432,525 has been expended by the F. E. P. C. That money was never authorized by any act of Congress to be spent for that purpose. It was paid out of the President's emergency fund.

Therefore, this Congress now for the first time has the opportunity to vote on the subject.

Mr. Chairman, there are many reasons why I am opposed to the F. E. P. C., but in my limited time I shall mention but two or three of them.

In the first place, we are in a war, and there is ample evidence to show that the F. E. P. C. has proven to be an instrument that arouses racial feeling and disunity at a time when we can least afford it.

In the second place, I cannot believe for a moment that any Member can read the hearings on this item and not conclude the F. E. P. C. is wholly unnecessary. Its activities are duplicated by the War Manpower Commission, as anyone can see by turning to page 539 of the printed hearings on this bill.

In the third place, Mr. Chairman, I am committeed to a policy of reducing—not increasing—the number of unnecessary bureaus, and I am also committed to opposition to nonessential Government expenditures during wartime.

Therefore, it follows that I shall vote for the Tarver amendment and in favor of killing this useless bureau.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RANKIN. Mr. Chairman, this is one of the most serious questions that ever confronted Congress. It is one that goes to the very roots of our form of government, our way of life.

This so-called Fair Employment Practice Committee, with headquarters at 1006 U Street, which is in the Negro section of Washington, and which was set up without authority of law, is one of the most dangerous communistic agencies ever created to annoy and harass the

white people of this country. It has assumed the powers of a dictatorship by attempting to compel the white people of this Nation to employ people of other races, and to promote them to positions of trust and responsibility, whether they are wanted or not.

It has attempted to force the railroads of the country to place Negroes in positions of conductors and engineers. It is attempting to force business establishments to employ Negro clerks, and even managers, and place them beside, and even over, the white men and white women they have always employed.

This is revolution, if you please, and dictatorship of the most dangerous and revolting character, and you have no right to vote money out of the Federal Treasury to support it. If you do, then do not ever let me hear you again complain about bureacracy or the radicalism of the New Deal.

You heard that article read from the Dallas News. They had this advertisement in the paper:

Wanted: Colored man to work at night as a paper handler; an essential industry.

This so-called Fair Employment Practice Committee, with all the arrogance of a Hitler, told that paper it could not publish such an advertisement.

You cannot advertise for a Negro, a Chinaman, a white man, or a native American, according to the F. E. P. C., This will prove to be the worst thing that has ever happened to the Negroes of this country. It will cause more of them to walk the streets, or tramp the highways, for want of employment than anything else has ever done. You are not helping them by voting for this appropriation, but you are helping communism to destroy the Government that you swore to uphold.

If you place an advertisement in the paper that you want a Chinaman to do your laundry, that you want a Negro as a truckman, a tenant, or a workman about the house, or that you want a Japanese or a Mexican, or that you want a native-born American, or that you want a white man, you will be subject to prosecution under this edict of this dictatorial committee, called the F. E. P. C.

Mr. KEEFE. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. KEEFE. I am wondering if this edict is only applicable to the Dallas News, because I just finished reading the want ads in the local papers and I find hundreds of them advertising for colored help.

Mr. RANKIN. Oh! This is the beginning of a communistic dictatorship, the like of which America never dreamed. They want to dictate to you who shall work in your factory, who shall work on your farm, who shall work in your office, who shall go to your schools, and who shall eat at your table, or intermarry with your children.

It is sponsored by the C. I. O. Political Action Committee, headed by Sidney Hillman, a Russian-born racketeer whom the anticommunist American of his own race literally despise, and who is raising money by the shake-down method with which he is now trying to control our elections. He wants to be the Hitler of America.

This is the same element that wrecked practically every country in Europe. Now it is out to wreck or control the United States. This is the same gang that is promoting strikes in our war industries and slowing down the production of the weapons our soldiers need in fighting for their lives, and for the life of this Nation.

Listen to this article from the Dallas (Tex.) News:

FEDERAL BUREAU ASKS NEWSPAPER ADS OMIT ANY MENTION OF RACE

The Dallas News has been requested by Leonard M. Brin, regional director, President's Committee on Fair Employment Practice, not to ask specifically for Negroes when advertising for employees.

The offending advertisement appearing in the help wanted column under male (miscellaneous), and occupying one-half inch of space, read:

"Wanted: Colored man to work at night as paper handler. Essential industry. See Martin Josch, pressroom, Dallas News, after 7 p. m."

Brin said in part in his letter to the News:

"The Committee on Fair Employment Practice, operating under Executive Order No. 9346, a copy of which is attached, considers that such advertising is in violation of the order. It limits applicants to the narrow field described in the advertisement and automatically bars persons of other race or color from applying, even though these latter may also possess skills needed by your establishment.

"You are therefore requested to take immediate steps to remove from this and from any other advertisement for employees any features which are discriminatory as to race, creed, color, or national origin. You are further requested to advise your personnel office or hiring agent that they should disregard such specifications when considering applicants for employment. This includes the United States Employment Service.

"The need for using all available man and woman power during wartime is great, and becoming greater. By planning along practical lines we believe that there should be no difficulty in utilizing workers on the basis of their skills, or adaptability to training, and we believe that you are willing and anxious to assist in the furtherance of this in the interest of the total war effort."

DECLINES TO BE INTERVIEWED

Brin, when called on by a Dallas News reporter in the regional offices of the President's Committee on Fair Employment Practice, 1001 Mercantile Bank Building, said he had received instructions to give no newspaper interviews unless the questions and answers had been approved in Washington. He suggested that any questions in regard to the plans and policies in applying and enforcing the Executive order be submitted in writing, either to him to be forwarded to Washington, or direct to Malcolm Ross, chairman of the President's Committee on Fair Employment Practice.

Brin was told that he undoubtedly could answer the questions the reporter had in mind without referring them to Washington and that he should be better acquainted with the local situation than would be a Washington official. Brin replied that he had definite orders concerning submitting to interviews.

The management of the News said that the want ad followed the News' long-established policy of not running advertising that is discriminatory or misleading.

The News insists that all advertisements, in addition tn being truthful, be specific and fully informative, the management stated. The position of the News is that if a mother wants a white girl to take care of her children that is exactly what she wants, not a Negro, or if she wants a Negro girl, that also is what she wants, and that this rule holds true in all of the categories of things wanted as advertised in the want ad columns.

The News adopted rules several years ago on personal discrimination. All employees handling advertising were told to discourage advertisers from using any wording or phraseology that might be considered discriminatory toward any sect, race, or creed and to refer to the management any such copy which the advertiser might not be willing so to modify. No discrimination beyond that recognized by law and custom is involved in the usual handling of advertisements differentiating between the white and black races.

The rule book of the News says that "all employment ads should clearly indicate the nature of the work and conditions of the applicant." The News holds that not specifying white or colored for jobs that might be patently for whites or for colored constitutes a very serious form of misleading which would result in a lot of lost motion on the part of the public, loss to the individual or firm advertising.

EXECUTIVE ORDER

The News has been criticized at times because a distinction is not drawn in the classification of many want ads between the wants of whites and Negroes. Negroes can advertise in any or all of the various classifications. This is not the case with many papers, the News is informed. There is one classification, "For rent to colored," which has been used for years by whites advertising servant quarters for rent.

The order establishing the President's Committee on Fair Employment Practice is a wartime Executive order of the President, not backed by any legislation. Its purpose ostensibly is to make full use of manpower. Its letters in the forms of requests have gone to firms with war contracts or engaged in other essential businesses.

The Dalla· Better Business Bureau Bulletin of last March 27 carried the contents of a letter received by a Dallas firm from Brin concerning advertising that Brin said is discriminatory. The Bulletin article was headed, "Dallas advertisers for essential industry must eliminate color discrimination—says committee."

The laws of Texas as approved by the Supreme Courts of Texas and of the United States permit and require segregation of white and Negro Races as applied to many activities, legal authorities have informed the News. It is their belief that any Executive order ought to be applied in the light of State segregation laws and embedded social practices.

In addition to these legal requirements of segregation, a practice of segregation exists in the Southern States that is of long standing and is widely approved by Negroes and whites alike as aiding in satisfactory relations between the two races. Because of that practice, which is a part of the social structure, employers want whites for some jobs and Negroes for others. Whites choose to work in some jobs and not in others, and Negroes likewise. An advertisement which ignores that difference is considered confusing and misleading.

The want ad to which the President's Committee on Fair Employment Practice objected was run in The News by The News management a second time on May 10. A Negro man was employed on that day, causing the ad to be discontinued.

Who is this F. E. P. C.? Who compose the personnel of this powerful group of

radicals who are attempting to reverse the laws of nature by their edicts, at the risk of stirring up a revolution in this country in these critical times, when our white boys, whose people are being harassed and insulted by this outfit, are fighting and dying on every battle front in the world?

Who compose the personnel of this group of Negroes, aliens, and crackpots who are fomenting strife, stirring up race trouble, and attempting to wipe out everything for which our brave men are fighting?

Here is the list of its members furnished by its Chairman, Malcolm Ross, only a few days ago:

Malcolm Ross, Chairman, white; Boris Shishkin, member, white; Milton P. Webster, member, colored; Sara Southall, member, white; John Brophy, member, white; Charles Horn, member, white; Charles H. Houston, colored.

The Chairman receives an annual salary of $10,000, and the other members of the committee receive a per diem allowance of $25 per day when working, and according to the chairman the committee meets about once every 2 weeks.

You will note that on this committee there are two Negroes and four white people, one of whom, at least, Charles Horn, has an American name. One of the white men composing this committee is John Brophy. He has a long list of affiliations with Communist-front activities. In August 1938 he wrote an article for a publication called Equal Justice, the official organ of the International Labor Defense, which was cited by Attorney General Biddle as subversive. In 1937 Brophy sent greetings to the National Negro Congress, which organization was also branded by the Attorney General as subversive. He has been affiliated with a large number of other activities that have been branded as subversive by the Dies House Committee on Un-American Activities.

I will not burden the RECORD with the recital of all those activities, but they are available to any Member who is sufficiently interested in the welfare of his country to look them up.

Another member of this Committee, Boris Shishkin, was connected with what was called the Washington Book Shop, located at Seminary Hill, Alexandria, Va., according to the records of the Committee on Un-American Activities. This Washington Book Shop is known to be a Communist-front organization, and was also branded by the Attorney General of the United States as subversive.

Another member of this Committee, Charles H. Houston, colored, has a long record of affiliation with Communist-front movements that have been branded as subversive by the Attorney General of the United States, as well as by the House Committee on Un-American Activities.

Members of one of these subversive organizations picketed the White House in protest against our preparation for war during the time of the Stalin-Hitler pact.

Now, let us take the chief employees, the powers behind the throne—the ones who really run the show. Here they are:

Office of the Chairman

Name	Title	Race	Salary
Ross, Malcolm	Chairman	White	$10,000
Bourne, S. Claire	Associate fair-practice examiner.	Colored	3,200
Wright, Barbara H.	Report reviewer.	White	2,600
Alexander, Dorothy E. (Mrs.).	Secretary	Colored	2,600
Whiting, Margaret B. (Mrs.).	Assistant clerk-stenographer.	Colored	1,620
Sturdivant, Evelyn.	do	White	1,620

You will observe that in the office of the chairman there are three white people, the chairman, a report reviewer, and an assistant clerk stenographer, and three Negroes. One of the Negroes is the associate fair practice examiner.

They preside over the destiny of every enterprise in America. Their chief function seems to be to harass the white people, and especially the white businessmen of the Nation.

Now, here is the personnel of the Administrative Office:

Name	Title	Race	Salary
Jones, Theodore A.	Administrative officer.	Colored	$5,600
Douglas, Lela M. (Mrs.).	Chief, Mail and Files.	Colored	2,000
Foggie, Harriet A.	Assistant clerk-stenographer.	Colored	1,800
Jackson, Rosalee A. (Mrs.).	Clerk-typist (fiscal).	Colored	1,620
Hollomon, Irving B.	Junior clerk—file.	Colored	1,440
House, Marguerite H. (Mrs.).	Receptionist-typist.	Colored	1,440
Gamble, Jessie G. (Mrs.).	Junior clerk—file.	Colored	1,500
Mitchell, Regina B. (Mrs.).	Messenger	Colored	1,440
Phillips, Rose Louise Simms.	do	Colored	1,320
Jeter, Sinclair	Administrative assistant.	Colored	3,200
Baker, Vivian D.	Assistant clerk-stenographer.	Colored	1,620

You will note that every single one of them is a Negro.

They administer the laws, rules, and regulations laid down by this outfit. No wonder they are stirring up strife among the white people of the Nation.

And here is the personnel of the Operations Section:

Name	Title	Race	Salary
Maslow, Will	Director of operations.	White	$6,500
Mitchell, Clarence M.	Associate director of operations.	Colored	4,600
Davidson, Eugene L. C.	Assistant director of field operations.	Colored	4,600
Bloch, Emanuel	Senior fair-practice examiner.	White	4,600
Metzger, Stanley D.	Fair-practice examiner.	White	4,600
Kahn, Alice R.	Junior fair-practice examiner.	White	2,000
Blanche, Vida G.	Clerk-stenographer.	Colored	1,800
Rogers, Eleanor F.	Assistant clerk-stenographer.	Colored	1,800
Landes, Ruth S.	Fair-practice examiner.	White	3,800
McMillan, Lucille S. (Mrs.).	Assistant clerk-stenographer.	White	1,620
Smith, Delphia (Mrs.).	do	Colored	1,620
Hart, Evelyn	Clerk-stenographer.	Colored	1,620
Ricks, Rebecca	do	Colored	1,620

You will note that six of them are registered as white and seven of them as Negroes. Read those names again and see how many of them you would classify as white Americans.

The Director of Operations, Will Maslow, has been connected with the Consumers National Federation, which was cited as being subversive by the House Committee on Un-American Activities, in its report of March 29, 1944, as well as a contributor to a publication called Health and Hygiene, which was founded as an extension of the Communist Daily Worker.

Emanuel Bloch is shown by the records of the House Committee on Un-American Activities to have addressed the citizens committee to free Earl Browder, on March 16, 1942, which committee was cited as subversive by the Attorney General of the United States. Bloch was also one of the sponsors of another organization, the National Federation for Constitution Liberties, which was found to be subversive by the Attorney General of the United States.

One of the Negro members of this operations section, Eugene Davidson, has been connected with at least four activities that have been branded as subversive by the Attorney General of the United States.

Now let us take the review and analysis section. Here they are:

Name	Title	Race	Salary
Davis, John A.	Director, Review and Analysis.	Colored	$5,600
Lawson, Marjorie M. (Mrs.).	Associate Director.	Colored	3,800
Golightly, Cornelius L.	Associate compliance analyst.	Colored	2,600
Davis, Joy P.	Report reviewer.	Colored	2,600
Hoffman, Celia B.	Secretary	White	1,800
Welch, Selena E. (Mrs.).	Docket clerk	Colored	1,800
Simmons, Walter L.	Assistant clerk-stenographer.	White	1,800
Hemphill, India W.	Junior professional assistant.	Colored	2,000
Coan, Carol	do	White	2,000
Dumas, Joan S.	Assistant clerk-stenographer.	Colored	1,620

Only three of them are registered as white, and seven of them Negroes. One of the whites is a secretary and another one is an assistant clerk-stenographer.

At least one member of this division, Marjorie Lawson, colored, is shown by the records of the House Committee on Un-American Activities to be a member of a Communist front organization, known as the Washington Committee for Democratic Action, which has been branded by the Attorney General of the United States as subversive.

Now we come to the legal division. Here they are:

Name	Title	Race	Salary
Johnson, George M.	Assistant to the chairman.	Colored	$6,500
Clifton, Jeanne N.	Clerk-stenographer.	Colored	2,000

You see, this division has only two members—both Negroes. They pass on all legal questions that arise concerning the activities of the white people of this Nation as they affect so-called fair employment practices.

But look at this list of hearing examiners:

Name	Title	Race	Salary
Hubbard, Maceo	Hearing examiner.	Colored	$5,600
Trimble, Ernest G.	do	White	5,600
Crockett, George W.	do	Colored	5,600
Reeves, Frank D.	Associate fair-practice examiner.	Colored	3,200
Brooks, Mary E. (Mrs.).	Assistant clerk-stenographer.	Colored	1,620
Gordon, Jernevieve M.	do	Colored	1,620

This division is composed of five Negroes, including the chairman, and one white man.

This brings us to the regional offices, the ones to which the people in the various sections of the country must appeal, or before which they must appear whenever interfered with or imposed upon by this outfit.

The first one is the New York regional office. Here is its personnel:

Name	Title	Race	Salary
Lawson, Edward	Regional director.	Colored	$5,600
Jones, Robert	Associate fair-practice examiner.	Colored	3,200
Morand, Edward V.	Associate field examiner.	White	3,200
Jones, Madison S. Jr.	Associate fair-practice examiner.	Colored	3,200
Risk, Samuel	do	White	3,200
Souffront, Dennis	Secretary	Colored	1,800
Irish, Miriam	do	Colored	1,800
Bullock, Evelyn, J.	Assistant clerk-stenographer.	Colored	1,620
Ashepha, Tillie	do	White	1,620

You will note that it is composed of three white people and six Negroes, including the chairman, a Negro named Edward Lawson, who draws a salary of $5,600 a year, and who signed the Communist Party petition in New York in 1942, according to the records of the House Committee on Un-American Activities, and was a participant in the All-Southern Negro Youth Conference, which was affiliated with the National Negro Congress, which latter organization was cited as subversive by the Attorney General of the United States.

The only white examiner in this regional office is Samuel Risk, who also was a signer of the Communist petition in New York in 1939–1940, according to the records of the House Committee on Un-American Activities.

But let us take the next one, the Philadelphia regional office:

Name	Title	Race	Salary
Fleming, James G.	Senior fair-practice examiner.	Colored	$4,600
Manly, Milo A	Field examiner	Colored	3,200
Greenblatt, Mildred.	Senior fair-practice examiner.	White	3,800
Bernheimer, John S.	Fair-practice examiner.	White	3,800
Gorgas, Helen P.	Assistant clerk-stenographer.	White	1,620
Weitzman, Shirley.	Junior clerk-stenographer.	White	1,440
Crinnage, Willard T.	Fair-practice examiner.	Colored	

You will see that it is composed of three Negroes and four whites; practically every one of the whites has a foreign name. I just wonder what chance an old-line firm of white Americans would have before that group.

You will also observe that the chairman in charge of this Philadelphia regional office is a Negro named James G. Fleming, who receives a salary of $4,600 a year. According to the records of the House Committee on Un-American Activities, he is a guest lecturer of the Philadelphia School of Social Science and Art, which is a successor to the Philadelphia Communist Workers School.

Here is the Washington regional office:

Name	Title	Race	Salary
Hook, Frank E.	Principal fair practice examiner.	White	$5,600
Evans, Joseph H. B.	Senior fair practice examiner.	Colored	4,600
Houston, Theophilus J.	Assistant fair-practice examiner.	Colored	2,600
Chisolm, Ruby F.	Assistant clerk-stenographer.	Colored	1,620
Saito, Otome	Clerk-stenographer.	White	1,620

You will see that it is composed of three Negroes and two whites, and one of them who is registered as a white person is merely a clerk-stenographer, and his name is given as Otome Saito—which sounds Oriental to me. This is the group that presides over the destinies of the people here in the District of Columbia and the surrounding States.

The chairman of this group is Mr. Frank E. Hook, a former Member of Congress from Michigan, whose opposition to the Dies Committee on Un-American Activities is well known to every Member of this House. If any of you have any doubt about Mr. Hook's leanings, read his speech against the Dies committee and also look up a publication called Equal Justice for October 1938, which is the official organ of an outfit called the International Labor Defense, which was cited as subversive by the Attorney General of the United States.

One of the colored members of this group, Theophilus J. Houston, is listed by the Committee on Un-American Activities as a discussion leader of the National Negro Congress, which has been cited as subversive by the Attorney General of the United States.

And here is the Cleveland regional office:

Name	Title	Race	Salary
McKnight, William T.	Regional director.	Colored	$4,600
Weitz, Morris	Associate fair-practice examiner.	White	3,200
Clore, Lethia	do	Colored	3,200
Donovan, Daniel R.	Fair-practice examiner.	White	3,800
Bressman, Mildred	Clerk-stenographer.	White	1,800
Walker, Lillian B.	Assistant clerk-stenographer.	Colored	1,620

You will note that this group is composed of three Negroes and three whites, the regional director being a Negro named William T. McKnight, who draws a salary of $4,600 a year.

He is listed as being a member of the Lawyers Guild, which was cited as subversive by the House Committee on Un-American Activities in its report of March 29, 1944; while another Negro listed with this Cleveland office, Lillian B. Walker, is listed as one of the signers of the petition of the Communist Party in Ohio in 1940, when Earl Browder was running against President Roosevelt.

Here is the subregional office in Detroit:

Name	Title	Race	Salary
Swann, Edward M.	Fair practice examiner.	Colored	$3,800
McClure, Catherine E.	Assistant clerk-stenographer.	White	1,620

This is evidently a branch of the Cleveland regional office. You will note the examiner is a Negro, but the stenographer is a white woman.

Now the Chicago regional office:

Name	Title	Race	Salary
Henderson, Elmer W.	Senior fair-practice examiner.	Colored	$4,600
Gibson, Harry H. C.	Associate fair-practice examiner.	Colored	3,200
Schultz, Joy (Mrs.).	Fair-practice examiner.	White	3,200
Zeidman, Penny M.	Assistant clerk-stenographer.	White	1,620
Bell, Minnie L. (Mrs.).	do	Colored	1,620

This group is composed of three Negroes and two whites—Mrs. Joy Schultz and Penny M. Seidman. Both of the examiners are Negroes. I just wonder what chance a white American enterprise would have with that group.

One of the members of this group, Minnie L. Bell, colored, is listed as being a member of the American League for Peace and Democracy, which is known to be a Communist-front organization, and which was cited as being subversive by the Attorney General of the United States.

Now, let us move down into the deep South, and take the Atlanta regional office:

Name	Title	Race	Salary
Hunt, Bruce	Senior fair-practice examiner.	White	$5,400
Hope, John, Jr.	Associate fair-practice examiner.	Colored	3,800
Tipton, James H.	do	White	3,200
Bunting, Myra	Clerk-stenographer.	White	1,800
Horton, Thelma		Colored	

This is the office that covers the area I represent. You will see that this group is composed of three whites and two Negroes; one of the whites is a clerk-stenographer, while one of the Negroes is associate examiner, with power to harass the white businessmen of the Southern States.

This will explain a great deal of the resentment that now prevails among the white people of the South from the Potomac to the Rio Grande.

The Kansas City regional office:

Name	Title	Race	Salary
Hoglund, Roy A.	Regional director.	White	$4,600
Brown, Theodore E.	Associate fair practice examiner.	Colored	3,200
Anderson, Clara O.	Clerk-stenographer.	White	1,660
Groves, Lonnetta A.	Clerk-typist	Colored	1,440

You will note that this group is composed of two whites and two Negroes—the only examiner being a Negro.

The Dallas regional office:

Name	Title	Race	Salary
Brin, Leonard	Regional director.	White	$4,600
Castenada, Carlos E.	Senior fair practice examiner.	White	4,600
Ellinger, W. Don	Associate fair practice examiner.	White	3,200
William, LeRoy V.	do	Colored	3,200
Gutteben, Willetta G.	Assistant clerk-stenographer.	White	1,620
DuBose, Helen H.	Junior clerk-stenographer.	White	1,620

This group is composed of five whites and one Negro. Remember that this is the group that prohibited the Dallas News from publishing an advertisement asking for Negro help. I have already given you the comments of the Dallas News on that incident.

Here is an editorial from the Dallas Times-Herald of Friday, May 19, 1944, backing up the Dallas News:

THE NEWS WAS WITHIN ITS RIGHTS

The Dallas Morning News was within its legally constituted rights to hire a Negro for a special job which it deemed a Negro best qualified to fill.

The News was within its legal rights to advertise for a Negro in its own newspaper, even though it is designated as an essential industry.

The Times-Herald is confident that, in hiring the Negro, the News management had no thought in mind of race discrimination. That management, we are convinced, was engaged in an orderly operation of its business.

No discerning white Texan is fooled by the fact that the issue was turned around so that it would appear to protect him from discrimination. That, of course, is an insult to his intelligence.

The raising of the race issue at this particular time by a Federal employee on a flimsy technicality bodes no good for either whites or Negroes. Those God-fearing men and women of both races who are trying to solve social problems on a just and tolerant basis are getting no help from thoughtless raisers of incidents which, though small and insignificant in themselves, add to the serious flame of prejudice and hatred.

The Times-Herald does not hesitate to indorse the stand of its competitor, the Dallas Morning News, on this issue that confronts, not only the Texas press, but the people of both races in Dallas and the entire Southwest.

THE EDITOR.

Here is the San Francisco regional office:

Name	Title	Race	Salary
Kingman, Harry	Senior fair practice examiner.	White	$5,600
Rutledge, Edward	Examiner in charge.	Colored	3,800
Rogers, Jewel E.	Clerk-stenographer.	White	1,800
Seymour, Virginia R.	Senior clerk	White	1,800
Pestana, Frank S.	Associate fair practice examiner.	White	3,200

You will note that this office is composed of four whites and one Negro—the Negro being the examiner-in-charge.

The subregional office, Los Angeles:

Name	Title	Race	Salary
Brown, Robert E.	Fair practice examiner.	Colored	$4,000
Burke, Jack B.	do	White	3,800
Calvaruso, Helen	Clerk-stenographer.	White	1,800
Vetter, Vera G.	Junior clerk-stenographer.	White	1,440

This group is composed of one Negro and four whites, all of whom have foreign names. It is true that Jack B. Burke does not sound alien, but the truth is his real name is Jack Burton Burkowitz. I understand he had his nose operated on and his name changed in Pennsylvania, but failed to pay the doctor who did the facial operation; so the physician exposed him by threatening to bring suit against him. He is listed by the Committee on Un-American Activities as a member of the Washington Committee for Democratic Action, and also the Washington Book Shop, both of which were cited as being subversive, by the Attorney General of the United States.

These people, Mr. Chairman, constitute the personnel of this so-called Fair Employment Practice set-up that is stirring race trouble throughout the country, exercising the powers of dictatorship, and attempting to force their communistic policies upon the decent people of America.

This outfit is causing strikes instead of preventing them. It is being supported by Sidney Hillman, the racketeering head of the political action committee of the C. I. O., which is raising money by the shake-down method to try to get control of this country by corrupting the electorate of the Nation. As I said, this foreign-born, alien-minded racketeer wants to be the Hitler of America.

Let me read you an Associated Press article from Detroit, Mich., under date of May 16, 1944:

STRIKE SHUTS CHRYSLER PLANT—THREE MANAGEMENT OFFICIALS THROWN OUT

DETROIT, May 16.—Chrysler Corporation's Highland Park plant was closed, with 3,000 idle today, after a dispute during which a company spokesman said, three management officials were thrown out of the factory and three union stewards were discharged.

The company said the dispute was precipitated when employees, members of the United Automobile Workers (C. I. O.), objected to deliveries of soft drinks by a member of the A. F. L. Teamsters' Union, which is engaged in a jurisdictional dispute with the Brewery Workers of America (C. I. O.).

U. A. W.-C. I. O. officials made no comment pending an investigation. The plant produces assemblies for Bofors guns, trucks, and bombers.

This gives an account of 3,000 strikers, members of the C. I. O., walking out because a member of the A. F. L. delivered a truck load of cold drinks to the workers in the plant.

This plant was producing guns, trucks, and bombers that are so direfully needed by our soldiers at the front.

I wonder what your boy will think who lies dying upon the battlefield, slain for the want of the very weapons this group of strikers was supposed to produce. Suppose our soldiers at the front should strike because a member of the wrong union was bringing up the ammunition.

And remember, these strikers in this Chrysler plant are the highest-paid workers in the world.

This same article goes on to say:

A walkout involving 3,800 workers at the Graham-Paige plant, in protest against a War Labor Board ruling, today halted production of amphibian tractors and precision parts for aircraft and marine engines and naval torpedoes.

While our boys are bleeding and dying for the want of these amphibious tractors which are so badly needed in this, the most critical hour of the war, this group goes on a strike and slows down the production of the very instruments our men must have unless untold thousands of them are to die for the want of them.

This same article goes on to say:

At Flint (Mich.) more than 1,400 workers were idle at the aluminum foundry of General Motors' Buick motors division in what a company spokesman described as a "slowdown that led to a walkout." The foundry produces castings for aircraft engines.

Think of that. A group of the highest paid workers in the world putting on a strike to slow down the production of airplane parts while our boys are dying in flaming airplanes over Europe, or crashing to their death for the want of this equipment.

But, Mr. Chairman, here is the worst one of all:

PRODUCTION OF DRUGS HALTED; STRIKE IS STILL ON

DETROIT, May 24.—Production of blood plasma, penicillin, and smallpox vaccine for the Army and Navy was at a standstill today in two Detroit plants of Parke, Davis, & Co., one of the Nation's largest producers of these essential drugs, as 1,900 employees extended their strike its second day.

The strikers are members of Local 176 of the C. I. O. Gas, Coke and Chemical Workers' Union.

In any other country in the world, under such circumstances, these people who promote these strikes would be shot for treason.

American soldiers, sailors, and Marines, are dying all over the world, on every battlefront, on the high seas and in the far-flung hospitals, for the want of this penicillin or for the want of small-pox

vaccine to prevent the spread of that terrible disease.

While this is going on, this so-called Fair Employment Practice Committee continues its communistic drive to harass the white people of America and to stir race trouble throughout the country.

The best thing President Roosevelt could do for his administration, for the American people and for the maintenance of peaceful relations between the races, would be to abolish this so-called Fair Employment Practice Committee at once.

The CHAIRMAN. The gentleman from South Carolina [Mr. RIVERS] is recognized for 3 minutes.

Mr. RIVERS. Mr. Chairman, I have not raised my voice on this question or many questions recently. I am coming to you today not as a Democrat, not as a Republican, but the same as you, an American. It so happens I live in the South, and God knows I want each of you to know that I have no resentment to any of you. This is my country and this is your country. As I said here some time ago, whenever somebody pricks my skin it might hurt you; I have the same feelings and the same inherent characteristics. You cannot kick me without sometime it might hurt you. My prosperity is contingent upon yours, and your prosperity is contingent upon mine. Nobody in this Nation has a pipe line on unity or patriotism, nobody has that market cornered.

The people in my part of the world resent the stigma that some of these contemptible bureaucrats are heaping upon our defenseless shoulders. They have marched our sons off to war and they come in with the strong arm of bureaucracy and try to destroy us. I am astonished at this most terrible spectacle, the utter humiliation of my country by my own party's committee, being a party to this insidious tragic episode. And so I come to you as an American asking you as another American for God's sake to help us. My party I think has sold me down the river and there is not much I can do alone, but I appeal to you: Let us stop this F. E. P. C. If we do not, gentlemen, I say with every ounce of sincerity within me there is going to be bloodshed in my part of the world the like of which has never happened before in the history of this country. This thing is the embarking on a program of destruction and it is bound to come if you do not stop it. Give us a hand; we need it.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

The gentleman from New York [Mr. MARCANTONIO] is recognized for 3 minutes.

Mr. MARCANTONIO. Mr. Chairman, the record of this debate will demonstrate that the opponents of F. E. P. C. have not dealt with the facts. They have refused to discuss the record of F. E. P. C. They have refused to discuss the fact that F. E. P. C. has handled 2,200 cases and they have failed to tell you what the record is in connection with these cases. They have failed to tell you of the excellent record F. E. P. C. made in these cases. They have failed to reveal what exists in the hearings and they have failed to tell you that F. E. P. C. has at all times exclusively concerned itself with one problem and one problem alone, and that is the problem of discrimination in employment because of race, color, or creed. That issue they have dodged; they have dodged it deliberately because they dared not discuss that issue. They have raised here false issues, and let me say to the Members who have been arguing against F. E. P. C. on the ground that there is no authorization, that they would vote against F. E. P. C. if there was authorization a million times. You would never support it, no matter how valid the authorization. And why will you not support it? Is it because F. E. P. C. has not been legislated into existence? Oh, no; that is not the real reason.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield to me?

Mr. MARCANTONIO. I have only 3 minutes.

The real reason is because you want to perpetuate a Hitlerite concept of race supremacy in this country; that is the real reason. However, you will not successfully be able to resist the march of progress. You speak about revolution. The record so far will show that insurrectionary language was used by the opponents of F. E. P. C. One Member threatened that Negroes would walk the streets jobless if F. E. P. C. were continued. Another opponent of F. E. P. C. had the temerity to stand in the well of this House and say that if the ballots failed they would resort to bullets. Just what is revolutionary? F. E. P. C. or its enemies? It is the first time I have heard language as extremely insurrectionary on the floor of this House, and it came from the opponents of this measure.

Mr. Chairman, this F. E. P. C. is carrying out war purposes. Your railroads were not delivering the goods on time, not delivering men on time because of lack of manpower and yet they refused to upgrade highly skilled Negroes who are so essential to the delivery of goods and soldiers to their destinations. The fundamental issue involved here is the principle of the equality of man, the very foundation of our Nation. You oppose F. E. P. C. for one reason and one reason alone, the very same reason that the Emancipation Proclamation was opposed in these United States. F. E. P. C. is a continuation of the Emancipation Proclamation; it is democracy in action, the democracy for which men are fighting and dying everywhere in this world.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Indiana [Mr. LUDLOW] is recognized for 3 minutes.

Mr. LUDLOW. Mr. Chairman, we have had a deluge of oratory on the Fair Practice Committee today. Blood pressures have been running high. Let us look at the facts calmly and dispassionately. I do not believe that any fair-minded person can carefully read the hearings on the fair employment practices estimate without reaching the conclusion that during the brief 8 months of the existence of this activity it has made a real contribution to the national welfare and to the cause of the United Nations in two directions, first, in the direction of the national unity that is so essential to winning the war, and, second, in the direction of uncovering and utilizing reserves of manpower so much needed in our all-out war production.

The facts speak for themselves. Some of the salient facts in regard to the operation of this agency and the success it has had in settling racial disputes and removing the barriers to the utmost utilization of manpower are set forth in the hearings from page 526 on. The Federal Employment Practice Committee does not engage in any fishing expeditions. It acts on the basis of complaints received which are directed to the one and only point of discriminations, or threatened discriminations, in the matter of employment on account of race, creed, color or national origin. It is concerned only with discriminations in employment in the Government and war industries.

The bulk of its work is in the field, where complaints are received and examined. If the complaint is deemed valid an effort is made quietly and without blare of trumpets to adjust the difficulty. The committee has no punitive powers. It cannot impose sanctions. It can order hearings which sometimes are effective in bringing into operation the corrective influences of publicity, but under no circumstances can it say to an employer, "You must do thus and so." It can bring extreme cases of discrimination to the President for such attention as he cares to give them under the exercise of his war powers, but only in very few instances has it gone that far. Only 2 percent of the cases ever reach the hearing stage. The others are settled in the field. It is surprising how many cases have yielded to the persuasive influence of the committee's agents in the field. It is in this quiet, unostentatious work, which never gets into the public prints, that most of the good results of the Committee on Fair Employment Practices are accomplished.

Since July 1, last, 2,596 complaints have been docketed and 1,636 cases have been closed, leaving a balance of 960. Among the closed cases were 630 satisfactory adjustments. Roughly speaking, two-thirds of the cases have been dismissed and the remaining one-third have been satisfactorily adjusted.

The 630 satisfactory adjustments made by this committee have brought into satisfactory and effective employment relations many thousands who had not been employed in defense plants and many thousands more who had not been making their maximum contribution to the war effort. Certainly this is an important achievement from the standpoint of America and the United Nations. As evidence of the most impressive character on this point, I call attention to the following testimony on page 563 of the hearings:

Mr. LUDLOW. You spoke of 630 cases being satisfactorily adjusted. How many persons would you say, roughly, were affected by those satisfactory adjustments, Mr. Ross?

Mr. MALCOLM ROSS. This is somewhat of an indirect answer, but I would like to say that I have a list here of firms, of large firms that did not employ Negroes before the defense effort started, but who now do. For instance, North American Aviation of Englewood employs 1,700 Negroes; Western Electric employs 6,000 where before it had never employed Negroes; the Federal Cartridge Co., a firm headed by a committee member, Mr. Charles Horn, had never employed Negroes before, and it is now the largest employer of Negroes in Minneapolis; the Wright Aeronautical Corporation employs nearly 3,000; Curtiss-Wright in New York employs 1,100 Negroes; Winchester Repeating Arms Co. employs 1,400, and others such as the Sun Shipbuilding Co. and the Glenn Martin Co. in Baltimore, and many in the deep South.

The testimony in the hearings showed that in many instances management has been entirely willing to employ Negroes but has been restrained by local prejudices and the Committee on Fair Employment Practice has stepped in and broken the ice and that with the employment of a few colored persons the feeling has disappeared and as the management and the community have become oriented to the new conditions the number of colored persons in that plant has grown to thousands, with the result that everybody is satisfied and the contribution to effective war manpower has been greatly enhanced. That was notably true at the Glenn Martin plant in Baltimore and at many other plants.

I assume that the city of Indianapolis may be regarded as being in all respects a typical American city. Most impressive evidence has come to me of the value and success of the Fair Employment Practice Committee's work in my home city.

I have the honor of representing a great industrial center in which we have thousands of factories of all kinds, and the industrial fabric out there has been greatly strengthened and increased as a result of the war, and I would just like to say that in our Indianapolis community the operations of this committee have been very helpful and very satisfactory, and I should like to read into the record a letter from Mr. William H. Book, executive vice president of our Indianapolis Chamber of Commerce, bearing date of March 21, 1944, in which he submits this testimony:

Soon after the reorganization of the Fair Employment Practice Committee the field representatives of the agency visited Indianapolis, and since that time we have been able to maintain contact and observe the manner in which the work of the committee has been carried forward in this community. I am pleased to state that it has been conducted on a constructive basis which has already produced substantial beneficial results, and I confidently believe will be progressively more effective. We have been pleased to extend our fullest cooperation and to obtain cooperation from the management of many important Indianapolis industries in a better understanding of (1) the need for greater use of Negroes in war production and (2) the importance of carefully selecting and training of such Negro employees and their supervisors so as to effect this employment with the minimum of disturbance to production schedules.

Mr. Book stands very high in our community as a leader in industrial and civic enterprise and I do not know anyone who is better qualified to evaluate the work of F. E. P. C. in Indianapolis and Indiana than he is.

On the whole the evidence that has come to me through our committee hearings and from all other directions convinces me that the Fair Employment Practices Committee is doing an outstanding job in promoting national unity, in improving and sustaining the morale of the tenth or more of our people who comprise the minority groups and in opening up reserves of manpower so much needed to win the war that would otherwise have remained untapped. Sincerely believing, as I do, that the Committee on Fair Employment Practices is a vital war agency, I hope that the amendment striking it down will not be adopted and that it will be implemented with the funds carried in this bill which are the minimum to enable it to carry on its work.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

The gentleman from Oklahoma [Mr. STEWART] is recognized for 3 minutes.

Mr. STEWART. Mr. Chairman, I have listened to every word that has been spoken upon this subject since this bill was brought to the attention of the Congress.

If we vote on the roll-call vote as everything indicates, the item providing the appropriation for the F. E. P. C. will be stricken.

Every consideration should be given in amending the rules of the House to where a repetition will not recur in the future. It may necessitate those of us in opposition to this item to continue until the gavel falls for adjournment. I cannot understand for the life of me why we should have such rules in Congress as the one that was invoked in the present case. That of itself is sufficient, regardless of the merit of the measure, to vote this item out of the appropriation bill.

Mr. Chairman, I, too, am a rather strong advocate of a free press. I publish a small country newspaper and usually say what I want to so long as it is the truth. I do not want to be hamstrung too much by a bunch of these radicals in what I have to say, and that could happen. It is like the little want ad that appeared in the Dallas paper. You do not know how far F. E. P. C. will go. This is a runner-up of the emancipation and the proclamation of the old South, so says the gentleman from New York. How far are they going to run up emancipation proclamation before they stop?

Mr. Chairman, this is a part of the program of the present campaign. I received an ad today designed and drawn by an opponent of mine, and four other Congressmen have had a like ad written and they, like unto myself, are opposed by the C. I. O. Political Action Committee. Possibly a lot of C. I. O.'s are officials of this F. E. P. C. Now, I am just about fed up on suppressing the press and free news. My seat in Congress is not worth my vote for this item. If that is the cost and penalty they can have it back. However, I believe my constituents will say, "More power to you" when they know the workings of the F. E. P. C. This not only applies to the South, it is Nation-wide. It is a matter of principle and when a Member can come here at a late hour in the evening, with only a half dozen Members present, and destroy a rule of Congress, by unanimous consent, it is time to amend the rules if possible. That sort of practice should not be indulged in.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Illinois [Mr. DAWSON].

Mr. DAWSON. Mr. Chairman, I, too, am an American and in making my claim to that I apologize to no man. By every rule that you may measure men, apply it to me and see if I measure up to the test. This mark on my brow coming down here is the burn of mustard gas in the last war. This left arm of mine is a slip joint today, from raiding German trenches in the last war. I volunteered then because I was an American. So when we stand here today and talk about our country, I can speak for more than a million Negro Americans fighting today with our armed forces and more than 13,000,000 here at home—all Americans. They, too, have a part in this country. The F. E. P. C. was created as a war measure. Ten or more years of depression had caused the majority of 13,000,000 of our citizens to be on relief and to walk the streets jobless. They were unemployed, broke, and disheartened. Many of them were men with high skills and qualifications. Then the war emergency came and men and women of the other races went back to work. Still this large well of unemployment among Negroes remained because of bias and discrimination. They were called to the colors but they were not called back to work. They called upon the Government and upon every agency known to give them some relief from the system of unemployment. Then this Fair Employment Practice Committee was appointed. Without power of subpena, without power to compel any man to obey its orders, armed only with the power of persuasion and the belief that, in the final analysis, the majority of the people of this country believe in the ideals of fair play and real Americanism, it undertook the task of integrating Negro manpower into war production. This committee has no power to compel anyone to do anything. So when I hear some Members stand here and refer to it as a dictatorial committee, bent on making people do something that they do not wish to do, I know they are not stating the facts to you. They are merely making statements in order to carry out their own purposes.

Mr. Chairman, I say to you that this Fair Employment Practice Committee has had thousands of cases before it. They have gone into management, they have gone to the unions, they have talked—not the dictatorial talk of force—but they have talked Americanism. They have called upon the employers to give these people work; to employ them because they are Americans. There was no question where

Negroes stood in the war effort. You have but to look at them to know that they are loyal. You have but to look at them to know that they were born in this country and would stand by our flag. This Fair Employment Practice Committee went to work and, as I say, they have settled thousands of cases successfully. Their work should be continued and this amendment should be defeated.

The CHAIRMAN. The time of the gentleman has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. SADOWSKI].

Mr. SADOWSKI. Mr. Chairman, I rise in opposition to the Tarver amendment. Our fighting men are about to face a supreme test—the like of which, we who are secure can hardly imagine. I speak of cracking the western front. We have the stupendous example behind us of th raging land battles of our allies. It is our turn now—to take on the full massed army of the enemy, in attack. We shall break him with all the physical being, technical skill, and material power which we have brought together and developed in the past years. We have been warned in advance by those conducting this campaign that our personal loss will be dreadful. It will mount into the hundreds of thousands. No battle of ours until now compares with what lies ahead for us. It is our turn now.

In the face of this impending sacrifice, let us examine with the honesty of a surgeon's scalpel what we have contributed to real democracy to compensate for this bitter loss. How much is there undone? What of the unfinished democracy here in the Republic?

In losing the best of a generation to the Nazi brute are we attacking discrimination with boldness and righteous scorn befitting our soldier-liberators?

In honest truth, we can say that in these days the Bill of Rights and the "four freedoms" are being excoriated by some in America, who have never caught the real meaning of democracy. If we do not turn the tide of this force our fighting men will return to find the choking vines of discrimination obliterating the American worker for whose very existence he is fighting abroad—and who has sustained him with arms as he made the fight.

The men who are about to attack are one—to the enemy. The enemy will know the power of his fire—not his race, creed, or the origin of his forebears.

F. E. P. C., the one practical Federal agency which has met the minority question with a real answer—jobs, not words—is itself under salvo here in the Congress, its real function being diverted by the age-common game of might-is-right politics. This should not and cannot be the case in a free nation. The question concerns the working existence of our own citizens. This question concerns three-quarters of the peoples of the earth's globe who look to us for judicious leadership and revitalization of the meaning of popular government.

Ben Franklin was succinct with respect to who we are and what we mean to the peoples of the world about us. Let us hear him again:

> The eyes of Christendom are upon us, and our honor a' e people is become a matter of the utmost consequence to be taken care of. If we give up our rights in this contest, a century to come will not restore to us the opinion of the world; we shall be stamped with the character of poltroons and fools.

The F. E. P. C. is war government.

The Executive order by which it was established is an expression of equity and cold-blooded reality war marked by the constitutional authority of the President as Commander in Chief.

Our Constitution is minorities. The stature of our moral leadership grew immeasurably through the statesmanship and vigorous equalitarian stand of the President when he issued this order. The order as amended in May 1943 reads in part:

> It is the policy of the United States to encourage full participation in the war effort by all persons in the United States, regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders.

This order has provided equal opportunity for all Americans to participate in the production of battle weapons. To fight a far and tyranny as was organized by our enemies, we must call all hands on deck or go under. Previous discrimination as we had known it had to go by the board for reasons of survival and by the very nature of our democratic doctrines. We could not cut back the right of some 30,000,000 of minorities to share in the flood of work growin gout of our war effort because of his or her particular custom or color of skin. Total war demanded total mobilization of manpower.

Because of our gigantic effort, hitherto untapped natural resources had to be forced out of our continent. To date the income of this Nation amounts to $160,000,000,000 per annum compared to $40,000,000,000 per annum of a decade ago. This new wealth made ruthless demands on every available pair of hands. The threat of distinction made no fine line of difference—youngsters and the aged; Irish, Polish, Negro, Scot, and even the infirm—we needed them all desperately. To have deliberately denied any person work and promotion would have been to sabotage ourselves as a whole.

Apart from the reality of plain work to be done let us never underestimate the morale of the minority in relation to war.

Thirty millions of people subject to discrimination is a vast number. It is 20 to 25 percent of the Nation. Disillusionment and frustration among neglected people was the cause in great part of the collapse in Western Europe. The Fascist mind resorted to endless invention and finally abducted the spirit of millions who had been discriminated against—economically or othewise.

As to ourselves, how could our professions to democracy square with our induction of minorities into the armed services while at the same time deny them right to produce weapons of war to protect their sons, our kin, and neighbors.

It is only logical that once the need for labor was established, any person occupied in war work should receive pay on an equal basis with his coworkers. This is the labor standard of the land.

This is the meaning of economic democracy and proper in a nation abounding in wealth such as ours.

F. E. P. C. has the support of progressive labor leaders whose main preoccupation and task is to guide the practical and political affairs of the American workers. On the other hand, there are those labor leaders who would pull their own house down rather than admit a dark-skinned coworker to the full privileges of a federation for workingmen.

I quote from the statement of the executive council of the American Federation of Labor at their sixty-third convention held in October 1943:

> The direct and whole-hearted participation of the representatives of the American Federation of Labor in the work of the Fair Employment Practice Committee has been based on the recognition of the fact that race discrimination in war employment is inconsistent with the Nation's foremost objectives in war for the survival of democracy. Such discrimination is not only contrary to individual human rights affirmed by our Constitution and basic to our institutions, but is also a threat to national unity during and after the war. Differential treatment of minority groups, and especially Negroes, at the time of maximum employment induced by the war, is bound to establish and perpetuate basic differentials in the Nation's wage structure solely because of race. When employment is curtailed after the war, the creation of a reservoir of cheap labor among Negro workers can only serve to destroy the established wage standards for all labor and result in racial strife. Insistent need for elimination of race discrimination in employment and wage standards is thus dictated, not only by the democratic principle to which the labor movement is pledged, but also by the need to assure economic stabilization.

The labor movement will crumble and crash if any segment of organized labor allows the resolutions and pledges taken in convention assembled to become a mere scrap of paper and allow words issued in convention to become a mere pap.

If responsible labor leaders have gone down the line in support of F. E. P. C. it is because of reason and a desire for healthy economics. Democratic principle is their pump-primer. A wise labor organization is not dry rot in the land, but a live organism. It cannot help but recognize the minority workers. These millions have and will work into the labor system and in turn become the consumers of the goods it fabricates.

I wish to quote at this point from President Philip Murray's report to the sixth constitutional convention of the C. I. O. held on November 1, 1943. In endorsing F. E. P. C., he has said:

> Two years of practical experience in dealing with problems of discrimination in employment on grounds of race, creed, color, and national origin by the President's Committee on Fair Employment Practice prove that these undemocratic and socially destructive practices can be controlled if approached with vigor and honesty—there is much ground yet to be covered, of course, for deep-seated habits and prejudices cannot be changed overnight. But a basic orientation has been achieved and we have a gen-

eral understanding now of the policies which must be followed in the long pull—from the time of the establishment of the first committee, C. I. O. has given strong support to this work. It was instrumental in obtaining the issuance of Executive Order 8802. It pressed for vigorous enforcement without fear or favor. It has urged full and prompt investigations and hearings in all situations where discriminatory practices have taken place.

The idea of an American minority sounds strange to most of us. Who is he? It is hard to think that we are anything but plain Americans—all of us. But there are those who have been standing on the fringe of equal opportunity for generations, or who have been discriminated against for fear of aiding the enemy. There are the million refugees who have fled the Axis combine to seek freedom and work within our shores. There is the American Indian, who receives only a minimum share in our industrial system—but whose inherent craft skill no one questions. Some 20,000,000 of our people are immigrant or first- or second-generation Germans, Italians, Jews, Finns, and French-Canadians. There are in America approximately 7,000,000 or more persons of Polish descent immediate or remote.

One person in ten in the United States is a Negro. There are 13,000,000 people in this largest minority group.

A major portion of 3,000,000 Spanish-Americans are located in the Southwestern States. These people's forebears helped settle New Mexico, Arizona, Texas, and southern California. New Mexico bore the highest loss of the 9,000 men who went to Bataan in April 1941. The Two Hundred and Five Hundred and Fifteenth Coast Artillery of New Mexico was made up of Spanish-speaking men in ace antiaircraft units. Many are Japanese prisoners now.

The F. E. P. C. is a fair yardstick to measure minority percentages by. Of the 3,000 complaints filed with the committee last year, 81 percent alleged discrimination because of race or color, 9 percent because of religion, 5½ percent because of alienage, and 4½ percent because of national origin.

The F. E. P. C. is not trying to impair the traditional employee-employer relationship of 30,000,000 persons in the United States but by adjusting complaints it is setting patterns for a greater slice of democracy than they ever received before.

As matters stand today a member of a minority group has one-eighth as good a chance of getting placed in skilled or semiskilled occupations as a member of a majority group.

F. E. P. C. has a big job cut out ahead. This Congress has a big job cut out ahead and the duty of making America a place of equal job opportunity for the men and women who are now returning or who are still overseas. The men and women in the fighting services are not a majority—they are everybody. They are the four freedoms in living, acting, fighting reality. They will want to see democracy work because they are fighting those who have discriminated against freedom.

Discrimination against a fellow citizen is unethical. Labor leaders and legislators have aided in protecting the minority against economic exploitation to some extent—they have improved his general welfare, but for long centuries he carried his grief to the churches and synagogues. If he had a poor chance elsewhere he took comfort in religion. Today religious leaders are increasingly concerned with the practical measures to attain the ideal of the brotherhood of man. On November 13, 1943, the administrative board of the Catholic Welfare Conference at the direction of the archbishops and bishops who attended the annual meeting of the hierarchy in Washington issued an important statement on the essentials of a just peace. While the statement was concerned with international relations it significantly enough singled out the problem of extending equal justice to all groups of American citizens, regardless of race, creed, color, or national origin. I quote the hierarchy:

> It would be inconsistent to promote a world reconstruction in which all nations great and small, powerful and weak, would enjoy their rights in the family of nations, unless in our own national life we recognize an equality of opportunity for all our citizens and willing to extend to them the full benefits of our democratic institutions.

This statement was quoted in the January issue of Catholic Action and went on to say:

> In the province of God there are among us millions of fellow citizens of the Negro race. We owe to these fellow citizens, who have contributed so largely to the development of our country, and for whose welfare history imposes on us a special obligation of justice, to see that they have in fact the rights which are given them in our Constitution. This means not only political equality but also fair economic and educational opportunities, a just share in public welfare projects, good housing without exploitation, and a full chance for the social advancement of their race.

Mr. Chairman, the thinking and desire for action in this instance has underlined the lot of the American Negro. The same applies to the Spanish-speaking population—it applies to the Jew who is discriminated against—to the Polish-American who carries his accent to the graveyard shift—to the Seventh-Day Adventist who worships on Saturday.

The kind of thinking I have just quoted is based on tolerance and love for the dignity of man. This is the foundation of our civilization. It is not original, but is being further implemented today by men of good will who know that the destiny of the world is democracy.

I should like to dwell on the subject of the Negro at this point—there is much said about him which only partly reveals his position in our war economy.

Out of a total of 14,000,000 war workers in the plants and factories reporting to the War Manpower Commission the actual number of Negroes making the necessities of war as of last July was a little more than 1,000,000.

This figure carries a good deal of significance. It is no mere abstract term for war workers punching time clocks. There is a history of evolution and redoubled effort of a loyal citizenry to receive their just due in real jobs.

During the last war when the Nation stepped up its production, thousands of Negroes proved their adaptability to industrial working conditions, although historically their source of livelihood stemmed from the land. During the last war they were the last hired and the first fired. When the war boom spiraled down into a depression, the Negro went down with it. What he had gained in higher standard of living was short-lived. He retained the new dignity but lost the proper standard of living. Later, during the world-wide depression of the thirties the members of his race weighted the relief rolls, in what seemed, to abnormal extent. But what private jobs there were went to others; consequently the public supported him on relief. In this war his race has come forward again in an attempt to hold down bona fide jobs, earn regular pay according to standard conditions set down for all who work in war. The Government policy of nondiscrimination has supported this urge to come forward to work.

With the aid of the President's Committee on Fair Employment Practice, 1,000,000 are contributing directly to the production of war essentials. Without discrimination approximately one-half million more could produce goods for the armed forces. This would be within the 10-percent ratio which the Negro bears to the whole population, and which could save management, government, and the whole war effort from the present exasperating search for adequate labor.

Discrimination has a strong foothold here on the home front and if F. E. P. C. for reasons of myopia among special groups is discouraged from doing its proper job, we shall lose critical numbers of willing and able workers now in war and for the reconstruction job which lies ahead.

Some still question the Negroes' capacity for industrial-type work. As far back as November 1942 the American Management Association discussed the Negro worker in a special research report. Enlightened personnel officers concluded these following points:

First. Negro workers have great potentialities; they have responded to training for industrial employment.

Second. Regardless of race, creed, color, where accepted, good personnel procedures are employed, workers respond, and satisfactory production may be expected.

Negro workers in war industries are still, for the most part, employed below their maximum or potential skills, but in many instances restrictions have been lifted to the benefit of production. Skilled Negroes have been recruited in a shipyard in Brunswick, Ga. In the area of Hampton Roads, Va., 4 Government establishments and the largest private contractor employed 2,000 skilled and 7,000 semiskilled Negroes. Shipyards in Mobile, Ala., recruited Negro welders, traditionally one of the highest skills. In Baltimore a leading shipyard has employed some 10,000 Negroes. Of these over 2,000 were skilled men in a wide variety of occupations. Two years prior to this only a few had been employed,

and they had been restricted to unskilled work. In the summer of 1943 over 65,000 Negro men and women had found employment in the aircraft industry. Thousands were in production jobs. From the fall of 1941 to January 1943 Western Electric increased its Negro employees from none to over 1,200. A large proportion of these were women, and Negro workers were employed in technical, clerical, skilled, and semiskilled capacities.

This is something of the record where the barriers of discrimination were let down to the benefit of the whole country. Discrimination would have chalked the loss of these workers to the "too little and too late" side of the war ledger.

Mr. Chairman, I have attempted to point out the positive and negative sides of the question of discrimination. I believe that a long-run national program for combating discrimination must dig down to the basic causes. One of the most important of these is economic. It stems from the fear of job insecurity and competition. We know, for example, from studying the causes of the Detroit riots that in instances where white and Negro workers were engaged in essential and well-paid jobs—working side by side—there was no alarm and physical antagonism. In fact, there were numerous instances of rescue by white men of Negro coworkers.

The problem of discrimination, Mr. Chairman, will finally be settled in an American way, by American methods—as we have settled many diverse and angry problems before in our history. We are still a great and united Nation because in the final decisions all which is healthy and of integrity of the majority decides for the general welfare.

History and the evil abroad is challenging us to make our decision. We will accept that challenge by voting against the Tarver amendment.

We must take care of this problem. Is the Bill of Rights at home to be an all-encompassing doctrine—broad as our continent is broad, deep as the spirit of the good-neighbor policy, and universal as the agreements of Cairo, Moscow, and Tehran—or shall we deliberately and cynically intend to keep 30,000,000 of our own people limping at our side? The answer is that the country is already responding. This is America, the land and principles upon which is founded democracy, the guiding light of freedom and peace.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Chairman, there is a regional office of the F. E. P. C. in my district, in Atlanta. I have therefore had opportunity to observe the operations of this committee. I have no desire to play politics with the race question. It is too serious a matter to play politics with.

For whatever it may be worth to anybody who will listen, I just give to you as my sincere, candid opinion, that this committee has done more harm to the Negro race than anything that has happened within my memory; that it has created more racial prejudice in this country than anything that has happened within my memory. I think it is a mistake. I believe that sincerely.

I think this is a problem that can be handled only by education, by mutual understanding, and by the people in the local communities.

Last year I spent 2 weeks in Indiana and Ohio with Senator BURTON, talking about post-war collaboration between the nations, and in every city I went to in those States the people talked to me constantly about the friction between the races that has been created recently. Neither one of these States can be considered as being in the South.

So I say to you as sincerely as I know how that in my judgment no greater mistake has been made in this country with relation to the race question than the creation of this committee, staffed as it is by crusaders, who do not understand the problem. I hope the amendment will be agreed to.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I want to endorse all that the gentleman has said in the first part of his speech, and join with him in striking this section from the bill.

Mr. RAMSPECK. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, I have great admiration and respect for the gentleman who just spoke [Mr. RAMSPECK], the chairman of my committee. I have very high regard for him. I know that the sentiments as he expressed them here are sincere. But I feel that he is mistaken. The forces here, which are arrayed in opposition to the F. E. P. C. are the forces that represent intolerance, and who have been behind every reactionary movement, and have been opposed to all liberal, forward-looking legislation that has come before this House in my time. The same Members have been opposed to legislation to outlaw the poll tax and in favor of restrictions on organized labor.

There has been much talk here about the fact that the procedure is bad; that we ought to have legislation for such a committee, and then appropriate funds.

We have such a bill pending, and as a member of the Committee on Labor I am very happy to state that we are going to hold hearings, beginning June 1, on a permanent F. E. P. C. But I feel that the same Members who are opposed to this legislation will be opposed to that particular legislation. Coming, as I do, from a district in the city of New York representing all nationalities, I can state with assurance that we have found, in my district at least, that it is possible to get along without any discrimination, and in complete harmony. However, nobody can deny that there has been discrimination in certain parts of the country. If there is discrimination, then we should have some law, some committee, some commission, whatever it may be called, to outlaw such practices.

There is no compulsion about this committee, as has been stated before. It has no disciplinary powers. It cannot do anything more than hold up to public opinion the perpetrators of any act to prevent which, it has been created. It cannot mete out any punishment nor compel the cessation of such activities.

I hope the House will vote this amendment down and permit this committee to continue the fine work it has been doing.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the matter before the Committee deals with the subject of jobs; jobs in the war effort and jobs in Government service. The language as set forth in the report—and I would like to stay with the facts on this important subject—reads as follows:

> It is the policy of the United States to encourage full participation in the war effort by all persons in the United States regardless of race, creed, color, or national origin—

So it deals with several groups of people—

> in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders and that the successful prosecution of the war demands the maximum employment of all available workers regardless of race, creed, color, or national origin.

In this connection I will ask, when we return to the House, that a letter written by the Right Reverend Monsignor John A. Ryan, D. D., director of the National Catholic Welfare Conference, Dispartment of Social Action, Washington, D. C., under date of March 20, be inserted. The letter follows:

NATIONAL CATHOLIC
WELFARE CONFERENCE,
DEPARTMENT OF SOCIAL ACTION,
Washington, D. C., March 20, 1944.

Hon. LOUIS C. RABAUT,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN RABAUT: I am glad to to note that you are a member of the subcommittee of the Appropriations Committee which is considering an appropriation for the Committee on Fair Employment Practice. Since I know that you favor the appropriation, I am not writing to urge that course upon you but merely to say that I sincerely hope the appropriation will be made. It is a long time since Congress had before it a more worth-while proposal. The task and aims of the Committee on Fair Employment Practice are among the most humane and just that have ever been undertaken by any agency of our Government.

Sincerely yours,
Rt. Rev. Msgr. JOHN A. RYAN, D. D.,
Director.

The CHAIRMAN. The Chair recognizes the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chairman, I regret the emotional disturbance created over this F. E. P. C. appropriation. It has been repeatedly charged that there is no legislative sanction for it. Since when have we become so terribly disturbed over legislative sanction? I recall many appropriations under war powers granted to the President that were scarcely noticed by this body.

Why are not we honest about this subject? Why try to camouflage the issue? We have sent our men to fight all over the world that all peoples might be free—to preserve the traditions we believe necessary to continue that freedom—freedom of religion, equality of opportunity regardless of race, color or creed. Are we logical in this debate today? Why should we deny to our own people the equality we insist is necessary to maintain a free world? Our soldiers are fighting and dying beside men of every color, of every religion. They are not concerned with the petty debate that we have heard here today. They are concerned with larger things. Things of supreme importance if we are to live as free men.

The Labor Committee intends to conduct hearings on bills to make F. E. P. C. a permanent organization. We shall begin these hearings on June 1, and we believe they will be revealing. If we really believe in the "four freedoms" we should not hesitate to face any issue concerned with these freedoms. The Labor Committee does not intend to sidestep. We intend to hold fair hearings and develop all the facts. We shall then be in a position to present a bill for your consideration as a result of those hearings. Until we do this the present appropriation will be continued for this very worthy cause.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to read to the House two short paragraphs from an editorial appearing in the Dallas News.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. These paragraphs are as follows:

If white and colored people can be segregated in schools, on streetcars, and elsewhere on the basis of our State laws, sustained by a United States Supreme Court decision, it is absurd for a Federal agency, having no more authority than Presidential ukase, to transcend the theory held by the Supreme Court, in its directives to employers in their private business. For, certainly, under any theory or law, more liberty in the choice of associates is permitted in private than in public service. It would be easily possible for the President's Fair Employment Practice Committee to perform its legitimate function of seeing that Negroes get a fair deal in war-industry employment, yet without attempting to break down the time-honored southern tradition of segregation. With such a policy the News would be in entire sympathy.

Not only does the President's Fair Employment Practice Committee attempt to abolish segregation, it ignores the fact that, in the long-standing traditions and practices of the South, a considerable difference has been established in the actual skills of white and colored people. To the extent that it would abolish precise advertising, it would create confusion and bring about wastage of manpower.

In my opinion, this proposal goes far beyond the question of industrial employment, as pointed out by the gentleman from Michigan [Mr. RABAUT]. I repeat that I shall vote to strike the provision from the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, my views on this amendment follow very closely those which have been so well expressed by the gentleman from Ohio [Mr. VORYS]. Since he has already stated the same reasons which I myself am following in voting against the pending amendment, I shall not consume all of my time. It seems to me that as an act of economic justice the appropriation for the Committee on Fair Employment Practice should continue.

The CHAIRMAN. This concludes all debate except the 5 minutes reserved for the committee. Does the chairman of the committee desire recognition?

Mr. CANNON of Missouri. Mr. Chairman, I ask for a vote on the amendment.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. Since 5 minutes is left before debate is concluded, I ask recognition.

The CHAIRMAN. Debate has already been concluded except the 5 minutes reserved for the committee.

Mr. CELLER. Will the gentleman from Missouri yield me 3 minutes?

Mr. CANNON of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I listened with interest to the proponents of this amendment. I fear that it is sort of a theatrical storm that they are raising. Their facts and opinions are out of kilter and accuracy.

I should like to quote to some of the proponents of the amendment something that was written a great many years ago, and I quote from the Bible the words of the great book of Leviticus. If you go to Philadelphia you will see inscribed on the Liberty Bell these words of Leviticus:

"Proclaim liberty throughout the land to all the inhabitants thereof."

That wise book did not limit its phrase to proclaiming liberty throughout the land. The author knew that rulers might abuse that dictum and would not give proper administration to the "proclaim liberty throughout the land." He carefully added "to all the inhabitants thereof."

All that the President's directive did in the setting up of this Committee on Fair Employment Practice was to try to give that liberty to all the inhabitants of the land, regardless of race, of creed, or of religion. The President in setting up the committee spoke of the "firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders."

We know that we need approximately 100,000 men more every quarter in the plants producing munitions, but we are keeping them away from those plants because of racial bias and prejudice, which is sought to be struck down by this Committee on Fair Employment Practice.

It goes without saying that a Negro or a Jew or a Latin American or a Catholic in certain quarters is denied war employment entirely, and in other cases is forced to clean cuspidors, when he is amply qualified to run a turret lathe. This creates tremendous discontent and weakens morale on the home front, which is just as important as the battle front.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. TARVER].

The question was taken; and on a division (demanded by Mr. DICKSTEIN), there were—ayes 139, noes 95.

Mr. MARCANTONIO. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. TARVER and Mr. CANNON of Missouri.

The Committee again divided and the tellers reported that there were—ayes 141, noes 103.

So the amendment was agreed to.

The Clerk read as follows:

OFFICE OF WAR INFORMATION

Salaries and expenses: For all necessary expenses of the Office of War Information, including the employment of a Director and Associate Director at not exceeding $12,000 and $10,000 per annum, respectively; not to exceed $75,000 for the temporary employment in the United States of persons by contract or otherwise without regard to the civil service and classification laws; employment of aliens; employment of persons outside the continental limits of the United States without regard to the civil service and classification laws travel expenses (not to exceed $400,000 for travel within the continental limits of the United States); expenses of transporting employees and their effects from their homes to their places of employment in a foreign country and return to their homes in the United States; purchase of radio time and purchase or rental of facilities for radio transmission; purchase, rental, construction, improvement, maintenance, and operation of facilities for radio transmission and reception, including real property outside the continental limits of the United States and temporary sentry stations, guard barracks, and enclosures for the security of short-wave broadcasting facilities within the continental limits of the United States without regard to the provisions of section 355, Revised Statutes (40 U. S. C. 255), and other provisions of law affecting the purchase or rental of land and the construction of buildings thereon; advertising in foreign newspapers without regard to section 3828, Revised Statutes (44 U. S. C. 324); printing and binding (not to exceed $2,710,389, for such expenses within the continental limits of the United States), including printing and binding outside the continental limits of the United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); purchase or rental and operation of photographic, reproduction, printing, duplicating, communication, and other machines, equipment, and devices; exchange of funds without regard to section 3651, Revised Statutes; purchase of 486 motor-propelled passenger-carrying vehicles for use outside the continental limits of the United States which may be acquired without regard to statutory limitations as to price and authority to purchase; acquisition, production, and free distribution of publications, phonograph records, radio transcriptions, motion-picture films, photographs and pictures, educational materials, and such other items as the Director may deem necessary to carry out the program of the Office of War Information, and sale or rental of such items by contract or otherwise to firms or individuals for use outside the continental limits of the United

States; purchase, repair, and cleaning of uniforms for use by porters, drivers, messengers, watchmen, and other custodial employees outside continental United States; such gratuitous expenses of travel and subsistence as the Director deems advisable in the fields of education, travel, radio, press, and cinema; not to exceed $125,000 for entertainment of officials and others in the fields of education, radio, press, and cinema of other countries, payment of the United States' share of the expenses of the maintenance, in cooperation with any other of the United Nations, of organizations and activities designed to receive and disseminate information relative to the prosecution of the war; $58,625,367: *Provided*, That, exclusive of the contingency fund mentioned in the last proviso hereof, not more than $48,562,101 (including living and quarters allowances) shall be allocated to the Overseas Operations Branch and not more than $2,200,000 shall be allocated to the Domestic Operations Branch for the following functions only: Office of the Director, including book and magazine coordination sections; Office of Program Coordination; News Bureau; Bureau of Special Services; Radio Bureau; Motion Picture Bureau, not exceeding $50,000: *Provided further*, That notwithstanding the provisions of section 3679, Revised Statutes (31 U. S. C. 665), the Office of War Information is authorized in making contracts for the use of international short-wave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators or said radio stations and facilities from such funds as may be hereafter appropriated for the purpose, against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That not to exceed $600,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified: *Provided further*, That $5,500,000 of this appropriation shall not be available for expenditure unless the Director of the Office of War Information, with the approval of the President, shall determine that such funds, in addition to the other funds provided herein for the Overseas Branch, are necessary for carrying on activities in conjunction with actual or projected military operations and that accounts for these funds may be merged with regular accounts.

Mr. DWORSHAK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DWORSHAK:

On page 18, line 24, strike out "$58,625,367" and insert "$53,125,367."

On page 18, line 24, strike out all after the word "provided."

On line 25, strike out all of the line up to the words "not more than."

On page 19, line 24, strike out the word "provided" and the remainder of the paragraph through line 7, on page 20.

Mr. DWORSHAK. Mr. Chairman, I have offered this amendment to eliminate $5,500,000 from the appropriation for O. W. I. and to eliminate a proviso, which I read:

Provided further, That $5,500,000 of this appropriation shall not be available for expenditure unless the Director of the Office of War Information, with the approval of the President, shall determine that such funds in addition to the other funds provided herein for the Overseas Branch are necessary for carrying on activities in conjunction with actual or projected military operations and that accounts for these funds may be merged with regular accounts.

You have probably observed during the extensive debate on O. W. I. yesterday and today that the committee has recommended an increase of $20,402,000 over the appropriation for the current year which was $38,222,000.

I do not have time to go into the details and discuss the merits of this entire appropriation but I submit this amendment solely on the basis that the proviso constitutes a blank check. The report submitted by the committee says that it cut $4,500,000 in the contingency fund from a requested $10,000,000 for allocation when approved by the President to the Overseas Branch in conjunction with actual or projected military activities; and that the remaining sum of $5,500,000 shall be available as the fiscal year progresses if needs develop. There has been no justification by O. W. I. to make it available now.

We have heard a great deal about the publications which have been distributed and circulated by the O. W. I. This amendment is not concerned with that activity. But I call attention to the fact that during the year the O. W. I. has had for domestic and foreign operations, 7,557 civilian employees and is asking for an increase of 2,300, to 9,803, exclusive of this $5,500,000. In April of this year the ranking minority member of this committee, the gentleman from New York [Mr. TABER], vigorously assailed the spending by O. W. I. and displayed to the House a copy of the Handbook on the United States of America, that was circulated overseas.

I should like to go into the details on that, but, on page 2, I want to quote from one paragraph. I quote from this Handbook circulated by the O. W. I. as follows:

Even in less critical periods the Nation in the twentieth century has come to expect the President to take the lead in formulating general domestic policies for the country. Increasingly, the President has become the legislative leader, setting a definite program before Congress and using his influence to secure its enactment into law.

By this amendment I propose to eliminate $5,500,000, for which no justifications have been submitted to the subcommittee which brought in this bill. If during the next year there should be any need arising whereby the O. W. I. should require additional funds, then I submit to you it will be time for Elmer Davis and his agency to come before the Congress and ask for a deficiency appropriation.

There are few Members of this body who have not, during the past few years, condemned the practice which has been followed on various occasions, of issuing these blank checks to the President to spend funds, if and when he thought it necessary. The O. W. I. has in this bill $20,000,000 more than this year. If we eliminate this $5,500,000 O. W. I. will still have $15,000,000 more than during the current year.

We know that O. W. I. has been waging psychological warfare; but if that program is successful—and it has been in some respects—and additional funds are needed, this Congress will be in session, or a succeeding Congress will, and the representatives of O. W. I. can come here and ask for additional funds. That is the only issue at stake in this amendment, whether we are going to surrender our control over the purse strings, or whether the Congress is going to take the position that it is our joint responsibility to control the expenditures of Executive departments of the Government.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. CANNON of Missouri. Mr. Chairman, I have consulted with Members on both sides of the aisle. They seem to favor as brief debate as possible on the remainder of the bill. For that reason I move that all debate on the amendment and all amendments thereto close in 7 minutes.

The motion was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I ask that the gentleman from Missouri [Mr. COCHRAN] be recognized for 2 minutes and that the gentleman from Virginia [Mr. WOODRUM] be recognized for the remaining 5 minutes.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Missouri [Mr. COCHRAN] is recognized.

Mr. COCHRAN. Mr. Chairman, I would like to have the gentleman read that proviso. This is a limitation. It reads:

Provided further, That $5,500,000 of this appropriation shall not be available for expenditure unless the Director of the Office of War Information, with the approval of the President, shall determine that such funds are necessary—

And so forth. Mr. Chairman, it seems that the Congress, like many people in this country, does not realize that we have 10,000,000 people in the armed forces; that we are on the verge of an invasion. They do not realize that we are engaged in the greatest war the world has ever known. In April we had 25,000 casualties. Every minute of the month of April there was a casualty. As I speak here now for 2 minutes, on the basis of what happened in April, two of our American defenders are listed as casualties.

It seems to me that it is time for all of us to get together and do what we can on the home front to support the armed forces and the defeat of this amendment is a way to help do it.

I yield back the balance of my time.

The CHAIRMAN. The gentleman from Virginia [Mr. WOODRUM] is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman——

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I have only 5 minutes.

Mr. PLOESER. But opposition has 7 minutes where the proponents have but 5.

Mr. WOODRUM of Virginia. I yield briefly.

Mr. PLOESER. I merely wanted to clarify the statement made by the gen-

tleman from Missouri. The amendment did not call for reducing the $58,000,000 appropriation $5,500,000; it went on to cut out that particular proviso to recommend that $5,500,000 be cut. The statement was in error and in misunderstanding of the amendment.

Mr. TABER. Mr. Chairman, if the gentleman will yield, I think the statement of the gentleman from Missouri is correct. This is a proposed cut on the part of the gentleman from Idaho of $5,500,000 from the gross amount. That amount was agreed to by the members of the subcommittee after we had all argued back and forth for a long time on it. Some of us thought it should be more and others thought there should not be any cut, but that was the amount agreed on in the committee.

Mr. WOODRUM of Virginia. Let me say that this item in this bill has had as careful consideration on the part of the deficiency committee as could be given to it. We were so much interested in it that many members of the committee made a special trip to the city of New York to look at the overseas operations. We considered the matter, we advanced our own opinions, and the judgment of the subcommittee was that the amount of funds reported in this bill ought to be passed by the Congress.

I admit that the committee is not infallible, that the House and the Committee of the Whole has a right to do whatever it wishes to do notwithstanding the recommendation of the gentleman from New York, the gentleman from Massachusetts, and other minority members of the deficiency committee, as well as the rest of us. It seems to me that our deliberate, considered judgment after careful hearings ought to have some weight in the Committee of the Whole. The Overseas Branch of the Office of War Information today is performing a vital, critical function in the war effort and in this particular invasion which we are momentarily expecting. I should like to read from the report. Here is what Deputy Chief of Staff General McNarney, speaking for General Marshall, said. We asked him their opinion about this thing, how it fitted into the war program, and its usefulness, and here is what he said:

The War Department believes that both the Office of War Information and the Office of Strategic Services are performing essential functions overseas. Approved plans do call for increased activity on the part of both of these organizations, and as military operations expand, it is to be expected that their work will increase.

No further militarization of the Office of Strategic Services and the Office of War Information is planned. As you know, the Army is finding it difficult to remain under the present manpower ceiling of 7,700,000 men and still furnish all military personnel and units required for planned operations. Because of our manpower limitations, it is mandatory that the Office of Strategic Services and the Office of War Information be manned so far as possible by civilians.

The military commander says this function is necessary.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield for one question?

Mr. WOODRUM of Virginia. I would like to finish. Under the specific mandate of the military commanders in the field, O. W. I. is setting up 35 new outposts in connection with the present advanced and extended military operations in the field. Right today, right tonight, every hour of the day and every hour of the night, the new radio broadcasting station set up in London carries the voice of General Eisenhower to the nations and to the underground, giving the information relative to the impending invasion.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield at that point?

Mr. WOODRUM of Virginia. I cannot yield.

Mr. DWORSHAK. I submit there is a misrepresentation. I am not taking any money away from that $48,000,000.

Mr. WOODRUM of Virginia. I know, but the gentleman is trying to reduce the emergency fund by $5,000,000 and our committee has already reduced it $6,000,000. We took $4,500,000 from the emergency fund, took $1,000,000 from general funds, and took $245,000 from the domestic branch of O. W. I.

Mr. Chairman, it would be taking a great chance to cut this any further than it has been cut and I want to appeal to the Committee and to the House to back the deliberate ultimate judgment, the considered judgment of the deficiency subcommittee which brings this item to you as a vital critical war necessity.

The CHAIRMAN. The time of the gentleman from Virginia has expired; all time has expired.

The question is on the amendment offered by the gentleman from Idaho.

The question was taken; and on a division (demanded by Mr. DWORSHAK) there were—ayes 69, noes 121.

So the amendment was rejected.

The Clerk read as follows:

The appropriation herein made for the Office of War Information shall constitute the total amount to be available for obligation by such agency during the fiscal year 1945 and shall not be supplemented by funds from any source except by reverse lend-lease.

Mr. MILLER of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope that when the Tarver amendment reaches the floor of the House for a roll-call vote that it will be defeated.

I will not take the balance of my 5 minutes at this time but ask unanimous consent to revise and extend my own remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

(By unanimous consent, the pro forma amendment was withdrawn.)

The Clerk read as follows:

WAR PRODUCTION BOARD

Salaries and expenses: For all necessary expenses of the War Production Board, including salary of the chairman at $15,000 per annum, and salaries of six vice chairmen or principal officials at $10,000 per annum each; the employment of aliens; the employment of expert witnesses; not to exceed $20,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to the civil-service or classification laws; not to exceed $5,000 for entertainment of officials of other countries when specifically authorized or approved by the Chairman; reimbursement at not to exceed 3 cents per mile, of employees for expenses incurred by them in performance of official travel in privately owned automobiles within the limits of their official stations; not to exceed $4,625,000 for travel expenses, including travel to and from their homes or regular places of business in accordance with the Standardized Travel Regulations, including travel in privately owned automobile (and including per diem in lieu of subsistence at place of employment) of persons employed intermittently away from their homes or regular places of business as compliance commissioners and receiving compensation on a per diem when actually employed basis; not to exceed $1,217,000 for printing and binding; not to exceed $4,500,000 for scientific research on materials, material substitutes, and other subjects related to the functions of the Board, without regard to section 3648, Revised Statutes; and the rental, maintenance and operation of one airplane; $67,500,000: *Provided*, That the requirement in section 301 of the Treasury and Post Office Departments Appropriation Act, 1943, and in section 201 (a) of the Independent Offices Appropriation Act, 1944, that the payment of expenses of travel of employees on transfer from one official station to another must be authorized in the order directing the transfer is hereby waived with respect to such travel performed, with the approval of the Chairman of the Board, or his designee, in the fiscal year 1943, and in the fiscal year 1944 prior to November 1, 1943.

Mr. KEEFE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEEFE: Page 22, line 6, strike out "$67,500,000" and insert $66,839,300"; and after the period in line 16 insert the following: "*Provided*, That none of the funds herein provided shall be expended for the purpose of paying any salaries or expenses in establishing, operating, or maintaining a labor production office."

Mr. KEEFE. Mr. Chairman, I addressed the Committee this afternoon upon this subject. I shall not detain the Committee at length in connection with this amendment now.

The purpose of this amendment is to remove from the War Production Board appropriation $600,700 which is asked for to carry on the activities of a labor production office in the War Production Board.

I attempted to demonstrate this afternoon that this agency in the War Production Board is a complete duplication of the regular established agencies in the Department of Labor.

My purpose in offering the amendment is to try to protect and guarantee the integrity of the agency of Government that has been set up to handle labor problems, which is the Department of Labor. The purpose of the amendment is to protect the Wage Adjustment Board in the Department of Labor. The purpose of the amendment is to protect the Conciliation Service in the Department of Labor. The purpose of the amendment is to protect other agencies in the Department of Labor whose work is being duplicated, impinged on, and interfered with by a competing and duplicating agency set up in the War Production Board.

Mr. Chairman, the Members may get tired, they may think this is the usual perfunctory amendment, but may I say

now that here is an opportunity to save six-hundred-odd-thousand dollars by doing away with an agency that makes absolutely no contribution to the war effort but simply provides a lot of jobs for people to interfere with and duplicate the work of an established agency of Government, the Department of Labor.

Mr. ANDERSON of New Mexico. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from New Mexico.

Mr. ANDERSON of New Mexico. Would not the gentleman say also that more important than the saving of money is the building up of the standard of Dr. Steelman's office and not having a competing organization built up against him?

Mr. KEEFE. I think the gentleman from New Mexico is absolutely right. This matter has been given some consideration by those who are familiar with it. The gentleman who just addressed the House, a member of the subcommittee that has charge of the Labor appropriation bill, knows that I am absolutely right in this situation. Anyone else who is familiar with the facts must know that if we are to stop this expenditure of public money, here is one crystal-clear opportunity to do it.

Mr. COCHRAN. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. COCHRAN. During the hearings on the bill that the gentleman refers to was it clearly brought out that this branch of the War Production Board was duplicating the work of an agency of the Department of Labor?

Mr. KEEFE. The hearings I referred to, which are the hearings conducted by the Subcommittee on Labor and Social Security makes that conclusion inevitable.

Mr. COCHRAN. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this amendment close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chaiman, I rise in opposition to the amendment offered by the gentleman from Wiscosin [Mr. KEEFE].

Mr. Chairman, everyone knows that some overlapping is bound to occur in a department connected with labor production in this emergency. I have talked with Mr. Steelman today and he advises me that since Mr. Keenan has been in charge of the Office of Labor Production he has worked with Mr. Keenan harmoniously and for the benefit of both. They have worked out a cooperative understanding and arrangement whereby they are responsible for conciliation work. Mr. Steelman in his conciliation department, and Mr. Keenan and his staff in labor production and other special problems entirely apart from conciliation work in the Labor Department. I think most of you gentleman know that I would not take anything away from the Labor Department that belonged properly there.

There is complete cooperation between these two agencies and no overlapping. I note on pages 690 and 691 of the hearings when Mr. Keenan was before the subcommittee and was asked about this overlapping he testified as follows:

> I considered this question, which has been suggested here today, very fully when I became head of the Office of Labor Production and I determined that we would not duplicate the work of any other agencies that were concerned with labor problems. I thereupon began discussions with the Department of Labor, the War Manpower Commission, and other agencies, to work out mutually satisfactory operations that would not involve duplication. For the record I am submitting a list of the agreements that were made with these agencies.

Then a list of the agreements with other agencies follows, on page 691 of the hearings, after which Mr. Keenan testified as follows:

> Mr. KEENAN. As to what we have found in the Labor Department, at the last hearing a year ago, there were some complaints about our overlapping with the Conciliation Service and some of the other functions of the Labor Department. We met with the Secretary of Labor and straightened it out. Our job is entirely confined to war production. Most of the work that we have is before anything happens. We are in production mainly, and if we find that there is dissatisfaction in the plant we go in and try to find out what the dissatisfaction is and start to straighten it out so we can increase production. We are building up a relationship between labor and management. I know that you know that many of these plants have just been organized in the last 3 or 4 years and they have not had much experience. There is generally a barrier between the two and we have been trying to get them to work together to increase production.

Mr. Chairman, I sincerely hope that the amendment offered by the gentleman from Wisconsin [Mr. KEEFE], will be defeated.

The CHAIRMAN. The time of the gentlewoman from New Jersey has expired.

The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, may I earnestly solicit the attention of every member of this Committee? This is the most devastating amendment that has yet been offered or that will be offered to this bill. It is a proposition of the most serious import. I doubt whether many members of the Committee realize what disastrous effects would follow the adoption of such an amendment. It is aimed directly at production; it is potentially a handicap to production in every factory in the United States.

Mr. Chairman, this war is a war of production. We are winning and we are going to win simply because we have outproduced the enemy nations.

This amendment proposes to strike out the entire labor section of the War Production Board. It eliminates every labor administrative activity of the Board. It strikes out the administrative leadership of 6,000 of the labor-management committees. This is not a mere political amendment. It strikes at the heart of essential war production. If this provision should go out it would peril the production schedule of every war plant in the United States. The function of this section, which this amendment strikes out, is a function second to none. It keeps friction down and it keeps production up.

Let me read just one paragraph from the hearing in proof of what this amendment may be expected to do. Here is the testimony before the committee, and I hope you later read it yourself. You are dealing here with perhaps the most serious question that has come before the committee in the 2 days we have devoted to the consideration of this bill. Here it is. Mr. Keenan said:

> I know of a particular case that we worked on in Republic Steel where for a year they were getting 450 or 500 tons of plate, and suddenly it dropped to 325 tons. We found out what was wrong and after working together with management and a man from the War Production Board we found where the difficulty was and got production up again. That is a job that a man from the conciliation service never could have gotten into.

That is the possible situation in every factory in the United States. You are running the risk of cutting down production at the most critical period of the war. Our armed forces are now asking for more armaments; for more ordnance. They are asking for heavier field guns. They are asking for vast supplies of additional munitions. The request came only yesterday. They need more planes. They must have these supplies. The factories must produce them. We are burning up planes over there at a rate which few fully realize.

I sincerely hope the Committee will consider seriously this far-reaching amendment. It should be voted down.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Missouri.

Mr. COCHRAN. As presented by the gentleman from Wisconsin [Mr. KEEFE], he developed an argument to show that there was duplication. As presented by the gentlewoman from New Jersey, and the gentleman from Missouri, there is absolutely no duplication.

Mr. CANNON of Missouri. There can be no duplication.

Mr. COCHRAN. I agree with the gentleman and I think the amendment should be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was rejected.

The Clerk read as follows:

WAR SHIPPING ADMINISTRATION

War Shipping Administration, revolving fund: To increase the War Shipping Administration revolving fund, $450,000,000, which amount together with other funds heretofore or hereafter made available to such revolving fund, shall be available for carrying on all the activities and functions of the War Shipping Administration (not provided for under other appropriations made to said Administration), under Executive order of Feb-

ruary 7, 1942 (7 F. R. 837), and heretofore or hereafter lawfully vested in such Administration, including costs incidental to the acquisition, operation, loading, discharging, and use of vessels transferred for use of any department or agency of the United States, for carrying out the provisions of Executive Order No. 9112 of March 26, 1942, and for all administrative expenses (not to exceed $14,500,000 in the fiscal year 1945), including the employment and compensation of persons in the District of Columbia and elsewhere, such employment and compensation to be in accordance with laws applicable to the employment and compensation of persons by the United States Maritime Commission except section 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1985); expenses of attendance, when specifically authorized by the Administrator, at meetings concerned with the work of the Administration; actual transportation and other necessary expenses and not to exceed $25 per diem in lieu of subsistence of persons serving while away from their permanent homes or regular places of business in an advisory capacity to or employed by the Administration without other compensation from the United States or at $1 per annum; printing and binding; lawbooks, books of reference, periodicals and newspapers; teletype services; purchase, maintenance, repair, rental in foreign countries, and operation of passenger-carrying automobiles; travel expenses, including transportation of effects under regulations prescribed by the Administrator, of employees from their homes to their first post of duty in a foreign country; rent, including heat, light, and power, outside the District of Columbia; necessary advance payments in foreign countries; and the employment, on a contract or fee basis, of persons, firms, or corporations for the performance of special services, including legal services, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws: *Provided*, That when vessels are transferred or assigned permanently by the War Shipping Administrator to other departments or agencies of the United States Government for operation by them, funds for the operation, loading, discharging, repairs, and alterations, or other use of such vessels may be transferred from this fund to the applicable appropriations of the department or agency concerned in such amounts as may be approved by the Director of the Bureau of the Budget: *Provided further*, That the Secretary of the Treasury is hereby authorized and directed to transfer the sum of $100,000,000 from the marine and war risk insurance fund to the War Shipping Administration revolving fund.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. HOFFMAN. Mr. Chairman, under the rules of the House, permission having been previously granted, I have permission to revise and extend my remarks or I can follow a course which is often followed of stating in the RECORD that they will appear later. However, I believe in direct action on all occasions, and at this time I ask unanimous consent that I may omit from the RECORD the remarks made earlier in the day.

The CHAIRMAN. That permission will have to be obtained in the House and not in the Committee of the Whole.

The Clerk concluded the reading of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

Mr. MARCANTONIO. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. MARCANTONIO. Mr. Speaker, I demand tellers.

Tellers were ordered, and the Speaker appointed as tellers Mr. TARVER and Mr. CANNON of Missouri.

The House divided; and the tellers reported that there were—ayes 119, noes 123.

So the amendment was rejected.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. KEEFE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. KEEFE. I am, Mr. Speaker.

The Clerk read as follows:

Mr. KEEFE of Wisconsin moves to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith with the following amendment: "Reduce W. P. B. $600,000."

Mr. CANNON of Missouri. I move the previous question, Mr. Speaker.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. CANNON of Missouri. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 247, nays 58, not voting 123, as follows:

[Roll No. 72]

YEAS—247

Andersen, H. Carl	Bates, Ky.	Butler
Anderson, Calif.	Bates, Mass.	Byrne
Anderson, N. Mex.	Bender	Canfield
Andresen, August H.	Bennett, Mich.	Cannon, Mo.
Angell	Bennett, Mo.	Carlson, Kans.
Arends	Bishop	Carrier
Arnold	Blackney	Carter
Auchincloss	Bloom	Case
Baldwin, Md.	Bradley, Mich.	Celler
Baldwin, N. Y.	Bradley, Pa.	Chapman
Barrett	Brown, Ohio	Chenoweth
	Buffett	Chiperfield
	Burchill, N. Y.	Church
	Busbey	Clark
	Clevenger	Horan
	Cochran	Howell
	Coffee	Izac
	Cole, Mo.	Jennings
	Cooley	Jensen
	Cooper	Johnson, Anton J.
	Courtney	Johnson, Ind.
	Crawford	Johnson, J. Leroy
	Crosser	Johnson, Luther A.
	Cunningham	Johnson, Ward
	Curtis	Jonkman
	D'Alesandro	Judd
	Davis	Kean
	Dawson	Kee
	Day	Kefauver
	Dewey	Kelley
	Dickstein	Kilday
	Dilweg	Kirwan
	Dingell	Klein
	Dondero	LaFollette
	Dworshak	Lambertson
	Eberharter	Landis
	Elliott	Lane
	Ellis	Lea
	Ellison, Md.	LeCompte
	Ellsworth	LeFevre
	Elmer	Lemke
	Elston, Ohio	Lesinski
	Engel, Mich.	Luce
	Engle, Calif.	Ludlow
	Fay	McConnell
	Feighan	McCord
	Fellows	McCormack
	Fenton	McCowen
	Fitzpatrick	McGregor
	Flannagan	McMurray
	Fogarty	Maas
	Forand	Madden
	Ford	Magnuson
	Gale	Maloney
	Gamble	Mansfield, Mont.
	Gifford	Mansfield, Tex.
	Gillespie	Marcantonio
	Gillette	May
	Gillie	Michener
	Goodwin	Miller, Conn.
	Gordon	Miller, Mo.
	Gore	Miller, Nebr.
	Gorski	Miller, Pa.
	Graham	Mills
	Gregory	Monroney
	Gross	Mott
	Gwynne	Mruk
	Hale	Mundt
	Hall, Edwin Arthur	Murdock
	Hall, Leonard W.	Murphy
	Halleck	Murray, Tenn.
	Hancock	Murray, Wis.
	Harness, Ind.	Myers
	Hart	Norman
	Hays	Norton
	Herter	O'Brien, Ill.
	Hess	O'Brien, Mich.
	Hill	O'Brien, N. Y.
	Hoch	O'Hara
	Hoeven	O'Neal
	Hoffman	Outland
	Holifield	Phillips
	Holmes, Wash.	Pittenger
	Hope	Ploeser
		Plumley
		Poulson
		Pratt, Joseph M.
		Priest
		Rabaut
		Ramey
		Reece, Tenn.
		Reed, Ill.
		Reed, N. Y.
		Rockwell
		Rogers, Mass.
		Rohrbough
		Rolph
		Rowan
		Rowe
		Sabath
		Sadowski
		Sasscer
		Sauthoff
		Scanlon
		Schiffler
		Schwabe
		Scott
		Sheppard
		Sheridan
		Simpson, Ill.
		Simpson, Pa.
		Slaughter
		Smith, Ohio
		Smith, W. Va.
		Somers, N. Y.
		Spence
		Springer
		Stanley
		Stefan
		Stevenson
		Stewart
		Stigler
		Stockman
		Sullivan
		Sumner, Ill.
		Sundstrom
		Taber
		Talle
		Tarver
		Thomas, N. J.
		Thomason
		Tibbott
		Tolan
		Torrens
		Voorhis, Calif.
		Vorys, Ohio
		Walter
		Weichel, Ohio
		Welch
		Wene
		White
		Whittington
		Wickersham
		Wigglesworth
		Willey
		Wilson
		Wolcott
		Wolverton, N. J.
		Woodruff, Mich.
		Woodrum, Va.
		Wright
		Zimmerman

NAYS—58

Abernethy	Harris, Ark.	Ramspeck
Allen, La.	Hendricks	Rankin
Beckworth	Hobbs	Richards
Bland	Jarman	Rivers
Brooks	Keefe	Rizley
Brown, Ga.	Kleberg	Russell
Bryson	Lanham	Satterfield
Burch, Va.	McGehee	Short
Camp	McKenzie	Sikes
Colmer	McMillan	Smith, Va.
Cox	McWilliams	Sparkman
Cravens	Mahon	Starnes, Ala.
Drewry	Norrell	Thomas, Tex.
Fisher	O'Konski	West
Fulmer	Pace	Whitten
Gathings	Patman	Winstead
Gibson	Peterson, Fla.	Winter
Gossett	Peterson, Ga.	Worley
Grant, Ala.	Poage	
Hare	Price	

NOT VOTING—123

Allen, Ill.	Bonner	Burgin
Andrews, Ala.	Boren	Cannon, Fla.
Andrews, N. Y.	Boykin	Capozzoli
Barden	Brehm	Carson, Ohio
Barry	Brumbaugh	Clason
Beall	Buckley	Cole, N. Y.
Bell	Bulwinkle	Compton
Bolton	Burdick	Costello

Curley	Jackson	Patton
Delaney	Jeffrey	Pfeifer
Dies	Jenkins	Philbin
Dirksen	Johnson,	Powers
Disney	Calvin D.	Pracht,
Doughton	Johnson,	C. Frederick
Douglas	Lyndon B.	Randolph
Durham	Johnson, Okla.	Rees, Kans.
Eaton	Jones	Robertson
Fernandez	Kearney	Robinson, Utah
Fish	Kennedy	Robsion, Ky.
Folger	Keogh	Rodgers, Pa.
Fulbright	Kerr	Scrivner
Fuller	Kilburn	Shafer
Furlong	King	Smith, Maine
Gallagher	Kinzer	Smith, Wis.
Gavin	Knutson	Snyder
Gearhart	Kunkel	Stearns, N. H.
Gerlach	Larcade	Sumners, Tex.
Gilchrist	Lewis	Talbot
Granger	Lynch	Taylor
Grant, Ind.	McLean	Towe
Green	Manasco	Treadway
Griffiths	Martin, Iowa	Troutman
Hagen	Martin, Mass.	Vincent, Ky.
Harless, Ariz.	Mason	Vinson, Ga.
Harris, Va.	Merritt	Vursell
Hartley	Merrow	Wadsworth
Hébert	Monkiewicz	Ward
Heffernan	Morrison, La.	Wasielewski
Heidinger	Morrison, N. C.	Weaver
Hinshaw	Newsome	Weiss
Holmes, Mass.	O'Connor	Whelchel, Ga.
Hull	O'Toole	Wolfenden, Pa.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Grant of Indiana for, with Mr. Robertson against.

Mr. Gavin for, with Mr. Harris of Virginia against.

General pairs:

Mr. Doughton with Mr. Knutson.

Mr. Vincent of Kentucky with Mr. Carson of Ohio.

Mr. Keogh with Mr. Martin of Massachusetts.

Mr. Hébert with Mr. Dirksen.

Mr. Barry with Mr. Rodgers of Pennsylvania.

Mr. Randolph with Mrs. Smith of Maine.

Mr. Kennedy with Mr. Allen of Illinois.

Mr. King with Mr. Shafer.

Mr. Delaney with Mr. Holmes of Massachusetts.

Mr. Vinson of Georgia with Mr. Jenkins.

Mr. Merritt with Mr. Taylor.

Mr. Fernandez with Mr. Lewis.

Mr. Buckley with Mr. Jones.

Mr. O'Connor with Mr. Clason.

Mr. Capozzoli with Mr. Scrivner.

Mr. Sumners of Texas with Mr. Fuller.

Mr. Pfeifer with Mr. Griffiths.

Mr. Manasco with Mr. Eaton.

Mr. O'Toole with Mr. Douglas.

Mr. Costello with Mr. Monkiewicz.

Mr. Heffernan with Mrs. Bolton.

Mr. Green with Mr. Martin of Iowa.

Mr. Patton with Mr. Wolfenden of Pennsylvania.

Mr. Morrison of Louisiana with Mr. Cole of New York.

Mr. Burgin with Mr. Mason.

Mr. Curley with Mr. Vursell.

Mr. Bulwinkle with Mr. Towe.

Mr. Philbin with Mr. Calvin D. Johnson.

Mr. Larcade with Mr. Smith of Wisconsin.

Mr. Newsome with Mr. Jeffrey.

Mr. Whelchel of Georgia with Mr. Hartley.

Mr. Weaver with Mr. Robsion of Kentucky.

Mr. Bell with Mr. Gilchrist.

Mr. Folger with Mr. Rees of Kansas.

Mr. Fulbright with Mr. Powers.

Mr. Furlong with Mr. Burdick.

Mr. Wasielewski with Mr. Kilburn.

Mr. Barden with Mr. Brehm.

Mr. Cannon of Florida with Mr. Kinzer.

Mr. Durham with Mr. Treadway.

Mr. Granger with Mr. Kunkel.

Mr. Johnson of Oklahoma with Mr. Talbot.

Mr. Jackson with Mr. Fish.

Mr. Dies with Mr. Troutman.

Mr. Boren with Mr. Hagen.

Mr. DAVIS changed his vote from no to aye.

The result of the vote was announced as above recorded.

On motion of Mr. CANNON of Missouri, a motion to reconsider the vote by which the bill was passed and lay that motion on the table was agreed to.

GENERAL LEAVE TO EXTEND

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to extend their own remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

INVESTIGATION BY COMMITTEE ON LABOR

Mr. SABATH, from the Committee on Rules, submitted the following resolution (H. Res. 230, Rept. No. 1524) authorizing the Committee on Labor to conduct and investigate the extent and character of aid now given by the Federal, State, and local governments and private agencies to the physically handicapped, and for other purposes which was refered to the House Calendar and ordered printed:

Resolved, That the Committee on Labor, acting as a whole or by subcommittee or subcommittees appointed by the chairman of said committee, is authorized and directed (1) to conduct thorough studies and investigation of the extent and character of aid now given by the Federal, State, and local governments and private agencies to the physically handicapped, (2) to study and investigate the diffusion within the United States of such aid to the physically handicapped, (3) employment opportunities for the physically handicapped, and all other questions in relation thereto which would aid the Congress in any necessary remedial legislation.

The said committee or any subcommittee is authorized to obtain and use for statistical purposes only, confidential information (1) from the record of the Selective Service System, (2) records from the War Manpower Commission and (3) from the records of the Bureau of the Census subject to the restrictions of 46 Statutes at Large 25, section 11 (U. S. C. 13: 211).

For the purposes of this resolution, the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed or has adjourned, to hold hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpena or otherwise, and to take such testimony and records as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or subcommittee, or by any person designated by him, and shall be served by such person or persons as the chairman of the committee or subcommittee may designate. The chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses.

That the said committee shall report to the House of Representatives during the present Congress the results of their studies, inquiries, and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend the remarks I made in the committee today and to include therein certain extracts from the hearings and from the report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

Mr. BATES of Kentucky, from the Committee on Rules, submitted the following report (No. 1523), which was referred to the House Calendar and ordered to be printed:

The Committee on Rules, having had under consideration House Resolution 551, reports the same to the House with the recommendation that the resolution do pass with the following amendment:

"Page 1, line 1, after the word "Resolved", strike out all the language thereafter, and insert in lieu thereof the following:

"That a special committee of seven members be appointed by the Speaker of the House of Representatives to investigate and report to the House not later than January 3, 1945, with respect to the following matters:

"1. The extent and nature of expenditures made by all candidates for the House of Representatives in connection with their campaign for nomination and election to such office.

"2. The amounts subscribed and contributed, and the value of services rendered, and facilities made available (including personal services, use of advertising space, radio time, office space, moving-picture films, and automobile and other transportation facilities) by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, to or on behalf of each such candidate in connection with any such campaign or for the purpose of influencing the votes cast or to be cast at any convention or election held in 1944 to which a candidate for the House of Representatives is to be nominated or elected.

"3. The use of any other means or influence (including the promise or use of patronage) for the purpose of aiding or influencing the nomination or election of any such candidates.

"4. The amounts, if any, raised, contributed, and expended by any corporation or labor organization, including any political committee thereof, in connection with any such election, and the amounts received by any political committee from any corporation or labor union.

"5. The violations, if any, of the following statutes of the United States:

"(a) The Federal Corrupt Practices Act.

"(b) Title 18, sections 61 to 61t, inclusive, United States Code, 1940 edition, relating to pernicious political activities, commonly referred to as the Hatch Act.

"(c) The provisions of section 9, Public Law 89, Seventy-eighth Congress, chapter 144, first session, referred to as the War Labor Disputes Act.

"(d) Any statute or legislative act of the United States or of the State within which a candidate is seeking nomination or reelection to the House of Representatives, the violation of which Federal or State statute, or statutes, would affect the qualification of a Member of the House of Representatives within the meaning of article I, section 5, of the Constitution of the United States.

"6. Such other matters relating to the election of President, Vice President, and Members of the House of Representatives in 1944, and the campaigns of candidates in connection therewith, as the committee deems to be of public interest, and which in its opinion will aid the House of Representatives in enacting remedial legislation, or in deciding any contests that may be instituted involv-

ing the right to a seat in the House of Representatives.

"7. The committee is authorized to act upon its own motion and upon such information as in its judgment may be reasonable or reliable. Upon complaint being made to the committee under oath, by any person, candidate, or political committee, setting forth allegations as to facts which, under this resolution, it would be the duty of said committee to investigate, the committee shall investigate such charges as fully as though it were acting upon its own motion, unless, after a hearing upon such complaint, the committee shall find that the allegations in such complaint are immaterial or untrue. All hearings before the committee, and before any duly authorized subcommittee thereof, shall be public, and all orders and decisions of the committee, and of any such subcommittee shall be public.

"For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such public hearings, to sit and act as such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth Congress, to employ such attorneys, experts, clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee shall be paid from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee or the chairman of any duly authorized subcommittee thereof and approved by the Committee on Accounts.

"8. The committee, or any duly authorized subcommittee thereof, may authorize any one or more persons to conduct on behalf of the committee any part of the investigation herein provided for, and for such purpose any person so authorized may hold such public hearings, issue such subpenas, and provide for the service thereof, require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony, as the committee or any such duly authorized subcommittee, may from time to time authorize. Every person, who having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties prescribed by law.

"That said committee is authorized and directed to file interim reports whenever in the judgment of the majority of the committee, or of a subcommittee conducting portions of said investigation, the public interest will be best served by the filing of said interim reports, and in no event shall the final report of said committee be filed later than January 3, 1945, as hereinabove provided."

CONTROL AND ERADICATION OF CERTAIN ANIMAL AND PLANT PESTS AND DISEASES

Mr. FLANNAGAN submitted a conference report and statement on the bill (H. R. 4278) to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

INTERNATIONAL MONETARY CONFERENCE

Mr. SMITH of Ohio. Mr. Speaker, I understand that President Roosevelt has finally called an international conference to perfect the Keynes-Morgenthau scheme to give away to foreign countries a large portion of our stock pile of gold that is now stored at Fort Knox; to hand over to an international body the power to regulate the value of our dollar and to surrender to that body other sovereign powers which we now hold.

This conference is to be held in a secluded spot in the north part of New Hampshire called Breton Woods beginning July 1 and extending over a period of several weeks.

I shall again warn the American people of the dire peril to our Nation that is involved in this movement.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent that in connection with the remarks I made today I might include therein a short editorial from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. COFFEE]?

There was no objection.

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a synopsis of the soldiers' voting act as passed by the State of Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. KUNKEL]?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address by Mr. F. A. Banks, Regional Director, Bureau of Reclamation.

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. DWORSHAK]?

There was no objection.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial from the Philadelphia Inquirer.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SCOTT]?

There was no objection.

Mr. TABER. Mr. Speaker, on behalf of the gentleman from Maryland [Mr. BEALL], I ask unanimous consent that he may be permitted to extend his own remarks in the RECORD and to include therein an editorial from the Cumberland News, Cumberland, Md., of May 24, 1944, and also on behalf of the gentleman from Maryland [Mr. BEALL] I ask unanimous consent that he may be given permission to extend his own remarks in the RECORD and include an address given by the gentleman from Illinois [Mr. DIRKSEN] as the keynote address at the Maryland State Republican Convention, Baltimore, Md., May 23, 1944.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

PERMISSION TO EXPUNGE REMARKS

Mr. TABER. Mr. Speaker, on behalf of the gentleman from Michigan [Mr. HOFFMAN] I ask unanimous consent that he may be permitted to expunge certain remarks he made this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

Mr. BRADLEY of Pennsylvania. Mr. Speaker, reserving the right to object, the gentleman from Michigan is continually making intemperate statements on the floor of the House and I think it would be much better if he would do a little mature thinking before he indulges in these intemperate remarks continuously. We would then not have to go through the process of taking his remarks from the RECORD. I do not see the gentleman from Michigan himself present to make the request and I would prefer that it come from him.

The SPEAKER. The Chair may say that the gentleman from Michigan did request the gentleman from New York to make the request for him. He attempted to do it in the Committee of the Whole but he could not do it.

Is there objection to the request of the gentleman from New York [Mr. TABER]?

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend the remarks which I made in the Committee of the Whole House on the state of the Union and to include therein a list of the personnel of the Fair Employment Practice Committee, and also to include some editorials and newspaper clippings from certain Texas papers.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in Committee of the Whole today and to include therein a list of employees of the Fair Employment Practice Committee and also to include a memorandum from the Civil Service Commission showing the comparative salaries of the Fair Employment Practice Committee and other Government employees.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. PETERSON]?

There was no objection.

Mr. MURPHY. Mr. Speaker, I ask unanimous consent on behalf of our

distinguished majority leader the gentleman from Massachusetts [Mr. McCORMACK] that there be inserted in the Appendix of the RECORD a letter from Chester Bowles addressed to the Honorable JOHN W. McCORMACK, and another letter. I also ask unanimous consent that I may insert in the RECORD a statement by Elmer Davis, Director, Office of War Information, in connection with the debate on the floor in reference to the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania, [Mr. MURPHY]?

There was no objection.

PERMISSION TO EXPUNGE REMARKS

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I desire to withdraw my objection to the request just made by the gentleman from New York [Mr. TABER] because of the intercession of various Members of the House.

The SPEAKER. Does the gentleman from New York [Mr. TABER] renew his request?

Mr. TABER. Yes, Mr. Speaker; I renew the request on behalf of the gentleman from Michigan [Mr. HOFFMAN], that he may be permitted to expunge certain remarks that he made this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that certain remarks I made this afternoon be expunged from the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

Mr. MURPHY. Mr. Speaker, I ask unanimous consent that the remarks I made following the gentleman from Michigan be expunged from the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania, [Mr. MURPHY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on June 7 I may be permitted to address the House for 30 minutes after disposition of business on the Speaker's table, and at the conclusion of any special orders that may have been heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to insert in the RECORD an article by James Morgan which appeared in the Boston Sunday Globe, Boston, Mass., under date of December 19, 1943, and I also ask unanimous consent to insert in the Appendix of the RECORD an editorial that appeared in the Lawrence Evening Tribune, Lawrence, Mass., under date of May 24, 1944.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts, [Mr. LANE]?

There was no objection.

ATTITUDE OF CIVIL AERONAUTICS BOARD IN RE STEAMSHIP PARTICIPATION IN AERONAUTICS

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes at this time and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

There was no objection.

Mr. LANE. Mr. Speaker, it has been suggested recently that Congress has been misinformed as to the attitude of the Civil Aeronautics Board upon the most important problem of steamship participation in aeronautics. The undeniable conviction of that administrative agency which controls the destiny of American commercial air power, precluding as it does the maritime industry from rights in international aviation unless a steamship company applicant for a certificate of convenience and necessity can overcome an alleged presumption that Congress wishes aviation rigidly restricted to aviation companies, has led to a particular factual situation which is surprising and unfortunate, both from the standpoint of our foreign commerce, and our national security.

On December 19, 1940, an American steamship company filed an application for the right to use the air and to fly planes to the Caribbean as an integral part of its steamship company business. The Civil Aeronautics Board, after approximately 4 years, was about to hold a hearing on this application and set June 1, 1944, for the date of exchange of exhibits between the parties in interest. The docket number of this particular case is 525 and there are three or four steamship companies seeking aviation rights to the Caribbean area in this proceeding. About a week ago the Civil Aeronautics Board again postponed the date of the exchange of exhibits and once again the right of the steamship companies to be heard upon this vital deterrent to the prosperity of the maritime industry has been procrastinated. The Civil Aeronautics Board has not only stated that steamship company participation in aviation should be rigidly restricted, but it has prevented steamship companies the right to be heard on their applications in the instant case since December 19, 1940.

The intent and purpose of the Civil Aeronautics Act of 1938, as amended, as stated in the congressional declaration of policy therein, has been frustrated by the apparent refusal of the Civil Aeronautics Board to grant a hearing on this steamship application filed in 1940.

Section 401 of the Civil Aeronautics Act states:

> Upon the filing of any such application, the Authority shall give due notice thereof to the public by posting a notice of such application in the office of the secretary of the Authority and to such other persons as the Authority may by regulation determine. Any interested person may file with the Authority a protest or memorandum of opposition to or in support of the issuance of a certificate. Such application shall be set for public hearing, and the Authority shall dispose of such application as speedily as possible.

The least the Civil Aeronautics Board can do in this important national and international problem is to give the steamship companies their day in court. The provisions of the congressional mandate in this regard are mandatory, not discretionary.

There is an interesting comparison to be drawn between the treatment received by American maritime interests seeking aviation rights and the Royal Dutch Air Lines.

On May 1, 1943, as a result of an application filed by the Royal Dutch Air Lines—K. L. M.—a foreign air line, for a temporary certificate of convenience and necessity, the Civil Aeronautics Board granted this foreign company a temporary permit to engage in foreign air transportation with respect to persons, property, and mail between the terminal point Willemstad (Curaçao), Netherlands West Indies, and the terminal point Miami, Fla., via the intermediate points Kingston, Jamaica; Port-au-Prince, Haiti; Camaguey, Cuba; Habana, Cuba; and Oranjestad—Aruba—Netherlands West Indies. This area permitted to K. L. M. is the area within which American steamship companies have been requesting rights since 1940. L. Welch Pogue, chairman of the Civil Aeronautics Board, in testifying on this matter before the Committee on the Merchant Marine and Fisheries of the House on January 26, 1944, stated:

> I am glad to explain the facts on the K. L. M. service. We did not issue them a certificate; we issued them a permit. It is a temporary wartime permit originally issued for 6 months because of a very heavy congestion of traffic in the Caribbean area, subject to renewal for a period of 3 months, and in no event to extend more than 6 months after the end of the war. That permit was issued because of the very great congestion down there, the loss of shipping facilities in the Caribbean, and the shortage of equipment of our own lines which, as you know, is very acute.

K. L. M. was granted rights which American shipping interests had sought 3 years previously. K. L. M. is now advertising its service to the Caribbean in American newspapers. The published advertisements do not make pleasant reading to the maritime industry of America which has not been able to obtain a hearing, let alone a certificate of convenience and necessity.

K. L. M., reportedly owned by foreign shipping interests, operating an air line from Miami to South America, has obtained from an agency of this Government, valuable rights in aviation which have been deprived our own citizens. Sometimes the workings of our Government are inexplicable. Are the magnificent ports of Boston, New York, New Orleans, and San Francisco built by steamship companies through foreign commerce to be open only to foreign steamship air-transportation interests?

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. VINCENT of Kentucky (at the request of Mr. CHAPMAN), indefinitely, on account of serious illness in his family.

To Mrs. SMITH of Maine, for the 26th and 27th of May, on account of official business.

To Mr. WEISS (at the request of Mr. EBERHARTER), indefinitely, on account of official business.

To Mr. SMITH of Wisconsin (at the re-request of Mr. MURRAY of Wisconsin), until May 30, on account of official business.

To Mr. LYNCH, for May 27, on account of death of relative.

To Mr. LARCADE, for 4 days, on account of official business.

Mr. STEWART. Mr. Speaker, I ask unanimous consent that I may have leave of absence for 1 week.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. STEWART]?

There was no objection.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 198. An act to amend further section 2 of the Civil Service Retirement Act approved May 29, 1930, as amended; to the Committee on the Civil Service.

S. 267. An act relating to marriage and divorce among members of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians; to the Committee on Indian Affairs.

S. 338. An act for the relief of the Indians of the Fort Berthold Reservation in North Dakota; to the Committee on Indian Affairs.

S. 873. An act to provide for the disposition of tribal funds of the Minnesota Chippewa Tribes of Indians; to the Committee on Indian Affairs.

S. 1093. An act for the relief of Fermin Salas; to the Committee on Claims.

S. 1240. An act to amend the act of December 24, 1942 (56 Stat. 1080), relating to estates of certain deceased Indians of the Five Civilized Tribes in Oklahoma; to the Committee on Indian Affairs.

S. 1451. An act to amend the act entitled "An act for the confirmation of the title to the Saline Lands in Jackson County, State of Illinois, to D. H. Brush, and others," approved March 2, 1861; to the Committee on Public Lands and Surveys.

S. 1453. An act for the relief of the City National Bank Building Co.; to the Committee on Claims.

S. 1461. An act for the relief of Frederick G. Goebel; to the Committee on Claims.

S. 1465. An act for the relief of Dr. A. R. Adams; to the Committee on Claims.

S. 1471. An act for the relief of Mrs. Eugene W. Randall; to the Committee on Claims.

S. 1481. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on Civil Service.

S. 1483. An act for the relief of Marino Bello; to the Committee on Claims.

S. 1501. An act for the relief of the Raw Motor Sales Co.; to the Committee on Claims.

S. 1572. An act for the relief of Frank Robertson; to the Committee on Claims.

S. 1580. An act to authorize the Secretary of the Interior to dispose of certain lands heretofore acquired for the nonreservation Indian boarding school known as Sherman Institute, California; to the Committee on Indian Affairs.

S. 1593. An act for the relief of the heirs and assigns of Widow Cesaire De Blanc; to the Committee on Public Lands and Surveys.

S. 1597. An act to amend section 1, act of June 29, 1940 (54 Stat. 703), for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes; to the Committee on Indian Affairs.

S. 1602. An act authorizing and directing the Secretary of the Interior to issue to Winnie Left Her Behind, a patent in fee to certain land; to the Committee on Indian Affairs.

S. 1605. An act for the relief of Mr. and Mrs. John Borrego; Mr. and Mrs. Joe Silva; the legal guardian of Frank Borrego; the legal guardian of Rueben Silva; and the legal guardian of Rudolph Silva; to the Committee on Claims.

S. 1710. An act to authorize the sale and conveyance of certain property of the estate of Jackson Barnett, deceased Creek Indian; to the Committee on Indian Affairs.

S. 1731. An act for the relief of Helen Halverson; to the Committee on Claims.

S. 1763. An act for the relief of the Square D Co.; to the Committee on Claims.

S. 1782. An act to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes; to the Committee on Irrigation and Reclamation.

S. 1795. An act to amend that portion of the act approved June 30, 1906 (34 Stat. 697, 750), authorizing the settlement of accounts of deceased officers and enlisted men of the Army; to the Committee on Military Affairs.

S. 1809. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps; to the Committee on Military Affairs.

S. 1826. An act to amend section 6 of the act of July 2, 1940 (54 Stat. 714) relating to the exportation of certain commodities, and to continue said act in effect; to the Committee on Military Affairs.

S. 1847. An act to provide for the payment of attorneys' fees from Osage tribal funds; to the Committee on Indian Affairs.

S. 1881. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fire at the naval advance base depot, Port Hueneme, Calif., on January 12, 1944; to the Committee on Claims.

S. 1894. An act to provide for the transportation to their homes of persons discharged from the naval service because of under age at time of enlistment; to the Committee on Naval Affairs.

S. 1934. An act to provide for abandonment of the project authorized in the act of October 17, 1940, for a seaplane channel and basin in Boston Harbor, Mass.; to the Committee on Rivers and Harbors.

S. Con. Res. 43. Concurrent resolution relating to the invitation to the Congress of the United States to send a delegation to visit the British Parliament; to the Committee on Foreign Affairs.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1029. An act to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4646. An act to provide for simplification of the individual income tax; and

H. R. 4793. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 38 minutes p. m.), under its previous order, the House adjourned until Monday, May 29, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the Committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred to as follows:

1577. A letter from the War Shipping Administrator, transmitting the seventh report to Congress by the War Shipping Administration of action taken under section 217 of the Merchant Marine Act of 1936, as amended (Public Law No. 498, 77th Cong.); to the Committee on the Merchant Marine and Fisheries.

1578. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 3750. A bill to provide for the appointment of an additional circuit judge for the third circuit, and to permit the filling of the first vacancy occurring in the office of district judge for the eastern district of Pennsylvania; without amendment (Rept. No. 1518). Referred to the Committee of the Whole House on the state of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 4833. A bill to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; without amendment (Rept.

No. 1519). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 3384. A bill to authorize the Secretary of the Interior to accept property for the Moores Creek National Military Park and for other purposes; without amendment (Rept. No. 1520). Referred to the Committee of the Whole House on the state of the Union.

Mr. CLARK: Committee on Rules. House Resolution 566. Resolution providing for the consideration of H. R. 3442, a bill to amend sections 1, 2, and 3 of the act entitled "An act to punish the willful injury or destruction of war material or of war premises or utilities used in connection with war material and for other purposes," approved April 20, 1918, as amended (40 Stat. 533; U. S. C., title 50, secs. 101, 102, and 103); without amendment (Rept. No. 1517). Referred to the House Calendar.

Mr. BATES of Kentucky: Committee on Rules. House Resolution 551. Resolution providing for the appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various candidates for the House of Representatives, and for other purposes; with amendment (Rept. No. 1523). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 230. Resolution authorizing the Committee on Labor to conduct and investigate the extent and character of aid now given by the Federal, State, and local governments and private agencies to the physically handicapped, and for other purposes; without amendment (Rept. No. 1524). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN of New York:

H. R. 4890. A bill to provide for the display in the lobbies of post offices of placards containing certain information with respect to the legislative representatives of the people; to the Committee on the Post Office and Post Roads.

By Mr. MURRAY of Tennessee:

H. R. 4891. A bill to provide during the present war for certain additional compensation for star-route contractors, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. HOLIFIELD:

H. R. 4892. A bill relating to clerical assistance at post offices, branches, or stations serving military and naval personnel, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. McKENZIE:

H. R. 4893. A bill to provide for the carrying of mail on star routes, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. ROWE:

H. R. 4894. A bill to amend section 211 of the Criminal Code, as amended (relating to certain nonmailable matter); to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to give preference to governmental agencies which are wholly supported by public funds in the disposition of the surplus material, equipment, and machinery which will remain in the possession of the United States of America at the conclusion of the present war; to the Committee on Expenditures in the Executive Departments.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. LANE:

H. R. 4895. A bill for the relief of James E. Monaghan as administrator of the estate of Katherine Monaghan, deceased; to the Committee on Claims.

H. R. 4896. A bill for the relief of Florence E. Bower, Hulda Bower, and Christopher Russell; to the Committee on Claims.

By Mr. MANSFIELD of Montana:

H. R. 4897. A bill for the relief of Joseph C. Eastland; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 4898. A bill granting a pension to William I. Ray; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5759. By Mr. ANDREWS of New York: Resolution adopted by the Cold Spring Businessmen's Association protesting the enactment of Senate bill 1161; to the Committee on Ways and Means.

5760. Also, resolution adopted by the Council of the City of Niagara Falls, N. Y., having to do with the disposition of public war housing; to the Committee on Banking and Currency.

5761. By Mr. COLE of Missouri: Petition of Julia B. Hines and 58 other citizens of Buchanan County, Mo., protesting against the consideration of any type of prohibition legislation until the conclusion of the present war and the termination of demobilization; to the Committee on the Judiciary.

5762. Also, petition of Clarence O. Smith and 29 other citizens of Buchanan County, Mo., protesting against the consideration of any type of prohibition legislation until the conclusion of the present war and the termination of demobilization; to the Committee on the Judiciary.

5763. Also, petition of Bertis D. Johnson and 31 other citizens of Buchanan County, Mo., protesting against the consideration of any type of prohibition legislation until the conclusion of the present war and the termination of demobilization; to the Committee on the Judiciary.

5764. Also, petition of Harry F. Miller and 27 other citizens of Missouri, protesting against the consideration of any type of prohibition legislation until the conclusion of the present war and the termination of demobilization; to the Committee on the Judiciary.

5765. Also, petition of Henry P. Curtin and 56 other citizens of Buchanan County, Mo., protesting against the consideration of any type of prohibition legislation until the conclusion of the present war and the termination of demobilization; to the Committee on the Judiciary.

5766. By Mr. DAY: Seventy-one petitions, comprising approximately 1,800 names of citizens, relatives, and friends of Japanese war prisoners, supporting House Joint Resolution 252 and House Joint Resolution 253, introduced by Representative JESSIE SUMNER of Illinois; to the Committee on Military Affairs.

5767. By Mr. MYERS: Petition of 159 citizens of Philadelphia, Pa., protesting against House bill 2082, providing for the return of prohibition; to the Committee on the Judiciary.

SENATE

MONDAY, MAY 29, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of the living and of the living dead, Thou hast set us to play our part in a struggling world where there is no gain except by loss and no life except by death. With tenderness and gratitude we think of those quiet acres, some fringed by gently waving palms, all marked by the sacred cross of sacrifice, where at home and abroad sleep the mortal forms of the crusaders of liberation who in youth's high elation marched and sailed from this free land which has solemnly pledged its all that freedom may not die. Shadows of sorrow darken our hearts with the consciousness that they will come not back, for on alien sod they gave up the years and joys to be. But we rejoice with them that their souls will go marching on in a world cleansed of the bestial abomination whose blighting breath pollutes and desecrates but whose destruction is pledged by the sword of the unenslaved, in the name of the holy God and a holy humanity.

Make us worthy of those whose graves we garnish on our Day of Remembrance,

"Who more than self their country loved
And mercy more than life."

We ask it in the name of that One whose truth makes us and all men free. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 29, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SHERIDAN DOWNEY, a Senator from the State of California, to perform the duties of the Chair during my absence, the Senator from Oklahoma [Mr. THOMAS], heretofore named by me to perform the duties of the Chair, being, as I am informed, absent from the Senate today on official business.

CARTER GLASS,
President pro tempore.

Mr. DOWNEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. GILLETTE, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 25, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that

the President had approved and signed the following acts:

On May 26, 1944:

S. 254. An act for the relief of Edward Gillam;

S. 1618. An act to amend the acts of August 26, 1935 (49 Stat. 866), May 11, 1938 (52 Stat. 347), June 15, 1938 (52 Stat. 699), and June 25, 1938 (52 Stat. 1205), which authorizes the appropriation of receipts from certain national forests for the purchase of lands within the boundaries of such forests, to provide that any such receipts not appropriated or appropriated but not expended or obligated shall be disposed of in the same manner as other national-forest receipts, and for other purposes; and

S. 1771. An act authorizing appropriations for the United States Navy for additional ordnance manufacturing and production facilities, and for other purposes.

On May 27, 1944:

S. 771. An act to provide for payment of pensions and compensation to certain persons who are receiving retired pay.

MESSAGE FROM THE HOUSE DURING RECESS—ENROLLED BILLS SIGNED

Under authority of the order of the 25th instant,

A message was received from the House of Representatives by the Secretary of the Senate on May 26, 1944, informing the Senate that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore (Mr. THOMAS of Oklahoma):

S. 683. An act to provide for the recognition of the service of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal;

H. R. 4646. An act to provide for simplification of the individual income tax; and

H. R. 4793. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3570) to provide as an emergency war project for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 166) to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes.

The message also announced that the House had passed a bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 1029. An act to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes;

H. R. 329. An act to authorize the Secretary of the Interior to incur obligations for the benefit of natives of Alaska in advance of the enactment of legislation making appropriations therefor;

H. R. 1628. An act for the relief of John Hirsch;

H. R. 1635. An act for the relief of William E. Search, and to the legal guardian of Marion Search, Pauline Search, and Virginia Search;

H. R. 1984. An act for the relief of Paul Barrere;

H. R. 2008. An act for the relief of Mrs. Mae Scheidel, Mr. Fred Scheidel, Mr. Charles Totten, and Miss Jean Scheidel;

H. R. 2105. An act extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians;

H. R. 2143. An act to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.;

H. R. 2332 An act for the relief of Christian Wenz;

H. R 2408. An act for the relief of Clarence E. Thompson and Mrs. Virginia Thompson;

H. R. 2438. An act for the relief of Bernadine Salmons;

H. R. 2507. An act for the relief of Reese Flight Instruction, Inc.;

H. R. 2689. An act for the relief of Pete Paluck;

H. R. 2757. An act for the relief of Margaret Hamilton, Mrs. Catherine Higgins, Mrs. Rebecca Sallop, and Mrs. Dora Projansky;

H. R. 3028. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near Sauk Rapids, Minn.;

H. R. 3114. An act for the relief of Ruth Coe;

H. R. 3136. An act for the relief of Hamp Gossett Castle, Lois Juanita Gimble, Margaret Carrie Yarbrough, and Roy Martin Lyons;

H. R. 3403. An act to withdraw and restore to their previous status under the control of the Territory of Hawaii certain Hawaiian home lands required for use for airplane landing fields, and to amend sections 202, 203, and 207 of title 2 of the Hawaiian Homes Commission Act, 1920, and for other purposes;

H. R. 3537. An act for the relief of Bessie Eason;

H. R. 3570. An act to provide for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes;

H. R. 3848. An act to amend section 9 of the act of May 22, 1928, authorizing and directing a national survey of forest resources;

H. R. 4054. An act to extend the times for commencing and completing the construction of a bridge across the Calcasieu River at or near Lake Charles, La.;

H. R. 4710. An act authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes; and

H. J. Res. 166. Joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting, pursuant to law, the fourth annual report of that Board (with an accompanying report); to the Committee on Finance.

AMENDMENT OF ACT TO MOBILIZE THE PRODUCTIVE FACILITIES OF SMALL BUSINESS

A letter from the Chairman of the War Production Board, transmitting a draft of proposed legislation to amend the act to mobilize the productive facilities of small business in the interests of successful prosecution of the war, and for other purposes, approved June 11, 1942 (with an accompanying paper); to the Committee on Banking and Currency.

AMENDMENT OF PUBLIC LAW NO. 47, SEVENTY-SEVENTH CONGRESS

A letter from the Director of the Selective Service System, transmitting a draft of proposed legislation extending the provisions of Public Law 47, Seventy-seventh Congress, as amended, to reemployment committeemen of the Selective Service System (with an accompanying paper); to the Committee on Military Affairs.

REPORT OF WAR SHIPPING ADMINISTRATION UNDER SECTION 217 (b) OF THE MERCHANT MARINE ACT

A letter from the Administrator of the War Shipping Administration, transmitting, pursuant to law, the seventh report of the War Shipping Administration of action taken under section 217 (b) of the Merchant Marine Act of 1936, as amended (with an accompanying report); to the Committee on Commerce.

DISPOSITION OF EXECUTIVE PAPERS

Two letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of the Treasury (2), War (9), Navy (6), and Agriculture (4); The National Archives, and United States District Court for the District of Nebraska which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of Louisiana; to the Committee on Military Affairs:

"House Concurrent Resolution 9

"Concurrent resolution memorializing Congress to give preference to governmental agencies which are wholly supported by public funds in the disposition of the surplus material, equipment, and machinery which will remain in the possession of the United States of America at the conclusion of the present war

"Whereas at the end of the present great war, the Government of the United States of

America will be in possession of a large amount of surplus material, equipment, and machinery which has been and will have been paid for from public funds realized from the levy of taxes upon the citizens of the United States; and

"Whereas in order that the public may receive, in the hour of victory, full benefit from the said surplus material, equipment, and machinery: Therefore be it

"Resolved by the House of Representatives of the Legislature of Louisiana (the Senate of the Legislature of Louisiana concurring), That this legislature request of the Congress of the United States that it provide that in the disposition of any such surplus material, equipment, and machinery by the United States, before or after the conclusion of the war, all governmental agencies which are wholly supported by public funds, either Federal or State, shall by preference be entitled to purchase the same; be it further

"Resolved, That the clerk of the house of representatives be and he is hereby directed to forward official copies of this resolution to the President of the United States Senate and the Speaker of the House of Representatives of the United States Congress."

Resolutions of the Central Labor Council of Phoenix, Ariz., and the Central Labor Council of San Mateo County, Calif., favoring the adoption of measures to establish a Nation-wide broadcast of congressional proceedings; to the Committee on Rules.

By Mr. TYDINGS:

A resolution adopted by the Westernport and Luke Civic Club of Westernport, Md., favoring the enacting of legislation to make more liberal provision for relief of the blind; to the Committee on Finance.

By Mr. ELLENDER:

A concurrent resolution of the Legislature of Louisiana; to the Committee on Banking and Currency:

"House Concurrent Resolution 8

"Concurrent resolution memorializing the Members of Congress from this State not to support any further appropriation to the Office of Price Administration, unless the Office of Price Administration fixes higher ceilings on rough rice and strawberries

"Whereas the farmers of the State of Louisiana are doing all within their power to assist in the prosecution of the war against our enemies, but that the producers of rice and strawberries: Therefore be it

"Resolved by the House of Representatives of the Legislature of Louisiana (the Senate of the Legislature of Louisiana concurring), That this legislature do request and recommend to the United States Senators and Members of the House of Representatives of the Congress of the United States from the State of Louisiana that they vote against any further appropriation for the continuance of this Office of Price Administration, unless Congress direct and provide, as to such appropriation, that the Office of Price Administration fix higher ceiling prices on rough rice and strawberries; be it further

"Resolved, that the clerk of the house of representatives and he is hereby directed to forward official copies of this resolution to each Senator and Representative of the State of Louisiana in the Congress of the United States."

VETERANS' BENEFITS—PETITION

Mr. CAPPER. Mr. President, I have received a petition from the Fathers of Sons and Daughters in the Armed Forces and members of the Arkansas City Chapter of the American War Dads, of Kansas City, Kans., asking for the passage of H. R. 3938, H. R. 3940, H. R. 3941, H. R. 4115, H. R. 3945, and S. 1547, all of which have been approved by the National Council of War Dads. I ask unanimous consent to have this petition inserted in the RECORD without all the signatures attached, and that it be appropriately referred.

There being no objection, the petition was referred to the Committee on Finance and ordered to be printed in the RECORD, without all the signatures attached, as follows:

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

We, the Fathers of Sons and Daughters in the Armed Forces and members of the Arkansas City Chapter of the American War Dads, respectfully request that when the following bills come up on the floor for consideration that you vote for them.

H. R. 3935, introduced January 11, by Mrs. ROGERS of Massachusetts. To authorize an appropriation of $500,000,000, earmarked for the Veterans' Administration, to provide additional hospital and out-patient dispensary facilities.

H. R. 3938, introduced January 11, by Mr. MCMILLAN, of South Carolina. To provide that in determining annual income any payments by the United States covering disability or death under laws administered by the Veterans' Administration or payments of insurance or contributory social-security benefits shall not be considered.

H. R. 3940, introduced January 11, by Mr. LAFOLLETTE, of Indiana. To provide compulsory retirement of Federal employees who have rendered 30 years' service and payment to such employees of an annuity of not less than $1,200

H. R. 3940, introduced January 11, by Mr. SCANLON, of Pennsylvania. To give credit for service in the military or naval forces in civil service examinations and classifications in positions requiring similar types of experience.

H. R. 4115. Give honorably discharged veterans, their widows, wives of disabled veterans, who themselves are not qualified, preference in employment when Federal funds are used.

H. R. 3945, introduced January 11, by Mr. DAVIS of Tennessee. To prohibit exclusion from cemeteries of grave markers supplied by United States Government for deceased veterans.

S. 1547, payment of a minimum 240 monthly installments on National Service Life Insurance.

S. 1547, recommends legislation making insurance under the National Life Insurance Act effective as of the date of application therefor.

And all other bills approved by National Council of War Dads.

H. V. HOWARD,
W. BONEWELL,
J. H. BOEHNER,
LYSLE BURNS
(And sundry other citizens of Kansas City, Kans.).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. REVERCOMB, from the Committee on Military Affairs:

S. 1825. A bill to extend the provisions of the Selective Training and Service Act of 1940, as amended, to the Virgin Islands; without amendment (Rept. No. 916).

By Mr. JOHNSON of Colorado:

From the Committee on Military Affairs:

H. R. 1506. A bill to further amend the Pay Adjustment Act of 1942; with amendments (Rept. No. 917).

From the Committee on Finance:

S. 1933. A bill to extend for 2 additional years the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; without amendment (Rept. No. 918).

By Mr. MURDOCK, from the Committee on the Judiciary:

H. R. 4348. A bill to amend the act approved August 18, 1942, entitled "An act to facilitate the disposition of prizes captured by the United States during the present war, and for other purposes; without amendment (Rept. No. 920).

By Mr. WILEY, from the Committee on the Judiciary:

S. 1877. A bill to transfer Georgetown County, S. C., from the Florence division to the Charleston division of the eastern judicial district of South Carolina; without amendment (Rept. No. 921).

INCREASE OF THE DEBT LIMIT—REPORT OF THE FINANCE COMMITTEE

Mr. GEORGE. Mr. President, from the Committee on Finance I report back favorably, with an amendment, House bill 4464, to increase the debt limit of the United States and I submit a report (No. 919) thereon.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and the bill will be placed on the calendar.

Mr. GEORGE. I give notice that I will ask for consideration of the bill on next Wednesday.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 26, 1944, that committee presented to the President of the United States the enrolled bill (S. 683) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN:

S. 1954. A bill to amend the act entitled "An act to authorize the use for war purposes of silver held or owned by the United States," approved July 12, 1943; to the Committee on Banking and Currency.

By Mr. JOHNSON of Colorado:

S. 1955 A bill to amend Public Law 101, Seventy-eighth Congress; to the Committee on Military Affairs.

By Mr. ELLENDER (for Mr. HILL):

S. 1956. A bill to provide for a Department of Armed Forces, Secretary of the Armed Forces, Under Secretaries of Army, Navy, and Air, and for other purposes; to the Committee on Military Affairs.

(Mr. VANDENBERG introduced Senate bill 1957, which was referred to the Committee on Interstate Commerce, and appears under a separate heading.)

By Mr. AUSTIN:

S. 1958. A bill for the relief of fire district No. 1 of the town of Colchester, Vt.; to the Committee on Claims.

AMENDMENT OF THE COMMUNICATIONS ACT

Mr. VANDENBERG. Mr. President, in view of the fact that the Interstate Commerce Committee is considering a new radio code, I ask consent to introduce for the Senator from Idaho [Mr. CLARK] a bill to prohibit interference with the broadcasting of any noncommercial, cultural, educational programs. The bill would be presented by the Sena-

tor from Idaho if he were not necessarily out of the city, he being chairman of the special committee which has been investigating this matter. The chief and important objective is to release music of American school children from the domination of James Caesar Petrillo. I introduce the bill, and ask that it be referred to the Committee on Interstate Commerce.

There being no objection, the bill (S. 1957) to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of noncommercial cultural, educational programs, was read twice by its title and referred to the Committee on Interstate Commerce.

HOUSE BILL REFERRED

The bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

RIVER AND HARBOR FLOOD-CONTROL WORKS—AMENDMENT

Mr. BUTLER submitted an amendment intended to be proposed by him to the bill (H. R. 4485) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT OF THE COMMUNICATIONS ACT—AMENDMENT

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him to the bill (S. 814) to amend the Communications Act of 1934, and for other purposes, which was referred to the Committee on Interstate Commerce and ordered to be printed.

INVESTIGATION RELATING TO IMMIGRATION AND DEPORTATION OF ALIENS

Mr. HOLMAN submitted the following resolution (S. Res. 296), which was referred to the Committee on Immigration:

Resolved, That the Committee on Immigration, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of the immigration of aliens into and the deportation of aliens from the United States with a view to determining among other things, (1) the extent to which aliens have been permitted to enter or remain in the United States in violation of the immigration laws, (2) whether any deficiencies exist in the immigration or deportation laws or in the administration thereof which permit undesirable or deportable aliens or aliens who compete with citizens of the United States in securing employment to enter or remain in the United States, and (3) necessary steps to be taken in order to correct any such deficiencies and to prevent the continuation of any violation or circumvention of the immigration or deportation laws. The committee or subcommittee shall report to the Senate, at the earliest practicable date, the results of its investigation, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-eighth and succeeding Congresses, to employ such clerical and other assistants, to utilize the services, information, facilities, and personnel of the departments and agencies of the Government, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

ADMISSION OF EUROPEAN WAR REFUGEES TO THE UNITED STATES

Mr. GILLETTE. Mr. President, I am about to send to the desk a resolution for submission and reference, but before sending it forward I wish to make a brief allusion to it.

Several years ago, at the outbreak of the war, Nazi Germany embarked upon a program for the consummation of one of the most despicable crimes of history, if not the most despicable, looking to the mass murder and extermination of a race of people. According to well authenticated reports, they have destroyed between four and five million people, and are engaged in attempting to destroy the pitiful remnants of this group.

In March 1943 the Congress of the United States, taking cognizance of this situation by concurrent resolution, expressed its condemnation of what it called the mass murder of Jewish men, women, and children.

Subsequent to the passage of that resolution 11 Members of this body joined with me in the presentation of a resolution urging the President of the United States to set up a board, composed of diplomatic, financial, and military experts, to study the matter, and devise ways and means of rescuing the remnants of these people. The resolution was reported unanimously to this body by the Senate Committee on Foreign Relations, and immediately after that the President of the United States created such a Board, composed of the Secretary of State, the Secretary of the Treasury, and the Secretary of War as the War Rescue Board. This Board has been functioning through agents which it has selected, and has accomplished wonderful things in the progress it has made in the direction of its goal, but it has reached a point where it needs help. In that connection I am going to impose on the Senate by reading a press dispatch which certainly challenges the attention of anyone who has a spark of human decency in his heart. The press dispatch is dated Istanbul, May 1944, and is as follows:

According to official diplomatic dispatches, the Hungarian Government of Premier Deome Sztojay has launched a program of torture and extermination of the wandering Jews now in that country. Vast gas chambers (and gas baths) of the Nazi pattern are being erected for carrying out this mass execution.

The present large number of Jews in Hungary is in part due to the fact that many refugees, escaping from Poland and other countries, found temporary sanctuary, or at least comparative safety, in that country. Now that the Nazis have taken over, the picture has changed overnight.

It is reported that a total of five and one-half million Jews have been put to death—one way or another—since the war began. Of these, literally hundreds of thousands of men, women, and children perished in the so-called gas baths of Poland. A common Nazi practice was to herd the intended victims into sanitary baths as they came off the cattle trains in Poland, on the pretext of cleansing them before their transshipment to the Ukraine for colonization. Actually these sanitary baths were lethal chambers from which no one came out alive.

A neutral diplomat, writing in official press dispatches, condemns the present Hungarian Government, saying, "Were I not here to witness it with my own eyes, I would never have believed that Magyars were capable of perpetrating such inhuman acts against honest, law-abiding citizens, whose only sin is that they are members of the faith which is the mother of Christianity. Never in my career was I so eager to be relieved of my post as I am today. The cruelty of the Government is beyond my comprehension, and I fail to understand how men calling themselves gentlemen and aristocrats can be so heartless and brutal to their fellow men."

Mr. President, that concludes the statement of the diplomat and also the press dispatch.

The resolution which I am submitting has one purpose, and one only, namely, the purpose of saving human lives. It has nothing to do with Palestine or with the political problems involving providing a homeland for the Jewish people. It has nothing to do with Zionism. It has nothing to do with a Palestinian army. It has nothing to do with changing in any way our immigration laws or policies. It merely looks to provision for the temporary admission of some of these Jews and other special victims of Nazi brutality who have been marked for extermination and slaughter to Ellis Island or other reception centers, where they will be detained and cared for until they can be returned to their homes without the risk of losing their lives at the hands of our vicious enemies.

We have in this country at the present moment more than 100,000 prisoners of war. With the further success of our arms we will probably have hundreds of thousands more. These men have borne arms against this Nation. We are feeding and clothing them, and when the war is over they will be returned safely to their homes. This is in accordance with accepted standards of decency and humanity in international relationships. We ought at least to do this much for the thousands of harmless and defenseless people who are the especial victims of Nazi brutality and sadism and who have committed no crimes but have been marked for brutal death for no reason other than their racial derivation or religious adherence.

America has historicaly been the sanctuary for the oppressed peoples of the earth. It was, in fact, founded by refugees, and it was founded for refugees. Refugees have, in large measure, built our America of today. This resolution merely reasserts a traditional policy of

the United States in the way of a temporary sanctuary for tragically helpless people. I believe that every true American will endorse it.

Mr. President, I ask consent to submit the resolution and hope it will be referred to the Committee on Foreign Relations.

There being no objection, the resolution (S. Res. 297), submitted by Mr. GILLETTE, was received and referred to the Committee on Foreign Relations, as follows:

Whereas the Congress of the United States by concurrent resolution adopted on March 10, 1944, expressed its condemnation of Nazi Germany's mass murder of Jewish men, women, and children; and

Whereas the American tradition of justice and humanity demands every possible measure to save the surviving Jews of Europe from extermination by Nazi torture; and

Whereas 2,000,000 lives are in immediate peril for want of a temporary sanctuary from their persecutors: Therefore be it

Resolved, That the Senate of the United States urge upon the President of the United States that it is the will of the American people, expressed through their elected Representatives, that Jews and other special victims of Nazi hatred hereafter escaping from territory occupied by Nazi Germany and its allies, as determined by the War Refugee Board, be received on Ellis Island or other designated reception centers for temporary detention and care until the President has determined that they may be returned to their homeland without undue risk of their personal safety; and that transportation and other facilities be made available for this purpose, consistent with the effective prosecution of the war.

THE MONTGOMERY WARD CASE—EXCERPT FROM REPORT OF SUBCOMMITTEE OF SENATE JUDICIARY COMMITTEE

Mr. MOORE. Mr. President, I ask unanimous consent to have printed in the RECORD pages 1, 2, 3, and the first five paragraphs of page 4, down to the subtitle III, "Recommendations," of the report of the subcommittee of the Committee on the Judiciary pursuant to Senate Resolution 252, dealing with the Montgomery Ward case.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

CONSTITUTIONAL OR STATUTORY AUTHORITY OF CERTAIN EXECUTIVE ORDERS—REPORT TO THE COMMITTEE PURSUANT TO SENATE RESOLUTION 252

Senate Resolution 252, Seventy-eighth Congress, second session, approved February 7, 1944, reads in part, as follows:

"*Resolved*, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, for the information of the Senate and as a basis for any legislation the committee may deem it advisable to recommend, is hereby authorized and directed to study, survey, and report to the Senate not later than the end of the Seventy-eighth Congress, the constitutional or statutory authority upon which any or all Executive orders issued by the President since March 4, 1933, were based, and, likewise, the statutory or constitutional basis upon which directives, rules, and regulations have been issued during the same period by or under the authority of any Executive department or independent agency of the United States Government."

I. INTRODUCTORY STATEMENT

Pursuant to the above resolution, on April 26, 1944, a subcommittee of the Committee on the Judiciary of the United States Senate was appointed, composed of Senators PAT MCCARRAN, chairman, ERNEST W. MCFARLAND, and CHAPMAN REVERCOMB, to conduct the investigation, to make a study and to report its findings.

This report will deal solely with the action of the President and the various Government agencies in connection with the seizure of the Chicago facilities of Montgomery Ward & Co. by the Federal Government pursuant to Executive Order 9438, dated April 25, 1944. Since the subcommittee is submitting this report pursuant to Senate Resolution 252, the merits of the labor dispute between the United Retail, Wholesale, and Department Store Employees of America, a union affiliated with the Congress of Industrial Organizations (hereinafter referred to as the union) and Montgomery Ward & Co. (hereinafter referred to as the company), will not be discussed. The Congress has provided means of adjusting labor disputes and it is not within the province of the Committee on the Judiciary, under this resolution to inquire into such disputes. It is within the province of the committee to determine whether the various executive agencies involved in this dispute have complied with the law. The report will point out those instances in which this has not been done, and will make such recommendations as to the committee seem desirable. It should be emphasized that the committee is not a court and therefore will not adjudicate the labor controversy involved, nor attempt to determine the rights or rectitude of either the company or the union.

This report will recapitulate the facts as they appear in the fully documented records of the Government agencies; the facts uncovered during the investigation at Chicago, Ill.; will summarize the legal and constitutional questions raised by these facts; and will resolve those questions with conclusions and recommendations.

II. CONCLUSIONS

The subcommittee finds:

1. That the Conciliation Service, Department of Labor, apparently has no facts in its files which would justify the finding that the union-company controversy in 1942 was one "which might interrupt work which contributes to the effective prosecution of the war," notwithstanding that such a certification was made by the Conciliation Service on June 2, 1942 (pursuant to sec. 3 of Executive Order 9017 which required the Department of Labor to make such a finding when certifying a labor dispute to the War Labor Board).

2. That the records of the National War Labor Board fail to disclose facts which support the determination of the National War Labor Board that the company-union dispute was one that "might interrupt work which contributes to the effective prosecution of the war," when the Board took jurisdiction of the labor dispute on June 29, 1942, pursuant to Executive Order 9017.

3. That the National War Labor Board was acting within the scope of its authority, under Executive Order 9017, to "finally determine the dispute," when it issued its directive order of November 5, 1942, prescribing the terms of the bargaining agreement between the company and the union.

4. That the Conciliation Service, Department of Labor, did not make any investigation upon which to base its certification of December 6, 1943 (other than to receive the uncorroborated statements of the company and the union), notwithstanding that section 7 of the War Labor Disputes Act requires the Conciliation Service to find "that a labor dispute exists which may lead to substantial interference with the war effort, and cannot be settled by collective bargaining or conciliation," when it certifies a dispute to the War Labor Board.

5. That the action taken by the National War Labor Board when on January 13, 1944, it assumed jurisdiction of a labor dispute involving a mail-order house, a retail store, and a warehouse of Montgomery Ward & Co., at Chicago, Ill., is inconsistent with the action taken on April 15, 1944, by the National War Labor Board (Chicago region) when it declined to exercise jurisdiction of a labor dispute involving a mail-order house and a retail store of Sears, Roebuck & Co. at Minneapolis, Minn., stating as reasons therefor: (1) Sears was not engaged in war production and (2) the dispute rightly belonged under the jurisdiction of the National Labor Relations Board.

6. That the War Labor Board applied a distorted and unwarranted interpretation of section 7 of the War Labor Disputes Act when, on January 13, 1944, the Board ordered reestablished for a period of 30 days the terms of an expired contract between the company and the union, which contract had then been nonexistent for a period of 36 days. In ordering reestablishment of the contract for a 30-day period the War Labor Board was naming the union as the bargaining agency for that period, and to that extent was exercising powers given exclusively to the National Labor Relations Board by the National Labor Relations Act.

7. That after having issued the order of January 13, 1944, the National War Labor Board failed to "provide for terms and conditions * * * which shall be fair and equitable to employer and employee under all the circumstances of the case," when, on April 5, 1944, the Board excused the union from pressing its petition for an election with the National Labor Relations Board until such time as the company complied with the Board's previous order of January 13, 1944. The War Labor Board did not note that the union also failed to follow the Board's directive order of January 13, 1944, in that the union did not file its petition with the National Labor Relations Board within the time limit prescribed by the National War Labor Board.

8. That the National War Labor Board had the right to seek, and the Board should have sought, a Federal court order to enforce its directive orders of January 13 and April 5, 1944. That its failure to do so is evidence of the Board's reluctance to have its orders reviewed by the Federal courts.

9. That the National Labor Relations Board is properly chargeable with dilatory tactics in a matter of great urgency. The union filed a petition with the Board on February 14, 1944. It was not until May 2, 1944, and after the Government had seized the facilities, that the Board rendered its decision ordering an election to be held. By failing to act promptly, the Board aggravated the situation.

10. That at the present time a certification of a particular bargaining agency by the National Labor Relations Board is presumed in law to continue valid and binding until a contrary decision is made by the National Labor Relations Board.

11. That the letter dated April 22, 1944, from the Attorney General to the President of the United States, which presumably was the impelling force for the issuance of the Executive order, contains erroneous, misleading, irrelevant, and immaterial statements and allegations, which have tended to confuse rather than to clarify the facts in the minds of the people of the United States.

12. That the Attorney General's letter to the President not only recites facts which are unconfirmed by the records of the Federal departments and agencies concerned with the labor controversy, but also contains conclusions which are inconsistent with and unsubstantiated by the facts which he recites. Upon the record the committee considers particularly unwarranted and untenable the

conclusion that the dispute between the company and its employees could not be settled promptly and peacefully without resort to Executive order. (See conclusion 8.)

13. That the Attorney General was misadvised when he stated that the President of the United States had the authority to issue the proposed Executive order "under section 3 of the War Labor Disputes Act." The fact that section 3 of the War Labor Disputes Act constituted an amendment of section 9 of the Selective Training and Service Act of 1940, and therefore must be read and construed in context with other provisions of that section, apparently escaped the attention of the Attorney General. So read and construed, no interpretation of the new language added to section 9 will support the Attorney General's contention.

Under an application of this rule of construction in its broadest sense, the power of the President to take possession and control of a plant, mine, or facility in the event of a strike is subject to the earlier provisions of the section, and therefore limited to cases in which the company (1) shall refuse to give to the United States preference in the matter of the execution of orders; or (2) shall refuse to manufacture, produce, or mine the kind, quantity, or quality of the articles or materials ordered; or (3) shall refuse to furnish such articles or materials at a reasonable price.

Applied in its narrowest sense, this rule of construction still requires that the words "plant, mine, or facility equipped for the manufacture, production, or mining" be interpreted in the light of the general intent of section 9, and such interpretation clearly negatives any construction that the word "production" is broad enough to include distribution. The Attorney General's letter does not recite, and your committee has been unable to discover, any facts tending to show that the Chicago facilities of the company are "equipped for the manufacture, production, or mining" of any products whatsoever.

14. That the Attorney General was in error when he stated that the President is in possession of an "aggregate of powers" which "are derived from the Constitution and from various statutes enacted by Congress," which would empower him to take possession of the Chicago facilities of Montgomery Ward & Co. The Attorney General did not cite any specific provisions of the Constitution. He did not cite any specific provisions of the acts of Congress which he mentioned. The acts of Congress which he did mention have no bearing on the labor dispute, because they deal with mobilization of industry, price control, and wage stabilization.

15. That the Secretary of Commerce called upon the United States Army to aid him in taking possession and control of the Chicago facilities of Montgomery Ward & Co. under his apparent authority. Such a step should have been taken only as a last resort. That it was not the last resort is shown by the fact that on April 27, 1944, the Government instituted proceedings in the Federal district court at Chicago, Ill., seeking a temporary restraining order and a mandatory injunction to compel company officials to comply with the Executive order.

ADDRESS BY SENATOR THOMAS OF UTAH ON TENTH ANNIVERSARY OF THE AMERICAN BIROBIDJAN COMMITTEE

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD an address delivered by Senator THOMAS of Utah at the Waldorf-Astoria Hotel, New York, on May 16, 1944, on the occasion of the tenth anniversary of the establishment of the Jewish Autonomous Region, Birobidjan, in the U. S. S. R., which appears in the Appendix.]

THE MONTGOMERY WARD CASE AND THE CONSTITUTION—ADDRESS BY SENATOR MOORE

[Mr. MOORE asked and obtained leave to have printed in the RECORD a radio address entitled "The Montgomery Ward Case and the Constitution," delivered by him on May 27, 1944, which appears in the Appendix.]

HOW SHALL WE PAY FOR THE PEACE?—ADDRESS BY SENATOR WEEKS

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address entitled "How Shall We Pay for the Peace?", delivered by Senator WEEKS at Boston on May 26, 1944, which appears in the Appendix.]

REMARKS OF HON. JAMES F. BYRNES ON PRESENTATION OF CHURCHMAN'S AWARD TO BERNARD M. BARUCH

[Mr. MURRAY asked and obtained leave to have printed in the RECORD the remarks of James F. Byrnes, Director of War Mobilization, at the one hundred and fortieth anniversary dinner of The Churchman, New York, May 23, 1944, on the occasion of the presentation of the Churchmans Award to Bernard M. Baruch, which appears in the Appendix.]

APPEAL BY PRESIDENT OF UNITED AUTOMOBILE WORKERS, C. I. O., TO THE MEMBERS OF HIS UNION

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an appeal issued by R. J. Thomas, president of the United Automobile Workers, C. I. O., to the members of his union, as published in the Philadelphia Record of May 28, 1944, which appears in the Appendix.]

RESOLUTION OF PENNSYLVANIA DEMOCRATIC STATE COMMITTEE IN SUPPORT OF PRESIDENT ROOSEVELT

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a resolution entitled "Roosevelt Resolution adopted at the Democratic State committee meeting at Harrisburg, Wednesday, May 24, 1944, which appears in the Appendix.]

FREE SPEECH IN NEWARK, N. J.—EDITORIAL FROM NEWARK (N. J.) NEWS

[Mr. WALSH of New Jersey asked and obtained leave to have printed in the RECORD an editorial entitled "See Here, Mr. Farley," published in the Newark (N. J.) Evening News of Monday, May 15, 1944, which appears in the Appendix.]

PERSONAL STATEMENT

Mr. BILBO. Mr. President, it is not often that I feel called upon to take issue with anything appearing in the Washington newspapers, because I clearly understand that all four of them are antiadministration and if we should attempt to respond to all their blasts at the administration or members of the administration it would take all the time of the Senate. But there appears in the Washington Times-Herald of today a news item to which I feel called upon to respond. This article is headed:

D. C. VOTE BILL SHAN'T PASS, VOWS BILBO

Following a momentary boost Saturday, prospects for home rule for Washington dimmed yesterday when Senator "The Man" BILBO, chairman of the Senate District Committee, vowed to use every "honorable" stumbling block at his command to kill the measure.

BILBO's blast followed a Senate subcommittee's favorable action Saturday in reporting out to the full District Committee a bill sponsored by Senator MCCARRAN (D.), of Nevada.

CHARGES M'CARRAN "RAN OUT"

The former Mississippi preacher reiterated previous assertions that the measure would permit the "alleys to outvote the avenues" and declared that MCCARRAN had "run out of town to save his own skin" after offering the bill.

(MCCARRAN, former head of the Senate District Committee, left for a 3-week visit to Nevada shortly after his subcommittee had given the suffrage measure the "green light.")

BILBO said he had not even thought the matter important enough to discuss with other members of the committee because "nobody is for it."

Principal support for the measure comes from "Communists and Negroes," "The Man" told the Times-Herald, in disregard of the fact that many of Washington's leading civic organizations are outspoken proponents of the measure and even assisted in formulating some of the provisions.

BILBO expressed confidence that the measure wouldn't come before the full Senate District Committee "until the snow flies" and intimated strongly that the committee's calendar might be too full even at that date to consider the proposal.

REITERATES MISSISSIPPI SPEECH

"I shall fight the bill with every honorable means at my command," he vowed. "It is a violation of the will, plan, and dream of the American founders of democracy"—almost the exact words he used in his now well-known "white supremacy" speech before the Mississippi Legislature—

And so on. I merely wish to say that it has been my experience with all the reporters for the Washington press that they are very fine ladies and gentlemen, and their reports have been universally fair in reporting any interview I may have had with any one of them. While we discussed many things off the record, I wish to say that they have been ladies and gentlemen in that they have not violated any confidences. But this article is so full of misrepresentations and is so untrue that, in justice to myself and others, I think I should take the floor to deny the concoctions of the mind which prepared the article.

Yesterday I had a telephone call from a lady representing the Times-Herald. I do not remember her name. It is immaterial, except that I should say that if she attempted to write a story on the basis of that telephone interview the Times-Herald should very promptly change her assignment and assign her to the job of writing fiction, because in writing novels and fiction one does not have to be confined to facts; one can let the imagination run wild. That being the case, I think this lady would be quite a success as a novelist, as a fiction writer.

In the first place, I did not say that the suffrage bill for the District should not pass. I am only 1 of 96 Members of this body, and I should be a pluperfect ass if I should make the statement that the bill should not pass. That is a lie out of the whole cloth. I can only interpose my objection to the suggestion that suffrage be given to the District.

I think I am speaking the wish and judgment of the majority of the good people of the District of Columbia when I say such a course would not be a wise one to pursue. A campaign was made just after the Civil War, in 1870, and the

affairs of the District were turned over to the people of the District in that year. After a trial of about 7 or 8 years, Congress was compelled to take the control of the District back from the people. Those who were responsible for control of the District in those days, when they had control of it, involved the District in such tremendous indebtedness, there was so much corruption charged, that Congress in self-defense had to take the government of the District back unto itself.

There is a famous story known as the "feather duster" story, to the effect that when Congress took back the control over the District it sent a truck to the headquarters of local control of District affairs for supplies, furniture, and so forth. A man was seen coming out of the building who had something under his coat. He was asked what it was, and he replied, "I thought I would come down and get my share of what was left of the District, but I found that the scoundrels did not leave anything in the District Building except one feather duster, and I am going to take that home with me." That is just a mild picture of the misgovernment which the District endured when it was turned over to the District people from 1870 to 1878.

Of course, things are not as they should be in the District, even with the Congress attempting to legislate for the District. But the Congress has been very liberal in its conduct of the affairs of the District of Columbia, by turning over the intricacies of the local government to the Commissioners, and in some cases they have done a very good job.

There are many things in the District which need attention. For instance, I find that there are several hundred policemen in the District, and none of them is under bond. They are at liberty to do as they please with citizens. They can commit any kind of atrocity against a citizen, and there is no bond making possible compensation for any damage they might do to any citizen of the District, or anyone who happened to be in the Nation's Capital. Personally, I think that is a very grave mistake. I think every policeman of the District and of the Park Service should be under a substantial bond, so that if there were any wrongdoing on the part of these officials there would be some source from which an injured party could obtain compensation for whatever damage had been done. I am looking into that question, and I think it would be in keeping with the policies of other cities to have under bond these officers of the law, who are like the sheriffs in the three-thousand-odd counties in the States, who are under bond, as constables and deputies are under bond, so that there might be some means by which an offending officer would be compelled to compensate for any damage he might do.

I am not charging that the policemen of Washington have committed any crimes against citizens for which they should pay, but such a thing could happen. When they are not under bond, they feel free to go ahead and do what they want to do to a private citizen in arresting him and incarcerating him, and it is a mistake not to have them under bond.

The article says that I stated that the Senator from Nevada [Mr. MCCARRAN] rar out of town in order to save his own skin on this proposition. That is the wildest statement I have ever seen in print. I would be the last man in the world to make such a statement about any of my colleagues. In fact, I talked with the Senator from Nevada Saturday, and I urged him to go home because he is a candidate for reelection, and it has been my experience that when a man is up for reelection the people of his own State expect him to come and give an account of his stewardship. He owes it to himself to go back and talk to his people about what he has done, when he is seeking reelection at their hands. No one could censure the Senator from Nevada for going home to look after his own reelection.

To say that he was thin-skinned would be ridiculous. He is anything else but a thin-skinned Senator. He is all Irish, and his skin would come nearer being of the rhinocerous type than being thin. He stands his ground, and I have very high regard for the Senator from Nevada. If it is his conviction that the District of Columbia should have the right of self-government, that is his business. It happens not to be my conviction.

One of the straws that helped to break the camel's back was when the reporter said that I stated that the committee would never have a chance until the snow flies to consider the bill. All I said to this reporter in that regard was that I would do everything honorable to defeat this ill-advised piece of legislation, and it certainly would not be honorable on my part, as chairman of the committee, to resort to any shenanigans or monkey business and not call the committee together to pass on any proposed legislation, whether I liked it or did not like it. So long as I am chairman of the Committee on the District of Columbia, or any other committee, I shall call meetings whenever I think it is proper, and there are proposals pending which I think should be considered. I shall resort to no monkey business to defeat proposed legislation to which I may be opposed. Such a thing never crossed my mind.

I may have said that the snow would fly before we finally got down to consideration of the bill, before it would be finally passed upon, because I do not know how long I shall talk when the bill comes up for discussion on the floor of the Senate, since I am very much opposed to such legislation. If the affairs of this District were turned over to the local people, knowing the population as I do, and the efforts which have been made to control the city government by the C. I. O. and the Negroes—I do not mind saying that, because they are all working together, it seems, not only in the District but in other parts of the country—I am afraid Congress would rue the day it had released the control of the government of the District. Things are bad enough as they are; they would be worse then.

Another straw in the article that helped to break the camel's back was when the writer of the article dared to call me a preacher. I am not a preacher, and I have never been a preacher. That story is a newspaper lie from beginning to end. One of my colleagues suggests that I have never been a preacher, I am not now a preacher, and I never will be a preacher. I am not built that way. However, I preach sometimes, but I am not a preacher. I do not like having thrown at me the suggestion that I am a preacher when I am not. It is an attempt to be funny, to make me appear ridiculous; it is an attempt to make me appear what I am not, and I resent it very bitterly.

Mr. President, I repeat, I am opposed to the proposed legislation, but the committee will have every chance on earth to thrash it out, or any other legislation that comes before my committee, and when the bill reaches the floor of the Senate, if it has any support at all—I do not know that it has any—I will have much to say about it.

I might say at this point that the founding fathers knew what they were doing when they placed the government of this Federal City under the Congress because they were advised at that time of what had happened in all the great nations of the past when the governmental powers had been built up in the capital cities, such as in Rome under the Roman Empire. We do not speak of the Roman Empire; we rather speak of the Eternal City on the seven hills, where all the powers of the Roman Empire existed. That is where all the government was carried on, and from it all the power was obtained because Rome became all-powerful as a city. The same could be said with respect to Carthage and Athens and many other cities of the past. In the formation of the Government the founding fathers made provision in the Constitution that this city should be the place for the conduct of the business of the Federal Republic, and that the city should be under the exclusive control of the Congress of the United States. It has been under control of Congress for 150 years, with the exception of 8 years, when an excursion was taken into experimenting with local government, but after that experience it was found necessary to return to the Congress the government of the city, and I hope it will always remain the duty and responsibility of the Congress to look after the government of this great national city, which we hope to make the model city of the world.

Mr. President, I regret the necessity for having to refer to local newspaper write-ups, and I want to say again, based on my experience with them, that the reporters for the Washington newspapers, regardless of the attitude of their newspapers, are a very high-class and fine group of men and women, but here is one exception, and I want her to get

busy writing fiction because that is what she has done in this case.

AMENDMENT OF SECTION 451 OF THE TARIFF ACT OF 1930—CONFERENCE REPORT

Mr. GERRY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendments of the House numbered 6, 7, 8, and 9 and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "operator, or agent of a highway vehicle, bridge, tunnel, or ferry," and the House agree to the same.

Amendment numbered 2: That the Senate recede rom its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry"; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, between the United States and Canada"; and the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "or agent of any such highway vehicle, bridge, tunnel, or ferry, or other person"; and the House agree to the same.

Amendment numbered 5: That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by the House amendment and in lieu of the matter proposed to be inserted by the House amendment insert the following: "over highways or toll bridges"; and the House agree to the same.

PETER GERRY,
A. H. VANDENBERG,
TOM CONNALLY,
ROBERT A. TAFT
(Per A. H. V.),
Managers on the part of the Senate.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
Managers on the part of the House.

Mr. GERRY. Mr. President, I ask for the immediate consideration of the report.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

Mr. GERRY. Mr. President, I ask unanimous consent that the enrolled bill may be signed by the Acting President pro tempore during the recess of the Senate following today's session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

A JUST AND LASTING PEACE IN THE POST-WAR WORLD

Mr. CAPPER. Mr. President, recently I placed in the RECORD a number of letters from Methodists urging that the United States, in cooperation with other nations, take action to secure a just and lasting peace in the post-war world. I am now receiving letters from Baptists and members of other organizations along similar lines, including those who have signed the "pledge for peace" formulated by the organization of which Justice Owen L. Roberts, of the Supreme Court of the United States, is chairman.

Needless to say, Mr. President, I share with these individuals the ambition that the United States use its tremendous influence and powers to promote a just and lasting peace for all the world. I will do everything in my power to further that worthy objective. A few more world wars and I fear that what we have called our western civilization will be doomed. That must not happen.

I believe, furthermore, that the peoples of all the world desire peace for themselves and their neighbors in this world. Great Britain, Russia, China, the peoples of Europe, Asia, Africa, the islands that dot the seven seas are with the people of the United States in their desire for peace, in their ambitions to bring about conditions conducing to world peace.

But we also face the fact, Mr. President, that these nations and these peoples want their own kind of world peace.

Russia's idea of a just and lasting peace includes a rearrangement of boundaries and governments in eastern and central Europe—possibly even western Europe—that will insure Russia security in the peaceful world envisaged.

There is no doubt in my mind that the English idea of a just and lasting peace would include the preservation of the British Empire. Judging from what I have heard to date, France and Holland would not consider giving up any of their colonial empires to bring about a just and lasting peace. I hear talk among our own people of air bases overseas, for our own security after this war. China will ask, and be entitled to, assurance that she will be allowed to develop in her way the best interests of the Orient. I hear confusing reports from India as to Indian ideas of what would insure a just and lasting peace.

In other words, I feel that in common honesty I must say that I will work and sacrifice for a just and lasting peace with the full knowledge and appreciation of some of the difficulties we will face, and with a full realization that there will be clashes of interest at the peace conference tables.

Mr. President, I ask unanimous consent to have placed in the RECORD, following these remarks, a radio broadcast delivered by me by electrical transcription Sunday night, May 28, 1944, over Station WIBW, Topeka, Kans., on this subject, and also a few of the many letters and suggestions I have received in the past few days.

There being no objection, the address and letters were ordered to be printed in the RECORD, as follows:

Friends in the radio audience, in the past week or so I have received a number of communications from Baptists, outlining their views that two principles are basic to the establishment of a sound post-war world order.

Earlier in the year I received several thousand letters from Methodists, based on a circular to members of that church from the Boston bishops, outlining what should be told to Members of Congress to line them up for a new world order.

Only last Wednesday Winston Churchill, in a speech in the British House of Commons, outlined in a general way, some of his conceptions of how a just and fairly permanent peace may be attained by proper use of force in the post-war world.

A few days before that Sumner Welles, former Under Secretary of State, at the New York Times Forum, came out vigorously in opposition to a post-war world ruled by a military alliance of three (perhaps four) great powers, and in favor of a council of United Nations rule.

Secretary of State Cordell Hull has spoken on the issue. He is working with some members of the Senate Foreign Relations Committee toward a program for a permanently peaceful world, based on better relations among the nations of the world.

There are still some who are advocating a sort of United States of the World, though, as the time of settlement approaches, there seem to be fewer and fewer who believe this is possible.

Not much is heard in this country from Soviet Russia in the way of post-war world programs. But through actions rather than words Marshal Joseph Stalin has given the world to understand that Russia also wants a peaceful world, and intends to see to it that Russian influnce in the Continent of Europe will not be subordinate to the influence of any other nation.

The Prime Ministers of Dominions of the British Commonwealth of Nations have been in session in London, laying plans for the preservation and possible enlargement of the sphere of influence the Commonwealth will play in whatever kind of world exists after World War No. 2.

The Baptist letters I have received nearly all read as follows, some write with slight variations:

"It is my belief as a Christian citizen that the two principles I have stated below are basic in the establishment of sound post-war world order:

"1. I believe in a world organization in which every nation is invited to participate. A fellowship of nations limited to three or four strong powers—or even to all the United Nations—would lead inevitably to further conflict. Every nation, large or small, strong or weak, rich or poor, should be included. While the role of enemy nations would have to be limited at first, ultimately none should be left out. Only such inclusions would assure attainment of a just and lasting peace."

Still quoting from the Baptists' form letter:

"2. I believe in a world organization which will face realistically all problems that relate to human well-being. Such an organization should be designed not only to keep the peace (which is not enough) but shall provide for free discussion and orderly adjustments of international problems and disputes of all kinds with cooperative action and mutual assistance in solving problems of economic development, migration, finance, political sovereignty, religious liberty, and others so far as joint efforts may be effective. Anything short of this fails the fulfillment of the law of Christ to 'bear one another's burden' and would doom the nations to successive wars of increasing fury and devastation."

That, my friends, you will notice is a pretty broad and all-inclusive program to be worked out by all peoples of the world together. It is a worthy goal for which to steer our long-range course.

Now for the Methodists, who were asked to write their own ticket to their Congressmen, in line with the following suggestions from the bishops, under the title, "Your part in the crusade for a new world order." I quote from the Methodist program for getting the new world order:

"Why a crusade? To make sure that our own country will assume its share of responsibility for assuring peace in the future.

"While Congress has already taken definite steps toward world collaboration, this is not enough. We must go even further and do our part to assure the kind of world living that will change the conditions that give rise to war.

"That will have to be accomplished by our Government, by the administration, and by the Congress whose members are elected by the people. Therefore, it will have to be accomplished by the people.

"The first step is for you to write immediately to your representatives in both Houses of Congress. Say briefly in your own words on your own writing paper that you expect your representatives in Congress to support and vote for those measures that will enable our country to cooperate with the other nations of the world in constructive plans for the prevention of conditions that permit aggression and war.

"Say to them that you know the United States alone can neither prevent war nor keep war away from its own shore, once it has begun; therefore, it must cooperate with other nations, regardless of the expense involved to its citizens; that you are willing to make the personal sacrifices to insure peace * * *. Methodists, as followers of the Prince of Peace, are under divine imperative to use every means to establish a world order in which peace is possible."

I will say that the Methodists responded by the thousands. For a week or two my desk was loaded with their letters. They, too, have set up a worthy goal, toward which all of us are glad to work. Before commenting on these proposals, we might listen to a few words from Winston Churchill to the House of Commons, last Wednesday.

"We intend," said Mr. Churchill, speaking presumably also for the Dominion Prime Ministers, "to set up a world order and an organization equipped with all necessary attributes of power to prevent future wars or the planning of them in advance by restless and ambitious nations.

"For this purpose of preventing wars there must be a world-controlling council.

"There must be also a world assembly of powers whose relations to the world executive or controlling power for the purpose of maintaining peace I am in no position to define. To do so would be stepping outside the bounds which are proper to us and our allies."

Mr. Churchill warned against taking in too much territory by the few.

"As the head of the British Government or as a most respected institution in the grand alliance (note the use of grand alliance rather than United Nations by Mr. Churchill) "it would be a great mistake for me or the House to take it on ourselves to lay down the law for all these countries, including two great powers" (Russia and the United States, he means) "with whom we have to work if the world is to be brought back into a good condition."

In other words, Mr. Churchill lays down no blueprint for the post-war world. The first job is to beat the enemy, he told the House of Commons.

"The relations of three bodies and their relations with each other," Mr. Churchill said at another point in his address, "can only be settled after the formidable foes we are now facing have been beaten into complete submission.

"It would be presumption for any one power to try to prescribe in precise detail exactly what solution we found. Anyone can write down on paper at least a dozen large questions of this kind: Should there be a united force of nations, or should there be a world police force, and so on. It would be out of place for us to go beyond the gradual formulation of opinion and ideas which are constantly going on inside the British Commonwealth and in contact with our principal allies.

"We must undoubtedly in our world structure embody a great deal of all we have gained for the world by the structure and form of the League of Nations. We must arm our world organization and make sure within the limits assigned to it that it has overwhelming military power.

"We must remember," Mr. Churchill further warns, "that we shall all be hard put to it to gain a living, to repair the devastation which has been wrought. * * * We must strive to preserve the reasonable rights and liberties of the individual.

"There must be room in this great world organization for an organism like the British Empire of Commonwealths, and I trust there will be room also for a fraternal association of the British Commonwealth and the United States."

Such a fraternal association (alliance of Britain and the United States, I presume he means) according to Mr. Churchill would be a great aid in enabling the world organization to function.

There, my friends, you have some different views on and suggestions for peace in the post-war world; peace founded on military force and backed by a common understanding among some or among all of the peoples of the world—probably, if Mr. Churchill is right, among the leading nations.

Now a few words before my time is up. I am heart and soul with the Methodists and the Baptists and all others of our peace-loving people in their high and noble ambitions to obtain from this terrible war some assurance of a post-war world that will make for a just, a durable, a lasting peace. I will do everything possible to attain that end. They may count upon my support.

But I would be derelict in my duty to these people and to my country if I did not point out that the attainment of a just and lasting peace will depend upon more than just the United States and its representatives in peace conferences. There are others. They all want lasting peace—Britain, Russia, China, France, the Low Countries, all nations and peoples, I think.

But as I see it Russia's idea of a just and lasting peace includes rearrangements of boundaries and governments in Europe, at least, that will secure the power and prestige of the Union of Soviet Socialist Republics.

Britain's idea of a just and lasting peace includes retention and security of the British Empire. France wants her colonial empire restored and guaranteed. China wants security, and so on.

And for myself, I cannot subscribe to any program that turns over to other nations, or a group of nations, the sovereignty of the United States in domestic affairs, or the sovereignty of the United States in the last analysis to determine its own foreign policies.

I will support a program of cooperation of the United States with other sovereign nations; I do not see that I can support a program that will make us a dominion in someone's empire—at least not until I know the terms upon which we are to be admitted to that world empire.

Of course, our actions will have to be guided by events and conditions as these present themselves. I think we can all agree on that. I would like to know what you think of this matter.

WORLD TRAVEL-STUDY CLUBS, INC.,
Washington, D. C., May 18, 1944.

Mr. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: Resident for years in Topeka, I have come to Washington for the present via Indiana. But I am writing to you because you represent the people of Kansas in their most vital interests.

The greatest issue of all time rests in our hands—that of formulating and maintaining a just and lasting peace.

We are looking to you, in your strategic position and influence, for setting up now a United Nations council to work out plans for permanent organization to safeguard all that we are fighting for.

Sincerely,

JOSEPHINE M. STEARNS
(Mrs. J. M. Stearns).

HOLTON, KANS., *May 7, 1944.*

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SIR: It is my belief as a Christian citizen that the two principles I have stated below are basic in the establishment of sound post-war world order:

I. I believe in a world organization in which every nation is invited to participate. A fellowship of nations limited to three or four strong powers—or even t all the United Nations—would lead inevitably to further conflict. Every nation, large or small, strong or weak, rich or poor, should be included. While the role of enemy nations would have to be limited at first, ultimately none should be left out. Only such inclusiveness would assure the attainment of a just and lasting peace.

II. I believe in a world organization which will face realistically all problems that relate to human well-being. Such an organization should be designed not only to keep the peace (which is not enough) but shall provide for free discussion and orderly adjustments of international problems and disputes of all kinds with cooperative action and mutual assistance in solving problems of economic development, migration, finance, political sovereignty, religious liberty, and others, so far as joint efforts may be effective. Anything short of this fails the fulfillment of the law of Christ to "bear one another's burdens," and would doom the nations to successive wars of increasing fury and devastation.

A. J. SEABOLD.

UNIVERSITY OF KANSAS,
May 15, 1944.

Mindful that I am a citizen of a great country created 160 years ago by the union of 13 divided and quarreling colonies, and convinced that the world of today holds as much wisdom as did that of the founding

fathers, I declare myself for these propositions:

1. That to save myself, my children, and my fellow-beings from inevitable destruction in future world wars, a world organization shall be formed;

2. That this world organization shall in the beginning consist of the United Nations and such neutral countries as may be admitted by them;

3. That the Axis Powers, their allies and their sympathizers, shall have the status of territories on probation until the world organization shall admit them to membership;

4. That no member nation may at any time or for any reason secede from the world organization;

5. That each member nation of the world organization shall give up forever the sovereign right to commit acts of war against other nations;

6. That the authority of the world organization shall be made effective and irresistible by the establishment of an international police force;

7. That a primary goal of the world organization shall be the gradual abolition of economic and political imperialism throughout the world; and

8. That it shall be the first duty of the world organization not merely to destroy the military power of the Germans and Japanese, but to formulate and carry into execution whatever measures may be deemed necessary to prevent them from preparing for a third world war of conquest.

Solemnly aware that the acceptance of these propositions involves the creation in myself of a loyalty to the human race along with, but not conflicting with, my loyalty to my own country, I do hereby set my hand and pledge the allegiance of my heart.

HENRY WERNER.

AMERICAN ASSOCIATION OF UNIVERSITY WOMEN,
Chanute, Kans., May 18, 1944.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: I want to add my voice to those in favor of an international organization of the United Nations. A foreign policy based on actual cooperation among the nations, such as the Connally resolution should, it seems to me, be forged into a working plan by the adoption of such a resolution and the establishment of the international machinery to carry it out.

It seems to me that it should not be postponed longer. It is foremost in our thinking and while we are working for a military victory would seem to be the appropriate time to work for this cooperation among nations. It is the only course that will succeed in permanently establishing peace among the nations and it is my hope that your efforts will be directed to that end.

Very sincererly,

Mrs. T. H. CRONEMEYER,
State Chairman, Economic and Legal Status of Women.

FIRST BAPTIST CHURCH,
Osawatomie, Kans., May 7, 1944.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: We, with all American people and the people of the United Nations, are being called upon to put all of our efforts into waging war. We consider it a duty, forced upon us largely by bungling, unwise, and selfish leadership on the part of all the nations, but nevertheless a duty; therefore, we do our part.

We charge you as one who represents us and all Americans to stand firmly even if you have to stand alone, for a just peace. And by a just peace we mean a peace which will come because of right relationships, fairness, unselfishness, good will among the peoples of all nations and races. Let the ideals of the various church pronouncements be taken seriously. Specifically, we mention the work of the Federal Council of Churches, the Delaware conference of March 1942, and the Six Pillars of Peace of March 1943. When we wage peace as assiduously as we have been waging war we can have peace.

We cherish your long public service, but the greatest service you can render America and humanity is to have a part in creating a warless family of nations. We trust you will measure up to this tremendous opportunity.

Cordially yours,

Taylor B. Light; C. E. Blauvelt; Mr. and Mrs. P. O. Edwards; Mr. and Mrs. E. H. Hawkins; Mrs. C. L. Carmichael; Mrs. S. O. Piggott; Mrs. H. L. Latimer; Mrs. E. E. Potter; Mrs. W. J. White; Mrs. E. P. Hawkins; Virginia Hawkins; Mrs. Dora Wilt; Mrs. W. H. Campbell; Mrs. Lawrence White; Mr. and Mrs. F. E. Weller; Mr. and Mrs. L. V. Clift; W. B. Sechiert; V. E. Zumbrun; Mrs. A. Eichorn; Mrs. Ruby M. Shover; Katie B. Shulls; Mrs. Mary Jones; Mrs. Esther Piggott; Mrs. W. F. Pryor; Mrs. D. B. Burks; Mrs. R. A. Pulliam; Mrs. V. E. Zumbrun; Mrs. H. G. Crumpley; Mrs. E. E. Coleman; E. H. Hansen; Mr. and Mrs. E. C. Neff; H. L. Piggott; Mrs. B. Roberts; Mrs. John B. Lindemood; Hugh W. Campbell; Mrs. Taylor B. Light.

PALMER, KANS., *April 16, 1944.*

DEAR SIR: Our pastor asked each of us to write our opinions of the crusade for a new world. Of course we all wan' peace. We'd like to have lasting peace instead of another war in a few years. Personally, I think we must cooperate with other nations and that we must have a Christian attitude. That all countries should be treated equally. That one country (even ours) should not think themselves better than others. We should assume our share of the responsibility for assuring peace in the future, and cooperate with the other nations of the world in plans for the prevention of conditions that cause war. I'm sure each one of us would be willing to make sacrifices to insure peace. Most important of all, if we are to have peace we must have a Christian world and those at the peace table must act in a Christian way.

Yours truly,

Mrs. CLYDE CHAYER.

NORTH TOPEKA BAPTIST CHURCH,
Topeka, Kans., May 6, 1944.

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: I was very much disappointed after World War No. 1 that our country did not become a member of the League of Nations. However, I think we are all more fully awake to the importance of plans for peace after this war.

I believe in a world organization in which every nation is invited to participate. If even our enemy nations are left out of the plan it will inevitably lead to further conflict in the years to come. Of necessity the participation of enemy nations must be limited at first, but to assure a just and lasting peace the organization must be inclusive.

I believe in a world organization which will deal with all problems that relate to human well-being. Such an organization should provide for freedom of discussion and adjustments on all international problems and disputes. These problems would include economic developments, immigration, finance, international law, religious liberty, etc.

The reason I believe in Christian principles being used as a basis for world peace and order is because I believe Jesus Christ discovered and set forth basic and fundamental principles of life, individually and socially. If this is true we cannot hope to build a social world structure unless we use these principles as the foundation.

Very sincerely,

A. A. VAN SICKLE
(Mrs. A. A. Van Sickle).

PRATT, KANS., *May 7, 1944.*

Hon. Mr. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Have watched your career for many years and admired your stand on many important issues. My parents, who have gone into the Great Beyond, have admired you as a Christian Senator and leader.

Your office will be flooded by many letters from Baptists. I too subscribe to the two principles which they advocate.

1. A world organization in which every nation is invited to participate.

2. A world organization which will face realistically all problems that relate to human well-being.

We know we can count on you.

Sincerely yours,

SARA BELLE WASSER,

HORTON, KANS., *May 8, 1944.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: Speaking as a Christian citizen, I would like to express myself as favoring a world organization as the only just and sound plan to insure peace after the present war has ended. I believe this world organization should include every nation large or small, strong or weak, rich or poor, even enemy nations. While limited at first perhaps, they should not be left out.

I believe this world organization should face and discuss freely all problems that relate to human well-being and it should settle international problems and disputes on economic development, migration, political sovereignty, and religious liberty. Anything short of such an organization will, in my opinion, fall short of ever accomplishing a post-war world acceptable unto the Lord Jesus Christ and we will again find ourselves involved in another world conflict.

Yours respectfully,

Mrs. W. R. HILL.

PRATT, KANS., *May 10, 1944.*

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SIR: If we are to have a lasting peace we must begin now to formulate plans so that when the time comes we will know what we are striving to attain.

In order to secure a lasting peace I feel that it can only be done by applying Christian principles as a basis for the peace.

I believe in a world organization in which every nation is invited to participate. A fellowship of nations limited to three or four strong powers—or even to all the United Nations—would lead inevitably to further conflict. Every nation, large or small, should be included. While the role of enemy nations would have to be limited at first, ultimately none should be left out. Only such inclusiveness would assure the attainment of a just and lasting peace.

I believe in a world organization which will face realistically all problems that relate to human well-being. Such an organization should be designed not only to keep the peace (which is not enough) but should

provide for free discussion and orderly adjustment of international problems of economic development, migration, finance, political sovereignty, religious liberty, and others so far as joint efforts may be effective. If we fail to so federate, the world will be doomed to successive wars of increasing devastation.

We feel that you very sincerely strive to know the wishes of our constituency and we have never doubted your honesty and integrity. Long may you ably represent Kansas as you have so well done in the past.

Yours very truly,

MAUDE B. MCBRIDE.

HOURS OF DUTY OF POSTAL EMPLOYEES—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. Under the order of the Senate of Thursday last the conference report on House bill 2928 is now before the Senate for consideration. The clerk will read the report.

The Chief Clerk read the report submitted by Senator MCKELLAR on May 4, instant, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2928) to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, and 4.

That the House recede from its disagreement to the amendment of the Senate numbered 3; and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

At the end of said amendment, insert a colon and the following: *"Provided,* That postmasters of the first, second, and third classes, and post-office inspectors, shall be on duty not less than forty-eight hours per week, and shall be paid for the additional eight hours, as additional pay for working such additional time, as follows:

"Those whose salaries are over $5,000 and not over $7,999, 5 per centum of their regular peacetime salaries; those whose salaries are over $4,000 and not over $5,000, 10 per centum of their regular peacetime salaries; those whose salaries are over $2,000 and not over $4,000, 15 per centum of their peacetime salaries; those whose salaries are $2,000, or under, 20 per centum of their peacetime salaries: *Provided further,* That no postmaster whose peacetime compensation is $8,000, or over, shall receive any additional compensation for such overtime work."

And the Senate agree to the same.

KENNETH MCKELLAR,
JOSIAH W. BAILEY,
Managers on the part of the Senate.

T. G. BURCH,
TOM MURRAY,
GEORGE D. O'BRIEN,
FRED A. HARTLEY, JR.,
N. M. MASON,
Managers on the part of the House.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. WHITE. Mr. President, I ask the Senator from Tennessee if the minority members of the conference committee joined in the report?

Mr. MCKELLAR. No, sir. The conference report is signed by the two Democratic members. It is not signed by the Senator from Kansas [Mr. REED], who represents the minority. There is only one difference between the minority member and the majority members, and the Senator from Kansas will now explain that, I suppose.

Mr. REED. Mr. President, I could have hoped that the distinguished Senator from Tennessee had undertaken the difficult task of defending the report of the majority members of the conference committee rather than put the burden upon me.

Mr. MCKELLAR. I shall be very glad to do it if the Senator wishes.

Mr. REED. I yield to the Senator from Tennessee for that purpose.

Mr. MCKELLAR. Very well.

Mr. President, House bill 2928 was passed by the House of Representatives on July 5, 1943, and passed by the Senate in March. The bill had for its purposes the following:

"That when the needs of the service require postmasters of the first, second, and third classes, supervisory employees, special clerks, clerks, laborers, watchmen, and messengers, in first- and second-class post offices, and employeees of the motor-vehicle and pneumatic-tube services, and carriers in the City Delivery Service and in the Village Delivery Service, and employees of the Railway Mail Service, post-office inspectors and clerks at division headquarters of the post-office inspectors, employees of the Stamped Envelope Agency and employees of the mail-equipment shops; cleaners, janitors, telephone operators, and elevator conductors, paid from appropriations f the First Assistant Postmaster General; employees of the Air Mail Service; Cost Ascertainment employees (until such time as they shall be transferred to the departmental roll); employees upon the field roll of the Division of Equipment and Supplies and all employeees of the Custodial Service except charwomen and charmen and those working part time, to perform service on Saturday they shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday on which the excess service was performed: *Provided,* That employees who are granted compensatory time on Saturday for work performed the preceding Sunday or the preceding holiday shall be given the benefits of this act on 1 day within 5 working days following the Saturday when such compensatory time was granted: *Provided further,* That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for Saturdays in lieu of compensatory time, such overtime, however, to be payable only upon so much of the earned basic compensation as does not exceed $2,900 per annum, any emoluments received pursuant to the act entitled 'An act to provide temporary additional compensation for employees in the Postal Service,' approved April 9, 1943, not to be considered as part of the earned basic compensation." In computing the overtime compensation the base pay for 1 day shall be considered to be one-three-hundred-and-sixth of the respective per annum salaries and the base pay for 1 hour shall be considered to be one-eighth of the base pay so computed for 1 day.

The bill as passed by the House and sent to the Senate was amended in the Senate, and there has been a conference. The conferees have unanimously agreed on everything except the provisions with reference to postmasters of the first, second, and third classes, and post-office inspectors. Only the Senator from Kansas [Mr. REED] disagrees on that point.

The situation is that it was thought that the salaries of those employees were sufficient. There was quite a controversy in the conference committee on that issue. A compromise amendment was finally reached, and I shall read it. I think it will commend itself to everyone as being entirely fair. Instead of having extra time allowed, the provision as to first- second- and third-class postmasters and post-office inspectors which was agreed upon is as follows:

Provided, That postmasters of the first, second, and third classes, and post-office inspectors, shall be on duty not less than 48 hours per week, and shall be paid for the additional 8 hours, as additional pay for working such additional time, as follows:

Those whose salaries are over $5,000 and not over $7,999, 5 percent of their regular peacetime salaries; those whose salaries are over $4,000 and not over $5,000, 10 percent of their regular peacetime salaries; those whose salaries are over $2,000 and not over $4,000, 15 percent of their peacetime salaries; those whose salaries are $2,000, or under, 20 percent of their peacetime salaries: *Provided further,* That no postmaster whose peacetime compensation is $8,000, or over, shall receive any additional compensation for such overtime work.

Under these circumstances, Mr. President, a majority of the conferees on the part of the Senate and all the conferees on the part of the House felt that the compromise was a reasonable one. I understand it is acceptable to those who are affected by it. The bill is one which should become law. It has been before the Congress for a long time. So far as I know, my good, genial friend the Senator from Kansas [Mr. REED] is the only one who is opposed to this very moderate and modest compromise agreement as to these salaries. That is the only question.

The committee has directed me to report the bill from the conference and to ask the Senate to vote "aye" on the question of adopting the conference report. I sincerely hope that will be done.

I now yield to my friend the Senator from Kansas, who is on the other side of the issue, and who does not wish to have the conference report agreed to.

Mr. REED. Mr. President, the Senator from Tennessee might well have added, in explaining the compromise which he is offering, that the same sort of compromise was made with John L. Lewis and the coal miners, in an effort to justify an increase in pay which could not otherwise be justified.

Mr. MCKELLAR. I did not know that was in issue. So far as I recall, it was not stated in the conference that the compromise was the same as the compromise with Mr. Lewis.

Mr. REED. Mr. President, this is quite an important matter. The duty I am performing today is not a happy one. I prefer to agree with my associates. This is the first time I have come to the floor in opposition to a conference report. This is the first time I have ever raised any question about postal salaries. I served in the Post Office Department a long time; and certainly the last depart-

ment as to which I would raise any question would be the Post Office Department.

Mr. President, the conference report should be rejected. If the report is accepted, we shall by an act of Congress have broken the "hold the line order," disregarded the Little Steel formula, and raised salaries as much as 45 percent in the salary bracket around $2,000. If the report is adopted, I am sure Judge Fred Vinson will be tremendously embarrassed in the future in trying to hold the line.

I do not know Judge Vinson very well. I have admired him for the persistency and consistency with which he has endeavored to carry out the instructions he has had under Executive order to hold the line. I still have the old-fashioned idea that by an act of Congress an Executive order to hold the line can be superseded. I am equally of the opinion that while Congress has the power to do so in this instance, it is not wise to exercise it.

Mr. President, let me rehearse the history of this legislation as briefly as I can.

Mr. DOWNEY. Mr. President, will the Senator yield to me for a question?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Kansas yield to the Senator from California?

Mr. REED. I yield for a question.

Mr. DOWNEY. I simply wished to ask if the net result of the compromise agreement would be to give a postmaster with a peactime salary of $7,800 a greater overtime rate than that received by a postmaster whose peacetime salary is $8,000.

Mr. McKELLAR. I cannot answer that question. I do not know that we have the facts. Perhaps the Senator from Kansas can give them. What the Senator says may be true, but, if so, it is true only in an unusual case. It was not the intention to bring about such a result.

Mr. REED. I shall be glad to answer the question of the Senator from California if he will be good enough to repeat it.

Mr. DOWNEY. As I interpret the amendment suggested in the conference report, it would add a minimum of 5 percent to all peacetime salaries up to $8,000.

Mr. REED. That is correct.

Mr. DOWNEY. It would add nothing to salaries of $8,000 or more.

Mr. REED. That is correct.

Mr. DOWNEY. So the individual having a salary of $7,800 or $7,900 would be much better off, by several hundred dollars, than the man with a peace-time salary of $8,000. For that reason I agree with the Senator that the subject ought to have further consideration.

Mr. REED. Let me go into the history of the legislation. This proposal has no place on the floor of the Senate at this time. I dislike to disagree with such eminent Senators as the Senator from Tennessee [Mr. McKELLAR] and the Senator from North Carolina [Mr. BAILEY]. I am sure the Senator from North Carolina would not object to my repeating what he told me in our last conversation, that his position would be one of "confession and avoidance."

Mr. McKELLAR. If the Senator ever heard of my confessing and avoiding, I must have been under the spell of the Senator's eloquence.

Mr. REED. I said the Senator from North Carolina, not the Senator from Tennessee. I think the Senator from Tennessee is set in his ways, but he will have to bear the burden alone. I am sure he will find no enthusiasm on the part of the distinguished Senator from North Carolina for the adoption of this report.

Let me give the history of this proposal. Two years ago the Postmaster General came to the Congress and asked for an amendment to a law then on the statute books. In asking for that amendment the Postmaster General said:

> The amendment of such legislation would not increase the cost of postal service to the nation.

That was in a letter addressed to the Speaker of the House, which is a part of the record.

What are the facts? The facts are that the overtime pay in 1942, under the old law, was $10,396,000. The overtime estimate for the fiscal year 1945 is $69,777,200. These are official figures, furnished me by the Post Office Department, and brought to the attention of the conferees.

We were asked to amend the law in 1942 and did so, as the result of a request and a promise from the Postmaster General, who said that there would be no increase in the cost of the Postal Service. The increase in cost would amount to approximately $60,000,000. I know we have reached a time when $60,000,000 is not regard as a very important item; and yet there is involved in this proposal the good faith of an administration pledge.

Of course, I would not wish to suggest any partisan element, but the fact remains that under this bill 16,907 postmasters, most of them Democrats, would receive an increase in salary. There would be an increase of 20 percent in the lowest brackets. The lowest salaried postmasters who would receive any benefits would be postmasters receiving $1,200. They would receive an increase of 20 percent. The highest salaried postmasters who would receive any benefit would be those receiving $7,900. They would receive an increase of 5 percent.

The Senator from Tennessee did not tell quite all the story. This bill, as it passed the House, carried overtime pay for postmasters. I hope the Senate will listen to this, because the country is listening to it. As it passed the House, the bill carried overtime pay for postmasters. Every Senator knows what postmasters are. Nearly all Senators—particularly those on the Democratic side—have had many postmasters appointed, and they know what postmasters are. They are executives. They are administrators. They are managers. I thoroughly believe in overtime pay for the rank and file of postal employees who work under supervision, who perform assigned duties, and who can receive overtime pay only after certification by a superior. I challenge any Senator to point out any instance in which a manager, who is hired by the year to do a job, ever was paid for overtime. He regulates his own working hours. He arranges his own work. He puts in as few or as many hours as he chooses. Yet the bill as it came to the Senate proposed to give that class of officials overtime. I objected as vigorously as I knew how.

I am not raising the question of adequacy or inadequacy of postmasters' salaries. I say that the bill before us is the wrong way to go about adjusting salaries. When the Senate passed the bill it struck out overtime for first-, second-, and third-class postmasters. The House refused to accept the amendment and the bill went to conference.

Mr. President, the conferees finally came to agree with the premise—at least, I assume they did—that it was rather bad business to try to pay postmasters on an overtime basis. So the majority, in an effort to find a way out and still increase postmasters' salaries, concluded to give them a percentage increase in salary—20 percent in the lowest brackets, and 5 percent in the highest brackets, at $7,900.

The other day I noticed in the press a criticism by the Appropriations Committee of the House of Representatives in connection with the pressure from Government employees for increases in salaries. I do not wish to deny any Government employee the right of petition. I believe that a Government employee has the right, if he chooses, to write to his Member of Congress. In the instance to which I refer I believe some of the employees of the Office of Education were criticized. That agency is not alone in this respect.

Let me say to Senators that the postal employees are as well organized as are the railroad brotherhoods. Whenever a postal bill affecting wages and working conditions comes before us for consideration the committee room of the Committee on Post Offices and Post Roads, which is not very large anyway, can hardly hold the representatives of the postal employees' organizations. I find no fault with that. But the House has not seen anything yet.

Last fall it became known that I was objecting to the overtime provision. I have received 787 letters and telegrams from postmasters in every State of the Union urging me to support the increase in pay for postmasters. They do not care very much whether the increase is brought about through overtime pay or an increase in salary. What they want is the money.

I wish to call attention to one particular phase of this question. Among the reasons given for increasing the salaries of postmasters at this time is an increase in work, perhaps due partly to the war effort. Mr. President, it requires considerable gall for a group of men on the pay roll of the United States at reasonable salaries to ask for increased compensation because of increased work due to the war effort when tens of thousands of plain citizens up and down this land

are devoting from 10 percent to 100 percent of their time to the war effort without a cent of compensation of any kind.

Mr. McKELLAR. Mr. President, if I may interrupt the Senator, let me say that I believe in every department of the Government provision has been made for overtime payment. Nearly all the employees of the Government receive pay for overtime. We have appropriated hundreds of millions of dollars for overtime payments. The postal employees are the only ones who are not receiving any pay for overtime. I am wondering if the Senator is opposed to all overtime payments provided for in the bill. Provision is made for overtime payments to cleaners, janitors, telephone operators, and so forth. Does the Senator mean to say that he is opposed in principle to all overtime payments? If I correctly understand him he is opposed to the provision concerning postal inspectors, and the three upper classes of postmasters, but is in favor of overtime payments to those in the other categories set forth in the bill.

Mr. REED. Mr. President, we can save a great deal of time if the Senator from Tennessee will allow me to point out to him that in the minority views, which he never read and to which he never paid the slightest attention, it is stated that the Senator who submitted the minority views has no objection to this bill except as it relates to postmasters.

Mr. McKELLAR. Then it is boiled down to them. The postmasters, Mr. President——

Mr. REED. Mr. President, I cannot yield to the Senator from Tennessee. He must make his speech in his own time.

Mr. McKELLAR. If the Senator will not yield to me, very well.

Mr. REED. I must remind the Senator from Tennessee that he may state what he wishes with regard to the majority report. All the minority views need is an explanation. I ask the Senator from Tennessee to wait and make his defense, if he has any, in his own time.

Mr. McKELLAR. I have no defense to make. I merely urge the Senate to adopt the conference report.

Mr. REED. I was sure the Senator from Tennessee would urge the adoption of the report. I had no doubt whatever about it.

Mr. President, by direction of the committee we made some investigation into the extravagance in the administration of the so-called overtime provision. The Post Office Department itself recognizes the fact that there has been waste and extravagance. On two different occasions the First Assistant Postmaster General sent out letters warning postmasters about this very thing, but without result. The Department is cognizant of the conditions which exist, but I do not believe it has made the vigorous effort to correct waste and extravagance which the importance of the subject requires.

Who is responsible for the waste and extravagance? Only one class of employees; namely, the postmasters. That fact is recognized by everyone familiar with the Postal Service, including the present officers of the Post Office Department downtown. Yet the postmasters, who are largely responsible for the approximately $60,000,000 waste, are to be rewarded—not penalized, removed, or disciplined—by an increase in salary. Those very men—1,000, or perhaps 5,000—ought to be removed from office for negligence, waste, extravagance, and maladministration. It is now proposed by the majority report that they be rewarded for their lack of competence, efficiency, good faith, and care in administration.

Mr. President, there is so much to be said along this line that I am tempted to take more time than I feel I should take.

I wish to reiterate that a proposal is being made to reward men in public office who have been inefficient, wasteful, extravagant, and neglectful. An effort is being made to increase their compensation partly on account of war work. They are on the Government pay roll drawing salaries ranging from $1,200 to $12,000. It is proposed to reward them for war work, if you please, while tens of thousands of citizens of this country are devoting as much time to war work as any postmaster, and in many instances more time, without compensation of any kind.

Mr. President, I do not find pleasure in my opposition to the adoption of the conference report, but I think it should be rejected.

Mr. REED subsequently said: Mr. President, I ask unanimous consent to include the minority views at the close of my remarks. The majority report, was substantially read into the RECORD by the Senator from Tennessee. I would like to include the minority views.

There being no objection, the minority views were ordered to be printed in the RECORD, as follows:

MINORITY STATEMENT RELATING TO CONFERENCE REPORT ON H. R. 2928

It is always pleasant to agree with one's associates. May I say in the beginning that this is the first time I have failed to sign a conference report. There are compelling reasons why I do not feel able to do so in this instance.

I regret that my first inability to agree with my associate conferees arises with a bill affecting compensation of postal employees. I served the Post Office Department many years and naturally have a most sympathetic approach to the interests of all postal employees. The reasons which impel my dissent in this case transcend any sentimental attitude toward my past associates.

Consideration of H. R. 2928 by the conferees naturally fell under two headings. The first was overtime; the second was the question of salaries for postmasters.

THE THEORY OF OVERTIME

House bill 2928 was primarily a bill to provide overtime payment for various classes of postal employees, including postmasters of the first, second, and third classes, and post-office inspectors. As the bill was passed by the House, it provided overtime for these officials. The Senate amended the bill by striking out overtime payment for postmasters and post-office inspectors. The House refused to concur in the Senate amendment and sent the bill to conference.

I find no fault with a rule that provides compensation based upon hours worked. Such a rule is universal throughout all kinds of business. Once a workweek of a reasonable period is determined as a base, additional time obviously should be paid for.

The fact that provision is made for overtime pay argues a varying period of labor from day to day or week to week on the part of the person who receives the added pay. The established workweek period in the Postal Service is 40 hours, and the fact that overtime payment is provided for service in excess of 40 hours is definitely not to be taken as extending all workweeks to 48 hours. The Post Office Department has emphasized that fact from time to time and has undertaken to restrict overtime payments to such additional hours above 40 as may be found necessary to transact postal business.

It logically follows that the determination of the hours above 40 hours per week to be worked and paid for must be determined by some authority above the person actually performing the work and claiming overtime pay. In the second part of this expression, I shall criticize the Post Office Department, to some extent, for the lack of vigorous administration. But with the principle itself I have no quarrel. If this rule is sound, and I think it is, a man working overtime does not himself determine the extent of the work necessary for which extra pay is to be received.

The Postal Service is made up of some thousands of post offices scattered over the country. Overtime payments are made only in post offices of the first, second, and third classes. There are some 16,907 of these. A postmaster, whose compensation is fixed by law and based entirely upon the volume of business done in second- and third-class offices, and to some extent in offices of the first class, is the agent of the Post Office Department in his particular office and responsible to the Post Office Department for the administration of that office. In other words, he is the executive supervising and directing the work of his office. He is the person who has been designated by the Department to determine the necessity for work above 40 hours per week for the assistant postmaster, clerks, carriers, and other employees of his office. The fact that, to a great extent, postmasters have been derelict in the administration of this duty does not lessen their responsibility.

The postmaster not only determines the time necessary for the various employees of his office to work, but, of course, he determines the application of his own labor. The payment of overtime for employees who work under direction, and according to direction, is universal throughout the business world. Nowhere, so far as I have ever heard, is overtime paid to a man who calculates and computes his own hours of labor. That is a sound common-sense business rule. Such men are usually called executives or administrators. Postmasters are either or may be both.

There are good, bad, and indifferent postmasters. In my experience I have met hundreds, perhaps thousands of them, and have carried on much official correspondence with them. They average about the same in ability and experience and honesty as does the human race, generally speaking.

To place upon the postmaster the responsibility of determining, not only the overtime necessary for those post-office employees under his supervision, but add to that responsibility the duty of computing his own overtime, which would be the basis of extra pay for him, is neither fair to the postmaster nor to the public service of which he is a part. For some months, it has been reported through the various postmaster organizations that I was the "villian of the piece"; that is, the Senator principally responsible for raising some question about the sound-

ness of the policy involved. I have had several hundred letters and telegrams from postmasters all over the country asserting their honesty, integrity, and patriotism. I have questioned none of these things. I have consistently asserted that it is not good practice in either public or private business to place any individual in the position of determining his own pay, based upon a varying number of hours of work he devotes to his job.

I do declare that a substantial majority of postmasters have not carried out the spirit of the law, nor the instructions of the Post Office Department with regard to the overtime provision contained in Public, No. 509 (H. R. 6759). I shall deal with this more extensively later:

In the consideration of this bill in the Post Offices and Post Roads Committee of the Senate, in the first instance, I took this position and the committee finally concluded to amend the bill, omitting first-, second-, and third-class postmasters from the benefits of overtime payments. I would not undertake to say that all members of the conference accepted this view as necessarily correct, but at least the conferees concluded to drop the idea of paying overtime to postmasters. They handled the pay factor in a different way. I fear that the conferees' method of handling this item is, perhaps, more dangerous, from a standpoint of sound public policy, than the original plan to pay overtime.

HOW OVERTIME WORKS

Relatively little overtime in the Postal Establishment was paid prior to the passage of Public Law No. 509 (H. R. 6759), approved March 27, 1942. The workweek of postal employees was fixed at 40 hours. Generally speaking, half holidays on Saturday were granted in first-class post offices and most second-class offices. If the necessary work on Saturday required any employee to work more than 40 hours for that week, he was granted compensatory time off in the following week. (This rule of compensatory time did not apply on the three Saturdays preceding Christmas. Straight overtime could be and was paid for extra Saturday work in that period.)

To meet the unsettlement caused by the breaking out of the war, the Postmaster General, on March 9, 1942, addressed a letter to the Speaker of the House asking that the law be amended to read as follows:

"That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for Saturdays in lieu of compensatory time."

This authority was construed to apply to assistant postmasters, clerks, and carriers. Postmasters and post-office inspectors were not included and received no overtime payment by virtue of this amendment. That omission is principally the cause of the bill now before us, although the provisions of the bill we are considering goes to other classes of employees, more or less limited in number. I have no objection to the bill so far as these other employees are concerned.

In his letter asking for the passage of H. R. 6759, the Postmaster General said:

"By virtue of the law, most postal field employees, approximately 270,000, may not be compelled to work on a Saturday unless they receive the same amount of time off on some day during the following week. This is 'compensatory time.'

"The amendment of such legislation * * * would not increase the cost of postal service to the Nation, since the Saturday-employee replacement cost is practically as great, if not greater."

I have quoted from the letter of the Postmaster General to the Speaker of the House. If his words carry the only meaning which I can read out of them, the actual result is far from the estimate of the results by the Postmaster General. I am advised by the First Assistant Postmaster General that overtime payments and estimates in post offices are as stated below:

Fiscal years:	
1942	$10,396,420
1943 [1]	61,003,199
1944	67,557,000
1945 (estimate)	69,777,200

[1] This figure includes some payments made under S. J. Res. 170. I do not have a basis for separating this sum, but it is relatively unimportant.

These are most astonishing figures. Overtime payments, through the fiscal year 1942, were at the rate of some $10,000,000. In asking for the passage of H. R. 6759, the Postmaster General said the change "would not increase the cost of postal service to the Nation." Surely the increase of expenditures from $10,000,000 to $67,000,000 in 1944, and an estimate of nearly $70,000,000 for the fiscal year 1945 calls for a complete explanation before further legislation on this subject is passed.

When H. R. 2928 was before the Senate Post Offices and Post Roads Committee, I raised the question of how the result flowing from the passage of H. R. 6759 compared with the expressed views of the Postmaster General. As the result the bill was referred to a subcommittee, of which Senator HAYDEN, of Arizona, was chairman. The subcommittee authorized me to investigate with the Post Office Department and obtain the best information available on this point. I have done so. I wish to say here that I found the office of the First Assistant Postmaster General most cooperative and helpful. It has been candid and has gone to much trouble to obtain information which was desired for this purpose. I find that from the very beginning of this more liberal overtime-payment rule, the Department has had difficulty in checking waste and extravagance in the various post offices throughout the country. From time to time the First Assistant Postmaster General has issued instructions and has cautioned postmasters about the administration of this more liberal overtime rule. I have been furnished with copies of letters issued to this end. In May 1943 the First Assistant Postmaster General said:

"In those postal units where a 48-hour workweek is not necessary, there may be authorized such hours in excess of 40 per week as the needs of the Service require. Under no circumstances may increased postal facilities of any kind be authorized in any branch of the Service merely for the purpose of establishing or continuing a workweek in excess of 40 hours."

The results obtained from this warning to postmasters were not satisfactory. On December 8, 1943, the First Assistant Postmaster General issued another letter. (This was after the Senate committee had called this subject to the attention of the Department.)

"Gross receipts and expenditures for auxiliary hire and overtime, for the September 1943 quarter indicates that some post offices are using more overtime for clerks, carriers, and laborers than is absolutely necessary, and that some offices have increased the hours of these employees to 48 hours a week, whereas previous estimates showed that satisfactory service was being rendered by the use of approximately 44 hours a week. Furthermore, it also appears in numerous instances that supervisors are being paid for overtime on Saturday when they formerly were able to take compensatory time the following week without additional cost to the Department.

"From our study of the estimates and expenditures submitted by postmasters, it is concluded that there is a possibility that the use of overtime is being abused. The percentage of clerical and carrier costs to the gross receipts has increased at many offices.

"The employment of regular employees on a 48-hour-week basis should have resulted in savings in expenditures for auxiliary assistance."

In order to obtain definite information on this point, I asked, on behalf of the subcommittee, that the First Assistant Postmaster General make an inquiry at a number of post offices throughout the country. A comparison was made between the overtime expenditure necessary under the compensatory time rule for the quarter ending March 31, 1942 (the last quarter of operation on the compensatory time basis) and overtime paid regular employees during the quarter ending September 30, 1943. (This was the last full quarter for which figures could be obtained preceding the inquiry.)

The results were startling. Expressed in hours of overtime, overtime service had increased as follows:

Selected second-class post offices

Salary of postmaster	Number of post offices	Total number of auxiliary hours used during quarter in granting compensatory time to regulars incident to Saturday service, quarter ending Mar. 31, 1942	Total number of hours overtime paid regular employees for service on Saturday during quarter ending Sept. 30, 1943	Percentage column 4 is of column 3
(1)	(2)	(3)	(4)	(5)
$3,000	41	9,470	26,095	275.55
$2,900	26	6,716	14,076	209.58
$2,800	30	5,515	12,231	221.77
$2,700	27	3,672	10,341	281.61
$2,600	32	5,489	9,720	177.08
$2,500	30	4,020	6,401	159.22
$2,400	39	2,609	5,089	195.05
Total	225	37,491	83,953	223.90

This information will give the Senate some understanding of the reason for the issuance by the First Assistant Postmaster General of his warning on December 8, 1943, in which he said that more overtime was being used than "is absolutely necessary" and "there is a possibility that the use of overtime is being abused."

The First Assistant Postmaster General was extremely moderate in his statement that "there is a possibility that the use of overtime is being abused." The reports definitely show that the use of overtime is being abused, and outrageously being abused. The expenditures for overtime in the current fiscal year are stated as $67,557,000 as against $10,396,420 in 1942. The estimate for overtime for the next fiscal year is $69,777,200. These are most extraordinary increases. If these increases are due to faulty administration, either in the Department or in the thousands of post offices throughout the country, surely the amounts involved are of sufficient importance to warrant the making of a conclusive investigation without delay.

I call special attention to the statement of the First Assistant Postmaster General in his letter of December 8, 1943:

"The employment of regular employees on a 48-hour-week basis should have resulted in savings in expenditures for auxiliary assistance."

The First Assistant Postmaster General was badly and sadly mistaken in his assumption, or he overestimated the competency of the postmasters administering the thousands of post offices in the country.

In the attempt to find the facts in this situation, the First Assistant Postmaster General sent out two sets of questionnaires. The first questionnaire was sent to 10 representative post offices in each State amounting to between 400 and 500 offices. Selection of post offices was made by the Post Office Department. The returns on this

questionnaire were not very satisfactory. The questionnaire in itself was cumbersome and did not clearly get the information desired. I take a share of responsibility for this failure because this form was prepared after consultation between representatives of the First Assistant Postmaster General's office and myself.

A second questionnaire was sent out to 225 post offices. The second questionnaire was condensed and secured the precise information desired. It was prepared by the office of the First Assistant Postmaster General, which profited by the first unsatisfactory attempt to secure this information.

I have personally examined the returns from both the first and second questionnaires. I have both in my possession now. From this examination, it is apparent that about 75 percent of the postmasters, to whom these questionnaires were sent, had made no effort whatever to hold the overtime down to actual necessities of the Postal Service.

On the contrary, it is apparent that in something like 75 percent of the cases the passage of H. R. 6759 was taken as a license to increase the pay for virtually all clerks and carriers, including the assistant postmaster, to the full extent of 8 hours overtime per week. In a quarter there are 13 Saturdays. Questionnaire after questionnaire returned shows the assistant postmaster claiming and being paid for 104 hours of overtime in that quarter, which is the maximum possible hours. Somewhat comparable increases of overtime were given to clerks and carriers.

Returns from the 225 second-class offices tabulated above show that 37,941 extra hours were used and paid for during the quarter ending March 31, 1942. The same offices used 83,953 hours in the quarter ending September 30, 1943. During the second period 223.9 percent of overtime hours were used and paid for as compared with the quarter in the previous year.

This is an outrageous and inexcusable failure on the part of postmasters. For example:

One Ohio postmaster, with a salary of $3,000, in a town of around 5,000 population, covered his situation with 624 hours of "compensatory time" in 1942 with no "overtime" actually paid for. His gross business actually decreased from 1942 to 1943. He used no "compensatory time" in the 1943 quarter, but 858 hours of "overtime" were actually paid for. The operating cost of salaries for himself, assistant postmaster, and his clerks and carriers increased from 63.4 percent of his gross revenue in 1942 to 87.1 percent in 1943. The increase, stated in money, is the difference between $6,584.79 paid for salaries in the 1942 quarter and $8,346.99 paid for salaries in the 1943 quarter. This is an increase of $1,762.20 for this one office in one quarter. In a year this rate would increase salaries in this office more than $7,000. I think there are other factors involved in this increase, but at that, gross extravagance is shown in this post office. On the face of this report this postmaster should be removed.

This increase in expenditure was in the face of an actual decrease in gross business.

This is the worst case I found. However, it is not the only case. Many other cases were bad—some of them nearly as bad as this.

The return of these questionnaires showed that only a minority of the postmasters handled their business in a satisfactory way. The postmasters making unsatisfactory reports are greatly in the majority.

From expressions of the First Assistant Postmaster General, this tremendous increase in cost must be attributed to a lack of proper supervision and careful administration by postmasters of the several thousand post offices affected. This is a situation that calls for immediate and thorough investigation by the Postmaster General. Failing such immediate investigation and remedy of this extravagance and waste, the Senate Committee on Post Offices and Post Roads should take cognizance of this whole situation and institute an inquiry.

To obtain these facts, expressed in figures, required a considerable amount of work on the part of the Post Office Department, as well as myself. I tried to bring the results to the attention of the conferees. I found that we are primarily legislators, who find it difficult to give the time and effort necessary to examine and understand a situation such as this.

POSTAL EMPLOYEES "BONUS"

Before reaching the question of postmasters' salaries, it is necessary to consider the effect of the operation of Public Law 25 (H. R. 1366), approved April 9, 1943. This passed the House of Representatives on March 15, 1943. (The debate will be found on pp. 2035 to 2047, inclusive, of the CONGRESSIONAL RECORD.

In opening the debate, Mr. BURCH of Virginia, chairman of the Houst Post Office and Post Roads Committee, said:

"The increase which this bill provides conforms to the Little Steel formula. The average salary paid postal employees is about $2,000 per annum. The average salary paid R. F. D. carriers is between $2,000 and $2,100 per annum. * * * Something has been said about the cost of this bill. I state to you gentlemen here and now that this bill is worked out so that it practically conforms to the Little Steel formula."

House bill 1366 provided a payment of $300 per annum, for the duration of the war and 6 months thereafter, to all officers and employees of the Post Office Department in the field services, who were paid on an annual-salary basis. For employees on a piece-work or hourly basis, an increase of 15 percent in their compensation was provided. The clerk-hire allowance for third-class postmasters was increased 15 percent. Provision was made that in no case the increase in compensation or allowance should exceed $300 per annum.

This bill was a recognition of the increase in living costs during the war period and applied to all officers and employees alike. The increase in cost of living is substantially as great to the lowest-paid employee as to the highest-paid official. The passage of this bill was almost unanimous in the House and was unanimous in the Senate.

Chairman BURCH of Virginia estimated that the effect of this bill would be to increase Postal Service operating costs $38,688,000. The latest estimate, furnished me by the Post Office Department, states the increase in cost, due to this law, as $93,927,268 for the fiscal year 1944, and $95,031,687 for the fiscal year 1945. I think that action of the Congress in this regard was only a fair provision for increased living costs of postal officers and employees.

POSTMASTERS' SALARIES

We now come to the question of postmasters' salaries. I asked the First Assistant Postmaster General to give me an estimate of the effect of the proposal by the majority of the conferees on postal expenses. This is stated as follows:

Increase over present salary

$1,100 to $2,000, 20 percent	$2,885,800
Over $2,000 to $4,000, 15 percent	3,038,100
Over $4,000 to $5,000, 10 percent	59,210
Over $5,000 to under $7,980, 5 percent	29,100
Total	6,012,210

No increase in salary of postmasters is authorized where the salary is $8,000 per annum or above.

I do not doubt the authority of Congress to increase the salaries of postmasters if it so desires. I most emphatically question the wisdom of doing so under all the circumstances. I shall discuss these circumstances.

Generally, the reasons given for increasing compensation to postmasters may be stated as:

A. Increase in their work and responsibilities.

B. Increase in living costs.

C. To some extent, increases in compensation, through payment of overtime, have raised the pay of assistant postmasters and clerks to a higher figure than the salary of the postmaster.

It may be fairly said that, probably, the latter factor has been urged more vigorously by postmasters than any other. I shall discuss these in the order stated.

A. There is no doubt that the work of postmasters has been increased through the addition of nonpostal activities that are being carried on through post offices for the war effort. This is an indeterminate factor, and it is exceedingly hard to appraise its weight and effect. In dealing with this factor it should be recognized that in every community draft boards, rationing boards, and various other boards and committees are functioning in connection with the war effort. Largely, the work of these boards is being carried on by citizens volunteering to serve without compensation. Every Member of Congress has personal knowledge of these boards and their personnel. In many instances the work of these boards takes a substantial part of the time of a citizen who serves without compensation.

I do not think that the average burden imposed upon the postmaster, because of additional nonpostal activities, is any greater than the average duties carried by citizens of his community without compensation. If the Congress is going to increase postmasters' salaries because of this factor, it ought to make provision for every other citizen serving on draft boards, rationing boards, war boards, U. S. O., O. C. D., Red Cross, and a myriad of like activities. Certainly, in this proposal we are discriminating against a multitude of our fellow citizens who give their time to the war effort without any form of money compensation.

B. When we come to the second factor, increase in living costs, it should be recognized that the bonus of $300 per annum allowed to every officer and employee of the Postal Service was intended to take care of this factor. Surely, we are not going to start to make exceptions of postmasters and accord them special treatment.

In this connection, it might be remembered that there is such a thing as a "hold the line" Executive order. That order is based upon the increase in living costs which have occurred since January 1, 1941. The Little Steel formula holds all wage and salary increases to a 15-percent basis.

There is a further factor in this dimension. Employers in private business are not allower to raise salaries or wages of their employees without permission from the War Labor Board. This rule applies to individuals as well as groups. It has been the cause of much embarrassment to many employers. It is true that the War Labor Board grants permission to raise wages and salaries where justification is shown. Such permission is usually granted to meet the stern necessities of employers in their effort to retain employees as against the higher wages offered in war industries. Permission is also granted by the War Labor Board to correct gross inequities.

There is nothing in the record to indicate that postmasters are entitled to be placed in either of these classifications. If the Congress comes along and increases the salaries of postmasters, principally upon the basis that they want the money, it may be more difficult for the War Labor Board and the Economic Stabilization Director to hold the line.

Personally, I can conceive of no circumstance in the present situation that justifies the Congress in making postmasters a preferred class as against the very numerous classes of citizens who do not share the joys of public office. With all respect for my colleagues of the conference committee, I think they are treading on dangerous ground in what they propose to do in this instance.

C. We all have had pressure from the highly organized employees of the Post Office Department, both individually and through their organizations. Because of my peculiar relation to this question, I think it possible that I have had much more pressure, particularly from individual postmasters and postmaster organizations, than have my colleagues. Much is made of the claim that the assistant postmaster and other subordinates are now receiving higher compensation than the postmaster himself.

This is true to some extent, but the facts are grossly exaggerated. Senator HAYDEN, from the Senate Committee on Post Offices and Post Roads, carried on an inquiry with the Post Office Department covering this phase. His report was printed as Report No. 788, Calendar No. 795, Seventy-eighth Congress, first session. I commend my colleagues of the conference to a careful reading of that report. It was found that there were some cases of the kind—mainly in second-class offices. Even in those cases, the excess of salary for the assistant postmaster, or any clerk, over the postmaster's salary, was insignificant. About 90 percent of the pressure exerted to secure my agreement to including overtime for postmasters in H. R. 2928 was because of this detail.

There is another factor to be considered. Any excess of compensation for subordinates, above the postmaster's compensation, is due in every case to the payment of overtime. This overtime payment could not be made except by the approval of the postmaster. It, perhaps, would not be accurate to say that postmasters approved these overtime payments for their subordinates in the post office for the purpose of making a prima facie showing for an increase in salary for themselves. But at least it had that effect and postmasters have certainly pressed, at least with me, that factor to the utmost limit.

However, I want to go to the broader question of the responsibility of postmasters to the Post Office Department, and to the public, in their capacity as the executives administering these thousands of post offices scattered all over the land. Without doubt or hesitation, I state that:

"They have grossly failed to discharge this responsibility. No person with any degree of understanding can consider the information furnished by the First Assistant Postmaster General and read his statement that 'the use of overtime is being abused,' without realizing that here is an important matter entitled to serious and immediate consideration in the public interest. Whatever of abuse and extravagance appears in the administration of this overtime authority is directly chargeable to the postmasters."

We now come to the astounding proposal to reward public officers who have been negligent and derelict in their duty with an increase in salary. It is hard to conceive anything more absurd than this proposition. The waste of public money is indicated, on the reports available, at around $60,000,000 annually. These reports are not as comprehensive as I wish they were. It is entirely possible that reasons other than overtime may be found for a part of this expenditure. I think it is likely that such is the case.

However, no matter what offsetting factor may be found, that will not change the fact that negligence or incompetency of postmasters is causing a needless expenditure of public money to be measured in the scores of millions of dollars. Whether that be twenty million, or forty million, or sixty million, is important but not the only important point. The most important thing is that public officers, who have failed in their duty, should be punished and not rewarded.

It is my belief that an immediate and thorough investigation of all the factors discussed herein should be instituted by the Postmaster General and carried through to as early a conclusion as possible. It is my further belief that, pending the result of such an investigation, this legislation should be held in abeyance. It is my quite definite belief that a thorough investigation by the Postmaster General will find negligence and incompetency to an extent that will justify the removal of hundreds, and perhaps thousands, of postmasters now holding office. That they should be rewarded for negligence is, to me, fantastic.

POST-OFFICE INSPECTORS

I served many years in the Post Office Department. I was always in the transportation end of postal work, but over the years I had full and complete opportunities to witness the work of post-office inspectors.

The post-office inspectors are as fine a body of public servants as can be found anywhere. To me they compare favorably with the F. B. I., Secret Service of the Treasury Department, the Intelligence Division of the Bureau of Internal Revenue, and other similar organizations. They are most highly trained, competent, and earnest men. To consider, for a moment, placing a group of men like this on a basis of punching a clock when they go on duty and come off duty, and paying them overtime is ridiculous, and tends to lower the respect in which this body of men is held by their associates in the Postal Service and by the public generally.

If the post-office inspectors are not paid adequate salaries, I stand ready to vote for an increase in their salaries whenever a proper foundation is provided. I feel, very strongly, that an injustice is being done to the postal inspectors, as a body, and to the postal-inspection service, by the proposal here considered. It cheapens them and lowers their prestige in discharging their duties—which is important.

CONCLUSION

Out of a long life of much experience with public service, both National and State, I want to say that I believe the Post Office Department of the United States of America is as efficient a functioning public agency as can be found anywhere in any land. To me, it is easily superior, as a business organization, to any other department of the Government. Nothing that I have said herein is to be taken as indicating any serious impairment of efficiency in the Post Office Department. I do think the Department is open to criticism for lack of vigorous administration upon this particular point. That doesn't lessen the esteem and respect which I hold for the responsible officers of the Post Office Department, nor the admiration I have for the service rendered by the vast body of postal employees.

What I am trying to do is make the Post Office Department more efficient; to reward competency, and to punish and discourage incompetency and waste. This is my only purpose.

CLYDE M. REED.

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). The question is on agreeing to the conference report.

Mr. REED. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Reed
Austin	Green	Revercomb
Bankhead	Guffey	Reynolds
Bilbo	Hatch	Robertson
Bridges	Hayden	Russell
Burton	Holman	Shipstead
Butler	Johnson, Colo.	Stewart
Byrd	Kilgore	Taft
Capper	La Follette	Thomas, Idaho
Caraway	McClellan	Tydings
Chandler	McFarland	Vandenberg
Chavez	McKellar	Wagner
Connally	Maybank	Wallgren
Cordon	Millikin	Walsh, N. J.
Danaher	Moore	Wheeler
Downey	Murdock	Wherry
Eastland	Murray	White
Ellender	Nye	Wiley
Ferguson	O'Daniel	Wilson
George	Overton	
Gerry	Radcliffe	

Mr. McKELLAR. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness.

The Senators from Nevada [Mr. McCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Indiana [Mr. JACKSON], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from New York [Mr. MEAD], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Missouri [Mr. TRUMAN], the Senator from Delaware [Mr. TUNNELL], and the Senator from Massachusetts [Mr. WALSH] are detained on public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Alabama [Mr. HILL] are necessarily absent.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the conference report. On this question the yeas and nays have been requested.

The yeas and nays have been requested on agreeing to the conference report on House bill 2928.

The yeas and nays were not ordered.

Mr. AIKEN. Mr. President, before the vote is taken on this question, will not some one tell us exactly to whom it applies?

Mr. McKELLAR. Yes; to first-, second-, and third-class postmasters, and post-office inspectors.

Mr. AIKEN. I refer to the bill.

Mr. McKELLAR. Oh, the bill applies to all postal employees. I thought the Senator was asking whether or not the opposition of the Senator from Kansas [Mr. REED] applied only to postmasters.

Mr. AIKEN. Is any provision made in the bill for fourth-class postmasters?

Mr. McKELLAR. Oh, yes.

Mr. AIKEN. What happens to them?

Mr. McKELLAR. They get an increase for overtime.

Mr. AIKEN. Do they get an increase, and if so, how much?

Mr. McKELLAR. About 20 percent.

Mr. REED. The fourth-class postmasters, and all others working on an hourly or commission basis, get 15 percent already, they are now receiving it. So far as fourth-class postmasters are concerned, the bill does not include them in any way.

Mr. McKELLAR. Let me read.

Mr. REED. The controversy is over salaries of first-, second-, and third-class postmasters.

Mr. HOLMAN. And no one else?

Mr. REED. No one else.

Mr. HOLMAN. Will the Senator from Tennessee permit a question?

Mr. McKELLAR. Certainly.

Mr. HOLMAN. I am somewhat confused, as other Senators are, as to the extent of the personnel of the Post Office Department covered by the bill.

Mr. McKELLAR. I read the pertinent provision while the Senator from Oregon was out of the Chamber. Quite a large number are affected, and I shall be happy to read the list again.

The bill as it passed the House applied to "postmasters of the first, second, and third classes, supervisory employees, special clerks, clerks, laborers, watchmen, and messengers, in first- and second-class post offices, and employees of the motor-vehicle and pneumatic-tube services, and carriers in the City Delivery Service and in the Village Delivery Service, and employees of the Railway Mail Service, post-office inspectors and clerks at division headquarters of the post-office inspectors, employees of the Stamped Envelope Agency and employees of the mail equipment shops; cleaners, janitors, telephone operators, and elevator conductors, paid from appropriations of the First Assistant Postmaster General; employees of the Air Mail Service; Cost Ascertainment employees—until such time as they shall be transferred to the departmental roll: employees upon the field roll of the Division of Equipment and Supplies and all employees of the custodial service except charwomen and charmen and those working part time, to perform service on Saturday they shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday on which the excess service was performed."

That was the provision of the House bill. The Senate struck out first-, second-, and third-class postmasters, and struck out inspectors. That was the principal point of disagreement when the bill went to conference. Therefore the conferees agreed upon a compromise for those four classes, as follows:

Those whose salaries are over $5,000 and not over $7,999, 5 percent of their regular peacetime salaries; those whose salaries are over $4,000 and not over $5,000, 10 percent of their regular peacetime salaries; those whose salaries are over $2,000 and not over $4,000, 15 percent of their peacetime salaries; those whose salaries are $2,000, or under, 20 percent of their peacetime salaries.

Mr. President, that represents a saving, compared with what the bill provided as it passed the House, of several million dollars, I am informed.

Mr. REED. I am sure the Senator from Tennessee——

Mr. McKELLAR. If the Senator will wait a moment, I wish to say that this is a compromise agreed to by a majority of the Senate conferees and by every one of the House conferees, and is acceptable to the employees themselves, so far as I have been able to learn from their organizations, and elsewhere. It would result in saving an enormous amount of money to the Government. It does increase to a small extent some salaries. Those receiving over $8,000 would not have any increase at all. That is the situation.

Mr. AIKEN rose.

Mr. McKELLAR. If a Senator is opposed to giving overtime to employees, he should vote "nay." If he is in favor of putting the employees concerned on the same basis with other employees of the Government who are getting overtime pay during the war, he should vote "yea," and I hope the Senator from Vermont will vote in the affirmative.

Mr. REED. Mr. President——

Mr. McKELLAR. I yield.

Mr. REED. I thought the Senator from Vermont had the floor.

Mr. AIKEN. The Senator from Tennessee has the floor.

Mr. REED. I am sure the Senator from Tennessee desires to be correct, but he has made two definitely incorrect statements.

Mr. McKELLAR. I made one incorrect statement, the one about fourth-class postmasters. Theirs was a different situation. Their compensation had been raised previously, so they are out of the picture, and their compensation was raised more than that of any of the other employees.

Mr. REED. The Senator from Tennessee knows better than that.

Mr. McKELLAR. I do not know better than that. I know that is true. There is no use bandying words with the Senator.

Mr. REED. There was a bill before the Committee on Post Offices and Post Roads providing for a change in the basis of compensation from the commission basis to a definite salary basis. First, the committee turned that down. Largely because the Senator from Arizona [Mr. HAYDEN] and I insisted that the fourth-class postmasters should be put on a salary basis, about the same, as nearly as we could get it, as their former basis it was reconsidered and the change made. The main reason for the change was the request of the department for simplification in administration, which would be brought about. Fourth-class postmasters are not at all affected by this bill. Under a measure previously passed they have been given a 15-percent increase. Some of my colleagues have asked me concerning my attitude toward other employees than postmasters. I have labored under considerable difficulty. I have not been able to get the conferees even to read the minority views which affect only first-, second-, and third-class postmasters.

Mr. McKELLAR. Mr. President, I am very sorry, but the Senator from Kansas wrote a report consisting of 40 pages, more or less, as I remember. I will not be absolutely certain with respect to the number of pages, but the report is very long, and honestly I did not understand the Senator's report, just as I cannot understand the present attitude of the Senator, who was once a postal inspector. I cannot imagine why the Senator should have such a tremendous antipathy to the increase provided in the measure for post-office inspectors. The measure does not give post-office inspectors anything like the increase given them by the House.

We do not give them even half the increase the House gave them. I read the Senator's report and I tried to understand it, but did not. I am sure my failure to understand it is due to my lack of mentality, and not because there is anything the matter with the report. I do not understand the language of the minority report.

Mr. REED. I am sure the Senator from Tennessee does not undertake to say he read the report, because I am sure he never has. Permit me to quote one sentence from the minority report for the benefit of my colleagues:

I find no fault with this overtime provision except so far as the pay of postmasters is concerned.

I wish to correct the Senator from Tennessee in another respect. He stated that the so-called compromise adopted by the majority of the conferees was several million less than the original House provision.

Mr. McKELLAR. Mr. President, I have just been assured by Mr. Purdum, Second Assistant Postmaster General, over the telephone, in this respect. I called Mr. Purdum on the telephone a few minutes ago, at the request of the Senator from California [Mr. DOWNEY], because I did not have the figures. The figures were not given in the hearings. Mr. Purdum is fairly accurate, I take it. He thought the compromise figures were several million dollars less than the House provision. At any rate, he said they were very much less than the House provision.

Mr. REED. Mr. President, my impression is that there were two so-called compromise provisions. The Senator from Tennessee will remember that the conferees discussed some other percentage than the one finally agreed upon. The one finally agreed upon exceeded the other proposed "compromise." I do not know that a statement of the exact amount of money under the House bill as it stood was ever given to the committee, but my impression is that if it had been given to the committee it would have been found to be less than the so-called compro e contained in the conference report.

Mr. President, I wish to leave this thought with the Senate: I am raising no question and the minority report raises no question except with respect to overtime or extra pay for postmasters. So far as all other classes of employees are concerned I approve the bill and the minority report approves the bill.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Does the Sena-

tor from Kansas yield to the Senator from Vermont?

Mr. REED. I yield.

Mr. AIKEN. I should like to ask the Senator from Tennessee for further information. As I understand, Congress has previously passed legislation dealing with fourth-class postmasters.

Mr. McKELLAR. Yes. I regret I said they were included in the present measure. They were provided for in a previous law.

Mr. AIKEN. That law did not include the other groups?

Mr. McKELLAR. No; it did not include the other groups.

Mr. AIKEN. I see no reference in the pending measure to rural carriers. The bill covers city delivery carriers, but makes no mention of the rural carriers. Have the rural carriers been granted an increase by previous legislation?

Mr. McKELLAR. Mr. President, I am very sorry I cannot tell the Senator from Vermont about that. My friend the Senator from Kansas knows the post-office situation, and I will ask him to answer the question.

Mr. AIKEN. It seems to me that the rural carriers have a very serious problem in the matter of upkeep of equipment and other troubles that are incidental to the war, and that it would be rather unfair to exclude them from the benefits of any increase in salaries. Does the Senator from Kansas know about that matter?

Mr. REED. Under House bill 1366, if I remember the number of the bill correctly, adopted 1 year ago, the rural carriers, the city carriers, the post-office clerks, and the assistant postmasters were given overtime pay. Where they were paid on an hourly basis or a commission basis, we gave them 15 percent, which would apply to clerk hire in third-class post offices and to fourth-class postmasters. All classes of employees except those included in the present measure have already gotten 15 percent or more.

A year ago we voted a so-called bonus of $300 to all classes of postal employees, including postmasters. Every postmaster received a $300 increase last year. That was supposed to be the equivalent of the increase provided under the Little Steel formula. So every postmaster in the land, first, second, and third, has already received $300 salary increase last year, which brings it up to the Little Steel formula standard of salary increases.

Fourth-class postmasters were changed from a commission basis to a money or salary basis, and they were given a 15-percent increase. So a great majority of postal employees have already received these benefits. The clerks, the rural carriers and city carriers, and assistant postmasters are receiving the $300, plus overtime pay for actual time of work. No one raises any question about that. That is not involved in the consideration of the pending measure at all. The bill endeavors to give postmasters something which I do not think they are entitled to receive.

Mr. AIKEN. Will the Senator from Kansas consider a specific example? Let us assume that a third-class postmaster who had received a salary of $2,000 a year or more ago was granted a $300 increase; that would make his salary $2,300.

Mr. REED. That is correct.

Mr. AIKEN. Does the amendment which provides for a 20-percent increase mean that such an individual would receive 20 percent of $2,000 in addition to the $2,300 or in addition to the $2,000?

Mr. REED. Yes; he would. The question of the Senator from Vermont is what happens in the case of a third-class postmaster whose salary was $2,000. He received a $300 increase last year, which makes a total of $2,300. This bill would give him 20 percent, which is $400 more, which makes a total of $2,700, an increase of 45 percent, and if Fred Vinson does not advise the President to veto this measure he will be ruining his reputation for consistency in trying to hold the line. That is the situation. I think the proposal is unwise. It can be done if the Senate wants to do it, but I do not think we ought to do it. I think it is as outrageous a piece of legislation as has come to the floor of the Senate.

Mr. REVERCOMB. Mr. President, will the Senator yield to me for a question?

Mr. REED. I yield.

Mr. REVERCOMB. The Senator from Kansas has filed minority views, in which it was stated that there was no objection to the increase with respect to those affected by the bill other than postmasters. Is that correct?

Mr. REED. That is correct.

Mr. REVERCOMB. However, our situation now is that we are dealing with a conference report which we ourselves cannot amend.

Mr. REED. That is correct, but I may suggest to the Senator from West Virginia that we can reject the conference report, send it back to conference, and I assure the Senate that when it goes back to conference first- and second-class postmasters will be eliminated.

Mr. REVERCOMB. If that would be so, I would vote to send it back to conference. But there are many of us who feel that, in keeping with the increases which have been granted to other Government employees, post-office employees, other than postmasters, perhaps, are entitled to some increase. I believe a statement to that effect was contained in the minority views filed by the Senator from Kansas [Mr. REED].

Mr. REED. I make no objection to that.

Mr. REVERCOMB. But I understand that we are confronted with the situation of taking the conference report as it is or sending it back to conference. Am I correct about that?

Mr. REED. That is correct.

Mr. AIKEN. Mr. President, I should like to ask the Senator from Tennessee if it is his understanding that the 20-percent increase is in addition to the $300 which was granted a year ago.

Mr. McKELLAR. It is.

Mr. AIKEN. That would make, would it not, 45 percent in some cases?

Mr. McKELLAR. For every employee provided for in the bill salaries would be increased about 20 percent, except in the case of postmasters, some of whom would have their salaries increased 5 percent, some 10 percent, and some 15 percent.

Mr. AIKEN. I think most of these employees are entitled to an increase because of wartime conditions.

Mr. McKELLAR. The majority of our committee thought so. So far as I recall, every member of the Committee on Post Offices and Post Roads, except the Senator from Kansas, thought that this compromise was an excellent one. I think I am correct in that statement. If I am mistaken, the Senator can correct me.

Mr. AIKEN. It seems to me it would be quite unfair for us to grant these increases, which in certain cases would amount to as much as 40 percent or more, and still hold the fourth-class postmasters to a 15-percent increase, and not do very much of anything about the salaries of rural mail carriers.

Mr. REED. The rural mail carriers and the others came before us and obtained their increases some time ago.

Mr. AIKEN. But those increases were not comparable to the increase which is proposed for the city mail carriers.

Mr. HAYDEN. Mr. President, as the Senator may recall, Congress passed special legislation for the benefit of the rural mail carriers and granted them an increase. They are paid on a mileage basis. Their organizations appeared before the committee. What they requested has been allowed. So they have been cared for by the increased percentage which has been allowed them.

Mr. McKELLAR. And let me say that neither organization has made any complaint at all.

Mr. HAYDEN. That is correct.

Mr. AIKEN. Can the Senator tell me what the allowance was?

Mr. FERGUSON. One cent a mile.

Mr. HAYDEN. Yes; 1 cent a mile.

Mr. McKELLAR. It is approximately 20 percent; that is my impression.

Mr. AIKEN. Did they also receive an increase of 15 percent, or $300, in salary?

Mr. McKELLAR. They also received that increase.

Our committee has tried its best to be fair and just. It was represented that those in the Post Office Department receiving the larger salaries should not have their salaries increased. The committee finally agreed, after days of argument, that those receiving over $8,000 should not have their compensation increased at all, that those receiving between $5,000 and $8,000 should receive only a 5-percent increase, and that as the salaries become smaller the increase should become larger, until in the case of an employee receiving less than $2,000 the increase would be 20 percent.

Mr. President, I simply cannot understand how a fairer adjustment of a very-much discussed and carefully considered proposition could be made. I doubt if a fairer conclusion could have been reached. I believe it will meet with the approval of the postal employees and of everyone else.

Mr. AIKEN. Am I to understand that the fourth-class postmasters were to be on a straight-salary basis and were to receive an increase which would amount to approximately 15 percent?

Mr. McKELLAR. Fifteen percent or 20 percent.

Mr. REED. Mr. President, if the Senator will yield to me, let me say it would be 15 percent, at a time when all post-office employees not on an annual basis, but on a commission basis, were given a 15-percent increase.

Mr. McKELLAR. They are not complaining, in any event.

Mr. REED. That is correct.

Mr. AIKEN. The proposed increased, added to the increase granted a year ago, would break the Little Steel formula; would it not? Of course, I am not an advocate of the Little Steel formula; I want that clearly understood.

Mr. McKELLAR. Mr. President, I have heard of the Little Steel formula. But what it has to do with this matter is a question. Indirectly it has something to do with it. But I do not believe the Little Steel formula ever was intended to apply to an adjustment of salaries of postal employees. The Post Office Department pays its own way. The duties of every official and of every employee of the Post Office Department have been increased to a very great extent, as we all know. Their work and their duties have increased, naturally, during the war. Under those conditions it was thought that this adjustment was an exceedingly fair one. It has been agreed to, first, by the committees of both Houses, by both Houses themselves, and now by the conferees. I hope the conference report will be adopted.

Mr. DOWNEY. Mr. President——

Mr. REED. Mr. President, let me correct the Senator from Tennessee.

Mr. AIKEN. Mr. President, I yield first to the Senator from California, and then I shall yield to the Senator from Kansas.

Mr. DOWNEY. Mr. President, I think there is one thing which might be said to clarify the answer to the question asked by the distinguished junior Senator from Vermont [Mr. AIKEN]. As I understand the matter, the 15-percent increase was given generally to effect the same result as that effected by the Little Steel formula. But at that time, as I recall, the employees of the Post Office Department were working perhaps 38, 40, 42 or 44 hours a week. Under the pending legislation, and prior to it, they have been working 48 hours a week. The pending legislation does not propose compensation under the Little Steel formula, but compensation merely for overtime work, just as a man working 40 hours a week in the steel industry would have been entitled to a 15-percent increase on the basis of the 40 hours a week, but that would not deny him additional compensation for overtime, if subsequently he was working 44 or 48 hours a week.

Mr. REED. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. REED. I wish to correct the Senator from Tennessee again. I hesitate to correct him so often.

Mr. McKELLAR. Oh, Mr. President, that is all right. I do not think I ever have made a suggestion in my life which met with the approval of the Senator from Kansas. So I am delighted to have him correct me now or at any future time or at any time he chooses to do so, because I have never been able to agree with the Senator about anything.

Mr. REED. Mr. President, if the Senator does not want me to agree with him hereafter, that is his privilege. Certainly up to now I have been following him quite consistently.

The Senator said that both Houses had approved this provision. They never have done anything of the kind.

Mr. McKELLAR. Mr. President, I did not say that. I said they have approved this bill. This bill has been approved by both Houses, and has gone to conference. With the exception of the Senator from Kansas, every member of the conference, comprising approximately seven or eight Members of the Senate and the House of Representatives, has agreed to the conference report. The Senator from Kansas has taken what to my mind is the most unreasonable position in the world about a compromise. The Senator will remember that everyone of the conferees tried his best to shape the compromise in such a way that the Senator from Kansas would agree to it. But it made no difference what proposal was made; we never could suggest a proposal to which the Senator from Kansas would agree. I am very sorry to say that, but those are the facts. All the conferees, both the House conferees and the Senate conferees, will say that we tried our best to obtain an agreement which all of us could finally sign. If I remember correctly, I finally asked the Senator from Kansas if there was any arrangement to which he would agree. But I found there was none.

Mr. REED. Mr. President, I wish to correct the Senator from Tennessee for leaving the impression that the Senate passed this bill containing the provision relating to salaries of postmasters. It did nothing of the kind. When this bill passed the Senate, the provision with reference to salaries for first-, second-, and third-class postmasters was stricken out. I am sustaining now, and did so in the conference, the action taken by the Senate when it passed the bill. The Senator from Tennessee is the one who is receding from the Senate's position. I do not like to have the Senator from Tennessee leave impressions contrary to the exact facts.

Mr. McKELLAR. Let me ask the Senator if it is not true that every member of the conference committee, with the exception of the Senator from Kansas, signed the conference report?

Mr. REED. What is the use of wasting time on a question such as that? The names of the Senator from Tennessee [Mr. McKELLAR], the Senator from North Carolina [Mr. BAILEY], and the five House conferees are signed to the report. What is the use of wasting time on a thing which is obvious?

Mr. McKELLAR. I am glad it is obvious.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. AIKEN. There is one further matter which I should like to have cleared up. On page 3 of the bill—I am not sure that I have before me the latest print of the bill—I find the following language:

> In computing the overtime compensation the base pay for 1 day shall be considered to be one three-hundred-and-sixth of the respective per annum salaries and the base pay for 1 hour shall be considered to be one-eighth of the base pay so computed for 1 day.

I notice, in the case of postmasters, that that formula has been changed to a straight percentage; but if one three-hundred-and-sixth is to be taken as a formula in computing overtime pay for clerks in post offices, does not that establish a new formula for figuring overtime pay?

Mr. McKELLAR. No; it does not establish a new formula. The Department established that formula, and we are trying to follow it to the best of our ability.

Mr. AIKEN. I was wondering how the formula of one three-hundred-and-sixth happened to be arrived at.

Mr. McKELLAR. I could not say. That is an administrative feature, with which I am not familiar. I was assured that that was the way to handle the matter equitably, and I took the statement of the Department with reference to it.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. HAYDEN. The postal employees affected submitted this language to the committee, and the committee referred it to the Department. The Department said, "That is exactly what we are doing." Therefore, I believe it would be better to crystallize into law the practice of the Department rather than to leave it to administrative discretion to change the formula at some future time.

Mr. AIKEN. The reason for my inquiry is that the Civil Service Committee has considered a great many bills, but I do not recall having seen the formula of one-three hundred and sixth provided in any of them. I was wondering how that figure was arrived at.

Mr. McKELLAR. That is the formula established by the Department.

Mr. VANDENBERG. Mr. President, will the Senator yield to me for a question?

Mr. REED. Certainly.

Mr. VANDENBERG. This is the problem which confronts me: I believe that the rank and file of postal employees are richly deserving of the consideration which this bill gives them, precisely as the Senator from Kansas has said.

Mr. REED. So do I.

Mr. VANDENBERG. If I should vote to return the bill to conference, would it be a fair interpretation of my vote to say that it would be confined solely to a protest against the particular things which the Senator from Kansas has been discussing?

Mr. REED. That is correct.

Mr. McKELLAR. It would mean that the whole bill would be returned to conference. When the bill would be taken up again, or when the conferees would agree, we do not know. The bill was in conference for a long time. Only after

a great number of meetings were the conferees able to agree. It is a mistake to say that returning the bill to conference would not affect the whole bill. I dislike to say that my friend is mistaken. He says that everything I say is a mistake. That is probably correct——

Mr. REED. I have never said anything of the kind.

Mr. McKELLAR. I will admit that I constantly make mistakes, as most of us do.

The question which the Senator from Michigan has just asked is very controversial. What would be the effect? The bill would go back to conference, and I have no doubt that it would be again reported by the conferees substantially as it is now, because compromises are necessary in order to have the bill passed. In the meantime we would be depriving the employees, to whom I have referred, of overtime pay, which practically all other Government employees are receiving. I do not think that would be fair to employees in the Postal Service.

I understand that the amount which would be saved by changing the rates with respect to first-, second-, and third-class postmasters and inspectors would be approximately $600,000 a year. I was so informed over the telephone by Mr. Purdum. The question is, Are we going to deprive these employees, who, we are all agreed, should be paid as are other employees of the Government, of overtime pay because we think we are paying some of the first-, second-, and third-class postmasters too much?

Mr. REED. Mr. President, may I inquire who has the floor?

Mr. McKELLAR. Just a moment. The question is, should we send the bill back to conference in view of the effect which such action would have? I hope the Senate will not do so.

Mr. REED. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. REED. I yielded to the Senator from Michigan and then permitted the Senator from Tennessee to answer a question. The Senator from Tennessee made a speech. I do not wish to yield further under those circumstances.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. REED. I yield to the Senator from West Virginia.

Mr. REVERCOMB. In view of what has been said by the able Senator from Tennessee, it seems that there is but one issue involved, and that is whether or not an increase is to be given to postmasters. The majority report and the minority views of the conferees both state that the other employees ought to receive increases. If the bill is to be sent back to conference, that will mean a definite instruction to the conferees from the Senate that they should eliminate the postmasters and return to the Senate the bill with the increase for postmasters deleted. So it seems to me—and I certainly would want my vote so understood—that in sending the bill back to conference we do so with instructions to remove the objectionable part and bring the bill back here as it affects the other employees in the Postal Service.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. AIKEN. There is one other feature of the bill which it seems to me could stand correcting, and that is that the increase is proposed to be given to clerks in first- and second-class post offices only. Most of the third-class post offices have one clerk. Some of them have two clerks. I see no provision for giving an increase to clerks in third-class post offices.

Mr. REED. I should have been willing to compromise with the other conferees in allowing third-class postmasters a larger percentage of increase for clerk hire, but the other conferees did not wish to compromise on anything which would not grant an increase in salary for first- and second-class postmasters.

I should like to give a little further history of this proposal. When the bill came over from the House last year—I ask the attention of the Senator from Arizona [Mr. HAYDEN], because he is a part of the play—it contained an increase for first-, second-, and third-class postmasters. I have no objection to helping third-class postmasters. Next to fourth-class postmasters, they are most deserving. The Senator from Arizona and myself talked about the proposed salary increase. It was discussed in the committee.

Two years ago the Postmaster General asked for a change in the law, with the definite and specific statement that there would be no increase in cost in connection with the administration of the overtime pay provision. The Senator from Arizona will remember that he and I were not quite satisfied with that statement. At least I was not, and he went along with me. We had investigations made by the Post Office Department itself, because there had been an increase of approximately $60,000,000 in that item. I hold in my hand the returns to the Post Office Department, which have been sent to me for my information because they were requested in the name of the committee.

When we passed that bill we struck out first-, second-, and third-class postmasters. So far as first- and second-class postmasters are concerned, at least 75 percent of them have been inefficient, extravagant, and wasteful. They are now under criticism by the Department, and yet we are proposing to increase their pay as a reward for inefficiency and extravagance. That is the only issue involved. If the bill goes back to conference, and I am still a member of the conference committee, I shall be willing to grant some benefits to third-class postmasters. I am unwilling to raise the salaries of first- and second-class postmasters under these circumstances, and that is the only issue involved.

Mr. HAYDEN. Mr. President, the Senator has referred to my contact with the bill. I wish to make it perfectly clear that so far as the investigation which I conducted was concerned, the purpose was to ascertain whether or not throughout the United States there were post offices in which clerks were receiving greater compensation than that received by postmasters. Such a check was made. It was found that in approximately one-fourth of the second-class post offices in the United States the compensation of postmasters was less than that received by the clerks. That was the investigation which I made. I do not know what investigation the Senator from Kansas made.

I should like to point out to the Senate that this bill passed the House on July 5, 1943. It came to the Senate and was referred to our committee. We investigated, checked, and double checked. The bill was finally reported to the Senate on March 29, 1944. The Senate did not pass it until about a month ago. The bill then went to conference.

We must agree that there are two equally coordinate branches of Congress. The Senate alone cannot legislate, any more than can the House. The House provided that all postmasters should be paid at a higher rate. The Senate, in order to reach a result struck it out. The bill went to conference. The conference committee arrived at a compromise between the views of the two Houses. There is no assurance in the world that if we send the bill back to conference the House will recede and take a different position than it took in the recent conference. I understand that the Senate conferees had great difficulty in finally coming to an agreement with the House conferees. So any Senator who believes that the Senate, if it rejects the conference report, will have its way, is mistaken. The result would probably be that legislation, which should have been enacted a year ago in order that justice be done to certain governmental employees, would be longer delayed. The responsibility for it will be on us when we vote on the conference report.

Mr. REED. Mr. President, does the Senator yield the floor?

Mr. HAYDEN. I yield.

Mr. REED. Mr. President, I wish to invite attention to the statement of the Senator. What he says is correct. I referred to the matter in the minority views. In some post offices an assistant postmaster or a clerk receives more salary than does the postmaster. The difference may be a few cents or a few dollars. The condition is brought about by the extravagance of the postmasters in their handling of overtime pay. The postmaster, by making a too-liberal allowance in overtime pay to others in his office, from the effects of his own act sets up a claim for an increase in his own compensation.

Mr. President, it has never been my policy to criticize my colleagues in conference. However, there was never a time in the conference on this bill when any conferee, other than myself, undertook to maintain the Senate's position on the salary question involved in this controversy. That is why we made no progress from the beginning. It was evident that I was the only conferee attempting to maintain the Senate's position.

The PRESIDING OFFICER. The question is on agreeing to the conference report. [Putting the question.] The "ayes" appear to have it.

Mr. REED. Mr. President, I ask for a division.

Mr. McKELLAR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is the request sufficiently seconded?

Mr. McKELLAR. I first suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Reed
Bankhead	Guffey	Revercomb
Bilbo	Hatch	Reynolds
Bridges	Hayden	Robertson
Burton	Holman	Russell
Butler	Johnson, Colo.	Shipstead
Capper	Kilgore	Stewart
Caraway	La Follette	Taft
Chandler	McClellan	Tydings
Chavez	McFarland	Vandenberg
Connally	McKellar	Wagner
Cordon	Maybank	Wallgren
Danaher	Millikin	Walsh, N. J.
Downey	Moore	Wheeler
Eastland	Murdock	Wherry
Ellender	Murray	White
George	Nye	Wiley
Gerry	Overton	Wilson
Gillette	Radcliffe	

The PRESIDING OFFICER. Fifty-six Senators having answered to their names, a quorum is present.

The question is on agreeing to the conference report. On this question the yeas and nays have been requested. Is there a sufficient second?

Mr. HATCH. Mr. President, a parliamentary inquiry. Were not the yeas and nays ordered?

The PRESIDING OFFICER. No; they were not ordered; they were requested.

Mr. HATCH. I thought I heard the Chair distinctly announce there was a sufficient number to second the request.

The PRESIDING OFFICER. There is now a sufficient number, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. FERGUSON (when his name was called). I have a pair with the junior Senator from New York [Mr. MEAD]. If present he would vote "yea," and, if I were permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. WHERRY. I announce that the senior Senator from Vermont [Mr. AUSTIN] has been called away on official business. If he were present and permitted to vote he would vote "yea."

Mr. BRIDGES. I have a pair with the Senator from Utah [Mr. THOMAS]. If he were present he would vote as I intend to vote. Therefore I am permitted to vote. I vote "yea."

Mr. CHANDLER. I have a general pair with the Senator from Pennsylvania [Mr. DAVIS]. I am not advised how he would vote if present. I transfer that pair to the Senator from Indiana [Mr. JACKSON], and will vote. I vote "yea."

Mr. McKELLAR. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness. I am advised that, if present and voting, the Senator from Washington [Mr. BONE] and the Senator from Wyoming [Mr. O'MAHONEY] would vote "yea."

The Senators from Nevada [Mr. McCARRAN and Mr. SCRUGHAM] are absent on official business. I am advised that, if present and voting, they would vote "yea."

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Indiana [Mr. JACKSON], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from New York [Mr. MEAD], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Delaware [Mr. TUNNELL], and the Senator from Massachusetts [Mr. WALSH] are detained on public business. I am advised that, if present and voting, these Senators would vote "yea."

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Alabama [Mr. HILL] are necessarily absent. I am advised that, if present and voting, these Senators would also vote "yea."

The Senator from Virginia [Mr. BYRD] is detained on public business.

The Senator from Texas [Mr. O'DANIEL] is necessarily absent.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from Minnesota [Mr. BALL], the Senator from Illinois [Mr. BROOKS], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Pennsylvania [Mr. DAVIS], the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. HAWKES], the Senator from North Dakota [Mr. LANGER], the Senator from New Hampshire [Mr. TOBEY], the Senator from Idaho [Mr. THOMAS], and the Senator from Indiana [Mr. WILLIS].

The Senator from Massachusetts [Mr. WEEKS] is absent on official business.

The result was announced—yeas 44, nays 12, as follows:

YEAS—44

Aiken	Gillette	Murray
Bankhead	Green	Nye
Bilbo	Guffey	Overton
Bridges	Hatch	Radcliffe
Caraway	Hayden	Reynolds
Chandler	Holman	Russell
Chavez	Johnson, Colo.	Shipstead
Connally	Kilgore	Stewart
Cordon	La Follette	Tydings
Danaher	McClellan	Wagner
Downey	McFarland	Wallgren
Eastland	McKellar	Walsh, N. J.
Ellender	Maybank	Wheeler
George	Millikin	Wiley
Gerry	Murdock	

NAYS—12

Burton	Reed	Vandenberg
Butler	Revercomb	Wherry
Capper	Robertson	White
Moore	Taft	Wilson

NOT VOTING—40

Andrews	Barkley	Buck
Austin	Bone	Bushfield
Bailey	Brewster	Byrd
Ball	Brooks	Clark, Idaho
Clark, Mo.	Lucas	Thomas, Okla.
Davis	McCarran	Thomas, Utah
Ferguson	Maloney	Tobey
Glass	Mead	Truman
Gurney	O'Daniel	Tunnell
Hawkes	O'Mahoney	Walsh, Mass.
Hill	Pepper	Weeks
Jackson	Scrugham	Willis
Johnson, Calif.	Smith	
Langer	Thomas, Idaho	

So the report was agreed to.

RELIEF OF CERTAIN FOREIGN SERVICE OFFICERS AND EMPLOYEES

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted appropriating the sum of $90,130.91 for the relief of certain officers and employees of the Foreign Service of the United States who have sustained losses by reason of war conditions which have been prevailing in all parts of the world during the past 5 years.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 29, 1944.*

[Enclosure: Report from the Secretary of State.]

TWENTY-SIXTH CONFERENCE OF INTERNATIONAL LABOR ORGANIZATION

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

The Twenty-sixth Conference of the International Labor Organization has just been held at Philadelphia. Representatives of the governments, employers and workers of 41 countries took part in its deliberations.

The conference, by a two-thirds majority, adopted recommendations on the following seven subjects:

1. Income security.
2. Social security for the armed forces.
3. Medical care.
4. Social policy in dependent territories.
5. Employment in the transition from war to peace.
6. The organization of employment services.
7. National planning of Public Works.

Under the constitution of the International Labor Organization, these recommendations are forwarded to the member governments for submission by them to their respective, competent national authorities. I shall accordingly submit them to the Congress in the regular way when certified copies are received.

The conference made other important decisions of which I think the Congress should be informed.

First, it adopted by unanimous vote a declaration of the aims and purposes of

the International Labor Organization, which has been referred to as the "Declaration of Philadelphia."

Secondly, it unanimously adopted resolutions concerning the social provisions of the peace settlement.

Thirdly, it unanimously adopted resolutions concerning the economic policies, international and national, required for the attainment of the social objectives of the United Nations.

Because of the interest and importance of these three documents, I am transmitting them herewith for the information of the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 29, 1944.*

AUTHORIZATION TO REPORT BILL DURING RECESS

Mr. WAGNER. Mr. President, I ask unanimous consent that during the recess of the Senate the Banking and Currency Committee may report Senate bill 1764 dealing with extension of the O. P. A.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. GEORGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Robert L. Shivers, of Los Angeles, Calif., to be collector of customs for customs collection district numbered 32, with headquarters at Honolulu, T. H., to fill an existing vacancy; and sundry officers for promotion in the Regular Corps, United States Public Health Service.

By Mr. HATCH, from the Committee on the Judiciary:

Cleon A. Summers, of Oklahoma, to be United States attorney for the eastern district of Oklahoma;

Frank S. Tavenner, Jr., of Virginia, to be United States attorney for the western district of Virginia; and

Julius J. Wichser, of Indiana, to be United States marshal for the southern district of Indiana.

By Mr. FERGUSON, from the Committee on the Judiciary:

Joseph F. Deeb, of Michigan, to be United States attorney for the western district of Michigan.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. GEORGE. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

SELECTIVE SERVICE SYSTEM

The legislative clerk read the nomination of Kenneth H. McGill to be chief statistician in the Selective Service System.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Louis A. Boening to be assistant State director of selective service for Illinois.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank D. Rash to be State director of selective service for Kentucky.

Mr. CHANDLER. I ask that the nomination of Mr. Rash be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. WHITE. Mr. President, I ask that the nominations in the Army from and including that of Brig. Gen. Brehon Burke Somervell down to but not including First Lt. Milton Boyd Brandon, be passed over.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHANDLER. Mr. President, I ask that all the Army nominations other than those which the Senator from Maine has asked be passed over, be confirmed en bloc, and that the President be immediately notified of their confirmation.

The PRESIDING OFFICER. Without objection, all Army nominations on the calendar except those passed over, will be confirmed en bloc, and the President will be immediately notified.

POSTMASTER AT WALNUT RIDGE, ARK.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the nomination of James J. Sharum, at Walnut Ridge, Ark., which has been reported today from the Committee on Post Offices and Post Roads, but which has not yet been placed on the calendar, be considered at this time, and that the nomination be confirmed.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none, and, without objection, the nomination is confirmed.

Mr. CHANDLER. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations in the Selective Service System and the postmaster nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

LEGISLATIVE PROGRAM

The Senate resumed the consideration of legislative business.

Mr. WHITE. Mr. President, is the Senator from Georgia in position to indicate to the Senate what will be in order on Wednesday and Thursday?

Mr. GEORGE. On Wednesday it is proposed to take up for consideration the bill increasing the debt limitation.

Mr. WHITE. And that will be followed by the proposed legislation dealing with the O. P. A.?

Mr. GEORGE. The O. P. A. bill has not as yet been reported. I understand it is desired that it be taken up if it is reported by Wednesday.

Mr. WHITE. I thank the Senator.

RECESS TO WEDNESDAY

Mr. GEORGE. I move that the Senate take a recess until 12 o'clock noon on Wednesday next.

The motion was agreed to; and (at 2 o'clock and 30 minutes p. m.) the Senate took a recess until Wednesday, May 31, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 29 (legislative day of May 9), 1944:

DIPLOMATIC AND FOREIGN SERVICE

Richard F. Boyce, of Michigan, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

John J. Meily, of Pennsylvania, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

James E. Henderson, of California, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

THE TAX COURT OF THE UNITED STATES

The following-named persons to be judges of The Tax Court of the United States for terms of 12 years from June 2, 1944 (reappointments):

William W. Arnold, of Illinois.
Eugene Black, of Texas.
J. Edgar Murdock, of Pennsylvania.
Ernest H. Van Fossan, of Ohio.

PUBLIC UTILITIES COMMISSION

J. Francis Reilly, of Maryland, to be a member of the Public Utilities Commission of the District of Columbia for the term of 3 years from July 1, 1944, vice Gregory Hankin.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO FIELD ARTILLERY

Second Lt. Thomas Carlton Reddington, Coast Artillery Corps (temporary captain), with rank from February 20, 1942.

TO AIR CORPS

First Lt. Arthur Howland Baker, Jr., Field Artillery (temporary lieutenant colonel), with rank from July 3, 1940.

Second Lt. Lawrence Augustus Adams, Jr., Field Artillery (temporary first lieutenant), with rank from May 29, 1942.

Second Lt. Otto John Glasser, Signal Corps (temporary captain), with rank from October 5, 1942.

IN THE NAVY

Capt. Charles P. Cecil, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 4th day of February 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 29 (legislative day of May 9), 1944:

SELECTIVE SERVICE SYSTEM

Kenneth H. McGill to be chief statistician in the Selective Service System.

Louis A. Boening to be assistant State director of selective service for Illinois.

Frank D. Rash to be State director of selective service for Kentucky.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

To be first lieutenants, Medical Corps

Milton Boyd Brandon
Stanleigh Erler
Charles Aloysius Furey, Jr.
Christian Gronbeck, Jr.
Charles John Hornisher
Harry Aloysius Horstman, Jr.
John McReynolds Jackson
Robert Samuel Jordan, Jr.
John Francis Pfeffer
Raoul Constantine Psaki, Jr.
Frank Bradway Rogers
Arthur Bernard Tarrow
Urban Linus Throm 2d
Philip Baker Watkins

PROMOTIONS IN THE REGULAR ARMY

To be colonels with rank from April 1, 1944:

Alfred Schrieber Balsam, Quartermaster Corps (subject to examination required by law).

Howard Donnelly, Infantry.

John Nicholas Robinson, Infantry (subject to examination required by law).

Thomas James Hanley, Jr., Air Corps.

Jacob John Gerhardt, Infantry.

Leo Andrew Walton, Air Corps.

Ralph Pittman Cousins, Air Corps, to be a colonel, with rank from April 21, 1944.

To be colonels, with rank from May 1, 1944:

Charles Robert Finley, Coast Artillery Corps (subject to examination required by law).

Vernon Edwin Prichard, Field Artillery.

Adlai Howard Gilkeson, Infantry.

Richard Carlton Stickney, Infantry.

Hubert Reilly Harmon, Air Corps, to be a colonel, with rank from February 9, 1944.

To be colonels, with rank from March 1, 1944:

Benjamin Greeley Ferris, Infantry.

Charles Samuel Ritchel, Infantry.

Thomas Guerdon Hearn, Infantry.

Donald Henley, Infantry.

Joseph Daly Ccughlan, Chemical Warfare Service.

Reese Maughan Howell, Field Artillery.

Henry Jervis Friese Miller, Air Corps (subject to examination required by law).

Medical Corps

To be colonels:
William Donaldson Fleming
Samuel Demetrius Avery
Francis Joseph Clune
George Edward Lindow
Jaime Julian Figueras

Dental Corps

William Elder Sankey, to be a colonel.

James Harvey Pence, to be a lieutenant colonel.

S. Kingdon Avery, to be a captain.

Veterinary Corps

Herbert Kelly Moore, to be a colonel.

Chaplains

Harry Dubois Southard, to be a colonel.

John Henry Hingson, to be a captain.

Medical Corps

To be captains:
Hugh Mullan
Joseph Davis Lea
Vince Moseley
William Richard Corcoran

Dental Corps

To be colonels:
Herman James Lambert
James Barrett Mockbee
Page Purnell Albert Chesser
H. Beecher Dierdorff, to be a major.

Pharmacy Corps

William Clarence Williams, to be a colonel.

Chaplains

To be captains:
Kenneth Malcolm Sowers
Walton Garrett Sugg, Jr.
John Michael Hughes
Verne Henry Warner

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Lt. Col. George Francis Wooley, Jr., to Signal Corps.

First Lt. Bidwell Moore, Infantry, to Field Artillery.

Second Lt. Thomas Wilson Sharkey, to Infantry.

Second Lt. John Metcalf Broderick, to Air Corps.

Second Lt. Lyle Marvin Lappin, to Air Corps.

Lt. Col. Richard Evans Glasson Opie, to Finance Department.

Second Lt. Frederick Charles Uhler, to Finance Department.

Lt. Col. Hobart Raymond Gay, to Cavalry.

Maj. Murray Bradshaw Crandall, to Infantry.

Second Lt. Bruce Wilds Postlethwaite Edgerton, to Air Corps.

Second Lt. Robert Edward Harrington, to Air Corps.

POSTMASTERS

ARKANSAS

James J. Sharum, Walnut Ridge.

COLORADO

Vida M. Roe, Avondale.

MISSOURI

Anna M. May, Jasper.

NEW HAMPSHIRE

Charles Conrad LaLiberte, Claremont.

RHODE ISLAND

Bertha M. Brayton, Hope.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 29, 1944

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art man's unfailing friend, we approach Thy throne with gratitude and gladness for Thou hast placed at our disposal the inexhaustible resources of Thy grace.

We pray that we may possess our blessings more worthily by seeking to be partners with all who are now safeguarding our noble heritage so courageously for their own and succeeding generations.

Bless our President, our Speaker, and these Thy servants whom Thou hast entrusted with positions of leadership in the life of our Republic, and may they be abundantly enriched with wisdom and strength as they strive to perform their duties with pure and steadfast devotion.

Grant that this Nation may be the honored instrument of God to bring in that blessed day when righteousness and peace shall flow everywhere as a mighty stream.

In Christ's name, we pray. Amen.

The Journal of the proceedings of Friday, May 26, 1944, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 23, 1944:

H. R. 3176. An act to regulate the furnishing of artificial limbs or other appliances to retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard, and to certain civilian employees of the military and naval forces of the Regular Establishment.

On May 24, 1944:

H. R. 4519. An act to authorize the Administrator of Veterans' Affairs to furnish seeing-eye dogs for blind veterans.

On May 27, 1944:

H. R. 3356. An act to increase the service-connected disability rates of compensation or pension payable to veterans of World War I and World War II and veterans entitled to wartime rates based on service on or after September 16, 1940, for service-connected disabilities, and to increase the rates for widows and children to include widows and children of World War II veterans for benefits under the latter act; and

H. R. 3377. An act to increase the rate of pension for World War veterans from $40 to $50 per month, to $60 per month in certain specified cases, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Shaner, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1173. An act to provide for staying judicial proceedings against the United States in time of war, on claims for damages caused by vessels of the Navy, or for towage or salvage services to such vessels, when the Secretary of the Navy certifies that the prosecution of such proceedings would endanger the security of naval operations or interfere therewith, and to authorize the settlement and payment of such claims, and for other purposes.

S. 1834. An act to amend sections 4 and 5 of the act entitled "An act providing for sundry matters affecting the Military Establishment," approved June 5, 1942 (56 Stat. 314), with respect to the movement at Government expense, of dependents and household effects, of certain military personnel, and for other purposes; and

S. 1944. An act to amend the act entitled "An act to provide books for the adult blind."

The message also announced that the Acting President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agency:

1. Department of Agriculture.
2. Department of the Navy.
3. Department of the Treasury.
4. National Archives.
5. Department of War.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1758)

entitled "An act to amend section 451 of the Tariff Act of 1930, and for other purposes.

The message also announced that the Acting President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following department and agency:

1. Department of War.

2. United States District Court for the District of Nebraska.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2928) entitled "An act to amend the act entitled 'An act to fix the hours of duty of postal employees, and for other purposes,' approved August 14, 1935, as amended."

HOUR OF MEETING ON THURSDAY NEXT

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns on Wednesday it adjourn to meet at 11 o'clock on Thursday morning.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

[Mr. COCHRAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Memphis Commercial Appeal.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

AMENDMENT OF THE DISTRICT OF COLUMBIA ALLEY DWELLING ACT

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1941) to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4 (b) of the act known as the District of Columbia Alley Dwelling Act, approved June 12, 1934, be amended to read as follows:

"(b) On and after July 1, 1945, it shall be unlawful to use or occupy any alley building or structure as a dwelling in the District of Columbia."

SEC. 2. That section 6 of such act be amended by striking "1944" and inserting in lieu thereof "1945."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF CERTAIN OBSOLETE GOVERNMENT PUBLICATIONS

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably without amendment (Rept. No. 1525) a privileged resolution (H. Con. Res. 87), authorizing the disposal of certain obsolete Government publications now stored in the folding rooms of the Congress, and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Sergeant at Arms of the Senate and Doorkeeper of the House of Representatives, respectively, shall prepare a statement showing the noncurrent and obsolete congressional publications now stored in the folding rooms of the Senate and House of Representatives, respectively, and to submit an itemized list thereof, in duplicate, to the Joint Committee on Printing, which is hereby authorized and directed to dispose of the publications enumerated on such lists as follows:

First. A printed statement of such publications shall be submitted to each Senator, Representative, Delegate, Resident Commissioner, and officer of the Senate and House of Representatives, and any Member or officer of either House having any of such publications to his credit may dispose of the same in the usual manner at any time before September 1, 1944.

Second. Upon the expiration of the aforesaid time the Joint Committee on Printing shall furnish to all Members of the Senate and House of Representatives, respectively, as promptly as practicable, a list of the publications herein referred to then remaining in the folding rooms, and thereupon such publications shall be subject to the order of any Senator, Representative, Delegate, or Resident Commissioner, in the order in which they are applied for, for a period of 30 days after the day when such list shall be furnished by the Joint Committee on Printing, but no application for the transfer of these publications may be honored.

Third. The Joint Committee on Printing shall furnish a list of all such publications remaining in the folding room at the expiration of the last-named period to the various departments, independent offices, and establishments of the Government at Washington, including the Superintendent of Documents, Smithsonian Institution, Library of Congress, National Archives Establishment, Bureau of American Republics, and the Commissioners of the District of Columbia, and such publications shall be turned over to any department, independent office, or establishment making written request therefor and shall be allocated in the order in which their application is made, and all such publications which shall remain in the folding rooms for a period of 10 days after such list shall have been furnished to the departments, independent offices, or establishments aforesaid shall be delivered to the Superintendent of Documents, Government Printing Office, for such disposition as he may deem to be in the best interests of the Government, and submit a report to the Joint Committee on Printing showing the tonnage so disposed of, together with the amount of money derived from such sale which shall be deposited to the credit of miscellaneous receipts in the Treasury of the United States in accordance with existing law.

Fourth. No publication which is described in the list aforesaid shall thereafter be returned to the folding rooms from any source.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I gladly yield to the distinguished gentleman from Michigan.

Mr. MICHENER. As I recall, this is the regular resolution that has been introduced and passed by the Congress at intervals down through the years, the purpose of which is to clean up the folding room and rid it of worthless, uncalled for material.

Mr. JARMAN. That is true.

Mr. MICHENER. Every Member of the House will be given an opportunity to draw out such material to his credit as he desires before any final disposition is made?

Mr. JARMAN. He will be given until September 1 to do that. After September 1 a period of 30 days will be allowed for any other Member to withdraw material. If the gentleman, for instance, wants something that is to my credit there he can get it during that 30-day period. Then after that period a list will be submitted to the Library of Congress, the Smithsonian Institution, and other agencies in the Capital, to permit them to use any document that they want. Whatever remains thereafter will be sold as paper by the Public Printer.

Mr. MICHENER. In short, every Member of Congress will be permitted to withdraw from the folding room before September 1, 1944, anything standing to his credit in the folding room. Every Member of Congress will be notified as to the documents belonging to Members which have not been withdrawn. Other Members will be given the privilege of withdrawing any material remaining. All material not desired by the Members will then be delivered to the Public Printer to be used in the best interest of the Government.

Mr. JARMAN. The gentleman is entirely correct.

The SPEAKER. The question is on the resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON THE C. I. O. POLITICAL ACTION COMMITTEE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably without amendment (Rept. No. 1527) a privileged resolution (H. Con. Res. 88), authorizing the printing of additional copies of the report (No. 1311) of the Special Committee on Un-American Activities of the House of Representatives, dealing with the leadership of the Congress of Industrial Organizations Political Action Committee; and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 50,000 additional copies of the report (No. 1311) of the Special Committee on Un-American Activities of the House of Representatives, dealing with the leadership of the Congress of Industrial Organizations Political Action Committee, of which 6,000 copies shall be for the Committee on Un-American Activities of the House, and 44,000 copies for the use of the House document room.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein an address delivered by one of the distinguished Commissioners of the Maritime Commission, Hon. John M. Carmody, before the St. Louis Chamber of Commerce Maritime Day, May 22, 1944.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in regard to some activities in connection with Ducks Unlimited.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a radio address by our former colleague, Hon. Marvin Jones, entitled "A Timely Message in Regard to Food."

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter and some resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by the Massachusetts Federation of Taxpayers Associations, Inc. I am advised that if printed as one statement instead of two it will slightly exceed the two-page limit. I have an estimate from the Public Printer that it will cost $121.33.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a wire and a letter with reference to the 30-percent cabaret tax.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two different subjects and include in one an editorial and in the other a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous to extend my remarks in the RECORD, and further to extend my remarks and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDMENT OF THE EXPEDITING ACT

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3054) to amend the Expediting Act, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 3, strike out "sent" and insert "certified."

Page 2, line 5, after "brought", insert "which court shall thereupon have jurisdiction to hear and determine the appeal in such case."

Page 2, line 18, after "of", where it occurs the first time, insert "disqualification."

Page 3, strike out lines 5, 6, and 7 and insert:

"This act shall apply to every case pending before the Supreme Court of the United States on the date of its enactment."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman from Arkansas [Mr. CRAVENS] explain what the situation is?

Mr. CRAVENS. Mr. Speaker, this is a bill that was passed sometime ago by the House for the purpose of caring for the situation in the Supreme Court where it has been impossible to obtain a quorum for the disposition of one or two cases. It has already been passed by the House, and the Senate has made three or four minor amendments. For instance, the House bill said that the record should be "sent" by the Supreme Court to the appropriate circuit court of appeals. The Senate provided it should be "certified," and provided that the court to which the case is certified shall then have jurisdiction to determine it. Another provision put in by the Senate deals with the disqualification of a member of the circuit court of appeals to which the case is certified. The last amendment merely limits the operation of the act to cases pending in the Supreme Court on the date of the enactment of this act.

Mr. MICHENER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. CRAVENS]?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House on tomorrow for 20 minutes after the close of other business.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JACKSON HOLE NATIONAL MONUMENT

Mr. BATES of Kentucky, from the Committee on Rules, submitted the following privileged resolution (H. Res. 567, Rept. No. 1528) on the bill (H. R. 2241) to abolish the Jackson Hole National Monument as created by Presidential Proclamation No. 2578, dated March 15, 1943, and to restore the area embraced within and constituting said monument to its status as part of the Teton National Forest, which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2241) to abolish the Jackson Hole National Monument as created by Presidential Proclamation No. 2578, dated March 15, 1943, and to restore the area embraced within and constituting said monument to its status as part of the Teton National Forest. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Public Lands, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks and to insert with them a statement by O. S. Warden, president of the National Reclamation Association, which appeared in the St. Louis Post-Dispatch, and an editorial from the Great Falls (Mont.) Tribune of May 23, 1944.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARLESS of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include two items, one a speech by the commander of the American Legion in my State on I Am an American Day, and the other a letter from the Journeymen Barbers and Hairdressers of my State.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks on two subjects and include therein certain statements and excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article entitled "India's Soft Spot."

The SPEAKER. Without objection, it is so orderer.

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a letter from Fowler McCormick on the farm-implement situation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FOREIGN SERVICE OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT

The SPEAKER laid before the House the following message from the President of the United States which was read, and together with the accompanying papers referred to the Committee on Claims and ordered printed:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted appropriating the sum of $90,130.91 for the relief of certain officers and employees of the Foreign Service of the United States who have sustained losses by reason of war conditions which have been prevailing in all parts of the world during the past 5 years.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 29, 1944.*

[Enclosure: Report from the Secretary of State.]

CONFERENCE OF INTERNATIONAL LABOR ORGANIZATION—MESSAGE FROM THE PRESIDENT

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed:

To the Congress of the United States:

The twenty-sixth conference of the International Labor Organization has just been held at Philadelphia. Representatives of the governments, employers, and workers of 41 countries took part in its deliberations.

The conference, by a two-thirds majority, adopted recommendations on the following seven subjects:

1. Income security.
2. Social security for the armed forces.
3. Medical care.
4. Social policy in dependent territories.
5. Employment in the transition from war to peace.
6. The organization of employment services.
7. National planning of public works.

Under the constitution of the International Labor Organization, these recommendations are forwarded to the member governments for submission by them to their respective competent national authorities. I shall accordingly submit them to the Congress in the regular way when certified copies are received.

The conference made other important decisions of which I think the Congress should be informed:

First, it adopted by unanimous vote a declaration of the aim and purposes of the International Labor Organization, which has been referred to as the Declaration of Philadelphia.

Secondly, it unanimously adopted resolutions concerning the social provisions of the peace settlement.

Thirdly, it unanimously adopted resolutions concering the economic policies, international and national, required for the attainment of the social objectives of the United Nations.

Because of the interest and importance of these three documents, I am transmitting them herewith for the information of the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 29, 1944.*

ADJOURNMENT OVER

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Wednesday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. JONES. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include a sermon by Rev. Arthur K. Wilson, pastor of the Methodist Episcopal Church, Piqua, Ohio.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include a set of resolutions of the American Legion Post of Bloomfield, Iowa.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LABOR, FEDERAL SECURITY, AND RELATED INDEPENDENT OFFICES APPROPRIATION BILL, 1945

Mr. HARE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4899) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes; and pending that motion I ask unanimous consent that general debate be continued through today and that half of the time be allotted to the gentleman from Michigan [Mr. ENGEL] and the remaining one-half to myself.

Mr. TARVER. Mr. Speaker, reserving the right to object, does the gentleman from South Carolina mean that general debate shall be concluded today?

Mr. HARE. Yes.

Mr. SABATH. In that connection, Mr. Speaker, I desire to say that the Committee on Rules met this morning and has agreed to grant a rule waiving points of order in this bill.

Mr. COX. Mr. Speaker, will the gentleman from South Carolina yield to me?

Mr. HARE. Yes, I will be glad to.

Mr. COX. It was the thought of the committee in reporting the resolution this morning waiving points of order, that the gentleman might, in view of that fact, be able to obtain unanimous consent to the waiver of points of order, which would expedite the final consideration of the bill. I wonder if you are prepared to make that request?

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Speaker, I make the further unanimous-consent request that all points of order be waived against items included in this bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. HARE]?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4899) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes, with Mr. SPARKMAN in the chair.

The first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from South Carolina [Mr. HARE] is recognized.

Mr. HARE. Mr. Chairman, I yield myself 28 minutes.

Mr. Chairman, your subcommittee charged with the responsibility to hear and determine the justifications for appropriations in the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1945, has discharged its responsibility and is now ready to submit its findings and conclusions to the House for further determination.

I am glad to report that the personnel of the committee is the same as those who reported a similar bill last year, namely, the gentleman from Georgia, Judge TARVER, the gentleman from Texas [Mr. THOMAS], the gentleman from New Mexico [Mr. ANDERSON], the gentleman from Michigan, [Mr. ENGEL], the gentleman from Wisconsin [Mr. KEEFE], and the gentleman from Minnesota [H. CARL ANDERSEN]. I am personally grateful to each and every member for the interest manifested and the cooperation demonstrated in our efforts to properly interpret and analyze the justifications submitted, and I want to emphasize how well they have demonstrated their individual responsibilities and relieved the chairman to a very large extent in an effort to ascertain the facts relative to each item, and it is a great pleasure to pay tribute to the manner and efficiency of their efforts to secure a proper solution of each problem. I desire to express not only my personal estimate, but the recognition of other members of the committee of the very capable and efficient services rendered by Mr. Robert E. Lambert, clerk of the committee. This is his first year to serve in this capacity, but I am sure every member of the committee will join me in paying tribute to his diligent, capable, and helpful assistance in analyzing the estimates submitted to the committee for consideration.

There are probably a number of items carried in this bill which do not have the full endorsement of each member, but I am glad to report that the facts submitted represent the cooperative and combined judgment of the entire membership of the committee.

I am convinced that if you will read the hearings, consisting of upward of 1,600 pages of printed matter, you will conclude that the committee has endeavored to obtain all the facts and exercise its best judgment in reaching a proper determination of all matters before it for consideration. Reductions in some of the items may seem rather drastic, and it may appear that further economies could have been effected by a reduction in other items, but the committee feels that no irreparable loss to the public will follow the reductions made and there will be little opportunity for waste or useless expenditure of funds by the failure of the committee to make further reductions. We may have made some mistakes in our conclusions and I shall not attempt to justify them further than to say that if there are any they can be attributed to the failure to secure more thorough and complete information. Your committee has been fully conscious of the necessity in this emergency to reduce appropriations in nondefense activities as much as possible and it has not been unmindful of the many demands occasioned by the necessity of the defense program, but, regardless of what these latter demands may be, they do not relieve the committee of the necessity of making thorough inquiry into all justifications for appropriations for defense purposes, and we have, therefore, acted upon the theory that a dollar wasted or misspent in a defense activity is just as burdensome to the taxpayer as a dollar wasted or misspent for nondefense purposes.

Mr. Chairman, I shall first attempt to give an over-all picture of the contents of the bill and then present more detailed information relating to the various items if time permits. The total amount for the budget estimates submitted to the committee is $1,174,437,200, as compared with appropriations for 1944 of $1,166,845,610. The committee has approved $1,104,972,514, a reduction of $69,464,686 below the estimates and $61,813,096 below the appropriations for 1944.

Many of the services supported by appropriations in this bill are normal operating agencies of the Government, but are, nevertheless, charged in many cases with heavy wartime burdens, and must, therefore, be implemented with sufficient funds to adequately discharge these responsibilities. Others have no additional duties imposed by the war but have found their normal operations enlarged to a more or less extent because of increased industrial and business activities.

A number of items carried in the bill are for the support of national-defense activities, a detailed statement of which will be found on page 24 of our report. The total carried for national-defense purposes, $215,623,129, is $58,699,871 less than the Budget estimates for 1945 and a decrease of $88,908,221 under the appropriations for 1944.

Many of the items in the bill are for grants to States for cooperation in programs which have been established under law and for other purposes, costs of which are determined by operation of the various statutes involved and are, therefore, more or less mandatory. The committee has studied these items carefully and made reductions wherever possible. Severe cuts, however, cannot be made unless the Congress should determine to amend the basic statutes. The amount for such items carried in the bill, $798,382,000, is a reduction of $8,000,000 in the Budget estimate of $806,382,000 for 1945, and an increase of $33,689,000 over the appropriations, $764,693,000 for 1944.

Eliminating the funds for national defense, $215,623,129, and the funds for mandatory items, $798,382,000, or a total of $1,014,005,129, from the aggregate of the bill, $1,104,972,514, leaves a net of $90,967,385, which represents the funds appropriated for administrative expenses and for the cost of directing Federal activities which is subject to some control. This represents a reduction of $4,764,815 below the Budget estimate.

DEPARTMENT OF LABOR

The Department of Labor is a very important cog in the wheels of the Government and, therefore, has numerous wartime programs to administer. A year ago our Government and those charged with the prosecution of production in our defense program were much concerned over the question of absenteeism. Practically every agency coming before our committee expressed a vital interest in this problem, but although the problem has not been fully and completely solved, we are glad to report that much success has been made in eliminating what was considered an unnecessary high degree of absenteeism. The success can be attributed to the combined and cooperative efforts of many Government agencies with management and labor.

OFFICE OF THE SECRETARY

It will be observed that the amount carried in this bill for the Secretary's office, $454,500, is a reduction of $27,900 under the Budget estimate for 1945. In fact, it is the same amount provided in the appropriation for 1944 plus the overtime pay as required by statute subsequent to the passage of the last appropriation bill. In view of reductions made in previous years we feel that while the amount provided for herein is not a great decrease under the Budget estimate, the amount carried will be sufficient and the reduction will not seriously interfere with the necessary work of this office.

OFFICE OF THE SOLICITOR

Salaries and expenses: The $834,600 provided in the bill for the Solicitor's office is a reduction of $65,400 from the Budget estimate. The sum of $715,000 was provided for this service in the 1944 appropriation act and this amount plus $119,600 overtime pay provided in the First Deficiency Appropriation Act, 1944, accounts for the present amount. In some instances it would appear that the work load of the Solicitor's office has increased while in others it has decreased so that under proper administration the amount here provided should be sufficient to provide all necessary legal services for the various activities of the Department.

DIVISION OF LABOR STANDARDS

Salaries and expenses: The $171,300 provided in the bill is a reduction of $11,700 from the Budget estimate. One hundred and forty-six thousand dollars was provided for this item in the 1944 appropriation act, which amount plus $25,300 overtime pay provided in the First Deficiency Appropriation Act, 1944, accounts for the present amount.

In the First Supplemental National Defense Appropriation Act, 1944, there was provided an additional amount of $200,000 for the same purposes as those stated in the above paragraph, plus an additional activity of "proper working conditions." To this amount was added $15,000 as overtime pay in the First Deficiency Appropriation Act, 1944. The Budget estimate for the next fiscal year for this activity is $551,000. It is pro-

posed in the present bill to eliminate this item in its entirety.

Subsequent to the declaration of war a national defense item under the same general provisions as those covered in the first paragraph above was set up and in the present bill there is provided $169,200, which is decrease of $53,800 from the Budget estimate but an increase of the amount carried in the regular appropriation bill for 1944 in the amount of $19,200 to cover overtime pay.

These three appropriation items are considered together in this report since the same activities, in general, are provided for therein. For some 10 years this division has been doing work in the field of health, safety, employment stabilization, and amicable industrial relations for labor and industry. The regular appropriation for safety and health has been augmented each year since the outbreak of the war by substantial national-defense amounts and it is proposed in this bill to continue an additional appropriation as a national-defense item as above stated in the amount of $169,200.

Authority provided in the language of the First Supplemental National Defense Appropriation Act, 1944, as it is being administered appears to be a duplication of activities performed by other divisions of Government and there appears no justification for its continuation. A substantial number of positions have been filled in connection with this authorization and it was testified that one-half of the technical staff had come from some of the most important war industries and the remainder from agencies doing important war work. It is the opinion of the committee that all of these employees were rendering far more important service to the country in their former positions than can be rendered by them now in attempting to improve working conditions and handling labor relations. First, it is difficult to justify the "raiding" by the Government of industry to obtain employees, and second, it is difficult to justify the creation of a service that in large part, if not entirely, will duplicate work that has and will continue to be done by other agencies of the Government.

The committee has approved appropriations equal to the present fiscal year's amounts, plus overtime, for this division for its work in connection with improvement of health and safety of employees in industry, the work that it has been doing for some 10 years, and which, according to the testimony should be continued more aggressively than ever before for the reason that records on safety disclose that accident rates are increasing. The committee is not impressed with the attempted broadening of authority for this division and the duplication of work that inevitably occurs if the authority is given it to continue the "working conditions service" and the "handling of labor relations."

CONCILIATION SERVICE

The activities of the Conciliation Service have been greatly increased during the period of the emergency and appropriations have fully kept pace, the regular appropriation showing a substantial increase over the pre-war years and since 1942 has been supplemented by a national-defense item of substantial amounts, the present fiscal year having in this account the sum of $1,670,300. The committee does not desire to cripple in any way the activities of this service but it is thought that for the fiscal year 1945 an amount of $1,721,000, which is $100,000 less than the Budget estimate should be sufficient to meet the needs of the Service.

BUREAU OF LABOR STATISTICS

Salaries and expenses: The $1,212,300 proposed in the bill for the general item of "Salaries and expenses" is a reduction of $100,000 from the Budget estimate and is made primarily for the reason that the services of this Bureau have not been utilized to the extent anticipated by certain agencies of the Government, especially by investigating committees of the Congress. It is the opinion of the committee that the Bureau stands ready to render a necessary and valuable service to different committees of the Congress and that its services properly utilized would save much time, effort, and expenses of such committees. The proposal to increase the amount which may be expended for personal services in the District of Columbia from $970,000 to $1,160,000 is due to the payment of overtime. Since it is proposed to reduce the estimate by $100,000 it follows that the limitation should be reduced by the amount of overtime that would be paid on the amount of the reduction or approximately 20 percent. Accordingly it is proposed that the amount which may be spent for the purpose mentioned should not exceed $1,140,000.

The $1,510,400 proposed in the bill for the national-defense item of "Salaries and expenses" is composed of an amount equal to the appropriations for the present fiscal year of $1,365,400 plus an amount of $145,000 approved by the committee to be used in making a more detailed study of the cost-of-living index by increasing the sampling for information to individual consumers. Experience gained during the past few years and a saving of time in covering again and again the same sources of information to keep such information current should permit the addition of some smaller towns and villages to the list of cities and larger communities now being covered in obtaining and correcting the information.

CHILDREN'S BUREAU

The $367,900 proposed in the bill for "Salaries and expenses" is a reduction from the Budget estimate of $10,000. It is the opinion of the committee that from the experience gained during the past few years this amount may easily be absorbed.

Members of the committee have been impressed with the considerable amount of correspondence received in connection with the appropriation for this Bureau and the widespread interest in the demand that the appropriation be maintained at its present level, or increased. Such interest indicates that the public generally will give wholehearted support to every effort of the Bureau to carry on its duties within the amount appropriated but Government employees who are beneficiaries of the appropriation concerned should not be used in having the Congress or members of the Committee on Appropriations circularized on behalf of such appropriation.

The proposed change in the amount that may be expended for personal services in the District of Columbia from $289,600 to $328,000 is due in large part to overtime pay, and is a reduction in the limitation of $2,000 from the amount proposed by the Budget, and is in keeping with the reduction in the total appropriation.

Salaries and expenses, Fair Labor Standards Act—the $250,000 proposed in the bill for carrying out the duties imposed upon the Children's Bureau by the Fair Labor Standards Act of 1938 is a reduction of $15,700 from the Budget estimate, and $10,000 under the amounts appropriated for the present fiscal year. The committee is convinced that there is a considerable duplication in this service with the Wage and Hour Division and this fact is called to attention in the hope that during the coming fiscal year such duplication may be eliminated, and in the elimination a considerable saving should be made.

An increase of $272,000 recommended by the Budget Bureau was shown to be largely for setting up a new division made up of child-labor consultants, assistant consultants, and the necessary clerical force.

The outstanding purpose of the new activity was to provide and submit advisory standards in industrial plants where children may be employed. However, more attention was given in the justifications to the necessity of additional help to aid the States in revising their forms, procedure, and instructions in connection with the issuance of certificates of age to persons for employment as provided for under the Fair Labor Standards Act. This proposal was to be a defense activity in its entirety, and we felt that under the justifications the high-type specialists called for would not be required in aiding the States in the issuance of certificates of employment, and we had the further thought that if the time of specialists requested should be given to submitting advisory standards for health and safety this would in large measure duplicate the work of the Bureau of Labor Standards, charged with the primary function of establishing standards for health and safety in all industrial plants. It would seem that such standards should take into consideration the health and safety of children as well as adults, and the proposed activity would in a large measure be a duplication of effort.

I am vitally interested in the work of the Children's Bureau, and I cannot speak too highly of a majority of its activities, but the necessity for this proposal did not impress the committee as being sufficiently essential to warrant approval of this item.

Grants to States for emergency maternity and infant care—national defense: The program to provide medical, nursing, and hospital maternity and infant care for wives and infants of enlisted men in the armed forces was inaugurated in March 1943, and since that time has grown by leaps and bounds. The initial appropriation to carry the program for approximately 3 months in fiscal year 1943 was $1,200,000. Regular and deficiency appropriations for fiscal 1944 amount to $29,700,000. It is difficult to estimate the needs for this program during the fiscal year 1945; but if present trends continue, the requested amount of $42,800,000 will perhaps be insufficient.

The program is a cooperative one with the public health departments of the various States handling the actual administration of the program under plans approved by the Children's Bureau. Difficulties have been encountered, as may be expected in any new program, and the committee has endeavored to meet the more serious situations that have arisen through amendments. In the First Supplemental National Defense Appropriation Act, 1944, the program was confined to enlisted men in the four lower grades and that provision has been continued. The Bureau has requested and the Budget has approved language to permit a contribution of not to exceed 4 percent of the amount allotted to a State to be used for State administrative purposes. The committee has approved the language but has reduced the percentage to 2 percent. It is realized that the public health departments of the States have rendered a great service and in large part the success of the program has depended upon the efficiency of the States in administering this program. It has been shown that in instances the States have expended funds that otherwise could have been used in other health and child-welfare programs. But on the other hand the States have an interest in this program the same as the Nation and should expect to carry a part of the cost of administering it. Therefore a contribution of 2 percent of the amount allocated to a State for this program together with funds available in the State should be sufficient.

WOMEN'S BUREAU

The regular appropriation for this Bureau for salaries and expenses was $160,000, with $30,000 additional overtime as required by statute. The amount carried in this bill is $189,600, which corresponds with the amount recommended by the Bureau of the Budget, making a decrease of $400 below the amount available for 1944.

In the Supplemental National Defense Appropriation Act, 1944, the sum of $50,000 was appropriated as a national-defense item to supplement the regular appropriation for salaries and expenses of this Bureau, the Budget estimate for the next fiscal year being $200,000. It appears that the hours of work and wages for women are reasonably satisfactory and as there appears to be no discrimination against women in holding some of the better positions in industry for which the Bureau is entitled to much credit it is the opinion of the committee that this item can be eliminated without interfering in any way with the work and functions of this Bureau.

OFFICE OF EDUCATION

Only few and slight changes are made in items providing for the normal activities of the Office of Education. An item of $23,965 for library service is a reduction of $35 compared with the appropriation for the fiscal year ending June 30, 1944, no change being made for service to the blind. The amount for salaries is increased from $333,450 for the present fiscal year to $342,955 for 1945, a decrease of the Budget estimate of $132,945. The increased estimate for salaries recommended by the Bureau of the Budget contemplated a large and rather ambitious program. A few years ago when we found a rather strained relationship existing between the United States and some of the Latin-American republics the State Department, with the hope of relieving the situation, inaugurated a cultural relationship program and, in the promotional work, some of the funds appropriated were transferred from the State Department to the Office of Education to be used in a cooperative way with the Latin-American countries, the program to be under the censorship of the State Department. In view of the reported successful efforts, the Office of Education now feels that the work should no longer be on a cooperative basis and confined to Latin-American countries, but the program should be an exclusive function of the Office of Education, and the work should be enlarged so as eventually to include work with all nations. We feel that the projected program is international and one that should be approached with the exercise of a great deal of diplomacy and, if it is to be greatly enlarged, the program should not only be at the suggestion of the State Department but should first be approved by that Department and legislative action taken by the Congress after presentation by the appropriate legislative committee. The committee, therefore, failed to approve the increased estimate for this purpose.

THE WAR MANPOWER COMMISSION

The bill provides for an appropriation of $16,036,250 for general administration expenses, which represents an increase of $1,587,250 over the appropriation for the present fiscal year and a decrease of $1,645,750 under the Budget estimate. The Apprentice Training Service carries $537,500, the same as that provided for the fiscal year 1944. The Apprentice Training Service for national defense carries an appropriation of $400,000, or a decrease of $237,700 below the Budget estimate. We cannot speak too highly of the Apprentice Training Service generally, but it appears from the estimates submitted by the Budget Bureau that the item for national defense should not be increased. The employment facilities and service carries an appropriation of $57,968,079, or a decrease of $664,921 under the appropriation for the fiscal year and a decrease of $3,033,921 below the Budget estimate. We were impressed with the general efficiency of this work but felt that with the experience of the past year in perfecting the organization throughout the country a slight decrease would not interfere with its efficiency for the next year.

The Training Within Industry Service for national defense carried an appropriation of $2,207,500 for the past fiscal year. The Budget estimate was $2,568,000. The amount carried in the bill for the next fiscal year is even $2,000,000, or $207,500 less than the appropriation for 1944 and a decrease of $568,000 less than the Budget estimate. The hearings disclosed that this activity has contributed a most valuable service to our war production program by organizing the Training Within Industry Service in a large percentage of the war industry plants and it was indicated that probably the job may be completed by or possibly before the end of the next fiscal year and for this reason approximately 10 percent reductions have been recommended. The grand total for the War Manpower Commission is $76,941,829, or a decrease of $930,371 less than the amount carried for the fiscal year 1944 and approximately $8,000,000 less than the Budget estimate.

In view of the heavy responsibilities and the enormous amount of work involved, it might appear that the committee made some rather drastic cuts in the appropriation. You will recall that this is a relatively new agency and the Congress was rather generous in its appropriation this past year, but those justifying the appropriation this year convinced the committee they have succeeded in organizing and streamlining the work to a point where they will be able to successfully carry out the program this next year with less money than was appropriated for the fiscal year 1944. I may be going a little out of the way to say so, but I am sure I express the feelings of the several members of the committee when I say we were all impressed with the successful manner in which this stupendous program has been executed by Mr. Appley, in charge of the placement of available manpower throughout the country to meet the many strategic demands made in our war production program.

SOCIAL SECURITY BOARD

Grants to States for old-age assistance, aid for dependent children, and aid to the blind heretofore carried as three separate items have consolidated for convenience into one appropriation item. The change in no way will alter the functions of each unit but will eliminate the administrative necessity for transfer from one item to another. It is thought the consolidation will facilitate the work of the Board and the payments of grants. The amount carried for these items is $403,600,000, the amount recommended by the Budget Bureau, but $6,750,000 less than the amount provided for the fiscal year 1944. The amount carried for salaries in the Bureau of Public Assistance is $950,000, an increase of $57,000 over the appropriation for 1944, but $34,000 less than the Budget estimate. The $25,000,000 carried in the bill in the way of grants for States through the Unemploy-

ment Compensation Administration is $6,000,000 below the Budget estimate and $10,328,000 less than the appropriation for 1944. The committee felt that in view of the decrease in the number of persons drawing unemployment compensation would be projected into the next fiscal year and the amount appropriated would be sufficient to meet all requirements. The amount of $3,400,000 carried for salaries for offices of the Board represents an increase of $10,000 over the amount provided for 1944, but a decrease of $143,000 below the Budget estimate.

The Social Security Board embodies five separate activities:

First. The maternity and child welfare program, administered by the Children's Bureau of the Department of Labor.

Second. The Public Health program, administered by the United States Public Health Service in the Federal Security Agency.

Third. The other three, old-age and survivor's insurance, public assistance, and unemployment compensation are all administered by the Social Security Board of the Federal Security Agency.

The last three programs are administered by separate bureaus reporting to the Social Security Board. A study of the rather elaborate organizational structure would indicate that some simplification and streamlining of these activities would result in considerable savings in items for salaries and other administrative expenses. It would appear that the relationship between the programs of these three bureaus would not necessarily require them to remain in a separate operating organization under the Federal Security Agency and some thought has been given to the plan of reorganization which would establish each of these bureaus as a separate unit reporting directly to the Federal Security Administrator. Of course, such a realignment would require an amendment to the Social Security Act in order that the functions now vested in the Social Security Board might be transferred either to the Bureaus themselves or to the Federal Security Administrator. There has been some discussion of such an amendment and it is our thought that the organizational structure should be carefully examined with the view of providing the simplest machinery possible to administer these separate programs.

OFFICE OF THE ADMINISTRATOR, FEDERAL SECURITY ADMINISTRATION

The amount of $1,350,000 for Community War Services shows a decrease of $400,000 below the amount appropriated for the present fiscal year. It will be recalled that this appropriation provides for four wartime activities:

First. The control of venereal diseases through suppression of prostitution.

Second. Assistance to communities in handling increased population by reason of war industries or military concentration.

Third. A Nation-wide promotional program to develop interest in physical culture for the purpose of maintaining a physically fit population.

The Social Protection Division in charge of the venereal-control program is rendering exceptional service to the Nation in eliminating the source of venereal disease. The Division will undoubtedly have a job to do so long as the war continues and the amount recommended by the committee is intended to provide the full amount included in the Budget for this work.

The Recreational Division, charged with the duty of giving assistance to communities in handling increased population by reason of war industries or military concentration, has been of commendable assistance to many communities in handling this problem. However, the population shift incident to war production and military concentration appears to have passed the peak. It may be that the problems incident to these population readjustments may not have been fully solved, but many of the communities have learned how to meet them and we feel that the end of the job of the Recreational Division may be in sight and the committee feels that the Administrator will find it possible to complete existing projects probably by the 1st of January 1945.

The Coordination of Welfare Functions for wartime needs is a necessity and continuing function and the amount recommended by the committee includes provisions for this service on the basis contemplated by the Budget estimate.

The Committee on Physical Fitness deserves a note of commendation for the interest it has created in the development of physical education programs among adults and school-age persons. Its contribution to the health of the Nation is not measurable but the committee feels that it is well worth the relatively small amount expended by the Government for this purpose.

Only slight changes are made in other items under this heading as compared with the appropriations for 1944 and the Budget estimates, the grand total for the Federal Security Agency being $629,224,185, or a reduction of $123,876,875 as compared with the appropriations for 1944 and a decrease of $56,621,115 below the Budget estimate.

NATIONAL LABOR RELATIONS BOARD

The items for salaries, miscellaneous expenses, printing and binding for the regular work of the National Labor Relations Board are the same as for the fiscal year 1944, but the salaries and expenses for national-defense activities are reduced from $681,550 to even $600,000. the amount carried in the Appropriation bill for 1944, less the overtime. The item for salaries and expenses in an enforcement of War Labor Disputes Act, Public Law 89, Seventy-eighth Congress, is $112,500, a similar amount having been provided in the First Supplemental National Defense Appropriation Act for 1944. The grand total for the National Labor Relations Board is $3,523,450, or an increase of $30,950 over the amount carried in the bill for 1944, but $625,550 less than the Budget estimate.

It will be recalled that with the hope of facilitating the work of this Board, curtailing the practice of raiding, obviating unnecessary friction in war production plants, and thereby promoting maximum production a provision was placed in the appropriation bill last year that where an agreement entered into between management and labor and no dissatisfaction had been or should be expressed within 3 months following the execution of the agreement, a limitation was placed on the appropriation for use by the Board to consider a complaint filed after the expiration of the 3 months and during the life of the appropriation. However, in view of a ruling by the Comptroller General and the Board's interpretation of the intention of the Congress some criticism of the provision arose. The committee, therefore, in its recent hearings afforded all interested parties an opportunity to appear with the idea that with additional information the provision may be amended so as to meet the objectives and remove any doubt as to the intentions of the Congress. All parties conceded that the provision had, in a measure, accomplished its objectives, and we now feel that the revised provision should accomplish the original purposes and meet with little or no criticism.

Mr. KEEFE. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, for reasons beyond my control I have not inflicted myself on the House for the last few weeks. I might feel refreshed if I could divest myself of some of the opinions I have. I realize fully that I am surrounded by wiser men than I and should try to conform to their views. But somehow the wiser men do not seem to prevail in their views. I thought I might comment briefly on official lawlessness, official usurpation, and official excesses in demands on the people by their own Government. I desire to ask a few questions or make a few suggestions that would be provocative enough to bring forth responses which would be helpful, and reassure me that some of my fears are groundless.

Whither are we traveling? That is much on my mind, even as D-day approaches—a day which has an oppressive effect upon everybody so that we hardly dare complain of domestic problems. Warning signals, however, must not longer be postponed. It is a dreadful hour. But there is a great decision approaching in November. It is then that Representatives will hear the voice and verdict of the people. Will the people have been deluged with such a flood of propaganda that they will be in a frame of mind to give matters of government proper weight and attention? If I could make a few provocative suggestions to our people, to awaken them, I would feel that I had been helpful.

Republicans have as much patriotism in their hearts as Democrats. There is no party line. Few can be accused of lack of patriotism. There are just as many Republican sons over there as there are Democratic sons, and members of either party should not, and cannot, claim more patriotic impulses or greater desire to win the war. I am not criticizing the war effort. I know little about

it. I have full confidence in our military leaders.

How happy I am to learn that the health of our President is better. I wish him well. But it is a great relief to me to learn that he could depart from Washington for a month or more and the war still go on. Perhaps he could depart for a longer time and the war would still go on. It is reassuring to me that the military may still actually carry on the war, and that after all there is no indispensable man. The indispensable man is an illusion and a delusion. I hope our President himself does not have that delusion. I see a great danger ahead in the continuance of one man in the high office of President for too long a period. I shall say to my people, "If a fourth terms happens, bid good-bye to your form of government." I shall not argue with them. I shall tell them. It does not admit of much real argument. It is only the argument of expediency that may be presented. The great Democratic leaders of the past have warned us, as well as the Republican leaders. This great danger has been of universal understanding and should be brought forcibly to the attention of our people. When one man will have appointed all the judiciary, filled all important offices with such selections as have only his own approval, he will then have such an enormous power that liberty and justice will be alienated from the people. This, to me, is extremely worrisome, and I shall talk plainly about it.

The most immediate problem is, of course, how to win the war. I am not suggesting that the military do not know how to conduct our military operations. As the representatives of the people, we will vote the money. Beyond that we can do little and can hardly allow any criticism. "How to write the peace." We may talk about that, but how guardedly those in power are now speaking on that question. Can we win the peace? I can foresee that the so-called imperialism of Great Britain is not to be interfered with. I can see Russia, "the colossus of Europe." We cannot hinder that apparently. We may well feel certain that after this war is over, there can only be an armed peace, secured by agreement of two or three nations, although hoping for a fourth.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. The gentleman knows, of course, that spokesmen of both Great Britain and Russia have said, and every thinking person in this or any other country knows, that they are pursuing their own way; that they will have no part of the Atlantic Charter and that we, when this war is over, may expect the worst.

Mr. GIFFORD. I was coming to that. The Atlantic Charter was a pious expression. It was a beautiful ideal. When the colossus of Europe demands, as he unquestionably will, a large sphere of influence in those smaller countries, what chance will those little countries have in determining their own futures as promised in that Charter?

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. GIFFORD. Yes.

Mr. WOODRUFF of Michigan. As a matter of fact, has not the spokesman for the colossus of Europe already announced to the world that he proposes to take over certain of those little countries and parts of other little countries? He asked permission of no one. He announced his program. It seems to me that the people of this country should see that and see it clearly.

Mr. GIFFORD. I am sorry to say that there certainly can be no other interpretation of it. I am not criticizing Russia for the moment. We wanted her to win the war. How highly we were praising her in her endeavors to win the war and the sacrifices that she has made. The type of government they have in Russia we want none of. Liberty does not exist in Russia. Some have tried to tell us that she is turning toward the capitalistic system. Not at all. Of course, the workers are now paid more according to their ability and not according to their need, as was the old doctrine. Everybody and everything that is owned is subject to the will of the state. Strikes in Russia: We are told that a striker's reward is only to be shot.

We cannot agree to her ideology. When we come to frame a peace and arrange trade between the countries, exchange good will and friendship, will we dare demand freedom for those small nations to determine for themselves their form of government and to decide their own problems?

Let us face the facts. Russia has spoken. She has fought the fight. She feels that she should have her part in dictating the future. But as to spheres of influence, what will we say to those little countries we have tried so hard to assist? What can we do except indulge in pious talk, and suggest agreements that are immediately torpedoed?

No. Our great friends, the British people—and they are our friends—are beginning now to read carefully the statements of our leaders. They wonder just what agreements Britain and this country can make regarding trade and monetary relations. Does she trust us when we advocate a free exchange of goods?

When there is talk about a free exchange of goods or of free trade, and at the moment there is a great and growing demand, I can hark back to the first weeks I was in the Congress, when the farmers were demanding a tariff to protect themselves from little Denmark's butter. When I see that high wages must prevail after the war—it is so declared—how can these things be arranged so that our workers can meet competition, unless high wages prevail in other nations?

We have our own immediate domestic problems. We ought to face them. We have various and sundry persons proclaiming new doctrines which attract much attention. Stuart Chase, a great writer, tells us, in effect, that if we can borrow $250,000,000,000 or $300,000,000,000 to fight a war, certainly we can borrow to keep things going in the peace. What care such writers whether they wreck the Treasury or not? No; they are trying to teach our people that we should have all these social gains from the cradle to the grave; that everybody should be looked out for. They are practically telling those people who receive, or would receive, largesses from the Government that they would not be the ones whom they intend to tax. Many classes of people in this country think they can have all these things for the asking, that someone else will pay for them. It may be that is somewhat true if we intend to continue tax methods now and recently followed.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. DONDERO. We learn to our sorrow that no one yet has devised a system of government superior to simple arithmetic, and no one yet has devised a substitute for work.

Mr. GIFFORD. No. But the gentleman will recall the statement made by one of the social planners high in the New Deal, who said, "We will tax ourselves and pay ourselves a pension. We should pay all sorts of subsidies, then tax ourselves to pay the subsidies," but with the thought held out that the tax would not apply to the ones who get the subsidy.

Shall we be able to collaborate, shall we be able to cooperate, and not amalgamate with other nations when the war is over? I do not want to get too far away from that question. I want to collaborate, I want to cooperate, but I do not want to amalgamate.

Mr. DONDERO. Along that line, may I suggest that there seems to be a feeling on the part of some people in this country that through some mysterious process money can be collected from them and brought here to Washington, administrative expenses deducted, and then more money and benefits sent back to them.

Mr. GIFFORD. Can we teach our people the fallacy of such an opinion?

I have felt a frustration in my endeavors of late to help my people, because of Government exactions, bureaucratic exactions, if you want to call them that, from the agencies that we ourselves set up. Do we lack the courage to tell those agencies how to operate or the policies they should follow? We are frustrated because under the supposed war powers the executive agencies may get directives from the President, even though they be exactly contrary to our own intentions in enacting the law.

There must be a halt to this sort of thing. Are we to wait until after November, until we have heard the voice of the people? I think there should be a real campaign on domestic issues. The people should be informed and warned that their form of government is in real jeopardy. I, for one, shall not hesitate to speak my mind about it.

I have been here a long time. I have seen representative government at work. I know full well that the great majority

of our people still think that we are really their representatives, and that they should appeal to us for relief from exactions in Washington. They still have that idea. But now, because of bureaucratic control, when a complaint comes to you, you have to appeal to a bureaucrat.

It is said that bureaucrats are usually selected because of their education. But an educated man should be surrounded by others who are much wiser than he in the practical conditions to be met in any proposal.

I have pleaded with the O. P. A. for my fisheries; I have pleaded with them for my dairymen; I have pleaded with them for my fresh fruits. I am constantly pleading for relief. How far do I get? I get answers to my letters, after telephone arguments, and then I send copies of those letters to my newspapers so they may notify the people at large. Have I succeeded in bringing relief? Well, if relief is the knowledge that you cannot get anything, we get relief, and that perhaps is really some relief. But I want my people to awaken to the fact that their Representative in Congress, supposed to make the laws of the land, cannot be effective under a bureaucratic form of government.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. Speaking of relief, I think the gentleman will agree that sometimes after worrying about a proposition for week after week it is a relief to know the worst.

Mr. GIFFORD. A relief to know the worst. That is putting in another way the thought I was vainly trying to express.

This administration has attempted, at the expense of the Treasury, to bring relief, even boondoggling relief. Millions of jobs have been provided in Government services. I think I may say that the people have been well lathered, and I remember the old expression that he who is well lathered is half shaved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEEFE. Mr. Chairman, I yield 5 additional minutes to the gentleman from Massachusetts.

Mr. GIFFORD. I have many matters for discussion here. So many things to worry about. I wonder if I could refer back to Thomas Jefferson? Would it be of any good to do that these days? I think it ought. I love my Democratic friends. I really do. My friend the gentleman from Georgia [Mr. TARVER], the other day did not like something that the New Deal has done. He fought brilliantly on the floor. I voted with him. There is a large segment of the Democratic Party which views with alarm many New Deal doctrines, and if they could be released from the party condition that exists they would be happy to join us in checking the excesses of the so-called New Deal.

I have a great worry about the public debt. I have made many speeches here about it. Stuart Chase seems to have no worry about it. Many others whom I might mention seem to have no worry. I do not suppose young Michael Streit, who gave that dinner to 100 new dealers where he said, "The New Deal is more revolutionary than fascism"—it is revolutionary—has any such worries. Such leaders have a definite goal about which many of you Democrats are fearful. They intend to take possession of your party. The Communists have disbanded, but only in name. They are perfectly content to back the New Deal because it is bringing about a condition in this country such as they desire for their own aims later on. No wonder one of your great Democratic United States Senators said recently, "If they have come into the party it would now seem necessary that I go out." Oh, strange bedfellows are they who are agitating for the fourth term. I am not an isolationist. I want independence, but isolationism is too high a price to pay for that sort of independence. I want to collaborate and hope I am fully understood in that statement.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. CRAWFORD. The gentleman has referred to collaboration. There is a lot of literature coming to my desk which deals with that question. It is coming from two groups and I somewhat hesitate to make this comparison, but the literture speaks for itself, the C. I. O. and from church leaders, and it is growing in volume in personal letters, periodicals, published statements, news comments over their signatures, and I wish to submit this question to the gentleman. So long as world power politics are to be the program, does the Congress of the United States dare surrender its power to determine these questions which deal with how far we shall go in international relationships? I say, does the Congress dare surrender its power to make a determination and thus amalgamate, or must we retain our power to collaborate so that the forces of the United States will remain in the hands of Congress?

Mr. GIFFORD. Oh, I hope we will be courageous enough to retain the power in the hands of the Congress itself. To amalgamate is far different than to cooperate, or to collaborate. So I ask you, as my purpose in rising today, if you can allay my fears and give me a word of advice or encouragement, so that I may feel when I do come back, and I expect to come back, that I shall be able to represent my people without too much hindrance in this bureaucratic government. I thank the gentleman in charge of the time for the time allowed me.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARE. Mr. Chairman, I yield to the gentleman from Georgia [Mr. TARVER] 15 minutes.

Mr. TARVER. Mr. Chairman, I wish to express my very deep appreciation of the exceedingly capable service which has been rendered to the Congress and to the country by the chairman of our subcommittee, the gentleman from South Carolina [Mr. HARE], in the preparation and presentation of this bill. He has, of course, had able and faithful assistance from my colleagues, both on the Democratic and on the Republican side. But as we all know, the greatest portion of the burden in the preparation of a bill of this type, in the examination of its multitude of details, rests upon the chairman of the subcommittee and I happen to know that the gentleman from South Carolina has spent not only weeks in conducting the hearings which were had on the bill, but many, many hours in the evenings and at other times when the House was not in session in the study of the various estimates which form the basis of the bill.

I know that he is largely responsible for the tremendous savings below Budget estimates which are represented by the bill as presented to the House. His services in connection with this bill alone have been the cause of savings amounting to many millions of dollars to the Treasury of the United States. I am not in accord with all of the provisions contained in the bill. I am not in accord with all of the reductions which have been made in the bill. Our subcommittee has lacked unanimity with regard to a number of these reductions. It is not my purpose today to undertake to discuss these matters in detail, first because there are very few Members on the floor, and second because I apprehend that these matters will come up for discussion when the bill is read under the 5-minute rule on Thursday of this week.

However, I do desire to have in the RECORD for the information of the members of the Committee of the Whole, some observations with reference to a provision which was contained in the bill, as reported from the subcommittee, relating to the appropriation for grants to States for emergency maternity and infant care. I want those observations in the RECORD in order that the attention of the Members of Congress may be directed thereto, and in order that they may give some study to the problem which is involved, prior to the reading of the bill for amendment on Thursday, at which time, depending on what sentiment may be developed in the House with reference to the subject matter, I may or may not offer an amendment which I shall now discuss.

In the bill as reported from the subcommittee to the Full Committee on Appropriations there was contained the following proviso with reference to the E. M. I. C. program, which proviso was stricken from the bill by the full committee:

Provided further, That this appropriation and appropriations heretofore made for the same purpose, may be used for payment of benefits in cases of wives of such servicemen who fail to submit a notice and application prior to confinement, in all cases in which it shall be made satisfactorily to appear that such wives were unaware of their entitlement to such benefits prior to confinement, or were prevented by unavoidable causes from submitting such notice and application prior to confinement.

This program, as the Members know, is that which has been provided by Congress for taking care of the medical expenses and hospital expenses of the wives

of servicemen in the four lowest grades, in connection with their confinement. The appropriation carried in the bill for the next fiscal year for this purpose is $42,800,000.

I hope the Members will find it convenient to examine the hearings with reference to this particular subject matter. If they do, they will find that, according to the testimony of Miss Lenroot, head of the Children's Bureau, and of Dr. Eliot, an official of the Children's Bureau, there were during the last 6 months of the calendar year 1943, 285,000 cases in which such benefits might have been granted under the provisions of the program as authorized by the Congress; but benefits were paid only in 145,000 of those 285,000 cases. The testimony of Miss Lenroot and of Dr. Eliot indicates their belief that the failure of 140,000 wives who were confined during the last half of the calendar year 1943, to apply for these benefits was occasioned by their not having been aware of the existence of the program and of their right to receive such benefits upon proper application.

The evidence also justifies the conclusion that in many thousands of these cases bills for medical expenses and hospital care hang over the wives of these servicemen who did not file application within the time provided by the regulations, and over their husbands who are in the service, until this good day, and that aid to them from the appropriations which have been made by the Congress has been denied for one reason only. That is because prior to their confinement they did not file notice and application with the proper State health authorities, and except for this difference their rights are the same as those of wives whose claims have been paid.

You will observe from the evidence that this rule with reference to the filing of notice and application has been construed to apply to cases in which wives were prematurely confined. In one case it developed that a wife had been confined after a period of 6 months' pregnancy, yet the benefits in that case were denied because that wife, who, of course, had no reason to apprehend her premature confinement, had not filed notice and application for the benefits under this program, prior to the time when she was confined.

It is my viewpoint that these 140,000 women, if they are in need of assistance which is granted by the Government under this program, are entitled to the same consideration which has been had by 145,000 women who did file applications during the last 6 months of 1943 and who knew about the existence of the program and who took all of the steps necessary under the regulations to see to it that they received those benefits. At the present time participation in the benefits of the program is approaching 100 percent, since knowledge of its existence has become general.

The language of the proviso which I read to you in the outset of my remarks, however, does not make it mandatory upon those officials who are in charge of the administration of the program, to pay benefits in all the cases where they have not been paid. It simply places in their discretion the payment of such benefits when, in accordance with the regulations prepared by them, it shall be made satisfactorily to appear that the failure of the wife to file notice, to make application prior to her confinement, was occasioned by her being unaware of her entitlement to benefits under the program, or was caused by unavoidable circumstances, the authorities in charge of the program, of course, having the power and duty to determine what circumstances would be properly considered unavoidable.

It may be true, perhaps, that the language of the proviso, as it was originally written in the bill by the subcommittee, is broad in its terms. However, I do not think that language is too broad. I do not believe that the wives of these servicemen who did not know of the existence of the program ought to be required to pay, or their husbands pay their own bills, their medical bills and hospital care bills incurred since this program began in confinement cases, merely because of their lack of knowledge of their entitlement to benefits, when other wives who did know about the program, who perhaps were not in some cases as much in need as those who had no knowledge of it, have received these benefits in full.

It has been stated in committee that the placing of this proviso in the bill would occasion a tremendous amount of additional expense. I do not believe it is possible that the additional expense incurred would be out of proportion to the just benefits awarded, but whatever the expense might be, there is absolutely no justification, in my judgment, for the Government saying to a woman who has been well informed as to the development of this program that, "because you knew about it, because you took action and made application, gave notice prior to the time of your confinement, you can have your doctor bill paid and you can have your hospital bill paid"; but to the woman who may live away back in the hills, or who perhaps is not very well educated, who perhaps does not receive a daily paper or any other sort of paper, who knew nothing about the program being in existence, that she must be barred, because, forsooth, the State health authority had adopted regulations approved by the Children's Bureau, in which she was required to give notice and make application prior to confinement. I want to say again that that debarment exists notwithstanding she may have been prematurely confined. It is an absolutely senseless thing to require the making of an application prior to confinement in the case of a woman who did not know she would be confined in 3, 4, or 5 or 6 months and who was prematurely confined.

It is my purpose after further conference with other members of the committee—I think it is possible they may give their approval to it—to submit a modified form of this proviso which would take care of cases where need is shown and cases particularly of the type to which I have last referred where notice and application were not submitted prior to confinement on account of unavoidable circumstances.

You will hear it said by those who have opposed this proviso that these regulations are made by State health authorities and that the purpose of the Congress was to leave the matter entirely within the jurisdiction of State health authorities. There is not anything in the law which requires this regulation as to the giving of notice and the filing of application prior to confinement. That is a regulation, but when they say that it is a regulation of the State health authorities they do not mention the fact that the Children's Bureau, as will appear from our hearings, in their bulletin No. 1 to State health authorities, for 21 pages outline the type of regulations that the State health authorities must adopt.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. HARE. Mr. Chairman, I yield 5 additional minutes to the gentleman from Georgia.

Mr. TARVER. They specify the type of regulations down to the dotting of an "i" and the crossing of a "t" that the State health authorities must adopt in order for those regulations to receive the approval of the Children's Bureau; so, of course, the State health authorities, in order to have their regulations approved, have simply followed in detail the requirements laid down for them by the Children's Bureau and have adopted the regulations which they were directed to adopt by the Children's Bureau. You will hear them say also as they said in the full Committee on Appropriations that exceptions are authorized to the rules made by these State regulations; that Miss Lenroot, the head of the Children's Bureau, has written State health authorities that they are justified in making exceptions in cases of the kind to which I referred a while ago where women were confined after 6 months' pregnancy. That does not alter the situation, because the fact remains that the State health authorities in cases coming under my observation have not made the exceptions.

Whether they were authorized to do it or not they have not in fact done it and they have not in one particular case which came under my observation in my own district made any payment of benefits in that particular type of case. You will hear opponents of this proviso say also that the proviso would require a great deal of administrative work, it would be administratively unworkable. That is answered by the suggestion to which I referred a moment ago; that is, the claim that the Children's Bureau will permit them now to make exceptions, and if that is true, then the Children's Bureau has now authorized the State health authorities to consider these individual cases and to approve exceptions when in their judgment it ought to be done; and the proviso in the bill would require nothing more than that except that it would indicate the purpose of Congress that in cases where it is satisfactorily shown that lack of knowledge of the program existed on the part of the wife of a serviceman or that she was prevented by unavoidable circumstances from submitting a notice and application

payment of benefits provided by the program should be made.

I have submitted these views in order that you might be thinking about the matter and that other Members of the House who are not here today might have an opportunity to read what I have said concerning this problem in the CONGRESSIONAL RECORD in the hope that by the time we reach this section of the bill for reading under the 5-minute rule on Thursday the House may have reached the conclusion that some sort of proviso in this appropriation language should be adopted which would prevent the continuance of injustices of the type I have described.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. KEEFE. Mr. Chairman, I yield myself 1 minute.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 1 minute.

Mr. KEEFE. Mr. Chairman, I do not at this time desire to attempt to answer the argument just concluded by the distinguished gentleman from Georgia. It is enough to say as one who originally sponsored this program in the House, that I am interested in its continuation and not its destruction. Because of that fact I very vigorously opposed the amendment offered by the gentleman from Georgia in the subcommittee and in the full committee; and if it is sought to include this amendment when the bill is read under the 5-minute rule I believe the House will then be advised of the facts which prompted the full Appropriations Committee by an overwhelming vote to strike such an amendment out of the bill.

I do not want the RECORD to disclose that the gentleman's argument was made without any statement to the contrary.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, tomorrow on Memorial Day while strewing pretty bouquets upon the graves of soldiers of former wars, why not cast a thought toward saving the lives of some of the young soldiers imperiled in this one?

Today I shall insert in the Appendix of the CONGRESSIONAL RECORD an article by Constantine Brown on the pending invasion. Mr. Brown is an informed and reliable writer—if any writer is reliable nowadays when newspapers are cowed into suppressing unpleasant facts and conclusions. Not mentioned in this article is the fact that the Luftwaffe should be destroyed before we invade, and that the Luftwaffe has not yet been destroyed. The invasion, if it occurs as scheduled, is premature.

Regardless of how many Germans will be killed in this invasion, the operation will have maimed or destroyed hordes of innocent American youths.

Why not think about that now, while the President can still postpone the invasion if he chooses, instead of waiting until after these young soldiers are too dead to hear the praises and see the posies appropriated to their memory?

Mr. KEEFE. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS of Indiana. Mr. Chairman, I want to relate for the benefit of the House a short outline of a story with a United States Maritime Commission and War Shipping Administration background which, as I believe all of you will agree, shows the most shameful disregard for human safety at sea, for economy and for a particular private industry on the part of responsible procurement officials in those agencies. It is a story in which our own Merchant Marine and Fisheries Committee of the House has already evinced interest and in which each of you here will, I believe, be amazed.

This matter relates vitally to the safety of the men of the merchant marine and the Navy, whose heroism and tenacity of purpose have kept the life lines to a dozen distant battle fronts open; but its background lies in my home city of Kokomo, Ind., a spot about as far from salt water as you can find on our map.

Back in the summer of 1941, when our defense program was just getting up steam, the Globe American Corporation of Kokomo abandoned its 50-year-old peacetime business of stove manufacture to take up the production of lifeboats. By any standard, this was a smaller industry, even though sound and far-sighted management had built and developed it upon a strong foundation. Its normal peacetime pay roll averaged perhaps 350 people. Starting cold in the new field of lifeboat building, the company quickly proved its right to the Maritime Commission M award, which in that field is the equivalent of the more commonly known Army-Navy E award. In short, Globe did an outstanding production job that has been a very real and important contribution in our war effort.

Then, just a little over a year ago, Globe added to its war work an entirely new and greatly improved type of life raft. To describe it as briefly as possible, this new raft is all-steel construction throughout, and represents such vast advantages from the standpoint of safety and comfort that it has been hailed by the United States Coast Guard, the agency charged with maintaining maritime safety standards, and by an overwhelming majority of shipbuilders and American seamen as being far superior to any other life raft in existence. While Coast Guard and other public officials cooperated, I want to emphasize the fact that the Globe American Corporation actually provided the design, engineering, and research work to develop this raft within its own organization, and from its own private funds.

Further description would be inadequate to indicate the vast contribution to the safety of men at sea which this Globe raft has made. You would simply have to see and compare this all-steel raft with the common wooden types it has superseded, or talk with ranking Coast Guard officers, or to sea-faring men who have been through the hell of a sinking at sea to know just what a contribution this company and this raft have made.

When Globe first offered its all-steel raft the reaction to it, as I said, was enthusiastic. But it immediately became apparent that this new type raft would inevitably destroy the business of companies who had been building and selling old-type wooden rafts. Understand, I do not intend to place charges against any private interests, or to impugn the motives of any responsible public officials in this instance. I do say to you, however, that there is every evidence that strong pressure developed very early against Globe and this new raft. Despite all the initial praises, the company encountered extreme difficulty in negotiating a satisfactory contract to supply these rafts. The merits of the case were so obvious, however, that Globe eventually was awarded a contract for 3,600 of these rafts, on which it has since been producing well ahead of allocations so that a stock pile of rafts is being built up in shipyards.

Incidentally, hundreds of our merchant ships commissioned before the all-metal raft went into production are still equipped with the old-style wooden rafts, commonly referred to by seamen as chicken crates and death traps, because the War Shipping Administration says no better life-saving gear is available. Still, here are stock piles of all-metal rafts accumulating in shipyards, awaiting the launching of new ships far in the future.

At present rate of production, however, the contract will be easily completed this summer. In the meantime, new difficulties beset the company in its efforts to secure a renewal contract. In fact, within the past 15 days the procurement officials of the Maritime Commission have placed orders with a number of different companies for a total of 1,400 wooden rafts. There is no apparent disposition at this time on the part of these officials to renew a contract with Globe for additional all-steel rafts.

What has happened to cause Maritime Commission to turn again to wooden rafts, in the face of the recommendations of the Coast Guard, and over the protests of the National Maritime Union and other independent authorities who have a right to speak on the subject? Have wooden rafts been so radically improved within the past year? In fairness it ought to be said that the newly ordered wood rafts are vast improvements over earlier types. They naturally would be, for they incorporate many improvements in raft construction pioneered by Globe. In the opinion of any fair-minded authority, however, they are still far inferior in many vital particulars to the Globe all-steel raft.

The wooden raft has several inherent weaknesses, but just consider one of them here: Its inflammability. As the result of a recent survey, which I am sure covers only a small portion of the total record of disasters, the Coast Guard reports that in the case of 34 vessels, some 100 wooden rafts were destroyed by fire. In case of

torpedoing or explosion at sea, fire is an almost inevitable consequence. Wooden lifeboats are prohibited aboard tankships, yet wooden life rafts are used. And a wooden raft is simply more kindling on the deck of a burning ship if the crew is not lucky enough to get it overboard before fire reaches it. And since the oil on the sea is almost invariably ablaze the raft becomes a funeral pyre when seamen are in it.

Granting that we ought to entertain such a question even for a minute where human lives depend upon the inherent safety of a raft, are the wooden rafts cheaper? The base price of the Globe raft on the present contract is $960. Since that contract was let, added equipment and supplies have brought the unit price up to $1,180. But please understand, this increased cost covers such items as sealed cartons of emergency rations, containers of pure water, fishing tackle, signal flares, and so forth, and so forth.

Now how do the prices on the wood rafts recently contracted compare? Well, the cheapest wooden raft is to cost approximately $1,200 per unit, and prices range from that figure on up to $1,450 per unit.

There is an interesting sidelight to this story of the all-steel raft which I want to point out to you. In perfecting the new type raft, Globe found that the old style launching way was as pitifully inadequate as the old style wood raft, itself. Many a wooden raft had been lost off shipboard in rough seas, or had been made perfectly useless for any emergency because it had been necessary to lash the raft down on the way in such a manner that it could never be quickly launched. Working on that phase of the problem, Globe perfected a really safe, foolproof new launching way. On this way, the steel raft is always held rigidly and securely under every condition except actual sinking. On the Globe way, the raft may be launched manually right at the way. Positive provision is also made so that the raft may be launched by remote control from the bridge of the ship, or any other safe spot where controls may be installed. And, finally, in case a sinking should be so swift that neither manual nor remote control could be operated, positive provision is made so that the raft will be released automatically and float clear of the ship as it goes down, readily available to any survivors.

The tremendous value of such a device ought to be obvious at a glance even to a layman. You would think that the company making such a contribution should, in simple justice, receive a good portion of any contracts for these new ways which it is equipped to produce. But after Globe completed all the plans and specifications for this new launching way at its own expense and turned them over without reservation or condition to the Government, How do you think it fared in the first contracts let? Contracts were negotiated for ways for 238 Victory ships with Globe and two other companies. Globe was awarded 72. The other two companies were awarded 83 and 84 each. And these other companies are using Globe plans and specifications.

But that is by no means the only time Globe has been treated rather roughly by the Maritime Commission in the matter of contract distribution. Remember that Globe exclusively pioneered the all-steel raft and put it into production with 100-percent private-capital investment. Globe has amply demonstrated its ability to fulfill its contract agreements and to meet maritime requirements. Notwithstanding, however, the Maritime Commission caused to be set up on the west coast at Los Angeles another company to build the identical Globe all-metal raft. Into this second company, through the United States Maritime Commission and Defense Plant Corporation, went some $300,000 of the American people's money for new facilities merely to duplicate the capacity of the Globe organization.

Let me emphasize here the very vital point that Los Angeles, where this second plant was installed, has been the very heart of the most critical labor-shortage area from the outset of this war production program. On the other hand, my home city of Kokomo, Ind., is not and has never been classified by the War Manpower Commission as an area of critical labor shortage. The Globe Co. was already set up and in operation. Its organization was skilled and experienced, and there was no labor-recruiting problem, such as the plant on the west coast was bound to face.

If present policy stands, Globe will face the inevitable necessity of laying off perhaps as many as 600 or 700 people this summer; 589 subcontractors, now working with Globe, will face sharp reduction of output or the complete loss of their contracts. Within my home city alone, Globe is receiving materials and services from 106 different subcontractors. The loss, therefore, is not going to be limited to the 600 or 700 Globe workers and their families. It is also going to be felt by 106 companies, large and small, right within that single community.

Why this deliberate violation of common sense, this large waste of public money merely to duplicate already existing facilities provided by private initiative? Why this discriminatory distribution of Government business which threatens seriously to work hardship upon this organization of a thousand people who have made such a great contribution to our war effort? Finally, why this threatened injury to a community in which this Globe organization is such an important part, and the apparent disregard by public procurement officials for the safety of the lives of the men who sail our ships?

There seems to be no sensible answer to these questions, unless it be that there are serious irregularities within these Federal agencies. The matter is so serious, so vital, that it deserves the most thorough investigation. The chairman of the Merchant Marine and Fisheries Committee, our esteemed colleague the gentleman from Virginia, Judge BLAND, has already expressed to me his own keen interest in this situation. I urge, however, that the House acquaint itself with the facts.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. HARNESS of Indiana. I yield to the gentleman from Virginia.

Mr. BLAND. This morning I received a letter from Admiral Land saying that a full investigation is being made in connection with this matter and that the report should be ready for submission within a week. That was based on the letter which the gentleman from Indiana was kind enough to send to me.

Mr. HARNESS of Indiana. Mr. Chairman, I think it only fair to express to the gentleman from Virginia the appreciation not only of myself but of the people involved in this controversy for his active interest in this problem. I know that Judge BLAND, the chairman of the Committee on the Merchant Marine and Fisheries, and one of the outstanding Members of this House, is vitally interested in protecting the laws of the seamen who sail our merchant ships. I hope that he will go to the bottom of the matter and force the Maritime Commission to fully explain its action in the procurement of life rafts and to correct what appears to be a discrimination against an industry and a shameful disregard for the safety of our seamen.

Mr. KEEFE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, an examination of the report of the committee which brings this bill before the House today indicates that the committee has reduced the amount of appropriations $61,872,796 below the 1944 appropriation. The committee has reduced the amount of the bill $69,463,386 below the Budget estimate.

I direct your attention to the effort on the part of the committee to economize. The amount of the reduction is significant in view of the fact that the major portion of the appropriation is mandatory in order to finance the Federal portion of joint State and Federal programs. There is involved in this bill provision for financing the social-security program, involving old-age and survivors' insurance; Federal contributions for old-age assistance; unemployment compensation and various maternal and child-welfare programs; apprentice training and vocational education programs, as well as education and public health services. Therefore an examination of the bill will clearly disclose that the opportunity for great reductions in the amount of the estimates is impossible. When the committee, after carefully analyzing and scrutinizing every budgetary estimate, has succeeded in reducing the amount of the appropriation sixty-nine million dollars plus. I believe it is an indication that both the full committee and the subcommittee were quite mindful of the taxpayer when they reported this bill. I realize that to reduce expenses of government is a much harder thing than it would appear to the casual observer.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. As I understand, the gentleman is saying that the $69,000,000 cut should be considered as coming out of, let us say, the $274,000,000 of estimates in the items for "other than for uncontrollable grants-in-aid and other mandatory items."

Mr. KEEFE. That is right.

Mr. VORYS of Ohio. Therefore, as a percentage cut—and that is not always an intelligent figure, but it is one that we use in discussion—what would be the cut?

Mr. KEEFE. I do not believe you can designate the reductions in Budget items percentagewise, because you will observe that involved in this cut, for instance, is a reduction in the amount of allocation of funds to the State for the payment of the administration of unemployment compensation. There may be other items in the bill of that character. The gentleman knows that funds, for instance, to pay for the administration of unemployment compensation are paid in to the Federal Treasury by virtue of Federal taxes. We as a Congress have to reappropriate that money out of the Treasury, and it is allocated by the Social Security Board to the various States to pay the administration expense of unemployment compensation. The amount that we must appropriate is the actual amount that is necessary to carry on that administration. Likewise, the amount necessary to pay the requirements of old-age and survivors insurance must be appropriated for. It is true that the committee has some discretion as to whether or not it will appropriate the full amount which is requested by the Social Security Board, and there is an opportunity for the exercise of a little discretion in the amount of the appropriation; but, by and large, if we are to maintain our function, which Congress has provided for in organic law, we must appropriate ultimately either in this appropriation or in supplemental appropriations the amount of money that is necessary to pay old-age and survivors insurance, to pay the Federal contribution for old-age pensions, and to pay the amount necessary for the administration of unemployment compensation.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. If the gentleman will examine page 2 of the report he will find that the total aggregate of the bill is $1,104,972,514, and of this $215,623,129 is for national-defense items.

Mr. KEEFE. Yes.

Mr. ENGEL of Michigan. Seven hundred and ninety-eight million three hundred and eighty-two thousand dollars is funds which are made mandatory by law. This leaves only $90,967,385 representing funds appropriated for administrative expenses or for cost of directing Federal activities which are subject to some control. We did cut some of the national defense administration expenses in the bill. The total cuts were $69,000,000. I think that gives the picture in a nutshell.

Mr. VORYS of Ohio. If the gentleman will yield further, I merely wanted to emphasize, if I understood the gentleman correctly, his statement that this committee has made a very careful scrutiny of the items in this bill, as shown by the very heavy cuts made in the items in the interest of economy where cuts were possible.

Mr. KEEFE. May I say to the gentleman that we do not know what this bill will look like when it comes back from the other body, but at least in its present form it shows a determined and a unanimous effort upon the part of the subcommittee to eliminate from the functions of government those things which are not absolutely essential to the operations of the civil affairs of government and to carrying on the war effort.

I know there will be some agencies of Government that will feel that we have been unduly stringent in the exercise of the spirit of economy. Nevertheless it should be apparent by now to those in the executive and administrative agencies of government that there must be a time when these unnecessary expenditures of government will have to be eliminated, and that includes personnel and administration and everything that goes with it.

It is a very difficult job sitting on the Committee on Appropriations and having the benefit only of the justifications of the people that are asking for the money. We may make a mistake. We may cut too much off one agency of the Government or not cut another agency of Government enough. I can say that this committee has unanimously and honestly tried to bring to the Congress a bill that every Member of Congress can support and which will represent a real step in the direction of economy in the expenditure of public funds.

When the war agencies bill was before this House I spoke at some length in an effort to do away with duplication of effort in Government activities. I did not get anywhere. I was told that I made a good presentation before the Committee on Appropriations and made a good presentation on the floor of the House, but when the vote was taken I found myself frustrated, as I have been many times since I have been a Member of this Congress. An honest and an intelligent effort to try to do away with duplicating agencies of Government was destroyed by the usual tactics of chest-beating and arm waving in the well of the House and the argument that to destroy any of these functions or to curtail them would hinder the war effort. That is a familiar thing, that I have listened to for a long time, where all these agencies of Government try to climb under the tent of the war effort. Almost every one of them, without exception, has set out a separate budget for national-defense activities, so that we have the regular budget for their regular activities and then we have a separate budget for their national-defense activities, and the money all goes into one pot and is administered by the same administrator, and it is spent. It might just as well be included in the regular Budget except that the story is that "Maybe we will be able to cut it down some after the war by keeping these items in a separate budget known as the national-defense budget."

I could take the time if I wanted to and call your attention to the national-defense budgets in the various agencies covered by this appropriation bill and the supplemental appropriations that are contained in deficiency bills reported on the floor of the House, only to find those deficiency items coming back the next year in the regular appropriation bill and forming the basis for an increase in the regular appropriation.

Every member of the Committee on Appropriations knows that technique, and how it has been used in an attempt to build up agencies of Government and build personnel and build up the total of appropriations.

I tried as hard as I knew how to bring the question squarely before the Congress and, as I said a few moments ago, I felt frustrated. It has happened so often. When you try to cut out something that has become implanted in the Government down here with a whole group of people on the pay roll, it is extremely difficult to eliminate it—justification will always be found in the record. With few exceptions, however, the hearings are silent except as they report the arguments made by the bureau heads who are asking for the money. Yet we stand up here day in and day out and say, "Turn to the record, turn to the justifications, turn to page so-and-so of the hearings and there you will find the justification for this appropriation."

The only thing you will find in the hearings, gentlemen, and the only thing you will find in the justifications, is the story that has been built up by the agency itself in an attempt to justify its request for money.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I am glad to yield to my good friend from New York.

Mr. FITZPATRICK. Four or five years ago I advocated the appropriation of $1,000,000 to get a special, permanent, investigating committee during the year to go into every department to prevent overlapping and the appropriation of money which is not necessary. Where did I get? Even the Committee on Appropriations did not approve of it, nor did the House approve of it. If you want to save money that is the way to save it, by appropriating a million dollars and saving probably $100,000,000 a year.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I yield myself 10 additional minutes.

I may say to my distinguished friend from New York that it is well known I have taken a similar position for a number of years since I have had the privilege of serving upon the Committee on Appropriations. I feel so helpless, sitting upon a subcommittee of the Committee on Appropriations and having

placed in front of me one of these bills together with a stack of justifications 3 feet high, which you see for the first time, that is, most of them, when you come up to the committee meeting. And there arrayed on the other side of the table are all the experts of the agency who are interested in getting approval of their justifications. How helpless I feel, at times, in the face of the great wisdom and knowledge which these people have and which we as members of a subcommittee dealing with the whole scope of the Labor Department and Federal Security Agency and related independent offices are supposed to have. We are supposed to have knowledge of the intricate, inside, detailed workings of all these agencies and departments of Government. When the hearings are held, each one of thoses agencies has its experts who are only concerned with the particular item in which they are interested. There they are, and, say, can they always make a beautiful story to justify every dollar of expenditure that they ask for. Personally they are a lot of fine men, and I think most of them are trying to do a good job, but they in turn are up against the same situation sometimes that the members of the committee are up against. I want to challenge the attention of this Congress and the people of this Nation to the fact that sometime, somewhere, unreasonable and unnecessary expenditures of public funds must stop if we are to protect the solvency of the Nation. Only such money as is absolutely vital and necessary to carry on the war and to provide for necessary public functions should be appropriated. If you go through this estimate you will see all these agencies that have been set up in connection with the national-defense item that are expending or have expended hundreds of millions of dollars. Just take one little item. I have no prepared speech, but I am sincerely trying to arouse opinion here and in the country. Take the item, I think it was $25,000,000, set up in the Office of Education to provide training for men in industry at college levels and college grades, a program set up by the various colleges of the country—$25,000,000. Well, all I know about it is that the Budget approved it and says it is all right. Here is a justification for it, as it comes before the Committee on Appropriations. I do not know any member of the subcommittee who has ever gone out into the field to see how it is working or how it is being handled. You have just got to take the word of the people who come in there. Who comes in? Whom do you hear? You do not hear anybody except the people who are interested in that particular matter.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. HARE. The gentleman made a suggestion there which I feel is very pertinent. I have felt for several years that members of the subcommittees of the Committee on Appropriations should find the time somewhere to go into the field and make a study and investigate and see to what extent these appropriations are being judiciously used. That has been attempted a few times and we have been confronted with this criticism: The committee is off on a junket. It seems to me probably the fear of criticism of being on a junket sometimes prevents the committee from going out and thoroughly discharging the duties of such a committee.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield for just one more question?

Mr. KEEFE. I yield.

Mr. FITZPATRICK. Bearing out your statement as to finding out how the money is spent, on vocational education 8 or 9 years ago I asked the Commissioner of Education, Mr. Studebaker, how they knew the different States spent the amount of money that we matched 50–50. He said they took the word of the States for it and that there was not any investigation made whatever to find out whether the States matched that 50 percent or not. You will see that in the hearings some 7 or 8 years ago.

Mr. KEEFE. I would not think that would be exactly accurate today, as I understand the procedure. The allocations, as I understand it, under the vocational education program, are made to the States and they are administered by the States. That is as it should be.

Mr. FITZPATRICK. I agree with you there.

Mr. KEEFE. I understand that the Federal Government does lay down rules and regulations as to the expenditure of that money and does audit the accounts of the States in connection with the expenditure to see to it that the expenditures are made in accordance with law. That is all I know about it. Whether it is being done that way or not, I do not know.

Mr. FITZPATRICK. They audit the accounts, but they do not send anybody into the field to see whether or not that money was spent.

Mr. KEEFE. The point I am trying to make, and if you will pardon me just 1 minute until I get this point across, if I can, is this: I referred to the $25,000,000 appropriation for the giving of supplemental courses at college grade to men in industry to be carried on by the various colleges of the country. I do not want to appear to be opposing the effort of the colleges in that regard, but all I know about it is what Dean Potter and another gentleman who came before the committee told us. Upon examination, I found what they did was to turn the funds over to the various colleges of the country. The funds were actually disbursed out into the treasuries of the colleges and they managed the program and they spent the money. They set up the courses and they got people to come in and take these courses—a sort of extension system around the various States. Then, at the end of the year, they would figure up how much they had received, how much had been spent, and it would show they had $10,000,000 or $12,000,000 on hand that had not been spent out of the $25,000,000 appropriation.

I said to the gentleman, "Why can this appropriation not be reduced to $12,000,000 if you only spent $12,000,000 this year?" "Oh, no! That would not do." They had some nebulous reason as to why they had to have this $25,000,000 scattered around in the treasuries of the various colleges of the country, in order to assure the professors who were devoting themselves to the program that they would be sure to get their pay on time, and that the expense would be paid on time. I raised the question then—and it is a question in my mind now—whether or not we are properly and jealously guarding the taxpayers' money when we permit appropriations to be used in that manner and to be scattered around the country into the treasuries of these various organizations, to have them spend it out of their treasuries as they see fit to spend it, and turn back to the Treasury of the United States such sums as they have been unable to spend.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. KEEFE. Mr. Chairman, I yield myself 10 additional minutes.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the distinguished gentleman from West Virginia.

Mr. RANDOLPH. I am in accord and agreement with the contention of the gentleman from Wisconsin that unnecessary governmental expenditures should be reduced. I am wondering if the gentleman would not agree with me, and with practically all Members of the House, that there is a theory today among certain leaders in governmental agencies, that regardless of the amount of our Federal debt, we can wipe off that indebtedness. There is that theory going around. I do not believe this Government, or this Congress wants anyone to believe for a moment that we incur a debt and that we do not mean to pay for it eventually.

Mr. KEEFE. I will say to the distinguished gentleman from West Virginia [Mr. RANDOLPH] that if I did not believe the United States Government was fundamentally sound and that we not only intended to pay but will pay our debts, I would not think that the struggle which we are making in the world today would be worth the sacrifice of blood and tears that is taking place. I am one of those who has stated from this floor time and again that despite what anyone may say, under proper direction and leadership this country can work itself out and will do so. But there will be no easy way in which that can be accomplished.

Now, let me illustrate again, if I may, for just a moment. During the consideration of the war effort and these national-defense appropriations, and especially these programs that were designed to give training to men in arts and industry and so on, it was an easy thing to come before a subcommittee of the Committee on Appropriations and justify tremendous expenditures of money, and perhaps a large part of it has been wisely and judiciously expended, and it has been perhaps worth while. But they always hook on a lot of other things.

One of them I never could see was the so-called visual aids for war training, under which the Office of Education went out into the motion-picture field and

hired legitimate motion-picture producers to produce a lot of lantern slides and films, visual-aid program. Then what happened?

Out of the appropriation made, the Government paid for the making of these slides and films. The idea was that they were to be used as visual education out in the field, in the factories, and in the shops, and in the vocational schools, I presume. Then according to the testimony, as I recall it, they turned over the distribution of this material to a private film-distributing agency, which had been in the educational-film business for many years and had its agents scattered all over the country, so that anybody who wanted to get these visual aids would have to buy them through this private film agency. Now what is the Government doing in that business? If there is a field for the successful presentation of visual aids of that character, why are not the regular private agencies that are in the film producing and distribution business capable of handling the situation? Oh, they have a good reason and a good excuse, but after the hearing the committee decided they had had enough of that, and we cut it out entirely. You will notice that appropriation is entirely eliminated.

You will also note, if you study this thing carefully, that one or two of the duplicate agencies to which I referred the other day when we were considering the war agencies appropriation bill, have been eliminated in this appropriation bill. I say to you I do not think that is the way to do it. As I stated at that time, I think we should have a consolidation of those agencies where matters pertaining to labor are in the Labor Department and not 15 or 20 agencies of Government dealing with problems relating to labor and management policies and practices.

I will also say to my distinguished friend from Nebraska [Mr. MILLER] that I have made the suggestion times without number that I can see no good reason, for example, why the Children's Bureau should be in the Department of Labor, and why it should not be in the Federal Security Agency, in the Office of Public Health Service. Simply because under the law it may be charged with the fundamental responsibility of enforcing the provisions of the child-labor law is no reason to put it in the Labor Department. I believe the proper place for the Children's Bureau, which is largely concerned with maternal aids and children's aids, and child welfare and health sanitation, is in the Public Health Service. I cannot understand why that agency should not be within the general scope of the Public Health Service, in the expenditure of funds for those purposes.

We have a long way to go to bring about orderly return to peacetime activities in government. That problem is going to be just as severe as the problem of returning to peacetime activity in industry. We ought to be thinking about it a little. We ought to see if we cannot place those functions where they belong, and, by consolidation, wipe out duplication of effort and duplication of Federal expense.

Your committee, in the handling of this bill, has tried to do its best. We are not a legislative committee. I am only making these suggestions so that perhaps someone may read what is being stated, and the germ of an idea might be generated into activity.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. VORYS of Ohio. It seems to me that what the gentleman has said, and the comments from the distinguished gentleman from South Carolina [Mr. HARE], reveal an inferiority complex on the part of the Congress in providing for its own needs, which is harmful to the best working of Congress. The Congress is afraid to appropriate money to provide help for itself. The Congress is afraid to appropriate money to spend on travel, to provide personal knowledge for Members of Congress, of the activities of the Government.

If the gentleman will yield further, I talked in the past week with a Federal bureaucrat who was formerly a Congressman. He said:

> Now, when I need information to carry on my work I have somebody I can call on who reports to me and me alone. When I want to take a trip on official business to find out something about my job I take it; when I want to send somebody I send him, and you fellows on the Hill furnish me the money to do it. But—

He said—

> you will not furnish yourselves with the same sort of service that you are willing to furnish me and, therefore, since none of you are omniscient, you cannot find out what you need to find out to perform your duties intelligently.

Here I am not a member of the Committee on Appropriations and I pick up today three volumes of hearings of 1,643 pages. The Committee on Appropriations carry on their hearings in executive session. I had no way to find out about this until now. I attempt to listen to these remarks, as I always do, of the distinguished gentleman who is now addressing us and I find that he and the members of the committee have not the sort of information on this gigantic bill that is needed to pass on it with full intelligent judgment. I urge the gentleman and his committee whom we hold responsible in this to appropriate the money to bring in legislation so that the Members of Congress can perform their duties intelligently and save their time and the taxpayers' money.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I yield myself 7 additional minutes.

We have developed a rather interesting avenue of discussion which may lead to the ultimate benefit of the Congress. I have never had illusions about my service on the Appropriations Committee. If there is any member of this Congress who has a mentality sufficient to grasp all of the ramifications involved in an appropriation bill such as we have right here involving $1,104,000,000, then, as someone once said, he is a "better man than I." I have worked as diligently and devotedly as any person in this Congress ever worked in an effort to try to understand and know the problems that ought to be brought to this Congress growing out of a multifarious list of items in an appropriation bill such as are contained here.

Then, each member of this Appropriations Committee is compelled to serve or does serve upon another subcommittee perhaps involving the same sort of situation. In this bill you will see for instance in the Public Health Service that we provide appropriations for hospitals all over the country, down here at Lexington, down in Texas, and so on, and I have never seen one of them and I do not think a member of the subcommittee has ever seen one of them. We have to take somebody's word for it. Thank God, I have so much confidence in Dr. Parran and the Public Health Service that I feel I can take their word; but on the other hand I fail in my duty to the people I represent unless I can get adequate and proper knowledge concerning these things for which we appropriate the people's money; and so those who are critical of the Appropriations Committee must understand that we are doing the best job we know how with the limited facilities we have at hand. Some of these subcommittees do get out into the field, especially those dealing with the Army and the Navy; but here is a subcommittee that has never had time or opportunity to investigate a single one of the items, so far as I know, involved in this bill. I have made some effort individually, but there ought to be a concerted and a direct effort made so that when these bills come here and they talk about the narcotics hospital down at Lexington I will know what they are talking about and so will you. To date it is just a title in the bill.

Remember that a large portion of this bill is represented by appropriations which are made pursuant to laws enacted by this Congress by which we are required to extend aid to the States in these various programs. I am willing to take the word of the men who are administering these programs as far as I can; it is all I can do if the program is going along and is decently handled.

While I am on this subject may I say I do not like to refer to every man who is in public service as a bureaucrat. I have found in my contact with the people in these agencies, the Federal Security Agency and the Labor Department, hundreds and hundreds of the finest men and women giving their lives to the work, people who are career people, who have been there for years, who are giving their lives in an effort to perform a real public service. I may say to you that in many of these old-line agencies of the Government there are some of the finest characters it has been my privilege to meet. So we cannot refer to everyone in the Government always as being a bureaucrat and imbued with bureaucratic power. But what we do need is a closer spirit of cooperation between these newer agencies of Government and the Congress of the United States so that

they are not all the time trying to fool somebody. I know that some of these appropriation items, even though they have passed the scrutiny of the Budget Bureau, are high enough so that the agency, despite the reduction we may make, will have even more funds than they hoped to get. I am inclined to believe that some agencies purposely place the amount higher than their needs, figuring that the Congress will cut the amount, and thus be able to spend as much as is necessary in any event. Again, people should get over the idea that when a cut is made in an appropriation the committee has stuck a dagger in the back of the agency, as has been sometimes said in the case of the National Labor Relations Board and some other agencies. I recall 2 years ago when we reduced an appropriation for the National Labor Relations Board that at the end of the year they had an unexpended balance twice as large as the cut. They could not spend the amount of money we gave them. This year they are asking for fewer employees, fewer jobs than we gave them last year; still there are people who say that the Congress is trying to destroy the effectiveness of the National Labor Relations Board. I think the Congress is trying to do a pretty fair job with all of these agencies, dealing with the material we have to deal with by way of evidence and justification.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. PITTENGER. I have enjoyed and benefited from the fine constructive talk the gentleman from Wisconsin has made; but does not the gentleman believe it is about time that Congress appointed committees to sit in with these different bureaus and determine for themselves the amount of money they ought to spend, the amount of money they need? I never yet have heard of a bureau turning back any money into the Treasury of the United States.

Mr. KEEFE. May I say this to the gentleman: I want to be perfectly fair; the agencies of Government are required to make up their estimates and first clear them through the Budget. That means they must go down there jointly and severally to the Bureau of the Budget and make their presentation there. How long it takes I do not know; I have never been granted the privilege of knowing the inside workings and operation of the Budget Bureau, but I am told they have to spend a lot of their time running down to the Bureau of the Budget to justify their efforts. When the Bureau of the Budget has finally passed upon it and the Budget is presented to the Congress by the President, they have to come up before the subcommittee of the House that is in charge of that appropriation. That takes days and sometimes weeks and months before that is finished. Then when they have completed the hearings before the House, they are required to go over to the Senate and repeat the program. In the midst of all this business, there may be two or three supplemental appropriations sent down by the Bureau of the Budget that will require them to come before the subcommittee again. If we are now going to establish another committee before whom these agencies of the Government must keep coming in order to justify appropriations, I am afraid we shall have to hire somebody to do their work, for they will not have time to do any work except justify appropriations. What I think should be adopted is the suggestion that has been repeatedly made by the distinguished gentleman from New York and others. We should have facilities available all the time, not just a few part-time investigators to run down and look at some one little item which somebody raises a question about. We should have a group serving our committee who would sit in on these Budget hearings, who would sit in with the Budget officers of the department, who would sit in as a representative of John Q. Public, and be able to bring in some facts to the committee which would enable the committee to determine whether or not the appropriation is proper.

Mr. PITTENGER. That suggestion is exactly what I had in mind.

Mr. KEEFE. I thank the distinguished gentleman from Minnesota.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. ENGEL of Michigan. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I am pleased indeed to have the opportunity of following the distinguished gentleman who has just addressed the Committee. It seems to me the thing that he is emphasizing to the Committee is this: Bureaucracy must grow and feed upon itself if it is to continue to exist. No bureaucracy or bureau of government can continue to exist unless it does grow.

In the few minutes available to me I want to discuss briefly a bureau of the Government that has grown considerably since its inception and, if I may, to suggest a remedy, to which I hope the House in the near future will give serious consideration. The Government, of course, has grown out of all bounds. I have been impressed with the fact that as a Congressman I am really no more than a glorified chore boy who goes with hat in hand to some agency or bureau and asks: "Please, may certain of my constituents get certain services they desire." That is more or less true of the Government as it exists today. The Congress should assert itself and determine what is best for the country—not bureaus.

The departments concerned who ask for more and more money have a selfish motive. It is their job.

I want to discuss with you very briefly today the Children's Bureau. It was mentioned by the gentleman from Wisconsin [Mr. KEEFE]. Let us take a few short minutes to look at the Children's Bureau. The first legislation creating the Children's Bureau was introduced in 1906. The Congress passed a law in 1912 which established the Children's Bureau and at that time it was given an appropriation of $25,640. There were 15 people in that Bureau. But like all bureaus it has grown. It has taken on new activities of health. In fact it is a health department which duplicates existing services.

Here is what the Children's Bureau will do today: It takes care of the maternal child health problems of the Nation. It has a Crippled Children's Division and in that Crippled Children's Division they take care of rheumatic hearts. This is a part of the Labor Department, Mr. Chairman. Here is a division that takes care of crippled children and rheumatic hearts. Remember anyone is a child under 21 years. The Labor Department also has an industrial health division which has been growing by leaps and bounds. The bureau comes before the committee and justifies its requests for funds and, in my opinion, it is doing very good work. But here is where the difficulty comes in: The work that the Children's Bureau is doing is also being done by the United States Public Health Service. There is a duplication of effort and activity.

It seems to me that the Congress, at some time in the near future, should give serious consideration to the question of combining all of the activities of the Children's Bureau under the United States Public Health Service.

I introduced a bill several months ago in the Congress which has recently been referred to a committee. I hope we may have hearings very shortly. This bill has for its purpose the consolidation of all health activities. The Children's Bureau when it was first set up was set up to handle such problems as child labor, orphanage, mortality among children, hours of labor, and so forth. It should still continue to do that job. It is a job for the Children's Bureau. But why should they be dealing in problems of industrial health? Why should they have the maternal health problem? Why should they have the Crippled Children's Division?

Mr. Chairman, I was the State health director in Nebraska for over a year and a half, and I am speaking from experience. I was confused and amazed when I went in as health director to find out that we had two bureaus of government doing the same health work. These two divisions are jealous of each other, they all want to expand their activities. We accepted thousands and thousands of dollars from the Children's Bureau to put on a program of vaccination among children, a very fine program, but that is also being done by the United States Public Health Service. Why not put it all under one control? We also had an industrial health division. There are 38 States now that have industrial health divisions in their health departments, yet the Labor Bureau is asking for money for a full grown industrial health division in the Labor Department. This should all be done by one department of health, and preferably the United States Public Health Service.

Remember, the Children's Bureau was started first in 1912 with 15 people and an appropriation of $25,600. Now they get millions of dollars, and I do not know how many employees they have on the pay roll. They go out to the various States. The State health departments

have to keep two sets of books, one for the Labor Department and one for the United States Public Health Service. They have nurses in each division, they have social workers and planners that go around the country under each division to set up paralleling programs of health, programs that ought to be under one division.

In connection with the bill I introduced I wrote to all the State health directors, because I wanted to find out how they felt about the matter. They have to make the program operate in the various States. I have heard from 36 State health directors and all but one indicated that it would greatly help the work in the State if they would put all the health activities under one head, preferably under the United States Public Health Service.

I am pointing this out to the committee, because I feel the time has arrived to evaluate these health programs so the confusion and duplication can be eliminated. It is in the interest of the public. It is all the taxpayers' money that we are spending and it is my belief that the time has arrived when we should not only think of the taxpayers' money but of those things that are in the best interest of the public and the public health. It seems to me that the next time the committee considers some of these bills it might well think of combining these activities.

Mr. HARE. Will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from South Carolina.

Mr. HARE. I am glad the gentleman discusses this question and I am pleased to advise that it is a matter which has given the committee some concern. However, this is an appropriation committee, not a legislative committee. For 2, 3, or 4 years we have called the matter to the attention of both the Public Health Service representatives and the Children's Bureau representatives to get an expression as to the advisability of reorganizing or consolidating these two activities. But it is difficult to get a commitment from either one. It is my judgment the initiative will have to be taken by a legislative committee, and I am interested and will be interested in the outcome of the bill to which the gentleman referred.

Mr. MILLER of Nebraska. I thank the gentleman for his comment. I realize it is a legislative matter but I wanted to bring it before this committee in the hope that some legislation might be brought in which will combine these various activities because it does make for confusion and misunderstanding and for a much poorer health program within the States to have two agencies paralleling each other in their work. The Children's Bureau will not want the transfer but the Congress must decide these issues. It it is in the interest of better public health it should be done.

The other thing I want to discuss is the E. M. I. C. Some day that is going to have to be stopped. I am concerned because some of the physicians of the country are perplexed on account of the rules and regulations under which the program is operating.

Some of the better physicians of the country just will not bother with the red tape and the forms that have to be filled out in order to take care of the individual under the E. M. I. C. program. The girl does not really have the free choice of her physician. If she had $75, $85, or $100 to spend—I understand it is costing about $75 a case now—she could go to her own physician and say, "Doctor, I am going to have a baby. I wish you would take care of me without the red tape they have now," and she would get better service. She would feel better mentally. She would feel that she was getting personal attention.

As it is now you are going to find many of these girls not getting personal attention. Some of the better men are just too busy with the red tape and other details of the program to take care of some of these cases.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Do I understand the gentleman is advocating that the Government pay an allotment or allowance directly to the mother or prospective mother to spend as she pleases?

Mr. MILLER of Nebraska. I do not think it would have to be payment direct to the mother, but I think the mother ought to have the free choice of the physician that she would like to go to.

Mr. KEEFE. This law specifically provides that she has that free choice and she can go to the physician of her choice.

Mr. MILLER of Nebraska. That is true, but I will say to the gentleman, because of the red tape involved in the handling of these cases now, the best physicians of the country say, "I am sorry; I am just too busy with other cases. You go to John Jones; he is not so busy. He can take care of your case."

Mr. KEEFE. If the gentleman will read the hearings upon that matter, which were rather extensive, I think he will disabuse his mind of the fact that there is any very extended failure on the part of the medical fraternity of this country to take care of these women. There are a few isolated cases where so-called specialists, who charge large fees for handling their patients, do object to taking care of a patient for the fee which we normally pay to the ordinary practitioner. But experience indicates that that type of practitioner would not be taking care of these people anyway in the absence of this program. As a matter of fact, I may say to the gentleman, from my observation and from contact with physicians in local areas, they are very well satisfied with this program. They are getting their bills paid, and the hospitals are getting their bills paid, and that might not be the case if we were to make an allotment direct to the mother.

Would the gentleman suggest that we make the allotment direct to the mother before or after the child was born?

Mr. MILLER of Nebraska. I do not suggest that we make it direct to the mother, but make it available to her so that she could go to the physician she wanted.

The gentleman says the physicians were satisfied. I happen to have in my office some 10 resolutions from 10 different medical societies who are condemning the program, so it is not all satisfactory. I want these girls to have the best possible care. I want to eliminate the red tape.

Mr. KEEFE. The gentleman will find all of those resolutions set out in full in the testimony that was taken. They are all in the record.

Mr. MILLER of Nebraska. I am pleased to know they are there. I have not had time to read them. I do think that the Children's Bureau has demanded too many reports and details—it thus discourages not only the physician but the expectant mother. I think one reason some 140,000 mothers did not take advantage of the program last year might be laid to red tape and details demanded. Others did not need financial help.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Michigan.

Mr. DINGELL. Of course, at the time this aid to mothers was considered in the Committee on Ways and Means—and I think the basic and fundamental rules were established by that committee—I remember that we tried and succeeded, I am sure, in permitting the administration of the law to be centered almost entirely in the various States.

In my State of Michigan, so far as the soldiers' wives are concerned, I know that the medical fraternity prescribes the standards, and I believe even passes upon the availability of the physician to minister to these women under these circumstances. If there is any deficiency there, it seems to me probably the medical fraternity is rightfully to blame, and not the law.

Mr. MILLER of Nebraska. I think the gentleman realizes that the medical profession, with some 57,000 of their number in armed forces, is pretty much limited in the extent of the services they can give at home.

Mr. DINGELL. If the gentleman will permit an observation, I grant that that is true at the present time, but I do not think we are dealing with the present time and the present wartime emergency. We are dealing with a general situation.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. HARE. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. DINGELL. Mr. Chairman, I would like to say this in reply to my friend's reference to the fact that many women have not availed themselves of the services rendered under this program. He said it was due to the fact that there was too much red tape on the part of the Children's Bureau. I disagree with that. So far as the Children's Bureau is concerned, I think red tape has been reduced to an absolute minimum.

Is there not a possibility that because of financial independence, some of these women did not fall back upon the service?

Mr. MILLER of Nebraska. Yes; I think that to be true.

Mr. DINGELL. I think we entirely overlook some of those things and say that out of the hundreds of thousands, and probably millions of mothers, there were 100,000 who did not avail themselves of this service because of red tape. I disagree with that. One of the reasons probably was financial independence.

Mr. MILLER of Nebraska. I think that is quite true, although there were some that were not happy about the red tape involved. I know that because of the protests that came in.

This should be an activity for the duration of the war. If it continues and the program extended the cost will be prohibitive. We should not be doing things for people that they can do for themselves. The continued giving of money to the States outright or for matching purposes will never reduce the Federal debt or make people free and independent citizens.

Mr. HARE. I would like to invite the attention of the gentleman to the fact that this program was not inaugurated primarily for the purpose of making a gratuity to the mother. It has a twofold objective. One was to supplement, in a way, the income of men in the Army, the Navy, and the Air Corps having low incomes. But the primary purpose was to give assurance to these young men who joined the armed forces, and probably would go overseas, where they would be many hundreds, possibly thousands of miles away from home, that their wives would be given good medical care in their absence. Those who framed and sponsored this legislation felt that it would be the better part of wisdom on the part of the Government to insure the soldier or the sailor or this man in the Air Corps that when he left the shores of this country, or went into the armed forces at some distance, that his wife at home would be assured of the best medical attention available. She would be assured of hospitalization and child medical care for 1 year after birth, the idea being that you would have a satisfied soldier, a satisfied sailor, or a satisfied pilot. It was to strengthen the morale of both husband and wife in his absence.

Mr. MILLER of Nebraska. Yes; I agree with the gentleman. That is correct. I have no criticism except as there seems to be too much red tape involved for her to get the physician that she wants. The other thing I want to remind the gentleman about is this: After all, you provide for the birth of a baby but you have not provided for the other emergencies of life. The girl might get appendicitis while her husband is gone, or a broken leg, or the baby might get measles or mastoid trouble. You have gone so far in the care of the individual, why should you hesitate to take the next step?

Mr. HARE. It was not our committee that made provision for the maternity cases. That came from the legislative committee. The responsibility of our committee is only to see that the necessary funds are appropriated to carry out the will of the Congress as expressed in the law.

Mr. MILLER of Nebraska. That is true, but you did appropriate money for it. If you are going to go just one step, why not take the whole step? This would be complete socialization of medicine and the people, which I oppose.

Mr. HARE. The legislative committee did not go that far, consequently we cannot go that far.

Mr. MILLER of Nebraska. It is a step to socialized medicine. It means regimentation, a lower quality of medical care. The American people are used to the best medical care. These expectant mothers should have the best, minus regimentation; a free choice of physicians should be granted these expectant mothers.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill down to and including page 1, line 7.

Mr. HARE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 4899) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1945, had come to no resolution thereon.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. FITZPATRICK. Mr. Speaker, for the gentleman from Virginia [Mr. WOODRUM] I ask unanimous consent to have until midnight tonight to file a conference report and statement on the bill H. R. 4070, the independent offices appropriation bill, for the fiscal year 1945.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that the gentlewoman from Illinois [Miss SUMNER] be permitted to extend her remarks in the RECORD and include therein an editorial by Constantine Brown.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address I delivered before the Polish-American Congress at Memorial Hall, Buffalo, N. Y., on May 28, 1944, entitled "Our Only Course, Our Sole Objective."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I further ask unanimous consent to extend my remarks and include therein a letter and an unusually interesting advertisement of the Cunningham Drug Stores of Detroit, which appeared in the Saturday Evening Post of May 20.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GORDON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a sermon broadcast on the Church of the Air program, delivered by the Very Reverend Monsignor James H. Griffiths, chancelor to Archbishop Spellman in the military ordinariate for the armed forces, on the sixth annual memorial mass offered in the amphitheater at the Arlington National Cemetery on Sunday, May 28, 1944.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Louisiana [Mr. HÉBERT] is recognized for 30 minutes.

IMPORTATION OF BEVERAGE CANE SPIRITS INTO THE UNITED STATES

Mr. HÉBERT. Mr. Speaker, on two previous occasions I have directed the attention of the House to the confusion and chaos which followed the promulgation of the War Production Board's order M-374 on March 9, 1944, relative to the importation of beverage cane spirits into the United States.

On those occasions I expressed the fear that the manner in which the entire problem was being handled would penalize the small importer and react to the advantage of the large and more powerful company.

Subsequent events have justified my fears and today I offer to you the evidence of discrimination and favoritism which has been shown at least one major operator in this country, namely, the Schenley organization which, as you undoubtedly know from the public press, is under indictment for operation in the black market in this country.

When I first brought this matter to the attention of the House I was of the belief that the War Production Board, which issued the order, was the agency to blame. I now find upon further investigation that the War Production Board has merely been acting as a front for the State Department which, in principle, is the Department to be charged with discrimination.

The War Production Board, it now appears, issued authorizations for the importation of beverage cane spirits to the Schenley people only after insistence and demands received from the State Department.

In importing 1,500 barrels of Martinique young rum into this country Schenley is guilty of a violation of the War Production Board order which carries with it a penal clause, and I am submitting this entire matter to the Department of Justice and asking them what they are going to do about it.

It would be interesting to know by what process Schenley becomes the fair-haired liquor importer in this country to

the detriment and disadvantage of small and less powerful importers.

It would be interesting to know why Schenley cannot only violate the law, but violate it with the blessing of the State Department.

I submit to you here the documentary proof of this violation and again ask the Department of Justice what is going to be done about it.

I hold in my hand the original order of the War Production Board, M–374, issued on March 9, 1944, which says in the opening paragraph:

It is, therefore, deemed necessary and appropriate in the public interest and to promote defense to allocate facilities for the production of beverage cane spirits (as defined in this order), and to control the importation of beverage cane spirits so as to prevent further uncontrolled diversion of sugar and molasses to the production of these spirits.

Reading from that order I quote paragraph 3 of section A, which defines what is meant by "import," and I read it to you:

Import means to transport in any manner into the continental United States from any foreign country or from any Territory or possession of the United States. It includes shipments into a free port, free zone, or bonded custody of the United States Bureau of Customs (bonded warehouse) in the continental United States and shipments in bond into the continental United States for transshipment to Canada, Mexico, or any other foreign country.

There can certainly be no doubt in anybody's mind what the meaning of import is. A child can understand the thing. I now read to you section C, which sets forth the restrictions on such imports:

Restrictions on imports of beverage cane spirits. On and after March 15, 1944, no person shall import, attempt to import, purchase for import, or make any contract or other arrangement for the importing of any beverage cane spirits without first having obtained authorization to do so from the War Production Board. This paragraph does not apply to beverage cane spirits produced in Puerto Rico, the Virgin Islands of the United States, or in the Territories of Hawaii and Alaska for the reason that the production of beverage cane spirits in these localities is controlled by paragraph (b) of this order. This paragraph applies to the importation of beverage cane spirits, regardless of the existence on March 15, 1944, or thereafter, of any contract or other arrangement for importation.

Can there be doubt in anybody's mind what that section says? Of course there cannot. It is in plain English, understandable to everybody.

But in order to emphasize my point I repeat the language of the first sentence, which says that—

On and after March 15, 1944, no persons shall import, attempt to import, purchase for import, or make any contract or other arrangement for the importing of any beverage cane spirits without first having obtained authorization to do so from the War Production Board.

I do not think there can be any doubt in anybody's mind about what is meant and what is ordered, yet what do we find?

On April 4, in the port of Fort de France at Martinique, there was assigned to the Schenley Corporation in defiance of this order on the French vessel *Duc de Doumale* 1,500 casks of rum, or 104,289 gallons, from a shipper, one Jean Joseph, at Martinique, consigned to the credit of the Schenley Corporation by Ittman Bros., who are brokers. I charge that Schenley did have the rum loaded on that vessel.

Is there anyone so naive as to believe that Schenley, with its long standing operations in this country and in Martinique did not know what was going on?

Is there anyone so naive as to believe that Schenley, if it did in truth desire to prevent this violation of the law and prevent the loading of this vessel could not have done so?

I might be naive, but certainly not that naive.

Keep in mind these dates because they are important.

On March 9 the War Production Board issued its restrictive order to become effective on March 15 and told the liquor importers of this country, "You cannot import into the United States, without first receiving the authorization of the War Production Board, any beverage cane spirits prohibited by this order."

It made no exceptions. It did not tell the big fellow, "You can do it," and the little fellow, "You can't." It was an over-all restriction.

Yet we have the acknowledged fact that approximately 3 weeks later, without authorization of the War Production Board and in direct violation of the War Production Board's order, in the interest of the Schenley Corporation, the first step was taken to get rum into this country. This vessel arrived in New Orleans on April 20, and on April 24 the inward manifest entered at the custom house in New Orleans showed that this consignment of rum was to the credit of the Schenley Corporation, and still there was no authorization issued by the War Production Board.

The records will show that the authorization of the War Production Board to Schenley to take this rum into this country was only issued on April 26, 1944, 26 days after the vessel had left Martinique and 6 days after it had put into the port of New Orleans.

I submit to you, ladies and gentlemen of the House, is there any doubt in anybody's mind that the law and order of the War Production Board had been clearly violated?

I now point out to you further, however, the penal clause of the order and emphasize the last sentence:

Violations: Any person who willfully violates any provision of this order, or who, in connection with this order, willfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any person may be prohibited from making or obtaining further deliveries of or from processing or using material under priority control and may be deprived of priorities assistance.

I repeat and direct your attention to the last sentence, which says:

In addition, any person may be prohibited from making or obtaining further deliveries.

But what did actually happen? After violation of the order the Schenley Import Corporation on May 5 approximately 2 weeks after the original violation, instead of being punished for flaunting the law and disregarding the order, was further rewarded with an authorization for an additional 4,500 barrels containing 360,000 proof gallons.

Keep in mind that while Schenley was thus being allowed to import this rum into this country there were on record with the War Production Board applications representing distress cases involving approximately 300,000 gallons of rum from Mexico and 200,000 gallons of rum from Cuba.

These distress cases represented instances in which importers, prior to the effective date of the order, had already issued their letters of credit and stood a loss out of pocket if they could not get their merchandise into the country for sale.

But they could not move without the authorization of the War Production Board if they would follow the law. But the powerful Schenley Corporation was able to load its merchandise in Martinique weeks after the effective date and was able to enter this merchandise into the United States because the State Department told the War Production Board to let it in.

I ask you if that is not discrimination, then what is it?

When I first learned of this shipment I called the attention of the House to it and inquired of the War Production Board, whom I thought to be totally at fault, as to why they had authorized Schenley to come into this country with rum while at the same time denied the right to the little fellows in distress.

In reply to that inquiry I got the clue to the key of the whole situation from Mr. John Boyer, Chief of the Alcohols and Solvents Branch of the War Production Board, on May 9, when he wrote me that the order had been issued and I quote, "by the request of the State Department."

Almost simultaneous with that inquiry, Mr. George Schneider, general manager of the New Orleans Association of Commerce, inquired of the War Production Board what it was all about. On May 18, 1944, he received this answer. This answer was from Mr. D. P. Morgan, Director of Chemical Bureau of the War Production Board. I quote:

The action taken by us authorizing the import of Martinique rum by the Schenley Import Corporation was specified by officials of the State Department whose competence in the field of foreign relations we are required to recognize.

Thus we are told by the War Production Board in these two letters that they took their orders from the State Department. Why is it that while other importers were following the law and making their applications to the proper authorities in the War Production Board, the Schenley Corporation was able to go to the State Department, and through

what means I do not know—but certainly through successful means—to have the State Department tell the War Production Board to issue the authorization?

Naturally I went to the State Department to inquire. I asked them this direct question in a letter:

Did the War Production Board issue any authorization for permits to allow entry into this country of liquor affected by the embargo, with special reference to Martinique, at the insistence and demand of the State Department?

In reply to that I read now a letter which I received from the State Department, signed by Cordell Hull, who, of course, only signed the prepared letter because my question was directed to Mr. Courtney Brown, with whom I also discussed the matter personally. I read you the answer:

Order M-374 was never looked upon as establishing an embargo on the importation of cane beverage spirits, but it did have that effect for some time after it first became effective. This threatened to cause the loss of shipping opportunities, which are rather infrequent, for some rum which was ready for shipment to the United States from Martinique when M-374 became effective on March 15. Requests to relieve this situation were made to the Department both by French officials here and by the American consulate in Martinique. Consequently, officers of the Department advised the Administrator of M-374 orally that the Department believed it desirable to permit the importation of the rum which was awaiting shipment at the time the control order became effective if such importation would not give unfair advantage to particular importers. It was pointed out that the quantity involved would not bring 1944 shipments above the quantity shipped during 1943. It was recommended that an interim quota of 535,000 proof gallons be established for the French West Indies to cover shipments which needed to be made promptly. It should be noted that this interim quota is not an addition to the quota of 1,460,000 gallons which was announced on April 30, because the 1,480,000 quota covers all shipments of young cane beverage spirits for the entire calendar year 1944.

Now, is not that an amazing explanation? The Department of State orally advised the Administrator of M-374 that it was desirable to permit the importation of the rum which was awaiting shipment at the time, if such importation would not give unfair advantage to particular importers.

How can the importation of the rum be awaiting shipment at the time the order became effective when it was only placed on the boat in Martinique on April 4 and the order became effective 3 weeks before that, on March 15? How about the rum in Mexico and Cuba against which little American importers had issued letters of credit before the order became effective and still cannot get their merchandise into this country?

The big, powerful, influential Mr. Schenley, under indictment in the black market, can get his merchandise through with the approval and approbation of the State Department. The little, helpless, law-abiding citizen not under indictment cannot even get recognition from the State Department, much less have the State Department tell the W. P. B. to issue him an authorization for his merchandise.

And I call your attention to the adroit defense of the State Department's protective sentence which justifies the importation, provided it does not give unfair advantage to particular importers. What does this authorization do if it does not give unfair advantage to Schenley, who is able to bring this merchandise into this country for sale, while the little fellows sit idly by and twiddle their thumbs, unable to get their product on the public market?

I submit to you it is an unfair advantage whether the stuff comes from Martinique, Hindustan, or the Garden of Eden. The fact remains that Schenley is allowed to bring the goods into the United States and sell it, while others in a less fortunate and less influential position are denied the same rights and privileges.

I think it also important to note that the State Department, even at the time it told the War Production Board to let Schenley in with his rum, had not yet set the quota on Martinique, because this quota was only made public on April 30, along with the quotas for young cane beverage spirits in other countries.

I have examined and reexamined the War Production Board's order, and nowhere do I find in that order which was given to the public, and those not in a position to know the inner workings of obtaining authorization, does this order say in any part that the State Department has the right to orally instruct or request the War Production Board to issue any authorization.

As a matter of fact the State Department is not even mentioned in the order, and the procedure for obtaining authorization is clearly set forth in paragraph K which says that all applications for authorization should be transmitted to the Chemicals Bureau of the War Production Board, and does not say a thing about going to the State Department for authorization.

Apparently there is one set of rules for one group and another set of rules for another group. It obviously depends on who is making the application for the authorization.

So much for the documentary evidence. Now let me tell you what actually happened in this case.

Schenley attempted to get an authorization from the War Production Board to import these liquors and was turned down. In defiance of this refusal they actually imported the stuff into the United States and landed it at New Orleans and were again refused authorization by the War Production Board, which took the position that it could not treat in one manner, Schenley the powerful operator, and allow Schenley to bring in merchandise, while at the same time refuse others in distress from bringing in their product from Mexico and Cuba.

Despite the War Production Board's refusal to authorize this shipment, the State Department told the War Production Board to issue the order and the order was issued.

Then what happened. Park & Tilford, another powerful liquor importer in the United States, heard about the transaction and charged the State Department with discrimination and pointed out that Schenley had been allowed to take some stuff in from Martinique while they, Park & Tilford, had been denied the same privilege. So, in appeasement, and in order to soothe Park & Tilford, the State Department on May 3 told the War Production Board to issue an order to Park & Tilford for 3,000 barrels, or double the amount which had been given Schenley. Who then could charge discrimination?

Had not Park & Tilford been given twice as much as Schenley? But that is not the end of the story. One week later Schenley went back and got an order for 4,500 more barrels and then apparently and obviously for good measure, to demonstrate there was no discrimination against the little fellow, an order was issued to Seggernam-Nixon for 200 barrels, and an order for 150 barrels to the Wine Shippers Import Corporation.

Compare these insignificant sums, however, to the 6,000 barrels given Schenley, who defied the order of the War Production Board and violated the law and delivered its merchandise without authorization.

I submit it is all very confusing, do not you think?

To add to the confusion and in all fairness to the position of the Schenley Co. in this matter, I want to repeat here a long-distance conversation which I had this morning with Mr. Lester Jacoby, president of the Schenley Corporation in New York, and one of his aides.

In the long-distance telephone conversation Mr. Jacoby denied that the Schenley Corporation had ordered the rum loaded in Martinique. He read to me over the telephone what were purported to be cables sent to Martinique telling the people there with whom he was dealing not to ship the rum until authorization had been received in the regular processes and channels.

Mr. Jacoby further told me that at no time did he go to the State Department in behalf of his application. He informed me that all presentations to the State Department were made by representatives of the Martinique Government and that he did not assist them in any way.

I told Mr. Jacoby that in fairness to him and his company I would make this statement on the floor today in connection with the matter now under discussion. I told him, however, that his explanation to me did not change my position in one iota; that there has been favoritism shown, and whether Schenley actually ordered the shipment loaded in Martinique or not did not make a bit of difference in the ultimate conclusion.

The fact remains that the rum was loaded in Martinique in violation of the War Production Board's order. The fact remains that the rum was unloaded in New Orleans in violation of the War Production Board's order; and the fact remains that the rum has ended up in the cellars of the Schenley Corporation.

Now who caused the violation of that order is something, I believe, for the Department of Justice to decide. Schenley says it did not violate the order and had no knowledge of the violation, and as a matter of fact refused to violate the order, but nobody can deny that the

order was violated to the benefit of the Schenley Corporation.

Did the State Department condone this violation; and if it did so, on whose authority did it act?

Certainly no such authority is granted in War Production Board Order M–374, which is supposed to apply to all of the liquor industry, and not to all except Schenley.

And if the violaters, whether they be Schenley, the French Government or anybody else, have violated this order, who has given the State Department the power of forgiveness and absolution? Certainly, if the State Department has the power to set aside the War Production Board's orders for any reason at all, it has the same power to change the quotas of other countries as well as Martinique, when an injustice has been worked.

If the State Department has the power at its discretion to supersede an order and make adjustments in order to grant relief to the French at Martinique it certainly has that same power and discretion to grant relief to the Americans of America, and these are the people I am interested in.

After his first long-distance phone call to me this morning, Mr. Jacoby called me again and read to me what was purported to be a letter written to his agent in New Orleans telling him not to accept the consignment of rum under any circumstance until the proper authorization had been given. Mr. Jacoby said that the letter was written after a long-distance telephone call from his agent in New Orleans stating that the rum had arrived.

Mr. Jacoby again insisted that the Schenley Co. had not done a thing to get the rum into this country. He said it was entirely handled by the French Commission.

I asked him if he had attempted to stop the French Commission until proper authorization had been obtained. He replied that he had not.

Of course, he did not, but he knew all the time that these efforts were being made to get the rum in, and it was admitted on a specific authorization after it had been illegally delivered in this country.

If Schenley ordered the stuff loaded, or did not order it loaded, it does not make a particle of difference in the final conclusion. The head of the Schenley Co. informed me during my conversation that it did not make any difference to him whether the stuff had been shipped or not at that time, because he had plenty reserve on hand, and, as a matter of fact, has not put any of this stuff on the market as yet in the United States.

He answers my criticism in better words than I can answer it myself. That is just the point. It does not make any difference to the powerful Mr. Schenley whether he has to wait 30, 40, or 60 days for his merchandise, but it makes plenty of difference to the little fellow, to the little people, who have to operate day by day from the shelf across the counter to the consumer. Why cannot the little fellow get some attention?

So, now let us see what position we find ourselves in.

When this contract was entered into by Cuba and the United States it was agreed that the Cuban Government's quotas for 1944 would be established on the basis of the amount of rum imported in 1943. The Cuban quota was set on a basis of 14,300,000 gallons.

The Mexican quota was set at 1,300,000 gallons. It is important to recognize this fact, however—that when these quotas were set and the effective date of March 15 announced, there had already been imported into the United States 1,205,000 gallons from Mexico, which would leave, in round figures, only 75,000 gallons to be parceled out among applicants who represented some 500,000 gallons which had already been purchased.

In contrast, as of March 15 the total of 9,279,000 proof gallons had been imported from Cuba against its quota of 14,300,000 barrels, which left Cuba approximately 4,000,000 gallons, against which were charged approximately 2,000,000 gallons of distress cases.

In the case of Martinique, the total imports for 1943 were slightly in excess of 1,000,000 gallons, or less than Mexico. Yet, when the quotas were set, Martinique was given a quota of 1,480,000 gallons, approximately 180,000 more than Mexico. And bear in mind that the quota on Martinique was not set until Mr. Schenley loaded his merchandise.

Gentlemen of the House, I am not interested in bringing rum into this country if the alcohol for its production could be better used in the war effort. I am interested, however, in fair play and the protection, particularly of the small American businessman who usually gets it in the neck.

I am not asking anything except that those little American businessmen to whom a dollar means more than a thousand means to Schenley be given at least a chance to survive. I am only asking that those people who, through no fault of their own, and in good faith, entered into bargains and agreements with Mexican distillers to sell them rum and who had issued letters of credit prior to the effective date of the War Production Board order, be allowed to protect their interests and bring their merchandise into this country.

Only 500,000 gallons are involved. Why cannot the State Department increase the Mexican quota by that amount to take care of these cases?

Oh, I know Mr. Schenley is not involved, not to my knowledge anyway. He was only involved in Martinique, and he got fast action there.

I suggested an increase in the quota to Mr. Brown when I talked with him. His reply was that the whole proposition would collapse. Yet in the next breath when I asked in writing for the yardstick on which the quotas were based I was given this answer:

> Insofar as practicable, the import quotas for all countries were set at the level of shipments during 1943, which is the basis used for restricting Cuban imports. A few upward deviations from this shipments-in-1943 basis were found necessary in order to avoid injustices to certain supplying countries, but the total quantity of young beverage alcohol involved in such deviations is small.

And what does that mean when you boil it down? It means that the yardstick was made of rubber and is as elastic as the desire of the State Department to apply it in individual and special cases.

Pretty words; pretty phrases: "in order to avoid injustices to certain supplying countries."

How about the injustices to those little fellows who have put their money out for merchandise which they are told they cannot bring into this country while they stand on the docks in New Orleans and see Schenley unload 105,000 gallons, or approximately one-fifth of the total amount involved in Mexico, and realize that another shipment of 360,000 gallons is on the way?

Schenley alone has been allowed by the State Department to bring in almost as much rum as is involved in the entire Mexico question. What answer is there to that?

Mr. Speaker, why do we not lay our cards on the table? Why do we not call Schenley's hand and find out just what his hole card is? Apparently it must be the joker in a game where jokers are wild.

If Schenley has not violated the law I do not know anybody who has violated it. What is it that makes Schenley so powerful as to flaunt the law in the face? I wonder what would have happened if one of my little people from Louisiana had brought rum into this country in defiance of the War Production Board order under the same circumstances which Schenley brought it in.

I wonder what would have happened to them. They would have been put on the public pillory as a horrible example of what happens to those who violate the law, especially in wartime.

Mr. Speaker, I await with interest what the Department of Justice will do after they have reviewed this case. I wonder if the State Department will continue its policy and refuse to raise the quota on Mexico of rum imports while Schenley has carte blanche in Martinique.

The future should be interesting.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield.

Mr. MAGNUSON. I am glad the gentleman brought out these facts regarding Schenley. I have a small trading corporation in my home town that had made commitments with distilleries in Venezuela with whom they had been dealing for years, commitments for a small amount of rum. They were notified by the War Production Board after the issuance of order No. M–374, I believe, which forbade import on rum, that they could not ship any more, that no export permits were being issued. They complied with that order; but the distillery in Venezuela notified them after the order was issued there were 28,000 cases on the pier destined to a New York firm. He did not say who they were; I imagine it was some big firm. Those cases were shipped to them, but my little fellow in Seattle could not get his rum.

They put a quota on Venezuela rum. They told him to wait a little while and they would see that his quotas were taken care of. Despite all his commitments

with these reliable firms down there they finally ended up by giving him a permit to bring in 3,160 gallons, one-eightieth of the total. They said there were 80 other firms who had commitments down there. There are not that many distilleries in Venezuela. This rum is going to some other place; somebody else is getting the lion's share of that quota from Venezuela.

I should like the gentleman's permission, if he wishes. to put this letter in the RECORD somewhere along the line following his speech.

Mr. HÉPERT. I shall be very happy to have the gentleman do so. I will say this to the gentleman from Washington, that somebody, some place, somewhere, knows what is going on before the general public knows it. Mr. Jacoby, of course, told me this morning on the telephone that he did not know a thing about it, that they went along in their usual way and, of course, he did go along in his usual way. A big company that is able to pay a man in Washington $70,000 a year to represent them here by knowing what is going on did not know what was going on. I mentioned to him that I knew his distributor in New Orleans. He came right back and he knew everybody I knew in New Orleans and had already called New Orleans this morning to find out if there was anybody down there who knew me and who could contact me to keep me from making this speech on the floor today.

Mr. MAGNUSON. Mr. Speaker, if the gentleman will yield, if Mr. Jacoby knows the gentleman from Louisiana like I do he must know that the gentleman from Louisiana is not subject to influence by telephone calls to New Orleans.

Mr. HÉBERT. I thank the gentleman.

Mr. Speaker, I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from Mr. Benjamin F. Castle, president of the Milk Industry Foundation of Washington, D. C., addressed to myself, which is self-explanatory.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ELMER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks regarding a Mr. Harry, a veteran of the Civil War, who died at 101 years of age, and to include therein an article regarding his life and character published in the Licking News, of Licking, Mo.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MAGNUSON. Mr. Speaker, I have two requests to submit: First, that I may insert in the RECORD an editorial from the New York Times; and, second, that I may insert in the RECORD a speech made by myself keynoting the State Democratic Convention in Washington.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates the gentleman from Tennessee [Mr. COOPER] to act as Speaker pro tempore on Wednesday, May 31, 1944.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1173. An act to provide for staying judicial proceedings against the United States in time of war, on claims for damages caused by vessels of the Navy, or for towage or salvage services to such vessels, when the Secretary of the Navy certifies that the prosecution of such proceedings would endanger the security of naval operations or interfere therewith, and to authorize the settlement and payment of such claims, and for other purposes; to the Committee on Naval Affairs.

S. 1834. An act to amend sections 4 and 5 of the act entitled "An act providing for sundry matters affecting the Military Establishment," approved June 5, 1942 (56 Stat. 314), with respect to the movement at Government expense, of dependents and household effects, of certain military personnel, and for other purposes; to the Committee on Military Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 329. An act to authorize the Secretary of the Interior to incur obligations for the benefit of natives of Alaska in advance of the enactment of legislation making appropriations therefor;

H. R. 1628. An act for the relief of John Hirsch;

H. R. 1635. An act for the relief of William E. Search, and to the legal guardian of Marion Search, Pauline Search, and Virginia Search;

H. R. 1984. An act for the relief of Paul Barrere;

H. R. 2008. An act for the relief of Mrs. Mae Scheidel, Mr. Fred Scheidel, Mr. Charles Totten, and Miss Jean Scheidel;

H. R. 2105. An act extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians;

H. R. 2143. An act to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.;

H. R. 2332. An act for the relief of Christian Wenz;

H. R. 2408. An act for the relief of Clarence E. Thompson and Mrs. Virginia Thompson.

H. R. 2438. An act for the relief of Bernadine Salmons;

H. R. 2507. An act for the relief of Reese Flight Instruction, Inc.;

H. R. 2689. An act for the relief of Pete Paluck;

H. R. 2757. An act for the relief of Margaret Hamilton, Mrs. Catherine Higgins, Mrs. Rebecca Sallop, and Mrs. Dora Projansky;

H. R. 3028. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near Sauk Rapids, Minn.;

H. R. 3114. An act for the relief of Ruth Coe;

H. R. 3136. An act for the relief of Hamp Gossett Castle, Lois Juanita Gimble, Margaret Carrie Yarbrough, and Roy Martin Lyons;

H. R. 3403. An act to withdraw and restore to their previous status under the control of the Territory of Hawaii certain Hawaiian home lands required for use for airplane landing fields, and to amend sections 202, 203, and 207 of title 2 of the Hawaiian Homes Commission Act, 1920, and for other purposes;

H. R. 3537. An act for the relief of Bessie Eason;

H. R. 3570. An act to provide for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes;

H. R. 3848. An act to amend section 9 of the act of May 22, 1928, authorizing and directing a national survey of forest resources;

H. R. 4054. An act to extend the times for commencing and completing the construction of a bridge across the Calcasieu River at or near Lake Charles, La.;

H. R. 4710. An act authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes; and

H. J. Res. 166. Joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1758. An act to amend section 451 of the Tariff Act of 1930, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bill and a joint resolution of the House of the following titles.

H. R. 329. An act to authorize the Secretary of the Interior to incur obligations for the benefit of natives of Alaska in advance of the enactment of legislation making appropriations therefor;

H. R. 1628. An act for the relief of John Hirsch;

H. R. 1635. An act for the relief of William E. Search, and to the legal guardian of Marion Search, Pauline Search, and Virginia Search;

H. R. 1984. An act for the relief of Paul Barrere;

H. R. 2008. An act for the relief of Mrs. Mae Scheidel, Mr. Fred Scheidel, Mr. Charles Totten, and Miss Jean Scheidel;

H. R. 2105. An act extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians;

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H. J. Res. 166. Joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes.

ADJOURNMENT

Mr. MAGNUSON. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 45 minutes p. m.) the House, pursuant to its previous motion, adjourned until Wednesday, May 31, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

1579. A letter from the Director, Selective Service System, transmitting a draft of a proposed bill extending the provisions of Public Law No. 47, Seventy-seventh Congress, as amended, to reemployment committeemen of the Selective Service System; to the Committee on the Judiciary.

1580. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1581. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 25, 1944, submitting a report, together with accompanying papers on a preliminary examination and survey of Hay Creek, Goodhue County, Minn., authorized by the Flood Control Act approved on June 28, 1938; to the Committee on Flood Control.

1582. A letter from the Chairman, Board of Investigation and Research, transmitting a report on hourly remuneration rates by occupations in the transportation industry (H. Doc. No. 623); to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARE: Committee on Appropriations. H. R. 4899. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes; without amendment (Rept. No. 1526). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 4771. A bill to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; with amendment (Rept. No. 1529). Referred to the Committee of the Whole House on the state of the Union.

Mr. BARRETT: Committee on the Public Lands. S. 1335. A bill to amend the fourth and fifth provisos of section 2 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437, 438; 30 U. S. C., secs. 201, 202); without amendment (Rept. No. 1540). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 1654. A bill to authorize the acquisition, rehabilitation, and operation of the facilities for the public in the Olympic National Park, in the State of Washington, and for other purposes; with amendment (Rept. No. 1541). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'TOOLE: Committee on the Library. H. R. 4729. A bill to amend the act entitled "An act to provide books for the adult blind"; without amendment (Rept. No. 1542). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLACKNEY: Committee on Naval Affairs. H. R. 4825. A bill to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, 1944, inclusive; without amendment (Rept. No. 1543). Referred to the Committee of the Whole House on the state of the Union.

Mr. JARMAN. Committee on Printing. House Concurrent Resolution 87. Concurrent resolution authorizing the disposal of certain obsolete Government publications now stored in the folding rooms of the Congress; without amendment (Rept. No. 1525). Referred to the House Calendar.

Mr. JARMAN. Committee on Printing. House Concurrent Resolution 88. Concurrent resolution authorizing the printing of additional copies of the report (No. 1311) of the Special Committee on Un-American Activities of the House of Representatives, dealing with the leadership of the Congress of Industrial Organizations Political Action Committee; without amendment (Rept. No. 1527). Referred to the House Calendar.

Mr. BATES of Kentucky: Committee on Rules. House Resolution 567. Resolution providing for the consideration of H. R. 2241, to abolish the Jackson Hole National Monument as created by Presidential Proclamation No. 2578, dated March 15, 1943, and to restore the area embraced within and constituting said monument to its status as part of the Teton National Forest; without amendment (Rept. No. 1528). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of Missouri: Committee on Claims. S. 1112. An act for the relief of Taylor W. Tonge; without amendment (Rept. No. 1530). Referred to the Committee of the Whole House.

Mr. SAUTHOFF: Committee on Claims. S. 1247. An act for the relief of the Bishopville Milling Co.; without amendment (Rept. No. 1531). Referred to the Committee of the Whole House.

Mr. MILLER of Missouri: Committee on Claims. S. 1326. An act for the relief of the estate of Charles A. Straka; without amendment (Rept. No. 1532). Referred to the Committee of the Whole House.

Mr. PATTON: Committee on Claims. H. R. 2237. A bill for the relief of John F. Cooper; without amendment (Rept. No. 1533). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 2530. A bill for the relief of John M. O'Connell; without amendment (Rept. No. 1534). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 2845. A bill for the relief of John J. Beaton; with amendment (Rept. No. 1535). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. H. R. 3548. A bill for the relief of Mr. and Mrs. Robert W. Nelson and W. E. Nelson; with amendment (Rept. No. 1536). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 3590. A bill for the relief of the city and county of San Francisco; without amendment (Rept. No. 1537). Referred to the Committee of the Whole House.

Mr. MILLER of Missouri: Committee on Claims. H. R. 3813. A bill for the relief of J. Ralph Datesman; without amendment (Rept. No. 1538). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4528. A bill for the relief of L. M. Feller Co. and Wendell C. Graus; without amendment (Rept. No. 1539). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LUDLOW:

H. R. 4900 (by request). A bill to amend the Federal Crop Insurance Act; to the Committee on Agriculture.

By Mr. MONRONEY:

H. R. 4901. A bill to authorize and direct the sale of Moore Air Field; to the Committee on Naval Affairs.

By Mr. VINSON of Georgia:

H. J. Res. 286. Joint resolution providing for operating naval petroleum and oil-shale reserves; to the Committee on Naval Affairs.

By Mr. CELLER:

H. J. Res. 287. Joint resolution to create a committee on Federal and State relations; to the Committee on Rules.

By Mr. HOFFMAN:

H. Res. 568. Resolution requesting information from the Attorney General as to arrival of refugees; to the Committee on Immigration and Naturalization.

By Mr. VINSON of Georgia:

H. Res. 569. Resolution for the consideration of H. R. 4771, a bill to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5768. By Mr. LAMBERTSON: Petition of Mrs. Nehard Hansen and 41 other citizens of Waterville, Kans., requesting that cotton materials and overalls which are now being produced be placed at their disposal that they may continue to bring about the production of essential foods; to the Committee on Ways and Means.

5769. By Mr. ROLPH: Resolution of Native Sons of the Golden West, Grand Parlor, San Francisco, Calif., relating to House bill 238; to the Committee on the Judiciary.

5770. Also, resolution of Native Sons of the Golden West, Grand Parlor, San Francisco, Calif., relating to amending the reclamation law limiting the use of project water in the operation and administration of the Central Valley project; to the Committee on the Public Lands.

5771. Also, resolution of Native Sons of the Golden West, Grand Parlor, San Francisco, Calif., relating to taxation of federally owned lands; to the Committee on Ways and Means.

5772. By the SPEAKER: Petition of the director, political action committee, Local 840, United Automobile-Aircraft-Agricultural Implement Workers of America (U. A. W.-C. I. O.), petitioning consideration of their resolution with reference to continuation of the Fair Employment Practice Act; to the Committee on Appropriations.

SENATE

WEDNESDAY, MAY 31, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our fathers' God, author of liberty, Thou dost behold the goodly heritage of our fair land where, amid the noisy ongoing of life's busy traffic, are guarded the sacred islands of tranquillity where rests the dust of warrior hosts. From sea to sea of the homeland this radiant morning, where the grass has been trodden by reverent feet, and in little patches of foreign soil, where is kept the bivouac of our valiant dead, on countless graves we see the cross and the flag blending in their mute testimony. May that cross interpret the flag for our steadfast yet anxious hearts in this dread hour as the sharpened arrow of our might is pulled on the taut string of national strength. May that cross speak to the flag of strength that is increased by its spending, of life that is saved by its losing, of greatness that is measured by its serving.

Our glad hearts rejoice that by the sacrifice of which that linked cross and flag is the symbol—

"O'er the mounds where sleep the slaughtered,
Fired by hopes for which they died,
Lured by dreams which arched their heavens—
Human rights so long denied;
From the jealous feuds of ages
Moves a conquering army's van;
'Tis the crusade of the nations
For the brotherhood of man."

Amen.

THE JOURNAL

On request of Mr. GUFFEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 29, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 29, 1944, the President had approved and signed the act (S. 633) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1941) to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3054) to amend the Expediting Act.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 87. Concurrent resolution authorizing the disposal of certain obsolete Government publications now stored in the folding rooms of the Congress; and

H. Con. Res. 88. Concurrent resolution authorizing the printing of additional copies of the report (No. 1311) of the Special Committee on Un-American Activities of the House of Representatives, dealing with the leadership of the Congress of Industrial Organizations Political Action Committee.

ENROLLED BILL SIGNED DURING RECESS

Under authority of the order of the 29th instant,

The ACTING PRESIDENT pro tempore (Mr. DOWNEY), on May 30, 1944, signed the enrolled bill (S. 1758) to amend section 451 of the Tariff Act of 1930, and for other purposes, which had been signed previously by the Speaker of the House of Representatives.

CALL OF THE ROLL

Mr. GUFFEY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Reynolds
Austin	Guffey	Robertson
Bankhead	Hatch	Russell
Bilbo	Hawkes	Shipstead
Buck	Hayden	Stewart
Burton	Holman	Taft
Butler	Jackson	Thomas, Idaho
Byrd	Johnson, Colo.	Tobey
Capper	La Follette	Truman
Caraway	McClellan	Tunnell
Chandler	McFarland	Vandenberg
Chavez	McKellar	Wagner
Connally	Maybank	Wallgren
Cordon	Mead	Walsh, Mass.
Danaher	Millikin	Walsh, N. J.
Davis	Murdock	Weeks
Downey	Murray	Wheeler
Eastland	Nye	Wherry
Ellender	O'Daniel	White
Ferguson	O'Mahoney	Wiley
George	Overton	Wilson
Gerry	Radcliffe	
Gillette	Reed	

Mr. GEORGE. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained on public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Alabama [Mr. HILL] are necessarily absent.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Minnesota [Mr. BALL], the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. BROOKS], the senior Senator from South Dakota [Mr. GURNEY], the junior Senator from South Dakota [Mr. BUSHFIELD], the Senator from North Dakota [Mr. LANGER], the Senator from Indiana [Mr. WILLIS], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Oklahoma [Mr. MOORE].

The ACTING PRESIDENT pro tempore. Sixty-seven Senators having answered to their names, a quorum is present.

WORK OF THE JUVENILE COURT, DISTRICT OF COLUMBIA

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the District of Columbia:

To the Congress of the United States:

I transmit herewith for the information of the Congress a communication from the judge of the Juvenile Court of the District of Columbia, together with a report covering the work of the Juvenile Court during the fiscal year 1942–43.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 31, 1844.*

[NOTE.—The report accompanied a similar message to the House of Representatives.]

RESOLUTIONS OF WATERBURY LITHUANIAN-AMERICAN COUNCIL

Mr. DANAHER. I present and ask to have printed in the RECORD and appropriately referred a letter which has come to me under date of May 28, 1944, from the Waterbury Lithuanian Council. The letter embodies resolutions adopted by the council.

There being no objection, the letter embodying the resolutions was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

WATERBURY LITHUANIAN-AMERICAN COUNCIL,
Waterbury, Conn., May 28, 1944.

Hon. JOHN A. DANAHER,
United States Senate,
Washington, D. C.

Hon. JOHN A. DANAHER: On May 28, 1944, some 574 delegates from all cities and towns in Connecticut gathered at a special conference at St. Joseph's Hall in Waterbury, Conn. The conference was arranged to commemorate the twenty-fourth anniversary of the first national conference in free Lithuania, the fortieth anniversary of the freedom of the Lithuanian press and the twentieth anniversary of the return of Klaipeda (Memel) to Lithuania.

The following resolutions were adopted:

"Whereas the Lithuanian-Americans of Connecticut, in union with their fellow Americans throughout the Nation, recognize that the most urgent problem of the day is the prosecution of the war to an early and victorious conclusion; and

"Whereas we Americans of Lithuanian origin have a very particular stake in its successful outcome, in the conviction that only an Allied victory can bring happiness and freedom to our mother country and its people: Be it

"*Resolved*, That we pledge our wholehearted support to every measure taken for the successful prosecution of the war and for the hastening of the day of victory, by the leaders of our Nation and of the United Nations;

"And that, in the name of the thousands of our young men now serving in the fighting forces, and in memory of those among them who have already made the supreme sacrifice, we enjoin upon the executive board of the Lithuanian-American Council and its associates to urge, by every means available, the united cooperation of all Americans of Lithuanian descent in the promotion of the war effort; by an ever-increasing purchase of War bonds, by sustained effort in every phase of war production, by the salvage of all essential materials, and by loyal compliance with the directives of our national and local governments.

"Whereas the Lithuanian-Americans of Connecticut are keenly aware of the tragic plight of their mother country today under the evils of Nazi oppression, and are anxiously concerned over its position in post-war readjustments: Be it

"*Resolved*, That we emphatically assert the right of Lithuania to its existence in a post-war world as a free and independent nation; as well as our unequivocal opposition to any scheme or plan that would infringe upon this right or do violence to its territorial integrity. To this end, we call upon our fellow countrymen, whether in America or in other parts of the world, to put aside all secondary differences of opinion or political persuasion, and to unite in the common effort for the restoration of Lithuania to its rightful position among the peace-loving nations of the world."

Respectfully yours,

ALEXANDER J. ALEKSIS,
Chairman.
CONSTANCE C. JEGELA,
Secretary.

POST-WAR PLANNING—RESOLUTION OF CONNECTICUT POST-WAR PLANNING BOARD

Mr. DANAHER. Mr. President, I also ask unanimous consent to have printed in the RECORD and appropriately referred a letter which I have received from Mr. Charles Seymour, who is president of Yale University and also acting at the present time as chairman of the State of Connecticut Post-War Planning Board. Attached to his letter is a resolution. I should like both the resolution and letter to appear in the body of the RECORD, and I ask unanimous consent to that effect.

There being no objection, the letter and resolution were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

STATE OF CONNECTICUT,
POST-WAR PLANNING BOARD,
New Haven, Conn., May 29, 1944.

The Honorable JOHN A. DANAHER,
United States Senate,
Washington, D. C.

DEAR SENATOR DANAHER: I beg to enclose a resolution which was passed by the Connecticut Post-War Planning Board at its meeting on May 24 upon the recommendation of its committee on medical care and health, requesting that it be forwarded to you for your interest and such help as you may find yourself in a position to give.

With warm personal regards, believe me,

Faithfully yours,

CHARLES SEYMOUR.

RESOLUTION REGARDING EDUCATION AND RETRAINING OF MEDICAL STUDENTS AND DOCTORS PROPOSED BY THE MEDICAL CARE AND HEALTH COMMITTEE OF THE CONNECTICUT POST-WAR PLANNING BOARD AND ADOPTED BY THE CONNECTICUT POST-WAR PLANNING BOARD ON MAY 24, 1944

Whereas the education received by a great number of medical graduates has been curtailed by the war, medical-school programs have been accelerated and hospital internships have been reduced to 9 months in order that more graduates might be made available as medical officers for the armed forces; and

Whereas medical officers of an older age group, who were in practice at the time of their entry into military service, may because of the exigencies of the war find that their experiences in the Army have deprived them of the knowledge of substantial scientific advances in medicine; and

Whereas some supplemental training will be required for both these groups if the quality of medical care available to our people in the future is not to deteriorate: Now, therefore, be it

Resolved, That the Connecticut Post-War Planning Board, at the request of its committee on medical care and health, respectfully urges that provision for the resumption of interrupted intern and hospital residency training for graduates in medicine and provision of appropriate supplemental medical training for medical officers honorably discharged from the military service be included in the law providing for the education and training of veterans of this war.

REPORT OF BANKING AND CURRENCY COMMITTEE DURING RECESS

Under authority of the order of the 29th instant,

Mr. WAGNER, on May 30, 1944, from the Committee on Banking and Currency, to which was referred the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), reported it with amendments and submitted a report (No. 922) thereon.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on Military Affairs:

S. 1100. A bill to provide for the promotion of officers on the retired list of the Army after specified years of service on active duty; with an amendment (Rept. No. 923).

By Mr. DOWNEY, from the Committee on Military Affairs:

H. R. 1046. A bill for the relief of David B. Turpel; without amendment (Rept. No. 924).

By Mr. WILSON, from the Committee on Military Affairs:

H. R. 1675. A bill to amend section 9 of the Pay Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1893 and 1912 in determining retired pay; without amendment (Rept. No. 925).

By Mr. WILSON (for Mr. GURNEY) from the Committee on Military Affairs:

H. R. 3604. A bill authorizing the appointment of the Chief of Chaplains to the temporary rank of major general, and for other purposes; without amendment (Rept. No. 926).

By Mr. BANKHEAD, from the Committee on Banking and Currency:

H. R. 4102. A bill to extend for 1 additional year the reduced rate of interest on Land Bank Commissioner loans; without amendment (Rept. No. 927).

By Mr. CAPPER, from the Committee on Claims:

H. R. 2469. A bill for the relief of Anna Charack; without amendment (Rept. No. 928).

By Mr. O'DANIEL, from the Committee on Claims:

H. R. 3125. A bill for the relief of Paul H. White; without amendment (Rept. No. 929);

H. R. 3137. A bill for the relief of Ruth L. Clapp; without amendment (Rept. No. 930);

H. R. 3324. A bill for the relief of the Postal Telegraph-Cable Co.; without amendment (Rept. No. 931);

H. R. 3654. A bill for the relief of Byron Ennis; without amendment (Rept. No. 932); and

H. R. 4074. A bill for the relief of the estate of William Sandlass; without amendment (Rept. No. 933).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 30, 1944, that committee presented to the President of the United States the following enrolled bills:

S. 1029. A bill to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes; and

S. 1758. A bill to amend section 451 of the Tariff Act of 1930, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. REED:

S. 1959. A bill for the relief of Mrs. Amy McKnight; to the Committee on Claims.

By Mr. DOWNEY:

S. 1960. A bill for the relief of Clifford E. Long and Laura C. Long; to the Committee on Claims.

By Mr. WHEELER:

S. 1961. A bill conferring upon the State of Montana authority to exchange for other lands certain lands selected by the State of Montana for the use of the University of Montana for biological station purposes pursuant to the act of March 3, 1905 (33 Stat. 1080); to the Committee on Public Lands and Surveys.

By Mr. REYNOLDS:

S. 1962. A bill extending the provisions of Public Law 47, Seventy-seventh Congress, as amended, to reemployment committeemen of the Selective Service System (with accompanying papers); to the Committee on the Judiciary.

By Mr. GILLETTE:

S. 1963. A bill to control the disposition of certain plants and facilities producing synthetic rubber, fibers, and other plants and facilities utilizing the products of farm and forest; to the Committee on Agriculture and Forestry.

By Mr. WALSH of Massachusetts:

S. 1964. A bill to reimburse certain aviation cadets and former aviation cadets for property lost or damaged as the result of a fire at Carroll College, Helena, Mont., on January 8, 1944; to the Committee on Naval Affairs.

By Mr. REYNOLDS:

S. J. Res. 134. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt Fund; to the Committee on Military Affairs.

INVESTIGATION OF ACTIVITIES OF THE POLITICAL ACTION COMMITTEE OF THE C. I. O.

Mr. BUTLER. Mr. President, on several occasions Congress has expressed its desire to insure free and clean elections by legislative action. We have on the statute books today the Corrupt Practices Act and the Hatch Act aimed at achieving such worthy objectives, and until recently they have functioned satisfactorily.

Of late, however, we have witnessed a tendency on the part of the law-enforcement branch of this administration, and the administration itself, to wink at clear violations of clean election statutes. The Attorney General of the United States has gone out of his way to make excuses as to why he has not brought violators to the bar of justice.

As a result, Sidney Hillman's C. I. O. political action committee continues to go its merry way spending moneys collected from many reluctant union members, in the interests of the fourth term and the election of New Dealers to the Halls of Congress.

Mr. President, the failure of the law-enforcement agency of our Government to proceed in this flagrant case is a matter of concern to me, to other Members of this body, and, I am confident, to the majority of the people of this Nation who want to see preserved free and clean elections.

Because of the failure on the Attorney General's part it becomes imperative that the Senate immediately delve into this important matter. I therefore ask the Privileges and Elections Committee to institute an investigation, broad in scope, in an effort to determine how widespread this law violation is, and to ascertain why the appropriate authorities within the administration have not performed their sworn duties with respect thereto. I ask that the committee headed by the Senator from Rhode Island [Mr. GREEN] proceed as quickly as possible toward that goal.

Flouting of the election laws of the United States on the part of the political action committee threatens the entire structure erected by the Congress to guarantee the people of this Nation free and clean elections.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the resolution providing for an investigation, which I now submit, and immediately following that I ask to have inserted in the RECORD a copy of a letter addressed to Hon. Francis Biddle, Attorney General of the United States, dated May 30, 1944, and signed Harrison E. Spangler, chairman, Republican National Committee.

The ACTING PRESIDENT pro tempore. Without objection, the resolution submitted by the Senator from Nebraska will be received and appropriately referred and the letter will be printed in the RECORD.

The resolution (S. Res. 298) was referred to the Committee on Privileges and Elections, as follows:

Resolved, That the Committee on Privileges and Elections, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to the activities of the Congress of Industrial Organizations Political Action Committee, with a particular view to determining whether such activities are in violation of existing Federal laws, whether the Attorney General and other law-enforcement authorities are failing to enforce such laws with respect to such activities, and whether additional legislation is necessary or desirable. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem desirable.

For the purpose of this study and investigation, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The letter presented by Mr. BUTLER is as follows:

MAY 30, 1944.

The Honorable FRANCIS BIDDLE,
Attorney General of the United States,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL: I invite your attention to the fact that the Congress of the United States, in the furtherance of fair and clean elections, has enacted a law known as the Corrupt Practices Act. This statute clearly states in simple language that:

"It shall be unlawful for any corporation or any labor organization to make a contribution in connection with the election of a President, Vice President, or Member of Congress."

The statute also provides for an appropriate penalty for its violation.

In this connection, a political group known as the political action committee, organized by Mr. Hillman and Mr. Murray, has publicly admitted that they have received contributions amounting to over $750,000 from a labor organization known as the C. I. O. and further that they expect to increase such contributions to several million dollars. They are using this money, as they publicly declare, to promote a fourth term for Mr. Roosevelt and New Deal Members of Congress.

Your attention is also directed to the Hatch Act which declares:

"It is hereby declared to be a pernicious political activity for any person, committee, association, corporation, or any other organization to make contributions, directly or indirectly, in an amount in excess of $5,000 in connection with any campaign for the election of a President or other Federal officer."

This law further provides a penalty of not more than $5,000 or imprisonment for not more than 5 years.

The F. B. I. has reported that the Hillman-Murray committee received lump sums of $100,000 from several labor organizations, or 20 times the amount permitted by law.

The political action committee so financed asserts, and takes the attitude, that it is exempt and immune from prosecution under the law and they apparently base their claim on an opinion which you have rendered and upon your attitude of nonenforcement of the law.

If you will examine the facts as furnished by the F. B. I., the published statements of Mr. Hillman and Mr. Murray, and the mass of literature with which they are flooding the country, as well as their other activities, you will find a flagrant and bold violation of our clean election laws.

Your reasons for permitting such a clear violation of the law, which you are under oath to enforce, have not been made plain. It has been suggested, however, that you may have taken your position upon the theory that our laws and the Constitution of our country are not binding upon you in wartime as you recently ruled when you removed, without due legal process and with the help of soldiers, an unarmed storekeeper from his place of business in Chicago. In view of your ruling as Attorney General that this political action committee is within the law when it takes contributions, even beyond the Hatch Act limit, from a labor organization for political purposes, I desire an opinion from you as to other groups who wish to become active in this campaign against the reelection of Mr. Roosevelt for a fourth term.

Representatives of a number of farm cooperative associations (corporations) would like to know whether or not, if they form

a political action committee financed by their corporate funds for the defeat of Mr. Roosevelt, you would grant them the same immunity from prosecution as you have the committee of Mr. Hillman and Mr. Murray financed with money taken from the assessments on members of labor organizations.

A group of loyal Americans who are an important part of our national life and who represent what is known as little business, and is composed of many thousands of small corporations, would like to know where they stand with you. Many of these institutions have been forced out of business and ruined by the mismanagement of the New Deal agencies. They are the forgotten men of the New Deal. They desire the election of a Republican President and Congress and oppose Mr. Roosevelt's fourth term ambition. And they likewise would like to know whether or not they will be privileged to take from their corporate treasuries and from their stockholders unlimited sums of money to be used by a committee to be formed by them to elect a Republican President and a Republican Congress and for an educational campaign for that purpose.

The farmers of our country and the little businessmen above referred to are eager to have your answer to these questions soon, as they desire to become active at once in the promotion of political principles which they deem of the utmost importance to the preservation of America for free men and women.

These people are law-abiding citizens. They believe that the Corrupt Practices Act and the Hatch Act are wholesome law and helpful to clean and free elections. They would much prefer to have you, as Attorney General, give them rigid enforcement, regardless of whether their violators are your political friends or enemies, or whether or not they are supporters of Candidate Roosevelt. If you will not do so, they are surely entitled to the same immunity from prosecution that you have apparently given Mr. Hillman, Mr. Murray, and their committee. However, rigid law enforcement is desirable.

They await your decision.

Respectfully yours,

HARRISON E. SPANGLER,
Chairman,
Republican National Committee.

P. S.—We have been advised that the Political Action Committee, in many cases, takes the funds from the treasuries of the C. I. O. organizations without the consent of their members. Many thousands of these members are opposed to such unlawful and political use of money arbitrarily taken from them but are apparently powerless to prevent it. They resent the claim that such officials as Mr. Hillman and Mr. Murray control the vote of their organizations and that they can vote them as they will. They are independent, thinking Americans and cannot be deprived of the right of franchise as citizens of this country by so-called bosses.

H. E. S.

REPORT BY SENATOR THOMAS OF UTAH ON INTERNATIONAL LABOR ORGANIZATION CONFERENCE

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD a report on the recent International Labor Organization Conference submitted by Senator THOMAS of Utah, which appears in the Appendix.]

PAY OF COMBAT SOLDIERS—ADDRESS BY SENATOR TOBEY

[Mr. TOBEY asked and obtained leave to have printed in the RECORD a radio address delivered by him on April 6, 1944, on the subject of pay of combat soldiers, a letter addressed to him by Ernie Pyle, and a copy of Senate bill 1787, which appear in the Appendix.]

CAMPAIGN EXPENDITURES IN OREGON PRIMARIES

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a statement released by him to the Associated Press relative to the use of funds in the recent Oregon primaries, which appears in the Appendix.]

FAIR EMPLOYMENT PRACTICE COMMITTEE

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an editorial relating to the Fair Employment Practice Committee, published in the Washington Post of May 27, 1944, which appears in the Appendix.]

THE PRESIDENT'S RESPONSIBILITY AND POWER IN TIME OF WAR

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a letter written by Arthur Dunn, published recently in the New York Times, which appears in the Appendix.]

EGGS AND EGG PRICES—ARTICLES FROM THE WASHINGTON POST

[Mr. DANAHER asked and obtained leave to have printed in the RECORD an article from the Washington Post of April 6, 1944, entitled "W. F. A. Will Buy Eggs to Bolster Market," and an article from the Washington Post of May 30, 1944, entitled "Eggs Going Into Animal Feed," which appear in the Appendix.]

INCREASE IN LIMITATION ON NATIONAL DEBT

Mr. GEORGE. Mr. President, I move that the Senate proceed to consider House bill 4464, to increase the debt limit of the United States.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 4464) to increase the debt limit of the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4464) to increase the debt limit of the United States, which had been reported from the Committee on Finance, with an amendment.

The PRESIDING OFFICER. The clerk will state the amendment of the committee.

The CHIEF CLERK. On page 1, after line 5, it is proposed to strike out—

SEC. 21. The amount of obligations issued under the authority of this act shall not exceed in the aggregate $240,000,000,000 outstanding at any one time.

And to insert:

SEC. 21. The face amount of obligations issued under the authority of this act shall not exceed in the aggregate $260,000,000,000 outstanding at any one time.

Mr. GEORGE. Mr. President, I offer a very brief statement of the bill.

The present debt limit is $210,000,000,000. The amount absorbed through April 30, 1944, will be $191,528,560,009. The amount of limit remaining will be $18,471,439,991.

The Budget estimate of the debt as of June 30, 1944, is $198,000,000,000. The Budget estimate of the debt as of June 30, 1945, is $258,000,000,000.

The Treasury requested a debt limit of $260,000,000,000. That would carry at least through May 1945. To carry through June 30, 1945, the debt limit should be $268,000,000,000.

The House bill raises the limit to $240,000,000,000. This limit will take care of the situation to March 31, 1945, only if the present method of computing the debt limit is abandoned, and savings bonds are computed on the basis of their current redemption value instead of on the basis of their face value.

If the present method of computing the limit were continued in the House bill, the limit would have to be increased to $250,000,000,000 to take care of the situation through March 31, 1945.

The committee proposes to raise the debt limit to $260,000,000,000, and to continue the present method of computing the debt limit. This should at least take care of the situation through May 31, 1945.

The committee was unanimously of the opinion that the present method of computing the debt limit should not be changed, and that we might as well extend the limit of $260,000,000,000 at this time.

That is all I have to say about the measure, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. DOWNEY. Mr. President, at this time I wish to offer on behalf of the senior Senator from Nevada [Mr. MCCARRAN] and myself an amendment which has heretofore been printed and is lying on the table, the effect of which is to reduce the cabaret tax from 30 percent to 10 percent. I hope the chairman and members of the Finance Committee may believe it proper to accept the amendment, but preliminarily I should like to make a few brief observations with respect to it.

When the tax bill was before the Senate no contention was made by the Treasury that the cabaret tax was a punitive or preventive measure, but it was clearly asserted that the cabaret tax was imposed for the purpose of revenue only. While there has been some loose discussion in connection with the cabaret tax as to its effect on alcoholic drinking, let me say, Mr. President, that whether we have cabaret entertainment or not, whether individuals are allowed to dance or not, whether they are allowed to listen to a singer or not will little affect their consumption either of food or liquor. Individuals are going to drink so much liquor and eat so much food, and no one can say whether individuals will drink a little more or a little less by reason of the fact that they dance with their meals or listen to singing as they eat.

Likewise I wish to say that the effect on the labor market through the closing of any cocktail lounges or cabaret entertainments is so negligible that no one can calculate any substantial result.

I wish also to make plain to the Senate that the cabaret tax not only applies to such places as we know in Washington,

in the great hotels, which are probably the largest and most important now in the Nation, but it applies in every village where the drug-store proprietor has allowed the young high-school students to dance in the rear of his store. He can no longer do so without charging everyone present who enjoys an ice-cream soda or indulges in any beverage 30 percent additional. The tax applies to every restaurant where there is any dancing or singing, even though nothing more than beer or soft drinks may be served.

Mr. President, I know of no tax which remotely approaches the cabaret tax in severity. The cost of the cabaret entertainment is comparatively slight, but for the providing of that cabaret entertainment a 30-percent charge is placed on all the food and other goods which are consumed. It would seem to be perfectly obvious that persons would not think it was worth while to dance once or twice while they were enjoying their food, or listen to someone singing, if for that privilege they would have to pay 30 percent additional to their bill in the restaurant.

As a matter of fact, the tax is not working out. I have reliable official information from the State of California that restaurants are no longer allowing their patrons to dance, and are discontinuing the services of singers, and giving up their other forms of entertainment to such an extent that cabaret entertainment has already fallen off some 70 percent. But, Mr. President, I was against the increase in the cabaret tax when the tax bill was before the Senate, not because there would be a falling off of cabaret revenue, but because the increased tax is illogical and unjust. Sometime ago I had a survey made of the restaurants and cabarets of the city of Los Angeles. It appeared there that from 40 to 50 percent of all patrons are members of the armed forces who desire a few dances or want to listen to a singer or enjoy some other form of entertainment while they are having their meals. When the matter was before the Senate I could not reconcile myself to a tax which fell very largely upon the service men and women of the Nation, compelling them to pay an excessive charge for the enjoyment of singing or the privilege of dancing during the course of a meal.

I might also say that our survey in the city of Los Angeles very clearly revealed that from 20 to 25 percent of all cabaret patrons were war and defense workers. The picture which some Senators may have of individuals, night after night, attending restaurants or cabarets is not a true one. As a matter of fact in the city of Los Angeles, aside from the attendance by members of the armed forces, most war workers who were talked to stated that they attended a cabaret once a month or at most perhaps once a week; that they desired some refreshments, and wished to have some relaxation in the form of dancing or singing while they were enjoying the refreshments. I cannot believe there is anything wrong in that. I cannot believe any good can be gained by the imposition of a heavy punitive tax. I do not think any matter of public policy is involved. The increased cabaret tax in no way limits the consumption of alcoholic liquor if anyone has that in mind. It merely tends to prohibit individuals, and particularly young people, who have a very natural inclination thereto, the enjoyment of dancing and of hearing a song while they are eating their meals.

Mr. President, I have no doubt that the war worker, especially a young man or woman, who goes out once a week or once a month and enjoys some form of entertainment, including dancing, while eating a meal, does better work than if he did not have the enjoyment thus furnished him.

The distinguished chairman of the Finance Committee recently stated in an interview published in the newspapers, when the tax bill was before the Senate, that the Senate thought it logical, and fair, and decent, if I may use that word, to exempt the service men and women from this tax. I am informed, and I think correctly—the distinguished chairman will correct me if I am wrong—that the Treasury Department insisted that it would be so difficult and complicated to enforce any cabaret tax if servicemen were exempted, that the tax must cover everyone; so the Senate amendment exempting members of the armed forces was stricken from the bill.

While, Mr. President, I am against the tax on general grounds, I am convinced that the tax has been so high that the revenues are steadily falling off. I have already stated the information which comes to me from California, namely, that so many restaurants and cabarets have given up their dance floors, their singing and other entertainment that such cabaret moneys subject to taxation have fallen off more than 70 percent and that the present tax of 30 percent will not bring in as much revenue as the 10-percent tax would have brought in on the business which formerly was done.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. McKELLAR. I hold in my hand a statement including figures relative to certain establishments in Boston and New York. From them, I find that for the 25 days from March 1 to March 25, 1944, at the Latin Quarter Restaurant, in Boston, the business done amounted to $56,617.14, whereas from April 1 to April 25—the same number of days in 1944—the business done amounted to $39,806.58.

At the Mayfair Restaurant, in Boston, the business done between March 1 and March 25, 1944, was $32,240.35. The business done there from April 1 to April 25 was $17,582.88.

At the El Morocco Restaurant, in New York City, the loss was estimated at $250 a day. At the Hurricane Restaurant, the business done decreased from $78,754.55 for the period March 1 to March 25, to $50,396.67 for the period April 1 to April 25. At the Versailles Restaurant, the business done dropped from $77,374.92 for the period March 1 to March 25, to $56,461.69 for the period April 1 to April 25. At the Village Barn, the business done from March 1 to March 25 was $30,009, and the business done from April 1 to April 25 was $24,575. At the Billy Rose establishment, the business done from March 1 to March 25 was $106,878, whereas the business done from April 1 to April 25, was $68,342. At Leon & Eddie's the business done in March 1943 amounted to $68,519, in March 1944 to $80,441, and in April 1943 to $49,561, whereas in April 1944 it had dropped to $44,254.

I find further that in the city of Chicago, some of the leading establishments of this kind have suffered similarly. At the Rio Cabana the business was off 30 percent; at the Panther Room business was off 25 percent; at the Boulevard Room, 30 percent; at the Empire Room, 25 percent; at the Chez Paree, 30 percent; at the Marine Room, 25 percent; and at the Latin Quarter, 30 percent.

In Hollywood, Calif., with which the Senator is familiar, grosses in leading places fell off from 20 percent to 50 percent. One of them has sustained a loss of $1,500 a night since the inception of the 30-percent tax.

I understand that it is believed that the best evidence that the industry faces ruin, and that prominent places and small places will close down, is that Brooklyn's Hotel Bossert announced on April 29 that it was closing its Marine Roof because of the 30-percent tax. I understand that room has been a favorite for 28 years, and especially in the summertime was a popular dining and dancing place because it was located on the roof of the Bossert Hotel, and overlooked New York harbor.

A tax of 10 percent will prevent places from closing down, prevent unemployment, be fair to members of the armed forces who frequent these places, and in the final analysis bring in to the Government the added and additional revenue originally contemplated by the Internal Revenue Act of 1943. A fair tax of 10 percent will not destroy this business and industry. If the 30-percent tax continues, the entire industry faces ruin and destruction. The conclusion is very clear, namely, that the Government will never receive either the original revenue heretofore received under the 5-percent tax or the revenue contemplated at the time of the passage of the Internal Revenue Act of 1943 which taxed admissions in cabarets at the rate of 30 percent.

I may say also that time is of the essence, and that if any relief is to be afforded this industry, it must come immediately, since once these places shut down and business continues to fall off at the rate it has, it is impossible to estimate how long it will take before business will again reach the position it occupied prior to April 1. Further, if any relief is to be granted, it must be granted quickly. The very purpose of the relief will be defeated by delay.

I have no interest in any hotel or restaurant, and do not suppose I attend a place of this kind once in 5 years; but I think it would be better for the Government and better for such places of amusement to have a reasonable tax adopted.

Under the circumstances it appears that perhaps the Government will lose money on account of having the tax so high. It would seem that an amendment such as the one offered by the Senator from California should be adopted by the Senate. I do not think anyone wishes to close businesses. I know we do not. I know that no Senator would wish to close such business places or amusement places, if we can call them that. Especially is that true if the Government will lose money by reason of the increased tax, either through the closing of various places—and some of them undoubtedly will be closed, even in these prosperous times—or through the reduction of their revenues. It is certain that the revenues of such places will be reduced to so great an extent that the Government will receive more revenue if the tax rate is reduced. I hope very much that the amendment of the Senator from California will be agreed to.

Mr. DOWNEY. Mr. President, I thank the Senator very much. I appreciate the contribution he has made. While my mind is not particularly set upon the largest and most noted cabarets of the country, undoubtedly what the distinguished Senator from Tennessee has indicated is true all over the Nation; namely, that the large cabarets are giving up their taxable entertainment.

In order to understand just how this increased tax operates, it might be interesting to consider the Jack Dempsey cafe, in New York City. I am advised that that cafe has a gross income of $100,000 a month. When there was a 5-percent tax on such entertainment, the Government received $5,000 a month in taxes from the establishment. There was a total expenditure of approximately $10,000 a month for entertainment in that cafe. All such entertainment at the cafe, except for music, has now been given up, for the Government does not tax an establishment which provides only music. The cost of entertainment at that cafe has been cut approximately in half, or to approximately $5,000 a month, and the cafe pays no tax at all to the Government because of the music, which now is the only entertainment provided there. Neither the owner nor his patrons can afford to pay $30,000 a month in taxes upon entertainment which costs only $5,000. That, in effect, is imposing a governmental burden, by way of taxation of six times as much, as the cost of the cabaret entertainment itself. Clearly such a tax is so illogical that it cannot be successful.

Mr. McKELLAR rose.

Mr. DOWNEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, let me suggest another matter to the Senator at this time. A reduction from 30 percent to 10 percent is, of course, quite a large reduction, but it seems to me it will have to be agreed upon and straightened out in conference. I very much hope that the Senate will adopt the amendment reducing the tax to 10 percent. I am really addressing myself to my good friend from Georgia [Mr. GEORGE] the chairman of the committee. If it should be found in conference that 10 percent cannot be agreed upon, the conferees would be in the best possible position to adopt a reasonable rate, which would not destroy the businesses of these people, and would not materially hurt the income of the Government. It might be that 11 percent, 12 percent, or some other percentage would, under the facts, be a reasonable tax. The conferees could determine the proper tax. In order to bring about that result, I hope that the amendment will be agreed to.

Mr. DOWNEY. Mr. President, I thank the Senator. In view of his persuasive remarks, I shall not present further argument. I only want to say that the senior Senator from Nevada [Mr. McCARRAN] who offered the pending amendment on his own behalf and mine is unavoidably absent from Washington. I regret that he is not here to present this matter in his usually eloquent and forceful way.

Mr. BILBO. Mr. President, I wish to make a few observations with regard to the amendment offered by the Senator from California.

My distinguished colleague from Los Angeles [Mr. DOWNEY] and my friend from Memphis [Mr. McKELLAR] hail from large cities with populations of 300,000, 500,000, or more. They feel very keenly the injustice which has been done the cabaret business by the 30-percent tax.

However, I happen to come from a small courthouse town in Mississippi, which has no cabarets or juke joints, but which does have theaters. I shall offer an amendment, when it shall have been properly prepared, providing that wherever a 20-percent tax on theater admissions is found in the Internal Revenue Code of 1944, a 10-percent tax be substituted, which would be in keeping with the amendment offered by the Senator with regard to cabarets.

Every week 95,000,000 American people—men, women, and children—attend the theater. I wish Senators to keep that figure in mind. The figures show that every week 95,000,000 of the 134,000,000 American people attend motion-picture theaters, which are found in every hamlet, village, and city of the Nation. It would be unfair to reduce the 30-percent tax on cabarets, where only a very small percentage of the population goes for amusement and recreation, to 10 percent, and leave the tax at 20 percent on 95,000,000 of the masses of poor people and children of the Nation.

We all understand that cabarets and juke joints are patronized by the well to do, the playboys, and the frolicking element of our population. Children are not admitted to cabarets. This amendment is an attempt to give relief in connection with a means of recreation for a small percentage of our population. As I understand, the sponsorship of the amendment, in addition to the authors of the amendment, comes from the music monopoly. It has an alphabetical name. This is the day of alphabetical names. The amendment is sponsored by ASCAP, the music monopoly. It is making a drive on Congress to reduce the 30-percent tax to 10 percent.

I am not opposing the reduction in the cabaret tax. I am inclined to favor the reduction of the tax; but I strongly object to reducing the cabaret tax to accommodate a few tooters of horns and a few frolicking citizens of the country, while at the same time leaving a 20 percent tax on 95,000,000 poor people of the Nation whose only means of recreation is the small theater in the small towns. It is all right to reduce the cabaret tax 10 percent, but let us reduce the tax on theater admissions to the same percentage. Let us treat the two elements alike, although one is a means of recreation for 95,000,000 people, and the other a means of recreation for only a very small percentage of the population. The cabaret caters to those who have money to spend, while the theater is a means of entertainment for poor people who have only a very small amount to spend. The 20-percent tax on the small theaters works a hardship on small places of amusement in their effort to continue in operation. They are suffering, as the owners of cabarets are suffering, because of a reduction in their revenues. The theaters depend upon the attendance of the poor people, to whom a few nickels and dimes mean something in their everyday life.

I take this occasion to remark that the owners of juke joints and cabarets have contributed absolutely nothing to the war effort except to furnish a place to spend money and have a good time. What have the motion-picture theaters done? They have been contributing in every way toward every war activity, including the Red Cross drive, the War bond drive, the WAC enlistment drive, the fats and salvage drive, and the infantile paralysis drive. They are also using the power of the screen to keep Americans thinking along the right lines as we make the greatest effort of our lives in the present World War. Those engaged in the motion-picture industry have been contributing weekly, monthly, and yearly to the success of our war drives of every sort. Without their efforts such drives would not be nearly so successful. The motion-picture theater owners are being penalized by a tax of 20 percent in order that they may carry on. In many instances the tax burden is passed on to the rank and file of the people.

We are asked to reduce the 30-percent tax on cabarets to 10 percent. Such a reduction would affect only those who have money to spend having a good time in the cities. I admit that incidentally such places furnish employment to a very small class of musicians and entertainers. As I have said, I am not opposed to the reduction in that tax, but it would be manifestly unfair to reduce the tax on cabarets to 10 percent and leave the 20-percent tax on theater admissions. If the cabaret tax were reduced, and the theater tax left where it is, more hell would be raised over those two taxes than we have ever heard in connection with the cabaret tax.

If we are to reduce the cabaret tax from 30 percent to 10 percent, let us at the same time reduce the 20-percent theater tax to 10 percent, and let the two

amendments go to conference to be adjusted, so that justice may be done to 95,000,000 poor people whose only means of recreation and pleasure is the theater. The motion-picture theater owners have contributed greatly to the war effort, whereas the cabarets have done absolutely nothing but rake in the golden shekels.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

Mr. TAFT. Mr. President, the Committee on Banking and Currency has submitted an explanation of Senate bill 1764, to amend the Emergency Price Control Act of 1942 as amended by the act of October 2, 1942, together with a report thereon. The report contains a general statement and also a supplemental statement. I wish to say that I wholly dissent from the supplemental statement. The report is ambiguous with respect to whether the supplemental statement is a part of the report. It was clearly my understanding that it was not to be a part of the committee report: Yet, the general report, in which I concur, does not make it at all clear to my mind that the supplemental statement is not a part of the committee report. It seems to be a statement prepared by the Office of Price Administration which has never been approved by the committee, and does not in any way represent, in my opinion, the proper summary of the evidence which was submitted to the committee. If there is any question whatever about it being a part of the report, I desire to file minority views. I do not know whether the chairman of the committee regards the supplemental report as a part of the general report. However, I should like to know whether he does so regard it, because if it is a part of the general report I desire to file dissenting views.

Mr. WAGNER. Mr. President, it is a part of the report submitted by the full committee. As the Senator will recall, a subcommittee was appointed consisting of three Senators, namely, the junior Senator from Maryland [Mr. RADCLIFFE], the junior Senator from Connecticut [Mr. DANAHER], and myself. All members of the committee on the side of the Senator from Ohio agreed to abide by the views as outlined by the junior Senator from Connecticut.

Mr. TAFT. However, the full report was submitted to the committee. The committee disagreed with it.

It was agreed that there should be a general report submitted, and that the supplemental statement should be attached as an exhibit, to which I had no objection. It was not, however, to be a part of the report. The subcommittee to which the matter was referred, consisting of the Senators whom the Senator has named, was authorized to carry out the wishes of the committee, but it was distinctly understood that the so-called supplemental statement was not to be a part of the report. In my opinion, it has simply incorporated all the evidence of the Office of Price Administration, which constitutes a propaganda statement of the position of the Office of Price Administration. It never was approved by the Committee on Banking and Currency. If the chairman of the committee intends that it shall be accepted as a part of the report, I ask for permission to file dissenting minority views.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio? The Chair hears none, and it is so ordered.

Mr. DANAHER. Mr. President, I should like to invite the attention of the Senator from Ohio while I note that it is my belief his fears are unfounded. I first point out that on page 1 of the document known as Report No. 922, there appears the headline "General statement." Those words were not in the memorandum upon which the Senator from New York [Mr. WAGNER], the Senator from Maryland [Mr. RADCLIFFE], and I agreed. I have no doubt, however, that they have been interpolated by the legislative draftsman with the view to explaining the basis upon which the report proceeds.

On page 3, in similar size type, there will be found the words "Text of reported bill."

At the top of page 8, in similar size type, there will be found the heading "Explanation of reported bill."

Similarly, at the top of page 20 we find the heading "Minority views." Obviously those minority views are the views stated by the senior Senator from New York [Mr. WAGNER], the senior Senator from Virginia [Mr. GLASS], the senior Senator from Connecticut [Mr. MALONEY], the junior Senator from Maryland [Mr. RADCLIFFE], the junior Senator from Utah [Mr. MURDOCK], and the junior Senator from Connecticut [Mr. DANAHER]. But granted that they are minority views, so submitted, and so incorporated in Report No. 922, obviously they are not the report of the majority of the committee, and that fact is so designated therein.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DANAHER. I should like to make my next point if the Senator from New York will forbear.

Mr. WAGNER. Very well.

Mr. DANAHER. At the top of page 26 there appears the heading "Supplemental statement." Following that appears this language:

> The supplemental statement which the committee has caused to be attached is as follows:

Now, where did we cause it to be attached? If we will refer back to page 3, we will find that the concluding paragraph of the general statement reads as follows:

> The hearings on these measures have been so voluminous and so many witnesses have appeared that the record includes more than 1,600 pages of testimony, graphs, and other pertinent data. For the convenience of the Senate, the committee has caused to be attached a supplemental statement which will be found to abstract relevant material of assistance in understanding the background of such problems as rationing, wage and salary stabilization, rent control, and other phases of our wartime stabilization program. At appropriate points this statement includes illustrative graphs submitted by the Office of Price Administration in the course of its presentation.

I assume that if the Senator from Ohio wishes to read into the language after "supplemental statement," the words "as an exhibit" and so designate the part to which he has referred, no harm would be done. I assume that if that course were followed, the status of the matter in the mind of the Senator from Ohio would be entirely clarified.

Mr. TAFT. Not at all, because the chairman of the committee says that it is a part of the committee report, and inasmuch as he says that, I wish to state my dissent from it and my intention to file minority views. If it is submitted as an exhibit by the Price Administration stating their side of the case, very well, I have no objection; but certainly it seems to me it is at least ambiguous and, since the chairman of the committee says it is a part of the report, I assume that it is so intended to be. The chairman seems to differ from the Senator from Connecticut.

Mr. WAGNER. There is no difference at all. The supplemental statement is added as a part of the report, of course. What else could it be but a supplement to the report?

Mr. TAFT. It is not a fair compilation of the evidence that was adduced before the committee. It wholly omits all the critical evidence; it wholly omits two-thirds of the witnesses who appeared before us and submitted a series of objections to the manner in which the Price Administration has been operated. It only summarizes the Price Administration's case. I think if it is to be there at all, it ought to be purely as an exhibit of the Price Administration. It is there now; but I wish to express my dissent from it, and my intention to file minority views. I have done my best throughout the hearings to reach a conclusion upon which the whole committee could agree, but if this is to be a part of the report my efforts along that line have come to an end.

Mr. DANAHER. Mr. President, I understand, of course, the point the Senator from Ohio is seeking to make, but I still insist that he is going afield from the way we looked at the matter in the committee when we had the subject under consideration. For example, let us take one of the graphs. I happened by accident to have turned to page 34, where I find this:

> Each week we get 4,500,000 telephone calls.

Mr. President, it is perfectly clear that what is being referred to there is the Office of Price Administration; the reference is not to Senators and not to the committee, although I admit there are weeks when it seems to me that I get 4,500,000 telephone calls. The fact is that no part of the findings of the Senate Committee on Banking and Currency.

It goes on to say:

> Two million five hundred thousand letters—

An actual count in our offices will not run quite so high, I admit—

> 6,000 applications for price increases, 1,500,000 personal calls at O. P. A. offices.

It seems to me that a reference to the statement itself which is attached as a

supplemental statement will disclose that in fact that is all it is. I hope with this explanation the Senator from Ohio will concur ultimately.

Now, let me say further that, while it is true that in the compilation of this supplemental statement the Office of Price Administration, of course, had a great deal to do with its format and preparation, it was under the supervision of our legislative draftsmen, and much of it was the work of Mr. Charles S. Murphy, the assistant legislative counsel, who was in constant attendance upon our executive sessions.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. DANAHER. I am glad to yield.

Mr. MURDOCK. It seems to me that the supplemental statement heading to which the Senator from Ohio objects is the very language that was mentioned during the discussions of the committee. It was understood, as he says, that it would accompany the report either under the heading of an exhibit or as a supplemental or added statement. As I remember the action of the Banking and Currency Committee and of the subcommittee with respect to the matter, it was exactly that there would be added a supplemental statement or exhibit or appendix as a part of the report, with a proper title indicating what it was.

Mr. DANAHER. I think the Senator from Utah has stated the situation with substantial accuracy. The point about it was that when we were confronted with all these documents it became perfectly apparent that we were not going to have complete accord as to what would comprise the committee report. We therefore set out to subdivide and take into account everything that would be the basis for general agreement, and that much, on pages 1, 2, and 3, is the report. Then we report the bill with our committee changes and an explanation of the changes. All that is perfectly apparent from an examination of pages 3 to 21, and the Senator from New York and I and other Senators joined in minority views, appearing at pages 20 to 25.

There is then attached at page 26 a supplemental statement, which we submit for the convenience of the Senate, for its general understanding of the background and some of the data which were submitted in the course of the hearings.

Mr. TAFT. I wish to say that my understanding was distinctly different. When this was referred to the subcommittee I understood that the supplemental statement was to be printed in the Appendix as a statement from the Price Administration. As it appears here it looks as if the chairman was correct in his statement that it is a part of the report. Under those circumstances I wish to indicate my dissent and my intention to file dissenting views.

The PRESIDING OFFICER. The Senator from Ohio has been granted permission to submit minority views on the O. P. A. bill.

Mr. TAFT. After all, the supplemental statement covers from page 26 to page 80. It comprises most of the report. It is the thing one would look to if he were interested in the subject at all and he would probably look mostly at the graphs.

Take page 46, from which I read:

Has price control hurt small business?

Then there is a series of figures tending to show that small business has been benefited. Those figures are absolutely at variance with the figures of the Committee on Small Business of the Senate. They were prepared by the Price Administration to prove their case. I do not think they are actually in accord with the facts at all.

Take the statement about rents on pages 50 and 52. On page 50 is shown the fact that no rents have been increased at all, but on page 52 the whole thing is contradicted by saying that "9,994 small buildings show net operating income up 44.4 percent." Certainly, if the small buildings were occupied by tenants and there had been no rent increases, the landlord's costs certainly increased. The two things contradict each other on their face.

I think it was not intended that it be submitted as a part of the report, but if it is, I shall in due time submit minority views.

Mr. DANAHER. Mr. President, I merely wish to make it perfectly clear that my understanding is that what now appears as a General Statement under those words on page 1, actually comprises the committee's report, reporting the text of the bill which commences on page 3, with the explanations which in turn supplement the reported bill, the explanations appearing at page 8. Then, for the convenience of the Senate, as we say on page 3, we attach a "supplemental statement" abstracting certain material and including "illustrative graphs submitted by the Office of Price Administration in the course of its presentation," and we hope that it will prove of assistance to the Senate. That is all it is. That is the way I view it.

DISPOSITION OF TRIBAL FUNDS OF THE MINNESOTA CHIPPEWA TRIBE OF INDIANS

Mr. SHIPSTEAD. Mr. President, on May 25, the day on which the calendar was last called, Senate bill 873, to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians was passed. An identical House bill, H. R. 2085, at that time was pending before the Senate Committee on Indian Affairs, which had considered the Senate bill.

In order to expedite the parliamentary situation with respect to the two bills, I ask unanimous consent that the Committee on Indian Affairs be discharged from the further consideration of the House bill and that it may be considered as having been read the third time and passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the Committee on Indian Affairs is discharged from the further consideration of House bill 2085.

Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 2085) to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians was considered, ordered to a third reading, read the third time, and passed.

Mr. SHIPSTEAD. With a view to the indefinite postponement of Senate bill 873, to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians, I now enter a motion to reconsider the vote by which the bill was passed, and move that the House be requested to return the bill to the Senate.

The PRESIDING OFFICER. The motion to reconsider the vote by which Senate bill 873 was passed will be entered.

The question is on agreeing to the motion of the Senator from Minnesota that the House be requested to return Senate bill 873 to the Senate.

The motion was agreed to.

INCREASE IN LIMITATION ON NATIONAL DEBT

The Senate resumed the consideration of the bill (H. R. 4464) to increase the debt limit of the United States.

Mr. MEAD. Mr. President, reverting to the bill to increase the debt limit, and particularly to the amendment presented by my distinguished colleague, the junior Senator from California [Mr. DOWNEY], let me say that this is entirely a tax problem. It is neither a police problem nor is it a manpower problem. It is not a question of the regulation or the control of entertainment, nor are those who favor the amendment, nor those who oppose the amendment, for that matter, taking a stand in support of or in opposition to the form of entertainment.

The province of the Federal Government in this matter pertains entirely to the question of taxes. The power to regulate and control is a question for the States to determine. This might better be referred to as a tax on food, because where food is served, under the law, which the pending amendment seeks to moderate it is the subject of the tax, while the radio, the juke box, and the orchestra, as such, are not taxed. Entertainment, if it confines itself to orchestral entertainment, is not taxable, but if someone were to sing, or if dancing were permitted, even though it might be at a benefit affair, open to the public, conducted by a fire company, a fraternal or civic organization, then it would become taxable.

So, Mr. President, having in mind only the province of the Federal Government insofar as the principles of the pending bill are concerned, I feel that we should direct our attention in such a way as to bring about the largest financial return to the Treasury of the United States.

The pending amendment is based on experience under the present law, and very naturally over a very short period of time, but nonetheless it indicates that the tax returns are diminishing, at a time when it is essential for us to increase the tax revenues in order to carry the burdens of the war.

As I stated in the beginning, the question is not one of regulation of entertainment, nor of the places in which entertainment is provided. This is a tax

problem. In my judgment the tax applies unreasonably, at least in some instances, as a charge superimposed upon the cost of food. It is unlike the tax on the movies in that, in that particular case we adopted a provision exempting servicemen, for example, from the imposition of the tax.

It is my opinion, Mr. President, that an adjustment of this tax, as indicated by my distinguished colleague, the senior Senator from Tennessee [Mr. McKELLAR], which can be brought about in the conference, if we adopt the amendment offered by the junior Senator from California [Mr. DOWNEY], will result in increasing the income of the Treasury of the United States.

In that connection, let us remember that the juke box, the radio, and the orchestra as such are not taxed, and where they serve as the only source of entertainment the food is not taxed; but where, in addition to the music, there is some form of entertainment, whether it is provided by a charitable organization, a civic organization, a labor organization, or any other organization, the tax is applied. The tax is levied on the meals one buys, and the tax is levied uniformly on all who purchase meals, whether they be servicemen or others.

Before I close, I reiterate that I am not an advocate of entertainment of a questionable character, and were I in authority in any State or city where such entertainment existed I should endeavor to put a stop to it.

I wish to read into the RECORD at this point a letter from Mr. Edward Flore, general president of the Hotel and Restaurant Employees International Alliance, together with a resolution adopted unanimously by the executive council of the American Federation of Labor. The letter is as follows:

HOTEL AND RESTAURANT EMPLOYEES' INTERNATIONAL ALLIANCE AND BARTENDERS' INTERNATIONAL LEAGUE OF AMERICA,
Cincinnati, Ohio, May 26, 1944.

Hon. JAMES M. MEAD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The enclosed resolution was adopted unanimously by the executive council of the American Federation of Labor.

Kindly read it into the records of the United States Senate.

Sincerely yours,

EDWARD FLORE,
General President.

The resolution enclosed in the letter reads as follows:

Whereas the so-called cabaret tax, the tax on amounts paid by guest in hotel dining rooms, restaurants, roof gardens, cabarets, and the like, was increased sixfold, from 5 percent to 30 percent by the Revenue Act of 1943; and

Whereas the increased tax has proved excessive, in that it has caused many hotel dining rooms, restaurants, roof gardens, cabarets, and the like to discontinue furnishing entertainment to patrons; and

Whereas as a result of the increased tax many musicians, waiters, entertainers, and other employees have lost employment; and

Whereas members of the armed forces and persons of moderate income and means have been denied a source of entertainment, in that such persons cannot afford to pay a 30-percent tax on the amount spent in hotel dining rooms, restaurants, roof gardens, cabarets, or other places furnishing entertainment while meals, food, and beverages are being served; and

Whereas the increased tax has failed in its purpose, to increase revenue, and has in fact resulted in a loss of revenue to the Federal Government: Be it

Resolved, That the American Federation of Labor favors the adoption of legislation to amend the Revenue Act of 1943, by the enactment of the bills introduced in the Senate and in the House to reduce the cabaret tax from 30 percent to 10 percent, and that the Members of the Senate and the House of Representatives be advised of the action of the American Federation of Labor.

The reference to the bill introduced would mean, of course, in this case, the amendment offered by the junior Senator from California.

Mr. President, I hope the amendment will be taken to conference by the chairman of the Committee on Finance, whose reasonableness in matters of this kind is very well known to all his colleagues in the Senate. I am sure the conference committee would have the latest information, the very best information, on the returns being received under existing law, and the possibilities of higher returns being received under a more moderate amendment.

Mr. GEORGE. Mr. President, I send to the desk a statement by the Treasury Department, made under date of May 18, opposing the pending amendment, and I ask that it be read by the clerk.

The PRESIDING OFFICER (Mr. JACKSON in the chair). Without objection, the clerk will read as requested.

The legislative clerk read as follows:

TREASURY DEPARTMENT,
Washington, May 18, 1944.

Hon. WALTER F. GEORGE,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: Further reference is made to your letter of May 3, 1944, enclosing a copy of Senate Joint Resolution 126 (78th Cong., 2d sess.), entitled a "Joint resolution to reduce the tax on admissions to cabarets, roof gardens, and similar entertainments," for consideration and report.

The bill proposes to amend section 1700 (e) (1) of the Internal Revenue Code by striking out "30 percent" and inserting in lieu thereof "10 percent." The amendment would be applicable only after 10 a. m. on the first day of the first month after the enactment of the resolution.

Section 302 of the Revenue Act of 1943 increased the rate of tax imposed by section 1700 (e) of the Internal Revenue Code from 5 percent to 30 percent, effective 10 a. m., April 1, 1944. When it first passed the act, the House of Representatives voted a 30-percent tax on cabarets and a 20-percent tax on general admissions. In the Senate the cabaret tax was likewise fixed at 20 percent. The House provisions subsequently prevailed in the conference report which the Congress adopted.

Since the effective date of the legislation two changes in the cabaret trade have been reported. First, it is asserted that there has been some reduction in the volume of business of places subject to the cabaret tax. Second, it is reported that adjustments are being made in the manner in which these places are operated, designed either to remove a particular place of business from the coverage of the tax or to reduce the customer's bill to which the 30-percent tax is applicable. Such adjustments take the form of discontinuance of any entertainment which causes a restaurant to be classified as a cabaret so that the restaurant is removed from that category, segregation of entertainment in a part of the establishment so that the entire restaurant is not classified as a cabaret and receipts for food and drinks in one part are not subject to the tax, and postponement of entertainment until later in the evening so that the tax will not apply to the dinner trade.

The Bureau of Internal Revenue to date has not received accurate information indicating the extent of these developments or the revenue consequences of the tax increase. The returns for the month of April, the first month the increased rate was in effect, are not due until the end of May, and collectors' reports of collections from returns for April will not be available before the middle of June. However, it is possible to state that a 10-percent rate would produce substantially less revenue than a 30-percent rate.

The Dominion of Canada appears to have been successful with a cabaret tax of 25 percent. The tax was introduced at a 20-percent rate in 1942 and increased to 25 percent in 1943. The tax base in Canada is comparable to the United States base, and the tax is imposed under substantially similar conditions. It should be pointed out that the general admissions tax is the same in both countries. Information on Canada's experience indicates that business has not suffered under the high cabaret tax, but has increased and that new establishments have been opened.

At the time when the increase by the Revenue Act of 1943 was considered the possible effects of the tax were recognized and revenue estimates took account of diminished trade and changes in operation. It was apparently believed that in view of the luxury aspects of the trade and the general employment and manpower situation, these consequences were no deterrent to the increase and a 30-percent rate was justified. In addition, it was recognized that it is not unusual in the case of new or increased excise tax rates for the volume of business to decline temporarily, the decline to be followed by a recovery and stabilization at the new tax level. Until there is available information sufficiently reliable to indicate that these effects are considerably greater than was anticipated, consideration of a change of rate would not appear to be justified.

One technical observation concerning the resolution should be made. The increase in the cabaret tax was made, along with other war tax increases, through the enactment of section 1650 of the Internal Revenue Code, and not by an amendment of section 1700 (e) (1). The resolution should, therefore, be directed to that part of section 1650 related to the rate of tax imposed by section 1700 (e) (1).

The Director, Bureau of the Budget, has advised the Treasury Department that there is no objection to the presentation of this report. A copy of their letter is attached.

Very truly yours,

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 17, 1944.

The honorable the SECRETARY OF THE TREASURY.

DEAR MR. SECRETARY: This will acknowledge the receipt of the letter of May 15, 1944, from Administrative Assistant Bell, transmitting the original and two copies of your proposed report to the chairman of the Senate Committee on Finance, relative to Senate Joint Resolution 126, a resolution To reduce the tax on admissions to cabarets, roof gardens, and similar entertainments.

The resolution would reduce from 30 percent to 10 percent the tax on admissions to cabarets, roof gardens, and similar enter-

tainments. Your proposed report discusses the effect on Treasury revenues of such a reduction, and indicates that there is not available sufficiently satisfactory information to show that continuance of the present 30-percent rate will result in any such decrease in trade as to require the establishment of a lower rate for the purpose of maintaining the revenue level contemplated by the 30-percent rate.

In reply, you are advised that there would be no objection to the submission of the proposed adverse report to the committee, the original of which report is returned herewith.

Very truly yours,

PAUL H. APPLEBY,
Acting Director.

Mr. GEORGE. Mr. President, I have asked that the letter be read at the desk in order that the Senate might know the position taken by the Treasury Department. When this matter arose in connection with the tax simplification bill, I stated that I personally would not offer objection to an amendment reducing the cabaret tax, but I stated at the same time that when this matter arose in the Senate Finance Committee it was the opinion of the majority of the members of the committee that the cabaret tax should be brought into line with the tax imposed on other so-called 'uxury entertainment or articles which were subjected to tax. The Senate Finance Committee recommended a tax of 20 percent on cabarets. Subsequently the Senate approved that recommendation, and also approved an amendment offered by the distinguished Senator from California [Mr. DOWNEY] exempting from the tax men and women in uniform.

The tax bill, after passage in the Senate, went to conference, and the House conferees, backed by strong statements from the Treasury Department, insisted that the provision exempting service men and women from the cabaret tax would make the whole cabaret tax administratively impossible, and the House conferees also insisted strongly on the 30-percent rate on cabarets which the House had previously adopted. The matter was discussed many times in conference, and the House conferees were adamant upon the 30-percent rate. So the result was that the bill finally passed with a provision for a 30-percent tax on cabarets.

Mr. President, personally I have believed from the beginning, and I now believe and am satisfied that I am correct in making the statement, that a 30-percent tax on cabarets will actually reduce the revenues to the Government. I cannot see how any question of manpower is vitally or substantially involved in connection with the tax. My understanding is that everyone subject to the draft is either taken and placed in military service, or he is deferred, or is relieved from service. That is true in baseball. It is true in other kinds of sports, and I presume it is true of those individuals who serve in the various cabarets of the country. So I do not see how any question of manpower is involved.

Certainly I do not think the cabaret tax ought to be considered as a punitive measure. I regarded it as a matter of revenue, and I am still of the opinion that a 30-percent tax on cabarets will produce less revenue than a 20-percent tax, or even, perhaps, a 15-percent or a 10-percent tax.

But, Mr. President, I could not approve, and I hope the Senate will not approve, a cabaret tax of 10 percent, primarily for this reason: We are in war. Taxes are high; some of them extremely high; but they are war taxes. That is the only justification for them. The House and the Senate placed a tax of 20 percent on ordinary admissions, and I do not see how we can justify a tax of 10 percent on the cabarets and yet collect a 20-percent tax from the children of the country and persons who wish to go to the ordinary moving-picture theaters.

If the Senator will not agree to a 20-percent tax, I think I shall have to move to amend his amendment, because my judgment is that the cabaret tax should not be more than 20 percent, and that it should remain in line with the other so-called luxury taxes, especially the taxes on general admissions, which now are 20 percent, as I have already stated. At the same time I am convinced that the present cabaret tax will really result in a decline in revenue.

I should like to state further that my observation has been that when the members of the armed services, who are away from their homes, unacquainted in the cities and towns which are located near their camps or wherever they may be stationed, have a day or 2 days off, they wish to have some form of recreation or entertainment. They do not know the people of the city or of the nearby village. They feel at liberty to go to a place where there is a little music and some dancing. A 30-percent tax thus levied on the men and women in the armed services, which is the effect of the cabaret tax, is a tax which very greatly affects the attitude of the servicemen, and is a very great injustice to them.

But a reduction of the tax to 20 percent is the only reduction I could favor in this instance. I very much hope the Senator from California will amend his own amendment and will offer to fix the tax on cabarets at 20 percent, in line with the other luxury taxes provided in the law.

Mr. DOWNEY. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Georgia yield to the Senator from California?

Mr. GEORGE. I yield.

Mr. DOWNEY. Of course, I appreciate the logic of the suggestion made by the chairman of the Finance Committee, namely, that we bring the cabaret tax into line with the movie admission tax and though I still maintain that a 20-percent tax is much too high, nevertheless I always like to follow the advice of the senior Senator from Georgia.

So I now wish to present to him a suggestion which I hope will meet with his approval. One of the worst features about this tax, to my mind, has been the fact that a great and wealthy people should wish to impose a tax which falls with greater or less severity in different places of the country upon the service men and women who are on furlough or who have returned from actual service abroad. It has seemed to me that it is a sad thing that the Treasury Department had to evolve a particular tax which fell so heavily on them. As I have already stated, I think that in California at least half the tax is now being paid by servicemen and servicewomen. It is true we have a 20-percent movie tax, but it should be noted that the servicemen and women are exempted from paying it.

Would the distinguished chairman of the committee think it would be proper to take to conference. for further consideration by the Treasury, an amendment to have the cabaret tax made 20 percent, but at the same time exempting the service men and women of the Nation from paying even that tax? I am very sure that 90 percent of the American people would immediately say "aye" to such a proposal, and I believe it would remove a sore spot from the hearts of many of the service men and women.

Mr. GEORGE. Mr. President, I would not oppose an amendment of that kind. I think it would be very difficult for us to secure favorable action on it by the conferees, in view of the fact that we previously had the same question, or substantially the same one. But if the amendment is limited only to the tax on servicemen in uniform, I have no objection to it, because that was precisely what the Senate approved on a vote when the tax bill was before it. However, I am afraid we would not be able to sustain it in conference.

Mr. DOWNEY. Mr. President, am I to understand, at least, that the distinguished chairman of the committee is willing to accept that modification of the amendment, namely, to have the amendment made 20 percent, instead of 10 percent?

Mr. GEORGE. If it is made 20 percent, and if the exemption is limited to men and women in uniform.

Mr. DOWNEY. The prior amendment which was presented was carefully worked out so that the exemption was to be allowed only to men and women in uniform who themselves enjoyed the entertainment and who themselves paid the bill.

Mr. GEORGE. Yes.

Mr. DOWNEY. So, Mr. President, in accordance with the suggestion of the distinguished chairman of the committee, I now offer the amendment to reduce the cabaret tax to 20 percent, and I add to it an amendment in the same language as that which was previously presented, exempting service men and women in uniform from the payment of that tax when they actually pay the bill and when they themselves enjoy the food and the entertainment.

The PRESIDING OFFICER. The Senator from California has modified his amendment. The question is on agreeing to the amendment modified.

The amendment as modified was agreed to.

Mr. BILBO. Mr. President, in the meantime I had prepared an amendment

reducing the rate of the amusement tax from 20 percent to 10 percent. I did that in anticipation of the adoption of the amendment originally offered by the Senator from California.

However, inasmuch as it has been agreed that the cabaret tax shall be 20 percent, with exemption of members of the armed forces from payment of the tax, and since they receive similar consideration with respect to the tax on theater admissions, I shall not at this time press my amendment. But I wish it understood that the point I was making was to see that the cabarets did not enjoy a 10-percent tax while the theaters had a tax of 20 percent.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4464) was read the third time and passed.

DISPOSITION OF NONCURRENT AND OBSOLETE CONGRESSIONAL PUBLICATIONS

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 87, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Sergeant at Arms of the Senate, and Doorkeeper of the House of Representatives, respectively, shall prepare a statement showing the noncurrent and obsolete congressional publications now stored in the folding rooms of the Senate and House of Representatives, respectively, and to submit an itemized list thereof, in duplicate, to the Joint Committee on Printing, which is hereby authorized and directed to dispose of the publications enumerated on such lists as follows:

First. A printed statement of such publications shall be submitted to each Senator, Representative, Delegate, Resident Commissioner, and officer of the Senate and House of Representatives, and any Member or officer of either House having any of such publications to his credit may dispose of the same in the usual manner at any time before September 1, 1944.

Second. Upon the expiration of the aforesaid time the Joint Committee on Printing shall furnish to all Members of the Senate and House of Representatives, respectively, as promptly as practicable, a list of the publications herein referred to then remaining in the folding rooms, and thereupon such publications shall be subject to the order of any Senator, Representative, Delegate, or Resident Commissioner, in the order in which they are applied for, for a period of 30 days after the day when such list shall be furnished by the Joint Committee on Printing, but no application for the transfer of these publications may be honored.

Third. The Joint Committee on Printing shall furnish a list of all such publications remaining in the folding room at the expiration of the last-named period to the various departments, independent offices, and establishments of the Government at Washington, including the Superintendent of Documents, Smithsonian Institution, Library of Congress, National Archives Establishment, Bureau of American Republics, and the Commissioners of the District of Columbia, and such publications shall be turned over to any department, independent office, or establishment making written request therefor and shall be allocated in the order in which their application is made, and all such publications which shall remain in the folding rooms for a period of 10 days after such list shall have been furnished to the departments, independent offices, or establishments, aforesaid shall be delivered to the Superintendent of Documents, Government Printing Office, for such disposition as he may deem to be in the best interests of the Government, and submit a report to the Joint Committee on Printing showing the tonnage so disposed of, together with the amount of money derived from such sale which shall be deposited to the credit of miscellaneous receipts in the Treasury of the United States in accordance with existing law.

Fourth. No publication which is described in the list aforesaid shall thereafter be returned to the folding rooms from any source.

Mr. HAYDEN. Mr. President, adoption of the resolution will make available for use, in order to help meet the paper shortage, a considerable quantity of papers now stored in and around the Capitol. It is highly desirable that the concurrent resolution be agreed to. I now move that the Senate concur in the House concurrent resolution.

Mr. WHITE. Mr. President, will the Senator indicate what the resolution is?

Mr. HAYDEN. The resolution provides for the disposition of certain noncurrent and obsolete congressional publications which now are stored in various places in the Senate and House Office Buildings and the Capitol, and which have been thoroughly examined. The disposal of such papers will help meet the paper shortage. The proposal is very well worked out, and I think is satisfactory to all concerned. I think the concurrent resolution should be agreed to.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona to concur in the House concurrent resolution.

The motion was agreed to.

ADDITIONAL COPIES OF REPORT ON C. I. O. POLITICAL ACTION COMMITTEE

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 88, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 50,000 additional copies of the report (No. 1311) of the Special Committee on Un-American Activities of the House of Representatives, dealing with the leadership of the Congress of Industrial Organizations Political Action Committee, of which 6,000 copies shall be for the Committee on Un-American Activities of the House and 44,000 copies for the use of the House document room.

Mr. HAYDEN. Mr. President, adoption of the concurrent resolution is desired by the House. I move that the Senate concur in the House concurrent resolution.

The motion was agreed to.

RIVER AND HARBOR IMPROVEMENTS

Mr. OVERTON. Mr. President, there is on the calendar order of business No. 915, House bill 3961, being the River and Harbor bill which was recently passed by the House, and which was considered for a number of days by the Commerce Committee of the Senate. I am desirous of proceeding——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. OVERTON. For what purpose?

Mr. AIKEN. I was about to suggest the absence of a quorum. Other Members of the Senate are interested in the Senator's explanation.

Mr. OVERTON. I shall be glad to yield now for that purpose, or I can yield later. I had not finished my statement. Perhaps I had better complete my statement. I myself had in mind suggesting the absence of a quorum.

I realize that the O. P. A. bill has not as yet been reported. It is expected that it will be reported within a few days. I consulted with the majority leader the other day, when it was anticipated that the price-control bill would be reported so that it could be considered by the Senate tomorrow. I had a tentative understanding with him that it would be agreeable for me to call up the river and harbor bill immediately following the passage of the price-control bill, which, as I stated, the majority leader said would be taken up tomorrow. It is not my desire to interfere with the consideration of the price-control bill. If my motion is agreed to, it is my purpose to request that the river and harbor bill be temporarily laid aside in order to permit the consideration of the price-control bill. In the meantime, I do not expect to present any controversial features in the bill.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MURDOCK. I talked with the Senator from Wyoming [Mr. O'MAHONEY] just before he left. He stated that it was his understanding that any controversial amendments would be passed over until the conclusion of the consideration of the price-control bill. Is that the understanding of the distinguished Senator?

Mr. OVERTON. That is correct—unless the price-control bill should be unduly delayed, until next Tuesday, for example.

Mr. AIKEN. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. OVERTON. I yield for that purpose.

Mr. AIKEN. I suggest the absence of a quorum. What the Senator is saying is of interest to every Member of the Senate.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Reynolds
Austin	Guffey	Robertson
Bankhead	Hatch	Russell
Bilbo	Hawkes	Shipstead
Buck	Hayden	Stewart
Burton	Holman	Taft
Butler	Jackson	Thomas, Idaho
Byrd	Johnson, Colo.	Tobey
Capper	La Follette	Truman
Caraway	McClellan	Tunnell
Chandler	McFarland	Tydings
Chavez	McKellar	Vandenberg
Connally	Maybank	Wagner
Cordon	Mead	Wallgren
Danaher	Millikin	Walsh, Mass.
Davis	Murdock	Walsh, N. J.
Downey	Murray	Weeks
Eastland	Nye	Wheeler
Ellender	O'Daniel	Wherry
Ferguson	O'Mahoney	White
George	Overton	Wiley
Gerry	Radcliffe	Wilson
Gillette	Reed	

The PRESIDING OFFICER. Sixty-eight Senators having answered to their names, a quorum is present.

Mr. OVERTON. Mr. President, I now move that the Senate proceed to the consideration of House bill 3961.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. WHITE. Mr. President, I hope the Senator from Louisiana will not press his motion. I believe we have had a pretty definite understanding in the Senate for some days as to what the legislative program should be. I feel very sure that it was understood generally by all Senators that today we would take up the debt limitation bill, and that the remaining time would be devoted to the consideration of the so-called O. P. A. bill. I understand that the O. P. A. bill is not ready to be taken up immediately. However, I believe that we have a right to rely upon the agreed sequence of events, and that it was definitely understood that the river and harbor bill would not be taken up until after disposing of the O. P. A. measure.

Mr. President, I believe that we should be jealous to the extreme with respect to agreements entered into, whether they be as the result of formal unanimous consent requests, or of some other nature.

Mr. OVERTON. Mr. President, will the Senator allow me to interrupt him?

Mr. WHITE. I think we should be careful to see that understandings entered into are faithfully observed by all Members of the Senate.

Mr. OVERTON. Mr. President, I yield no further. The Senator has involved me in an agreement of which I have never heard.

Mr. WHITE. Mr. President, was I recognized or not?

Mr. OVERTON. No; I yielded to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Louisiana yielded to the Senator from Maine.

Mr. OVERTON. If the Senator will permit me as a matter of courtesy, I shall be very glad to explain that there has been no agreement of which I know about anything of the nature he has suggested. If there had been such an agreement, it seems to me that those responsible for it would have consulted the Senator in charge of the river and harbor bill. If any such agreement was entered into, it was between Senators who never spoke to me about it.

All I know about the situation is this: A few days ago I saw the majority leader and told him that I should like to bring up on Monday—that is last Monday—the river and harbor bill, and make it the unfinished business. He said in effect, "We are going to take up the O. P. A. bill next Thursday, and I think it would be better for you to wait until then. On that day we can proceed to dispose of the O. P. A. bill."

I now understand that the O. P. A. bill, which was expected to be reported today, will not be reported until some time next week. That is my understanding of the suggestion made by the majority leader.

Mr. WHITE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Maine?

Mr. OVERTON. I yield.

Mr. WHITE. I did not undertake to state that there had been a specific agreement entered into with the Senator from Louisiana, but it was stated upon this floor what would be the sequence of legislative matters to be taken up. We were told that the debt limitation bill would be taken up today. We were told that the O. P. A. bill would come next. What is now being proposed is not a following of that sequence but a rearrangement of the program.

I understand also that the evidence heard before the committee, upon which this bill rests, and upon which the report is based, has not been printed, and is not yet available to Senators.

Mr. President, when I learned that I did not have the floor I was about to say that we ought to be most jealous in respect to our understandings, whether they be expressed or implied. Otherwise, agreements cannot be entered into, and understandings cannot be reached.

As a practical matter, I understood the Senator from Louisiana to suggest that only noncontroversial matters in the bill would be taken up.

Mr. OVERTON. That is correct.

Mr. WHITE. If my information is correct, most of the bill is controversial.

Mr. OVERTON. The Senator's information is incorrect.

Mr. WHITE. If we take up the bill now, substantially nothing will be accomplished in the way of progress, because I believe that objections will be made to many if not most of the sections of the bill. I appeal to the Senator because I believe I am appealing in behalf of a common understanding in this body. I appeal to the Senator not to press his motion at the present time.

Mr. REVERCOMB. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from West Virginia?

Mr. OVERTON. Allow me to make a few brief remarks and then I shall be glad to yield.

Today the Senate is doing nothing legislatively. There is perhaps nothing to be taken up this afternoon. The remainder of the afternoon may be wasted so far as the consideration or passage of any bill is concerned. I know of nothing in prospect to be taken up until tomorrow. That may be true on the following day. Will the Senate stand idle and wait until the Committee on Banking and Currency brings in a report on the O. P. A. bill? I wish to be perfectly fair and frank about the matter. All I ask to do is to take up the river and harbor bill, in which the people of the United States are generally interested. A great many sections of the United States desire to see action taken by the Senate upon the bill. What I desire to do is merely to take up the bill, make it the unfinished business, and dispose of the noncontroversial items contained in it.

The Senator from Maine makes the surprising statement that practically everything in the bill is controversial. If so, it is strange that no one appeared before our committee, which spent days in considering the bill, in opposition to very many of the items. I have in mind the Beaver-Mahoning Rivers item in Pennsylvania, the Tennessee-Tombigbee River, the Missouri River, and the Central Valley Authority.

Those are the projects which are controversial. There is also another item which does not appear as an amendment which originates in California, and that is the Central Valley project. There was a provision in the bill in connection with the Central Valley project which was eliminated by the Senate Commerce Committee.

Those are the controversial items. If controversies concerning other items spring up it is simply because of a determined desire on the part of some people to delay the consideration of the bill. I merely want to advance it to the point where it can come up and the controversial items be considered immediately following the O. P. A. legislation.

Mr. ROBERTSON and Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Louisiana yield, and if so, to whom?

Mr. OVERTON. I yield first to the Senator from Wyoming.

Mr. ROBERTSON. Mr. President, I must oppose the motion to bring this bill up at this time, for the reason that there are being prepared minority views opposing the bill. I advised the distinguished Senator from Louisiana that such minority views were being prepared, and I also advised the chairman of the Committee on Commerce, the Senator from North Carolina [Mr. BAILEY]. The delay in preparing the minority views is being caused by delay in receiving the majority report. The majority report was not available until Monday. The minority views will be ready to be presented for printing tomorrow. The minority views go to the entire bill. I must oppose the motion for the further reason that the hearings on the bill have not as yet been published in their entirety.

Mr. SHIPSTEAD. Have they been printed?

Mr. NYE. Not in their entirety.

Mr. ROBERTSON. A small portion of the hearings have been printed and released, but the great majority dealing with the controversial provisions of the bill have not been printed. I feel it impossible for Senators to arrive at a proper understanding of the bill until such time as they are enabled to read the hearings.

Mr. OVERTON. In reply to what the able Senator from Wyoming has said, I am dumbfounded when he advises that he is going to submit minority views and object to practically every item in the bill. The Senator served on the subcommittee and was also, of course, present in the full committee and there were only three or four controversial items,

only one of which he opposed, and that was the Missouri River navigation project. Possibly he voted against one other project, I do not recall as to that; but, anyway, there were not more than four controversial projects before the committee of which the able Senator from Wyoming is a member, and he participated in the hearings of the subcommittee, and in the deliberations of the full committee. I will ask the Senator frankly if the purpose is to filibuster this bill on the part of certain Senators.

Mr. ROBERTSON. I have no knowledge of any filibuster on this bill, I will say to the Senator from Louisiana. I should like also to correct the Senator by saying that the vote in the committee was largely on bringing the bill to the floor. It was pointed out in the committee that, regardless of what took place in the committee, discussion on the bill would be continued on the floor of the Senate. There was, therefore, very little opposition expressed in the committee meeting, in order to save time and get the report printed and brought to the floor of the Senate. At least, that is my understanding.

Mr. OVERTON. Senators reserved the right to vote as they saw fit with reference to certain of the controversial items I have mentioned. Certainly any Senator has a right to vote as he pleases on the floor of the Senate on any item of the bill and is not bound by his vote in committee.

The hearings have not been fully printed, but I understand they will be printed completely by tonight or tomorrow, although I may be misinformed. The sole purpose is to make this bill the unfinished business, which will carry out what the able minority leader has in mind, and that is that it will follow immediately upon the O. P. A. legislation. What I desire is to have it placed in a position where it will follow the O. P. A. measure.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. OVERTON. I yield to the Senator from Tennessee.

Mr. McKELLAR. I want to say to the Senator that I see in the bill there is an item for a waterway connecting the Tombigbee and the Tennessee Rivers.

Mr. OVERTON. I mentioned that, I will say to the Senator, as one of the controversial items that will not be considered until it is reached in the consideration of the bill after consideration of the price-control bill.

Mr. McKELLAR. I do not know about it. As I recall, it was defeated the last time it was before the Senate. I know it was defeated in the Congress. I notice that it is to cost $66,000,000. We already have a waterway to the Gulf of Mexico, and it seems to me that it would be very unwise to provide for the project. I have not had an opportunity of examining the hearings and I should like very much if the Senator would postpone the matter until we could have time to look over the hearings.

Mr. OVERTON. The hearings on the Tennessee-Tombigbee project are printed and they are available to the Senator.

Mr. McKELLAR. I shall certainly look into them. I did not know they had been printed.

Mr. TOBEY and Mr. STEWART addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Louisiana yield, and if so, to whom?

Mr. OVERTON. I yield first to the Senator from New Hampshire.

Mr. TOBEY. What is the total amount of money involved if all the projects are carried out? Would it call for half a billion dollars?

Mr. OVERTON. I do not recall the exact amount.

Mr. TOBEY. Can the Senator give us an idea of the relative amount? Would he say it was half a billion dollars, or more, or how much?

Mr. OVERTON. I should say that the amount is perhaps approximately $500,000,000.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. WHITE. My recollection from a hasty glance at the report is that the amount carried is $498,000,000-plus.

Mr. TOBEY. I should like to propound a further question. In the Senator's judgment, what proportion of the projects and appropriations in this bill are for post-war work and what for work incidental to carrying on the war?

Mr. OVERTON. All the projects are proposed as post-war projects, "unless," as stated in the bill, "the construction of such project has been recommended by an authorized defense agency and approved by the President as being necessary and desirable in the interest of the national defense and security, and the President has notified Congress to that effect." In that event a project may be undertaken before the termination of the war.

Mr. TOBEY. In the Senator's opinion, would it not be a germane and constructive thing to do to segregate those portions of the bill which have to do with the present carrying on of the war and leave the others in futuro?

More than that, I find that hardy perennial, the Tombigbee project, calling for $66,000,000, which is the largest single amount in the bill. As long as I have been a Member of the Senate it has cropped up each year. Is that project incidental or is it necessary in carrying on the war, in the Senator's judgment?

Mr. OVERTON. In my judgment, it is not necessary for carrying on the war.

Mr. TOBEY. Would the Senator join with me and other Senators, perhaps, in putting into the bill a provision preventing the inauguration of such projects as are not needed for the prosecution of the war saying "à bas," down with them, and let the American people say what constructive action shall be taken when the war is won?

Mr. OVERTON. I regret that I cannot comply with the suggestion of the Senator. I do not think that the Congress could properly do that. It is a matter to be determined from time to time, and a provision is inserted in the bill that projects may be undertaken on recommendation made by an authorized national defense agency, and approved by the President. If the President determines that a project should, in the interest of the war, be immediately prosecuted, then it is submitted to Congress for proper appropriation.

Mr. TOBEY. Would it not be practical and helpful and encouraging to let the country know that the Senate of the United States had put into force a policy by which we embalmed, cremated, and buried a number of these projects for the duration?

Mr. OVERTON. That is an argument on the merits of the bill.

Mr. STEWART. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield.

Mr. STEWART. I wish to ask the Senator a question with respect to the Tombigbee Canal provision.

Mr. OVERTON. Of course, that is controversial, and could not be taken up until after the O. P. A. legislation is disposed of.

Mr. STEWART. It is in the bill as an amendment, I understand.

Mr. OVERTON. It is.

Mr. STEWART. The bill has already passed the House?

Mr. OVERTON. Yes; the bill has passed the House.

Mr. STEWART. That is, the bill the Senator is seeking to have taken up now has already passed the House?

Mr. OVERTON. The Senator is correct.

Mr. STEWART. Was the Tombigbee amendment offered in the House and defeated there to this bill, or was it another measure?

Mr. OVERTON. To the bill we are now discussing.

Mr. STEWART. So it is here as a new committee amendment?

Mr. OVERTON. That is correct.

Mr. McKELLAR. Let me ask, who came before the committee to testify in regard to it?

Mr. OVERTON. We spent some time on it, and the engineers testified in reference to it. We heard General Robins and Colonel Feringa, as well as the Chief of Engineers, and there was testimony by citizens of the State of Alabama, and of Mississippi, and railway representatives with reference to it. Representative RANKIN appeared before the committee and so did the Senator from Alabama [Mr. BANKHEAD] and the Senator from Mississippi [Mr. BILBO].

Mr. McKELLAR. Did the Chief of Engineers recommend it?

Mr. OVERTON. I am afraid I cannot yield further on this matter, because if we get into the Tombigbee Canal project, we will be 2 days in the discussion of that item alone.

Mr. McKELLAR. I do not want to do that, but inasmuch as the same amendment was offered a year ago, I believe——

Mr. OVERTON. Three years ago.

Mr. McKELLAR. And voted down by a vote of 56 nays to 17 yeas, I never dreamed it would be put into this bill, and I am greatly astonished to find it in the bill.

Mr. OVERTON. I shall be glad to undertake to explain it when we reach it.

Mr. ROBERTSON. Mr. President, I should like to omit, from my objection to the request for the consideration of the bill any project which has been recommended by an authorized defense agency and approved by the President as being necessary or desirable in the interest of the national defense and security, and the President has notified the Congress to that effect.

Mr. GUFFEY. Mr. President, will not the Senator from Wyoming repeat his remark? The Senator from Louisiana and I could not hear it.

Mr. ROBERTSON. I said I would omit from my objection to the request for the consideration of the bill any project which has been recommended by an authorized defense agency and approved by the President as being necessary or desirable in the interest of the national defense and security, and the President has notified the Congress to that effect.

Mr. OVERTON. Mr. President, I am about to yield the floor. I repeat, I have moved to proceed to the consideration of the bill. No controversial items will be taken up until we get through with the O. P. A. bill. It is my desire to bring the bill to full consideration after the passage of the O. P. A. bill.

Mr. AIKEN. Mr. President, I am sorry the Senator from Louisiana has made the motion he has made. This rivers and harbors bill is one in which I am much interested; it is a measure in which some Senators who are not present today are much interested, and I am sure that those who are absent had not the slightest idea that any move would be made to bring the bill before the Senate today.

I spoke to the majority leader last week about the bill, the same majority leader whom we all respect, and who was reelected unanimously by his party as majority leader not long ago, and he told me that this bill would not come up until after the O. P. A. bill has been voted on.

Mr. OVERTON. Did he not tell the Senator that the O. P. A. bill would be reported Thursday and come up on Thursday?

Mr. AIKEN. It was expected at that time that it would, but the rivers and harbors bill is going to take a long time before it is passed. If we cannot take a statement of the majority leader, who in heaven's name should we ask about these bills? It is unfortunate that the majority leader cannot be here today. I do not know whether or not he will be surprised to find that a move was made to take the bill up in his absence, because I am sure what he stated was regarded as an agreement, even though it was not signed, sealed, and witnessed, that the rivers and harbors bill would not be brought up until after the O. P. A. bill had been disposed of.

I do not see why the Senator from Louisiana wants to take it up now, anyway. He says he desires to take up the noncontroversial items in the bill. As I look through the bill, I find that there are about a dozen amendments in it which might be considered noncontroversial. I do not think that, altogether, it would take over 10 or 12 minutes to dispose of them. What is the use talking of taking up this bill to be worked on today and tomorrow, when there will not be over 10 minutes' work connected with it when it is brought up?

Furthermore, how do we know what will be controversial and what will be noncontroversial? The hearings have not been printed a sufficient length of time to enable us to have a chance to study the testimony. I understand some of the testimony has not been printed at all, and why should this measure be brought up now, when we have not had a chance to read the hearings, or even to read the minority views which are to be filed?

If the bill shall be brought up now, the effect will be, as I understand, to give it right-of-way after the O. P. A. bill shall have been disposed of. It seems to me that if this is a worthy measure it can stand on its own feet after the O. P. A. bill is disposed of, without bringing it up in the manner now suggested. If it is brought up now and worked on for 10 minutes and then suspended for a week, it will merely mean it would have precedence over a great deal of "must" legislation, which we have to take care of before we can consider any recess. It would have precedence over the independent offices appropriation bill, which we have not as yet acted on finally; it would have precedence over the agricultural appropriation bill, which has not been disposed of, if my understanding is correct; and other "must" legislation. Why should we take this bill up now, particularly in the absence of the majority leader, when it is comprised almost wholly of projects which cannot be started until 6 months after the end of the war?

Mr. OVERTON. Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

Mr. MAYBANK. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Reynolds
Austin	Guffey	Robertson
Bankhead	Hatch	Russell
Bilbo	Hawkes	Shipstead
Buck	Hayden	Stewart
Burton	Holman	Taft
Butler	Jackson	Thomas, Idaho
Byrd	Johnson, Colo.	Tobey
Capper	La Follette	Truman
Caraway	McClellan	Tunnell
Chandler	McFarland	Tydings
Chavez	McKellar	Vandenberg
Connally	Maybank	Wagner
Cordon	Mead	Wallgren
Danaher	Millikin	Walsh, Mass.
Davis	Murdock	Walsh, N. J.
Downey	Murray	Weeks
Eastland	Nye	Wheeler
Ellender	O'Daniel	Wherry
Ferguson	O'Mahoney	White
George	Overton	Wiley
Gerry	Radcliffe	Wilson
Gillette	Reed	

The PRESIDING OFFICER. Sixty-eight Senators have answered to their names. A quorum is present.

The question is on the motion of the Senator from Louisiana [Mr. OVERTON] that the Senate proceed to the consideration of House bill 3961. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. BANKHEAD. My colleague the junior Senator from Alabama [Mr. HILL] is necessarily absent. If he were present, he would vote "yea."

Mr. WHERRY. The junior Senator from South Dakota [Mr. BUSHFIELD] is necessarily absent. If he were present and were permitted to vote, he would vote "nay."

Mr. TRUMAN. The senior Senator from Missouri [Mr. CLARK] is absent on official business. If he were present and were voting, he would vote "yea."

Mr. OVERTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Arkansas [Mrs. CARAWAY] has been called from the Senate on public business. I am advised that if present and voting, she would vote "yea."

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business. I am advised that if present and voting, they would vote "nay."

The Senator from Iowa [Mr. GILLETTE] is detained in one of the Government departments on matters pertaining to his State.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MALONEY], the Senator from South Carolina [Mr. SMITH], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senators from Florida [Mr. ANDREWS and Mr. PEPPER] would vote "yea," and the Senator from Idaho [Mr. CLARK] would vote "nay."

The Senator from North Carolina [Mr. BAILEY] and the Senator from Kentucky [Mr. BARKLEY] are necessarily absent. I am advised that, if present and voting, the Senator from Kentucky [Mr. BARKLEY] would vote "yea."

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Minnesota [Mr. BALL], the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. BROOKS], the Senator from South Dakota [Mr. GURNEY], the Senator from North Dakota [Mr. LANGER], the Senator from Oklahoma [Mr. MOORE], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Indiana [Mr. WILLIS].

The result was announced—yeas 21, nays 45, as follows:

YEAS—21

Bankhead	Chavez	Ellender
Bilbo	Connally	George
Byrd	Downey	Hatch
Chandler	Eastland	Hayden

McClellan	Overton	Truman
Maybank	Radcliffe	Wallgren
Murdock	Russell	Walsh, Mass.

NAYS—45

Aiken	Jackson	Stewart
Austin	Johnson, Colo.	Taft
Buck	La Follette	Thomas, Idaho
Burton	McFarland	Tobey
Butler	McKellar	Tunnell
Capper	Mead	Tydings
Cordon	Millikin	Vandenberg
Danaher	Murray	Wagner
Davis	Nye	Walsh, N. J.
Ferguson	O'Daniel	Weeks
Gerry	O'Mahoney	Wheeler
Green	Reed	Wherry
Guffey	Reynolds	White
Hawkes	Robertson	Wiley
Holman	Shipstead	Wilson

NOT VOTING—30

Andrews	Clark, Idaho	McCarran
Bailey	Clark, Mo.	Maloney
Ball	Gillette	Moore
Barkley	Glass	Pepper
Bone	Gurney	Revercomb
Brewster	Hill	Scrugham
Bridges	Johnson, Calif.	Smith
Brooks	Kilgore	Thomas, Okla.
Bushfield	Langer	Thomas, Utah
Caraway	Lucas	Willis

So Mr. OVERTON's motion was rejected.

NOTICE OF MOTION TO CONSIDER BILL EXTENDING THE PRICE CONTROL AND STABILIZATION ACTS

Mr. WAGNER. Mr. President, I announce that on Monday, next, I shall move the consideration of Calendar No. 935, Senate bill 1764, extending the Price Control and Stabilization Act.

EXECUTIVE SESSION

Mr. GEORGE. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mrs. CARAWAY, from the Committee on Commerce:

Lorne G. Taylor, to be aide, with relative rank of ensign, in the Coast and Geodetic Survey.

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

Captain Worrall R. Carter, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander Service Squadron Ten; and

The following-named midshipmen to be second lieutenants in the Marine Corps from the 7th day of June 1944 in lieu of appointment as ensign in the Navy as previously nominated and confirmed:

William L. McCulloch, Robert J. McDevitt, and Sumner A. Vale.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

ARMY NOMINATIONS PREVIOUSLY PASSED OVER

The legislative clerk proceeded to read sundry nominations in the Army, which had previously been passed over.

Mr. WHITE. Mr. President, at my request these nominations were passed over at the last call of the Executive Calendar. I have no desire to have them passed over further, but I bring the matter to the notice of Senators who may have different ideas on the subject.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

Mr. CHANDLER. I ask that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

THE JUDICIARY

The legislative clerk read the nomination of Joseph F. Deeb to be United States attorney for the western district of Michigan.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Cleon A. Summers to be United States attorney for the eastern district of Oklahoma.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank S. Tavenner, Jr., to be United States attorney for the western district of Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Julius J. Wichser to be United States marshal for the southern district of Indiana.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Robert L. Shivers to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, T. H.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. McKELLAR. I ask that the Public Health Service nominations be confirmed en bloc, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified forthwith.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the nominations of postmasters confirmed en bloc; and, without objection, the President will be notified forthwith.

Mr. McKELLAR. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

AUTHORIZATION FOR JUDICIARY COMMITTEE TO SUBMIT REPORT DURING RECESS

Mr. GEORGE. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

Mr. HATCH. Mr. President, will the Senator withhold that motion for a moment?

Mr. GEORGE. Certainly.

Mr. HATCH. Let me ask the acting majority leader if it is planned to hold a session of any length tomorrow. The reason I ask is that the Judiciary Committee is to have a meeting at 11:30 in the morning, which may require an hour or two. It may be desired to submit a report tomorrow. The report may not be ready until late in the afternoon.

Mr. GEORGE. Mr. President, I do not know of anything which will keep the Senate in session very long tomorrow, but we cannot take a recess from today until Monday.

Mr. HATCH. In view of that situation, perhaps I should ask unanimous consent to submit a report from the Judiciary Committee during the recess of the Senate. I make that request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

RECESS

Mr. GEORGE. Mr. President, there will be four important nominations to be considered tomorrow. So far as I know there will be no objection to any of them. I refer to the reappointment of four judges of The Tax Court, whose terms expire tomorrow night at midnight. It is desirable that those nominations be acted upon tomorrow.

As in legislative session, I renew my motion that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 49 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 1, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 31 (legislative day of May 9), 1944:

INTERSTATE COMMERCE COMMISSION

George M. Barnard, of Indiana, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1950, vice Joseph B. Eastman, deceased.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named officers for promotion in the Regular Corps of the United States Public Health Service:

Howard J. Woodbridge, passed assistant dental surgeon, to be temporary dental surgeon effective April 1, 1944.

Sidney Frederick, assistant dental surgeon, to be temporary passed assistant dental surgeon effective April 1, 1944.

Charles F. Blankenship, surgeon, to be temporary senior surgeon effective May 1, 1944.

John W Cronin, surgeon, to be temporary senior surgeon effective May 1, 1944.

Ralph Erhart Wenzel, passed assistant surgeon, to be temporary surgeon effective May 1, 1944.

Alfred H. Lawton, assistant surgeon, to be temporary passed assistant surgeon effective May 1, 1944.

Walter B. Quisenberry, assistant surgeon, to be temporary passed assistant surgeon effective May 1, 1944.

Albert Henry Stevenson, assistant sanitary engineer, to be temporary passed assistant sanitary engineer effective May 1, 1944.

Frank Tetzlaff, assistant sanitary engineer, to be temporary passed assistant sanitary engineer effective May 1. 1944.

August T. Rossano, Jr., assistant sanitary engineer, to be past assistant sanitary engineer effective June 2, 1944.

IN THE NAVY

The following to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the date stated opposite their names:

Henry S. Bennett, January 21, 1942.
Paul R. Gottschalk, February 11, 1942.
Henry S. Colony, March 9, 1942.
John J. Milici, March 27, 1942.
John C. Thorn, April 1, 1942.
Roger H. Fuller, April 28, 1942.
Douglas J. Giorgio, May 24, 1942.
Arthur VanB. Miller, Jr., July 13, 1942.
John T. Simonton, July 14, 1942.
John I. Rinne, Jr., September 24, 1942.
John O. Ryan, March 18, 1943.
Clarke M. Young, June 21, 1943.
Francis G. Geer, July 1, 1943.
Richard A. Nelson, July 7, 1943.
David Eder, July 9, 1943.
Charles P. De Lawter, July 10, 1943.
Howard L. Evans, July 10, 1943.
Rudolph P. Nadbath, July 10, 1943.
William V. Luetke, July 11, 1943.
Joseph H. Smith 2d, August 9, 1943.
Dean Schufeldt, August 22, 1943.
Robert W. Hyatt, September 6, 1943.
Francis R. Buchanan, September 10, 1943.
Robert J. Davis, October 3, 1943.
Edwin A. Rasberry, Jr., November 29, 1943.
Allen B. Barbour, January 1, 1944.
Douglas H. Robinson, January 1, 1944.
Arthur L. Haskins, Jr., January 1, 1944.
Raymond A. McCanse, January 1, 1944.
John J. Stanton, Jr., January 1, 1944.
Edward M. Greaney, January 1, 1944.
Ralph E. Faucett, January 1, 1944.
Eugene Loopesko, January 1, 1944.
Robert D. Dunbar, January 1, 1944.
Henry F. Albronda, January 1, 1944.
Frederick Murtagh, Jr., January 1, 1944.
Perf P. Riparetti, January 1, 1944.
Orliss Wildermuth, January 1, 1944.
John Lingenfelder, January 1, 1944.
Thomas G. Hennessy, January 1, 1944.
James J. Benn, Jr., January 1, 1944.
Matthew E. Kuber, January 1, 1944.
Harry LeR. Allen, January 1, 1944.
Robert B. Roach, January 1, 1944.,
Truman S. Smith, January 1, 1944.
William C. Thompson, January 1, 1944.
Manley J. Capron, Jr., January 1, 1944.
Walter E. J. Maher, January 1, 1944.
Robert D. Gilliam, January 1, 1944.
Marshall M Parks, January 1, 1944.
Charles R. Oliphant, January 1, 1944.
John S. Miller, January 1, 1944.
Duncan B Marsh, January 1, 1944.
Joseph D Knobloch, January 1, 1944.
Donald S Williams, January 1, 1944.
Frederic B. Breed, January 1, 1944.
DeWitt S. True, January 1, 1944.
Alvis B Dickson, January 1, 1944.
John W. Cederquist, January 1, 1944.
John E. Goebel, January 1, 1944.
Albin A. Jankowitz, January 1, 1944.
William Rottschaefer, January 1, 1944.
Byron J. Casey, Jr., January 1, 1944.
Robert H. Palmer, January 1, 1944.
Samuel H. Jacob, January 1, 1944.
Lloyd J. Hill, January 1, 1944.
John R. Riesen, Jr., January 1, 1944.
George E. Vaupel, January 1, 1944.
Robert A. Crawford, Jr., January 1, 1944.
John J. Price, Jr., January 1, 1944.
Jerman W. Rose, Jr., January 1, 1944.
James M. Hunter, January 1, 1944.
John F. Flynn, January 1, 1944.
Edward E. Bell, January 1, 1944.
Floyd R. Mays, Jr., January 1, 1944.
David J. Williams, Jr., January 1, 1944.
James L. Dean, January 1, 1944.
Merrill W. Rusher, January 1, 1944.
Joseph A. Michaud, January 1, 1944.
Frank W. Cleary, January 1, 1944.
Irving K. Neece, January 1, 1944.
Edward F. McCabe, January 1, 1944.
Francis L. Richardson, January 1, 1944.
Wilson O Wagner, January 1, 1944.
Robert F. Meeko, January 1, 1944.
Jeptha R. Macfarlane, January 1, 1944.
James R. McArtor, January 1, 1944.
John B. Reddy, January 1, 1944.
William H. Jeric, January 2, 1944.
James A. Smith, January 2, 1944.
Allen "B" Wheelis, January 3, 1944.
Herbert E. Hamel, January 3, 1944.
Philip L. Cenac, January 5, 1944.
Roy K. Goddard, Jr., January 5, 1944.
Robert B. Cochran, January 5, 1944.
Lawrence Rockwood, January 6, 1944.
Dale B. Patterson, January 7, 1944.
John I. McGirr, Jr., January 8, 1944.
Joseph M. Lubart, January 9, 1944.
Richard R. Gratton, January 9, 1944.
Robert F Keadle, January 9, 1944.
Cornelius J. Sullivan, January 9, 1944.
Thomas E. Atkinson, Jr., January 9, 1944.
Sydney G. Willner, January 9, 1944.
Dale B. Watkins, January 10, 1944
Ralph R. Snowball, January 11, 1944.
Gerald M. Eastham, January 12, 1944.
Charles B. Newton, January 12, 1944.
Peter J. Guthorn, January 12, 1944.
Chester B. Noyes, Jr., January 12, 1944.
James T. Thickstun, January 12, 1944.
Earle K. Harris, January 12, 1944.
Frank B. Clare, January 12, 1944.
William E. Morris, January 12, 1944.
Albert R. Allen, January 12, 1944.
John S. Shaffer, January 12, 1944.
Eldred W. Barnes, January 12, 1944.
Paul C. Roock, January 12, 1944.
Eugene V. Bigelow, January 12, 1944.
Martin S. Barnes, January 13, 1944.
Mervyn J. Sullivan, January 13, 1944.
John E. Hertner, January 13, 1944.
Joseph L. Bordenave, January 14, 1944.
Alfred F. Kandlbinder, January 14, 1944.
Lawrence E. Banks, January 14, 1944.
Fernly E. Johnson, January 15, 1944.
Marvin D. Courtney, January 15, 1944.
Cloyd L. Arford, January 15, 1944.
Mark E. L. Nolte, January 15, 1944.
Wayne A. Chadbourn, January 15, 1944.
Benjamin Bofenkamp, January 15, 1944.
Howard W. Hill, January 16, 1944.
David L. Hearin, January 16, 1944.
Boyd K. Black, January 16, 1944.
Arthur M. Knight, Jr., January 17, 1944.
Frederick A. Waldron, January 17, 1944.
Ralph L. Wilkening, January 17, 1944.
Fred M. Harper, January 17, 1944.
Gilman C. Paynter, January 17, 1944.
Wendell W. Robley, January 17, 1944.
Donald D. Albers, January 18, 1944.
Walter M. Glass, January 18, 1944.
Carl E. Pruett, January 18, 1944.
Robert H. Wyatt, January 19, 1944.
Arthur H. Parmelee, Jr., January 19, 1944.
Eugene W. Huntley, January 19, 1944.
Neal F. Yeomans, January 19, 1944.
Donald M. McIntyre, January 19, 1944.
John K. Barbieri, January 20, 1944.
Raymond C. D. Youngberg, January 20, 1944.
William W. Miller, Jr., January 20, 1944.
G. Alan Neufeld, January 21, 1944.
Bruce H. Smith, Jr., January 22, 1944.
Harvey T. Pullen, January 22, 1944.
John D. Bolton, January 23, 1944.
Philip Shulman, January 23, 1944.
Edward R. Hawkins, January 23, 1944.
Russell N. Snead, January 23, 1944.
Carol L. Plott, January 23, 1944.
Sidney W. Cohen, January 23, 1944.
Charles A. Hudson, January 23, 1944.
John D. Adams, January 24, 1944.
Harold B. Lehrman, January 24, 1944.
David J. McMurray, January 24, 1944.
Henry A. Dahlsrud, January 24, 1944.
William A. Klauber, Jr., January 24, 1944.
Frederic W. Reichardt, January 24, 1944.
George M. Stubbs, January 24, 1944.
Ralph H. Dickinson, Jr., January 24, 1944.
Peter Hydrick, January 25, 1944.
Robert B. Burtch, January 25, 1944.
Jesse F. Adams, January 25, 1944.
Malcolm F. Simmons, January 26, 1944.
Giles Q. Gilmer, January 26, 1944.
James G. Brown, January 26, 1944.
Anthony R. Furmanski, January 26, 1944.
William Toth, January 26, 1944.
Robert J. Golden, January 26, 1944.
John D. Barnes, January 27, 1944.
Curtis G. Rorebeck, Jr., January 27, 1944.
Albert L. May, Jr., January 27, 1944.
Ralph C. Frank, January 27, 1944.
Henry H. Turner 2d, January 27, 1944.
Joseph L. Kirby, Jr., January 27, 1944.
Robert L. Rouen, January 27, 1944.
George H. Tarr, Jr., January 28, 1944.
Raymond E. Lowe, January 28, 1944.
Robert E. Heerens, January 28, 1944.
Richard Q. Lewis, January 28, 1944.
Vincent J. Ritacca, January 28, 1944.
Robert J. Boucek, January 29, 1944.
Robert E. Lamberson, January 29, 1944.
Oliver W. Williamson, January 29, 1944.
Gilbert P. Lee, January 30, 1944.
Israel R. Berger, January 30, 1944
Everett C. Eickhoff, January 30, 1944.
Edwin A. Taylor, January 30, 1944.
Henry R. Cooper, February 1, 1944.
Charles W. Trader, February 1, 1944.
Howard C. Van Keuren, February 2, 1944.
Arthur O. Wooddy, February 2, 1944.
Robert E. Wise, February 2, 1944.
Nathaniel Sharp, February 3, 1944.
Albert J. Ellinger, February 3, 1944.
Irvin H. Mattick, February 3, 1944.
Leon Moses, February 6, 1944.
William E. Torrey, Jr., February 6, 1944.
Paul I. Bookstaver, February 6, 1944.
Kurt M. "D" Hansen, February 6, 1944.
James W. Taft, February 7, 1944.
John F. McCabe, February 7, 1944.
Alfred G. Green, February 7, 1944.
Philip D. Cronemiller, February 7, 1944.
Cabell Young, Jr., February 7, 1944.
Robert B. Chodos, February 8, 1944.
Kenneth P. Bachman, February 8, 1944.
John G. Sellers, February 8, 1944.
Lester W. Fix, February 8, 1944.
Alvin C. Wyman, February 10, 1944.
John H. Stover, Jr., February 10, 1944.
Irvin L. Chipman, Jr., February 10, 1944.
Leonard R. Duszynski, February 10, 1944.
Joseph F. Morabito, February 10, 1944.
Edward A. John, February 11, 1944.
John A. Ritchie, February 11, 1944.
John C. Gaffney, Jr., February 12, 1944.
Richard E. Welch, February 13, 1944.
Russell A. King, February 14, 1944.
Norman J. Robinson, February 15, 1944.
William I. Neikirk, February 15, 1944.
Peter V. Siegel, February 17, 1944.
Clyde J. Fairless, Jr., February 17, 1944.
Eugene R. Johnston, February 17, 1944.
George F. Meisinger, February 19, 1944.
Frank F. Kalchuk, February 20, 1944.
Ralph K. Brooks, February 22, 1944.
Wayland T. Coppedge, Jr., February 24, 1944.
Alfred Q. Hyde, February 24, 1944.
Robert G. Allen, February 26, 1944.

Horace H. Stovall, February 26, 1944.
Carey C. Womble, Jr., February 27, 1944.
Robert M. Brooker, March 8, 1944.
Harold H. Jones, March 8, 1944.
Lloyd H. Koelling, March 9, 1944.
Anol W. Beahm, March 9, 1944.
Harry J. Brown, March 10, 1944.
Winston R. Miller, March 10, 1944.
Chester M. Lessenden, Jr., March 10, 1944.
Walter S. Keifer, Jr., March 10, 1944.
Harlan K. Sowell, March 11, 1944.
Almon D. Blanchat, March 14, 1944.
Charles L. Johnson, Jr., March 18, 1944.
Francis M. Morgan, March 24, 1944.
Wilbur E. Gabbert, March 26, 1944.
Louis E. Adin, Jr., March 27, 1944.
David Weinstein, March 28, 1944.
James W. Tabler, March 28, 1944.
Phillip K. McNair, Jr., March 29, 1944.
John G. Thompson, March 29, 1944.
William G. Payne, March 30, 1944.
James W. McPheeters, Jr., March 30, 1944.
John Holland, 3d, April 9, 1944.
Howard Mauthe, April 10, 1944.
James I. Tyree, April 11, 1944.
David Minard, April 12, 1944.
George C. Beattie, April 12, 1944.
Richey F. Dodds, April 12, 1944.
Robert A. Morse, April 13, 1944.
Victor J. Wicks, Jr., April 13, 1944.
James T. McRee, April 15, 1944.
Frederick E. Wachter, April 16, 1944.
John W. Baird, April 16, 1944.
Herbert L. Burrows, April 17, 1944.
Enoch C. McReynolds, Jr., April 20, 1944.
Lewis H. Thomas, April 29, 1944.
Harley J. Gunderson, June 15, 1944.
Frederick C. Meadows, June 15, 1944.
Woodson C. Young, June 15, 1944.
Maitland Baldwin, June 15, 1944

The following named officers of the Naval Reserve to be assistant dental surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the date stated opposite their names:

George R. Cadman, August 10, 1942.
Edward R. Hildreth, September 1, 1942.
William F. Brooks, September 1, 1942.
Charles R. Crook, September 1, 1942.
Allan L. Springer, September 2, 1942
Robert H. Plumer, October 5, 1942.
James T. Ashwell, October 5, 1942.
Edwin B. Nutting, November 2, 1942.
Walter P. Whittaker, January 4, 1943
John B. Ferris, February 3, 1943.
Edward S. Holman, March 15, 1943.
Roger R. Nolop, April 5, 1943.
James M. Riley, April 14, 1943.
Floyd E. Dewhirst, Jr., May 4, 1943.
Loren M. Waxler, May 10, 1943.
Alvin B. Noble, May 19, 1943
Donald E. Walker, May 20, 1943.
Myron R. Pope, May 20, 1943
Dillard P. Eubank, Jr., May 31, 1943
Frank L. Packwood, June 8, 1943.
William J. Dolan, June 15, 1943.
Kenneth L. Brandt, July 21, 1943.
Arthur J. Block, July 25, 1943
Jesse E. Owens, August 8, 1943.
Wayne E. Hess, August 23, 1943.
Wayne S. Paullus, October 6, 1943.
George R. Rodelander, October 25, 1943.
Robert B. Murray, November 22, 1943.
Nathan Rogers, Jr., December 1, 1943.
Gilbert H. Larson, 2d, December 6, 1943.
Richard E. Gladziszewski, December 6, 1943.
Stanley T. Smith, December 10, 1943.
Lee H. Whitson, Jr., December 13, 1943.
Frank L. Davis, December 20, 1943.
Donald J. Farr, December 20, 1943.
George F. Smith, December 20, 1943.
Reuben W. McKee, Jr., January 5, 1944.
William L. Darnall, Jr., January 10, 1944.
Maurice M. Mosier, January 18, 1944.
William M. Harper, January 24, 1944.

Ensign Joseph A. Kriz, U. S. Navy, to be an assistant paymaster in the Navy with the rank of ensign, to rank from the 19th day of June 1942.

The following-named officers of the Naval Reserve to be ensigns in the Navy, to rank from the date stated opposite their names:

David L. Soper, October 1, 1939.
William D. Arnold, June 6, 1941.

Passed Assistant Paymaster Arthur A. Shawkey to be a passed assistant paymaster in the Navy, with the rank of lieutenant, to rank from the 14th day of January 1944, to correct his name as previously nominated and confirmed.

Assistant Dental Surgeon Frederick T. Wigand to be an assistant dental surgeon in the Navy, with the rank of lieutenant (junior grade), to rank from the 30th day of June 1941, to correct the date of rank as previously nominated and confirmed

The following ensigns to be ensigns in the Navy, to rank from the date stated opposite their names, to correct the date of rank as previously nominated and confirmed:

Robert O'Toole, Jr., January 22, 1941.
Joseph A. Locke, Jr., July 15, 1941.

The following-named assistant paymasters to be assistant paymasters in the Navy, with the rank of ensign, to rank from the date stated opposite their names, to correct the date of rank as previously nominated and confirmed:

Peter M. Lindsay, July 27, 1941.
John M. Law, July 28, 1941.
Edward F. Hines, July 28, 1941.
William M. Wilson, Jr., August 7, 1941.
Robert H. Tobias, August 14, 1941.
David D. Ryus 3d, December 20, 1941.
James E. Raynes, March 12, 1942.
Donald A. Hempson, February 17, 1943.
Robert F. Henderson, July 2, 1943.
Richard G. Henninger, July 2, 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 31 (legislative day, May 9), 1944:

THE JUDICIARY

UNITED STATES ATTORNEYS

Joseph F. Deeb to be United States attorney for the western district of Michigan.

Cleon A. Summers to be United States attorney for the eastern district of Oklahoma.

Frank S. Tavenner, Jr., to be United States attorney for the western district of Virginia.

UNITED STATES MARSHAL

Julius J. Wichser to be United States marshal for the southern district of Indiana.

COLLECTOR OF CUSTOMS

Robert L. Shivers to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, T. H.

UNITED STATES PUBLIC HEALTH SERVICE

PROMOTIONS IN THE REGULAR CORPS

To be temporary surgeons, effective April 1, 1944

Terrence E. Billings	Robert C. Dunn
Harold T. Castberg	Randall B. Haas
Louis F. Cleary	Leon S. Saler
Vernam T. Davis	Clarence A. Smith
Wightman R. Duke	Richard H. Smith
Robert D. Duncan	

To be temporary passed assistant surgeons, effective April 1, 1944

James L. Baker	Harold J. Magnuson
Donald J. Birmingham	Robert E. Miller
Paul C. Campbell, Jr.	Charles W. Parker
John F. Flynn, Jr.	Russell I. Pierce
William D. Hazlehurst	Robert T. Potter
Richard G. Henderson	David E. Price
Robert V. Holman	Edmund J. Schmidt
James M. Hundley	Charles C. Shepard
Llewellyn E. Kling	Charles L. Williams, Jr.
Edward W. Kunckel	Norman Wagner

To be temporary passed assistant sanitary engineers, effective April 1, 1944

Callis H. Atkins
August T. Rossano, Jr.

To be temporary sanitary engineers, effective April 1, 1944

Vernon G. MacKenzie
Frank E. DeMartini

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

To be major generals to rank from dates shown with their respective names

Jonathan Mayhew Wainwright, August 31, 1943.
Joseph Warren Stilwell, September 1, 1943.
Brehon Burke Somervell, September 3, 1943.
Joseph Taggart McNarney, September 4, 1943.

To be brigadier generals with rank from September 1, 1943

Brehon Burke Somervell
Joseph Taggart McNarney
George Churchill Kenney
Carl Spaatz
Omar Nelson Bradley
Ira Clarence Eaker
Millard Fillmore Harmon
Robert Lawrence Eichelberger
Thomas Troy Handy
Walter Bedell Smith
Mark Wayne Clark

To be brigadier general, with rank from March 10, 1944

Frank Thomas Hines

POSTMASTERS

MASSACHUSETTS

Henry R. Garvey, Chelmsford.
James F. Tobin, Salem.

NEW JERSEY

Hannah S. Roberts, Chews.
Charles E. Hauck, Clayton.

TEXAS

Eugene Bottom, Abbott.
Viola Rose, Allen.
Robert E. Brinkley, Bloomburg.
Heins Ulrich, Burnet.
Clarice M. McDonald, Clarkwood.
Robert L. Eaton, Comanche.
Grover C. Hudson, Corsicana.
Marcus L. Beck, Darrouzett.
Walter O. Cravens, Honey Grove.
Faye Underwood, Mercury.
William H. Spratt, Mingus.
Bertha E. Obrecht, Nome.
Fred N. Bland, Orangefield.
William D. Wall, Poolville.
Jesse S. Jones, Redwater.

WASHINGTON

Carl T. Haskin, Almira.
Orley B. Gwin, Benton City.
Raphael H. Gossom, Clallam Bay.
Harold F. Peugh, Harrah.
Maude R. Joyce, Kingston.
Lucy F. Bushnell, Napavine.
Louis J. Rexroth, National.
Carey W. Green, Outlook.
Mary R. Creech, Vader.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 31, 1944

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. COOPER.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of light and Lord of love, how manifold are Thy mercies. Thou art a perennial spring by the way, a guiding star in the night of uncertainty, a refuge immovable forever. Not in vain do

we call upon Thee in the emergencies of human experiences. Neither death, nor life, nor power, nor any other creature shall be able to separate us from our Father upon earth. Whatever may come of care, trial, or sorrow, sanctify them in strength, in patience, and in victory. Thy servants whom we remember today rest from their labors, and their works do follow them. The souls of the righteous are in the hands of God. In the sight of the unwise they seemed to die, but they are at peace. Through Jesus Christ our Lord. Amen.

The reading of the Journal of the proceedings of Monday, May 29, 1944, was dispensed with, and the Journal was approved.

RECESS

The SPEAKER pro tempore (Mr. COOPER). Pursuant to House Resolution 538, the Chair declares the House to be in recess for the purpose of holding memorial services as arranged by the Committee on Memorials.

Accordingly the House stood in recess to meet at the call of the Speaker pro tempore.

MEMORIAL SERVICE PROGRAM

MAY 31, 1944

Prelude, sacred selections (11:30 to 12)---- United States Marine Band Orchestra
Presiding officer---------- The Speaker of the House of Representatives
Invocation---------- The Chaplain Dr. James Shera Montgomery
There Is No Death (Geoffrey O'Hara)------ Corp. Glenn Darwin
Scripture reading and prayer-- The Chaplain
Roll of deceased Members-------- The Clerk of the House of Representatives
Devotional silence.
Address---------- HON. JERRY VOORHIS Representative from the State of California
Hymn---------- Corp. Glenn Darwin
Address---------- Hon. KARL E. MUNDT Representative from the State of South Dakota
Taps---------- Musician Edward Masters
Benediction---------- The Chaplain

MEMORIAL SERVICES

The Speaker pro tempore (Mr. COOPER) presided.

The Chaplain, Rev. James Shera Montgomery:

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit that we may perfectly love Thee and worthily magnify Thy Holy Name. Through Jesus Christ our Lord. Amen.

Corp. Glenn Darwin, Army Air Forces Band, sang There Is No Death.

The Chaplain:

The Lord is my Shepherd; I shall not want.

He maketh me to lie down in green pastures; He leadeth me beside the still waters.

He restoreth my soul; He leadeth me in the paths of righteousness for His name's sake.

Yea, though I walk through the valley of the shadow of death, I will fear no evil; for Thou art with me; Thy rod and Thy staff, they comfort me.

Thou preparest a table before me in the presence of mine enemies; Thou anointest my head with oil; my cup runneth over.

Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord forever.

"Serene, I fold my hands and wait,
Nor care for wind, nor tide, nor sea;
I rave no more 'gainst time or fate,
For, lo! my own shall come to me.

"I stay my haste, I make delays,
For what avails this eager pace?
I stand amid the eternal ways,
And what is mine shall know my face.

"Asleep, awake, by night or day,
The friends I seek are seeking me;
No wind can drive my bark astray,
Nor change the tide of destiny.

"What matter if I stand alone?
I wait with joy the coming years;
My heart shall reap where it has sown
And garner up its fruit of tears.

"The stars come nightly to the sky,
The tidal wave unto the sea;
Nor time, nor space, nor deep, nor high,
Can keep my own away from me."

"Yet love will dream and faith will trust,
Since He who knows our needs is just,
That somehow, somewhere, meet we must;
Alas, for him who never sees
The stars shine through the cypress trees!
Who hopeless lays his dead away!
Nor looks to see the breaking day
Across the mournful marbles play!
Who hath not learned in hours of faith
The truth to sense and flesh unknown,
That life is ever lord of death
And love can never lose its own!"

"The world is filled with flowers,
The flowers are filled with dew,
The dew is filled with heavenly love
That drips for me and you."

"He leads you into no darker room
Than He Himself went through,
And in your path He has laid no stone
He would not carry too."

Our Father, who art in heaven, hallowed be Thy name; Thy kingdom come; Thy will be done on earth as it is in heaven. Give us this day our daily bread. And forgive us our trespasses as we forgive those who tresspass against us, and lead us not into temptation, but deliver us from evil, for Thine is the kingdom, and the power and the glory forever. Amen.

ROLL OF DECEASED MEMBERS

Mr. Alney E. Chaffee, reading clerk of the House, read the following roll:

WILLIAM WARREN BARBOUR, a Senator from the State of New Jersey: Born July 31, 1888; manufacturer; graduate of Browning School, New York, N. Y., 1906; attended Princeton University, Princeton, N. J.; member of the New York National Guard for 10 years; served on the Mexican border in 1916 as a first lieutenant, promoted to the rank of captain; member of the Rumson (N. J.) Borough Council in 1922; mayor of Rumson, N. J., 1923–28; Member of the United States Senate, under appointment and election, from December 1, 1931, to January 3, 1937; member of the New Jersey Unemployment Compensation Commission in 1937; reelected to the United States Senate in 1938 and 1940; died November 22, 1943.

FREDERICK VAN NUYS, a Senator from the State of Indiana: Born April 16, 1874; lawyer; graduated from Earlham College, Richmond, Ind., in 1898 and from the Indiana Law School at Indianapolis in 1900; prosecuting attorney of Madison County, Ind., 1906–10; member of the State senate, 1913–16; served as president pro tempore in 1915; chairman of the Democratic State committee, 1917–18; United States attorney, district of Indiana, 1920–22; elected to the United States Senate in 1932; reelected in 1938; died January 25, 1944.

CHARLES LINZA MCNARY, a Senator from the State of Oregon: Born June 12, 1874; lawyer; jurist; student at Leland Stanford Junior University, California; deputy district attorney of the third judicial district, 1906–13; dean of the law department of Willamette University, Salem, Oreg., 1908–13; associate justice of the State supreme court, 1913–15; chairman of the Republican State central committee in 1916 and 1917; Member of the United States Senate under appointment in 1917 and again in 1918; elected to the Senate in 1918, 1924, 1930, 1936, 1942; elected minority leader of the Senate in March 1933 and served until his death; candidate for Vice President of the United States in 1940; died February 25, 1944.

ULYSSES SAMUEL GUYER: Second Congressional District of Kansas. Born December 13, 1868; teacher; lawyer; judge; student Lane University, Lecompton Kans.; Western College, Toledo, Iowa; Kansas University Law School, Lawrence, Kans.; and Kansas City School of Law; principal of St. John (Kans.) High School and superintendent of St. John schools, 1896–1901; judge city court of Kansas City, Kans., 1907–09; mayor of Kansas City, Kans., 1909–10; Member of the Sixty-eighth Congress and the Seventieth to the Seventy-eighth Congresses; manager 1933 impeachment proceedings against Judge Harold Louderback; died June 5, 1943.

FRANCIS DUGAN CULKIN: Thirty-second Congressional District of New York. Born November 10, 1874; reporter; soldier; lawyer; student St. Andrew's College and the University of Rochester, Rochester, N. Y., served in the Spanish-American War; captain in the New York National Guard, 1901–08; city attorney of Oswego, N. Y., 1906–10; district attorney of Oswego County, N. Y., 1911–21; county judge, 1921–28; member of the Thomas Jefferson Bicentennial Commission and the Thomas Jefferson Memorial Commission; delegate to several Republican National Conventions; Member of the Seventieth to the Seventy-eighth Congresses, inclusive (nine successive Congresses); died August 4, 1943.

EDWARD WESTER CREAL: Fourth Congressional District of Kentucky. Born November 20, 1883; teacher; lawyer; editor and publisher; student Southern Normal School, Bowling Green, Ky., and East Lynne College, Buffalo, Ky.; received degree of bachelor of law, Centre College, Danville, Ky., in 1906; superintendent of schools of Larue County, Ky., 1910–18; county attorney, 1918–28; Commonwealth attorney, 1929–36; member of the Democratic State executive committee, 1924–40; Member of the Seventy-fifth, Seventy-sixth, Seventy-seventh, and Seventy-eighth Congresses; died October 13, 1943.

JOHN WILLIAM DITTER, Seventeenth Congressional District of Pennsylvania: Born September 5, 1888; teacher; lawyer; received degree of bachelor of law, Temple University, Philadelphia, Pa., 1913; professor of history and commerce, Philadelphia (Pa.) high schools, 1912–25; workmen's compensation referee for eastern Pennsylvania, 1929; Member of the Seventy-third, Seventy-fourth, Seventy-fifth, Seventy-sixth, Seventy-seventh, and Seventy-eighth Congresses;

chairman, Republican National Congressional Committee, 1939, until his death, November 21, 1943.

HENRY BASCOM STEAGALL, Third Congressional District of Alabama: Born May 19, 1873; lawyer; student Southeast Alabama Agricultural School at Abbeville; received degree of bachelor of law, University of Alabama, 1893; county solicitor, 1902–8; member of the State house of representatives, 1906–7; member of the State democratic executive committee, 1906–10; State district prosecuting attorney, 1907–14; delegate to the Democratic National Convention, 1912; Member of the Sixty-fourth to the Seventy-eighth Congresses, inclusive (15 successive Congresses); died November 22, 1943.

LAWRENCE LEWIS, First Congressional District of Colorado: Born June 22, 1879; businessman; teacher; lawyer; student University of Colorado at Boulder; received degree of bachelor of arts in 1901 and degree of bachelor of law in 1909 from Harvard University, Cambridge, Mass.; assistant instructor in English, Harvard University, 1906–9; member of the Colorado Civil Service Commission, 1917–18; private in the Seventeenth Observation Battery, Field Artillery, Central Officers' Training School, October to December 1918; Member of the Seventy-third to the Seventy-eighth Congresses; manager 1933 impeachment proceedings against Judge Harold Louderback; died December 9, 1943.

WILLIAM HOWARD WHEAT, Nineteenth Congressional District of Illinois: Born February 19, 1879; farmer, banker; student Chaddock College and Gem City Business College, Quincy, Ill.; school treasurer of Rantoul Ill.; Member of the Seventy-sixth, Seventy-seventh, and Seventy-eighth Congresses; died January 16, 1944.

LEONARD WILLIAM SCHUETZ, Seventh Congressional District of Illinois: Born November 16, 1887; stenographer and secretary; businessman; student Lane Technical High School and Bryant & Stratton Business College, Chicago, Ill.; Member of the Seventy-second, Seventy-third, Seventy-fourth, Seventy-fifth, Seventy-sixth, Seventy-seventh, and Seventy-eighth Congresses; died February 13, 1944.

THOMAS HENRY CULLEN, Fourth Congressional District of New York: Born March 29, 1868; businessman; graduate St. Francis College, Brooklyn, N. Y., 1880; member of the State Assembly, 1896–98; State senator 1899–1918; delegate to the Democratic National Conventions in 1912, 1916, 1920, 1924, 1928, 1932; alternate delegate 1940; Member of the Sixty-sixth to the Seventy-eighth Congresses, inclusive (thirteen successive Congresses); died March 1, 1944.

JAMES ALOYSIUS O'LEARY, Eleventh Congressional District of New York. Born April 23, 1889; businessman; student St. Peter's Academy, Augustinian Academy, and Westerleigh Collegiate Institute, Staten Island, N. Y.; general manager and vice president North Shore Ice Co., 1920–34; Member of the Seventy-fourth, Seventy-fifth, Seventy-sixth, Seventy-seventh, and Seventy-eighth Congresses; died March 16, 1944.

Mrs. NORTON, a Representative from the State of New Jersey, standing in front of the Speaker's rostrum, placed a memorial rose in a vase as the name of each deceased Member was read by the Clerk.

Then followed 1 minute of devotional silence.

The CHAPLAIN. Through Jesus Christ our Lord and our Saviour. Amen.

Hon. JERRY VOORHIS, a Representative from the State of California, delivered the following address:

Mr. VOORHIS of California. Mr. Speaker, since the last memorial service held in this chamber, 10 Members of the House of Representatives and 3 Members of the Senate have finished the work which was given them to do here and made their last long journey home. It is, I think, a beautiful and proper custom that 1 day in every year is set aside from other business of the Congress in order that we may pay solemn tribute to those of our colleagues whose bodily presence has passed away from us but who still live among us in spirit and in memory.

Unlike Shakespeare's Mark Antony we do not believe that "the evil men do lives after them, the good is oft interred with their bones." Life's lessons teach us otherwise. It is the strength, the goodness, the inner worth of men and women that lives on—not alone in the mind of God but in the life of this world as well.

Those who have known and worked with children come in time to understand that into every life that comes this way there is infused some special gift—a gift that is unique and not quite like the one which any other human being brings. Many and various are these gifts which God, through boys and girls and men and women, seeks to bestow upon the world. But somewhere in each one of use is carried a flash of genius or a special skill, a word or smile of strength and hope, an understanding heart, which no one else in all of life can give mankind unless he does so. Only those who know a man the best can truly value him, or see just where and when and how he casts his precious stone upon the waters of this life to make their movement different and a bit more beautiful than could have been the case had he not passed this way.

It was the Master Himself who told us: "Except a corn of wheat fall into the ground and die it abideth alone; but if it die, it bringeth forth much fruit." Only as the seed returns to the ground from whence it sprang can its life be renewed in the plant whose potential beauty and usefulness lay locked within that seed.

So let it be with our departed colleagues. May the good seed they have planted be so nourished and tended by the honor we do their memory that the work they began may live on to benefit mankind.

The history of mankind teaches us repeatedly this great truth; that it is in death that somehow good men and women and truly great men and women gain the fullest measure of their power and are able to exert their greatest creative influence upon their fellow sojourners upon this strange and oft-times baffling little planet. The great musicians, authors, and inventors have died in poverty, unheralded and unsung, their work rejected by mankind. Yet after their mortal bodies have ceased to walk the earth generations of men and women have lived to honor them and—what is of a great deal more importance—have brought literally to life the very minds of such men through their symphonies, their books and poems, their inventions.

While he lived Galileo was condemned a heretic for teaching the truth about the structure of the solar system. But in death he has taught generations of these things.

Thomas Jefferson faced in his own times a bitter enmity among large numbers of his fellow countrymen. He was called a Jacobin, accused of being dangerous and radical. At times his very life was threatened. But that same Jefferson lives today in hearts and minds of millions around the world; and it is to that same Jefferson that Americans of every political creed look for leadership. His body fell into the ground and died. But, freed from it, his living thoughts have brought forth untold good fruit to bless his country and its people.

And Lincoln. Is Lincoln dead? "Oh, yes," men say. He died in Washington in 1865. And never was a man in high office so flagrantly maligned, so bitterly attacked, so schemed against by those pretending to be his friends. But Lincoln is not dead. The good he did is not interred with his bones. The words he spoke at Gettysburg, the simple honesty of his mind, the mighty majesty of his great rugged soul are more impelling, more alive today than when he struggled, mortal, among men.

And what are we to learn from Him who died upon a cross, condemned to death by those He lived to save, nailed there by the soldiers of a heartless state that thought He could be killed? Are we so blind as to believe that that Good Friday was a day of failure and defeat? No! We cannot be. The very soul of the religion we profess is only to be found in understanding that Easter Resurrection never comes unless Good Friday goes before it. Death and resurrection were not, are not, two events but one.

The one creative power in all experience is self-sacrificing devotion. Out of the travail of motherhood the child is born. No mighty music or great work of art, no poem of power or book of worth, no law of justice or religious truth—not one of these things has come into this world except where he who brought it gave of himself, made sacrifice to bring it here.

Death, then, is but the greatest sacrifice. It is then man gives his all. "Greater love hath no man than this, that a man lay down his life for his friends." The bodies of these our colleagues in the House have been committed to the ground. The same earth holds them that holds the bodies of those soldiers, sailors, and marines who today around the world give all they have—their very lives—that other people may be free. Death is supreme sacrifice; sacrifice is the soul of creative power; creative power is of God.

Only in death is life made whole and perfect. The awesome mystery that surrounds the passing of the soul from its body finds its counterpart in the utterly inexplicable miracle of birth. No scientific explanation in cold biological terms of the mere process that accompanies the coming of a new life into this world has even so much as scratched the surface of the profound miracle that inheres in the mighty fact that new life is possible, that God shares with men and women His own creative powers.

And so with death. We only know that somehow the body has lost its vital element. Its chemical composition is not altered; its weight has not changed. Except for a deeper repose than it has ever known its outward appearance is much the same. And yet the force we know as life is gone from it. The one thing which, residing there, possessed significance and power and beauty has found escape.

We know, do we not, in our heart of hearts that another miracle has taken place? We know it is not an end we witness but completion of life's cycle with the return whence it came of a portion of the expression in personality of the life and power of God.

It was Christ Jesus Himself who gave His life to teach us this lesson. "I go to My Father," He said. And again to the repentent thief there on the cross beside Him, "Today shalt thou be with Me in Paradise." It is remarkable, I think, that we have clothed that word with meaning so foreign to our own experience. For what greater paradise to the worn and tired traveler than to return to his own home at nightfall? And where, but to the Father from whence He came, could that greatest of all human souls have sought to go?

We are wrong if we mourn for those whose work is done, whose hour of labor on this earth is finished. Only our own loss should cause us pain. For even as with glad and thankful hearts we welcome the newborn babe, so with understanding and insight into life's true meaning we should regard the final miraculous escape of the soul of a man or woman from the body that has held it a brief moment on this earth.

The physicist tells us that matter is indestructible, that even fire has no power to destroy but only to transform. Can any man with power of reflection and quiet thought regard this universe with its ordered suns and stars, this earth blessed with water, soil, and air, the power of growth of all its living things, as but a series of unrelated accidents? Can any man regard the growth of mind from the dawn of understanding in the ice caves of a far-off age to the spiritual communion of a church, the sweep of knowledge of a school or the intellectual interchanges of a parliament—can this great fact be sensed at all without belief in God? This mighty existence of which we find ourselves, for reasons utterly beyond our ken, a part, did not just happen. There is an Author, Sculptor, Artist, what you will, who has shaped and patterned it. And His highest of all works is the mind and soul of man. Is the work and travail of creation to be reasonably believed to be for naught? To say so is to speak what palpably is not and never can be true. No! This is no mockery. God's greatest work does not die. He takes it home to Himself again.

Who has not looked upon the stars and wondered at the power that holds them in their courses? And who thus wondering has not known that that power is one of purpose, of intelligence, of absolute inclusiveness of all He has created and especially of all to whom He has given life.

THE MYSTIC

There is a quest that calls me,
  In nights when I am alone,
The need to ride where the ways divide
  The known from the unknown.

I mount what thought is near me
  And soon I reach the place,
The tenuous rim where the seen grows dim
  And the sightless hides its face.

I have ridden the wind,
  I have ridden the sea,
I have ridden the moon and stars.
  I have set my feet in the stirrup seat
Of a comet coursing Mars.
  And everywhere
Through the earth and air
  My thought speeds, lightning-shod,
It comes to a place where, checking pace,
  It cries, "Beyond lies God!"

It calls me out of the darkness,
  It calls me out of sleep,
"Ride! ride! for you must, to the end of dust!"
  It bids—and on I sweep
To the wide outposts of being,
  Where there is gulf alone—
And thro' a vast that was never passed
  I listen for life's tone.

I have ridden the wind,
  I have ridden the night,
I have ridden the ghosts that flee
  From the vaults of death like a chilling breath
Over eternity.
  And everywhere
Is the world laid bare—
  Ether and star and clod—
Until I wind to its brink and find
  But the cry, "Beyond lies God!"

It calls me and ever calls me!
  And vainly I reply,
"Fools only ride where the ways divide
  What is from the whence and why!"
I'm lifted into the saddle
  Of thoughts too strong to tame
And down the deeps and over the steeps
  I find—ever the same.

I have ridden the wind,
  I have ridden the stars,
I have ridden the force that flies
  With far intent thro' the firmament
And each to each allies.
  And everywhere
That a thought may dare
  To gallop, mine has trod—
Only to stand at last on the strand
  Where just beyond lies God.

—*Cale Young Rice.*

Yesterday our colleagues stood with us on "the strand where just beyond lies God." Today they have crossed over. Today they understand. No longer do they search for explanations and for truth. They are gone beyond the veil that cloaks the answers to all mysteries from those of us who still must live. It is not in mourning that we honor them. But rather in seeing that to us is given one great duty and the opportunity and means of being true to their memory. For we can dedicate ourselves to struggling to complete the work which they began. These whose memory we honor here today, now see face to face the meaning of all life and death and sacrifice and creative love. For where they are, there the Source of Life resides.

Let us turn then with understanding to the uncompleted task of building that better world which those who have gone before have helped make possible. May the good they did upon this earth live on after them through the efforts of us who called them friends. Ours is the torch they have laid down—these Members of the House and Senate and men like them around the world today. Their memory, their influence, their very spirit on this earth will live if we keep faith with them. May the peace of God which passeth understanding keep their hearts and minds this day and always, and may His inspiration guide and spur us on as we strive to hold high the torch they have passed on to us.

Corp. Glenn Darwin sang Abide With Me.

Hon. KARL E. MUNDT, a Representative from the State of South Dakota, delivered the following address:

Mr. MUNDT. Mr. Speaker, we meet today for a purpose which has the dignity and tenderness of funeral rites without their acute sadness. We are drawn together today not by a new bereavement but one which time has softened and mellowed. We are here to pay tribute to those Members of the Senate and the House who have joined the realm of the invisible since we last met here a year ago in a memorial service. It is our privilege today to honor those who have passed on. We freshen with the dew of recollection the fragrant blossoms of love and understanding wreathed about the memories of our departed. We do well to pause annually for an occasion such as this. We approach this session with eyes undimmed by tears but with hearts filled with the tender thoughts of remembrance and retrospection. We meet here not only to honor the memory of those who have gone but to remind ourselves that soon or late each of us must hearken to the call and take our place with those preceding us in the silent halls of death, there to bivouac together in our low green tents waiting the reveille and the reunion of the resurrection.

Joseph Addison once represented humanity as a great throng passing over a bridge, having numerous secret trap doors, which unexpectedly open now and then letting the passengers pass through until toward the end of the last span no one remains to pass. What a true picture of life that represents. Some are nipped in the bud, others fall at blossom time, some fall by the wayside at midmaturity, and few there are who are privileged to ripen and retain their earthly functions beyond their allotted three score years and ten. We who serve together in the Congress of the United States know that each year sees the passing of a certain number of our associates into the realm beyond and above the valley. Slowly but surely our ranks are constantly thinned. We pause on the speedy highway of life today to commemorate the lives of those who have answered the distant call.

As we pause together to pay tribute to the departed, we find courage in the fact that life does not end with the lapse of mortal breath. We are buoyed by the evidences of life after death which Nature provides us in every environment. The beautiful sunset is but the beginning of a glorious sunrise. Twilight finds its inspiring finish in the dawn. The dry

leaves descending in the fall provide the rich mulch to protect the tender shoots of life reappearing in the spring. When we go down into the valley of the shadow it can be said that we have finished the day's work, but it cannot be said that we have finished our lives. Our day's work will begin anew with the following morning. The tomb is not a blind alley or a dead-end street. It is a thoroughfare. As it closes on the twilight, it opens on the dawn. Edith Davis Rowe expressed it well when she wrote:

Some day our ears will cease to hear,
Our limbs will cease to walk,
Our eyes will close to mortal scenes,
Our tongue no more will talk;
Our hands will never work again,
Our heart will stop its beat,
But yet for years our work will stay
To make our lives complete.
The things we made will still be used,
The things we write be read,
The things we've said will, too, live on
In others' minds instead.
And so our lives go on and on
Through generations more,
The products of the human mind
Are tripled by the score.

Good deeds survive the human trail; kind words never die. Our bodies may vanish from the scene of action, but the influence of our lives, well lived, continues with the endlessness of eternity. Yea, verily, in the words of the beautiful song we have heard this morning, there is no death. By our everyday deeds as we work along we determine in part our individual grasp upon eternity. Wise King Solomon expressed it rather tersely, albeit truthfully, when he said in Proverbs x: 7: "The memory of the just is blessed, but the name of the wicked shall rot."

A poet whose name has been lost in anonymity although his words have attained immortality put it this way:

Not—how did he die?
But—how did he live?
Not—what did he gain?
But—what did he give?
These are the units
To measure the worth
Of a man as a man
Regardless of birth.
Not—what was his station
But—had he a heart?
And—how did he play
His God-given part?
Was he ever ready
With a word of good cheer
To bring back a smile
To banish a tear?
Not—what was his church?
Nor what was his creed?
But—had he befriended
Those really in need?
Not what did the sketch
In the newspaper say—
But—how many were sorry
When he passed away?

Those of us who knew personally the 3 Members of the Senate and the 10 Members of the House who have passed away since last we met in memorial services realize that the genuine sorrow and fond memories which followed their departure give eloquent testimony to the high measure of worth which attached to each of those no longer able to respond to the calling of the roll. In a very real sense these Senators and Representatives gave their lives in the service of their country. Their passing left the Nation poorer but their services here in Congress helped to shape its course toward greatness.

In this particular memorial service, held as it is during the anguish of a great and awful war, we who gather here meet with a full appreciation of the fact that each day and night hundreds of new white crosses are being erected to American military heroes who have gone to sojourn with our departed associates in the realms of eternity. As we honor our own absent Members today, let us, therefore, add to their lists in our praise and our prayers all of their predecessors in the Congress and the men and women of America who have died and are yet to die in the service of their country.

THESE ARE DIFFICULT DAYS IN CONGRESS

American history has recorded no more difficult or important time to serve in Congress than the present. The Seventy-seventh Congress which tusseled with the pre-war problems and the tasks of rearmament and the Seventy-eighth Congress which provides the sinews of war and the legislative support for the most costly and calamitous conflict in human history have been the most trying and exacting Congresses in the years of our Republic. The pressure of long hours and multitudinous tasks, the strain of anxious decisions on momentous problems, the worry of responsibilities pregnant with significance for all time to come, have taken their toll among our associates in Congress as they have on the fields of battle.

Only a knave or a fool could wear lightly the heavy obligations which are his as a Member of Congress in this desperate juncture of our national history. The combination of nights made sleepless by reflection upon what would comprise the best decision on the morrow and of days made restless by the torturing turmoil of our times has not limited its demands by exacting the lives of those whom we are met here today to commemorate. We can also read its heavy toll in the faces and the bodies of those with whom we are presently associated in the mighty decisions of our daily lives. Truly, these are not easy times in which to serve in Congress.

GOVERNMENT BY BENEFIT OF CONGRESS IS BEST

If those who see Congress only from the outside and judge it only by its errors and its weaknesses could but follow its individual Members to their homes and live with them, sharing their thoughts and emotions for just a single month, the carping criticism of writers and speakers which has sometimes risen to almost a crushing crescendo would be projected with the moderation of a better understanding. It is an ancient truism that the water is never missed until the well is dry. Even the most brazen and hyperbolic critics of Congress whose pens and words sometimes drip with the hateful brine of personal venom would retire into silence if the alternative of no Congress at all were substituted for either a good Congress, or an indifferent Congress.

A hasty glance at the conditions in countries where there are no legislative bodies on the national level of where such bodies simply serve to reenforce the edicts of the vain men who dominate their countries convinces the severest skeptic that government by benefit of Congress at its worst is far superior to government bereft of Congress at its best.

While the hearts and minds of our colleagues, both alive and dead, have been saddened and burdened at times by unconscionable and unjustifiable attacks upon their patriotism, their purposes, and their personalities, the Nation itself has cause to rejoice that its Congress has stood up to these attacks, fighting back at times and at others simply turning its back to the storm, but ever and always fixing its eyes on its standards and refusing to surrender.

If I were a minister of the gospel and were going to select a text to weave into this address, I would go to the Psalms 118, and use the twenty-second verse, "The stone which the builders rejected has become the stone of the corner."

The gradual evolution of Congress to its present position as the keystone of freedom and self-government in this Republic is in harmony with the Biblical admonition which I have just cited. In his struggle to master the art of government, man was slow to turn to an assembly of his associates as the device through which to maintain order, protect the weak, and regulate the strong. He experimented down through the ages with sages and savants, with tyrants and despots, with medicine men and potentates. He turned to princes and kings, to queens and dukes and lords. Only after losing his faith in the rule of hereditary houses and regal men down through the sad experiences of centuries did man finally turn to himself and his fellows as the source from which sound government could best be sought.

Even in the founding days of this Republic, the position of the great institution of Congress came only as a compromise between those who feared the people and those who were suspect of the king.

Now after over 150 years of self-rule and of congressional control over purse and sword, this great legislative stone—the Congress—which the builders of government for ages rejected has truly become the head of the temple of self-government in America. And as the keystone of freedom in this Republic, it has become the lodestone of freedom for all the world. Men and women, wan and weary with war, turn yearning eyes in our direction and vow to themselves in their despair that in the glad days of tomorrow, they will erect governments in which they, themselves, can be the rulers as well as the ruled.

Strangely enough, in the uncertain happenchance of life across the years, many of those who have dealt most unfairly and unjustly with Congress have had occasion to seek assistance or protection from the very branch of Government which they so callously condemned. In truth, these men and groups

have been rescued from a fate which might well have been theirs had their vicious sneak attacks been more successful. Thus, these constant critics many times have secured dividends as a result of their own impotence. I think Ralph Waldo Emerson must almost have had Congress in mind and must have envisaged some of the smear attacks directed at it in modern times when he wrote his poem, A Nation's Strength. Permit me to quote a verse or two from it:

What builds the nation's pillars high
And its foundations strong
What makes it mighty to defy
The foes that round it throng?
Not gold, but only men can make
A people great and strong;
Men who, for truth and honor's sake,
Stand fast and suffer long.
Brave men who work while others sleep
Who dare while others fly—
They build a Nation's pillars deep
And lift them to the sky.

We who are here today may well thank our eternal God that men of the type of whom Emerson wrote have been so numerous in America. In peacetime and in war, on the battlefield and on the home front, in public and in private life, a great and good God has blessed this Republic with enough men and women willing to stand fast and suffer long to build this Nation's pillars so deep and lift them so high that today the beacon light which is the United States signals to all the world to join us in attaining nobler objectives by employing the precepts of brotherly love and by following the teachings of the Man of Gallilee. It is men of this type whom we are gathered here today to honor. It is men of this type who must carry on at home and abroad during this tragic era. It is men and women of this type who must seek communion with their God in the shaping of a world after the war which will get civilization back in gear and help in bringing to greater numbers the blessings of more lasting peace and greater equities.

WE MUST MAKE THINGS COME RIGHT

Out in the sky-touching mountains of South Dakota—the Black Hills—lives a great American known to many of you by his literary works. I refer to the poet laureate of South Dakota, Badger Clark. In my opinion, the greatest work that Badger Clark has ever written is his poem The Job. I want to read it to you now, as typifying a theme which should help us all in meeting the challenges which we confront and give us courage and hope when we feel futile in our grapple with the imponderables which lie ahead of us.

THE JOB

But, God, it won't come right! it won't come right!
I've worked it over till my brain is numb.
The first flash came so bright,
Then more ideas after it—flash!—flash!—I thought it some
New Constellation men would wonder at.
Perhaps its just a firework—flash! Fiss! Spat!
Then darker darkness and scorched pasteboard and sour smoke.
But, God, the thought was great,
The scheme, the dream—why, till the first charm broke,
The thing just built itself, while I, elate,
Laughed and admired it. Then it stuck,
Half done, the lesser half, worse luck!
You see, it's dead as yet, a frame, a body—and the heart,
The soul, the fiery vital part
To give it life, is what I cannot get. I've tried—
You know it—tried to catch live fire
And pawed cold ashes. Every spark has died.
It won't come right! I'd drop the thing entire,
Only—I can't! I love my job.

You, who ride the thunder,
Do you know what it is to dream and drudge and throb?
I wonder.
Did it come at you with a rush, your dream, your plan?
If so, I know how you began.
Yes; with rapt face and sparkling eyes,
Swinging the hot globe out between the skies,
Marking the new seas with their white beach lines,
Sketching in sun and moon, the lightning and the rains,
Sowing the hills with pines,
Wreathing a rim of purple round the plains;
I know you laughed then, while you caught and wrought
The big, swift, rapturous outline of your thought.
And then—
Men.

I see it now.
O, God, forgive my pettish row!
I see your job. While ages crawl,
Your lips take laboring lines, your eyes a sadder light,
For man, the fire and flower and center of it all—
Man won't come right!
After your patient centuries,
Fresh starts, recastings, tired Gethsemanes
And tense Golgothas, he, your central theme,
Is just a jangling echo of your dream.
Grand as the rest may be, he ruins it.
Why don't you quit?
Crumple it all and dream again! But, no—
Flaw after flaw, you work it out, revise, refine—
Bondage, brutality, and war, and woe
The sot, the fool, the tyrant, and the mob—
Dear God, how you must love your job!
Help me, as I love mine.

Friends, what a challenge the patience and perseverance of the Creator provides for each of us as we hew to our jobs. In a world wicked and weary with war, we can take fresh hope that out of it all will come something better. We labor today under the grim red shadow of an awful war because men will not come right. Or should we say, more hopefully, that we struggle on through carnage and conflict because up to now men have not come right? What of tomorrow? And the day after? Men must come right. A kind Providence has given us the tools for success. We can think and reason. We can work and laugh and sing. We can talk and write and pray. We can remember and we can plan ahead. Men must come right, and with them must come a rightly acting world.

We who are here today cannot do it all. But we can do something. We in America cannot reform the world. But we can help. We in our legislative seats cannot refashion human nature here at home to make all things come right. But we can help to provide an environment which will encourage rectitude and make equity a permanent guest. We who now serve in Congress are not the only Members of the House and Senate in our Nation's history. Others have been here before and others yet will follow us. But we are the only ones who hold office here today. Thus, in a very real sense we are the head of the temple. We cannot do the job alone, but without our help the big job can never be done rightly.

For the next 7 months at least we must love our job and to it give our very best. If the 13 absent ones whom we honor today could speak to us from out of the vast beyond, their message would be to carry on for freedom, for America, for humanity, in the name of our colleagues who have gone, and of our fighting heroes scattered throughout the world.

For 1 month and half a year, at least, we are the fire and flower and center of it all. We must make things come right. With God at our side and our eyes on the stars, let us work at our job to the end that a fair chance for a free people may be the earthly heritage of every babe that is born in this and every other country. We mortals who have so badly bungled the universe of the Creator now face our greatest opportunity. As God gives us the wisdom to see what is right let us master our jobs in a manner to do honor to those who are gone and to bring honor to those who are here.

Musician Edward Masters, United States Marine Band Orchestra, sounded Taps.

The Chaplain pronounced the following benediction:

The Lord bless you and keep you; the Lord make His face to shine upon you and be gracious unto you; the Lord lift up His countenance upon you and give you peace, both now and evermore. Amen.

AFTER RECESS

At the conclusion of the recess the Speaker pro tempore, Mr. COOPER, called the House to order.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 538, as a further mark of respect to the memory of the deceased Members, the House will stand adjourned until 11 o'clock a. m., tomorrow.

ADJOURNMENT

Accordingly (at 1 o'clock and 14 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 1, 1944, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1583. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1944, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Blackstone River, Mass., and R. I., and Seekonk River, R. I., for flood control and for other

purposes, authorized by the Flood Control Act approved on June 22, 1936 (H. Doc. No. 624); to the Committee on Flood Control and ordered to be printed with seven illustrations.

1584. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1944, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Bill Williams River, Ariz., and Big Sandy River, in Arizona, from the junction of Trout Creek and Knight Creek on the north to the Bill Williams River on the south, made under the authority of the Flood Control Act approved on August 28, 1937 (H. Doc. No. 625); to the Committee on Flood Control and ordered to be printed, with an illustration.

1585. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1944, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Napa River above Suscol, Calif., for flood control, authorized by the Flood Control Act approved on June 28, 1938 (H. Doc. No. 626); to the Committee on Flood Control and ordered to be printed, with an illustration.

1586. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 15, 1944, submitting a report, together with accompanying papers and an illustration on a preliminary examination and survey of Red River in the vicinity of Shreveport, La., with a view to determining the advisability of providing bank-protection works, authorized by the Flood Control Act approved on August 18, 1941 (H. Doc. No. 627); to the Committee on Flood Control and ordered to be printed, with an illustration.

1587. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 22, 1944, submitting a report, together with accompanying papers and illustrations, on a review of reports on and a preliminary examination and survey of the Chariton River, Iowa and Mo., requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on February 10, 1938, and authorized by the Flood Control Acts approved on August 28, 1937, and June 28, 1938 (H. Doc. No. 628); to the Committee on Flood Control and ordered to be printed, with two illustrations.

1588. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1944, submitting an interim report, together with accompanying papers and illustrations, on a review of reports on Winooski River and tributaries, Vermont, in the interest of flood control and allied purposes, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on June 20, 1940 (H. Doc. No. 629); to the Committee on Flood Control and ordered to be printed, with four illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. S. 1714. An act to reimburse certain Coast and Geodetic Survey and Marine Corps personnel for personal property lost or damaged as the result of a fire at the Marine Barracks, Quantico, Va., on December 16, 1943; without amendment (Rept. No. 1570). Referred to the Committee of the Whole House on the state of the Union.

Mr. McGEHEE: Committee on Claims. S. 1741. An act to provide for the reimbursement of certain Navy and civilian personnel for personal property lost as the result of a fire in hangar V-3 at the naval air station, Norfolk, Va., on November 12, 1942; without amendment (Rept. No. 1571). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'HARA: Committee on Interstate and Foreign Commerce. S. 1660. An act granting the consent of Congress to the Minnesota Department of Highways and the county of Crow Wing in Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at Mill Street in Brainerd, Minn.; without amendment (Rept. No. 1572). Referred to the House Calendar.

Mr. WINTER: Committee on Interstate and Foreign Commerce. H. R. 4041. A bill to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.; without amendment (Rept. No. 1573). Referred to the House Calendar.

Mr. MYERS: Committee on Interstate and Foreign Commerce. H. R. 4206. A bill to authorize the construction and operation of a bridge across the Monongahela River in the county of Allegheny, Pa.; with amendment (Rept. No. 1574). Referred to the House Calendar.

Mr. MYERS: Committee on Interstate and Foreign Commerce. H. R. 4207. A bill to authorize the construction and operation of a bridge across the Monongahela River in the county of Allegheny, Pa.; with amendment (Rept. No. 1575). Referred to the House Calendar.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 3199. A bill to authorize the appropriation, for expenditure by the Office of Foreign Relief and Rehabilitation Operations, of certain amounts received from services of conscientious objectors; with amendment (Rept. No. 1581). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SAUTHOFF: Committee on Claims. S. 754. An act for the relief of Iver M. Gesteland; without amendment (Rept. No. 1545). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. S. 1093. An act for the relief of Fermin Salas; without amendment (Rept. No. 1546). Referred to the Committee of the Whole House.

Mr. SAUTHOFF: Committee on Claims. S. 1281. An act for the relief of Rebecca A. Knight and Martha A. Christian; without amendment (Rept. No. 1547). Referred to the Committee of the Whole House.

Mr. SAUTHOFF: Committee on Claims. S. 1305. An act for the relief of Anne Rebecca Lewis and Mary Lewis; without amendment (Rept. No. 1548). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1553. An act for the relief of J. M. Miller, James W. Williams, and Gilbert Theriot; without amendment (Rept. No. 1549). Referred to the Committee of the Whole House.

Mr. MILLER of Missouri: Committee on Claims. H. R. 262. A bill for the relief of Mrs. J. C. Romberg; without amendment (Rept. No. 1550). Referred to the Committee of the Whole House.

Mr. ABERNETHY: Committee on Claims. H. R. 1040. A bill for the relief of Frank Henderson and Frances Nell Henderson, his wife; with amendment (Rept. No. 1551). Referred to the Committee of the Whole House.

Mr. ABERNETHY: Committee on Claims. H. R. 2150. A bill for the relief of Diemer Adison Coulter and Frances Andrews Coulter; with amendment (Rept. No. 1552). Referred to the Committee of the Whole House.

Mr. ABERNETHY: Committee on Claims. H. R. 2151. A bill for the relief of Elizabeth Powers Long; with amendment (Rept. No. 1553). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 2473. A bill for the relief of James Wilson; with amendment (Rept. No. 1554). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. H. R. 2903. A bill for the relief of the Washington Asphalt Co.; with amendment (Rept. No. 1555). Referred to the Committee of the Whole House.

Mr. ABERNETHY: Committee on Claims. H. R. 2919. A bill for the relief of Michael Eatman, Jr., and Mr. Michael Eatman, Jr.; without amendment (Rept. No. 1556). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 3152. A bill for the relief of Mr. and Mrs. Cicero B. Hunt; with amendment (Rept. No. 1557). Referred to the Committee of the Whole House.

Mr. SCRIVNER: Committee on Claims. H. R. 3431. A bill for the relief of the Home Insurance Co. of New York; without amendment (Rept. No. 1558). Referred to the Committee of the Whole House.

Mr. GOODWIN: Committee on Claims. H. R. 3467. A bill for the relief of Miss Anne Watt; with amendment (Rept. No. 1559). Referred to the Committee of the Whole House.

Mr. MILLER of Missouri: Committee on Claims. H. R. 3481. A bill for the relief of J. William Ingram; with amendment (Rept. No. 1560) Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 3511. A bill for the relief of the Lebanon Woolen Mills, Inc.; without amendment (Rept. No. 1561). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 3549. A bill for the relief of Mrs. Emily Reily; with amendment (Rept. No. 1562). Referred to the Committee of the Whole House.

Mr. ABERNETHY: Committee on Claims. H. R. 4024. A bill for the relief of Victoria Cormier; with amendment (Rept. No. 1563). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 4050. A bill for the relief of Leo Edward Day and Phillip Tamborello; with amendment (Rept. No. 1564). Referred to the Committee of the Whole House.

Mr. STIGLER: Committee on Claims. H. R. 4101. A bill for the relief of P. E. Brannen; with amendment (Rept. No. 1565). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 4197. A bill for the relief of Mrs. Ada Mae Cushman; with amendment (Rept. No. 1566). Referred to the Committee of the Whole House.

Mr. MILLER of Missouri: Committee on Claims. H. R. 4226. A bill for the relief of H. F. Owen; with amendment (Rept. No. 1567). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 4439. A bill for the relief of Dennis C. O'Connell; with amendment (Rept. No. 1568). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4707. A bill for the relief of J. Fletcher Lankton and John N. Ziegele; without amendment (Rept. No. 1569). Referred to the Committee of the Whole House.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 4095. A bill confirming the claim of Robert Johnson and

other heirs of Monroe Johnson to certain lands in the State of Mississippi, county of Adams; without amendment (Rept. No. 1576). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1102. An act for the relief of Helene Murphy; without amendment (Rept. No. 1577). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1682. An act to provide for the payment of compensation to certain claimants for the taking by the United States of private fishery rights in Pearl Harbor, Island of Oahu, T. H.; without amendment (Rept. No. 1578). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2825. A bill for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.; with amendment (Rept. No. 1579). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4712. A bill for the relief of John Duncan McDonald; with amendment (Rept. No. 1580). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 4902. A bill to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended; to the Committee on Foreign Affairs.

By Mr. MURDOCK:

H. R. 4903. A bill to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes; to the Committee on Irrigation and Reclamation.

By Mr. HOBBS:

H. R. 4904. A bill to amend section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended; to the Committee on the Judiciary.

By Mr. LEMKE:

H. Res. 570. Resolution authorizing the Committee on Irrigation and Reclamation to make an investigation of the plans for the improvement of the Missouri River Basin and its tributaries; to the Committee on Rules.

H. Res. 571. Resolution providing for the expenses of the investigation authorized by House Resolution 570, Seventy-eighth Congress; to the Committee on Accounts.

SENATE

THURSDAY, JUNE 1, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, with confidence and courage we invoke Thy blessing and Thy benediction, for Thou art ever seeking to make our minds and hearts the sanctuaries of Thy presence, Thy peace, and Thy power.

Grant that this may be a day of insight and of inspiration in order that we may have wisdom to see our duties more clearly and strength to perform them more faithfully. We pray that in the midst of the world's turmoil and tragedy we may be men of vision and of valor. When we are tempted to surrender to doubt and despair help us to appropriate by faith the eternal reality that the Lord God omnipotent reigneth.

May that day speedily dawn when truth and righteousness shall be gloriously triumphant and men and nations everywhere shall give themselves in a glad and willing obedience to the King of kings and Lord of lords, in whose name we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk, Emery L. Frazier, read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 1, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ROBERT F. WAGNER, a Senator from the State of New York, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. WAGNER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. DOWNEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 31, 1944, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3054) to amend the Expediting Act, and it was signed by the Acting President pro tempore.

REPORT OF THE COMMISSION OF FINE ARTS

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Library:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activities during the period January 1, 1940, to June 30, 1944.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 1, 1944.*

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, the Annual Report of the Federal Bureau of Narcotics—Traffic in Opium and Other Dangerous Drugs—for the year ended December 31, 1943 (with an accompanying report); to the Committee on Finance.

EDUCATION AND TRAINING OF DEFENSE WORKERS

A letter from the Acting Administrator of the Federal Security Agency, transmitting, pursuant to law, the third quarterly report of the United States Commissioner of Education on the education and training of defense workers, covering the period beginning January 1, 1944, and ending March 31, 1944 (with an accompanying report); to the Committee on Education and Labor.

REGISTRANTS DEFERRED UNDER SELECTIVE SERVICE SYSTEM BECAUSE OF EMPLOYMENT UNDER THE FEDERAL GOVERNMENT

A letter from the Director of the Selective Service System, transmitting, pursuant to law, a report of the registrants deferred as of March 15, 1944, because of their employment in or under the Federal Government (with an accompanying report); to the Committee on Military Affairs.

HOURLY REMUNERATION RATES BY OCCUPATIONS IN THE TRANSPORTATION INDUSTRY

A letter from the Board of Investigation and Research (Transportation Act of 1940), transmitting, pursuant to law, a report on Hourly Remuneration Rates by Occupations in the Transportation Industry (with an accompanying report); to the Committee on Interstate Commerce.

INTERNATIONAL ORGANIZATION TO PROMOTE PEACE

Mr. REED. Mr. President, I ask unanimous consent to present and have printed in the RECORD as a part of my remarks and appropriately referred an appeal by the Wesleyan Service Guild of the Methodist Church of Council Grove, Kans., that there now be at least the nucleus of a general international organization to promote peace.

There being no objection, the appeal was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

COUNCIL GROVE, KANS.,
May 25, 1944.

Senator CLYDE REED,
United States Senate, Washington, D. C.

DEAR SENATOR REED: We, the undersigned, believe that the time is at hand when a concrete beginning should be made to realize the Moscow Declaration and Connally resolution which recognized "the necessity of establishing at the earliest practicable date a general international organization * * *." We need now at least the nucleus of such a general international organization in order to promote unity of political and diplomatic decision by the principal United Nations and consistency with such aspects of the moral law as have been proclaimed by the Atlantic Charter and other declarations of the United Nations.

If, however, international organization is to serve its purpose of achieving just and durable peace, it must from the beginning be planned to become universal in membership and curative and creative in purpose.

We subscribe wholeheartedly to the affirmation (six pillars of peace) of the Commission on a Just and Durable Peace, instituted by the Federal Council of the Churches of Christ in America, that not only must there be "the political framework for a continuing collaboration of the United Nations," but that "such collaboration should, as quickly as possible, be universal." We also believe,

with that commission, that the international organization which is established should have not merely the task of seeking physical security but responsibility to deal regularly with conditions which contain the seeds of future war. It should be designed to seek the change of treaty conditions which may develop to be unjust and provocative of war; to bring within the scope of international agreement those economic and financial acts of nations which have widespread international repercussions; to promote the attainment of autonomy as a genuine goal for dependent peoples; and to assure for people everywhere a regime of religious and intellectual liberty.

We appeal to the President, the Congress, and the people of the United States to work vigorously for practical steps which will initiate such an organization.

Sincerely yours,

WESLEYAN SERVICE GUILD OF THE METHODIST CHURCH,
MARY E. SHARP, *President*,
MARGARET MARTIN, *Secretary*.

REPORT OF A COMMITTEE

Mr. KILGORE, from the Committee on Military Affairs, to which was referred the bill (H. R. 905) to release all the right, title, and interest of the United States in certain land constituting a portion of the tract of land conditionally granted to the county of Los Angeles, State of California, under the act of March 24, 1933, as amended, reported it without amendment and submitted a report (No. 934) thereon.

RIVER AND HARBOR IMPROVEMENTS—MINORITY VIEWS

Mr. ROBERTSON, as a member of the Committee on Commerce, submitted minority views on the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which were ordered to be printed as part 2 of Report No. 903.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 1965. A bill for the relief of the Anderson Equipment Co., Omaha, Nebr.; to the Committee on Claims.

(Mr BILBO introduced Senate bill 1966, which was referred to the Committee on the District of Columbia, and appears under a separate heading.)

EXTENSION OF EDUCATIONAL OPPORTUNITIES TO CERTAIN CHILDREN OF THE DISTRICT

Mr. BILBO. Mr. President, I ask unanimous consent to introduce a bill providing that the act of June 19, 1934, entitled "An act to provide educational opportunities for the children of soldiers, sailors, and marines who were killed in action during the World War" be amended so as to include the children domiciled in the District of Columbia of soldiers, sailors, and marines who have died or may hereafter die as a result of service in the last World War or the present World War. I ask that the bill be appropriately referred.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

The bill (S. 1966) to amend the act of June 19, 1934 (Public Law 435, 73d Cong.), was read twice by its title and referred to the Committee on the District of Columbia.

ACCEPTANCE OF PORTRAIT OF THE LATE SENATOR CHARLES L. McNARY, OF OREGON

Mr. HOLMAN. Mr. President, a plan has been perfected whereby the citizens of Oregon and other friends may have an opportunity voluntarily to provide the funds and to do, through a selected committee of friends, all things necessary to present to the Senate an oil portrait of our late colleague the Honorable Charles L. McNary. To authorize the acceptance of this contemplated portrait of our late friend and Oregon's favorite son, I offer a prepared resolution and ask that it be properly referred and adopted with the least possible delay.

The ACTING PRESIDENT pro tempore. The resolution will be received and properly referred.

The resolution (S. Res. 299) was referred to the Committee on the Library, as follows:

Resolved, That the Architect of the Capitol is authorized and directed to accept a portrait of Hon. Charles L. McNary, late a Senator from the State of Oregon, as a gift to the Senate of the United States from his friends in the State of Oregon, and to cause such portrait to be hung in a suitable place in the Senate wing of the National Capitol.

ADDITIONAL COPIES OF HEARINGS BEFORE SUBCOMMITTEE ON WAR MOBILIZATION OF THE MILITARY AFFAIRS COMMITTEE

Mr. KILGORE submitted the following resolution (S. Res. 300), which was referred to the Committee on Printing:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Subcommittee on War Mobilization of the Committee on Military Affairs, authorized by Senate Resolution 303 of the Seventy-seventh Congress and Senate Resolution 107 of the Seventy-eighth Congress to study the possibilities of better mobilizing the national resources of the United States, be, and is hereby, empowered to have printed for its use 2,000 additional copies of each part of its hearings.

SMALL BUSINESS IN THE POST-WAR WORLD—ADDRESS BY SENATOR MURRAY

[Mr. STEWART asked and obtained leave to have printed in the RECORD a radio address entitled "Small Business in the Post-War World," delivered by Senator MURRAY, from Washington, D. C., on May 30, 1944, which appears in the Appendix.]

ONE HUNDRED AND THIRTIETH ANNIVERSARY OF NORWEGIAN CONSTITUTION—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him before the United Norwegian Seventeenth of May Commission, at Milwaukee, Wis., on May 17, 1944, which appears in the Appendix.]

THE RECENT OREGON SENATORIAL PRIMARIES—CAMPAIGN EXPENDITURES

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a letter addressed by him to Senator GREEN, chairman of the Senate Special Committee to Investigate Campaign Expenditures, relative to campaign expenditures in the recent Oregon senatorial primaries, which appears in the Appendix.]

C. I. O. POLITICAL TACTICS—ARTICLE FROM THE NEW YORK TIMES

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Senate Inquiry Demanded Into C. I. O. Political Tactics," by Turner Catledge, from the New York Times of June 1, 1944, which appears in the Appendix.]

DEVELOPMENT OF UPPER MISSOURI VALLEY—EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an editorial entitled "What We Owe the Upper Valley," published in the May 29 issue of the St. Louis Post-Dispatch, which appears in the Appendix.]

SLUM CLEARANCE

Mr. BILBO. Mr. President, if there is any one question about which the Congress should be deeply concerned, it is the slum situation that obtains in the Nation's Capital where we have to live temporarily and where we are subject to the pains and penalties of such a nuisance. I wish to call the attention of the Senate to one of the best editorials I have seen on this question. It is from the Dallas Morning News of Saturday, May 27, and I should like to read it into the RECORD. It is as follows:

WHAT SLUMS COST

Projects for slum clearance would move forward more rapidly if the cost to taxpayers in maintaining slums were more generally known. A study by the Federal Works Agency shows that slum and blighted districts, which comprise about 20 percent of metropolitan residential areas but provide only 6 percent of the tax revenues from real estate, are the most expensive in public services. These areas have 33 percent of the population but account for 45 percent of the major crimes, 55 percent of the juvenile delinquency, 50 percent of the arrests, 50 percent of the disease, 60 percent of the tuberculosis victims, 35 percent of the fires, and 45 percent of the city service costs.

That is the report of the Federal Works Agency on the cities as an average, and I might say in passing that it applies especially to the Nation's Capital. I think these percentages would hold true in the District.

Other surveys made in individual cities tend to bear out these figures. In Detroit the white slum areas show a marked increase in infant mortality and tuberculosis death rate over the city as a whole. In the Negro slum areas infant mortality is nearly double the city average, and the tuberculosis death rate is more than five times the average. Swanky, suburbar Westchester County, N. Y., has only 4 percent of its area in slums, but a committee of citizens discovered that this small part accounted for half the fires, half the tuberculosis cases, and 65 to 80 percent of hospital service costs, children's court cases, arrests, fire-law violations, infant mortality, and syphilis.

While tearing down slums will not convert the inmates overnight into healthy, law-abiding citizens, the clearance does remove conditions that breed disease, vice, and crime. Over a long period the razing of slums will make dollar savings to taxpayers, aside from the other advantages of getting people into modern, comfortable homes, and in removing community eyesores.

A subcommittee of the Committee on the District of Columbia of the Senate has under consideration three bills

which seek to solve this trouble in the Nation's Capital. The matter has been thoroughly investigated. We find the situation to be very deplorable. I do not know what it is going to cost the Congress to bring about a solution of the problem, but I wish to say that whatever it may cost it will be a self-liquidating proposition.

ANNOUNCEMENT BY SENATOR WALLGREN OF HIS CANDIDACY FOR THE OFFICE OF GOVERNOR OF WASHINGTON

Mr. TRUMAN. Mr. President, the junior Senator from Washington [Mr. WALLGREN] has announced his candidacy for the office of Governor of Washington, and I should like consent to place in the RECORD the Senator's statement of his reasons therefor.

Senator WALLGREN has been a member of the Truman committee from its inception, and has served as chairman of some of its most important subcommittees, particularly those dealing with aircraft, magnesium, and aluminum. He is the only member from the west coast, and has been consulted on all matters affecting the west coast. His work has been of great value to the committee, and the experience he has gained will be of great assistance to him if he should be elected Governor of Washington.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

After carefully weighing all factors, I have decided to file for election as Governor of the State of Washington. A close study of the problems which will arise in the final war and post-war years seems to indicate that my experience in the Federal Government can now be put to the highest use here in Washington State.

The State's first and by far most important job is in cooperating to do its part in winning the war which is approaching a critical stage. The defeat of the enemy is our real task today. The secondary task, however, is a very important one. On this secondary responsibility depends the future of Washington State.

In the coming years Federal and State efforts must be closely coordinated to assure that production in Washington State is permanently harnessed at the present high level. My work with the Truman committee on production problems has shown me many steps which should be taken.

While the main task of and the responsibility for post-war production depends upon industrial initiative, there are many points at which Government can assist. Where it is difficult for private industry in the Pacific Northwest to make definite plans, the State should do what it can to make sure that these necessary plans are not neglected.

The State of Washington has a great part to play. On its decisions, in many cases, will depend our winning or losing post-war employment opportunities. The post-war battles must be won so that we can have employment and not unemployment; so that small business will be strengthened and not eliminated; to assure the farmer a profitable market, not an unsellable surplus.

The position of the State in each of these problems is vital. Its function is not merely to complain about and depend upon the Federal Government. It must lead with foresight and initiative. When the war is over we will face a job somewhat similar to that which the Republican administration faced in 1929 and failed to solve.

The production we have mastered so well in war must be continued in peace. The power to sustain this production and employment must come from the individual and mass initiative of a great nation. The abilities which are carrying us to victory must carry us on to an American way of life where full employment at high wages is a commonplace.

Invention and new processes can make pulp and lumber mill wastes do part of the job in this State. For years we in the West have been careless in our waste and pitiful in our need. We have piled waste of resources and manpower up together to our own undoing.

Post-war thoughts must get away from the stagnation which allows the continued waste of our resources. Western industry has scarcely scratched the surface of technology in seeking to assure the greatest return from our vast natural wealths.

Application of this old attitude toward post-war problems would result in our failing completely to make use of the vast, new, and efficient industrial plants constructed by the Federal Government.

These plants promise a great potential source of peacetime jobs. Steps should be taken now to make sure that the workers here today can stay here tomorrow on real jobs. The State should not be bragging about money saved for public works, it should be doing a job today which would assure self-perpetuating jobs tomorrow.

But what is actually happening? We sit here in what could be the center of the new world of plastics and light metals and talk about ditch-digging jobs for returning veterans.

The State today has no dynamic program. It must have such a program. The Democratic Party recognizes this need. It has the foresight, the boldness, and the initiative to do the job. I want to help in that task.

EXECUTIVE SESSION

Mr. DOWNEY. If there is no further business to come before the Senate, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

THE TAX COURT

Mr. GEORGE. Mr. President, from the Committee on Finance I report favorably the nominations of Ernest H. Van Fossan, of Ohio, J. Edgar Murdock, of Pennsylvania, William W. Arnold, of Illinois, and Eugene Black, of Texas, to be judges of The Tax Court of the United States for a term of 12 years from June 2, 1944.

In connection with the favorable report on each of these nominations, I should like to say that the terms of office of these respective judges will expire at midnight tonight. I have conferred with the leader on the minority side of the Senate, and he has no objection to the present consideration of the nominations, and to the notification of the President immediately should they be confirmed. I therefore ask that the nominations be presently considered.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the nominations will be stated.

The legislative clerk read the nominations of Ernest H. Van Fossan, J. Edgar Murdock, William W. Arnold, and Eugene Black to be judges of The Tax Court of the United States.

The ACTING PRESIDENT pro tempore. The question is, Will the Senate advise and consent to these nominations?

The nominations were confirmed.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of Lorne G. Taylor to be aide.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. DOWNEY. I ask that the nominations of postmasters be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Worrall R. Carter to be commodore.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

The ACTING PRESIDENT pro tempore. Without objection, the Marine Corps nominations are confirmed en bloc.

Mr. DOWNEY. I ask unanimous consent that the President be notified immediately of the various confirmations of today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS TO MONDAY

Mr. DOWNEY. As in legislative session, I move that the Senate take a recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 12 o'clock and 12 minutes p. m.) the Senate took a recess until Monday, June 5, 1944, at 12 o'clock meridian.

CONFIRMATIONS

Executive nomination confirmed by the Senate June 1 (legislative day of May 9), 1944:

THE TAX COURT OF THE UNITED STATES

TO BE JUDGES OF THE TAX COURT OF THE UNITED STATES FOR TERMS OF 12 YEARS FROM JUNE 2, 1944

William W. Arnold
Eugene Black
J. Edgar Murdock
Ernest H. Van Fossan

COAST AND GEODETIC SURVEY

Lorne G. Taylor to be aide, with relative rank of ensign in the Coast and Geodetic Survey.

IN THE NAVY

TEMPORARY SERVICE

Worrall R. Carter to be a commodore in the Navy, for temporary service, to continue while serving as commander, Service Squadron 10.

IN THE MARINE CORPS

APPOINTMENTS IN THE MARINE CORPS

To be second lieutenants

William L. McCulloch
Robert J. McDevitt
Sumner A. Vale

POSTMASTERS

CALIFORNIA

Letha L. Ford, Oceano.
Walace J. Carter, Pismo Beach.

ILLINOIS

Samuel L. Florest, Bellwood.
Michael Shannon, Johnston City.

IOWA

Harry J. Gleason, Sioux City.

KANSAS

Julia E. Clouston, Ness City.

MARYLAND

Norman E. Ward, Rockville.

NEBRASKA

Lola M. Aufdengarten, Arthur.

NORTH CAROLINA

Hazel A. Valentine, Nashville.
Wiley E. Dunn, Williamston.

NORTH DAKOTA

Gladys S. Dunn, Center.

SOUTH CAROLINA

William B. Gillespie, Effingham.

WISCONSIN

Norman L. Adams, Hancock.
Grace A. Johnson, Merrimack.
William Robert Johnston, Roberts.
Ruth M. Bertolini, Walworth.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 1, 1944

The House met at 11 o'clock a. m., and was called to order by the Speaker.

Bishop Edwin F. Lee, of the Methodist Church, director of the general commission on Army and Navy chaplains, offered the following prayer:

Almighty God, our Heavenly Father, we bow humbly in Thy presence this morning. Let Thy blessing, protection, and guidance be with the President of the United States and all who share in the responsibilities of our civil and military administrations. We stand in humility as we sense the heavy responsibilities resting upon those whose legislative responsibilities concern not only this country but affect the welfare of the wide world. We therefore earnestly pray for this great House of Representatives and for each Member thereof.

In rebuilding a world, may we remember that no structure endures unless it is bound together with a spiritual cement.

A great Serbian patriot once said that he loved his little country just because it was so little, and because its deeds were so much greater than its size. Let us as Americans love our country because it is so big and continue so to guide her, that her deeds of humanity may ever be as great as her size.

We unceasingly pray for Thy loving care to protect and sustain our valiant men and women in our armed services at the ends of the earth. Hasten the coming of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 29, 1944, 7 p. m., eastern war time:

H. R. 1984. An act for the relief of Paul Barrere;

H. R. 2143. An act to authorize the Secretary of the Interior to exchange certain lands within the Navajo Indian Reservation, Ariz.;

H. R. 4646. An act to provide for simplification of the individual income tax;

H. R. 4793. An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes; and

H. J. Res. 166. Joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes.

On May 31, 1944:

H. R. 2689. An act for the relief of Pete Paluck;

H. R. 3403. An act to withdraw and restore to their previous status under the control of the Territory of Hawaii certain Hawaiian home lands required for use for airplane landing fields, and to amend sections 202, 203, and 207 of title 2 of the Hawaiian Homes Commission Act, 1920, and for other purposes;

H. R. 3848. An act to amend section 9 of the act of May 22, 1928, authorizing and directing a national survey of forest resources; and

H. R. 4710. An act authorizing the acquisition and conversion or construction of certain landing craft and district craft for the United States Navy, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Shaner, one of its clerks, announced that the Senate had passed without amendment a bill and concurrent resolutions of the House of the following titles:

H. R. 2085. An act to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians;

H. Con. Res. 87. Concurrent resolution authorizing the disposal of certain obsolete Government publications now stored in the folding rooms of the Congress; and

H. Con. Res. 88. Concurrent resolution authorizing the printing of additional copies of the report (No. 1311) of the Special Committee on Un-American Activities of the House of Representatives, dealing with the leadership of the Congress of Industrial Organizations political action committee.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4464. An act to increase the debt limit of the United States.

The message also announced that the Senate had ordered that the House of Representatives be requested to return to the Senate the bill (S. 873) entitled "An act to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians."

PERMISSION TO ADDRESS THE HOUSE

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include as a part of my remarks a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

[Mr. REED of New York addressed the House. His remarks appear in the Appendix.]

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks and to include therein a letter from Mr. Leo T. Crowley.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There was no objection.

[Mr. BLOOM addressed the House. His remarks appear in the Appendix.]

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. FEIGHAN]?

There was no objection.

RATION BOARD NO. 6, CLEVELAND, OHIO

Mr. FEIGHAN. Mr. Speaker, it is with regret that I call the attention of the Members of the House to the situation that has, after considerable delay, been brought to light in ration board No. 6 in Cleveland. Evidence of black-market dealing in gasoline, food, and other rationed items essential to the successful prosecution of the war has disclosed flagrant violations of the law. Honest, law-abiding, patriotic citizens have become much aroused. This scandal is so serious as to shake public confidence in the entire rationing system.

We all recognize the necessity of extending, in some form, the Price Control Act which will expire June 30. This scandal has involved high officials and employees of the Office of Price Administration, and Office of Defense Transportation in the Cleveland district.

In order that the culprits may be apprehended, irregularities stopped, and proper safeguards enacted into legislation, if necessary, it is imperative that a complete, thorough investigation be made by the Federal Bureau of Investigation. I have requested the Federal Bureau of Investigation to investigate immediately. If they do not, I am determined to introduce legislation directing their investigation.

PERMISSION TO ADDRESS THE HOUSE

Mr. HEBERT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks in the RECORD and to include therein a telegram from Mr. Lester E. Jacobi.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. HÉBERT]?

There was no objection.

[Mr. HÉBERT addressed the House. His remarks appear in the Appendix.]

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

There was no objection.

[Mr. CHURCH addressed the House. His remarks appear in the Appendix.]

Mr. JEFFREY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. JEFFREY]?

There was no objection.

[Mr. JEFFREY addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

(Mr. HOEVEN, Mr. BENNETT of Michigan, Mr. LAMBERTSON, Mr. ELMER, Mr. RICHARDS, Mr. BISHOP, and Mr. CELLER asked and were given permission to extend their remarks in the RECORD.)

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection

[Mr. WOODRUFF of Michigan addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARLESS of Arizona. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders hertofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

[Mr. LARCADE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, the first on a bill which I have today introduced at the request of the American Legion and to include therein a statement issued by Gen. P. C. Harris, Director of the Committee on Education of Orphan Veterans; and the second on the Fair Employment Practice Committee.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning a bill which I will introduce today to extend the mineral leasing laws to lands acquired by the United States.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by Walter P. Armstrong.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from Chester Bowles enlightening the House and the country as to the milk situation, due to the fact that there have been charges made that a great deal of milk has been poured into the sewers. He points out that that was not necessary.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF SUGAR ACT OF 1937

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 572), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4333) to extend for 2 additional years the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; that after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

FARM LABOR

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a letter and some other data.

The SPEAKER. Is there objection?

There was no objection.

[Mr. SUMNERS of Texas addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a Memorial Day address delivered by me last Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I am a little confused this morning. On January 27 and 30, 1942, I made talks on the floor, consolidated the two and circulated them, and then because I had William Power Maloney, who was then in charge of the grand jury down here, had me down there three or four times.

All those speeches did was to find fault with those who argued that we do away with the Declaration of Independence, substitute a declaration of interdependence, haul down the Stars and Stripes, and adopt an international flag and join a super-United States of the world. I then advocated that we retain our sovereignty. Yesterday I noticed the President issued a statement that he now advocated the retention of the sovereignty of this country in his dealings with other nations. Maybe he has discovered that the great West will not go along with the program to haul down the Stars and Stripes, something that many of us said should not be done away back in 1942. Then here comes this man, R. J. Thomas, head of the U. A. W., C. I. O., who said that it was unpatriotic for the men to go on strike in war plants and hold up essential war production. He now agrees with me. It is too bad he did not discover that fact some time ago when some of us were telling him about it and when he was advocating strikes. He is now trimming his sails to an adverse wind.

EXTENSION OF REMARKS

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the McKellar amendments to the Tennessee Valley Act.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a report from the county agent of Gasconade County, Mo.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

LEND-LEASE, U. N. R. R. A., AND FOREIGN ECONOMIC ADMINISTRATION APPROPRIATION BILL

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I would like to announce that the hearings on the Lend-Lease, U. N. R. R. A., and Foreign Economic Administration appropriation bill were made available yesterday to the press and to all Members of the House, to be released when the bill is reported. In accordance with the statement previously made by the majority leader, we expect to report the bill tomorrow and to call it up tomorrow, and hope to dispose of it this week.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. Is it not the hope of the committee that the Members will ask for these hearings so that they will be informed on this matter when the bill is called up, that it may be possible without embarrassment to take it up tomorrow?

Mr. CANNON of Missouri. Yes. The hearings are available just across the corridor. Any Member of the House or any member of the press making application can receive them, but they are not to be released until the bill is reported.

EXTENSION OF REMARKS

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and, further, to extend my remarks and include an editorial from the National Independent.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a Memorial Day address delivered by our colleague the gentleman from Michigan [Mr. DONDERO].

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

THE LATE DR. WILLIAM T. LOWREY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a short editorial from the Commercial-Appeal.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

NAVAL PETROLEUM AND OIL-SHALE RESERVES

Mr. SABATH. Mr. Speaker, by direction of the Committee on Rules, and in behalf of the gentleman from North Carolina [Mr. CLARK], who is conducting hearings, I report a privileged resolution (H. Res. 573) for printing, under the rule.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4771, to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; that after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule; that it shall be in order to consider without intervention of any point of order the substitute committee amendment recommended by the Committee on Naval Affairs now in the bill; and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill; that at the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or Committee substitute; that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

The SPEAKER. Referred to the House Calendar and ordered printed.

BOARD OF VISITORS TO THE UNITED STATES MERCHANT MARINE ACADEMY

The SPEAKER laid before the House the following communication:

JUNE 1, 1944.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Pursuant to Public Law 301 of the Seventy-eighth Congress, I am hereby appointing the following members of the Merchant Marine and Fisheries Committee to serve on the Board of Visitors to the United States Merchant Marine Academy: Mr. RAMSPECK, Mr. HART, Mr. WELCH, with myself as ex officio member.

Yours very sincerely,

S. O. BLAND,
Chairman.

The SPEAKER. Pursuant to the provisions of Public Law 301, Seventy-eighth Congress, the Chair appoints as members of the Board of Visitors to the United States Merchant Marine Academy the following Members of the House: Mr. KEOGH, of New York; Mr. CANFIELD, of New Jersey.

NAVAL APPROPRIATION BILL, 1945

Mr. SHEPPARD. Mr. Speaker, I call up the conference report on the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes.

The Clerk read the title of the bill.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6 and 10.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 7, 11, 12, 13, and 15, and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: On page 54 of the bill in line 18, strike out the numerals "1943" and insert in lieu thereof "1944"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 5, 8, 9, 16, and 17.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Managers on the part of the House.

JOHN H. OVERTON,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
RUFUS C. HOLMAN,
STYLES BRIDGES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 2: Definitely limits the obligational availability of the naval emergency fund to the fiscal year 1945, as proposed by the Senate.

Amendments Nos. 3 and 4: Appropriates $33,000,000 under the "Instruction" subhead of the appropriation "Training, education, and welfare, Navy," as proposed by the Senate, instead of $34,000,000, as proposed by the House.

Amendment No. 6: Restores to the appropriation "Maintenance, Bureau of Yards and Docks," provision for the procurement of motor truck chassis with station-wagon-type bodies, as proposed by the House.

Amendments Nos. 7, 14, and 15: Clarifies the provisions proposed by the House as to the maintenance and operation of housing projects, i. e., that Navy's responsibility shall extend only to projects with which it is charged with the maintenance and operation, as proposed by the Senate, and makes a textual correction.

Amendment No. 10: Strikes out the proposal of the Senate to confine the limitation upon the amount that might be paid for fixed fees as regards contracts under "Public works, Bureau of Yards and Docks," to construction contracts.

Amendments Nos. 11 and 12: Appropriates $4,000,000 under the "Repairs of barracks" subhead of the appropriation "General expenses, Marine Corps," as proposed by the Senate, instead of $5,000,000, as proposed by the House.

Amendment No. 13: Specifically limits the provision in the appropriation "General expenses, Coast Guard," for the procurement of motor-propelled passenger-carrying vehicles, to replacements, as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT
ACTUAL

Amendment No. 8, relating to the resale to the original owners of land in Oklahoma, found to contain oil after acquisition by the Navy.

Amendment No. 9, restoring in modified form provision in original House bill, stricken out on point of order, in re conducting a canvass of existing facilities that might be available for naval uses, publicly or privately owned, as a condition precedent to the provision of new ones.

PURSUANT TO CLAUSE 2, RULE XX

The managers on the part of the House and Senate have agreed to recommend to their respective Houses concurrence in amendments of the Senate as follows:

Amendment No. 1, reducing by $404,635 the appropriation proposed by the House for "Miscellaneous expenses," with an amendment, as follows:

After the amount ($42,437,298) proposed by the Senate insert ": *Provided*, That the whole of the appropriation 'Aviation, Navy, 1942,' shall remain available until June 30, 1945, for the payment of obligations incurred under contracts executed prior to June 30, 1942, the provision in the appropriation 'Aviation, Navy,' contained in this Act to the contrary notwithstanding."

Amendment No. 5, relating to the naval procurement fund: That there be concurrence in the amendment of the Senate with an amendment modifying the Senate amendment to read as follows:

"The Secretary of the Treasury is authorized and directed, prior to July 1, 1944, upon the request of the Secretary of the Navy, to transfer $1,000,000 from the naval emergency fund (17x0300) to the naval procurement fund (Public Law 653, approved July 3, 1942), and advances by check or warrant and reimbursements to the naval procurement fund from naval appropriations may be made on the basis of the estimated cost of a project without further accounting distribution of expenditures to the individual appropriations involved: *Provided*, That the naval procurement fund shall not be employed beyond the duration of the present wars except to liquidate obligations incurred prior to the termination of such wars."

Amendment No. 16, providing for defense aid, Navy: That the matter inserted by the Senate be amended to read as follows:

"DEFENSE AID

"SEC. 121. The authority contained in section 103 of the Second Supplemental National Defense Appropriation Act, 1943, is hereby extended to and made applicable to the appropriations for the naval service made subsequent to such Act and contained in this Act without any increase in the amount limitation fixed in such section: *Provided*, That 'information and services' authorized to be rendered by the Act of March 11, 1941 (Public, 11), need not be connected with the procurement or disposition of any defense article."

Amendment No. 17, changing a section number: That the House concur in the amendment of the Senate.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Managers on the part of the House.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: On page 3, line 25, strike out "$42,841,933" and insert "$42,437,298."

Mr. SHEPPARD. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SHEPPARD moves that the House recede from its disagreement to the amendment of the Senate No. 1 and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "$42,437,298: *Provided*, That the whole of the appropriation 'Aviation, Navy, 1942,' shall remain available until June 30, 1945, for the payment of obligations incurred under contracts executed prior to June 30, 1942, the provision in the appropriation 'Aviation, Navy,' contained in this act to the contrary notwithstanding."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: On page 23, line 16, insert the following:

"NAVAL PROCUREMENT FUND

"The Secretary of the Treasury is authorized and directed, upon request of the Secretary of the Navy, to transfer $1,000,000 from the naval emergency fund (17X0300) to the naval procurement fund (Public Law 653, approved July 3, 1942), and advances by check or warrant and reimbursements to the naval procurement fund from naval appropriations may be made on the basis of the estimated costs of a project without further accounting distribution of expenditures to the individual appropriations involved."

Mr. SHEPPARD. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SHEPPARD moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"NAVAL PROCUREMENT FUND

"The Secretary of the Treasury is authorized and directed, prior to July 1, 1944, upon the request of the Secretary of the Navy, to transfer $1,000,000 from the naval emergency fund (17X0300) to the naval procurement fund (Public Law 653, approved July 3, 1942) and advances by check or warrant and reimbursements to the naval procurement fund from naval appropriations may be made on the basis of the estimated cost of a project without further accounting distribution of expenditures to the individual appropriations involved: *Provided*, That the naval procurement fund shall not be employed beyond the duration of the present wars except to liquidate obligations incurred prior to the termination of such wars."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: On page 26, line 14, insert ": *Provided*, That the Secretary of the Navy is hereby authorized and directed to sell the tract of land of approximately 532.4 acres, in Cleveland County, Okla., commonly known as Moore Field, and more particularly described in, and acquired through, a declaration of taking executed by the Under Secretary of the Navy and filed in the United States District Court for the Western District of Oklahoma, and judgment entered thereon, in the proceedings in such court entitled 'United States of America, petitioner, against 532.4 Acres of Land, More or Less, in Cleveland County, Okla., and Mrs. J. R. Holliday, and Others, defendants, numbered 1120–Civil', and to execute and deliver a deed, or deeds, to the person, or persons, or their heirs or assigns, from whom the original holdings were acquired: *Provided further*, That the sale price for such land shall be a sum sufficient to cover the original purchase price and any sums expended by the Navy Department upon such land or arising out of the use and occupancy thereof by the Navy Department: *Provided further*, That the Secretary of the Navy is hereby authorized to make rules and regulations necessary to carry into effect the provisions of this section."

Mr. SHEPPARD. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. LANHAM. Mr. Speaker, I offer a preferential motion to recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. LANHAM moves to recede and concur in Senate amendment No. 8.

Mr. SHEPPARD. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Speaker, the amendment which the Senate placed in this bill, which is amendment No. 8, in disagreement, relates to a tract of land in Oklahoma which the Navy acquired for the purposes of its operations and is relinquishing from the standpoint of such military use. As a matter of fact, the property is no longer used for the purposes for which the Navy acquired it. This land was acquired by the Navy in fee simple, although the owner of the land requested the reservation of his mineral rights. The Navy did not accede to that request and, inasmuch as by a declaration of taking and condemnation the Navy could acquire the property, there was no opportunity for the owner to protect himself. A great deal of other land in the same vicinity, some

in the same county, was acquired permitting the owners of the land to retain their mineral rights. The Senate has placed an amendment in this bill with reference to this particular property, which would allow the owner to refund to the Government what the Government has paid out in its expenditure in such acquisition and to require the Government to reconvey the title, inasmuch as the Navy Department no longer needs the land, to the private owner, in order that, if there should be mineral rights of value on the property, the original owner of the property may be accorded the right to such value by reason of the fact that the Navy Department acquired the land simply for the purpose of carrying on its operations. There is certainly an inequity against the owner of this property by reason of the fact that other property in the same State and in the same vicinity was not so acquired. The Committee on Naval Affairs recently held rather exhaustive and extensive hearings on this particular matter and on a vote of that committee, as disclosed in the hearings, took favorable action with reference to the return of this property to the original owner. Why, in view of the fact that we can settle this equity now by agreeing to this Senate amendment in this appropriation bill, should we go to the necessity of delay in its consideration by a special bill to pass both of the Houses, when as a matter of fact our House Committee on Naval Affairs has already considered it thoroughly and acted upon it favorably from the standpoint of protecting the rights of this owner? I think it is time for the Government of the United States to stop exploiting the citizens of this country and let them have back their land on proper terms when it is no longer necessary for military or naval purposes, and, if mineral rights should be valuable upon those lands, to let the private owners acquire them and derive from them funds by which as taxpayers they can help the Government produce its revenue. The Navy Department has used this land for all the purposes for which it was acquired. It no longer needs it. It has permitted other property owners in that immediate vicinity to retain their mineral rights and now when the owner of this property wants to reacquire it and reimburse the Government for its outlay, why should not that be done? Let us get such of this property as the Government no longer needs back into the hands of the private owners. Let us consider the equities that exist in this particular case. The House should recede and concur in the Senate amendment and get this matter settled.

The SPEAKER. The time of the gentleman has expired.

Mr. SHEPPARD. Mr. Speaker, I want to say to the gentleman from Texas [Mr. LANHAM] that the committee as a whole is in accord with his contention. However, we are advised that the legislative committee of the House is going to bring out legislation to take care of this particular situation and those of like character. This committee is merely asking the House at this time to concur in its original vote on this type of legislation and have it placed within the jurisdiction of the legislative committee where it belongs.

Mr. LANHAM. Mr. Speaker, will my friend from California yield?

Mr. SHEPPARD. I will be very happy to yield to the gentleman from Texas.

Mr. LANHAM. There is petroleum operation now down in this very neighborhood and if we have the delay of legislation which naturally results upon bills that must take their places upon the calendar, the worth of the mineral rights on this particular property may be taken from the original owner before proper remedial legislation could be enacted.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. SHEPPARD. I yield to the splendid member of the committee from Vermont.

Mr. PLUMLEY. Yes, Mr. Speaker, what my distinguished friend from Texas says may be true, but this case to which he refers is only one of several cases that are almost identical.

This is no time to legislate on an appropriation bill. The attitude of this committee, as expressed in its report in following out your directions heretofore given, should now be ratified by you in voting down this preferential motion. I submit we are entitled to your support in our attempt to carry out your mandate, else what are conference committees for?

Mr. SHEPPARD. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. LANHAM].

The motion was rejected.

The motion of the gentleman from California [Mr. SHEPPARD] was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 27, line 19, insert *"Provided further,* That no part of these funds shall be used for the construction of new naval facilities or the enlargement of existing naval facilities in the continental United States unless the Secretary of the Navy first determines that no existing facilities, publicly or privately owned, are, or can be made, available for the purposes to be served at a cost deemed reasonable by him."

Mr. SHEPPARD. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 16: On page 57, line 14, insert:

"DEFENSE AID

"SEC. 121. Subject to authorization by other law for the rendering of defense aid, information, and services, the authority contained in section 103 of the Second Supplemental National Defense Appropriation Act, 1943, is hereby extended to and made applicable to the appropriations for the naval service made subsequent to such act and contained in this act without any increase in the amount limitation fixed in such section: *Provided,* That 'information and services' authorized to be rendered by the act of March 11, 1941 (Public, 11), need not be connected with the procurement or disposition of any defense article."

Mr. SHEPPARD. I move that the House recede from its disagreement to the Senate amendment, and agree to the same with an amendment which I send to the desk.

The Clerk read as follows:

Mr. SHEPPARD moves that the House recede from its disagreement to the Senate amendment No. 16, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 121. The authority contained in section 103 of the Second Supplemental National Defense Appropriation Act, 1943, is hereby extended to and made applicable to the appropriations for the naval service made subsequent to such act and contained in this act without any increase in the amount limitation fixed in such section: *Provided,* That 'information and services' authorized to be rendered by the act of March 11, 1941 (Public, 11), need not be connected with the procurement or disposition of any defense article."

The SPEAKER. The question is on the motion of the gentleman from California [Mr. SHEPPARD].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 17: On page 58, strike out "SEC. 121" and insert "SEC. 122."

Mr. SHEPPARD. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

By unanimous consent, a motion to reconsider the various votes by which the motions were agreed to was laid on the table.

DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL 1945

Mr. HARE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4899) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4899, with Mr. SPARKMAN in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Grants to States for emergency maternity and infant care (national defense): For grants to States, including Alaska, Hawaii, Puerto Rico, and the District of Columbia, to provide, in addition to similar services otherwise available, medical, nursing, and hospital maternity and infant care for wives and infants of enlisted men of the fourth, fifth, sixth, and seventh grades in the armed forces of the United States, under allotments by the Secretary of Labor and plans developed and administered by State health agencies and approved by the Chief of the

Children's Bureau, $42,800,000, of which not more than 2 percent may be allotted to the States for administrative expenses from the date of this act on the basis of need as determined by the Chief of the Children's Bureau: *Provided*, That the amount herein appropriated shall constitute one fund with the unexpended balance of amounts heretofore appropriated under this head.

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on Monday of this week, in general debate I discussed the emergency maternal and infant care program, with relation to a proviso which had been inserted in the bill by the subcommittee, and stricken in the full committee, which provided that funds should be made available for the payment of claims of wives of servicemen who had not given a notice or filed an application required by the regulations, and not by law, prior to confinement, on account of not having been aware of the existence of the program or on account of having been prevented by unavoidable circumstances from filing the notice and making the application.

In the full Committee on Appropriations it was stated as one reason for striking the proviso, that the Children's Bureau had, by regulation, now made provision for the payment of the type of claims which was discussed in the hearings at considerable length, and involved particularly the cases of wives who had been prematurely confined, and who, of course, had not, prior to confinement, given notice or made application required by the regulation, and who had, on that account, been denied any of the benefits of the program. I insisted in the subcommittee and in the full committee and in my remarks on Monday that that sort of regulation is unjust. I further insisted and now insist that with regard to the 140,000 wives who, during the last 6 months of the calendar year 1943, failed to file notice and application prior to confinement, and on that account were barred from the benefits in the program, merely because they did not know of the existence of the program, corrective action should be taken by the Congress.

With regard to the cases of wives who were prevented by unavoidable causes, such as premature confinement, from filing the notices and applications prior to confinement, corrective action has now been had. I desire to read into the RECORD and for the information of the House and of the country some telegraphic correspondence I have had since general debate on Monday, with the officials of the State Health Service of Georgia, and had between the head of the Children's Bureau and officials of the State Health Service of Georgia, indicating the present attitude of the Bureau toward the payment of such claims.

On May 30, 1944, I sent to Dr. Edwin R. Watson, director of Maternal and Child Health Division, State Health Department, Atlanta, Ga., the following telegram:

Miss Lenroot states that upon your visit to Washington some weeks ago she conferred with you concerning cases of E. M. I. C. of the type of Mrs. ———, Route 1, Kingston, Ga., concerning which I wrote you November 18, 1943, and you agreed to review such cases. Please wire me whether you have reviewed ——— case and if so what action taken or contemplated. Immediate reply requested since information needed in connection with pending Labor-Federal Security appropriation bill.

The case to which I referred in this telegram was the case of a mother who had been prematurely confined and in whose case emergency maternity and infant care benefits had been denied, because she had not given notice and filed an application prior to her confinement.

I received in response to this telegram a wire from Dr. T. F. Abercrombie, in charge of the State Department of Health of Georgia, which reads as follows:

Since ——— case is clearly against Federal regulations cannot be approved without written instructions from Lenroot and Bureau of Budget whereby they assume responsibility for modifying regulations effecting eligibility upon receipt of same will reopen case and any other concerned and ruling will apply to any future cases.

It will thus be observed that despite the insistence that remedial action had been taken, the State health department was insisting no longer than 2 days ago that it was not possible to pay benefits in this type of case.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. TARVER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TARVER. The telegram of Dr. Abercrombie to me was called to the attention of Miss Lenroot, head of the Children's Bureau, who sent to Dr. Abercrombie on the same date, May 30, 1944, this telegram:

MAY 30, 1944.

Dr. T. F. ABERCROMBIE,
State Department of Public Health,
Atlanta, Ga.:

Re your telegram May 30 reopening of ——— case specifically authorized by last paragraph section 3, B, 1, E. M. I. C. Information Circular No. 1, December 1943, and also by my letter of March 11, 1944. You are hereby authorized and requested to reopen ——— case and similar cases and make appropriate payment in accordance with State plan. Children's Bureau has complete authority in this field and Bureau of Budget not involved. Sending copy this telegram to Congressman TARVER.

KATHERINE F. LENROOT.

After this telegram had been sent by Miss Lenroot I received the following telegram from Dr. Edwin R. Watson, Georgia Department of Public Health:

Have advised physician in ——— case same will be reopened. Will pay hospital if eligible and physician if funds paid for care by ——— are refunded.

It now appears that not only in the particular case to which this telegraphic correspondence referred, but in all similar types of cases, and in saying "similar types of cases" I have reference not only to premature confinement cases but to all cases in which the wives of servicemen were prevented by unavoidable causes from filing notice and application prior to confinement, the regulations of the Children's Bureau as at present construed and in accordance with the directives issued by the head of the Bureau will permit and in fact require payment.

As I pointed out in my remarks on Monday, the requirement of notice and application prior to confinement has been a requirement made by regulation and not by the law enacted by Congress. It now appears that the regulations are to be so construed as to permit the payment of benefits in this type of case and therefore the offering of the amendment which I had contemplated with reference to this particular type of case will be unnecessary. I still feel that with regard to these 140,000 wives of servicemen who did not receive benefits during the last half of the last calendar year because they did not know of the existence of the program there still ought to be remedial action taken by the Congress to the end that they might be accorded the same treatment which has been accorded to 145,000 wives who during that period did apply, did give notice prior to confinement and did receive the benefits. The attitude of the very considerable majority of the House Appropriations Committee, however, was so strongly averse to dealing legislatively with this particular situation that I do not feel it would probably accomplish anything for me to offer an amendment dealing with that particular question in the consideration of the bill today; and the matter as to the wives who were unavoidably prevented from filing notice and application having been satisfactorily disposed of I shall not offer any amendment to this paragraph of the bill.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

ST. ELIZABETHS HOSPITAL

Salaries and expenses: For support, clothing, and treatment in St. Elizabeths Hospital of persons who have become insane since their entry into the armed forces of the United States, insane beneficiaries of the United States Employees' Compensation Commission, and all other insane persons whose admission to the hospital is authorized by law, including reimbursement to employees for the cost of repair or replacement (where the damage exceeds $5 and does not exceed $100) of personal belongings damaged or destroyed by patients while employees were in line of duty, and not exceeding $27,000 for maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, and not to exceed $185,000 for repairs and improvements to buildings and grounds, and not to exceed $15,000 for furnishing and laundering of such wearing apparel as may be prescribed for employees in the performance of their official duties, $2,113,000, including cooperation with organizations or individuals in scientific research into the nature, causes, prevention, and treatment of mental illness, and including maintenance and operation of necessary facilities for feeding employees and others (at not less than cost), and the proceeds therefrom shall reimburse the appropriation for the institution; and not exceeding $1,500 of this sum may be expended in the removal of patients to their friends; not exceeding $1,500 for the purchase of such books, periodicals, and newspapers as may

be required for the purposes of the hospital and for the medical library, and not exceeding $1,500 for the actual and necessary expenses incurred in the apprehension and return to the hospital of escaped patients: *Provided*, That so much of this sum as may be required shall be available for all necessary expenses in ascertaining the residence of inmates who are not or who cease to be properly chargeable to Federal maintenance in the institution and in returning them to such places of residence: *Provided further*, That not exceeding $200 additional may be paid to two employees to provide mail facilities for patients in the hospital: *Provided further*, That during the fiscal year 1945 the District of Columbia, or any branch of the Government requiring St. Elizabeths Hospital to care for patients for which they are responsible, shall pay by check to the Superintendent upon his written request, either in advance or at the end of each month, all or part of the estimated or actual cost of such maintenance, as the case may be, and bills rendered by the Superintendent of St. Elizabeths Hospital in accordance herewith shall not be subject to audit or certification in advance of payment; proper adjustments on the basis of the actual cost of the care of patients paid for in advance shall be made monthly or quarterly, as may be agreed upon between the Superintendent of St. Elizabeths Hospital, and the District of Columbia government, department, or establishments concerned. All sums paid to the Superintendent of St. Elizabeths Hospital for the care of patients that he is authorized by law to receive shall be deposited to the credit on the books of the Treasury Department of the appropriation made for the care and maintenance of the patients at St. Elizabeths Hospital for the year in which the support, clothing, and treatment is provided, and be subject to requisition upon the approval of the Superintendent of St. Elizabeths Hospital.

Mr. HARE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Committee amendment offered by Mr. HARE: Page 36, line 14, strike out "$5" and insert in lieu thereof "$2."

The committee amendment was agreed to.

The Clerk read as follows:

This title may be cited as the "Federal Security Agency Appropriation Act, 1945."

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this opportunity to say briefly that the committee in charge of this bill had before it for consideration the request of various State and municipal agencies with respect to the disposition of property placed in various State and municipal agencies by the National Youth Administration. I have particular reference to the machine tools and equipment placed in various vocational schools throughout the country which have been in constant use by the vocational school systems, the title and ownership of which appear to be at the present time in the Federal Government subject to the right of the Army and Navy to have the first call upon that equipment. Because of the uncertainty that exists as to the rights of the States and municipalities to the continued use of this equipment a question has been submitted as to whether or not it would not be wise on the part of Congress to declare a firm policy to the effect that where the procurement agencies of the Army and Navy find this equipment not necessary for their use in connection with the war effort title be confirmed in the State agencies or municipal agencies that are now using this equipment and who have it now under their protection and control and in their custody.

The subcommittee did not have opportunity to give consideration to this proposal. I am advised that pursuant to the direction of the subcommittee the chairman has called the matter to the attention of the Senate committee in the hope and expectation that the Senate will make provision for the suitable and proper disposition of this equipment. I think I can say that the attitude of the full committee is behind the chairman in his effort to get this matter taken care of in the other body.

Mr. HARE. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Carolina.

Mr. HARE. I appreciate that very nice compliment, but the chairman of the committee is not entitled to any credit for the action that has been taken because when the matter was referred to the subcommittee it was after the committee, as the gentleman will remember, had completed its hearing, and while the committee was very much in sympathy with the purport of the proposal it did not feel justified in bringing it to the House without some hearings, and upon direction of the full subcommittee the chairman transferred the matter to the similar committee for the Senate for consideration.

Mr. KEEFE. I brought the matter up at this time so that the RECORD would show—and for the benefit of any Members of the House who are interested in that situation—that the matter is being given consideration. I express the hope that suitable action will be taken in the other body by writing into this particular bill, when it comes there, a provision so that title to these machine tools which they now have will be vested in the vocational or other appropriate school systems of the various States, that is, the machine tools which they now have in the vocational schools, and which they are using, and make it a permanent contribution to the vocational or other school systems.

Mr. HARE. Of course, the primary object of bringing this to the attention of the Committee at this time is that a considerable amount of this machinery, as well as machine tools, are in need of repair. The schools, of course, do not care to go to the expense of making these repairs knowing that title is still in the United States Government.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. I want to express my appreciation for the gentleman's fine statement of the situation with reference to these tools and machines.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ZIMMERMAN. There has been so much uncertainty that we have really been unable to give advice concerning inquiries from parties interested in these machines and tools, and I want to compliment the gentleman and his committee for taking action which will settle this matter in a way that we will all know what we are doing.

Mr. KEEFE. May I say to the gentleman, perhaps in his State he has the same situation that exists in mine, where we have a splendid vocational school system. A great deal of equipment was placed in those schools during the time they were operating in conjunction with the work of the National Youth Administration.

As the chairman has well indicated, those machine tools have been put to 24-hour use in connection with the various training programs by the vocational system. Many of those machines are getting out of repair. There is uncertainty in the vocational system as to whether or not they would be able to go ahead and replace and repair and put these tools in shape, title to which is vested in the Government and which tools may be jerked out of the school system at any time.

Mr. ZIMMERMAN. I will say further that in some cases they are not being used for that very reason. They are uncertain as to what is going to happen to the tools and machines they are now using.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Arkansas.

Mr. NORRELL. I want to say to the gentleman from Wisconsin that I fully agree with the position he has taken. I had something to do with the wording of the amendment under which these tools have been allocated to the schools and colleges. I think it was the intent of Congress then that such machinery as the War and Navy Departments did not want would eventually be given to these schools and colleges. While I know the parliamentary limitation of this committee, I do want to say here on the floor that I believe this is one amendment that this House would have accepted by unanimous consent if the committee had brought in an amendment vesting title to this property in our schools and colleges; that is, the property that they now have in their possession.

Mr. KEEFE. I express the hope that the gentleman shares, I think, that the other body will take care of that situation, and when this bill comes back the House will unanimously reflect its attitude.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Arizona.

Mr. MURDOCK. I, too, hope the other body will act on this. I want to add my views to the same effect as the gentleman has indicated; that is, the schools

and colleges in my State want to use this material fully and freely, and I want everything possible done to make it available to them.

Mr. KEEFE. I thank the gentleman.

Mr. CELLER. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, with 590,000 single women in the United States between the ages of 20 and 35 who are neither employed nor seeking work, no reason whatsoever exists why the women's branches of the armed services must go begging for recruits.

Voluntary enlistment has failed to bring the full projected strength, particularly to the Women's Army Corps. All the advertising aids—motion pictures, posters, recruiting booths, cajolements, and invitations—have failed to awaken American womanhood to its responsibilities in this total war.

I do not impugn her patriotism. She knows this is her war as well as that of her brothers.

In fact, a Gallup poll survey reveals that the majority of women themselves favor such draft. She is, however, not convinced of the need for her services. "When they need me," she argues, "they will draft me."

Well, she is needed and needed badly. Apparently, only congressional action will convince her that the need is acute. I have, therefore, this day introduced a bill to amend the Selective Service Act to include unmarried, unemployed women between the ages of 20 and 35. Selective Service would thus direct inductees to whichever branch of the women's corps needs them. At present the greatest enlistment lag is in the WAC's.

The present strength of the Women's Army Corps is 72,000. The projected strength called for is 200,000. Commanding officers here and abroad are calling for the services of women to replace men for combat service. The call is insistent and urgent; 600,000 could be used if that number were available.

There are 239 categories of jobs a WAC can fill. They require those skills which women possess to a greater degree than men. Certainly it is more logical to draft unmarried, unemployed women into the services than wrench married men away from their families and away from needed production. In so drafting older and married men, women will necessarily have to replace them and we have the double time waste of training women to do the man's work in civilian life and training men for jobs in the Army for which women already have the prerequisite skills. Able-bodied enlisted men are cooks, hospital aids, clerks, telephone operators, typists, draftsmen, optometrists, stenographers, bookkeepers, laundry workers, storekeepers, teletype operators, dental mechanics, pharmacists, laboratory technicians, and so forth. A half million unmarried idle women could replace these men without upsetting the economy, without withdrawing much needed manpower from essential jobs and without destroying the family unit. To permit these women to continue in their course would make us all dereiict in our duty, I conclude.

The Army must be kept at its full fighting strength of 7,700,000. We must be prepared with sufficient replacements. Without the women's branches of the armed forces, it would be imperative to draft the father and the essential worker to meet such replacement needs. For every serviceman in actual combat, it must be remembered that at the very least there must be at least two enlisted personnel behind each combatant to keep the armed forces a mobile, striking body.

I have strictly limited the provisions of my bill so as to include only those women who have not taken any productive place in our economy, who are unmarried and who are within age limits that will suffer no undue hardship in training.

The question will naturally arise of the nonutilization of IV-F's in the armed services. Again, I emphasize that the need is for such skills as women already possess. Moreover, most of the IV-F's are already in essential industry and to take them out would tend to disrupt production. It must likewise be considered that IV-F's are subject to illnesses that entail special care and in many instances such illnesses lead to hospitalization. It is well to remember that it takes three enlisted personnel to take care of two hospitalized members.

We are about to embark on the greatest military adventure of all time. It is imperative that every citizen, male and female, get behind our fighting men, release every ounce of our national strength and utilize all our resources, wherever and in whomsoever they be found.

I would not have proposed so unprecedented a measure were I not fully convinced after thorough study that the need exists for full strength in the women's branches of the armed service. If no argument or plea of our Secretary of War, of the commanding officers in and out of combat areas, can convince the women of America of such need, then let the law do so.

The Clerk read as follows:

No part of the funds appropriated in this title shall be used in any way in connection with a complaint case arising over an agreement, or a renewal thereof, between management and labor which has been in existence for 3 months or longer without complaint being filed by an employee or employees of such plant: *Provided*, That, hereafter, notice of such agreement shall have been posted in the plant affected for said period of 3 months, said notice containing information as to the location at an accessible place of such agreement where said agreement shall be open for inspection by any interested person: *Provided further*, That these limitations shall not apply to agreements with labor organizations formed in violation of section 158, paragraph 2, title 29, United States Code.

Mr. HARE. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: Page 53, line 15, after the word "agreement" insert, "or a renewal thereof."

The committee amendment was agreed to.

The Clerk read as follows:

OFFICE FOR EMERGENCY MANAGEMENT

WAR MANPOWER COMMISSION

General administration: For all necessary expenses for the general administration of the War Manpower Commission, including not to exceed $10,000 for the employment of aliens, not to exceed $406,000 for printing and binding, and not to exceed $1,739,800 for travel expenses, $16,036,250.

Mr. MILLER of Connecticut. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Connecticut: On page 53, line 10, strike out "$16,036,250" and insert "$10,000,000."

Mr. MILLER of Connecticut. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MILLER of Connecticut. Mr. Chairman, I have no delusions as to my ability to convince the Members present that the appropriation for the War Manpower Commission should be materially reduced.

There may be phases of the work of the War Manpower Commission that should be continued. Without the justification sheets presented to the subcommittee that prepared this bill it is impossible to determine the amount needed for the legal operations of the War Manpower Commission.

It is my considered judgment, based on months of observation and inquiry, that we would make a great contribution to the production program of the war effort if we eliminated the War Manpower Commission.

Several weeks ago I discussed from this floor some of the activities of the War Manpower Commission in my own congressional district that I thought were illegal, and I still believe them to be not only illegal but absolutely retarding the production of needed war material.

I call this situation to your attention today largely for the reason that, according to a recent news release, the War Manpower Commission's plan of controlled hiring is to be put into full force and effect throughout the United States on the 4th of June. I predict that in the near future every Member of the House will have a heavy mail dealing with the regulations of the War Manpower Commission.

A little over a year ago the War Manpower Commission classified certain industrial areas as group 1 critical labor scarcity areas. Others were put into groups 2, 3, or 4. The cities of Hartford, New Britain, and Bristol, along with other nearby towns within the First Connecticut Congressional District, were designated as a group 1 area. This meant that all Government procurement agencies were prohibited from placing

contracts within that area for any war material that could be purchased elsewhere in noncritical areas. In addition to that, all employees in war industries found themselves frozen on their jobs. No manufacturer could employ anyone except those sent to him by the United States Employment Service. No employee could leave his job unless his employer was willing to give him a written release. If a man did give up his job, the United States Employment Service would refuse to give him a referral slip to any other factory for a period of 90 days. A few weeks ago this so-called controlled hiring plan was put into effect in every industry, factory, store, and business of any kind.

I wish some lawyer Member of the House would point out to me some provision of law that gives War Manpower Commission the right to say to a citizen, "You cannot work in such and such an office," or to a manufacturer, "You cannot employ anyone unless they come to you with a referral from the United States Employment Service." I am not a lawyer, but if I understand the language of our Constitution, such regulations are clearly unconstitutional. These regulations are simply invoking the purposes of a national service act without waiting for Congress to pass such an act. No wonder Mr. McNutt refused to ask for the passage of a national service act. He does not need such a law if he can get away with present practices.

Some people have tried to make it appear that I was contending that there was no scarcity of labor in the Hartford area. Of course there is a shortage of labor and there will be in most industrial areas until the war ends. My contention is that the regulations and bureaucratic red tape of these agencies are making conditions worse. I know of my own knowledge scores of women who are not only willing, but anxious, to work in war industries if they can secure work near their homes so they can get home at noon to look out for their children's noon meal. The American citizen just will not put up with the red tape involved. Conditions are different today than they were 10 years ago when the United States Employment Service was looking for every possible job for the unemployed. Today labor is in the driver's seat.

Some have tried to make it appear that I was critical of the local officials and employees of the United States Employment Service and the War Manpower Commission. Not at all. They are doing their best to carry out their instructions received from the Boston regional office and from here in Washington.

It is interesting to note this point: that from 1939 until the date this controlled hiring plan was put into effect the number of people employed in the factories of the Hartford area increased each month and that the number of employees has decreased month by month since the new system was introduced.

At this very time, while the War Manpower Commission declares the Hartford area to be a group No. 1 critical labor scarcity area, several hundred men and women are drawing unemployment compensation while they loaf for the 90-day period imposed on them by the War Manpower Commission's regulations.

While the War Manpower Commission carries on its retarding program, another committee gives each employer a set ceiling on the number of people he may employ. If he exceeds his ceiling or hires anyone without a referral slip from the United States Employment Service, he is liable for a $1,000 fine. A representative of the War Production Board is chairman of this ceiling committee and on the committee is a representative of the War Manpower Commission, the Army, Navy, Air Corps, and so forth. If all this red tape could be destroyed and the out-of-town bureaucrats sent home, a local committee composed of representatives of business, industrial management, and labor could quickly solve the problem with savings to the taxpayers and increased production for the war effort.

Permit me to cite a few examples recently referred to me, and may I add that hardly a day goes by that I do not receive substantiating evidence of the statement I am making.

A middle-aged woman, recently widowed and left with four children, applied to a Hartford insurance company for employment. The insurance company wanted to hire her but they were compelled to send her to the United States Employment Service for a referral slip. She was denied the necessary referral but was told that she could work in a tuberculosis sanatorium—fine place for the mother of four small children—or they could send her to a self-service market where cashiers were needed. That widow wants not a temporary wartime job. She needs the security of a post-war job, such as she could have secured with the insurance company. An appeal is now pending. By what authority is this widow denied the right to select her own employer?

I will not take the time of the House to cite case after case that proves conclusively that the so-called controlled hiring is keeping labor out of war industries where they are badly needed. We may say that we did not create the War Manpower Commission nor write their regulations, but when we appropriate the money for another year's activities we put our stamp of approval on its work. I realize the hopelessness of attempting to eliminate the War Manpower Commission by attempting to reduce their appropriation. I therefore ask unanimous consent to withdraw this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The Clerk read as follows:

EMPLOYMENT OFFICE FACILITIES AND SERVICES

Employment office facilities and services: For all necessary expenses of the War Manpower Commission in connection with the operation and maintenance of employment office facilities and services, and the performance of functions, duties, and powers relating to employment service transferred to the War Manpower Commission by Executive Order No. 9247, including the recruitment and placement of individuals for work or training in occupations essential to the war effort; such expenses to include contract janitorial services, at not to exceed $300 for any individual; reimbursement, at not to exceed 3 cents per mile, for official travel performed by employees in privately owned automobiles within the limits of their official station; printing and binding (not to exceed $146,000); travel expenses (not to exceed $2,268,000); and rent in the District of Columbia: *Provided*, That payment of salaries may be made to employees while taking annual and sick leave based upon unused leave accrued under State regulations found by the Social Security Board to conform to the requirements of title III of the Social Security Act, as amended, and on the basis of State employment which had been financed in whole or in part from grants under title III of said act, including payment for accrued leave to be substituted for leave without pay taken between January 1, 1942, and June 30, 1942, which payment shall not exceed in any case the amount payable for such purposes under Federal laws with respect to the maximum accumulation of such leave: *Provided further*, That the Chairman of the War Manpower Commission may transfer funds from this appropriation to the Social Security Board for "grants to States for unemployment compensation administration" as authorized in title III of the Social Security Act, as amended, to meet costs incurred by States in making available to the War Manpower Commission premises, equipment, supplies, facilities, and services, needed by the Commission in the operation and maintenance of employment office facilities and services, any sum so transferred and not expended in accordance with this proviso to be retransferred to this appropriation, $57,968,079: *Provided further*, That pending the return to State control after the war emergency of the Employment Service facilities, property, and personnel loaned by the States to the United States Employment Service, no portion of the sum herein appropriated shall be expended by any Federal agency for any salary, to any individual engaged in employment-service duties in any position within any local or field or State office, which substantially exceeds the salary which would apply to such position and individual if the relevant State merit system applied and if State operation of such office had continued without interruption: *Provided further*, That no portion of the sum herein appropriated shall be expended by any Federal agency for the salary of any person who is engaged for more than half of the time, as determined by the State director of unemployment compensation, in the administration of the State unemployment compensation act, including claims taking but excluding registration for work.

Mr. KEEFE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEEFE: On page 61, line 4, strike out the period, insert a semicolon, and insert the following: "*Provided further*, That pending the return of the employment offices and services to the States, the Federal agency administering the United States Employment Service shall maintain that service as an operating entity, and during the period of its administration shall maintain all functions performed by State employment offices on the date said offices were loaned to the Federal Government."

Mr. TARVER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TARVER. Mr. Chairman, I have two points of order. First, the amendment comes too late. The succeeding paragraph "training within industry

service" has already been read and the Clerk had begun to read section 702. The amendment is offered at a point preceding the paragraph relating to training within industry. Second, the amendment is legislative in character and proposes legislation on an appropriation bill. Points of order against all legislative matters contained in the bill were by unanimous consent waived by the House on Monday of this week. But that waiver does not include legislative provisions which may be offered by amendment and which are not contained in the bill, and in this case do not relate to any legislative provision contained in the bill. The Wagner-Peyser Act authorizes the making of appropriations to the employment service which has now been transferred by Executive Order No. 9247 to Federal jurisdiction. But the appropriations for that service are authorized by the Wagner-Peyser Act and the duties of administrative officials in the administration of the Wagner-Peyser Act are clearly defined by law. The gentleman by his amendment proposes to place upon them certain designated duties which are not specifically required in existing law, and to that extent proposes an alteration, if not an expansion, of the provisions of the Wagner-Peyser Act. I insist, therefore, Mr. Chairman, that for both of the reasons which I have advanced, the amendment is subject to a point of order and it should not be considered.

Mr. KEEFE. Mr. Chairman, I would like to be heard as to the points of order raised by the gentleman from Georgia [Mr. TARVER]. As to the first point of order that the distinguished gentleman from Georgia raises, namely, that the Clerk had finished reading "training within industry service," I call your attention to the fact that upon at least two occasions I have asked in a parliamentary inquiry of the Speaker and of the Chair as to whether or not I would have to make an amendment at the end of the section or at the end of the paragraph in the section and have been uniformly advised that we would offer the amendment when the Clerk had finished reading the section rather than a paragraph within the section.

The CHAIRMAN. Let the Chair state that he is satisfied as to that point of order and feels that some leniency should certainly be exercised in view of the manner in which the bill is being read. The Chair asks the gentleman to address his remarks to the second point of order.

Mr. KEEFE. Mr. Chairman, addressing myself to the second point of order, namely, that this is legislation upon an appropriation bill, if I understand the gentleman's argument it is that here is a legislative attempt to change the provisions of the Wagner-Peyser Act and to impose conditions upon the employment offices of the country at variance with the provisions of the Wagner-Peyser Act. All I can say is I have very carefully read the Wagner-Peyser Act upon numerous occasions. I am very familiar with it and I am simply astounded that the gentleman should attempt to make a point of order based upon that assertion. The fact of the matter is that the employment offices in many of the States of this Union prior to the enactment of the Wagner-Peyser Act in 1933, on the 6th of June, were State offices and State maintained and operated, pursuant to State law, and they were financed in whole by State appropriations. Then, in 1933, we passed the Wagner-Peyser Act, the sole purpose of which was to extend Federal aid to States in connection with the operation of a State employment service. All we did was to provide an appropriation in the Wagner-Peyser Act by which the Federal Government agreed to contribute 50 percent of the maintenance cost of the State offices on condition that the State would appropriate a similar amount for the services of these offices. In addition to that we provided that the allocation of funds by the Social Security Board should be made on the basis of population in relation to the ratio that the State population bears to the total population of the country. I find nothing in the Wagner-Peyser Act which designates the kind or character of an employment office that is to be maintained by the States. The Wagner-Peyser Act recognizes that these offices were State offices and State functions to be operated as the States wanted to operate them and the Federal Government simply expended aid in the form of a 50-percent contribution to the expenditures.

As a matter of fact what happened was that the President asked the States to turn over to the Federal Government the State employment offices for the duration of the war and made them wholly 100 percent Federal offices at the expense of the Federal Government with the understanding that those offices at the conclusion of the war would be returned to the States for State operation under the provisions of the Wagner-Peyser Act. Now then, this is a simple limitation on this appropriation bill in the form of this amendment, simply saying that the Federal Government in the operation of these State offices that have been turned over to the Federal Government for the duration of the war, shall be operated on the same basis and with the same functions that they were operated before the States turned them over to the Federal Government; that they shall not do away with their functions, but shall maintain them as an operating entity. To that extent it is the identical language that is to be found in an amendment which was unanimously adopted by the House when we recently adopted the so-called G. I. bill. I find no inference so far as I am able to see, which in any way seeks to change the law of 1933, the Wagner-Peyser Act, or which seeks to enact into this bill any legislative provision at all. It is simply a limitation to the extent that they shall not do away with functions that were functions in the offices when the Federal Government took those offices over, when they were maintained as State offices. There is not anything in the Wagner-Peyser Act which is contrary to that position at all, because these State offices with State functions were maintained with Wagner-Peyser Act funds before the Federal Government took them over. All I am asking is that those same functions that the Federal Government has been contributing toward with Federal funds under the Wagner-Peyser Act shall be maintained, provided the States wanted those functions maintained.

The CHAIRMAN (Mr. SPARKMAN). The Chair is ready to rule.

The gentleman from Wisconsin [Mr. KEEFE] offered an amendment to which the gentleman from Georgia [Mr. TARVER] interposed a point of order.

The general rule relating to this may be stated as follows:

> A paragraph which proposes legislation in a general appropriation bill being permitted to remain may be perfected by a germane amendment; but this does not permit an amendment which adds additional legislation.

The Chair is of the opinion that the amendment is germane, but it certainly appears that it is additional legislation, in that it directs that something shall be done.

Therefore, the Chair is constrained to sustain the point of order.

The point of order is sustained.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time just to try to keep the RECORD straight, in the hope that when this bill reaches the other body someone perhaps will read this RECORD and see that an effort was made on the floor of the House to do what the full Appropriation Committee of this House instructed the subcommittee to do.

As a member of this subcommittee, along with other members of the subcommittee, when this matter was brought up in the full Appropriation Committee, I understood that there would be a meeting called of the subcommittee to determine this question, prior to the time this bill and this provision of the bill was discussed on the floor of the House. That was the understanding of the full committee. There was no legislative business before the House yesterday—I was out of my office taking care of departmental matters. When I came to my office this morning I found a note from my secretary advising me that the office was called at approximately 10 o'clock yesterday advising that there would be a meeting of the subcommittee to consider this matter at 11 o'clock. Necessarily, I could not attend, on such a notice.

I find this morning that there were only two members of the subcommittee in attendance, the gentleman from Georgia [Mr. TARVER], and the chairman of the committee. None of the other members was in attendance. I believe that had I had an opportunity to give the committee the benefit of information which I now possess and which I did not possess at the time of the hearings, perhaps this situation would have been clarified by the committee itself.

It is to be hoped that when this bill reaches the other body an effort will be made there to correct the unfortunate situation which the amendment just eliminated on a point of order would

have done. I believe a clear statement of the facts should be presented to the House.

Prior to the time that the States turned over the State employment offices to the Federal Government such offices were maintained as State functions in the various States. Some of the States had maintained State employment offices prior to the enactment of the Wagner-Peyser Act on June 6, 1933. The State of Wisconsin had maintained a number of State employment offices pursuant to action of the Wisconsin Legislature and by authority of appropriations made by the Wisconsin Legislature. These offices were functioning as State offices at the time of the enactment of the Wagner-Peyser law in 1933. The State of Wisconsin thereafter accepted the provisions of the Wagner-Peyser law, and subsequent to this acceptance maintained State employment offices pursuant to the grant-in-aid provisions of the Wagner-Peyser Act. Under the terms of this act the State and Federal Governments each contributed 50 percent of the cost.

The fact is that prior to the enactment of the Wagner-Peyser law and subsequent thereto, the State offices maintained a teacher-placement service. This service was furnished free to teachers seeking employment and to school boards who were seeking the services of qualified teachers. The actual cost for this service in the employment offices was only about $8,000 per year. It has been estimated that the teachers of the State and the employing school boards were saved many thousands of dollars each year. Thus it will be seen that in Wisconsin this service was maintained by the State, under State control, and pursuant to action of the Legislature of the State of Wisconsin after 1931. It must be borne in mind that during all the period from 1931 to 1934 when the State accepted the provisions of the Wagner-Peyser Act, teacher-placement services were rendered in the State offices. It must further be remembered that subsequent to the acceptance of the Wagner-Peyser Act by the State of Wisconsin, the same teacher-placement service continued to be rendered in the State employment offices.

It must be borne in mind at all times that the inauguration of this teacher-placement service did not result from any Federal action or any efforts upon the part of Federal bureaucracy to control education in the State of Wisconsin, but resulted purely and simply as a result of the action of the Wisconsin Legislature.

We now come to the time when the States surrendered the employment services to the Federal Government for the duration of the war at the request of the President. An examination discloses that at the time these State offices were turned over to the Federal Government, 13 States had teacher-placement facilities which they had been maintaining under State administration. These States were: Georgia, Utah, South Dakota, Wisconsin, Idaho, North Dakota, Colorado, Kansas, Arkansas, Nebraska, Maine, Missouri, and Indiana.

After the Federal Government took over the offices, the subcommittee was advised by representatives of the private teacher-placement agencies of the country that the Federal Government was expanding this service on a national scale and that if permitted to do so, the Federal Government would drive out of business private enterprise that had been engaged in this field for many years. At the time the representatives of the private teacher-placement service agencies came before the subcommittee the employment offices were still controlled by the States. We were advised that the Federal Government, which had not yet taken over the employment offices, was encouraging all of the States to engage in the teacher-placement field.

To meet this situation thus disclosed the committee inserted language in its report in 1941 as follows:

> It is important that the Federal Government remain out of the picture and not endeavor to encourage States to expand their placement offices into fields that private-placement agencies adequately and efficiently cover.

It will be noted that this first admonition of the committee related to the alleged effort on the part of the Federal Government to encourage the States to expand their placement services into the field that private-placement agencies were then adequately and efficiently covering. It was not intended that such admonition should control the activities of a State that was already, pursuant to State law and State action, engaged in this field of activity.

It was contended by Mr. Reynolds, representing the private teacher-placement agencies, as shown on page 226 of the hearings, that as soon as the Federal Government had taken over the State employment offices, "a new drive was started by the United States Employment Service to establish Nation-wide teacher-placement service." A fair interpretation of the evidence, I believe, would indicate that the private teacher-placement services who had been in competition with the State offices in a few of the States were not so much concerned with what had transpired by reason of action of the States themselves as they were with the new attitude on the part of the Federal Government which threatened to expand this service into all the Federal employment offices.

The committee in its report made this recommendation:

> The committee believes that the Service should avoid entering the field of placement of teachers, as that field is well served by private facilities.

We believe that this admonition related to the threatened expansion of the Federal service and not to services which had been rendered for over 10 years by certain State employment offices while the States had control of that activity. On page 231 of the hearings Mr. Reynolds stated:

> This is just another case where a Federal agency created for emergency purposes is attempting to reach out and grab averything in sight. This is another instance, we believe, in which a Federal agency, created for an emergency situation, has gotten out of hand.

Again it was clear that concern over the threat of the Federal Government to extend its operations in the field of placement service might involve the entire United States. I felt then, and I feel now, that whether a State will engage in the field of teacher placement is a matter to be determined in each State, and in those States where there had never been a teacher-placement service prior to the taking over of the employment offices by the Federal Government and where teacher placement was being adequately served by private enterprise, that the Federal Government should not expand its field of activity.

I freely confess that at the time of the hearings on the present bill I did not thoroughly understand that the States heretofore referred to had been operating teacher-placement services pursuant to State law and under State direction prior to the time the Government took the offices over. The gentleman from Georgia, Judge TARVER, made a statement appearing on pages 231 and 232 of the hearings. It will also appear that I concurred in the opinion he expressed. I anticipate that he will attempt to embarrass me by calling attention to his statement and my concurring language. Let it be understood now that I am of the opinion that any fair interpretation of his statement must lead to the conclusion that he was concerned lest the Federal Government use the teacher-placement service as a means of controlling educational policies and personnel in the States. It was this concern so well expressed by him that I concurred in. It should be apparent, however, that if the States themselves saw fit to engage in teacher placement there could be no threat of Federal intervention or Federal control so long as the States retained their rights.

As previously stated, in Wisconsin we maintained teacher placement under State auspices after 1931. At no time was there ever any contention that this would result in any federalization of education. I confess that some of the facts were not presented at the time of the hearing upon which my attitude is based. If I have displayed any change in attitude, it is because the authorities of my State have convinced me of the justice of their position. All my amendment would do would be to assure the States that had engaged in teacher placement before the Federal Government took the offices over that those services would be maintained and that when the offices were returned to the States they would be returned as operating entities, performing the same functions that were performed in those offices when the States surrendered them to the control of the Federal Government. Neither the gentleman from Georgia nor the chairman, the gentleman from South Carolina [Mr. HARE], can place me in the position of being favorable to federalization of education. They both know the fight which I have constantly maintained in and out of Congress to prevent

the Federal Government from assuming control of education in the States. I do take the position, however, that where my State has engaged for years in the teacher-placement function in State offices and where the State has been good enough to turn its offices over to the Federal Government at the request of the President, together with all of the records and files relating to teacher placement, that we have a right to expect that the Federal Government will continue that State service while they are in control of the employment offices.

I trust that when this bill reaches the Senate this whole subject will be thoroughly explored to the end that a rank injustice shall not be done those States which want to maintain teacher-placement services in their employment offices.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 702. The general provisions under the caption "Executive Office of the President—Office for Emergency Management," contained in the National War Agencies Appropriation Act, 1945, and applicable to the constituent agencies of the Office for Emergency Management contained therein and the general provisions in such act applicable to all agencies therein shall be applicable in the same manner to the War Manpower Commission and the appropriations therefor contained in this title.

Mr. HARE. Mr. Chairman, I move to strike out the last word. I want to make a short statement with reference to the subject which has just been discussed and to bring to the attention of the House the action of this committee. We want to make clear and distinct the action of the committee in 1941. In the report on the appropriation bill of 1941 the committee made the statement that the United States Employment Service should abandon the practice or policy of teacher-placement throughout the United States on the ground that there were teacher-placement agencies being conducted by the States, by colleges, particularly the normal schools; there were teacher-placement agencies conducted by private enterprises, and the committee felt that by reason of complaints made by the normal schools and colleges, by private agencies established throughout the Nation, and by State teacher agencies themselves, the United States Employment Service was then trespassing upon the rights of the States to place teachers and the employment service was then undertaking not only to establish this teacher-placement program but to enlarge it. Therefore, the action of the committee recommending and directing the program be discontinued in 1941, mark you, was before the President of the United States by Executive order in 1942, with the consent of the Governors of the several States, absorbed the State employment services during the war. The committee therefore and the Congress cannot be charged with usurping the powers of any States, because the policy of teacher placement by the Employment Service had been established before the Executive order was issued, and it was against this policy that the committee recommended in its report in 1941 urging the Employment Service to discontinue this practice of placing teachers. That report was made by the subcommittee and submitted both to the House and the Senate, and it was adopted and approved by both.

We assumed, therefore, that the Congress itself suggested to the Employment Service that it should no longer continue its program in the placement of teachers. We found in the next year that the policy had not been discontinued, and the subcommittee wrote into its report a statement again suggesting and emphasizing the fact that the Congress disapproved the action of the Employment Service in trying to place teachers in all of the States and in all of the schools. The gentleman from Wisconsin [Mr. KEEFE] is correct when he says the idea that prompted the subcommittee was that we looked with some concern upon a policy of placing teachers in schools by the Federal Government because it would naturally follow that there might be some threat of favoritism, teachers might be placed in better schools and in better positions than their qualifications entitled them to. If favoritism should develop, and it naturally would, this agency of the Government would be able not only to dictate that these people be given special consideration but it would be able to dictate to them what they should teach in their schools and would be able to dictate to them what they should do in their political activities. This appeared to the committee to be a dangerous policy and the committee again suggested to the United States Employment Service that this policy should be discontinued; but the Employment Service persisted in violating the instructions, yes, the mandate not only of the committee but of the Congress of the United States.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. HARE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield.

Mr. DONDERO. I am in complete accord with everything the gentleman has said. Can the gentleman tell the House what justification was offered for setting up this agency? How many teachers were placed? And at what cost to the Federal Government to place them?

Mr. HARE. I have no idea except this: The Employment Service said it cost about $34,000 this past year to operate the agencies in the 13 States. They were not able to segregate and estimate the cost otherwise.

Mr. DONDERO. We have teacher placements in every normal school, every college, every university, and every teacher school in every State in the Union. What is the necessity for the Federal Government projecting itself into this field?

Mr. HARE. The committee has felt and felt very strongly that there was no necessity for it and no justification for it on any grounds, but that there was sufficient ground, as I have tried to show, for opposing it; for if it continues, it would subject the country to a federalization of our public-school system and our colleges, as well as our universities.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield.

Mr. KEFAUVER. I certainly agree with the gentleman that State teacher-placement agencies and private agencies have done a good job and that this language was properly written into the report. What excuse, what reason does the department give for ignoring and violating the intent of Congress in this matter?

Mr. HARE. The only excuse given a few weeks ago was that it had been overlooked.

Mr. KEFAUVER. I wonder if at the present time when it is called to their attention again they will say they are not going to carry on the policy during the next year.

Mr. HARE. They assured the committee that the policy would be discontinued.

Mr. TARVER. Will the gentleman yield?

Mr. HARE. I yield to the gentleman from Georgia.

Mr. TARVER. May I read from page 224 of the hearings, the testimony of Mr. Appley, quoting the order which he issued in this matter:

At the request of the Appropriation Committee of Congress we are discontinuing any centralized teacher-placement service that now exists. Will you kindly take necessary action to discontinue such centralized service and to transfer any personnel that has been engaged in this activity to the normal placement functions performed by our local offices?

That was addressed by Mr. Appley to the regional manpower directors.

Mr. DONDERO. Where did the War Manpower Commission obtain the funds with which to set up this agency?

Mr. HARE. I am not sure I am able to tell the gentleman, unless they took them out of some funds that were not particularly appropriated for this service. There are funds for the United States Employment Service but the committee attempted to eliminate the appropriation of funds for this particular purpose when it directed that the teacher placement be discontinued.

Mr. KEEFE. Will the gentleman yield?

Mr. HARE. I yield to the gentleman from Wisconsin.

Mr. KEEFE. In answer to the gentleman's question, is not the gentleman aware of the fact that all of these offices were State offices, maintained 50 percent with State funds and 50 percent with Federal funds when the Federal Government took them over, and that these teacher placement services in 13 States

were promulgated and started not by the Federal Government at all but by the States themselves under State law? That is quite a different picture than what the gentleman would indicate.

Mr. DONDERO. I was not aware that the States ever asked for the Federal Government to come into this field.

Mr. HARE. That is right. In fact, the States objected, and the Government agreed that they should be returned to the States following the war.

Before concluding, Mr. Chairman, I want to emphasize the fact that your committee was and is deeply concerned over this teacher-placement program in the United States Employment Service and we have been unanimous in our efforts for the past 4 years to have it discontinued, for we felt it would be a dangerous policy to the systems of education heretofore maintained throughout the country. My personal feeling is that if this agency or any agency of the Federal Government obtains complete control of the placement of teachers in our public schools, colleges, and universities, it must follow that they will have some voice in determining the qualifications of teachers and the chances are that sooner or later such an agency will have a fixed standard or rating of the teachers and in determining the rating their philosophy as to what constitutes education, their philosophy of life and their philosophy of government will be outstanding determining factors and we will, therefore, have no way of knowing what the philosophy of life and the philosophy of government will be in the next generation or so. I trust I may have an opportunity sometime later to enlarge upon this thought.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I rise simply to state that in my opinion the subcommittee in working 8 weeks upon this particular measure has done a very good job, taking everything into consideration. We find on page 47 of the report that we have shaved down the request of the Bureau of the Budget by sixty-nine-odd million dollars and I believe that represents quite a figure even today. The big point is that this bill is over $61,000,000 below the actual appropriation for 1944.

Mr. HARE. Will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from South Carolina.

Mr. HARE. The gentleman might appropriately say, also, that in the past 3 years the appropriations carried in this bill have been reduced through the cooperation of the membership of this committee by upward of $300,000,000.

Mr. H. CARL ANDERSEN. I may add to the remark of the chairman of the subcommittee that it was only through the hard work of the members of this subcommittee that these particular cuts have been obtained. Every worth-while bureau has, however, been given all the money which they need to carry on the responsibilities of their various divisions.

Very few people realize the long, tedious days and weeks of open hearings and executive meetings by subcommittees before a bill of this kind is ready for the approval by the full Committee on Appropriations and for action by the House. For 8 weeks we have been forced to neglect all except the most important of our office correspondence in order that we might question closely into each and every demand for huge sums of money for various bureaus. I feel that our subcommittee has been faithful in its obligation to the Congress and the people of the Nation. If any needless appropriations are made in this particular bill, it arises only from the fact that we are handicapped by being physically unable to personally delve into the merits of each individual request. A staff of experts working for each subcommittee would save through investigation huge additional sums of money. The cost of such a staff would be saved many times over.

Mr. TARVER. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I ask the indulgence of the Committee of the Whole in placing before it and in the RECORD my own views in reference to the subject matter mentioned by the gentleman from Wisconsin [Mr. KEEFE] and I do this because his statement was to the effect that he was stating for the RECORD the facts with regard to the issue and he hoped it might receive the consideration of the Senate. I think it is fair that the other side of the issue be presented as well.

I am sorry that the gentleman is perturbed by reason of the action of the Chair in ruling out of order the amendment offered by him. I do not agree with him that the full Committee on Appropriations directed our subcommittee to prepare such an amendment. The full Committee on Appropriations gave no directions whatsoever to our subcommittee except it expressed the viewpoint that the subcommittee should consider the matter and determine whether it wanted to offer an amendment or not. In pursuance of that viewpoint the chairman of the committee called a meeting for yesterday morning at 11 o'clock. The clerk of the committee notified the offices of all seven members of the subcommittee, but nobody was in attendance except the chairman and myself. We remained there for quite some little time waiting for the other members to show up. None of them came, so, two not constituting a quorum of a subcommittee of seven, we, of course, had to adjourn. I do not see how the gentleman from Wisconsin can feel that any impropriety was indulged in by the chairman and myself in endeavoring to have a meeting for the purpose of considering the amendment that he proposed to offer, but even if the subcommittee had offered his amendment it would have been out of order.

May we get the facts from the record. The gentleman stated that he wanted the record kept straight. We made a record with regard to this matter in 1941, at which time the gentleman was also a member of the subcommittee. The employment offices were under the jurisdiction of the States and the teacher-placement function was then being carried out under State jurisdiction, yet the gentleman joined with other members of the subcommittee in expressing disapproval of that particular type of service and the hope it might not be expanded by State authorities.

In 1942 in the preparation of the 1943 bill, as I recall, the subcommittee undertook to give definite instructions that the teacher-placement service should be abandoned. That instruction was not carried out. In the hearings this year when we had before us Mr. Motley, who is in charge of this service, and Mr. Appley also was in attendance, the question rose as to why the administrative authorities had not carried out the directions of the Congress contained in these two subcommittee reports that had received the approval of Congress and discontinue this service. Mr. Appley, to whose attention the matter was called, very promptly agreed with our subcommittee and issued orders for the discontinuance of the teacher-placement service in the several States where it was at that time being carried on. The gentleman from Wisconsin wants to restore it in 13 States, including the State of Georgia. This service has been discontinued in Georgia since November 1, 1943, and I have yet to receive a single letter of protest from a teacher or an educational authority in my State about discontinuing this service. Everybody seems to be pleased that it is out of the picture. I know of no reason why the gentleman should disturb himself in an effort to restore the teacher-placement service to the people of Georgia, as his amendment would undertake to do.

Mr. DONDERO. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Michigan.

Mr. DONDERO. Can the gentleman give this Committee one single reason why the Federal Government should project itself into this field?

Mr. TARVER. May I read to the gentleman from the record.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TARVER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

There was no objection.

Mr. TARVER. Mr. Chairman, this record was made on April 27, 1944, before our subcommittee, which was only a little over 30 days ago. It is in part 3, pages 231 and following, of the hearings on the Labor-Federal Security Agency appropriation bill for the fiscal year 1945:

Mr. TARVER. I am concerned about this matter, not so much from the standpoint of the business of private teachers employment agencies, Mr. Chairman, but largely from the standpoint of whether or not any Federal agency should be charged with the duty in the employment and distribution for employment of teacher personnel in the field of education. I can see, or I think I can see, where such activity by the Federal Government might be used, if in unscrupu-

lous hands, to influence public education, to accord favored consideration to teachers for employment in the higher paying positions, who might have their educational ideas conform to the educational ideas of those in charge of the Federal Bureau; and that, in my judgment, would constitute a very grave danger.

So far as I am concerned, since this committee has twice admonished the Employment Service to discontinue this practice, I would be in favor of the insertion of a proviso in the appropriation for the Employment Service providing that none of the funds appropriated shall be used for the maintenance of any teacher-placement unit, or similar unit, intended to facilitate the employment and distribution of teacher personnel in the field of education. I think that is a field from which any agency of the Federal Government ought to be rigidly excluded.

That is just an expression of my opinion, and I have nothing further than that to say.

But another gentleman of the committee did have something to say. The gentleman was Mr. KEEFE, of Wisconsin:

Mr. KEEFE. I want to add to that, and say that I personally am in complete accord with the sentiment which the judge has just expressed. I would go just one step further and say that I am apprehensive about this situation in the face of the fact that this committee in its report upon two separate occasions has given very definite and positive instructions to this Agency, only to find, in the letters which have been submitted, that they just flaunt the action of Congress and the action of this committee and pay no attention at all. I think some more positive action must be taken.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I support the opinion expressed both by Judge TARVER and Mr. KEEFE 100 percent, and would even be in favor of making Mr. KEEFE's remarks a little bit stronger on the subject.

Mr. HARE. Gentlemen, of course I am sure, in view of my activities on this committee in the last 5 years, that you know my position with reference to the subject which has been mentioned by Judge TARVER. I have been apprehensive for some time and today I am extremely apprehensive of what the outcome is going to be with reference to our educational system. I also expressed myself a few days ago when the representatives of the Office of Education and the representatives of the Social Security Board were present. I was alarmed at what I saw on the front page of a little publication, and I want to find out who issues that publication before I quote it verbatim; but it came out last week and I read in that publication of a movement by one of the great educational agencies of this country looking toward the federalization of education and taking the position, and urging, that the teachers—and the teachers have been advised to this effect—had as one of their responsibilities and their duties as teachers that of discussing before their classes the political questions of the country and the availability and the ability of men who are offering themselves to represent the people in the Congress of the United States.

Mr. TARVER. Suppose, Mr. Chairman, that this Agency continues and enlarges its work along the lines which have been discussed here this afternoon. Here is a teacher who refuses to observe the suggestions which are made with reference to the type of instruction that he shall give. He desires to obtain a better-paying position that may be vacant in a distant city. It is entirely likely that the employees of the bureau in charge of the teacher placement service would not look with favor upon facilitating his transfer to that position, and his employment there. But here is another teacher who has been subservient to the instructions which have been issued to him and who has conducted his classes in accordance with the desires of those in charge of the Federal Bureau. Naturally he is given preference by the officials of that Bureau in facilitating his employment in a higher-paying position. The natural result would be that there will be an incentive held out to the teachers of the country to respond to the instructions that are given and conduct themselves in accordance with their advices.

Mr. KEEFE. It is all part of the plan. It is as plain as day.

I appeal from the Mr. KEEFE as he appears here today, whose amendment was ruled out of order, to the Mr. KEEFE who helped to write these recommendations in the reports of the committee in 1941 and 1943, and who concurred in the views expressed on the occasion of the hearing 35 days ago.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Can the gentleman inform the House of the name of the agency that has expressed a desire to federalize public education in this country?

Mr. TARVER. I was quoting from the gentleman from South Carolina [Mr. HARE] in that portion of the hearings I read, and I suggest the inquiry be addressed to him.

Mr. DONDERO. Can the gentleman give the House the number of teachers that were placed and what it cost the taxpayers of this country to do so under this Federal agency?

Mr. TARVER. Unfortunately that information is not available. Teacher placement, apparently, has been of very little interest to the educational authorities of the country. At the present time there is no need for any teacher to pay an employment agency or anybody else in order to obtain a position, there being such a great shortage of teachers.

Mr. DONDERO. I tried to obtain the information which I endeavored to enlist from the gentleman, but I was unable to get it from the Federal agency.

Mr. TARVER. I thank the gentleman.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while the Committee is considering the subject of teachers I thought it would be appropriate to call to the attention of the House a situation existing throughout the country which I think commands the attention of all of our people, and particularly Members of the Congress. There are many casualties on the home front, such as displacement in employment and the shocks and impacts which follow war. One of these severe displacements that concerns me is the effect of the war upon our institutions of learning throughout the country, and particularly our higher institutions of learning, or those colleges that do not have R. O. T. C. units, Navy or Army, and are not fortunate enough to have large endowments. I shall not, except for the purpose of these remarks, descriptively refer to them as the smaller colleges of our country. My remarks will be mainly confined to those schools that are not known as coeducational institutions, and that have as their students members of the male sex. I am informed that there are about 1,000 such colleges in the United States. While the Army student training program was going on it was helpful, but we are now faced with the necessity of a sharp reduction in that program. Throughout the country there are about 1,000 colleges that are faced with a very trying situation with the necessity, in most cases, of closing their doors unless something is done to enable them to carry on during the wartime and to be ready to render to the country their maximum educational services when the war is over.

I have been thinking for months as to what we might do to enable those colleges to continue, so that their faculty members would be retained and so that the full capacity of those institutions would be available to carry on after the war is over.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will be very glad to yield for a question or for an observation.

Mr. DONDERO. Does the gentleman refer to tax-supported colleges or the denominational schools of the country in using the figure of 1,000 he just mentioned?

Mr. McCORMACK. My reference to colleges is without regard to whether denominational or otherwise. There are some institutions that are much better off than others, but my remarks are addressed generally to what might be termed those colleges having a small student body in normal times, up to probably 1,500, 1,750, or 2,000 students. I have in mind one college that, under normal conditions, has a student body of about 1,750 and is down now to less than 300. It needs a student body of about 800 to operate, and when it gets below 800 it is faced with the necessity of closing its doors unless something is done to enable that institution and other institutions similarily situated to continue during the war.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes, because this is an important subject.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. O'HARA. I want to congratulate the majority leader on discussing this matter at this time, because it is something that has given me a great deal of concern, even at the time of the draft of 18-year-olds. If the gentleman will permit, I should like to make an observation that until such time as the War Department, particularly, gives some attention to the program of which the gentleman speaks and gives some very thoughtful consideration to the serious problem of these 18- and 19-year-old youngsters who may advantageously receive some very important parts of their

training, including advanced R. O. T. C. work, for instance, I am afraid we are going to have the situation which now exists. The A. S. T. P. program had some excellent features about it, but unfortunately, apparently, it had no policy or no goal toward which it was directed. I think that program could have been worked very nicely into the advanced R. O. T. C. and an O. C. S. program for some of these young soldiers. I am sorry to say that too little thought has been given to the problem involved, of which the gentleman speaks.

Mr. McCORMACK. I thank the gentleman for his observation. I want it understood that I am just calling this to the attention of my colleagues for consideration and discussion at this time. It is a serious problem. We should meet it in some way. I have no definite suggestion except that I feel we should consider and settle it. I have contacted educators and I know how they feel. It is my thought that in order to bring it to a head a resolution should be introduced authorizing the House Committee on Education to make a survey—not an investigation, a survey—to enable the educators of the country to present their views. It will have a crystallizing influence out of which might come some concrete recommendation by that committee, emanating from the educators, from whom it should come, as a result of which we might be able to do something to enable those colleges to maintain their faculties and their capacity to go ahead after the war is over. They play an important part in a democracy, general education being absolutely essential, as we all know, to the success of a democracy.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. The gentleman's remarks are very timely, but I should like to suggest to the gentleman that in his statement he said something about the small colleges which confine their students to men. Many of these smaller colleges to which the gentleman refers are coeducational. They are in as much difficulty as the others.

Mr. McCORMACK. I appreciate the gentleman's observation. I do not want anything that I have said here extemporaneously to be misconstrued. I have in mind that there are about a thousand colleges in this country that are faced with an acute situation. Whether they are coeducational or not, if they are in that position, they should receive consideration, if something is done. It is important in a democracy that something be done to preserve the integrity and the capacity of those colleges to go forward and render their maximum work after this war is over as they do now and as they have done in the past.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. DONDERO. As a member of the Committee on Education of this House, I am intensely interested in what the gentleman has been saying. Recently when the bill was before the House to provide educational facilities for the veterans, I tried to amend the bill by confining it to existing educational institutions in this country, because the Government will be paying $500 tuition for every veteran who enters such an institution. That would have been one way to help those small colleges to which the gentleman refers to keep their faculties and to keep their doors open. However, that amendment was voted down.

Mr. McCORMACK. I am not discussing that particular amendment. There is no question but that the G. I. bill will help, but it will not meet the problem that confronts the colleges today.

Mr. DONDERO. That is true.

Mr. McCORMACK. It will be of invaluable assistance in the future. Today, however, we must do something to keep these institutions in existence. In an emergency like this, I think the Government is justified in going to every extent reasonably possible to keep those institutions in existence, intact, and ready to go forward performing their great work of education after the war is over.

I make these few remarks to call this problem to the attention of my colleagues, with the additional statement that in my individual capacity I shall within a day or two introduce a resolution along the lines I have referred to permitting the Committee on Education to make a survey of this matter in the hope that something will be done quickly.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we can all understand the concern of the gentleman from Massachusetts [Mr. McCORMACK] over the question of continuing our colleges and enabling them to function. I go one step further than the gentleman from Massachusetts. The colleges are all right, but what are you going to do about the students? Colleges without students are of no use. We all know that the health, the happiness, and the welfare of our people in the years to come will depend in a large degree upon the number of professional men, not only doctors and dentists but other professional men, who are able to take care of the population. If the service of the Government continues to take, as it has been doing, young men from the institutions of learning, just who is going to take care of the civilian population, who is going to take care of those who come back from abroad after this war is over?

Probably every Member of this House knows of not one but many, many cases of young men who have completed more than half of their training in the colleges but have been yanked out of the institutions of learning and sent as infantrymen, not being used in the lines in which they have been trained. I know of engineers who were practically through with their engineering courses who today are serving in the Infantry. Those boys feel that they are not being used to their fullest capacity. It may be that a part of that is inevitable, it may be that because there are so many taken into the service the officers cannot sort them, cannot put them where they should be, and a certain amount of that will always be, we concede; but it does seem as though when a man has practically completed a course in medicine, dentistry, surgery, or engineering, chemical engineering, for instance, the Government should use him in some other capacity than as a private in the ranks of the fighting men.

One thing that is disturbing many of us is this: While our own boys are being taken out of the colleges by the thousands, here were some 800,000 refugees brought in since the beginning of the war, some 6,000 doctors who have no authority to practice here but who, nevertheless, are attempting to practice here. What some of us would like to know is whether that is going to continue, whether our American citizens, our young men, are all to be sent abroad, and in their place to take care of our people, to administer to them in sickness, we are to have refugees from other countries, who do not understand our ways, our methods of treatment.

The same thing runs on down through to the farms. Now the gentleman from Texas [Mr. SUMNERS] this morning was talking about the labor situation. We have it all over the United States. We have it in my district. Farmers and canners, farmers with crops and canners who want to take care of those crops, are confronted with this labor shortage. Their own sons, their own husbands, have been sent abroad and the farms are without workers and the canneries are without employees. In some places, it is true, in my district for example, we have 500 or more German war prisoners. But these are not enough. Now, what is the advantage and what do we gain by taking away all of the Americans and sending them across and bringing in either war prisoners or refugees who, perhaps, will remain in our country after the war is over? Are we remaking America by putting in their jobs people from abroad? What we are doing, whether we realize it or not, is tearing up from his home ties, taking out of this country an American boy, sending him across to fight. Perhaps he will return and perhaps he will not, and in his place here at home, it may be in his own home, there taking the chair which that boy formerly took at the table, sleeping in that boy's bed, we send some refugee or some war prisoner, and after the war is over, he may remain here in the place of our boy. Yes; that is one way to help those from abroad—one way to remake America, but it will be a sad day for this country if after the war is over we find our former way of life gone and our country and our Government in the hands of these newcomers.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Clerk concluded the reading of the bill.

Mr. HARE. Mr. Chairman, I move that the Committee do now rise and report the bill back with sundry amendments, with the recommendation that the amendments be agreed to and the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 4899, a bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1945 and for other purposes, directed him to report the same back to the House, with sundry amendments adopted in the Committee of the Whole, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. HARE. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

APPROPRIATIONS FOR LEGISLATIVE BRANCH AND THE JUDICIARY—1945

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4414) making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes, with Senate amendments, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. O'NEAL]? [After a pause.] The Chair hears none and appoints the following conferees: Mr. O'NEAL, Mr. HENDRICKS, Mr. GORE, Mr. KIRWAN, Mr. JOHNSON of Indiana, Mr. PLOESER, and Mr. TIBBOTT.

DEBT LIMIT OF THE UNITED STATES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4464) to increase the debt limit of the United States, with Senate amendments, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Mr. DOUGHTON, Mr. COOPER, Mr. DINGELL, Mr. REED of New York, and Mr. WOODRUFF of Michigan.

CONTROL AND ERADICATION OF ANIMAL AND PLANT PESTS AND DISEASES

Mr. FLANNAGAN. Mr. Speaker, I call up the conference report on the bill (H. R. 4278) for the control and eradication of certain animal and plant pests and diseases, and I ask unanimous consent that the statement be read in lieu of the report.

Mr. TABER. Mr. Speaker, reserving the right to object, will that prevent the making of a point of order against the report?

The SPEAKER. It does not. A point of order may be made after the reading of the statement.

Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4278) to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 303. That all purposes and objects of expenditure which are provided for under the item "Loans, grants, and rural rehabilitation", in the Department of Agriculture Appropriation Act, 1944, are hereby authorized for the fiscal year ending June 30, 1945, in the manner, in the detail, and under the conditions, authorities, restrictions, and limitations as are contained in the item referred to, and there are hereby authorized to be appropriated and to be otherwise made available such sums as Congress may deem necessary for the purposes of this section: *Provided*, That no part of such sums be available for the promotion or aid of any program of medical care which prevents the patient from having the services of any practitioner of his own choice so long as State laws are complied with, except that this provision shall not be applicable to the promotion or aid of a program of medical care where a majority of the participants within the program group elect to confine their choice of practitioners to a list of available licensed practitioners selected by them."

And the Senate agree to the same.

Amendment numbered 3: That the House receed from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 403. Section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes" approved August 24, 1935 (49 Stat. 774), as amended, is hereby further amended by the addition of the following language:

"'Not exceeding $50,000,000 of the funds appropriated by and pursuant to this section may also be used during the fiscal years ending June 30, 1945 and 1946, to provide food for consumption by children in non-profit schools of high-school grade or under and for child-care centers through (a) the purchase, processing, and exchange, and the distribution of agricultural commodities and products thereof; or (b) the making of payments to such schools and centers or agencies having control thereof in connection with the purchase and distribution of agricultural commodities in fresh or processed form and, when desirable, for the processing and exchange of such commodities and their products; or (c) by such other means as the Secretary may determine: *Provided*, That funds appropriated for the purposes of this program shall be apportioned for expenditure in the States, Territories, possessions, and the District of Columbia in accordance with school enrollment and need, as determined by the Secretary, except that if program participation in any State does not require all funds so apportioned, the Secretary may reapportion such excess funds to such other States in consideration of need, as he may determine: *Provided further*, That benefits under this section to schools or child-care centers shall in no case exceed the cost of the agricultural commodities or products thereof delivered to the school or child-care center as established by certificates executed by the authorized representative of the sponsoring agency: *Provided further*, That such sponsoring agency shall maintain accounts and records clearly establishing costs of agricultural commodities or products furnished in the program and that such accounts and records shall be available for audit by representatives of the Department of Agriculture: *Provided further*, That these funds may be used for, or to make payments in connection with, the purchase of such agricultural commodities and for exchanging, distributing, disposing, transporting, storing, processing, inspection, commission, and other incidental costs and expenses without regard to the provisions of section 3709 of the Revised Statutes and without regard to the 25 per centum limitation contained in this section: *Provided further*, That not more than 2 percentum of the funds made available under this amendment shall be used to provide food for children in child-care centers. The amount of funds used in any State during any fiscal year under this paragraph shall not exceed the total amount otherwise furnished for the same purpose by or on behalf of the State and local school authorities and other sponsoring agencies in such State including the value of donated services and supplies, as certified by the respective schools, care centers or agencies having control thereof.

"'There are hereby authorized to be appropriated such additional amounts for the purposes of this amendment as the Congress may deem necessary.'

"The said section 32 is hereby further amended by inserting in the second sentence thereof after the words 'separate fund' and before the word 'and' the following: 'to remain available until expended'."

And the Senate agree to the same.

Amendment numbered 2: On the amendment of the Senate numbered 2, the committee of conference have been unable to agree.

J. W. FLANNAGAN, Jr.,
HAROLD D. COOLEY,
STEPHEN PACE,
Managers on the part of the House.

E. D. SMITH,
J. H. BANKHEAD,
RICHARD B. RUSSELL,
HENRIK SHIPSTEAD,
GEORGE D. AIKEN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4278) to provide for

the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment adds to title III of the bill a new section which authorizes appropriations to enable the Secretary of Agriculture, through the War Food Administration, to continue to carry out for each of the fiscal years 1944–45 and 1945–46, the rural rehabilitation program of the Farm Security Administration in the manner provided in the Department of Agriculture Appropriation Act, 1944, under the item "Loans, grants, and rural rehabilitation," with a proviso that no part of the sums authorized to be appropriated by this section shall be available for the promotion or aid of any program of medical care which prevents the patient from having the services of any practitioner of his own choice so long as there is compliance with State laws. The House recedes with the following amendments:

(1) An amendment limiting the continuance of such program to the fiscal year ending June 30, 1945.

(2) An amendment providing that the program with respect to medical care "Shall not be applicable to the promotion or aid of a program of medical care where a majority of the participants within the program group elect to confine their choice of practitioners to a list of available licensed practitioners selected by them."

Amendment No. 3: This amendment adds to title IV of the bill a new section which authorizes the continuation for 2 years of the school-lunch program by the Secretary of Agriculture, through the War Food Administration, in the same manner as it is now being administered. The amendment makes available for this purpose, during the fiscal years ending June 30, 1945, and June 30, 1946, funds appropriated by and pursuant to section 32 of the act of August 24, 1935, as amended, and also authorizes the appropriation of such additional funds only for the year ending June 30, 1945, as the Congress may deem necessary. The House recedes with the following amendments:

(1) An amendment limiting the expenditures which may be made during the fiscal years ending June 30, 1945, and June 30, 1946, for the school-lunch program to not more than $50,000,000 of the funds appropriated by and pursuant to section 32 of the act of August 24, 1935, as amended.

(2) An amendment limiting the amount which may be expended by the Secretary of Agriculture in any State during any fiscal year for the school-lunch program to an amount not exceeding the amount furnished by or on behalf of the State and local school authorities and other sponsoring agencies in such State including the value of donated services and supplies, as certified by the respective schools, care centers, or agencies having control thereof.

(3) An amendment apportioning the funds appropriated for the purpose of the program "in accordance with school enrollment and need" in lieu of "in accordance with school enrollment."

(4) An amendment which strikes out the language which limits the authorization of additional amounts for the school-lunch program to the fiscal year ending June 30, 1945.

(5) An amendment adding an additional paragraph to section 403 of the bill. This paragraph further amends section 32 of the act of August 24, 1935, as amended, so as to make available, until expended, sums appropriated by such section.

JOHN W. FLANNAGAN, Jr.,
STEPHEN PACE,
HAROLD D. COOLEY,
Managers on the part of the House.

Mr. TABER. Mr. Speaker, I make the point of order against the conference report on the ground that it is beyond the range of the conference; that it includes matters not contained in the bill as it passed the House, or the bill as it passed the Senate. I call attention on page 3 of the report, to the particular language to which I refer:

The said section 32 is hereby further amended by inserting in the second sentence thereof, after the words "separate fund" and before the word "and", the following: "to remain available until expended."

The effect of that language would be to make the funds that are appropriated to the Department of Agriculture under section 32 available until expended regardless of how long that was and would create a situation where there might be accumulated enormous sums of money. I call the attention of the Speaker to page 499 of the House Manual to this language:

The managers of a conference must confine themselves to differences committed to them and may not include subjects not within the disagreements even thougl germane to a question in issue, but they may perfect amendments committed to them if they do not go beyond the differences. Where an amendment provided for the creation of a rent commission to regulate the rent of buildings in the District of Columbia, it was held not in order to report a provision including, in addition, the regulation of the rent of lands.

There are numerous decisions on the subject, and I would call attention to volume V of Hinds' Precedents, section 6401, where a Senate amendment relating to the fishery question between the United States and Canada was up. To this conferees added a provision for a commission to consider the differences between the United States and Canada in regard to trade relations. It reads as follows:

The Speaker ruled: "The Chair dislikes to pass upon such matters as this, but it is a well-established principle that no conference committee can introduce a new subject, one that was not in dispute between the two Houses, and it is evident that everybody in the House realizes that this amendment which has been presented is really beyond the power of the committee of conference.

"That being so, and the point being made, there is no other course but to sustain the point of order, which the Chair accordingly does."

Mr. FLANNAGAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. FLANNAGAN. I am afraid the point of order is well taken. I do not think it is necessary for the gentleman to present further authorities.

Mr. RANKIN. Will the gentleman yield?

Mr. TABER. I yield.

Mr. RANKIN. Does the gentleman from New York make the point of order against this particular provision or against the entire report?

Mr. TABER. I make the point of order against the conference report. It is the only way I can do it.

The SPEAKER. The Chair is ready to rule. The Chair believes that all that is necessary is to read section 2 of rule XX:

No amendment of the Senate to a general appropriation bill which would be in violation of the provisions of clause 2 of rule XXI, if said amendment had originated in the House, nor any amendment of the Senate providing for an appropriation upon any bill other than a general appropriation bill, shall be agreed to by the managers on the part of the House unless specific authority to agree to such amendment shall be first given by the House by a separate vote on every such amendment.

The Chair believes the first point of order of the gentleman from New York is sufficient, and the Chair sustains the point of order.

The Clerk will report the first Senate amendment.

The Clerk read as follows:

Senate amendment: On page 13, after line 2, insert:

"SEC. 303. That all purposes and objects of expenditure which are provided for under the item 'Loans, grants, and rural rehabilitation', in the Department of Agriculture Appropriation Act, 1944, are hereby authorized for each of the fiscal years 1944–45 and 1945–46 in the manner, in the detail, and under the conditions, authorities, restrictions, and limitations as are contained in the item referred to, and there are hereby authorized to be appropriated and to be otherwise made available such sums as Congress may deem necessary for the purposes of this section: *Provided*, That no part of such sums be available for the promotion or aid of any program of medical care which prevents the patient from having the services of any practitioner of his own choice so long as State laws are complied with."

Mr. FLANNAGAN. Mr. Speaker, I move to recede and concur with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. FLANNAGAN moves that the House recede from its disagreement to the Senate amendment No. 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 303. That all purposes and objects of expenditure which are provided for under the item 'Loans, grants, and rural rehabilitation', in the Department of Agriculture Appropriation Act, 1944, are hereby authorized for the fiscal year ending June 30, 1945, in the manner, in the detail, and under the conditions, authorities, restrictions, and limitations as are contained in the item referred to, and there are hereby authorized to be appropriated and to be otherwise made available such sums as Congress may deem necessary for the purposes of this section: *Provided*, That no part of such sums be available for the promotion or aid of any program of medical care which prevents the patient from having the services of any practitioner of his own choice so long as State laws are complied with, except that this provision shall not be applicable to the promotion or

aid of a program of medical care where a majority of the participants within the program group elect to confine their choice of practitioners to a list of available licensed practitioners selected by them."

The SPEAKER. The question is on the motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Amendment No. 2: On page 13, after line 2, insert:

"SEC. 304. Public Law 118, Seventy-eighth Congress, approved July 7, 1943, is hereby amended by the addition of the following: 'That farmers' reports of the acreage of flue-cured tobacco planted or harvested in the marketing years 1944–45 shall be considered correct if within one-fifth of an acre or 7 percent, whichever is greater, of the acreage finally determined, but the acerage in excess of that reported shall not be considered as past production in succeeding years.' "

Mr. FLANNAGAN. Mr. Speaker, I move that the House insist upon its disagreement to Senate Amendment No. 2.

The SPEAKER. The question is on the motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Amendment No. 3: On page 14, after line 18, insert:

"SEC. 403. Section 32 of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935 (49 Stat. 774), as amended, is hereby further amended by the addition of the following language:

" 'The funds appropriated by and pursuant to this section may also be used during the fiscal year ending June 30, 1945, to provide food for consumption by children in nonprofit schools of high-school grade or under and for child-care centers throught (a) the purchase, processing, and exchange, and the distribution of agricultural commodities and products thereof; or (b) the making of payments to such schools and centers or agencies having control thereof in connection with the purchase and distribution of agricultural commodities in fresh or processed form and, when desirable, for the processing and exchange of such commodities and their products; or (c) by such other means as the Secretary may determine: *Provided*, That funds appropriated for the purposes of this program shall be apportioned for expenditure in the States, Territories, possessions, and the District of Columbia in accordance with school enrollment, as determined by the Secretary, except that if program participation in any State does not require all funds so apportioned, the Secretary may reapportion such excess funds to such other States in consideration of need, as he may determine: *Provided further*, That benefits under this section to schools or child-care centers shall in no case exceed the cost of the agricultural commodities or products thereof delivered to the school or child-care center as established by certificates executed by the authorized representative of the sponsoring agency: *Provided further*, That such sponsoring agency shall maintain accounts and records clearly establishing costs of agricultural commodities or products furnished in the program and that such accounts and records shall be available for audit by representatives of the Department of Agriculture: *Provided further*, That these funds may be used for, or to make payments in connection with, the purchase of such agricultural commodities and for exchanging, distributing, disposing, transporting, storing, processing, inspection, commission, and other incidental costs and expenses without regard to the provisions of section 3709 of the Revised Statutes and without regard to the 25 percent limitation contained in this section: *Provided further*, That not more than 2 percent of the funds made available under this amendment shall be used to provide food for children in child-care centers.

" 'There are hereby authorized to be appropriated, for the fiscal year ending June 30, 1945, such additional amounts for the purposes of this amendment as the Congress may deem necessary.' "

Mr. FLANNAGAN. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment No. 3, and agree to the same with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. FLANNAGAN moves that the House recede from its disagreement to Senate amendment No. 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 403. Section 32 of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935 (49 Stat. 774), as amended, is hereby further amended by the addition of the following language:

" 'Not exceeding $50,000,000 of the funds appropriated by and pursuant to this section may also be used during the fiscal years ending June 30, 1945 and 1946, to provide food for consumption by children in nonprofit schools of high-school grade or under and for child-care centers through (a) the purchase, processing, and exchange, and the distribution of agricultural commodities and products thereof; or (b) the making of payments to such schools and centers or agencies having control thereof in connection with the purchase and distribution of agricultural commodities in fresh or processed form and, when desirable, for the processing and exchange of such commodities and their products; or (c) by such other means as the Secretary may determine: *Provided*, That funds appropriated for the purposes of this program shall be apportioned for expenditure in the States, Territories, possessions, and the District of Columbia in accordance with school enrollment and need, as determined by the Secretary, except that if program participation in any State does not require all funds so apportioned, the Secretary may reapportion such excess funds to such other States in consideration of need, as he may determine: *Provided further*, That benefits under this section to schools or child-care centers shall in no case exceed the cost of the agricultural commodities or products thereof delivered to the school or child-care center as established by certificates executed by the authorized representative of the sponsoring agency: *Provided further*, That such sponsoring agency shall maintain accounts and records clearly establishing costs of agricultural commodities or products furnished in the program and that such accounts and records shall be available for audit by representatives of the Department of Agriculture: *Provided further*, That these funds may be used for, or to make payments in connection with, the purchase of such agricultural commodities and for exchanging, distributing, disposing, transporting, storing, processing, inspection, commission, and other incidental costs and expenses without regard to the provisions of section 3709 of the Revised Statutes and without regard to the 25-percent limitation contained in this section: *Provided further*, That not more than 2 percent of the funds made available under this amendment shall be used to provide food for children in child-care centers. The amount of funds used in any State during any fiscal year under this paragraph shall not exceed the total amount otherwise furnished for the same purpose by or on behalf of the State and local school authorities and other sponsoring agencies in such State including the value of donated services and supplies, as certified by the respective schools, care centers, or agencies having control thereof.

" 'There are hereby authorized to be appropriated such additional amounts for the purposes of this amendment as the Congress may deem necessary.' "

Mr. DIRKSEN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. DIRKSEN. Mr. Speaker, I reserve a point of order against the amendment at least until we reach a point where the chairman can make some explanation as to whether or not the conference did not exceed its authority in furnishing funds by way of additional appropriations for a two-year period to carry out this program, whereas in the House bill there was no provision whatsoever and in the Senate bill there was an authorization for additional appropriations for only one year, namely, the fiscal year 1945. If my understanding of the matter is correct, Mr. Speaker, I believe a point of order would lie.

The SPEAKER. The Chair believes the Senate amendment provided funds for 2 years.

Mr. DIRKSEN. No; I am referring, Mr. Speaker, to the language of the conference report on page 3 which authorizes additional appropriations to carry out the purposes of the amendment as Congress may deem necessary. School funds out of the section 32 provision are provided further for a two-year period. The language in the amendment as passed by the Senate provides additional appropriations only for the fiscal year ending June 30, 1945. If my estimate of the situation is correct it would occur to me they have gone cutside the bracket of conference authority.

The SPEAKER. It would appear to the Chair that the only question which would lie would be a question of germaneness; and the Chair would be loath to hold that it was not germane.

Mr. DIRKSEN. I raise the question of germaneness.

The SPEAKER. If the gentleman will withhold his point of order it may be cleared up by an amendment.

Mr. DIRKSEN. I am seeking, Mr. Speaker, only a clear estimate of the proposition.

The SPEAKER. If the gentleman will withhold his point of order I believe the matter may be cleared up.

Mr. DIRKSEN. Mr. Speaker, I withdraw my point of order; I believe it will be cleared up by a subsequent amendment.

Mr. FLANNAGAN. Mr. Speaker, I yield to the gentleman from Kansas [Mr. HOPE] for the purpose of offering an amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HOPE, of Kansas, to the amendment offered by Mr. FLANNAGAN: On line 6 strike out the word "years" and

insert "year"; and on line 7 strike out "and 1946."

The SPEAKER. The gentleman from Kansas is recognized in support of his amendment.

Mr. HOPE. Mr. Speaker, I yield back the floor to the gentleman from Virginia.

Mr. FLANNAGAN. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER. The gentleman from Virginia is recognized for 5 minutes.

Mr. FLANNAGAN. Mr. Speaker, the Senate amendment extends the school-lunch program that is now in effect for a period of 2 years. The conferees were all in agreement that the program should be extended, and the only reason the minority members of the conference committee did not sign the conference report was because they thought the extension should be for 1 year only instead of 2. The gentleman from Kansas, who was a member of the conference committee, has offered an amendment which will bring that question to the House for decision. Now let me say just a few words about the school-lunch program.

Mr. Speaker, the school-lunch program is not some new idea that sprang full grown from the mind of some brain-truster, New Dealer, or bureaucrat. Let us get that straight in the beginning, because I want to allay the fears of some of my conservative friends, who, as indicated by their votes, think more of retrogression than they do of progression, and who every time some bill comes up extending the blessings of Government to the unfortunate, the underprivileged or undernourished, take on either a static or backward complex, and begin to yell about the Constitution, the American way, and a lot of other tommyrot, as if the American way, under the Constitution, is not for the blessings of Government, like the gentle rains of heaven, to fall upon the rich and poor alike. Another thing: I do not know of a single outstanding American in public life who by reason of his position has had an opportunity to observe the program and give consideration to it that has not publicly declared that the continuance of the program is vital to the future welfare of our Republic. It is true that there is a division of opinion as to whether the program should remain under the Department of Agriculture or be transferred to the United States Office of Education, but there the division ends. They all agree that the program should be continued. And, my colleagues, when such men as Dr. Thomas Parran, Surgeon General, United States Public Health Service, Dr. John W. Studebaker, Commissioner, United States Office of Education, and our own Judge Marvin Jones, War Food Administration, not only endorse, but plead for a continuance of the program, it is about time we forgot petty political considerations, and gave real thought to the future welfare of the boys and girls of America.

I said that the school-lunch program is not a new idea. It is not. Years ago in numerous school communities where many of the children lived too far from school to go home for lunch, school cafeterias sprang up. While in most cases these cafeterias were purely business arrangements designed to sell food to the children at cost, they sprang up because the forward-looking, progressive people of those sections realized the need of furnishing the school children with a wholesome lunch at the noon hour. Later, such organizations as the Parent-Teacher Association—and let me pause to say I do not know of an association that has rendered a greater service to youth—realizing the great part nutrition plays in the mental and physical development of the child, became interested, and to this good day are playing an important part in the program. In 1933, when the depression was upon us, the Federal Government, realizing the worthwhileness of the program, became interested in school lunches as a work project to relieve unemployment. Then, in 1935, the United States Department of Agriculture, in order to assist in removing farm surpluses, commenced distributing surplus farm products to the schools. In 1943, W. P. A. having been abolished and war demands consuming all farm surpluses, thus doing away with all Federal aid to the lunch program, this Congress—and be it said to the praise of this Congress—came to the rescue by amending the Agricultural Adjustment Act, and directed that $50,000,000 of section 32 money be turned over to the Food Distribution Administration of the War Food Administration to be used in aiding school-lunch programs through cash indemnities. This amendment to the Agricultural Adjustment Act only provided for a 1-year program, and this program will expire June 30, 1944. The question is, Will the Congress extend the program?

Now, while I did not approve of the Congress diverting section 32 money for the school program, thinking that section 32 funds, if not needed to remove farm surpluses at present, should be held intact to take care of future farm surpluses, and that the Congress should have made a direct appropriation for the purpose of financing school lunches, in fairness let me say that under the law at present all current section 32 funds, if not used in removal of current farm surpluses, revert to the Treasury. Hence, no serious damage was done.

Right at this point I want to talk to the farm representatives for just a few minutes. Along with other farm representatives, I have been fighting for some time to get section 32 of the Agricultural Adjustment Act amended so section 32 funds would no longer revert to the Treasury, but would be held intact to take care of future surpluses. And to my farmer friends, let me say that if the conference report is adopted, at long last, we have accomplished this very thing. How, you ask? Let me tell you. The Senate amendment with respect to financing simply extended the present school lunch financing program for 2 years. This meant that for 2 additional years section 32 funds could be used to finance the school-lunch program. The House conferees insisted that the Senate amendment be further amended by providing that, while section 32 funds could be used to the extent of $50,000,000 in financing school lunches, thereafter none of such funds could be used for such purposes, and further that thereafter all section 32 funds not used in removing current farm surpluses should be held intact to take care of farm surpluses in the future. The Senate conferees agreed to this amendment to the Senate amendment. So, if the report of the conferees is approved by the House, the farmers of America have won a great victory, in that hereafter section 32 funds will be held intact and used exclusively for the removal of current and future farm surpluses.

Just a few words with reference to the 1943–44 school-lunch program to which the conferees agreed, with amendments, to extend for 2 years.

The program this year will cost around $129,000,000. Of this amount the Federal Government will put in about $43,297,840. While the Congress appropriated $50,000,000 for the program, under the efficient administration of Marvin Jones, only $43,297,840 will be used. The balance of the $129,000,000, or around $86,000,000, used in connection with the program, has been supplied by the States, the local school authorities, the Parent-Teacher Associations, Kiwanis Clubs, and other civic organizations.

Twenty-six States signed contracts during the 1943–44 program with the Food Distribution Administrator of the War Food Administration to participate, in varying degrees, in the program. In those States that did not sign up for the program, individual schools or school systems did sign up, hence the program is in force, of course in varying degrees, in every State in the Union.

At present about 30,000 schools are participating, and in these schools some 4,445,200 school children are receiving either lunches or milk under the program—about two-thirds lunches and about one-third milk only. The actual cost price of the lunches ranges from 18 cents to 24 cents. The actual cost price of the milk—½ pint is served—ranges from 3 cents to 4 cents. Both the lunches and milk are sold to the children at a price that is under cost. The prevailing price charged the children for the lunches ranges from 10 cents to 15 cents, and the prevailing price charged the children for milk ranges from 1 cent to 1½ cent. Eighty-four percent of the children, or around 3,750,000, pay the prevailing price; 4 percent, or around 175,000, pay less than the prevailing price; and 12 percent, or around 500,000, are being served free.

Now, in addition to the program, it is estimated that about 30,000 additional schools are providing school lunches in some form to about 4,000,000 children. Hence, it is estimated that at present 60,000 schools are furnishing lunches to something over 8,000,000 children.

There are 221,035 public and private elementary and high schools in the United States with an enrollment of 27,000,000 children. Thus it appears that about one-fourth of our public and private elementary and high schools are now serving lunches to about one-third of the school population.

My colleagues, permit me, in conclusion, to make a few observations on the school-lunch program. There are those who base their support of the program upon the proposition that it serves as a market for the disposal of farm surpluses. Seemingly that is all they see in the program. Well, granting that it does serve as a means of disposing of surplus farm commodities, and it does, I would hate to think that I am so neglectful of my duty to the boys and girls of America that the sole motivating cause behind my support of the program is the disposal of surplus farm crops. Surely the welfare of our children should not depend upon whether the farmer has, or has not, a surplus. The big thing, the controlling thing, in the program to me is furnishing underprivileged, undernourished American boys and girls with a wholesome, nutritious meal so they will develop into strong American men and women. It is the need, the urgent need, of our school children for nutritious food that motivates me to support the program. We are going to need strong men and women in the years that lie ahead, and the need will probably be greater than at any period in the history of our country. And the only way we can produce the strong men and women for tomorrow is by conserving the youth of today.

I believe in conservation. One of the greatest programs ever inaugurated in this country is the soil-conservation program. I take pride in the fact that our committee worked out and gave that program to the American farmer. I will always cherish the fact that I played a part, though a humble part, in working that program out. Yes, I believe in the soil-conservation program because, if followed, it will rebuild and conserve our soil and thus guarantee to the future abundant food and fiber. I believe in the conservation of our natural resources so they will last down through the years to serve the needs of our people. And, above all, I believe in conserving the youth of America so they will grow and develop, mentally and physically, into real American men and women, strong in body and in mind, and capable of carrying on and preserving our God-given institutions of freedom, liberty, and equality.

My colleagues, be not deceived, if we do not conserve our youth our people will degenerate from generation to generation, mentally and physically; and when mental and physical degeneration sets in, somehow, as an inescapable consequence, spiritual degeneration follows. And if we ever permit these destructive forces to begin to work, the end of this Republic is in sight. Have these forces already started us on the downward grade? I hope not, though I am afraid we have reached the danger point.

I read the testimony of Dr. Parran, the Surgeon General, given before the Senate Committee on Agriculture and Forestry the other night, and I confess I did not rest very well. It disturbed me. I hope every Member of the House will read his testimony, which was given in support of the school-lunch program. His testimony is not only startling, it is alarming.

Permit me to read a few excerpts from Dr. Parran's testimony showing the seriousness of the situation:

Malnutrition in this country is widespread and serious. This results in retarded growth of the children, of increased susceptibility to disease, to retardation in the mental development, and in general to the production of an adult population much less healthful.

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Careful dietary studies of school children have been made in various parts of the United States, both urban and rural. All such studies show many school children's diets are grossly deficient * * * in some instances, 90 percent.

* * * * *

In 1939 and 1940 surveys were made of more than 2,000 high-school children in New York City, in low income families, and as many as 75 percent received less than the minimum necessary amount of calcium, and from 53 to 70 percent had less than the standard necessary amounts of vitamins. The deficiencies were found in practically all the important mineral diet.

* * * * *

In connection with studies made for Selective Service, it was found that 70 percent of the children who had fair or poor nutrition 10 or 12 years ago were later unaccepted by Selective Service, while only 40 percent of those with a good nutritional background were rejected.

* * * * *

We took the findings of Selective Service during the last war for 2 years or so and matched them against the findings of 10 or 15 years ago, when they were young children in school, and the great preponderance of boys rejected for the draft were found to be boys who in earlier school life had poor nutrition.

* * * * *

General Hershey has stated that in his opinion, or the opinion of his medical experts, probably one-half of all men rejected for the draft were rejected because of poor nutrition in childhood.

Dr. Parran endorsed the school-lunch program without any reservations. Let me read further from his testimony:

As indicated, a hungry child while undernourished is not capable of absorbing the education which the school system seeks to give him. I have seen tremendous differences in learning ability, depending upon how well or how fully a child is nourished.

* * * * *

Not only has the survey whenever made shown widespread malnutrition but wherever the so-called normal diets, the diets gladly consumed by children, wherever they have been supplemented by additional protective foods, we have seen measurable improvement in the health status, growth, and development of the children concerned.

* * * * *

Speaking as a doctor and public-health officer, I think there is probably no experiment the Federal Government could make which would have a greater, more beneficial influence on the future health of this country than the appropriations such as are contemplated under the present bill before the committee.

Listen to this, my colleagues; I am still reading from Dr. Parran's testimony:

The best way to correct the situation, at least in part, is by the use of a well-balanced school lunch available to all people. That would insure for 5 days of the week, during a school year, at least one good meal, and, as I have indicated, such a school lunch will have a far-reaching influence on the nutritional habits of the child in later life.

Now, let me answer a question frequently asked. We hear a great many people say: "I used to eat a cold lunch, and the boys and girls with whom I went to school also ate a cold lunch, and we got along pretty well. And, moreover, we did not ask the Government or anyone else to feed us, because our parents looked after that job." To those who do not think, such a question is unanswerable. If you will only think the matter through, there is an answer, and a complete answer. In the first place, the science of nutrition is of recent development. It is, more or less, a product of this century. It explains, for example, the widespread malady known as pellagra. We find that it is at the root of many cases of consumption, anemia, and other prevalent diseases, and we find, also, that lack of proper nu rition not only retards the development of the body but the mind as well. So, after all, we find that our forebears, while they, no doubt, did the best they knew how, did not do such a good job after all in looking after our physical development.

Then, too, we should keep in mind that there has been a great change in the past 50 years. Increased industrialization and urbanization of our population have brought on new health problems. Food habits have changed from the time when most men lived directly from the soil. We find that roller mills that pound out of the wheat the kernel destroy many vital food elements. Canned and processed foods ofttimes lose some of their most important food values. Then, too, the change has taken many of our mothers out of the home, and especially is this true since the war commenced.

In recent years we have been able to lower our death rate, and, remember, nutrition and dietary habits have played a large part not only in extending the average period of life, but in producing a stronger, healthier race.

For years we have been interested in finding out, to use a common expression, "What makes the wheels go round"; well from a national standpoint, from the standpoint of keeping a strong, virile American race, it is much more important for us to find out what makes the body and mind function in the right way, and, having found out, do those things which are necessary to keep the mind and body functioning as they should function, than it is, for instance, for us to find out what makes the airplane fly or the electric light to come on when you turn the switch.

Just one other thing. To those who oppose the program on the ground that it is beyond the province of the Federal Government, under the Constitution, to contribute to the school-lunch program, let me answer by asking a simple question. If the Federal Government, under the Constitution, can contribute to the conservation of our soil, and it does; if the Federal Government, under the Constitution, can contribute to the conservation of our national resources, and it does; if the Federal Government, under the Constitution, can contribute to the conservation of the boys and girls in the stricken countries of Europe, and it does under U. N. R. R. A.; why cannot the

Federal Government, under the Constitution, contribute to the conservation of American boys and girls? I shall not debate the constitutionality of this legislation further until someone answers the question, and answers it to my satisfaction.

There are two bills pending to make the school-lunch program permanent. Under one of these bills the program would be placed under the Department of Agriculture; under the other, under the United States Office of Education. The 2-year extension agreed to by the conferees would give the Congress ample time to go thoroughly into the question as to whether the program should be made permanent and, if an affirmative determination is made, then which department of government the program should be placed under.

I hope it will be the pleasure of the House to extend the program for 2 years.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. FLANNAGAN. Mr. Speaker, I yield myself 8 additional minutes.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. The number of men that have been turned down by the Army should challenge the Congress and the people of the country to find out why these men have been turned down and why they cannot meet the requirements of the Army.

Mr. FLANNAGAN. May I say to the gentleman from Missouri that Dr. Parran testified that, according to the medical staff of the Selective Service, 50 percent or more of those boys turned down were rejected due to the fact they were undernourished during their youth.

Mr. ZIMMERMAN. May I say that I was reared on a farm, and I well remember that if a calf or a mule colt or a pig was stunted while it was young, it was stunted throughout life and never made the kind of animal it should. If you stunt the body of a boy or girl you stunt their mind and that defect goes through life. The biggest business we can engage in is building a strong, virile population to take care of this country in the future.

Mr. FLANNAGAN. I quite agree with the gentleman.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from California.

Mr. VOORHIS of California. I have in my possession most illuminating and encouraging figures, statistics, and facts on the increased attendance of children and the increase in their agility and scholarship as well as their health as a result of this program.

Mr. FLANNAGAN. I know the gentleman has those figures and I hope he will insert them in the RECORD.

Mr. VOORHIS of California. I have already done that. May I say further that I personally appreciate very much what the conferees have done in including this item.

Mr. FLANNAGAN. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, the amendment which I have offered to the amendment of the gentleman from Virginia merely changes the time for which the school-lunch program is extended from 2 years to 1 year. It will be recalled when this bill was before the House an amendment was offered to set up a school-lunch program for 1 year, which amendment was voted down in the House by a vote, as I recall it, of 136 against to 52 for.

In the Senate committee an amendment was offered setting up a school-lunch program for 1 year, but in the Senate that was changed to 2 years. The amendment offered by the gentleman from Virginia would, in substance, adopt the Senate amendment.

Mr. Speaker, there are very many good reasons for opposing a school-lunch program carried on through Federal aid. When this bill was before the House originally I opposed the school-lunch amendment which was offered, not because I opposed the school-lunch program but because I felt that that program should be carried on with local funds and with local sponsorship. I still hold to that view. However, I know there are a good many Members of the House who favor a Federal school-lunch program for this year. They may have some doubt as to whether it should be made permanent or whether it should be continued for more than this year, but they feel the unusual conditions existing now make it advisable for the Federal Government to render assistance in connection with a school-lunch program this year. For this reason I have offered the pending amendment authorizing the program for 1 year. I do not think that we ought to go any further than that at this time. None of us know what the conditions will be a year from now. There are pending in both the House and Senate bills which would make the school-lunch program permanent. Those bills will undoubtedly be considered by the committees to which they are referred. There are two different proposals embodied in this legislation. One bill would put the management of the school-lunch program in the hands of the Department of Education; the other would put it in the hands of the War Food Administration.

The Congress, if it does anything about establishing a permanent lunch program, will have to decide how the program will be conducted and by what agency. Those are all things which can be decided during the next year while this program is in operation.

I, therefore, think that the best thing the House can do, and a thing on which perhaps most of us can agree, is to continue this program for 1 year, and for that reason I have offered this amendment.

Mr. DONDERO. I was one of those who opposed the amendment when it came before the House on a previous occasion, but I am in favor of the gentleman's amendment. We are at war. Let us see what the conditions are a year from now, and I will agree to extend it 1 year.

Mr. HOPE. I thank the gentleman.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Missouri.

Mr. COCHRAN. I think the gentleman is aware, being one of the conferees and a member of the committee, that this bill is loaded from the first page to the last page with authorizations. We do not know, as the gentleman says, what the conditions of the country are going to be 2 or 3 years from now, but there is no effort on the part of the gentleman or the conferees to limit any one of those authorizations except the school-lunch program. That is the only one. The others have been carried in appropriation bills from year to year without any authorizations.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. FLANNAGAN. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. COCHRAN. In order to make those appropriations in order, this bill has been brought in. I have been here a very long time, but I do not remember an omnibus authorization bill that ever before carried as many items as this does. There is one item in here that interests the people of my city directly, and that is the school-lunch program. I voted for this bill after the House eliminated the school-lunch program, but I want the House and the country to know that you are placing a limitation on one item in the bill alone, and that is the school-lunch program. All others to provide for eradication of pests and animal diseases are not limited, but lunches for poor school children is to 1 year.

Mr. HOPE. I will say to the gentleman the only limitation on the school-lunch program is the limitation as to time. There is no limitation in this bill as to amount. It seems to me the limitation to which the gentleman is referring in the omnibus bill, or perhaps the lack of limitation, is lack of limitation as to amount. The gentleman knows that the omnibus bill was passed in order to make legal and proper certain appropriations that had been made for years and years, and for which the gentleman from Missouri has been voting for years and years. The only new items in the bill are the ones which were added in the Senate.

I am glad to have the assurance of the gentleman from Missouri that he expects to vote for the amendment and for the conference report.

Mr. FLANNAGAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this amendment offered by the gentleman from Kansas would provide for the extension of the school-lunch program on a $50,000,000 basis for 1 year. That is better than 2 years. On the other hand, it means turning over to the Secretary of Agriculture $50,000,000 to run the school lunches in one-sixth of the schools in the United States. For my own part I think it should be all or none. I doubt if the country can afford $600,000,000 for this kind of a program to cover all of the schools. I doubt that any one of the Members of the House

would think that. It would cost that because there would not be available for free distribution commodity credit surplus items or Department of Agriculture surplus items in sufficient volume to distribute to all of the schools, and much more of the stuff would have to be bought.

Therefore, I shall vote for the Hope amendment which amends the Flannagan amendment, and then I shall vote against the Flannagan amendment which provides school lunches for one-sixth of the schools. I am not opposed to school lunches. I believe that in most cases they are furnished by the localities, and it is done much better than it is where the Federal Government gets into it.

Mr. DONDERO. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. FLANNAGAN. I yield to the gentleman from Michigan.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, I do not believe there is a Member in this body who is opposed to school lunches. There is a difference of opinion as to what governmental agency or authority should sponsor and provide the funds to carry it on. I shall support the amendment offered by the gentleman from Kansas [Mr. HOPE] to continue the program for 1 year only. But I believe it wrong in principle in normal times for the Federal Government to continue a program that can and should be supported and carried on by the local communities and the States. Some people believe that through some sleight-of-hand performance money can be taxed away from the people in local units of government, brought to Washington, the expense of administration and bureaucracy deducted, the balance returned to the local communities with the idea that they are receiving increased benefits. Such a philosophy is a fraud and a swindle on common sense and honesty.

We are asking the Federal Government to borrow $50,000,000 more money, by issuing bonds to provide the necessary funds in carrying out this program at a time when the demands of war are the greatest in our history, when the national debt will soon equal the value of all property in the Nation, and when the solvency of the country will soon be seriously questioned. The States and local units are and have been in better financial condition to continue the school-lunch program. The national debt is now about $200,000,000,000, while the total debt of the 48 States, as of June 30, 1943, was $2,989,000,000, from which can be deducted $1,000,000,000 budget surplus and nearly $500,000,000 sinking funds, leaving a net State debt of all the States of approximately $1,500,000,000. In addition, all cities of the United States with a population of 100,000 or more have an unused debt capacity amounting to $750,000,000.

Let us keep government close to the people. Local self-government and responsibility must not be destroyed by centralizing all activities of our people here in Washington. This trend, if permitted to continue and expand, will ultimately destroy free government in America.

Mr. FLANNAGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Speaker, I should like to say a few words in regard to Amendment No. 3 embodied in H. R. 4278 as reported to us by the conference committee. In essence, this amendment authorizes the continuation of the school lunch program by the Secretary of Agriculture for a period of 2 years, now amended to 1 year, for which an annual appropriation up to $50,000,000 is authorized.

When the bill itself was before the House on March 7, the distinguished gentleman from Virginia [Mr. FLANNAGAN] offered an amendment to authorize this same expenditure. We rejected that amendment. The bill is now back before us with the recommendation of the conferees that we adopt the previously rejected proposal, which has been modified to some extent.

It is my opinion, Mr. Speaker, that this whole question of Federal aid for the school lunch program is extraneous to the bill, dealing as it does with strictly agricultural matters such as "the control and eradication of animal pests and diseases," "fire control," "protection and management of national forests," "rural electrification," and so forth. I cannot dispute that the school lunch amendment is germane to the bill in a parliamentary sense, but I do not think anyone will deny that it is not germane to the bill insofar as practical relationship to the subject of the bill is concerned.

I do not mean to labor the point, but I must emphasize that I am opposed to this manner of legislating. As has been frequently demonstrated, it tends to confusion, and, most important, we do not have the opportunity to consider the issues involved. Federal aid for school lunches is indeed far removed from agricultural conservation programs and such relationship as the school-lunch program may have to the marketing of agricultural products is more imaginary than real. The fact is, and I do not see how anyone can logically contend otherwise, Federal aid for school lunches is a matter of public health or of education.

However that may be, I think the House should clearly understand what is basically involved in this particular matter. I recognize that I will be accused of being opposed to school children having the proper food. Not at all, for I am in complete sympathy with programs to provide children with the proper diet and to teach them correct eating habits. As to whether or not school lunches have merit is not the issue. The issue is whether it is, under the circumstances that exist today particularly, the duty of the Federal Government to subsidize the program.

One of the things which has given me the greatest concern has been the tendency for everyone to look to the Federal Government and each year the Federal Government assumes more and more power. Is education a local responsibility, or is it something which should be regulated by the Federal Government? Is the matter of school lunches an obligation of local communities and of State governments, or is it a Federal obligation? Mr. Speaker, have we reached the point in our national life where every program, however worthy, must be subsidized by the Federal Government? Are our city governments without initiative, without courage, and without a sense of public responsibility? And likewise have our State governments fallen to such a low level that they cannot function without Federal aid?

Just recently we passed legislation to raise the Federal debt limitation. We are daily spending astronomical sums to finance the most costly war in history. We recently enacted a tax bill and we wonder where additional revenue may be obtained. But, on the other hand, according to all reports, the financial position of the cities and States has consistently improved during this period of intense industrial activity. It may not be a popular position to take, but I definitely feel that a responsibility rests upon our cities and States which, unfortunately, they have fallen into the practice of shifting on to the Federal Government, if not entirely, at least in part. I am convinced that the school-lunch program has great merit and am equally convinced that the program can be carried out by the local communities and States without Federal subsidy, which is followed, as night the day, by Federal regulation and finally control.

Some of you may recall that on March 27 I had occasion to refer to the unpleasant fact that in the city of Chicago the Democratic organization has been using the "penny milk" program in connection with school lunches to raise campaign funds. I do not intend to go again into all of the details, except to say that the Chicago Board of Education plays the political game of allowing larger dairies to maintain the price of milk at 4 cents a half pint, even though it can be purchased at 3 or 3½ cents a half pint. In return for this special consideration, the dairies are called upon to contribute to the Cook County Democratic fund.

On March 30 my colleague from Illinois [Mr. SABATH] attempted to refute my charges. He inserted in the CONGRESSIONAL RECORD copies of letters purporting to represent complaints about the milk furnished by the Lake Valley Dairy, which is willing to supply the milk at the 3-cent and 3½-cent rate. The significant facts are that the letters pertain to 1942 and are all dated the same week in September of that year; and, further, the Lake Valley Dairy is approved by the Department of Public Health, and, further, the dairy continues to supply the parochial schools. The Chicago Board of Education simply does not wish to pay the 1-cent half pint less for milk because the Democratic organization wishes the contributions made by the dairies who sell the milk at 4 cents a half pint.

I perhaps should inform my colleague the gentleman from Illinois [Mr. SABATH] that I have since had occasion to talk personally with parties in charge of the "penny-milk" program in the public schools, and it was frankly admitted to me by one of them that he did solicit party campaign contributions from the dairies furnishing milk to the schools. The same person admitted to me in my office that he had rerouted a check in the amount of $1,000 sent to him—representing the Chicago Board of Education—by the Coca-Cola people, who sold its product—Coca-Cola, not milk—in or around the school buildings. Mr. Speaker, that is the same school board that then encouraged Coca-Cola sales to school children instead of nutritious milk. My colleague is in the peculiar position of trying to refute that which is admitted by those he strives to defend.

But, Mr. Speaker, the situation in the city of Chicago with respect to the "penny milk" matter is incidental to the present question before the House. I hope that the House will not accept this $50,000,000 provision in the conference report before us, at least until we have had opportunity to go into this whole matter in detail. It is a part of the major question as to the extent to which the Federal Government should subsidize programs of a local character.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. FLANNAGAN. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman from Illinois [Mr. SABATH] is not here, and I ask unanimous consent that he have permission to revise and extend his remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SABATH. Mr. Speaker, my colleague the gentleman from Illinois [Mr. CHURCH] complains that I have criticized his ridiculous and politically inspired statement of last March 27 that the Democratic organization in Cook County has been using the penny-milk program in connection with school lunches to raise campaign funds.

Today he adds to his fantastic allegations that, in addition to the scheme of collecting pennies from children for a Democratic political fund, the same person, representing the Chicago Board of Education, admitted to him in his office that he had rerouted a check in the amount of $1,000 sent to him, representing the Chicago Board of Education, by the Coca-Cola Co., which sold its product, not milk, in and around the school buildings. I am surprised that the gentleman did not go further than Coca-Cola to say beer and whisky. Further, he says this is the same school board that has been encouraging sales of Coca-Cola to school children. He had to say this in order to keep his story in balance.

Note that the gentleman did not name this alleged agent of the board of education who got the $1,000 check. Moreover, he does not give the date of this alleged monetary transaction; he did not say whether it happened under the Republican regime of the late Mayor Thompson or somebody else; but he says he is going to insist upon an investigation.

I do not know anything about this alleged Coca-Cola deal, but I do know that I have satisfactorily answered his milk charges by inserting in the RECORD, at pages 3316–3317, of last March 30, communications from Mr. Washam, director of school lunchrooms, principals of Chicago schools, and other responsible authorities, most of whom are old civil-service employees, clearly showing that my colleague's allegations of March 27 were thoroughly unfounded and unwarranted. In my statement, as you will find, I showed that the board of education was buying milk from about 12 different dairies, whose owners were Republicans, at the lowest prices; and surely these dairy operators are not in the habit of making contributions to any Democratic organization.

I am not going to take the time of the House or space in the RECORD to restate these facts.

Personally, I regret that my colleague permits himself to be used as he does. If I could wisely counsel him, knowing his diversified activities and that his efforts merit a better cause, I would suggest that he not waste so much time on these unfounded and ridiculous reports that come to him. Surely, upon mature reflection and consideration, the gentleman will realize that such ill-founded allegations as he makes add nothing praiseworthy to his record.

I had even hoped that my remarks of last March 30, answering his milk charges, would set him aright and influence him to retract his allegations; but I have hoped in vain, as is proved by his utterances of today about an alleged Coca-Cola deal.

I am in no position to answer his extensions of remarks. All I can do is answer his remarks of today, and I do so by stating categorically that there is not a scintilla of truth in his last charge about the alleged Coca-Cola deal or his first charge about the alleged penny-milk procedure.

I confidently invite the membership of the House and others who are interested in this subject to read or reread my remarks of last March 30 concerning the charges of the gentleman from Illinois [Mr. CHURCH] that the penny-milk program was being used to collect a Democratic campaign fund. After you have read those remarks, I feel that you will be satisfied as to the utter baselessnes of these charges. When you are satisfied of the unreliability of those charges, I may safely rely upon the Latin maxim, "False in one thing, false in all things," to dispose of the latest effusion of my friend concerning the alleged check going from the Coca-Cola Co. to the Chicago Board of Education representative. When everybody else is satisfied in connection with the explanation of these matters, I hope our colleague will proceed to the investigation he proposes, so that even he himself will ultimately be set aright.

Mr. FLANNAGAN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, this program does not mean turning over to the Secretary of Agriculture any money to "run school lunches with," as the gentleman from New York has contended. What it means is this: If any local units, like the P.-T. A., or local people that know their children's needs, initiate a program for school lunches, and carry at least half the financial load, that then we will say, as a National Congress, there is not going to be any situation where the farmers will have a lack of market for their commodities so long as there are undernourished school children of America.

That is the basic principle of this program. The gentleman from Virginia has explained it very well indeed. I am proud of the fact that I have fought for it through the years. I am glad to know that most of our Committee on Agriculture—and frankly I thought it was a unanimous vote—approved of it when the bill came before the House previously.

If you are going to have a price support program for agricultural commodities, you must have a worth-while means of using those commodities and those food products for the benefit of the American people. There is no better way to do it than to combat undernourishment among the American citizens of the future, to meet the most primary needs of the children of this country.

I hope, therefore, that this motion will prevail.

Mr. FLANNAGAN. Mr. Speaker, I yield to the gentleman from Mississippi such time as he may desire.

Mr. RANKIN. Mr. Speaker, this amendment should be voted down.

One of the agencies of this Government that is nearest to my heart is the Tennessee Valley Authority. I was coauthor of the bill that created the T. V. A., and I have spent many years working for its development and for the extension of its benefits to the people throughout the area, and especially throughout the district I have the honor to represent.

I not only succeeded in getting T. V. A. power extended to the ones who were using electricity in the district at that time, but for the first time in history we got it extended to the farmers and others living in the rural section. That was the beginning of our rural electrification program that has rapidly spread to every State in the Union.

It is the greatest thing that ever came to the farmers of this country, and especially to the farm women, for it has brought them more light, more hope, more joy, and more relief from drudgery than anything else that has ever been done.

We have just agreed to the conference report on a bill that contained three amendments of mine which, taken together, constitute the greatest victory for rural electrification we have ever won. The first one reduces the interest rate to the cooperative power associations to 2 percent; the second extends

the amortization period, or the period in which these loans are to be paid back, to a maximum of 35 years; while the third one removes the limit on the amount Congress may provide for rural electrification each year. The limit in the present law is $40,000,000 a year. We never could have electrified the farm homes of this country under that limitation. In 1938 I got around that provision by an amendment to the relief bill, against which points of order had been waived, and secured an extra $100,000,000 for rural electrification for the next year, and got an additional $60,000,000 for each of the two succeeding years in the same way.

The amendments to the bill we have just approved will enable us to electrify every farm home in America that is not already served with electricity just as soon as materials are again made available.

Remember, this is not a gift. Every dollar of this money will be paid back with interest, and the extension of these lines to every farm house in America will make this the richest, the brightest, and the most desirable country on earth in which to live.

The Tennessee Valley Authority has proved to be the greatest development of its kind in ancient or modern times. To agree to an amendment of this kind now, I am afraid, would tend to hamper the operation of the T. V. A. at a time when we are in the midst of the greatest war in history, and when the Tennessee Valley Authority is rendering the finest possible service in supplying energy to produce the necessary war materials.

If this provision to require these funds to be paid into the Treasury of the United States is agreed to, you will, in my opinion, deprive the T. V. A. of that freedom of action which now enables it to make the greatest success of its kind in the world.

A few years ago we had a cyclone in Mississippi, the third greatest tornado in the history of this country, which struck in the darkness of the night and devastated a large section of the country, including the city of Tupelo, my home town. The first assistance that came was from the Tennessee Valley Authority. They were there replacing lines and transformers and supplying electricity to the temporary hospitals by the time the news of the disaster had reached the rest of the country. A day and a half later we had a telegram from T. V. A.'s chief competitor, offering assistance to do what the Tennessee Valley Authority had already done.

Mr. Speaker, the Tennessee River is the one great stream in the country that is being properly developed. The floods of that stream are now controlled, and there is provided a 9-foot channel more than 650 miles long. It is today producing 12,000,000,000 kilowatt-hours of electricity a year through energies that were actually going waste and wanton to the sea a few years ago. To attempt now to handicap the T. V. A. in this way might prove to be a disaster from which the Authority would not soon recover.

I hope the pending amendment is voted down, and that the policy now pursued on the Tennessee River may be extended to all other streams in America until we electrify the entire country, and make it possible for every human being under the American flag to secure electricity at rates he can afford to pay.

Mr. KEFAUVER. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. The gentleman should point out that a third of the power in the Tennessee Valley is ordinarily produced from steam plants and that the amount of coal that the Tennessee Valley Authority uses depends on the river. They cannot anticipate the water for more than a year in advance.

Mr. RANKIN. Yes; we are now using more coal in that area than we did before the T. V. A. was created. Contrary to the arguments that were made against the creation of the T. V. A., it has not thrown a single miner out of work.

The municipalities and cooperative power associations are paying wholesale, on an average, more than twice as much for T. V. A. electricity as private interests were paying for it wholesale at Muscle Shoals when the T. V. A. was created; but the ultimate consumers are paying less than one third the rates for this electricity they were paying then. It has literally brought a new life to the whole T. V. A. area, and especially to the farmers and others living in the rural districts; and has supplied a yardstick to show the people of the rest of the country what electricity should cost them.

This has not been done at the expense of the Federal Government. Every dollar expended on the T. V. A. will be paid back with interest within a generation.

Again I say it is the greatest single development of all time.

To me it is a dream come true. It is the dawning of a new day for the masses of the American people; and I am sure that if my friend and coworker in this cause, Senator George W. Norris, were here to speak, he would say the same thing.

Let us not hamper this great enterprise; let us not cripple this great agency that is doing so much for the people of this country; let us not kill the goose that lays the golden eggs.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. FLANNAGAN. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, I am opposed to this school-lunch program for either 1 year or 2 years. It is not a question of whether we want to do something about nutrition; it is a question as to whose responsibility it is. In this wartime, with the financial condition of the United States Government as it is, it should be safe to say that there is not a locality in America that cannot carry on its own school-lunch program much better than the Federal Government. We have reached the time when little children in schools are taught to write letters to their Congressmen asking the Federal Government to give them food. They are taught to say: "Our politicians in Washington, give us this day our daily bread."

There are two great philosophies in the world that are grappling for first place today. One is the philosophy of government-directed lives; the other is the philosophy of individual enterprise and freedom. If we teach the tots in the schools to look to Washington for their food and to write their Congressmen when they want something, why can they not appeal to us for clothing and all the necessities of life?

I do not subscribe to that socialistic, totalitarian doctrine that the Federal Government should supply all our wants and direct our lives from the cradle to the grave. In the absence of widespread disaster or great unemployment, the matter of school lunches surely is a local responsibility. This is especially true in wartime, when Federal taxes and expenses are so high.

Mr. FLANNAGAN. Mr. Speaker, I yield such time as she may desire to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, I am in entire agreement with all that has been said so well by the gentleman from Virginia [Mr. FLANNAGAN]. I think this appropriation of $50,000,000 is extremely important and very necessary. I sincerely hope that while we are appropriating for control of certain animal and plant pests and diseases we will not quibble about appropriating the small amount of money to help the millions of American children who will profit physically and mentally by this appropriation. The preservation of healthy child life in America cannot be overemphasized at any time, but more particularly is this true during wartime with its tragic demand on our youth. We are obligated to do all that is humanly possible to protect and assist the children of the Nation. Mr. Speaker, I urge the House to vote in favor of the conference committee report.

Mr. FLANNAGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, I need only a moment. I believe that the school-lunch program is meritorious and worthy of support. I have always supported it, and I expect to support the Hope amendment this afternoon to continue the present program for another year, but I would call attention to the need for fundamental and far-reaching revision of the present method of financing this program.

The school-lunch program is not a farm program as distinguished from a city program. The gentleman from St. Louis has just stated that the school-lunch program was the only item in this entire bill that benefited his people. His people, city people in general, benefit from this program just as much as do farm people. It should be charged to all the people, and not simply the farmers, and yet ever since its creation, the school-lunch program has been supported out of the money that was set aside for the movement of surplus farm crops. These farm crops have been surplus largely because the tariff that is

levied to benefit city people has made it impossible to export these crops. The so-called section 32 funds were set aside to compensate the farmer to some extent for the burdens that have been imposed on him in order to aid industry. It simply is not fair or honest to take that money and use it for some other purpose, no matter how worthy that purpose may be.

The school-lunch program should stand on its own merits. It should be paid for from general funds. The farmers' funds should be protected and used only for the purposes for which they were set aside. It is unfair to take the farmers' money for this general purpose, and it is unfair to include this $50,000,000 in the total when antifarm orators point to what they claim is the large sum appropriated for the aid of agriculture.

I believe that within the coming year we will be able to work out a sound bill placing the cost of this program where it belongs. Believing that the Hope amendment gives us that opportunity and at the same time makes possible the uninterrupted functioning of the school-lunch program, I shall support the amendment offered by the gentleman from Kansas.

Mr. FLANNAGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. COFFEE].

Mr. COFFEE. Mr. Speaker, I wish to speak briefly—briefly only because time is limited—about an amendment to the agricultural appropriation bill which affects the future of a program vital to the health of American school children. I am referring to the authorization to continue the appropriation of $50,000,000 for the school-lunch program. The Senate hearings held May 2 through May 5 indicated that there is continued need for Federal assistance for this community-operated program. At the hearings no one offered testimony which disputed either the need for the program or the need for Federal participation in the program.

The thought of hungry children in America is repugnant to all of us. Yet in this year of our greatest national income there are thousands of children who for one reason or another are not getting enough of the right kinds of food. Their mothers may be working in war plants or on farms for example, and may have neither the time nor the energy to buy and prepare nourishing foods. Some parents do not know about nourishing foods. In other families the father's wages may be insufficient to provide for the family's needs.

The school-lunch program as it has operated in the past year has assisted in providing at least one health-building meal a day to approximately 5,000,000 children in some 30,000 schools. As a result the strength and well-being of the Nation's school children has been improved.

At the same time the school-lunch program as it now operates has helped to stimulate necessary war food production. School lunches are a dependable and desirable outlet for abundant foods purchased in fulfillment of price-support commitments. We are always looking, of course, for ways to develop new agricultural markets. They will be equally important to American agriculture in the years which will follow the peace.

The school-lunch program has acquainted thousands of youngsters with good, wholesome foods such as oranges, grapefruit, carrots, whole-wheat bread, and numerous dairy products which are not usually found in the diets of low-income families. When children learn to eat these foods in school they take ideas home. Information is available which shows that the serving of milk at school frequently increases the consumption of milk at home. I think we are all aware of the importance of milk in the diet of the growing child. We also are aware of the importance of this milk-drinking habit to the dairy farmers of America.

A great deal of time and thought has been put into the creation and development of this program. It has been developed and expanded over a period of 9 years. A great many people, in addition to those employed in the Government, have helped to get this very worthwhile program under way. Every Federal dollar which has gone into the program has performed the dual service for which it was intended—first to improve the health of our children and second to aid American agriculture. This also is true of the $2 the community puts in for every $1 the Federal Government spends. If Federal assistance were to cease now, both these services would be impaired because countless communities could not operate their local programs without some Federal aid.

As the school-lunch program has operated in the past year it has been truly a community enterprise maintaining all the democratic principles we so firmly believe in and for which we are fighting. It has its roots in the local school, township, county, and city, wherever there are children to be fed. Since Federal assistance takes the form of reimbursement for part of the food costs as well as donations of abundant foods, the sponsoring group, which may be the local authorities or any civic-minded club or association, has to seed out and provide the rest of the food costs, and the equipment and help it takes to plan, prepare, and serve the meals and clean up afterward. Those children whose parents can afford it, pay for their lunches. Those who cannot are served as much and as good food as the others, and there is no singling out of these children.

Each local school-lunch program has a sound nutritional basis. The pattern for a good nourishing meal has been outlined by the War Food Administration in accordance with the standards of the Bureau of Human Nutrition and Home Economics. The description of the complete noon meal, or type-A lunch as it has come to be known, is in terms that everyone can understand—not in scientific language—and in that way it is teaching many people what our nutrition experts have found to be good, adequate fare for a growing child's meal. This does not mean, however, that in every place the same meal is being served. On the contrary, the pattern allows for local customs and food habits—baked beans in Boston and chile beans in New Mexico; chicken and rice in Louisiana and chicken and noodles in Wisconsin—all good school-lunch main dishes if served in sufficient quantity along with vegetables or fruit, bread and butter and milk.

Those of us who believe that every child should be well fed do not want to see the school-lunch program curtailed. Where it is needed the most, we find the fewest local resources to carry on. The Federal-indemnity program, small as it may seem—the maximum rate is 9 cents for a complete meal—has been the deciding factor in keeping many programs operating. If Federal assistance were removed, thousands of programs would have to be disbanded and others would be unable to serve an adequate meal at a price children could afford to pay. For many children, the lunch at school is the main meal of the day; for some it is the only meal that can honestly be called by that name.

It would indeed be a difficult thing for me to explain to the people in my State why we should let this program die by default when we are sending American dollars and American food to other lands which have had the foresight to feed their children in school programs. In England, school dinners have been on the increase. Lend-lease foods have aided this program immeasurably.

Federal funds allotted to school-lunch programs have been used wisely and accountably. Each school must keep a careful record of its income and expenditures to show that the money has been used to serve good, wholesome meals to children. Wherever a community can provide a nutritious lunch with less than the maximum amount of Federal aid, because the income level of the community makes this possible, reimbursement from the Federal Government is reduced proportionately.

Letters from my State of Washington are typical of the expressions of the benefits of this program which have come from other States. From a school superintendent in Lake Stevens, Wash., comes this statement:

> Our policy has been to furnish a well-balanced and nutritious lunch at a low cost. The children in our community come from homes of working people or laboring class, for the most part, and in the past their incomes have been low. Our lunch program has helped a great deal. For the past 4 years we have had school gardens and have frozen perishable vegetables as well as small fruits. This year we have 3,300 pounds of fruits and vegetables frozen. It practically all came from our gardens or from the immediate community.
>
> One item in this program that is helping a great deal is the more simplified method of reporting. We school administrators are certainly short of clerical help.

From Pioneer, Wash.:

> The attendance this year is considerably better than it was last year. There is no way of telling how much credit can be given to the hot-lunch program, but there are some facts to consider.
>
> This year we started in October, while last year we started in January. Last year we

provided one hot dish with no milk. This year we are able, through Government aid, to provide a complete lunch including milk.

I really think the Government aid will pay off in better health of the children.

From Snohomish, Wash.:

We have a number of students who come from homes where both parents are working. In many such cases the students' meals are unplanned and irregular. Even in the better homes the noon lunch is seldom planned as a complete meal.

In our high-school cafeteria, students are able to obtain well-cooked, well-planned meals at a minimum cost in pleasant surroundings. Many students who formerly rushed home or carried a lunch are now eating hot meals in the cafeteria.

From a school principal in Odessa, Wash.:

This is the third year that we are serving school hot lunches; the first year that we are serving a complete hot lunch.

We have several families who have moved into our district from a Southern State (West Virginia). The parents are very poor, and the children are undernourished. We often wonder here at school whether the children from these families had enough breakfast when they come to school, because they are hungry when they come to school and want to get into the lunch bags of those children who prefer to bring some lunches from home. At noon we always give these children all the milk and other food they want to eat. Since they have started school and we have hot lunches we can say that the little first graders of these families look better and are not as hungry as they were before we served hot lunches at the beginning of our school term in September.

Many children in our district do not get raw milk to drink at home and several are staying here for hot lunches just to get the milk to drink. We are fortunate that we can buy all the raw milk we need in our district. The milk is tested and passes all inspections. I think that our lunches with the balanced menus are very educational in our district. Many of our children come from families who do not have balanced meals and I am sure that by serving balanced meals in hot lunches many go home and speak about that they must have milk, vegetables, fruit. It is surprising how fond our children are of raw carrots. We serve carrot sticks with almost every meal and the children always call for more beside the other salads and fruits.

I hope we can continue getting help from the Government to serve hot lunches.

Surely after the eloquent testimony from those who should know, there can be no question as to the twofold value and importance of the program. We must continue Federal aid, and I hope the record will show we continued it wholeheartedly and with enthusiasm.

Mr. FLANNAGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. ZIMMERMAN].

Mr. ZIMMERMAN. Mr. Speaker, as a member of the Committee on Agriculture I supported this legislation before the committee and shall support it at this time. I think it is one of the most far-reaching programs we have undertaken, and I hope that it passes today.

Mr. FLANNAGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, I shall be very brief, but I want it to be known that in my opinion the school-lunch program is one of the most worthy projects to which the Federal Government has given financial aid.

I do know that thousands of school and institutional children in western Pennsylvania have been immensely benefited, physically, mentally, and morally because they have been able to get a better balanced lunch. There is no better way in which funds of the Federal Government can be spent than in helping to build a sturdy, healthy, and morally strong youth. The benefits to the future generation will be worth many times the small cost involved.

I have not heard any person who has had an opportunity to observe the practical workings of the program who has not highly praised it.

In my opinion, it is so worth while that it should be made permanent.

Mr. FLANNAGAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the amendment offered by the gentleman from Kansas to the motion offered by the gentleman from Virginia.

The amendment was agreed to.

The SPEAKER. The question is on the motion offered by the gentleman from Virginia [Mr. FLANNAGAN].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 113, noes 23.

So the motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1945

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement on H. R. 4070 are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) "making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 23, 40, 45, 48, and 62.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 10, 12, 15, 16, 18, 19, 20, 21, 22, 24, 25, 27, 28, 31, 32, 33, 34, 36, 38, 39, 41, 42, 43, 44, 46, 47, 49, 50, 51, 59, and 61, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$3,750"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$5,821,900"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$2,104,500"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$2,500,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$38,000,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$164,044,940"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$1,259,355,440"; and the Senate agree to the same.

The committee on conference report in disagreement amendments numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 37, 52, 53, 54, 55, 56, 57, 64, 65, 66, 67, 68, and 69.

C. A. WOODRUM,
JAMES M. FITZPATRICK.
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the part of the House.

RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
STYLES BRIDGES,
WALLACE H. WHITE, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and officers for the fiscal year ending June 30, 1945, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 5: Strikes out, as proposed by the Senate, the proposal of the House to appropriate to the Bureau of the Budget $44,940 for the Federal Board of Hospitalization.

No. 7: Provides that appropriations to the Bureau of the Budget for national defense activities shall cease to be available upon the expiration of 60 days after the cessation of hostilities between the United States and the

principal enemy powers, as proposed by the Senate.

Nos. 9, 10, 11, 12, and 13, relating to the Civil Service Commission: Provides $3,750 for employment of expert examiners not in the Federal service on special subjects for which regular examiners are not available, instead of $5,000, as proposed by the House, and $2,500, as proposed by the Senate; strikes out authority for the purchase of motor trucks, motorcycles, and bicycles, as proposed by the Senate; appropriates $5,821,900 for salaries and expenses, instead of $6,056,473, as proposed by the House and $5,766,000, as proposed by the Senate, of which not to exceed $90,000 shall be available, as proposed by the Senate, instead of $113,000, as proposed by the House, for enforcement of the so-called Hatch Act, relating to the prevention of pernicious political activities; and appropriates $10,000,000 for salaries and expenses, national defense activities, instead of $12,995,504, as proposed by the House, and $8,840,000, as proposed by the Senate.

Nos. 15, 16, 17, 18, and 19, relating to the Federal Communications Commission: Strikes out authority for the purchase of passenger-carrying automobiles in the regular and national defense appropriation items, as proposed by the Senate; limits funds available for travel under the appropriation for salaries and expenses to $39,000, as proposed by the Senate; appropriates $2,104,500 for salaries and expenses, instead of $2,209,000, as proposed by the House, and $2,000,000, as proposed by the Senate; and appropriates $4,191,143, as proposed by the Senate, instead of $4,491,143, as proposed by the House, for salaries and expenses, national defense.

Nos. 20, 21, and 22, relating to the Federal Power Commission: Strikes out authority for the purchase of motor-propelled passenger-carrying automobiles, as proposed by the Senate; appropriates $1,997,000 for salaries and expenses, as proposed by the Senate, instead of $2,000,000, as proposed by the House; and appropriates $25,000, as proposed by the Senate, instead of $30,000, as proposed by the House, for printing and binding.

Nos. 23, 24, and 25, relating to the Federal Trade Commission: Appropriates $2,011,070, as proposed by the House, instead of $1,978,707, as proposed by the Senate, for salaries and expenses; provides that not less than $172,410 shall be available for enforcement of the Wool Products Labeling Act, as proposed by the Senate; and appropriates $43,000 for printing and binding, as proposed by the Senate, instead of $48,900, as proposed by the House.

No. 26: Appropriates $2,500,000 for repair and preservation of buildings outside the District of Columbia, Public Buildings Administration, instead of $3,000,000, as proposed by the House, and $2,000,000, as proposed by the Senate.

Nos. 27 and 28: Strikes out authority for the Public Buildings Administration to purchase two passenger-carrying motor vehicles and appropriates $29,530,800 for salaries and expenses, public buildings and grounds in the District of Columbia, as proposed by the Senate, instead of $29,532,400, as proposed by the House.

Nos. 31, 32, 33, and 34, relating to the Public Roads Administration: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles in connection with appropriations under the Federal-aid Highway System, and the Inter-American Highway, as proposed by the Senate; appropriates $10,000,000, as proposed by the Senate, instead of $20,000,000, as proposed by the House, for the strategic highway network; and appropriates $4,000,000, as proposed by the Senate, instead of $5,000,000, as proposed by the House, for advance engineering surveys and plans for bypasses around and extensions in and through municipalities.

No. 36: Appropriates $640,000 for Foreign Service pay adjustment, as proposed by the Senate, instead of $722,390, as proposed by the House.

Nos. 38 and 39, relating to miscellaneous expenses, General Accounting Office: Strikes out authority for the purchase of one motor-propelled passenger-carrying vehicle and $1,400 for the purchase of such vehicle, as proposed by the Senate.

No. 40: Appropriates $500,000 for valuation of property of carriers, Interstate Commerce Commission, as proposed by the House, instead of $655,000, as proposed by the Senate.

Nos. 41 and 42: Strikes out authority for the purchase of seven motor-propelled passenger-carrying vehicles, and $10,000 for the purchase of same, in connection with the appropriation for motor transport regulation, Interstate Commerce Commission, as proposed by the Senate.

Nos. 43 and 44: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles, and $1,300 for the purchase of same, in connection with the appropriation for the National Advisory Committee for Aeronautics, as proposed by the Senate.

No. 45: Appropriates $1,042,340 for salaries and expenses, National Archives, as proposed by the House, instead of $1,084,000, as proposed by the Senate.

Nos. 46 and 47: Strikes out authority for the purchase of motor-propelled passenger-carrying vehicles by the Federal Public Housing Authority, and makes an appropriate reduction in the authorization for the use of funds by such Authority for such purpose, as proposed by the Senate.

No. 48: Appropriates $930,000, as proposed by the House, instead of $980,000, as proposed by the Senate, for salaries and expenses of the Tariff Commission.

Nos. 49, 50, and 51, relating to the Tennessee Valley Authority: Corrects a typographical error by inserting the word "of", strikes out authority for the purchase and inserts authority for the repair of passenger-carrying vehicles, as proposed by the Senate.

Nos. 58 and 59, relating to the United States Maritime Commission: Authorizes the use of $38,000,000 for administrative expenses, instead of $30,000,000, as proposed by the House, and $39,983,725 as proposed by the Senate; and strikes out authority for the purchase of passenger-carrying vehicles, as proposed by the Senate.

Nos. 60, 61, 62, and 63, relating to the Veterans' Administration: Appropriates $164,044,940 for salaries and expenses, instead of $164,000,000, as proposed by the House, and $163,977,740, as proposed by the Senate; provides $44,940 for salaries and expenses of the Federal Board of Hospitalization, as proposed by the Senate; restores $67,200 for the purchase of ambulances, busses, station wagons, and sedans, as proposed by the House, with the understanding that such vehicles shall be used primarily for the purpose of transporting beneficiaries; and corrects the total appropriation for the Veterans' Administration.

AMENDMENTS REPORTED IN DISAGREEMENT

The following amendments are reported in disagreement:

Nos. 1, 2, 3, 4, 6, and 8, relating to salaries and expenses, Bureau of the Budget, including the maintenance and establishment of field offices.

No. 14, relating to the Legal Examining Unit of the Examining and Personnel Utilization Division, Civil Service Commission.

Nos. 29 and 30, relating to the appropriation for salaries and expenses of public buildings and grounds outside the District of Columbia, Public Buildings Administration.

No. 35, relating to the impoundment of funds for the construction of roads, Public Roads Administration.

No. 37, relating to the designation of an employee of the General Accounting Office to act as Comptroller General.

Nos. 52, 53, 54, 55, 56, and 57, relating to the Tennessee Valley Authority.

Nos. 64, 65, and 66, relating to display of the words "On Official Business", on each motor vehicle and trailer owned or leased by the United States Government.

No. 67, relating to confirmation by the Senate of persons filling positions in the Federal service who receive a salary at the rate of $4,500 or more per annum

No. 68, relating to the use of funds by agencies or instrumentalities including those established by Executive order, and requiring that specific appropriations shall be made for such agencies or instrumentalities after July 1, 1944.

No. 69, correcting a section number.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the part of the House.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I take this time merely to state that I am in favor of the adoption of this conference report and to point out that the report, exclusive of the items which still remain in dispute, is at the present time some $15,000,000 below the House bill and about $38,000,000 below the Budget estimates.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. WOODRUM of Virginia. Mr. Speaker, Senate amendments in disagreement numbered 1, 2, 3, 4, 6, and 8 relate entirely to the Bureau of the Budget. Some cuts were made in the Senate. They are all interrelated. The conferees would like to go back for further conference on them. I ask unanimous consent that Senate amendments numbered 1, 2, 3, 4, 6, and 8 be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read, as follows:

Senate amendment No. 1: Page 3, line 18, strike out "periodicals and newspapers (not exceeding $500)" and insert "and periodicals."

Senate amendment No. 2: Page 3, line 19, strike out "teletype news service."

Senate amendment No. 3: Page 3, line 21, strike out "and not to exceed $55,000 for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended."

Senate amendment No. 4: Page 4, line 1, strike out "$2,290,340" and insert "$1,830,400."

Senate amendment No. 6: Page 4, line 8, strike out ", and including the temporary employment (not exceeding $65,000) of persons or organizations by contract or otherwise, without regard to section 3709 of the

Revised Statutes, and the Classification Act of 1923, as amended."

Senate amendment No. 8: Page 4, line 25, insert "No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of regional field, or any other offices outside the District of Columbia."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, and 8.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: On page 9, after line 17, insert the following: "No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order numbered 9358 of July 1, 1943."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 29: On page 21, line 6, after the word "employees", strike out the remainder of the line and all of lines 7 and 8.

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: On page 21, in line 13, strike out "$10,581,000" and insert "$9,581,000."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: On page 29, after line 1, insert "All funds heretofore appropriated to the Public Roads Administration for the construction of roads but impounded or withheld from obligation or expenditure by any agency or official are hereby released and made available for obligation or expenditure for the purposes for which they were originally appropriated."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 37: On page 29, in line 25, beginning after the figure "$37,000,000", insert "*Provided*, That the Comptroller General shall designate an employee of the General Accounting Office to act as Comptroller General during the absence or incapacity of the Comptroller General and the Assistant Comptroller General, or during a vacancy in both of such offices."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement with the Senate amendment No. 37, and concur in the same, and I ask for recognition.

The SPEAKER. The gentleman from Virginia [Mr. WOODRUM] is recognized.

Mr. WOODRUM of Virginia. Mr. Speaker, this amendment was placed in the bill by the Senate on the recommendation of the Comptroller General. It appears that upon occasion, and there have been several, the Comptroller General and his assistant are both absent and there is no one at the General Accounting Office who can act officially for the Comptroller General. He has requested authorization that upon such occasions he might have the privilege of designating someone to act officially in his absence.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

Mr. WOODRUM of Virginia. Mr. Speaker, amendments Nos. 52, 53, 54, 55, 56, and 57 relate to the Tennessee Valley Authority. They are all interrelated and are the so-called McKellar amendments to the Tennessee Valley Authority.

Mr. Speaker, I ask unanimous consent that they be considered en bloc.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendment No. 52: On page 52, in line 8, after the word "field" insert "$79,134,882, to be accounted for as one fund known as the 'Tennessee Valley Authority fund, 1945,' to remain available until June 30, 1945, and to be available for the payment of obligations chargeable against the 'Tennessee Valley Authority fund, 1944'; and."

Amendment No. 53: On page 52, in line 14, after the word "and", insert the word "all."

Amendment No. 54: On page 52, after the figures "1945" in line 16, strike out the remainder of the line and all of line 17.

Amendment No. 55: On page 52, after line 17, insert, "and subsequent fiscal years."

Amendment No. 56: On page 52, line 18, after the word "covered" insert the word "quarterly."

Amendment No. 57: On page 52, line 19, after the word "into" strike out the remainder of the line and through the figures "1944" in line 23, and insert the words "general fund of the Treasury of the United States."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendments.

Mr. WIGGLESWORTH. Mr. Speaker, I have a preferential motion.

The SPEAKER. The Clerk will report the preferential motion.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement with the Senate amendments and concur in the same.

The SPEAKER. The gentleman from Virginia [Mr. WOODRUM] has the floor.

Mr. WOODRUM of Virginia. Mr. Speaker, this is not a new matter before the House. On at least one occasion, and perhaps on other occasions, an effort has been made in the other body to amend the basic Tennessee Valley Authority law by inserting a provision in the appropriation bill. The House has consistently opposed such amendments and has acted emphatically each time, and the Senate has yielded. Section 26 of the T. V. A. Act provides in part as follows with reference to funds of the Tennessee Valley Authority which are taken in as receipts collected from the sale of power and for other services. I quote:

Such funds shall be paid into the Treasury of the United States at the end of each calendar year save and except such parts of such proceeds as in the opinion of the Board shall be necessary for the corporation in the operation of dams and reservoirs in conducting its business in generating, transmitting, and distributing electrical energy and in the manufacturing, selling, and distributing of fertilizer and fertilizer ingredients.

Now the effect of these amendments inserted in the other body is to change the basic T. V. A. law and it is my position now, as it has been my position in the past on such amendments, that regardless of the merits or demerits, if Congress wishes to change its basic policy with reference to the Tennessee Valley Authority, it should be done after a bill has been introduced and orderly hearings had upon it and some conclusion has been reached by the committee having jurisdiction. I am not going to consume further time because there are gentlemen here who are vitally interested in the Tennessee Valley Authority and who understand it thoroughly.

At this time I yield 10 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, the T. V. A. was built for the people of the United States. It has accomplished this great purpose in a very efficient and business-like manner and should continue as at present. A few years ago a joint committee of Congress, composed of some of the most distinguished Members of the Senate and House, made a thorough investigation of the T. V. A. which resulted in this great enterprise being given a clean bill of health. The T. V. A. has done a splendid job and is worthy of the continued confidence and support of Congress and the American people.

It is with regret that I find myself in disagreement with my lifelong friend, the distinguished senior Senator from my native State of Tennessee, but this matter is of such far-reaching importance that I cannot refrain from disagreeing with him on this great issue.

It is most regrettable that proposals such as these embodied in the amendments affecting T. V. A. should be attached as riders to the independent offices appropriation bill. They are purely legislative and should never have been presented for consideration except

through the orderly process of committee procedure, with a record of examination into all of the relevant facts. Such amendments should certainly not be proposed at all in time of war. For at one stroke their adoption would hamper essential war production, destroy efficient management, and threaten the continuity of power service to the whole Southeast.

There can be no dispute about the danger. There can be no dispute that if such amendments were ever agreed to, the operations of this vast public enterprise would be taken out of the hands of qualified technicians and delivered over to public officials without technical training or experience in this type of enterprise.

The decision is in the hands of this House. The question is simple. Is the great public investment in the T. V. A. going to continue to be used for the benefit of all the people? The answer should certainly be in the affirmative. Not a single Member of this House from the area immediately concerned is in favor of these amendments. We do not seek to influence or to control the management of this great public power system. We are not seeking an opportunity to select T. V. A. employees.

We do not feel that we are prepared to make the important decision as to when or where lines shall be built or repaired, where service shall be expanded or what the rates will be. Questions of general policies should be determined by Congress, and Congress should hold the management of T. V. A. responsible for carrying out those policies. The details of management of T. V. A.'s power system should continue as at present. We are asking that T. V. A. should continue to be managed as it is now managed, honestly and efficiently without fear or favor, for the benefit of all the people.

Let me make this further point clear beyond a doubt. Not one of us is asking that power service in the area we represent should be maintained and operated at the expense of the taxpayers from other regions of the country.

In years past we have come before the House to urge that this river system be developed just as other rivers all over the country have always been improved as an expression of national policy and with benefit of Federal funds. We knew and argued that such investment would be well repaid in benefits to the Nation, that it would permit this whole region to contribute more abundantly to our national life. The years have proved us right. I need not labor that point. The change the establishment of T. V. A. has brought to the Tennessee Valley is known all over the world. The investment in navigation and flood control, in soil conservation, will pay out a hundredfold. There is no doubt about it.

The taxpayers' investment in power facilities will pay out in that same way, too. By contributing to a stronger region, it contributes to a stronger nation. But this is a business operation. And the taxpayers' investment in business facilities was intended to pay out directly in actual dollars. Congress settled that in the act creating T. V. A. We established that policy. We told the board of T. V. A. to market its electricity at rates which would make the project both self-supporting and self-liquidating.

Congress made perfectly clear that the operation of this power system was not to be subsidized; that revenues, which are payments from consumers, were to pay the costs of operation just as they are expected to do in other regions where service is received from private companies. Revenues are paying those costs. Consumers of power are paying all the costs of operation; they are paying an allowance for depreciation; they are providing the sums required to permit T. V. A. to make payments in lieu of taxes to the States and counties of the area exactly as consumers are expected to do if they buy their power from a well-managed private corporation.

In 1943, after all such costs had been met, those consumers had provided a net income of over $13,000,000, a return of about 5 percent when applied to the average investment in power facilities throughout the year. That net income, through which the cost of power facilities will finally be liquidated, can continue only if the system is well managed. Such results are not haphazardly achieved. We ought to remember one special characteristic of this public power system. It has to pass a more rigid test than was ever set for any private enterprise and a more rigid test than is applied to most activities of government.

A private business is considered a success if it makes a profit. A public enterprise is called successful if it benefits the people. The power system of T. V. A. has to accomplish both objectives. Its rates have to be low enough to encourage the widespread use of power and high enough to make money. It has to benefit the people and at the same time show a profit. Only good management can do it. So far we have had it. It is up to the House to determine whether or not good management will be permitted to continue.

Thanks to the Members who have preceded me in discussion on the floor, the issue is clear. As has been pointed out before, perhaps this is the first time the question of management has come before us in this single fashion. Usually it is a distraction, hopelessly involved with decisions on other important questions of national policy. This time it comes alone. By this vote we are not going to decide whether the natural resources of the Tennessee Valley should be developed and the waters of an unruly river controlled. That issue was decided 11 years ago. We are not voting now to give that varied job to one Federal agency instead of dividing it up among a dozen. The act creating T. V. A. took that important step in Federal administration.

This is not a question of public versus private power development. That was settled for this area long ago. It was settled by the Congress when the T. V. A. statute was adopted. It was settled when funds were made available to build multipurpose dams, when a steam plant was constructed; when the issuance of bonds was authorized to purchase the generating and transmission facilities of certain private utilities, and T. V. A. became the sole source of power supply for the area. It was settled when the people, in local units of government, in towns and cities, and on farms voted to own their own systems of distribution and to purchase power at wholesale from T. V. A.

The only question before us is how that public power system, now established, should be managed. The question before us is how that $500,000,000 power investment shall be safeguarded. Are those dams and powerhouses going to be run by experts at the site of operations or by public officials from Washington? Are the engineers of T. V. A. going to decide when lines should be extended or repaired; when new transformers are required; or is the Congress going to determine those technical questions? Are the payments made in lieu of taxes to be paid by T. V. A. from its power revenues in accordance with the formula adopted by the Congress, clear and fair and open? Or is the sum to be fixed each year as one item of the appropriation bill, with each Member concerned fighting for the real or fancied rights of the counties in his district?

Those are the realities to be decided when we vote on these T. V. A. amendments. The answer seems clear to me. It is unthinkable that Congress should ever abandon the present system and let the smell of pork taint the atmosphere around the T. V. A. I feel confident the House will answer in the negative.

These amendments are wrong in principle and hopeless in practice. As has been so ably set forth by my colleagues who have spoken on this issue, the essential and unique characteristic of the T. V. A. Act is that Congress adopted the best principles of modern business management for this Government operation. Congress properly reserved to itself control of major policies, set forth objectives in some detail, then put responsibility for management squarely on the Board of T. V. A. T. V. A. was to be judged by the results.

Every Member of this House, people all over the world, know how magnificent those results have been. The wisdom of the Congress has been vindicated. Everybody knows now by contrast what the practical effects of the system proposed in these amendments would be. Speakers preceding me on this floor have presented the situation in considerable detail. They have shown how as a practical question it would be impossible for the men on the job to prepare estimates of operating expenses almost 2 years in advance. They have shown how it would diffuse responsibility, encourage extravagance, how it might bring disaster if the need for funds for unanticipated expenses should develop when Congress was not in session. The difficulties and the dangers described are totally unnecessary to incur. They can be avoided by this simple means. We can reject these amendments.

There is nothing in the least unusual about continuing the present system and

requiring the T. V. A. to support and liquidate its power system out of its receipts. Government corporations customarily have the use of their receipts in their business operations. That is a recognized business necessity, whether the business is operating a corner grocery, running a steamship line or a railroad. But in no business, operated by public or private enterprise, is it so essential as in the operation of a power system like T. V. A.'s.

It is fruitless to compare the problems of such an operation with the problems of any other agency of government. T. V. A. is unique. It is the only federally owned power system, generating power both at dams and steam plants, which is the sole source of power supply for a given area. Sometimes I think it is not fully understood that, except for a few large industries and 10 military establishments, the customers of T. V. A. are municipalities, 84 of them, and cooperatives, 45 in number. They own the distribution systems themselves; they serve the individual customers; they are managed by local businessmen; they are the ones whose communities would suffer if these amendments were adopted.

The confidence of all those communities would be destroyed if these riders were agreed to. Each year their eyes would be fixed in apprehension on the Appropriations Committees of the Congress as those committees struggled to determine, some 18 months in advance, just what the costs of operation of a great power system ought to be over a fiscal year, yet such peculiar problems would be before the committees for decision.

Those committees would have to recommend how many substations and transformers would be required, what lines should be built and of what material, where repairs were likely to be necessary. Such a system would be impossible. Year after year, for 9 years now, our able committee has reported, and this House has approved, bills which follow the principles adopted by Congress in the T. V. A. Act, and the receipts of T. V. A. have been devoted, first of all, to the expenses of its business operations. Members representing the area served have never been required to plead that a safe margin should be appropriated to guarantee continuity of power supply in the face of every conceivable adverse circumstance. We hold the management of T. V. A. responsible to provide that margin; we expect their operations to be soundly conducted; we expect them to use their receipts to meet the day-by-day expenditures of operation, whether the operations are routine or made difficult by unusual conditions or acts of God, such as storms, and so forth. It is their job. We expect them to do it without interference.

This is the system that should be continued. All of the people of the area served by T. V. A. should be able to feel confident that their source of electric power—this necessity of modern life—will always be protected. They should be able to know that service to a county and town, to an industry or a farm, will always be available. The taxpayers of the whole Nation should be able to know that their investment and interest in this public power system will continue to be safeguarded and protected as is now being done.

The Members of the region served by T. V. A. are appealing for this result. We are asking that the faith of the people in their Government shall not be impaired, as it would be impaired if these amendments were adopted. We remember the simple inscription written in the enduring structure of every dam built by T. V. A. We want everyone to continue the feeling of confidence when he reads the honest words, "Built for the people of the United States."

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I have offered this motion to recede and concur in the Senate amendment because I cannot escape the conviction that the amendment is absolutely sound in principle, and because I cannot feel that if adopted, the amendment will in any way handicap any proper activity of the T. V. A.

All the so-called McKellar amendment does is to require that the balances and earnings of the T. V. A. be paid into the Treasury and that funds be appropriated by the Congress for the activities of T. V. A., just as funds are normally appropriated for other Government agencies.

Under the present law which the gentleman from Virginia [Mr. WOODRUM] has read, you will note the requirement that the Authority's income shall be "paid into the Treasury of the United States at the end of the calendar year save and except such part of the proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs in conducting its business of generating, transmitting, and distributing electric energy," and so forth.

In other words, as the law stands now—I do not say that it has been done as a practical matter, but as the law stands now—the T. V. A. could withhold every cent of its earnings in any year and apply them in its own discretion in the conduct of its business without any control by the Treasury or by the General Accounting Office.

I think that is a fundamentally wrong condition. I believe the adoption of the McKellar amendment will cure it.

I see no reason, Mr. Speaker, why in respect to a governmental activity on which Uncle Sam has expended over $800,000,000 and which has an annual expenditure of around $80,000,000 we should not have the normal Treasury control.

It has been asserted in another body that the T. V. A. for lack of proper control has in fact been guilty of improper expenditures and the overruling of exceptions taken by the General Accounting Office.

It has been asserted that the T. V. A. has in fact been guilty of improper investments, including preferred railroad stocks and preferred industrial stocks.

It has been asserted that the T. V. A. has in fact been guilty of improper action under the antitrust laws.

I have neither the time nor the information, Mr. Speaker, to go into the charges to which I have referred. I offer the motion to recede and concur on the broad principle that funds of this character should be covered into the Treasury; that there are altogether too many exceptions to this rule at this time; that the rule should be applicable not only to T. V. A. but to every possible agency of Government.

I do not see how its adoption can interfere in any way whatsoever with any legitimate function of the T. V. A.

The opportunity is here to correct what seems to me to be a fundamental error in the law. I hope the House will conclude to recede and concur in the Senate amendment.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Speaker, the gentleman from Massachusetts, who has just spoken, correctly states that this amendment will require all receipts of T. V. A. to be paid into the general fund of the Treasury. What would this mean? It would mean that every time a consumer in Tennessee paid his light bill the money would go, not into the operating fund of the T. V. A., which would be the case with every other utility in the United States, but it would go directly into the general fund of the Treasury just as if that consumer were paying taxes. Once in the general fund there is no earmarking, the funds are commingled. The only way T. V. A. or any other agency could get money out of the general fund would be through appropriation by Congress.

The gentleman from Massachusetts says he does not see how this would interfere with the legitimate operations of the T. V. A. Well, let us suppose that an act of God occurs in the Tennessee Valley area, some lines are blown down, a flood occurs, or a drought. Congress would not have previously appropriated funds to take care of that contingency. In this event, it would interfere with the legitimate operations of T. V. A., because the legitimate operations of T. V. A. along with its navigation, flood control, and fertilizer programs, are to furnish electrical energy service to the people of that area.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. WIGGLESWORTH. Notwithstanding what the gentleman has stated, it seems to me it is still within the province of the Congress to make any provision the Congress wants to.

Mr. GORE. What the gentleman from Massachusetts is saying is that Congress could set up a large contingent fund and take care of such situations in that way. Contingent fund is another name for blank-check appropriations, and I am surprised to hear the distinguished gentleman from Massachusetts, a leading member of the Republican

Party, suggest this as a satisfactory method.

Under the program set up for T. V. A. the Authority is required to pay into the general fund of the Treasury at the end of the year its net profits. During the year the T. V. A. uses its receipts to pay its ordinary operating expenses. The net proceeds, as I say, go into the Treasury. That is a businesslike way for this huge publicly owned business to operate.

The people of that area do not want to see this big business forced to adopt hampering and unbusinesslike methods. Whether we like it or not, T. V. A. is big business; it is one of the biggest utility systems in the world and it is owned by the people of the United States. It is therefore a concern of every taxpayer and every Congressman that its business be operated efficiently. It is so operated under the present system.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield further?

Mr. GORE. I yield.

Mr. WIGGLESWORTH. The gentleman does not deny that under the wording of the present law every cent T. V. A. may earn in the course of its current operations could be withheld and used for its own purposes.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. KEFAUVER. The gentleman from Massachusetts is assuming something they have never done; he is talking about something that never has happened.

Mr. GORE. Under the present law the T. V. A. could only use its receipts for legitimate operating expenses. It could not, for instance, use its current power sale receipts to begin construction of a new dam. That would have to be authorized and appropriated for by Congress.

Mr. Speaker, all of the receipts of T. V. A. are now paid into a special fund within the Treasury. Out of this fund the T. V. A. pays for the operation of its trucks, its power-line servicemen, its many ordinary operating expenses. At the end of the year what is left as profit out of that special fund within the Treasury is then paid into the general fund of the Treasury.

I submit that it is fruitless folly to require an immense business operation like the T. V. A. to comply with the self-same principles that govern every little bureau here in Washington. The men who run T. V. A. need to be down there when we have a storm, they need to be down there in the area when a transformer burns out. We cannot do it from here.

The people who must depend upon T. V. A. for electricity do not want it operated by political hacks of either the Democratic or Republican Party. They prefer that it continue to be run efficiently on a business basis by people selected not because of how they vote but because they are qualified to do the job. They want to be sure that the light will come on when they turn the switch.

The vast operations of the T. V. A. cannot be compared and should not be confused with an ordinary governmental agency. It is one of the Nation's largest utility systems. To require the T. V. A. to operate on the self-same principles as the O. P. A., for example, would be utter folly.

It has meant a great deal to my region. It has brought about lower electrical rates, rural electrification to many farms, greater industrialization, and many other benefits.

But what happens to T. V. A. can by no means be regarded as a local question. It is a national problem requiring the earnest consideration of every Member of Congress.

After all, the people of the United States have invested over $800,000,000 in this project—a huge investment. It belongs to the people and what happens to this enormous investment is a problem of all the people.

My colleagues, especially those who do not live in the T. V. A. region, may properly ask the question, "What have the people got for their money?" This question can be answered, I believe, satisfactorily.

First, let me point out the utterly invaluable contributions of the T. V. A. facilities to the war program. Electrical energy, one might almost say, is the lifeblood of modern war production. When war descended upon us with such sudden treachery and our need for planes became so acute, the Nation had this great source of electrical energy for production of aluminum. Electrical power from the T. V. A. facilities has produced a major part of the aluminum for America's aircraft. At one critical point of the war, it produced more than one-half. And let it be remembered that to make one large bomber takes more electricity than the average American family would use in 400 years.

But aluminum is only one example. The production facilities brought into being by and because the T. V. A. has turned out a record of war production which, once the full story can be told, will, in my opinion, forever justify this great national development and investment. Even now, one of the Nation's largest, most strategic, and highly secret war projects is under urgent construction somewhere within the valley, served by T. V. A. power.

The T. V. A.'s contribution to the war, however, is not the only thing the people of the Nation have to show for their money. The T. V. A. and its far-flung facilities can conservatively be regarded as a very valuable capital asset. Its properties are new and it is, in fact, a going concern of proven feasibility.

For one direct benefit to the Government, the per-capita level of income of the region's people, though still far too low, has shown a healthy increase. By 1940 the per capita income of the seven Tennessee Valley States showed a 73-percent increase over the level of 1933, while the national increase for the same period was only 56 percent. As a result of this increased income the increase in income taxes paid to the Government from that region is considerably above the increase for the country as a whole.

The benefits to the Nation by making this great river navigable must be considered as similar to the benefits of making many others of the Nation's rivers navigable. The benefits go not only to shippers, industries, and consumers using the Nation's navigable channels, but the business enterprise and the economic activity of the entire Nation is given a boon, thereby benefiting the whole people. Similarly, we must consider the flood-control investment on the Tennessee River and in that valley as a protection from hazards similar to that provided by flood-control projects on many others of the Nation's streams.

I mention some of the above things not to avoid a dollar-and-cents question on the Nation's investment in T. V. A. power facilities but to emphasize that the power facilities are by no means the only national benefit from the T. V. A.

As to the power, the answer is not so difficult, because power is sold and revenues provide a dollar-and-cents measurement. It is not a discouraging record, either. For instance, during the last fiscal year income from power sales amounted to more than $31,500,000. After deducting the expenses to produce and distribute that power, including tax payments and liberal depreciation allowances, there was a surplus of more than $13,000,000. This would indicate that the people have made a good investment in these power facilities.

During the current fiscal year the T. V. A. has already retired $2,000,000 in outstanding bonds out of current receipts.

So much for the wonderful record of the T. V. A., not only to the people who live in the area of the Tennessee Valley Authority but to the Nation as a whole.

Perhaps it would be helpful, Mr. Speaker, to review briefly the history, not of the entire T. V. A., which is not in question here, but the manner of handling the receipts of the T. V. A. By the original Tennessee Valley Authority Act the net proceeds, after payment of its ordinary expenses, were required to be paid into the Treasury at the end of each calendar year. There is no requirement in the original act that the current receipts be either paid into the general fund or deposited in the Treasury. Insofar as the Tennessee Valley Authority Act is concerned, the T. V. A. Board could select any local bank, or banks, or other financial institutions, in which to deposit its current funds. Only the net proceeds, let me repeat, are required to be paid into the general fund of the Treasury.

But in 1935, upon the joint suggestion of T. V. A. and the Treasury, Congress wrote into the appropriation bill an amendment which permitted the T. V. A. to pay its receipts into a Treasury special fund. In other words, the T. V. A. was given permission to deposit its current receipts, along with appropriated funds, in a special fund within the Treasury. In this way this Treasury special fund is the banker of the T. V. A., holding its funds on deposit and paying its withdrawals.

Far from being a Lilienthal trick, as has been recently alleged, this was and is a sound method for a governmental agency engaged in business operations to safeguard large public funds.

This same provision has been included in every bill appropriating funds for the T. V. A. since 1935. It does not in any way alter the requirement that the net proceeds of the T. V. A. be paid into the general funds of the Treasury or permit the use of receipts on any unauthorized project. The only reason the net proceeds have not been paid into the general fund, after the end of each fiscal year, is that Congress, prior to then, had appropriated these net receipts or balances for use by the T. V. A. These have, nevertheless, been available and, but for these appropriation bills, would have been paid according to law into the Treasury general fund.

The amendment before the House would not permit a deposit of receipts in a special Treasury fund, but, instead, as I have earlier said, would require that all receipts be paid into the general fund of the Treasury as revenue.

This amendment is advocated on the grounds that the T. V. A., like other governmental agencies, should make an accounting to Congress. Now right here, I would like to refute the canard that T. V. A. has not been making an accounting to Congress. The fact is there are few, if any, governmental agencies with a finer record of accounting to Congress than the T. V. A. has. It has been remarkably successful and entirely free of fraud and mishandling of its funds. Its reports to Congress have been full, open, and in more detail than required by law. Its operations are not only audited by the Comptroller General's office but are also audited by one of the Nation's leading private auditing firms. A congressional committee was appointed to investigate the T. V. A., and after an exhaustive investigation gave a very favorable report on its operations.

Now, Mr. Speaker, Congress has neither the time nor the technical staff to operate a large utility. Yet, that is virtually what Congress would be doing if this amendment becomes law.

Permit me to point out some of the difficulties. Every Member of Congress knows that work on appropriations and estimates for appropriations begins many months before the money is actually appropriated and available for expenditure. As an example, the T. V. A. went before the Bureau of the Budget in September 1943 to present estimates of their expenditures for the fiscal year beginning next July 1 and ending June 30 1945. The bill presently under discussion embodies these estimates. Fortunately, the T. V. A. is asking for the appropriation of no new money for next year, asking only for the appropriation of the unexpended balance to be used together with its receipts.

The use of its receipts gives to this public utility a businesslike flexibility. Increased expenditures, reflected in increased demands for power which cannot be accurately anticipated, would mean increased revenue. The two would likely offset each other and maybe the increased business would result in a benefit to this agency owned by the people. As an example in point, in 1939, just after the declaration of war by Great Britain, the Aluminum Co. of America, located in this valley, found itself in critical need for more power because of an increasing demand for aluminum. As it happened, the supply of power from its own hydro facilities was actually decreased because of a drought. This company appealed to the T V A. for power way beyond T. V. A.'s contractual obligations. The T. V. A. supplied a large block of power, largely by bringing into operation some of its stand-by steam plants. The company paid to the T. V. A. for this power, $1,600,000. In producing that power, the T. V. A. spent $1,300,000, leaving a profit to this agency of the Government of $300,000.

The T. V. A. was able to enter into such a contract because it could use its increased income to pay its increased expense, as other prudent business organizations can do. It could not have done it without considerable delay that would have meant less aluminum, if it had been necessary to wait for passage of an appropriation bill.

Now, suppose that instead of continuing this businesslike method we require the T. V. A., as is proposed by this amendment, to pay all of its receipts into the Treasury as revenue and come to Congress for the appropriation of all of its expenditures for the innumerable details and contingencies for the operation of a very large utility business. How could Congress do this intelligently with our present methods? How could even the T. V. A., and much less the Congress, accurately estimate the detailed expenditures of such a huge business operation a year or more in advance?

The first big contingency would be unpredictability of the weather, particularly in the T. V. A. region. There is always the possibility of a dry year.

The second most important contingency comes about through acts of God, such as flash floods, tornadoes, and storms. These cannot be accurately estimated nor could proper provisions be made for them under the amendment except, again, through a large contingent fund.

The third large contingency arises out of unanticipated demands for electrical energy—a new industry, for instance, or increased activity on the part of big industrial users, such for instance, as the demand for more power for making more aluminum, requiring new transformers and substations.

Another large contingency might arise out of a major break-down of large generating or transmission facilities.

I firmly believe that to treat all of the receipts of this public utility as general revenue and then to rely upon direct appropriations by Congress for all of its detailed expenditures would result either in reduced efficiency of the agency and an effective stifling of its use and development, or in huge blank-check contingent appropriations for it.

Should Congress try to operate a public-utility business, Mr. Speaker, we would soon find ourselves knee deep in highly technical details, guess estimates, and unpredictable contingencies. If it should prove unworkable from the standpoint of Congress, it would be calamitous to the region served by the T. V. A.

Mr. Speaker, I hope the Congress will not cast this stumbling block in the pathway of a people who have for so long had unequal opportunities and now look up hopefully and proudly. We are grateful for this great investment by the people of the United States. We think it is a good investment. We confidently believe that it not only has already brought great dividends but that, in the future, the people of the United States will be amply benefited and rewarded for every dollar invested there.

It is a question not of private versus public ownership, which has already been settled in this region, but of efficient operation of a great project owned by all the people.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the House is called upon today to decide whether one of our finest national assets is to continue to operate with the efficiency comparable to that of private enterprise, or whether it will reverse the policy adopted in the basic T. V. A. Act and bring the management of that great enterprise back into the crowded Capital.

That issue should be very clearly drawn, and the subsequent action of the House determined alone on that basis.

The method of financing those functions of T. V. A. that produce revenue was clearly set forth in section 26 of the basic act. The reason for such a method was clear when the act was passed in 1933, and it is clear now. The Congress never intended, nor did the original law contemplate, that the taxpayers should pay expenditures involved in the operation and maintenance of the power system of the T. V. A. Nor did Congress intend for the day-to-day business operations of a vast power system to be managed by the Congress of the United States.

Proceeding under the law, the Board of the Tennessee Valley Authority has endeavored, and has made noteworthy success in that endeavor, to manage these power operations in such a way as to pay the costs of the operations from revenue received, and, above that, to provide net income annually which in time will return to the taxpayers of the whole country the amount of the original investment.

Now, if the present system of financing should be abolished as the amendment in disagreement would provide, the T. V. A. would be required to turn all these operating revenues into the general fund of the Treasury, instead of the special fund authorized by law to be set

up in the Treasury and known as the Tennessee Valley Authority fund.

If that were done, T. V. A. would of necessity have to depend on annual appropriations for every expenditure growing out of the operation of the power system.

In my opinion this would impair seriously, if not destroy, the effectiveness of T. V. A as a great public enterprise and an agency of the Government which has established a remarkable record for efficiency in its operations.

Mr. Speaker, all over a wide region, affecting to some extent seven different States, power contracts have been entered into between T. V. A. and various other parties, including municipalities, cooperatives, and industrial enterprises. If this amendment should be adopted, and I sincerely hope it will not, but if it should, then every power contract entered into by T. V. A. would in a measure be jeopardized. Those agreements would, in effect, have a clause terminating each one at the end of each fiscal year. Such a situation is unwise and unthinkable, and particularly so here in the middle of a war in which 70 percent of all T. V. A. power is being used for the manufacture of munitions of warfare to be used in crushing the Axis.

The action of House conferees on both sides of the aisle in standing firm and unmoved from the position taken by this body annually, is indeed most encouraging. I hope that the House will stand firmly against these amendments, and reject them.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. PRIEST.]

Mr. PRIEST. Mr. Speaker, the gentleman from Massachusetts just a moment ago in a colloquy with my colleague the gentleman from Tennessee [Mr. GORE] said that the T. V. A. could use these funds for whatever purposes it may desire, referring to funds derived from operating revenue-producing functions. The Tennessee Valley Authority can use them only as provided and designated in section 26 of the basic act.

Mr. Speaker, a few weeks ago I addressed the House at some length on the methods of T. V. A. financing. As we proceed now to a vote on these amendments in disagreement, it is my earnest hope that the House will not confuse the issue.

It is my firm conviction that if the amendment that would abolish the T. V. A, revolving fund, and take away from that agency the right to use receipts from its revenue-producing functions to pay the cost of operating and maintaining those functions, should finally be approved, it would in effect destroy one of the greatest public enterprises in the Nation.

There is no mystery nor secret about the method of T. V. A. financing.

When the original act was passed very careful consideration was given to this matter, and it was the clear intention of Congress that the revenue-producing functions should be financed from current receipts. Certainly, as has been emphasized already, Congress never intended that the taxpayers should pay expenditures involved in the operation of the T. V. A. power system.

And so, Congress wrote into the original law in section 26 the provision that receipts might be used for operations of certain designated activities that were clearly spelled out in the act. Now mind you, Mr. Speaker, Congress was so insistent that T. V. A. be permitted to operate with the flexibility of private business, that the Board was not required to turn operating revenue into the Treasury. The Board, if it had elected to do so, might have deposited these funds in one or many banks. But a plan was agreed upon, and has been approved annually since 1935, to deposit these funds in the Treasury of the United States in a special Tennessee Valley Authority fund.

The board of the Tennessee Valley Authority has made a notable record in operating the revenue-producing functions in a business-like manner, and is making every effort to manage those operations as to pay the costs from revenue, and at the same time to provide net income to liquidate the cost of the original projects paid by all the taxpayers.

Obviously, Mr. Speaker, no business could operate successfully, if at the end of each fiscal year, its operating funds were in doubt. But if this amendment were adopted, it brings into the picture a great deal more than doubt. It would bring a multitude of managerial problems to be settled by the Congress, and it would reverse the whole policy of decentralization, and create untold confusion in a region covering thousands of square miles.

The T. V. A. has entered into hundreds of contracts to furnish electric power for municipalities, for cooperatives to distribute to agricultural areas, and for large industrial enterprises. Those contracts are entered into on the basis of T. V. A. being able to supply current on a continuing basis. If the revolving fund were abolished, every contract would expire automatically once a year, at least until Congress, acting in the place of the T. V. A. board, had agreed upon operating expenses. Such a situation, from a practical and business viewpoint, is unthinkable.

The eyes of the entire Nation have been turned on this matter in the last few weeks. To those of us who live close to the operations in the Tennessee Valley, it has been a source of real encouragement to find that editorial comment from coast to coast has demonstrated a wide national interest in preserving T. V. A. as it now operates.

We who represent the valley also appreciate very sincerely the position taken by conferees from the House, and I hope, Mr. Speaker, that the House will stand solidly against these amendments.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, I have seen the Tennessee Valley Authority start from scratch in 1933 and grow to what it is today. It is a Federal corporation through which its directors and employees are rendering great and indispensable service to all the people of the Nation. It is not now a question of whether or not we will have this agency; it is a question of how we may best utilize the investment that all the people have in it. In round figures, we have $500,000,000 in this power-producing agency, not to mention our investment in it as a flood-control and navigation project.

What is the Tennessee Valley Authority doing at this time? This year it will produce and sell more than $38,000,000 worth of electric current generated by its 20 hydroelectric dams and its 6 steam-generating plants. In addition to that, it will produce some $30,000,000 worth of fertilizers and chemicals—chemicals that are used in the manufacture of explosives and in the production of smoke screens, under the protection of which our boys advance in battle—and from its own revenues it will complete this year the Fontana and Kentucky Dams.

Within an area of 75 miles of Knoxville, my home city, more than 250,000 men and women are engaged in the production of the materials of war, and each and every one of those agencies, factories, plants, and mines is getting its electric energy from the Tennessee Valley Authority. It will generate and sell this fiscal year more than 9,000,000,000 kilowatt-hours of power. The economic well-being of 20,000,000 people is dependent on the uninterrupted flow of this power into their homes, to their farms, and places of business.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. JENNINGS. I yield to my distinguished friend from Kentucky.

Mr. ROBSION of Kentucky. Do the pending amendments involve the question of the coal industry in any way?

Mr. JENNINGS. The adoption by this House of the Senate amendments will, in my opinion, result in injury to the coal industry. The Authority operates six steam-power plants, using thousands of tons of coal annually. It would have to come up here every time it wanted to buy a car of coal and get the consent of those who are out gunning for the three directors of this concern, should the pending amendments be agreed to.

It has been said here that certain assertions have been made against those in charge of the Authority. Yes; lots of things have been asserted. But we all know that the mere assertion of a charge, unsupported by proof, falls to the ground of its own weight, and many times flies up and hits the one who recklessly hurls it in the face.

It has been my experience and observation that the more violent a man is in his abuse of his adversary, the weaker his case is against him. If you have a good case against a man or against an institution, vituperation and calumny are not the sort of arguments to employ.

I would like to tell you who these directors of the T. V. A. are. Mr. David E. Lilienthal is respected and held in high esteem by all who know him best. He is a man of great ability, a man of wide

experience in the utility business and has proved himself a splendid executive. The next is ex-Senator James P. Pope, of Idaho. I have had occasion more than once to confer with him on the affairs of the Authority. I have always found him courteous, ready to give me any information I desired and thoroughly familiar with the operation of this agency. The other director, Dr. H. A. Morgan, is a former president of the University of Tennessee. As the president of our great State university, he carried programs of soil conservation, rotation of crops, and animal husbandry to the farmers of Tennessee that have been of untold benefit to the farmers of my State and adjoining States. He is a great educator, a great scientist, and an able executive.

Mr. KEFAUVER. If the gentleman will yield, I would just like to say that those of us who live in the Tennessee Valley are all for it.

Mr. JENNINGS. I thank the gentleman for his contribution. Ninety-five percent of our people are for it. The gigantic task of electrifying that great region, of building 19 huge power dams, of operating the 20 dams now in production and its 6 steam plants has been performed by the Authority in a businesslike and efficient manner.

Why not let it function as a corporation, as the original act intended it should function, and not turn it over to anyone who is out head-hunting or wanting to scalp somebody? This is no time to throw a monkey wrench into the machinery or put sand into the bearings or water into the gasoline. That agency down there is functioning as a private business enterprise. Those in charge of it have wrought miracles in construction and in production. No man has been able to put his finger on a single misappropriation of a dollar.

Every dollar of the agency's income is converted into the Treasury of the United States as a Tennessee Valley Authority fund. This income can only be expended for the purpose of building these dams and carrying on its operations.

I hope that this House will reaffirm its action and stand firmly against the Senate amendments stripping the Authority of its power to use its income as authorized by the basic law and as so wonderfully justified by the successful and unsullied record made by the spendid men and women in charge of its operations.

Mr. Speaker, I include, as a part of these remarks, a letter from the general counsel of the T. V. A. in regard to the employment by the Authority of Mr. S. Frank Fowler, of Knoxville. Mr. Fowler is a lawyer of great ability and the highest character. This letter states the facts and fully justifies the payment of the reasonable fee earned by Mr. Fowler:

TENNESSEE VALLEY AUTHORITY,
Knoxville, Tenn, May 24, 1944.

The Honorable JOHN JENNINGS, Jr.,
The House of Representatives,
Washington, D. C.

DEAR MR. JENNINGS: On Saturday, May 20, Senator MCKELLAR addressed the Senate attacking various decisions reached by the board of T. V. A. At the conclusion of his remarks he introduced, without comment, certain documents with respect to the exception taken by the General Accounting Office to a payment made by the Authority to S. Frank Fowler, an attorney of Knoxville. Although Senator MCKELLAR did not discuss the matter, the fact that this correspondence immediately follows a paragraph in which he charged the board of T. V. A. with dishonesty, it is fair to assume that in selecting this case, the Senator meant to illustrate a dishonorable transaction. As Mr. Fowler is a citizen of Knoxville, it seems appropriate to place the facts before you.

The question involves a fee paid to S. Frank Fowler for services rendered in the case of *United States ex rel. T. V. A.* v. *W. V. N. Powelson*. This is the case in which the Authority condemned the Hiwassee Dam site, together with approximately 12,000 acres of reservoir land. It is a case of peculiar difficulty and importance. The landowner was claiming a value of $7,500,000 based upon the peculiar suitability of his property for hydroelectric development. The issues in the case were such that its proper conduct required not only a lawyer of trial experience and ability but one who had the capacity to absorb an understanding of geology, financing, dam construction, hydroelectric operations, steam generation, electric transmission, utility markets in the region, the condition and operating methods of utility companies, and the jurisdiction and policies of the Federal Power Commission.

At the time that the litigation became active Mr. Fly and I were both actively engaged in the preparation and trial of the Eighteen Power Co. litigation, upon which the constitutionality of the T. V. A. depended. Mr. Evans Dunn, the only other member of the staff with sufficient trial experience to be entrusted with this type of litigation, was preparing to leave the Authority for private practice. In this situation Mr. Fly arranged for the services of Mr. Fowler, a lawyer of recognized ability and experience in courtroom work. There was in existence at that time a consultant contract under which Mr. Fowler was called upon from time to time for legal advice and assistance on general problems and was compensated at the rate of $45 per day for each day spent on such work. It was obvious that this agreement was never intended to cover employment as leading counsel in charge of litigation of this character. Mr. Fly accordingly agreed with Mr. Fowler that the trial of this case would be regarded as outside the scope of the existing consultant contract, and that a reasonable fee would be agreed upon at the termination of the litigation. This is the only fair method of arriving at the amount of a fee in litigation of this character where it is impossible to predict the amount of work that will be involved.

Mr. Fowler was employed on this case in July 1938. From that date until September 1939 most of his time had to be devoted exclusively to this litigation. Before the beginning of the first trial he made trips to Asheville, Chattanooga, Murphy, N. C., Shelby, N. C., and Atlanta for the purpose of conferring with prospective witnesses, inspecting the properties, and studying the files that had accumulated.

The trial before the Commission began on October 3, 1938, and was not completed until December 30, 1938. During this entire time it was impossible for Mr. Fowler to give any attention to other business.

Throughout the trial before the Commission Mr. Fowler was in charge of the case for the Authority. The record of testimony introduced at this trial covers seven volumes and approximately 6,000 typewritten pages of testimony.

Work upon the written argument began on January 9, 1939, and all of that month and most of the succeeding month were devoted to brief-writing in the case. During this time Mr. Fowler was away from his office and not participating in his regular business. This first trial was before the statutory commission provided for in the T. V. A. Act. The case was then appealed to a three-judge statutory court. Work in preparation for this trial before the court was resumed in June of 1939. Mr. Fowler spent practically all of his time from June 1 to September 8 working in the office of the legal department in preparation for the trial before the court. The hearing before the three-judge court consumed approximately a week in September, and Mr. Fowler worked for an additional week on the preparation of briefs. The case was appealed from the three-judge court to the Circuit Court of Appeals for the Fourth Circuit. During the months of July and August 1940 Mr. Fowler worked practically full time assisting in the preparation of the brief on appeal.

By way of summary it may be fairly stated that Mr. Fowler's work in this case consumed a total of at least 221 days of actual working time over a period of 2 years. This does not include work at night and many short intervals spent upon the case in his own office. Of this total time more than half was spent away from Knoxville, and practically all of it was away from his office. Forty-three days were actually spent in the courtroom.

The importance of the case may be judged not only by the amount of money involved but by its history. As previously stated, the value originally claimed was $7,500,000. The award of the Commission was $1,800,000, and this was reduced by the three-judge court to $1,200,000, and by the circuit court of appeals to $1,100,000. The case has been twice tried—once before the Commission and once before the three-judge court—then appealed to the circuit court of appeals, and finally argued twice before the Supreme Court of the United States. The complication of the issues is such that it is not yet concluded. It is now scheduled for rehearing before the three-judge court beginning next month.

Mr. Fowler's part in this case concluded with the preparation of the brief to be presented to the circuit court of appeals. At that time I agreed with him on the final amount of his fee, setting it, in view of all of the circumstances, at a total of $25,000. I had been properly authorized by the board to make this agreement, and the amount of the fee was approved by the board.

There has been no dispute between the Authority and the General Accounting Office concerning the reasonableness of this fee. The issue arises solely out of a difference of opinion upon the technical question of the effect of the consultant contract calling for payment at the rate of $45 per day. The position of the General Accounting Office is that since this agreement was in effect during part of the time that Mr. Fowler was working on this case his compensation for that period should be limited to the $45-per-day payment. This would have been an unconscionable result. Not only would such compensation have been wholly inadequate but it would have been contrary to the clear intent of the consultant contract and to the express terms of the oral agreement between Mr. Fly and Mr. Fowler. While Mr. Fowler's total fee as agreed upon with me was $25,000, the actual payment that has been questioned by the General Accounting Office is $15,955. This arises from the fact that at the time of the final payment Mr. Fowler had already received $9,045 in periodic payments which were deducted from the total agreed-upon fee. This was paid at the rate of $45 per day, with the understanding that all such payments were to be credited against the final fee agreed upon.

Sincerely yours,

WILLIAM C. FITTS, Jr.,
General Counsel.

Tennessee Valley Authority—Facts about steam plants

	Hales Bar	Memphis	Nashville	Parksville	Sheffield	Watts Bar
Location	Hales Bar Dam on Tennessee River near Chattanooga, Tenn.	788 S. 4th St., Memphis, Tenn.	1st Ave., Nashville, Tenn., on west bank of Cumberland River.	Ocoee No. 1 hydro plant on Ocoee River in Polk County, Tenn.	Tennessee River in Colbert County, Ala., near Sheffield, Ala.	Tennessee River in Rhea County Tenn., near Watts Bar Dam.
Rated capacity	40,000 kilowatts	54,000 kilowatts	48,000 kilowatts	13,000 kilowatts	64,000 kilowatts [1]	240,000 kilowatts.[2]
Number of generators.	2	9	6	2	5	4
Fuel	Coal	Natural gas [3]	Coal	Coal	Coal	Coal.
Initial operation.	1924	1897	1903	1916	1919	February 1942.
Acquisition by Tennessee Valley Authority.	Purchased from Tennessee Electric Power Co., 1939.	Under contract to Tennessee Valley Authority by Memphis Generating Co.[4]	Purchased from Tennessee Electric Power Co., 1939.	Purchased from Tennessee Electric Power Co., 1939.	Constructed by U. S. Army Engineers; transferred to Tennessee Valley Authority under Tennessee Valley Authority Act, 1933.	Constructed by Tennessee Valley Authority as a part of emergency defense program.

[1] Includes 4,000 kilowatts of capacity in station units.
[2] Total authorized, of which 3 units of 60,000 kilowatts each are installed.
[3] Oil used in emergencies.
[4] Under the contract with the Memphis Generating Co., the entire plant capacity was available to the Authority from June 28, 1939, to June 28, 1942; thereafter for next 17 years 20,000 kilowatts normally and 35,000 kilowatts in emergency.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, it seems to me we should face the facts in connection with this item in this appropriation bill and not be too much excited about personalities. These are the facts:

At the present time, and since the passage of the T. V. A. Act, the T. V. A. has had authority to use its income for its own expenditures and for its own expansion. It has been the practice, however, to present to the Congress a review of its operations and its funds and its requirements. Those have been gone over by the Committee on Appropriations every year.

In the old days before there was any income of any account it was customary for the Congress to bring in annual appropriations covering both the operation and new construction. The question involved here is not personalities. It is a fundamental proposition of congressional control over expenditures and appropriations. We should not have revolving funds. We should not have permanent appropriations. We should have those agencies come here and justify what they need. There is no embarrassment in their doing this. There never has been any embarrassment. Dragging a man's name in here, one side or the other, is a bugaboo designed to becloud the issue.

But let us come back to fundamentals. If we adopt this amendment then the T. V. A. will come in here every year and justify what it needs. That does not mean that it will not receive its needs from the hands of Congress. It means that the Congress will review it in the same manner that other requests are reviewed. It matters not who is the head of an agency of Government. The important thing, if we are to preserve representative Government and the liberties of America, is to have those items appropriated by the Congress and under the control of the Congress every year so that we may keep the executive agencies of all descriptions and all character in line, and keep them from abusing the privileges that they are given. Every time you fail to meet that situation, every time you give a bureaucrat a continuing revolving permanent appropriation, you create a situation where you are destroying the fundamental liberties of the American people, and you are setting a very bad example.

That is the real issue here in this situation. I hope that the motion of the gentleman from Massachusetts to concur in these amendments will be adopted. There has been shown not the slightest disposition on the part of the Senate to embarrass this agency, because they have provided $79,000,000, the amount that the T. V. A. said it would require, for the coming fiscal year. If there had been that disposition, that would be another story, and the gentleman would have a right to complain.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I think I can agree with much that has been said on both sides of this controversy, but the fact remains, as the gentleman from Virginia has pointed out, that if any damage was done to the congressional power of the purse, it was done in 1936 when the basic law which governs the operation of T. V. A. was enacted.

It has been rightly said that section 26 provides that whatever of the proceeds of T. V. A. in the opinion of the Board are necessary to be kept in their treasury may be kept there. We said so in the law of 1936. We carried that provision in this bill. That was enacted in this House on the 31st day of January 1944. I supported the bill in that form, so I have no choice except to support the position taken by the committee and to oppose the position taker by the Senate on the ground that this is neither the place nor the method by which to achieve a remedy for the situation of which complaint is made.

But it does raise a larger issue today, and it comes to my mind because of the observation made by my good friend the gentleman from Tennessee, Judge JENNINGS. I am afraid, Judge, I cannot agree with the idea that we ought to delegate the constitutional power of the purse to a great variety of corporations in the country, and then have difficulty in exercising a proper legislative control. We have scores of governmental corporations today. They employ nearly 110,000 persons. Their bonding power reaches the astronomical sum of thirty-one billion. As I recall, they have pledged the credit of this Nation to some twenty-three billion. They own several billions in real estate, and they own over two billion in United States securities. We alien the power of the purse to those corporations and then it is hedged about by so much authority that it is so diffused and almost beyond all comprehension that we are having difficulty today. Out of the controversy that is here manifest it seems to me that sooner or later an exploration must be made of the power that has been delegated by the Congress to every corporation.

Why are we quarreling today, if we are quarreling? It is whether $79,000,000, which represents the estimated proceeds for the fiscal year 1945 plus the unexpended balances for the fiscal year 1944, shall lodge in T. V. A.'s treasury or shall lodge in the Treasury of the United States.

I think much can be said in behalf of maintaining some kind of a fund so that they do not always have to come to Congress, but I do point out that we have delegated a broad power which gives to the board authority that if, in their opinion, all of these funds shall be retained in the T. V. A. treasury, Congress has exactly nothing to say about it, because while it may be a tenuous and slender opinion yet it is the opinion of the board and it satisfies the statute which was enacted by this body.

Sooner or later it becomes necessary to dip into this whole question of corporations chartered under State law, like the Commodity Credit Corporation; chartered under the territorial law, like the Alaska Railroad Corporation: or chartered under Federal law, like the Reconstruction Finance Corporation and a great many others, because I am frank to say that I do not know the extent of the authority they are exercising today.

So I merely conclude by saying that I will support the position I took in January when this bill passed the House. I recognize this provision in the basic law. I think the T. V. A. can say that they need the money and it can repose within their treasury. So I shall support the House position today.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER of Connecticut. Mr. Speaker, on May 9 I expressed my opposition to the so-called McKellar amendments. Two days later a letter written by Mr. Samuel Ferguson, presi-

dent of the Hartford Electric Light Co., a most progressive executive of a very fine, well-run company, wrote a letter which appeared in the Hartford Courant of May 21, from which I quote:

T. V. A. OPERATIONS

MR. FERGUSON SUPPORTS THE POSITION TAKEN BY CONGRESSMAN MILLER

To the EDITOR OF THE COURANT:

I believe that readers of the Courant would be interested in reading the speech of Representative WILLIAM J. MILLER on the subject of the Tennessee Valley Authority, as printed in the CONGRESSIONAL RECORD of May 9 and as briefly summarized in your issue of May 10.

The point of Mr. MILLER'S remarks was to the effect that regardless of whether or not we approve of the expenditure of $750,000,000 of taxpayers' money, the fact is that the money has been spent and that it is in the taxpayers' interest to make the best possible use of the magnificient engineering works produced thereby, rather than to do anything that will interfere with such use.

In particular, Mr. MILLER protested that the so-called McKellar amendments would unduly hamper the operations in requiring Mr. Lilienthal to come to Congress for approval of all expenditures of every nature and for approval of all appointments at salaries in excess of $4,500.

I agree with Mr. MILLER that these amendments go altogether too far. I could not efficiently operate my own business under such restrictions, hence I do not desire to see Mr. Lilienthal so unduly hampered when he is supposed to be conducting the T. V. A. on the basis of an efficient private operation.

It is very proper that I should go to my board of directors (and for him to go to Congress) for approval for every capital expenditure and for approval of every operating expense not directly connected with revenue-producing operation; but to insist on approval for all expenditures necessary for the conduct of revenue-producing operations is going much too far. How can he tell in advance whether there will be rain or drought, either of which would make for great variations in the amount of fuel to be used as auxiliary to the hydroelectric operations?

The amendments should be modified as to operating expenses so as to make operations practical. This will in no way interfere with the very proper requirement for congressional approval on all proposed extension of revenue-producing facilities and all expenditures, whether of a capital or an operating nature, that are outside the scope of revenue-producing operations.

Although I have no hope that the revenues will be sufficient to fulfill the rosy dreams of enthusiasts and cover not only non-revenue-producing expenses but return to the Treasury, with interest, the $750,000,000 of taxpayers' money expended to date as capital investment, I am loathe to see any obstacle placed in the way of Mr. Lilienthal that would prevent the recovery of as much as possible on the investment.

S. FERGUSON,
President, the Hartford Electric Light Co.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, the thorough consideration that has been given to these amendments by the Members of the House since they were placed on this appropriation bill in the Senate is one of the most encouraging demonstrations of legislative responsibility that I have ever witnessed. It is also encouraging and speaks highly for the membership that these amendments are being considered on a strictly nonpartisan basis.

Time does not permit me to discuss in detail the devastating effect of these two amendments. I have heretofore made a lengthy speech on the subject, and I think the issues are clearly understood by all the Members. Unquestionably the T. V. A. has done a remarkable job. It has assisted greatly in the war effort. It has been able to do this because it has had some flexibility in the operation of its power system. If section 26 of the T. V. A. Act, which gives the Authority some flexibility in the management of the power business, had been nullified by these amendments, it would not have been possible for the T. V. A. to make the great contribution to the war effort which it has rendered. The basic statute makes clear that Congress intended the Board of T. V. A. to so manage the power operations that they will not only pay the operating costs out of revenues received, but would provide a net income which would ultimately return to the taxpayers of the United States their investment in T. V. A.'s power facilities. The Senate amendments would destroy that system.

I know that it has been an efficient, economical operation, giving satisfactory service to consumers and fair returns to the taxpayers who are the stockholders. I know that because of the flexibility in operation which the right to use receipts guarantees, T. V. A. has managed to keep war plants going at full blast in the face of difficulties which would have been otherwise insurmountable. I know that from September 1939 to December 1941, T. V. A. provided 2,000,000,000 kilowatt-hours above its contractual commitments to accelerated war production, and there was never an hour of delay. T. V. A. did not have to come to Congress for a deficiency appropriation for the added expenses of these unestimated power operations. I know that in spite of the worst drought in 60 years, with an incompleted system, with a totally unanticipated load, not a single plant in the Tennessee Valley had its war production slowed by an hour because of insufficient power supply.

T. V. A. kept aluminum production going in this country in the dark days of 1941 and 1942 by the use of its receipts. If they had vanished into the general funds of the Treasury, as the Senate amendment proposes, the Nation's weapons for victory would have been reduced. For months most of the bombers made in the United States were made from aluminum produced in the Tennessee Valley. It was a volume of business unanticipated by the Aluminum Co. of America, the only producer of the metal in this country when accelerated production began. In September 1940 when T. V. A. presented its 1942 estimates for power expenditures to the Bureau of the Budget, Alcoa had not contracted with T. V. A. for such vast amounts of energy as it required before the fiscal year was over.

The record clearly shows how disastrous to this Nation it would have been if section 26 had not been a part of the T. V. A. Act and if the system proposed by the Senate amendment had been in effect, and T. V. A. had been limited for power expenses to the amount it had estimated in advance. This is what the record shows. When the Bureau of the Budget sent the estimates for T. V. A. expenditures in 1942 to the House Committee on Appropriations in November 1940 supporting data showed that expenditures for direct power operations were expected to be $7,830,000. If the system of financing proposed in the pending Senate amendment had been in effect, and assuming that Congress had accepted the recommendations of the managers on the job, presumably this sum—$7,830,000—would have been appropriated and would have been available to meet the expenses incident to power system operation in the fiscal year beginning July 1, 1941.

I have described what happened and how needs for power expanded. Actually, instead of the estimated figure of $7,830,000 for gross power expenditures, $22,139,000 had been spent when the fiscal year was over. All of it had been spent out of receipts. For, of course, power income had increased over the estimates, too. Gross power receipts had been estimated at $18,190,000 on the basis of contracts existing when the estimates were prepared. Actually receipts from power operations in the fiscal year 1942 totaled $31,411,000. In spite of the difficulties of operation under such emergency conditions, there was only about a million dollars difference in the net income from power operations estimated in the fall of 1940 and reported when the fiscal year was ended. That difference was due to the fact that the year turned out to be the driest in more than 60, and T. V. A.'s net income reflected the reduction in low-cost hydro power supply which would have been available in a year of average rainfall.

Think of the difference between the two systems. Under the existing one there was no delay. Under the one proposed there would have been a steady series of deficiencies; weeks, perhaps months of delay. There would have been fewer weapons for our boys on the far-flung fighting fronts. That year gives us a perfect demonstration of the efficiency, the responsibility, and the accountability that has resulted from the principles of management Congress has so far adhered to with respect to T. V. A.

I think one of the most complete answers to the proponents of the Senate amendments is found in the letter written by Mr. Samuel Ferguson, president of the Hartford Electric Light Co., of Hartford, Conn. This letter was published in the Hartford Courant of May 21, and it discussed an excellent address made by the gentleman from Connecticut [Mr. MILLER] in opposition to the Senate amendments. Mr. Ferguson pointed out the danger and the crippling effects of tying the hands of the operators of an electric power system in a manner contemplated by these amendments. Among other things he wrote, "I could not efficiently operate our own business under such restrictions." If Congress wants T. V. A. to continue to be a success, it will not place restrictions on its Board of Directors under which everyone agrees they could not operate

efficiently. If Mr. Ferguson could not operate the Hartford Electric Light Co. efficiently under these amendments, what can we expect from the board of directors of a much larger and more complicated enterprise?

Today, Mr. Speaker, we have an opportunity to show by our vote whether we want one of the most useful governmental agencies to carry on in a businesslike manner.

In the course of this controversy it is unfortunate that personal vilification has been heaped upon certain fine public officials. The directors of T. V. A., and especially Mr. Lilienthal, have been subjected to intense and bitter personal abuse. Nothing is to be gained by repeating or discussing the unfounded charges that have been made. I think it will suffice to say that those of us in the Tennessee Valley who have lived with the T. V. A. know that these things are not true. Those of us who have been more closely associated with the officials of T. V. A. know that there is no justification for these abusive charges. The people in the valley know that Dave Lilienthal and the officials of the T. V. A. have done their job well. We have confidence in the management of T. V. A., and we are proud of the record they have made.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 8 minutes to the gentleman from Alabama [Mr. STARNES].

Mr. STARNES of Alabama. Mr. Speaker, I am grateful to my colleagues for their demonstration of love and respect. It more than repays me for whatever effort I may have expended in the fight for clean, decent government in America, and the preservation of her constitutional, representative democracy. I am deeply grateful to you.

This is probably the last appeal I shall be able to address to my colleagues on the floor of this House in support of appropriations for the Tennessee Valley Authority. I hope that when you come to cast your vote on this issue in just a few minutes you will remember that the United States of America, all the people of this country, have an investment totaling more than $800,000,000 in the Tennessee River Valley, and that the businesslike, efficient, and courteous administration of this great agency, which is now paying us such great dividends, is imperiled by the amendments proposed by the Senator from Tennessee.

The parliamentary situation is such that if you vote for the preferential motion of the gentleman from Massachusetts to recede and concur you will, in effect, be voting for the so-called McKellar amendment.

Let me tell you how we have operated the affairs of the T. V. A. in a financial way since its inception. In 1935 we wrote into the basic T. V. A. Act section 26, which provides that all the funds received by the Authority shall be covered into the Treasury annually except such amounts as the board may deem necessary for the operation of the dams and reservoirs, which will include the generation, transmission, and distribution of electric energy on the one hand and the manufacture, sale, and distribution of fertilizer and fertilizer ingredients on the other. That is the basic law. The McKellar amendment would, in effect, repeal that basic law.

In the 1935 Appropriation Act this Congress implemented section 26 of the basic act by stating that all of the funds received by the T. V. A. in its operations from every source, plus unexpended balances, plus new appropriations, would be covered into the Treasury in one fund to pay all obligations and to meet all operating expenses. That is good business management, and the T. V. A. has been efficiently and honestly operated. No taint of scandal has touched a single transaction of the operations of this billion-dollar enterprise in the Tennessee Valley.

I call your attention to the fact that year after year the T. V. A. justifies its request for appropriations in great detail. No group can come before the careful scrutiny of the distinguished gentleman from Massachusetts [Mr. WIGGLESWORTH], the illustrious gentleman from Illinois [Mr. DIRKSEN], and one of the keenest minds in this House, the gentleman from South Dakota [Mr. CASE] without justifying in detail every dollar of public funds they seek to use during the coming fiscal year. I want to reiterate, the money the T. V. A. requests each year for its operations is submitted to Congress in the fullest detail. They hold back nothing. And year after year we have continued to approve a policy that we, the Congress, established in 1935 in writing section 26 of the basic act and implementing it by the language establishing a single fund for all operations in successive appropriation bills since the year 1935. Why should we change at this hour? This great organization has done a magnificent job in peace and in war and today more than three-quarters, yea, four-fifths of the power generated in that area is being devoted to war purposes in a most efficient and highly effective manner. There have been no stoppages of work in the entire area either on a T. V. A. project or on any project for which T. V. A. supplies power since the beginning of this war.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. STARNES of Alabama. I will be glad to yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. The gentleman states the Authority now makes a detailed report on all expenditures of the operation when it comes before the gentleman's committee?

Mr. STARNES of Alabama. That is correct.

Mr. REECE of Tennessee. It is my understanding that in the consideration of this report in the years gone by the committee has at no time found there has been any improper expenditures or any expenditures that could not be properly justified in the operation of the Tennessee Valley Authority's affairs.

Mr. STARNES of Alabama. The gentleman is correct.

Mr. REECE of Tennessee. Then this means that this amendment does not grow out of any unsatisfactory experience which the gentleman's committee has evolved as a result of the hearings which have been had?

Mr. STARNES of Alabama. I thank the gentleman for his contribution. Let me make one more statement before I close. The distinguished gentleman from New York who is usually correct in all his statements inadvertently made a misstatement concerning the amount needed for 1945 operations of the T. V. A. It would take $79,000,000 to carry on new operations of the Tennessee Valley Authority for the fiscal year 1945. If you adopt the motion of the gentleman from Massachusetts, which is in effect, adopting the McKellar amendment, it will take $30,000,000 to pay obligations in outstanding checks, materials bought but not delivered and other items for which the T. V. A. obligated itself in the fiscal year 1944. This would leave only $49,134,882 available for current operations. This sum will be required to meet the expenses of power, fertilizer, and munitions production and general water-control operations. So the adoption of the motion would mean we would have to stop the construction on the Kentucky Dam, the Fontana Dam, and on the Watts Bar steam plant. There would be no money available for new construction or for the carrying on of the fertilizer demonstration, research, and other programs.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. STARNES of Alabama. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. It has been stated, or there have been rumors that if these amendments are adopted which are proposed in the Senate, it will give a market to more coal than if they were not adopted. That is not the case, is it?

Mr. STARNES of Alabama. That is not true, because the consumption of coal has increased at a greater rate for the production of electric power in the Tennessee Valley than anywhere in the entire country.

Mr. ROBSION of Kentucky. And if the amendments are defeated it will likely require the sale of more coal?

Mr. STARNES of Alabama. More coal will be sold; inevitably, because we will complete the Watts Bar steam plant for the implementing of the hydroelectric power program in the Valley.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. STARNES of Alabama. I yield.

Mr. WIGGLESWORTH. I merely want to call the attention of the gentleman to the fact that the second deficiency bill is now in preparation and any discrepancy in the amount of funds can easily be taken care of in that connection.

Mr. STARNES of Alabama. However, that does not remove the basic objection to substituting political control over the operations of this corporation instead of a business administration such as we have enjoyed during the past 10 years.

Mr. JENNINGS. Is it not a fact that if these Senate amendments prevail it will stop work on the Fontana Dam and the Kentucky Dam?

Mr. STARNES of Alabama. Yes; I have just called attention to this fact.

The SPEAKER. The time of the gentleman has expired.

The question is on the motion of the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. WOODRUM of Virginia) there were—ayes 24, noes 138.

So the motion was rejected.

The SPEAKER. The question is on the motion of the gentleman from Virginia [Mr. WOODRUM].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

Mr. WOODRUM of Virginia. Mr. Speaker, the next three amendments, amendments Nos. 64, 65, and 66, relate to the putting of certain insignia and emblems on Government cars. They are all interrelated and I ask unanimous consent that the three amendments be considered en bloc.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

Amendment No. 64: On page 65, line 19, insert "(1)" before the word "not."

Amendment No. 65: On page 66, line 2, after the word "concerned" insert "; (2) unless there shall be painted in white letters not less than 2 inches high on both sides of each motor vehicle and trailer owned or leased by the United States Government the words 'On Official Business,' and (3) unless there shall also be displayed at all times in a conspicuous place a sign designating the particular department, independent establishment, or other Federal agency which operates said vehicle. Any officer or employee of the Government who uses or authorizes the use of any Government-owned motor-propelled passenger-carrying vehicle, or of any motor-propelled passenger-carrying vehicle leased by the Government, for other than official purposes or otherwise violates the provisions of this subsection shall be summarily removed from office, and shall, upon conviction thereof, be fined not more than $1,000 or imprisoned for not more than 1 year, or both."

Amendment No. 66: On page 66, line 21, after the word "officials" insert "and clauses (2) and (3) shall not apply to motor vehicles operated by the Federal Bureau of Investigation and the Immigration and Naturalization Service of the Department of Justice and the Secret Service of the Treasury Department."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to insist on the disagreement of the House to the Senate amendments, and yield myself 5 minutes.

The SPEAKER. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Speaker, I ask for the attention of the Members very briefly to make a short statement on this amendment.

It is a very important matter because it is one of those cases we strike every once in a while where the object is very worthy, but the manner in which it is set up is absolutely unworkable. I think all of us have been impatient with what we often see and consider to be a misuse of Government-owned motor vehicles.

This amendment was inserted in the Senate for the purpose of reaching that situation. No doubt, they thought it would reach it. It requires that there be painted on each such motor vehicle a sign, "On official business."

After the thing has been studied, here is what we find it amounts to:

Protests have come from various departments. The Treasury Department points out that exceptions should be made in connection with the Bureau of Customs, the Bureau of Narcotics, and the Intelligence Unit and the Alcohol Tax Unit of the Bureau of Internal Revenue. They say if they put a sign on their cars, "Treasury Department, On Official Business," there is no use to send a car out and a law-enforcement officer with it. Therefore, that Department ought to be excepted.

The Interior Department reports that it will interfere with the enforcement of the Connally "Hot Oil" Act, the Migratory Bird Treaty Act, and other enforcement activities of that Department.

The Navy Department points out that they are operating vehicles in connection with which it is vital in the interest of security that Government ownership be not disclosed.

The War Department indicates a situation similar to the Navy and urges that it be excepted. It also points out that vehicles used in connection with the burial of military personnel would be marked in a manner not in keeping with the ceremonial aspect of the occasion.

The Food and Drug Administration have some enforcement activities which will be interfered with, and I understand an exception is desired in connection with the legislative branch of the Government. We do not want our cars marked.

The amendment could be construed to apply to trucks, jeeps, and other military vehicles used in war areas as well as trucks and living cars that we send around over the country to the war plants for the housing of personnel.

In addition to that, the penalty, dismissal from office and a fine of not more than $1,000, or more than 1 year imprisonment, is out of all proportion to the offense involved.

Those are just a few of the things that have been developed. But the amendment, as it is drawn, while as I say the object of it, to curtail the misuse of Government cars is worthy, it should be drawn in a more workable form. I do not think it can be done in this place on an appropriation bill. I think it should go to conference and if we can work out anything in conference, very well. If not, we will let it go out and have a legislative bill brought in to meet the situation.

Mr. COCHRAN. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. COCHRAN. I spoke to the gentleman about this amendment when it was passed by the Senate and pointed out exactly what the gentleman has pointed out. If you require the Narcotic Unit to put a sign on their car, you are notifying the dope peddler that here is an officer of the Narcotic Unit. If you require the Intelligence Branch men to have a sign on their car, you are notifying the tax evader; and also the bootlegger with the Alcohol Unit and the smuggler with the customs officers. The amendment ought to go out unless it can be drawn so that it affects only somebody who is not engaged in an enforcement activity.

The SPEAKER. The time of the gentleman from Virginia [Mr. WOODRUM] has expired.

The question is on the motion offered by the gentleman from Virginia.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 67, strike out section 210, and insert:

"SEC. 210. No part of any appropriation available for the executive departments and independent establishments (including any agency the majority of the stock of which is owned by the Government of the United States) for the fiscal year 1945 or any subsequent fiscal year contained in this or any other act shall be (1) paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person, or (2) available to pay the salary of any person at the rate of $4,500 per annum or more unless such person shall be appointed by the President, by and with the advice and consent of the Senate."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to insist on the disagreement of the House to the Senate amendment No. 67.

Mr. CASE. I offer a preferential motion.

The SPEAKER. The Clerk will report the motion of the gentleman from South Dakota.

The Clerk read as follows:

Preferential motion offered by Mr. CASE:

Mr. CASE moves to recede and concur with an amendment by substituting for Senate Amendment No. 67, the following language:

"SEC. 210. After January 1, 1945, no part of any appropriation available for the executive departments and independent establishments (including any agency the majority of the stock of which is owned by the Government of the United States) for the fiscal year 1945 or any subsequent year contained in this or any other act shall be available to pay the salary of any person to serve as the head, or as a member of any commission, board, administration, or other similar organization serving as the head, of any such department or independent establishment unless such person has been appointed by the President by and with the advice and consent of the Senate. This limitation includes all the agencies established under authority of the act of August 29, 1916 (39 Stat. 649) creating the Council of National Defense, and the agencies embraced within the Office for Emergency Management."

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE. Mr. Speaker, I trust the membership of the House will follow rather closely while I explain what this amendment provides and what the effect will be.

The amendment which was proposed by the Senate is the so-called $4,500 amendment which would require Senate confirmation of all employees of the Government who receive more than $4,500 in a year. I agree that that amendment is not workable. I understand it would require confirmation by the Senate of

some 90,000 employees. If you make your requirement on the basis of salary received, under the overtime law $4,500 would include a great many engineers, chemists, physicists, firemen, master mechanics, and other men with technical and special skill. The real objective of Senate confirmation, under the provisions of the basic law of the country is to provide congressional confirmation of appointees who have policy-making powers. The amendment which I propose as a substitute for the language proposed by the Senate, is based upon that principle. It does not call for confirmation of anybody on a dollar-and-cents basis, but purely upon whether or not they are the head of a policy-making agency or commission.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. CASE. I yield.

Mr. VOORHIS of California. I have studied the amendment offered by the gentleman and it looks to me as if he has the solution to this problem. I think the gentleman's amendment is very well phrased and is a good amendment.

Mr. CASE. I appreciate the gentleman's remarks.

Mr. COCHRAN. Will the gentleman yield?

Mr. CASE. I yield.

Mr. COCHRAN. Will the gentleman tell the House whether or not this amendment applies to all now holding offices or only those appointed after January 1, 1945?

Mr. CASE. It would require Senate confirmation by January 1, 1945, of those who are the heads of policy-making agencies. It is in keeping, in that respect, with the conference recommendation as to the so-called Russell amendment, which provides that no appropriations will be available for expenditure after January 1, 1945, by agencies that have been in existence for a year, unless they have been established by legislation.

Mr. COCHRAN. The gentleman knew how many of the $4,500 employees there were. Can the gentleman give us the number that will require confirmation of his amendment?

Mr. CASE. I cannot say exactly, but I will say that probably the most important positions would be less than 50 in such agencies as these: The National War Labor Board, the Alien Property Custodian, the Office of Coordinator of Inter-American Affairs, Office of War Information, War Manpower Commission, War Production Board, and Foreign Economic Administration.

Here is the situation we are in today. The agencies that have been established by law, generally speaking, require Senate confirmation. Agencies that have been set up by Executive order do not require Senate confirmation, but it is entirely illogical for us today to require Senate confirmation for the head of O. P. A., which was established by law, and not require it for the head of O. W. I., which was set up under Executive order. That is, we now require Senate confirmation for the man who rations foods, but we do not require Senate confirmation for the man who rations news. We now require Senate confirmation for the head of the Selective Service, but we do not require it for the man who is head of the War Manpower Commission. Today we require confirmation by the Senate for members of the National Labor Relations Board, set up by statute, but not for the membership of the National War Labor Board or the F. E. P. C., about which some of the Members were disturbed the other day. We require confirmation for the Secretary of State, but we do not require Senate confirmation for the Foreign Economic Administration head, or the Coordinator for Inter-American Affairs. The amendment proposed will correct this situation.

I might say I have submitted this amendment to competent counsel and believe that it is workable and that it goes to the heart of the problem. It will provide for Senate confirmation of policy-making heads in Government and be thoroughly in harmony with the basic principle on the subject. I hope you will vote for the amendment which will substitute the principle for the dollar sign set up in the Senate proposal.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER. The gentleman from Virginia is recognized for 5 minutes.

Mr. WOODRUM of Virginia. Mr. Speaker, for several years a very persistent effort has been made to include in some appropriation bill an amendment similar to the so-called McKellar amendment, to which the gentleman from South Dakota has offered an amendment. The obvious purpose of the amendment put in by the Senate—and, as I say, it has been placed in bills several times and emphatically defeated in the House every time—is to require Senate confirmation of all employees of the Government receiving over $4,500 or $5,500—the amount has varied a little each time. The effect of the amendment would be to give the body at the other end of the Capitol, to the exclusion of gentlemen at this end of the Capitol, the right to name men to key positions in the Government service. Those amendments have universally and uniformly very properly been defeated, and defeated overwhelmingly, in the House. It may be there should be legislative confirmation of men in policy-making positions, but I have not seen anything demonstrated to me that suggests that gentlemen at one end of the Capitol have more wisdom than gentlemen at the other, particularly this end of the Capitol.

Let me say in good humor that my friend making this apply after January 1—I do not understand that because——

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I know what the gentleman is going to say, but I yield.

Mr. CASE. I trust that the gentleman will accept that fact as proof that I offer the amendment in all sincerity; and, further, may I say while the gentleman is yielding, that under no proposal is there any way in which we could provide for confirmation by the House of Representatives unless the Constitution and the whole set-up be changed. The Senate is the confirming power in all appointments where it is allowed.

Mr. WOODRUM of Virginia. That is true literally and theoretically, but actually today, gentleman at this end of the Capitol do have a little informal say in what goes on down in the departments. Some of you gentlemen I know are so optimistic as to think that perhaps after January 1 the scene of action will change. My friend by his amendment, however, provides that after January 1 you gentlemen who have so long grown hungry and lean from lack of some little consideration along these lines will, out of the generosity of your hearts, extend it over to the other end of the Capitol and say: "My dear Senator, I am not qualified to go down to the White House or to the department or somewhere and say that John Smith, in my district, is a fine, eminent businessman and highly qualified to be head of O. W. I. or X. Y Z. or something else." If he should say, "Mr. President, I should like to have you consider the matter," the President would say, "Oh, go on back to the Capitol; I will see the Senator and find out who he would like to have put in that place." Now, that just is not a good thing to do. I know my friend offers this amendment not only in good faith—for the gentleman could not do anything otherwise; he is one of the finest men in this House, personally and individually, and one of the ablest men on either side of the aisle—but I submit to you that I should hate very much to see you adopt even any part of an amendment of this sort. There is no necessity for it, because after January 1, if your hopes are realized, I am perfectly confident that your President and you gentlemen and your Senators will pick people for office whom you think are qualified; if that time comes, I want to see you gentlemen have a voice in it, and I do not want to see all of the authority put at the other end of the Capitol.

Mr. JENNINGS. That just means we would have a closed season so far as Members of the House were concerned.

Mr. WOODRUM of Virginia. Exactly; my friend with his usual discernment catches the point quickly.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Speaker, I agree with what my friend the gentleman from Virginia has said, and also with the observation of my distinguished friend from Tennessee who has so aptly caught the point. I just want to carry that reasoning one step further for the benefit of my Republican friends on the left. There are those who believe that the outcome of the November election might be a Republican President and a Republican House but a Democratic Senate; and if that thing should happen would you not be in a fine position if this amendment were adopted?

I am opposed to the proposal of my friend from South Dakota; but I, like the gentleman from Virginia, agree that he is in perfect sincerity, for the reason that no study has been given to the matter to see what positions would be affected. It is a legislative matter. The Committee on the Civil Service has a bill pending before it now dealing with this question and I hope this House will maintain the position it has taken in the past and not give to the Senate of the United States the right to control all the best jobs in the Government. As I said once before on this same subject I am not interested in patronage, but if we are going to have patronage then I want my share of it and I want you to have yours; I do not want to turn it over to the gentlemen at the other end of the Capitol, and that is what this proposal means.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the amendment and the motion.

The SPEAKER. The question is on the motion offered by the gentleman from South Dakota.

The motion was rejected.

The SPEAKER. The question recurs on the motion of the gentleman from Virginia.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 68:

"SEC. 213. After July 1, 1944, no part of any appropriation or fund made available by this or any other act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality including those established by Executive order after such agency or instrumentality has been in existence for more than 1 year, if the Congress has not appropriated any money specifically for such agency or instrumentality or specifically authorized the expenditure of funds by it. For the purposes of this section, any agency or instrumentality including those established by Executive order shall be deemed to have been in existence during the existence of any other agency or instrumentality, established by a prior Executive order, if the principal functions of both of such agencies or instrumentalities are substantially the same or similar. When any agency or instrumentality is or has been prevented from using appropriations by reason of this section, no part of any appropriation or fund made available by this or any other act shall be used to pay the expenses of the performance by any other agency or instrumentality of functions which are substantially the same as or similar to the principal functions of the agency or instrumentality so prevented from using appropriations, unless the Congress has specifically authorized the expenditure of funds for performing such functions."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 68, and agree to the same with an amendment.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the House recede from its disagreement to the amendment of the Senate No. 68, and agree to the same with an amendment, as follows: In line 1 of said amendment, following the word "After", strike out "July 1, 1944," and insert "January 1, 1945."

Mr. COCHRAN. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. WOODRUM of Virginia. I yield to the gentleman from Missouri.

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Am I correct in understanding that there being no disagreement among the conferees a motion to divide the question is not in order?

The SPEAKER. Such a motion is not in order at the present time.

Mr. COCHRAN. A further parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Am I also correct that the only way an amendment can be offered to the motion of the gentleman from Virginia is for the gentleman from Virginia to yield to me for that purpose?

The SPEAKER. That is correct.

Mr. COCHRAN. May I ask the gentleman from Virginia if he will yield to me in order to offer an amendment? If the amendment I offer is accepted I would vote for the gentleman's motion. My amendment would change the date from January 1, 1945, to July 1, 1945. Of course, I realize that if the gentleman yielded to me he would lose control of the time but I guarantee I will yield the time back to him.

Mr. WOODRUM of Virginia. It is very difficult, Mr. Speaker, not to yield to the distinguished and persuasive gentleman from Missouri. I may say to the gentleman that this amendment, No. 68, was quite controversial in conference and the motion I have made has been under instructions from the House conferees. I would not be justified, therefore, in deviating from those instructions. The only effect of the gentleman's amendment would be to postpone for 6 months the time this proposal would become effective.

Mr. COCHRAN. The gentleman knows, as I know, because I think he has the same information I have, that this involves a large number of agencies that are engaged in essential war work. The House wants to recess for the conventions, it wants to adjourn for the elections. Now if the Congress does not authorize appropriations for all those agencies or make appropriations for them, they will be out of existence on January 1, 1945.

Mr. WOODRUM of Virginia. I can assure the gentleman on behalf of the Appropriations Committee that we changed this date from July 1, 1944, to January 1, 1945, for the specific reason of allowing plenty of time for these agencies to come in. Thus they will be protected. There is a good deal of difference of opinion as to what agencies will be affected, but those that are affected will have from now until January 1 to prepare a budget and submit it to the Congress. I can assure the gentleman it will be given expeditious consideration by the committee, and, if necessary, a continuing resolution will be introduced and passed.

Mr. COCHRAN. If the agencies are not authorized, any appropriation brought in by the Appropriations Committee will be subject to a point of order. If the Appropriations Committee could not get a rule from the Rules Committee. they would go out on a point of order.

Mr. WOODRUM of Virginia. I may say to the gentleman, Mr. Speaker, that personally I think that some time or other the Congress should call in these activities and take a look at these various corporations and agencies that are now in existence and that never come to the Congress for review of their appropriations.

Mr. COCHRAN. I would agree with the gentleman under ordinary circumstances, but these are engaged in essential war work. In normal times I say I share the gentleman's views.

Mr. WOODRUM of Virginia. If they are, they will get preferential attention from the hands of the Appropriations Committee and the Congress, but we want to take a look at what they are doing.

Mr. COCHRAN. I appreciate the gentleman's assurance.

I stated my objection to this amendment in a speech I made Monday. I listed the agencies that the Comptroller General said he had already found to be affected, and I listed also the corporations which he said he felt might be included. Aside from that, I told how the general counsel of the R. F. C. had stated to me that he felt some of the important subsidiaries of R. F. C. were likewise involved.

I also stated that the great majority of these agencies were engaged in essential war work and it would take a very long period of time for the legislative as well as the Appropriations Committee to hold hearings to justify the passage of legislation either authorizing or appropriating money for the individual agencies. Each one would be handled separately, and it is not necessary for me to tell the House the time it would take to complete legislation before January 1 that is absolutely necessary in this amendment. For that reason I cannot support it.

In normal times I fully agree that all agencies should make an annual report to the Congress of their activities.

Mr. CASE. Will the gentleman yield for a question?

Mr. WOODRUM of Virginia. I yield to the gentleman for a question.

Mr. CASE. What does the gentleman think will be the effect of this amendment, with the January 1 date in, with respect to confirmation of the heads of agencies that may be set up by law under the requirements of this section?

Mr. WOODRUM of Virginia. I have not given thought to that matter. I do not know.

Mr. CASE. I think the gentleman will find himself caught by the logic he used a few minutes ago. When these agencies get established by law, in order to get under the wire by January 1, they will also provide for Senate confirmation of the heads of the agencies and the gentleman and the country will be in the same

position as if they had adopted the substitute amendment I proposed.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a letter I received from the Comptroller General.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FITZPATRICK]?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I rise in opposition to Senate amendment No. 68. I opposed this amendment in the conference meeting, for I felt then as I feel now, that it is a dangerous amendment to pass, and in all probability, if it becomes a law, it will be very detrimental to our war efforts.

I have received from the General Accounting Office this morning a letter signed by the Honorable Lindsay C. Warren, Comptroller General of the United States, in which he gives me a list of 25 agencies that may be affected by this amendment.

In his letter Mr. Warren states as follows:

While the full effect of the amendment in question may not be determined definitely from the facts now of record in this office, the following corporations, as instrumentalities of the Government, might be affected in some manner by the provision as passed by the Senate:

American President Lines, Ltd.
Cargoes, Inc.
Colonial Mica Corporation.
Defense Homes Corporation.
Federal National Mortgage Association.
Federal Subsistence Homesteads Corporation.
Panama Railroad Company.
Puerto Rico Cement Corporation.
Tennessee Valley Associated Cooperatives, Inc.
United States Spruce Production Corporation.
War Emergency Pipe Lines, Inc.
War Hemp Industries, Inc.
War Materials, Inc.
Warrior River Terminal Company.
Defense Supplies Corporation.
Metals Reserve Company.
Petroleum Reserves Corporation.
Rubber Development Corporation.
Rubber Reserve Company.
United States Commercial Company.
Institute of Inter-American Affairs.
Institute of Inter-American Transportation.
Inter-American Educational Foundation, Inc.
Inter-American Navigation Corporation.
Prencinradio.

It seems to me that Congress at this crucial moment should not pass legislation of this nature, as, in my opinion, it would be sad news for our boys to receive who are now fighting and dying all over the world to save our great democratic form of government.

I ask that the House vote down this amendment.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, May 31, 1944.

Hon. JAMES M. FITZPATRICK,
House of Representatives.

MY DEAR MR. FITZPATRICK: Reference is made to your informal request for the following information:

1. A list of the Government agencies operating at present under Presidential Executive order.

2. A list of the Government agencies operating on funds set aside by the President—such as the Committee on Fair Employment Practice.

It is understood that this information is desired in connection with consideration of the possible effect of Senate amendment No. 68 to the Independent Offices appropriation bill, 1945, H. R. 4070. Said amendment, in the bill as passed by the Senate, is as follows:

"SEC. 213. After July 1, 1944, no part of any appropriation or fund made available by this or any other act shall be allotted or made available to, or used to pay the expenses of, any agency or instrumentality including those established by Executive order after such agency or instrumentality has been in existence for more than 1 year, if the Congress has not appropriated any money specifically for such agency or instrumentality or specifically authorized the expenditure of funds by it. For the purposes of this section, any agency or instrumentality including those established by Executive order shall be deemed to have been in existence during the existence of any other agency or instrumentality, established by a prior Executive order, if the principal functions of both of such agencies or instrumentalities are substantially the same or similar. When any agency or instrumentality is or has been prevented from using appropriations by reason of this section, no part of any appropriation or fund made available by this or any other act shall be used to pay the expenses of the performance by any other agency or instrumentality of functions which are substantially the same as or similar to the principal functions of the agency or instrumentality so prevented from using appropriations, unless the Congress has specifically authorized the expenditure of funds for performing such functions."

I have been unable, in the time available for the compilation of the information you desire, to have an exhaustive search made. However, there appears in the Senate hearings on the bill referred to above, H. R. 4070, commencing on page 509, a letter dated February 28, 1944, from the Bureau of the Budget, furnishing, in response to a request of Senator RUSSELL, information as to agencies established by Executive order or in any other manner than by specific legislation, and as to the method by which the expenses of those agencies were financed. The two lists which follow were obtained from that source, to which reference may be made for further details. Said letter included data with respect to a considerable number of agencies originally established by Executive order, but now financed mainly by direct appropriation. In view of the purpose of your inquiry, and of the fact that these agencies are operating at this time not only under Presidential authority, but pursuant to specific annual appropriations, such agencies are not included in the lists below.

The following list shows those Government agencies operating at present under Executive orders or letters of the President, or pursuant to direction or approval of the President:

Agencies in the Executive Office of the President: Committee for Congested Production Areas; Liaison Office for Personnel Management; agencies in the Office for Emergency Management—Board of War Communications, Committee on Fair Employment Practice, Foreign Economic Administration (some constituent agencies), Office of Alien Property Custodian; agencies in the Office of War Mobilization—Retraining and Reemployment Administration, Surplus War Property Administration.

American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas.

Committee to Investigate Racial Discriminations in Certain Fields of Railroad Employment.

Federal Interdepartmental Safety Council.

Federal Real Estate Board.

Agency in Federal Works Agency: Federal Fire Council.

Interdepartmental Committee to Consider Cases of Subversive Activities on the Part of Federal Employees.

Interdepartmental War Savings Bond Committee.

President's Committee for Education of Men Demobilized From the Armed Forces.

President's War Relief Control Board.

War Refugee Board.

Agency under Department of Commerce: National Patent Planning Commission.

Agencies under Department of the Interior: Coal Mines Administration, Puerto Rico Legislative Committee.

Agency under Department of Labor: Wage Adjustment Board.

The following list shows those Government agencies operating on funds allocated by the President:

Liaison Office for Personnel Management.
Committee for Congested Production Areas.
Committee on Fair Employment Practice.
Foreign Economic Administration (some constituent agencies).
American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas.
Committee to Investigate Racial Discriminations in Certain Fields of Railroad Employment.
President's Committee for Education of Men Demobilized From the Armed Forces.
President's War Relief Control Board.
War Refugee Board.
Coal Mines Administration.
Puerto Rico Legislative Committee.
Wage Adjustment Board (in part).

Of these agencies, now financed by funds allocated by the President, appropriations for the following are included in pending bills:

Committee on Fair Employment Practice (National War Agency appropriation bill, 1945, H. R. 4879).

President's War Relief Control Board (State Department appropriation bill, 1945, H. R. 4204).

In addition, estimates for appropriations for the following agencies have been submitted to the Congress:

Committee for Congested Production Areas (H. Doc. No. 488).

American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas (H. Doc. No. 568).

Foreign Economic Administration (H. Doc. No. 566).

While the full effect of the amendment in question may not be determined definitely from the facts now of record in this office, the following corporations, as instrumentalities of the Government, might be affected in some manner by the provision as passed by the Senate:

American President Lines, Ltd.
Cargoes, Inc.
Colonial Mica Corporation.
Defense Homes Corporation.
Federal National Mortgage Association.
Federal Subsistence Homesteads Corporation.
Panama Railroad Company.
Puerto Rico Cement Corporation.
Tennessee Valley Associated Cooperatives, Inc.
United States Spruce Production Corporation.
War Emergency Pipelines, Inc.
War Hemp Industries, Inc.
War Materials, Inc.
Warrior River Terminal Company.

Defense Supplies Corporation.
Metals Reserve Company.
Petroleum Reserves Corporation.
Rubber Development Corporation.
Rubber Reserve Company.
United States Commercial Company.
Institute of Inter-American Affairs.
Institute of Inter-American Transportation.
Inter-American Educational Foundation, Inc.
Inter-American Navigation Corporation.
Prencinradio.

I trust that the foregoing will serve the purpose of your inquiry.

Sincerely yours

LINDSAY C. WARREN,
Comptroller General of the United States.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Virginia [Mr. WOODRUM].

The question was taken; and on a division (demanded by Mr. FITZPATRICK) there were—ayes 121, noes 18.

Mr. FITZPATRICK. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and five Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 282, nays 46, not voting 100, as follows:

[Roll No. 73]

YEAS—282

Abernethy	Clark	Gore
Allen, La.	Clason	Gorski
Andersen, H. Carl	Clevenger	Graham
	Cole, Mo.	Grant, Ala.
Anderson, Calif.	Cole, N. Y.	Gregory
Andresen, August H.	Cooley	Griffiths
	Cooper	Gross
Andrews, Ala.	Costello	Gwynne
Andrews, N. Y.	Courtney	Hagen
Angell	Crawford	Hale
Arends	Crosser	Hall,
Arnold	Cunningham	Leonard W.
Auchincloss	Curtis	Hancock
Baldwin, N. Y.	D'Alesandro	Hare
Barrett	Davis	Harless, Ariz.
Barry	Day	Harris, Va.
Bates, Ky.	Dewey	Hartley
Bates, Mass.	Dilweg	Hays
Beall	Dirksen	Hendricks
Beckworth	Dondero	Herter
Bender	Doughton	Hess
Bennett, Mich.	Durham	Hill
Bennett, Mo.	Dworshak	Hinshaw
Bishop	Eaton	Hobbs
Blackney	Ellis	Hoeven
Bland	Ellison, Md.	Hoffman
Bolton	Ellsworth	Holifield
Bonner	Elmer	Holmes, Wash.
Bradley, Mich.	Engel, Mich.	Hope
Brehm	Engle, Calif.	Horan
Brooks	Feighan	Howell
Brown, Ga.	Fellows	Jarman
Brown, Ohio	Fenton	Jeffrey
Brumbaugh	Fisher	Jennings
Bryson	Flannagan	Jensen
Buffett	Folger	Johnson,
Busbey	Fuller	Anton J.
Butler	Fulmer	Johnson,
Camp	Gale	Calvin D.
Canfield	Gallagher	Johnson,
Cannon, Fla.	Gamble	J. Leroy
Carlson, Kans.	Gathings	Johnson,
Carrier	Gavin	Luther A.
Carson, Ohio	Gearhart	Johnson, Okla.
Carter	Gerlach	Johnson, Ward
Case	Gifford	Jones
Chapman	Gillespie	Jonkman
Chenoweth	Gillette	Judd
Chiperfield	Gillie	Kean
Church	Gordon	Kearney
Keefe	O'Brien, N. Y.	Smith, Va.
Kefauver	O'Connor	Smith, Wis.
Kilday	O'Hara	Sparkman
Kinzer	O'Konski	Springer
Kleberg	O'Neal	Starnes, Ala.
Kunkel	Pace	Stefan
Lambertson	Patman	Stevenson
Lanham	Patton	Stigler
Larcade	Peterson, Fla.	Stockman
Lea	Peterson, Ga.	Sullivan
LeCompte	Phillips	Sumner, Ill.
LeFevre	Pittenger	Sumners, Tex.
Lemke	Ploeser	Sundstrom
Luce	Poage	Taber
McConnell	Poulson	Talbot
McCord	Powers	Talle
McCowen	Pracht,	Tarver
McGehee	C. Frederick	Thomas, N. J.
McGregor	Pratt,	Thomas, Tex.
McLean	Joseph M.	Thomason
McMillan	Price	Tibbott
McWilliams	Priest	Towe
Magnuson	Ramey	Troutman
Mahon	Ramspeck	Vincent, Ky.
Maloney	Rankin	Voorhis, Calif.
Mansfield, Mont.	Reed, Ill.	Vorys, Ohio
	Reed, N. Y.	Vursell
Mansfield, Tex.	Richards	Walter
Martin, Mass.	Rivers	Ward
Merrow	Robertson	Wasielewski
Michener	Robinson, Utah	Weaver
Miller, Conn.	Robsion, Ky.	Weichel, Ohio
Miller, Mo.	Rockwell	Welch
Miller, Nebr.	Rodgers, Pa.	West
Miller, Pa.	Rogers, Mass.	Whittington
Mills	Rohrbough	Wickersham
Monkiewicz	Rolph	Wigglesworth
Monroney	Russell	Willey
Morrison, La.	Satterfield	Winstead
Morrison, N. C.	Sauthoff	Winter
Mott	Schwabe	Wolcott
Mruk	Scott	Wolfenden, Pa.
Mundt	Scrivner	Wolverton, N. J.
Murdock	Sheppard	Woodruff, Mich.
Murray, Tenn.	Sikes	Woodrum, Va.
Murray, Wis.	Simpson, Ill.	Worley
Norman	Smith, Maine	
Norrell	Smith, Ohio	

NAYS—46

Bradley, Pa.	Jackson	Rabaut
Capozzoli	Kee	Rowan
Celler	Kirwan	Sabath
Cochran	Klein	Sadowski
Coffee	Lane	Scanlon
Dawson	Ludlow	Sheridan
Delaney	Lynch	Smith, W. Va.
Dingell	McCormack	Snyder
Eberharter	Madden	Somers, N. Y.
Fitzpatrick	Marcantonio	Spence
Fogarty	Murphy	Tolan
Forand	Norton	Torrens
Ford	O'Brien, Ill.	Wene
Heffernan	O'Brien, Mich.	Wright
Hoch	Outland	
Izac	Pfeifer	

NOT VOTING—100

Allen, Ill.	Gilchrist	Martin, Iowa
Anderson, N. Mex.	Goodwin	Mason
	Gossett	May
Baldwin, Md.	Granger	Merritt
Barden	Grant, Ind.	Myers
Bell	Green	Newsome
Bloom	Hall,	O'Toole
Boren	Edwin Arthur	Philbin
Boykin	Halleck	Plumley
Buckley	Harness, Ind.	Randolph
Bulwinkle	Harris, Ark.	Reece, Tenn.
Burch, Va.	Hart	Rees, Kans.
Burchill, N. Y.	Hébert	Rizley
Burdick	Heidinger	Rowe
Burgin	Holmes, Mass.	Sasscer
Byrne	Hull	Schiffler
Cannon, Mo.	Jenkins	Shafer
Colmer	Johnson, Ind.	Short
Compton	Johnson,	Simpson, Pa.
Cox	Lyndon B.	Slaughter
Cravens	Kelley	Stanley
Curley	Kennedy	Stearns, N. H.
Dickstein	Keogh	Stewart
Dies	Kerr	Taylor
Disney	Kilburn	Treadway
Douglas	King	Vinson, Ga.
Drewry	Knutson	Wadsworth
Elliott	LaFollette	Weiss
Elston, Ohio	Landis	Whelchel, Ga.
Fay	Lesinski	White
Fernandez	Lewis	Whitten
Fish	McKenzie	Wilson
Fulbright	McMurray	Zimmerman
Furlong	Maas	
Gibson	Manasco	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Short for, with Mr. Keogh against.
Mr. Taylor for, with Mr. Buckley against.
Mr. Knutson for, with Mr. Byrne against.
Mr. May for, with Mr. Bloom against.
Mr. Whitten for, with Mr. Curley against.
Mr. Halleck for, with Mr. Fay against.
Mr. Douglas for, with Mr. Weiss against.
Mr. Goodwin for, with Mr. Kennedy against.
Mr. Grant of Indiana for, with Mr. King against.
Mr. Jenkins for, with Mr. Myers against.
Mr. Martin of Iowa for, with Mr. Dickstein against.
Mr. Harris of Arkansas for, with Mr. Kelley against.
Mr. Kilburn for, with Mr. Merritt against.
Mr. Shafer for, with Mr. Burchill of New York against.
Mr. Compton for, with Mr. O'Toole against.

Until further notice:

General pairs:

Mr. Vinson of Georgia with Mr. Lewis.
Mr. Baldwin of Maryland with Mr. Allen of Illinois.
Mr. Hébert with Mr. Treadway.
Mr. Cannon of Missouri with Mr. Johnson of Indiana.
Mr. Manasco with Mr. Rizley.
Mr. Cravens with Mr. Fish.
Mr. Zimmerman with Mr. Harness of Arizona.
Mr. Drewry with Mr. LaFollette.
Mr. Randolph with Mr. Wilson.
Mr. Hart with Mr. Mason.
Mr. Philbin with Mr. Holmes of Massachusetts.
Mr. Green with Mr. Schiffler.
Mr. Fulbright with Mr. Elston of Ohio.
Mr. Burgin with Mr. Rees of Kansas.
Mr. Bulwinkle with Mr. Edwin Arthur Hall.
Mr. Cox with Mr. Gilchrist.
Mr. Burch of Virginia with Mr. Reece of Tennessee.
Mr. Bell with Miss Stanley.
Mr. Furlong with Mr. Landis.
Mr. Kerr with Mr. Eurdick.
Mr. Colmer with Mr. Simpson of Pennsylvania.
Mr. Boykin with Mr. Plumley.
Mr. Granger with Mr. Rowe.
Mr. Fernandez with Mr. Hull.
Mr. Whelchel of Georgia with Mr. Maas.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69: On page 73, line 3, strike out "213" and insert "214."

Mr. WOODRUM of Virginia. Mr. Speaker, that is just a corrective amendment. I move that the House recede from its disagreement with Senate amendment No. 69 and concur in the same.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that all Members who spoke on the conference report have permission to revise and extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENDING THE TIME LIMIT FOR IMMUNITY

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution (H. Res. 574, Rept. No. 1589) on the joint resolution (H. J. Res. 283) to extend the time limit for immunity, for printing in the RECORD:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 283) to extend the time for immunity. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

JUVENILE COURT, DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on the District of Columbia and ordered printed with illustrations:

To the Congress of the United States:

I transmit herewith for the information of the Congress a communication from the judge of the Juvenile Court of the District of Columbia, together with a report covering the work of the juvenile court during the fiscal year 1942–43.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 31, 1944.*

COMMISSION OF FINE ARTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on the Library:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activities during the period January 1, 1940, to June 30, 1944.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 1, 1944.*

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today that it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I wish to advise the House that on tomorrow the lend-lease, U. N. R. R. A., appropriation bill will be taken up. We will meet on Saturday. H. R. 4771 has been reported from the Committee on Naval Affairs. That relates to the Elk Hills Naval Petroleum Reserve. I am informed it is necessary that that bill be passed by June 4, as certain contracts are outstanding, which expire on that date. This bill will be taken up either tomorrow or Saturday. I am unable to state definitely whether it will be taken up tomorrow. It depends on whether the Committee on Appropriations is ready to proceed at 11 o'clock. If not, we will take up this bill, but in any event it will be taken up either tomorrow or Saturday.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. KEEFE] may have permission to revise and extend the remarks he made in Committee of the Whole and to include certain extracts from hearings.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to insert an editorial in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a news release of mine appearing in the Kickapoo Scout, under date of May 18, 1944, and other Wisconsin newspapers.

The SPEAKER. Is there objection?

There was no objection.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution adopted in Hatfield, Mass.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent that on tomorrow after the regular business and any other special orders, I may address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

BOARD OF VISITORS, COAST GUARD ACADEMY

Mr. BLAND. Mr. Speaker, I ask unanimous consent to file for printing in the RECORD at this point, the report of the Board of Visitors to the Coast Guard Academy, New London, Conn., consisting of Members of the Senate and House. The meeting was held May 6, 1944.

The SPEAKER. Is there objection?

There was no objection.

The report is as follows:

CONGRESSIONAL BOARD OF VISITORS TO THE COAST GUARD ACADEMY, 1944

The PRESIDENT of the Senate.

The SPEAKER of the House of Representatives.

GENTLEMEN: Pursuant to the act of July 15, 1939 (Public, No. 183, 76th Cong., 1st sess.), the following Senators and Members of the House of Representatives were designated in January of this year to constitute the 1944 Board of Visitors to the Coast Guard Academy:

Senators: FRANCIS MALONEY, of Connecticut, BENNETT C. CLARK, of Missouri, and OWEN BREWSTER, of Maine, appointed by Senator JOSIAH W. BAILEY, of North Carolina, chairman, Senate Committee on Commerce, ex officio member; Senator JAMES M. MEAD, of New York, appointed by the President of the Senate. Senator FRANCIS MALONEY was appointed to serve in place of Senator JOSIAH W. BAILEY.

Members of the House of Representatives: Hon. FRANK W. BOYKIN, of Alabama, the Honorable HERBERT C. BONNER, of North Carolina, and the Honorable FRED BRADLEY of Michigan, were appointed by the Honorable SCHUYLER O. BLAND, of Virginia, chairman of the Committee on the Merchant Marine and Fisheries and ex officio member of the Board of Visitors. The Honorable AIME J. FORAND, of Rhode Island, and the Honorable JOHN D. MCWILLIAMS, of Connecticut, were appointed by the Speaker of the House of Representatives. The Honorable LOUIS CAPOZZOLI, of New York, was later appointed in place of Mr. BOYKIN, who was unable to attend.

"The visit of the Board this year marked the sixty-eighth anniversary of the academy as a national institution, its genesis having been the establishment of a school of prospective officers of the old Revenue Cutter Service in 1876. Originally located in New Bedford, Mass., the school was moved to Baltimore in 1900 and to New London 10 years later. The physical plant of the academy at New London was authorized by congressional appropriation in 1929, and the buildings were completed in 1932. In 1940 the academy was accredited by the Association of American Universities and awards the degree of bachelor of science. The facilities of the academy were expanded in 1941 to meet the increased needs of the service. Since the Coast Guard is a military service, operating under the Treasury Department in time of peace and under the Navy Department for the duration of national emergencies, the discipline of the academy is military in nature and the curriculum is based on marine and engineering subjects but includes also such general college subjects as English, foreign languages, and history. In view of the increased Coast Guard activities relating to the merchant marine, new courses in maritime law and economics have been added to the academy curriculum. The wartime demands made upon the service have required the introduction of new courses, but the academy remains an engineering college of the highest standing.

"Provision was made for the Board to leave Washington on the Colonial at 10 a. m., Friday, May 5, accompanied by Read Admiral Robert Donohue, Rear Admiral Frank J. Gorman, Capt. Ellis Reed Hill, and Lt. (Jr. Gr.) Sandford C. Smith. Upon arrival in New London at 5:30 p. m. the party was met by Rear Admiral James Pine, Superintendent of the academy, accompanied by other Coast Guard officers of his staff, and were transported by a Coast Guard Reserve boat to the academy. At 7:30 p. m., the Board reviewed the battalion parade and SPAR cadet exhibition drill on the academy parade grounds. At 8 p. m. the Superintendent entertained the Board at dinner in the officers' mess. Coast Guard films, depicting activities of the academy and life in the service, were shown after dinner in the reading room of the officers' club.

The next morning, Saturday, May 6, members met for the formal meeting of the Board at 9 a. m., at the academy. Senator FRANCIS MALONEY was elected Chairman of the Board of Visitors for 1944. Capt. Ellis Reed-Hill, United States Coast Guard, was designated Secretary of the Board.

The Board convening with four members of the advisory committee consisting of Prof. H. L. Seward, Dean H. E. Clifford, Dean J. W. Barker, and Professor G. E. Russell, invited Rear Admiral James Pine, Superintendent of the academy, to appear before it. Rear Admiral Pine presented his annual report which follows:

"REPORT TO THE CONGRESSIONAL BOARD OF VISITORS TO THE COAST GUARD ACADEMY

"General

"During the year that has elapsed since the last visit of the Board of Visitors to New London, Reserve cadet training, the academy's major activity for the past 2 years, reached a peak and is now being discontinued. Regular cadet training and the indoctrination course for SPAR cadets remains at about the same level as before. A course in sound training for enlisted men, established last September to provide soundmen for Coast Guard manned combat ships, will continue in operation for some time. Within the past year, 82 regular cadets, 1,879 Reserve cadets, 462 SPAR cadets have been commissioned—a total of 2,423 officers.

"Since December 7, 1941, the academy has trained and commissions have been granted to 184 regular cadets, 3,511 Reserve cadets, and 593 SPAR cadets—a total of 4.288 officers.

"Regular cadets: The accelerated 3-year course instituted in 1942 remains in effect, but the academic board has recommended return to the normal 4-year course for the class due to enter this year; the two upper classes to continue on a 3-year basis for the time being.

"There are at present 95 cadets in the first class, 101 in the second class, and 134 in the third class. Total: 330. Cadets come from 44 States, the District of Columbia, Alaska, and Hawaii. Twenty-nine States are represented in the Class of 1945, 30 each in the Classes of 1946 and 1947. More than 2,000 applications to compete in the 1944 examinations have been approved by headquarters

"Reserve cadets: The 4-month course for Reserve cadets will be discontinued after the graduation of the twenty-second class due to be commissioned in June 1944. There are at present 169 members of this one remaining class. Of these, 139 are taking the deck course and 30 the engineering course. The reserve course consists of 1 month's preliminary training, 2 months' academic training, and 1 month's A/S training at sea. Of the 3,511 graduates of this course, 1,522 have received A/S training, 1,698 deck watch officer training, and 291 engine-room training.

"SPAR cadets: The SPAR indoctrination course, originally 3 weeks, has been increased twice, first to 6 weeks and more recently to 8 weeks. The 57 SPARS now attached are scheduled to be commissioned on May 17, 1944. With the commissioning of this class, the fifteenth class of SPARS, 650 SPAR officers will have been trained at the academy.

"Enlisted training courses: A 5½-week course for training soundmen, ashore and afloat, was established in September 1943. There are at present 13 men enrolled in this course; 483 have been trained since its establishment, and rated soundman, third class.

"Eighty-three-foot cutter shake-down training: All 83-foot cutters are sent to the academy upon completion for a 10-day shakedown period prior to reporting for duty at sea. Graduates of the Reserve training course are assigned as commanding officers. Since April 1942, when this plan was begun, crews for 184 cutters of this type have been trained and the cutters released for duty at sea.

"Future planning: With the completion of the Reserve cadet program, the buildings used for that training will become available for other use. The officers' indoctrination school at St. Augustine, Fla., is being discontinued at that place and will be removed to the academy. Other officer specialty instruction, heretofore given at Atlantic City, at Boston, and other places will also be concentrated at the academy. This will utilize fully the buildings of the Reserve Cadet School.

"Plans for future construction await the end of the war. However, some sketches and plans for a future chapel for the academy, which have received the approval of the Board of Visitors in previous years, have been made and are available for inspection.

"The heads of all departments of instruction are available to the members of the Board for any detailed information desired.

"JAMES PINE,
"Rear Admiral, United States Coast Guard, Superintendent."

The subject of a chapel for the use of the academy was discussed. Captain Elbert E. Stone, Chaplains Corps, United States Navy, who is chaplain of the academy, emphasized the need for a chapel. He said that it had a very high morale value, promoted regularity in church attendance and provided easy access to the chaplain's office. Captain Stone pointed out further that the cadets respond readily to the opportunity both of conferring with the chaplain and of attending religious services. He pointed out that there is now a Bible class held on Sundays following chapel services. He repeated that the anxiety of the cadets to attend religious services not only justified but virtually required the construction of a chapel for the academy. Cadet Battalion Commander Robert C. Boardman later presented the cadets' point of view on the subject of the chapel and suggested that consideration be given the possibility of erecting a chapel. Mr. BLAND proposed ways and means be considered to further the chapel project. It was suggested that a committee be appointed to consider such ways and means. The following committee was named: Mr. BLAND, chairman; Senator BREWSTER; Messrs. FORAND, MCWILLIAMS, and BONNER.

On behalf of the Advisory Committee, Professor Seward, chairman, reported briefly on the academic strides taken by the academy during the past 10 years. He outlined the history of the committee and the part it has played during development of the Coast Guard Academy. It first functioned as a voluntary group in response to letters written to the presidents of Harvard, Yale, M. I. T., and Columbia, asking them to designate a member of their faculty to serve on a voluntary basis. The body received its official authorization on April 16, 1937. Professor Seward gave praise to the instructors and present faculty and administrative officers of the academy for the results which have been achieved over the the 7-year period, with particular emphasis on the able manner in which the curricula had been adapted to wartime needs. The problem of post-war planning, the reconversion of the reserve facilities and plans for post-war training was presented for discussion by Senator BREWSTER.

Lt. Dorothea Wyatt, of the Women's Reserve, appeared before the Board. She recalled that since June 24, 1943, SPAR officer candidates have received their entire training at the Coast Guard Academy. Facilities have been completed to make available a general indoctrination course which includes the historical background, duties in war and peace of the Coast Guard, leadership, personnel organization, and functional activities of the service. SPARS, she said, are given some idea of the paper work, records, and importance and responsibilities of a Coast Guard officer. Miss Wyatt advised the Board that enlisted girls in the service are given the opportunity to qualify for commissions. An average of 50 percent enlistees to 50 percent civilians is the general ratio. Lieutenant Wyatt stated that this proportion adds immeasurably to the morale of the girls in the service.

Admiral Pine and Captain Reed-Hill absented themselves from the session in order that the cadet battalion commander, Robert C. Boardman, might have the opportunity to acquaint the Board with suggestions and recommendations in behalf of the student body. He stressed the need of an academy chapel and expressed his view on the need for a larger fleet of sailboats. Cadet Boardman said that there was some hope among the cadets for a longer course at sea on a destroyer escort or some other power craft as a part of the academy program, even if in wartime such cruise courses have to be taken on the Great Lakes. He recommended greater athletic facilities.

Based on its observations and inspections and testimonies presented by officers and cadets and, after discussion and consideration, the Board recommends that the committee under chairmanship of Mr. S. O. BLAND be authorized to study ways and means to obtain suitable property and to provide a chapel commensurate with the needs of the Coast Guard Academy. The Commandant of the Coast Guard and Superintendent of the academy, the Board learned, are cognizant of the point raised by the commander of the cadet battalion, and the recommendations made by the cadet will be further considered at the earliest practicable date.

After the meeting members of the Board of Visitors were taken on an inspection tour of the academy grounds and installations. Admiral Pine conducted the group through the numerous new reserve buildings, including barracks, auditorium, and indoor drill ground gymnasium. The visitors inspected the permanent new infirmary and were impressed by the splendid work being done there. The members of the Board were shown the new docks and water-front facilities and inspected the Coast Guard training ship *Danmark*, 83-foot cutters, and other Coast Guard craft. During this inspection tour heads of departments and assistants stood by their respective departments to discuss with members of the Board academic problems of their work.

Following the inspection there was a battalion review by the Board of Visitors. Heads of departments comprised the Superintendent's staff. Members of the Board then had luncheon in Chase Hall with cadets.

The Congressional Board departed at 2 p. m.

The Board finds the academy in excellent physical condition, and of high scholastic attainments. The cadet corps, which is composed of a group of young Americans selected from every part of the country by a competitive examination open to all, is a body of the highest order.

The board is particularly impressed by the outstanding work which has been done at the academy, as the institution was adjusted to the greatly expanded needs of war. While undergoing great emergency expansion the academy during the year trained 1,882 cadets for reserve commissions. These young men receive intensive training as deck and engineering officers for assignment to Coast Guard units afloat. During the year 486 SPAR officers candidates received training.

SPECIAL REMARKS BY CHAIRMAN, MR. MALONEY

The board, in conclusion, desires to register its high opinion of the excellent and invaluable contribution made by the advisory committee in its relationship with the academy. The personnel of the committee

and its achievement made a marked impression on the board of visitors. The board was likewise impressed by the efficiency of the officer personnel under the direction of Admiral James Pine.

FRANCIS MALONEY.
RALPH O. BREWSTER.
JAMES MEAD.
S. O. BLAND.
HERBERT C. BONNER.
FRED BRADLEY.
AIME J. FORAND.
JOHN D. MCWILLIAMS.
LOUIS D. CAPOZZOLI.
ELLIS REED-HILL,
Secretary.

MAY 26, 1944.

SETTLEMENT OF CLAIMS ARISING FROM TERMINATED WAR CONTRACTS

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on the bill (S. 1718) to provide for the settlement of claims arising from terminated war contracts, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. McGEHEE. Mr. Speaker, at the request of my colleague the gentleman from Georgia [Mr. Cox] I ask unanimous consent that he may revise and extend his remarks and include certain letters and articles. He has been advised by the Public Printer that the cost will be $234. Notwithstanding that, I ask permission that it may be included in the Appendix of the RECORD.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

Mr. HAYS. Mr. Speaker, I ask unanimous consent to extend my remarks by including an address which I recently made before the Arkansas bankers' convention.

The SPEAKER. Is there objection?

There was no objection.

THE LATE M. MICHAEL EDELSTEIN

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. KLEIN. Mr. Speaker, I rise with a sense of deep solemnity to call to the attention of the Members of the House the fact that Sunday, June 4, marks the anniversary of the death of our colleague, M. M. Edelstein, who died here on the very floor of this House. A new merchant marine vessel, built by the J. A. Jones Construction Co., will be launched this week at Panama City, Fla. The United States Maritime Commission is naming it the *M. Michael Edelstein* in honor and memory of the late Representative of the Fourteenth Congressional District of New York. You all recall his presence and the tragic circumstances of his sudden death of a heart attack after passionately defending the ideals of American democracy and the dignity of this forum in a speech in this very assembly.

I have the honor to represent in this House the district for which Mr. Michael Edelstein once spoke. Many of the gentlemen here knew him as a friend, all knew him as a conscientious, able, devoted, public servant.

The story of Michael Edelstein is in its own way a superb thread in the great American tapestry. For he knew by the contrast of direct experience what American freedom and opportunity can mean. He was born in Meseritz, then in Russia, on February 5, 1888, and was brought to this country at the age of 2. His family settled on New York's lower East Side, in the same district which he later represented in Congress, a district that is a wonderful mirror of the fortitude and aspiration of the immigrants who have brought us so much of value.

Michael Edelstein had a hard youth. He left school when his father died and became a telegraph messenger boy in order to help provide for his mother and five younger brothers and sisters. But Michael Edelstein learned to love America, came to feel deeply about it as he watched the people in his own neighborhood adjusting themselves, learning to live together in the American way, developing out of their experience the concept of a greater America.

For the Fourteenth Congressional District is a slice of America of wonderful variety and vitality. There are in this district devout religious-minded people of a wide variety of religious faiths. There are those of the Roman Catholic faith. There are worshippers of the Greek Orthodox and Greek Catholic faiths. There are Protestants. There are Jews ranging from Old World orthodoxy to the latest manifestation of reform Jewry. In the more than 100,000 people that compose this district, you will find devoted to the enrichment of our country, a cultural league of nations, men and women whose cultures and memories derive from lands of varied origins, from Europe and the Americas and from the Orient. I dare say that there is perhaps no other district in the United States of America that has so universal a character, that embraces so majestic a harmony of peoples of all origins, all faiths, all stocks.

Michael Edelstein grew up in this district and learned from direct personal experience that despite the fact that his community paralleled the crowded geographical areas of the Old World, the Old World frictions, hostilities, and vendettas had to be left behind. He knew from the experience of a work-a-day reality that to this amazing variety had been added the solvent of each one's absorption of the American quality and character. He saw that this absorption meant peace and brought with it an enormous burgeoning of talent and vitality which advanced the community and allowed for the fullest diversity.

Knowing what such a community might have been and seeing what the American atmosphere made of it, it is small wonder that Michael Edelstein became the great believer in America that he was.

America also meant personal opportunity to young Michael Edelstein. Though forced to leave school after his father's death, he soon resumed his education by attending night classes at Cooper Union and ultimately worked his way through Brooklyn Law School. It was hard work that required unusual will power on the part of a boy. But at 21 he received his law degree and set up a law office that he maintained for 20 years.

Politics attracted young Michael. Politics was freedom to participate in government, and government in America was the business of all the people. You can imagine what that meant to a boy whose parents and most of whose neighbors had come from lands where government was the prerogative of the few, not the privilege and the duty of all. Michael early began to take an interest in his district. He rose to the leadership of his party in the Eighth Assembly District of New York County until, in the fall of 1939, he received the nomination of the Democratic organization for the seat in this House left vacant by the death of Dr. William I. Sirovich.

In the brief 3 years of life left to him, Michael Edelstein served here with distinction. He was prodigious in his efforts and his work day often ran from 15 to 20 hours. He was a gentle man, even-tempered, and devoutly religious. He firmly believed that all men are created equal regardless of race, creed, or color. And these beliefs were the tenor of his last words on the floor of this House on June 4, 1941.

Ours is a nation that has been built by men and women—and their descendants—who came to these shores to escape Old World tyranny. I venture to say that in each generation, among our greatest patriots have been those who had only recently come here from other lands. This explains something about Michael Edelstein. He was familiar enough with the Old World to appreciate America the more. He understood the unique quality of America which within a space of 2 centuries permitted the development of a nation of 140,000,000 derived from groups of all religions, cultural backgrounds, and national origins. He marveled at the extraordinary achievement of the Nation in rising to the rank of a world power within so brief a time. But he knew that this achievement was made possible because, for all our variety, we had found a way of living together, of working together, of subordinating our differences to a common national fate.

We might have had a history of division and subdivision until the United States would have been, not a single great union, but another version of the Balkans. But it has been the destiny of America that, by and large, the integrating and cohesive influences have been dominant.

It was not always easy sailing. Throughout our history, there have been influences whose purpose, sometimes avowed, sometimes not, was to pull the country apart. Those influences almost prevented establishment of our Federal Union. They have raised great political and social problems in terms of know-nothingism, the Klan movements, the Silver Shirts, the Christian Fronters, and so forth, and so on.

They have, thank God, not succeeded. Perhaps our best assurances against their

ever succeeding is to reflect as to what this country would be if their views had prevailed.

The district which Michael Edelstein represented and which I now represent, because it is a United States of America in microcosm, is also a world in microcosm. Michael Edelstein felt strongly, therefore, that our successful living together, provides a working model for the continued harmony and unity of our country as a whole.

But more than that, he felt we could set an example to the wide world from which we are derived. We are not a different breed of men and women. We are the same people essentially. The difference resides in this: That we, here, are aware of our interdependence and determined to let none of the infinite variety of human differences set us apart in areas where we are interdependent and must pull together.

Michael Edelstein lived for that idea and fought for it. He believed in America and fought for America. And it is a fitting memorial, indeed, that a ship will be sailing the seas bearing his name and fighting for the cause which is America.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial that appeared in the Lawrence Tribune of Lawrence, Mass., and I ask unanimous consent to extend my remarks and include a radio address delivered by myself on Memorial Day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter to Secretary Hull and his reply and also an enclosure from the Secretary. I am informed by the Public Printer that the cost will be $208. Because of the significance of the enclosure and the material contained I make this request.

The SPEAKER. Notwithstanding, and without objection, it is so ordered.

There was no objection.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon and include therein a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks and include therewith four resolutions recently passed by the Native Sons of the Golden West.

The SPEAKER. Is there objection?

There was no objection.

Mr. TIBBOTT. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Pennsylvania [Mr. JOSEPH M. PRATT] may extend his remarks in the RECORD and include an article from the Philadelphia Inquirer.

The SPEAKER. Is there objection?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include two short articles.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in two particulars in the Appendix of the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include therein some special data regarding the Central Valley project.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper article.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, in one to include a newspaper article and in the other to include a letter.

The SPEAKER. Is there objection?

There was no objection.

(By unanimous consent, Mr. HAGEN was granted permission to revise and extend his remarks.)

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of onion growing and to include an article from the Fargo (N. Dak.) Forum.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Arizona [Mr. HARLESS] is recognized for 10 minutes.

FEDERAL AID FOR EDUCATION

Mr. HARLESS of Arizona. Mr. Speaker, over a period of years various bills have been introduced in the Congress providing Federal aid for education. Unfortunately, these measures have always been neglected. It is my contention that this proposed legislation should receive priority on the calendar.

I have had some experience in the field of education, having received a degree in education from my State university and having had 2 years in teaching. Therefore, the knowledge I have concerning the educational conditions of our country compels me to urge immediate consideration and passage of Federal aid for this field of activity.

We all agree that the foundation of a democracy is built upon the education of the masses, yet, we have only to take a casual glance to know that there are inequalities of opportunity in the school systems of our States. There are appalling differences both among and within our States. These differences are due to economic conditions that are largely beyond the control of the States and their communities. There are differences in wealth, income, tax-paying ability, in the extent of absentee ownerships of national resources and industries, and there are differences in the number of educable children in proportion to the adults. The poor States and communities usually have the largest proportionate number of children. In many of the States a high degree of effort is exerted—high taxes are levied—but there is not enough wealth to properly support the schools.

The population of our country is constantly shifting. The people who grow to maturity in the "have not" States frequently live their adult lives in the wealthier States as industrial workers. Why shouldn't the communities which are more able to pay be instrumental in educating those who eventually are to become citizens of the same communities.

With the development of modern transportation there is constant intermingling of the peoples of all sections of the country, so no section of our land can afford to smugly isolate itself and have no interest in the welfare of those in other States. The lifting of the educational standards of any portion of our country which has heretofore been inadequate will bring a happier and more abundant life to all of our country. As the understanding of all the people is improved the economic life of all the people will be made more secure.

It has been contended by some that Federal aid for education would cause our schools to be dominated by the National Government. During this time of war when everyone is conscious of orders, regulations, and controls from Washington, it is natural that most people should be conscious of the dangers which might come from Federal domination of our school systems. However I believe, after a thorough study of the subject, that this fear is without ground. Our school systems will remain under the control of the State and community governments. The need is not for new machinery to run the educational systems, but it is for financial resources.

The Federal Government has been operating a program without undesirable controls since 1862. There are 69 land-grant colleges and approximately one-third of their revenue comes from Federal appropriations. There has been no undue influence or domination over those colleges. This proves that the Government can adopt a policy consistent with the State and local autonomy in educational administration. The States have established agencies of administration and educational institutions and their policies are controlled by the States. Vocational education as a part of the program of the A. A. A. is an example wherein the Supreme Court held provisions invalid which undertook, through the appropriation of money, to take over the powers reserved to the States.

The education of the youth of this Nation faces a critical situation. The salaries of the teachers are pitifully low. With the increase in the cost of living the teaching profession has been drastically hit. It is a sorry situation for us to permit these faithful public servants to undergo the hardships they are suffering. We place in their trust our most precious possessions—our children—and we can

hardly expect to keep a superior type of teacher unless we adequately care for members of that profession. Ordinarily there is a 10-percent annual turn-over in the teaching profession, but in 1943–44 there was a 20-percent loss. Economic conditions have forced the teachers into better paying positions. Therefore, something must be done immediately to avert disaster and great future loss to our educational system. Juvenile delinquency is mounting every day. The future generation is in the balance. We must bring to the floor of this House as soon as possible the bill to provide adequate Federal aid for the education of the children of this country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOPE, for Friday and Saturday, June 2 and 3, on account of official business.

To Mr. WORLEY, for Friday and Saturday, June 2 and 3, on account of official business.

To Mr. PHILBIN, at the request of Mr. MCCORMACK, for 1 week, on account of death in family.

To Mr. KEOGH, at the request of Mr. MCCORMACK, for Thursday, Friday, and Saturday, on account of official business.

ENROLLED BILL SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3054. An act to amend the Expediting Act.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Friday, June 2, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1589. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, House of Representatives, for the fiscal year 1944, in the amount of $27,500, and for the fiscal year 1945, in the amount of $34,592, in all, $62,092 (H. Doc. No. 630); to the Committee on Appropriations and ordered to be printed.

1590. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an appropriation for the Office of Administrator of Civil Aeronautics, Department of Commerce (H. Doc. No. 631); to the Committee on Appropriations and ordered to be printed.

1591. A communication from the President of the United States, transmitting a supplemental estimate of appropriation in the amount of $12,000,000, for the fiscal year ending June 30, 1944, to remain available until expended, for the War Department for emergency flood control work (H. Doc. No. 632); to the Committee on Appropriations and ordered to be printed.

1592. A communication from the President of the United States, transmitting the estimate of appropriation for the Office of Economic Stabilization for the fiscal year 1945 in the amount of $100,000 (H. Doc. No. 633); to the Committee on Appropriations and ordered to be printed.

1593. A communication from the President of the United States, transmitting an estimate of appropriation for the Office of Price Administration for the fiscal year 1945 in the amount of $182,252,000 (H. Doc. No. 634); to the Committee on Appropriations and ordered to be printed.

1594. A letter from the Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1595. A letter from the Delegate from Hawaii, Hon. JOSEPH R. FARRINGTON, transmitting a copy of the annual report covering the activities of the department of public works, city and county of Honolulu, during the calendar year 1943; to the Committee on the Territories.

1596. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1597. A letter from the Director, Selective Service System, transmitting a report of the registrants deferred as of March 15, 1944, because of their employment in or under the Federal Government; to the Committee on Military Affairs.

1598. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain aviation cadets and former aviation cadets for the value of personal property lost or damaged as the result of a fire at Carroll College, Helena, Mont., on January 8, 1944; to the Committee on Claims.

1599. A letter from the Attorney General, transmitting a draft of a proposed bill to extend the law relating to perjury to the willful giving of contradictory statements under oath; to the Committee on the Judiciary.

1600. A letter from the Secretary of War, transmitting a draft of a proposed joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund; to the Committee on Military Affairs.

1601. A letter from the Acting Secretary of the Treasury, transmitting the annual report of the Federal Bureau of Narcotics, prepared by the Commissioner of Narcotics, for the calendar year ended December 31, 1943; to the Committee on Ways and Means.

1602. A letter from the Acting Administrator, Federal Security Agency, transmitting the Third Quarterly Report of the United States Commissioner of Education on the Education and Training of Defense Workers covering the period beginning January 1, 1944, and ending March 31, 1944; to the Committee on Appropriations.

1603. A letter from the Secretary of War, transmitting a letter from the Chief of Ordnance, United States Army, dated May 26, 1944, forwarding statements of the cost of manufacture at the armory and arsenals named therein for the fiscal year ended June 30, 1943; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURDOCK: Committee on Mines and Mining. H. R. 3579. A bill providing for the suspension of certain requirements relating to work on tunnel sites; without amendment (Rept. No. 1584). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK: Committee on Mines and Mining. S. 1479. A bill providing for the suspension of certain requirements relating to work on tunnel sites; without amendment (Rept. No. 1585). Referred to the Committee of the Whole House on the state of the Union.

Mr. HÉBERT: Committee on Naval Affairs. S. 1634. An act to provide for the management and operation of naval plantations outside the continental United States; with amendment (Rept. No. 1586). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK: Committee on Irrigation and Reclamation. H. R. 3527. A bill authorizing the Secretary of the Interior to purchase improvements or pay damages for removal of improvements located on public lands of the United States in the Anderson Ranch Reservoir site, Boise reclamation project, Idaho; without amendment (Rept. No. 1587). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 4881. A bill to amend the Internal Revenue Code, the Narcotic Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes; with amendment (Rept. No. 1588). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. S. 1718. A bill to provide for the settlement of claims arising from terminated war contracts, and for other purposes; with amendment (Rept. No. 1590). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 572. Resolution providing for the consideration of H. R. 4833, a bill to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; without amendment (Rept. No. 1582). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 573. Resolution providing for the consideration of H. R. 4771, to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; without amendment (Rept. No. 1583). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 574. Resolution providing for the consideration of House Joint Resolution 283, a joint resolution to extend the time of immunity; without amendment (Rept. No. 1589). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Michigan:
H. R. 4905. A bill to provide for the purchase of surplus war properties by veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. CELLER:
H. R. 4906. A bill to extend the provisions of the Selective Training and Service Act of 1940, as amended, to certain women between the ages of 20 and 35; to the Committee on Military Affairs.

By Mr. FULMER:
H. R. 4907. A bill to promote the further development of the 4-H Clubs and other extension work with rural youths, and for other purposes; to the Committee on Agriculture.

H. R. 4908. A bill to provide for the future transfer of certain property near Columbia, S. C., to the Disabled American Veterans, Department of South Carolina, for use as an orphans' home; to the Committee on Military Affairs.

By Mr. RANDOLPH:
H. R. 4909. A bill to provide for health programs for Government employees; to the Committee on the Civil Service.

By Mr. SHEPPARD:
H. R. 4910. A bill authorizing the Atchison, Topeka & Santa Fe Railway Co., or its successors, to convey to the States of Arizona and California, jointly or separately, for public highway purposes, an existing railroad bridge across the Colorado River, formerly known as the Red Rock Bridge, near Topock, Ariz.; to the Committee on Interstate and Foreign Commerce.

By Mr. FULMER:
H. R. 4911. A bill to amend the Federal Crop Insurance Act; to the Committee on Agriculture.

By Mr. HARRIS of Virginia:
H. R. 4912. A bill to provide a uniform allowance for members of the Navy patrol and Navy guard forces; to the Committee on Naval Affairs.

By Mr. HARLESS of Arizona:
H. R. 4913. A bill to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes; to the Committee on Irrigation and Reclamation.

By Mr. O'CONNOR:
H. R. 4914. A bill to extend the mineral leasing laws to lands acquired by the United States; to the Committee on the Public Lands.

By Mr. ROBINSON of Utah:
H. R. 4915. A bill to amend and supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize appropriations for the post-war construction of highways and bridges, to eliminate hazards at railroad grade crossings, to provide for the immediate preparation of plans and acquisition of rights-of-way, and for other purposes; to the Committee on Roads.

By Mr. ABERNETHY:
H. R. 4916. A bill to amend the act of June 19, 1934 (Pub. Law 435, 73d Cong.); to the Committee on the District of Columbia.

By Mr. MANSFIELD of Montana:
H. R. 4917. A bill conferring upon the State of Montana authority to exchange for other lands, certain lands selected by the State of Montana for the use of the University of Montana for biological station purposes pursuant to the act of March 3, 1904 (33 Stat. 1080); to the Committee on the Public Lands.

By Mr. LANE:
H. R. 4918. A bill to provide for the payment to certain Government employees for accumulated or accrued annual leave due upon their separation from Government service; to the Committee on the Civil Service.

By Mr. DIMOND:
H. R. 4919. A bill to amend the act authorizing postmasters in Alaska to administer oaths and affirmations; to the Committee on the Post Office and Post Roads.

By Mr. SCOTT:
H. J. Res. 288. Joint resolution authorizing the Administrator of the Civil Aeronautics Authority to complete the Philadelphia Northeast Airport; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHENOWETH:
H. R. 4920. A bill for the relief of William F. Meredith; to the Committee on Claims.
H. R. 4921. A bill for the relief of Dr. J. Sims Norman; to the Committee on Claims.

By Mr. COLMER:
H. R. 4922. A bill for the relief of H. J. Hickman and P. G. Hickman; to the Committee on Claims.

By Mr. GILLIE:
H. R. 4923. A bill for the relief of the National Liberty Insurance Co. of America; to the Committee on Claims.

By Mr. KUNKEL:
H. R. 4924. A bill for the relief of Charles W. Buck; to the Committee on Military Affairs.

By Mr. MAGNUSON:
H. R. 4925. A bill for the relief of Mrs. Flora Cooper Lynch; to the Committee on Claims.

By Mr. MARTIN of Massachusetts:
H. R. 4926. A bill for the relief of Oscar G. Guimond; to the Committee on Claims.

By Mr McGEHEE:
H. R. 4927. A bill for the relief of Francis D. Stovall, Jr.; to the Committee on Claims.

By Mr. MILLER of Missouri:
H. R. 4928. A bill for the relief of Lewis J. Hart; to the Committee on Claims.

By Mr. OUTLAND:
H. R. 4929. A bill for the relief of Lt. James H. Clark and Eleanor Clark; to the Committee on Claims.

By Mr. SADOWSKI:
H. R. 4930. A bill for the relief of Maj. Edward A. Zaj; to the Committee on War Claims.

By Mr. SIMPSON of Illinois:
H. R. 4931. A bill for the relief of the city of Beardstown, Ill.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5773. By Mr. CLASON: Petition of Rev. Joseph Stanczyk, pastor of Holy Trinity Church, Hatfield, Mass., Harry M. Kugler, chairman, and Peter S. Rogaleski, secretary, of the Association of American Polish Organizations of Hatfield, Mass., as adopted by the members of the association on May 14, 1944; to the Committee on Foreign Affairs.

5774. By Mr. LECOMPTE: Petition of Mrs. J. W. Eves and 54 other citizens of Oskaloosa, Iowa, in the interest of House bill 2082, the Bryson bill to suspend the alcoholic beverage industry completely for the duration, and the Senate bills 860, 569, and 682, all pertaining to the sale and advertising of alcoholic liquors; to the Committee on Military Affairs.

5775. By Mr. ROLPH: Resolution of the Native Sons of the Golden West, Grand Parlor, San Francisco, relating to the Japanese; to the Committee on Military Affairs.

5776. Also, resolution of Native Sons of the Golden West, Grand Parlor, San Francisco, relating to the war relocation centers; to the Committee on Military Affairs.

5777. Also, resolution of the Native Sons of the Golden West, Grand Parlor, San Francisco relating to the Marshall and Caroline Islands; to the Committee on Military Affairs.

5778. Also, resolution of Cooks, Pastry Cooks, and Assistants, Local No. 44, San Francisco, relating to renewal of the Price Control Act; to the Committee on Banking and Currency.

5779. By Mr. VOORHIS of California: Petition of J. C. Paitsch and 17 other citizens of South Pasadena, Calif., urging the passage of House bill 2082; to the Committee on the Judiciary.

5780. By Mr. REED of Illinois: Petition of Paul Schillinger and 70 other citizens of Illinois protesting against the enactment of House bill 3947, providing peacetime military conscription; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 2, 1944

The House met at 11 o'clock a. m., and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We bless Thy holy name, our Father, for the mercy of this day, for its light and for its inspiration. As life has its mission with a message, impress us that it is very sacred and full of infinite value. When earthly beacons fail and hopes disappoint, unite us with the virtues of loyalty and understanding, inspired by that power whose source is amid the silent hills. Take from us all fear and prejudice that lead to mental confusion, and with rapturous courage enable us to perform our assigned tasks.

O God, grant that the nations may not kneel at the evil altar of lust for power, for gain, and for aggrandizement, lest the world be impoverished by these and dim the lights of victory and freedom. When men choose ease and self-indulgence, we pray that their failures and wrongs may be forgiven and forgotten and the lichens grow over their mistakes of the past. As our country is in the tides of gulping war, blessed Lord, may the ranks of all citizens be united in the codes of the highest morality and savage war be toppled into the abyss of death. Hear us as we salute our flag for all it symbolizes.

"Here's to the men of the wind-swept North,
When they meet on the fields of France,
May the spirit of Lincoln be with them all
As the sons of the North advance.

"Here's to the men of the sun-kissed South,
When they meet on the fields of France,
May the spirit of Lee be with them all
As the sons of the South advance.

"May the spirit of God be with them all
As the sons of our flag advance."

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE FRANK P. BOHN

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, it is with profound regret and a deep sense of sorrow that I report to this House the sudden passing yesterday of one of its esteemed former Members, the Honorable Frank P. Bohn, of Newberry, Mich.

Dr. Bohn was one of my predecessors, having been elected by the voters of the Eleventh District of Michigan to the Seventieth Congress on November 2, 1926. He was reelected to the Seventy-first and Seventy-second Congresses.

Dr. Bohn was born in Hancock County, Ind., July 14, 1866. He was graduated from the Medical College of Indiana in 1890 and immediately moved to the Upper Peninsula, where he has maintained his residence for the past 54 years. Prior to his service in this House of Representatives he had served 3 years in the Michigan State Senate. His entire public career was one of honor and distinction and great integrity of purpose. He was an eminently successful professional man in his practice of medicine and surgery, a distinguished legislator and statesman, and in later years a very successful banker. He was dearly beloved not only by his myriad of friends in his home town of Newberry but throughout the entire Eleventh District, the State of Michigan, and, indeed, the Nation. His passing will be keenly felt. He leaves behind him his devoted wife and an only daughter, Marvel.

I am sure those of the older Members of this House who served with Dr. Bohn remember him most affectionately for his kindliness and gentleness of spirit and, above all, his devotion to duty; and they will join with me in expressing our deepest sympathy to those who mourn his passing. May God rest his soul in peace.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein the text of a statement made by Secretary Hull on yesterday in connection with the small nations of the world.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GORDON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a very interesting sermon delivered by the Right Reverend Monsignor Joseph F. Flannelly entitled "The Christian Heritage of Poland, the Crucified."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with an address I delivered on Dr. Benes, President of Czechoslovakia.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ESTABLISHMENT OF A FREE PORT

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I have this day introduced House Resolution 576, to provide for the temporary admission of political or religious refugees into areas within the United States to be known as free ports for refugees. The idea of free ports has been discussed widely—and very favorably—in the press throughout the country. I hope to have a public hearing soon, and invite the Members of this House to participate in the discussion of this problem. If we all cooperate we should be able to solve this important problem before it is too late.

I would also like to announce that I have introduced today a bill that will bring between $150,000,000 to $200,000,000 of revenue to the Treasury of the United States, by taxing race tracks, a way to raise revenue which the Committee on Ways and Means apparently overlooked. I hope and trust the Committee on Ways and Means will favorably report it, and then we will get some real money without having to keep a 30-percent tax on cabarets, which is responsible for a wave of unemployment among entertainers and other people in the entertainment field.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances; in one to include an editorial appearing in the Lynn Telegram-News, Lynn, Mass., May 31, 1944, and in the other a memorial service address.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address by John M. Thomas.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a very splendid address by Matthew Woll, vice president of the American Federation of Labor. The subject is International Trade as Viewed by American Labor.

I would like to say, Mr. Speaker, that this is one of the finest documents I have read. In consulting the Public Printer about the matter, I find that it would take about 3½ pages and the cost will be $182. I believe, Mr. Speaker, that it would be money well spent. The Members of the House and the Senate can profit well by reading this very able, very conservative, and most constructive address and reading it very carefully. I therefore ask that it be printed in the RECORD notwithstanding the cost.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr CANFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a memorial address I delivered in Passaic, N. J.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a news release appearing in the Sparta Herald, Sparta, Wis., May 19, 1944, and other Wisconsin papers.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin.

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement made by a prominent citizen of Pierre, S. Dak., in response to the question, What are we fighting for.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address which I delivered yesterday morning.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

NAVAL PETROLEUM AND OIL-SHALE RESERVES

Mr. CLARK. Mr. Speaker, I call up House Resolution 573, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4771) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; that after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule; that it shall be in order to consider without intervention of any point of order the substitute committee amendment recommended by the Committee on Naval Affairs now in the bill; and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill; that at the conclusion of

such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute; that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. CLARK. Mr. Speaker, the rule under consideration, as will be observed from its reading by the Clerk, is an open rule relating to the oil reserves in the Elk Hills area. The bill comes from the Committee on Naval Affairs by, I think, practically unanimous action. We are all aware of the fact that that is a committee which well considers its legislation and is entirely capable of taking care of it here on the floor; so I am not disposed to consume any time in a discussion of the merits of the bill. As soon as the minority has used such time as it sees fit I shall move the previous question.

I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, no one on this side wishes to discuss the rule. There will be plenty of time to discuss the bill in general debate.

Mr. CLARK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4771) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4771, with Mr. CLARK in the chair.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with and that the bill be printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The bill is as follows:

Be it enacted, etc., That the part of the act of June 4, 1920 (41 Stat. 813), amended by the act of June 30, 1938 (52 Stat. 1252; 34 U. S. C. 524), as so amended, is hereby amended as follows:

(a) The first paragraph of such amended part is amended to read as follows:

"The Secretary of the Navy is directed to take possession of all properties within the naval petroleum and oil-shale reserves as are or may become subject to the control and use by the United States for naval purposes; to explore, prospect, conserve, develop, use, and operate the same in his discretion, subject to approval by the President, directly or by contract, lease, or otherwise, including, in the case of naval petroleum reserves numbered 1 and 2, contracts for joint unit, or other cooperative plans of exploration, prospecting, conservation, development, use, and operation of lands owned or controlled by the United States within such reserves numbered 1 and 2 and lands owned or leased by private interests therein or outside thereof but on the same geologic structure, such use and operation to be for the protection, conservation, maintenance, and testing of the naval petroleum in the aforesaid reserves or for the production of petroleum whenever and to the extent the Secretary, with the approval of the President, finds required for the national defense or for otherwise carrying out the provisions of this act; and to use, store, exchange for other petroleum or refined products thereof or for services rendered or expenses incurred in the development, use, or operation of the reserves, or sell the oil and gas products produced under authority of this act, and those from all royalty oil and gas from lands in the naval reserves, for the benefit of the United States, subject to the applicable limitations and restrictions of this act; and to exercise exclusive jurisdiction and control over those lands within the borders of naval petroleum reserves numbered 1 and 2 which are embraced by leases granted pursuant to the provisions of the act of Congress approved February 25, 1920, entitled 'An act to promote the mining of coal, phosphate, oil, oil-shale, gas, and sodium on the public domain' (41 Stat. 437)."

(b) The third paragraph of such amended part is amended to read as follows:

"In the event of the inability of the Secretary of the Navy to make arrangements he finds satisfactory for exchanges of land or agreements for conservation as authorized under the preceding paragraph, or for contracts for joint, unit, or other cooperative plans with respect to lands or leases as authorized under the first paragraph of this act, he is hereby authorized, with the approval of the President, to acquire such privately owned lands or leases within the reserves or outside thereof but on the same geologic structure by purchase or, in the case of such lands or leases within naval petroleum reserves numbered 1 and 2 or outside thereof but on the same geologic structure, by condemnation. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. Such sums shall be expended under the direction of the President, who shall submit to the Congress estimates therefor in the manner prescribed by law: *Provided*, That the Secretary of the Navy shall report annually to the Congress all purchase and condemnation proceedings entered into under the authority herein granted."

(c) The last paragraph of such amended part is amended by striking out the following words and punctuation: ": *Provided*, That nothing herein contained shall be construed to permit the development or operation of the naval oil-shale reserves".

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 30 minutes.

Mr. VINSON of Georgia. Mr. Chairman, I am happy to say that today I am bringing good news to the House. Our great naval petroleum reserve in Elk Hills has been saved for the Navy and for the country. I should like to take a few minutes in order to explain how this has been accomplished.

As I have previously informed the Members of the House and as I have publicly stated elsewhere, I have been unalterably opposed to H. R. 4771, which has been drafted and sponsored by the Navy Department, and to the proposed contract with Standard Oil Co. of California as it was drafted on January 20, 1944, which H. R. 4771 would authorize.

My opposition has been for the following reasons:

First. The scope of the bill was so broad as to result in completely reversing the presently existing congressional policy of conservation of the naval petroleum reserves.

Second. Under the terms of the bill and the proposed contract between Navy and Standard with respect to the operation of the Elk Hills reserve, that reserve could have been produced to the point of complete exhaustion without further authority from Congress.

Third. Under the terms of the bill and the proposed contract, Navy would have been able to launch on an unlimited program of exploration, prospecting, development, use, or operation without appropriations from Congress. These activities could have been financed by Navy out of the proceeds of oil produced from the reserve.

Fourth. Under the terms of the bill and the proposed contract, complete control of the naval petroleum reserves would have been taken from Congress and placed in the hands of the executive branch of the Government. In this connection it should be remembered that that congressional restraint and not administrative acumen has in the past saved the reserves from the ruinous Teapot Dome and first Elk Hills contracts.

Fifth. While the bill was advanced on the ground that the present scale of hostilities requires production from the naval petroleum reserves, the scope of the bill was much broader than the occasion which gave rise to it.

However, I did not believe that my obligations in this matter were completely fulfilled by merely opposing that which I conceived to be wrong. On the contrary, I felt that I was obliged to suggest an alternative which I believed to be right. Accordingly, I conferred with representatives of the Navy Department, and I informed them that so far as I was concerned any legislation permitting production from the Elk Hills reserve and any contract executed between the Navy and any private person must embody the following basic principles:

First. The determination of the occasion for producing oil from the reserve and the amount of such production shall be within the sole and final control of the Secretary of the Navy, subject, however, to the requirement that before becoming effective his decision, both as to the time of production and the amount of production, shall be concurred in by a joint resolution of Congress.

Second. The problem of drainage by private persons of Navy's oil from the reserve must be eliminated.

Third. Under no circumstances should the oil produced from the reserve be divided among the participants on a basis other than as determined by their respective participations in the oil in the ground. Stated otherwise, under no circumstances shall Navy advance or loan any portion of its oil to any of the other participants. However, I recognized that some oil must be permitted to be produced to enable Standard to meet its

current expenses in connection with the reserve and to compensate it for giving the Government complete control of its lands.

Fourth. Navy's share of the oil produced from the reserve should be offered for sale at competitive bidding, and no one should have the right either to purchase at private sale Navy's share of the oil or to purchase the oil if it meets the bid of the highest bidder at competitive bidding.

Fifth. All expenses by Navy in the operation of the reserve should be borne out of funds appropriated by Congress, and none of the proceeds from the sale of Navy's share of the oil shall be exchanged in any transaction other than one which is now permitted by existing law.

Sixth. No private person should receive any tax immunity as a result of its contractual relation with the Federal Government.

Under the principles governing the legislation affecting the reserve and any contract executed thereunder we would achieve the following objectives:

First. As between the Navy Department and Standard, it would be the Navy Department which would have the sole and final authority for determining when oil would be produced from the reserve, from which wells the oil would be taken, and in what amounts the oil would be produced.

Second. The amount of oil initially produced from the reserve would be fixed by joint resolution of Congress, at such an amount as was clearly demonstrated, after a hearing on the question, as being absolutely necessary to an expeditious prosecution of the war.

Third. The amount of oil initially authorized to be produced would be decreased as soon as the requirements of the war permitted and the field would eventually be shut down.

Fourth. No amounts of oil in excess of the amount initially authorized by joint resolution of Congress would be produced from the reserve unless the increase was authorized by a further joint resolution upon a showing that the additional amounts were also necessary for the prosecution of the war. Thus the final control over production from the reserve would be kept where it always has been, namely, in the hands of Congress.

Fifth. Navy's share of the oil produced from the reserve would be sold at competitive bidding, and all prospective purchasers would have an equal opportunity to acquire it. Thus preferential treatment among private persons, which is so clearly repugnant to the basic principles upon which our democratic and competitive society is based, would be completely eliminated.

Sixth. The oil in the reserve would not be used to finance the operation of the reserve. Thus Navy would not be permitted to bypass Congress, but instead would periodically come to Congress with requests for appropriations to carry on the necessary operations.

Seventh. The oil in the reserve as it is produced would be sold for cash and would not be exchanged for goods, services, or expenses incurred in the operation of the reserve. This, too, would eliminate one of the principal ways in which Congress would have been completely bypassed so far as the operations of the reserve are concerned.

Eighth. The terms of the contract between Navy and Standard would be so drawn as to leave Standard, as a private operator, subject to such taxes as it would have to bear if it were not associated by contract with the Federal Government.

After I informed representatives of the Navy Department of the principles which, to my mind, must be adhered to if conservation of our naval reserves were to be steadfastly maintained and which would nevertheless permit the production of oil from Elk Hills reserve as required by our great war effort, I had extensive discussions with these representatives. These discussions have resulted in a complete agreement between the Navy Department and myself, and I can say to the House today that the Navy Department and myself finally see eye to eye on the principles which are to govern the administration of the naval reserves.

In short we came to an agreement on the terms of a bill which would effectuate conservation but which would provide an additional source of petroleum for the war.

Thereafter I drafted an amendment to H. R. 4771, which I placed before the House Committee on Naval Affairs for its consideration. On May 24 the committee unanimously approved this amendment.

At this time I would like to tell the Members of the House exactly what my amendment provides and to explain to the committee how our traditional policy of conservation is being preserved by it.

First. The most important feature of my amendment is that while it grants the Navy Department authority to enter into unit agreements it insures that any unit agreements actually entered into must vest in the Secretary of the Navy the sole, exclusive, and final control over the production from all of the private lands covered by the agreement. Now I wish to emphasize this point. It means that when the Government and a private oil company enter into a unit agreement covering the Government's lands and private lands which are a threat to the conservation of the Government lands, it is the Government which will be able to determine when oil shall be produced, and how much. It is the Government which has the right to say when production shall be terminated.

Second. My amendment to the bill will permit oil to be produced during time of war, but the determination of the time when the oil is to be produced and the amount of the oil to be produced are subject to authorization by the Congress by joint resolution. Therefore, so far as production from the reserve to meet the requirements of the war are concerned, Congress will exercise the continuing supervision.

Third. The only other production of oil which can come from the reserve will be such an amount as is necessary to enable the private landowner to meet his expenses in connection with the reserve and to compensate him for completely giving up control over his lands. With respect to the former purpose the private landowner will be allowed only enough oil to enable him to pay his taxes and other current expenses in connection with the protection of his lands. While we ask that he give to the Government control over his lands, we do not ask that he give something in addition.

Fourth. In the case of Standard of California, in order to compensate it for giving up control of all of its lands in the Elk Hills reserve, the bill will permit it to continue to receive the 15,000 barrels of oil per day which it is now receiving from the reserve. However, the length of time for which it will receive this oil will be entirely dependent upon the discretion of the Secretary of the Navy. In short, under the contract which is to be drawn between Navy and Standard and which will be permitted by the bill, the Secretary, as the amendment provides, will have the power to terminate that production in his discretion at any time.

But this is not the only protection which the Government will have, because under my amendment no private landowner will be permitted to receive more than one-third of his own share of the oil in the ground. Hence, the contract to be effected with Standard and any other contract executed under the authority of my amendment will insure not only that all of the Government's oil will be kept in the ground but also that not less than two-thirds of the oil of the private landowner will be kept with it as a nest egg for the time when another war may require the production of oil from the reserve just as the present war now requires.

Fifth. Under my amendment no private company will have a preferential right to purchase the Government's share of the oil from the reserves when it is produced. That oil is to be sold at competitive bidding to the highest qualified bidder. Hence we will maintain, as among private companies, that equality of competitive opportunity which has been characteristic of our American system from its inception.

Sixth. My amendment will also grant to the Secretary of the Navy the power to condemn privately owned lands or leases outside the present boundaries of naval petroleum reserve numbered 1, provided that the lands lie on the same geologic structure and that there is drainage from Government lands, and also provided that he is unable to make other satisfactory arrangements for the conservation of the Government oil. Further, before any condemnation proceedings can be instituted the Secretary must consult with the Naval Affairs Committees of the Congress. This will insure that the Secretary will have adequate powers to deal with the draining of Government oil by private operators and at the same time will prevent an extension of the reserve beyond the limits required for protection of what we now have.

Seventh. My amendment also provides that all expenses incurred by the

Secretary in connection with the reserves will be paid out of appropriations made available for such purposes by the Congress. This means that the expenses in connection with the reserves will be under the continuous supervision of the Congress and that the oil in the reserves will not be depleted in order to finance the expenses of the reserves.

My amendment also requires that before the Navy Department enters into any contracts of any unit agreements affecting the reserves it must consult with the Naval Affairs Committees of the Congress. It further provides that the Secretary shall furnish both of such committees quarterly reports with respect to the production of oil from the reserves. This means that the Congress will be continuously informed in regard to the status of the reserves and in regard to any contracts which are being made affecting the reserves. Thus we will remove the possibility that any contract such as the first Elk Hills contract will ever be entered into again without the knowledge of the Congress.

Up to now I have discussed in general terms the nature of my amendment. In order that its precise nature and significance will be readily apparent I now wish to take a few moments to indicate precisely the nature of the amendatory legislation.

The House will recall that the Secretary of the Navy was first granted certain powers with respect to oil lands to be used for naval reserves, in the act of June 4, 1920. These powers were granted in a naval appropriation bill for the fiscal year beginning July 1, 1920.

The act of June 4, 1920, remained on the statute books unchanged for 18 years. Thus it was not until June 30, 1938, that the act of June 4, 1920, was amended for the purpose of giving to the Secretary of the Navy additional powers necessary for the protection of the reserves. The act of June 30, 1938, has remained unchanged until the present time.

The amendments which I now propose are made necessary first, by war conditions necessitating production of petroleum from the Elk Hills reserve and second, by the clear showing which has been made by the Navy Department that certain amendments are necessary in order to enable Navy successfully to effectuate the congressional policy of conservation.

In considering the nature of my amendment it will be helpful to bear in mind that under the act of June 30, 1938, the Navy Department is to a substantial degree only the mere custodian of the oil reserves and able to deal with them only for the purpose of effectuating the underlying congressional policy of conservation of oil in the ground. It should also be borne in mind that the present oil requirements of this great war now make it necessary to produce oil from the Elk Hills reserve. Navy has no power to produce this oil without congressional authorization. Therefore, the two principal purposes of my amendment are first, to continue to effectuate the congressional policy of conservation, and second, at the same time to make it possible to have production for war purposes.

Certain minor amendments to the act of June 30, 1938, are also proposed in the interests of clarification of the language presently contained in that statute.

First. Under the 1938 act the Navy Department, under certain conditions, has the power to conserve, develop, use, and operate the reserves. Although it is believed that this language is sufficiently broad to confer upon Navy the right to explore and prospect the reserves, the matter is not free from doubt. Therefore, my amendment proposes to clarify the statute in that regard and to make it clear that Navy does have the power to explore and prospect in the reserves.

Second. Under the 1938 act it seems clear that the Navy has power to produce oil from the reserves only for protective purposes. It was the intention of Congress that whenever an occasion arose necessitating the production of oil from the reserve for other than protective purposes, additional authority would be sought from the Congress.

This interpretation, however, has also not been free from doubt. Therefore, my amendment clarifies that portion of the statute and in addition specifies the manner in which production for use may be authorized.

Thus the clause in question in the first paragraph of the act is amended to read as follows—new words are italicized, old words are enclosed in brackets:

such use and operation to be for the protection, *conservation, maintenance, and testing* of the aforesaid reserves, or [for carrying out the provisions of this act] *for the production of petroleum whenever and to the extent the Secretary, with the approval of the President, finds required for the national defense: Provided, however, That no petroleum shall be produced pursuant to such a finding unless authorized by the Congress by joint resolution: And provided further, That the Secretary shall from time to time reexamine the need for such production so authorized and if he shall find that the quantity of such production so authorized is no longer required for the national defense then the quantity of such production shall be reduced to the amount currently required for the national defense.*

It will be noted that the clause as amended contemplates two separate situations when oil may be produced from the reserve. The first situation is that in which the production is for protective purposes and represents merely a clarification of the power already existing in the 1938 act. The second situation in which oil may be produced is when it is required for the national defense.

The bill provides, however, that there shall be no production for national defense purposes unless and until the Congress shall first have authorized it by joint resolution.

Third. My amendment adds to the act a new third paragraph which is concerned with the manner of disposition of Navy's oil produced from the reserve. This paragraph reads as follows:

All expenses incurred by the Secretary in exploring, prospecting, conserving, developing, using, and operating lands owned or controlled by the United States in the naval petroleum reserves, and in producing petroleum, and the share of the United States of expenses incurred under any contract entered into pursuant to this act, shall be paid from appropriations made available for such purposes by the Congress. All sales of petroleum, gas, and other hydrocarbons from the naval reserves by the Secretary of the Navy shall be at public sale to the highest qualified bidder at such times, in such amounts, and after such advertisement as the Secretary deems proper.

The first sentence of this new paragraph prohibits the Navy from using the oil produced from the reserve in payment of expenses incurred in connection with the operation or maintenance of the reserve. This prevents Navy from using the oil in the reserve for the purpose of financing its operations therein and requires instead that Navy come to the Congress for appropriations to meet the expenses incurred by it in carrying out its functions under this act.

The second sentence of this new third paragraph provides that the Secretary, when exercising his power to sell the oil produced from the reserves, shall offer such oil at public sale to the highest qualified bidder.

The purpose of this provision is to insure that no monopoly or undue preferential rights shall be created with respect to the Government's share of the oil from the reserve. However, the words "qualified bidder" have been included in my amendment for the purpose of permitting some selectivity.

Obviously, the Navy should not be forced to deal with proposed purchasers who are financially irresponsible or who are not in a position to channel the production from the reserve into essential war uses.

Fourth. The first paragraph of the present act has always provided that the Secretary of the Navy for protective purposes may carry on his activities "directly or by contract, lease, or otherwise." My amendment adds to the first paragraph the following:

Including, in the case of Naval Petroleum Reserve No. 1, contracts for joint, unit, or other cooperative plans of exploration, prospecting, conservation, development, use, and operation of lands owned or controlled by the United States within such reserve No. 1 and lands (a) owned or leased by private interests therein, or (b) outside thereof but on the same geologic structure.

The purpose of this amendment is to provide express authority for contracts of the type which would permit Navy, as the owner of oil lands in the Elk Hills geologic structure, to unitize or operate cooperatively its lands together with privately owned lands on the same structure, on terms that would assure to each party the ultimate receipt by it of its fair share of the oil. Such an arrangement would also secure the advantages of increasing the maximum amount of oil recovered and the economical use of manpower and materials with the consequent lowering of costs.

Contracts of this kind are recognized in the oil industry as perhaps the soundest method of treating the problems created by the diverse surface ownership of geologically related lands.

Congress has heretofore recognized the merit of unit or cooperative plans of development of oil resources on the public domain by authorizing in the Mineral Leasing Act lessees of public lands to

enter into such arrangements with each other and with private owners in the same fields.

Every reason which can be advanced for permitting Navy's lessees to enter into such arrangements applies with equal or greater force to permitting Navy in its capacity of owner of oil lands to be similarly permitted to enter into such arrangements.

Fifth. While my amendment will permit the Navy to enter into unit and other cooperative plans with respect to the reserve, it also sets up certain standards which any such contract must meet in order to be authorized under the law. These standards are set forth in a new second paragraph by adding to the 1938 act the following:

Any contract entered into pursuant to the authority granted in the preceding paragraph for joint, unit, or other cooperative plan of exploration, prospecting, conservation, development, use, or operation shall require that the United States be assured of receipt currently of its share of the total production from each of the various commercially productive zones underlying all lands covered by the contract as determined from time to time on the basis of estimates of its original share of the quantities of recoverable oil, gas, natural gasoline, and associated hydrocarbons in such zones underlying such lands on the date fixed in such contract: *Provided, however,* That any party to such a contract other than the United States may, pursuant to the authority hereinabove granted to use and operate the reserves for their protection, conservation, maintenance, and testing, be permitted under the terms of such contract to have produced and to receive and shall have charged to its share in the total production from any zone or zones such quantities of petroleum as are necessary to compensate it—

(a) for its share of the current expenses of protecting, conserving, testing, and maintaining in good oil-field condition such lands and the wells and improvements thereon, and its real and personal taxes levied or assessed thereon; and

(b) for surrendering control of the rate of production from its lands: *Provided,* That if the Secretary of the Navy is not then causing petroleum to be produced pursuant to a joint resolution as referred to in the preceding paragraph the quantity of petroleum determined to be produced under this subparagraph (b) may, in the absolute discretion of the Secretary, be terminated or reduced at any time on reasonable notice.

Such quantities permitted to be produced pursuant to the foregoing subparagraphs (a) and (b) shall in no event, however, exceed one-third of its share of the estimated recoverable petroleum on such date fixed in such contract in such zone or zones; and no such contract shall be entered into without prior consultation with the Naval Affairs Committees of the Congress.

The basic principles embodied in this amendment are that any such plan must provide that—

First. The problem of drainage be solved by means of the ultimate receipt by the United States of its share of the oil underlying the lands covered by the contract on the date fixed in the contract; and

Second. The United States receive currently its proper share of the oil as it is produced from the lands covered by the contract.

To this second principle, however, there are two permissible exceptions:

(a) A private party to the contract may produce, receive, and have charged to his share of the total oil in the field a sufficient amount of oil to reimburse him for his share of the field expenses and taxes on the lands subject to the contract; and

(b) A private party may produce, receive, and have charged to his share of the total oil in the field an amount of oil agreed to by the Secretary and the private party and after the consultation with the Naval Affairs Committees of the Congress.

This right represents the consideration to such private party for its agreement in the contract to surrender to Navy complete control over the rate of production from its lands. Thus any contract entered into by the Navy under this paragraph must contain a provision giving to the Secretary of the Navy the sole, exclusive, and final authority over the production of oil from the private lands covered by the contract.

My amendment provides, however, that in no event shall the amount of oil which may be produced under these two exceptions exceed one-third of the estimated share of the private party of the oil in the ground. This means that under any such contract at least two-thirds of the oil under the private lands will have been conserved and held in the ground until such time as the national defense requires its production. In the case of Standard it means that while Standard's share of oil in the ground amounts to approximately 36 percent, it is permitted to receive a maximum of one-third of this amount, or only 12 percent.

Sixth. The 1938 act grants Navy power, among other things, to acquire privately owned lands within the Elk Hills reserve by condemnation. The Navy Department experts have testified that in order to be able completely to protect the Elk Hills reserve it is necessary that Navy have the same power with respect to lands outside the reserve, if those lands are draining the Government's oil from the Elk Hills reserve.

Under the law in the State of California the right of capture exists and the man who is able to pump the oil out of the ground first is the man who owns the oil brought to the surface, irrespective of from under whose lands the oil came.

Thus, if a reserve of naval petroleum is to be maintained in the ground it must be protected against drainage or one day we will discover that while we thought we were conserving our oil we were merely permitting adjoining landowners to take it from us.

The House Naval Affairs Committee reached the conclusion that Navy should be granted this additional power. However, it granted the power only after inserting in the statute many restrictions upon its use.

Thus, under my amendment the Navy must jump over six separate hurdles before it can exercise its right to condemn any property outside of the Elk Hills reserve. These hurdles are:

(a) The lands must be on the same geologic structure;

(b) The land must be draining oil from the Elk Hills reserve;

(c) The Navy must have attempted to make a satisfactory contract with the private landowner and have failed;

(d) The approval of the President must be obtained;

(e) Before any step toward condemnation is taken the Navy must consult with the Naval Affairs Committee of both the House and the Senate; and

(f) Thereafter, in order to perfect the condemnation, Navy must have appropriations of money in order to pay the cost of the lands condemned.

Mr. Chairman, I know of no case in which the power of condemnation has been granted to the executive branch of the Government, in which so many safeguards have been created to insure that the power would not be irresponsibly used.

Let me say that we seek no additions to the Elk Hills reserve; all we seek is the protection of that which we have. I repeat that the experts of the Navy Department have advised the committee that the power is needed to protect what we have. I for one will not refuse to grant it and thereby run the risk of losing our great reserve in Elk Hills.

Seventh. Finally, my amendment has as one of its purposes a precise definition of the relationship between the Navy Department and the Congress in the administration of the reserves. It will have been noted that the bill provides that no oil may be produced for the national defense unless authorized by joint resolution of the Congress and that no condemnation proceedings may be instituted until after consultation with the Naval Affairs Committees of Congress.

In addition, the bill provides that no contract for joint unit or other cooperative plan shall be entered into without prior consultation with the Naval Affairs Committees of the Congress. The bill also provides that no leases or contracts of any other type may be made until after similar consultation.

Finally, the bill requires the Secretary of the Navy to furnish to the Naval Affairs Committees of the Congress quarterly reports with respect to the total production from all the naval petroleum reserves during the preceding quarter.

The total effect of these provisions is not only to ensure that the Congress will be currently informed with respect to the reserves, but also to retain in the Congress the final authority over the reserves.

I have stated before, and I repeat now, that my objective has always been conservation of oil in the ground. I wanted to exhaust every possible means of carrying out this policy without having to resort to the unusual power of condemnation. But if it had proven to be impossible to effectuate our policy of conservation on a negotiated basis, then I was prepared to recommend that we acquire the lands which constitute a threat to the reserve by condemnation.

I believe that we have accomplished on a negotiated basis everything which we would have accomplished if we had condemned the private lands in the reserve.

It is important to remember that the significant thing is not title to the lands; it is control over the lands that counts.

Under my amendment it is possible to negotiate a contract which will give that necessary control to the Government, and Navy and Standard have agreed that in the contract which they will enter into the Government shall receive that control.

The contract is to provide, as I have previously stated, that the Secretary of the Navy shall have the sole and final authority, to be exercised in his discretion alone, to terminate production from the Elk Hills reserve. Of course, this discretion will not be exercised by the Secretary in an arbitrary manner, and Standard can feel sure of fair and equitable treatment.

This is the power which we have needed to insure the conservation of the oil in the ground, and this is the power which is to be granted to us.

The receipt of this power over the private lands in the reserve gives to the Government that full measure of control.

Thus we have achieved by contract and without the expenditure of a single dollar from the Public Treasury the objective which until now it has appeared would only be achieved by condemnation.

Such being the case, I wholeheartedly support this amendment as a constructive forward step in the administration of the naval petroleum reserves.

If this bill is passed our great reserve of fuel for the fleet will finally be fully protected and yet will be available to serve the purpose for which it was intended.

That purpose was, and is, to provide fuel, when all other sources have been exhausted, for our ships which are playing their great and noble part in bringing our enemies to their knees.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. VINSON of Georgia. I yield gladly.

Mr. DONDERO. Regardless of the number of acres that Standard Oil and the Navy own in this country, how does that compare in ratio to the amount of oil they own?

Mr. VINSON of Georgia. It is estimated that the Standard Oil owns approximately 36 percent and the balance is owned by the Government.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield gladly.

Mr. VOORHIS of California. Am I correct in saying there is an exception to the limitation which the gentleman just explained, in the case of where, on the Navy's own motion, oil is being produced for national defense purposes? Under those circumstances would it not be possible for more than a third of the share of the private company to be taken? Or am I wrong about that?

Mr. VINSON of Georgia. It is absolutely assured by the language of the bill and by the contract that the maximum amount that the Standard, while it owns 36 percent, under any condition, can ever withdraw is the one-third of its interest, which would be about one-ninth, or 12 percent, of the whole.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield with pleasure.

Mr. COLE of New York. I think the gentleman should emphasize to the membership of the House first the reluctance of his committee in opening up the naval oil reserves, even for their immediate use in this war. In that connection, if the gentleman will permit me, the committee was persuaded to do so only after representations by the highest military authorities and after complete assurances by civilian authorities regulating the petroleum distribution to civilians that there would be no relaxation, no enlargement of the civilian restrictions on the use of gasoline if the Elk Hills reserve is opened up.

Mr. VINSON of Georgia. I thank my distinguished colleague the gentleman from New York [Mr. COLE] for calling that to my attention. The distinguished gentleman from New York has clearly stated the case. This reserve was set aside, as I said at the outset, by President Taft to keep the oil for emergencies, just like the one now confronting the country. The distinguished gentleman from Minnesota [Mr. MAAS] and myself have been members of the committee a great many years and have been dealing with this matter. Our one objective has been to keep the oil in the ground as far as it is humanly possible and as long as it is possible to do so. The war emergency in the Pacific makes it necessary to draw some oil out of the Elk Hills reserve. There is a shortage of oil on the west coast. The tank car situation, which was thoroughly explored by the committee in a long investigation, discloses that all available cars in this country are used today to carry oil to the Atlantic seaboard. No oil can be carried from the Caribbean area in tankers to the Pacific because we must concentrate for the time being with our tankers in delivering oil to our Army and to our Air Forces in the European theater. So, therefore, we investigated to ascertain whether it was possible to have tankers diverted from the European theater to the Pacific theater, with the object of keeping this oil in the ground if it were possible to do so. We had the oil administrators before the committee, and they made a complete case, showing that it was not possible to utilize a single tanker for carrying oil to the west coast at this time. We called in the transportation service of O. D. T. While there are some 150,000 tank cars in this country, they are so allocated over the United States to deliver oil at various places that they could not be diverted to carry oil to the Pacific coast. Even if they could, the great tax on the railroad facilities is such that it could not be augmented by increased use of tank cars. So therefore, there was no way to get oil on the Pacific coast except by getting it out of Elk Hills.

We called in the military heads and we were advised by representatives of the Joint Chiefs of Staff, Admiral Horne, from the Navy Department, and Brig. Gen. Walter A. Wood from the War Department, that the campaign in the Pacific requires oil immediately and that there is no other source to get it except out of Elk Hills.

We also explored in a limited way the possibility of building pipe lines, because bear in mind we were doing everything humanly possible to keep from using Elk Hills—to keep this oil in the ground. Unfortunately, it would require 10 or 12 months to build a pipe line from the fields in Texas, and if you build a pipe line from Texas, it would require a change in the refineries on the Pacific coast, because the refineries on the Pacific coast are built along the oil component parts of Elk Hills. Therefore, it would be a long delay instead of meeting the emergency.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I gladly yield to the gentleman from Texas.

Mr. THOMAS of Texas. The gentleman states that this bill will give the Navy Department complete control of the Standard Oil Co. in the reserve.

Mr. VINSON of Georgia. That is right.

Mr. THOMAS of Texas. What happens to the title of Standard?

Mr. VINSON of Georgia. Standard takes its oil. We take our oil and sell our oil to the highest qualified bidder.

Mr. THOMAS of Texas. In other words, Standard then maintains its title to its own oil?

Mr. VINSON of Georgia. That is right.

Mr. THOMAS of Texas. Is there any limitation to the amount that Standard can withdraw?

Mr. VINSON of Georgia. Yes; the greatest amount that Standard can withdraw during the life of the contract under any condition is one-third of its one-third share.

Mr. THOMAS of Texas. What is the length of the contract? How many years does it run?

Mr. VINSON of Georgia. The length of the contract as far as Standard is concerned, is as long as there is a drop of oil in the ground. It is a unilateral contract. The Government has a right to cancel the contract, but Standard is bound as long as there is any oil in the ground.

Mr. THOMAS of Texas. Is it contemplated that this situation may happen: Under the contract to be entered into between the Secretary of the Navy and Standard after the termination of the conflict in the Pacific the Navy then may decide not to withdraw from the reserve any more oil; is that possible?

Mr. VINSON of Georgia. Here is what would happen. After the situation clears up and a tanker diversion can take place to the west coast, after the tank-car situation clears up and tank

cars can be diverted to the west coast and it is assured that a sufficiency of oil can come to the west coast from other sources the Secretary of the Navy has the authority to shut this field down.

When he shuts it down Standard will be permitted to produce enough oil to keep the field alive. It is estimated in a letter from the Petroleum Administration based merely upon the assumption that in addition to the offset wells there now probably 250 to 300 more wells will be drilled, and that to keep the machinery of those wells in operation in peacetimes it will be necessary to produce about 880 barrels a day. That would be approximately the amount needed to keep the field alive and to make it available whenever the Navy wants it. Added to that there must be the question of repairs, taxes, and things of that nature; so I have figured in my own mind from this letter that the broadest production for upkeep would hardly ever exceed more than 1,200 to 1,500 barrels of oil a day.

Mr. THOMAS of Texas. On the assumption that to keep the field alive there would have to be produced 880 barrels, how many wells would the oil come from?

Mr. VINSON of Georgia. It will come from approximately 500 wells.

Mr. THOMAS of Texas. Of which about 250 are yet to be drilled.

Mr. VINSON of Georgia. To produce the oil called for by the resolution will require the drilling of between 250 and 300 new wells.

Mr. THOMAS of Texas. Under peacetime conditions, though, how many wells will it necessitate the Government's drilling to protect the off-set of those 500 wells?

Mr. VINSON of Georgia. Drainage is out of the picture; there is no question of drainage in the contract as set forth in this bill; we wipe out forever the question of drainage; drainage is no longer involved in it at all.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. VOORHIS of California. As I understand it, even under this situation if Standard were producing oil from any well anywhere in Elk Hills the proportion now determined as 64 percent, but which might be revised in future, would belong to the Government no matter where the oil comes from in that area.

Mr. VINSON of Georgia. That is right.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 10 additional minutes.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. DONDERO. Now that we are beginning to tap the reserves of this country, it becomes pertinent to inquire what portion of our oil used in the war effort comes from outside of continental United States.

Mr. VINSON of Georgia. I cannot answer that question, but I think I owe it to the House to make this statement: I have been dealing with this subject since 1920 and have been a member of this committee some 27 years; during all this time the committee has taken the position that we wanted to control this land, to own the land, and to keep it, because you cannot run the Navy on dollar bills, you have got to run the Navy on oil, and we probably have more dollar bills than we have oil. Just as soon as we finish this bill and get it on the statute books the Committee on Naval Affairs is going to conduct hearings on the question of developing shale so as not to have the country caught like it was with a shortage of rubber, because the testimony is to the effect that there is available in the United States only about 14 years' supply of oil as now developed.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. SHEPPARD. I listened very attentively to the gentleman's explanation of this legislative proposal. I want to say to the gentleman and to the members of his committee that they are to be complimented on bringing out this legislation, for it covers the Government into a protected contract. For this the committee ought to be highly complimented.

Mr. VINSON of Georgia. I thank the distinguished gentleman from California, and may I say this, the bill is so written that the contract to be entered into under the legislation you are voting on this morning must be shaped under the law covering these things.

When the distinguished Secretary of the Navy, the late Secretary Knox, first appeared before the Committee on Naval Affairs, I was very much opposed to a unit contract. I thought the proper way to proceed in this matter was to condemn the land. Others shared my views. I made a speech on the floor of the House along that line. When, however, I saw that by legislation, providing for production by contract, I could accomplish the same thing and save hundreds and hundreds of millions of dollars I said that was the course to pursue, and that is the reason I am advocating this bill. We have accomplished by contract the identical thing my distinguished friend the gentleman from California [Mr. VOORHIS] as well as myself and other Members wanted to accomplish and believe this is the right course to pursue. We, by this bill, are requiring a contract to do certain things, and we set forth certain objectives which give us complete control over this field.

Mr. LECOMPTE. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. LECOMPTE. This bill is an outgrowth of the investigation into the Elk Hills Standard Oil contract, is it not?

Mr. VINSON of Georgia. That is right.

Mr. LECOMPTE. That was the investigation that was brought about by the statement, I believe, of the gentleman from California [Mr. VOORHIS] who had looked into the matter.

Mr. VINSON of Georgia. That is right.

Mr. LECOMPTE. And this bill came about because they had no power to make that contract.

Mr. VINSON of Georgia. The trouble with that effort was that in the first place under the act of 1938 they could not make a contract; under that act they were only permitted to operate to protect against drainage.

Mr. LECOMPTE. It never was referred to the Attorney General.

Mr. VINSON of Georgia. That does not cut much figure in my thinking because we could determine whether or not it was legal. The other weakness of that contract in the second place was that it permitted the Standard irrespective of war needs to be guaranteed a certain amount of oil. I want to say this also, that the Committee on the Public Lands was holding a hearing sometime last summer, just about a year ago. The Committee on Naval Affairs knew nothing about the first contract. The distinguished gentleman from California [Mr. VOORHIS] knew of it because the field being located in the West naturally the people of the West would talk about it. He went before the Committee on the Public Lands which was holding a hearing in regard to expanding the domain and he called the attention of this committee to what was going on. The distinguished gentleman from California [Mr. VOORHIS] in making this exposure rendered to the country the greatest kind of service, because if that contract had gone through the Elk Hills reserve could have been completely dissipated and we would have had no oil in future years.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. VOORHIS of California. I want to thank the gentleman very much for what he has just said, and may I not say to the gentleman from Iowa in addition and supplementing what the chairman has pointed out, under that contract Standard would have gotten every drop of oil.

Mr. VINSON of Georgia. That is right.

Mr. VOORHIS of California. They would have gotten it for their own account, every drop that was produced over the whole period of the war or 5 years, whichever was longer, and the United States Government was paying Standard for every drop of oil it got.

Mr. VINSON of Georgia. That is right.

Mr. LECOMPTE. Standard took the oil from the ground and sold it back to the Government.

Mr. VINSON of Georgia. And the Congress and the country owe to the gentleman from California [Mr. VOORHIS] a debt of gratitude for the outstanding service he rendered in the matter.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. MAGNUSON. I think it also should be pointed out that the Committee on Naval Affairs—the gentleman from New York will bear me out—has always been in favor, up to a point, of condemnation.

I do not think it is quite the proper statement or fair to say that the committee did not know anything about this,

because the chairman did; I did, and all of us did. We have been watching this thing for a long time, and the chairman of the committee has been zealously guarding Elk Hills. He has been living with it and sleeping with it for a long time. When this contract came to light it was the chairman who first stated that we had to do something about it. Not only the gentleman from California but a distinguished resident of my State, an assistant attorney general, had a great deal to do with bringing this matter out. They both did a great service.

Mr. VINSON of Georgia. There is enough credit to go around.

Mr. COLE of New York. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from New York.

Mr. COLE of New York. I hope the chairman of the committee will confirm my understanding. This committee was assured by the Office of Oil Petroleum Administrator for War that so long as oil was taken out of Elk Hills there would be no relaxation of the restriction upon the civilian use of gasoline?

Mr. VINSON of Georgia. I am glad the gentleman calls attention to that. Mr. Chairman, let the Committee understand that the resolution I propose to offer for its consideration permits 65,000 barrels of oil to be drawn from Elk Hills per day or approximately 30,000,000 that the Congress will have to authorize. The only justification for drawing this oil out is the war. It is the war requirements in the Pacific and let no man or woman on the Pacific coast think that they will get any increase even of a drop of oil or gas for commercial purposes by the development of Elk Hills, because the officials of the P. A. W. have informed the committee that none of this oil will ever find its way into commercial use. It is strictly for war needs and not commercial purposes.

Mr. MAGNUSON. I think it also should be brought out that the committee not only did all the things that the Chairman talked about here before they agreed to this contract but went further. It may have been a minor matter at the time but it may be the beginning of another great oil reserve. We have instructed the Navy, and we have urged the Navy to go up and make a complete exploration of the Point Barrow oil field.

Mr. VINSON of Georgia. Yes; and the Appropriations Committee has set aside a million dollars to do that. At the same time, after they explore the Point Barrow oil field in the Arctic, it is going to be protected just like Elk Hills. We are going to keep our hands on these reserves and we are not going to let the commercial people get in there unless the Congress authorizes it.

Mr. PLOESER. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Missouri.

Mr. PLOESER. I do not know whether the gentleman covered this during his comments on the discovery of this condition, but my recollection is that the thing was first snagged by a subcommittee of the Appropriations Committee.

Mr. VINSON of Georgia. I think the gentleman is correct about that.

Mr. PLOESER. I did not happen to be on that subcommittee at that time but I think due credit ought to go there also.

Mr. VINSON of Georgia. While a great deal of credit is due to the gentleman from California [Mr. VOORHIS] nevertheless the other gentleman from California [Mr. SHEPPARD] also had something to do with it. The first contract signed by the Secretary of the Navy approved by the President of the United States, was questioned by the distinguished gentleman from California [Mr. SHEPPARD], who has been so alert in watching the interests of the Government. He disapproved the whole business. So he and his subcommittee played a part in this. We have all played a part in preserving Elk Hills and in keeping this oil for the Navy. If the House passes this bill, it may rest assured that the complete control of it is still in the Congress and it cannot be exploited by the Standard Oil Co. or anybody else.

Mr. IZAC. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from California.

Mr. IZAC. I think the gentleman should explain to the House the matter of expenses that are being permitted to Standard Oil Co. as long as oil is drawn from the field.

Mr. VINSON of Georgia. I stated that the Standard Oil Co. would be permitted to draw enough of this oil out to pay its expenses in connection with it.

Mr. IZAC. This will protect the oil.

Mr. VINSON of Georgia. Yes.

Mr. MAAS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is a unanimous report of the House Committee on Naval Affairs. That committee spent a great deal of time on this. It has carefully considered the bill which adequately protects the Government interest. It assures oil for the Navy when it needs that oil for emergencies and at the same time preserves the free enterprise system of this country. I therefore urge the speedy enactment of this bill.

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I appreciate very much the distinguished chairman of the Committee on Naval Affairs giving me this time and I also appreciate even more the kind remarks which he and others have made about such part as I may have played in this matter. May I say with all the earnestness at my command that I feel there are other people entitled to more credit than myself in the matter, some of whom have been mentioned. I merely did the best I knew how. I did make a speech on the floor about a year ago in vigorous opposition to the contract then in effect and I did testify before the Public Lands Committee which went into this whole question with such thoroughness and courage. The brunt of the work of trying to bring about a right solution of this problem has, of course, been done by the Committee on Naval Affairs and by Assistant Attorney General, Norman Littell, of whom the gentleman from Washington made mention.

I would like to point out, however, that since that first contract was made between the Navy and the Standard Oil Co. in the fall of 1942 we have come a very, very long way. That contract was canceled as it certainly deserved to be. In addition to some of the points already made about that contract, I might add that under its terms the Navy would have been compelled to sell all of its share, all of its own oil, to the Standard Oil Co. and repurchase the oil again. I could go on at some length about the very bad features of that contract. But may I point out that under the first contract there was no way in the world for the Congress to exercise control over what would happen to Elk Hills and its oil. No appropriations would ever have been necessary to finance the carrying out of that contract once it got into operation.

Under the bill now before us it is specifically provided that all Navy costs have got to be specifically appropriated for by the Congress. It is also provided, as the Chairman has pointed out, that a resolution of this Congress is necessary under any circumstances when production is to take place, except only for exploration and conservation purposes. It was the Appropriations Subcommittee under the chairmanship of our colleague from California [Mr. SHEPPARD], that was the first body in the Congress to put up a stop sign against the old contract, which shows the basic importance of congressional control.

Mr. LECOMPTE. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Iowa.

Mr. LECOMPTE. Did not the Public Lands Committee also investigate this under the gentleman from Florida [Mr. PETERSON]?

Mr. VOORHIS of California. They certainly did, as I have said. It was the Public Lands Committee which first heard Mr. Littell. That committee also gave me the opportunity to testify, and they went into the matter very thoroughly. That has been mentioned. I am glad the gentleman makes it clear, because the Public Lands Committee spent a great deal of very earnest effort on the matter.

Mr. Chairman, I still believe, and I would not be honest if I did not say so, that the only right situation fundamentally for preservation of our natural resources, where they are marked for reserve, is through public ownership of those reserves. I still believe that the long-run answer to the Elk Hills problem is condemnation by the Navy and complete ownership by the Navy. The chairman of the Naval Affairs Committee himself made the best speech of all for this solution. Nevertheless, I am going to vote for this bill. I think that the committee has done the best job it could possibly do of safeguarding any unit-operations contract that might be contemplated. I will go further, and say that they have done not only the best job that could have been done but what appears to me to be an excellent job of

safeguarding it. I believe it is going to be effective. There is no question under this bill but that the complete authority, complete control, and complete discretion is vested in the Secretary of the Navy. There was at the very least a tremendous question as to whether that obtained with reference to any previous contracts, and I do not believe it did.

Mr. IZAC. That is true, unless subsequent Congresses reverse our action today.

Mr. VOORHIS of California. We cannot contemplate what they will do. The danger the gentleman points out is very real, and is also the basic reason, I believe, complete Navy ownership is the one sure solution.

I want to say one thing further before my time expires. The Navy Department has come in and said that it needs 65,000 barrels a day of oil out of Elk Hills for the war against Japan.

I am utterly unable to judge what the situation might be. I do not have the information to do so. All I know is I want to do nothing which could possibly delay the day of victory by a single hour. So as far as I am concerned, as long as this war lasts, if the military arm of the Government comes in and makes a statement like that, I must be guided by their statement unless I have the most irrefutable evidence to the contrary. Obviously, it is of paramount necessity for the Navy to have oil supplies, and that is the main reason I am voting for this bill. I am informed, and I am afraid it is true that any other course except this one will require an amount of time which, under the military conditions, we are told might prove dangerous. Therefore I certainly am not going to stand in the way of making it possible for the Navy to have the oil it tells us it needs from Elk Hills.

I would like to add this: That I vote for it with full knowledge that it is not going to mean any more gallonage of gasoline for our people on the west coast. I wish it could mean that, but I know it cannot, and that is no proper use, anyway, for oil from a naval reserve.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. VINSON of Georgia. I yield the gentleman 2 additional minutes.

Mr. VOORHIS of California. I thank the gentleman very much. Frankly, I do not have much sympathy with the contention that has been made by some people and some of the California press that more oil should be produced from Elk Hills purely for civilian purposes. I do not believe that oil ought to be produced under any circumstances from this reserve excepting under the restrictions the committee has put in here, the absolute restriction for the national defense of the United States.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from North Carolina.

Mr. MORRISON of North Carolina. This bill does not prevent the Government from resorting to condemnation at any time it might be wise to do so, does it?

Mr. VOORHIS of California. The gentleman is correct. If the bill did prevent that, it would be absolutely wrong, in my opinion. But it emphatically does not. I will be frank in saying that ultimately condemnation will, in my opinion, prove the only satisfactory answer to the problem. For the present I am supporting this bill. I am supporting it because of the need for the additional amount of oil. I think the committee has done a good job.

Mr. MORRISON of North Carolina. If experience demonstrates it to be in the best interest of the country to resort to condemnation, it can do so?

Mr. VOORHIS of California. Certainly. The gentleman is quite correct.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the able and earnest gentleman from California.

Mr. HOLIFIELD. I would like to pay tribute at this time to the political courage of the gentleman from California in taking up this fight against the great Standard Oil Co. of California. I happen to know that he did so at great peril in his own district. At the present time his opponent is well financed in his own district, and that opponent happens to be a man who for years has been connected with large oil companies.

Mr. VOORHIS of California. I am very grateful to my colleague for those kind remarks.

Mr. VINSON of Georgia. Mr. Chairman, may I inquire whether there are any further requests for time on this bill?

Mr. MAAS. No.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that the reading of the bill for amendment be dispensed with and that the committee amendment be printed at this point?

The CHAIRMAN. Is there objection?

There was no objection.

The committee amendment is as follows:

That the part of the act of June 4, 1920 (41 Stat. 813), amended by the act of June 30, 1938 (52 Stat. 1252; 34 U. S. C. 524), as so amended, is hereby amended as follows:

(a) The first four paragraphs of such amended part are amended to read as follows:

"The Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become subject to the control and use by the United States for naval purposes; to explore, prospect, conserve, develop, use, and operate the same in his discretion, subject to approval by the President, directly or by contract, lease, or otherwise, including, in the case of naval petroleum reserve No. 1, contracts for joint, unit, or other cooperative plans of exploration, prospecting, conservation, development, use, and operation of lands owned or controlled by the United States within such reserve No. 1 and lands (a) owned or leased by private interests therein, or (b) outside thereof but on the same geologic structure, such use and operation to be for the protection, conservation, maintenance, and testing of the aforesaid reserves, or for the production of petroleum whenever and to the extent the Secretary, with the approval of the President, finds required for the national defense: *Provided, however,* That no petroleum shall be produced pursuant to such a finding unless authorized by the Congress by joint resolution: *And provided further,* That the Secretary shall from time to time reexamine the need for such production so authorized and if he shall find that the quantity of such production so authorized is no longer required for the national defense then the quantity of such production shall be reduced to the amount currently required for the national defense; and to use, store, exchange for other petroleum or refined products, or sell the oil and gas products thereof, and those from all royalty oil and gas from lands in the naval reserves, for the benefit of the United States, subject to the applicable limitations and restrictions of this act; and to exercise exclusive jurisdiction and control over those lands within the borders of naval petroleum reserves Nos. 1 and 2 which are embraced by leases granted pursuant to the provisions of the act of Congress approved February 25, 1920, entitled 'An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain' (41 Stat. 437).

"Any contract entered into pursuant to the authority granted in the preceding paragraph for joint, unit, or other cooperative plan of exploration, prospecting, conservation, development, use, or operation shall require that the United States be assured of receipt currently of its share of the total production from each of the various commercially productive zones underlying all lands covered by the contract as determined from time to time on the basis of estimates of its original share of the quantities of recoverable oil, gas, natural gasoline and associated hydrocarbons in such zones underlying such lands on the date fixed in such contract: *Provided, however,* That any party to such a contract, other than the United States may, pursuant to the authority hereinabove granted to use and operate the reserves for their protection, conservation, maintenance and testing, be permitted under the terms of such contract to have produced and to receive and shall have charged to its share in the total production from any zone or zones such quantities of petroleum as are necessary to compensate it—

"(a) for its share of the current expenses of protecting, conserving, testing and maintaining in good oil-field condition such lands and the wells and improvements thereon, and its real and personal taxes levied or assessed thereon; and

"(b) for surrendering control of the rate of production from its lands: *Provided,* That if the Secretary of the Navy is not then causing petroleum to be produced pursuant to a joint resolution as referred to in the preceding paragraph, the quantity of petroleum determined to be produced under this subparagraph (b) may, in the absolute discretion of the Secretary, be terminated or reduced at any time on reasonable notice.

Such quantities permitted to be produced pursuant to the foregoing subparagraphs (a) and (b) shall in no event, however, exceed one-third of its share of the estimated recoverable petroleum on such date fixed in such contract in such zone or zones; and no such contract shall be entered into without prior consultation with the Naval Affairs Committees of the Congress.

"All expenses incurred by the Secretary in exploring, prospecting, conserving, developing, using, and operating lands owned or controlled by the United States in the naval petroleum reserves, and in producing petroleum, and the share of the United States of expenses incurred under any contract entered into pursuant to this act, shall be paid from appropriations made available for such purposes by the Congress. All sales of petroleum, gas, and other hydrocarbons from the naval reserves by the Secretary of the Navy shall be at public sale to the highest quali-

fied bidder at such times, in such amounts, and after such advertisements as the Secretary deems proper.

"In order to consolidate and protect the oil lands owned by the Government the Secretary of the Navy is authorized to contract with owners and lessees of land within or adjoining such reserves for conservation in the ground of oil and gas and for compensation for estimated drainage in lieu of drilling or operating offset wells, and to exchange Government land in Naval Petroleum Reserve No. 1, the right to royalty production from any of the naval petroleum reserves, and the right to any moneys due to the Government as a result of the wrongful extraction of petroleum products from lands within Naval Petroleum Reserve No. 1, for privately owned land or leases within Naval Petroleum Reserve No. 1: *Provided*, That no lease of any portion of the naval petroleum reserves, no contract to alienate the use, control, or possession thereof from the United States, no contract to sell the oil and gas products thereof, other than royalty oil and gas products, no contract for conservation or for compensation for estimated drainage, and no exchange of any land, any right to royalty production or any right to any moneys as hereinabove authorized shall become effective nor shall any condemnation proceedings be instituted until after consultation with the Naval Affairs Committees of the Congress and after approval by the President: *Provided further*, That the Secretary of the Navy shall report annually to the Congress all agreements entered into under the authority herein granted.

"In the event of the inability of the Secretary of the Navy to make arrangements he finds satisfactory for exchanges of land or agreements for conservation as authorized under the preceding paragraph of this act, or for contracts for joint, unit, or other cooperative plans with respect to lands or leases as authorized under the first paragraph of this act, he is hereby authorized, with the approval of the President, to acquire such privately owned lands or leases (a) within the reserves or outside thereof but on the same geologic structure, by purchase, and (b) within naval petroleum reserve No. 1 by condemnation, and (c) outside naval petroleum reserve No. 1 but on the same geologic structure, provided that drainage exists, by condemnation. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. Such sums shall be expended under the direction of the President, who shall submit to the Congress estimates therefor in the manner prescribed by law: *Provided*, That the Secretary of the Navy shall report annually to the Congress all purchase and condemnation proceedings entered into under the authority herein granted and shall, within 30 days after the close of each calendar quarter, report to the Naval Affairs Committees of the Congress the total production from the reserves during the preceding quarter.

"Leases of lands of the United States within the naval petroleum reserves in existence prior to July 1, 1936, excepting those leases which have become a part of an approved unit or cooperative plan and agreement, shall terminate at the expiration of their initial 20-year periods, and the lands covered by such terminated leases may be re-leased upon such reasonable terms and conditions as the Secretary of the Navy may prescribe, with the preferential right in the former lessees to leases of the same if and when the lands are re-leased: *Provided*, That every unit or cooperative plan of development and operation entered into after July 1, 1937, other than such plans as are specifically authorized in the first paragraph of this act, and every lease entered into subsequent to July 1, 1937, with respect to lands owned by the United States within the naval petroleum reserves, shall contain a provision whereby authority limited as provided in such plan or lease is vested in the Secretary of the Navy, subject to approval by the President, to alter or modify from time to time in his discretion the rate of prospecting and development on, and the quantity and rate of production from, such lands of the United States under said plan or lease, any law to the contrary notwithstanding."

(b) Section 3 of the act of June 30, 1938, is amended to read as follows:

"SEC. 3. All acts or parts thereof in conflict with the provisions of this act are hereby repealed: *Provided, however*, That nothing herein contained shall be construed as limiting the powers of the President or the Secretary of the Navy under Title II of the act of March 27, 1942, known as 'The Second War Powers Act, 1942'."

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 7, line 21, after the word "consultation", insert the following: "in regard to all its details."

Mr. VINSON of Georgia. Mr. Chairman, the reason I am offering these three amendments which are now being presented is that the Senate committee has put these amendments in the bill it is considering. We agreed to these amendments, and if we can have them agreed to now it will save going to conference on the bill.

Mr. MAAS. Mr. Chairman, if the gentleman will yield, I would like to say that I have looked over the amendments and I think they actually improve the bill. There certainly is no objection to them on the part of the minority.

The amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 9, line 7, after the word "consultation", insert the following: "in regard to all its details."

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Certainly.

Mr. BATES of Massachusetts. Will the gentleman explain the meaning of this amendment?

Mr. VINSON of Georgia. The language reads: "condemnation proceedings be instituted until after consultation," and the Senate inserted "in regard to all its details." In other words, it wanted the Committee on Naval Affairs of the House to have all details, the full information, everything.

Mr. BATES of Massachusetts. In other words, I understand the chairman to say that before condemnation proceedings are actually under way, the Committee on Naval Affairs shall be consulted and complete details given.

Mr. VINSON of Georgia. That is right.

Mr. BATES of Massachusetts. Let me ask the chairman of the committee this question as a matter for the RECORD. The provisions in this bill go out beyond the present naval reserve into another so-called reserve which is privately owned. Under the provisions of this bill condemnation proceedings can lie in that connection also.

Do I understand the chairman to mean that no condemnation proceedings shall be taken in this so-called other reserve, presently privately owned, until the Committee on Naval Affairs is consulted, all the details given, and then an appropriation sought thereafter?

Mr. VINSON of Georgia. If the gentleman had been here when I made my statement, he probably would not be asking the question, because I said there were six hurdles that had to be surmounted before condemnation proceedings could be commenced. The gentleman is correct.

Mr. BATES of Massachusetts. And one of those hurdles is an appropriation.

Mr. VINSON of Georgia. That is correct.

Mr. BATES of Massachusetts. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 9, line 24, after the words "provided that", insert the word "substantial."

Mr. VINSON of Georgia. Mr. Chairman, that amendment has bearing on the question asked by the distinguished gentleman from Massachusetts. One of the conditions to condemn outside of the reserve, is where there is drainage, and the Senate inserted the word "substantial" which strengthens it and lessens the likelihood of wholesale condemnation.

Mr. BATES of Massachusetts. Mr. Chairman, again may I make the statement that even with the word "substantial" in the bill, it still means before condemnation proceedings can be taken under the provisions in the law that they must come here before the Committee on Appropriations and give a complete explanation of why the condemnation proceedings are sought.

Mr. VINSON of Georgia. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

Mr. THOMASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not profess to know the details or the merits of this bill. I am willing to take it upon faith, because I know the chairman and his committee which has unanimously reported it would certainly have in mind the best interest of the Government in a contract of this importance.

I rise, however, in the hope that I may enlist the influence and assistance of the chairman and his great Committee on Naval Affairs in the development of the proposed pipe line from the Permian basin in Texas to California, which has been urged for several months without success. I might say, and the record bears me out, that the Permian basin of west Texas and southern New Mexico is now regarded as one of the greatest potential oil-producing fields in the world. All we need is some help and encouragement.

The producers in that area, especially the independent producers, have suffered terribly as the result of the low price of crude oil and lack of transportation. Many of the so-called wildcatters and independents have had to go out of business or been gobbled up, if I may use that expression, by the major companies. There is a group of us in Congress who have made every honest endeavor to try to get the price of crude oil raised to a fair price with a reasonable profit to the operators. The raise was recommended by the Secretary of the Interior, but we have thus far met with failure and discouragement on every hand.

Certain important businessmen of moral and financial responsibility in Texas have plead for the last 6 or 8 months for the opportunity to build a pipe line from Monahans, Tex., in the district I have the honor to represent, to the coast of southern California, near San Diego, and to build this line at their own expense, or at least with the aid of Government loans with assurance of repayment. Such a line would carry thousands of barrels of oil every day to the Pacific coast which would help the Navy and also held in our fight against the Japs.

I am at an absolute loss to understand why such an application has not received more encouragement. The Permian basin is no wildcat or undeveloped area. It is a proven field.

My immediate interest is, of course, the same as yours, and that is to get more oil with which to win this war. But it is inconsistent to me to make such a great plea for Elk Hills, when there is oil in Texas and New Mexico available if you will only provide us with transportation and a fair price. I hold no brief for those proposing the Pacific war emergency pipe line. I have only met one of them, but I have discussed the matter with Mr. Olin Culberson, railroad commissioner of Texas, who speaks with knowledge and authority and whose interest is solely in the public welfare and the winning of the war.

These men are begging for the right and opportunity to develop the field and bring in more wells and then get it to market. These responsible business interests in Texas are willing to put large sums of their own money into such an enterprise. Granting that this Elk Hills contract is all right, it is certainly admitted by the Committee on Naval Affairs and everybody that knows anything about it knows that more oil is needed and must be had. Every geologist and oil expert in the country, together with the P. A. W., know that great pools of oil are in west Texas and only need development. The Big Inch line has proven its value, and so will this one. The oil men of west Texas and New Mexico will provide the oil if you will give us transportation in any form, together with a decent price for crude. This is a meritorious proposition, yet it seems to encounter difficulties at every turn. Under any circumstances it deserves more consideration than it has had. My colleague the gentleman from Texas GEORGE MAHON, who also represents west Texas, has joined with me in pleading for at least a fair study of this proposal.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. In the committee itself a good deal of consideration was given to the pipe line from the Permian basin field to the California coast. For the past 3 years I personally have been advocating another pipe line to the eastern coast, where we consume a third of all the oil consumed in the hemisphere. The gentleman spoke about the 24-inch line. That line has been in operation only a year, and it has paid for itself by the saving in railroad tariffs we would have had to pay.

Mr. THOMASON. The gentleman is absolutely right.

Mr. BATES of Massachusetts. There is no reason in the world from my point of view, why the eastern seaboard being so greatly in need of [illegible], fuel oil, and gasoline, for every purpose, some provision should not be made to run a pipe line from the Texas oil field to the eastern seaboard. We would pay for it by the saving we would make in railroad charges.

Mr. THOMASON. The gentleman is absolutely correct. While I do not speak with authority, yet I speak from reliable information, having been in the field many times myself, a large part of it being in my district, when I say that the oil industry in my section is begging and pleading for an opportunity to do the very thing the gentleman from Massachusetts suggests, not only to build a line that they in his section need and must have, but above all to build this line from the Permian basin to the coast to help in the war in the Pacific.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. THOMASON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. The Pacific Emergency Pipe Line, with headquarters at Dallas, Tex., composed of men of financial responsibility and integrity, have for months pleaded with the authorities here in Government to give them permission to build this pipe line from Monahans, Tex., in the Permian basin field of west Texas, which would be a concentration point for 200 miles in every direction out of Monahans to San Diego, and I have just heard that the application will probably be officially denied today. Since the Navy is begging for more oil on the Pacific coast, I have taken advantage of this opportunity to request the Committee on Naval Affairs to give study to this proposal just as they have to the Elk Hills-Standard Oil contract.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. It seems to me there are certain officials in charge of this pipe-line proposition who are more interested in building the Arabian pipe line and the Canol pipe line in Canada than they are in permitting the pipe line down in the gentleman's section of the country to go ahead.

Mr. THOMASON. I am not here to discuss either of those projects. There is nothing personal with me about this, but I know there is an abundance of oil in my section. It is already there in large quantities. I have forgotten for the moment the exact production of the field. I am also unable to say just for the moment the potential production, which all the expert geologists admit. But when the oil is there and when it is needed not only by the Navy but by the people of the United States, why we should have to come in here and enter into a contract with the Standard Oil on the Elk Hills proposition, yet not give encouragement to the building of another line like the Big Inch, is beyond me. I plead for adequate transportation and fair prices for my people. I want to encourage production. I do not want the independents put out of business.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman is a member of the Committee on Military Affairs. Is it not possible that the war in the Pacific may develop so that more oil will be needed than is now contemplated?

Mr. THOMASON. I fear the gentleman is correct. We must and will win the war. This means we must have more oil, but those who have it must be given fair consideration and treatment.

Mr. BROWN of Ohio. Would it not be the better part of wisdom for the Government to permit the construction of this pipe line so that the oil from Texas might be available for war use in case of need?

Mr. THOMASON. That is my feeling about it. As I said in the beginning, I am not opposing this bill. I am sure it is sound legislation. I am for it. But I do resent the discrimination that has been practiced when people of responsibility want to build at their own expense a line that will carry thousands of barrels of oil daily to the California coast where the Navy says they must have it. Instead of encouragement, the applicants meet with discouragement.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from California.

Mr. IZAC. What is the length of time considered necessary to build this pipe line?

Mr. THOMASON. From 6 to 12 months, 8 or 10 months, somewhere in that neighborhood.

Mr. IZAC. I can assure the gentleman it will be at least 10 months before we get any additional oil out of the Elk Hills Reserve.

Mr. THOMASON. If somebody will just O. K. the line and give them a priority for the pipe, I can assure them on the basis of statements by responsible

people in Texas who know the oil game that that pipe line will be built with the same speed that the Big Inch was built, that brought so much relief to the eastern people.

Mr. IZAC. If permission to construct this pipe line had been given when it was originally requested, the pipe line would be better than half completed now, and that oil would be available in California from the pipe line 3 or 4 or 5 months from now.

Mr. THOMASON. That is the reason I am calling attention to the matter. I know that those interested in this line and interested in the production of crude oil in west Texas, and also trying to get a fair and decent price, which they are not now receiving, have been here time and time again without getting any favorable action.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. At this point I wish to say that the Committee on Naval Affairs has taken no action with regard to the extension of the pipe line to the western seaboard, because this matter is one of great urgency and there are no facilities available for refining the oil that would come out of the west Texas field; but there are facilities available along the eastern seaboard, and that is where the need is. We ought to bring the oil where it is needed the most. A pipe line can be built to the eastern seaboard as the other one was built inside of a period of 10 months, and we could get the oil there where we need it the most.

Mr. THOMASON. As I said in the beginning, I am making no objection to this legislation; in fact, I expect to vote for it. The thing I see about it is this. The gentleman from Massachusetts, together with the very able chairman of the committee, has said that the Navy has to have more oil and has to have it on the west coast to refine and ship out to fight the Japs. Then why does not somebody give some encouragement to a deserving proposition here that would send thousands of barrels of crude oil daily to the refineries of the west coast.

Mr. BATES of Massachusetts. With our reserves we have ample oil on the west coast, but with the reserves we have on the continent we do not have enough oil for the east coast.

Mr. THOMASON. We need more refineries in west Texas, but surely we are not to be penalized because we do not have them. I repeat, give us a pipe line or other transportation facilities, together with a decent price for our crude, and we will get the oil to you.

Mr. BATES of Massachusetts. Therefore, we ought to open up the west Texas field.

Mr. THOMASON. I cannot understand why such anxiety and rush has developed over the Elk Hills proposition, when this other is in your lap waiting development and responsible people pleading for approval of the project. Above all, I contend it is worthy of your serious study and consideration. I also want to say that I protest the discrimination against the independent oil producers in the Permian basin when O. P. A. granted a higher price to the producers in the Wichita Falls, Panhandle, and Oklahoma area and would not give my people the same increase. I am glad that after long and hard effort they were able to get a raise, but I contend that those in the Permian basin are entitled to the same treatment.

In conclusion I give you statements from the Railroad Commission of Texas and one of its members, Mr. Olin Culberson, and also an article from the Houston Chronicle regarding the pipe line proposal.

The Railroad Commission of Texas says:

The latest production figures and availability of crude oil from the Permian basin, west Texas, shows that a total of 597,203 barrels per day of crude oil are available from 119 fields in west Texas. The net allowable, as of April 8, 1944, for the same fields is 380,073 barrels, leaving a balance available, without physical waste, of 217,130 barrels of crude oil per day over and above the present allowable.

Since availability hearings in August 1943, Ellenberger production has opened in west Texas; and from wells that have been drilled to this production there is every indication that Ellenberger producing horizon will cover an area and production almost equal, if not greater than the east Texas field.

This availability is not included in the above figures, but is in addition to the 217,130 barrels available above the present net allowable.

RAILROAD COMMISSION OF TEXAS,
BEAUFORD JESTER, *Chairman.*
OLIN CULBERSON, *Commissioner.*
ERNEST O. THOMPSON, *Commissioner.*

Attest:

L. H. RANSOM,
Secretary.

Mr. Olin Culberson, one of the railroad commissioners of Texas, wrote a friend the following:

I accompanied representatives of the Pacific War Emergency Pipeline to Washington in order to assure the P. A. W. that an adequate supply of crude above present production without waste could be had in west Texas to fill this line.

I am intensely interested in seeing that this line is completed, both from the standpoint of securing a market for west Texas crude commensurate with what I believe to be its just share of the the demand, and also for the effect that such a pipe line would have on stabilizing the price structure, not only in west Texas, but for the entire southwest producing area.

It is my opinion that this line, if constructed, would bring about the much desired situation of a free market which, in opinion, certainly does not know exist under the manner in which the industry operates.

The Houston Chronicle had the following interesting facts regarding the proposed pipe line:

TEXANS SEEK AUTHORITY TO LAY 20-INCH OIL PIPE LINE WEST TEXAS TO WEST COAST

WASHINGTON, April 26.—Construction of a 20-inch crude oil pipe line connecting the Permian basin of west Texas with the Pacific coast was proposed Tuesday in an application filed with the petroleum administration by officers of the Pacific War Emergency Pipe Line, Inc., of Dallas. The new line if authorized, would move approximately 200,000 barrels of west Texas crude daily to a terminal near Los Angeles to supply the rapidly increasing demand for oil to fight the war against Japan.

Officials who filed the application have been in Washington for several days conferring with Federal officials, but as yet have received no real encouragement. By filing the application, however, they hope to force a decision on the Texas-California pipe-line issue, which has been debated now for more than a year.

WOULD COST $47,000,000

The company, which would finance the $47,000,000 line itself, contends that the Permian basin offers the only large supply of surplus crude available in the United States. Railroad facilities have been inadequate to move this oil to the west coast and the pipe line offers the only real solution of the problem. Despite heavy production oil producers have not been able to meet the growing demand for oil on the west coast by the Army and Navy. It is generally known that both military and P. A. W. officials have been seriously concerned with the situations for some time.

The Permian basin has 19,472 wells, of which 10,641 are flowing wells, the petition points out, because of a lack of adequate outlet, these wells are rigidly prorated and restricted to small daily production, and many of them are operated only 15 to 17 days each month.

A letter from the Texas Railroad Commission of Texas, dated April 11, 1944, and signed by Beauford Jester, Olin Culberson and Ernest O. Thompson, states that in the Permian basin in Texas "the latest production figures show that a total of 597,203 barrels a day of crude oil are available, with allowable as of April 8, 1944, of 380,073 barrels, leaving balance available, without waste, of 217,130 barrels of crude oil a day."

LARGER THAN EAST TEXAS FIELD

The commission's letter further states that these figures do not include production from the newly discovered Ellenberger producing horizon and states that this new deeper level from every indication "will cover an area and production almost equal to if not greater than the East Texas field."

The New Mexico fields of the basin have an additional allowable of 106,640 barrels.

The pipe line as now tentatively projected would run from Monahans, Tex., to Beaumont, Calif., a distance of 986 miles. Engineers who made surveys and preliminary estimates state that the line can begin transporting oil within 4 months after delivery of materials begins.

The officers of the company are all well-known Texas citizens and leading oil producers, with extensive holdings in the Permian Basin area. They are: Angus G. Wynee, president; Jerry Hawkins, vice president; and L. N. Glasco, secretary-treasurer.

The CHAIRMAN. The question is on the committee substitute for the bill, as amended.

The committee substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. RAMSPECK, having assumed the chair, Mr. CLARK, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 4771) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved

June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, pursuant to House Resolution 573, reported the same back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 286) providing for operation of naval petroleum and oil-shale reserves.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution as follows:

Whereas it has been urgently requested by the Joint Chiefs of Staff and recommended by the Secretary of the Navy that production from Naval Petroleum Reserve No. 1 be substantially increased at the earliest possible date to meet the critical need for petroleum on the west coast to supply the armed services in the Pacific theater: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of the act of June 3, 1920, as amended, relating to the naval petroleum reserves, the Secretary of the Navy be, and he hereby is, authorized, with the approval of the President, during the period of 18 months from and after June 1, 1944, to develop and operate, or to cause to be developed and operated, the lands in Naval Petroleum Reserve No. 1, directly or by contract, (a) to the end that the productive capacity of the reserve, including the privately owned and leased lands included therein, may be increased to permit a daily rate of production of 65,000 barrels, but not in excess of such rate, and (b) to produce or to cause to be produced from said lands during said period up to but not in excess of a total of 30,000,000 barrels of petroleum.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, this is merely to make the legislation effective?

Mr. VINSON of Georgia. This is a resolution which Congress must pass whenever you draw any oil out of Elk Hills.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: On page 2, line 11, after the word "petroleum", change the period to a colon and insert the following: *"Provided, however,* That the Secretary of the Navy is hereby authorized to enter into contracts under the appropriation 'Naval emergency fund' for increasing the production of petroleum in Naval Petroleum Reserve No. 1 to the extent authorized in this resolution."

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman explain the amendment for the benefit of the House?

Mr. VINSON of Georgia. The effect of the amendment is that the operation of this will come out of what is known now as the naval emergency fund, which has already been appropriated.

Mr. BROWN of Ohio. Mr. Speaker, how much will this appropriation amount to, in the opinion of the gentleman?

Mr. VINSON of Georgia. The total amount of that fund under one item is about $7,000,000. I have forgotten the other. It has already been appropriated. It is to permit the use of part of this money for this operation.

Mr. BROWN of Ohio. Is this money appropriated for this specific purpose or is that the general appropriation?

Mr. VINSON of Georgia. It is the general emergency fund.

Mr. BROWN of Ohio. Yes; and what is the gentleman's idea as to the expense of this particular amendment?

Mr. VINSON of Georgia. I cannot say now because should it be more than that it will have to come back to the committee to get more money.

Mr. BROWN of Ohio. Do you think it will be the entire $7,000,000?

Mr. VINSON of Georgia. Nothing like that.

Mr. BROWN of Ohio. What would it be? The gentleman has some idea.

Mr. VINSON of Georgia. No; I have no idea.

Mr. BROWN of Ohio. Does the gentleman have any thought on it?

Mr. VINSON of Georgia. No.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

ELECTION TO COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 575), which I send to the desk.

The Clerk read as follows:

Resolved, That DONALD L. O'TOOLE, of the State of New York, be, and he is hereby, elected a member of the following standing committees of the House of Representatives: Accounts, Expenditures in the Executive Departments, War Claims.

The resolution was agreed to.

FOREIGN ECONOMIC ADMINISTRATION APPROPRIATION ACT, 1945

Mr. CANNON of Missouri, by direction of the Committee on Appropriations, submitted a report (Rept. No. 1591) on the bill (H. R. 4937) making appropriations for defense aid lend-lease for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration and for the Foreign Economic Administration for the fiscal year ending June 30, 1945, and for other purposes, which was read a first and second time, and referred to the Union Calendar and ordered printed.

Mr. TABER. Mr. Speaker, I reserve all points of order against the bill.

CLEVELAND O. P. A. AND O. D. T.

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include therein three articles from a Cleveland paper.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

[Mr. FEIGHAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

FOREIGN ECONOMIC ADMINISTRATION APPROPRIATION ACT, 1945

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4937) making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes; and pending that motion I would like to reach some agreement with the gentleman from New York [Mr. TABER] as to the time. If it meets with the gentleman's approval, I suggest that we have general debate today and tomorrow, and conclude the bill on Monday.

Mr. TABER. I do not believe that we would have demand enough to justify running 2 days. I have enough to run 1 day. I would think we ought to be able to finish the debate today, although something might come up that I do not know about.

Mr. CANNON of Missouri. Then, if the gentleman prefers, Mr. Speaker, I ask unanimous consent that we continue debate not to exceed the remainder of today, and at the close of debate today we read the first paragraph for amendment.

Mr. HOFFMAN. Mr. Speaker, I object.

Mr. CANNON of Missouri. I shall be glad to yield the gentleman from Michigan [Mr. HOFFMAN] any time he may desire.

Mr. HOFFMAN. Mr. Speaker, I was speaking in behalf of some of my col-

leagues who do not want, at the very end, to have someone get an extra 10 or 15 minutes and then be cut off from even 3 minutes. Do you not see? It happens so often.

Mr. CANNON of Missouri. That is the reason I asked for 2 days of general debate—in order that all who desire to speak may be heard. The gentleman from New York says that 1 day will be sufficient. That is all right with me, but I am glad to assure the gentleman that so far as I am concerned no one will be denied recognition today.

Mr. HOFFMAN. I am terribly suspicious of the request that the gentleman makes.

Mr. CANNON of Missouri. The gentleman has no reason to be suspicious.

Mr. HOFFMAN. There is no reason for it, but things do happen that way.

Mr. McCORMACK. Mr. Speaker, might I say there is always justifiable suspicion.

Mr. CANNON of Missouri. Mr. Speaker, the gentleman from Massachusetts does not mean there is any such justifiable suspicion with reference to my request?

Mr. McCORMACK. Not with reference to anything the gentleman from Missouri [Mr. CANNON] has said, but in the life of all of us. There is no justification in this connection, I am sure.

Mr. HOFFMAN. You mean about being cut off?

Mr. McCORMACK. Nobody will be cut off.

Mr. TABER. Mr. Speaker, if the gentleman will yield to me for a moment, I would like to suggest that debate go on for the remainder of the day; and if there is a demand for more time and we need it, we can supply it tomorrow. How would that be?

Mr. CANNON of Missouri. I would be glad to agree to any arrangement which the gentleman approves.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, for the purpose of trying to see if we can come to an agreement, the membership of the House naturally is interested in what time is agreed upon. We are going to meet tomorrow. I would like to have the membership know whether it is going to be general debate tomorrow or whether we are going to read the bill under the 5-minute rule.

Personally, I think we should do the latter, but my only desire is that the membership of the House may be advised so that if the agreement is to have general debate tomorrow they can govern themselves accordingly.

Mr. HOFFMAN. In view of the statement of the majority leader and the fact that it is evident we will save some time, I will withdraw my objection. I am always glad to do that when it will please the gentleman and when it will not cost us anything on this side.

Mr. McCORMACK. I have always found the gentleman very cooperative.

Mr. HOFFMAN. That will get me some votes.

Mr. CANNON of Missouri. Mr. Speaker, I renew my request.

Mr. MARTIN of Massachusetts. What is the present request of the gentleman?

Mr. CANNON of Missouri. I renew my request, Mr. Speaker. In accordance with the suggestion of the gentleman from New York [Mr. TABER], I suggest that debate be continued during the day and as long as anyone wants time; then at the close of general debate, when no one desires further recognition, the first paragraph of the bill be read. I also ask unanimous consent that one-half the time may be controlled by the gentleman from New York [Mr. TABER] and the other half by myself.

The SPEAKER pro tempore. Is there objection?

Mr. MARTIN of Massachusetts. Reserving the right to object, of course, we do not want to be in the position of cutting down any time the gentleman from Missouri [Mr. CANNON] might like. Did the gentleman think he might need 2 days?

Mr. CANNON of Missouri. I left that entirely to the gentleman from New York [Mr. TABER].

Mr. TABER. Why would it not be better to allow the debate to go on today without limiting it to today, and then if we need more time for debate tomorrow we could close it at such time tomorrow as we are able to.

Mr. CANNON of Missouri. That is entirely satisfactory to me.

Mr. McCORMACK. Reserving the right to object, my only purpose is that the membership of the House will know definitely tomorrow whether it is going to be general debate or whether we will be under the 5-minute rule, or in part, general debate and in part under the 5-minute rule. In other words, I think we ought to let the House know whether the bill is going to be read under the 5-minute rule tomorrow.

Mr. MARTIN of Massachusetts. The House would know that at 5 o'clock.

Mr. McCORMACK. But if we can settle that now, it is only fair, because some Members might have plans between now and 5 o'clock. If I might suggest to my friend, why not let general debate continue through the day today and 1 hour tomorrow?

Mr. TABER. How about 2 o'clock tomorrow?

Mr. CANNON of Missouri. That is agreeable.

I ask unanimous consent, Mr. Speaker, that general debate be continued today and until 2 o'clock tomorrow, at which time we begin reading the bill under the 5-minute rule, and that the time for general debate be equally divided between the gentleman from New York [Mr. TABER] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4937, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized for 1 hour.

Mr. CANNON of Missouri. Mr. Chairman, as we today look back on pivotal dates in history, 476 the fall of Rome, 1492 the discovery of America, 1815 the dissolution of the Napoleonic Empire, so future generations will look back to the year 1944 as one of the decisive years in history. This bill provides funds with which to insure that it will be a decisive year. It provides for the continuation of lend-lease, without which the war could not have been brought to its present successful status, and without which beyond question, the war would have dragged along many years with steadily increasing cost both in blood and treasure

The pending bill provides simultaneously for the war, for the period of transition and the era of negotiated peace, because all three are inseparably, and inextricably associated. Much of the money here provided is in anticipation of victory and the expenditure of much of it is contingent upon victory. In the main, the lend-lease provision is for the remaining period of the war; the U. N. R. R. A. provision for the period of transition.

We appropriate in this bill for the continuance of lend-lease for the fiscal year 1945 $3,450,570,000 of direct appropriation, and $3,650,024,000 of unobligated balances; and $88,299,000 received from the sale of lend-lease materials making a total fund to be available for next year of $7,188,893,000. The committee makes no reduction in the recommendation of the President.

Lend-lease is not a new thing in warfare. Toward the end of the Napoleonic War, England finding many of her allies unable to continue actively and aggressively in the field, and as we have found from our experience in World War No. 1 that loans would not serve the purpose and decided as we are deciding today, to employ lend-lease. England similarly supported her allies and kept them in the field against the great Corsican through lend-lease materials; not money, not loans, but the actual delivery of weapons and munitions of war where they could be most effectively used.

This is the third lend-lease authorization act for which we are providing funds; three times the Congress, by enacting basic law authorizing these appropriations has indicated its strong and unmistakable approval of lend-lease until we have reached a new peak of lend-lease and in the first quarter of this calendar year.

The flow of arms and tanks and planes and ships and munitions to our allies is now steadily increasing. Our own armies have been whipped into shape, they have been trained and armed and equipped and are being supplied with everything they need, and we are rapidly approaching the crisis.

We provide for the first installment of the United States contribution to U. N. R. R. A., $450,000,000 in direct appropriation, and authorization for the transfer of $350,000,000 of funds, supplies, and services from lend-lease, in case they are not needed for war purposes. This, of course, can mean only one thing; it means that when the opposition in Europe collapses and lend-lease is no longer necessary, funds may, under this authorization, be transferred from lend-lease to U. N. R. R. A.

The name of this agency, the United Nations Relief and Rehabilitation Administration, is a rather involved title; even its abbreviation U. N. R. R. A. is somewhat unprepossessing and uncouth. There is not much glamour in the name, but it designates one of the most important and vital developments of the war and the period which must follow the war. It is the first international cooperation in this war, and on that account alone is particularly significant. U. N. R. R. A. is not a national agency; it is not a part of the United States Government. It is an international agency; it is a premonstration of the United Nations association. It proposes to pool the economic resources of the United Nations and associated nations to tide over the transition period and to care for those areas formerly under enemy domination. One of the most impressive scenes I have ever witnessed was that dramatic scene on November 9 in which the accredited representatives of 44 sovereign nations, each in their turn, left their chairs at the conference table and walked up to the dais and affixed to this agreement — this first international agreement of its kind in the history of the world—the signature of their respective governments, and thereby initiated and organized this international cooperation to complete the war program. Let us hope it is the forerunner of many more such amicable and harmonious concordats which will in the months and years to come insure international cooperation to maintain peace and justice throughout the world.

The Axis forces have extended their despotic domination over 35 nations—35 separate and independent countries and half a billion people. Wherever they have gone civilization and all the institutions that men hold dear have withered and died. The elemental requirements of life itself have vanished. From each of these 35 countries today emanate reports which freeze the marrow of the listener's bones; of conditions which beggar description: Privation, destitution, inhuman cruelty, devastation, and death. We are told by the highest ecclesiastical and military authorities that hunger is a normal state and starvation is commonplace in all these countries today.

Most of their cities have been destroyed. Age-old centers of culture and industry which have been slowly and laboriously built up through the centuries are today heaps of rubble, and through them famine stalks by day and terror prowls by night. These changes have been accompanied by wholesale shifts in population. It is estimated that in Europe 20,000,000 people have been torn from their homes and transported to alien and inhospitable locations; somewhere between four and five million of these are children. In Asia it is estimated that in excess of 40,000,000 people have been violently transplanted and scattered over the face of the surrounding country. As soon as Axis domination is broken these people must be returned to their homes, an undertaking of incredible difficulty. They must be fed and clothed until they can care for themselves. Throughout this plan of regeneration and rehabilitation there runs continuously as the U. N. R. R. A. objective the idea to help them help themselves. There is no purpose here of supplying anything that is not absolutely essential; there is no proposition here to supply anything without payment wherever payment is possible, and no intention to continue support beyond the phase of absolute necessity. In other words, to put these people as quickly as possible in a position where they can supply their own needs.

Mr. WHITE. Will the gentleman yield for a question?

Mr. CANNON of Missouri. I yield to the gentleman from Idaho.

Mr. WHITE. How much of this relief money does the gentleman think will be used to assist aliens to enter the United States?

Mr. CANNON of Missouri. Not a penny of it could be used for that purpose. Under no circumstances could any part of this money be used for such an undertaking.

Mr. WHITE. Refugees are coming into the country. Does not the gentleman think some of this money will be used to assist aliens and refugees to come into the country?

Mr. CANNON of Missouri. I do not think refugees are coming permanently into the country. Our immigration laws are still in effect and are being rigidly enforced and so far as I am concerned, I think they ought to be enforced.

Mr. VURSELL. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. VURSELL. When we considered U. N. R. R. A. in the first instance, Dean Acheson spoke before the congressional group and said there was no intention of sending anything overseas under these lend-lease laws except food and medical supplies. I think that statement was probably made on the floor of the House when we passed the U. N. R. R. A. bill. Then later I was informed that a great amount of farm machinery was already being allocated to be sent over, in violation of the statement made by Dean Acheson and the statements made on the floor of the House and when this was brought to the attention of certain people they decided not to do it. Is that correct or not?

Mr. CANNON of Missouri. I do not see how it could possibly be correct because U. N. R. R. A. has not bought anything in the United States.

Mr. VURSELL. I mean under U. N. R. R. A.

Mr. BLOOM. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. BLOOM. May I say to the gentleman that an explanation of that has been put in the RECORD several times. There has not been one dollar expended up to the present time by U. N. R. R. A.

Mr. VURSELL. Was there an attempt to allocate this farm machinery to be sent over there until discovery of that?

Mr. BLOOM. No; nothing of the kind. It has been explained here several times before on the floor and the RECORD shows it. The only thing that U. N. R. R. A. has been doing or has done is to get information. After U. N. R. R. A. gets into the countries and they are occupied, and if anything is necessary, to find what they could get to use for the purpose of the farmers over there, but there has not been anything allocated and there has not been anything spent on U. N. R. R. A. up to the present time.

Mr. WHITE. Is it not a fact that American mills are using foreign wools to fabricate cloth in wholesale quantities to be used by U. N. R. R. A.?

Mr. BLOOM. No.

Mr. WHITE. The gentleman wants the House to understand now that we are not using foreign wool, fabricating it in American mills, and sending it abroad, paid for by American money, in this relief plan?

Mr. BLOOM. I say this and it answers all of the questions: Up to the present moment not one penny has been spent by U. N. R. R. A. for any purpose of the kind.

Mr. WHITE. No commitments have been made?

Mr. BLOOM. No.

Mr. WHITE, There are no commitments?

Mr. BLOOM. No commitments at all. How could they? They have not got a dollar. They have not a dollar to spend.

Mr. GROSS. If what the gentleman says is correct, then the farm papers of this country are just terribly misinforming the farmers; is that true? The farm press is desperately wrong, if the gentleman's statement is correct.

Mr. BLOOM. I will say that my statement is correct, but please do not try to put words in my mouth that I am trying to say the farm papers are wrong in the information they are giving to the farmers because the farmers in my district will be very angry at me if I said anything of the kind.

Mr. GROSS. I would be very sorry to see that happen.

Mr. KEEFE. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I would like to have the attention of the distinguished gentleman from New York. May it not be that the difficulty that has been complained of, with respect to the alleged utilization of wool and the purchase of other supplies and materials for relief purposes, has been accomplished through the utilization of other funds other than any activity of U. N. R. R. A. because this is the first appropriation that the Congress has

made for the implementation of the program of U. N. R. R. A. The only funds they have had up to date, as I understand it, have been some funds contributed by other nations that are listed in the report and for administrative purposes only. The gentleman does not want the Congress to understand that his statement is broad enough to say to the public that there have been no purchases by other relief agencies that are buying materials and shipping them abroad, which are the substance and basis for complaints that have been registered. The fact is, is it not, that funds of this country which have been allocated to the Army and to lend-lease have been used?

Mr. BLOOM. By U. N. R. R. A.?

Mr. KEEFE. Not U. N. R. R. A. Get away from U. N. R. R. A. and forget about it.

Mr. CANNON of Missouri. Then we are getting away from the bill.

Mr. BLOOM. I want to stick to U. N. R. R. A.

Mr. KEEFE. This includes lend-lease, does it not?

Mr. CANNON of Missouri. Debate is on the bill before the House. The gentleman should confine his remarks to the bill.

Mr. KEEFE. Does not the pending bill include an appropriation for lend-lease?

Mr. CANNON of Missouri. The gentleman has been talking about U. N. R. R. A.

Mr. KEEFE. I have not been talking about U. N. R. R. A. or claiming that U. N. R. R. A. has expended a dollar. I just got through saying that U. N. R. R. A. has never received a dollar of appropriation up to this time, and consequently could not make these expenditures.

What I got through saying was, and I hope the gentleman will listen, that the complaints that have been inspired as charged to U. N. R. R. A. have resulted, no doubt, from the activities of other relief agencies that are spending public funds, other than U. N. R. R. A. Do not try to cover the whole situation over by limiting the debate to the subject of U. N. R. R. A.

Mr. CANNON of Missouri. Whenever the gentleman refers to the expenditure of money let him give the sources from which it is supplied, and we will discuss it if it pertains to the bill.

Mr. BLOOM. I want to say to the gentleman, and I hope he will be fair to me, I was only talking about U. N. R. R. A. I had no reference and did not intend to imply that I was referring in any way to anything else but U. N. R. R. A., that is all.

Mr. KEEFE. I think we have the situation clarified.

Mr. BISHOP. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. BISHOP. In the gentleman's statement a minute ago did I understand him to say that a majority of the lend-lease fund was for military expenses?

Mr. CANNON of Missouri. More than half of the supplies that have been allocated to our allies has been military supplies.

Mr. DONDERO. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. DONDERO. I was one who sat in on some conferences in reference to U. N. R. R. A. before the authorization bill was enacted. I voted for that bill and supported it at the time. One of the things in doubt was that a great deal of this original $1,350,000,000 would be paid by this country by having credited to it a lot of machinery or other equipment that might be abroad when this war terminated or even before it terminated rather than shipping it back to this country. Am I correct about that?

Mr. CANNON of Missouri. The disposition of surplus property abroad is a subject in itself for which legislation is being considered. The money here provided is for several purposes: For the service of the individual in the way of food, clothing, and medicine; for public-health services; and the handling of displaced persons.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. My only purpose in interrupting the gentleman was to possibly clarify something that was stated by the gentleman from Michigan. In section 202 of the present bill there is a transfer of $350,000,000 from lend-lease to U. N. R. R. A., provided the United States Joint Chiefs of Staff certify that the equipment or other material transferred is not necessary for lend-lease purposes. Then, in addition, of course, as the gentleman knows, there is a $450,000,000 direct appropriation for U. N. R. R. A.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. BLOOM. That is not in the original U. N. R. R. A. legislation.

Mr. WRIGHT. No. It is not in the authorization.

Mr. DONDERO. Quite true, but in the final result we are to have credit for such equipment as may be abroad, which we will not need, and rather than ship it back to this country we will take credit for it against this original authorization of $1,350,000,000.

Mr. WHITE. How is that credit to be repaid? With what? You say we take credit.

Mr. DONDERO. Against the authorization we have already made.

Mr. WHITE. The gentleman just explained to the Committee that we are going to send material abroad and it is not going to be shipped back, and that we are going to take credit. Credit presumes that we are going to be paid. What are we going to be paid with and how?

Mr. DONDERO. We take credit against the appropriation and commitment we are making now.

Mr. WHITE. But we will never get our money back.

Mr. DONDERO. That is true.

Mr. CANNON of Missouri. Before we get away from it, and in answer to the suggestion of my friend from Pennsylvania, there are three limitations here upon the expenditure of this additional $350,000,000 from lend-lease. In the first place it must be needed for lend-lease purposes. In the second place, there must be certification by the United States Joint Chiefs of Staff. In the third place, it must be approved by the Administrator, Mr. Crowley.

These are the conditions precedent which must be met before a dollar of that money can be used. It is hedged about with care and precaution.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for one further question?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. DONDERO. Should the war come to an end in Europe, and Russia should have tanks, planes, and trucks on hand which it had not used, can the gentleman give the House and the country any assurance that this Nation will get that material back so we can transfer it to the Japanese theater of war and use it there?

Mr. CANNON of Missouri. As the gentleman knows, title to all of this material is retained in the United States. Under the lend-lease agreements we have the right to recall anything that has not been used up.

Mr. BLOOM. Always.

Mr. CANNON of Missouri. It is ours. It belongs to us. As soon as they are through with it, we can then make any disposition the situation requires. If it is needed by the United States in the Japanese theater of war, unquestionably it can be transferred there; at least we have a right to transfer it there.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I would like to clear up this matter in my own mind. We have here an appropriation bill which provides first, an appropriation for lend-lease; secondly, an appropriation for United Nations Relief and Rehabilitation, and an appropriation for the Foreign Economic Administration.

The thing that is bothering many Members of this House and the general public, may I say, arises out of the lack of understanding as to just exactly what is involved. The contention is made and has been given wide publicity that large sums of money are being spent by lend-lease in the acquisition of food, clothing, medical supplies, and other materials that are needed in these various nations and various countries that are affected by the war, in furtherance of the war effort. That is lend-lease.

Then, in addition, we are now appropriating $450,000,000 cash and authorizing a transfer of $350,000,000 worth of lend-lease supplies to U. N. R. R. A., which will be available for expenditure and use when this appropriation bill becomes law. That money will be used by the U. N. R. R. A. organization, which is an international organization, contributions to this fund being made by the

signatory nations, and will be expended under the direction of the Board of Directors of this international organization and the Director General for the purpose for which the organization was set up.

In addition to that, however, that does not tell the whole story, because we have appropriated money to the Army, which will be expended by the Army in these nations where they have taken possession, like Italy, where our soldiers have already gone in. The Army is taking care of the civilian population. They are furnishing them with food, medical supplies, and taking care of the rehabilitation, the necessary services, and so on.

I see on page 258 of the hearings the statement that there will be $562,000,000 requested by the Army in the Army appropriation bill that will shortly come before the House, which is in addition, is it not, to the funds which we are now appropriating for U. N. R. R. A. and which we are appropriating for lend-lease; so that we have lend-lease with funds available now, have we not, to buy clothing, food, medical supplies, and so on, plus the Army with funds which we have appropriated to them that can be expended for that purpose, and when this appropriation becomes law, U. N. R. R. A. will have funds to expend for the purpose for which the United Nations Relief and Rehabilitation Administration was set up. Is that correct, or is it not?

Mr. CANNON of Missouri. That is not correct.

Mr. KEEFE. All right. Then I would like to have the gentleman point wherein it is incorrect.

Mr. CANNON of Missouri. The gentleman fails to make the fundamental distinction between these various funds. We have the appropriation for lend-lease, we have the appropriation of $562,000,000 for the Army, and we have the appropriation for U. N. R. R. A. They are different. Lend-lease is for the fighting nations. U. N. R. R. A. is only for the occupied countries which have been released from Axis domination. The funds of the War Department are used in the immediate theater of action where the Army supplies relief needs behind its lines during military operations. In other words, U. N. R. R. A. never goes into any area until it is invited by the theater commander.

Mr. BLOOM. Until the Army goes out.

Mr. CANNON of Missouri. It never goes in until the military says it should come in. It never takes over or interferes or supplants local government. It is purely a service organization; serving by suffrance. First, it must be brought in by invitation of the military authorities. Second, it must be approved and endorsed and retained by the local government authority. There is no conflict, no overlapping jurisdiction whatever between the lend-lease funds, U. N. R. R. A. funds, and military funds. This is fully discussed on page 16 of the committee report.

In connection with what has been said, it might be well to explain a little bit of the machinery of U. N. R. R. A. In the first place, it is purely an international organization. It is not an agency of the United States Government at all, any more than it is that of any of the other 44 nations which participate. It is supported by a contribution of 1 percent of the national income of every participating nation. England has already supplied her full amount of $320,000,000. Iceland has already supplied $50,000, her amount. Canada is on the point of supplying her contribution of $90,000,000. We are now making part of our contribution.

The Council consists of one representative for each participating nation, and it is the governing body. The Director General, who has charge of the immediate administration, acts under its direction. The Council meets twice a year. There is also a central committee consisting of representatives of the United States, Great Britain, Russia, and China. It is an executive committee to act between sessions of the Council.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. As I understand, the basis of contribution for the various countries that signed up under the U. N. R. R. A. is 1 percent of the national income.

Mr. CANNON of Missouri. For the year 1943.

Mr. ROBSION of Kentucky. Our part of that was estimated to be $1,350,000,000. That was the authorization.

Mr. CANNON of Missouri. That was the authorization for the purpose.

Mr. ROBSION of Kentucky. That was through and by an understanding with the other Allied Nations which signed the agreement as to what each should contribute?

Mr. CANNON of Missouri. The Council which met at Atlantic City agreed upon that at its first meeting.

Mr. ROBSION of Kentucky. If I understand this bill correctly, it authorizes, with certain formalities to be carried on through various agencies of our Government, the transfer of $350,000,000 from lend-lease to U. N. R. R. A.

Mr. CANNON of Missouri. There is a direct appropriation of $450,000,000 and a contingent authorization of an additional $350,000,000 from lend-lease.

Mr. ROBSION of Kentucky. Would that be in addition to the $1,350,000,000?

Mr. CANNON of Missouri. No; that is a part of the $1,350,000,000. We are authorized to appropriate up to $1,350,000,000. We are providing for that purpose in this bill $450,000,000 new money, and under certain circumstances which will have to be complied with, make an additional $350,000,000 available from lend-lease.

Mr. ROBSION of Kentucky. So that the $450,000,000 which is provided by this bill may be augmented by $350,000,000?

Mr. CANNON of Missouri. Under no circumstances could more than $800,000,000 be available, and of that, $350,000,000 could not be used except under the three conditions to which I have referred. That it is not needed for lend-lease, that it is approved by the United States Joint Chiefs of Staff, and that it is approved by the Administrator of the Foreign Economic Administration.

Mr. ROBSION of Kentucky. That would total $800,000,000 of the authorization of $1,350,000,000?

Mr. CANNON of Missouri. Yes.

Mr. ROBSION of Kentucky. We are not adding anything to the authorization for U. N. R. R. A.?

Mr. CANNON of Missouri. No; we are not recommending the whole of the authorization. We are providing only a part of it.

May I say in regard to the subject which was brought up on the floor just now that the agreement among the nations is that each nation in the disbursement of its contribution to U. N. R. R. A. may contribute in cash or provide in kind the supplies U. N. R. R. A. wants from it. This means that the money spent from our contribution for wool, to which my good friend from Idaho referred, will be spent for wool from the United States Government stock pile here in the United States. In other words, we do not even have to supply the money, we can supply the wool from the Government stock pile and it will be credited, as part of the United States' contribution to U. N. R. R. A.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield further?

Mr. CANNON of Missouri. I am glad to yield to my friend from Kentucky.

Mr. ROBSION of Kentucky. The gentleman named some countries that had met their obligations to U. N. R. R. A. What nations have not complied with their obligations to U. N. R. R. A., or what is the number of such nations?

Mr. CANNON of Missouri. The gentleman will find a complete report on that in the hearings. The nations that have not supplied their quota are rapidly taking action to that end.

Mr. ROBSION of Kentucky. Is it not conceded that there will be a number of nations that will either not desire to do it or will not be able to comply?

Mr. CANNON of Missouri. There is no suggestion that any nation might not desire to do it. Whether or not local economic conditions would interfere with their payment depends on circumstances sometimes beyond their control, but certainly every nation desires to do as it has agreed and will carry out its commitments in full if possible.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. BUFFETT. If an individual borrows $5,000 and has an income of $10,000, or a total of $15,000, the $5,000 he borrows is not included in his income. If a corporation borrows money that is not included in its income. Yet in our figures with respect to U. N. R. R. A., $50,000,000,000 of borrowed money is included in our income.

Mr. CANNON of Missouri. It is unnecessary for us to go into that as the amount has been estimated by economists and there is no disposition to dispute their findings. I may say, however,

if the United States, having taken the lead in frequent protestations of a desire to be helpful in bringing conditions back to normal following the war, should now renege, we would be in the position of the sanctimonious deacon who rises in the amen corner and exhorts the brethren to help the poor, and then refuses to give a cent.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Colorado.

Mr. HILL. The gentleman knows that I appeared before the committee and asked a question concerning the use of domestic wool in connection with the woolen goods given to the people in other countries through U. N. R. R. A. Have those who have the power to purchase been instructed to use domestic wool because of the fact that we have such a tremendous stock pile of wool and still are importing millions of pounds of wool, although I do not know whether or not that is necessary? At the end of this year we shall have a stock pile of probably 2,000,000,000 pounds of wool. May I ask the chairman if he really got any satisfaction out of the persons who purchased the goods for U. N. R. R. A.—any promise or any statement that would lead him to believe that they expect to use domestic wool?

Mr. CANNON of Missouri. I am not familiar with the statistics that the gentleman quotes. I think it is generally understood that under the U. N. R. R. A. agreement the contributions of the various member nations would be used by the contributing nation for the purchase of commodities in its own country when they are available and only under exceptional circumstances, such as shortages in that country of the things that U. N. R. R. A. would like to have from it, would the contribution of that country be used for the purchase of any commodities in another country. Take our own country, for example, and the case of wool. There is no question whatever, but that every pound of wool which will be necessary in the administration of U. N. R. R. A. and for which the United States pays will be taken from Government stock piles—from the wool that we already have on hand.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. STEFAN. We all know the tremendous surplus of wool that we have. I am glad the gentleman has brought that out. What would he say about the tremendous surplus of eggs and the tremendous surplus of fats? Would the money we are appropriating be available to purchase this surplus of fats and surplus of eggs in the United States? You mentioned wool; how about other surplus agricultural products?

Mr. CANNON of Missouri. In the discussion of this subject I am not going to go into the realm of the altruistic or the sentimental. I am not going to go into that question propounded with such authority more than 2,000 years ago, "When saw we Thee anhungered and athirst, naked and a stranger, sick, or in prison?"—although if that inquiry ever applied to a situation it applies here today. I am not going to go into that phase of this legislation or into its application, although in all of the illimitable vistas of Holy Writ there is no more profound statement than the answer to that question. But I will say that no nation that is civilized, much less a nation that is Christian, will stand by under world conditions today and sneeringly proclaim that it is not its brother's keeper. I am not going to go into that phase of it. On the contrary, I am going to discuss it from the cold, hard-boiled, materialistic position of the man who is interested only in the hard cash—in Shylock's pound of flesh. In the post-war period, to which much of this applies, the greatest needs of this country will be two things: Jobs and markets. War factories will close. Servicemen in the armed forces will come home. The demand will be for jobs.

Unless every care is taken in demobilization, there will be the highest percentage of unemployment this country or any other country has ever seen. At the same time we will be confronted by vast reserves of surplus supplies of every character—both industrial and agricultural products—which will overhang the market and clog the avenues of trade and paralyze production and distribution.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend from Nebraska.

Mr. STEFAN. I am very much worried when the gentleman uses the words "cold and materialistic." He perhaps left the impression that I, who asked the question, am cold and materialistic. I think the gentleman did not mean that.

Mr. CANNON of Missouri. Far from it. On the contrary the gentleman has always exemplified the highest ideals of philanthropic statesmanship. No man in the House has rendered greater service in that respect. I am in complete accord with the position which he takes and have merely prefaced my remarks in order to indicate my agreement with the gentleman's position.

Mr. STEFAN. I merely want to say to the gentleman, he and I realize the tremendous amount of food we have stored up here which is liable to go to waste. For instance, on the egg proposition, in which I am tremendously interested, eggs are going to tankage and eggs are being fed to hogs. There is a tremendous amount of surplus wool and a tremendous amount of fat. Packers are liable to come out some day and refuse to take our hogs. I am wondering how much money is provided here to purchase agricultural products to feed them to these people over there who need to eat to keep alive. Will the gentleman explain that to us?

Mr. CANNON of Missouri. The gentleman referred to eggs. We have so many eggs on hand—7,500,000 cases more than was anticipated—that now we are turning eggs into tankage and feeding them to livestock. Representatives of the War Food Administration testified that if it were not for the support given the egg market by the Government, eggs would be selling today at 5 cents a dozen. The only reason they are not 5 cents a dozen is because the price is being supported. But in order to support the market, the Government must buy them. Now all cold-storage plants are full to capacity and there is no outlet for them. Here, under this bill, we are offered through U. N. R. R. A. a market for our indisposable surplus and at the same time a protein food desperately needed by people across the sea.

Similarly, we have so much fatback on hand that the packers are threatening to discontinue slaughter until the Government buys and moves out the surplus supply of fatbacks—a food Europe needs and which will meet the requirements of starving people who will be served by U. N. R. R. A. Prime lard is being turned over to the soap makers because we have such a huge surplus on hand that there is no other outlet for it. We have six times the amount of wool on hand today that is needed for our normal reserves.

U. N. R. R. A. offers a market for each of these products. The purpose for which we are spending money is to provide relief abroad, but incidentally we will be helping ourselves by finding markets so desperately needed for these huge surpluses on our hands, so that we can start over again and provide jobs for men and markets for industry and farm products.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. In connection with what the gentleman has so wisely pointed out I think it is also proper to observe that of the signatory nations to this U. N. R. R. A. agreement, only this country, with the exception, of course, of some of the South American countries, is in a position to sell these various food products, because the other nations, even though they may not be occupied by the enemy, are not in any position, at least for the first year, to furnish the various food supplies to the nations of the world.

Mr. CANNON of Missouri. That is true. All of this material will not be distributed gratis to foreign nations. Some of the nations which are overrun by Axis Powers have gold reserves and exchange, and they will pay for it, but as the gentleman from Pennsylvania [Mr. WRIGHT] says, those who are able to pay for it will not have the facilities, will not have them immediately available when needed in order to deliver the goods at the time and at the place required.

We must understand that we must be ready when the crisis comes. A difference of a week may mean starvation for thousands. We must begin to prepare immediately. We must let contracts, make purchases, and provide transportation. All details must be arranged in advance so that when the emergency comes there will be no delay.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Then the thought you are conveying here about this market is this, is it not, that we farmers will have a market in the Government who will buy our products with our tax money to give away? That is the way the market will be made for us, is that the fact?

Mr. CANNON of Missouri. I understand the gentleman's position. Cash in hand regardless of who is starving. Cash in hand regardless of the child that lies on the roadside over there. But even from that point of view we are going to put cash back in the gentleman's pocket. We are not going to permit him to be too charitable. We will give him back what we can.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. MILLER of Nebraska. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I want to get back to the problem of lend-lease. I am not clear about these products. Can the gentleman tell us, Are the lend-lease products that go to these countries strictly for the military, or do some of those products find their way to the civilian population by being sold to them?

Mr. CANNON of Missouri. Is the gentleman discussing lend-lease?

Mr. MILLER of Nebraska. I am speaking of lend-lease; yes.

Mr. CANNON of Missouri. Of course, lend-lease is furnished to the country, and we get in return reverse lend-lease, as far as they can give it. We are today receiving constantly increasing amounts of reverse lend-lease commodities and services.

Mr. MILLER of Nebraska. Do they sell some of the products to the civilian population?

Mr. CANNON of Missouri. Certainly.

Mr. MILLER of Nebraska. Do those nations then sell it to the population in their own country?

Mr. CANNON of Missouri. That matter has been discussed for 3 years and has been so frequently explained, under charges that England has sold goods to her people at a profit and put the money in her pocket, that it is unnecessary to explain it further. There is absolutely no reexportation of lend-lease without our approval. All such transactions with the British are governed by the Eden white paper, which has been repeatedly published in the lend-lease reports to Congress.

Mr. CALVIN D. JOHNSON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. CALVIN D. JOHNSON. It was brought out a short time ago that the entire catch of the fisheries in Iceland was purchased with American funds and turned over to England, and England, in turn, sold them to the people and put the money in their Exchequer. What does the gentleman call that?

Mr. CANNON of Missouri. It has been explained so often and so fully on this floor when lend-lease bills were under consideration that no foreign government profited 1 cent from any distribution of lend-lease that it is unnecessary to repeat it now. It has been said—and I will give the gentleman authority for it—that these lend-lease funds have been used to fight our own battles, to shorten the war, and to save lives of American soldiers.

Here is an editorial on the subject from the Manchester Union-Telegram. "Lend-lease have saved American lives and is helping today to shorten the war. Its use and indispensability are beyond doubt."

And here is a further editorial quotation from the Worcester, Mass., Telegram: "In spite of persistent attempts by some to show that lend-lease is an instrument we are using to fight Russia's war or England's war or China's war, it must be realized that it is primarily a weapon to fight our own war."

In conclusion, Mr. Chairman, let it be remembered that the appropriations carried by this bill are proposed on the recommendation of the highest military authorities, as shown in the hearings, and by the United States Department of State. In this connection I include a letter from Hon. Cordell Hull, Secretary of State, as follows:

DEPARTMENT OF STATE,
Washington, June 2, 1944.

MY DEAR MR. CANNON: I understand that your committee has under consideration the proposed appropriation of funds for the United States contribution to the work of the United Nations Relief and Rehabilitation Administration, as estimated in the communication from the President dated May 3, 1944.

I am writing this letter for the purpose of earnestly urging upon your committee the necessity of prompt action with respect to our contribution to U. N. R. R. A., as proposed in the pending legislation. In my opinion, nothing could be more damaging to our plans for bringing relief to the long-suffering millions of Europe than to have any delay in the voting of funds for U. N. R. R. A. as proposed. Although, for reasons of military necessity, our armies will have responsibility for civilian relief during the period of military control of the areas liberated by our armies, this factor, as has been explained before your committee, has naturally been taken into consideration in making the initial request for funds for U. N. R. R. A.

The United States has exercised leadership among the nations of the free world in bringing this organization into existence. The work of bringing relief to the starved and devastated lands of Europe is of an importance which is second only to the winning of the war. Unless the United States fully backs this organization, we cannot successfully achieve the great purpose behind its creation nor will we be fulfilling our responsibilities of leadership in reestablishing a stable world which is the first requisite of any lasting peace.

I trust, therefore, that in our own interest as well as for humanitarian reasons the Congress may proceed without delay with the appropriation.

Sincerely yours,

CORDELL HULL.

Let me say further, that the eyes of the world are on the House of Representatives today. If, after the assurances repeatedly given subjugated nations through every avenue of communication from the beginning of the war, that liberation from Axis domination by the Allied forces mean freedom and food and the opportunity to reestablish their violated governments and institutions, the United States on this first opportunity to carry out its commitments, refuses to make the appropriation we have pledged our Government to make, Hitler's microphones will be the first to broadcast the news to the despairing masses of Europe and Asia. The news of any failure on the part of the American people to meet these obligations to the letter will discourage our friends and hearten our enemies and not only prolong the war but will complicate immeasurably the problems of post-war adjustments.

The CHAIRMAN. The gentleman from Missouri has consumed 1 hour.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman lend-lease at the present time is an item that is nothing more than we had in the last war when our Army was producing and turning over to other armies all sorts of things, all sorts of supplies that were required. While there was a charge made to the other countries for the items very little if any of it, was repaid. Some of them did not want to and some of them could not.

Lend-lease, in my opinion, would have to be based upon the testimony as to what their requirements are. I do not think there is any question but what we have to go on with it. I am in a position where I cannot take a position on the amounts that are brought in in this bill, in either direction, because there were certain figures that were given us which looked to me to be excessive. I took the matter up with the representatives of the departments and we were to have a statement on it last evening. The statement has not yet arrived, although we have been promised it sometimes this afternoon. Therefore, for a complete statement of complete position on the question I must wait until tomorrow and take some time then.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CALVIN D. JOHNSON. A moment ago I tried to make a statement relative to reverse lend-lease and to inform the gentleman from Missouri [Mr. CANNON], that in British Samoa, under reverse lend-lease, we are billed $8 for every tree that we cut down in order to make room for our barracks, for our air strips, after we chase the Japanese out. In French New Caledonia we were billed $18 for each tree we cut down. That is the type of reverse lend-lease that is coming back to America.

Mr. TABER. I rather anticipate that a good deal of lend-lease is put in at somewhat liberal figures, on the other hand, I know some of it is coming in a way that is quite helpful to the war effort. I do not know how they handle things in Britain, but my understanding is they have taken care of sites and that they are providing a great many of the fresh vegetables and that sort of thing that our troops are being served.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. O'HARA. The gentleman has disclosed to the House that he has been unable to get certain information and figures from the proper officials in connection with this bill. Does he refer to lend-lease and U. N. R. R. A.?

Mr. TABER. Both; for instance, there was $158,000,000 in one item for lard. I changed the tons to pounds and then divided the pounds into the $158,000,000 and arrived at a price of 18 cents a pound. I looked at the New York paper as of that date for the New York market price and found it was 13.27 cents. I immediately asked the representative of the Department about the price and was informed that it was something like 14 cents; I cannot tell exactly. At that price the total figured at $98,000,000. I have been told that the price was higher because it had to be packed in a certain way. On the other hand, the New York market price of approximately 13¼ cents a pound made me curious. We were promised an explanation, but it has not yet arrived, and this is the reason I cannot take a position with reference to it. It may be all right; I do not know; but on the other hand I feel we ought to know before we get to voting on the bill. I shall tell the House tomorrow just what I find out.

Mr. O'HARA. Mr. Chairman, will the gentleman yield further at that point?

Mr. TABER. I yield.

Mr. O'HARA. How many pounds of lard would the $158,000,000 buy at that price?

Mr. TABER. It would buy a lot.

Mr. O'HARA. I wonder what they are going to use it for.

Mr. TABER. It goes to different places.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. The question, of course, is not how much lard that will buy; the real question is how much lard that will deliver at shipside ready for transportation and delivery abroad, which is always in excess of the open market price, as the representatives testified when they appeared before us. As the gentleman from New York stated, this data will be supplied us in detail showing how much was actually paid for the various commodities and how much additional was necessary for packaging and delivery ready for transportation at shipside.

Mr. TABER. The number of pounds must be very considerable; it would run between 825,000,000 and 850,000,000. It does not all go to the same place, of course.

Mr. O'HARA. Is there a tremendous surplus of lard for our domestic and war uses?

Mr. TABER. Lard is a drug on the market today; it is such a drug on the market that they have been releasing lard for the manufacture of soap, which is a very unusual situation.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. Here is the information the gentleman requested from the Department, contained in this table of figures.

Mr. TABER. I do not believe I would dare attempt to analyze it on the floor without looking it over, but I shall do that, and I will take some time tomorrow to go into it.

Mr. BISHOP. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. BISHOP. The chairman of the Committee on Appropriations said a few minutes ago that a great majority of lend-lease funds has gone to military use. According to the fifteenth report on lend-lease operations by the President, made on March 31, 1944, only 53 percent was used for military items, 21 percent for industrial items, 13 percent for foodstuffs, and 13 percent for services rendered. Along that line, does the gentleman believe a greater percentage will be used for military purposes under this appropriation?

Mr. TABER. A person cannot tell anything about those figures because a great deal of this stuff that is sent over to England, a considerable portion of that sent to Australia, a considerable portion of that sent to north Africa is in turn used by our own forces so that one cannot tell anything about what is really military and what is not from this report. It is absolutely impossible for anybody to follow those things through. Perhaps some day we may have an ultimate report on it, but during the progress of the war I do not see how it can be done.

Mr. BISHOP. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. BISHOP. Does the gentleman believe this will in any way duplicate the program of U. N. R. R. A. in the matter of foodstuffs which is shown here at 13 percent? Will there be overlapping?

Mr. TABER. I would say that at the present time and until portions of continental Europe can be liberated and turned back to civil establishments to run without absolute control on the part of the military, there is not a big field for U. N. R. R. A. to operate in. U. N. R. R. A.'s problem at the present time is taking care of a comparatively small number of people in north Africa and taking care of the job of getting ready for going into the Continent when it is liberated. As far as actually distributing anything on a large scale is concerned, they are not near to that position and cannot be until the military is ready to move out.

Mr. Chairman, I might perhaps describe the situation a little more fully and I believe I should do that so that the thing will be perfectly clear. The Army has an estimate in here, and I expect the amount will be included in the military appropriation bill when it is reported out next week of $562,000,000 to take care of relief and that sort of thing as it goes along into Europe or any other country that it may go into. That is supposed to be based on what they might require down to the 1st of January next. The question involved with reference to what U. N. R. R. A. might have to do will come up when the enemy collapses sufficiently in Europe so that the Army will feel that it can safely turn the territory over to U. N. R. R. A. U. N. R. R. A. is supposed to be taking care of communities that are under their own civil establishments without absolute control on the part of the military and it is for that reason the approach to this problem is very difficult. No one knows when Germany is going to collapse. If she should collapse tomorrow things would crowd in pretty fast and we would be dependent on the organizations that the Army has set up for the time being. If it should be a year from now they probably will not need any substantial amount of these things, but they will probably have to be diverted to other use.

Mr. ANDREWS of New York. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. ANDREWS of New York. I wonder if I understand correctly that the Army has its fund which, if it sees fit, it will use for purposes similar to those of U. N. R. R. A. where the Army is in control?

Mr. TABER. That is correct.

Mr. ANDREWS of New York. Thereafter when they release control of any country or area to its civilians or whatever authority may be in control, then it would come within the purview of U. N. R. R. A. as we know it?

Mr. TABER. Yes. I am going to describe this situation in Sicily and in southern Italy for a moment so that the Congress may have a picture of what the actual situation is and how this thing works. The Army, if I remember correctly, moved into Sicily a little over a year ago. Maybe I am not quite right on that. Then it moved into Italy proper on about Labor Day last year. My understanding is that the Army so far has taken care of all requirements for relief and that sort of thing that have been taken care of in Sicily and in southern Italy.

My understanding from the report and from the testimony, as I remember it, is that the people in Sicily and in southern Italy have had to be taken care of after invasion and at the expense of the United Nations armies for a couple of weeks following invasion. After that period all of the ablebodied group have been able to take care of themselves because there is plenty of work there and they not only have begun to work and earn their own living but they are paying taxes to their localities which are in the process of repairing the roads and bridges with the funds that have thereby been collected. The only ones they have had to feed and clothe at public expense has been the decrepit and those who were absolutely destitute and unable to work.

Mr. BISHOP. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. BISHOP. As I understand it, the Army is handling U. N. R. R. A. up until the time it may be replaced by a U. N. R. R. A. trained group from this country; is that correct?

Mr. TABER. Well, I do not know anything about a U. N. R. R. A. trained group. All I know is that we were told U. N. R. R. A. was not going to move in until the Army felt that the military necessities had ceased to require that the Army keep absolute control of a particular area or territory. That is as far as I can go in answering the question.

Mr. BISHOP. My thought about that is this: True, they will accept our military supervision, but I am wondering what those countries will have to say when they are back to what the gentleman referred to as rebuilding their country, to have us move in to distribute to them and to tell them what to do?

Mr. TABER. I am going to state how things are operating in north Africa. There the only thing we are doing at the present time is bringing supplies in that are needed for the civilian population, largely through agencies of their own creation in that territory, selling those goods to the public so that they may have clothing and food to buy. In other words, we are acting as merchants without profit rather than anything else. I understand that same operation covers 75 or 80 percent of the operations of the Army in Italy today. That is, at least 75 percent or 80 percent of the goods that are turned over to those people in this so-called relief operation are being paid for by the people who get them. They have not any other way to get them than to have our Army handle the goods.

Now, I think I ought to say a word or two about the men's clothing and shoe proposition so that we may have that complete.

I do not know whether this is in the hearings or not, but I have been told by responsible authorities that they are taking old army shoes that are so far gone the troops cannot use them, and they are spending a little money on them fixing them up so that these people who do not have anything of that kind can get along with them. That is where most of the men's shoes are coming from that are being used at the moment.

It is not felt that high priorities can be given for first-class shoes to be used for this purpose so long as the Army requires as large a percentage of the leather as it does. The same way with the clothing. They are fixing up old things that those people can use rather than attempting to go into the market and buy new ones. I do not understand the picture exactly as far as the women's clothing is concerned. I understand that a good deal of cotton goods for both men and women is now being purchased. I do not understand that part of it, but the woolen goods and the shoes I have described.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. O'HARA. Can the gentleman inform us to what extent we are going to be called upon to furnish various articles, such as shoes and clothing?

Mr. TABER. The requirement for furnishing food and clothing is going to be a good deal heavier after the military operations have ceased and the heavy military demand for such things as woolen clothes and leather has dropped off. I would expect that that demand is going to be quite heavy.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself an additional 10 minutes.

Mr. Chairman, I feel that I should say this. I know from other sources that France has a very large amount of gold to her credit here; I know that Holland and Belgium have. Between the three countries they have several billion dollars. Denmark has some, and so has Norway. It is my understanding that where these people have funds available, they expect to pay, and that is the basis of this whole arrangement and whole set-up. How much of it will come back nobody can guess. No one can make an intelligent statement on that at this time. The whole picture over there is so confused that until military operations have advanced further than they have, and we have some idea of what conditions are in those countries, or what they will be when the Germans are driven out, no one can give you an absolutely accurate picture of the situation, and you cannot expect them to.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Under what appropriation is the U. N. R. R. A. office functioning today?

Mr. TABER. It is not functioning with any funds supplied by this country. As I understand, two or three countries have made some contributions to U. N. R. R. A., and they are paying salaries to people on their pay rolls here in the amount of two or three hundred thousand dollars a month, as well as some people abroad. Just how many, I do not know.

Mrs. ROGERS of Massachusetts. My understanding is that British money is being used at the present time for the office of U. N. R. R. A.

Mr. TABER. I think there is one other country that has contributed something.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Does the gentleman have any information concerning the school now being conducted at College Park, Md., Maryland University, where those who are to administer these funds are being schooled?

Mr. TABER. No; I have no information. Has the gentleman any?

Mr. CANFIELD. No; I have not, except what I have read in the press. I believe at the present time there are some 60 men and women out there receiving some schooling. They have to do with the administering of this fund of U. N. R. R. A.

Mr. TABER. I would not know anything about that.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. As I understand, it is the gentleman's viewpoint that this legislation is desirable but that you have to take a great deal on faith because our program has not actually begun and because we do not know the reaction of the countries where our money will participate in their rebuilding; is that correct?

Mr. TABER. I do not know. I think we have to continue lend-lease. I think we have to do something with U. N. R. R. A. What we will have to do, until I am able to analyze these figures that I have been supplied with just now, I would not want to say. I would rather know a little about what I am talking about before I make a statement on that.

But I do say that the conditions over in Europe are such that no one in the world can tell you just how much we will have to do, or how much we should do, or just what part of it we should ultimately attempt to pay. I do not know how that question can be answered at the moment. I think that those people who have the money to pay with should pay for the stuff. On the other hand, we have to see to it that they do not starve.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. As I understand, our Army is going to have $562,000,000 for relief purposes behind our lines. Will there be comparable funds to be used by our allies behind their lines for relief purposes? Have the military leaders decided in any way about dividing up the relief job behind the various lines insofar as it is a military proposition?

Mr. TABER. I understand that the British are carrying a part of the burden. Just how much, I do not know.

Mr. VORYS of Ohio. Would there be any way for us to find that out?

Mr. TABER. I think so. I think maybe I could have that for you in the morning.

Mr. VORYS of Ohio. If we do not have any understanding with our allies as to a division of the military phases of relief work, which would correspond to this half a billion, and we do have an understanding with them as to sharing the burden of the U. N. R. R. A. work, there might be necessity for emphasizing U. N. R. R. A. rather than the military phase, in that under U. N. R. R. A., in the civilian phase of it, we would get some help, and for the other phase of it we might not get any help. I wonder whether the figures would show that.

Mr. TABER. I think it might be interesting to have the figures, but none of us would want our military leaders to give up control of an area before it was safe for them to do so from a military standpoint.

Mr. VORYS of Ohio. Whether we want to or not, they are not going to do it.

Mr. TABER. No.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. CALVIN D. JOHNSON. With the $1,350,000,000 that we have authorized for U. N. R. R. A., in addition to the approximately half a billion, that brings our contribution to relief in Europe to $1,800,000,000.

Mr. TABER. It would be way beyond $2,000,000,000, because it has been going on ever since we landed in north Africa and in Sicily and Italy. Five hundred and sixty-two million dollars is for operations from July 1 to January 1 next.

Mr. CALVIN D. JOHNSON. I am very much interested in the point raised by the gentleman from Ohio as to the proportionate share carried by our allies in carrying forward the relief.

Mr. TABER. I think we could find that out.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE. May I ask the gentleman if the committee gave consideration to the language which was added in the Senate, I believe, at the time the U. N. R. R. A. bill was passed, proposing that in the case of the United States the appropriate constitutional body to determine the amount and character and time of the contribution of the United States is the Congress of the United States? I ask the question with particular reference to the wool situation, having in mind that under the language "character of the contribution of the United States" a part of our contribution might be made in the form of wool stocks now owned by the United States Government, through either the Defense Supplies Corporation or the Commodity Credit Corporation.

Mr. TABER. That matter was brought up; yes. It was talked over. I think there is some testimony on it. But there was no provision put in the bill by the committee on that.

Mr. CASE. Does the reference in the committee report to some $65,000,000 being available in the nature of supplies refer to the lend-lease items?

Mr. TABER. In the post-preparatory period they are asking in this bill for authority for transfer of funds or materials from Lend-Lease which might run into $65,000,000. That includes $21,700,000 for 61,740,000 pounds of raw wool, and $43,200,000 for 78,363 metric tons of raw cotton.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does the gentleman feel that the amount of the authorization for Lend-Lease is lower as a result of the appropriation for U. N. R. R. A.?

Mr. TABER. I do not think so. I think the very fact that there is a suggestion here that we might have $350,000,000 transferred from Lend-Lease is an indication that Lend-Lease is being provided for at a figure which would permit that if there should be a sudden break in hostilities.

Mrs. ROGERS of Massachusetts. In committee I could not find that that was contemplated, but I should think it might well be.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, I had not intended to speak today, but there were some questions asked of the gentleman from Missouri [Mr. CANNON] and I felt that perhaps in a small way I could clear several of them up in a manner in which they have at least been cleared up according to my own satisfaction.

First, I should like to remark about what I consider the fundamental philosophy for lend-lease. I think that we quite frequently make the mistake of considering lend-lease as a debtor and creditor relationship. By lend-lease we put our weapons into the hands of our allies so that they may use them against our common enemy. In so doing, I think, it is pretty generally understood that we are saving our own soldiers and our sailors and our marines, and that we are in the meantime integrating the fighting forces of America and her allies as a more efficient weapon for victory.

I think that we must remember the essential nature of lend-lease when we begin to consider what is going to be done with lend-lease balances, and that is that lend-lease is not a debtor and creditor relationship.

Secretary Stimson testified before the Committee on Foreign Affairs that he considered lend-lease as a very potent and a very flexible weapon for victory. He said that there had been a notorious lack of cooperation among allies generally throughout history, and he quoted Napoleon as saying that he would like himself to fight against nations allied with one another because it was fairly certain that before the war had progressed very far the allies would start fighting among themselves and thus he would be able to conquer them one by one.

Lend-lease involves the principles of mutuality, of common endeavor, of the recognition by all the embattled nations that their entire economy and their entire manpower must be dedicated to the task of defeating the enemy.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Minnesota.

Mr. O'HARA. Can the gentleman tell us whether or not lend-lease materials have gone to nations which are not engaged in this war?

Mr. WRIGHT. Yes; they have, but I would say that the great bulk of lend-lease materials has gone to nations which are actually fighting.

Mr. O'HARA. Can the gentleman tell us any reason that would justify the giving of necessary war materials to countries that are not engaged in the conflict?

Mr. WRIGHT. I think I can, at least to my own satisfaction. We are giving some lend-lease materials to South America, for instance, in a very small manner. The South American nations that are getting these lend-lease materials are cooperating with us in winning the war. This is a world war and a total war, and it is being waged not only by the armies fighting in the field and the navies fighting on the seas but also by those nations who join with us economically and who keep the Axis from their own shores.

Lend-lease exports to Central and South American countries totaled less than $128,000,000 at the end of 1943. Of this amount, Brazil has received over 60 percent. The program for these republics is designed to strengthen our Western Hemisphere defenses and to encourage their production of war materials essential for our use. In return these countries have equipped antisubmarine patrols to help protect our merchant ships, and they have permitted the construction by us of bases in their territory and the use of their harbors and exports.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield there?

Mr. WRIGHT. I shall be very happy to yield.

Mr. CANNON of Missouri. In addition to submarine patrols, to which the gentleman has referred, Brazil, for example, has equipped and is maintaining divisions of troops which are ready and prepared for service. In their maintenance of submarine patrols citizens of South and Central America have lost their lives and our lend-lease, as far as they are concerned, is purely, entirely, and exclusively in the nature of military supplies.

Mr. WRIGHT. I think that is correct. Brazil also is protecting our lines of communication to Africa and thus giving us very valuable aid in fighting the war.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. VORYS of Ohio. I think it also ought to be stressed that lend-lease agreements with our South American neighbors are different from those with other United Nations in that there is a specific agreement for a quid pro quo in each agreement, although the amount of payment is a military and diplomatic secret.

Mr. WRIGHT. I think there is an essential difference; yes.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I shall be happy to yield to the gentleman.

Mr. SCRIVNER. Taking into consideration the remarks the gentleman has just made and the remarks, if I recall them correctly, which the gentleman made on April 17 and 18, am I to assume now that I can tell the people of my district that it is not lend-lease, but that it is "give away," and there is no hope of salvaging, or, you might say, collecting any of these amounts from these allies of ours at all?

Mr. WRIGHT. Precisely the opposite. If I may reply to the gentleman, the agreements between the United States and the other nations provide by specific provisions in all the different agreements

that any unexpended lend-lease equipment in the hands of our allies at the end of hostilities should be returned to us. Now, I think I said the other day, and I think I recall the statement to which the gentleman refers, that is a matter of policy for us to decide at the time, whether it is better for us to bring those supplies back over to this country or dispose of them in some other manner.

Mr. SCRIVNER. If the gentleman will yield further, as I have his statement, he made the statement, "We make a great mistake if we consider the people who are the recipients of lend-lease as our debtors," and then he made another statement.

Mr. WRIGHT. That is right. I believe that is right.

Mr. SCRIVNER. Then another statement which I recall the gentleman made, "These charges, about which we were then speaking, will never be collectible."

Mr. WRIGHT. I do not remember whether I said just that. But we have to make a distinction between our legal position and our practical position. Legally we have a right, under lend-lease agreements, not only to bring back all the equipment, but to charge our allies, if you please, for every penny that we have given them by way of lend-lease equipment.

Mr. SCRIVNER. That is just exactly the point.

Mr. WRIGHT. Whether we are going to do it or not is another matter. I do not have the say-so on that and neither does the gentleman. But it would be improper if we try to treat Russia and England, who have lost so many men, as plain debtors and try to squeeze our pound of flesh out of those countries.

Mr. SCRIVNER. We have lost men, too.

Mr. WRIGHT. I know that.

Mr. SCRIVNER. That was the point I wanted to know, whether or not there was any idea that we would or would not seek any collection of these debts.

Mr. WRIGHT. I think that is a matter for the future. I say, we have the right to collect it if we want to.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield to me?

Mr. WRIGHT. I yield.

Mr. BUFFETT. Does the gentleman not think if we are not going to collect these debts, some more accurate and some more forthright title should be secured for this program other than lend-lease, because the word "lend" in the dictionary means something you are going to get back?

Mr. WRIGHT. The title of lend-lease, I might say to the gentleman, was the title that was given to the program in the debate. It is by no means and in no way an official title. It was the title given to it by the gentlemen of the press who were writing about it. H. R. 1776, as I remember, was entitled "An act to provide for the national defense, and for other purposes.

Mr. BUFFETT. It is reported to the American people as lend-lease, and the American people understand a loan as something you get back. Should there not be some steps taken to correct that impression?

Mr. WRIGHT. If the gentleman will introduce a bill to that end, perhaps I can support it.

Mr. BUFFETT. It would be very strange.

Mr. WRIGHT. I say legally we can get every penny back if we want to. Now may I proceed a little bit further, if I have answered the gentleman's question? We are going to have goods and equipment in these countries after the war and then we are going to be faced with the problem of what is the wisest thing for this country to do. That is not a decision we have to make now. I pointed out that legally we had the right to recover all of that equipment and legally we had the right to get back any money and any goods and any balances that remain after the amount that has been given to us by our allies under reverse lend-lease is deducted. I think we make a good start as to this provision in the present appropriation bill. Remember, U. N. R. R. A. does not take effect in any country until the military have left it and have said it is sufficiently safe to be entrusted to civil authorities. Undoubtedly, in the different theaters of war we are going to have various types of equipment, possibly various foods, and various materials which are right on the ground, which may very practicably be transferred from lend-lease to U. N. R. R. A. Of course, before that is done we have to have the certificates of the men who are in charge of our armed forces that such material is no longer necessary for military purposes. Now another question raised by one of the gentlemen relates to the disposition that is made of foodstuffs by Great Britain, which we have supplied them under lend-lease. Complaint was made that those foodstuffs were sold by Great Britain to the British people.

Now, whatever happens within a nation, within its own economy, is an entirely different matter, I tried to point out once before, from a transaction between a country like England, for instance, and a foreign country. If England would sell for cash or for credit to some foreign nation any of the goods which we furnish her under lend-lease, we would have a legitimate objection. It would be a situation in which we were not being treated fairly. But our lend-lease agreement with Great Britain provides she shall not export any goods which we ship her under lend-lease or any similar goods to any other country. Now, how is England going to dispose of this food which she obtains as a nation under lend-lease from us? Remember, every dollar is entered on this balance sheet between England and the United States, which is constantly being carried under lend-lease and reverse lend-lease. And how is she going to dispose of it? Is she going to give this food gratis to her people? What difference does it make to us as a nation whether she disposes of the goods gratis to her people or whether she charges them for the goods? Is not the sales price in the nature of a tax or similar to a tax to help her to defray the conduct of the war? What difference does it make to us or our economy whether the British people are being charged by the British Government for the food which they eat, or whether they are being given it as a donation from the British Nation?

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 additional minutes to the gentleman from Pennsylvania.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. CALVIN D. JOHNSON. You stated it should make no difference to us whether she gives the food and materials to her people or sells them to her people. Probably that would apply to the original allocation of funds or of food. But if the original allocation, we will say, of $2,000,000,000 is sold to the public, we have established a revolving fund so that they can purchase other food in our country or somewhere and sell it to her people. Does it not mean that we would continually take from the taxpayers of America funds to purchase food and give the proceeds to them and we would be establishing a revolving fund by which they can sell them and keep operating?

Mr. WRIGHT. I see the point the gentleman is driving at. I do not think any such custom is being indulged in. But perhaps it is a good thing that we retain our legal rights under the lend-lease agreement, as we do. I can see where they could bolster their own economy by our giving them credit under lend-lease. But, as a matter of fact, let me point this out to the gentleman, which I think is rather indicative of the share which the various nations are bearing in the conduct of the war. You cannot balance the expenditure of flesh and blood against the expenditure of money. We cannot say that Russia has not given as much or maybe more in this war than any other nation that has been engaged in the war, with the possible exception of China. The only way to gage the respective war effort of the nations or make a comparison as to what the various nations have contributed to the conduct of the war, and the only comparison between their good faith in fighting the war, as I see it, is on a financial basis—and it is an imperfect basis—is to try to determine how much of their total income they are putting into the prosecution of the war.

I have the figures here. I was a little more familiar with these figures a few weeks ago. At that time I believe America was expending in the prosecution of the war, including lend-lease, 47 percent of her income. The United Kingdom was expending somewhere in excess of 50 percent. Russia was expending something over 51 percent of her total national income.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. CALVIN D. JOHNSON. I do not think there is any disagreement or distinction on the part of the American public toward making contributions to those nations that are actively engaged in the war, but the gentleman states that we could not weigh flesh and blood

against cash and I agree with the gentleman on that. But does not the gentleman believe, following his own line of thought, that it would be well to limit the expenditure of funds to nations that are actively engaged by participation in the war?

Mr. WRIGHT. If I may answer the gentleman I will try to explain the way it appears to me. There is always a question in your own mind, whether you are going to obtain more benefit from the expenditure of money than the expenditure is going to cost you. If, in the judgment of our military and political leaders, they have decided it is to our interest to expend money in a certain theater and thereby gain in shortening the war, or we are going to gain in keeping the Axis out of any region, or we are going to gain in keeping the Axis from getting material to aid its war effort from any country; I say spend the money. I want to do everything I can to win the war quickly and to win the war thoroughly and with the least expenditure of flesh and blood possible. Our leaders must exercise their judgment. We are not in a position to make the decisions here. If we do not like our military leaders, of course, it is our job as a nation to get others. In the meantime, however, I am thoroughly well satisfied with what our leaders are doing.

Mr. HOFFMAN. Will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. HOFFMAN. Not finding any fault with the military strategy of our leaders, does not the gentleman realize that our military men are most wasteful when it comes to the expenditure of money? For instance, when they said all they needed for the Pentagon Building was $35,000,000 and they spent $85,000,000. Those fellows are just trained to disregard dollars. They cannot stop to weigh the cost of the money they spend. So, when they step into other fields they are just as wasteful.

Mr. WRIGHT. In other words, they do not have to meet a pay roll.

Mr. HOFFMAN. They do not take the pay roll into consideration at all.

Mr. WRIGHT. There is general criticism of the military men that they do not weigh the cost. I think the gentleman is right. But, it is not only the soldiers who make these decisions as to the purchase of equipment, for instance, from Spain and Sweden, which might be helpful to aiding the Germans. Some of the best economic minds of our country are working on that question, and they are not all Democrats either. Men of all parties and men of all walks of life are doing all they can to bring our country out of this war as quickly as possible, and I think over all they are doing a good job.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. CALVIN D. JOHNSON. A short time ago a letter was brought here by one of the gentlemen from the Committee on Foreign Affairs, in which they justified the sale of the material which they had purchased with lend-lease funds, that it prevented them from having to raise the taxes. I wonder how they figure we get the money in this country except by raising taxes, and if we are bringing it from here to prevent them from raising the taxes over there, it looks like we are the ones on a snipe hunt and holding the sack.

Mr. WRIGHT. If the gentleman is talking about the British Empire I do not think he has to worry very much about their getting rich out of us during the progress of the war. I am sure this war has cost them very much in blood and treasure. I am quite sure they will not wind up the war in any advantageous commercial position over us, which they have gained by any great bounty on our part.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, as has been pointed out, this bill carries appropriations for three major activities of the Government.

In the first place, there is an appropriation of $19,500,000 for the Foreign Economic Administration. In the second place, there is an over-all provision for lend-lease, including unexpended balances, amounting to $7,188,893,000. Finally there is provision for U. N. R. R. A., including appropriations and transfer authorization amounting to $800,000,000; or a grand over-all total of $8,008,393,000.

The Budget estimates have been allowed in full, on the recommendation of a majority of your committee, with the exception of a reduction of $1,381,000 in the request for the Foreign Economic Administration.

FOREIGN ECONOMIC ADMINISTRATION

Speaking briefly as to the Foreign Economic Administration, I want to point out in passing that this agency represents the consolidation of functions heretofore scattered through 14 different agencies of the Government. The agencies in question are the following:

1. The Office of Lend-Lease Administration.
2. The Board of Economic Warfare.
3. The Commodity Credit Corporation.
4. The Reconstruction Finance Corporation.
5. The Export-Import Bank.
6. Defense Plants Corporation.
7. Defense Supplies Corporation.
8. The United States Commercial Company.
9. Rubber Development Corporation.
10. The Petroleum Reserves Corporation.
11. Metals Reserve Company.
12. Cargoes, Incorporated.
13. The Office of Foreign Relief and Rehabilitation Operations.
14. The Office of Foreign Economic Coordination.

The functions of the new agency, as you will note, include lend-lease, procurement of strategic materials, exports control, economic warfare, and procurement for U. N. R. R. A. The organization now comprises two bureaus, four corporations, and one bank.

I call your attention to the fact that the request for this organization this year amounts to $20,881,000 as compared with $46,614,020 for the current fiscal year.

Some of you will recall that about a year ago B. E. W., the principal constituent agency in the group, was before the House for an appropriation of $36,150,000. The request reflected an increase of 57 percent over the funds available for the previous year.

The gentleman from New York [Mr. TABER] offered an amendment to reduce the appropriation for B. E. W. I supported the amendment. As you will recall, the amendment was defeated, after loud protests from the majority side of the aisle. It was argued that the item had been fully justified by the splendid presentation of Mr. Milo Perkins, then head of the agency and that any reduction in the request would impede the war effort. How often we have heard that argument.

What happened? Three days after the appropriation was allowed, as appears in the RECORD, Mr. Crowley took charge of this agency, among others. He imposed a complete personnel freeze, until he had a chance to find out what was needed.

What was the result of the investigation? The result was that an increase of 900 positions authorized by the Congress, was not made; that a reduction of 200 over and above the 900 in personnel was effected subsequent to that date; that a study is still being made as to the possibility of further personnel reduction; and that in coming before your committee this year the agency shows a decrease in 1945 obligations of almost $7,600,000 and unexpended balances of $16,084,000.

Here is an example, Mr. Chairman, of where the committee and the Congress failed to assume what to me is their proper responsibility in such matters. The failure was fortunately overcome by competent handling of the agency and a greater reduction was made than suggested on the floor.

It is to be hoped, Mr. Chairman, if the House determines to go along with the requests embodied in this bill, that reasonable savings all along the line will be effected in the handling of the funds which will be made available.

LEND-LEASE ADMINISTRATION

The lend-lease request is for $7,189,893,000, including the unexpended balances to which I have referred. This request represents, as the report indicates, a reduction of some $3,000,000,000 as compared with funds available in the current year, but if you eliminate the unexpended balances, the request reflects an increase of about $900,000,000 in terms of obligations.

A break-down of the over-all figure indicates $79,880,000 for tanks and other vehicles; $1,033,000,000 for vessels and other watercraft; $5,857,416,000 for agricultural and industrial commodities; $129,600,000 for servicing and repairing of ships; $84,402,000 for services and expenses; and $4,285,000 for administrative expenses.

Lend-lease funds, as we all know, may be made available in two ways: First, by

appropriation to the President for lend-lease purposes; second, by appropriation to the Army, Navy, and Marine Corps, with authority to transfer in their discretion for lend-lease purposes up to the authorized figure.

By direct appropriation to the President there had been made available up to December 31, 1943, the sum of $24,683,629,000. Of this sum, $21,020,605,000 is expected to be obligated by June 30; $19,986,135,000 is reported transferred; $15,578,383,000 is reported exported—both figures as of December 31 last.

By appropriation to the Army, Navy, and Marine Corps, with authority to transfer, Congress has made available a total of $35,970,000,000, from which between four and five billions have been made available for lend-lease purposes. In other words, Mr. Chairman, Congress has made available, in one form or another, for lend-lease purposes, $60,653,629,000 with a total still available of about $34,600,000,000.

Reverse lend-lease is reported at about $2,100,000,000. Lend-Lease officials also report in this connection that records are available today with respect to all lend-lease in reverse, exclusive of combat areas. A year ago it will be recalled that it was said to be impossible to furnish anything satisfactory along this line.

The committee was furnished with a secret document some 14 inches in length by 10 inches in width containing 53 pages of detailed figures purporting to show for the entire request now under consideration the number of units of each commodity to be supplied, their dollar value, the number to be shipped to each country, the over-all totals, and the impact upon our domestic production.

The committee has given these tables as careful consideration as possible under the circumstances. The gentleman from New York [Mr. TABER] has referred already to the difficulty of checking the unit prices furnished. Many of these at first sight seem very high and, of course, a very slight variation in price level will run into many millions of dollars for a single commodity. Costs for overseas transportation and other costs also seem somewhat open to question, and there is some question in my mind whether the revolving funds provided for, amounting to about $526,000,000, should be retained as a matter of policy.

I hope, Mr. Chairman, in the light of the $3,650,000,000 or thereabouts of unexpended balances under lend-lease, that we may look forward to substantial savings in the coming year in the sum recommended for lend-lease purposes.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

Mr. Chairman, before concluding I want to say a few words in reference to U. N. R. R. A. Let me say at the outset that I supported the authorization for U. N. R. R. A., that I am prepared to support whatever appropriation may be reasonably required for our share of the work of U. N. R. R. A. within the limitation which has been authorized. I want to state also, Mr. Chairman, that in my judgment the justification of this item in the pending bill has not been satisfactory.

The request before you is a request for $450,000,000 in terms of appropriation for what is referred to as the preparatory period. In addition to that there is a request for authorization of transfer from lend-lease of $350,000,000 in respect to what may be termed the "postpreparatory period."

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. WIGGLESWORTH. Mr. Chairman, the principal operations which U. N. R. R. A. looks forward to are first, as to health, second, as to essential supplies, and third, dealing with persons who have been displaced from their homeland on the other side of the water.

A break-down of the request indicates: About $373,000,000 for food, $56,000,000 for food production and processing, $215,000,000 for clothing, textiles, and footwear, $69,000,000 for health supplies and soap, $100,000,000 for repair and operating supplies, $4,000,000 for administration costs of procurement, $126,000,000 for transportation costs, $4,000,000 for U. N. R. R. A. administration expenses, and $30,000,000 for relief services. These totals include both the preparatory period and the post-preparatory period.

Under leave to extend my remarks, I include a statement by Assistant Secretary Acheson defining the word "rehabilitation" for the purposes of U. N. R. R. A.:

Mr. ACHESON. I think, Mr. Wigglesworth, that the Congress has made that pretty clear in the authorization statute; that is Public Law 267, which was approved May 28, 1944. We have two references in that law to this point. In section 3 of the act it says:

"In the adoption of this joint resolution the Congress expresses its approval of and reliance upon the policy adopted by the United Nations Relief and Rehabilitation Administration at the first session of the Council, summarized in paragraph 11 of Resolution Numbered 12, and reading as follows:

"'The task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief. No new construction or reconstruction work is contemplated, but only rehabilitation as defined in the preamble of the agreement. Problems such as unemployment are important, but not determining factors. They are consequences and at the same time motives of action. The Administration cannot be called upon to help restore continuous employment in the world.'"

Then the Senate provided in section 7:

"In adopting this joint resolution the Congress does so with the following reservation:

"'That it is understood that the provision in paragraph 11 of Resolution Numbered 12 adopted at the first session of the Council, referred to in section 3 of this joint resolution and reading, "The task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief," contemplates that rehabilitation means and is confined only to such activities as are necessary to relief.'"

That will be presented at the next meeting of the Council and I have no doubt will be accepted by them and taken as the definition of what is meant by rehabilitation.

Mr. CALVIN D. JOHNSON. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Illinois.

Mr. CALVIN D. JOHNSON. The gentleman mentioned a moment ago footwear relative to U. N. R. R. A. A short time ago the gentleman from New York also mentioned that it was the intention of the Army to take the footwear which had been used and which had reached the point where it was no longer serviceable and supply it to those people overseas. I have in my hand a pair of Army shoes with brand new half-soles and heels of a type that are being ground up in my community to make fertilizer. These shoes, in my opinion, represent about $8 new. They represent a deduction from some worker's pay check. I want to read an excerpt from a letter. This letter shows the waste that is going on in which a carload of Army shoes has been ground up for fertilizer. I will read an excerpt from a letter sent me by a man in my district.

Mr. WIGGLESWORTH. May I ask the gentleman who is responsible for processing those shoes?

Mr. CALVIN D. JOHNSON. These are Army shoes purchased as scrap and made up into fertilizer. The division of the Army that sells them I cannot say. I want to show them to the Members of the Congress. Here is an excerpt:

I would like to call your attention, if you haven't already heard, about the use of good, newly repaired Army shoes to manufacture fertilizer. A lot of people who can get them are wearing these discarded Army shoes, and I've also heard there is a place in one town where they are selling them without a ration stamp. The important point is every pair is repaired to A–1 condition before they are shipped by coal car to this company for scrap. The name of the company is the Smith Rowland Fertilizer Co., about 3 miles east of Granite City, Ill.

Those shoes are being ground up, with brand new soles and heels that have never been on the ground. I wish to make it clear that I do not blame the Smith Rowland Co., they bought them for scrap.

Mr. WIGGLESWORTH. I think the gentleman has made an amazing statement, and that it should be brought to the immediate attention of the War Department.

Mr. CALVIN D. JOHNSON. If $562,000,000 is being used by the Army to help people overseas to obtain footwear and clothing it is high time that shoes like this be sent over there.

Mr. TABER. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from New York.

Mr. TABER. Did the gentleman give the name of the plant?

Mr. CALVIN D. JOHNSON. I did.

Mr. RABAUT. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Michigan.

Mr. RABAUT. I asked my colleague from Massachusetts to yield to me for the purpose of inquiring from the gentleman from Illinois making the complaint about the shoes whether or not he has brought this to the attention of

the Army or has asked for any information from the proper authorities about it before he made this statement?

Mr. CALVIN D. JOHNSON. I have not requested that information because I am of the opinion that the Army should have sufficient intelligence not to dispose of material like that.

Mr. RABAUT. The gentleman is making a very serious statement and I think it would have been much better if the gentleman had taken it up with the Army that he might receive more complete information about it.

There is no objection about the gentleman making the complaint, but it would be very well if the gentleman had consulted the Army for the purpose of having full information on both sides of the question. If it were discovered that what has been said is not completely true, then the gentleman has brought a very strong indictment. If it is true, I congratulate the gentleman for the information that he has brought to the House.

Mr. CALVIN D. JOHSON. The statement I am making is just this: That a carload of Army shoes similar to this, and I know of no other place in the world you could have obtained them, are being ground up for fertilizer by a plant in my district.

Mr. RABAUT. The gentleman is some distance from me on the floor of the House and I cannot tell just what the shoes look like. Does the gentleman mean they are grinding up brand new shoes?

Mr. CALVIN D. JOHNSON. No; these are repaired shoes.

Mr. HOFFMAN. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman from Michigan has asked why this was not taken up first with the Army. You sometimes do not get very far doing that. There are some things we know. For example, we know that the Navy insisted up here at Johnsville that the United States Government pay for certain housing.

Mr. RABAUT. Is the gentleman talking about shoes or housing?

Mr. HOFFMAN. We will have a little of both. Waste is waste, whether it is shoes or housing.

Mr. RABAUT. I thought we were talking about shoes.

Mr. HOFFMAN. They built those houses up there and they were unoccupied in the main. They have never occupied more than about half of them and the Navy knows that. The Government knows it. Now, is it the duty of Congressmen to run around all the time and point out all these things at the risk of being accused of interfering with the war program if he mentions them?

Mr. RABAUT. The gentleman has been here as long as I have and he knows the duties of a Congressman.

Mr. HOFFMAN. They ought to take care of those things. Down at Kingsbury, south of South Bend, the same situation exists.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Can the gentleman from Michigan conceive of any answer that would defend the Army in any possible way in the matter of grinding up shoes like that for fertilizer?

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. This is news to me. May I inquire if you can make fertilizer out of rubber and leather? Is that a common practice?

Mr. CALVIN D. JOHNSON. There is a plant in my district that puts leather trimmings from shoe factories and tanneries through a certain process and produces fertilizer. This firm is known as the Smith Rowland Fertilizer Co. They make fertilizer from leather scraps and have for years.

Mr. ROBSION of Kentucky. I observe that the soles on these shoes are rather thick and heavy. Is that good leather? It looks to me like it is.

Mr. CALVIN D. JOHNSON. It is new. It is the best.

Mr. ROBSION of Kentucky. And rubber heels. Could the company out there pay a price that would pay for putting those shoes in repair like that to make fertilizer out of and make money?

Mr. CALVIN D. JOHNSON. I have no knowledge of what happened except that shoes similar to these come in an open coal car to this plant.

Mr. ROBSION of Kentucky. More than one car?

Mr. CALVIN D. JOHNSON. They state "coal cars" in the letter that came to me. One coal car or one pair would be sufficient.

Mr. ROBSION of Kentucky. How could they make enough fertilizer out of a pair of shoes like that and not exceed the cost of the repairs?

Mr. CALVIN D. JOHNSON. There is no question about it.

Mr. ROBSION of Kentucky. Has the gentleman any idea about that? Is it the gentleman's idea that they are repairing these shoes, then selling them as scrap much cheaper than it would cost to repair them?

Mr. CALVIN D. JOHNSON. That is evidently what has happened. The thing I am trying to bring out is that the Army should utilize material such as this to send to European countries instead of sending these funds we have given them for the purchase of new articles to give to the people over there under their relief program.

Mr. ROBSION of Kentucky. There are many places in this country where the people could use shoes like that.

Mr. CALVIN D. JOHNSON. Both the gentleman and I back in Kentucky would have been glad to have them.

Mr. ROBSION of Kentucky. There are places in my country that do not have shoes like that.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Minnesota.

Mr. O'HARA. I would like to ask the gentleman from Illinois [Mr. JOHNSON] if it is not true that in the manufacture of new shoes they are having to use a synthetic leather because they cannot get the new leather, and they want the new leather for the repair of these Army shoes?

Mr. CALVIN D. JOHNSON. Frankly, I cannot say as to that. I know that they are using synthetic materials in the manufacturing of shoes in this Nation today, but as to the reasons they are using it in the repair of shoes, I cannot say.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If the gentleman from Michigan wants another illustration of, whatever you want to call it, waste or inefficiency, I just call his attention to the fact that over the past year or more the farmers were asked to, and they did, produce more and more eggs. In one little town in my district—and I heard the conversation the other day—they were asked to store 3 additional carloads of eggs. They already had 41 carloads in that small town, and they had to use a big canning plant to store those.

Mr. RABAUT. What does the gentleman want to do—keep them and reduce the price to 5 cents a dozen?

Mr. HOFFMAN. I will tell the gentleman what I would do. I would not attempt to tell the farmers how to run their business; I would not interfere with the way the farmers cultivated their land or what they should grow. According to Mr. Jones, who had a seat in the House, now Food Administrator, they are taking those eggs—and you can get it from the press, and the Press Association gives worth-while information occasionally—and they are grinding them to make hog and poultry feed. They get the hens to lay the eggs and then grind them up to feed the hens some more eggs.

Mr. RABAUT. I appreciate hearing the study the gentleman has made of the subject.

Mr. HOFFMAN. I know to a New Dealer that whole thing is just water over the dam, it is all silly; but if you come down to earth once in a while, into the dirt; if you would milk a few cows, feed a few hens, and raise the food to feed the hens; and if you would see what the farmers brought in to you and what they charged, you would know more about it. You can put your finger on almost anything this administration is doing, and find waste, inefficiency, and extravagance.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Are there any restrictions regarding these appropriations? As the gentleman may remember, I offered an amendment which would provide that before final disposition of surpluses of war, airplanes, tanks, jeeps, and so forth, in the various

countries, the permission of the Congress should be asked. Is there any restriction regarding this?

Mr. WIGGLESWORTH. No; I do not think there is any restriction of that character in the bill at the moment.

Mr. Chairman, I want to conclude my remarks by reference to the U. N. R. R. A. picture, as I see it.

First, as has been pointed out, we have the sum of $562,000,000 which is going to the Army under the War Department bill that will be before us in a week or so. Second, we have an appropriation requested here for U. N. R. R. A. of $450,000,000 for what is called the preparatory period. Finally we have a request for transfer authority in this bill in respect to the post-preparatory period amounting to $350,000,000.

The uses to which the $562,000,000 are to be put by the Army are defined in the record and are practically identical with the uses to which the $450,000,000 are to be put under U. N. R. R. A. The $562,000,000 for the Army is estimated on a basis of 6 months' full operation. The $450,000,000 for U. N. R. R. A. is also estimated on a 6 months' basis.

Obviously, U. N. R. R. A. cannot go into action in western Europe until after success has been attained there. For a period of 6 months thereafter the Army will have sufficient money available if it remains in control. It is conceivable that U. N. R. R. A. will be called upon to act in the Near East—probably will act in Sicily and Italy when the Army decides it is safe to turn things over to civilian hands.

The $450,000,000 appropriation for U. N. R. R. A. is requested for those goods which it takes a long time to prepare, for seasonal commodities, and for goods which have to be repaired and reconditioned. The $350,000,000 transfer authorization is requested, according to Mr. Crowley, for use after U. N. R. R. A. begins active operations for things that can be purchased after receipt of full-operating responsibility.

Mr. Acheson, in discussing the prospects for U. N. R. R. A. operations, stated that he hoped U. N. R. R. A. would be operated on a substantial basis in 1945, but when in 1945 he did not know.

The $450,000,000 appropriation was requested by U. N. R. R. A. The $350,000,000 transfer authorization was not requested by U. N. R. R. A. but was added by the Bureau of the Budget.

If the Congress allows the Army request of $562,000,000 and the U. N. R. R. A. request for $450,000,000 to cover the type of goods which I have referred to, which require a comparatively long time for preparation, I think it is very questionable whether the transfer authority of $350,000,000 is in any way necessary. I think it might well be wiser for the Congress to move at a more moderate rate and to obtain thereby the opportunity of again considering the entire matter if the occasion requires. After all, the Congress has no intention of adjourning sine die.

As I have already stated, I have no desire to withhold a dollar that is proved to be necessary for our share of the work of this agency. It is a fact, however, I believe, that to date the only contributions aside from those for administrative expenditure which have been received are a contribution of $320,000,000 from the British Government, $10,000,000 from the Canadian Government, and $50,000 from the Government of Iceland.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Massachusetts.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Minnesota.

Mr. O'HARA. Do I correctly understand the gentleman to say that Mr. Crowley asked for $450,000,000 for U. N. R. R. A., or was that lease-lend?

Mr. WIGGLESWORTH. Mr. Crowley asked the Budget Bureau for between $400,000,000 and $500,000,000 for U. N. R. R. A. The Budget allowed $450,000,000. Subsequently, at whose request I do not know, the Bureau of the Budget included transfer authority for an additional $350,000,000.

Mr. O'HARA. But not in Mr. Crowley's original request?

Mr. WIGGLESWORTH. It was not included in his original request.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. Mr. Crowley told me this morning that he asked for more than the amount provided by the Budget for both appropriation and authorization.

Mr. WIGGLESWORTH. The gentleman was present, as was I, at the advance meeting of the committee with Mr. Crowley before the hearings on this agency. My memory of the statements that were made at that meeting of our committee held at the request of Mr. Crowley is in accordance with what I have stated for the RECORD.

Mr. CANNON of Missouri. May I ask the gentleman from New York [Mr. TABER] if Mr. Crowley did not correct that misapprehension with him?

Mr. TABER. Mr. Crowley told me that he asked the Budget for $450,000,000 and that was all. That is all I have ever heard that he asked.

Mr. CANNON of Missouri. Then did he subsequently correct that statement?

Mr. TABER. I have had no communication with him since.

Mr. CANNON of Missouri. Mr. Crowley told me this morning over the telephone—he called me up, I had not made any inquiry of him—that he asked for more than was allowed by the Bureau of the Budget. I now have a letter from him confirming his telephone conversation to the effect that they originally asked for a billion dollars but had later agreed to the submission of an estimate for the $800,000,000. He asked both for the direct appropriation and then asked for the authorization to transfer in excess of the Budget estimate.

Mr. TABER. I have had no communication with him since Wednesday, I think it was, when we talked with him.

Mr. WIGGLESWORTH. Mr. Chairman, may I in conclusion simply repeat my support of the authorization for U. N. R. R. A., my willingness to vote for any appropriation shown to be essential and my regret that the justification submitted is not more convincing. In my judgment, in all human probability the amount requested by this agency will not be required in the period specified. It is for that reason that I suggest that consideration should be given to the question of proceeding at a more conservative rate at this time and permitting the Congress to have a further opportunity for a thorough-going review of any developments that may occur in the meantime.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

ROOSEVELT JOINS UP

Mr. HOFFMAN. Mr. Chairman, late in January of 1942 World Fellowship, Inc., petitioned Congress to give to the President as a birthday gift, $1,100,000,000 to be used by him to create a federation of the world, a world peace government, under the title of the "United Nations of the World."

About the same time Federal Union, Inc., in propaganda which carried, among others, the names of the President's Secretary of the Interior, Harold Ickes, and United States Supreme Court Justice Owen J. Roberts, Grenville Clark, Gardner Cowles, Jr., Robert Woods Bliss, Russell W. Davenport, Daniel Calhoun Roper, William Jay Schieffelin, and John Foster Dulles, advocated a superunited states of the world, under the name of Union Now.

That plan, had it been adopted, would have resulted in the surrender of our independence, the loss of our sovereignty, the adoption of a declaration of interdependence, the hauling down of the Stars and Stripes, and the hoisting in its place of the flag of Union Now.

To me, a repudiation of the Declaration of Independence, the loss of our sovereignty, a declaration that we were dependent upon some other nation or group of nations, was contrary to every thought of loyalty to my country.

And so, on the 27th of January 1942, and again 3 days later, on the floor of Congress, the idea and the propaganda supporting it was denounced by me, and the House was asked to remember that the first thing, the most important thing, to the people of our country was the winning of the war and the preservation of our independence, of our sovereignty.

The two speeches were consolidated and, under the title "Don't Haul Down the Stars and Stripes," thousands of copies were distributed.

New Deal, pink and red publications; the advocates of a surrender of our independence, of the hauling down of our flag, of the substitution for our form of government of an international government, where we would be under the control of foreign nations; those who have advocated the hauling down of the Stars and Stripes and the running up in its place of an international flag, immedi-

ately began a smirch campaign and ever since, by innuendo, have charged me and all of those who believe in America, in constitutional government, in our ability to take care of ourselves as a nation, with disloyalty and a lack of patriotism.

Intent upon the remaking of America, upon the destruction of freedom, independence, and of progress through individual effort; seemingly determined to dissipate our natural resources and our manpower for the benefit of other peoples and other nations, greedy, selfish, ambitious politicians carried on the campaign of vilification and false charges through which they sought to create the opinion that all those who believed that the interests of this country in its dealings with other nations should be given first consideration were guilty not only of reprehensible conduct but were not good citizens.

They sought, and for a time with some success, to pin the badge of disloyalty upon all isolationists. They certainly intimidated many. An isolationist in Russia is one who upholds the government of Stalin. In Great Britain, an isolationist is one who follows the leadership of Churchill.

The internationalists have preached, and they would have you believe, that here in America one who places the interest of his own country above that of all other countries is a traitor to his own country.

Stalin has let the whole world know that in his mind, in his heart, he has but one thought, and that is the advancement and the protection of his homeland—Russia.

Churchill has told us in no uncertain terms that his every word, his every thought, his every act, will be given to the preservation and the extension of the British Empire.

But here in America, the cradle of liberty, the citadel of freedom, those who thought, who spoke, who acted, for the preservation of the institutions which have preserved liberty, the internationalists said, were in some way guilty of disloyalty, were lacking in patriotism, because they did not support the New Deal; because they insisted that, in our dealings with other nations, we should not enslave our own people.

The Marshall Field publications, the Luce publications, the New Republic, and some others have said that the isolationists were all bad citizens. They intimated, and sometimes they made the charge a little bit stronger than intimation, that those who believed in this country of ours, who had faith in our people and in the Government founded by the forefathers, that all the people who believed in those things and wanted to retain our independence and our sovereignty were disloyal or unpatriotic, and sometimes they said we lacked good sense, we were a little addled in the head. For months, yes, for more than a year we had to take it. Isolationists were pro-German. That was the cry. There never was a fouler, more vicious lie uttered than that. They tried to defeat some of the so-called isolationists in 1942 and did not get so far with it.

Now we come along to last year, and what do we find? In September some Republicans were up to an island, Mackinac, up in the Straits in Michigan. They put forth a declaration up there as to our foreign policy. The substance of it was that while we would collaborate and cooperate with other nations, we still were going to insist that we remain a free and independent nation under the Stars and Stripes, not under some other flag. Well, again we caught it. Again they branded us as pro-German, sort of Nazis or something, nasty, anyway, whatever term they used. So we get down to last week.

In the meantime, although Roosevelt said, in the September 1936 campaign, that he wanted none of the Communist support, either then or at any other time, and you will find the quotation in the Times-Herald this morning, in an editorial, we find that he let Mr. Browder, who is the head of the Communist Party, out of jail. Now it is merely a coincidence, I suppose, that Mr. Browder straightaway became an advocate for the fourth term. But anyway he did.

AN APPROACHING ELECTION BRINGS A CHANGE

For overlong, the self-appointed judges of what Americans should think, say and do got away with their vicious, untruthful charges. But the elections throughout the country, and especially the more recent ones in Wisconsin and Illinois, disclosed to the politicians that the great Midwest, the breadbasket of the country; the people who, without hesitation, have paid taxes, bought bonds, and sent their loved ones to fight and die on foreign soil—when day by day it becomes more and more evident that Russia and Great Britain do not agree as to the objectives of this war or the terms of the peace; when it is apparent that there is no such thing as an enduring world peace—are determined that we, like Stalin and Churchill speaking for their countries, insist that the homeland come first.

The astute politician in the White House, seeking a fourth term, has sensed this determination. He realizes that, in the coming election, he cannot be successful unless he can secure the votes of the Midwest. And so the other day, speaking at his press conference, he, in substance, adopted the declaration of foreign policy of the Republicans who met last summer in conference at Mackinac Island.

He declared that, while we would cooperate with other nations in the plans for an enduring peace, we would not at any time surrender any portion of our sovereignty.

Franklin Delano Roosevelt, the candidate for a fourth term, has now openly again become an isolationist, a nationalist.

And where does that leave the Marshall Field press? It cannot very well turn its abuse on its idol, its fourth-term candidate.

Will the Chicago Sun now berate Mr. Roosevelt, its idol, its fourth-term candidate, for being an isolationist, as it berated our colleague, the gentleman from Illinois [Mr. DAY], before the last election? Will New Republic brand the President a traitor, as it did isolationist Members of Congress?

The fact that his promise, in view of his past performances, means little or nothing to those who are aware of his political methods, does not detract from its significance.

He talked like an isolationist, like a nationalist, long before he was elected President. Then, apparently because of political expediency, he became an internationalist. Learning now that the Chicago Tribune, that the Washington Times-Herald, and the New York Daily News, in their advocacy of America first, of adherence to our Declaration of Independence, of loyalty to constitutional government, have but expressed the thought of the people of the Midwest, the President is once more trimming his sails to meet that sentiment in the hope that it will carry him into a fourth term in the White House.

The President's announced conversion to isolationism, to nationalism, will not be accepted at its face value, for the people remember that he once told us that people were to be judged by their acts and not by their words.

The fly in this new honey designed to catch votes is that the people still remember his broken promises, and especially the one made just prior to the last national election, when he told them unequivocally on October 30, 1940, at Boston, that their sons would not be sent to fight on foreign soil.

They know now that at the very time that promise was made, a policy was being followed which would inevitably lead to war. They know now that at the time those words were uttered, preparation for our participation in the war was being made, and they know now that, like some of the statements of the Republican candidate, Wendell Willkie, many of Franklin Delano Roosevelt's promises are but "campaign oratory."

With 5,223,000 of their sons fighting and dying in a war from 3,000 to 13,000 miles from home, our people are going to rely in the coming election only upon unequivocal statements of policy from men of known veracity who have character sufficient to resist all impulses to break those promises because of political pressure.

Governor Bricker, of Ohio, has announced his policy. Experience demonstrates that he is a man of his word, and he rendered the whole country a service when, a few days ago, he called upon all to shed all camouflage, come out in the open, and tell the people where they stand, not only on domestic issues but on the great question of whether in the future we shall be drawn into entangling alliances, our men be called upon to fight and die to promote the political interests of some foreign nation.

Our people will demand, too, of any candidate who has not heretofore kept his promises that he give some assurance that this time his word can be relied upon.

The people of America want, and they are entitled to have, from any and every man who seeks at their hands the most powerful office in the world, a clear, plain

statement of the policies which he will follow hereafter.

They want to know, and they have the right to know, whether the next President of the United States will preserve constitutional government; will respect the independence of the individual citizen here at home, and whether, when dealing with foreign nations, he will at all times think first and give adherence to the interests of our own country, our own people.

If we make this appropriation for U. N. R. R. A., which is before us today, of $1,350,000,000 of the American taxpayers' money, our people may well ask us whether we, their chosen representatives are considering first their interest or the interest and the welfare of some other people.

I do not intend to vote to use the money of the taxpayers who sent me here to buy farm machinery, clothing, and other items which our own people need and give those things to the people of other lands. I do not intend to vote to use the money of the taxpayers of my district to build factories, docks, transportation systems in other lands, where later, after the war is over, they will come in competition with the farmers and the workers of my homeland.

So long as I remain here, I shall on every occasion, when the issue is drawn, vote for what I conceive to be the best interests of the people of America, rather than for the making of gifts, purchased by the expenditure of their funds, for the benefit of people throughout the world.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I want to speak out of order for a few minutes on a matter of grave import to many of the municipalities throughout the country. I refer particularly to several municipalities in my own district, because under Pennsylvania law, as was decided by the supreme court of our State, all machinery in industrial plants is considered a part of the realty and subject to local, municipal, and State taxation. By the same token, Federal property is not taxable. In a recent case before the United States Supreme Court, the Mesta Machine Co. case, the Supreme Court held that machinery owned by the Government or loaned to private contractors or industries is not subject to local taxation. For instance, in my home State of Pennsylvania an $85,000,000 addition has been made to the Homestead Steel plant, where they make 30-inch armor plate for battleships, and they have some $60,000,000 worth of machinery. In order to construct that new addition under an order of the Government, a demolition order, they had to destroy and tear down some $16,000,000 worth of property, individual homes of industrial employees in this plant. Many of them had to go miles away. Now, under the Supreme Court decision, the municipality is required to still furnish police and fire and every other protection accorded to every other individual in the community, and yet they are denied the right to tax that machinery as part of the realty, with the result that it is putting budgets out of order and jeopardizing the fiscal policies of municipalities. This applies not only to Homestead, Pa., but the same situation is true in Duquesne, Pa., and in my own community of Glassport, where there is a $10,900,000 plant with some four and a half million dollars' worth of machinery. Now, I think this situation growing out of the Supreme Court decision will be taken care of by a bill introduced by my distinguished colleague, the gentleman from Pennsylvania [Mr. WRIGHT] in H. R. 4835, which simply complies with what the Supreme Court said, that it was a matter for Congress to authorize State and local taxation of machinery owned by the United States, which is being used in war production by private contractors. Private contractors get the benefit and the use of that machinery. I think they pay some nominal interest to the Government for the use of it. I think local municipalities and taxing bodies ought to have the right and should be given the right by this Congress to tax the machinery on which industry itself gets the benefit. At least they give the industries the right of police and fire protection accorded to all of its citizens.

I hope that my distinguished colleague on the Ways and Means Committee the gentleman from Pennsylvania [Mr. EBERHARTER] spurs the Ways and Means Committee to report out this simple bill, which is exactly six lines in length.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield.

Mr. EBERHARTER. I want to say to the gentleman from Pennsylvania that I think the bill has much merit. In that connection I think the situation in the District of Columbia can be used as an illustration. The Federal Government gives to the District of Columbia approximately $6,000,000 every year because of the fact that the Federal Government owns property in the District which is not taxable. In these municipalities where the Government owns property, the local municipalities get no return whatsoever. So that if it is fair for the Federal Government to give the District of Columbia, for its government, a direct appropriation of $6,000,000, in order to enable them to carry on, certainly some relief should be granted to the municipalities which support these Federal lands and these Federal projects, from which the local communities derive no taxation whatsoever.

Mr. WEISS. I think the gentleman is correct. I may cite an instance where they tore down $16,000,000 worth of property. They put up a plant costing $85,000,000 and yet we are not permitted to tax that because of the present prohibition.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield.

Mr. O'HARA. Of course, I realize the problem the gentleman has in his district. I have a problem in my district where a great industry came in in the early days, and this industry bought the land and started the plant. Then they started a new scheme. The Government came in and condemned land, and the plant was operated by this large business organization. As a matter of fact, it took practically all the taxable land in one township. I do not approve of the theory by which that is done. I think it should be taxable, but I think the gentleman will run into a lot of headaches and a lot of difficulties when he starts legislating to take care of that sort of situation. Why should not this industry operate that as an industry?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WEISS. The Supreme Court in a recent decision said that in this emergency, where the Government owns the machinery and leases it to a private contractor it is a matter for the Congress to say that it should be taxable.

Mr. O'HARA. That is one of those decisions in which the Supreme Court so often says that is something that Congress should do.

Mr. WRIGHT. Will the gentleman yield?

Mr. WEISS. I yield.

Mr. WRIGHT. I want to express my appreciation for the support that my colleagues from Pennsylvania [Mr. WEISS and Mr. EBERHARTER] have extended to me in this bill which I have introduced. I wish, also, to remark that this is a matter which not only concerns Pennsylvania; any State or any municipality which has a budget to meet, which has war plants constructed within its borders is also affected. We had a situation when I belonged to the Committee on Public Buildings and Grounds at the time they were erecting defense housing. In the beginning defense housing paid only a small portion of taxes as compared with what would be paid by privately owned homes. That was amended in committee. The committee said that public housing should be taxed in an amount comparable to the taxed paid by Federal-owned homes. I want the gentleman to remember also, and my colleagues, that this machinery is in competition with privately owned machinery which is doing the same work. Also, if federally owned machinery is not taxed and privately owned machinery is taxed, it will keep the individual plants from purchasing the machinery, because it will impose upon the machinery as soon as it is purchased, the burden of taxation which it does not have now. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WEISS] has again expired.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, I have been particularly interested in U. N. R. R. A. Our committee sat in at the formulation of the draft agreement; some of us went to Atlantic City. I studied it carefully as the authorization legislation went through the House,

and I have had some opportunity to look into it since.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. BRADLEY of Michigan. The original draft of the U. N. R. R. A. bill was not made at Atlantic City. It was submitted down at the Food Conference at Hot Springs, Va. Your committee had it in executive session long before the Atlantic City conference; is that not correct? I mean the original draft.

Mr. VORYS of Ohio. Yes; an original draft—I do not know how many original drafts there were, but a draft that was different from the final one was taken up with our committee. The Senate Foreign Relations Committee made criticisms and suggestions which were adopted, and then the amended draft was taken up in our committee. Both the House Foreign Affairs Committee and the Senate Foreign Relations Committee went over the draft before it was signed November 9, at the White House.

Mr. BRADLEY of Michigan. If the gentleman will yield further, it is a fact that the original draft prepared by Dean Acheson and his advisers, with some help from the British, was submitted for consideration at that time to the Food Conference at Hot Springs, Va., which I attended together with your colleague from Ohio, Dr. SMITH, and, in my humble opinion was the principal reason for which the so-called food conference at Hot Springs was called.

Mr. VORYS of Ohio. The gentleman may be correct. He was there and I was not. All I know is that on June 10, 1943, a form of original draft was made public, as having been tentatively approved by the British, United States, Russia, and China.

In any case, I have been interested in this, and on a recent trip through England and Africa I was interested to see how U. N. R. R. A. was starting off. Their start in London was certainly not on a a very imposing scale. I went to the building to see the U. N. R. R. A. office. It was a most modest office building. There were two door bells out in front. On one of the door bells was a cardboard on which was written with a pen "U. N. R. R. A." On the other one, "Lady Blackmore only." I punched the right door bell and went in and went up to an extraordinarily modest office that U. N. R. R. A. had at that time in London. They were just starting off. They had a system of organization which is bound to fail if they do not change it. They had three joint chairmen in charge of the European committee for U. N. R. R. A. The three men, however, recognizing the fatal character of any such arrangement, were attempting to work out their duties between themselves, and dividing them up so that they would not get into a fight. They were making plans then; seeking personnel and so on. I saw Governor Lehman in north Africa. I talked with him; I talked with some of the British. I realized then what I realized last night about midnight when I finished reading the committee hearings, where our Appropriations Committee went very exhaustively into the needs and proposals and what the money was going to be spent for and how it was to be administered.

Eight hundred million dollars is a lot of money. We have authorized a limit of $1,350,000,000. After going through the hearings, after looking through the field operations which are just commencing because, unfortunately, we have no liberated area where they, so far, can try their hand—and I know that we all want liberated areas as soon as possible—but here is what I realize: You cannot be sure how much you need. I have not been able to arrive at any decision on how you could intelligently cut what is proposed. You cannot budget human suffering. You can budget what you are going to spend to relieve it, but the suffering is going to be there. It is the same experience we have had during the last couple of years, where, in the case of some War and Navy items, money was turned back but in others they needed deficiency appropriations. Our needs in weapons are determined by our enemies, how hard they fight, the way they fight, and the places they fight. We cannot budget that type of war needs, and nobody but the good Lord can budget just how much suffering there is going to be after this war. We can decide how much we will do about it. I got to looking at this $800,000,000 this way after going through the far more intelligent studies the committee has made, I came to this table on page 311: European population figures. I shall speak in round figures. I found there were 78,000,000 people in eastern Europe. That includes Albania, 1,000,000; Czechoslovakia, 15,000,000; Greece, 7,000,000; Poland, 34,000,000; and Yugoslavia, 16,000,000. We know that when those people are freed from enemy occupation they will not have a thing. They have been bled white of food, of their dairy animals, of everything that was not nailed down, and the enemy have pried up a lot of things that were nailed down. They will be destitute. There are 74,000,000 of them. I got to figuring this way: I bet I could take up a collection whereby we would say we were going to give them 10 bucks apiece to last them 6 months, 5½ cents a day apiece. I bet I could raise money on that basis. Seventy-four million people starving, pretty nearly naked, diseased, their homes destroyed, and they have not any money. The United States alone is going to give them $10 apiece, a nickel a day for 6 months. That would run to $740,000,000 when you add it all up. Then from that same table you will find there are 62,000,000 people in Belgium, Luxembourg, the Netherlands, Denmark, France, and Norway; but U. N. R. R. A. expects those people to pay for practically everything they get. It seems to me we could raise a fund by public subscription in the United States to take care of those people on the basis of raising a buck apiece to take care of their most desperate needs for 6 months, while they are getting on their feet, and paying, of course, for most of their supplies. That would run to $62,000,000. When I added the two sums together, I found I already had $800,000,000.

This we may say is not very statesmanlike arithmetic but what I realized was that we are not going to be able to support these utterly destitute people in eastern Europe for $10 apiece for 6 months. Also it is going to cost something for overhead in this thing. In the last war we put in $2,600,000,000 and all the rest put in $400,000,000 for relief. If we can get out this time for $1,350,000,000 while the others put up about $1,000,000,000 it will have been financially a better deal than after the last war. We may budget, and decide that is all we are going to do, but the human suffering, which is planned suffering that the Nazis have carried on, that the Japs are carrying on, planned torture and suffering, and planned starvation and planned sickness; that is going to need much more than the funds we have provided. Those people are going to do a lot for themselves. The whole purpose of this thing as expressed is to help people help themselves. So unless someone proposes an intelligent way to cut this I am disposed to go ahead with this $800,000,000 that is asked for at this time and put this U. N. R. R. A. organization on its mettle; if you please, give them enough rope to hang themselves. They have started out on a good pattern. They may make mistakes, they may fail, in any case I would not want to be the one to hold back funds that would give them the excuse to say that if they had had enough money to get ready in time when the thing broke they might have saved many, many lives.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. CHIPERFIELD. Would the gentleman care to comment on the use of lend-lease materials by U. N. R. R. A.?

Mr. VORYS of Ohio. It seems to me, if I understand it, that their idea is to build up some stocks of stuff which you buy seasonally and distress goods that you pick up as bargains, and other stuff that takes some time to prepare, get a stock pile on hand, have the Army and the Navy keep using from that stock pile to keep anything from getting stale but to have that on hand so as to be ready when the big load comes. At the present moment only the good Lord knows when the big load is going to come, when our troops are going to be victorious and start driving the enemy back. Shortly after the time we have something ready for the immediate demands we are going to have a period when we think that the military demands of both ourselves and our allies are going to dwindle, when lend-lease commitments will drop off, and at that time it is proposed to use the lend-lease stuff that fits in with this program as our contribution to U. N. R. R. A. If that is the arrangement it seems to me a sensible one. I do not, however, believe I am telling any secrets when I point out that there apparently are possibilities now that were not contemplated when U. N. R. R. A. was before the Congress earlier in the year. When we heard about U. N. R. R. A. in committee and on the floor the proposal was that first would come the Army for a period

of possibly 6 months' occupation, and then U. N. R. R. A. would come in. There is a possibility that due to the squeeze by the Russians and the activities in Italy, and so forth, there may be an evacuation or something like an evacuation in the Balkans which will mean that we will not have our allied military forces in there in force taking charge for months and months, but we will have a problem of keeping order and administering relief; and it is a tough problem and one that has enormous difficulties. That is a proposition that may throw a heavier load immediately upon U. N. R. R. A. than was contemplated when we considered it on the floor a few months ago.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. SPRINGER. Is it or is it not a fact that following the last World War practically all of our relief was raised by public subscription through war chests and matters of that kind?

Mr. VORYS of Ohio. No.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. VORYS of Ohio. Mr. Chairman, I have used the word "relief" with respect to this $2,600,000,000 in a realistic rather than a legal sense. Only a comparatively small portion of that was raised by public subscription. The rest was relief loans which were never paid back and it turned out that we were furnishing relief at a time when we thought we were making loans. As will be remembered, only little Finland considered those advancements as loans to be repaid. The rest considered them as contributions, although we did not at the time. The cost to the American taxpayer was the same as if they had been contributions in the first place.

Mr. SPRINGER. In each local community was it not the custom to raise funds for relief for war just a subscriptions generally were raised?

Mr. VORYS of Ohio. I think that is true. It would seem to me that proceeding through this system of support by taxes instead of subscriptions, is preferable, even though the purpose is relief, even though the purpose is largely humanitarian. We are justified, almost compelled, to do it by way of taxation instead of by public subscription because we must have the supplies on hand and ready instead of waiting for subscriptions to come in. Why? In order to do the most military and diplomatic good in addition to carrying out our humanitarian purposes.

Mr. SCRIVNER. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Kansas.

Mr. SCRIVNER. I would like to raise a question right along that line of raising this money through taxation. Can the gentleman give me some information? It may sound a little old fashioned but I raise the question of constitutionality. Where is there any constitutional authority for us to levy taxes to spend for purposes as proposed in U. N. R. R. A.?

Mr. VORYS of Ohio. The constitutionality of that was passed on in a number of appropriations some time after the last war. There was one involving the Japanese earthquake and a number of other appropriations, all made for the relief of human suffering, and there have been some for the same purpose during the present war. I cannot cite the gentleman the constitutional authority but we examined into it in our committee.

Mr. SCRIVNER. If the gentleman finds it will he be kind enough to let me have it because I am very curious about the matter.

Mr. VORYS of Ohio. I will.

Mr. Chairman, this is the first time that the Foreign Economic Administration has come before the Congress for appropriations or for any sort of authorization. Up to now it has been a war baby born last September 25 by Executive order, and with its forebears consisting of O. E. W., B. E. W., and 14 other agencies which have had a tempestuous existence in the past. Over a year ago during the discussion of lend-lease extension I called attention to the fact that we did not have lend-lease but a "loose end" administration in which we had 8 different agencies exporting strategic materials and 5 of them importing. We had duplication and confusion in our foreign economic activities. F. E. A. was a step in the right direction, and it may be an appropriate agency for war purposes, but under the U. N. R. R. A. appropriation, I wish you would get this, we authorize F. E. A. to go ahead in peacetimes.

It is true that the State Department, our ministry of foreign affairs, the sort of ministry that in any other government would have such matters under it in peacetimes, now has an Office of Economic Affairs. It is true that F. E. A. does not buy anything. Procurement is by the Treasury, the Army, the Navy, the War Food Administration. It is true that it is a fifth wheel, I believe, both in wartime and in peacetime, but it is proposed to continue the activity. I do not know whether we can do anything on this appropriation bill by way of limitation to change that or not. An amendment which I offered when U. N. R. R. A. was up for consideration, placing this in the State Department which now has charge of 26 appropriations for international organizations, was adopted by the Committee of the Whole, but defeated in the House 175 to 217.

I want to point out to you the machinery and the way F. E. A. works. I read from the Executive order creating it:

> The powers and functions of the Administration shall be exercised in conformity with the foreign policy of the United States as defined by the Secretary of State.

Did you ever hear of any organization any place where you had the policy making in one organization and the administration in another, one having nothing to do and no responsibility for administration, the other having nothing to do and no responsibility for policy making?

What actually happens under this? Well, we have two sets of liaison officers. The State Department should have charge of our foreign affairs, economic, political, and diplomatic. We have liaison officers so that these two—State and F. E. A.—can keep in touch with each other. We have, however, the policy supposed to be laid down under this order by the Secretary of State and administration under F. E. A., which is a part of O. E. M., which is a branch office of the White House. You have never before heard of such an organization in business. It is completely contrary to the line of responsibility you find in military organizations, and even in this strange, wonderful city of Washington, under the New Deal, you rarely find an organization as mixed up as this is. Why is that? I have tried to find out. And I have heard two different rumors. I have no direct information.

Why is it that there is an insistence apparently in the peacetime period to go ahead divorcing the Department of State from foreign economic affairs? Why is it that apparently it is to be divorced from O. W. I.? Our foreign information and propaganda, our foreign economic activities, ought to be under the same head as our foreign diplomatic and political activities. It should be organized that way. Britain is doing it, and the British know a great deal about such matters. Instead of that, we have it organized where the administration is one place and the policy making another.

I have heard it stated that Secretary of State Hull does not want this job of administration. The Old Eagle, as he is called by his admirers, prefers to soar in the blue of high policy and let somebody else do the work of hiring and firing. Who, however, is willing to take direct charge of hiring and firing? Why, the President. O. E. M. is under him and F. E. A. is in O. E. M.

I have heard another reason for this set-up, and that is because the President is jealous of the Secretary of State. Either one of these reasons to me is almost unbelievable. What I want to point out to the Committee is that the same sort of confusion and duplication that we see in New Deal domestic affairs has been going on in the daily administration of our foreign economic activities. A lot of people who say, "We are in favor of the President's foreign policy and everything is working fine," make the statement because they do not know anything about this complicated, duplicating machinery.

I want to ask this question: How can you expect an administration that mixes up its own administrative problems in that way to construct and administer and put together an appropriate set of machinery for world collaboration?

It has been pointed out this afternoon that as we get further along into the campaign each side is saying about the same thing, and we are very clear on the broad principles of what our postwar collaboration shall be. If you take

speeches by responsible statesmen in both parties, you cannot find much difference, in that all are saying, "We intend to participate, but we intend to preserve our own integrity."

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. VORYS of Ohio. Since there is no difference in principle, I ask you who could best conduct the administrative work and set up some sort of an organization that will function wisely, the party that has the head one place and the tail another, or the party that would believe in having the sort of organization that we recognize in military affairs, in business, and in Government as sound?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman has referred to the foreign policy of the political parties. How much will we in the United States have to say what our post-war foreign policy is going to be, in collaboration with other nations, when you hear the Prime Minister of England enunciate one foreign policy which contemplates power politics and additional imperialism, and having Stalin announcing another foreign policy seeking to get an extension of his sphere of influence, and then we have another foreign policy? Who is going to tell us what to do? Are we going to be told what we are to do with our foreign policy by some of these other power politicians?

Mr. VORYS of Ohio. That is a little off the subject. I can only say this: I hope before this invasion starts we will have an authoritative public statement of the policies that at least the so-called big three have agreed upon as to their war aims and peace aims.

Mr. AUGUST H. ANDRESEN. Does not the gentleman feel that we largely lost our bargaining powers to shape the post-war world when we did not have much of it at the beginning of the war and when we were operating under lend-lease and some of these other things we have done to bring victory to our colleagues in the United Nations?

Mr. VORYS of Ohio. Former Ambassador Bullitt, who testified in 1941 before our committee along the same line that he used in the important article that he published recently on that very subject, said then, what he now says, and what he said at the end of the last war that the time to make international agreements is when you are needed.

My feeling is that regardless of past mistakes, from now on in, by merely taking a strong position in a spirit of cooperation, we can secure for ourselves and for the world arrangements that will lead to a just and lasting peace and that will not only be satisfactory to our allies but also be satisfactory to the United States of America.

Mr. AUGUST H. ANDRESEN. The gentleman states an ideal there which may be difficult to accomplish when you consider the aims of some of the United Nations.

Mr. VORYS of Ohio. There is no question about the difficulty of our present position, military, diplomatic, and political, as far as world affairs is concerned. But our country up to this time has gotten along by solving difficult situations and solving them in a way that was to the benefit of the United States as well as the rest of the world.

Mr. AUGUST H. ANDRESEN. We hope it will be that way.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, what is a general officer's command? The other day on the floor of the House of Representatives the statement was made that our Army was overstaffed and that it now has more lieutenant generals than have heretofore existed in the entire history of this country. The impression was given that anyone who wanted to be an officer could get a commission and we were getting in the position of having more officers, especially high-ranking officers, than we have privates in the Army. Of course, such inferences are ridiculous.

These statements do give rise to the inquiry as to "What is a general officer's command?" In the United States Army we find that at different times the command of a general officer has varied; but that at the present time his responsibility is greater than ever before in the history of our Army. The chart which I insert here shows the situation from June 30, 1940, to February 29, 1944:

Date	General officers	Strength of Army	Ratio
June 30, 1940	104	266,000	2,558
Dec. 31, 1940	252	618,000	2,452
June 30, 1941	349	1,361,000	3,899
Dec. 31, 1941	437	1,678,000	3,840
June 30, 1942	620	3,090,000	4,984
Dec. 31, 1942	897	5,356,000	5,971
June 30, 1943	1,062	6,993,000	6,585
Dec. 31, 1943	1,189	7,482,000	6,293
Feb. 29, 1944	1,209	[1] 7,590,000	6,278

[1] Estimated.

Mr. Chairman, a careful study of these figures shows a general officer in the Army of the United States with 6,278 men under his command today has almost 3 times the personal responsibility of that same general officer on June 30, 1940. Proportionally, our Army now has fewer officers today than it has had in many years.

In comparison with other armies of the world, our Army stands out as being the most efficient fighting force in the world. The following are the figures which show the command strength of the general officers in the other armies existing in the world today, to wit:

ARMY

Chinese Army: 1 general officer to 1,000 men.

Japanese: 1 general officer to 2,400 men.

British: 1 general officer to 2,528 men.

German: 1 general officer to 5,000 men.

Italian: 1 general officer to 5,100 men.

United States: 1 general officer to 6,278 men. This includes Air Forces.

AIR FORCES ALONE

Japanese: 1 general officer to 1,860 men.

British: 1 general officer to 3,365 men.

German: 1 general officer to 3,000 men.

A careful study of these figures will show that our Army is most efficiently organized; in fact, the most efficiently organized Army in existence. It is not overstaffed with general officers, and with its fine organization it is doing a magnificent job. Carping critics should assimilate these figures and give a truly great organization the recognition to which it is entitled.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, because this measure contains appropriations for lend-lease, for the participation of the United States in the work of the United Nations Relief and Rehabilitation Adminstration, and for the Foreign Economic Administration, it is very hard to segregate the items one from the other. As a matter of fact, it appears to me that the functions of these agencies are so interwoven and so interrelated that it is quite a problem for those who have not participated in the hearings and study of this measure to subdivide the appropriations contained in the pending measure. It is suffice to say that the gross amount of the appropriation sought by this bill is a huge amount of money. The gross amount sought by this measure for lend-lease alone is the appalling sum of $7,188,893,000, which is a sum of money far beyond the comprehension of any of the Members who are sitting and listening to this debate.

Mr. Chairman, while we are engaged in this war, which is the most frightful war of all time, and we must do everything that is essential and necessary to win this war at the very earliest moment, it is the wish and the will of every Member of the House to aid in bringing this war to a speedy and a successful conclusion. And it is the further wish of every Member of the House, I am constrained to say, that when this frightful war is ended that our boys may come back home, speedily and without delay, from the battlefronts where they are engaged. Therefore, we must do that which is necessary to aid in terminating this war at the every earliest moment. But, may I say here, that when our boys do come back home—when this war is over—we do not want them to come to a country which "has been burned over"—which has suffered from the scorched-earth program—because of our great generosity to all of the other nations of the earth. We have given away, we have transplanted, and we have yielded so much already to other nations. Some of this generosity has been of aid, without doubt, while some of it has been a gratuity which has not, and which will not, be of any aid or assistance in this war, and it will not be of any assistance whatever in establishing or cementing friendship with some of these countries. Friendship cannot be purchased. Friendship can only be won by honest

and straightforward relationships between nations.

Mr. Chairman, as I look over the long list of nations embraced in the report accompanying this measure, I find the Union of Soviet Socialist Republics—Russia—is to receive the stupendous sum of $2,432,596,800; that the British Empire, which includes the United Kingdom, Australia, New Zealand, India, South Africa—colonies—and the additional funds which are undistributed, will receive $4,043,422,772; other nations, such as Greece, the French colonies, Poland, Yugoslavia, South American countries, and Turkey, will receive huge sums of money. All of these gratuities make the staggering sum of more than $8,000,000,000.

Mr. Chairman, I am reminded during this debate of the tragic problem our people in this country have faced for the period of this war. Our farmers have faced a most tragic situation. They have suffered from a manpower shortage, and they have been almost entirely stripped of the opportunity to purchase and procure any kind or type of farm machinery. I could cite many, many instances where our farmers have tried to secure a hay rake, a mower, a plow, or a corn planter, at the time they had great need for the same. Our farmers are producing the necessary food for our people, our Army, our Navy, and for the people in foreign countries. This is the food with which we want to prevent starvation in these foreign countries. Yet it has been almost impossible for our own people—our farmers—to purchase and obtain any kind of a necessary farming implement with which to aid in the planting, tending, and harvesting of their crops. This is the very food which will sustain life, and which will aid in preventing hunger and starvation in this country and in foreign countries. This is the food which must be first produced on the land in this country before we can supply it to the people who need it now.

Mr. Chairman, many of us are very uncertain regarding the use of the funds which are requested in this measure. If these funds are to be used for the purchase of farming implements of all kinds in order that we may give them to foreign countries—and thus deprive our own farmers, and our own people, of the essential tools and implements with which to plant, tend, and harvest their crops—then many of the Members will loudly protest that use of the funds provided by the people of this country. I am not making this suggestion on my own part, alone, but I have read in many of the farm publications and other periodicals the statement that the lend-lease funds were being used, and that these very funds have been used for the purpose of purchasing farming implements and equipment of all kinds so the same may be sent, as a gift, of course, to foreign countries. I certainly hope those in charge of the lend-lease have not so debauched the use of those funds. I hope that those in charge of those funds have a higher regard for the people—for the farmers—of our own country than to deprive our own producers of the necessary implements and tools, and to buy and give away to the farmers of some other country those things which are so essential for the production of the food and food products for our war effort, and for our own people, including, of course, our Army and Navy. It goes without so saying that if we are reduced in our opportunity to produce the necessary food in this country, then we will suffer hunger and starvation in this Nation, and we will be deprived of the opportunity to aid those hungry and starving people in the many foreign countries where that terrible condition exists.

Before the debate closes on this measure, I ask that those in charge of this measure explain to the Members of the House the extent of those practices, to which I have referred—and to give the amount in dollars and cents which has been expended for the purchase of farming implements and farming equipment for the purpose of giving it away to the farmers in the many and various foreign countries which are mentioned in the report accompanying this bill. I am confident the people and the country want to know what is being done with the money which they provide for this war effort. They want to know what has become of the farming implements and equipment which they so sorely need, and which they have tried to purchase without success. If this farming equipment is being given away to Canada, and to other foreign nations, our farmers want to know all about it. If the money which has been provided by bond purchases, and by taxes, is being used to purchase farming equipment and tools, and the same is thereafter being given away to the people of other nations—they want to know the facts about it. Insofar as I am concerned, Mr. Chairman, the time for secrecy has long since passed. I want to know the facts, and I want those in charge of this measure, representing the administration, to tell us all about this huge request for more money—and I want to know the use to which this money is to be put. If this money is to be used to buy and give away the farm machinery and equipment which is needed so badly by our own American farmers—and our farmers are to be further deprived of any opportunity to secure those things which they need, then I cannot submit my support to any such program. Any such plan would be an obstruction to our war effort, and it would be highly detrimental to our effort to aid in preventing hunger and starvation in the occupied nations of the world.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. It has been said in my district on numerous occasions that the only opportunity the farmer has today to obtain much needed farm machinery is by joining the three-A program, and after having joined it, by some sort of hocus-pocus he can get the necessary priority certificates with which to purchase his equipment.

Mr. SPRINGER. I thank my distinguished friend from Michigan for that splendid observation. Recently in my own State of Indiana we found that those who were representing the A. A. A. program were sending out notices to farmers, requiring that they join the farm plan under the A. A. A. program if they were to receive nonhighway gasoline allotments and also, under the threat that boys of military age who were engaged in farming and who were the owners of farms, that unless they complied by joining the farm program of the A. A. A., would be put in class I–A and sent into the Army.

Mr. BRADLEY of Michigan. The gentleman will recall, will he not, that it was the will of this Congress, as written into a recent appropriation act, that that should no longer be permitted?

Mr. SPRINGER. I am entirely familiar with that provision. I think it was a splendid act on the part of this legislative body. I supported that praiseworthy amendment.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my distinguished friend from Illinois.

Mr. CALVIN D. JOHNSON. In reference to the program for machinery for foreign countries, if you refer to the CONGRESSIONAL RECORD of March 22, on page 2933, you will find a list of approximately half a million pieces of farm machinery totaling 186,000 tons, which was programmed for distribution through U. N. R. R. A. I am happy to discover, though, that the program, following its disclosure, has been cut from 186,000 tons, although they denied the program ever existed, to 20,000 tons, and it has now been placed under the control of the Army.

Mr. SPRINGER. I wish to thank my friend for that fine contribution. That is a material reduction if that policy is followed.

But as long as our farmers need farm machinery in this country, as long as they need to produce the food which is necessary to prevent hunger and starvation, then they should have this machinery which is to be allocated to foreign countries.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my friend, a member of the committee.

Mr. RABAUT. I would like to impart the following information to the gentleman in reply to the question that he asked. The farm-machinery production in the United States in 1935 was about $300,000,000. In 1942 it was almost $700,000,000, and in 1943 it returned to about $500,000,000. So it is two-thirds more than it was in 1935. Of that amount, the amount for lend-lease was 1.8 percent. So it is such a slight amount, in view of the enormous increase, that it is hardly a nick in the program.

Mr. SPRINGER. May I ask my distinguished friend from Michigan why it is, then, that our own American farmers are unable to secure the needed farm machinery which they must have in order to plant, tend, and harvest their crops?

Mr. RABAUT. The question is very well put: "The needed farm machinery." Every American farmer—and I do not blame him for it, with the shortage of help—tries to get the last word in farm machinery because he is able to pay for it. But, of course, the demand is tremendous, as is proven to the gentleman by the statement that I just made to him concerning the amount of farm machinery that has been manufactured during recent years.

Mr. SPRINGER. Of course, I do not know where the gentleman obtains his figures, and I do not know whether they are authentic, but I do know this: That our farmers cannot obtain the machinery which they need for essential farming purposes.

Mr. Chairman, may I say any such plan by which farm machinery, which is needed by American farmers, is being purchased and sent to foreign countries, does not meet with my approval and any such plan would be an obstruction to our war effort and it would be highly detrimental to our effort in preventing hunger and starvation in our own country and in the occupied nations of the world.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my friend from Colorado.

Mr. HILL. I might say in response to the gentleman from Michigan that he absolutely misses the whole point when he tries to put farm machinery on a price basis. What does he mean standing before this committee and telling me, a farm implement dealer, that you can talk about the price or the amount of farm machinery manufactured when you can make one tractor and one large combine that takes the place of 100 plows which the farmers need? There is no use making excuses for the farm implement manufacturers of the country, they have not made the equipment that the farmers need, and he knows it better than anybody else. He tells us here in dollars and cents how much machinery was manufactured and tells the farmer at home that he can buy farm equipment that he needs when he knows he cannot even buy a plow.

Mr. SPRINGER. I wish to thank my friend for that observation. The implement dealers have no implements or tools to sell the farmers, and the farmers cannot buy them, under the circumstances, although they need them badly.

Mr. RABAUT. Mr. Chairman, I yield the gentleman two additional minutes, but if the gentleman does not want to take the additional time I will take time myself, as he has been very fair in debate.

Mr. SPRINGER. I am very glad to yield to the gentleman from Michigan.

Mr. RABAUT. In regard to the remarks of the last speaker, there is always a relationship between money and that which money purchases. The lend-lease exports for 1941 were around $5,000,000, that is, in this line. They were $10,000,000, almost, in 1942, and up to $20,000,000 in 1943. Now there is always a relationship, no one can deny a certain relationship there. When that boils down to the point where the export is 1.8 percent, why it is evident to any man who thinks that it is infinitesimal in the entire program.

Mr. SPRINGER. Of course, may I say to my friend from Michigan that the fact remains, however, in various communities in this country, our farmers are trying to buy farm machinery. Their old machinery is worn out. They must replace it. They must have this machinery in order to produce. They cannot get the machinery.

Mr. HILL. I said nothing about equipment that was being sent abroad. I am talking about the volume of farm equipment that has been manufactured in the United States and sold to the farmers. Had the gentleman from Michigan listened to what I said, he would know I was talking about the number and type of machines that the farmer needs. He needs plows. He needs small tractors, rubber, and equipment of all kinds to keep up his farm. The gentleman has been quoting figures in dollars and cents.

Mr. SPRINGER. May I say the gentleman from Colorado is correct and I want to thank him for that splendid observation. We must aid our American farmers. Any failure in this respect will bring hunger and starvation to the people at home, and will materially obstruct the war effort.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. SPRINGER] has again expired.

Mr. CANNON of Missouri. Mr. Chairman, we have a peculiar situation here. Gentlemen who express a burning desire for information which easily could have been secured if they had consulted the hearings or the departments in charge of the subject matter.

It might interest the House to know that more farm machinery is being manufactured today than was ever manufactured before in a like period in the history of the United States, or any other country; that we are sending abroad less farm machinery, under lend-lease, than was ever sold abroad in pre-war days. It is true that in many communities farmers cannot get all the implements they want, but they are getting more than they ever had before. It must be recalled that we are at war; that we need steel for guns and planes and battleships. The gentleman from Colorado mentioned rubber; that they wanted rubber on the farm. We need rubber for war purposes. We cannot have both butter and guns. If the gentleman wants to take away from the soldier the gun in his hands, or the plane that is protecting him from attack above, in order to give some farmer more machinery than he ever had before, of course, it is his privilege to take that position.

Mr. COLE of Missouri. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to my colleague from Missouri.

Mr. COLE of Missouri. I wonder if the gentleman from Missouri will tell us approximately how much farm equipment has been sent to Great Britain under lend-lease?

Mr. CANNON of Missouri. Only 1.8 percent of our entire production, so small an amount that it would not have any appreciable effect upon our national economy. Furthermore, it is said in furtherance of the real objective of lend-lease, that the purpose of our contributions is to help distressed nations to help themselves. We have to provide food for them or see them starve. It is much cheaper and it is much more effective for us to provide the machinery for them to produce their own food than it is for us to produce it and send it over there by ship. The amount that we send them is the minimum amount that they must have in order to return to self-sustaining production.

Mr. COLE of Missouri. The reason I asked you that question, the gentleman will probably recall a few weeks ago when several members of the House of Commons and the House of Lords of Great Britain were visiting here in Washington, at which time there was a reception or a meeting held for them in the Senate caucus room. I remember very distinctly that Mr. Herbert Butcher, a member of the House of Commons, in his speech, was very profuse in his thanks to America and to the American farmer for the farm equipment that had been sent to them under lend-lease, and particularly tractors and power-driven farm equipment. That is the reason I asked the question.

Mr. CANNON of Missouri. That is gratifying that they do show appreciation. As we know, England always imported the major portion of her food, but since the war she has plowed up every available acre in order to produce as much of their food as possible. They did not have the machinery. They did not have the factories to produce farm machinery. According to official statistics the lend-lease machinery we have sent to England has increased the production of food in England 70 percent. Otherwise, that 70 percent would have been sent across to them in ships. But, with this small amount of farm machinery in comparison to our total production of machinery—less than 2 percent—at a time when we are supplying our farmers more than they ever got before, it is the most absurd thing in the world that anybody should be complaining because of these few pieces of machinery sent over to help a bombed and beleaguered people produce their own food and become to that extent self-sustaining.

Mr. COLE of Missouri. I am sure the gentleman does not mean that we should restrict our own production and deprive our own farmers of equipment that they need, for the purpose of increasing production in the British Isles.

Mr. CANNON of Missouri. No; we have not appreciably deprived our own farmers. They receive 98.2 percent of our production of farm machinery—a larger production than has ever been delivered to American farmers before. Before the war we shipped to Italy, between 1936 and 1940, two and one-half million dollars' worth of farm machinery, and we are sending over there now a few pieces that is pitiably less than we formerly sold them in pre-war days.

Why not complain about the amount we sent them in pre-war days, which was a much larger percentage of our total production than we are sending them today?

Mr. AUGUST H. ANDRESEN. May I ask the gentleman a question about the U. N. R. R. A. appropriation?

Mr. CANNON of Missouri. I yield with pleasure to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I do not like to change the subject. However, some weeks ago, when our colleague the gentleman from Arkansas [Mr. FULBRIGHT] was in England, I heard a radio broadcast in which he was quoted as having said that some of the money that was being provided for U. N. R. R. A. would be used in building schools and colleges and teaching a new culture over in those countries as they are recovered from our enemies. Does the appropriation contained in this bill contemplate a program of that kind in any manner?

Mr. CANNON of Missouri. There is no reference to anything of the kind in connection with the hearings that we have held. Absolutely nothing in this bill or in the hearings or the justifications to sustain any such proposal. Our contribution consists of food, and the minimum amount of food to sustain life; medicine, the minimum amount of medicine that can possibly be supplied; and clothing to people who for 2 years have had no source of clothing replacement, and the cheapest clothing we could buy; principally, second-hand; and restoration of facilities such as sewerage, light, and telephone systems, although it was explained before our committee that in one city they supplied less than 100 telephones for a city which in pre-war days had 30,000 telephones. We supply the minimum of indispensable facilities.

Mr. AUGUST H. ANDRESEN. As I understand it, when the Army goes into one of these devastated cities that has been bombed they generally go ahead and restore the water system, the sewerage system, the communication system, the lighting system, so that they can get people back into somewhat normal living conditions again. It is my understanding that U. N. R. R. A. will go in afterward and try to provide necessary things for the people.

Mr. CANNON of Missouri. No. U. N. R. R. A. only does repair work, and if patchwork has already been done by the Army, U. N. R. R. A. does not seek to improve it. That was brought out in the hearings before the committee. We provide no finished construction of any kind.

Mr. AUGUST H. ANDRESEN. I wanted to make certain that none of this money was to be used in teaching a new ideology to these people.

Mr. CANNON of Missouri. Such a proposal is foreign to anything carried in this bill.

Mr. AUGUST H. ANDRESEN. Possibly the gentleman from Arkansas was a little liberal in his statements when he was over in England, then.

Mr. CANNON of Missouri. Possibly he was misquoted or misunderstood. There is nothing in the bill to justify any such proposal.

Does the gentleman desire to rise at this time?

Mr. TABER. No; we have several Members who wish to be heard today.

Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. HILL].

U. N. R. R. A. AND THE PURCHASE OF DOMESTIC WOOL

Mr. HILL. Mr. Chairman, I rise at this time to talk on one item in the U. N. R. R. A. appropriation, to give the Committee some information we collected in a special committee of which I am a member dealing with wool. The members of that subcommittee were the chairman, the gentleman from Utah [Mr. GRANGER], the gentleman from Missouri [Mr. ZIMMERMAN], the gentleman from Oklahoma [Mr. RIZLEY], the gentleman from Texas [Mr. POAGE], and myself. We conducted extensive hearings in the matter of the stock piling of wool. We were very much interested in what was going on with regard to wool and as a result the Committee on Agriculture appointed this special subcommittee to hear witnesses, take testimony, and try to find out why wool continues to pile up in ever-mounting millions of pounds at a time when at the same time we are importing millions of pounds of wool from foreign countries.

A good many of us felt that U. N. R. R. A. should buy wherever possible every pound of wool for its use produced domestically and not purchase foreign wool with the money furnished by the taxpayers of the United States.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. AUGUST H. ANDRESEN. As I understand it U. N. R. R. A. in the manufacture of wool garments can buy foreign wool at the present time but not domestic wool and that the manufacturers in this country are buying foreign wool at the present time as against domestic wool because it is cheaper; is not that correct?

Mr. HILL. The gentleman knows of course that the foreign wool that has been imported has been shipped in under the direction of Federal organizations such as the Commodity Credit Corporation; consequently it does not pay a tariff and the difference or spread between domestic wool and foreign wool as far as the manufacturer of woolen goods is concerned will range around 18 cents per pound. Evidence developed in this hearing which every one of the Members interested in wool and the production of wool should read showed us that—now, listen to this—not a pound of American or domestic wool had been manufactured into a suit of clothes in America for the last year and a half to 2 years. Does that answer the gentleman?

Mr. AUGUST H. ANDRESEN. In part; but let me pursue my inquiry a little further. It is a fact that the British Government has approximately 450,000,000 pounds of wool in this country.

Mr. HILL. I am coming to that; I have those figures. The gentleman is anticipating what I am going to present. I expect to give the figures in just a few minutes.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. HILL. Briefly.

Mr. CASE. I think the situation is even worse than that in that the agencies which are procuring clothing for U. N. R. R. A. are not even using the foreign wool which it owned by the United States already but are going out into the market and buying wool which we do not even have in the country.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield right there?

Mr. HILL. Just a moment; let me answer the question first.

Mr. CASE. The gentleman will recall the purchase of Argentine wool at the very time when Argentina was cooperating with the Axis.

Mr. HILL. It has never ceased purchasing Argentine wool as far as our committee could develop; but do not forget that in using the word "UNRRA" we also mean the organizations that purchase for U. N. R. R. A.

Mr. CANNON of Missouri. The gentleman understands, of course, that U. N. R. R. A. never has purchased anything at all.

Mr. HILL. That is what I just stated, that when we speak of U. N. R. R. A. doing this and that we mean other organizations operating for U. N. R. R. A. U. N. R. R. A. has not, of course, and cannot buy anything at all because it has no funds, but other agencies make commitments for it. So why take my time in saying that U. N. R. R. A. has not purchased anything because it has no appropriation. Everybody knows that.

Mr. CASE. If the gentleman will yield on that point, Mr. Chairman, I will ask the gentleman from Missouri this question: When the bill was before us the gentleman from Texas [Mr. LUTHER A. JOHNSON], and the gentleman from New York [Mr. BLOOM], both took the same position, that no commitments had been made by U. N. R. R. A. to purchase clothing made of wool. The record shows that the Office of Foreign Relief and Rehabilitation Operations as far back as November initiated the purchase of clothing for some 10,000,000 people and did make commitments.

Mr. RABAUT. What does "initiated" mean?

Mr. CASE. It is in the business of supplying needs.

Mr. HILL. Mr. Chairman, I do not yield. I ask, Mr. Chairman, that I be protected from unwarranted interruptions and that I be not interrogated unless the person interrogating me first addresses the Chair for permission.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HILL. Not right now.

Mr. CASE. But the gentleman did yield to me. I call attention to the fact that Mr. Jerome I. Udel, Director of the Clothing and Textile Program for the Foreign Economic Administration which absorbed the functions of the former Office of Foreign Relief and Rehabilitation Operations on the very day that the U. N. R. R. A. bill was signed did call for bids, did procure clothing for the use of U. N. R. R. A.; and this bill proposes to

provide administrative funds for the Foreign Economic Administration which is the procurement agency for U. N. R. R. A. So that to say that no procurement has been made for U. N. R. R. A. on clothing or wool is a dodge of which nobody should be proud.

Mr. HILL. The gentleman is correct. I propose to go ahead, Mr. Chairman, without being interrupted until I have given my figures.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. HILL. Very briefly for a question.

Mr. CALVIN D. JOHNSON. I think the gentleman would like to have this information. The RECORD of March 22 of this year, page 2934, shows that 5,000 tractors were to be delivered to U. N. R. R. A. from the allocation made to the War Food Administration.

Mr. HILL. When were they allocated?

Mr. CALVIN D. JOHNSON. The allocation was made at a hearing of the requirements committee and were to be delivered on August 1, 1944.

Mr. HILL. I thank the gentleman for the contribution.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. HILL. I should like to go ahead, but I will yield later if the gentleman has a question.

Mr. WRIGHT. That is what I have.

Mr. HILL. Going back to the wool, let me say that in 1942 the British stored in this country some 350,000,000 pounds of wool. Later this wool was purchased by the Government of the United States, and 280,000,000 pounds of this wool still is in warehouses.

Our domestic wool clip amounts annually to about 450,000,000 pounds. This wool is also purchased by the Government through the Commodity Credit Corporation or other Federal agencies. At the present time the Commodity Credit Corporation has on hand as nearly as I can find out some 160,000,000 pounds of wool. These figures are only approximate because they are selling and moving some of this wool. As I say, our annual wool clip is 450,000,000 pounds. Great Britain in addition to the wool I mentioned before, has stored here her own wool to the extent of 500,000,000 pounds. The importers and textile manufacturing firms have on their hands 450,000,000 pounds currently for their use in processing and the manufacture of cloth.

Our normal consumption of wool is annually about 600,000,000 pounds. During the war, of course, it grew very markedly and reached a top of 900,000,000 pounds. Six hundred million pounds is the average. We may go back to the average or we may even go below it, when this war ends; no one can tell.

It is estimated that at the present time we have on hand sufficient wool to meet the normal consumption demands of the country for a period of 2½ years.

Let me recapitulate for just a moment. Two hundred and eighty million pounds of stored wool, our own Federal Government owning it, 450,000,000 pounds of domestic clip for this year—that is the anticipated 1944 crop—160,000,000 pounds now held by the Commodity Credit Corporation, 500,000,000 pounds stored here but still owned by the British Government, and 500,000,000 pounds on hand for current use by mills and importers. If you total those figures you will find they reach the tremendous sum of 1,890,000,000 pounds of wool. This is enough to bankrupt every wool producer in the United States of America, if this present plan is permitted to continue on indefinitely.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HILL. Mr. Chairman, I would like to call attention to some testimony that was given to our committee, although I have not time to give it all. This testimony was given by experts in the wool business. I read what Mr. Ackerman, who is textile consultant and executive director of the American Wool Council, said:

> Your wool grower then faces this situation: Forty percent of our wool textile-producing machinery for civilians will use foreign wool because foreign wool is cheaper and O. P. A. prices are used on the lowest cost raw material. Wool textile manufacturing is a competitive business, and the saving on foreign wool per yard is appreciable in raw materials. As to the 25 percent which U. N. R. R. A. wants—where they use any new wool at all they will use foreign wool. Mr. Konhaim, the head of the Textile Section, so told me. He said that U. N. R. R. A. was engaged in a relief task, that he had no interest in the domestic economy, that in the purchases of U. N. R. R. A. it was intended to buy foreign wool, bring it in in bond and use it, and that the effort to inject the required use of domestic wool into the situation was one of those panaceas in which he did not believe.

I understand Mr. Konhaim has been relieved of his position. I am surprised a man with such economic theories could ever have such a position under our Government.

I have considerable testimony but I will not take the committee's time to read it which shows exactly where we are headed in this wool-stock-piling program.

I feel that we should provide an amendment to this appropriation requiring that all clothing and all textile material that we are sending, and paying out of our taxpayers' pockets in connection with this U. N. R. R. A. program should be domestic wool, or wool now owned by the Federal Government.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. HILL. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does the gentleman anticipate that the 500,000,000 pounds of British wool in this country will be taken out of the country?

Mr. HILL. No. I believe the testimony showed that they could take this 500,000,000 pounds if they wished but, should the war be over quickly the chances are the British would have no need for it, because the Australian clip will be coming in and the British usually buy the Australian clip.

Mr. AUGUST H. ANDRESEN. The Australian clip is sufficient to take care of the British needs?

Mr. HILL. It has been in the past.

Mr. Chairman, I want to refer to some interesting testimony given in the Appropriations Committee. I read it and I must put it in the RECORD. Page 329 in the hearings before the Subcommittee on Appropriations.

> Mr. STEIN. That is entirely right, Mr. Chairman. And in addition to that, there is a gross over-all shortage, particularly of woolen fabrics and fabricating, and capacity for farbricating clothing.

Let that statement sink in your mind. He stated further, as follows:

> We are trying to face this problem and meet it in a way that will make the least impact on the American market. It is therefore extremely desirable that we space our buying as much as possible out over the longest possible period and direct our buying to surpluses, distress stocks, which can be bought up in smallish quantities—

The gentleman from Illinois [Mr. CALVIN JOHNSON] should be here to hear this:

> shoes that do not sell very well; clothing that was made for the Easter trade and missed the market—things like that. If these are bought up, it is an advantage to the American manufacturer and wholesaler, and it affects the American consumer very little or comparatively little, and it gradually builds up the stock. But that is a very slow process.
>
> I think it might also be of some interest to the committee to know that we are using the device of getting Army salvage clothing repaired and redyed, taking the distinguishing marks off it, and making it available. That will provide durable clothing at a very cheap price.

That is interesting when we realize the fact that we are going to have a stock pile of 1,300,000 pounds of domestic wool and wool owned by the Federal Government.

In closing, may I say that I am not opposed to an appropriation for U. N. R. R. A. I think perhaps that this might be an organization that the nations of the world might well use to bring about a closer cooperation among them on all matters of trade and economic relations. If U. N. R. R. A. is administered and directed with real vision and understanding of our problems, as well as the economic difficulties of other nations properly and correctly considered in making decisions, U. N. R. R. A. would undoubtedly make a real contribution to the welfare of the entire world.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. CASE].

SHALL SURPLUS DOMESTIC WOOL BE CONTRIBUTED TO U. N. R. R. A.?

Mr. CASE. Mr. Chairman, I take this time because I want to discuss the wool story. I think the record has gone far enough in trying to say that U. N. R. R. A. has made no commitments or that no commitments have been made on behalf of U. N. R. R. A. Either commitments have been made or they have been made under an alias that is no disguise at all.

At the time that the U. N. R. R. A. bill was before the House on the 23d of March, during the remarks of the gentleman from Texas [Mr. LUTHER JOHNSON], I called attention to the reports that commitments were being made for fabrics and for wool on behalf of U. N. R. R. A. At that time the gentleman

from New York [Mr. BLOOM] asked the gentleman from Texas [Mr. LUTHER A. JOHNSON] to yield and made this statement:

There is no commitment made by U. N. R. R. A., there has been no money spent by U. N. R. R. A. in any way, shape, or form up to the present time. That is positive. U. N. R. R. A. has not spent one penny of the money they are authorized or supposed to get under this authorization and they have not made any commitments.

Subsequently, following further remarks between the gentleman from Texas and myself, Mr. LUTHER A. JOHNSON said:

With reference to the inquiry with regard to clothing I will say that no commitments whatever have been made by U. N. R. R. A. Until an appropriation is made by the Congress and the funds are authorized to be spent, there will be no obligation, no commitments of any kind for any material whatever. We are assured of that.

The gentleman from Missouri [Mr. CANNON] today said again that no commitments have been made on behalf of U. N. R. R. A. so far as wool is concerned.

Now, what is the record? The gentlemen, relying, no doubt, on statements made to them, are being misled.

As far back as last November commitments were being made on behalf of this program. On the 10th of November 1943 the Women's Wear Daily carried a news story from Washington which contained this paragraph:

Procurement needs for supplying liberated areas, on the basis of supplying 3,500,000 individuals in each bloc of 10,000,000 inhabitants, include, for one bloc, 612,000 women's coats, 585,000 skirts, and 515,000 blouses, it was stated by Jerome I. Udell, Director of Clothing and Textile Procurement for the Foreign Economic Administration, which has absorbed the functions of the Office of Foreign Relief and Rehabilitation Operations.

Mr. Udell, who released specific figures on his agency's program, coincident with the signing of the relief and rehabilitation agreement at the White House today, pointed out that a woman's wardrobe consists of a coat, sweater, trousers, skirt, cap, gloves, underwear, socks, and shoes.

And so forth.

Mr. WRIGHT. Will the gentleman yield?

Mr. CASE. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I remember that debate very well, I may say to the gentleman, and the impression I carried away was that there were no binding contracts entered into between U. N. R. R. A. and any manufacturer or any grower, although there were commitments in one sense; that is, inquiries were being made and the officials had stated that certain goods would be needed; nevertheless U. N. R. R. A. did not bind itself.

Mr. CASE. I like the gentleman and I hope he will not get too far out on a limb on that, because the record is against him.

Mr. WRIGHT. If it is, I would be glad to know it.

Mr. CASE. On the 13th of December, the Daily News Record in a dispatch from Washington stated in part as follows:

The $54,000,000 O. F. R. R. O. program under way at present breaks down into about $10,000,000 for blankets and piece goods to be shipped abroad as they come from the mill; $24,000,000 for knitted wear, and the remaining $20,000,000 for woven fabrics, cotton and wool, to be fabricated into garments, of which from seven to eight million will be spent for the fabrics themselves and the remainder for the manufacture of the garments. It is to the woven fabric part of the program that the new system applies, since items such as sweaters, caps, gloves, shoes, and so forth will be bought on a straight purchase basis.

The contract which Treasury Procurement is making with mills for the woven fabrics part of the program carries the following clause:

"It is understood and agreed that before delivering any of these goods to the Procurement Division the contractor shall make every reasonable effort to negotiate satisfactory financial arrangements for the disposal of the goods at the prices named herein to garment manufacturers designated by the Procurement Division."

The writer of the story, Harry E. Bessegue, stated that the Treasury's new procurement contract was explained to him by Robert LeFevre, assistant to the Director of the Procurement Division and W. E. Galiher, commodity specialist in textile and clothing procurement, as a part of a $54,000,000 program to meet requirements of the Office of Foreign Relief and Rehabilitation operations. That agency is sometimes referred to alphabetically as O. F. R. R. O., and it was the immediate forerunner of the Foreign Economic Administration which has been a purchasing and administrative agency for U. N. R. R. A. in this country.

Presumably some of the Members of the House who have said that U. N. R. R. A. has made no commitments have been told that in so many words. And that statement gets plausibility from the fact that no appropriations have heretofore been made for U. N. R. R. A., but the lineage of O. F. F. R. O. and F. E. A. as procurement agencies for U. N. R. R. A. is clear and indisputable. Certainly the textile trade knew it way back in December. I read again from a Washington dispatch in the Women's Wear Daily on December 10, 1943, which reported that:

The Foreign Economic Administration will be the American supply agency for the United Nations Relief and Rehabilitation Administration if Congress approves, Leo T. Crowley, Director of F. E. A., told the House Foreign Relations Committee today.

Apparently Mr. Crowley testified in the hearings of the Committee on Foreign Affairs on U. N. R. R. A. that the F. E. A. would be the American supply agency.

Even earlier statements along the same line had been reported. On the 3d of December 1943, this dispatch appeared in the Women's Wear Daily:

Resourcefulness and ingenuity are often needed to locate the necessary fabrics to make up into clothes for the liberated people of war-torn areas, accordingto Jerome I. Udell, Chief of the Clothing, Textile, and Footwear Branch of the O. F. R. R. O.

And before that, on the 23d of November 1943, a dispatch from Atlantic City appeared in the Women's Wear Daily of November 24, which said:

It is considered likely, by sources close to the U. N. R. R. A. Council, that part of the supplies to be drawn from the United States by U. N. R. R. A. will be obtained from the Foreign Economic Administration, which has taken over some of the functions of the Office of Foreign Relief and Rehabilitation Administration, recently abolished.

It will be remembered that a conference on United Nations' relief program was held at Atlantic City. That carries the ancestry of U. N. R. R. A.'s clothing program back to O. F. R. R. O., about which the Bureau of Journal of Commerce, on November 16, carried this statement:

The Office of Foreign Relief and Rehabilitation Operations announced here yesterday that its initial requirements on the recently announced purchase program will total to 54,000,000 yards of cotton and part-cotton and wool fabrics, with partial delivery in the remainder of this year and the balance by March 31, 1944. O. F. R. R. O. is initially buying clothing for 10,000,000 people in occupied countries.

The conclusion is inescapable that O. F. R. R. O. made purchases for the U. N. R. R. A. program and that the persons who were setting up U. N. R. R. A. knew it and approved it. The Foreign Economic Administration took over O. F. R. R. O. and Mr. Crowley told the Foreign Affairs Committee that F. E. A. would be the American supply agency for U. N. R. R. A. So why on March 23 and again today try to say that no commitments have been made on wool or clothing in behalf of U. N. R. R. A.?

Why, on the 26th of March, in a Sunday edition, the New York Herald Tribune carried a story by Mary Lyon, undoubtedly written 3 days or more before that, which reads, in part, as follows:

It begins to appear that the bulk of Government bids for women's and children's apparel in connection with the plans of the United Nations Relief and Rehabilitation Administration will be placed with producers outside the New York area. This drift is evident, in spite of urgent recommendations on the part of the International Ladies' Garment Workers' Union to New York dress manufacturers, to take an active part in bidding on dresses now being sought by the Procurement Division of the United States Treasury.

Now, note this from this article in the New York Herald Tribune:

The Treasury Department made known on March 17 that bids were opened for 40,000 wool dresses, "cut, make, and trim," meaning that the Government will supply the fabric. Mr. Zimmerman said that the offer just closed was merely the beginning in the Government's rehabilitation plans, which will call for millions of garments.

March 17, it will be noted, was a week before the U. N. R. R. A. bill passed here in the House. Bids had been opened on 40,000 wool dresses at that time. I have also an interesting letter dated February 25, 1944, that Jesse Jones, Secretary of Commerce, wrote the gentleman from Wyoming [Mr. BARRETT] following a meeting which some of us had with him on the subject, in which Mr. Jones said:

On February 14, when you and your associates discussed with me the stock-pile wool held by Defense Supplies Corporation, I stated that after the sale scheduled for February 17 was completed, no additional sales would be made until the various Government agencies interested in wool had considered your suggestions and until after another conference with you.

I skip some of the suggestions, and call attention to paragraph (2) of the suggestions which Mr. Jones states and on which he comments as follows:

That United Nations Relief and Rehabilitation Administration consider buying and manufacturing our surplus wool for distribution in liberated areas.

The Director of U. N. R. R. A. states that he has no funds with which to buy the wool, and indicated that U. N. R. R. A. would probably not need a great deal of wool.

There is the record. While Members of the House are led, no doubt in good faith, to say on this floor that no commitments had been made on behalf of U. N. R. R. A. for the purchase of wool or clothing, the record is clear, first, that the Office of Foreign Relief and Rehabilitation Administration was making commitments and making procurements under the direction of a gentleman by the name of James I. Udell.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CASE. Second, that subsequently this organization, which is called O. F. R. R. O., was succeeded by the Foreign Economic Administration, with which Udell continued as buyer of wool and textiles for the U. N. R. R. A. clothing program. And this bill before us asks an appropriation for the administrative expense of the Foreign Economc Administration as the supply agency to arrange procurements in behalf of U. N. R. R. A., as well as an appropriation to U. N. R. R. A. for what is bought. And the record is clear that commitments were made; that on the 17th of March the Treasury said that bids had been opened; that they had been advertised previously to make procurement for this purpose.

Now, then, how can we do something about the wool situation at the same time that we appropriate for U. N. R. R. A.? How can we do something about the suggestions discussed with Secretary Jones?

When the U. N. R. R. A. bill was before the other body of the Congress they put in, in section 5, language which reads as follows:

In adopting this joint resolution the Congress does so with the following reservation: "That in the case of the United States the appropriate constitutional body to determine the amount and character and time of the contributions of the United States is the Congress of the United States."

It has occurred to me that under the language of the specific reservation concurred in by the House, Congress is the constitutional body to determine "the character" of the contributions of the United States. It has occurred to me that it would be appropriate to offer an amendment to the bill when it comes up for amendment tomorrow to reduce the appropriation of $450,000,000 proposed for procurement for U. N. R. R. A. by the amount which the hearings before the Committee on Appropriations showed was being requested for the purchase of raw wool, and in lieu of the amount of cash proposed to be appropriated for the purchase of raw wool, to appropriate as great or even greater contribution in the form of raw wool now owned by the United States.

The amendment would come on page 5, line 11, to reduce the figure "$450,000,000" to "$428,300,000," and add these words: "in funds and 61,740,000 pounds of raw wool from stocks owned by the Commodity Credit Corporation or the Defense Supplies Corporation."

With respect to the figures I have used, I have examined the specifications, or table of justifications submitted to the Committee on Deficiencies of the Committee on Appropriations, the subcommittee which has been handling this bill, and there I find that of the amount requested, $21,700,000 is for the purchase of raw wool for the "postpreparatory period," with which it is expected to buy 61,740,000 pounds of raw wool.

The figures are given in metric tons, but translation into pounds gives the 61,000,000 figure. Consequently, taking the figures submitted to the subcommittee of the Committee on Appropriations and applying them to this bill, we can appropriate pounds of raw wool rather than dollars, and it will be an appropriation of wool already owned by the United States, as pointed out by the gentleman from Colorado [Mr. HILL], from stocks held by Commodity Credit or Defense Supplies Corporation, both Government corporations.

Now, then, unless something of this sort is done, we will be appropriating money for U. N. R. R. A. to go into the world market and buy wool for its clothing relief program while the Government already owns huge stocks of both domestic and foreign wool that hang like a heavy cloud over the domestic wool industry.

The proposal I have made is not a new thing in our economy. Members will recall that a few years ago 100,000,000 bushels of Government-owned wheat was proposed for Chinese famine relief. And in more recent times, surplus foods have been used in domestic relief programs. If it was good and proper business for the United States Government to apply some of its stocks of surplus foods, bought up by the Surplus Commodity Corporation, to the domestic relief program, it is just as good business to apply to our foreign relief program some of our surplus wool, bought and now held by these Government corporations.

I presume that some Members will say, "That sounds all right, and surely the procurement officers will use some of the money we appropriate to buy the wool from our Government stocks." Unfortunately Members of Congress cannot make any such assumption.

I have here a letter from Mr. F. Eugene Ackerman, of the American Wool Council, to whom reference has already been made. He wrote me under date of March 25, 1944, following his reading of the colloquy which took place between the gentleman from Texas [Mr. JOHNSON] and myself. He said that he was amazed to read that anyone should deny that U. N. R. R. A. was buying textiles for relief. He stated that he had a couple of conferences with Mr. Dewey Anderson, a State Department official in charge of certain U. N. R. R. A. operations, and with Mr. Udell, then Chief of the Textile and Clothing Procurement, now resigned, and also with a Mr. Konhaim, successor to Mr. Udell, when Mr. Anderson was also present.

In this letter, Mr. Ackerman says:

Mr. Konhaim told me that in U. N. R. R. A. purchases U. N. R. R. A. would not use domestic wool, but would use foreign wool. He added that he and U. N. R. R. A. were engaged in a relief task, and not in tinkering with the domestic economy.

At a further point in the letter Mr. Ackerman says:

U. N. R. R. A.'s Procurement Chief, Mr. Konhaim, told me he would not use domestic wool in buying relief fabrics, but would use foreign wool, saving in original costs and tariff. He said that the suggestion that domestic wool be used in relief fabrics was one of those panaceas, and that U. N. R. R. A. was engaged in a relief task and not in tinkering with the domestic economy.

This makes it plain that if anything is to be done to insure that this surplus supply of wool which the Government already owns in the United States is used in supplying these needs, it has to be done by action of the Congress. The way at hand is to write it into this bill. The opportunity exists, because the U. N. R. R. A. bill as finally agreed to provided that Congress may say something about "the character" of its contributions.

It may be that Mr. Konhaim has no interest in the domestic economy of the country, but the taxpayers of the country and the Congress do have some interest in the domestic economy of the country and we have the bills to pay.

The Tariff Commission has some interest in the domestic economy of the country. Just in the past 10 days there has come from the Tariff Commission a very disturbing report on the wool situation in the United States. It is report No. 3 in the War Changes in Industry series, dated May 1944.

The Tariff Commission takes note of the possibility that some of the surplus wool owned by the United States might be used in the relief program. It calls attention to the fact that unless that is done the domestic economy in wool faces a break-down. It calls attention to the fact that any attempt to protect it by a subsidy or by a protective tariff flies in the face of other policies of the present administration. So this Tariff Commission study concludes with the statement that in spite of whatever obstacles exist, nevertheless the opportunity to use some of this surplus wool in foreign relief has merit.

Therefore, if this amendment or an amendment along that line is offered tomorrow, I trust it will have the support of the membership of the House.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4937) making appropriations for defense aid (lend-lease), for the participation by the United States in

the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made earlier in the day and include therein a statement from the Railroad Commission of Texas, also one from Commissioner Culberson, and a newspaper article from the Houston Chronicle.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by Rear Admiral Emory S. Land before the Institute of Transportation, New York University School of Law and School of Commerce, Accounts, and Finance. I have submitted this to the Public Printer and am advised that it will make three and one-third pages of the CONGRESSIONAL RECORD at a cost of $166.40. The material has been carefully collected and I think it is valuable information.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD and to include therein an excerpt.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. WIGGLESWORTH] be permitted to revise and extend the remarks he made in the Committee of the Whole this afternoon and include therein excerpts from hearings and other documents; and further that he be permitted to extend his remarks and include therein a comment by Raymond Lonergan, from the editorial page of Labor of June 3, 1944.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. COCHRAN] be permitted to extend his remarks in the RECORD and include therein a radio address; that the gentleman from Pennsylvania [Mr. WEISS] be permitted to extend his remarks and include therein a letter from Ernie Pyle; and that I be permitted to extend my remarks and include therein certain excerpts from newspaper editorials, and so forth.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] be permitted to extend his remarks in the RECORD and include therein an address by the president of the Federated Merchants Organization of Buffalo, N. Y.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial which appeared in the May 30 edition of the Toledo Legal News, also a letter which appeared in the May 22 edition of the Washington Times-Herald.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and further to extend my remarks and include therein an article from the Grand Forks, N. Dak., Herald.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a radio speech.

The SPEAKER. Is there objection to the request of the Commissioner from Puerto Rico?

There was no objection.

CONGRESSIONAL REPRESENTATION AT THE PEACE TABLE

Mr. MERROW. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. MERROW. Mr. Speaker, when this war ends peace treaties will be made by the United States with the defeated nations. There should be congressional representation at the peace table. Had President Woodrow Wilson seen fit to include representatives of both parties in Congress in the last peace delegation it is conceivable that the treaty would have been more than a scrap of paper. I have today introduced a resolution which requests the President to appoint Members of the Senate and the House of Representatives to the commission or commissions selected to negotiate the peace treaties or agreements at the close of the present war. The resolution provides that the congressional delegation be equally divided between Democratic and Republican Members. The appointment of Members of the Senate and the House to the commission selected to negotiate the peace treaties will produce executive-legislative cooperation so necessary in the conduct of foreign affairs. The passage of the resolution I have introduced will be most helpful in the formation of treaties and will ensure more favorable reception of the agreements reached at the close of the present war. We must have greater cooperation between the legislative and executive branches of the Government in the making of treaties.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. MERROW. I yield.

Mr. CANFIELD. I think the proposal of the gentleman is both timely and constructive. I commend him for making it.

Mr. MERROW. I thank the gentleman.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. TALBOT, for June 2, 3, and 5, on account of business.

To Mr. HESS (at the request of Mr. COLE of New York), for 4 days, on account of official business.

To Mr. STIGLER, for Saturday, Monday, Tuesday, and Wednesday, on account of the death of his brother.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include quotations and excerpts from certain state documents, from Mr. Churchill's speech, and from press reports.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT

Mr. THOMASON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Saturday, June 3, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, June 6, 1944, to begin public hearings on bills extending the Civilian Pilot Training Act.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1604. A letter from the Attorney General, transmitting a draft of a proposed bill to amend section 327 (h) of the Nationality Act of 1940; to the Committee on Immigration and Naturalization.

1605. A letter from the Chairman, Board of Investigation and Research, transmitting a summary of a report on Federal regulatory restrictions upon motor and water carriers (H. Doc. No. 637); to the Committee on In-

terstate and Foreign Commerce and ordered to be printed.

1606. A letter from the Attorney General, transmitting a draft of a proposed bill to provide for the extension and application of the provisions of the Classification Act of 1923, as amended, to certain officers and employees of the Immigration and Naturalization Service in the Department of Justice; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 4937. A bill making appropriations for defense aid (Lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes; without amendment (Rept. No. 1591). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. H. R. 4911. A bill to amend the Federal Crop Insurance Act; without amendment (Rept. No. 1592). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MURDOCK:

H. R. 4932. A bill to amend sections 4, 7, and 17 of the Reclamation Project Act of 1939 (53 Stat. 1187) for the purpose of extending the time in which amendatory contracts may be made, and for other related purposes; to the Committee on Irrigation and Reclamation.

By Mr. DICKSTEIN:

H. R. 4933. A bill to amend the Revenue Act of 1943; to the committee on Ways and Means.

H. R. 4934. A bill to amend the Revenue Act of 1943; to the Committee on Ways and Means.

By Mr. BULWINKLE:

H. R. 4935. A bill to provide for a study of multiple taxation of air commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SHEPPARD:

H. R. 4936. A bill to provide for the refund of certain interest paid by veterans on loans secured by adjusted-service certificates, and for other purposes; to the Committee on Ways and Means.

By Mr. FEIGHAN:

H. R. 4938. A bill to provide for the investigation by the Federal Bureau of Investigation of black-market operations in Cleveland, Ohio; to the Committee on the Judiciary.

By Mr. PETERSON of Georgia:

H. R. 4939. A bill to provide for improved agricultural land utilization by assisting in the rehabilitation and construction of drainage works in the humid areas of the United States; to the Committee on Agriculture.

By Mr. FARRINGTON:

H. R. 4940. A bill to authorize the admission into the United States under a quota for Koreans, persons of the Korean race, to make them racially eligible for naturalization, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. SPENCE:

H. R. 4941. A bill to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes; to the Committee on Banking and Currency.

By Mr. MERROW:

H. Con. Res. 89. Concurrent resolution to provide for the inclusion of congressional representatives on any commission which treats with peace treaties or agreements; to the Committee on Foreign Affairs.

By Mr. DICKSTEIN:

H. Res. 576. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free ports for refugees; to the Committee on Immigration and Naturalization.

By Mr. GILLIE:

H. Res. 577. Resolution authorizing an investigation of the shortage of agricultural implements, and for other purposes; to the Committee on Rules.

By Mr. H. CARL ANDERSEN:

H. Res. 578. Resolution authorizing an investigation of the shortage of agricultural implements, and for other purposes; to the Committee on Rules.

By Mr. ROBINSON of Utah:

H. Res. 579. Resolution authorizing the printing of additional copies of the hearings held before the Committee on Roads of the House of Representatives, current session, on the bill (H. R. 2426) to supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 4942. A bill for the relief of Mr. Lum Jacobs and Mrs. Lum Jacobs; to the Committee on Claims.

By Mr. FISHER:

H. R. 4943. A bill for the relief of Mrs. Nettie Peters; to the Committee on Claims.

By Mr. FORAND:

H. R. 4944. A bill for the relief of Robert F. Birt; to the Committee on Claims.

By Mr. GORSKI:

H. R. 4945. A bill for the relief of Myles Perz; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 4946. A bill to reimburse certain aviation cadets and former aviation cadets for the value of personal property lost or damaged as the result of a fire at Carroll College, Helena, Mont., on January 8, 1944; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

5781. By Mr. KELLEY: Petition of certain doctors and other citizens of Torrance, Pa., favoring the commissioning of X-ray technicians as officers in the Medical Corps of the Army and the Medical Corps of the Navy; to the Committee on Military Affairs.

5782. Also, petition of the Pennsylvania Federation of Women's Clubs, urging support of the Thomas bill, S. 1670, to provide for a broad publicly supported educational program; to the Committee on Education.

5783. Also, petition of the Pennsylvania Federation of Women's Clubs, urging the setting up of a United Nations council to proceed with the formation of the general international organization foreshadowed in the Moscow Declaration and the Connally resolution; to the Committee on Foreign Affairs.

5784. By Mr. MYERS: Petition of sundry citizens of Philadelphia, Pa., protesting against House bill 2032, providing for the return of prohibition; to the Committee on the Judiciary.

5785. By the SPEAKER: Petition of Local No. 685, U. A. W.-C. I. O., United Automobile, Aircraft, and Agricultural Implement Workers of America petitioning consideration of their resolution with reference to support of the President's request for continuation of the Fair Employment Practice Committee; to the Committee on Appropriations.

5786. Also, petition of Local No. 44, U. A. W.-C. I. O., United Automobile, Aircraft, and Agricultural Implement Workers of America, petitioning consideration of their resolution with reference to the continuance of the Fair Employment Practice Committee; to the Committee on Appropriations.

5787. Also, petition of the chairman, Central Joint Committee of the Coalition Party, San Juan, P. R., petitioning consideration of their resolution with reference to Cayetano Coll y Cuchi's speech; to the Committee on Naval Affairs.

5788. Also, petition of the executive council of the Textile Workers Union of America, petitioning consideration of their resolution with reference to the Presidential veto of the tax bill; to the Committee on Ways and Means.

5789. Also, petition of the Texas Motor Transportation Association, Inc., petitioning consideration of their resolution with reference to the relinquishment by the Federal Government of the Texas State Employment Service; to the Committee on Labor.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 3, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of all righteousness and mercy, breathe upon us the spirit of brotherhood and cooperation, that we may deal worthily with one another and with our fellow men. Lift before us a goal that will challenge the labors that we put forth; endowed with a stimulating urgency that steadily draws us on to fair judgment, may we not allow narrow vision and self-will to obscure the truth which must be mightily stressed and livingly vindicated.

With penitent and contrite hearts, we pray that we may seek the One over whose crushed spirit all the waves of grief have surged and whose infinite sympathy has led earth's millions to sing with choked and trembling voices. With countless tragedies overshadowing humanity, the superficial and the heedless mock and cause the thoughtful citizen to mediate most seriously in the presence of these grave contradictions. Heavenly Father, in our expectancy, allow nothing to stagger and shatter our faith; through the ages Thy mercy has been over Thy children; do Thou continue to "uphold us, cherish and have power to make our noisy years seem moments in the being of eternal silence." Through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUGAR FOR CANNING

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. BOLTON. Mr. Speaker, the canning season is at hand, and the women are becoming very disturbed over information they have received from Washington that there is difficulty in the sugar-rationing program. There seems to have been mismanagement, and it is understood that it will be difficult to can fruits as they come into season.

According to an article by Charles Lucey with a Washington date line of May 31, the Government's subsidy program was so inadequate that the 1943 beet-sugar output fell 40 percent. This incentive program was not announced until February 1943, after California sugar beets had been planted. In 1944 it was announced January 26—and $3 extra a ton offered. Puerto Rican production has slipped another 700,000 tons. Cuba will help this year at the cost of a loss next year of 500,000 tons or more. Next winter's food is on the housewife's mind. She faces her canning season. Will she have the sugar she needs?

The SPEAKER. The time of the gentlewoman from Ohio has expired.

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL 1945

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. JOHNSON]? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. JOHNSON of Oklahoma, Mr. FITZPATRICK, Mr. KIRWAN, Mr. NORRELL, Mr. CARTER, Mr. JONES, and Mr. JENSEN.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include therein a letter which I addressed to a constituent.

The SPEAKER. Is there objection?

There was no objection.

PROTESTING AGAINST TWO NEW O. P. A. REGULATIONS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. LUTHER A. JOHNSON addressed the House. His remarks appear in the Appendix.]

G. I. BILL OF RIGHTS

Mr. GORE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. GORE. Mr. Speaker, I rise to express the hope that the conferees on the part of the House and conferees on the part of the other body will conclude their conference and that we can finally dispose of the veterans' legislation, known as the G. I. bill of rights, before the coming recess for the national conventions.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the distinguished gentleman from Mississippi, chairman of the committee.

Mr. RANKIN. The Senator from Missouri [Mr. CLARK], who is chairman of the conference, was called home suddenly. I understand he will return Monday. We expect to resume our conferences early in the week, and it is my hope, and the hope of all the House conferees, and I am sure of the Senate conferees as well, that we may complete our work and get the bill disposed of before the end of the week.

Mr. GORE. I thank the gentleman. That is very encouraging, because we should not longer delay final passage of this bill.

The SPEAKER. The time of the gentleman from Tennessee has expired.

PRICE CONTROL AND STABILIZATION ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file the reported bill and the report on H. R. 4941, a bill to continue the period of operation of the Price Control and Stabilization Act.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

ONE HUNDRED AND THIRTY-SIXTH ANNIVERSARY OF THE BIRTH OF JEFFERSON DAVIS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, this is Confederate Memorial Day. This is the one hundred and thirty-sixth anniversary of the birth of Jefferson Davis, the President of the Confederacy.

I am sending to the Speaker's desk a resolution (H. Res. 580), and I ask for its immediate consideration.

The Clerk read as follows:

Whereas today, June 3, is Confederate Memorial Day, being the one hundred and thirty-sixth anniversary of the birth of Jefferson Davis, President of the Confederacy; and

Whereas Gen. Julius Franklin Howell, former commander in chief of the Confederate Veterans, who has reached the ripe age of 98 years, is to address the Daughters of the Confederacy in Statuary Hall at 3 o'clock this afternoon; and

Whereas General Howell will probably be the last veteran of the War between the States, on either side, to visit this Capitol: Therefore be it

Resolved, That the House of Representatives, out of respect for the Confederate Veterans and the Daughters of the Confederacy, stand in recess for 20 minutes at such time as the Speaker may designate, and that General Howell be invited to appear and address the Members of this body at that time, and that the Daughters of the Confederacy and all others who attend the ceremonies in Statuary Hall be invited to accompany him; and

That a committee of three Members be appointed by the Speaker to present the invitation to General Howell and conduct him to the House.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

(Mr. FOGARTY, Mr. MILLER of Nebraska, Mr. WHITE, and Mr. HOFFMAN asked and were given permission to revise and extend their own remarks.)

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in three particulars, in one to include a request from the Louisiana Legislature for Federal aid for certain necessary roads, in a second to include an article from the Washington Post, and in the third to include an article, Good News for the Sugarcane Growers of Louisiana, that appeared in Collier's magazine on May 20.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address by Judge Perry O. Chamberlin, of Indianapolis.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENNETT of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WEICHEL of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial and two letters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an article from the Pathfinder magazine.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE FRANK P. BOHN

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, I asked for this time in order that I might pay my tribute to the life and character of former Representative Frank P. Bohn, of Newberry, Mich. I join my colleague the gentleman from Michigan [Mr. BRADLEY], a very able successor, in all that he has said concerning Dr. Bohn.

I was a Member of Congress when Dr. Bohn came here. He served with us for several terms and was always a potent influence in the Congress. He was not spectacular but real. His people trusted him. He was honored because he was honest. While he always entertained the national viewpoint in the forming of national legislation, yet he was ever watchful of the interest of his own State and his own congressional district. The Eleventh Congressional District of Michigan was well represented when Dr. Bohn was its hired man in Washington. I am sure I express the sentiment of all those Members with whom he served when I say that the world is better because Frank P. Bohn lived in it. We sorrow with the bereaved family.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein a petition from my constituents calling attention to unreasonable O. P. A. regulations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial from the San Francisco Call Bulletin with reference to the American merchant marine.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks on three different subjects in the Appendix; in one to include therein a speech by Wendell Berge, Assistant Attorney General, and in the other two to include certain excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FOREIGN ECONOMIC ADMINISTRATION ACT, 1945

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4937) making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4937, the Foreign Economic Administration Act, 1945, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, will the Chair advise us as to the status of the time remaining for debate?

The CHAIRMAN. At the end of the debate on June 2 the gentleman from Missouri [Mr. CANNON] had consumed 1 hour and 41 minutes; the gentleman from New York [Mr. TABER] had consumed 2 hours and 42 minutes.

The gentleman from Missouri [Mr. CANNON] is recognized.

Mr. CANNON of Missouri. If I may inquire of the gentleman from New York, the gentleman has the advantage to the extent of 1 hour and 1 minute.

Mr. TABER. I believe that is correct.

Mr. CANNON of Missouri. There now being 1 hour and 45 minutes left today, taking out the 1 hour and 1 minute would leave 44 minutes, of which the gentleman would be entitled to 22 minutes; is that correct?

Mr. TABER. I believe that is the way it would figure.

Mr. CANNON of Missouri. In other words, the time now to be distributed would be allotted 22 minutes to the gentleman from New York and this side of the aisle to have the remainder of the time between now and 2 o'clock.

Mr. TABER. That seems to be the way it figures.

Mr. CANNON of Missouri. Does the gentleman from New York desire to use time now?

Mr. TABER. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. TABER. Mr. Chairman, when I had the floor yesterday I stated that we did not have satisfactory support, in my opinion, for the items contained in the lend-lease estimate and the U. N. R. R. A. estimate. Certain documents have been furnished us from the War Food Administration since I started to take the floor yesterday. Those documents do not, in my opinion, clear up the situation. The price of one type of food, according to the information I have from the War Food Administration itself, is apt to go up; the price of all the other items that are included has gone down. The only item that has gone up at all has been milk and related products, condensed milk, milk powder, and butter items.

Whether they will go up from now on, I do not know. The other items involved, like pork, beef, and lard, have gone down very materially; so has cheese, and they are away below the figures and the prices that were quoted in February. Under the circumstances, there will be four to five hundred million dollars of surplus funds, in my opinion, in the lend-lease item and forty to fifty million dollars of surplus funds, before they get through, in the U. N. R. R. A. item.

Mr. Chairman, I am not going to offer a motion to cut the lend-lease item or the U. N. R. R. A. item, for the reason they are so-called war items and items involving foreign relief. I am going to put it square-toed up to these departments to buy these things for what they ought to buy them for and to make a report to us on what they have done. It is up to them now. I am going to leave it up to them rather than to take the responsibility myself to keep the situation clean and to keep the prices of these things down insofar as they can and save some of this money for the Treasury.

Instead of going on the spot myself, I am leaving them on the spot. Frankly, it is a spot because almost every one of these prices is today below the February quotation and every single one of these prices is below what they are asking for at this moment. Under these circumstances I am going to leave it up to them and see what kind of a job they do. It is a very unsatisfactory situation, but I do not want the membership of the House to face criticism because of opposition or because of any attempt to cut a war appropriation, nor do I care to put them on the spot in reference to this U. N. R. R. A. proposition. On the other hand, I want them to keep faith with the people of the United States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute, in order to ask the gentleman a question.

Mr. TABER. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. Does the gentleman believe they have bought material they should not have bought or paid prices they should not have paid?

Mr. TABER. I think in a great many cases they have bought and paid more than they should.

Mr. CANNON of Missouri. Will the gentleman tell us what has been bought that should not have been bought?

Mr. TABER. I could; yes.

Mr. CANNON of Missouri. And what price they paid that should not have been paid?

Mr. TABER. I will give one little illustration of prices that have been paid. Cheese on the New York market today is 26.4 cents a pound. On this proposition they have figured 34 cents for cheese.

Mr. CANNON of Missouri. Will the gentleman permit this inquiry? Those things have been purchased, have they?

Mr. TABER. Those things have been purchased and the prices that are built up here are larger than the prices on the market has been.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute. What the gentleman says is very true—that prices submitted to us were more than cheese was bringing in the open market, but Colonel Olmstead appeared before the committee and in response to questions asked by the gentleman from New York he stated that cheese was a particular commodity which required exceptional care in packing and protection for shipment and that the prices quoted were the lowest prices at which cheese could be bought, packaged, and delivered to shipside in a condition ready for shipment overseas. As I recall it, the gentleman did not take issue with Colonel Olmstead on that point at the time.

Mr. TABER. I did not have his figures at that time. I have them now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute in order to permit him to answer.

Mr. TABER. They are above the prices that are quoted in here. His setup is based on the month of February prices and his figures are based on 110 percent of February prices, whereas at the present time instead of being higher than the February prices they are about 88 percent of the February prices.

Mr. CANNON of Missouri. As I understand it, the gentleman claims that too large a price was paid for cheese?

Mr. TABER. That is my understanding.

Mr. CANNON of Missouri. Here is the statement made to the committee, if the gentleman will permit:

Cheese: For the usual type of American cheese, the W. F. A. price, including the cost of export packaging, runs between 28 and 30 cents a pound.

Packed for the domestic trade, it may be possible to procure it at 27¾ cents a pound or lower. The budget figure was intended to be based upon a cost of 30 cents per pound, which would give a total of about $12,000,000 for 18,000 metric tons.

I think the gentleman will agree the Government has not paid too much.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. TABER. Mr. Chairman, that is not the situation that was presented to us with the statement that came in yesterday. The figure on cheese for this purpose is practically 34½ cents on the basis of what this cheese was figured at. The gentleman will see that in the column "Estimated average price per pound" that that was what the thing was figured on. I do not know how there can be any answer to that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute. The schedule submitted to us yesterday shows that the W. F. A. sales price for the month of February per pound, without the 10 percent allowed, was 0.30639, including packaging, transportation, and storage. There is the estimate and it shows that every possible economy was practiced in the purchase of cheese and other dairy products.

Mr. TABER. On the other hand, if the gentleman will look at the next column, he will see the price at which the estimate was figured. That is a little over 34 cents.

Mr. CANNON of Missouri. That includes 10 percent which is always added in anticipation of any change that may be made in quotations before the commodity can be purchased.

Mr. TABER. But we know at this time that instead of a rise there has been a drop.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute. We did not know it at the time, and we do not know now, which direction the market will take in the future. Contingencies cannot always be anticipated but we must make allowance for them as is the custom in procurement.

I trust the gentleman will not object to paying a higher price if it is impossible to secure it at the lower price.

Mr. TABER. I am proposing that we let this gentleman give us an accounting on what his operations are, and I am suggesting that he go on the spot with the idea that we are expecting him to buy the stuff for the lowest possible market price.

Mr. CANNON of Missouri. Colonel Olmstead has been buying for the Army and Navy and for lend-lease and for other Government agencies, and it has never been charged, and I do not think the gentleman himself would charge, that he has ever paid more than is necessary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute. Colonel Olmstead is ready at any time to make an accounting and will appear before the committee on call. If the gentleman has any inquiries at any time, I shall be glad to call him.

Mr. TABER. I am in hope, having had his attention called to these items and to the discrepancies that seem to exist between the present market and the drift of the market all the way through, that it will result in very careful operation of these funds.

Mr. CANNON of Missouri. I am glad the gentleman said "discrepancies that seem to exist," because they certainly are not apparent.

Mr. TABER. Oh, there are quite decisive discrepancies between the market and the estimate.

Mr. CANNON of Missouri. The gentleman has not indicated them.

Mr. TABER. Oh, yes.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CANNON of Missouri. Mr. Chairman, sound legislation must be based on accurate information. In all discussions of legislation inaccuracies will creep inevitably into debate, and that was true particularly of some of the debate yesterday. Through inadvertence, I am certain, statements were made on the floor which on careful investigation are not borne out by the facts. For that reason I would like to make a few corrections of statements on two or three subjects dealt with yesterday, merely to keep the record straight.

At the time the Committee rose my colleague from South Dakota had just completed a discussion of the wool situation and on the presumed commitment of U. N. R. R. A. to take over certain wool or woolen products which under his impression had been contracted for by other Government agencies and which were now presumably to be charged to U. N. R. R. A.

I have here a letter from the Foreign Economic Administration discussing in detail the wool situation, explaining that at the time of the Japanese threat to Australia, at the time when the Japanese line was steadily sweeping forward in an ever-widening circle of conquest, and it seemed possible, if not probable, that Australia would be taken—as a matter of fact, only the masterly and heroic work of General MacArthur's men saved it—in order to keep the supply of wool from falling into the hands of the enemy, as well as to supply our own forces, a directive was issued to obtain 1,000,000,000 pounds of wool for a stock pile in the United States. The letter, which I will not take the time of the Committee to quote, goes on then to explain how this stock pile was accumulated, the conditions under which it was accumulated, and the amount on hand at this time. I will insert the full letter in the RECORD at a later date.

The second point at issue was whether or not U. N. R. R. A. was obligated, either technically, legally, morally, or otherwise, to take over wool or other supplies which had been procured or contracted for by its predecessor organization before it came into being. The contention of my able and distinguished friend from South Dakota was that while technically U. N. R. R. A. had purchased nothing, had made no contracts to purchase, having no money with which to purchase, that conceding these facts, it was morally bound to take over—and eventually would take over—supplies which had been arranged for by the Foreign Economic Administration.

It appears from a detailed statement which I have here, and which I will insert in the RECORD, that not only was U. N. R. R. A. without funds for such purpose, without authority to make contracts or commitments, and did not make commitments, but that it will under no circumstances receive any goods which have been contracted for or procured by any other United States agency.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Dakota.

Mr. CASE. What then is to be done with the goods which have been or are being purchased by O. F. F. R. O. and by F. E. A.?

Mr. CANNON of Missouri. The Army has now on hand funds with which it is distributing such supplies. Eighty-one million dollars have been used for that purpose up to this time for the period which will end June 30, 1944.

I would like to say in that connection that the distribution and allotment of such supplies by the United States Army in Italy—and that is where the goods are being shipped—is not a gift, but the Army has already received in Italian exchange payment for more than half the amount which it is distributing, and which it will, in turn, use in employing Italian services.

I merely advert to that phase of it because it is particularly pertinent to

note that wherever possible every item of food, clothing, medicine or other supplies distributed by the United States through any agency for any purpose, is to be paid for if the recipient is in a position to pay. The Army will continue this allocation and disbursement of supplies when U. N. R. R. A. comes into operation. The testimony here is that there is not sufficient of these accumulated supplies, and there is not now sufficient of this wool to which the gentleman refers, and about which this discussion revolves, on hand or under contract to supply the needs of the Army, much less U. N. R. R. A. So it is conclusive that under no circumstances is U. N. R. R. A. committed, or will be committed for such purposes or charges, and there is no possible chance that it will receive any of the stock-pile goods to which the gentleman refers.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Dakota.

Mr. CASE. I should like to have the record clear in this respect, that I was not objecting to any pre-U. N. R. R. A. planning; I merely thought it was unfortunate that it should be said that U. N. R. R. A. had no commitments, moral or otherwise, in view of the fact that the record through all the trade papers prior to the actual creation of U. N. R. R. A. showed that the United Nations Relief and Rehabilitation Administration was being referred to, and that the dress designers and the stylists and the textile manufacturers were being told that this was for the relief program. As far as I am concerned, I would think it a good thing to have some planning and figuring before U. N. R. R. A. actually came into the field—I have no objection to that—but it does seem to me wrong to say that no commitments have been made in behalf of U. N. R. R. A., if that is not the case.

Mr. CANNON of Missouri. That is the case.

Mr. CASE. The Army program, of course, is different from that of U. N. R. R. A., and I am reasonably familiar with the Army's procurement program.

Mr. CANNON of Missouri. The Army is absorbing and will continue to absorb any such goods which have been procured or contracted for up to this time.

Mr. CASE. The Army has its own procurement program through the Quartermaster General. But as to the pre-U. N. R. R. A. bids to which I referred, as reported in the New York Herald Tribune of March 26, such as the bids opened on the 17th of March by the Treasury Department, which does not procure for the Army—the Army procures directly. The bids that were opened for the Treasury Department were for 40,000 wool dresses. The story as reported by Mary Lyon in the Herald Tribune of March 26 distinctly said that this was in connection with the plans of the United Nations Relief and Rehabilitation Administration. Then it went on to discuss this procurement program and say that it was the design, the plan, the set-up for the millions of garments in the larger orders that would follow. Therefore, clearly the trade understood that it was for the United Nations relief program. The story refers to the fact that one maker had been instrumental in planning and styling items for the U. N. R. R. A., and so forth, so that clearly the trade was given to understand that this designing and styling and these bids for the 40,000 dresses were for the U. N. R. R. A. program.

Mr. CANNON of Missouri. The trade speaks of relief supplies and relief distribution without attempting to make a technical distinction. I can very readily understand from the data which the gentleman has before him, how he might have misunderstood or might have questioned the situation. I am sure he will join with the entire committee in gratification that such forebodings are without foundation.

Mr. CASE. I am not convinced that I misunderstood and I am not convinced that the committee misunderstood. I think the committee passed on the testimony that was given to them that U. N. R. R. A. had itself made no commitments, that it had no funds.

Mr. CANNON of Missouri. That is right, and a careful investigation bears out that fact.

Mr. CASE. It obviously had no funds because none had been appropriated to it.

Mr. CANNON of Missouri. I think that was the understanding of all the members of the committee.

Mr. CASE. But the story runs clear through that some commitments had been made for a program that was to be picked up and taken over by U. N. R. R. A. That is one phase of the wool story, and it is significant only as it bears on another phase. The other phase is that officials of U. N. R. R. A. have told people connected with the wool industry, and particularly the American Wool Council, that they do not contemplate using domestic wool for supplying these raw wool needs. Entirely apart from whether or not U. N. R. R. A. had made any commitments or any commitments had been made for U. N. R. R. A., the question is whether or not the Congress should now take action to see to it that the huge stockpiles of wool which the Government has purchased and owns should be applied to this program.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. RABAUT. May I ask the gentleman from South Dakota whether he believes that because some trade magazine has one set of information and the committee has another set of information, the committee is all wrong and the trade magazines are right?

Mr. CASE. No. I may say to the gentleman that I am not suggesting that. The Treasury Department, as a matter of record, opened bids on the 17th of March for 40,000 wool dresses.

Mr. RABAUT. For whom? For U. N. R. R. A.?

Mr. CASE. I have seen copies of some of the requests for the bids that were put out.

Mr. RABAUT. But was it for U. N. R. R. A.?

Mr. CASE. I am not relying on a report in any trade magazine for that. I am suggesting to the gentleman that if he will read the article in the New York Herald Tribune of Sunday, March 26, he will find that these bids were opened by the Treasury Department for the U. N. R. R. A. program.

Mr. RABAUT. For the U. N. R. R. A. program?

Mr. CASE. Yes.

Mr. RABAUT. Because the paper said so?

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. The gentleman is speaking of the article appearin the New York Herald Tribune to the effect that U. N. R. R. A. had bought some dresses?

Mr. CASE. I did not say that U. N. R. R. A. bought the dresses. I said that the Procurement Division of the Treasury Department opened some bids for them.

Mr. LUTHER A. JOHNSON. I call the attention of the gentleman to the fact that Mr. Leo T. Crowley in a letter over his signature dated May 29, 1944, addressed to the Honorable SOL BLOOM, chairman of the Committee on Foreign Affairs, specifically denied that story. I quote from that letter:

> At the specific request of the War Department, some dresses are being purchased under the supervision of the Foreign Economic Administration for distribution by the United Nations army to meet civil needs during military operations for the liberation of Europe.

That is what the official record shows and that is what is being done. I think the gentleman from Michigan [Mr. RABAUT] is right. The gentleman from South Dakota [Mr. CASE] certainly ought not to place some newspaper article or rumor against the statements of these officials of the Government.

Mr. CASE. Has the committee consulted the Treasury Department and asked them for whom they made this procurement or called for these bids that were opened on the 17th of March?

Mr. RABAUT. All we know is that they are not for U. N. R. R. A. That is all we know. That is what we are interested in at this time.

Mr. CASE. As I say, it does not seem to me that that meets the issue at all.

Mr. RABAUT. What is the issue the gentleman brings up, if we are not taking up the question of U. N. R. R. A. at this time? What is the issue? Let the gentleman state the issue.

Mr. CASE. I am saying that it is a good thing if somebody does a little advance planning, if they can, before U. N. R. R. A. comes into the picture. But I do not see any reason why anybody should try to hoodwink the Congress by saying that some advance planning was not done. But that is entirely apart

from the issue of whether this pattern of planning is to be followed and the use of shoddy continued and foreign wools purchased when the Government already owns huge stocks of wool, both domestic and foreign.

Mr. RABAUT. Who is doing the hoodwinking? Let us get specific on the whole thing.

Mr. CASE. The hoodwinking comes in when Members of Congress are misled into making statements that procurement plans are not being made for the U. N. R. R. A. program.

Mr. RABAUT. By whom was the Congress misled? The gentleman just said the Congress was misled.

Mr. CASE. I cited yesterday the statement of the gentleman from Texas [Mr. LUTHER A. JOHNSON], the statement of the gentleman from New York [Mr. BLOOM], those statements being made on the 23d of March, and the statement by the gentleman from Missouri [Mr. CANNON], that was made yesterday, that no commitments had been made in behalf of U. N. R. R. A., or that no program was being set up.

Mr. RABAUT. We are still saying that.

Mr. CASE. Well, then, I hope the gentleman will read the statements of Mr. Crowley and Mr. Udell which I read into the record yesterday and will note that in the preliminary procurement program no consideration was being given to the use of the wool stocks already owned by the Government of the United States.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. LUTHER A. JOHNSON. Mr. Chairman, since my name was mentioned by the gentleman from South Dakota, I want to call attention to the fact that in the remarks made by the gentleman from South Dakota yesterday, he quoted a paragraph from the remarks I made in the House when the U. N. R. R. A. authorization bill was being considered, to the effect that no commitments whatever had been made by U. N. R. R. A. My exact statement which the gentleman quoted was as follows:

> With reference to the inquiry with regard to clothing, I will say that no commitments whatever have been made by U. N. R. R. A. Until an appropriation is made by the Congress and the funds are authorized to be spent, there will be no obligation, no commitments of any kind for any material whatever. We are assured of that.

Now, Mr. Chairman, since the gentleman yesterday quoted that statement with the inference that I had been deceived and misled and that it was incorrect, I have made a further investigation and checked on that matter and I am satisfied that the statement which I made at the time we considered this bill was true in all respects and that the gentleman is mistaken in his fears and that his fears are unfounded and he is looking for bogeys which he cannot find. The statement which I made was true and I adhere to it.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 10 additional minutes.

Does the gentleman from South Dakota desire to make a statement?

Mr. CASE. I would, Mr. Chairman, just briefly, in order to comment on the statement by the gentleman from Texas. I have in my hands a letter by F. Eugene Ackerman, who is the director of the American Wool Council, Inc., at 1450 Broadway, New York.

Mr. CANNON of Missouri. Is he an officer of the United States Army or in any way officially connected with the United States Government?

Mr. CASE. He is a prominent man in the wool industry and director of the American Wool Council.

Mr. CANNON of Missouri. He has no Army or Government affiliations?

Mr. CASE. No; but he had been in contact with Dewey Anderson, of the State Department, Mr. Konhaim, and Mr. Udel, F. E. A. officials, and his letter is based on their statements to him.

Mr. CANNON of Missouri. I really think the gentleman, if he is going to quote any statements here, should quote official statements by those in positions to speak authoritatively.

Mr. CASE. The letter refers to statements by the officials of the Government in responsible positions. His letter says:

> I read with considerable amazement this morning that Representative LUTHER A. JOHNSON of Texas denied U. N. R. R. A. bought textiles for relief. This is Saturday morning. My office is closed, so I do not have access to my files. On my desk, however, are bids asked for by the Procurement Division of the Treasury for fabrics to be used for relief.

It is a rather long letter and I cannot read it all right now. It concludes by saying:

> For the life of me, I cannot understand the basis of Mr. JOHNSON's statement. Either U. N. R. R. A. is hiding behind some technicality or else he has been entirely misinformed.

If permission can be secured when we return to the House, I will place the letter in the RECORD at this point.

AMERICAN WOOL COUNCIL, INC.,
1450 BROADWAY,
New York, N. Y., March 25, 1944.

Hon. FRANCIS CASE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: I read with considerable amazement this morning that Representative JOHNSON of Texas denied that U. N. R. R. A. was buying textiles for relief. This is Saturday morning and my office is closed so I do not have access to my files. I do have on my desk, however, bids asked by the Procurement Division of the Treasury for fabrics to be used for relief. By some hocus pocus the U. N. R. R. A. may prove that the Army is distributing these goods, but when the Army orders goods it orders them through the Quartermaster Department.

Senator O'MAHONEY is conversant with U. N. R. R. A. operations and has had conferences with Dewey Anderson, State Department official in charge of U. N. R. R. A. In fact, he arranged two engagements for me with U. N. R. R. A., one with Mr. Udell, then chief of textile and clothing procurement, now resigned, and one in which Mr. Konhaim, his successor, was present with Mr. Anderson.

Mr. Konhaim told me that in U. N. R. R. A. purchases U. N. R. R. A. would not use domestic wool but would use foreign wool. He added that he and U. N. R. R. A. were engaged in a relief task, and not in tinkering with the domestic economy. He added that the suggestion that U. N. R. R. A. use wool of domestic origin was a panacea.

With Byron Wilson I called on the textile buyer for the Procurement Division of the Treasury buying relief fabrics. I do not have his name this moment, but will get it. He said the bids asked were for O. F. F. R. O., predecessor of U. N. R. R. A., and expressed disgust at the character of the materials. In his testimony before the subcommittee of the House Agriculture Committee investigating wool less than 10 days ago Kenneth Marriner, Chief of Wool Section, Quartermaster's Office, said that U. N. R. R. A. wanted to use 25 percent of the wool textile capacity of the country for relief but that the War Production Board was considering the proposal to determine its effect on meeting domestic requirements.

I have before me dozens of clippings from the press discussing the effect of U. N. R. R. A. purchases on the domestic economy including excerpts from speeches by Mr. Udell before trade gatherings, and the official announcement of O. F. F. R. A.'s task sent me by Mr. Udell. The clippings I will mount on Monday and send you. The bids and the statement I enclose with this letter.

I suggest that Dewey Anderson, Mr. Marriner, Mr. Konhaim, and if in order, Senator O'MAHONEY be asked to testify before the subcommittee of the House committee on U. N. R. R. A. operations, which were characterized not so long ago in the Journal of Commerce of New York as making this Nation the largest producer of goods in the world. In the process of accomplishing this, by the way, U. N. R. R. A. has held style shows to glorify the kind of American styles that are being sent abroad, and has sent pictures to the press showing the models. There was, in fact, a style show scheduled for the day I conferred with Mr. Udell, to which I was refused admittance.

For the life of me I cannot understand the basis of Mr. JOHNSON'S statement. Either U. N. R. R. A. is hiding behind some technicality, or else he has been entirely misinformed.

As a further item Mr. Youngman of the United States Tariff Commission furnished U. N. R. R. A. or the War Production Board for U. N. R. R. A. with a study of Italy's textile producing capacity. Mr. Perkins, of the Fairchild Publications, is, I believe, familiar with some of U. N. R. R. A.'s activities in Algiers, where, he told me, high-heeled pumps were sent for native wear.

Please forgive the typing of this letter. It is a remnant of my one finger technique as a Washington correspondent in bygone days. I may add that I have not lost my technique for getting facts.

U. N. R. R. A.'s procurement chief, Mr. Konhaim told me he would not use domestic wool in buying relief fabrics, but would use foreign wool saving in original costs and tariff. He said the proposal to use domestic wool was a panacea and that U. N. R. R. A. was engaged in a relief task and was not concerned with the domestic economy. He said that the suggestion that domestic wool be used in relief fabrics was one of those panaceas in which he does not believe.

The Treasury Procurement, the War Production Board, everybody I have talked to, have indicated or said the fabrics being asked for—and here are bids for ten or twelve million yards—are for relief through U. N. R. R. A. If they are to be distributed by another agency the fact remains that the wool specified—fifty-eights or lower is foreign wool and is being imported.

Further U. N. R. R. A. is buying ready-made garments in the open market or have made public inquiry for them. I urge that since the issue of veracity has been raised the

whole question be aired by the House subcommittee. It will be found that the Army and U. N. R. R. A. are at swords point over the question unless my information is entirely incorrect. I am sure it is not.

Sincerely yours,

F. EUGENE ACKERMAN.

Mr. RABAUT. Mr. Chairman, the very letter from which the gentleman from South Dakota [Mr. CASE] is reading does not say the purchases are for U. N. R. R. A., but down further in the letter, in a very nice way, they introduce the term "U. N. R. R. A." But he never says the purchases are for U. N. R. R. A. in the very letter that the gentleman quotes.

Mr. CASE. The letter I have before me does not say that, but I have dozens of clippings before me from the press, discussing the U. N. R. R. A. purchases.

Mr. RABAUT. Will the gentleman read any part of that letter which says the purchases are for U. N. R. R. A.? The gentleman has a chance right now. Read any part of the letter which says the purchases were for U. N. R. R. A.

Mr. CASE. The letter says, "Treasury Procurement, the War Production Board, everybody I have talked to have indicated or said the fabrics being asked for—and here are bids for ten or twelve million yards—are for relief through U. N. R. R. A."

Mr. TABER. Mr. Chairman, will the gentleman yield to me?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. I would like to read a part of a letter signed by Roy F. Hendrickson, Deputy Director General of the United Nations Relief and Rehabilitation Administration. I will just read this part of the letter:

These fabrics are intended primarily for distribution by the military authorities during the period of military responsibility for civilian relief in liberated areas, which will last until military considerations make it possible for relief operations to be turned over to civilian agencies. Only that portion of these fabrics (if any) that is not listed by the Army during the period of military responsibility, might eventually become available to U. N. R. R. A.

Mr. CANNON of Missouri. Mr. Chairman, I call attention to the fact that here is an official statement that there will not be a sufficient supply of such goods to supply even the needs of the Army, much less leave any reserves which later on might be passed on to U. N. R. R. A.

Mr. RABAUT. Mr. Chairman will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. RABAUT. I want to know what particular fabrics the letter refers to which the gentleman from New York has just read.

Mr. TABER. I just referred to that particular part. I will read you the whole paragraph if you like.

Mr. RABAUT. Yes; so we can see if there is any reference to the particular fabric. Is there any part of the letter which refers to what the specific thing is?

Mr. TABER. Oh, yes.

Mr. RABAUT. What is it?

Mr. TABER. I will read the whole letter. Let us have the whole letter.

Mr. RABAUT. Just read that part of it which identifies what the fabric is.

Mr. TABER. The beginning of the paragraph is as follows:

Finally, I should like to correct an impression which seems to be generally current and which is reflected in your letter to Mr. Jesse Jones. You state that "During January and February U. N. R. R. A. asked for bids approximating 8,000,000 yards of part-wool fabrics. These bids were not sought by U. N. R. R. A. No supplies can be procured for U. N. R. R. A. with United States funds until the United States Congress has made an appropriation to U. N. R. R. A., and no such appropriation has yet been made.

Mr. RABAUT. That is right, just what you read there.

Mr. TABER. The paragraph reads further:

The bids to which you refer were requested by the Procurement Division of the United States Treasury Department, acting on behalf of the Foreign Economic Administration.

Mr. RABAUT. That is it. That is right.

Mr. TABER. Then follows the part I read at first.

Mr. RABAUT. That is right.

Mr. TABER. I only read the last part of that paragraph, because it covered the whole thing.

Mr. RABAUT. Those are purchases for the Army.

Mr. CASE. Mr. Chairman, if the gentleman will yield, I would like to answer that.

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. CASE. The Foreign Economic Administration is not the procurement agency for the Army. The Foreign Economic Administration, according to the testimony of Mr. Crowley which I read into the RECORD yesterday, is to be the American supply agency for U. N. R. R. A. Now then, if the Chairman and also the gentleman from Michigan, will recall when members of the Army Appropriations Subcommittee met with the deficiency committee, during the testimony of Mr. Crowley and some of the others, I specifically asked the question as to what would happen to the supplies that the Army might have for its relief program during the period of its occupancy, and would they turn it over to U. N. R. R. A.? The answer was given by Mr. Cox or Mr. Crowley if my memory is correct, that the Army funds would be reimbursed by U. N. R. R. A. at that time. Now, then, all of that has a bearing on the basic issue only to the extent that in the program that has been followed by the Foreign Economic Administration in making its procurement up to this time, they have not been using the wool which the Government already owns. And that procurement, it is clear, was intended to be the pattern for U. N. R. R. A. They have been purchasing additional foreign wool or using very cheap shoddy wool when it might use wool which the Government already owns.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. RABAUT. Mr. Chairman, the gentleman from South Dakota has been contending that the Army quartermaster buys all the textiles that the Army needs. That is not correct. Under arrangements between the Foreign Economic Administration and the Army during the past month, the Foreign Economic Administration is procuring textiles required by the Army for relief purposes. That is the answer.

Mr. CANNON of Missouri. To sum up the whole matter, we have here conclusive proof, by official statements, the accuracy and authenticity of which cannot be questioned, first, that U. N. R. R. A. is not committed, has made no contracts, and has made no purchases, and is not required—morally, legally, or otherwise—to take any of these goods that have been referred to. Second, it is shown that even if it were, there is not a sufficient supply to pass over to U. N. R. R. A. a pound of wool or a yard of cloth. I must confess I am at an utter loss to understand the reason for this insistence upon a matter of such little moment, when we are discussing matters of vital concern to America and the world. Why this attempt to support some minor contention which, even if established, does not affect the situation in the slightest, does not save a single life, or win a single battle, or shorten the war by 1 minute?

Let us have some perspective of the relative importance of the matters involved in this controversy and about which there should be no controversy.

I will put these in the RECORD and everyone will have an opportunity to see them.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I want to refer back to the surplus supply of wool.

Mr. CANNON of Missouri. I am glad the gentleman refers to that question.

Mr. MILLER of Nebraska. If I am not correct in the statement will the gentleman correct me? It is my understanding that there is a big surplus of wool. Our normal production is 675,000,000 pounds a year and we use about 750,000,000 pounds, in round figures. Has the Surplus Commodity Credit Corporation been selling the wool twenty-five or thirty million pounds at stated intervals, and that wool sold at as much as from 7 to 9 cents below the cost of our domestic wool. Is that correct?

Mr. CANNON of Missouri. Yes; we spent hours yesterday afternoon discussing that one thing, a matter which has no connection whatever with this bill. Some Member took a vast amount of time yesterday discussing some report of a committee of which he was a member without at any time touching the question before the House.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. I yield myself 10 additional minutes.

Now, everything the gentleman said may be true. I am not passing on that because it has no reference whatever, no

germaneness whatever, to the subject before us today.

Mr. MILLER of Nebraska. But it has a relationship?

Mr. CANNON of Missouri. I cannot yield to gentlemen on related matters. We would never get to the bill itself—whether or not we have too much wool—and I concede we have too much wool.

The question presented by this bill is whether U. N. R. R. A. is required to pay for, or will pay for, wool contracted for by other Government agencies. The carefully considered answer is "No." And I append the official statement on that point as follows:

F. E. A. PROCUREMENT OF SUPPLIES FOR RELIEF

When the Office of Lend-Lease Administration came before our committee in May of 1943 on the lend lease appropriation bill for the fiscal year 1944, it was explained that their budget included funds for the procurement of medical supplies, food, clothing, and other necessities of life to be available to meet the emergency needs of the civilian populations in liberated areas as the war progressed. Mr. Stettinius explained that programs for the procurement of such supplies had been worked out by the Office of Foreign Relief and Rehabilitation Operations and that lend-lease funds should be made available to purchase them. Mr. Stettinius testified as follows on page 19 of the hearings for our committee:

"In all activities with regard to liberated areas we are working in close cooperation with the Office of Foreign Relief and Rehabilitation Operations. In our budget we are providing in category 7 funds for the procurement of a minimum of certain types of medical supplies, food, clothing, and other necessities of life to be available to meet the emergency needs of the civilian populations in liberated areas as determined by military and political necessity. This program has been developed by the staff of the Office of Foreign Relief and Rehabilitation Operations and has been reviewed by lend-lease. The War Department has agreed that it is necessary to make provision for liberated areas. The articles and commodities acquired under this program will not be locked up in a warehouse unavailable for any other purpose. These items will rather represent a claim against a fungible and fluid stream of lend-lease procurement subject to diversion to meet more pressing demands of a military or domestic nature should they develop. Goods acquired under this program will be supplied to liberated areas as the military and political needs develop.

"In addition to the specific program included in category 7 for liberated areas, the requirements of these areas constitute an important contingency which may require the expenditure of funds from category 9 to start the operations in liberated areas which will be necessary to back up and support our military forces. If the Allied armies should invade, it might become a matter of the gravest military and political necessity that the needs of the civilian population be met, that arsenals destroyed by a retreating enemy army be restcred to production for the United Nations, that public utilities be rebuilt to supply necessary services to our troops, that transportation systems to move military and essential supplies be put back into operation, that agricultural resources be restored to production, and that in general the liberated areas be enabled to make their own contribution in services, supplies, and troops to the ultimate victory over the Axis. This demand is difficult to predict either in time or scope, since it must depend upon the uncertain events of war. But it is an eventuality for which we should be ready, and it may constitute a very large claim on lend-lease funds."

In its report on last year's lend-lease appropriation bill, our committee recognized the needs which Mr. Stettinius had described, and authorized the use of lend-lease funds for such purposes. Our report states, at page 11:

"In addition, funds must be available so that as military operations expand and new victories are won, the necessary demands for food, clothing, and essential equipment can be met. Supplies will undoubtedly be required for the civilian populations behind the lines. In north Africa, for example, General Eisenhower requested that lend-lease civilian goods be made available to prevent famine, plague, and disaffection which might endanger our lines of communication and supply.

"The committee has inquired extensively into the operations of the Lend-Lease Administration in north Africa and into the plans for lend-lease operations in areas still to be liberated. The committee believes that the experience in north Africa has demonstrated the need for sending essential lend-lease supplies to civilian populations in liberated areas. The War Department has agreed that it is necessary to make provision for liberated areas, and the committee is advised that the program of the Office of Lend-Lease Administration has been so coordinated that no supplies will be shipped into any area during military occupation without the prior approval of the War Department."

In accordance with this authorization, lend-lease funds were used to buy supplies of this character as programed by the Office of Foreign Relief and Rehabilitation Operations.

On November 10, 1943, the President, in a letter to the Secretary of War, placed upon the Army the responsibility for planning and distributing relief goods to the populations of liberated areas during the military phase of operations. By this time the Office of Lend-Lease Administration and the Office of Foreign Relief and Rehabilitation Operations had been merged into the Foreign Economic Administration. The Foreign Economic Administration then informed the Army of the programs for relief supplies which it had in progress and joined with the Army in completing the procurement of the goods which the Army required to meet its responsibilities. The advance procurment which the F. E. A. had initiated has proved to be of great assistance since the goods cculd be made available to the Army to fulfill the programs which the Army adopted and thus provided the Army with the goods that it wanted at an earlier date than would have been possible had procurement been delayed.

With respect to textiles, all of the procurement which the F. E. A. has undertaken for relief purposes was less than the amount required under the Army program. This means that on the basis of present Army plans none of the textiles which F. E. A. has now purchased or has now on order will be available for U. N. R. R. A.

In the case of woolen and part-woolen textiles the Army will require over 27,000,000 linear yards, of which only 10,000,000 yards are on hand and in procurement. The balance of the requirements—nearly 17,000,000 yards—is to be made by Army salvage, second-hand clothes, and newly produced goods.

In the case of cotton textiles the Army will need over 49,000,000 linear yards, of which 42,000,000 yards are on hand or in procurement, leaving a balance of about 7,000,000 linear yards to be made out of Army salvage or new production.

In the case of raw wool none has yet been procured for relief purposes and no raw wool will be procured for U. N. R. R. A. until funds are made available by the Congress. As Mr. Crowley has informed me in a letter dated May 31, 1944, any purchases of wool made for U. N. R. R. A. with the United States contribution will be from United States stock piles.

Procurement status of United States share of textiles for Army period

	Wool and part wool	Cotton
	Linear yards	*Linear yards*
United States share	27,023,000	49,184,000
On hand and in procurement	10,193,000	42,482,000
Balance	16,830,000	6,702,000
To be met by—		
Army salvage (estimated)	3,830,000	1,250,000
Second-hand	2,000,000	
Newly produced	11,000,000	5,452,000

Mr. TABER. Mr. Chairman, a point of order. The gentleman from Missouri has consumed more than 1 hour and under the rule he cannot speak longer without unanimous consent.

Mr. CANNON of Missouri. Mr. Chairman, inasmuch as I have yielded most of that time to my friends on that side of the aisle, including a part of it to the gentleman from New York, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection?

Mr. TABER. Reserving the right to object, these people have come on here and they have told their stories, supported by evidence. I do not feel it is fair that we have this kind of debate at this time, and I shall have to object.

The CHAIRMAN. Objection is heard.

Mr. CANNON of Missouri. Mr. Chairman, how does the time stand now?

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] has consumed 2 hours and 18 minutes. The gentleman from New York [Mr. TABER] has consumed 2 hours and 47 minutes.

Mr. CANNON of Missouri. How much time remains for general debate?

The CHAIRMAN. Fifty-three minutes for general debate.

Mr. CANNON of Missouri. If the gentleman will permit, it was agreed when we met this morning the gentleman from New York had 22 minutes remaining. He has consumed 5 minutes of that time, so he now has 17 minutes remaining. I have the remaining time between now and 2 o'clock. Does the gentleman care to consume time now?

Mr. TABER. Yes. I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Chairman, I wish to direct some of my remarks to the text appearing on pages 201, 202, 203, and 204 of the committee hearings, wherein the Secretary of Agriculture through Colonel Olmstead attempted to justify $500,000,000, as I understand, of lend-lease funds, which the colonel and the Secretary claim to be necessary as a reserve fund with which to take care of liabilities which might be assumed and incurred incident to the 90-percent loans on farm products to be made by

the Commodity Credit Corporation. What amazes me is the comingling of lend-lease funds with the undertakings of the Commodity Credit Corporation in connection with its loans to American farmers on the 90 percent of parity price basis covering crops that may be produced for the period from the cessation of hostilities to 2 years thereafter. To illustrate how baffling this proposal is to one of the outstanding Members of this House, Mr. LUDLOW, who is a member of the committee, on page 206 the gentleman from Indiana [Mr. LUDLOW] raises this question:

I was just wondering how this gets under the lend-lease umbrella. It is a matter of domestic policy, is it not?

But another important point is that that question was never answered. That is the answer which I seek now, if there is any member of the committee who can give us the answer. I wonder if the gentleman from Michigan [Mr. RABAUT] would care to give us the answer to that question, how $500,000,000 incident to the 90 percent of parity loans, whether on corn, wheat, rice, tobacco, or cotton, or what not—what business has that got under lend-lease?

Mr. RABAUT. The gentleman asks me a question. I will remind the gentleman that I come from a rural district that is solid concrete. There are a number of members of this committee who would be able to talk to the gentleman about strictly rural districts.

Mr. CRAWFORD. I did not mean to pin this on the gentleman from Michigan [Mr. RABAUT]. I would be quite glad to have any member of the committee answer that question.

Mr. RABAUT. I suggest the chairman of the committee, the gentleman from Missouri [Mr. CANNON], might answer the gentleman.

Mr. CRAWFORD. I should like to ask the chairman of the committee, the gentleman from Missouri [Mr. CANNON], if he can give us the answer to the question submitted by Mr. LUDLOW of Indiana, which appears at the bottom of page 206 of the committee hearings, as to how crop loans made by the Commodity Credit Corporation incident to the 90 percent of parity loans gets mixed up with lend-lease to the extent of $500,000,000?

Mr. CANNON of Missouri. I regret I was not at the table at the time the gentleman propounded his inquiry. If he will restate it, I will be glad to answer him.

Mr. CRAWFORD. On page 201, Colonel Olmstead, apparently speaking for the Secretary of Agriculture, Mr. Wickard, points out that $500,000,000 is considered by the Department of Agriculture as lend-lease share of protecting agriculture against overproduction as a result of this program; protecting them against price decreases, and also relates the amount of dollars to the 90 percent of parity of price loans to be made by the Commodity Credit Corporation.

Mr. CANNON of Missouri. May I inquire of the gentleman whether he favors the maintenance of farm prices?

Mr. CRAWFORD. I do not favor the use of lend-lease funds for the purpose of carrying losses which the Commodity Credit Corporation might incur incident to its making 90 percent of parity loans on corn, wheat, cotton, rice, or any other agricultural commodity.

Mr. CANNON of Missouri. Evidently the gentleman has not taken into consideration the fact that this $500,000,000 is exclusively for food produced for lend-lease.

If incidentally in the course of carrying out the lend-lease program we can at the same time support the price of farm products, I should not think the gentleman would object to that.

Mr. CRAWFORD. Going over to page 207 Mr. Olmstead said that under the Steagall Act which is very explicit, he tried to maintain at 90 percent of parity any commodity on which the Secretary of Agriculture, later the War Food Administration, prepared a program or requested an increased production.

The point I am raising that was raised by the gentleman from Indiana [Mr. LUDLOW] is how does the Secretary of Agriculture get lend-lease funds mixed up with Commodity Credit Corporation activities incident to crop loans? U. N. R. R. A., and lend-lease may both be out of the picture 3 to 6 months after hostilities cease.

Mr. CANNON of Missouri. If the gentleman will permit——

Mr. CRAWFORD. If the gentleman will let me proceed for just a minute, let me formulate my question—U. N. R. R. A. and lend-lease may be entirely out of the picture 90 days after the cessation of hostilities at which time——

Mr. CANNON of Missouri. Is the gentleman asking me a question?

Mr. CRAWFORD. The gentleman does not have the floor. I am trying to state the matter so I can ask my question.

Mr. CANNON of Missouri. I shall be glad to answer if the gentleman will permit.

Mr. CRAWFORD. As I say, lend-lease and U. N. R. R. A. may be entirely out of the picture. My question goes directly to the point, Why does the Secretary of Agriculture come in here and make an arbitrary division and claim he needs $500,000,000 with which to protect losses which may be incurred by the Commodity Credit Corporation incident to the 90-percent of parity loans? That is the only thing I am questioning in this whole procedure. How does that get under the lend-lease umbrella?

Mr. CANNON of Missouri. The gentleman is a little late in raising any objection which he might be making to this provision—although he does not appear to be very definite on it even at this late date. This is the third year the provision has been carried in the bill. The gentleman has evidently slept on his rights, if he has any. If any right is here infringed upon why has he not objected before this? He has had 3 years in which to object and this is the first time he has considered it of enough importance to mention it.

Mr. CRAWFORD. Mr. Chairman, I do not yield further unless the gentleman wants to answer my question. I decline to yield, Mr. Chairman. I will go ahead and make my own statement.

Mr. CANNON of Missouri. But the gentleman has asked me a question. Why not permit me to answer it?

Mr. CRAWFORD. I decline to yield, Mr. Chairman.

The gentleman from Indiana [Mr. LUDLOW] has been a member of this committee for many years. I venture that statement. This whole question was sufficiently baffling to him that as a member of the committee handling these specific appropriation items and sitting before the board listening to the justifications, it was not clear to the gentleman from Indiana [Mr. LUDLOW] as to how this got under the umbrella of lend-lease. So I deny that I have slept on my rights.

If this explanation has previously been made to the Committee on Appropriations and they have never before questioned the intermingling of lend-lease funds with the 90 percent of parity loans then my position is that the Committee on Appropriations has somewhat slipped in pointing out to the House just what is going on under lend-lease.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield

Mr. CRAWFORD. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. The answer to the gentleman's question is very simple.

Mr. CRAWFORD. I think it should be.

Mr. WOODRUM of Virginia. The amount of money carried there is the lend-lease portion of the support price of the agricultural product it buys; that is the answer.

Mr. CRAWFORD. Why did the Secretary of Agriculture go a step further and bring in here his concept of the losses that may be incurred on the 90-percent parity loans which are charged to the Commodity Credit Corporation? That is the technical aspect of it.

Mr. WOODRUM of Virginia. That is not the answer that was called for by the question of the gentleman from Indiana. If lend-lease buys agricultural commodities, products, and pays for them a price less than 90 percent of parity then they must pay the difference from the support price. That support price policy is something the whole Congress has approved; it is in the organic law, and the amount of money carried here which the gentleman from Indiana is inquiring about is the lend-lease portion of the support price on the agricultural products it purchases.

Mr. CRAWFORD. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

VEGETABLE PROTEINS VERSUS ANIMAL PROTEINS

Mr. MURRAY of Wisconsin. Mr. Chairman, we see the vegetable proteins

against the animal proteins projected into the food picture at this time. Eggs providing one of the best sources of animal proteins are now being diverted to animal feed. In fact, it is being made into tankage. In supporting the egg price at 27 cents per dozen, which is 90 percent of the parity price of 30 cents per dozen on May 15, 1944, the governmental agency acquired large receipts of eggs. There was no available storage. The egg producers have always kept away from subsidy programs of any kind all during the years and the egg producers have increased their production at the request of the Government. They are, therefore, entitled to the 90-percent parity guaranty under the law.

In extending the life of the Commodity Credit Corporation, Public Law 147, Seventy-seventh Congress—H. R. 4972—provided the following:

> Any such commodity loan, purchase, or other operation which is undertaken shall be continued until the Secretary has given sufficient public announcement to permit the producers of such commodity to make a readjustment in the production of the commodity.

This provision of law was evidently the pattern used in the rearrangement of the pork-price program. While the C. C. C. could and should have been held accountable for not providing the 90 percent of parity guaranteed for all hogs regardless of weight which parity means and the law states, the War Food Administration did support the announced support price of $13.75. This price has since been reduced to $12.50 per hundredweight as of September 1944. The question is this: Why has not the W. F. A. presented the egg problem in the light of the provisions of the law which gives the War Food Administration the authority to give the egg producer sufficient time to put his house in order? This should not only be done for the benefit of the egg producer but should be done in order to provide the public with a continued supply of this most excellent source of animal protein.

The diversion of eggs, a most excellent animal protein to tankage is a most questionable procedure when at this time they are paying a subsidy on vegetable protein according to a letter I have from the War Food Administration dated May 23, 1944, which states in part:

> In order to stimulate the use of peanuts in the manufacture of peanut butter, peanuts are sold at lower prices for such use than for other edible purposes. It is estimated that this peanut-butter program will cost approximately $14,000,000.

Here then we see a food program carried on which subsidizes vegetable protein in the form of peanut butter which costs millions of dollars, while we see the animal protein converted into tankage. This does not make sense from a nutritional standpoint and most assuredly does not make sense from an economic standpoint. Vegetable protein is also being subsidized in the form of soybean flour under the soybean subsidy program.

However, I still remember the old Wisconsin experiment where two little pigs each received plenty of calories but the little pig fed vegetable protein weighed but 55 pounds at the end of the experiment and the little pig that had animal protein in addition to the vegetable protein in his ration weighed 165 pounds at the end of the experiment. The complete information can still be found in the Wisconsin Bulletin No. 142. We must guard against food propaganda not based on nutritional and scientific facts. We must guard against food propaganda that is not backed up by sound unquestionable experiments.

I think the time has come when we should have complete information before we go off on these tangents and waste money that it is absolutely unnecessary to waste.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask to be recognized for 5 minutes.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri for 5 minutes.

Mr. TABER. Mr. Chairman, did I understand the gentleman was recognized?

The CHAIRMAN. The gentleman asked for recognition and the Chair recognized the gentleman for 5 minutes.

Mr. TABER. Mr. Chairman, I make the point of order that the gentleman has already consumed more than 1 hour.

Mr. CANNON of Missouri. I have been again recognized and am entitled to the remainder of the time on this side.

The CHAIRMAN. The gentleman from New York [Mr. TABER] makes the point of order that the chairman of the Committee on Appropriations has already consumed 1 hour.

The Chair calls attention to rule 14, clause 2, of the Rules of the House, which reads as follows:

> And no Member shall occupy more than 1 hour in debate on any question in the House or in Committee, except as further provided in this rule.

The Chair calls attention to clause 3 of the same rule, reading as follows:

> The Member reporting the measure under consideration from a committee may open and close, where general debate has been had thereon; and if it shall extend beyond 1 day, he shall be entitled to 1 hour to close, notwithstanding he may have used an hour in opening.

The general debate on this bill was in progress yesterday and the gentleman from Missouri consumed 1 hour during the debate at that time. The gentleman from Missouri has consumed today 30 minutes.

The Chair overrules the point of order and recognizes the gentleman from Missouri [Mr. CANNON] for 5 minutes, holding that he may be recognized for an additional 30 minutes to close debate.

Mr. CANNON of Missouri. Mr. Chairman, another point was raised yesterday on which there seemed to be considerable misapprehension on the part of those who raised the question, was the impact on domestic economy of the lend-lease shipment of farm machinery.

I will enter at this point in the RECORD a detailed statement on the subject, and will only take the time of the Committee to read the final paragraph which sustains the statement made yesterday on the subject:

> The total value of United States production of farm machinery since the passage of the Lend-Lease Act has been greater than before. Our production in the 3 years from April 1, 1941, to March 1, 1944, is approximately $1,648,000,000. In the 3 years, 1938, 1939, and 1940, our production was $1,258,000,000.

It should be remembered that the machinery shipped abroad will not only provide food which it would otherwise be necessary to ship in American bottoms now perilously scarce, but much of the food produced by this machinery is used to feed our own soldiers.

In Australia the Australians are providing everything our soldiers consume. All of the food of the American Army in Australia is provided by the Australians and this machinery will enable the Australians to produce food for our Army.

In the British Isles, 50 percent of the food consumed by our troops is produced in England. This machinery will not only supply the food which otherwise we would have to produce and ship to England, taking up valuable transportation space, but it will contribute to the production of half of all the food our soldiers eat. Why anyone should object to this comparatively small amount of machinery, less than 2 percent of all our production, at a time when the American farmer is receiving more machinery than he ever received before, is difficult to understand.

Mr. COLE of Missouri. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. Will the gentleman tell us in dollars and cents the cost of the machinery and farm equipment that has been sent abroad under lend-lease? The gentleman has just given us a percentage.

Mr. CANNON of Missouri. The point, though, is not what it cost. The point is whether or not enough of it is being shipped abroad to deprive our own farmers of machinery, and the evidence is that, although we are producing more than we ever produced before, a smaller percentage of farm machinery is going abroad than went in pre-war days.

Mr. COLE of Missouri. May I say to the gentleman, if he will permit, that in my district the farmers are unable to get farm machinery that they need. Many have made application for it and have been refused, then they have sent complaints to me, which I have taken up with the War Production Board, but I have always been referred back to the agricultural committees in the various counties and have not been able to get results for them.

Mr. CANNON of Missouri. I have no doubt that is true, but the farmers in the gentleman's district and the farmers in my district are getting more than they ever got before and at a time when a war is on. The gentleman should realize that the Nation is at war.

Mr. COLE of Missouri. If the gentleman will yield further, may I say that there is hardly a farmer in my district who has not contributed a son, or a hus-

band, or a hired hand to this war effort. I know that there is a war on and they know there is a war on. But they need farm machinery to partially make up for that which has been taken away from them in the way of farm help. They are working day and night and doing the best they can with what they have, but they are handicapped because they are not getting the farm machinery to replace that which has been worn out.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, let me tell the gentleman something about his farmers that he does not seem to know. There is not a farmer in the gentleman's congressional district who would not be willing to wear a pair of patched overalls so that some child on the other side might have sufficient proteins or sufficient clothing to cover its nakedness and to protect it from the weather; there is not a farmer in his congressional district who would insist on having a tractor if it meant taking away the tanks that his boy over there needs to protect him when he moves forward on the enemy. I may say to the gentleman that if he will put it up to his farmers, he will not find a single farmer in his district who would not be willing to get along with the machinery he has rather than take away the gun from the man who is standing on the front lines or taking from above him the plane that is protecting him from the enemy.

Mr. COLE of Missouri. All that is entirely true, but the point I make is that my farmers are all doing that now. They are all wearing patched overalls because they cannot get new ones. They are already using broken-down equipment while we send overseas new equipment that they need.

Mr. CANNON of Missouri. Their boys over there need it too to supply the food this machinery is producing. Do not try to make people believe the farmer is that unpatriotic. Out of every hundred tractors our farmers are getting over 98, and the boys and our allies on the other side are getting less than 2.

Here are the departmental statements:

JUNE 2, 1944.

Hon. CLARENCE CANNON,
House of Representatives.

DEAR REPRESENTATIVE CANNON: In accordance with your request, I am supplying you with the facts concerning lend-lease shipments of farm machinery:

Lend-lease farm machinery has been shipped to our allies in order to assist them to produce more food for American fighting forces overseas and for their own soldiers and war workers. One ton of farm machinery will produce 8 tons of food within the first year. That saves shipping and reduces the overseas war demands upon our domestic food supply.

Between March 11, 1941, the date of the enactment of the Lend-Lease Act, and March 31, 1944, lend-lease shipments of farm machinery amounted to $36,980,000. In the same period, total production of farm machinery in the United States amounted to $1,645,000,000. Thus, lend-lease exports of farm machinery amounted to about 2 percent of our total production during that period.

In the first 3 months of 1944, lend-lease shipments of farm machinery to all areas amounted to $4,273,000. This was less than the quarterly rate of our shipments in 1943, when total farm machinery shipments amounted to $19,000,000.

More than half of all lend-lease exports of farm machinery since March 11, 1941, have been sent to the United Kingdom. Their value was $21,753,000. This was 1.2 percent of American production. With the help of this relatively small amount of equipment the United Kingdom has been able to increase its food production by 70 percent over prewar levels. Before the war Britain had to import over two-thirds of its food from overseas. Through this tremendous increase in home production, it has been possible for the British to maintain their rations with much smaller shipments of lend-lease foods than would otherwise have been necessary. Actually, lend-lease food shipments from the United States have amounted to only 10 percent of the total British food supply. The British in addition were able to provide to American forces in the United Kingdom by the first of this year over 350,000,000 pounds of food produced locally and in the colonies. This came to us as reverse lend-lease, without payment by us. Twenty percent of all food currently required for our forces in the United Kingdom is provided to us in this way.

Most of the balance of lend-lease shipments of farm machinery have been sent to Australia and New Zealand. These shipments were valued at $7,976,000 and amounted to less than one-half of 1 percent of our total farm-machinery production. With the help of these shipments of farm machinery, Australia and New Zealand had, by the first of this year, already provided to American forces in the South and Southwest Pacific theaters over 800,000,000 pounds of food as reverse lend-lease, without payment by us. These countries are providing more than 90 percent of all the food requird by American forces in the Southwest Pacific theater and a substantial proportion of all the food required by our forces in the South Pacific theater.

The remaining shipments of lend-lease farm machinery have gone mostly to the Middle East and Africa. These areas are now producing increased quantities of food for United States and other United Nations armed forces, for their own population, and to help meet the needs of liberated areas.

The following table shows the dollar value of all lend-lease exports of agricultural equipment (excluding crawler-type tractors, which are used almost entirely for military purposes) to the principal war theaters from March 11, 1941, to March 31, 1944:

Lend-lease exports of agricultural machinery [1]

FROM MARCH 1941 TO MARCH 31, 1944

[In thousands of dollars]

United Kingdom	21,753
Australia and New Zealand	7,976
Africa and Middle East	5,062
Other	2,189
Total	36,980

[1] Excluding crawler-type tractors.

The total value of United States production of farm machinery since the passage of the Lend-Lease Act has been greater than ever before. Our production in the 3 years from April 1, 1941 to March 31, 1944, was approximately $1,645,000,000. In the 3 years 1938, 1939, and 1940 our production was $1,218,000,000. There has, nevertheless, been a domestic shortage of farm machinery in relation to the needs of our farmers, because of the great increase in our domestic food production program, the relative shortage of farm labor, and the increased purchasing power of farmers. For that reason shipments of farm machinery under lend-lease have been kept at the absolute minimum, consistent with the demands of our joint war effort.

Sincerely yours,

LEO T. CROWLEY,
Administrator.

FARM MACHINERY—U. N. R. R. A. BUDGET ESTIMATE

U. N. R. R. A.'s farm-machinery program will be supplementary to the farm machinery brought into the liberated areas, either during the period of military responsibility for civilian supply, or by the governments which are expected to pay in whole or in part for their own civilian supplies. Because the types and amounts which will be brought in before U. N. R. R. A. takes over, or which will be paid for by the countries themselves, are necessarily uncertain, and depend upon the progress of the war and the season of the year, among other things, it is impossible at this time to make a break-down of the items which U. N. R. R. A. will provide.

U. N R. R. A. must hold itself in readiness to take responsibility for the heavier items of equipment, which it may be impossible to bring in during the earlier stages of liberation when conditions will be less stabilized and transportation will be more difficult. Furthermore, U. N. R. R. A. in pursuance of its policies of repairing existing equipment where possible and of getting the most economical use of its funds, will want to be in a position to bring in the maximum of spare parts for machinery still in existence. In north Africa, Lend-Lease brought in half as much by weight of spare parts, mostly for existing equipment, as new machinery, and U. N. R. R. A. may find it more economical and effective to devote an even larger proportion of its farm-machinery budget estimate to spare parts.

The heavier machinery and spare parts are more expensive, by weight, than the other items. Tractors, for example, cost about $500 per ton, and spare parts, in our procurement experience, average between $500 and $600 per ton. The U. N. R. R. A. budget item for farm machinery has therefore been estimated at the figure of $500 per ton, to take care of these contingencies. If U. N. R. R. A. actually provides a large proportion of farm implements, the per-ton cost will be considerably less.

Limitations in the production field will also control to a considerable extent the break-down of the U. N. R. R. A. farm machinery estimate. It is impossible to place orders and to arrive at a firm conception of production possibilities until after the appropriation is made.

If the machinery scheduled for U. N. R. R. A. cannot be disposed of in liberated areas at the time it is produced, it can be turned back into the domestic market. It will thus represent a net increase of the available farm machinery supply in this country since the farm machinery for liberated areas will be scheduled in addition to and not as a deduction from the domestic quota.

Mr. H. CARL ANDERSEN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The W. P. B. officials informed us last November that we had exported to Canada one-eighth of our total tractor production. Can the gentleman say why it is necessary to send to our neighboring country that proportion of very essential farm equipment?

Mr. CANNON of Missouri. I do not know anything about the correctness of the gentleman's statement, but I may say that the total percentage is inconsequential. In my own congressional district

and in the congressional district of my able and distinguished friend from Missouri, when the river recently carried away all of our feed supplies, the thing that saved them was Canadian oats shipped in there directly from Canada on a hurry-up call by the Food Administration. We are receiving today direct advantage of the tractors we shipped to Canada.

In conclusion, Mr. Chairman, let me say that the vital consideration here is not whether U. N. R. R. A. has agreed to take some wool that some one thinks they have agreed to take, or whether these dresses which the gentleman the other day said were the most expensive dresses in the United States, and which it turns out now were not by any means in that classification, and that the dresses shipped abroad were being issued at $1 a piece to people who had no dresses for 2 years. Or these shoes the gentleman exhibited here yesterday, and which it now develops were condemned by the health authorities and ordered destroyed to prevent infection of our own soldiers who might be required to wear them.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. CALVIN D. JOHNSON. By placing new half soles on them, does that help them in any way?

Mr. CANNON of Missouri. It was not understood in the beginning that they were subject to condemnation by the medical authorities. No one knew that they were infected until they were ready to be reissued. I think the gentleman would be willing to sacrifice a pair of half soles instead of crippling a boy who would be issued a pair of those infected shoes and probably have to go to the hospital.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield further?

Mr. CANNON of Missouri. Yes.

Mr. CALVIN D. JOHNSON. Have we reached the point in medical science in this Nation where it is impossible to remove a disease or a germ, so to speak, from a shoe?

Mr. CANNON of Missouri. I did not condemn them. The medical profession condemned them. They said they did not dare let our soldiers wear them, and I will take their word for it. And the gentleman did not say a word about it yesterday.

Mr. Chairman, in conclusion let me say that these petty, pointless, Pecksniffian, picayune criticisms that have been made here during the consideration of this measure so important to the war program may do no harm in themselves. You are going to vote for this bill regardless of all this civil art criticism. You knew that all along.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 5 additional minutes.

It is a disservice to the country. You are destroying the confidence of the people in those commissioned to win this war. Most serious of all, you are developing in this country a prejudice against our Allies, upon whose cooperation we must depend to win the war, and whose good will and cooperation we must have to win the peace that will follow the war. At this critical time there can be no greater disservice to the Allied cause than the effort to arouse prejudice and suspicion and antagonism against our British and Russian and Chinese Allies. The price is too great to compensate for any imaginary political advantage which might be gained through the dissemination of this inconsequential and erroneous propaganda.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. JOHNSON].

Mr. CALVIN D. JOHNSON. Mr. Chairman, in answer to the statement that has been made by the gentleman from Missouri, I have a short statement here that I received from the War Department in which they inform me that in the future they will very carefully watch all shipments to see that no wearable shoes are sent to that particular place.

I have also an affidavit showing not only the small amount that I mentioned yesterday but many carloads of shoes were received. It seems very unusual that they would overlook the fact that there was a possibility of infection in these shoes that had been half-soled and repaired.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 1 additional minute.

Would the gentleman insist on American soldiers wearing those shoes in order to save the few cents invested in the half-soles when they have been condemned by the medical authorities as infected, and a disease might be contracted which would incapacitate them for the time being if not cripple them for life? Certainly, if the medical authorities, through some inadvertence, overlooked the fact——

Mr. CALVIN D. JOHNSON. I will say that the American soldiers took those shoes into the repair shop.

Mr. CANNON of Missouri. And if they were impregnated with athlete's foot germs or other infections, even though they could be repaired, would the gentleman say that our infantrymen ought to take a risk no Member of this Congress would take simply to save the Government the comparatively small value of a little leather?

Mr. CALVIN D. JOHNSON. I think we have slipped a long way. The statement I made yesterday, if the gentleman will permit me, was to the effect that those shoes should have been repaired and sent to Europe. That was the thought back of the statement yesterday. Give those to U. N. R. R. A. They can be repaired and turned over to them.

Mr. CANNON of Missouri. If any of them are infected, the gentleman would want them recalled, would he not?

Mr. CALVIN D. JOHNSON. Oh, that could easily be corrected.

Mr. CANNON of Missouri. That is what we are doing now. We are taking them out of circulation.

Mr. CALVIN D. JOHNSON. Here is something else that the gentleman might learn. Here is an advertisement of the Harwood Gail Co. of the city of Chicago advertising actual United States Government surplus garments:

Every garment is brand new—every garment is guaranteed perfect.

This advertisement reads:

These Storm Commando Coverall suits are $12.50 retail. They are a remarkable value at the special sample price of $7.45—an even greater value at $6.45 when ordered in lots of three.

I checked up on that and I was advised by the Army that in July 1943, 35,000 of those suits were sold for $1.67½ each. On August 17, 1943, 7,942 were sold for $3.07½ each. That would make a purchase price of approximately $80,000, and taking the low figure of the sale, it would be a sale price of $277,000, or a clear profit of approximately $194,000.

The gentleman was talking about the need of overalls in Europe. Here are the actual records, the figures from the Army itself. Those are the things we are criticising. Those are the things we are trying to correct.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the blood of every race flows in the veins of America and Columbia loves them all. U. N. R. R. A. will do much for those who have been exploited by the war. It will be of service to those who find themselves with the least of this world's goods, as the children of men. U. N. R. R. A. likewise will benefit the heart of the giver. U. N. R. R. A. will prove a magnificent help also to the future economy of this country.

In connection with this short statement, I bid the committee to follow me in the reading of an extract from the hearings by Mr. Crowley on page 293:

The United Nations forces are moving steadily and inevitably toward victory. Among the United Nations forces our own Army is truly a world army. We in this country do not represent one race, one creed, a single geographic origin, but we represent a composite of many peoples united by common language, common culture, and institutions of our choosing. Any day one reads with sadness and resignation the names of battle casualties among our service personnel: Men and women who trace their ultimate origins to different parts of the world, descendants of Englishmen, Poles, Greeks, and Russians, Swedes, Norwegians, Danes, and Frenchmen, descendants of Italians and Irish forebears—all truly as American as the earliest settlers, united under the Amercan flag and fighting for a common cause. This appropriation, gentlemen, is a token of faith in the cause for which these Americans are giving their lives.

This distinguished Administrator continues, and this should appeal to those who are calling for a business administration:

All my training has been along business lines. Public misconception has it that people of such background are not supposed to be sentimental about human suffering. The moral values in the present conflict, however, cannot be ignored even by the most hard-hearted and practical of men. There

may be those who grant the highest motives and objectives in the present war and the coming peace, but still ask practical questions on how we expect to spend this money and what we are going to get in return.

The American people do not place a dollar value on life; nor do we want an interest rate on human suffering. This money will go to buy bread for the hungry, milk for the children, medicines for the sick, and to reunite families broken by war and shipped in bondage to different corners of the continent. And, of course, such medical service as U. N. R. R. A. renders as well as its work in repatriating the millions in Europe who have been driven from their homes will be matters exclusively for the U. N. R. R. A. staff. The immediate return, the gratitude and loyalty of those we help, will be intangible but no less real than the suffering. And they will help us in our advance to victory.

Mr. CANNON of Missouri. Mr. Chairman, I yield 8 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, the bulk of the money appropriated by this bill for U. N. R. R. A.—United Nations Relief and Rehabilitation Administration—will be expended after victory has been won. The United States has positively and definitely committed itself to participate with other United Nations in the rehabilitation of the nations and the people who have been devastated by war. We must not renege on our definite promises. Many of the other nations who entered into this U. N. R. R. A. agreement with us have already made their appropriations. The United States—the wealthiest and most powerful nation on earth—has not made its contribution. That contribution is provided in this bill.

This bill represents our first practical test of post-war cooperation with other nations. I urge you strongly to pass this measure.

While we are thinking of post-war relief and rehabilitation of other nations, in which I think we must join wholeheartedly, we must not overlook our own post-war domestic situation. Unless the Nation's leadership is able to foresee some of the dangers which lie ahead of us, unless there is careful planning and an intelligent approach to our problems, we might have vast unemployment and economic stagnation. This, I believe, can be avoided, and should be avoided.

One of the hopeful signs for post-war employment lies in the huge backlog of purchasing power in the hands of consumers and also the shortage of many durable consumer goods. In order to make best use of this situation, though, a sensible and practical program of reconversion is positively essential, a subject which I hope to discuss at some length later.

At the same time, we may be confronted with a vast surplus of agricultural products, which, in wartime, is one of our greatest assets, but which, in peace without adequate Government protection, might so glut the market that prices of agricultural commodities would be severely depressed.

The American farmer has responded magnificently to his country's call for more food. In fact, the Nation's farmers have produced so much that instead of people walking the streets in starvation, as some pessimists predicted only a few months ago, we have now not only the greatest consumption of food in our history, but also we have in many cases the greatest surplus in our history. For instance, we now have so many eggs on hand that they are being turned into tankage and fed to livestock. This huge surplus of eggs so severely depressed the egg market a few weeks ago that the Government had to step in with its price-support program.

War food officials testified before the Appropriations Committee, of which I have the honor of being a member, that eggs would probably be selling now at 5 cents per dozen were it not for the floor-price support program.

Pork is another case in which the American farmer has produced more than his Nation can use. The refrigerators are so full of pork that the packers are threatening to discontinue slaughtering until the Government buys and moves out the surplus supply of fatback. There, again, too, the overproduction and the surplus has depressed the market. For several months now the Government has had to support the price of live hogs. Had it not been for this floor price under the price of live hogs, the American hog farmer would have had ruinous prices. True, the prices have been too low and many farmers, including me incidentally, have actually lost money in feeding hogs in compliance with their Government's request. But hog prices would have been much lower for the past several months had it not been for this floor price.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. GORE. I am delighted to yield to the gentleman from Oklahoma.

Mr. MONRONEY. Mr. Chairman, I take this occasion to thank the gentleman on behalf of my farmers and the farmers of the Nation for the courageous action and foresight he had in writing into legislation as a member of the Committee on Banking and Currency the 85-percent support clause on all crops, basic and otherwise, required by the Secretary of Agriculture for the prosecution of the war. It was this foresighted action in writing this provision into legislation early that has protected the farmers thus far. It will not only protect them through the shifts and changes of war but for 2 years after the war. I thank the gentleman for his efforts in behalf of the farmers.

Mr. GORE. The gentleman from Oklahoma is very kind, and I thank him. I assure him I had no intention of referring to the fact that I proposed that program. May I say to the gentleman that without his ardent support and the support of other members of the committee, the American Farm Bureau, and the agricultural interests of the country, it would not have been possible to have written that provision into law.

I thank the gentleman again for calling attention to the fact that it has been helpful to the farmer.

This only emphasizes one of the real agricultural problems ahead. Congress must not wait too long to give consideration to the problem of post-war disposition of these huge food surpluses. We must not in any event or under any circumstances allow these surpluses to crush the American farmer as he was crushed following World War No. 1.

Consideration should now be given to ways of avoiding this. One thing is sure—if it is fair to place ceilings over agriculture prices to prevent them from getting too high, it is just as fair to support them with minimum floor prices to keep them from going too low. This is equally true and fair in war or peace.

Mr. Chairman, this appropriation is part of an agreed plan the purpose of which is to rehabilitate a war-torn world. We cannot stand aloof. We must play our part, do our share. I urge passage of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, a foretaste of what might be in store for the American people if any of the individuals, prominently mentioned as Republican candidates for the Presidency, should be elected, is given in an editorial in this morning's Times-Herald, published in Washington. This paper enjoys the confidence of the Republican leaders throughout the United States. It is one of the foremost antagonists of the Democratic administration. It is the greatest advocate of Republicanism in the Nation, and in the minds of many it is the national organ of the Republican Party. In today's editorial they suggest—they even recommend and cite as possibilities the following gentlemen for Cabinet positions should either Dewey, Bricker, or Warren be elected President:

Herbert Hoover for Secretary of State; Douglas MacArthur for Secretary of War; Winthrop Aldrich, president of the Chase National Bank, for Secretary of the Treasury; John Lewis for Secretary of Labor.

I see some of my Republican friends with expressions of doubt at that. The editorial also names Eric Johnston, president of the United States Chamber of Commerce, as a possibility for Secretary of Commerce.

Now Mr. Hoover's chief claim to fame lies in the fact that during this administration the selling of apples pretty nearly became the national occupation, and also for the fact that he used tanks and artillery to drive the bonus army out of Washington. In addition to which he allowed our Navy to scrap ships and to so decline in strength that comfort and courage was given to the dictators and they were emboldened in their plans for war. I will not comment upon Douglas MacArthur, except to say that anyone can envision what would happen to the morale of the War Department and the entire Army if General MacArthur, who is now a subordinate of General Marshall, were brought here to Washington and placed in a position of superiority over him, to direct the strategy of war. Everyone concedes that the judgment of General Marshall has been brilliant and

that results so far have been great. It would be a serious error to supersede him in directing our strategy. Regarding the president of the Chase National Bank, anyone who is at all conversant with what took place in the twenties realizes the part that Mr. Aldrich and the Chase National Bank played in rigging the stock market which resulted in the eventual economic collapse, and the impoverishment and financial ruination of millions of American citizens. Regarding John Lewis as Secretary of Labor, I will leave some of my Republican friends who consistently oppose labor to make comment upon that.

As to Mr. Eric Johnston, of the United States Chamber of Commerce, as the Secretary of Commerce, what a combination that would be, with him sitting there as Secretary of Commerce and Winthrop Aldrich as Secretary of the Treasury. What a combine that would be, to repeat the exploitation of the early twenties which resulted in the collapse, in 1929, and almost precipitated a revolution. I am confident that this country cannot survive a prospect of this kind, and I am confident also that the American people in their good judgment will not permit a condition to develop that would bring these men into the high Government places to repeat those things which they did in former days that very nearly ruined America, because in the post-war period we just cannot afford that and I am sure the American people will not permit it to occur. The Nation could not survive the dire consequences which would certainly follow anything of that kind.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask that the Clerk may read.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Agricultural, industrial, and other commodities and articles, $3,446,361,000.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, this bill is set up by sections. Is it being read for amendment by paragraph as other appropriation bills are, or by sections?

The CHAIRMAN. The bill is being read by paragraphs.

Mr. TABER. It is being read by paragraphs?

The CHAIRMAN. Yes.

Mr. TABER. And each individual paragraph is subject to amendment?

The CHAIRMAN. Yes; the Chair so holds.

The Clerk will read.

The Clerk read as follows:

(c) In all, $3,450,570,000.

Miss SUMNER of Illinois. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent that I may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

The CHAIRMAN. The gentlewoman from Illinois is recognized for 10 minutes.

Miss SUMNER of Illinois. Mr. Chairman, one reason why most Americans living in the heart of the United States hate the New Deal foreign policy is because we know that the domestic injustices which most of you more or less oppose are the almost unavoidable flow from the anti-American New Deal foreign policies.

These millions of Americans listen in vain to hear their sentiments reflected in Congress. They ask if it is insipid leadership or plain betrayal. They wonder why it is that Congress seems to have become a mere soundingboard for the Executive—instead of the voice of the people a Congress ought to be.

If the U. N. R. R. A. scheme is humanitarian so is keeping a gigolo. Maybe that was hard to believe 6 months ago when newspapers were emasculating columns which showed how the Moscow Conference was another Munich. But today our foreign policy is no longer the perfect crime undetected. Now even such erstwhile devout adherents to the New Deal foreign policy as David Lawrence and Sumner Welles protest scathingly. By this time, it should be obvious to all who read that the war in Europe is no longer motivated by anything much more spiritual than momentum.

Moving as rapidly and conspicuously as lightning flashes, Stalin himself has revealed the skeletons in the closet. While claiming the Allied countries his partners granted him and edging ambitiously into the governments of others he has, at the same time, deprived you of every excuse you thought you had for giving American money to U. N. R. R. A. Who does not know that U. N. R. R. A. is to be Stalin's political tool? He has placed his henchmen in key positions in U. N. R. R. A. He has insisted that only his political machine shall distribute relief in Poland and the Baltic republics. You know that by the time U. N. R. R. A. moves into Italy he will virtually control the Italian Government. Who today can intelligently doubt that Stalin is using American men and American money to gain domination not only over Europe but also over China and the Americas?

The time is gone when Congressmen voting religiously for anything and everything labeled "administration foreign policy" can excuse themselves by saying they did not know what the administration foreign policy is. Administration spokesmen have repeatedly said not only privately but also publicly that their policy consists of winning this war regardless of how much it might diminish our strength for the next war and collaborating with Stalin by giving him everything he asks without bothering to find out whether or not he needs it to conquer Germany.

You dare not believe that our policy shortens the war because in fact it prolongs the war. The people of Germany where military strategy is taught in the public schools knew, of course, that Hitler had lost this war for them when, instead of invading England when England was weak and ripe for the taking, he, instead, turned and invaded Russia, giving England time, with the aid of America, to save the entire British Empire. Long afterward Mr. Churchill was quoted by the newspapers as saying that the reason he would not offer Germany some kind of peace was because he was afraid that if he did they would accept it. But now the Germans are encouraged to keep fighting on, jockeying for position, by the New Deal foreign policy which makes such fools of us. The Germans know, of course, that it is only a matter of time until Stalin will become so dangerously powerful that England, feeling insecure, will turn against Stalin and be bargaining for allies. The Germans, of course, assume that unconditional surrender would mean giving Stalin the privilege of liquidating and murdering the middle income classes in Germany the same way that the middle classes in Russia were liquidated and murdered. Stalin would presumably want revenge against Hitler and the principal Nazi leaders for their perfidy in turning against him when Stalin was still faithfully fighting as Hitler's ally. But what has the bulk of the Nazi machine to fear from Stalin? How large a part of the Nazi party was the German communistic party and tool of Stalin before it joined Hitler and became his dreade Gestapo? We do not know. But to these ex-Communists the coming of Stalin may seem like the second coming of a savior.

This U. N. R. R. A. appropriation of around a half billion dollars may seem trivial in the eyes of those who think nothing of voting billions but to Europeans it is a tidy sum, indeed a bonanza. It is sufficiently large to enable Stalin to line up on his side all the political leaders in both Europe and China who have not yet lined up with him, providing they are vendable. You saw with your own eyes the exquisite little dresses our Government is buying to give away in Europe. They are the kind the daughters of kings would not be ashamed to wear. All those dresses if sold in America could buy vast quantities of food for starving people but who is much interested in feeding starving people? Returning soldiers tell us that in Algiers it is not the needy natives but racketeers who are profiting from the clothing sent there.

Six months ago you laughed when I reminded you that in 1940 the man who was the loudest isolationist was the man who got elected president and predicted that the man who is the loudest isolationist in 1944 will be elected President. But you noticed this week, months before the election, that the President has already started repudiating internationalism. You noticed, too, that this week his Secretary of State proclaimed that America still, as always, has the policy of justice for all, both at home and abroad, for weak nations as well as strong. He endeavored to prove it by citing the American record in the century during which we had the so-called isolationist policy which the New Deal has previously hectored and condemned.

I think it is not, as many think, that the President is such an unprecedently smart politician because our smartest politicians, like Abraham Lincoln, have been too smart to be tricky. It is only, I think, that his bumbling opponents who try to be for what they think he is going to be for before he decides to be for it, are such bubble brains. Surely even Mr. Willkie knows by this time that the American people do not care to elect for President any man who tries to out-Herod Herod.

How noncommittal to pledge that though you will be for joining a military alliance or association you will never, never, never surrender the sovereignty of the United States. That is exactly like advocating unlimited aid to warring nations while promising again and again and again that you will never send our boys to fight on foreign soil. No State in the United States has ever yet surrendered its sovereignty to our Federal Government but how much does that legal technicality protect the citizens of the various States against conscription and seizure by the Federal Government of men and property? The great powers want us to band ourselves to an international fraternity so that instead of having to angle for it they can tap the money, resources, and soldiers of the United States automatically. The proposed association is the making permanent of the lending of American resources and soldiers. But nobody has asked us to surrender our sovereignty. It is like the story of the old maid who vowed never to surrender her sovereignty. She never did surrender her sovereignty and nobody ever asked her to.

The question before us is simply whether or not you want to vote money which Stalin will use to make himself so irrepressibly powerful that soon America will be asked to fight in World War No. 3 against him. He is ambitious, apparently, to become the first global ruler in history. But hardy England, as soon as he becomes very powerful will certainly feel insecure and will certainly want America to go to war too. You know that when England goes to war you will vote for lend-lease or whatever is required to get us into World War No. 3 because you did it before under similar circumstances. Next time it might be that isolationists would not oppose getting into the war because our traditional American policy is to fight whenever it is necessary in order to preserve the United States. The more money you vote for U. N. R. R. A. the sooner World War No. 3 against Stalin will be ripe to fight.

Genial Comrade Stalin, when World War No. 3 bursts upon him, is bound to feel as disappointed and disillusioned as he did when the Germans backtracked against him. It is not fair to him that in spite of the way he has been hijacking our fallen allies no official in America or England so far has issued a protest saying he is going too far. Stalin is a fellow who has come up the hard way—hard for him and hard for everybody who stood in his way. How could he know without ever having been told that there are some things one does not do. He does not even speak English, nor even Russian well. At Teheran nobody told him he was not doing all right. They drank his liquor. They laughed at his playful rowdyism. They gave him everything he asked, including upper Europe and a second front filled mostly with American soldiers. He thought he was a hit. If he noticed that President Roosevelt and Mr. Churchill seemed to stare at him through mental lorgnettes he doubtless supposed that it was only because they, like most modern rulers, including Stalin himself, are first generation monarchs who are still trying to acquire the arrogance of the manner born.

What is he going to think when, after encouraging him thus, just as he is about to become indisputable czar over more territory than any czar ever dreamed of possessing, England, with American help, turns on him and goes to war to take his brave new world empire away from him? You know that he is going to call the American people Indian givers. He is going to accuse America of being "isolationist" and say we have not fulfilled our pledge to "cooperate" with him to police the empire we "cooperated" with him to build up. Perhaps he will complain—publicly—that our President is nothing but a valet de chambre to the British.

Those who really love their fellow men will look behind the label plastered all over U. N. R. R. A. advertising it as charity—though in a way it is charity, like feeding turkeys for Thanksgiving dinner, or like the last tasty meal in a death house. Those who truly hate war will not be deceived into believing that the way to prevent World War No. 3 is to help build up one of the tyrants against whom in the next "tyrant's war" we shall be automatically and legally bound by the new international fraternity rules to go to war.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 102. Any defense article, information, or service procured from funds appropriated by this title or prior acts appropriating funds to the President for the purpose of carrying out the provisions of said act of March 11, 1941, as amended, shall be retained by or transferred to and for the use of such department or agency of the United States as the President may determine, in lieu of being disposed of to a foreign government, whenever in the judgment of the President the defense of the United States will be best served thereby: *Provided further*, That none of the funds appropriated in this title shall be used for the payment of any subsidy on agricultural products produced in the continental United States.

Mr. BELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BELL: Page 5, line 3, after the words "States", strike out the period and insert the following: "nor for the purchase or distribution of any food products for use in Puerto Rico or the Virgin Islands."

Mr. CANNON of Missouri. Mr. Chairman, the committee has no objection to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 103. This title may be cited as "Defense Aid Appropriation Act, 1945."

Mr. O'HARA. Mr. Chairman, I had a point of order to submit against section 102 which has not been completely read, and which point of order I wish to submit at this time.

The CHAIRMAN. The Clerk has just read section 103.

Mr. O'HARA. Mr. Chairman, the Clerk was just reading section 102, and I wish to make a point of order against that section.

The CHAIRMAN. The gentleman from Missouri [Mr. BELL] offered an amendment which was considered by the Committee and agreed to by the Committee, an amendment to section 2 after it had been read.

Mr. O'HARA. Mr. Chairman, I wish to make a point of order against section 102 on the ground that it is legislation on an appropriation bill.

Mr. CANNON of Missouri. Mr. Chairman, I submit the point of order comes too late.

The CHAIRMAN. The gentleman from Minnesota makes a point of order against section 102.

Mr. DIRKSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DIRKSEN. It occurs to me from following the reading that most of page 3 and all of page 4 down to section 102 was not read by the Clerk, and I do not believe the gentleman ought to be foreclosed from an opportunity to make the point of order, because his request was reasonable under the circumstances.

Mr. CANNON of Missouri. Mr. Chairman, it was read by the Clerk.

Mr. O'HARA. It was not completely read; Mr. Chairman, it is obvious that it was not completely read.

The CHAIRMAN. The gentleman from Minnesota makes a point of order that section 102 is legislation on an appropriation bill. The point of order comes too late. As the Chair has previously announced, the Committee has already considered and agreed to an amendment to section 102 offered by the gentleman from Missouri [Mr. BELL].

The point of order is overruled.

Mr. CALVIN D. JOHNSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CALVIN D. JOHNSON: Page 5, line 5, after the numeral 1945 add a new section as follows: "No portion of the funds hereby appropriated or materials purchased therewith shall be made available to any nation whose troops have not been engaged by actual battle participation in the present war."

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. CALVIN D. JOHNSON. Mr. Chairman, every Member of Congress realizes the benefit that has been brought to our allies through lend-lease. Lend-lease as originally intended was for the purpose of making goods available to those actually engaged on our side in carrying on the war. Under lend-lease procedure funds and goods have been distributed generously throughout the entire world. I am informed that some 46 nations have participated in lend-lease assistance, yet nothing like that

number of nations has been engaged by actual participation.

This amendment would not cut the amount of lend-lease funds but would make those materials and funds available to those nations whose troops are now or have been in the past actually engaged in battle or in the winning of the war. It would prevent the passing out of funds to nations in South America where five or six men can get together and declare war upon the Axis and become eligible for assistance, realizing that at no time will they ever be called upon to shed their blood in the defense of democracy. It would mean that more money and more goods would be available to those doing the actual fighting. I believe the amendment is worthy of the favorable consideration of the House. It will go a long way toward conserving the funds provided hereunder for the nations active in the war effort and will mean that every dollar of the American taxpayers' money that is going to be spent upon the war through this means will go for the purchase of food, materials, and clothing.

I shall read the amendment once more and then close. The amendment is very simple. It is this:

No portion of the funds hereby appropriated shall be made available to any nation whose troops have not been actively engaged by actual battle participation in the present war.

That would not affect Poland, Greece, Yugoslavia, or any nation that has been overrun by the Axis. Those nations whose troops have faced the enemy are the ones we want to help. Let us stop passing out lend-lease funds to nations all over the world under the guise of aiding the war effort.

Mr. CANNON of Missouri. Mr. Chairman, the amendment is so absurd that I ask that a vote be taken without further debate.

Mr. CALVIN D. JOHNSON. I wish to thank the gentleman. I am sorry he does not understand it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. CALVIN D. JOHNSON) there were—ayes 70, noes 73.

Mr. CALVIN D. JOHNSON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. CANNON of Missouri and Mr. CALVIN D. JOHNSON to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 82, noes 14.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 201. To enable the President to carry out the provisions of the Act of March 28, 1944 (Public Law 267), and for each and every purpose incident thereto or necessary therefor, $450,000,000, to be available immediately and to remain available until June 30, 1946: *Provided*, That (1) any sums allocated by the President to any executive department, independent establishment, or agency for any of the purposes hereof, from funds appropriated by or authorized to be expended under this title or from funds made available by the United Nations Relief and Rehabilitation Administration, may be expended without regard to those provisions of law waived by law with respect to the expenditure of Government funds by such department, independent establishment, or agency; (2) the appropriations, funds, or accounts of any executive department, independent establishment, or agency shall be reimbursed or credited from sums allocated hereunder, except as hereinafter provided, for any supplies, or services procured from such appropriations or funds or by use of such accounts and furnished for any of the purposes hereof; and (3) any supplies or services procured from funds appropriated by; or authorized to be expended under this title may be retained by or transferred to any executive department, independent establishment, or agency, and said funds shall be reimbursed from payments made in return therefor by such department, independent establishment, or agency: *Provided further*, That any officer or employee of any executive department, independent establishment, or agency who is detailed to the United Nations Relief and Rehabilitation Administration and compensated hereunder, either directly or by reimbursement of applicable appropriations or funds, shall, while so detailed, retain and be entitled to the rights, benefits, privileges, and status of an officer or employee of the United States and of the department, independent establishment, or agency from which detailed.

Mr. BUFFETT. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my own remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska [Mr. BUFFETT]?

There was no objection.

Mr. BUFFETT. Mr. Chairman, a Member of the House offers an amendment designed to preserve some of the frugal savings of the American taxpayers and the chairman of the Appropriations Committee calls it absurd. Truly, it is absurd to try to preserve the savings of the American taxpayer as long as his party is in command.

Yesterday the chairman of the Appropriations Committee chose to quote a little Scripture when it suited his purpose. I propose to quote a little Scripture to refresh the memory of some of the Members. So I take this verse from St. Paul in a letter to St. Timothy in which he said:

He who careth not for his own, and especially those of his own house, he hath denied the faith and is worse than the infidel.

Mr. Chairman, the Members of Congress should remember that Scripture as they sit here day after day and vote these immense appropriations.

I call attention to the statement of a distinguished American some years ago who said:

Most liberal governments in modern times have been wrecked on the shoals of loose fiscal policy.

Does anyone here know of any more loose fiscal policy in a liberal government than the United States is demonstrating to the world at the present time? Can any Member here tell us how much money has been appropriated during this session of Congress, how many hundreds of millions and how many billions have been appropriated, and how many different spending bills have been introduced and passed?

In past years Lenin said:

The surest way to overturn the existing social order is to debauch the currency.

How far down that road has this Congress gone? This session we have passed one tax bill. We blew the trumpets and made a big hullabaloo about passing a tax bill providing something over $2,000,000,000. Yet day after day we come in here and pass appropriation bills for new purposes, for purposes not connected with the winning of the war, for purposes of sending to all parts of the world hundreds of millions of dollars.

The other evening in the Reader's Digest I read the story of the sinking of the *Titanic*. That was supposedly a great unsinkable ship. It could not sink. On the night the *Titanic* sank it had received five separate warnings that there were icebergs about, but the captain and those in command of that ship believed that the ship could not sink. They paid no attention to those warnings.

How many warnings has this Congress had that the ship of state of the United States is drifting toward financial disaster? Warning sign after warning sign has been passed, one after another. We should remember the example of the *Titanic* and get our ship of state headed in the right direction.

I hear it said on both sides of the aisle, "Do not vote against any appropriation because we are sending hundreds of millions of dollars all over the world, and it is not fair to our own people to deny any hand-out at home."

This is a plausible argument and hard to answer when this Congress votes away the wealth and treasure of the American taxpayers. U. N. R. R. A. may be a noble experiment in charity, but can you recall any instance on earth where legislatures have ever been able to legislate changes in human nature? Was this Congress able to legislate temperance? Was the French Assembly able to legislate a price law that would stop the law of supply and demand? No. Neither will this Congress be able to legislate charity. But government can create or destroy the atmosphere in which charity will flourish. This legislation is destroying the charitable instincts of the American people.

Mr. COFFEE. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Washington.

Mr. COFFEE. Would the gentleman be kind enough to tell us as to whether he voted against any appropriation bill?

Mr. BUFFETT. Yes. I have voted against every appropriation bill which I recognized as not vital to the winning of the war or vital to our domestic economy.

Mr. CASE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE: Page 5, line 11, strike out "$450,000,000" and insert "$428,300,000 in funds and 61,740,000 pounds of raw wool from stocks owned by the Commodity Credit Corporation."

Mr. CANNON of Missouri. Mr. Chairman, I desire to make a point of order

against the amendment. It is not germane, and is legislation on an appropriation bill. It involves legislation pertaining to the appropriation of wool whereas the pending bill relates exclusively to the appropriation of money.

Mr. CASE. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. CASE. Mr. Chairman, I have in my hand Public Law 267 of the Seventy-eighth Congress, which is the U. N. R. R. A. Act, under which the appropriation in this section is proposed. The first paragraph of that Act reads as follows:

Resolved, etc., That there is hereby authorized to be appropriated to the President such sums, not to exceed $1,350,000,000 in the aggregate, as the Congress may determine from time to time to be appropriate for participation by the United States (including contributions in funds or otherwise and all necessary expenses related thereto) in the work of the United Nations Relief and Rehabilitation Administration.

Further, section 6 of the act specifically sets forth that Congress may determine the character of our contributions as well as the amount by using this language:

In adopting this joint resolution the Congress does so with the following reservation:

"That in the case of the United States the appropriate constitutional body to determine the amount and character and time of the contributions of the United States is the Congress of the United States."

I submit to the Chair that the basic act under which this entire appropriation is authorized specifically, in the first paragrah, uses the words "including contributions in funds or otherwise." Unless something like raw wool or something else might be offered as part of the aggregate of the $1,350,000,000, the words "or otherwise" as contrasted with "funds" would have no meaning.

That is buttressed by the language in section 6, which provides that the Congress may determine the amount, which relates to the aggregate, and the character. Obviously the word "character" is intended to include contributions of character other than money.

Mr. CANNON of Missouri. The authorization for this appropriation is Public Law 267 of the Seventy-eighth Congress, an act which authorizes the appropriation of sums of money. We are authorized under this law to appropriate money and nothing else. Later on, after the money is appropriated then, as the gentleman suggests, if you want to substitute commodities, that is permissible, but the authorization is to appropriate money, and money only.

Any proposition to appropriate commodities is not authorized by law and is not germane to the bill.

Mr. CASE. Mr. Chairman, I agree that the basic authorization for this appropriation is Public Law 267, which is what I cited, but the gentleman from Missouri read only a part of the first paragraph and ignored the last part of it to which I called the gentleman's attention, where it specifically provides for "funds or otherwise"; and he certainly ignored section 6, which reserved for Congress the right to determine not only the amount but the character of the contribution.

The CHAIRMAN. The authorization, as has been stated, is under Public Law 267, Seventy-eighth Congress. The first paragraph of that law reads:

That there is hereby authorized to be appropriated to the President such sums, not to exceed $1,350,000,000 in the aggregate as the Congress may determine from time to time to be appropriate for participation by the United States (including contributions in funds or otherwise).

The Chair is of the opinion that inasmuch as this is an appropriation, and inasmuch as the Committee on Appropriations is limited to making appropriations of money, this bill could provide only for an appropriation of money, and that if Congress should determine to make other property owned by the Government available, it would have to be under legislation submitted to the Congress by an appropriate committee.

In view of that interpretation, the Chair is constrained to sustain the point of order.

Mr. CASE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE: On page 5, line 11, after $450,000,000", insert "of which $21,700,000 shall be available to reimburse the Commodity Credit Corporation for 61,740,000 pounds of raw wool now owned by said Corporation in behalf of the United States."

Mr. CASE. Mr. Chairman, the purpose of this amendment is to utilize in the relief program a portion of the huge stocks of raw wool now owned by the United States. There is nothing new or unusual about such a proposal. This House has many times voted to make available food stocks owned by the Surplus Commodity Corporation for the food relief program in our domestic relief program during the past few years. The Members will remember that surplus foods were made available to the Relief Administration for domestic relief. The purpose of this amendment is merely to make available to the foreign relief program some of the wool owned by the United States Government. This is not a matter particularly of concern to me, individually or personally, but it is a matter of concern to the United States as a whole.

I have in my hand a copy of the War Changes in Industry Series, Report No. 3, by the United States Tariff Commission, published in May 1944, which is the second study the Tariff Commission has put out on the subject of the wool stocks in this country. As a war measure, we set out to purchase all of the foreign wool we could get. We purchased all of the Australian wool so that it could not fall into the hands of the Japs. We purchased all of the domestic clip in order that we might be assured of having enough wool for the use of the Army and the Navy during the war.

The result has been that when the war picture changed, as the Tariff Commission points out in this study, we find ourselves confronted with a huge supply of wool—1,400,000,000 pounds of wool actually in sight in the United States today, owned by the United States Government, or in the hands of the processors.

This entire report is devoted to showing what a problem that creates for the country and how it hangs over the markets of the country. The Commission finds that this will be true for years after the war unless some way be found to reduce these stocks.

And—

Says the Tariff Commission's report—

there are no choices of policy whereby the costs of the Government wartime wool program can be eliminated. Whatever alternative is chosen, the burden of the cost will have to be borne by either the taxpayers, the consumers, or both.

Officials in charge of U. N. R. R. A.'s clothing program have said they were not concerned with the domestic economy; that they wanted to buy the cheapest wool they could get even if they went out of the country for it. Now my point is that it does not make sense to go out and buy more wool when the Government already owns huge stocks on which it stands to take a loss. We better take what U. N. R. R. A. can pay for it and take our loss now and get this wool out of the oversupply in the stock pile. The Tariff Commission, in its report, takes note of the suggestion that some of the stock pile should be used for foreign relief and says that—

the proposal to make some of it available for use in this foreign-relief program has some merit.

The objection the Tariff Commission found to any large disposal in this way was a possible bottleneck in machinery and labor, so I have covered by my amendment only the amount of raw wool which the Foreign Economic Administration proposed to the Committee on Appropriations be purchased under the money to be appropriated. The figure I have used, $21,700,000, is the amount shown in the justifications for which appropriations were asked to buy more wool, to buy 28,000 metric tons, which figures out to the 61,740,000 pounds which would be made available from the stocks of the Commodity Credit Corporation under the language of the amendment I have offered.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. I am going to support the gentleman's amendment because I think it is the right thing to do. As far as the 61,000,000 pounds of wool are concerned, it is only a drop in the bucket. Just last week I read in the Christian Science Monitor a quarter-page advertisement of a large clothing concern in this country advertising Australian wool. What good is it going to do us if we keep on getting this wool from the outside and building up a huge surplus which creates big stocks at home, and under which we cannot take care of our domestic clip? This imported wool has come in under wartime conditions

which has resulted in it being given a status and preferred standing it could not otherwise maintain.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from Nebraska.

Mr. CURTIS. I was interested in the figures given as to the vast amount of wool held by our Government and the Government of England, far in excess of what we use. I was wondering if the Government is not holding this wool for the purpose of pulling it over the eyes of the people.

Mr. CASE. That might be.

As the Tariff Commission points out as to the other methods of solving this whole problem, such measures would tend to conflict with the foreign trade and price policies of the administration. I submit to the gentlemen on my right that if we do not approach the problem this way we are going to have a more difficult problem to approach some other way. I give this conclusion of the Tariff Commission, "Some part of the Government's stock pile might possibly be used for relief purposes."

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Why did the gentleman confine it to the Commodity Credit Corporation?

Mr. CASE. Because the Commodity Credit Corporation has something over 200,000,000 pounds of domestic wool, and it is the one that has been putting out the money to buy the domestic wool.

Mr. McCORMACK. What would it cost U. N. R. R. A. to buy this wool from the Commodity Credit Corporation?

Mr. CASE. I have limited the amount to be made available for the purchases to the exact amount proposed here in the justification.

Mr. McCORMACK. I understand it will cost 46 cents a pound, whereas if they purchase it from some of the stock piles owned by other Government agencies it will cost 35 cents a pound.

Mr. CASE. That is only because the Defense Supplies Corporation purchased the wool it did purchase from Australia without the payment of a tariff. The price which the Commodity Credit Corporation has paid to the domestic growers includes the benefit of the tariff on domestic production. But it is as long as it is broad. If the tariff had been paid by Defense Supplies the money eventually would have came from the Treasury and eventually would return to it.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Would the gentleman object to striking out the words "Commodity Credit Corporation" and providing that a certain sum of money be used for the purchase of raw wool?

Mr. CASE. Not if it provides that the purchase be made of wool owned by Government corporations of the United States at the present time. I do not particularly care whether the Commodity Credit Corporation or the Defense Supplies Corporation furnishes this wool, so long as we reduce the stocks that hang over the domestic market. We have been assured by Mr. Jones that no more of the Australian wool will be purchased by Defense Supplies and they have begun to liquidate their present holdings. And my amendment seeks further to get rid of the oversupply in this country by insuring that some of the wool that the United States now owns shall be used for this relief program, instead of purchasing more abroad.

Mr. McCORMACK. In other words, the gentleman is willing to have the amount set aside for the purchase of wool from the Government stock pile?

Mr. CASE. That is right.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from Tennessee.

Mr. JENNINGS. The gentleman's amendment simply embodies this common-sense proposition, that the Government through one or two corporations now owns more wool than we probably can ever use sensibly, so, instead of going abroad and buying $21,000,000 worth of wool, we should buy it from the stock pile we already have.

Mr. CASE. That is correct, and I appreciate the gentleman calling the proposition common sense. That is what I think it is.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from New York.

Mr. BLOOM. Is it mandatory that U. N. R. R. A. buy this wool, or is it just in case U. N. R. R. A. should need this amount or a part of it?

Mr. CASE. It is not mandatory in the sense that they have to buy it if they do not need any. It does make this much money available for the purchase of so much raw wool already owned by the United States and earmarks the funds for that purpose.

Mr. BLOOM. If they need it; is that right?

Mr. CASE. Yes. I assume that applies to all the money in here. I hope they are not going to buy anything they do not need.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The concept of U. N. R. R. A. is certainly to the effect that it is to buy some fiber out of which to make goods to send away.

Mr. CASE. Yes; there is no question about that, according to the justifications.

Mr. CRAWFORD. There is no question about that by anybody who has listened to these debates.

Mr. CASE. The figures I have used are from the justifications.

Mr. CRAWFORD. We certainly know that there are tremendous forces at work in all these international relations at the moment designed to put the exchange value of the dollar at a high level. If that effort succeeds, it will run contrary to our making any exports of consequence in the post-war period. Therefore why not get rid of these stocks at the present time?

Mr. CASE. While we have them I think we should use them instead of spending more money to add to stocks that are already too large.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield to the gentleman from Arkansas.

Mr. NORRELL. If we are going to include an amendment like this for wool, why would it not be just as fair and right and reasonable to include an amendment covering cotton and rice and all the other commodities we have?

Mr. CASE. I would say I would have no objection to that if we had a surplus of those things already owned by the United States. With respect to cotton, I read the other day that there is some fear that the cotton textile program is going to be so large that it will run more than the cotton that will be in supply. Personally, I do not care. If the Government already owns more cotton than the market will take and you want to use some of it that way, that is all right with me. I do not know the cotton situation. The wool situation, however, is a matter of common knowledge and general concern, as is evidenced by the Tariff Commission's study to which I have referred. And we do know that unless something is done like this the wool which the Government already owns will not be used in the U. N. R. R. A. program.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield.

Mr. MURDOCK. Does the amendment offered by the gentleman contemplate taking over all the foreign-produced wool now in the country?

Mr. CASE. No; it does not. It merely provides as to the amount of raw wool that the Foreign Economic Administration is going to buy for the uses of the U. N. R. R. A., that it buy it from stocks already in the United States and owned by the Government.

Mr. MURDOCK. This looks like a good amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANSFIELD of Montana. Mr. Chairman, I ask unanimous consent that the gentleman from South Dakota have 1 additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD of Montana. Is it not true that in contrast to the cotton set-up, that this Government under bond brought in a lot of Australian wool which it was not supposed to sell unless an emergency arose and that that emer-

gency did not arise, and we bought that wool which, at the present time, is a drug on the market and is coming in direct competition with the American domestic clip and forebodes a good deal of ill for us in the future?

Mr. CASE. That is certainly true.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CANNON of Missouri. Mr. Chairman, the committee has no objection to this amendment provided the gentleman from South Dakota will accept a modification to the effect that it is to be taken from the Government stock pile instead of from the supplies of the Commodity Credit Corporation, and it is provided that the amount is not to exceed $21,700,000. If the gentleman cares to accept that amendment, we have no objection.

Mr. CASE. Mr. Chairman, I have no objection to that, that is, from the stock piles now in existence.

The CHAIRMAN. Will the gentleman from Missouri indicate the modification desired?

Mr. CANNON of Missouri. The modification is to insert the words "not to exceed" before the figures "$21,700,000"; and institute for Commodity Credit Corporation "from Government stock piles."

Mr. CASE. That is, from Government stock piles now on hand.

Mr. CANNON of Missouri. Exactly, now on hand.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from South Dakota [Mr. CASE], as modified.

The Clerk read as follows:

Amendment offered by Mr. CASE: On page 5, line 11, after "$450,000,000", insert "of which not to exceed $21,700,000 shall be available to reimburse the Government corporation for 61,740,000 pounds of raw wool now owned by said corporation in behalf of the United States."

Mr. CANNON of Missouri. Mr. Chairman, to what corporation does the gentleman refer? This is to be taken from the general stock piles now existing, not from the inventories of any corporation.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. CASE. Both the Defense Supplies Corporation and the Commodity Credit Corporation are Government corporations. They are the two corporations which own the wool.

Mr. CANNON of Missouri. Will the gentleman from South Dakota accept the words "to be taken from Government stock piles"?

Mr. CASE. Somebody would have to be reimbursed and the Government corporation would be the agency to be reimbursed. I may state there is no question of fact here. I quote from the Tariff Commission report in my hand, "The Government has acquired in its own right two substantial stock piles of wool, one consisting of foreign wools held by the Defense Supplies Corporation, and a second consisting of domestic wool held by the Commodity Credit Corporation." So it seems to me when you use the words "Government corporation" and provide that this money shall be available to reimburse them for raw wool now held by said Corporation in behalf of the United States, that such language would be sufficient.

Mr. CANNON of Missouri. Of course, the gentleman understands this amendment is, as a matter of fact, entirely superfluous. It is stated here in the estimate submitted to the Committee on Appropriations that "it is planned to buy the wool in this country from Government stock piles." Now, without any action taken here, that is what they propose to do—buy from Government stock piles. If so, they will buy it at about 35 cents a pound, according to this statement. On the other hand, here is a letter from the Foreign Economic Administration under date of May 31, 1944, which says:

The Government also has a stock pile of domestic wool purchased by the Commodity Credit Corporation at domestic wool prices of approximately 46 cents a pound, less marketing charges of about 4 cents a pound.

In other words, if this amendment is adopted and the wool is bought from the Corporation, U. N. R. R. A. will get less wool and less wool would be taken out of the stock pile to relieve the market for the benefit of the American producer. If the gentleman will modify the amendment, as suggested instead of buying 46-cent wool we will buy 35-cent wool, U. N. R. R. A. will get more wool and we will remove a larger amount of the wool overhanging the market.

Mr. CASE of South Dakota. I thought I had modified the amendment in the manner that the gentleman from Missouri [Mr. CANNON] suggested.

Mr. CANNON of Missouri. If the gentleman will modify his amendment so that the wool will be taken from the general stock pile, it is satisfactory to the committee.

Mr. CASE. These Government stock piles are in only two places. One is in the Defense Supply Corporation and the other in the Commodity Credit Corporation. They are both Government corporations, and I leave to the administration to determine which one they want to purchase the wool from. The principal purpose is to insure using a part of the visible supply in this country now instead of bringing in still more and leaving unused these Government stocks to hang over the market.

Mr. CANNON of Missouri. I will say to the gentleman this illustrates the difficulty of trying to legislate here on the floor instead of bringing these matters before the Committee on Appropriations where we can consider them judicially with the facts before us. In attempting to write legislation here on the floor in this helter-skelter way, there is always the risk that grave mistakes may be made. Will the gentleman accept the modification providing that it will be taken from the general stock pile?

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. I merely want to call the attention of the gentleman from Missouri [Mr. CANNON] to the fact that this matter came before our committee and was thoroughly discussed and was turned down by the majority members of the committee.

Mr. CANNON of Missouri. It was never presented in writing or in this form. Mr. Chairman, we accept it, provided the commodity is to be taken from the general stock pile. Otherwise we cannot accept it.

Mr. PACE. Mr. Chairman, I am certainly in sympathy with any provision which will help remove the accumulated surplus of wool. Of course, I hope the House will on the appropriate occasion be sympathetic to any reasonable provision to remove the accumulating surplus of cotton. I simply want to get an understanding from the gentleman from South Dakota of the significance of his amendment. I understood the gentleman to say there was nothing compulsory about it.

Mr. CASE. It makes this much money available out of the figure that was submitted, for the purchase of raw wool, so that the raw wool is purchased and the money would be expendable in that fashion.

Mr. PACE. On the other hand, and generally speaking, the entire $450,000,000 would be available for that purpose.

Mr. CASE. Yes and no. The fact is that Mr. Konhaim, who is in charge of this wool-purchasing program, has said he did not intend to use any of the domestic wool. If the amendment is modified, let them buy it from either of the corporations that has it on hand.

Mr. PACE. Suppose we should provide that twenty or twenty-five million dollars should be made available for the purchase of surplus cotton now owned by the Commodity Credit Corporation, do I understand such purchase would be required?

Mr. CASE. We earmark this money for the purchase of wool from the Government stock pile.

Mr. PACE. Of course, we are faced with this situation, that we are particularly earmarking money for 35-cent wool while there is plenty of 20-cent cotton on hand. I certainly want to fulfill my obligation to the cotton producers under such circumstances. But it is not clear in my mind where we would gain anything by making a specific sum available for wool or cotton when they might want to spend twice that amount.

Mr. MANSFIELD of Montana. Will the gentleman yield?

Mr. PACE. I yield.

Mr. MANSFIELD of Montana. A large part of this wool was imported into the country from Australia and was supposed to be held under bond and released only in an emergency. No emergency has arisen but the wool has been sold, thrown on the market and helped to create a surplus. I do not think you have a similar situation insofar as cotton is concerned.

Mr. PACE. In that respect we would not, except that we have a surplus of cotton that is much greater than of wool.

Particularly the low grades and short staples.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. PACE] has expired.

CONFLICTING INTERESTS ON IMPORTS AND EXPORTS

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Chairman, as far as I am concerned personally, I would be pleased to support this amendment in its original form, in its revised form, and go a step further and put cotton in the amendment. We have a concrete illustration here today in this particular proposal, of what is to follow. We have industries in this country who want to export and they want an exchange situation favorable to the exports. We have industries in this country who want exchange favorable to imports. We have others who enjoy the market at the present time and do not want exports or imports to any particular degree.

This amendment illustrates the conflicting interests. The post-war world powers now have this proposition in their laps. This goes further than we think it does at the moment. If we had time to develop it we could get quite a debate out of this proposition. Our domestic woolen concerns, who produce fiber for the domestic market, have hanging over their production this wool purchased as a war emergency and brought into this country. As we move into the International Exchange Stabilization Conference, which I understand has been called and is about to be held, the big issue will come up there of establishing relative exchange rates as between dollars, pounds sterling, rubles, reichmarks, and so forth. All of this will affect cotton, wool, and other commodities. As to how those relations are established will have considerable to do with whether or not you export or import cotton or export wool or import wool, or cut down your cotton acreage in the post-war period. So this amendment opens up this question to us at this time in connection with rehabilitation and economic stabilization throughout the world.

I am in favor of selling the goods that we have, which we do not need, whether it be cotton or whether it be wool. Goods and commodities are produced to be consumed, not warehoused forever. I am in favor of getting rid of some of these excess stocks which we have now come to the conclusion we do not need, and getting rid of them while we are giving things away. Move the goods out; keep them rolling, so that when you do come back into post-war production our people will have a market for some of the goods which they are then producing, instead of having these heavy loads hanging over the market and bearing down the market price level.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. PHILLIPS. I think the gentleman should bring out the fact that the amount of wool in this stock pile is the equivalent to 2 or more years' production in the United States.

Mr. CRAWFORD. Yes; I think that is very important. I want our cotton industry cared for. I want our woolen industry cared for, and all the rest of our industry. In an amendment of this kind if we have a chance to move the present excess stocks along instead of letting these agencies go out and acquire additional foreign-produced goods, let us do so. These are very important principles you are dealing with here. As I said, you are going to have difficulty exporting when the war is over because the moves are now on to make your dollar high in price as related to other exchanges. That will be your difficulty then. So that the quicker you get rid of these stocks of goods the better it will be for the American producer, regardless of the industry in which he is involved.

INTERNATIONAL MONETARY CONFERENCE

Exports and imports being so directly related to the relative value of the currency of each nation, we cannot in a discussion such as is occurring here today fail to give consideration to the forthcoming monetary conference and some of the issues with which it will have to deal.

A great deal has previously been said in recent months not only in the press and over the radio, but as well here on the floor of the House about the type of international currency agency which is to be established. But we must not overlook the fact that the fundamental issue with which our industries are concerned is "the valuation which will be placed upon the currency of each nation in terms of the currencies of other nations."

There will come before the conference the specific question, "What is to be the exchange rate of the United States dollar—the price foreigners must pay in rubles or reichmarks, pounds sterling, yen, or other foreign currency for American dollar drafts drawn on banks located in the United States, the latter to be used by the foreign operator for the purpose of paying for the purchase of commodities which he bought in the United States for export to him in his country or to some other point of destination which he designates?"

We have so much to say about the domestic price. But the rate of exchange will become as important to our producers of goods grown or manufactured in the United States for export as will be the domestic price whether that price be determined in a free and open market or by the Office of Price Administration. Every cotton grower, every wheat farmer, every producer and fattener of livestock; all organized and unorganized labor, and all industry whether they realize it or not must necessarily be concerned about these very matters. We should also bear in mind that we have units of industry and/or agriculture where most of their production is sold within the continental United States: And we have other branches which produce a great export service, and we have still other branches of industry which import a very great percentage, if not all, of the raw material which they process. This means that one segment of our total industry will use its influence to maintain "cheap dollars"; another segment will use its power to bring about "high-priced dollars." One group will want the price of United States exchange maintained as low as is reasonable and possible, and another branch will want United States exchange maintained at as high a level as possible. The Government as a whole will be interested in not only exports but also imports.

A certain part of our population will insist upon loans to other nations, while another part will insist upon our attempting to collect some of the money which we have already advanced to other nations. These dissimilar contentions create conflicting forces. Specifically speaking, cotton growers and automobile manufacturers will desire to export, while seacoast sugar refiners and others will desire to import. One question which will arise is, Has the cotton farmer a right to request an exchange rate low enough to accommodate the exportation of cotton when a higher rate of exchange would be sufficiently low to accommodate a satisfactory exportation of other commodities?

When the monetary conference is in progress it will be necessary for the representatives of the nations participating to give great consideration to factors which determine the supply of, and the demand for, United States dollar exchange. If the exchange value is to be determined by free-trade conditions that will be one proposition: But if there are to be maintained artificial barriers, exchange controls, internal price ceilings, that will indeed be something different. The nearer the price for the currencies is determined by the free play of the law of supply and demand, the less general disturbance there will be. But we have to bear in mind that every transaction whether represented by the movement of goods or the rendering of a service, or the extension of a loan, or the servicing of a debt, or even the gift of goods as through lend-lease and U. N. R. R. A., will have a great bearing on the remittances required to facilitate these transactions as between residents of the United States and those of foreign countries. Those transactions which call for remittances to be made by our citizens to the nationals of other countries will increase the supply of United States dollars and tend to lower the price of United States exchange—if we lower our United States import tariff or if we continue to extend vast loans to other countries, that will move in the direction of a lower price on United States exchange. But on the other hand, transactions which call for the nationals of other countries to make remittances to the people residing in the United States will create a situation more or less favorable to a higher price for United States dollar drafts—this because those in other countries desiring to make remittances to our citizens must purchase dollar exchange. In this con-

nection what are we to do with our synthetic rubber production in the post-war period? Are we to subsidize this industry by tariffs or otherwise thus making it not only unnecessary for us to import natural rubber, but perhaps placing the industry on a basis where we will be exporting synthetic rubber to the nationals of other countries creating a situation where it will be necessary for them to purchase dollar exchange with which to pay our manufacturers for the synthetic rubber, or its products, shipped to other countries? Again, if we attempt to collect from the other nationals for any part or all of the lend-lease shipments which we are now making, to the extent we succeed in making those collections the nationals of other countries will have to find dollar exchange to remit to us. And if we decide to unload any or all of our present stock of gold on other countries, in some way they will have to provide dollar exchange or its equivalent. Many other illustrations could be given.

It is reasonable to assume that many forces will seek to have the United States Government pursue policies which will result in a high price for United States exchange. Such a step would prove of tremendous importance to the cotton industry, for instance, for it might greatly interfere with the exports of cotton. Once a relative price on currencies is agreed upon, what chance is there for an important change to be made? Will it not be the purpose of the international exchange stabilization agency to "maintain" the established rate Under such an arrangement, and with our allegedly huge stocks of gold, a situation might develop wherein the United States would attempt to export gold instead of cotton.

And would not the maintenance of a high price on dollar exchange give the British Government and other great manufacturing countries an open door in the Latin-American market, and thus make it practically impossible for the industries of the United States to enjoy heavy sales in that region? Britishers are experienced, they are trained, they need not apologize to anyone in connection with their ability to induce favorable agreements whether it be in the field of diplomacy, trade, finance, or otherwise. We can learn some lessons from recent contacts if we desire to do so.

Mr. Chairman, it is now time for Congress to thoroughly comprehend the issues involved in these matters which we are now considering. The great industries of this country, whether it be that of growing grain, livestock on the hoof, wheat, cotton, the production of automobiles, other consumers' goods, or the rendering of service, we are all now approaching the hour where most serious attention must be given to these questions, and the issues involved must be comprehended, otherwise some branch of American industry is going to be terribly damaged.

In closing these remarks I must not overlook the tremendously important part our State Department will insist upon playing, and all in connection with these monetary negotiations. As a matter of fact, I shall not be surprised if the Department of the Treasury is forced to play a secondary part to that of the Secretary of State, and those directly associated with the latter actually dominating the entire deliberations and blocking every proposal unacceptable to the State Department. Secretary Hull has for too many years pursued his economic philosophy of free trade to permit the opportunities presented this present hour to pass him by. Indeed, he will capitalize on a situation of such tremendous importance to his past history.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. CRAWFORD] has expired.

Mr. CASE. Mr. Chairman, I ask unanimous consent that my amendment may be modified in the form of an amendment which is now at the desk, on which I have conferred with the chairman of the committee.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Modified amendment offered by Mr. CASE: Page 5, line 11, after the figures insert "not to exceed $21,700,000 shall be available for procurement of 61,700,000 pounds of raw wool from stock piles of the United States Government existing on the date of the approval of this act."

Mr. PACE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. PACE to the amendment offered by Mr. CASE: At the end of the Case amendment, strike out the period and insert a comma and add: "and $43,200,000 shall be available for procurement of 345,500 bales of cotton now owned by the Commodity Credit Corporation."

Mr. PACE. Mr. Chairman, it appears that the U. N. R. R. A. organization has submitted an estimate of the expenditure of the money carried in this bill. The estimate is titled "Appropriation to Carry Out U. N. R. R. A. Legislation." Raw wool, 61,740,000 pounds, $21,700,000. That is covered by the amendment offered by the gentleman from South Dakota. Raw cotton, 345,500 bales at $43,200,000, which is the amendment I have offered. Therefore the two amendments together, and I respectfully ask you to adopt both, would take care of the amount of U. N. R. R. A.'s own figures submitted to the Congress.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. MURDOCK. Do I understand that the two amendments before us now involve the exact sums that are asked for by U. N. R. R. A.?

Mr. PACE. As carried in the pending bill, identically the amounts they requested for these purposes.

Mr. MURDOCK. In view of the menace of these supplies to the prices of our American production, I favor the amendments and their uses in that way.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. PACE. I do.

Mr. CRAWFORD. Does this in any way relate to low-grade cotton? Why does the gentleman mention a certain number of bales?

Mr. PACE. Because that is U. N. R. R. A.'s own estimate.

Mr. CRAWFORD. That is what I wanted to get.

Mr. PACE. Three hundred and forty-five thousand five hundred bales.

Mr. CRAWFORD. Is there any price per pound involved?

Mr. PACE. There is not. It is, of course, my hope that they will use the lower grades and shorter staples of cotton, which is the real surplus we have at this time. As all of this money is to be spent for relief in foreign countries, as a pure gift from the American people, certainly the least that can be done by those who will administer these funds is to expend them in a way which will be most helpful to the American producers, who must provide a good portion of the money through taxes. Therefore, if they show proper consideration for those who must pay the bill, they will use this low-grade and short staple cotton in this program. That is one of the principal considerations which prompts me to ask you to approve this amendment.

Mr. RABAUT. Mr. Chairman.

The CHAIRMAN. For what purpose does the gentleman from Michigan rise?

Mr. RABAUT. In opposition to the amendment.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. RABAUT. Mr. Chairman, in both these amendments we are just disturbing the whole program and are trying to write legislation on this floor that will not be helpful when completed. The figures are not correct and we are opening up this very important subject that deals with an international organization, opening it up to every type of commodity to be used by this agency.

There is not a commodity that could not be reduced in price today in this country if it were not for the sustaining action of this Congress in holding it to its price. I believe the committee is going to make a tremendous mistake in specifying specific items in this program.

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. RABAUT) there were—ayes 87, noes 55.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment as amended.

The question was taken; and on a division (demanded by Mr. RABAUT) there were—ayes 110, noes 40.

So the amendment as amended was agreed to.

The Clerk read as follows:

SEC. 202. In addition to the sum appropriated by section 201 of this title, any supplies, services, or funds available for disposition or expenditure by the President under the act of March 11, 1941, as amended (22 U. S. C. 411-419), and acts supplementary thereto, may be disposed of or expended by the President to carry out the provisions of

the act of March 28, 1944, without reimbursement of the appropriations from which such supplies or services were procured or such funds were provided: *Provided*, That the supplies, services, and funds disposed of or expended under the authority of this section shall not exceed a total value, as determined under regulations to be approved by the President, of $350,000,000 and shall be charged to the amount authorized to be appropriated by said act of March 28, 1944: *Provided further*, That the authority granted by this section shall not become effective until the United States Joint Chiefs of Staff shall have issued a certification that the state of the war permits the exercise of such authority and the utilization of lend-lease supplies, services, or funds for the purposes of section 201 of this title; and after such certification such utilization shall be upon the determination of the Administrator of the Foreign Economic Administration.

Mr. BRADLEY of Michigan. Mr. Chairman, I move to strike out the last word and ask unanimous consent to revise and extend my own remarks.

Mr. O'HARA. Mr. Chairman, I make a point of order against section 202, beginning in line 18, page 6, down to line 16, on page 7, on the ground that it is legislation on an appropriation bill and in contravention of rule 21, subsection 2.

The CHAIRMAN. The Chair has recognized the gentleman from Minnesota to make his point of order.

Does the gentleman from Missouri desire to be heard on the point of order made by the gentleman from Minnesota to section 202?

Mr. CANNON of Missouri. We concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: Page 6, after line 17, insert:

"SEC. 202. In addition to the sum appropriated by section 201 of this title, any supplies, services, or funds available for disposition or expenditure by the President under the act of March 11, 1941, as amended (22 U. S. C. 411–419), and acts supplementary thereto, may be disposed of or expended by the President to carry out the provisions of the act of March 28, 1944, without reimbursement of the appropriations from which such supplies or services were procured or such funds were provided."

Mr. CANNON of Missouri. Mr. Chairman, I ask for a vote on the amendment.

Mr. O'HARA. I desire to make a point of order against the amendment offered by the gentleman from Missouri [Mr. CANNON], because it is legislation on an appropriation bill and not in order at this time.

The CHAIRMAN. The gentleman makes a point of order against the amendment, which is rather broad. The amendment proposed cites the statute under which it is proposed to make the appropriation. The Chair will be glad to hear the gentleman if he has any statement in support of his point of order.

Mr. O'HARA. Mr. Chairman, I tried to follow as best I could the reading of the amendment. It is word for word, as I followed it, with the section to which a point of order was sustained.

The CHAIRMAN. The Chair may say in response to the gentleman that the proposed amendment is entirely different from the section under consideration in that both of the provisos of the original section were eliminated by the amendment offered by the gentleman from Missouri [Mr. CANNON].

If the gentleman has any other statement in support of his contention that the amendment now proposed is legislation on an appropriation bill, the Chair will be glad to hear the gentleman.

Mr. O'HARA. Mr. Chairman, may I point out to the Chair that the amendment just offered by the gentleman from Missouri provides "without reimbursement," which is clearly legislation upon an appropriation bill, and I refer particularly to the last words in the amendment offered by the gentleman from Missouri.

The CHAIRMAN. The gentleman from Minnesota makes a point of order against the amendment and particularly emphasizes that the amendment provides that the appropriation is "without reimbursement" and that "without reimbursement" is not contained in the statute.

The Chair will hear the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: Page 6, after line 17, insert:

"SEC. 202. In addition to the sum appropriated by section 201 of this title, funds not to exceed $350,000,000 available for disposition or expenditure by the President under the act of March 11, 1941, as amended (22 U. S. C. 411–419), and acts supplementary thereto, may be disposed of or expended by the President to carry out the provisions of the act of March 28, 1944."

Mr. O'HARA. Mr. Chairman, I make a point of order that this amendment is not in order at the present time, or at this point in the reading of the bill. The amendment should have been offered as an amendment to section 201 and not as an amendment to section 202.

The CHAIRMAN. The language of the amendment is offered in lieu of the language that has been stricken and involves the language that has been stricken. The Chair overrules the point of order.

The question is on the amendment offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 67, noes 99.

Mr. CANNON of Missouri. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. CANNON of Missouri and Mr. O'HARA to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 74, noes 102.

So the amendment was rejected.

Mr. BRADLEY of Michigan. Mr. Chairman, I move to strike out the last word and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Chairman, in the general debate yesterday we heard many references made to the various methods of selling U. N. R. R. A., and selling the lend-lease program to the world. We have long been cognizant of this famous gang of bright young men that was set up by Judge Lehman for this purpose and supposedly to spread American good will all over the world. Also frequently we find it necessary, apparently, to send out some special good-will emissaries directly from this Nation. For example, months ago, when superb General MacArthur cried aloud for reinforcements in men and matériel to carry on the splendid job that he had already begun in pushing the Japs back on their heels, his pleas were answered with a personal visit from the First Lady of the Land, who—if my memory serves me correctly—said publicly that she was making the trip as a special representative of the American Red Cross and entirely at her own expense. I wonder whether it was entirely a purely unofficial visit, made entirely at her own expense.

Perhaps, it was just a coincidence that a military combat plane was used for the trip and that that plane was rebuilt with lavatory facilities, and so forth, for the lady's comfort.

Perhaps, it was just a coincidence that several warships had to be withdrawn from combat to patrol the coast wherever she chose to land.

Perhaps, it was just a coincidence that a whole suite in the various hotels she visited was set aside at Uncle Sam's expense.

Perhaps, it was just a coincidence that certain Red Cross rest areas had to be rebuilt with special lavatory facilities, and so forth.

Perhaps, it was just a coincidence that the entire counterespionage command in the Southwest Pacific were called in from their various and manifold more important duties and assigned to see to it that the person of the First Lady was not violated verbally, as no other serious danger could have existed under the circumstances.

Perhaps, it was just a coincidence that at each stop she made it was necessary for a whole military combat organization to mount guard, day and night, and run armored patrols over many miles of the adjacent area. While MacArthur was asking for more combat troops.

Perhaps, it was just a coincidence that combat planes were alerted wherever she chose to rest her weary bones.

Yes, perhaps, it was merely a coincidence that all these steps of security had to be taken for one who had no official, governmental duty to perform; but we were told at the time it was merely a good-will gesture in the form of a purely unofficial visit made entirely at her own expense. And may I say in closing that

the facts as previously stated cannot be successfully contradicted.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. How does the gentleman think that the lady could give us proper political advice and have a larger reading public for her column unless she does travel far and wide?

Mr. BRADLEY of Michigan Perhaps that is necessary. But it seems to me such a trip with all the security provisions taken, requiring combat units from an all-too-small land, sea, and air force, could hardly be conducive to improving the morale of our combat troops in the Southwest Pacific. What I do wonder is this. For many months Generalissimo Chiang Kai-shek and the valiant Chinese under General Stilwell have likewise been crying for aid in manpower and matériel; and so we have sent them Vice President WALLACE. I assume the person of the Vice President will be as carefully guarded and protected as was that of the First Lady in the Southwest Pacific, but at least here we have a somewhat different basic circumstance in that Vice President WALLACE is a duly elected official of this Government, not an unofficial Government good-will emissary, making a trip at his own expense.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I think it would be well to recapitulate as we proceed with this emasculation. Notwithstanding the fact that long ago we established our lend-lease policies and have been supplying goods and materials to our allies and to other nations whose defense is necessary to the defense of the United States of America, today, in adopting the amendment of the gentleman from Illinois [Mr. JOHNSON] we repudiated that policy and said that now, at this critical hour of the world, when the armies of the Allies are poised for the stroke which we hope will end it all, we will back-track some and provide that only those who are actually in battle may be the recipients of lend-lease.

Then we come on to section 202 that we have just acted on. Section 202 provided that $350,000,000 of lend-lease funds might be transferred to U. N. R. R. A. if and when the joint chiefs of staff certify that it was needed in the operations. We thought we had settled the fundamental policies of U. N. R. R. A. Full hearings were had, and full debate in the House and in the Senate. After the fullest kind of consideration we find the Congress had authorized the expenditure of $1,350,000,000 on U. N. R. R. A., yet the Committee on Appropriations, thinking that it was being conservative, did not bring in an appropriation for $1,350,000,000, but only an appropriation for $450,000,000. Thinking that it was being further conservative it provided that if they needed more than $450,000,000 they might transfer $350,000,000 of lend-lease funds to U. N. R. R. A. The amendment was subject to a point of order. The gentleman from Minnesota [Mr. O'HARA] made the point of order and it was stricken out.

The gentleman from Missouri sought to reinsert the language, and that motion to reinsert the fund was voted down by a strict party vote, may I say.

The effect of that is not to save one red copper penny for the Federal Treasury—let us keep the record straight on that—because that $350,000,000 has already been appropriated for lend-lease. The only effect of it is to cripple U. N. R. R. A., and you leave the bill passing out of the House, if that amendment stands, with only $450,000,000 for U. N. R. R. A., although we had already said we were willing to go down the line on U. N. R. R. A. to the extent of $1,350,000,000.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Minnesota.

Mr. O'HARA. The gentleman will admit, will he not, that the purpose of lend-lease is one purpose and that of U. N. R. R. A. is another purpose?

Mr. WOODRUM of Virginia. Certainly. So what?

Mr. O'HARA. Then why can we not have these matters come up according to the rules of the House?

Mr. WOODRUM of Virginia. They came up strictly according to the rules of the House. We sought to put every possible precaution around it. We provided that if the military leaders, the Joint Chiefs of Staff, said that U. N. R. R. A. needed more than $450,000,000 they might draw on lend-lease funds for it. Why? What was the reason for that? Because if U. N. R. R. A. moved in quicker than we had thought they would lend-lease would not be needed to that extent and, therefore, it might be very logical to transfer some of the lend-lease funds. As the matter leaves the House, we have emasculated the bill, and I think that is most unfortunate. I hope both of those amendments will be corrected before the bill leaves the House.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the discussion yesterday I tried to get one or two fundamental facts clear. I shall attempt it again this afternoon.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from New York.

Mr. TABER. It is well known and well understood that Mr. Crowley asked the Budget for only $450,000,000.

Mr. KEEFE. I was going to refer to that.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I shall not yield further at this time. I want to occupy a moment of this time myself without going into a lot of collateral issues.

When the original authorization bill was before the Committee on Foreign Affairs and they reported it to the Congress, I recall very distinctly Mr. Crowley testified that while the authorization of $1,350,000,000 was provided in the authorization bill it was not expected that the appropriation to be asked for would be more than $500,000,000. I recall distinctly the question was asked as to who would be the administrator of this fund, and the word was put out to the Congress when the bill was before the House that Mr. Crowley was to administer that fund—very definitely. I recall taking the floor and complimenting whoever was in charge with the foresight displayed in stipulating that Mr. Crowley would be the one to administer this fund.

I have read the hearings here and the testimony given before the committee, and as the distinguished gentleman from New York has indicated, the request of Mr. Crowley for funds was in line with the testimony which he gave before the Committee on Foreign Affairs when the authorization bill was before that committee. Thereafter the Bureau of the Budget approved this additional language providing for the additional $350,000,000 authorization of transfer of lend-lease funds or materials, to be utilized by the Administrator of U. N. R. R. A. on the part of the United States when and if the Joint Chiefs of Staff should say it was necessary.

The gentleman from Virginia has charged the Congress this afternoon with crippling U. N. R. R. A. The Congress of the United States has given to U. N. R. R. A. the amount of money to spend to which Mr. Crowley testified before the Committee on Foreign Affairs and before the Committee on Appropriations. May I say to the distinguished gentleman from Virginia that this Congress will be in session, and if and when it shall appear to the Joint Chiefs of Staff that additional funds may be necessary or that the situation may arise where it will be necessary to transfer materials from lend-lease to U. N. R. R. A. to be used in the liberated areas, this Congress will be here to see that that is done.

May I call your attention also to the fact, which I tried to bring out yesterday and as to which the distinguished gentleman from Missouri said I was in error, that in the Army appropriation bill which will come before this House next week there is requested $562,000,000 for the Army to carry on this relief activity under the direction of the Army in the occupied territories and perhaps for 6 months thereafter. We know and were told yesterday that U. N. R. R. A. will not move in until the Army moves out. While the Army is in, they have the funds to carry on this activity.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. If it shall appear at any time that the $450,000,000 we are now contributing to U. N. R. R. A. is not sufficient to carry out the job, then I think the Congress of the United States will see to it that it is furnished with the funds at the proper time to do this

job. But it seems to me in all fairness to the Congress in connection with this juggling of funds and this transfer of funds and property by which you have three agencies of government, the Army, U. N. R. R. A., and Lend-Lease dealing with the same problem, that we are entiled to know what the results are when the moment arrives when the Chiefs of Staff will say it is time for U. N. R. R. A. to move into the picture.

I do not think the gentleman from Virginia need worry nor need the country worry nor need the United Nations worry but that the United States through its Congress will keep its covenant and will see to it that the funds are ultimately provided to do the part which we have contracted to do.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Michigan.

Mr. RABAUT. There is plenty of need for worry, if the gentleman wants my word for it.

Mr. KEEFE. Does the gentleman want to ask me a question?

Mr. RABAUT. Yes. The gentleman says there is no need for worry. I tell the gentleman there is need for worry.

Mr. KEEFE. If the gentleman wants to ask me a question, I would be glad to have him do so.

Mr. RABAUT. There is need for worry among the needy who are to receive assistance. That is what has happened here this afternoon. Juggling of funds, the very thing the gentleman claims the committee did, has been done in the House, and the gentleman is now praising the activity.

Mr. KEEFE. All I can say is that the distinguished gentleman from Michigan never misses an opportunity to sustain the will of his masters in the New Deal.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. CANNON of Missouri. Mr. Chairman, this is a solemn hour—here and throughout the world. The Associated Press has announced that American troops have landed in France, and has later withdrawn the announcement. It is a moment for serious thought and self-examination. We are face to face with a crisis in American and world history. It is a matter of regret that at such a time we approach a problem like this, upon which so much depends, both here and abroad, with bickering innuendo about juggled funds and the New Deal. Now, honestly, who in the world wants to juggle funds when over across the seas, within the next few days, events of the gravest import are pending?

I hesitate to mention, even with bated breath, the number of men who are going to be wiped out. Does it not behoove us at such a time to subordinate all personal or party considerations?

This bill was not brought here for any partisan purpose. Everyone knows that. It was brought here solely to further the war effort. It was brought here to insure and accelerate American victory. This item was written in here merely as insurance against emergencies, and in the belief that if we left determination as to time and place to the Joint Chiefs of Staff there could not possibly be any taint of mercenary political advantage. We proposed leaving it to the commanders in the field. Surely no one could object to that. But you have voted it down.

Now, upon whom do you propose to depend? Shall we be governed by the prejudices of men voting as they have voted here today, or shall we depend upon Army chiefs over there in the blood and the dust and the grime, carrying the responsibility of hundreds of thousands of men under their command, with the crushing responsibility of defending the honor and integrity of the Nation at home?

These are the men the committee has designated to handle this matter. You have rejected them. I do not know whom else you could select, in a time like this, when we are confronted by a purely military problem. But by this vote this afternoon you have said you are not willing to trust the Chiefs of Staff, and you say if money is needed, "Why, Congress will still be in session." How long do you think it would take to get money for this or any other purpose if you operated as you have this afternoon? We cannot tell when the hour of need will come. If we are to judge the future by the past, the enemy might cave in within 24 hours. That is a possibility. It has happened before. It happened in the last war. How long would it take our men in the Italian field to get word over here and get a proposition through a House in which every immaterial fact might be expected to be contested, as has been contested here this afternoon? For example, the story that the Foreign Economic Administrator asked for only $450,000,000 has been denied so repeatedly and so emphatically, and on such authority, that I am astounded that it should be brought up here again. But here it is again—that black is white and white is black. Why should that contention be made when we have had statements from the Administrator himself, and I am going to put in the RECORD that he asked for a billion dollars. Not that that has anything to do with it, but it is merely one of many instances in which you have continually raised points here based on statements that are denied by the most competent authorities. Why would we seek to leave a false impression on such an immaterial matter as that? And false it is, for here is the letter:

DEAR CONGRESSMAN CANNON: In accordance with our telephone conversation, the following are the facts in connection with the U. N. R. R. A. appropriation request:

1. After a review in consultation with the U. N. R. R. A. organization of the needs of the liberated areas in the light of competing needs and our available supply, the U. N. R. R. A. budget was informally discussed with the Bureau of the Budget and full agreement reached that a request should be made for funds in the amount of $1,000,000,000.

2. On April 11, 1944, the Foreign Economic Administration made a formal submission to the Bureau of the Budget requesting a $1,000,000,000 appropriation for U. N. R. R. A., which was to be financed in two ways—$461,000,000 was requested in a direct appropriation which was thought to be sufficient to cover the cost of procuring articles which were only available seasonally or which took a long period to manufacture; the remaining $539,000,000 was requested in the form of a transfer authority from supplies and services which could be made available under the Lend-Lease Act on a theory that at the time that U. N. R. R. A. engaged in large-scale operations, lend-lease needs might have declined.

3. On April 15 representatives of F. E. A. informally discussed the proposed appropriations requests with the Deficiency Subcommittee of the Appropriations Committee. In the course of this discussion the F. E. A. representatives agreed to consider the possibility of risking a reduction in the $1,000,000,000 requested. Following this discussion F. E. A. gave further study to the funds needed and determined that $800,000,000 was the irreducible minimum necessary if U. N. R. R. A. was to be in position to operate effectively.

4. On May 3 the President submitted an appropriation request of $800,000,000 for U. N. R. R. A. to the Congress divided between a direct appropriation of $450,000,000 and a transfer authority of $350,000,000.

5. In all statements during the House Appropriations Committee hearings, it has been our position that the full $800,000,000 is the irreducible minimum which is necessary for U. N. R. R. A. if the United States contribution to U. N. R. R. A. is to be used most efficiently and economically.

If there is any further information you wish on this subject, I will be glad to try to furnish it to you.

Sincerely yours,

LEO T. CROWLEY,
Administrator.

This vote is going out to the country. It is going out to our troops over there. It is not going to bring any consolation to our allies in China or on the Continent fighting a deadly enemy desperately at bay. It is not going to help the situation. The bill and the provision you have taken out of the bill say, in effect, that this money cannot be used and will not be used until we have achieved success in the field. We must end the war or we must take new territory before we need or can use this money, and by striking out that provision you say by your vote that you have no confidence in the early success of the American forces at the front, no confidence that in the near future they will win or that they will take new territory. That is what you are telling the people across the seas. That is the word they will receive over the radio in the next few minutes if they have not had it already.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

And what have you gained by it? For what mess of pottage have you made this incredible sacrifice? Not a thing. The money is still there. It has already been appropriated and can be spent any time for lend-lease purposes, and you haven't held up a cent of it. All you have is the dubious satisfaction of saying you amended the bill by denying the American Chiefs of Staff the right to say when it can be used if it is not used for lend-lease.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CANNON of Missouri. You are preaching defeatism at this time of all times. Never in the history of the country, from Bunker Hill down to Cassino, has there been a time when our Armies and our commanders at the front needed and deserved the loyal, united, wholehearted support of the Congress and the Nation. And at a time like this, men here on the floor, with a leer on their faces, are talking about "juggled funds" of our men and our military authorities at the front and Mrs. Roosevelt and the New Deal, and rot like that.

The material which would be affected by the provision eliminated from the bill will be over there on the ground, on hand and ready for use, when the need arises. If the opportunity comes soon, as we hope it will, the Joint Chiefs of Staff will be in a position where they must say: "We need it now, but we will have to wait for those politicians over there to mill around on the floor of the House and get it to us, and in the meantime precious time must be lost. We have the supplies right here, and we need them, but we cannot use them because our hands are tied by a vote in the House on June 3, 1944."

Neither I nor any member of the committee have any personal interest in this bill. No personal advantage accrues to us if it passes or does not pass. It means nothing more to us than it means to you. It is not a partisan measure. It is a humanitarian measure. It is an American measure. It is a patriotic measure. God help us when we look at it from any other point of view. I sincerely hope that an opportunity will be given to restore the section before the bill goes to the Senate. Of course, the Senate will restore it and the House in conference will agree to it. But in the meantime great injury will have been done with no compensating advantage. Let us legislate for ourselves without depending on the Senate to rectify our errors.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this is indeed a solemn hour in American history. You know any time we attempt to apppropriate money, regardless of whether or not it is needed, we make the war effort more difficult, and we make the accomplishment of the things we need to do harder. I think that the amendment that was offered by the gentleman from Illinois [Mr. JOHNSON] is unacceptable in the form presented, although offered in the utmost good faith. After reading this carefully, it would go so far as to prevent the Lend-Lease Administration from providing the sinews of war to those nations that were about to enter into the war on our side. Therefore, when that amendment comes up, I shall vote against it. I believe that it should not be adopted. But we must remember that Mr. Crowley asked for $450,000,000 and not $800,000,000. The Budget gave him an additional $350,000,000. We should consider these things carefully and temperately, and we should not, by innuendo or by ill-chosen words, attempt to cast scorn upon any group here in the House that is considering this matter. Every man here, in my opinion, is trying to do his duty as a patriotic American, and I believe that when this thing is done and this day's work is done, there can be no falling down on the part of this Congress or of any part of the American war effort as the result of anything that this Congress will do today. I believe that it is up to us to be on the job and take care of the things that need to be done. If a real relief effort requires more money than $450,000,000, this Congress will provide it.

We will be here or on call right along through every day all through the year. Nothing is going to fall down. Unless we are very fortunate in our European venture, U. N. R. R. A.'s important effort is not going to begin for 6 months, and they have plenty of money to carry on anything they would have to do. We are going to be back here in the fall, we are going to meet the responsibilities that are ours, and I do not believe that anyone need have any doubt that all of us here are ready to do it with the deepest, the sincerest, and the finest patriotism.

Mr. RABAUT rose.

The CHAIRMAN. For what purpose does the gentleman from Michigan rise?

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD on the Calvin Johnson amendment that had a vote of 84 and 14 earlier this afternoon; and I want to congratulate those across the aisle who saw fit to have no less a personage than the ranking minority member of the Appropriations Committee, the gentleman from New York [Mr. TABER], retract the action that was taken.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. MARTIN of Massachusetts. Was the gentleman one of the 14?

Mr. RABAUT. I was not one of the 14. I would not lend my vote to it at all. I shall be glad to answer the gentleman. I wanted the ill-advised amendment brought to the very point it was brought to a moment ago.

Mr. MARTIN of Massachusetts. Then the gentleman prefers politics to duty to his country?

Mr. RABAUT. No; I wanted to answer politics with politics.

This Calvin Johnson amendment would deny us an important weapon of war, a weapon in the realm of political and economic warfare whose use so far saved many thousands of soldiers' lives. It would surely weaken a vital fighting arm of the United States and the United Nations. It would reduce the forces which are mobilized behind the fighting fronts. It would wreck the good-neighbor policy, destroy our program of economic warfare, and introduce weakness and confusion in the Middle East, Africa, and other areas where great United States bases are established.

Lend-lease is used with great flexibility to meet the defense needs of the United States. It has been used tellingly in the many and varied situations of the war as the defense interests of the United States have required. While over 95 percent of lend-lease funds have been used for supplies to the Soviet Union, Great Britain, China, and our other fighting allies, a small but important quantity of lend-lease funds have been used for essential military purposes in other areas.

Our lend-lease program in South America was a powerful element in assuring the defense of the United States during the difficult months after Pearl Harbor when German submarines were operating in the Western Hemisphere. They assure us the fullest possible protection for our great South Atlantic transport routes, which are vital arteries of war. They have cemented our relations with the other American republics and guaranteed their effective aid in meeting the ominous threat of political disorder. The possibility of political disorder in South and Central America was and is a great opportunity for the Germans to interfere with the conduct of the war. They have tried desperately but unsuccessfully to exploit it, thanks in part to the wise expenditure of lend-lease funds for military purposes.

Similarly, in our dealings with crucial areas of Africa and the Middle and Near East, where our interests have been balanced from time to time by a narrow thread, and still require military protection, lend-lease has proved a needed instrument of the defense of the United States. It is still a necessary instrument wherever there are bases in unstable areas behind the front, or whereever we may be forced to engage in economic warfare with the Germans in contested areas of the world. This has proved to be a weapon of war that we have needed and used. We need it today and may need it again tomorrow. It would be a disastrous interference in the conduct of the war to pass such an amendment.

The CHAIRMAN. Without objection, the gentleman from Michigan may have permission to revise and extend his remarks as indicated.

There was no objection.

Mr. O'NEAL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I regret very much to see anything come into the discussion of this bill but the merits of the bill and a thorough understanding of what is the situation.

I do not care who voted for an amendment or did not vote for it; but I do care a great deal, Mr. Chairman, that we carry on in this war in the most practical way according to the best advice we can get from those charged with the responsibility of conducting this war for us. Let us clear one thing up entirely. Mr. Crowley made this statement to the chairman in a letter:

> In all statements during the House appropriations hearing, it has been our position that the full $800,000,000 is the irreducible minimum which is necessary for U. N. R. R. A. if the United States contribution to U. N. R. R. A. is to be used most efficiently and economically.

That, Mr. Chairman, is the advice of Mr. Crowley. It makes no difference what anyone else says about his past attitude.

Mr. Chairman, the question of the division of responsibility in this kind of work comes up: First, the Army takes over territory; then and later, lend-lease steps in; and finally, when the military can move out, U. N. R. R. A. moves in. In this bill, Mr. Chairman, we are asking only the amount reasonably needed in the judgment of those in a position to advise us. This job is not so dissimilar from the job Mr. Hoover did following the last war. For Mr. Hoover we provided $2,400,000,000 for work of a similar character. You must prepare for a job like this, now, Mr. Chairman. It may be, as the gentleman from New York says, that the House will be in session, but you cannot have $350,000,000 worth of food just because you are going to vote funds for it; you must make preparations for it. Under this program they will need for the suffering people $350,000,000 of food, and many more millions for clothing and relief items. These must be provided for in advance. Common business principles dictate, Mr. Chairman, that you must prepare in advance, and this is the reason they are asking for the money now.

Mr. Chairman, even before we go into the actual country of the enemy we may have as many as 74,000,000 people cast upon us and our allies for assistance as to food and clothing. It is certainly possible and very probable in the belief of a great many people in responsible positions that before the main fight actually begins, that Germany will shorten her lines and evacuate occupied countries in Europe such as Greece. We will have to take care of them before we actually get into the countries now known as our declared enemies. We shall probably have a relief and rehabilitation problem of 75,000,000 people before we even start in the countries that are allied with Germany.

You cannot say, "Let us put off today until some other time; let us shut our eyes to the need"; but, the practical, common sense, businesslike approach is to get ready so that when we go in there we can stop starvation, stop disease, stop typhus, such as raged all over Europe after the last war in the Balkan countries. We can be ready to meet it adequately and immediately. It is no economy to say that Lend-Lease shall not transfer $350,000,000 of their funds at the appropriate time as a part of the war effort, as a part of the big job to be done after the war is over. We must prepare months in advance in our appropriations. I believe this House makes a great mistake thinking that in some way, or somehow, they are going to do a better job now by stopping the transfer of $350,000,000 when needed from Lend-Lease to U. N. R. R. A. That is what the amendment tried to make possible. The bill provided that at the proper time when the Chief of Staff said was the time to do so, there might be transferred to U. N. R. R. A. a portion of the money already appropriated to lend-lease. It is not businesslike, it is not sound, and it is not, in my opinion, in the interest of the war effort not to include such a provision in the bill.

Mr. CASE. Mr. Chairman, I rise in opposition to the pro forma amendment.

There are two or three points I think should be mentioned for the record. One is that under the understanding between U. N. R. R. A. and the Army, the Army expects to handle these areas as they come in, for a period, averaging, we have been told, 6 months. I do not think it is out of order at this time to say that not only was that picture presented in the hearings on this bill, but was also in hearings just completed by the Appropriations subcommittee for the War Department. The War Department bill will probably come before the House next week and in it you will find funds for the Army to take care of its responsibilities in that field, and that the estimates are based upon a 6 months' administration of relief by the Army before U. N. R. R. A. comes in.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield.

Mr. O'NEAL. I do not believe the gentleman's statement is correct. Unless there is some military problem the Army has no idea of holding a country where there is no military danger but will give it over to U. N. R. R. A. immediately. That is the testimony before our committee.

Mr. CASE. It is hard to imagine any country given up or taken from the enemy in which there will not be a military problem nor where troops will not be required for a time. Since the question properly arises here I think it is violating no confidence to say that testimony was given the Subcommittee on Appropriations for the War Department on that point. It was indicated to us that the general policy, on the order of General Eisenhower, would be that the military retain control of occupied territory; that is, territory that we occupy, until all danger in civilian administration had passed. In Sicily and in Italy, as has been pointed out, we have been there already more than 6 months. My point is merely that the funds appropriated directly to U. N. R. R. A. will enable it to carry on quite nicely since, as a general rule, the military forces will handle the relief problem for several months. The action taken here today is neither fatal nor final.

Let me say also for the RECORD that I hope there will be no misinterpretation of the action taken here this afternoon. If there is, it will be due to inaccurate statements rather than to the action actually taken. Personally, I did not go through the tellers on the Johnson amendment; I did not vote against the amendment offered by the gentleman from Missouri [Mr. CANNON], so I speak in good faith when I say that the action of those who voted otherwise should not be misconstrued.

With respect to the statement that the House voted against giving confidence to the Joint Chiefs of Staff, the RECORD should show that wher the amendment offered by the gentleman from Missouri was before us for a vote the proviso relating to the Joint Chiefs of Staff was not in the amendment. That language was in the paragraph that went out on the point of order. So the vote on the $350,000,000 lend-lease transfer should not be interpreted as any lack of confidence in the Joint Chiefs of Staff, and I do not believe the record should stand as indicating that any lack of confidence was voiced or intended. It could not have been, because there was nothing in the amendment voted upon that referred to them. I did not vote against the amendment, but I do not think that those who did should be accused of lacking confidence in our military leaders. That simply was not in the amendment actually voted upon.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield.

Miss SUMNER of Illinois. May I remind the gentleman that in other countries that have already been taken over, including Sicily, north Africa, and Italy, that long before the 6 months was up the Army turned it over to the Red Cross for them.

Mr. CASE. I am glad that the Army has been able to turn to the Red Cross for aid in certain places, although, of course, retaining the responsibility in all areas of military occupation.

Miss SUMNER of Illinois. I may say that I myself found that out from the Red Cross.

Mr. CASE. Mr. Chairman, I yield back the balance of my time.

Mr. CANNON of Missouri. Mr. Chairman, in view of the misapprehension under which some Members of the House seem to be laboring, I desire to call attention to an authoritative statement issued jointly by the War Department, the State Department, and the Foreign Economic Administration, on this subject. The opinion of those best informed on the subject and most entitled to credence by the Congress and the American people is as follows:

JOINT STATEMENT OF WAR DEPARTMENT, STATE DEPARTMENT, AND THE FOREIGN ECONOMIC ADMINISTRATION TO THE HOUSE APPROPRIATIONS COMMITTEE

The exact pattern of the operations which will follow the establishment of the second front in Europe is impossible to foretell. Whatever the eventualities, preparation must be made as a matter of military or political necessity, as the case may be, to meet the essential needs of the civilian populations liberated from German control.

Because of the speculative character of military operations, it is not possible at the present time to present to the committee a precise program of the civilian requirements for the various countries in Europe. However, an indication can be given to the committee as to the outlines of the possible needs, to the nature of the several situations which may arise during the initial period, and to the mechanisms which will be available to meet those situations.

Insofar as the armies of the United States participate directly in military engagements, the War Department will provide as an integral part of its supply program this country's share of such supplies as are needed to maintain the civilian populations. The dictates of military necessity and the requirements of international law place upon invading armies the responsibility for the security of civilian populations which fall within their control. In conducting their military operations the armies must take such measures as are necessary to avoid disease, unrest, and interference with supply lines. The War Department is, therefore, including in its appropriation a request for funds to make avail-

able essential civilian supplies to the populations in areas which will most probably be affected by our own military operations. Since to a large extent these areas will be the scene of combined operations, the War Department's request for funds covers only the estimated United States share of the responsibility.

If the opening of the second front precipitates the collapse of Axis resistance, the armies may be able to turn over the control of large sections of Europe to the indigenous governments. In such event the United Nations Relief and Rehabilitation Administration in cooperation with those governments or in certain appropriate cases those governments alone should be able to shoulder the burden of civilian supply.

On the other hand, the Germans may withdraw from certain parts of Europe but continue fighting elsewhere. Military control may be necessary initially and it will not be possible in practice for the United Nations Relief and Rehabilitation Administration to assume responsibility at the beginning, although it may be called upon at the outset by the military to assist in certain supply activities where the use of its trained personnel is advantageous. Furthermore, in certain areas the necessary military control authorities may not include any substantial body of United States troops. Where these conditions prevail, it is proposed to procure essential civilian supplies for such areas out of funds appropriated to the F. E. A. for lend-lease purposes. Under these conditions and upon the request of the War Department, these supplies will be turned over to the War Department which will assume the responsibility of shipment, and the goods will be distributed under the direction of a responsible Allied military authority. It is not now possible to determine the precise areas in which it may prove necessary to use lend-lease funds in this manner to maintain the civilian economy at a minimum level for that presumably brief period in which military control will be necessary. Therefore, no amount has been budgeted for this purpose. Accordingly, this situation represents a contingent requirement for lend-lease funds.

The interested agencies have given careful study to the various situations under which it may be necessary to make civilian supplies available in Europe during the military period. Arrangements similar to those outlined are being developed for the Far East.

Mr. REED of New York. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, there is a great deal of confusion in this great legislative body, the greatest legislative body in the world—and I am not surprised—on the question whether the Appropriations Committee has the facts upon which to legislate; but I think they probably have done as well as could be expected under the circumstances. I have some interesting information that may throw some light on the uncertainty as to what should or should not be in the appropriation bill. The record shows that Viscount Cranborne, Lord Privy Seal of England, representing the Inter-Allied Committee on Post-War Requirements, announced in the House of Lords that the United States Government has already requested from all Allied Governments and governments in exile estimates of their food, clothing, and housing needs for the first 18 months after the war was over, along with supplementary lists of raw materials, machinery, and industrial goods which all of these various countries of the world will need. Taylor, author of Men in Motion, is worth reading on this point. That is an astounding ing statement, but after it was made the Archbishop of York protested the omission of certain countries of the world in the report. Lord Cranborne corrected this promptly and said, "Russia, China, Burma, Malaya, and the Netherlands East Indies will state their needs."

Now, these things are coming in from all over the world, from all sources, and certainly the Appropriations Committee does not know what the requirements are, the Army does not know what the requirements are, and this Congress does not know what the requirements are or what they are going to be. There are a hundred nations in this world. When they learn that the United States of America is willing to furnish them the food, the clothing, the housing, the machinery, and everything else they require or will ever require, how on earth are you going to meet this situation with any appropriations you make here for U. N. R. R. A. or for anything else?

There is not enough wealth in the United States to even begin to do these things and the most dangerous thing in the world is to hold out to the nations of the world these promises which we know cannot be fulfilled. By and by, as a result, we are going to be just about the most heartily hated people in the world just because we will not give all that we promised to give.

Mr. Chairman, the record here on this floor should be pretty carefully made here today that we are only going to do what we know we can do and still feed our own people and pay our colossal debt of $300,000,000,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that debate on this title and all amendments thereto close in 25 minutes, the last 5 minutes to be reserved to the chairman of the Appropriations Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. RAYBURN. Mr. Chairman, reserving the right, and I shall not object, this morning a resolution was passed that we would receive in the House in recess a 98-year-old man. He is around here now and, frankly, I do not want to let him sit here until 6 o'clock. Personally I think it might be a good idea to bring someone like that in here to kind of break the tension a little. We may gain time by it.

Mr. CANNON of Missouri. Mr. Chairman, I withdraw the unanimous-consent request. I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4937) making appropriations for defense aid (lend-lease) for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes, had come to no resolution thereon.

Mr. CANNON of Missouri. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CANNON of Missouri. I wonder if the Chair can recognize me after an interval of 10 or 15 minutes to move that the House resolve itself into the Committee of the Whole in order to complete consideration of the pending bill tonight?

The SPEAKER. The Chair, within a comparatively short time, will recognize the gentleman for that purpose.

COMMITTEE TO ESCORT GEN. JULIUS FRANKLIN HOWELL, FORMER COMMANDER IN CHIEF OF THE CONFEDERATE VETERANS, INTO THE CHAMBER

The SPEAKER. The Chair appoints as a committee to escort our distinguished guest into the Chamber the gentleman from Massachusetts [Mr. MCCORMACK], the gentleman from Massachusetts [Mr. MARTIN], and the gentleman from Mississippi [Mr. RANKIN].

RECESS

The SPEAKER. The House stands in recess subject to the call of the Chair.

At 4 o'clock and 19 minutes p. m. the House stood in recess subject to the call of the Chair.

During the recess the following occurred:

At 4 o'clock and 21 minutes p. m., the Assistant Doorkeeper, Mr. Shuffler, announced Gen. Julius Franklin Howell, former commander in chief of the Confederate Veterans, and his party.

General Howell was escorted by the committee to the rostrum.

The SPEAKER. Our guest will be presented by the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, if we needed any evidence at all that we are a united country, we had it here today, when the House of Representatives by a unanimous vote invited our distinguished guest, the acting commander of the United Confederate Veterans, to appear on this platform and address the Members of this branch of the Congress of the United States.

I have the honor of presenting to you one of the youngest men in uniform today. He has barely reached the immature age of 98.

He went through 4 years of the most terrible conflict this Nation has ever seen, and has put in the last 79 years rebuilding the peace, sustaining American enterprises and promoting American institutions.

It is my honor, and my privilege, to present to you Gen. Julius F. Howell, acting commander in chief of the United Confederate Veterans. General Howell.

General HOWELL. My friends, you have no idea how deeply I regard the honor you have paid me.

If my friend, JOHN W. FLANNAGAN, of the Ninth Virginia District is present, and whether he is or not he will hear about it, I want to say that when I get home and happen to meet him he will find that

I am looking for a new hat that is big enough to fit my swelled head, brought on by this very high honor.

There are a number of you whom I have met before, and I am very much delighted to meet you again today. I happen to be here by invitation of the Sons of the Confederate Veterans, and of the Daughters, especially, in commemoration of the one hundred and thirty-sixth anniversary of the birth of Jefferson Davis, our great President—hero I call him—of the Southern Confederacy.

Some of you may ask: "Well, what can you say about President Davis personally?"

You will be surprised when I tell you that I served 3 years, lacking 2 or 3 months, under Gen. Robert E. Lee, but having been of small rank—I did not get higher than corporal, and I was only 18 years old when the war closed—I never had the pleasure of seeing Mr. Davis, although I was stationed for several months toward the close of the war within 2 or 3 miles of Richmond, helping to guard or protect that city against possible invasion by the Federal cavalry. I went into Richmond several times and passed right by where Mr. Davis lived, the house he occupied at the time. But I never saw him, although I heard a great deal about him. Since then I have read a great deal about him, and because of his sufferings, I have grieved for him.

We often hear it said: How is it that our southern people did not show more honor to the memory of Mr. Davis until several years after he had passed away? I do not know why they did not do it. Our southern people did not begin to honor him until some time after the Federal side began to honor their soldiers, the boys in blue. It was not until then that they began to honor the boys in gray, but for 50 years and more now they have been honoring us and we certainly do appreciate that honor.

In representing our great United States, you have a great responsibility resting upon you. I read about you as much as I can. I take my little daily paper, and I see what you are trying to do. This applies to both Houses of Congress.

I am proud of you. I know you have faults. You are blamed for a lot of things, but I hold to this: I have grown old, 98 years past, and I believe this, that when a man strives to be honest and looks to the Higher Power for guidance, praying that the Holy Spirit may direct him in what he is doing, in whatever his occupation, he is apt to be right, and whether we agree with him or not, it is his privilege in this great, free country of ours to think what he pleases, to speak what he pleases, provided he obeys the laws of our country.

I am aware that the past week has been spent by you Members of Congress in practically, I should say, hard work. I am sure you have been doing hard work. You are tired and you want to rest. You do not want too much speaking this afternoon and I shall not keep you very long, because there is nothing that disgusts me more than for a man to get up and make a speech and go considerably over his time. I will try not to do that. In fact, I have got to this point: Sometimes I am called upon to make a speech, and when I rise, my wife sits up here and when she thinks I have talked long enough, she takes my coat tail and jerks it a little bit. Thus a man of my age, with a comparatively young wife, is blessed, indeed. [Laughter and applause.]

Pardon me for apparent egotism, because I do not mean it, and if I did mean it, at my age, I could say, well, it is on account of my age. [Laughter.]

I must have been a pretty good husband. My first wife and I lived together 63 years. We raised a considerable family. One of my boys was in the Spanish-American war, a colonel in the United States Army. He has died since, poor fellow. Some of my boys today are fighting to help preserve our liberty. Two of them are stationed presently in this city. One of them is in Italy. Another is in New Guinea. New Guinea is away over yonder somewhere, I hardly know where it is, but it is somewhere in the Pacific Ocean.

My friends, the responsibility that rests upon us as American people, especially upon you Representatives of our various sections, is serious to think about. Many of you no doubt have sons and grandsons, probably, in the United States Army assisting our allies to subdue, to repel, to vanquish, and to conquer, because we cannot stand for anything else.

Mr. Speaker, as an old man, every day in my humble prayer I rest my hand on my heart to the Father. I pray for you and for the President of the United States. We do not all agree with President Roosevelt. I met the President some time ago. I called on him and I told him, "Mr. President, I voted for you, and I voted for all Democratic candidates for President since 1868 except one, Mr. President, and I will not call his name." I said, "I could not vote for him although my Democratic friends put him up." Mr. Roosevelt laid back in his chair and gave a hearty laugh and changed the subject. [Laughter.]

I think it was Teddy Roosevelt, or his father, who married a Georgia girl by the name of Carow, and thus united the North and the South away back in those days.

When the war closed, or just before General Lee's surrender, I was captured near Saleas Creek. I was under the command of General Ewell. He was one of General Lee's lieutenants. I was captured, taken to Point Lookout, close by, stayed there 2 months, and was discharged, and got home safely over in Nansamond County, Va., not far from Suffolk, and ever since I have tried to behave myself and be a good boy and loyal, especially to these great United States.

My friends, whatever religion we profess, the religion of the Lord Jesus Christ, and if we have Jewish friends who believe in the Great Father, or if we have friends that do not believe in anything except their own notion about things, divinity or religion or whatever it may be, we thank God that in this great country we can believe as we please, just so we obey the laws of our land.

I have often thought this, when we fought so hard for 4 years, as many of our boys did, honorably—and many of us have not given up the idea yet—and my friend RANKIN is one of those fellows from my neighboring State in Mississippi.

When that war was going on our praying men, like Gen. Robert E. Lee, prayed to the Father, to God, "If it is Thy will, make our cause a success. Let us depart in peace. Let this war stop."

Gen. Stonewall Jackson prayed every day along the same line. On the other side we know there were a great many deeply pious, religious men, who prayed to God, "O, God, do not let this Union of ours be severed. We are a great people and we all worship Thee. Why should we be beset with it? Why should we not remain a great nation?" The Father in heaven—and not to be sacrilegious, my friends—put His great loving hand on the heads of Robert E. Lee and Stonewall Jackson and others who represented us and said, "My children, I appreciate fully your desires. I appreciate the fact that you wish what you think is best, for freedom in this country, but it is not best that you should succeed. It is not best to have this great country of ours severed into two parts." No doubt it would have been severed into more parts afterward. "It is not best for you."

At that time, my friends, nobody could foresee the First World War, and especially such a war as we have on our hands now.

God bless them. We stand as one great united Nation, no longer in blue and gray, except in sentiment. We love to look back at the glories that both sides achieved. I met the granddaughter of Gen. Ulysses Grant today. I went up and shook her hand. I told her that the boys in gray remembered the comparative leniency of her grandfather at Appomattox. Although I was not there, I read a great deal about it. I had friends there.

Mr. Speaker, I thank you so much for this privilege and for this honor. I will long remember it. My descendants will say with pride that the House of Representatives of the United States invited one of their ancestors to appear before them and make a little talk. I say this with all humility, but with all pleasure, with pride, and with pride in you, my friends. God bless you and guide you in your deliberations. Keep in mind that God in heaven rules the world. Poor humanity is a small thing indeed when compared to the great spiritual power that rules the world.

I thank you.

[Prolonged applause, the Members rising.]

Mr. RANKIN. Mr. Speaker, we have listened to a most remarkable speech from one of the most remarkable men who ever addressed the membership of this House—the last Confederate veteran, and probably the last veteran of the War between the States on either side, who will appear before this body.

General Howell, we are all grateful to you for your splendid message, which will go down in history as one of the outstanding events in the life of this Congress.

We all wish for you many more happy, prosperous, and useful years. May you spend the remainder of your career in quiet and ideal peace. May you serenely rest in the loving care of those about you, conscious of a well-spent life, and confident of its good—until the last bugle call shall summon you to greet the coming of another age of youth and usefulness in another radiant Easter beyond the gates of night.

Mr. Speaker, I think it fitting at this time to insert in the RECORD at this point a poem called the Blue and the Gray, by the Honorable Francis Miles Finch, which, I am sure, reflects the sentiments not only of every Member of this House but of all right-thinking, patriotic Americans.

THE BLUE AND THE GRAY

By the flow of the inland river,
Whence the fleets of iron have fled,
Where the blades of the grave grass quiver,
Asleep are the ranks of the dead;
Under the sod and the dew,
Waiting the judgment day;
Under the one the blue,
Under the other the gray.

These in the robings of glory,
Those in the gloom of defeat,
All with the battle-blood gory,
In the dusk of eternity meet;
Under the sod and the dew,
Waiting the judgment day;
Under the laurel, the blue;
Under the willow, the gray.

From the silence of sorrowful hours
The desolate mourners go,
Lovingly laden with flowers
Alike for the friend and the foe;
Under the sod and the dew,
Waiting the judgment day;
Under the roses, the blue;
Under the lilies, the gray.

So with an equal splendor
The morning sun rays fall,
With a touch, impartially tender,
On the blossoms blooming for all;
Under the sod and the dew,
Waiting the judgment day;
Broidered with gold, the blue;
Mellowed with gold, the gray.

So, when the summer calleth
On forest and field of grain,
With an equal murmur falleth
The cooling drip of the rain;
Under the sod and the dew,
Waiting the judgment day;
Wet with the rain, the blue,
Wet with the rain, the gray.

Sadly, but not with upbraiding,
The generous deed was done;
In the storm of the years that are fading,
No braver battle was won;
Under the sod and the dew,
Waiting the judgment day;
Under the blossoms, the blue,
Under the garlands, the gray.

No more shall the war cry sever,
Or the winding rivers be red;
They banish our anger forever
When they laurel the graves of our dead!
Under the sod and the dew,
Waiting the judgment day;
Love and tears for the blue,
Tears and love for the gray.

AFTER THE RECESS

The recess having expired (at 4 o'clock and 38 minutes p. m.) the House was called to order by the Speaker.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess of the House may be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

DEFENSE AID, U. N. R. R. A., AND FOREIGN ECONOMIC ADMINISTRATION APPROPRIATION ACT, 1945

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4937) making appropriations for defense aid—lend-lease—for participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4937, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 10 minutes.

Mr. DIRKSEN. I object, Mr. Chairman.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this title and all amendments thereto close in 15 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. CALVIN D. JOHNSON].

Mr. CALVIN D. JOHNSON. Mr. Chairman, the statement was made a moment ago by the gentleman from Missouri [Mr. CANNON] that this is a solemn hour. To many of us who have gold stars in our windows this has been a solemn hour for quite some time.

America is great, not because of its mighty mountains, its beautiful rivers, or humming industries. It is great because it does not matter in this great, free land of ours whether a man is a merchant, prince, or a laborer, his hopes and ambitions for his children and his country are the same. The goal in life which we set for ourselves and failed to attain because of lack of opportunity or lack of education, we want to see attained by our children, and there is no sacrifice too great for a father or mother in America to make in their efforts to extend to their children the educational and other advantages which in so many instances they themselves were denied.

I am grateful for the traditions and history of this Nation of ours. I am proud that it has been the home of my ancestors since 1635, when they first landed in Virginia.

At the beginning of this war I had three sons who were attending colleges in Illinois. I did not have an opportunity as a youth to attend college, and, feeling deeply the limitations, whether imaginary or not, that had been placed against me because of my inability to attend university, I saw to it that those three sons of mine were afforded the opportunity that I was denied. When war came, along with thousands of other American youths, they entered the service of their Nation. One of my boys, Lt. John Bernerd Johnson, was killed on the 29th of July, just about a year ago. Another has been given a physical disability discharge from the United States Engineers, suffering with a back injury that will leave him partially crippled for life. The third has served in the Air Corps for 20 months, 8 of which was with the Eighth Air Force in England.

I agree that this hour is solemn. It is indeed solemn for many American dads and mothers who have met baggage cars bringing home the flag-draped casket that contains the remains of their sons, and for those dads and mothers whose sons sleep until eternity beneath a whited cross upon a foreign battlefield. We are the ones who think about the past. You men who are assembled here discuss the things that are happening today, but, remember, we must also meditate upon our Nation's future and determine what opportunities America will hold for those youngsters when they return home.

What conditions will they find when they return from the wars? Will they find a Nation that is prostrate with debt? Will they find our country in such a bankrupt condition that it will require the dedication of their lives and the lives of their children to restore our Nation to solvency? Will they find a Nation in which opportunity no longer exists? Will they find a country that has pledged its resources to help every nation in the world and forgot to preserve opportunity for its own returning veterans?

I have offered this amendment in all sincerity. It is very apparent that it is going to be voted down. With me, it is a matter of principle and is motivated by my love for a nation that my people have called home for three centuries. I offered this amendment because I realize that if we do not stop wasting the substance that has been accumulated through 300 years of sweat, toil, and blood, and is now being scattered to the four winds of heaven, your sons and mine, when they return to America will find themselves shouldered with a burden of debt impossible to carry and history has proven that dictatorships are nothing more nor less than receiverships.

I make no implications toward any man in Congress because of his opinion or because of his political ideas. I merely ask that we think of the future of this Nation of ours and try to preserve for our sons some semblance of the type of

government we received from our fathers. When this mantle of authority is shifted from our shoulders to theirs, let us endeavor to pass on to them the type of government that affords opportunity, but we must improve our ways if we are to do that.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I am sure the discussion we had this afternoon with reference to the possible emasculation of the bill that is before us was precipitated in all good faith by my good friend from Virginia. I can only make this comment, however, that if this country is saved, if a good job is done, it is going to be done in this body and largely it is going to be done upon this floor.

Every person who is a representative of the people exercises his prerogative here to advance the best ideas of which he is capable in the interest of the national welfare and our common land. Now, is it so bad for one to raise his voice in the interest of a little economy? Have astronomical sums finally dulled out perceptibilities to the point where we should quiescently ratify the sums proposed here without close scrutiny?

You will note from the record on this bill that already we have expended more than twenty-four thousand million on lend-lease. We have committed enough more to make it fifty thousand million. So I think it is in good grace and it is timely when we seriously consider the question of expending another $350,000,000, which was voted down by the committee this afternoon.

I disagree with my friend from Kentucky as to whether or not this $350,000,000 commitment under certification by the Joint Chiefs of Staff would make it possible to make long-range preparation. That is not the language of the bill at all, as I read it. It states that the authority to expend and to use the $350,000,000 of lease-lend funds for U. N. R. R. A. will come into being only after it has been certified by the Joint Chiefs of Staff. Any time they certify to this Congress that they need that $350,000,000 we can give it to them as quickly as we can this afternoon. If it is to come on in the form of a direct appropriation, then this bill will carry not $450,000,000 for relief and rehabilitation but $800,000,000. Taking into account the language of the bill now before us, the authority is not effective until the Chiefs of Staff properly certify its need and not before. In consequence of that, it must be abundantly clear so far as the $350,000,000 is concerned that not a pound of foodstuffs can be bought, not a pair of shoes can be contracted for, if I read that language correctly, until it has been certified by the Joint Chiefs of Staff and the determination made by the Administrator of the Foreign Economic Administration.

I am willing to stand immediate correction if that is an incorrect statement of what is here proposed.

If, however, the interpretation is correct, the matter is not so urgent or momentous as has been represented and can be cured easily enough when the need arises by additional appropriations.

So if there is faint heart and some faltering about this thing, I think you can have comfort in the fact that that money could not be committed, it could not be pledged, no preparation could be made under it, and they can come back here almost any time.

It may also be that $450,000,000 is enough. Now, with that thought, just remember that all these things are rather tenuous estimates upon which these commitments have been built. Will it take a million pairs of shoes? I do not know. There is nobody at the other end who knows. Will it take 100,000 cases of canned milk? I do not know and they do not know. The officials have presented to the Committee on Appropriations their best estimates projected on the basis of contingent expenses, transportation and packaging costs, and the cost of procuring these commodities in the market. They extend the total, draw the line, employ arithmetic, and come to a total that is then transmitted to the Congress. The best you can say about all this is that they do not know very precisely and we do not know either. Thus we accept it in high good faith. It may be that $450,000,000 will be enough. If not, additional funds can be provided. This operation is new. Perhaps better estimates will be available later and a better job can then be done in determining actual needs. Just a word of caution: When you stop to consider that last week action in another body was taken upon a proposal to raise the prospective debt of this country to $262,000,000,000, let us be cautious, let us exercise our true responsibility and obligation to the people back home, and let us evaluate every dollar that is expended by virtue of action on this floor and give the humble people a break.

With respect to the Johnson amendment, let me observe that my good friend from Illinois was doing what he thought was right. His amendment was offered in good faith. One of his sons was broken upon the altar of war and will never come back. How many of us will be able to match that sacrifice? No, I take off my hat to the gentleman from Illinois. I think what he did was inspired by the noblest motives and the purest of purposes and from a desire to serve the cause for our common country. Whether the amendment was good or bad I do not pretend to say at this moment, but at least we do accept in the highest good faith the proposal that he made, because out of the richness of his own heart and out of the sacrifices which he has made, he was doing what he thought was a service to his country.

Certainly the thought which he expressed therein was not wholly without merit. There are many who feel that the sacrifices of men, money, supplies, and dislocations which we are called upon to make in the cause of freedom should be matched in equal degree by others who are the beneficiaries of our aid and who will in even larger measure be the beneficiaries of the victory and the freedom which will be achieved through the efforts of this Nation.

I commend my colleague for his zeal and suggest that the proposal which he offered be given some study. It will not be selfish on our part to hope that there be a parity of sacrifice by all nations engaged in the present conflict.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I just want to make one observation and emphasize the thing that the gentleman from New York [Mr. TABER] has emphasized so many times before our committee and on the floor, but which I want to reemphasize. Every unnecessary dollar that we appropriate is impeding the war effort. We have to uphold the morale that is talked about here, in the face of this war debt and this lending. Every unnecessary million dollars or $100,000,000 that we appropriate that is not necessary and not having to do directly with the war effort is impeding the war effort. That is what I want to emphasize. I want to call your attention to last Thursday evening when an authorization was made for the first time for an agency that had no connection with the war effort. It is asking for $100,000,000 for next year. There was not a man or woman in the House who said a word for it; not a man or woman said a word against it. It just went through. Are we getting so callous that we do not care about $100,000,000 so that not even one person will raise his voice for or against it in this House? I am dedicating myself to economy. The unnecessary spending of money before it is needed and before it is necessary to spend it interferes with and impedes the war effort.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. DWORSHAK. Does the gentleman recognize the fact that we have already spent as much money on the lend-lease as our total national indebtedness following the First World War?

Mr. LAMBERTSON. That is true. I want to state further that nobody has voted against any appropriation for the Army and Navy which the leaders of our military forces asked for. But this is a little different. We have people here who are still thinking of new ways to spend millions of dollars. We have got to begin to hold down unnecessary spending and respond to the morale at home.

All pro forma amendments were withdrawn.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 301. Those general provisions in the National War Agency Appropriation Act, 1945, applicable to the constituent agencies of the Office for Emergency Management, and those general provisions in such act generally applicable to all agencies in such act, are hereby made applicable to the same extent, except as otherwise provided, to the appropriations in this title.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it should be emphasized, as various Members have, that the action of the Committee of the Whole today in connection with the $350,000,000 is in no way hostile to U. N. R. R. A. or to its purposes. Various Members have stated that. While I would like to have seen the $350,000,000 remain in the bill, we are practical enough to realize there are times in the considerations of the House and the committee when honest misunderstanding arises. Sometimes that honest misunderstanding produces an honest confusion which brings about a result which some people might in turn honestly misunderstand. I am very glad to hear the statement made by the various Members, particularly on the Republican side of the House, that there is to be no construction placed upon the action today indicating an unwillingness or a hostility against taking future action which would enable the Government to carry out its proper maximum contribution to this great humane effort. I felt that authority for the transfer of the $350,000,000 should remain in the bill, because of the necessity of long-range planning and in the event of a sudden collapse of the Nazis. No one can foresee a sudden collapse, I will agree; but on the other hand, we all hope and pray that a sudden collapse of Nazi Germany will take place. I assume the authority to transfer these funds was placed in the bill with that in mind, in order to avoid the sudden purchases, the desperate purchases, which might tend to have a disturbing if not chaotic effect upon our productive capacity in connection with those things that will be needed when U. N. R. R. A. has to move in, which might be unexpected. On the other hand this matter will be considered in the other body and I am sure that between now and that time we shall be able to look into the matter more thoroughly, and if the other body returns the item in whole, in part, or in some other form and it comes back to the House, with a manifestation here of no hostility, that the House will take that action which in its sound judgment it has always taken in connection with war matters.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes; gladly.

Mr. MARTIN of Massachusetts. I want to assure the gentleman that we—I believe I can speak for practically all of the membership on this side of the aisle—want to see that U. N. R. R. A. has its fair chance; we want to be sure that our country lives up to any obligation it may have undertaken.

I am quite sure if this matter has a hearing in the other body that when it comes back here we shall be very glad indeed to give any proposal the Senate may place in it open consideration, and act in a judicial capacity.

Mr. McCORMACK. I appreciate very much the contribution of the gentleman, and coming from the distinguished leader of the Republican Party particularly. As the leader of my own party, I am making these few remarks, and I appreciate the fact that my distinguished friend from Massachusetts interpreted and understood my state of mind, and he speaks as the leader of his party.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mrs. NORTON. In view of the love feast that is going on at the present time, would it not be possible to put this language back in the bill before it goes to the other body?

Mr. McCORMACK. That, of course, is impossible. The only parliamentary procedure by which it could be done would be by way of a motion to recommit, and the person making that motion would have to announce that he was opposed to the bill in order to be recognized for the purpose. It is not, therefore, a question of having an amendment adopted in the Committee of the Whole, for the point of order struck out the section. The gentleman from Missouri offered the amendment, and the amendment was not adopted. Thus, if I understand the parliamentary situation correctly, the only way to restore it would be a motion to recommit with instructions to report the bill back forthwith with the amendment that the gentleman from Missouri offered.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUM of Virginia. I am glad to have the assurance of the distinguished gentlemen from Massachusetts, our majority leader, as well as the minority leader. I believe all of us now realize it was a mistake to cut this section out of the bill. I should like to call the gentleman's attention to the fact that it was demonstrated just a few days ago that the House can do almost anything it wishes by unanimous consent and I feel sure that unanimous consent asked by the two distinguished gentlemen from Massachusetts would put it back in the bill without going to the Senate.

Mr. MASON. I am not so sure.

Mr. McCORMACK. What the gentleman says is correct. But I can assure the gentleman to submit such a unanimous consent request at this time would probably not produce the results the gentleman suggests.

I wish to make one more observation. No one on this floor has a deeper feeling of sympathy for our distinguished friend the gentleman from Illinois [Mr. JOHNSON] than I. We all feel kindly for him and for Mrs. Johnson in their great sorrow and bereavement. I know he had the highest motives in offering his amendment. I hesitate at any time to impugn the motives of any person, although I may sharply disagree with their judgment or objective. The longer I live the more tolerant I find myself becoming.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Discussing the merits of his amendment, however, I think it would be unwise to adopt the amendment. Without going into detail about it, without going into argumentation, I hope that when we get back in the House that the House in its good wisdom and sound judgment will defeat the amendment.

Mr. MASON. Mr. Chairman, will the gentleman yield at that point?

Mr. McCORMACK. I yield.

Mr. MASON. Would the gentleman also agree that a motion honestly and earnestly offered, as the gentleman from Illinois [Mr. JOHNSON] offered that, should not be called absurd?

Mr. McCORMACK. Please, do not inject bitterness. I was making these remarks for the RECORD so that at the end of this debate there would be no misunderstanding outside of this Chamber by anyone as to the state of mind of Members of this House in connection with the $350,000,000 item. The gentleman from Massachusetts, the distinguished minority leader, has fortified in his own effective manner the impression which I knew the House had, and which I was trying to convey to the world at large, that that in no way constitutes an act of hostility on the part of this body toward U. N. R. R. A. and toward considering the question in a calmer light when it comes back if the other body should restore to the bill the provision stricken out or any portion thereof.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

The Clerk concluded the reading of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that section 202 be restored to the bill.

Mr. LAMBERTSON. Mr. Chairman, I object.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committe, having had under consideration the bill (H. R. 4937) making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes, directed him to report the same back to the House with sundry amendments adopted in the Committee of the Whole with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CANNON of Missouri. Mr. Speaker, I ask for a separate vote on the Calvin Johnson amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment upon which a separate vote is demanded.

The Clerk read as follows:

Page 5, line 5, after the numerals 1945, add a new section: "No portion of the funds hereby appropriated or materials purchased therewith shall be made available to any nation whose troops have not been engaged by actual battle participation in the present war."

The SPEAKER. The question is on agreeing to the amendment.

Mr. CANNON of Missouri. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The Clerk called the roll; and there were—yeas 41, nays 264, not voting 123, as follows:

[Roll No. 74]

YEAS—41

Arnold	Griffiths	O'Konski
Bishop	Hoffman	Phillips
Bradley, Mich.	Horan	Reed, N. Y.
Brehm	Johnson,	Robsion, Ky.
Brown, Ohio	Anton J.	Schwabe
Carrier	Johnson,	Scrivner
Carson, Ohio	Calvin D.	Shafer
Clevenger	Johnson, Ward	Smith, Ohio
Cole, Mo.	Jones	Stockman
Crawford	Knutson	Sumner, Ill.
Day	Lambertson	Vursell
Dworshak	Mason	Winter
Ellis	Miller, Mo.	Woodruff, Mich.
Elmer	Miller, Pa.	
Gathings	Norman	

NAYS—264

Abernethy	Cooley	Harris, Ark.
Allen, Ill.	Cooper	Hart
Allen, La.	Costello	Hays
Andersen,	Courtney	Hendricks
H. Carl	Cravens	Herter
Anderson, Calif.	Crosser	Hill
Andresen,	Cunningham	Hinshaw
August H.	Curtis	Hobbs
Andrews, Ala.	D'Alesandro	Hoch
Andrews, N. Y.	Davis	Hoeven
Angell	Dilweg	Holifield
Arends	Dingell	Holmes, Mass.
Auchincloss	Dirksen	Holmes, Wash.
Baldwin, N. Y.	Dondero	Howell
Barrett	Doughton	Hull
Barry	Durham	Jackson
Bates, Ky.	Eaton	Jarman
Bates, Mass.	Eberharter	Jeffrey
Beckworth	Elliott	Jenkins
Bender	Ellison, Md.	Jensen
Bennett, Mich.	Engel, Mich.	Johnson,
Bennett, Mo.	Engle, Calif.	J. Leroy
Bland	Feighan	Johnson,
Bloom	Fellows	Luther A.
Bonner	Fenton	Johnson, Okla.
Boykin	Fish	Jonkman
Bradley, Pa.	Fisher	Kean
Brooks	Fitzpatrick	Kearney
Brown, Ga.	Fogarty	Kee
Brumbaugh	Folger	Keefe
Bryson	Forand	Kefauver
Buffett	Ford	Kelley
Bulwinkle	Gale	Kilday
Burgin	Gamble	Kinzer
Busbey	Gavin	Kleberg
Butler	Gearhart	Kunkel
Camp	Gifford	Lane
Canfield	Gillespie	Lanham
Cannon, Fla.	Gillette	Larcade
Cannon, Mo.	Gillie	Lea
Carlson, Kans.	Gordon	LeCompte
Case	Gore	LeFevre
Chenoweth	Gorski	Luce
Chiperfield	Graham	Ludlow
Church	Grant, Ala.	McCord
Clark	Gregory	McCormack
Clason	Gross	McCowen
Cochran	Gwynne	McGehee
Coffee	Hagen	McGregor
Cole, N. Y.	Hale	McKenzie
Colmer	Hancock	McLean
McMillan	Pittenger	Stanley
McWilliams	Plumley	Starnes, Ala.
Madden	Poage	Stefan
Magnuson	Poulson	Stevenson
Mahon	Powers	Sullivan
Maloney	Pratt,	Sumners, Tex.
Manasco	Joseph M.	Sundstrom
Mansfield,	Price	Taber
Mont.	Rabaut	Talle
Mansfield, Tex.	Ramey	Tarver
Marcantonio	Ramspeck	Thomas, N. J.
Martin, Mass.	Randolph	Thomas, Tex.
Merrow	Rankin	Thomason
Michener	Reece, Tenn.	Tibbott
Miller, Conn.	Reed, Ill.	Tolan
Miller, Nebr.	Richards	Towe
Mills	Rivers	Treadway
Monkiewicz	Robinson, Utah	Troutman
Monroney	Rockwell	Vincent, Ky.
Morrison, La.	Rodgers, Pa.	Vinson, Ga.
Mott	Rohrbough	Voorhis, Calif.
Mruk	Rolph	Vorys, Ohio
Mundt	Rowan	Walter
Murdock	Russell	Wasielewski
Murray, Tenn.	Sabath	Weaver
Murray, Wis.	Sadowski	Welchel, Ohio
Myers	Sauthoff	Welch
Norrell	Schiffler	Wene
Norton	Sheridan	West
O'Brien, Ill.	Sikes	Whittington
O'Brien, Mich.	Simpson, Ill.	Wickersham
O'Brien, N. Y.	Slaughter	Wigglesworth
O'Hara	Smith, Maine	Willey
O'Neal	Smith, Wis.	Winstead
O'Toole	Snyder	Wolcott
Outland	Somers, N. Y.	Wolfenden, Pa.
Pace	Sparkman	Wolverton, N. J.
Patman	Spence	Woodrum, Va.
Patton	Springer	Wright

NOT VOTING—123

Anderson,	Gossett	Merritt
N. Mex.	Granger	Morrison, N. C.
Baldwin, Md.	Grant, Ind.	Murphy
Barden	Green	Newsome
Beall	Hall,	O'Connor
Bell	Edwin Arthur	Peterson, Fla.
Blackney	Hall,	Peterson, Ga.
Bolton	Leonard W.	Pfeifer
Boren	Halleck	Philbin
Buckley	Hare	Ploeser
Burch, Va.	Harless, Ariz.	Pracht
Burchill, N. Y.	Harness, Ind.	C. Frederick
Burdick	Harris, Va.	Priest
Byrne	Hartley	Rees, Kans.
Capozzoli	Hébert	Rizley
Carter	Heffernan	Robertson
Celler	Heidinger	Rogers, Mass.
Chapman	Hess	Rowe
Compton	Hope	Sasscer
Cox	Izac	Satterfield
Curley	Jennings	Scanlon
Dawson	Johnson, Ind.	Scott
Delaney	Johnson,	Sheppard
Dewey	Lyndon B.	Short
Dickstein	Judd	Simpson, Pa.
Dies	Kennedy	Smith, Va.
Disney	Keogh	Smith, W. Va.
Douglas	Kerr	Stearns, N. H.
Drewry	Kilburn	Stewart
Ellsworth	King	Stigler
Elston, Ohio	Kirwan	Talbot
Fay	Klein	Taylor
Fernandez	La Follette	Torrens
Flannagan	Landis	Wadsworth
Fulbright	Lemke	Ward
Fuller	Lesinski	Weiss
Fulmer	Lewis	Whelchel, Ga.
Furlong	Lynch	White
Gallagher	McConnell	Whitten
Gerlach	McMurray	Wilson
Gibson	Maas	Worley
Gilchrist	Martin, Iowa	Zimmerman
Goodwin	May	

So the amendment was rejected.

The Clerk announced the following pairs:

General pairs:

Until further notice:

Mr. Lynch with Mr. Ploeser.
Mr. Zimmerman with Mr. Halleck.
Mr. Keogh with Mr. Compton.
Mr. Curley with Mr. Short.
Mr. Kennedy with Mr. Beall.
Mr. Stigler with Mr. Fuller.
Mr. Delaney with Mr. McConnell.
Mr. Kirwan with Mr. Martin of Iowa.
Mr. Pfeifer with Mr. Taylor.
Mr. King with Mr. Lewis.
Mr. Klein with Mr. Scott.
Mr. Flannagan with Mr. Hess.
Mr. Capozzoli with Mr. Douglass.
Mr. Ward with Mrs. Rogers of Massachusetts.
Mr. Buckley with Mr. Leonard W. Hall.
Mr. Priest with Mr. Judd.
Mr. Burchill of New York with Mr. Rowe.
Mr. McMurray with Mr. Grant of Indiana.
Mr. Heffernan with Mr. Elston of Ohio.
Mr. Izac with Mr. Goodwin.
Mr. Dickstein with Mr. Harness of Indiana.
Mr. Byrne with Mr. Gallagher.
Mr. Celler with Mr. Lemke.
Mr. Merritt with Mr. Rees of Kansas.
Mr. Harris of Virginia with Mr. Gerlach.
Mr. Torrens with Mr. Ellsworth.
Mr. Philbin with Mr. Blackney.
Mr. Peterson of Georgia with Mr. LaFollette.
Mr. Whitten with Mrs. Bolton.
Mr. Bell with Mr. Kilburn.
Mr. Chapman with Mr. Rizley.
Mr. Cox with Mr. Hartley.
Mr. Hébert with Mr. C. Frederick Pracht.
Mr. Satterfield with Mr. Dewey.
Mr. Weiss with Mr. Gilchrist.
Mr. Sheppard with Mr. Stearns of New Hampshire.
Mr. May with Mr. Heidinger.
Mr. Smith of Virginia with Mr. Burdick.
Mr. Murphy with Mr. Landis.
Mr. Robertson with Mr. Wilson.
Mr. Green with Mr. Johnson of Indiana.
Mr. Hare with Mr. Hope.
Mr. Fulbright with Mr. Talbot.
Mr. Burch of Virginia with Mr. Maas.
Mr. Fay with Mr. Jennings.
Mr. Disney with Mr. Edwin Arthur Hall.
Mr. Fulmer with Mr. Wadsworth.
Mr. Kerr with Mr. Carter.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CANNON of Missouri. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 281, nays 23, answered "present" 1, not voting 123, as follows:

[Roll No. 75]

YEAS—281

Abernethy	Bulwinkle	Doughton
Allen, Ill.	Burgin	Durham
Allen, La.	Busbey	Dworshak
Andersen,	Butler	Eaton
H. Carl	Camp	Eberharter
Anderson, Calif.	Canfield	Elliott
Andresen,	Cannon, Fla.	Ellison, Md.
August H.	Cannon, Mo.	Engel, Mich.
Andrews, Ala.	Carlson, Kans.	Engle, Calif.
Andrews, N. Y.	Carrier	Feighan
Angell	Carson, Ohio	Fellows
Arends	Case	Fenton
Auchincloss	Chenoweth	Fish
Baldwin, N. Y.	Chiperfield	Fisher
Barrett	Church	Fitzpatrick
Barry	Clark	Fogarty
Bates, Ky.	Clason	Folger
Bates, Mass.	Cochran	Forand
Beckworth	Coffee	Ford
Bender	Cole, Mo.	Gale
Bennett, Mich.	Cole, N. Y.	Gamble
Bennett, Mo.	Cooley	Gathings
Blackney	Cooper	Gavin
Bland	Costello	Gearhart
Bloom	Courtney	Gifford
Bonner	Cravens	Gillespie
Boykin	Crosser	Gillette
Bradley, Pa.	Cunningham	Gillie
Brehm	Curtis	Gordon
Brooks	D'Alesandro	Gore
Brown, Ga.	Davis	Gorski
Brown, Ohio	Dilweg	Graham
Brumbaugh	Dingell	Grant, Ala.
Bryson	Dirksen	Gregory
Buffett	Dondero	Gross

Gwynne	McWilliams	Rohrbough
Hagen	Madden	Rolph
Hale	Magnuson	Rowan
Hancock	Mahon	Russell
Harris, Ark.	Maloney	Sabath
Hart	Manasco	Sadowski
Hartley	Mansfield,	Sauthoff
Hays	Mont.	Schiffler
Hendricks	Mansfield, Tex.	Schwabe
Herter	Marcantonio	Scrivner
Hill	Martin, Mass.	Sheridan
Hinshaw	Merrow	Sikes
Hobbs	Michener	Simpson, Ill.
Hoch	Miller, Conn.	Slaughter
Hoeven	Miller, Mo.	Smith, Maine
Holifield	Miller, Pa.	Smith, Wis.
Holmes, Mass.	Mills	Snyder
Holmes, Wash.	Monkiewicz	Somers, N. Y.
Horan	Monroney	Sparkman
Howell	Morrison, La.	Spence
Hull	Mott	Springer
Jackson	Mruk	Stanley
Jarman	Mundt	Starnes, Ala.
Jeffrey	Murdock	Stefan
Jenkins	Murray, Tenn.	Stevenson
Jensen	Murray, Wis.	Sullivan
Johnson,	Myers	Sumners, Tex.
Calvin D.	Norman	Sundstrom
Johnson,	Norrell	Taber
J. Leroy	Norton	Talle
Johnson,	O'Brien, Ill.	Tarver
Luther A.	O'Brien, Mich.	Thomas, N. J.
Johnson, Okla.	O'Brien, N. Y.	Thomas, Tex.
Johnson, Ward	O'Konski	Thomason
Jonkman	O'Neal	Tibbott
Kean	O'Toole	Tolan
Kearney	Outland	Towe
Kee	Pace	Treadway
Keefe	Patman	Troutman
Kefauver	Patton	Vincent, Ky.
Kelley	Phillips	Vinson, Ga.
Kilday	Pittenger	Voorhis, Calif.
Kinzer	Poage	Vorys, Ohio
Kleberg	Poulson	Vursell
Kunkel	Powers	Walter
Lane	Pratt,	Wasielewski
Lanham	Joseph M.	Weaver
Larcade	Price	Welchel, Ohio
Lea	Rabaut	Welch
LeCompte	Ramey	Wene
LeFevre	Ramspeck	West
Luce	Randolph	Whittington
Ludlow	Rankin	Wickersham
McCord	Reece, Tenn.	Wigglesworth
McCormack	Reed, Ill.	Willey
McCowen	Richards	Winstead
McGehee	Rivers	Wolcott
McGregor	Robinson, Utah	Wolfenden, Pa.
McKenzie	Robsion, Ky.	Wolverton, N. J.
McLean	Rockwell	Woodrum, Va.
McMillan	Rodgers, Pa.	Wright

NAYS—23

Arnold	Griffiths	O'Hara
Bishop	Hoffman	Reed, N. Y.
Bradley, Mich.	Johnson,	Shafer
Clevenger	Anton J.	Smith, Ohio
Crawford	Jones	Stockman
Day	Knutson	Sumner, Ill.
Ellis	Lambertson	Winter
Elmer	Mason	Woodruff, Mich.

ANSWERED "PRESENT"—1

White

NOT VOTING—123

Anderson,	Drewry	Hébert
N. Mex.	Ellsworth	Heffernan
Baldwin, Md.	Elston, Ohio	Heidinger
Barden	Fay	Hess
Beall	Fernandez	Hope
Bell	Flannagan	Izac
Bolton	Fulbright	Jennings
Boren	Fuller	Johnson, Ind.
Buckley	Fulmer	Johnson,
Burch, Va.	Furlong	Lyndon B.
Burchill, N. Y.	Gallagher	Judd
Burdick	Gerlach	Kennedy
Byrne	Gibson	Keogh
Capozzoli	Gilchrist	Kerr
Carter	Goodwin	Kilburn
Celler	Gossett	King
Chapman	Granger	Kirwan
Colmer	Grant, Ind.	Klein
Compton	Green	LaFollette
Cox	Hall,	Landis
Curley	Edwin Arthur	Lemke
Dawson	Hall,	Lesinski
Delaney	Leonard W.	Lewis
Dewey	Halleck	Lynch
Dickstein	Hare	McConnell
Dies	Harless, Ariz.	McMurray
Disney	Harness, Ind.	Maas
Douglas	Harris, Va.	Martin, Iowa
May	Priest	Stearns, N. H.
Merritt	Rees, Kans.	Stewart
Miller, Nebr.	Rizley	Stigler
Morrison, N. C.	Robertson	Talbot
Murphy	Rogers, Mass.	Taylor
Newsome	Rowe	Torrens
O'Connor	Sasscer	Wadsworth
Peterson, Fla.	Satterfield	Ward
Peterson, Ga.	Scanlon	Weiss
Pfeifer	Scott	Whelchel, Ga.
Philbin	Sheppard	Whitten
Ploeser	Short	Wilson
Plumley	Simpson, Pa.	Worley
Pracht,	Smith, Va.	Zimmerman
C. Frederick	Smith, W. Va.	

So the bill was passed.

General pairs:

Mr. Curley with Mr. Short.
Mr. Kennedy with Mr. Beall.
Mr. Lynch with Mr. Ploeser.
Mr. Zimmerman with Mr. Halleck.
Mr. Stigler with Mr. Fuller.
Mr. Pfeifer with Mr. Taylor.
Mr. Ward with Mrs. Rogers of Massachusetts.
Mr. Delaney with Mr. McConnell.
Mr. Priest with Mr. Judd.
Mr. Klein with Mr. Scott.
Mr. Keogh with Mr. Compton.
Mr. Kirwan with Mr. Martin of Iowa.
Mr. Capozzoli with Mr. Douglas.
Mr. King with Mr. Lewis.
Mr. Buckley with Mr. Leonard W. Hall.
Mr. Flannagan with Mr. Hess.
Mr. McMurray with Mr. Grant of Indiana.
Mr. Izac with Mr. Goodwin.
Mr. Byrne with Mr. Gallagher.
Mr. Harris of Virginia with Mr. Gerlach.
Mr. Burchill of New York with Mr. Rowe.
Mr. Whitten with Mrs. Bolton.
Mr. Heffernan with Mr. Ellston.
Mr. Hébert with Mr. C. Frederick Pracht
Mr. Dickstein with Mr. Harness.
Mr. Celler with Mr. Lemke.
Mr. Philbin with Mr. Miller of Nebraska.
Mr. Torrens with Mr. Ellsworth.
Mr. Peterson of Georgia with Mr. LaFollette.
Mr. Merritt with Mr. Rees of Kansas.
Mr. Fay with Mr. Jennings.
Mr. Bell with Mr. Kilburn.
Mr. Chapman with Mr. Rizley.
Mr. Sheppard with Mr. Stearns of New Hampshire.
Mr. Smith of West Virginia with Mr. Burdick.
Mr. Satterfield with Mr. Dewey.
Mr. Weiss with Mr. Gilchrist.
Mr. Murphy with Mr. Landis.
Mr. May with Mr. Heidinger.
Mr. Green with Mr. Johnson of Indiana.
Mr. Fulbright with Mr. Talbot.
Mr. Robertson of Virginia with Mr. Wilson.
Mr. Hare with Mr. Hope.
Mr. Fulmer with Mr. Wadsworth.
Mr. Kerr with Mr. Carter.
Mr. Burch of Virginia with Mr. Maas.
Mr. Disney with Mr. Edwin Arthur Hall.
Mr. Drewry with Mr. Plumley.
Mr. Whelchel of Georgia with Mr. Simpson of Pennsylvania.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in two particulars, in one to include an editorial from today's New York Times on U. N. R. R. A., and in the other to include an editorial from the Washington Post of today on funds for U. N. R. R. A.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROGRAM FOR WEEK OF MONDAY, JUNE 5

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the distinguished majority leader tell us what the program will be for next week?

Mr. McCORMACK. I shall be very pleased to.

Monday, the Consent Calendar. Then there will be a suspension of the rules on H. R. 4833, to extend the Sugar Act for 2 years, and possibly a discussion on House Joint Resolution 283, a short resolution; also on H. R. 3646, amending the Panama Canal Code extending the term of office of certain Federal officials in the Canal Zone. There may be one or two other suspensions.

The SPEAKER. Will the gentleman yield?

Mr. McCORMACK. I yield.

The SPEAKER. There will be one and possibly two.

Mr. McCORMACK. There will be one or two more suspensions.

Tuesday: The Private Calendar and conference report on the State, Justice, and Commerce bill. That will be followed by general debate on the O. P. A. bill.

Wednesday: Continuation of debate on the O. P. A. bill, and it is hoped general debate may be concluded some time Wednesday afternoon, in which event the bill will be taken up for consideration under the 5-minute rule.

Thursday: Continuation of O. P. A., and it is hoped conclusion of the O. P. A. bill. The War Department appropriation bill will immediately follow the O. P. A. bill.

Friday: Probably consideration of the War Department bill.

Saturday: We expect to have a Saturday session next week.

A number of conference reports may come in in addition to the one I have mentioned. I have been informed by the gentleman from Michigan that the conference report on the State, Justice, and Commerce bill will be filed and taken up on Tuesday.

Mr. MARTIN of Massachusetts. Can the gentleman tell us whether there is much controversy on the State, Justice, and Commerce?

Mr. RABAUT. There is very little controversy over that conference report.

Mr. McCORMACK. These bills are now in conference. The debt limit bill, Interior Department appropriation bill, the legislative-judicial appropriation bill. If they are filed and the legislative situation permits they will be taken up. I understand they will be taken up, if possible.

House Resolution 551 may be considered during the week.

Mr. MARTIN of Massachusetts. What is that resolution?

Mr. McCORMACK. That is the Anderson resolution as amended appointing the usual committee to investigate elections, and so forth, every 2 years.

During the next 3 weeks, I may say, it is urgently hoped and desired that all Members be on the floor every day as there will be a lot of business during the next 3 weeks. I may say also it is my intention on Monday to ask unanimous consent to meet at 11 o'clock on Tuesday. I shall make the same request for Wednesday and Thursday, that we meet at 11 o'clock—and on Friday and Saturday if necessary.

Mr. MARTIN of Massachusetts. That is acceptable to me. I think we ought to get this work done and, if necessary, work a little overtime.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. FISH. Does the gentleman from Massachusetts [Mr. McCORMACK] intend to bring up the Short resolution under a rule or under suspension?

Mr. McCORMACK. I am unable to advise the gentleman now. That will be determined Monday and naturally in collaboration with the gentleman from Missouri [Mr. SHORT], and the gentleman from Massachusetts [Mr. MARTIN].

Mr. FISH. There is a rule outstanding.

Mr. McCORMACK. I am aware of that fact.

Mr. RANKIN. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Mississippi.

Mr. RANKIN. May I say to the gentleman from New York that I will probably ask the Speaker to recognize me to suspend the rules and pass a small bill that has been introduced by the gentleman from California [Mr. WELCH] with reference to a few men who served during the Spanish-American War, we might say in the merchant marine, who have been suffering all this time from disabilities incurred in that service. There are very few of them and they are very old now. The gentleman from California is anxious to see that bill passed by the House. I say, therefore, if the Speaker will recognize me, it is my intention to request recognition to move to suspend the rules and pass that measure.

The SPEAKER. The gentleman from Mississippi spoke to the Chair and the Chair asked him to let him see the bill on Monday morning.

Mr. FISH. Mr. Speaker, I have some other questions I would like to clear up. What does the gentleman propose to do about the sugar bill? Is that to come in under a rule or under suspension?

Mr. McCORMACK. Under suspension.

Mr. FISH. Has the gentleman in mind any rule for Monday?

Mr. McCORMACK. No. We have a pretty busy day as it is for Monday.

Mr. FISH. The Short resolution will come up on Monday?

Mr. McCORMACK. Yes; under rule or suspension. The leadership is perfectly agreeable to have it come up. It is necessary to confer with a Member in connection with that and the opportunity has not existed to do that up to date.

Mr. FISH. Outside of the Short resolution, has the gentleman anything else to bring up under a rule unless he decides to bring that up on Monday?

Mr. McCORMACK. On Monday; no. We have a pretty crowded calendar. We also have for all practical purposes the O. P. A. Stabilization Act. The extension of that act comes up next week.

Mr. FISH. That comes up on Tuesday?

Mr. McCORMACK. On Tuesday. On Monday we have a pretty crowded calendar.

Mr. FISH. Has the gentleman anything in mind about the Barrett resolution?

Mr. McCORMACK. Of course, that is not on the program. There are several other rules outstanding. Some of them I would like to put on the calendar. For instance, I would like to put the contract-termination bill on. I would like to have that come up for reconsideration as soon as possible.

Mr. FISH. A rule has not been granted on that?

Mr. McCORMACK. I assume one will.

Mr. MARTIN of Massachusetts. The gentleman must first consider the legislation that is necessary to be considered because of time?

Mr. McCORMACK. That is so. I want to give the gentleman from New York a very frank answer. Is the gentleman satisfied with the answer?

Mr. FISH. I understand the gentleman's position about the Short resolution, that he has not determined whether it will be brought up under suspension or under a rule. That is what I was trying to find out.

Mr. McCORMACK. The situation is something I have no control over now.

The SPEAKER. The Chair is very frank to say that he does not know what the motion will be. It is something that would depend on the kind of motion that is made by the author of the bill as to whether or not the Chair will recognize him to suspend the rules.

Mr. FISH. That is the situation as I thought it was, but I was trying to get further information.

The SPEAKER. The Chair has the final right to say whether Members are recognized to move to suspend the rules.

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a poem by Mr. Carlisle, and I also ask unanimous consent to revise and extend the remarks I made on the F. E. P. C. on last Friday.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

There was no objection.

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two editorials.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island [Mr. FORAND]?

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein copy of a concurrent resolution of the Legislature of the State of Louisiana.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. LARCADE]?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a news article on the death of Gen. O. R. Gellette, the last surviving commissioned officer of the Confederate Army in my home town.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. BROOKS]?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill we passed today may have 5 legislative days in which to extend their own remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain letters and excerpts referred to in the debate in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that on Tuesday next, after disposition of business on the Speaker's table and after any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, on behalf of the gentleman from Vermont [Mr. PLUMLEY] I ask unanimous consent that he may be permitted to extend his own remarks in the record and to include therein two editorials.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

Mr. CASE. Mr. Speaker, I ask unanimous consent that I may place in the extension of my remarks made in the Committee of the Whole a letter from which I read certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two tables from

the United States Department of Agriculture?

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a short article on the shortage of farm implements, and also to include a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. GILLIE]?

There was no objection.

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a speech by Senator Clarence Becker, of Lebanon, Pa., on the Pennsylvania military balloting law.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. KUNKEL]?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. O'KONSKI]?

There was no objection.

RESIGNATION AS CONFEREE

The SPEAKER laid before the House the following communication, which was read:

JUNE 3, 1944.

The SPEAKER,
House of Representatives, United States, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a conferee on the bill H. R. 4464, the so-called debt limit bill.

Respectfully,

DANIEL A. REED.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Minnesota [Mr. KNUTSON] as a conferee, and the Clerk will notify the gentleman accordingly.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SCOTT (at the request of Mr. CANFIELD), for 1 day, on account of illness.

To Mrs. ROGERS of Massachusetts (at the request of Mr. MARTIN of Massachusetts), for 1 day, on account of illness of a relative.

To Mr. MAGNUSON, indefinitely, on account of official business for Naval Affairs Committee.

ENROLLED BILL SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2085. An act to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 22 minutes p. m.) the House adjourned until Monday, June 5, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, June 6, 1944, to begin public hearings on bills extending the Civilian Pilot Training Act.

SELECT COMMITTEE TO INVESTIGATE MONTGOMERY WARD & CO. SEIZURE

The Select Committee to Investigate the seizure of Montgomery Ward & Co. will hold a public hearing Tuesday, June 6, 1944, at 10 o'clock a. m. in the Ways and Means Committee hearing room, New House Office Building. Mr. Sewell Avery, chairman of the board of directors of Montgomery Ward & Co., will be a witness.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

1607. A communication from the President of the United States, transmitting supplemental and deficiency estimates of appropriations for the Department of the Interior, for 1945 and prior fiscal years, amounting to $203,567.18 (H. Doc. No. 638); to the Committee on Appropriations and ordered to be printed.

1608. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Security Agency, for the fiscal year 1944, amounting to $11,000 (H. Doc. No. 639); to the Committee on Appropriations and ordered to be printed.

1609. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend section 1442, Revised Statutes, relating to furlough of officers by the Secretary of the Navy; to the Committee on Naval Affairs.

1610. A letter from the President of the Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. H. R. 4941. A bill to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes; without amendment (Rept. No. 1593). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITE:

H. R. 4947. A bill to provide for the settlement of war veterans, war workers, and others on the Central Valley project, for encouragement of the development of the project in family size units, for cooperation by Federal, State, and private organizations to these ends, and for other purposes; to the Committee on Irrigation and Reclamation.

H. R. 4948. A bill to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; to the Committee on Irrigation and Reclamation.

By Mr. LANE:

H. Res. 581. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free ports for refugees; to the Committee on Immigration and Naturalization.

SENATE

MONDAY, JUNE 5, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rabbi Solomon H. Metz, Adas Israel Congregation, Washington, D. C., offered the following prayer:

Our God and God of our fathers, in this hour of crisis in our struggle with the cruel enemy, when the fate of the world trembles in the scales of destiny, we turn to Thee in humility and contrition, praying from the depths:

Be Thou with our armed forces on land, on sea, and in the air. Guide them and sustain them. O Lord of Hosts and Father of mercy, grant us a speedy and decisive victory. Bless us with Thy righteous and abiding peace. Bind the wounds of Thy stricken children. Let the healing sun of Thy love quicken to life and hope and courage those who languish in the shadows of want and fear in the doleful dominion of our deadly foes.

O Source of all Blessings and all Wisdom and Power, open our eyes to see that only with Thee is the fountain of life; that only in the light of Thy law of truth, justice, and the beauty of holiness can we find the way that leads from strife and hate and woe to the uplands of fulfillment and creative peace.

May the vision of the prophets of Thy Book be our inspiration in building the world tomorrow. May the deathless word of Micah become the sacred song of our civilization, the gentle appealing

words that reveal Thy eternal will, saying:

"It hath been told thee, O man, what is good; and what doth the Lord require of thee, but to do justice, to love mercy, and to walk humbly with thy God?"

May all this come to pass for the salvation of Thy children and the glory of Thy holy name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 5, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SAMUEL D. JACKSON, a Senator from the State of Indiana, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. JACKSON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 1, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 1, 1944:

S. 1029. An act to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes.

On June 3, 1944:

S. 1758. An act to amend section 451 of the Tariff Act of 1930, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 37 and 69 to the bill and concurred therein; that the House receded from its disagreement to the amendment of the Senate numbered 68 to the bill and concurred therein with an amendment in which it requested the concurrence of the Senate; and that the House insisted upon its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67 to the bill.

The message also announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4278) to provide for the control and eradication of certain animal and plant pests and diseases, to facilitate cooperation with the States in fire control, to provide for the more efficient protection and management of the national forests, to facilitate the carrying out of agricultural conservation and related agricultural programs, to facilitate the operation of the Farm Credit Administration and the Rural Electrification Administration, to aid in the orderly marketing of agricultural commodities, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 1 and 3, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendment of the Senate numbered 2 to the said bill.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4414) making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. O'NEAL, Mr. HENDRICKS, Mr. GORE, Mr. KIRWAN, Mr. JOHNSON of Indiana, Mr. PLOESER, and Mr. TIBBOTT were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4464) to increase the debt limit of the United States; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. COOPER, Mr. DINGELL, Mr. REED of New York, and Mr. WOODRUFF of Michigan were appointed managers on the part of the House at the conference.

The message informed the Senate that Mr. KNUTSON had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4464) to increase the debt limit of the United States, vice Mr. REED of New York, resigned.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 17 to the bill and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 1, 5, and 16 to the bill and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 8 and 9 to the bill.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4679) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JOHNSON of Oklahoma, Mr. FITZPATRICK, Mr. KIRWAN, Mr. NORRELL, Mr. CARTER, Mr. JONES, and Mr. JENSEN were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 4771. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 4899. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4937. An act making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes; and

H. J. Res. 286. Joint resolution providing for operation of naval petroleum and oil-shale reserves.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2085) to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians, and it was signed by the Acting President pro tempore.

BOARD OF VISITORS TO UNITED STATES MERCHANT MARINE ACADEMY

The ACTING PRESIDENT pro tempore. The Chair appoints the Senator from Delaware [Mr. TUNNELL] as a member of the Board of Visitors to the United States Merchant Marine Academy, pursuant to the act of May 11, 1944.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, SELECTIVE SERVICE SYSTEM (S. Doc. No. 199)

A communication from the President of the United States, transmitting draft of a proposed provision and a supplemental estimate of appropriation in the amount of $1,098,000 pertaining to the appropriation for the Selective Service System, fiscal year 1945, in the form of an amendment to the Budget for that fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Attorney General, submitting, pursuant to law, a report stating all the facts and pertinent provisions of law in the cases of 157 individuals whose deporta-

tion has been suspended for more than 6 months under authority vested in the Attorney General together with a statement of the reason for such suspension (with an accompanying report); to the Committee on Immigration.

LEGISLATION ENACTED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, V. I.

A letter from the Executive Director of the Interior, transmitting, pursuant to law, copies of legislation enacted by the Municipal Council of St. Thomas and St. John, V. I. (with accompanying papers); to the Committee on Territories and Insular Affairs.

REPORT OF THE NATIONAL WAR LABOR BOARD

A letter from the Executive Director of the National War Labor Board, transmitting, pursuant to law, the thirteenth monthly report of that Board covering the month of March 1944 (with accompanying papers); ordered to lie on the table.

SUMMARY REPORT ON FEDERAL REGULATORY RESTRICTIONS UPON MOTOR AND WATER CARRIERS

A letter from the Board of Investigation and Research (Transportation Act of 1940), transmitting, pursuant to law, summary of a report on Federal Regulatory Restrictions upon Motor and Water Carriers (with an accompany report); to the Committee on Interstate Commerce.

DISPOSITION OF EXECUTIVE PAPERS

Two letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of War (9), Navy (2), Interior and Agriculture (3); Federal Power Commission, Federal Works Agency, the National Archives (2), and Office for Emergency Management (2), which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—OWNERSHIP AND OPERATION OF NONMILITARY GOVERNMENT AUTOMOBILES (S. DOC. NO. 198)

The ACTING PRESIDENT pro tempore laid before the Senate a letter from Mr. BYRD, chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, submitting, pursuant to law, an additional report of the joint committee, relating to the ownership and operation of nonmilitary Government automobiles, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. BYRD. Mr. President, I ask consent that the report from the Joint Committee on Reduction of Nonessential Federal Expenditures, relating to the ownership and operation of nonmilitary Government automobiles, be printed in the body of the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON THE OWNERSHIP AND OPERATION OF FEDERAL AUTOMOBILES

In accordance with title VI of the Revenue Act of 1941, Public Law 250, Seventy-seventh Congress (55 Stat. 726), an additional report herewith is presented by the Joint Committee on Reduction of Nonessential Federal Expenditures.

Two previous investigations by this committee (CONGRESSIONAL RECORD, May 15, 1942, p. 4393, and S. Doc. No. 5, 78th Cong., 1st sess.), on the operating costs of nonmilitary passenger automobiles owned and operated by the United States Government, have shown that substantial economies can be effected by eliminating all nonessential automobile travel by officials and employees of some 40 agencies of the Federal Government. In the committee's 2 reports to the Congress it was obvious that the travel expenses of the various Government agencies were extravagant beyond measure and that the justifications for such expenditures should be carefully scrutinized by the Appropriations Committees of the House and Senate. From facts presented to the committee, it is evident that a substantial reduction in these expenses can be made in the executive branch of the Government.

The committee herewith presents to the Congress a third report on the total number and operating costs of automobiles owned and operated, respectively, by the various Government agencies, exclusive of those used by the War and Navy Departments.

GOVERNMENT COOPERATION NEEDED

The Office of Price Administration has repeatedly called upon the civilians of the Nation and upon the officials of the various State governments to cut their mileage by 40 percent. It appears that both of these groups have substantially complied with this request. Basic data with respect to Government-owned passenger cars during the calendar year 1941 are not available, but a comparison of fiscal year 1942 and 1943 figures indicates that the Federal Government has been able to make only a small reduction.

THE RECORD OF THE PAST 2 YEARS

An analysis of the fiscal year 1942 and fiscal year 1943 figures discloses that during the fiscal year 1943 the Federal Government owned 3,015 more automobiles than were reported as of the end of fiscal year 1942. Of these cars, 1,159 were disposed of prior to the end of the last fiscal year, thereby reducing the amount to 1,856 more cars on hand at the end of that fiscal year. The committee is glad to report that there was a decrease of 1,812,117 in the number of gallons of gasoline used in the operation of Government-owned passenger cars, but it is convinced that further reduction can be made.

The committee wishes to restate its conviction that the same standard of strictly essential driving should be applied to Government officials and employees traveling in nonmilitary Government automobiles as is now applied to individual citizens. On the basis of a comparison of fiscal year 1942 and fiscal year 1943 figures, the committee concludes that these steps are not being undertaken as conscientiously as they might be.

INCREASED NUMBER OF CARS OWNED

At the close of the fiscal year 1943, the Federal Government owned 19,161 passenger automobiles, 1,159 having been disposed of prior to the end of the fiscal year. This figure excludes those operated by the War and Navy Departments and also excludes trucks and motorcycles. This is a substantial increase over the fiscal year 1942 figure of 17,305 cars.

In the fiscal year 1942, the cost of operating these vehicles, exclusive of interest charges and depreciation, was $4,243,602. In the last fiscal year, the figure was $3,941,776, a reduction but not a substantial one.

Comparing the miles traveled by Government automobiles in the fiscal years 1942 and 1943, the committee found that in the former year mileage on these Government-owned passenger automobiles totaled 203,550,280 miles, and in the latter year, 190,778,000 miles. Federal Government agencies effected some savings in the consumption of gasoline in both of these fiscal years. The amount used by Government-owned cars in the fiscal year 1942 was 13,793,594 gallons. In the fiscal year 1943 gasoline consumption amounted to 11,981,477 gallons.

In balancing these figures with the restrictions placed on the civilian population, the committee finds that while there were some reductions in the cost of operating these nonmilitary vehicles, the number of gallons of gasoline used, and the number of miles driven, these reductions, the committee is certain, are neither substantial nor impressive. Also it is the opinion of the committee that any increase in the number of motor vehicles owned by the Federal Government agencies is questionable.

COMPARISON OF FEDERAL AND STATE CONTROL

The committee finds that there is nothing special about the work of the Federal Government agencies which are not engaged in law-enforcement of war activities that would not permit drastic reductions in the number of miles traveled in Government automobiles owned and operated by such agencies. While a drastic reduction may not be feasible with respect to those agencies engaged in law enforcement and war activities, the committee is of the opinion that these agencies should make an increased effort to reduce the number of cars owned and miles traveled.

Although it is not possible to compare State government figures with Federal Government figures, because of the increased activities of the latter, it is encouraging to note the progress which the State governments have been able to make. The State of Connecticut alone, as compared with the same period in 1941, reported a reduction of about 17,000,000 miles. Thus the State of Connecticut reduced its mileage figure by 56 percent, which is a typical and not an isolated instance.

Figures on 8 other States re equally significant. New Hampshire reports a reduction in official mileage traveled of 5,000,000 miles or 64 percent; South Carolina, 20,000,000 miles, or 60 percent; North Dakota, 5,000,000 miles or 48 percent; South Dakota, 3,500,000 miles, or 47 percent; Nevada, 2,500,000 miles, or 45 percent; New Mexico, 6,000,000 miles, or 42 percent; Idaho, 2,163,000 miles, or 41 percent; and Washington, 5,000,000 miles, or 41 percent. Thus, the savings of official miles traveled is about 49,000,000 miles for these 8 of the 48 States, a record more than 4 times better than that of the executive branch of the Federal Government.

ANALYSIS OF THE RECORD OF CERTAIN AGENCIES

The committee is convinced that it would be worth-while economy to reduce the number of automobiles, and miles driven, the number of gallons of gasoline consumed, and the cost of operation in the five Government agencies, exclusive of the War and Navy Departments, which own 16,399 vehicles. The committee in presenting the record of these agencies realizes that they are engaged in law-enforcement and war activities and that there are other agencies, not engaged in essential activities, which could possibly effect a higher percentage of reduction. However, as these five agencies own 85 percent of all Government-owned automobiles, exclusive of those operated by the War and Navy Departments, any worth-while reduction must necessarily be reflected in these figures.

The committee found that during the 1943 fiscal year the Department of Agriculture owned more cars than any other Government agency.

The Departments of Agriculture, Interior, Justice, and Treasury, and the Tennessee Valley Authority together owned 16,399 of the 20,320 automobiles owned and operated by the United States Government during the fiscal year 1943.

The Department of Agriculture operated 4,871 passenger automobiles. The average mileage driven in each of these automobiles was 8,233.97 miles, which consumed, per car 488.32 gallons of gasoline. The cost of operation for each of these passenger vehicles for the Department of Agriculture was $160.23.

Next in the list of the largest owners of automobiles in the executive branch of the Government comes the Department of the Interior with 4,121. For this Department, the committee finds each automobile traveled 7,593.05 miles and consumed 469.79 gallons of gasoline. The cost of operating these passenger automobiles on an average equaled $147.04.

The Department of Justice, the third largest owner of automobiles among Government agencies, possessed 3,294 passenger automobiles during the fiscal year 1943. These cars traveled on an average of 12,824 miles and consumed 828.66 gallons of gasoline. The cost of operation per vehicle was $246.64.

During the last fiscal year, the Treasury Department operated 3,096 passenger vehicles. The average mileage traveled by these cars was 9,660.36, while the gasoline consumption was 612.7 per automobile. In this Department, the average cost of operation was $229.52.

The Tennessee Valley Authority owned 1,017 cars. These vehicles operated by that agency traveled on the average 10,030.18 miles and consumed 669 gallons of gasoline. The average cost of operation for the automobiles operated by this department was $347.88.

The following is a comparison of the average number of miles that each of these vehicles was able to get out of each gallon of gasoline. The Department of Agriculture automobiles averaged 16.861 miles per gallon; Interior, 16.16 miles per gallon; Justice, 15.368 miles per gallon; Treasury, 15.762 miles per gallon, and Tennessee Valley Authority, 14.992 miles per gallon.

The committee observed that in the fiscal year 1942 the average nonmilitary Government car traveled 14.757 miles per gallon of gasoline, while a year later the average Government car traveled 15.92 miles per gallon.

Considering the average Government car for the fiscal year 1942 and the average Government car for the fiscal year 1943, the committee finds that for the former fiscal year each car averaged 11,762.5 miles and consumed 797 gallons of gasoline, while in the latter fiscal year each car averaged 9,444.81 miles and used 593.09 gallons of gasoline. The average operating cost for the fiscal year 1942 was $245.22 and $193.98 for the fiscal year 1943.

These figures do not tell the entire story of passenger travel paid for by the Federal Government. It is a recognized fact that Government departments allow employees to travel and be reimbursed for expenses incurred in privately owned automobiles. Employees on official business are paid on a mileage basis. In the fiscal year 1942, five agencies report that they paid employees $7,261,856.32 for 145,606,241 miles.

It is evident to the committee, therefore, that much more Government travel was done in private automobiles, also at Government expense. It is difficult to supervise traveling habits of officials and employees of the many bureaus of the Federal Government which result in expenditures of this nature. A conservative estimate of the total number of miles traveled on Government business at Government expense in passenger automobiles is still between 300,000,000 and 400,000,000 miles per year with an accompanying consumption of between 20,000,000 and 30,000,000 gallons of gasoline.

INCREASE IN NUMBER OF AUTOMOBILES OWNED

The committee would like some explanation as to why it was necessary for Federal agencies to acquire more than 3,000 automobiles during the past fiscal year. This figure, the committee is certain, is high, particularly in these days when the private citizen has been requested to utilize and conserve pre-war equipment in order to curtail nonessential and luxury expenditures.

The following is an analysis of the 5 largest owners of automobiles among the executive departments, with particular attention to the number of cars owned during the fiscal year 1943 and on hand at the end of the fiscal year, as compared with the 1942 fiscal year figures. The Department of Agriculture, though it disposed of 312 cars, had 200 more automobiles than it did at the end of the previous year; Interior disposed of 115 cars and reported 95 additional cars; the Department of Justice disposed of 90 and closed the fiscal year with 837 additional cars; the Treasury Department disposed of 524 cars and had on hand 67 additional cars; and the Tennessee Valley Authority had acquired 257 cars during the past fiscal year.

PRESENT REPORTING SYSTEM FAILS

Under the terms of Circular No. 422 of the Bureau of the Budget, all departments, independent establishments, and agencies, except the War and Navy Departments, the Maritime Commission, and the War Shipping Administration, are required to submit to the Public Roads Administration pertinent information concerning Government-owned vehicles. In the course of its investigation the committee was notified that the system of reporting was not being carried out effectively by all the agencies. Some failed to supply the exact information requested and others delayed sending in the information until it was of no value to the reporting agency. To further aggravate the situation, it was found that the information now gathered on an annual basis by the Public Roads Administration failed to meet the needs of the Office of Price Administration, thus necessitating the setting up of a separate system.

It is the opinion of the committee that when information on a subject as important as this one is compiled only on an annual basis, its value is not as great as it would be if the agencies were required to supply this information on a semiannual basis. A semiannual study of travel expenditures in Government-owned passenger automobiles would make possible timely analyses of nonessential mileage and the unjustifiable purchase of cars. Thus, if the committee had known that in the first half of the fiscal year 1944 that one agency had effected a reduction of 66 percent in miles traveled over the same period in 1943, while another agency effected a reduction of only three-tenths of 1 percent, at that time the committee could have taken steps immediately to determine whether the latter agency had developed an adequate system of reducing travel in Government-owned cars.

CONCLUSIONS

It is apparent that the Federal Government is in the position of urging the State governments and its citizens to drastically cut down on the use of automobiles, the consumption of gasoline and tires, while its own record is not as good as it might be.

RECOMMENDATIONS

1. The committee recommends once again that any Government official or employee who uses or authorizes the use of any Government-owned or leased vehicle other than for official purposes shall be summarily removed from office, and may, also, upon conviction thereof be subject to a fine of not more than $1,000, or imprisonment for not more than 1 year, or both.

2. The committee recommends that the Appropriations Committees of Congress continue to carefully survey the need for passenger cars owned by each of the agencies of the Federal Government and adjust accordingly the appropriation requested for such cars as are necessary.

3. The committee recommends that the various agencies consider establishing merit raises for employees who suggest successful ways of decreasing the use of Government-owned automobiles, saving gasoline, and reducing the cost of operation.

4. The committee recommends that the Congress enact legislation requiring all Government agencies, except the War and Navy Departments during wartime, to report to the Public Roads Administration each 6 months the number of passenger automobiles owned, the number of miles traveled, the number of gallons of gasoline consumed, the cost of operation, and all other information necessary to carry out the mileage-conservation program of the Office of Price Administration.

5. The committee recommends that the Bureau of the Budget study methods of operation of the agencies which get the most miles per gallon and have the lowest cost of operation and which make the best use of their automobiles in order to determine if some standard operating procedures might not be profitably adopted by all Government agencies.

6. As the Office of Price Administration has requested the civilian population and State governments to reduce travel by 40 percent, the committee recommends that the necessary steps be taken by the Bureau of the Budget to require those agencies not directly engaged in law-enforcement or war activities to substantially curtail their mileage in compliance with the request of the Office of Price Administration.

Automobiles (passenger) owned by the U. S. Government—Summary of operating costs and mileage, by departments, fiscal year 1943

Agency or department	Vehicles registered as of June 30, 1943	Vehicles disposed of during fiscal year 1943	Vehicles operated during fiscal year 1943			
			Number	Miles driven	Number of gallons of gasoline used	Cost of operation
Department of Agriculture	4,559	312	4,871	40,107,700	2,378,644	$780,511
Department of Commerce	725	3	728	9,125,500	526,640	167,081
Department of the Interior	4,006	115	4,121	31,311,600	1,936,028	605,977
Department of Justice	3,204	90	3,294	42,260,900	2,749,944	812,445
Department of Labor	6		6	32,900	2,795	1,206
Post Office Department	49		49	260,300	24,019	13,105
Department of State	159		159	693,600	37,595	12,322
Department of the Treasury	2,572	524	3,096	29,898,500	1,896,919	710,624
Board of Economic Warfare	6		6	59,900	5,306	2,060
Bureau of the Budget	3		3	20,700	2,080	547
Civil Aeronautics Board	20		20	306,000	17,807	5,959
Federal Communications Commission	176	3	179	2,302,700	137,889	38,143
Federal Power Commission	15	3	18	121,600	6,620	1,964
Federal Security Agency	588	11	599	5,576,600	352,131	102,369
Federal Works Agency	624	62	686	6,291,500	363,235	96,708
General Accounting Office	2		2	8,800	830	104
Government Printing Office	4		4	24,200	2,072	1,174
Interstate Commerce Commission	133	23	156	1,240,900	68,633	20,405
Library of Congress	2		2	13,900	863	126

Automobiles (passenger) owned by the U.S. Government—Summary of operating costs and mileage, by departments, fiscal year 1943—Continued

Agency or department	Vehicles registered as of June 30, 1943	Vehicles disposed of during fiscal year 1943	Vehicles operated during fiscal year 1943			
			Number	Miles driven	Number of gallons of gasoline used	Cost of operation
Maritime Commission	44	----------	44	248,000	16,830	$4,545
National Advisory Committee for Aeronautics	33	----------	33	381,300	28,545	8,996
National Archives	1	----------	1	5,400	400	88
National Capital Park and Planning Commission	1	1	2	7,000	491	69
National Housing Agency	283	1	284	1,522,400	131,679	38,644
Office of Defense Transportation	2	----------	2	20,300	1,073	283
Office for Emergency Management	79	1	80	639,800	48,415	13,533
Office of Strategic Services	26	----------	26	270,600	23,095	8,905
Office of War Information	8	----------	8	39,200	2,860	1,103
Panama Canal	2	----------	2	8,000	747	183
Petroleum Administration for War	21	----------	21	218,700	12,594	2,365
Railroad Retirement Board	3	2	5	36,700	3,380	1,393
Reconstruction Finance Corporation	22	2	24	359,100	20,534	5,109
Securities and Exchange Commission	1	----------	1	2,700	240	83
Selective Service System	120	3	123	1,676,100	92,204	19,334
Smithsonian Institution	1	----------	1	4,800	478	63
Tennessee Valley Authority	1,017	----------	1,017	10,200,700	680,381	353,803
Veterans' Administration	257	----------	257	2,059,600	158,075	46,110
War Manpower Commission	10	----------	10	55,800	3,611	937
War Relocation Authority	339	3	342	3,695,700	227,539	58,389
Office of Censorship	38	----------	38	268,900	18,256	4,951
Total	19,161	1,159	20,320	190,778,000	11,981,477	3,941,776
Fiscal year 1942	17,305	----------	----------	203,550,280	13,793,594	4,243,602

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Acting President pro tempore and referred as indicated:

Resolutions of Local No. 685 (U. A. W.-C. I. O.), of Kokomo, Ind.; Ford Local No. 897 (U. A. W.-C. I. O.), of Flat Rock, Mich.; and Local No. 999 (U. A. W.-C. I. O.), of Burlington, Vt., favoring an adequate appropriation for the support of the Fair Employment Practices Committee; to the Committee on Appropriations.

A resolution of the Metropolitan Council of Exchange Clubs, of Detroit, Mich., favoring the postponement of legislation affecting the further promotion of aviation until at least 6 months after the conclusion of the present war; to the Committee on Commerce.

A resolution adopted by a meeting of the National Executive Council of the Textile Workers of America (C. I. O.) at New York City, commending the President of the United States for vetoing recent proposed tax legislation; to the Committee on Finance.

The petition of Hon. Maury Maverick, Chairman and General Manager of the Smaller War Plants Corporation, stating that "Capitol Hill is a deadly place on Sunday; tens of thousands of soldiers never get to see anything," and praying that all of Capitol Hill, including the Capitol itself, the Supreme Court, and the Congressional Library, be opened on Sunday, and that bands play from 11 a. m. to 8 p. m., etc.; to the Committee on Public Buildings and Grounds.

A resolution by the Central Trades and Labor Council of Rochester, N. Y., and vicinity; the Federal Trades Council, of Reading and Berks County, Pa., and the Central Labor Council of Riverside County, Calif., favoring the adoption of measures to establish a Nation-wide broadcast of congressional proceedings; to the Committee on Rules.

A resolution adopted by Local 11-132 I. W. A., Boommen and Rafters, of Everett, Wash., favoring the extension and improvement of the Emergency Price Control Act; ordered to lie on the table.

A resolution adopted by the Chamber of Commerce of the State of New York, favoring amendment of the rent-control provisions of the Emergency Price Control Act so as to remove existing inequities and discriminations against owners of housing accommodations and to provide for "fair and equitable" rent control on the same basis as the price control of commodities without impairing the essential purposes of the act to curb inflation; ordered to lie on the table.

A resolution adopted by the Central Joint Committee of the Coalition Party, at San Juan, P. R., protesting against certain alleged actions of the Secretary of the Navy, the Federal Communications Commission, and the Director of the Office of Censorship in connection with the maintenance of the guarantee of free speech to the citizens of Puerto Rico; to the Committee on Territories and Insular Affairs.

PRICE CONTROL—PETITION

Mr. ELLENDER. Mr. President, I present for appropriate reference a petition signed by thousands of Louisianans living in New Orleans. The petition is rather short, and I shall read it:

We, voters of New Orleans, La., request that you, our Senators and Congressmen, fight and vote not only for maintenance of the present Price Control Act but also for even more stringent legislation to control rents and prices. We realize that price rises mean wage cuts; and we urge you to protect our buying dollar.

The ACTING PRESIDENT pro tempore. Without objection, the petition presented by the Senator from Louisiana will be received and lie on the table.

CEILING PRICES ESTABLISHED BY THE O. P. A.—PETITION; AMENDMENT

Mr. WILLIS. Mr. President, I present a petition signed by Mr. Ralph Drake and 904 others, which I ask to have printed in the RECORD, relative to ceiling prices on articles purchased for use and resold.

There being no objection, the petition was ordered to lie on the table and to be printed in the RECORD, as follows:

To the Senators and Representatives of the United States of America:

We, the undersigned, citizens of the United States of America and legal voters, respectfully petition you to take such action as may be necessary to abolish immediately certain restrictions, imposed by the Office of Price Administration under the Emergency Price Control Act of 1942, on the following sales and transactions:

1. Public sales by a bona fide owner, directly or through an agent or auctioneer, of such owner's used furniture, household goods and personal effects acquired by such owner for his own use or consumption, and not acquired for the purpose of resale;

2. Public sales by a bona fide farmer, directly or through an agent or auctioneer, of such farmer's used tractors, machinery, implements, and tools, acquired by such farmer for his own use in connection with his farming operations and activities, and not acquired for the purpose of resale;

3. Public sales by an administrator, executor, guardian, or trustee, directly or through an agent or auctioneer, pursuant to an order of court, of any used personal property of the character enumerated in paragraphs numbered 1 and 2 above.

Your petitioners represent that the maximum-price regulations, prescribed by the Office of Price Administration and popularly known as "ceiling prices," when applied to sales of the character above described, are unjust, unfair, unreasonable, arbitrary, un-American, and impracticable; that it was never intended or desired by Congress, or by the American people whom Congress represents, that the Emergency Price Control Act of 1942 or the maximum-price regulations issued thereunder, should apply to sales of the character above described, but on the contrary such act and regulations were intended to apply only to sales by merchants, dealers, retailers, and wholesalers engaged in the buying and selling of merchandise; that such regulations, when applied to sales of the character enumerated in paragraphs Nos. 1, 2, and 3 above, tend to promote connivance and fraud on the part of sellers and buyers and that such regulations impose such undue hardship and restraint on an American citizen in the liquidation or disposition of his own used personal property (acquired by him for his own use or consumption) and so hamper, impede, and interfere with the right of such owner to sell such property as to practically deny to him the right of such sale or auction.

RALPH DRAKE
(And 904 other signers).

Mr. WILLIS. I also submit an amendment to the bill S. 1764, a bill to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.), as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), covering the matters set forth in the petition, and ask that the amendment be printed and lie on the table..

The ACTING PRESIDENT pro tempore. Without objection, the amendment will be received, printed, and lie on the table.

RELIEF OF POLISH REFUGEE CHILDREN

Mr. MALONEY. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD at this point, a letter and resolution, which I have received from Rev. Paul J. Bartlewski, pastor of St. Adalbert's Church, Thompsonville, Conn. The resolution was adopted by the United Polish Societies of Thompsonville, and urges immediate assistance to Polish refugee children.

There being no objection, the letter and resolution were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

CENTRAL COMMITTEE OF THE
UNITED POLISH SOCIETIES OF
ST. ADALBERT'S PARISH,
Thompsonville, Conn., May 27, 1944.

Hon. FRANCIS T. MALONEY,
Senator from Connecticut,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONEY: I enclose herewith, for your earnest consideration, a copy of the resolution adopted by the United Polish Societies of Thompsonville, Conn., on the anniversary of the adoption of the Polish Constitution, May 3, 1791.

I would appreciate any action you may deem advisable on behalf of the Polish refugee children, now scattered throughout the world.

Very truly yours,
REV. PAUL J. BARTLEWSKI,
Pastor, St. Adalbert's Church.

Whereas the present global war has inflicted a multitude of hardships and privations upon all the peoples of the world, particularly the people of Nazi-persecuted Europe, has slaughtered countless people, ruined and desolated numerous villages and towns, and left destitute hordes of small children, orphans in the world's storm; and

Whereas efforts have been directed to aid and assist these persecuted peoples, but because of the war's intensity and scope, these efforts, naturally, are not as effective and as complete as conditions would permit; and

Whereas Poland has become one of the first and continuous battlegrounds of this intensified war, the battles surging forward across that country, leaving in their wake desolation, destruction, and slaughter; driving before the countless hordes Polish people, particularly Polish orphan children who are left to the mercy of both the Russian and Nazi Governments; and

Whereas those countless Polish orphans, unwanted for the most part in the famine-ridden war zones, have trekked and marched many thousands of miles from their homes, either voluntarily or by direction and edict of either of those governments and

Whereas the United Polish Societies of Thompsonville, Conn., have accurate and exact information from eye witnesses that there are in the cities of Bombay and Karachi, India, 30,000 or more such Polish orphan children, concentrated in those cities with little or no help or aid, enduring all manner of privations, hungry and starving, partially or scarcely clothed; and

Whereas the Federal Government having organized a commission to aid and assist refugees of war-torn Europe to find a haven or a harbor during the struggle, could not or does not know of the existing conditions among the above-mentioned Polish orphan children in the cities of Bombay and Karachi, nor the dangers because of their location in these famine-stricken areas; and

Whereas the United Polish Societies of Thompsonville believe that through the National Polish Societies of America necessary funds could be raised whereby the children could be transported to a better locality and cared for under better conditions if the Federal Commission on Refugees became aware of the existence of these Polish orphan children; and

Whereas the United Polish Societies of Thompsonville, Conn., have information and verily believe that the National Polish Societies will cooperate to the fullest with any agency or agencies of the Federal Government and render any and all assistance necessary to provide transportation for these children to a safer refuge to be cared for until the termination of the global struggle: Now, therefore, be it

Resolved, in public assembly convened, of the United Polish Societies of Thompsonville, on the one hundred and sixty-third anniversary of the adoption of the Polish Constitution, That this assembly go on record favoring immediate intensified action by the United Polish Societies of America, favoring immediate assistance to be furnished Polish refugee children located at Bombay and Karachi, India, and that immediate steps be taken to acquaint the Federal Commission To Aid Refugees of War-Torn Europe with the plight of these children, with a view of enlisting the assistance of that Commission in procuring relief and assistance for the abovementioned orphan children, and request their transportation to safer havens where they may be properly fed and clothed; and be it further

Resolved, That this resolution be spread upon the records of the United Polish Societies of Thompsonville, Conn., and a copy forwarded to the United Polish Societies of America, at Chicago, Ill., and that copies of the same be forwarded to the Honorable WILLIAM E. MILLER and B. J. MONKIEWICZ, Congressmen from Connecticut, and the Honorable JOHN A. DANAHER and FRANCIS MALONEY, Senators from Connecticut.

REV. PAUL J. BARTLEWSKI.
W. KLIMEK.
ANOBREW PAJA.
FRANK ZAWASLO.
FRANK SZELA.
MICHAEL LIZAK.

BOUNDARY BETWEEN NORTHERN AND SOUTHERN IRELAND

Mr. MALONEY. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD at this point a letter and resolution which I have received from Mr. William P. Looney, national director of the Ancient Order of Hibernians in America. The resolution urges that we "petition our ally, Great Britain, to remove at once the artificial political boundary that divides Northern and Southern Ireland, and that they and we remove from her shores all semblance of a violation of her neutrality until the Irish National of its own free will changes its course or follows its present course without interference."

There being no objection, the letter and resolution were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

ANCIENT ORDER OF HIBERNIANS IN AMERICA,
New Haven, Conn., May 19, 1944.

Hon. FRANCIS F. MALONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR: I am forwarding to you as a matter of interest a copy of a resolution passed by the National Board of the Ancient Order of Hibernians in America and its Ladies Auxiliary.

As a member of the national board of the Ancient Order of Hibernians, I wish to request you, as my Representative in the Congress of the United States, to consider this resolution favorably and to employ whatever steps may be necessary to bring the message of this resolution to the attention of any and all persons whose position in our Government would enable them to assist in bringing to fruition the long sought goal so adequately expressed by this resolution.

Respectfully yours,
WM. P. LOONEY,
National Director.

We, the members of the National Board of the Ancient Order of Hibernians in America and its Ladies Auxiliary, in meeting assembled in the city of New York this 29th day of April, A. D. 1944, do hereby reaffirm our loyalty, fidelity and continued support of our Government, the United States of America, in our all-out endeavor of winning the war on every battle front. We pledge the continued support of the membership of our order in the performance of our duty in the present war, as we have met the test in every national emergency from the birth of this great Republic.

We are deeply grieved over the strained relations between our Government and the government of Eire over the question of neutrality. We offer up our prayers to God and pray St. Patrick, the apostle of the Gael, to intercede that this misunderstanding will be corrected by applying to Eire the principles of the Atlantic Charter—the principles for which our American blood is now being shed in all parts of the world.

Ireland, a nation for more than 7 centuries fighting for these rights with no question as to her geographical boundary—until partition took from her 6 of her 32 counties, is under God and man entitled to the recovery of her liberty and territory, not part free and part slave but all free and independent.

With this accomplished both our country and our allies will find the people of Ireland not only willing and anxious to join with us but to offer up her last drop of blood and pound of treasure in defense of liberty and justice: Be it therefore

Resolved, That we request our President, Franklin D. Roosevelt, our Secretary of State, Cordell Hull, and our Members of the American Congress to petition our ally, Great Britain, to remove at once the artificial political boundary that divides northern and southern Ireland, and that they and we remove from her shores all semblance of a violation of her neutrality until the Irish National of its own free will change its course or follows its present course without interference: Be it further

Resolved, That copies of these resolutions be sent to President Franklin D. Roosevelt, to Secretary of State Cordell Hull, and to the Members of Congress.

JOSEPH E. KERRIGAN,
National President.
LEO KELLY, *National Secretary.*
F. E. SHAUGHNESSY,
Chairman of Committee on Resolutions.
Mrs. ANNA M. CAREY,
National President, Ladies' Auxiliary.
Mrs. VERONICA M. MCCAUL O'BRIEN,
National Secretary, Ladies' Auxiliary.

T. V. A. APPROPRIATION AMENDMENTS—LETTER FROM KANSAS STATE FEDERATION OF LABOR

Mr. CAPPER. Mr. President, I have received from F. E. Black, secretary of the Kansas State Federation of Labor, one of the strongest labor groups in the West, a petition expressing the opposition of the members of his organization to certain objectionable provisions in the appropriation bill for the Tennessee Valley Authority. I ask unanimous consent to have his letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KANSAS STATE FEDERATION OF LABOR,
Topeka, Kans., April 22, 1944.

Hon. ARTHUR CAPPER,
Senator from Kansas,
Senate Building, Washington, D. C.

DEAR SENATOR CAPPER: It has been brought to my attention that amendments to the appropriations bill for the Tennessee Valley

Authority are pending before Congress and it is my understanding that these amendments will hamper the operations of the Tennessee Valley Authority. These amendments were presented by Senator McKELLAR and it is our desire to have your support in seeing that they are not adopted. The workers of the Tennessee Valley Authority will be seriously handicapped through their adoption, and we urge your serious consideration and support by opposing such amendments.

Sincerely yours,

F. E. BLACK, *Secretary.*

REPORT OF THE JUDICIARY COMMITTEE DURING RECESS

Under authority of the order of May 31, 1944,

Mr. HATCH, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 133) to extend the time limit for immunity, reported it during the recess of the Senate on June 1, 1944, with amendments and submitted a report (No. 935) thereon.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 1464. A bill for the relief of the estate of Charles Noah Shipp, deceased; with an amendment (Rept. No. 936);

H. R. 2576. A bill to confer jurisdiction upon the Court of Claims to determine and render judgment for any losses suffered by Duffy Bros., Inc.; with an amendment (Rept. No. 937);

H. R. 2788. A bill for the relief of Frank Baptiste; without amendment (Rept. No. 938);

H. R. 3093. A bill for the relief of Dr. H. H. Smith; without amendment (Rept. No. 939);

H. R. 3674. A bill for the relief of William E. Widby; without amendment (Rept. No. 940);

H. R. 3739. A bill for the relief of the Wesix Electric Heater Co.; without amendment (Rept. No. 941); and

H. R. 3977. A bill for the relief of Harry Schultz; without amendment (Rept. No. 942).

By Mr. STEWART, from the Committee on Claims:

H. R. 1668. A bill for the relief of Lessie C. Selman; without amendment (Rept. No. 943);

H. R. 1682. A bill for the relief of Edwin H. Taylor, Jr.; without amendment (Rept. No. 944);

H. R. 1755. A bill for the relief of Broadus D. Boland; with amendments (Rept. No. 945); and

H. R. 2605. A bill for the relief of Charles W. Kirby; without amendment (Rept. No. 946).

By Mr. WHERRY, from the Committee on Claims:

H. R. 2405. A bill for the relief of Clarence P. Hale, Jr.; without amendment (Rept. No. 947).

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

S. 1773. A bill to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; with an amendment (Rept. No. 948).

By Mr. BILBO, from the Committee on the District of Columbia:

H. R. 3236. A bill to provide aid to dependent children in the District of Columbia; without amendment (Rept. No. 952); and

H. J. Res. 242. Joint resolution to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918, as amended; without amendment (Rept. No. 950).

By Mr. CHANDLER, from the Committee on Military Affairs:

S. 1936. A bill to amend the Selective Training and Service Act of 1940 by making it a criminal offense to possess unlawfully or to reproduce various certificates issued pursuant thereto; without amendment (Rept. No. 951).

By Mr. BYRD, from the Committee on Rules:

S. Con. Res. 40. Concurrent resolution authorizing the appointment of a joint committee to arrange for the inauguration of the President-elect of the United States on January 20, 1945; without amendment.

By Mr. BANKHEAD, from the Committee on Agriculture and Forestry:

S. Res. 291. Resolution to investigate whether rayon and other synthetic products can be used as a substitute for cotton and wool; without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

VIOLATIONS OF FREE SPEECH AND RIGHTS OF LABOR—EMPLOYERS' ASSOCIATIONS AND COLLECTIVE BARGAINING IN CALIFORNIA

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to submit a report from the Committee on Education and Labor pursuant to Senate Resolution 266 of the Seventy-fourth Congress, being part IX—the origin and promotion of recent legislation in California limiting labor's civil rights.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and printed. (Pt. 5 of Rept. No. 398.)

REPORT OF BOARD OF VISITORS TO THE COAST GUARD ACADEMY

Mr. MALONEY. Mr. President, I submit herewith, and ask that it be printed in the RECORD, the report of the Congressional Board of Visitors to the Coast Guard Academy. I should like to supplement the report just a little bit by a little better identifying the distinguished members of the Advisory Committee to the Academy.

Prof. H. L. Seward, chairman of the Advisory Committee, is professor of marine engineering at Yale University; Dean H. E. Clifford is professor emeritus of electrical engineering (retired dean of the faculty of engineering), Harvard University; Judge T. W. Swan (who was not present), judge of the second circuit court of appeals, New Haven; Dean J. W. Barker, dean of the faculty of engineering, Columbia University, professor of electrical engineering (on leave of absence as a Special Assistant to the Secretary of the Navy); and Prof. G. E. Russell, professor of civil engineering, Massachusetts Institute of Technology.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BOARD OF VISITORS TO THE COAST GUARD ACADEMY, 1944

The PRESIDENT OF THE SENATE.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

Gentlemen, pursuant to the act of July 15, 1939 (Public, No. 183, 76th Cong., 1st sess.), the following Senators and Members of the House of Representatives were designated in January of this year to constitute the 1944 Board of Visitors to the Coast Guard Academy:

Senators: FRANCIS MALONEY, of Connecticut, BENNETT C. CLARK, of Missouri, and OWEN BREWSTER, of Maine, appointed by Senator JOSIAH W. BAILEY, of North Carolina, chairman, Senate Committee on Commerce, ex officio member; Senator JAMES M. MEAD, of New York, appointed by the President of the Senate. Senator FRANCIS MALONEY was appointed to serve in place of Senator JOSIAH W. BAILEY.

Members of the House of Representatives: Hon. FRANK W. BOYKIN, of Alabama, the Honorable HERBERT C. BONNER, of North Carolina, and the Honorable FRED BRADLEY of Michigan, were appointed by the Honorable SCHUYLER O. BLAND, of Virginia, chairman of the Committee on the Merchant Marine and Fisheries and ex officio member of the Board of Visitors. The Honorable AIME J. FORAND, of Rhode Island, and the Honorable JOHN D. MCWILLIAMS, of Connecticut, were appointed by the Speaker of the House of Representatives. The Honorable LOUIS CAPOZZOLI, of New York, was later appointed in place of Mr. BOYKIN, who was unable to attend.

The visit of the Board this year marked the sixty-eighth anniversary of the academy as a national institution, its genesis having been the establishment of a school of prospective officers of the old Revenue Cutter Service in 1876. Originally located in New Bedford, Mass., the school was moved to Baltimore in 1900 and to New London 10 years later. The physical plant of the academy at New London was authorized by congressional appropriation in 1929, and the buildings were completed in 1932. In 1940 the academy was accredited by the Association of American Universities and awards the degree of bachelor of science. The facilities of the academy were expanded in 1941 to meet the increased needs of the service. Since the Coast Guard is a military service, operating under the Treasury Department in time of peace and under the Navy Department for the duration of national emergencies, the discipline of the academy is military in nature and the curriculum is based on marine and engineering subjects, but includes also such general college subjects as English, foreign languages, and history. In view of the increased Coast Guard activities relating to the merchant marine, new courses in maritime law and economics have been added to the academy curriculum. The wartime demands made upon the service have required the introduction of new courses, but the academy remains an engineering college of the highest standing.

Provision was made for the Board to leave Washington on the Colonial at 10 a. m., Friday, May 5, accompanied by Rear Admiral Robert Donohue, Rear Admiral Frank J. Gorman, Capt. Ellis Reed-Hill, and Lt. (Jr. Gr.) Sandford C. Smith. Upon arrival in New London at 5:30 p. m., the party was met by Rear Admiral James Pine, superintendent of the academy, accompanied by other Coast Guard officers of his staff, and were transported by a Coast Guard Reserve boat to the academy. At 7:30 p. m. the Board reviewed the battalion parade and SPAR cadet exhibition drill on the academy parade grounds. At 8 p. m. the superintendent entertained the board at dinner in the officers' mess. Coast Guard films, depicting activities of the academy and life in the service, were

shown after dinner in the reading room of the officers' club.

The next morning, Saturday, May 6, members met for the formal meeting of the Board at 9 a. m. at the academy. Senator FRANCIS MALONEY was elected Chairman of the Board of Visitors for 1944. Capt. Ellis Reed-Hill, United States Coast Guard, was designated secretary of the Board.

The Board convening with four members of the advisory committee, consisting of Prof. H. L. Seward, Dean H. E. Clifford, Dean J. W. Barker, and Prof. G. E. Russell, invited Rear Admiral James Pine, superintendent of the academy, to appear before it. Rear Admiral Pine presented his annual report, as follows:

"REPORT TO THE CONGRESSIONAL BOARD OF VISITORS TO THE COAST GUARD ACADEMY

"General: During the year that has elapsed since the last visit of the Board of Visitors to New London, Reserve cadet training, the academy's major activity for the past 2 years, reached a peak and is now being discontinued. Regular cadet training and the indoctrination course for SPAR cadets remains at about the same level as before. A course in sound training for enlisted men, established last September to provide soundmen for Coast Guard manned combat ships, will continue in operation for some time. Within the past year 82 Regular cadets, 1,879 Reserve cadets, 462 SPAR cadets have been commissioned—a total of 2,423 officers.

"Since December 7, 1941, the academy has trained and commissions have been granted to 184 Regular cadets, 3,511 Reserve cadets, and 593 SPAR cadets—a total of 4,288 officers.

"Regular cadets: The accelerated 3-year course instituted in 1942 remains in effect, but the academic board has recommended return, to the normal 4-year course for the class due to enter this year; the two upper classes to continue on a 3-year basis for the time being.

"There are at present 95 cadets in the first class, 101 in the second class, and 134 in the third class. Total, 330. Cadets come from 44 States, the District of Columbia, Alaska, and Hawaii. Twenty-nine States are represented in the class of 1945, 30 each in the classes of 1946 and 1947. More than 2,000 applications to compete in the 1944 examinations have been approved by headquarters.

"Reserve cadets: The 4-month course for Reserve cadets will be discontinued after the graduation of the twenty-second class, due to be commissioned in June 1944. There are at present 169 members of this one remaining class. Of these, 139 are taking the deck course and 30 the engineering course. The Reserve course consists of 1 month preliminary training, 2 months' academic training, and 1 month apprentice-seaman training at sea. Of the 3,511 graduates of this course, 1,522 have received apprentice-seaman training, 1,698 deck-watch officer training, and 291 engine-room training.

"SPAR cadets: The SPAR indoctrination course, originally 3 weeks, has been increased twice, first to 6 weeks and more recently to 8 weeks. The 57 SPARS now attached are scheduled to be commissioned on May 17, 1944. With the commissioning of this class, the fifteenth class of SPARS—650 SPAR officers—will have been trained at the academy.

"Enlisted training courses: A 5½-week course for training soundmen, ashore and afloat, was established in September 1943. There are at present 13 men enrolled in this course. Four hundred and eighty-three have been trained since its establishment, and rated soundman, third class.

"Eighty-three-foot cutter shake-down training: All 83-foot cutters are sent to the academy upon completion for a 10-day shake-down period prior to reporting for duty at sea. Graduates of the Reserve training course are assigned as commanding officers. Since April 1942, when this plan was begun, crews for 184 cutters of this type have been trained, and the cutters released for duty at sea.

"Future planning: With the completion of the Reserve cadet program, the buildings used for that training will become available for other use. The officers' indoctrination school at St. Augustine, Fla., is being discontinued at that place and will be removed to the academy. Other officer specialty instruction, heretofore given at Atlantic City, at Boston, and other places will also be concentrated at the academy. This will utilize fully the buildings of the Reserve Cadet School.

"Plans for future construction await the end of the war. However, some sketches and plans for a future chapel for the academy, which has received the approval of the Board of Visitors in previous years, have been made and are available for inspection.

"The heads of all departments of instruction are available to the members of the board for any detailed information desired.

"JAMES PINE,
"Rear Admiral, United States, Coast Guard, Superintendent."

The subject of a chapel for the use of the academy was discussed. Capt. Elbert E. Stone, Chaplains' Corps, U. S. Navy, who is chaplain of the academy, emphasized the need for a chapel. He said that it had a very high morale value, promoted regularity in church attendance, and provided easy access to the chaplain's office. Captain Stone pointed out further that the cadets respond readily to the opportunity both of conferring with the chaplain and of attending religious services. He pointed out that there is now a Bible class held on Sundays following chapel services. He repeated that the anxiety of the cadets to attend religious services not only justified but virtually required the construction of a chapel for the academy. Cadet Battalion Commander Robert C. Boardman later presented the cadets' point of view on the subject of the chapel and suggested that consideration be given the possibility of erecting a chapel. Mr. BLAND proposed ways and means be considered to further the chapel project. It was suggested that a committee be appointed to consider such ways and means. The following committee was named: Mr. BLAND, chairman; Senator BREWSTER; Messrs. FORAND, MCWILLIAMS and BONNER.

On behalf of the advisory committee, Professor Seward, chairman, reported briefly on the academic strides taken by the academy during the past 10 years. He outlined the history of the committee and the part it has played during development of the Coast Guard Academy. It first functioned as a voluntary group in response to letters written to the presidents of Harvard, Yale, M. I. T., and Columbia, asking them to designate a member of their faculty to serve on a voluntary basis. The body received its official authorization on April 16, 1937. Professor Seward gave praise to the instructors and present faculty and administrative officers of the Academy for the results which have been achieved over the 7-year period, with particular emphasis on the able manner in which the curricula had been adapted to wartime needs. The problem of post-war planning, the reconversion of the reserve facilities and plans for post-war training was presented for discussion by Senator BREWSTER.

Lt. Dorothea Wyatt, of the Women's Reserve, appeared before the Board. She recalled that since June 24, 1943, SPAR officer candidates have received their entire training at the Coast Guard Academy. Facilities have been completed to make available a general indoctrination course which includes the historical background, duties in war and peace of the Coast Guard, leadership, personnel organization, and functional activities of the service. SPARS, she said, are given some idea of the paper work, records, and importance and responsibilities of a Coast Guard officer. Lieutenant Wyatt advised the Board that enlisted girls in the service are given the opportunity to quality for commissions. An average of 50 percent enlistees to 50 percent civilians is the general ratio. Lieutenant Wyatt stated that this proportion adds immeasurably to the morale of the girls in the service.

Admiral Pine and Captain Reed-Hill absented themselves from the session in order that the Cadet Battalion Commander, Robert C. Boardman, might have the opportunity to acquaint the Board with suggestions and recommendations in behalf of the student body. He stressed the need of an academy chapel, and expressed his view on the need for a larger fleet of sailboats. Cadet Boardman said that there was some hope among the cadets for a longer course at sea on a destroyer escort or some other power craft as a part of the academy program, even if in wartime such cruise courses have to be taken on the Great Lakes. He recommended greater athletic facilities.

Based on its observations and inspections and testimonies presented by officers and cadets and, after discussion and consideration, the Board recommends that the committee under chairmanship of Mr. S. O. BLAND be authorized to study ways and means to obtain suitable property and to provide a chapel commensurate with the needs of the Coast Guard Academy. The Commandant of the Coast Guard and Superintendent of the academy, the Board learned, are cognizant of the points raised by the commander of the cadet battalion, and the recommendations made by this cadet will be further considered at the earliest practicable date.

After the meeting members of the Board of Visitors were taken on an inspection tour of the academy grounds and installations, Admiral Pine conducted the group through the numerous new reserve buildings, including barracks, auditorium and indoor drill ground-gymnasium. The visitors inspected the permanent new infirmary and were impressed by the splendid work being done there. The members of the Board were shown the new docks and water-front facilities and inspected the Coast Guard training ship *Danmark*, 83-foot cutters, and other Coast Guard craft. During this inspection tour heads of departments and assistants stood by their respective departments to discuss with members of the Board academic problems of their work.

Following the inspection there was a battalion review by the Board of Visitors. Heads of departments comprised the superintend's staff. Members of the Board then had luncheon in Chase Hall with cadets.

The congressional board departed at 2 p. m.

The Board finds the academy in excellent physical condition, and of high scholastic attainments. The cadet corps, which is composed of a group of young Americans selected from every part of the country by a competitive examination open to all, is a body of the highest order.

The Board is particularly impressed by the outstanding work which has been done at the academy, as the institution was adjusted to the greatly expanded needs of war. While undergoing great emergency expansion the academy during the year trained 1,882 cadets for reserve commissions. These young men receive intensive training as deck and engineering officers for assignment to Coast Guard units afloat. During the year 486 SPAR officer candidates received training.

SPECIAL REMARKS BY CHAIRMAN MALONEY

The Board, in conclusion, desires to register its high opinion of the excellent and invaluable contribution made by the Advisory Committee in its relationship with the academy. The personnel of the committee and its achievement made a marked impression on the Board of Visitors. The Board was like-

wise impressed by the efficiency of the officer personnel under the direction of Admiral James Pine.

FRANCIS MALONEY, RALPH O. BREWSTER, JAMES MEAD, S. O. BLAND, HERBERT C. BONNER, FRED BRADLEY, AIME J. FORAND, JOHN D. MCWILLIAMS, LOUIS D. CAPOZZOLI.

MAY 26, 1944.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Sundry officers for promotion in the Regular Corps of the United States Public Health Service.

By Mr. HATCH, from the Committee on the Judiciary:

Ambrose O'Connell, of New York, to be associate judge of the United States Court of Customs and Patent Appeals, vice Hon. Irvine Luther Lenroot, resigned.

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

Capt. Charles P. Cecil, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 4th day of February 1943; and

Sundry officers for appointment in the Navy.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MALONEY:

S. 1967. A bill for the relief of Pauline Cimmino; to the Committee on Claims.

By Mr. WALLGREN:

S. 1968. A bill for the relief of Elizabeth A. Becker; to the Committee on Claims.

By Mr. WHITE (for Mr. JOHNSON of California):

S. 1969. A bill for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.; to the Committee on Claims.

By Mr. CLARK of Missouri:

S. 1970. A bill to amend the National Service Life Insurance Act, 1940, as amended; to the Committee on Finance.

By Mr. McKELLAR:

S. 1971. A bill to provide for the disposal of certain mail matter condemned by the Director of Censorship; to the Committee on Post Offices and Post Roads.

By Mr. McKELLAR (for Mr. McCARRAN):

S. 1972. A bill to authorize the continued operation of certain airport traffic-control towers by the Civil Aeronautics Administration; to the Committee on Commerce.

By Mr. REYNOLDS:

S. 1973. A bill to provide additional pay for enlisted men of the Army assigned to the infantry who are awarded the Expert Infantryman badge or the Combat Infantryman badge; to the Committee on Military Affairs.

By Mr. WALSH of Massachusetts:

S. 1974. A bill to amend section 1442, Revised Statutes, relating to furlough of officers by the Secretary of the Navy; to the Committee on Naval Affairs.

(Mr. BILBO introduced Senate bill 1975, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. WHERRY introduced Senate bill 1976, which was referred to the Committee on Interstate Commerce, and appears under a separate heading.)

By Mr. GURNEY:

S. 1977. A bill to provide for issuance of temporary certificates for air transportation; to the Committee on Commerce.

By Mr. BILBO:

S. J. Res. 135. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies;

S. J. Res. 136. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1945; and

S. J. Res. 137. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1945, and for other purposes; to the Committee on the District of Columbia.

INADMISSIBILITY IN FEDERAL COURT OF EVIDENCE GIVEN BY A DEFENDANT IN A STATE COURT

Mr. BILBO. Mr. President, the most alarming and discouraging oft-repeated observation of modern times is to the effect that the meaning of the Constitution of the United States is not what it says in plain and understandable English but that its meaning is what the Supreme Court of the United States construes it to be.

Patriotic and thoughtful students of the Constitution of the United States have more than once sounded a note of warning against the tendency of the Supreme Court to invade the field of action and responsibility of the legislative branch of the great scheme of our representative democracy wherein the powers and functions of government are clearly and distinctly divided into the three great branches of government that have given to the world the greatest Republic of all times, composed of the legislative, the executive, and the judicial departments.

In the face of specific and definite pronouncements, couched in the plainest of understandable English, the judicial branch of our republican scheme of government has, to my mind, in recent decisions, by and through hair-splitting definitions and fine-spun theories, gone far afield in their natural and human desires to construe and interpret the written Constitution upon which our whole and heretofore successful scheme of government is founded, to make the Constitution say what was never intended by the founding fathers, and reaching conclusions and shaping the policies of Government in such a way and to such an extent as the framers and writers of the Constitution never intended in their wildest dreams.

There is just reason for every patriotic and thoughtful citizen to be disturbed and alarmed when one of the outstanding Justices of this Court is alleged to have given utterance to this statement which is alarming indeed:

> The notion that because the words of a statute are plain, its meaning also is plain, is merely pernicious oversimplification.

That, Mr. President, comes from a Justice of the Supreme Court.

If a member of the highest branch of the judicial system of our Government possesses and indulges in such mental processes as this statement indicates, it is timely that the legislative branch of Government give thought and attention to the evident plan and purpose of the judiciary to invade the legislative field for the purpose of destroying and robbing it of its duties, functions, and responsibilities in making the laws and shaping the policies of the 134,000,000 people of the American Republic.

The most precious and priceless part of the Constitution of the United States to every citizen, that part of this great document which gives a sense of security and freedom to the humblest citizen of the Republic, is found in the Bill of Rights, being the first 10 amendments to the Constitution.

The fifth of these amendments is the guaranty to every citizen against abuses and persecutions that have been characteristic of all despotic forms of government. Let me read it to the Senate:

AMENDMENT V

> No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

That is the substance, Mr. President, of what I am discussing.

Only last week, the Supreme Court of the United States in No. 193, October term, 1943, May 29, 1944, delivered an opinion in the case of Samuel Feldman, petitioner, against the United States of America, on writ of certiorari to the United States Circuit Court of Appeals for the Second Circuit. Mr. Justice Frankfurter delivered the opinion of the Court. However, this opinion was by four out of the nine members of the bench—not a majority since two Justices, to wit, Murphy and Jackson, took no part in the consideration or decision of the case. In other words it was a 4-to-3 decision.

As stated by Justice Frankfurter, putting aside all other issues in the case, the main question was whether the fifth amendment prohibited the admission against the defendant Feldman upon his trial in a Federal court of the earlier testimony given by him in the State courts. Justice Frankfurter frankly admits that this point had never been formerly decided in the history of the Court, yet he deemed the answer to be controlled by a long series of decisions expressing basic principles of our federation.

This 4-to-3 decision of the Court, in my judgment, was in direct violation of the safeguards vouched to every citizen of this Republic in the fifth section of the Bill of Rights, which I have just read to the Senate.

With all of the Court's hairsplitting and, to my mind, specious reasoning, they were not justified in robbing this defendant, a citizen of the Republic, from the guaranteed protection under the Bill of Rights that no citizen of the Republic "shall be compelled in any criminal case to be a witness against himself."

The dissenting opinion of three of the Justices, Justice Black delivering the dissenting opinion of the Court, blasts the

opinion of the other four Justices in a most direct and unanswerable way. Justice Black said that the opinion of the other four in this case—

Is contrary to the principles of a free government. It is abhorrent to the instincts of an American. It may suit the purposes of despotic power, but it cannot abide the pure atmosphere of political liberty and personal freedom.

In these words Justice Black is quoting from the case of *Boyd* v. *United States* (116 U. S. 616, 631–632).

Justice Black further says:

Unless the Court now is disavowing this belief, the use of testimony obtained by compulsory discovery to convict an accused must be considered "shocking to the universal sense of justice" and "offensive to the common and fundamental ideas of fairness and right," and, therefore, under past decisions of the Court, incompatible with constitutional due process of law.

Quoting Justice Black further, he says:

The very narrow problem thus presented, and upon which this Court never before has passed, is whether Federal courts can convict a defendant of a Federal crime by use of self-incriminatory testimony which someone in some manner has extracted from him against his will. The Court's holding that a defendant can be so convicted cuts into the very substance of the fifth amendment, and it justifies this result, not by the language or history of the Constitution itself but by a process of syllogistic reasoning based upon broad premises of "dual sovereignty" stated in previous opinions of the Court relating to immunity statutes. Even were there here a "dual sovereignty" problem, which there is not, such a method of decision would be questionable. Constitutional interpretation should involve more than dialectics. The great principles of liberty written in the Bill of Rights cannot safely be treated as imprisoned in walls of formal logic built upon vague abstractions found in the United States reports. "The ultimate touchstone of constitutionality of the Constitution itself and not what we have said about it."

Mr. President, in order to vouchsafe to every citizen of this Republic, from the highest to the lowest, the constitutional shelter of the people's liberties as guaranteed under amendment 5 of the Bill of Rights, which has been removed by the majority opinion of the Supreme Court in the case of Samuel Feldman, petitioner, against the United States of America, the opinion having been delivered on May 29, 1944, I ask consent to introduce a bill to prohibit the use of certain evidence in Federal proceedings.

There being no objection, the bill (S. 1975) denying in certain cases in criminal prosecutions the inadmissability in Federal courts of evidence given in State courts, was received, read twice by its title and referred to the Committee on the Judiciary.

Mr. BILBO. Mr. President, the bill reads as follows:

Be it enacted, etc., That no testimony given by any person who shall have been compelled to testify as a witness in a judicial proceeding under the laws of any State shall be admissible as evidence against such person in any criminal prosecution in a court of the United States.

SEC. 2. No evidence obtained by agents or officers of a State in a manner which would have rendered such evidence inadmissible in a criminal prosecution in a court of the United States, if it had been obtained in the same manner by agents or officers of the United States, shall be admissible as evidence in any criminal prosecution in a court of the United States.

Mr. President, I ask unanimous consent to have inserted in the RECORD following my remarks the majority opinion of the Court in the 4-to-3 decision, and the dissenting opinion, so that the public and lawyers throughout the Nation will know exactly the purport of the bill I have introduced. To my mind this decision on the part of the Supreme Court, not by a majority of the Court, but by only four out of the nine Justices, is the latest and the most damnable stab at the Constitution of the United States.

There being no objection, the majority opinion and dissenting opinion were ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES—NO. 193—OCTOBER TERM, 1943—SAMUEL FELDMAN, PETITIONER V. THE UNITED STATES OF AMERICA—ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SECOND CIRCUIT—MAY 29, 1944

(Mr. Justice Frankfurter delivered the opinion of the Court.)

This is an indictment under section 215 of the Criminal Code (18 U. S. C., sec. 338), for using the mails to further a fraudulent scheme. Petitioner's conviction was affirmed by the circuit court of appeals, one judge dissenting (136 F. 2d 394). We brought the case here (320 U. S. 724) to consider the single question whether the admission of testimony previously given by petitioner in supplementary proceedings in a State court deprived him of the protection of the fifth amendment against being "compelled in any criminal case to be a witness against himself."

In accordance with New York procedure, known as supplementary proceedings, designed to aid in the discovery of assets of a debtor (N. Y. Civil Practice Act, art. 45), Feldman, a judgment debtor, was called as a witness in such proceedings on several occasions between March 31, 1936, and September 29, 1939. Up to March 14, 1938, the New York immunity statute merely provided that a debtor might not be excused from testifying because of self-incrimination but that his testimony could not be used in evidence in a subsequent criminal proceeding against him (N. Y. Laws, 1935, ch. 630, sec. 789). By an act of March 14, 1938, New York broadened the debtor's immunity so as to free him from prosecution on account of any matter revealed in his testimony (N. Y. Laws, 1938, ch. 108, sec. 17; N. Y. Civil Practice Act, sec. 789). While the earlier provision was in effect, Feldman testified that he was unemployed, paid rent of $250 a month from funds supplied by his family, owed about $340,000 and contemplated immediate bankruptcy. He further testified that about once a month his father sent him a book of signed checks, he sent large sums of money to his father by Western Union and destroyed whatever evidence the receipts might offer—in short, that he was "kiting" his father's checks by sending the proceeds of the later checks to cover those cashed earlier. After March 14, 1938, and down through September 1939, Feldman again testified in New York supplementary proceedings, giving further details of his bizarre "kiting" practices.

The Federal charge was the use of the mails in a scheme to defraud executed by "kiting" checks. In the trial, the Government introduced Feldman's testimony in the New York supplementary proceedings. He did not take the stand. The Goverment contends that it is unnecessary to decide whether the claim of privilege duly made bars the admission of this testimony. It suggests that testimony given prior to the act of March 14, 1938, was not compellable and therefore Feldman waived any privilege, in that the New York statute prior to March 14, 1938, did not grant an immunity coextensive with the privilege available under New York law. (*People ex rel. Lewisohn* v. *O'Brien* (176 N. Y. 253)). As to testimony under the later New York statute, the Government suggests that it either was not incriminating or was merely repetitive of the earlier voluntary testimony, making its admission in any event not prejudicial.

We put to one side all these subtler issues because we think they cannot dispose of the case. And so we come directly to the main question, namely whether the fifth amendment prohibited the admission against Feldman upon his trial in a Federal court of the earlier testimony given by him in the State courts. While the point has not been formally decided, we deem the answer to be controlled by a long series of decisions expressing basic principles of our federation.

The effective enforcement of a well designed penal code is of course indispensable for social security. But the Bill of Rights was added to the original Constitution in the conviction that too high a price may be paid even for the unhampered enforcement of the criminal law and that, in its attainment, other social objects of a free society should not be sacrificed. We are immediately concerned with the fourth and fifth amendments, intertwined as they are, and expressing as they do supplementing phases of the same constitutional purpose—to maintain inviolate large areas of personal privacy. "The efforts of the courts and their officials to bring the guilty to punishment, praiseworthy as they are, are not to be aided by the sacrifice of those great principles (of the fourth and fifth amendments) established by years of endeavor and suffering which have resulted in their embodiment in the fundamental law of the land." *Weeks* v. *United States*, (232 U. S. 383, 393). "We have already noticed the intimate relation between the two amendments. They throw great light on each other. For the 'unreasonable searches and seizures' condemned in the fourth amendment are almost always made for the purpose of compelling a man to give evidence against himself, which in criminal cases is condemned in the fifth amendment; and compelling a man 'in a criminal case to be a witness against himself,' which is condemned in the fifth amendment, throws light on the question as to what is an 'unreasonable search and seizure' within the meaning of the fourth amendment. And we have been unable to perceive that the seizure of a man's private books and papers to be used in evidence against him is substantially different from compelling him to be a witness against himself" *Boyd* v. *United States* (116 U. S. 616, 633).

But for more than 100 years, even since *Barron* v. *Baltimore* (7 Pet. 243), one of the settled principles of our Constitution has been that these amendments protect only against invasion of civil liberties by the Government whose conduct they alone limit (*Brown* v. *Walker* (161 U. S. 591, 606); *Jack* v. *Kansas* (199 U. S. 372, 380); *Twining* v. *New Jersey* (211 U. S. 78)). Conversely, a State cannot by operating within its constitutional powers restrict the operations of the National Government within its sphere.

The distinctive operations of the two governments within their respective spheres is basic to our Federal constitutional system, howsoever complicated and difficult the practical accommodations to it may be. The matter was put in classic terms in what Chief Justice Taft called "the great judgment" (*Ponzi* v. *Fessenden*, 258 U. S. 254, 261), of

Chief Justice Taney in *Ableman* v. *Booth* (21 How. 506, 516): "The powers of the general government, and of the State, although both exist and are exercised within the same territorial limits, are yet separate and distinct sovereignties, acting separately and independently of each other, within their respective spheres. And the sphere of action appropriated to the United States is as far beyond the reach of the judicial process issued by a State judge or a State court as if the line of division was traced by landmarks and monuments visible to the eye."

This principle has governed a series of decisions which for all practical purposes rule the present case. When this Court for the first time sustained an immunity statute as adequate, it rejected the argument that because Federal immunity could not bar use in a State prosecution of testimony compelled in a Federal court, the immunity falls short of the constitutional requirement (*Brown* v. *Walker*, supra, at 606). And when the reverse claim was made as to a State immunity statute, that a disclosure compelled in a State court could not assure immunity in a Federal court, the argument was again rejected because "the State [antitrust] statute could not, of course, prevent a prosecution of the same party under the United States [antitrust] statute, and it could not prevent the testimony given by the party in the State proceeding from being used against the same person in a Federal court for a violation of the Federal statute, if it could be imagined that such prosecution would be instituted under such circumstances" (*Jack* v. *Kansas*, supra, at 380). When the matter was here last it was thus summarized: "This Court has held that immunity against State prosecution is not essential to the validity of Federal statutes declaring that a witness shall not be excused from giving evidence on the ground that it will incriminate him, and also that the lack of State power to give witnesses protection against Federal prosecution does not defeat a State immunity statute. The principle established is that full and complete immunity against prosecution by the Government compelling the witness to answer is equivalent to the protection furnished by the rule against compulsory self-incrimination" (*United States* v. *Murdock*, 284 U. S. 141, 149).

And so, while evidence secured through unreasonable search and seizure by Federal officials is inadmissible in a Federal prosecution (*Weeks* v. *United States, supra; Gouled* v. *United States* (255 U. S. 298); (*Agnello* v. *United States* (269 U. S. 20)) incriminating documents so secured by State officials without participation by Federal officials but turned over for their use are admissible in a Federal prosecution (*Burdeau* v. *McDowell* (256 U. S. 465). Relevant testimony is not barred from use in a criminal trial in a Federal court unless wrongfully acquired by Federal officials. "If knowledge of them [the facts] is gained from an independent source they may be proved like any others, but the knowledge gained by the Government's own wrong cannot be used by it. * * *" (*Silverthorne Lumber Co.* v. *United States* (251 U. S. 385, 392)). This court has refused to draw nice distinctions as to when wrongful acquisition of evidence by State agencies was also a Federal enterprise. When a representative of the United States is a participant in the extortion of evidence or in its illicit acquisition, he is charged wth exercising the authority of the United States. Evidence so secured may be regained (*Go-Bart Co.* v. *United States* (282 U. S. 344)), and its admission, after timely motion for its suppression, vitiates a conviction (*Byars* v. *United States* (273 U. S. 28)).

The Constitution prohibits an invasion of privacy only in proceedings over which the Government has control. There is no suggestion of complicity between Feldman's creditors and Federal law-enforcing officers. The Government here is not seeking to benefit by evidence which it extorted. It had no power either to compel testimony in the State court or to forestall such disclosure as a means of avoiding possible interference with the enforcement of the Federal penal code. Whether testimony in a New York court should be compelled in exchange for immunity from prosecution under the penal laws of New York is for New York to say. For what purposes the United States may deem the disclosure of testimony more important than prosecution for Federal crimes is for Congress to say. It has seen fit to make the exchange very sparingly. (See *United States* v. *Monia* (317 U. S. 424).) Certainly it is not for New York to determine when, because it suits its local policy to employ testimonial compulsion, it will relieve from Federal prosecution "for or on account of any transaction, matter or thing concerning which" a New York court may have seen fit to require testimony. Such would be the practical result of sustaining petitioner's claim. The immunity from prosecution, like the privilege against testifying which it supplants, pertains to a prosecution in the same jurisdiction. Otherwise the criminal law of the United States would be at the hazard of carelessness or connivance in some petty civil litigation in any State court, quite beyond the reach even of the most alert watchfulness by law officers of the Government.

Only a word need be said about the phrase of skepticism in *Jack* v. *Kansas*, supra, at 380, that it could hardly be imagined "that such prosecution would be instituted under such circumstances." The "prosecution" and the "circumstances" there referred to were a prosecution on the same facts for violation of the State and the Federal antitrust laws. But see *Fox* v. *State of Ohio* (5 How. 410, 435); *United States* v. *Lanza* (260 U. S. 377). The cautionary words in *Jack* v. *Kansas* in nowise qualified the principle of that and later cases as to the separateness in the operation of State and Federal criminal laws and State and Federal immunity provisions. There are, as we have already seen, ample safeguards. If a Federal agency were to use a State court as an instrument for compelling disclosures for Federal purposes, the doctrine of the Byars case, supra, as well as that of *McNabb* v. *United* States (318 U. S. 332), afford adequate resources against such an evasive disregard of the privilege against self-crimination. Nothing in this record brings either doctrine into play.

Judgment affirmed.

(Mr. Justice Murphy and Mr. Justice Jackson took no part in the consideration or decision of this case.)

(Mr. Justice Black, dissenting.)

In *Boyd* v. *United States*, this court said that "any compulsory discovery by extorting the party's oath * * * is contrary to the principles of a free government. It is abhorrent * * * to the instincts of an American. It may suit the purposes of despotic power; but it cannot abide the pure atmosphere of political liberty and personal freedom" (116 U. S. 616, 631–632).[1] Unless the Court now is disavowing this belief, the use of testimony obtained by compulsory discovery to convict an accused must be considered "shocking to the universal sense of justice" and "offensive to the common and fundamental ideas of fairness and right," and therefore, under past decisions of the court, incompatible with constitutional due process of law (*Betts* v. *Brady*, 316 U. S. 455, 462, 473).

Or at least, even if the use of testimony extracted by compulsory discovery be held consistent with due process, adherence to the belief expressed by the Boyd case should require the Court to hold that, absent a conflicting act of Congress, "a decent regard for the duty of courts as agencies of justice and custodians of liberty forbids that men should be convicted upon evidence" so obtained (*McNabb* v. *United States*, 318 U. S. 332, 347). But I do not base my dissent upon judicially defined concepts of procedural due process or upon judge-made rules of evidence. The Bill of Rights, proposed in 1789 by the First Congress convened under our Constitution, and quickly ratified by the States in 1791, declares in part that, "No person * * * shall be compelled in any criminal case to be a witness against himself" (amendment 5, Constitution of the United States). Never since the Bill of Rights was adopted until today has this Court sustained a single conviction for a Federal offense which rested on self-incriminatory testimony forced from the accused. I cannot agree to do so now.

Feldman was compelled to testify under oath in a creditors' compulsory discovery proceeding in a New York court conducted pursuant to a State statute which granted him immunity from State prosecution for any State crime he might be forced to confess. Had he refused to testify he could have been imprisoned. Over his objection, a transcript of his compelled testimony was used in the United States District Court to convict him of a Federal crime. As the fifth amendment heretofore has been interpreted, Feldman's testimony could not have been used for this purpose had it been compelled by a Federal court rather than the State court.[2] This would have been true whether the Federal court proceeding had been nocriminal or criminal,[3] and whether Feldman had testified as a mere witness or as a defendant.[4] Nor could his forced testimony have been used had it been compelled by Federal officers outside of a court room;[5] by foreign detectives in a foreign country inquiring into commission of an offense against the United States committed on the high seas;[6] or by State officers interrogating a suspect for the purpose of enforcing a Federal law.[7] There is, then, no sanction in the precedents of this Court for viewing the fifth amendment's prohibition against compelled testimony with grudging eyes and reducing its scope to the narrowest plausible limits. As the decisions reflect, the previously declared attitude of the Court toward this prohibition has been that it "must have a broad construction in favor of the right which it was intended to secure" (*Counselman* v. *Hitchcock*, 142 U. S. 547, 562; *McCarthy* v. *Arndstein*, 266 U. S. 34).

Today, however, the Court adopts a different approach to the task of construing

[1] And see *Jack* v. *Kansas* (199 U. S. 372), where this Court disposed of an argument that a Kansas statute unconstitutionally compelled Jack to confess his violations of a Federal criminal statute with the assertion that, "We do not believe * * * such evidence would be availed of by the Government for such purpose." Id., 381–382. In an earlier case, *Brown* v. *Walker* (161 U. S. 591), this Court thought that the likelihood that State prosecutors would use testimony compelled by the Federal Government was "so improbable that no reasonable man would suffer it to influence his conduct." Id., 606–606. But see *Ensign* v. *Pennsylvania* (227 U. S. 592).

[2] *McCarthy* v. *Arndstein* (266 U. S. 34); and see *Bram* v. *United States* (168 U. S. 532); *Wan* v. *United States* (266 U. S. 1); cf. *Boyd* v. *United States* (116 U. S. 616).

[3] *McCarthy* v. *Arndstein, supra*, note 2, pp. 40–41; *Counselman* v. *Hitchcock* (142 U. S. 547, 562). See also *United States ex rel. Bilokumsky* v. *Tod* (263 U. S. 149); *United States ex rel. Vajtauer* v. *Commissioner of Immigration* (273 U. S. 103).

[4] *Counselman* v. *Hitchcock* (142 U. S. 547).

[5] *Wan* v. *United States*, supra, Note 2; *Anderson* v. *United States* (318 U. S. 350, 356).

[6] *Bram* v. *United States*, supra, Note 2.

[7] *Anderson* v. *United States*, supra, Note. 5; and see *Bram* v. *United States*, supra, Note 2.

the fifth amendment. We are now told that under certain circumstances compelled testimony is purged of the fatal taint which the fifth amendment places upon it, and that an accused can be convicted in a Federal court on words he was forced to speak. The circumstances under which it is now held that men can be forced to convict themselves by their own testimony are, (1) that the testimony was compelled by State officers, and (2) that the State officers were not acting to enforce Federal law. These slight variations in the techniques of compulsion are considered a sufficient excuse to escape the fifth amendment's command against the use of compelled testimony by Federal courts. Surely such a holding is not to be justified by the language of that amendment. Within its sweeping prohibition are found no exceptions based upon the persons who compel, their purpose in compelling, or their method of compelling, whether by threats of imprisonment, physical torture, or other means. Testimony is no less compelled because a State rather than a Federal officer compels it, or because the State officer appears to be primarily interested at the moment in enforcing a State rather than a Federal law.

Nor is the holding in this case to be defended as one which our Federal system requires. This case presents no conflict between Federal and State spheres of power such as that presented by cases involving the validity of Federal and State immunity statutes, wherein it has been contended, unsuccessfully, that neither the United States nor a State can compel a witness to testify against himself unless it grant him complete immunity from prosecution in both jurisdictions.[8] Feldman's objection to the use of his compelled testimony is not based on a claim that New York must grant him, or has granted him, immunity from prosecution for the Federal crime it has forced him to confess. He does not question the power of the United States to prosecute him for that crime on proper evidence. Nor, for that matter, does he contend that the fifth amendment prevented New York from compelling him to confess a Federal crime.[9] He claims only that the fifth amendment's prohibition against self-incrimination prevents the use of his compelled testimony against him in the present proceeding.

The very narrow problem thus presented, and upon which this Court never before has passed, is whether Federal courts can convict a defendant of a Federal crime by use of self-incriminatory testimony which someone in some manner has extracted from him against his will. The Court's holding that a defendant can be so convicted cuts into the very substance of the fifth amendment. And it justifies this result not by the language or history of the Constitution itself but by a process of syllogistic reasoning based upon broad premises of "dual sovereignty" stated in previous opinions of the Court relating to immunity statutes. Even were there here a "dual sovereignty" problem, which there is not, such a method of decision would be questionable. Constitutional interpretation should involve more than dialectics. The great principles of liberty written in the Bill of Rights cannot safely be treated as imprisoned in walls of formal logic built upon vague abstractions found in the United States Reports. "The ultimate touchstone of constitutionality is the Constitution itself and not what we have said about it" (*Graves* v. *New York ex rel. O'Keefe*, 306 U. S. 466, concurring opinion, 487, 491–492).[10]

Putting aside the Court's dialectical method of interpretation, and examining the history and purpose of the fifth amendment, there appears to be no justification for reducing its scope as the Court is now doing. Compulsion of self-incriminatory testimony by court oaths and by the less refined methods of torture were equally detested by the fifth amendment's liberty-loving advocates and their forebears.[11] Their abhorrence of these practices did not spring alone from a predilection for personal privacy. They had other reasons to despise and fear them. They still remembered the hated practices of the Court of Star Chamber, the Court of High Commission, and other inquisitorial agencies which had brought religious and political nonconformists within the penalties of the law by means of their own testimony. And history supports no argument that the framers of the fifth amendment were interested only in forbidding the extraction of an accused's testimony, as distinguished from the use of his extracted testimony. The extraction of testimony is, of course, but a means to the end of its use to punish. Few persons would seriously object to testifying unless their testimony would subject them to future punishment. The real evil aimed at by the fifth amendment's flat prohibition against the compulsion of self-incriminatory testimony was that thought to inhere in using a man's compelled testimony to punish him. By broadly outlawing the practice of compelling such testimony the fifth amendment struck at this evil at its source, seeking to eliminate the possibility that compelled testimony would ever be available for use to punish a defendant.[12]

Perhaps, as some have argued, the men who framed this amendment were mistaken or their fears have lost foundation and the unqualified prohibition against the extraction and use of compelled testimony which they put into the fifth amendment should be repealed or modified.[13] This view of the desirability of constricting the fifth amendment I am not ready to accept, but were it otherwise I would not consider such a view should play any part in the process of interpretation. I am unwilling to see any constriction of the liberties and the procedural safeguards of these liberties specifically enumerated in the Bill of Rights unless it be by constitutional amendment.[14]

The prohibition against compelled testimony which the Court today has seen fit to restrict cannot be dissociated from the other specific protections afforded the individual by the Bill of Rights. The founders of our Federal Government were too close to oppressions and persecutions of the unorthodox, the unpopular, and the less influential to trust even elected representatives with unlimited powers of control over the individual. From their distrust was derived the first 10 amendments, designed as a whole to "limit and qualify the powers of Government," to define "cases in which the Government ought not to act, or to act only in a particular mode," and to protect unpopular minorities from oppressive majorities. 1 Annals 437. The first of the 10 amendments erected a constitutional shelter for the people's liberties of religion, speech, press, and assembly. This amendment reflects the faith that a good society is not static but advancing, and that the fullest possible interchange of ideas and beliefs is essential to attainment of this goal. The proponents of the first amendment, committed to this faith, were determined that every American should possess an unrestrained freedom to express his views, however odious they might be to vested interests whose power they might challenge.

But these men were not satisfied that the first amendment would make this right sufficiently secure. As they well knew, history teaches that attempted exercises of the freedoms of religion, speech, press, and assembly have been the commonest occasions for oppression and persecution. Inevitably such persecutions have involved secret arrests, unlawful detention, forced confessions, secret trials, and arbitrary punishments under oppressive laws. Therefore it is not surprising that the men behind the first amendment also insisted upon the fifth, sixth, and eighth amendments, designed to protect all individuals against arbitrary punishment by definite procedural provisions guaranteeing fair public trials by juries. They sought by these provisions to assure that no individual could be punished except according to "due process," by which they certainly intended that no person could be punished except for a violation of definite and validly enacted laws of the land, and after a trial conducted in accordance with the specific procedural safeguards written in the Bill of Rights.[15] If occasionally these safeguards worked to the advantage of an ordinary criminal, that was a price they were willing to

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[8] See *Hale* v. *Henkel*, 201 U. S. 43, and *United States* v. *Murdock*, 284 U. S. 141, holding it enough that the United States grant immunity from prosecution for Federal crimes; but see, *contra*, *United States* v. *Saline Bank*, 1 Peters 100; *Ballmann* v. *Fagin*, 200 U. S. 186. Had the Court in the Murdock case, supra, accepted the contention that the Federal Government must grant an immunity from State as well as Federal prosecution, it would inevitably have been faced with the problem of the Federal power to interfere with enforcement of State laws through the device of granting immunity from State prosecution to witnesses in Federal proceedings—a problem replete with both practical and legal difficulties. See J. A. C. Grant, Immunity From Compulsory Self-Incrimination in a Federal System of Government, 9 Temple L. Q. 57 and 194, 207–211.

Compare *Jack* v. *Kansas*, supra, note 1, holding that Kansas could compel a witness to testify to his past crimes upon a grant of immunity from State prosecution, though he still be subject to Federal prosecution. In reaching this result the Court took specific notice of the fact that, were the rule otherwise, State immunity statutes must all be stricken down. "The State statute could not, of course, prevent a prosecution of the same party under the United States statute" (199 U. S. 372, 380).

[9] See *Twining* v. *New Jersey*, 211 U. S. 78, and *Ensign* v. *Pennsylvania*, supra, note 1, holding respectively that despite the fourteenth amendment a State may compel a defendant to incriminate himself, and may use against him schedules he filed in an involuntary Federal bankruptcy proceeding. But see *Ashcraft* v. *Tennessee*, No. 391, decided May 1, 1944.

[10] For a critical analysis of the conflict between the legal concept of "dual sovereignty" and preservation of the constitutional prohibition against self-incrimination. (See J. A. C. Grant, op. cit., supra, Note 8.)

[11] See Pittman, The Colonial and Constitutional History of the Privilege Against Self-Incrimination in America, 21 Va. L. Rev. 763, 775–783.

[12] See *United States* v. *Burr*, 25 Fed. Cas. 38–41; *Counselman* v. *Hitchcock*, 142 U. S. 547, 564–566; *Brown* v. *Walker*, 161 U. S. 591, 594, 600, 605–606; cf. Ex parte Lange, 18 Wall. 163, 173. And see Pittman, op. cit., supra, note 11; and cases cited Notes 5, 6, and 7, supra.

[13] Compare Knox, Self-Incrimination, 74 Univ. Pa. L. Rev. 139 with VIII Wigmore on Evidence, Third ed., pp. 304–313; and see Editorial, 16 Journ. Crim. Law and Crim. 165–166.

[14] See dissenting opinion of Circuit Judge Frank, in *United States* v. *St. Pierre*, 132 F. 2d 837, 840, pp. 847–848. "Strangely enough, those who are most opposed to any changes in judicial constructions of those designedly elastic clauses of the Constitution are often the most vigorous in their demands that the courts should eviscerate the specific and relatively inelastic self-incrimination clause." Id., 848.

[15] See *Chambers* v. *Florida*, 309 U. S. 227, 235–238; *Tot* v. *United States*, 319 U. S. 463, 473.

pay for the freedom they cherished. And one of the specific procedural safeguards which they inserted to shield the individual was the prohibition against compulsion of self-incriminatory testimony.

It is impossible for me to reconcile today's restrictive interpretation of the prohibition against compelled self-incrimination with the principle of broad construction which this Court heretofore has deemed essential to full preservation of the basic safeguards of liberty specifically enumerated in the Bill of Rights. The protections explicitly afforded the individual by the Bill of Rights represent a large part of the characteristics which distinguish free from totalitarian government. Under our constitutional system the privileges it embodies and the rights it secures were intended to be above and beyond the power of any branch of government to mutilate or destroy. We have no assurance that the fears of those who drafted and adopted our Bill of Rights were groundless, nor that the reasons for those fears no longer exist. Ancient evils historically associated with the possession of unqualified power to impose criminal punishment on individuals have a dangerous habit of reappearing when tried safeguards are removed.

This case involves the fifth, not the fourth, amendment. Decisions which have read the fourth and fifth amendments together for the purpose of broadening the fourth amendment should not now be employed to narrow the fifth amendment. To do so ignores the particular reasoning of these decisions as well as the separate language and history of the two amendments. See *Boyd* v. *United States*, supra; *Counselman* v. *Hitchcock*, supra; *Brown* v. *Walker* (161 U. S. 591); VIII Wigmore on Evidence (third ed., pp. 276–304, 368). Nothing this court has said with regard to the fourth amendment requires that we now open the door which the fifth amendment in 1791 closed to compelled self-incrimination.

I would reverse the judgment.

(Mr. Justice Douglas and Mr. Justice Rutledge join in this opinion.)

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 4771. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves; to the calendar.

H. R. 4899. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes; and

H. R. 4937. An act making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes; to the Committee on Appropriations.

H. J. Res. 286. Joint resolution providing for operation of naval petroleum and oil-shale reserves: to the Committee on Naval Affairs.

AMENDMENT OF THE BUDGET AND ACCOUNTING ACT—AMENDMENTS

Mr. LA FOLLETTE. I ask unanimous consent to submit two amendments to the bill (H. R. 2795) to amend the Budget and Accounting Act, 1921, to provide for the more efficient utilization and disposition of Government property other than land or buildings and facilities or fixtures appurtenant thereto, and for other purposes, which I ask to have printed and lie on the table and also to have printed in the RECORD.

There being no objection, the amendments were ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 8, between lines 23 and 24, insert a new paragraph as follows:

"(2) By sale or lease to people's utility districts and cooperative, nonprofit, or limited dividend associations, the projects of which comply with the requirements of the Rural Electrification Act of 1936."

On page 8, line 24, and page 9, lines 1, 3, 6, and 7, change the paragraph numbers to conform.

On page 9, line 19, before the comma, insert "and of districts and associations included under paragraph (2) of subsection (a)."

On page 9, line 23, after the word "organizations", insert "or to districts or associations included under paragraph (2) of subsection (a)."

RIVER AND HARBOR FLOOD-CONTROL WORKS—AMENDMENTS

Mr. WALLGREN submitted amendments intended to be proposed by him to the bill (H. R. 4485) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which were referred to the Committee on Commerce and ordered to be printed.

AMENDMENT OF COMMUNICATIONS ACT—AMENDMENTS

Mr. JOHNSON of Colorado submitted amendments intended to be proposed by him to the bill (S. 814) to amend the Communications Act of 1934, and for other purposes, which were referred to the Committee on Interstate Commerce and ordered to be printed.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS—AMENDMENTS

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, Seventy-seventh Congress) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), which was ordered to lie on the table and to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. THOMAS of Oklahoma to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong): At the proper place in the bill add the following:

"Provided, That notwithstanding the provisions of law no agent, bureau, or department of the Government shall be authorized to fix, establish, or maintain any price ceiling on crude petroleum below the parity price per barrel as shall be determined by the application of the parity law 'in the case of all kinds of tobacco except burley and fluecured.' (Paragraph (1) of (a) of section 301 of subtitle A of title III of 'Agricultural Adjustment Act of 1938,' as amended): *And provided further*, That the provisions of this paragraph shall be applicable to effect an average price of the various grades of crude petroleum throughout the United States at parity as above defined: *And provided further*, That the director of the Office of Price Administration shall proceed immediately to adjust the ceiling price per barrel for such crude petroleum in the various grades and the refined products thereof in harmony with the provisions of this paragraph."

Mr. STEWART submitted an amendment intended to be proposed by him to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), which was ordered to lie on the table and to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. STEWART to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), viz: At the end of title II of the bill add the following section:

"SEC. 205. Section 3 of the act of October 2, 1942 (Public Law 729, 77th Cong.) is hereby amended by adding a new paragraph to read as follows:

" 'PERISHABLE COMMODITIES

" 'Whenever a maximum price is established on any fresh fruit or fresh vegetable, including potatoes, adequate allowance shall be made for hazards of production and marketing of such commodities throughout the crop year, including increased costs due to crop losses which have resulted or may result from such hazards. If a maximum price has been established on any such commodity, the Price Administrator shall take immediate action to review and increase such maximum price from time to time by making further allowances to the extent necessary to compensate for subsequent substantial changes in such conditions including substantial reductions in merchantable crop yields.' "

Mr. CHANDLER, Mr. LUCAS, Mr. MALONEY, Mr. WEEKS, and Mr. WILLIS each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), which were severally ordered to lie on the table and to be printed.

Mr. GEORGE. Mr. President, I wish to have an amendment to Senate bill 1764 printed and lie on the table. It relates to the venue of suits for civil damages.

The ACTING PRESIDENT pro tempore. Without objection, the amendment will be received and lie on the table.

Mr. MALONEY. Mr. President, a short time ago I offered an amendment to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.), as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), and asked that it be printed and lie on the table. I now ask unanimous consent that the amendment be printed in the RECORD for the information of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. MALONEY to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.), as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), viz: At the appropriate place in the bill insert after section 3 of the Stabilization Act a new section 3A, reading as follows:

"SEC. 3A. (a) The Economic Stabilization Director is authorized and directed to formulate a comprehensive and coordinated national program for the purpose of increasing the supply and improving the quality of essential cotton textiles and cotton-textile products to the maximum extent consistent with the effective prosecution of the war. Special emphasis shall be given in the program to the production and distribution of low-cost children's clothing, work clothing, and other low-cost staple cotton goods.

"(b) Every agency of the Government concerned, directly or indirectly, with the production or distribution of such cotton textiles or textile products is directed, in cooperation with the Director and with each other, to utilize its full legal authority to put the program promptly into effect. So far as each may be authorized by law and to the fullest extent necessary to effectuate the program, it shall be the specific duty and responsibility—

"(1) of the War Production Board to allocate necessary facilities and materials to the production of the commodities required by the program and to institute appropriate restrictions when and to the extent that the production or distribution of any commodity is inconsistent with the program;

"(2) of the War Manpower Commission to take such action as may be appropriate to avoid shortages of manpower required by the program;

"(3) of the Smaller War Plants Corporation to take such action as will enable small business concerns to participate to the fullest extent practicable in the program; and

"(4) of the Office of Price Administration to take such action as may be necessary to remove price impediments to the production or distribution of commodities required by the program, including increases in maximum prices where no practicable alternative exists to carry out the purposes of this section and including reductions in maximum prices, either to offset such increases or to prevent diversion from production or distribution of commodities required by the program.

"(c) From time to time, but not less frequently than once every 90 days, the Director shall transmit to the Congress a report of operations under this section. If the Senate or the House of Representatives is not in session, such report shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be."

RETURN TO STANDARD TIME

Mr. WHERRY. Mr. President, I submit a concurrent resolution to terminate war time and to return to standard time.

The question whether the Congress can reserve the right in a statute to terminate such statute at its pleasure without approval by the President has apparently never been ruled on by the courts.

There is no doubt that the Congress has the power to pass temporary statutes to expire on a given date. Nor would there seem to be a very serious question as to its power to provide for termination upon the happening of a certain event, such as the cessation of hostilities in the war. It may be argued, however, that termination of a statute by concurrent resolution, without regard to the happening of any event, as contemplated by the language of Public Law 403, amounts to a repeal, and would be an unconstitutional restriction of the President's veto power. It is true that a number of statutes enacted during the present war have contained similar language. It does not appear, however, that Congress has attempted to exercise any rights thereunder.

I am asking that the concurrent resolution be received and referred to the proper committee for appropriate action. In the event the committee might decide that Congress cannot by concurrent resolution repeal a legislative enactment created by a joint resolution containing the signature of the President, I have also prepared a bill which seeks the same objective as does the concurrent resolution, and I ask that it be received and referred to the proper committee for consideration.

The ACTING PRESIDENT pro tempore. Without objection, the concurrent resolution and bill will be received and both referred to the Committee on Interstate Commerce.

The concurrent resolution (S. Con. Res. 44), submitted by Mr. WHERRY, was referred to the Committee on Interstate Commerce, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with the provisions of section 2 of the Act entitled "An Act to promote the national security and defense by establishing daylight saving time", approved January 20, 1942, the Congress hereby designates the date on which the two Houses of the Congress concur in the provisions of this resolution as the date on which such act shall cease to be in effect.

The bill (S. 1976) to provide for returning to the use of standard time, introduced by Mr. WHERRY, was read twice by its title and referred to the Committee on Interstate Commerce.

INVESTIGATION OF THE COTTON TEXTILE INDUSTRY

Mr. ELLENDER. Mr. President, I ask unanimous consent to submit at this time for appropriate reference a resolution. I shall read the first paragraph of the resolution:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of the cotton textile industry, with particular reference to (1) the ceiling prices fixed by the Office of Price Administration on cotton textiles and the relation of these ceiling prices to prices paid for raw cotton, and (2) the alleged practice of the textile industry in producing luxury fabrics in preference to work clothes and other low-priced goods. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem desirable.

The ACTING PRESIDENT pro tempore. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 301) was referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of the cotton textile industry, with particular reference to (1) the ceiling prices fixed by the Office of Price Administration on cotton textiles and the relation of these ceiling prices to prices paid for raw cotton, and (2) the alleged practice of the textile industry in producing luxury fabrics in preference to work clothes and other low-priced goods. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem desirable.

For the purpose of this study and investigation, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

PAYMENT FOR REPORTING SERVICE INCURRED BY COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. HAYDEN submitted the following resolution (S. Res. 302), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the expense of $106.75 for stenographic reporting incurred by the Committee on Irrigation and Reclamation at the hearing on February 3, 1944, on the subject of the delay in construction of irrigation projects, hereby is authorized to be paid from the contingent fund of the Senate.

EMPLOYMENT OF ADDITIONAL PRIVATES FOR THE POLICE FORCE

Mr. HAYDEN submitted the following resolution (S. Res. 303), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms hereby is authorized to employ 10 additional privates for the police force, to be paid from the contingent fund of the Senate from June 1 to September 30, 1944, at the rate of $1,620 each per annum.

CONDUCT OF RECENT SENATORIAL PRIMARIES IN OREGON

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a statement prepared by him relative to the methods employed and the expenditures made in the recent senatorial primary election in Oregon, together with an article entitled "White House Guard Linked with C. I. O. Group," published in the Washington Times-Herald of June 3, which appear in the Appendix.]

ADDRESS BY SENATOR MALONEY TO KNIGHTS OF COLUMBUS

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an address delivered by him at a banquet of the Fourth Degree Assemblies of the Knights of Columbus of Connecticut, at the Bond Hotel, in Hartford, Conn., May 28, 1944, which appears in the Appendix.]

ISOLATIONISM—FOREIGN AND DOMESTIC—ADDRESS BY SENATOR GREEN

[Mr. HILL asked and obtained leave to have printed in the RECORD on address entitled "Isolationism—Foreign and Domestic," delivered by Senator GREEN at the opening of the National Wartime Conference, at the Hotel Commodore, in New York City, on June 2, 1944, which appears in the Appendix.]

THE NEW MONETARY STABILIZATION PROPOSAL — ADDRESS BY SENATOR JOHNSON OF COLORADO

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a radio address entitled "The New Monetary Stabilization Proposal," delivered by him on June 1, 1944, which appears in the Appendix.]

THE PROBLEM OF THE RETAIL FOOD DEALERS — ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address entitled "The Problem of the Retail Food Dealers," delivered by him at the banquet of the Associated Food Stores of Milwaukee, on May 7, 1944, which appears in the Appendix.]

POST-WAR AVIATION—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD an article entitled "The Air Must Be Free," written by Senator THOMAS of Utah, and published in the magazine Flying, for May 1944, which appears in the Appendix.]

ADDRESS BY REPRESENTATIVE GORE BEFORE YOUNG DEMOCRATIC CLUB OF PENNSYLVANIA

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Representative GORE, of Tennessee, before the Young Democratic Club of Pennsylvania, in State convention at Harrisburg, Pa., on May 24, 1944, which appears in the Appendix.]

MEMORIAL DAY ADDRESS BY CAPT. EDDIE RICKENBACKER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a Memorial Day address entitled "America, Wake Up," delivered by Capt. Eddie Rickenbacker before the War Dads Association, at Kansas City, Mo., on May 30, 1944, which appears in the Appendix.]

MEANING OF THE RECENT PRIMARY ELECTIONS—ADDRESS BY DR. FRANK KINGDON

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a radio address relative to the recent primary elections, delivered by Dr. Frank Kingdon on May 10, 1944, which appears in the Appendix.]

POWER VERSUS CONSCIENCE—EDITORIAL FROM LIFE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an editorial entitled "Power Versus Conscience," published in Life of the issue of June 5, 1944, which appears in the Appendix.]

PHILIPPINE FREEDOM—EDITORIAL FROM THE WASHINGTON POST

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an editorial entitled "Philippine Freedom" published in the Washington Post of June 4, 1944, which appears in the Appendix.]

SMALL BUSINESS PLANK FOR POLITICAL PLATFORMS

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a letter from George J. Burger, publisher of the magazine National Independent, and a proposed 1944 plank on small business, which appear in the Appendix.]

EIGHTY-SEVENTH BIRTHDAY ANNIVERSARY OF TIMOTHY W. CROWLEY—ARTICLE FROM HARTFORD TIMES

[Mr. DANAHER asked and obtained leave to have printed in the RECORD an article published in the Hartford Times of May 20, 1944, on the eighty-seventh birthday anniversary of Timothy W. Crowley, of Hartford, Conn., former labor leader, which appears in the Appendix.]

SOUTH CAROLINA'S NATIONAL GUARD ARTILLERY—ARTICLE FROM THE BALTIMORE SUN

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an article entitled "Crack Carolina Artillery Outfit Backs Up French at Hitler Line," by Price Day, published in the Baltimore Sun for Saturday, May 20, 1944, which appears in the Appendix.]

THE ATLANTIC CHARTER AS IT RELATES TO FINLAND—LETTER TO THE PRESIDENT FROM FINNISH LEADERS

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD a letter dated May 20, 1944, addressed to the President of the United States by Hon. O. J. Larson, a former Representative in Congress from the State of Minnesota; Rev. Paul A. Heideman, of the Finnish Apostolic Lutheran Church of America, at Calumet, Mich.; Henry Puranen, of the Finnish-American League for Democracy, Fitchburg, Mass.; and V. K. Nikander, president of Suomi College and Theological Seminary, the Finnish Lutheran Church of America, at Hancock, Mich., relative to the preservation of the principles of the Atlantic Charter as related to Finland and other small independent states, which appears in the Appendix.]

THE DANISH PEOPLE AND THE DANISH CONSTITUTION

Mr. WILEY. Mr. President, yesterday our soldiers entered Rome; today is the anniversary of the constitution of the Danish Government.

The desire for an ordered law-abiding existence, a national trait of the Danish people and of all people everywhere to whom Denmark is the land of their ancestors, was attained 95 years ago—on June 5, 1849—when the Danish Constitution became law.

That constitution, in spirit so like our own, gave the people of Denmark the right to freedom of religion, freedom of assembly, and freedom of speech. It assured them the fundamental justice of a speedy trial. It protected their homes and their property from unlawful violations.

Such was the effect of living under the guidance of this just and equitable constitution that the Danish citizen himself became the finest product of Denmark.

All groups, all classes, have contributed toward the quiet, determined resistance of the Danes against the Nazi invaders. Danes who have made their way to the havens of the United Nations have aided the war effort of the Allies.

I pay especial tribute to the Danish merchant fleet.

When Denmark was invaded, 40 percent of the Danish merchant fleet, comprising approximately 800,000 tons of shipping and 5,000 experienced sailors, came over to the Allies. Now, when Allied bombing has thrown an ever-increasing burden on enemy railroads, the lack of these vessels and these men may help to spell defeat for the Nazis.

Two obstacles must be overcome before Danes are able to live once more under the guidance of their 95-year-old constitution. The Nazis must be completely defeated and the Danish people must be restored to the high standard of living which was their birthright before the Nazi invasion.

Plans have already been made and forces have already been set in action which will result in the liberation of Denmark. In this country a movement is now on foot to help the Danes to help themselves after liberation. I refer to the American Danish Relief, Inc., formerly known as the National America-Denmark Association. This organization, representing 500 societies of Americans of Danish origin, has established a relief fund for the people of Denmark; $125,000 has already been collected, of which $100,000 has already been sent to Sweden to pay for the care of Danish refugees. Last Christmas packages were sent by this organization to 1,500 Danish seamen under United Nations flags. Further plans are being carried out to provide shipments of food, raw materials, fodder, and medicine and surgical instruments when Denmark's day of liberation arrives, which, I feel confident, Mr. President, is just around the corner.

I have every confidence in the future of the Danish people. This great-hearted nation had the courage to go to the polls and cast their ballots overwhelmingly for freedom and overwhelmingly against slavery while under Nazi domination. A nation and a people who have the deep-rooted love of liberty to act so bravely deserve to live under a just constitution and to keep their heads high in the company of their fellow nations and their fellow men.

Mr. President, the latter part of August and the first part of September 1939 I spent in Denmark. I was in Copenhagen when Hitler went into Poland.

The origin of Copenhagen dates back to ancient times when the fishing and trading place named Havn grew up on a cluster of islets in the sound, but Bishop Absalon (1128–1201) is regarded as the actual founder of the city. On one of the islets he built a stronghold against the pirating Wends and the remnants of this still exist underground in front of Christiansborg. We visited Elsinore on this trip which contains the grave of Hamlet, the Danish prince immortalized by Shakespeare.

The castle of Kronborg at this place with historic casemates and old bastions and old bronze guns was very interesting.

There were in Denmark in 1939, 564,000 horses, 3,258,000 head of cattle, 3,127,000 swine, and 27,500,000 hens.

The Danish dairy products are world famous and the country in normal times exports more butter than any in the world and produces more bacon than any other with the exception of the United States. Denmark's fisheries are also important.

In Denmark there are many cooperatives. The first cooperative consumers society was established in 1866, and in 1939 there were 1,964 affiliated societies.

The Danish farmers operated more than 1,400 cooperative dairies, 60 cooperative bacon factories, and numerous slaughter houses.

The chief exports in normal times are dairy products, eggs, provisions, and fodder, animals and animal products.

Denmark has a great King, Christian X. Germany invaded Denmark on April 9, 1940, although a 10-year pact pledging Germany not to make war or use force against Denmark was signed May 31, 1939.

Denmark's population in 1939 was 3,805,000.

In Wisconsin a great many Danes have settled. They have made a great contribution to our State. This is true of other States also.

We look forward to the day—and we hope it will not be very distant—when Denmark again will be freed from the invader.

CRUDE PETROLEUM PRICE CONTROL—CHARTS OF O. P. A.

Mr. REED. Mr. President, Mr. Chester Bowles, head of the O. P. A., is widely known as an advertising man, and in various public appearances, including appearances before congressional committees, he freely uses the arts of that profession, or trade, whichever it may be. Someone has defined advertising as the "essence of exaggeration and omission." Presumably, that could be interpreted as meaning that advertising an article emphasizes its virtues and omits its defects, if any.

At least, Mr. Bowles uses such practices very freely in his public statements and appearances. I have admired the proficiency with which he skates over thin places in the ice, and the adroit way in which he makes a half truth serve in lieu of the whole truth.

Recently, the O. P. A. issued a set of charts, labeled "Crude petroleum price control." A letter transmitting a set of these charts to me, under date of May 17, was signed by Mr. Bowles. Anyway, the letter and the charts recommended the O. P. A. and Mr. Bowles and the policies being followed, very highly.

I am reminded of a story of a public speaker who had addressed an outdoor audience. After his speech, the speaker visited around the edges of the crowd and met a colored man who failed to recognize him as the speaker. So, the orator asked:

"Question. What kind of a meeting is this?

"Answer. We have been listening to a man talk.

"Question. What was his name?

"Answer. I don't exactly remember.

"Question. What did he say?

"Answer. I couldn't make out exactly what he was a talking about, except that he recommended hisself very highly." [Laughter.]

I examined this set of charts, and they did not make a great deal of sense to me. However, I admit I am an amateur in advertising.

Mr. Russell Brown, general counsel for the Independent Petroleum Association of America, is an expert in oil matters. Under date of May 27 he addressed a letter to Members of Congress, in which he analyzed the O. P. A. charts to which I have referred. Mr. Brown said:

Under date of May 17 the Administrator of the Office of Price Administration signed a letter to some, and perhaps all, Members of Congress, and attached to it a set of charts labeled "Crude petroleum price control."

For more than 2 years the independent producers of petroleum have sought to convince the O. P. A. that its crude-oil price policy was wrong, that it was making it impossible for the producers to increase the supply of petroleum in the amount needed, and that the consumers of the Nation would reach the point where they would be deprived of the essential gasoline they need. The latter stage, of course, has been reached.

Assuming that the same right exists to address the Members of Congress as was exercised by the Price Administrator, I take this means of commenting upon the charts mentioned above. They contain fallacies of reasoning and errors in fact.

The charts were not offered during the hearings on the renewal of the price-control law and thus no opportunity for discussion and criticism existed at that time. They are obviously designed to prove a case and superficially they plead the case with eloquence. They will not stand cross-examination.

I shall not go into the analysis of them to any great extent. Comment on two or three will illustrate the point I make as to their veracity. Some of the others require greater analysis, but are nonetheless misleading.

On page 3 there is offered to the Congress chart 1 which asks the question, "Are reserves being exhausted?" Three separate subjects are stated on this page, but the subject would appear to be reserves and a block graph is shown. Frankly, I cannot tell whether the graph relates to reserves, or to production, or to war demands. There is no scale and no coordinates to show what it is. If it does mean reserves, then it would appear that reserves increased in 1943, although on the next page it is shown that there was a decrease. For any meaning the chart has it could just as well have been labeled "Mairzy Doats and Dozy Doats."

On page 6 is a chart relating to wildcat drilling. It asserts that "wildcat drilling at peak during price control years." This is not true. To make the chart more striking, the last panel shows estimates for 1944, the estimates being 5,000 wells, of which 900 would be successful. The only basis for inclusion of the figure 5,000 is the recommendation of the Petroleum Administrator for War that such minimum number be drilled. It is a request based on needs. There is no basis at all for estimating success. It would have been as consistent to have shown the recommendation for 1943, which was 4,500 wildcats, instead of the figure shown on the chart, which was 3,599. This same chart carries the assertion that "recent wildcat drilling fortunately is proving more successful in opening up productive reserves." Again, this must refer to numbers of successful wells, not barrels of oil found, for last year's estimate of new reserves found by wildcatting, as estimated by the American Petroleum Institute's Committee on Reserves, was 282,418,000 barrels, almost the same as in 1942, compared to 429,974,000 barrels in 1941. Many of the successful wells find very small fields. It is the barrels in the new fields and not the number of fields that count.

On page 14 of the collection the O. P. A. offered a second chart 1. It purports to show that crude-oil prices have advanced 21 percent in the period 1939–43. The inclusion of years prior to price control is not pertinent to O. P. A.'s attempts to make a case, nor is a rise from $1.02 to $1.21 an increase of 21 percent.

The entire set of charts is shot through with, to use a soft term, mendacity. This is best illustrated by taking chart 1, the one on page 14, not the chart 1 on page 3, laying it alongside the unnumbered chart on page 18.

The line on the page 14 chart would indicate that there was a precipitous rise in the price of crude petroleum. That was apparently what they wanted you to believe.

On page 18, the World War No. 2 line demonstrates that petroleum prices have been almost level under price control. This one is more nearly accurate.

Thus, on two charts, drawn on the same scale, located three pages apart, exactly opposite cases are proved. You may conclude from the one that O. P. A. has permitted prices of petroleum to rise, from the other that they have held the line.

Chart 3, page 17, purports to show profits of 10 major companies. My only comment is, after examining the annual statements of these companies, a list of which I obtained from O. P. A., that the figures O. P. A. used are not the ones published by the companies. Some form of adjustment for purposes of chart making seems to have been employed.

I believe these errors, miscalculations, and fabrications here cited are basis enough for suggesting that the entire set of charts should be disregarded, except for the purpose of demonstrating the fact that an undirected and uninstructed O. P. A. will not solve the petroleum shortage. We have sought to present the case for a price increase in petroleum on the basis of facts, without distortions and without the substitution of fancy for fact. We submit that this set of charts proves our contention that we have never been given an unprejudiced hearing by O. P. A.

Respectfully submitted.

RUSSELL B. BROWN.

SECURING A PERMANENT PEACE—EDITORIAL FROM PHILADELPHIA INQUIRER

Mr. DAVIS. Mr. President, the problems of creating a just and lasting peace are both numerous and complex, and the liberation of Rome serves to remind us that the day is drawing near when we shall have to devise our final solution to those problems.

Certainly the United States is anxious to avoid a third world war and to create the long-sought-after peace which "passeth all understanding." But if we are to build such a peace, we must be constantly aware of the attitudes of other nations and other peoples.

It is for this reason that I ask unanimous consent to have printed in the RECORD as a part of my remarks a copy of an editorial entitled "No 'Next War' for Germans," which appeared in this morning's issue of the Philadelphia Inquirer.

I am sure this editorial will prove of great interest to all those who are sincerely concerned with the problems of peace, since it reflects something of the German attitude regarding a possible third world war.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO "NEXT WAR" FOR GERMANS

An article in the Munich Neueste Nachrichten says that after this war Germany will have no opportunity to bid for military supremacy until she has created sea power capable of combating that of America and Britain. This is one way of admitting that the Nazi submarine campaign has been a wash-out. But, more important, it reveals that the Germans are already looking forward to the next war.

It is the great task and the high responsibility of the Allies to make it impossible for Germany to wage a "next war." Whether Germany is planning future aggression by means of land, air, or sea forces, or by a combination of all three should make no difference to the Allies. They must see to it that for decades ahead German industry shall not be turned to the production of guns, planes, or ships to further the persisting ambitions of the Prussians and the Junkers.

PERMANENT FAIR EMPLOYMENT PRACTICE COMMITTEE—LETTER AND EDITORIAL COMMENT

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter and attached editorials I received from Anna Arnold Hedgeman, national executive secretary of the National Council for a Permanent Fair Employment Practice Committee, Washington, D. C., commenting on able editorials which have appeared recently in the Washington Post and Washington Evening Star in support of legislation setting up a Fair Employment Practice Committee. I heartily approve the proposed legislation, and I hope favorable action will be taken by the Senate in the near future.

There being no objection, the letter and editorials were ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL FOR A PERMANENT FAIR EMPLOYMENT PRACTICE COMMITTEE,
Washington, D. C., June 2, 1944.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: The attached clippings, we believe, will be of considerable interest to you.

It is heartening to the minority groups in America to find that the press of the Nation's Capital has come to the support of the Fair Employment Practice Committee. We hope that this obvious interest on the part of such important American newspapers as the Washington Post and the Washington Star indicates the possibility that both Democrats and Republicans will forget partisan lines and actively support the appropriation for this significant Government agency.

It is our hope that the Senate will approve this appropriation by a substantial majority. We and our supporting organizations and councils throughout the country are anxious to know if you personally will vote for the appropriation. An early affirmative report from you will be most appreciated.

Sincerely yours,

ANNA ARNOLD HEDGEMAN,
National Executive Secretary.

[From the Washington Post for May 27, 1944]

F. E. P. C.

The House Appropriations Committee showed a wise tolerance, we think, in recommending the allotment of half a million dollars for continuation of the President's Fair Employment Practice Committee. If the recommendation is approved by both Houses of Congress, as we very much hope it will be, the F. E. P. C. will cease to be merely a Presidential agency and will have independent status under congressional authorization. This is as it should be. The Post has expressed endorsement, in principle, of Senator RUSSELL'S proposal requiring all Federal agencies set up by Executive order to secure an appropriation from Congress after they have been in existence for a year. We should regret very much indeed, however, to see this sound general requirement employed, as some intended, to end the F. E. P. C.'s useful career.

There is particular need of the F. E. P. C. at the present time. To Negroes, the minority most urgently in need of its protection, the agency symbolizes the Government's recognition of their plight. Through the activities of the F. E. P. C., war employment otherwise barred to them because of racial prejudice has been opened up to Negroes. The war effort of the Nation has been accelerated by the utilization of their skills and energies. By gradual, patient, constructive effort the areas of discrimination are being reduced. The effort must not be abandoned now if we are to keep faith with the democratic principles we profess.

[From the Washington Evening Star for May 31, 1944]

FUNDS FOR F. E. P. C.

The Fair Employment Practice Committee, in some respects the most controversial of the war agencies created by Executive order, crossed one hurdle in its fight for survival when the House, by a four-vote margin, approved an appropriation of $500,000 for the agency, thereby exempting it from the death sentence which otherwise would have been imposed under the Russell amendment to the independent offices appropriation bill. A still higher hurdle in the form of Senate opposition remains, however, and if this proves insurmountable the F. E. P. C. probably will go out of existence on January 1.

There are compelling reasons why the Senate should not permit this to happen. The fundamental purpose of the F. E. P. C. is to eliminate forms of discrimination which stand between minority groups, Negroes especially, and the realization of their legitimate economic aspirations. For the most part this program has been pitched on a note of wartime necessity for full utilization of labor, but this imparts a quality of impermanence to the effort which is unrealistic and harmful. For the undeniable fact is that there will be more need after the war than there is now for an intelligent effort to strike down the artificial handicaps that discrimination imposes on Negroes and other minorities in the job market.

At the moment, however, the problem is to keep the F. E. P. C. from passing out of existence this year. Unfortunately, the committee has made errors of judgment and these mistakes have inflamed some segments of public opinion against it. But these mistakes should not blind one to the fact that this agency, relying largely on methods of persuasion, has been able to do a great deal of good work.

Approximately 3,000 complaints of discrimination had been docketed by the F. E. P. C. as of the first of this year. Nearly 1,000 of these cases were closed by January 1, about one-third of them representing satisfactory adjustments. The others listed as closed were dismissed for lack of jurisdiction or other reasons. If that is not a sensational record it is at least an unexpectedly good one for an agency which has to work in a field that has so many explosive possibilities.

On the record, and in good conscience, this is plainly a program which should be continued. There are Senators, of course, who are not in sympathy with what the F. E. P. C. has been doing and who are skeptical of what it proposes to do. But this is a matter which should be settled in perfecting a bill to give the F. E. P. C. a permanent legislative status, on which the House Labor Committee begins hearings tomorrow. Nothing constructive could be accomplished, but serious harm would be done, by permitting the agency to die for lack of funds while legislation to give it whatever powers Congress thinks it should have is under consideration.

INCREASE IN LIMITATION ON NATIONAL DEBT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 4464) to increase the debt limit of the United States, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. GEORGE. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. GEORGE, Mr. WALSH of Massachusetts, Mr. BARKLEY, Mr. LA FOLLETTE, and Mr. VANDENBERG conferees on the part of the Senate.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS

Mr. WAGNER. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1764, providing for amendment of the Emergency Price Control Act of 1942.

The ACTING PRESIDENT pro tempore. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 1764) to amend the Emergency Price Control Act of 1942—Public Law 421, Seventy-seventh Congress—as amended by the act of October 2, 1942—Public Law 729, Seventy-seventh Congress.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New York.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with amendments.

EXTENSION OF TIME LIMIT FOR IMMUNITY IN THE CASE OF CERTAIN OFFICERS

Mr. HATCH. Mr. President, at this time I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed immediately to the consideration of Senate Joint Resolution 133, Calendar No. 948.

In explanation let me say that the joint resolution was introduced by the Senator from Michigan [Mr. FERGUSON], and would extend the period of time in which court-martial proceedings could be instituted against all persons connected with matters at Pearl Harbor, preceding December 1941, particularly relating generally to Admiral Kimmel and General Short. I have conferred with the leaders on both sides of the aisle, and with the Senator from New York [Mr. WAGNER], and I understand there is no objection to having the joint resolution considered at this time.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title, for the information of the Senate.

The CHIEF CLERK. A joint resolution (S. J. Res. 133) to extend the time limit for immunity.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from New Mexico?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 133) to extend the time limit for immunity which had been reported from the Committee on the Judiciary, with amendments.

The ACTING PRESIDENT pro tempore. The first amendment of the committee will be stated.

The CHIEF CLERK. On page 2, line 3, after the words "period of", it is proposed to strike out "three months", and insert "one year."

Mr. CLARK of Missouri. Mr. President, I did not object to consideration of the joint resolution, and I do not intend to object to the amendments, except that I desire to give notice now, inasmuch as probably there will not be a yea-and-nay vote on the amendments or on the joint resolution, that I wish to be recorded as voting against the amendments and against the joint resolution. I think the procedure has been a disgraceful one. General Short and Admiral Kimmel have not been brought to trial. I have heretofore expressed myself on that subject on this floor. Apparently some of the higher-ups in the Government are afraid of the nature of the defense which might be made by Admiral Kimmel and General Short.

Recently I have seen in the public press a demand on the part of Admiral Kimmel that he be brought to trial. We all know that if the time limit is extended for a year we might as well recognize the fact that these men will never be brought to trial, or, if they are brought to trial, that the trial will be held after some of the witnesses are dead and after much of the evidence has been dissipated. If we are to extend the time limit for a year, the whole proceedings might as well be dismissed.

We all know what the actual effect of the proposed extension will be. In the press I have read articles quoting some of the members of the Committee on the Judiciary, not by name, but in reference to them, as saying that it is the purpose to see that these men are not brought to trial until after the war. As I have said, it is my opinion that if they are not brought to trial until after the war, they might as well not be brought to trial at all.

We all know that Pearl Harbor is one of the most disgraceful episodes in the history of the United States. We know that the disaster of Pearl Harbor was not due to any lack of armament or any lack of equipment or any lack of personnel, but was due to the fact that the ordinary precautions in the service of security, which should have been taken in peacetime, were flagrantly disregarded. Someone should be court-martialed for that. Someone should be court-martialed while the evidence is fresh. If it was not the fault of Kimmel and Short, they are entitled to be brought to trial and given the opportunity to show upon whom the responsibility rests.

As I have said, I wish to be recorded against this measure, because I think it amounts to allowing the hushing up of the whole episode; and if the persons responsible for it are not brought to trial until the war is over, the trial will be absolutely nugatory in its effect.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the first amendment of the committee.

Mr. HATCH. Mr. President, I was about to explain the amendments, when the Senator from Missouri took the floor and made his statement. It was not my purpose to argue the matter at all. However, in fairness to the Senate and to the Committee on the Judiciary, I think a very brief explanation of the measure should be made, and I shall do so at this time.

As I have said, the joint resolution was introduced by the Senator from Michigan [Mr. FERGUSON]. It was not designed as a method of covering up or of preventing a trial. On the contrary, the joint resolution, as introduced, had exactly the opposite effect. I think it is a matter of common knowledge that the statute of limitations, not only as against the two men who were mentioned, but as against all others connected with Pearl Harbor, had run, and could have been pleaded as a defense or bar to any court-martial proceeding.

The Congress passed a joint resolution extending the period of time in which court-martial proceedings could be had. That extension of time will expire on the 7th of this month. If the statute of limitations is to be extended in order that it may not be pleaded as a bar to possible court-martial proceedings, it is probably necessary that this joint resolution be passed and be acted upon now. I say "probably necessary" because the Army and Navy both take the position that no resolution is necessary at all so far as Admiral Kimmel or General Short are concerned. Both those gentlemen have voluntarily signed agreements, which our committee saw and inspected, in which they agreed to waive the statute of limitations at any time the court-martial proceedings were brought, up to and including 6 months after the end of the war. Those waivers are relied upon by the War and Navy Departments as being sufficient. So far as those two men are concerned, the Departments do not regard this joint resolution as necessary.

On the other hand, as was ably pointed out in the committee by the author of the joint resolution, the Senator from Michigan [Mr. FERGUSON], those waivers relate only to the two men. There may be others who have not waived or have not agreed to waive the statute of limitations. This joint resolution would cover all of them. That was one of the purposes of the joint resolution, and one of the purposes of the committee's action.

We amended the joint resolution to extend the time from 3 months, as proposed, to 1 year, to make it conform with a similar resolution which is pending in the House. It was further amended by striking out section 2 of the original joint resolution. That section would have required the prompt and immediate filing of charges against those persons. That particular section was discussed very thoroughly in a subcommittee of the Senate Committee on the Judiciary. We had with us officials from the Army and Navy, and other representatives, who went into the whole question.

The Senator from Missouri has stated that certain members of the Judiciary Committee have been quoted as saying that this was a move to cover up and prevent any prosecution. I do not know who those members of the Judiciary Committee are.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CLARK of Missouri. Let me say to the Senator from New Mexico that the article which I saw was an Associated Press dispatch. It did not mention the name of any Senator. However, it stated that certain Democratic members of the committee had stated as their opinion that the effect of the committee amendment would be to insure that Kimmel and Short would not be brought to trial until after the war. I added my own view that they might as well never be brought to trial as to be brought to trial after the war is over, when the evidence is cold, and when an effort will be made to cover up the whole thing.

Mr. HATCH. I do not know who made the statement.

Mr. CLARK of Missouri. I myself do not profess to know.

Mr. HATCH. I misunderstood what the Senator from Missouri said. I understood him to mean that this was a measure to prevent the trial at any time.

Mr. CLARK of Missouri. I added my own observation that they might as well not be tried at all as to be tried after the war is over.

I should like to add one further observation. It is the contention, of course, on the part of the War and Navy Departments, that to proceed with the trials now might interfere with the prosecution of the war. That contention is "hokum" on its face. The leading generals of the Army, the most vitally necessary generals, have been flying around from one place to another. General Clark returned to the United States only a few weeks ago. The commander of the Fifth Army flew over here for consultations with the President and with various War Department officials, and was back in command of his army before anyone knew he had left it. There would be no reason why men who might be necessary witnesses in a court martial of this magnitude could not be called from anywhere in the world, testify, and be back at their stations in 2 or 3 days.

Mr. HATCH. Mr. President, while I have the utmost respect for the views of the Senator from Missouri, I do not agree, and cannot agree that the contention to which he refers is "hokum." On the contrary, I am of the exactly opposite view. I think it would be a grave mistake to enter into an investigation and a public trial of these men now, at a time which may be the most critical in the history of the whole war. I think it would be perfectly ridiculous to bring men from

every theater of war—perhaps hundreds of them, because there were hundreds of men at Pearl Harbor before the disaster there—for a public trial of all the mistakes which may have occurred, or may not have occurred. Military and naval information would be spread on the pages of all the newspapers in the world. I think that would be "hokum." It would be disastrous and almost suicidal.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CLARK of Missouri. Does the Senator have any doubt that the Japs know all about what happened at Pearl Harbor? There is no military secret so far as they are concerned. The only ones who have been kept in the dark are the American people.

Mr. HATCH. I believe there are many things which the Japs do not know with respect to what happened at Pearl Harbor. I am glad that at the time they did not know what happened at Pearl Harbor.

I am not arguing that point. We are confronted with the question whether the statute of limitations is to be effective after the 7th day of June.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BUSHFIELD. I am in general sympathy with the comments of the Senator from Missouri in connection with this matter. However, I should like to submit a question to the Senator from New Mexico. A moment ago he stated that waivers had been signed by the two officers involved.

Mr. HATCH. That is correct.

Mr. BUSHFIELD. I should like to have the Senator's idea as to the effect of such a waiver in a case of this kind. Can a defendant waive the statute of limitations?

Mr. HATCH. In my opinion, it is not a waiver of the statute of limitations. It is an agreement not to plead the statute of limitations. Those gentlemen could violate the agreement and plead the statute of limitations if they so desired. However, other proceedings could be instituted by the War and Navy Departments to punish them for violation of such an agreement. I do not anticipate that they would violate the agreement.

Mr. BUSHFIELD. The other proceedings to which the Senator refers would mean dismissal from the service, I take it.

Mr. HATCH. Dishonorable discharge.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CHANDLER. As I understand, my friend from New Mexico meant that in the case of Admiral Kimmel and General Short, the agreement not to plead the statute of limitations would be sufficient.

Mr. HATCH. That is correct.

Mr. CHANDLER. They have promised, upon their honor as officers and gentlemen, not to plead the statute of limitations. If they should do so, there would be other proceedings against them. If the waivers are not good, I do not believe anything can be done to Admiral Kimmel and General Short. I remind the Senate that up to the present time no charges have been filed against either of them. The original resolution by which we sought to extend the time of the operation of the statute of limitations was passed on the 7th of the month and signed by the President on the 20th.

In my judgment, what we propose to do is perfectly innocuous. I do not believe it means anything. I believe that any man who is charged with a serious offense against his country which involves a court martial is entitled to trial. Admiral Kimmel has demanded a trial. However, thus far no charges have been filed against him, and I am not certain that any real charges can be filed against him which would support a court martial. The Army and Navy had a right to believe that the President, by appointing a special commission, took the case out of their hands. It is perfectly foolish to assume that the Army has a right to investigate the Executive offices, the State Department, the F. B. I., the Federal Communications Commission, and various other commissions which may have to be investigated in order to ascertain the full facts and circumstances surrounding what happened at Pearl Harbor. The Army can investigate itself and can ascertain the facts as to what happened in the Army. The Navy can investigate itself and determine the facts, so far as it is able to do so, as to what happened in the Navy on that occastion.

I do not agree with the statement that we were ready for war at Pearl Harbor. We were not ready for war. I should not like to see these two officers made scapegoats because of the failure of many others to estimate the seriousness of the situation and take steps which would have prevented what happened. I should dislike, during wartime, to see a situation which would require, as we all agree, that officers from all over the world who are now fighting the enemy be called back to Washington to engage in a trial which might last 3 or 4 months.

What happened at Pearl Harbor is past. It was a tragic loss—the greatest loss we ever suffered in any single engagement in the history of the Republic. Fighting over that question now will not bring back any ships or restore the lives of any men.

Although I should like to see Admiral Kimmel tried, personally I do not believe that he has committed any offense against the American people. He was in the American Navy for 40 years, and reached the highest rank in the Navy. I do not believe that he has committed any wrong. However, time will tell. In the meantime, he carries the burden of suspicion that he has betrayed the American people in an important public trust. I do not believe he did so. However, he must stand trial, and in the suspicion and heat of the day he must remain on the side lines. He cannot fight for his country, after having trained for that purpose practically all his life. However, that is a burden and a suspicion to which he must be subject in the interest of the general welfare of all parties concerned. Although many witnesses may die in the meantime, or be called from where it would be inconvenient to summon them for the trial, those are circumstances to which he may be subject during the remainder of his life. He says, in effect, "I am not guilty, and I want a trial." The Government says, "We cannot make investigations now."

Mr. CLARK of Missouri. Mr. President, will the Senator from New Mexico yield to me?

Mr. HATCH. I yield.

Mr. CLARK of Missouri. The Senator from Kentucky said that the Navy Department and the War Department cannot investigate other departments. I wish merely to ask the Senator if it is not a fact that the War Department gave out information with a great flourish of trumpets that General Short would be court martialed, and with a great flourish of trumpets information was given out that Admiral Kimmel would be court-martialed, and yet neither has been brought to trial. Kimmel now comes along and says, "I demand to be tried. I demand to be tried while the evidence is available." I express no opinion as to whether either Admiral Kimmel or General Short is guilty, or whether both of them are guilty, but if they are to be tried at all, I assert that they should be tried while the evidence is available. I have heard intimations made repeatedly that the reason they have not been tried is that higher authorities were apprehensive about the nature of their defense.

Mr. CHANDLER. Mr. President, I am quite sure that those who made statements in the heat of debate and without knowing the facts, that certain ones should be shot or court-martialed, probably now regret such statements.

A great tragedy has stricken the American people and they do not know who was responsible for it. After 40 years of service Admiral Kimmel was allowed to retire. General Short was removed from his post. The finger of suspicion has been pointed toward each of those men ever since, and many of the American people think to this hour that those men were derelict in their duty. However, no charges have been filed against either of them. According to American justice, they have a right to believe that the presumption of innocence goes with them until they are confronted with charges, know the nature of them, and have an opportunity to present witnesses in their defense, and to be considered innocent until they are proved guilty.

Mr. CLARK of Missouri. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I yield.

Mr. CLARK of Missouri. What the Senator from Kentucky has said is exactly what Admiral Kimmel and General Short are demanding.

Mr. CHANDLER. I do not think that either the Army or the Navy should contend that the other was derelict in its duty, but that, instead, the facts should first be brought out.

Mr. HATCH. Mr. President, I agree fully with what the Senator from Kentucky has said.

I did not desire to occupy the time of the Senate, but——

Mr. JOHNSON of Colorado. Mr. President, will the Senator from New Mexico yield in order that I may ask a question of the Senator from Kentucky?

Mr. HATCH. I yield.

Mr. JOHNSON of Colorado. There is a great deal of truth in what the Senator from Kentucky has said about the Navy not being able to investigate the situation with reference to the Army, and vice versa. However, there is an authority which can investigate all phases of the matter, and that is the Senate of the United States. Instead of doing that, we are now asked to consider a joint resolution which the Senator from Kentucky contends has no effect. I believe his view to be correct. However, I think that if the United States Senate is to take any part in the case at all, it should investigate the whole affair pertaining to the Army, the Navy, and everything else in connection with it.

Mr. CHANDLER. Mr. President, I agree with my friend from Colorado; and if the Senate of the United States wishes to conduct such an investigation, I shall vote for it. However, I said that I thought the reason for the Army and the Navy hesitating to take charge of the matter was that the President of the United States had appointed a commission. The President, as Commander in Chief of the Army and the Navy, had a right to appoint the commission. The officials of the Army and the Navy may have thought that he had taken the matter out of their hands. The Roberts commission filed a report. That report must be the basis for the filing of any charges which may be made; and so far no charges have been made against either Admiral Kimmel or General Short.

Mr. HATCH. Mr. President, the Senator from Texas has been on his feet, and I yield to him.

Mr. CONNALLY. Mr. President, I wish to ask the Senator with reference to the statute of limitations, had the statute of limitations run prior to the joint resolutions extending it?

Mr. HATCH. In my opinion it had, because while the joint resolution was passed it was not actually signed by the Executive until after the time the statute of limitations had run.

Mr. CLARK of Missouri. Waivers had been signed before that, had they not?

Mr. HATCH. Yes.

Mr. CONNALLY. If extension had been granted before the expiration of the period, no question would now be raised as to the extension of the time.

Mr. HATCH. None whatever.

Mr. CONNALLY. The question of limitation, however, does not go to the merits of the offenses with which the men might be charged.

Since the question relates only to a matter of pleading, it seems to me that it is not beyond the realm of possibility that the Congress would have the right to say that from now on, limitation cannot be pleaded in any court except under the following circumstances—naming them. I think that point is worthy of consideration. The limitation does not affect the vital rights of the men so far as their innocence or guilt is concerned. It simply relates to proceedings of the court.

Mr. HATCH. In answer to the Senator from Texas let me say that there is very substantial weight of authority which holds as he has just announced. There is authority holding the other way, and the question is debatable. However, it is not debatable if the Congress fails to pass the pending joint resolution.

The Senator from Michigan (Mr. FERGUSON) has made a considerable study of the question, and I am sure he wishes to say something with reference to it. I now yield to him.

Mr. FERGUSON. On the particular point to which reference has been made, and whether it is within the power of the Congress to create a new statute of limitation which would be binding in this case, I am of the opinion that the great weight of authority is that Congress has the right to enact this statute. A statute of limitations is a remedial piece of legislation. It is not substantive law, and for that reason it is not covered by the inhibition against enacting an ex post facto law. So far as it relates to a criminal proceeding, I think it is clear that an ex post facto law is applicable as follows:

First. Every law that makes an action done before the passing of the law, and which was innocent when done, criminal; and punishes such action.

Second. Every law that aggravates the crime or makes it greater than it was when committed.

Third. Every law that changes the punishment and inflicts a greater punishment than the law annexed to the crime.

Fourth. Every law that alters the legal rules of evidence and receives less or different testimony than the law required at the time of the commission of the offense in order to convict an offender.

Such laws would be ex post facto laws.

We realize that the Congress did all within its power to pass a law within the time limit of the 2 years and did pass a law on the 7th of December extending for a period of 6 months the time when the limitation would run. But the President did not sign that law within the 2-year period, and the law takes effect as of the time the President signed it. Because of the particular wording of that resolution, however, it relates back.

This body has done all it can do to extend the statute of limitations. I think it has been very unfortunate for these two defendants who have signed a waiver—that is, a waiver to plead the statute—that no one else, either in higher rank or lower rank, has been compelled to sign such a waiver of the statute of limitations. These two defendants are in an unusual position. They are not like defendants in a common criminal case who can give their version to the public. These two men are now in the service of the United States, and for that reason the rules and regulations of their respective services seal their lips so that they are unable to make known what they believe the true facts to be.

There was no attempt when this original resolution was submitted to keep anyone from being prosecuted. It was an attempt to make certain that all the facts would be obtained within a 3-month period—not that the case would be tried, but that the charges would be made so that these two men would be able to perpetuate what testimony they believed essential to defend themselves, not only before court martial but before the American people. They have not been able to do that.

I think it is well that the Senate should know that up until the day of the hearing before the resolution was reported the War Department made no attempt to obtain the facts to ascertain whether or not anyone was guilty other than General Short or Admiral Kimmel. Therefore, they had no facts in their files from which they could charge anyone else with dereliction of duty. Consequently, they obtained a waiver only from General Short and Admiral Kimmel because the President of the United States and the Secretary of War had stated that they alone were derelict in their duty from the facts disclosed in the Roberts report.

I think it is well that the Senate should know also that the report of Mr. Justice Roberts was filed about the 23d of January 1942. That was before the white paper was published in 1943. The Roberts report and those who were on the Roberts commission did not have the facts which are now contained in the white paper as to whether or not higher-ups were guilty of dereliction of duty to the American people.

I, for one, believe that the Army of the United States and the Navy of the United States and those in charge should ascertain all the facts. For that reason I was satisfied with paragraph 2 of the resolution as now amended. I believe that they should obtain the facts in order to ascertain who is guilty, if anyone, and, then, after a reasonable time, I believe it is the duty of this body to ascertain, in executive session if necessary—for no one wants to give any aid to the enemy—what the Army and Navy have been able to ascertain, and if the State Department and other departments, the Interior Department and even the Executive, fail to give to the Army and Navy officials all the facts so that they can perpetuate those facts for the future of America, then this body should step in and exercise its power to ascertain what the facts are.

It is not that we want to give aid to the enemy, but we want to keep the institutions of America functioning so as to make sure that no man who is accused shall be denied a fair trial, that he will be given a fair trial and also the right and the chance to perpetuate testimony that may clear his name from any charges which may have been made.

I hope that the Senate will pass this joint resolution this morning and extend the statute of limitations, because I believe that the statute should be extended so that not only these two officers who as gentlemen and as soldiers have waived

the right to plead the statute but all who might be charged within any reasonable time would be included and have a fair opportunity, whether by court martial or trial, at such time as would not aid the enemy, so that the institutions of justice in America may be safeguarded, whether we are at war or whether we are at peace. If the Army and Navy do not do their duty in ascertaining the facts, then this body should step in and perpetuate the testimony so that a fair trial can be had by all.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Ohio.

Mr. TAFT. The Senator evidently disagrees with the conclusion of the minority views of Representative KEFAUVER and Representative CELLER, who say:

This statute—

Referring to the statute of December 7—

This statute is of very dubious validity. The 2-year period of limitations prescribed by the Articles of War and the Articles of the Navy with respect to offenses committed on December 7, 1941, expired at midnight December 7, 1943, and it would appear that any subsequent extension thereof would be ex-post facto and therefore void. There is abundant judicial authority in support of this view. Further the statute, even if valid, would apply only to offenses committed on and after December 7, 1941. The statute of limitations respecting offenses committed prior to December 7, 1941, would have expired in any event, even assuming that the statute could be effective, as was the intent of Congress, on December 7, 1943.

What I do not quite see is the value of passing anything at all at the present time and relieving the administration of its clear legal duty to bring these men to trial before the statute expires. I see no reason why we should take any action or assume any responsibility. It seems to me it is at least doubtful whether we accomplish anything by doing it.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TAFT. Certainly.

Mr. FERGUSON. I do disagree with the theory of the minority views. I believe it is within the power of the Congress to extend the statute of limitations after it had expired, because it is merely a remedial law and not a substantive law as cited in the four cases referred to by me a few moments ago. The difficulty is that if we do not do anything at this time, then the Army and the Navy and the executive branch will do nothing within the time, and all the cases will drop except as to Admiral Kimmel or General Short.

Mr. TAFT. I do not understand why if we could pass an ex post facto law in December we could not let this go and pass an ex post facto law any time in the future when we care to deal with the question, and in the meantime leave the responsibility for acting on the executive department, where it belongs, a responsibility which, in my opinion, they have wholly failed to meet.

Mr. FERGUSON. I do not think we can say this is an ex post facto law, because, if it is, it is void and of no effect. I can see the point of the Senator from Ohio that it is the duty of the executive branch to do this; but I also feel that it is our duty as a Congress, the Executive having failed, to take steps to preserve the right of action against anyone who may be guilty.

Mr. CHANDLER. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I have yielded the floor.

Mr. TAFT. Have I the floor?

The ACTING PRESIDENT pro tempore. To clear the legislative situation, the Senator from Ohio is recognized.

Mr. TAFT. I yield to the Senator from Kentucky.

Mr. CHANDLER. Mr. President, I agree with the contention of the minority of the House committee. I think that originally Congress did fail to pass a law in time to prevent the statute from running, and that the statute did actually run, and that unless the waivers which were signed by Admiral Kimmel and General Short are not now good nothing we do now will revive the right of prosecution. If so, the action we are asked to take will not be important, it may be merely innocuous, it may seek to perpetuate something we did not do well at first.

Congress might have intended to save the running of the statute, but it did not do so. It waited until the last day, and then put the bill on the President's desk so that he signed it on the 20th, 2 years and about 13 days after Pearl Harbor. The Senator from Michigan and I disagree, but I think now that unless the waivers are good, the men affected could plead the statute, and that would be a bar to prosecution.

Mr. TAFT. Mr. President, I wish to have inserted at the end of my remarks an article by Arthur Krock appearing in the New York Times on May 31, and another article by George Sokolsky appearing in the New York Sun on Saturday, June 3.

I should like to read one or two of the questions raised by the refusal to proceed with the trial at this time. Mr. Krock says:

It is because Congress hesitates to dispute the expressed judgment of the High Command in such a matter—

That is, to the effect that this will in some way interfere with the progress of the war—

and also knows the President could legally sustain an order to the officers not to give testimony.

He discusses the question why we should not proceed with an investigation, which would be entirely within our power. He proceeds:

The questions growing out of Pearl Harbor, however, which were either unmentioned in the Roberts report or left unclarified, will eventually be pressed by Congress if a court martial does not produce the answers. Among them are these:

1. Why was a fleet concentrated in the harbor waters in the presence of a crisis which the Secretary of State, Cordell Hull, had twice reported to the War Council (that included the Secretaries of War and Navy) and as much as 10 days before had described as requiring an alert against simultaneous Japanese attacks at several points "anywhere in the Pacific area"?

2. Why was the Pacific Fleet based on Hawaii instead of on the west coast of the United States?

3. Why were so many fleet units dispatched into the Atlantic before, after, and during the time when the Secretary of the Navy, the late Col. Frank Knox, was warning the Secretary of War, Henry L. Stimson, of a possible Japanese air attack in the Pacific, specifically at Pearl Harbor?

4. In what degree was there correlation between State Department intelligence and War and Navy Department instructions to field commanders?

5. What were the circumstances surrounding the selections of General Short and Admiral Kimmel for their commands, and what if any were their liaisons?

6. Why did the Army in Hawaii continue tolerant policies toward those Japanese in Hawaii whom the Navy wished to arrest for violation of the foreign agents registry law?

7. Why did the Navy shore officer fail to call for alert No. 3 after a two-man Japanese submarine was discovered and sunk shortly before the air attack?

8. Why was the Army command in Washington silent after receiving on November 29 General Short's report that he had only instituted alert No. 1, or, if it sent a correcting message before the new attack, what became of that message which is said never to have been received?

9. Why did Washington's orders to Pacific commanders concentrate on sabotage of airplanes on the ground; and why did they emphasize the Southwest Pacific as the point of possible attack when Mr. Hull had predicted simultaneous assaults everywhere in that ocean? Was this emphasis the explanation of what happened at Manila when the Navy was ordered away in time and General MacArthur kept his planes massed on Nichols Field?

10. In general, what is the share the Washington administration should have in culpability for the success of the Japanese attacks?

I say now that the only possible reason why the trial is being postponed is not the reason alleged, but is what the administration does not desire to have brought out, the answers to the questions which are posed by Mr. Arthur Krock.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio?

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 31, 1944]

PEARL HARBOR ECHOES—KIMMEL'S RENEWED PLEA FOR HEARING SPOTLIGHTS QUESTION

(By Arthur Krock)

WASHINGTON, May 30—The request by Rear Admiral Husband E. Kimmel, renewed in his telegram yesterday to Senator HOMER FERGUSON, of Michigan, for an open court martial to inquire into the causes of the disaster at Pearl Harbor on December 7, 1941, is being echoed in Congress, as it was when previously made. And Maj. Gen. Walter C. Short, who commanded the Army forces in Hawaii at the time of the attack, is understood to take the same position as Admiral Kimmel, who commanded the Navy.

But if the administration and the highest military authorities again decline to order the trial on the ground that it would be against the interest of security, an attitude they have assumed for nearly 2½ years, the chances are against a congressional inquiry of Pearl Harbor to attempt to learn the whole story, which, as Admiral Kimmel telegraphed, was not told in the report of the Presidential

Commission headed by Justice Owen J. Roberts of the Supreme Court of the United States.

This is not because Congress does not agree with the admiral or has ever been convinced as a body that reasons of military security have required the postponement of the court martial so long.

It is because Congress hesitates to dispute the expressed judgment of the high command in such a matter, and also knows the President could legally sustain an order to the officers not to give testimony.

SOME QUESTIONS UNMENTIONED

The questions growing out of Pearl Harbor, however, which were either unmentioned in the Roberts report or left unclarified, will eventually be pressed by Congress if a court martial does not produce the answers. Among them are these:

1. Why was a fleet concentrated in the harbor waters in the presence of a crisis which the Secretary of State, Cordell Hull, had twice reported to the War Council—that included the Secretaries of War and Navy—and as much as 10 days before had described as requiring an elert against simultaneous Japanese attacks at several points "anywhere in the Pacific area"?

2. Why was the Pacific Fleet based on Hawaii instead of on the west coast of the United States?

3. Why were so many fleet units dispatched into the Atlantic before, after, and during the time when the Secretary of the Navy, the late Col. Frank Knox, was warning the Secretary of War, Henry L. Stimson, of a possible Japanese air attack in the Pacific, specifically at Pearl Harbor?

4. In what degree was there correlation between State Department intelligence and War and Navy Department instructions to field commanders?

5. What were the circumstances surrounding the selections of General Short and Admiral Kimmel for their commands, and what if any were their liaisons?

6. Why did the Army in Hawaii continue tolerant policies toward those Japanese in Hawaii whom the Navy wished to arrest for violation of the foreign agents registry law?

7. Why did the Navy shore officer fail to call for alert No. 3 after a two-man Japanese submarine was discovered and sunk shortly before the air attack?

8. Why was the Army command in Washington silent after receiving on November 29 General Short's report that he had only instituted alert No. 1, or, if it sent a correcting message before the new attack, what became of that message which is said never to have been received?

9. Why did Washington's orders to Pacific commanders concentrate on sabotage of airplanes on the ground; and why did they emphasize the Southwest Pacific as the point of possible attack when Mr. Hull had predicted simultaneous assaults everywhere in that ocean? Was this emphasis the explanation of what happened at Manila when the Navy was ordered away in time and General MacArthur kept his planes massed on Nichols Field?

10. In general, what is the share the Washington administration should have in culpability for the success of the Japanese attacks?

EMPHASIS ON PLANE SABOTAGE

Of these questions the light of explanation has been thrown on only one, and that unofficially. This question concerns the emphasis in the War Department messages to General Short on airplane sabotage, which could easily have led him to believe that his watchfulness should be directed groundward toward his equipment. In a dispatch published February 3, 1942, in this newspaper this correspondent, on information furnished privately by persons with knowledge of the events leading up to the tragedy, gave the following reason:

On November 27 G–2 (Army Intelligence), acting on a request from Gen. H. H. Arnold, warned all corps area commanders in the Pacific against subversive Japanese activities. To this General Short sent a prompt acknowledgment, which was addressed to the War Plans Division and arrived early on November 28. But for some reason war plans did not apprise G–2 of the receipt of this reply until late in the day.

Meanwhile, General Arnold, alarmed over G–2's report that no acknowledgment had come from General Short, arranged for two strong orders to be sent to all field commanders, directing them to be on the watch against saboteurs, especially of airplanes. These dispatches, because G–2 did not then know of General Short's reply to the original warning, failed to acknowledge that reply and concentrated on the sabotage alert instead of broadening the warning. That probably convinced him that airplane sabotage was his chief concern, particularly when subsequently he got no acknowledgment of an answer he sent to the second and third messages in which he outlined the precautions he had taken. This, said the Roberts report, tended to make him believe "he had met the requirements."

[From the New York Sun of June 3, 1944]

THESE DAYS

(By George Sokolsky)

THE KIMMEL CASE

Admiral Kimmel stands convicted, without trial, of cowardice and incompetence in the hearts and memories of the American people. He has never been given a chance to defend his honor or his integrity. He lives in the black cloud of being a despised person without ever having been given any opportunity even to state his case, much less to prove it. His family suffers with him the fate of a condemned man. Al Capone had a fair trial. Lepke had a fair trial. Lonergan had a fair trial. But Admiral Kimmel has been convicted and condemned without a trial. Every parent who has lost a son in this war remembers the name Kimmel. Yet the man has never been tried; his story has not been heard; he has not had his day in court. He has not been permitted to convince these parents that he is not to blame—if he is not to blame. That is not the American way. That is Hitler's way of doing things.

I do not know whether Admiral Kimmel is guilty or not. Nor do you. Nor does anyone. But this I know—he has been refused any opportunity to prove that he is not guilty. And I refuse to believe any American guilty of anything until he has been proved guilty by due process of the law. That is the foundation of American law. Even an indictment does not imply guilt. Nothing but conviction under the law proves guilt. Admiral Kimmel is entitled to due process of law. He has not had that. Must he wait for death or history to clear his name? Must his family live in that vale of tears?

Let no man be fooled by the claim that "national security" demands that Admiral Kimmel be refused a trial such as is given even the most unworthy felon. Whatever his crimes may have been, they were committed in December 1941. That is exactly 2 years and 6 months ago. The Japanese have surely discovered in the course of 2 years and 6 months the facts of Pearl Harbor. It is believable that they knew about them the day it happened. It is to be assumed that their planes photographed what happened on the day it happened and that their intelligence services have since supplied any missing information. National security cannot be the excuse for this prolonged delay in giving this man a chance to prove himself innocent or guilty. There may be some other reason, but it cannot be national security. That cannot possibly be involved at this time or at this stage of the far eastern war.

Admiral Kimmel in a letter to Senator HOMER FERGUSON of Michigan makes statements concerning the Roberts report which need, for the sake of national morale, thorough ventilation. The implication is that the report was not the product of judicial procedures but was prepared politically. Those charges might be ignored were it not that the writer of that report is a Justice of the United States Supreme Court. At a time when that Court stands low in the estimation of most Americans, an accusation of nonjudicial procedure made against one of its members must be investigated fully and immediately. What is involved is not Mr. Justice Roberts but the morality of the Supreme Court, the integrity of our national judiciary.

No whitewashing, no wartime hysteria, no lying in public can prevent this issue from taking on a political character, particularly in a close national election, unless a public, open, fully reported hearing is held in this case. The railroading of Captain Dreyfus in France ultimately wrecked that country; the refusal of even a court martial for Admiral Kimmel and General Short—who have thus far been silent—provides this country with a Dreyfus case in time of war and in the midst of a national election. It is dangerous business—particularly among a people who have made a fetich of fair play.

Mr. HATCH. Mr. President, the Committee on the Judiciary considered this joint resolution most carefully and realized all the complicating legal and other questions involved. The subcommittee and the full committee were practically unanimous in agreeing that at this time about the only thing we could do would be to pass the pending joint resolution, extending the period of time.

The question of a congressional investigation was discussed in the committee. I am sure there was no member of the committee who sought or desired to cover up anything. The thought of a congressional investigation received favorable consideration in the committee. We even discussed the possibility of adding an amendment to the joint resolution now pending requiring a congressional investigation of all the incidents. But we realized that was a matter which should be considered by itself. The time was short. The reason for our asking that the matter be taken up and disposed of is that it was suggested that if a congressional investigation were proper—and it seems to be proper—an appropriate resolution calling for an investigation should be presented, so that it could be fully considered, and if necessary, and the Congress desired and thought it proper to have an investigation, then to have an investigation.

I repeat, in behalf of the committee, not a member of the committee desired to cover up anything or shield any person whatever. We met the legal situation and we made the recommendation unanimously from the committee that this joint resolution be passed.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the first committee amendment, on page 2, line 3.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. On page 2, after line 5, it is proposed to strike out:

(2) The Secretary of War and the Secretary of the Navy are severally directed to institute court-martial proceedings on all charges against any person to whose court martial the extension of time provided for in section (1) hereof relates, as soon as possible, and in no event later than the period of extension provided for in section (1) hereof.

And to insert:

(2) The Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts surrounding the catastrophe described in (1) above, and thereafter in their discretion to commence such proceedings against such persons as the facts may justify.

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator from New Mexico a question. From what I have been able to learn about this case, there are two issues involved. So far as Short and Kimmel are concerned, the issue would be, what knowledge did they have, and what, if anything, did they fail to do which they should have done, in view of the knowledge they possessed? That is a real issue which could well be tried by a court martial.

From what I have further heard—and a good deal of it is rumor and not authenticated—the defense of these officers is that other persons had knowledge which, if they had possessed it, would have resulted in a different situation at Pearl Harbor, and that it was the failure of other persons higher up in the chain of command to transmit knowledge which they possessed that was largely responsible for conditions at Pearl Harbor.

If that is the situation, certainly we should not ask the Secretary of the Navy and the Secretary of War to investigate themselves, or to investigate their own Departments. It seems to me that sooner or later, if we are to know the whole story of Pearl Harbor, which the American people have a right to know sometime, that will have to be brought about by an investigation through some committees of the Congress.

Mr. HATCH. Mr. President, those were largely the sentiments expressed in our committee. There are many other considerations against either of these departments fully investigating itself, but the investigation authorized by the pending committee amendment is more in the nature of an investigation to secure the facts and to preserve and have ready for use the testimony.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee on page 2, after line 5.

The amendment was agreed to.

The joint resolution (S. J. Res. 133) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That (1) effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations affecting the possible prosecution of any person or persons, military or civil, connected with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, that operate to prevent the court martial or prosecution of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, are hereby extended for a further period of 1 year, in addition to the extension provided for in Public Law 208, Seventy-eighth Congress.

(2) The Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts surrounding the catastrophe described in (1) above, and thereafter in their discretion to commence such proceeding against such persons as the facts may justify.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Pub. Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Pub. Law 729, 77th Cong.).

Mr. WAGNER. Mr. President, as chairman of the Committee on Banking and Currency, I wish to make a statement with respect to Senate bill 1764, which is now before the Senate. The bill amends the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, in a number of respects and extends their effective period until December 31, 1945.

In my opinion, no more important or, considering the difficult and novel problems involved, more successful wartime legislation has been passed by the Congress than these two acts. They have provided the statutory basis for the stabilization of our economy during a period of unprecedented strain. I am glad to state that there was agreement among the members of the committee, not only that the price control and stabilization acts have worked successfully and should be extended but—apart from the amendment relating to cotton textile prices which I shall discuss later—that they should be extended without substantial change.

NECESSITY FOR CONTINUING STABILIZATION PROGRAM

Mr. President, the first question before the committee was, of course, whether the stabilization program should be continued. On this point there was unanimous agreement, not only among members of the committee, but also among the witnesses who testified at the hearings. I will not, therefore, take up the time of the Senate with any further discussion of this point except to point out that inflationary pressures, both in terms of the excess of income over the quantity of goods and services available for purchase, and the amount of purchasing power held by civilians in liquid form, such as currency and bank deposits, are without precedent in our history. More important for the future is the fact that these pressures are still growing as the war effort reaches peak intensity. Resistance to these inflationary pressures must be maintained more vigorously than ever.

OPERATION OF THE PROGRAM

The cost of living has risen by a little more than 25 percent since the outbreak of the war in Europe. Most of this increase took place before January 1942, when the Emergency Price Control Act became law. In the past two and a half years the increase has been only a little more than 10 percent. Since October 2, 1942, when the Stabilization Act was passed, the increase has been only 5 percent. And for the past year, in the face of the most extraordinary inflationary pressure, there has been practically no change in the cost of living. This is a notable record.

This stability has brought immeasurable benefits to all groups in the Nation: investors, pensioners, white-collar workers, professional people, people dependent on annuities or allotments, to schools, universities, and other institutions, and to Federal, State, and local governments. To protect them was one of the basic purposes of the act, and that purpose has been accomplished.

At the same time that the cost of living has been successfully stabilized, production has expanded enormously. While prices of industrial goods have risen only 22 percent above the August 1939 levels, the Federal Reserve Board's index of industrial production has risen 131 percent.

In agriculture the facts are equally striking when one takes into account the difficulties of increasing production. In the 4 years of World War No. 1 farm production rose 5 percent. Between 1939 and 1943 it rose 21 percent. In 1943 food production was at an all-time peak.

When the price-control legislation was first being considered, not only were there few who believed that a rise in the cost of living could be stopped, as it has been, but many thought it was not even possible to keep inflation down to moderate levels. Mr. President, these people have been proved wrong by the cold facts. We have stabilized. We have done it through wise legislation and vigorous administration.

A few voices can be heard arguing that the Government's program is only a minor factor in this success; that the fate of the legislation is not important; that success has been won mainly because consumers saved their money.

Now I certainly agree that the public has exercised great self-restraint in its spending. But can anyone suppose that if prices had not been controlled this same self-restraint would have been exercised? If the people had not known that their Government was acting to protect them, the initial price rises which we had would sooner or later have given rise to advance buying, which would have accelerated the price increases; that, in turn, would have resulted in still more consumer hoarding until buying would have reached levels that no one now dreams of. On the other hand, what we actually have is a situation in which people are confident that prices are being held and can continue to be held if Congress acts wisely. When they have that confidence, then and only then do they exercise self-restraint. The whole psychology of self-restraint, of willingness to invest in War bonds and to save in other forms, depends on the continuation of firm control. If the program were weakened and prices began to rise again, the enormous income in the hands of the public might become

active and there is no telling how rapid the rise would become.

ADMINISTRATION OF THE ACT

The agencies mainly affected by the present legislation are the Office of Economic Stabilization, the Office of Price Administration, the National War Labor Board, and the War Food Administration, all of which are concerned with the stabilization of prices, wages, and rents.

Of course, successful operation of the stabilization program requires not only wise legislation, which is what we are principally concerned with here, but also efficient administration of the law upon the part of the agencies concerned. In our hearings the heads of all of these agencies testified as to how they operate, what difficulties they have had, and how they are trying to solve them.

OFFICE OF PRICE ADMINISTRATION

In establishing price ceilings O. P. A. must carry out the intention of Congress to stabilize prices, so far as practicable, at the September 1942 level. At the same time the O. P. A. tries to keep its ceilings generally fair and equitable, and to make adjustments to correct gross inequities.

In determining whether or not increases should be permitted on an industry basis when costs rise, O. P. A. says to the industry: "We must carry out the intention of Congress to stabilize. Therefore, we cannot let every rise of costs result in a higher ceiling. If your over-all profits are above the normal peacetime level, and if you are also covering your out-of-pocket costs on this particular product, then you must absorb the rise in costs; we will not give you an increase. But if the rise of costs brings profits below the normal peacetime level, or if it brings the out-of-pocket costs of this particular product above the ceiling, we will give you an adjustment." Those who bear responsibility for the program testified that only by the application of such a standard could they carry out the mandate of Congress to prevent inflation.

Under this standard for industry-wide price adjustments, there are, of course, bound to be individual producers who fare badly. This is nothing new, however. Even in peacetime there have been producers whose profits have been low or who have lost money when the major part of their industry was operating successfully. It was certainly not the intention of Congress to give every producer a virtual guaranty of profits in an act designed to substitute governmental restraint for the forces of competition which protect the economy in peacetime. Nevertheless, increases are given to relieve hardship where that can be done consistently with the purposes of the law.

Business as a whole has prospered under price control, despite some individual hardships. Corporate profits, both before and after taxes, are at all-time high records. Business failures are lower than at any time in the half century for which we have records. Small independent stores are more than holding their own against chain stores and mail-order houses. Balances in the checking accounts of all unincorporated business increased by more than 60 percent in the single year between June 30, 1942, and June 30, 1943.

The problems of administering the Price Control Act have been difficult and varied. Mr. Bowles, the Price Administrator, freely admitted to us that there had been many mistakes in the operation of the O. P. A., and that the operations of the agency have not been as smooth as they should have been. In this connection he pointed out the magnitude of the burden that faced O. P. A. in the first year and a half after Pearl Harbor. I am sure Senators will be impressed, as I was, when they review the tremendous number of problems that the agency had to meet. In the past year O. P. A. recognized the need for overhauling its administration; and Mr. Bowles listed a large number of changes that have been made with a view to improving operations.

One of the significant changes that Mr. Bowles has introduced is to make price-control operations more democratic. He has done this by decentralizing operations as much as possible, by transferring responsibility from Washington to the local areas as far as is consistent with maintaining a unified national policy. The O. P. A. has also greatly increased the extent of consultation with industry.

WAR LABOR BOARD

The wages and salaries of some 30,000,000 employees are subject to the control of the War Labor Board, and hundreds of thousands of establishments are affected by the program it administers. The Board has handled 300,000 applications for wage adjustments, requests for rulings, cases involving wage disputes, and the like, in the year and a quarter between the Stabilization Act and the end of 1943.

The wage stabilization policies under which the Board has operated have limited wage adjustments to workers whose pay is relatively low and to workers whose wages remained unchanged from January 1941 to October 1942. The basic hourly rates of more than three-fourths of the workers subject to the Board's jurisdiction have been unaltered through its actions. Proposed wage adjustments for more than a million workers have been denied by the Board. For workers whose wages have been adjusted, increases have averaged about 6.2 cents an hour for both voluntary cases and disputed cases involving wages.

Of course, many individual workers whose basic rates have not been adjusted have received increases in their total pay during the stabilization period since 1942. This increase in average earnings has reflected longer hours of work, the transfer of thousands of workers to higher paid jobs in the war industry, upgrading and promotions, and other factors which are outside the jurisdiction of the Board. These increases are to a great extent a necessary and desirable means of getting the great shifts of labor that the war economy requires.

War Labor Board wage actions are coordinated with O. P. A. price ceilings by an order from the Director of Economic Stabilization. This order provides that all wage adjustments made by the Board which may affect price ceilings shall become effective only if also approved by him. Less than one-half of 1 percent of all of the wage cases acted upon by the Board through early in February of this year involved any price adjustment or increase in cost to the Government.

TESTIMONY OF THE ARMED SERVICES

The Secretary of War and the late Secretary of the Navy, whose recent death was a tragic blow to the country, both explained to the committee the vital stake that the armed forces have in the successful continuation of the stabilization program. Secretary Knox said that any failure or even weakening of the Price Control Act "would have serious and unpredictable consequences for the Navy during the critical period ahead." Secretary Stimson told us that weakening of the program might give false hopes about early termination of the war, and might disturb the morale of the civilian workers and the soldiers in the field, as well as of their families at home, and he warned that these things must be avoided.

Both expressed the opinion that the stabilization program has played a vital part in maintaining a high level of production of ships, planes, and other material. Let me quote directly what Secretary Knox said about the shipbuilding industry:

> As you well know, the problem of securing manpower and regulating wages has been especially acute in the shipbuilding industry. The expansion of shipbuilding activity has required a great migration of workers from other areas. Higher earnings, due in part to long hours and steady work, have been one of the means by which this labor has been attracted. These higher earnings have in large measure balanced the cost of uprooting families and moving, and the disadvantages of life in congested communities lacking in facilities for normal life. Pressure to lift prices and rents around the shipyards has been particularly intense. Only the firmest control can resist these pressures. The levels to which rents and other living costs would soar if controls were relaxed in these congested areas is an alarming reflection, to say the least. Should living costs rise, we would find ourselves with a dissatisfied working force, and have the greatest difficulty holding this critical manpower. The turn-over is serious as it is.

Secretaries Knox and Stimson also emphasized that the stabilization program plays an important part in sustaining the morale of officers and men by protecting the millions of men in the services and their families. You may be surprised to hear that Army insurance alone reached a total of $74,000,000,000 by the end of 1943. The real value of this insurance to the widows and other beneficiaries of those who give their lives is determined by what happens to prices.

Moreover, the families of servicemen are in greater or lesser degree dependent upon allotments. Concern about the folks back home is bound to mount with prolonged absence, even under the most favorable conditions. If I may quote Secretary Knox again:

> Only effective price stabilization can protect these dependents and preserve the peace of mind of our fighting men. Any substantial rise in the cost of living, or even any

threat of such a rise, will soon be reflected in letters and news from home, with disconcerting effect on morale and spirit.

VIEWS OF THE PUBLIC

It is clear from what both Government and private witnesses said, not only that the stabilization program should be continued substantially in its present form, but that the agencies concerned with administering it are settling down to smoother operations.

I think these expressions of opinion are as striking evidence of the success of the program as one could find. Many private as well as Government witnesses, including representatives of such organizations as the Chamber of Commerce and the American Bankers Association, want the legislation continued with no basic changes. In fact, the president of the American Bankers Association, when asked if he had any amendments to propose, said, "We feel that there are possible dangers in opening up what seems to us a Pandora's box."

It is apparent that an overwhelming majority of the general public feels the same way. There is no question that the stabilization program now has the confidence of the people.

PROVISIONS OF THE BILL

During the course of the hearings a number of amendments were urged upon the committee. Most of the amendments that were suggested would compel the O. P. A. to grant general increases in prices or rents in order to relieve alleged hardship or inequity under the price- and rent-control programs. In view of the generally high levels of prosperity prevailing among the various groups in our economy, it is clear that cases of actual hardship are the exception and not the rule. Adjustments in such cases may be made under the present stabilization policies and, if held within strict bounds, do not have any serious inflationary effect. However, the adoption of any proposals which would require general increases in ceiling prices or rents would undoubtedly precipitate pressures for additional increases all along the line and set in motion inflationary forces which would be impossible to control. The committee, therefore—and in my opinion, wisely—rejected most of the amendments suggested to it.

However, the committee has recommended a number of amendments which, I believe, will improve the existing law and which will substantially aid in removing grounds for complaints against the administration of the program without impeding its operation.

These amendments are discussed in detail in the committee's report, and I shall merely refer to them briefly at this point. I take it that later there will be more detailed discussion.

There has been considerable complaint that the procedures for protesting regulations issued by the Price Administrator, and for challenging the validity of the regulations in the courts, do not give the citizen adequate protection.

In the early days of price control many people unfamiliar with the provisions of the act lost their right to challenge the validity of a regulation by failing to file a protest within the statutory period of 60 days. The bill, therefore, provides a new period of 60 days beginning July 1, 1944, during which protests may be filed with respect to all regulations issued prior to that date.

The present act provides, in section 203 (c), that protest proceedings may be limited by the Administrator to the filing of affidavits or other written evidence and the filing of briefs. In order to assure a protestant full consideration of his objections to a regulation and still leave to the Administrator sufficient flexibility in working out the details of the procedure, we have provided for the consideration of protests by a board of review to be designated by the Administrator. In the case of any protest filed after September 1, 1944, the protestant will have an opportunity to argue his case orally before such a board. The protestant will be informed of the recommendations of the board to the Administrator and, if the recommendations are rejected, of the reasons for such rejection.

The bill also provides a remedy in the event of unreasonable delay by the Price Administrator in the final disposition of a protest. In the event of such delay, the protestant may apply to the Emergency Court of Appeals for an order requiring the Administrator to act within a specified time.

Under the existing provisions of the Price Control Act, the Emergency Court of Appeals has exclusive jurisdiction, subject to review by the Supreme Court, to pass upon the eligibility of price and rent regulations. This jurisdiction may be exercised only when complaints are filed in the Emergency Court of Appeals following a denial by the Administrator of a protest against the regulation. It follows from this that when an action is instituted by the Administrator for the enforcement of a regulation the defendant may not challenge the validity of the regulation in that action. It has seemed to the committee that when these enforcement proceedings are of a criminal nature, the defendant should be given an opportunity to raise the question of the validity of the regulation he is charged with having violated if there is reasonable and substantial excuse for his having failed to challenge its validity by the only other method available to him—that is, through the protest procedure.

Section 107 of the bill provides the opportunity in a manner which will at the same time preserve the essential exclusive jurisdiction feature of the act and the effectiveness of the enforcement procedure upon which successful price control depends.

Section 205 (e) of the Emergency Price Control Act provides for actions for damages against sellers of commodities or landlords on account of overcharges in violation of the applicable maximum price or maximum rent. The liability under this subsection is either $50 or treble the amount of the overcharge, whichever is the greater. The court has no discretion to fix a smaller amount, and if there are a series of overcharges, no matter how small the amount involved, the purchaser is entitled to recover a minimum of $50 for each overcharge. Thus, a roomer who is overcharged 50 cents a day for 10 days is entitled under the present law to recover $500 from his landlord even though the aggregate amount of the overcharges is only $5.

The bill provides that the purchaser may recover only one $50 for all the overcharges which he has paid to a seller prior to the bringing of the suit. With respect to the treble-damage provision, the bill gives to the court the discretion to fix damages within the range between one and a half and three times the amount of the overcharge, subject, of course, to the $50 minimum. The committee felt that the court should be permitted to assess something less than treble damages in cases in which violations occur unintentionally and despite the exercise of due diligence to prevent them.

The bill also strengthens the enforcement provisions by authorizing the Price Administrator to bring a suit for damages on behalf of the United States in situations in which the present statute authorizes suits only by the consumer. If the consumer does not bring his action within 30 days of the violation, the Administrator is permitted to institute the action. This procedure provides the Administrator with a quick and effective remedy for violations of a minor character and thus closes an important gap in the present system of enforcement sanctions.

Another amendment provides that after June 30, 1945, no subsidy may be paid unless the money required for it has been appropriated by Congress. This amendment does not prohibit the payment of subsidies, but it does provide that after the end of the coming fiscal year subsidies shall not be paid except out of money appropriated by Congress for that purpose.

Section 103 of the bill amends section 2 of the Price Control Act by prohibiting agencies and officers of the Government from imposing any conditions or penalties not authorized by the acts under which they are operating or by lawful regulations issued under such acts.

Section 3 (e) of the Emergency Price Control Act appears to require the Price Administrator to obtain the approval of the Secretary of Agriculture before he can institute a suit for damages or suspend a license with respect to an agricultural commodity, even though it is clear that no such approval is necessary for injunction suits or criminal proceedings. The bill amends section 3 (e) so as to make it clear that the Price Administrator may use any of the enforcement procedures authorized by the statute without obtaining the approval of the Secretary of Agriculture.

As an aid to effective enforcement, the bill contains an amendment authorizing the Price Administrator to purchase commodities to obtain information or evidence of violations of the regulations. Other law-enforcement agencies of the Government have this authority, and there is no reason why the Price Administrator should be hampered in this respect.

Title II of the bill continues, until December 31, 1945, the effective period of the Stabilization Act of October 2,

1942, and provides for three other amendments to that act.

Section 201 of the bill—known as the Bankhead amendment—undertakes to provide a new formula for fixing ceiling prices for cotton textiles. I opposed the provision in committee. Together with the other members of the committee I have presented minority views with respect to it in the committee report. I was authorized by the committee to present those minority views, notwithstanding the fact that I was also, on behalf of the committee, presenting the committee report including favorable recommendations by the majority of the committee as to this amendment. While I expect to state my views as to this amendment later in the debate, I do not wish to discuss it at this time as it seems to me that the proponents of the amendment should first have an opportunity to explain it to the Senate and present their views relating to it.

Section 202 of the bill amends the Stabilization Act by providing that any agency provided for by the Railway Labor Act must, as a prerequisite to effecting or recommending a settlement of a wage dispute between employees and carriers, make a finding and certification that the settlement will be consistent with the standards in effect for the purpose of controlling inflationary tendencies. When such a finding is made the amendment provides that it shall be conclusive. The procedures of the Railway Labor Act have furnished an admirable method for the settlement of disputes and the maintenance of a rational wage structure in the railway industry. The agencies established under the Railway Labor Act for the consideration of wage disputes are best qualified, because of their intimate knowledge of the problems involved, to make conclusive determinations as to railway wage rates. This does not mean that railway employees are exempted from the Stabilization Act or the wage stabilization program. The amendment specifically provides that these employees and their employers and the agencies set up by the Railway Labor Act for settling wage disputes shall be bound by the wage stabilization program.

Section 204 of the bill increases the basic rate for Government loans on the basic commodities—cotton, corn, wheat, rice, tobacco, and peanuts—to 95 percent of the parity price. The present basic rate is 90 percent of the parity price. This section also increases the price which is to be supported by the Government for nonbasic agricultural commodities under the Steagall amendment from the present 90 percent to a new rate of 95 percent of the parity or comparable price. The new 95 percent rates provided for by this section will be effective until the end of the second year after the termination of hostilities in the present war.

In conclusion, I want to emphasize that the stabilization program is a vital part of the war effort, and that it must be prosecuted just as vigorously as other aspects of the war program. As the Price Control Act itself declares, economic stabilization is necessary to the effective prosecution of the present war. It is also a necessary part of the readjustment to peace. The problem of demobilizing the great war economy that we have built up will be difficult enough in any case, as we are all aware. If we permit any weakening of the stabilization program we may add difficulties of our own making to those we cannot escape, and release forces that will threaten the entire structure of our free society. Such a consequence can be avoided and the responsibility for avoiding it rests chiefly upon us.

The continuation of the stabilization program is a vital step in the discharge of that responsibility. I am confident that Senators will agree that the present legislation should be extended without substantial change.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from New York yield to the Senator from Nebraska?

Mr. WAGNER. I yield.

Mr. WHERRY. I may not have been in the Chamber when the Senator discussed some of the proposed amendments which he said were rejected by the committee. Does he recall the reason for not including in the committee amendments the so-called section 7 amendment which was offered by me, and which had to do with penalizing those alleged to have violated price directives which set maximum ceilings?

Mr. WAGNER. Did the amendment to which the Senator refers deal with the question of the district court?

Mr. WHERRY. No. The amendment reads as follows:

(g) No person shall be penalized for any sale heretofore or hereafter made of any agricultural commodity at a price which at the time and place of such sale was no higher than a price which would reflect to the producers of such agricultural commodity the prices required by section 3 of the act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes (Public Law 729, 77th Cong., approved October 2, 1942).

In the event a violation were charged it would be provided that in whatever court the action was brought the defendant could set up as a defense any right which he might have had under the Price Stabilization Act with reference to what the price of the commodity should be. The amendment would in no way increase the prices of commodities, but it might afford a defense in cases in which a maximum ceiling price established by a directive was lower than the price the products should have brought under the Price Stabilization Act, section 3. Does the Senator recall what the position was with reference to that amendment?

Mr. WAGNER. That is the so-called Wherry amendment. The committee agreed to a part of it, which has been included.

Mr. WHERRY. It has been included in some of the procedural language, but the part to which I refer has to do with the court procedure. It permits the defense to be offered——

Mr. WAGNER. It permits the defense to be made in any Federal district court, and, as I recall, we wished to avoid that and have the matter dealt with by the Emergency Court of Appeals.

Mr. WHERRY. Each district court would handle the cases which might be brought within its jurisdiction. There would be a multiplicity of opinions from the Federal district court.

Mr. WAGNER. Yes.

Mr. WHERRY. In the event that the amendment were to be perfected by providing an appeal directly to the Emergency Court of Appeals under the new procedure, would the opposition to the amendment be satisfied?

Mr. WAGNER. I should prefer to consider that matter after the Senator offers the proposed amendment.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert——

Mr. WAGNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Reed
Ball	Green	Revercomb
Bankhead	Gurney	Reynolds
Barkley	Hatch	Robertson
Bilbo	Hawkes	Russell
Brooks	Hayden	Shipstead
Buck	Hill	Stewart
Burton	Holman	Taft
Bushfield	Jackson	Thomas, Idaho
Byrd	Johnson, Colo.	Thomas, Okla.
Capper	La Follette	Truman
Caraway	Lucas	Tunnell
Chandler	McClellan	Tydings
Chavez	McFarland	Vandenberg
Clark, Mo.	McKellar	Wagner
Connally	Maloney	Wallgren
Cordon	Maybank	Walsh, Mass.
Danaher	Mead	Walsh, N. J.
Davis	Millikin	Weeks
Downey	Murdock	Wheeler
Eastland	Nye	Wherry
Ellender	O'Daniel	White
Ferguson	Overton	Wiley
George	Pepper	Willis
Gerry	Radcliffe	Wilson

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senator from North Carolina [Mr. BAILEY] is necessarily absent.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Vermont [Mr. AUSTIN], the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from North Dakota [Mr. LANGER], the Senator from Oklahoma [Mr.

MOORE], and the Senator from New Hampshire [Mr. TOBEY].

The PRESIDING OFFICER. Seventy-five Senators having answered to their names, a quorum is present.

The clerk will state the committee amendment.

Mr. TAFT. Mr. President, with the approval of the Senator from New York, I should like to ask unanimous consent that the committee amendment be divided, and that each section of the bill be considered as a separate committee amendment, so that we can take up the amendments in an orderly way.

Mr. WAGNER. I thought I had made such a request.

Mr. TAFT. Apparently the clerks at the desk did not think so.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio? The Chair hears none, and it is so ordered.

The clerk will state the first amendment of the committee.

The CHIEF CLERK. On page 1, after line 2, it is proposed to strike out:

That section 1 (b) of the Emergency Price Control Act of 1942, as amended by the act of October 2, 1942, is hereby amended by striking out "June 30, 1944" and substituting "June 30, 1945."

SEC. 2. Section 6 of the act of October 2, 1942, is hereby amended by striking out "June 30, 1944" and substituting "June 30, 1945."

And to insert:

That this act may be cited as the "Stabilization Extension Act of 1944."

The amendment was agreed to.

The next amendment was, on page 2, after line 4, to insert:

TITLE I—AMENDMENTS TO THE EMERGENCY PRICE CONTROL ACT OF 1942

TERMINATION DATE

SEC. 101. Section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1944," and substituting "December 31, 1945."

The amendment was agreed to.

The next amendment was, on page 2, after line 10, to insert:

APPROPRIATION REQUIRED FOR SUBSIDIES

SEC. 102. Section 2 (e) of such act is amended by adding at the end thereof the following new paragraph:

"After June 30, 1945, neither the Price Administrator nor the Reconstruction Finance Corporation nor any other Government corporation shall make any subsidy payments, or buy any commodities for the purpose of selling them at a loss and thereby subsidizing directly or indirectly the sale of commodities, unless the money required for such subsidies, or sale at a loss, has been appropriated by Congress for such purpose."

Mr. TAFT. Has the amendment to section 101 been agreed to?

The PRESIDING OFFICER. That amendment has been agreed to.

Mr. WAGNER. I understood that the senior Senator from Connecticut desired to discuss the amendment to section 102. I do not see him present in the Chamber at this time, and I suggest that the amendment be temporarily laid aside unitl he arrives.

The PRESIDING OFFICER. Without objection, the amendment will be passed over, and the clerk will state the next amendment of the committee.

The CHIEF CLERK. On page 2, after line 21, it is proposed to insert the following:

UNAUTHORIZED CONDITIONS OR PENALTIES

SEC. 103. Section 2 of such act is amended by adding at the end thereof the following new subsection:

"(k) No agency, department, officer, or employee of the Government, in the payment of sums authorized by this or other acts of Congress relating to the production or sale of agricultural commodities, or in contracts for the purchase of any such commodities by the Government or any department or agency thereof, or in any allocation of materials or facilities, or in fixing quotas for the production or sale of any such commodities, shall impose any conditions or penalties not authorized by the provisions of the act or acts, or lawful regulations issued thereunder, under which such sums are authorized, such contracts are made, materials and facilities allocated, or quotas for the production or sale of any such commodities are imposed. Any person aggrieved by any action of any agency, department, officer, or employee of the Government contrary to the provisions hereof, or by the failure to act of any such agency, department, officer, or employee, may petition the district court of the district in which he resides or has his place of business for an order or a declaratory judgment to determine whether any such action or failure to act is in conformity with the provisions hereof and otherwise lawful; and the court shall have jurisdiction to grant appropriate relief. The provisions of the Judicial Code as to monetary amount involved necessary to give jurisdiction to a district court shall not be applicable in any such case."

Mr. ELLENDER. May we have an explanation of the amendment?

Mr. WAGNER. Mr. President, the amendment prohibits agencies and officers of the Government, in the payment of sums authorized by acts of Congress relating to the production or sale of agricultural commodities, or in contracts for the purchase of such commodities, or in any allocation of materials or facilities, or in fixing quotas for the production or sale of any such commodities, from imposing any conditions or penalties not authorized by the acts under which the activities concerned are conducted or by lawful regulations issued under such acts. Any person aggrieved by the failure of any agency or officer of the Government to comply with the requirements of this amendment is authorized to petition the district court of the district in which he resides or has his place of business for an order or declaratory judgment to determine whether the requirements of the section are being complied with; and the court is authorized to grant appropriate relief.

Mr. ELLENDER. Are we to understand that penalties were enforced which were not provided for in the law itself?

Mr. WAGNER. No; as I understand, this amendment limits the penalties involved to the particular instances.

Mr. ELLENDER. I understand that, and that is the extent to which I thought penalties were imposed; that is, penalties that are sanctioned by the law.

Mr. WAGNER. I thought so, too, but the complaint has been made that other penalties were imposed in some of these actions. Actually there was no evidence before our committee, but there was a statement that some of these other requirements had been imposed, and this would make the entire question certain.

Mr. ELLENDER. I understand.

Mr. TAFT. Perhaps I can give an example of what the committee was trying to reach, through citing an order issued by the War Food Administration as to dairy products. They provide for various milk arrangements, pools, and other things, under the War Food Administrator. This amendment does not relate particularly to the Price Administration. The Price Administrator had no objection, because he said he was not using other penalties, anyway. It has more to do with the question of the War Food Administrator's actions.

I read a section of the regulations of the War Food Administrator relating to the milk order:

Violations. The War Food Administrator may suspend, revoke, or reduce the quota of any person who violates any provision of this order, may prohibit by order such person from receiving, or using milk, cream, or any other material subject to priority or allocation control by the War Food Administrator.

In other words, they are saying, "If you do not do this particular thing, we will take away the priorities which are given to you through the War Food Administrator," and they recommend that "such person be prohibited from receiving, making any deliveries of, or using materials subject to the priority or allocation control of other governmental agencies. In addition, any person who wilfully violates any provision of this order is guilty of a crime and may be prosecuted under any and all applicable laws," and civil action may be instituted.

In other words, the purpose of the amendment is to prevent the enforcement of one act by threatening penalties under another act. The War Food Administrator could proceed under the statute which regulates him, but he would have to confine himself to the penalties provided in the act. He could not call on the Price Administrator and say, "Go after this fellow and take his license away for something he did in violation of our act," and threaten him with that action as a result of his alleged violation of the War Food Administration Act.

Mr. ELLENDER. I am in thorough agreement with the proposition that no agency, be it O. P. A. or any other, should provide any penalty that is not prescribed in the law.

Mr. TAFT. That is all this amendment is intended to cover.

Mr. ELLENDER. Did the committee obtain any evidence of any cases in which penalties were imposed which were not provided for in the law?

Mr. TAFT. As I recall, those interested in farming told us of some cases. They specifically produced the order I have read, Order FDO 79, of the War Food Administration, issued September 7, 1943. On its face it threatens any man who does not abide by it with having his gasoline cut off, we will say, or having some other weapon used in an attempt to make him come in under the order. As a matter of fact, this particular order was taken to court, and the

District Court held later on that the provision for assessment of the cost was a tax which could not be imposed by regulation, and the court knocked out the order. But in the meantime the people concerned were threatened with having their gasoline taken away and having all sorts of other measures used against them. I happen to know that. I do not know whether that case was placed in the record of the hearings, but this was an actual case where such a thing was being done. As a matter of fact, it is being done in other fields, such as the war manpower field. The War Manpower Commission is proposing to enforce its orders entirely by threatening those who fail to obey with some penalty from the War Production Board, for instance, the cutting off of their supplies of material. I do not want to pass on that question, and the amendment does not cover anything outside the sale of agricultural commodities or things processed therefrom.

Mr. President, I do not believe that when they seriously think the matter over any officials will want to do such a thing. Certainly the Price Administration said frankly, "We do not do this and we do not want to do it."

Mr. MURDOCK. Mr. President——

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Ohio yield to the Senator from Utah?

Mr. TAFT. I yield.

Mr. MURDOCK. There was no evidence produced before the committee at all, was there, which indicated that the Office of Price Administration had engaged in any of the procedures which are prohibited by this amendment?

Mr. TAFT. I think the Senator is entirely correct. The entire criticism, as I remember, was of the War Food Administration and the control of dairy products.

Mr. MURDOCK. I should like to propound another question to the Senator from Ohio. Is it not true that the other agencies which would be affected by the amendment were not given an opportunity to come forward and explain the effect such an amendment might have on their operations?

Mr. TAFT. I have no doubt they had been fully advised of it. We did not refuse a hearing to any of them. I think we suggested to the Price Administrator that if he thought they would be embarrassed, or had objections, they could come before the committee. We were quite willing to hear from them.

Mr. MURDOCK. I am sure of that, but, as I recall the situation, although we would have heard them, the other agencies were not called in, and, as I understand the record, there is very little in it that has any bearing on the pending amendment. I cannot see any particular objection to it, but I feel that it is hardly appropriate in the pending bill when there is absolutely no evidence that the Office of Price Administration has ever engaged in these practices. It seems to me that before we adopt an amendment of this character we should have some evidence as to what the ramifications and effects of such an amendment would be on other agencies.

Mr. ELLENDER. Mr. President, I have no desire to oppose the amendment. As has been said, it seems perfectly harmless, but I think the amendment is entirely out of place, and it demonstrates a poor method of legislating. It sounds like an appeasement amendment. We are saying in effect that a Government agency shall not impose conditions or penalties which are not authorized by the act. The law now provides what penalties may be imposed, and it strikes me that that ought to be sufficient. Does anyone contend that penalties not provided by law could be enforced? On the other hand, the evidence shows that O. P. A. has not attempted to impose such penalties as were not provided in the law, and I repeat, the amendment is entirely out of order and out of place.

Mr. TAFT. Mr. President, there was some discussion of the fact that no evidence was presented. I merely wish to call attention to the fact that on page 464 of the record appears the statement of Mr. Holman, the head of the Cooperative Dairy Association. His statement sets out for a page or two his arguments in favor of this amendment. He said:

> The third type of abuse which needs to be corrected in this bill and generally comes directly into our operations, I call regulations to police other regulations.

He gave the case of the kind of affidavit which has to be signed by anyone who obtains a subsidy under the milk order, for instance. At the end of the statement which is presented to every man applying for subsidies for milk—which means approximately 3,000,000 farmers—there appears the statement: "Hereby swears"—and so forth—"that he is in full compliance with all applicable food distribution orders issued by the Secretary of Agriculture or the War Food Administrator of the United States."

In other words, the two are linked together, and it is rather difficult to separate them.

I think the correction of an abuse dealing with food products and the War Food Administrator is perfectly germane to this bill. After all, the War Food Administrator also derives many of his powers from the Price Control Act, and there have been transferred to him powers given by the Price Control Act to the Secretary of Agriculture. So, inasmuch as this amendment deals only with agricultural commodities and articles processed from agricultural commodities, I do not think the Senator should say that we should not deal with abuses in the War Food Administration or matters which we think should be corrected, merely because the bill deals primarily with the Price Administrator. The renewal of the Price Control Act and the Stabilization Act covers not only prices, but wage-fixing provisions and powers of the War Food Administrator conferred by the Price Control Act or conferred on the Secretary of Agriculture and transferred by Executive order to the War Food Administrator. I think we are justified in dealing with matters which have to do with things covered by the price administration law.

Mr. ELLENDER. Mr. President, I read on pages 2 and 3 of the pending bill, beginning in line 25, under subsection (k), the following language:

> No agency, department, officer, or employee of the Government, in the payment of sums authorized by this or other acts of Congress relating to the production or sale of agricultural commodities—

And so forth. Will the Senator state whether this amendment would apply solely to the operations of the Stabilization Act and the Price Control Act, as amended?

Mr. TAFT. I think it might also cover the Commodity Credit Corporation, because it says "in the payment of sums authorized by this or other acts of Congress." That might include a subsidy. In other words, it is said, "If you are going to pay subsidies you should pay subsidies. You should not require that before a man receives a subsidy he must come in and prove that he is not violating any of hundreds of other regulations which might apply to him." That is one thing.

Then, following that in the amendment, we find the provision—

> Or in contracts for the purchase of any such commodities by the Government or any department or agency thereof.

In other words, we forbid the imposing of certain other conditions dealing with price control or other matters as a condition of getting a contract.

Third, the amendment provides—

> or in any allocation of materials or facilities.

In other words, cutting off gasoline.

Mr. ELLENDER. Has the Senator any idea whether other agencies than those mentioned by him may be affected by this provision?

Mr. TAFT. I do not think of any others it would affect except the Commodity Credit Corporation, the O. P. A., and the War Food Administrator, and the R. F. C., in acting as agent for the O. P. A.

I think the amendment is entirely proper.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on pages 2 and 3, inserting a new section 103.

The amendment was agreed to.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. OVERTON. Mr. President, I submit a conference report on House bill 4559, the bill making appropriations for the Navy Department.

The PRESIDING OFFICER (Mr. HILL in the chair). The report will be read.

The Chief Clerk read the report, as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, having met, after full and free conference, have agreed to

recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6 and 10.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 7, 11, 12, 13, and 15, and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: On page 54 of the bill, in line 18, strike out the numerals "1943" and insert in lieu thereof "1944"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 5, 8, 9, 16, and 17.

JOHN H. OVERTON,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
RUFUS C. HOLMAN
STYLES BRIDGES,
Managers on the part of the Senate.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Managers on the part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report.

There being no objection, the report was considered and agreed to.

Mr. OVERTON. I ask that the Chair lay before the Senate the message from the House of Representatives.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4559, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 1, 1944.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 17 to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 1 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert: "$42,437,298: *Provided*, That the whole of the appropriation 'Aviation, Navy, 1942,' shall remain available until June 30, 1945, for the payment of obligations incurred under contracts executed prior to June 30, 1942, the provision in the appropriation 'Aviation, Navy,' contained in this act to the contrary notwithstanding."

That the House recede from its disagreement to the amendment of the Senate numbered 5 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"NAVAL PROCUREMENT FUND

"The Secretary of the Treasury is authorized and directed, prior to July 1, 1944, upon the request of the Secretary of the Navy, to transfer $1,000,000 from the naval emergency fund (17X0300) to the naval procurement fund (Public Law 653, approved July 3, 1942) and advances by check or warrant and reimbursements to the naval procurement fund from naval appropriations may be made on the basis of the estimated cost of a project without further accounting distribution of expenditures to the individual appropriations involved: *Provided*, That the naval procurement fund shall not be employed beyond the duration of the present wars except to liquidate obligations incurred prior to the termination of such wars."

That the House recede from its disagreement to the amendment of the Senate numbered 16 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"SEC. 121. The authority contained in section 103 of the Second Supplemental National Defense Appropriation Act, 1943, is hereby extended to and made applicable to the appropriations for the naval service made subsequent to such act and contained in this act without any increase in the amount limitation fixed in such section: *Provided*, That 'information and services' authorized to be rendered by the act of March 11, 1941 (Public, 11), need not be connected with the procurement or disposition of any defense article."

That the House insist upon its disagreement to the amendments of the Senate numbered 8 and 9 to said bill.

Mr. OVERTON. I move that the Senate agree to the amendments of the House to the amendments of the Senate Nos. 1, 5, and 16.

Mr. WHITE. With respect to those amendments or to those portions of the report in which there has been agreement, were the minority conferees in agreement with the majority?

Mr. OVERTON. Does the Senator mean with reference to the amendment of the House which has already been agreed to? The House made a very slight modification to the Senate amendments numbered 1, 5, and 16.

Mr. WHITE. Does the Senator move that the Senate concur in the House amendments to the Senate amendments?

Mr. OVERTON. Yes, the House amendments to Senate amendments numbered 1, 5, and 16. I shall then move that the Senate insist upon its amendments numbered 8 and 9, and ask for further conference thereon.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

Mr. OVERTON. I now move that the Senate insist on its amendments numbered 8 and 9, and ask for a further conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to; and the Presiding Officer appointed Mr. OVERTON, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. GREEN, Mr. WALSH of Massachusetts, Mr. HOLMAN, Mr. BRIDGES, and Mr. BROOKS conferees on the part of the Senate at the further conference.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed the consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.), as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.).

The PRESIDING OFFICER (Mr. HATCH in the Chair). The next amendment of the committee will be stated.

The next amendment of the committee was, on page 4, line 1, to insert a new section 104, as follows:

ENFORCEMENT AUTHORIZATION

SEC. 104. Section 3 (e) of such act is amended by striking out "(a) and (b)."

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 4, line 4, to insert a new section 105, as follows:

EXPENDITURES BY THE ADMINISTRATOR

SEC. 105. Section 201 (c) of such act is amended to read as follows:

"(e) The Administrator shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for lawbooks and books of reference; for paper, printing and binding; and for purchase of commodities in order to obtain information or evidence of violations of price, rent, or rationing regulations or orders or price schedules) as he may deem necessary for the administration and enforcement of this act. The provisions of section 3709 of the Revised Statute shall not apply to the purchase of supplies and services by the Administrator where the aggregate amount involved does not exceed $250."

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 4, line 19, to insert a new section 106, as follows:

PROTEST PROCEDURE

SEC. 106. (a) The first sentence of section 203 (a) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: "Within a period of 60 days after the issuance of any regulation or order under section 2 (or in the case of a price schedule, within a period of 60 days after the effective date thereof specified in section 206), or within a period of 60 days after June 30, 1944, whichever is later, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections."

(b) Section 203 (c) of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided, however*, That, upon the request of the protestant, any protest filed in accordance with subsection (a) of this section, after September 1, 1944, shall, before denial in whole or in part, be considered by a board of review consisting of one or more officers or employees of the Office of Price Administration designated by the Administrator in accordance with regulations to be promulgated by him. The Administrator shall cause to be presented to the board such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate in support of the provision against which the protest is filed. The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the board and the board shall make written recommendations to the Price Administrator. The protestant shall be informed of the recommendations of the board and, in the event that the Administrator rejects such recommendations in whole or in part, shall be informed of the reasons for such rejection."

(c) Section 203 of such act is further amended by adding at the end thereof the following new subsection:

"(d) Any protest filed under this section shall be granted or denied by the Administrator, or granted in part and the remainder of it denied, within a reasonable time after it is filed. Any protestant who is aggrieved by undue delay on the part of the Administrator in disposing of his protest may petition the Emergency Court of Appeals, created pursuant to section 204, for relief; and such court shall have jurisdiction by appropriate order to require the Administrator to dispose of such protest within such time as may be fixed by the court. If the Administrator does not act finally within the time fixed by the court, the protest shall be deemed to be denied at the expiration of that period."

Mr. WAGNER. Mr. President, I see that the senior Senator from Connecticut [Mr. MALONEY] has now entered the Chamber. I ask unanimous consent that the Senate return to the consideration of section 102, which was temporarily laid aside.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 2, beginning in line 11, it is proposed to insert a new section, as follows:

APPROPRIATION REQUIRED FOR SUBSIDIES

SEC. 102. Section 2 (a) of such act is amended by adding at the end thereof the following new paragraph:

"After June 30, 1945, neither the Price Administrator nor the Reconstruction Finance Corporation nor any other Government corporation shall make any subsidy payments, or buy any commodities for the purpose of selling them at a loss and thereby subsidizing directly or indirectly the sale of commodities, unless the money required for such subsidies, or sale at a loss, has been appropriated by Congress for such purpose."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment inserting a new section 102, on page 2.

Mr. MALONEY. Mr. President, because this subject has been discussed time and again during the past 2 years, I shall not now talk about it at length. I wish, however, to register my protest, and to express the hope that the amendment will be rejected.

None of us can tell what the situation may be a year from now. The amendment is another attempt to do away with food subsidies. I am among the Senators who deplore the need for food subsidies, but I am very fearful that if the amendment is adopted we may find ourselves 1 year hence in even a more serious situation. We may find ourselves faced with appeals for new and extensive subsidies. We may be asked by groups throughout the country to provide large sums of money for subsidies to industries, to products, or to produce which we have never considered in connection with the subsidy program. I think it would be a very serious mistake to take away from the Office of Price Administration a subject which it has, through long experience, learned much about, and in effect turn the entire matter back to a Congress which cannot be so well informed as is the Office of Price Administration.

We have gone through very serious and troublesome times since the beginning of the O. P. A. There were, as might be expected with a new program of this sort, very serious mistakes in the beginning. The Office of Price Administration was guilty of many errors and, I think, blunders. But over the years the people of the country have come to a better understanding of the aims and purposes of the O. P. A. The O. P. A. itself has come to a better understanding of the problem. With the passing of the years, it has overcome the mistakes. If, now, as we, I hope and pray, approach the end of the war, we adopt the amendment we shall, in my judgment, by so doing, be abandoning the experience of the Office of Price Administration, and telling them that henceforth, as of the date provided herein, the Congress will alone make the decisions insofar as subsidies are concerned, and we may be overwhelmed by subsidy demands the like of which we cannot now anticipate.

I do not see anything to be gained by the adoption of this amendment at this particular time. I think we might very well let a well-functioning and now highly regarded Office of Price Administration continue with its program for the next year. If we should adopt the amendment, we might create a situation which could be dangerous a year hence. Let me repeat, there is no profit in it now. There is nothing to be gained at this time. I appeal to Senators to set this amendment aside for a year, when, in the light of the circumstances at that time, we can better determine whether or not we wish to abandon completely the experience of the Office of Price Administration. At that time we might determine that it would be best to act upon the advice and suggestions of an organization which has come to have the approval, and in many instances the applause, of the American people.

I hope the amendment will be rejected.

Mr. TAFT. Mr. President, the Senator from Connecticut, for whose judgment I have the highest respect, entirely misstates the issue involved in this amendment. The issue is not whether we shall continue subsidies or not. The issue is, Shall Congress hold the purse strings and determine what money shall be spent by the United States Government? Today we have in effect a program which is spending the taxpayers' money at the rate of $1,500,000,000 a year, without a single appropriation by Congress—in fact, contrary to the expressed will of Congress, as embodied in the law which was enacted.

Mr. MALONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Connecticut?

Mr. TAFT. I yield.

Mr. MALONEY. I should like to point out to the distinguished Senator from Ohio that we are operating on this basis because of the opposition which arose when a proposal was made to appropriate one and a half billion dollars. There was an unwillingness on the part of the Congress to appropriate sufficiently for food subsidies.

Mr. TAFT. So I understand the Senator to say that he is in favor of the administration spending money whenever Congress refuses to appropriate it. He is in favor of the administration finding some other way of getting the money. That absolutely strikes at the very basis of constitutional government in this country. It strikes at the basis on which Anglo-Saxon legislative bodies have retained control over the purse strings during all these centuries.

Mr. MALONEY. Mr. President, I hope the Senator from Ohio will yield to me long enough to permit me to say that I did not make myself understood by him. As a matter of fact, I offered an amendment which provided that the Congress should appropriate the money, but the resistance to the amendment was sufficient to overcome it, and we found ourselves in the midst of a war, with a program under way and our hands tied. It seemed to me that there were powers in the hands of the executive department to provide sufficient money to continue the program; and, rather than have chaos, I favored that procedure.

Mr. TAFT. Again, Mr. President, this is not an amendment to end subsidies. What will happen under this amendment after the new Congress is elected? After an election held by the people of this country someone will come before Congress with a request for an appropriation. It may be for one and a half billion dollars. It may be for less. Sooner or later subsidies will have to be tapered off. I believe that Congress is perfectly capable of considering the question. I believe that the sentiment in Congress in favor of subsidies is greater than it was at that time. It seems to me absolutely illogical to say that nothing Congress can do now can prevent or in any way affect the subsidy program in 1945, and the spending of one and a half billion dollars if the President chooses to veto any bill which we might pass.

The only purpose of this amendment is to return to Congress the power over the purse strings. We fought out the subsidy question for this year. We permitted the continuation of the program on a certain basis. But it seems to me vitally important that never again shall a Government corporation which is given money for one purpose, for purchase and sale, which may or may not involve loss, but which was not intended to involve loss, pay out the money in cash, just as an appropriation for subsidies would be paid out. Money which was never given to those corporations for that purpose is gone forever. It seems to me fundamental that the Congress insist, when it comes to a program for spending money, that only money appropriated by Congress shall be spent. That is the only purpose of the amendment.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MALONEY. I think I am in accord with the views of the Senator from Ohio. I have, to a considerable extent, joined with him as we have considered stabilization legislation during the years.

I am inclined to think that I would agree with him a year hence; but I think we should wait until that time comes before legislating on this phase of the subject. All I am asking is that we set this question aside until that time.

Mr. TAFT. The reason for placing the amendment in the bill is this: The authority to pay subsidies—at least rollback subsidies—is contained in the bill. That authority will expire on the 1st of July. Section 2 (e) of the act provides as follows:

(e) Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof.

This is the authority, and we are now asked to extend that authority. I think any Senator who might have read the provisions of the act at the time it was enacted would have said that that was not intended to be authority to the Administrator to go ahead by himself. It was always intended that the authority should be implemented by appropriations, as authorization acts are always implemented by appropriations.

The reason why this condition arose was that there was a further provision. When we wrote this law we found that subsidies were already being paid. The act covered commodities other than food. For example, it covered copper. The Reconstruction Finance Corporation was paying subsidies on copper at that time. At least, if it was not paying subsidies, it was purchasing copper at different prices from various producers of copper. So the following proviso was added:

Provided, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President.

The President issued an order finding that beef, butter, and coffee were strategic and critical materials. Whether or not that was legal, it certainly was not the intention of the Congress when it enacted the law. It was very clearly intended that the authority to make subsidy payments should be subject to such conditions as the usual authorization act is subject to; that is, that the Congress should make the appropriations. Such appropriations were never requested, and were never made. The Reconstruction Finance Corporation was then used as a means of carrying out the program.

All this amendment would do would be to restore the condition to what was originally intended. We are now asked to authorize the Price Administrator to continue the payment of subsidies. That is what the extension of the O. P. A. would mean. It would authorize the Price Administrator to continue to pay subsidies. All the amendment would do would be to say that such subsidies should be conditioned upon appropriations by Congress, as we originally intended. It seems to me that that must be the effect. Otherwise, we should be saying, in effect, "All R. F. C. money hereafter may be used to pay subsidies in any amount that the President may see fit to indicate."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. In order to remove the apprehension entertained by the distinguished Senator from Connecticut [Mr. MALONEY], would the Senator agree to change the date in line 10, on page 2, of the bill from December 31 to June 30, 1945? By so doing the question of whether or not subsidies should be continued under present conditions could be disposed of should it become necessary to extend the act next year. As I understand, section 101, which would extend the act for 18 months, has already been adopted.

Mr. TAFT. That is correct; but the subsidy amendment would take effect after June 30, 1945, for the next fiscal year. Whether the next administration is to be Republican or Democratic, I believe that it ought to come to Congress, if it is to spend any amount approximating one and a half billion dollars on subsidies or anything else.

Mr. ELLENDER. My idea is to extend the act for 1 year instead of a year and a half, so that when and if the act is extended a year hence, the question of subsidies can be considered in connection with the extension of the act, as I have just indicated.

Mr. TAFT. I rather favor the extension of the act for a period of 18 months, because it seems to me that otherwise it would come back to us very soon. It seems to me that on the whole it would be better to end the act at the end of a calendar year. We might possibly be in a position of not renewing it at all. I am sure we shall have to renew it on June 30, because most of these matters run on the basis of a crop year, and prices have to be fixed according to the year. While this language provides that application for subsidies must be made before June 30, the truth is that the Administrator will have to make up his mind as to a subsidy program immediately after the 1st of January next year, I should say, and come to Congress and state what subsidies he thinks should be determined upon.

Mr. President, I may be making more of this matter than is necessary, because it may be that the Commodity Credit Corporation and the R. F. C. will run out of money by next January 1. I do not know; but it is entirely conceivable that they may run out of money by then. The Commodity Credit Corporation, at least, may run out of money by that time. However, it seems to me that any administration, in making up its budget for the calendar year beginning July 1, 1945, would wish to come to Congress and ask it to approve the budget, including the amount needed for subsidies, as well as for every other expenditure of the Government. Why should the amount involved in this instance alone be exempted from Congressional appropriation?

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MALONEY. I should like to ask the Senator from Ohio if it is not true that, in the event the Senator's amendment prevails, and if money is not appropriated for food subsidies as of June 30, 1945, the Office of Price Administration may then be a hollow shell and have no power?

Mr. TAFT. It would have no power to pay subsidies. If Congress believes that no subsidies should be paid after July 1, 1945, I do not believe they should be paid. I have the same feeling with regard to every other public policy. This is not a unique idea. I am merely trying to line up the subsidy program with every other program of the Government.

Mr. MALONEY. I am inclined to agree with the Senator, as he knows. But why does the Senator wish to take action now which will become effective 6 months before the expiration of the act?

Mr. TAFT. Unless we are committed to subsidies it is almost impossible to stop them within 6 months. Certain obligations have been entered into, and it is therefore necessary to continue them. As a matter of fact, Congress could not possibly end subsidies today. It has lost all interest in doing so because subsidies have reached such a point, and have become of such vital interest in the minds of many persons, that if an attempt were to be made even to get rid of them it would have to be done very gradually. I believe that Congress would take that point of view with regard to the situation. However, I may say frankly that if Congress does not wish to have subsidies I do not believe, now that we are asked for a renewal of power, that we should leave ourselves in a helpless position. Congress should not be left in such a position that the President, after vetoing a bill which Congress had passed, could continue to pay subsidies against the opinion of the majority of Congress.

Mr. MALONEY. Allow me to ask the Senator from Ohio a question. Suppose that we leave this amendment out of the bill; in the normal course of events will we not consider the question of appropriating for food subsidies?

Mr. TAFT. No. If we wish to provide for subsidies in 1945 we shall have to pass another bill. That bill might well again be vetoed by the Executive, in which event nothing more could be done. No appropriations are required. Subsidies can be paid out of R. F. C. billions for an indefinite period with no control exercised by Congress.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. The fact remains, does it not, that the act will be in force

for 18 months if the renewal provision is agreed to by the House, and the only reason for coming back to Congress on June 30, 1945, would be to obtain appropriations in order to continue the subsidy program for 6 months? Is that not true?

Mr. TAFT. Originally I had a proposal drawn so that the subsidies would end on December 31, 1944. It was pointed out that it would not afford sufficient time to this Congress; that after all it was better to postpone the question for consideration of the new Congress. However, a program should be presented 5 or 6 months before the date upon which subsidies will actually end. In effect, this language provides that if subsidies are desired in 1945, the proper officials must come to the next Congress by the 1st of January 1945 and say, in effect, "Here is the program which we recommend."

Mr. ELLENDER. Will the Senator venture an opinion as to what would have happened to the subsidy program if such a proposal had been in the Price Control Act of last year? That is, if subsidies were to depend on appropriations from Congress 6 months before the act expired?

Mr. TAFT. I cannot speak for the House of Representatives. I believe that in this House we would have appropriated a very fair sum of money. We perhaps would not have appropriated all the money that was asked for, but there are some subsidies which I think are not justified. I think some subsidies are justified, and I believe that an appropriation of a reasonable sum would have been made.

Mr. ELLENDER. My guess is that all subsidies would have been thrown out the window.

Mr. TAFT. If they had been, I think it would have been better than what was done. I may be in error and the Senator may be in error. I am not disputing the question. I say that Congress is the body which should determine the question of a spending program involving a billion and a half dollars.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 2, after line 10.

Mr. BARKLEY. Mr. President, I wish to make a few brief remarks concerning this matter.

I was unavoidably absent from the city at the time the committee acted on the amendment. If I had been present in the committee I should have voted against it.

I had understood that in an informal way we had agreed in the committee to avoid a revival of the subject of subsidies in connection with this bill. I know that the Senator from Alabama [Mr. BANKHEAD], who has therefore been interested in legislation pertaining to the Commodity Credit Corporation, was interested in the matter. He felt, and so advised many of those who cooperated with him, especially on agricultural matters, that subsidy matters should not be injected into this bill.

This is largely a bill to extend for 1 year, as it was first introduced, and now for a year and a half as amended, the O. P. A. and the Stabilization Acts.

Mr. BANKHEAD. The Senator is correct. I believe it was agreed that there would not be injected any subsidy fight in the consideration of this bill.

Mr. BARKLEY. I understand the Senator was very cooperative in trying to avoid any subsidy fight on the bill.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Besides continuing the O. P. A., this bill would continue the right to pay subsidies. We are now asked to extend such power, which would otherwise expire, and that is the reason for raising the question of the commodities to which the extension would be applicable.

Mr. BARKLEY. We have had two fights in Congress over the question of subsidies in connection with the extension of the Commodity Credit Corporation. The Commodity Credit Corporation will expire, as I recall, on the 30th of next June. It seems to me that when the act is about to expire at the end of the fiscal year, the beginning of the next fiscal year would be a more appropriate time to deal with the question of subsidies than the present time.

Mr. TAFT. As a matter of information, of a billion-and-a-half-dollar program—I speak very roughly as I do not have the exact figures before me—about half of the money is paid by the Commodity Credit Corporation but the other half is paid under the act which we are asked to renew. All the roll-backs and really controversial subjects arise under this act.

Mr. BARKLEY. Practically no roll-back subsidies are being paid in the real sense of the word.

Mr. TAFT. The so-called roll-back subsidies are being paid.

Mr. BARKLEY. The payments are about half and half. They do not change the situation. At the end of the fiscal year beginning the 1st of July, as contemplated in the Senator's amendment, Congress can prohibit, if it desires to do so, and if the situation justifies, the continuation of subsidies beyond the 1st of July 1945.

Of course, Congress can deal with it in one of several ways: It can prohibit subsidies at the time, or it can now say that they shall not be paid after that time, or Congress can continue the Commodity Credit Corporation, under which half of them are being paid, and prohibit the further payment of subsidies in another continuation of the Commodity Credit Corporation, or it can do what is now asked by the Senator from Ohio, and say a year in advance that, in order to pay any additional subsidies either under the Commodity Credit Corporation or the R. F. C. or any other agency, it will be necessary to have another fight on the floor of both Houses as to how much shall be paid.

Notwithstanding the controversy that arose around subsidies, I think it is fair to say that the people of the country are reasonably satisfied with that program and the farmers themselves are reasonably satisfied with it. If we cut them off either at the beginning of the next fiscal year or at any other time, we know what is going to happen. There will be a demand for an increase in the price of farm products, and the farmers will be entitled to it. There will be no answer to the proposition that if the subsidy is to be cut off on milk or any other commodity the farmers are going to ask, and will be entitled to receive, an increase in the price they receive at the market. There is no way to avoid that. Subsidies were instituted in order that the farmer could get what he was entitled to for his product and at the same time not result in an increase in the cost of living to the consumer. The country at large is operating under this system with fair satisfaction, I think, with some exceptions in some communities. I think the farmers themselves are satisfied with it. Certainly they would be greatly dissatisfied if subsidies were cut off and they would have to depend then upon market conditions, which might not be as favorable then as they are now, in order to obtain what they are now receiving, including the market price plus the subsidy. So I do not think there is now any great dissatisfaction among any large number of people over subsidies. I think that there is more dissatisfaction in Congress than in the country at large.

Mr. TAFT. Will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I am not raising the question of subsidies. As the Senator knows, I was for subsidies to a much greater extent than many other Members of the Senate. I am raising a constitutional question as to whether we ought to continue to renew power in the administrative agencies to undertake a tremendous spending program without appropriations by Congress.

Mr. BARKLEY. Of course, if there is any constitutional question involved, it already exists and has existed all along. The Senator could raise that constitutional question, as he has done on former occasions.

Mr. TAFT. I put it off a year in order to eliminate the question of immediate differences of opinion about what ought to be done. It seems to me that we ought first of all to establish this principle and establish the fact that the question whether prices are to be higher or whether we are to pay subsidies is to be determined in the forum of the people's representatives. That is all this provides; that it shall not be determined solely by Executive decree when it involves the spending of huge sums of money.

Mr. BARKLEY. When the time arrives Congress will have the same power as it has now to cut them off and it will be more appropriate to do it in the light of the information we have then, it seems to me, than to do it now.

Mr. TAFT. Of course the Senator can see that a veto of the President means that it will be necessary to have a two-thirds vote in both Houses in order to cut off subsidies, which is not a decision by the people's representatives.

Mr. BARKLEY. A veto by the President is also a constitutional process, as the Senator from Ohio will agree.

I do not desire to take the time of the Senate. I simply wished to say that

had I been present in the committee at the time I would have voted against the amendment, and I shall vote against it when it comes to a vote in the Senate.

Mr. MURDOCK. Mr. President——

Mr. BARKLEY. I yield to the Senator from Utah.

Mr. MURDOCK. While the argument of the Senator from Ohio sounds very logical and, of course, it was intended that Congress should in most instances have absolute control of the purse strings, let us look at the metal subsidies for a moment. The R. F. C. has been paying subsidies to the high-cost mines for copper and for lead and for zinc and for every other strategic metal. It is a simple thing for Congress to appropriate money, but it is much more difficult to unwater a high-cost copper mine or zinc mine or lead mine. That cannot be done in an hour's time; it cannot be done in a day's time; it is a matter of weeks and, perhaps months, to unwater a mine. Many of these mines have been unwatered by contracts entered into with the R. F. C. and its subsidiaries. When the policy is continued, as it is continued under this bill, until December 31, 1945, and the money to finance that program is discontinued 6 months before that time, what does it mean to the metal subsidies? It means that contracts which are entered into by the R. F. C. in order to continue such production will have to be discontinued as of June 30, 1945, unless those interested come back to Congress, submit the question, and see if Congress will appropriate the money.

Under ordinary conditions, Mr. President, of course, the Congress of the United States should have absolute control of the purse strings, but when the policy has been established and has been continued for 2 years, it is proposed to continue it for another 18 months, it seems to me a very anomalous situation to cut off the money to finance that program 6 months prior to the time the policy itself comes to an end.

Mr. MALONEY and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. The Senator from Connecticut has been on his feet some time, and I yield first to him.

Mr. MALONEY. I shall take but a moment. I desire the record to be clear. I am not hostile to the final aims of the Senator from Ohio insofar as the program is concerned. My only present interest in the matter is that we put off the consideration of this particular problem until a more appropriate time. We can and we will take up this matter a year hence, whereas the Senator from Ohio would have it decided now. I expect as of this moment that I shall be in agreement with what he wants to do, but, in my judgment, this is not the time to do it. We do not know what the situation will be a year hence, and, as I said before, there is nothing to be gained, in my judgment, by taking action now.

Mr. TAFT. Mr. President——

Mr. BARKLEY. I shall yield in a moment. I desire to comment on what the Senator from Connecticut [Mr. MALONEY] and what the Senator from Utah [Mr. MURDOCK] have said. It does seem incongruous to pass an act continuing for 18 months the Stabilization Act and the Price Control Act and in the same act say that 6 months prior to its expiration the question of subsidies shall be rehashed again by Congress and that subsidies shall not be paid unless Congress appropriates the money.

There is another situation that should also be taken into account. We do not know that this will be an 18 months' extension. The House bill provides only for a year, and it might turn out that all we will get is a year's extension. So, if that be true, we will be back here next spring in all likelihood with another bill extending the O. P. A. and the Stabilization Act, and it will certainly be more appropriate at that time to consider the question of subsidies than to do it now. I agree entirely with the Senator from Connecticut.

Mr. TAFT. Of course, if the House approves the 18 months' provision they could approve the subsidy provision or eliminate it.

Mr. BARKLEY. They could, but that only illustrates the incongruity of the Senator's proposal.

Mr. TAFT. It fits in with the 18 months' provision. Furthermore, it covers the question of paying subsidies for the crop year 1945, and they could be paid for the first half of the year. Fundamentally my proposition is to submit to the next Congress whether money shall be appropriated for subsidies after the year 1945.

Mr. BARKLEY. The Senator knows that the crop year is not the fiscal year or the calendar year.

Mr. TAFT. That is correct.

Mr. BARKLEY. The farmers have to make all their contracts in the spring of 1945 for crops that are to be grown in the next year and those subsidies for which they make contracts will not be paid until the harvest season in the fall of 1945.

Mr. TAFT. That is not necessarily so, because there is the alternative of raising prices, which gives a producer exactly the same thing as subsidies. That issue Congress will have to determine.

Mr. BARKLEY. If the alternative of raising prices is exercised instead of subsidies being paid, there will also be the other alternative of raising wages in harmony with the prices charged to the consumer.

Mr. TAFT. I shall discuss that question tomorrow. As to the copper subsidy, in the first place, no one has ever opposed the copper subsidy. There has been no time since the war started that there would have been any difficulty whatever in getting an appropriation for the copper subsidy.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. BARKLEY. I yielded to the Senator from Ohio, and I yield to the Senator from Utah.

Mr. MURDOCK. My point is that if a mine is allowed to fill up with water, the equipment is removed, and it stops operating for 30 days, the mine cannot be unwatered and brought back into production.

Mr. TAFT. Why should that be done?

Mr. MURDOCK. Just a moment. That cannot be done overnight, as money can be appropriated by Congress. If the Senator will check on it, he will find that contracts have been entered into by the subsidiaries of the R. F. C. continuing for a period of months, probably for a period of a year or more, but faced with the fact that the money to finance the program must run the gantlet of a fight in Congress before they can go on with the contract, the R. F. C. is in a position where it must let the contracts terminate because of the uncertainty.

Mr. TAFT. With due respect, I do not follow the Senator at all.

The PRESIDING OFFICER (Mr. PEPPER in the chair). Senators will observe the rules of the Senate. The Senator from Kentucky has the floor. Does the Senator yield, and if so, to whom?

Mr. BARKLEY. I had yielded to both Senators. I cannot yield to both at the same time, of course.

Mr. MURDOCK. Mr. President, I do not at all doubt that the Senator from Ohio does not follow me. I do not know how extensive is his knowledge of mining. I know what is involved in the opening up of a metal mine once it is closed down. The high-cost operators will close down unless they know that a subsidy is to be paid.

Mr. TAFT. As I understand, the Senator's argument is that although there is a subsidy in effect, although there is an authorization of Congress to continue the subsidy until July 1, 1945, long before which time Congress will have considered the question of appropriations, the metal miners will close down their mines. They will not do anything of the kind. They will go right ahead, expecting the subsidy to run until the first of July, and hoping that appropriations will continue after that date. If contracts have been made, the chances are that they will be valid anyway. Those contracts are not contracts for subsidies—they are contracts by the R. F. C. to buy the copper at an advanced price. I see no reason why, having entered into those contracts, they should not be binding, or why they should be invalidated. The same copper producers run the risk of having the war end tomorrow, and all the money they put into bringing the mines back into production going into the sewer, because the Government will not need the material after the war ends. So that I think the objection raised on the ground of what is done as to copper is really a red herring dragged across the trail of the pending amendment. The question involved is merely whether or not we are to observe the constitutional provision that no money shall be drawn from the Treasury but in consequence of appropriations made by law. That is the principle I am trying to restore.

Mr. BARKLEY. I do not wish to consume any more time. I think the amendment is a mistake. I do not think any of the agencies involved in the present program will know how to proceed during the coming year in regard to the payment of subsidies to farmers and others,

if they have suspended over their heads, I started to say the sword of Damocles, but I should say the sword of TAFT, and are about to have their appropriations cut, or at least to be deprived of the knowledge of what they can do. Feeling that way about it, I shall vote against the amendment.

Mr. STEWART obtained the floor.

Mr. TAFT. Will the Senator yield?

Mr. STEWART. I yield.

Mr. TAFT. I merely wish to say that I cannot see that anyone would be wronged by the adoption of the amendment. There is not a single contractor with the Goverment who can count on money beyond the first of next July, a year from now, and I am merely proposing that those who draw subsidies should, as in the case of everyone else, be entitled to every assurance from the Government up to that time, and not beyond that, but that thereafter they should come to us for appropriations, as in the case of everyone else in the United States.

Mr. STEWART. Mr. President, I send to the desk an amendment I intend to propose at the proper time, and ask that it be printed and lie on the table. The amendment is to be proposed as an amendment to the pending measure, of course, and it will affect perishable commodities. It would require the O. P. A. to take into consideration and make allowances for the hazard of production and marketing of fresh fruits and vegetables. I shall have more to say about the amendment at the time when I can call it up.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 2, after line 10.

Mr. MALONEY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DANAHER. Mr. President, I want the RECORD to show that while most, if not all, of the important discussion in the last 30 minutes has centered about the subject of food subsidies, this amendment, which commences on page 2, line 12, of the pending bill, applies to a very great many other items. For example, we have the commodity known as aluminum. A subsidy is paid with reference to aluminum to bring in marginal producers. The method of doing it is to buy the output of high cost producers at a figure above the prevailing price.

There is a subsidy with reference to apples. It is paid to cover the high cost of transportation of away-from-market producers, and that is done by the paying of additional transportation costs.

There is the payment of the subsidy on butter, to roll retail prices back to the September 1942 level. At the time I inserted in the RECORD recently a chart which explained this particular subsidy, the rate was 5 cents a pound at the creamery.

Next is the subsidy for canning fruits and vegetables. It is paid to compensate for higher costs, and for the purpose of buying a pack and reselling at a loss, and also compensating for increased wage costs.

The same applies to Cheddar cheese, except it is bought from the manufacturer at 27 cents a pound, and thereafter resold at 23¼ cents a pound, which is the ceiling price.

It applies to Chilean nitrate of soda, to compensate for increased war-time shipping costs. The Government buys nitrates at $37 a ton, and resells for $30 a ton. That is done through the Defense Supplies Corporation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. AIKEN. The estimate of $37 a ton is figured as if a duty were paid on the nitrates, is it not?

Mr. DANAHER. I believe it is figured ex duty.

Mr. AIKEN. Does the Senator know whether the sales of nitrates which are made to the Army and Navy are made at that price, or whether they are made at the market price?

Mr. DANAHER. I am unable to answer the question categorically, but if I were to give my understanding, it is that the mark-up is included at the time of the resale by the Defense Supplies Corporation, to meet the Army and Navy demands. I am not certain, but I believe that to be so.

Mr. President, there is a subsidy with reference to coal. To offset the increased transportation costs to the east coast, the Government, through the Defense Supplies Corporation, pays out the cost differential between the pre-war and the war routes.

There are the copper, lead, and zinc subsidies, to bring marginal mines into production, and the basis upon which that is done is to pay premiums to high-cost producers above specified quotas.

There is the corn-price adjustment to induce movement of yellow corn to East and Southeast where price ceilings are lower. In that case the Commodity Credit Corporation pays 5 cents a bushel to sellers who ship from corn areas to the East and Southeast.

There is the subsidy for dairy feed to compensate for increased feed and labor costs. That is done by paying the farmer 30 to 50 cents a hundredweight for whole milk, or 4 to 6 cents a pound for butterfat.

There is the subsidy on dried beans to encourage production, where the Government buys at a price higher than the ceiling and resells at a loss.

There is the subsidy on flour and bread to compensate for the rise in wheat prices. In that case there is a direct payment to the miller.

There is the subsidy on fluid milk in four urban areas where the Government compensates for increased prices paid to farmers and in that case there is a direct payment to the distributor.

As to imported metals we subsidize to offset wartime transportation costs, and we buy imports at above ceiling prices and sell at a loss.

Jewel bearings are subsidized to offset higher cost of domestic production. In that case we buy the domestic output at cost plus 6 percent, plus certain development expenses, and Mr. President, the subsidy is paid directly to the producer.

All these items involve different questions of policy not only as to what particular item is to be subsidized, what production is to be called for, but the basis on which it is to be done.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. DANAHER. Yes.

Mr. TAFT. On page 1214 and page 1216 of the hearings are included lists of all subsidies, showing a total for civilian-conservation programs of $696,000,000, a total for Reconstruction Finance Corporation programs of $654,000,000—those are for food—and a list of other subsidies referred to by the Senator from Connecticut, totaling $351,000,000. I ask that the two tables be inserted in the RECORD after the remarks of the Senator from Connecticut.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits A and B.)

Mr. DANAHER. Mr. President, I wish to point out further that this particular amendment applies to miscellaneous domestic ores, it applies to nicotine sulfate, to peanuts, to peanut butter, to petroleum, to potatoes, to prunes and raisins, to soybeans, to sugar transport, to sugar beets; to tires, in order to utilize extra passenger-car tires, and in that case, Mr. President, the Government buys from the private car owners and resells the tires at a loss; to truck crops, to wheat for feed, and to wood pulp, and in that case the Government directly pays the increased cost of mills using bleached sulfite wood pulp.

Mr. President, when one considers all the phases of subsidy into which the Government has moved, simply on the decision of authorities in departments who have nothing to do with the Office of Price Administration, subsidy payments that are in no way necessarily connected with section 2 (e) authorizations as set forth in the original Emergency Price Control Act, there would seem to me to be justification for the belief that the Congress itself ought to be the fundamental factor in the decision as a matter of policy on what subsidies it will permit, on what basis they are to be extended, and in what amounts. If that be not the case, Mr. President, the Army and the Navy might easily decide sometimes that they wish to expend larger sums of money than the Congress has authorized them to do, or the Department of Commerce might so decide, or any other agency, and all it has to do, on the theory which is presented here in argument, is to have the President issue a directive or an Executive order, have the R. F. C. go to the Treasury and borrow, and on the strength of the R. F. C.'s borrowings turn over the increased funds it desires to the agency or the administrative body in question.

That certainly is not our system, Mr. President; that certainly is not what we have had in mind, and the basis upon which we have proceeded as a Congress. When the Banking and Currency Committee considered this amendment it was at first believed that we would be wise if we took the date of December 31, 1944, as the time limit within which the present program of subsidy payments would expire. But as we discussed it we felt that

if we were to take that date it would inordinately interfere with a program which today is in process, and with which the committee did not wish in any way whatever to interfere.

We therefore said that since the current program is well known, and since the Congress is advised of it, and that the matter has been in fact discussed, we would be well advised to let the matter alone for this year, and rather to extend it to coincide with the termination of the next fiscal year which will expire June 30, 1945, when all other appropriations for all other agencies and departments will expire. Thus we took the date June 30, 1945, and as of the date of June 30, 1945, and in the interim, all the agencies affected, whether they want to buy wood pulp and resell at a loss, or whether they want to buy copper sulphate and resell at a loss, or whether they want to pay transportation costs and shipping expenses, or whatever they may be, may very well come to the Congress and say: "To you, the representatives of the people, we submit this problem. What is your decision as a matter of policy? What do the people of the United States wish to do? Do they wish to let us, sitting back of these desks in the departments, make all the decisions, or is the Congress, which is charged with the responsibility for doing so, going to make them?"

That is the issue, Mr. President, and it is a very simple one.

EXHIBIT A

Food subsidies—Annual cost and estimated direct savings on programs in effect Apr. 1, 1944 [1]

[Millions of dollars]

	Cost			Savings		
	Total	On civilian purchases	On Government purchases	Total	On civilian purchases	On Government purchases
Apples	4	4	----	24	24	----
Canned grapefruit juice	7	7	----	9	9	----
Canning fruits and vegetables [2]	23	23	----	28	28	----
Dry beans	9	9	----	13	13	----
Dairy products:						
Dairy feed payments	[3] 400	318	82	490	408	82
Fluid milk (regional programs)	6	6	----	6	6	----
Cheddar cheese	14	14	----	18	18	----
Oilseeds and products:						
Peanut butter	18	18	----	26	26	----
Peanuts	30	[4] 57	[4] 22	90	[4] 68	[4] 22
Soybeans	49					
Vegetable bulk shortening	4	4	----	4	4	----
Prunes and raisins	14	14	----	19	19	----
Sugar beets and cane	36	28	8	[5] 173	[4] 132	[4] 41
Sugar transport	17	13	4			
Wheat for livestock	65	51	14	[6] 79	[6] 63	[6] 16
Subtotal, Civilian Conservation Corps programs	696	566	130	979	818	161
Butter	81	60	21	90	69	21
Meat	467	279	188	603	400	203
Wheat for flour and bread	106	89	17	148	131	17
Subtotal, Reconstruction Finance Corporation programs	654	428	226	841	600	241
Total, all programs	1,350	994	356	1,820	1,418	402

[1] These estimates exclude the costs of the potato and egg support programs, which currently are not exercising any restraining effect upon retail prices.

[2] These estimates are based on the assumption that the program covering 1944 operations will be similar to that in effect in 1943.

[3] This estimate does not reflect certain changes in payment rates announced April 26, which will require recalculation of both costs and savings on the program. The increase in cost for the remainder of calendar year 1944, as a result of these changes, will amount to roughly $26,000,000. Neither this $26,000,000 nor the original estimate of $400,000,000 make any deduction for nonparticipation, which the War Food Administration estimates at 5 to 10 percent.

[4] Based on current allocation of all vegetable oil products combined.

[5] Savings for sugar are now calculated with reference to the payment on sugar beets, which has been doubled since the last estimate made. The new estimates cover total sugar consumption, except that of civilian institutional establishments and that portion of industrial consumption for which cost increases could be absorbed by the industries affected. Previous savings estimate covered only household consumption.

[6] Minimum estimate, calculated with reference to increase in feed costs for eggs and fluid milk only.

EXHIBIT A—Continued

Food subsidies, etc.—Continued

[Millions of dollars]

EXHIBIT B

Annual cost and savings on nonfood subsidy programs in effect Dec. 1, 1943

[Millions of dollars]

Defense Supplies Corporation	Paying agency	Cost to paying agencies	Direct savings on Government purchases	Direct savings to civilians
Aluminum rod, bar, and rivets	Defense Supplies Corporation	6	[1] 6	(1)
Chilean nitrate of soda	do	7	----	10.5
Coal	do	25	(1)	[2] 25
Copper, lead, and zinc	Metals Reserve Company	80	1,000	----
Domestic ores	do	5	25	(1)
Fibers	Defense Supplies Corporation	3.65	----	[2] 10
Imported metals	Metals Reserve Company	25	[1] 25	(1)
Industrial alcohol from grain	Defense Supplies Corporation	[3] 15	----	20
Industrial alcohol from molasses	do	3.7	----	5
Jewel bearings	do	7.5	[1] 7.5	(1)
Nicotine sulfate	Agricultural Marketing Administration.	1.8	----	4.1
Petroleum	Defense Supplies Corporation	100	224	166
Petroleum coke	do	2.5	[1] 2.5	(1)
Rubber	Rubber Reserve Company	48	----	110
Wood pulp	Defense Supplies Corporation	1	----	20
Total		51.15	1,290.0	370.6

[1] No direct estimate on savings available. Savings figure shown is equal to cost, which is a minimum estimate, and is assigned to the consumer of major portion.

[2] Includes savings on two small pending fiber programs.

[3] Offset by earnings on industrial alcohol for military and lend-lease purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment embodied in section 102, on page 2 of the bill, on which the yeas and nays have been ordered.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Reed
Ball	Gurney	Revercomb
Bankhead	Hatch	Reynolds
Barkley	Hawkes	Robertson
Brooks	Hayden	Russell
Buck	Hill	Shipstead
Burton	Holman	Stewart
Bushfield	Jackson	Taft
Byrd	Johnson, Colo.	Thomas, Idaho
Capper	La Follette	Thomas, Okla.
Caraway	Lucas	Truman
Chandler	McClellan	Tunnell
Chavez	McFarland	Tydings
Clark, Mo.	McKellar	Vandenberg
Connally	Maloney	Wagner
Cordon	Maybank	Wallgren
Danaher	Mead	Walsh, Mass.
Davis	Millikin	Walsh, N. J.
Downey	Murdock	Weeks
Eastland	Nye	Wheeler
Ellender	O'Daniel	Wherry
Ferguson	Overton	White
George	Pepper	Wiley
Gerry	Radcliffe	Willis

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum is present.

The Chair will state that the bill is being considered by sections. The question is on agreeing to the committee amendment embodied in section 102, on page 2 of the bill. On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. I understand that a vote in favor of the committee amendment is a "yea" vote. Is that correct?

The PRESIDING OFFICER. Those favoring the committee amendment will vote "yea." Those opposed will vote "nay."

The clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the affirmative when his name was called.

Mr. WAGNER. Mr. President, as chairman of the committee I merely wish to explain that I opposed the amendment in the committee.

Mr. DANAHER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. The call of the roll has been commenced, and at least one Senator has already voted. I desire that we proceed with the call of the roll.

The PRESIDING OFFICER. The Senator is correct.

Mr. WAGNER. Mr. President, I ask unanimous consent that I may make a very brief statement.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator from New York may proceed.

Mr. WAGNER. Mr. President, when the amendment was before the committee, I stated my opposition to it. I then

said that if a vote was had on the amendment on the floor of the Senate I would vote against it.

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. WAGNER. I yield.

Mr. TAFT. However, the Senator in his very enlightening minority views dissenting from one of the other amendments made no statement of his opposition to this amendment. Is that correct?

Mr. WAGNER. No; I did not.

Mr. BARKLEY. It was not necessary to cover everything.

Mr. WAGNER. The Senator from Ohio knows that I was accurate in the statement I just made in reference to my own position on this amendment. I merely wished to have that explained, because I propose to vote against the amendment.

The PRESIDING OFFICER. The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Iowa [Mr. GILLETTE] is absent because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Pennsylvania [Mr. GUFFEY] would vote "nay".

The Senator from Mississippi [Mr. BILBO] is detained in one of the Government departments on matters pertaining to the State of Mississippi.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

The Senator from Nevada [Mr. MCCARRAN] is paired on this question with the Senator from North Carolina [Mr. BAILEY]. I am advised that if present and voting, the Senator from Nevada would vote "yea", and the Senator from North Carolina would vote "nay".

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Nebraska [Mr. BUTLER] is paired on this question with the Senator from Pennsylvania [Mr. GUFFEY]. If present, the Senator from Nebraska would vote "yea." I am advised that the Senator from Pennsylvania would vote "nay."

The Senator from Vermont [Mr. AUSTIN] has a general pair with the Senator from Florida [Mr. ANDREWS].

The Senator from Maine [Mr. BREWSTER], the Senator from North Dakota [Mr. LANGER], the Senator from Oklahoma [Mr. MOORE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are necessarily absent.

The result was announced—yeas 50, nays 22, as follows:

YEAS—50

Aiken	Gerry	Reynolds
Ball	Gurney	Robertson
Bankhead	Hatch	Russell
Brooks	Hawkes	Shipstead
Buck	Hill	Stewart
Burton	Holman	Taft
Bushfield	La Follette	Thomas, Idaho
Byrd	McClellan	Thomas, Okla.
Capper	McKellar	Tydings
Caraway	Maybank	Vandenberg
Connally	Millikin	Weeks
Cordon	Nye	Wheeler
Danaher	O'Daniel	Wherry
Davis	Overton	White
Eastland	Radcliffe	Wiley
Ferguson	Reed	Willis
George	Revercomb	

NAYS—22

Barkley	Jackson	Truman
Chandler	Johnson, Colo.	Tunnell
Chavez	Lucas	Wagner
Clark, Mo.	McFarland	Wallgren
Downey	Maloney	Walsh, Mass.
Ellender	Mead	Walsh, N. J.
Green	Murdock	
Hayden	Pepper	

NOT VOTING—24

Andrews	Clark, Idaho	Moore
Austin	Gillette	Murray
Bailey	Glass	O'Mahoney
Bilbo	Guffey	Scrugham
Bone	Johnson, Calif.	Smith
Brewster	Kilgore	Thomas, Utah
Bridges	Langer	Tobey
Butler	McCarran	Wilson

So the amendment on page 2, lines 11 to 21, was agreed to.

Mr. MALONEY. Mr. President, I submit an amendment which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

The clerk will state the next committee amendment.

The next amendment was, on page 4, after line 18, to insert:

PROTEST PROCEDURE

SEC. 106 (a) The first sentence of section 203 (a) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: "Within a period of 60 days after the issuance of any regulation or order under section 2 (or in the case of a price schedule, within a period of 60 days after the effective date thereof specified in section 206), or within a period of 60 days after June 30, 1944, whichever is later, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections."

(b) Section 203 (c) of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided, however*, That, upon the request of the protestant, any protest filed in accordance with subsection (a) of this section, after September 1, 1944, shall, before denial in whole or in part, be considered by a board of review consisting of one or more officers or employees of the Office of Price Administration designated by the Administrator in accordance with regulations to be promulgated by him. The Administrator shall cause to be presented to the board such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate in support of the provision against which the protest is filed. The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the board and the board shall make written recommendations to the Price Administrator. The protestant shall be informed of the recommendations of the board and, in the event that the Administrator rejects such recommendations in whole or in part, shall be informed of the reasons for such rejection."

(c) Section 203 of such act is further amended by adding at the end thereof the following new subsection:

"(d) Any protest filed under this section shall be granted or denied by the Administrator, or granted in part and the remainder of it denied, within a reasonable time after it is filed. Any protestant who is aggrieved by undue delay on the part of the Administrator in disposing of his protest may petition the Emergency Court of Appeals, created pursuant to section 204, for relief; and such court shall have jurisdiction by appropriate order to require the Administrator to dispose of such protest within such time as may be fixed by the court. If the Administrator does not act finally within the time fixed by the court, the protest shall be deemed to be denied at the expiration of that period."

Mr. DANAHER obtained the floor.

Mr. REVERCOMB. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REVERCOMB. As I understand, we are to proceed with the committee amendments before considering any amendment which may be offered from the floor. Is that correct?

The PRESIDING OFFICER. It is the usual practice for the Senate first to consider committee amendments. In this case there has been no order of the Senate adopting that procedure, but that being the usual course, the clerk began to state the committee amendments when consideration of the bill was undertaken.

Mr. REVERCOMB. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REVERCOMB. Therefore, as I understand, if there is an amendment to be offered from the floor to a committee amendment, it should be offered and considered later, after all committee amendments have been disposed of.

The PRESIDING OFFICER. An amendment to a committee amendment would be in order when the committee amendment is being considered.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. As I understand, after the committee amendments shall have been disposed of, an amendment may be offered to a committee amendment, may it not?

The PRESIDING OFFICER. Not to a committee amendment which has been agreed to, unless, of course, there is reconsideration of the vote by which the amendment was agreed to.

Mr. DANAHER. Mr. President, in connection with this amendment, which is dealt with as a whole under the subtitle of "Protest Procedure," commencing after line 18 on page 4, and continuing through line 17 on page 6, I wish to offer an amendment. The amendment which I offer is on page 5, in line 12. I move

to strike out the word "September" and insert in lieu thereof the word "August."

The PRESIDING OFFICER. The amendment offered by the Senator from Connecticut will be stated.

The CHIEF CLERK. On page 5, line 12, following the word "after", it is proposed to strike out "September" and insert in lieu thereof "August", so as to read "August 1, 1944."

Mr. DANAHER. Mr. President, I wish to explain the amendment to my colleagues.

When this matter was before the committee for consideration we found that proponents as well as opponents of the general idea of revision of the protest-procedure section of the original act agreed that there should be administrative hearings available to those who had legitimate protests to offer. We found agreement—in fact, very cooperative and, shall I say, solicitous, consideration—on the part of counsel for the Office of Price Administration.

The basis upon which the protest procedure might proceed was the object of great attention. A subcommittee was appointed. It included the chairman of the committee, the distinguished Senator from Maryland [Mr. RADCLIFFE], the equally distinguished Senator from Utah [Mr. MURDOCK], the Senator from Ohio [Mr. TAFT], and the Senator from Connecticut, in our humble capacities as committee members. We met for many long hours. We reviewed the effect of the Supreme Court's decision in the Yakus case, and other decisions on the whole administrative procedure and basis of operation in the Office of Price Administration.

As a result we were in accord that there should be established a more competent mechanism through which those with legitimate protests might obtain a hearing in the Office of Price Administration. To that end there was devised a board, to be set up in the Office of Price Administration itself, which board, however, would be at all times under the Administrator himself.

From the decision ultimately to be rendered an appeal may be taken by any aggrieved person, but he will have a record to take with him, and he will go to the Emergency Court of Appeals. We wished to center the appellate procedure in the Emergency Court of Appeals, to the end that there might be unanimity of action, and not 92 district courts entering 92 different orders on exactly the same regulation or order when complained of.

Without dissent, it was agreed that as to all new orders which are to be entered after July 1, 1944, there should be a period of 60 days within which one might file his protest, and after August 1, 1944, as we originally proposed it, he would take the protest to the board of review within the Office of Price Administration. The reason we selected the date August 1, 1944, was to give the Office of Price Administration the entire month of July within which to set up the board and organize to hear the protests which might be filed. As I have said, Mr. President, as to all future orders, there was no question.

In principle, it would seem that if we are to give to those who ultimately may seek a review in the Emergency Court of Appeals the privilege of a hearing, and of a record in the Office of Price Administration, then logically, if justice, right, and principle are to apply with respect to future orders, they should apply as well with respect to those who might wish to file a protest against presently outstanding orders.

The committee divided on the question. At one time the amendment which I have now proposed was agreed to. Within a few hours one vote was changed, and the amendment was lost.

So it happened that when the bill came to the floor the date September 1, 1944, appeared in the committee amendment rather than the date August 1, 1944. The reason the September 1 date was selected is this: It was agreed that persons who were affected adversely by presently outstanding orders might have 60 days in which to file their protests against any outstanding regulation or order, but that if they filed any such protests they could obtain a review only under the provisions of existing law. Those are the provisions against which complaints have been made on the ground that they are inadequate. The section in question appears on page 9 of the act, being section 203 (a), (b), and (c) of the original Price Control Act.

So, Mr. President, the Office of Price Administration said that if we were to open the door to all those who might be aggrieved by outstanding orders, they might be flooded with protests to such a degree as to make it impossible administratively to handle all protests against outstanding regulations and orders, as well as all future regulations and orders.

Many members of the committee, and at one time most of them, felt that the position of the Office of Price Administration which I have stated was not the answer. If, in fact, persons are being denied a hearing; if, in fact, justice and right require that they be given a hearing, to say that administratively it is difficult to afford such hearing, is not the answer. If the Office of Price Administration needs more help, we should provide it. If it needs more hearing commissioners, or more persons to sit on boards, then additional hearing commissioners or additional personnel for boards should be provided. However, it seemed to many of us that at the very least the right to be heard is fundamental, and that if persons in fact cannot go before the Office of Price Administration with the right to be heard and have their protests considered, and have a record made, then there is a denial of that element of due process which our Constitution guarantees to American citizens.

Many of us also feel that if the individual aggrieved citizen can be assured that he is not indeed being denied due process, much of the complaint which we have heard against bureaucratic absolutism—as the term has been applied to various Government agencies—will be dissipated. We feel that if indeed there can be afforded a fair hearing within the Office of Price Administration, together with the preservation of a record, with the right thereafter to go to the Emergency Court of Appeals for a review, we will be safeguarding and strengthening the regulations and orders of the Emergency Price Control Administration.

Mr. President, I have one further observation, and then I shall conclude.

Clearly, if in fact there is outstanding an order which is invalid and unconstitutional, no person should find his property subjected to penalty on that account. No person should find himself inveighed against in the criminal court for violation of such an invalid order or unconstitutional regulation. Who is to determine whether it is invalid or unconstitutional? All we say, Mr. President, is that we are willing that the Office of Price Administration itself, through its own board of review, shall make the initial determination. Then, if a person is still aggrieved by such determination, and still insists that grounds for a protest exist, he will have a right to go to the Emergency Court of Appeals for a review should the Office of Price Administration deny his protest. By the same token there is no one in the United States who should be more interested in discovering if in fact a regulation is invalid, or an order unconstitutional, than the Office of Price Administration itself. Consequently, if a legitimate protest is in fact filed, and the O. P. A. is advised of its invalidity or unconstitutionality, it will have the authority to make the appropriate corrections. Mr. President, that is equity, fairness, and justice.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. If the Senator's amendment were adopted would it not be possible for all existing orders under which industry had been working, no matter how long they have been in force or observed, to be reopened and protests filed with the board of review which would be set up under the amendment?

Mr. DANAHER. If the committee amendment is adopted, no matter how long the order has been outstanding, any person aggrieved may file a protest as to such old, outstanding, and ancient order under which conditions have been settled and industry is said to be satisfied, as the Senator would state it.

The only change we would make by my amendment is that, instead of causing a particular protest to be disposed of in accordance with the procedure which is set forth in the original act, we would accord to the protestant identically the same kind of a review that another industry would receive in the case of an order entered, let us say, on October 1, 1944. In other words, even if the committee amendment is adopted as to all future orders, a protest may be filed, and a review may be had by the board of review in the office of O. P. A. That is the only difference there would be.

Mr. BARKLEY. Under the Senator's amendment, even if an order had been in existence for a year, and if it had

been administered with reasonable satisfaction, on the chance that protests might bring about a modification, would not there be an inducement to file such protests, to be decided under the new language, instead of being decided under the old language?

Mr. DANAHER. I know the Senator's question is asked in complete good faith. I know that circumstances made it necessary for him to be absent when a portion of this matter was under consideration in the committee. So I wish to ask him to examine the language near the bottom of page 4 of the bill. If he will look at line 22, he will see that the answer to his question is in the committee amendment, as follows:

> Within a period of 60 days after the issuance of any regulation or order under section 2 (or in the case of a price schedule, within a period of 60 days after the effective date thereof specified in section 206), or within a period of 60 days after June 30, 1944, whichever is later—

And so forth. I now point out that in lines 22 to 25, inclusive, at the bottom of page 4, the words apply to all future orders and all future regulations which may be issued by the Office of Price Administration. The first line at the top of page 5, which states, "or within a period of 60 days after June 30, 1944, whichever is later," gives to any person who is aggrieved by an order which may already be a year old, 60 days within which to file a protest.

Why did we allow 60 days? The original act, Mr. President, had already given the individual aggrieved person 60 days within which to file a protest. However, the act became law on January 30, 1942. Sixty days may have elapsed before anybody knew of the impact of a regulation or order governing his business. It was not until April 1942 that the general maximum price orders were promulgated, and even then they took the highest price which prevailed in the month of March 1942, with reference to any commodity. So, Mr. President, the 60 days came and went as to any number of persons in the United States who might otherwise have wished to file a protest, but the time had already run against them. So it was no more than fair and right—and the committee is unanimous on that point—that as to all old orders anyone who is aggrieved may file a protest within 60 days from the 1st of July 1944.

Mr. ELLENDER. Mr. President——

Mr. DANAHER. I shall yield in a moment, if the Senator will bear with me.

So, Mr. President, the only difference in the world that the amendment which I have offered will make in this situation is that if any person who is aggrieved by an outstanding order wishes to file a protest and obtain a hearing before the Board of Review he will have a limited period of 30 days which will commence on August 1, 1944, in which to do it, and he will have only 30 days. If he does not file a protest within the 30 days, he cannot have a review at all. If he does have a review he has to go to the Board of Review, and, as we worded it in the committee, it would be at his option whether he got a hearing before the Board of Review.

Mr. ELLENDER and Mr. RADCLIFFE addressed the Chair.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Connecticut yield, and if so, to whom?

Mr. DANAHER. I yield first to the Senator from Louisiana.

Mr. ELLENDER. I notice, in line 22, page 4 of the bill, that the 60-day period for protest has reference to any regulation or order under section 2, and on page 5 the bill provides "within a period of 60 days after June 30, 1944, whichever is later, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest."

Does that also refer to such orders as may be issued under section 2?

Mr. DANAHER. Yes; or as to a price schedule under section 206.

Mr. ELLENDER. The protests that are to be made against any order after June 30, 1944, may be made as to any order or regulation that has been issued under any section of the act. Is that correct?

Mr. DANAHER. No; under section 2. This does not change existing law, let me say to the Senator from Louisiana. Does the Senator have the original act before him?

Mr. ELLENDER. No; I have it not before me; that is the reason I am asking the question.

Mr. DANAHER. Let me read it so that the RECORD will show the situation exactly. If the Senator will follow the bill, he can compare the provisions. I read from section 203 of the act of January 30, 1942:

> Within a period of 60 days after the issuance of any regulation or order under section 2, or in the case of a price schedule, within a period of 60 days after the effective date thereof, specified in section 206, any person subject to any provision of such regulation, order, or price schedule, may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision—

And so on. There is no difference. We simply reenact existing law in that respect. We do not broaden the remedy in any way whatever, except to give an additional period of 60 days, commencing July 1, 1944, as to all old regulations or orders, and with reference to new ones 60 days after the date of their promulgation, which is what the existing law does. Does that answer the Senator's question?

Mr. ELLENDER. Has the committee given any consideration to the amount of time or the number of additional employees who may be necessary to review all the orders that have been issued since the inception of the act?

Mr. DANAHER. Let me say to the Senator from Louisiana that we gave untold hours—I do not know how many, but certainly 150 or 160 hours—of the meeting time while we considered every possible ramification of it. I shall be happy to yield to my distinguished colleague from Maryland [Mr. RADCLIFFE] who was on the subcommittee with me, and who I know will bear me out in that respect. We do not know how many employees will be needed, but in my judgment the number will not be great, because any aggrieved person will have only 30 days in which to ask for a hearing before the board of review as to old orders; if industry is satisfied with an old order it is not going to file a protest. If it should file a protest and the principle upon which the original ruling of the Price Administrator was based is sound, it is going to be denied, and if it is a case that has been litigated already before the Emergency Court of Appeals it will not be considered. Consequently, there is not going to be any such disturbance as some persons have apprehended.

Mr. RADCLIFFE. Mr. President——

Mr. DANAHER. I am glad to yield to the Senator from Maryland.

Mr. RADCLIFFE. The members of the Banking and Currency Committee were in substantial accord with the idea the Senator from Connecticut has discussed that there should be provided some way by which the old regulations could be given further consideration and protests regarding them heard. For many reasons we were of that opinion. Some of the regulations affected many persons who were not aware of their existence, and their attention had not been called to the significance of these regulations until after the time had expired when any action by way of protest could be taken. So, as I recall, the members of the committee were all in accord with the idea that the old orders should be opened up to review; in other words, that there should be afforded some opportunity by which protests against old orders could be heard.

The committee was also in accord with the idea that the board of review which is proposed to be set up should be appointed by the Administrator, and its decision should be subject to his approval.

When it came to deciding what form of hearing should be given to those who might desire to protest we were confronted with certain very practical questions. There is no doubt of the fact that as to new regulations there should be afforded a chance for a hearing before a board of review. That being the case, why should not a similar opportunity be afforded those who desire to be heard concerning the old regulations? In other words, why should any distinction be made between those who want to be heard on new regulations and those who want to be heard on the old regulations or orders? I grant there is a considerable logic in stating that there should be no such distinction, but we are confronted with very serious and very practical considerations, which I feel should govern in this particular matter. We say to those who desire to file a protest under the new regulations that they may go either before the board of review or before the Administrator. If, however, they want to be heard in regard to old

regulations, then it does not necessarily follow that the same protest facilities must be given to them; although in some respects it would be logical and reasonable to do so if we were not faced by certain very practical problems. It cannot be said that anyone who desires to be heard on the old regulations is denied an opportunity of being heard for under the committee amendment he can go before the Administrator, but he does not have a double opportunity for obtaining a review. It does not necessarily follow that those who want to be heard under the old regulations must be placed in the same category with those who want to be heard under the new ones; but they are not being denied some opportunity for protest and review.

If it was feasible to arrange it so that those who want to be heard under the old regulations could have an opportunity to go before the board of review, and the burden of making necessary regulations and carrying them out were not practically insuperable, I would be in favor of such a plan, but I really feel that such a proposition would carry with it such a burden that it could not readily be sustained.

The board of review must be created and set up. It will not begin to function for some little while. The new regulations and new propositions are to come before it and probably very many protests will develop as to them. If at the same time the board of review, just coming into existence, with all the new problems with which it must contend, must also hear all those who would protest under the old regulations, I am afraid we will find that the board will be bogged down so seriously as to affect adversely its usefulness. No matter how large the board may be, no matter if it obtains all the employees it wants, although I am not sure that is possible, still the board has to be constituted, and it must begin to function. So, much as I regret that there should continue to be some distinction between those desiring to protest under the old regulations and those who desire to be heard under the new, I think the basis of the distinction is a reasonable one and should be applied, bearing in mind the fact that everyone will get a right which he does not have now. In other words, a man who would have no opening to be heard under the old regulations because under existing law his opportunity has terminated, will under the committee amendment be given such an opportunity. He gets something new anyway, that is he gets an opportunity to come forward and present his case before the Administrator. It seems to me that is a very substantial concession to make to him.

Mr. DANAHER. Will the Senator answer a question in my time?

Mr. RADCLIFFE. Certainly.

Mr. DANAHER. The Senator agrees in principle with the entire result, but bases his position, as he now explains it, solely on the factual ground that he thinks there might be a burden on the Administrator.

Mr. RADCLIFFE. I go a little further than that. I do not accept the theory that a man who desires to be heard under the old regulations should necessarily have the same right and the same privileges as those who are affected by the new regulations. It is a question which is coming up now for the first time. It is true the Senator from Connecticut would also give all protestants under the old regulations the same opportunity, but in the proposed legislation we create such an opportunity that the protestant is getting something which has been so far denied to him as to old regulations.

Mr. DANAHER. Or as to which the time has run without his ever having filed a protest.

Mr. RADCLIFFE. That is true, but he is getting a new right, and something very substantial, which he does not have at this time. In other words, even if the committee amendment shall prevail, he can still have his time, during which he can ask for a hearing. If anyone has slept on his rights, if anyone has not taken advantage of the opportunity to assert his rights, he would still be given an opportunity to come forward, and that is a very substantial concession whatever the procedure to be followed out. I do not think it necessarily follows that he should demand that he should have exactly the same opportunity and have therefore both methods of presenting his case which would apply to a man who desired to be heard under the new regulations. In other words, there is a different status as between the two justified because the protestant on old regulations has failed to act when he could have done so.

Mr. DANAHER. The Senator means that if the patient is ill, he does not necessarily get the best medicine that is available, which all other patients who are now ill will get. He can get a medicine that is only about half as good.

Mr. RADCLIFFE. I do not quite follow the analogy as to a man who is ill.

Mr. DANAHER. "Aggrieved" is the correct word.

Mr. RADCLIFFE. Let me put it in this way: If there are two patients to be considered, and one man has, we will say, slept on his rights, without taking advantage of the opportunity to secure treatment, I do not think he can feel that he is not being treated fairly if he does not get quite all the opportunities the other patient obtains who has not failed to be diligent. Do not forget that everyone of these protestants under the old regulations has had his opportunity, and he has not taken advantage of it.

Mr. DANAHER. The Senator will recall that I have the floor, but I have yielded to him. I now at the moment would like to ask him a question.

If one comes in with a protest, even on the basis which the Senator from Maryland suggests, on the ground that the order or regulation is invalid, does not the Senator agree that the Office of Price Administration itself should be put on notice, if it can be shown that the order is invalid?

Mr. RADCLIFFE. He still has his opportunity before the Administrator. He still has the regular procedure outlined there and in the committee amendment. He loses only one link in the chain.

Mr. DANAHER. And the link is that he will not get a hearing, even though it is necessary to demonstrate the invalidity of the order.

Mr. RADCLIFFE. He will be given an opportunity to go before the Administrator.

Mr. DANAHER. Or the opportunity to tell the Administrator that it is invalid. The Administrator may say, "Perhaps it is, but you cannot be heard."

Mr. RADCLIFFE. If we get down to the final analysis, in view of the fact that the Administrator must confirm everything that the proposed Board of Review does, what the Senator says would follow in any case.

Mr. DANAHER. I thank the Senator from Maryland for his contribution. I know that he and I have been in substantial accord on what we are all trying to do, and I certainly do not yield to him or to anyone else in my desire to achieve effective enforcement of the act. What we are trying to do is to accord a hearing to those who are entitled to a hearing, to demonstrate that in fact an order or regulation is invalid.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from New York?

Mr. DANAHER. I yield.

Mr. WAGNER. We had before the committee the matter the Senator has been discussing, the question of the dates of August 1 and September 1.

Mr. DANAHER. It was before the committee for many days.

Mr. WAGNER. The representative of the O. P. A. told us that if all the old cases and the new cases were brought together in 1 month the office would be so overwhelmed they could not complete their work. It was for that reason that finally the committee decided to insert the date September 1, because otherwise the office would be overwhelmed.

Referring to the matter the Senator has just debated with the distinguished Senator from Maryland, relating to cases in which the statute had run, except for this new opportunity afforded by the pending measure, if it shall become a law, it is true that even as to the old cases, if the Administrator again denied a protest, the protestant could still go into the Emergency Court of Appeals.

Mr. DANAHER. The Senator is correct. Without the record he has, the aggrieved individual could have gone before the board of review under the procedure the committee unanimously recommended for all future cases.

Mr. WAGNER. There was a good deal of sympathy in the committee for the contention of the Senator. He pressed his point with vigor, but I think a majority of the committee was finally convinced that the work would have been overwhelming. There would not be enough men available to do the work if

the old and the new came in during the month between August 1 and September 1. That is why I am hopeful the amendment will be accepted without the amendment of the distinguished Senator. It would have been an impossible task, I think.

Mr. MURDOCK. Mr. President, will the Senator from Connecticut yield to me?

Mr. DANAHER. I yield.

Mr. MURDOCK. So far as the record is concerned, on which the protestant goes into the Emergency Court of Appeals, it will be the same, will it not, under either procedure?

Mr. DANAHER. No; that does not at all follow. The reason why there is likely to be a difference, or why there can be a difference, is that the original act provides:

> Within a reasonable time after the filing of any protest under this subsection, but in no event more than 30 days after such filing or 90 days after the issuance of the regulation or order (or in the case of a price schedule, 90 days after the effective date thereof specified in sec. 206) in respect of which the protest is filed, whichever occurs later, the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based and of any economic data and other facts of which the Administrator has taken official notice.

That last sentence is important, because we say in the bill:

> The protestant shall be informed of the recommendations of the Board and, in the event that the Administrator rejects such recommendations in whole or in part, shall be informed of the reasons for such rejection.

That is one of the important points of difference.

Moreover, commencing in line 17, page 5, of our amendment, we require the Administrator to present "to the Board such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate in support of the provision against which the protest is filed. The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the Board and the Board shall make written recommendations to the Price Administrator."

Those distinctions are very real, and consequently the record which is to go to the Emergency Court of Appeals in the review provided may very easily differ in many radical particulars.

Mr. MURDOCK. That is the point I desire to raise. The Senator seems to be able to read into the language much more than I can find in it. The record on which the protestant goes into the Emergency Court of Appeals is practically identical regardless of which procedure is followed.

Will the Senator yield further?

Mr. DANAHER. Yes.

Mr. MURDOCK. So far as the oral argument is concerned, certainly he cannot take into the Court of Appeals the oral argument which he has made before the Board under the Office of Price Administration.

Mr. DANAHER. Let me point out to my very good friend, the Senator from Utah, whose judgment I respect, and whose friendship I enjoy, that in the existing law, in section 203 (b) we find this sentence:

> In the administration of this act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202.

We do not find that in the committee amendment which has been unanimously recommended by the committee, including the Senator from Utah, for in this new procedure before the board—

> The Administrator shall cause to be presented to the board such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate.

In other words he must produce before the board the economic data. It does not take judicial notice of Rand-McNally's map of 1942 as to where the channel was before the storm.

Mr. MURDOCK. Is not practically the only difference in the record made in the Emergency Court of Appeals that with respect to the economic data? In the one instance the Administrator must produce the economic data before the board, and in the other instance he may simply have it in his mind. Under the present law, that is, under present procedure, he is required to set out the grounds, including the economic data.

The language of the law is as follows:

> SEC. 203 (a) * * * In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

So that to all intents and purposes, as I read the two sections, identical records go to the Emergency Court of Appeals, whether it is under the old procedure or under the new.

Mr. DANAHER. I know, Mr. President, that the attendance of the Senator from Utah upon the committee sessions was so faithful and so constant that I would not have my colleagues think that he had not read the amendment which is before the Senate, and for which he voted. He voted for what I am about to read:

> The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the board and the board shall make written recommendations to the Price Administrator.

Consequently, instead of having what in effect might be considered to be an ex parte mental taking of judicial notice by the Administrator of such economic data as he wishes to consider, he now will present that data to the board, whereupon the protestant may file rebuttal evidence and thus for the first time there would be challenged on the record, and for the record, the evidence which will ultimately go as a part of the record to the Emergency Court of Appeals.

There is that very real difference in the two sections, and I know the Senator from Utah was convinced that it was a desirable result. In fact, the committee was unanimous in its recommendations in this respect. So, Mr. President, actually the only thing remaining in this section is to be found on page 6, in subsection (c) where we provide for the basis of getting into court, and the time within which to get into court, to the end that an undue delay by the Administrator may be a ground upon which the protestant may go to the Emergency Court of Appeals.

We also give the court jurisdiction by appropriate order to require the Administrator to dispose of the protest within such time as may be fixed by the court, and that is to the end that the Administrator will not be hurried, and that he will not be flooded by a great number of extra cases, if there should be any. If he needs more time he will receive more time.

So, Mr. President, there is going to be an ample and a facile way by which the Administrator can spell out or space over the hearings in such fashion as to cause no undue harm, and at the same time all protestants and all those properly aggrieved may have their day in court and a chance to be heard.

Mr. President, that is the American way.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to ask the distinguished Senator from Connecticut why it is that in the so-called protestant's procedure and also in the procedure of suit for damages, the one charged with the violation is not given the same opportunity to present a complaint before the Administrator or through the appeal board appointed by the Administrator, and opportunity for the same relief afforded as in a criminal suit.

What I mean by that is that in a criminal procedure it is provided that when a complaint is made against the Administrator, setting forth objections to the validity of any provision which the defendant is found to have violated, the district court shall grant relief with respect to any objection which it finds is made in good faith, and with respect to which it finds there is a reason and a substantial excuse for the defendant's failure to present objection and protest in accordance with section 203 (a).

What I should like to know is why the same right is not accorded to one who in a civil suit is charged with a violation, as is afforded in a criminal suit, to come into the district court, or the Emergency Court of Appeals, and there put up as a defense any valid defense he has, as, for example, that the maximum ceiling price was established below the stabilization price which was intended by Congress when it passed the act in 1942. Why does he not have that right?

Mr. DANAHER. Mr. President, let me point out that that question is in no way whatever related to the pending amendment. It has nothing to do with the problem under consideration.

There is a complete answer to it which I should like to make in due course, but for the present let me make the succinct answer that members of the committee who have lived with the Emergency Price Control Act from the beginning are in favor of trying to center within the administrative agency itself a reasonably adequate method of administrative review. That is the first objective.

Second, we wish to have uniformity of decision under regulations and orders of the Office of Price Administration, and so we center all appellate review in the Emergency Court of Appeals, and ultimately, of course, the United States Supreme Court.

Therefore, Mr. President, to the end that there may not be in every one of the 80 or 90 United States districts in which criminal proceedings could be brought for violations an equal number of divergent opinions as to the validity of a regulation or order, we say—to answer now specifically the question of the Senator from Nebraska—if an individual is charged criminally with a violation of an emergency price-control regulation or order he may proceed to trial, he may be convicted, but he shall nonetheless be able to get a stay of execution, to the end that there may be a decision by the very same Emergency Court of Appeals which rules on all other phases of the validity of the regulations and orders of the Office of Price Administration. Consequently, Mr. President, it is eminently desirable that we not have a Maryland court decide one way, a Nebraska court decide another way, and a Connecticut court decide a third way, all on the same order. That is the reason why we wish to permit the appellant in a criminal case to go to the Emergency Court of Appeals to challenge then the validity or the constitutionality of the regulation or order, with the violation of which he is charged.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. DANAHER. In a second I shall be glad to yield.

That is a very different process from the administrative review in the Emergency Court of Appeals. Moreover, the Senator from Nebraska should note that under the Price Control Act, whenever the O. P. A. comes forward and asks for an injunction, it may go into the local court, it may go into the State or territorial court, or it may go into the district court. But the individual who is inveighed against civilly has not been denied due process, if we adopt the amendment which I have offered, which will give him time to obtain adequate administrative review; because we are creating the remedy—and that is why we are doing it—in order that there may be no denial of due process.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me?

Mr. DANAHER. I previously said I would yield to the Senator from Nebraska, so I yield first to him.

Mr. WHERRY. Mr. President, relative to the procedure in appealing to the Emergency Court of Appeals, I agree with the Senator that that is not in issue. I am simply asking this: Under the procedure which the Senator would establish by his amendment, in filing a protest or a defense before the court, why should the protestant be restricted to the right to do nothing more than protest any order, regulation, or price schedule which the Administrator might issue? Why should he not have the right under this civil procedure, the same as under a criminal procedure, to go into court and set up any valid defense he might have, whether in a suit for damages or in this procedure or in any other procedure? What is the reason for not giving him that right?

Mr. DANAHER. For the reason that we are giving him the remedy. That is what is involved in section 106. Everyone who is aggrieved by an order, if section 106 is adopted, will have 60 days within which to protest.

Mr. WHERRY. I understand that.

Mr. DANAHER. Anyone who is aggrieved by a future order will have 60 days within which to protest.

Mr. WHERRY. But under that, we do not set up the defense by which he may go beyond what the regulation or the directive was.

Mr. RADCLIFFE. Mr. President, if the Senator will yield to me for a moment, I should like to say that I think the Senator from Connecticut has stated the situation very clearly and emphatically. The only reason why I interrupt now is to refer to the following language in section 204 (c) of the original Price Control Act, on page 10:

> There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations.

There the situation is explained.

As the Senator from Connecticut has just pointed out, the Emergency Court of Appeals is not different in its personnel from the judges who now sit in the Federal courts. There is certainly no reason why every judge of the district courts and every judge of the circuit court of appeals might be brought into the picture. Certainly it is a much more orderly procedure to have an arrangement by which the judges of the district courts and the judges of the circuit courts of appeals are selected by the Chief Justice of the United States. Certainly the protestant is not being denied any of his rights while he is able to go into a court which is made up of judges who are already sitting, and who are selected for this particular purpose by the Chief Justice of the United States. It seems to me that is a much more orderly way, and it gets away from the diffuse methods which the Senator from Connecticut pointed out would be used if we did what the Senator from Nebraska suggested. Due process of law or reasonable opportunity for access to court does not mean that every litigant can go to any Federal court. He has his day in court if he goes to the judges selected by the special purposes set up by statute.

Mr. DANAHER. Mr. President, I thank the Senator from Maryland.

There is also a further answer to the point raised by the Senator from Nebraska. Whatever else we might like to do at this time, some 2½ years after the adoption of the original Price Control Act, the fact remains that the act and its ramifications and the regulations and orders promulgated under it sweep all the way from Eastport to San Diego. They reach throughout all the Territories and possessions of the United States. Our whole economy is geared to it. There is no question in my mind, for example, that there have been phases of policy and applications of rules and regulations which have gone contrary to the original congressional intent. I have no doubt there have been instances in which the court could properly find, and perhaps did find, that a given regulation or order is in fact invalid. I have no doubt that the Office of Price Administration itself has applied correctives in hundreds and hundreds of cases in which it itself has found that an error was committed, and I give it credit for doing so. But if we can channel the original intent back into the O. P. A. and can give the O. P. A. a chance to correct the administration of the act and, if it does not correct it, give the Emergency Court of Appeals a chance to review it, then—if that has been done—there cannot be said to be any denial of due process.

So far as the criminal side is concerned, the situation involved is very different from the situation involved in the purely civil side of any case. In the criminal side an individual's liberty is at stake. So, to make absolutely certain, I turn to page 23 of the slip copy of the Supreme Court's report of a case decided on March 27, 1944, the case of Albert Yakus, petitioner, against the United States of America. In that case the Court said in the majority opinion:

> We have no occasion to decide whether one charged with criminal violation of a duly promulgated price regulation may defend on the ground that the regulation is unconstitutional on its face.

So that question was not before the Court.

I read further from the majority opinion:

> Nor do we consider whether one who is forced to trial and convicted of violation of a regulation, while diligently seeking determination of its validity by the statutory procedure, may thus be deprived of the defense that the regulation is invalid.

So that question was not before the Court.

But in what we have done we have perfected the two points as to which the Supreme Court had entered no decision, to the end that there can be no question of the denial of or the existence of due process. Thus we afford a remedy which is a complete answer in both those respects, because we give the citizen time within which he can file the protest. If there is anyone in Connecticut who does not like the existence of a regulation or order which was issued on October 31, 1942, but who failed within 60 days to

file his protest, we say he can file his protest now; and if there is anyone in Nebraska who did not file his protest in January 1943, we say he can come forward and file his protest now.

We do that just the same as we do it as to all future orders. The only point of difference between the members of the committee in this particular is this: Shall we permit those who file protests as to outstanding regulations or orders to have 30 days within which to petition for a review by the board of review and the O. P. A.? That is the only question.

As to all outstanding orders, we give them only 30 days to file a petition for a hearing before the board of review. They do not even have to go to the board of review if they do not wish to do so. It is at their option. But at the very least, there will be no denial of due process if the amendment which a large number of us on the committee previously supported, and still support, shall be adopted. That is why we urge that the Senate take the date of August 1, 1944, instead of the committee date of September 1, 1944.

So saying, Mr. President, I close my presentation on the pending question.

Mr. ELLENDER. Mr. President, will the Senator yield to me for a question?

Mr. WHERRY. Mr. President, did not the Senator agree that he would yield to me for a question?

Mr. DANAHER. I beg the Senator's pardon; I thought he had asked the question he wished to ask.

Mr. WHERRY. No; I had not. My question is this: What is the difference in result as between a man who has a criminal proceeding lodged against him, and who may have to be jailed, and a man who in some of the triple-damage proceedings has a fine levied against him, who will be jailed unless he pays the fine? I do not see any difference.

I am not complaining about the right which is created; but I think every man, whether in a civil suit or in a criminal suit, should have every right which accrues to him. In this instance the right is given to him in a criminal proceeding, but not in a civil suit.

Mr. DANAHER. Mr. President, I think the answer is that he does have it in a civil suit. Let me point out to the Senator that on page 13 of the act there is provided the basis on which the Administrator may apply to any territorial court or district court for an order suspending the license of a person to do business for a period of not more than 12 months. There is no question that civil proceedings in that type of action would lie, just the same as in any other type of civil action.

Mr. WHERRY. There is no place in that procedure to raise the question of the validity of a defense. That is what I am talking about.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. TAFT. I think the Senator from Nebraska is speaking of section 107, at the bottom of page 6, which amendment we have not as yet reached.

Mr. WHERRY. That is what I am talking about.

Mr. TAFT. The language is:

(e) Within 5 days after judgment in any criminal proceeding brought pursuant to section 205 (b) for the violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the district court for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant has been found to have violated.

Mr. DANAHER. I will ask the Senator from Nebraska if he is speaking about lines 20 to 25, inclusive, at the bottom of page 7 of the committee amendment.

Mr. WHERRY. Mr. President, I will answer the distinguished Senator from Connecticut if he will bear with me. In this discussion there was read the language on pages 5 and 6, showing how the protest procedure is carried out, to the Emergency Court of Appeals. It is my opinion that under that procedure one who was protesting a price regulation would have the opportunity to dispute or contend only with respect to the price violation, or the regulation itself.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. TAFT. I think I understand the Senator's point. Section 107 provides that in a criminal case, even though the 60 days have expired so that the validity of the regulation cannot be challenged, the defendant may raise that question; and if the court is satisfied that he has some good excuse for not filing within 60 days, the question will be referred to the Emergency Court of Appeals for determination of the validity of the regulation. If the regulation is held to be valid, the case will come back, and perhaps he may be convicted. If the regulation is held to be invalid, the criminal prosecution will come to an end.

The objection of the Senator from Nebraska is a point which was not raised in the committee. That procedure does not apply to a suit for triple damages. I believe the Senator from Nebraska is correct in his interpretation of the law. If a man is sued for triple damages, and the 60 days have expired, he can in no way raise the question of the validity of the regulation. I think the Senator correctly states the law. I do not believe that question is before us in connection with the pending amendment. If the Senator desires to do so, he may offer an amendment to that section when it is reached. I do not believe the question was discussed in the committee at all. Subsequently, I discussed it with the Office of Price Administration, and that agency opposed the extension, but I do not believe the question was discussed in the committee.

Mr. BARKLEY. Mr. President, the Senator from New York [Mr. WAGNER] has indicated that he desires to suspend at this point.

Mr. LUCAS. Mr. President, I submit an amendment which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

INVESTIGATION OF SUPPLY AND DISTRIBUTION OF HYDROELECTRIC POWER

Mr. McFARLAND. Mr. President, in May 1943, the Senate adopted Senate Resolution 155, authorizing an investigation with respect to the supply and distribution of hydroelectric power. The resolution authorized the Committee on Interstate Commerce to conduct the investigation. It now appears that the investigation should be conducted by the Committee on Irrigation and Reclamation.

I submit a resolution to amend the provisions of Senate Resolution 155 so as to transfer the investigation from the Committee on Interstate Commerce to the Committee on Irrigation and Reclamation, and ask unanimous consent for its present consideration. I have consulted the chairman of the Committee on Interstate Commerce [Mr. WHEELER], and he agrees with me that the investigation should be conducted by the Committee on Irrigation and Reclamation.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 304) was considered and agreed to, as follows:

Resolved, That the resolution (S. Res. 155) authorizing an investigation with respect to the supply and distribution of hydroelectric power, agreed to on June 26 (legislative day, May 24), 1943, be, and the same is hereby, amended as follows:

In line 1, strike out the words "Interstate Commerce" and insert in lieu thereof the words "Irrigation and Reclamation";

In line 4, after the symbols and figure "(1)", insert the following words: "The present and future need for development of projects for irrigation and hydroelectric power and";

And on page 1, on page 2 in the first sentence under subdivision (5), strike out the words "hydroelectric plants" and insert in lieu thereof the word "projects."

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

CONFIRMATION OF POSTMASTER NOMINATIONS

Mr. BARKLEY. Mr. President, there are only two postmaster nominations on the Executive Calendar. I ask unanimous consent that, as in executive session, the nominations be confirmed, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 46 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 6, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 5 (legislative day of May 9), 1944:

FARM CREDIT ADMINISTRATION

Ivy W. Duggan, of Mississippi, to be Governor of the Farm Credit Administration for the unexpired term of 6 years from June 15, 1940. Vice Albert G. Black.

DEPARTMENT OF AGRICULTURE

Charles Franklin Brannan, of Colorado, to be Assistant Secretary of Agriculture. Vice Grover B. Hill.

IN THE NAVAL RESERVE

Capt. Ellery W. Stone, U. S. N. R., to be a rear admiral in the naval reserve, for temporary service, to continue while serving as deputy to the President of the Allied Control Commission (Italy).

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

(Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.)

To be lieutenant colonel with rank from June 13, 1944

Maj. Morris Haslett Marcus, Cavalry (temporary colonel).

Maj. Frank Zea Pirkey, Corps of Engineers (temporary colonel).

Maj. Karl William Hisgen, Field Artillery (temporary colonel).

Maj. James Harry Marsh, Infantry (temporary colonel).

Maj. Francis Warren Crary, Field Artillery (temporary colonel).

×Maj. John Baylis Cooley, Adjutant General's Department (temporary colonel).

Maj. Selby Francis Little, Field Artillery (temporary lieutenant colonel).

Maj. Milo Glen Cary, Coast Artillery Corps (temporary colonel).

Maj. Harold Joseph Conway, Ordnance Department (temporary colonel).

Maj. Gustin MacAllister Nelson, Infantry (temporary colonel).

Maj. Frank Joseph Spettel, Infantry (temporary lieutenant colonel).

Maj. Burwell Baylor Wilkes, Jr., Infantry (temporary colonel).

To be major with rank from June 14, 1944

Capt. Hans William Holmer, Corps of Engineers (temporary lieutenant colonel).

Capt. Harold Albert Kurstedt, Corps of Engineers (temporary colonel).

Capt. Edward Grow Daly, Corps of Engineers (temporary colonel).

Capt. Donald Chamberlin Hawkins, Corps of Engineers (temporary colonel).

Capt. Theodore Addison Weyher, Ordnance Department (temporary colonel).

Capt. Robert Hammiell Naylor, Corps of Engineers (temporary colonel).

Capt. Paul Dunn Berrigan, Corps of Engineers (temporary colonel).

Capt. Henry Gordon Douglas, Corps of Engineers (temporary colonel).

Capt. Joseph Winston Cox, Jr., Corps of Engineers (temporary colonel).

Capt. George Townsend Derby, Corps of Engineers (temporary colonel).

Capt. Max Sherred Johnson, Corps of Engineers (temporary colonel).

Capt. Lee Bird Washbourne, Corps of Engineers (temporary colonel).

Capt. John Robert Crume, Jr., Corps of Engineers (temporary colonel).

Capt. George Woodburne McGregor, Air Corps (temporary colonel).

Capt. John Leonard Hines, Jr., Cavalry (temporary lieutenant colonel).

Capt. Charles Albert Harrington, Air Corps (temporary colonel).

Capt. Charles H. McNutt, Corps of Engineers (temporary colonel).

Capt. Herman Walter Schull, Jr., Corps of Engineers (temporary colonel).

Capt. Elmer Blair Garland, Signal Corps (temporary colonel).

Capt. Loren Davis Pegg, Cavalry (temporary lieutenant colonel).

×Capt. Garrison Holt Davidson, Corps of Engineers (temporary brigadier general).

Capt. Woodbury Megrew Burgess, Cavalry (temporary colonel).

Capt. Manuel José Asensio, Corps of Engineers (temporary colonel).

Capt. Cecil Winfield Land, Field Artillery (temporary lieutenant colonel).

Capt. Frederick Everett Day, Coast Artillery Corps (temporary lieutenant colonel).

Capt. Frederic Joseph Brown, Field Artillery (temporary colonel).

Capt. Edwin William Chamberlain, Coast Artillery Corps (temporary colonel).

Capt. Alvin Louis Pachynski, Signal Corps (temporary colonel).

Capt. Harry Oliver Paxson, Corps of Engineers (temporary colonel).

Capt. Henry Joseph Hoeffer, Corps of Engineers (temporary colonel).

×Capt. Maurice Francis Daly, Air Corps (temporary colonel).

Capt. Fred Wallace Kunesh, Signal Corps (temporary colonel).

Capt. Alexander Macomb Miller 3d, Cavalry (temporary colonel).

Capt. Gerald Francis Lillard, Field Artillery (temporary colonel).

Capt. George Fenton Peirce, Coast Artillery Corps (temporary lieutenant colonel).

Capt. William Hamilton Hunter, Cavalry (temporary lieutenant colonel).

Capt. Francis Cecil Foster, Field Artillery (temporary lieutenant colonel).

Capt. James Wilson Green, Jr., Signal Corps (temporary colonel).

×Capt. Parmer Wiley Edwards, Coast Artillery Corps (temporary colonel).

Capt. Francis Elliot Howard, Infantry (temporary colonel).

×Capt. Laurence Sherman Kuter, Air Corps (temporary major general).

Capt. William Perry Pence, Signal Corps (temporary colonel).

Capt. Thomas Morgan Watlington, Field Artillery (temporary colonel).

Capt. William Lewis McNamee, Coast Artillery Corps (temporary colonel).

×Capt. Thomas John Hall Trapnell, Cavalry (temporary lieutenant colonel).

×Capt. John Raymond Lovell, Coast Artillery Corps (temporary colonel).

Capt. Raymond Wiley Curtis, Cavalry (temporary colonel).

Capt. Kenneth Earl Thiebaud, Adjutant General's Department (temporary lieutenant colonel).

×Capt. Reynolds Condon, Field Artillery (temporary colonel).

Capt. Charles Brundy Brown, Signal Corps (temporary colonel).

Capt. Edward Gilbert Farrand, Field Artillery (temporary colonel).

Capt. Willard Burton Carlock, Infantry (temporary colonel).

Capt. George McCoy, Jr., Air Corps (temporary brigadier general).

Capt. George Lucien Richon, Signal Corps (temporary colonel).

Capt. Charles Richard Hutchison, Field Artillery (temporary colonel).

×Capt. Stanley Burton Bonner, Field Artillery (temporary major).

Capt. Edward Pont Mechling, Ordnance Department (temporary colonel).

Capt. Robert Graham Lowe, Cavalry (temporary lieutenant colonel).

Capt. George Edward Martin, Infantry (temporary lieutenant colonel).

Capt. John Milton Burdge, Jr., Field Artillery (temporary lieutenant colonel).

Capt. Bertram Arthur Holtzworth, Field Artillery (temporary colonel).

Capt. Frederick Andrew Granholm, Field Artillery (temporary colonel).

Capt. Charles Pennoyer Bixel, Cavalry (temporary colonel).

Capt. Robert Griffith Turner, Infantry (temporary lieutenant colonel).

Capt. Alex Norwood Williams, Jr., Field Artillery (temporary colonel).

Capt. Jeremiah Paul Holland, Field Artillery (temporary lieutenant colonel).

Capt. John Mills Sterling, Air Corps (temporary colonel).

×Capt. Edward James Francis Glavin, Infantry (temporary colonel).

Capt. Joseph Howard Gilbreth, Infantry (temporary colonel).

Capt. James Francis Collins, Field Artillery (temporary colonel).

×Capt. Horace Alvord Quinn, Ordnance Department (temporary colonel).

Capt. Lee Roy Williams, Infantry (temporary colonel).

Capt. James Virgil Thompson, Infantry (temporary colonel).

Capt. Henri Anthony Luebbermann, Cavalry (temporary lieutenant colonel).

×Capt. Harold James Coyle, Field Artillery (temporary major).

Capt. Paul Edwin Meredith, Quartermaster Corps (temporary lieutenant colonel).

Capt. Olaf Helgesen Kyster, Jr., Coast Artillery Corps (temporary colonel).

Capt. Orrin Leigh Grover, Air Corps (temporary colonel).

Capt. Harry Forrest Townsend, Coast Artillery Corps (temporary lieutenant colonel).

Capt. Francis Scoon Gardner, Field Artillery (temporary lieutenant colonel).

×Capt. Walter Morris Johnson, Infantry (temporary lieutenant colonel).

Capt. Harold Stanley Isaacson, Field Artillery (temporary lieutenant colonel).

Capt. Willis Webb Whelchel, Field Artillery (temporary lieutenant colonel).

Capt. Albert Harvey Dickerson, Infantry (temporary colonel).

Capt. Leander LaChance Doan, Cavalry (temporary lieutenant colonel).

Capt. Arthur Edwin Solem, Field Artillery (temporary lieutenant colonel).

×Capt. Theodore Kalakuka, Quartermaster Corps (temporary lieutenant colonel).

Capt. Charlie Wesner, Field Artillery (temporary lieutenant colonel).

×Capt. Henry Magruder Zeller, Cavalry (temporary colonel).

Capt. Orville Melvin Hewitt, Infantry (temporary lieutenant colonel).

Capt. Arthur Layton Cobb, Field Artillery (temporary lieutenant colonel).

Capt. Lewis Hinchman Ham, Field Artillery (temporary lieutenant colonel).

Capt. Virgil Miles Kimm, Coast Artillery Corps (temporary lieutenant colonel).

Capt. Milton Merrill Touner, Air Corps (temporary colonel).

Capt. Robert Curtis White, Field Artillery (temporary lieutenant colonel).

Capt. William Jordan Verbeck, Infantry (temporary colonel).

Capt. Aloysius Joseph Lepping, Coast Artillery Corps (temporary colonel).

×Capt. Joseph Ganahl, Field Artillery (temporary lieutenant colonel).

Capt. Fay Roscoe Upthegrove, Air Corps (temporary colonel).

×Capt. Stuart Wood, Field Artillery (temporary colonel).

Capt. Lawrence Edward Shaw, Coast Artillery Corps (temporary colonel).

×Capt. Matthew Kemp Deichelmann, Coast Artillery Corps (temporary colonel).

Capt. Nathan Alton McLamb, Coast Artillery Corps (temporary lieutenant colonel).

Capt. William Jefferson Glasgow, Jr., Infantry (temporary lieutenant colonel).

Capt. Charles Bertody Stone 3d, Air Corps (temporary brigadier general).

Capt. Frank Thomas Ostenberg, Coast Artillery Corps (temporary lieutenant colonel).

Capt. John Harold Kochevar, Coast Artillery Corps (temporary lieutenant colonel).
Capt. Ernest Benjamin Gray, Quartermaster Corps (temporary colonel).
×Capt. William Joseph Phelan, Infantry (temporary lieutenant colonel).
Capt. Joy Thomas Wrean, Coast Artillery Corps (temporary colonel).
Capt. John Joseph Holst, Coast Artillery Corps (temporary colonel).
Capt. Arthur Roth, Coast Artillery Corps (temporary lieutenant colonel).
Capt. Carl Sherman Graybeal, Infantry (temporary colonel).
Capt. Ralph Wise Zwicker, Infantry (temporary lieutenant colonel).
Capt. Woodson Finch Hocker, Infantry (temporary colonel).
Capt. Cyril Edward Williams, Infantry (temporary lieutenant colonel).
Capt. Vachel Davis Whatley, Jr., Infantry (temporary colonel).
Capt. Harry Ellery McKinney, Infantry (temporary lieutenant colonel).
Capt. Carl Elliott Lundquist, Infantry (temporary colonel).
Capt. Antulio Segarra, Infantry (temporary colonel).
Capt. Guy Stanley Meloy, Jr., Infantry (temporary colonel).
Capt. George Van Horn Moseley, Jr., Infantry (temporary colonel).
Capt. Roy William Axup, Infantry (temporary lieutenant colonel).
Capt. Raymond Earle Bell, Infantry (temporary lieutenant colonel).
Capt. Dana Powers McGown, Infantry (temporary colonel).
Capt. Charles Boal Ewing, Infantry (temporary lieutenant colonel).
Capt. Barney Avant Daughtry, Infantry (temporary lieutenant colonel).
Capt. Philip DeWitt Ginder, Infantry (temporary colonel).
Capt. Ralph Edwin Doty, Infantry (temporary colonel).
Capt. Howell Hopson Jordan, Infantry (temporary lieutenant colonel).
Capt. Robert Frederick Sink, Infantry (temporary colonel).
Capt. Elmer Matthew Webb, Ordnance Department (temporary colonel).
Capt. John Prame Kaylor, Field Artillery (temporary lieutenant colonel).
Capt. Christian Gotthard Nelson, Field Artillery (temporary colonel).
Capt. Gilbert McKee Allen, Jr., Infantry (temporary lieutenant colonel).
Capt. Calvin Louis Whittle, Quartermaster Corps (temporary colonel).
Capt. George Emericus Bender, Infantry (temporary lieutenant colonel).
Capt. Jack Henry Griffith, Infantry (temporary colonel).
Capt. Robert Campbell Aloe, Infantry (temporary colonel).
×Capt. Montgomery McKee, Infantry (temporary lieutenant colonel).
Capt. Nelson Irving Fooks, Infantry (temporary colonel).
×Capt. Lawton Butler, Adjutant General's Department (temporary colonel).
×Capt. Martin Moses, Infantry (temporary lieutenant colonel).
Capt. Robert John West, Jr., Field Artillery (temporary colonel).
Capt. James William Smyly, Jr., Infantry (temporary lieutenant colonel).
×Capt. Raymund Gregory Stanton, Infantry (temporary colonel).
Capt. Neil Bosworth Harding, Air Corps (temporary colonel).
Capt. Willis Small Matthews, Infantry (temporary colonel).
×Capt. Robert Lewis Easton, Air Corps (temporary colonel).
Capt. Henry Malone Bailey, Air Corps (temporary colonel).
Capt. Fred Leroy Thorpe, Quartermaster Corps (temporary lieutenant colonel).

To be major with rank from June 15, 1944

×Capt. Bienvenido Mobo Alba, Philippine Scouts (temporary major).

To be major with rank from June 16, 1944

Capt. Harold Henry Hunt, Field Artillery (temporary major).
×Capt. Joseph Lawrence Dark, Infantry (temporary lieutenant colonel).
Capt. Walter William Gross, Air Corps (temporary colonel).
Capt. Joseph George Felber, Infantry (temporary lieutenant colonel).
Capt. John N. Jones, Air Corps (temporary colonel).

To be major with rank from June 30, 1944

Capt. Morris Miller Bauer, Corps of Engineers (temporary colonel).
×Capt. Frank Alfred Lightfoot, Field Artillery (temporary major).
Capt. Earl Clarence Bergquist, Infantry (temporary colonel).
Capt. Richard Chase, Infantry (temporary lieutenant colonel).
Capt. Albert Neil Hickey, Judge Advocate General's Department (temporary colonel).
Capt. Ronald Irving Pride, Field Artillery.
Capt. Royce Alison Drake, Cavalry (temporary lieutenant colonel).
Capt. Paul Alfred Disney, Cavalry (temporary lieutenant colonel).
Capt. Leo William De Rosier, Air Corps (temporary colonel).
×Capt. Gordon Philip Saville, Air Corps (temporary brigadier general).
Capt. Charles Bernard Overacker, Jr., Air Corps (temporary colonel).
Capt. George Henry Macnair, Air Corps (temporary colonel).
Capt. Louis Howard Foote, Corps of Engineers (temporary colonel).
Capt. James Arthur Ellison, Air Corps (temporary colonel).
Capt. Hoyt Leroy Prindle, Air Corps (temporary colonel).
Capt. James Franklin Walsh, Air Corps (temporary lieutenant colonel).
Capt. George Richard Geer, Air Corps (temporary colonel).
Capt. Martin Joseph Morin, Infantry (temporary lieutenant colonel).
Capt. Donald Wright Benner, Air Corps (temporary colonel).
Capt. Lawrence Henry Douthit, Air Corps (temporary colonel).
Capt. George Robert Acheson, Air Corps (temporary colonel).
Capt. Frank Hamlet Robinson, Air Corps (temporary colonel).
Capt. Waldine Winston Messmore, Air Corps (temporary colonel).
Capt. Herbert Melvin Newstrom, Air Corps (temporary colonel).
Capt. Allen Ralph Springer, Air Corps (temporary colonel).
×Capt. Franklin Calhoun Wolfe, Air Corps (temporary colonel).
Capt. Ford Larimore Fair, Air Corps (temporary colonel).
Capt. Ivan Maurice Palmer, Air Corps (temporary colonel).
Capt. Joseph Gerard Hopkins, Air Corps (temporary colonel).

To be captain with rank from June 12, 1944

First Lt. Charles Francis Tank, Corps of Engineeers (temporary lieutenant colonel).
First Lt. Thomas DeForth Rogers, Corps of Engineers (temporary lieutenant colonel).
×First Lt. John Burroughs Cary, Air Corps (temporary lieutenant colonel).
First Lt. Robert Erlenkotter, Corps of Engineers (temporary lieutenant colonel).
First Lt. John Heughes Donoghue, Corps of Engineers (temporary lieutenant colonel).
First Lt. Staunton Lindsley Brown, Corps of Engineers (temporary lieutenant colonel).
First Lt. Richard Moser Sieg, Corps of Engineers (temporary lieutenant colonel).
×First Lt. Ferdinand Julian Tate, Corps of Engineers (temporary lieutenant colonel).
×First Lt. Burton Blodgett Bruce, Corps of Engineers (temporary colonel).
First Lt. Robert George MacDonnell, Corps of Engineers (temporary lieutenant colonel).
First Lt. Paul Carter Ashworth, Air Corps (temporary colonel).
First Lt. Charles Leon Andrews, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Walter Jackson Renfroe, Jr., Infantry (temporary lieutenant colonel).
First Lt. William Joslin Himes, Corps of Engineers (temporary lieutenant colonel).
First Lt. Robert Beauchamp Miller, Signal Corps (temporary lieutenant colonel).
First Lt. Charles Francis Fell, Signal Corps (temporary lieutenant colonel).
×First Lt. Charles Rea Revie, Field Artillery (temporary lieutenant colonel).
First Lt. Joseph Ochsenschlager Killian, Corps of Engineers (temporary colonel).
First Lt. Thomas Heber Lipscomb, Corps of Engineers (temporary lieutenant colonel).
First Lt. James Edward Walsh, Corps of Engineers (temporary lieutenant colonel).
First Lt. Austin Wortham Betts, Corps of Engineers (temporary lieutenant colonel).
First Lt. John Page Buehler, Corps of Engineers (temporary lieutenant colonel).
First Lt. Paul Henry Berkowitz, Corps of Engineers (temporary lieutenant colonel).
First Lt. Edward Walter Moore, Air Corps (temporary lieutenant colonel).
First Lt. Seymour Irving Gilman, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Curtis Delano Sluman, Air Corps (temporary colonel).
First Lt. Byron Elias Brugge, Air Corps (temporary colonel).
First Lt. Robert Butler Warren, Corps of Engineers (temporary lieutenant colonel).
×First Lt. Thompson Brooke Maury 3d, Field Artillery (temporary major).
First Lt. Wilford Edward Harry Voehl, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. John Jacob Stark, Air Corps (temporary major).
First Lt. William Sebastian Stone, Air Corps (temporary colonel).
First Lt. Jonathan Owen Seaman, Field Artillery (temporary lieutenant colonel).
×First Lt. Kermit LeVelle Davis, Field Artillery (temporary lieutenant colonel).
First Lt. Ellis Oakes Davis, Corps of Engineers (temporary lieutenant colonel).
First Lt. William Loveland Rogers, Corps of Engineers (temporary lieutenant colonel).
First Lt. George Bernard Dany, Air Corps (temporary colonel).
First Lt. Harvey Julius Jablonsky, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Urquhart Pullen Williams, Field Artillery (temporary lieutenant colonel).
First Lt. Peter Samuel Peca, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Lawson S. Moseley, Jr., Air Corps (temporary colonel).
First Lt. Richard Ringo Moorman, Coast Artillery Corps (temporary lieutenant colonel).
First Lt. Jean Paul Craig, Air Corps (temporary lieutenant colonel).
First Lt. James Oscar Baker, Ordnance Department (temporary lieutenant colonel).
First Lt. John Hicks Anderson, Corps of Engineers (temporary lieutenant colonel).
First Lt. Severin Richard Beyma, Ordnance Department (temporary lieutenant colonel).
First Lt. Thomas Leslie Crystal, Jr., Field Artillery (temporary lieutenant colonel).
First Lt. Frederic Wood Barnes, Cavalry (temporary lieutenant colonel).
First Lt. William Beehler Bunker, Corps of Engineers (temporary lieutenant colonel).

First Lt. Theodore Frelinghuysen Hoffman, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Miles Birkett Chatfield, Ordnance Department (temporary lieutenant colonel).

×First Lt. Howard Marshall Batson, Jr., Field Artillery (temporary major).

×First Lt. Charles Henry White, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. William Jack Holzapfel, Jr., Air Corps (temporary colonel).

First Lt. Mathew Valois Pothier, Corps of Engineers (temporary lieutenant colonel).

First Lt. Joseph Sylvester Piram, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. George Edward Adams, Field Artillery (temporary lieutenant colonel).

×First Lt. Almon White Manlove, Infantry (temporary lieutenant colonel).

First Lt. John DuVal Stevens, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Yale Harold Wolfe, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. John Farnsworth Smoller, Field Artillery (temporary lieutenant colonel).

First Lt. Craig Smyser, Corps of Engineers (temporary colonel).

First Lt. Franklin Kemble, Jr., Ordnance Department (temporary lieutenant colonel).

First Lt. Henry Richardson Hester, Infantry (temporary lieutenant colonel).

First Lt. Gersen Leo Kushner, Coast Artillery Corps (temporary major).

First Lt. Richard Edward Weber, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. Robert Waight Fuller 3d, Cavalry (temporary major).

First Lt. James Alexander Costain, Field Artillery (temporary lieutenant colonel).

First Lt. Harold Charles Davall, Infantry (temporary lieutenant colonel).

First Lt. Carl Delbert Womack, Cavalry (temporary lieutenant colonel).

First Lt. Robert Gardner Baker, Ordnance Department (temporary lieutenant colonel).

First Lt. Ronald LeVerne Martin, Chemical Warfare Service (temporary lieutenant colonel).

First Lt. George Julius Weitzel, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Charles Wadsworth Hill, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Gene Huggins Tibbets, Air Corps (temporary colonel).

First Lt. Donald Oliver Vars, Cavalry (temporary major).

First Lt. Henry William Ebel, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Paul Tompkins Hanley, Air Corps (temporary colonel).

First Lt. Jack Edward Shuck, Air Corps (temporary colonel).

First Lt. David Belmont Routh, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Lee Carl Miller, Infantry (temporary lieutenant colonel).

First Lt. Travis Ludwell Petty, Chemical Warfare Service (temporary lieutenant colonel).

First Lt. Peter James Kopcsak, Field Artillery (temporary lieutenant colonel).

First Lt. Robert Griffith Finkenaur, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. William Scott Penn, Jr., Field Artillery (temporary lieutenant colonel).

×First Lt. John dePeyster Townsend Hills, Air Corps (temporary colonel).

×First Lt. Frank Willoughby Moorman, Signal Corps (temporary lieutenant colonel).

First Lt. Horace Lake Sanders, Field Artillery (temporary lieutenant colonel).

First Lt. Merlin Louis DeGuire, Ordnance Department (temporary lieutenant colonel).

First Lt. Alexander James Stuart, Jr., Ordnance Department (temporary lieutenant colonel).

×First Lt. Harrison Francis Turner, Coast Artillery Corps (temporary lieutenant colonel).

×First Lt. Percy Thomas Hennigar, Field Artillery (temporary lieutenant colonel).

First Lt. William Monte Canterbury, Air Corps (temporary colonel).

First Lt. Kenneth Riffel Kenerick, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Richard Lee McKee, Field Artillery (temporary lieutenant colonel).

First Lt. William Howard Garrett Fuller, Infantry (temporary lieutenant colonel).

First Lt. Jerome Edward Blair, 2d, Air Corps (temporary lieutenant colonel).

First Lt. Stacy William Gooch, Field Artillery (temporary lieutenant colonel).

First Lt. Clark Lynn, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. Leo William Henry Shaughnessey, Infantry (temporary major).

First Lt. Harry Jenkins Hubbard, Field Artillery (temporary lieutenant colonel).

First Lt. Samuel Knox Yarbrough, Jr., Field Artillery (temporary lieutenant colonel).

×First Lt. Joe Free Surratt, Field Artillery (temporary lieutenant colonel).

×First Lt. Charles John Bondley, Jr., Air Corps (temporary colonel).

First Lt. William Milton Gross, Air Corps (temporary colonel).

×First Lt. Claude Morris Howard, Infantry (temporary lieutenant colonel).

First Lt. Dale Orville Smith, Air Corps (temporary colonel).

First Lt. Gordon Graham Warner, Field Artillery (temporary lieutenant colonel).

First Lt. Hudson Hutton Upham, Air Corps (temporary lieutenant colonel).

First Lt. Albert Patterson Mossman, Infantry (temporary lieutenant colonel).

First Lt. Robert Carl Bahr, Field Artillery (temporary lieutenant colonel).

First Lt. Frank Carter Norvell, Field Artillery (temporary lieutenant colonel).

First Lt. John Walker Darrah, Jr., Cavalry (temporary lieutenant colonel).

×First Lt. Robert Hawkins Adams, Field Artillery (temporary colonel).

First Lt. Donald Glover McLennan, Field Artillery (temporary lieutenant colonel).

First Lt. John Francis Franklin, Jr., Cavalry (temporary lieutenant colonel).

First Lt. Theodore Gilmore Bilbo, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. Perry Bruce Griffith, Air Corps (temporary colonel).

First Lt. Berton Everett Spivy, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. Stilson Hilton Smith, Jr., Infantry (temporary lieutenant colonel).

First Lt. Kenneth Alonzo Cunin, Chemical Warfare Service (temporary lieutenant colonel).

First Lt. Thomas Eugene Wood, Field Artillery (temporary colonel).

×First Lt. Fredric Carson Cook, Infantry (temporary lieutenant colonel).

First Lt. Lloyd Elmer Fellenz, Chemical Warfare Service (temporary lieutenant colonel).

First Lt. Joseph Michael Cummins, Jr., Infantry (temporary lieutenant colonel).

First Lt. Percival Stanley Brown, Finance Department (temporary major).

First Lt. Thomas Clary Foote, Field Artillery (temporary lieutenant colonel).

First Lt. Charles Bernadou Elliott, Jr., Field Artillery (temporary lieutenant colonel).

First Lt. James Richard Winn, Field Artillery (temporary lieutenant colonel).

First Lt. Louis Lee Ingram, Infantry (temporary lieutenant colonel).

First Lt. Daniel Henry Heyne, Field Artillery (temporary lieutenant colonel).

First Lt. Harry Evans Lardin, Cavalry (temporary lieutenant colonel).

First Lt. Wilson Hawkes Neal, Air Corps (temporary colonel).

First Lt. Elvin Seth Ligon, Jr., Air Corps (temporary colonel).

First Lt. Charles Herbert Wood, Ordnance Department (temporary lieutenant colonel).

First Lt. John Wentworth Merrill, Infantry (temporary lieutenant colonel).

First Lt. Charles Burton Winkle, Air Corps (temporary lieutenant colonel).

First Lt. George Rolfe Walton, Infantry (temporary lieutenant colonel).

First Lt. Thew Joseph Ice, Jr., Infantry (temporary lieutenant colonel).

First Lt. Dana Watterson Johnston, Jr., Cavalry (temporary lieutenant colonel).

First Lt. Daniel Murray Cheston 3d, Infantry (temporary lieutenant colonel).

First Lt. John Monroe Hutchison, Air Corps (temporary colonel).

×First Lt. Edmund Waller Wilkes, Infantry (temporary major).

×First Lt. Daniel Edward Still, Cavalry (temporary lieutenant colonel).

First Lt. Clifford Guldlin Simenson, Infantry (temporary lieutenant colonel).

×First Lt. Richard Albert Smith, Cavalry (temporary captain).

First Lt. Arno Herman Luehman, Air Corps (temporary colonel).

First Lt. Paul Lawrence Barton, Air Corps (temporary colonel).

First Lt. Frank Joseph Caufield, Infantry (temporary lieutenant colonel).

First Lt. James William Snee, Cavalry (temporary lieutenant colonel).

×First Lt. Floyd Felice Forte, Infantry (temporary major).

First Lt. James Dudley Wilmeth, Infantry (temporary lieutenant colonel).

×First Lt. Stanley Holmes, Infantry (temporary major).

×First Lt. William Starr Van Nostrand, Cavalry (temporary lieutenant colonel).

First Lt. Raymond Judson Reeves, Air Corps (temporary colonel).

First Lt. Harry Lester Hillyard, Infantry (temporary lieutenant colonel).

First Lt. William Hutcheson Craig, Infantry (temporary colonel).

First Lt. William Harvey Wise, Air Corps (temporary colonel).

First Lt. Richard Andrew Legg, Air Corps (temporary colonel).

First Lt. Ralph Doak McKinney, Infantry (temporary lieutenant colonel).

First Lt. Gerald Joseph Higgins, Infantry (temporary colonel).

First Lt. Harvey Thompson Alness, Air Corps (temporary colonel).

First Lt. Charles Edward Johnson, Infantry (temporary lieutenant colonel).

First Lt. Robert Carson Kyser, Quartermaster Corps (temporary lieutenant colonel).

First Lt. John Dixon Lawlor, Infantry (temporary lieutenant colonel).

×First Lt. Russell William Volckmann, Infantry (temporary major).

First Lt. Donald Linscott Durfee, Infantry (temporary lieutenant colonel).

First Lt. Victor Charles Huffsmith, Infantry (temporary colonel).

First Lt. Sidney Thompson Telford, Infantry (temporary lieutenant colonel).

First Lt. Hallett Daniel Edson, Infantry (temporary lieutenant colonel).

First Lt. Edwin Rusteberg, Infantry (temporary lieutenant colonel).

First Lt. Albert Theodore Wilson, Jr., Air Corps (temporary colonel).

×First Lt. Karl Trueheart Gould, Cavalry (temporary lieutenant colonel).

First Lt. Harold Webb Browning, Field Artillery (temporary lieutenant colonel).

First Lt. Herbert Hadley Andrae, Infantry (temporary lieutenant colonel).

First Lt. William Frederick Northam, Infantry (temporary lieutenant colonel).

First Lt. George Lowe Eatman, Infantry (temporary lieutenant colonel).

×First Lt. John Berchman Stanley, Infantry (temporary lieutenant colonel).

First Lt. John William White, Air Corps (temporary colonel).

First Lt. Charles Edward Brown, Infantry (temporary lieutenant colonel).

First Lt. Nathaniel Plummer Ward 3d, Infantry (temporary lieutenant colonel).

First Lt. James Buchanan Wells, Infantry (temporary lieutenant colonel).

First Lt. Donald Adams McPheron, Infantry (temporary lieutenant colonel).

First Lt. Thomas Hogan Hayes, Infantry (temporary lieutenant colonel).

First Lt. Robert Herbert Sanders, Infantry (temporary lieutenant colonel).

First Lt. Paul Lee Turner, Jr., Infantry (temporary lieutenant colonel).

First Lt. Arthur Lafayette Inman, Infantry (temporary lieutenant colonel).

First Lt. Stanley Joseph Donovan, Air Corps (temporary colonel).

First Lt Harold Conly Brookhart, Infantry (temporary lieutenant colonel).

First Lt. Edward Messmore O'Connell, Infantry (temporary lieutenant colonel).

First Lt. Russell Walker Jenna, Infantry (temporary lieutenant colonel).

First Lt. Gerhard Leroy Bolland, Infantry (temporary lieutenant colonel).

First Lt. William Bentley Kern, Infantry (temporary colonel).

First Lt. Louis Alfred Walsh, Jr., Infantry (temporary colonel).

First Lt. George Horner Gerhart, Infantry (temporary lieutenant colonel).

First Lt. Thomas Andrew McCrary, Infantry (temporary lieutenant colonel).

First Lt. John George Benner, Field Artillery (temporary lieutenant colonel).

First Lt. Travis Tabor Brown, Quartermaster Corps (temporary lieutenant colonel).

First Lt. Edwin Gantt Hickman, Field Artillery (temporary lieutenant colonel).

First Lt. David Lyon Hollingsworth, Cavalry (temporary lieutenant colonel).

First Lt. William Alexander Cunningham 3d, Infantry (temporary lieutenant colonel).

First Lt. Edward Ernest Bruno Weber, Infantry (temporary lieutenant colonel).

First Lt. Meade Julian Dugas, Infantry (temporary lieutenant colonel).

First Lt. Thomas Almon O'Neil, Infantry (temporary lieutenant colonel).

First Lt. Emory Alexander Lewis, Infantry (temporary lieutenant colonel).

First Lt. William Joseph Mullen, Jr., Infantry (temporary colonel).

First Lt. William Hammond Waugh, Jr., Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Henry Neilson, Infantry (temporary lieutenant colonel).

×First Lt. Robert Hector McKinnon, Infantry (temporary lieutenant colonel).

×First Lt. Oliver Prescott Robinson, Jr., Field Artillery (temporary major).

First Lt. Dennis John McMahon, Infantry (temporary major).

First Lt. James O'Hara, Infantry (temporary lieutenant colonel).

First Lt. Robert Nabors Tyson, Field Artillery (temporary lieutenant colonel).

First Lt. Joseph Edward Barzynski, Jr., Air Corps (temporary colonel).

First Lt. John Buchanan Richardson, Jr., Infantry (temporary lieutenant colonel).

To be first lieutenant with rank from June 11, 1944

Second Lt. Alfred Judson Force Moody, Cavalry (temporary major).

Second Lt. Elmer Parker Yates, Corps of Engineers (temporary captain).

Second Lt. Wadsworth Paul Clapp, Corps of Engineers (temporary major).

Second Lt. John Clifford Hodges Lee, Jr., Corps of Engineers (temporary captain).

Second Lt. Edwin Lloyd Powell, Jr., Corps of Engineers (temporary major).

Second Lt. John Roy Oswalt, Jr., Corps of Engineers (temporary major).

Second Lt. John Frederick Harris, Air Corps (temporary major).

Second Lt. Allen Jensen, Corps of Engineers (temporary major).

Second Lt. Raymond Ira Schnittke, Ordnance Department (temporary major).

Second Lt. Vincent Paul Carlson, Corps of Engineers (temporary major).

Second Lt. William Charles Gribble, Jr., Corps of Engineers (temporary captain).

Second Lt. Curtis Wheaton Chapman, Jr., Corps of Engineers (temporary major).

Second Lt. Sears Yates Coker, Corps of Engineers (temporary major).

Second Lt. Howard Warren Clark, Corps of Engineers (temporary major).

Second Lt. Charles Leonard Peirce, Air Corps (temporary major).

Second Lt. Richard Gentry Tindall, Jr., Signal Corps (temporary captain).

Second Lt. Frank Austin Gerig, Jr., Corps of Engineers (temporary captain).

Second Lt. Roy Skiles Kelley, Corps of Engineers (temporary major).

Second Lt. Paul Wyman Ramee, Corps of Engineers (temporary major).

Second Lt. Donald Haynes Heaton, Air Corps (temporary captain).

Second Lt. Jess Paul Unger, Corps of Engineers (temporary major).

Second Lt. Charles Henry Schilling, Corps of Engineers (temporary major).

Second Lt. David Seavey Woods, Signal Corps (temporary major).

Second Lt. John Edward Schremp, Corps of Engineers (temporary major).

Second Lt. John Field Michel, Corps of Engineers (temporary captain).

Second Lt. Richard Delaney, Corps of Engineers (temporary captain).

Second Lt. William Thomas Seawell, Air Corps (temporary major).

Second Lt. Howard Clarke Goodell, Air Corps (temporary captain).

Second Lt. Guy Harold Goddard, Corps of Engineers (temporary major).

Second Lt. Robert Mack Tarbox, Corps of Engineers (temporary major).

Second Lt. Kenneth Wade Kennedy, Corps of Engineers (temporary major).

Second Lt. Lynn Cyrus Lee, Corps of Engineers (temporary captain).

Second Lt. Fred John Ascani, Air Corps (temporary major).

Second Lt. James William Strain, Infantry (temporary major).

Second Lt. Robert Graham Waitt, Corps of Engineers (temporary major).

Second Lt. Herbert Campbell Clendening, Corps of Engineers (temporary major).

Second Lt. James Henry Carroll, Corps of Engineers (temporary captain).

Second Lt. Harry Van Horn Ellis, Jr., Field Artillery (temporary captain).

Second Lt. Harry Charles Besancon, Corps of Engineers (temporary captain).

Second Lt. Stanley Meriwether Ramey, Cavalry (temporary major).

Second Lt. Joseph Jackson Thigpen, Corps of Engineers (temporary captain).

Second Lt. William Miles Linton, Corps of Engineers (temporary major).

×Second Lt. Robert Sealey Kramer, Corps of Engineers (temporary first lieutenant).

Second Lt. Kenneth O'Reilly Dessert, Air Corps (temporary lieutenant colonel).

Second Lt. Harrington Willson Cochran, Jr., Coast Artillery Corps (temporary captain).

×Second Lt. Frederick John Baker, Corps of Engineers (temporary captain).

Second Lt. Joseph Ingram Gurfein, Corps of Engineers (temporary major).

Second Lt. Ben Isbel Mayo, Jr., Air Corps (temporary captain).

Second Lt. Paul Demetrius Duke, Corps of Engineers (temporary captain).

Second Lt. Joseph Stanley Grygiel, Corps of Engineers (temporary captain).

Second Lt. George Philip Seneff, Jr., Field Artillery (temporary major).

Second Lt. John Webb VanHoy, Jr., Corps of Engineers (temporary captain).

Second Lt. Mills Carson Hatfield, Infantry (temporary major).

Second Lt. Thomas Legate Fisher 2d, Coast Artillery Corps (temporary captain).

Second Lt. Gordon Thomas Gould, Jr., Signal Corps (temporary major).

Second Lt. Edward Leon Rowny, Corps of Engineers (temporary major).

Second Lt. Robert Merrill Tuttle, Air Corps (temporary lieutenant colonel).

Second Lt. Ernest Durr, Jr., Corps of Engineers (temporary captain).

Second Lt. John Langford Locke, Air Corps (temporary major).

Second Lt. Herbert Richardson, Jr., Corps of Engineers (temporary captain).

Second Lt. Walter Edward Mather, Corps of Engineers (temporary major).

Second Lt. Robert Walter Samz, Quartermaster Corps (temporary captain).

Second Lt. Cecil Leo Smith, Field Artillery (temporary captain).

×Second Lt. Robert Patterson Pierpont, Corps of Engineers.

Second Lt. Richard Magee Osgood, Signal Corps (temporary captain).

Second Lt. Charles Dorsey Maynard, Coast Artillery Corps (temporary major).

Second Lt. Richard Bradford Polk, Air Corps (temporary first lieutenant).

Second Lt. Clarence John Lokker, Air Corps (temporary major).

Second Lt. Joseph Meryl Silk, Air Corps (temporary major).

Second Lt. John Holmes Camp, Field Artillery (temporary captain).

Second Lt. Burnside Elijah Huffman, Jr., Field Artillery (temporary major).

Second Lt. Denis Blundell Grace, Coast Artillery Corps (temporary captain).

Second Lt. James William Roy, Coast Artillery Corps (temporary major).

Second Lt. Norman Kitchener Coker, Quartermaster Corps (temporary major).

Second Lt. John William Burtchaell, Coast Artillery Corps (temporary captain).

Second Lt. Wayne Edgar Rhynard, Air Corps (temporary major).

Second Lt. Ralph Edward Kuzell, Cavalry (temporary captain).

Second Lt. James William Stigers, Coast Artillery Corps (temporary captain).

Second Lt. John Francis Thomas Murray, Field Artillery (temporary major).

Second Lt. Allan George Woodrow Johnson, Field Artillery (temporary captain).

Second Lt. Richard John Rastetter, Quartermaster Corps (temporary major).

Second Lt. Jack Curtright McClure, Jr., Air Corps (temporary major).

×Second Lt. Stephen Thaddeus Kosiorek, Coast Artillery Corps (temporary captain).

Second Lt. George Lawrence Slocum, Field Artillery (temporary captain).

Second Lt. Roy J. Clinton, Cavalry (temporary captain).

Second Lt. Lee Bradley Ledford, Jr., Field Artillery (temporary major).

Second Lt. John Rose Richards, Coast Artillery Corps (temporary major).

Second Lt. Henry Nathan Blanchard, Jr., Signal Corps (temporary captain).

Second Lt. Straughan Downing Kelsey, Air Corps (temporary major).

Second Lt. John Miles Henschke, Air Corps (temporary major).

Second Lt. John Millikin, Jr., Cavalry (temporary major).

Second Lt. LeMoyne Francis Michels, Coast Artillery Corps (temporary captain).

Second Lt. Robert Vaughan Elsberry, Field Artillery (temporary captain).

Second Lt. George Winfield Stalnaker, Air Corps (temporary major).

Second Lt. John Jay Easton, Coast Artillery Corps (temporary captain).

Second Lt. Joseph Andrew McCulloch, Jr., Cavalry (temporary captain).

Second Lt. Richard Pressly Scott, Cavalry (temporary major).

Second Lt. Hyman Bodzin, Field Artillery (temporary captain).
Second Lt. David Gabriel Gauvreau, Coast Artillery Corps (temporary captain).
Second Lt. Edward Harleston deSaussure, Jr., Field Artillery (temporary captain).
Second Lt. Donald Leroy McMillan, Coast Artillery Corps (temporary major).
Second Lt. Glenn Alfred Lee, Infantry (temporary major).
Second Lt. Ernest Jeunet Whitaker, Field Artillery (temporary major).
Second Lt. Malcolm Corwin Johnson, Coast Artillery Corp (temporary captain).
Second Lt. Walter James Woolwine, Jr., Quartermaster Corps (temporary captain).
Second Lt. Perry Thompson Jones, Field Artillery (temporary captain).
Second Lt. Lloyd Robert Salisbury, Field Artillery (temporary captain).
×Second Lt. Leroy Hugh Watson, Jr., Air Corps (temporary major).
Second Lt. William McVay Petre, Field Artillery (temporary captain).
Second Lt. Frank Pleasants Stainback, Jr., Coast Artillery Corps (temporary captain).
Second Lt. John Gabriel Redmon, Coast Artillery Corps (temporary major).
Second Lt. Edward Joseph Geldermann, Quartermaster Corps (temporary captain).
Second Lt. George Bissland Moore, Field Artillery (temporary captain).
Second Lt. David Ernest Kunkel, Jr., Air Corps (temporary lieutenant colonel).
Second Lt. George Roopen Adjemian, Infantry (temporary captain).
Second Lt. Mortimer Buell Birdseye, Jr., Field Artillery (temporary captain).
Second Lt. Max Woodrow Hall, Signal Corps (temporary captain).
Second Lt. Max Campbell Tyler, Cavalry (temporary major).
Second Lt. Wallace Michael Lauterbach, Signal Corps (temporary major).
Second Lt. Gregg LaRoix McKee, Cavalry (temporary major).
Second Lt. Frederick Clinton Stanford, Field Artillery (temporary major).
Second Lt. Robert Stanley Reilly, Coast Artillery Corps (temporary captain).
Second Lt. Clarence Lewis Elder, Air Corps (temporary major).
Second Lt. Roger Stevens Neumeister, Quartermaster Corps (temporary major).
Second Lt. James Gerard Healy, Coast Artillery Corps (temporary captain).
Second Lt. Robert James Colleran, Air Corps (temporary lieutenant colonel).
Second Lt. Curtis Francis Betts, Air Corps (temporary captain).
×Second Lt. Elkin Leland Franklin, Air Corps (temporary captain).
Second Lt. Floyd Sturdevan Cofer, Jr., Air Corps (temporary major).
×Second Lt. Willis Bruner Sawyer, Air Corps (temporary major).
Second Lt. Paul George Skowronek, Cavalry (temporary captain).
Second Lt. Joseph Hester Ward, Coast Artillery Corps (temporary major).
Second Lt. Wilson Russell Reed, Field Artillery (temporary major).
Second Lt. Duward Lowery Crow, Quartermaster Corps (temporary major).
Second Lt. John Adams Brooks 3d, Air Corps (temporary lieutenant colonel).
Second Lt. Alpheus Wray White, Jr., Air Corps (temporary major).
Second Lt. DuVal West 3d, Signal Corps (temporary captain).
Second Lt. Robert Edward Panke, Field Artillery (temporary major).
Second Lt. Robert Duncan Brown, Jr., Coast Artillery Corps (temporary major).
×Second Lt. Jonathan Edwards Adams, Jr., Infantry (temporary captain).
Second Lt. Clifford Eibert Cole, Air Corps (temporary major).
Second Lt. Charles Arthur Cannon, Jr., Cavalry (temporary major).
Second Lt. Isaac Owen Winfree, Air Corps (temporary captain).
Second Lt. Hugh Franklin Foster, Jr., Signal Corps (temporary captain).
Second Lt. Eric Thomas de Jonckheere, Air Corps (temporary major).
Second Lt. Charles William Fletcher, Field Artillery (temporary captain).
Second Lt. William LeRoy Mitchell, Jr., Air Corps (temporary major).
Second Lt. George William McIntyre, Infantry (temporary major).
Second Lt. Lanham Carmel Connally, Air Corps (temporary captain).
Second Lt. William Frank Starr, Signal Corps (temporary major).
Second Lt. Leon Herman Berger, Air Corps (temporary major).
Second Lt. George Lawrence Theisen, Coast Artillery Corps (temporary captain).
Second Lt. John Benjamin Manley, Jr., Coast Artillery Corps (temporary major).
Second Lt. Charles Knighton Harris, Field Artillery (temporary captain).
Second Lt. George Hamilton Stillson, Jr., Air Corps (temporary major).
Second Lt. James Oscar Green 3d, Field Artillery (temporary captain).
×Second Lt. Edwin Watson Brown, Air Corps (temporary major).
Second Lt. Roger Longstreet Lawson, Quartermaster Corps (temporary captain).
Second Lt. William Eugene Clifford, Field Artillery (temporary captain).
Second Lt. Richard Waggener Couch, Signal Corps (temporary captain).
Second Lt. John Moore Christensen, Jr., Quartermaster Corps (temporary major).
Second Lt. Walter Francis Molesky, Signal Corps (temporary captain).
Second Lt. John Norton, Infantry (temporary major).
Second Lt. Richard Van Pelt Travis, Air Corps (temporary lieutenant colonel).
Second Lt. David Cooper, Coast Artillery Corps (temporary captain).
Second Lt. Raymond Potter Campbell, Jr., Cavalry (temporary major).
Second Lt. Malcolm Graham Troup, Quartermaster Corps (temporary captain).
Second Lt. Harold Wesly Norton, Air Corps (temporary major).
Second Lt. Oscar Charles Tonetti, Field Artillery (temporary major).
Second Lt. Charles Joseph Canella, Infantry (temporary captain).
Second Lt. Paul Chester Day, Signal Corps (temporary major).
Second Lt. Tom Depher Collison, Coast Artillery Corps (temporary captain).
Second Lt. Joseph Lippincott Knowlton, Field Artillery (temporary captain).
Second Lt. Lyman Saunders Faulkner, Infantry (temporary captain).
Second Lt. Arthur Lloyd Meyer, Coast Artillery Corps (temporary captain).
×Second Lt. Lawrence Vivans Greene, Infantry (temporary major).
×Second Lt. Charles Gleeson Willes, Air Corps (temporary major).
Second Lt. Samuel Bertron Magruder, Field Artillery (temporary captain).
Second Lt. Matthew Clarence Harrison, Coast Artillery Corps (temporary captain).
Second Lt. Paul von Santen Liles, Infantry (temporary captain).
×Second Lt. Miroslav Frank Moucha, Coast Artillery Corps (temporary captain).
Second Lt. Albert Howell Snider, Air Corps (temporary major).
×Second Lt. Morton McDonald Jones, Jr., Cavalry (temporary captain).
×Second Lt. Jack Leith Bentley, Air Corps (temporary captain).
Second Lt. Joseph Patrick Ahern, Signal Corps (temporary captain).
Second Lt. Andrew Julius Evans, Jr., Air Corps (temporary major).
Second Lt. Jacob Heffner Towers, Field Artillery (temporary captain).
Second Lt. James Henry King, Field Artillery (temporary captain).
Second Lt. Leo Charles Henzl, Signal Corps (temporary captain).
Second Lt. Horace Maynard Brown, Jr., Field Artillery (temporary captain).
Second Lt. Michael Joseph Lenihan Greene, Infantry (temporary major).
Second Lt. John Charles Linderman, Coast Artillery Corps (temporary major).
Second Lt. Robert William Horn, Air Corps (temporary major).
Second Lt. Walter Leon Moore, Jr., Air Corps (temporary captain.)
Second Lt. Windsor Temple Anderson, Coast Artillery Corps (temporary captain).
Second Lt. Robert Putnam Detwiler, Coast Artillery Corps (temporary captain).
Second Lt. James Fuller McKinley, Jr., Infantry (temporary major).
Second Lt. William Morris Hoge, Jr., Field Artillery (temporary captain).
Second Lt. Michael Frank Allotta, Coast Artillery Corps (temporary captain).
Second Lt. Robert Edward Lanigan, Field Artillery (temporary major).
Second Lt. Willard Russell Gilbert, Air Corps (temporary captain).
Second Lt. Ralph Robinet Hetherington, Field Artillery (temporary major).
Second Lt. Roy Leighton Atteberry, Jr., Field Artillery (temporary captain).
Second Lt. William Hunter Woodward, Field Artillery (temporary captain).
Second Lt. Harley Truman Marsh, Jr., Infantry (temporary major).
Second Lt. Thomas Winston Curley, Field Artillery (temporary captain).
Second Lt. George William Cooper, Infantry (temporary captain).
Second Lt. Richard William Kline, Air Corps (temporary major).
Second Lt. Thomas Rodgers Lawson, Quartermaster Corps (temporary captain).
Second Lt. Auburon Paul Hauser, Field Artillery (temporary captain).
Second Lt. William Graham Gillis, Jr., Infantry (temporary major).
Second Lt. Hill Blalock, Infantry (temporary major).
Second Lt. Robert Evarts Clark, Coast Artillery Corps (temporary captain).
Second Lt. Benjamin McCaffery, Jr., Coast Artillery Corps (temporary captain).
×Second Lt. Henry Boswell, Jr., Quartermaster Corps (temporary captain).
Second Lt. Maurice Guthrie Miller, Infantry (temporary major).
Second Lt. Patrick Henry Tansey, Jr., Infantry (temporary major).
Second Lt. Clyde Arnold Thompson, Air Corps (temporary major).
Second Lt. James Edward McElroy, Coast Artillery Corps (temporary captain).
Second Lt. Harold Alexander Tidmarsh, Cavalry (temporary captain).
Second Lt. Robert John Coakley, Cavalry (temporary captain).
Second Lt. George Henry Pittman, Jr., Air Corps (temporary major).
Second Lt. Robert Huff Edger, Air Corps (temporary captain).
Second Lt. Robert Channing Borman, Quartermaster Corps (temporary captain).
Second Lt. Heister Hower Drum, Cavalry (temporary captain).
×Second Lt. Thomas Rees Cramer, Air Corps (temporary major).
Second Lt. Robert Paul Johnson, Field Artillery (temporary captain).
Second Lt. Francis Cornelius Fitzpatrick, Cavalry (temporary major).
Second Lt. Matthew Gordon Harper, Jr., Quartermaster Corps (temporary captain).
Second Lt. John Leonard Robinson, Coast Artillery Corps (temporary captain).
Second Lt. Arnold Jacob Hoebeke, Infantry (temporary major).
Second Lt. Thomas Abbott Hume, Field Artillery (temporary captain).

×Second Lt. George Bibb Pickett, Jr., Infantry (temporary major).
Second Lt. Benjamin Berry Kercheval, Field Artillery (temporary major).
Second Lt. Merritt Lambert Hewitt, Signal Corps (temporary captain).
Second Lt. Paul Gray, Jr., Field Artillery (temporary captain).
Second Lt. John Calvin Clark, Cavalry (temporary captain).
Second Lt. Gibson Niles, Infantry (temporary captain).
Second Lt. Moody Elmo Layfield, Jr., Quartermaster Corps (temporary captain).
Second Lt. Ralph Allen McCool, Quartermaster Corps (temporary major).
Second Lt. Reynolds Robert Keleher, Cavalry (temporary captain).
Second Lt. James Raine Laney, Jr., Coast Artillery Corps (temporary major).
×Second Lt. William Wallace Brier, 4th, Air Corps (temporary lieutenant colonel).
Second Lt. Dick Stanley Von Schriltz, Infantry (temporary captain).
Second Lt. Clinton Field Ball, Air Corps (temporary lieutenant colonel).
Second Lt. Arnold Ray Thomas, Coast Artillery Corps (temporary major).
Second Lt. Gerard Anthony LaRocca, Coast Artillery Corps (temporary major).
Second Lt. Joseph Scott Peddie, Air Corps (temporary major).
Second Lt. Charles Manly Busbee, Jr., Field Artillery (temporary first lieutenant).
Second Lt. Jesse Duncan Thompson, Air Corps (temporary captain).
Second Lt Wendell Pollitt Knowles, Field Artillery (temporary major).
Second Lt. Felix John Gerace, Quartermaster Corps (temporary major).
Second Lt. Peter Kirkbride Dilts, Infantry (temporary captain).
Second Lt William Thomas Gleason, Infantry (temporary captain).
Second Lt. Herbert Irving Stern, Field Artillery (temporary major).
Second Lt. Harry Howard Ellis, Cavalry (temporary captain).
Second Lt. Charles MacArthur Carman, Jr., Cavalry (temporary captain).
Second Lt. Frank Benton Howze, Coast Artillery Corps (temporary captain).
Second Lt. William Faye Roton, Coast Artillery Corps (temporary captain).
Second Lt. John Coles Barney, Jr., Infantry (temporary major).
×Second Lt. Samuel Wilson Parks, Air Corps (temporary captain).
Second Lt Edwin Boynton Buttery, Field Artillery (temporary captain).
Second Lt. Leon Arthur Briggs, Coast Artillery Corps (temporary captain).
Second Lt. Linton Sinclair Boatwright, Field Artillery (temporary major).
×Second Lt. Joseph Tuck Brown, Field Artillery (temporary captain).
Second Lt. Ben Marshall West, Air Corps (temporary captain).
×Second Lt. Robert Willoughby Garrett, Coast Artillery Corps (temporary captain).
Second Lt. George Lincoln Andrews, Signal Corps (temporary captain).
Second Lt. William Augustus Purdy, Infantry (temporary captain).
Second Lt. William Harold Gurnee, Jr., Quartermaster Corps (temporary major).
×Second Lt. Victor Woodrow Campana, Infantry (temporary captain).
Second Lt. John Carl McIntyre, Signal Corps (temporary captain).
Second Lt. Charles Robert Murrah, Infantry (temporary captain).
Second Lt. William John Dooley Vaughan, Infantry (temporary captain).
Second Lt. Paul Crawford Root, Jr., Infantry (temporary major).
Second Lt. Richard Mar Levy, Jr., Infantry (temporary captain).
Second Lt. Thomas Wilson Sharkey, Infantry (temporary major).
Second Lt. James Isaac Cox, Air Corps (temporary captain).
Second Lt. Edwin Charles Kisiel, Coast Artillery Corps (temporary captain).
Second Lt. Irving Richard Perkin, Air Corps (temporary captain).
Second Lt. Alfred George Hayduk, Air Corps (temporary captain).
Second Lt. Walter Raleigh Mullane, Quartermaster Corps (temporary captain).
×Second Lt. Thomas Ward Maxwell, Field Artillery (temporary captain).
Second Lt. Ralph Earl Freese, Air Corps (temporary first lieutenant).
Second Lt. Paul Edgar Pigue, Coast Artillery Corps (temporary captain).
Second Lt. Maynard George Moyer, Coast Artillery Corps (temporary captain).
Second Lt. Charles Sumner Seamans 3d, Air Corp (temporary major).
Second Lt. James Richardson, Infantry (temporary captain).
Second Lt. Thomas Courtenay O'Connell, Field Artillery (temporary captain).
Second Lt. Henry Durand Irwin, Field Artillery (temporary major).
×Second Lt. Nelson Paul Monson, Infantry (temporary first lieutenant).
Second Lt. Carroll Freemont Danforth, Quartermaster Corps (temporary major).
Second Lt. Thomas James Cleary, Jr., Infantry (temporary captain).
×Second Lt. James Henderson Dienelt, Air Corps (temporary captain).
×Second Lt. Peer de Silva, Quartermaster Corps (temporary major).
Second Lt. Wharton Clayton Cochran, Air Corps (temporary captain).
Second Lt. Harry Niles Rising, Jr., Field Artillery (temporary major).
Second Lt. James Daniel Fowler, Infantry (temporary captain).
Second Lt. William Annesley Kromer, Infantry (temporary captain).
Second Lt. Walter Singles, Jr., Coast Artillery Corps (temporary captain).
Second Lt. Chares Llewellyn Flanders, Jr., Field Artillery (temporary captain).
Second Lt. William Kneedler Cummins, Coast Artillery Corps (temporary captain).
Second Lt. Gwynee Sutherland Curtis, Jr., Air Corps (temporary major).
Second Lt. John Raymond Sands, Jr., Air Corps (temporary captain).
Second Lt. Alexander Frank Muzyk, Field Artillery (temporary captain).
×Second Lt. John Ellis Rossell, Jr., Field Artillery (temporary major).
Second Lt. Daniel Salinas, Quartermaster Corps (temporary captain).
Second Lt. Thomas Edwin Reagan, Infantry (temporary captain).
Second Lt. John Gavin Tyndall, 2d, Field Artillery (temporary captain).
×Second Lt. Hector John Polia, Infantry.
Second Lt. John William Meador, Air Corps (temporary major).
Second Lt. Donald Lyons Driscoll, Infantry (temporary captain).
Second Lt. Paul Richard Kemp, Quartermaster Corps (temporary major).
Second Lt. Ernest Franklin Poff, Infantry (temporary captain).
Second Lt. George Scratchley Brown, Air Corps (temporary lieutenant colonel).
Second Lt. Robert Lloyd Cummings, Infantry (temporary captain).
Second Lt. Benjamin Alvord Spiller, Coast Artillery Corps (temporary captain).
Second Lt. Mercer Presley Longino, Infantry (temporary captain).
×Second Lt. Richards Abner Aldridge, Air Corps (temporary captain).
Second Lt. Riley Smith King, Infantry (temporary captain).
Second Lt. Edward Joseph McGrane, Jr., Coast Artillery Corps (temporary captain).
Second Lt. Harwell Leon Adams, Infantry (temporary captain).
Second Lt. Leroy Pierce Collins, Jr., Infantry (temporary captain).
Second Lt. Hamilton King Avery, Jr., Air Corps (temporary captain).
Second Lt. Angelo Augustine Laudani, Quartermaster Corps (temporary captain).
×Second Lt. Joseph Scranton Tate, Jr., Air Corps (temporary lieutenant colonel).
Second Lt. Robert Toombs Dixon, Infantry (temporary captain).
Second Lt. Albert Samuel Dalby, Infantry (temporary captain).
Second Lt. Truman Eugene Deyo, Quartermaster Corps (temporary major).
Second Lt. James Paul Forsyth, Infantry (temporary captain).
Second Lt. Joseph John Weidner, Air Corps (temporary captain).
Second Lt. John Breed Deane, Quartermaster Corps (temporary major).
Second Lt. Howard Lawrence Felchlin, Infantry (temporary captain).
Second Lt. Stanton Claude Hutson, Infantry (temporary major).
Second Lt. Martin Andrew Shadday, Infantry (temporary captain).
Second Lt. Earl Vincent Brown, Quartermaster Corps (temporary captain).
Second Lt. Leslie Wilmer Bailey, Infantry (temporary captain).
Second Lt. James Rayford Sykes, Infantry (temporary captain).
Second Lt. Thomas Martin Ward, Infantry (temporary major).
Second Lt. John Henry Zott, Jr., Quartermaster Corps (temporary major).
Second Lt. Bradish Johnson Smith, Infantry (temporary major).
×Second Lt. Harry Lee Jarvis, Jr., Air Corps (temporary captain).
Second Lt. William Gardner, Infantry (temporary first lieutenant).
Second Lt. Bert Stanford Rosenbaum, Air Corps (temporary major).
Second Lt. George Luther Hicks 3d, Air Corps (temporary major).
Second Lt. Stephen Kellogg Plume, Jr., Infantry (temporary captain).
Second Lt. Sam Hardy Barrow, Infantry (temporary captain).
Second Lt. Edison Kermit Walters, Air Corps (temporary major).
Second Lt. Burton Curtis Andrews, Jr., Air Corps (temporary major).
Second Lt. Francis Joseph Troy, Infantry (temporary captain).
Second Lt. Edgar Clayton Boggs, Infantry (temporary captain).
Second Lt. Charles Fuller Matheson, Air Corps (temporary captain).
Second Lt. Bernard Schultz, Infantry (temporary first lieutenant).
Second Lt. Ralph Reed Upton, Quartermaster Corps (temporary major).
Second Lt. James Wetherby Graham, Quartermaster Corps (temporary captain).
Second Lt. Edgar Thornton Poole, Jr., Air Corps (temporary captain).
Second Lt. Theodore Bernarr Celmer, Infantry (temporary captain).
Second Lt. Peter Schuyler Tanous, Quartermaster Corps (temporary captain).
×Second Lt. Robert Hendrick Brinson, Jr., Quartermaster Corps (temporary captain).
Second Lt. William John Hershenow, Jr., Air Corps (temporary captain).
Second Lt. Robert Harold Rosen, Quartermaster Corps (temporary captain).
Second Lt. Junius Edward Dillard, Quartermaster Corps (temporary major).
Second Lt. Robert Bernard Keagy, Infantry, (temporary major).
Second Lt. Francis Joseph Myers, Jr., Infantry (temporary first lieutenant).
Second Lt. Roscoe Barnett Woodruff, Jr., Air Corps (temporary captain).
Second Lt. Thomas Goldsborough Corbin, Air Corps (temporary lieutenant colonel).
Second Lt. Harry Canavan Harvey, Air Corps (temporary major).
Second Lt. Alden George Thompson, Air Corps (temporary major).

Second Lt. Clinton Earl Male, Infantry (temporary captain).

Second Lt. William Doyle Pratt, Quartermaster Corps (temporary major).

Second Lt. Earl K. Buchanan, Quartermaster Corps (temporary captain).

Second Lt. John Wilson Callaway, Infantry (temporary captain).

Second Lt. Roderic Dhu O'Connor, Air Corps (temporary major).

Second Lt. Harry White Trimble, Air Corps (temporary captain).

×Second Lt. Edgar Mathews Sliney, Air Corps (temporary first lieutenant).

Second Lt. James Lawrence Kaiser, Quartermaster Corps (temporary major).

Second Lt. George Hollenback Welles, Infantry (temporary captain).

Second Lt. William Thomas McDaniel, Infantry (temporary major).

Second Lt. Frank Holroyd Linnell, Infantry (temporary captain).

Second Lt. Roy George Hendrickson, Infantry (temporary first lieutenant).

Second Lt. Edward Benedict Zarembo, Quartermaster Corps (temporary captain).

Second Lt. John Vincent D'Esposito, Quartermaster Corps (temporary captain).

Second Lt. John Earl Atkinson, Air Corps (temporary captain).

Second Lt. Edwin Forrest Harding, Jr., Air Corps (temporary captain).

Second Lt. Clare Hibbs Armstrong, Jr., Quartermaster Corps (temporary captain).

Second Lt. Bruce Campbell Cator, Air Corps (temporary captain).

Second Lt. Earle Wayne Brown, 2d, Quartermaster Corps (temporary first lieutenant).

To be first lieutenant with rank from June 12, 1944

Second Lt. Theodore Knox White, Quartermaster Corps (temporary captain).

To be first lieutenant with rank from June 30, 1944

×Second Lt. Harry Kendall Bagshaw, Quartermaster Corps (temporary captain).

MEDICAL CORPS

To be lieutenant colonel

Maj. Paul Ashland Brickey, Medical Corps (temporary colonel), with rank from June 14, 1944.

To be major

Capt. Arthur Eugene White, Medical Corps (temporary colonel), with rank from June 17, 1944.

To be captains

First Lt. Theodore Alexander Kiersch, Medical Corps (temporary major), with rank from May 19, 1944.

First Lt. Alex Brown, Medical Corps (temporary captain), with rank from May 19, 1944.

First Lt. Alfred Hiller Bungardt, Medical Corps (temporary major), with rank from June 1, 1944.

First Lt. Henry Stoddert Parker, Medical Corps (temporary major), with rank from June 2, 1944.

First Lt. John Mitchell Willis, Jr., Medical Corps (temporary major), with rank from June 3, 1944

First Lt. Frank Alphonzo Mantz, Jr., Medical Corps (temporary major), with rank from June 3, 1944.

First Lt. Thurman Knight Hill, Medical Corps (temporary captain), with rank from June 16, 1944.

First Lt. John Sugden Paul, Medical Corps (temporary captain), with rank from June 17, 1944.

First Lt. John Sidney Rice, Medical Corps (temporary captain), with rank from June 17, 1944.

First Lt. Arthur Joseph Carbonell, Medical Corps (temporary lieutenant colonel), with rank from June 17, 1944.

First Lt. Paul Celestin Le Golvan, Medical Corps (temporary major), with rank from June 17, 1944.

First Lt. Herbert Edward Block, Medical Corps (temporary captain), with rank from June 17, 1944.

First Lt. Frederick Whiting Timmerman, Medical Corps (temporary major), with rank from June 17, 1944.

First Lt. Charles Mathews Swindler, Medical Corps, with rank from June 17, 1944.

First Lt. Felix Claudius Feamster, Medical Corps (temporary lieutenant colonel), with rank from June 17, 1944.

First Lt. Laurence Mercer Hursh, Medical Corps (temporary captain), with rank from June 17, 1944.

First Lt. Leo Joseph Geppert, Medical Corps (temporary major), with rank from June 17, 1944.

First Lt. Bernard Tetlow Daniels, Medical Corps (temporary major), with rank from June 17, 1944.

First Lt. Louis Caspar Kossuth, Medical Corps (temporary captain), with rank from June 17, 1944.

First Lt. Kenneth Lennox Brown, Medical Corps (temporary major), with rank from June 26, 1944.

VETERINARY CORPS

To be colonels

Lt. Col. Raymond Thomas Seymour, Veterinary Corps, with rank from June 17, 1944.

Lt. Col. Oscar Charles Schwalm, Veterinary Corps (temporary colonel), with rank from June 18, 1944.

Lt. Col. Claude Francis Cox, Veterinary Corps (temporary colonel), with rank from June 28, 1944.

PHARMACY CORPS

To be colonel

Lt. Col. Frank Steiner, Pharmacy Corps, with rank from June 6, 1944.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 5 (legislative day of May 9), 1944:

POSTMASTERS

IDAHO

Letitia I. Glasby, Athol.

NEW YORK

Joseph T. O'Donnell, Elizabethtown.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 5 (legislative day of May 9), 1944:

POSTMASTER

ILLINOIS

Daniel E. Brown to be postmaster at Crossville, Ill.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 5, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Master, Thou with whom we share life and death, to Thee we lift our hearts in praise and thanksgiving. Wherever there is a listening soul in the valley of lost opportunity or desolation, Thou art there unworn and unwearying, to take over the conquest of the troubled breast.

In this supreme moment of our national life, humble our proud position as mistress of commerce with its rude grasp of the tyranny of things, for only a nation can long remain great that is actuated by great principles. O, let our sacrifice, couched in passionate gratitude and prayer, stand in the reflected luster of our sons in arms whose unabating brilliance shall never die. Thou who art the power and the wisdom, send us along the path of humble duty. The hours are momentous, what service they demand! As our defenders are sounding the battle cry of liberation to put down the mighty from their seats and exalt man of whatever degree, we pray Thee to fill our hearts with humility and supplication that the works of evil men shall come to naught and the song of liberty and brotherhood be heard saying: "We have seen His star." Lest our peace become complacent and conventional, do Thou disturb and strengthen us with the glorious spirit which breaks down pride, perplexity, and sends men and women out to redeem human freedom. In Thy name and for Thy glory. Amen.

The Journal of the proceedings of Saturday, June 3, 1944, was read and approved.

CAPTURE OF ROME

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the fall and the liberation of Rome brings a feeling of great joy and satisfaction to the people of America, and to the people of all of the United Nations, as well as other nations that are now on our side against the Axis. It brings a feeling of joy to millions of persons in the conquered lands, and doubtless to many millions of persons who are residents and citizens of those nations that comprise the Axis Powers.

The liberation of Rome was brought about after a terribly hard and tough campaign, over a country ideal for defense, with the elite of the German Army in opposition. It was a campaign waged on a confined front; a peninsula with mountainous terrain and poor means of communication. The great majority of our personnel and equipment had to be transported by sea; some of it by air. In addition, we had to feed the people and preserve order in the area wrested from the Germans. Our Army, under the direct command of General Clark, that great American, has entered and liberated Rome. Its psychological effect will be tremendous throughout the world from a spiritual and cultural angle. It is the first capital in the hands of the enemy to fall to our cause. That event is a matter of vast significance throughout the world, and will have reverberations everywhere, even among the people of Germany and Japan, particularly among the people in the Balkans and of other conquered countries.

In a sense, this might be termed the "Twentieth century resurrection of the immortal Eternal City of Rome from modern paganism." It was never the intention of our leaders, as we now know those in conducting the war, to attack and destroy the Eternal City unless the

Nazis made it absolutely necessary. The leadership of our military forces in that determination is one that is pleasing to all of us and will also have a vast psychological effect throughout the world.

The spiritual and cultural treasures of Rome, insofar as we know, have been preserved. This is evidence of things to come. Our troops are going forward with a stimulated determination to bring about an early victory.

The people of America, appreciating the psychological and spiritual results, and the vast results that will follow, should not create the impression in their minds that the war is now over. This is the time for those of us on the home front to go forward with grim determination, in cooperation with the sons and daughters of America who are in the service and doing the fighting, to bring about victory and peace as soon as possible.

The liberation of Rome from the control of the vicious Nazi pagan forces is unquestionably the greatest spiritual and cultural event of many generations.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, America and the world were thrilled yesterday to learn that the Fifth Army had captured Rome, thus liberating for the first time in this war a German-enslaved European capital.

We were gratified to know that our American armed forces were the first to enter, and that an armored tank called the Tactless Texan led the onslaught against the retreating Nazis.

This victory will have an immense effect in lowering the prestige and the morale of the Axis and in raising the stock of the Allies. It is a long road yet to Berlin, but the Allies are now well on their way. The Allies are strong and growing stronger, the Axis are weak and growing weaker, and from now on the liberation will be accelerated until these same forces march down the Unter den Linden in Berlin.

Our fighting men on many battlefields all over the world have demonstrated their fitness, their courage, and their determination to win. Let those of us on the home front have that same courage, that same determination to win, and the same fighting spirit of our boys who are fighting for us, and victory will be ours.

HUNGRY HORSE DAM, MONT.

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably without amendment (Rept. No. 1594) a privileged resolution, House Resolution 561, authorizing that the report from the Chief of Engineers, United States Army, dated August 27, 1941, submitting surveys and studies of the Hungry Horse Dam, Mont., and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the letter of the Secretary of War transmitted to the House of Representatives on March 29, 1943, including an interim report from the Chief of Engineers, United States Army, dated August 27, 1941, together with accompanying papers, submitting surveys and studies of the Hungry Horse Dam, Mont., made under authority of section 7 of the Flood Control Act, approved June 22, 1936, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

YOUGHIOGHENY RIVER, PA. AND MD.

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably without amendment (Rept. No. 1595) a privileged resolution (H. Res. 562), authorizing that the report from the Chief of Engineers, United States Army, dated January 31, 1942, submitting surveys and studies of the Youghiogheny River, Pa. and Md., and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the letter from the Secretary of War transmitted to the House of Representatives on March 29, 1943, including an interim report from the Chief of Engineers, United States Army, dated January 31, 1942, together with accompanying papers, submitting surveys and studies of Youghiogheny River, Pa. and Md., made under authority of section 7 of the Food Control Act, approved June 22, 1936, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CHEAT RIVER AND TRIBUTARIES, W. VA.

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably without amendment (Rept. No. 1596) a privileged resolution (H. Res. 560), authorizing that the report from the Chief of Engineers, United States Army, dated October 15, 1941, submitting surveys and studies of the Cheat River and tributaries, W. Va., and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the letter of the Secretary of War transmitted to the House of Representatives on November 26, 1942, including the interim report from the Chief of Engineers, United States Army, dated October 15, 1941, together with accompanying papers, submitting surveys and studies of the Cheat River and tributaries, W. Va., made under authority of section 7 of the Flood Control Act, approved June 22, 1936, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein some intensely interesting matter in connection with the 1940 census.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mr. ANDREWS of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a resolution offered by the Polish bishop of Buffalo and adopted by the Polish-American Congress at their recent convention.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHORT. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 40 minutes and to revise and extend my remarks and include therein excerpts from certain editorials and correspondence I have received.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

OBSERVANCE OF D-DAY

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House fo 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, I was pleased, too, when I read in the newspaper that the church bells of Rome were ringing to summon the people to worship while the Axis lines were breaking. In a great many communities of America people have made provision for appropriate action on D-day. I presented to this House a few days ago House Resolution 563, which is now in the Committee on Rules. I call on that committee to take immediate action on the resolution so that the House will be in a position to take proper and appropriate action on D-day, which may be any day, to make this House the leader in a great movement for aid from the Almighty for our armed forces and ourselves in that trying day.

The people of the country are rightfully looking to this House for leadership. This House and its Members would not always be so severely criticized about so many things if we lead instead of so often allowing ourselves to be led. God has always been our fortress and He will prove so again.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MRUK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement by the Niagara Frontier Industrial Traffic League, of Buffalo, N. Y., in opposition to the St. Lawrence seaway and power project.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF SUGAR ACT OF 1937

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PRICE. Mr. Speaker, later today permission will be asked to suspend the rules in order that we may consider H. R. 4833. This bill provides that the provisions of the Sugar Act of 1937 be extended for 2 years.

I hope that the Members of the House will vote against the suspension of the rules. The Sugar Act puts quotas on the production of sugar on some fields of production while on others it makes incentive payments for its production. We want to have an opportunity to amend the bill in order that quotas may be lifted where no application for incentive payments or a support price is asked. It seems strange that we should restrict the production of a product that is rationed.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Mississippi.

Mr. RANKIN. If the gentleman wants to offer amendments, why not let the bill come up by unanimous consent?

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, today, under suspension of the rules, an effort will be made to extend the Sugar Act. The proposed extension is for 2 years.

We have had sugar rationing for many months. We are short on grain. We are short on industrial alcohol. Increased sugar production would help to relieve all of them. Yet, we refuse to permit the expansion of sugar production in our own country, and at the same time we make benefit payments to encourage production in the areas where production is permitted. And finally we attempt to import enough sugar from other countries to relieve our domestic shortage. A more inconsistent set of circumstances could not be assembled.

For years Florida has sought in vain for permission to produce additional sugar. I purposely use the word "permission." In this land of free enterprise it is still an astonishing thing to me that our people cannot produce needed commodities without permission from the Government. Florida is not alone in this. There are new reclamation areas in the West and other territories which seek to produce sugar. But please note that Florida asks to produce additional sugar without receiving benefit payments. It asks that the good-neighbor policy which permits other nations almost free access to American markets be extended to our own States and our own people.

The War Food Administration admits amendments to the act are needed. It was first enacted in peacetime. It has been continued substantially without change through the war to the present, regardless of major changes in our requirements and our national economy. It is now proposed that the act be extended for 2 additional years regardless of the major changes which are almost certain to come in that period.

We should have an opportunity for more deliberate consideration of this legislation. The right to normal economic development of a substantial area of several States, and the questions of principle which are involved here cannot be disposed of in 40 minutes. I hope that the suspension will be voted down, so that American producers may have their day in court.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two distinct subjects.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

POLAND

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, with reluctance a few days ago, I stated that the Polish Government in exile had not properly used some $12,000,000 which had been entrusted by President Roosevelt to it to be used exclusively for the underground movement in devastated Poland.

That money was to be sent to Poland in diplomatic pouch in the form of American currency.

In part or in whole, it was put to other uses in the United States. Assuredly, a great and proud people like the Polish people cannot allow its Government to leave such charges unanswered. I have a great admiration for the Polish people, who have put up a valiant fight against a common foe. All the more reason why its leaders must discharge their responsibility with a courage and a care consistent with the intrepidity and fearlessness of its people.

The Polish Government in exile owes it to its great people and to us, its ally, to give an immediate explanation.

EXTENSION OF REMARKS

Mr. BURCH of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by Dr. Frederick Taylor Wilson to the graduating class of Stratford College, Danville, Va.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a resolution from the Polar Bear Association of Wisconsin, and, further, to extend my remarks in connection with the launching of a ship at the Canulette Shipyards.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a very interesting article that appeared in the Boston Sunday Post on yesterday entitled, "Civilians Help To Smash Axis," by Lester Allen.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a summary of veterans' rights to reemployment under the Selective Service Act, issued by the Selective Service Headquarters.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. TIBBOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Apollo News Record, Apollo, Pa.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two different subjects.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

INTERNATIONAL MONETARY CONFERENCE

Mr. DEWEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DEWEY. Mr. Speaker, the first step to victory having been won, our attention is drawn to the other responsibilities that will be ours when the complete victory is won. There has been summoned an international monetary session to be held at Bretton Woods, N. H., on July 1. This matter is being commented on editorially, and I think it behooves the House to study some of these editorials, because the matter will touch us most closely in our business and our future.

On page A2746 of the Appendix, under an extension of remarks of the gentleman from New Jersey [Mr. KEAN], appear two recent editorials from the New York Times, which I commend to the attention of the Members.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker I ask unanimous consent to extend my own remarks and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

GEN. JULIUS FRANKLIN HOWELL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include therein a poem written by Hon. Francis Miles Finch, of New York, and that my remarks appear in the permanent RECORD as of June 3, following the address of General Howell.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a recent radio address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate insists upon its amendments to the bill (H. R. 4464) entitled "An act to increase the debt limit of the United States," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GEORGE, Mr. WALSH of Massachusetts, Mr. BARKLEY, Mr. LA FOLLETTE, and Mr. VANDENBERG to be the conferees on the part of the Senate.

The message also announced that the Acting President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agency:

1. Department of Agriculture.
2. Department of War.
3. Office for Emergency Management.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4559) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House of Representatives to the amendments of the Senate numbered 1, 5, and 16, to the foregoing bill.

The message also announced that the Senate further insists upon its amendments numbered 8 and 9 to said bill disagreed to by the House of Representatives, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. OVERTON, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. GREEN, Mr. WALSH of Massachusetts, Mr. HOLMAN, Mr. BRIDGES, and Mr. BROOKS to be the conferees on the part of the Senate.

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1. Department of Agriculture.
2. Department of the Interior.
3. Department of the Navy.
4. Department of War.
5. National Archives.
6. Federal Power Commission.
7. Federal Works Agency.
8. Office for Emergency Management.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

TO EXPEDITE PAYMENT FOR LAND ACQUIRED DURING WAR PERIOD

The Clerk called the first bill on the Consent Calendar, S. 919, to expedite the payment for land acquired during the war period.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DISTRIBUTION OF FERTILIZERS, FEEDS, NURSERY STOCK, OR SEEDS

The Clerk called the next bill, H. R. 3405, making certain regulations with reference to fertilizers, feeds, nursery stock, or seeds that may be distributed by agencies of the United States.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TO AMEND PUBLIC, 537, SEVENTY-SEVENTH CONGRESS

The Clerk called the next bill, H. R. 2908, to amend Public Law 537, Seventy-seventh Congress, approved May 2, 1942.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WAR SHIPPING FIELD SERVICE

The Clerk called the joint resolution (H. J. Res. 182) to create the War Shipping Field Service.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JACKSON HOLE NATIONAL MONUMENT

The Clerk called the next bill, H. R. 2241, to abolish the Jackson Hole National Monument as created by Presidential Proclamation No. 2578, dated March 15, 1943, and to restore the area embraced within and constituting said monument to its status as part of the Teton National Forest.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Without objection, it so ordered.

There was no objection.

TO CONFER TO CERTAIN PERSONS BENEFITS OF HOSPITALIZATION AND PRIVILEGES OF SOLDIERS' HOMES

The Clerk called the next bill, H. R. 735, to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill confers upon certain individuals who served in a civilian capacity under the Quartermaster General during the War with Spain, the right to enter Government veterans' hospitals for treatment in the event they had been disabled during

their Government services during the Spanish-American War. From my own personal viewpoint I feel that this bill has considerable merit. However, the Veterans' Administration has submitted an adverse report on the bill because of the fact that it establishes an especial benefit to a specified group of persons and we who are serving on objectors committee feel it is an improper and unwise policy for a bill to be passed by unanimous consent which has an adverse report from the department of Government having the responsibility of administering the act. I should like to inquire of the gentleman from Mississippi [Mr. RANKIN], chairman of the Committee on World War Veterans' Legislation, if he has made arrangements to call this bill up under suspension of the rules today?

The SPEAKER. He has not.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. RANKIN. Let me say to the gentleman from New York that this is a very meritorious measure. If these men were serving in the same capacity in the present war they would be hospitalized. They came out of the Spanish-American War with these disabilities incurred in the service 46 years ago. There is a very small number of them and they are now above the age of three score years and ten. I think the bill should go through. The mere fact that the Veterans' Administration did not approve it does not preclude Congress from passing it. Even if we were to take up the time of the House to suspend the rules and pass the bill, the chances are that we would call the roll and there would not be a vote against it, and even the distinguished gentleman from New York would vote for it.

Mr. COLE of New York. Of course, the gentleman from Mississippi knows it is not necessary to have a roll call vote under suspension of the rules. However, in view of the fact that it has had an adverse report from the Department having the responsibility of doing the work, I think it is unfair to press the matter.

Mr. RANKIN. I will say to the gentleman from New York that I am about as familiar with this proposition as General Hines is; and our distinguished colleague from California who introduced it [Mr. WELCH], is also familiar with it. I will say to the gentleman that the Committee on World War Veterans' Legislation considered it several times, and every time we have reported it out because we felt that under the circumstances the measure should pass. It will not set any precedent that will have any effect in the future because if those men were serving in the same capacity today and were injured in the service they would be hospitalized. The precedent is already set. All you are doing is extending these benefits to a few old men who went out during the War with Spain and served in a precarious capacity and came out of it with injuries for which they have not received a dollar's compensation.

Mr. COLE of New York. Of course, there are many arguments in support of the measure, I will allow. I said the bill had considerable merit. Can the gentleman advise us how many persons will be involved?

Mr. ROLPH. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. ROLPH. I would like to say that I have received a communication from San Francisco in connection with this bill. I heartily endorse the bill which my colleague the gentleman from California [Mr. WELCH] introduced. The communication says, "Just a few hundred will be involved in this thing." I would say only a handful will benefit from this legislation. It is a humanitarian measure.

Mr. COLE of New York. Is the source of the gentleman's information authentic enough so that the House can rely on the statement that only a handful of men would be involved?

Mr. ROLPH. I believe so; positively.

Mr. WELCH. Mr. Speaker, if the gentleman will yield, I feel safe in saying that only a handful of old men would be benefited if the bill becomes law.

Mr. COLE of New York. Can either of the gentlemen advise the House what the bill will cost?

Mr. WELCH. The bill provides for no pension. It provides only for hospitalization and medicine. In order to be a beneficiary under the bill, they have to show service disability.

Mr. COLE of New York. I am somewhat surprised that none of the gentlemen on their feet have reminded the House that within a comparatively short time the House granted a pension to certain Panama Canal employees.

Mr. RANKIN. I was going to reserve that, if the gentleman will pardon me, for the final shot.

Mr. COLE of New York. The gentleman from Mississippi [Mr. RANKIN] was reserving that for the final shot?

Mr. RANKIN. Just the other day we went back and voted a pension to men who worked on a railroad in Panama who got three or four and probably five times as much for their work as the soldiers got who were serving alongside of them. These men are not asking for a pension, but are asking for a place to rest during their old age when they are suffering from disabilities which they incurred in the service in the Spanish-American War.

Mr. ROLPH. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. ROLPH. I want to say I voted the pension for the men who worked on the Panama Canal and I sincerely hope the gentleman will give earnest consideration to the men affected by this meritorious measure.

Mr. COLE of New York. Mr. Speaker, I feel that we on this committee have at least fulfilled our responsibility to the House by calling the attention of the House to the fact that the Veterans' Administration is opposed to this bill. If the House desires to have the bill passed by unanimous consent, at least the blame cannot rest on our shoulders for not having called this to the attention of the House.

Mr. Speaker, I therefore withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That all persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition on vessels owned by the United States and engaged in the transportation of troops, supplies, ammunition, or materials of war, and who were discharged for disability incurred in such governmental service in line of duty, are hereby granted entitlement to medical and hospital treatment and domiciliary care in Veterans' Administration facilities in the same manner and to the same extent as now or hereafter provided for veterans of any war.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROLPH. Mr. Speaker, in thanking you and the Members of the House for passing H. R. 735, I want you to know this help to a small group of loyal citizens is deeply appreciated.

My colleague from San Francisco, Hon. RICHARD J. WELCH, introduced the measure, and I take pleasure in supporting it. Those to benefit surely deserve consideration. They patriotically served the Nation in Spanish-American War days back yonder in 1898 to 1903.

Citizens in San Francisco thoroughly familiar with the problem write as follows:

There are only a few hundred of the old comrades left who would benefit by the provisions of the bill. This is a humanitarian measure that is justly coming to them for the service they rendered in their younger days to the United States Government in the Transport and Quartermaster Department during the above period.

EXEMPTING CERTAIN OFFICERS AND EMPLOYEES OF THE NATIONAL WAR LABOR BOARD FROM CERTAIN PROVISIONS OF THE CRIMINAL CODE

The Clerk called the next bill, H. R. 4349, to exempt certain officers and employees of the National War Labor Board from certain provisions of the Criminal Code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SHEPPARD. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. CRAVENS. Mr. Speaker, this bill and two others that follow it on the calendar exempt certain temporary employees who in reality are not employees but have been so classified by a ruling of the Attorney General which ruling

prevents them from taking any work against the Government for a period of 2 years after their governmental service ends. All three of these bills are aimed at purely voluntary and occasional workers, but who receive either no compensation for their services or are paid on a per diem basis for the time they actually work. Some of the bills are limited to employees who do not work more than 90 days in any one year. These people are in reality donating their services to the Government in very important matters. The Government, since the ruling of the Attorney General that they come within the prohibitions of the acts which are aimed at preventing regular Government employees from working for the Government and then going out and taking a position against the Government, thus putting them in the position of an employee working against his former employer—this bill exempts these employees who are really donating their services and who cannot do this very necessary work unless they are relieved from the prohibitions of existing law.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAVENS. Certainly.

Mr. SHEPPARD. Does the gentleman know what the compensation of any one of these employees in this category is at the present time?

Mr. CRAVENS. No; except that so far as the panels of the War Labor Board are concerned I believe they get about $5 a day.

Mr. SHEPPARD. They are all of a temporary character?

Mr. CRAVENS. They are all of a temporary character.

Mr. SHEPPARD. Mr. Speaker, I withdraw my objection.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, the present criminal code makes it a crime for any person employed by the Government to prosecute a claim before the Government. This bill would relieve certain employees of the War Labor Board serving as gratuitous or part-time employees from that responsibility. It is a measure of such nature and importance that I feel it should not be passed by unanimous consent under conditions that will not allow of sufficient explanation.

I therefore ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXEMPTING CERTAIN OFFICERS AND EMPLOYEES OF THE OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT FROM CERTAIN PROVISIONS OF THE CRIMINAL CODE

The Clerk called the next bill, H. R. 4446, to exempt certain officers and employees within the Office of Scientific Research and Development from certain provisions of the Criminal Code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, this bill is of similar character as the one previously called up, except it relates to the Office of Scientific Research and Development.

I ask unanimous consent that the bill may be passed over without prejudice.

Mr. CRAVENS. Mr. Speaker, will the gentleman withhold his request to permit an explanation?

Mr. COLE of New York. Mr. Speaker, I withhold my request to permit the gentleman from Arkansas to make an explanation.

Mr. CRAVENS. Mr. Speaker, this is really a more important bill than the last one, for the reason that the people affected by it work for the Office of Scientific Research and Development. They work only a few weeks or possibly a few months of each year. They are people sent down from the research departments of various colleges, from du Pont's organzation and similar establishments. They are doing a work which is imperatively necessary in the development of new processes, new weapons, and other things affecting the war effort. Their work has practically stagnated as a result of the decision of the Attorney General that they come within the prohibitory provisions of the Criminal Code.

This bill has been pending for some time. I wonder if the gentleman realizes that by making this objection he is really interfering with some very important functions that should be continued and carried on now by that organization?

Mr. COLE of New York. The gentleman is placing a very serious and heavy responsibility upon me personally for objecting in my capacity as an objector.

Mr. CRAVENS. I did not mean it in a personal way.

Mr. COLE of New York. For interfering with the war effort. The bill was introduced way back on the 23d of March. Consequently, a delay of 2 weeks is not going to interfere with the war effort if a delay of 2 or 3 months did not.

The SPEAKER. The gentleman from New York [Mr. COLE] asked unanimous consent that the bill may be passed over without prejudice.

Is there objection?

There was no objection.

EXEMPTING CERTAIN OFFICERS AND EMPLOYEES OF THE WAR DEPARTMENT FROM CERTAIN PROVISIONS OF THE CRIMINAL CODE AND REVISED STATUTES

The Clerk called the next bill, H. R. 4468, to exempt certain officers and employees of the War Department from certain provisions of the Criminal Code and Revised Statutes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill is similar to the two just considered, except it relates to employees of the War Department.

I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SETTLEMENT OF BOUNDARY LINE BETWEEN STATES OF NEW YORK AND RHODE ISLAND

The Clerk called the joint resolution (H. J. Res. 138) granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection the Clerk read the resolution, as follows:

Whereas commissioners duly appointed on the part of the State of New York, and commissioners duly appointed on the part of the State of Rhode Island and Providence Plantations, for the purpose of settling the boundary line between said States, did execute an agreement in the words following, to wit:

Memorandum of agreement by and between the subscribers, commissioners of the States of New York and Rhode Island respectively, to settle the question of the boundaries between said States, being thereunto authorized by the resolutions and/or acts of said States, respectively passed by them, as hereunto annexed. That is to say that we, Lithgow Osborne, commission of conservation; Arthur W. Brandt, superintendent of public works, also acting as chief engineer of the State department of public works; and Harold C. Ostertag, chairman, joint legislative committee on interstate cooperation, commissioners of the State of New York; and, we, George L. Crooker, chairman, Rhode Island Commission on Interstate Cooperation; Edward H. Rathbun, chairman, State boundary lines adjustment commission; and Daniel J. Ryan, director, department of public works, commissioners of the State of Rhode Island and Providence Plantations, have agreed, and do hereby agree to fix, determine, and establish the boundary between our respective States, subject to the approval and ratification of the legislatures of our respective States and of the Congress of the United States, in the following manner:

We agree that the eastern boundary of New York and the western boundary of Rhode Island shall be and is as follows: Beginning at a point (No. 174) in latitude 41°18'16".249 and longitude 71°54'28".477 as determined by the joint commissioners of Connecticut and Rhode Island by a memorandum of agreement dated March 25, 1887, as such memorandum of agreement is referred to in section 2 of the State law constituting chapter 57 of the Consolidated Laws of the State of New York, thence south 37°22'32".75 east 85,801.89 feet to a point designated as number 175 and thence in the same direction out to sea to the limits of the territorial waters of the two States: *Provided, however*, That nothing in the foregoing agreement contained shall be construed to affect existing titles to property corporeal or incorporeal held under grants heretofore made by either of said States.

Attached to this Memorandum of Agreement and a part thereof is a map entitled "Map of the Boundary Line Between the States of New York and Rhode Island."

In witness whereof, we, the several members who constitute the temporary commission which has been created pursuant to and in accordance with chapter 757 of the laws of 1941 of the State of New York, and we, the several members who constitute the temporary commission which has been created pursuant to and in accordance with chapter 996 of the laws of 1941 of the State of Rhode Island and Providence Plantations have signed this instrument in duplicate, and as provided by and to the extent of the authority

vested in us by the statutes aforementioned on the 27th day of January 1942.

Commissioners for the State of Rhode Island and Providence Plantations:

DANIEL J. RYAN,
Director, Department of Public Works.
EDWARD H. RATHBUN,
Chairman, State Boundary Lines Adjustment Commission.
GEORGE L. CROOKER,
Chairman, Commission on Interstate Cooperation Commissioners for the State of New York.
ARTHUR W. BRANDT,
Superintendent of Public Works and Acting Chief Engineer of the State Department of Public Works.
LITHGOW OSBORNE,
Commissioner of Conservation.
HAROLD C. OSTERTAG,
Chairman, Joint Legislative Committee on Interstate Cooperation.

And

Whereas said agreement has been confirmed by the legislatures of said States of New York and Rhode Island, respectively: Therefore be it

Resolved, etc., That the consent of the Congress of the United States be, and hereby is, given to said agreement, and to each and every part thereof; and the boundaries established by said agreement are hereby approved: *Provided, however*, That nothing herein contained shall be construed to impair or in any manner to affect any right of the United States or jurisdiction of its courts in and over the islands or waters which form the subject of said agreement.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CRIERS AND BAILIFFS IN UNITED STATES COURTS

The Clerk called the next bill, H. R. 4065, further defining the number and duties of criers and bailiffs in United States courts and regulating their compensation.

Mr. STEFAN. Mr. Speaker, reserving the right to object, will the author of the bill explain it? Does it increase the salaries of the bailiffs?

The SPEAKER. Does any member of the Committee on the Judiciary desire to answer the inquiry of the gentleman from Nebraska?

Mr. STEFAN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice in view of the fact we have no explanation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

STUDIES AND INVESTIGATIONS OF SAFETY CONDITIONS IN EMPLOYMENT UNDER UNITED STATES EMPLOYEES' COMPENSATION ACT

The Clerk called the next bill, H. R. 4159, to amend section 3 of the act of September 7, 1916, as amended (39 Stat. 742).

Mr. SHEPPARD. Mr. Speaker, reserving the right to object, may we have an explanation of the bill?

The SPEAKER. Does the gentleman desire to make any other request with reference to the bill?

Mr. SHEPPARD. Mr. Speaker, in view of the absence of an explanation I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FOREIGN SERVICE BUILDINGS AND GROUNDS

The Clerk called the next bill, H. R. 4282, to amend the act entitled "An act for the acquisition of buildings and grounds in foreign countries for use of the Government of the United States of America," approved May 7, 1926, as amended, to permit of the sale of buildings and grounds and the utilization of proceeds of such sale in the Government interest.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, as I read this bill it authorizes the Secretary of State to dispose of any property owned by the United States in foreign lands, and in addition authorizes the Secretary to retain the proceeds of the sale of those lands in a separate fund and use them for the acquisition of other properties that may be needed by the Department of State.

My own personal view is that while it may be necessary and advisable to permit the Secretary to dispose of property, it seems to me that the funds derived from the sale of the property should be covered into the Treasury of the United States; and if additional funds are needed for the acquisition of other properties, then the Department should come to Congress in the usual way for express authority.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Nebraska.

Mr. STEFAN. I am inclined to agree with the gentleman from New York. I believe this bill should be amended. I do feel, however, there is some merit to it in view of the fact there are some instances, for illustration, down at Buenos Aires and Santiago, Chile, where we should acquire certain property right now. While I believe the bill should be amended, I believe the Department should not be given the permission to go out here and sell property, retain the money, and go into the real-estate business without coming back to Congress and the Appropriations Committee and justifying the expenditure for the acquisition of land, yet the State Department does have several cases, one in Buenos Aires and one in Santiago, particularly, in which I think they should be given some leeway to go ahead with the acquisition of other property.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. BLOOM. Touching the question raised by the gentleman from New York, I may say that this is simply a logical and proper extension of existing authority; in other words the Foreign Service Buildings Commission has the right at the present time to exchange property. This Foreign Service Buildings Commission is made up of the Secretary of State, the chairman and ranking minority member of the Foreign Relations Committee of the Senate, the chairman and ranking minority member of the Foreign Affairs Committee of the House, the Secretary of the Treasury, and the Secretary of Commerce. Nothing can be done by this Commission without the signature of all these people. You have the Foreign Affairs Committee, the Foreign Relations Committee, and the three Secretaries.

If you fail to pass this legislation at the present time you are going to cost the Government of the United States a considerable sum of money and place them at a great disadvantage because if we were to sell property in any part of the world, Buenos Aires or any other place, and get paid in dollars, the dollars would cost them more money; yet we would later have to buy in the currency of that country.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. STEFAN. Not in the case of Buenos Aires.

Mr. BLOOM. Let me tell the gentleman that if we were to sell our property in Buenos Aires today and buy other property in the same place we would be making not less than 25 percent. The trouble is with the exchange. You place us at a disadvantage in the exchange. The Buenos Aires property was purchased in 1930 at a cost of $284,000. Its location has now become the heart of the business district and it is unsuitable for embassy property. Since it was purchased there has been a 60-percent change in the exchange value of United States dollars in terms of Argentine pesos. If expressed in terms of United States dollars, the present sale value might represent a loss to our Government, but the property has actually increased 25 percent in value in terms of Argentine pesos. At present the Foreign Service Buildings Commission must find someone with property who is willing to exchange for the property that we have. The property might be owned by several people and it would be difficult to have them exchange it, but if we could sell that property and buy property at other places the Government of the United States would be making a considerable sum of money and would get better locations. The trouble has been that we were compelled to buy property in locations that we did not want in the past.

Mr. COLE of New York. Why is this expression put in the gentleman's bill:

Notwithstanding the provisions of the law the Commission is authorized to apply the proceeds of such sales toward the purchase and construction and preservation of other property.

If you have the authority now why is it necessary to use that language?

Mr. BLOOM. The Government has the right to exchange property today. That is in the act.

Mr. COLE of New York. This bill authorizes the Secretary to use the proceeds for other acquisitions.

Mr. BLOOM. What difference does it make, may I ask the gentleman, from a real-estate point of view, and I have had 50 years' experience in real estate?

Mr. COLE of New York. Exchange of property is certainly vastly different

from selling one property, receiving the funds, then going out and buying another property.

Mr. BLOOM. You compel the Foreign Service Building Commission to take the property only of people who want to exchange. We might find only one person who wants to exchange but we might find a hundred who want to sell.

Mr. COLE of New York. This is such a decided departure from the usual thing and requires so much more explanation than can be given on the Consent Calendar that I will ask to have it passed over.

Mr. BLOOM. At the present time we need this if we want to go into foreign countries to get property for our embassies and for our consular service. We really need this legislation.

Mr. COLE of New York. I am sure the gentleman's committee is ready at any time to hear any request for authority to buy property in a foreign country if that request is made to the committee by the State Department, and I am equally sure that the Appropriations Committee is ready to sit at any time that a request for funds might be made.

Mr. BLOOM. You cannot buy property if you have to come down here and wait 6 months or a year to get an appropriation for it. By that time the property will be sold.

Mr. COLE of New York. The Navy Department does it.

Mr. BLOOM. No; not for anything like this. They do not do that.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. COLE]?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to include at this point in the RECORD a letter from the State Department on the subject under discussion.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. STEFAN]?

There was no objection.

The letter referred to follows:

DEPARTMENT OF STATE,
Washington, June 3, 1944.

The Honorable KARL STEFAN,
House of Representatives.

DEAR MR. CONGRESSMAN: With reference to your request for information relating to H. R. 4282, which amends the Foreign Service Buildings Act, permitting the Department, with the approval of the Foreign Service Buildings Commission, to make cash sales and to use the proceeds of such sales for the purchase, construction, and preservation of other properties acquired or authorized to be acquired agreeable to the original act under appropriations made by the Congress, in its final analysis the legislation actually involves only a means of implementing the present law, which permits exchange of properties, to overcome practical difficulties of operation.

The Foreign Buildings Act, as you know, established a very large real-estate business, and while the legislative authority now permits the exchange of Government properties, and several favorable transactions have resulted whereby the original investment and holdings have been materially enhanced, because of difficulties experienced in effecting exchanges we are at a disadvantage entirely effectively to protect this property, and particularly to conserve the investment.

Our experience in Buenos Aires may be cited as an example. In 1930 there was purchased in Buenos Aires, at a cost of $284,000, a piece of property which, by reason of the imposition of highly restrictive zoning regulations and the encroachment on the property of a subway, together with its location in the heart of the business district, was made unsuitable for development for the purpose originally intended. We have been interested in other pieces of property in Buenos Aires but because of differences in the relative values of the property involved or because the property desired was held by several owners having no individual or joint interest in the property we had, complications have resulted and our sustained efforts to reconcile differences have been unsuccessful. This property could now be sold and at an appropriate time other property purchased in a less-congested area with the peso sum realized through its sale. Since the original purchase, the exchange value of United States dollars in terms of Argentine pesos has appreciated approximately 60 percent, and the sale value might present, if expressed in terms of United States dollars, a loss to the Government, but the property has actually increased in value approximately 25 percent in terms of pesos.

Another example is offered by the residence property at Santiago, Chile, purchased in 1922 for $150,000. The section of the city in which the property is located has changed from residential to commercial and will eventually become unsuitable for an embassy residence. It could be sold today at a profit and a very considerable enhancement of the Government's holdings made without necessitating an additional appropriation of funds. A similar instance has occurred in the past in Habana, where the property originally procured deteriorated with the construction of one-story small dwellings rented to mechanics, tradesmen, and railroad employees, and with the construction of such commercial projects as a slaughtering house and a brewery.

Undoubtedly, changes in city planning, war damage, or other contingencies will make it most desirable that the Department recommend transactions to preserve our investment in such capital cities as Rome, Prague, Berlin, Paris, and Helsinki, and it is our thought, in which I believe you will concur, that it is sometimes just as necessary to sell when the property begins to diminish in value because of continuing conditions as it is to buy some property when its value is rising due to some continuing condition. It is our belief that disposal of property by cash sale and the return of the proceeds to the general receipts of the Treasury, and the appropriation by the Congress of new money to permit of the purchase of other property more suitable for consular and diplomatic establishments as an alternative proposal, would not afford as practicable a procedure as would enactment of the bill suggested. The time necessary to obtain adequate funds by resort to the appropriation procedure would not permit the making of definite commitments, so often necessary to satisfactorily conclude real-estate transactions. The bill, of course, continues the present system of controlling the expenditure of funds by the Foreign Service Buildings Commission, which is composed at the present time of Congressman SOL BLOOM, as chairman, and Representative CHARLES A. EATON, Senator TOM CONNALLY, and Senator HIRAM JOHNSON, as well as the Secretary of State, the Secretary of the Treasury, and the Secretary of Commerce. All transactions consummated during the fiscal year would, of course, be annually reported to the Congress with the budget for the succeeding fiscal year.

Thus, it is believed, the necessary controls are preserved and enactment of the measure would round out existing legislation and enable practical difficulties of operation now experienced to be overcome. I hope you may be in a position to support the measure, which we believe will definitely contribute to the program undertaken by our Government, in which you have had a keen interest and a helping hand, all to the purpose of improving the effectiveness of our representation abroad. Buildings so far erected have been a source of pride to all our countrymen who visit them, and in every way are representative of and a credit to our country. The legislative authority now asked permitting of conclusion of negotiations on a cash basis, as well as by property exchanges, would be an important asset in protecting the Government's interests and in the preservation of its property investments the world over.

With appreciation of your interest and kindest personal regards, believe me,

Sincerely yours,

LAURENCE C. FRANK.

APPOINTMENT OF TWO ADDITIONAL ASSISTANT SECRETARIES OF STATE

The Clerk called the next bill, H. R. 4311, to authorize the appointment of two additional Secretaries of State.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice. The bill does not comply with the Ramseyer rule by showing the change in existing law, although it is quite apparent from the title of the bill that it is to provide for the appointment of two additional Assistant Secretaries of State.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. COLE]?

Mr. BLOOM. Mr. Speaker, reserving the right to object, we need these Assistant Secretaries in the State Department. That Department cannot function. It has a lot of work to do. I hope the gentleman will not object to a bill of this kind. The State Department is trying to do a good job.

Mr. COLE of New York. The report came from the gentleman's committee on May 5, although it was introduced on March 2.

Mr. BLOOM. We were busy with other things.

Mr. COLE of New York. A bill involving an acute situation would have been out longer ago than this.

The SPEAKER. The Chair may say that the bill does not violate the Ramseyer rule, if that is the only reason for the objection.

Mr. COLE of New York. It is debatable whether it does or not. Apparently existing law provides for the appointment of four Assistant Secretaries of State and this bill provides for the appointment of six.

Mr. BLOOM. Two additional ones.

Mr. COLE of New York. Mr. Speaker, at any rate, I ask unanimous consent that it go over without prejudice.

Mr. BLOOM. Is there any reason the gentleman would like it to go over, besides the Ramseyer rule matter? I would like to explain it. We need this in the State Department. If there is any

other reason, I would like to have the opportunity to explain it.

Mr. COLE of New York. I do not like to repeat myself. If the matter had been very urgent, the chairman of the committee and the Committee on Foreign Affairs could have reported his bill dated March 2 long prior to May 5.

Mr. BLOOM. We did it as fast as we could. We had U. N. R. R. A., lend-lease, and everything else. We are working every day in our committee.

Mr. COLE of New York. It will require a great deal of explanation to justify six Assistant Secretaries of State.

Mr. BLOOM. It is two additional Secretaries of State.

Mr. COLE of New York. The bill states:

That there shall be in the Department of State an Under Secretary of State and not to exceed six Assistant Secretaries of State.

Mr. BLOOM. But there are four now. This is to provide two additional ones.

Mr. COLE of New York. As I started to say, it will require a good deal of explanation to justify six Assistant Secretaries of State when neither the War Department nor the Navy Department, having the tremendous responsibility they have, require more than three assistants.

Mr. BLOOM. This is not six. This is for two. This is for two additional Secretaries of State.

Mr. COLE of New York. I am referring only to the gentleman's own bill.

Mr. BLOOM. The bill calls for only two additional Secretaries of State, not six.

Mr. COLE of New York. It authorizes the appointment of six Assistant Secretaries of State.

Mr. BLOOM. Two additional.

Mr. COLE of New York. It may be true that there are only four now.

Mr. BLOOM. There are four now. The committee report explains this matter thoroughly. Let me call attention to the following letter from the Acting Secretary of State which was included in the President's message on this bill and which is also in the report of the Foreign Affairs Committee.

DEPARTMENT OF STATE,
Washington, February 21, 1944.

The PRESIDENT,
The White House.

The PRESIDENT: I have the honor to submit, with a view to its transmission to the Congress, if you approve, a bill to provide for the appointment of two additional Assistant Secretaries of State in the present emergency and for so long thereafter as may be necessary.

The purpose of this bill is to facilitate the conduct of the foreign relations of the United States and to assure in these times an instrumentality fully adequate to assist in directing the foreign policy of the Government, and to protect and promote the national interests.

Just as maintenance of good relations and mutual understanding between the United States and other nations makes indispensable an effective Foreign Service, legislation to accomplish which has recently been recommended to the favorable consideration of the Congress, it is indispensable that the Department of State be organized effectively to handle the greater complexity of problems, many of a new, delicate, and unprecedented character, which today require solution in the broad domain of foreign relations.

Certain readjustments possible within the framework of existing legislation have already been made to assure an organization equal to the responsibilities given to the Department to discharge. These readjustments are not a complete solution of all the administrative problems of the Department. Studies are constantly being conducted looking to improvement. The adjustments recently undertaken will, however, achieve a substantial broadening and intensification of the work and a higher coordination of political, economic, and other activities, than has heretofore been possible.

Further to implement the machinery of the Department of State, I consider it not only desirable but imperative that authority be given in the present emergency, and for so long thereafter as may be necessary, to provide additional Assistant Secretaries of State, to whom may be delegated broad authority and ample facilities to participate in the formulation of policy and to direct the carrying forward of those activities in world affairs determined to be in furtherance of national interests and the attainment and maintenance of a stable peace.

The proposed legislation has been referred to the Director of the Bureau of the Budget, who has informed the Department that its transmission to the Congress is not inconsistent with the Government's fiscal program.

Respectfully submitted.

E. R. STETTINIUS, Jr.,
Acting Secretary of State.

Mr. COLE of New York. I was not speaking of the two additional ones. I question the advisability of having six.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. COLE] that the bill be passed over without prejudice?

There was no objection.

AMENDMENT TO ACT ENTITLED "AN ACT TO EXPEDITE THE PROVISION OF HOUSING IN CONNECTION WITH NATIONAL DEFENSE"

The Clerk called the next bill, H. R. 4728, to amend the act entitled "An act to expedite the provision of housing in connection with the national defense, and for other purposes," approved October 14, 1940, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas, the chairman of the committee reporting this bill, with reference to it. When we passed all this legislation with respect to so-called Lanham building funds, we thought it was for the purpose of providing housing for persons engaged in national defense activities, and I believe that was so. There is one provision here taking out the wording "for persons engaged in national defense activities." It is a little difficult without looking through the whole bill, even though you are in full accord with the Ramseyer rule, to know exactly what that means, and I would like an explanation as to why that was left out.

Mr. LANHAM. Mr. Speaker, I would like to make an explanation to the gentleman, and when he understands the purpose of this I am sure he will be in accord with the measure. The gentleman is correct in his statement that the purpose of the law to which this bill relates is to take care of in-migrant war workers at the various defense plants in congested areas where housing is not otherwise available.

The National Housing Agency, of course, has been the claimant agency with reference to priorities for that purpose. The act itself specifies that these various housing projects are for these in-migrant war workers and the purposes and the provisions of the act are not modified by the reference in the pending bill to this particular section.

This is what we are undertaking to do now, without any additional expenditure, without any additional personnel: War housing, as the gentleman from New Jersey knows, is tapering off because we have just about reached the peak of what is necessary. This makes materials more available now for private housing than they have been heretofore, especially in these congested areas where by fire or tornado or flood or condemnation of property people who are not directly connected with the war effort have been or may be deprived of their homes and need to repair or rebuild them, and since the National Housing Agency has been made the claimant agency for priorities for them, this measure simply permits, without any governmental expenditure, these private people to begin the construction or repair of houses at their own expense and also encourages the general building industry to get back into the construction that will be necessary after the war.

Mr. KEAN. I thought private housing was done by the F. H. A.

Mr. LANHAM. That is true, but the National Housing Agency has been made the claimant agency for all priorities. I am not referring simply to the private housing that is done through F. H. A. I am referring to anyone who at his own expense would wish to repair his home or, if he had been deprived in these areas of a place of residence, would wish to build at his own expense. There are no governmental funds involved, no additional personnel, and no additional expenditure. As a matter of fact, it makes for economy in establishing in one place the personnel already existing to get priorities for these people who wish privately at their own expense to construct homes for themselves. It enables them to get priorities if available. That is the entire purpose of the bill. It has nothing in the world to do with public housing. It does not involve any governmental expenditures. It is simply a facility for acquiring priorities for private construction, and we can do it in this way without any additional personnel and without any additional expense.

Mr. KEAN. Is it to find something to do for this organization?

Mr. LANHAM. No; because whatever they can do toward helping private builders get priorities expires just as the public angle does within 2 years after the war. In the hearings that is very clearly shown. This is merely to help the private citizen whose home has been destroyed or may need repairs to proceed at his own expense but to make

available an agency through which he may get priorities to the materials.

Mr. CRAWFORD. May I ask the gentleman a question?

Mr. LANHAM. Yes.

Mr. CRAWFORD. I am not familiar with the bill, but I would like to find out if a private individual who wants to rebuild a home or repair an old one that was destroyed due to a storm, cyclone, or otherwise, must now go through this Defense Housing Administration priorities service under this bill in order to get that material?

Mr. LANHAM. Under the National Housing Agency. This has nothing to do with the Defense Homes Corporation.

Mr. CRAWFORD. I am not talking about the Defense Homes Corporation. I am talking about a private citizen whose home was destroyed by any cause whatsoever, by which we now propose to further confuse him by channeling his efforts to obtain material, in forcing him to go through the Defense Housing setup.

Mr. LANHAM. He now has nowhere to go, and he now cannot get the material at all.

Mr. CRAWFORD. Let us examine that for a moment. Does the gentleman mean to tell me that if my house in Saginaw, Mich., burns down tonight and is virtually destroyed, that I have no means through which to provide any new repair parts for that home?

Mr. LANHAM. Does the gentleman know of any way he can get them?

Mr. CRAWFORD. I am just asking the question if this Congress has failed in that respect. I know that priorities are being obtained all along in some manner. I am asking now, do they go through this Defense Housing Administration?

Mr. LANHAM. They have always had to go through some agency, and this is trying——

Mr. CRAWFORD. That is not my question. My question is, How have they traveled heretofore, and what is the necessity for making them take this new course in addition?

Mr. LANHAM. They have always had to go through some governmental agency. They have no other way to get it.

Mr. CRAWFORD. I agree with the gentleman on that.

Mr. LANHAM. This is merely doing something, without creating some other agency, to use the personnel that we have at the present time to help these people get their priorities, and try to build up the private construction industry in this country.

Mr. CRAWFORD. Unless I get a satisfactory explanation of it, I shall object to this. First, through what source do they now obtain those priorities?

Mr. LANHAM. The priorities are obtained from the War Production Board. The War Production Board has now designated the National Housing Agency as the claimant agency for all these priorities, and if they do not get them this way, they will not get them.

Mr. CRAWFORD. They are getting them now. May I ask another question?

Mr. LANHAM. Certainly.

Mr. CRAWFORD. Does this bill in any way, directly or indirectly change the law so that these houses, built for the occupancy of people engaged in the national war effort, if this bill is made law, may be used for the purpose of housing refugees brought into this country?

Mr. LANHAM. There is nothing whatever of that character in this act or in this bill.

Mr. CRAWFORD. This bill has nothing to do with that.

Mr. LANHAM. There is nothing of that character in this bill.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice until we have time to find out more about it.

Mr. LANHAM. Will the gentleman withhold that request for just a moment?

Mr. CRAWFORD. Yes.

Mr. LANHAM. I should like to get the gentleman to read the hearings on the bill and see if a little later we cannot bring this bill up again, in view of the fact that we want to save the private industry of this country, if possible, and relieve these people who are willing to repair or rebuild their homes at their own expense.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ARMY NURSE CORPS

The Clerk called the next bill, H. R. 4445, to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, some months ago a bill was passed by the House authorizing temporary rank of the members of the Navy Nurse Corps. Now comes this bill, with reference to the same general subject matter of rank, relating to the Army Nurse Corps.

The gentleman from Minnesota, the author of the Navy Nurse Corps bill, is present, and I should like to inquire wherein this bill relating to the Army Nurse Corps differs from the bill already passed relating to the Navy Nurse Corps?

Mr. MAAS. The present bill for the Army Nurse Corps is broader than the one for the Navy. It was only through an oversight in drafting the bill to give military rank to the Navy Nurse Corps that the Army Nurse Corps was excluded.

I have an amendment, which I will send to the desk, which, if not objected to, will bring them into exact parallel. It seems to me ridiculous to have brought the women into the Army and the Navy and given them full military rank during the war, and not give the same equivalent rank to our nurses. All this bill does is to give the nurses in the Army exactly the same status and recognition during the war that the WAC's themselves have. It is a wartime measure.

Mr. COLE of New York. The bill relating to the Navy Nurse Corps was for a temporary period only. What is the situation in regard to this bill for the Army Nurse Corps?

Mr. MAAS. But this is also temporary because it relates to the Army of the United States which, in itself, is temporary. It is only a war measure. These are not commissions of the United States Army, so it is temporary by the very nature of things.

Mr. COLE of New York. My only purpose in raising the question is to make sure, and as sure as can be, that the Navy Nurse Corps and the Army Nurse Corps are treated alike.

Mr. MAAS. If this bill is passed and my amendment which I have sent to the desk is adopted, they will then be on an exact parallel, and they will be parallel with all other women's organizations in the military service.

Mr. ANDREWS of New York. Mr. Speaker, reserving the right to object—and I shall not object—I may say to the gentleman from New York that lines 9, 10, 11, and 12, page 2, refer to the joint resolution of September 22, 1941, as amended by the act of July 7, 1943. That resolution, apparently, places the Nurse Corps within the provisions of the statute which makes the Army of the United States temporary for the duration of the war and 6 months thereafter. Furthermore, it was the understanding of the members of the Military Committee—and I am sure any member of the committee here will agree with me—that at the proper time we were given to understand by a member of the Naval Committee that they wished this act passed in this way, and at this time they would offer the amendment which the gentleman from Minnesota spoke of a while ago, which would put them on exactly the same basis.

Mr. COLE of New York. As long as there has been consultation and cooperation between the two committees, to make sure that their respective agencies are treated alike, then I have no further question.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I am glad the gentleman from New York takes the position he does, because this bill is very meritorious and gives recognition to a group of fine heroines in this war. I understand a similar bill has passed the Senate. If this bill passes and unanimous consent is obtained, I assume the necessary motion will be made to strike out all after the enacting clause in the bill and substitute the House bill as amended.

Is my understanding correct? If not, I suggest that be done, because, otherwise, so far as the two branches are concerned, you will have separate bills, with the exception of what difference might exist. The Senate can then concur, or the bill can go to conference.

Did the gentlewoman from Ohio have my suggestion in mind?

Mrs. BOLTON. Yes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices) appointed under the provisions of the act of December 22, 1942 (56 Stat. 1072), and female persons having the necessary qualifications for appointments in such department as female dietetic or physical-therapy personnel under the provisions of the act of December 22, 1942 (56 Stat. 1072), may be appointed as officers in the Army of the United States under the provisions of the joint resolution of September 22, 1941 (55 Stat. 728), as amended by the act of July 7, 1943 (Public Law 114, 78th Cong.) in the grades therein prescribed, and assigned, respectively, to the Army Nurse Corps and Medical Department of the Army. All persons so appointed and assigned shall have authority in and about military hospitals as regards medical and sanitary matters and all other work within the scope of their professional duties next after other officers of the Medical Department and, except as above provided, shall exercise command only over those members of the Army of the United States specifically placed under their command. Members of the Army Nurse Corps so appointed and assigned shall not by acceptance of their appointments vacate their appointments in the Army Nurse Corps.

SEC. 2. All persons appointed and assigned as officers in the Army of the United States under the provisions of section 1 of this act and their dependents and beneficiaries shall have all the rights, privileges, and benefits accorded in like cases to other persons appointed under the joint resolution of September 22, 1941 (55 Stat. 728), as amended, except where otherwise expressly provided in this or any subsequent act.

SEC. 3. In addition to members of the Army Nurse Corps, any person appointed and assigned as an officer in the Army of the United States under the provisions of section 1 of this Act shall be eligible to be retired under any law providing for the retirement of members of the Army Nurse Corps, and any such person, including members of the Army Nurse Corps, who, while serving under such appointment and assignment, is so retired for disability shall receive retired pay at the rate of 75 percent of the active duty base and longevity pay received by her while serving in the highest grade in which she served under any such appointment and assignment, and, notwithstanding any other provision of law, shall be placed upon the Army Nurse Corps retired list in such highest grade. Any member of the Army Nurse Corps retired between December 7, 1941, and the date of enactment of this act for disability and any female dietitian or physical-therapy aide so retired between January 12, 1943, and the date of enactment of this act shall receive, effective on the first day of the first month next following the date of enactment of this act, retired pay at the rate of 75 percent of the highest active duty base and longevity pay received by her while serving in the Army Nurse Corps or Medical Department of the Army, as the case may be, during the above-cited applicable period.

SEC. 4. In computing years of service for all purposes of members of the Army Nurse Corps appointed and assigned under the provisions of section 1 of this Act there shall be credited active service in the Army Nurse Corps and in the Navy Nurse Corps, active service as a contract nurse prior to February 2, 1901, and service rendered pursuant to an appointment under this act.

SEC. 5. In computing years of service for all purposes of female dietetic and physical-therapy personnel appointed and assigned under the provisions of section 1 of this act there shall be credited all active full-time service (except as a student or apprentice) in the dietetic or physical-therapy categories rendered subsequent to April 6, 1917, as a civilian employee of the War Department, service rendered pursuant to an appointment as a female dietitian or physical-therapy aide under the provisions of the act of December 22, 1942 (56 Stat. 1072), and service rendered pursuant to an appointment under this act.

SEC. 6. Notwithstanding any other provision of law, no woman appointed and assigned under the provisions of section 1 of this Act who is a member of the Army Nurse Corps or who has previously held an appointment as a female dietitian or physical-therapy aide under the provisions of the act of December 22, 1942 (56 Stat. 1072), shall be entitled to any uniform allowance payable to officers of the Army of the United States. Any such woman who, either as a member of the Army Nurse Corps or a dietitian or physical-therapy aide, has not received a complete issue of uniforms, insignia, accessories, and equipment prescribed by regulations of the Secretary of War for persons in the respective categories may be issued the remainder of such prescribed articles, and any such woman who has heretofore or may hereafter receive such complete issue, or any part thereof, may retain such articles as her personal property.

SEC. 7. For the purpose of effectuating prompt and equitable appointments under section 1 of this act of the personnel mentioned in the title of this act who are on active duty on the date of enactment of this act, the President is authorized to appoint, in commissioned grades corresponding to the relative rank held by such personnel on the effective date of the order of appointment, all or any part of such personnel by means of a blanket order without specifying the names of the personnel so appointed. Any person so appointed by such blanket order shall be deemed for all purposes to have accepted her appointment as an officer in the Army of the United States upon the effective date of such blanket order unless she shall expressly decline such appointment, and shall receive from such date the pay and allowances of the commissioned grade to which she was so appointed. No such person who, upon receiving an appointment in the Army of the United States, shall have subscribed to the oath of office required by section 1757, Revised Statutes, shall be required to renew such oath or to take a new oath upon her appointment as a commissioned officer, if her service in the Army of the United States after the taking of such oath shall have been continuous.

With the following committee amendments:

Page 4, line 6, after the word "period", insert "*Provided*, That nothing contained in this section shall operate to reduce the retired pay presently received by any nurse, female dietitian, or physical-therapy aide."

Page 6, after line 17, insert a new section:

"SEC. 8. Women appointed in the Army Nurse Corps, female dietitians, and physical-therapy aides appointed in the medical department of the Army under the provisions of the act of December 22, 1942 (56 Stat. 1072), and women appointed from civilian life under the provisions of section 1 of this act shall receive for travel performance under competent orders from home to first-duty station the mileage allowed provided for persons appointed as officers under the joint resolution of September 22, 1941 (55 Stat. 728). This section shall be applicable with respect to travel performed on or after December 22, 1942."

The committee amendments were agreed to.

Mr. MAAS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAAS: Page 7, after line 3, insert a new section, as follows:

"The provisions of this act shall apply also to the members of the Naval Nurse Corps."

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Alabama.

Mr. SPARKMAN. I wonder if the gentleman will give us this information. Of course, this bill relates not only to the Army Nurse Corps but also to the physiotherapists and dietitians. Are there similar positions in the Navy; and if so, should they be included in this amendment?

Mr. MAAS. There are no similar positions in the Navy. If later the Navy should decide to create such positions or find need for them, they can get the benefits by establishing them in the Navy Nurse Corps.

The amendment was agreed to.

Mr. COLE of New York. Mr. Speaker, I understand that a similar Senate bill, S. 1808, is at the Clerk's desk. I ask unanimous consent that it be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, may I suggest to the gentleman from New York that the title of the bill may require amendment? I am not sure that it does. This bill relates to members of the Army Nurse Corps. Should not the title now be amended to include members of both the Army Nurse Corps and the Navy Nurse Corps?

Mr. COLE of New York. The title should be amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Strike out all after the enacting clause of the bill S. 1808, and insert the provisions of the bill H. R. 4445, as amended.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill, H. R. 4445, was laid on the table.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the title be amended so as to read "A bill relating to the temporary appointment of members of the Army and Navy Nurse Corps."

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, would that be correct? Should it be "the Army and

Navy Nurse Corps" or "the Army Nurse Corps and the Navy Nurse Corps"?

Mr. COLE of New York. I suggest that the gentleman from Massachusetts suggest an amendment to the title.

Mr. McCORMACK. My suggestion would be that the title be amended to read "To authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps and the members of the Navy Nurse Corps." Then there is no question about their being separate.

Mrs. BOLTON. The members of the Navy Nurse Corps would not be appointed in the Army.

Mr. McCORMACK. The bill now covers both, we agree to that, but such an amendment would mean that they are separate organizations appointed in their respective departments, and no confusion is created such as might be caused by amending the title so as to read "Army and Navy Nurse Corps."

Mr. MASON. If the gentleman will yield, if you insert the word "the" so it will read "the Army" and "the Navy," the two will be separate.

Mr. McCORMACK. Yes; that is a very good suggestion.

Mr. BROOKS. If the gentleman will yield, the Army of the United States is a temporary organization. Under that amendment, will you have that temporary status in the Navy that you have in the Army?

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill may be passed over temporarily until the Members interested have an opportunity to discuss further the question of the amendment of the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

WEST POINT MILEAGE ALLOWANCE

The Clerk called the next bill, S. 1669, to clarify the law relative to allowances for mileage of graduates of the United States Military Academy and transportation of their dependents on assignment to their first duty station and to the mileage allowance of persons entering the United States Military Academy as cadets.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, this bill authorizes the payment of mileage allowances to graduates of West Point from West Point to their first post of duty. May I inquire if there is someone present who is informed as to whether a graduate of Annapolis is to be given a similar allowance on graduation from Annapolis?

Mr. ANDREWS of New York. The real effect of this bill is to provide travel allowance for a young man who is discharged from the military service away from the Military Academy, and to defray his expenses from that point of discharge to the academy.

Mr. COLE of New York. That is the effect of the committee amendment to the bill, yes; but the bill itself goes further. It affects the relations of graduates of West Point. May I inquire if graduates of the Naval Academy are given a mileage allowance when traveling from the Naval Academy to their first post of duty?

Mr. ANDREWS of New York. It seems to me that that is a matter for some member of the Committee on Naval Affairs to consider.

Mr. COLE of New York. Unfortunately, these bills were not brought to this member of the Committee on Naval Affairs until it was too late to make inquiry at the Navy Department. This member of the Committee on Naval Affairs is hereby displaying his interest in seeing that the two services are kept on an equal basis. I may be pardoned if I express a bit of advice that the Committee on Military Affairs inquire into that particular phase of their bill so that they may be sure that their service is not put on a more advantageous basis than the Navy.

Mr. ANDREWS of New York. May I suggest that we pass this bill over temporarily today until the matter can be inquired into and a suitable amendment offered?

Mr. COLE of New York. I would be very happy if the gentleman would submit that request.

Mr. ANDREWS of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over temporarily today until a satisfactory amendment can be prepared.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OF THE SOLDIERS' AND SAILORS' RELIEF ACT

The Clerk called the next bill, H. R. 4733, to amend section 514 of the Soldiers' and Sailors' Relief Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 514 of the Soldiers' and Sailors' Civil Relief Act of 1940 (54 Stat. 1179), as added by the Soldiers' and Sailors' Civil Relief Act amendments of 1942 (56 Stat. 769), is hereby amended to read as follows:

"SEC. 514. (1) The income, gross receipts, and personal property, tangible or intangible (including automotive vehicles), of any person in the military service shall not be subject to taxation by any State, Territory, possession, political subdivision thereof, or the District of Columbia, by reason of (a) his temporary residence, (b) receipt of income or gross receipts, or (c) the temporary location of personal property within a State, Territory, possession, political subdivision thereof, or the District of Columbia: *Provided*, That nothing contained in this section shall prevent the State, Territory, possession, political subdivision thereof, or the District of Columbia, wherein a person in the military service resided or was domiciled prior to the time when he first acquired a temporary residence, as defined herein, from imposing a tax upon the income, gross receipts, or personal property of such persons, if it otherwise has jurisdiction to impose such tax: *And provided further*, That nothing contained in this section shall prevent a State, Territory, possession, political subdivision thereof, or the District of Columbia from imposing taxes upon income or gross receipts, other than compensation for military service, derived from sources therein, nor from imposing a tax on personal property situated therein other than at a temporary location, as herein defined.

"(2) After the date of enactment of the Soldiers' and Sailors' Civil Relief Act amendments of 1942, no State, Territory, possession, political subdivision thereof, or the District of Columbia shall make claim for, collect, or receive from any person in the military service any tax made inapplicable by subsection (1) hereof and which has accrued subsequent to the declaration of the national emergency made by the President on September 8, 1939; but the refund of taxes collected or received prior to such effective date shall not be required by the provisions of this section.

"(3) This section shall not be deemed in any manner to authorize any State, Territory, possession, political subdivision thereof, or the District of Columbia to impose any tax upon personal property located in or on any Federal area.

"(4) (a) When after September 8, 1939, a person in the military service has changed his physical residence in order to comply with military orders he shall be deemed to have acquired a 'temporary residence'; except that for purposes of taxation by a State, Territory, possession, or the District of Columbia he shall be deemed to have acquired a 'temporary residence' only if he shall have moved outside the exterior boundaries of such State, Territory, possession, or the District of Columbia.

"(b) Personal property shall be deemed to have a 'temporary location' when a person in the military service has such property at his 'temporary residence' or when, on changing from one 'temporary residence' to another, he leaves it at a previous 'temporary residence.'

"(c) The term 'Federal area' means any lands or premises owned or acquired by or for the use of the United States or any department, establishment, or agency of the United States."

With the following committee amendment:

On page 1, line 7, strike out all of section 514 down to and including line 2, on page 4, and insert the following:

"'SEC. 514. (1) For the purposes of taxation in respect of any person, or of his personal property, income, or gross income, by any State, Territory, possession, or political subdivision of any of the foregoing, or by the District of Columbia, such person shall not be deemed to have lost a residence or domicile in any State, Territory, possession, or political subdivision of any of the foregoing, or in the District of Columbia, solely by reason of being absent therefrom in compliance with military or naval orders, or to have acquired a residence or domicile in, or to have become resident in or a resident of, any other State, Territory, possession, or political subdivision of any of the foregoing, or the District of Columbia, while, and solely by reason of being, so absent. For the purposes of taxation in respect of the personal property, income, or gross income of any such person by any State, Territory, possession, or political subdivision of any of the foregoing, or the District of Columbia, of which such person is not a resident or in which he is not domiciled, compensation for military or naval service shall not be deemed income for services performed within, or from sources within, such State, Territory, possession, political subdivision, or District, and personal property shall not be deemed to be located or present in or to have a situs for taxation in such State, Territory, possession, or political subdivision, or district: *Provided*, That nothing contained in this section shall prevent taxation by any State, Territory, possession, or political subdivision of any of the foregoing, or the District of Columbia in respect of personal property used in or arising from a trade or business,

if it otherwise has jurisdiction. This section shall be effective as of September 8, 1939, except that it shall not require the crediting or refunding of any tax paid prior to October 6, 1942.

"'(2) When used in this section, (a) the term "personal property" shall include tangible and intangible property (including motor vehicles), and (b) the term "taxation" shall include but not be limited to licenses, fees, or excises imposed in respect to motor vehicles or the use thereof: *Provided*, That the license, fee, or excise required by the State, Territory, possession, or District of Columbia of which the person is a resident or in which he is domiciled has been paid.'

"SEC. 3. Nothing contained in this act shall be construed to require the crediting or refunding of any tax in respect of tangible personal property (including licenses, fees, or excise imposed in respect of motor vehicles or the use thereof) paid prior to the date of its enactment."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMITING PRODUCTION OF OPIUM

The Clerk called the joint resolution (H. J. Res. 241) requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists, the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas for nearly 40 years the United States of America has led the fight to destroy the illicit traffic in and nonmedical consumption of opium, as evidenced by its abolishing the opium monopoly system which it inherited in the Philippine Islands; its calling at Shanghai in 1909 the first International Commission to consider the opium problem; its suggesting the calling of the three International Opium Conferences at The Hague in 1912, 1913, 1914; its urging at the International Opium Conference of 1924 and 1925 sponsored by the League of Nations that the only effective way to suppress the demoralizing use of opium and its derivatives (heroin, morphine, and so forth) was to control the source of the evil by limiting the cultivation of the poppy plant to the legitimate medicinal and scientific needs of the world; and its further participation in the Geneva Conference of 1931 to restrict the manufacture and distribution of narcotic drugs; and

Whereas the laws of the Chinese Government strictly prohibit the cultivation of the opium poppy and the use of smoking opium in all territory under its control, and the people of China have valiantly resisted the attempts of the invading Japanese militarists to enslave them by encouraging and even compelling the cultivation and use of opium; and

Whereas final defeat of Japan will terminate the illicit traffic in narcotics which has been carried on by the Japanese military in all territories they have occupied in the Far East; and

Whereas the British and the Netherlands Governments have recently announced their decision to prohibit the use of opium for smoking and not to reestablish their government monopolies for the sale of smoking opium in the territories formerly controlled by them in the Far East when those territories are freed from Japanese occupation, stating however that the success of their action must in the final analysis depend upon the cooperation of the opium-growing countries; and

Whereas because of our military operations in certain other areas in Asia, there are now thousands of young American citizens in countries where opium is cultivated and freely available, and other Americans are on vessels delivering war materials to those countries, which condition constitutes a real threat to the health and welfare of these Americans and affords easy oportunity for the highly profitable smuggling of opium into the United States where its use has been greatly reduced: Therefore be it

Resolved, etc., That the Congress express its conviction that this World War ought to be not an occasion for permitting expansion and spreading of illicit traffic in opium, but rather an opportunity for completely eliminating it; and be it further

Resolved, That the President be, and he hereby is, requested to approach the governments of all opium-producing countries throughout the world, urging upon them in the interest of protecting American citizens and those of our allies and of freeing the world of an age-old evil, that they take immediate steps to limit and control the growth of the opium poppy and the production of opium and its derivatives to the amount actually required for strictly medicinal and scientific purposes.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL CIRCUIT JUDGE FOR THE THIRD CIRCUIT

The Clerk called the next bill, H. R. 3750, to provide for the appointment of an additional circuit judge for the third circuit, and to permit the filling of the first vacancy occurring in the office of district judge for the eastern district of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, ets., That the President is authorized to appoint, by and with the advice and consent of the Senate, one additional circuit judge for the third circuit.

SEC. 2. The proviso contained in section 2 (a) of the act approved May 24, 1940, entitled "An act to provide for the appointment of additional district and circuit judges" (54 Stat. 219), is amended to read as follows: "*Provided*, That the first vacancy occurring in the office of district judge in each of said districts, except in the eastern district of Pennsylvania, shall not be filled."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF SUGAR ACT

The Clerk called the next bill, H. R. 4833, to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar.

Mr. McCORMACK. Mr. Speaker, as this bill is coming up under a suspension of the rules later this afternoon, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

UPPER MISSISSIPPI RIVER WILDLIFE AND FISH REFUGE

The Clerk called the next bill, H. R. 2650, to add certain lands to the Upper Mississippi River Wildlife and Fish Refuge.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, may I inquire of some Member who may be advised on this matter whether this new territory that is being added to the Upper Mississippi River Wildlife and Fish Refuge is adjacent to the existing refuge?

Mr. MUNDT. I understand that it is a matter of transferring the title so that it can be used by the refuge.

Mr. COLE of New York. The land to be acquired is contiguous to the existing refuge?

Mr. MUNDT. Yes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent that a similar bill, S. 1081, be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to acquire, for and as part of the Upper Mississippi River Wildlife and Fish Refuge, established pursuant to the authority contained in the act of June 7, 1924 (43 Stat. 650), as amended, those tracts of land situated in Wabasha County, Minn., described as lots 6 and 10, section 19, township 110 north, range 9 west, fifth principal meridian, containing approximately one hundred and ten and twenty-four one-hundredths acres, which tracts of land were acquired pursuant to authority contained in the acts of June 29, 1888 (25 Stat. 228), and March 2, 1889 (25 Stat. 992), for Indian use, but are no longer used by Indians.

SEC. 2. In order to carry out the provisions of section 1 hereof, the sum of $1,261.20 from funds heretofore made available to the Fish and Wildlife Service for the purchase of lands for the Upper Mississippi River Wildlife and Fish Refuge is hereby made available for transfer on the books of the Treasury of the United States to the credit of the Medawakanton and Wahpakoota Bands of Sioux Indians, pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560), and said sum, when so transferred, shall operate as a full, complete, and perfect extinguishment of all their right, title, and interest in and to the lands above described, and shall be subject to disbursement under the direction of the Secretary of the Interior for the benefit of the Medawakanton and Wahpakoota Bands of Sioux Indians. Where groups of such Indians are organized as tribes under the act of June 18, 1934 (48 Stat. 984), the Secretary of the Interior may set apart and disburse for their benefit and upon their request a proportionate part of said sum, based on the number of such Indians so organized.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 2650, was laid on the table.

ADJUSTMENTS OF IRRIGATION CHARGES

The Clerk called the next bill, H. R. 2651, to authorize adjustments of irrigation charges in certain land exchanges within Indian irrigation projects.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, in effecting exchanges between Indians and non-Indians of irrigable lands within Indian irrigation projects where any such exchanged lands are subject to liens covering unpaid irrigation costs, to transfer liens between the exchanged lands in such manner and in such amounts as he may deem appropriate: *Provided*, That such transfers shall not reduce the total amount of the unpaid irrigation costs against the exchanged lands.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJUSTMENTS OF DEBTS OF INDIANS OR INDIAN TRIBES

The Clerk called the next bill, H. R. 2654, to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes.

The SPEAKER pro tempore. Is there objection to the prescnt consideration of the bill?

Mr. CASE. Reserving the right to object, Mr. Speaker, section 2 of this bill authorizes the Secretary of the Interior to accept from individual Indians conveyances of land or interest therein to the United States in trust for the tribe of which they are members, in partial or full settlement of debts resulting from the use of tribal funds or funds appropriated by Congress for the benefit of Indians, whenever he may determine that such debts are otherwise uncollectible, and it has this proviso:

Provided, That if in any case the value of the land or interest therein exceeds the debt, the Indian may be paid the difference from any unobligated tribal funds belonging to the tribe for whose benefit the conveyance is made, or from any public appropriations available to the Indian Service for the purchase of land for Indian tribes.

It seems to me that the bill in that form would permit the Secretary of the Interior to use tribal funds to pay for land without the consent of the tribe. For that reason, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

KANOSH INDIAN RESERVATION

The Clerk called the next bill, H. R. 2655, to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the southeast quarter, east half of the northeast quarter, and the northwest quarter of the northeast quarter of section 35, township 22 south, range 5 west; west half of the west half of section 14, and the east half of the east half of section 15, township 23 south, range 5 west, Salt Lake meridian, Utah, containing 600 acres, be, and the same are hereby, withdrawn from the public domain and reserved as an addition to the Kanosh Indian Reservation: *Provided*, That the rights and claims of any bona fide settler initiated under the public land laws prior to the approval hereof shall not be affected by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LANDS IN TRUST FOR INDIAN USE

The Clerk called the next bill, H. R. 2666, to declare that the United States holds certain lands in trust for Indian use, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CASE. Mr. Speaker, reserving the right to object, I merely wish to state that at the time of the consideration of this bill, if consideration is granted, I expect to offer an amendment to strike out the words "State of Montana" and insert the words "States of Montana and South Dakota."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection?

The Clerk read the bill, as follows:

Be it enacted, etc., That title to the lands and interests in lands, together with the improvements thereon, which have been acquired by the United States for Indian use under authority of title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and of section 55 of title I of the act of August 24, 1935 (49 Stat. 750, 781), lying and situated within the State of Montana, administrative jurisdiction over which has heretofore been transferred by the President from the Secretary of Agriculture to the Secretary of the Interior by Executive order, is hereby declared to be in the United States of America in trust for the use and benefit of those respective tribes, bands, or groups of Indians for whom they were acquired and such lands shall constitute additions to their respective existing Indian reservations: *Provided*, That nothing in this act shall deprive any Indian of any individual right, ownership, right of possession, or contract right that he may have in any land or improvements thereon.

SEC. 2. For the purpose of consolidation, the Secretary of the Interior is hereby authorized, under such rules and regulations, as he may prescribe, with the consent of the tribe, to sell or exchange any tribal lands and improvements thereon, located in the State of Montana, including the lands referred to in section 1 of this act. Exchanges hereunder shall be made on the basis of equal value. Title to all lands and improvements so acquired by the Government shall be taken in the United States in trust for the group, band, or tribe of Indians to be benefited.

Mr. CASE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE: On page 1, line 10, and on page 2, line 16, strike out the words "State of Montana" and insert the words "States of Montana and South Dakota."

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CASE. I yield.

Mr. McCORMACK. Will the gentleman state for the RECORD what the effect of the amendment would be? Of course, I hate to object, because the amendment might be subject to a point of order, although I would not make it. I am sure the gentleman would not offer an amendment unless there was some satisfactory reason for it. Will the gentleman state that for the RECORD?

Mr. CASE. I might say that the identical situation exists in South Dakota as in Montana with respect to these lands purchased by the Government in the name of the Secretary of Agriculture when the submarginal land program was under way, that these lands purchased adjacent to or within the boundaries of Indian reservations should be transferred to the Secretary of the Interior for the benefit of the Indian tribe. The House has previously passed a bill in which South Dakota was incorporated, but that bill did not come to consideration in the other body. This amendment does not destroy the bill in any particular as to the State of Montana, but merely changes the words "State of Montana" to the words "States of Montana and South Dakota."

Mr. McCORMACK. I realize that, but I wanted to have the gentleman state for the RECORD what the effect of the amendment would be.

Mr. CASE. I appreciate that.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE LEASING OF INDIAN LANDS FOR BUSINESS AND OTHER PURPOSES

The Speaker called the next bill, H. R. 3345, to authorize the leasing of Indian lands for business, and other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CASE. Mr. Speaker, reserving the right to object, on reading this bill I feel that it would give to the Secretary of the Interior the authority to lease individually allotted Indian lands held in trust without regard to the wishes of the Indians. Under present practice or present law if the Secretary of the Interior exercises that discretion he must get from the Indian a power of attorney. Now, it is true there is language in this bill which seems to reserve to the Indian any right he now has to lease it himself. But it does not reserve to the Indian the precautionary rule that before the Secretary acts independently he must obtain from the Indian the power of attorney. I feel that the Indian is entitled to that notice and the request from the Secretary that he be given the power of attorney. Therefore, Mr. Speaker, I ask unanimous consent that the bill be passed over at this time in order that that point may be gone into.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

MINNESOTA CHIPPEWA TRIBE

The Clerk called the next bill, H. R. 872, to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title to the lands and interest in lands, together with the im-

provements thereon, which have been acquired by the United States under authority of title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and of section 55 of title I of the act of August 24, 1935 (49 Stat. 750, 781), lying and situate within the State of Minnesota, administrative jurisdiction over which has heretofore been transferred by the President from the Secretary of Agriculture to the Secretary of the Interior by Executive Order No. 7868, dated April 15, 1938, is hereby declared to be held in trust by the United States of America for the use and benefit of the Minnesota Chippewa Tribe, and the Secretary of the Interior is hereby authorized to proclaim such lands as an addition to the White Earth Indian Reservation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOORES CREEK NATIONAL MILITARY PARK

The Clerk called the next bill, H. R. 3384, to authorize the Secretary of the Interior to accept property for the Moores Creek National Military Park, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I should like to inquire if this proposed addition to Moores Creek National Military Park of 100 acres of land is to be contiguous to the existing park?

Mr. BARDEN. Yes; it is contiguous to the park.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to accept in behalf of the United States donations of lands, buildings, structures, and other property, or interests therein, which he may determine to be of historical interest in connection with the Moores Creek National Military Park, the title to such property or interests to be satisfactory to the Secretary of the Interior: *Provided*, That the area to be accepted pursuant to this act shall not exceed 100 acres. All such property and interests, upon acquisition by the Federal Government, shall be a part of the Moores Creek National Military Park and shall be subject to all laws and regulations applicable thereto.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO PROMOTE THE MINING OF COAL, PHOSPHATE, OIL, ETC., ON THE PUBLIC DOMAIN

The Clerk called the next bill, S. 1335, to amend the fourth and fifth provisos of section 2 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437, 438; 30 U. S. C., secs. 201, 202).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the fourth and fifth provisos of section 2 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437, 438; 30 U. S. C., secs. 201, 202), are hereby amended to read as follows: *"And provided further*, That no company or corporation operating a common-carrier railroad shall be given or hold a permit or lease under the provisions of this act for any coal deposits except for its own use for railroad purposes; and such limitations of use shall be expressed in all permits and leases issued to such companies or corporations; and no such company or corporation shall receive or hold under permit or lease more than 10,240 acres in the aggregate nor more than one permit or lease for each 200 miles of its railroad lines served or to be served from such coal deposits exclusive of spurs or switches and exclusive of branch lines built to connect the leased coal with the railroad, and also exclusive of parts of the railroad operated mainly by power produced otherwise than by steam: *And provided further*, That nothing in this section shall preclude such a railroad of less than 200 miles in length from securing one permit or lease thereunder, but no railroad shall hold a permit or lease for lands in any State in which it does not operate main or branch lines."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLYMPIC NATIONAL PARK

The Clerk called the next bill, H. R. 1654, to authorize the acquisition, rehabilitation, and operation of the facilities for the public in the Olympic National Park, in the State of Washington, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill authorizes the acquisition of certain structures now existing in the Olympic National Park. I should like to inquire of the gentleman from Washington, the author of the bill, as to the nature of these buildings and what use is being made of them, if they are being used by the Government for any purposes, or what use the Government proposes to make of them after the Government acquires them?

Mr. NORMAN. These buildings were built by a private recreation company under permit from the Forest Service, and they are not useful for that purpose at the present time. This bill was drawn by the Secretary of the Interior himself, and it is perfectly satisfactory to them. The Army had been using those buildings for plane observation purposes all through the war. The bill seems to be satisfactory to all concerned, and I know of no reason why it should not be passed.

Mr. COLE of New York. I should like to inquire whether the Government proposes to use these buildings for any particular purpose?

Mr. NORMAN. I think they will be used by the Park Service after they are acquired.

Mr. COLE of New York. Can the chairman of the committee enlighten us as to why the Government should buy these structures that exist in the park, although the amount of money involved is very small?

Mr. PETERSON of Florida. I think the greater portion of the use is by the Federal Government at the present time.

Mr. COLE of New York. You mean used by the Army for airplane spotters?

Mr. PETERSON of Florida. Yes.

Mr. COLE of New York. Is that why the Secretary of the Interior wants to buy them?

Mr. PETERSON of Florida. No.

Mr. COLE of New York. Why does he want to buy them?

Mr. PETERSON of Florida. It would keep down forest fires and hazards and would enable them to block them and enable them to have complete control over it, whereas the other way it was virtually a private amusement situation there. It was unanimously reported by the committee. We went into it rather thoroughly and the gentleman appeared before the committee, and it has the approval of the Budget.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and empowered to purchase on behalf of the United States, upon such terms as he may deem proper, the buildings, structures, furniture, fixtures, and other equipment of the Olympic Chalet Co., a corporation organized and existing under the laws of the State of Washington, used by the National Park Service and the United States Army jointly, or used by the Olympic Chalet Co. in the furnishing of public accommodations and facilities, within the Olympic National Park in Jefferson County, State of Washington; and to rehabilitate, complete, and operate the facilities herein authorized to be acquired directly or by contract or contracts with an individual, company, firm, or corporation, as determined by the said Secretary: *Provided*, That the purchase price shall not exceed the actual physical value of the property acquired: *And provided further*, That after purchase of such buildings and equipment, no exclusive privileges shall be granted within the said park or on or over the roads and trails therein, except upon ground used for public buildings or camps, but the Secretary of the Interior may, in his discretion, limit the character and number of nonexclusive privileges that he may grant within the said park.

SEC. 2. That for the purposes aforesaid there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act: *Provided*, That not to exceed $35,000 shall be made available for the purchase of the buildings and equipment of the Olympic Chalet Co.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase at prices deemed by him reasonable, the buildings, structures, furniture, fixtures, and any other real or personal property of the Olympic Recreation Co, and the Olympic Chalet Co. within the Olympic National Park in the State of Washington.

"SEC. 2. That for the purposes of this act there is hereby authorized to be appropriated not to exceed the sum of $35,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOOKS FOR THE ADULT BLIND

The Clerk called the next bill, H. R. 4729, to amend the act entitled "An act to provide books for the adult blind."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill apparently authorizes an enlarged appropriation of funds to be used for the aid of the blind persons in this country in connection with the Library of Congress by amending the existing law. The report coming from the committee does not comply with the Ramseyer rule. In spite of that, the bill being so extremely meritorious, I feel we should overlook that defect.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1944, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, as amended, is amended to read as follows:

"That there is hereby authorized to be appropriated annually to the Library of Congress, in addition to appropriations otherwise made to said Library, the sum of $500,000, which sum shall be expended under the direction of the Librarian of Congress to provide books published either in raised characters, on sound-reproduction records, or in any other form, for the use of the adult blind residents of the United States, including the several States, Territories, insular possessions, and the District of Columbia: *Provided*, That of said annual appropriation of $500,000, not exceeding $100,000 thereof shall be expended for books in raised characters, and not exceeding $400,000 thereof shall be expended for sound-reproduction records and for the maintenance and replacement of the Government-owned reproducers for sound-reproduction records for the blind. In the purchase of such books, the Librarian of Congress, without reference to section 3709 of the Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5), shall give preference to non-profit-making institutions or agencies whose activities are primarily concerned with the blind, in all cases where the prices or bids submitted by such institutions or agencies are, by said Librarian, under all the circumstances and needs involved, determined to be fair and reasonable."

SEC. 2. This act shall be applicable with respect to the fiscal year ending June 30, 1945, and for each fiscal year thereafter.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 4729, was laid on the table.

ENCAMPMENT OF THE GRAND ARMY OF THE REPUBLIC

The Clerk called the next bill, H. R. 4825, to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held in Des Moines, Iowa, September 10 to 14, inclusive, 1944.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, from September 10 to 14, inclusive, 1944.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such encampment, there is authorized to be appropriated the sum of $9,734.30, or so much thereof as may be necsary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed $6 per day each for additional living expenses while on duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSCIENTIOUS OBJECTORS

The Clerk called the next bill, H. R. 3199, authorizing the appropriation of amounts received from the services of conscientious objectors for expenditure by the Selective Service System.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. THOMAS of New Jersey. Mr. Speaker, reserving the right to object, I would like to ask the proponent of the bill some questions concerning this bill.

Mr. COLE of New York. As author of the bill I should be glad to undertake to answer any questions the gentleman might care to make, but he will notice the bill I introduced was completely amended by his committee and so I suggest that he inquire of a member of his own committee.

Mr. THOMAS of New Jersey. I will be pleased to ask the questions of the gentleman from Alabama [Mr. SPARKMAN], a member of the committee. As I understand it, it has to do only with conscientious objectors?

Mr. SPARKMAN. That is correct.

Mr. THOMAS of New Jersey. For the relief of dependent families of these conscientious objectors?

Mr. SPARKMAN. For the relief of needy dependents.

Mr. THOMAS of New Jersey. How many conscientious objectors are there in the United States today?

Mr. SPARKMAN. On the first of May of this year there were 6,985.

Mr. THOMAS of New Jersey. How many of these have needy dependents?

Mr. SPARKMAN. Of course, that would be a matter of estimate at any time. It was estimated before our subcommittee that there were 162 cases of dire need at that time.

Mr. THOMAS of New Jersey. How have those cases been taken care of up to now?

Mr. SPARKMAN. Those cases have been taken care of by the church organizations and the groups that have been supporting the conscientious objectors.

Mr. THOMAS of New Jersey. Are most of those cases for one church or are they divided up among different churches?

Mr. SPARKMAN. No; they are scattered among a great number of churches. As a matter of fact I have an article here which I propose to ask permission to insert in the RECORD which shows the various churches and various organizations from which these conscientious objectors come. I also propose to place in the RECORD or to ask permission to place in the RECORD a showing as to what type of projects these conscientious objectors are working on and how they are scattered throughout these various services that they are performing.

Mr. THOMAS of New Jersey. So the cost to any one church would be very small, then? It would not be large?

Mr. SPARKMAN. That might be true as to the support of these 162 cases. The estimate is it would take, I would say, between $120,000 and $150,000 a year to take care of these cases. But let us remember that these various organizations, in addition to taking care of these needy dependent cases, are also taking care of the conscientious objectors themselves and are running the camps without cost to the Government. It is estimated that had the Government been called upon to run the camps which the conscientious objectors themselves are running, the cost would have been $4,000,000.

Mr. THOMAS of New Jersey. Does the gentleman see any good reason why we should give any consideration to conscientious objectors anyway?

Mr. SPARKMAN. This bill does not purport to give consideration to conscientious objectors, but to the wives and children of conscientious objectors who are left in a needy condition, many of whom may not even agree with the views of the conscientious objectors.

I may say to the gentleman that I certainly cannot share the belief of any conscientious objector, but it has been the traditional and historic policy of our country that in time of war the right of conscience is acknowledged. When the gentleman's own committee passed the Selective Training and Service Act of 1940, a provision was written in it to take care of these conscientious objectors.

Mr. THOMAS of New Jersey. Under this bill, the family and dependents of a conscientious objector get the same aid as the needy family of soldiers; is that not correct?

Mr. SPARKMAN. That is not true.

Mr. THOMAS of New Jersey. According to the bill it is.

Mr. SPARKMAN. No; the maximum limitation is the amount the Government would have contributed to the soldier's dependent.

Mr. THOMAS of New Jersey. So it could be the same.

Mr. SPARKMAN. It could be the same as that which the Government donates?

Mr. THOMAS of New Jersey. Mr. Speaker, I object.

Mr. SPARKMAN. Will the gentleman withhold his objection to permit me to finish that statement?

Mr. THOMAS of New Jersey. Mr. Speaker, I withhold my objection to permit the gentleman to finish his statement.

Mr. SPARKMAN. I should like to call the gentleman's attention to the fact that this does not appropriate any money out of the Treasury but that this is money that has been earned by the conscientious objectors themselves.

Mr. THOMAS of New Jersey. Nevertheless conscientious objectors should not be given any consideration. That is the way I feel.

Mr. SPARKMAN. This money has been placed in a special deposit in the Treasury of the United States under an agreement that it is not to be spent for war purposes.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. BROOKS. I may say that I sat on the subcommittee when the bill was drafted. It was rewritten and changed from the way in which it was introduced by the distinguished gentleman from New York. This bill, in my judgment, places the families of conscientious objectors on the same basis as the families of servicemen. It gives the conscientious objectors' families the same allowance the Government contributes to the family of a serviceman. While we want to take care of charity, as charity should be cared for, I doubt if this Congress wants to take care of the families of conscientious objectors on the same basis as families of soldiers.

Mr. SPARKMAN. Mr. Speaker, I regret that objection has been made. I believe that one familiar with the facts would agree to the objective sought by this measure.

This bill is an attempt to correct a situation among conscientious objectors who have been drafted. I realize these men constitute an unpopular minority, but I sincerely hope we will not allow the general disfavor with which this group is regarded to blind us to inequities in our treatment of them.

I do not propose here to debate the issue of the conscientious objector. That was done at the time the Selective Service Act was passed, and Congress, in its wisdom, accorded to sincere, religious objectors a legal alternative to military service by providing for them "work of national importance under civilian direction."

During the 3 years since conscientious objector camps were first set up to do "work of national importance" under the supervision of the Selective Service System, the total camp population has remained small. To date, less than 7,000 men are in Civilian Public Service, the alternative service program, and they have all been judged both sincere and religious by their local draft boards, after investigation by the F. B. I. as provided by law.

For 3 years these men have worked in forestry and soil conservation camps, fighting forest fires and soil erosion, and engaged in similar projects. Increasing numbers of them are volunteering to do dirty jobs in State mental hospitals and other public institutions, some of which have been almost crippled by shortages of orderlies and attendants.

I think you will find that in almost every case these men have done a good, honest, and conscientious job. Yet for 3 years they have been working without any pay whatsoever, without accident compensation, without any of the minor benefits extended to servicemen. Congress has never, in fact, appropriated money for the maintenance of the great majority of these men. Their food and clothing bills are assumed either by themselves or by their sponsoring church groups. It might surprise Congress to know that we give fewer benefits to the conscientious objectors than we do to interned aliens, to Japanese-Americans, and to prisoners of war.

The particular discrepancy at which this bill is directed, however, is the fact that conscientious objectors do not receive any dependency benefits, despite the fact that they have exactly the same percentage of wives and children as men sent to the military services—about 35 percent. This means, in effect, that we are penalizing wives and children because we do not agree with their husbands and fathers. Let us apply the restrictions directly to the men, if we will, but we should not extend the punishment to their families.

Our committee's recommendation, we feel, is a happy solution. We propose to devote to the dependency needs of these men the money which they themselves earn, but which they are not allowed to keep. This proposal was suggested by the National Service Board for Religious Objectors, and has been approved by Selective Service, the War Department, and the Bureau of the Budget.

About 700 conscientious objectors are assigned to farm work, and others have been called from the camps at various times to help in planting and harvesting emergencies. In each case, the farmer pays the individual objector the prevailing wage, but he is not allowed to keep the money beyond his actual expenses in doing the work. The remainder is sent to the United States Treasury for a special account, which, by the end of April, amounted to $370,731.19. This bill provides that the disbursing of this fund be made on a strict basis of need, rather than by the Army system of flat dependency grants, and that each request for aid be carefully investigated and supervised by Selective Service.

The bill takes the form of an amendment to H. R. 3199, introduced last fall by the gentleman from New York, Representative COLE, to apply these same conscientious objector earnings to the Office of Foreign Relief and Rehabilitation Administration, now U. N. R. R. A. This was in response to the request of the men themselves who, if they could not keep the money themselves, were anxious that it be used for relief purposes. It goes without saying, however, that they would prefer their money to be spent for their own needy wives and children.

So far, these requests for financial aid for dependents have been shouldered by the religious groups most concerned—the Mennonites, Church of the Brethren, Society of Friends—Quakers—and the Fellowship of Reconciliation. These groups are already saddled with the maintenance of the majority of conscientious objectors—expenses which run about a million and a half dollars a year—and the additional $136,000 which is needed to tide over only the worst of their dependency cases is a heavy load for such religious bodies. So far these church groups have spent over $4,000,000 to finance this program.

Some of the worst dependency situations are found in the camps financed entirely by the Government, but even here the church groups have assumed responsibility and are aiding needy wives and dependents because the Government has made no provision for them.

Their only recourse is to look to Congress for help—help which this bill would supply. We are simply proposing that the money which these men themselves earn be made available for their own pressing dependency needs.

On May 1, 1944, there were 6,985 conscientious objectors in civilian public service. Since the beginning of this program in 1940 there have been 711 transferred from such service to the armed services. As of May 1, 1944, the following numbers were assigned to the respective agencies:

Agency	Men	Camps
Forest Service	1,357	11
Soil Conservation	1,209	12
Park Service	265	5
Bureau of Reclamation	336	4
Farm Security Administration	270	2
General Land Office	114	1
Total	3,851	35

On special projects are the following:

SPECIAL PROJECTS, MAY 1, 1944

Mental hospitals, 37 units, 1,440 men.
Training schools, 13 units, 242 men.
General hospitals, 2 units, 67 men.
Guinea pig, 17 experiments, 124 men.
Dairy farms, 12 States, 27 counties, 446 men.
Agricultural experiment stations, 8 units, 160 men.
Dairy testers, 160 men.
Florida health service, 3 units, 95 men.
Puerto Rico, 4 units (including Virgin Islands), 53 men.
Coast and Geodetic, 40 men.
Parachute jumpers, 43 men.
Bowie (cooperative administration), 66 men.
Mount Weather, 68 men.
Administrative detailed service, 67 men.
Individual detached service, 8 men.
Government camps, 265 men.
Total, not including Government camps 3,134 men.

The break-down by denominations and religions is interesting.

C. P. S.—BY RELIGION

Following are the nonhistoric peace church denominations of the men in

C. P. S. as of March 1, 1944. Only those denominations having 10 or more men in C. P. S. are included in this list:

Assemblies of God	13
Associated Bible Students	15
Baptists, Northern	125
Baptists, Southern	22
Catholic	97
Christadelphian	76
Christian Scientist	10
Church of Christ	111
Church of God, Independent	17
Church of God—Seventh Day	10
Church of God—Indiana	33
Congregational Christian	157
Disciples of Christ	50
Dunkard Brethren	16
Episcopalian	56
Evangelical	36
Evangelical Mission Covenant	11
Evangelical and Reformed	71
First Century Gospel	20
First Divine Association	11
Jehovah's Witnesses	204
Jewish	33
Lutheran	75
Methodist	605
Nazarene	15
Nonaffiliated	394
Pentecostal	16
Presbyterian, U. S. A.	151
Reformed	11
Russian Molokan	32
Unitarians	30
United Brethren	19
War Resisters League	64

On May 1, 1944, Selective Service figures for members of the historic peace churches were:

Mennonite (including 59 Brethren in Christ)	2,597
Brethren	933
Society of Friends	594

Mr. THOMAS of New Jersey. The gentleman has finished his statement; I object.

Mr. BROOKS. I, too, object, Mr. Speaker.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

BRIDGE ACROSS THE MISSISSIPPI RIVER AT MILL STREET IN BRAINERD, MINN.

The Clerk called the next bill, S. 1660, granting the consent of Congress to the Minnesota Department of Highways and the county of Crow Wing in Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at Mill Street at Brainerd, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Minnesota Department of Highways and county of Crow Wing in Minnesota to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Mill Street in the city of Brainerd, Minn., in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER AT OR NEAR NEBRASKA CITY, NEBR.

The Clerk called the next bill, H. R. 4041, to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act entitled "An act authorizing the Interstate Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Missouri River at or near Nebraska City, Nebr," approved April 23, 1928, is hereby amended to read as follows:

"SEC. 5. If such bridge shall at any time be taken over or acquired by the States or public agencies or political subdivisions thereof, or by either of them, as provided in section 4 of this act, and if tolls are thereafter charged for the use thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided the bridge shall thereafter be maintained and operated free of tolls. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested."

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE MONONGAHELA RIVER IN THE COUNTY OF ALLEGHENY, PA.

The Clerk called the next bill, H. R. 4206, authorizing construction and operation of a free highway bridge across the Monongahela River, in the county of Allegheny, Pa.

Be it enacted, etc., That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the county of Allegheny, Pa., its successors and assigns, is hereby authorized to construct, maintain, and operate a bridge and approaches thereto at any or all of the following points within the county of Allegheny, Pa.:

(a) Across the Monongahela River, at a point suitable to the interests of navigation, from the borough of Dravosburg, Pa., to a terminus at or near the dividing line between the city of McKeesport and the borough of Glassport, Pa., to replace the existing Dravosburg Bridge, from Dravosburg to McKeesport, Pa., all in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act.

SEC. 2. Construction of the bridge authorized by this act shall commence within 3 years after its approval by the President of the United States, and shall be completed within 5 years from the time of the said approval.

SEC. 3. The right to alter, amend, or repeal this act is expressly reserved.

Amend the title so as to read: "A bill to authorize the construction and operation of a free highway bridge across the Monongahela River in the county of Allegheny, Pa."

Mr. COLE of New York. Mr. Speaker, reserving the right to object, No. 399 on the Consent Calendar is a bill having an identical title and seems to be identical with this bill. Until we can be advised as to the distinction between the two, I ask unanimous consent that the pending bill may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

BRIDGE ACROSS THE MONONGAHELA RIVER IN THE COUNTY OF ALLEGHENY, PA.

The Clerk called the next bill, H. R. 4207, to authorize the construction and operation of a bridge across the Monongahela River in the county of Allegheny, Pa.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SUSPENSION OF CERTAIN REQUIREMENTS RELATING TO WORK ON TUNNEL SITES

The Clerk called the next bill, H. R. 3579, providing for the suspension of certain requirements relating to work on tunnel sites.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, and I do so only to call to the attention of the gentleman from Arizona that this bill provides for the termination of this authority "upon the cessation of hostilities in the present war." I call the gentleman's attention to the fact that we are engaged in more than one war, thinking that perhaps he would like to have the language changed to the plural, "cessation of hostilities in the present wars."

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. MURDOCK. Mr. Speaker, the attempt was made to have the language here conform to that which is customary in such bills—that is, "at the termination of the war or 6 months thereafter by proclamation of the President or concurrent resolution of Congress." I believe such is the language we have used.

Mr. COLE of New York. Mr. Speaker, can the gentleman advise as to the termination of which war it will operate?

Mr. MURDOCK. Mr. Speaker, in that respect I will offer an amendment to take care of that if the bill is considered.

Mr. KEAN. Mr. Speaker, I call attention also to the fact that No. 341 on the calendar seems to be identical with No. 340, and I ask the gentleman from Arizona which one he wishes to have passed in the event there is no objection? I

take it the one that bears his name as author.

Mr. MURDOCK. I wish to have the House bill passed and, if it is passed, I then will ask unanimous consent to substitute the Senate bill for the House bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That during the period beginning on the date of enactment of this Act and ending 6 months after the cessation of hostilities in the present war as proclaimed by the President, no location on the line of a tunnel run for the development of a vein or lode or for the discovery of mines, of veins or lodes not appearing on the surface, made by parties other than the owners of such tunnel, shall be considered valid because of the failure of such owners to prosecute work thereon with reasonable diligence as required by section 2323 of the Revised Statutes of the United States; and no right to undiscovered veins on the line of any such tunnel shall be considered to have been abandoned because of any failure to prosecute work thereon during such period.

With the following committee amendments:

Strike out the words "proclaimed by the President" in line 5, page 1, and insert "determined by proclamation of the President or concurrent resolution of the Congress."

Strike the period at the end of line 15, page 1, insert a colon, and insert the following thereafter: "*Provided*, That every claimant of any such tunnel site, in order to obtain the benefits of this act, shall file or cause to be filed in the office where the location notice or certificate is recorded, within 6 months from the date of this act, a notice of his desire to hold the tunnel site claim under this act."

The committee amendments were agreed to.

Mr. MURDOCK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK: Page 1, line 5, change the word "war" to the word "wars."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to substitute for the House bill, H. R. 3579, the bill of the Senate, S. 1479, and to vacate the proceedings by which the House bill was passed.

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I assume that the Senate bill is identical with the House bill as amended except for the amendment offered by the gentleman from Arizona just now.

Mr. MURDOCK. I understand the Senate bill is the same as the House bill as amended with the exception of my amendment changing the word "war" to "wars."

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That during the period beginning on the date of enactment of this act and ending 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, no location on the line of a tunnel run for the development of a vein or lode or for the discovery of mines, or veins, or lodes not appearing on the surface, made by parties other than the owners of such tunnel, shall be considered valid because of the failure of such owners to prosecute work thereon with reasonable diligence as required by section 2323 of the Revised Statutes of the United States; and no right to undiscovered veins on the line of any such tunnel shall be considered to have been abandoned because of any failure to prosecute work thereon during such period: *Provided*, That every claimant of any such tunnel site, in order to obtain the benefits of this act, shall file or cause to be filed in the office where the location notice or certificate is recorded, within 6 months from the date of this act, a notice of his desire to hold the tunnel site claim under this act.

Mr. MURDOCK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK: Page 1, line 5, change the word "war" to the word "wars."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill, H. R. 3579, were laid on the table.

ANDERSON RANCH RESERVOIR SITE, BOISE RECLAMATION PROJECT, IDAHO

The Clerk called the next bill, H. R. 3527, authorizing the Secretary of the Interior to purchase improvements or pay damages for removal of improvements located on public lands of the United States in the Anderson Ranch Reservoir site, Boise reclamation project, Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to purchase improvements located on public lands of the United States within the boundaries of the Anderson Ranch Reservoir, Boise reclamation project, Idaho, or to make payment for damages for the removal of improvements from the public lands of the United States within the boundaries of said reservoir. Any funds appropriated for the construction of the Anderson Ranch Reservoir, Boise reclamation project, Idaho, shall be available for such purchase or payment of damages. Payments may be made pursuant to this act to persons, firms, or corporations who shall establish to the satisfaction of the Secretary of the Interior that they are entiled equitably to receive the same, and who sign contracts and vouchers for the same upon forms approved by the Secretary of the Interior: *Provided*, That amounts so paid shall not exceed the reasonable value, in the judgment of the Secretary of the Interior, of the improvements purchased or the actual damages (not exceeding in any event the reasonable value of the said improvements, as determined by the Secretary of the Interior) found by the Secretary of the Interior to have been sustained as a result of the removal of said improvements, as the case may be.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MADDEN. Mr. Speaker, that completes the call of the Consent Calendar.

AMENDING SECTION 33 OF THE ACT OF SEPTEMBER 7, 1916, AS AMENDED (39 STAT. 742)

Mr. WALTER. Mr. Speaker, I ask unanimous consent to return to Calendar No. 313, and for the consideration of H. R. 4159 to amend section 33 of the act of September 7, 1916, as amended (39 Stat. 742), a bill that was passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 33 of the act of September 7, 1916, as amended and extended (39 Stat. 742, and the following), is hereby amended by adding thereto the following new paragraph:

"The provisions of section 41 of the act of March 4, 1927 (ch. 509, 44 Stat. 1424), as amended, shall, insofar as not inapplicable, apply in the same manner and to the same extent as though such provisions were incorporated in this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOURS OF DUTY OF POSTAL EMPLOYEES

Mr. BURCH of Virginia. Mr. Speaker, I call up the conference report of the bill (H. R. 2928) to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BURCH]?

Mr. MASON. Mr. Speaker, reserving the right to object, may I say this report is brought in with the unanimous vote of the Committee on Post Offices and Post Roads and it has the unanimous approval of the House members of the conference committee. There is absolutely no objection to it.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BURCH]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2928) to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, and 4.

That the House recede from its disagreement to the amendment of the Senate numbered 3; and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: At the end of said amendment, insert a

"colon" and the following: "*Provided*, That postmasters of the first, second, and third classes, and post-office inspectors, shall be on duty not less than 48 hours per week, and shall be paid for the additional 8 hours, as additional pay for working such additional time, as follows:

"Those whose salaries are over $5,000 and not over $7,999, 5 percent of their regular peacetime salaries; those whose salaries are over $4,000 and not over $5,000, 10 percent of their regular peacetime salaries; those whose salaries are over $2,000 and not over $4,000, 15 percent of their peacetime salaries; those whose salaries are $2,000 or under, 20 percent of their peacetime salaries: *Provided further*, That no postmaster whose peacetime compensation is $8,000 or over shall receive any additional compensation for such overtime work."

And the Senate agree to the same.

T. G. BURCH,
TOM MURRAY,
GEORGE D. O'BRIEN,
FRED A. HARTLEY, JR.,
N. M. MASON,
Managers on the part of the House.

KENNETH MCKELLAR,
JOSIAH W. BAILEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2928) to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: This amendment strikes out postmasters of the first, second, and third classes. The agreement reached in conference reinstates postmasters of these classes.

Amendment No. 2: This amendment strikes out post-office inspectors. The agreement reached in conference reinstates them.

Amendment No. 3: This amendment strikes out "Cost ascertainment employees (until such time as they shall be transferred to the departmental roll)." The House agreed to this amendment, since the cost ascertainment employees have already been transferred to the departmental rolls.

Amendment No. 4: This amendment provides that "such overtime, however, to be payable only upon so much of the earned basic compensation as does not exceed $2,900 per annum." The conference report strikes out this provision.

Amendment No. 5: This amendment provided that "in computing the overtime compensation the base pay for one day shall be considered to be one three hundred and sixth of the respective per annum salaries and the base pay for one hour shall be considered to be one eighth of the base pay so computed for one day."

The House receded from its disagreement to this amendment and agreed to same with an amendment as follows:

"At the end of said amendment insert a 'colon' and the following: '*Provided*, That postmasters of the first, second, and third classes, and post-office inspectors, shall be on duty not less than forty-eight hours per week, and shall be paid for the additional eight hours, as additional pay for working such additional time, as follows:

" 'Those whose salaries are over $5,000 and not over $7,999, 5 per centum of their regular peacetime salaries; those whose salaries are over $4,000 and not over $5,000, 10 per centum of their regular peacetime salaries; those whose salaries are over $2,000, and not over $4,000, 15 per centum of their peacetime salaries; those whose salaries are $2,000, or under, 20 per centum of their peacetime salaries: *Provided further*, That no postmaster whose peacetime compensation is $8,000, or over, shall receive any additional compensation for such overtime work.' "

The Senate agreed to the above amendment.

T. G. BURCH,
TOM MURRAY,
GEORGE D. O'BRIEN,
FRED A. HARTLEY, JR.,
N. M. MASON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. POWERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement by Dr. Jacob Hochman, rabbi of the Jersey Homestead Jewish Community.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. POWERS]?

There was no objection.

EXTENSION OF SUGAR ACT

Mr. FLANNAGAN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 4833) to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar.

The Clerk read as follows:

Be it enacted, etc. That section 513 of the Sugar Act of 1937, as amended (relating to termination of powers of the Secretary of Agriculture under the Sugar Act), is amended to read as follows:

"SEC. 513. The powers vested in the Secretary under this Act shall terminate on December 31, 1946, except that the Secretary shall have power to make payments under title III under programs applicable to the crop year 1946 and previous crop years."

SEC. 2. Section 3508 of the Internal Revenue Code (relating to termination of taxes with respect to sugar) is amended to read as follows:

"SEC. 3508. Termination of taxes.

"No tax shall be imposed under this chapter on the manufacture, use, or importation of sugar after June 30, 1947."

SEC. 3 Section 503 of the Sugar Act of 1937, as amended (relating to payments to the Commonwealth of the Philippine Islands), is amended by striking out "June 30, 1945" and inserting in lieu thereof "June 30, 1947."

The SPEAKER. Is a second demanded?

Mr. HOPE. Mr. Speaker, I demand a second.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. FLANNAGAN]?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, this bill (H. R. 4833) was unanimously reported by the House Committee on Agriculture. It has been recommended by Judge Marvin Jones, the War Food Administrator. The only thing it does is to extend the present Sugar Act for a period of 2 years.

Mr. Speaker, I now yield 5 minutes to the gentleman from Florida [Mr. CANNON].

Mr. CANNON of Florida. Mr. Speaker, I regret that the gentleman from Virginia stated that this resolution continuing the 1937 Sugar Act was passed unanimously by the House Committee on Agriculture.

Mr. FLANNAGAN. Will the gentleman yield?

Mr. CANNON of Florida. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. I stated it was unanimously reported by the House Committee on Agriculture.

Mr. CANNON of Florida. Yes.

Mr. FLANNAGAN. I want to correct that statement because the gentleman from Florida was not present at the meeting which reported the bill. The gentleman from Florida, who is an able member of the committee and diligent in looking after the interests of his constituents, was down in Florida at the time looking after his campaign. I am glad he was renominated.

Mr. CANNON of Florida. Mr. Speaker, since the matter has been brought up, may I say that the House Committee on Agriculture, of which I am a member, considered this bill during my absence at home on a rather important mission which involved whether or not I would be allowed to come back here to represent the Fourth Congressional District of Florida. However, be that as it may, I call the attention of the House to the fact that this motion to suspend the rules and pass the bill has been made for the express purpose of passing a continuing resolution covering the 1937 Sugar Act.

Mr. Speaker, at a time like this I feel very keenly that the House would probably be in error to continue in effect an act of this kind, particularly when we are faced with the dire problem throughout the country of producing foodstuffs unrestrictedly. It is true that the quotas under this act have been suspended, but it is also just as true that the administrators of the act may reinstate those quotas at any time, using this period as a historical base on which to establish such a quota. This being true, it would be eminently unfair, in my opinion, at this time when the production of foodstuffs is so important to the prosecution of our war effort to enact a resolution of this kind because of the fact that we are producing less, notwithstanding that quotas have been taken off or liberalized, because of lack of labor and also because the processing machinery for the refinement of this sugar is running at peak capacity; therefore, if we were permitted to enjoy a greater quota it would be restricted just the same because the machinery is not to be had.

It is barely possible that at some future time this may prove most prejudicial to the sugar production of this country because the administration may see fit to reinstate the quota restrictions, using the nonuser basis, you may, for a historical base.

Mr. DONDERO. Will the gentleman yield?

Mr. CANNON of Florida. I yield to the gentleman from Michigan.

Mr. DONDERO. What portion of the sugar we consume is produced in continental United States?

Mr. CANNON of Florida. I am sorry, but I cannot with authority answer that question.

Mr. DONDERO. I understand it is less than 30 percent.

Mr. CANNON of Florida. I think the gentleman is correct. The last figure I knew of was 32 percent.

Mr. DONDERO. Then how can we justify quota provisions in this country when we consume only 30 percent of what we produce, so far as sugar is concerned?

Mr. CANNON of Florida. I am indebted to the Member from Michigan for that contribution.

Mr. Speaker, the House should consider all these facts well before it passes any restrictive measures with respect to the production of foodstuffs during the prosecution of the war.

Mr. ROWE. Will the gentleman yield?

Mr. CANNON of Florida. I yield to the gentleman from Ohio.

Mr. ROWE. What is the difference between an unrestricted quota and the nonpassage of this bill?

Mr. CANNON of Florida. I do not get the import of the gentleman's question.

Mr. ROWE. I thought I heard the gentleman say that the quota was unrestricted at the present time.

Mr. CANNON of Florida. The quotas which this bill originally provided are unrestricted. In other words, the administrators of the act may vitiate or destroy the quotas for the time being, but under the act they may again be placed back at any time to where they were and there will be no legal inhibition against it.

Mr. ROWE. If this act is not passed the actual circumstance would be the same?

Mr. CANNON of Florida. The administrators of the act may reinstate the quotas at any time. If this act is not passed, obviously they could not do that.

Mr. ROWE. If the quotas were raised to an unrestricted status, and this act were not passed, there will be no difference so far as buying sugar from Cuba or any place else is concerned.

Mr. CANNON of Florida. That is true, except they may reinstate the quota at any time if this act is passed.

Mr. ROWE. May I go further and state that the House could also pass a resolution at any future time if it is needed?

Mr. CANNON of Florida. If there were enough votes, yes.

The SPEAKER. The time of the gentleman has expired.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, insofar as I know, all the sugar-beet growers and sugar-beet processors of the country are in favor of the pending bill. I have great concern for our friends in Louisiana and Florida where they have a territory in which they can expand, where under normal conditions they have the labor and where God has created climatic conditions of such nature that they can produce great quantities of sugar so badly needed by our people. As the gentleman from Florida [Mr. CANNON] just pointed out, quotas are suspended for the time being. That means that the Louisiana and Florida sugarcane growers can grow all of the cane sugar which they have the labor and machinery to plant, cultivate, harvest, and process. However, there is a shortage of manpower and there is a shortage of new machinery; so they could not do a great deal at the moment in the way of expansion whether the law is in operation or whether it should expire.

Mr. Speaker, looking forward to the future I can certainly appreciate and comprehend what the gentlemen from Florida and Louisiana have to say about this whole picture. We should bear in mind at this time that our Federal Government has already gone to Cuba and purchased in advance the entire production for 1944 which is expected to be as much as 6,000,000 tons of sugar. Negotiations are under way, I understand, to purchase the 1945 Cuban crop and the 1946 Cuban crop. Federal agencies are carrying on negotiations for the purpose of purchasing the 1944 and perhaps the 1945 and 1946 sugar crop of Puerto Rico. The Haitians have sold their 1944 sugar crop and I understand negotiations are being carried on to buy the Haitian 1945 and 1946 sugar crops, the price to be as great as the price may be which we pay Cuba for its 1945 and 1946 crops if we purchase them. So there is reason for concern in Florida, Louisiana, and the 16 or 18 sugar-beet-growing States in connection with the vast operations which Federal agencies are proposing to carry on for the purchase of offshore sugar.

To me it is a warning to the continental industry, both beet and cane. It is something we should be concerned about. Hawaii and Puerto Rico in particular should be concerned about this entire movement.

Mr. O'HARA. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Minnesota.

Mr. O'HARA. Is it true that the domestic beet-sugar producers are favorable to continuation of this law?

Mr. CRAWFORD. That is correct.

Mr. DONDERO. Will the gentleman yield for a question?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. DONDERO. The Sugar Control Act was passed in 1937 when we were not at war. That established the quota system. Am I right about that?

Mr. CRAWFORD. That is correct.

Mr. DONDERO. Can the gentleman justify before the House and the country the necessity for a quota on sugar, a product that we do not produce in sufficient quantity to supply our own needs?

Mr. CRAWFORD. No quota restriction is applied at the present time on continental production of either beet or cane sugar. During the war quotas have been removed. There is no restriction. As the gentleman from Florida has pointed out, this bill extends the law which authorizes the Federal agencies to again impose those quotas at any moment they decide to do so.

Mr. DONDERO. Why should they have the right to do that?

Mr. CRAWFORD. That is all I am dealing with now, because it is going to be natural for Cuba and other offshore foreign areas to come in here in the post-war period and say, "Now, here, listen. We came to your rescue during the war and we filled your sugar bins, and in the setting of quotas for the post-war period we want recognition for our ability to come to your rescue in time of war."

So I think we have ample programs on at the present time for our people in the continental United States and in Hawaii and Puerto Rico and the Virgin Islands—and that constitutes your domestic production—to be on guard with respect to the imposition of quotas in the post-war period or in such time as we have manpower and machinery with which to carry on our production.

Mr. DONDERO. One more question. What has caused the rationing of sugar to our own people, the cutting off of the supplies from the Philippine Islands or the demands made by war?

Mr. CRAWFORD. Two or three things enter into that. We lost, in round figures, a million tons of sugar per annum due to the loss of the Philippines.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HOPE. Mr. Speaker, I yield the gentleman 4 additional minutes.

Mr. CRAWFORD. And we have lost about 700,000 tons of production in continental United States beet sugar as the result, primarily, of shortage of manpower and other difficulties in running that type of business these days, on the farm and in the factory.

Due largely to our inability to furnish fertilizer and equipment, Puerto Rican production has dropped off nearly 300,000 tons and will probably fall another 100,000 tons in 1945. Cuba is stepping up production very materially from about 3,000,000 tons, prior to the war, up to this year of about 6,000,000 tons. Cuba comes in and fills that void created by the slumping off of Philippine production; the drop in production of beet sugar in the United States and the dropping off of cane sugar in Puerto Rico. There is a lot of shipping trouble involved in all this. We know we have plenty of offshore sugar in the various areas at the present time, but until this European job is settled we do not dare remove restrictions on the use of sugar, commercial and home use, unless we have shipping facilities or know that the sugar is located in the continental United States. We may have to continue this rationing of sugar until the shipping situation is considerably improved.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Is it not a further fact that due to the inconsistent policies of the O. P. A. with reference to the price on sugar, our domestic production of beet sugar has dropped from 1,200,000 acres to 600,000 acres last year?

Mr. CRAWFORD. That is the last figure I spoke of a while ago, the 700,000 tons drop in annual beet sugar.

Mr. AUGUST H. ANDRESEN. A few years ago when Mr. Tugwell was sent down to Puerto Rico we heard some rumors to the effect that he was going down there to organize a cartel of all the offshore sugar down there in Latin and South America. Does the gentleman know whether or not Mr. Tugwell has succeeded in the formation of that sugar cartel?

Mr. CRAWFORD. When you consider the new concept for the Caribbean Sea empire which is taking form very rapidly, especially as relates to sugar and molasses, through these various agreements, and the Joint Anglo-American Commission, you will find out just how fast progress has been made on that.

Mr. AUGUST H. ANDRESEN. Then Tugwell is making progress in organizing his cartel.

Mr. CRAWFORD. I would say so.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Illinois.

Mr. MASON. I think the gentleman has confused the House with his learned discussion of this subject.

Mr. CRAWFORD. I am sorry if I did.

Mr. MASON. The gentleman has some of us thinking that this bill before us is a bill to ration the consumer of sugar.

Mr. CRAWFORD. In no way whatsoever directly.

Mr. MASON. Whereas it is a bill to establish quotas on the producer, and that should not be done at this time or any other time as long as we only produce one-third of our needs.

Mr. CRAWFORD. The rationing idea was brought into the discussion by one of the other Members and in no way does this bill directly affect rationing. This bill has to do with the future quotas of sugar production in all the areas in the United States and in line with the 1937 Sugar Act.

The SPEAKER. The time of the gentleman from Michigan has again expired.

Mr. HOPE. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, to begin with I did not favor this type of sugar legislation but I was forced to accept it for the reason that the Administration under the reciprocal trade policies cut the duty on sugar in two, and in order to continue some production in the United States of sugar beets and cane sugar, we had to accept this policy. Therefore I am urging you today to continue the law so that we can continue giving some support to the domestic producers of beet and cane sugar in this country.

It is important that we do not put ourselves in a position so that we will become entirely dependent upon offshore sugar production for our supplies. If that should occur, we would then be left at the mercy of those who own those sugar resources in other countries who can charge us any price, as long as we do not produce any in this country.

I therefore say to you that we should pass this bill and continue the act for another 2 years so that we can encourage domestic producers to produce a maximum amount of sugar.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. MICHENER. All the beet-sugar producers in the country are for this bill, are they not?

Mr. AUGUST H. ANDRESEN. All the beet-sugar producers are for it, and if the bill is not passed there will be no production of beet sugar, or very little of it, in the next year.

Mr. MASON. May I ask the gentleman why the beet-sugar producers of the Nation are all for this bill? Is it not on account of the subsidy?

Mr. AUGUST H. ANDRESEN. Not on account of the subsidy. Let me say to my colleague from Illinois that the beet-sugar producers of this country have been discouraged from producing sugar largely due to the price structure placed on sugar by the O. P. A.

Mr. FLANNAGAN. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. HENDRICKS].

Mr. HENDRICKS. Mr. Speaker, I would like to point out something to the House that has not been noticed and that has not been called to your attention yet.

I am opposed to this bill for the reason that I have always been opposed to it, and that is because the State of Florida has never received fair treatment and will not receive fair treatment under the historic basic system. In 1942, when we were passing the agricultural appropriation bill, there was an item of $47,952,910 in the bill to administer the Sugar Act.

This is the most paradoxical bill that I have ever seen. In the first place, it was enacted to cut down the production of sugar and increase the price, and now we are using the same bill, I presume, to increase production and decrease the price. I cannot see it. The last mention that was made about the item in the appropriation bill was made in 1942. If you will look at the agricultural appropriation act for this year you will find there is an item of over $52,000,000 for administration of this act. Here is the last reference that I have seen to that appropriation which was made, as I said, in 1942, and you can see how enthusiastic the Appropriations Committee was about it. The committee made this report:

> The committee has approved the Budget estimate of $47,962,910 for the administration of the Sugar Act of 1937. The hearings disclosed there is in prospect a very pronounced shortage of sugar and that acreage and quota restrictions have been removed. The committee can see no sound reason for the continuance of this program of benefit payments to growers who are free to produce without restrictions for a market in which the demand is certain to be substantially in excess of the supply for some time to come, and would have stricken the item from the bill except for the recent action of Congress extending the act. The committee believes the legislation should be suspended under present conditions. Under these conditions price-fixing legislation recently enacted may be so administered as to assure fair prices for sugar producers.

If you want to get rid of this $52,000,000 a year, and next year probably $62,000,000 and so on, the thing to do is to kill this bill today. We should not have quotas where there is a shortage of sugar, and where the only quota is on the tables of the families of this Nation.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. HENDRICKS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The O. P. A. could fix this down here, if they would, so that we would not need this legislation, but the trouble is that the O. P. A. will not permit a price for sugar to the producers so that they can furnish it to the people of this country.

Mr. HENDRICKS. The O. P. A. will not do anything as long as we are providing $52,000,000 to cut down the production of sugar, is what I am saying.

Mr. HILL. Mr. Speaker, will the gentleman yield?

Mr. HENDRICKS. I yield to the gentleman from Colorado.

Mr. HILL. Let me ask the gentleman this question. Is the gentleman in favor of raising the price of sugar to the consumer?

Mr. HENDRICKS. No; I am not.

Mr. HILL. How can you grow beets, then, if you cannot get the cost of production, without a plan whereby the producer and the processor both assist in paying the money that they are to receive for the growing of sugar beets?

Mr. HENDRICKS. I just happen to know that that question comes up so often about the cost of production and they continue to produce in spite of the fact that they say they are not getting cost of production. As far as Florida is concerned, we can produce sugar down there at ten times the amount we are allowed to produce under the quota, and we can do it without any subsidy whatever. I say we will never get a square deal as long as our system is based on a historic basis.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, I want to express my appreciation to the committee for giving us the time and opportunity to discuss this matter. At the outset I want to say that we do not object to the payment of benefit payments to the beet growers. We are somewhat familiar with their problems. But we do feel that the act should not be extended 2 years under a suspension of the rules, because the act should be amended.

I am not going into all of the ramifications, but I want to say to you that we can raise sugar as cheaply if not more

cheaply than any area in the world. We pay the highest agricultural wage scale that is paid anywhere in the world. Under that condition it may be that we are not entitled to benefit payments, and by reason of that we would like to be able to amend the bill so as to provide that those growers who are so situated that they can raise sugar without the need of subsidies or benefit payments may be allowed to raise without limitation as to quota. In other words, if there is a producer who can by reason of his soil condition raise more sugar, we should not tie him down with a quota if he does not ask for benefit payments.

I realize there are many areas in which they need benefit payments. I am a great believer in the American market for the American farmer, and I would not do anything to hurt the beet grower or any other new area, but I do feel that where by reason of soil conditions we can cut seven cuttings off of one planting—we can cut stubble for 7 years and produce sugar on it—we should not be tied down as to the amount we can produce.

I foresee this situation. I am not a prophet, but if you will turn back to the record you will find that several years ago we put in the record the flags under which many ships were hauling sugar. We predicted the time would come when they no longer could be hauling sugar from ten offshore areas. We predicted a time when there might be rationing because of the fact we had not developed to the fullest extent the sugar-producing areas of this country. It is true today that there is a limitation by reason of priorities on processing equipment and by reason of lack of labor, but if you pass this bill without giving us an opportunity to amend it, they will take the depleted areas today and make them the basis of historical record.

Mr. ROBINSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from Utah.

Mr. ROBINSON of Utah. Is there any reason, if this bill should pass, why the gentleman or anyone else could not introduce a bill to accomplish the very purposes he wants to accomplish?

Mr. PETERSON of Florida. We have tried repeatedly, and each time what happens? The sugar bill drags along, and then they say, "We have to have a continuing resolution."

Mr. ROBINSON of Utah. The reason is that you cannot get the votes in the House to do it, but you can introduce a bill today, if you want to, bring it before the proper committee, and have it passed, to accomplish just what you want to accomplish. Therefore, the passing of this bill has absolutely nothing to do with your problem.

Mr. PETERSON of Florida. The War Food Administrator would like to amend it himself. He says in this report:

> The Administration's views on certain desirable changes in the sugar-quota provisions of the act have been repeatedly stated to the committee on former occasions and need not be repeated at this time.

So we should have the right to amend the bill, and to limit it so that there will not be benefit payments of $1,250,000. You might want to increase it to the family-size farm. But enormous benefit payments were made. Our own sugar company got enormous benefit payments. In testifying before the committee the president of that company said that he objected to anything that allowed the raiding of the Treasury, even though by reason of legislation he was a member of the lodge that did the raiding.

Quite a few amendments should be made. I ask that you vote down the motion to suspend the rules today so that amendments can be offered to this bill. This extension is for 2 years. You do not know what will happen in 2 years. I hope you will vote down the motion to suspend the rules.

Mr. FLANNAGAN. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Speaker, as a Representative from a great sugar-producing State I have attended many conferences of the Members of the House and the Senate in an effort to work out some practical plan for the production and the marketing of sugar in this country. As a result of those deliberations we find that the only solution which can be worked out is the quota plan.

I will say to my good Republican friends on this side that there is no tariff policy that can reach the sugar situation and protect the domestic producer. If you took off the quota and raised the tariff sky high you would not protect the situation at all, because you cannot enact tariffs against the offshore possessions of the United States. The minute you take off the quotas they will smother the market for sugar from Louisiana and from the beet-producing States of this country with a great production and importation of sugar.

Just remember that in every sack of sugar there are 10 hours of labor, at 50 cents an hour, $5 for refined sugar. And when you buy the raw sugar from offshore possessions we get only a fraction of the money that we spend for a bag of sugar. But when you give the sugar producers of this country a quota basis and protect the production of sugar beets and Louisiana cane sugar, by doing that you give everyone of those $5 to domestic producers and to people in this country. Do not forget that.

We find another complication in this sugar situation. In endeavoring to work out some practical plan among our own Members we found that these Representatives from the great industrial States up along the Atlantic seaboard where these sugar refineries are scattered, all the way from Massachusetts down through New Jersey and clear down to Georgia, working on importations of offshore sugar, that the Members from these States can control the bulk of the votes and will not go along with any plan that will close down and cut off the supply of raw sugar to those refineries. They insist that those refineries work, that their labor be employed. For that reason we have run against a good many difficulties in trying to work out some quota basis and some protection for the domestic industry.

Mr. Speaker, I am for this bill. It is the solution, the salvation of the sugar industry of this country.

Mr. HOPE. Mr. Speaker, I yield myself the remainder of the time on this side.

Mr. Speaker, my only purpose in speaking at this time is to go into one or two matters which have been brought up in the course of the debate. I think it should be said right in the very beginning that, as far as quotas are concerned, they have been imposed primarily for the benefit of American producers. You can protect American producers in two ways. One would be by means of a tariff and the other by means of quotas. Irrespective of the differences of opinion which may exist among Members of Congress as to which is the best way, the way that we have been doing it has been by quotas.

For the past 2 years quotas have been suspended. They will, of course, continue in suspension as long as we are not producing enough sugar and not importing enough sugar for our own consumption. It is very likely that there will be no quotas during the time for which this bill is extended. The authority should be there, however, to invoke them if needed. The fact is that there is no domestic sugar-producing area at this time which is producing anything like its quota. That is for various reasons, but principally because of the lack of machinery and because there are competitive crops which pay better than sugar does under existing conditions.

We are not only encouraging the producing of sugar in this country by the payments that are made under the Sugar Act but the War Food Administration is offering at this time additional payments in the way of support prices amounting to $3 per ton, so that every possible encouragement is being offered to the domestic industry to produce all of the sugar that can be produced at this time.

I do not know of anyone engaged either in the production, the processing, or the distribution of sugar excepting those in the Florida area who is not in favor of this legislation. All others who are engaged in the industry feel that it is very important that that industry be stabilized by the passage of this legislation, because if the war should end suddenly or conditions should change in producing areas outside of the United States it might be very necessary to invoke the protection of the provisions of the law for our domestic producers.

Mr. FLANNAGAN. Mr. Speaker, I yield to the gentleman from Texas [Mr. KLEBERG] 5 minutes.

Mr. KLEBERG. Mr. Speaker, I think in the short time we have discussed the proposal to extend this legislation that those Members who have not been here during other discussions concerning sugar legislation have come to the conclusion it is probably a pretty hot biscuit. It has been my lot, despite the fact I have no sugar in my district, to have been in the middle of the final wind-up of every single sugar fight. There is nothing quite so disconcerting

or disrupting on the floor of the Congress of the United States as sugar legislation. Sugar is on every table and in every home in this land. This great Nation is at war at the present time and for the first time that I have known anything whatsoever concerning sugar, there are more people—sugar-producing people—within the United States who are agreed upon legislation than at any other time in the history of sugar legislation. Another point which I do not want you to overlook is this: If you compare the price that we pay for sugar today on the American table with the price we paid during the last war, you will find that the price is between one-fourth and one-third of what sugar cost us then. Sugar producers, beet and cane, sugar mills and refineries, as well as those engaged as workers in the sugar processing plants of this country, have come to me with a concerted request that the present stabilized condition of the industry be not disrupted at this time, and they are in one accord with reference to the extension of this particular bill. I have no brief for the system under which the entire thing is working, but I do say that in view of the accord that exists today in the industry, and in view of the uniform supply of sugar—and at times I have not been in agreement, as many of you have not been, with the so-called restrictions on the use of sugar, however, I would rather see restrictions on the use of sugar than have the need for restrictions, and in view of the fact that we do have a supply of sugar and we do have sufficient in the offing for the years to come, it seems to me that this alone would bring us to a conclusion that this act should be continued for 2 years as set out in the resolution now before you.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for a question?

Mr. KLEBERG. I will be glad to yield.

Mr. CRAWFORD. The gentleman referred to the price of sugar during the last war. Did the gentleman have reference to the price of sugar which prevailed prior to the time of the signing of the armistice or to the price which prevailed subsequent to that date?

Mr. KLEBERG. I referred to both.

Mr. CRAWFORD. Following the armistice with all the markets wide open, the price jumped within a few months from around $9.85 per one hundred on refined sugar at the refineries up to around $27 per one hundred. But that was not during the war, that was after all controls and all of the Hoover food regulations and everything were wiped out and the market was completely clean and open to everybody.

Mr. KLEBERG. I thank the gentleman for his contribution. Of course, he and every other thoughtful person knows that if we are not prepared for an exigency of that sort, which only this bill can take care of, the sugar interests could not come to an agreement on a new piece of legislation during the remainder of this entire session of Congress any more than they could fly. There is only one practical and one sound thing to do and that is, in view of the fact that we have a working set-up we can and should continue it for the period recommended in the bill.

Mr. FLANNAGAN. Mr. Speaker, I want to impress upon the Members the necessity of extending this act at the present time. There is no possibility of working out a Sugar Act by the time this act will expire, nor do I think there is any probability of working out a sugar act during the emergency. The War Food Administrator wrote to the Committee on Agriculture of the House a strong letter urging the extension of this act for a period of 2 years.

Mr. Speaker, I ask unanimous consent to extend my remarks by including at this point the letter of Mr. Jones to the Committee on Agriculture.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WAR FOOD ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, May 26, 1944.

Hon. JOHN W. FLANNAGAN, Jr.,
Acting Chairman,
Committee on Agriculture,
House of Representatives.

DEAR MR. FLANNAGAN: This is in reply to your request of May 22, 1944, for a report on H. R. 4833, a bill to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar.

The Sugar Act of 1937, as the House Committee on Agriculture pointed out in its report on the legislation on July 2, 1937, intended that the consumer be protected against unreasonable prices; that our foreign markets be protected by retaining the share of foreign countries in the established quotas; that if the domestic sugar industry is to obtain the advantage of a quota system it ought to be a good employer and, to carry this out, legislation should prevent child labor and assure reasonable wages; that the small family-size farm should be encouraged by the payment of higher benefits; and that an excise tax should and ought to be imposed on sugar manufacturing. In December 1941 the Congress, after thorough review of the results obtained from the operation of the act, extended the life of the legislation for another 3 years.

The authority given to this Administration under the act, supplemented by the wartime powers of the Federal Government, permitted rapid action to be taken to prevent runaway sugar prices, to maintain income for most domestic sugar producers at income-parity levels or better, and to allocate curtailed supplies on an equitable basis.

It is therefore believed that this legislation, together with the predecessor legislation (the Jones-Costigan Act), were not only effective instruments in meeting the problems of the industry during the pre-war period 1934–40, but also now provide part of the requisite machinery and authority needed under wartime conditions.

The Administration's views on certain desirable changes in the sugar-quota provisions of the act have een repeatedly stated to the committee on former occasions and need not be repeated at this time. However, since current uncertainties preclude satisfactory consideration of amendments to the act at this time and the quota provisions have been in suspense since April 13, 1942, under Presidential proclamation, enactment of H. R. 4833 without amendment is recommended.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,
MARVIN JONES, *Administrator.*

The SPEAKER. The question is on the suspension of the rules and the passage of the bill.

The question was taken; and on a division (demanded by Mr. FLANNAGAN) there were—ayes 105, noes 8.

So, (two thirds having voted in favor thereof) the rules were suspended and the bill was passed.

House Resolution 572 was laid on the table.

TEMPORARY APPOINTMENT OF WOMEN TO ARMY NURSE CORPS

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to return to the bill (S. 1808) to authorize temporary appointments as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army—exclusive of students and apprentices—and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes, for the purpose of offering an amendment.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, when Senate bill 1808 was before the House, it was suggested there be an amendment to the title of the bill to clarify it. Such an amendment was not ready then, but it is now at the clerk's desk, and I offer it.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment to S. 1808 offered by Mrs. BOLTON:

Amend the title of S. 1808 so as to read: "An act to authorize temporary appointments as officers in the United States Naval Reserve of members of the Navy Nurse Corps and as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes."

The amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New York [Mr. KEOGH] may extend his remarks and include therein a memorial address delivered at Grant's Tomb, in New York, on May 30, 1944, by Charles J. Zinn, commander of Lafayette Camp, Sons of Union Veterans of the Civil War.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that tomorrow, after

other special orders, I be permitted to address the House for 30 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CANAL ZONE CODE

Mr. BLAND. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 3646) to amend section 42 of title 7 of the Canal Zone Code.

The Clerk read as follows:

Be it enacted, etc., That subsection "a" of section 42 of title 7 of the Canal Zone Code be, and it is hereby, amended to read as follows:

"a. be appointed by the President, by and with the advice and consent of the Senate, for terms of 8 years each."

The SPEAKER. Is a second demanded?

Mr. CHURCH. Mr. Speaker, I demand a second.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Virginia is recognized for 20 minutes and the gentleman from Illinois [Mr. CHURCH] is recognized for 20 minutes.

Mr. BLAND. Mr. Speaker, the bill H. R. 3646 amends the Canal Zone Code so as to provide that the term of office of the district attorney for the Canal Zone and of the marshal shall be 8 years instead of 4 years as at the present time. This bill was introduced by the gentleman from Tennessee [Mr. KEFAUVER]. It was referred to the Attorney General for a report, who advises that in his opinion these terms should be increased for the reason, first, that the conditions prevailing in the continental United States differ from those in the outlying territories and possessions. In continental United States offices of this type are filled by residents of the local communities who, after the expiration of their terms of office, can resume their former status in their localities. On the other hand, corresponding offices in the territories and insular possessions must of necessity frequently be filled by persons selected from continental United States in view of the lack of sufficient available material in the localities in question. After the expiration of their terms such officials upon returning to their homes frequently find it difficult to reestablish themselves. The result is that many persons who otherwise would be available for such service are at times unable to accept appointments of this kind.

In the Canal Zone there is peculiar reason for greater permanency in the term of the local officials than there is elsewhere. The Canal Zone is very peculiarly and, I may say, almost entirely a military center. The Governor of the Canal Zone is a general in the United States Army. The local district attorney and the marshal must necessarily become familiar with the problems that arise because of the peculiar relationship between the Canal Zone and the military authority of the zone and must be in a position to cooperate appropriately with the military authorities.

From this standpoint long terms of office are highly desirable, as it takes considerable time for a newcomer to familiarize himself with local problems. It was for reasons similar to these that a few years ago the office of district judge in the Canal Zone was extended from a term of 4 years to one of 8. The district attorney and marshal are coworkers with the judge.

The soundness of these views can be realized from a contemplation of the location of the Canal. It is a Government reservation about 50 miles long, extending from ocean to ocean and 10 miles wide. All the ships of the world traverse the Canal. A large number of admiralty cases are handled as well as cases involving railroad, equity, criminal law, and so forth. As the Canal is a crossroads of the world and as diplomats and government officials from other countries, especially South America, pass through the Canal frequently, the United States official family being small, all act more or less in an ambassadorial capacity. This requires high-grade personnel. The old Spanish code of the days when Spain held sovereignty over the Canal Zone is still in effect, as are some of the laws enacted by Colombia, the Republic of Panama, and the French while they occupied the zone. Then, too, there are the laws of the United States. The judge, the district attorney, and the marshal must be familiar with these laws. With a term of but 4 years, the situation is that by the time the incumbents familiarize themselves with these laws their terms have expired. The district attorney and the marshal come within the purview of the Hatch Act and not under the civil service. There are no votes to be obtained so far as I know down in the Canal Zone, or at least comparatively few.

Mr. Holtzoff, in the office of the Attorney General, appeared in advocacy of the bill and presented views similar to these contained in the Attorney General's report.

Since 1935 when jurisdiction of Panama Canal legislation came to the Committee on Merchant Marine and Fisheries I have tried to familiarize myself with conditions in the Canal Zone. My own opinion is that the marshal and the district attorney are great factors in preserving peace and harmony with a volatile people such as the Panamanians, Colombians, and the Spanish occupants of that area. Mr. Holtzoff says that the marshal and district attorney operate closely with the military in maintaining internal security and that there is splendid cooperation between the civilian officials and the military officials in the Canal Zone.

In an article that appeared in the magazine section of yesterday's Sunday Star General Marshall was quoted as saying that the Panama Canal is and will remain a military objective of the first order. To me it is indeed gratifying that there has not been any act of espionage, and it is a credit to the people in control of the Panama Canal that there has been no molestation with the military activities.

Soon after we acquired jurisdiction of the Panama Canal it was my pleasure to visit the zone. I saw at once the importance of a parallel system of locks and we have gone to the point of authorizing and beginning the construction of a parallel system of locks. They have not been completed because of the priorities situation, but with their completion much of the former danger to the Canal will have been avoided. It is undeniable that men who have demonstrated their ability to maintain peace and order in the Canal are entitled to a longer term than 4 years. Four years is the terms of the district attorney and of the marshal in our own counties, which might be sufficient, but in the Canal Zone the situation is different. These men become familiar with and come in contact with the native residents and contribute materially to the peace of that area and I believe are material factors in the preservation of the peace in the zone.

It has been said, and I believe it is true, that the Canal will be used more largely in the future than it has been in the past. I believe that after Germany has been knocked out of the war a greater recourse will be had to the Panama Canal for the shipment of war materials, troops, and so forth to the Pacific and Southwest Pacific. I hope therefore it may be the will of the House to make these terms 8 years.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. KEEFE. May I ask the gentleman what if any proof there was as to the difficulties the Government experienced in procuring personnel to fill these positions of United States marshal and United States district attorney?

Mr. BLAND. There was no particular proof of that but there was the statement of the Attorney General to that effect. That too was the opinion of Attorney General Cummings. I have looked into some of the old records of several years ago and found that was his opinion. Whether there is difficulty in securing them or not, the necessity of obtaining men who are acquainted with the people and familiar with the conditions is of great importance.

Mr. KEEFE. How long have the present incumbents held their offices?

Mr. BLAND. The present district attorney was nominated on September 25, 1940, and his nomination was confirmed by the Senate on that date. He entered on duty October 1, 1940. The marshall was nominated to be marshall of the district of the Canal Zone January 16, 1936; his nomination was confirmed by the Senate on January 22, 1936. His employment with the Panama Canal terminated on February 7, 1936, by reason of transfer to the Department of Justice in practically the same capacity where he entered on duty on February 8, 1936. He was nominated to be United States marshal for the district on March 20, 1940, and his nomination was confirmed by the Senate on that date. This is the

nearest information I am able to give the gentleman.

Mr. KEEFE. I thank the gentleman.

Mr. BLAND. The situation, as I see it, Mr. Speaker, especially, as long as the war lasts, is that we want to maintain conditions and cordial relations as they are at the present time. I do not know whether these men are applicants or not; I do not know their politics; I do not care what they are; what I want is to see service down there.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. CHURCH] is recognized for 20 minutes.

Mr. CHURCH. Mr. Speaker, this bill would extend the length of the terms of office of the marshal and the United States district attorney for the Canal Zone from the present 4 years to 8 years. I objected to the bill when it was called on the Consent Calendar and the reason I am now resisting its passage under suspension of the rules is that in my opinion the question we will be called upon to answer today should not be passed upon under suspension of the rules. Understand, we cannot even offer amendments to this bill to apply it to any office or individual. You are asked to establish a precedent today in the territories which will extend the term of office of a marshal and of United States district attorney to 8 years instead of 4.

Mr. Speaker, I am not going to take much time. If the membership of the House wants to establish that precedent it is up to them. I made some extended remarks on this subject on May 2. I do however desire to call attention to the hearings before our committee. Mr. Alexander Holtzoff, special assistant to the Attorney General, appeared before the committee and sustained the views expressed by the Attorney General in his formal report. Mr. Holtzoff said that there were two arguments for the legislation. One was the desirability of having a longer tenure of office of the United States marshal and United States attorney in the territories and insular possessions generally. That is his argument number one. If you pass this bill today you will be called upon sooner or later to extend this principle to all the territories and insular possessions, this principle of increasing the term of office to 8 years for United States marshals and for United States district attorneys.

The gentleman from Virginia [Mr. BLAND], chairman of the Committee on the Merchant Marine and Fisheries, stated a while ago that in 1938 this principle was established so that the judge may get a term of 8 years. That is an entirely different situation. Judgeships often run for longer terms. I did not object to that at the time and I would not object today. Incidentally, Mr. Speaker, may I say that this bill was not referred to the Committee on the Judiciary which committee usually considers these matters. The other bill did go to the Committee on the Judiciary, I understand, but this bill was referred to our committee, the Committee on the Merchant Marine and Fisheries, presided over by the distinguished gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Virginia.

Mr. BLAND. It is my understanding that the gentleman from Tennessee [Mr. KEFAUVER] author of this bill, took it up with the Committee on the Judiciary, although I am not so sure about that. When the judges' bill was before the Committee on the Judiciary I maintained then that the bill should have been referred to our committee.

Mr. CHURCH. I do not believe that this bill should be considered under suspension of the rules, when you cannot even amend the bill to take out one of these officers. There are now and after the war there will be many men who would be willing to go down to the Canal Zone. The woods are full of men who would be willing to take the office of marshal, and certainly when the boys return there are many who would be willing to occupy the office of marshal.

Let me state the other reason given in the hearings by Mr. Alexander Holtzoff. He stated that another reason was similar to the reason for extending the term of the judge of the Canal Zone. Now, permit me to read something that the Attorney General said. In the report, in his letter to the committee chairman, he stated that his principle should be extended to the Territories, which means that the Attorney General will be making these recommendations, the same Attorney General who went out to Chicago and used the Army, not even the United States marshals, whom he would not trust in the Montgomery Ward affair. In the papers he is quoted as not being willing to trust even the United States marshals. He recommends that this principle be extended to all the Territories. I question his recommendation.

Mr. KEFAUVER. Will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. I think it is fair to say as sponsor of the bill that Mr. Biddle and the Department of Justice had nothing whatsoever to do with the introduction of it. As I told the gentleman many times, the reason I happened to introduce the bill was that Mr. Hushing, national legislative representative of the American Federation of Labor, who was familiar with the situation in the Panama Canal Zone, and some other gentleman whose name I do not recall, came to see me, thinking at the time that the bill would go to the Committee on the Judiciary. I went over the matter with them and thought they had a worthy cause in view of the strategic and delicate situation existing in the Panama Canal Zone. Therefore, I introduced the bill without consulting anybody in the Department of Justice, and it was not sponsored by the Department of Justice. It has no political sponsorship. I want to make that perfectly clear to the gentleman. I do not know the politics of these gentlemen. I do not know the politics of Mr. Hushing or the other gentleman who came to see me. It was on their request that I introduced it, and not at the request of Mr. Biddle or anybody in the Department of Justice.

Mr. CHURCH. The fact still stands, though, that this bill is recommended by Attorney General Biddle.

Mr. KEFAUVER. It is quite the natural thing when a bill affecting a judge, district attorney, or marshal is filed to send it to the Department. The immediate thing done is to send it to the Department for its comment. If they think it is good legislation they recommend it. If they do not, they recommend against it. But that does not mean they sponsor the bill. I think it is correct to have the opinion of departments on legislation.

Mr. BLAND. I may say that is always done by the committee.

Mr. KEFAUVER. Yes.

Mr. CHURCH. This is really a bill for the Committee on the Judiciary. That is where the other bill went.

Mr. KEFAUVER. I may say when I filed the bill I thought it would go to the Committee on the Judiciary, although immediately afterward I talked the matter over with the Parliamentarian, and, of course, he pointed out how the gentleman's committee has jurisdiction over everything having to do with the Panama Canal Zone, so I think it properly went to the gentleman's committee. All legislation affecting the district attorney and the marshal of the Panama Canal Zone has always gone there.

Mr. CHURCH. Mr. Speaker, there is nothing personal about this matter. I am merely calling the attention of the Members of the House to this principle at the present time. You are starting a precedent of extending the time from 4 to 8 years for the term of office of a United States marshal and district attorney in the Canal Zone. The Attorney General stated:

> I am of the opinion that the term of office of district judge, United States attorneys, and marshals in the Territories and insular possessions should generally be increased. Conditions in that respect prevailing in the continental United States differ from those in the outlying Territories and possessions.

The chairman of our committee has pointed out that Panama Canal Zone conditions are different.

Mr. Speaker, the gentleman now holding the office of district attorney down there has written the gentleman from Tennessee [Mr. KEFAUVER] a letter. I have no quarrel with him. Keep in mind that if he or anyone else occupying the position of district attorney or United States marshal has made a good record, I have no doubt but what they will be reappointed. If the gentleman from Tennessee [Mr. KEFAUVER] does not put that letter in the RECORD, I will be glad to do so if he so suggests. I have it here and will give it to him. This is the present United States district attorney in the Canal Zone speaking, feeling that the remarks I made on the floor when this bill came up on the Consent Calendar might be misconstrued. He states, in part:

> I do not have the slightest objection to what Mr. CHURCH said, but I am disturbed by the implications that may be fairly said

to flow from it. Therefore, I would like to present a few facts to you, and indirectly to Mr. CHURCH, in the hope that they they will be taken into consideration if there is any further debate on the question, not as reasons for supporting the legislation, but merely to keep the record straight insofar as it relates to me personally.

In this letter he also points out, just like the gentleman from Tennessee [Mr. KEFAUVER] did when the matter was up before, that this man is a World War No. 1 veteran. I have no doubt that he has a splendid record. But that is not the point here at all. The point is, if he has made a good record, and I have no doubt but that he has, or if the United States marshal has made a good record, both of these men can be reappointed for 4 years instead of our passing legislation here today that establishes the principle of extending the term of office from 4 to 8 years in the Canal Zone, thereby setting a precedent for similar legislation for all the Territories. That is the thing I am calling attention to before the vote.

Mr. BLAND. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Speaker, this bill was carefully considered by the Committee on the Merchant Marine and Fisheries. It does not add one penny to the cost of Government.

The purpose of the bill is to correct that which the committee considered to be an inequality in the terms of office of the United States district judge, the district attorney, and the marshal for the Panama Canal Zone. By act of March 26, 1938, the term of the district judge was increased to 8 years. This legislation simply makes a uniform term of 8 years for each of the three officers. The history of all Federal civil employees, as well as those holding positions under the judicial branch of our Government in the Panama Canal Zone, is that upon retirement or on expiration of their term of office, without exception, return to the States. A 4-year term is entirely too short for a man to break up his home here and move to Panama.

Under the circumstances there is every reason to believe that it would be to the best interests of this branch of the Federal service to extend the time as provided for in the bill.

I sincerely hope the bill will pass.

Mr. BLAND. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, it seems to me that there is a peculiar situation in the Panama Canal Zone which should justify passing this legislation. I have talked with a number of men who are familiar with the situation down there and who have no personal interest in the parties involved, and they make out a good case for extending the time of the marshal and the district attorney in the Canal Zone.

Mr. Speaker, I ask unanimous consent to include, as part of my remarks, a letter to me from Mr. McGrath, the district attorney, whom the gentleman from Illinois [Mr. CHURCH] referred to a few minutes ago.

Mr. CHURCH. Mr. Speaker, reserving the right to object, is that the letter I just handed the gentleman?

Mr. KEFAUVER. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KEFAUVER. The letter is as follows:

Hon. ESTES KEFAUVER,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: A thoughtful friend of mine, whose relatives live in Evanston, Ill., sent me excerpts from the CONGRESSIONAL RECORD, dated May 2, 1944, containing the remarks made by Hon. RALPH E. CHURCH in connection with H. R. 3646, to amend section 42 of title 7 of the Canal Zone Code (affecting length of term of district attorney and marshal).

I have postponed writing this letter for several days because it has not been my pleasure to be personally acquainted with either you of Mr. CHURCH, and I doubted for a time the propriety of communicating with you. Also I am reluctant to do or say anything which could be construed as a criticism of a Member of Congress for the way he casts his vote. In my opinion that is a privilege reserved to the people of the sovereign State he represents.

I do not have the slightest objection to what Mr. CHURCH said, but I am disturbed by the implications that may be fairly said to flow from it. Therefore, I should like to present a few facts to you and indirectly to Mr. CHURCH, in the hope that they will be taken into consideration if there is any further debate on the question, not as reasons for supporting the legislation but merely to keep the record straight insofar as it relates to me personally.

Persons reading the CONGRESSIONAL RECORD might very well conclude that I have been remiss in my duty to my country. Perhaps that is so, but my intentions have always been good. Inquiry will disclose that I volunteered for the Flying Corps in 1917 in Washington, D. C., at the age of 20, but after a week or two, was declared ineligible for a commission as a pilot or observer. I felt then as Mr. CHURCH must have felt in 1917 when he joined up.

I paid my own expenses to Toronto, Canada, to enlist in the Royal Flying Corps (as it was known at that time), but was rejected for inability to do the "swinging chair" test in the proper fashion. I returned to the United States and enlisted in the Army as a buck private and served until February 1919. Unlike Sergeant York, my military accomplishments were not outstanding, but I did my best.

On December 8, 1941, I arrived in Washington, D. C., from the Canal Zone to learn about Pearl Harbor. I returned to the Canal Zone just as fast as the State Department would let me (December 18, 1941). The Zone at that time was "Public Enemy No. 2," according to those whose opinions were entitled to weight. Hawaii was "Public Enemy No. 1," as you know. We diligently set about digging bomb shelters anticipating an attack. It will always be a mystery to me why one was not attempted. Perhaps Japanese intelligence was not as competent as we thought.

According to my information, and I think you will find it is true, the Canal Zone and Hawaii, after Pearl Harbor, were given first priority on war material. There must have been a reason. Personally I don't think it took a great deal of intestinal fortitude to remain in the Canal Zone, but those who were here at that time are entitled to be marked present.

In 1942 there was no provision for registering for the draft on the Canal Zone, so I went to Washington, D. C., of my own volition a short time before I turned 45 (the maximum age at that time) in order to register. I think they have me classified with the idiots, IV–H, or something like that, because I am suffering from after effects of an attack of sleeping sickness (encephalitis lethargica) which occurred shortly after I was honorably discharged from the Army in 1919. Here again I can only claim good intention.

My physical handicap has not interfered with my work as district attorney, and I should be happy if interested parties were to inquire of those who should know, as to the manner in which this office is being conducted. In that connection I am enclosing a photostatic copy of a letter signed by Maj. Gen. Glen E. Edgerton, former Governor of the Panama Canal.

During my service as district attorney which began in the latter part of 1940, I have traveled several thousand miles in the nose of a Flying Fortress on official business. I have covered considerable territory in Army transport planes carrying freight which had few appointments for the comfort of the passenger. I must confess, however, that I enjoyed it.

I returned from islands in the South Pacific May 20, 1944, aboard a United States Army transport. I was on official business. The vessel carried a gun crew of 23 men and was armed with small cannon fore and aft. It was also armed with antiaircraft guns on the boat deck. Someone must have determined that a certain amount of risk attended taking passage on such a ship. My bunk was a deck or two above 150 tons of TNT—a pretty mess indeed if it exploded. To make the transport more attractive as a submarine target was the fact that she carried 750 soldiers and a great quantity of war material as cargo, including four 155 mm. guns.

This letter, like Topsy, "just grew." It is not to be considered as a bid for support of pending legislation; I am only submitting the facts to negative the implication which may have been created that I have knowingly been derelict in my obligations as a citizen.

Very truly yours,
DANIEL E. MCGRATH,
United States District Attorney.

[Enclosure.]

THE PANAMA CANAL,
GOVERNOR'S OFFICE,
Balboa Heights, C. Z., April 15, 1944.

The Honorable DANIEL E. MCGRATH,
United States District Attorney,
Ancon, C. Z.

DEAR MR. MCGRATH: I am very grateful for your note which has just been received.

It would be impossible for me to express adequately my appreciation of your friendship and the cordial cooperation you have extended to me personally and officially during your term of office, but I am impelled to say that when you see an opportunity for me to show my gratitude tangibly you will confer a favor if you will let me know.

With my thanks for your letter I send also my high regards and all good wishes,

Very sincerely yours,
GLEN E. EDGERTON, *Governor.*

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman from Virginia yield for a question?

Mr. BLAND. With pleasure.

Mr. SUMNERS of Texas. As I understand, all this bill does is to extend the period of service from 4 to 8 years, due to the distance between this country and Panama, and the difficulty in getting adjusted to matters in Panama, being too great for a 4-year term to produce maximum efficiency.

Mr. BLAND. Yes.

Mr. SUMNERS of Texas. That is all there is in the bill; is it not?

Mr. BLAND. Not only the distance from this country, but the familiarity with conditions in the Panama Canal Zone and the people that they have to deal with, as well as other matters.

Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, in connection with this bill as far as I am concerned, I think it was introduced when I was away. I knew nothing about it until the gentleman from Tennessee [Mr. KEFAUVER] asked me to take it up, as well as the gentleman from California [Mr. WELCH].

Personally I think it is a good bill. I think it is a good principle. I think where men have served well, even if the present incumbents are to be reappointed, and have established themselves as good servants in protecting the Panama Canal in this time of war, that they ought to be retained.

Mr. CHURCH. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this is the same bill that was before the House Committeee on the Judiciary in 1937 or 1938 when an 8-year term was asked for for the judge, the marshal, and the United States district attorney. The office of United States district attorney and marshal were taken out either in this House or in the Senate. At that time the bill was considered by the House Committee on the Judiciary.

Mr. BLAND. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Virginia.

Mr. BLAND. It is my understanding that at that time the request for the insertion of the District Attorney and the Marshal was not considered by the Committee on the Judiciary.

Mr. CHURCH. We are now considering H. R. 3646. Report No. 1351 accompaning this bill now before us, on page 4 at the middle of the page reads as follows: "I appeared before the subcommittee of the House Judiciary Committee and suggested the amendments to the bill which the committee inserted—the bill, however, became law near the end of the Seventy-fifth Congress (Public No. 499) without the amendments I had suggested being included"—that was a statement made—on page 4 of the report—by Mr. Hushing. The precedent was set then for the Judge. At that time it was thought better not to keep in the bill the extension of the term from 4 to 8 years for United States marshal or United States district attorney, if the bill was to pass including only the judge.

I am against the pending measure on principle. There are no personalities involved whatsoever. Those men serving down there will probably be retained for another 4 years on the splendid record they have made, and may be reappointed again, again, and again. But I am against the principle of extending offices to marshals and United States district attorneys from 4 to 8 years. This is setting a precedent which I believe this House would not do if it were to consider this bill under a rule and not under conditions we are in now where debate is limited.

Mr. BLAND. Mr. Speaker, if I have any time, in reply I wish to say that when the conditions manifest the necessity or the desirability of having an 8-year term, that is the time to act, and that time is now.

The SPEAKER. The question is on the suspension of the rules and the passage of the bill.

The question was taken; and on a division (demanded by Mr. CHURCH) there were—ayes 77, noes 32.

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to include in the remarks I shall make in the Committee of the Whole this afternoon a newspaper article, letters to and from the Secretary of the Navy, and quotations from War and Peace, United States Board of Foreign Policy, 1931–1942, issued by the State Department July 1, 1943.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances and to include therein excerpts and resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

EXTENDING THE TIME LIMIT FOR IMMUNITY

Mr. CLARK. Mr. Speaker, I call up House Resolution 574 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 283) to extend the time for immunity. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. COLE of New York. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 76]

Abernethy	Gerlach	Morrison, La.
Anderson, N. Mex.	Gibson	Morrison, N. C.
	Gilchrist	Mruk
Baldwin, Md.	Goodwin	Myers
Barry	Granger	Newsome
Beall	Grant, Ind.	O'Connor
Bell	Green	O'Neal
Bender	Halleck	O'Toole
Boren	Hare	Peterson, Ga.
Brumbaugh	Harris, Va.	Pfeifer
Buckley	Hébert	Philbin
Burchill, N. Y.	Heffernan	Phillips
Burdick	Heidinger	Ploeser
Byrne	Hess	Plumley
Camp	Holifield	Priest
Cannon, Fla.	Jennings	Scanlon
Capozzoli	Kennedy	Scott
Carrier	Keogh	Sheridan
Chapman	Kilday	Simpson, Pa.
Compton	King	Smith, W. Va.
Cox	Kirwan	Snyder
Curley	Kleberg	Starnes, Ala.
Curtis	Klein	Stearns, N. H.
Dewey	Lambertson	Stewart
Dickstein	Landis	Stigler
Dies	Larcade	Talbot
Douglas	Lea	Taylor
Ellis	Lemke	Torrens
Elston, Ohio	Lewis	Treadway
Fay	Lynch	Wadsworth
Fernandez	McCord	Wasielewski
Fogarty	McMillan	Wene
Ford	McMurray	Whelchel, Ga.
Fulbridght	Magnuson	White
Fuller	Martin, Iowa	Wilson
Furlong	May	
Gallagher	Merrow	

The SPEAKER. On this roll call 320 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TO INCREASE THE DEBT LIMIT OF THE UNITED STATES CONFERENCE REPORT

Mr. DOUGHTON, from the Committee on Ways and Means, presented a conference report and statement on the bill (H. R. 4464) to increase the debt limit of the United States, for printing under the rule.

STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL—CONFERENCE REPORT

Mr. RABAUT, from the Committee on Appropriations, submitted a conference report and statement on the bill (H. R. 4204) making appropriations for the Department of State, Justice, and Commerce for the fiscal year ending June 30, 1945, for printing under the rule.

EXTENDING THE TIME LIMIT FOR IMMUNITY

The SPEAKER. The gentleman from North Carolina [Mr. CLARK] is recognized for 1 hour, under the rule.

Mr. CLARK. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH] and yield myself 5 minutes.

The SPEAKER. The gentleman from North Carolina is recognized for 5 minutes.

Mr. CLARK. Mr. Speaker, I feel I should say to the House that I am not responsible for this roll call; I did not make the point of no quorum.

The resolution under consideration would make in order the joint resolution introduced by the gentleman from Missouri [Mr. SHORT] extending the time within which any who might be at fault in connection with Pearl Harbor might be tried. I shall not discuss the rule, because it is an open rule in the usual form granting 2 hours for debate, nor shall I undertake to discuss the provisions of the first section of the bill, which undertakes to extend the time of immunity. I do know that in the minds of some people there is doubt as to whether it really accomplishes what it seeks, but what I particularly wish to call to the attention of the House is that section 2 of the bill peremptorily instructs the Secretary of War and the Secretary of the Navy. It reads: "The Secretary of War and the Secretary of the Navy are severally directed to institute court-martial proceedings on all charges against any persons" who may be at fault in connection with the Pearl Harbor disaster. This applies, I believe, to civilian as well as military personnel.

I cannot for a moment feel we have reached a point where it has become necessary for the Congress of the United States to issue a peremptory instruction directing the leaders of our war effort as to what they shall do about any particular thing. I know there is a disposition in this body and elsewhere to try to find fault in some way with the manner in which the war is being prosecuted. Speaking for myself, I have complete confidence in the way the war is being handled from the Chief Executive right on down the line, and to my mind when the Congress undertakes or finds it necessary to instruct the Secretary of War and the Secretary of the Navy as to what they shall do and how they shall conduct their official duties, it is virtually tantamount to a vote of lack of confidence in these men at the head of our military machine at this time of crisis. I have no doubt whatever the reasons may be that our military personnel have good reasons for what they are doing.

Mr. CELLER. Mr. Speaker, will the gentleman yield briefly?

Mr. CLARK. Not at the moment. I will after I complete my statement, if the gentleman wishes.

I have not tried to find out why no courts martial have been instituted. I am satisfied in my own mind that whatever the reasons may be they are good ones and that the adoption of this resolution in place of aiding in the war effort will put us in the ridiculous attitude of almost censuring the heads of our War and Navy Departments. I suppose it is inevitable, but nevertheless it is regrettable, that the unity we once had in this Chamber on war measures has so completely disappeared. I do not particularly like to say this, I wish it were otherwise, but from what I have seen and heard and observed I am bound to feel that there are many on the minority side of this Chamber who will be disappointed if they do not find something badly wrong with the prosecution of the war. I am going to go far enough to say in concluding my remarks that too many people in the United States and here in this Chamber apparently are not taking the war seriously enough.

Mr. Speaker, I reserve the balance of my time.

Mr. KNUTSON. Oh, shame! Shame!

Mr. FISH. Mr. Chairman, I yield myself 10 minutes.

The SPEAKER. The gentleman from New York is recognized for 10 minutes.

Mr. FISH. Mr. Speaker, I have the highest regard for the gentleman from North Carolina, who just addressed the House. I do not believe, however, any speech I have heard recently in the House could create more disunity than the remarks of the gentleman from North Carolina. As he well knows, our armed forces are composed of Republicans and Democrats; our sons are fighting all over the world; they are united and determined to beat the enemy, Germany and Japan, as quickly as possible and to get the war over with. To give the impression that there is any Member of the Congress, or anybody in the minority party who is trying to throw monkey wrenches into the war machinery or to impede our war effort is both unfair and untrue.

Mr. Speaker, it seems to be apparent that there are those Members of the House who take the position that the minority has no right even to criticize or talk about the foreign or domestic policies of the administration. Let me tell you what former President Theodore Roosevelt had to say during the last war on this identical issue:

> To announce that there must be no criticism of the President, or that we are to stand by the President right or wrong, is not only unpatriotic and servile, but is morally treasonable to the American people.
>
> Nothing but the truth should be spoken about the President or anyone else, but it is even more important to tell the truth—pleasant or unpleasant—about him than about anyone else.

After all, Mr. Speaker, we are the elected Representatives of the American people, and we are speaking here in their behalf. All this resolution seeks to do is to give the facts to the American people whose sons are doing the fighting and the dying; and they are entitled to have all the facts regarding the greatest naval disaster in the history of America. There has already been too much delay and shadow-boxing by the administration in order to avoid telling the whole truth to the American people and in holding all those responsible for the Pearl Harbor catastrophe strictly accountable.

Mr. Speaker, I am going to read an editorial taken from the World-Telegram, a Scripps-Howard paper in New York. If I should use the same words myself I suppose someone would accuse me of making a political speech or injecting politics into our war effort. This paper is one of the largest in the city of New York and the same editorial was probably circulated widely over the country by the Scripps-Howard syndicate. It is entitled, "Kimmel, Short, Roosevelt, Hull":

> Speaking of offenses by high officers, the House Judiciary Committee has approved legislation to move up to June 7, 1945, the deadline on court-martial trials for Admiral H. E. Kimmel and Lt. Gen. W. C. Short, in command at Hawaii at the time of Pearl Harbor.

Mr. Speaker, my complaint is that the administration should have held this court martial long ago. This editorial goes on to say:

> The administration is plainly resolved to postpone the Pearl Harbor trials until after the election. The Japs have long known exactly what they did to us in that most disgraceful disaster ever yet suffered by American arms. To hold the trials now would tell them nothing they don't already know.
>
> But it is widely believed that the trials would force to light evidence connecting high Washington officials with orders to Kimmel and Short to take the No. 1 alert (readiness for sabotage from within), instead of the No. 3—readiness for anything—which might have turned Pearl Harbor into a victory for us and shortened the Pacific war. These orders might have been urged by Mr. Hull, or sent by Mr. Roosevelt.
>
> If such orders were sent, the administration is determined to keep the American people from knowing who sent them until after the election. Politics, and politics alone, is the cause of this procrastination.

Mr. Speaker, those are not my words. They are from an editorial in one of our largest newspapers, and a more or less nonpartisan paper, and reflect, I believe public sentiment throughout the United States.

Mr. Speaker, in view of the fact that the administration has failed, up to now, to court martial either General Short or Admiral Kimmel, all we are seeking, at the present time, is for the Congress to exert its influence 2½ years after Pearl Harbor to be assured of a speedy trial. I am surprised that there has not been more forceful language used in the Congress long before at the request of the American people and the mothers and fathers of the 3,000 American boys who were killed at Pearl Harbor, in a demand to know exactly what the facts are and who was responsible right up to the very top. It is not surprising that this matter should come before the House at this late date in view of the delay and failure of the administration to act.

Mr. McCORMACK. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. May I ask the gentleman a question on the statement that he is surprised at this late date the matter coming up. I am sure the gentleman does not want to let the statement remain that way.

Mr. FISH. I am not blaming the Congress at all. In fact, I think this resolution is more or less a gesture, and I refer to the whole of the resolution. The responsibility rests with the Roosevelt administration and I do not believe any action is going to be taken whether this resolution is passed or not while the present administration is in power. I believe, however, there will be a complete and full investigation and a court martial next year when there will be a new administration in Washington. I do not blame the majority leader; I do

not blame the Congress or any Member of Congress. It is not our responsibility.

Mr. McCORMACK. I am sure the gentleman will agree that so far as this resolution and the previous one are concerned, they were brought up in the House as quickly as they possibly could be?

Mr. FISH. Yes. I made that statement to the gentleman last week when the gentleman stated he would bring it up today. I have no complaint with the action of the majority side or the gentleman himself. He certainly cooperated in bringing up the resolution.

Mr. McCORMACK. May I say also that I have never had anyone from any other branch of government speak to me about this resolution or about the last one which was brought from the Speaker's desk and passed by unanimous consent without being referred to any committee. In fairness I want to make the statement that never once, either directly or indirectly, has anyone in the executive branch of the Government spoken to me about this resolution, neither have they given their views thereon in any respect.

Mr. FISH. I am glad the gentleman makes that statement. No one is accusing him of delay or of holding up this resolution. I repeat again, it is a matter really in the hands of the administration. It has done nothing and that is why this is before the Congress. It is highly regrettable it should be here, and I am sorry it is. But the whole Pearl Harbor responsibility has been hushed up for all this time by the administration, and the American people back home are getting impatient, they want the facts, they are entitled to the facts, and as we are the representatives of the people we ought to use our legislative powers to help the people get the facts.

Mr. BARDEN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from North Carolina.

Mr. BARDEN. Do I understand the gentleman advocates at this time the calling of officers from every battle front in this war for trial, and trying those men in the absence of the prisoners who are now in Japanese hands? How would the gentleman conduct a trial at this time without disrupting our military and naval activities?

Mr. FISH. Of course, the only two men who are subject to court martial at this time are General Short and Admiral Kimmel.

Mr. BARDEN. How does the gentleman know that?

Mr. FISH. There may be others, but that does not change the situation. It would be very easy, as has been done by courts for many, many years, to get affidavits from witnesses in any part of the world, Americans, of course, no matter where they may be, in the Air Force, in the Army, or the Navy, and bring those affidavits into court, which is the customary procedure. I do not believe in stopping the war to hold a court martial, but in my opinion you could get plenty of high-ranking officers who are on the retired list and appoint them as trial judges on a court martial and get ample testimony from any officer who may be thousands of miles away in the war zone.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. Speaker, in that way you could get all the testimony before the court martial without waiting until the end of the war.

Mr. BARDEN. The gentleman is not now advocating, then, trying those men without their being confronted by their accusers and witnesses, is he?

Mr. FISH. In certain circumstances, of course. If you delay this court martial much longer you may not have any witnesses, because some of them may have been killed and others will have died natural deaths or from old age. If you continue these delaying tactics indefinitely you may not even have witnesses. If there are some witnesses and some testimony that you cannot get except by affidavit, then I am in favor of getting that testimony by affidavit.

Mr. BARDEN. How does the gentleman arrive at the conclusion that there are only two to be tried? There may be 25.

Mr. FISH. There are only two to begin with. There may be more later on, but that is something we do not know in advance.

Mr. HANCOCK. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. HANCOCK. The resolution merely requires that court-martial proceedings be instituted within this period. There is no requirement that it be concluded in any definite period of time. Everybody knows that a trial can be continued from time to time to suit the convenience of the parties and the witnesses. That is exactly what would happen if this thing is instituted. No important commanding officer would have to be taken from his duty to act as a witness. It may be continued until such time as he may be available. Every lawyer knows that, including the gentleman from North Carolina.

Mr. SHORT. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Missouri.

Mr. SHORT. Of course, we should not overlook the fact that we have a great surplus of vice admirals and lieutenant generals around Washington that you can find practically every evening in cocktail lounges and at dinners. I do not think it would seriously interfere with the war effort.

Mr. FISH. The gentleman means we could spare them for a court martial without interfering with the war effort, and I certainly agree with him.

Mr. SHORT. We could spare them for a week or two.

Mr. FISH. And more if needed.

Mr. HOFFMAN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman from New York called attention to the fact that under this resolution the proceeding must be instituted. It is a familiar practice to take testimony by deposition where the parties charged may be represented by counsel. As the gentleman from New York suggests, if you are going to have a choice between trying them now or waiting until all the witnesses are dead or a number of them are dead, you never will get at the truth. There is no objection to taking the testimony where they have counsel to cross-examine and to perpetuate that testimony for any further proceedings.

Mr. FISH. It is rather significant that the Navy has already authorized Admiral Hart to take these depositions and to gather the testimony. He has traveled all over the world and no doubt has the facts at his fingertips at the very present moment.

It is also significant that Admiral Kimmel has demanded a free and open trial, and I am sure, knowing General Short as I do, having served on his staff in the 1940 maneuvers, held in northern New York State that he is the type of man who would like to have a free and open trial immediately.

Let me say one thing in conclusion, in addition to what I stated the other day in discussing this subject and it is a prediction as to what will happen—if and when the administration conducts a court martial. I feel confident this trial will never be held. I do not think it will be, in spite of this resolution or anything that Congress does or says, at least until after election, and then there is some uncertainty of its ever being held until a new administration takes over at Washington.

Mr. SHORT. If it is not held, it will not be the fault of Congress if we pass this resolution.

Mr. FISH. I want to make a prediction. If the administration holds a trial and Admiral J. O. Richardson is called as a witness, the public will find out that he protested placing our warships in Pearl Harbor where they could be picked off like a lot of sitting ducks, as they were on the 7th of December 1941. Admiral Richardson was in command of the Pacific Fleet and was removed from office because he resisted the orders from Washington to take his fleet into Pearl Harbor and was succeeded by Admiral Kimmel. I think the American people will be surprised and shocked if Admiral Richardson ever appears before a court martial and testifies to the whole truth which he will be required to do as a witness. What is the administration trying to cover up? Who is the administration attempting to cover up? And why?

That is the kind of information the American people want and are entitled to have first hand. They want to find out who was responsible, no matter who it may be. Let the chips fall where they may. That is all this resolution seeks to do, to get the facts regarding the disaster at Pearl Harbor and to hold the responsible authorities accountable.

The SPEAKER. The time of the gentleman has expired.

Mr. CLARK. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, it seems to me that the gentleman from New York does not wish any trial or court martial, because all this resolution calls for is that we extend the time within which the court martial can be held. I have been as much in favor of immediate court martial as any man in the House or the country, but when my attention was called to what it may involve, and what it would mean, and the amount of trouble that may come of it if held at this time, I came to the conclusion that both the Secretary of War, Mr. Stimson, and the late Secretary of the Navy, Mr. Knox, used splendid judgment in not proceeding immediately.

You all know—and it is not necessary for me to inform you—that it is only officers of a higher rank that can sit in court martial, and that it is not only these two high-ranking officers that are mentioned in this resolution.

Is it proposed, or is it contended, that we should have taken all these high officials from their places of important duties the world over to serve on the court martial, for the prosecution and for the defense, and instituted this court martial then, without realizing that it might have created friction within the Army and the Navy and between the Army and the Navy? I am for court martial. This resolution should pass and no one who is in favor of it should be opposed to striking out section 2, because there may be some people amenable under section 2 that should be tried, but who would escape trial, because of the wording in that section, which reads as follows:

> The Secretary of War and the Secretary of the Navy are severally directed to institute court-martial proceedings on all charges against any person.

There may be a number of people against whom charges have not been filed, and they may not be able to be tried, as no charges have been filed against them.

For that reason the Committee on Rules agreed that section 2 should be eliminated so that there may be no question raised whether those outside of these two great men, so-called great, should be included and subjected to court martial. In view of that fact I do not see what there is to it but to extend this resolution and not limit it, not restrict it, but let it be in full force so that anyone and everyone who might be guilty of any charge of neglect of duty can be brought to trial and be proceeded against.

In view of that fact I feel the rule should be adopted and the resolution should be passed with the elimination of section 2 which actually weakens the resolution. I know it was not done intentionally but that was the opinion of the Committee on Rules when the rule was granted upon this resolution.

As to the criticism of the gentleman from North Carolina let me say this: There is no more honorable, loyal, and patriotic Member in the House than the gentleman from North Carolina. It comes with poor grace on the part of the gentleman from New York to make any insinuation against him. He has demonstrated his patriotism and love for this country many times, and I know he can be relied upon in the future as he has been in the past to the fair, just, and impartial in opposing or supporting legislation before the House.

Mr. FISH. Mr. Speaker, I have no more requests for time, but I want to make it very clear to the House—and it is hardly necessary in view of the previous argument—that I have the highest personal regard for the gentleman from North Carolina. I believe he is a fine American citizen.

Mr. CLARK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 283) to extend the time for immunity.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 283, with Mr. BARDEN in the chair.

The Clerk read the title of the joint resolution.

The first reading of the joint resolution was dispensed with.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Chairman, as I see it, there is not much difference of opinion among the Members as to the main purpose of this resolution, the extension of the statute of limitations. Whether or not the statute of limitations has expired is a matter for the courts if that legal question is properly raised later on. All we as Members of the House can do, and what we all want to do, is to see that the statute of limitations is extended so that at the proper time court-martial proceedings can be instituted against those whom the evidence shows such proceedings should be instituted against.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. CELLER. If the gentleman was told that as a matter of law he could not extend the statute of limitations under the circumstances prevailing, would he still be for this bill? Would he not therefore, if he voted for such a bill, be doing something which is a nullity and a farce?

Mr. McCORMACK. If the gentleman feels that way, he follows his own conscience. But I think we are doing the proper thing in extending the existing law. In doing that, that is everything the Congress can do in order to try to see that an adequate law is in existence upon the basis of which court-martial proceedings can be instituted.

My purpose is to try to suggest to the House something in the hope that there will be no acrimonious debate, that whatever debate there is will be upon the merits of the issues involved. I am in favor of an extension; let us have no misunderstanding about that. I think a great majority of the Members on both sides, except those who in their own conscience think there is a legal question involved, are in favor of the extension. Therefore, we have nothing in dispute on that.

Frankly, I think that a 3 months' extension is unwise, no matter on what side of the aisle we sit. I am talking individually now. No one has ever spoken to me about this. I have conferred with my friend from Missouri on several occasions as an individual Member of the House, not as a leader but as an individual Member of the House, and I am speaking now in that capacity, expressing my own views. I think a 3 months' extension is unwise, and I will be frank and tell you why.

Our country is in the middle of a great war. We are all human beings, and so are all Americans, and we are subject to human emotions and reactions. Between now and next November we are going to have a political campaign. There is going to be a lot of emotions in connection with that. Under peacetime conditions it is one thing but under war conditions certainly it is for the best interests of all of us as Americans to try to minimize as much as we can during war any emotional reactions that may tend to confuse or divide our people.

I am perfectly frank in stating that, not as a Democrat but as an American. It is my own personal view. Some Members may differ, and I respect their right to differ, but it is my viewpoint as an American that it would be for the best interests of our country to extend the existing law. That is my personal view. I think when we pass this resolution we are extending the statute of limitations. I understand a waiver was obtained. That enters into it. There are many questions that enter into these proceedings, outside of the last resolution, the present resolution, and the existing law which these resolutions undertake to extend. That is the reason why I think it should go beyond the election. As to whether it should be a year or not, I will not argue. Someone said 6 months. I will not argue with you on that. But I think from a practical angle, looking at it as Americans, realizing the emotions that are going to exist, that whatever extension of the statute of limitations is made should be beyond a period when the people of the country will be undergoing emotional reactions in connection with the Presidential campaign.

Over and above this, in war, I also feel that our military and naval leaders should have proper discretion in determining when the court martials should start.

They have many considerations to pass upon in determining this question, military plans, assignment of officers to duties in connection with the conduct of the war; taking our military and naval leaders from important war duties to be present at a court martial when they were badly needed to lead our men to victory.

I hope no one will misunderstand my state of mind. It is my honest viewpoint that we should try to get away from emotional situations and have as few of them exist between now and next November as we possibly can. The last resolution was for 6 months. This resolution as reported out by the committee is for 1 year, although it was introduced for 3 months.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 additional minutes to the gentleman from Massachusetts.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. As I understand, the slogan of the majority party in this campaign will be "Stand by the Commander in Chief."

Mr. McCORMACK. I was hopeful the gentleman from Minnesota would not inject such an observation into my remarks.

Mr. KNUTSON. I think we should bring this whole thing out in the open before election, in order that the American people may determine for themselves whether or not he has the capacity to carry on this war in the way it should be carried on.

Mr. McCORMACK. I am sorry the gentleman broke into my remarks to make that observation. He is a very dear friend of mine.

Mr. KNUTSON. The gentleman's remarks suggested what I said.

Mr. McCORMACK. I do not believe anything I said would suggest it to any other Member, hardly, than my friend from Minnesota.

I am inclined to think that section 2 is a limitation upon whatever time extension we agree upon. I am inclined to think that my friend from Missouri in the use of the language he has in section 2 is going to permit this resolution and the existing law to be used in favor of persons who may be guilty, rather than against them.

The gentleman from Illinois [Mr. SABATH] made a very pertinent observation, and to be frank, I had not noticed this until he did. Let me call it to your attention. Let me read section 2:

> The Secretary of War and the Secretary of the Navy are severally directed to institute—

I will agree on the word "institute" as stated by the gentleman from New York [Mr. HANCOCK]—

> to institute court-martial proceedings on all charges against any person—

That means that charges must be pending before either the 3 months or the 6 months or the year expires. It may be that within that period charges may not be pending against persons whom charges should be preferred against, yet under the language of section 2 we may be precluded from instituting court-martial proceedings against any persons unless charges have existed against such persons before the expiration of the extension period that might be provided in any resolution on which the Congress agrees.

For that reason I suggest that the language in the Senate resolution would be better for our own protection, and I suggest that care be used in the passage of a resolution containing the language of section 2.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. WALTER. I call the attention of the gentleman to the language in section 2, which provides for the institution of court-martial proceedings on all charges against any person. The first section of the resolution provides for the prosecution of any person, military or civil. Does the gentleman think we have any authority to direct the institution of court-martial proceedings against a civilian?

Mr. McCORMACK. I am unable to answer now that question, to be perfectly frank. I am not particularly conversant with the existing law in relation to the court-martial proceedings against civilians. I assume the gentleman will speak on the resolution later and he can address himself to that point.

My main purpose was to call the attention of the House to the fact that there is no opposition that I know of, certainly not on my side, of any organized nature, to an extension, and then to submit my own personal view, that I think the extension should be longer than 3 months, also that I think the language used in section 2 will be helpful to persons against whom charges might be preferred rather than harmful to them, as we intend. I suggest extreme caution in passing any resolution with the language contained in section 2 of the Short resolution.

I hope that whatever debate we have on this matter will be on the issues and that personalities will be eliminated. I know that the present Secretary of War is a great American, but he is not a Democrat, but I do not let that enter my mind. I do not know what the politics of General Marshall are, and I do not know what the politics of Admiral King are, and I do not care. The late Secretary of the Navy Knox, a great American, was a Republican. This is a matter we should consider not from the party angle but from the American angle, from the angle of what action on our part will enable our Government to start court-martial proceedings at the proper time, and of what action is for the best interests of our country at this time.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. HANCOCK. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I hope, with the majority leader, that this discussion will not become partisan. Certainly there is nothing partisan about amendment 6 of the Constitution, which guarantees to any man accused of crime the right to a speedy and public trial. Two and a half years have elapsed since Pearl Harbor, which is the blackest page in the history of America. The Roberts Commission has found that certain high-ranking officers of the Army and Navy were guilty of dereliction of duty on that day and prior thereto, which resulted in the loss of 3,000 precious lives, most of our Pacific Fleet, and the control of the Pacific Ocean and the islands thereof. Now, if we do not give the men under suspicion a complete public hearing and an open trial, certain admirals and generals are going to stand condemned in the public mind forever. Their names will go down in history in disgrace unless they are cleared. It may be that Admiral Kimmel was guilty of criminal negligence or gross incompetence or that General Short was guilty, or that both of them were; or that neither of them was; or that someone in a higher place or lower place were the culprits. The men who now stand accused in the court of public opinion are entitled to have their names cleared if they are innocent, for their own sakes and the sake of their families for generations to come. The public is entitled to know who is responsible for the worst catastrophe that America ever suffered. Some Members have raised technical questions of law in connection with this resolution. I think there is some doubt about the legal effect of it if it is passed, but I take the position that that is a question for the courts to decide. It is debatable. By passing this resolution we will at least notify the country and those in authority that it is the will of Congress that the guilty shall not escape by the mere lapse of time or by failure on the part of Congress to act.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HANCOCK. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I appreciate more than I can say the mild manner and the fair-mindedness of the majority leader who has just spoken. His sweet reasonableness was almost convincing to me. Certainly we should not allow personalities to enter into this discussion. I admire his candidness and his utter frankness.

There is very little that I can add to what I have said on previous occasions concerning this resolution. As you all know, last December, I introduced a resolution extending the statute of limitations for the court-martialing, not only of Admiral Kimmel and General Short, the only two who have waived or attempted to waive the statute of limitations, but of any and all military, naval, or even civilian persons who were derelict in the performance of their duty and in any manner connected with the Pearl Harbor disaster.

That resolution provided that those persons found guilty should be court-martialed or face trial within 1 year after the close of the war with Japan and peace with that country had been declared. It passed the House by unanimous consent and the majority leader was very cooperative and helpful in getting the resolution passed at that time. We sent it over to the Senate on December 7 last, the day after we had passed it in the House, and the senior

Senator from Missouri rather violently objected to the fact that it was postponed for a year following hostilities, and said that it was shameful and disgraceful that these culprits or anyone who might be found guilty did not have an immediate court martial. It was his feeling that the resolution was designed to cover up, or to stall, or to protect someone which, of course, we all know is entirely wrong, because my feelings in the matter were identical with those of the Senator from my State and I, too, feel that it is shameful and disgraceful that the worst military catastrophe that has ever happened to this Nation should go uninvestigated and be postponed and that interminable delay has caused many people to even forget the affair.

So I had to speak to both the majority and minority leaders in the Senate and ask my junior Senator from Missouri to go to the senior Senator from Missouri in order that we could get some kind of resolution passed that would prevent the lapse of the statute of limitations and which would make certain that anyone guilty of dereliction in the performance of his duty in connection with this disaster would eventually be brought to trial. The Senate modified the resolution as passed by the House and extended the time for 6 months, from December last until June 7 of this year, which is the day after tomorrow.

Realizing that the War Department and Navy Department had not instituted court-martial proceedings, and knowing that able lawyers differ in their opinions and entertain serious doubts as to whether or not a person can waive the statute of limitations, and with the further knowledge that the waiver was by only the two men mentioned and was not made by any others who might possibly be found guilty, I introduced the present resolution about 3 weeks ago in the House, which provides that the statute of limitations be extended for a period of 3 months and that the War Department and the Navy Department be directed by the Congress of the United States to institute court-martial proceedings within that period of time.

The Congress, the legislative branch, could direct the War Department and the Navy Department or the executive branch to bring about a court martial or to have them do anything else, because although the responsibility of the Secretary of War and the Secretary of the Navy is, of course, to the Commander in Chief, if you will consult the Constitution, article VIII, you will find that the Congress does have power to raise and support armies, to provide and maintain a navy, and to make rules for the government and regulation of the land and naval forces, and also to provide for organizing the Army and disciplining the militia. Therefore, I think, under the Constitution, in the absence of anything else in the Constitution to prevent it, the Congress, which has these broad expansive powers, does have the power to direct the Secretary of War and the Secretary of the Navy, in the event of their failure to carry out a court martial within the time of the statute of limitations.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. SHORT. Yes.

Mr. DINGELL. The gentleman recalls that on December 8, 1941, mine was the first voice raised with regard to this catastrophe at Pearl Harbor. At that time I demanded that not only Kimmel and Short, but Generals Martin, Brett, and Arnold likewise be brought into the picture. I felt that they were derelict then, and I still feel that they were derelict; and not merely those two men. Does the gentleman's resolution cover that? Is it broad enough to bring before a court martial Generals Martin, Brett, and Arnold?

Mr. SHORT. Oh, yes; indeed it does. It is broad enough to bring before a court martial or before a court any and all persons, military or civil, who shall be found guilty of dereliction in the performance of their duties.

Mr. DINGELL. May I say to the gentleman that I want to be sure that all those who contributed to our losses at Pearl Harbor are included.

Mr. SHORT. That is right. It includes not only military and naval personnel, but it might possibly include some down in the War and Navy and State Departments. I want it thoroughly understood, and those of you who have known me for any length of time, I think will agree, there is nothing sadistic in my nature. I do not want anyone shot or thrown into jail. I am not out to embarrass anyone. All I want is to see that the whole story and the whole truth is told to the people, because they are paying for this war and their sons and daughters are doing the fighting and dying, and they demand the whole story and the whole truth. That is what they want.

I might say that since introducing this resolution I have received hundreds of letters and only two are opposing the passage of the resolution as I introduced it, and I have many editorials from southern newspapers too, like the Knoxville (Tenn.) Sentinel, and the Richmond (Va.) News Leader, that are saying there is no excuse whatever for further postponing this court martial. I realize, as we all do now, that it would have been highly improper and almost disastrous, immediately following Pearl Harbor if we had held courts martial. It is easy to see that we might have revealed some information at that time that would have aided and abetted or comforted the enemy. But now that 2½ years have elapsed and the Congress already has taken a stand of extending this statute of limitations for 6 months, Members of Congress in their own self-defense have to further extend this.

I am receiving letters condemning us severely for postponing this trial another year. Here are two men who are charged—they must be charged—with a serious crime; they have been removed from their commands, yet they are drawing $6,000 a year retirement pay. If these men are innocent, they should be exonerated and the stigma removed and their wives and their children should not be compelled to live under this cloud of suspicion and blame. I am for giving them what they want—a speedy open, public trial. They are entitled to it. Who wants to cover up what? Honest men have nothing to conceal. I am for giving them their day in court, which they are entitled to and guaranteed under the Constitution of the United States.

If, on the other hand, they be found derelict in the performance of their duty and found guilty, then I say they should not only be dishonorably discharged and return the $6,000 a year they have been drawing but they should receive the punishment that is commensurate with the awful tragedy that happened.

In order to keep the record straight, I want to say that I have the highest admiration as a member of the Committee on Military Affairs for our generals and admirals, but I know they are human beings. The more I see them and talk to them and quiz them, the more I realize it. When you put four stars on a man's shoulder, he does not become a god; he is just a human being. When you dress a man up in gold braid, that does not make him infallible; he is still subject to mistakes. I am not going to be an idolator. I do not believe the American people demand of Members of Congress—their own legally chosen representatives—that they should be so subservient and servile as to blindly follow everything that the admirals and generals say. They should not act as judge and prosecutor in their own cases. They are the ones charged with the crime or with the error and they should be made to face the responsibility and shoulder the burdens of their mistakes. That is all we are pleading for here—an open, fair, public trial. That is what Admiral Kimmel wants. I never met Admiral Kimmel in my life, did not even correspond with him on this, although I know his position. I have never seen General Short. As far as I know, he is no relation of mine, but if he were that would not make a bit of difference.

This is not a matter of two individuals, it is a matter of great national importance; one of the supreme tragedies that has ever occurred to our country. Not only the 3,000 men killed at Pearl Harbor and the hundreds of millions of dollars blown up in equipment, but that disaster prolonged the war in the Pacific. It caused the fall of Bataan, it cost the lives of thousands in fox holes in the Philippines, it accounted for thousands of soldiers and one lieutenant general, General Wainwright, being prisoners in Jap camps; it almost caused the fall of Australia. Do you want to ignore the thing completely? If you do, that is your privilege and your responsibility. You cannot hoodwink this, you cannot sidetrack it, you cannot put it off. Read just a few of the letters I have received, and I am shocked to receive some of them, because some of them vomit venom and spew forth such vitriol that I could not believe it could come from the lips or the hearts of Americans, even in time of war.

You are going to have to answer to your people and I to mine; but I am going to make it clear and certain that this Member of Congress is not going to

enter into any conspiracy—and I do not think there is any, though many people think there is—to cover up or protect anyone. They think we are stalling. I am not going to be charged with being responsible for postponing indefinitely this court-martial. Justice delayed is justice denied. Delay invites delay; and delay piled upon delay long enough, just as in the case of delay or postponement in any criminal trial, makes the public grow cold and callous, and the culprit will go free.

We postponed this thing for 6 months and got nothing done. If we postpone it another 6 months or year, there will still be nothing done. Pearl Harbor is 2½ years back of us. We could not have had a court martial immediately following this disaster, but I for the life of me at this time cannot conceive any reason why the court martial should not be had and the whole story told, to relieve not only the men charged but to wipe out once and forever the suspicion—and it is more than a suspicion—that is entrenched in the minds of many of our people that there is something "rotten in Denmark." Let us pass this, bring the men to trial; regardless of where the chips fall, "hew to the line." Try all parties in the Army, in the Navy, in civilian life, or connected in any way with it. I do not see how anyone can reasonably object to that.

When the first section of this resolution is read I am going to propose to strike out the committee amendment and restore the 3 months' period that was in the resolution when I introduced it and it was referred to the Committee on the Judiciary. The Committee on the Judiciary reported it out with an amendment striking out the "3 months," in line 3, page 2, and inserting "1 year." I want the resolution to pass in its original form, extend the period for 3 months, during which time the Secretary of War and the Secretary of the Navy must institute—not try, but institute—court-martial proceedings. If you institute the proceedings, that in itself will automatically continue the statute of limitations and we will not be called back here every 3 months or 6 months to hash this thing over and over. The American people are tired of it. They do not want to be hoodwinked any longer, they do not want any more delay; they simply want the full story, and the whole story, and nothing but the truth; and that should not hurt anybody except those who are guilty and deserve their just punishment.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. JENKINS. If the gentleman's amendment should prevail what would be the necessity of section 2?

Mr. SHORT. Section 2 directs that the Secretary of War and the Secretary of the Navy must institute court-martial proceedings within that 3 months' period. If we pass it as it was reported out by the committee they would have 1 year within which they could institute the proceedings.

Mr. JENKINS. Does not the gentleman believe that if we do reinsert the amendment they surely will follow instructions and do this immediately? What is the reason for section 2 if the 3-month provision is reinserted?

Mr. SHORT. Section 2 simply recognizes that the Army and the Navy, the Secretary of War, and the Secretary of the Navy have not taken any action in 2½ years' time. It is the first time in the history of this Republic or any nation on the face of God's earth where in a catastrophe comparable in magnitude to Pearl Harbor a court martial has not been had or the statute of limitations has been allowed to lapse and the trial indefinitely postponed.

Mr. JENKINS. That is what I was coming to.

Mr. SHORT. If some buck private who had perhaps marched 20 miles, who had had no sleep for 2 or 3 days, charged with the duty of watching a bridge had fallen asleep for even 5 minutes and some hard-boiled captain had come along and caught him sleeping at the switch, that poor devil would have been brought to trial and court-martialed within 48 hours; and everybody knows it.

Mr. JENKINS. That is what I had in mind.

Mr. SHORT. If you do not believe the men in the service are wrought up about this thing then you have got another "think" coming, brother; you have not talked to any of them.

Mr. JENKINS. Let me proceed a little further; here is what I wanted to bring out: Our distinguished majority leader indicated that we were going too strong in section 2. What I want to bring out and I think what the gentleman has in mind is that if we adopt his amendment they will have to do something immediately.

Mr. SHORT. Certainly; and that is what we want. They have had 2½ years. We do not want it postponed indefinitely.

Mr. JENKINS. That is what I wanted to bring out.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield to me in view of the reference to my statement?

Mr. SHORT. I yield.

Mr. McCORMACK. The gentleman from Ohio says I said section 2 was going too strong. The gentleman evidently misunderstood me. What I said was that in my opinion the language of section 2 is a limitation.

Mr. SHORT. That is right; that is the way I understood the gentleman.

Mr. McCORMACK. A limitation on section 1 for it says that during this period they will institute court martial proceedings on all charges against any person. There may however be persons against whom charges should be preferred and proceedings instituted who could not be reached because the charges at the date of the passage of this resolution had not been formally made.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HANCOCK. Mr. Chairman, I yield 5 additional minutes to the gentleman from Missouri.

Will the gentleman yield?

Mr. SHORT. I yield to the gentleman from New York.

Mr. HANCOCK. I merely want to remind the gentleman that a number of officers of high degree have already been court-martialed and convicted. Is there any good reason why the line should be drawn between general officers and those below the general rank?

Mr. SHORT. I can see no reason for it. We all read in the paper last week where a lieutenant by the name of Swancutt out in California had murdered three or four people. That was in March. He was brought to court martial the other day and sentenced to be hanged. He killed four individuals, but thousands of American boys were slaughtered at Pearl Harbor and hundreds of millions of dollars in equipment went to the bottom of the sea, yet nothing has been done up to this sad hour.

Mr. CELLER. Will the gentleman yield?

Mr. SHORT. I yield to the gentleman from New York.

Mr. CELLER. There has been a Roberts report?

Mr. SHORT. Yes.

Mr. CELLER. The gentleman says nothing has been done.

Mr. SHORT. There have been two Roberts reports, one for public consumption and the other that is down in The Archives which you and I have never seen and which personally, as the Representative of 320,000 people, I would like to see. I would like very much to see it.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The Roberts report says that that great disaster was caused by the negligence of those in charge at Pearl Harbor, does it not?

Mr. SHORT. Yes; that is what it says. May I say to you gentlemen that I have received letters from practically every State in the Union about that. Some folks may forget Pearl Harbor, but if you think the fathers and mothers, the uncles and aunts, and even interested citizens who know anything about that—naturally I have received more letters from California than any other State, but I have received them from New York, New Jersey, Texas, Minnesota, I do not care where you go—have forgotten Pearl Harbor, you are mistaken. They have not forgotten Pearl Harbor and they wish to know about it.

I suppose I will have to wait until we get back into the House, but I would like to have unanimous consent to revise and extend my remarks and to include certain excerpts.

The CHAIRMAN. The gentleman will have to secure that permission in the House.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. Reference has just been made to the Roberts report. Is it not true that Admiral Kimmel has already in effect repudiated the truthfulness of the Roberts report?

Mr. SHORT. Yes. And he asked to testify there and was denied the privilege of testifying by the Roberts Commission.

I want to ask the Members of the House: Is it not strange that two gen-

erals and two admirals, headed by a civilian, a Justice of the Supreme Court, are sent out there? Instead of having a court martial, we just had a Commission to investigate, and then they come back and they tell us only a part of the story.

Mr. MAAS. Will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Minnesota.

Mr. MAAS. Does the gentleman know that a number of us on the Naval Affairs Committee asked for the original testimony of the Roberts hearings, and it was denied us? They would not even let us see the testimony to see if the conclusions were in conformity with the facts, and we know they were not.

Mr. SHORT. I know that to be the fact. But, Mr. Chairman, let us not hold the court martial here. We cannot try General Short and Admiral Kimmel in this House. Unless the War Department and the Navy Department follow the Articles of War and the articles governing the Navy that calls for court martial within 2 years time after the commission of the offense, unless they act, then the Congress of the United States should act and we will have a congressional investigation which will be composed of members of the House Naval and Military Affairs Committee. We can do that as the last resort.

Mr. GRAHAM. Will the gentleman yield?

Mr. SHORT. I am happy to yield to the very able lawyer from Pennsylvania.

Mr. GRAHAM. The gentleman, of course, realizes that under amendment 6 of the Constitution in all criminal prosecutions the accused shall enjoy the right to a speedy and public trial. The gentleman also realizes that that trial has been denied at the request of these men; therefore, it is the imperative duty of this Congress to see that they secure a speedy and impartial trial as their constitutional right.

Mr. SHORT. The American people are demanding it in no uncertain terms, and unless their wishes are carried out I fear for the scalps of some.

Mr. CELLER. Will the gentleman yield?

Mr. SHORT. I yield to the gentleman from New York.

Mr. CELLER. The article just read refers to civil trials. If he will look at the fifth amendment, he will see something that applies to criminal matters and where a different situation and rules prevail.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, we all have an abiding affection for the gentleman from Missouri who just addressed the House, but that does not preclude our differing with him.

He drew attention to article I, section 8, of the Constitution which provides that the Congress shall make rules for the government and regulation of the land and naval forces, but he failed to draw attention to article I, section 9, which provides that the Congress shall not pass a bill of attainder or any ex post facto law. In other words, the Congresss has the right to legislate articles of war and articles of the Navy for the government and regulation of land and naval forces, but the Congress cannot change the rules in the midst of a game. The Congress cannot pass any ex post facto legislation and this bill is ex post facto.

A bill is ex post facto if it alters the primary rights of the accused after the commission of the acts for which the accused is to be held accountable and for which he is to be tried. The statute of limitations is a primary right of the accused. He may or may not plead it. It is a right, however, which cannot be abridged or denied him.

The acts for which Admiral Kimmel and General Short are to be tried by court martial occurred on December 7, 1941, or prior thereto. We have adopted articles of war which specifically provide a statute of limitations of 2 years. Therefore, after 2 years, to wit, on December 7, 1943, the statute ran against the Government or against the Secretary of War or the Secretary of the Navy and precluded them from trying these two particular officers.

What did we do? Thirteen days after December 7, 1943, to wit on December 20, a bill was made effective extending or attempting to extend that statute of limitations contained in the Articles of War. What we did was not worth a tinker's dam. The limitations statute had already run its course. We could not extend it 13 days after it had run its course.

What we then did was also ex post facto. If that act that we previously passed was a nullity, was nothing, then without stultifying ourselves and making ourselves look foolish before the Nation we cannot superimpose another statute which is of no effect whatsoever on the previous statute which was of no effect whatsoever. Nothing plus nothing equals nothing.

The statute of limitations had expired. Thereafter as it were, the Congress tries to revive it—like trying to revive a dead body. You cannot pour new life into a body, officially and actually dead for 13 days. Our action, then, our action now is as valueless as pouring water through a sieve. We imagine ourselves doing something firm and effective but we merely wield a paper sword.

Mr. HANCOCK. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. HANCOCK. Did the gentleman oppose the first resolution extending the statute of limitations?

Mr. CELLER. Unfortunately I may have been derelict in my duty, but I was not in the Chamber at the time.

Mr. HANCOCK. This resolution is fully as valid as that one, is it not?

Mr. CELLER. I would say just as invalid. Two wrongs do not make a right. If I was wrong and the gentleman was wrong in voting favorably on that prior resolution, that is no reason for us repeating the error or repeating the mistake.

Mr. HANCOCK. Of course, the gentleman filed a minority report in opposition to this resolution. He did not do that 6 months ago, did he?

Mr. CELLER. I can only repeat what I said a moment ago in answer to the gentleman's inquiry.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Has the gentleman any decision or pronouncement which would show that an accused has a vested right in a statute of limitations, a right which is invaded when it is extended before it lapses?

Mr. CELLER. The answer is "yes." It makes no difference whether the attempt to prolong the life of the statute of limitations occurs after or before or at the time it lapses. It cannot—that is, the statute cannot—be changed after the commission of the crime or after the misconduct charged. In this case the statute had lapsed. It could not be prolonged or set running anew. You cannot, before the accused is tried, tinker in any way with the statute of limitations. Certainly you cannot extend it unilaterally—give it new life—once it expired.

But beyond all this, the argument is somewhat idle because the armed forces have the right to try these two distinguishing gentlemen due to the fact that they of their own accord signed a waiver, waiving the original statute of limitations. General Short signed this waiver on September 20, 1943, and it reads as follows:

> I, Walter C. Short, major general, United States Army, retired, hereby agree on my honor as an officer and a gentleman that I will not plead, nor permit any attorney or other person on my behalf to plead, the statute of limitations in bar of my trial by general court martial in open court for any alleged offenses with which I may be charged relating to the period on or before December 7, 1941, should my trial be held during the present war or within 6 months thereafter.
>
> I take this action voluntarily, believing it to be in the public interest.
>
> WALTER C. SHORT,
> *Major General, United States Army, Retired.*

Admiral Kimmel did likewise and signed a similar waiver. That should be sufficient. Thus the Government can try these men at any time between now and 6 months after the war's end. We should leave it that way. We should leave the time of trial to the armed commands in their discretion, during such time limitation contained in these personal waivers.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Michigan.

Mr. DINGELL. What about others who may be involved? Has the expiration of the statute of limitations nullified any possible action against them?

Mr. CELLER. I must truthfully state I am of the opinion that the statute may have run, and it may be that they cannot be tried. But these men, Kimmel and Short, because of the signing of the waiver, waiving the statute of limitations, may be court-martialed at any time up to 6 months after the end of the war.

Mr. DINGELL. More specifically, assuming that neglect of duty contributed to the catastrophe, could they now be brought to trial?

Mr. CELLER. I have serious doubts about that, except as to Admiral Kimmel and General Short.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Minnesota.

Mr. O'HARA. The statute of limitations, both as to the charges against General Short and Admiral Kimmel, was limited to the time of the arraignment. Does the gentleman know why the charges were not filed and these men arraigned, regardless of what the time of the trial was set.

Mr. CELLER. I do not think that the perilous times involved during the war should make a suitable setting for any trial of this character. We should not at this critical juncture in our affairs deal in any Pearl Harbor fiasco. There is danger. There is danger of impairment of national security.

A while ago I said that there was a Commission authorized by the President to delve into the circumstances attendant upon the dastard Pearl Harbor attack. Justice Owen J. Roberts and his colleagues made a report which was painstaking. It was fair and unbiased. It was erudite. I have it right here before me. I have read it most carefully. It involved 127 witnesses, 1,887 pages of testimony, and a review of 3,000 pages of documents. For the time being, until the war is ended, that Commission's report should satisfy the Nation and the Members of this body. It is not complete, yet it is comprehensive. It is a dignified common-sense report.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CELLER. The report recognizes that the exigencies of the war preclude any embarrassing inquiry until the war's end. It went as far as it could and should go. It said, for example, on page 1, as follows:

> The evidence touches subjects which in the national interest should remain secret.

Any public court martial now, I say would indeed be a sort of grist to Goebbel's mill and would give aid and comfort to Emperor Hirohito.

We are going through an unusual test. It is without precedent. We are fighting a global war on scores of fronts, and in addition we are going through a Presidential campaign. No other country in the world permits itself to be so cut and divided by such a double-edged sword. The country's experience during Lincoln's second campaign and election period is Lilliputian in comparison with what would happen if you would permit this trial to occur during this war. A Short-Kimmel court martial would intensify the passions and furies rampant in the political arena. England has a political truce agreed upon by all parties. We are for political warfare unabated. Some abettors of the pending bill would add prussic acid, I would say, to the daily political fare. Some would seek political advantage through this measure. They would use the court martial as a petard by which to climb to power. They would use the court martial as a bludgeon to strafe Roosevelt and the Secretaries of War and of the Navy.

Certain publications and bitterly partisan commentators, like Arthur Krock, of the New York Times, and George E. Sokolsky, of the New York Sun, are already pulling all stops of their organ of hate. Their evil effusions concerning this attempted court martial would undermine the confidence in the over-all commands of our armed forces. With them and others it seems that anything goes.

We cannot and should not dispute the judgment of the high commands of the Army and the Navy. Admiral King said it would be dangerous to take the men from the battle fronts. We also have the word of the Secretary of War and the late Secretary of the Navy, Mr. Knox. It is the word of Admiral King that says, "Let us not take these men away from their important duties and bring them here or anywhere else as witnesses in this court martial."

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. RAMEY. The gentleman from New York stated that we were in a global war and mentioned the campaign. His floor leader said that that should not be done. The gentleman said we were divided by a double-edged sword. Would not the greatest double-edged sword be the betrayal of the veteran and the father and mother of the veteran, if all the facts would not be known before they have a chance to decide in November? Would not that almost be treason to not let the facts come up? This talk of a double-edged sword is just subtle concealing.

Mr. CELLER. I would not say there was any subtle concealing. Nobody wants to conceal, but this is no time to bring out issues of this character. I know and you know that there are many who would make political capital of all of the facts and factors that would be elucidated by virtue of this court martial. The conduct of the war would be impeded. Be it remembered also, there would eventuate a battle royal as between the Army and Navy as to which branch were responsible. Each would seek to exculpate itself. It might develop into a sorry affair. Let us have it over with as soon as possible, but not until the war's end—when it is safe.

Mr. RAMEY. That is not the answer. It is the betrayal of every mother and father of the veteran that is concealed; that is the point.

Mr. CELLER. I do not agree with the gentleman. I say that with all due respect.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I desire, in this brief time, to call the attention of the House to one matter with respect to the sixth amendment of the Constitution, which was under discussion just a little while ago, and in which one of my distinguished friends, stated that the sixth amendment applied only to civil matters. It is my purpose to clarify that question during my remarks.

For the benefit of the Members I want to read just the opening sentence of the sixth amendment so you may determine for yourselves whether that amendment refers to criminal cases, or to civil cases. This is amendment No. 6. I am reading from the House Rules and Manual, page 79. This is the opening sentence:

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial.

That is the opening language of the sixth amendment.

With respect to this matter, which is now pending, under this resolution the subject came before the Judiciary Committee. We gave it very careful consideration. Each member of that committee gave this resolution very careful consideration. This is a highly important matter. After this resolution had been duly considered it was reported out of the committee favorable for passing.

There are two questions which have been raised with respect to this resolution. The first one is with respect to section 2, which is contained on page 2 of this resolution. Section 1 relates both to the military and to the civil.

The provisions in section 2, as it is now before us for consideration, are that the court martial shall be instituted "on all charges against any person, to whose court martial the extension of time provided for in section 1 hereof relates."

Of course, a court martial cannot be introduced against a civilian. Courts martial relate to those who are in the military and who have military connections. Naturally, section 2 would not apply to those who were entirely in the civilian class. Their cases would necessarily be instituted and tried in the civil or criminal courts.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from New York.

Mr. CELLER. The gentleman read from article VI, but he did not read the entire article. "In all criminal prosecutions the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed."

That assumes a jury trial. When it comes to the Articles of War and a trial is had thereunder, there are no juries, so that amendment 6 could not be applicable to any trial under the Articles of War called court martial.

Article V reads:

> No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia.

There is quite a distinction.

Mr. SPRINGER. The point to which I was referring was not the fact, as the gentleman has stated, that the sixth amendment related to civil matters

entirely. It relates entirely to criminal matters. I merely desire to make that point entirely clear to the Members of the House.

Mr. Chairman, I yield myself 2 additional minutes.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. Under the Articles of War, under "Procedure," the trial judge advocate is to prosecute, implying a criminal prosecution and not a civil prosecution.

Mr. SPRINGER. I think the gentleman is entirely correct. There is no doubt about it. The Articles of War distinctly refer to a criminal prosecution.

Mr. GRAHAM. I am reading the law.

Mr. SPRINGER. All this resolution requires with respect to the time is that the proceedings be filed. There is no provision requiring that a trial be had at any fixed future period. When the proceedings are filed and the defendants are arraigned, then that stops the running of the statute of limitations, because the charge has been instituted.

Mr. JENKINS of Ohio. Mr. Chairman. will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not a fact that section 2 immeasurably strengthens this whole proposition, especially as it applies to those who would have been exempted by reason of the statute of limitations?

Mr. SPRINGER. I think my friend is entirely correct and I am in full accord with the statement he has just made.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In committee, did the gentleman vote for the amendment extending it 1 year?

Mr. SPRINGER. I voted for the amendment extending this resolution for 1 year.

Mr. Chairman, many of those who have spoken upon this bill appear to be making a mountain out of a mole hill. We are not endeavoring to try any case here. If any of those against whom charges will doubtless be preferred are innocent of the charge, they will have their day in court and they will be able to establish their innocence. If any of those against whom charges will doubtless be preferred are guilty, then that fact will be established upon the trial of their case. In the passage of this pending resolution, and it should pass without a dissenting vote, we are merely extending the statute of limitations in such cases in order that the proper charges may be preferred against those accused persons, that they may be duly and properly arraigned, and that they may be duly and legally tried in the future. We will all admit that when the charges are preferred and the accused persons have been arraigned, that suspends the operation of the statute of limitations.

Pearl Harbor will remain quite fresh in the minds of the people for years to come. I do not know whether anyone is guilty of reprehensible conduct either prior to or at the time we were so viciously attacked, but I do know that our boys were killed, our officers were mutilated and destroyed in large numbers, and our ships were sunk; we suffered our greatest catastrophe in war at Pearl Harbor. If any of those in charge were guilty of dereliction of their duty, in either the Army or Navy, they should be tried and punishment commensurate with their offense meted out to them; and if any civilian, or civilians, were likewise guilty of any negligence or dereliction of duty in their conduct either prior to or at the time of the attack upon us at Pearl Harbor, they should be charged and tried in the civil courts. Yes; Pearl Harbor will be long remembered. The fathers and the mothers of those who died there will never forget; and likewise the fathers and mothers of our country, who have sons engaged in this war, will not forget Pearl Harbor. The people will not forget it.

Mr. Chairman, let the facts be brought to light on this tragic affair, and let those who are responsible for the great loss we suffered face the inevitable penalties of the law.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. SPRINGER] has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, I have always had the feeling that when we meet here to legislate we ought to legislate about something that has substance and that means something. The resolution we have before us today does not mean anything and cannot mean anything. It is a nullity.

In the first place, I want to say that I feel, as I am sure every Member of the House does, that anybody who is guilty of any malfeasance or nonfeasance or any wrong in connection with the Pearl Harbor affair ought to be brought to trial as soon as military security permits, and if anybody is found guilty they ought to be given the punishment they deserve. I do not want any officer whitewashed. I do not want any charges dropped or hushed up as the people are entitled to have them fully considered on their merits. But we are in this situation. There is nothing Congress can now do about the situation. Under the law, the statute of limitations ran on any of these matters 2 years from the date of Pearl Harbor, December 7, 1943. If there is any principle of law that is absolutely clear it is that if you are going to extend the statute of limitations you have to do it before it expires. What we are trying to do here is to extend something that has already expired on December 7, 1943.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from California.

Mr. GEARHART. It is quite immaterial whether the statute has run or whether it can be extended, for the simple reason that it is a defendant's affirmative plea, and if the defendant does not raise the question he can be tried at any time. The two famous defendants in this case are demanding trial.

Mr. KEFAUVER. If the defendants are not going to raise the question, and they have agreed not to raise it, then why this legislation? If they do raise it, this legislation does not help the situation any whatsoever, as the gentleman very well knows.

I want to legislate constitutionally. Let us think about what we are doing. Section 7 of article I of the Constitution states:

> Every bill which shall have passed the House of Representatives and the Senate, shall, before it become a law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it—

The situation here is that the statute ran in 2 years from the date the offenses were committed. That would be—assuming the offenses were committed on December 7, 1941—December 7, 1943. A resolution, Public 208, was passed on that day in the Senate but it was not signed by the President until December 20 because the President was out of the country. So we have nothing to extend. Public Law 208 of the Seventy-eighth Congress was of no force and effect when it was signed by the President.

Further, if any dereliction took place, it would not have been on December 7, 1941. The wrongs that were done or the malfeasance or the nonfeasance, if any would certainly have been many, many days before then. So actually, if the President had signed the bill on December 7, 1943, extending the time for the running of the statute for 6 months, it would not have saved any offenses because the wrong or the malfeasance that was committed, if any was committed, would have been committed prior to December 7, 1941. The statute of limitations runs from the time of the doing of the act or from the time of the failure to do an act when one is required to perform it.

We do not want to put ourselves in the position of legislating about something that has no meaning. It does not do Congress any credit to be passing acts that are absolute nullities.

The Secretaries of the Army and Navy fortunately took signed agreements from Admiral Kimmel and General Short, with which you are all familiar, and I will include later in the RECORD the former one of the agreements, in which they pledged themselves as officers and gentlemen not to assert and not to allow their attorneys to assert any statute of limitations until 6 months after the war So, regardless of wha we do here, and what we do here does not make any difference, they are not going to assert the statute of limitations when they come to be tried.

The waiver signed by Admiral Kimmel as published in the papers is as follows:

> I, Husband E. Kimmell, rear admiral, United States Navy, retired, hereby agree on my honor as an officer and a gentleman, that I will not plead nor admit any attorney or other person on my behalf to plead the statute of limitations in bar of my trial by general court martial in open court for any alleged offenses with which I may be charged relating to the period on or before December 7, 1941, should my trial be held during the present war or within 6 months thereafter.

I take this action voluntarily, believing it to be in the public interest.

I understand General Short signed a similar agreement.

On the other point, which is involved in section 2, and I think this is very important, I believe we are setting a very bad precedent when we say to the Commander in Chief and to the Secretary of the Navy and the Secretary of War when they are to do or when they are not to do some act in the conduct of the war.

Those gentlemen and the officers we must rely upon know more about the military situation than we do. As soon as it can be done without interfering with the military security of this country, they will begin court-martial proceedings. They are as anxious to get the matter cleared up as we are. But until they say it can be done without doing damage to our war effort I think we ought to hold our peace.

We do not know whether within 1 year they will be able to call back 11 admirals to conduct a court-martial, whether they will be able to call back 11 or 12 generals of rank superior to General Short, and they must be of superior rank. I think we had better leave decisions like that to the people who are supposed to have and do have superior knowledge of the subject.

I had great respect, as all of us did, for Secretary of the Navy Frank Knox. I think we should consider what Mr. Knox had to say about this matter. Mr. Knox on April 14, 1944—and this must have been one of the last things he wrote—had this to say in a press release:

I would certainly feel derelict in my duty if I took from the fleet and the fighting forces for court-martial proceedings the officers whom Admiral King has placed in those positions.

If General Marshall, Secretary Stimson, Secretary Knox, Secretary Forrestal, and Admiral King do not think it is in the interest of our war effort to try these men now, I do not believe we ought to direct that they be tried, because we might interfere with the successful prosecution of the war in this particular and we would be starting a precedent that might later have a very, very injurious effect upon the success of our fighting forces. Who knows but that if we direct them to do this within 3 months or within 1 year or at any particular time, later on, if we are disappointed with the way the war is going, we might pass a resolution to demand that they open a second front the following week? Those of you who have studied the difficulties President Abraham Lincoln had in the prosecution of the war because of interference by Congress certainly do not want that policy repeated.

Mr. FELLOWS. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Maine.

Mr. FELLOWS. Does the gentleman understand that this resolution directs a trial?

Mr. KEFAUVER. It directs that court-martial proceedings be instituted, and when they are instituted the persons involved have a right to demand immediate trial.

Mr. FELLOWS. They have waived that right, have they not?

Mr. KEFAUVER. They have waived it as far as asserting the statute of limitations is concerned, but when you institute court-martial proceedings, under the rules of law and of court martial they have the right to come in and ask for an immediate trial, a prompt trial.

Mr. FELLOWS. In the gentleman's opinion, could not that be delayed by the court-martial authorities?

Mr. KEFAUVER. If they are not going to be tried after the proceedings are instituted, why institute the proceedings earlier? I do not see anything to be gained.

Mr. FELLOWS. Do these waivers contain a limitation of time?

Mr. KEFAUVER. The waivers expire 6 months after the cessation of hostilities.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Iowa.

Mr. GWYNNE. As I understand, in the ordinary criminal case the defendant is not required to plead the statute of limitations. The prosecutor must prove that the crime occurred during the statutory period. Does that rule apply in a court martial the same as it does in an ordinary criminal case?

Mr. KEFAUVER. I do not know, but if the gentleman will read the waivers, he will find that they are worded in such a way that if these men should back out on their agreement and assert the statute of limitations, they could be court martialed for conduct unbecoming an officer and a gentleman for breaking their word. One would be just as bad as the other. There is, I am certain, absolutely no likelihood of them asserting the statute of limitations in view of the agreements they have signed.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from New York.

Mr. CELLER. Would it not be true in answer to the inquiry of the gentleman that if we pass this resolution we will be guilty of passing an ex post facto act, and that would be true regardless of whether it would have any effect on the statute's running or not running?

Mr. KEFAUVER. There is some argument as to whether you can extend the limitation before it has run, but assuming you can, you certainly cannot extend anything that has already expired. That is fundamental.

Mr. CELLER. If we change the rules in the midst of the game, that is ex post facto in a certain sense, and there are ex post facto proscriptions stated in the Constitution.

Mr. KEFAUVER. What we are trying to do here is pass a nunc pro tunc law.

Mr. CELLER. But I want to say that the ex post facto prohibition of the Constitution applies not only to civil and criminal cases but applies also in a case of a court martial.

Mr. KEFAUVER. Of course. These officials are going to be tried just as soon as military security will permit. I think we ought to let the men in the Army and Navy decide when military security will permit. We ought not to try to make that decision here in the House of Representatives. We have had no hearings on this resolution; we have not given the heads of the Army and Navy an opportunity to explain the damage this direction might do. History shows that when a legislative body starts running a war disaster is sure to follow.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Montana [Mr. MANSFIELD] such time as he may desire.

Mr. MANSFIELD of Montana. Mr. Chairman, the extension of time for 6 months beyond the 2-year statutory period during which Admiral Husband Kimmel and Maj. Gen. Walter Short were to have been tried is almost ended. At this time I want to raise my voice again and state that the disgraceful happenings of December 7, 1941, should be brought out into the open at the earliest possible moment. It is not my purpose to pillory Kimmel and Short who may or may not be guilty of that fiasco but it is my desire that a court martial be held as soon as possible so that the whole shameful story can be told to the American people. I fear that if Congress does not act—and soon—that it will be too late. The passage of time and the circumstances and casualties of war are bound to have a disastrous effect in bringing out the whole truth because memories are short and people die. Furthermore, it is only simple justice to accede to the request of Admiral Kimmel who has said:

I want a trial by court martial at the earliest practicable date. I have wanted it since Pearl Harbor and I have said so in letters to the Secretary of the Navy. I want a free, open, and public trial. * * * For 2½ years I have waited for the Navy Department to bring me to trial. The report of the Roberts Commission does not tell the whole story of Pearl Harbor.

The above statement by Kimmel shows his eagerness to have this matter brought out into the open. Perhaps General Short feels the same way. Why not give them the chance to be heard and to be declared guilty or innocent of the events of that fateful December 7? If guilty, they should be punished; if innocent, their names should be cleared. If any others are implicated—no matter who or where they may be—they likewise should be given their day in court.

In my opinion, the cause goes much deeper than Kimmel and Short, but until a trial is held that can only be conjecture. I am interested in finding out who was responsible for the neglect at Pearl Harbor and my desire is further strengthened when I think of our dead on that fateful day and the damage done to the ships of our Pacific Fleet—sitting like duckpins awaiting their destruction.

On February 26, 1944, the Washington Post carried a story to the effect that

Navy Secretary Frank Knox in "an attempt to be absolutely square" with Kimmel detailed Admiral Thomas C. Hart to hear and record testimony of members of the naval service concerning the greatest defeat in American naval history. The article follows:

NAVY ORDERS TESTIMONY IN KIMMEL CASE

(By James F. King)

In a move described as "an attempt to be absolutely square" with Rear Admiral Husband E. Kimmel, commander of the Pacific Fleet when the Japanese attacked Pearl Harbor, Secretary of the Navy Knox announced yesterday he had detailed Admiral Thomas C. Hart to hear and record testimony of members of the naval service concerning that greatest defeat in American naval history.

Hart, now a member of the Navy's General Board, will go to the stations of the officers who are to be questioned so that their testimony may be given with minimum interference with their present duties, Knox said.

The Secretary said the reason for this action "is that certain naval officers who have personal knowledge of the facts relevant to the Pearl Harbor disaster are now on dangerous assignments, which might render them unavailable for testifying in any proceeding that might be held in the future. * * *

Kimmel and Maj. Gen. Walter C. Short, commander of Army forces in Hawaii at the time of the attack, were relieved of their posts and are now awaiting court martial, charged with "dereliction of duty." Their court martial have been delayed because officials said information of value to the enemy might be revealed if they were tried now. In December legislation was enacted extending until June 7, 1944, the period during which charges must be brought against the two officers.

Presumably, after that date Kimmel and Short can invoke a 2-year statute of limitations against any charges brought. Knox said yesterday, however, that Kimmel had agreed to waive his rights to an early trial and that under the proceedings before Admiral Hart all of Kimmel's rights would be protected.

"Our interest in this," Knox said, "is to see that the whole truth is available when the people concerned are brought up for trial. We thought it wise to have testimony taken by a high officer in whom everyone has confidence, including Admiral Kimmel. That's all there is to it—an attempt to be absolutely square with Admiral Kimmel."

The Navy would not say whether Kimmel would have the opportunity to hear and cross-examine witnesses appearing before Hart. It was presumed, however, that Kimmel himself would appear before Hart and thus make sure that the record would include his side of the story.

Kimmel is now farming and Short is employed by a large manufacturing firm.

On May 10, 1944, I wrote identical letters to Acting Secretary of the Navy Forrestal and War Secretary Stimson, asking what their Departments were planning to do about the situation. Both Forrestal and Stimson, in reply, stated that no trials would be held during the course of the war. If the proposed trial would give publicity to highly confidential matters, I would be agreeable to extending the limitation, but it appears to me that highly confidential matters 2½ years ago would not be of much value today.

Mr. Chairman, I am including at this point in the RECORD a copy of my letter to Secretary Forrestal—an identical one was sent to Secretary Stimson—and their replies:

MAY 10, 1944.

Hon. JAMES V. FORRESTAL,
Acting Secretary of the Navy,
Washington, D. C.

MY DEAR MR. SECRETARY: I am writing to you at this time to find out what the policy of your department will be in the matter of the trial of Admiral Husband Kimmel. As you know, I am extremely interested in this matter and as the resolution passed by Congress extending the statute of limitations for 6 months beyond the 2-year limit up to June 7 is now in operation but will go out of existence shortly unless something is done, I wish to find out what your Department is planning to do in this very important matter.

It is my understanding that investigators have been sent to the various theaters of operation since the resolution was passed for the purpose of acquiring information on which to base a court martial. I would appreciate receiving the opinion of your Department on this matter at your earliest convenience.

Thanking you and with best personal wishes, I am

Sincerely,

MIKE MANSFIELD.

NAVY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, May 16, 1944.

Hon. MIKE MANSFIELD,
House of Representatives,
Washington, D. C.

DEAR MR. MANSFIELD: Replying to your courteous letter of May 10, 1944, inquiring as to the policy of the Navy Department in respect to the trial of Admiral Husband Kimmel, I am enclosing herewith a copy of the statement of the late Secretary Knox, issued on April 14, 1944, a short time prior to his death.

Since it is entirely impractical to consider a court martial of Admiral Kimmel during the war the Department will, of course, adhere to the position taken by Mr. Knox.

I believe that you will agree that it would be impossible to take from the fleet and the fighting front for a court-martial proceeding the officers whom Admiral King has placed in those positions.

Sincerely yours,

JAMES FORRESTAL, *Acting.*

WAR DEPARTMENT,
Washington, D. C., May 18, 1944.

Hon. MIKE MANSFIELD,
House of Representatives,
Washington, D. C.

DEAR MR. MANSFIELD: I have your letter of May 10, 1944, requesting to be advised as to the War Department policy with reference to the trial of Lt. Gen. Walter C. Short for alleged offenses growing out of the Japanese attack on Pearl Harbor. You point out that the statute of limitations, as extended by Congress, will expire June 7, 1944.

The War Department does not take the view that General Short must be tried before June 7 next. Some time ago General Short executed a waiver of the statute of limitations which operates to extend it until the end of the war and 6 months thereafter, and thus permits his trial irrespective of the date set by the act of Congress referred to by you (act of Dec. 20, 1943, Public Law 208, 78th Cong.). I understand a similar waiver was executed by Admiral Kimmel. Under these circumstances, I do not feel that the trial of this case in time of war is necessary. Such a trial would of necessity be very lengthy, would give publicity to highly confidential matters, and would require the attendance of many important Army and Navy officers, who at present are engaged in active operations against the enemy all over the world. For these reasons, I feel that it would not only be against the public interest but it would also be highly detrimental to the successful conduct of the war to bring this case to trial during the period of active operations.

Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

On the basis of factual evidence it does not appear that the attack on Pearl Harbor was made without advance warning. According to Peace and War—United States Foreign Policy 1931–1941 issued by the State Department on July 1, 1943, there appear the following excerpts:

On page 569, Document 182 (Ambassador Grew to Secretary of State, September 12, 1940): "Whatever the intentions of the present Japanese Government may be there cannot be any doubt that the military and other elements in Japan see in the present world situation a 'golden oportunity' to carry their dreams of expansion into effect."

On page 618, Document 196, Grew to Secretary of State, January 27, 1941): "A member of the Embassy was told by my ——— colleague that from many quarters, including a Japanese one, he had heard that a surprise mass attack on Pearl Harbor was planned by the Japanese military forces, in case of 'trouble' between Japan and the United States; that the attack would involve the use of all the Japanese military facilities. My colleague said that he was prompted to pass this on because it had come to him from many sources, although the plan seemed fantastic."

On page 775, Document 245 (Grew to Secretary of State, November 3, 1941): "* * * My purpose is only to ensure against the United States becoming involved in war with Japan because of any possible misconception of Japan's capacity to rush headlong into a suicidal struggle with the United States. While national sanity dictates against such action, Japanese sanity cannot be measured by American standards of logic. We have no need to be overconcerned respecting the bellicose tone and substance at present of the Japanese press (which in the past several years has attacked the United States intensely in recurrent waves), but underestimating Japan's obvious preparations to implement a program in the event the alternative peace program fails, would be short-sighted. Similarly it would be short-sighted for American policy to be based upon the belief that Japanese preparations are no more than saber rattling, merely intended to give moral support to the high-pressure diplomacy of Japan. Japan may resort with dangerous and dramatic suddenness to measures which might make inevitable war with the United States."

On pages 788–789, Document 250 (Grew to Secretary of State, November 17, 1941): "Referring to Embassy's previous telegram No. 1736 of November 3, 3 p. m., final sentence, and emphasizing the need to guard against sudden Japanese naval or military actions in such areas as are not now involved in the Chinese theater of operations. I take into account the probability of the Japanese exploiting every possible tactical advantage, such as surprise and initiative. Accordingly you are advised of not placing the major responsibility in giving prior warning upon the Embassy staff, the naval and military attachés included, since in Japan there is extremely effective control over both primary and secondary military information. We would not expect to obtain any information in advance either from personal Japanese contacts or through the press; the observation of military movements is not possible by the few Americans remaining in the country, concentrated mostly in three cities

(Tokyo, Yokohama, Kobe); and with American and other foreign shipping absent from adjacent waters the Japanese are assured of the ability to send without foreign observation their troop transports in various directions. Japanese troop concentrations were reported recently by American consuls in Manchuria and Formosa, while troop dispositions since last July's general mobilization have, according to all other indications available, been made with a view to enabling the carrying out of new operations on the shortest possible notice either in the Pacific southwest, or in Siberia, or in both.

"We are fully aware that our present most important duty perhaps is to detect any premonitory signs of naval or military operations likely in areas mentioned above and every precaution is being taken to guard against surprise. The Embassy's field of naval or military observation is restricted almost literally to what could be seen with the naked eye, and this is negligible. Therefore, you are advised, from an abundance of caution, to discount as much as possible the likelihood of our ability to give substantial warning."

The above is ample evidence that we had been forewarned. What happened? Why did we fail in our defense of our strongest outpost? How can we know the truth unless we have a more complete answer than the Roberts report? Did only the State Department have prior warnings as to Japan's intentions?

Mr. Chairman, the truth of the matter is that the Army and Navy had foreseen what came to pass many years before Pearl Harbor. The Navy, on Hawaiian maneuvers in 1932, tested the defenses of Oahu exactly as the Japanese were to do almost 10 years later, and the results for the attacking squadron were exactly the same, theoretically, as 10 years later. The Army likewise had prepared for a Japanese invasion as early as 1935.

Mr. Chairman, I want to call to the attention of Congress the fact that the War Department did have, prior to the war, the Hawaiian defense project which, while not perfect, was probably as good as could be devised with the appropriations available. The Japanese attack on Pearl Harbor was no surprise to anyone who was familiar with the defense plan for Oahu. The plan was based on the assumption that the Japanese would do exactly what they did. They could not have followed the pattern more correctly in every detail if they had had our war plan in their possession. The Army, therefore, correctly anticipated the Japanese plan of attack and still was not ready. The plan never at any time envisaged the fleet as being inside Pearl Harbor at a time of tension in the Pacific. It is hard to conceive of any man, and still less two men, with the training, age, and experience of a major general in the Army and an admiral in the Navy, with full knowledge of the situation and with the defense plans in their possession, being so utterly negligent. With this knowledge, it is at least reasonable to suppose that these men acted as they did through direct orders, or at least pressure, from higher authority. The American people are entitled to know what happened at Pearl Harbor and why it happened. The necessity for military secrecy, it would appear, has long since passed.

I feel deeply that under our form of government the truth about Pearl Harbor should be known to the representatives of the people. In any event the affair should not be buried in silence too long because then the truth might never come out. Is it still contrary to the interests of national security for courts martial to go into the causes of the results which are now known to the world? It requires no technical knowledge of war strategy to say that the entire Pacific war was rendered incalculably more difficult by this initial defeat and one wonders at the extent of losses in men, ships, and matériel that would have been saved to us if it had not been for this no doubt avoidable blunder.

Yet we have gone our way asking no questions and calling no one to account. I am not urging an investigation with the superficial object of punishing those people responsible for it. This will do no good now except possibly as a warning. But it does seem to me that a principle is involved in this matter. If our boys are to die in battle for their country, it would seem that they and the folks at home, should be given cause to trust their leaders. The Pearl Harbor incident—until cleared up—makes for distrust, and until it is settled definitely that feeling will remain.

Mr. ROBSION of Kentucky. Mr. Chairman, House Joint Resolution 283, proposes to amend the resolution passed by Congress on December 7, 1943, and signed by the President on December 20, 1943, by extending the time limit for immunity for the period of 1 year, to institute court-martial proceedings against all those whose negligence and dereliction of duty caused the disaster at Pearl Harbor on December 7, 1941. Under the present law and regulations the limitation is 2 years. The resolution of December 7, 1943, extended this limitation for an additional 6 months. The resolution before us gives a further extension of 1 year. It is likely necessary that if any court-martial proceedings are had against the officers and men for the disaster at Pearl Harbor, we must extend the period of time as the present law will expire on June 7, 1944, and neither the President, the War Department, nor Navy Department has shown any disposition to institute these proceedings. In my opinion, this extension should be limited to 3 months instead of 1 year, with the direction set out in section 2 of this resolution for the Secretary of War and the Secretary of the Navy to institute court-martial proceedings against any and all persons responsible for that disaster and to take this action as soon as possible and within 3 months from the date of the approval of this resolution.

Beginning in the early twenties, the Congress has from time to time appropriated large sums of money to construct a great naval and army base at Pearl Harbor and Hickam Field. This Nation has spent more than a billion to make it the most powerful fortress in the Western Hemisphere and surpassed perhaps by only one other great fortress, Gibraltar, which guards the Mediterranean and is the mightiest fortress of the British Empire. Our foreign policy in the Pacific has been based on Pearl Harbor. It was our great western stronghold of defense. It protected our country in the Pacific. Our Pacific Fleet was based on Pearl Harbor and we had an army and a great airfield near Pearl Harbor. Our country felt secure in the Pacific with this great fortress, our fleet, Army and Air Force. Pearl Harbor is most favorably situated for defense. The most modern listening devices were installed. It was provided with plenty of scouting planes. It had a great submarine net that could be stretched across the entrance of Pearl Harbor. It had everything that money and science could provide. We had there 9 of our 17 battleships, also cruisers, and other auxiliary craft.

Early on the morning of December 7, 1941, Japanese planes and bombers, as well as submarines that had traveled thousands of miles, attacked Pearl Harbor. They either destroyed or disabled all of our battleships and many lighter naval vessels. They destroyed a major part of our planes—bombers at Hickam Field near Pearl Harbor. They killed about 900 trained and experienced officers and nearly 3,000 seaman and petty officers. It was the greatest defeat and most humiliating disaster that this Nation has ever suffered.

On account of this disaster we lost naval and air control in the Pacific. The Philippine Islands were captured and so were Wake, Midway, and Guam and this cost the lives of thousands of other American soldiers and sailors and enabled the Japs to take control of these islands, the East Indies, and other groups of islands in the Pacific. No one can estimate the billions that must be spent and the lives that must be lost to regain what we lost at Pearl Harbor. Soon after this attack the President appointed a Commission to investigate the cause and fix the blame for this humiliating defeat and the loss of life and equipment. After a thorough investigation on the ground, Justice Roberts and his Commission reported that it was due to the negligence of those in charge at Pearl Harbor. Two and one-half years have gone by and no court-martial proceedings have been instituted and no one has been punished for this great loss to our country. No charges have been preferred against any one. These Japs could not have traveled thousands of miles and inflicted this stinging blow on our Navy, Air Force, and Army, without the worst sort of carelessness, and negligence on the part of those in control. The Congress, the press, the radio, and the American people have been demanding for 2½ years that those responsible for the deaths of our officers and men, the loss of our ships, our planes, and the loss of our possessions and control in the Pacific be brought to trial, but these demands and appeals have fallen on deaf ears in the White House and in the War and Navy Departments. The only way those guilty can be reached is through court-martial proceedings. The President, the Navy and War Depart-

ments could have at any time and can now institute these court-martial proceedings. They failed and refused to act, and let the 2-year limitation almost run out when Congress on December 7, 1943, approved an extension of 6 months to give them more time to act. That extension is now about to expire and the administration is trying to extend the time for another year instead of 3 months as provided in this bill. Admiral Kimmel and General Short, who were in charge at Pearl Harbor, say they desire a speedy trial and they claim they have been demanding a trial, but no action is taken by the administration.

What are some of the facts that in my opinion is the reason that the administration has not taken any action? Why was this great fleet of ships in Pearl Harbor at the time? To have these ships anchored in the harbor violated the rule of every naval authority of every country of the world. Only a small percentage of battleships, cruisers, and destroyers are anchored in a harbor at any one time. The rule is for them to be out on the open sea, with steam up and ready for action. Why were they in Pearl Harbor? Some persons in Honolulu desired these ships to be brought into the harbor and kept inside of the harbor. Admiral Richardson, who was in charge, refused to do this. He knew that it violated one of the fundamental rules of safety followed by every navy of the world. Because he refused to do this, his command was taken from him, and he was brought to Washington and put behind a desk, and President Roosevelt then passed over 46 other naval officers, and appointed his personal friend, Admiral Kimmel. These 46 other naval officers were senior in experience and grade to Admiral Kimmel. Admiral Kimmel took charge at Pearl Harbor and he ordered this mighty fleet of ours inside of Pearl Harbor, and there our great fleet was on the morning of December 7, 1941, like a lot of ducks on a pond, except they were not steamed up and ready for action. It certainly was a shining mark for the Japs with their bombers. Our bombers and other aircraft were lined up on Hickam Field under General Short, like a covey of birds but not ready for action. These afforded another shining mark for the Japs. There were our ships, our planes and bombers sitting idly by with the submarine net down while the Japs, with their planes and submarines, traveled thousands of miles to destroy our fleet, our planes and murder our officers and men. No such disaster has ever happened to our country or any other country, and now after 2½ years not one of those responsible has been brought to justice. If the President had followed the warnings of Admiral Richardson and continued him in control instead of appointing Admiral Kimmel there would not have been any Pearl Harbor disaster. There would have been no attack. The Japs, of course, knew the careless and negligent manner that was being carried on at Pearl Harbor and Hickam Field.

That is not all, at Honolulu, near Pearl Harbor, our Secret Service men discovered that there were one Jap consul and 250 Jap vice consuls, enjoying diplomatic immunity, going about freely where 40 percent of the population was Japanese nationals. This consul and these vice consuls, of course, had their eyes and ears open. Our F. B. I. agents unearthed a big spy ring at Honolulu. It involved hundreds of Japanese spies. They called on General Short to aid them in arresting this army of Japanese spies but he refused to do it, and then these F. B. I. agents appealed to Washington for aid, but their request was denied. I wonder what the administration will say if court-martial proceeding are had why this request was denied. A blind man can see that the administration does not desire a court martial and general investigation of the disaster at Pearl Harbor. Are they afraid of the facts?

After weeks of delay, authority was given to certain secret agents of the Government to tap the wires between Honolulu and Tokyo. On Friday night December 5, 1941, these Government agents listened in and heard one of these Jap vice consuls hold a 17-minute conversation with a high Jap official in Tokyo. Our Government officials spent that Friday night translating and attempting to decode this conversation. On Saturday morning, December 6, 1941, a copy of this translated, decoded conversation was given to the Chief Intelligence Officer of the Army with instructions for him to deliver it to General Short. He reports that he went to General Short's house about noon on Saturday on December 6, 1941, and General Short was having a party of some sort, and General Short cursed this Intelligence Officer and almost bodily threw him out of the house for bringing that paper to him. Another copy was given to the Chief Intelligence Officer for the Navy at Pearl Harbor to give to Admiral Kimmel. That naval officer, admits, we are informed, that he put it in his pocket, and intended to give it to Admiral Kimmel on Sunday afternoon, December 7, 1941, but the attack came on Sunday morning, December 7. There were many other warnings and some of them were given to the authorities here in Washington, and some of the daily newspapers of Honolulu carried large black headlines that Pearl Harbor would likely be attacked on that week end, but nothing was done to protect our fleet, our bombers and planes, or to prevent the butchery of nearly 4,000 officers and men.

Admiral Kimmel and General Short have executed writings waiving the statute of limitations and they claim they are anxious to have an early and speedy trial. Who is holding up these court-martial proceedings? In our opinion, the President and those in charge of the War and Navy Departments are responsible. Do they want the American people to know the facts? The American people are entitled to know the facts. Two of these boys residing in my congressional district lost their lives there. Their parents and friends want to know the facts. Admiral Kimmel and General Short were relieved of their commands, but were permitted to retire on $6,000 a year each. If Admiral Kimmel and General Short were following the directions and commands of their Commander in Chief, the President, and the War and Navy Departments and are not guilty, they ought to have an opportunity to present the facts and clear their names. If they are guilty they should be punished and deprived of the $6,000 annually. We do know beyond a question of a doubt some person or persons are guilty of almost criminal negligence, if not a greater offense, in permitting this terrible disaster and humiliation to our country.

Court-martial proceedings are provided for in the Army and Navy regulations to punish the guilty and exonerate the innocent and to protect our Army, our Navy, and our country. For nearly 2 years the administration opposed court-martial proceedings on the ground that it would disclose to the enemy what had happened at Pearl Harbor. The Japs on December 7, 1941, knew what they had accomplished. Now it is urged that if we should institute court-martial proceedings it might interfere with the conduct of the war. We have many able admirals and generals retired from active duty who could serve on this court and we might add that hundreds of court-martial proceedings are had daily in our armed forces throughout the world. Young boys are being court-martialed, tried, and convicted and given many years in the penitentiary for neglect of duty and if private soldiers and sailors had been involved in this terrible disaster they no doubt would have been tried and some of them shot soon after it occurred. I don't like this delay and the American people don't like it. Let us find out who and how this greatest of all defeats and greatest of all humiliations came to our country. I shall vote for the 3-month limitation provided in the original bill and for the provision for requiring the Secretary of War and Secretary of the Navy to institute these court-martial proceedings as soon as possible and not later than 3 months from the passage of this act.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Chairman, by my remarks I in no way mean to pass judgment upon the offense or lack of offense on the part of General Short or Admiral Kimmel; it would be intemperate and improper of me to say either that I think they are or are not guilty. That is not the question; the serious question involved in this matter has been the failure to arraign these men prior to the lapse of the 2 years' statute of limitations. In this connection let me call your attention to the limitation of prosecution as affecting the Army, and I think a similar condition exists as to the Navy, namely, section 1510 of title 10 of the United States Code annotated. It provides the following:

> Except for desertion committed in time of war or for mutiny or murder, no person subject to military law shall be liable to be tried or punished by a court martial for any crime or offense committed more than 2 years before the arraignment of such person.

I feel there was nothing under the circumstances that need have prevented the arraignment of the officers of the Army

and the Navy in command at Pearl Harbor. The matter of the trial could be placed at such time as the war emergency or conditions might warrant. So I am not particularly moved by the claim now that due to the fact these witnesses are scattered a trial cannot be had at this time. I do believe it is our responsibility, gravely as I question the efficacy of this act to extend the statute of limitations beyond the 2 years, that it is the only thing, the only possible thing we can do at this time.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I am happy to yield to my friend from Indiana.

Mr. SPRINGER. It is a fact, is it not, that under existing law if the court-martial proceedings have been instituted and the persons arraigned, the trial could be had at any subsequent period without regard to time?

Mr. O'HARA. There is not a particle of question about the correctness of the gentleman's statement, as I understand the law governing this case.

I have talked to enlisted men; I have letters in my office, one of them from a distinguished district judge in my own district bitterly protesting the delay which has taken place in the bringing of these charges against Admiral Kimmel and General Short. Personally, every time I think of Pearl Harbor it leaves me sick at heart; every time I think of Bataan and the Philippines and what happened there I am sick at heart. I think it has been a most unfortunate thing. Whether these men are guilty or not guilty is not the question. The important question, the thing that is unjustifiable to me, is that these men have not been arraigned. To my mind, and I say it humbly, there has not been an argument advanced that justified delay in arraigning these men. I think we owed it to the men and women in the service of this country that this admiral and this general should have been arraigned and the time of trial placed at such time as was convenient.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, last year we enacted into law Public, No. 208, approved December 20, 1943, a joint resolution to suspend for 6 months any law or regulation which would prevent the court martial or prosecution of any person involved in the Pearl Harbor catastrophe of December 7, 1941. That suspension expires by operation of law on day after tomorrow, Wednesday, June 7, and the pending resolution provides for an additional period of suspension.

Opponents of the pending resolution argue that the measure is of very dubious validity. They point out that the Articles of War and the Articles of the Navy provide for a 2-year period of limitations in connection with the prosecution of offenses committed by the military and naval personnel, and, accordingly, the statute of limitations had already run on December 7, 1943, 13 days before the law suspending the limitation was enacted. They thus claim that the resolution of December 20, 1943, and this supplemental resolution are ineffective.

While I have not had opportunity to inquire into legal technicalities, whether the joint resolution is of dubious validity is purely academic. Rear Admiral Husband E. Kimmel and Lt. Gen. Walter C. Short have both signed agreements extending the time of the running of the statute of limitations until 6 months after the war. It is a well-established principle of law that an individual may waive a statute of limitations. Certainly the enactment of this legislation is not prejudicial to the personal rights of the individuals concerned. It is designed to protect the rights and interests of the millions of American people who suffered heavy losses at Pearl Harbor because of negligence or dereliction of duty on the part of persons in authority.

The important part of the pending resolution is section 2, which directs the Secretary of War and the Secretary of the Navy to institute court-martial proceedings. Because of this section the administration has been making every effort to prevent the passage of the resolution. It is quite clear that the administration does not wish to air publicly the real failures that resulted in the Pearl Harbor disaster with our armed forces being taken by surprise.

Mr. Chairman, why is it necessary, after two and a half years, to continue to insist upon keeping the truth about Pearl Harbor a secret? Can it be that the court martial of Admiral Kimmel and General Short will reveal that our military and naval commands were not negligent but rather the negligence was on the part of the civil heads of the Government? • The American people have become very suspicious that "political considerations" and not "military," as the administration would have us believe, is the real reason for the determined delay in the court martial. The administration fears an adverse public reaction to what the court martial would reveal on the manner in which the "affairs of state" were handled prior to the war and, with an election approaching, the administration is determined to keep the true facts about Pearl Harbor hidden. Can that be the real reason for the refusal to try Admiral Kimmel and General Short in spite of appeals for early trial?

Two and a half years have elapsed since Pearl Harbor. The damage done by the Japanese surprise attack has long since been repaired. We are stronger today than we were before the attack. The whole military and naval picture, in both the Atlantic and Pacific, has meanwhile completely changed. We are no longer on the defensive but definitely on the offensive.

In the months immediately following Pearl Harbor it was vitally important that the enemy not learn the extent and nature of the damage. A court martial then would doubtless have given the enemy valuable information and the interests of the Nation necessitated a delay. But that time has long since passed. Indeed, several weeks ago Admiral King publicly released a comprehensive report on our various naval operations and engagements in the war, stating that circumstances have sufficiently changed in the meantime that the information can be made public. There is today no reason whatsoever why the truth about Pearl Harbor cannot be made public except the undisclosed reason that the administration does not want the people to know, at least until after the election, who was really responsible.

Following the Pearl Harbor disaster the public demand for information as to the party or parties responsible for our armed forces being taken by complete surprise was so great that on December 18, 1941, the President appointed the Roberts Commission, which, on January 23, 1942, filed its formal report. I have read and reread that report, as well as the diplomatic documents embodied in the recent publication of the Department of State entitled "Peace and War, United States Foreign Policy, 1931–41," in a conscientious effort to determine the exact circumstances at the time of the Japanese attack and why our forces, if they were really apprised of the situation, were taken by complete surprise. Of course, I do not have all the facts. Nor do I believe the Roberts Commission was given all the facts. It is quite evident that Admiral Kimmel is eminently correct in his recent statement embodied in a letter to Senator FERGUSON, of Michigan, where he says: "The report of the Roberts Commission does not tell the whole story of Pearl Harbor."

At very best the inquiry of the Roberts Commission was cursory. It was certainly not exhaustive, not even painstaking within the limits of the time and material available to the Commission. After a hasty, somewhat hit-and-miss investigation, the Commission "finds" the commanders—General Short and Admiral Kimmel—guilty of "dereliction of duty." Perhaps they were. I shall leave that to the court martial. But, Mr. Chairman, I am reluctantly convinced that in compliance with the administration's urgings to allay the public clamor, the Roberts Commission was more interested in getting out some kind of a report, fixing responsibility of someone, than it was in learning the real facts.

I can give you an illustration of how cursory the Commission's examination of the Pearl Harbor incident was. In the report, under finding of fact XIII, the Commission discusses the aircraft warning system operated by the Army. It points out that the system closed at 7 a. m., Sunday, December 7, and goes on to state the following:

> A noncommissioned officer who had been receiving training requested that he be allowed to remain at one of the stations, and was granted leave so to do. At about 7:02 a. m. he discovered what he thought was a large flight of planes slightly east of north of Oahu, at a distance of about 130 miles. He reported this fact at 7:20 a. m. to a lieutenant of the Army who was at the central information center, having been detailed there to familiarize himself with the operation of the system. This inexperienced lieutenant, having information that certain United States planes might be in the vicinity at the time, assumed that the planes in question were friendly planes, and took no action with respect to them.

The fact is that the detector unit was not being operated by a noncommissioned officer. It was being operated by two privates: George E. Elliott, Jr., of Chicago, and Joseph L. Lockard, of Pennsylvania. Because Private Elliott desired to have more instruction in the operation of the unit, he and Private Lockard had prearranged to remain on the air after the conclusion of a "problem." While Private Lockard expressed a desire to shut down, Private Elliott persuaded him to continue with his instruction concerning the operation of what is known as the "scope." While Private Elliott was rotating the antenna and watching the "scope," with Private Lockard watching over his shoulder, they observed a pulse which showed a large flight of planes at a range of 137 miles. Private Lockard took over the controls and Private Elliott went to the plotting table. After plotting the target range at 132 miles and time 7:02 a. m., Private Elliott suggested that the data be sent to the information center. Private Lockard simply laughed at the suggestion but finally yielded to Private Elliott's persistent urgings by stating: "Well, go ahead and send it in, if you like."

Private Elliott then telephoned the Information Center at around 7:06 a. m. and talked with Pvt. Joseph McDonald who was the aircraft warning switchboard operator advising him of a large flight of planes at 132 miles distant. Private McDonald stated that he didn't know what it was all about and Private Elliott suggested that he contact someone who would know and call back. Several minutes later Private McDonald called and had an officer to speak to Private Lockard which officer advised Private Lockard to forget the whole matter as the planes were friendly.

Private Lockard then suggested to Private Elliott that they shut down the unit, but Private Elliott persuaded him to continue in order to complete the course they had started plotting. The last plot was taken at 7:39 a. m. at a distance of 15 and 25 miles from Oahu.

The pertinent point here is that while Private Lockard was called before the Roberts Commission, it never contacted Private Elliott. Perhaps this may be viewed as a minor matter, but it becomes major if it is kept in mind that we are dealing with a historic event and it is also of major importance in the lives of the individuals.

The incident has an important human side. Private Lockard was made a national hero, promptly promoted to sergeant, and sent to officers' candidate school without examination. No one knows, except those who have access to the Commission's records, what Private Lockard told the Commission. This much is clear: He made himself out to be a "great hero," was lauded and applauded, but the real "hero," to whom the glory belongs, is Private Elliott. He was the one who insisted that they operate the unit. He was the one who first detected the flight. He was the one who insisted that the information be sent to headquarters. And it is quite possible that if he, instead of Private Lockard had talked with the officer at headquarters, the officer would have been persuaded of an unusual development, our planes would have been in the air and our defenses ready at Pearl Harbor.

I suppose there are many such incidents of this character in warfare, where the wrong man is honored or someone rewarded for the work of another. Certainly, where an investigation is made the true facts should come to light, and I present them here simply to show that the Roberts Commission did not by far make anything more than a superficial examination of the facts of the Pearl Harbor catastrophe.

It may, incidentally, be of some interest to know that Private Elliott was ultimately, after many months, made a sergeant and Private Lockard was made a lieutenant. At some future date I may have occasion to develop in detail how this mistake of the Roberts Commission affected the military careers and perhaps the entire lives of these two boys. I frankly would not want to be in Lockard's position of assuming a glory not rightfully mine.

If the Roberts Commission failed to present accurately the facts with respect to the operation of the aircraft warning unit that gave a warning that went unheeded, I cannot but wonder how many other errors of commission and omission it may have made. This is abundantly clear: The Commission was more anxious to file a report in answer to the public demands for information than to get the actual facts and whole story relative to the Pearl Harbor catastrophe. The Commission holds two officers responsible: General Short and Admiral Kimmel. They were in command.

But the question arises in my mind as to how well informed they were with respect to the diplomatic events in our relations with Japan. As we so well know, Congress and the American people were kept in complete ignorance of the diplomatic moves made prior to the war. In fact, we were always assured that by pursuing a recommended step we would avoid war, and it is undeniable that Congress adopted several measures proposed by the administration on that premise. Having the opportunity now to read the diplomatic papers, the exchange of notes, conferences, and conversations, those in charge of the conduct of our foreign affairs saw we were becoming enmeshed in the throes of war.

The Roberts report does not give the details of the messages sent the commanders, but from such information as is given in the report it appears that the messages from Washington to the commanders emphasized the necessity of protective action against possible sabotage and all espionage. I doubt if they were any more informed than we that our relations with Japan had reached the crisis point. We now know from the recently published diplomatic papers that on August 17, 1941, the President handed the Japanese Ambassador a document which has the statement that the Government of the United States "finds it necessary to say to the Government of Japan that if the Japanese Government takes any further steps in pursuance of a policy or program of military domination by force or threat of force of neighboring countries, the Government of the United States will be compelled to take immediately any and all steps which it may deem necessary toward safeguarding the legitimate rights and interests of the United States and American nations and toward insuring the safety and security of the United States." The language is in the nature of an ultimatum, issued after conversations with British officials, and it is hardly possible that any responsible military or naval commander, if he had knowledge of this diplomatic development, would do anything else than put his forces in readiness for sudden attack.

If our commanders were not fully advised of the course of diplomatic events, it follows that they cannot be held fully responsible for being taken by surprise but rather the responsibility for the Pearl Harbor disaster rests basically on the heads of the Government at Washington who failed to give adequate warnings to the officers in the Pacific. I am convinced, Mr. Chairman, that the whole story about Pearl Harbor has not been told, and it is in the public interest, as well as only fair and just to the dismissed officers, to have an open court martial at the earliest practical date. Military security does not now necessitate secrecy concerning Pearl Harbor. That time has passed. The pending resolution has great merit, and I hope it will have overwhelming support.

Mr. BREHM. Can the gentleman tell us why the ultimatum was ever delivered to Japan and the information not conveyed to our armed forces?

Mr. CHURCH. Let me say to the distinguished gentleman from Ohio that is one of the principal reasons for the necessity for an early and complete investigation.

Mr. SPRINGER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, from the time when our forefathers fought the Indians and were in turn sometimes scalped, sometimes killed and sometimes tortured by them, our people have always had an admiration for and confidence in our fighting men. There has never been a time when the American people did not believe that their sons, brothers, husbands, and fathers were the best fighting men, possessed of the greatest courage of any soldier or sailor in the world, of any man, who ever took part in battle. That is true today.

Today our people are convinced that the men we send to war are not excelled by any fighting man anywhere in courage, resourcefulness, fighting ability, or determination to win.

Those directing the course of the war, those commanding our fighting men, should so conduct themselves as to merit a like faith and confidence. They will not merit, they will not be accorded, that confidence, if deception or evasion keeps from them the facts of this war, and it matters not at all how unpleasant or disagreeable or what suffering the knowledge may bring to them; they will carry through.

Our people did not want this war, there is no question about that. Throughout the country there is today no enthusiasm for this war but today, as always, having once put our hand to the plow, our people are not disposed to and will not turn back until the war has been won. Nevertheless, because there is lack of confidence in some members of this administration, our people are not in all things enthusiastically supporting the war effort. They are supporting it determinedly, they are doing it consistently and they will continue to do so because it is now their job and because their loved ones are in the battle. But they are not buying bonds with the spirit and willingness they should. There are some other things they are not doing with the singlemindedness they should show. Some of the workers in the factories are not bending every effort toward production. Some industrialists and some merchants still have the distracting idea of a profit before their eyes and in their minds.

A war which is popular and a war in which the people have their hearts as well as their fighting men, would not require an advertising campaign to sell bonds; yet we hear day after day that shortly there will be a bill before the House requiring an appropriation of millions of dollars to purchase space in publications in order to induce the people to buy bonds to get the money which we know the administration or the Government must have if the fighting forces are to be properly supported.

What is wrong? Why is it that people do not buy bonds enthusiastically? It is because there is a lack of confidence in the administration. There has been altogether too much playing at war. There have been too many purely political issues raised from time to time, each distracting and leading to confusion and disunity.

There has been a lack of confidence because of various policies followed by the politicians inside the administration. One of the things which has created suspicion, justly, or unjustly, no matter how—it is there—in the minds of the people has been the fact that they have never been able to learn what happened to our fighting men at Pearl Harbor.

They are satisfied that the men who fight, the privates in the ranks, those who do the actual fighting, were not at fault. You never will be able to make our people believe, no one will ever be able to make our people believe, that the Pearl Harbor catastrophe was caused by a lack of courage or because of a lack of willingness to make the supreme sacrifice on the part of those who were called upon to meet the shock of that assault, nor will our people believe the loss was due to lack of equipment or of ammunition or arms.

Our people believe that that calamity was caused by some neglect on the part of someone higher up and they want to know whether it was those two men who were relieved of command, someone subordinate to them or whether the disaster is chargeable to the Commander in Chief, to the State Department, or someone in between.

In no war we have ever fought have our people for one instant ever faltered. Never have they been dismayed by any disaster. Never have individuals at the battle front or here at home turned back because of losses sustained in battle.

If men can fight and suffer and die, if men can face being blown to pieces, burned to death, drowned, starved, or dying of wounds on the battle front because of lack of medicinal supplies or surgical attention, surely our people here at home can make the minor sacrifices, endure the lesser suffering, which comes with the loss in battle of their loved ones.

All our people have ever asked of any administration during any war is that they be told the truth as to the losses which have been sustained, of the task remaining to be performed, of the faults, of the lack of ability, of the mistakes of those in command, so that the errors, whatever they may be, may be corrected, the losses repaired, the danger overcome.

There is no longer any excuse for postponing the giving to our people by a public trial of the facts connected with the Pearl Harbor disaster. Continued delay will but result in the loss through death or the passage of time of some of the evidence which might reveal the truth. Delay but covers up the mistakes, it may be of someone who may still be in high command, whose continued mistakes may result in the death of other men.

Our people have the right, as this war goes on, to know the truth. If the fault lies with someone still in authority, the desire of that individual or of those individuals to continue in command is no reason why they should not be exposed, further mistakes prevented by their removal from positions of trust and of authority.

Something has been said to the effect that it is unfair, unjust, to the two individuals most frequently mentioned to longer deny to them a public trial, where their side of the story may be heard. All that is quite true. But, as members of the armed forces, I am sure they would not complain if that sacrifice was required of them. That, and their reputations, and the humiliation which might come to the members of their families or their descendants could be numbered as other and additional casualties of the war.

To me it is evident that the two men whose names have been linked to this disaster have been quite willing to bear with the disgrace they have suffered, because of the delay. But there is the greater question of restoring the confidence of our people in the high command. That can be done only when the truth has been told, when the facts are laid before the people and those responsible are removed from positions where further loss might result from future mistakes.

In justice to the American people, let us have a speedy public trial.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SUMNERS of Texas. We want to conclude general debate. I understand in order to do that a request has to be made that the bill be read for amendment?

The CHAIRMAN. That is correct.

Mr. MARTIN of Massachusetts. The first paragraph?

Mr. SUMNERS of Texas. Yes.

Mr. MARTIN of Massachusetts. There will be no effort made to adopt amendments?

Mr. SUMNERS of Texas. No. Mr. Chairman, I ask that the bill be read for amendment.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Resolved, etc., That (1) effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations, affecting the possible prosecution of any person or persons, military or civil, connected with Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, that operate to prevent the court martial or prosecution of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, are hereby extended for a further period of 3 months, in addition to the extension provided for in Public Law 208, Seventy-eighth Congress.

(2) The Secretary of War and the Secretary of the Navy are severally directed to institute court-martial proceedings on all charges against any person, to whose court martial the extension of time provided for in section (1) hereof relates, as soon as possible, and in no event later than the period of extension provided for in section (1) hereof.

Mr. SUMNERS of Texas. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BARDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the resolution (H. J. Res. 283) to extend the time limit for immunity, had come to no resolution thereon.

MINORITY REPORT

Mr. KILBURN. Mr. Speaker, I ask unanimous consent that I may be permitted to file a minority report from the Civil Service Committee and that it be printed along with the majority report, permission for which was asked earlier in the day.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KILBURN]?

There was no objection.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. SHORT] may be permitted to extend the remarks

he made in the Committee of the Whole today and to include therein editorials and articles from newspapers.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. KEFAUVER] may have permission to revise and extend the remarks he made in the Committee of the Whole this afternoon, also a separate request that the same gentleman may be permitted to extend his own remarks in the RECORD and to include therein a table.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on tomorrow at 11 o'clock a. m.

The SPEAKER. Is there objection to to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

EXTENSION OF REMARKS

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to insert in the RECORD a statement I released to the press this afternoon concerning certain publications and radio comments.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. KLEBERG]?

There was no objection.

CONSTRUCTION OF BRIDGE ACROSS MONONGAHELA RIVER, PA.

Mr. WEISS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4206) to authorize the construction and operation of a bridge across the Monongahela River in the county of Allegheny, Pa., which was on the Consent Calendar today and passed over without prejudice.

The Clerk read the title of the bill.

The SPEAKER. The Chair understands that the gentleman from Pennsylvania has consulted with the gentlemen who are objectors, or those who objected to the bill and that they have withdrawn their objections; is that correct?

Mr. WEISS. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WEISS]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the county of Allegheny, Pa., its successors and assigns, is hereby authorized to construct, maintain, and operate a bridge and approaches thereto at any or all of the following points within the county of Allegheny, Pa.:

With the following committee amendment:

Page 1, line 7, after the word "a", insert "free highway."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the construction and operation of a free highway bridge across the Monongahela River in the county of Allegheny, Pa."

CONSTRUCTION OF BRIDGE ACROSS THE MONONGAHELA RIVER, PA.

Mr. WEISS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4207 to authorize the construction and operation of a bridge across the Monongahela River in the county of Allegheny, Pa., which was on the Consent Calendar today and passed over without prejudice.

The Clerk read the title of the bill.

The SPEAKER. The Chair understands the same arrangement has been made with reference to this bill by the gentleman from Pennsylvania?

Mr. WEISS. That is correct.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the county of Allegheny, Pa., its successors and assigns, is hereby authorized to construct, maintain, and operate a bridge and approaches thereto at any or all of the following points within the county of Allegheny, Pa.:

(a) Across the Monongahela River, at a point suitable to the interests of navigation, from the borough of Rankin, Pa., to the borough of Whitaker, Pa., to replace the existing Rankin Bridge, all in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. Construction of the bridge authorized by this act shall commence within 3 years after its approval by the President of the United States, and shall be completed within 5 years from the time of the said approval.

SEC. 3. In the event that the United States War Department, Corps of Engineers, has previously held hearings and approved plans and permit issued thereon by the Secretary of War for the aforesaid bridge, under the terms of an act of Congress authorizing construction of the said bridge, Public Act No. 210 of the Seventy-sixth Congress, the Secretary of War is authorized by this section to issue a permit for the construction of the said bridge according to the plans previously approved by the United States Department of War, Corps of Engineers.

SEC. 4. The right to alter, amend, or repeal this act is expressly reserved.

With the following committee amendment:

Page 1, line 7, after the word "a", insert "free highway."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the construction and operation of a free highway bridge across the Monongahela River in the county of Allegheny, Pa."

RESOLUTION FOR THE CONSIDERATION OF H. R. 4941

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. SABATH] may have until midnight tonight to file a privileged resolution for the consideration of H. R. 4941.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. RAMSPECK]?

There was no objection.

EXTENSION OF REMARKS

Mr. CARSON of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article entitled "A Plea for the Faith of Our Fathers."

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. CARSON]?

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution and a table.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. O'KONSKI]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LARCADE, for 2 days, on account of official business.

To Mr. LEWIS (at the request of Mr. McGREGOR), for 10 days, on account of illness.

To Mr. STARNES of Alabama (at the request of Mr. SPARKMAN), for today and the next 2 days, on account of illness in family.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1941. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended.

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2085. An act to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indiana; and

H. R. 3054. An act to amend the Expediting Act.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 1 minute p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 6, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, June 6, 1944, to begin public hearings on bills extending the Civilian Pilot Training Act.

SELECT COMMITTEE TO INVESTIGATE MONTGOMERY WARD & CO. SEIZURE

The Select Committee to Investigate the seizure of Montgomery Ward & Co. will hold a public hearing Tuesday, June 6, 1944, at 10 o'clock a. m. in the Ways and Means Committee hearing room, New House Office Building. Mr. Sewell Avery, chairman of the board of directors of Montgomery Ward & Co., will be a witness.

COMMITTEE ON PATENTS

The House Committee on Patents will meet at 10:30 a. m., Wednesday, June 7, 1944, in Committee Room, 416 House Office Building, to consider H. R. 3762.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold hearings on Thursday, June 8, 1944, at 10 o'clock a. m., in the committee room, 247 House Office Building, on H. R. 919 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1611. A letter from the Acting Secretary of the Interior, transmitting pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; one copy each of various legislation passed by the Municipal Council of St. Thomas and St. John; to the Committee on Insular Affairs.

1612. A letter from the Administrator, Federal Security Agency, transmitting Consolidated Form No. 3257, Report of Federal Civilian Employment, for the Federal Security Agency for the month of April 1944; to the Committee on the Civil Service.

1613. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 157 individuals whose deportation has been suspended for more than 6 months under the authority vested in him, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROBINSON of Utah: Committee on Roads. H. R. 4915. A bill to amend and supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize appropriations for the post-war construction of highways and bridges, to eliminate hazards at railroad grade crossings, to provide for the immediate preparation of plans and acquisition of rights-of-way, and for other purposes; without amendment (Rept. No. 1597). Referred to the Committee of the Whole House on the state of the Union.

Mr. JARMAN: Committee on Printing. House Resolution 561. Resolution authorizing that the report from the Chief of Engineers, United States Army, dated August 27, 1941, submitting surveys and studies of the Hungry Horse Dam, Mont., and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document; without amendment (Rept. No. 1594). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Resolution 562. Resolution authorizing that the report from the Chief of Engineers, United States Army, dated January 31, 1941, submitting surveys and studies of Youghiogheny River, Pa. and Md., and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document; without amendment (Rept. No. 1595). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Resolution 560. Resolution authorizing that the report from the Chief of Engineers, United States Army, dated October 15, 1941, submitting surveys and studies of the Cheat River and tributaries, West Virginia, and subsequent correspondence in relation thereto, be printed, with illustrations, as a House document; without amendment (Rept. No. 1596). Referred to the House Calendar.

Mr. RAMSPECK: Committee on the Civil Service. Interim report pursuant to House Resolution 16. Resolution authorizing the Committee on the Civil Service to investigate various activities in the departments and agencies of the Government (Rept. No. 1600). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 582. Resolution providing for the consideration of H. R. 4941 to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes; without amendment (Rept. No. 1601). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURCH of Virginia:

H. R. 4949. A bill to amend the Second War Powers Act of 1942; to the Committee on the Post Office and Post Roads.

By Mr. SUMNERS of Texas:

H. R. 4950. A bill extending the provisions of Public Law No. 47, Seventy-seventh Congress, as amended, to reemployment committeemen of the Selective Service System; to the Committee on the Judiciary.

By Mr. VINSON of Georgia:

H. R. 4951. A bill to amend section 1442, Revised Statutes, relating to furlough of officers by the Secretary of the Navy; to the Committee on Naval Affairs.

By Mr. PETERSON of Florida:

H. R. 4952. A bill to allow credit in connection with certain homestead entries for military or naval service, and certain other services, rendered during the present war; to the Committee on the Public Lands.

By Mr. RANDOLPH:

H. J. Res. 289. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1945, and for other purposes; to the Committee on the District of Columbia.

H. J. Res. 290. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1945; to the Committee on the District of Columbia.

H. J. Res. 291. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops in the inaugural ceremonies; to the Committee on Public Buildings and Grounds.

By Mr. REED of New York:

H. Con. Res. 90. Concurrent resolution authorizing the printing of the manuscript containing an analysis of questions and answers on the Individual Income Tax Act of 1944 as a House document and providing for the printing of additional copies thereof for the use of the House document room; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to include Lake Pontchartrain within the flood-control program of the United States; to the Committee on Flood Control.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 4953. A bill for the relief of Angelina Bourbeau; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 4954. A bill for the relief of Pedro Garcia Casanova or Melquiades Rojas; to the Committee on Immigration and Naturalization.

By Mr. McGEHEE:

H. R. 4955. A bill for the relief of Sigurdur Jonsson and Thorolina Thordardottir; to the Committee on Claims.

By Mr. PAGÁN:

H. R. 4956. A bill for the relief of the minor children of the late Demetrio Caquias; to the Committee on Claims.

By Mr. SLAUGHTER:

H. R. 4957. A bill for the relief of Florence J. Sypert, administratrix of the estate of Leona Connor Childers; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5790. By Mr. ANDREWS of New York: Resolution adopted by the Forest District Civic Association of Buffalo, N. Y., protesting against the enactment of legislation for the development of the St. Lawrence seaway project; to the Committee on Interstate and Foreign Commerce.

5791. By Mr. HALE: Petition of barbers and beauticians of Rumford, Maine, protesting against the placing of barber shops and beauty shops under the Price Control Act, as both are personal-service trades; to the Committee on Banking and Currency.

5792. By Mrs. SMITH of Maine: Petition of barbers and beauticians, of Augusta, Maine, protesting the proposal to place barber and beauty service under price-control law; to the Committee on Banking and Currency.

5793. Also, resolution adopted by the members of Loggia Cristoforo Colombo, No. 880, of the Order of the Sons of Italy in America, expressing gratefulness for the introduction of Resolution 50, proposing that the people of Italy be welcomed into the family of liberated nations; to the Committee on Foreign Affairs.

5794. By Mr. THOMAS of New Jersey: Petition of City Council of Garfield, N. J., in support of Senator HAWKES' bill, S. 1737; to the Committee on Ways and Means.

5795. Also, petition of the borough of Allendale, N. J., and the township of Saddle River, N. J., urging support of Senator HAWKES' bill, S. 1737; to the Committee on Ways and Means.

5796. By the SPEAKER: Petition of the Chamber of Commerce of the State of New York, petitioning consideration of their resolution with reference to amending the rent-control provisions of the Emergency Price Control Act; to the Committee on Banking and Currency.

5797. Also, petition of the Illinois State and Cook County boards of the Ancient Order of Hibernians and ladies' auxiliary, petitioning consideration of their resolution with reference to the strained relations between the United States Government and the Government of Eire; to the Committee on Foreign Affairs.

SENATE

TUESDAY, JUNE 6, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, in whose hands are the souls of men, we would make this long-awaited day of battle, which will live in the memory of the ages, a day of prayer for ourselves and for our embattled sons: O Thou who hearest prayer and to whose ear have come the sobs and sighs of coerced multitudes, "How long, O Lord, how long?" through the dedicated arms and the offered lives of our valiant warriors, vouchsafe to answer that petition today and in the days to come. Make bare Thy mighty arm of deliverance and save Thy people.

Grant that on this D-day of liberation weapons of freedom, forged in fires of faith, may pierce the shields of pagan steel and that the cruel invaders' walls, reared in treachery and tyranny and oppression, may crumble and fall at the blast of Allied might. Through us, unworthy though we are to be the servants of Thy mercy and Thy justice, may there be loosed the fateful lightning of Thy terrible, swift sword.

Upon our dear boys in this fearful baptism of fire, of whom we think today with special tenderness, lifting them up on the wings of our intercession as knights of Thy righteous will, and upon the hosts of oppressed now at last to emerge from dark dungeons of thraldom, pour Thy enabling grace as together they strike the blow on that fair and storied land where the grapes of wrath are stored.

We pray today, this day of days, for our enemies whose calloused hearts and warped minds and poisoned conceptions have brought woe and sorrow to the world. Forgive them; they know not what they do. Bring them, too, at last, with purged spirits, into the united family of nations.

And on this day, to be remembered from generation to generation, may all the preparation of these toiling years which comes to a fiery focus in this supreme hour of human destiny bring to fulfillment the ancient prophecy to tyrants of old, "Your covenant with death shall be annulled. Your agreement with hell shall not stand. Your refuge of lies shall be swept away. When the overflowing scourge shall pass through you shall be trodden down by it. The mouth of the Lord hath spoken it." Amen.

The CHAPLAIN. It has been suggested that we stand in a moment of silence and then that we repeat together the Twenty-third Psalm.

After a moment of silence, the Twenty-third Psalm was recited by the Chaplain and the Members of the Senate, as follows:

The Lord is my shepherd; I shall not want.

He maketh me to lie down in green pastures: He leadeth me beside the still waters.

He restoreth my soul: He leadeth me in the paths of righteousness for His name's sake.

Yea, though I walk through the valley of the shadow of death, I will fear no evil: for Thou art with me; Thy rod and Thy staff they comfort me.

Thou preparest a table before me in the presence of mine enemies: Thou anointest my head with oil; my cup runneth over.

Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord for ever.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 5, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. JACKSON). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Pepper
Ball	Gerry	Radcliffe
Bankhead	Gillette	Reed
Barkley	Green	Revercomb
Bilbo	Gurney	Reynolds
Brewster	Hatch	Robertson
Bridges	Hawkes	Russell
Brooks	Hayden	Shipstead
Buck	Hill	Stewart
Burton	Holman	Taft
Bushfield	Jackson	Thomas, Idaho
Butler	Johnson, Colo.	Thomas, Okla.
Byrd	La Follette	Truman
Capper	Lucas	Tunnell
Caraway	McClellan	Tydings
Chandler	McFarland	Vandenberg
Chavez	McKellar	Wagner
Clark, Mo.	Maloney	Wallgren
Connally	Maybank	Walsh, Mass.
Cordon	Mead	Walsh, N. J.
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Nye	Wiley
Ellender	O'Daniel	Willis
Ferguson	Overton	Wilson

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Montana [Mr. MURRAY], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senator from California [Mr. DOWNEY] and the Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Vermont [Mr. AUSTIN], the Senator from North Dakota [Mr. LANGER], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Massachusetts [Mr. WEEKS].

The ACTING PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

THE ALLIED INVASION OF THE CONTINENT OF EUROPE

Mr. BARKLEY. Mr. President, I am sure that the Senate, the country, and the world, are thrilled today over the news of the invasion of the continent of Europe by the Allied forces. There are available no great details as to the hour by hour progress of our troops, but at practically 2 o'clock this morning, our time, or shortly after daylight in Europe, Allied troops made a landing on the shores of Europe. Movement is now in progress, by water and air, in support of the landing troops. There is no detailed information now in possession of the War Department as to what has happened in the last 2 or 3 hours. They expect news momentarily as to the extent and progress of the invasion.

Our men and women, our forces, have been poised for this stroke, and have been made ready, as we hope and believe, to the last man, the last tank, the last airplane, the last round of ammunition, for this event, the most important, in all likelihood, in the war, and it may turn

out to be the most important event in any war in the history of humanity.

I am sure I speak the sentiments of the Senate when I say that we all recognize the solemnity of this hour, the great, tragic importance of the events which are now in our minds and hearts, and that all we need to do, and all we probably should do now, or can do, is to pray fervently and devoutly for the success of our troops and those of our allies, from whatever direction they may be moving forward to the speedy conquest of our enemies.

I regret that it is impossible at this hour to give more details as to the movements, but I am sure the Senate and all our people will understand that that cannot be done, because, in the first place, any information that is given out should be accurate to the last degree, and in the next place no information should be given out, or any guesses hazarded, which might in any way aid our enemies in this crucial hour.

Mr. WHITE. Mr. President, I think it altogether appropriate that the distinguished majority leader should have said at this time the things he has said, for I take it this is one of the momentous days in the world's history. This day is shadowed by the possibilities of disaster, but in it there is the substantial promise of glorious ending. Wherever the men and women of this Nation, and indeed of all the Americas, may be, they fight, they work, and they pray for ultimate victory, justice, and peace, and for all the blessings that inhere in these ends.

Mr. President, I think we must have, I think we do have, an abiding faith that in His appointed time God will bring to us victory; that right, through His aid, will triumph over all the forces of evil which now threaten mankind.

Mr. CONNALLY. Mr. President, I congratulate the majority and the minority leaders for their very appropriate remarks respecting the military operations in France.

As chairman of the Committee on Foreign Relations, which has some responsibility with respect to what we hope will be the establishment of a peace organization after this terrible war, I feel it is appropriate that I say just a word.

Mr. President, our gallant armies are on the march to Berlin. Magnificent preparation preceded the landing of our troops in France. General Eisenhower has displayed great ability and skill. Our troops and those of our allies are brave, daring, and splendidly trained.

God grant that this is the beginning of the end. Destiny is calling Adolf Hitler, calling him to the bar of judgment with his wicked designs and his bloody hands. He first drew the sword. Let him perish by the sword.

Mr. REYNOLDS. Mr. President, as chairman of the Committee on Military Affairs of the United States Senate I have listened with a great deal of interest and inspiration to the eloquent words which have fallen from the lips of my distinguished colleagues. It is indeed, as the minority leader stated a moment ago, appropriate that on this momentous day we should give expression to our thoughts relative to that which is taking place at this very hour on the shores of continental Europe.

I personally wish to take advantage of the opportunity to extend congratulations to our courageous troops in Italy who have been most successful within the past several days, and to extend congratulations not only to that gallant leader, General Clark, but to those men, the foot soldiers, the artillerymen, and others who are due acclaim for the marvelous work they have done in proceeding northward in Italy to wipe out the deadly enemies of America and its Allies.

Mr. President, we of America have shown that we have implicit confidence in our military leaders. We all know now that General Marshall, and General Somervell, and General Arnold, and General Ulio, and every single man associated with them in this country, have done a marvelous work in preparing for this hour and in caring for and training our men who are willing to give, and who are now giving, their lives to save the world for the people who are humane, and who are proceeding against our dastardly enemies who have wrecked and ruined the lives of millions of innocent people throughout the entire world.

Mr. President, at this hour it is my profound prayer here in the Senate that so far as possible our men will be spared, that the number lost and maimed and blinded and wrecked will be the minimum that we might expect in a war of desperation of this sort when we are fighting to save humanity itself.

My heart at this hour goes out in sympathy to the fathers and the mothers who have sons and daughters who now are waging battle for America and the world. But we all know, Senators, that the mothers and fathers of America are courageous and brave mothers and fathers, and they are at this moment the courageous men and women of America who, while they know their sons and daughters are in peril, are willing to give them in blood and in death in order to save the world for humanity.

Mr. RADCLIFFE. Mr. President, my statement will be brief. Very eloquent, and certainly most deserved tributes have been paid to the notable accomplishments of the Army, the Navy, and other branches of our Government in connection with the stirring events of today. The chairman of the Commerce Committee, the very distinguished and efficient senior Senator from North Carolina [Mr. BAILEY] is not in the Chamber. We know that he has supervision in that committee over many matters, including those in the Senate pertaining to the merchant marine. For several years legislation regarding the merchant marine has been referred to me, usually as chairman of the subcommittee of the merchant marine. I am eager to take advantage of this opportunity to refer to the fact, which I am sure is very well known, that in the preparations for this invasion and in regard to very many of the important activities of the pending war, the merchant marine has taken a large part. Its role has been an indispensable one. Never before has it been so imperative that our ships sail all the oceans, keeping channels of water communication open at all times. I should like on this occasion to pay tribute to what our merchant marine has done so patriotically and so efficiently. Historians of this war will regard the contribution of our merchant marine as one of paramount importance.

PRAYER OF THE PRESIDENT FOR OUR ARMED FORCES

Mr. WALSH of Massachusetts. Mr. President, the majority and minority leaders have so adequately expressed the sentiment of all of us that it has seemed unnecessary for me to add anything to the sentiments which they so feelingly expressed. However, I believe it would be appropriate to read to the Senate a very touching prayer which was released to the press today by the President of the United States. It has been read in the House of Representatives, and it seems to me that it is most appropriate to have it read here. With the permission of the Senate I shall proceed to read it:

My Fellow Americans:

In this poignant hour, I ask you to join me in prayer:

Almighty God: Our sons, pride of our Nation, this day have set upon a mighty endeavor, a struggle to preserve our Republic, our religion, and our civilization, and to set free a suffering humanity.

Lead them straight and true; give strength to their arms, stoutness to their hearts, steadfastness to their faith.

They will need Thy blessings. Their road will be long and hard. The enemy is strong. He may hurl back our forces. Success may not come with rushing speed, but we shall return again and again; and we know that by Thy grace, and by the righteousness of our cause, our sons will triumph.

They will be sore tried, by night and by day, without rest—till the victory is won. The darkness will be rent by noise and flame. Men's souls will be shaken with the violences of war.

These are men lately drawn from the ways of peace. They fight not for the lust of conquest. They fight to end conquest. They fight to liberate. They fight to let justice arise, and tolerance and good will among all Thy people They yearn but for the end of battle, for their return to the haven of home.

Some will never return. Embrace these, Father, and receive them, Thy heroic servants, into Thy kingdom.

And for us at home—fathers, mothers, children, wives, sisters, and brothers of brave men overseas—whose thoughts and prayers are ever with them—help us, Almighty God, to rededicate ourselves in renewed faith in Thee in this hour of great sacrifice.

Many people have urged that I call the Nation into a single day of special prayer. But because the road is long and the desire is great, I ask that our people devote themselves in continuance of prayer. As we rise to each new day, and again when each day is spent, let words of prayer be on our lips, invoking Thy help to our efforts.

Give us strength, too—strength in our daily tasks, to redouble the contributions

we make in the physical and material support of our armed forces.

And let our hearts be stout, to wait out the long travail, to bear sorrows that may come, to impart our courage unto our sons wheresoever they may be.

And, O Lord, give us faith. Give us faith in Thee; faith in our sons; faith in each other; faith in our united crusade. Let not the keenness of our spirit ever be dulled. Let not the impacts of temporary events, of temporal matters of but fleeting moment—let not these deter us in our unconquerable purpose.

With Thy blessing, we shall prevail over the unholy forces of our enemy. Help us to conquer the apostles of greed and racial arrogancies. Lead us to the saving of our country, and with our sister nations into a world unity that will spell a sure peace—a peace invulnerable to the schemings of unworthy men. And a peace that will let all men live in freedom, reaping the just rewards of their honest toil.

Thy will be done, Almighty God.

Amen.

I am sure to these inspiring sentiments we all can say, "Amen, amen, amen."

Mr. President, it is gratifying to learn that our Navy has participated in the epoch-making events of this long-looked-for day. As chairman of the Naval Affairs Committee of the Senate, I take this occasion to say to every man in the Navy, wherever his post of duty may be, however small or large his naval craft may be, and whether he be in the air or on the seas, that Americans are proud of their Navy, and have the utmost confidence that its record will be a repetition of the glorious successes associated with its past triumphs in every conflict in our history in which it has participated. Yes, officers and enlisted men, we are proud of you, and we wish all of you Godspeed, and may the God of Nations, that has never failed America in all her crises, be with our heroes during these eventful days.

Mr. President, it is a privilege and an honor to salute and pay tribute to our gallant invaders on this memorable day.

REPORT OF COMMITTEE ON NAVAL AFFAIRS

The following report of a committee was submitted:

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

H. J. Res. 286. Joint resolution providing for operation of naval petroleum and oil-shale reserves; without amendment (Rept. No. 953).

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

S. 1978. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Education and Labor.

(Mr. TYDINGS introduced Senate bill 1979, which was referred to the Committee on the District of Columbia, and appears under a separate heading.)

By Mr. WHEELER:

S. 1980 (by request). A bill to amend the Transportation of Explosives Act; to the Committee on Interstate Commerce.

REGULATION OF STOCK TRANSFERS IN THE DISTRICT

Mr. TYDINGS. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to regulate in the District of Columbia the transfer of shares of stock in corporations and to make uniform the law with reference thereto. I ask that the bill together with an explanatory statement thereof be printed in the RECORD immediately following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from Maryland will be received and appropriately referred, and the bill together with the explanatory statement will be printed in the RECORD.

The bill (S. 1979) to regulate in the District of Columbia the transfer of shares of stock in corporations and to make uniform the law with reference thereto, was read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.,

HOW TITLE TO CERTIFICATES AND SHARES MAY BE TRANSFERRED

SECTION 1. That title to a certificate and to the shares represented thereby can be transferred only—

(a) by delivery of the certificate endorsed either in blank or to a specified person by the person appearing by the certificate to be the owner of the shares represented thereby, or

(b) by delivery of the certificate and a separate document containing a written assignment of the certificate of a power of attorney to sell, assign, or transfer the same or the shares represented thereby, signed by the person appearing by the certificate to be the owner of the shares represented thereby. Such assignment or power of attorney may be either in blank or to a specific person.

The provisions of this section shall be applicable although the charter or articles of incorporation or code of regulations or by-laws of the corporation issuing the certificate and the certificate itself provided that the shares represented thereby shall be transferable only on the books of the corporation or shall be registered by a registrar or transferred by a transfer agent.

POWERS OF THOSE LACKING FULL LEGAL CAPACITY AND OF FIDUCIARIES NOT ENLARGED

SEC. 2. Nothing in this act shall be construed as enlarging the powers of an infant or other person lacking full legal capacity, or of a trustee, executor, or administrator, or other fiduciary, to make a valid endorsement, assignment, or power of attorney.

CORPORATION NOT FORBIDDEN TO TREAT REGISTERED HOLDER AS OWNER

SEC. 3. Nothing in this act shall be construed as forbidding a corporation—

(a) to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, or

(b) to hold liable for calls and assessments a person registered on its books as the owner of shares.

TITLE DERIVED FROM CERTIFICATE EXTINGUISHES TITLE DERIVED FROM A SEPARATE DOCUMENT

SEC. 4. The title of a transferee of a certificate under a power of attorney or assignment not written upon the certificate, and the title of any person claiming under such transferee, shall cease and determine if, at any time prior to the surrender of the certificate to the corporation issuing it, another person, for value in good faith, and without notice of the prior transfer, shall purchase and obtain delivery of such certificate with the endorsement of the person appearing by the certificate to be the owner thereof, or shall purchase and obtain delivery of such certificate and the written assignment or power of attorney of such person, though contained in a separate document.

WHO MAY DELIVER A CERTIFICATE

SEC. 5. The delivery of a certificate to transfer title in accordance with the provisions of section 1 is effectual, except as provided in section 7, though made by one having no right of possession and having no authority from the owner of the certificate or from the person purporting to transfer the title.

ENDORSEMENT EFFECTUAL IN SPITE OF FRAUD, DURESS, MISTAKE, REVOCATION, DEATH, INCAPACITY, OR LACK OF CONSIDERATION OR AUTHORITY

SEC. 6. The endorsement of a certificate by the person appearing by the certificate to be the owner of the shares represented thereby is effectual, except as provided in section 7, though the endorser or transferor—

(a) was induced by fraud, duress, or mistake to make the endorsement or delivery; or

(b) has revoked the delivery of the certificate or the authority given by the endorsement or delivery of the certificate; or

(c) has died or become legally incapacitated after the endorsement, whether before or after the delivery of the certificate; or

(d) has received no consideration.

RESCISSION OF TRANSFER

SEC. 7. If the endorsement or delivery of a certificate—

(a) was procured by fraud or duress; or

(b) was made under such mistake as to make the endorsement or delivery inequitable; or

If the delivery of a certificate was made—

(c) without authority from the owner; or

(d) after the owner's death or legal incapacity, the possession of the certificate may be reclaimed and the transfer thereof rescinded, unless—

(1) the certificate has been transferred to a purchaser for value in good faith without notice of any facts making the transfer wrongful; or

(2) the injured person has elected to waive the injury or has been guilty of laches in endeavoring to enforce his rights.

Any court of appropriate jurisdiction may enforce specifically such right to reclaim the possession of the certificate or to rescind the transfer thereof and, pending litigation, may enjoin the further transfer of the certificate or impound it.

RECESSION OF TRANSFER OF CERTIFICATE DOES NOT INVALIDATE SUBSEQUENT TRANSFER BY TRANSFEREE IN POSSESSION

SEC. 8. Although the transfer of a certificate or of shares represented thereby has been rescinded or set aside, nevertheless, if the transferee has possession of the certificate or of a new certificate representing part or the whole of the same shares of stock, a subsequent transfer of such certificate by the transferee, mediately or immediately, to a purchaser for value in good faith, without notice of any facts making the transfer wrongful, shall give such purchaser an indefeasible right to the certificate and the shares represented thereby.

DELIVERY OF UNENDORSED CERTIFICATE IMPOSES OBLIGATION TO ENDORSE

SEC. 9. The delivery of a certificate by the person appearing by the certificate to be the

owner thereof without the endorsement requisite for the transfer of the certificate and the shares represented thereby, but with intent to transfer such certificate or shares, shall impose an obligation, in the absence of an agreement to the contrary, upon the person so delivering, to complete the transfer by making the necessary endorsement. The transfer shall take effect as of the time when the endorsement is actually made. This obligation may be specifically enforced.

INEFFECTUAL ATTEMPT TO TRANSFER AMOUNTS TO A PROMISE TO TRANSFER

SEC. 10. An attempted transfer of title to a certificate or to the shares represented thereby without delivery of the certificate shall have the effect of a promise to transfer and the obligation, if any, imposed by such promise shall be determined by the law governing the formation and performance of contracts.

WARRANTIES ON SALE OF CERTIFICATE

SEC. 11. A person who for value transfers a certificate, including one who assigns for value a claim secured by a certificate, unless a contrary intention appears, warrants—

(a) that the certificate is genuine;

(b) that he has a legal right to transfer it; and

(c) that he has no knowledge of any fact which would impair the validity of the certificate.

In the case of an assignment of a claim secured by a certificate, the liability of the assignor upon such warranty shall not exceed the amount of the claim.

NO WARRANTY IMPLIED FROM ACCEPTING PAYMENT OF A DEBT

SEC. 12. A mortgagee, pledgee, or other holder for security of a certificate who in good faith demands or receives payment of the debt for which such certificate is security, whether from a party to a draft drawn for such debt, or from any other person, shall not by so doing be deemed to represent or to warrant the genuineness of such certificate, or the value of the shares represented thereby.

NO ATTACHMENT OR LEVY UPON SHARES UNLESS CERTIFICATE SURRENDERED OR TRANSFER ENJOINED

SEC. 13. No attachment or levy upon shares of stock for which a certificate is outstanding shall be valid until such certificate be actually seized by the officer making the attachment or levy, or be surrendered to the corporation which issued it, or its transfer by the holder be enjoined. Except where a certificate is lost or destroyed, such corporation shall not be compelled to issue a new certificate for the stock until the old certificate is surrendered to it.

CREDITOR'S REMEDIES TO REACH CERTIFICATE

SEC. 14. A creditor whose debtor is the owner of a certificate shall be entitled to such aid from courts of appropriate jurisdiction, by injunction and otherwise, in attaching such certificate or in satisfying the claim by means thereof as is allowed at law or in equity, in regard to property which cannot readily be attached or levied upon by ordinary legal process.

THERE SHALL BE NO LIEN OR RESTRICTION UNLESS INDICATED ON CERTIFICATE

SEC. 15. There shall be no lien in favor of a corporation upon the shares represented by a certificate issued by such corporation and there shall be no restriction upon the transfer of shares so represented by virtue of any bylaws of such corporation, or otherwise, unless the right of the corporation to such lien or the restriction is stated upon the certificate.

ALTERATION OF CERTIFICATE DOES NOT DIVEST TITLE TO SHARES

SEC. 16. The alteration of a certificate, whether fraudulent or not and by whomsoever made, shall not deprive the owner of his title to the certificate and the shares originally represented thereby, and the transfer of such a certificate shall convey to the transferee a good title to such certificate and to the shares originally represented thereby.

LOST OR DESTROYED CERTIFICATE

SEC. 17. Where a certificate has been lost or destroyed, a court of competent jurisdiction may order the issue of a new certificate therefor on service of process upon the corporation and on reasonable notice by publication, and in any other way which the court may direct, to all persons interested, and upon satisfactory proof of such loss or destruction and upon the giving of a bond with sufficient surety to be approved by the court to protect the corporation or any person injured by the issue of the new certificate from any liability or expense, which it or they may incur by reason of the original certificate remaining outstanding. The court may also in its discretion order the payment of the corporation's reasonable costs and counsel fees.

The issue of a new certificate under an order of the court as provided in this section shall not relieve the corporation from liability in damages to a person to whom the original certificate has been or shall be transferred for value without notice of the proceedings or of the issuance of the new certificate.

RULE FOR CASES NOT PROVIDED FOR BY THIS ACT

SEC. 18. In any case not provided for by this act, the rules of law and equity, including the law merchant, and in particular the rules relating to the law of principal and agent, executors, administrators, and trustees, and to the effect of fraud, misrepresentation, duress, or coercion, mistake, bankruptcy, or other invalidating cause, shall govern.

INTERPRETATION SHALL GIVE EFFECT TO PURPOSE OF UNIFORMITY

SEC. 19. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those States which enact it.

DEFINITION OF ENDORSEMENT

SEC. 20. A certificate is endorsed when an assignment or a power of attorney to sell, assign, or transfer the certificate or the shares represented thereby is written on the certificate and signed by the person appearing by the certificate to be the owner of the shares represented thereby, or when the signature of such person is written without more upon the back of the certificate. In any of such cases a certificate is endorsed though it has not been delivered.

DEFINITION OF PERSON APPEARING TO BE THE OWNER OF CERTIFICATE

SEC. 21. The person to whom a certificate was originally issued is the person appearing by the certificate to be the owner thereof, and of the shares represented thereby, until and unless he endorses the certificate to another specified person, and thereupon such other specified person is the person appearing by the certificate to be the owner thereof until and unless he also endorses the certificate to another specified person. Subsequent special endorsements may be made with like effect.

OTHER DEFINITIONS

SEC. 22. (1) In this act, unless the context or subject matter otherwise requires—

"Certificate" means a certificate of stock in a corporation organized under the laws of the United States, or of the District of Columbia, or of another State whose laws are consistent with this act.

"Delivery" means voluntary transfer of possession from one person to another.

"Person" includes a corporation or partnership or two or more persons having a joint or common interest.

"To purchase" includes to take as mortgagee or as pledgee.

"Purchaser" includes mortgagee and pledgee.

"Shares" means a share or shares of stock in a corporation organized under the laws of the United States, or of the District of Columbia, or of another State whose laws are consistent with this act.

"State" includes State, Territory, district, and insular possession of the United States.

"Transfer" means transfer of legal title.

"Title" means legal title and does not include a merely equitable or beneficial ownership or interest.

"Value" is any consideration sufficient to support a simple contract. An antecedent or preexisting obligation, whether for money or not, constitutes value where a certificate is taken either in satisfaction thereof or as security therefor.

(2) A thing is done "in good faith" within the meaning of this act, when it is in fact done honestly, whether it be done negligently or not.

ACT DOES NOT APPLY TO EXISTING CERTIFICATES

SEC. 23. The provisions of this act apply only to certificates issued after the taking effect of this act.

INCONSISTENT LEGISLATION REPEALED

SEC. 24. All acts or parts of acts inconsistent with this act are hereby repealed.

TIME WHEN THE ACT TAKES EFFECT

SEC. 25. This act shall take effect on the ——— day of ————, 194–.

NAME OF ACT

SEC. 26. This act may be cited as the "Uniform Stock Transfer Act."

The statement presented by Mr. TYDINGS is as follows:

UNIFORM STOCK TRANSFER LAW

The object of the U. S. T. L., as its name implies, is to promote uniformity throughout the United States of legislation governing the transfer of title to corporate stock. Under this law, in the absence of forgery or alteration, acceptance by an innocent purchaser for value of a stock certificate which has been endorsed either in blank or to a specified person by the person appearing by the certificate to be the owner thereof, carries with it legal title to the certificate and to the stock covered thereby despite the fact that the owner was induced to endorse the certificate by fraud, duress, or mistake, or has revoked the delivery of the certificate to his immediate transferee, or has died or become insane after the endorsement, or has received no consideration from his immediate transferee for the endorsement or delivery. Under the U. S. T. L. an innocent purchaser for value of a lost or stolen certificate which has been endorsed in blank will be protected as against the true owner. However, under the common law, in the absence of negligence, the true owner of such a lost or stolen certificate may assert his title against anyone later obtaining the certificate, although the holder may be a bona fide purchaser. Briefly, the law imparts to a certificate of stock many of the elements of negotiability possessed by negotiable instruments.

To illustrate: Under the U. S. T. L. if a certificate of stock issued to A and endorsed by him in blank, were stolen by C, who delivered it to B for value, and B had no knowledge of the fact that it was stolen, B would acquire valid title to the certificate and to the shares. Given the same set of facts at common law, B would not acquire valid title and would be held accountable to A for the stolen certificate. The same would be true of any subsequent purchaser from B although he had no knowledge of the defect in the title of the certificate and gave value for it.

The purpose of this memorandum is to point out the general nature of the U. S. T. L. as recommended for adoption and as generally adopted by such States as having accepted it. Some of the States in enacting it have changed some of the provisions, but in general the U. S. T. L. as adopted is as described herein.

An innocent purchaser of stock cannot receive the protection of the U. S. T. L. unless the State in which the corporation issuing such stock was incorporated has enacted it, regardless of the law of the residence of such purchaser or regardless of the law of the State in which the purchase took place. In other words, if a firm maintaining an office in the State of New York (which State has adopted the law) was faced with a claim by a resident of that State for the return of a certificate of a corporation organized in the State of Delaware (where there is no such law) which has been lost or stolen after endorsement in blank by the owner, it would avail that firm nothing that the State of New York had such a law on its books. Yet, if a claim was made on a certificate of a corporation organized in the State of New York by a resident of Georgia, against a firm maintaining an office in the State of Georgia, that firm would be in a position to take advantage of the U. S. T. L. because both of these States have adopted the law.

If any member firms, in accepting certificates from their clients for their accounts, or in the ordinary course of their business, come into possession of certificates of stock which might have been lost or stolen, after endorsement by the true owner, then obviously there is a definite advantage to them in having all the States adopt the law in question.

While it is not the practice of member firms to accept from a client, for his account, a certificate registered in the name of any other person, regardless of whether the signature thereto is guaranteed by a bank or member of the New York Stock Exchange, without being furnished with a letter from the registered owner, relinquishing all right, title, and interest to that certificate and authorizing such member firm to accept the certificate for the account of the client from whom it is being received, it is the practice of member firms to accept "street certificates" for their accounts in such cases where the client is well and favorably known to the firm.

It is also the practice of the New York Stock Exchange member firms in the regular course of business, to accept "street certificates" from other brokers.

There can be no doubt that many of the certificates, thus received, are issued by corporations whose States of incorporation do not have laws similar to the U. S. T. L., and it would be foolhardy to deny that some of those certificates might be lost or stolen certificates.

It would appear, therefore, that there is a distinct advantage to member firms and to brokers and dealers in securities generally, in having all States adopt the U. S. T. L. This is true, even though it might reasonably be argued that the possibility of financial loss is greatly minimized by reason of the fact that the persons or firms from whom member firms would receive "street certificates" are usually financially responsible.

The U. S. T. L. is, undoubtedly, in the public interest, for example: In the case of lost or stolen stock certificates, which have been endorsed by the true owner, or of certificates erroneously or inadvertently endorsed with color of transfer of title, someone stands to sustain a loss. Of course, the thief or one who fraudulently procures the color of transfer cannot be permitted to profit thereby and this law does not do that. The innocent purchaser, however, who in good faith buys the security and parts with his money under color of bona fide transfer of title to him without notice of any wrongdoing is entitled to be protected. It was not his carelessness, inadvertency, or any other shortcoming which permitted the stock certificate to be afloat in the market under every appearance of good transferability. The first owner has the duty as well as the privilege of carefully safeguarding his own interest. A holder of a stock certificate has the duty at his peril of keeping the certificate from deceiving bona fide purchasers who may thereafter acquire it duly endorsed or signed by the person appearing by the certificate to be the owner. An innocent purchaser for valid consideration cannot be expected to hunt up the original holder and in effect procure abstract of title to an instrument which on its face is transferable by delivery.

During 1943 and 1944 the Association of Stock Exchange Firms, 24 Broad Street, New York City, together with the assistance of various organizations, was successful in getting this law adopted in nine States.

States and effective date in which the Uniform Stock Transfer Act has been enacted: Alabama, July 22, 1931; Arizona, June 12, 1943; Arkansas, March 17, 1923; California, September 13, 1931; Colorado, September 1, 1927; Connecticut, August 1, 1917; Florida, May 31, 1943; Georgia, March 23, 1939; Idaho, January 1, 1928; Illinois, July 1, 1917; Indiana, February 26, 1923; Louisiana, January 1, 1911; Maine, July 9, 1943; Maryland, July 1, 1910; Massachusetts, March 5, 1910; Michigan, August 14, 1913; Minnesota, July 1, 1933; Missouri, approved August 5, 1943; Montana, July 1, 1943; Nebraska, August 21, 1941; New Hampshire, July 26, 1937; New Jersey, July 5, 1916; New Mexico, July 10, 1943; New York, September 1, 1913; North Carolina, March 15, 1941; North Dakota, July 1, 1943; Ohio, July 1, 1911; Oregon, June 13, 1935; Pennsylvania, January 1, 1912; Rhode Island, July 1, 1912; South Dakota, February 9, 1921; Tennessee, April 11, 1925; Texas, June 1, 1943; Utah, July 1, 1927; Virginia, July 1, 1924; Washington, June 7, 1939; West Virginia, January 1, 1931; Wisconsin, June 7, 1913; Kentucky, March 20, 1944.

States in which the Uniform Stock Transfer Act has not been enacted: Delaware, Iowa, Kansas, Mississippi, Nevada, Oklahoma, South Carolina, Vermont, Wyoming.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1081. An act to add certain lands to the Upper Mississippi River Wild Life and Fish Refuge;

S. 1335. An act to amend the fourth and fifth provisos of section 2 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437, 438; 30 U. S. C., secs. 201, 202);

S. 1660. An act granting the consent of Congress to the Minnesota Department of Highways and the county of Crow Wing in Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at Mill Street in Brainerd, Minn.; and

S. 1944. An act to amend the act entitled "An act to provide books for the adult blind."

The message also announced that the House had passed the bill (S. 1479) providing for the suspension of certain requirements relating to work on tunnel sites, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 1808) to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2928) to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 735. An act to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 872. An act to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe;

H. R. 1654. An act to authorize the acquisition, rehabilitation, and operation of the facilities for the public in the Olympic National Park, in the State of Washington, and for other purposes;

H. R. 2651. An act to authorize adjustments of irrigation charges in certain land exchanges within Indian irrigation projects;

H. R. 2655. An act to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation;

H. R. 2666. An act to declare that the United States holds certain lands in trust for Indian use, and for other purposes;

H. R. 3384. An act to authorize the Secretary of the Interior to accept property for the Moores Creek National Military Park, and for other purposes;

H. R. 3527. An act authorizing the Secretary of the Interior to purchase improvements or pay damages for removal of improvements located on public lands of the United States in the Anderson Ranch Reservoir site, Boise reclamation project, Idaho;

H. R. 3646. An act to amend section 42 of title 7 of the Canal Zone Code;

H. R. 3750. An act to provide for the appointment of an additional circuit judge for the third circuit, and to permit the filling of the first vacancy occurring in the office of district judge for the eastern district of Pennsylvania;

H. R. 4041. An act to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.;

H. R. 4159. An act to amend section 33 of the act of September 7, 1916, as amended (39 Stat. 742);

H. R. 4206. An act to authorize the construction and operation of a free highway bridge across the Monongahela River in the county of Allegheny, Pa.;

H. R. 4207. An act to authorize the construction and operation of a free highway bridge across the Monongahela River in the county of Allegheny, Pa.;

H. R. 4733. An act to amend section 514 of the Soldiers' and Sailors' Relief Act;

H. R. 4825. An act to authorize the attendance of the Marine Band at the national

encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944;

H. R. 4833. An act to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar;

H. J. Res. 138. Joint resolution granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States; and

H. J. Res. 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists, the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1941) to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended, and it was signed by the Acting President pro tempore.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 735. An act to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes; to the Committee on Finance.

H. R. 872. An act to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe;

H. R. 2655. An act to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation; and

H. R. 2666. An act to declare that the United States holds certain lands in trust for Indian use, and for other purposes; to the Committee on Indian Affairs.

H. R. 1654. An act to authorize the acquisition, rehabilitation, and operation of the facilities for the public in the Olympic National Park, in the State of Washington, and for other purposes; and

H. R. 3384. An act to authorize the Secretary of the Interior to accept property for the Moores Creek National Military Park, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 2651. An act to authorize adjustments of irrigation charges in certain land exchanges within Indian irrigation projects; and

H. R. 3527. An act authorizing the Secretary of the Interior to purchase improvements or pay damages for removal of improvements located on public lands of the United States in the Anderson Ranch Reservoir site, Boise reclamation project, Idaho, to the Committee on Irrigation and Reclamation.

H. R. 3646. An act to amend section 42 of title 7 of the Canal Zone Code; to the Committee on Interoceanic Canals.

H. R. 3750. An act to provide for the appointment of an additional circuit judge for the third circuit, and to permit the filling of the first vacancy occurring in the office of district judge for the eastern district of Pennsylvania, to the Committee on the Judiciary.

H. R. 4159. An act to amend section 33 of the act of September 7, 1916, as amended (39 Stat. 742); to the Committee on Education and Labor.

H. R. 4041. An act to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.

H. R. 4206. An act to authorize the construction and operation of a free highway bridge across the Monongahela River in the county of Allegheny, Pa.; and

H. R. 4207. An act to authorize the construction and operation of a free highway bridge across the Monongahela River in the county of Allegheny, Pa., to the Committee on Commerce.

H. R. 4733. An act to amend section 514 of the Soldiers' and Sailors' Relief Act, to the Committee on Military Affairs.

H. R. 4825. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic, to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944; to the Committee on Naval Affairs.

H. R. 4833. An act to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar; ordered to be placed on the calendar.

H. J. Res. 138. Joint resolution granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States; to the Committee on the Judiciary.

H. J. Res. 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes; to the Committee on Foreign Relations.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS—AMENDMENT

Mr. BROOKS and Mr. THOMAS of Oklahoma each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.), as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), which were ordered to lie on the table and to be printed.

INVESTIGATION OF ECONOMIC AND SOCIAL CONDITIONS IN PUERTO RICO—LIMIT OF EXPENDITURES

Mr. CHAVEZ submitted the following resolution (S. Res. 305), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the limit of expenditures authorized by Senate Resolution 26; agreed to January 28, 1943, authorizing a subcommittee of the Committee on Territories and Insular Affairs to investigate economic and social conditions in Puerto Rico is hereby increased by $5,000.

APPOINTMENT OF CIVILIANS TO COMMISSIONED RANK IN THE NAVAL RESERVE

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to present for printing in the RECORD correspondence between the chairman of the Naval Affairs Committee of the Senate and the Bureau of Personnel of the Navy with reference to granting of commissions to civilians in the United States Naval Reserve.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

MAY 16, 1944.

Vice Admiral RANDALL JACOBS,
United States Navy,
Chief of Naval Personnel,
Navy Department,
Washington, D. C.

MY DEAR ADMIRAL JACOBS: Members of the Congress are still receiving inquiries from their constituents requesting information regarding the commissioning of civilians in the Naval Reserve. I shall appreciate it if you will furnish me with the following information:

(a) The qualifications and age a candidate must possess in order to be eligible for appointment to the various branches and ranks in the Naval Reserve.

(b) The approximate number of billets now available in the various categories.

(c) The changes which have been made in recent months in regard to physical qualifications for the various branches of the Naval Reserve.

(d) Whether or not physical defects are waived, and if waived, the conditions under which waivers are granted.

I shall appreciate it if you will furnish me with the information requested, and any other data on this subject which you believe will be of interest to the Members of Congress.

Sincerely yours,

DAVID I. WALSH,
Chairman, Committee on Naval Affairs.

NAVY DEPARTMENT,
BUREAU OF NAVAL PERSONNEL,
Washington, D. C.

Hon. DAVID I. WALSH,
Chairman, Naval Affairs Committee,
United States Senate.

DEAR MR. CHAIRMAN: This is in reply to your letter of May 16, 1944, requesting certain general information concerning policies governing the direct appointment of civilians to commissioned rank in the Naval Reserve.

Question 1: The qualifications and age a candidate must possess in order to be eligible for appointment to the various branches and ranks in the Naval Reserve.

The general eligibility requirements are as follows:

1. Male citizens of the United States between the ages of 19 and 50 are eligible to apply for appointment. With the exception of the Medical, Dental, and Chaplains' Corps, there are actually very few vacancies calling for the appointment of men over 38 years of age.

2. A baccalaureate degree from an accredited college or university is a normal requirement for commission. This is not a hard and fast rule; 2 years of college plus outstanding professional experience may be considered satisfactory when the individual's professional background is sufficiently outstanding to qualify him for one of the special service classifications.

The normal rules with respect to required age for the various ranks are now as follows: Ensign, 19 to 30; lieutenant (junior grade), 31 to 38; lieutenant, 39 to 44; lieutenant commander, 45 and up.

These age requirements for the various ranks likewise do not constitute hard and fast rules. I know you will understand that the changing needs for commissioned officers, and the varying qualifications of applicants must necessarily affect our decisions on this problem.

Question 2: The approximate number of billets now available in the various categories.

In general, the number of billets available is becoming increasingly limited, due to the

fact that the quotas established by the needs of the service are rapidly being filled. At the present time, there are billets for individuals who are in all respects qualified for general sea duty. There are also billets requiring technical or specialist background in the Supply Corps (SC–V(S)); in various technical engineering fields for the Bureaus of Ships and Ordnance (E–V(S) and O–V (S)); and technical experience in various phases of aviation for the Bureau of Aeronautics (A–V(S)).

Several of the former standard classifications, such as Naval Intelligence (I–V(S)) and Yards and Docks (CE–V(S)) are closed to further procurement. In general, all the specialized billets for assignment in Personnel, Real Estate, Public Relations, and General Administration are filled and these programs are closed. However, men with these backgrounds will be considered for general sea duty if they meet all requirements for that type of duty.

There are from time to time vacancies available under certain special programs, each calling for the appointment of a very limited number of specialists for a particular type of duty. As soon as the requisite number of appointments are made, the programs are closed.

The exact number of billets in all these various classifications is subject to almost daily fluctuation. Since this is the case, and since the information is restricted and could not be passed on to the general public, I am not attempting to state the figures as of this moment since they would be out of date before they could be of any service to you.

Questions 3 and 4: The changes which have been made in recent months in regard to physical qualifications for the various branches of the Naval Reserve; and whether or not physical defects are waived, and if waived the conditions under which waivers are granted

The basic general physical requirements for appointment to the Naval Reserve have not been at any time altered greatly. Such apparent changes arise from the fact that during the period of great expansion when the need for officers was urgent, the Bureau followed a more liberal policy on physical waivers than is now the case. As our needs have decreased, we have fortunately been able to reduce the number of waivers of physical defects and to take in a larger percentage of officers who are fully qualified physically and, therefore, more flexible. This is particularly important in connection with our rotation program which requires that as many as possible of the officers in this country be qualified for sea duty so that they may relieve men brought back for rest and recuperation.

It is not the policy of the Bureau to waive defective color perception or to waive defective vision below 15/20, fully correctible to 20/20, for general sea duty.

Waivers on minor physical defects have been granted for appointment to various specialist classifications when an individual presented outstanding qualifications for a type of billet for which fully qualified candidates were difficult to obtain. This practice is continuing to a much smaller extent, and, since our procurement for specialist classifications has been drastically cut, such waivers are now given only to the occasional individual whose qualifications for a specific billet are so outstanding as to outweigh our desire for officers who are fully qualified physically.

You will no doubt recall that the Bureau does not grant waivers for physical defects which are certified by the Bureau of Medicine and Surgery to be organic in nature.

I hope that the information above will be helpful to you. There is now in process a booklet being prepared for the use of the Committee on Naval Affairs, entitled "Information regarding the Navy, Marine Corps, and Coast Guard." This booklet contains supplementary information concerning appointment to commissioned rank and officer candidate status. I shall be happy to send you a copy of this booklet as soon as it is available, with the hope that it may be permanently useful to you.

Sincerely yours,

L. E. DENFELD,
Rear Admiral, U. S. N.,
Assistant Chief of Naval Personnel.

ADDRESS BY THE PRESIDENT ON THE CAPTURE OF ROME

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD the radio address delivered by the President of the United States on June 5, 1944, which appears in the Appendix.]

CONSERVATION OF OUR TIMBER RESOURCES—ADDRESS BY GOVERNOR SNELL OF OREGON

[Mr. CORDON asked and obtained leave to have printed in the RECORD an address entitled "Conservation of Our Timber Resources," delivered by Gov. Earl Snell of Oregon before the thirty-sixth annual meeting, Governors' Conference, Hershey, Pa., May 31, 1944, which appears in the Appendix.]

REGULATION OF RADIO BROADCASTING—EDITORIAL FROM LABOR

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an editorial entitled "Wheeler-White Bill Is a Good Thing," published in Labor of June 3, 1944, which appears in the Appendix.]

COTTON—EDITORIAL BY TOM LINDER IN THE GEORGIA FARMER'S MARKET BULLETIN

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an editorial entitled "Cotton," by Tom Linder, commissioner of agriculture of the State of Georgia, published in the Georgia Farmer's Market Bulletin of May 31, 1944, which appears in the Appendix.]

INCREASE IN LIMITATION ON NATIONAL DEBT—CONFERENCE REPORT

Mr. GEORGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4464) to increase the debt limit of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In the matter proposed to be inserted by the Senate amendment strike out lines 7 to 11, both inclusive, and insert the following: "in lieu thereof '20 per centum'."; and the Senate agree to the same.

WALTER F. GEORGE,
DAVID I. WALSH,
ALBEN W. BARKLEY,
ROBERT M. LA FOLLETTE, Jr.,
A. H. VANDENBERG,
Managers on the part of the Senate.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
HAROLD KNUTSON,
ROY O. WOODRUFF,
Managers on the part of the House.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the report?

There being no objection, the report was considered and agreed to.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Pub. Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Pub. Law 729, 77th Cong.).

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Connecticut [Mr. DANAHER] striking out in the committee amendment on page 5, line 12, the word "September" and inserting the word "August."

Mr. MURDOCK. Mr. President, it is true that on this day every Member of Congress has in his heart a prayer for the soldiers, the sailors, and the marines and all our other fighting men on every combat front. Our prayers attend them wherever they may be, but, Mr. President, we have more to do than to pray. We here at home must hold the line on the home front, and one of the most important sections of the line we are confronted with today is that which holds the prices and wages of America against uncontrolled inflation.

The bill now before us, which is the pending business of the Senate, is, next to actual combat on the front, as important as any other matter which might be considered. This is one of our opportunities to hold the line here on the home front.

When we created the Office of Price Administration, when we wrote and enacted the price-control legislation, Mr. President, and created the administrative agency to handle it, we gave that agency one of the toughest assignments, one of the most difficult tasks that Congress ever devolved upon an administrative agency of the Government. More than 2 years now have gone by. We established the policy even prior to the enactment of the legislation. After establishing the policy and creating a Price Administration we followed it by the enactment of the present law, and then later fortified the present law by what is called the Stabilization Act.

Price control and the control of wages, especially when there is a tremendous amount of money in the hands of the people, could not help and cannot help but be unpopular. But it has come to be realized in the United States that, unpopular as wage control and price control are, if we here on the home front are successfully to prosecute the war and carry on the home front we must not falter, we must not deviate, we must not weaken in our purpose and course to control inflation by the control of prices and wages.

I wish to take this opportunity to congratulate the two Republican Senators who conferred with three Democratic Senators on a subcommittee of the Committee on Banking and Currency in considering the procedure and amendments

to the present Price Control Act. Those two Senators are the Senator from Connecticut [Mr. DANAHER] and the Senator from Ohio [Mr. TAFT]. They were cooperative and industrious. Their attitude was that price control in America is a policy necessary to be continued throughout the duration of the war and probably in the years subsequent to the war, until all danger of inflation has passed. There was no partisanship, Mr. President, in that subcommittee when, hour after hour and day after day, which finally reached into weeks, we considered the procedure and amendments to the price-control bill.

We finally agreed that the review board should be set up within the administration itself. We took the position that the creation of such a review board within the agency administering the act was much preferable to allowing protestants or persons objecting to price schedules and regulations to go into every district court in the United States and present their cases there. We knew that such a policy would have its reaction in the very numerous district courts of the United States; that there would be a multiplicity of suits, and that there would be decisions which varied and were in conflict with each other. We were satisfied that the policy of exclusive jurisdiction established under the original act was the policy to follow until this tremendous task was at an end. We did, however, decide that protestants should have a right to have a review by a board set up within the administration itself; and there was, as was stated yesterday by the Senator from Connecticut, unanimity in arriving at that decision.

The committee amendment which is before the Senate today simply creates a review board and opens up to every protestant a 60-day period within which he may come in and protest not only new regulations and orders but previous orders and regulations and price schedules. He will be able to go back and question, today, before the Office of Price Administration, the first orders and regulations and price schedules which were promulgated. The only difference between the amendment of the Senator from Connecticut and the committee amendment is that the amendment of the Senator from Connecticut brings the date up to August 1, 1944, instead of leaving it as the committee amendment fixed it, as of September 1, 1944. If the committee amendment as it is now presented to the Senate is adopted, instead of having all the old regulations brought by way of protest before the new board which is to be set up, protestants will have a 60-day period within which they may submit to the Price Administration as it is now established, and under the present procedure, as it has been set up under the law and by the law, protests against the old regulations.

The Senator from Connecticut asked why, if we open up for 60 days a period of protest on the old regulations, should we not allow the protestants the benefit of the review board. The answer to the Senator's question, in my opinion, is—and the evidence which came to the subcommittee was—that we would bog down the administration of price control if we undertook to establish such a procedure. In my opinion that is the great objection, the important argument, against opening up protests on all old regulations before the new review board which is to be created.

We must bear in mind, Mr. President, that every person affected by regulations which now are in existence had his opportunity, and has had it, with respect to every regulation, order, or price schedule which has been promulgated, to come forward and present his objections to the Price Administrator. We also know that, under the act, if such persons were dissatisfied with the action of the Administrator on their protests, they then had a right to take the protests by way of appeal to the Emergency Court of Appeals.

If we adopt the amendment offered by the Senator from Connecticut advancing the date to August 1, instead of leaving it as of September 1, as the committee recommends, then for a 30-day period, under the board of review which is to be created, every person in the United States who feels that he is adversely affected by the regulations which have been in existence ever since the beginning of the act, will have a right to present his protests, within a 30-day period, before the new administrative board.

The question in my mind and the question which I propound to the Senate today is, Do we wish to give this class of people, who already have had their opportunity of presenting their objections and their protests, the special privilege of filing protests again, for another period of 60 days, and also give them a new board before which to appear? What we do, Mr. President, even in the adoption of the committee amendment, as I view the picture, is to invite every disgruntled person, every person adversely affected or who thinks he is adversely affected, to come forward again and present his protests and objections. It was decided by the committee that that should be done. But in giving the 60-day period, we should limit all persons having protests and objections on old regulations, orders, and price schedules, to presenting their cases to the Administrator under the procedure which is now in effect. I do not think we can arbitrarily disregard the statements made by Mr. Bowles or the statements made by Mr. Field, general counsel for the O. P. A., that such a procedure would bog down the administration of the act. If we give special privileges to one group in the United States, and by so doing we bog down or impede the administration of the act, we not only do an injustice to the administrative agency, but we also do an injustice to other protestants coming in under the new regulations, who have a right to ask for the expeditious determination and disposition of their protests.

Figures have been submitted to me under the heading "Protest data" which show that 2,112 protests were filed from January 31, 1942, to September 15, 1942; that 1,159 protests were pending on September 15, 1942; that 1,726 protests were filed from May 1 through July 31, 1942; that 381 protests were pending on April 15, 1944; and that the average now filed in each month is 60.

In view of those figures, Mr. President, we must determine whether or not it is prudent and wise to adopt the amendment of the Senator from Connecticut instead of the amendment reported by the Banking and Currency Committee. If the O. P. A. can be successfully charged with anything by way of criticism, it is delay in expediting disposition of protests. If it is subject to criticism for delay, for which it is probably not responsible, then should we at this time pour into its lap hundreds, and probably thousands, of protests which involve not new regulations but regulations which have been in effect for the past 2 years? In my opinion, Mr. President, we should not do it. We cannot afford to do it. If we do it, we shall do an injustice to the administrative agency and to those who come in under the new regulations and are entitled to expeditious disposition of protests.

Mr. WAGNER. Mr. President, will the Senator yield for a question?

The ACTING PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from New York?

Mr. MURDOCK. I yield.

Mr. WAGNER. If we should provide an extra month, the month of August, as contemplated by the amendment of the Senator from Connecticut, for protestants to come before the new board with protests based upon regulations or orders from the date of enactment of the Price Control Act, the board might very well have 4,000 or 5,000 cases to dispose of during that month. Is not that true?

Mr. MURDOCK. I think the answer to the Senator is this: By opening up for a period of 30 days the consideration of old regulations dating back to the inception of the act, we issue an invitation to everyone who may be disgruntled to have another hearing. If the amendment of the Senator from Connecticut should be adopted, we would not only invite them to come in but invite them to come before a new tribunal and submit their protests and objections.

I should have no quarrel with the Senator's provision if we were dealing with ordinary circumstances in ordinary times. But, Mr. President, we cannot forget that expedition is the most important thing in handling these protests and objections. If we open the hearings again for a period of 60 days to every protestant on every regulation which has been in effect since the law was enacted, is not that going sufficiently far? Is not that extending to those who have already had an opportunity to go into court all that they could reasonably ask for?

It may be answered that if we allow them only to go before the Administrator who has already decided against them, we are giving them no new opportunity. I think that answer has been made, and will be made today. But it is my opinion that we would be giving them something. We would be giving them the right again to present their protests, not only on the old grounds which they had when they

were before the Administrator previously, but also on new grounds.

The committee gave very serious consideration to the amendment offered by the Senator from Connecticut. The question was threshed out and argued before the full committee, and finally, by a majority vote of the committee, the amendment of the Senator was defeated, and the amendment now reported by the committee was adopted. That amendment merely provides that with respect to regulations, orders, and price schedules which have been in existence since the law took effect, protests or objections may be presented under the present procedure. Then after the 60-day period from June 30 until September 1, all protests on new regulations will be handled under the new system, and requests, protests, and objections will be presented to the new board of review.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. WAGNER. I was about to suggest—I am sure I am correct—that with respect to the old orders which are to be protested before the Administrator, if a protest is denied, the protestant will have the right to go to the Emergency Court of Appeals on the subject of his protest.

Mr. MURDOCK. That is true. If a protestant is dissatisfied after having presented his case to the Administrator, and feels that he has grounds for going to the Emergency Court of Appeals, that avenue will still be open to him. Under ordinary conditions, of course, it might be said that even under the old regulations probably protestants should be allowed to go before the board. But we cannot forget the statements made by Mr. Field, the general counsel, that in his opinion such procedure would bog down the Administration. We cannot afford to do that at this time. We have operated for 2 years under the present procedure, and it is my opinion that by granting a new 60-day period under the same procedure we would be doing all that any protestant under the old regulations could ask for.

I hope the Senate will reject the amendment offered by the Senator from Connecticut.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER] striking out in the committee amendment on page 5, line 12, the word "September" and inserting the word "August."

Mr. TAFT. Mr. President, the point involved in this amendment is a technical one, but I wish to explain one thing with reference to the law itself. The present law is an extraordinary one. The Supreme Court in the Yakus case, a copy of which I have before me, upheld the constitutionality of the law. However, three members of the court dissented. Mr. Justice Roberts, Mr. Justice Rutledge, and Mr. Justice Murphy held that the procedure prescribed by the law was unconstitutional and unreasonable. What the law provides in effect is this: A man who has been charged with a crime, or against whom a suit has been brought for triple damages, or a man whose license has been taken away from him on the charge that he has violated the regulations, may not in court raise the question of whether those regulations are valid or invalid. That provision is certainly a deprivation of rights which we in America believe a man should have when something is being taken away from him. The act prescribes an administrative procedure. If an adequate administrative remedy is provided, it has been held that a person perhaps may not raise the question of the validity of the regulations in the suit in which he may be a party. However, never before has there been an attempt to place a limitation upon the time in which one may use such administrative remedy and challenge the validity of the law. The law provides that if a regulation is made and 60 days elapse any person who has not challenged the regulation during such 60-day period is bound forever by the regulation even though it is admittedly unconstitutional, or could be proved to be unconstitutional or invalid.

The 60-day provision which is inserted in the price-administration law is an extraordinary limitation. It is so unreasonable that the House committee, in recommending the bill in the House, entirely removed it and said that, while it is necessary to pursue the administrative remedy, it is possible at any time to challenge the validity of the regulation.

The 60-day limitation, I repeat, is unreasonable. There are many men who perhaps do not know the regulations even though they should. There are many businessmen who think, "I do not want to challenge this regulation; I will try to get along under it; I will not bring suit but will try it for 60 days or 6 months perhaps," and then finally, at the end of the 6 months, he finds he cannot challenge it at all. That is unreasonable regulation. As I have said, the House committee has entirely removed it. Our committee did not go quite so far, but it said all old regulations which have been made since the act became effective may be opened up for the next 60 days.

The result of the September 1 date is that no suit brought to challenge the old regulations can possibly make use of the administrative procedure which we now find to be the correct administrative procedure, which we find gives a man an oral argument before a board within the Office of Price Administration, subject to the Price Administrator's approval or rejection.

Mr. SHIPSTEAD. Mr. President, may I ask the Senator a question?

Mr. TAFT. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I have been thinking about the arrangement for a board of review which was adopted yesterday. Does the Senator think that there is a possibility of a complainant having any chance before a board within the set-up itself?

Mr. TAFT. It might be that the board is a prejudiced board, but heretofore in the appeals to the Price Administrator the protestants have been referred right back to the man who first decided the question or who drew the regulation, and who had already made up his mind. Of course, in my opinion, that did not result in a fair hearing.

Now we require a separate board so that at least there is an appeal from a man who has made up his mind to a board, which is an over-all board passing on the whole question of policy, and I think the citizen will get a fair hearing. In any event, he will get an opportunity for oral argument, he will get an open hearing, and then if he is met with an adverse decision, he has an appeal to the Emergency Court of Appeals.

I may say that I was very favorably impressed by the judges of the Emergency Court of Appeals who appeared before us. They have been selected and appointed by the Chief Justice, one I think from the second district, one from the third district, and one from the District of Columbia. I think that court is operating well, and the judges are willing to go all over the country; but of course their jurisdiction is limited. They cannot open up the evidence and decide a case de novo. They can only reverse the decision of the Price Administrator if they find it is an arbitrary and unreasonable decision. However, in an emergency matter such as this I am satisfied with it. I might not be as a matter of permanent law, but as an emergency matter, where the procedure must be summary, as in the control of prices today during wartime, I think that procedure is adequate and fair.

Mr. SHIPSTEAD. I may have misunderstood, but is the Emergency Court to be composed of Federal judges who are now sitting and have been appointed?

Mr. TAFT. That is correct. The Administrative Board, or Board of Review, is within the Price Administration, but there is an appeal from that Board, or from the Price Administration action approving the Board's opinion, to the Emergency Court of Appeals, which is made up of judges selected by the Chief Justice of the United States from judges already appointed to the various circuit courts of appeal throughout the United States.

Mr. SHIPSTEAD. That is better. It will not be a drumhead court, then.

Mr. TAFT. Mr. President, the Yakus case, for instance, shows how unreasonable the 60-day provision is. Mr. Justice Rutledge says in his dissenting opinion:

> The idea is entirely novel that regulations may have a greater immunity to judicial scrutiny than statutes have, with respect to the power of Congress to require the courts to enforce them without regard to constitutional requirements.

In other words, Congress cannot say that a man who challenges the constitutionality of a statute would be barred from setting up that defense, and neither can Congress say that because he has not complied with some administrative procedure, and 60 days have gone by, and a decision handed down, he is barred from challenging the regulation made under the statute by the administrative officer.

Mr. Justice Rutledge says further:

> At a time when administrative action assumes more and more of the law-making

function, it would seem the balance of advantage, if any, should be the other way. But there is none. The statute has impact upon individuals only through the regulations. They are in effect part of the act itself, unless invalid. If invalid, they rule, just as the statute does, until set aside. And, in respect to constitutional requirements, they have no more immunity than the statute itself.

I quote further from the dissenting opinion of Mr. Justice Rutledge:

A procedure so piecemeal, so chopped up, so disruptive of constitutional guaranties in relation to trials for crime, should not and, in my judgment, cannot be validated, as to such proceedings, under the Constitution. Even war does not suspend the protections which are inherently part and parcel of our criminal process.

That shows the serious doubt and the exceedingly dangerous step we are taking in saying that when 60 days have gone by a man cannot challenge the validity of a regulation made by an administrative officer under the authority of the statute.

In the case of this amendment I went along with it on the theory that, having opened up the past regulations for 60 days, possibly by now people will have been sufficiently informed of the procedure; they will know enough about the act, so that future regulations will be well known, and some citizens will be in a position to challenge them. I went along as a part of the compromise. But it seems to me, so far as the 60-day opportunity is concerned, that those who want to challenge the regulations made in the past, which could operate in such a way as absolutely to put them out of business, should at least have the same administrative procedure before the Price Administrator and should have the same right to the board of review and to open argument within the Price Administration as those who hereafter may challenge future regulations.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield to the Senator from Illinois.

Mr. LUCAS. Will the Senator from Ohio tell me on what theory the 60-day limitation was inserted in the proposed legislation?

Mr. TAFT. I did not follow in the original act very closely the procedural regulations. They were submitted by Mr. Anderson and Mr. Ginsburg as a means of giving the Price Administration very tight control of the whole process and relieving them from a number of suits, which no doubt would be greater if the 60-day limitation was not provided. Of course, I recognize that the procedure must be more summary under price control. For instance, if, under these procedural amendments, there is freedom in all these proceedings to hold up for one moment the enforcement of any price, an order made by the Price Administrator can be postponed for a day or a month. In most cases an injunction will lie to hold it up until the case is tried. The 60-day provision was merely incident to the general feeling that there ought to be tight control in the Administration.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. TAFT. I yield.

Mr. LUCAS. Was the 60-day provision in the original act?

Mr. TAFT. No; the 60-day provision was not in the original act. I was probably at fault in not noticing it at the time; but if the Senator will read the Yakus case, I think he will be convinced that the procedure is justified under the Constitution, but the minority opinion of Mr. Justice Roberts and the dissenting views of Mr. Justice Rutledge, concurred in by Mr. Justice Murphy, at least raise a very serious doubt as to whether we have not gone beyond the limit.

Mr. MURDOCK. Mr. President, I should like to say a word following the remarks of the Senator from Ohio. The objections he raises to the present law, and his references to the dissenting opinion written by Justice Rutledge in the Yakus case, are not at all affected by the pending amendment. As the Senator from Illinois said, I think, by implication, there was no more eloquent advocate of the present law on the floor of the Senate than the Senator from Ohio. At the time it was being considered here he did not raise the arguments he is raising today. He spoke on the bill, he was one of the conferees who brought it back and recommended that it be passed in its present form.

Now we find that the Supreme Court of the United States, notwithstanding what may be termed in ordinary cases rather harsh procedural provisions, has upheld as constitutional the procedure established in the Price Control Act. It is true that there are two dissenting opinions, one by Mr. Justice Roberts and one by Mr. Justice Rutledge, which are very logical and very able, but the majority of the Court, in the opinion of the Court, upholds Congress in the act it passed. Now we find ourselves in the rather incongruous, anomalous situation of being asked to follow the dissenting opinion today and to rewrite the law, notwithstanding the fact that the Supreme Court of the United States has upheld what Congress did.

In conclusion, let me say merely that the statements before us from the men on whose shoulders is devolved the great burden of expeditiously handling protests under the price-control regulations, are to this effect: "If you do what Senator DANAHER'S amendment proposes to do in this case, you cannot help bogging down the administration of price control."

If for 2 years the procedure has been all right, and no one has suffered greatly under it, then today—the most important day, probably, in the history of the United States—can we on the home front begin to weaken a law which has served for 2 years? In my opinion, we cannot do it, and the only way by which we can hold the home front today in connection with this proposed legislation is to refrain from adopting weakening amendments. If we begin to adopt weakening amendments, I do not know where we will stop.

I therefore again implore the Senate to uphold the committee in the amendment we have presented, and to reject the amendment offered by the distinguished Senator from Connecticut.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Connecticut.

Mr. WAGNER. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Pepper
Ball	Gerry	Radcliffe
Bankhead	Gillette	Reed
Barkley	Green	Revercomb
Bilbo	Gurney	Reynolds
Brewster	Hatch	Robertson
Bridges	Hawkes	Russell
Brooks	Hayden	Shipstead
Buck	Hill	Stewart
Burton	Holman	Taft
Bushfield	Jackson	Thomas, Idaho
Butler	Johnson, Colo.	Thomas, Okla.
Byrd	La Follette	Truman
Capper	Lucas	Tunnell
Caraway	McClellan	Tydings
Chandler	McFarland	Vandenberg
Chavez	McKellar	Wagner
Clark, Mo.	Maloney	Wallgren
Connally	Maybank	Walsh, Mass.
Cordon	Mead	Walsh, N. J.
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Nye	Wiley
Ellender	O'Daniel	Willis
Ferguson	Overton	Wilson

The ACTING PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. DANAHER. Mr. President, by way of summary and for the benefit of Senators who were necessarily detained on other business, I wish to repeat that the pending amendment, which would change the date from September 1, 1944, to August 1, 1944, will do no more than make it possible for those persons who are aggrieved and who file protests as to outstanding orders or regulations to have a hearing before the board of review. The procedure with reference to review before that board applies to all future orders and all future regulations and protests filed thereunder, in any event. Therefore when we give the protestants an opportunity to file protests against outstanding orders, and give them 60 days commencing July 1 within which to do so, by advancing the date from September 1, to August 1, as this amendment would do, there will actually be a net period of 30 days, namely in the month of August 1944, within which such protests may go to the board of review. Even then, Mr. President, there is the option in any such protestant to follow existing procedures if he chooses to do so, for it is only at the request of the protestant himself that the protest will in fact be heard before the board of review.

That last feature, Mr. President, also applies to protests filed against future orders or regulations.

Therefore there is no such disruptive effect to follow this amendment as is claimed for it. By the amendment we give the individual protestant a right to be heard, and, Mr. President, the failure to give him the right to be heard is what has led to great complaint. We there-

fore seek to apply correctives which will rectify a situation which every one here knows exists.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Connecticut [Mr. DANAHER] striking out in the committee amendment on page 5, line 12, the word "September" and inserting the word "August".

Mr. WAGNER. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. BRIDGES (after having voted in the affirmative). I have a general pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the junior Senator from Massachusetts [Mr. WEEKS]. I understand that the Senator from Massachusetts, if present, would vote "yea," and the Senator from Utah [Mr. THOMAS] would vote "nay." I therefore allow my vote to stand.

Mr. BARKLEY. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Texas [Mr. CONNALLY], and the Senator from Alabama [Mr. HILL] are detained in various Government departments on matters pertaining to their respective States. I am advised that if present and voting, the Senator from Mississippi, and the Senator from Texas, would vote "nay."

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Florida [Mr. PEPPER], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], and the Senator from Utah [Mr. THOMAS] would vote "nay."

The Senator from North Carolina [Mr. BAILEY] and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent. I am advised that if present and voting, the Senator from North Carolina would vote "nay."

The Senator from California [Mr. DOWNEY] and the Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business. I am advised that, if present and voting, the Senator from California would vote "nay."

The Senator from Pennsylvania [Mr. GUFFEY] is paired with the Senator from Ohio [Mr. BURTON]. I am advised that, if present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Alabama [Mr. HILL] is paired on this question with the Senator from Minnesota [Mr. BALL]. I am advised that, if present and voting, the Senator from Alabama would vote "nay," and the Senator from Minnesota would vote "yea."

Mr. WHERRY. I announce that the Senator from Vermont [Mr. AUSTIN] has a general pair with the Senator from Florida [Mr. ANDREWS].

The Senator from Ohio [Mr. BURTON], who is unavoidably detained, is paired on this question with the Senator from Pennsylvania [Mr. GUFFEY]. If present, the Senator from Ohio would vote "yea," and the Senator from Pennsylvania would vote "nay."

The Senator from North Dakota [Mr. LANGER] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from Minnesota [Mr. BALL] is detained on official business.

The result was announced—yeas 30, nays 40, as follows:

YEAS—30

Aiken	Gurney	Robertson
Bridges	Hawkes	Shipstead
Brooks	Holman	Taft
Buck	Millikin	Thomas, Idaho
Bushfield	Moore	Vandenberg
Butler	Nye	Wherry
Capper	O'Daniel	White
Cordon	Reed	Wiley
Danaher	Revercomb	Willis
Ferguson	Reynolds	Wilson

NAYS—40

Bankhead	Hatch	Radcliffe
Barkley	Hayden	Russell
Byrd	Jackson	Stewart
Caraway	Johnson, Colo.	Thomas, Okla.
Chandler	La Follette	Truman
Chavez	Lucas	Tunnell
Clark, Mo.	McClellan	Tydings
Davis	McFarland	Wagner
Eastland	McKellar	Wallgren
Ellender	Maloney	Walsh, Mass.
George	Maybank	Walsh, N. J.
Gerry	Mead	Wheeler
Gillette	Murdock	
Green	Overton	

NOT VOTING—26

Andrews	Connally	Murray
Austin	Downey	O'Mahoney
Bailey	Glass	Pepper
Ball	Guffey	Scrugham
Bilbo	Hill	Smith
Bone	Johnson, Calif.	Thomas, Utah
Brewster	Kilgore	Tobey
Burton	Langer	Weeks
Clark, Idaho	McCarran	

So Mr. DANAHER's amendment to the committee amendment on page 5, line 12, was rejected.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment inserting a new section 106.

Mr. WAGNER. Mr. President, I send to the desk an amendment to the committee amendment, and ask to have it stated.

The ACTING PRESIDENT pro tempore. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 6, following line 17, it is proposed to insert a new subdivision (d), as follows:

(d) Section 204 (c) of such act is amended by inserting after the third sentence and before the fourth sentence thereof the following:

"Two judges shall constitute a quorum of the Court and of each division thereof."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from New York to the committee amendment.

Mr. DANAHER. Mr. President, may we have an explanation of what the Senator from New York has in mind? His amendment has not been considered in committee. I should like to know what the need for it is.

Mr. WAGNER. The amendment simply relates to the provision of the Price Control Act which requires three judges at all times to consider and dispose of cases in the Emergency Court of Appeals. The amendment would allow a quorum of two judges to proceed in such matters, as is done in every other case in which there is a court of three. I read from the letter which has been sent to me by the Chief Justice of the Emergency Court of Appeals:

The present act is silent upon the matter of a quorum. It fixes the number of judges at not less than three in the case of the court and in the divisions of the court which are authorized to be set up.

It is the practice and purpose of the court to assign three judges to hear all cases, but it may well occasionally happen, particularly in view of the many field hearings which they now schedule, that one of the three judges may not be able, due to the exigencies of transportation, illness, or other compelling cause, to be present at the time and place fixed for hearing. It is, therefore, suggested that a quorum of two be authorized so that in such a case the two judges who are present may proceed to hear and dispose of the scheduled case rather than to delay the litigant's cause until a third judge can be secured.

That is all there is to the amendment.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). The question is on agreeing to the amendment of the Senator from New York to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BROOKS. Mr. President, I send to the desk an amendment which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

The question is on agreeing to the committee amendment as amended, inserting a new section 106.

The committee amendment as amended was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated:

The next amendment was, on page 6, after line 18, to insert:

STAYS IN CRIMINAL PROCEEDINGS, AND SO FORTH

SEC. 107. Section 204 of such act is amended by adding at the end thereof the following new subsection:

"(e) Within 5 days after judgment in any criminal proceeding brought pursuant to section 205 (b) for the violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the district court for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant has been found to have violated. The district court shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section

203 (a). Upon the filing of a complaint pursuant to and within 30 days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with subsection (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection. After judgment in any criminal proceeding brought pursuant to subsection 205 (b), the district court shall stay the execution of its judgment for the violation of any provision of a regulation, order, or price schedule concerning which there is pending a protest properly filed by the defendant in accordance with the provisions of section 203, or any judicial proceeding instituted by the defendant in accordance with the provisions of this section, the stay to continue until the disposition of such protest, or judicial proceeding, and the expiration of the time allowed in this section for the taking of further proceedings with respect thereto. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any criminal proceeding pending in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205; nor, except as provided in this subsection, shall any retroactive effect be given to any judgment setting aside a provision of a regulation or order issued under section 2 or of a price schedule effective in accordance with the provisions of section 206."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. WHERRY. Mr. President, I send to the desk amendments to the committee amendment, which I offer and ask to have read and have taken up formally at this time.

The PRESIDING OFFICER. The amendments to the amendment will be stated.

The CHIEF CLERK. In the committee amendment inserting a new section 107, it is proposed to strike out the word "criminal" on page 6, line 21, on page 7, line 20, and on page 8, line 10; and strike out the letter "(b)" following "section 205" on page 6, line 22, and on page 7, line 21.

Mr. WHERRY. Mr. President, referring to the colloquy late yesterday afternoon between the senior Senator from Ohio [Mr. TAFT], the Senator from Connecticut [Mr. DANAHER], and myself, I wish to quote from page 5306 of the CONGRESSIONAL RECORD the remarks made by the senior Senator from Ohio. He stated as follows:

Mr. TAFT. I think I understand the Senator's point. Section 107 provides that in a criminal case, even though the 60 days have expired so that the validity of the regulation cannot be challenged, the defendant may raise that question; and if the court is satisfied that he has some good excuse for not filing within 60 days, the question will be referred to the Emergency Court of Appeals for determination of the validity of the regulation. If the regulation is held to be valid, the case will come back, and perhaps he may be convicted. If the regulation is held to be invalid, the criminal prosecution will come to an end.

That is a clear explanation of what the stay in criminal proceedings will do if section 107 is adopted. The purpose of my amendment is to extend to civil suits and injunction proceedings the defenses and protections which section 107 provides in criminal proceedings. That is all the amendment does. If adopted, it will provide a stay of penalty assessed in a civil suit for damages and a stay in injunction proceedings pending determination by the Emergency Court of Appeals of the validity of a price regulation, order, or price schedule. It also provides that one charged with the violation of a regulation, order, or price schedule shall have the right to challenge the validity of any regulation, order, or price schedule in an action for damages or in an injunction suit.

In other words, the amendment would simply extend to civil suits the defenses available in criminal proceedings. One charged with a violation would be permitted in his defense not only to challenge the price itself, but also the validity of the regulation, as that privilege is granted in section 107.

Section 107 as reported by the committee applies only to criminal proceedings brought pursuant to section 205 (b) of the Price Control Act. Section 205 (b) authorizes such criminal proceedings against any person who wilfully violates a price schedule or other regulation, and the penalty for conviction is a fine of not more than $5,000 or imprisonment for not more than 1 year. Section 107 of Senate bill 1764 would amend the statute in such manner that in case of a criminal proceeding, the defendant would have an opportunity to institute a proceeding before the Emergency Court of Appeals, or might conclude such proceeding already instituted, so that in the event the Emergency Court of Appeals should determine that the regulation was invalid, the defendant could not be punished for the violation of an invalid regulation.

While this relief is reasonably adequate for criminal proceedings, it does not go far enough. It does not extend to damage suits or injunction proceedings. The section as reported by the committee would still permit O. P. A. to bring triple damage suits or injunction proceedings. Injunction proceedings are authorized by section 205 (a) of the present act and so-called triple damage suits by section 205 (e).

Similar relief should be accorded in the case of such proceedings as well as criminal proceedings. An injunction proceeding can result in the issuance of an injunction and in punishment by contempt proceedings for violation of what the Emergency Court may later hold to be an invalid regulation.

Likewise the so-called triple damage suits would permit the collection from an alleged violator of from one and one-half to three times the amount of the overcharge, although the Emergency Court of Appeals might later hold that there was no overcharge.

The damages assessed in such suits may run into many times the sum of $5,000, which is the maximum fine in a criminal proceeding. Punishment in contempt proceedings may be by either fine or imprisonment. I have in mind a suit in this district in which the damage was $200,000, and yet no criminal procedure was involved in the case.

If the Congress is to prevent punishment in criminal proceedings for alleged violations of regulations which are later determined by proper judicial proceedings to be invalid, it should also prevent injunction or punishment through contempt proceedings or penalties through triple damage suits in the same situation where it is later judicially determined that the regulation was invalid.

That is all that this amendment would do. If an injunction suit should fail of its purpose, or if in a suit for damages the price regulation were found to be invalid, instead of a penalty being assessed in contempt proceedings, or in a suit for damages, we would be back where we started. My amendment would afford the same right in a civil action for damages or in an injunction suit as would be afforded in a criminal proceeding.

Under the bill as reported by the committee, injunction proceedings and suits for triple damages could not be stayed pending determination by the Emergency Court of Appeals of the validity of the regulation, nor could any retroactive effect be given to a judgment of the Emergency Court setting aside a provision of the regulation. This is because of the language used at page 8, lines 13–21 of the pending bill, which reads:

Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205; nor, except as provided in this subsection, shall any retroactive effect be given to any judgment setting aside a provision of a regulation or order issued under section 2 or of a price schedule effective in accordance with the provisions of section 206.

In that provision this defense does not extend to a civil suit, as it applies in a criminal proceeding. In a civil suit there is no right to attack the validity of a price regulation. All that can be attacked is the price itself.

Even if a protest were filed in due time under the provisions of section 203 of the act as amended, and even if the Emergency Court of Appeals should find as a result of such protest that the regulation was invalid, if a triple damage suit had been instituted before such determination of invalidity of the regulation, or even if instituted afterward with respect to violations which occurred prior to such determination of invalidity—under the bill as reported by the committee—that suit could go to judgment and three times the amount of the alleged overcharge could be assessed as damages against the defendant for all violations that occurred prior to the date of the Emergency Court's determination

that the regulation was, and had been, held invalid.

Nothing in section 108 of the pending bill which amends section 205 (e) of the act, the section relating to triple damage suits, corrects this situation whereby a defendant may be subjected to the payment of triple damages for an alleged violation of a regulation which the Emergency Court later finds invalid.

The amendment of section 205 (e) of the act made by section 108 of the bill would correct some of the abuses which the present law permits in respect to triple damage suits but it would not prevent assessment of triple damages for violations of an invalid regulation that occured prior to the date of the determination of invalidity. That is due to the provision in section 107 at page 8, lines 17–21, that except with respect to criminal proceedings, no retroactive effect shall be given to any judgment setting aside a provision of a regulation or order.

I ask the Senate to consider the amendment favorably. I feel that we should extend to defendants in civil suits and injunction proceedings the same right of defense as is given in section 107 with respect to stays in criminal proceedings. If a price violation has not been contested during the first 60 days, or until after the alleged violator gets into court, whether it be in a criminal case or in a civil suit, the defendant should have the right to set up as a defense the invalidity of any price regulation. If it is shown to the court, or on appeal to the Emergency Court of Appeals, that the price regulation was invalid, of course damages should not be assessed against the alleged violator. In other words, if my amendment is adopted, exactly the same remedy would be afforded in a civil suit for damages or in an injunction proceeding as would be accorded in criminal proceedings. I cannot see any difference in the penalty, whether a man goes to jail or is assessed triple damages. In some cases triple damages have actually put men out of business. Yet they did not have their right of defense in those proceedings to test and challenge the validity of price regulation.

Mr. President, I ask for the adoption of the amendment.

Mr. MURDOCK. Mr. President, I believe the theory of the distinguished Senator from Nebraska is that on every ground under the price-control law any person aggrieved should have the right to go into any Federal district court and try the entire issue.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. WHERRY. I have not offered such an amendment. That amendment would be an entirely different one. The present amendment deals only with the rights of the party who has been brought into court.

Mr. MURDOCK. I believe that I thoroughly understand the Senator, and I am sure that I have stated his general position in the matter.

If I correctly recall, the Senator offered amendments which were considered before the committee, and which would permit an aggrieved person to go before any of the district courts of the United States and present his grievance. During ordinary times no one would have any quarrel with such procedure, but we are not dealing with ordinary times. Our country is at war today for its very existence. For 2 years we have gone along under present procedure. Of course, in some cases there have been hardships, but we cannot legislate except universally. Any law having universal application is bound in certain instances to cause hardship to some persons.

What amazes me is that after we have gone along for more than 2 years under the procedures of the present law—and to continue under such procedures now becomes more important than at any time in the country's history—we begin to put a premium on violations. We have gone along for 2 years under the exclusive jurisdiction of the Emergency Court of Appeals. We have gone along for 2 years under the procedure which grants every aggrieved person a 60-day period within which to come forward, state his grievance, and question the validity of any regulation. As I stated a few moments ago, the Supreme Court of the United States has upheld such procedure. Now, at this late date, it is proposed that we throw it all out the window and begin on something entirely new. It is proposed by the committee amendment which has just been adopted, to give every protestant who is aggrieved another 60 days to question the validity of any regulation under present procedure.

The Senator from Nebraska wishes to take another step. Evidently he makes no distinction between the status of a man whose liberty is at stake in a criminal proceeding, and one whose profits are at stake in a civil proceeding. In my opinion, Mr. President, there is a vast distinction between the two.

I was very much impressed by the Rutledge dissent in the Yakus case, and also by the Roberts dissent.

In order to rectify an unjust situation, as has been contended by the distinguished Senator from Connecticut [Mr. DANAHER] and the distinguished Senator from Ohio [Mr. TAFT], we have proposed a change in the law sufficient to satisfy certain persons with respect to criminal proceedings, so that after a man is convicted in a criminal court for violation of a regulation he will still have the right, if he acts within the time limits provided by the bill, to present the matter to the Emergency Court of Appeals on the question of validity.

Why did we establish an exclusive jurisdiction in the Emergency Court of Appeals? It was done so that we would have a uniform line of decisions, and so that we would not have decisions as numerous and varied as there are district courts throughout the United States. Uniformity in price control is one of the very fundamentals which will uphold the proceeding. Price control is harsh. However, Mr. President, we are living in harsh times. The very life of the Nation is at stake, and if we cannot by price control hold the line on the home front, how can we expect the soldiers on the combat fronts to hold the line?

I do not like to keep repeating that statement, but when Senators talk to me about the rights of men who are unwilling to conform to price regulations, and talk to me about giving them their day in court, as if we were dealing with ordinary times, I assert that they do not fully understand the situation relative to price control, nor do they understand the great pressures which are today being exerted against inflation.

I know that the gentlemen in the Price Control Administration have about the toughest assignment in the United States. I know the caliber of the men who are administering the law. I know that since the inception of price control there has never been a more general satisfaction with, and support for, price control among the people of the United States than there is under the present administration. If for 2 years the people of the United States have put up with the procedure which is now in effect, is there any good reason for abandoning it today for the sake of someone who simply cannot conform to the law? In my opinion, the argument is not valid. I believe that by adopting the Senator's proposal we would again add to the burdens of the Office of Price Administration. Instead of helping the people of the United States who wish to conform to the law, we would add an additional burden to the Office of Price Administration by extending the rights of the nonconformists. I do not think that today is the time to add such a burden.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. WHERRY. Relative to the last statement of the Senator, I do not follow this argument. I respect the judgment of the Senator from Utah. I have known him for a year and a half. I have served with him on the Judiciary Committee, and I know he is fair in his judgment. I also know that he has done a great deal of work on the pending bill. However, I should like to suggest to him that I am not asking for the right of any person to go into any district court in the United States and file a suit.

Mr. MURDOCK. I understand the Senator.

Mr. WHERRY. I am merely asking that the word "criminal" be stricken out.

Mr. MURDOCK. Yes.

Mr. WHERRY. It would mean that within 5 days after judgment had been pronounced in the case of a civil suit the judgment would be the penalty. It would not take the form of a judgment, but it would be a penalty which would be assessed.

Mr. MURDOCK. Yes.

Mr. WHERRY. For what? So that the defendant may apply to the district court. That is the language of the criminal procedure. I am not asking that every Federal district court judge become a price stabilizer. That would be provided for by an entirely different amendment which I expect to offer to the bill before debate has been concluded.

Mr. MURDOCK. Mr. President, all I have said with reference to the Senator is that his general position is that we should allow litigants to go into every Federal court, and I assert that such a position is wrong.

Mr. WHERRY. In the case of one who had been indicted and charged with a criminal violation, would the Senator grant the same privilege that he would grant under the proposed legislation? If the Senator would do so for a person who had been charged with a violation in a criminal proceeding, why should he not do so in a case for triple damages?

Certainly the Senator believes in fair play. It is not a question of whether I believe in stabilizing prices; I go along with the Senator in that argument, and I believe in it; but I want to say that the adoption of the amendment will make the act a better one; it will make it more enforceable; it will eliminate all questions about price violations, because people will know that they will have the defense in question and will be able to make the defense in the Emergency Court of Appeals, instead of in the Office of Price Administration or in one of the appeal boards or even in the district court. They will be able to make it in a court which is impartial in its judgment. Why should anyone who is a nonwillful violator not have such an opportunity?

I may say to the Senator I can name case after case, suggested in the committee meetings, that would support an amendment of this kind. It may be that the Price Administration is going to assess triple damages against a man who does not have the right to defend himself in an impartial court.

We talk about the boys giving their lives at the front, and I am just as much interested in them as is the Senator from Utah or any other Senator on this floor, but I say when we take away a man's defense before an impartial court of law we are legislating against civil liberty, the very thing our soldiers are fighting and dying for this afternoon on foreign battlefields. I believe a man has a right to set up any defense he wants to set up in a civil court of law, and that is all I am asking for.

Mr. MURDOCK. Mr. President, I cannot yield further. I agree that the Senator is just as sincere in his statement as I am in mine, and I know he is just as much interested in the soldiers at the front as I am, but I say he is all wrong when it comes to price control.

One of the oustanding things, one of the most eloquent things I have read concerning the duties of citizens in time of war is contained in the dissenting opinion of Mr. Justice Rutledge in the Yakus case. I read it to the Senate:

> War requires much of the citizen. He surrenders rights for the time being to secure their more permanent establishment. Most men do so freely. According to our plan others must do so also, as far as the Nation's safety requires. But the surrender is neither permanent nor total.

It is true that under the Price Control Act we do surrender some of our rights. We surrender our right to go into any court we want to and to litigate there, and we are limited to the Emergency Court of Appeals. That is rather a harsh provision, but in times such as these and in matters of this kind and legislation of this character it has been found down through the years that it is conducive to the expeditious disposition of cases.

The main argument against the Senator from Nebraska is the argument that was made against the amendment proposed by the Senator from Connecticut [Mr. DANAHER]. The main argument is that we should not add to the burdens of the Price Control Administration. They have burdens already.

Mr. WHERRY. Mr. President——

Mr. MURDOCK. I do not care to yield.

Mr. WHERRY. What the Senator says has no bearing on what I am attempting to do, which concerns matters after the violator has been brought into court either on injunctive proceedings or in a suit for triple damages. It is beyond the point concerning which the Senator from Connecticut offered his amendment.

Mr. MURDOCK. Mr. President, if the able Senator from Nebraska had sat through the hearings with his two able colleagues on the Republican side, the Senator from Connecticut [Mr. DANAHER] and the Senator from Ohio [Mr. TAFT], he would conclude that generally what he is doing is adding another burden to the Office of Price Administration. How does he do that? Under the committee amendment every person who wants to question the validity of a regulation, whether it be the first regulation that was issued after the act was passed——

Mr. WHERRY. Mr. President——

Mr. MURDOCK. Mr. President, I decline to yield at the moment.

Mr. WHERRY. Very well. But the Senator is misstating the matter.

Mr. MURDOCK. I do not yield at this time. I should like to make this point, and then I shall yield to the Senator and he can speak in his own time if I do not deal sufficiently with it.

Let us go back again to what the committee amendment just adopted does. It grants an additional 60-day period to every person in the United States affected by a regulation, an order, or a price-control schedule to come forward again and to question the order, schedule, or regulation. There is an additional 60 days granted in which to do that. Then, if the Price Administrator rules adversely to the protest, under the committee amendment an appeal is granted to the Emergency Court of Appeals.

Mr. President, if we adopt the amendment offered by the Senator from Nebraska what is the additional burden? The additional burden is that we not only grant the citizen everything I have mentioned but we grant him the right after judgment is entered in a civil case to appeal from that decision to the Emergency Court of Appeals. We invite him again to gamble on what the Emergency Court of Appeals might do after he has been accorded the opportunity to go there.

In my opinion, the answering argument to the able Senator from Nebraska is that the present burdens of the Office of Price Administration are almost unbearable, and to add to them would be doing not only an injustice to them but an injustice to the people who are affected by the new regulations who are anxious to come forward and have their cases disposed of and decided as speedily as possible.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. TAFT. The Senator referred to an association in the committee. I do not remember this point being raised in the committee. The amendment which is proposed says that in criminal cases a man who is charged may, after judgment, say to the judge, "I did not file a protest against this regulation in time, but I had an excuse, and I ask your permission to go to the Emergency Court of Appeals." As I understand, the amendment merely extends that privilege to triple-damage cases.

Of course, the difficulty with not extending it is that if it is not extended—and, as I have said, I do not think the question was discussed in the subcommittee—the Price Administration could always get away from this procedure by filing a triple-damage case and not filing a criminal case. It seems to me if we want to make the act effective we should extend it to triple-damage cases as well as criminal cases. I do not see that it imposes any greater burden on the Price Administration. They may have to defend their cases in court before the Emergency Court of Appeals, but we have opened up the past regulations anyway for 60 days; so they have to meet that problem sooner or later.

Mr. MURDOCK. Is not that the answer to the amendment of the Senator from Nebraska? We open up for a period of 60 days an opportunity for every protestant to come in after the enactment of this act, beginning July 1, for a period of 60 days. Any aggrieved person has a right, notwithstanding what he has done in the past, to come forward again and to protest to the Administrator against a regulation or order.

Mr. TAFT. The Senator's argument, however, proves too much. It proves that the whole amendment relating to criminal proceedings is unnecessary.

Mr. MURDOCK. I agree with the Senator that it is.

Mr. TAFT. This amendment is only intended to deal with cases hereafter. After the 60 days in the case of new regulations expire, people who are hauled into court by the Price Administration and have not filed protests may, if they have a proper excuse, and only in the discretion of the district court judge, get their case before the Emergency Court of Appeals.

That does not seem to me a very high privilege, and I am inclined to think that if it is granted in criminal cases it ought to be granted in triple-damage cases. I do not see any difference. The Price Administration has not filed many criminal cases. They usually file triple-damage cases; and if they are afraid of any such question being raised, they will not file a criminal case but will file a triple-damage case. If we want to make the amendment effective, we ought also to adopt the Wherry amendment. I

really believe that is a necessary supplement to the pending amendment.

Mr. MURDOCK. Mr. President, I thoroughly appreciate the Senator's present attitude, as I appreciated his attitude in the subcommittee. Had this question been raised there, had we been given the opportunity to go into its ramifications, then we might have acted on it; but, in my opinion, it is not proper to bring it to the floor today without any more information about it than we have, and in the face of the fact that every protestant on the old regulations has an additional 60 days, and the further fact that today the people of the United States from one end of the country to the other are cognizant of the price-control procedures, and no man who is adversely affected or aggrieved by a regulation is going to fail within the 60-day period to come forward and make his protest. If he makes his protest, then, of course, he has the very remedy the Senator's amendment would give him if he neglected to come forward within the 60 days and assert his rights.

In my opinion, Mr. President, the Senate should take the committee amendment as it is offered. The Senate should make the distinction between a man confronted with the loss of his liberty and a man confronted only with the loss of property.

I state again that we must have in mind the manpower shortage in the United States; we must have in mind the very difficult situation in which this administrative agency, and all others, find themselves in obtaining men of proper caliber to fill the important jobs under them.

If an effort is made by this amendment to bring about justice to the violator who has not taken advantage of his 60-day remedy, it will deprive people who are entitled to it getting expeditious treatment and disposition of their cases.

Mr. President, I hope the Senate will vote down the amendment of the Senator from Nebraska.

Mr. WHERRY. Mr. President, in my own time I should like to say that I had no opportunity of going to the committee and suggesting this amendment. This is new legislation. The committee has perfected the criminal procedure, and when that was done, they were holding closed hearings, and I had no opportunity to offer any amendment of this kind in the committee when the hearings were proceeding. I did offer several amendments to the committee, but this amendment did not come up. It was unnecessary. As the Senator from Ohio pointed out yesterday, this question was never brought before the committee. We never had a chance to bring it before the committee, because in the pending measure the committee has perfected the criminal procedure, as brought out by the committee amendment, by doing the very thing in criminal proceedings I am asking to have done in civil suits after judgment has been rendered. That is all there is to it.

All the talk about manpower and the undue hardships forced upon O. P. A. is beside the question. Action has been taker in regard to the criminal proceedings provision. The committee perfected those proceedings. What is to be done in criminal proceedings? If one has failed to file a protest against any price order or regulation, he is given the right, in the proposed new criminal procedure statute, to come forward in the second 60-day period and set up any right he had in the first period. The right to test what? Not merely the price order, but the validity of the price act itself. This is what we find at the top of page 7:

> The defendant may apply to the district court for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant has been found to have violated.

That is the right given a person under the new proposal, in criminal proceedings. What else do we find?

> The district court shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a).

When we considered this matter in the committee hearings, when there were present several Senators from various sections of the country, it was suggested unanimously by them that in suits for damages one of the difficulties with the present act was the fact that they would be filed in venues outside the State in which the violations occurred, and that many times the price order would be issued and would lie dormant, and one would never know it was issued within the 60-day period. Then, when a person came in to defend himself in a court, he found he was foreclosed, because he had no right to set up as a defense any right he had prior to the 60-day period.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. Will the Senator from Nebraska consider an amendment to his amendment, after the word "judgment" to add the words "or decree"?

Mr. WHERRY. That would be agreeable to me.

Mr. FERGUSON. There may be some question in a chancery case as to whether or not this provision would apply, so, in order to make it certain that it would apply in chancery as well as in law, it should read "judgment or decree."

Mr. WHERRY. The point is well taken, and I accept the amendment, if it is in order, that the words "or decree" be inserted after the word "judgment" wherever it occurs.

The PRESIDING OFFICER. The Senator has the right to modify his own amendment.

Mr. WHERRY. I accept the amendment, and I wish to thank the Senator from Michigan for his suggestion. I understand what he is getting at.

We are not attempting to do anything adverse to the Price Control Act. We are not trying to hinder it. We are trying to make it a better act. If this amendment shall be adopted, I am sure the suits which have caused so much trouble, triple-damage cases, will be better handled. I think there will be fewer suits filed, because the department will be very sure, when it comes to upholding the validity of a price regulation, that the price regulation is sound and is not invalid. Such foresight will certainly tend to eliminate a multiplicity of suits.

I can cite the case of farmer after farmer being cited for violation of the regulation regarding the sale of corn because he did not have the right moisture content in his corn, in one case it being only 1 percent over, and he was assessed triple damages. Because he did not protest within the 60-day period, he had to pay triple damages, and it took half of what he received to pay the damages. That is neither fair nor just.

Mr. President, that is what is causing trouble with the Price Control Act. We are trying to make a better act out of it. The criminal-proceeding feature has been amended, and a better procedure has been provided. All in the world we are asking is that persons be permitted to come forward within the 60-day period, the additional 60 days. Instead of merely challenging the price regulation itself, a person would have the right to challenge the validity of the price regulation. It will not be a burden upon the manpower, it will not hurt the procedural or administrative work, about which the Senator from Utah talked so ably a few moments ago. It will not burden in any way the district courts and it will not unduly burden in any way the Emergency Court of Appeals. The violator simply files an application to the district court, and upon proper showing is granted a review by the Emergency Court of Appeals.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. WHERRY. I am always glad to yield to the Senator from Utah.

Mr. MURDOCK. Does the Senator attach any importance at all to the statements made by the officials of the Price Control Administration?

Mr. WHERRY. I was not in any meeting where the officials were present. This question was not brought up. It was not even brought up in the committee meetings, according to the statement of the Senator from Ohio. This matter has developed since the criminal-proceedings feature was adopted.

Mr. MURDOCK. Certainly, and if the Senator will yield further——

Mr. WHERRY. I yield.

Mr. MURDOCK. We were told by Mr. Field that the extension of this privilege and right to the person in the criminal proceeding would be adding another burden to those the Administration already has, and the question of extending further opportunity to litigants in civil proceedings was certainly answered by the price control people in their statement that "If you do not want to bog us down entirely you will not do that very thing."

Mr. WHERRY. I desire to answer the question asked by the Senator from Utah by saying that it is only after considerate judgment that the provision is suggested. The amendment does not change one thing in the provisions which have been

perfected with respect to criminal proceedings, except to take out the word "criminal," and make the provision apply to all proceedings. There is no change in the matter of procedure. The amendment would simply provide that a man who is brought into court and sued for damages, who is facing the imposition of treble damages, shall be given the same right as is given to one who is haled into court and faces a criminal penalty. That is all. It seems to me that one who is faced with the imposition of treble damages, as many of these farmers and processors are, should have the same right to set up a defense and challenge the validity of an act in a civil suit or injunction proceeding as is permitted in a criminal proceeding, and that is what the amendment does. That is all there is to the amendment. I hope the Senate will adopt the amendment. I move its adoption at this time.

Mr. WAGNER. Mr. President, the Senator from Ohio stated a moment ago, as did also the distinguished Senator from Nebraska, that the committee did not consider this question at all. I think the Senator from Nebraska is mistaken in that statement. The question was considered.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WAGNER. Yes; I yield.

Mr. WHERRY. I understood the Senator from New York to say that I said I had not presented the amendment.

Mr. WAGNER. Oh, no.

Mr. WHERRY. I simply repeated the remarks made by the senior Senator from Ohio, who said that the question had not been raised in the committee. I am not a member of the committee. I said that I did not present the amendment to the committee. I did present another amendment which is entirely different from this amendment.

Mr. WAGNER. The question whether the provision should be limited to criminal proceedings was presented to the committee.

Mr. WHERRY. That is not my statement, I will say to the Senator.

Mr. WAGNER. I wish to read from the report respecting this very proposition. I read from page 13 as follows:

> In the proposed amendment, the committee has attempted to give adequate weight to the above considerations and yet to provide against the possibility that a defendant might be punished criminally for violating a regulation which, but for excusable failure on his part to file a timely protest, he might have successfully challenged in the Emergency Court of Appeals. In making provision for this unusual case, the committee has sought to preserve the essential pattern of the statute and to avoid insuperable obstacles in the way of effective enforcement. Therefore, the availability of the special remedy is limited to criminal proceedings; and, in order to prevent its use as a means of delaying the trial of such cases, it is provided that the application for special leave can be made only after judgment.
>
> The wisdom of thus limiting the amendment becomes apparent when the enormous task of enforcing price and rent control is appreciated. We were informed, for example, that the number of enforcement proceedings instituted each month for price or rent violations has recently been averaging over 700. If in every one of these cases the validity of the regulations could be challenged, even though only to delay trial by contesting the regulation in the Emergency Court of Appeals, enforcement would break down completely, while the absorption of the operating staff in the resulting flood of litigation in that court would seriously interfere with effective administration.

Mr. WHERRY. Mr. President, will the Senator yield at that point?

Mr. WAGNER. Yes.

Mr. WHERRY. What I am talking about is the cases after judgment has been entered; not prior to judgment.

Mr. WAGNER. So are we talking about these cases after judgment.

Mr. WHERRY. I understood the Senator to read language which referred to delay of trials. I am not talking about cases before trial. What I am speaking of is cases after judgment has been entered.

Mr. WAGNER. I have not concluded what I wish to read.

Mr. WHERRY. What I understood the Senator to read applied to cases before trial.

Mr. WAGNER. Let me continue to read:

> It also seems clear that if compliance is to be effectively secured while a case involving the validity of a regulation is pending, civil remedies, including the treble-damage provision, should not be nullified by a subsequent determination of invalidity of the regulation. It is, therefore, made explicit in the amendment that the pendency of a protest or a complaint is not to be grounds for delaying a civil proceeding, and also that a judgment of invalidity in the Emergency Court of Appeals is not to be grounds for relief from civil liabilities which have been incurred on account of violations before such determination of invalidity. If civil remedies were not thus left unimpaired by the amendment, it would undermine the fundamental proposition that price and rent regulations must be obeyed even while being litigated, thus jeopardizing one of the principal benefits of the exclusive jurisdiction provisions of the statute.

Mr. WHERRY. Mr. President, in answer to what the Senator from New York has read I simply wish to say that the litigation has already ended when the application by the defendant for appeal to the Emergency Court of Appeals is brought to the district court. Everything the Senator has read applies to the procedure in connection with a suit for damages. In neither one of those proceedings does the individual who is charged with a violation have the right to set up the question of the validity of the price control as a defense. That is all I am talking about. The same right should be given to an individual in a civil proceeding to make application to the Emergency Court of Appeals as is given in a criminal proceeding.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. JOHNSON of Colorado. I am very much interested in the debate which has taken place, and I do not altogether understand its application. I wish to present a specific case and ask the Senator from Nebraska in what way, if any, his amendment would affect it. I call his attention now to the case of an onion shipper of Rocky Ford, Colo., who is shipping premium onions, 3-inch onions, sandwich onions they are called. Of course the onion season, as Senators realize, is very short. If we happen to have bad weather the whole crop is completely destroyed. These onions are brought in and are run over a grader. Four persons stand on each side of the grader and pick out the cull onions, and the small onions are supposed to fall through the slack.

In the case I have in mind the buyers of the onions were present, they saw the onions graded, they saw them placed in the bags. They bought them. They did not buy them sight unseen. They bought them as they saw them graded. The onions were sold and were shipped, without any complaint on the part of any shipper or any receiver. It happens, however, that the State of Colorado has a very strict inspection law, and the State inspector found that these onions did not measure up to No. 1 grade. On the strength of that inspection the O. P. A. came in, and in the case of this one particular shipper they assessed him treble damages, which amounted to $40,000. The shipper had passed on the price to the grower. The shipper received 5 cents shipping charge out of it. The grower received the top price. The receiver was well satisfied. The consumer of the onions was pleased because they were splendid onions, except that they did not quite measure up to the standard. This particular shipper was assessed $40,000, which meant his life savings, everything he had, and more than he had, because he had not accumulated $40,000.

What would the Senator's amendment do in such a case?

Mr. WHERRY. I will explain to the Senator from Colorado. The case the Senator has presented is as good a case as I could present as an example of what I am trying to do. In that particular case judgment was found against the violator in a suit for damages. The amendment would apply in this manner: The defendant could go to the Federal district court and there apply for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant had been found to have violated. If he did not have that remedy the case would be closed. Then the only point he could contest in that case was whether there was a price violation, as interpreted by the Office of Price Administration, and as it was so found in this case, a penalty of $40,000 was imposed, and the defendant was through.

In a criminal proceeding the privilege is extended the defendant of filing a complaint in the Emergency Court of Appeals setting forth objections to the validity of a provision which the defendant is alleged to have violated. I wish to give the defendant in a civil proceeding the same right that is granted a defendant in a criminal proceeding. I wish to give the individual the right after judgment has been rendered and the penalty has been assessed to apply in the district court for stay of proceedings, and make application for appeal to the Emergency Court of Appeals. He

does not now have that right. Then when he makes the appeal I want him accorded the right to have the validity of the provision of the act passed upon, not simply the question of price, but the entire validity of the price regulation, and if the Emergency Court of Appeals finds that the provision is invalid, then the defendant will not have to pay the penalty, and will be relieved of any further obligation. Under present procedure the defendant must pay and there is no other recourse.

Mr. JOHNSON of Colorado. Mr. President, if the Senator will yield further, let me say that this particular shipper, it seems to me, had a very good case, had he been able to go to court with it, because the rule under which he was fined was not uniformly applied throughout the United States.

Mr. WHERRY. That is correct.

Mr. JOHNSON of Colorado. The shippers in Utah and shippers in Idaho, because they had a different basis of State inspection, were not placed under the same handicap under which the shipper from Colorado was placed.

Mr. WHERRY. That is correct.

Mr. JOHNSON of Colorado. But he had no day in court to protest that rule or bring out that point.

Mr. WHERRY. That is correct. Perhaps I did not make it clear that I think the committee has gone a long way to help out in that situation. The adoption of the 60-day clause for protests is certainly a decided advantage. But this is a specific example—we could not get a better one—of the very thing I am attempting to do, namely, to give that man his day in court in the Emergency Court of Appeals, just as the committee is giving him the right if he is charged criminally. But apparently what the Office of Price Administration is doing and will continue to do is not to file a criminal case, but merely to file a civil case, so that triple damages can be assessed against such persons all over the country. These defendants will not be given a day in court at which to present the defense to which they are entitled.

That is exactly the amendment, and that is exactly what it will do.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HOLMAN. I am not a lawyer——

Mr. WHERRY. That is a good thing. [Laughter.]

Mr. HOLMAN. Therefore, I speak with temerity to lawyers on a legal subject. When this discussion proceeded, I thought of a quotation from Shakespeare which seemed to apply to it. I do not know whether Shakespeare is good law, but I understand the Senator is drawing a distinct line between civil and criminal matters. I take it that when a man's life is taken, that is a criminal matter. Shylock said:

> Nay, take my life and all; pardon not that:
> You take my house, when you do take the prop
> That doth sustain my house; you take my life,
> When you do take the means whereby I live.

It seems to me that would demonstrate that the remedy for a civil action runs concurrently with the remedy for a criminal action.

Mr. WHERRY. I thank the Senator from Oregon. I will say that I have tried some few lawsuits in my time, and that is the first time I have heard Shakespeare quoted as authority. However, I accept it, and I think it is very apropos.

Mr. President, I move the adoption of my amendments to the committee amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Radcliffe
Ball	Gerry	Reed
Bankhead	Gillette	Revercomb
Barkley	Green	Robertson
Brewster	Gurney	Russell
Bridges	Hatch	Shipstead
Brooks	Hawkes	Stewart
Buck	Hayden	Taft
Burton	Hill	Thomas, Idaho
Bushfield	Holman	Thomas, Okla.
Butler	Jackson	Truman
Byrd	Johnson, Colo.	Tunnell
Capper	La Follette	Tydings
Caraway	Lucas	Vandenberg
Chandler	McClellan	Wagner
Chavez	McFarland	Wallgren
Clark, Mo.	McKellar	Walsh, Mass.
Connally	Maloney	Walsh, N. J.
Cordon	Maybank	Wheeler
Danaher	Mead	Wherry
Davis	Millikin	White
Downey	Moore	Wiley
Eastland	Murdock	Willis
Ellender	Nye	Wilson
Ferguson	Overton	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendments of the Senator from Nebraska, as modified, to the amendment of the committee inserting a new section 107. Without objection, the vote will be taken on the amendments en bloc.

Mr. WHERRY. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. BRIDGES. I have a pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Massachusetts [Mr. WEEKS], and will vote. I vote "yea."

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. THOMAS] are detained on public business. I am advised that if present and voting, the Senator from Pennsylvania [Mr. GUFFEY] would vote "nay."

The Senators from North Carolina [Mr. BAILEY and Mr. REYNOLDS], the Senator from Texas [Mr. O'DANIEL], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent. I am advised that if present and voting, the Senator from North Carolina [Mr. BAILEY] would vote "nay."

The Senator from Mississippi [Mr. BILBO] is detained in one of the Government departments on matters pertaining to the State of Mississippi.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business. I am advised that if present and voting, the senior Senator [Mr. MCCARRAN] would vote "yea."

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] is necessarily absent. He has a general pair with the Senator from Florida [Mr. ANDREWS].

I am advised that the Senator from Massachusetts [Mr. WEEKS] would vote "yea" if present. He is necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The result was announced—yeas 48, nays 26, as follows:

YEAS—48

Aiken	Danaher	Reed
Ball	Davis	Revercomb
Bankhead	Eastland	Robertson
Brewster	Ferguson	Shipstead
Bridges	Gillette	Stewart
Brooks	Gurney	Taft
Buck	Hawkes	Thomas, Idaho
Burton	Holman	Thomas, Okla.
Bushfield	Johnson, Colo.	Tydings
Butler	La Follette	Vandenberg
Byrd	Lucas	Wheeler
Capper	McClellan	Wherry
Chandler	McKellar	White
Chavez	Millikin	Wiley
Connally	Moore	Willis
Cordon	Nye	Wilson

NAYS—26

Barkley	Hayden	Radcliffe
Caraway	Hill	Russell
Clark, Mo.	Jackson	Truman
Downey	McFarland	Tunnell
Ellender	Maloney	Wagner
George	Maybank	Wallgren
Gerry	Mead	Walsh, Mass.
Green	Murdock	Walsh, N. J.
Hatch	Overton	

NOT VOTING—22

Andrews	Johnson, Calif.	Reynolds
Austin	Kilgore	Scrugham
Bailey	Langer	Smith
Bilbo	McCarran	Thomas, Utah
Bone	Murray	Tobey
Clark, Idaho	O'Daniel	Weeks
Glass	O'Mahoney	
Guffey	Pepper	

So Mr. WHERRY'S amendments, as modified, were agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was on page 8, after line 21, to insert:

SUITS FOR DAMAGES

SEC. 108. (a) Subsection (e) of section 205 of such act is amended to read as follows:

"(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may, within 1 year from the date of the occurrence of the violation except as hereinafter provided, bring an action against the seller on account of the overcharge. In such action, the seller shall be liable for reasonable attorney's fees and costs as determined by the court, plus whichever of the following sums is the greater: (1) Such amount not less than one and one-half times and not more than three times the amount of the overcharge,

or the overcharges, upon which the action is based as the court in its discretion may determine, or (2) $50. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be; and the word 'overcharge' shall mean the amount by which the consideration exceeds the applicable maximum price. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer either fails to institute an action under this subsection within 30 days from the date of the occurrence of the violation or is not entitled for any reason to bring the action, the Administrator may institute such action on behalf of the United States within such 1-year period. If such action is instituted by the Administrator, the buyer shall thereafter be barred from bringing an action for the same violation or violations. Any action under this subsection by either the buyer or the Administrator, as the case may be, may be brought in any court of competent jurisdiction. A judgment in an action for damages under this subsection shall be a bar to the recovery under this subsection of any damages in any other action against the same seller on account of sales made to the same purchaser prior to the institution of the action in which such judgment was rendered."

(b) The amendment made by subsection (a), insofar as it relates to actions by buyers or actions which may be brought by the Administrator only after the buyer has failed to institute an action within 30 days from the occurrence of the violation, shall be applicable only with respect to violations occurring after the date of the enactment of this act. In other cases, such amendment shall be applicable with respect to proceedings pending on the date of enactment of this act and with respect to proceedings instituted thereafter.

Mr. LUCAS. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The CHIEF CLERK. On page 8, line 25, after the word "commodity", it is proposed to insert "knowingly"; and on page 9, line 19, after the word "commodity", it is proposed to insert the word "knowingly."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois to the committee amendment.

Mr. WAGNER. Mr. President, the amendment just proposed by the Senator from Illinois is a very important one.

Mr. LUCAS. If there is any question about the amendment, I desire to detain the Senate for only a few moments with respect to it.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. What is the pending amendment?

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will again be stated by the clerk.

The CHIEF CLERK. On page 8, line 25, after the word "commodity", it is proposed to insert "knowingly", and on page 9, line 19, after the word "commodity", it is proposed to insert "knowingly."

Mr. LUCAS. Mr. President, the language of the committee amendment beginning in line 25, on page 8 of the pending bill, reads in part as follows:

If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may, within 1 year from the date of the occurrence of the violation except as hereinafter provided, bring an action against the seller on account of the overcharge.

The language which I have just read deals with the treble damage section of the legislation which has been discussed from time to time in the debate. All my amendment would do would be merely to add the word "knowingly" so that the language would read, "If any person selling a commodity knowingly violates a regulation, order, or price schedule," and so forth.

Mr. President, my amendment is very important. I am confident, from what I have learned of the suits which have been filed in my section of the country under section 108 of the act, that the amendment is a constructive one and should be agreed to. It seems to me that an individual who, through an honest mistake, sells a commodity for more than he should sell it, should not be penalized in a suit in the Federal court for treble damages, either by the buyer or by the Administrator.

I do not know what the evidence has disclosed with respect to a buyer instituting a suit against the seller for violation of the act. However, in the cases of which I know anything, the Administrator has been responsible for the institution of the suit for treble damages.

We are all familiar with the Hecht case. It went to the Supreme Court of the United States, and the Supreme Court unanimously held that if a person in charge of selling commodities had made honest mistakes in violation of the act and was willing to rectify them by restitution, he should not be annoyed or damaged by court action.

We all know that at times it is most difficult for the little fellow at the junction to understand the exact meaning of the language contained in some of the orders or regulations which have been issued from time to time by the O. P. A.

I wish it to be distinctly understood that I am strongly in favor of the objectives of the Price Control Act. I am of the opinion that it has probably been the most influential piece of legislation which could have been enacted in checking inflation, and holding prices where they should be held. It has been probably the most influential measure in that direction that has been passed by Congress during the emergency. However, there has been some maladministration of the act.

I do not lay heavy blame upon individuals who are attempting to administer the act. The Senator from Utah has rightfully said that the act is difficult to administer, and from the standpoint of public relations the question of obtaining the proper manpower is a very difficult one. Nevertheless, the home front is an important one from the standpoint of maintaining morale. I know that some investigators in the O. P. A. do not exercise the good judgment in connection with the present emergency that they should exercise as they go about from place to place in the performance of their duties as investigators of alleged violations of the O. P. A.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LUCAS. I shall be glad to yield in a moment.

The individual who knowingly and willfully violates the directives of the Office of Price Administration, or the regulations or orders promulgated by it, should be penalized. So far as I am concerned in time of war there is no criminal penalty or damages heavy enough to be laid upon that kind of an individual.

Mr. HATCH. Mr. President, will the Senator now yield?

Mr. LUCAS. I yield.

Mr. HATCH. I merely wish to ask the Senator a question. I believe I am in sympathy with what he is attempting to accomplish. However, the use of the word "knowingly" in connection with his amendment indicates to me that the way in which the word might be interpreted would leave wide open to any person desiring to violate the law the defense merely of not reading the regulations, or obtaining knowledge concerning them, and that after a suit had been instituted he could say in effect, "Well, I didn't know anything about it."

Mr. LUCAS. Mr. President, the Senator may be correct in his views. I may state that originally I had put into the amendment the words "Willfully and knowingly." I dropped the word "willfully", but if there is any question about it I will modify the amendment by putting it in.

Mr. HATCH. My thought is that the word "willfully" would vastly improve the amendment.

Mr. LUCAS As I have said, at first I had in the amendment the words "willfully and knowingly." I have discussed the question with the Senator from New Mexico outside the Chamber, and perhaps his suggestion should be adopted.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. RADCLIFFE. Mr. President, I have some remarks to make on this subject on behalf of the committee. Does the Senator from Illinois prefer that I wait until he has finished his statement?

Mr. LUCAS. I am about to conclude. I will yield to the Senator if he wishes to ask a question.

Mr. RADCLIFFE. I wish to speak with reference to several features of the bill, and especially with reference to one point which has been brought up.

Mr. LUCAS. I may say to my good friend, the Senator from Maryland, that I would prefer being allowed to complete my remarks.

Mr. RADCLIFFE. Very well.

Mr. LUCAS. I know what the committee has done in connection with the amendment to the section to which I have referred. The committee is to be congratulated upon attempting to meet the situation by giving to the court a certain amount of discretion with respect to the assessment of damages. However, I still assert, Mr. President, that an individual who has been caught in the honest violation of a regulation should under no circumstances be hailed into court in a treble damage suit.

All I am attempting to do by this amendment is to protect the individual who is at the crossroads in a little store, say, at Nebo, Ill., and who perhaps is not familiar with the details and all the fine points of a regulation that comes from Washington, D. C. He proceeds upon the interpretation some local lawyer or a representative in the O. P. A. office may give him. We know that those in charge of the enforcement of the O. P. A. regulations have not always been right in the proper construction of what a given regulation means. This honest merchant should not be penalized for an honest mistake.

That is what I seek to correct by this amendment. I think it is in the interest of building good morale on the home front. I know of one or two instances of individuals who have never been in court in their business existence being hailed into court as a result of an honest violation of a regulation. I know of a partnership in my State which has enjoyed a reputation for honesty and integrity in business for the last 75 years, which is now in the Federal court. They claim the violation was an honest error. They were not attempting to defeat the Government or the buyer in connection with the payment of what is due and owing if they overcharged, but they contend seriously that the overcharge was a mistake upon their part and that they did not have the manpower to supervise every detail in every department of their large store.

That particular industry, in my humble opinion, has been damaged and the reputation the industry has enjoyed over a long period of years has been impaired in the eyes of the public by the action bringing it into a Federal court. It seems to me that the court should have the right to say whether or not a man has knowingly and willfully violated a regulation, and, if the court finds that he has, then, instead of assessing triple damages, he can be assessed damages commensurate with the violation.

That is all my amendment does. I should like to modify it by adding the words "and willfully", so as to read "knowingly and willfully."

The PRESIDING OFFICER. The amendment will be so modified.

Mr. LUCAS. I yield the floor.

Mr. RADCLIFFE. Mr. President, I am in sympathy with much of what the Senator from Illinois has said. I differ with him, however, as to the procedure to be followed. It seems to me that the insertion of the word "knowingly" would practically nullify the operation of the O. P. A. Act. How could it be ascertained whether a person knew that he was violating the law? Would there be any burden upon him to find out what the laws and regulations are? If he can simply rely on the assumption, until he is advised otherwise, that he can sell at any price he sees fit, I think it would be practically useless for us to have any O. P. A. law.

As I stated I am in sympathy in part with what has been said by the Senator from Illinois; and the committee in considering that matter upon my motion has taken action which modifies very materially the present law. Under the present law if a case goes to trial and the overcharge is found to be a certain amount, the court has no discretion whatever except to assess triple damages. The court may come to the conclusion that there were extenuating circumstances, and that the imposition of triple damages would be unreasonable, but under the present law there is no such judicial discretion. The committee has attempted to cure that situation by providing that the damages may be from one-half to three times the amount of the overcharge, in the discretion of the court. In cases where there has been a deliberate and flagrant attempt to flout the law, then, as the Senator from Illinois said a moment ago, triple damages should be imposed upon the one who has made the overcharge.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. RADCLIFFE. I yield.

Mr. CHANDLER. I have a case in mind where the damages actually collected, when the overcharge was only 10 cents, amounted to 750 times the overcharge. What should be done in a case such as that?

Mr. RADCLIFFE. The overcharge was 10 cents?

Mr. CHANDLER. The overcharge was 10 cents and there was collected $75; $50 for damages and $25 for lawyer's fees. I know of three cases where the total amount of overcharge was 20 cents, and $150 was collected. Even the judge in one of the cases said there was nothing he could do about it other than assess the amount, although he realized there were extenuating circumstances.

Mr. RADCLIFFE. I want to say to the Senator from Kentucky that, if he will bear with me for a moment, and let me finish what I was saying in regard to triple damages, I will come back to the point he has in mind.

Mr. CHANDLER. I have offered an amendment which I intend to call up and which, I think, will be, perhaps, somewhat more effective in clearing the situation than the amendment offered by the Senator from Illinois. I should like to have the Senator have an opportunity to look at it and see if we cannot reconcile our differences. I think it is a great mistake to make it possible where a violation has not been committed knowingly to provide such extreme penalties. There is no excuse in my opinion for assessing $50 and lawyers' fees for trivial mistakes.

Mr. RADCLIFFE. Mr. President, the committee has, as I stated, attempted to meet that situation by providing a sliding scale of from one and a half to three times the amount of the overcharge. It might be asked with much reason why one and a half; why should not the judgment be merely the amount of the overcharge? If these were normal times, if we were not attempting to enforce an emergency measure, that conclusion would be irresistible, but, as a matter of fact, as we well know, such is not the situation. These are wartimes; we are trying to apply measures which the necessities of war demand, and, in order to meet the needs of the situation, we have by reduction fixed a minimum of one and a half of the overcharge. How would that work practically? Suppose the overcharge is $100 and it should be demonstrated unmistakably in court that it is an overcharge. In such a case, under the amendment, the court could impose damages of between $150 and $300; whereas, under the present law, the court would have to impose damages of $300, and could not take into consideration in any way at all any of the extenuating circumstances.

As I have said, if these were normal times, I would prefer that the court be authorized to fix damages merely for the amount of the overcharge, $100; but if that were done, it is quite likely that the courts would be opened to many cases which should not be brought. It seems to me in wartimes it is not an unreasonable thing to say even to a person who has acted in good faith, "You have violated the law; but since there are extenuating circumstances, we are only going to add 50 percent to the amount of the overcharge, much as we regret that war necessities require any penalty."

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. RADCLIFFE. Certainly.

Mr. McKELLAR. Of course, a great many laws of this kind are passed. I wish to ask the Senator, Does he know of any law that was ever passed that did not provide that the act subject to the penalty should be knowingly and willfully committed? Of course, I do not recall them all but I do not remember ever having seen an act passed anywhere, by Congress or by any State or by any city authority in its bylaws, that did not include the words "knowingly and willfully."

Mr. RADCLIFFE. Let me in reply ask the Senator a question: Suppose there is an overcharge; let us suppose it is made innocently as the learned Senator says, certainly the seller should not pocket it. If an article should be sold for $25 but the dealer actually sells it for $60, no matter how innocent he may be, should he be entitled to pocket the $35, if he acted contrary to law and regulations? There is no justification in the world for such unwarranted profits. So anyway we look at it the amount of the overcharge has to be returned. I care not whether it was made willfully and knowingly or not, the seller has money to which he is not entitled. If we have a right to pass an O. P. A. law—and the Supreme Court has decided we have the right and that the present law is constitutional—then certainly no overcharge should be pocketed and retained by the

seller irrespective of whether or not he obtains it in good faith.

There can be no justification in the world for that. The only question is whether there shall be any penalty. What we have done in this case is to fix a minimum penalty, adding 50 percent to the amount of the overcharge, which is, after all, a very mild punishment, and one which, I feel, we must provide under the circumstances. Otherwise, we can conceive of a situation of a man taking chances and then going into court and saying, "I can probably demonstrate to the court that it was done innocently, and therefore at the most I shall be obliged to return only the money which is determined to be the overcharge." If we insert the words "willfully and knowingly," we open up the courts to many cases of that kind. In normal times that might be proper, but if we are to undertake to execute a law which should be enforced, it seems to me that a moderate penalty, 50 percent in addition to the overcharge, is reasonable.

Mr. LUCAS. On what theory should an honest individual be penalized, even in time of war?

Mr. RADCLIFFE. Whether the person is innocent or not, if there is a rule or regulation put into operation by the O. P. A. which provides that an article should be sold for $50 and he sells it for $75, should he be entitled to put the $25 in his pocket as unjust enrichment?

Mr. LUCAS. No; and under this provision, if I read it right, the court would have the power to compel him to pay the $25 back. What I object to is letting anyone collect treble damages.

Mr. RADCLIFFE. I understood the Senator from Illinois to say just a few moments ago that if a man makes the overcharge willfully, he should be punished.

Mr. LUCAS. Oh, yes; if he does it willfully.

Mr. RADCLIFFE. This leaves the matter in the discretion of the court. The court is the one to determine, not the Senator and I, whether a thing is done willfully, and if the court decides it is done willfully and knowingly and in a flagrant manner, the court can impose as much as triple damages. If, on the other hand, the court thinks there are extenuating circumstances, then the court can simply impose a judgment in the amount of the overcharge, plus 50 percent.

Mr. LUCAS. I do not see how the inclusion of the three words, "knowingly and willfully," will in anywise affect the enforcement of the O. P. A. Act, but I believe that their addition will place a responsibility upon those who are enforcing it to do a better job in public relations.

Mr. RADCLIFFE. I do not think the Senator from Illinois means to bring in a general indictment against the O. P. A.

Mr. LUCAS. No, I am not bringing in a general indictment; but I happen to know of certain specific cases which arose in my section of the country, in which I feel that investigators, and those enforcing the law, have gone too far, and have used their offices to harass and annoy certain honest individuals who are not deserving of such treatment.

Mr. RADCLIFFE. I do not see what the justification is for failing to pass needful legislation on the theory that someone might abuse it in administering it. The Senator is now discussing the question of administration. Let me ask the Senator from Illinois a question. If he inserts the word "knowingly", then if a man has sold an article for $75 when $50 is the proper price, and did not do it knowingly, would the Senator from Illinois have him keep the $25?

Mr. LUCAS. No.

Mr. RADCLIFFE. How would it be collected?

Mr. LUCAS. I have modified the provision by using the words "knowingly and willfully."

Mr. RADCLIFFE. If the Senator uses that language, how would he provide for recovery of the amount of the overcharge?

Mr. LUCAS. As I read this provision, the court would still have the discretionary power to do whatever he thought was just under the circumstances. I do not believe there could be any question that the buyer would be able to recover the overcharge. It is a matter which can be corrected in conference or by a further amendment. But I am fighting for a vital principle, as I see it, involving many innocent people who are attempting to do the square thing in connection with the war effort.

Mr. RADCLIFFE. If a seller does not know the rules and regulations, certainly he is at fault to a certain extent. The law presumes that he knows the regulations.

Mr. LUCAS. Yes.

Mr. RADCLIFFE. In order to meet that situation, the committee has gone far in getting away from the rigidity of the triple-damage provision. It has brought it back to a situation where a seller will be told, "Under the circumstances, you will pay only 50 percent more than the amount of the overcharge." If there is any effective way by which the O. P. A. can be operated without providing some form of penalty, it was not apparent to the members of the committee.

Mr. GEORGE. Mr. President, will the Senator from Maryland yield?

Mr. RADCLIFFE. Certainly.

Mr. GEORGE. It is not in every instance possible, and has not been possible in every instance, for the seller to know precisely what the price ceiling is. I have had brought to my attention cases in which the manufacturer of a certain type of glove had made application repeatedly to know what his price ceilings were. He was referred to the law, and left in a state of doubt, and the final result was that he and other manufacturers of that type of glove were sued for triple damages.

Mr. RADCLIFFE. I agree with the Senator from Georgia, and I think the manufacturer was in a dilemma in that particular case. The Senator has heard of certain sellers who might not know what the regulations were, and who were acting in good faith. On the other hand, there are many sellers who do know what the regulations are, or at least they should know what they are, and they are in the other category.

If we do not provide some penalty, then what is to prevent those who do know, who have the opportunity to find out, simply saying, "We are going on selling at any price we see fit to charge," and then go into court and say, "We will take our chances of proving to the court that we did not do it in bad faith, and all we will have to do is to surrender the amount of the overcharge"?

I think that would be a perfectly reasonable situation in normal times, if an emergency law were not being administered, but if in these times the emergency law is to be properly executed, it seems to me inevitable that there should be some small penalty provided, even in the case of a man who violates the law without any intent to do so.

Mr. MURDOCK. Mr. President, will the Senator from Maryland yield?

Mr. RADCLIFFE. I yield.

Mr. MURDOCK. I call the attention of the Senator to the question asked by the able Senator from Tennessee [Mr. MCKELLAR]. He asked whether the Senator knew of any such law having been enacted in which the words "knowingly and willfully" were not used. The answer to the Senator is the present price-control law, which excluded the words "knowingly and willfully" because of the knowledge we had at the time the law was passed that it would be almost an impossibility to administer a price-control law if it were necessary for the Administrator to prove knowledge on the part of the violator. So we did not insert that language in the original law.

We have now proceeded for 2 years under the price-control law, but it seems that at this time we are asked to legislate for the exceptional cases instead of legislating generally, and, because a few cases of injustice have resulted, we are asked now to insert the word "knowingly," and the Senator now has added "knowingly and willfully." In my opinion that would create such a difficult situation that the law would be impossible of administration, and in my opinion it would so weaken the law that its enforcement would be practically impossible.

Mr. RADCLIFFE. I concur in what the Senator says. As I tried to emphasize a moment ago, we are attempting to carry out a very unusual law in very unusual times, and to place upon the courts the onus of trying to ascertain in every case whether or not there was any intent would, I think, present a hopeless situation.

Mr. MCKELLAR. Mr. President, I wish to ask the Senator from Utah a question. Did he say that the words "willfully and knowingly" were left out of the present law?

Mr. MURDOCK. There is no question about it.

Mr. MCKELLAR. They were left out of the present law?

Mr. MURDOCK. They were left out, and if the Senator will refer to the debate carried on by our former colleague, Prentiss Brown, he will find out why they were left out.

Mr. RADCLIFFE. Mr. President, I will refer to another amendment by the committee. Under the existing law it would be possible to assess as damages $50 for each offense. Suppose a seller believed he had a right to sell at a certain price, and he sold a number of articles at that price, but the price was too high. Under the existing law he could be fined either in triple damages, or if the amount of overcharge was less than $50, he could be fined $50 for each item. The committee thought such a provision was unreasonable, and they were of the opinion that the ends of justice would be served and that the administration of the law would be promoted if the amount of the recovery were restricted to one item of $50. I am referring to such overcharges as are under $50. In other words, instead of paying a judgment of $50, including $50 for every one of the items overcharged, there is simply one item of $50 involved. The committee felt that such modification would go a long way toward ameliorating the situation so far as the seller was concerned. These two amendments, it seemed to the committee, would eliminate nearly all the objections which might be raised on the part of anyone to any theory of imposing damages.

As I said before, of course the overcharge should be returned to the buyer under any circumstances. There can be no sound argument against such return.

Now suppose an item should sell for $1, and a seller sells it for $1.25. I grant that a penalty of $50 seems to be a hardship when the overcharge is only 25 cents. But in the imposition of any fines some special figure must be provided, otherwise the alternative is unsatisfactory. If the court were restricted to the overcharge only it would not be really a penalty to a seller, or at least not one which would cause him any hardship, if he had to return a nominal amount only, as, for instance, 25 cents.

Mr. President, I do not claim any special aptness or efficacy for the figure, $50. That figure was settled upon 2 years ago in our legislation arbitrarily. We are going a very long way, indeed, when we restrict that $50 to one charge of $50 and not $50 for every item.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. RADCLIFFE. I yield.

Mr. WAGNER. When the matter was before the committee we did discuss, did we not, at some length the question of whether the word "willful" should be inserted in the proposed amendment, and I think the committee was nearly unanimously of the opinion that such an amendment would so cripple the O. P. A. with reference to this particular phase of the matter that the provision would be worthless. We then abandoned the idea altogether.

Mr. RADCLIFFE. As the chairman pointed out some time ago, we have had many long sessions on many days in committee in consideration of this subject, but I feel confident that the members of the committee became convinced that the insertion of the word "willfully" or the word "knowingly", or both, would make the act so difficult of operation and the suggested changes would so weaken it as to make it ineffectual.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. RADCLIFFE. I yield.

Mr. BARKLEY. There is one consideration which I find it difficult to get away from. With respect to habitual violators of the price ceiling, I imagine that only one out of a thousand cases ever gets into court. For 1 person who would take a case to court there are 999 persons who would not. Many persons would rather suffer whatever price increase was inflicted upon them than go to the trouble of going into court. While the penalty of $50 in one particular case seems severe, when we consider the large number of cases in connection with which there is no proceeding at all because it is not worth while to go into court about a small amount, when taken on the average, the penalty would not amount to so much after all.

If the proposed amendment were placed in the measure the duty would be placed on the Government to prove that the violator knew that he was violating the law. It is not always easy to prove that, because such knowledge is only within the control of the seller himself. If there were only one violation involved with a penalty of $50 in the case of a dime or 25 cents overcharge, it might be considered to be a severe penalty, but if we strike an average, and consider the fact that there are many more violations that never get into court than those which do get into court, I say the penalty is not so severe after all.

The difficulty about the amendment, in my judgment, is that it puts the burden of proof on the Government to prove that the individual knew that he was violating the law.

Mr. RADCLIFFE. The Senator from Kentucky is entirely correct. It places upon the Government a burden which is really an intolerable one, if it is going to try to enforce this emergency measure. The Senator from Kentucky is entirely correct when he says that all alleged violations do not come to court. Only a small percentage of them get into litigation. Usually the controversy is worked out by agreement with the O. P. A. But if the seller desires to go into court, then the procedure outlined here is the one which would govern.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. RADCLIFFE. I yield.

Mr. MILLIKIN. May I ask whether the Senator from Maryland is aware of the technique of voluntary contributions?

Mr. RADCLIFFE. Will the Senator from Colorado amplify his question a little bit? I know what some kinds of voluntary contributions are, of course.

Mr. MILLIKIN. The Office of Price Administration has a custom in a case where the purchaser who has been overcharged cannot be found, and where the mistake was inadvertent, of suggesting that the alleged violator make a voluntary contribution to the Treasury of the United States.

Mr. RADCLIFFE. I have heard of such alleged instances. Of course, the seller under such circumstances has the right to decide whether he will dispose of the claim or whether he will go into court. In only a very small number of cases does he resort to the court.

Mr. BARKLEY. That is in the form of a compromise before prosecution. The only way by which the money could go into the Treasury would be when it was in the nature of a fine.

Mr. MILLIKIN. Let me suggest to both distinguished Senators that in private life if the threat of a criminal prosecution is dangled over a man and it is suggested that, as an alternative, he make a voluntary contribution, it is a criminal offense.

Mr. BARKLEY. Of course, it is not a criminal offense if there is a violation of the law and the agency which is set up to regulate prices compromises the case with the defendant, or the would-be defendant if the proceeding was had, whereby he pays into the Treasury what is the equivalent of a fine.

Mr. MILLIKIN. But there is no authority in law to do that. It is entirely extralegal procedure, as I say, to dangle over a man the threat of a prosecution which is withheld if he makes a voluntary contribution.

Mr. BARKLEY. I do not know how prevalent that custom is. I have not heard of it myself.

Mr. MILLIKIN. I am sure my information shocks the Senator.

Mr. BARKLEY. No; I have gotten beyond the shocking stage long ago.

Mr. MILLIKIN. I am sorry to hear that.

Mr. RADCLIFFE. Let me say to the Senator from Colorado that I am informed the procedure is that where there is an alleged violation the amount of the overcharge is gaged, or efforts are made to estimate it, and the amount of the overcharge is paid by the seller. If the seller is not willing to do so, of course he can submit to litigation.

I will agree with the Senator that so long as the mandatory triple damage provision was rigid, and there was no leeway or discretion in the court, there existed a situation which to a certain extent was unhealthy. The committee has tried to eliminate it by reducing, as I said a moment ago, the minimum to one and a half of the overcharge. The theory of any penalty may be the same in some respects, but the difference between 1 and 1½ is relatively small. And certainly the amount of pressure, if there is any pressure, on the seller to pay treble has been very much relieved, provided he feels he has a good cause. That is the reason why the committee felt that we should establish this sliding scale to eliminate any element at all of pressure, should any attempt ever be made to exert any pressure on the seller.

Mr. MILLIKIN. Mr. President, before the Senator takes his seat will he be kind enough to allow me to place in the RECORD some correspondence on the subject of voluntary contributions?

Mr. RADCLIFFE. Certainly.

Mr. CHANDLER. Mr. President, will the Senator yield to me now?

Mr. RADCLIFFE. Yes.

Mr. CHANDLER. A while ago the Senator was kind enough to state that he would let me question him a little further about the case I had in mind. It is one of several. I have an amendment which I think perhaps would cure it. That amendment would give the defendant the right to prove, if he could, that the violation was neither willful nor the result of failure to take practical precautions against the occurrence of the violation. That enables the storekeeper, for example, to show that he did not willfully make the overcharge or that he took every reasonable precaution to keep his sales force from violating the O. P. A. regulations. We must remember that many of the storekeepers are loyal supporters of the O. P. A. and wish to go along with it, but they do not wish to be treated as a storekeeper in a city in my home country—Louisville, Ky.—was treated. I should like to give the Senator information about an actual occurrence there. The Kaufman-Straus Co. last October had some inexperienced sales clerks. One of them sold a customer three pairs of men's socks and, through an honest mistake, overcharged the customer 10 cents. The sales price of the socks was 45 cents a pair, or three pairs for $1.25; but the clerk collected $1.35 for the three pairs of socks. The customer immediately asked for repayment or refund of the overcharge, and it was immediately granted. The customer got back the 10 cents on the spot, and then took up the matter with the O. P. A., and subsequently sued the store, and collected $50 and the cost of counsel fees. That amounts to not only the repayment of the 10 cents, but to 750 times the overcharge.

I know of another case which amounts to 6 cents and another one which amounts to 4 cents in the way of overcharges. In all those cases the merchants were fined $50 and the cost of counsel fees.

Such fines are simply driving the merchants crazy. Some one said that the merchant at the cross-roads does not understand the regulations. Mr. President, neither the Members of the Senate nor anyone else understands them. Yet there are some who want merchants to suffer in cases of the sort I have mentioned. Because of the war all the merchants now have inexperienced help.

Let me ask a question. Why should not the merchant be able to state the circumstances as a matter of defense? In the Kaufman-Straus case the judge told the merchant, "I am sorry; I should like to hear you, and no doubt there are extenuating circumstances. But I have to fine you. You overcharged 10 cents. Although you paid it back immediately, I must fine you $50, and allow for the payment of the counsel fees."

I want the regulations or the law changed so that, if the facts warrant it, the merchant will be able to say, "This is an honest mistake. I paid back the 10 cents to the man, and I wish to state the circumstances, which I am sure are extenuating, so that you will let me off."

But under present conditions the judge must say, "I cannot hear you. You must pay $50 and the counsel fees." The American people have no patience with such a situation as that.

Mr. RADCLIFFE. Mr. President, I am fully sympathetic with such a situation; but in wartimes we cannot always legislate as fully as we would like to do in all cases so as to meet individual problems.

Mr. CHANDLER. Why take away the man's defense? We should let him have an opportunity to prove his defense if he is able to do so.

Mr. RADCLIFFE. But does not the Senator realize that if that is done we open theoretically the door to nearly every transaction? Why should the seller make an effort to learn what the law is if such knowledge opens him up to new hazards or dangers?

Mr. CHANDLER. But does not a person have a right to set up a defense in a criminal proceeding?

Mr. RADCLIFFE. But everyone is under some obligation to know the law or to make reasonable effort to learn it.

Mr. CHANDLER. But certainly I would have a right to set up a defense.

Mr. RADCLIFFE. If that be the case, why should any seller make any effort to find out what the law is, except from a spirit of patriotism, and a desire which happily is widespread in this country, to live up to all wholesome regulations?

Let us take the case of a seller who wishes to take advantage of such a situation. Why should he make any effort to familiarize himself with the regulations?

But let me go further. Why should a merchant make any effort to educate his employees? In so attempting his intentions might be good, and the clerk's intentions might be good; but a mistake might be made. If a mistake were made in such cases, and if no penalty were exacted, there would be no incentive for the merchant to learn the regulations and have his employees know them.

Mr. CHANDLER. I merely wish to give the defendant the right to show, first, that he did not willfully overcharge the customer. Why not let the facts speak for themselves? Why not let me have my defense? Do not prevent me from making an honest, legitimate defense to a charge. Let me have my day in court. Do not require the judge to say, "I am sorry; I know you did not intend to violate the law; but I cannot listen to you. You cannot explain it. I am required to fine you. As the facts are, you overcharged the customer 10 cents."

Mr. RADCLIFFE. Of course, a situation can be a reductio ad absurdum in almost any case. That method is not the way to interpret any law or regulation. Its probable operations must be looked at as a whole.

Let us consider the case the Senator mentioned. If the Senator's idea were carried out, what would be the inducement to the seller to attempt to familiarize himself or to educate his employees regarding the O. P. A. regulations? Why would not the merchant remain in blissful ignorance, and simply take his chances if he, as sometimes would be the situation, were merely desirous of playing safe.

Mr. CHANDLER. Under my amendment he would have no defense unless he were able to prove that, under the act, he had taken all reasonable precautions. He would have to prove that. I would not put that burden on the Government. The merchant would have to prove that he had taken all reasonable precautions.

If we consider the three cases I have in mind, we find that they involve an aggregate overcharge of 20 cents, namely, 10 cents in one case, 4 cents in another case, and 6 cents in the third case. But under the regulations, the customers were allowed to collect a total of $150 in those three cases. That is not right, and I shall not defend it.

Mr. RADCLIFFE. Has the Senator in mind what he means by "reasonable precautions"? Every seller knows we have the O. P. A. law, and he knows it is his duty to find out what the law and its regulations are, and to instruct his employees accordingly. That obligation rests upon him, does it not?

Mr. CHANDLER. The O. P. A. lays down all the regulations. I would have the seller have the burden of understanding all the regulations and of taking all reasonable precautions to observe them, except I would not require him to stand behind every clerk in the house and, on occasion, say, "Oh, oh, that is a penny too much. Hand it back." That is not required.

Mr. RADCLIFFE. How would the Senator outline a method by which the seller would carry on any adequate course of instruction for all his employees? I would agree if we were talking about activities in normal times, but if such were the case the O. P. A. would not be in existence and there would be no conceivable justification for it. Most assuredly these times are not normal. If we are going to have an O. P. A., we must have general regulations which will meet the situation generally. Of course, there will be hardships. It is regrettable we cannot legislate so as to protect against all of them. If it were possible in some practical way to relieve all hardship cases, without any penalty whatever provided in the law——

Mr. CHANDLER. No; I say give them the opportunity to present their defense.

Mr. RADCLIFFE. If it were possible in a practical way to relieve each and every hardship case, without any penalty whatever, that would fit in with the wishes of everyone. It would be a consummation most devoutly to be wished. But we cannot do it, I regret, as a practical matter. I hope the studies of the Senator will lead him to such a conclusion.

Mr. CHANDLER. Mr. President, I have studied this part of it, and I have not reached the same conclusion. I cannot agree that it is proper to take away from an American citizen the right of defense, if he has a good and valid defense, and not give him an opportunity to have a day in court and to assert that defense. I do not believe the judges are going to mistreat the O. P. A.

Mr. RADCLIFFE. Let me say to the Senator from Kentucky that I assume he believes the O. P. A. is a necessary in-

strument for us to use in the fight against inflation.

Mr. CHANDLER. I voted for it. If I had not believed so, I would not have voted for it.

Mr. RADCLIFFE. I assume the Senator believes that the O. P. A., substantially as it is, must be preserved.

Mr. CHANDLER. It must be preserved, with limitations.

Mr. RADCLIFFE. Let me say to the Senator from Kentucky that those who have studied the operations of the act very carefully have come to the conclusion—and I think it was probably the unanimous conclusion of the special committee on procedure in the Banking and Currency Committee which worked over this bill—that it would be impossible to insert any language which would shift the burden of proof, without at the same time taking steps which would render the operation of the O. P. A. practically nugatory.

Mr. CHANDLER. No; the Senator is mistaken. I am only seeking to preserve a just defense for a storekeeper, who has a right to show that he was not willful in a trivial matter, a matter involving only a few cents. I believe that, by and large, the merchants of the United States are reasonable, patriotic, and honest. I do not believe that they intend willfully to violate the law. Some of them may do so, but not all of them. I believe that they have a right to prove before the judge when they are brought into court that they did not act willfully.

One case was referred to in which the seller promptly refunded the overcharge. That is not an isolated case. If it were, I would not be pleading for a change. There are many such cases. The tendency is not to admit that there are many such cases, but it will be found that all over the United States there are many such cases.

Mr. RADCLIFFE. We cannot legislate for the benefit of a few hardship cases if in so doing we strike down the very thing we wish to maintain.

Mr. CHANDLER. I do not agree that that would be the result.

Mr. RADCLIFFE. Of course, that is a matter of opinion. To my mind—and I share this opinion with a great many others who have studied the question very carefully—unless the O. P. A., exercising the extraordinary functions which it does, functions which are instinctively repugnant to most of us, is given extraordinary power, it cannot operate. If we try to adjust the O. P. A. law, which is an extraordinary piece of legislation, to fit the ordinary conditions of peacetimes, we shall have a polyglot arrangement which will satisfy no one, and will not be operative.

Mr. CHANDLER. If my friend from Maryland will recall some of the laws which have been effective in the history of the United States, he will find that no law which continued to annoy and oppress the people was susceptible of enforcement. The people finally took action to enforce their own rights. If American public opinion will not support a law, it cannot be supported in any other way. If we enact a law which is unjust to the people, they will find it out and react violently to it.

This feature of the law is an injustice to many people. It has already been proved to be bad. It is a bad thing at any time not to give an American citizen the opportunity to assert a defense. We have taken away his defense. I will not be a party to such action.

Mr. RADCLIFFE. Mr. President, I agree with part of what the Senator from Kentucky says. That is the reason why the committee has gone so far in eliminating the greater number of what might be called arbitrary provisions. By reducing the penalty from three to one and a half times the overcharge, in the discretion of the court, we have got rid of what I think is the greatest objection to the present law. Also, by eliminating the penalty of $50 for each item, I think we have eliminated most of the difficulty. If there were some practical way to go further and get rid of all of it, I would be in favor of it.

Mr. CHANDLER. I appreciate the generosity of my friend from Maryland in yielding to me. I ask that my amendment be passed over until the Senator from Massachusetts [Mr. WEEKS] returns. After I had submitted this amendment, he submitted an almost identical amendment. I believe that the amendment ought to be adopted, and at the proper time I shall ask the Senate to adopt it.

Mr. BARKLEY. Mr. President, will the Senator yield to me in order that I may ask my colleague a question?

Mr. RADCLIFFE. I yield.

Mr. BARKLEY. I can understand the exasperation caused by a 4-cent overcharge or a 10-cent overcharge on socks, or something like that. But what would be the result of the Senator's amendment in a case in which a farmer was overcharged $25 on a mower or wheat drill, or overcharged $100, or perhaps even more, on a wheat thresher or some other expensive commodity? What would be the effect of the Senator's amendment in such a case?

Mr. CHANDLER. The case would go to court, and the allegation of an overcharge would be made. A violation of the O. P. A. regulations would be alleged. The defendant in the case would prove, if he were able, that the overcharge was not willful, that he did not willfully violate the regulation. He would also prove, if he could, that he used every reasonable precaution to try to observe the regulations of the O. P. A. If he could not prove it, he would lose, as he ought to lose. It is not my intention to protect anyone who willfully violates the law, or does not take reasonable and practical precautions to observe the regulations.

Mr. BARKLEY. I am familiar with the Kaufman-Straus store in the city of Louisville. It is one of the outstanding department stores in the State of Kentucky. I know its president and its general manager to be reputable and honest businessmen.

Mr. CHANDLER. They are very reliable merchants.

Mr. BARKLEY. There is no question about that. What bothers me about the amendment is its possible effect in cases not involving that type of person, or transactions of the kind usually conducted in a department store, which may involve overcharges of 5 or 10 cents. I am thinking of cases in which there may be overcharges of $100 or $1,000.

The testimony before the committee showed that many million articles are subject to price control. None of us wishes to make it difficult to enforce price ceilings. None of us wishes to make it easy for a designing person to slip through a loophole by proving that he was not aware of the alleged violation, or that his clerk did not know of the regulation. There is always an inducement on the part of one who is trying to get around the law to take chances that no one will sue him, in the first place, or that if he is sued, he can escape in some other way. So we are almost compelled to make the law "bull-strong and pig-tight," as we country people say.

Mr. CHANDLER. I do not underestimate the difficulties of enacting a law which will be workable; but I wish my colleague to understand that I desire to give those charged with violations of the law or regulations an opportunity to defend themselves, which opportunity they do not presently have, in my opinion. I do not believe that we ought to vote for a law which would take away their defense. If I am charged with violating the law, I should have the right to prove that the violation was not willful. In one case to which reference has been made, the judge said, "I know that these people did not willfully violate the law. I know that this was a mistake. The money has been refunded; but there is nothing I can do. I must assess the penalty, the damages, and the lawyers' fees." I am trying to get away from that. The judge who hears the case, and knows the facts and circumstances, should have some discretion. If the Government has a right to prosecute me, I ought to have a right to defend myself and offer whatever I can reasonably offer in defense of my position.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me for a moment?

Mr. CHANDLER. The Senator has the floor. He was generous enough to yield to me.

Mr. RADCLIFFE. I was so much in sympathy with the philosophy underlying the Senator's remarks that as a member of the committee I offered an amendment providing for a reduction in the triple damages, on the theory that there should be some leeway and some discretion. In the beginning I hoped that we could reduce the penalty to a small amount—perhaps the amount of the overcharge—but it seemed that to do so would involve so many disadvantages, difficulties, and obstacles that there must be some leeway. There had to be some definite, fixed penalty.

Consider the example to which the senior Senator from Kentucky [Mr. BARKLEY] referred a little while ago. Suppose a seller charges $100 more than he should for a wheat binder. I do not understand for a moment that the junior

Senator from Kentucky takes the position that he should be permitted to keep the $100 under any circumstances.

Mr. CHANDLER. No, indeed.

Mr. RADCLIFFE. The $100 overcharge should be returned. I also understand that the junior Senator from Kentucky feels that if the seller should deliberately overcharge the buyer, it would be proper for him to pay a penalty of three times the amount of the overcharge. Does the Senator agree with that theory?

Mr. CHANDLER. I agree.

Mr. RADCLIFFE. Suppose, however, that he does not do it willfully, or that there are certain extenuating circumstances. In such a case, looking at the matter from the standpoint of innate fairness, probably a penalty in the amount of the overcharge would be all that would be necessary. If we could stop there, that would be the place to stop. However, we must consider the operations of the O. P. A. law as a whole, and we must realize that in many instances questions of proof will be very difficult. We must bear in mind that it is absolutely essential, in our fight against inflation, that we keep the O. P. A. going. It seems to me that some small penalty is justified. At first I hoped that there would be none at all. I agreed entirely with what the Senator from Kentucky said. In the case which has been cited, if a man sells a wheat binder for $100 more than he should charge, of course, as I stated, the $100 should be returned. If he should do so willfully, a penalty of $300 would be perfectly proper. We have provided in the bill that the amount of the penalty or judgment may be reduced to a single penalty of $50.

In other words, he would pay $50 in order that the O. P. A. Act might be carried on and administered successfully, on the theory that it is necessary that there shall be some penalty even so far as innocent persons are concerned. I do not like such imposition, nor does the Senator from Kentucky like it, but as he studies the operations of the O. P. A. Act, as I know he is doing, I think he will become convinced that the act would bog down and cease to be adequately operative if there were not at least some small penalty imposed in each and every instance of violation, much as I regret to reach such a conclusion.

Mr. CHANDLER. In the case I cited the penalty amounted to 750 times the amount involved, and the refund was promptly made. If it had not been for the law, and the person had not known that even if the 10-cent overcharge were refunded he could go to court and collect $50 from the store, I do not think an injustice would have been done.

Mr. RADCLIFFE. Let us consider for a moment how the case would have been handled. I agree that what the Senator has said makes out a very strong argument.

Mr. CHANDLER. The statement which I have made is a correct statement of what happened.

Mr. RADCLIFFE. Let us assume that no amount of penalty had been fixed at all. I do not know why the amount of $50 was selected 2 years ago, but in some respects the arbitrary figure has worked well.

Mr. CHANDLER. It has worked well for the person collecting the money.

Mr. RADCLIFFE. Let us suppose that no amount whatever were provided as a penalty. We know there are a few unscrupulous sellers. Such a seller would think in effect, "Oh, well, if one of my employees sells for 10 or 15 cents more than he should, and is caught, I will refund it." In that instance all the seller would have to do would be to refund the 8 cents or 10 cents, whatever the actual amount of overcharge happened to be. Think of the possibilities which would be opened up. There are unfortunately some unscrupulous and also very careless sellers. The situation would involve not only such little items, but much of the whole field of administration of the O. P. A.

Mr. CHANDLER. My amendment would not open the situation at all. My amendment would require the defendant to prove that he did not commit a willful act. Do I not have the right to prove that I did not commit a willful act against my Government? I do not know where such a right is taken away from any citizen.

Mr. RADCLIFFE. We are doing many things in wartime which we are justified in doing only because of necessities of the war.

Mr. CHANDLER. I know that, but today we make many excuses in the name of the war, and do many things that we should not do. We often go too far. War is an excuse for doing many things. It is an excuse, but it is not a good reason.

Mr. RADCLIFFE. The Senator from Kentucky has said that he believes in the O. P. A.

Mr. CHANDLER. Yes; I voted for it.

Mr. RADCLIFFE. He has also said that he believes the O. P. A. should operate substantially as it has operated, but at the same time he takes the position that we should remove all penalties unless it can be proved that the violation was committed improperly and willfully.

Mr. CHANDLER. I would ask the Senators to listen to the language of my amendment. It reads as follows:

> It shall be an adequate defense to any suit or action brought under subsections (a), (e), or (f) (2) of this section if the defendant proves that the violation of the regulation, order, or price schedule prescribing a maximum price or maximum prices was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation.

I place two burdens upon the defendant both of which he must bear; first, that he did not willfully commit the act. That is a matter of proof. If he cannot prove that he did not willfully commit the act, he is stuck, and I will not make a plea for him. Unless he is able to prove that he took all practical precautions by reading the regulations to his employees, and by trying to acquaint them with the regulations, he has not exhausted his responsibilities and good intent. It seems to me that if we do not agree with that contention, we are not being fair with the American people. There are more than 500,000 merchants in the country, and I do not believe one of them will disagree with what I am asking for in their behalf. Whether or not a merchant has been sued and has paid damages, he is in constant fear that through no fault of his some customer will collect money for a trifling violation.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. RADCLIFFE. I yield.

Mr. GEORGE. I invite the Senator's attention to the fact that the criminal provisions of the act universally retain what has always been considered as proper and necessary. I refer to the requirement that there must be a willful violation of the act.

I may also suggest that a penalty of $50 on a 1-cent or a 10-cent charge is in essence a criminal penalty. I understand the Senator to be insisting that the defendant shall be able to show there was no intention on his part to violate the act, and that he had not been guilty of any negligence in informing himself concerning what he should have done.

Mr. CHANDLER. The Senator is exactly correct. That is the position taken by the amendment.

Mr. GEORGE. I think the Senator's position is entirely reasonable. The amendment offered by the Senator from Illinois [Mr. LUCAS] is somewhat stronger, and perhaps would put the Administrator under a very great disadvantage. In the original act itself we provided expressly that any person who willfully violates this section shall be punished by a fine of $5,000, imprisonment, and so forth, and yet when we are considering a criminal penalty of $50 for a 10- or 15-cent overcharge it is contended by some that the defendant should not be allowed the right to say that there had been no intention on his part to violate the act. There is always a difference between ignorance of the law and an intentional violation of an act. It seems to me that the Senator's amendment is proper.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. RADCLIFFE. I yield.

Mr. TAFT. First, I wish to testify to the fact that the Senator from Maryland was most anxious to have the present stringent provisions in the present law modified, and that he did everything that he could do in the subcommittee, and in the arguments with officials of the Office of Price Administration, to secure as great a modification as he thought was consistent with the effective administration of the act.

The difficulty in connection with overcharges is this: A man who has been overcharged 1 cent cannot do anything about it. He cannot institute a suit for 1 cent. The reason the amount of $50 has been provided is so that it will be worth a person's while to bring suit and assist the Government in enforcing the provision. The penalty is not a criminal one. It is merely to insure a man of at least getting back the overcharge, and the imposition of some penalty for the violation.

If the proposal to amend by inserting the word "knowingly" is agreed to, and the overcharge turns out to be a mistake, there would be no way of which I

know to compel the man who overcharged to pay it back.

The proposed amendment of the Senator from Illinois perhaps goes further. Under his amendment the act must not only have been violated willfully but knowingly. I suppose such language would mean that the violator must have known all about it.

I do not believe the provision is particularly unfair except that possibly the amount of $50 is too much. We modified the original provision for three times the overcharge and made it one and one-half times so that there would be a penalty amounting to 50 percent of the overcharge. The penalty was to be imposed because the violator had not done right. It is very difficult to prove a man's willful violation, and if there is no incentive to comply with the law he may not bother to comply with it. I think it will be very difficult to make any use whatever of this damage section if the word "willful" is made a part of it. I believe that the amount of $50 might be modified. As I see it now, there is no great objection to one and one-half times the overcharge as being a compulsory fine. That means he has to pay back the overcharge and 50 percent more as a penalty for having violated the price administration law.

I suggest that if there is to be a modification, it ought to be not in the term "willfully," but in the figure $50, so that the minimum would be perhaps $20, or some discretion would be allowed between $20 and $50, or something of that kind. If the word "willfully" is put in, I think we might as well strike out the section. I do not think anybody would ever bring suit under the section because the difficulty of making a case certainly is not worth the $25 attorney fee. I think if "willfully" is put in it will kill the section, and it will be useless to have the section remain in the bill at all.

Mr. RADCLIFFE. Mr. President, I want to thank the distinguished Senator from Ohio for his statement. I tried very hard to get away from the necessity for any penalty except in conscious wrongdoing. I desired to believe as does the Senator from Kentucky when he suggests that nothing at all is necessary other than actual damages. But I became convinced against my instinctive wishes that there ought to be some penalty for each violation of the law if the matter reached the courts and was not disposed of by agreement. So far as the sum of $50 is concerned, as I said, that figure is purely an arbitrary one. Perhaps it is too large; perhaps some smaller amount should be fixed; but there ought to be some definite sum provided in the law. It, of course, could not be fixed in practice at 17 cents or 25 cents, or whatever the actual overcharge might be, but if there is a violation of the law the man who violates it, no matter what amount may be involved, it seems to me should be subject to some small penalty provided the case goes to court.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. RADCLIFFE. I am glad to yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. It occurs to me that whether the amount be $50 or $10, or any other sum, is entirely beside the point. In the case mentioned, there is involved a responsible and very large company that I presume is extremely jealous of its reputation. It is brought into court. It did not do anything wrong or did not intend to do anything wrong but made an honest mistake, perhaps because of the inefficiency of a clerk. Yet, it is brought into court and labeled as a criminal. Fifty dollars does not mean anything to such a firm, but it may be damaged to the extent of $50,000.

Mr. CHANDLER. And it paid back the money promptly.

Mr. JOHNSON of Colorado. Yes; but it is labeled as a criminal. To my mind, the question of $50 is not so important, but it is important that justice be done. It seems to me that the Senator's amendment is reasonable. I do consider the amendment offered by the Senator from Illinois, which is now before the Senate, is reasonable, but the amendment of the Senator from Kentucky does seem to me to be reasonable. I do not think we want to place emphasis upon $50 or $40 or $10, but upon the reputation of a firm that is brought into court and labeled as a wrongdoer in a time of war.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois [Mr. LUCAS] as modified.

Mr. RADCLIFFE. Mr. President, I would be perfectly willing if it is agreeable to the learned Senator from New York, the chairman of the committee, that the amount should be $25, instead of $50, but I think there should be some reasonable figure agreed upon and inserted in the law.

Mr. WAGNER. Mr. President, so far as I am concerned, the amendment proposed by the Senator from Illinois, as the Senator from Maryland [Mr. RADCLIFFE], the Senator from Ohio [Mr. TAFT], and the Senator from Connecticut [Mr. DANAHER] have said, would be destructive of the whole section. If we put the amendment into the section, we might as well abandon the section altogether, because it is inconceivable that any Government agency is able to prove that a particular individual violated the act willfully and knowingly. So I hope the Senator will reconsider the amendment and perhaps withdraw it, for I know he is interested in the successful continuation of the whole price-control program. The committee discussed it when it had this provision under consideration, and was convinced of the destructive features of such an amendment as the Senator proposes, inserting the word "willfully." We certainly would never have agreed to it in committee, and I have sufficient confidence in the Senate to say that I do not believe the Senate will agree to it. Because of his interest in the subject and his desire to be cooperative, I hope the Senator from Illinois will withdraw his amendment as being a little too strong under all the circumstances.

Mr. LUCAS. Mr. President, I cannot agree with the conclusions of the able Senator from New York and other Senators who have expressed their views that adding the words "knowingly and willfully" would destroy the enforcement of the Price Control Act. Every individual who knows anything about the average merchant of this country is convinced that 95 percent of the merchants are honest, sincere, and patriotic citizens and are attempting to comply in every way with the prosecution of the war effort. There may be 5 percent, perhaps, who are willing to cheat and chisel in connection with the interpretation of the rules and regulations of the O. P. A. I have no time for that unlawful group; but it seems to me that the individuals attempting to obey the law through legal advice and counsel and through constant study of regulations which are constantly flowing from the O. P. A. office in Washington as well as the regional offices throughout the country ought to be protected to the limit.

I do not entertain such violent views about the destruction of the O. P. A. as some other Members of the Senate have expressed with respect to the insertion of these words. Of course, if I should withdraw the amendment and the amendment of the Senator from Kentucky should be adopted, it would simply mean that the rule of the burden of proof would be shifted with respect to the proof of what is willfully and what is knowingly done in violation of the act. The burden of proof is always on the individual who alleges it, but under the Chandler amendment we would place the burden of proof upon the seller to show that the violation is not willful or was not done in a knowing manner.

It is my understanding also that the amendment offered by the junior Senator from Kentucky in nowise provides that if the buyer or Administrator brings a suit and the seller's defense is that he did not willfully or knowingly violate any order or any provision of the O. P. A. Act he is then relieved of any damages whatsoever and he also has a right to any overcharge. Am I correct in that?

Mr. CHANDLER. That is correct.

Mr. LUCAS. I thank the Senator. I may suggest to him that I believe if I should abandon my amendment, there ought to be a provision in his amendment whereby the overcharge should be returned either to the buyer or to the Administrator.

Mr. CHANDLER. I have no objection to that, because in the cases I mentioned the overcharge was paid back promptly. Those who have made the overcharges want to pay them back.

Mr. LUCAS. Mr. President, I think that under the circumstances, and in view of the fact that I am a strong advocate of this type of legislation as an anti-inflationary measure, I shall withdraw the amendment, but this debate should forcibly draw the attention of those administering this act to the necessity of the utmost fair dealing with merchants who are making every effort to comply with the law. These men and women should not be unduly harassed or disturbed when such violations occur. I am convinced that in the main the great

majority of enforcement officers are trying to do what is right. There are always a few who make trouble for all. They should be eliminated when discovered, whether they are found in the field or in the office in Washington, D. C.

Mr. CHANDLER. Mr. President, I have consulted with the Senator from New York [Mr. WAGNER] and with the Senator from Maryland [Mr. RADCLIFFE]. I offered the amendment originally to section 109. After I offered the amendment, the Senator from Massachusetts [Mr. WEEKS] offered an amendment almost identical with mine. He is not present and cannot be present today, and I have asked that the vote on the amendment go over until his return tomorrow, because I should like to afford him an opportunity to share the sponsorship of the amendment, since his amendment is almost identical with the one I have offered. I do not want the committee amendment adopted, because my amendment seeks to amend it.

Mr. RADCLIFFE. Under the circumstances, it is agreeable that the amendment go over until tomorrow.

Mr. CHANDLER. Very well.

Mr. GEORGE. Mr. President, I wish to offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 10, after the period at the end of line 30 of the bill as reported, it is proposed to add the following:

Notwithstanding any provision of this act, the Emergency Price Control Act of 1942, or the amendment thereto of act, October 2, 1942 (Public Law 729, 77th Cong.), all suits for civil damages shall be brought in the district or county in which the defendant against whom substantial relief is sought resides or has a place of business, or office, or agent."

Mr. GEORGE. Mr. President, I have offered the amendment to follow the period in line 20 on page 10. I should like to modify the amendment by offering it to follow the period at the end of the sentence in line 11 on the same page. I think it is more appropriate at that point.

I wish to make a brief statement about the amendment. I think the amendment unquestionably should be in the bill, because under the Price Control Act, and under the proposed amendment to the Price Control Act, suits may be brought by the purchaser, may be brought by anyone who buys an article except in the course of trade, and so forth, as well as by the Administrator. In other words, if one buys an article from someone in New York he may sue the merchant of whom he bought it in his own jurisdiction, which is violative of every single concept of American law and American equity, taking the defendant out of his own bailiwick, so to speak, and subjecting him to a suit, when he may be compelled to travel clear across the continent to defend it.

This is not a fictitious anticipation of wrong. Actually, the Administrator himself filed a suit in Boston, Mass., against the ordinary dealers in uncured hides in my State, joined several of them in a suit, and compelled them, of course, to compromise. That was the result, because they could not go all the way to Boston, Mass., to defend an action, although all they did was to ship the hides on an open bill of lading in response to prices quoted by the Boston merchants. These men had no agency in Boston, they had no place of business in Boston, they carried on no business in Boston, but in response to an inquiry about prices on hides they simply shipped on an open bill of lading and received their money, whereupon they were sued, and several were joined in the suit.

I do not know that that abuse will appear again. It is an abuse, pure and simple. No one can justify such procedure. We have been told on the floor of the Senate today repeatedly about adding some additional burdens to the poor Administrator of the Price Control Act. I am not concerned about that, but we should be willing to do simple justice to the poor citizen and not drag him all over the country, and have him sued in foreign jurisdictions.

Suit can be brought by the purchaser of merchandise or goods or articles, so that the man who buys one's product can sue him in his own jurisdiction, and compel him to go into the buyer's jurisdiction to defend the action, if the buyer alleges that the seller overcharged him. If he does not bring the suit, or if he is prohibited or disqualified from bringing the suit, the Administrator himself may sue.

I have very great confidence in the intention of the present Administrator to do justice between citizens in the orderly administration of the act. It is no hardship upon the Administrator to compel him to bring a suit in the proper forum where the suit should be brought, and it is no sort of an answer to say, as I was told in these outrageous proceedings—for that is what they were—that the only person who really knew how to grade hides was in Boston, and that the only facilities for knowing whether hides had been upgraded, that is, that one sold a hide as a No. 1 when in fact it was a No. 2 or No. 3, were in Boston, and it was fairer and more just to the Administrator and the Government to bring to the Boston concern everyone in the country who had been selling hides simply because of the convenience of the Administrator.

We should be courageous enough simply to say that we will do a little justice to the American citizen, and that we will not send him all over the country to answer suits because it is more convenient for the Administrator to bring them somewhere else.

Mr. President, I thought the bill was intended to cure that situation, but I have made inquiry of the distinguished Senator in charge of the bill and I am advised that the language I thought should cure what I have cited was not intended to affect the question of the venue of a civil action at all. I refer to this language in the bill:

Any action under this subsection by either the buyer or the Administrator, as the case may be, may be brought in any court of competent jurisdiction.

I thought the word "competent" there would mean a court having jurisdiction both of the person and of the cause of action. That would be the interpretation I would put on the language, but that is not the interpretation the Administrator has placed upon identically the same language in the present law, because of the incorporation of some other term in the existing law.

I have offered an amendment which merely means and says that notwithstanding any provision of the Price Control Act—

All suits for civil damages—

Not suits for injunction, not suits to stop violations of the act, not criminal prosecutions, because they stand on a different basis so far as venue is concerned, but—

All suits for civil damages shall be brought in the district or county in which the defendant against whom substantial relief is sought resides or has a place of business, or office, or agent.

By "substantial relief" is meant anything more than mere nominal damages. That is the recognized interpretation of that phraseology.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Georgia yield to the Senator from New York?

Mr. GEORGE. I yield.

Mr. WAGNER. As I stated to the Senator from Georgia some time ago, I see no objection to the Senator's proposal, and so far as I am concerned I accept the amendment.

Mr. GEORGE. I hope the Senate will accept the amendment, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia to the committee amendment on page 10, line 11.

The amendment to the amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. BANKHEAD. Mr. President, I am having two or three amendments to the textile-cotton section of the bill prepared. I ask unanimous consent that they may be printed if before midnight they are filed with the Secretary of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WAGNER. Mr. President, I ask the Senator from Alabama whether his amendments provide a change from the present so-called Bankhead amendment?

Mr. BANKHEAD. The amendments are in addition to it. I will be glad to give copies of the amendments to the Senator.

Mr. THOMAS of Oklahoma. Mr. President, I submit an amendment to the pending measure, and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table.

Mr. WAGNER. Mr. President, I have received a letter from the National Congress of Parents and Teachers, signed by

Mrs. Catherine F. McClellan, chairman of legislation. The letter deals with the so-called Bankhead amendment, and I ask that it may be printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL CONGRESS OF PARENTS AND TEACHERS,
Chicago, Ill., May 22, 1944.

Hon. ROBERT F. WAGNER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WAGNER: This will invite your attention to the following action by the board of managers of the National Congress of Parents and Teachers taken at the forty-eighth annual convention held in New York City this week, with regard to the extension of the National Emergency Price Control Act:

"Inasmuch as inflation is a threat to youth and the security of home and family life, we reaffirm our support in all practicable ways of the efforts that are being made to combat inflationary trends and recommend that the National Emergency Price Control Act be continued without weakening amendments for the duration of the war."

The board of managers of the National Congress of Parents and Teachers consists of the elected national officers, national chairmen, and 48 State presidents, representing a paid membership of more than 3,000,000. We trust that the position of this vast number of representative consumers may be of assistance to you in obtaining greater consideration for the point of view of the consumer than otherwise might be possible.

Very sincerely yours,
CATHERINE F. MCCLELLAN,
Chairman of Legislation.

EXTENSION OF TIME LIMIT FOR IMMUNITY IN THE CASE OF CERTAIN OFFICERS

Mr. BARKLEY. Mr. President, yesterday the Senate passed and sent to the House Senate Joint Resolution 133 extending the statute of limitations for one year in regard to Admiral Kimmel and General Short. The House this afternoon passed the Senate joint resolution with an amendment cutting down the time to 3 months. It is desired that the joint resolution go to conference when it reaches the Senate. The time in question expires tomorrow, so that action is necessary in order that the statute will not lapse. Therefore I ask unanimous consent that during the recess of the Senate the Secretary of the Senate be authorized to receive from the House a message in regard to Senate Joint Resolution 133, that the Senate disagree to the House amendment, ask for a conference thereon, and that the Chair appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair appoints the Senator from New Mexico [Mr. HATCH], the Senator from Kentucky [Mr. CHANDLER], and the Senator from Michigan [Mr. FERGUSON] conferees on the part of the Senate.

ESTABLISHMENT OF OFFICE OF WAR MOBILIZATION AND ADJUSTMENT—NAMES OF ADDITIONAL SPONSORS

Mr. KILGORE. Mr. President, on May 4, 1944, I introduced Senate bill 1893, to provide for the establishment of an Office of War Mobilization and Adjustment, and for other purposes. The bill has been referred to the Committee on Military Affairs. The following Senators have joined me as cosponsors: the Senator from Utah [Mr. THOMAS], the Senator from Colorado [Mr. JOHNSON], the Senator from California [Mr. DOWNEY], the Senator from Missouri [Mr. TRUMAN], the Senator from Washington [Mr. WALLGREN], the Senator from Florida [Mr. PEPPER], the Senator from Wisconsin [Mr. LAFOLLETTE], and the Senator from New York [Mr. WAGNER].

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CHANDLER, from the Committee on Military Affairs:

Sundry officers for promotion in the Regular Army, under the provisions of law.

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

THE ARMY

Mr. CHANDLER. Mr. President, earlier today I reported favorably from the Committee on Military Affairs certain nominations in the Regular Army which are routine Army nominations. I have conferred with the majority leader and the minority leader, and they have no objection to the present consideration of the nominations, and they also favor the request which I now make that the nominations be not printed in the RECORD, thus saving considerable expense.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHANDLER. Mr. President, I ask for the immediate consideration of the nominations.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and without objection, the nominations are confirmed en bloc.

Mr. CHANDLER. I ask that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

The PRESIDING OFFICER. The clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Ambrose O'Connell, of New York, to be associate judge, United States Court of Customs and Patent Appeals.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask that the nominations in the Public Health Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 28 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 7, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 6 (legislative day of May 9), 1944:

COLLECTOR OF CUSTOMS

A. Miles Pratt, of New Orleans, La., to be collector of customs for customs collection district No. 20, with headquarters at New Orleans, La. (Reappointment.)

IN THE NAVY

Capt. Harold Dodd, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as Chief, United States Naval Mission to Brazil.

POSTMASTERS

The following-named persons to be postmasters:

CALIFORNIA

Esther D. Willson, Bigpine, Calif., in place of H. A. Hall, retired.

Stephen E. Graham, Oakland, Calif., in place of N. G. Donohoe, deceased.

COLORADO

James D. Wilson, Monte Vista, Colo., in place of George Cole, resigned.

Thomas H. Wand, Paonia, Colo., in place of M. E. Hufty. Incumbent's commission expired May 22, 1942.

CONNECTICUT

Frank B. Leslie, New Canaan, Conn., in place of J. T. Kelley, resigned.

FLORIDA

Joel S. Field, Sanford, Fla., in place of R. J. Holly, deceased.

IOWA

Evelyn L. Earing, Lonerock, Iowa. Office became Presidential July 1, 1943.

KANSAS

Clarence G. Nevins, Dodge City, Kans., in place of H. F. Schmidt, removed.

J. S. Shilling, Junction City, Kans., in place of H. A. Rohrer, resigned.

Helen Six, Lyons, Kans., in place of H. E. Six, deceased.

MICHIGAN

Bertha A. Jurmu, Bruce Crossing, Mich., in place of Irene Couture, resigned.

Ruth A. Huntey, Stanwood, Mich. Office became Presidential July 1, 1943.

Gary D. Howell, Willis, Mich. Office became Presidential July 1, 1943.

NEBRASKA

Harry E. Callender, Stapleton, Nebr., in place of J. B. Karn, removed.

Otto Dau, Yutan, Nebr. Office became Presidential July 1, 1943.

NEW YORK

Harold W. Becker, Catskill, N. Y., in place of B. G. Dewell, deceased.

Ernest Rose, Central Valley, N. Y., in place of O. D. Ayres, resigned.

Christena L. Sands, Hamden, N. Y., in place of H. G. Howland, deceased.

Graham Chapman, North Cohocton, N. Y., in place of J. H. Moore. Incumbent's commission expired June 23, 1942.

George P. Murphy, Roslyn Heights, N. Y., in place of C. L. O'Leary, retired.

Frank C. Beams, Schenevus, N. Y., in place of L. B. Bennett, retired.

Stephen H. Keating, Waterford, N. Y., in place of T. F. Gaynor. Incumbent's commission expired January 31, 1939.

OKLAHOMA

Verdia Comer, Big Cabin, Okla. Office became Presidential July 1, 1943.

PENNSYLVANIA

John O. Whiteman, Claridge, Pa. Office became Presidential July 1, 1943.

William D. Thompson, Crucible, Pa. Office became Presidential July 1, 1943.

Edward F. Kapteina, Springdale, Pa., in place of C. W. Remaley, Jr., resigned.

Charles D. Witman, Thomasville, Pa. Office became Presidential July 1, 1943.

RHODE ISLAND

Ralph Scotland, Jr., Oakland, R. I. Office became Presidential July 1, 1943.

TENNESSEE

Hazel T. Brickell, Friendsville, Tenn. Office became Presidential July 1, 1943.

Gordon L. Cox, Louisville, Tenn. Office became Presidential July 1, 1943.

TEXAS

Laura Harrison North, Riviera, Tex. Office became Presidential July 1, 1943.

Hobert L. Smith, Roaring Springs, Tex., in place of J. L. Murphy, resigned.

Levi E. Baker, Shallowater, Tex. Office became Presidential July 1, 1943.

Clyde V. Welch, Somerville, Tex., in place of Clarence Carter, transferred.

VERMONT

Archie H. Bailey, Chelsea, Vt., in place of W. H. Beckwith, retired.

VIRGINIA

Adrian Garrett Carter, Edinburg, Va., in place of A. G. Carter. Incumbent's commission expired August 27, 1939.

WASHINGTON

Allison C. Presson, Buena, Wash. Office became Presidential July 1, 1943.

WISCONSIN

Howard L. Van Ness, Lodi, Wis., in place of W. E. Smith, removed.

WYOMING

Fred B. Borne, Hulett, Wyo. Office became Presidential July 1, 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate, June 6 (legislative day of May 9), 1944:

THE JUDICIARY

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

Ambrose O'Connell, to be associate judge of the United States Court of Customs and Patent Appeals.

UNITED STATES PUBLIC HEALTH SERVICE

PROMOTIONS IN THE REGULAR CORPS

Howard J. Woodbridge, to be temporary dental surgeon, effective April 1, 1944.

Sidney Frederick to be temporary passed assistant dental surgeon, effective April 1, 1944.

Charles F. Blankenship to be temporary senior surgeon, effective May 1, 1944.

John W. Cronin to be temporary senior surgeon, effective May 1, 1944.

Ralph Erhart Wenzel to be temporary surgeon, effective May 1, 1944.

Alfred H. Lawton to be temporary passed assistant surgeon, effective May 1, 1944.

Walter B. Quisenberry to be temporary passed assistant surgeon, effective May 1, 1944.

Albert Henry Stevenson to be temporary passed assistant sanitary engineer, effective May 1, 1944.

Frank Tetzlaff to be temporary passed assistant sanitary engineer, effective May 1, 1944.

August T. Rossano, Jr., to be passed assistant sanitary engineer, effective June 2, 1944.

IN THE ARMY

PROMOTIONS IN THE REGULAR ARMY

The nominations of Morris Haslett Marcus et al., for promotion in the Regular Army, which were received by the Senate on June 5, 1944.

(NOTE.—A full list of the persons whose nominations for promotion in the Regular Army were confirmed today may be found in the Senate proceedings of the CONGRESSIONAL RECORD for June 5, 1944, under the caption "Nominations," beginning with the name of Morris Haslett Marcus on p. 5307 and ending with the name of Frank Steiner on p. 5313.)

IN THE NAVY

TEMPORARY SERVICE

Charles P. Cecil to be a rear admiral in the Navy, for temporary service, to rank from February 4, 1943.

APPOINTMENTS IN THE NAVY

The nominations of Henry S. Bennett et al., for appointment in the Navy, which were received by the Senate on May 31, 1944.

(NOTE.—A full list of the names of the persons whose nominations for appointment in the Navy were confirmed today may be found in the Senate proceedings of the CONGRESSIONAL RECORD for May 31, 1944, under the caption "Nominations," beginning on p. 5133 with the name of Henry S. Bennett and ending on p. 5134 with the name of Richard G. Henninger.)

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 6, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy, holy, holy, Lord God Almighty, in these solemn hours, cleanse and purge our hearts and purposes from any evil. Ungrudgingly we bring our minds to the altar of prayer; deliver us from all abominations and from everything that defileth. Grant that nothing in our hot desires or in our distractions may hinder us, but let our devout thoughts and feelings be gathered together in the secret place of the Most High.

Lord God of the nations, as false witnesses are risen up against us, such as breathe out cruelty, forbidding all that is good and great in the being of man, we pray Thee to subdue and defeat the unhallowed and wicked ambitions of every land; may the idols of self-sufficiency and national vanity be crucified. In our prayer we bring unto Thee our heroic sons and daughters of the battle lines who have surrendered their secret joys, their aspirations, and the blessings of the years. Amid the walls and bulwarks of savage war, embrace them in Thy fatherly arms; reveal Thyself unto them in mercy and hide not Thy face from them; comfort them in the face of all adversaries as their swords of righteousness prevail. In their undaunted devotion and sacrifice they seek no easy way nor crave no soft word; O nourish, bless them, and keep them in the way everlasting. Vouchsafe, dear Lord, unto the ties of our homes, though weariness and anticipated sorrow are on their brows, that peace and comfort which cometh from beyond the realm of this stricken earth.

May I ask all to unite together in praying our Lord's Prayer.

Our Father who art in heaven, hallowed be Thy name; Thy kingdom come; Thy will be done on earth as it is in heaven. Give us this day our daily bread. And forgive us our trespasses as we forgive those who trespass against us, and lead us not into temptation, but deliver us from evil, for Thine is the kingdom, and the power and the glory, for ever.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 133. Joint resolution to extend the time limit for immunity.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TO THE AMERICAN PEOPLE

The SPEAKER. The Chair asks consent to have read a message from the President of the United States to the American people.

The Clerk read as follows:

My Fellow Americans:

In this poignant hour, I ask you to join me in prayer:

Almighty God: Our sons, pride of our Nation, this day have set upon a mighty endeavor, a struggle to preserve our Republic, our religion, and our civilization, and to set free a suffering humanity.

Lead them straight and true; give strength to their arms, stoutness to their hearts, steadfastness to their faith.

They will need Thy blessings. Their road will be long and hard. The enemy is strong. He may hurl back our forces. Success may not come with rushing speed, but we shall return again and again; and we know that by Thy grace, and by the righteousness of our cause, our sons will triumph.

They will be sore tried, by night and by day, without rest—till the victory is won. The darkness will be rent by noise and flame. Men's souls will be shaken with the violences of war.

These are men lately drawn from the ways of peace. They fight not for the lust of conquest. They fight to end conquest. They fight to liberate. They fight to let justice arise, and tolerance and good will among all Thy people. They yearn but for the end of battle, for their return to the haven of home.

Some will never return. Embrace these, Father, and receive them, Thy heroic servants, into Thy kingdom.

And for us at home—fathers, mothers, children, wives, sisters, and brothers of brave men overseas—whose thoughts and prayers are ever with them—help us, Almighty God, to rededicate ourselves in renewed faith in Thee in this hour of great sacrifice.

Many people have urged that I call the Nation into a single day of special prayer. But because the road is long and the desire is great, I ask that our people devote themselves in continuance of prayer. As we rise to each new day, and again when each day is spent, let words of prayer be on our lips, invoking Thy help to our efforts.

Give us strength, too—strength in our daily tasks, to redouble the contributions we make in the physical and material support of our armed forces.

And let our hearts be stout, to wait out the long travail, to bear sorrows that may come, to impart our courage unto our sons wheresoever they may be.

And, O Lord, give us faith. Give us faith in Thee; faith in our sons; faith in each other; faith in our united crusade. Let not the keenness of our spirit ever be dulled. Let not the impacts of temporary events, of temporal matters of but fleeting moment—let not these deter us in our unconquerable purpose.

With Thy blessing, we shall prevail over the unholy forces of our enemy. Help us to conquer the apostles of greed and racial arrogancies. Lead us to the saving of our country, and with our sister nations into a world unity that will spell a sure peace—a peace invulnerable to the schemings of unworthy men. And a peace that will let all men live in freedom, reaping the just rewards of their honest toil.

Thy will be done, Almighty God.

Amen.

The SPEAKER. The gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, at this dramatic, historic, and eventful moment, I ask that the Members of the House stand in silent prayer.

The Members of the House rose and stood for 1 minute in silent prayer.

EUROPEAN INVASION

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, this is an anxious day for the people of America. It is a day of anxiety for liberty-loving people all over the world.

The fighting men and women of America and the Allied armies have landed on the historic shores of northern France. They have commenced the long trail which we have every reason to believe will not end until they enter victoriously the Hitler capital of Berlin.

Many heartbreaking days lie ahead. It will not be an easy time. The enemy is strong and well entrenched. Hitler can be depended upon to fight desperately. The battles ahead will mean the loss of many valiant American boys. They die that our own people and those in other lands can be freed from oppression by a cruel, grasping, militaristic group. The services and the sacrifices of these fighting men will never be forgotten. They will be inscribed in glowing letters upon the tablets of the world's history.

As our fighting forces push forward upon their great crusade a Nation pauses to utter a warm prayer of gratitude and good wishes. May these patriotic armies be enabled by a just God to win an early and decisive victory. May the losses of life and injuries sustained be held at a minimum. May an early victory enable our fighting men to return at an early date to the warmth and the hospitality of their own families.

To these ends we pray humbly.

Partisan politics, sectional and other prejudices disappear as we think of the heroic deeds of our men and women in every part of the globe; on land, on sea, and in the air.

May the merciful God be with all of them; may He spare their health and life and return them safely to their own homes. This is the prayer of a united Nation devoted to the task of winning decisively this fight for freedom and liberty.

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'TOOLE. Mr. Speaker, invasion has started and the Nation is perhaps in one of its most critical moments. Also, throughout the United States, hundreds of thousands of homes are filled with anxiety. With this in mind, the pastor of St. Peter's Roman Catholic Church, here on the Hill, will hold a special service at 12 o'clock. All Members of Congress and their staffs are invited to come to pray for victory and to pray that the Lord will protect and bless our men.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANHAM. Mr. Speaker, this is a momentous day. It is a time for rededication and reconsecration that we as a people may be in tune with the Infinite. May we have this morning the blessed assurance that His purposes are our purposes, as the boys abroad and we at home strive to spread the truth that will make men free. Our prayers mingle with our hopes. Our country started with a firm reliance upon the Almighty when George Washington said, in the troubled days of our birth as a Nation, "the event is in the hands of God." In our national anthem we proclaim the ennobling sentiment, "In God we trust." We have stamped that inspiring phrase upon our coins. May it also be indelibly impressed upon our hearts, and may we at home, with power and grace from on high, prove ourselves worthy by our words and our deeds of the brave and valiant sons of America who are battling to bring the blessings of liberty to all the world. God bless and help them and God bless and help us that we may be worthy of their heroic service.

Mr. EATON. Mr. Speaker, I ask unanimous consent that I may address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. EATON. Mr. Speaker, we are swept to the foot of the throne of God today by the bloody tides of armed conflict. This is the most solemn moment, perhaps, in our entire history, because those priceless and divine realities which have been incarnate in our history and which have shed upon our lives, public and private, their benign influences are all at stake. They are in the hands of our sons and daughters on the firing line and we here at home must go humbly to the foot of the cross and seek the leadership and blessing of Him who purchased for us on Calvary our redemption and our understanding of the spiritual realities which make the essence of our life. I know that this great Nation today will be lifted up to a new unity, a new faith, a new sympathy, and a new understanding of the great principles of freedom that we represent and which must be preserved. We pray with all our hearts that this conflict will soon be over and that our dear boys who are our redeemers, carrying their cross to their Calvary today, may be preserved in safety, so far as possible, to come back to our welcoming love.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENDER. Mr. Speaker, for all the peoples of the United Nations, this day of invasion must be an occasion for fervent prayer. In America we understand the meaning of war. We know it as a horrible waste of the finest human life in the world. As our young men swarm through the water to their perilous

beaches, as they drop from the skies behind enemy lines, we at home are at their side, thinking of them, hoping and praying for every one of them.

This is the great difference between our people and the aggressors. On this day of invasion, millions of Americans will pray in the churches of our land for the safety of our boys and the speeding of a just peace. On the day when Germany began its march of destruction through Europe, the German people knew that prayer was not for them. Every man in Congress, every man in our Government, is working and praying for a speedy victory. And when that victory comes, it will be, it must be, our task and our responsibility to see that never again will our sons be sent out to fight and die in savage war.

JAMES F. SCOGGIN, JR., MISSISSIPPI CADET, WINS 11 OF 17 AWARDS AT WEST POINT

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject Republican Responsibility and to include therein an article by David Lawrence on the same subject.

The SPEAKER. Without objection, it so ordered.

There was no objection.

EUROPEAN INVASION

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SCRIVNER. Mr. Speaker, 26 years ago this week troops from Kansas and Missouri landed in Le Havre, a name that has been heard throughout the night. Little did we think as we trudged up that steep road in the muck and the mire to a so-called rest camp, that again within a few short years men from Kansas and Missouri and other States would be treading that same road behind us to complete a job that we did not finish. With these men, of course, go all of our prayers and all of our support. Above all we should not forget in our prayers the mothers of these men. Soldiers die but one death; their mothers die a thousand deaths.

Were it not for the mothers in the homes of these men who are brave this would not be the land of the free.

Mrs. BOLTON. Mr. Speaker, word came to America in the early hours of this 6th day of June that the long-planned-for invasion of Europe had begun. Along 200 miles of French coast, troops are being landed with comparatively light losses. The air was taken over and we were given the first stories of the beginning of the greatest troop movements in all history.

No mother could listen to one of the reports the German radio gave out that certain Allied air-borne units had been wiped out without feeling a sword pass through her heart, without longing to reach out to those whose sons are in our air-borne divisions. No mother could listen to the words "comparatively light losses" without an agony of desire to share the anguish of the families of those so-called few.

As a woman and a mother of sons it seemed to me as I faced the reality of what this invasion will bring home to the people of my beloved America that my heart could not contain its sorrow. Yet even as I was overwhelmed by agony I was uplifted by the certain knowledge that even as the women of other lands have met the anguish of this seemingly endless war with courage and have brought to their days an endurance beyond any this world has ever seen, so shall the women of America meet their Gethsemane with an equal courage, an equal fortitude.

For the first time in all these years since the Axis forces of destruction were loosed upon the world will the reality of war enter every home in this great land. What will the result of the impact be upon us? We may find ourselves a little dazed at first, but we will respond to this call upon us with high courage and unswerving determination to be worthy of those who have gone out against the dark forces of evil.

Mr. Speaker, the heart of every Member of this House beats in anxious sympathy with the hearts of all who have sent their sons and daughters, their beloved ones, forth to battle. It will, perhaps, be of some comfort to our people to know that there are 224 Members of this Congress with sons and daughters in the service. We bear our share of anxiety—indeed some of us have already replaced the service stars with stars of gold.

The ultimate cost of war is human life, human agony. Our hearts are intolerably heavy as this blood cloud grows more and more dense over the face of God's beautiful world. Yet the glory of sacrifice, the wonder of the courage of our youth, the magnificence of their heroism is the light by which the free nations of the world will pilot their way through the dark waters of these present days. It is a light that will break through the clouds of misunderstanding and shine upon a new dawn. Its fire will burn the dross from each of us as we try to measure up to the spirit that is theirs.

Words cannot give expression to the emotions of this moment. Yet as a Member of this great body, my heart feels its own need to reach out to all those whose loved ones will be part of that steady flow of power launched this day against the greatest machinery of destruction the world has ever seen.

May the Infinite God of Allness give us courage and fortitude and faith that we may find our way through this valley of confusion that we have made into the land of vision and of peace.

EXTENSION OF REMARKS

(Mr. HERTER, Mr. ANDERSON of California, and Mr. MILLER of Nebraska asked and were given permission to extend their own remarks in the RECORD.)

Mr. POULSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address and two editorials.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a magazine article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a very excellent editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Gary, Ind., Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a resolution by the Legislature of Puerto Rico.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a few short resolutions from my district on hog production.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE EUROPEAN INVASION

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GILLIE. Mr. Speaker, today our hearts and minds are filled with thoughts of our gallant boys who have set forth on the greatest military mission of all time, and who are pouring onto the Continent of Europe to strike a mighty blow at the tyrannic Nazi aggressors and to reestablish freedom where it has been extinguished by the iron heel of Hitler's despotic forces.

Throughout the land our people are waiting with bated breath for news from distant shores where our men and boys are courageously advancing on the mor-

tal enemy. And though we do not doubt the ultimate triumph of our heroic forces, we realize that many of our men will make the supreme sacrifice and many of our boys will not return to the families who pray with anxious hearts for their safety. We are now committed to the most gigantic military enterprise ever undertaken, and we at home have but one prayer on our lips, "Dear God, watch over our boys who are over there, bring them speedy victory, and bring them home to us again."

And as I think of each one of our fine, fighting boys, I recall the words of Harry Lauder in the beautiful poem Granny's Laddy, which was written when he was visiting the hospitals in France during the last war:

His hair was fair, and his eyes were blue,
And his face was burned a browny hue.
I said, "How old are you, my lad?"
"Just seventeen and a half, by gad.
I may be lookin' 42."
Aye, his hair was fair, and his eyes were blue.
I said, "How long have you been in, my lad?"
"I've been in since '14,
And I wouldn't have missed what I've seen.
I've just seen brave men all the while,
Men don't cry here when they die, they smile.
I've been through Neuve-Chapelle
Where the big guns barked like the hounds of hell,
And I've heard men say what they've seen of the blues
Was nothin' compared to the battle of Loos.
I've been up to my knees, aye, to my chin, in the mud,
When my pulse stood still and my ears oozed blood."
Then he smiled and said, "I've seen you in Scotland."
And his face beamed bright
And his eyes lit up with a glorious sight.
"If I dinna get hame, tell my Granny that I died game,
And if I never, never get back, I would like my Granny to ken
That I played my part here with the best of men."
I said, "Mate, won't it be great when this war is over,
And we're through with the mud and the spilling of blood,
And we're shipped hame again to auld Dover,
And they've paid us our tin and we've blown the lot in,
And our very last copper is spent?
We'll still have a thought, for that's all we've got:
'You were one of the boys who went.'"

AMENDMENT OF INTERNAL REVENUE CODE TO CLASSIFY A NEW SYNTHETIC DRUG

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4881) to amend the Internal Revenue Code, the Narcotic Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes.

Mr. REED of New York. Mr. Speaker, reserving the right to object, will the gentleman from North Carolina explain the bill?

Mr. DOUGHTON. This bill (H. R. 4881) was reported unanimously by the committee on Ways and Means. It was designed to meet a situation which we think demands immediate action. It comes about as the result of the discovery and placing on the market of a new synthetic habit-forming drug. It has none of the chemical constituents of morphine but it has the same reaction on the human nervous system and is a habit-forming drug.

This drug was first discovered and put on the market in Germany. It is now being manufactured and put on the market in this country by the Winthrop Chemical Co., of New York.

We are informed it is now being sold without prescription or regulation whatever, being manufactured and sold by this chemical company in New York at the rate of about 300 ounces a day, or 240,000 ounces per annum, while morphine is being manufactured and sold at the rate of only about 100,000 ounces per annum. This bill is designed to bring this newly discovered, habit-forming, narcotic drug under the same regulation and control as morphine, because it is equally dangerous, equally habit-forming; and it is claimed that when one becomes addicted to it more frequent doses are required, and larger doses than morphine. The dangers are so imminent that unless this drug is placed under control there is no telling what the consequences may be.

The scientific name of this drug is "isonipecaine," but it is commonly known as demerol. The committee has gone into the matter very carefully and is of the unanimous opinion that this matter demands prompt attention and prompt legislation.

This bill amends the Harrison narcotic law, and the Narcotic Drugs Import and Export Act by placing isonipecaine in the same class and making it subject to the same import, export, and domestic taxes as morphine. It also amends the Tariff Act of 1930, to include in section 584, which provides that fines may be imposed on the master of a vessel for bringing in unmanifested drugs, both isonipecaine and marihuana so that a fine may be imposed on the master of a vessel, and made a lien against the ship for bringing in unmanifested isonipecaine and marijuana.

The act of 1937 which makes the second and third offense subject to heavier penalties where the offense involves the unlawful sale of narcotic drugs, is also amended to include and apply to isonipecaine in the same manner as to morphine.

This bill simply incorporates, in general, isonipecaine within the framework of the control of narcotic drugs. It changes every Federal statute wherever necessary to bring isonipecaine under the same control as morphine.

If there is any question I shall be pleased to try to answer it. If not I yield to the distinguished gentleman from New York [Mr. REED], who was present during the consideration of this subject, as well as other members of the committee.

Mr. REED of New York. Mr. Speaker, the gentleman from North Carolina has given a very clear explanation of the bill and of the character of the drug. This drug, as the chairman said, was first brought out in Germany. It has been named by our experts "isonipecaine." It has, as the chairman explained, all the qualities of morphine. This piece of legislation to regulate the sale of this narcotic is simply a companion piece to many similar pieces which have been enacted by this Congress to protect the public and which have brought about splendid results.

This drug can be made so cheaply and distributed so easily that it is a great menace to the country and should be regulated, with due provisions made for legitimate medical use.

Mr. DOUGHTON. This amends the present narcotic law to place this new drug under the same regulations and restrictions as morphine.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 2550 of the Internal Revenue Code is hereby amended by inserting immediately after the phrase "levied, assessed, collected, and paid upon opium," the word "isonipecaine,".

SEC. 2. Subsection (a) of section 2553 of the Internal Revenue Code is hereby amended by striking out the word "for" immediately following the phrase "absence of appropriate tax-paid stamps" and inserting in lieu thereof the word "from."

SEC. 3. Paragraphs 5 and 6 of subsection (b) of section 2557 of the Internal Revenue Code are hereby amended by inserting in each immediately following the words "or conspiring to sell, import, or export opium, coca leaves, cocaine," the word "isonipecaine,"; by deleting in each the word "or" from the phrase "preparation of opium, coca leaves, or cocaine," and by inserting in each immediately following such phrase the words "or isonipecaine,".

SEC. 4. The first sentence of subsection (b) of section 2558 of the Internal Revenue Code is hereby amended by striking out the words "its salts, derivatives, and compounds, and coca leaves, salts, derivatives, and compounds thereof," and inserting in lieu thereof the words "coca leaves, isonipecaine, and all salts, derivatives, and preparations of opium, coca leaves, and isonipecaine,"; and by inserting immediately following the citation "or the act of February 9, 1909 (ch. 100, 35 Stat. 614), as amended by the act of January 17, 1914 (ch. 9, 38 Stat. 275)" the following citations: ", the act of May 26, 1922 (ch. 202, 42 Stat. 596), the act of June 7, 1924 (ch. 352, 43 Stat. 657), and the act of June 14, 1930 (ch. 488, 46 Stat. 585)".

SEC. 5. Section 2565 of the Internal Revenue Code is hereby amended by adding the following new reference at the end thereof: "Isonipecaine.—Subsection (e)."

SEC. 6. The first paragraph of section 3220 of the Internal Revenue Code is hereby amended by striking out the word "or" immediately following the word "opium" and inserting in lieu thereof a comma; and by inserting immediately following the words "coca leaves," the words "or isonipecaine,".

SEC. 7. Section 3228 of the Internal Revenue Code is hereby amended by adding the following new subsection (e) at the end thereof:

"(e) Isonipecaine: The word 'isonipecaine' as used in this part and subchapter A of chapter 23 shall mean any substance identified chemically as 1-methyl-4-phenyl-piperidine-4-carboxylic acid ethyl ester, or any salt thereof, by whatever trade name designated."

SEC. 8. Subsection (a) of section 1 of the Narcotic Drugs Import and Export Act, as amended (U. S. C., title 21, sec. 171), is hereby amended to read as follows:

"(a) The term 'narcotic drug' means opium, coca leaves, cocaine, isonipecaine, or any salt, derivative, or preparation of opium, coca leaves, cocaine, or isonipecaine; and the word 'isonipecaine' as used herein shall

mean any substance identified chemically as 1-methyl-4-phenyl-piperidine-4-carboxylic acid ethyl ester, or any salt thereof, by whatever trade name designated."

SEC. 9. Sections 1 and 2 of the act of August 12, 1937 (ch. 598, 50 Stat. 627; U. S. C., title 21, secs. 200 and 200a), are hereby amended by inserting in each immediately following the words "or conspiring to sell, import, or export, opium, coca leaves, cocaine," the word "isonipecaine,"; by deleting in each the word "or" from the phrase "preparation of opium, coca leaves, or cocaine," and by inserting in each immediately following such phrase the words "or isonipecaine,"; and by adding a new sentence at the end of each section to read as follows: "The word 'isonipecaine' as used in this section shall mean any substance identified chemically as 1-methyl-4-phenyl-piperidine-4-carboxylic acid ethyl ester, or any salt thereof, by whatever trade name designated."

SEC. 10. The second paragraph of section 584 of the Tariff Act of 1930, as amended (U. S. C., title 19, sec. 1584), is hereby amended by deleting in the first sentence the word "or" from the phrase "If any of such merchandise so found consists of heroin, morphine, or cocaine," and by inserting immediately following such phrase the words "or isonipecaine,"; by striking out in the second sentence the word "or" from the phrase "If any of such merchandise so found consists of smoking opium or opium prepared for smoking," and inserting in lieu thereof a comma, and by inserting immediately following such phrase the words "or marihuana,"; and by adding a new sentence at the end of the paragraph to read as follows: "The word 'isonipecaine' as used in this paragraph shall mean any substance identified chemically as 1-methyl-4-phenyl-piperidine-4-carboxylic acid ethyl ester, or any salt thereof, by whatever trade name designated."

With the following committee amendment:

Page 5, line 4, strike out "the word 'isonipecaine' as used in this paragraph shall mean any substance identified chemically as 1-methyl-4-phenyl-piperidine-4-carboxylic acid ethyl ester, or any salt thereof, by whatever trade name designated."

And insert the following:

"The words 'isonipecaine' and 'marihuana' as used in this paragraph shall have the same meaning as defined in sections 3228 (e) and 3238 (b), respectively, of the Internal Revenue Code."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the individual bills on the Private Calendar. The Clerk will call the first bill on the calendar.

MRS. ELIZABETH J. PATTERSON ET AL.

The Clerk called the first bill on the calendar, H. R. 1444, for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in equal shares, to Mrs. Elizabeth J. Patterson, Atlantic City, N. J.; Joy Patterson, District of Columbia; and Roberta Patterson, District of Columbia, the sum of $20,963. The payment of such sum shall be in full settlement of all claims against the United States on account of the losses or reduction on salary and allowances sustained by the late Brig. Gen. Robert F. Patterson, from January 1, 1898, to May 28, 1906, during which time he was United States consul general at Calcutta, India, through the method of settlement adopted by the United States Government in connection with the fluctuation in the value of the Indian rupee. The said Mrs. Elizabeth J. Patterson is the daughter-in-law, and the said Joy Patterson and Roberta Patterson are the granddaughters, of the late Brig. Gen. Robert F. Patterson.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES FRED SMITH

The Clerk called the next bill on the calendar, H. R. 1886, for the relief of Charles Fred Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles Fred Smith, of 530 Williams Boulevard, Springfield, Ill., the sum of $507.57, in full settlement of all claims against the United States for damage sustained to his private airplane on August 21, 1940, during a recruiting publicity campaign directed by Capt. Carl L. Goering, recruiting publicity officer of the Peoria, Ill., district of the United States Army Recruiting Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. SAMUEL M. McLAUGHLIN

The Clerk called the next bill, H. R. 2333, for the relief of Mrs. Samuel M. McLaughlin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000, to Mrs. Samuel M. McLaughlin, of Peoria, Ill., for the death of her husband, Dr. Samuel M. McLaughlin, as a result of his accidental shooting by an Army sentry in Santa Monica, Calif., on January 18, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out the figures "$10,000" and insert in lieu thereof the figures "$5,500."

Page 1, line 6, after the word "Illinois", insert the words "in full settlement of all claims against the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

P. AUDLEY WHALEY

The Clerk called the next bill, H. R. 2511, for the relief of P. Audley Whaley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to P. Audley Whaley the sum of $978.20, in full settlement of all claims against the United States for the loss, damage, or destruction of personal property as a result of a fire on August 24, 1942, at Great Smoky Mountains National Park (Cosby, Tennessee, district): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. R. L. RHODES

The Clerk called the next bill, H. R. 2896, for the relief of Mr. and Mrs. R. L. Rhodes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. R. L. Rhodes, the sum of $1,500, in full satisfaction of all claims against the United States for injuries sustained by them resulting from an accident involving an Army truck and a civilian car owned and operated by Mr. Byford Traweek, which accident occurred on United States Highway No. 171, about 1½ miles south of De Ridder, La., on August 8, 1941.

With the following committee amendment:

Line 6, after the name "Rhodes", strike out the remainder of the bill, and insert in lieu thereof "of Huntington, Tex., the sum of $826 in full settlement of all claims against the United States for medical expenses and injuries sustained by them as the result of an accident between the car in which they were riding and an Army truck, which occurred on United States Highway No. 171, about 1½ miles south of De Ridder, La., on August 8, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-

standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE E. O'LOUGHLIN

The Clerk called the next bill, H. R. 3101, for the relief of George E. O'Loughlin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George E. O'Loughlin, of Worcester, Mass., the sum of $1,500, in full settlement of all claims against the United States for injuries received when his automobile was struck by a United States Army truck on Mill Road, near the intersection of Fisher Street, in Westboro, Mass., on August 28, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARLOS MANUEL PÉREZ SILVA AND NILDA CONCEPCIÓN RAMOS PÉREZ

The Clerk called the next bill, H. R. 3539, for the relief of Carlos Manuel Pérez Silva and Nilda Concepción Ramos Pérez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carlos Manuel Pérez Silva and Nilda Concepción Ramos Pérez (a minor under patria potestas of her father, Ismael Ramos), Arecibo, P. R., the sum of $17,000. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of Carlos Pérez Avilés, father of Carlos Manuel Pérez Silva and grandfather of Nilda Concepción Ramos Pérez, which resulted from personal injuries received on December 30, 1942, while walking on a sidewalk along Muñoz Rivera Street in Camuy, P. R., when he was struck by a small house which fell from a United States Army truck when such truck was in collision with a telephone pole.

With the following committee amendment:

Page 1, line 5, after the word "to", strike out the balance of line 5 and all of lines 6 to 10, inclusive, and on page 2, strike out lines 1 to 6, inclusive, and insert the following: "the administrator of the estate of Carlos Pérez Avilés, deceased, of Arecibo, P. R., the sum of $5,235. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of Carlos Pérez Avilés, which resulted from personal injuries received on December 30, 1942, while walking on a sidewalk along Muñoz Rivera Street in Camuy, P. R., when he was struck by a small house which fell from a United States Army truck when such truck was in collision with a telephone pole: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the estate of Carlos Pérez Avilés."

ROBERT FUTTERMAN

The Clerk called the next bill, H. R. 3595, for the relief of Robert Futterman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Robert Futterman, of Springfield, Hampden County, Mass., out of any money in the Treasury not otherwise appropriated, the sum of $448, in full satisfaction of his claims against the United States arising from property damage suffered when the car which he was driving was struck by a Government car operated in connection with the United States Army, at Bradley Field, Windsor Locks, Conn., in Windsor, Conn., on January 16, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "his claims" and insert in lieu thereof "all claims."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS T. KLAUDER

The Clerk called the next bill, H. R. 3644, for the relief of Louis T. Klauder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louis T. Klauder, of Moorestown, N. J., the sum of $3,750, in full satisfaction of his claims for compensation for engineering services rendered in connection with a Rural Electrification Administration project in Franklin County, Mass., known or designated as "Massachusetts 3 Franklin": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$3,750" and insert in lieu thereof "$1,904.80."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNE LOACKER

The Clerk called the next bill, H. R. 3659, for the relief of Anne Loacker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Civil Service Commission is authorized and directed to pay, out of any money in the civil service retirement and disability fund, to Anne Loacker, of Spokane, Wash., the widow of Leo G. Loacker, formerly a railway-mail clerk, an annuity equal in amount to the annuity which she would have been entitled to receive had the retirement of the said Leo G. Loacker become effective on November 1, 1941, and had he elected in writing, at the time of such retirement, to receive a reduced annuity equal to such reduced annuity payable after his death to the said Anne Loacker, as surviving beneficiary.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. J. D. WHITESIDE AND ST. LUKE'S HOSPITAL

The Clerk called the next bill, H. R. 3841, for the relief of Dr. J. D. Whiteside and St. Luke's Hospital.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,259 to Dr. J. D. Whiteside, of Aberdeen, S. Dak., and to pay the sum of $7,828.66 to St. Luke's Hospital, of Aberdeen, S. Dak., in full settlement of all claims against the United States for medical and hospital expenses incurred by E. J. Gebhart, of Orient, S. Dak., as a result of an accident sustained on February 6, 1937, while acting as rural mail carrier in Orient, S. Dak.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT C. HARRIS

The Clerk called the next bill, S. 1355, for the relief of Robert C. Harris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Robert C. Harris, Fort Hancock, N. J., the sum of $4,435. The payment of such sum shall be in full settlement of all claims of the said Robert C. Harris against the United States on account of loss of wages, medical and hospital expenses, and personal injuries sustained by him on March 17, 1943, when the automobile which he was driving on Rumson Road in Monmouth County, N. J., was struck by a United States Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JUDITH H. SEDLER

The Clerk called the next bill, S. 1416, for the relief of Mrs. Judith H. Sedler, administratrix of the estate of Anthony F. Sedler, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Judith H. Sedler, of Jeffersonville, Ind., administratrix of the estate of Anthony F. Sedler, deceased, the sum of $5,753, in full settlement of all claims against the United States for the death of her husband, Anthony F. Sedler, assistant general superintendent of the Dahlem Construction Co., engaged on a project at Fort Knox, Ky., resulting from an M4–A4 medium tank of the United States Army, in the service of the Army and operated by a unit of the Army, driving over an automobile which he occupied after having parked it by direction of the military police of the United States Army to permit a convoy of tanks to turn east onto First Avenue from Wilson Road, Fort Knox, Ky., on December 19, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUGENE HOLCOMB, A MINOR

The Clerk called the next bill, S. 1588, for the relief of the legal guardian of Eugene Holcomb, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Eugene Holcomb, of Voth, Tex., the sum of $5,000, in full satisfaction of all claims against the United States for compensation for personal injuries sustained by Eugene Holcomb, a minor, as the result of an accident which occurred when he was struck by an Army vehicle in Voth, Tex., on July 28, 1942, and for all medical, hospital, and incidental expenses heretofore and hereafter incurred as a result of such injuries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert in lieu thereof "$3,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CYRIL DOERNER

The Clerk called the next bill, H. R. 1774, for the relief of Cyril Doerner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cyril Doerner, Waite Park, Minn., the sum of $635. The payment of such sum shall be in full settlement of all claims of the said Cyril Doerner against the United States on account of personal injuries sustained by him on August 31, 1942, in San Diego, Calif., when the automobile which he was driving was struck by a Marine Corps truck.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. L. RINKENBERGER AND JOHN FLOERING

The Clerk called the next bill, H. R. 2066, for the relief of A. L. Rinkenberger and John Floering.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. L. Rinkenberger, of Elmhurst, Ill., the sum of $5,000, and to John Floering, of Melrose Park, Ill., the sum of $15,000, in full settlement of all claims against the United States for personal injuries, property damage, medical and hospital expenses sustained by A. L. Rinkenberger and John Floering when a Civilian Conservation Corps truck operated by an enrollee of the Civilian Conservation Corps collided with the automobile in which they were riding, on Illinois State Route No. 83, about a quarter of a mile south of Lake Street, in Du Page County, Ill., on November 6, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$15,000" and insert in lieu thereof "$10,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. PHOEBE SHERMAN

The Clerk called the next bill, H. R. 2354, for the relief of Mrs. Phoebe Sherman.

Messrs. SPRINGER and McGREGOR objected, and, under the rule, the bill was recommitted to the Committee on Claims.

BETTY ROBINS

The Clerk called the next bill, H. R. 2512, for the relief of Betty Robins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Betty Robins, of San Francisco, Calif., the sum of $11,829.50, in full settlement of all claims against the United States for personal injuries, hospital, medical, and other expenses, sustained when struck by a United States Navy station wagon at the intersection of Gough and Hayes Streets, San Francisco, Calif., on January 26, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$11,829.50" and insert in lieu thereof "$3,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. D. F. STILL

The Clerk called the next bill, H. R. 2873, for the relief of Mr. and Mrs. D. F. Still.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to D. F. Still, of Ninnekah, Okla., the sum of $250, and to Mrs. D. F. Still, of Ninnekah, Okla., the sum of $1,000, in full satisfaction of their respective claims for compensation for personal injuries sustained by them and medical expenses incurred by them as the result of an accident which occurred when their automobile was struck by a United States Army vehicle near Chickasha, Okla., on January 15, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof

shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, after the word "of", strike out the balance of line 6 and lines 7 to 10, inclusive, and on page 2, strike out lines 1 and 2 and insert in lieu thereof the following: "$660 to Mr. D. F. Still, and to pay the sum of $1,000 to Mrs. D. F. Still, both of Ninnekah, Okla., in full settlement of all claims against the United States as compensation for property damage, personal injury, medical and hospital expenses incurred by them as the result of an accident which occurred when the automobile in which they were riding was struck by a United States Army truck near Chickasha, Okla., on January 15, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPHINE GUIDONI

The Clerk called the next bill, H. R. 3636, for the relief of Josephine Guidoni.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Josephine Guidoni, Fresno, Calif., the sum of $5,491.51. The payment of such sum shall be in full settlement of all claims of the said Josephine Guidoni on account of the death of her husband, Guilio Guidoni, who lost his life on April 22, 1943, when the truck which he was driving was struck on Belmont Avenue at or near the intersection of Maple Avenue, in the county of Fresno, Calif., by a United States Army ambulance.

With the following committee amendment:

Page 2, line 2, after the word "ambulance", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STIERS BROS. CONSTRUCTION CO.

The Clerk called the next bill, H. R. 4107, for the relief of the Stiers Bros. Construction Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury to the credit of the District of Columbia not otherwise appropriated, to the Stiers Bros. Construction Co., of St. Louis, Mo., the sum of $500, in full settlement of the claim of said company against the District of Columbia for furnishing and installing for the District of Columbia one backwater gate at the unit price of $500 named in its bid and under its contract No. 13722, dated the 15th day of September 1939, with the District of Columbia, and for which no payment has ever been made: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, strike out "the claim" and insert "all claims."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

The Clerk called the next bill, H. R. 4589, for the relief of the Muskingum Watershed Conservancy District.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1849, be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of the Muskingum Watershed Conservancy District, New Philadelphia, Ohio, for the balance necessary to cover the reasonable compensation for a flowage easement which was granted to the United States by deed dated January 8, 1941, prior to the change in plans by the United States and the State of Ohio for the relocation of a State highway, which relocation deprived the claimant of any access to its buildings situated on a part of the land not affected by the flowage easement, and to allow in full and final settlement of the claim the sum of not to exceed $1,745 upon the receipt by him of evidence that a release, satisfactory to the War Department, of the United States from any further claim for damages and from any further liability of any kind by reason of the grant of the easement, has been executed by the Muskingum Watershed Conservancy District and has been recorded in the proper land records of the State of Ohio. There is hereby appropriated the sum of $1,745, or so much thereof as may be necessary, for the payment of said claim.

Mr. BARDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 4589, was laid on the table.

CLAUDE R. WHITLOCK

The Clerk called the next bill, H. R. 4621, for the relief of Claude R. Whitlock, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that a similar Senate bill S. 1848, be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of Claude R. Whitlock superintendent and special disbursing agent, Rosebud Indian Agency, Rosebud, S. Dak., for the sum of $3,058.27, plus accrued interest thereon, representing public and trust funds embezzled by Theodore A. Garnette, a former employee of said Indian agency.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,382.77, which shall be deposited by the Secretary of the Treasury to the official trust fund checking account of the special disbursing agent of the Rosebud Indian Agency for credit to the individual accounts of the Indians who sustained losses as a result of the embezzlement of their funds by Theodore A. Garnette: *Provided*, That notwithstanding any other provision of existing law the Secretary of the Interior or his authorized representative is hereby authorized to appropriate any funds now or hereafter due Theodore A. Garnette by reason of his status as an Indian and to apply such funds on the indebtedness created by his embezzlement of said public and trust funds.

Mr. BARDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: At the end of the bill add the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered

in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 4621, was laid on the table.

REBECCA COLLINS AND W. W. COLLINS

The Clerk called the next bill, S. 891, for the relief of Rebecca Collins and W. W. Collins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rebecca Collins, of Wise, Va., the sum of $1,000, and to W. W. Collins, of Wise, Va., the sum of $1,500, in full satisfaction of their respective claims against the United States for compensation for personal injuries and property damage sustained by them as the result of an accident which occurred when the automobile in which they were riding was struck by a truck used by the Work Projects Administration in Norton, Va., on February 9, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK V. DYER

The Clerk called the next bill, H. R. 1318, for the relief of Jack V. Dyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jack V. Dyer, Ocean Beach, Calif., the sum of $10,000. The payment of such sum shall be in full settlement of all claims of the said Jack V. Dyer against the United States on account of personal injuries sustained by him on January 23, 1942, in San Diego, Calif., when the motorcycle which he was driving was in collision with a truck in the service of the War Department.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert "$5,000."

At the end of the bill strike out the period and insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. J. T. TAULBEE

The Clerk called the next bill, H. R. 1497, for the relief of Mrs. J. T. Taulbee.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000, in full settlement of all claims against the United States on account of the death of J. T. Taulbee, Georgetown, Ky., which resulted from a collision involving a United States Army truck, 1940 G. M. C., 1941 license U. S. W. 411311, driven by Irvin J. Overall, which occurred about 4 miles south of Corinth, Scott County, Ky., on the 4th day of December 1941: *Provided*, That no part of the amount paid pursuant to this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after the word "appropriated", strike out the remainder of the bill and insert in lieu thereof "to the estate of J. T. Taulbee, deceased, the sum of $5,000, in full settlement of all claims against the United States on account of the death of the said J. T. Taulbee, and for the destruction of his automobile, resulting from a collision involving a United States Army truck, which accident occurred about 4 miles south of Corinth, Scott County, Ky., on the 4th day of December 1941; and to pay to Mrs. Bertie Leila Parker (formerly Mrs. J. T. Taulbee), the sum of $1,500, in full settlement of all claims against the United States on account of personal injuries, and medical, hospital, and incidental expenses, sustained by her as the result of the same accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the estate of J. T. Taulbee, deceased, and Mrs. Bertie Leila Parker."

WINSTON-SALEM SOUTHBOUND RAILWAY CO.

The Clerk called the next bill, H. R. 2014, for the relief of the Winston-Salem Southbound Railway Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Winston-Salem Southbound Railway Co., Winston-Salem, N. C., the sum of $891.91. Such sum shall be in reimbursement for the payment by such company of such sum to Collie C. Snuggs, Albemarle, N. C., for personal injuries sustained by him while acting as a brakeman for such company on October 27, 1941, at Palestine, N. C., when he was knocked off of the top of a boxcar by a low wire strung by a United States Army signal company during Army maneuvers.

With the following committee amendments:

Page 1, line 7, strike out the figures "891.-91" and insert in lieu thereof the figures "891.85."

Page 1, line 14, after the "period", insert the following: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM DYER

The Clerk called the next bill, H. R. 3280, for the relief of William Dyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to William Dyer, of Windham, Maine, in full settlement of all claims against the United States for damages suffered by him in Portland, Maine, on November 23, 1942, when he was negligently shot and severely wounded by a soldier of the United States Army, while on guard duty in said Portland; the said Dyer having been at all times without fault and in the exercise of due care: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$10,000" and insert "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTANTINO ARGUELLES

The Clerk called the next bill, H. R. 3495, conferring jurisdiction upon the United States District Court for the Northern District of California, northern division, to hear, determine, and render judgment upon the claims of Constantino Arguelles; Concha Arguelles, wife; and Carmen Arguelles, Richard Arguelles, Roberta Arguelles, and Maria Antonia Arguelles, minor children of said Constantino and Concha Arguelles.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Northern District of California, northern division, to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of Constantino Arguelles, Concha Arguelles, and Carmen, Richard, Roberta, and Maria Antonia Arguelles, for the personal injuries to said Constantino Arguelles and damages therefrom to him and them and damages to his automobiles, said injuries and damages having resulted from a collision between the automobile of said Constantino Arguelles, which said Constantino Arguelles was driving, and a truck operated by the War Departmbent, and which said collision occurred on the public highway about 1 mile westerly from Oakley, Calif., on March 30, 1943: *Provided*, That the judgment or judgments, if any, for damages for the personal injuries to or death of Constantino Arguelles and damages to his automobile and treatment costs, shall not in the aggregate exceed $15,000.

SEC. 2. Suit upon such claim or claims may be instituted at any time within 1 year after the enactment of this act, and proceedings for the determination thereof, appeals therefrom, and payment of any judgments thereon shall be in the same manner as in the cases of suits over which district courts have jurisdiction under the provisions of the Judicial Code conferring jurisdiction upon District Courts of the United States for the trial of civil action.

With the following committee amendment:

Page 1, line 3, after the enacting clause, strike out the remainder of the bill, and insert in lieu thereof the following: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Constantino Arguelles, of Oakley, Calif., in full settlement of all claims against the United States on account of property damage, personal injuries, medical and hospital expenses, and loss of earnings, resulting from an accident which occurred on State Highway Numbered 4 near Oakley, Calif., when the automobile in which he was riding was struck by a United States Army truck on March 30, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. SPRINGER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER to the committee amendment: Page 3, line 1, strike out "$5,000" and insert in lieu thereof "$4,000."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Constantino Arguelles."

MRS. JOHN ANDREW GODWIN

The Clerk called the next bill, H. R. 3586, for the relief of Mrs. John Andrew Godwin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. John Andrew Godwin, of 833 Northeast First Avenue, Miami, Fla., the sum of $10,000, in full settlement of all claims against the United States for the death of her husband, John Andrew Godwin, who was killed by the collision of a United States Navy station wagon with an automobile driven by him at the intersection of Northwest Seventy-eighth Street and Twenty-seventh Avenue, at Miami, Fla., on March 18, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$10,000" and insert in lieu thereof "$5,000."

The committe amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK GAY

The Clerk called the next bill, H. R. 3898, for the relief of Frank Gay.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Frank Gay, of Chicopee Falls, Chicopee, Hampden County, Mass., out of any money in the Treasury not otherwise appropriated, the sum of $650, in full satisfaction of his claim against the United States arising from property damage suffered when the car which he was driving was struck by a Government car operated in connection with the United States Army at Westover Field, Chicopee Falls, Mass., in Chicopee Falls, Mass., on October 3, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out the words "his claim" and insert in lieu thereof the words "all claims".

Page 1, line 8, strike out the word "the" and insert in lieu thereof the word "his." Also strike out the words "which he was driving."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES FLEMING

The Clerk called the next bill, H. R. 171, for the relief of James Fleming.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPRINGER and Mr. McGREGOR objected, and, under the rule, the bill was recommitted to the Committee on Military Affairs.

MARGARET L. HAWKINS

The Clerk called the next bill, H. R. 3281, for the relief of Margaret L. Hawkins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Margaret L. Hawkins, of Westbrook, Maine, dependent daughter of Nelson Hawkins, deceased, in full settlement of all claims against the United States for damages suffered by her as the result of the death of her father, caused in Portland, Maine, on November 23, 1942, when he was shot to death by a soldier of the United States Army, while on guard duty in said Portland: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out the figures "$10,000" and insert in lieu thereof "$5,359."

Page 1, line 6, after the word "to", strike out the remainder of the bill and insert in lieu thereof "the administrator of the estate of Nelson Hawkins, deceased, in full settlement of all claims against the United States for damages suffered as the result of the death of said Nelson Hawkins, caused in Portland, Maine, on November 23, 1942, when he was shot to death by a soldier of the United States Army, while on guard duty in said Portland: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on

account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Nelson Hawkins."

J. G. POWER AND L. D. POWER

The Clerk called the next bill, H. R. 4458, for the relief of J. G. Power and L. D. Power.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $185 to J. G. Power and L. D. Power, jointly, of Gray Court, S. C. Such sum represents the conservation payment under the 1939 program withheld from them.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT (JR. GR.) HUGH A. SHIELS, UNITED STATES NAVAL RESERVE

The Clerk called the next bill, H. R. 4605, for the relief of Lt. (Jr. Gr.) Hugh A. Shiels.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1837, be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $215.85 to reimburse Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve, for the value of personal property lost in a fire in a warehouse used by the Navy at the naval section base, Sand Point, Alaska, on December 17, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BARDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: At the end of the bill, strike out the period and insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 4605, was laid on the table.

TAYLOR W. TONGE

The Clerk called the next bill, S. 1112, for the relief of Taylor W. Tonge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Taylor W. Tonge, of Bremerton, Wash., the sum of $499.50, in full satisfaction of his claims against the United States for compensation for loss of wages and for reimbursement of medical and hospital expenses incurred by him as a result of personal injuries sustained by him and his minor children, Danny Tonge and Larry Tonge when the automobile in which they were riding was struck by a United States Army truck on June 11, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BISHOPVILLE MILLING CO.

The Clerk called the next bill, S. 1247, for the relief of the Bishopville Milling Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Bishopville Milling Co., of Bishopville, S. C., the sum of $870.05, in full settlement of all claims of such company against the United States for compensation for property damages sustained when a truck and trailer owned by such company was demolished in a collision with a United States Army truck on United States Highway No. 521, near Lancaster, S. C., on October 29, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF CHARLES A. STRAKA

The Clerk called the next bill, S. 1326, for the relief of the estate of Charles A. Straka.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MOTT and Mr. SPRINGER objected, and, under the rule, the bill was recommitted to the Committee on Claims.

JOHN T. COOPER

The Clerk called the next bill, H. R. 2237, for the relief of John T. Cooper.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPRINGER and Mr. McGREGOR objected, and, under the rule, the bill was recommitted to the Committee on Claims.

JOHN M. O'CONNELL

The Clerk called the next bill, H. R. 2530, for the relief of John M. O'Connell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John M. O'Connell, Watertown, Mass., the sum of $64.59. Such sum represents the amount of damages and court costs paid by the said John M. O'Connell pursuant to judgments of the Municipal Court of the city of Boston rendered in two actions of tort brought against him as the driver of a mail truck which was in a collision in the city of Boston, Mass., on July 9, 1940, with a cab of the Yellow Cab Co., of Boston and Brookline.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN J. BEATON

The Clerk called the next bill, H. R. 2845, for the relief of John J. Beaton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John J. Beaton, Wareham, Mass., the sum of $2,073.19. The payment of such sum shall be in full settlement of all claims against the United States for damage to the grounds and dwelling of the said John J. Beaton on Chapel Street, Wareham, Mass., and damage to, and destruction of, certain personal property of the said John J. Beaton, caused on March 12, 1942, by a United States Army truck.

With the following committee amendment:

At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. ROBERT W. NELSON AND W. E. NELSON

The Clerk called the next bill, H. R. 3548, for the relief of Mr. and Mrs. Robert W. Nelson and W. E. Nelson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Mrs. Robert W. Nelson; the sum of $10,000 to W. E. Nelson; and the sum of $5,000 to Robert W. Nelson, all of Pacific Grove, Calif., in full settlement of all claims against the United States for personal injuries and property damage as a result of a collision between the automobile in which they were riding and a United States Army truck near Del Monte Hotel, Del Monte, Calif., on March 6, 1943: *Provided*, That no part of the money appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$10,000" and insert "$3,000."

Line 6, strike out "$10,000" and insert "$3,000."

Line 7, strike out "$5,000" and insert "$500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY AND COUNTY OF SAN FRANCISCO

The Clerk called the next bill, H. R. 3590, for the relief of the city and county of San Francisco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city and county of San Francisco, a municipal corporation, of San Francisco, Calif., the sum of $18,101.68, in full settlement of all claims against the United States for reimbursement of expenses incurred in rebuilding and restoring a power transmission line and loss of power revenue in township 3 south, range 7 east, Stanislaus County, Calif., near Elliott Cut, a branch of the adjacent San Joaquin River, which transmission line was demolished by the crashing of a United States Navy plane, FM-1, Bureau No. 150501, on May 10, 1943, while the said plane was engaged in making a flight over the area indicated: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. RALPH DATESMAN

The Clerk read the next bill, H. R. 3813, for the relief of J. Ralph Datesman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $208.23, to J. Ralph Datesman, of Milton, Pa., in full settlement of all claims against the United States for the expenses incurred as a result of a mistaken identity in transporting a corpse, thought to be his brother, Stuart Datesman, from San Francisco, Calif., to Milton, Pa., in October of 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. M. FELLER CO. AND WENDELL C. GRAUS

The Clerk called the next bill, H. R. 4528, for the relief of L. M. Feller Co. and Wendell C. Graus.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to L. M. Feller Co. and Wendell C. Graus, of Hastings, Minn., the sum of $23,783.47, in full settlement of all claims against the United States for all increased costs and damages sustained, growing out of that certain contract W-631-eng 2695 dated June 10, 1942, for the construction of the administration area buildings at the Black Hills ordnance depot, Provo, S. Dak.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IVER M. GESTELAND

The Clerk called the next bill, S. 754, for the relief of Iver M. Gesteland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Iver M. Gesteland, of Sawyer, Wis., a member of the crew of the steamer *W. D. Calverly, Jr.*, the sum of $617.70, in full satisfaction of his claim against the United States for reimbursement of medical and hospital expenses incurred by him as the result of illness contracted in March 1942, the serious nature of such illness having prevented his removal to a United States Marine Hospital where he would have been entitled, as a seaman, to medical treatment and hospitalization without cost to him: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERMIN SALAS

The Clerk called the next bill, S. 1093, for the relief of Fermin Salas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fermin Salas, Albuquerque, N. Mex., the sum of $400, in full settlement of all claims of the said Fermin Salas against the United States for property damages and personal injuries sustained by him as the result of an accident which occurred on March 16, 1943, when his automobile was struck by an Army reconnaissance car on North Sixth Street, Albuquerque, N. Mex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REBECCA A. KNIGHT AND MARTHA A. CHRISTIAN

The Clerk called the next bill, S. 1281, for the relief of Rebecca A. Knight and Martha A. Christian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rebecca A. Knight and Martha A. Christian, both of Durham County, N. C., the sum of $7,500, in full satisfaction of their claim against the United States for compensation for for the deaths of their mother and stepfather, Lena U. Hare and William E. Hare, who died from injuries sustained by them when they were struck by a United States Marine Corps truck at a point on the Goldsboro Highway near Kinston, N. C., on July 19, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and

passed, and a motion to reconsider was laid on the table.

ANNE REBECCA LEWIS AND MARY LEWIS

The Clerk called the next bill, S. 1305, for the relief of Anne Rebecca Lewis and Mary Lewis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Anne Rebecca Lewis, of Baltimore, Md., the sum of $2,857.50, in full satisfaction of her claims against the United States for compensation for personal injuries and property damage sustained by her, and for reimbursement of medical, hospital, and other expenses incurred by her, as the result of an accident which occurred when her privately owned automobile which she was driving collided with a Navy patrol car at the intersection of Southwest First Street and Eighth Avenue, in Miami, Fla., on March 11, 1943; and (2) to Mary Lewis, of Baltimore, Md., who was riding as a passenger in such privately owned automobile at the time of such accident, the sum of $806.50, in full satisfaction of her claims against the United States for compensation for personal injuries sustained by her, and for reimbursement of medical, hospital, and other expenses incurred by her as a result of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. M. MILLER, JAMES W. WILLIAMS, AND GILBERT THERIOT

The Clerk called the next bill, S. 1553, for the relief of J. M. Miller, James W. Williams, and Gilbert Theriot.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to J. M. Miller, of Kenner, La., the sum of $500, in full satisfaction of his claims against the United States for compensation for personal injuries and property damage sustained by him, and for reimbursement of medical, hospital, and other expenses incurred by him, as the result of an accident which occurred when his privately owned automobile which he was driving collided with a Navy jeep (No. 227873) at the naval air station, Houma, La., on July 30, 1943; (2) to James W. Williams, of Houma, La., who was riding as a passenger in such privately owned automobile at the time of such accident, the sum of $4,000, in full satisfaction of his claims against the United States for compensation for personal injuries sustained by him, and for reimbursement of medical, hospital, and other expenses incurred by him as a result of such accident; and (3) to Gilbert Theriot, of Houma, La., who was also a passenger in such privately owned automobile at the time of such accident, the sum of $250, in full satisfaction of his claims against the United States for compensation for personal injuries sustained by him, and for reimbursement of medical and other expenses incurred by him as a result of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. J. C. ROMBERG

The Clerk called the next bill, H. R. 262, for the relief of Mrs. J. C. Romberg.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. J. C. Romberg, Gonzales, Tex., the sum of $483.95. Such sum represents hospital and doctor bills incurred by her son, Corp. Arnold Romberg, as a result of injuries sustained by him in an automobile accident near Lampasas, Tex., on March 10, 1941. Corporal Romberg was on authorized leave of absence from Camp Bowie at Brownwood, Tex. He was taken to Rollins-Brook Hospital at Lampasas where it was necessary to keep him due to the critical nature of his injuries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK HENDERSON

The Clerk called the next bill, H. R. 1040, for the relief of Frank Henderson and Frances Nell Henderson, his wife.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank Henderson, of Hattiesburg, Miss., the sum of $500, and to his wife, Frances Nell Henderson, of Hattiesburg, Miss., the sum of $5,000, in full settlement of their respective claims against the United States for personal injuries received when the automobile in which they were riding struck an Army truck, on United States Highway No. 49, near Camp Shelby, Miss., on November 8, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$500" and insert in lieu thereof the figures "$250."

Page 1, line 8, strike out the figures "$5,000" and insert in lieu thereof the figures "$1,500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIEMER ADISON COULTER

The Clerk called the bill (H. R. 2150) for the relief of Diemer Adison Coulter and Frances Andrews Coulter.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that this bill be recommitted to the Committee on Claims for further consideration.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ELIZABETH POWERS LONG

The clerk called the next bill, H. R. 2151, for the relief of Elizabeth Powers Long.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1940 edition, title 5, secs. 767 and 770), are hereby waived in favor of Mrs. Elizabeth Powers Long, Florence, Ala., widow of Milo S. Long, whose death on July 29, 1940, resulted from personal injuries sustained while in the performance of his duty as a United States engineer during the emergency flood in 1937, and her claim for compensation is authorized to be considered and acted upon by the United States Employees' Compensation Commission under the remaining provisions of law applicable to her case, as if she had filed notice of injury resulting in death and claim for compensation within the time prescribed by such sections 17 and 20, but only if she files such claim with the Commission not later than 120 days after the date of enactment of this act

With the following committee amendments:

Page 1, line 3, strike out the figure "17" and insert in lieu thereof the figure "15."

Page 1, line 9, following the comma after Alabama, insert the word "alleged."

Page 1, line 10, after "1940", strike out the balance of the line down to and including the word "engineer" on page 2, line 2, and insert "is alleged to have resulted from personal injuries sustained while in the performance of his duties as a United States engineer."

On page 2, line 10, strike out "17" and insert "15."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES WILSON

The Clerk called the next bill, H. R. 2473, for the relief of James Wilson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to James Wilson, of Berkeley, Calif., in full settlement of all claims against the

United States for personal injuries sustained and expenses incurred by him when he was struck by a United States Army truck, at the intersection of University and San Pablo Avenues, in the city of Berkeley, Calif., on January 16, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out the figure "$10,000" and insert "$3,718.27."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WASHINGTON ASPHALT CO.

The Clerk called the next bill, H. R. 2903, for the relief of the Washington Asphalt Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Washington Asphalt Co., Seattle, Wash., the sum of $3,794.41. The payment of such sum shall be in full settlement of all claims of such company against the United States for losses sustained on account of the destruction of a piece of paving equipment known as a "5–8-ton Galion roller" which was struck by a United States Navy airplane on March 5, 1943, at the Sand Point Naval Air Station in Seattle, Wash.

With the following committee amendments:

Line 6, strike out the figures "$3,794.41" and insert in lieu thereof the figures "$1,431.31."

At the end of the bill strike out the period and insert the following: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAEL EATMAN, JR.

The Clerk called the next bill, H. R. 2919, for the relief of Michael Eatman, Jr., and Mrs. Michael Eatman, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Michael Eatman, Jr., of Meridian, Miss., the sum of $246.14, and to Mrs. Michael Eatman, Jr., of Meridian, Miss., the sum of $100, in full settlement of all claims against the United States for property damage and personal injuries sustained when the automobile of Michael Eastman, Jr., being driven by Mrs. Michael Eastman, Jr., was struck by a United States Army truck at the intersection of Seventh Street and Twenty-eighth Avenue, in the city of Meridian, Miss., on March 21, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. CICERO B. HUNT

The Clerk called the next bill, H. R. 3152, for the relief of Mr. and Mrs. Cicero B. Hunt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Cicero B. Hunt, of Waynesboro, Tenn., the sum of $10,000, in full settlement of all claims against the United States for compensation for the death of their daughter, Aline Hunt, as a result of being struck by a Civilian Conservation Corps truck, operated by Robert Hand, a member of the Waynesboro, Tenn., Civilian Conservation Corps Camp, on May 16, 1935, in front of her home at Waynesboro, Tenn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$10,000" and insert "$2,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

HOME INSURANCE CO. OF NEW YORK

The Clerk called the next bill, H. R. 3431, for the relief of the Home Insurance Co. of New York.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay the Home Insurance Co. of New York, subrogated to the rights of one Allen A. Lowe, out of any money in the Treasury not otherwise appropriated, the sum of $135.05, in full settlement of all claims against the Government of the United States for loss and damages sustained to the property of Allen A. Lowe, which loss and damages were occasioned to the Home Insurance Co. of New York by the payment of a claim by said company to Allen A. Lowe, its insured, under a policy of insurance issued by said Home Insurance Co. of New York to Allen A. Lowe to indemnify him against property loss occasioned to his Plymouth sedan which resulted from an accident involving a Government vehicle owned and operated by the War Department, near Clarkson, N. Y., on December 18, 1936, resulting in damages and property loss to said Plymouth sedan without any fault or negligence on the part of Allen A. Lowe, and which loss became the legal obligation of this claimant, the Home Insurance Co. of New York, under its contract of indemnity with Allen A. Lowe, and that because of said payment this claimant has by assignment been subrogated to the rights of Allen A. Lowe: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with this claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 1 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS ANNE WATT

The Clerk called the next bill, H. R. 3467, for the relief of Miss Anne Watt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Miss Anne Watt, of Flushing, Queens County, N. Y., the sum of $1,000, in full settlement of all claims against the United States for personal injuries sustained by the said Miss Anne Watt in an accident in Newark, N. J., on September 9, 1942, involving a Government-owned mail truck and a privately owned automobile in which she was a passenger: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 6, strike out "$1,000" and insert "$129."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. WILLIAM INGRAM

The Clerk called the next bill, H. R. 3481, for the relief of J. William Ingram.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000, to J. William Ingram, of Green, Clay County, Kans., in full settlement of all claims against the United States for the death of his wife, Mable Ingram, who was killed by a piece of metal from a blast at Fort Riley, Kans., while driving on a main-traveled artery designated by the military as a public highway: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any amount not exceeding $1,000.

With the following committee amendment:

On page 1, line 5, strike out "10,000" and insert "$5,511.66."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEBANON WOOLEN MILLS, INC.

The Clerk called the next bill, H. R. 3511, for the relief of the Lebanon Woolen Mills, Inc.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPRINGER. Mr. Speaker, I object.

Mr. COOPER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOPER. Mr. Speaker, would it be in order to ask the gentleman to withhold his objection and ask unanimous consent that the bill be passed over without prejudice because of the unavoidable absence of my colleague, the gentleman from Tennessee [Mr. McCORD]?

Mr. SPRINGER. Mr. Speaker, in that event I ask unanimous consent that the bill be referred back to the Committee on Claims for further consideration.

The SPEAKER. The effect is the same; the bill is recommitted.

Is there objection to the request of the gentleman from Indiana?

There was no objection.

MRS. EMILY REILY

The Clerk called the next bill, H. R. 3549, for the relief of Mrs. Emily Reily.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Emily Reily, Pleasantville, N. J., the sum of $1,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Emily Reily against the United States for personal injuries sustained in Atlantic City, N. J., on February 1, 1943, when a high wind blew the tailboard detached from, and leaning against, a United States Army truck parked in the street onto the sidewalk in the path of the said Mrs. Emily Reily.

With the following committee amendment:

At the end of the bill strike out the period and insert the following: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VICTORIA CORMIER

The Clerk called the next bill, H. R. 4024, for the relief of Victoria Cormier.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Victoria Cormier, Charlestown, Md., the sum of $338, in full payment of all claims against the United States for injuries sustained, and expenses in connection therewith, as a result of an accident on July 3, 1943, near Charlestown, Md., when Navy station wagon No. 6963 collided with an automobile in which she was riding.

With the following committee amendment:

On page 1, line 6, strike out "$338" and insert "$250."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEO EDWARD DAY

The Clerk called the next bill, H. R. 4060, for the relief of Leo Edward Day and Phillip Tamborello.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPRINGER and Mr. MOTT objected, and the bill, under the rule, was recommitted to the Committee on Claims.

P. E. BRANNEN

The Clerk called the next bill, H. R. 4101, for the relief of P. E. Brannen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to P. E. Brannen, the sum of $4,325.39, in full settlement of all claims against the United States for damage to building, contents, trees, fences, lawn, and incidental expenses, as a result of the crash of a Navy airplane on October 14, 1943, into the dwelling located at 810 Richmond Street, Fort Myers, Fla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$4,325.39" and insert "$3,626.30."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ADA MAE CUSHMAN

The Clerk called the next bill, H. R. 4197, for the relief of Mrs. Ada Mae Cushman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Ada Mae Cushman, Windsor, Aiken County, S. C., the sum of $10,000, on account of the death of her son, James Edward Cushman, age 9 years 10 months and 27 days, due to electrocution by a live wire, which was cut by an Army plane out of the Aiken Air Base, when the plane flew too low through Windsor, S. C.

With the following committee amendment:

Line 5, after the word "appropriated" strike out the remainder of the bill and insert in lieu thereof the following: "the sum of $3,177.60 to Mr. and Mrs. John Cushman, of Windsor, Aiken County, S. C., in full settlement of all claims against the United States as compensation for the death of their son, James E. Cushman, who was electrocuted by a live wire, which was cut by an Army plane out of the Aiken Air Base, when the plane flew too low through Windsor, S. C., on October 16, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read "A bill for the relief of Mr. and Mrs. John Cushman."

H. F. OWEN

The Clerk called the next bill, H. R. 4226, for the relief of H. F. Owen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to H. F. Owen, of Nashville, Tenn., in full settlement of all claims against the United States for personal injuries sustained by his 11-year-old son as a result of being hit by a United States Army jeep driven by

a soldier while on duty in maneuvers of the Second Army on May 1, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after the words "sum of", strike out the remainder of the bill down to the proviso on line 11, and insert in lieu thereof the following: "$6,800 to the legal guardian of William L. Owen, a minor, in full settlement of all claims against the United States for property damage, personal injuries, medical and hospital expenses sustained as the result of his being hit by a United States Army vehicle on May 1, 1943, near Nashville, Tenn."

Mr. SPRINGER. Mr. Speaker, I offer an amendment to the amendment.

The Clerk read as follows:

Page 2, line 1, strike out "$6,800" and insert in lieu thereof "$5,000."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the legal guardian of William L. Owen, a minor."

DENNIS C. O'CONNELL

The Clerk called the next bill, H. R. 4439, for the relief of Dennis C. O'Connell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dennis C. O'Connell, Arlington, Mass., the sum of $122.73. Such sum represents the amount paid by the said Dennis C. O'Connell pursuant to a judgment rendered against him in an action brought by one Andrew W. James to recover damages for personal injuries and property loss resulting from a collision in Boston, Mass., on February 11, 1941, involving the automobile of the said Andrew W. James and a United States mail truck operated by the said Dennis C. O'Connell:

With the following committee amendment:

At the end of the bill strike out the period and insert the following: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. FLETCHER LANKTON AND JOHN N. ZIEGELE

The Clerk called the next bill, H. R. 4707, for the relief of J. Fletcher Lankton and John N. Ziegele.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of J. Fletcher Lankton and John N. Ziegele on account of the increased costs incurred by the said firm in the performance of its architectural-engineering contract numbered WA-1101, dated January 24, 1942, with the Federal Works Agency, by reason of unavoidable delay on the part of other contractors in the construction and completion of the defense housing project at Wilmington, Ill., and to allow in full and final settlement of the claim the sum of not to exceed $8,000. There is hereby appropriated the sum of $8,000, or so much thereof as may be necessary, for the payment of said claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT JOHNSON ET AL.

The Clerk called the next bill, H. R. 4095, confirming the claim of Robert Johnson and other heirs of Monroe Johnson to certain lands in the State of Mississippi, county of Adams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all the right, title, and interest of the United States in and to section 47, township 7 north, range 1 west, in Adams County, Miss., consisting of approximately 62 acres, be, and the same is hereby, granted, released, relinquished, and conveyed in fee simple by the United States of America to Robert Johnson, Hyman Johnson, Carrie Johnson McCrane, and to any other heirs of Monroe Johnson, deceased, all heirs of Monroe Johnson to share according to the laws of descent and distribution of the State of Mississippi; said land being the same land conveyed by homestead entry No. 34838 of Monroe Johnson, deceased, late of Washington, Miss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELENE MURPHY

The Clerk called the next bill, S. 1102, for the relief of Helene Murphy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helene Murphy, of Sioux City, Iowa, the sum of $133.25, in full satisfaction of her claim against the United States for compensation for carfare paid by her in traveling between stations in the course of her employment as an employee of the United States post office at Sioux City, Iowa, during the period between July 1, 1923, and June 30, 1930: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT FOR CERTAIN PRIVATE FISHERY RIGHTS, TERRITORY OF HAWAII

The Clerk called the next bill, S. 1682, to provide for the payment of compensation to certain claimants for the taking by the United States of private fishery rights in Pearl Harbor, island of Oahu, Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds not otherwise appropriated, to the following-named claimants the sums respectively indicated herein as full and complete compensation for their respective rights in the fisheries of Pearl Harbor, island of Oahu, Territory of Hawaii: Trustees under the will and of the estate of James Campbell, deceased, and Oahu Railway & Land Co., $62,375.20; the Dowsett Co., Ltd., $1; H. N. Kaikainahaole, $1; Adelaide K. Akina, $1; trustees of the Bernice P. Bishop estate, $6,952.80; executor of the estate of Lincoln Lloyd McCandless, $2,827.22: *Provided*, That payment shall not be made to any of said claimants until such claimant has consented to the dismissal with prejudice of all pending litigation wherein right to compensation for the taking of such fishery rights and of any interest therein or part thereof has been or is claimed or asserted against the United States, in a manner satisfactory to the Attorney General, has conveyed to the United States any and all right, title, or interest in said fisheries, and has released all claims to damages or compensation against the United States with respect to alleged rights in said fisheries; and has consented to the entry of a final order or judgment of condemnation in the condemnation proceedings instituted by the United States and pending in the United States District Court for Hawaii for the condemnation of claimants' rights in said fisheries.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIGFRIED OLSEN

The Clerk called the next bill, H. R. 2825, for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby authorized and directed to pay, to Sigfried Olsen, doing business as Sigfried Olsen Shipping Co., his heirs or assigns, the sum of $49,208.11, as just compensation for actual cash losses necessarily incurred by him in the operation of two vessels to South America and return in the

fall of 1941 in compliance with specific directions of the United States Maritime Commission, carrying in the interest of national defense cargoes specified and at rates designated by the Commission, outbound and return.

SEC. 2. That said amount is to be paid out of moneys already appropriated for the emergency ship construction fund, United States Maritime Commission, or out of any other funds heretofore or hereafter appropriated to or available for the Maritime Commission or the War Shipping Administrator.

With the following committee amendments:

Page 1, line 4, after the word "pay", insert the words "out of any money in the Treasury not otherwise appropriated."

Page 1, line 6, strike out the figures "$49,808.11" and insert the figures "$48,562.35."

Page 2, line 3, strike out section 2 of the bill, and insert in lieu thereof: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN DUNCAN McDONALD

The Clerk called the next bill, H. R. 4712, for the relief of John Duncan McDonald.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Duncan McDonald, United States commissioner at Grand Rapids, Mich., the sum of $113.50. Such sum represents the amount of fees which the said John Duncan McDonald earned between November 30, 1943, and March 5, 1944, while acting as United States commissioner for the western district of Michigan, but not paid because his term as United States commissioner expired on November 30, 1943, and, through an oversight, his appointment for another term was not effective until March 6, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike out "November 30" and insert in lieu thereof "November 29."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BARDEN. Mr. Speaker, that completes the call of individual bills on the Private Calendar.

EXTENSION OF REMARKS

Mr. POAGE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Gatling, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4464) entitled "An act to increase the debt limit of the United States."

EXTENDING THE TIME LIMIT FOR IMMUNITY

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 283), to extend the time for immunity.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 283, with Mr. BARDEN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Chair wishes to announce that on yesterday the committee had completed the reading of the bill. The Clerk will report the first committee amendment.

Mr. SHORT. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and fifteen Members are present, a quorum.

Mr. CELLER. Mr. Chairman, I offer a preferential motion, which I send to the desk in writing.

The Clerk read as follows:

Mr. CELLER moves that the committee do now rise and report House Joint Resolution 283 back to the House with the recommendation that the enacting clause be stricken therefrom.

Mr. CELLER. Mr. Chairman, in light of what has happened last night and this morning and what is happening today, I believe that this resolution is inane and debate thereon unfortunate. It would be a splendid contribution on the part of the Members of the House—on the home front—in my opinion, if we would no longer continue deliberations on this bill and discard it. That would be a fitting tribute to the brave and intrepid commanders of our armed forces and the boys under them.

Mr. SHORT. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Missouri.

Mr. SHORT. The gentleman does not want to forget the fact that more than 3,000 American boys were killed at Pearl Harbor and that everyone who might be guilty escaped punishment.

Mr. CELLER. I do realize that.

Mr. SHORT. I know the gentleman does not want to do that.

Mr. CELLER. I do not want anybody to escape being held to accountability for any sort of culpability, but I do believe this is no time to engage in political disputes with all the charges and recriminations involved in the deliberation of this bill. It may be that many boys lost their lives unfortunately, and that is sad to relate, with reference to the fiasco at Pearl Harbor, and failure properly to defend it. But there are millions and millions of other brave lads on the various fighting fronts, however, and we must consider them likewise. Their fighting morale must not be weakened. Their admiration for their commanding admirals and generals must remain undiminished.

Deliberations of the type that occurred yesterday and which will occur today, with all of the charges, countercharges, and recriminations—and I use the latter word advisedly a second time—certainly might have the effect of weakening confidence in the commands of our sea, air, and land forces. I may say to the distinguished gentleman from Missouri, my friend, if he will read the recommendations and the findings in the Justice Roberts report, he will find that the lack of awareness of danger, the lack of suspicion in the minds, for example, of Admiral Kimmel and General Short and others similarly situated was in part due to a public opinion of indifference and callousness that had been generated in the land prior to Pearl Harbor. Incidentally, if he will read carefully he will find that public opinion in the Nation, and particularly in certain parts thereof, was influenced by some of the isolationist remarks made in this very House, remarks made by the gentlemen who are the sponsors of this bill, who are the abettors of the passage of the bill.

I read the sixteenth conclusion in the Justice Roberts report.

The failure of the commanding general, Hawaiian Department, and the commander in chief, Pacific Fleet, to confer and cooperate with respect to the meaning of the warnings received and the measures necessary to comply with the orders given them under date of November 27, 1941, resulted largely from a sense of security due to the opinion prevalent in diplomatic, military, and naval circles, and in the public press, that any immediate attack by Japan would be in the Far East. The existence of such a view, however prevalent, did not relieve the commanders of the responsibility for the security of the Pacific Fleet and our most important outpost.

Mr. SHORT. Will the gentleman yield?

Mr. CELLER. In just a moment. I have due respect for the gentlemen and I do not charge them with anything. In fact, they had a perfect right to their opinions. I simply point out indisputable facts. Take them for what they are worth.

Mr. SHORT. We still have them.

Mr. CELLER. I do not charge anybody with dereliction; I simply say that the opinions expressed here before Pearl Harbor must have had their effect upon public opinion. Those opinions molded to some extent that public opinion which doubtlessly on some measure may have lulled Kimmel and Short into a sort of complacency and unawareness of impending danger. I hope that we will

proceed with caution here and, consistent with our sorrow and the tremendous loss of life that will soon occur and that has occurred, we will cease any consideration of this resolution. The distinguished gentlemen under charges have signed waivers which postpone the statute of limitations until 6 months after the war. We should not intermeddle now.

It is well to point out here for the enlightenment of the Member of the Chamber something of this Roberts report:

The War and Navy Departments had suitably and timely warned Admiral Kimmel and General Short of the following:

First. That negotiations with Japan had ended.

Second. That Japanese action was unpredictable.

Third. That Japanese nostilities were momentarily possible.

Fourth. That both were advised specifically that they were in nowise limited to any course that might jeopardize proper defense.

Fifth. That they were directed to undertake such reconnaissance as the exigencies required.

Sixth. That sabotage and subversive activities of the Japanese could be expected.

Seventh. That deployment of Japanese naval forces clearly indicated extensive preparations were under way for hostilities not only against China but also against the Mandates. That was likewise true of Japanese troop transports and task forces.

Eighth. As late as November 27, 1941, the Chief of Naval Operations sent a message to the commander in chief of the Pacific Fleet, which stated in substance that the dispatch was to be considered a war warning; that the negotiations with Japan in an effort to stabilize conditions in the Pacific had ended; that Japan was expected to make an aggressive move within the next few days; that an amphibious expedition against either the Phillipines, Thai, or Kra Peninsula, or possibly Borneo, was indicated by the number and equipment of Japanese troops and the organization of their naval task forces. It directed the execution of a defensive deployment in preparation for carrying out war tasks. It stated that Guam, Samoa, and continental districts had been directed to take appropriate measures against sabotage, and that a similar warning was being sent by the War Department. It ordered that the addressee inform naval district and Army authorities. The commander in chief of the fleet communicated the purport of this message to the general commanding the Hawaiian Department of the Army.

November 28, 1941, the commanding general, Hawaiian Department, received from The Adjutant General of the Army a message stating that the critical situation required every precaution to be taken at once against subversive activities, within the scope of the Army's responsibility; that all necessary measures be taken to protect military establishments, property, and equipment against sabotage, against propaganda affecting Army personnel, and against all espionage.

November 30, 1941, the Chief of Naval Operations sent a dispatch to the commander in chief of the Asiatic Fleet, and also forwarded the message to the commander in chief of the Pacific Fleet for his information, in which it was stated the indications were that Japan was about to launch an attack on the Kra Isthmus, directing the commander in chief of the Asiatic Fleet to do certain scouting, but to avoid the appearance of attacking. Admiral Kimmel testified that he had viewed this message as indicating that the Navy Department was not expecting a Japanese attack on Hawaii.

The Navy Department sent three messages to the commander in chief of the Pacific Fleet; the first of December 3, 1941, stated that it was believed certain Japanese consulates were destroying their codes and burning secret documents; the second of December 4, 1941, instructed the addressee to destroy confidential documents and means of confidential communication, retaining only such as were necessary, the latter to be destroyed in event of emergency—this was sent to the commander in chief of the Pacific Fleet for information only—and the third of December 6, 1941, directing that in view of the tense situation the naval commands on the outlying Pacific islands might be authorized to destroy confidential papers then or later, under conditions of greater emergency, and that those essential to continued operations should be retained until the last moment.

The accused believe the possibilities of such an air raid as destroyed our fleet at Pearl Harbor was impossible; hence, they were caught surprised.

While they conferred frequently prior to November 27, 1941, despite the numerous warnings of possible Japanese hostilities, they never conferred after November 27 as to, first, the interpretation of these signals of warning; as to, second, steps and action to be taken pursuant to these numerous messages, but each independently of each other took such action or nonaction as each deemed appropriate. Too little and too late. Also each assumed the other was taking suitable steps. Thus neither did the needful.

There were 200 consular Japanese agents in Hawaii. Navy Intelligence desired to arrest most of them for failure to register as foreign agents but General Short objected. No action was taken, yet the danger from them was obvious.

There had been tremendous activity in coded messages over commercial radio circuits—no interception, no decoding, no action.

There was culpable negligence somewhere—partly through complacency, partly through negligence, partly through failure of suspicion, and partly through indifference to warnings.

The Japanese evidently knew that no task force of the United States Navy was anywhere in the sector northeast, north, and northwest of the Hawaiian Islands. They evidently knew that no distant airplane reconnaissance was maintained in any sector. They evidently knew that up to December 6 no inshore airplane patrol was being maintained around the periphery of Oahu. They knew, from maps which they had obtained, the exact location of vital airfields, hangars, and other structures. They also knew accurately where certain important naval vessels would be berthed. Their flyers had the most detailed maps, courses, and bearings, so that each could attack a given vessel or field. Each seems to have been given a specified mission.

Pearl Harbor had an antitorpedo net. It would have prevented entrance of torpedoes into the harbor. It was opened early December 7, but there was failure to close it in time.

Planes had been bunched and concentrated on the field instead of dispersed. Ships were concentrated in the harbor—beautiful target for wholesale destruction. Personnel, material, and equipment were insufficient. Yet these deficiencies did not preclude Kimmel and Short from taking measures that would have to a greater extent frustrated the attack and mitigated its severity.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from New York.

Mr. Chairman, no one has a higher respect for my friend from New York than I have, no one has a greater feeling or personal friendship for him than I have. But this bill is before the House. The fact that some Members think the statute of limitations has run is an opinion that we respect and they are entitled to their opinion. I do not know whether the statute has run or not, but it is the united, strong opinion, and determination of this House, representing the feelings of the country, that we should do everything within our power by legislative act to keep that legal question open so that the question of whether or not the statute of limitations has expired, if raised by an individual, will be an open legal question to pass upon.

There is no dispute about that, and it is wrong, in my opinion, for any one in the country to get the impression that there is any difference of opinion as to the determination on the part of Members on both sides to leave this matter open so that those guilty may be court martialed at some time in the future.

The motion offered by the gentleman from New York, if adopted—and I am confident it will not be—would defeat the bill and certainly that is not the will of the House, as I understand it.

On whether or not the existing law should be extended for 3 months I have my own opinion, but one thing is certain; we are all agreed, or the great majority of us are, that the present law should be extended. That is the important thing. I am determined that it shall be extended. It is the view of Members on both sides of the aisle that it should be extended.

Mr. CELLER. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. CELLER. The gentleman is a part of the administration and the administration, as exemplified by statements of the Secretary of War and the Secretary of the Navy, has asked us not to do the very thing that the gentleman wants us to do.

Mr. McCORMACK. I do not understand it that way at all.

Mr. CELLER. Read the reports.

Mr. McCORMACK. I do not accept the gentleman's statement about the administration at all. No one has contacted me directly or indirectly on this matter. We are all using our own judgment on this bill. Views have not been conveyed to me, and any views on any matters of the administration are submitted for my consideration; we all understand that. I have no knowledge, directly or indirectly, as I stated, on that; furthermore, the statute of limitation should be extended if it is humanly possible to do so. This is the only way that the Congress can, insofar as we are concerned, see that the existing law is kept in operation, so that if the question of the statute of limitation is raised by anyone, we have done our best to permit the legal question to exist and to have it determined against any person raising the question of the statute of limitation as a means of trying to escape court-martial proceedings.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. FITZPATRICK. Does the gentleman think it would be advisable to have this court martial take place in 3 months?

Mr. McCORMACK. No; I do not think so.

Mr. FITZPATRICK. But that is the amendment which is going to be offered, and, furthermore, section 2 should be stricken from the bill.

Mr. McCORMACK. All right; but let us debate that when it comes up. I shall oppose the 3-month extension. The very fact that the invasion has taken place overnight should convince Members who were wavering yesterday that the 3 months' extension is an inadequate period. I think the gentleman from Missouri [Mr. SHORT] must have serious doubts himself as a result of what has happened overnight, but that is an entirely different proposition than supporting a motion which will defeat the bill.

It is with great hesitancy and reluctance that I take this position in opposition to the amendment offered by the gentleman from New York. I feel that under the circumstances, particularly in view of the gravity of the events that are happening now, the opposition to this amendment should come from the Democratic side rather than the burden having to be taken up by some of our distinguished friends on the Republican side.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—yeas 0, nays 133.

So the motion was rejected.

Mr. WALTER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 3, strike out "3 months" and insert "1 year."

Mr. SHORT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I shall not take 5 minutes. We all know the parliamentary situation. This bill has been fully discussed and it is in your minds.

I oppose this committee amendment to extend the time for 1 year instead of 3 months. If we vote down the committee amendment it will simply mean that the War and Navy Departments will have to institute—emphasis on "institute"—court-martial proceedings within that period of time.

It is 2½ years since Pearl Harbor. The Congress last December extended the period for 6 months. The Senate objected violently to the original resolution that would have extended it a longer time. They are demanding an immediate court martial, and I see no reason under high heaven why we should not institute court-martial proceedings within 3 months' time from tomorrow.

I think the original resolution speaks for itself.

That is all I care to say at this time.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from New York.

Mr. CELLER. I would like to read section 1510 of the Articles of War, entitled "Limitations on prosecution," in other words, the statute of limitations. It does not use the word "institute."

Except for desertion committed in time of war, or for mutiny or murder, no person subject to military law shall be liable to be tried or punished by a court martial for any crime or offense committed more than 2 years before the arraignment of such person.

I do not believe that the mere calling of a person or the mere starting of such a proceeding, or the mere institution of such a proceeding would in anywise start the statute running anew. The words used are "shall be liable to be tried" within a period of 2 years. So I do not believe what the gentleman is trying to do will accomplish the purpose he has in mind.

Mr. SHORT. Mr. Chairman, the question that the gentleman asked has turned into a beautiful speech.

I want to say to the gentleman that we have already extended it for 6 months; from December 7th last, until tomorrow, June 7th of this year. The resolution introduced by me simply extends it 3 months more, with a direction to the Secretary of War and to the Secretary of the Navy to institute court-martial proceedings within that period of time. Since Admiral Hart has already gone all over the world taking these depositions, I do not see why we should continue to hush, hush, hush and keep from the American people the truth that they want and are entitled to know.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Illinois.

Mr. MASON. I would like to call the attention of the House to the fact that the amendment we are now considering has nothing to do with the statute of limitations or the Articles of War. It is simply a question as to whether we shall extend, insofar as we can extend, the statute of limitations for 3 months or 1 year, and that has nothing to do with the Articles of War.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman agrees, and the world knows, that this is the gravest hour in the history of the entire world. I believe that having the trial started in 3 months will be helpful in saving human life in this invasion, it will make those charged with the conduct of the war more careful. It will deter the departments at Washington from dangerous interference with the invasion and it will deter the leaders from making careless decisions in the armed services. It will prevent them from being negligent and prevent them from committing errors. They will be more constantly on the alert. These men and women of our armed services are going to pay the greatest price that any armed services have ever paid. It is our duty to see that they are given every support and every protection.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, proper consideration of the pending resolution demands a clear statement of certain fundamental facts.

First. Section 8 of article II of the Constitution defines the powers of Congress. Among others, the power is delegated to the Congress:

To make rules for the government and regulation of the land and naval forces.

No one has ever questioned the power of the Congress in this regard. Acting under this broad grant of power, the Congress has enacted Articles of War to govern the Armies of the United States. These articles are found in chapter 36, title 10, of the United States Code.

The Congress has also enacted Articles for the Government of the Navy. These articles are found in chapter 21, title 34, of the United States Code.

In the Articles of War, section 1510, otherwise designated as article 39, the Congress enacted the following limitation upon prosecutions under the Articles of War:

Except for desertion committed in time of war, or for mutiny or murder, no person subject to military law shall be tried or punished by a court martial for any crime or offense committed more than 2 years before the arraignment of such person. *Provided*, That for desertion in time of peace or for any crime or offense punishable under articles 93 and 94, the period of limitations upon trial by court martial shall be 3 years. *Provided further*, That the period of any absence of the accused from the jurisdiction of the United States and also any period during which by reason of some manifest impediment, the accused shall not have been amenable to military justice, shall be excluded in computing the aforesaid periods of limitation: *And provided further*, That this article shall not have the effect to authorize the trial or punishment for any crime or offense barred by the provisions of existing law.

In the Articles for the Government of the Navy, article 61 provides as follows:

No person shall be tried by court martial or otherwise punished for any offense except

as provided in article 62 which appears to have been committed more than 2 years before the issuing of the order for such trial or punishment unless by reason of having absented himself or of some other manifest impediment he shall not have been amenable to justice within that period.

It will be noted that an examination of the articles 93 and 94 referred to in article 39 in the Articles of War and article 62 referred to in the Articles for the Government of the Navy do not have any relevancy to the present inquiry. Close examination of both of these articles of limitation disclose that on December 7, 1941, or at any time prior thereto if any offense had been committed in violation of either the Articles of War or the Articles for the Government of the Navy by any officer of the Army or Navy, prosecution for such offenses would be barred in the case of the Army:

If committed more than 2 years before the arraignment of such person—

Or in the case of the Navy if the offense—

Appears to have been committed more than 2 years before the issuing of the order for such trial or punishment.

It seems clear, therefore, that in either case under the law as it existed on December 7, 1941, and prior thereto, the 2 years' statute of limitations would bar any offense committed more than 2 years before the arraignment in the case of the Army, or before the issuing of the order for trial in the case of the Navy.

Court-martial proceedings are instituted upon charges and specifications signed under oath by a person subject to military law who has personal knowledge of the facts or who has investigated the matter set forth in the charges and specifications. No charge will be referred to a general court martial until a thorough and impartial investigation has been made. Article 70 of the Articles of War definitely indicates the intent of Congress that there shall be prompt and immediate action both in the matter of filing charges and specifications and bringing the accused to trial before a proper court-martial tribunal. In the case now under consideration there does not appear to be proof of the filing of any charges or specifications against any person arising out of the tragedy of Pearl Harbor. It has been shown that General Short and Admiral Kimmel each signed statements declaring that they would not plead the statute of limitations in a court-martial proceeding directed against them. There does not appear to be any waiver of this defense on the part of any other person who might be involved. Thus it is clear that as to any person in the military or naval service against whom charges and specifications alleging violation of the Articles of War might have been filed, the defense provided in the statute of limitations may be successfully interposed. It must be borne in mind that the unilateral agreements of General Short and Admiral Kimmel, not to interpose a defense based upon the statute of limitations, may not be binding upon either of them and that in the event of the future institution of court-martial proceedings, they would be clearly within their rights in interposing a plea in bar setting up the statute of limitations as it existed on and prior to December 7, 1941. They may not do this, but in my considered judgment if they so elected, prosecution would be barred. Certainly prosecution of any other person would be barred, under the provisions of the Articles of War and Articles for the Government of the Navy as they existed on and prior to December 7, 1941, who desired to interpose the statute of limitations as a defense.

The Congress attempted to amend the articles governing the Army and Navy by extending the period of limitation for 6 months. This legislation—Public Law 208, Seventy-eighth Congress—did not become effective until its approval by the President on December 20, 1943. Thus, prior to the effective date of such legislation the full 2-year period of limitation had expired. A serious legal question arises as to whether or not the Congress of the United States can, after a period of limitation has expired, extend that period so as to prevent an accused from taking advantage of the statute as it existed at the time of the commission of the alleged offense. I do not believe that Congress has such power. It will be noted in this connection that article 39 specifically provides:

That this article shall not have the effect to authorize the trial or punishment for any crime or offense barred by the provisions of existing law.

The Congress of the United States very definitely indicated in this provision what appears to me would have been the law without the enactment of such provision. Congress clearly indicated that by the passage of the 2-year and 3-year statute of limitations in article 39 they did not intend to permit the statute to be used to authorize trials or punishments for any offenses that had been barred by other statutes of limitation in effect prior to the enactment of article 39.

We are called upon in the pending resolution to extend the period of limitation for another 3 months or for another year. The proposed resolution further directs the Secretaries of War and Navy to institute court-martial proceedings within the period limited. I have no doubt but that the Congress has such power and the Secretary of the Navy and the Secretary of War should immediately institute court-martial proceedings. This does not mean that the actual trial would have to take place immediately. It does mean that the tolling of time would be stopped. If any accused person against whom charges and specifications were thus filed elected to interpose a defense based upon the statute of limitations, then the court would be compelled to determine as a matter of law whether the statute of limitations had in fact run under the law as it existed at the time the offenses were committed and whether the action of the Congress in subsequently extending the period of limitation would be of any force or effect as to offenses barred by preexisting law.

In my humble judgement the whole situation has been bungled to such an extent that the American public may be precluded from ever learning the real truths and facts of Pearl Harbor and the culpability of the persons responsible therefor. I can well appreciate that military and naval operations might have well precluded the immediate institution of court-martial proceedings after December 7, 1941. To allow the full statutory period of limitation to expire, however, without even the filing of charges and specifications instituting court-martial proceedings against those involved, represents a dastardly misuse and abuse of official responsibility.

In the enactment of Public Law 208, the Congress of the United States endeavored to protect the rights of the people and in the proposed enactment of House Joint Resolution 283, the Congress is assuming its plain responsibility in this matter. We cannot be assured that any action we take will be effective in keeping alive the right to ultimately prosecute by suitable court-martial proceedings those responsible for the tragedy of Pearl Harbor. The good faith of the Congress in this matter, however, is involved in the passage of this joint resolution and I shall vote for it in the hope that it may be effective in preventing any person against whom charges may ultimately be filed to escape trial and punishment through the intervention of a plea in bar setting up the statute of limitations.

Mr. Chairman, I listened to a radio commentator last evening who gave the impression to the American people that the contemplated action of the Congress in passing House Joint Resolution 283 would mean that the Congress was voting to again postpone court-martial proceedings against Admiral Kimmel and General Short. This commentator either willfully or inadvertently gave the impression that the purpose of this resolution was to delay the court-martial proceedings. Nothing could be further from the truth than this. The Congress by the passage of this resolution is attempting legislatively to insure that there will be court-martial proceedings instituted and to direct that they shall be instituted within the period limited in the resolution. Congress is demanding action and not delaying action by the passage of this resolution. The American people should be told the truth in order that full responsibility for this fiasco may be placed exactly where it belongs. If General Short and Admiral Kimmel and any others responsible for the tragedy of Pearl Harbor are never brought to trial, the responsibility for that failure must definitely rest upon those charged with the responsibility for instituting court-martial proceedings. That responsibility does not rest upon the Congress of the United States. We insist and have insisted for more than 2 long years that these proceedings be instituted so that the public might place responsibility where it properly belongs and so that any person guilty of violations of the Articles of War or Navy might be prosecuted and punished. To

charge the Congress with responsibility for delaying such action is but another attempt to mislead the American people as to the facts. I sincerely trust that the pending legislation will be adopted.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. SHORT. When you boil it all down, is it not a question of whether or not the military is going to dictate to us or whether the Government is going to run the military?

Mr. KEEFE. The Constitution itself distinctly lays upon the Congress the responsibility to provide the rules and regulations to regulate the conduct of members of both the Army and the Navy.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. SHORT. We should bear in mind that one of the most important witnesses, the former Secretary of the Navy, is now dead, and unless we have an immediate trial, perhaps many more witnesses will not be available.

Mr. GRAHAM. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, let us stop for a moment and get our bearings in this discussion.

On the 7th day of December when the unforeseen attack was made at Pearl Harbor, the precipitating cause of this war on the United States of America, followed by a declaration of war on the 8th day of December, in which this Congress pledged the resources of America in support of the President of the United States, all over the length and breadth of this land the cry went up for an immediate investigation of the horror and tragedy of Pearl Harbor.

The President as Commander in Chief of the armed forces, of both the Army and the Navy, appointed a special board of inquiry to determine the causes; a select and impartial board headed by one of the Associate Justices of the Supreme Court. They made their report and submitted their findings. They were given out.

The first duty we owe is to the President of the United States and to Mr. Hull. They are the men who conducted negotiations with the Japanese Ambassador and the Ministers who were here. We owe it to them that no charge shall be made now or hereafter that there has been a suppression of any part of that report. We owe it to them that their names may be cleared of withholding anything. That is the first duty we owe.

The second duty we owe is to the members of the families of those 3,000 boys who were killed at Pearl Harbor. One of them came from my district. Their families are inquiring. They want to know. They want the satisfaction of knowing just what was back of all this.

The third duty we owe is to two men, Admiral Kimmel and General Short. I understand that both these men have boys in the service. If either or both of these men were to die tonight, what would be the lasting recollection of those boys of their fathers never being given an opportunity to defend themselves? All through their lives, and generation after generation, the cry would go up, "We were denied the right of trial, we were denied the right to be heard, and our fathers have been listed forever as possible enemies of our country."

Therefore, we owe it to them, and we owe it to ourselves as a legislative body, one of the coordinate units of this great Government, to provide the means and method by which an investigation can be carried on. This is only a continuing offense, and if I know my criminal law, it is in the nature of a continuing offense. The moment these charges are filed, then from that moment the statute runs.

Lastly, we owe it to the Army and the Navy, we owe it to these men who are now directing the forces. Whether it comes 1 month, 3 months, or a year from now, it is our duty to see this through.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is not a man in public life who worked harder than I did to try to prevent the outbreak of the present World War in the beginning.

There is not a man in Congress today who worked harder than I did to try to get the efforts of Gen. Billy Mitchell recognized in time for us to build an air force that might have prevented our being drawn into a world conflict.

In 1937, I was in Hawaii, and I saw the need then of a strong air force there. I pleaded then for an air force in Hawaii that would protect the islands against a possible attack. I said then that if we ever had a war with Japan, Hawaii would be one of the danger points.

I opposed lifting the embargo in 1939, because I felt that we should pursue a course that I thought might not only save America but save the rest of the world from being involved in world-wide conflict. I was told at that time that you could not sink a battleship with an airplane, yet that was 18 years after Billy Mitchell sank the *Ostfriesland*, the largest German battleship captured in the last war, with three shots from an airplane, all in less than 20 minutes.

But today we are at war. We are in the midst of the greatest conflict of all times. Our boys at this moment are dying, possibly by the thousands, on the western front. I, for one, am not willing to do anything that is likely to disturb the public mind to such an extent that it might result in more of those boys paying with their lives.

This is a question that rises high above the scramble for party vantage or the noisy clamor of men for place and power. This is a question that rises far above any personal consideration of Short and Kimmel, and one that might jeopardize the lives of thousands of our boys, from your district and mine.

For that reason, I am going to support the amendment providing for a year instead of 3 months in which these trials may be held. I am also going to vote to strike out the last section, because I do not believe that it is wise at this time to force a public trial that will not only involve Short and Kimmel but might involve some of the great military and naval leaders of our Nation, as well as men high up in civil life, who are now bending every effort to try to win this war.

Do not forget there is a precedent for this procedure. During the War between the States Gen. Charles P. Stone, a brigadier general in the Federal Army, who was a native of Massachusetts and a graduate of West Point, was suspected of being disloyal, of being indiscreet, or of doing something wrong, or something that contributed to the success of the enemy. It seems that he had been in command at the disastrous battle of Ball's Bluff. At any rate he was arrested and thrown into jail by President Lincoln and kept there for 2 years. He never was given a trial, or informed of the charges against him. He was finally discharged from the service and left the country in disgrace. James G. Blaine, in his book, Twenty Years in Congress, says that he had committed no offense, but was simply persecuted out of the country.

He went to Egypt and became chief of staff of the armed forces of that country. You will find a full report of this case in chapter 17, volume 2, of Mr. Blaine's book.

I am not quarreling with you gentlemen. I am one man who has never stood on the floor of this House and questioned the patriotism of other Members, and I hope I never shall. But in this trying hour, when our brave men are struggling and dying in the greatest battle of all times, I, for one, cannot agree to vote to force this trial immediately, when nothing is to be lost by postponing it a few months, and when an immediate trial might involve some of the valiant leaders of our armed forces at this critical hour, and do the cause far more harm than good.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I think my position on this resolution is pretty clearly known by the Members of the House. The matter before the Committee of the Whole now is whether the resolution will extend the existing law for a period of 3 months or for a period of 1 year. The issue involved in section 2 comes later. I think we ought to confine our thoughts and not confuse the issue. We ought to confine our thought to the question before us now and not confuse it with any other question that might arise later.

I felt humble this morning when advised of the invasion. A strange feeling came over me. It is indescribable. I think you all had the same feeling. This resolution in its present form might play a more important part in the next 3 months or 6 months than we realize. The vote today is a matter of conscience in connection with our country. I agree with everything the gentleman from Pennsylvania [Mr. GRAHAM] said. I, personally, do. He says it is immaterial whether it is 3 months or a year; but to extend the existing law. I am for that. I think the extension

for a year is highly advisable at this time in preference to the extension of 3 months. That is a matter of conscience with me. It may not have been so much a matter of conscience yesterday with some. But something has happened overnight. Something is going on now.

My dear friend, the gentleman from Missouri [Mr. SHORT], I think unconsciously made a statement or observation when the gentleman from Wisconsin [Mr. KEEFE] was speaking about the military dictating to us. Well, I do not like to be dictated to by anybody, and no honorable man or woman does. But when my country is at war, and in this war I am frank in saying, that when General Marshall tells me that a bill is necessary to be passed for the prosecution of the war—and he has not communicated with me about this, but I am giving this in the nature of an illustration—and if the gentleman from Massachusetts, JOHN MCCORMACK, has a different opinion, my opinion is laid on the table. I have got to accept, in the exercise of common sense as an American citizen and as a Member of Congress, with a responsibility imposed upon me and with my country at war, I must accept the judgment of General Marshall. I have got to do the same thing with reference to Admiral King. I must do the same thing with reference to General Arnold on matters concerning the conduct of the war. It might have an effect upon the war. It may be that some people disagree: I feel I have got to do it. These men have given their whole lives to preparing themselves to save our country in case of war.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. Briefly, yes.

Mr. THOMAS of New Jersey. Has General Marshall, or the War or Navy Department, gotten in touch with you on that?

Mr. MCCORMACK. No; I said, and I repeat, nobody got in touch with me.

Mr. THOMAS of New Jersey. They do not care whether it is 3 months or a year.

Mr. MCCORMACK. I cannot say as to that. I am expressing my opinion, as I specifically said.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield.

Mr. ROWE. I appreciate the sincerity of the gentleman now in the well of the House. I think the ultimate effect is for the general welfare of the country. But I am curious, as a new Member of Congress, to this degree: Has the force been yet fixed that delays this; and for what purpose?

Mr. MCCORMACK. Will the gentleman repeat the question?

Mr. ROWE. Has the force that delays the investigation into the Pearl Harbor situation yet been disclosed, and for what purpose is the delay? I say that in all sincerity.

Mr. MCCORMACK. I do not know anything about the forces causing delay. I have no more knowledge than the gentleman himself. I assume that our military and naval leaders in the exercise of their judgment, having in mind the exigencies in relation to the conduct of the war, have delayed the institution of court-martial proceedings.

Mr. ROWE. May I suggest at that point, being a Member of the House wanting to do the proper thing at this time, nothing of that nature has ever come to my attention from any source. I would like to know who is asking for the delay.

Mr. MCCORMACK. I have no more information than the gentleman has, and I have to draw my deductions from what information I have. All I know is, my country is at war. Something happened this morning—the invasion. Court-martial proceedings should be instituted some time, and as quickly as possible, and they have not. I assume from those facts that the general staff, in the case of the Army, and the staff in the case of the Navy, headed by Admiral King, and in the Army by General Marshall, in the exercise of their wisdom and judgment have felt that it is inadvisable and unwise at this time—up to the present time—to institute proceedings. I want to give my friend as frank an answer as I can possibly give to the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BREHM. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. MCCORMACK] may have 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield.

Mr. BREHM. A boy from my district, 19 years old, was killed on the *Arizona*, and I hold in my hand a letter from those heartbroken parents.

Mr. MCCORMACK. And I sympathize with them just as deeply as the gentleman does.

Mr. BREHM. The question I would like to ask here is, Does the gentleman feel that the accusations and the charges, either false or true, which are rampant throughout the country today in regard to the situation, are causing more disunity than a court martial would cause if a full hearing were had and the truth, which I think should never be concealed, brought out? Does not the gentleman feel perhaps that might tend more toward unity on the home front to allay this type of criticism, than the putting off of the passage of the resolution?

Mr. MCCORMACK. To be perfectly frank, I am unable to answer that question. I am trying to give the gentleman an honest answer.

All I can say is that I have confidence in General Marshall; I have confidence in Admiral King. The country is at war. I assume these men are doing the things they ought to do, that their judgment tells them to do. I assume that when Marshall and King reach a decision that it is reached after consultation with members of their staffs and others; and I assume that in the exercise of their judgment with their responsibility, it is the day of our Army officers to lead our men to victory—I assume that those men who have given years and years to training to lead our forces for war are exercising their best judgment for the interest of the country. That is about the only answer I can give to my friend.

Mr. BREHM. I thank the gentleman for his answer and he may be correct in his reasoning.

Mr. SHORT and Mr. CHURCH rose.

Mr. MCCORMACK. I must yield first to the gentleman from Missouri.

Mr. SHORT. I want to say to my very distinguished friend from Massachusetts, whom I admire, and I love him for his fair-mindedness and his attitude throughout this whole debate, that I have the highest regard and even supreme confidence in both General Marshall and Admiral King—

Mr. MCCORMACK. I know you have.

Mr. SHORT. And we have given them practically everything they asked for, but I do not think they are gods.

Mr. MCCORMACK. Oh, no; no. Neither do I.

Mr. SHORT. I do not think they are infallible.

Mr. MCCORMACK. I ask my friend to listen for a moment——

Mr. SHORT. I do not think they are infallible.

Mr. MCCORMACK. Neither do I; nor do they themselves think so either.

Mr. SHORT. Certainly the gentleman does not want to charge those men with the responsibility of postponing this court martial. Does the gentleman say it is their responsibility? The gentleman does not want to do that.

Mr. MCCORMACK. Just a minute; all I can say is that I am expressing my deductions from established facts, and I assume that when court-martial proceedings have been instituted that it is as a result of those charged with the conduct of the war in the War and Navy Departments exercising their judgment as they consider it to be for the best interests of our country.

Mr. Chairman, I yield to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, I ask the distinguished gentleman from Massachusetts this question in all seriousness because I appreciate his interest, but the Roberts Commission made a very cursory report after an incomplete examination. Notwithstanding that it has found General Short and Admiral Kimmel guilty of dereliction of duty. In view of this conclusion of this commission finding these men guilty of dereliction of duty, viewed in the light of those who have sons in the service, as they themselves have, keeping in mind now the gentleman from Massachusetts is asking to postpone this more than 3 months, how would the gentleman feel should one of these men die before we get to the investigation?

Mr. MCCORMACK. That question has been raised. The gentleman, of course, knows that statements made and testimony taken in anticipation of any proceedings while a man is alive, under certain circumstances would be admissible after his death. But there is the other side to it, there is the other side.

I simply say that we have got to have confidence in the judgment of those in charge of the conduct of the war. Without knowing, I draw the inference—I wish I knew, but I draw the inference—that Marshall and King and those associated with them must feel in the exercise of their judgment that it is advisable for the court-martial proceedings not to have started yet. In wartime I have got to follow their judgment on war matters.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. CHURCH. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. I can remember sitting in at a conference at the White House regarding the extension of the Selective Service Act. At that time my personal feeling was that we should have a 60-day voluntary enlistment period, with a requirement as to the number that should enlist during that period, and if the voluntary enlistments failed to materialize, then the act should be automatically extended. I remember General Marshall was there. There were Republicans and Democrats at the meeting. It was a meeting involving the welfare of our country. General Marshall said: "I am charged as Chief of Staff with conducting and leading our armies in time of war. In my judgment a danger confronts our country." These are in substance his words:

"In my judgment it is necessary to extend the act." I turned to General Marshall and said:

"General, that is enough for me; I cannot afford to challenge your judgment."

That is my statement. Whether you agree with it or not, whether it was right or not, with my country at war, on matters concerning and related to the war I feel that I must accept such leadership. If they are wrong, they should be removed and somebody else put in charge. Machinery exists for that. As long as the war is going on we are faced with the law of self-preservation, the law of the jungle; and in the exercise of common sense, I feel that whether I agree with them or not, in matters concerning the conduct of the war I must accept their judgment. Certainly I cannot place myself in the position of challenging their judgment.

Mr. CHURCH. Mr. Chairman, will the gentleman yield a little further?

Mr. McCORMACK. I yield.

Mr. CHURCH. I challenge the accuracy of the Roberts report. I call the gentleman's attention to remarks I made yesterday wherein I pointed out some serious mistakes in the Roberts report.

Mr. McCORMACK. Will the gentleman ask me his question? Time passes.

Mr. CHURCH. The question is this: Does the gentleman want the people of this country to accept the findings of guilt this Commission in its report fastens upon these officers without insisting on an investigation to get the correct facts?

Mr. McCORMACK. I am just as strong for the extension of this resolution as is the author of the resolution.

Mr. CHURCH. But the gentleman is asking for an extension of the time, more time, more time. We are asking for less time—3 months, you ask for a year.

Mr. McCORMACK. Listen! With an invasion going on, the argument I made yesterday and the arguments made now, fortified by what is going on in Europe, should cause each and every one of us not to hestitate, and to extend this for the period recommended by the committee, an extension recommended in the exercise of their judgment, an extension of 1 year. This recommendation comes from the Committee on the Judiciary after they have exercised their judgment in the matter.

Mr. CHURCH. Many of the persons involved may die before the year expires.

Mr. McCORMACK. Republicans and Democrats alike in the exercise of their judgment on this committee have said it should be extended for 1 year. I was anxious to get this thing out for consideration as quickly as possible and was very glad when I found it was being considered by the full Committee on the Judiciary instead of the subcommittee. I wanted to get it considered in order to get action. I yield to the gentleman from New York [Mr. BALDWIN] who wanted to ask a question.

Mr. BALDWIN of New York. I wanted to ask the gentleman from Massachusetts as to whether or not the instituting of these proceedings would require the bringing of officers from combat areas to testify.

Mr. McCORMACK. That is a question on which Members may honestly disagree, but in my opinion it might. I believe it is fair to assume that it might. I think it is fair to assume it might. Some may feel to the contrary. But when you institute something there are certain overt acts, certain proceedings and certain steps that have to be taken and it is reasonable to assume and it is fair to assume that it will be necessary to bring back some of our generals and admirals who are engaged on far-flung battle fronts.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Suppose we adopt the 3 months' extension at this time. We are going to be in session. Three months from now if conditions do not appear to be favorable, we can postpone it then like we are postponing it today.

Mr. McCORMACK. I do not think that would be the proper way to legislate. What the gentleman says is correct, I understand that, but if this is extended 3 months and section 2 remains in the bill or the resolution the way it is, we are liable to do something that will benefit people who should be prosecuted rather than to extend the law so that all who are guilty can be prosecuted. Under section 2 charges must be preferred and that means an overt act in prosecution of court-martial proceedings.

Mr. Chairman, I hope in the exercise of the judgment of the committee that the amendment of the Judiciary Committee providing for 1 year will be accepted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent that debate on the pending amendment close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, it might be best if I did not say anything as I really believe too much has been said already with reference to this matter, but being interested in the committee when this resolution was before us, and interested in the proceedings of the House here, I thought I would impose upon the membership for a few minutes in order to express my views, if they are worth anything.

The American Congress is a legislative body, one of the three separate and distinct branches of our system of government. We are in nowise an enforcing body. We can only make the laws, sometimes called rules and regulations, but we have no power to enforce them except in one or two isolated cases.

Mr. Chairman, the thing that we need now in America most and have needed for some time past and the things that I have hoped and prayed for, is unity of spirit, unity of heart, unity of feeling, unity of effort in carrying on the great struggle that lies ahead of us. In a few days it is hoped we will go into a recess that has been conditionally promised us which will last past Labor Day. This will be about 3 months from now, this being the 6th of June. That would be a little short of 3 months.

This morning the radio reported the greatest event, the greatest happening in this World War. If whatever we do is valid, and it is questionable as to whether or not what we do will amount to anything legally, except it is an expression of a desire of the Congress and the people of the United States that this matter should be gone into, I am sure if it might cause at this time the least disunity among us in our great effort ahead, in our great struggle, no one would want it. Three months is too short a time for this matter to be called before the Congress and threshed out again. The section that will be coming up next will have no effect in the world. It is only a directive from the Congress which no one will have to pay any attention to. They will not be bound by it at all until in all probability the conflict we are engaged in will be over.

Yes; I sympathize with the fathers and mothers who lost boys over yonder, but I feel those mothers and fathers want

the Congress to do nothing now that might cause the death of other boys.

If we pass this resolution, it will tear up our armed forces at this time by way of a trial which will necessarily cause the attendance of many officers of the Army and many admirals of the Navy; more than we have to spare at this time, when we are fighting for our very existence on the invasion in France; and, naturally at such a time, this resolution cannot help conditions at all.

I do not for a minute condone any irregularities or negligence on the part of our armed forces at Pearl Harbor. But my interest now is for the present, in doing the best we can to win this great conflict. As stated a moment ago, we all grieve over the loss we suffered at Pearl Harbor, but that is water over the mill. We cannot call it back, but can only profit by those mistakes, and should not at this crucial time do anything that will hamper our war effort in any way, and, as I see it, this resolution would force a court-martial trial while the invasion is in progress. We have not the men to spare to conduct these trials, and for that reason the amendment should be adopted extending the period of limitation for 1 year instead of 3 months.

We cannot direct the actions of the War Department in carrying out their duties. We can only pass laws and hope they will be executed by the enforcement branch of our Government. Therefore, it is a useless gesture for us to attempt to do so. It is an invasion of the enforcement branch of our Government, which we have no right to attempt.

In all fairness and in all reason, let us pass this amendment and pass it on to the other body of the Congress and let it be acted upon as quickly as possible in order that we can get along with the other business that we are confronted with. This is no time to play politics with a serious question like the one we are confronted with now. I abhor such, and I am sure the people of our country do not appreciate playing politics while we are fighting for our very existence.

The CHAIRMAN. The time of the gentleman has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ROWE].

Mr. ROWE. Mr. Chairman, one of the most important elements embodied in this whole proceeding and around the trial involving the disaster at Pearl Harbor is a reemphasis and a reassurance of the faith of our people that, whatever may be done, justice will prevail. It was upon that assumption the people did have faith that what would ultimately be done would be done with the objective of fixing responsibility where it should be. They patiently waited, first, for the Roberts report, and after that report was submitted and certain charges were made therein, the people again manifested faith and patience and were willing to await the time when the military would provide a court martial and fix responsibility.

Then the element of the statute of limitations came into the picture, and the matter ran on to where the precepts of the law that established the statute of limitations became dangerously close to passing and outlawing this court martial. At that time I believe the Congress interested itself in this proceeding. We extended the time of the statute of limitations. The principals charged in the Roberts report had waived the statute of limitations but there may have been others at fault who had not. Then we waited for another 6 months for a trial. Nothing has been done.

Maybe the same forces that would have us further delay this still are of the opinion it would do damage to the whole war effort if we were to bring this matter to trial, but the important thing is that while time is passing the most essential element to the prosecution of the war and a successful invasion, is that the firm foundation of the faith in the people must be maintained. As time passes that faith, in my opinion, is diminishing. The people are beginning to ask questions. I am getting letters by mail which indicate to me the people are beginning to weigh on the scales of their judgment whether or not the concealment of some fault in the Pearl Harbor incident is not of greater importance than the fixing of justice in the case.

Insofar as unity is concerned, if our people begin to think in great numbers in this manner we will have done more damage in fact than whatever may be disclosed by a court martial and the fixing of any responsibility. I do not want to do anything at this time that will interfere in any way with the success of our present invasion. Those boys who floated down through the air this morning and went ashore through the water in the invasion are the embodiment of all that this country stands for. They are doing those acts with these thoughts in mind, the ultimate end of their purpose and their efforts will be the establishment of a justice that we know here at home, the freedom of the people whom they are attempting to help, and that their cause is a worthy one. Because they are the embodiment of fairness, justice, and sincerity of purpose, it seems to me that the place this pursuit of justice should be first manifested is with the people at home in this instance. If it is the considered judgment of this House that bringing this thing to a head at the present time would cause damage to our war effort, I know no Member would want to take the responsibility for that action. It is my considered opinion that we could do nothing more damaging than cause our people to believe this delay is predicated on something other than a plea for safety in our war effort.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. The gentleman who has just preceded me indicated that he would not favor doing anything at this time that would interfere with the war effort. That was one alternative. I feel the same way. I feel that bringing this matter to trial right now would be not only a disturbing element, but a very disrupting element in our war effort. I am just as anxious that the men who are responsible for Pearl Harbor be brought to justice as any man in this House. It has not been done, however, and 2½ years have elapsed. To do it now, immediately, would, I think, be a great mistake.

The committee's amendment before us makes that time of extension 1 year instead of 3 months. I am in favor of making it extend until 6 months after the war. The country is in no condition for a trial of that sort or the beginning of such to take place. I cannot believe that those who will vote against this amendment can have heard or read the news since last midnight. My whole attitude has been confirmed in this matter. The great day of invasion has come.

There is no father in this country whose heart can bleed more than mine has already bled in regard to the tragic events of this terrible war. One of my sons has already paid the supreme price, and another stands to pay a price, as I have had a boy waiting on that tight little island for D-day, which has now come.

I believe, and am convinced, Mr. Chairman, that if we bring this matter to trial now, or force it, it will hamper the war effort. One of my soldier sons came to Washington as a witness in the trial of the saboteurs, because he led the soldiers sent to search for them on Long Island. The newspapers and radio of the country carried that case and made much of it, although not openly tried. It does not make any difference whether it is a civil trial in open court or a court martial, the press and radio of the country, the news agencies of the country, will probably try the case after their fashion, as is so often done, and our people can be inflamed without proof of charges in many cases but merely by insinuations. Let us bring these men and all others guilty to trial at the proper time and not until such time.

I am not thinking first about the general and the admiral whose reputations are at stake. I am thinking first of the safety of my country now, and the safety of these boys who are fighting this war. Therefore I beg of you to postpone this trial until after the war, when it can be done calmly and deliberately, and not in the heat of passion, such as will inevitably disturb our people and disrupt the war effort. Have we not sufficient assurance that at least two high officials will be tried ultimately? Yes; we want the truth to be brought out, it must be brought out, but in my opinion, it would be extremely unwise to stir up this matter in the greatest crisis of this momentous war.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Chairman, I fully appreciate the sincerity of the distinguished gentleman from Arizona [Mr. MURDOCK], because he has already lost one of his boys in the war. I presume the majority of the Members of this House have sons who are in this conflict.

I think it is a very fundamental and a very simple issue that is before us. It is not a question of trying these men now. It is simply a question of insisting

that these men be arraigned; that is the simple issue and does not involve the question of trial. I do not think it involves at all the matter of interference with the war effort. Two and one-half years have gone by since Pearl Harbor. I think most of us were somewhat shocked that the arraignment of these men—and that does not mean the trial—did not occur before the lapse of 2 years. Now we are taking legislative steps to extend the time for action. I do not particularly want to urge immediate trial. I realize that it might disrupt the war effort, but I do think that we should not put it off for a year. I think we should extend the time a matter of 3 months.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. FITZPATRICK. Assuming we put it off for a year, could not those in charge bring this to trial at any time they saw fit? They would not have to wait a year.

Mr. O'HARA. I think the gentleman raises a very serious question. If it was extended a year, of course they could bring them to trial; that is correct. If we leave it 3 months, and we find that the War Department or the Navy Department wants additional time, I think the Congress would extend it.

Let me say to the gentleman from New York that nobody from the War Department or the Navy Department has asked that we put it off for a year or that we extend it a year.

Mr. FITZPATRICK. If we extend it a year it will not prevent them going ahead with the court martial if they see fit.

Mr. O'HARA. I think it will have a salutary effect by extending it 3 months. Somebody will get busy if they know it is 3 months instead of a year. I think this goes very deeply into the matter of morale, not only civilian morale, but the morale of our services. I think if Congress says 3 months, the morale will be a little better.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I wish to bring these words to your recollection: Where it is a duty to worship the sun, it is pretty sure to be a crime to examine the laws of heat. Why has this been put off so long? I want to dismiss from my mind any political implication in my vote in this matter. Somehow I have thought there might be politics in this question, but not on my side of the House. I had thought that diplomatic action, or failure to act, failure to warn the military authorities or failure to understand the diplomacy of another nation, was to have been at fault, and this failure should not be exposed to the public by court martial proceedings.

It is unthinkable to me that these two men were derelict. I had thought that they had not the proper advice and the proper warning.

Diplomats bring on wars; not warriors themselves. They do not act until they are ordered. Congress may also have been somewhat to blame. Every day we are capturing loot from Japan marked "Made in the United States."

These two men were immediately taken out of service. Why? Somebody had to be blamed. Shall we not examine into "the laws of heat" and look through the so-called white papers and consider the failure of our diplomacy at that time? Was there no one to blame for lack of ability to foresee the imminent danger? The Japanese delegation were here in Washington at the very moment? Could not our own diplomats have had forebodings of what might happen? Should we not inquire if the military had been properly warned of impending danger?

The reason I am taking the floor is to deny that politics is the influence that urges prompt action. It is the public at large which demands the truth. I have listened to what has been said. I have thought of this matter for the last 2 years, and I am humble enough to know that I am expressing only an opinion. Three months is a reasonable time to make a commencement of the proceeding, I do want the proper information for the future guidance of our people. And if you say "politics is over here," I say "No, the politics is over there."

It might well be that the truth of diplomatic failure might prove unfavorable in some quarters.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, there are presently two matters before the House. The first question is whether or not we shall extend the period 1 year or 3 months. The fact is there has already been an announcement made in the House that the Senate has adopted a resolution fixing the period of 1 year. Tomorrow is the dead line.

We in the House are now confronted with the question of agreeing to the Senate limitation of a year or attempting to have it 3 months, then having it go into conference and have further controversy.

The second question is whether or not the Congress shall direct the War and Navy Departments to proceed with court martial. If the time is fixed at 1 year, it leaves the discretion to the proper heads. By fixing it at 3 months it is an attempt on the part of the Congress to force the hands of the heads of our military to proceed. Once the thing is instituted, if the defendant himself, or counsel for the defendant, demands an immediate hearing, under the law they are entitled to an immediate hearing regardless of what the Members of this House might say. It seems to me that one of the gentlemen was very much in error in saying it is simply a question of instituting proceedings, because regardless of what we say about instituting, if counsel demands they proceed, they must proceed.

Again, it seems to me that it is rather strange and unusual at a time when we are having the greatest crisis in the history of the world, instead of being in the chapel on our knees praying, we have men here attempting, as palace guards or desk generals, to run the war, to direct the War and Navy Departments, at a time when we should be doing everything to promote morale and unity, rather than on the contrary, lack of morale and disunity.

I hope the amendment as to 3 months is rejected. I hope section 2 is completely stricken from the bill.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I personally do not know whether the holding of a court martial at the present time would divide the country or would cause confusion in our armed forces, but I think it likely that it might do that, and I personally am not willing to take the chance that trial be had during this period of crisis which the gentleman has described.

Mr. MURPHY. I want to thank the gentleman for his contribution.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I had not thought on yesterday that I would have anything to say about this subject. I had earlier made up my mind that I would vote against the whole business, to strike this whole mess from the floor and the recollection of the House, if that might be done. However, since the resolution is here I have concluded that as far as my duty appears to me I should vote for section 1 of this resolution with the provision remaining in it as the Committee on the Judiciary determined, substituting 1 year for 3 months.

I trust that anyone who may have thought that there is any politics in this resolution or is seeking to make a campaign issue out of it in the months that are to follow is mistaken, and that there is no such thought actually existent in the mind of any person, Democrat or Republican.

This is a most serious thing that we have launched upon. Gentlemen have said that they are questioned so much that they must answer to their people about "Why do you not provide an early and expeditious trial of these men who have been reported about in connection with Pearl Harbor?" I do not know why the difference in people, but I have been here since June 1941 and never at my home or in my district has any man, woman, or child asked me anything in the world about this trial, not a one.

But be that as it may, we come to the fact that this is the most serious time the country has ever seen since George Washington marched through the country with his weary, worn soldiers to accomplish the freedom and liberty of this people. Everything fades into insignificance and does not count as compared with the days we are going through and that are immediately ahead of us. Our boys, Democrat and Republican, will fight side by side, and maybe one will die and the other, in order to save his life, will have tried to bear him to some place of safety, regardless of any political considerations of that sort.

This is a dangerous thing. In the first place, you begin to disrupt the minds of

the people and to turn them toward a trial, probably within 90 days, in which the country will be largely interested. These men have not demanded a speedy trial. They have waived their immunity under the statute of limitations. At such a time as this such a trial would be most dangerous, and even the authorization of it at this time would be disruptive. This procedure is a reflection on the Secretary of War and the memory of the Secretary of the Navy, recently departed.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

Mr. SUMNERS of Texas. Reserving the right to object, Mr. Chairman, may I state that the amendment the Clerk is about to report is the committee amendment. The bill as introduced provided for 3 months. The committee amendment provides for 1 year. It is the committee amendment that is about to be voted on.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read as follows:

Committee amendment: On page 2, line 3, strike out "3 months" and insert "1 year."

The CHAIRMAN. The question is on the committee amendment.

The question was taken, and the Chair being in doubt, the Committee divided; and there were—ayes 94, noes 111.

Mr. SUMNERS of Texas. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SUMNERS of Texas and Mr. SHORT.

The Committee again divided; and the tellers reported that there were—ayes 135, noes 164.

So the committee amendment was rejected.

The CHAIRMAN. The clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 6, strike out "(2)" and insert "Sec. 2."

Mr. SUMNERS of Texas. Mr. Chairman, this is merely a formal or structural amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. WALTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 2, line 6, strike out "section 2."

Mr. WALTER. Mr. Chairman, I do not think anyone in the Nation is interested in whitewashing or relieving from responsibility anyone who was responsible for the disaster that overtook our forces at Pearl Harbor. The adoption of this resolution at best only means this, that it is an expression by the Congress of its determination that court-martial proceedings be instituted against those who are responsible for that disaster. That is all it can possibly mean. Let me point out to you why. We must bear in mind the fact that the plea of the statute of limitations is a plea in bar. It is a plea that must be made by the person desiring to take advantage of it, and it must be specially pleaded. So that if the people who were responsible for what occurred at Pearl Harbor wish to relieve themselves of a trial and avoid a trial, they need to plead the statute of limitations. Under the law it is very clear that the court-martial proceedings must be instituted within a period of 2 years. Now the period was extended by a resolution that we adopted. However, that extension has no legal effect, because it was not signed until after the statute had run. What we are proposing to do by this resolution is merely to extend the statutory period. If Kimmel and Short want to take advantage of the statute of limitations they can plead it and thereby avoid a trial, no matter what we do now. So it just boils itself down to one thing, namely, how far does the Congress of the United States want to go in showing its determination that there be a court martial? I am anxious to know who is responsible. Every man in the armed forces wants to know who was responsible. But are we going to contribute anything to our armed forces at this period by adopting a resolution that contains needless things? It certainly seems to me that when we direct, without precedent, if you please, that the Secretary of War and the Secretary of the Navy institute court-martial proceedings immediately, I think that our standing with the American people will be very materially affected. Let me point out to you this fact, Admiral Kimmel is an admiral. In courts martial between 5 and 13 officers sit, depending on the seriousness of the charge. The charges that will be preferred against these men will be the most serious in the history of our Nation. That means that 13 admirals will have to be relieved from whatever their duties are at this moment in order to try Admiral Kimmel. Thirteen is the exact number of admirals in our Navy today. So that if we adopt this resolution with section 2 in it, we are saying in effect to the American people, "We are perfectly willing that every admiral in our Navy shall stop whatever he is doing at this moment in order to participate in the trial of Admiral Kimmel." I do not think that is going to be a very great contribution to the war effort.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SHORT. Mr. Chairman, I rise in opposition to the amendment.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield for a question?

Mr. SHORT. I yield.

Mr. CANFIELD. Was not Pearl Harbor itself without precedent?

Mr. SHORT. At least it was a little different from anything we had ever experienced; and we do not want a repetition.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. JONKMAN. The gentleman from Pennsylvania [Mr. WALTER] said it would take 13 admirals to constitute the trial court. Is it not true that they can institute the trial by a preliminary proceeding which would require only a prima facie showing?

Mr. SHORT. Yes.

Mr. JONKMAN. It would not take nearly the number of witnesses the trial itself would.

Mr. SHORT. The gentleman has made a point I was going to speak about; and the fact that the proceedings are instituted automatically nullifies the running of the statute of limitations.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. BREHM. Could they not very well call back retired admirals to sit on this court?

Mr. SHORT. Very easily; and we have more lieutenant generals in the Army today almost than we have privates. Ye gods, it is awful. Stars mean nothing.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. CHURCH. Does not the gentleman believe that after Short and Kimmel have testified the country will know a lot more about the facts than was in the Roberts report?

Mr. SHORT. I think they should be given their day in court.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. McCORMACK. I do not believe my friend wants to leave in the RECORD his remarks about there being more lieutenant generals than privates in the Army.

Mr. SHORT. It was of course an exaggeration.

Mr. McCORMACK. I know the gentleman's point in making the statement, but such things are picked up by people outside who often misunderstand the facts. The fact is that we have 1 general officer to about 6,000 men in the United States Army, and we have fewer general officers in proportion to our men than any other army engaged in the war.

Mr. SHORT. Would the gentleman tell us how many lieutenant generals we had in our Army prior to the present war?

Mr McCORMACK. I know, but look at the vastness of this war.

Mr. SHORT. Of course.

Mr. McCORMACK. I am sure the gentleman gets my point.

Mr. SHORT. It was an extravagant statement, of course.

Mr. McCORMACK. I was a buck private myself so I look at it from that angle, but I do not think it should remain in the RECORD.

Mr. SHORT. It was, of course, said a little facetiously. We should not be facetious about it; the gentleman from Massachusetts is right, of course. I do not know how many lieutenant generals we have, but we have entirely too many.

Mr. Chairman, the gentleman from Pennsylvania is a very able lawyer and he has made a plausible argument, but if you will look at the CONGRESSIONAL RECORD of December 7 last year and read

carefully the debate over in the other body you will find that the majority leader in the Senate assured the Members of that body that there would be no hiatus or lapsing time between the passage of the resolution in that body and the time the President signs it. Whether or not it is legal I cannot say; I rather defer to the opinion and judgment of my good friend, the very able lawyer from Pennsylvania [Mr. WALTER]. He is perhaps right, but Congress has already taken a position; we have extended it once, we have got to extend it again. We are not going to extend it interminably; there has got to be a showdown sometime and you all know that the longer you procrastinate, delay, put off, stall, postpone, the more likely the public will become apathetic, indifferent, grow careless, and we shall have nothing. We know that happens in the trial of an individual where he has murdered one person; it will happen in the trial where 3,000 men were slaughtered.

This second section is constitutional. I quoted yesterday from article 8 and the different sections of the Constitution where the Congress not only has the power to raise armies and provide for a navy but it also offers the programs, the rules and the regulations by which the armed forces are governed, and even can institute disciplinary action for our military and other parts of our armed forces.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. REED of New York. It seems to me there is this question involved and it has probably been passed upon: What if these two officers are innocent? They have asked for a speedy trial. What about the injustice of delay until the evidence disappears? That is un-American.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I am glad to yield to my friend from Michigan.

Mr. BRADLEY of Michigan. The gentleman is a very highly valued member of the Committee on Military Affairs and has made a very careful study of this matter. I should therefore like to ask him whether any evidence has been introduced before the Committee on Military Affairs indicating any intent ever to bring these men to trial?

Mr. SHORT. Of course not. The thing is being hush-hushed and covered up. The American people want the whole story, and they want the absolute truth.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. CELLER. The gentleman I am sure is aware of the fact that in the previous bill that was passed extending the statute of limitations there was no such provision as is embodied in section 2 of the present bill, which is a directive to the armed forces; nor will the gentleman find such provision in the form of a directive in the Senate bill which was passed.

Mr. SHORT. We passed it 6 months ago, and nothing has been done about it; that is the reason I put section 2 in this bill directing that proceedings be instituted; and Congress has the power and the duty to do it. If we did not in this case, we would be shirking our responsibility.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. HARNESS of Indiana. Had we written a similar section in the other bill, this resolution would not have become necessary.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. WALTER) there were—ayes 100, noes 134.

So the amendment was rejected.

Mr. WALTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: Beginning on page 2, line 6, strike out section 2 and insert "The Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts surrounding the catastrophe described in (1) above and thereafter in their discretion to commence such proceedings against such persons as the facts justify."

Mr. SHORT. Mr. Chairman, I make the point of order against the amendment that it strikes out section 2, the very thing that we just voted on; also that the tactics are dilatory. The Secretary of the Navy and the Secretary of War already have the power to investigate the facts. As a matter of fact, they do have the facts. We want the people of America to have the facts. I make the point of order that the amendment therefore is not in order.

The CHAIRMAN (Mr. BARDEN). The Chair is prepared to rule.

The first amendment offered by the gentleman from Pennsylvania was simply for the purpose of striking out section 2.

This amendment the Chair finds is germane and also finds that it differs from the first amendment in that this not only seeks to strike out section 2 but inserts new wording for section 2.

The Chair overrules the point of order.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALTER].

The amendment was rejected.

Mr. HANCOCK. Mr. Chairman, I offer a small perfecting amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK:

Page 1, line 3, strike out the figure (1) and the parenthesis.

Page 2, lines 9 and 11, strike out the parenthesis.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. HANCOCK].

The amendment was agreed to.

Mr. SPRINGER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 2, line 8, after the word "proceedings" in lines 7 and 8, strike out "on all charges against" and insert "for any offense committed by."

Mr. SPRINGER. Mr. Chairman, with regard to section 2 of this resolution there has been some concern expressed about the particular language embraced in the resolution as it is now pending before the House. Under the language of the resolution as presented to the House perhaps there is a doubt remaining in the minds of many of the Members about the meaning of it. This section should be clarified so there can be no misunderstanding.

In the second line of the second section, on page 2, the language is "to institute court-martial proceedings on all charges against any person." A charge implies that something has been filed. The wording "all charges", as it appears in this resolution, implies that something is pending against these men who are only charged verbally with some dereliction of duty at Pearl Harbor. As a matter of fact, no charge has been instituted; no charge has been filed and there is nothing pending against them at this time; consequently the language, which I am suggesting by my amendment, would make the second section of the resolution read, "institute court-martial proceedings for any offense committed by any person, to whose court martial the extension of time provided for in section (1) hereof relates, as soon as possible."

The language offered in my amendment will clarify section 2 so there will be no doubt remaining about the intention of Congress after this resolution has been passed. The most that can be referred to is an offense, in this resolution. Of course, under court-martial proceedings we sometimes talk about charges, and we talk about specifications, but those are the several paragraphs of the charges against the accused person. Those charges are set forth by way of charges and specifications. As a matter of fact, insofar as any one has been guilty of a violation of duty at Pearl Harbor is concerned, which has been discussed by practically all the Members of the House, and which is being generally discussed by the people of the country, we cannot refer to charges because no charges have been filed, and you cannot refer to specifications because no specifications have been predicated. We can only charge against the offenses which might have been committed by any of these persons. We can only file charges against them because of the violations they have committed.

Mr. Chairman, just one concluding thought with respect to section 2. Two and one-half years have elapsed since Pearl Harbor. Nothing has been done. No charges have been filed against any

one because of that tragic attack, and some of those who have been discussed with respect to their offenses, in this connection, are now roaming the streets; they are free men; they are drawing retirement pay, and whether they are guilty or whether they are innocent, they ought to be charged and they ought to be tried. If they are innocent they ought to have the opportunity of establishing their innocence. Likewise, if they are guilty they should be compelled to walk the gang plank.

Mr. Chairman, I believe my amendment will clarify the section, and I hope the Members of the House will support my amendment unanimously. I am confident this amendment will strengthen section 2, and it will aid materially in the future action which may be taken by those who are accused of dereliction of duty at Pearl Harbor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. SPRINGER].

The amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BARDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration House Joint Resolution 283 to extend the time limit for immunity, pursuant to House Resolution 574, he reported the same back to the House with sundry amendments agreed to in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered on the bill and amendments to final passage.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

Mr. WALTER and Mr. ELLISON of Maryland rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania [Mr. WALTER] rise?

Mr. MARTIN of Massachusetts. Mr. Speaker, there is a motion to recommit on our side.

The SPEAKER. Is the gentleman from Maryland [Mr. ELLISON] opposed to the bill?

Mr. ELLISON of Maryland. Mr. Speaker, I am.

Mr. FITZPATRICK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. FITZPATRICK. Mr. Speaker, assuming this resolution is voted down, would it be in order to take up the Senate resolution to extend the time for 1 year?

The SPEAKER. By unanimous consent or by adoption of a rule or under suspension of the rules.

The Clerk will report the motion to recommit offered by the gentleman from Maryland [Mr. ELLISON].

The Clerk read as follows:

Motion by Mr. ELLISON to recommit House Joint Resolution 283 to the Committee on the Judiciary.

The SPEAKER. The question is on the motion to recommit offered by the gentleman from Maryland [Mr. ELLISON].

The question was taken; and on a division (demanded by Mr. PATMAN), there were—ayes 85, noes 136.

Mr. WALTER. Mr. Speaker, on that motion I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 149, nays 190, not voting 89, as follows:

[Roll No. 77]

YEAS—149

Allen, La.	Gathings	Norrell
Andrews, Ala.	Gordon	Norton
Barden	Gore	O'Brien, Ill.
Bates, Ky.	Gorski	O'Brien, Mich.
Beckworth	Gossett	O'Neal
Bland	Grant, Ala.	O'Toole
Bloom	Gregory	Outland
Bonner	Harless, Ariz.	Pace
Bradley, Pa.	Harris, Ark.	Patman
Brown, Ga.	Harris, Va.	Patton
Bryson	Hébert	Poage
Buckley	Hendricks	Rabaut
Bulwinkle	Hobbs	Rankin
Burch, Va.	Hoch	Richards
Burgin	Holifield	Rivers
Byrne	Izac	Robinson, Utah
Camp	Jackson	Russell
Cannon, Fla.	Jarman	Sabath
Cannon, Mo.	Johnson,	Sadowski
Celler	Luther A.	Sasscer
Clark	Johnson,	Satterfield
Cochran	Lyndon B.	Sheppard
Coffee	Johnson, Okla.	Slaughter
Colmer	Kee	Smith, Va.
Cooley	Kefauver	Snyder
Cooper	Kelley	Spence
Courtney	Kerr	Sullivan
Cravens	Kilday	Sumners, Tex.
Crosser	Kirwan	Tarver
Curley	Kleberg	Thomas, Tex.
D'Alesandro	Lane	Thomason
Davis	Lanham	Tolan
Dawson	Lesinski	Torrens
Dilweg	Ludlow	Vincent, Ky.
Dingell	Lynch	Vinson, Ga.
Disney	McCormack	Voorhis, Calif.
Doughton	McKenzie	Walter
Drewry	McMillan	Ward
Durham	Madden	Wasielewski
Eberharter	Mahon	Weaver
Ellison, Md.	Maloney	Weiss
Fay	Manasco	Wene
Feighan	Mansfield, Tex.	Whelchel, Ga.
Fisher	Marcantonio	Whittington
Fitzpatrick	Merritt	Wickersham
Flannagan	Mills	Woodrum, Va.
Fogarty	Monroney	Worley
Folger	Morrison, La.	Wright
Forand	Murdock	Zimmerman
Ford	Murphy	
Fulmer	Murray, Tenn.	

NAYS—190

Allen, Ill.	Brehm	Day
Anderson, H. Carl	Brown, Ohio	Dewey
	Brumbaugh	Dirksen
Anderson, Calif.	Buffett	Dondero
Andresen, August H.	Bushey	Dworshak
	Butler	Eaton
Andrews, N. Y.	Canfield	Elliott
Angell	Carlson, Kans.	Ellsworth
Arends	Carrier	Elmer
Arnold	Carson, Ohio	Elston, Ohio
Auchincloss	Carter	Engel, Mich.
Baldwin, N. Y.	Case	Engle, Calif.
Barrett	Chenoweth	Fellows
Bates, Mass.	Chiperfield	Fish
Beall	Church	Gale
Bender	Clevenger	Gamble
Bennett, Mich.	Cole, Mo.	Gavin
Bennett, Mo.	Cole, N. Y.	Gearhart
Bishop	Compton	Gerlach
Blackney	Crawford	Gifford
Bolton	Cunningham	Gillespie
Bradley, Mich.	Curtis	Gillette
Gillie	LaFollette	Robsion, Ky.
Goodwin	Lambertson	Rockwell
Graham	Lea	Rodgers, Pa.
Griffiths	LeCompte	Rogers, Mass.
Gross	LeFevre	Rohrbough
Gwynne	Luce	Rolph
Hagen	McConnell	Rowe
Hale	McCowen	Sauthoff
Hall,	McGregor	Schiffler
Edwin Arthur	McLean	Schwabe
Hall,	McWilliams	Scrivner
Leonard W.	Maas	Shafer
Hancock	Mansfield,	Short
Harness, Ind.	Mont.	Simpson, Ill.
Hartley	Martin, Mass.	Smith, Maine
Herter	Mason	Smith, Ohio
Hill	Michener	Smith, Wis.
Hinshaw	Miller, Conn.	Springer
Hoeven	Miller, Nebr.	Stefan
Hoffman	Miller, Pa.	Stevenson
Holmes, Mass.	Monkiewicz	Stockman
Holmes, Wash.	Mott	Sumner, Ill.
Hope	Mruk	Sundstrom
Horan	Mundt	Taber
Howell	Murray, Wis.	Talbot
Hull	Norman	Talle
Jeffrey	O'Connor	Thomas, N. J.
Jenkins	O'Hara	Tibbott
Jennings	O'Konski	Towe
Jensen	Phillips	Troutman
Johnson,	Pittenger	Vorys, Ohio
Anton J.	Ploeser	Vursell
Johnson,	Poulson	Wadsworth
Calvin D.	Powers	Welch
Johnson, Ind.	Pracht,	West
Jones	C. Frederick	Wigglesworth
Jonkman	Pratt,	Willey
Judd	Joseph M.	Wilson
Kean	Ramey	Winter
Kearney	Randolph	Wolcott
Keefe	Reece, Tenn.	Wolfenden, Pa.
Kilburn	Reed, Ill.	Wolverton, N. J.
Kinzer	Reed, N. Y.	Woodruff, Mich.
Knutson	Rees, Kans.	
Kunkel	Rizley	

NOT VOTING—89

Abernethy	Green	O'Brien, N. Y.
Anderson, N. Mex.	Halleck	Peterson, Fla.
	Hare	Peterson, Ga.
Baldwin, Md.	Hart	Pfeifer
Barry	Hays	Philbin
Bell	Heffernan	Plumley
Boren	Heidinger	Price
Boykin	Hess	Priest
Brooks	Johnson,	Ramspeck
Burchill, N. Y.	J. Leroy	Robertson
Burdick	Johnson, Ward	Rowan
Capozzoli	Kennedy	Scanlon
Chapman	Keogh	Scott
Clason	King	Sheridan
Costello	Klein	Sikes
Cox	Landis	Simpson, Pa.
Delaney	Larcade	Smith, W. Va.
Dickstein	Lemke	Somers, N. Y.
Dies	Lewis	Sparkman
Douglas	McCord	Stanley
Ellis	McGehee	Starnes, Ala.
Fenton	McMurray	Stearns, N. H.
Fernandez	Magnuson	Stewart
Fulbright	Martin, Iowa	Stigler
Fuller	May	Taylor
Furlong	Merrow	Treadway
Gallagher	Miller, Mo.	Welchel, Ohio
Gibson	Morrison, N. C.	White
Gilchrist	Myers	Whitten
Granger	Newsome	Winstead
Grant, Ind.		

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Miller of Missouri against.

Mr. Whitten for, with Mr. Gilchrist against.

Mr. Philbin for, with Mr. Grant of Indiana against.

Mr. Barry for, with Mr. Douglas against.

Mr. Magnuson for, with Mr. Clason against.

Mr. Heffernan for, with Mr. Treadway against.

Mr. McMurray for, with Mr. Hess against.

Mr. Dickstein for, with Mr. Lewis against.

Mr. Larcade for, with Mr. Martin of Iowa against.

Mr. Kennedy for, with Mr. Ward Johnson against.

Mr. King for, with Mr. Welchel of Ohio against.

Mr. Burchill of New York for, with Mr. Gallagher against.

Mr. Hart for, with Mr. Fuller against.

Mr. Klein for, with Mr. Simpson of Pennsylvania against.

Mr. Rowan for, with Miss Stanley against.

Mr. Capozzoli for, with Mr. Fenton against.

Mr. Hays for, with Mr. Halleck against.

Mr. Pfeifer for with Mr. Scott against.

Mr. Stigler for, with Mr. Taylor against.

Mr. Delaney for, with Mr. J. LeRoy Johnson against.

Mr. Scanlon for, with Mr. Heidinger against.

Mr. Somers of New York for, with Mr. Landis against.

Mr. Peterson of Georgia for, with Mr. O'Brien of New York against.

Mr. Priest for, with Mr. Stearns of New Hampshire against.

Mr. McCord for, with Mr. Merrow against.

Until further notice:

General pairs:

Mr. Baldwin of Maryland with Mr. Plumley.

Mr. Boykin with Mr. Ellis.

Mr. May with Mr. Lemke.

Mr. Brooks with Mr. Burdick.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The Clerk called the roll; and there were—yeas 305, nays 35, not voting 88, as follows:

[Roll No. 78]

YEAS—305

Allen, Ill.	Colmer	Gwynne
Allen, La.	Compton	Hagen
Andersen, H. Carl	Cooper	Hale
Anderson, Calif.	Courtney	Hall, Edwin Arthur
Andresen, August H.	Cravens	Hall, Leonard W.
Andrews, Ala.	Crawford	Hancock
Andrews, N. Y.	Crosser	Harless, Ariz.
Angell	Cunningham	Harness, Ind.
Arends	Curley	Harris, Ark.
Arnold	Curtis	Harris, Va.
Auchincloss	D'Alesandro	Hartley
Baldwin, N. Y.	Davis	Hébert
Barrett	Dawson	Hendricks
Bates, Ky.	Day	Herter
Bates, Mass.	Dilweg	Hill
Beall	Dingell	Hinshaw
Beckworth	Dirksen	Hoch
Bell	Disney	Hoeven
Bender	Dondero	Hoffman
Bennett, Mich.	Doughton	Holmes, Mass.
Bennett, Mo.	Drewry	Holmes, Wash.
Bishop	Dworshak	Hope
Blackney	Eaton	Horan
Bland	Elliott	Howell
Bloom	Ellsworth	Hull
Bolton	Elmer	Jackson
Bradley, Mich.	Elston, Ohio	Jeffrey
Brehm	Engel, Mich.	Jenkins
Brown, Ga.	Engle, Calif.	Jennings
Brown, Ohio	Fay	Jensen
Brumbaugh	Feighan	Johnson,
Bryson	Fellows	Anton J.
Buckley	Fisher	Johnson,
Buffett	Fitzpatrick	Calvin D.
Burch, Va.	Fogarty	Johnson, Ind.
Busbey	Forand	Johnson,
Butler	Gale	Luther A.
Byrne	Gamble	Johnson, Okla.
Camp	Gavin	Jones
Canfield	Gearhart	Jonkman
Cannon, Mo.	Gerlach	Judd
Carlson, Kans.	Gifford	Kean
Carrier	Gillespie	Kearney
Carson, Ohio	Gillette	Kee
Carter	Gillie	Keefe
Case	Goodwin	Kelley
Chenoweth	Gordon	Kerr
Chiperfield	Gorski	Kilburn
Church	Gossett	Kilday
Clevenger	Graham	Kinzer
Coffee	Grant, Ala.	Kleberg
Cole, Mo.	Gregory	Knutson
Cole, N. Y.	Griffiths	Kunkel
	Gross	
LaFollette	O'Konski	Smith, Va.
Lambertson	O'Neal	Smith, Wis.
Lane	Outland	Somers, N. Y.
Lanham	Patton	Spence
LeCompte	Pfeifer	Springer
LeFevre	Phillips	Stefan
Lesinski	Pittenger	Stevenson
Luce	Ploeser	Stockman
Ludlow	Poage	Sullivan
Lynch	Poulson	Sumner, Ill.
McConnell	Powers	Sumners, Tex.
McCormack	Pracht, C. Frederick	Sundstrom
McCowen	Pratt, Joseph M.	Taber
McGehee	Price	Talbot
McGregor	Rabaut	Talle
McKenzie	Ramey	Tarver
McLean	Randolph	Thomas, N. J.
McMillan	Rankin	Thomas, Tex.
McWilliams	Reece, Tenn.	Thomason
Maas	Reed, Ill.	Tibbott
Madden	Reed, N. Y.	Tolan
Mahon	Rees, Kans.	Towe
Maloney	Richards	Troutman
Manasco	Rivers	Vincent, Ky.
Mansfield, Mont.	Rizley	Vinson, Ga.
Mansfield, Tex.	Robertson	Voorhis, Calif.
Martin, Mass.	Robinson, Utah	Vorys, Ohio
Mason	Robsion, Ky.	Vursell
Merritt	Rockwell	Wadsworth
Michener	Rodgers, Pa.	Walter
Miller, Conn.	Rogers, Mass.	Ward
Miller, Nebr.	Rohrbough	Wasielewski
Miller, Pa.	Rolph	Weaver
Mills	Rowe	Welch
Monkiewicz	Sabath	Wene
Monroney	Sadowski	West
Morrison, La.	Sasscer	Whelchel, Ga.
Mott	Satterfield	Whittington
Mruk	Sauthoff	Wickersham
Mundt	Schwabe	Wigglesworth
Murdock	Scrivner	Willey
Murray, Tenn.	Shafer	Wilson
Murray, Wis.	Sheppard	Winter
Norman	Short	Wolcott
Norrell	Simpson, Ill.	Wolfenden, Pa.
O'Brien, Ill.	Slaughter	Wolverton, N. J.
O'Brien, Mich.	Smith, Maine	Woodruff, Mich.
O'Brien, N. Y.	Smith, Ohio	Woodrum, Va.
O'Hara		Worley
		Zimmerman

NAYS—35

Barden	Flannagan	Kirwan
Bonner	Folger	Marcantonio
Bradley, Pa.	Ford	Murphy
Bulwinkle	Fulmer	Norton
Burgin	Gathings	O'Toole
Cannon, Fla.	Gore	Pace
Celler	Hobbs	Snyder
Clark	Holifield	Torrens
Cochran	Izac	Weiss
Cooley	Jarman	Wright
Durham	Johnson, Lyndon B.	
Eberharter	Kefauver	
Ellison, Md.		

NOT VOTING—88

Abernethy	Grant, Ind.	Newsome
Anderson, N. Mex.	Green	O'Connor
Baldwin, Md.	Halleck	Patman
Barry	Hare	Peterson, Fla.
Boren	Hart	Peterson, Ga.
Boykin	Hays	Philbin
Brooks	Heffernan	Plumley
Burchill, N. Y.	Heidinger	Priest
Burdick	Hess	Ramspeck
Capozzoli	Johnson, J. Leroy	Rowan
Chapman	Johnson, Ward	Russell
Clason	Kennedy	Scanlon
Costello	Keogh	Schiffler
Cox	King	Scott
Delaney	Klein	Sheridan
Dewey	Landis	Sikes
Dickstein	Larcade	Simpson, Pa.
Dies	Lea	Smith, W. Va.
Douglas	Lemke	Sparkman
Ellis	Lewis	Stanley
Fenton	McCord	Starnes, Ala.
Fernandez	McMurray	Stearns, N. H.
Fulbright	Magnuson	Stewart
Fuller	Martin, Iowa	Stigler
Furlong	May	Taylor
Gallagher	Merrow	Treadway
Gibson	Miller, Mo.	Weichel, Ohio
Gilchrist	Morrison, N. C.	White
Granger	Myers	Whitten
		Winstead

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Keogh, with Mr. Miller of Missouri.

Mr. Hays with Mr. Halleck.

Mr. Philbin with Mr. Grant of Indiana.

Mr. Whitten with Mr. Gilchrist.

Mr. Heffernan with Mr. Treadway.

Mr. Magnuson with Mr. Clason.

Mr. Barry with Mr. Douglas.

Mr. McMurray with Mr. Hess.

Mr. Dickstein with Mr. Lewis.

Mr. King with Mr. Welchel of Ohio.

Mr. Hart with Mr. Fuller.

Mr. Ramspeck with Mr. Scott.

Mr. Larcade with Mr. Martin of Iowa.

Mr. Klein with Mr. Simpson of Pennsylvania.

Mr. Stigler with Mr. Taylor.

Mr. Scanlon with Mr. Heidinger.

Mr. Peterson of Georgia with Mr. Schiffler.

Mr. Kennedy with Mr. Ward Johnson.

Mr. Rowan with Miss Stanley.

Mr. Chapman with Mr. Landis.

Mr. Burchill of New York with Mr. Gallagher.

Mr. Priest with Mr. Stearns of New Hampshire.

Mr. Capozzoli with Mr. Fenton.

Mr. Baldwin of Maryland with Mr. Plumley.

Mr. Delaney with Mr. J. Leroy Johnson.

Mr. McCord with Mr. Merrow.

Mr. Boykin with Mr. Ellis.

Mr. May with Mr. Lemke.

Mr. Costello with Mr. Dewey.

Mr. Brooks with Mr. Burdick.

Messrs. BRADLEY of Pennsylvania and MURPHY changed their votes from "yea" to "nay."

Mr. DEWEY. Mr. Speaker, I was not in the Chamber when my name was called on the last roll call. I voted on the motion to recommit and went back to a committee. I have hurried all the way back, but I was not in the Chamber when my name was called.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk Senate Joint Resolution 133 and its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There being no objection, the Clerk read the Senate joint resolution as follows:

Resolved, etc., That (1) effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations affecting the possible prosecution of any person or persons, military or civil, connected with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, that operate to prevent the court martial or prosecution of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, are hereby extended for a further period of 1 year, in addition to the extension provided for in Public Law 208, Seventy-eighth Congress.

(2) The Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts surrounding the catastrophe described in (1) above, and thereafter in their discretion to commence such proceedings against such persons as the facts may justify.

Mr. SUMNERS of Texas. Mr. Speaker, I offer as an amendment the House joint resolution just passed by the House.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Strike out all after the enacting clause and insert in lieu thereof the following: "That effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations, affecting the possible prosecution of any person or persons, military or civil, connected with Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, that operate to prevent the court martial or prosecution of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, are hereby extended for a further period of 3 months, in addition to the extension provided for in Public Law 208, Seventy-eighth Congress.

SEC. 2. The Secretary of War and the Secretary of the Navy are severally directed to institute court-martial proceedings for any offense committed by any person, to whose court martial the extension of time provided for in section 1 hereof relates, as soon as possible, and in no event later than the period of extension provided for in section 1 hereof.

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H. J. Res. 283) was laid on the table.

CONFERENCE REPORT ON AGRICULTURAL APPROPRIATION BILL

Mr. TARVER. Mr. Speaker, I ask unanimous consent that the conferees on the agricultural appropriation bill may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

There was no objection.

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein the introduction given me today at Winchester, Va., by the Honorable W. Nelson Page and the memorial remarks I made under the auspices of the Stonewall Memorial Association and the Turner Ashby Chapter, United Daughters of the Confederacy, entitled "They Are Not Dead."

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two different subjects.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HOLIFIELD]?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two different subjects.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. HAGEN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that at the conclusion of the special order for today I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on tomorrow at 11 o'clock a. m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not object, I understand the O. P. A. bill will not be called up today?

Mr. McCORMACK. The gentleman is correct. The rule will not, either.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

DISPENSING WITH CALL OF CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the calendar on Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a news release of mine appearing in the Kickapoo Scout, Soldiers Grove, Wis., under date of June 1, 1944.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. STEVENSON]?

There was no objection.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. RAMEY]?

There was no objection.

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a poem.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. SAUTHOFF]?

There was no objection.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL, 1945—CONFERENCE REPORT

Mr. RABAUT. Mr. Speaker, I call up the conference report on the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4204) "making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 16.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 9, 11, 15, 17, 18, and 19, and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: Omit the matter stricken out and inserted by said amendment, and on page 59 of the bill in line 10 strike out the colon and insert in lieu thereof a period; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 8, 10, 12, 13, 20, and 21.

LOUIS C. RABAUT,
BUTLER B. HARE,
THOMAS J. O'BRIEN,
KARL STEFAN,
Managers on the part of the House.

PAT MCCARRAN,
KENNETH MCKELLAR,
RICHARD B. RUSSELL,
WALLACE H. WHITE,
CLYDE M. REED,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

DEPARTMENT OF STATE

No. 1: Appropriates $10,340,000 for departmental salaries, as proposed by the Senate, instead of $7,700,000 as proposed by the House. The additional amount will provide for 371 man-years of employment made necessary by a recent reorganization of the Department, and will place on the regular rolls of the Department 418 employees currently paid out of the President's emergency funds.

No. 2: Authorizes the purchase of uniforms for the chauffeurs operating the passenger-carrying automobiles of the Department, as proposed by the Senate.

No. 3: Authorizes expenditures out of contingent expense fund for services for the analysis and tabulation of technical information and the preparation of special maps, globes, and geographic aids, as proposed by the Senate.

No. 4: Increases limitation covering cost of newspapers, teletype rentals, and tolls from $20,000, as proposed by the House, to $26,000, as proposed by the Senate.

No. 6: Appropriates $538,000 for contingent expenses, as proposed by the Senate, instead of $388,000, as proposed by the House. The additional amount is based on the increased personnel allowed.

No. 7: Appropriates $260,000 for printing and binding, as proposed by the Senate, instead of $250,000, as proposed by the House. The additional amount is for printing special maps, charts, and other geographic aids, currently financed out of the President's emergency funds.

No. 9: Appropriates $3,754,000 for the salaries of foreign service clerks, as proposed by the Senate, instead of $3,700,000, as proposed by the House. The added amount is to be used in the making of small periodic salary increases to low-salaried American and alien clerks.

DEPARTMENT OF COMMERCE

No. 11: Appropriates $2,459,000 for general administration, Office of Administrator of Civil Aeronautics, as proposed by the Senate, instead of $2,130,000, as proposed by the House. The added amount is to be used for aviation education service, airman development work, and airport advisory service.

No. 14: Omits the matter stricken out and inserted by said amendment, in connection with delegation of authority to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station.

No. 15: Reappropriates unexpended balances of funds heretofore appropriated for development of landing areas, as proposed by the Senate.

No. 16: Appropriates $1,500,000 for the Civil Aeronautics Board, as proposed by the House, instead of $1,529,000, as proposed by the Senate.

No. 17: Corrects error in number of automobiles for the Coast and Geodetic Survey, as proposed by the Senate.

No. 18: Eliminates unnecessary language, as proposed by the Senate.

No. 19: Eliminates duplicating language, as proposed by the Senate.

AMENDMENTS REPORTED IN DISAGREEMENT

No. 5: Relating to authority for the payment of expenses of transportation and per diem in lieu of subsistence to persons serving in an advisory capacity without other compensation from the United States, contained in the contingent expense item of the Department of State. The managers will move to recede and concur.

No. 8: Relating to the President's War Relief Control Board in the Department of State, established to control and license private agencies engaged in fund-raising appeals for foreign and domestic relief. The managers will move to recede and concur.

No. 10: Relating to the next quinquennial census of agriculture, authorized by law, and under the Department of Commerce. The managers will move to recede and concur.

No. 12: Relating to the amount for establishment of air-navigation facilities, Department of Commerce. The managers will move to insist on disagreement.

No. 13: Relating to the proviso, inserted by the Senate, authorizing the expenditure of up to $950,000 for the establishment of landing areas, Department of Commerce. The managers will move to insist on disagreement.

No. 20: Relating to authority granting extra compensation at not to exceed $5 per day to employees of other Government agencies in Alaska and in other Territorial possessions for taking and transmitting meteorological observations for the Weather Bureau, Department of Commerce. The managers will move to recede and concur.

No. 21: Relating to delegation of authority by the Secretary of Commerce to subordinate officials of the Coast and Geodetic Survey, the Weather Bureau, and the Administrator of Civil Aeronautics, to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station. The managers will move to recede and concur with an amendment.

LOUIS C. RABAUT,
BUTLER B. HARE,
THOMAS J. O'BRIEN,
KARL STEFAN,
Managers on the part of the House.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Speaker, there are a number of provisions with which I am not in agreement in this conference report. For instance, the Senate placed in the bill an amendment increasing by several million dollars the appropriation for the State Department. It provides for the appointment of several hundred additional employees. This was done after the bill passed the House committee, although it was stated while the bill was before the House committee that a reorganization was in progress down there. When representatives of the State Department were asked whether or not the reorganization would save any money, they very frankly said that it would cost more. They did not state, as I recall, how much more it was going to cost. Now we find that it is going to cost several million dollars more.

It would seem to me, in times such as these, that reorganizations should be made with a view to saving money rather than creating several hundred new positions and providing for the spending of additional money.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. There is before the Committee on Foreign Affairs at the present time a bill having to do with creating more jobs and raising the pay in the State Department. It seems to me, until that measure is acted upon, that there might be no authorization in law for these expenditures.

Mr. CARTER. I was not aware of the bill to which the gentleman from Ohio refers, but it seems to me that the creation of these additional positions could well wait until the legislative committee has gone thoroughly over the situation and decided what additional positions are necessary.

I appreciate that the State Department at the present time has an unusual responsibility, not only in carrying out the work that it is carrying on, but also looking forward to a post-war program. I would like to call the attention of the House to this fact, that the State Department, year after year, before they made this final splurge of several hundred additional employees, has been given additional employees.

When I first became a member of this committee, the total appropriation for the State Department, as I recall, was about $18,000,000. Today we find that the State Department is aking for $47,000,000. They have been given additional employees all along.

In asking for the number that they are asking for now, when there is a manpower shortage throughout the country, when the Treasury of the United States has no funds in it, and we are running on borrowed money all the time, I think they are making a decidedly unreasonable request.

Mr. RABAUT. Mr. Speaker, as a result of the reorganization there was allowed in the first deficiency bill the amount of $350,000 for about 3 months' services. The total increase as the result of this reorganization was 596 positions. The regular appropriation bill for 1945 carried 225 positions. Included in this amendment are 371 positions at a total cost of $901,044. The number of personnel presently financed out of the emergency fund for the President, which the Department wishes to place on the permanent rolls, is 418 positions at a cost of $1,356,480.

These employees are engaged in post-war study and geographic work in connection therewith. This work was initiated about 2 years ago by the Secretary of State, the Honorable Cordell Hull, with his usual farsightedness in preparing for the enormous job ahead of us. This is the ground work for winning the peace after we win the war.

This has been commented upon throughout the Nation. The House committee, of which the last speaker is the ranking minority member, in conceding to his desires, cut this appropriation when we had the matter under consideration; that is, we cut it in committee before we presented it to the House. We have taken some criticism by the public press for the small cut that we gave them.

I have here a clipping from the Detroit News. It goes on to say that the entire cost of the State Department, which Department will have a tremendous part in the war and in the period that follows the war, amounts to an expense of 4½ hours of the war. So here is this great Department that you are going to call upon when the war is over and say, "Now handle this thing for us." We are allowing it an amount of money equal to 4½ hours' expense of the war.

Mr. Stettinius—and no one will question his business ability—appeared before the committee and made some very important statements concerning the State Department. I should like to quote some of them:

> I would like to say a few words on our overall post-war responsibility. I do not know of anything that is more important in the post-war period than a strong, well-equipped Department of State of the United States Government whether we are thinking of such matters as petroleum reserves, world shipping, world aviation, or of raw material resources throughout the world, entirely apart from the diplomatic day-to-day functions.

One more thing: When the Subcommittee on Appropriations was holding its hearings in connection with appropriations for this Department for 1945 the matter of reorganization came up, but we were unable to consider the matter at that time because estimated requirements had not been determined. We advised the representatives of the Department who appeared before us to present it to the Senate. This accounts for the increase appearing in the Senate amendment.

The testimony I have read to you is the remarks made by Mr. Stettinius when he appeared before the Deficiency Subcommittee. That committee allowed a sum to defray the cost of the reorganization for the balance of the fiscal year. If we were to deny the funds now the Department would not be able to retain these people during the year for which this amount is considered. I hope the House will go along and agree to the amendment of the Senate.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: On page 3, line 10, after "State;" insert the following: "transportation and other necessary expenses in accordance with the Standardized Government Travel Regulations, and not to exceed $25 per diem in lieu of subsistence, of persons serving while away from their homes in an advisory capacity without other compensation from the United States, or at $1 per annum; expenses to and from their homes or regular places of business in accordance with the Standardized Government Travel Regulations, including travel in privately owned automobiles (and per diem in lieu of subsistence at place of employment), of persons employed intermittently away from their homes or regular places of business as consultants and receiving compensation on a per diem when actually employed basis."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8, page 5, after line 7 insert the following:

"President's War Relief Control Board: For all expenses necessary to enable the President's War Relief Control Board to continue to administer section 8 (b) of the Neutrality Act of 1939 and to perform the functions vested in it by Executive Order 9205 of July 25, 1942, including personal services in the District of Columbia; fees for professional or expert services at rates to be determined by the Secretary of State, but not in excess of $25 per day; actual transportation and other necessary expenses, and not to exceed $10 per diem in lieu of subsistence of persons serving while away from their homes in an advisory capacity without other compensation from the United States, or at $1 per annum; expenses of attendance at meetings and conferences concerned with the work of the Board; printing and binding; purchase of books, newspapers, and periodicals; and stenographic reporting services by contract, without regard to section 3709 of the Revised Statutes, $50,000."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: On page 59, after line 2, insert the following:

"Census of agriculture: For all expenses necessary for preparing for, taking, compiling, and publishing the quinquennial Census of Agriculture of the United States, including the employment by the Director, at rates to be fixed by him, of personnel at the seat of government and elsewhere without regard to the civil service and classification laws; books of reference, newspapers, and periodicals; construction of tabulating machines; purchase, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; travel expenses, including expenses of attendance at meetings concerned with the collection of statistics, when incurred on the written authority of the Secretary; printing and binding; $7,250,000, to be available until December 31, 1946, and to be consolidated with the appropriation "Census of Agriculture" contained in the First Supplemental National Defense Appropriation Act, 1944."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendment, and I yield 5 minutes to the gentleman from California [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Speaker, on April 27 I spoke in the well of the House on this question. The amount of money involved in this amendment is $7,250,000. I am going to have to repeat myself for fear that some of the Members were not here on the floor on that day.

I do not know how many of us realize what this $7,250,000 is being used for or what they anticipate using it for, but the United States Department of Agriculture, Bureau of Agricultural Economics, is paying people to go around in the congressional districts to find out the answers to some of these questions.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, it seems to me that when we are considering anything like this we ought to have a quorum present. I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. COOPER). Evidently a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 79]

Abernethy	Fogarty	Lemke
Anderson, N. Mex.	Ford	Lewis
	Fulbright	McCord
Baldwin, Md.	Fuller	McMurray
Barry	Furlong	Magnuson
Bates, Mass.	Gallagher	Martin, Iowa
Bennett, Mich.	Gibson	May
Boren	Gilchrist	Merrow
Bradley, Mich.	Granger	Miller, Mo.
Brooks	Grant, Ind.	Monroney
Burchill, N. Y.	Green	Morrison, N. C.
Burdick	Griffiths	Myers
Byrne	Halleck	Newsome
Cannon, Fla.	Hare	Norton
Capozzoli	Harless, Ariz.	O'Connor
Carrier	Hart	Pace
Chapman	Hartley	Peterson, Fla.
Clark	Hays	Peterson, Ga.
Clason	Heffernan	Pfeifer
Costello	Heidinger	Philbin
Cox	Herter	Plumley
Curley	Hess	Priest
Curtis	Hill	Ramspeck
Dawson	Horan	Rowan
Delaney	Johnson, J. Leroy	Scanlon
Dewey		Scott
Dickstein	Johnson, Ward	Sheridan
Dies		Sikes
Dirksen	Kee	Simpson, Pa.
Douglas	Kennedy	Smith, W. Va.
Eaton	Keogh	Sparkman
Ellis	King	Stanley
Fellows	Kleberg	Starnes, Ala.
Fenton	Klein	Stearns, N. H.
Fernandez	Landis	Stewart
Fitzpatrick	Larcade	Stigler
Sumners, Tex.	Wadsworth	Whittington
Taylor	Weichel, Ohio	Wilson
Thomas, N. J.	Whelchel, Ga.	Winstead
Treadway	White	Worley
Vinson, Ga.	Whitten	Zimmerman

Three hundred and six Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

STATE, JUSTICE, COMMERCE APPROPRIATION BILL, 1945—CONFERENCE REPORT

The SPEAKER. The gentleman from California [Mr. ELLIOTT] has 3 minutes remaining.

Mr. ELLIOTT. Mr. Speaker, I want to explain now why I am opposed to the $7,250,000 being set up in here for a census of agriculture. I do not know how many of you realize what this money is being spent for. In my State and in my congressional district this kind of a program is being taken around by individuals, and they are asked questions like this:

"Birthplace of head. Birthplace of father. Year of arrival in community. Last previous residence. Number of California towns you have lived in since 1935. Number of towns outside California you have lived in since 1935. Give acreage for three major crops. How many separate jobs have you held since 1935? What do you consider your home town? Does this neighborhood go by a special name?"

Now, listen to this one: "What church do you go to? Number in household. Place. Frequency of attendance. Earlier affiliations. Did any member of your family change denominations upon coming to this town or since you have been here? Do you attend church more or less frequently now than before the change?

"Club memberships. Check through list of clubs. What club do you belong to? What is the meeting place? Frequency of attendance."

Here is a honey: "What informal activities did members of your family participate in? School functions, card parties, picnics, dances, movies, community affairs.

"Do you have a small group of close friends? Number in group."

Mr. TARVER. Will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Georgia.

Mr. TARVER. What is the gentleman reading? That sort of information is not authorized by the law.

Mr. ELLIOTT. Your money is being spent for it, whether we authorized it or not.

Mr. TARVER. The gentleman is not reading from any farm census information.

Mr. ELLIOTT. Will the gentleman give me an additional 5 minutes?

Mr. TARVER. I do not have control of the time.

Mr. ELLIOTT. Mr. Speaker, I want to point out these things because money has been spent for that purpose. The gentleman from Georgia cannot tell me they have not spent money in my district for that purpose because they have. Many other things have been done down here in these departments, silly things like this, and I for one am sick and tired

of it and will not put up with it any longer.

The SPEAKER. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. PHILLIPS. Will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from California.

Mr. PHILLIPS. I would like to have the gentleman from California say not only what he has said, but to give us some information in connection with this gasoline promise.

Mr. ELLIOTT. Mr. Speaker, here is what is behind the program. There is a new order in the Department of Agriculture. It is being used through the Department of the Interior too. Here is what they propose to do because the bill has been introduced in both the House and Senate.

The following is the proposed new order of the Secretary of the Interior:

1. To acquire, at prices satisfactory to him, such lands within or adjacent to the project as he deems appropriate for the protection, development, or improvement of the project and other purposes, and to prepare such lands for irrigation.

2. To sell or lease such lands "in farm units of such sizes as the Secretary determines would be adequate to provide a reasonable level of living."

(An individual can only own "one farm unit" and the aggregate owned by a family of individual owners, to which the several members of the family have legal or equitable title, cannot exceed 160 acres.)

3. To classify as "excess lands" all lands in excess of 160 acres now held by one owner, and all lands acquired under this bill in excess of the area of "one farm unit," and to appraise and reappraise the value of such lands. This classification and appraisal shall be made for each irrigation block before the Secretary announces that a water supply is available.

4. To deliver water to any lands under the project only if the owner agrees to dispose of "excess lands" at the value appraised by the Secretary. The landowner must give the Secretary the power of attorney to sell such lands, and must give the United States an option to buy them.

5. To prohibit the sale of such "excess lands" by a landowner for a price in excess of the value placed on such lands by the Secretary, by denying him the right to receive water on any of his lands.

That is a socialistic program. That is the truth of it. That is the answer. That is the proposed new order of the Department of Agriculture working in conjunction with the Secretary of the Interior. We are going to wake up here in the not so far distant future, Mr. Speaker, to find that we have been sold out under a socialistic program. Oh, no; your money is not being spent for that. Where is the money being spent? Why, in my State they can run up and down the roads in automobiles, use gasoline and tires that they don't have, penalizing the farmers for this, that, or something else, while at the same time they are trying to socialize agriculture.

The SPEAKER. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, I merely wanted to point out—I think the gentleman from California [Mr. ELLIOTT] has brought out the point sufficiently—and I want to emphasize these features: Very few things have so aroused the farm communities of California as this matter now before us. It is because of the great salaries paid to these people, the promise of gasoline when the farmers cannot get gasoline, the daily expense in addition to the salary. After the protest made by the gentleman from California [Mr. ELLIOTT] and myself upon the floor of the House, each of us received long letters from the Department of Agriculture trying to justify this and explaining what was being done. My answer was that this explanation was just as bad as the original offense because it shows that the Department of Agriculture, which should have kept out of this completely, is doing it for the Department of the Interior, something with which the farmers are wholly out of patience in the Department of the Interior. There is no justification for this snooping on the part of the Department of Agriculture.

The SPEAKER. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Subcommittee on Appropriations having to do with the Department of Agriculture appropriation bill.

Mr. TARVER. Mr. Speaker, the gentleman from California is complaining about something which is not involved in this item in the State, Commerce, and Justice appropriation bill. If I understand clearly he is complaining about some information collected under the auspices of the Secretary of the Interior and which had to do with some project with which he is concerned in California. If the type of information collected is that described by him, I am in hearty accord with his viewpoint that the expenditure of public funds for that type of statistics is unwarranted. But this item relates to the quinquennial farm census first authorized in 1935, taken in that year and which the law makes mandatory.

I read to you from title 13, United States Code, section 216:

There shall be in the year 1935 and once every 10 years thereafter a census of agriculture and livestock which shall show the acreage of farm land, the acreage of the principal crops, and the number and value of domestic animals on the farms and ranges of the country. The schedule employed in the census shall be prepared by the Director of the Census and such census shall be taken as of the 1st day of January and shall relate to the crop year.

The Director of the Census may appoint enumerators or special agents for the purpose of this census in accordance with the provisions of chapter 1 of this title.

The first quinquennial census was taken in 1935, 10 years ago. So the gentleman cannot be talking about some type of information collected in the quinquennial farm census of 1935. He is evidently talking about something collected in a survey instituted under the direction of the Secretary of the Interior at some time in the more recent past.

I am advised by the chairman of this subcommittee, and I am not a member of the subcommittee, that there was no opposition in the subcommittees to the item, either in the House or in the Senate. The Budget estimate was sent over in compliance with the law which makes the taking of this census mandatory. There was no evidence in the Senate hearings adverse to the item at all. On the contrary, a representative of a farm organization, the National Cotton Council, appeared before the committee and stressed the importance of this census to agriculture, and I read briefly from the testimony of Mr. Blake, who is executive vice president of the National Cotton Council. He stated in the Senate hearings:

The National Cotton Council represents all 6 branches of the raw-cotton industry in all 18 of the cotton-producing States from Virginia to California. When we learned that the appropriation item for the agricultural census had not been included in the bill we were quite disturbed.

Frankly, the cotton industry depends a great deal on the agricultural census, all branches of the industry rely very heavily on the information that is given in the operation of the industry. We feel that in the post-war period that we are going to need that information probably more than we have ever needed it before.

We have some pretty serious problems in cotton.

We are faced with competition of synthetics, we are going to have to have some readjustment of the cotton production end of our industry and it is certainly going to be most necessary that we have all the factual information possible in facing what is going to be ahead of us in the post-war period.

Mr. Speaker, we have abandoned some things which were of importance to agriculture. We have abandoned the Agricultural Yearbook, which a great many of us thought was a very important publication. We have effected more economies in the agricultural appropriation bill than have been effected in any other general supply bill providing for any of the departments of the Government. While this is not carried in the agricultural appropriation bill, I plead with you not to abandon this authorized and mandatory activity intended to benefit agriculture. The collection of these statistics along the lines outlined in the law, not along the lines indicated in the statement of the gentleman from California, is mandatory and is of great value to agriculture.

The SPEAKER. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. ELLIOTT. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from California.

Mr. ELLIOTT. May I say to the gentleman that this questionnaire here has at the top of the page "United States Department of Agriculture, Bureau of Agricultural Economics. Budget Bureau No. 40–4414. Approval expires 6–30–44."

Mr. TARVER. The gentleman has has given me information which shows that the Bureau of the Census had noth-

ing whatever to do with the circulation of the questionnaire to which he objects.

Mr. ELLIOTT. This is the Bureau of Agricultural Economics.

Mr. TARVER. This appropriation now under consideration is for the Bureau of the Census in the Commerce Department and is not for the Bureau of Agricultural Economics at all.

Mr. ELLIOTT. This is what they are spending the money for.

Mr. TARVER. The gentleman is trying to cut out an appropriation for the Bureau of the Census in the Department of Commerce because he is dissatisfied with something that the Bureau of Agricultural Economics in the Department of Agriculture did. The gentleman's argument does not touch the case top, side, or bottom. You are trying to cut out something in this bill that you should have offered to do, if it was justifiable at all, in connection with the agricultural appropriation bill.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from California.

Mr. PHILLIPS. Will the gentleman tell us out of which appropriation the Department of Agriculture is paying for the kind of a census that the gentleman from California spoke about, so that we can stop that money?

Mr. TARVER. If the Department of Agriculture is paying for the collection of that type of information, it ought to be stopped. If the gentleman from California or anybody else had come before our subcommittee on agricultural appropriations and showed that they were engaged in the collection of that type of information we would have stopped it. He waits until the bill for the operation of the Department of Agriculture has passed and then comes in and tries to strike out an item in the State, Justice, and Commerce bill that has no relation whatever to the type of information about which he complains.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. RABAUT. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. ROWE. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Ohio.

Mr. ROWE. I do not want to be left with the impression by the very learned gentleman that it depends on somebody to come before his committee to point out such erroneous things as that. Does not the Bureau of the Budget survey this thing?

Mr. TARVER. The Bureau of the Budget is charged with the duty of surveying, so far as it can, all of the operations of the departments of Government, but the distinguished gentleman cannot charge me or my subcommittee with something that happened, if at all, in the district of the gentleman from California, which was never called to my attention until this good day.

Mr. ROWE. I cannot charge the gentleman with it, that is true, but I can charge the Bureau of the Budget, if they are conscious of such a thing, with failure to advise the gentleman about it, he being on the Committee on Appropriations.

Mr. TARVER. Of course, I do not object to any charges the gentleman may wish to file against the Bureau of the Budget. I am not appearing here in their behalf, although I have no evidence that that Bureau has approved any improper procedure.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. The subject of this census was authorized in 1935, according to the Senate hearings on this appropriation bill. At the time that this census was authorized by basic law in 1935, there was no such agency as the War Food Administration, the O. P. A., the draft boards, the A. A. A., and other special agencies, each of which is getting information from the farmers constantly with duplicate forms and duplicate personnel, at tremendous cost of manpower and money, which this census originally was intended to cover.

I maintain that the amount of money that is proposed to be appropriated for this item is excessive, in addition to the fact that identical information is now gathered by the several agencies.

Another reason why this amendment should be turned down is that a few weeks ago we had a bill before the House providing for a raise in interest rates to farmers on first-mortgage loans—loans for 50 percent of the farms' value. Then $7,000,000 increase in interest rates was voted as an economy measure. Now would we turn around and reverse our action of a few weeks ago, and throw it all away on another useless questionnaire. Remember this census questionnaire will be an addition to the special agencies' questionnaires the farmers now get every day.

In view of the charges that have been made by our colleagues from California [Mr. ELLIOTT and Mr. PHILLIPS], it seems to me that the question of the propriety of this census is enough in doubt that this Congress today should postpone granting the appropriation on this conference report. There have been no hearings before this subcommittee in the House, and it is too much money to legislate on the floor of the House.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Ohio.

Mr. JENKINS. I take it, from what the gentleman says, that the Department is not so anxious about this census if they have had no public hearings.

Mr. JONES. They did not present any request to the House committee.

Mr. JENKINS. In other words, there is nothing urgent about it.

Mr. JONES. That is right. I think it can be done next year as well as now.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield to the gentleman from New York.

Mr. TABER. The statute requires it to be done in 1945 and not 1944, as has been stated.

Mr. JONES. And all of the appropriation bills next year will be before us prior to June 30, 1945.

Mr. TARVER. The statute requires this to be done as of January 1, 1945, and if you wait until next year it may be too late.

Mr. JONES. I answer the argument that the Congress will be in constant session between now and the first of the year, and the Deficiency Committee will be holding hearings on deficiencies. Some committee of the House ought to have a full hearing presented to it before this item is allowed.

Mr. MASON. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Illinois.

Mr. MASON. Has the gentleman any idea or suggestion as to why they want the money this year instead of next year, when the census is supposed to be taken?

Mr. JONES. I would have no idea, except work would probably start in October if this item is adopted today.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. It is common recollection that there have been two or three extra agricultural censuses since 1933, in the election years.

Mr. JONES. I thank the gentleman for his contribution.

Mr. RABAUT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Speaker, I think the gentleman from Ohio has stated the case pretty plainly here. We have a lot of agencies gathering such material. If there is any necessary agricultural information that is needed, I, for one, am not going to oppose the gathering of that information. But I do believe that the information-gathering group and the program for gathering that information, in view of all that has been gathered in recent months by other agencies, might be streamlined, and that this appropriation might be substantially reduced under the amount carried here of $7,250,000.

Therefore, Mr. Speaker, I am going to vote to send this item back to conference again in the hope that we may agree on a lesser amount.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Michigan.

Mr. SHAFER. And at the same time it might aid Bill McNutt in solving his manpower problem.

Mr. RABAUT. Mr. Speaker, the amount of $650,000 was approved in the first deficiency bill for the preliminary work for this very census that is here proposed. This matter was not ready in the Bureau of the Budget when the House had its hearings, and so the matter was presented for the first time to the Senate.

In this House the other day we had much talk about the surplus number of chickens and eggs in this country. Let us be serious about this. This census

deals with the number of animals on farms.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. No; I will not yield for any remarks.

Mr. HOFFMAN. The gentleman mentioned the egg business.

The SPEAKER. The gentleman declines to yield.

Mr. RABAUT. We had too many omelets the other day.

This concerns, among other things, the census of livestock. I, for one, with the situation as it is in this Nation, and with all the talk that has taken place on this floor within this week, am thoroughly convinced that we should set every other consideration aside and see to it that this census is taken and thereby get the straight story back to the people in the farm districts in this country in order that they, knowing the inventories on the farms, may plan properly.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SNYDER] such time as he may desire.

CONFERENCE REPORT ON WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a conference report and statement on the War Department civil functions appropriation bill for 1945.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

STATE, JUSTICE, COMMERCE APPROPRIATION BILL, 1945—CONFERENCE REPORT

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein certain reports and requests for information.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, for the last 8 years I have sat here and watched those on the majority side pass legislation and make appropriations which in the end resulted and will result in the defeat of members of the Democratic Party who failed or will fail to follow the New Deal, the C. I. O., or the Communist Political Association.

We are all familiar with the present situation where the C. I. O. Committee for Political Action is expending such part of $2,000,000 as it deems necessary for the defeat of Members of Congress, who have refused to act as its stooges and that, regardless of whether they sit on the right or the left side of the aisle. I am not raising this issue now as between Republicans and Democrats, because we are all marked for defeat if we voted for the things or any of the measures the three groups opposed. We have all been marked for defeat, and already much of the money has been used to defeat candidates at Democratic primaries and one Republican has fallen by the wayside.

Some time ago I called attention to the fact that the next Congress will be controlled either by Republicans from the North or by representatives of the C. I. O. and the Communists and the New Dealers. Do not make any mistake about it. The remaking of America is proceeding apace. Once this new outfit of Sidney Hillman is in control, it will take years to restore constitutional government, and it may require drastic action. As long ago as 1934, when the administration was giving out jobs, this political propaganda was going on. I hold in my hand a blank which was issued to those who then sought W. P. A. jobs, who were out of employment in the county of Kalamazoo, Mich., which is not in my district. Listen to these questions. I go back this far only to show you that this drive to establish a political dictatorship is nothing new. At that time those who wanted a job, a job paid for and furnished by the Federal Government, were asked these questions:

Did you vote in the election of November 1934?

Have you contributed to any Democratic organization in Kalamazoo County?

To whom?

How much since August 1, 1932?

Are you now occupying the position for which you seek the endorsement of the Kalamazoo County Democratic Committee?

Then it was a question between Republicans and Democrats, but that has all been washed out and the issue today in the next election is going to be, Are people to be represented by members of the old parties, Republicans or Democrats, or are they to be represented by members of Sidney Hillman's party, members selected and endorsed and elected by Sidney Hillman and his organization, and by Earl Browder and Harry Bridges? We might just as well face that issue. And here comes another appropriation in which the Democratic Party—now, think of it, your party organization; I admit you no longer have control of it, but you are still Democrats here—is going to vote for an appropriation for an agency which has been engaged for years in political activity to establish procedures, using methods for purposes to which you as Democrats do not subscribe. This money that we vote here today will be used not only to defeat Republicans but it will be used to defeat Democrats who are up for renomination, who will be up for election, who assert their independence, who wish to represent their people rather than the three groups I have named. Do not forget it.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Georgia.

Mr. TARVER. Has the gentleman ever heard, even on his side of the House, that the Bureau of the Census has been engaged in political activities?

Mr. HOFFMAN. Not the Bureau of the Census.

Mr. TARVER. This is for the Bureau of the Census.

Mr. HOFFMAN. I know, but these agencies are all interlocking and directly or indirectly they use the same methods, work toward the same end; each supplements the other.

The gentleman spoke about the eggs. He wants to get this census to learn something about farms and farmers. I can tell him something about the eggs. They are seling for $30 a carload—think of it, $30 a carload—and they used to sell here last winter in Washington for from 65 to 70 cents a dozen. Now they are sold at $30 a carload and are ground up for hog feed and poultry feed. These agricultural agents—and I know what I am talking about—go around the country in the interest of candidates, spreading political propaganda for New Deal policies.

It is the doctrine of totalitarianism that they are preaching, that they are spreading. It is regimentation toward which they drive. It is the destruction of the individual businessman, farmer, industrialist; the destruction of freedom and independence; the establishment of the state as supreme, for which they strive.

Their methods are wasteful, their policies are fallacious, and we aid in the accomplishment of their purpose when we continue to vote them money and power. We talk against their actions. We condemn their methods. We point out the ruinous goal toward which they are making progress. But when the time comes to, by our votes, put an end to their destructive actions, we lack either the courage or the inclination to stand up and be counted against them.

This egg situation is typical of their methods, of the results which they reach. They told the farmers to produce eggs. They pointed out the necessity for eggs. They raised the price of feed which was essential for egg production. The price of eggs skyrocketed. Then the farmers and individuals throughout the land, listening to their advice, yielding to their solicitation, went into the poultry business, and today the country has more eggs than the whole world can use and, at $30 a carload, they are being ground into feed for hogs and poultry—an example of their revolving fund theory; produce more eggs to be ground into feed to be fed to hens to produce still more eggs.

It is time—yes, long past time—when we vote as we talk. Cut off the fuel, that is, the money, which keeps these would-be remakers of America in business.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. RABAUT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. RABAUT), there were—ayes 63, noes 113.

Mr. RABAUT. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 139, nays 175, not voting 114, as follows:

[Roll No. 80]

YEAS—139

Allen, La.	Grant, Ala.	Outland
Andrews, Ala.	Gregory	Pace
Barden	Hagen	Patman
Bates, Ky.	Harris, Ark.	Patton
Beckworth	Harris, Va.	Poage
Bell	Hendricks	Price
Bland	Hobbs	Rabaut
Bloom	Hoch	Ramspeck
Bonner	Holifield	Randolph
Boykin	Izac	Rankin
Bradley, Pa.	Jackson	Richards
Brown, Ga.	Jarman	Robertson
Bryson	Johnson,	Robinson, Utah
Bulwinkle	Luther A.	Russell
Burch, Va.	Johnson,	Sabath
Byrne	Lyndon B.	Sadowski
Camp	Johnson, Okla.	Sasscer
Cannon, Mo.	Kee	Satterfield
Clark	Kefauver	Sheppard
Cochran	Kelley	Slaughter
Coffee	Kerr	Smith, Va.
Colmer	Kilday	Snyder
Cooley	Kirwin	Somers, N. Y.
Cooper	Kleberg	Spence
Courtney	Lane	Sullivan
Cravens	Lanham	Sumners, Tex.
Crosser	Lesinski	Tarver
Curley	Ludlow	Thomas, Tex.
D'Alesandro	McCormack	Thomason
Davis	McGehee	Tolan
Dawson	McKenzie	Torrens
Dingell	McMillan	Vincent, Ky.
Disney	Madden	Vinson, Ga.
Doughton	Mahon	Voorhis, Calif.
Drewry	Maloney	Ward
Durham	Manasco	Wasielewski
Eberharter	Mansfield,	Weaver
Fay	Mont.	Weiss
Feighan	Mansfield, Tex.	Wene
Fisher	Merritt	West
Flannagan	Mills	Whittington
Fogarty	Monroney	Wickersham
Folger	Morrison, La.	Woodrum, Va.
Forand	Murdock	Worley
Gordon	Murphy	Wright
Gore	Murray, Tenn.	Zimmerman
Gorski	O'Brien, Ill.	
Gossett	O'Toole	

NAYS—175

Allen, Ill.	Compton	Hill
Andersen,	Crawford	Hinshaw
H. Carl	Cunningham	Hoeven
Anderson, Calif.	Curtis	Hoffman
Andresen,	Day	Holmes, Mass.
August H.	Dondero	Holmes, Wash.
Andrews, N. Y.	Dworshak	Hope
Angell	Elliott	Horan
Arends	Ellison, Md.	Howell
Arnold	Ellsworth	Hull
Auchincloss	Elmer	Jeffrey
Baldwin, N. Y.	Elston, Ohio	Jenkins
Barrett	Engel, Mich.	Jennings
Beall	Engle, Calif.	Jensen
Bender	Fish	Johnson,
Bennett, Mo.	Gale	Anton J.
Bishop	Gamble	Johnson,
Blackney	Gathings	Calvin D.
Bolton	Gavin	Johnson, Ind.
Bradley, Mich.	Gearhart	Jones
Brehm	Gerlach	Jonkman
Brown, Ohio	Gifford	Kean
Brumbaugh	Gillespie	Kearney
Buffett	Gillette	Keefe
Busbey	Gillie	Kilburn
Butler	Goodwin	Kinzer
Canfield	Graham	Knutson
Carlson, Kans.	Gross	Kunkel
Carrier	Gwynne	LaFollette
Carson, Ohio	Hale	Lambertson
Carter	Hall,	Lea
Case	Edwin Arthur	LeCompte
Chenoweth	Hall,	LeFevre
Chiperfield	Leonard W.	McConnell
Church	Hancock	McCowen
Clevenger	Harness, Ind.	McGregor
Cole, Mo.	Hartley	McLean
Cole, N. Y.	Herter	McWilliams
Maas	Pratt,	Stefan
Martin, Mass.	Joseph M.	Stevenson
Mason	Ramey	Stockman
Michener	Reece, Tenn.	Sumner, Ill.
Miller, Conn.	Reed, Ill.	Sundstrom
Miller, Nebr.	Reed, N. Y.	Taber
Miller, Pa.	Rees, Kans.	Talbot
Monkiewicz	Rizley	Talle
Mott	Robsion, Ky.	Thomas, N. J.
Mruk	Rockwell	Tibbott
Mundt	Rogers, Mass.	Towe
Murray, Wis.	Rohrbough	Troutman
Norman	Rolph	Vorys, Ohio
Norrell	Rowe	Vursell
O'Brien, N. Y.	Sauthoff	Wigglsworth
O'Hara	Schiffler	Wiley
O'Konski	Schwabe	Wilson
Phillips	Scrivner	Winter
Pittenger	Shafer	Wolcott
Ploeser	Simpson, Ill.	Wolfenden, Pa.
Poulson	Smith, Maine	Wolverton, N. J.
Powers	Smith, Ohio	
Pracht,	Smith, Wis.	
C. Frederick	Springer	

NOT VOTING—114

Abernethy	Gibson	Newsome
Anderson,	Gilchrist	Norton
N. Mex.	Granger	O'Brien, Mich.
Baldwin, Md.	Grant, Ind.	O'Connor
Barry	Green	O'Neal
Bates, Mass.	Griffiths	Peterson, Fla.
Bennett, Mich.	Halleck	Peterson, Ga.
Boren	Hare	Pfeifer
Brooks	Harless, Ariz.	Philbin
Buckley	Hart	Plumley
Burchill, N. Y.	Hays	Priest
Burdick	Hébert	Rivers
Burgin	Heffernan	Rodgers, Pa.
Cannon, Fla.	Heidinger	Rowan
Capozzoli	Hess	Scanlon
Celler	Johnson,	Scott
Chapman	J. Leroy	Sheridan
Clason	Johnson, Ward	Short
Costello	Judd	Sikes
Cox	Kennedy	Simpson, Pa.
Delaney	Keogh	Smith, W. Va.
Dewey	King	Sparkman
Dickstein	Klein	Stanley
Dies	Landis	Starnes, Ala.
Dilweg	Larcade	Stearns, N. H.
Dirksen	Lemke	Stewart
Douglas	Lewis	Stigler
Eaton	Luce	Taylor
Ellis	Lynch	Treadway
Fellows	McCord	Wadsworth
Fenton	McMurray	Walter
Fernandez	Magnuson	Weichel, Ohio
Fitzpatrick	Marcantonio	Welch
Ford	Martin, Iowa	Whelchel, Ga.
Fulbright	May	White
Fuller	Merrow	Whitten
Fulmer	Miller, Mo.	Winstead
Furlong	Morrison, N. C.	Woodruff, Mich.
Gallagher	Myers	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Heffernan for, with Mr. Grant of Indiana against.

Mr. McCord for, with Mr. Judd against.

Mr. Keogh for, with Mr. Halleck against.

Mr. King for, with Mr. Short against.

Mr. Peterson of Georgia for, with Mr. Landis against.

Mr. Chapman for, with Mr. Hess against.

Mr. Kennedy for, with Mr. Weichel of Ohio against.

Mr. Magnuson for, with Mr. Miller of Missouri against.

Mr. Klein for, with Mr. Simpson of Pennsylvania against.

Mr. Rowan for, with Mr. Martin of Iowa against.

Mr. Burchill of New York for, with Mr. Scott against.

Mr. Hart for, with Mr. Fuller against.

Mr. Capozzoli for, with Mr. Taylor against.

Mr. Hays for, with Mr. Gallagher against.

Mr. Pfeifer for, with Mr. J. Leroy Johnson against.

Mr. McMurray for, with Mr. Treadway against.

Mr. Barry for, with Mr. Fenton against.

Mr. Costello for, with Mrs. Luce against.

Mr. Fitzpatrick for, with Mr. Dirksen against.

Mrs. Norton for, with Miss Stanley against.

Mr. Delaney for, with Mr. Rodgers of Pennsylvania against.

Mr. Marcantonio for, with Mr. Clason against.

Mr. Buckley for, with Mr. Eaton against.

Mr. Larcade for, with Mr. Ward Johnson against.

Mr. Dickstein for, with Mr. Lewis against.

General pairs:

Mr. Burgin with Mr. Woodruff of Michigan.

Mr. Whitten with Mr. Gilchrist.

Mr. Baldwin of Maryland, with Mr. Plumley.

Mr. Cox with Mr. Fellows.

Mr. Fulbright with Mr. Douglas.

Mr. Dilweg with Mr. Merrow.

Mr. Walter with Mr. Dewey.

Mr. O'Neal with Mr. Bennett of Michigan.

Mr. Whelchel of Georgia with Mr. Welch.

Mr. May with Mr. Lemke.

Mr. Sikes with Mr. Ellis.

Mr. Scanlon with Mr. Heindinger.

Mr. Brooks with Mr. Burdick.

Mr. Hébert with Mr. Wadsworth.

Mr. Priest with Mr. Stearns of New Hampshire.

The result of the vote was announced as above recorded.

The doors were opened.

Mr. RABAUT. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate No. 10.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 12: On page 60, line 21, strike out "$3,765,000" and insert in lieu thereof "$4,715,000."

Mr. STEFAN. Mr. Speaker, may I ask the gentleman if we cannot consider both amendments at the same time, in view of the fact they are both tied up together?

Mr. RABAUT. Yes; that may be done. I ask unanimous consent that Senate amendments 12 and 13 may be considered together.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

Mr. KEFAUVER. Mr. Speaker, reserving the right to object, I do not know about amendment 12. I am interested in amendment 13, and I should not like to have them combined. I do not know what amendment 12 involves.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

The Clerk read as follows:

Senate amendment No. 13: Page 61, line 1, after the word "fund," insert a colon and the following: *"Provided further,* That not to exceed $950,000 of this amount shall be available for the establishment of landing areas."

Mr. RABAUT. Mr. Speaker, I move that the House further insist on its disagreement to amendments 12 and 13.

Mr. KEFAUVER. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. KEFAUVER moves that the House recede from its disagreement to Senate amendments Nos. 12 and 13 and concur in the same.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein copy of a letter from the President in connection with landing areas.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. STEFAN]?

There was no objection.

C. A. A. AIRPORT PROGRAM

Mr. STEFAN. Mr. Speaker, there is only one item in disagreement in H. R. 4204 which we bring before you today regarding airports. This refers to the Senate amendment which provides for an expenditure of $950,000 for the establishment of landing areas at Chattanooga, Tenn., and Frederick, Md.

Many Members have made inquiries as to what provisions have been made in this bill regarding the construction of airports. There is no new airport development program in this particular bill but for the information of the House, I will give a brief review of what the C. A. A. is doing in the way of airport construction.

We have two programs: one, the national defense airport program for which funds in the amount of $399,333,050 have been appropriated during the years 1941 to 1943, inclusive. This program requires that the projects be certified as essential to the prosecution of the war by the Airport Approval Board, composed of the Secretaries of War, Navy, and Commerce. Under this program development has been undertaken at approximately 550 airport locations. This is the program concerning which the President recently directed a letter to the Airport Approval Board requesting that any projects under the program not yet started or upon which no substantial amount of construction has been completed be deferred unless essential to the prosecution of the war. It is my understanding that the Civil Aeronautics Administration officials have gone into the field in order to make the survey as requested by the President. In order that Members of the House who have projects of this nature in their district may be familiar with the contents of the President's letter, I include in my remarks a copy of same:

THE WHITE HOUSE,
Washington, March 9, 1944.

MY DEAR MR. SECRETARY: I am today transmitting to the Congress the 1945 Budget for the appropriation Development of Landing Areas for National Defense, Office of Administrator of Civil Aeronautics, Department of Commerce, in the form of a proposed provision extending the availability of the unexpended balances of that appropriation to June 30, 1945.

At this stage of the war, I must remind you of my announced policy of deferring all Federal public works and improvement projects that are not directly related to the war effort. While I recognize the desirability of extending the availability of these funds to permit the alteration, repair, or extension of a limited number of public airports to provide for the fullest utilization of sites and to meet changing requirements resulting from the transfer of activities between sites, the construction of new and additional airports under this appropriation must be restricted to sites necessary to the prosecution of the war.

You are requested to undertake immediately through the Airport Approval Board a survey of the projects in this program on which construction has not been started or on which no substantial amount of construction is underway, with a view to deferring the construction of any project which is not urgently required for the prosecution of the war. Additional facilities shall not be authorized until it is determined that the need for the facility cannot be met by using an existing site.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

The Honorable the SECRETARY OF COMMERCE.

The second airport program in which the C. A. A. is now engaged is the civil landing areas program which was based upon the completion of certain airport projects left uncompleted at the termination of the Work Projects Administration. Certain projects in addition to the uncompleted W. P. A. projects were added by the Senate. There were 31 projects provided for under this appropriation, but a duplication was made in the cases of Cumberland and Sheridan, both of which were included under the defense airport program. It is my understanding that Cumberland has already been completed and the Senate has requested in the report before you to transfer the money made available for Cumberland for the completion of landing areas at Frederick, Md.

Under this program—the civil landing areas program—it was not necessary to obtain certification by the Airport Approval Board, but it was required by the act that approval be obtained from the Chairman of the War Manpower Commission and the Chairman of the War Production Board as to the availability of manpower and materials before the projects can proceed.

I am informed by the Director of Airports of the C. A. A. that as yet they have been unable to obtain the approval of the War Production Board on any of these projects. I am also informed that the War Production Board has definitely denied approval of the Battle Mountain project on the basis that utilization of manpower and materials would not be in accord with the present policy of the War Production Board pertaining to the war effort.

For the information of the House, I include a list of the projects under the development of civil landing areas program and the amounts appropriated:

Department of Commerce, Civil Aeronautics Administration, Airports Service

1. Merced, Calif	$250,000
2. Pueblo, Colo	70,000
3. Danbury, Conn	160,000
4. Idaho Falls, Idaho	358,000
5. Bloomington, Ind	100,000
6. Des Moines, Iowa	800,000
7. Iowa City, Iowa	322,500
8. Pittsburg, Kans	245,000
9. Dexter, Maine	100,000
10. Menominee, Mich	130,918
11. Eveleth, Minn	504,000
12. Hibbing, Minn	240,000
13. International Falls, Minn	$325,000
14. Beatrice, Nebr	416,000
15. Fremont, Nebr	225,000
16. Raton, N. Mex	235,000
17. Burlington, N. C	475,000
18. Rockingham, N. C	75,000
19. Valley City, N. Dak	250,000
20. Henderson, Tex	200,000
21. Clarksburg, W. Va	150,000
22. Eau Claire, Wis	500,000
23. Oshkosh, Wis	325,500
24. Siren, Wis	300,000
ADDED BY SENATE	
25. Winder, Ga	565,000
26. Opelousas, La	885,972
27. Cumberland, Md	150,000
28. Boston, Mass	500,000
29. Battle Mountain, Nev	450,000
30. Holdenville, Okla	350,000
31. Sheridan, Wyo	250,000

FUTURE AVIATION

Mr. Speaker, there is a tremendous amount of interest in aviation and airport construction presently and also for the post-war period. Many people are interested regarding the immediate and future prospects for aviation. The Civil Aeronautics Administration predicts that within 4 years after the end of hostilities we shall have 300,000 civilian planes in active service which compares with 25,000 licensed civilian aircraft just before Pearl Harbor. We have in this country about 3,000 civilian airports, most of them in the smaller categories. I am informed by experts that slightly more than 900 will handle heavy air transport operations and it is predicted that in the early post-war years we will have need of 6,000 airports, or double the present number, and most of them will be in the smaller categories.

Director Stanton in arriving at the approximate figure of 6,000 airports states that there are in this country 6,670 communities containing 1,000 or more people. Every such community, according to Mr. Stanton, will wish to make itself accessible by air. Some of them are so placed that they can profitably make joint use of a single airport. On the other hand, our larger cities will require two or more airports. Making such allowances, this expert believes that a total of 6,000 airports is a reasonable target to shoot at in the immediate post-war years. It is for that reason, Mr. Speaker, that I urge constant interest in the airport and aviation program which we have undertaken.

CIVILIAN PILOT TRAINING

Many Members have inquired about the future of civilian pilot training, some of them believing that there may be some appropriations being made in this bill to continue this program. In order to explain to these members, it should be made clear that there are no funds in this bill for civilian pilot training. There is a small item in the bill of $130,000 which is to be used in order to help the schools of the country to inaugurate ground courses in both the grades and high schools. The money mentioned, however, is for advisory activities only. The schools will have to pay the full expenses of these courses and the amount provided in this bill is merely to furnish funds to the Administrator of the Civil

Aeronautics Administration with which to advise the school authorities on this school aviation program. In other words, this is a program to be carried on at the expense of the various schools and the Civil Aeronautics Administrator and his assistants will act in an advisory capacity only.

So far as civil pilot training is concerned that program ends with the end of this fiscal year, June 30, 1944. It may be that it will take 3 or 4 months to entirely liquidate the program, but after that there will be no more civil pilot training program and what training is continued will be under the direct supervision of the Army and Navy.

The Civilian Pilot Training Act will also expire on June 30 unless Congress renews the act. The Senate has passed such legislation and the Senate bill is now in the House committee where no hearings have been held. Three House bills to extend the act have also been introduced but these, too, are held in the House committee without action. Why no action has been taken on this legislation has not been explained. So far as I am personally concerned, I would recommend favorable passage of this legislation. I feel that the act should be extended in order that civilian aviation can have something to say as to what is going to be done in aviation in our country during the post-war period. I believe the extension of the act will make possible civilian aviation training in connection with the training of other vocations when millions of our men come back to us from the war. I have talked many times and at great length on what has already been accomplished by our civilian pilot training program. We started this program in 1938 with an experimental class. The entire cost up to this time has been around $100,000,000. Over 300,000 people took this flight-training instruction. When the war broke out this program had a reservoir of close to 100,000 potential fliers to offer to the Army and Navy. At that time, at least 75,000 of these students had at least a pilot's certificate with at least 35 hours' flying time and about 200 hours of ground instruction. It is estimated that the Army and Navy took 40 to 50 percent of these C. P. T. pilots into their Air Corps and most of the others went into the service in some capacity or other.

AVIATION INSURANCE

The C. P. T. program set safety records which amazed even hard-boiled insurance underwriters. They voluntarily made six successive reductions in rates. Before C. P. T. was started, a $3,000 life insurance policy cost $35. They recognized the safety possibilities of a controlled flight instruction program at the start, by setting an initial rate of $20 for C. P. T. students. As the program rolled up even more impressive safety records, they cut the rates again and again, until the premium was down to $4.90, covering not only $3,000 life insurance, but also $1,000 hospitalization and accident insurance. In other words, rates were cut to less than one-fourth the original cost.

The safety record itself shows an even more remarkable improvement than the reduction in insurance rates would indicate. For the fiscal year 1942, C. P. T. students in some 51,000 courses flew approximately 10,000,000 miles per fatal accident. This record was at least eight times better than the record for private flying as a whole for 1939 and 1940.

Mr. Speaker, I have taken this time to discuss the Civilian Pilot Training program in order to give the House some information as to what this program has accomplished and its contribution to the war effort. Some time ago I had printed in the CONGRESSIONAL RECORD a list of many hundred names of graduates of the C. P. T. who have been decorated for their services in this war. The list of these C. P. T. graduates is growing daily, indicating that the appropriations for this program were most wise and timely. I do feel, Mr. Speaker, in view of the great success of the program during peace, the act should be extended in order that civilian aviation shall not be lost to the civilian population of our land.

Mr. KEFAUVER. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. I would like to call the attention of the gentleman to a table in the Appendix of the RECORD, page A2808, which shows the military use of the airport at Chattanooga.

Mr. STEFAN. We had no such information before our committee.

The SPEAKER. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland [Mr. BEALL].

Mr. BEALL. Mr. Speaker, originally the money was intended for an airport in western Maryland to be constructed at Cumberland but they did not understand on the other side that that money had been appropriated for Cumberland. It was meant to be put in for Frederick. A mistake was made and the bill was passed.

This does not involve new money. The money has been appropriated by the House, $150,000, for Cumberland, but that was intended for Frederick, as a matter of fact. It was an error. The C. A. A. has approved an airport for Frederick.

Mr. Speaker, Frederick did have an airport up to 2 years ago. When the Army went up there it took the land which it is now using for a camp, so the airport was destroyed. Now we are just asking that it be put back. This $150,000 is not nearly the amount of money the people of Maryland and the County of Frederick have spent for this airport.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. BEALL. I yield to the gentleman.

Mr. BRADLEY of Michigan. With respect to the airport at Cumberland I want to say I have been forced down there several times. A good sum of money spent on the Cumberland airport is money well spent. It is a vitally located airport for private flying and other flying over the mountains because it is centrally situated. When you take off of that very small field you have a severe down draft coming in from some of the hills surrounding the airport; therefore any money spent on Cumberland is spent for the safety of private flying as well.

With regard to Frederick, Md., while I have never had the pleasure of landing on that field, nevertheless I have looked it over several times and I wholeheartedly agree with the gentleman from Maryland [Mr. BEALL] that a wide-awake city like Frederick is entitled to have the airport put in A1 condition with at least two hard-surfaced runways because of the fact that air traffic is naturally handicapped in the early spring, in the late fall, and frequently during the winter by soft or thawed-out ground, making private flying dangerous in the extreme, and it is private flying that we have to look to in the post-war world to maintain airports such as the one at Frederick, Md.

Mr. BEALL. I am glad the gentleman mentions that. It is equally important that we have an airport at Frederick, on account of it being so close to the Nation's Capital. This airport would have been there except that the Army needed the particular location for a proving ground that they have up there and we are only asking that we be given something to replace what the Army has already taken.

The SPEAKER. The time of the gentleman has expired.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, I hope the Members will give me their usual good attention because I think I have a just case and I am very anxious to present it to them. I feel when the Members understand the facts they will agree that the Senate amendments should be concurred in. This is a matter of much importance to the people of my district.

Mr. Speaker, I wish to refer the Members to the Appendix of the RECORD at page A2808. In the Appendix at this point I made a full statement of facts as the limited time will not permit me to do so today. You will see that during the past year and a half an average of almost 5,000 Army and Navy planes have used the Chattanooga airfield each month. That is an average of more than 250 a day. For instance, in May of this year 7,774 Army and Navy planes, according to the C. A. A. record, used the Chattanooga Airport.

Mr. Speaker, the Chattanooga Airport was located some 14 years ago. At that time it was entirely adequate, but, unfortunately, it is not adequate for aviation during these advanced times and will not be in the future. The difficulty is that just west of the airfield is Missionary Ridge, which is a historic landmark with which many of you are familiar. Also west of the field is a sizable creek. The present runways are only about 4,000 feet long. In order for them to be 5,500 feet long, which is a minimum length recommended by C. A. A., the creek would have to be diverted. The large Army bombers

which have used this airfield have literally destroyed the runways. They are rapidly becoming unsafe and unusable.

That fact is recognized by the C. A. A. Their engineers have made a full investigation and report to that effect. It is shown in the Senate hearings. I have letters from the airport engineer of C. A. A. in the Atlanta district in which he says that the airport will have to be rebuilt. In order to rebuild the present field and to divert this creek so that you can have runways of sufficient length, the cost, according to the C. A. A. airport engineer, would be $1,615,000. Then, after you do that, you still will not have a suitable airport, because you will not have the proper glide angles for landings or take-offs on account of the ridge and also a nearby hill. Further, this land is low and is subject to occasional floods. As a matter of fact, about 5 months ago, a large Army bomber, trying to land on Lovell Field, crashed into a house on Missionary Ridge and its valuable crew of three officers was killed. This is a loss that cannot be compensated. But we should prevent it from occurring again.

The city of Chattanooga, anticipating the needs of the future, has another site which is on higher ground, which does not have obstructions. At this new site glide angles of 40 to 1 can be secured. Instead of the Government restoring these runways it would be wise and of more value to the city and to the Nation to build runways at the new location. Instead of spending money at the old airport where it would not be of any great value in the future, what we want done, and what the C. A. A. wants done, is to spend a lesser amount and build runways on this new site. The amount, according to the C. A. A., required to build the strips on the new site would be $1,185,000, as against $1,615,000 to put this old field in shape, and still then it would not meet the needs of the future.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Tennessee.

Mr. JENNINGS. As I understand it, then, Chattanooga had an airport there.

Mr. KEFAUVER. That is right.

Mr. JENNINGS. And these heavy four-engine bombers came in, both the Army and the Navy, and destroyed it, so that it can no longer be used. It has been condemned as unsafe.

The proposition is this: Chattanooga furnishes the site for the new air field, furnishes the buildings, and that field can be constructed, and it will be entirely feasible to do it, as a replacement of a field that has been destroyed by the Government.

Mr. KEFAUVER. I thank the gentleman. The gentleman has stated the case forcefully and succinctly. I appreciate his observation and his valuable assistance. The city will build the roads and the buildings and furnish the site.

Some people might ask: Why has it not been certified by the Army and Navy? I will tell you the reason. There are about eight branches of the Army that have been landing some planes there, some came from the Smyrna training base, some from Maxwell Field in Montgomery, and some fields in Georgia as well as some from the air transport services. They all use the field to some extent but no one particular service uses it enough to get a particular service to certify to its military necessity. I should also point out that an adequate field is needed at Chattanooga to serve the needs of Fort Oglethorpe, which is located 6 miles to the south.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. RABAUT. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Alabama.

Mr. HOBBS. Will the gentleman not make it clear also that this site is needed for continued Army operations, and that the old site is in a dangerous location because of the ridges nearby.

Mr. KEFAUVER. I thank the gentleman. As a matter of fact, the cost of the bomber that was lost there about 5 months ago trying to land on this field would pay half of the cost of constructing these new strips. If you notice the chart, it shows that the number of planes landing there is increasing each month. I have taken these figures at random throughout the time, but up to May 28, 1944, 7,774, or 95 percent of the business on that field was Army or Navy transportation.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield.

Mr. KEFAUVER. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. If this condition exists as you picture it, why does not the Army or the Navy fix it up?

Mr. KEFAUVER. I will say to the gentleman that they recognize some responsibility in the matter, but we do not want good money put in in a place where it will not do us much good in the future.

Mr. MARTIN of Massachusetts. Do they not have plenty of money to fix it up the way you want it, if they so desire?

Mr. KEFAUVER. Seven or eight Army services are using this field. None of them use it enough to justify a particular branch assuming the responsibility, but the composite use makes it one of the busiest air fields in the country, as you can see from the figures.

Mr. HOBBS. On the proposed new site, will the runways you propose to construct be 5,500 feet long?

Mr. KEFAUVER. They can be 5,500 feet and, if necessary, they can be 7,000 feet. There is ample room for that. It is high ground and lots of room to expand.

I thank the gentleman for bringing out this point.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. In connection with the gentleman's argument—and I intend to support his project—I would like to remark that the gentleman from Nebraska [Mr. STEFAN] supported the construction of airports last year which were not approved by the Army or the Navy, which were originally W. P. A. projects. A good many of us supported them, and I am rather surprised that the gentleman is now opposing this particular project in Tennessee.

Mr. KEFAUVER. The gentleman from Nebraska [Mr. STEFAN] has been very kind. The whole committee has given me every consideration. They have done everything I have asked except agree to the Senate amendment. In this connection I hope they may yet see the error of their way.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Washington.

Mr. JACKSON. As I understand the gentleman's position, he is really asking for replacement for the damage actually done.

Mr. KEFAUVER. That is right. We are entitled to this relief.

Mr. JACKSON. And the city is going to furnish all the additional facilities.

Mr. KEFAUVER. Yes. As a matter of fact, it will cost more to restore the old field than to build the strips on the new one. Of course the community would be benefited but that also is in the public interest.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, although I recognize the fact that the subcommittee is not only an able but a most conscientious subcommittee, I feel that it erred on the side of conservatism in this instance.

No one challenges the fact that an airport in Chattanooga is essential, both for civilian and military operation. The present airfield has so deteriorated under heavy traffic, 98 percent of which has been military traffic, that it is no longer safe to use. The Civil Aeronautics Authority has certified that a new field can be constructed and new runways constructed cheaper than the old field can be repaired. Why should we continue to spend money on the old field rather than construct a new one?

The Senate, in inserting this provision, was on sound and sensible ground, and I think the House should go along with it. As the gentleman so well stated, the bomber that was recently destroyed because of the unsafe condition would go a long way toward constructing new runways.

The gentleman in making his estimate failed to count the insurance that was paid out on the lives of the three military men lost there, not counting the loss which was sustained in the military personnel. There is no sound reason for not keeping this item in the bill. I would greatly regret to see the House fail to do so.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield to the gentleman from Tennessee.

Mr. GORE. What was the cost of that bomber that was lost there when these men were killed?

Mr. REECE of Tennessee. Half of what it would cost to build these run-

ways, not counting the insurance that had to be paid out on the lives of the military men.

Mr. RABAUT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Speaker, the gentleman from Tennessee [Mr. REECE] said there was no sound reason for keeping this item out of the bill. I want to say that the House committee could find no sound reason for putting it into the bill. We were never even asked to put it in. It was put in at the request of one Senator.

The Bureau of the Budget has never considered this, as far as the House committee knows. It is not approved by the War Department or anyone representing them.

There are hundreds of other airports throughout the United States that stand on an equal footing with this. I do not believe this House wants to pick out one airport in one city and say "We will give you $800,000 and all the rest must wait." I think we must have a sane, sensible, well thought-out program. It must come through in a logical way, and be submitted to the Bureau of the Budget. Let those who are interested in this airport testify before the committee, not have it put in by one man in the Senate, and then expect this House to take the program hook, line, and sinker. I know of no good reason why this airport should remain in this bill.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Tennessee.

Mr. GORE. Does the gentleman discount the very able argument, substantiated with facts, presented by the gentleman from Tennessee [Mr. KEFAUVER]?

Mr. CARTER. I am not discounting the statement made, and I am not discounting the able gentleman from Tennessee. I do not blame him for getting up here and fighting for an airport. If he can get one in his city, and if we vote to give it to him, of course, he is going to accept it.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. May I ask the distinguished gentleman from California if he knows of any other airport among all the number he says he would like to have constructed where 98 percent of the use is by the Army at this time, and they are going to continue it?

Mr. CARTER. I can tell the gentleman of airports that are used 100 percent by the Army. There are a multitude of them throughout the country. I am for the improvement of airports and I have voted for funds year after year for their improvement, but I cannot go for this.

The SPEAKER. The time of the gentleman from California has expired.

Mr. RABAUT. Mr. Speaker, I want to read one short sentence from the hearings. These are the Senate hearings. On this particular item Mr. Stanton, of the Civil Aeronautics Authority, speaking of this airport, said:

Well, I think it was turned down because neither the Army nor the Navy was willing to agree that it would be useful in the war effort.

That is in here cold, right here. There is not one word of testimony for the airport, nothing was presented to the Budget, and the Army and the Navy did not approve it.

May I say to the distinguished gentleman from Tennessee [Mr. KEFAUVER] that there perhaps is not a more popular man in this House than he. It is not easy for me to make the statement that I am making concerning this airport. However, many Members of Congress have come to me at different times to talk about airports in their districts. We have to treat everyone alike. There is no justification before our committee for this airport. For that reason I hope the committee's action will be sustained.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Michigan.

Mr. SADOWSKI. Is it true, however, that the Army destroyed this old airport?

Mr. RABAUT. There is no testimony to show that the Army destroyed the airport.

Mr. SADOWSKI. We have heard the testimony on the floor. If it is true that the Army destroyed the old airport, certainly the city would be entitled to use it.

Mr. RABAUT. If that were the case, there certainly would be evidence of it that ought to be presented, and I think the distinguished Senator from Tennessee would have presented that evidence.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. The gentleman knows very well that more than 3 weeks ago I gave the gentleman the C. A. A. report showing that more than 7,700 planes of the Army and Navy landed there last month. I gave every member of the committee those reports showing the number of planes that landed there.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from California.

Mr. CARTER. If the Army or the Navy did injure this airport, both the Army and the Navy have ample funds with which to repair the airport and put it in good condition.

Mr. RABAUT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Tennessee that the House recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. KEFAUVER) there were—ayes 67, noes 107.

So the motion was rejected.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: On page 78, after line 2, insert the following:

"Extra compensation at not to exceed $5 per day may be paid to employees of other Government agencies in Alaska and in other Territorial possessions for taking and transmitting meteorological observations for the Weather Bureau."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21. On page 78, after line 24, insert the following:

"During the fiscal year 1945 the Secretary of Commerce may delegate his authority to the Director of the Coast and Geodetic Survey, the Chief of the Weather Bureau, and the Administrator of Civil Aeronautics, to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station."

Mr. RABAUT. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. RABAUT moves that the House recede from its disagreement to the amendment of the Senate No. 21, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by said amendment, insert the following:

"During the fiscal year 1945 the Secretary of Commerce may delegate his authority to subordinate officials of the Coast and Geodetic Survey, the Weather Bureau, and the Civil Aeronautics Administration, to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station: *Provided*, That in no case shall such authority be delegated to any official below the level of the heads of regional or field offices."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate by Mr. Gatling, one of its clerks, announced that the Senate disagrees to the amendment of the House to the joint resolution (S. J. Res. 133) entitled "Joint resolution to extend the time limit for immunity," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATCH, Mr. CHANDLER, and Mr. FERGUSON to be conferees on the part of the Senate.

EXTENDING THE TIME LIMIT FOR IMMUNITY

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (S. J. Res. 133) to extend the time limit for immunity, with a House amendment thereto, insist on the House amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER appointed the following conferees: Messrs. SUMNERS of Texas, WALTER, and HANCOCK.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. FORAND, for 10 days, on account of a death in his family.

INCREASING THE DEBT LIMIT OF THE UNITED STATES

Mr. DOUGHTON. Mr. Speaker, I call up the conference report on the bill (H. R. 4464) to increase the debt limit of the United States, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4464) to increase the debt limit of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the Senate amendment strike out lines 7 to 11, both inclusive, and insert the following: "in lieu thereof '20 per centum'."; and the Senate agree to the same.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
HAROLD KNUTSON,
ROY O. WOODRUFF,
Managers on the part of the House.

WALTER F. GEORGE,
DAVID I. WALSH,
ALBEN W. BARKLEY,
ROBERT M. LA FOLLETTE, Jr.,
A. H. VANDENBERG,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4464) to increase the debt limit of the United States, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill provided that the amount of obligations issued under authority of the Second Liberty Bond Act shall not exceed in the aggregate $240,000,000,000 outstanding at any one time. The Senate amendment provided that the face amount of such obligations should not exceed in the aggregate $260,000,000,000 outstanding at any one time. The House recedes.

Amendment No. 2: The Senate amendment reduced the war-tax rate on cabarets, roof gardens, etc., from 30 to 20 percent and provided for the exemption from the tax of any amount paid by or for any patron or guest who is a member of the military or naval forces of the United States, or of any of the other United Nations, and is in uniform. The amendment was made effective at 10 a. m. on the first day of the first month following the date of enactment of the act. The House recedes with an amendment providing for the reduction of rate as proposed by the Senate, and fixing the same effective date, but omitting the exemption from tax with respect to servicemen.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
HAROLD KNUTSON,
ROY O. WOODRUFF,
Managers on the part of the House.

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, I have requested this recognition to make a brief statement to explain my position on this conference report accompanying the bill H. R. 4464. As will be remembered, this bill passed the House, increasing the national debt limit from the present $210,000,000,000 to $240,000,000,000. The Senate added two amendments to the bill. The first amendment increased the limit of the public debt to $260,000,000,000. The second amendment added by the Senate reduced the cabaret tax from the present 30 percent to 20 percent, and added an exemption for service people in uniform. I opposed the Senate amendment reducing the cabaret tax in the conference. It was my position that this amendment certainly had no place on this bill increasing the national debt limit. We have had experience in the past where a bill passed this House and then an amendment was added in another body embracing entirely extraneous matter. That was the experience we met on this occasion. I feel that during these critical times, people desiring to attend these cabarets and night clubs, which are certainly luxuries, can afford to pay the present tax. When the Government is so desperately in need of revenue to finance this war, I feel that it is no time to reduce taxes on luxuries. However, this increase of the public debt limit is imperative to finance the war. The prompt passage of this bill is necessary, as the Fifth War Loan drive is now under way. So in view of that situation I signed the conference report and shall support it, although I did oppose in conference this Senate amendment reducing the cabaret tax.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield.

Mr. FISH. What does it really mean, excluding the servicemen from this tax? How in the world could that work out? Suppose a party is given, and there is one soldier there and he pays the bill, and there is no tax. How does that work?

Mr. COOPER. It was pointed out by the Treasury Department and by the staff of the Joint Committee on Internal Revenue Taxation that such an exemption, however desirable it might be, was impossible of administration.

Mr. FISH. However worthy it might be, it would be impossible of administration.

Mr. COOPER. They stated the Treasury Department would have to have an agent in every one of these places of business and actually check the patrons who came in and examine each bill that was rendered and try to determine how much of it was for the serviceman and how much of it was for people not in the service. They took the position it was impossible of administration.

Mr. FISH. The question I rose to ask is, Was that all considered? Was that information given to the conferees, and then did they bring back that type of legislation to us?

Mr. COOPER. No; bear in mind Senate amendment No. 1, increasing the national debt limit to $260,000,000,000, is agreed to. Senate amendment No. 2, reducing the cabaret tax from 30 percent to 20 percent, is agreed to, but the Senate receded on the exemption for service people in uniform. So as the bill now stands, it means that the public debt limit is increased to $260,000,000,000 and the cabaret tax is reduced from 30 percent to 20 percent.

Mr. FISH. Where does the soldier stand? Is he still in there?

Mr. COOPER. The Senate receded on that amendment.

Mr. FISH. The soldier is out.

Mr. COOPER. The Senate receded on that amendment, and it is eliminated. That is not included in the conference report.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield.

Mr. VOORHIS of California. I just want to say I agree heartily with the gentleman in his position, as he stated it, on this cabaret tax. I think it was too bad it was reduced. I do not think it should have been.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. BRADLEY of Michigan. The gentleman from Tennessee is one of the outstanding students of our tax legislation in the Congress. I just want to ask him whether or not any consideration was given by the conferees on the question of reducing this taxation that is now applied by the Treasury Department, I understand, on these so-called milk bars where the high school students come in after school to get a Coca-Cola or some ice cream or something like that, and simply because there is a juke box so that the kids can get up and dance, there is this 30-percent tax.

Mr. COOPER. The gentleman will remember that the bill as passed by the House did nothing but authorize the increase of the public debt limit. That is all that the House bill provided. The Senate added these two amendments, amendment No. 1 increasing the debt limit from the amount carried in this bill of $240,000,000,000 to $260,000,000,000. That was agreed to in the conference

Mr. BRADLEY of Michigan. I appreciate that.

Mr. COOPER. Amendment No. 2 was added by the Senate.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. DOUGHTON. Mr. Speaker, I yield 2 additional minutes to the gentleman from Tennessee.

Mr. COOPER. Amendment No. 2, added to the bill in the Senate, provided for the reduction of the cabaret tax from the present 30 percent to 20 percent and added the exemption with respect to service people in uniform.

Mr. BRADLEY of Michigan. I appreciate that.

Mr. COOPER. It will be borne in mind that the only thing in conference with respect to the rate of the cabaret tax was either 20 percent or 30 percent. The conference was limited to that range.

Mr. BRADLEY of Michigan. I appreciate that. My point is this. I think inadvertently the House, when it adopted the tax measure originally, passed a bill that created an injustice for these high school kids, which we had no intention of doing, with this 30-percent tax. I am just asking for information as to whether or not this so-called reduction eliminated the tax on the so-called dairy bars; or was it considered by the conferees?

Mr. COOPER. The gentleman will bear in mind, of course, that your conferees are limited to the scope of the two bills passed by the two Houses.

Mr. BRADLEY of Michigan. That is right.

Mr. COOPER. The bill was passed by the House and the amendments were added by the Senate. We could not go beyond the scope of these two bills. The Senate did not include any such amendment as the gentleman has described. Therefore, it was not in the conference.

Mr. BRADLEY of Michigan. I think it is a worth-while amendment and should be added in the next tax bill.

The SPEAKER. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from New York, Mr. REED.

Mr. REED of New York. Mr. Speaker, it was not my intention to discuss this matter, but in order that the RECORD be perfectly straight, the debt limit before we took this action was $210,000,000,000. The public debt was $185,000,000,000. The debt on June 30, 1944, as estimated, will be $198,000,000,000. The debt on December 31, 1944, according to the testimony, will be $235,000,000,000. The estimated public debt on June 30, 1945, will be $258,000,000,000. Of course, if the war continues for any length of time the debt will run up to $300,000,000,000. It was the opinion of many of us in the House that what we ought to do is simply raise the debt limit to $240,000,000,000, which we did, and then let the Treasury come back and make out a case for further extension of the debt limit later on, if they so desired. Of course, the matter has gone over to the Senate and the Senate raised it to $260,000,000,000. I think they raised it too much. I think we are becoming reckless in the rate at which we are increasing the debt limit. Of course if this Congress sees fit to appropriate money and go beyond the debt limit, that practically repeals the law and constitutes an extension of the debt limit. After all, I think the Treasury ought to come back from time to time and make a case. This question of public debt, war or no war, is becoming a very serious proposition. There is a limit to the assessed valuation of all property of every kind and nature in the United States of America. Taxes, it has been said, are paid in the sweat of the brows of the people who work. I think they are beginning to realize they, particularly the white-collar people, are being caught both at the beginning and at the end, because they are paying all they can possibly pay in taxes and still attempt to live, and they are required, in many instances, practically coerced, to buy bonds. They are practically in a vise and they are being terrifically squeezed.

Without discussing the merits of the cabaret tax, permit me to say that it seems to me we are indulging in a dangerous and unstatesmanlike procedure. We have definite rules; revenue bills should originate in the House of Representatives. I think it is very poor form and I think it is hardly fair for another body—and I do not intend to violate the rules by criticizing it—to take a great national debt-limit bill such as we have and single out one excise tax for treatment. If that continues, where is it going to end? And especially during a war when we feel we must pass certain measures; then to have them tack on a trivial item like this which causes great controversy and at the same time whittles away the items in a revenue bill is not right. There is a right way and a wrong way to legislate, and the method adopted in this case is the wrong one.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. THOMAS of New Jersey. Can the gentleman tell us what the estimated yield from the cabaret tax is?

Mr. REED of New York. I do not know what it will yield; I have not the slightest idea, except the estimates of the Treasury.

Mr. THOMAS of New Jersey. Does the gentleman know what the estimate is of the amount represented by the 10-percent reduction?

Mr. REED of New York. I cannot give the gentleman any estimate or figures on it at all, except those of the Treasury.

Mr. CARLSON of Kansas. Mr. Speaker, if the gentleman will yield I can submit some figures on the cabaret tax.

Mr. REED of New York. I yield to the gentleman from Kansas.

Mr. CARLSON of Kansas. These figures were given to me by the staff of the Joint Committee on Taxation this morning: The estimated yield of the cabaret tax for 1944 is $32,400,000.

Mr. REED of New York. I thank the gentleman for the information.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. CRAWFORD. If the gentleman will permit I want to make an observation. I believe the cabaret industry has done itself a great injury in permitting this amendment to be attached to the debt limitation bill, to come up here and force us to decide on it at almost the very hour when a great drive for $20,000,000,000 in bonds is starting. I think it has disgraced itself and I am certainly opposed to a reduction of the tax.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, I am taking these few minutes simply to call to the attention of the House the fact that the bill, as it came back from the other body with respect to the debt limit, is in exactly the same form as it was originally introduced in the House and in the same amount as requested in the first place by the Treasury Department, that is, $260,000,000,000.

While the bill was reported out unanimously by the House committee at $240,000,000,000, nevertheless some members of that committee, of whom I was one, felt the Treasury recommendation in the first instance of $260,000,000,000 was the proper amount that the House should have passed to begin with.

I should like also to call attention to the fact that we are considering the cabaret tax now, yet it is impossible to obtain a copy of the language of the cabaret tax, a matter that was tacked onto this bill in the other body. I do not think anyone will vote against the passage of this conference report, but when they cannot even have before us the language of the act we are passing on I think it is time some objection was made. For my part I think we ought to pass the bill as it is, but I think it is due me in all conscience to call attention to these two facts.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield. The parliamentary situation, of course, is that the conference report has to be voted up or down; you either have to adopt the conference report or reject it; and certainly during these critical times with the Fifth War Loan drive now under way, we have to adopt this conference report and increase the public debt from the present amount to $260,000,000,000.

Mr. EBERHARTER. I agree with the gentleman exactly, but I felt that the Members of the House should be acquainted with the matter and especially with the fact that we do not have the language of the cabaret amendment before us.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. Gladly

Mr. DINGELL. The phraseology is plain and clear or it might be readily understood. What the conference sought to do and did accomplish was to reduce the cabaret tax from 30 percent to 20 percent to conform with the action of the Senate.

Mr. EBERHARTER. That may be true, but it states here:

> In the matter proposed to be inserted by the Senate amendment strike out lines 7 to 11 both inclusive and insert the following in lieu thereof: "20 per centum."

We do not have before us the language that was stricken out. We cannot know what we are striking out and it is my contention that we ought to have it.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. MURDOCK. I feel, too, that we must vote on and carry this conference report under great necessity, but I agree perfectly with the gentleman that I do not like this irrelevant provision tacked on to it.

Mr. EBERHARTER. I thank the gentleman.

Mr. FAY. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. FAY. I wish to make this observation, that the incorporation of the cabaret tax and its retention is going to afford employment to 500 people in my city, dishwashers, waiters, bandsmen, people who cannot get employment in any other capacity. They are going to be very glad to have this retained in the bill.

Mr. EBERHARTER. With regard to the cabaret tax it has been said that the imposition of a 30-percent tax would result in loss of revenue and in less revenue than a 20-percent tax or a 10-percent tax, and there is some justification there for the passage of this legislation.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I appreciate that the House is not in a temper to sit much longer, but at the same time this is a very important matter. This conference report illustrates a proposition that I am sure practically every Member here has felt the importance of. Here is the group of Representatives nearest and closest to the people. We try to respond to the voice of the people. We pass legislation and send it to the other body and they amend it trivially, really, it is shameful. Just think of it. We pass a piece of big, important, very important legislation involving an increase in the public debt limit of $40,000,000,000, and the other body tacks on to it a little insignificant matter that ought to come up in another way. I am not opposed to a reduction in the tax on cabarets if they want to change it; I would vote for it, but I do object to a small, insignificant thing like this being tacked on to a piece of very important legislation.

When we had this bill under consideration in the House we fixed the limit at $240,000,000,000. That was what the Treasury agreed upon in the hearings before the Ways and Means Committee, a solemn agreement. We passed what they said they would be satisfied with. Then it goes to the Senate and they add $20,000,000,000 to it. We ought not to stand for it, but that comes from the weakness of the conferees; and I am not saying now that these individual conferees are weak. Read the list and you will find the names of the greatest statesmen in both the House and the Senate as conferees. Listen to the names as I read them: From this body the gentleman from North Carolina [Mr. DOUGHTON], the gentleman from Michigan [Mr. DINGELL], the gentleman from Minnesota [Mr. KNUTSON], and the gentleman from Michigan [Mr. WOODRUFF]; names of one of the finest group of men in this House. Then let us consider the conferees of the other body, there is Senator GEORGE, Senator WALSH, Senator BARKLEY, Senator LA FOLLETTE, and Senator VANDENBERG. This class of people has brought us a report. We cannot well afford to turn them down; but the weakness comes about just through such a situation as we find ourselves in here at the eleventh hour on an important bill, forced to vote the whole thing up or down without a roll call. I am not going to vote against it; I canont afford to vote against it. The House put the limit at $240,000,000,000, but we are going to have to vote for the $260,000,000,000 limit that the Treasury agreed they did not have to have.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. REED of New York. I wish to call attention of the gentleman to the testimony of Mr. Bell in this connection. He said in the hearings before the committee:

> I said that if this committee would like to reduce this proposed limit of $260,000,000,000 to $240,000,000,000 so as to give us enough limitation to last us until after the next Congress meets and would put something in the report regarding unearned discount on savings bonds I would have no objection. We can come back to this committee next spring or next January or February, and ask you for whatever increase seems necessary at that time.

Mr. JENKINS. That is absolutely right.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. KNUTSON. I think the RECORD at this point should show that the action in increasing the debt limit from $240,000,000,000 fixed by the House to $260,000,000,000 fixed by the Senate was not unanimous.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. REED of New York. As I understand it that cabaret amendment was put in on the floor of the Senate.

Mr. COOPER. The cabaret amendment was put in on the floor of the Senate.

Mr. JENKINS. And by a Senator who was not a member of the committee, as I understand it.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. DOUGHTON. The amendment, of course, had no place in this bill, but this is an emergency bill and we cannot wrangle over it now even though the Senate took an underhold on the House in this scuffle.

Mr. JENKINS. I am sure the chairman agrees with me. I agree with him; but it is an unfortunate situation.

The SPEAKER. The time of the gentleman from Ohio [Mr. JENKINS] has expired.

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON of Kansas. Mr. Speaker, I hesitate to take the time of the House this late in the afternoon but I do not think we ought to be hasty when a bill of this magnitude is brought in. We should take time to see just what has happened between the House and Senate. I share the views expressed by the gentleman from Ohio [Mr. JENKINS] and the Members of the House, I think, share those views. We created a fine impression over this Nation when the Ways and Means Committee and the House approved a debt limit of $240,000,000,000 for this Government. Mr. Bell, of the Treasury Department, testified this would be sufficient to carry them until after the first of next year. Congress will no doubt be in continuous session until the war ends therefore we can increase the debt limit when necessary.

Mr. Speaker, I am in the same position as is the gentleman from Ohio [Mr. JENKINS] and the gentleman from Tennessee [Mr. COOPER], who referred to the war-loan drive. An authorization increasing the debt limit must be passed. It is necessary to increase the debt limit, we must do it, but what is the present situation? On the very day of the invasion, if we adopt this conference report, we reduce the cabaret tax. On the very day we are asking our boys to sacrifice their very lives for our Nation. Would not this message be an inspiration for greater heroic deeds? Let us flash that news across the sea. To me it is ridiculous. I am not so sure but what the cabaret tax is too high, but I would like to have had the matter considered by the Ways and Means Committee. If our committee, headed by our distinguished chairman, had considered this tax, we would have brought in a carefully studied bill.

Canada has a tax of 25 percent on cabarets, and it is operating very successfully. The trouble with our cabaret tax in this Nation comes not only from the tax but from the regulations that have been placed thereon by the Bureau of Internal Revenue under the Revenue Act of 1942. In 1942 we rewrote the cabaret tax under pressure of Mr. James Petrillo, head of the musicians' union, and his organization. It was so rewritten that we would tax every little drug store and every place where they have music boxes in order to protect these musicians. That is our difficulty today. Had our committee had an opportunity to study this matter, I feel confident we would have been able to rewrite the existing law so as to exempt every corner drug store and small place that is now included under the Treasury regulations. It was never the intention of Congress that these places should be put in the same category as cabarets, which charge several dollars per person for meals and entertainment. When we adopt this conference report the present regulations will prevail, the only difference being in the rate of tax. As I stated earlier, I think the cabaret tax rates are possibly too high, but I oppose most vigorously the present method of rewriting the tax. I think I should call the attention of the House to a statement by Gen.

Brehon Somervell, which reads as follows:

There's been a lot of moaning recently over the fact that some 15,000 night club entertainers have been thrown out of employment by operation of a new tax law. Well, there are plenty of jobs for them in your plants, or on the railroads and steamships that are carrying the guns and ammunition to our fighting men.

Let's put these men to work at something useful. Our men are dying in Burma and in the jungles of the southwest Pacific. They're dying in Italy and in the air over Germany. There's too much sorrow among the families of our fighting men to waste tears on a master of ceremonies out of a soft job. Let's put first things first. Let's get our fighting men home.

Florida has just ended its first $100,000,000 racing season. In 6½ months betters poured $109,561,969 into the pari-mutuel betting machines of that State. This total topped by far the previous betting record of $68,280,202 in the 1940–41 season. Two and one-half million well-heeled patrons averaged betting almost $45 on every trip to a pari-mutuel plant.

The tracks in New York, Maryland, New Jersey, and every other State have broken all pari-mutuel betting records. More race fanatics fought their way through the turnstiles at Belmont Park on Memorial Day than ever before in the history of New York racing. A record crowd of over 50,000 bet $580,309 on one race, the feature race. During the 24-day racing meet at Belmont Park the betting went over the $3,000,000 mark during 6 of those days, with an average of about two and one-half million dollars per day.

Last year pari-mutuel wagers in this country reached the enormous total of $700,000,000 and the Federal Government doesn't collect one cent on a pari-mutuel bet. We tax our boys and girls when they attend the movies, we tax our women folks on cosmetics, jewelry, etc. We tax the patrons of baseball and other sporting events, yet we let millions of the idle rich and gamblers avoid paying any tax on pari-mutuel betting.

It is a shame and a disgrace that we do not have a tax on pari-mutuel betting in this country.

Mr. COOPER. Will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from Tennessee.

Mr. COOPER. The House bill carried a pari-mutuel betting tax.

Mr. CARLSON of Kansas. Yes; and this House has passed it time and again. It seems to me about the only way we can ever get a tax on pari-mutuel wagers is to write it into the bill that the other body cannot very well vote down.

Mr. McCORMACK. Will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the gentleman has made a very clear statement. As I remember the 1942 act the definition was changed and that is how these little juke-box places came in under it.

Mr. CARLSON of Kansas. The gentleman is correct.

Mr. McCORMACK. We will have to go back and change that definition, in order to improve this uncomfortable situation which involves every little store where they sell sodas, you drop a nickel in a juke box, and there is a little dancing. They are taxed 30 percent which I think is ridiculous.

Mr. CARLSON of Kansas. The gentleman is correct. If that matter had come before the Committee on Ways and Means, headed by our able chairman, we would have taken care of the situation, but under this method of procedure we have not been permitted to do that.

Under leave to extend my remarks, I am including the estimated yields of a number of excise taxes as furnished me by Mr. Colin Stam of the joint staff:

Internal revenue receipts from selected excise taxes, fiscal years 1940 through 1943 and estimated fiscal year 1944

[Thousands of dollars]

Sources of revenue	1940 [1]	1941 [1]	1942	1943	1944
Fermented malt liquors	264,579	316,741	366,161	455,634	538,816
Cigarettes (small)	533,043	616,745	704,934	835,231	904,000
Matches	22	95	6,930	9,372	9,500
Gasoline	226,187	343,021	369,587	288,786	273,200
Electrical energy	42,339	47,021	49,978	48,705	49,700
Luggage			2,834	5,682	15,909
Electric light bulbs and tubes			3,102	3,657	5,829
Local telephone service			26,791	66,987	103,072
Use of motor vehicles and boats			72,854	146,667	134,500
Bowling alleys, pool tables, etc			1,698	1,853	1,800
Coin-operated devices			6,485	10,487	17,500
Transportation of persons			21,379	87,132	168,000
Admissions to theaters, concerts, etc	20,265	68,620	107,632	138,054	192,845
Cabarets	1,623	2,343	7,400	16,397	32,400
Club dues and initiation fees		6,583	6,792	6,520	8,532
Sugar Act of 1937	68,145	74,835	68,230	53,552	67,000

[1] Blank spaces are indicative of no tax.

Estimated increase due to the Revenue Act of 1943, for a full year of operation at levels of income and business activity estimated for the calendar year 1944

[In millions of dollars]

First class:	
Local-delivery letters	44.0
Air mail, domestic	11.0
Fourth class	4.5
Special services:	
Registry	4.5
Insurance	6.5
Collect on delivery	5.4
Money order	21.0
Total net postal-revenue increase	96.9

The SPEAKER. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. CALVIN D. JOHNSON) there were—ayes 62, noes 38.

Mr. SHAFER. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 14 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 7, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, June 7, 1944, to begin public hearings on bills extending the Civilian Pilot Training Act.

SELECT COMMITTEE TO INVESTIGATE MONTGOMERY WARD & CO. SEIZURE

The Select Committee to Investigate the Seizure of Montgomery Ward & Co. will hold a public hearing Wednesday, June 7, 1944, at 10 o'clock a. m. in the Ways and Means Committee hearing room, New House Office Building. Officials of Montgomery Ward & Co. will be witnesses.

COMMITTEE ON PATENTS

The House Committee on Patents will meet at 10:30 a. m., Wednesday, June 7, 1944, in Committee Room, 416 House Office Building, to consider H. R. 3762.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold hearings on Thursday, June 8, 1944, at 10 o'clock a. m., in the committee room, 247 House Office Building, on H. R. 919 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from

the Speaker's table and referred as follows:

1614. A letter from the Secretary of War, transmitting a draft of a proposed bill to provide additional pay for enlisted men of the Army assigned to the infantry who are awarded the expert infantryman badge or the combat infantryman badge; to the Committee on Military Affairs.

1615. A letter from the President, United States Civil Service Commission, transmitting a draft of a proposed bill to establish a uniform policy with respect to the pay status of civilian employees suspended without pay pending investigation; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. H. R. 330. A bill to amend section 16 of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended; with amendment (Rept. No. 1602). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 4625. A bill to extend the existence of the Alaskan International Highway Commission for an additional 4 years; without amendment (Rept. No. 1603). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LEA:

H. R. 4958. A bill to amend the Transportation of Explosives Act; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDRICKS:

H. R. 4959. A bill to authorize double credit toward retirement for overseas service performed during the present war; to the Committee on Military Affairs.

By Mr. HOBBS:

H. R. 4960. A bill to amend section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended; to the Committee on the Judiciary.

By Mr. O'HARA:

H. R. 4961. A bill to amend the Civil Aeronautics Act of 1938, to provide compensation for disability or death of air carrier employees, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLIOTT:

H. J. Res. 292. Joint resolution authorizing and directing the Commodity Credit Corporation to distribute certain money received by it in connection with its 1943 raisin variety grape purchase and resale program to increase production of raisins; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 4962. A bill for the relief of Jessie Springsteen and John Springsteen; to the Committee on Claims.

H. R. 4963. A bill for the relief of the estate of James Patrick Hackett and for Charles L. Stover; to the Committee on Claims.

By Mr. BUFFETT:

H. R. 4964. A bill for the relief of the Anderson Equipment Co., Omaha, Nebr.; to the Committee on Claims.

By Mr. ELLIOTT:

H. R. 4965. A bill for the relief of H. Dale Madison; to the Committee on Claims.

By Mr. WADSWORTH:

H. R. 4966. A bill for the relief of William Albert Johnson; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5798. By Mr. BRYSON: Petition of Palmer N. Taylor and 41 other citizens of Asheville, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5799. Also, petition of Edna Sheldon and 40 other citizens of Copenhagen, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5800. Also, petition of May B. Williams and 20 other citizens of Holtville, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5801. Also, petition of Mrs. Raymond Shasteen and 89 other citizens of Sullivan, Ill., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5802. Also, petition of Mrs. Harold Smith and 60 other citizens of Greenville, Mich., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5803. Also, petition of Mrs. S. G. McElwee and 44 other citizens of Penn Yan, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5804. Also, petition of Sarah Parker and 20 other citizens of Kendall, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5805. Also, petition of Ruby A. Cowan and 25 other citizens of Breesport, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5806. Also, petition of Lethe Morrow and 47 other citizens of Dinuba, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5807. Also, petition of Ora M. Watkins and 110 other citizens of Fullerton, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Commitee on the Judiciary.

5808. Also, petition of Dora W. Carter and 44 other citizens of Perris, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5809. Also, petition of Irene Bashwinger and 37 other citizens of Central Bridge, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5810. Also, petition of Laura P. Jennison and 40 other citizens of Meno, Okla., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5811. Also, petition of Kenneth Kirkwood and 40 other citizens of White Hall, Md., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5812. Also, petition of Mary E. Wood and 43 other citizens of Niagara Falls, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5813. Also, petition of Ella Trader and 49 other citizens of Milwaukee, Wis., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5814. Also, petition of Mrs. Charles Stewart and 36 other citizens of Wilmington, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manfacture, sale, or transporta-

tion of alcoholic liquors in the Unted States for the duration of the war; to the Committee on the Judiciary.

5815. Also, petition of Mrs. James Mitchell and 120 other citizens of Detroit, Mich., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5816. Also, petition of Elsie L. Goss and 80 other citizens of Santa Ana, Calif., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation f alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5817. Also, petition of 1,061 members of the Woman's Christian Temperance Union of Philadelphia, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5818. By Mr. LECOMPTE: Petition of Mrs. J. E. Blanke and other citizens of Oskaloosa, New Sharon, University Park, and Fremont, Iowa, in the interest of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5819. By Mr. PLOESER: Petition of Walter Obermoeller, commander of the American Legion Anheuser-Busch, Inc., Post, No. 299, and approximately 750 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

5820. By the SPEAKER: Petition of sundry real estate firms of New York City petitioning consideration of their resolution with reference to the inequalities of the rent-control section of the present Emergency Price Control Act; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, JUNE 7, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Father, who art the supreme ruler of the universe, grant that during this day our minds may be illuminated with the truth and wisdom which cometh from above.

We pray that Thou wilt create within our hearts those desires which Thou dost delight to satisfy and that in all our plans and purposes we may hold our own wishes in suspense until Thou dost declare Thy will. May we daily place our hands in Thine and heed Thy voice saying unto us, "This is the way, walk ye therein," for Thy ways are ways of pleasantness and Thy paths are paths of peace.

We humbly beseech Thee to grant the blessings of Thy presence and power to all who are now battling so courageously for the freedom of the world. May these days of liberation symbolize the coming of that blessed day of prediction when the spirit of man shall be too strong for chains and too large for imprisonment and all men everywhere shall be brought into the glorious liberty of the sons of God.

Hear us in our Redeemer's name. Amen.

THE JOURNAL

On request of Mr. GEORGE, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 6, 1944, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. GEORGE. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. JACKSON). The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Radcliffe
Ball	Gillette	Reed
Bankhead	Green	Revercomb
Barkley	Guffey	Reynolds
Bilbo	Gurney	Robertson
Brewster	Hatch	Russell
Bridges	Hawkes	Shipstead
Brooks	Hayden	Stewart
Buck	Hill	Taft
Burton	Holman	Thomas, Idaho
Bushfield	Jackson	Thomas, Okla.
Butler	Johnson, Colo.	Truman
Byrd	Kilgore	Tunnell
Capper	La Follette	Tydings
Caraway	Lucas	Vandenberg
Chandler	McClellan	Wagner
Chavez	McFarland	Wallgren
Clark, Mo.	McKellar	Walsh, Mass.
Connally	Maloney	Walsh, N. J.
Cordon	Mead	Weeks
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Murray	Wiley
Ellender	Nye	Willis
Ferguson	O'Daniel	Wilson
George	Overton	

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from South Carolina [Mr. MAYBANK], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. PEPPER] are necessarily absent.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Vermont [Mr. AUSTIN], the Senator from North Dakota [Mr. LANGER], and the Senator from New Hampshire [Mr. TOBEY].

The ACTING PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the 6th instant,

A message was received from the House of Representatives by the Secretary of the Senate during the last recess informing the Senate that the House had passed the joint resolution (S. J. Res. 133) to extend the time limit for immunity, with an amendment, in which it requested the concurrence of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROVISION AFFECTING AN APPROPRIATION FOR ST. ELIZABETHS HOSPITAL (S. DOC. NO. 201)

A communication from the President of the United States transmitting a provision in the form of an amendment to the Budget, relating to St. Elizabeths Hospital, Federal Security Agency, for the fiscal year 1945 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DISTRICT OF COLUMBIA (S. DOC. NO. 200)

A communication from the President of the United States, transmitting, pursuant to law, supplemental estimates of appropriations for the District of Columbia, fiscal year 1945, involving an increase of $368,835 in the form of amendments to the Budget for that fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PAY STATUS OF CIVILIAN EMPLOYEES SUSPENDED WITHOUT PAY PENDING INVESTIGATION

A letter from the President of the United States Civil Service Commission, transmitting a draft of proposed legislation to establish a uniform policy with respect to the pay status of civilian employees suspended without pay pending investigation (with an accompanying paper); to the Committee on Civil Service.

PERSONNEL CEILINGS, WAR SHIPPING ADMINISTRATION

A letter from the Administrator of the War Shipping Administration, transmitting copy of his letter of June 1, 1944, to the Director of the Bureau of the Budget requesting adjustments in the personnel ceiling of the War Shipping Administration (maritime training fund) (with an accompanying paper); to the Committee on Civil Service.

REPORT RELATING TO THE USE OF TRAILERS BY THE T. V. A.

A letter from the general manager of the Tennessee Valley Authority, submitting, pursuant to law, a report of receipts and expenses in connection with the use of trailers at Murphy and Fontana Dam, N. C., and Camden, Tenn. (with an accompanying report); to the Committee on Appropriations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Acting President pro tempore, and referred as indicated:

A concurrent resolution of the Legislature of Louisiana; to the Committee on Banking and Currency:

"House Concurrent Resolution 13

"Whereas there have appeared recently indications on the part of the Securities and

Exchange Commission of the United States to assume under their jurisdiction the issuing and sale of municipal bonds under the provisions of the Securities and Exchange Act of 1934; and

"Whereas it is our belief that such surveillance by the Securities and Exchange Commission was not intended under the act referred to; and

"Whereas it is necessary for the proper expansion and improvement of States, cities, and other political subdivisions that bonds issued by them should encounter the least amount of difficulty and delay in their issuance; and

"Whereas we feel that the issuance and sale of bonds by States, cities, and other political subdivisions is a right inherent in the States, cities, and other political subdivisions of the States, and should not be subjected to the harassing regulations of any Federal agency; and

"Whereas there has been introduced into Congress, and is now in the hands of committee, a bill by Congressman L. H. BOREN, of Oklahoma, which would amend the Securities and Exchange Act of 1934 and specifically exempt municipal bonds from the jurisdiction of the Securities and Exchange Commission: Therefore be it

"Resolved by the House of Representatives of the Legislature of the State of Louisiana (the Senate of the Legislature of the State of Louisiana concurring), That the Legislature of Louisiana does hereby endorse said Boren bill, H. R. 1502, and urgently recommends to the Representatives and Senators in Congress that they employ their every effort toward effecting its early passage through Congress; be it further

"Resolved, That official copies of this resolution be forwarded by the clerk of the house of representatives to each Senator and Representative of the State of Louisiana in Congress and to the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States."

Petitions of sundry citizens representing various real-estate companies and corporations of New York City, N. Y., praying for amendment of the rent-control section of the Emergency Price Control Act so as to remove alleged inequities therefrom, which were ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TUNNELL, from the Committee on Claims:

S. 1935. A bill for the relief of Sigurdur Jonsson and Thorolina Thordardottir; without amendment (Rept. No. 954).

By Mr. CLARK of Missouri, from the Committee on Interoceanic Canals:

H. R. 3646. A bill to amend section 42 of title 7 of the Canal Zone Code; with an amendment (Rept. No. 955).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation five lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CORDON:

S. 1981. A bill for the relief of the Oregon Caves Resort; to the Committee on Claims.

S. 1982. A bill to reopen the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands to exploration, location, entry, and disposition under the general mining laws; to the Committee on Public Lands and Surveys.

By Mr. WHERRY (for himself and Mr. CAPPER):

S. 1983. A bill for the relief of Mrs. Anna Runnebaum; to the Committee on Claims.

By Mr. DOWNEY:

S. 1984. A bill for the relief of Mrs. John A. Schaertzer; to the Committee on Civil Service.

By Mr. BYRD:

S. 1985. A bill to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes; to the Committee on Naval Affairs.

(Mr. CLARK of Missouri (for himself and Mr. LUCAS) introduced Senate bill 1986, which was referred to the Special Committee on Conservation of Wildlife Resources, and appears under a separate heading.)

By Mr. BROOKS:

S. 1987. A bill for the relief of Gordon Lewis Coppage; to the Committee on Claims.

PERMITS FOR THE USE OF LIVE DECOYS IN THE HUNTING OF DUCKS

Mr. CLARK of Missouri. Mr. President, for the Senator from Illinois [Mr. LUCAS] and myself I ask consent to introduce for appropriate reference a bill to provide for the issuance of permits for the use of live decoys in the taking of ducks.

Ducks have increased rapidly in the past 10 years. Nineteen hundred and thirty-three saw an all-time low in their numbers. Twenty-five million ducks were estimated that year to make up the entire population. Since then, through the great refuge system launched by the Senate Committee on Conservation of Wildlife and favorable weather and breeding conditions, the number reached about 150,000,000 last year. With favorable conditions again this year, the southward flight of ducks this fall will probably be around 170,000,000.

Sportsmen feel that the time has come when the drastic regulations imposed during the early years of the past decade should be relaxed.

There should, of course, always be a sufficient margin of safety to preserve the breeding stocks for future years. But the safe annual surplus crop of waterfowl should be reaped as are all other crops.

In certain sections the use of live decoys not only adds exhilaration to the sport but is a necessity if this annual surplus crop is to be reduced to the bag.

As chairman of the Special Senate Committee on Conservation of Wildlife Resources, I, together with the Senator from Illinois [Mr. LUCAS], have introduced a bill which provides for the use of not more than six live decoys in front of any blind. I have done this because I feel that it is in the interest of wise administration of this great outdoor resource.

Recently the State conservation officials of the 11 Western States in their annual convention at Phoenix, Ariz., passed resolutions favoring this proposal. Other conservation groups, clubs, and individuals have done likewise.

Under the provisions of the bill we have introduced, the Secretary of the Interior is directed to issue permits to applicants who desire to use live decoys. Any person guilty of violating any provision of the regulations for taking waterfowl shall have his permit revoked.

The duck hunters, through the purchase of nearly 9,000,000 duck stamps, have provided much of the money used in the development of the refuge program. They feel that the birds are amply protected and that their future is secure. The surplus crop should be harvested each year in order to alleviate the problems of damage to agricultural crops which became aggravated last year in the rice marshes and the wheat fields.

There being no objection, the bill (S. 1986) to provide for the issuance of permits for the use of live decoys in the taking of ducks, introduced by Mr. CLARK of Missouri (for himself and Mr. LUCAS), was read twice by its title and referred to the Special Committee on Conservation of Wildlife Resources.

CHANGE OF REFERENCE

On motion by Mr. ELLENDER, the Committee on Claims was discharged from the further consideration of the bill (H. R. 3976) for the relief of Charles L. Kee, and it was referred to the Committee on Naval Affairs.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS—AMENDMENTS

Mr. BANKHEAD submitted three amendments intended to be proposed by him to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), which were severally ordered to lie on the table and to be printed.

HEARINGS BEFORE COMMITTEE ON COMMERCE—LIMIT OF EXPENDITURES

Mr. OVERTON (for Mr. BAILEY) submitted the following resolution (S. Res. 306), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Commerce, authorized by Senate Resolution 9, agreed to January 14, 1943, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-eighth Congress, $5,000 in addition to the amount of $5,000 heretofore authorized.

HISTORY OF THE NAVY FROM 1922 TO 1944 (S. DOC. NO. 202)

Mr. WALSH of Massachusetts. Mr. President, in view of the fact that the United States Government will be confronted with the problem of the kind and size of the Navy following the present World War, it seems to me that a brief history of the deterioration and rejuvenation of the Navy following World War No. 1 would be timely and informative. Accordingly, I have personally prepared a concise history of the Navy from 1922 to 1944 pointing out the

policy of the Government during these years and the steps taken in recent years to rebuild our Navy to its present strength.

This naval history is divided into three parts: 1922–30, the period of decline; 1932–36, the period of awakening; 1936–44, the rebuilding and expansion of the Navy. Subjects considered are the effect on the size of the Navy of the limitation of armaments treaties, the Hepburn report, Guam, and a summary of the expansion legislation from 1938 to the present time.

The information contained in this document should be helpful in determining our naval policy following the present war.

I ask unanimous consent that this brief résumé of our naval history during this period be printed as a Senate document.

The ACTING PRESIDENT pro tempore. Without objection, the résumé presented by the Senator from Massachusetts will be printed as a document.

THE DISEASE OF FALSE LEADERSHIP—ARTICLE BY ERWIN D. CANHAM

Mr. WILEY. Mr. President, in a recent issue of the Christian Science Monitor there appeared a very thought-provoking article under the title "The Disease of False Leadership." It is an article which I recommend to every Senator, indeed, to every person who has the time to read it. It is very short. It goes back to the time of the "Fuehrer-Prinzip," which was launched in Germany by trickery in 1933. It shows what was happening at the same time to our own concept of leadership in America and elsewhere. I feel that it is worthy of being inserted in the RECORD, and I ask that it be printed in the body of the RECORD.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DISEASE OF FALSE LEADERSHIP—DOWN THE MIDDLE OF THE ROAD

(By Erwin D. Canham)

It is time someone spoke out about the facts of present American Presidential politics.

On the one hand is President Roosevelt, finishing his twelfth year in the White House, manifestly weary, confronting the seemingly inevitable nomination for a fourth term. Unprecedented, undreamt of in American history, we are drifting into a situation where the most undesirable consequences may be virtually unavoidable.

On the other hand is the Republican Party, likewise drifting toward the nomination of Governor Dewey in a singularly lukewarm atmosphere during which the candidate himself pretends that the whole situation is a great surprise and mystery to him.

Manifestly, the whole situation reflects inside the United States the same problem of inadequate leadership which is now evident in nearly every country on the globe. Even Mr. Churchill, who probably has as much national enthusiasm behind him as any other leader, possibly excepting Stalin, occasionally falls into a situation—as in his recent praise of Franco—where his own supporters are puzzled and disappointed.

Surveying the world over, country by country, we find grave flaws emerging in leaders—De Gaulle, Mihailovic, Tito, Chiang, Badoglio, Mackenzie King, Vargas. Where is the nation which today enjoys the kind of leadership it really deserves? Where is true leadership manifest? In Stalin, perhaps, we have the most efficient and unquestioned leader, but his is a rule based on a dubious dictatorship about which we know all too little.

Obviously, the world must shake itself soon out of the lethargy which has gripped its leadership. The source of the lethargy is apparent. The totalitarian dictatorships were based on personal rule. The "Führer-Prinzip" was asserted to be the basic truth about men and affairs. Propaganda in behalf of that kind of false leadership was sprayed around the world. It entered people's consciousness. And in reaction against that kind of leadership the democratic nations fell victims to a form of the same mesmerism. They failed to solve, in their own way, the identical problem of leadership.

Meantime, in the United States, the problem drags along and we do little or nothing about it. The forces which are seeking to destroy sound leadership in our land pick off our able men one by one. Wendell Willkie fell victim—even before the Wisconsin primary—to various weaknesses and attacks which sapped and temporarily destroyed his usefulness. Governor Dewey, in his way, has also been ill-advised. Other able Republicans, like Governor Bricker and Commander Stassen, face different but damaging handicaps. We still do not unite behind the leaders we deserve.

What to do about it? First of all, perhaps, we can wake up to the fact that we are being attacked by a kind of leadership disease. To uncover and expose this fact will be a gain in itself. And then, perhaps the second step should be to support rather than tear down what leadership is available. Without admitting the claim that 16 years in the White House is a good or even a supportable thing, we might nevertheless seek to destroy the internal hate and vindictiveness that have been hurled at President Roosevelt, and with the intent of supporting right leadership alone, we might give constructive and united national aid to his problem. And, in both Democratic and Republican Parties, we should combat the suggestion that there are no alternative leaders of adequate stature. We need accept no doctrine of indispensability or personal rule.

But we need to go deeper than that, and think in searching terms of the problem of leadership. The "Führer-Prinzip" was launched into power in Germany by trickery in 1933. What was happening to our own concepts of leadership about that time? Or to Britain's? The United States had just elected a new President after a campaign based largely on "smearing" the President then running for reelection, with peculiarly personal tactics. Britain's political leadership was at a low ebb, and France's was even worse. Obviously, certain forces, in a degree seeds of weakness within ourselves which were not part of our true birthright, were distorting our genuine democratic leadership. To understand these forces and causes will take us a long way toward a solution of the problem of leadership which has become desperately urgent in 1944.

KEYNOTE SPEECH AT SOUTH DAKOTA REPUBLICAN STATE CONVENTION BY SENATOR BUSHFIELD

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD the keynote speech delivered by him at the South Dakota Republican State Convention, at Watertown, S. Dak., May 29, 1944, which appears in the Appendix.]

CHRIST AND THE UNITY OF AMERICA—ADDRESS BY REV. DR. JOSEPH B. CODE

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address entitled "Christ and the Unity of America," by Rev. Dr. Joseph B. Code, Director of the Inter-American Institute, as part of the Pan-American Day celebration sponsored by the National Commission on Inter-American Action, at Philadelphia, Pa., April 22, 1944; which appears in the Appendix.]

THE AMERICAN COTTON INDUSTRY—ADDRESS BY OSCAR JOHNSTON

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address on the subject of the American Cotton Industry, delivered by Oscar Johnston, president of the National Cotton Council, at Washington, D. C., June 6, 1944, which appears in the Appendix.]

BRAND NAME MANUFACTURERS FACE A CHALLENGE—ADDRESS BY A. O. BUCKINGHAM

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD an article entitled "Brand Name Manufacturers Face a Challenge," by A. O. Buckingham, vice president of Cluett, Peabody & Co., printed in the Apparel Manufacturers magazine; which appears in the Appendix.]

ADDRESS BY AIME J. FORAND TO POSTAL EMPLOYEES OF BUFFALO, N. Y.

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by Hon. AIME J. FORAND to the employees of the Buffalo, N. Y., post office, June 4, 1944, which appears in the Appendix.]

THE COAL SITUATION—ARTICLE BY ROBERT M. WEIDENHAMMER

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article entitled "What About Your Coal," by Robert M. Weidenhammer, published in the Indiana Farmer's Guide of June 1, 1944, which appears in the Appendix.]

SOVIET EXPANSIONISM—ARTICLE BY S. STELLING-MICHAUD EDITOR OF JOURNAL DE GENÈVE

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "Soviet Expansionism," by S. Stelling-Michaud, editor of the Journal de Genève in the February 2, 1944, issue, which appears in the Appendix.]

POEM BY HORACE C. CARLISLE ON THE PRESIDENT'S PRAYER

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a poem entitled "Our President's Prayer Dismantles Despair" written by Horace C. Carlisle, which appears in the Appendix.]

PROTECTION OF WOMEN AND MINOR WORKERS IN THE DISTRICT OF COLUMBIA

Mr. BILBO. Mr. President, there are two emergency measures which have been passed by the House of Representatives which I should like to have considered at this time. The first is House Joint Resolution 242.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. WHITE. I should like to ask the Senator from Mississippi what this proposed legislation is; what is involved in it.

Mr. BILBO. This is a joint resolution which comes from the Minimum Wage and Industrial Safety Board, with a request that there be but one notice published in the press of their rules and regulations enunciated, instead of two,

appearing in the Washington newspapers, in which they have to report almost all their rules and regulations verbatim. The enactment of the joint resolution would result in the Board saving about $2,800.

Mr. WHITE. As I understand, the joint resolution has been reported from the Committee on the District of Columbia, and applies only to the District?

Mr. BILBO. It has been reported favorably from the committee, and has passed the House.

Mr. WHITE. Was the report of the committee unanimous?

Mr. BILBO. Yes.

Mr. BARKLEY. What is the urgency of this matter that makes it necessary to lay aside the pending business in order to get action on it?

Mr. BILBO. I do not think it will take more than a minute, and I have had so many urgent calls in regard to the matter that I wanted it taken care of at once. It will save some money to the Board, which is having a hard time as it is.

Mr. BARKLEY. Very well.

The ACTING PRESIDENT pro tempore. Is there objection to temporarily laying aside the pending business and considering the joint resolution?

There being no objection, the joint resolution (H. J. Res. 242) to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia," was considered, ordered to a third reading, read the third time, and passed.

AID TO DEPENDENT CHILDREN IN THE DISTRICT OF COLUMBIA

Mr. BILBO. Mr. President, the second request I make is that the Senate consider House bill 3236, to provide aid to dependent children in the District of Columbia.

In explanation of the bill, I may state that the Social Security Board has asked the District Commissioners to have the law providing for the care of dependent children amended. The law is satisfactory so far as old people and blind people are concerned, but it does not meet the requirements of the Social Security regulations. House bill 3236 is merely to make it possible to conform with the requirements of the Social Security Board, so that dependent children in the District will not lose their allotments.

Mr. WHITE. Was the report of the committee unanimous?

Mr. BILBO. Yes, and the bill was passed by the House. There is no objection to it anywhere.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3236) to provide aid to dependent children in the District of Columbia, was considered, ordered to a third reading, read the third time, and passed.

ARMY MOTHERS CLUB OF CLARKSBURG, W. VA.

Mr. REVERCOMB. Mr. President, I desire to call the attention of the Senate to the splendid, patriotic work that is being performed by Post No. 4 of the Army Mothers Club of Clarksburg, W. Va. This club is located on the main line of a railroad running from East to West on which many soldiers, sailors, and marines travel to and from their posts. The members of the club meet all the trains and give cigarettes, and sandwiches and other food to the men in the services. I feel that the fine work they have performed and the great extent of their work deserve the commendation of the Government, and I therefore desire to call the attention of the Senate to the services being rendered by the members of the excellent organization at Clarksburg, W. Va.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 754. An act for the relief of Iver M. Gesteland;

S. 891. An act for the relief of Rebecca Collins and W. W. Collins;

S. 1093. An act for the relief of Fermin Salas;

S. 1102. An act for the relief of Helene Murphy;

S. 1112. An act for the relief of Taylor W. Tonge;

S. 1247. An act for the relief of the Bishopville Milling Co.;

S. 1281. An act for the relief of Rebecca A. Knight and Martha A. Christian;

S. 1305. An act for the relief of Anne Rebecca Lewis and Mary Lewis;

S. 1355. An act for the relief of Robert C. Harris;

S. 1416. An act for the relief of Mrs. Judith H. Sedler, administratrix of the estate of Anthony F. Sedler, deceased;

S. 1553. An act for the relief of J. M. Miller, James W. Williams, and Gilbert Theriot;

S. 1682. An act to provide for the payment of compensation to certain claimants for the taking by the United States of private fishery rights in Pearl Harbor, island of Oahu, Territory of Hawaii; and

S. 1837. An act for the relief of Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1588. An act for the relief of the legal guardian of Eugene Holcomb, a minor;

S. 1848. An act for the relief of Claude R. Whitlock, and for other purposes; and

S. 1849. An act for the relief of Muskingum Watershed Conservancy District.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 5, 8, and 20 to the bill and concurred therein; that the House receded from its disagreement to the amendment of the Senate numbered 21 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 10, 12, and 13 to the bill.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4464) to increase the debt limit of the United States.

The message further announced that the House insisted upon its amendment to the joint resolution (S. J. Res. 133) to extend the time limit for immunity, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SUMNERS of Texas, Mr. WALTER, and Mr. HANCOCK were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 262. An act for the relief of Mrs. J. C. Romberg;

H. R. 1040. An act for the relief of Frank Henderson and Frances Nel Henderson, his wife;

H. R. 1318. An act for the relief of Jack V. Dyer;

H. R. 1444. An act for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson;

H. R. 1497 An act for the relief of the estate of J. T. Taulbee, deceased, and Mrs. Bertie Leila Parker;

H. R. 1774. An act for the relief of Cyril Doerner;

H. R. 1886. An act for the relief of Charles Fred Smith;

H. R. 2014. An act for the relief of the Winston-Salem Southbound Railway Co.;

H. R. 2066. An act for the relief of A. L. Rinkenberger and John Floering;

H. R. 2151. An act for the relief of Elizabeth Powers Long;

H. R. 2333. An act for the relief of Mrs. Samuel M. McLaughlin;

H. R. 2473. An act for the relief of James Wilson;

H. R. 2511. An act for the relief of P. Audley Whaley;

H. R. 2512. An act for the relief of Betty Robins;

H. R. 2530. An act for the relief of John M. O'Connell;

H. R. 2825. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.;

H. R. 2845. An act for the relief of John J. Beaton;

H. R. 2873. An act for the relief of Mr. and Mrs. D. F. Still;

H. R. 2896. An act for the relief of Mr. and Mrs. R. L. Rhodes;

H. R. 2903. An act for the relief of the Washington Asphalt Co.;

H. R. 2919. An act for the relief of Michael Eatman, Jr., and Mrs. Michael Eatman, Jr.

H. R. 3101. An act for the relief of George E. O'Loughlin;

H. R. 3152. An act for the relief of Mr. and Mrs. Cicero B. Hunt;

H. R. 3280. An act for the relief of William Dyer;

H. R. 3281. An act for the relief of the estate of Nelson Hawkins;

H. R. 3431. An act for the relief of the Home Insurance Co. of New York;

H. R. 3467. An act for the relief of Miss Anne Watt;

H. R. 3481. An act for the relief of J. William Ingram;

H. R. 3495. An act for the relief of Constantino Arguelles;

H. R. 3539. An act for the relief of the estate of Carlos Pérez Avilés;

H. R. 3548. An act for the relief of Mr. and Mrs. Robert W. Nelson and W. E. Nelson;

H. R. 3549. An act for the relief of Mrs. Emily Reily;
H. R. 3586. An act for the relief of Mrs. John Andrew Godwin;
H. R. 3590. An act for the relief of the city and county of San Francisco;
H. R. 3595. An act for the relief of Robert Futterman;
H. R. 3636. An act for the relief of Josephine Guidoni;
H. R. 3644. An act for the relief of Louis T. Klauder;
H. R. 3659. An act for the relief of Anne Loacker;
H. R. 3813. An act for the relief of J. Ralph Datesman;
H. R. 3841. An act for the relief of Dr. J. D. Whiteside and St. Luke's Hospital;
H. R. 3898. An act for the relief of Frank Gay;
H. R. 4024. An act for the relief of Victoria Cormier;
H. R. 4095. An act confirming the claim of Robert Johnson and other heirs of Monroe Johnson to certain lands in the State of Mississippi, county of Adams;
H. R. 4101. An act for the relief of P. E. Brannen;
H. R. 4107. An act for the relief of the Stiers Brothers Construction Co.;
H. R. 4197. An act for the relief of Mr. and Mrs. John Cushman;
H. R. 4226. An act for the relief of the legal guardian of William L. Owen, a minor;
H. R. 4439. An act for the relief of Dennis C. O'Connell.
H. R. 4458. An act for the relief of J. G. Power and L. D. Power;
H. R. 4528. An act for the relief of L. M. Feller Co. and Wendell C. Graus;
H. R. 4707. An act for the relief of J. Fletcher Lankton and John N. Ziegele; and
H. R. 4712. An act for the relief of John Duncan McDonald.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 4095. An act confirming the claim of Robert Johnson and other heirs of Monroe Johnson to certain lands in the State of Mississippi, county of Adams; to the Committee on Public Lands and Surveys.
H. R. 262. An act for the relief of Mrs. J. C. Romberg;
H. R. 1040. An act for the relief of Frank Henderson and Frances Nell Henderson, his wife;
H. R. 1318. An act for the relief of Jack V. Dyer;
H. R. 1444. An act for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson;
H. R. 1497. An act for the relief of the estate of J. T. Taulbee, deceased, and Mrs. Bertie Leila Parker;
H. R. 1774. An act for the relief of Cyril Doerner;
H. R. 1886. An act for the relief of Charles Fred Smith;
H. R. 2014. An act for the relief of the Winston-Salem Southbound Railway Co.;
H. R. 2066. An act for the relief of A. L. Rinkenberger and John Floering;
H. R. 2151. An act for the relief of Elizabeth Powers Long;
H. R. 2333. An act for the relief of Mrs. Samuel M. McLaughlin;
H. R. 2473. An act for the relief of James Wilson;
H. R. 2511. An act for the relief of P. Audley Whaley;
H. R. 2512. An act for the relief of Betty Robins;
H. R. 2530. An act for the relief of John M. O'Connell;
H. R. 2825. An act for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co.;
H. R. 2845. An act for the relief of John J. Beaton;
H. R. 2873. An act for the relief of Mr. and Mrs. D. F. Still;
H. R. 2896. An act for the relief of Mr. and Mrs. R. L. Rhodes;
H. R. 2903. An act for the relief of the Washington Asphalt Co.;
H. R. 2919. An act for the relief of Michael Eatman, Jr., and Mrs. Michael Eatman, Jr.;
H. R. 3101. An act for the relief of George E. O'Loughlin;
H. R. 3152. An act for the relief of Mr. and Mrs. Cicero B. Hunt;
H. R. 3280. An act for the relief of William Dyer;
H. R. 3281. An act for the relief of the estate of Nelson Hawkins;
H. R. 3431. An act for the relief of the Home Insurance Co. of New York;
H. R. 3467. An act for the relief of Miss Anne Watt;
H. R. 3481. An act for the relief of J. William Ingram;
H. R. 3495. An act for the relief of Constantino Arguelles;
H. R. 3539. An act for the relief of the estate of Carlos Pérez Avilés;
H. R. 3548. An act for the relief of Mr. and Mrs. Robert W. Nelson and W. E. Nelson;
H. R. 3549. An act for the relief of Mrs. Emily Reily;
H. R. 3586. An act for the relief of Mrs. John Andrew Godwin;
H. R. 3590. An act for the relief of the city and county of San Francisco;
H. R. 3595. An act for the relief of Robert Futterman;
H. R. 3636. An act for the relief of Josephine Guidoni;
H. R. 3644. An act for the relief of Louis T. Klauder;
H. R. 3659. An act for the relief of Anne Loacker;
H. R. 3813. An act for the relief of J. Ralph Datesman;
H. R. 3841. An act for the relief of Dr. J. D. Whiteside and St. Luke's Hospital;
H. R. 3898. An act for the relief of Frank Gay;
H. R. 4024. An act for the relief of Victoria Cormier;
H. R. 4101. An act for the relief of P. E. Brahnen;
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H. R. 4197. An act for the relief of Mr. and Mrs. John Cushman;
H. R. 4226. An act for the relief of the legal guardian of William L. Owen, a minor;
H. R. 4439. An act for the relief of Dennis C. O'Connell;
H. R. 4458. An act for the relief of J. G. Power and L. D. Power;
H. R. 4528. An act for the relief of L. M. Feller Co. and Wendell C. Graus;
H. R. 4707. An act for the relief of J. Fletcher Lankton and John N. Ziegele; and
H. R. 4712. An act for the relief of John Duncan McDonald; to the Committee on Claims.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.).

The ACTING PRESIDENT pro tempore. The next committee amendment will be stated by the clerk.

The CHIEF CLERK. The next committee amendment is, on page 10, after line 20, to insert the following:

REVIEW OF RATIONING SUSPENSION ORDERS

SEC. 109. Section 205 of such act is amended by adding at the end thereof the following new subsection:

"(g) The district courts shall have exclusive jurisdiction to enjoin or set aside, in whole or in part, orders for suspension of allocations, and orders denying a stay of such suspension, issued by the administrator pursuant to section 2 (a) (2) of the act of June 28, 1940, as amended by the act of May 31, 1941, and title III of the Second War Powers Act, 1942, and under authority conferred upon him pursuant to section 201 (b) of this act. Any action to enjoin or set aside such order shall be brought within 5 days after the service thereof. No suspension order shall take effect within 5 days after it is served, or, if an application for a stay is made to the Administrator within such 5-day period, until the expiration of 5 days after service of an order denying the stay. No interlocutory relief shall be granted against the administrator under this subsection unless the applicant for such relief shall consent, without prejudice, to the entry of an order enjoining him from violations of the regulation or order involved in the suspension proceedings."

Mr. CHANDLER. Mr. President, I should like to call up now an amendment I have offered, and ask that it be considered. I ask that the clerk be directed to read the amendment and the modification thereof. I wish to state to the Senate that the junior Senator from Massachusetts [Mr. WEEKS] is now present. The amendment which he has offered and the amendment which I have offered are almost identical in language. We have joined our forces, and we intend to offer them together.

The ACTING PRESIDENT pro tempore. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 10, line 23, it is proposed to strike out "subsection" and insert in lieu thereof "subsections."

On page 11, after line 17, it is proposed to insert the following:

(h) It shall be an adequate defense to any suit or action brought under subsections (b), (e), or (f) (2) of this section if the defendant proves that the violation of the regulation, order, or price schedule prescribing a maximum price or maximum prices was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation.

(i) Nothing in this section shall be construed to deprive the courts of the power to assess against the defendant the amount of the overcharge.

Mr. CHANDLER. Mr. President, during the debate yesterday I fully explained the amendment, and I do not desire to detain the Senate longer in explanation of it. The Senator from Massachusetts may want to add a word with respect to it, and I yield the floor at this time.

Mr. WEEKS. Mr. President, it appears that the junior Senator from Kentucky [Mr. CHANDLER] and I have offered what I believe to be almost identical amendments. The amendment now pending concerns, and I think it concerns very vitally, every merchant in this country. It provides in effect that those who have violated the act may have their day in court, and that the court may have some discretion in determining whether the case shall be placed on file or whether a penalty shall be invoked.

In my judgment, the necessity for this amendment is the more apparent because of the amendment which has been proposed by the committee, which, as I interpret it, makes it even more mandatory than under the act as it now stands to levy an assessment or a penalty in case of violations. Furthermore, in the amendment offered by the committee, there appear these words:

> If any person selling a commodity violates a regulation * * * and the buyer * * * fails to institute an action under this subsection within 30 days * * * the Administrator may institute such action.

In other words, the committee amendment contains a provision that if the buyer does not institute an action within 30 days, then the Administrator may do so in his stead. I believe that provision opens up the opportunity to bring thousands of actions under this section, whereas under the original act as it presently stands on the statute books, a buyer may often, and I think in 99 cases out of 100 does, register his complaint and then drops the matter without bringing the case into court. So, I say that there is a real need on behalf of the merchants of the United States to provide that the seller of any article may as an adequate defense prove that his act was neither willful nor that he had failed to take practical precautions against the occurrence of the violation.

Mr. MURDOCK. Mr. President, will the Senator yield to me for a question?

Mr. WEEKS. If the Senator will withhold his question until I finish my statement I shall be grateful.

Mr. MURDOCK. Very well.

Mr. WEEKS. In this amendment I think we are not so particularly concerned with those who have violated the act by overcharges in substantial amounts, say $25, $50, or $100. I think we are paricularly concerned here with cases which involve overcharges in pennies. In thousands of stores throughout the country every overcharge which conceivably might be made would be in pennies. It is interesting in this connection to find the following language in the report of the committee, on page 14:

> It is the opinion of the committee that where substantial amounts are involved, the court should be permitted to take into account the circumstances under which the violations occur and to assess something less than treble damages in cases where violations occur unintentionally and despite the exercise of due diligence to prevent them.

I think the committee in its report has readily acquiesced in the point I am attempting to make, but we must be equally concerned here with those overcharges involving only a few cents. When I speak of the seriousness of this proposition to merchants dealing in items involving small amounts, I have in mind that it is reported in a grocery store trade journal that an individual consumer in California went on a shopping tour and shopped more than 1,000 stores, and he found 104 violations in different stores. Those 104 violations enabled him to file charges on each violation, and the penalty which he could not fail to collect under the present law would be $5,200, plus $1,500 for attorneys charges, although the overcharges in the 104 cases totalled all together only $1.92.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. WEEKS. I yield to the Senator from Ohio.

Mr. TAFT. Of course the committee has, in large measure, corrected that, so that under the same circumstances today the total penalty would be $50. In other words, we have eliminated the cumulative feature, which we regard as a very serious fault in the law.

Mr. WEEKS. I think, Mr. President, that the Senator from Ohio perhaps did not quite understand what I said. Every one of these cases was in a different store. So he could sue Jones and Smith and Brown. One hundred and four different stores were included in the total. So in the particular case I have cited, I think the buyer could be awarded, and, in fact, the court would be obligated to award, penalties totaling $5,200.

Mr. TAFT. Mr. President, will the Senator further yield to me?

Mr. WEEKS. I yield.

Mr. TAFT. The Senator cannot assume that the store innocently, in 50 or 100 different places, violated the law, entirely without any fault whatsoever. Frankly, the situation in respect to the $50 penalty is that if we eliminate it, we might just as well eliminate the whole idea of permitting consumers to sue for overcharges. I do not say that idea is an essential feature of the enforcement of this law; but I do say that unless provision is made for the $50 penalty, no consumer possibly can sue for overcharges of a few cents, and no consumer ever will. Not only that, but for each store to be fined $50 for violating the law, even if the violation is an innocent one, does not seem to me to be any particular hardship in a case of that kind. After all, this is a law. If there is no penalty, if there is no incentive to abide by the law, we shall find that hundreds and thousands of storekeepers will take chances. I think perhaps the $50 fine is excessive; but no one can possibly bring a suit for 2 cents, and no one ever will bring a suit for 2 cents. If we insert a provision that the violation must be willful, under those circumstances no one will bring a suit, because no individual will think he can ever successfully collect.

There may be some argument on the basis of eliminating the whole idea of enforcing this act through consumer pressure and consumer suits; but the Senator's amendment and the amendment of the Senator from Kentucky in my opinion would entirely eliminate any consumer suits at all.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me for a moment, if it will not disrupt the development of his presentation?

Mr. WEEKS. I yield.

Mr. RADCLIFFE. The Senator from Massachusetts was not here yesterday when I made the suggestion that we would be willing to reduce the amount from $50 to $25. I shall not press this point during the Senator's time, by discussing the merits of the matter, except to say that the committee made many reductions. So at present, the report of the committee and the committee amendment really provide penalties which are very small, indeed, in comparison with those provided in the existing law.

The only other comment I wish to make now is that it seems to me that if 104 violations were found in a certain city, that would seem to indicate a rather deliberate intention on the part of a great many persons to disregard the law; otherwise, such a condition could not be accounted for.

Mr. WEEKS. Mr. President, inasmuch as I have commenced to yield, I should like to yield now to the Senator from Utah, if he cares to raise his point at this time.

Mr. MURDOCK. I thank the Senator, Mr. President; but I am perfectly willing to wait until he concludes.

Mr. WEEKS. Very well.

Mr. BARKLEY. Mr. President, will the Senator from Massachusetts yield to me for a question?

Mr. WEEKS. I yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator, at the outset of his remarks, said he was not concerned about violations involving overcharges of $25 or $50, but was deeply concerned with the penny cases. The amendment makes no distinction between an overcharge of 1 cent and an overcharge of $100. It seems to me that if an amendment of this kind is to be adopted, it certainly should not apply in cases in which there is an obvious overcharge of an amount which is substantial. I can appreciate the fact that if a man overcharges 4 cents, that is looked upon as chicken feed, so far as the violation of the law and the amount involved are concerned. But there are many cases, possibly thousands of them, in which the overcharges run into dollars—$25, $50, $100, or perhaps more, depending on the article sold.

Does not the Senator from Massachusetts think, and does not my colleague from Kentucky think, some distinction should be made between cases involving substantial amounts of money and the "penny ante" cases about which we have been talking?

Mr. CHANDLER. Mr. President, will the Senator from Massachusetts yield to me for a moment?

Mr. WEEKS. I yield.

Mr. CHANDLER. I think the senior Senator from Kentucky [Mr. BARKLEY] possibly misapprehends what we are undertaking to do. In this amendment we definitely do not want to do anything that will stop the making of the refund, regardless of how large or how small it may be. The overcharge must be paid back. But if an overcharge is made and if a suit is brought, we would give the individual concerned the opportunity to go into court and show, if he can—and we put on him the burden of making the showing—that he did not make the overcharge willfully and did not do it until all reasonable precautions had been taken in his business to avoid the mistake. Regardless of what the overcharge may be, such a man should have a right to make a defense. He is entitled to an opportunity to make his defense, if he

has one. But the authorities will not relent an inch; and they have collected $75 on the basis of a 10-cent overcharge, as I showed yesterday, 750 times the amount of the overcharge; and the overcharge was refunded, too.

All we would do by the amendment would be to permit one of our fellow citizens to go into court and defend himself by offering to the judge evidence to show his good faith and to show that he had undertaken to comply with the law. I do not understand how anyone can fail to support an attempt to provide an opportunity for a man who has a defense to make it.

Mr. WEEKS. Mr. President, I should like to answer the question raised by the senior Senator from Kentucky [Mr. BARKLEY] in this manner: He has said that apparently I have indicated that we are not concerned with overcharges ranging in substantial amounts. What I meant is that here we have an amendment which in itself changes the time-honored precedent that a man is innocent until he is proven guilty. Here we go a little astray from that principle, and we say that the seller in such case, who is the defendant, must prove his innocence, and that an adequate defense is that he was neither willful in making the overcharge nor that he had failed to take practicable precautions against the occurrence of the violation. I say that if a man sells a piece of farm machinery and overcharges by $100, for example, that is almost prima facie evidence that he either willfully violated the law or failed to take the ordinary, prudent precautions which any man in business should take in order to comply with the law.

But I have in mind the case of a particular chain store which has 1,800 separate stores in its organization. In those stores the customers find for sale, for example, several different kinds of canned beans. The ruling is, in most cases, that the ceiling price shall be a percentage mark-up on the cost of the can of beans. When the cost varies between one brand and another, the percentage mark-up will result in different ceiling prices. In merchandising such products, there is the greatest possibility that a mistake will be made, especially under present conditions where there is a continual turn-over of clerks, and where a can of beans, for example, may have been on the shelf for some time, and in marking a change of ceiling prices the clerk may have failed to mark the change on that particular can. There are infinite possibilities for error. The overcharges, however, which particularly concern me in joining with the junior Senator from Kentucky in offering the amendment are overcharges which occur in small and insignificant amounts.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. WEEKS. I yield to the Senator from New York.

Mr. WAGNER. We have heard a great deal about overcharges involving rather large amounts, the amount of the overcharge indicating that it was willful. However, I am concerned with a group of low-income people to whom 5 cents means as much as $100 means to someone else. We ought to protect them. If the proposal of the Senator is accepted and goes into the law, how is the small purchaser to prosecute a claim against the president of a large concern? The president of the concern may say, "I knew nothing about this violation. It was done without my knowledge, and therefore I am perfectly innocent in the matter." Under the terms of the amendment, that would defeat the small purchaser. The buyer ought to be permitted to bring an action if an overcharge is made by a chain store or other seller, no matter what the amount may be.

I should like to make a brief statement with reference to something which was said yesterday by the junior Senator from Kentucky [Mr. CHANDLER], who has joined the Senator from Massachusetts [Mr. WEEKS] in offering the amendment. I believe the statement was made that in peacetime such penalties were not assessed without a requirement that the violation be willful. I should like to cite a number of examples of statutes which have been enacted by Congress, in which there is no requirement that the violation be willful.

The first example, involving the recovery of damages, is the Clayton Act. Other such statutes are: The Bituminous Coal Act of 1937; the act relating to the unauthorized use of registered trademarks; the Fair Labor Standards Act, which was enacted after considerable controversy in this body some years ago; the Patent Infringement Act; and the act relating to failure to furnish full telegraphic service as required by the Pacific Railroad Act. In those acts penalties are provided without the requirement that the violation be willful. The mere violation is sufficient to invoke the penalty.

This being wartime, I think we should be anxious to see that price control is maintained. If such provisions for recovery of damages and for civil penalties are effective in peacetime, why should they not be required in wartime?

As examples of laws providing civil penalties, I cite the act relating to exceeding rice marketing quotas; the act with respect to violation of various immigration restrictions; the slave trading act; and the act relating to false or insufficient manifest specifying sea and ship's stores. There are many others. In all of them the mere act itself, without any requirement that the violation be willful, is sufficient to make the violator subject to penalties.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement showing a list of statutes providing for recovery of damages or civil penalties for statutory violation, without a requirement that the violation be willful.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A. Federal provisions for recovery of damages or civil penalties for stautory violation, without a requirement that the violation be willful.

1. Damage recovery:

(a) Clayton Act (15 U. S. C. 15).

(b) Bituminous Coal Act of 1937 (15 U. S. C. 835d) (expired).

(c) Unauthorized use of registered trademarks (15 U. S. C. 96, 99, 124).

(d) Fair Labor Standards Act (29 U. S. C. 216).

(e) Patent infringement (35 U. S. C. 67, 70).

(f) Failure to furnish full telegraphic service as required by Pacific Railroad Act (45 U. S. C. 83).

2. Civil penalties:

(a) Exceeding rice marketing quotas (7 U. S. C. 1356).

(b) Violation of various immigration restrictions (8 U. S. C. 139, 143, 145, 150, 169, 216).

(c) Slave trading (18 U. S. C. 434).

(d) False or insufficient manifest specifying sea and ship's stores (19 U. S. C. 1432, 1460).

(e) Driving stock to feed on Indian lands (25 U. S. C. 179).

(f) Violation of navigation rules for harbors, rivers and inland waters generally (33 U. S. C. 158, 159).

(g) Failure of postmaster to render proper accounts (39 U. S. C. 44).

(h) Violation of 8-hour-day provision in public contracts (40 U. S. C. 324).

(i) Violation of load line provisions for vessels (46 U. S. C. 85 (g), 88 (g)).

B. Federal provisions for injunctions against statutory violations, without a requirement that the violation be willful.

(1) Fair Labor Standards Act (29 U. S. C. sec. 217).

(2) Interstate Commerce Act (49 U. S. C. sec. 5 (8), 16 (12), 916 (b), 1017 (b)).

(3) Sherman Act (15 U. S. C., sec. 4).

(4) Securities Act of 1933 (15 U. S. C., sec. 77t (b)).

(5) Securities Exchange Act of 1934 (15 U. S. C., sec. 78u (e)).

(6) Investment Companies Act (15 U. S. C., sec. 80a–41).

(7) Investment Advisors Act of 1940 (15 U. S. C., sec. 80b–9).

(8) Federal Power Act (16 U. S. C., sec. 820).

(9) Federal Power Act (16 U. S. C., sec. 825m (a)).

(10) Agricultural Association Act (7 U. S. C., sec. 292).

(11) Agricultural Adjustment Act of 1933 (7 U. S. C., sec. 608a (6)).

(12) Hot Oil Act (15 U. S. C., sec. 715i (a)).

(13) Public Utility Holding Company Act of 1935 (15 U. S. C., sec. 79r (f)).

(14) Federal Alcohol Administration Act (27 U. S. C., sec. 207).

(15) Sugar Act of 1937 (7 U. S. C., sec. 1175).

(16) Natural Gas Act (15 U. S. C., sec. 717u).

(17) Civil Aeronautics Act (49 U. S. C., sec. 647 (a)).

(18) Federal Food, Drug, and Cosmetic Act (21 U. S. C., sec. 332 (a)).

(19) Alteration of Bridges Act (33 U. S. C., sec. 519).

Mr. WEEKS. Mr. President, let me say in reply to the Senator from New York that I am as much interested as is any other Senator in the small purchaser. I am as much interested as is any other Senator in the O. P. A. and what it is doing, which I think is vitally important. I am not attempting in any sense to deprive a purchaser who has been overcharged of his day in court. On the other hand, I am trying to see to it that the merchant—not only the chain-store merchant, but the merchant at the crossroads—every merchant, large or small—has his day in court. In almost any action that I know anything about, criminal or civil, if a judge makes a technical finding of guilty, he may file the case if

he thinks there are extenuating circumstances which warrant such action.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. WEEKS. I yield.

Mr. WAGNER. In the case of a criminal penalty, there is already a provision in the law requiring that the violation be willful, before the defendant can be convicted. That is already a part of the criminal procedure. We are now discussing civil penalties.

Mr. WEEKS. I understand that we are discussing civil penalties. The point I wish to make is that in almost every case it is within the discretion of the court, as I understand, to file the case if there are extenuating circumstances. Let me read from a decision rendered by a judge in Kentucky:

> If there is any element of justice, morality, or right in compelling a respectable and honest merchant, such as the defendant in this case, at such a time as the present when experienced clerks are scarce and hard to obtain, to pay a penalty of $50 for an innocent mistake of 10 cents by an inexperienced clerk, in which the employer who is so mulcted had no part whatever, I have failed to discover it.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. WEEKS. I yield.

Mr. WAGNER. In view of the statement which the Senator made in quoting the decision of a Kentucky judge, I should like to quote from the Emergency Court of Appeals, which had before it one of these cases—probably a hardship case. The court said:

> Occasional hardship to one who honestly and intelligently endeavors to comply with the law is not too high a price to pay for the protection of the whole community against inflation.

That is the view which those of us who oppose the amendment take.

Mr. WEEKS. Mr. President, I wish to conclude my remarks with regard to this particular amendment by saying that all I am attempting to do is to provide that a merchant who is not guilty of a willful violation, and a merchant who has not failed to take practicable precautions to conform to ceiling prices which have been established, shall be allowed to prove these points to the satisfaction of the court and that the court shall have discretion as to whether he shall or shall not assess a penalty. It is no light matter for a merchant, large or small, to be hauled into court and fined $50 or $75. The amount is not important. The fact is that he is held up to the scorn and opprobrium of the public as having been a chiseler and a violator of the law, I believe that thousands of merchants, large and small, all over the country, are entitled to have their day in court, and that where there are extenuating circumstances the court should, under the law, be given some discretion as to whether a penalty should or should not be invoked.

Mr. MALONEY. Mr. President, I am very hopeful that the amendment offered by the distinguished Senator from Kentucky [Mr. CHANDLER] and the distinguished Senator from Massachusetts [Mr. WEEKS] will not prevail. We are engaged in a discussion of a wartime measure. If we were not at war there would probably be no O. P. A. or price stabilization.

The Office of Price Administration has been functioning for a long time with outstanding success. Every Member of the Senate admits, and quite generally throughout the country there is an admission, that the O. P. A. is under the guidance of conscientious, capable, and able men.

The particular question before the Senate is one which has had very careful consideration, for a long period of time, by the Office of Price Administration, as well as by the Banking and Currency Committees of both Houses of Congress. The Office of Price Administration, and particularly the feature of the law now under discussion, were established with the intent to protect the consuming public consisting of approximately 100,000,000 American purchasers.

All of us know—we admit with regret—that there are those who willfully violate regulations of the Office of Price Administration. Every Senator knows that it would be almost impossible to attempt to police the regulations of the O. P. A. with paid governmental employees alone. So the O. P. A. very wisely, it seems to me, has solicited the help of the American people in policing its program. It was with that in mind that this law was adopted. In order that the American people could contribute to their own protection this language was written into the statute.

Mr. President, if we undertake to say that the man who is not willfully guilty of a violation of the law should not be penalized we might as well dispense with policing by the method which has been provided. Suits would not be brought. Persons engaged in business would in many instances become more or less careless. The American people and the O. P. A. program would suffer. All of us know about the black markets. Black markets exist because the policing power is not strong enough, and because there are not a sufficient number of men to discover or apprehend those who violate the law.

Mr. WEEKS. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. WEEKS. Am I to understand the Senator from Connecticut to say that suits would not be brought, and does he have the thought that the people have so little confidence in the courts that they would not bring suits because they would know that we had written into the law that the court had discretion?

Mr. MALONEY. That is exactly what I said, and that is exactly what I meant.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BARKLEY. The amendment which is pending goes much further than giving to the court discretion. As an absolute defense on the part of the defendant in any proceeding, he would have to prove that he either did not willfully commit the violation, or that he had taken all necessary precautions in order to avoid a violation. The court would have no discretion if the defendant should make such proof. The court would have to dismiss the case, no matter what the proceeding might be.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. CHANDLER. We would put the burden of proof on the defendant. The burden of proof would not be upon the Government, but upon the defendant. The court would listen to the proof, and would know upon whom was the burden of proof, and it could determine whether the defendant had proved he was not a willful violator, or had proved that he had taken all ordinary precautions. What objection would there be to that? Why should not a man have an opportunity to prove his case? To deprive him of such opportunity would be to take away from him whatever right he has in the world.

Mr. WEEKS. Mr. President, will the Senator further yield to me?

Mr. MALONEY. I yield.

Mr. WEEKS. We do not even say that the defendant is innocent until he is proved guilty. We say he must prove, as a part of his defense, that he has not been willful in his violation, and that he has taken all practicable precautions to prevent the violation.

Mr. MALONEY. Mr. President, in my judgment the Senator would create a very complicated situation if a distinguished merchant in a community should appear before the court and say in effect, "I did not know about it, Your Honor. I missed that regulation. The regulations, as Your Honor knows, are complicated. I did not have time to study them. I was engaged in war work. I was serving on a bond selling committee. I have a new clerk and he did not understand the regulations." I do not wish any judge to be placed in the position of having to condemn a man for his oversight or carelessness. I assert that the incentive of the merchant to make himself familiar with the regulations will be destroyed if this amendment is adopted.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. MURDOCK. I wish to make an observation with which I believe every lawyer in the Senate will agree.

Under the amendment of the distinguished Senator from Massachusetts [Mr. WEEKS], and the distinguished Senator from Kentucky [Mr. CHANDLER], there would be placed upon the defendant the burden of moving forward with evidence that the violation was not a willful one, and also that the defendant had not failed to take practicable precautions. But once the evidence had gone forward, regardless of how convincing it was, a prima facie defense would be made, and would have to be overcome. The burden of overcoming the prima facie case would then be transferred to the plaintiff. So about all that would be done by this type of amendment would be to place upon the defendant the burden first, of moving ahead with the evidence. The burden would then immediately be transferred to the plaintiff after the

prima facie case had been established, and the plaintiff would then have to prove that there had been knowledge, and also that the defendant had taken practicable means to inform himself.

Mr. MALONEY. I thank the Senator. He anticipated what I was about to say.

Mr. WEEKS. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. WEEKS. The Senator from Connecticut has stated that if a defendant should come before a judge and say, "I did not read the regulations." I did not do this, or did not do that——

Mr. MALONEY. The Senator from Massachusetts has not quoted my language. He has the general idea, however.

Mr. WEEKS. If the defendant comes before the judge and the judge concludes that he has not taken reasonable precautions, then under this amendment the defendant will not have established any defense whatsoever against the charge. In other words, the defendant has to prove that in the ordinary, routine conduct of his business he has instructed his clerks and employees as to what to do; that he has put prices on the articles he has for sale, and taken every precaution to see to it that this law is obeyed.

I would remind the Senator that anybody conducting a business today, whether it be a large or a small business—and a small business suffers most—is having all he can do every day of his business life in trying to keep up with the regulations. Ninety-nine out of one hundred and more are honestly trying to live up to the letter of the law, and they are the people I am trying to protect by this amendment.

Mr. MALONEY. Mr. President, it is pretty difficult for me to believe that the American people are dishonest and that they are seeking to take honest merchants into court. There may be mistakes made here and there; we may find an evil man here and there; we may find an occasional greedy man; but I have not come in contact with the sort of situation described in this debate. I do not believe the American people, or very many of them at least, would take into a court an innocent merchant who made a mistake, and I do not believe that such a merchant as the one described a moment ago by the distinguished Senator from Massachusetts who had taken every precaution need have any fear.

Mr. WEEKS. Mr. President, will the Senator from Connecticut yield further?

Mr. MALONEY. I yield.

Mr. WEEKS. I have cited one case and unquestionably there are many more cases, where chiselers have tried, as in the case mentioned, to bring an honest merchant into court and profit thereby.

Mr. MALONEY. I doubt very much if there are many of them and I feel very certain the record will not show that over the period of time this law has been in effect many innocent men have been taken into court. I can understand how an aggravated public or an aggravated individual, understanding that a merchant somewhere was preying upon the American people, and with evidence of a dozen or 20 or 50 or a 100 violations, might be provoked to the point of bringing that particular merchant into court.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. McFARLAND. I ask the Senator if this law is not for the protection of the conscientious merchan who is trying to abide by the law?

Mr. MALONEY. That certainly is a part of the reason for it.

Mr. McFARLAND. But the chiseler, under this kind of a provision, would be able to say, "I did not know what the rules were; I was trying to find out what they were." Under such a provision as the one now proposed, who could prove that that man did not get more money for his goods than he should have obtained? The conscientious man who abides by the law is the one who suffers.

Mr. CHANDLER. Mr. President, will the Senator from Connecticut yield?

Mr. MALONEY. I yield.

Mr. CHANDLER. I will say to the Senator from Arizona that about 500,000 merchants of the country disagree with him. I know of a case and cited it yesterday where a customer made a purchase from the Kaufman-Straus Stores, a highly reliable establishment, and was overcharged 10 cents.

Mr. MALONEY. I was here and heard the Senator.

Mr. CHANDLER. The Senator said he did not know of such cases. The customer demanded his 10 cents back and got it. What kind of a man is it who, after getting the refund, will go into court and sue to get $50 and $25 lawyer's fees, which is 750 times the amount of the refund? I wish such things would not happen, but they do happen. The judge in that case said he thought the sellers were reliable merchants; he thought they had taken reasonable precautions, and that they did not engage in that kind of business, but there was nothing in the world he could do. He could not listen to their side of it; he could not take into consideration any extenuating circumstances; he could not let them tell him that they had taken all reasonable precautions, and did not intend to make a mistake. He knew they had paid the money back promptly, and yet fined them $50 and $25 counsel fees. I am not talking about something that may happen but about something that actually did happen.

Mr. MALONEY. The word of the distinguished Senator from Kentucky is good enough for me, and I am assuming that Kaufman and Straus are honorable merchants; but the fact of the matter is that in their store some one was overcharged 10 cents, and, without such a law as we now prescribe that might have gone on day after day, week after week, on item after item, and the American people could have been penalized just that much in a store conducted by honorable men. It is only by such situations as the one the Senator describes that such cases come to light. Some department stores, I presume, sell thousands upon thousands of items and 1 or 2 or 3 or 4 cents on each item or on a great number of items would amount to a tremendous sum.

This is a wartime measure. The distinguished Senator from Massachusetts said a few moments ago that men are compelled to suffer a penalty because of an innocent mistake of 10 cents. Mr. President, if a soldier of this country goes to sleep at his post of duty he may be sent to the Federal penitentiary for years. God knows falling asleep is an innocent mistake. When a boy, called from his home, from a life of peace, is put into the Army, and, tired, exhausted, worried, and bewildered, he falls asleep, no one questions the innocence of his act; but he is subject to a penalty, if I may use the language of the distinguished Senator from Kentucky, that is 750 times what it ought to be on the basis of the discussion and the claims here made by the proponents of this amendment.

Let me say again, Mr. President, we are engaged in a terrible war. That we keep stabilization effective is all-important in the prosecution of this war; it is all-important in the protection of our national economy; it is all-important in the protection and maintenance of our national morale; and, if the merchants of the country—and I realize that innocent ones will suffer—are not sufficiently concerned to keep themselves well informed and are not sufficiently interested to see that their clerks are properly trained, or even, Mr. President, if they are unable to do those things because of other heavy pressures, it seems to me that it is necessary for the over-all protection of the country that we have this law, even though in some isolated case innocent men may suffer.

We do not write laws for a small group of our people. We would not need them if every man practiced the Golden Rule; there would be no occasion for stabilization if every man had complete goodness and understanding in his heart. We write regulations and we pass laws as a deterrent to those who would do evil, or those who are careless of their neighbors' welfare.

Does anyone suppose that all of those who violate traffic laws willfully drive through red lights? Would it be sensible for every judge to say, "I know you did not do it willfully; you are excused." Men are supposed to know, and in wartime it is necessary that they be compelled to an extra effort and that there be imposed upon all of us a very great responsibility.

I know that this amendment is proposed in good faith by two distinguished Senators who seem to see a wrong, but admitting that there is a wrong, admitting that there is a mistake and that these numerous regulations are hard to understand and to keep up with, let me say, Mr. President, we are not going to go through this war successfully with conveniences on every hand. The Office of Price Administration has done and is doing its job very well; it has met with great success up to this hour. Under a continuation of those who guide the management of the O. P. A. and protect the destinies of our people, the worst is behind us. We will have to endure these inconveniences for a little while longer. I can see it moving on successfully with the complete cooperation and under-

standing of the Congress, but if we do something here to interrupt the program which those in charge, after all their experience, tell us is a great mistake, we may do great harm.

I earnestly hope the amendment will be rejected.

Mr. WAGNER. Mr. President, before the Senator concludes his admirable address I should like to remind him that it was in peacetime that we passed the wage-and-hour law, and in that act, because of the disparity between the employer and employee, we provided a penalty for violation of the law irrespective of the question of good faith, because we recognized that an employee would be almost defenseless against any of the very few employers who chiseled. So we provided a penalty during peacetime.

Mr. MALONEY. The Senator is correct. I thank him.

Mr. TUNNELL obtained the floor.

Mr. CHANDLER. Will the Senator from Delaware yield for a moment?

Mr. TUNNELL. I yield.

Mr. CHANDLER. The Senator from Connecticut has talked about injustices, and all of us are in favor of preventing injustices; but in my opinion we would not be doing a just thing or improving the condition of any man in the Army, the Navy, or the Marine Corps of the United States if, in the name of the war, we heaped injustices on those they left back home, and it is an injustice not to provide better justice. That is always an injustice.

Mr. MALONEY. If the Senator from Delaware will yield, I insist that a man cannot be penalized unless his guilt is clear.

Mr. CHANDLER. And we are insisting on giving him an opportunity to show that he is innocent.

Mr. TUNNELL. Mr. President, I desire to endorse the pending bill, and I call attention to the fact that yesterday I received a petition signed by approximately 3,500 persons. It was addressed to me, to the junior Senator from Delaware [Mr. BUCK], and to Representative WILLEY. It was from Wilmington, Del., and those sending the petition represented the American Federation of Labor, the Congress of Industrial Organizations, railroad brotherhoods, National Association for the Advancement of Colored People, the Wilmington Cooperative Society, and assorted consumer citizens. The petition reads:

> We, the undersigned consumers of Delaware, urge you to support adequate price-control legislation in Congress by voting to extend and strengthen the Price Control Act. Prices must be kept down.

I do not think the full extent of the good that has been done and will be done by the O. P. A. will ever be fully realized. I know the antagonism that was aroused on the organization of the O. P. A. as a result of misjudged policies on the part of someone in the organization. I realize that there were hundreds of people employed by the O. P. A. in the beginning who had no sympathy with the O. P. A. or its purposes and did not work to carry out the purposes of the law. But I think conditions have changed, and I believe that the O. P. A. today is endeavoring to meet a great requirement of American life, and I believe it is doing so.

It has been said that the O. P. A. law is a war measure, and that is true. The American people perhaps would not long consent to a law such as this if it were not in wartime. So, whatever I say in endorsing the Chandler amendment is not said with a view to criticizing the O. P. A. I do not think the amendment involves a criticism of the O. P. A. I think it is only fixing by law the course which the O. P. A. must follow, and in my opinion the amendment does provide for something which common decency and justice require.

The amendment reads:

> It shall be an adequate defense to any suit or action brought under subsections (a), (e), or (f) (2) of this section if the defendant proves that the violation of the regulation, order, or price schedule prescribing a maximum price or maximum prices was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation.

I do not see anything wrong in that. I remember hearing that in early days, under the Mosaic law, there was the idea, and practically the requirement, that a person who killed another, even innocently, had to stand the punishment fixed. But I thought we had passed that period. I know, as other Senators know, that practically every lawyer who has had anything to do with the trial of cases has had to defend those who have innocently either killed or injured others. According to the theory of the opposition to the amendment, such a person should not be permitted to show that he committed the act innocently. He would have to suffer whatever punishment, civil or criminal, there might be for doing something which he did not intend to do, and for which he should not be held liable. That has always been a defense in all the actions with which I have had anything to do, and I have engaged in a great deal of trial work.

I remember one time defending a man for breaking into a store with intent to commit a robbery. It was a defense, and I used it, that the man was so drunk that he did not have any intent. The intent is the gist of the action. We may walk out of this bulding, get into a car, and strike a person innocently. Are we to be assessed $10,000, or $100,000, whatever the death of that man may be shown to be worth, because we innocently did something we did not intend to do?

We are told that if the law does not provide a penalty which is high enough to induce people to bring actions when no damage should be collected at all, suits will not be brought. Such a statement does not appeal to me as being consistent either with common justice or common sense. Is it meant that under our American system a person must be allowed to collect damages in cases where the act, whatever it may be, was innocent, in order that some person who has willfully committed a wrongful act may be forced to pay?

I can see that it might be less complicated if we should merely say that every one who commits a certain act, intentionally or otherwise, should be held liable. I concede that that might be easier, but the difficulty arises, as I see it, under the proposal, because of the fact that the court is given no discretion. The language of the bill is:

> (1) Such amount not less than one and one-half times and not more than three times the amount of the overcharge, or the overcharges, upon which the action is based as the court in its discretion may determine, or (2) $50. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. RADCLIFFE. As was stated yesterday, the amount of $50 is arbitrarily chosen.

Mr. TUNNELL. That is what I object to, that it is an arbitrary figure.

Mr. RADCLIFFE. I wish to call to the Senator's attention that I stated on the floor of the Senate yesterday that it is my intention to offer an amendment reducing that amount to $25. The Senator might ask, "What is the difference in theory?" I am sure the Senator from Delaware is not going to take the position that the penalty should be the amount only of the overcharge; in other words if there were an overcharge of 15 cents that there should be a fine of 15 cents. We have a perfectly well-established practice in our courts and under our laws, of fixing by law some small figure as an arbitrary penalty. It seems to me that, though there may not be any particular directive for selecting some special amount, there is good reason why there should be some such amount required by law, and consequently I am going to suggest that the amount be reduced to $25.

I also wish to remind the Senator from Delaware that the committee has made a very material change in regard to the present law, because there is under the committee amendment only one amount required, rather than one for each violation. This makes a very material difference.

Mr. TUNNELL. I will say to the Senator that that still does not justify an injustice. I care not whether it is contended that a man who had collected 10 cents wrongfully but not willfully, must pay $25 or $50; the imposition of either amount as a penalty is unjustified. That is what I am arguing against. I have not heard any Senators who are defending the proposition say it is right and I do not think I shall hear anyone say it is right.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. RADCLIFFE. A few moments ago the Senator from Connecticut [Mr. MALONEY], and also the Senator from New York [Mr. WAGNER], called attention to the fact that even in peacetime we had provided for penalties where there was not any willful intent to violate the law, so it is nothing new that is being continued in the committee amendment. It is a practice to which we have resorted

in very special matters, and not in the usual course of procedure. The O. P. A. is an emergency agency, and we must retain it. Its continued existence is imperative. Since it is an emergency proposition, an arbitrary provision as to penalties is not a novel idea. It is simply in line with what has been done many times in the past to meet special demands of public policy.

Mr. TUNNELL. Does the Senator mean to argue that the doing of a wrong in the past is a justification for doing it in the future?

Mr. RADCLIFFE. Most assuredly not.

Mr. TUNNELL. Then why present that argument?

Mr. RADCLIFFE. I am not presenting such an argument. That is the interpretation which is being put upon my argument, but that was not what I said or intended to say. I said that we found out in our jurisprudence a long time ago that under some exceptional circumstances there must be some arbitrary form of punishment irrespective of the matter of intent. That is not new. That is an historic policy.

Mr. TUNNELL. I take the position that there has been absolutely no circumstance shown here which justifies or requires the doing of an injustice, and the Senator has not shown any such instance.

Mr. RADCLIFFE. Would the Senator prefer that I speak in my own time and not interrupt him?

Mr. TUNNELL. I do not care. If the Senator wishes to give us some reason why an injustice must now be done in order to obtain justice, I am perfectly willing to listen.

Mr. RADCLIFFE. Let me remind the Senator of what I have said before, that this type of penalty is not a novel idea.

Mr. TUNNELL. I am not talking about that. Is it an injustice?

Mr. RADCLIFFE. No.

Mr. TUNNELL. Then we differ, and there is no use for us to argue the question. If the Senator says it is not an injustice to collect 750 times the amount of the overcharge, then he and I are on entirely different grounds.

Mr. RADCLIFFE. Let me say to the Senator that when injustice is spoken of one must be sure one has looked at the matter from all relevant viewpoints. If it is essential—and there may be a difference of opinion with respect to it—that the O. P. A. be continued, and the Senator from Delaware in the beginning of his presentation made a very eloquent statement in regard to it, when he said the O. P. A. must be continued——

Mr. TUNNELL. That is correct. I still say so.

Mr. RADCLIFFE. I do not mean to suggest to the Senator for one moment that merely because some other Member of the Senate has reached any conclusion he necessarily should follow that viewpoint, but, if the Senator will permit me, I should like to recall some circumstances which I think might properly be borne in consideration. This O. P. A. legislation has been in existence for several years.

Mr. TUNNELL. Mr. President, I prefer not to yield to hear the Senator tell what has been done as an injustice. I want to know why an injustice done in the past should justify a present or future injustice. If the Senator will get down to that, I will yield, but I will not yield to have him merely say that there have been injustices in the past and, therefore, they should continue.

Mr. RADCLIFFE. I have said nothing of the sort, but I will not trespass on the Senator's time. I think it is reasonable that he should continue with his argument and not hear my views if he is so inclined. But I wish to say—I will put it in one sentence, and shall attempt to amplify when I have the opportunity—that when we consider the matter of injustice we must regard it from the larger standpoint, and not merely from the standpoint of isolated instances. The Senator and I in this world do many things that we would rather not do. We are subjected to certain restraints, legal and otherwise, because they are required by the public welfare. We have such a thing as public policy with which we must accord if we are to live in community life. We submit to many regulations and restrictions, some of which may seem onerous and some unreasonable, but if there is a sound principle of public policy underlying them, it justifies often the individual hardships and the course which is being dictated by public policy.

Mr. TUNNELL. I do not think anyone is going to say that the instances in which the overcharge is small are comparatively few. I think if we could obtain the facts, we would find that such cases would be a hundred times as many as the large overcharges. Now to place in a bill the provision that if there is an overcharge of 1 cent, or of 10 cents, there must be a penalty of at least $50——

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. TUNNELL. Yes.

Mr. MURDOCK. The Senator realizes, does he not, that we are not now putting such a provision in the bill?

Mr. TUNNELL. It is here.

Mr. MURDOCK. The Senator voted for it. That language is exactly the same as in the present law, and the Senator voted for it.

Mr. TUNNELL. Yes, but we have found that it is wrong, and I am advocating an amendment which eliminates the wrong, if the Senator understands my position.

Mr. MURDOCK. I do not misunderstand the Senator, but I do not want him to entertain the mistaken idea that we were now for the first time writing this language into the law.

Mr. TUNNELL. The Senator is getting back to the same argument the Senator from Maryland made, that there have been wrongs committed in the past, and that therefore future wrongs are justified. I do not see the wisdom of that argument.

Mr. MURDOCK. I am sorry I interrupted the Senator. I will not do it again. I will answer him in my own time.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. CHANDLER. The Senator from Delaware and the Senator from Kentucky both voted for the provision, but now that we have found we were wrong, we are opposed to that wrong, and this is the first opportunity we have had to correct it. If the Senator wishes to stay wrong, very well.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. HAWKES. I should like to say that we have found by experience that, because millions of men and women have been taken from their ordinary places of business, men who are honestly trying to conduct businesses have been interfered with in handling their affairs and many mistakes are unintentionally made.

Mr. TUNNELL. That is correct.

Mr. HAWKES. The Senator says, according to my understanding, that this body should be in favor of simple American justice.

Mr. TUNNELL. Yes.

Mr. HAWKES. The Senate is in favor of extending simple American justice so that when a man has not made a mistake intentionally and willfully, and when he has taken all the precautions he can take, having in mind the kind of help he has had forced upon him because of war conditions, when he has not done anything willfully wrong, when such conditions exist the courts shall have the right to listen to him and exonerate him when he offers proper excuse for his acts. I agree with the Senator from Delaware absolutely; it is not a question of the fine, it is a question of the stigma placed on an innocent man.

I wish to say, Mr. President, that I do not believe there is a Member of the Senate who, if he would apply this rule to himself, if he were operating a business and were doing the best he could possibly do to conduct his business honestly and to support the O. P. A., and if he made a mistake through some clerk who was unfamiliar with the regulations or some new sales person who had been forced upon him, would want to be stigmatized in his community by a fine of $50.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me for a moment?

Mr. TUNNELL. I yield.

Mr. RADCLIFFE. A short time ago the Senator from Massachusetts referred to the instance of a man going out on the street and finding 104 violations in one day. Is that a health situation? Does it show enforcement? I do not know who the violators were, but can we believe that any reasonable effort was made to observe the law, when one man found 104 violations? Probably there were tens of thousands or hundreds of thousands of violations in that area, and the fact suggests that the law was being flouted generally.

Mr. HAWKES. Mr. President, I do not agree with the Senator that the law is being flouted generally. I believe there are in this country people who do not wish to obey, and there always will be. But I say that it is not proper to disregard our American standards of justice. I say that it is not healthy for a boy on

the firing line to get word from his father back home that he has been fined $50 for doing an innocent act, when he was trying to support the war effort on the home front.

Mr. WEEKS. Mr. President, will the gentleman yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Delaware yield to the Senator from Massachusetts?

Mr. TUNNELL. I yield.

Mr. WEEKS. I do not think the Senator from Maryland has quite accurately quoted me. I did not say that a certain person in one day found 104 violations. In a period of 40 days, shopping in 1,000 stores, or using 1,000 examples, he found 104 different violations in different stores. If he had found 104 violations in one day, under the terms of this amendment, the judge naturally would have had to say that that merchant could not possibly have taken practicable precautions against a recurrence of the violations, and the judge would, therefore, have assessed a fine.

Mr. TUNNELL. Mr. President, I repeat that I have not yet heard anyone, except the Senator from Maryland, state that it is not an injustice to collect a fine of from 500 to 750 times the amount of the overcharge. In the debate I have not heard that argument used.

In criminal matters it is always proper, when it comes to assessing a fine and determining the amount of the fine, to show that the person charged with the offense did not intend to commit it. If a person charged with a violation goes before a jury in a criminal case or in a civil case and says he did not intend to strike the man with his automobile, and that he was using every precaution, that is a defense. It is recognized as such. But under the existing law and under the pending bill, if it becomes a law just as it is worded, it is not a defense.

The argument is made that I voted for it in just that form. Those who make that argument are going back to the idea that because I have done wrong once, that justifies my doing so again. Here is something which has been discovered. Here is an amendment which will eradicate a wrong. I am in favor of eradicating the wrong, and I think it is just and right to do so. Either the court, the jury, or someone should have a right to use discretion. It should not be the law that because someone has blindly shown that another person has violated the law unknowingly and unwittingly, he should be punished by a fine of from 700 to 800 times the amount of money involved, in addition to the stigma to which the Senator from New Jersey [Mr. HAWKES] has referred, and which in many instances is perhaps the heaviest penalty which could be imposed. As I understand the pending bill, it does not remedy that situation at all.

In other words, under the existing law and the pending bill, the question is not whether the violation was intended; but the only question is—to use an analogy—Did the automobile strike the man? If it did, and if death resulted, the driver of the automobile is liable.

That is not American justice. It is not the justice to which I have been accustomed in the courts. It is not the justice to which the Senator from Maryland is accustomed; because I have practiced in the courts of his State, and I know they try to administer justice. The present law and the bill as it is written are not in accord with the principles of justice.

Mr. RADCLIFFE. Mr. President, will the Senator recall a statement made a short time ago by the Senator from Connecticut, when he spoke of a person who drives through a red light? If a person drives through a red light, even though he may do so innocently, does the court ordinarily accept the explanation that he did so innocently?

Mr. TUNNELL. Yes, Mr. President; a court takes that into consideration; and in many thousands of cases no fine is imposed.

Mr. RADCLIFFE. But that is not an answer.

Mr. TUNNELL. The Senator asked if the court takes it into consideration. It certainly does.

Mr. RADCLIFFE. Let me put my question in another way.

Mr. TUNNELL. Very well; I shall be glad to have the Senator do so.

Mr. RADCLIFFE. If the Senator will look up the records of a police court or a magistrate's court or any court at all which has to pass on violations of traffic regulations, he will find that every day in a very large percentage of cases fines are exacted, although there may be no intent to violate the law.

Mr. TUNNELL. Yes; and in a very much larger percentage of cases the court does take into consideration the manner and the attitude of the person who violated the regulation, and whether he was taking reasonable precautions. If the court does not take such matters into consideration, it is not doing its duty; and if the Senate does not take into consideration the very right of the matter, in writing these laws, it is not doing its duty.

Mr. RADCLIFFE. Does the Senator understand that it is customary in traffic violations to have the intent of the person be the controlling factor?

Mr. TUNNELL. The Senator is endeavoring to get back to the point of whether some wrong has been done in the past in traffic violations and, if so, that it is a reason for continuing the wrong. I do not think it is, even in Maryland.

Mr. RADCLIFFE. The Senator challenged me to cite an illustration. I am telling him that the magistrate's courts in Maryland, the courts in the District of Columbia, and the courts in practically every State, including, I assume, the State of Delaware, every day are punishing for traffic-law violations people who do not intentionally violate the law.

Mr. TUNNELL. I will say that the judges in Maryland and in Delaware and in every other State with which I have ever had anything to do, take into consideration the criminality or the negligence, in civil cases, of the person accused.

Mr. RADCLIFFE. Is that true in the case of a violation of a parking regulation?

Mr. TUNNELL. Yes; it is.

Mr. RADCLIFFE. Is that true in the case of a person who overparks, and who says he failed to look at his watch to keep track of time?

Mr. TUNNELL. If there were proper signs indicating the boundaries of the restricted parking area, that fact is taken into consideration. If there were no such signs, that fact is taken into consideration. The degree of negligence enters into the matter every time.

Mr. RADCLIFFE. Does the Senator refer to violations of parking regulations?

Mr. TUNNELL. I do not know how many judges will overlook those considerations, but I am talking about the laws and the way they are administered.

Mr. RADCLIFFE. I am simply asking the Senator from Delaware to tell me what is customary in the case of violations of traffic regulations. Fines are frequently imposed against persons who had no intention to break the law.

Mr. TUNNELL. I am telling the Senator from Maryland that in cases of traffic violations, as in all other cases about which I know, the courts use some common sense. But the Senator is asking them not to do so in this case.

Mr. HAWKES. Mr. President, will the Senator yield to me, in order that I may make a statement?

The PRESIDING OFFICER (Mr. DOWNEY in the chair). Does the Senator from Delaware yield to the Senator from New Jersey?

Mr. TUNNELL. I yield.

Mr. HAWKES. In the case of traffic violations, the person who is charged with the violation is the person who was driving the automobile. In the case of the sales and overcharges now in question, for which a person may be penalized, that person may have been 20 miles or 50 miles away from the spot where the overcharge was made. He may have had forced on him help which he would not use under any ordinary conditions in his store. Today the merchants are getting along as best they can.

Mr. President, while I am on my feet I wish to say that I think the O. P. A. is doing a good job. I think it is vitally important that it be supported. There is nothing more important than to control inflation. I, too, like the Senator from Delaware, do not believe we have to dispense with genuine American justice in order to enforce the O. P. A.

Mr. TUNNELL. I thank the Senator. That is exactly my position.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. JOHNSON of Colorado. I regard the Senator as a very able lawyer, and I wish to ask him a technical question. I notice the following language in line 4:

It shall be an adequate defense.

What is the significance of the word "adequate," when used in that connection? Does it mean a complete defense? Why would it not be better to say that

it shall be an admissible defense? "Adequate" seems to me to be a very sweeping word in that connection.

Mr. TUNNELL. I ask the Senator if an adequate defense does not mean an admissible defense?

Mr. JOHNSON of Colorado. That is what I wish to find out.

Mr. TUNNELL. It certainly does.

Mr. JOHNSON of Colorado. "Adequate" seems to me to be a very sweeping word.

Mr. TUNNELL. I do not know what an "admissible" defense is. An adequate defense is a complete defense. An "admissible" defense may be a defense which is offered, and which may be accepted or rejected by the court. That is my idea of the distinction. However, I believe that it should be a complete defense.

The only justification for assessing a penalty of $50 or $25 for a 10-cent overcharge is as a matter of punishment. If it can be shown that there was no negligence, and that every precaution was taken to prevent the violation, or if it can be shown "that the violation of the regulation, order, or price schedule prescribing a maximum price or maximum prices was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation" what is there to punish the defendant for?

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. REVERCOMB. With respect to the inquiry made by the able Senator from Colorado as to the use of the word "adequate" does not the word "adequate" mean sufficient? Is not an adequate defense a sufficient defense to the charge?

Mr. TUNNELL. Yes; I think it means a complete defense.

Mr. REVERCOMB. In this instance it seems to me that the proper construction of adequate is a sufficient defense to the particular charge.

Mr. TUNNELL. As I have said, that is taken into consideration in civil cases by juries, and in criminal cases by the court in fixing the punishment. But under the language of the bill the court would have no discretion. It would have to punish with the largest fine or assessment possible—"whichever is larger." The court would have no discretion, under the terms of the bill, if it should be proved that there was no negligence and that the violation was innocent or perhaps justifiable. It might be justifiable, and yet the court must fix the punishment at the greater amount. I think it is one of the most unfair proposals that I have ever seen attempted to be put into a statute.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Kentucky [Mr. CHANDLER] on behalf of himself and the Senator from Massachusetts [Mr. WEEKS] to the committee amendment on page 10, after line 20.

Mr. CHANDLER. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RADCLIFFE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Revercomb
Ball	Gillette	Reynolds
Bankhead	Green	Robertson
Barkley	Guffey	Russell
Bilbo	Gurney	Shipstead
Brewster	Hatch	Stewart
Bridges	Hawkes	Taft
Brooks	Hayden	Thomas, Idaho
Buck	Hill	Thomas, Okla.
Bushfield	Holman	Truman
Butler	Jackson	Tunnell
Byrd	Johnson, Colo.	Tydings
Capper	La Follette	Vandenberg
Caraway	McClellan	Wagner
Chandler	McFarland	Wallgren
Clark, Mo.	McKellar	Walsh, Mass.
Connally	Maloney	Walsh, N. J.
Cordon	Mead	Weeks
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Murray	Wiley
Ellender	Overton	Willis
Ferguson	Radcliffe	Wilson
George	Reed	

The PRESIDING OFFICER. Seventy-four Senators have answered to their names. A quorum is present.

The question is on agreeing to the modified amendment offered by the Senator from Kentucky [Mr. CHANDLER] on behalf of himself and the Senator from Massachusetts [Mr. WEEKS] to the committee amendment.

Mr. REVERCOMB. Mr. President, the subject before the Senate at the present time deals with the infliction of a civil forfeiture or a penalty for a violation of the Stabilization Act. The sole question boils down, as I see it, to this: Under the present statute, if a merchant or one selling goods sells merchandise above the O. P. A. ceiling price, regardless of whether the overcharge is intentional or not, regardless of the circumstances, regardless of how innocent the seller may be, he is subject to a penalty.

It is stated that in forfeiture cases in an action brought by the purchaser the seller shall be liable for reasonable attorney's fees and costs as determined by the court. In addition, the seller must pay an amount not less than one and one-half times and not more than three times the amount of the overcharge, or $50, whichever, I understand, shall be the larger amount.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. RADCLIFFE. I may say to the Senator that there is an amendment, which has the support of the committee, which would substitute the amount of $25 for the present amount of $50.

Mr. REVERCOMB. I thank the Senator for the information, but I do not believe the fixed amount makes any difference. Whether the penalty be $25, $50, or $1, the sole question is whether or not a man is guilty of a willfully wrongful sale, of desiring to violate the law, or of having failed to take precautions against violation—or whether he is innocent of trying to violate the law. The sole question to be determined by us is whether the law shall stand, and subject a man to punishment even though he has taken precautions not to violate the law.

The amendment which has been offered, Mr. President, is a very fair one. It would not require that the seller must be proved guilty of a willful act. It would merely give to the seller an opportunity to show that his act was neither willful nor the result of failure to take practicable precautions against the occurrence. In other words, the burden would be placed upon the seller to show that he was not willful in having violated the law, or had not failed to take practicable precautions. He would stand before the court guilty until he showed that he was not guilty. The amendment simply gives him an opportunity to truthfully show his status.

Today I have listened to the interesting and able arguments which have been made. I recall one argument which has frequently been made, namely, that we are engaged in a war. Unhappily we are engaged in a war; but the fact that we are engaged in a serious war is no reason for inflicting upon the civilian population of the country penalties which are unfair, or for passing unfair laws. It seems to me that it is ordinary justice for a man who is charged with violating a law to have an opportunity to come into the court where he has been charged with the violation, and say in effect, "I wish to prove that my act was not a willful one; that I took ordinary care and precaution not to violate the law, and that I have used all reasonable means to maintain my position as an innocent citizen." Indeed, what good purpose will the courts of this land serve; how, indeed, may justice and right be said to guide our courts if a penalty is to be inflicted upon the innocent and the guilty alike?

Some have called this an automatic penalty and seem to feel that because it is automatic that it is right. I do not follow that course of reasoning. A penalty upon the innocent is wrong whether it be automatic or the result of judgment after trial.

To show the practical side, let me say that the merchants of the country—and I am not presenting the cause of any particular merchant—whether they operate large stores or small stores, are employing clerks who are green and untrained; yet if one of the clerks innocently makes an overcharge of a few cents, under the law as it is written today, the owner of the store must pay a penalty of $50, and he has no right under the present law or the proposed law to say, "I did not intend to commit that act and I took every precaution I could to prevent it from occurring."

It seems to me, Mr. President, that when the Congress undertakes to place upon the civilian population a penalty because of an act, over which in many instances the man has no control, we have gone far afield from the principles of simple justice as we know them and have known them in this country.

The argument was made that those in the armed services suffer severe penalties. I believe a case was cited of a soldier going to sleep at his post. He did not intend to go to sleep, but he was sent to the penitentiary. I want to say if that is the practice in the Army of the United

States today, it is a disgrace and a shame. If a soldier has not the right to show extenuating circumstances, however high his duty may be, and to show reason or excuse for his act, then we had better inquire into such conduct. I know of a similar case in the last war; I know it first-handed. A young soldier went to sleep on post. He had been ill and had missed his sleep night after night because of extremely arduous duties assigned to him. When he was called before a general court martial, the fact of his illness and the fact of his overtime service were presented and heard, and he was acquitted. I hope that that practice still obtains in the Army of the United States.

Returning to the immediate subject before the Senate, I say, Mr. President, that if one commits a criminal act, under the provisions of the law, before he can be convicted of a criminal offense and punished, it must be shown that his act was willful. Yet in order to recover a civil penalty it is necessary to show only that an overcharge occurred, however innocently it may have occurred.

I may point out, Mr. President, that unless the proposed amendment is adopted, there will be put upon a parity those who willfully violate the law and those who unintentionally violate it. I do not believe the Senate wants to do that. Regardless of the history and the use of forfeitures, I do not consider it an argument in this case that a forfeiture may have been provided in other laws. If we let the law stand as it is proposed to be passed without this amendment, remember, the guilty and the innocent will be punished alike.

Mr. ELLENDER. Mr. President——

Mr. REVERCOMB. I yield to the Senator from Louisiana.

Mr. ELLENDER. I believe that the distinguished Senator from Connecticut made it very clear that the main purpose of having written the law as it now stands was in order to have civilians become interested in reporting violations. Does the Senator not feel that adoption of the amendment which is now proposed would remove that incentive?

Mr. REVERCOMB. I do not feel so, because if a customer is overcharged and desires to take the matter into court he is not going to take it into court unless he feels he has been wrongfully overcharged. Certainly, he is not going to take into court a man who, he feels, innocently overcharged him. And if anyone is vicious enough to try to collect from an innocent seller, this amendment protects the innocent. The present law does not.

Mr. ELLENDER. It strikes me that it would certainly remove that incentive. What would happen would be that in order to enforce the act it would be necessary for us to appropriate millions of dollars so as to provide sufficient watchers to see that the law was enforced.

Mr. REVERCOMB. I do not hold the view of the able Senator from Louisiana, but, even if I did, I would not subscribe to the principle of doing a wrong in order to afford an incentive to others to bring the wrong to light.

We are here passing a law that will absolutely bind the courts. As was stated by the judge—and I was very much impressed by it—when he was inflicting the penalty in the case in Kentucky—he remarked, in substance, that if there was any fairness and any justice in this law as applied to an honest, painstaking, careful merchant, as in the case before him, he failed to perceive it.

The purpose of the amendment is to give to the judge the power to hear the man who may be brought before him and give that man an opportunity to say "I will prove my innocence, and I will prove that not only was the act not willful but I will prove that I took every precaution to prevent it."

Does the able Senator think that when a merchant, whether a merchant in the country, in a town, or in a city takes every honest precaution he should be mulcted in damages, for that is what it is, although called a penalty. Fifty dollars, twenty-five dollars, or one dollar is not to be considered; it is a question of whether or not we ought to take a penny from him. If he is guilty make him pay the full amount, but if he is innocent give him an opportunity to show that he is innocent of the act charged.

Mr. GILLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Iowa?

Mr. REVERCOMB. I yield.

Mr. GILLETTE. As a matter of interpretation may I ask the Senator what in his opinion would be the interpretation in a court action of the degree of precaution that is defined as "practicable"?

Mr. REVERCOMB. I think that it would be entirely within the discretion of the court to say under the circumstances what was practicable, just as the questions of fact are left to a jury under the circumstances of the case.

Mr. GILLETTE. Would it be the Senator's interpretation that it would be reasonable precaution? Would that be the interpretation?

Mr. REVERCOMB. Yes.

Mr. GILLETTE. I think "practicable" is defined as what is to be put in practice, as feasible, and I am wondering whether that definitive word, that adjective, is the word it is really desired to use.

Mr. REVERCOMB. I believe that the word is properly used. It is a matter of judicial determination of what is practicable under the circumstances of the case presented.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. REVERCOMB. I am glad to yield.

Mr. WHITE. Is it not a fact that it is an application of judicial discretion or the exercise of judicial discretion?

Mr. REVERCOMB. Based on what the judge decides is practicable.

Mr. WHITE. Upon what the judge admits before him as evidence. While I am on my feet may I ask another question?

Mr. REVERCOMB. Certainly.

Mr. WHITE. I am not sure that I understand altogether what is involved here. The amendment, as I understand, transfers the burden of proof from the one charging the offense to the defendant charged with the offense and requires of the defendant that he shall establish by affirmative proof some sort of a negative. He has to prove that what he has done was not done intentionally or whatever the statutory word may be. Is not that a complete shifting of the legal principle that the burden of proof must rest on the person making the charge?

Mr. REVERCOMB. It is indeed a shifting of the principle, but I should like to point out to the able Senator that in the law as it is proposed today the defendant will not be given an opportunity even to defend upon the ground that his act was innocent and that he took every precaution to prevent it. The amendment goes further than the usual burden of proof principle. It puts upon the defendant the burden of proving that he is innocent.

Mr. WHITE. Of proving a negative?

Mr. REVERCOMB. Of proving a negative.

Mr. WHITE. In other words, the amendment, whether one likes it or not, is a relaxation from the rigors of the present law?

Mr. REVERCOMB. It is.

Mr. WHITE. Because under the present law, if the fact is established, and only the fact, there is a conclusive presumption of guilt.

Mr. REVERCOMB. Exactly so; and I think that is the viciousness of the present law.

Goodness knows the merchants throughout this country are harassed enough today with regulations. The seller of goods is required to make report after report. A great threat is constantly held over him by his Government. He lives in an atmosphere of control and threat, and now we are asked to pass a law providing that when he makes a mistake he cannot come before a court and say, "I am innocent, and I can show I took every precaution."

Mr. RADCLIFFE. Will the Senator from West Virginia yield?

Mr. REVERCOMB. I yield.

Mr. RADCLIFFE. Not that it has any bearing on the merits of whether the provision should be in the law or not, but an inference might be drawn which I am sure the Senator from West Virginia does not mean, that this is a new feature being incorporated into the law. The provision is now in the law.

Mr. REVERCOMB. The Senator is correct, the feature is now in the law. It is a bad feature, in my opinion, it should be eliminated, and it will be eliminated if the amendment shall be agreed to.

Mr. MURDOCK. Will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. MURDOCK. The Senator does not take the position, does he, that this has never been done before in a Federal statute?

Mr. REVERCOMB. Oh, no; I stated that forfeitures had been provided before, but because they exist in other in-

stances does not justify placing them in this measure.

Mr. MURDOCK. Does the Senator take the position that subparagraph (a), under section 205, which provides for injunctions, is also mandatory? The language which I refer to reads as follows:

In any such acts or practices a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

Does the Senator take the position that that language is mandatory on the court?

Mr. REVERCOMB. Yes; I take the position that it is mandatory, and I take it we will be relieved from that mandatory language by the amendment now offered.

Mr. MURDOCK. If the distinguished Senator will read the opinion of the Supreme Court in the Hecht case, he will find that the court has held that the language in subparagraph (a) is not mandatory, and that the courts of the United States and the State courts, on the question of an injunction, have discretion, despite that mandatory language. If there has been a decision of our Supreme Court which upholds the position the Senator takes on the other language, I am not familiar with it; but I call his attention to the fact that the only case, in my opinion, which has been handed down by the Supreme Court of the United States on this question, and which is a construction of the language of subparagraph (a) under section 205, holds that the courts do have discretion in granting injunctions.

I feel, if the Senator will be indulgent for a moment longer, that whenever a case reaches the Supreme Court on the grounds the Senator from Kentucky has pointed out, without doubt the Supreme Court will say, in that type of case, that the courts have discretion to do equity.

Mr. REVERCOMB. I am very happy to be advised of the Hecht case and I am glad the Supreme Court placed the interpretation upon the statute that it did in that case, although it may have involved a stretching of language. I remember that case went up from Washington to the Supreme Court, and I am glad to have it brought to my mind. As I recall the case, the statement made by the able Senator from Utah is correct as to the holding. But if that be so, let there be no question of doubt as to the meaning the Senate desires to place upon the language it uses in the proposed statute. Let the Congress, as to injunctions under O. P. A., follow the holding of the Supreme Court in unmistakably clear language. But the Hecht case did not, if I recall rightly, deal with the question of a forfeiture or penalty. It dealt solely with the question of injunctive action.

Mr. MURDOCK. That is correct.

Mr. REVERCOMB. Mr. President, the amendment now under consideration will prevent a store from being closed, will prevent the infliction of a money penalty if the one charged is innocent, or if he can prove that he has taken reasonable precautions. It affords the defendant an opportunity to present a defense if he has a defense. I say, Mr. President, that appeals to me as simple, ordinary, straight-forward justice. In this instance, I think a great wrong will be done to the merchants and vendors of this country if they are not permitted a day in court to prove, if they can, that the action, the sale, or the overcharge, was innocent, and in addition, that they had taken every precaution to prevent an improper charge being made.

The amendment goes to a very basic principle of right. It gives to the man charged with wrong a chance to be heard, and only by its adoption can one charged with making an overcharge be heard to say that he had taken practicable precautions to prevent the wrong from being done.

If the measure shall be permitted to stand as it is written, without the pending amendment, the guilty would have the same standing and judgment in court with the innocent, and the innocent would suffer equally with the guilty.

APPROPRIATIONS FOR THE DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 16.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 9, 11, 15, 17, 18, and 19, and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Omit the matter stricken out and inserted by said amendment, and on page 59 of the bill in line 10 strike out the colon and insert in lieu thereof a period; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 8, 10, 12, 13, 20, and 21.

PAT MCCARRAN,
KENNETH MCKELLAR,
RICHARD B. RUSSELL,
WALLACE H. WHITE, Jr.,
CLYDE M. REED,
Managers on the part of the Senate.

LOUIS C. RABAUT,
BUTLER B. HARE,
THOMAS J. O'BRIEN,
KARL STEFAN,
Managers on the part of the House.

The report was agreed to.

The PRESIDING OFFICER (Mr. DOWNEY in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4204, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 6, 1944.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 5, 8, and 20 to the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 21 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"During the fiscal year 1945 the Secretary of Commerce ay delegate his authority to subordinate officials of the Coast and Geodetic Survey, the Weather Bureau, and the Civil Aeronautics Administration, to authorize payment of expenses of travel and transportation of household goods of officers and employees on change of official station: *Provided*, That in no case shall such authority be delegated to any official below the level of the heads of regional or field offices."

That the House insist upon its disagreement to the amendments of the Senate numbered 10, 12, and 13 to said bill.

Mr. McKELLAR. Mr. President, I move that the Senate agree to the amendment of the House to Senate amendment numbered 21.

The motion was agreed to.

Mr. McKELLAR. I move that the Senate further insist upon its amendments numbered 10, 12, and 13 to the bill, request a further conference with the House thereon, and that the Chair appoint the same conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCCARRAN, Mr. MCKELLAR, Mr. RUSSELL, Mr. BANKHEAD, Mr. CONNALLY, Mr. WHITE, and Mr. REED conferees on the part of the Senate at the further conference.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.).

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Kentucky [Mr. CHANDLER] for himself and the Senator from Massachusetts [Mr. WEEKS] to the committee amendment on page 10, after line 20.

Mr. TAFT. Mr. President, I do not have any great sympathy with the Price Administration, and I intend at a later time in the debate to set forth the abuses of administration which I think have occurred; but I do feel that price control is an essential feature of our war economy. I think we must have such control if we are to prevent a tremendous increase in prices over and above what they should be.

Mr. REVERCOMB. Will the Senator yield?

Mr. TAFT. I yield.

Mr. REVERCOMB. In view of the fact that the Senator follows me upon this subject, I wish to say that I agree with him that price control is necessary in wartime. Much as I fundamentally am opposed to fixing prices, I agree with the Senator that in these times it is justified. But I do not think that Congress, the declarer of policy and the maker of the law, should so have it that the innocent may be made to suffer. That is not necessary and it is not just.

Mr. TAFT. Mr. President, the whole price control, which is extraordinary, can only be justified, in my opinion, in time of war. I am in favor of abolishing it just as soon as we can abolish it after the war. But if we have it, it must be enforced, and the most important enforcement, perhaps, comes in the enforcement of retail prices. That is to save the small country stores, and the chain stores, which sell small and inexpensive articles.

It is said a 2-cent overcharge is nothing. A 2-cent overcharge goes to the very essence of price control. After all, we are trying to hold prices somewhere near stable figures. I think perhaps we should let them go up 5 percent a year. But a 2-cent overcharge is often a 20-percent increase in price. It is essential that the whole scale of prices be adhered to. Probably a 2-cent overcharge is much worse than a $100 overcharge. Hundred-dollar overcharges are easy to detect, but many small overcharges creeping into the retail stores of the country will bring an end to enforcement of price control.

Let us see what we confront in trying to enforce the law. We have provided for a criminal penalty. Of course, we provided that to convict a man criminally it must be shown that his offense is willful. Incidentally, it is far too expensive and elaborate a process to use against every small store or chain store which happens to violate a price regulation. It cannot be done. The district attorney does not have time to worry with such cases and bring the elaborate proceedings involving not only a fine but imprisonment for the person who is convicted. The act also gives the right to require licenses and to revoke licenses. That certainly is a most drastic penalty and ought not to be employed except in extreme cases. As a practical matter for enforcement against day-to-day violations it is almost a useless weapon.

The third weapon we have given is what is called an automatic fine, and that is what it really is. Congress has said, and the question is, Shall Congress continue to say that if a man persists in violations of the act he shall pay an automatic fine? That is the question. It is a question of whether that is a wise means of enforcing this particular law, and I am inclined to think it is. There is no question of the individual's guilt. He is guilty. The whole basis of the appeal is for individuals who have violated the price regulations. There is no question of civil liability. Violators can be sued. Civil liability does not require willful violation. Civil liability is always based on the fact. We go somewhat further, because this is a semicriminal proceeding. A fine is involved. But it is not going to result in sending anyone to jail. It is going to do no more than penalize an individual for a violation which is not willful. I do not think it is an extreme measure to take in time of war.

The amount may be excessive. I think triple damages are excessive. The committee reduced the figure to one and one-half times, so that one who can show that he did not commit a violation on purpose can be fined only 50 percent in addition to the overcharge where the overcharge is not more than $50.

I think most of the complaint which is made in the Senate is based on the theory that $50 may be a very excessive penalty for a 2-cent overcharge. I do not say that the $50 penalty may not be too much. Perhaps it ought to be $25 instead of $50. But I still believe that about the most effective means of enforcing this law with respect to retail prices and against retail stores is by an automatic fine. That is what we have provided in this particular measure.

There have not been a great number of cases brought. If we make it optional with the judge, if we provide that the defendants can come in and show that they are not to blame, and that then there shall not be any recovery, we will not have any consumer suits at all. The Office of Price Administration might bring suit at times, but there will not be any consumer suits, because no consumer can be in a position to controvert the contention made by the storekeeper that he issued proper instructions to his clerks. Suppose the chain-store manager comes forward and proves that he issued instructions not only to his clerks directly but that he sent a man around to all the stores who taught his clerks what to do. That lets him out. How can anyone ever bring a suit with any hope of success against a chain store under such circumstances? An individual cannot go inside the chain store organization and prove what happened in the organization, or whether there was or was not negligence. The evidence is all within the mind of the storekeeper himself.

Mr. REVERCOMB. Mr. President——

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Ohio yield to the Senator from West Virginia?

Mr. TAFT. I yield.

Mr. REVERCOMB. The Senator acts as the judge of the act in this case in saying what would be a defense. It is left to the judge under the circumstances to say whether due precautions were taken.

Mr. TAFT. No; the point I am making is that this provision is intended to enlist consumer assistance in connection with enforcement. If the Price Administrator himself must enforce the provision he is going to find it to be an impossible job. It cannot be done. So he wants consumer assistance, and we confer on the consumer the benefit of this automatic fine, but no consumer can possibly bring a suit with any hope of success for an overcharge hereafter if we have this possible defense provided. The consumer cannot answer that defense. We might just as well face the problem, as it is. If the amendment is adopted it will kill the automatic fine method of enforcement.

Mr. President, in my opinion an automatic fine for violations of price-control regulations is the most effective means of enforcing retail price control, and without it the enforcement of retail price control will be seriously handicapped. I do not think an automatic fine for an innocent mistake, if you please, in time of war, is a serious infringement of any man's constitutional rights.

I think the Office of Price Administration is to blame for having pushed this matter further than they should have pushed it, for having brought many of the cases they have brought, for allowing to continue the cumulative business, which we have now eliminated. That may be. But still the fundamental question we have to decide is whether we want to leave in the act this method of enforcement with respect to retail sales.

After all, the fact that overcharges are as small as 5 cents or 2 cents makes no difference. In fact, those violations are far more difficult to punish, they are far more difficult to prevent, and far more destructive of ultimate price control than the $100 overcharges. So I do not feel that the proposal represents an unconstitutional infringement of rights, particularly in time of war.

Mr. WEEKS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WEEKS. The Senator from Ohio has stated that this is an automatic fine, and to me that is a new doctrine. The objective of the Price Control Act, with which every Senator must be in sympathy, is to keep prices down, but the method of achieving that objective is to catch the chiselers and the black-marketeers, and not to penalize the 999 out of a thousand merchants who under the most difficult conditions are trying to keep abreast of the regulations, changes in price, and everything that goes with them, who under the most trying circumstances are bound from time to time to make innocent mistakes. If those mistakes are repeated the merchant, of course, ought to be brought to account, but if an innocent mistake occurs the merchant ought to have his day in court, and the court ought to have some discretion in the matter.

Mr. TAFT. Mr. President, I wish to make one reservation, and that is that I do not know that I would approve of automatic fines in time of peace. There have been some such fines provided in wage-and-hour laws, for instance. But except in time of war when we have extraordinary controls I do not think such procedure can be effectively carried out. That is one reason why I think that the moment we can possibly get rid of the whole thing we ought to get rid of it. It has certain necessary hard features, and will always have such features. We cannot regulate millions of transactions every day without such a result. But if we are committed to this policy, as I think we are and as I think we ought to be, I do not believe the method of enforcement by automatic fine, as tempered by the committee, as reduced to $50 for all past offenses without cumulation, as reduced to a penalty of one and one-half times in cases of any substantial overcharge, is an unfair or too harsh a method of enforcing the Price Control Act.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Kentucky [Mr. CHANDLER] on behalf of

himself and the Senator from Massachusetts [Mr. WEEKS] to the committee amendment on page 10, after line 20.

Mr. REVERCOMB. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Revercomb
Ball	Gillette	Reynolds
Bankhead	Green	Robertson
Barkley	Guffey	Russell
Bilbo	Gurney	Shipstead
Brewster	Hatch	Stewart
Bridges	Hawkes	Taft
Brooks	Hayden	Thomas, Idaho
Buck	Hill	Thomas, Okla.
Bushfield	Holman	Truman
Butler	Jackson	Tunnell
Byrd	Johnson, Colo.	Tydings
Capper	La Follette	Vandenberg
Caraway	McClellan	Wagner
Chandler	McFarland	Wallgren
Clark, Mo.	McKellar	Walsh, Mass.
Connally	Maloney	Walsh, N. J.
Cordon	Mead	Weeks
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Murray	Wiley
Ellender	Overton	Willis
Ferguson	Radcliffe	Wilson
George	Reed	

The PRESIDING OFFICER (Mr. HAYDEN in the chair). Seventy-four Senators having answered to their names, a quorum is present.

The pending question is on agreeing to the modified amendment proposed by the Senator from Kentucky [Mr. CHANDLER] for himself and the Senator from Massachusetts [Mr. WEEKS] to the committee amendment.

On this question the yeas and nays have been demanded and ordered.

Mr. BARKLEY. Mr. President, I simply wish to make a brief statement in regard to my attitude on the pending amendment to the committee amendment. Of course, I am very much embarrassed because the amendment to the amendment is offered by my colleague, and is offered in good faith by him, and is based largely upon an episode which occurred in the city of Louisville, involving one of the most reputable mercantile establishments in the State of Kentucky, the head of which is a very warm personal friend of mine. If I considered that a single episode and an isolated case involving this merchant or this establishment could justify a relaxation in what I think is one of the most vital methods of enforcing price control, I myself would feel inclined to vote for the amendment to the committee amendment. But I do not believe we can relax with safety the enforcement procedure and methods which have been established, and under which the American people have now lived for 2 years and more, without running a great risk of destroying the effective control of prices themselves.

Now we are appealed to by all sorts of groups, which can cite instances of hardship which have occurred, to vote for a general amendment which would cover their particular situations. I have been waited upon today by personal friends urging me to vote for amendments because of a peculiar situation which affects them and which affects my own State. If I or all of us should vote for all the amendments which particular groups of our friends are asking us to adopt because some individual hardship has occurred to them, we might as well repeal the Stabilization Act, and abolish price control altogether.

Of course, I do not say this for the purpose of indicating that the contrary is the truth; but I think that in this situation, in which we are called upon to deal with a very vital war problem, we must take into consideration the possibilities which may result from any action we may take. We owe it to ourselves and to the country to exhibit the same degree of courage which we would be expected to exhibit if we were involved somewhere else in this war effort and this war drive.

All penal statutes are made in order to curb the 5 percent, it may be, or less, of the population who may be criminally inclined. If it were not for the insignificant minority in numbers who insist on violating the law—every law which carries with it a penal statute—and if it were not for the fact that, beyond that group, there are always men who are willing to take a chance either of violating the law outright or of occupying a sort of twilight zone or a borderland between actual violation and observance of the law, we would not be called upon to pass criminal or penal statutes of any kind. If everyone were willing to recognize the rights of everyone else, we would not need many statutes, and we would not need much government. That is what I think Jefferson meant when he is alleged to have said—although it has been difficult for me to find the exact quotation—that that government is best that governs least. In an ideal state of society, in which everyone recognized the rights of everyone else, there would not be much need for government. But, unhappily, we do not dwell in that sort of society.

So I feel that if we are sincerely interested in curbing inflation, if we are interested also in protecting the consumer, who has some rights in this situation, we must be careful and we must be guarded as to the extent to which we relax the controls and methods of enforcement.

Mr. BRIDGES. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Kentucky yield to the Senator from New Hampshire?

Mr. BARKLEY. I yield.

Mr. BRIDGES. Did I correctly understand the Senator to say that he was unable to find in the works of Jefferson the words which he purported to quote?

Mr. BARKLEY. I do not know that that is very important so far as this amendment to the committee amendment is concerned. But Jefferson's works are voluminous. I have a set of 12 volumes of his works; and a new set, composed of 20 volumes, is soon to come out. So, year by year and day by day, new letters and new treatises by Jefferson on various subjects are being discovered.

Mr. BRIDGES. I was about to comment that I do not think the Senator has studied or followed Jefferson to any great extent in the past 11 years.

Mr. BARKLEY. I will accommodate the Senator by sending him a copy of one of the best speeches I have made in the past 12 years, on Thomas Jefferson. If the Senator will promise to read it, I will mail it to him tomorrow.

Mr. BRIDGES. I notice from the press that the Senator is now an author as well as a Senator, so I am delighted to read one of his speeches.

Mr. BARKLEY. I feel complimented by having the Senator recognize my merits as an author. I am sorry to say that I have received letters from others who are not so charitable toward my authorship as is the Senator.

Mr. BRIDGES. I grant that the Senator is an author, but I am certainly not in agreement with the script which he produces.

Mr. BARKLEY. In the first paragraph of that script I stated that my article was not intended to appeal to chronic Roosevelt haters or chronic Roosevelt worshippers, so the Senator is eliminated in the first paragraph. However, I do not wish to speak on that subject. I am trying to talk about a serious matter.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. OVERTON. To pour oil on the troubled waters, let me suggest that Alexander Pope first gave utterance to the thought suggested by the Senator.

Mr. BARKLEY. I thank the Senator. I should have expected the erudite Senator from Louisiana to have corrected me or the Senator from New Hampshire in any literary error we might have committed. I thank the Senator for setting the record straight.

Mr. President, let us get back to the amendment. I was saying that if we legislate in penal matters so as to make it impossible to deal with the very small and insignificant percentage of people who take advantage of the law, we might as well have no statutes at all.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HATCH. It had been my original intention to vote for what I thought was the purpose of the amendment, namely, to protect those who are innocent, and who might inadvertently or unintentionally violate some rule or regulation. I am quite sure that is the purpose of the Senator from Kentucky, and of every other Senator. There is no desire on the part of Congress or of any administrative agency unduly to inflict penalties upon those who unintentionally and unknowingly violate the law or the regulations. However, I find language in the amendment which frankly I do not understand. The amendment provides as follows:

> It shall be an adequate defense to any suit or action * * * if the defendant proves that the violation of the regulation, order, or price schedule prescribing a maximum price or maximum prices was neither willful—

Then follows this language—

> nor the result of failure to take practicable precautions against the occurrence of the violation.

I ask the Senator whether he thinks the words which I have just read are of any legal significance. Have they ever been interpreted by the courts? Could they be applied, or would they open the door to almost anything?

Mr. BARKLEY. That is precisely the point I am coming to in what I had intended to be a very brief discussion of the amendment. I think the Senator from New Mexico is correct in his interpretation of the language.

Mr. HATCH. I have not interpreted it. I do not know what it means.

Mr. BARKLEY. That language would make it difficult for me as a lawyer to know how to interpret it if I were a judge on the bench and were required to pass upon it or to instruct the jury.

Mr. HATCH. I was about to ask how the Senator would instruct a jury on that language.

Mr. BARKLEY. I presume the only way a court could instruct a jury on that language would be simply to read the language itself, because the court would not know what interpretation to place upon it, or what specific act would constitute a lack of diligence on the part of the merchant in taking all practicable steps to avoid a violation of the statute. I do not know. If a judge were to undertake to interpret that language to a jury, he might make an erroneous interpretation, so probably all the judge could do would be to read the language to the jury and leave it to the jury to determine whether the defendant had exercised the proper diligence.

Mr. HATCH. Let me ask the Senator further if, in his opinion, the inclusion of those words would render the entire penalty provisions practically nugatory.

Mr. BARKLEY. I think so. Let us see what would be the result——

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CHANDLER. As I understand, the Senator from New Mexico would vote for an amendment containing the word "willful." Yesterday the Senator from Illinois [Mr. LUCAS] offered such an amendment, containing the words "willfully and knowingly" but the amendment did not elicit much support.

The Senator asked what the judge would say. A judge certainly would have the whole case before him, and he would instruct the jury in accordance with the proof which the defendant offered. This amendment provides that it shall be an adequate defense if the defendant proves, first, that the violation was not willful; and secondly, that he took all practicable precautions to avoid the violation. "Practicable precautions" mean that he read the regulations of the O. P. A.—and, God knows, they are numerous enough—and that he tried to make the regulations known to his employees. That language means that, notwithstanding the fact that he had inexperienced clerks, as many establishments have, he did the best he could to avoid the violation. My colleague did not know that the Senator from New Mexico would vote for an amendment which, so far as I know, nearly every other Senator opposes, and to which the O. P. A. is violently opposed. Such an amendment would insert the word "willfully" in the act.

Mr. BARKLEY. Mr. President, I am not interpreting the purposes or motives of the Senator from New Mexico. I agreed with his statement a moment ago. I fear this amendment as a whole would make absolutely nugatory the effort of the Office of Price Administration to enforce the statute.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HATCH. Let me say, in reply to the junior Senator from Kentucky, that it does not make any difference how I vote, or whether any other Senator agrees with me or not. The words "knowingly and willfully" have very well defined meanings in the law. If the amendment is adopted, I suggest that the very able explanation which the junior Senator from Kentucky has just given be incorporated by all the judges in their instructions to juries when they come to decide cases, because he has made it very clear.

Mr. CHANDLER. We cannot prevent judges from making erroneous interpretations of the law.

Mr. BARKLEY. Mr. President, let me pursue my discourse for a moment. Let us assume the case of a corporation which is being proceeded against, either by a customer or by the Price Administrator, for an alleged violation of the law. The proceeding is against the corporation. It is not against the girl at the soda fountain, the perfumery stand, the linen-towel counter, the shirt counter, or the hosiery counter. The proceeding is not against the little girl behind the counter; it is against the corporation. Let us assume that a proceeding is instituted against the corporation for violating a price ceiling. The president of the corporation may come into court and say, "I did not know that my corporation was violating the law." That would be proof that he did not do it willfully. He would not have to introduce another witness up to that point. The burden of proof would be shifted to the Government, and the Government would have to show, by positive evidence, that what the president of the corporation said was not true, and that he did know about the violation.

Mr. CHANDLER. Mr. President, will my colleague yield?

Mr. BARKLEY. I yield.

Mr. CHANDLER. This is the way the law would operate if the bill as it stands were enacted into law: In the case of an overcharge, even though the overcharge were refunded, the seller could be taken to court, and would have to pay the $50 penalty, and $25 counsel fees. The defendant would not be able to say a word in his own defense. The fact of the overcharge would be sufficient.

Mr. BARKLEY. I realize that; but I would wager my head against a hole in a doughnut that for every case taken into court in which a merchant had to pay $50 and $25 attorneys' fees for an overcharge of 10 cents, there have been a thousand cases which never got into court because no one went to the trouble of bringing a proceeding.

Mr. CHANDLER. Such a case arose in Louisville, Ky.

Mr. BARKLEY. I know about that case. I have already testified, along with my colleague, that the concern in Louisville to which reference has been made is one of the most reputable mercantile establishments in Kentucky. At the head of it is one of my warmest personal friends in the State of Kentucky. If I were to vote according to my sympathies, of course I would be inclined to support the amendment. But I do not anticipate that even that store will be taken into court in the future, because a burned child dreads the fire, and probably it would not be affected in the future by this amendment, because probably it will never again become involved in such a violation.

Mr. CHANDLER. They earnestly asked that we consider the amendment.

Mr. BARKLEY. That is true. They earnestly asked me to consider it, and I have earnestly considered it, and after earnestly considering it I feel that I should vote against it.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BREWSTER. Am I to understand that while the Senator feels that those persons have learned their lesson, and that the case is a just one, he does not wish to afford any relief?

Mr. BARKLEY. Oh, no; the Senator from Maine, with his sharp technical mind, places an interpretation upon my statement which is wholly unwarranted. On the contrary, I do not believe that we are justified in breaking down price control because of something which has taken place in one case. I will not vote for an amendment designed to make a general law to meet a particular isolated situation.

Mr. BREWSTER. If there should be no similar case, there would be no trouble, but if there are to be any more cases like the Kentucky case I shall vote for equal justice to all.

Mr. BARKLEY. Mr. President, it makes very little difference who has the burden of proof because, after all, in each case, the burden of proof is upon the Government. The burden of proof is now upon the Government to show a violation. If the proposed amendment were agreed to the burden of proof would be shifted to the violator of the law, and all he would have to do would be to testify that he had not known anything about the regulation, and then the Government would have to prove that he had known about it.

Mr. CHANDLER. Oh, no. The Government would make the charge, and would have to offer evidence in support of the charge. We contend that the defendant would then have to come into court and prove, first, that he had not willfully violated the law, and, second, that he had read the regulations and had taken all practicable precautions with the view to avoiding a violation. We would place the burden of proof upon the defendant.

Mr. BARKLEY. The burden of proof is first upon the Government. There are three stages in such a proceeding. First, the Government must prove that there was a violation of the law. Then all the defendant would have to do would be to say that he did not willfully violate the law.

Mr. CHANDLER. No; in this case all the Government has to do is to say in effect, "You overcharged 10 cents." The fine is automatic.

Mr. BARKLEY. It is true that the fine is automatic, but under the Senator's amendment the Government would still have to prove a violation of the law, and the defendant could say, "I did not do it intentionally," and the Government would be required to prove that the defendant had intentionally committed the violation.

Mr. CHANDLER. In the case to which we have referred the court said that he realized there were extenuating circumstances. He said he wished that he could do something for the defendants. He said in effect, "You are fine folks, and you paid back the money, but I cannot help you. You must pay a fine of $50 and $25 as an attorney fee."

Mr. BARKLEY. Under the law, not only in the case referred to but in cases before the Federal court, it is necessary to assess three times the amount of the overcharge, and the Federal judge is under the automatic compulsion of doing so, just as the local judge was compelled to do so in the city of Louisville.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CHANDLER. Allow me to read what the judge said in that case.

> If there is any element of justice, morality, or right in compelling a respectable and honest merchant, such as the defendant in this case, at such a time as the present, when experienced clerks are scarce and hard to obtain, to pay a penalty of $50 for an innocent mistake of 10 cents by an inexperienced clerk, in which the employer who is so mulcted had no part whatever, I have failed to discover it.

Mr. BARKLEY. I appreciate the comment of the local judge to the local merchant concerning that case, and I can well understand the human element which entered into it when he was commenting ex cathedra on the automatic operation of the law. We have been talking all day about chicken-feed cases, about 10-cent overcharges.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in a moment.

We have taken up the time of the Senate today by talking about small matters. However, there are thousands of overcharges which may take place and have taken place, involving real money, such as $25, $50, or $100. In a case in which the seller had overcharged $100 or $1,000, and the Government proceeds against him, and has proved that he made the overcharge, under the proposed amendment he could say, "I am sorry it occurred, but I did not know about it. I did not intend to do it." In 99 cases out of a hundred it would be impossible for the Government of the United States to prove that the defendant had really intended to commit the violation willfully and knowingly.

So, while I am sure that we all wish to do justice in the case of a man who is compelled to pay $50 or $75, which may be a hundred times the overcharge, at the same time I think we must not lose sight of the fact that there have been some flagrant violators of this law, and that there will be more of them if we let down the bars so that they can escape merely by saying that they were innocent, and did not know about the law or the regulations, or that the clerk whom they had instructed violated the law by charging a few cents or a few dollars above the ceiling price.

Mr. WEEKS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WEEKS. Under the amendment the Government would not have the burden of proof. Under the amendment the defendant would not be innocent until proved guilty. He would have to establish his innocence by showing that he had not been willful, and had not failed to take practicable precautions.

Mr. BARKLEY. In proving that the violation had not been willful the defendant would not be required to bring in everybody in the community as supporting witnesses. The Government would not have to prove that he was willfully guilty. All the Government would have to do under the amendment would be to prove a violation of the law. Then the single unsupported statement of the defendant himself that he had not known anything about the law, that he was innocent and had not willfully committed a violation, would make it necessary for the Government to offset his testimony by proof to the contrary. If the Government should merely prove that the defendant had willfully violated the law, and one witness should swear before the court that he was innocent and lacking in knowledge, such testimony might be considered, in the absence of any contradictory evidence, as proof that the defendant was not guilty.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. STEWART. The Senator does not mean to state, does he, that the adoption of the proposed amendment would change the present rules of evidence?

Mr. BARKLEY. It would change the present rules of evidence in O. P. A. cases, but not the general rule of evidence in the Federal court.

Mr. STEWART. The general rule of evidence would control, would it not, in the trial of any jury case, even though the alleged offense had been an O. P. A. violation?

Mr. BARKLEY. Yes; except insofar as the O. P. A. law itself might restrict requirements relating to the Government. As the law now stands the Government is required only to prove violation.

Mr. STEWART. And as the law now stands the defendant is not allowed to make any defense?

Mr. BARKLEY. He may make a defense that he did not commit the violation, but under the present law he cannot defend himself on the ground that he was innocent, and that he did not know he was violating the law.

Mr. STEWART. That is correct.

Mr. BARKLEY. I believe that the hardships which result from the present law are insignificant in comparison with the hardships which will result to the consuming public if we open up this proposed loophole and allow anyone who desires to violate the law to come before the court and say, "Your Honor, I am sorry it happened, but I was wholly ignorant of the law." Although the defendant may state that he did everything he could to inform himself on the law, and instructed his clerks, and so forth, still the court would have to dismiss the case. In my judgment, there would be hundreds of cases in which persons would take chances in violating the proposed law, but would not do so under the present law.

Mr. STEWART. Allow me to ask the Senator a further question. The case would still be tried under the prevailing rules of evidence. The adoption of the proposed amendment would not change any rule of evidence which prevails at the present time in the trial of cases in the Federal court.

Mr. BARKLEY. Under the ordinary criminal statutes, in a case in which a man has been charged with murder, the Government has to prove some motive for the intentional killing of a human being. It must have been done willfully. with malice aforethought, or something of that kind. The rules of evidence which apply in the trial of ordinary criminal cases do not now apply in proceedings involving the O. P. A.

Mr. STEWART. The Government must make out its case under the law. If the proposed amendment were enacted into law, the defendant would be allowed to interpose the defense that the violation had not been committed willfully, and so forth, as provided in the statute. After all, the whole question would be a question of fact to be decided by the jury, would it not?

Mr. BARKLEY. Yes; but let me ask the Senator if he were on a jury and the Government proved a violation and the defendant came in and by his own testimony alone said he was innocent, that he did not do it willfully and he did not introduce any more evidence, and the Government could not introduce any witnesses to prove that he did it willfully, and the Senator went out as a member of the jury what would he feel that he would have to do? He would have to vote for acquittal.

Mr. STEWART. I will say in answer to that suggestion, that I think the rules of evidence that now prevail would still prevail. The facts necessary to make out a criminal case must be proved beyond a reasonable doubt, and I think that rule might apply here if this act were passed, because it provides for a penalty.

Mr. BARKLEY. If it is a criminal case those who are prosecuting a man

for a violation must prove that he is guilty beyond a reasonable doubt, but that is not the law in O. P. A. cases.

Mr. STEWART. The Senator means it is not the law now.

Mr. BARKLEY. No; a violation of the law itself now carries with it an automatic penalty.

Mr. STEWART. But it is necessary if it is a criminal case to prove beyond a reasonable doubt that the one charged did violate the law.

Mr. BARKLEY. Of course, it is necessary to prove it. If the defendant is given the right to testify that he did not do it intentionally or willfully, in all probability, in 99 cases out of 100 the result will be dismissal.

Mr. STEWART. He would still have to prove his case. His defense would have to create a reasonable doubt.

Mr. BARKLEY. He would not have to prove his defense beyond a reasonable doubt. All he would have to do would be to testify he was not guilty of the violation.

Mr. STEWART. I do not agree with the Senator. I believe that every fact necessary to be established for the conviction of any defendant must be established by the Government beyond a reasonable doubt, and any fact necessary to be established in behalf of the defendant which might clear him must create a reasonable doubt in the mind of the jury.

Mr. MURDOCK. Mr. President——

Mr. BARKLEY. I yield to the Senator from Utah.

Mr. MURDOCK. The amendment before the Senate has nothing to do with a criminal prosecution. The law makes it as specific as it can be made, that in a criminal prosecution the act complained of must be willfully committed, just as in any other criminal case.

I think what the senior Senator from Kentucky says about what would happen under the amendment of the junior Senator from Kentucky is simply that the burden of moving forward with the evidence shifts to the defendant, and after he introduces one syllable of evidence on the question that the act was not willfully committed, and that he had used all practical means of informing himself, then that evidence, uncontradicted, of course, is prima facie and under the terms of the amendment an adequate defense.

Mr. BARKLEY. And, of course, if it is an adequate defense, it means a complete defense, and almost an automatic dismissal of the proceedings.

Mr. MURDOCK. Yes; and then the burden shifts back to the Government to overcome the prima facie case. As the Senator from Tennessee said, under the rules of evidence, the fact of the defendant's willfulness must be proved by the Government by a preponderance of evidence.

Mr. BARKLEY. That is the rule.

Mr. MURDOCK. That is the rule which would be invoked.

Mr. STEWART. Let me say, since my name has been mentioned, and since the Senator from Utah refers to the rule of preponderance of evidence, that I understand that would control in civil cases, but the rule of reasonable doubt prevails in criminal cases. I wish to state also, by way of correction of my statement a moment ago when I said the Government must make out a case beyond a reasonable doubt—I said, as I recall, that the defendant must establish a defense beyond a reasonable doubt. I meant to say that if the defendant's defense should create a reasonable doubt in the mind of the jury he would be entitled to acquittal.

Mr. BARKLEY. The matter we are dealing with does not involve a criminal prosecution at all where the question of reasonable doubt arises because the amendment says that it shall be an adequate defense to any suit—that is, a civil proceeding—which may be instituted by a customer or by the Price Administrator if the defendant proves that the act was not willful.

Mr. President, let me, in conclusion, read what the District of Columbia Court of Appeals said on the subject in the case of Bowles against American Stores. I read a paragraph from the opinion which was recently handed down:

> Occasional hardship to one who honestly and intelligently endeavors to comply with the law is not too high a price to pay for the protection of the whole community against inflation.

That, to me, is the nub of this whole situation. If we try to eliminate all hardship cases which may appeal to us from the standpoint of justice, we run the risk of jeopardizing the entire enforcement of this law. It would, I think, do infinitely more harm to the general public and the whole community than that which might result from hardship in individual cases. For this reason I am unable to support the amendment of my colleague and the Senator from Massachusetts, much as I dislike to differ with them on any matter in which they are concerned, as they are in this.

Mr. WILEY. Mr. President, I have listened to much of the argument and I feel that the situation is one that could be very well cleared up if the officials, the Government attorney, the inspectors, would use a little common sense. I may relate an instance that occurred a good many years ago when as a prosecuting attorney it was my good fortune to have the friendship of a judge who had a remarkably fine legal mind. The judge said that the district attorney's office was the greatest judicial office in the Nation. I asked, "What do you mean?" He replied, "The district attorney must use common sense."

In the instance of violating the law cited by the junior Senator from Kentucky, 10 cents was involved. The reason the amendment was brought up here is apparent, because throughout the land there has been a lack of judicial ability by the inspectors who go forth sneaking into everybody's business and find here and there a little laxity, a trifling violation. I have no time for those who indulge in overcharging. An hour ago downtown I was told that there can be bought anywhere in New York City all the gas anyone may want if he will pay 36 cents a gallon for it. Why are the inspectors of the O. P. A. not up there investigating those grave violations? The point is, that someone in the case that was cited by the distinguished junior Senator from Kentucky did not show common sense. There was a violation; it was of no significance. The inspector could have found out whether it was intentional; he could have ascertained the facts; and he could have used judgment—common sense. Prosecuting officers represent the people as well as the State. Overambitious or overzealous Government employees do not make for good Government or good morale when they become persecutors. Right now when the Government needs the backing of all the people, it would be well if the head of the O. P. A. would issue an order to his agents and say, in substance, "When you go out and find these apparently unintentional violations, do not bring the man into court, do not get him to hate his Government, do not get him to have the idea that it is the business of the Government to step on business. Rather give him the idea that it is the business of Government to cooperate, to instruct, to enlighten, and to lighten the load of the citizen."

Mr. President, I shall vote for the amendment. I do not think it was necessary for this issue to come up and it would not have come up if the inspectors of O. P. A.—our public servants—had used what the judge to whom I have referred called "common sense." A little more of this quality in public servants would be of great help.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the modified amendment submitted by the junior Senator from Kentucky [Mr. CHANDLER] and the junior Senator from Massachusetts [Mr. WEEKS] to the amendment of the committee. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the junior Senator from Ohio [Mr. BURTON], who, if present, would vote "yea." I understand that, if present and voting, the Senator from Utah would vote "nay." I vote "yea."

The roll call was concluded.

Mr. HAYDEN. I have a general pair with the Senator from North Dakota [Mr. NYE], who, if present, would vote "yea." I transfer that pair to the Senator from New Mexico [Mr. CHAVEZ], who, if present, would vote "nay," and I vote "nay."

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from South Carolina [Mr. SMITH], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Texas

[Mr. O'DANIEL], and the Senator from Florida [Mr. PEPPER] are necessarily absent.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] and the Senator from West Virginia [Mr. KILGORE] are absent on official business. I am advised that if present and voting the Senator from Nevada [Mr. MCCARRAN] would vote "yea."

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Illinois [Mr. LUCAS] are detained in Government departments on matters pertaining to their respective States.

The Senator from South Carolina [Mr. MAYBANK] is absent, attending the funeral of the late mayor of Charleston, S. C.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] is necessarily absent. He has a general pair with the Senator from Florida [Mr. ANDREWS].

The Senator from Ohio [Mr. BURTON] is necessarily absent. If present he would vote "yea." His pair has been heretofore announced.

The Senator from North Dakota [Mr. NYE] would vote "yea" if present. He is absent because of illness in his family.

The Senator from North Dakota [Mr. LANGER] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The result was announced—yeas 47, nays 27, as follows:

YEAS—47

Ball	George	Russell
Bankhead	Gerry	Shipstead
Bilbo	Gillette	Stewart
Brewster	Gurney	Thomas, Idaho
Bridges	Hawkes	Thomas, Okla.
Brooks	Holman	Tunnell
Buck	Johnson, Colo.	Tydings
Bushfield	McClellan	Vandenberg
Butler	McKellar	Walsh, Mass.
Byrd	Millikin	Weeks
Capper	Moore	Wherry
Chandler	Murray	White
Connally	Reed	Wiley
Cordon	Revercomb	Willis
Eastland	Reynolds	Wilson
Ferguson	Robertson	

NAYS—27

Aiken	Guffey	Murdock
Barkley	Hatch	Overton
Caraway	Hayden	Radcliffe
Clark, Mo.	Hill	Taft
Danaher	Jackson	Truman
Davis	La Follette	Wagner
Downey	McFarland	Wallgren
Ellender	Maloney	Walsh, N. J.
Green	Mead	Wheeler

NOT VOTING—22

Andrews	Johnson, Calif.	O'Mahoney
Austin	Kilgore	Pepper
Bailey	Langer	Scrugham
Bone	Lucas	Smith
Burton	McCarran	Thomas, Utah
Chavez	Maybank	Tobey
Clark, Idaho	Nye	
Glass	O'Daniel	

So the amendment of Mr. CHANDLER and Mr. WEEKS to the committee amendment was agreed to.

Mr. CHANDLER. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. WEEKS. I move that the motion of the Senator from Kentucky be laid on the table.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The question now is on agreeing to the committee amendment on page 10, beginning after line 20, as amended.

The amendment, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. The clerk will state the next committee amendment.

The next amendment of the committee was on page 11, after line 17, to insert:

TITLE II—AMENDMENTS TO THE STABILIZATION ACT OF OCTOBER 2, 1942

COTTON TEXTILES

SEC. 201. Section 3 of the Stabilization Act of October 2, 1942, as amended, is amended by adding at the end thereof the following new paragraph:

"Any maximum price established or maintained under authority of this act or otherwise for any textile produce processed or manufactured in whole or substantial part from cotton or cotton yarn shall be not less for any specific textile item than the sum of the following: (1) The cost of the cotton or yarn involved, plus the cost of delivery of such cotton or yarn to the point of processing or manufacturing, as determined by the War Food Administrator; (2) the total current cost of whatever nature incident to processing or manufacturing and marketing such item, computed at a uniform figure that will cover the costs of any manufacturer or processor among the manufacturers or processors of at least 90 percent by volume of such item; and (3) a reasonable profit on such item, in addition to the costs computed as provided in clauses (1) and (2) The maximum price established for any textile item under this act or otherwise shall be adjusted to the extent necessary to conform with the requirements of this paragraph within 60 days after the date of its enactment. For the purposes of this paragraph, the cost of any cotton shall be deemed to be not less than the parity price for such cotton (adjusted for grade, location, and seasonal differentials); except that for the 60-day period beginning 120 days after the date of enactment of this paragraph, and for each subsequent 60-day period, if the actual current market value of such cotton at the beginning of such period is lower than such parity price, the cost of such cotton during such 60-day period shall be deemed to be the actual current market value at the beginning of such period, and whenever a change is made in such cost of cotton a corresponding change shall be made in the maximum price for each specific textile item. The method that is now used for the purposes of loans under section 8 of this act for determining the parity price or its equivalent for seven-eighths inch Middling cotton at the average location used in fixing the base loan rate for cotton shall also be used for determining the parity price for seven-eighths inch Middling cotton at such average location for the purposes of this section; and any adjustments made by the Secretary of Agriculture or the War Food Administrator for grade, location, or seasonal differentials for the purposes of this section shall be made on the basis of the parity price so determined. For the purposes of this paragraph, the terms 'textile product' and 'textile item' mean any product or item manufactured or processed in whole or substantial part from cotton or cotton yarn by any manufacturer or processor engaged in the manufacture or processing of such product or article from cotton or cotton yarn."

Mr. ELLENDER. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. ELLENDER. What amendment is now before the Senate?

The ACTING PRESIDENT pro tempore. The committee amendment beginning at the bottom of page 11, section 201.

Mr. ELLENDER. What became of section 109?

The ACTING PRESIDENT pro tempore. That is the committee amendment which was just agreed to.

Mr. BANKHEAD. Mr. President, I wish to submit some observations on the committee amendment commonly known as the cotton textile amendment.

I have been and will continue to be a supporter of fair and just price control. I abhor administrative injustices which grow out of failure to observe the intent of the law. I am convinced that my amendment will help stabilize the cost of living. Notwithstanding the outrageous misrepresentations about the effect of my amendment which have been broadcast and otherwise publicized, I believe its passage and administration in good faith will make cotton clothing more abundant and less expensive, and will thereby help prevent inflation.

The O. P. A. could handle the matter administratively if it chose, without any change in the law. Instead, it has resisted all proposals and suggestions for improvement in administration. That is why my amendment is before the Senate today.

The Price Administrator issued orders—and I hope the Senate will grasp this statement—establishing ceiling prices including practically all cotton goods on June 28 and December 24, 1941, and April 9 and 28, 1942.

These ceilings, with very slight modifications on some schedules, have been in effect since that time. The ceiling prices were related to the price of raw cotton; and in explanatory statements at the time when ceilings were established it was stated that the ceiling prices provided more than ample margins for the mills to pay more than the parity price for the cotton. Extracts from the explanatory statements on this subject will be submitted later.

Mr. MURDOCK. Mr. President, will the Senator yield for a question concerning the parliamentary situation?

Mr. BANKHEAD. I yield.

Mr. MURDOCK. Yesterday afternoon the Senator spoke about submitting some amendments to his amendment. Did the Senator do so?

Mr. BANKHEAD. I will do so before my amendment is voted on.

Mr. MURDOCK. I thought the Senator requested that they be printed.

Mr. BANKHEAD. I did not send them to the desk, but I have given them to the press.

Mr. MURDOCK. I thank the Senator.

Mr. BANKHEAD. Mr. President, the farm price of cotton, at the time of the issuance of the last and most important of the price-ceiling schedules, was 45 points above the parity price. The farm price promptly started to decline, and since May 1942, with the exception of a

few times when it barely got above parity, it has been below parity. On April 15, 1944, it was 20.24 cents. On May 15, 1944, not quite a month ago, and the last date on which an official price is available, the price was 19.80 cents. In short, during the last 30 days the price has gone down 44 points, or $2.20 a bale. On that date the parity price was 21.08 cents. The selling price, therefore, was 128 points, or $6.40 a bale, below parity on the 15th of last month. While the prices of processed cotton goods selling under a 2-year-old ceiling are perfectly stabilized, and the retail cost of manufactured cotton goods such as dresses and work garments of every kind is steadily increasing in price, the farm price of cotton has been declining.

In order that Senators may better understand that situation, let me say that we have had the ceiling on cotton goods for 2 years. It is still in effect. There has been no change of any consequence in the price received by the mills for cotton goods manufactured by them. So that part of the cotton industry has been stabilized for 2 years. Whatever inflation has occurred in the sale of cotton clothing is not due to any increase in the prices of manufactured cotton cloth and is not due to any increase in the price paid to the producers of the cotton. For 2 years, now, that situation has prevailed, and now the price of cotton is going down. The ceiling price of cotton goods is not changing, but the price of cotton clothing is going up by leaps and bounds. The cost of cotton clothing has assumed the proportions of a national scandal, without any increase in price to the farmers or to the cotton mills.

The O. P. A. claims that my amendment would break the line. That is a claim used frequently against anything which the agency dislikes, whatever the reason for the dislike. Most Senators on this floor are familiar with this O. P. A. claim. I hope our experience has taught us to go behind this kind of defense. It is an all-day sucker that the agency uses liberally in an effort to stop all cries of protest. I do not propose to let it pacify me, or keep me from what I consider my duty; and I know there are others whom it will not pacify.

I propose, however, to examine this assertion that my amendment would break the line by causing a tremendous increase in the cost of living. Before I do that, let me state what the amendment does. To begin with, it covers any textile product made principally out of cotton or cotton yarn. It would require O. P. A. to conform to the Price Control Act by fixing textile ceilings at a price which would reflect parity to the producers of raw cotton. The law requires that this be done, but the O. P. A. admits it has fixed ceilings on several textile items with the price for raw cotton calculated at a figure well below parity. It is apparent, I think, that cotton can never go to parity and stay there for any length of time if the ceilings on textiles are such that they will not enable some manufacturers to pay parity.

I will confine my discussion to cotton. My amendment would require O. P. A. to fix ceilings on textiles at a price that will reflect parity to the producer of cotton. Second, it would require O. P. A. in calculating textile ceilings to cover the manufacturing costs of 90 percent by volume of a textile item. This may seem a bit complicated, but I can clarify it by a simple example. By way of illustration, let me cite denim, a textile item used principally in the manufacture of overalls and other work garments. Under my amendment, the cost to the manufacturers making 90 percent of the denim would be covered. The 10 percent left out would be the highest cost, least efficient mills. I felt we should not try to cover the costs of all the mills. O. P. A. can deal with the 10 percent, if it wishes their production, on a special basis.

The reasons for covering the costs of 90 percent also are simple. What we need today is a greater production of textiles. So long as the present scarcity obtains, O. P. A. will have great difficulty in keeping prices down. This war has shown that the real enemy of inflation is abundance—abundance of production. Look at the experiences with hogs, potatoes, and eggs. One way to keep prices in line is by producing to the utmost. I realize that we cannot have enough of every item to fill all needs. So long, however, as there is a fairly ample supply of a particular commodity, price control will not be too difficult. Under such circumstances, both rationing and price control can be made to work.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. BANKHEAD. I yield.

Mr. WHERRY. I should like to ask whether that is not also true as to cattle.

Mr. BANKHEAD. It is absolutely true. It is true of any commodity. When there is not enough to go around real trouble begins. Neither rationing nor price control then will prove effective.

The crying need of the textile situation today is more production. The consumption of cotton is declining at an alarming rate. I assume most Members of the Senate know that the word "consumption," when used with reference to cotton, means the grinding up by the cotton mills, not the wearing of cotton clothes by consumers.

Over the 19 months from January 1942 through July 1943 the rate of consumption of cotton in the United States averaged 43,574 bales per working day. During the 9 months of the 1943–44 season, however, consumption has averaged only 39,022 bales per day. The consumption of cotton this season may be 1.4 million bales less than in 1942. No one can say that that is due to the fact that there is not an adequate demand for cotton goods. There is such a scarcity of cotton goods in the stores of this country as has never existed before. There is a supply of raw cotton available for consumption by the mills which is as great as has ever existed—10,000,000 bales—and still the consumption of cotton, and particularly work clothes and goods for working people, is decreasing day by day. That results, of course, in an increase in the number of bales in the warehouses, because cotton is not being consumed by the mills at the average rate which has prevailed for the past 2 years.

The need for textiles is fully as great as it was in 1942. Shortages of labor account for some of the decline, but only for a part of it. I have become convinced that O. P. A. pricing policies have sharply curtailed the production of badly needed textiles. I see no hope of a change in these pricing policies unless we approve this amendment.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WILEY. I am paying very close attention to what the Senator is saying.

Mr. BANKHEAD. I have noted that, and I appreciate it.

Mr. WILEY. I am interested, first, in trying to understand how, under the provisions of the amendment, the producer would get what he should get for his cotton—presumably parity—and secondly, how under the amendment more cotton would be consumed.

Mr. BANKHEAD. I intend to cover those points, if the Senator will wait without regarding me as discourteous.

Mr. WILEY. Not at all.

Mr. BANKHEAD. My amendment has one other feature. It provides a reasonable profit on textile items. In my opinion, the existing act provides for a reasonable profit on textiles and all other items on which price ceilings are placed, but, as some of us have learned, we do not know our own laws by the time the executive agencies get through interpreting them.

Summing up, my amendment has three major objectives. It has as its primary aim parity prices for cotton; and, in this connection, let me point out that wheat and cotton are the only major commodities that have been consistently below parity. Wheat is now only slightly below parity.

Second, we are trying to increase the production of badly needed cotton clothing and cotton goods. Third, I think the mills are entitled to reasonable profits on the goods they manufacture, and we leave the question of what is a reasonable profit to O. P. A.

The O. P. A. insists that the textile mills are able to pay parity for cotton under existing ceilings. In a written statement presented by the O. P. A. to the Senate Banking and Currency Committee on April 25 last, while hearings were in progress, it was stated:

> Is the price of cotton below parity because the textile companies cannot pay more for cotton?

That is a proper question. The O. P. A. itself asked it.

> The evidence against such a contention is overwhelming.

That is the statement of the O. P. A. The O. P. A. says that the cotton mills have the necessary money, indeed, ample funds, to pay parity for cotton.

The evidence against such a contention is overwhelming. The ability of the mills to pay higher prices for cotton, and, indeed, to pay higher than parity prices, can be shown by a comparison, first of all, of mill earnings in the year 1942 with the representative peacetime earnings, and then by a comparison, based on a somewhat smaller sample, of 1943 earnings, with those of 1942.

After some further expressions, the O. P. A. statement continues:

It is thus clear that the earnings of the textile mills are more than ample to permit a rise in the price of cotton to parity and above.

I have the statement before me, if any Senator wishes to see it. It is a printed document.

Mr. President, in the face of that positive declaration by the O. P. A. within the past few weeks, we find the O. P. A. and its advocates and supporters claiming that if parity prices are required to be paid for cotton, we shall have a runaway price inflation, when the O. P. A. has been insisting—possibly before it knew the effect of such a position—that the cotton mills, within their price ceilings for the goods, have ample funds to pay parity prices.

Taking O. P. A.'s statement at its face value, I cannot understand the agency's refusal to adjust the textile ceilings in those cases in which these ceilings are fixed so low that they fail to reflect parity to the farmers and in those cases in which the ceilings are too high.

It is not my contention that the cotton mills are making a profit on all the articles which they manufacture, but it is my belief that on numerous articles which they are now manufacturing under ceiling prices they make a sufficient profit to pay the farmers the parity price for cotton. On the other hand, I am quite sure that there are items, especially low-priced goods used by the working people, with respect to which a larger number of the mills do not have ample funds, within the ceiling prices on the low-cost goods, to pay the parity price for cotton. For that reason, the ceiling fixed over those mills, which has been in existence for 2 years, depresses the price of cotton to a point definitely and injuriously below parity.

To anyone who knows anything about cotton, it is evident that the price of cotton cannot go to parity so long as O. P. A. ceilings do not reflect parity. It is true that the ceilings may reflect parity on some items. At present, mills which pay the lowest prices for cotton, however, tend to set cotton prices all along the line. This is true because there is a fairly ample supply of raw cotton. The mills whose ceilings reflect less than parity are forced to pay less than parity for their cotton. This, in effect, reduces the prices that the mills with more favorable ceilings pay. On an average, the price of cotton has been three quarters of a cent below parity for more than a year, and the mid-May price was a cent and a quarter below parity. As I pointed out a little while ago, the price of almost every other major commodity is well above parity. As a matter of fact, the index of farm prices is 114 percent of parity. Through the failure of cotton to reach and attain parity, Cotton Belt producers are losing more than $40,000,000 annually, and the O. P. A. says that the mills have ample funds to pay that amount. I cannot make sense out of O. P. A.'s refusal to adjust prices in those cases in which they admit their ceilings do not reflect parity. Let me put in the record a few instances of what is happening. There is no dispute about these figures. They have been used over and over again by the National Cotton Council without refutation from O. P. A. For example, the ceiling on combed yarn, made from 1 1/16-inch cotton, reflects a price 2.18 cents below parity for the raw cotton. This is $10.90 a bale. The ceiling on print cloth, drills, denims, chambrays, coverts, towels, ginghams, bed spreads, blankets, and corduroys is 1.71 cents below parity in the case of raw cotton. This is $8.55 a bale. I could give many other examples, but these illustrate my point and clearly show that this is a serious matter to the cotton industry.

The costs of producing cotton are mounting steadily, but the farmer's product on the average remains more than $5 a bale below parity. The O. P. A. is sitting on the lid, and in so doing is violating the law.

During this controversy, I have asked one question which has not yet been answered. Why does not O. P. A. raise the ceilings in the cases in which they are obviously too low, and reduce the ceilings in the cases in which they are obviously too high? If, as O. P. A. contends, the mills are able to pay parity, my amendment will not cost the consumers of this country a cent. O. P. A. can raise the ceilings that are too low, and lower those that are too high. That would be common sense and good administration. They have been urged to take such action. They have declined to do so, and I understand it has been asserted that they do not have the legal power to reduce ceilings when once established.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. ELLENDER. Will the Senator point out anything in his amendment which would cause the O. P. A. to take a different course with respect to fixing ceilings than what has been provided for?

Mr. BANKHEAD. A few moments ago I made a statement to the Senator from Wisconsin [Mr. WILEY] with reference to the point which the Senator has raised. However, if the Senator from Louisiana insists upon it, I will go into the subject now. I am willing to go into it now.

The escalator clause in this amendment requires the O. P. A. to estimate the cost of producing the different items of cotton. In making the estimate of cost it is provided that the parity price of cotton shall be deemed to be the current cost to the mills. As I have frequently stated, the present price is not up to parity. However, it is intended to require the cotton mills either to pay parity for their cotton, or, under the escalator clause, to have their ceiling prices correspondingly reduced. We feel sure that by the adoption of the amendment the cotton mills, friendly to the producers of all their raw materials, would cease to profit further by the windfall they have been enjoying for 2 years, and would prefer to raise the price of cotton to parity.

Mr. MALONEY and Mr. MURDOCK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield, and if so, to whom?

Mr. BANKHEAD. I yield first to the Senator from Utah.

Mr. MURDOCK. Would there not be a tremendous windfall to the mills on all their inventories of cotton if the proposed amendment were adopted?

Mr. BANKHEAD. There would not be. The mills have enjoyed the windfall for a long time. The amendment is proposed to end the windfall.

Mr. MURDOCK. The Senator has said that the mills have not been paying parity for cotton.

Mr. BANKHEAD. That is correct.

Mr. MURDOCK. The Senator's amendment provides, however, that in arriving at the maximum prices for textile products the O. P. A. must deem that the mills paid parity. Would not that amount to a windfall?

Mr. BANKHEAD. For 60 days the windfall would be the same as that which had been enjoyed.

Mr. MURDOCK. I am asking the Senator if there would not be a windfall immediately upon the adoption of the Senator's amendment, and continuing during the first 60 days.

Mr. BANKHEAD. I should like to ask the Senator if he would be willing to deprive the poor cotton farmer of benefits in order to deprive the mills for 60 days of the windfall they have always had.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. The Senator from Utah has spoken of inventories of cotton which the mills now have. I may say that there are practically no inventories of cotton at the mills today. The inventories are at the lowest point they have been for many years. The inventories of which the Senator speaks do not exist.

Mr. MURDOCK. Whatever the inventories may be, there would be a windfall, would there not?

Mr. EASTLAND. I doubt it.

Mr. MURDOCK. The Senator from Alabama has stated that there would be.

Mr. BANKHEAD. I said the mills would not be deprived of the windfall. It is a technical question, as the Senator well knows. It is a very insignificant item when considering the entire situation.

Mr. MURDOCK. The Senator asked me if I wished to deprive the poor farmers of the South of any advantage.

Mr. BANKHEAD. Yes.

Mr. MURDOCK. Unless I change my mind by reason of what I hear in the debate on this amendment, I intend to offer an amendment which would raise the loan value of cotton to 100 percent of parity. There would then be no question whatever of the farmers being benefited instead of the mills and the cotton exchanges throughout the country. I have asked the Senator if he is willing to benefit the cotton farmers and leave the cotton exchanges and the mills out of the picture, and vote for my amendment to give 100-percent parity loans to the cotton farmers of the South.

Mr. BANKHEAD. We will deal with that matter when the Senator offers his amendment. The Senator knows that I will not equivocate or dodge.

Mr. MURDOCK. I know the Senator never does.

Mr. BANKHEAD. However, the present is not the time to deal with the question.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. McCLELLAN. I wish to make an observation with reference to the windfall to which reference has been made.

If this amendment will do what it is hoped it will do, the issue will be whether the windfall shall be perpetuated by the inaction of Congress or the O. P. A., or whether we shall act and discontinue the windfall which has been enjoyed for the past 2 years. If the amendment is so worded that the consequences of it will be what are hoped for by the authors of it, we will discontinue the windfall. Otherwise, as the law now is, or as it is being administered, it will be perpetuated.

Mr. MURDOCK. I thought my question was a simple one. Whatever the inventories of cotton may be today, if they were bought for less than parity, and the effect of the amendment were to provide that in the computation of their prices the mills were assumed to have paid parity, I do not see how any Senator could deny that there would be a windfall during the first 60 days.

Mr. BANKHEAD. In other words, the position of the Senator is that in preference to a windfall for 60 days he would continue the windfall indefinitely.

Mr. MURDOCK. No; I want an amendment adopted during the consideration of the pending bill which will guarantee to the cotton farmers of the South 100-percent parity loans, and then no cotton exchange may rob the farmers of parity.

Mr. BANKHEAD. The Senator had an opportunity to present such an amendment during the course of a long series of hearings, but he did not do so. Others besides the Senator in the last few days have proposed such an amendment, when it was evident and clear that its object was to defeat the amendment contained in the bill.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MALONEY. I should like to preface my question by saying that I am very anxious to see the cotton farmer get full parity. Then I should like to say that no man can have a greater appreciation of the sincerity of the Senator from Alabama than I have; and I might add that there are no names or words more magic here than "Bankhead" and "cotton." I hope the Senator from Alabama will not consider this question presumptuous; it is not intended to be impertinent, and I think it is timely. I should like to know if the Senator from Alabama would accept as a substitute for his amendment the proposal just suggested by the Senator from Utah—a 100 percent parity loan.

Mr. BANKHEAD. Does not the Senator know? Is he merely trying to interrupt my argument?

Mr. MALONEY. I apologize.

Mr. BANKHEAD. I asked, Does the Senator not know?

Mr. MALONEY. I do not know.

Mr. BANKHEAD. I will state to the Senator that I will not accept it for the reasons which I shall state when we come to it.

Mr. MALONEY. I thank the Senator.

Mr. BANKHEAD. I knew the Senator from Utah knew because I told him.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WAGNER. In the last few days before the committee several suggestions were made, one by me that we adopt a resolution providing for a parity loan. The Senator from Alabama was not very kindly disposed toward that particular suggestion.

Mr. BANKHEAD. The Senator heard my statement, did he not, that I did not favor it?

Mr. WAGNER. I do not desire to interrupt the Senator.

Mr. BANKHEAD. If the Senator from New York and other Senators desire that I discuss the subject now, I have no objection to discussing it.

Mr. McKELLAR. Go ahead.

Mr. BANKHEAD. Very well.

Mr. President, there is a vast difference between the farmer taking his cotton to town, going to the cotton buyer, and getting 100 percent parity in money, and taking it to a warehouse, making all the necessary preliminary papers, carrying on the required operations, paying the costs incident thereto, and putting it in storage and then paying so much a month until the market absorbs the cotton.

As the Senator knows, there is another element that enters into this problem. Take a crop of 11,000,000 or 12,000,000 bales of cotton at $100 or $125 a bale, and talk about getting from the Treasury of the United States a sufficient amount of money to take over that entire cotton crop and put it in storage. It might involve a billion dollars' worth of cotton, and the money would have to be appropriated from the Treasury of the United States. The Senator is a fair man, and I know he will recognize the difficulties of one commodity relying upon a transaction of that kind; and, of course, other commodities might be added. There is a limit, especially in times of war when the Government is securing its money by selling bonds and other securities in order to prosecute the war. Why make such a suggestion, involving a staggering amount as a loan, when if the pressure were taken off and there were removed the ceiling over cotton, which we think is responsible for its price staying down for 2 years, in the due course of trade cotton would bring its price and the farmers would get their money? If, however, they are forced to put it in a warehouse and pay the storage charges and insurance, before very long the farmers would have a very substantial loss on every bale of cotton stored because the price could not go up. Heretofore when the farmers put their cotton in a loan it was because the price was down far enough to justify them in believing that they would not only ultimately get out of the market a better price for cotton than they would get under a loan, but there would always be a chance to make a profit by the enhancement of the price of his cotton. No such opportunity as that is afforded the farmer when he puts his cotton into a loan at the ceiling price; there is then no chance for it to go up, not even to go up sufficiently high to cover his charges.

Why should the cotton farmer be treated in that way and be forced to assume obligations which lessen his assets, when the spirit of the law—indeed, the letter of the law—is that ceilings must not be fixed upon any processed agricultural commodity that do not reflect full parity to the producer?

That is what the Senator proposes to do. That is one reason I am opposed to it. It is not a new position for me. The loan program was incorporated in the Stabilization Act last year at the suggestion of the President of the United States. It had been carried before, as most of us know, in another act, simply a loan act, but it was put in the Stabilization Act at his suggestion, and it is one of the best things he has done for agriculture, providing, as it does, that the loans shall continue as mandatory loans for 2 years after the war ends.

I was called into a small conference particularly to discuss the cotton problem. As I recall, the chairman of the committee, former Senator Prentiss Brown, and the Senator from Kentucky [Mr. BARKLEY] were present.

Mr. WAGNER. Does the Senator mean a conference at the White House?

Mr. BANKHEAD. Either at the White House or at the office of Senator BARKLEY. The Senator from New York was there.

Mr. WAGNER. Yes.

Mr. BANKHEAD. It was suggested that there be a 100-percent-cotton loan.

(At this point a message from the House of Representatives was received, and Mr. BANKHEAD yielded to Mr. HATCH to present a conference report on Senate Joint Resolution 133, the debate and action on which appear at the conclusion of Mr. BANKHEAD's remarks.)

Mr. BANKHEAD. Mr. President, I assume, from the statement of the Senator from Utah about the exchanges, that he would favor closing all exchanges, the wheat, cotton, and all the other exchanges.

Mr. MURDOCK. Inasmuch as the Senator has mentioned my name, let me say that I do not wish to see anything done that would injure the cotton farmer or any one else who has to do with the cotton industry of the South.

Mr. BANKHEAD. I am glad to hear the Senator make that statement. I have not seen him vote that way many times.

Mr. MURDOCK. I wish the Senator would point to one vote, except on the amendment we are considering, when I have not voted with the South on questions affecting cotton.

Mr. BANKHEAD. I do not know of any vote on cotton we have had.

Mr. MURDOCK. In the more than 12 years I have been a Member of Congress cotton has been frequently before it, and I have never voted contrary to the interests of the southern cotton growers.

Mr. BANKHEAD. Cotton has only been before us in connection with wheat, and corn, and the other basic commodities.

Mr. MURDOCK. I do not know why the Senator should assume that merely because I do not happen to agree with his amendment, I desire to destroy anything. What I want is to be sure that if the people of the United States are to be assessed for parity payments on cotton, the cotton farmer will derive the benefit instead of the mills and the exchanges.

Mr. BANKHEAD. Very well. We will consider that point now. In the first place, the people of the United States are not going to be assessed for parity unless there is adopted some plan such as that of the Senator, under which he wishes to pay them 100 percent on a loan, and lock the cotton up in a warehouse.

Mr. BUTLER. Mr. President, I should like to have the Senator from Alabama yield to me, as I desire to ask the Senator from Utah a question with reference to the remark he just made. He said that he was perfectly willing the farmer or producer should get the parity price, but he did not want any processor or middleman, or words to that effect, to get anything.

Mr. MURDOCK. I did not say that. The Senator is misconstruing my language. I cannot understand why Senators want deliberately to misconstrue the statements of a colleague here on the floor of the Senate. I do not any more want to injure an exchange or a mill than does the distinguished Senator from Nebraska, but I do not want to put a price on the people of the United States, when parity is deemed to have been paid to the cotton farmers, when they do not get it, but it is held by the exchanges or the mills.

Mr. BANKHEAD. Then the Senator should vote for the amendment. That is exactly what we are trying to accomplish.

Mr. MURDOCK. If the Senator can convince me that that is what will happen, I shall vote for his amendment.

Mr. BANKHEAD. As the old hymn says:

While the light holds out to burn, the vilest sinner may return.

Mr. MURDOCK. I am interested in the Senator's statement, and I shall sit here to the end of it.

Mr. BANKHEAD. I appreciate that.

Mr. BUTLER. I am sorry if I misunderstood the remark the Senator from Utah made, and he does not need to answer the question, but it seems to me that the processors, the merchandisers, those who deliver service—I mean real service—are entitled to a share of what the commodity ultimately brings, just as is the man who plants; and I am one of those who plant and raise commodities. I was rising to make objection to the understanding I had of the remarks of the Senator from Utah.

Mr. WHERRY. Mr. President, will the Senator from Alabama yield while I ask a question of the Senator from Utah?

Mr. BANKHEAD. I yield.

Mr. WHERRY. I was very much interested in the statement the Senator just made about the farmer getting the parity price. I agree with him. I am wondering whether he would be in favor of continuing to pay the consumer's subsidy, which in the case of meat goes to the processor, which in turn goes to the consumer, but does not go to the producer, and therefore our cattle producers are not getting the parity price.

Mr. MURDOCK. Mr. President, will the Senator from Alabama yield so that I may answer the question?

Mr. BANKHEAD. I yield.

Mr. MURDOCK. I happen to be in the cattle business in a small way, and I happen to know that the cattle producer is not suffering greatly as a result of present prices. This is what I favor: After the experience of the O. P. A. officials with food subsidies, I am willing to take their word that it is cheaper for the people of the United States to pay a subsidy rather than raise prices all along the line.

Mr. WHERRY. If the Senator from Alabama will yield for another comment, that does not answer the question I asked the Senator from Utah, and I am very serious.

Mr. MURDOCK. I also am serious.

Mr. WHERRY. It is my feeling that not a dime of the consumer subsidy that is paid to the processor of meat reaches the producer, and because of that fact the cattle producer is not getting for his product within a dollar and a half a hundred of what he should get under the Stabilization Act. I am asking whether the Senator feels that we should continue to pay the consumer subsidy on meat, when that subsidy does not go to the producer.

Mr. MURDOCK. The only subsidy in which I am interested is the subsidy that is paid under the language of the Price Control Act, and that subsidy is limited to boosting production. If the men administering the O. P. A., after 2 years of experience—men like Fred Vinson, men like ex-Justice Byrnes, of the Supreme Court, and men in the O. P. A. who have handled this matter for 2 years—tell me that, in their opinion, it is cheaper to pay the subsidy than to raise the price of meat, I am willing to take a chance on their judgment.

Mr. WHERRY. The only authority given to Judge Vinson, whom the Senator has mentioned, to pay the consumer subsidy on meat is the authority in the act behind the producer's subsidy which the Senator just mentioned, is it not?

Mr. MURDOCK. The act reads as I stated, and I think it is susceptible of the construction which has been placed on it by the O. P. A. If it were not susceptible of that construction, then the courts would be the place to which to go for an interpretation of the act, and the interpretation would be made by those who have a right to make it.

Mr. WHERRY. I think we should come to the rescue of farmers, such as the cotton farmer, and see to it that they get parity. It was never the intention of Congress, in the Price Stabilization Act, to permit a directive issued by one of the Government departments to set a maximum ceiling price lower than parity or what the support price was, or what the product brought any time between January 1 and October 15, 1942. Yet, in the face of that law, directives have been issued which have reduced the parity price, not only of one commodity but of many, and those who were supposed to get it have not gotten it because of the interpretation of some of the heads of the departments.

Mr. MURDOCK. I do not agree with that statement.

Mr. BANKHEAD. They have fixed ceiling prices on cotton which have forced the price below parity.

Mr. WHERRY. I think the distinguished Senator from Utah made the statement here, and I take it at face value, that he wants the farmer to get the parity price 100 percent, and I agree with him. That is why I think Congress should take some action. We have to say what Congress means, that the prices are not to go below the ceiling price, that the officials have to come up with a support price. If the pending amendment would do that in connection with cotton, I think it is one way in which Congress can pass legislation that will stop a directive being issued that would set a ceiling price lower than the parity price that was intended by the Stabilization Act.

Mr. BANKHEAD. Mr. President, I submit three amendments to the pending bill, which I ask to have printed and to lie on the table. I have previously spoken to the chairman of the committee concerning the amendments.

The PRESIDING OFFICER. Without objection, the amendments will be received, printed, and lie on the table.

Mr. BANKHEAD. If the Senate is about to take a recess now, I wish to have it understood that I shall have the floor when the Senate reconvenes tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BANKHEAD. I should like very much to appeal to Senators not to proceed immediately after the reconvening of the Senate tomorrow with discussion

of various subjects which occupies so much time.

Mr. BUTLER. Mr. President, I do not wish to impose on the good nature of the Senator from Utah [Mr. MURDOCK] at this time, but when the debate is resumed tomorrow I wish he or some other Senator who is not in agreement with the committee amendment now under consideration, would come prepared to propose a plan of applying the consumer subsidy to the problem which is now under discussion.

Mr. MURDOCK. Mr. President, if the Senator is directing his remarks to me, my answer is that the Senator has the same right that I have as a Senator. He is a very distinguished and able Senator, and if the type of legislation he has suggested is needed, then I ask him why he does not present it himself? Why should he "let George do it" when he knows just what should be done?

Mr. BUTLER. I want some Senator who opposes it to present something constructive in place of the amendment which is under consideration. If a consumer subsidy is good for the beef producer and the dairy farmer, a consumer subsidy ought to be good for the rest of the people of the country who are wearing cotton clothes; but it simply will not work. I am not proposing it, because I do not believe in a consumer subsidy, anyway, but if it is good enough for the farmers of the West it ought to be good enough for the farmers of the South. So I ask that Senators who are opposed to the Bankhead amendment submit a consumer subsidy plan to take the place of the plan proposed by the so-called Bankhead amendment.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. The distinguished Senator from Nebraska is absolutely correct. The War Production Board says it is absolutely essential that the production of textiles be increased; that, if textile production is not increased to the levels of 1942, it will lead to serious military difficulties. I think Senators who oppose the pending amendment should offer a plan which will increase textile production to meet the dire war needs of this country. If the pending amendment will not do it, Senators who oppose it certainly should have something to offer in its place.

Mr. WHITE. Mr. President, I understood the Senator from New York to state that an agreement had been made to take a recess now until tomorrow.

Mr. WAGNER. Yes.

Mr. WHITE. The Senator said the agreement had been made, but I do not know what action has been taken on it. Has an order for a recess been entered?

The PRESIDING OFFICER. No order to that effect has been entered.

Mr. WHITE. I have no objection to a recess being taken at this time in view of the fact that the Senate has been in session for a substantial length of time and that the Senator from Alabama has been talking at some length, but I wish to express the hope that we make as much speed as is possible with the pending legislation. I do not feel that up to now it has moved with real celerity.

Mr. WAGNER. What would the Senator from Maine suggest be done which would lead to greater rapidity of action?

Mr. WHITE. I am not suggesting anything that would lead to greater rapidity of action. I express the pious hope, however, that all of us may do what we can to bring about a speedy determination of consideration of the proposed legislation, and I leave the matter now with that expression of hope.

Mr. WAGNER. May I suggest that we have less talk. Is that the suggestion which is also made by the Senator from Maine?

Mr. WHITE. I do not suggest that any Senator talk less than he desires to, but we are now proposing to close the day's session somewhat earlier than usual, as we did yesterday. I think we could perhaps sit longer each afternoon, and I hope we proceed more rapidly so that we can conclude the pending legislation before the week terminates. I am not complaining about anyone in particular. I am simply offering a general observation.

MESSAGE FROM THE HOUSE

During the delivery of Mr. BANKHEAD's speech,

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 133) to extend the time limit for immunity.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H. R. 2928. An act to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended; and

H. R. 4464. An act to increase the debt limit of the United States.

EXTENSION OF TIME LIMIT FOR IMMUNITY IN THE CASE OF CERTAIN OFFICERS—CONFERENCE REPORT

Mr. HATCH. Mr. President, will the Senator from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. HATCH. Mr. President, I understand a message has just come over from the House of Representatives with the conference report on the so-called immunity joint resolution.

On behalf of the Senate conferees I present the conference report at this time and ask that it be now considered.

Mr. DANAHER. Reserving the right to object, I ask a moment to glance at the report.

Mr. HATCH. Of course, the Senator may object, if he desires to do so.

Mr. DANAHER. I want to ascertain whether the conference report as agreed to carries section 2 of the joint resolution as passed by the Senate.

Mr. HATCH. It does.

Mr. DANAHER. I have no objection.

The PRESIDING OFFICER. The report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 133) to extend the time limit for immunity, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the House, insert the following:

"That effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations, affecting the possible prosecution of any person or persons, military or civil, connected with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, or crime or offense against the United States, that operate to prevent the court martial, prosecution, trial or punishment of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, or crime or offense against the United States, are hereby extended for a further period of six months, in addition to the extension provided for in Public Law 208, Seventy-eighth Congress.

"SEC. 2. The Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts surrounding the catastrophe described in section 1 above, and to commence such proceedings against such persons as the facts may justify."

And the House agree to the same.

Amend the title so as to read: "Joint resolution to extend the statute of limitation in certain cases."

And the House agree to the same.

CARL A. HATCH,
ALBERT B. CHANDLER,
HOMER FERGUSON,
Managers on the part of the Senate.

HATTON W. SUMNERS,
FRANCIS E. WALTER,
CLARENCE E. HANCOCK,
Managers on the part of the House.

Mr. HATCH. Mr. President, some Senators have asked that I explain the conference report. This is the report which relates to the extension of the statute of limitations, commonly referred to as the Admiral Kimmel and General Short matter. The Senate passed the joint resolution yesterday, and the conferees met this morning. After a conference with the House conferees we agreed in substance upon the Senate bill, with this difference: The House measure as it passed yesterday provided for 3 months' extension. The Senate bill passed yesterday provided for 1 year extension. Manifestly the House insisted upon 3 months, the Senate conferees insisted upon the year, and as a compromise we agreed upon a 6 months' extension. The other matters were merely clarifying.

Mr. WHITE. Was the action of the Senate conferees unanimous?

Mr. HATCH. It was unanimous.

Mr. DANAHER. While the Senator is explaining the conference report, he will make clear, I am sure, that the con-

ferees have retained into the conference measure section 2, which we had written into the bill in the first place.

Mr. HATCH. That is correct. The only change made was to strike out the word "discretion" and the word "thereafter," so that the action taken in the way of filing proceedings shall be such action as may be justified by the facts. That is the only change.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

AUTHORIZATION TO SIGN SENATE JOINT RESOLUTION 133 DURING RECESS

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. FERGUSON. I understand that the Senate is about to take a recess until to-morrow. I ask unanimous consent that the Presiding Officer of the Senate be authorized during the recess of the Senate to sign enrolled Senate Joint Resolution 133, because it is essential that the joint resolution be presented to the President today for signature. The joint resolution deals with the extension of the statute of limitations in connection with court-martial and civil prosecutions which may arise out of the Pearl Harbor catastrophe.

The PRESIDING OFFICER. Without objection, it is so ordered.

After the conclusion of Mr. BANKHEAD'S speech,

I AM AN AMERICAN—ARTICLE BY WALTER W. FULLER

Mr. JACKSON. Mr. President, some 3 years ago Walter W. Fuller, an eminent writer, editor, and traveler, now on the editorial staff of the Detroit News, wrote a column entitled "I Am an American." A short time ago it was reprinted, and since this is invasion week, what Mr. Fuller wrote in the article comes back to me, and I think it not inappropriate that it be given further recognition. I ask unanimous consent that the article be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

I AM AN AMERICAN

(By Walter W. Fuller)

I am an American. For more than 300 years my ancestors lived on and loved the soil that is the United States. I would, if necessary, give my life for my country, if it would guarantee the preservation of her democratic freedom for my children and their children.

I am an American. I love the great Nation in which I was born. I love its immense expanse of fertile fields, its bustling, smoke-grimed cities, its peaceful villages, its picturesque crossroads settlements, its rushing streams and placid lakes, its snow-capped mountains, its towering forests, its farms, its seacoasts, and its vast network of man-made highways.

I have lolled on the rock-bound coast of Maine, and peered out over the vast expanse of emerald water that is the Atlantic Ocean. I have tramped through the New Hampshire hills and have basked in the brilliant sunshine on the sandy shores at Miami Beach. I have skirted the Columbia River, watched the boats on Puget Sound, and cruised around the Great Lakes. I have gawked at the skyscrapers in New York and smirked at the snobs in Hollywood.

I have climbed Lookout Mountain at Chattanooga, and strolled on the battlefield at Gettysburg. I have looked upon the beauties of Washington and slept high in the wilderness of Yellowstone Park. I have tasted the delectable viands in New Orleans, have stood in the shadow of the Alamo at San Antonio, and have wandered through the Boston Common. I have seen and done all this and more in America, yet I do not love Maine more than California, Michigan more than Florida, Oregon more than Texas. I do not yearn for Seattle or Houston or Atlanta. They're all mine, for I am an American. I love my country—all of it!

I am an American. I have friends who are Italian, German, Chinese, Polish, Scotch, Jewish, Irish, Greek, French, Swedish, and English. I know those of other nationalities, too, who have become naturalized citizens of the United States. All anyone can ask is that they be good Americans. That surely is very little to expect. You see, I am an American, and I take great pride in it, and I feel all others living here should be proud to be able to call themselves Americans. They should thank God they are privileged to live in the United States, as I do.

I am an American. I have visited the clip joints in the Montmartre, and thumbed through the bookshops along the Seine. I have watched the changing of the guards at Buckingham Palace and listened to the radicals rant in London's Hyde Park.

I have traveled the canals at Amsterdam, and puffed my way up the Alps at Lucerne and Montreaux. I have awakened to the clanging of innumerable church bells in Cologne, and have cruised down the Rhine to Wiesbaden. I have crossed the English Channel on a storm-tossed steamer, and have sat in the gathering dusk along the River Clyde.

I have sauntered along the Prado in Habana in the moonlight, have viewed the Canadian Rockies at Banff and Lake Louise. I have visited the gambling casino at Agua Caliente, and have joined the strollers on Dufferin Terrace in Quebec. I have visited all these places—and more—but I still love my country best.

I am an American. If you don't like me and my country, for what we are, then be on your way. There's no place for you around here. If you don't like us and the American way, then pack your bags, gather up your scorn and scram back whence you came.

I am an American. I believe there are millions of aliens who have come to these shores during the past 2 decades who also are as truly fine Americans as those who have the traditions of the country inbred. They have joined together to revel in their newly found prosperity, security, and freedom, and to help make this the greatest Nation the world has ever known.

I am an American. I am proud of my country and its people. To you who would betray this great land of liberty, this vast area of vast opportunity, may I not ask you to join with all good Americans, in building, instead of destroying, in preserving instead of ruining. Think hard before you sabotage a factory, incite a riot, bomb a bridge, dynamite a tunnel, set fire to a steamship, or attempt to carry on any of your other proposed nefarious misdeeds. Ponder your future because your game is a losing one. You are certain to fail because your cause is unjust.

I am an American. If America goes down I want to go with her. If she is to be destroyed, then I want to be destroyed. But America is not going down. I am confident that the Republic of the United States of America can stand for hundreds of years to come. I am convinced that the United States is going onward and upward, despite the ill-advised acts of anarchists, arsonists, Communists, Nazis, Fascists, and saboteurs.

I am an American. I am certain that America and Americans will live in prosperity and freedom long after the dictators of the world have been ground to dust.

I am positive that America—the United States I love—with the help of all truly patriotic citizens, will rise above her present multitudinous problems to a greater land than ever before. So be it!

EXECUTIVE SESSION

Mr. WAGNER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BILBO, from the Committee on the District of Columbia:

J. Francis Reilly, of Maryland, to be a member of the Public Utilities Commission of the District of Columbia for the term of 3 years from July 1, 1944, vice Gregory Hankin.

By Mr. CHANDLER, from the Committee on Military Affairs:

Sundry officers for appointment, by transfer, in the Regular Army.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Richard F. Boyce, of Michigan, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul general;

John J. Meily, of Pennsylvania, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul general;

James E. Henderson, of California, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul;

James Espy, of Ohio, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul;

Paul H. Pearson, of Iowa, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul; and

Franklin Hawley, of Michigan, now a Foreign Service officer of class 8 and a secretary in the Diplomatic Service, to be also a consul.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, on the Executive Calendar is the nomination of Vesta T. Remont, to be postmaster at Cut Off, La. I ask unanimous consent that that nomination be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McKELLAR. I now ask that the remainder of the postmaster nominations on the calendar be confirmed en bloc,

and that the President may be immediately notified.

The PRESIDING OFFICER. Without objection, the remainder of the postmaster nominations on the calendar are confirmed en bloc, and, without objection, the President will be notified immediately.

That completes the calendar.

PUBLIC UTILITIES COMMISSION OF DISTRICT OF COLUMBIA

Mr. BILBO. Mr. President, earlier today the nomination of J. Francis Reilly, of Maryland, to be a member of the Public Utilities Commission of the District of Columbia, was reported from the Committee on the District of Columbia. I ask for the present consideration of that nomination.

Mr. WHITE. Mr. President, reserving the right to object, is there any pressing need for immediate action on the nomination? Why should it not go over in the ordinary course?

Mr. BILBO. It could go over if desired.

Mr. WHITE. I do not want to object if there is any substantial reason for immediate confirmation of the nomination.

Mr. BILBO. There has been some insistence that the nomination be acted on immediately. I have received quite a number of calls respecting this nomination, and I thought it might be well that action be expedited.

Mr. WHITE. I shall ask that the nomination go over until tomorrow, or to the next session of the Senate, because I do not know any persuasive reason for short circuiting the Senate rule.

Mr. BILBO. Very well.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 8, 1944, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7 (legislative day of May 9), 1944:

POSTMASTERS

DELAWARE

Joseph Harper Cox, Seaford.

OREGON

Edward E. Vail, Ashland.
Florence Root, Boardman.
Mary E. Horn, Jennings Lodge.
Nettie J. Neil, Marcola.
Sister Rose Mercedes Armstrong, Marylhurst.
Arthur E. Lund, Warren.
Alice Jean Matteson, Wendling.

PENNSYLVANIA

George B. Wellington, La Belle.
Arthur J. Haught, Lemont Furnace.
Chauncey J. Cleland, Marion Center.
Anna M. Fleming, Merrittstown.
Eugene S. Colborn, Mill Run.
Frank E. Kiefer, Mount Carmel.

VIRGINIA

William W. Argabrite, Blacksburg.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 7, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Just a word before we pray.

Some of our boys died last night in the crusade for freedom and humanity; some of our boys died last night who had looked through the glimpse of the future and claimed it as their own; some of our boys died last night who dreamed of a happy home and a circle of loved ones; some of our boys died last night in the front row of battle for the country they adored; some of our boys died last night beneath the skies of embattled France; some of our boys died last night for you and me that liberty may not die out of the human breast.

Let us pray together.

God is our refuge and strength, a very present help in trouble. Therefore will not we fear, though the earth be removed, and though the mountains be carried into the midst of the sea. He maketh wars to cease unto the end of the earth. Be still and know that I am God: I will be exalted among the heathen, I will be exalted in the earth.

Merciful and compassionate Father, Thou who art light to all in darkness and love to all under the yoke of hate, forgive us our sins, and grant that the fountain of cleansing in our country may be opened afresh. By prayer, meditation, and alone with Thee, we pray for an outrush of spiritual power that will work marvels in lives transfigured and in nations reborn.

We pray that the glory of the Lord may shine on Thy people of every name; make them strong in the dark days ahead, rooted in the stability of faith until peace and rest shall be won. O lead the struggle to emancipate all people in bondage and redeem the sacrifice and toil of the noble living and the noble dead.

"Break every weapon forged in fires of hate,
Turn back the foes that would assail Thy gate,
Where fields of strife lie desolate and bare
Take Thy sweet flowers of peace and plant them there.

"Come, blessed peace, as when in hush of eve
God's benediction falls on souls that grieve.
As shines the star when weary day departs,
Come, peace of God, and shine in every heart."

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:.

On June 1, 1944:

H. R. 329. An act to authorize the Secretary of the Interior to incur obligations for the benefit of natives of Alaska in advance of the enactment of legislation making appropriations therefor;

H. R. 2105. An act extending the time for repayment and authorizing increase of the revolving fund for the benefit of the Crow Indians;

H. R. 2332. An act for the relief of Christian Wenz;

H. R. 2408. An act for the relief of Clarence E. Thompson and Mrs. Virginia Thompson;

H. R. 3114. An act for the relief of Ruth Coe;

H. R. 3028. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near Sauk Rapids, Minn.; and

H. R. 4054. An act to extend the times for commencing and completing the construction of a bridge across the Calcasieu River at or near Lake Charles, La.

On June 2, 1944:

H. R. 1628. An act for the relief of John Hirsch;

H. R. 1635. An act for the relief of William E. Search, and to the legal guardian of Marion Search, Pauline Search, and Virginia Search;

H. R. 2008. An act for the relief of Mrs. Mae Scheidel, Mr. Fred Scheidel, Mr. Charles Totten, and Miss Jean Scheidel;

H. R. 2507. An act for the relief of Reese Flight Instruction, Inc.; and

H. R. 2757. An act for the relief of Margaret Hamilton, Mrs. Catherine Higgins, Mrs. Rebecca Sallop, and Mrs. Dora Projansky.

C. I. O. MEMBERSHIP DEMANDED OF DISCHARGED WAR VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, America is thrilled today with the progress our brave men are making on the western front in Europe. They are giving glorious accounts of themselves.

But I certainly hope they do not read today's papers from America, because they will find this article, which appeared in the Washington Post this morning:

DETROIT, June 6.—The United Automobile Workers (C. I. O.) has asked the General Motors Corporation to fire five war veterans who belonged to the union before entering service, but failed to maintain their union membership after getting their old jobs back on discharge from the armed forces.

I hope those precious boys who are fighting, bleeding, and dying for this country do not read that report of Sidney Hillman's racketeering gang shaking down their discharged comrades for money with which to corrupt the elections in America and to destroy the Government they are fighting for before they can return to their jobs and earn their daily bread.

God forbid that they should read that report in this tragic hour of their supreme sacrifice.

The SPEAKER. The time of the gentleman from Mississsippi has expired.

EXTENSION OF REMARKS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement of General Mihailovich to the Allied public.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address made by Mr. Oswald Ryan, member of the Civil Aeronautics Authority.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by the Honorable Chester Bowles in Des Moines, Iowa, on the role of the farmer in the years to come, nothwithstanding the fact that the Government Printing Office estimates that cost will be $138.80.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KELLEY. Mr. Speaker, I ask unanimous consent to extend my remarks to the RECORD and include therein an editorial from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BURCHILL of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an invasion-day prayer for peace and victory by the Most Reverend Francis Spellman, Catholic bishop of the city of New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a truly great address delivered by Lt. Gen. Brehon Somervell at the graduation exercises at West Point, N. Y., yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein two editorials, one from the Shreveport Journal and one from the Washington Evening Star.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial entitled "Lafayette, We Are Here—Again."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

THE LATE GEORGE O. MILLER

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JARMAN. Mr. Speaker, approximately 18 months ago I requested the indulgence of the House to briefly refer to the fact that a dear old friend of mine, a distingulshed gentleman, Hon. George O. Miller, was at about that time assuming the performance of the important duties of speaker of the House of Representatives of Alabama. I spoke of the fact that he was the only speaker my little town of Livingston had ever boasted. I predicted an administration of that office of which not only his friends in Livingston but the entire State of Alabama would be justly proud. While he has served in that capacity only 18 months, his record during the two sessions of the legislature which have occurred has been such as to abundantly materialize that prediction and to gain for him the great respect, love, and admiration, not only of his colleagues in the house, but of the whole people of Alabama. Therefore, when he unexpectedly passed on last night, the bereavement was not only to Livingston and to his colleagues and friends, but to the thousands of people of my State whose heads are bowed in grief at this moment. An attractive gentleman, able attorney and statesman, excellent husband and father and lovable friend has gone. He is not forgotten, though, and never will be. May God comfort his bereaved ones and be with them as well as with George.

INCREASING THE DEBT LIMIT OF THE UNITED STATES

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, when this House adjourned last evening we were considering the conference report on H. R. 4464, a bill to increase the debt limit of the United States. There were exactly 100 Members on the floor. In fact, that was the count of the Chair when we voted 62 to 38 in favor of agreeing to the report.

I made a point of order that a quorum was not present and the majority leader the gentleman from Massachusetts [Mr. McCORMACK] immediately caused the House to adjourn.

I raised this point of order, Mr. Speaker, because I believed all Members should be given the opportunity to be recorded on such important legislation. After all, the Senate amendments, in which we were asked to concur, include an increase of $20,000,000,000 in the debt limit over and above what the House had deemed necessary, and the amount which the Treasury Department had testified as satisfactory. Senate amendments also included a lowering of the so-called cabaret tax from 30 percent to 20 percent. Certainly, legislation of such importance should not be permitted to be passed through this House by any 62-to-38 vote, especially in view of the fact that every member of the Ways and Means Committee who participated in the conference, and had expressed themselves here yesterday, declared that the action of the conference committee was not unanimous.

I realize there will be no further time granted for debate on this resolution, but I have taken the floor for this short period to suggest to those Members who were not present last evening to ask a few questions and become informed before the motion to concur in the Senate amendments is acted upon today. If they do this, I am sure they will support me in my efforts to obtain a record vote to send this legislation back to conference.

AUTOMOBILE USE TAX STAMPS

Mr. COMPTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COMPTON. Mr. Speaker, my mail and clippings from newspapers in my district coming to me this morning tell me that hundreds of people were picked up last week in my district because they did not have the use stamp on their automobiles. I hold no brief for men and women who do not pay their taxes for the use of their automobiles, but it does seem rather peremptory and Gestapo-like to pick up men and women who have purchased these stamps, at least they say they have, and I do not question their honesty, and fining them $5 for not having the stamp, and making them buy another stamp a few days before the stamp year is up. Complaint is made that the adhesive on the stamps is of poor quality. It would seem to me that with all of the publicity which it is possible to get, with some 35,000 Government publicity agents in Washington, better publicity might be given to this matter and people generally notified that they can have other stamps given to them if the stamp they purchased has been lost or stolen.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. COMPTON. I yield.

Mr. KNUTSON. Let me say to the gentleman there is no doubt but that many of them are innocent. I myself lost the stamp and had to buy a new one long before it expired.

Mr. COMPTON. I thank the gentleman.

The SPEAKER. The time of the gentleman has expired.

PUBLIC DEBT LIMIT

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DOUGHTON. Mr. Speaker, with reference to the remarks made by the distinguished gentleman from Michigan [Mr. SHAFER] regarding the conference report which was considered yesterday afternoon, there must be a clear misunderstanding.

The gentleman from Michigan said that $20,000,000,000 is involved. It may technically, but it is not in reality. Of course, the bill passed by the House provided for an increase in the debt limit from $210,000,000,000 to $240,000,000,000, and the Senate increased it to $260,000,000,000. But that does not mean there is a difference of $20,000,000,000 involved, because certainly when the time comes we will have to increase the amount, if we make it $240,000,000,000, because according to the estimates that will only take care of the credit of the Government until March 31, 1945. While if we make it $260,000,000,000 it will take care of the credit of the Government until May 31, 1945. The place to economize and try to save the $20,000,000,000, or any other amount and do so consistently, is in our appropriations. There is nothing involved really at all, in my judgment, but just a question of whether or not to make it $240,000,000,000 or $260,000,000,000; and if we made it $240,000,000,000 then we would have to raise the debt limit again 2 months earlier. No question of economy or saving money is involved.

The SPEAKER. The time of the gentleman has expired.

ELECTION RESULTS IN NEW YORK CITY

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FISH. Mr. Speaker, yesterday a Republican, Mr. ELLSWORTH BUCK, was elected by a vote of 14,000 to 10,000 in the Eleventh New York Congressional District for the first time in 40 years, in a district in Staten Island and Lower Manhattan, where the enrollment is at least two to one Democratic. This election is significant and shows that the tide that has been running against the New Deal for the last year, starting in Missouri, Kentucky, and Oklahoma, has reached the State of New York. In yesterday's election it shows that the tide is running out fast against the New Deal, the fourth term, the Communist influence in the Democratic Party, and the control of the Democratic Party in the State of New York by the American Labor Party, now a smoke screen for the Communists which is a kiss of death for any party or individual it endorses.

The SPEAKER. The time of the gentleman has expired.

BESSIE EASON—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the clerk:

To the House of Representatives:

I am returning, without my approval, H. R. 3537, Seventy-eighth Congress, "An act for the relief of Bessie Eason."

The purpose of the bill is to authorize and direct the Secretary of the Treasury to pay to Bessie Eason, Meridian, Miss., the sum of $306.33, in full settlement of certain allotments and allowances alleged to be due and unpaid her over the period from November 1917, to September 1919.

Mrs. Eason alleges that she did not receive certain allotment and allowance checks drawn in her favor under the provisions of the War Risk Insurance Act, October 6, 1917, during the periods her two sons were in active military service between November 1917, to September 1919. The records of the Veterans' Administration show that checks for all allotments and allowances due her were issued during this period, and the records of the Treasury Department show that such checks were negotiated and paid in due course. The correctness of these records was not questioned until October 11, 1935, at which time Henry Noel Eason, one of Mrs. Bessie Eason's sons, in letter addressed to the Adjutant General's Office, United States Army, expressed a belief that certain sums made under an allotment by him had failed to reach his mother. The checks in question have been destroyed under the authority of the act of June 2, 1926 (44 Stat. 761) and that act also barred consideration of a claim on account of any check not presented to the Office of the Comptroller General within 6 years after the date of issue of such check. Moreover, the act of October 9, 1940 (54 Stat. 1061) bars a claim if not received within 10 full years after the date such claim first accrued.

There are no unusual circumstances which would warrant special consideration of Mrs. Eason's claim, and enactment of this measure would establish a precedent for allowance of other stale claims against the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 7, 1944.*

The SPEAKER. The objections of the President will be spread upon the Journal, and the message and the accompanying bill referred to the Committee on Claims and ordered printed.

EXTENSION OF REMARKS

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to revise the remarks I made last evening on the debt limit bill and to include certain statements.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALL OF THE HOUSE

Mr. KELLEY. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 81]

Abernethy	Gallagher	O'Konski
Anderson, N. Mex.	Gibson	O'Neal
Baldwin, Md.	Gilchrist	Peterson, Ga.
Barry	Gillie	Pfeifer
Bates, Mass.	Granger	Philbin
Bennett, Mich.	Green	Ploeser
Bloom	Griffiths	Plumley
Bolton	Hancock	Ramspeck
Boren	Hart	Sadowski
Buckley	Hébert	Scott
Burdick	Heidinger	Sheridan
Byrne	Johnson, Ward	Simpson, Pa.
Capozzoli	Kee	Smith, W. Va.
Chapman	Kennedy	Smith, Wis.
Clark	Keogh	Somers, N. Y.
Cox	King	Stanley
Curley	Klein	Starnes, Ala.
Dawson	Landis	Stearns, N. H.
Dickstein	Lemke	Stevenson
Dies	Lewis	Stewart
Douglas	McCord	Stigler
Elmer	McMurray	Sumners, Tex.
Fellows	Magnuson	Treadway
Fernandez	Martin, Iowa	Voorhis, Calif.
Flannagan	May	Wadsworth
Forand	Merrow	Weichel, Ohio
Ford	Miller, Mo.	White
Fulbright	Morrison, N. C.	Whitten
Fuller	Murphy	Willey
Furlong	Myers	Woodrum, Va.
Gale	Newsome	Worley
	O'Connor	Zimmerman

The SPEAKER. Three hundred and twenty-nine Members have answered to their names. A quorum is present.

On motion of Mr. McCORMACK, further proceedings, under the call, were dispensed with.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1945

Mr. SNYDER, from the Committee on Appropriations, reported the bill (H. R. 4967) making appropriations for the Military Establishment for the fiscal year ending June 30, 1945, and for other purposes (Rept. No. 1606), which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. POWERS reserved all points of order.

INCREASING THE DEBT LIMIT OF THE UNITED STATES

The SPEAKER. The unfinished business is agreeing to the conference report on the bill (H. R. 4464) to increase the debt limit of the United States.

The question was taken; and on a division (demanded by Mr. CARLSON of Kansas) there were—ayes 172, noes 54.

Mr. SHAFER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter I wrote.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

PERSONAL PRIVILEGE

Mr. SMITH of Virginia. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state the grounds upon which he rises to a question of personal privilege.

Mr. SMITH of Virginia. Mr. Speaker, in the Washington Post of this morning appears an article by one Marquis Childs in which he says, among other things:

> One thing that D-day did was to throw into sudden, sharp relief the particular kind of partisan politics that has been afoot here. As though seen in the harsh light of landing flares, the figures of those who would cripple our home-front war controls were abruptly revealed. They had a stealthy, skulking look.
>
> I refer specifically to the efforts to undermine the Price Control Act. Representative HOWARD SMITH of Virginia is conducting a legalistic raid in the House which, if it is successful, could leave O. P. A. administrators more or less helpless to fight down rising prices.

There is contained other language, Mr. Speaker, but I think that is sufficient for the purpose of my motion.

The SPEAKER. The Chair is of the opinion that the language read is a sufficient reflection on the gentleman to raise the question of personal privilege, and the Chair will recognize the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, I regret very much the necessity of taking this time, at so busy a time in the House. I realize that those of us who have been in public life for a long time must expect to be slandered and libeled. That is a part of the job.

There does come a time, however, when, if the integrity and patriotism of a Member of this body is attacked, I believe he owes it to himself, to his colleagues, and to his country to pay some notice to those charges.

The article upon which I have asked personal privilege recognition charges that in a stealthy, skulking way I am seeking to destroy the Price Control Act. We are going to take up the Price Control Act in a very short time—I hope immediately after I conclude—and we are then going to discuss the matter in detail, so I think it is not unfortunate that I should have the opportunity to tell the House what amendments will be proposed by the special committee of which I have the honor to be chairman. I shall not consume the time of the House in discussing the writer of this article.

Unfortunately there is a chapter in the modern history of our country of those persons who, lacking intelligence, lacking knowledge of the underlying great public questions before the country, undertake to sell their product to newspapers by labeling themselves "commentators"; who undertake to comment upon the acts of public servants. I say it is unfortunate, because it casts a cloud upon the great body of real commentators who perform a valuable service to the country, in laying before the people the facts about public questions. But these scandal mongers, whose ignorance and lack of ability and understanding disqualifies them as real commentators, sell their filth by attacking men in public life upon issues that may be before the Congress, and what they lack in knowledge of the subject they make up in vitriolic and slanderous personal attacks.

We should approach these issues solemnly, humbly, with the earnest desire to do what is in the best interest of all the people of our country. That is what I have sought to do.

I think I should tell you something in refutation of these charges as to the history of the amendments that will be proposed by various members of the select committees set up by this Congress something over a year ago to investigate the abuses of authority by Executive agencies. That committee was set up about 14 months ago, or maybe a little longer. It began at once an investigation of the O. P. A., because that was the governmental agency concerning which we had the most complaints, the more persistent complaints, not only from citizens but from Members of the Congress who sit here now in this Chamber, who complained to that committee that you had set up that this agency was violating the law which the Congress had passed, and was exceeding the authority which you had given it.

That investigation began with the rent control, concerning which there were most of the complaints. That investigation has continued practically down to the present date. The Members of the Congress overwhelmingly voted to set up that committee, directed that committee to make the investigation, and further directed that committee to recommend to this Congress the needed legislation to correct the evils of which complaints were received and which seemed to be well founded.

That committee has filed five intermediate reports. In every instance those reports have been widely published in the press of the country. In every instance copies of those reports have been mailed to every Member of the House of Representatives. And yet this article, of which I complain, says that these efforts have a stealthy, skulking look; a stealthy, skulking look.

Do they? Here are five reports published throughout the country over a period of more than a year, showing the violations of law by various agencies, including the O. P. A. The first of those was filed in April 1943, over a year ago. As a basis for the reports, here is some of the testimony that was taken in open hearings before that committee, day after day, week after week, and month after month, in which citizens who had been wronged came forward and complained under oath and in which we also brought in the officers of the agencies of which complaints were made. They testified under oath. Both sides were permitted to be heard.

As the result of all of these reports, and as the result of that 15 months' work, and as a result of all of this testimony, of which this is only an infinitesimal part, that committee sat down to deliberate as to whether any amendments were needed to the O. P. A. Act and, if so, what amendments were needed and what amendments could be safely enacted without destroying the vital arm of the Government known as price control. It was a difficult job. We spent weeks on it.

While the article which I have necessarily had to mention in order to give me the opportunity to tell you about these amendments refers to this as the activities of one individual Member of Congress, the truth is that these activities are the activities of a duly constituted, select committee appointed under resolution of this House to do the specific thing of investigating excessive abuses of authority by executive agencies, including the O. P. A. That committee filed these reports. While there was some dissent as to certain features of the O. P. A. recommendation for legislation which will be found in the fifth and last report, the major portion and the important amendments recommended by that committee were recommended unanimously by the seven members who constitute that committee which you Members of the House set up.

I have been here long enough to see the signs and I know what is going on around here. There are some folks that do not like the rule that the Committee on Rules gave on this thing. This is what the Committee on Rules did: There were two bills. There was the bill of the regularly constituted Committee on Banking and Currency, and there was the bill of the so-called Smith committee, a portion of which the Committee on Banking and Currency had adopted in their bill. The Committee on Rules gave a rule which made in order the Banking and Currency Committee bill, but also made in order as amendments to that bill any provisions of the bill of our committee. After all is said and done, all that means is that you Members of the House, having set up our select committee and having, wisely or unwisely, spent $50,000 of your taxpayers' money for this investigation, are saying by the adoption of that rule that you are at least going to sit here and hear the recommendations of our select committee on which you expended $50,000, and vote on whether you are going to accept that amendment or whether you are going to reject it. Is there anything unfair about that; is there anything wrong about that; is there anything sinister about that; is there any skulking about that? Why not do it?

A lot of you have had complaints, because you have come to talk to me about them, about O. P. A., about rent control, about price control, and about rationing. I do not believe there is a Member on this floor who can rise to his feet now and truthfully say that he has not had any complaint about this agency's violating the authority which Congress has given it. If there is, I want to hear from him.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Missouri.

Mr. COCHRAN. I say that I have had no complaints in which the charge has been made that the agency violated the law. I have had complaints about some of the regulations, but as far as anyone's claiming that they have violated the law is concerned, I have had no such complaint.

Mr. SMITH of Virginia. I congratulate the gentleman upon having such a complacent constituency.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield? The gentleman asked if any Member had received a complaint.

Mr. SMITH of Virginia. I decline to yield further at this time. I want to discuss these amendments. I want the House to know just what you are voting on and why. If you turn this rule down when you vote on it in a little while, I want you to know why you are doing it.

Mr. SABATH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. SABATH. I was not present when the gentleman obtained the floor. Are we discussing the rule, or what is before the House?

The SPEAKER. On a question of personal privilege the range of the Member attacked is pretty wide, but the Chair trusts that the gentleman from Virginia will not get too far from the charges.

Mr. SMITH of Virginia. I will try to stay within the rule, Mr. Speaker.

Mr. SABATH. The gentleman is talking about the rule on this bill, and I have not called it up yet.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. SMITH of Virginia. I decline to yield at all at this time, Mr. Speaker.

Mr. Speaker, the chairman of my committee has complained that I am talking about the rule. I have complained that this Washington Post writer was talking about me. What he was talking about me was this very subject that I am now discussing, and I am trying to answer and show to this House that there is nothing that is stealthy or skulking about what I am doing or about what I have been doing. If it is out of order for me to answer and say what I am trying to do, when a person has charged me with being stealthy and skulking, and trying to destroy price control, then I just do not understand the parliamentary rules, and I think I do.

I am going to talk about these amendments. I am going to talk about them on the ground that there is nothing stealthy about them and that there is nothing skulking about them, and that I am not stealthy and I am not skulking, and I never have been skulking, and I never expect to skulk. But I expect to lay it on the table and talk it out to you who are Members of this House and have the same responsibility that I have, and I know you want to know—I know you want to know what these amendments are. I will tell you.

My friends on the left here especially ought to want to know. The Republican Party, I remember, back a couple of years ago were whooping and howling and yelling about how they were going to save the country from bureaucracy. They were going to save us from these excessive abuses of authority by these agencies that were being set up by Executive order as well as by acts of Congress. Now I want to give these Republicans the opportunity to save the country today, tomorrow, and the next day. Boys, are you game, and did you mean what you have been telling the country? Are you going to try to help us save this country from bureaucracy? Or when the C. I. O. yells, are you going to run? What are you going to do about it? That is a simple proposition. You all know, and I know, that every amendment that I propose here is being opposed by the C. I. O. Political Action Committee, and you know that you get these great circulars about every morning saying that you must not do anything to the Price Control Act, you must reenact it just as it is. What I am going to find out today is, How much effect the C. I. O. Political Action Committee is going to have on you Republicans, who promised the people when you were elected 2 years ago that you were going to save this country from bureaucracy. I am going to do you a great favor, because I am going to give you the opportunity to demonstrate to the American people that you were telling the truth when you were elected, that you meant what you said, that you are going to save them from bureaucracy. I am going to give you a chance to show them that you are going to save the Constitution of the United States.

I hope you meant that applause, and I hope you meant all the campaign speeches that you made to your people 2 years ago when you promised them you were going to save the country.

Mr. THOMAS of New Jersey and Mr. HOFFMAN rose.

Mr. SMITH of Virginia. I will yield in just a moment.

I have a good deal of faith in those promises, but I will tell you, you made a sorry spectacle here the other day when you ran out on the F. E. P. C. appropriation.

Mr. MARCANTONIO. Mr. Speaker, I make the point of order that it is obvious from the discussion that the gentleman is making that it is way beyond the scope of personal privilege and is an abuse of personal privilege.

Mr. RANKIN. Mr. Speaker, I would like to be heard on that point of order.

The SPEAKER. The gentleman from Virginia will confine himself to the question of personal privilege.

Mr. SMITH of Virginia. Mr. Speaker, I shall endeavor to do so.

Mr. RANKIN. Mr. Speaker, I make the point of order it is utterly impossible for the gentleman from Virginia [Mr. SMITH] to go beyond the scope of this loathesome abuse being heaped upon the Congress.

Mr. SPEAKER. The gentleman from Mississippi is not making a point of order.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman from Virginia just a moment ago asked a question. I am telling him that I, for one, on this side intend to go along with him, and I have never made a campaign promise that I am not willing to keep up to this time.

Mr. SMITH of Virginia. I am pretty sure you will not break your promise.

Mr. HOFFMAN. There will be no hiding on my part.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. THOMAS of New Jersey. I am wondering if the gentleman from Virginia is going to give the Democrats the same opportunity to save the country.

Mr. SMITH of Virginia. Indeed, I am. But I want to say further, there are a lot of good Democrats over here, and I am glad to say most of them come from south of the Mason and Dixon line who are going to vote to save the country just as they have been doing.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. EBERHARTER. The gentleman from Virginia not long ago asked whether there were any Members of the House—or it was his opinion there were no Members of the House—who had not received complaints that the O. P. A. had exceeded its authority and had violated the law, and then the gentleman declined to yield for anybody to answer that question.

Mr. SMITH of Virginia. I yielded to you. What is the matter; what is your complaint?

Mr. EBERHARTER. I am one Member, at least, in addition to other Members who wanted to be recognized at that time, who wanted the gentleman to yield to him, who has not received a complaint from any constituent or any firm in his district.

Mr. SMITH of Virginia. I am glad your folks are so well satisfied.

Mr. EBERHARTER. I have not received a complaint from any constituent or any firm in my district that the O. P. A. has violated the law. I think there are many others in the House.

Mr. SMITH of Virginia. I am glad your people are so well satisfied.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. RANKIN. I will say to the gentleman from Pennsylvania that the suffering people of America know to whom to protest.

The SPEAKER. The Chair is very lenient. The Chair is not compelled to recognize any Member to proceed on a question of personal privilege.

Mr. EBERHARTER. Mr. Speaker, a point of order.

The SPEAKER. Just a moment. The Chair is going to try to quiet this down and get through with it. The Chair always allows Members a wide range on a question of personal privilege, but the gentleman from Virginia will agree with the Chair that not many of the questions that have been asked and not many of the answers that have been made come very close to the matter the gentleman was talking about when he took the floor. The Chair knows the gentleman from Virginia wants to abide by the rules of the House as much as any Member.

Mr. SMITH of Virginia. Mr. Speaker, I want to say I appreciate the position of the Speaker. I thank him for the courtesy he has shown me in this matter. I will certainly endeavor to keep within the rules. It is a little difficult at times.

Mr. Speaker, I will not yield any further, as I do not want to violate the rules.

Mr. EBERHARTER. Mr. Speaker, a point of order.

Mr. Speaker, I make the point of order that the remark of the gentleman

from Mississippi, when the gentleman from Virginia yielded to him, was in violation of the rules of the House.

Mr. KNUTSON. That comes too late.

Mr. EBERHARTER. Mr. Speaker, I have been on my feet since the moment the remarks were uttered. I wish to be heard on the point of order, Mr. Speaker.

Mr. KNUTSON. That is not parliamentary.

Mr. EBERHARTER. Mr. Speaker, it seems to me if we are going to proceed in a parliamentary manner here, and I am sure practically all Members in this Chamber want to proceed in a parliamentary manner, it should be recognized it is not within the province of any Member to attempt to ridicule another Member. Insofar as the constituency of my district is concerned, Mr. Speaker, they have confidence in me.

Mr. RANKIN. Mr. Speaker, I make a point of order. I demand that those words be taken down.

The SPEAKER. The Chair is ready to rule on the point of order. The question of what the constituency of the gentleman from Pennsylvania thinks of him, is a question between him and his constituency; and the Chair overrules the point of order.

Mr. EBERHARTER. Mr. Speaker, am I to understand it is perfectly all right for a Member of the House to reflect upon the voting constituency of the Thirty-second, that is, the Thirty-first district of Pennsylvania?

Mr. Speaker, there has been within the past 2 years two redistrictings in the State of Pennsylvania, so a Member cannot be blamed for becoming confused on the number of the district when he comes from a district that has been divided.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER. The Chair is now hearing the gentleman from Pennsylvania on the point of order.

Mr. RANKIN. Mr. Speaker, he is not making a point of order. He is out of order and does not know the parliamentary rules.

The SPEAKER. The Chair has already ruled on the point of order made by the gentleman from Pennsylvania.

The gentleman from Virginia [Mr. SMITH] will proceed in order. The Chair thinks it would be wise, in the interest of conserving time, if he would not yield any more.

Mr. SMITH of Virginia. I will observe the admonition of the Chair very religiously from now on and will not yield further to anyone, so that I can go on and get through with this matter as rapidly as I can. What I wanted to say to the House was in answer to the charge that these amendments were stealthy and skulking looking. I want to tell you what they are and you can judge for yourself wherein there is any stealth or skulkiness in these amendments. I will start right in at the beginning of the report of your select committee. I am going right on through.

On page 3 of that report we proposed an amendment that the O. P. A. should not do anything about the price of any commodity that has never risen and has never threatened to rise in price. Well, you said that in the original bill. What you said was that whenever the price of the commodity or commodities have risen or threatened to rise, then the Administrator shall fix the price. But the Administrator has gone to work and has undertaken to put price control on everything, whether the price has ever risen or has not risen. I will give you an example, for instance, of vitamin pills, where the history of that commodity has been that they have always been constantly decreasing in price as manufacturing facilities and consumption increase. There has never been a rise in price. There has never been a threatened rise in price, yet the O. P. A. in that instance, and, I think, in the instance of rayon hosiery, has undertaken to reduce the price, although it never threatened to rise. I do not think Congress meant for the O. P. A. to reduce the price of an article that has never risen and has never threatened us with inflation. So we put in here that they should not have anything to do with the price of a commodity where the price had not risen or threatened to rise. Is there anything stealthy or skulking about that? I do not know whether you want it or not.

All I am doing is saying as the result of 15 months' work on the part of our committee, we submit to you as our best judgment, that you never intended to have prices reduced on articles where the price did not rise or threaten to rise, because that is what you said in the act. If you do not agree with us, it is perfectly all right with us. All we want to do is to have an opportunity to pass the rule and vote on whether you want that amendment or whether you do not. Let us take the other amendments. There are many instances where owing to peculiar circumstances the effect of the impact of O. P. A. regulations and price control have been to destroy a business, utterly destroy it, put it out of business. I expect every one of you know about cases like that. What we have put in there is a provision that in this class of cases the Administrator cannot say, "It is too much trouble to fix you up." The Administrator cannot say, "Well, you are just a casualty of war; we are sorry." The Administrator must adjust the situation so as to stop destroying the little businesses of this country. I know that is what you all want to do. We may not be right about that amendment. We may be all wrong about it. But there is not anything stealthy about it and there is not anything skulking about it. All we are asking you to do is to give us a rule so that you can debate it and then you can vote on whether you think it is good or bad. Certainly I am not going to get mad at anybody as to how they vote. I know this is a very intricate situation and I know honest men differ about it. I have studied it for 15 months. All we are asking you to do is to give yourselves the opportunity of voting for it or voting against it.

The next amendment we have is on page 6 of our committee report. Let us see what is stealthy or skulky about that. You have a ceiling price on manufactured articles at the manufactured level. You have another ceiling price on it at the retail level. That leaves a spread for handling and profit to the retailer. But here comes an increase in the cost of raw materials, an increase in the cost of labor, an increase in the cost of facilities; so O. P. A. says to the manufacturer, "You cannot get along with that. We will raise your ceiling price a little." But when he goes to the retailer he says, "Oh, no, Mr. Retailer, we are not going to raise your ceiling. You have got to absorb that increase to the manufacturer." So gradually they are pushing these manufacturers' ceilings up and holding the ceilings on the retail level to the little corner grocer, where you go to buy your pound of butter, so that those people are being crushed between the upper and nether millstones. It is not fair. It is not right. You know it is not fair or right. You never intended to do any such thing as that. I want to give you an opportunity, without any stealthy work about it, or any skulking, to vote whether that is what you intended to do. I want to give you an opportunity to correct that evil, and give the little corner grocery store a chance to survive.

So we have an amendment on that proposition that provides that whenever O. P. A. raises the ceiling price to the manufacturer—and he does not have to raise that—but if he does, then he has to give a corresponding raise to the retailer who sells that article.

Now, what is unfair about that? Certainly there is nothing stealthy about it. There is nothing skulking about it. I do not see how it will destroy price control, but if you do not do it, it will destroy a lot of little businesses back home, and then when we have got to go back home to campaign this fall some of those fellows who are walking the streets without any business are going to ask you about that. Do not forget that.

We have had more complaints about rent control than anything else. So we have revised the rent control in some minor particulars. In the first place, we have taken out that word "generally" because they say that rents must be "generally fair." It is not necessary to have generally fair rent control, because what they did as a matter of administration is to fix the price of every single individual living unit. Every house, every apartment has to be registered. So it is not a great job to revise in any particular instance. So, we provided that they must not only be generally fair and equitable in their rents, but they must be fair and equitable to everybody.

Then they have these rules about recovery of possession—that you cannot recover possession of your property except under certain regulations and specifications that the O. P. A. has set down. We have undertaken to enlarge those.

I think it would be profitable to all of you in the consideration of this bill, when you come to it as you will shortly, for me to tell you in some detail what we propose in the way of changes in the way of rent controls. I am doing that primarily for the purpose of showing you, under my privilege here, that there is nothing

stealthy, nor nothing skulking about these amendments which I am proposing.

We propose that the owner may recover possession of his property if the tenant violates the obligations of his tenancy. You would think, of course, you could do that, would you not? If he has violated his lease agreement, of course, you could kick him out. Oh, no. The O. P. A. says, "No; we do not think that is material."

For instance, in a case we had where there was a complaint, there was a provision in the lease that nobody could keep a dog. One of the tenants decided he would keep a dog in his apartment; he would make a dog kennel out of it, next door to a fellow who did not want to live in a dog kennel. So the owner tried to turn him out. The O. P. A. says, "Oh, no. Don't bother that fellow. He can keep a dog all right, because that is not a material violation." In other words, they set themselves up as a court to determine what provisions of a lease mean something and what provisions of a lease do not mean anything. We take those functions away from them.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I am sorry. I promised the Speaker not to yield further.

Then, where a person owns a piece of property and seeks to get possession of it to live in it himself the O. P. A. has a regulation under which if you have rented your house this year and you want to get it back yourself to live in it you have to convince them of a whole lot of things and comply with numerous regulations before you can get your house to live in yourself.

Also, in the case of sales of real estate. Where there has been a sale in good faith there has been a great deal of difficulty in getting possession of the property when it has actually been sold and the purchaser wants to get possession. There ought not to be any difficulty about that.

We also take the hand of the O. P. A. off of the situation where a person wants to tear down a building or for the purpose of remodeling, or for the purpose of restoring another building. We also have put in a provision that I think is quite important, that where a person, wanting to help the war effort, has taken in two or three roomers he ought to have the privilege of still having his home as his castle and be able to put those people out when he was tired of them or did not like the color of their hair, or did not like them coming in drunk at 1 o'clock in the morning. But O. P. A. says, "If you rent more than two rooms in your own private dwelling you cannot get rid of those tenants unless the O. P. A. says you can get rid of them." That is an invasion of a man's home that this Congress never intended; that we never gave any authority for. There is nothing in the act that would justify it. Yet it is being done to your constituents and my constituents.

Those are some of the things we are trying to correct.

Take the next question of what is known as security payments. If there is anybody here from Connecticut I can mention that area. In Connecticut they have a rule that is very old, that when a piece of property is rented the owner collects the first and last month's rent, the last month's rent being held as security deposit against default in the payment of rent, or against defacement of the property. That is an old custom. The O. P. A. says, "We are going to change that custom." But the Congress has said that O. P. A. must not change any of the regular customs of doing business. The O. P. A. says that Congress qualified that.

So many of these provisions that you put in the act are being constantly overruled, constantly violated by the O. P. A., and they make rules and regulations themselves that have the effect of law. All we want to do is to fix it so that O. P. A. cannot do those things which the Congress never intended them to do and never gave them any authority to do. There is nothing stealthy, nothing skulking about it.

Now, on the question of getting possession of property that has been sold: If you sell a piece of property to me, and I want to get possession of it from the next man over there who happens to be living in it, I cannot go to him and say, "I want to live in my own house." I have got to go to the O. P. A., and they say, "Oh, did you buy it? How much cash did you pay?" I say, "Twenty-five percent." They say, "Oh, no. You have got to pay 30 percent. You cannot buy that house." But now they have reduced it to 20 percent after a great deal of complaining. I go back and I borrow that 20 percent from my bank, and I come back and I pay that money down. I say, "All right, Mr. O. P. A. I want my house. I paid 20 percent." They say, "Where did you get that 20 percent?" "I went down to the bank where my credit is good, and I borrowed it." They say, "Oh, no; you cannot borrow it from the bank and buy a house with it. That is not your own money. That is money you borrowed."

That kind of utter absurdity is something that your people and my people have been suffering from, long suffering, for over a year. Now, we are not doing anything stealthy about it, but we want to say right out in the open that those things ought to be corrected. We do not think they have anything to do with price control; we do not think they ought to have that authority. We know Congress never gave them that authority, and we want to see to it, if you did not give them that authority, that we prohibit them from exercising it.

We provide some court relief from these O. P. A. decisions. That is quite an intricate problem, Mr. Speaker. I hope the Members are going to give it careful study, because we can make a big mistake in this court review. Our committee has tried very studiously not to make a mistake about it. We have provided in the first place that a protest can be made at any time, not limited to this period that is now in the act, but when a protest has been made a party can go to court, and we have provided that he may go to either the district court or the Emergency Court of Appeals; we give him the option of going to his district court because it is often very inconvenient for some of our constituents to go to the Emergency Court of Appeals; so we provided that he may go into the district court.

We further provided that the regulation must remain in effect in the event there is an appeal to the Emergency Court of Appeals so that there will not be a variety of decisions all over the country. If you gave the right to appeal from these decisions to every district court in the United States, you would have a number of different decisions, and you would have different kinds of price control all over the country. We have guarded against that in these amendments, but we give them court review.

There is a ridiculous situation relative to court review that has recently been affirmed by the present Supreme Court of the United States. In our original Price Control Act we fixed it so that the validity of these regulations could not be raised in any way except in the Emergency Court of Appeals, but we also fixed it so that a person might be prosecuted for violating the provisions of the act, and it so happens that we have now placed ourselves in the ridiculous position where a person can be indicted, tried, and convicted on a void regulation of the O. P. A. and is not permitted to open his mouth in the courts to say that he is being sent to jail on a void regulation. We have undertaken to correct that by an amendment. The Committee on Banking and Currency has also attempted to correct it. The way they have done it is to say that the person cannot raise that point until after he has been tried and convicted. We do not think a person ought to be put to that disgrace, so we provide that he may raise the point as a preliminary proceeding, that when he does raise it in the district court the proceedings must halt and the matter of the validity of the regulation be determined by the Emergency Court of Appeals. In this way you will not have a diversity of decision.

Another matter we have sought to correct is the question of triple damages. Under the O. P. A. Act as the law is written now a person may sue for $50 or triple the amount of the overcharge. To illustrate why that is wrong I will give you a case. An old lady out in California was renting a room and she happened to charge 50 cents a week more than O. P. A. said she ought to rent it for and so the tenant sat on that poor lady's furniture for 30 weeks. Then he sued her for $1,500, and he had the right to recover it under the law. Or let us take the case of a grocer: One of his clerks gets mixed up on the price of a can of beans and charges 11 cents instead of 10. Because of that overcharge of 1 cent the consumer has the right to sue the merchant for $50. We have undertaken to say that there can be only one suit, either for the actual damages or for $50, whichever is greater, on the same contract. The Committee on Banking and Currency has, I think with all due deference to them, and I know they put a great deal of time on it and have done a studious job, done an honest job. I know they think what they have got is right, but we just happen to differ about it. What the Banking and Currency Committee has done is, in my

judgment, to make this thing worse than it is now because as it is now the consumer is the only person who can sue where the goods are sold for consumption, such as the case of a can of beans, but the Committee on Banking and Currency has fixed it so that if the consumer does not sue, the United States may sue. If the Banking and Currency Committee's amendment passes, these O. P. A. lawyers who have got to find something to do—just mark my words—are going to be suing your constituents all over the United States for selling a can of beans for a cent too much or a pound of butter for a couple of cents too much. We never intended to penalize the people more than was necessary to stop the black market. Certainly we do not want to penalize the innocent as well as the guilty; so we have undertaken to correct that.

Mr. Speaker, you have heard a lot of talk about the kangaroo courts—and I am not going to be able to cover all of these matters, but I will go as far as time permits. As to the kangaroo courts, we have set forth in the O. P. A. Act exactly the methods by which your constituents and mine may be punished for violation of the law, but the O. P. A. has not seen fit to use that punishment except in rare instances. They set up their own system of courts. They haul a person before them and say, "You sold too much gasoline last week" or too much butter, or something else, "so we are going to try you." Who tries them? An officer paid by the O. P. A. Who sits as judge? Another officer employed by the O. P. A. A third person employed by the O. P. A. acts as prosecutor and another officer employed by the O. P. A. is the witness. So they try your constituent and mine in the kangaroo courts and have gone so far as to take away their right to do business for the duration of the war. Did you gentlemen mean to do that?

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I have declined to yield; I made the promise that I was not going to yield. I am sorry.

If you did not mean to do that you had better do something about this rule that is coming up today. I do not want to do it by stealth, I do not want to do it by skulking around, but I want to lay it right on the table: If you do not adopt this rule and give yourselves a chance to pull your constituents out of this hole you put them in somebody is going to ask you about it when you get back home; somebody is going to ask you why you did not give them relief when you had the chance, as you are going to have to vote on the subject.

So we have prohibited the O. P. A. from setting up or operating these kangaroo courts and have in effect said to them, "You go back to the courts of the land where we told you to go when we enacted the law."

There is one other provision in here that I know you folks want and that has to do with putting certain restrictions on the War Labor Board. Under the present situation the War Labor Board may certify to the President that the owner of a business has refused to comply with the Board's order, and the President may then take his business away from him without any resort to the courts; and the courts here in Washington just last week decided that under those circumstances the very shirt may be taken off your constituent's back and he is denied the right of access to the courts of the land set up by the Constitution under which you live and which you swore to sustain and support. Are you going to do anything about that? If you do not adopt this rule you cannot do anything about it. I am giving you warning now because I know you Republican fellows have promised the people of the country relief from this bureaucracy but you will not be able to do that if you vote against this rule, you will not be able to let your constituents go into the courts of the land and have the courts determine their rights.

We have not undertaken to destroy the control of the War Labor Board over these situations but we have said that when the owners of property go into court to test the right of the War Labor Board to issue an order against them, that their property shall not be seized and taken away from them unless the courts shall determine that the use of the property is necessary for the conduct of the war.

In other words, we have taken this discretion from Executive hands to seize a man's property and put it in the hands of a court where it belongs, so that the court may say whether that property is necessary for the conduct of the war.

Mr. Speaker, I have consumed so much time that I hesitate to use any more. I thank the Members for the patience they have shown toward me. However, there is one other amendment in connection with the War Labor Board that I think is very essential. That amendment would have prevented the disgraceful situation that we now find the Government in with respect to the seizure of Montgomery Ward.

The National Labor Relations Act provides that that Board shall determine the question of the bargaining unit and that was what was sought to be done in the Montgomery Ward case; but the War Labor Board, notwithstanding that, ordered them to go ahead and sign a contract for an extension or something of the kind. We provide in this amendment that when the question arises as to who is the bargaining agent of employees, then the War Labor Board shall not act on that matter until the National Labor Relations Board calls an election, or does whatever is necessary, and certifies to the War Labor Board the bargaining agency. That is a very essential amendment and will prevent a great deal of confusion and, as I said before, it would have prevented the debacle in the Montgomery Ward matter.

In conclusion, let me say that in this report are certain amendments which have to do with wage stabilization. I personally, and a number of others, have always believed in the across-the-board stabilization. Those amendments merely write into the law the Executive order of the President which stabilized wages and admonish the War Labor Board that it must observe those regulations. In other words, we write into law what is already law by Executive order. I realize that there is not much sentiment for that subject and it is not my purpose to offer those amendments to stabilize wages; so that the only amendments in that connection that I expect to offer will be those amendments which relate to court review and which relate to prohibiting the War Labor Board from exercising certain functions that are clearly in violation of the Constitution.

I regret that I have taken so much of your time but, in my humble opinion, it is worth while for you to consider these amendments and I hope what I have said has clarified your thinking some and given you some information that may be worth while.

EXTENSION OF EMERGENCY PRICE CONTROL ACT OF 1942

Mr. SABATH. Mr. Speaker, I call up House Resolution 582, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 9 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order any amendment which may be offered to the bill embodying any of the sections or paragraphs contained in the bill H. R. 4647. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. The gentleman from Virginia [Mr. SMITH] timed his question of personal privilege, on which he obtained 1 hour to speak, very nicely. Of course, the gentleman is very resourceful and I regret that he has been unjustly criticized.

I have read the last report of his select committee, which has expended $50,000 pursuing its studies and investigations, and I find that two members of the Smith select committee have submitted and signed a minority report.

The gentleman from Virginia [Mr. SMITH] also states that he is anxious to save the Republican Party and the Democratic Party by giving them an opportunity to vote on some of the provisions of his bill. This, I am sure, will be appreciated by both.

Mr. Speaker, the resourceful gentleman from Virginia [Mr. SMITH] has explained really what the rule aims to do.

The rule itself provides for 9 hours' general debate and is an open rule with-

out the amendment agreed to in the Rules Committee.

I am placed in a rather embarrassing position in calling up this rule, because I feel it is a dangerous rule to adopt.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. Do I understand that the gentleman appears here as chairman of the Rules Committee in opposition to the rule which the committee directed him as chairman to report?

Mr. SABATH. I am only saying what I believe the rule will do. I am not opposing it.

Mr. SMITH of Virginia. The gentleman is chairman of the Rules Committee?

Mr. SABATH. Yes, I am, and I have been directed to report this rule.

Mr. SMITH of Virginia. Will the gentleman answer the question?

Mr. SABATH. I refuse to yield any further.

Mr. SMITH of Virginia. I thought the gentleman probably would.

Mr. SABATH. Mr. Speaker, I want to be notified when I shall have consumed 10 minutes.

Mr. Speaker, I am doing my duty as chairman of the Rules Committee. Ever since I became chairman of that committee it has not been my wish that it acquire greater jurisdiction than it has. In my opinion the power and the jurisdiction of that committee are great enough without violating the satisfactory precedents that have been in force for many, many years.

Mr. Speaker, I want the Members to be very familiar with what this rule does. It permits any amendment and it also makes in order any amendment contained in the bill of which the gentleman from Virginia spoke, the said bill containing some 57 pages. None of the members of the Committee on Rules ever read that bill or knows what it contains. As I have said, Mr. SMITH'S select committee's report does not come in unanimously. There is a minority report filed against it.

The gentleman from Virginia [Mr. SMITH] has called attention to many, many shortcomings, and, perhaps, probable abuses; but I am not here to defend the O. P. A. as to some of its regulations. I want it to be understood that I am in favor of granting a rule for consideration of H. R. 4941; but I feel the rule as reported goes far afield and will set a precedent which will plague the House in the future. Of course, any germane matters would be permitted under the broad rule that we usually report, but in this instance any matter, regardless of its germaneness to the bill before us, could be and would be in order. Just think in what position it will place the Members and the House in the future if such a policy is pursued. As I have said, I have no personal interest in the matter. I assure you I am only trying to do what I believe is the right thing in preserving the orderly proceedings of this House.

From the beginning of my service here I have fought against such conditions as prevailed under Speaker Cannon, under which conditions the membership of the House was restricted and precluded from voting on many measures. Ever since I became chairman of the Committee on Rules I have urged liberal rules. I am proud to say that only two or three times since I have been chairman of the Committee on Rules have I brought in closed rules, and that was done for the Committee on Ways and Means in connection with revenue matters with the approval of both the majority and the minority of that committee. I am pleased that the House has invariably sustained my position and recognized my aim to protect against any improper legislative procedure. Unfortunately, this rule is not only an open one but it would really, I fear, endanger many liberal rules and deprive all of the legislative committees of their rights and functions by making in order bills that have not been acted upon favorably, or at all, by legislative committees and any Member could come in with a bill and ask that it be substituted for a committee bill or the provisions in his bill should be made in order regardless of whether or not they were germane to a bill.

What I am doing is simply calling the attention of the House to this matter so that it will realize and recognize the effect that it might have in the future. So long as I am chairman of the Committee on Rules I shall retain to myself the right and the privilege of opposing rules which I feel are not conducive to orderly legislative procedure of the House. I am placed in a rather embarrassing position in reporting this rule but I am carrying out the action of the committee, regardless of the past and current criticism of the gentleman from Virginia [Mr. SMITH] and the gentleman from New York [Mr. FISH] and the gentleman from Georgia [Mr. COX] for my trying to protect and preserve the rights of legislative committees.

The gentleman evinces great interest in small businessmen because they are by O. P. A. precluded from increasing their prices. I am sorry that he did not yield to me with regard to his statement in this respect, but I presume he meant to say that people should not be precluded from taking on for sale higher priced merchandise than they originally handled. I am not quite sure how far-reaching this restriction is, but I do know that even retailers are not selling below cost, and from reports I have received nearly all of them are better off today than ever before, and this notwithstanding the restriction to which the gentleman refers. The people who are mostly interested in the elimination of price ceilings, as I am informed, are the oil operators and the real-estate operators who obtained valuable properties and apartments after the Republican crash in 1929 for, as I have said, 10 and 15 cents on the dollar. To them an increase of rents has been denied because it is shown that they are obtaining a handsome income on their investments. Right here I wish to say with respect to the complaints against the O. P. A., some of them have been unjust, but some people have been unfairly treated; there have been many harsh penalties; many unnecessary court proceedings have been commenced and many fines levied. I am also satisfied the O. P. A. is not being conducted as efficiently as it should be, but, on the whole, I believe that the Administration and the legislation aims to hold down excessive prices, the gouging of the consumer, and prevent inflation. However, I feel that even if the gentleman from Virginia [Mr. SMITH] or anyone else had been placed in charge, he could not have obtained a greater efficiency and eliminated more of the errors and unfair administration of the act.

I concede that perhaps some of the prosecutions should not have been commenced, that some people should not have been hauled to court and damages exacted. I myself originally advocated putting everybody on his honor, especially as to rationing, but it has been tried and, unfortunately, it did not work. Therefore, legislation was necessary, and certain restrictions were imposed. Over a year ago, when the price of foodstuffs went sky high, I urged the placing of price ceilings on livestock and foods but, unfortunately, it was some time before that was effected, due to the fact that the growers, producers, manufacturers, and businessmen opposed any restrictions or price ceilings. But today I am sure, notwithstanding the defects in administration and shortcomings of the O. P. A., it has held down the cost of living, as is unmistakably shown by competent evidence.

Naturally, I am interested in the administration of the Price Control Act, but, above all else, I am interested in the consumer and the little man; and if the gentleman from Virginia [Mr. SMITH] will introduce an amendment that will aid consumers and eliminate any of the abuses that may be proved, I will support it. But I feel, Mr. Speaker, as I have said, that it is my duty to call attention to the rule that I have been directed to report, which, if adopted, will deprive a standing legislative committee of its rights and jurisdiction, and effect conditions that will embarrassingly delay the orderly procedure of this House.

The gentleman from Virginia [Mr. SMITH] has asked me whether I am opposed to the rule. I voted against it in committee, and I have a right, when I am against a rule, although I am the chairman, to oppose it if I feel it is wrong, goes far afield, and contravenes the established precedents of the House.

Surely we all receive complaints. I have many of them. But is there a single law that we have ever passed that was perfectly satisfactory to all? No. I know that the real-estate operators who obtained many apartment buildings for 10 or 15 cents on the dollar want their rents increased, notwithstanding they are making a real profit out of their investments. I know that the oil people desire some amendments in the bill.

I feel at this time, Mr. Speaker, that we should have the interest of the entire country at heart instead of the interest

of a few selfish, avaricious men who desire to get more and more out of the Treasury for their own benefit.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. No; I cannot yield now. I only have a few more minutes. I may yield later on.

The gentleman from Virginia [Mr. SMITH] complains that the C. I. O. is for this legislation, that is, for the Committee on Banking and Currency bill, and for the law now in force. It is not only the C. I. O. I venture to say that 95 percent of the American people are for the law, and they approve of the splendid action of the Committee on Banking and Currency in amending the act in many respects, eliminating some of the abuses or shortcomings that have been called attention to by the gentleman from Virginia [Mr. SMITH].

I am now inserting in the RECORD an article showing some prices during World War No. 1 and the present time. It says:

S. S. PIERCE CO.

Family Grocers Since 1831

Boston, May 15, 1944.

THEN AND NOW

In the third year after our entry into—

The last war $43.75 would buy—

One barrel Swansdown flour;

One hundred pounds sugar;

And nothing else!

The present war $43.75 will buy—

One barrel Swansdown flour;

One hundred pounds sugar;

And these 88 other items—

Choisa Ceylon tea, ¼-pound package.

Red Label coffee, 1-pound bag.

Swansdown baking powder, ½-pound tin.

Overland peanut butter, 1-pound jar.

Overland wheat cereal, 28-ounce package.

Shredded wheat, 12-ounce package.

Overland premium chocolate, ½-pound cake.

Baker's Dutch process cocoa, ½-pound tin.

S. S. P. sweet biscuits, 1-pound package.

Educator Crax, 1-pound package.

Sunshine Krispy crackers, 1-pound package.

Uneeda biscuits, 4-ounce package.

Pennant butter cookies, 12-ounce package.

Red Label large eggs, dozen.

Overland vanilla extract, 2-ounce bottle.

Epicure boneless codfish, 1-pound box.

Red Label salmon steak, 7¾-ounce tin.

Red Label red Alaska salmon, 16-ounce tin.

Quaker yellow corn meal, 24-ounce package.

Swansdown corn starch, 1-pound package.

Swansdown pancake flour, 20-ounce package.

Pie crust mix, 8-ounce package.

Pillsbury's cake flour, 2¾-pound package.

Choisa pulled figs, 1-pound package.

Overland 18-24 prunes, 1-pound package.

Epicure seeded raisins, 15-ounce package.

Epicure seedless raisins, 15-ounce package.

Overland watermelon rind, 10-ounce jar.

Red Label applesauce, No. 2 tin.

Red Label strained cranberry sauce, 1-pound jar.

Red Label fruit salad, No. 2½ tin.

Red Label fresh flavor peaches, No. 2½ tin.

Red Label orchard ripe pears, No. 2½ tin.

Red Label sliced pineapple, No. 2 tin.

Epicure gelatine, package 4 envelopes.

Overland clover blossom honey, 1-pound jar.

Choisa herring salad, 4-ounce jar.

Overland olive spread, 5-ounce jar.

Choisa sardine spread, 3-ounce jar.

Choisa fig jam, 2-pound 3-ounce jar.

Overland grape jam, 1-pound jar.

Overland strawberry jam, 1-pound jar.

Prune jam, 1-pound jar.

Overland crab-apple jelly, 12-ounce jar.

Overland grape jelly, 12-ounce jar.

Overland guava jelly, 12-ounce jar.

Overland macaroni, 12-ounce package.

Overland spaghetti, 12-ounce package.

Epicure orange marmalade, 1-pound jar.

Raspberry-flavored marmalade, 1-pound jar.

Red Label sliced bacon, 1-pound package.

Epicure boned chicken, 8½-ounce jar.

Overland chicken spread, 4-ounce jar.

Overland ham spread, 4½-ounce jar.

Armour's lunch tongue, 12-ounce tin.

Ready-cut smoked turkey, 1-pound jar.

Swift's Prem, 12-ounce tin.

Red Label chicken fricassee, 14¾-ounce jar.

Royal Purple evaporated milk, 14½-ounce tin.

Overland queen olives, 4¾-ounce bottle.

Overland stuffed queen olives, 6-ounce bottle.

Wesson oil, quart bottle.

Overland sweet midget gherkins, 10-ounce bottle.

Overland sour mixed pickles, 15-ounce bottle.

S. S. P. French dressing, 8-ounce bottle.

Swansdown salt, 2-pound package.

Red Label clam chowder, 11-ounce tin.

Red Label cream of tomato soup, 16-ounce tin.

Red Label green turtle consomme, 13-ounce tin.

Red Label tomato soup, 10½-ounce tin.

Red Label vegetable soup, 10½-ounce tin.

Overland cider vinegar, gallon jug.

Red Label tomato juice, 24-ounce tin.

Overland tomato juice cocktail, 26-ounce bottle.

Overland oven-baked pea beans, 28-ounce pot.

Red Label tiny stringless beans, No. 2 tin.

Red Label sliced beets, No. 2 tin.

Red Label julienne carrots, No. 2 tin.

Red Label golden bantam corn, No. 2 tin.

Red Label whole kernel corn, No. 2 tin.

Red Label spinach, No. 2½ tin.

Red Label tomatoes, No. 2½ tin.

Epicure grape juice, pint bottle.

Red Label grapefruit juice, No. 2 tin.

Red Label pineapple juice, No. 2 tin.

Epicure prune juice, 32-ounce bottle.

S. S. P. cold cream soap, box 12 cakes.

Five-pack Overland perfecto cigars.

HAS O. P. A. PRICE CONTROL KEPT PRICES DOWN?

As this demonstration shows, O. P. A. price control has been of great benefit to the consumer in keeping prices down. The comparison of what $43.75 would buy then and now is dramatic evidence of what can, and does, happen when prices are not controlled.

This exhibit brings up to date a comparison of prices which we have presented from time to time during the past 25 years, as a matter of general interest.

Because these items were much in the public mind, a barrel of flour and 100 pounds of sugar were used as the original basis for comparison.

The Committee on Banking and Currency has worked assiduously on this bill. It has heard many witnesses. I think it devoted about 2 or 3 months' time to the bill. That industrious committee consists of 26 members. I am pleased to say that I consider that committee one of the outstanding House committees. I have the utmost confidence in the very able gentleman who is chairman of the Committee on Banking and Currency [Mr. SPENCE], and the able, industrious, and scholarly gentleman from Michigan [Mr. WOLCOTT] who is leader of the minority of that great committee. They all come to the Committee on Rules and ask, not for a closed rule, but for an open rule; not for a rule that will permit anything and everything to be brought up in the nature of an amendment, regardless of whether it belongs to this bill or to some other matter we are to consider.

In view of that fact I think that the unanimous action of 26 able and painstaking men is entitled to favorable consideration. Further, the splendid committee of 7 that the gentleman from Virginia [Mr. SMITH] represents is entitled to respectful consideration. As I have said, a minority report was filed, so that there are actually 5 against 21.

In view of these facts I feel it is a mistake to adopt the rule as it is written. I believe we should grant an open rule, giving the Members an opportunity to offer amendments, and the House should be able to consider any amendment that is germane to the bill.

Mr. Speaker, I now yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I hesitate to criticize the chairman of the Committee on Rules [Mr. SABATH] but it seems to me that when a chairman of the Rules Committee is not in favor of a rule that has been reported out by the Committee on Rules, he ought to turn over the control of the time to some member of the Committee on Rules who is in favor of the rule and is supporting the rule that has been reported. I believe that is the orderly and customary procedure, and if it is not, certainly it should be, on the basis of fair play.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FISH. Certainly, I yield to the gentleman from Illinois.

Mr. SABATH. Does the gentleman think it is unfair on my part to try to preserve the right of the minority?

Mr. FISH. The gentleman is the chairman, representing the majority of the committee.

Mr. SABATH. Have I ever denied anybody time——

Mr. FISH. I make the proposition only that the time should be controlled by the majority in favor of the rule. I am not concerned in this controversy. I do not care particularly what happens to this rule; I want to make that very clear at the outset. It is a wide-open rule, so wide open that it is being opposed on that basis, and not because it is restrictive or a gag rule. I am not advocating it one way or the other, because I do not consider there is any principle involved or conviction on my part, and I submit that the Committee on Rules is nothing but the servant of the House. The House has a right to write its own rules, and it will not bother me one bit if the House decides in this case to change or amend the rule as adopted by a very large majority of the Committee on Rules.

Mr. SABATH. Mr. Speaker, will the gentleman yield again?

Mr. FISH. Certainly.

Mr. SABATH. I am not going to say how the gentleman voted, but knowing how he voted I felt that it was my duty to do what I did. How will he vote now? Is he not for the rule?

Mr. FISH. The gentleman did not state how he voted, but I will say how I voted in the committee.

Mr. SABATH. I said I was against it.

Mr. FISH. I voted for the rule in the committee, and I think the House ought to know what was before the Committee on Rules.

In the first instance, the proposition was to grant a rule for the entire Smith bill and make the entire Smith bill in order as a substitute for the bill from the Committee on Banking and Currency. That would have been unfair, because it would have given the right-of-way to the Smith bill over the bill reported by the Committee on Banking and Currency, and the Smith bill would have been considered first and would have had legislative priority.

On reconsideration the Committee on Rules thought the fair and proper thing to do was to compromise and make in order those parts of the Smith bill that were not germane to the Spence bill so that they could be presented to the House by way of amendment, and permit the House to pass final judgment. That seemed at the time to the members of the Rules Committee to be a fair proposition.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. FISH. I will yield in a minute.

That is what I think impelled the overwhelming membership of the Committee on Rules to write a rule of this kind. Evidently because Mr. Smith, the chairman of the committee appointed by the House to investigate the executive agencies of the Government, there are certain Members of the House who are suspicious of Mr. Smith and the proposals that he advocates. I happen to be one who will not vote for any drastic antilabor legislation that comes before the House, if it is designed to deprive American wage-earners of any of their hard won rights whether it comes from the Smith committee or any other committee.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, I yield myself 5 additional minutes.

I do not believe that is the issue before the House. The gentleman from New Jersey [Mr. HARTLEY], certainly a friend of labor, always recommended and endorsed by the American Federation of Labor, is a member of the Smith committee. He is in favor of this rule and he is in favor of most of the proposed amendments.

I am unable to say that I am in favor of any one or all of the Smith amendments. I may vote for them all or I may vote against all of them. I only want to give him the right to present them. After all, that investigation of executive agencies started in the Rules Committee. The gentleman from Virginia is a member of it. We sponsored it. The House overwhelmingly endorsed it and authorized the expenditure of $50,000, which money was spent upon this investigation. The gentleman from Virginia [Mr. SMITH] submitted a report and introduced a bill as a result of that investigation, and he merely wants the chance to present these amendments and the facts to support them before the House.

Are you afraid to face these issues squarely that are before the country, you on both sides who are talking about regimentation and the civil rights of the American people? Or do you want to dodge the issues and vote the rule down? I am willing to meet these issues and vote accordingly on the merits of each amendment.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. FITZPATRICK. Does the gentleman believe the amendments ought to be subject to a point of order if they are not germane to the bill?

Mr. FISH. I have already explained that this report has been done at the direction of the House. Many of the proposed amendments have to do with rent control, and with rationing, and might not be germane to the Spence bill. Those amendments should be presented at this time. We have to face the facts and the conditions. We are about to recess within 30 days, and unless it is done that way this question of rationing will not be brought up and these other amendments will not be presented for your consideration.

Mr. FITZPATRICK. For that reason we are going to waive all points of order?

Mr. FISH. To present it to the House; yes.

Mr. FITZPATRICK. Why not leave it an open rule?

Mr. FISH. I do not see why the House is not competent to decide on the merits of each amendment. I do not see why the House does not have the courage and the intelligence to face these vital issues and not be protected by rules of procedure. This is a legislative body to protect the interests of all the American people.

Mr. FITZPATRICK. Rules are what the House has been governed by in the past.

Mr. FISH. If you want to have a Committee on Rules that will protect you against every vote, tell it to your district and see what your constituents think about that. I am not a rubber-stamp Member of Congress. I want Members on both sides to know that I am willing to meet these issues fairly and squarely. I may vote against them all. If they are antilabor, I will vote against them if they are unfair and unjust to American labor. I am glad the Crosser railroad amendment to provide that the decisions of impartial boards set up under the Railroad Labor Act shall not be vitiated by bureaucratic directives. I am sorry that I ever voted for the Smith-Connally bill. I think it promoted strikes. I led the fight against the rule on the Smith-Connally bill and tried to have the House vote it down and refuse to consider the Smith-Connally bill. I did everything I could to prevent the Smith-Connally bill from coming up at that time because it was in the midst of the miners' strike, and I knew under the stress of that strike it would be unfortunate and difficult to legislate intelligently. I regret that I voted for it, at least on one occasion—I think I voted against the Senate bill and for the House bill as amended—because it has promoted strikes. I have told my people that, and I want everybody else to know it. I have signed the petition to repeal the Smith-Connally bill. It would have been much wiser if we had voted down the rule. Then we would have had a different story after the miners' strikes had been settled and we would not have passed such drastic legislation.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman has been a member of the Committee on Rules for many, many years. Does the gentleman recall a practice ever existing whereby the Committee on Rules reports out a rule for the consideration of a bill allegedly acting in good faith, and at the same time provides a provision in that same rule for the doing of a hatchet job on the very bill for which it reports out the rule? That is most extraordinary.

Mr. FISH. I deny that part of your statement that refers to a hatchet job.

Mr. MARCANTONIO. Does not the rule make in order the Smith bill? The gentleman himself said it would be unfair to give the Smith bill the right-of-way.

Mr. FISH. The whole bill, certainly, because that would have given it priority before the House. Under this rule you can offer amendments in the orderly way. There have been occasions when the Committee on Rules has done that, on the bonus bill and a number of others.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman knows that the bonus bill was before the very committee that reported out another bill, and the Members asked that the Committee on Rules report out a rule making in order as a substitute the Patman bill. That is a different situation than this. The gentleman also knows, I am sure, having read the Smith bill, that practically all the provisions of the Smith bill would be germane to this bill under an open rule.

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. FISH. Mr. Speaker, I yield myself 3 additional minutes.

Many members of the Committee on Rules felt that some of these amendments the gentleman from Virginia [Mr. SMITH] is going to propose would not be germane, not just the War Labor Board amendments but others, as to rent control, and rationing. They felt this was the only way to get the amendments before the House. I feel the same way. I do not particularly like to stand here and advocate this rule, but if any drastic antilabor amendments are offered, I shall oppose them. I think it is a matter for the House to decide. I have no particular convictions about it. As I said in the beginning, I do not care a continental what the House does about this rule. If you do not want to face these issues, such as rationing, if you think they will embarrass you, and you are afraid to face them, then vote the rule down. I am not afraid to face any of these issues and vote on them. I will, however, vote against any antilabor legislation that is brought up that is unfair to labor. So I do not care a bit what the House does, and I do not want to stand here and consume time fighting for this rule. I am not fighting for it. I voted for it in the committee at the time only because I thought it was, in the spirit of fairness, the proper procedure and in the public interest. I know of no other way before the 20th of this month to bring the proposed amendments before the House. If the House does not want this procedure, it has the power to vote it down. It will not bother me one bit what you do. I am willing to vote for the rule and to vote on any amendment that is brought before the House.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman from New York has always been fair to me, and I know that he does not wish to say anything today that is unfair. He knows that my position was the same on the Smith-Connally bill as well as on the other bill that was mentioned when the so-called precedent was established, the Barden bill. I was placed in the same embarrassing position because I thought it was wrong for the Committee on Rules to do what it did. Consequently, I am doing the same thing today.

Mr. FISH. I do not want to embarrass the gentleman or any other Member of the House. I think it is in the public interest to consider these amendments. Members on both sides have been talking about regimentation and about rent control and rationing and the civil rights of the American people, but when these issues are brought before us we try to duck and dodge them, put them off, and evade them. Let us pass the rule and face them now and vote them up or down on their merits, or stop speaking about and criticizing the failure of Congress and the administration to protect the rights of the American people against bureaucratic regimentation and directives.

Mr. SABATH. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, the rule presently before the House is a sample of what has been going on for several years when important legislation is submitted to the House by the Rules Committee. I think it is generally understood that the Rules Committee was set up for the purpose of expediting legislation.

Many years ago this House was presided over by a Speaker who was commonly called throughout the Nation the czar. He was all powerful. In fact, he controlled the operations of the House. Not only did he dictate what legislation was to be considered, but he also was clothed with the power to name members of the various committees in the House. As a result of the policy he adopted there was a revolt led by the former Senator from Nebraska, Mr. Norris, then a Member of the House, and the czar was dethroned. The dean of this present House, the gentleman from Illinois [Mr. SABATH], then a young Member, took an active part with Senator Norris.

It mattered not in future years whether the Republicans or the Democrats were in control of the House, the procedure was practically the same. Either a policy or a steering committee was set up and recommended to the Rules Committee what legislation should be granted special consideration. Likewise, a new method was found to name members of the committees, both minority and majority. The Democrats placed that power in the hands of the Ways and Means Committee, while the Republicans set up a Committee on Committees.

It cannot be denied that the Democratic Steering Committee, which could be called a Policy Committee, would meet and pass upon requests for special legislation that had been reported by the legislative committees, and when a decision was reached it was passed on to the Rules Committee. In the last 2 or 3 years, however, that policy does not prevail.

The Rules Committee are the ones now who dictate what legislation this House can and cannot consider, where a special rule is needed. This has progressed to such an extent that I feel it is time to call a spade a spade. This situation results from a coalition between certain Democrats and certain Republicans on the Rules Committee. These certain Democrats, together with the Republicans on the committee, control the situation.

The Rules Committee was never set up as a legislative committee, nor did anyone ever feel that it would develop into a legislative committee, but under the present policy it certainly has taken upon itself to dictate legislation. As an example, let me say that the Rules Committee now, in certain instances, calls in witnesses who have previously testified before a legislative committee and discusses the merits of the legislation.

It has on numerous occasions required a legislative committee either to strike out certain provisions of a bill or agree to certain amendments before the rule would be granted. In other words, it has set itself up as a super-duper committee assuming control over the various legislative committees of the House. If this does not stop I predict there is going to be another revolt.

Now take the rule before us today. It provides not only for the consideration of the bill reported by the Committee on Banking and Currency extending the O. P. A. Act, but it likewise provides that the gentleman from Virginia [Mr. SMITH] can offer any part or all of the provisions of the bill that he introduced, 57 pages, and that they will not be subject to a point of order. The Committee on Banking and Currency, I understand, considered the Smith bill and it did not include his measure in the bill as reported. No one can deny but that the gentleman from Virginia [Mr. SMITH] is a powerful member of the Rules Committee.

Now what was the purpose of bringing in a rule making the provisions of the Smith bill in order? In my humble opinion it was for no other purpose than to embarrass the administration. They are crippling amendments and might, if enacted into law, destroy the O. P. A. Act.

I cannot conceive that the House will adopt these amendments but if any of them are added in the Committee of the Whole, when we return to the House I feel that the Members should be entitled to a separate vote on every amendment added if it is so desired. We have listened recently where Members will add an amendment in the Committee of the Whole and when a special vote is requested in the House a sufficient number of Members would refuse to stand up to provide a roll call so a record vote could be taken on the amendment. That is exactly what is likely to happen if any of the Smith amendments are adopted.

It seems to me if the Rules Committee wants to play fair with the Members of the House that they should also provide that in the event that any of the Smith amendments are added to the bill in Committee, that when the measure is returned to the House a yea-and-nay vote on those amendments would be considered as having been ordered. In that way Members would be on record in showing whether or not they favored crippling this meritorious law.

I dislike to be critical but the time has arrived in my opinion when something must be done to prevent a coalition of Republicans and Democrats on the Rules Committee from embarrassing, not only the House, but the administration.

The way to do it is to vote down the previous question. Then the resolution would be open to amendment and the House could eliminate the objectionable language. In its present form I will not vote for the rule.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, it is unfortunate that we are in a position where, in the consideration of urgent legislation, there are those who say we are opposing or defending the administration rather than considering the merits of the legislation. I do not think anybody will accuse me of defending all acts of the administration, and by the same token they will not accuse me of not supporting the administration, when I think the administration is right. This is no occasion to indulge in political harangue.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the distinguished majority leader.

Mr. McCORMACK. I do not like to use the word "accusation," but there is one "accusation" I would like to make against the distinguished gentleman from Michigan, and that is, he is always intellectually honest.

Mr. MICHENER. I thank the gentleman.

The question before the House is simply this, and I shall speak entirely from a procedural standpoint. A bill was introduced in the House and was referred to the Committee on Banking and Currency, the purpose being to deal with O. P. A. or price fixing. The committee held about 40 days' hearings on that subject. Then the committee, as I understand, unanimously reported to the House H. R. 4941. The committee unanimously appeared before the Committee on Rules and asked for an open rule; that is, that this bill might be brought to the floor of the House with 9 hours' general debate, nd all the time anybody in the House wanted to offer amendments, and with the privilege of every Member in the House offering any germane amendment he saw fit. That is the committee bill and the committee's position.

After the hearings before the Rules Committee, the distinguished gentleman from Virginia [Mr. SMITH], who is the chairman of an investigating committee, to which he has given much of his time and work, filed a report in the House—not on a bill but a report of its work. Following this report of the committee, the distinguished gentleman from Virginia placed in the bill, H. R. 4647, his views as to certain changes that should be made in existing law. The gentleman from Virginia then asked the Committee on Rules that the request of the legislative committee be disregarded and that his bill, which has never been considered or reported by a legislative committee, be made in order in preference to and as a substitute for the legislative committee bill. So that, had the committee granted that rule, we would have today read the Smith bill. After perfecting the Smith bill, there would have been a vote between the Smith bill as perfected and the committee bill without any amendments. The Committee on Rules voted that down. Then the gentleman from Virginia asked that all points of order to any provision in the 57 pages of H. R. 4647 be waived and that every item mentioned in his bill, H. R. 4647, be in order as amendments to the committee bill. That is the rule which is before the House now. It does nothing more nor less than that.

The Office of Price Administration was created by statute. The purpose of the Banking and Currency Committee bill is to extend the life of that statute and make some needed amendments to the O. P. A. law. I cannot impress upon you too strongly that any amendment pertaining to the O. P. A. law will be in order under the general rules of the House and without any special extension or limitation through a special rule.

The Stabilization Act gets its vitality by virtue of an Executive order. There is a difference between the O. P. A. law and the Stabilization Act.

The Smith bill covers amendments to the O. P. A. law, to the stabilization law, to the Smith-Connally law, to the Wagner Act, and, I believe, to other laws. I cannot speak accurately because I have not had an opportunity to read and digest its 57 pages.

It was the intention of the Banking and Currency Committee to extend the O. P. A. Act, as well as to make needed amendments to that act. It was not intended to make this O. P. A. bill a carrier to which miscellaneous riders and amendments might be added where legislative committees of the House have not held hearings and given consideration to the proposals. I, therefore, voted for an open rule in the committee and I voted against making this bill an omnibus bill. The Rules Committee has certain functions, but it is not omnipotent. While its functions are necessary under our parliamentary procedure, yet it can very easily destroy its usefulness by proceeding in the direction followed in the reporting of this rule.

Mr. Speaker, if the previous question is voted down at the end of the 1 hour's debate, then I am informed an amendment will be offered to the rule, the effect of which will be to make the Banking and Currency Committee bill wide open to every germane amendment offered. What can be fairer? What is more sensible? Nevertheless, the decision is up to the House. If it is desired to create this new precedent and to embark upon a course which, in my judgment, is bound to lead to parliamentary chaos, then adopt this rule as reported by the Rules Committee. In the final analysis, the decision is with the House, but we should think long and understand clearly before such a step is taken.

Mr. FISH. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, the only thing I want to say is insofar as I personally am concerned, I am in favor of the rule and I am prepared to vote on any amendment that may be offered which is germane under the rule or otherwise. I do not know any reason why we should not meet these issues. I think

the Smith committee did a grand job, and I think it should be recognized. Let their amendments come before the House and let us deal with the amendments when they are called up. As a member of the Committee on Banking and Currency I simply want to make that statement.

Mr. FISH. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, I listened very attentively to the remarks made by the gentleman from Virginia [Mr. SMITH]. I hope that Members of the House will not get the impression that unless the Smith committee bill is made in order they are going to be deprived of voting on the issues which it raises, with the exception of those which seek to provide certain restrictions in respect to action taken by the War Labor Board. He said, speaking of wage stabilization:

> I realize that there is not much sentiment for that subject, and it is not my purpose to offer those amendments to stabilize wages. So that the only amendment in that connection that I expect to offer will be those amendments which relate to court review and which relate to prohibiting the War Labor Board from exercising certain functions that are clearly in violation of the Constitution.

If you will take title V of his bill you will find it makes some very material changes in the jurisdiction of the War Labor Board and provisions of the National Labor Relations Act having no connection whatsoever with the stabilization of prices, rents, wages, or salaries. None whatsoever. But with the exception of those provisions contained in title V which I have just mentioned, there is not a single amendment which the gentleman discussed that cannot be offered by him or any member of his committee or any other Member of the House, because they are all germane. So it is very apparent that the only purpose of making the so-called Smith bill germane to this bill is to authorize the consideration of two most controversial subjects, absolutely outside the field of price control and wage stabilization—matters that should be taken up individually. The gentleman mentioned the fact "Why should we not now dispose of the so-called Montgomery Ward dispute?" Why should we not? Because we have set up a special committee which is now, perhaps today, in session discussing that all-important, all-absorbing question, and no legislative committee I know of in the House of Representatives has ever given consideration to it. I know the Committee on Banking and Currency has never given consideration to any provision like this, that the War Labor Board shall make no order requiring any person to agree to submit any dispute to arbitration. If I understand it, that is the whole meat of the War Labor Board. If they cannot compel arbitration of labor disputes then they have no control over labor disputes. Do you want to inject that into this bill? I may say to you frankly, we are working on a very, very sensitive balance in this bill, and a little emotion on one side or the other will throw it out of balance. I do not want to see this bill over-balanced by any of these extraneous disputes which, at best, are highly controversial.

So the best thing for us to do is to vote down the previous question. Then I understand the esteemed gentleman from Kentucky [Mr. SPENCE], chairman of the Committee on Banking and Currency, will offer an amendment, which will not be in order unless we do vote down the previous question, to strike out the first sentence on page 2, which makes the whole of the Smith bill in order. Now, it has been rumored around the floor that the gentleman from Virginia [Mr. SMITH] does not intend to offer those amendments. That is why I read verbatim the statement he made, that he did intend to offer them. Of course, all of the other provisions being germane to the bill without this language in the rule, the only purpose of this provision which makes in order his bill (H. R. 4647) is to get us on a side track somewhere. If we are not careful about that, Mr. Speaker, we will find ourselves on that side track perhaps for the duration. It involves one of the most highly controversial subjects that this House has ever had to consider. All of us know that we have been treating that delicate subject as tenderly as we would a new-born babe, in order not to interfere with the orderly settlement of labor disputes under laws which you have already set up to do. If you want to change those laws, let us do the brave thing. Let us not put ourselves in a position where we have either to vote for or against labor, and for or against price control in the same bill. If you want to do so, bring out a bill to do the things which the so-called Smith committee wants to do, refer it to the proper legislative committee. Then we will be brave and we will be courageous and we will not hide behind the price control bill in anything we want to do in that respect.

I yield back the balance of my time.

Mr. SABATH. Mr. Speaker, I yield 4 minutes to the gentleman from Texas the distinguished Speaker of the House [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I ask the pardon of the House for taking the floor at this time, but after 31 years of service in the House of Representatives I am very jealous of the rights, prerogatives, and privileges of the House of Representatives. I am also very jealous of the rights, prerogatives, and privileges of all of the committees of the House of Representatives. That is why I ask your attention for a few moments.

As was so ably said by my distinguished friend from Michigan [Mr. WOLCOTT], we have before us a bill which the Committee on Banking and Currency patriotically and sensibly considered for a long time. They did their work. In the usual way they appeared before the Committee on Rules for a rule for the consideration of their bill. During the consideration, other matters were brought into the committee. I take this time to warn the Members of this House, every one of whom is a member of a legislative committee, except those who are members of the Rules Committee and no other committee, the Committee on Rules was never set up to be a legislative committee. It is a committee on procedure, to make it possible that the majority of the House of Representatives may have the opportunity to work its will. If this is orderly, if that part of the rule that is in controversy here is orderly, then the legislative committees of the House might well take care, because the Committee on Rules, under this system, can meet, you can introduce a bill today, refer it to a legislative committee, and the Committee on Rules tomorrow can bring in a rule making it in order. Do you want that kind of condition to obtain in this House? That is where rules with provisions like this are leading us. We might as well face it today as any other time.

I do not want to take away any of the rights of the Committee on Rules, and I do not want the Committee on Rules to take away the rights, prerogatives, and privileges of other standing committees of the House of Representatives. Now, we are met face to face with this issue, Mr. Speaker. If we settle it one way today, then this matter will be here many, many times in the future. If we settle it like it should be settled today, I think there will be an end to the trespassing of one committee in the House upon the rights, prerogatives, and privileges of other committees.

The SPEAKER pro tempore (Mr. MILLS). The time of the gentleman from Texas has expired.

Mr. FISH. Mr. Speaker, may I inquire how the time stands?

The SPEAKER pro tempore. The gentleman from New York has 4 minutes remaining, the gentleman from Illinois 12.

Mr. SABATH. Mr. Speaker, I yield 4 minutes to the gentleman from Kentucky [Mr. SPENCE], chairman of the Committee on Banking and Currency.

Mr. SPENCE. Mr. Speaker, I offer no apology for being opposed to this rule. I believe I would be recreant to my trust and disregardful of the obligations that are upon me if representing the fine committee I represent I would supinely submit to the treatment that has been accorded to us by the Committee on Rules.

We operate under rules, we follow precedents. In all the history of this House I am informed there is no precedent for the action of the Committee on Rules in this particular case. The Committee on Banking and Currency is a legislative committee that has jurisdiction over the matters contained in H. R. 4941. For 40 days we held hearings on this bill. The committee of which I am chairman gave assiduous attention, earnest labor, and sincere effort to that purpose. They brought out a bill. We went before the Committee on Rules. We made no effort to gag the House; we wanted to give every Member the right to offer any amendment that was germane to the

bill. We asked for an open rule; we asked for 9 hours' debate so that every Member of the House who desired to express his opinion had the opportunity so to do.

The Committee on Banking and Currency is a legislative committee; it is the only committee that has authority to report this bill. The Smith bill was offered to the Committee on Banking and Currency for its consideration. Some of the suggestions of the Smith bill were embodied in the bill reported out by the Committee on Banking and Currency. We believe we have reported a bill that is worthy of the consideration of this House. We believe we have reported a bill that will not impede or thwart the operation of the Price Control Administration. Every Member here knows how essential it is for our future welfare and happiness that we have orderly price control. There could be nothing more vital to the interests of America except the slaughter of our boys, God bless them and protect them, than to break down the economic life of the country. Anybody who tries to destroy price control in any respect or to weaken it is doing a disservice to his country.

What did the Committee on Rules do? They gave no preference to our bill, the bill we had worked on and slaved over, but they gave equal standing to a bill reported not by a legislative committee, but by an investigatory committee, a committee that had no legislative powers, and a committee which it seems to me exceeded its authority in attempting to impose its will over the will of the legally constituted committee. That is the whole question. If you vote today for the adoption of this rule without amendment, you destroy the precedents that have prevailed in this House since its inception. I am not astonished that the Speaker, who wants to preserve the integrity of this House, who wants to preserve the integrity and the jurisdiction of the committees of this House, should come into the well and speak against this rule.

I hope, Mr. Speaker, the previous question will be voted down and that we may then amend the resolution to make it a reasonable rule in conformity with the precedents of the House.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. MONRONEY], a member of the committee.

Mr. MONRONEY. Mr. Speaker, I believe there is some confusion on the part of a few Members in feeling that the Committee on Banking and Currency is trying to keep from being considered any amendment of the stabilization program or price-control program. That definitely is not the case, because by unanimous decision of the committee on numerous times we decided we wanted an absolutely open rule permitting any amendment that was germane to price control or wage stabilization. But the rule that has been brought in by the Committee on Rules makes in order any amendment to the Smith-Connally Act.

The Committee on Banking and Currency sat for 2 months, took more than 1,300,000 words of testimony on price control and wage stabilization.

DUMP NEW QUESTION

We now come before the Committee on Rules and find they are dumping into the complicated, intricate, difficult situation of price control all of the heat and uncertainty of antistrike legislation and the authority of the War Labor Board to settle labor disputes.

Mr. Speaker, had our committee attempted to consider most of the material in title 5 of the Smith bill, which is made in order by this bill, we would be violating the rules of the House. We went as far as we could.

We studied every one of the 200 amendments that were proposed to our committee; we discussed them, we incorporated some of the features of the Smith bill. But the matter of labor policy is clearly outside the jurisdiction of the Committee on Banking and Currency, yet this rule now under consideration makes that absolutely in order to the price-control bill.

If we want to legislate intelligently let us try and stay on the beam of price and wage control. We have enough problems there without having a red-hot fight on labor policy.

I therefore hope that other Members of the House and other committees that will be affected if this precedent be set here today will join us in helping to vote down the previous question so we can strike from this rule all things not germane to price or wage control.

Mr. Speaker, I yield back the balance of my time.

Mr. FISH. Mr. Speaker, I yield the balance of my time to the gentleman from Ohio [Mr. BROWN].

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 4 minutes.

Mr. BROWN of Ohio. Mr. Speaker, as a member of the minority of the Committee on Rules, I have been rather amazed that the majority members of the committee either have not seen fit or have not been granted time to speak in support of the rule which they adopted. I believe the House knows the Committee on Rules is made up of nine members of the Democratic Party and five Republicans.

The issue that is before us as to the adoption of this rule is simply this: Whether or not we shall have a rule which will permit the House of Representatives to actually work its will, and to consider any and all amendments to the Price Control Act. Let us remember, in the very beginning, the Committee on Banking and Currency does not have jurisdiction, in a legislative way, over all the actions of the Office of Price Administration. Consistently the Members who have addressed you have talked only about price-control legislation.

Of course, any amendment that might be presented under an ordinary open rule concerning pricing would be germane, but unless this rule is adopted any amendment offered relative to rationing would not be held germane.

Mr. Speaker, reference has been made to labor and to the labor provisions of this bill. Labor provisions were reported in this bill by the Banking and Currency Committee, and in all probability any amendment relative to that labor provision will be held germane; so that the real issue here is whether you want to discuss and consider all amendments that might be offered to the Price Control Act as it affects not only prices, not only wage stabilization, but also rationing.

Mr. Speaker, the people of this country do not make any differentiation in their minds as to the O. P. A., whether it has to do with price control, prices, or rationing. It is all in the same sack.

I know what is going on in the House as well as some of you. I imagine this rule will be voted down because I see the machine operating, but remember, when a point of order is raised against some amendment that you want in this bill to protect your people back home and it is held to be out of order and not to be germane, it will be because you have voted to make it not germane.

Mr. HALLECK. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Indiana.

Mr. HALLECK. There have been some who contend that they do not like the process of the judicial-review set-up in the committee bill; they would rather have that judicial review performed by the regularly established courts. Could the gentleman offer any opinion, in view of what was discussed in the Rules Committee, as to whether or not under an open, regular rule an amendment to change the manner of judicial review in that regard would be germane and in order?

Mr. BROWN of Ohio. It is very questionable. It would be germane under certain conditions, but it would not be germane as to the kangaroo courts as far as rationing problems are concerned. I have made a lot of speeches all over this country, and so have some of the rest of you, about protecting our constitutional rights against bureaucracy and all that. I am going to vote that way today. I think it is about time that we talk and vote the same way.

The SPEAKER. The time of the gentleman has expired.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. CLARK].

Mr. CLARK. Mr. Speaker, I am always glad when I feel that the Rules Committee has done something which enables the House to work its will.

This Congress appointed a special committee, of which the gentleman from Virginia [Mr. SMITH] is chairman. That committee has done a great deal of work on this subject and it reported to the Congress the result of its investigations. It introduced a bill dealing with the subject. The special committee suggested to the Rules Committee that it adopt a rule making their bill in order as a substitute for the committee bill. The Rules Committee declined to do that, feeling that this would not be fair to the legislative committee. It was on my own

suggestion that the particular language under consideration was put in the rule and this was done because there appeared no other way in which this special committee that has studied the question can get any of its proposals before the House of Representatives. It seems silly to me to appoint a committee, spend a lot of money in investigating, and have that committee file a bill dealing with the subject, if the Congress is not going to have the opportunity of saying for itself whether it wants to adopt any of the recommendations of that special committee or not. I know of no way it could have been gotten at otherwise. It does not open the door wide. It confines these amendments from that committee to what is contained in a bill that has been introduced by it in the House. I feel, therefore, it would be wise to adopt this rule as it is and deal with the whole subject. If we are not qualified to do that we ought not to be here.

The SPEAKER. The time of the gentleman has expired.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, obviously no one could discuss this rule in 2 minutes. It pains me very much to find myself in disagreement with the leadership and so many of my friends on this question. During the time I have been a member of the Rules Committee I have heard it criticized, lambasted, and chastised about bringing in gag rules. This is an open rule plus, yet we are held up here as a supercommittee, attempting to dictate to the House. Nothing is further from the truth.

Mr. Speaker, I think I know what is going on, too. I know what is going on on both sides of this aisle. I see gentlemen over here on the Republican side, in committee as well as upon the floor of the House, filling the CONGRESSIONAL RECORD with criticisms of the administration, claiming that the administration is surrendering to labor, that we are living under a labor government and all of those things, but, as the gentleman from Ohio has so well said, the test comes upon this vote.

As far as I am concerned, as a member of the Rules Committee, I think there is ample precedent for what the committee did. It took this action to give you an open rule and the opportunity to express your will. I do not care what you do with the rule. Vote it up or vote it down, but do not holler any more about what the administration is doing with bureaucracy and labor if you vote it down.

The SPEAKER. The time of the gentleman has expired.

Mr. SABATH. Mr. Speaker, I yield the balance of the time to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, the argument just made by the gentleman from Mississippi to me seems entirely irrelevant. To advance the argument that this involves the question of bureaucracy is to try to get a vote through an appeal to fear. It is simply a question of procedure, as has been ably stated by the gentleman from Michigan [Mr. MICHENER]. The question involved here is whether or not the legislative committees of this House, and I say this impersonally, are going to have their hard work overshadowed and obscured by the Rules Committee.

Our rules as promulgated are the result of the experience of past generations of Members of the House of Representatives. The House of Representatives has been in existence during the entire constitutional history of our country, and our rules and our customs are the result of those years of experience, the experience of you and me during our service as Members, and the experience of those who have preceded us.

This is the first time that a rule of this kind has ever been reported out, and, in my opinion, it is an unwise and unsound precedent to establish; it is something that will come to stare any party in the face that has a majority in this House in the future.

The SPEAKER. The time of the gentleman has expired.

Mr. SABATH. Mr. Speaker, I move the previous question.

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Mr. Speaker, if the House votes down the previous question, am I correct in my understanding that the rule would then be subject to amendment?

The SPEAKER. If the previous question is voted down, the resolution is then subject to amendment.

The question is on ordering the previous question.

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were—ayes 64, noes 153.

Mr. SMITH of Virginia. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the previous question was rejected.

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Page 2, line 1, after the word "rule", strike out the entire sentence commencing with the words "It shall", ending with "H. R. 4647", in line 4.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Kentucky [Mr. SPENCE].

The question was taken; and on a division (demanded by Mr. SMITH of Virginia), there were—ayes 170, nays 44.

Mr. SMITH of Virginia. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-nine Members are present, a quorum.

Mr. SMITH of Virginia. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

A motion to reconsider was laid on the table.

EXTENDING THE TIME LIMIT FOR IMMUNITY

Mr. SUMNERS of Texas submitted the following conference report and statement on the joint resolution (S. J. Res. 133) to extend the time limit for immunity:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 133) to extend the time limit for immunity, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the House insert the following:

"That effective as of December 7, 1943, all statutes, resolutions, laws, articles, and regulations, affecting the possible prosecution of any person or persons, military or civil, connected with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, or crime or offense against the United States, that operate to prevent the court martial, prosecution, trial or punishment of any person or persons in military or civil capacity, involved in any matter in connection with the Pearl Harbor catastrophe of December 7, 1941, or involved in any other possible or apparent dereliction of duty, or crime or offense against the United States, are hereby extended for a further period of 6 months, in addition to the extension provided for in Public Law 208, Seventy-eighth Congress.

"SEC. 2. The Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts surrounding the catastrophe described in section 1 above, and to commence such proceedings against such persons as the facts may justify."

And the House agree to the same.

Amend the title so as to read: "Joint Resolution to extend the statute of limitation in certain cases."

And the House agree to the same.

HATTON W. SUMNERS,
FRANCIS E. WALTER,
C. E. HANCOCK,
Managers on the part of the House.

CARL A. HATCH,
A. B. CHANDLER,
HOMER FERGUSON,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 133) to extend the time limit for immunity, submit the following explanation of the effect of the action agreed upon in conference and recommended in the accompanying conference report.

The House amendment substituted the language of the House Joint Resolution 283, as agreed to by the House, for the language of the Senate resolution.

The first section of the House amendment was in substance the same as the corresponding part of the Senate resolution except the latter provided for an extension of 1 year instead of 3 months as proposed by the House.

The second section of the House amendment directed the Secretary of War and the Secretary of the Navy to institute court-martial proceedings for any offense committed by any person to whose court martial the

extension of time provided in section 1 relates, as soon as possible, and in no event later than the period of extension provided for in section 1. The Senate resolution directed the Secretary of War and the Secretary of the Navy to proceed forthwith with an investigation into the facts surrounding the catastrophe described in section 1, and thereafter in their discretion to commence such proceedings against such persons as the facts may justify.

The conference agreement provides in section 1 for an extension of 6 months. Other language is added to clarify the intention that the extension is for the purpose of permitting court martial, prosecution, trial, or punishment of any person with respect to any possible or apparent dereliction of duty, or crime or offense against the United States.

Section 2 of the conference agreement is similar to the provision in the Senate resolution. It provides that the Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts surrounding the catastrophe described in section 1, and to commence such proceedings against such persons as the facts may justify.

The title also is amended to correctly state the effect of the resolution.

HATTON W. SUMNERS,
FRANCIS E. WALTER,
C. E. HANCOCK,
Managers on the part of the House.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on Senate Joint Resolution 133.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the conference report.

Mr. SUMNERS of Texas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the Members of the House are familiar with the subject matter with which this conference report deals but, with your indulgence, I want to read a portion of the statement of the managers on the part of the House. It is very brief:

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 133) to extend the time limit for immunity, submit the following explanation of the effect of the action agreed upon in conference and recommended in the accompanying conference report.

The House amendment substituted the language of House Joint Resolution 283 as agreed to by the House for the language of the Senate resolution.

The Members of the House are familiar with what was done in that transaction.

The first section of the House resolution was in substance the same as the corresponding part of the Senate resolution, except the latter provided for an extension of the statute of limitations for 1 year instead of 3 months as proposed by the House. We agreed to a 6-month extension.

The second section of the House amendment directed the Secretary of War and the Secretary of the Navy to institute the court-martial proceedings.

I assume you are all familiar with that phase.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. HANCOCK] one of the conferees who will make further explanation.

Mr. HANCOCK. Mr. Speaker, in the conference this morning your conferees on this resolution to extend the statute of limitations as it applies to those responsible for the Pearl Harbor disaster were not unmindful of the fact that this House expressed itself very clearly yesterday in favor of a period of extension of 3 months rather than of 1 year, as provided in the Senate resolution. However, where there are differences of opinion, strong differences of opinion, to be reconciled, there must be compromises. All six conferees agreed on 6 months, feeling that that was the best we could do to approximate the views of the two bodies we represent.

Mind you, if there is no agreement today there will be no resolution, and the accused parties, the guilty parties, will be free tomorrow of any danger of prosecution.

One strong argument against the shorter period of limitation was the fact that neither the Army nor the Navy has made any adequate investigation into the facts surrounding that disaster; in fact, Rear Admiral Gatch, the Judge Advocate General of the Navy, stated to the Senate committee that in his opinion there were no facts, or at least there were insufficient facts in his possession, to form the basis for a court martial against anybody. So in the hope that something may be done within a reasonable time, we provide in section 2 that both the War Department and the Navy Department shall proceed forthwith to make thorough investigations and within the 6 months' limitation to begin proceedings against the guilty parties. I do not believe we can do any better than that.

There are a few changes in phraseology which strengthen and clarify the bill, in the first section thereof, and I think it is a more workmanlike job.

That is all I can state to you. You may be disappointed that the extension is not 3 months or you may be disappointed that it is not a year, but this is a compromise and the best one that can be reached.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Does this provide for a 6 months' investigation or that the investigation must be made within 6 months?

Mr. HANCOCK. The first section extends the statute for 6 months. The second section will be clear if I read it to you:

The Secretary of War and the Secretary of the Navy are severally directed to proceed forthwith with an investigation into the facts concerning the catastrophe described in section 1 above and to commence such proceedings against such persons as the facts may justify.

Mr. ROBSION of Kentucky. Does the gentleman understand that this provision to take action is mandatory upon the Secretary of War and the Secretary of the Navy within the 6 months?

Mr. HANCOCK. It is just as mandatory as we can make it. Of course, a good many people question our authority to give orders to the War Department and to the Navy Department, but we have gone as far as we think we can.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Speaker, as is usually the case when legislation is hastily considered, the action we took yesterday was not the action we would have taken had we given this very important question the consideration to which it was entitled. What we actually did yesterday was to extend the statute of limitations for a period of 3 months. Personally, I would suspend the operation of the statute of limitations for a period of 6 months after the cessation of hostilities as it applied to any offense against the United States; but it certainly seems to me that when we extended the period for merely 3 months we were doing just exactly opposite to that which the people who were for this measure thought we were doing.

In this conference report we have directed that an investigation be made. We have also provided in the first section for the prevention of the running of the statute of limitations against civilians. Obviously there is no authority in the War and Navy Departments to court martial civilians, and that is exactly what we did in the resolution as it passed the House on yesterday. That situation has been clarified so that we have provided that the statute of limitations is extended insofar as offenses committed by civilians as well as the military are concerned.

It seems to me that this report ought to meet with the approval of everyone, and I earnestly urge that it be adopted.

Mr. SUMNERS of Texas. Mr. Speaker, it would be a good thing if one general popular confusion could be cleared up. There seems to be abroad in the country the notion that the length of time in which prosecution against an offender may be initiated, a time beyond which if no prosecution is initiated the culprit goes free, has some controlling influence, and the period of time in which these agencies will begin to prosecute; that if it is a short time before the right to prosecute is barred, that shortness of time is to the advantage of the Government.

Two sections of the report deal with two distinct things. The first section fixes the period beyond which prosecution may not initiate. In the House bill it was 3 months, and in the Senate bill 1 year. This conference report recommends 6 months. As a matter of fact, the period ought to be not less than 6 months after the expiration of hostilities. The Committee on the Judiciary initiated general legislation that the right to begin prosecution for frauds against the Government should not expire until 6 months after the end of hostilities.

That extension of time in which prosecutions may be initiated was not to the disadvantage of the offenders but was to the advantage of the Government, and was against the crooks who had defrauded the Government during the war. Short periods of limitation beyond which prosecutions may not be initiated are to the advantage of those who want to escape prosecution. I do not believe that anybody ought to be able to escape punishment for any crime committed at Pearl Harbor, by an act of this Congress providing that he may not be prosecuted for that crime after 3 months from this date.

The second and last section seeks to get the proceedings with reference to the Pearl Harbor matter under way. The first section, the one which we have been discussing, as stated, deals solely with the limit of time in which prosecution may be initiated or the people guilty, if any, will go free.

There was one extension of the statute of limitation before this extension. It was an extension of a prior statute which expired on the 7th of last December. The danger of this short period of limitation which requires extension by a new law is well illustrated by what happened at the time that first extension was undertaken. The bill passed the House on the 7th of December. I believe the House was the last to act. I understand the President was out of the country. The bill was not signed until the following 20th of December, almost 2 weeks after the expiration date. I express no opinion here as to what happened as a result of that intervening time, but I have a very definite opinion.

That act expires at midnight tonight, and whatever right to prosecute was not lost at the time of the last extension or attempt to extend will expire, and that because the House conferees have agreed that instead of the right to prosecute expiring in 3 months, that right to prosecute shall be extended to 6 months.

As I have stated, if I could control the matter I would provide that the right to prosecute should not expire until 6 months after the termination of the war, just as has been provided with reference to frauds against the Federal Government.

The argument made that the agencies of the Government which should prosecute have been dilatory, if that be a fact, instead of supporting the position of a short period of time beyond which no agency of the Government could prosecute, should be convincing argument against this short time.

Mr. SHORT. Mr. Speaker, yesterday this House marched up the hill. Today we come rolling down the hill. By a vote of 305 to 35 we passed the House resolution just as I introduced it, which clearly showed that the Representatives of the American people in this body are for a speedy, open, frank, public, and just trial of any and all parties who might be connected in any way with the Pearl Harbor disaster; who might be found guilty of dereliction in the performance of their duty.

I am not going to capitulate without voicing my opposition to this conference report. I have been informed by one of the conferees that Admiral Gatch testified that the Navy could not get ready in 3 months to try these men. Well, they have had 2½ years to get ready.

Mr. HANCOCK. Mr. Speaker, will the gentleman yield?

Mr. SHORT. Yes.

Mr. HANCOCK. I think the gentleman is referring to a statement I made. Admiral Gatch was reported to have said he had no information to act, to form a basis for a prosecution.

Mr. SHORT. That sounds incredible. The trouble is the former Secretary of the Navy flew to Pearl Harbor immediately after the disaster and conducted his own investigation, and later on the Roberts Commission went over and conducted an investigation. They came back and gave the American people an incomplete report. They withheld certain data and facts that have never been disclosed.

It is too bad the former Secretary of the Navy is not here to reveal the facts that he gathered in his personal investigation of that great catastrophe. Unless the trial is soon held, other important witnesses are likely to die or be killed.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SHORT. Yes.

Mr. CHURCH. Would the gentleman from Missouri dignify the Roberts report by calling it a finding of facts in this situation?

Mr. SHORT. Of course, the Roberts report is very significant, not for what it said but for what it concealed and left unsaid. That is the importance of the Roberts report. Anyone who can read ordinary English cannot escape that impression when he carefully reads that report.

Now it is proposed to extend the time for another 6 months. The conference report tears the very heart out of section 2. It would authorize the Secretary of War and the Secretary of the Navy to begin an investigation at this late date. These high officials already have that authority and cannot justly escape that responsibility.

What a sad commentary it is when we reach the point where the Congress of the United States has to direct Cabinet officers to start an investigation, which it is their duty to do. Superficial investigations already have been made, but the American people have been told only a part of the findings. To me it is shameful—it is disgraceful—that these trials have not already been held and this matter settled, once and for all.

The proposed changes render the resolution we passed yesterday impotent and innocuous; and if this stalling continues as it has been going on, then I propose to introduce a resolution—perhaps not in this Congress, but I hope to be here in the next Congress—whereby the Congress itself will investigate this great catastrophe and dismal disaster.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SHORT. Yes.

Mr. RANKIN. This is not the first time the gentlemen on the other side of the aisle have reversed themselves. They wriggled the ball the other day on the F. E. P. C. They ran the wrong way and made a touchdown behind their own lines.

Mr. SHORT. I did not run. I voted with the gentleman from Mississippi.

Mr. RANKIN. I did not say the gentleman from Missouri had run.

Mr. SHORT. That is all right.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. COLE of New York. I am completely amazed at the announcement of the gentleman from New York quoting the Navy Department that it has no information on hand today upon which to institute a proceeding against any naval officer, and yet that same Navy Department has allowed a high-ranking naval officer to live under a cloud for nearly 2½ years.

Mr. SHORT. Yes; if the Navy is that incompetent and inefficient, we need a general house cleaning. If the Navy has been unable to get any information within 2½ years after the disaster, it will never be able to get it. It should not be too difficult to discover the facts in a matter where 3,000 men are killed and hundreds of millions of dollars in equipment are sent to the bottom of the ocean. The longer the trials are delayed, the more difficult it will be to arrive at the truth.

The SPEAKER. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, the gentleman from Missouri [Mr. SHORT], whom we all love, says he is no lawyer. If he were a lawyer he would know that if we adopt a limit of 3 months beyond which prosecution cannot be initiated, then if the matter is stalled along for 3 months and nothing done, the guilty, if any, go scot free. There is not a bit of doubt about it. This is one of the strangest things I have ever seen done in my life. The very people who are professing interest in this prosecution want the smallest length of time in which the prosecution can be initiated by anybody or any agency of the Government.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. SHORT. I respectfully submit to the gentleman from Texas that that would not be the case.

Mr. SUMNERS of Texas. The gentleman from Missouri [Mr. SHORT] is wrong because I am stating the facts.

Mr. SHORT. No; may I say to the gentleman from Texas, the second provision simply directs the Secretary of War and the Secretary of the Navy to institute proceedings and when proceedings are once instituted, then automatically the statute of limitations is tolled.

Mr. SUMNERS of Texas. But suppose they do not act within 3 months? You are providing if they do not the guilty, if any, go scot free. We want to be fair with the Congress and we want the country to get the correct notion about this thing. I know we all want to do that. I want the country to know what the House conferees have done. What we did was to say that we do not want anybody to escape whose prosecution had not been initiated in a shorter time than 6 months. Instead of 3 months, I will tell you what we ought to have done. We ought to have provided that no offense of this sort committed against the Government would be barred by the statute of limitations in a shorter time than 6 months after hostilities ended. That is just plain, practical common sense. Then there would be no pressure of war, no inability to get the personnel to constitute a court martial. They are fighting now. Maybe the Congress would feel and maybe the War and the Navy Departments would feel they would want the Congress to conduct the investigation. The war would be over, no matter of military secrets would embarrass them. That is what I think about it.

Mr. SHORT. Mr. Speaker, will the gentleman yield at that point?

Mr. SUMNERS of Texas. Yes; I yield.

Mr. SHORT. The gentleman from Texas, who is a very able jurist, will recall that the original resolution which I introduced last December provided that they be tried within 1 year after the close of hostilities.

Mr. SUMNERS of Texas. That is right.

Mr. SHORT. But it met violent opposition in the Senate.

Mr. SUMNERS of Texas. Perhaps so; that is right.

Mr. SHORT. I was accused of trying to postpone, cover up, and protect someone, when I want any and all persons to be immediately brought to trial.

Mr. SUMNERS of Texas. Mr. Speaker, I yield myself 1 more minute.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. BARDEN. I take this time for the following reason: Some reference has been made to Admiral Gatch which might be construed to be uncomplimentary, and that would certainly be most unfortunate and regrettable. Rear Admiral Thomas L. Gatch has one of the finest records in the American Navy. He has recently returned from the South Pacific, where he was severely wounded while in command of a great ship, the *South Dakota*. He was awarded the Navy Cross twice for distinguished service in action and was also awarded the Purple Heart. I am sure the gentleman would not want to make any insinuating remarks about Admiral Gatch, who is still recovering from his wounds and while so doing is serving as Judge Advocate General of the United States Navy.

Mr. SHORT. Somebody made a wonderful mistake at Pearl Harbor.

Mr. BARDEN. Well it most certainly was not Admiral Gatch, and the words "Pearl Harbor" should not be used in connection with his name. He is not only a great American but a fine fighting officer of proven ability. And all America is proud of his record.

The SPEAKER. The time of the gentleman from Texas [Mr. SUMNERS] has again expired.

Mr. SUMNERS of Texas. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. SUMNERS of Texas) there were—ayes 89, noes 100.

Mr. SUMNERS of Texas. I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 213, nays 141, not voting 74, as follows:

[Roll No. 82]

YEAS—213

Allen, La.	Grant, Ala.	Murphy
Anderson, Calif.	Gregory	Murray, Tenn.
Andrews, Ala.	Gwynne	Myers
Andrews, N. Y.	Hagen	Norrell
Barden	Hancock	Norton
Bates, Ky.	Hare	O'Brien, Ill.
Beckworth	Harless, Ariz.	O'Brien, Mich.
Bell	Harris, Ark.	O'Toole
Blackney	Harris, Va.	Outland
Bland	Hart	Pace
Bloom	Hays	Patman
Boykin	Hébert	Patton
Bradley, Pa.	Heffernan	Peterson, Fla.
Brooks	Hendricks	Poage
Brown, Ga.	Hess	Poulson
Bryson	Hinshaw	Price
Bulwinkle	Hobbs	Priest
Burch, Va.	Hoch	Rabaut
Burchill, N. Y.	Hoeven	Ramspeck
Burgin	Holifield	Randolph
Byrne	Horan	Rankin
Camp	Izac	Reed, Ill.
Cannon, Fla.	Jackson	Richards
Cannon, Mo.	Jarman	Robertson
Celler	Johnson, Luther A.	Rolph
Clark	Johnson, Lyndon B.	Rowan
Cochran	Johnson, Okla.	Russell
Coffee	Jonkman	Sabath
Cole, N. Y.	Judd	Sadowski
Colmer	Kean	Sasscer
Cooley	Kee	Satterfield
Cooper	Kefauver	Sauthoff
Costello	Kelley	Scanlon
Courtney	Kerr	Sikes
Cravens	Kilburn	Simpson, Ill.
Crawford	Kilday	Slaughter
Crosser	King	Smith, Maine
Cunningham	Kirwan	Smith, Va.
Curley	Kleberg	Snyder
Curtis	Lane	Sparkman
D'Alesandro	Lanham	Spence
Davis	Larcade	Sullivan
Delaney	Lea	Sumner, Ill.
Dewey	LeFevre	Sumners, Tex.
Dickstein	Lesinski	Taber
Dilweg	Ludlow	Tarver
Dingell	Lynch	Taylor
Disney	McCormack	Thomas, Tex.
Doughton	McGehee	Thomason
Drewry	McKenzie	Tolan
Durham	McMillan	Torrens
Eberharter	Madden	Vincent, Ky.
Ellison, Md.	Mahon	Vinson, Ga.
Engel, Mich.	Maloney	Voorhis, Calif.
Engle, Calif.	Manasco	Vursell
Fay	Mansfield, Mont.	Wadsworth
Feighan	Mansfield, Tex.	Walter
Fisher	Marcantonio	Ward
Fitzpatrick	Mason	Wasielewski
Flannagan	May	Weaver
Folger	Merritt	Weiss
Ford	Michener	Welch
Fulmer	Miller, Conn.	Wene
Furlong	Miller, Nebr.	West
Gale	Mills	Whittington
Gamble	Monroney	Wickersham
Gathings	Morrison, La.	Winstead
Gifford	Mott	Wolverton, N. J.
Gordon	Mruk	Woodrum, Va.
Gore	Murdock	Worley
Gorski	Murphy	Wright
Gossett	Murray, Tenn.	Zimmerman

NAYS—141

Allen, Ill.	Gillette	Monkiewicz
Andersen, H. Carl	Gillie	Mundt
Andresen, August H.	Goodwin	Murray, Wis.
Angell	Graham	Norman
Arends	Grant, Ind.	O'Brien, N. Y.
Arnold	Gross	O'Hara
Auchincloss	Hale	O'Konski
Baldwin, N. Y.	Hall, Edwin Arthur	Phillips
Barrett	Hall, Leonard W.	Pittenger
Bates, Mass.	Halleck	Ploeser
Beall	Harness, Ind.	Powers
Bender	Hartley	Pracht, C. Frederick
Bennett, Mo.	Herter	Pratt, Joseph H.
Bishop	Hill	Ramey
Bradley, Mich.	Hoffman	Reece, Tenn.
Brehm	Holmes, Mass.	Reed, N. Y.
Brown, Ohio	Holmes, Wash.	Rees, Kans.
Brumbaugh	Hope	Rizley
Buffett	Howell	Robsion, Ky.
Busbey	Hull	Rockwell
Butler	Jeffrey	Rodgers, Pa.
Canfield	Jenkins	Rogers, Mass.
Carlson, Kans.	Jennings	Rohrbough
Carson, Ohio	Jensen	Rowe
Carter	Johnson, Anton J.	Schiffler
Case	Johnson, Calvin D.	Schwabe
Chenoweth	Johnson, Ind.	Scott
Chiperfield	Johnson, J. Leroy	Scrivner
Church	Kearney	Shafer
Clason	Keefe	Short
Clevenger	Kinzer	Smith, Ohio
Cole, Mo.	Knutson	Springer
Compton	Kunkel	Stefan
Day	Lambertson	Stockman
Dirksen	LeCompte	Sundstrom
Dondero	Lemke	Talbot
Dworshak	Luce	Talle
Elliott	McConnell	Thomas, N. J.
Ellis	McCowen	Tibbott
Ellsworth	McGregor	Towe
Elmer	McLean	Troutman
Elston, Ohio	McWilliams	Vorys, Ohio
Fenton	Maas	Wigglesworth
Fish	Martin, Mass.	Wilson
Gavin	Miller, Pa.	Winter
Gearhart	Mundt	Wolcott
Gerlach	Murray, Wis.	Wolfenden, Pa.
Gillespie	Norman	Woodruff, Mich.

NOT VOTING—74

Abernethy	Gallagher	O'Neal
Anderson, N. Mex.	Gibson	Peterson, Ga.
Baldwin, Md.	Gilchrist	Pfeifer
Barry	Granger	Philbin
Bennett, Mich.	Green	Plumley
Bolton	Griffiths	Rivers
Bonner	Heidinger	Robinson, Utah
Boren	Johnson, Ward	Sheppard
Buckley	Jones	Sheridan
Burdick	Kennedy	Simpson, Pa.
Capozzoli	Keogh	Smith, W. Va.
Carrier	Klein	Smith, Wis.
Chapman	LaFollette	Somers, N. Y.
Cox	Landis	Stanley
Dawson	Lewis	Starnes, Ala.
Dies	McCord	Stearns, N. H.
Douglas	McMurray	Stevenson
Eaton	Magnuson	Stewart
Fellows	Martin, Iowa	Stigler
Fernandez	Merrow	Treadway
Fogarty	Miller, Mo.	Weichel, Ohio
Forand	Morrison, N. C.	Whelchel, Ga.
Fulbright	Murdock	White
Fuller	Newsome	Whitten
	O'Connor	Willey

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Abernethy for, with Mr. Martin of Iowa against.

Mr. Keogh for, with Mr. Miller of Missouri against.

Mr. Whitten for, with Mr. Fuller against.

Mr. Capozzoli for, with Mr. Simpson of Pennsylvania against.

Mr. Magnuson for, with Mr. Douglas against.

Mr. Kennedy for, with Mr. Willey against.

Mr. Peterson of Georgia for, with Mr. Gallagher against.

Mr. Somers of New York for, with Mr. Ward Johnson against.

Mr. Pfeifer for, with Mr. Lewis against.

Mr. Buckley for, with Mr. Jones against.
Mr. Sheppard for, with Mr. Weichel of Ohio against.
Mr. Pheifer for, with Mr. Lewis against.
Mr Forand for, with Mr. Smith of Wisconsin against.
Mr. Barry for, with Mr. Treadway against.
Mr. Klein for, with Mr. Stevenson against.
Mr. Fogarty for, with Mr. Heidinger against.

General pairs:

Mr. Stigler with Mr. Plumley.
Mr. McCord with Mr. Eaton.
Mr. McMurray with Mrs. Bolton.
Mr. Baldwin of Maryland with Mr. Carrier.
Mr. Chapman with Mr. Bennett of Michigan.
Mr. Fulbright with Miss Stanley.
Mr. O'Neal with Mr. Fellows.
Mr. Robinson of Utah with Mr. LaFollette.
Mr. Sheridan with Mr. Stearns of New Hampshire.
Mr. Newsome with Mr. Griffiths.
Mr. Cox with Mr. Merrow.
Mr Bonner with Mr. Gilchrist.
Mr. O'Connor with Mr. Burdick.

Mr. GATHINGS and Mr. DEWEY changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by my colleague the gentleman from Illinois [Mr. DIRKSEN].

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF EMERGENCY PRICE CONTROL ACT OF 1942

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, from June 30, 1944, to June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4947, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I am glad the House has sustained the practices and precedents that have been proven by time and experience to be wise, and that this bill will be considered under the fair and open rule which the committee requested.

I think we all realize how important effective price control is at this time in our national emergency. Whatever complaints we have heard—and many of them have been just—I think the administration of that law has been most effective as compared with the conditions that existed in the last World War. The benefits to the people and the Nation by reason of the act have been immeasurable. For 40 days the Committee on Banking and Currency held hearings. Everybody who had a complaint, everybody that represented any considerable number of people or any organization that comprised a considerable membership, was invited to come before that committee and voice their complaints. There was no abridgment of the right of the freedom of speech, and they exercised their constitutional right to peaceably assemble and petition the Government for redress of grievances. But the outstanding thing that appealed in all the complaints was that every one of them could have been remedied by administrative action. There is no complaint about the law that has been passed by this Congress.

The Committee on Banking and Currency considered this measure three times. They passed the original Price Control Act and the Stabilization Act in 1942. They had lengthy hearings on both bills and we then passed this act. These acts have been tested in the courts of the country, and in every instance they have been upheld as constitutional. I know men are jealous of their constitutional rights; that they shall not be denied equal rights under the law; that their property shall not be taken from them without due process of law. These are the rights that they should zealously assert, but in these times it is not only their rights which are in jeopardy but the Constitution itself, and when the interest of the state conflicts with the interest of individuals, they must give way to the interest of the state, the supreme law.

Many of these people have had complaints that were just, but they were complaints incident to the enforcement of the law that was necessary in these emergent times, and I think when we consider this bill we must consider it in the light of this great national emergency and national peril that exists at the present time.

I say, too, that if you do not treat all the people who come under price control with equal justice you will weaken this law. There is a move on now, I know, for special privilege. If they attain their ends they will be in the position of the dog in Aesop's fable who, going across the bridge with a bone in his mouth, saw the magnified shadow in the waters beneath and jumped for the shadow and lost the substance. That is what is going to happen unless you treat this act with the consideration it deserves. If you are going to act upon the complaints or desires of every individual who wants relief, it is obvious to me, as it must be to you, that you will have no act at all, because it is obvious that the President would veto such an act, and I think it would be his duty under the law to do so. The greatest strength of this act is that everybody similarly situated can be treated substantially the same.

The act as originally passed was upheld by the court. Litigants came before the court and contended that they had a right to bring their suits in the courts of the States and in the Federal courts, as they had previously done. The Supreme Court of the United States upheld the jurisdiction of the Emergency Court of Appeals and said the act could not be successfully administered if construed and enforced by the 85 district courts and the 11 appellate district courts, and that it was necessary in order for uniformity of decisions and to have uniform operation of this law that there should be one court which should decide all of these questions.

Heretofore a regulation or an order formulated and adopted by the O. P. A. became incontestable if it was not contested after 60 days. Of course, that is not in accordance with the ordinary practices that prevail in usual and customary times. But we have liberalized that. We have said that one aggrieved may contest the order at any time. We have said that if one desires to contest an order—and it can only be contested in the Emergency Court of Appeals, as to allow it to be contested in the various courts would find divergent and various decisions in many of the districts of the United States—we have said that when the Administrator brings a suit against an individual for compliance with an order or a regulation, and the defendant has brought proceedings to test the legality of that order before the Administrator, or desires in good faith to contest that order, the district court will grant a stay at any time during the pendency of the case and within 5 days after judgment, in order to allow him to contest the legality of the order under which the proceedings are instituted. If the Emergency Court of Appeals finds that the order is legal, it certifies it to the district court, and the district court is bound by the order. If the order of the court is against the legality of the regulation, the defendant will be dismissed.

This liberalizes the procedure very greatly and will give to many the relief they could not have had before. It liberalizes the law that the court said was a constitutional delegation of authority.

It has been attempted to raise the question that the powers delegated to the Administrator were legislative in character, hence could not be sustained, but the courts have drawn a distinction between the N. I. R. A. and these decisions. They have said that these delegations were not legislative, they were administrative. If the Congress delegates to a commission the powers it has, without limitation or without definition, they are legislative. I regret the Congress many times has done this. But if we delegate powers that are defined and restricted, even though the compass in which they may operate is large and the discretion

given may be great, they are not legislative powers but administrative powers. Those are the powers we granted to the administrator and we have directed him to use those powers. If he does not use them in accordance with our wishes, it is very difficult to correct them by legislation. The powers that we delegate are essentially administrative. If you were to attempt to remedy by legislation all the complaints that have been made, you would have an act that was unwieldy and could not be construed or enforced by the courts; yet everyone who has suffered at all by reason of the operation of the O. P. A. thinks he ought to have an act to remedy his particular complaint.

I think the present Administrator has had rather a bad heritage, and I am not criticizing his predecessor.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Is there any appeal either by the O. P. A. or by the citizen from any action taken by the Emergency Court of Appeals?

Mr. SPENCE. Absolutely. Any decision of the Emergency Court of Appeals may be reviewed by the Supreme Court of the United States by certiorari. One can go directly from the Emergency Court of Appeals to the Supreme Court of the United States for a writ of certiorari. That is either granted or denied by the Supreme Court. That is the manner in which most of the decisions of the lower Federal courts are reviewed now.

Mr. ROBSION of Kentucky. What must appear before there can be an appeal from the Emergency Court of Appeals to the Supreme Court?

Mr. SPENCE. They have a right to review any decision affecting the validity of an order or regulation, by certiorari.

Mr. ROBSION of Kentucky. But it does not go to passing on questions of fact?

Mr. SPENCE. No, it does not go to questions of fact. There is no question of facts involved. It is only a question of whether it is legal or illegal, and the Supreme Court passes upon that question.

We have also liberalized the rent provisions. While there is a base period for the exercise of all the powers, and there must be, they must be regulated by general order because it would be absolutely impossible to make specific findings in each case. For instance, in connection with rent control, with eight or nine million houses involved, these general orders operate like the general law. The law, being rigid and universal in its application, cannot render justice in all cases. That is the reason equity is established, to supply that wherein the law by reason of its universality is deficient.

That is the reason we have given the Administrator here the opportunity to correct gross inequities or inequalities. I do not know what more you could do to make this law effective except to give every man who has a complaint and every interest that wants some special privilege an amendment to remedy his complaint. We have also authorized the appointment of committees of the Committee on Banking and Currency of the House and committees of the Committee on Banking and Currency of the Senate to investigate the proceedings of the O. P. A. to ascertain whether or not they are effective and whether or not they have operated according to law. Both of these committees, which will operate separately, have the right to subpena persons and to bring before them papers and documents; and to report. I think this constant supervision of the House and Senate over these administrative agencies will have a fine effect. I think if we all could have somebody to whom we can go and state the complaints of our constituents and know that they are being considered, it will make us all feel more comfortable and more satisfied with the administration of this greatly necessary agency.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield at this point?

Mr. SPENCE. I always yield to my good friend the gentleman from Pennsylvania.

Mr. WRIGHT. I wish to congratulate the gentleman from Kentucky, the chairman of the committee, and also the committee, for introducing this innovation. It strikes me it is impossible for Congress to administer the O. P. A. It is not geared or equipped to do it. It is not staffed to do it. The only way Congress can really exercise its legislative function in connection with such a vast program as the O. P. A. is to review it afterward. If there are some complaints as to the way O. P. A. or any other function of government is being administered, and to have the legislative committee in charge of it hear the complaints, talk it over with the Administrator, and suggest legislative changes or changes in the regulations. I think it is the greatest step forward in asserting or reasserting the prerogatives of Congress.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield in that connection?

Mr. SPENCE. I yield.

Mr. WHITTINGTON. In connection with the price control of textiles there are many complaints that the low-grade articles such as denim and overalls are not available. While we understand, of course, that the Army and Navy come first, what can we say to our constituents who complain about the desperate need of more civilian goods of the types to which I refer?

Mr. SPENCE. I do not think that problem can be met by a hard-and-fast law which would be a mandate to them as to what they should do in that matter. That is an administrative matter. I have heard that complaint. It may be true. But I do not think you can remedy that by making any subsidies to textile manufacturers. That is an administrative matter and ought to be taken care of and can be taken care of by the War Production Board and the O. P. A.

Mr. WHITTINGTON. They are authorized to take care of it under existing law, and under this law as it has been reported by the Committee on Banking and Currency?

Mr. SPENCE. I think they are. I think that the War Production Board can compel the production of whatever may be necessary for our war effort. We also have in this bill a provision that labor disputes between the railroads and their employees shall be administered under the Railroad Labor Act and the agencies set up therein. For almost 20 years this machinery has been set up. It has worked admirably. We have felt that those who regulate railroad wages ought to have some knowledge of railroad rates, that they are so inseparably connected that it would be impossible for a board not having knowledge of the railroad structure, the railroad capital structure, of rates and all the other incidents of the industry, to regulate wages of railroad labor.

The past experience and the accomplishments of that Board we thought justified continuing its functions during this emergency in this respect. However, it must make its orders in conformity with the policy set up for the control of inflation. I personally believe this is a provision that will make for industrial peace. I believe the settlement of these questions ought to be under the Railroad Labor Act. The Senate has such a provision.

As to prices and wages and rents, there is a base period. We have not changed that. We have said in each instance that where factors justify it with reference to rents and prices that changes may be made to do justice between the parties. I think that is about all we can do. I believe there has been no legislation presented to this Congress, except that legislation which appropriated money for our national defense, which is half as important as this legislation. I hope nothing will be done to weaken it. Those who are seeking special privileges would be destroyed by their own act if they weaken this act. It is essential for every man and woman in America that we control the prices of our goods, the rents of our properties, and the wages of our labor. In the last war we saw the inflation, and after the war the deflation destroy hundreds of thousands of people, make their property worthless, and leave them poverty stricken. After inflation, deflation is just as sure to come as the night follows day. I hope nobody will do anything that might bring about such conditions again. I hope you will consider the amendments that may be proposed carefully. I know how earnestly you want to help your constituents. I know how appealing it is when your constituent comes to you and says, "I have been subject to imposition." I know how you want to help him, but I hope that before you go far to help him you will consider the effect it will have on the general good and common interest of our country. The boys over there today are holding the line amidst shot and shell on those bloody battlefields. God bless them and protect them. May we hold the line against the insidious forces that are always here which might destroy us at home. When they come back may they have every right and every privilege that we have had. I believe in the Constitution of the United States and in our form of government.

I do not believe there is any government that has ever been devised by man that has half its virtues. As Gladstone said, our Constitution is the greatest instrument ever struck off at a given time by the brain and purpose of man.

I believe in that Constitution and in our Government. But in times like these let us forego some of the rights under that Constitution in order that we may all benefit.

In that spirit I hope they will administer the law that we pass, and that complaints can be brought to the Administration and can be remedied. But I hope they will do nothing to weaken a law that every court in the land has stated is constitutional. The great Chief Justice of the United States, Justice Stone, rendered a decision not long ago. He described the chaos that would result if men could bring their suits in every court in the United States and in every State court, and take appeals to the 11 circuits.

Mr. HOFFMAN. Will the gentleman yield?

Mr. SPENCE. I yield.

Mr. HOFFMAN. What provision is there in the present bill to take care of such a situation as this: Jenkins Bros., Inc., of Bridgeport, Conn., had their prices frozen as of October 1941. They were making steel valves and mechanical rubber goods. On February 9 of this year the War Labor Board ordered retroactive payment, or payment of back wages, amounting to some $700,000. What can a company do in that kind of a situation?

Mr. SPENCE. The Price Administrator did not freeze the labor. That was the War Labor Board.

Mr. HOFFMAN. The O. P. A. froze the price. They fixed the price on the finished product. Then, 3 years later, another branch of the Government orders an increase in wages.

Mr. SPENCE. How are we going to remedy that in the law?

Mr. HOFFMAN. I can make a suggestion. The amendments offered by the gentleman from Virginia [Mr. SMITH] combined the Stabilization Act and this O. P. A. Act, so that that thing could not be done. It put it under one Administrator.

Mr. SPENCE. Well, we did not consider that.

Mr. HOFFMAN. That is the trouble.

Mr. SPENCE. If it is considered, it should be considered in a separate act, and it should not be put in here by the Rules Committee after 1 hour deliberation when we devoted 40 days of hearings to this bill, and then spent 3 or 4 days in executive sessions.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. SPENCE] has again expired.

Mr. SPENCE. Mr. Chairman, I yield myself 1 additional minute.

Mr. HOFFMAN. I am not talking about the action of the Rules Committee when, or in what manner, or how the thing could be remedied, except I am pointing out that the O. P. A. fixed the price for the finished product, and the War Labor Board fixed the wages, and it is impossible for the company to manufacture at that price. What should the Congress do about it?

Mr. SPENCE. Well, I do not know. I cannot tell you what the Congress can do about it. That is a question involving the War Labor Board, and is not under consideration here, and has no place in this discussion which should be confined to the bill.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. SPENCE] has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 20 minutes.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HOFFMAN. The gentleman heard the question I asked the gentleman from Kentucky [Mr. SPENCE]. What would be the gentleman's answer as to how we can remedy that kind of situation? Not with reference to that particular company, but with reference to all companies who are in like situations.

Mr. WOLCOTT. You might take the power away from the War Labor Board to pass on wage increases and give it to the Office of the Price Administration, but it would result in a rather chaotic situation.

Mr. HOFFMAN. Well, it would put the two functions under the same board. That is what the Smith committee tried to do by section 508.

Mr. WOLCOTT. It is already under one board now. The Congress stabilized wages on a certain basis. We said that wages should not be lower than the highest wage paid between January 1 and September 15, 1942. Then we said the President might provide for making corrections of gross inequities. So by directive he gave the War Labor Board authority to hear complaints and make adjustments. The War Labor Board is given authority to make those adjustments, but they cannot make any adjustment below the highest wage paid between January 1 and September 15, 1942, under the law passed by Congress. The Price Administrator has nothing to do with the stabilization of wages. It is done by the War Labor Board in respect to wages, and it is done by the Treasury Department, as I understand, with respect to salaries.

Mr. HOFFMAN. That is the situation we tried to remedy by adding section 508, found on page 30 of that report, 1366.

Mr. WOLCOTT. You would not have remedied it. The Office of Price Administration operates under the President the same as the War Labor Board. It does not make any difference whether you give them authority to stabilize or the War Labor Board the power to stabilize. They are both a part of the executive branch of the Government.

Mr. HOFFMAN. But one acts to fix prices and the other acts to increase wages.

Mr. WOLCOTT. We have already acted to fix wages. We have said that they shall not be below a certain standard. It would not make any difference whether the Price Administrator has the administration of stabilization of wages or the War Labor Board. It would be done in the same way, under standards set up by the Congress. If you want to change the standards set up by Congress, you can do it by amending this bill. You do not have to direct the War Labor Board to do something with respect to labor disputes in order to do it.

Mr. Chairman, I will yield myself 5 additional minutes.

I believe everybody is cognizant of the necessity for price control. I do not care to contribute to the exaggerated statements which are made with respect to price control and its effect upon inflation. When anybody says we have saved $65,000,000,000 by controlling prices, they might just as well guess that we have saved $165,000,000,000, or that we only saved $30,000,000,000. So you can guess whatever amount you please in that respect. However, the fact does remain that by controlling prices the Government has prevented unusual increases in prices, and thereby prevented the inflation spiral from getting started in many respects. In other words, if we did not have price control we would probably have high prices. Then, of course, we get down to the problem as to whether the high prices cause inflation, or whether high prices reflect inflation. But it does not make any difference which comes first. I think everybody agrees that price control, under these conditions, where there is ever so much more purchasing power in relation to the availability of consumer goods than there ever has been before in the history of the Nation, is necessary.

Nobody has been more denunciatory of the administration of the Price Control Acts than I. Nobody has denounced any more than I the use of the powers which we have given to the Administrator to control prices in the control of business and industry. There have been some most flagrant violations on the part of O. P. A. in that respect. O. P. A. has on several occasions set up its machinery in such manner that the clear intent of the Congress was violated and the machinery set up by the Congress for the orderly enforcement of price controls could be circumvented. The question now is: What can we do or what should we do to preserve the controls over prices and make it impossible for the Administrator or anyone in the O. P. A. to use these powers to control business, agriculture, industry, and labor? That is our problem. I do not know of any situation any more delicate than this question of price control and the administration of the Price Control Act. We were weighing these questions on pretty sensitive scales. A little more emotion on one side than on the other would throw the whole situation out of balance.

When this matter of continuing the Price Control Act was presented to the House Committee on Banking and Currency feeling was running very high. We were told by pressure groups, and the attitude of those pressure groups was reflected in members of the committee, that there should be no amendments to the Price Control Act, none whatsoever. I remember very distinctly one day when Justice Marvin Jones was before the committee and suggested that he would like to have certain powers that were

noncontroversial—they had been agreed upon in the Commodity Credit Corporation Act which the President vetoed for other reasons; there was no reason whatsoever that we should not give Judge Jones the authority he should have in that respect—but just to feel out the committee—we had been going about 2 or 3 weeks then—I suggested that we might amend this bill in that respect. I was not exactly denounced for my suggestion, but I was given to understand in no uncertain terms that there would be no amendments to that bill no matter how fine they were and no matter how uncontroversial they were. So you can see what we had to deal with. It was a very delicate situation.

For a good many days, from the middle of April on, we held hearings, both morning and afternoon. We have 2,300 pages of hearings. So do not let anybody tell you that the Committee on Banking and Currency did not consider price control in all phases. When the first price-control bill was before the committee in 1941 we had only 2,200 pages; so we set a new record, 2,300 pages of hearings on the continuing act.

Many of us were not satisfied with the act when it was originally set up; we were not perhaps any more satisfied with it when it was presented to the Committee on Banking and Currency on this occasion. We did what we thought was the best thing to do under the circumstances. First, we had to decide whether we were going to have price control, and I do not think there is any question about that. Then we had to decide when each of these amendments was considered whether or not the amendment if adopted would make price control less effective. We were interested in whether in the application of these suggestions we would contribute to the emasculation of the Price Control Act. We gave consideration to 200 or 250 amendments, individually and collectively; and we attempted to safeguard all authority and power essential to control prices and to clarify the clear intent of Congress that this act should not operate in any manner to create a hardship inconsistent with its purposes.

I believe probably 80 percent of the complaints against the administration of the Price Control Act will have been eliminated if the aggrieved person is given an opportunity to review his grievances in a regularly constituted court; and that is what we have done. Notwithstanding anything to the contrary, we have made it possible for any aggrieved person at any time to file a protest and have his grievances reviewed whether he is aggrieved by an invalid order or any action of the Price Administrator which is arbitrary or capricious. Review in a regularly constituted court may be had by filing a protest, having that protest heard before a board in O. P. A.; and if there is any question in anybody's mind as to whether that board may meet anywhere in the United States we can clarify that. There was not any question in our minds at the time we adopted the amendment. Inasmuch as O. P. A. can function anywhere in the United States, any board created by O. P. A. may do likewise; but if there is any question about it we can by very simple amendment provide that this board may sit anywhere in the United States. Then if the aggrieved person is not satisfied with the decision of this board, if the Administrator does not follow the recommendations of the board, then the matter can be reviewed in a regularly constituted court which is called the Emergency Court of Appeals.

There are many people who believe the Emergency Court of Appeals is a part of the O. P. A. It is as separate and apart from the O. P. A. as any district court, as any circuit court of appeals, or the Supreme Court itself, is independent of O. P. A. The judges of the Emergency Court of Appeals are appointed by the Chief Justice of the United States Supreme Court. At the present time there are three members—two circuit judges and one district judge. To anyone who wants to go into the matter fully as to what they consider their jurisdiction and how they have operated I commend for consideration the testimony of the Chief Justice, who appeared before the committee.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I understand this Emergency Court of Appeals is made up of three members; is that right?

Mr. WOLCOTT. Yes; but it is not limited to three members under the act. They can appoint as many other members as may be necessary to do the job.

Mr. ROBSION of Kentucky. And they are the duly appointed and acting members of the Federal courts?

Mr. WOLCOTT. They are on detached service.

Mr. ROBSION of Kentucky. The Emergency Court of Appeals is made up of two circuit judges and one district judge?

Mr. WOLCOTT. That is right.

Mr. ROBSION of Kentucky. That is the highest court to which any of these matters may be taken?

Mr. WOLCOTT. Excepting the Supreme Court of the United States.

Mr. ROBSION of Kentucky. They can appeal directly from it to the Supreme Court?

Mr. WOLCOTT. Yes.

Mr. RUSSELL. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. RUSSELL. Where will this court sit? Where will they hear and determine the actions brought before them?

Mr. WOLCOTT. Let me cover that very briefly.

Mr. J. LEROY JOHNSON. Will the gentleman yield for a question?

Mr. WOLCOTT. I yield to the gentleman from California.

Mr. J. LEROY JOHNSON. Assuming that they appointed 21 more judges than the 3 they have, will any 3 of those voting on a matter be a decision of that court?

Mr. WOLCOTT. A majority decision would control. I assume it would be the same as any circuit court of appeals, Supreme Court or any other court. Now, the gentleman from Texas asked where they sit?

Mr. RUSSELL. Yes. Let me make this statement. I live around 2,000 miles from Washington. Our people are little businessmen who are not able to come to Washington to engage in a court trial here or bring their evidence and their records here. They are not financially able to do that. That is the reason I asked the question where they sit.

Mr. WOLCOTT. We have helped that situation very materially. First, let me cover the situation which would develop if we did not have the Emergency Court of Appeals. Your constituent would go into a court and if that court held with the Administrator against your constituent, then your constituent could only go from that court, if it were a United States district court, in the circuit court of appeals, perhaps far removed from that district court. Then from there it would go to the United States Supreme Court, if it were a question that could be reviewed by the Supreme Court.

Under the procedure which we have established, the aggrieved person may either initiate the matter himself by filing a protest or, if he is indicted on the criminal side of the court for a violation of the O. P. A. regulations or orders, or if the Administrator seeks an injunction against him restraining violation of orders or if an action is brought for the purpose of rescinding his license, the aggrieved may make application for a stay of proceedings for the purpose of having the validity of the regulation or order determined in the Emergency Court of Appeals. In that case if the defendant has used good faith the court will grant the stay pending determination of this question in the Emergency Court of Appeals.

Instead of this question having to be reviewed in a circuit court of appeals and putting the defendant to the expense and the inconvenience of going miles away from his home or his district court to the circuit court of appeals, the Emergency Court of Appeals comes to him. They may sit anywhere in the United States and have been sitting everywhere in the United States. If they get so many cases that the present three members cannot take care of them, then the court can be enlarged. The court can go anywhere in the United States. Do not lose sight of the fact that by setting up the Emergency Court of Appeals and giving it authority to meet anywhere in the United States, you might save your client or your constituent the expense of having to go to places far removed to appear in the circuit courts of appeals.

Mr. RUSSELL. The circuit court of appeals, the gentleman well knows, passes on the record made in the district court in the district where the offense or action occurs.

Mr. WOLCOTT. Therefore, there is another advantage.

Mr. RUSSELL. The district court hears the witnesses and hears the evidence and if it has to go up the defendant does not have to go to the circuit court of appeals. The matter goes up on the record that is made in the court below.

Mr. WOLCOTT. I am glad the gentleman brought that up because the Emergency Court of Appeals is not confined to the record. It can get its information wherever it may be possible to get it. It can ask for further information. It is not confined to the record. Any party may petition the Emergency Court of Appeals for the right to submit additional facts.

Mr. RUSSELL. That is what we are objecting to. We want a trial under the law of the land where evidence is admissible and is admitted under the general rules of evidence.

Mr. WOLCOTT. You get that, but you do not get your trial before disposition of the legal question and it is always a legal question as to the validity of the regulation or order, or whether the Administrator acted capriciously or arbitrarily. If you claim that he acted capriciously or arbitrarily and the Emergency Court of Appeals has not evidence enough before it to determine that question, it may remand the question back to the O. P. A., or back to the original court. It can take testimony for itself, it can ask for additional testimony and you get that much more protection. As a matter of fact, as I view it, it seems to me that by setting up this Emergency Court of Appeals we have given the aggrieved person much more latitude in the presentation of the matter than in the circuit court of appeals.

Mr. WRIGHT. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I think the matter just outlined by the gentleman is very constructive and, may I say, I am glad the Banking and Currency Committee has gotten along so much better since I left it. The gentleman spoke about the licensing provisions. I understand those hearings under licensing provisions are under the War Powers Act?

Mr. WOLCOTT. No, not for the violations of the price schedules.

Mr. WRIGHT. The hearings are held by the O. P. A., are they not?

Mr. WOLCOTT. No, not for violation of a regulation, or order, or price schedule issued under the Price Control Act.

Mr. WRIGHT. When they take away your license to deal in scarce or rationed commodities, are there not hearings?

Mr. WOLCOTT. The gentleman is talking about the rationing side of O. P. A.

Mr. WRIGHT. That is what I am talking about.

Mr. WOLCOTT. I am not. We have not any jurisdiction over that in this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 additional minutes.

Mr. WRIGHT. Have there been any provisions as to judicial review and with reference to the hearings of which I speak, where the O. P. A. hearing board or commission has either taken away a person's license or suspended it for a certain length of time because of violation of orders?

Mr. WOLCOTT. Yes; there has been. As I said at the beginning, there were several reprehensible practices in O. P. A. that we will have to correct, and this is one of them. I think I know what the gentleman is getting at.

Mr. WRIGHT. I wish the gentleman would explain it.

Mr. WOLCOTT. Let me review the situation. The Emergency Price Control Act provides the method by which a license may be suspended. It provides that the Administrator shall first give a warning to the defendant. After this warning has been sent to him—and it must be sent to him by registered mail—then it says:

> If the Administrator has reason to believe that such person has again violated any of the provisions of such license, regulation, order, price schedule, or requirement after receipt of such warning notice, the Administrator may petition any State or Territorial court of competent jurisdiction, or a district court subject to the limitations hereinafter provided, for an order suspending the license of such person for any period of not more than 12 months.

We have put into this act a very definitive safeguard.

Mr. WRIGHT. It is a change then, is it not?

Mr. WOLCOTT. No. That is the act that you and I perhaps worked on in 1941 and which is now the law.

We provide definite machinery for the suspension of license predicated upon a violation of a regulation or order or price schedule of the Office of Price Administration. Bear in mind that the O. P. A. has two separate functions, just as distinct as the function of a court when you file your complaint some times on the equity side and then again on the law side. The line is drawn even more clearly between the jurisdiction of O. P. A. over rationing and the jurisdiction of O. P. A. over prices, so that two should never be confused. The authority to regulate rationing, as I understand, comes down from the War Powers Act, the second, I believe, and the President may, by directive, set up the agency to control rationing. He has designated the O. P. A. to regulate rationing, and he has said in there that the O. P. A. can license persons, concerns, and so forth, to deal in rationed commodities.

The Congress has said that the O. P. A. can grant licenses to persons and concerns to sell commodities on which a maximum price has been placed. The reprehensible practice which I think the gentleman has in mind is this, that the O. P. A. has made as a condition of the rationing license, that the licensed person shall conform to all of the price control regulations.

Mr. WRIGHT. That is exactly what I am driving at.

Mr. WOLCOTT. I might say that on the rationing side O. P. A. does not have to go into court to take away a license to deal in rationed commodities, and they may suspend a license for any time up to the end of the war.

Mr. WRIGHT. And there is no right of appeal?

Mr. WOLCOTT. There is no right of appeal; there is no nothing, even no justice in that practice, as I see it.

Mr. WRIGHT. That is what I am objecting to.

Mr. WOLCOTT. If a person violates a price schedule, and it so happens that the price schedule has to do with a rationed commodity, then it is a violation of his rationing license, and they circumvent the safeguards which we have written into this law by taking the rationing license away from him for a violation of the price schedule without first petitioning a court for a revocation of the license as provided for in the Price Control Act. It is a very important subject and the practice is quite far-reaching. The problem is one that has to be thought out very carefully. There will be language thought out and offered to the committee before we get through with this bill to correct that abuse of power. It is a flagrant abuse of legislative power. They have arrogated to themselves powers which we contend they have not and were never given, and even if they did have, they should not use the powers to clearly violate the intention of the Congress and destroy the safeguards which Congress has set up for the protection of violators.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. I wonder if the gentleman would be so kind as to straighten me out on a matter. Assume that the gentleman and I are in competitive business in the same town, and I am anxious to get the gentleman out of business, and I present charges to the O. P. A. officials that the gentleman has violated the ceiling price. The O. P. A., based on my statement, files a charge against him for that. Do they have to go into court to do anything to close up the gentleman's place of business under this bill?

Mr. WOLCOTT. Yes. First they give you a warning, and if you do not obey the warning, under the provisions of the price-control bill they must then make application to a court for suspension of your license.

Mr. RIZLEY. The gentleman says they give you a warning. Let us say that I file a complaint against the gentleman. The gentleman has not been guilty of any violation but they have taken my word for it. They give the gentleman a warning. The gentleman does not change his practice, because he has done no wrong. Then their next step is to file a complaint against him in a local court?

Mr. WOLCOTT. They must.

Mr. SUMNERS of Texas. If the gentleman will permit an interruption, I believe the inquiry is this: If they filed complaint in the local court, what jurisdiction does the local court assume, and what does it do?

Mr. RIZLEY. When complaint is filed by the O. P. A. against the gentleman in the local court, what does the local court determine?

Mr. SUMNERS of Texas. Yes; what is the procedure?

Mr. WOLCOTT. If the court finds that such person has violated any of the provisions of such license, and so forth——

Mr. RIZLEY. If the gentleman will pardon me, I am talking about the ceiling price; not any license he may have.

Mr. WOLCOTT. It is a license to do business. The license could not be rescinded unless the licensee had violated a regulation or order.

Mr. RIZLEY. Tell me what the local court would do.

Mr. WOLCOTT. The local court has to find that there is a violation of such license, regulation, order, price schedule, or requirement after the receipt of the warning.

Mr. RIZLEY. Suppose the local court does find that, and you are still not satisfied, then what can you do?

Mr. WOLCOTT. You can appeal. Does the gentleman mean on a question of fact or law?

Mr. RIZLEY. On either or both.

Mr. WOLCOTT. If the decision of the local court under existing law turned upon a question of the validity of the regulation or order, then there is nothing that you can do if the regulation or order has been in existence 60 days.

Under the procedure set up in this bill you may make application to the court for a stay of those proceedings any time during the proceedings or within 5 days after judgment, to have the question of the validity of the regulation, order, license, or any of the other provisions tested in the Emergency Court of Appeals.

Mr. RIZLEY. What about the facts?

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 5 additional minutes.

Mr. RIZLEY. Suppose the local court finds against the gentleman on the facts; then what can he do?

Mr. WOLCOTT. If it is on the facts, then you can proceed from there on up to the United States Supreme Court in the same manner that you proceed at the present time, because the courts are denied jurisdiction only to consider the validity of regulations or orders. They are not prohibited from trying questions of fact or whether perhaps there was sufficient evidence upon which to base a finding of law. That would become a question, of course, for the court to determine. The law states that—

Except as provided in this section, no court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any such regulation or price schedule.

If it was not a question of validity, if it turned on a question of fact, then you could take the case to the United States Supreme Court through your regularly constituted courts, the same as in any other proceeding.

Mr. RIZLEY. In other words, you could appeal from the local court to the circuit court of appeals and from there on to the Supreme Court of the United States?

Mr. WOLCOTT. Yes.

Mr. RIZLEY. You can do that under the present law?

Mr. WOLCOTT. Yes.

Mr. RIZLEY. You can do that under the bill as amended?

Mr. WOLCOTT. Yes.

Mr. RIZLEY. So there has been no change as far as that situation is concerned?

Mr. WOLCOTT. That is right. The only thing we do is to authorize the pleading of the invalidity of the regulation or order at any time, but if it is a question of validity which affects the whole price schedule throughout the United States, we say you shall review that in this regularly constituted court, the Emergency Court of Appeals, which we have set up for the purpose of determining that question so there will not be a chaotic condition created by having perhaps as many decisions or opinions on the validity of it as there are district courts.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. To what degree are the matters in controversy tried de novo when you go into a court? I think that is what everybody would like to know.

Mr. WOLCOTT. I think if he goes into a district court, we will say, the whole matter is tried de novo.

Mr. SUMNERS of Texas. All the controversial matters that were considered by the agency when the agency took this step, whatever it was, would be examined by the court de novo?

Mr. WOLCOTT. That is right, everything with the exception of the validity of the regulation or order.

Mr. SUMNERS of Texas. What is involved in the question of validity or regulation of the order, a form?

Mr. WOLCOTT. Form? Here is an example. It has been my personal contention that the Office of Price Administration never had jurisdiction over ouster proceedings, over recovery and possession of real estate. They have assumed to have that jurisdiction. So if we did not give the Administrator the authority to regulate recovery and possession of real estate, the court then would determine whether or not the regulation which sought to regulate the recovery of real estate was invalid, whether he acted outside the scope of this authority.

Mr. SUMNERS of Texas. He looks to the law for his authority, yes; but to what degree does the law give him authority to act arbitrarily? That is what we all want to know.

Mr. WOLCOTT. It says that he cannot act arbitrarily or capriciously. If he does act arbitrarily or capriciously, then he is not acting within the law, and that question can be reviewed.

Mr. SUMNERS of Texas. May I ask another question that I think will help us? On the individual complaints with regard to the rates that have been fixed for the rental of property and things of that sort, what remedy does an individual living in the communities in which we live have in practice under this amended law?

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 5 additional minutes.

In the first place, we have said that whether or not it is an equitable rent, whether or not it is generally fair and equitable, shall henceforth be determined by comparing it to the rents charged only within that particular defense rental area, not throughout the United States, so that we will not determine whether the rental of an apartment or a 5-room bungalow in Port Huron, Mich., is too low or too high as compared to rentals charged for similar accommodations in Pittsburgh or New York. They have to take into consideration its relationship to the rents charged in that particular defense area. We have amended the Stabilization Act by saying that the President shall, instead of may, provide for the correction of gross inequities.

Mr. SUMNERS of Texas. How is he going to do that? What I am trying to do now is this: Assuming that in my town it is ascertained by this agency that a given rent is a proper rent. Then what remedy in the courts has a person who feels he is aggrieved by that fixation of rent?

Mr. WOLCOTT. He can file a protest with the Office of Price Administration and he can go to the Emergency Court of Appeals. The Emergency Court of Appeals has authority to determine whether or not that is a rent which is generally fair and equitable as it applies to this particular area. If the Emergency Court of Appeals finds that in the operation of this regulation there has been created a gross inequity—the gentleman and I know what "gross" means.

Mr. SUMNERS of Texas. Yes.

Mr. WOLCOTT. Then we give the court jurisdiction to correct that gross inequity. The existing law states that the Administrator may correct this gross inequity so the court does not have jurisdiction to compel a correction. Under this bill each individual case can go to the Emergency Court of Appeals, and if it is a gross inequity or a hardship case the Emergency Court of Appeals has the authority under the language which we have set up to correct the gross inequity by amending the order or changing the regulation or setting it aside altogether as it applies to that particular property.

Mr. SUMNERS of Texas. I know, but the Emergency Court of Appeals is in Washington, is it not?

Mr. WOLCOTT. No, not necessarily.

Mr. SUMNERS of Texas. Where?

Mr. WOLCOTT. Anywhere in the United States.

Mr. SUMNERS of Texas. All kinds of courts?

Mr. WOLCOTT. The court may sit anywhere in the United States.

Mr. RIZLEY. Where do you file the papers?

Mr. WOLCOTT. Here in Washington. The clerk's office is here.

Mr. RIZLEY. You have to send your papers up here to Washington to file them?

Mr. WOLCOTT. Yes.

Mr. SUMNERS of Texas. Is it contemplated that you will be able to make that sufficiently accessible to the average private citizen who feels he is aggrieved to make that work? Take the case of a widow who has divided a house into two apartments, and she has one rented.

Mr. WOLCOTT. If the gentleman will read the tetsimony of Judge Maris in volume I of the hearings he will find it very interesting.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Prior to the application to the Emergency Court of Appeals, apparently it provides in here, as I read it, the protest shall be filed with the O. P. A.

Mr. WOLCOTT. That is right.

Mr. SCRIVNER. The proposed amendment as shown on page 17 of the committee report provides for a board of review consisting of one or more officers or employees of the Office of Price Administration designated by the Administrator.

To bring out the point I want to make, I am going to make it ridiculous. Under the language now, the Administrator of the Office of Price Administration could name as the board of review an office boy, could he not?

Mr. WOLCOTT. That is right.

Mr. SCRIVNER. Let us assume he would not do that but would go a little higher in the scale of employees. What percentage of chance would we have of having one of the employees under the Administrator overrule him and hold that his ruling was probably arbitrary?

Mr. WOLCOTT. Perhaps not any chance at all. Let me tell you why we set up this Board. It does not make any difference whether it is an office boy or the Deputy Administrator. If the Administrator does not follow the recommendation of the Board, he has to make a finding as to why he did not, and there is the basis for whether he acted arbitrarily or capriciously.

Mr. SCRIVNER. The point I am trying to make is that the probabilities are that the Board will sustain the Administrator.

Mr. WOLCOTT. I think the gentleman is right in that respect.

Mr. SCRIVNER. Why would it not give the citizen some protection if at least one or two members of that Board were possibly members of the public or of the group represented?

Mr. WOLCOTT. Because we set up the Board purely and simply for the purpose of making the case before it gets into the Emergency Court of Appeals. You have something on which to base your review. If he acted arbitrarily or capriciously in not following the recommendation of the Board, or if the Board says you are right but the Administrator nevertheless denies the petition, you can take it up on that record.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 additional minutes.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HORAN. One of the really valid complaints by productive industry against the operation of the O. P. A. has been the fact they have been very dilatory and too slow in putting out their amendments and their regulations. What assurance do we have that the courts will act, even though they have access to the courts? What are the time limitations?

Mr. WOLCOTT. In the first place we say the Administrator shall act within 90 days of the filing of the complaint, either to grant it or deny it or set it for trial. He shall act in any event, as I recall, within 90 days. But we give the Emergency Court of Appeals the authority to act in each case, it may be only 10 days, and if the Emergency Court of Appeals determines it is one of those cases where time is of the essence, as in the case of fresh fruit and vegetables, they can order the Administrator to make a decision within any number of days, even less than the number set in the act. So you have control over the situation there. The whole theory of the thing is that we expedite the consideration of these cases and allow the Emergency Court of Appeals much more latitude than they ever have had in compelling action by the Administrator. As I view it, we have absolutely prevented a continuance of the cases to which you refer that have been pending down in the O. P. A. for months and months and months. Now, at least, you can get your day in court as to whether they shall hold them there for months or decide them within a reasonable time.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HARNESS of Indiana. This board is appointed by the Administrator from among the employees in the O. P. A. Is that right?

Mr. WOLCOTT. We still have this advisory board.

Mr. HARNESS of Indiana. They are directed, then, to appoint an advisory board consisting of businessmen and industrial leaders?

Mr. WOLCOTT. Yes, and we do say that he shall give consideration to the advice which was given to him by these advisory boards. I do not know whether that does anything, perhaps, but give to the court jurisdiction to have just a little bit of a look-see at what they are doing. I do not think it means too much.

Mr. HARNESS of Indiana. That is a board that the gentleman is talking about; an advisory board?

Mr. WOLCOTT. Yes.

Mr. HARNESS of Indiana. This board within the O. P. A. which the gentleman just mentioned a minute ago is appointed from the employees of the O. P. A. by the Administrator; is that right?

Mr. WOLCOTT. Yes.

Mr. HARNESS of Indiana. I assume the gentleman and his committe gave consideration to it, but does the gentleman know of any board appointed from among employees of an agency that would give an independent decision differing from the head of the agency?

Mr. WOLCOTT. We have just had some discussions about that. I said the purpose of having this hearing before the board is to make a record for the Emergency Court of Appeals. We have said if he does not follow the recommendation of the board, then you have your case all made as to whether he acted capriciously or arbitrarily. That is the only way you can get it.

Mr. HARNESS of Indiana. I really do not see the necessity of having the board then. The Administrator could act. They are merely appointed by the Administrator?

Mr. WOLCOTT. That is right.

Mr. HARNESS of Indiana. Why have a board? Why not let the Administrator take the responsibility and appeal from his decision?

Mr. WOLCOTT. Because under the present system you have not completed your case before you get into the Emergency Court of Appeals. If you have a hearing before a board you are taking testimony, you are gathering affidavits and statements and so forth and you have some kind of case made. That is the only purpose. It does not make any difference whether he is an office boy or what.

Mr. SUMNERS of Texas. The gentleman from Indiana has asked a pertinent question. When you come to make that record, does the aggrieved person have any right, as a matter of right, to have process served and have witnesses; and is he making up the record or is it tried on a record made when he gets the case to the Court of Appeals?

Mr. WOLCOTT. The bill provides that the protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral arguments before the Board.

Mr. HARRIS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HARRIS of Arkansas. The gentleman spoke a moment ago about the 60-day provision with reference to testing the validity of a regulation. Is that changed in this present act?

Mr. WOLCOTT. Yes. We have provided that a protest may be filed at any time.

Mr. HARRIS of Arkansas. After a regulation is issued?

Mr. WOLCOTT. Yes.

Mr. HARRIS of Arkansas. At any time an individual is affected, anyone might then go in and file his protest to the Board?

Mr. WOLCOTT. Section 203 (a), which is found on page 17 of the report, removes the 60-day limitation altogether.

Mr. HARRIS of Arkansas. That is a very wise provision.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SCRIVNER. The Board to which the gentleman from Michigan just referred is the same board that is in section 205 (c), to which may be appointed an office boy or a charwoman?

Mr. WOLCOTT. Yes.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. JENKINS. With reference to what is called forcible entry and detainer, which we in Ohio call ouster, we have to serve a 90-day notice. Under the present law, is that a matter of regulation?

Mr. WOLCOTT. Yes; that is a matter of regulation.

Mr. JENKINS. Let me ask the gentleman this question. Would it be germane and appropriate and proper if an amendment were offered to change that from 90 to 30 days? Could we make that part of the law?

Mr. WOLCOTT. I would advise the gentleman not to do it, because that would be a recognition of the jurisdiction of the Administrator over ouster proceedings. I do not know wherein we have given the Administrator jurisdiction over ouster proceedings except to stop manipulative practices with respect to the rent itself, to defeat the rent ceiling.

Mr. JENKINS. Here is the way it works in my county. If a landlord wants to get rid of a tenant he gives him a 90-day notice and then he must fight the O. P. A. officials, and they consult with the tenant. The first thing you know he has got all the officials and the tenants all against him. I know one case now where they have been trying to get the tenant out since the 1st of last October and they have not been able to evict the person yet. Something ought to be done about that.

Mr. WOLCOTT. In view of the assumed authority of the Administrator, it would be in order to amend the rental provisions of the act to provide that nothing contained in this act shall be construed so as to give the Administrator of Price Control jurisdiction over suits to recover possession of property. It would be perfectly in order. I wish if the gentleman does that he would include use and occupancy of property, because he has no jurisdiction over use and occupancy of property or over the terms and conditions of the sale of real estate.

Mr. JENKINS. That is another thing I was going to come to. Those are all orders. Where does he get the powers? Does he get them under Presidential war powers?

Mr. WOLCOTT. No; he assumes to have it.

Mr. JENKINS. Does the gentleman not think that is one of the most egregious errors? That is the greatest source of complaint I have in my country.

Mr. WOLCOTT. The Administrator does not assume to have it. I shall say that the President has assumed that he has the authority under the War Powers Act to authorize the Administrator to regulate the use and occupancy of real estate, the recovery of possession of real estate, and the terms and conditions of the sale of real estate by directives.

Mr. JENKINS. I think if we could provide in this law a provision with reference to this board to which reference has been made, so that it would be composed of something besides office boys or somebody under his jurisdiction, if we can provide that there be other individuals on that board, a three-man board in every State, for instance, it would have to be in every State, to which people can go and then make a provision with reference to this ouster, so that it would be within the jurisdiction of the local court, and these agencies would not have anything to do with it, we would relieve ninety percent of the complaints as to rent control so far as my section of the country is concerned.

Mr. WOLCOTT. I think I would want to review the suggestion of the gentleman in the light of whether it would defeat the purposes of the price and rent control provisions. I was not able to follow the gentleman carefully enough to give an offhand opinion on it.

Mr. JENKINS. I appreciate that what I am asking is pretty important because if it is not within the purview of this law it could not be done.

Mr. WOLCOTT. It would be within the purview of the law. It would be germane to the law. Whether we would want to do it and perhaps thereby weaken rent control and price control is another question. I do not know whether I want to go along with the gentleman on that until I see the amendment proposed by the gentleman.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. JUDD. Did I understand the gentleman correctly to say that if the Administrator disagreed with the recommendation of this Board, or of his subordinates, then the aggrieved individual could appeal from the Administrator's disagreement with the Board; is that right?

Mr. WOLCOTT. It amounts to the same thing. Assume that the Board recommends that this gross inequity be corrected or that the regulations or order be amended in this particular case, then, of course, if the Administrator follows the recommendation, then that probably removes the grievance. But if he does not follow the recommendation and says, "Notwithstanding the recommendation of the Board, I am going to hold against the protestant," then, of course, you have the foundation for your appeal to the Emergency Court of Appeals and you have your record all made.

Mr. JUDD. But there is the fallacy in the set-up, because the Board consists of the organization's subordinates, and they would almost never hold in favor of the protestant. They will hold in favor of the superior. Therefore both the Board and the Administrator will be against the protestant.

Mr. WOLCOTT. Not any more so than the Administrator himself might grant or deny it.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

EXTENSION OF PRICE CONTROL AND STABILIZATION

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, we heard dozens of witnesses on the question of extending the Price Control and Stabilization Acts. It is interesting to notice that not one single witness advocated repeal of the law. Not one single witness stated that the law should not be extended. I do not believe there has been a single communication received by any member of the committee advocating that this law be not extended.

OUR CHAIRMAN

In the beginning I want to say a word about the chairman of our committee.

He sat as chairman of the committee for more than 40 days and heard witnesses, morning and afternoon and sometimes late evenings. In addition to that we had executive sessions for several days. Our chairman was not only kind and considerate of the wishes of every witness, but he was very patient with the committee, as well as the witnesses. I think he has done an excellent job on this bill. He presided with dignity, discretion, and fairness. I do not believe that any witness will say a word in protest of the treatment he received, and I am sure no member of the committee has any objection to the way the proceedings were conducted, because under the leadership of the distinguished gentleman from Kentucky [Mr. SPENCE] every witness was given all the time that could possibly be spared under the circumstances, and sufficient time to please the witnesses. Every member of the committee was given all the time he desired to interrogate witnesses.

THE PRESIDENT, BYRNES, AND VINSON

In addition to complimenting the distinguished chairman of the committee I desire to say, as one who has followed price control and wage stabilization from the beginning, that there are others in Washington who are entitled to words of praise and commendation. In addition to President Franklin D. Roosevelt, who manifested more vision in connection with inflation than any other person, I have in mind Mr. Justice James Byrnes, who resigned from a position on the Supreme Court of the United States, paying a salary at least twice as much as the salary he has been receiving in the office that has often been referred to as Assistant President of the United States. He gave up many valuable rights to take this place. It is a very difficult job. I think anyone who is willing to make that kind of a sacrifice in wartime is entitled to be praised and commended.

In addition to that, Judge Fred Vinson, holding a constitutional judgeship in a United States Federal court, resigned his place and became Economic Stabilizer, a place where he seldom receives a word of praise. However, he is doing a necessary job that someone must do, and which requires a man like Fred Vinson, who not only has knowledge and ability, but has the courage of his convictions.

It is true the decisions of these gentlemen are not always pleasing to us, but we view these problems oftentimes from a restricted viewpoint, as they affect our own particular districts or the people we have the honor to represent. These gentlemen, along with the President of the United States under whom they serve, must view these problems from an over-

all standpoint and not consider them from the standpoint of any particular constituency or any Member of Congress or the people of any particular State but of all the people of the United States.

The Price Control Act was enacted into law on January 30, 1942. That was the Price Control Act. The Stabilization Act became law on October 2, 1942. I believe everyone in Congress feels that these acts are well worded and provide sufficient powers to control inflation. I think these acts represent more the knowledge, ability, and hard work of Leon Henderson and David Ginsburg than any other two men. I had the privilege of working with those gentlemen when they were framing these acts, as did other members of the committee. We worked sometimes until 12 and 1 o'clock at night. We had many disputes about the language that should go into those acts, but generally they are well worded to carry out the objects and intentions of Congress. I think the Congress is to be commended for the first time in history, during a war, to make an effort to prevent inflation. No other Congress in the history of this Nation has ever made that attempt.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield.

Mr. PATMAN. I hope the gentleman will not ask me to yield just now.

Mr. HARNESS of Indiana. I wanted to inquire about the intention of Congress.

Mr. PATMAN. If the gentleman will not insist, I will appreciate it very much, with the assurance that when I get through I will be very glad to yield.

SIXTY-FIVE BILLION DOLLARS SAVED ON WAR COST ALONE

This law has actually worked. The gentleman from Michigan [Mr. WOLCOTT] is one of the ablest members of our committee, and one of the ablest men in this House. He made a fine speech a short time ago on this bill. I congratulate him on the speech he delivered on the floor of this House in connection with this proposed bill. But the gentleman from Michigan [Mr. WOLCOTT] made one statement with which I do not entirely agree. In fact, I disagree with the gentleman about it. That is, that there is no particular way or exact standard or guide that will enable us to determine that we have actually saved $65,000,000,000 by reason of the enactment of these acts up to a certain period of time. I take issue with the distinguished gentleman on that, and I desire to cite proof to substantiate the statement I am making.

It is not fortunate that we had another war, World War No. 1, but since we had that war, and it cannot be changed, we are fortunate that we have a similar period of time that we can measure with the period of time we are now going through and have gone through in World War No. 2, as to prices.

So if we will go back and ascertain prices during the first 52 months of World War No. 1 and then come up to World War No. 2 and determine prices for the same period of time, 52 months from the time the war started, and determine how much it cost to buy certain things during that period in the first war and the cost of buying the same things during World War No. 2, during exactly the same period of time—I think that is an excellent guide to go by—if we do that we shall discover that if we had paid the same prices during the 52 months of World War No. 2 that we paid during the 52 months of World War No. 1 for the identical commodities and articles and goods purchased we shall discover that we saved $65,000,000,000 on the war cost alone during the first 52 months of this war. This is something that I think is of great interest. In fact I believe we have saved a lot more than that for I believe prices would have gone much higher in World War No. 2 during those 52 months than they went during World War No. 1 because the inflationary pressures were several times as great during the first 52 months of World War No. 2 as they were during the first 52 months of World War No. 1. Instead, therefore, of minimizing the importance of the statement—it is easily proven by taking a notebook and pencil and figuring it out for yourselves—instead of minimizing the statement we should say that we have saved a lot more than that because inflationary pressures have been so much greater that prices would have gone so much higher in this war than they did during World War No. 1.

This law has actually worked. Not only did we save $65,000,000,000, which is equal to $500 for every man, woman, and child in America, but it means that our national debt would be $65,000,000,000 more today than it is had it not been for this law. Not only that, but the consumers of this country have saved $22,000,000,000 during the same period of time, or $700 for every family in the United States. Let us disregard the $22,000,000,000, however, and consider only the $65,000,000,000 we know we have saved and that we can prove we have saved.

The interest on that $65,000,000,000 at a rate that is considered the going rate of interest for the Government—on that $65,000,000,000—would be a lot more in 1 year than the entire cost of the administration and enforcement of these laws to date. So it has been a mighty good investment and Congress should be exceedingly proud of it.

During World War No. 1, civilians obtained 75 percent of all the goods that were produced; only 25 percent went to the war effort; but in this war the war effort already is using 46 percent of all goods, and only 54 percent is going to civilians; so there is an inflationary pressure there. We are spending money at the rate of seven and one-half billion dollars a month for the war. That goes into the channels of trade and distribution, and represents a highly inflationary pressure.

STILL PAYING INTEREST ON UNNECESSARY COST OF LAST WAR

The cost of World War No. 1 was $32,000,000,000. That is a large amount—$32,000,000,000. If during World War No. 1 Congress had enacted similar laws to those that were enacted during World War No. 2, and they had worked as well the cost of World War No. 1 would have been only $18,500,000,000 and we would have saved $13,500,000,000. The latter figure represents really unnecessary cost, and we are still paying interest on it.

Under price control small businesses have gotten along well, but many business operators have complained about the forms and regulations they have to be governed by. Naturally they would, because they are not accustomed to them, but it is during war that we have got to have some kind of controls, including rationing. They realize it, and generally the number of failures in small businesses has been much less than in any other period of time during the last 50 years. So small business, contrary to the report that is made oftentimes, has done well under the administration of O. P. A.

What would be the alternative if we did not have price control and wage stabilization? The alternative would be that prices would go out of sight, wages would go out of sight, we would have inflation, and then we would have a collapse. The reason the collapse after the last war was no greater than it was—and it was very great, and very harmful, and very devastating—the reason it was no worse than it was was because the inflation was no worse. A collapse is always as bad as the inflation preceding it; so in order to prevent this kind of inflation we have got to have controls. If we do not maintain these controls, our bonds will not be worth anything, our money will not be worth anything, our bank deposits will not be worth anything, the insurance money that is returned to people will not buy anything to speak of in the stream of inflation we would likely have. People who are on fixed salaries and wages would have their purchasing power absolutely destroyed. They represent the middle class. The old-age-assistance group would be wiped out so far as their purchasing power is concerned, and it would absolutely destroy the country here on the home front.

I know these rules and regulations are burdensome to people, are annoying and irritating, but with this good report that can be made of savings I believe we can well afford to put up with a lot of things we do not like.

I have heard it said that Mr. Bowles and others are advocating that after this war is over these controls and so-called regimentation—and a lot of it has got to be regimentation—and rules be continued even during peacetime and after they are unnecessary. I want to definitely and positively deny that for Mr. Bowles, because I know his views are just the opposite. He has never made such statements to my knowledge, and I have read a lot of his speeches and have heard him a lot of times before committees and elsewhere; his view is that we shall probably have to carry on price control and rationing for a time after the war, not long, but until the dangers of inflation are over. I agree to that; you agree to that; everyone who has studied the problem will agree that we must do that. We have history to look back to and find out for ourselves that the greatest danger of inflation is just after the war is over.

That is the greatest danger of inflation. After this war is over people will want to cash their bonds, they will want to convert what they have into money to buy automobiles, they will want to buy refrigerators, they will want to build homes and buy other things and it will be necessary to maintain some controls until that dangerous period is over, until we can get back into production and get them back to normal condition of supply and demand. No one is advocating to my knowledge that these rules, regulations, price controls, and rationing continue on for any period of time beyond that dangerous period immediately after the war is over. No one is advocating that, and I do not think the statement should be made, because I do not know of anyone who is advocating it.

Mr. Chairman, we have a law here that affects 135,000,000. It affects 35,000,000 families in the United States. The law affects 3,000,000 different kinds of business establishments.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 10 additional minutes.

ENORMOUS TASKS OF O. P. A.

Mr. PATMAN. These 3,000,000 establishments represent 189,000 manufacturing plants, 93,000 wholesalers, 1,770,000 retailers, and 288,000 service establishments.

We have 8,000,000 different prices. The O. P. A. has fixed more than 8,000,000 different prices on 8,000,000 commodities and articles, including grades, classes, styles, designs, and fashions. The O. P. A. in doing this job will certainly make some mistakes. As long as we have human beings administering laws, mistakes will be made, but remember that O. P. A. has 650,000 telephone calls on an average every day. They have every day, I repeat, 650,000 telephone calls. You cannot conceive of a correct answer being given in the case of every one of the 650,000 telephone calls. We all know the law of averages still exists. That is one law that the Congress cannot repeal. The law of averages would give at least a certain percentage of those answers that would be wrong. You might just as well accept that.

Another thing is that the O. P. A. receives 400,000 letters every business day. Can you expect all those letters to be perfectly answered according to the law and the rules and regulations? Why, certainly not. You would not expect perfection. Even just a small percent of those answers being wrong could cause a lot of trouble and a lot of complaint. This is one law that cannot be perfectly administered and also satisfactory in every way. During relief times when the Government was giving away money, we never discovered any way that the law could be satisfactorily administered. That was even giving people money. We could never do it satisfactorily.

Here is a law by which you take something from the people. You deny them goods they would like to have, you refuse them the privilege of spending their own money in the way they want to spend it. We have to expect the normal number of complaints and the normal number of cases that are handled in an unsatisfactory way, because human beings are administering this law.

Furthermore, Mr. Chairman, there are a thousand applications for price increases every day. Think of it, a thousand applications for price increases every day.

JUDGE MARVIN JONES AND CHESTER BOWLES

In connection with those who are working and sacrificing comforts and conveniences, and enduring all kinds of hardships, criticism, and censure in an effort to do a good job, I would like to mention one of the finest, the most able and best men I have ever known, a man who served with you gentlemen here for a number of years, a man who is now serving as War Food Administrator, a man who is doing a great job. I refer to Marvin Jones, who is to be commended for his good work. Chester Bowles is an able official, and has brought a lot of common sense to the position that he holds. He has a wonderful staff, he has an excellent group of good business people who know what this job is all about. They know that mistakes have been made, they know that they will be made in the future, they recognize all that, but they are making every effort to speedily adjust a mistake as soon as it is discovered. In other words, if a mistake is made, be in a hurry to get it adjusted. They seem to be doing just that.

Mr. Leon Henderson had no experience to guide him. He was on an uncharted sea. But Mr. Bowles has had some experience to guide him, he is taking advantage of that experience and he is using it in the public interest for the purpose of removing a lot of restrictions, irritations, and annoyances that have caused so much trouble among the people in connection with the enforcement of this act.

RATIONING NECESSARY

Rationing is not directly involved in this law because rationing is not authorized by either one of the O. P. A. acts. Rationing is enforced and administered under the Second War Powers Act which gives to the President of the United States certain power and authority to act. Under the authority of that Second War Powers Act he has caused rationing to be put into effect. Many people say that we should not have rationing but I do not think they are considering the over-all picture. I do not think they have all the information on the subject. If they did have all the information they would not advocate the abandonment of rationing.

Rationing is the poor man's friend, rationing gives to the poor fellow, the one without influence, without prestige or power, his part of the goods that are made, his part of this scarce, limited supply of goods. It is right. I know when we had trouble down in the Gulf of Mexico with submarines and sugar could no longer be sent up the eastern seaboard to New York, Philadelphia, and Baltimore, sugar had to be sent over to Houston, Tex. It had not been sent there before to go to these points. The consequence was that all warehouses down there were filled up quickly. They were overflowing. Newspaper reporters went down there and took pictures of these big warehouses loaded down, their sides bursting almost because they were filled with sugar. They stated, "Here are enormous quantities of sugar. Why ration sugar?" But they overlooked the fact they were just diverting that sugar around through Houston and it had to be sent by rail the rest of the way up to Baltimore, Philadelphia, and New York.

When you look at the picture over-all you will find that there is a necessity. Furthermore, in the case of sugar, if we did not have some kind of rationing a large percentage would go into moonshine liquor and the making of nonessentials even to the extent that our armed services would probably not get the amount of sugar to which they are entitled.

SUGAR USED IN SYNTHETIC RUBBER PROGRAM

Let us consider the synthetic rubber program for a minute. It is going to require and is requiring a million tons of sugar a year in the synthetic rubber program alone. That is 16⅔ percent of all the sugar that we normally have available. You never hear anybody say anything about that. You cannot take a million tons of something away at a time and not have a scarcity in that commodity when we only have available five or six million tons a year normally.

Mr. Chairman, I hope this law will be passed without crippling amendments. There are three amendments in the bill to which I am opposed, because, in my opinion, they are crippling amendments.

CRIPPLING AMENDMENTS

I am not accusing any member of the committee of deliberately trying to cripple or emasculate the act, but I do say that certain amendments are crippling and very harmful in the enforcement of this law. We have one such amendment, and that might be called the cost accounting amendment. The other amendment is taking the 60-day limit off, which now requires you have to contest these regulations in 60 days; just remove it entirely. I was opposed to that, and I think that is a crippling amendment.

Another crippling amendment, harmful and almost devastating—I am not so sure it is not devastating—is the amendment that strikes out certain language about circumvention and evasion of the law. Under the present act business practices cannot be changed. That is all right. We should not change them. I was very much in favor of that when it went in at first, when the law was enacted, but we had a provision in there reading—

Except where business practices were used to circumvent or evade the law.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. I yield the gentleman 3 additional minutes.

Mr. PATMAN. That is all right. It should be in there, but the committee, in passing on this, struck out that language

about circumvention or evasion. That permits fraud to be practiced, and we go on record in favor of circumvention and evasion of the law. How can you say that is not crippling? It is crippling. That amendment should be taken out of there, and I hope in the consideration of this bill it will be taken out.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Arizona.

WHAT $43.75 WOULD BUY IN FIRST WAR COMPARED TO THIS ONE

Mr. MURDOCK. I feel that I should not interrupt the gentleman's splendid statement, but I would like to ask the gentleman whether he has seen this comparison which I hold in my hand.

Mr. PATMAN. Yes; I am going to ask unanimous consent in connection with these remarks, when we go back into the House, that I may have the privilege of inserting it in parallel columns.

S. S. PIERCE CO.

Family Grocers Since 1831

Boston, May 15, 1944.

THEN AND NOW

In the third year after our entry into—

The last war $43.75 would buy—	The present war $43.75 will buy—
One barrel Swansdown flour;	One barrel Swansdown flour;
One hundred pounds sugar;	One hundred pounds sugar;
And nothing else!	And these 88 other items—
	Choisa Ceylon tea, ¼-pound package.
	Red Label coffee, 1-pound bag.
	Swansdown baking powder, ½-pound tin.
	Overland peanut butter, 1-pound jar.
	Overland wheat cereal, 28-ounce package.
	Shredded wheat, 12-ounce package.
	Overland premium chocolate, ½-pound cake.
	Baker's Dutch process cocoa, ½-pound tin.
	S. S. P. sweet biscuits, 1-pound package.
	Educator Crax, 1-pound package.
	Sunshine Krispy crackers, 1-pound package.
	Uneeda biscuits, 4-ounce package.
	Pennant butter cookies, 12-ounce package.
	Red Label large eggs, dozen.
	Overland vanilla extract, 2-ounce bottle.
	Epicure boneless codfish, 1-pound box.
	Red Label salmon steak, 7¾-ounce tin.
	Red Label red Alaska salmon, 16-ounce tin.
	Quaker yellow corn meal, 24-ounce package.
	Swansdown corn starch, 1-pound package.
	Swansdown pancake flour, 20-ounce package.
	Pie crust mix, 8-ounce package.
	Pillsbury's cake flour, 2¾-pound package.
	Choisa pulled figs, 1-pound package.
	Overland 18–24 prunes, 1-pound package.
	Epicure seeded raisins, 15-ounce package.
	Epicure seedless raisins, 15-ounce package.
	Overland watermelon rind, 10-ounce jar.
	Red Label apple sauce, No. 2 tin.
	Red Label strained cranberry sauce, 1-pound jar.
	Red Label fruit salad, No. 2½ tin.
	Red Label fresh flavor peaches, No. 2½ tin.
	Red Label orchard ripe pears, No. 2½ tin.
	Red Label sliced pineapple, No. 2 tin.
	Epicure gelatine, package 4 envelopes.
	Overland clover blossom honey, 1-pound jar.
	Choisa herring salad, 4-ounce jar.
	Overland olive spread, 5-ounce jar.
	Choisa sardine spread, 3-ounce jar.
	Choisa fig jam, 2-pound 3-ounce jar.
	Overland grape jam, 1-pound jar.
	Overland strawberry jam, 1-pound jar.
	Prune jam, 1-pound jar.
	Overland crab-apple jelly, 12-ounce jar.
	Overland grape jelly, 12-ounce jar.
	Overland guava jelly, 12-ounce jar.
	Overland macaroni, 12-ounce package.
	Overland spaghetti, 12-ounce package.
	Epicure orange marmalade, 1-pound jar.
	Raspberry-flavored marmalade, 1-pound jar.
	Red Label sliced bacon, 1-pound package.
	Epicure boned chicken, 3½-ounce jar.
	Overland chicken spread, 4-ounce jar.
	Overland ham spread, 4½-ounce jar.
	Armour's lunch tongue, 12-ounce tin.
	Ready-cut smoked turkey, 1-pound jar.
	Swift's Prem, 12-ounce tin.
	Red Label chicken fricassee, 14¾-ounce jar.
	Royal Purple evaporated milk, 14½-ounce tin.
	Overland queen olives, 4¾-ounce bottle.
	Overland stuffed queen olives, 6-ounce bottle.
	Wesson oil, quart bottle.
	Overland sweet midget gherkins, 10-ounce bottle.
	Overland sour mixed pickles, 15-ounce bottle.
	S. S. P. French dressing, 8-ounce bottle.
	Swansdown salt, 2-pound package.
	Red Label clam chowder, 11-ounce tin.
	Red Label cream of tomato soup, 16-ounce tin.
	Red Label green turtle consomme, 13-ounce tin.
	Red Label tomato soup, 10½-ounce tin.
	Red Label vegetable soup, 10½-ounce tin.
	Overland cider vinegar, gallon jug.
	Red Label tomato juice, 24-ounce tin.
	Overland tomato juice cocktail, 26-ounce bottle.
	Overland oven-baked pea beans, 28-ounce pot.
	Red Label tiny stringless beans, No. 2 tin.
	Red Label sliced beets, No. 2 tin.
	Red Label julienne carrots, No. 2 tin.
	Red Label golden bantam corn, No. 2 tin.
	Red Label whole kernel corn, No. 2 tin.
	Red Label spinach, No. 2½ tin.
	Red Label tomatoes, No. 2½ tin.
	Epicure grape juice, pint bottle.
	Red Label grapefruit juice, No. 2 tin.
	Red Label pineapple juice, No. 2 tin.
	Epicure prune juice, 32-ounce bottle.
	S. S. P. cold cream soap, box 12 cakes.
	Five-pack Overland perfecto cigars.

HAS O. P. A. PRICE CONTROL KEPT PRICES DOWN?

As this demonstration shows, O. P. A. price control has been of great benefit to the consumer in keeping prices down. The comparison of what $43.75 would buy then and now is dramatic evidence of what can—and does—happen when prices are not controlled.

This exhibit brings up to date a comparison of prices which we have presented from time to time during the past 25 years, as a matter of general interest.

Because these items were much in the public mind, a barrel of flour and 100 pounds of sugar were used as the original basis for comparison.

Mr. MURDOCK. I would like to say to the gentleman that I remember the situation in the other World War, at a comparable time. I remember that we had to pay $43.75 for the quantities of flour and sugar as indicated here, and I note by my present purchasing that all these things may be added.

Mr. PATMAN. And 88 more in addition to the barrel of flour and the 100 pounds of sugar.

Mr. MURDOCK. I can overlook a good many mistakes made by O. P. A. when I think what the consuming population of America has been saved by this Administration.

Mr. PATMAN. I thank the gentleman.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. GILLESPIE. The gentleman mentioned a figure of 65 or 68.

Mr. PATMAN. Sixty-five billion dollars. At the end of this year there will be a saving of one hundred and forty billion—absolute saving—on the war cost alone as compared with prices paid during the last war.

Mr. GILLESPIE. Has the gentleman any figures which would show how much of that would have gone to cotton, corn, and wheat; to the farmers of America?

Mr. PATMAN. Some of it would have gone there. The farmers would have also paid more. During the last war sugar went to 35 cents a pound—several times as much as now. But that was the main thing. The price of wheat and cotton did not go up so much during World War No. 1; it was after the war was over and during the inflationary period. What made it cost so much was the cost of steel, aluminum, and things like that. There is where the war cost was. For instance, steel plate went up 187 percent during that same period of the First World War, and during this war, in the same period, it has not gone up one penny. The same is true as to plate glass, cement, and many other things. There is where the real war cost is.

Mr. GILLESPIE. How much of this $65,000,000,000 would have been drained off in taxes?

The CHAIRMAN. The time of the gentleman from Texas has expired.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

[PUBLIC LAW 421, 77TH CONG. CH. 26, 2D SESS.]

H. R. 5990

An act to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes

Be it enacted, etc.,

TITLE I—GENERAL PROVISIONS AND AUTHORITY

PURPOSES; TIME LIMIT; APPLICABILITY

SECTION 1. (a) It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this Act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions from undue impairment of their standard of living; to prevent hardships, to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; to prevent a post emergency collapse of values; to stabilize agricultural prices in the manner provided in section 3; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes. It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the War Production Board, the National Labor Relations Board, the National Mediation Board, the National War Labor Board, and others heretofore or hereafter created), within the limits of their authority and jurisdiction, to work toward a stabilization of prices, fair and equitable wages, and cost of production.

(b) The provisions of this Act, and all regulations, orders, price schedules, and requirements thereunder, shall terminate on [June 30, 1944] *June 30, 1945*, or upon the date of a proclamation by the President, or upon the date specified in a concurrent resolution by the two Houses of the Congress, declaring that the further continuance of the authority granted by this Act is not necessary in the interest of the national defense and security, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this Act and such regulations, orders, price schedules, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

(c) The provisions of this Act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

PRICES, RENTS, AND MARKET AND RENTING PRACTICES

SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in section 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this Act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonal market conditions or other cause, then to the prices prevailing during the nearest two-week period in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941: *Provided, That no such regulation or order shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods: Provided further, That this Act shall not be construed or interpreted in such a way as to give the Administrator the right to fix profits where such action has no relation to price control.* Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, *and shall give consideration to their recommendations.* In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members, and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable, *and such recommendations shall be considered by the Administrator.* Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within five days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than sixty days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

(b) Whenever in the judgment of the Administrator such action is necessary or proper

in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within sixty days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this Act, then on or about a date (not earlier than April 1, 1940), which, in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs *within such defense-rental area.* In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area.

(c) Any regulation or order under this section may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions, as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this Act. *The Administrator shall provide for individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations.* Any regulation or order under this section which establishes a maximum price or maximum rent may provide for a maximum price or maximum rent below the price or prices prevailing for the commodity or commodities, or below the rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order. *Whenever the Administrator shall find that the availability of adequate rental housing accommodations and other relevant factors are such as to eliminate speculative, unwarranted, and abnormal increases in rents and to prevent profiteering, and speculative and disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this Act shall be forthwith abolished in such areas theretofore designated by the Administrator as defense-rental areas; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this Act, to reestablish the regulation of rents in any such defense-rental area, he may forthwith by regulation or order establish maximum rents for housing accommodations in the area in accordance with the standards set forth in this Act.*

(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession) in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as the case may be, inconsistent with the purposes of this Act.

(e) Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided*, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity: *Provided, however, That, with the exception of any commodity which prior to the effective date of this amendatory proviso has been defined as a strategic or critical material pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, no agricultural commodity or commodity manufactured or processed in whole or substantial part from any agricultural commodity intended to be used as food for human consumption, shall, for the purposes of this subsection, be defined as a strategic or critical material pursuant to the provisions of said section 5d of the Reconstruction Finance Corporation Act, as amended.* In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, or to authorize the Administrator to prohibit trading in any agricultural commodity for future delivery if such trading is subject to the provisions of the Commodity Exchange Act, as amended.

(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3, and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this Act with respect to such commodity.

(g) Regulations, orders, and requirements under this Act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

(h) The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, [except to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this Act] *or changes in established rental practices.*

(i) No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1941.

(j) Nothing in this Act shall be construed (1) as authorizing the elimination or any restriction of the use of trade and brand names; (2) as authorizing the Administrator to require the grade labeling of any commodity; (3) as authorizing the Administrator to standardize any commodity, unless the Administrator shall determine, with respect to such standardization, that no practicable alternative exists for securing effective price control with respect to such commodity; or (4) as authorizing any order of the Administrator fixing maximum prices for different kinds, classes, or types of a commodity which are described in terms of specifications or standards, unless such specifications or standards were, prior to such order, in general use in the trade or industry affected, or have previously been promulgated and their use lawfully required by another Government agency.

AGRICULTURAL COMMODITIES

SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 per centum of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 per centum of such comparable price, adjusted in the same manner, in lieu of 110 per centum of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941; or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

(b) For the purposes of this Act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law. In the case of any agricultural commodity other than the basic crops—corn, wheat, cotton, rice, tobacco, and peanuts—the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agri-

cultural commodity equal to the highest price therefor specified in subsection (a).

(d) Nothing contained in this Act shall be construed to modify, repeal, supersede, or affect the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provision thereof or amendment thereto, heretofore or hereafter made or issued under the provisions of such Act.

(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this Act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture; except that the Administrator may take such action as may be necessary under section 202 and section 205 [(a) and (b)] to enforce compliance with any regulation, order, price schedule or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture.

(f) No provision of this Act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

(g) Whenever a maximum price has been established, under this Act or otherwise, with respect to any fresh fruit or fresh vegetable, the Administrator from time to time shall adjust such maximum price in order to make appropriate allowances for substantial reductions in merchantable crop yields, unusual increases in costs of production, and other factors which result from hazards occurring in connection with the production and marketing of such commodity.

PROHIBITIONS

SEC. 4. (a) It shall be unlawful, regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, for any person to sell or deliver any commodity, or in the course of trade or business to buy or receive any commodity, or to demand or receive any rent for any defense-area housing accommodations, or otherwise to do or omit to do any act, in violation of any regulation or order under section 2, or of any price schedule effective in accordance with the provisions of section 206, or of any regulation, order, or requirement under section 202 (b) or section 205 (f), or to offer, solicit, attempt, or agree to do any of the foregoing.

(b) It shall be unlawful for any person to remove or attempt to remove from any defense-area housing accommodations the tenant or occupant thereof or to refuse to renew the lease or agreement for the use of such accommodations, because such tenant or occupant has taken, or proposes to take, action authorized or required by this Act or any regulation, order, or requirement thereunder.

(c) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Administrator in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

(d) Nothing in this Act shall be construed to require any person to sell any commodity or to offer any accommodations for rent.

VOLUNTARY AGREEMENTS

SEC. 5. In carrying out the provisions of this Act, the Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices the issuance of other regulations or orders, or the other purposes of this Act, but no such arrangement or agreement shall modify any regulation, order, or price schedule previously issued which is effective in accordance with the provisions of section 2 or section 206. The Attorney General shall be promptly furnished with a copy of each such arrangement or agreement.

TITLE II—ADMINISTRATION AND ENFORCEMENT

ADMINISTRATION

SEC. 201. (a) There is hereby created an Office of Price Administration, which shall be under the direction of a Price Administrator (referred to in this Act as the "Administrator"). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $12,000 per annum. The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary in order to carry out his functions and duties under this Act, and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may utilize the services of Federal, State, and local agencies and may utilize and establish such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any case in any court. In the appointment, selection, classification, and promotion of officers and employees of the Office of Price Administration, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

(b) The principal office of the Administrator shall be in the District of Columbia, but he or any duly authorized representative may exercise any or all of his powers in any place. The President is authorized to transfer any of the powers and functions conferred by this Act upon the Office of Price Administration with respect to a particular commodity or commodities to any other department or agency of the Government having other functions relating to such commodity or commodities, and to transfer to the Office of Price Administration any of the powers and functions relating to priorities or rationing conferred by law upon any other department or agency of the Government with respect to any particular commodity or commodities; but, notwithstanding any provision of this or any other law, no powers or functions conferred by law upon the Secretary of Agriculture shall be transferred to the Office of Price Administration or to the Administrator, and no powers or functions conferred by law upon any other department or agency of the Government with respect to any agricultural commodity, except powers and functions relating to priorities or rationing, shall be so transferred.

(c) The Administrator shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for lawbooks and books of reference; and for paper, printing, and binding) as he may deem necessary for the administration and enforcement of this Act. The provisions of section 3709 of the Revised Statutes shall not apply to the purchase of supplies and services by the Administrator where the aggregate amount involved does not exceed $250.

(d) The Administrator may, from time to time, issue such regulations and orders as he may deem necessary or proper in order to carry out the purposes and provisions of this Act.

(e) All agencies, offices, or officers of the Government exercising supervisory or policy-making powers over the Office of Price Administration, War Food Administration, or War Production Board, whether such powers are delegated to such agency, office, or officer by this or any other Act or by Executive order, shall exercise such powers only through formal written orders, or regulations which shall be promptly published in the Federal Register, but shall not otherwise be subject to the provisions of the Federal Register Act: Provided, That no order or regulation shall be published in accordance with the requirements of this subsection containing information which, for reasons of military security, it is not in the public interest to divulge.

INVESTIGATIONS; RECORDS; REPORTS

SEC. 202. (a) The Administrator is authorized to make such studies and investigations and to obtain such information as he deems necessary or proper to assist him in prescribing any regulation or order under this Act, or in the administration and enforcement of this Act and regulations, orders, and price schedules thereunder.

(b) The Administrator is further authorized, by regulation or order, to require any person who is engaged in the business of dealing with any commodity, or who rents or offers for rent or acts as broker or agent for the rental of any housing accommodations, to furnish any such information under oath or affirmation or otherwise, to make and keep records and other documents, and to make reports, and he may require any such person to permit the inspection and copying of records and other documents, the inspection of inventories, and the inspection of defense-area housing accommodations. The Administrator may administer oaths and affirmations and may, whenever necessary, by subpena, require any such person to appear and testify or to appear and produce documents, or both, at any designated place.

(c) For the purpose of obtaining any information under subsection (a), the Administrator may by subpena require any other person to appear and testify or to appear and produce documents, or both, at any designated place.

(d) The production of a person's documents at any place other than his place of business shall not be required under this section in any case in which, prior to the return date specified in the subpena issued with respect thereto, such person either has furnished the Administrator with a copy of such documents (certified by such person under oath to be a true and correct copy), or has entered into a stipulation with the Administrator as to the information contained in such documents.

(e) In case of contumacy by, or refusal to obey a subpena served upon, any person referred to in subsection (c), the district court for any district in which such person is found or resides or transacts business, upon application by the Administrator, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof. The provisions of this subsection shall also apply to any person referred to in subsection (b), and shall be in addition to the provisions of section 4 (a).

(f) Witnesses subpenaed under this section shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

(g) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 edition, title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege.

(h) The Administrator shall not publish or disclose any information obtained under this Act that such Administrator deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, un-

less he determines that the withholding thereof is contrary to the interest of the national defense and security.

PROCEDURE

SEC. 203. (a) [Within a period of sixty days] *At any time* after the issuance of any regulation or order under section 2, or in the case of a price schedule, [within a period of sixty days] *at any time* after the effective date thereof specified in section 206, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. [At any time after the expiration of such sixty days any person subject to any provision of such regulation, order, or price schedule may file such a protest based solely on grounds arising after the expiration of such sixty days.] Statements in support of any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this subsection, but in no event more than thirty days after such filing [or ninety days after the issuance of the regulation or order (or in the case of a price schedule, ninety days after the effective date thereof specified in section 206) in respect of which the protest is filed, whichever occurs later], the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

(b) In the administration of this Act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202.

(c) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs: *Provided, however, That, upon the request of the protestant, any protest filed in accordance with subsection (a) of this section, after September 1, 1944, shall, before denial in whole or in part, be considered by a board of review consisting of one or more officers or employees of the Office of Price Administration designated by the Administrator in accordance with regulations to be promulgated by him. The Administrator shall cause to be presented to the board such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate in support of the provision against which the protest is filed. The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the board and the board shall make written recommendations to the Price Administrator. The protestant shall be informed of the recommendations of the board and, in the event that the Administrator rejects such recommendations in whole or in part, shall be informed of the reasons for such rejection.*

(d) Any protest filed under this section shall be granted or denied by the Administrator, or granted in part and the remainder of it denied, within a reasonable time after it is filed. Any protestant who is aggrieved by undue delay on the part of the Administrator in disposing of his protest may petition the Emergency Court of Appeals, created pursuant to section 240, for relief; and such court shall have jurisdiction by appropriate order to require the Administrator to dispose of such protest within such time as may be fixed by the court. If the Administrator does not act finally within the time fixed by the court, the protest shall be deemed to be denied at the expiration of that period.

REVIEW

SEC. 204. (a) Any person who is aggrieved by the denial or partial denial of his protest may, within thirty days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint the court shall have exclusive jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided*, That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court, unless such objection shall have been set forth by the complainant in the protest or such evidence shall be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof; except that on request by the Administrator, any such evidence shall be presented directly to the court.

(b) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with law, or is arbitrary or capricious. The effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until the expiration of thirty days from the entry thereof, except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (d) within such thirty days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court.

(c) There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this Act; except that the court shall not have power to issue any temporary restraining order or interlocutory decree staying or restraining, in whole or in part, the effectiveness of any regulation or order issued under section 2 or any price schedule effective in accordance with the provisions of section 206. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases of which it has jurisdiction under this Act. The court may fix and establish a table of costs and fees to be approved by the Supreme Court of the United States, but the costs and fees so fixed shall not exceed with respect to any item the costs and fees charged in the Supreme Court of the United States. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

(d) Within thirty days after entry of a judgment or order, interlocutory or final, by the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The Emergency Court of Appeals, and the Supreme Court, upon review of judgments and orders of the Emergency Court of Appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule. Except as provided in this section, no court—Federal, State, or Territorial—shall have jurisdiction or power to consider the validity of any such regulation, order, or price schedule, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this Act authorizing the issuance of such regulations or orders, or making effective any such price schedule, or any provision of any such regulation, order, or price schedule, or to restrain or enjoin the enforcement of any such provision.

(e) (1) At any time prior to or within five days after judgment in any proceeding brought pursuant to section 205 involving alleged violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the court in which the proceeding is pending for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant is alleged to have violated. The court in which the proceeding is pending shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a). Upon the filing of a complaint pursuant to and within thirty days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with sub-

section (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection.

(2) In any proceeding brought pursuant to section 205 involving an alleged violation of any provision of any such regulation, order or price schedule, the court shall stay the proceeding—

(i) during the period within which a complaint may be filed in the Emergency Court of Appeals pursuant to leave granted under paragraph (1) of this subsection with respect to such provision;

(ii) during the pendency of any protest properly filed by the defendant under section 203 prior to the institution of the proceeding under section 205, setting forth objections to the validity of such provision which the court finds to have been made in good faith; and

(iii) during the pendency of any judicial proceeding instituted by the defendant under this section with respect to such protest or instituted by the defendant under paragraph (1) of this subsection with respect to such provision, and until the expiration of the time allowed in this section for the taking of further proceedings with respect thereto. Notwithstanding the provisions of this paragraph, in the case of a proceeding under section 205 (a) the court granting a stay under this paragraph may issue a temporary injunction or restraining order enjoining or restraining, during the period of the stay, violations by the defendant of the provision of the regulation, order, or price schedule involved. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any proceeding pending in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205.

ENFORCEMENT

SEC. 205. (a) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of section 4 of this Act, he may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Administrator that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

(b) Any person who willfully violates any provision of section 4 of this Act, and any person who makes any statement or entry false in any material respect in any document or report required to be kept or filed under section 2 or section 202, shall, upon conviction thereof, be subject to a fine of not more than $5,000, or to imprisonment for not more than two years in the case of a violation of section 4 (c) and for not more than one year in all other cases, or to both such fine and imprisonment. Whenever the Administrator has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

(c) The district courts shall have jurisdiction of criminal proceedings for violations of section 4 of this Act, and concurrently with State and Territorial courts, of all other proceedings under section 205 of this Act. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Except as provided in section 205 (f) (2), such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, and may also be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Administrator or the United States Government in any proceeding under this Act.

(d) No person shall be held liable for damages or penalties in any Federal, State, or Territorial court, on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this Act or any regulation, order, price schedule, requirement, or agreement thereunder, or under any price schedule of the Administrator of the Office of Price Administration or of the Administrator of the Office of Price Administration and Civilian Supply, notwithstanding that subsequently such provision, regulation, order, price schedule, requirement, or agreement may be modified, rescinded, or determined to be invalid. In any suit or action wherein a party relies for ground of relief or defense upon this Act or any regulation, order, price schedule, requirement, or agreement thereunder, the court having jurisdiction of such suit or action shall certify such fact to the Administrator. The Administrator may intervene in any such suit or action.

(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business [may] *may, within one year from the date of the occurrence of the violation except as hereinafter provided,* bring an action [either for $50 or for treble the amount by which the consideration exceeded the applicable maximum price, whichever is the greater, plus reasonable attorney's fees and costs as determined by the court] *against the seller on account of the overcharge. In such action, the seller shall be liable for reasonable attorney's fees and costs as determined by the court, plus whichever of the following sums is the greater: (1) Such amount not less than one and one-half times and not more than three times the amount of the overcharge, or the overcharges, upon which the action is based as the court in its discretion may determine, or (2) $50.* For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be; *and the word "overcharge" shall mean the amount by which the consideration exceeds the applicable maximum price.* If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer [is not entitled to bring suit or action under this subsection, the Administrator may bring such action under this subsection on behalf of the United States] *either fails to institute an action under this subsection within thirty days from the date of the occurrence of the violation or is not entitled for any reason to bring the action, the Administrator may institute such action on behalf of the United States within such one year period. If such action is instituted by the Administrator, the buyer shall thereafter be barred from bringing an action for the same violation or violations.* [Any suit or action under this subsection may be brought in any court of competent jurisdiction, and shall be instituted within one year after delivery is completed or rent is paid.] *Any action under this subsection by either the buyer or the Administrator, as the case may be, may be brought in any court of competent jurisdiction. A judgment in an action for damages under this subsection shall be a bar to the recovery under this subsection of any damages in any other action against the same seller on account of sales made to the same purchaser prior to the institution of the action in which such judgment was rendered.* [The provisions of this subsection shall not take effect until after the expiration of six months from the date of enactment of this act.]

(f) (1) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act and to assure compliance with and provide for the effective enforcement of any regulation or order issued or which may be issued under section 2, or of any price schedule effective in accordance with the provisions of section 206, he may by regulation or order issue to or require of any person or persons subject to any regulation or order issued under section 2, or subject to any such price schedule, a license as a condition of selling any commodity or commodities with respect to which such regulation, order, or price schedule is applicable. It shall not be necessary for the Administrator to issue a separate license for each commodity or for each regulation, order, or price schedule with respect to which a license is required. No such license shall contain any provision which could not be prescribed by regulation, order, or requirement under section 2 or section 202: *Provided,* That no such license may be required as a condition of selling or distributing (except as waste or scrap) newspapers, periodicals, books, or other printed or written material, or motion pictures, or as a condition of selling radio time: *Provided further,* That no license may be required of any farmer as a condition of selling any agricultural commodity produced by him, and no license may be required of any fisherman as a condition of selling any fishery commodity caught or taken by him: *Provided further,* That in any case in which such a license is required of any person, the Administrator shall not have power to deny to such person a license to sell any commodity or commodities, unless such person already has such a license to sell such commodity or commodities, or unless there is in effect under paragraph (2) of this subsection with respect to such person an order of suspension of a previous license to the extent that such previous license authorized such person to sell such commodity or commodities.

(2) Whenever in the judgment of the Administrator a person has violated any of the provisions of a license issued under this subsection, or has violated any of the provisions of any regulation, order, or requirement under section 2 or section 202 (b), or any of the provisions of any price schedule effective in accordance with the provisions of section 206, which is applicable to such person, a warning notice shall be sent by registered mail to such person. If the Administrator has reason to believe that such person has again violated any of the provisions of such license, regulation, order, price schedule, or requirement after receipt of such warning notice, the Administrator may petition any State or Territorial court of competent jurisdiction, or a district court subject to the limitations hereinafter provided, for an order suspending the license of such person for any period of not more than twelve months. If any such court finds that such person has violated any of the provisions of such license, regulation, order, price schedule, or requirement after the receipt of the warning notice, such court shall issue an order suspending the license to the extent that it authorizes such person to sell the commodity

or commodities in connection with which the violation occurred, or to the extent that it authorizes such person to sell any commodity or commodities with respect to which a regulation or order issued under section 2, or a price schedule effective in accordance with the provisions of section 206, is applicable; but no such suspension shall be for a period of more than twelve months. For the purposes of this subsection, any such proceedings for the suspension of a license may be brought in a district court if the licensee is doing business in more than one State, or if his gross sales exceed $100,000 per annum. Within thirty days after the entry of the judgment or order of any court either suspending a license, or dismissing or denying in whole or in part the Administrator's petition for suspension, an appeal may be taken from such judgment or order in like manner as an appeal may be taken in other cases from a judgment or order of a State, Territorial, or district court, as the case may be. Upon good cause shown, any such order of suspension may be stayed by the appropriate court or any judge thereof in accordance with the applicable practice; and upon written stipulation of the parties to the proceeding for suspension, approved by the trial court, any such order of suspension may be modified, and the license which has been suspended may be restored, upon such terms and conditions as such court shall find reasonable. Any such order of suspension shall be affirmed by the appropriate appellate court if, under the applicable rules of law, the evidence in the record supports a finding that there has been a violation of any provision of such license, regulation, order, price schedule, or requirement after receipt of such warning notice. No proceedings for suspension of a license, and no such suspension, shall confer any immunity from any other provision of this Act.

SAVING PROVISIONS

SEC. 206. Any price schedule establishing a maximum price or maximum prices, issued by the Administrator of the Office of Price Administration or the Administrator of the Office of Price Administration and Civilian Supply, prior to the date upon which the Administrator provided for by section 201 of this Act takes office, shall, from such date, have the same effect as if issued under section 2 of this Act until such price schedule is superseded by action taken pursuant to such section 2. Such price schedules shall be consistent with the standards contained in section 2 and the limitations contained in section 3 of this Act, and shall be subject to protest and review as provided in section 203 and section 204 of this Act. All such price schedules shall be reprinted in the Federal Register within ten days after the date upon which such Administrator takes office.

TITLE III—MISCELLANEOUS

QUARTERLY REPORT

SEC. 301. The Administrator from time to time, but not less frequently than once every ninety days, shall transmit to the Congress a report of operations under this Act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be.

DEFINITIONS

SEC. 302. As used in this Act—

(a) The term "sale" includes sales, dispositions, exchanges, leases, and other transfers, and contracts and offers to do any of the foregoing. The terms "sell", "selling", "seller", "buy", and "buyer" shall be construed accordingly.

(b) The term "prices" means the consideration demanded or received in connection with the sale of a commodity.

(c) The term "commodity" means commodities, articles, products, and materials (except materials furnished for publication by any press association or feature service, books, magazines, motion pictures, periodicals, and newspapers other than as waste or scrap), and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity: *Provided*, That nothing in this Act shall be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility, or (3) rates charged by any person engaged in the business of selling or underwriting insurance, or (4) rates charged by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio broadcasting station, a motion-picture or other theater enterprise, or outdoor advertising facilities, or (5) rates charged for any professional services.

(d) The term "defense-rental area" means the District of Columbia and any area designated by the Administrator as an area where defense activities have resulted or threaten to result in an increase in the rents for housing accommodations inconsistent with the purposes of this Act.

(e) The term "defense-area housing accommodations" means housing accommodations within any defense-rental area.

(f) The term "housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes (including houses, apartments, hotels, rooming or boarding house accommodations, and other properties used for living or dwelling purposes) together with all privileges, services, furnishings, furniture, and facilities connected with the use or occupancy of such property.

(g) The term "rent" means the consideration demanded or received in connection with the use or occupancy or the transfer of a lease of any housing accommodations.

(h) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

(i) The term "maximum price," as applied to prices of commodities means the maximum lawful price for such commodities, and the term "maximum rent" means the maximum lawful rent for the use of defense-area housing accommodations. Maximum prices and maximum rents may be formulated, as the case may be, in terms of prices, rents, margins, commissions, fees, and other charges, and allowances.

(j) The term "documents" includes records, books, accounts, correspondence, memoranda, and other documents, and drafts, and copies of any of the foregoing.

(k) The term "district court" means any district court of the United States, and the United States Court for any Territory or other place subject to the jurisdiction of the United States; and the term "circuit courts of appeals" includes the United States Court of Appeals for the District of Columbia.

SEPARABILITY

SEC. 303. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

APPROPRIATIONS AUTHORIZED

SEC. 304. There are authorized to be appropriated such sums as may be necessary or proper to carry out the provisions and purposes of this Act.

APPLICATION OF EXISTING LAW

SEC. 305. No provision of law in force on the date of enactment of this Act shall be construed to authorize any action inconsistent with the provisions and purposes of this Act.

SHORT TITLE

SEC. 306. This Act may be cited as the "Emergency Price Control Act of 1942."

Approved, January 30, 1942.

[Public Law 729, 77th Cong., ch. 578, 2d sess.]

H. R. 7565

AN ACT to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to aid in the effective prosecution of the war, the President is authorized and directed, on or before November 1, 1942, to issue a general order stabilizing prices, wages, and salaries, affecting the cost of living; and, except as otherwise provided in this Act, such stabilization shall so far as practicable be on the basis of the levels which existed on September 15, 1942. The President [may] *shall*, except as otherwise provided in this Act, thereafter provide for making adjustments with respect to prices, wages, and salaries, to the extent that he finds necessary to aid in the effective prosecution of the war or to correct gross inequities: *Provided*, That no common carrier or other public utility shall make any general increase in its rates or charges which were in effect on September 15, 1942, unless it first gives thirty days notice to the President, or such agency as he may designate, and consents to the timely intervention by such agency before the Federal, State, or municipal authority having jurisdiction to consider such increase.

SEC. 2. The President may, from time to time, promulgate such regulations as may be necessary and proper to carry out any of the provisions of this Act; and may exercise any power or authority conferred upon him by this Act through such department, agency, or officer as he shall direct. The President may suspend the provisions of sections 3 (a) and 3 (c), and clause (1) of section 302 (c), of the Emergency Price Control Act of 1942 to the extent that such sections are inconsistent with the provisions of this Act, but he may not under the authority of this Act suspend any other law or part thereof.

SEC. 3. No maximum price shall be established or maintained for any agricultural commodity under authority of this Act or otherwise below a price which will reflect to producers of agricultural commodities the higher of the following prices, as determined and published by the Secretary of Agriculture—

(1) The parity price for such commodity (adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials) or, in case a comparable price has been determined for such commodity under and in accordance with the provisions of section 3 (b) of the Emergency Price Control Act of 1942, such comparable price (adjusted in the same manner), or

(2) The highest price received by such producers for such commodity between January 1, 1942, and September 15, 1942 (adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials), or, if the

market for such commodity was inactive during the latter half of such period, a price for the commodity determined by the Secretary of Agriculture to be in line with the prices, during such period, of other agricultural commodities produced for the same general use; and no maximum price shall be established or maintained under authority of this Act or otherwise for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to the producers of such agricultural commodity a price therefor equal to the higher of the prices specified in clauses (1) and (2) of this section: *Provided,* That the President [may] *shall,* without regard to the limitation contained in clause (2), adjust any such maximum price to the extent that he finds necessary to correct gross inequities; but nothing in this section shall be construed to permit the establishment in any case of a maximum price below a price which will reflect to the producers of any agricultural commodity the price therefor specified in clause (1) of this section: *Provided further,* That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs: *Provided further,* That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing: *Provided further,* That in fixing price maximums for agricutural commodities and for commodities processed or manufactured in whole or substantial part from any agricultural commodity as provided for by this Act, adequate weighting shall be given to farm labor.

SEC. 4. No action shall be taken under authority of this Act with respect to wages or salaries, (1) which is inconsistent with the provisions of the Fair Labor Standards Act of 1938, as amended, or the National Labor Relations Act, or (2) for the purpose of reducing wages or salaries for any particular work below the highest wages or salaries paid therefor between January 1, 1942, and September 15, 1942.

In any dispute between employees and carriers subject to the Railway Labor Act, as amended, as to changes affecting wage or salary payments, the procedures of such Act shall be followed for the purpose of bringing about a settlement of such dispute. Any agency provided for by such Act, as a prerequisite to effecting or recommending a settlement of any such dispute, shall make a specific finding and certification that the changes proposed by such settlement or recommended settlement are consistent with such standards as may be then in effect, established by or pursuant to law, for the purpose of controlling inflationary tendencies. Where such finding and certification are made by such agency, they shall be conclusive, and it shall be lawful for the employees and carriers, by agreement, to put into effect the changes proposed by the settlement or recommended settlement with respect to which such finding and certification were made.

SEC. 5. (a) No employer shall pay, and no employee shall receive, wages or salaries in contravention of the regulations promulgated by the President under this Act. The President shall also prescribe the extent to which any wage or salary payment made in contravention of such regulations shall be disregarded by the executive departments and other governmental agencies in determining the costs or expenses of any employer for the purposes of any other law or regulation.

(b) Nothing in this Act shall be construed to prevent the reduction by any private employer of the salary of any of his employees which is at the rate of $5,000 or more per annum.

(c) The President shall have power by regulation to limit or prohibit the payment of double time except when, because of emergency conditions, an employee is required to work for seven consecutive days in any regularly scheduled workweek.

SEC. 6. The provisions of this Act (except sections 8 and 9), and all regulations thereunder, shall terminate on [June 30, 1944] *June 30, 1945,* or on such earlier date as the Congress by concurrent resolution, or the President by proclamation, may prescribe.

SEC. 7. (a) Section 1 (b) of the Emergency Price Control Act of 1942 is hereby amended by striking out "June 30, 1943" and substituting "June 30, 1944".

(b) All provisions (including prohibitions and penalties) of the Emergency Price Control Act of 1942 which are applicable with respect to orders or regulations under such Act shall, insofar as they are not inconsistent with the provisions of this Act, be applicable in the same manner and for the same purposes with respect to regulations or orders issued by the Price Administrator in the exercise of any functions which may be delegated to him under authority of this Act.

(c) Nothing in this Act shall be construed to invalidate any provision of the Emergency Price Control Act of 1942 (except to the extent that such provisions are suspended under authority of section 2), or to invalidate any regulation, price schedule, or order issued or effective under such Act.

SEC. 8. (a) The Commodity Credit Corporation is authorized and directed to make available upon any crop of the commodities cotton, corn, wheat, rice, tobacco and peanuts harvested after December 31, 1941, and before the expiration of the two-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which such crop is harvested, loans as follows:

(1) To cooperators (except cooperators outside the commercial corn-producing area, in the case of corn) at the rate of 90 per centum of the parity price for the commodity as of the beginning of the marketing year;

(2) To cooperators outside the commercial corn-producing area, in the case of corn, at the rate of 75 per centum of the rate specified in (1) above;

(3) To noncooperators (except noncooperators outside the commercial corn-producing area, in the case of corn) at the rate of 60 per centum of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

(b) All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are not inconsistent with the provisions of this section, be applicable with respect to loans made under this section.

(c) In the case of any commodity with respect to which loans may be made at the rate provided in paragraph (1) of subsection (a), the President may fix the loan rate at any rate not less than the loan rate otherwise provided by law if he determines that the loan rate so fixed is necessary to prevent an increase in the cost of feed for livestock and poultry and to aid in the effective prosecution of the war.

SEC. 9. (a) Section 4 (a) of the Act entitled "An Act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941 (U. S. C., 1940 edition, Supp. I, title 15, sec. 713a-8), is amended—

(1) By inserting after the words "so as to support" a comma and the following: "during the continuance of the present war and until the expiration of the two-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated,".

(2) By striking out "85 per centum" and inserting in lieu thereof "90 per centum".

(3) By inserting after the word "tobacco" a comma and the word "peanuts".

(b) The amendments made by this section shall, irrespective of whether or not there is any further public announcement under such section 4 (a), be applicable with respect to any commodity with respect to which a public announcement has heretofore been made under such section 4 (a).

SEC. 10. When used in this Act, the terms "wages" and "salaries" shall include additional compensation, on an annual or other basis, paid to employees by their employers for personal services (excluding insurance and pension benefits in a reasonable amount to be determined by the President); but for the purpose of determining wages or salaries for any period prior to September 16, 1942, such aditional compensation shall be taken into account only in cases where it has been customarily paid by employers to their employees.

SEC. 11. Any individual, corporation, partnership, or association willfully violating any provision of this Act, or of any regulation promulgated thereunder, shall, upon conviction thereof, be subject to a fine of not more than $1,000, or to imprisonment for not more than one year, or to both such fine and imprisonment.

SEC. 12. The Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House of Representatives, respectively, are authorized to conduct investigations as to the effectiveness of the stabilization activities carried on pursuant to this Act, the Emergency Price Control Act of 1942, or otherwise, and as to the effect of such activities upon industry, production, renting and housing, and distribution. For such purposes, either such committee, acting as a whole or by subcommittee, may sit and act at such times, whether or not the Senate or House is sitting, has recessed, or has adjourned, hold such hearings, require by subpena, or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, and take such testimony, as it deems necessary. Subpena may be issued under the signature of the chairman of either such committee or of any member designated by him, and may be served by any person designated by such chairman or member. Such committees, respectively, shall report from time to time to the Senate and House of Representatives the results of such investigations, together with such recommendations as such committees deem advisable.

SEC. 13. This Act may be cited as the "Stabilization Act of 1942".

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from California [Mr. ROLPH].

Mr. ROLPH. Mr. Chairman, quoting from my remarks in this Chamber to November 25, 1941, and referring to the committee vote which originally brought price control to the floor of the House, I said:

The vote of 18 to 5 shows that this legislation is by no stretch of the imagination a partisan measure.

In voting the present extension, our committee cast not one negative vote. Price control continues to be anything but a partisan measure.

Price control is a success. Critics of O. P. A. do not find fault with the law. They complain about the way it is being administered.

On November 25, 1941, I made this further statement:

We need planes, tanks, ships, and munitions of all sorts for national defense. That is the thought underlying price-control legislation.

How well we planned is set forth by the Office of Price Administration itself on page 87 of the Bureau's brochure entitled "Renewal of the Price Control Act." Several Members have referred to this sixty-five billion, and I just want to quote exactly from the O. P. A. records:

One hundred and thirty-six billion dollars was the cost to the taxpayers up to January 1, 1944, of fighting World War No. 2. We have seen the record of comparative prices of the two wars. We know that the cost of World War No. 1 was increased 72 percent by unnecessary price rises. We have seen on previous charts six comparisons showing the far greater inflationary pressures of World War No. 2. If prices of war materials had increased to the same degree as during World War No. 1, $65,000,000,000 extra would have been already added to the cost of the present war. Whether the actual figure would have been more or less than that huge sum is anybody's guess.

Congress takes just pride in the record. But our efforts would have been in vain unless the people themselves had backed us up. When originally voting for price control we knew full well this form of regimentation had no chance of success without almost unanimous public approval. People responded wholeheartedly.

Witnesses by the score appeared before our committee. It would seem that every comma, every phrase, every word in the law had been gone over with a fine-tooth comb. Representatives from the country over were given an opportunity of setting forth their ideas and opinions. In hundreds of cases where individuals or groups were unable to present their views in person they sent resolutions, wires, letters, or releases. All desire price control to be continued.

When I was home a short while ago, I heard only one man ask that the law be repealed. While almost everyone has his or her individual idea as to how O. P. A. should be run, it is evident we cannot write a bill satisfactory to each individual.

Other Members will talk to you about various items, procedures, and practices. Rent control is the subject I will discuss. What I am working for is fair treatment to tenant and owner alike.

In San Francisco rents were frozen on March 1, 1942. My city was one of the first places declared a defense area. Many owners rented their property at subnormal rents during the depression, for two reasons: First, because property deteriorates very rapidly unless it is occupied, and, secondly, to give those people whose incomes had declined so greatly in the depression an opportunity to get suitable living accommodations. In many instances the tenants themselves, whose incomes have increased greatly, would be glad to pay increased rents, but under the O. P. A. regulations they are prevented from doing so.

In order to clear up this situation, and so as to make the law satisfactory to all parties concerned and to be fair to landlord and tenant, I introduced an amendment which would take care of 80 percent of the complaints against rent control. I would like to read that amendment at this time:

Amend section 2 (b) by adding at the end thereof the following:

"The Administrator shall within 60 days after the effective date of this act amend the rent regulations to provide that the area rent directors of each defense-rental area heretofore or hereafter designated by the Administrator shall make individual adjustments in cases within their areas where injustices are being done or will be done to either owner or occupant, including cases where:

"(a) There have been since the maximum rent date a substantial rise in property taxes or net operating costs, or

"(b) The rent on the maximum rent date for any housing accommodation is, due to peculiar circumstance, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations, or

"(c) Petition is made for determination of a maximum rent prior to renting of housing accommodations first rented after the maximum rent date, or

"(d) In a multiple-unit premises or project the rent for any unit of housing accommodation is lower than the maximum rent generally prevailing for comparable housing accommodations in the same premises or project on the maximum rent date, or

"(e) The rent is less than the total cost of operating the housing accommodations and is lower than the rent generally prevailing for comparable housing accommodations on the maximum rent date."

Mr. Chairman, informed parties tell me that almost 90 percent of rent complaints cover items ranging from $2.50 to $10.

The amendment just read was defeated by a single vote in the committee. However, the following amendment was adopted unanimously:

Insert after the first sentence in section 2 (c) the following sentence:

"The Administrator shall provide for individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations."

I sincerely hope that this amendment will be of help.

Now about the racket which has arisen in connection with the provisions of the act which makes it mandatory in civil actions for the court to impose a fine of $50 or three times the amount of the overcharge, whichever is greater, in each instance where there has been an overcharge. I quote in part from a letter received from San Francisco on this point:

As you can well understand, there are many instances where disputes may arise and where the landlord may be acting in good faith, such as, for instance, where the original rental was fixed for one-family unit and afterward additional tenants, or two or more family units, move in to take possession, or where extra facilities are provided, such as refrigeration or new or additional equipment. In such case the tenant may agree to pay a slight increase in rental, but at the end of a year may sue the landlord to obtain a judgment based upon 12 or more alleged violations of the act over a period of 12 months, on the basis of $50 for every alleged violation.

A case was reported here of an elderly woman who had been renting a small flat to a man for $12.50 a month. New tenants moved in and the rent was fixed at $13.50 per month. At the end of a year the tenants brought suit, claiming 12 violations of the act, and the court awarded the tenants $50 judgment for each violation, a total of $600, plus $75 attorney fees, and also an additional amount for costs of court, all upon alleged overcharge of $12.

In this connection I now quote from a San Francisco paper:

In passing on the suits Judge Cronin said: "If these awards seem harsh in view of the amount of the overcharges, it must be borne in mind that as judge of this court there is nothing I can do about it. The plain purpose of the provisions of the Emergency Price Control Act is to prevent the evils of inflation, and for that purpose to enlist the help of consumers in discouraging violations. Granting these awards are mandatory upon the courts and in these cases no judicial discretion whatever is allowed. The award must be either $50 or three times the amount of the particular overcharge in each instance, whichever, according to the terms of the law, is the greater.

"The statute is so strict that good faith and innocent nonconformity with its provisions, even though coupled with a willingness and a desire to make restitution for the overcharge, cannot be considered by the courts as a defense.

"In none of these cases do I necessarily find the defendants guilty of bad faith or deliberate intentions to violate the law, but from the evidence adduced, as a matter of simple mathematics, I am compelled to find their charges were greater than those allowed by O. P. A. regulations and price ceilings, and hence judgments must be rendered as indicated."

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. ROLPH. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. I take this occasion to compliment the gentleman from California on the diligent fight he made in the committee to eliminate this form of racketeering, and also to say that the improvements in the hardship provisions in the rental portion of the price-control bill were largely due to his persistence in this matter.

Mr. ROLPH. I thank the gentleman very sincerely. May I say that it was also with the help of the distinguished gentleman from Oklahoma that the committee has rectified this situation.

Section 205, subsection (e), of the committee bill corrects this situation so that the amount which the court may allow in the rent case referred to is either $18 or $50, plus a reasonable attorney's fee. This should effectively put a stop to the unfortunate practice which has arisen.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. ROLPH. I yield to the gentleman from New York.

Mr. DICKSTEIN. The amendment to which the gentleman referred cures a situation which, it seems to me, placed an unusual hardship upon the property owner. I think the gentleman is making out a strong case.

Mr. ROLPH. It was a committee amendment. The entire committee was unanimous.

Mr. DICKSTEIN. Will this committee amendment cure this particular evil?

Mr. ROLPH. Definitely; yes.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. ROLPH. I yield to the gentleman from Arizona.

Mr. MURDOCK. The gentleman from New York has asked the question I intended to ask. Does the gentleman feel positive now that the committee amendment will take care of such hardship cases?

Mr. ROLPH. Yes, definitely; the bill that has been reported out will take care of these hardship cases and put a stop to racketeering.

Mr. MURDOCK. I, too, congratulate the gentleman from California on this move.

Mr. ROLPH. I thank the gentleman very much.

Mr. GAMBLE. Mr. Chairman, will the gentleman yield?

Mr. ROLPH. I yield to the gentleman from New York.

Mr. GAMBLE. I think the real-estate operators are very much pleased with this provision themselves. I believe it will be of considerable benefit all the way along the line. Has not the gentleman been told that in the last few days?

Mr. ROLPH. Yes. I thank the gentleman for bringing that up. I am quite sure the real-estate people throughout the country will be very pleased with this amendment, because it cures the purest kind of a racket, a practice which Congress never intended to allow to develop.

Mr. GAMBLE. It by no means weakens the present act; that is what we were trying to avoid.

Mr. ROLPH. By no means; it strengthens it. As I said before, what we desire is legislation fair to both tenant and owner alike.

Mr. BROWN of Georgia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill and a joint resolution of the House of the following titles:

H. R. 3236. An act to provide aid to dependent children in the District of Columbia; and

H. J. Res. 242. Joint resolution to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918, as amended.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4204) entitled "An act making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House of Representatives to the amendment of the Senate numbered 21 to the foregoing bill.

The message also announced that the Senate further insists upon its amendments numbered 10, 12, and 13, disagreed to by the House of Representatives, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCARRAN, Mr. MCKELLAR, Mr. RUSSELL, Mr. BANKHEAD, Mr. CONNALLY, Mr. WHITE, and Mr. REED to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolutin (S. J. Res. 133) entitled "Joint resolution to extend the time limit for immunity."

EXTENSION OF REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain excerpts from certain hearings.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GAMBLE. Mr. Speaker, on behalf of my colleague the gentlewoman from New York [Miss STANLEY], I ask unanimous consent to print in the Appendix of the RECORD a poem entitled "Good Luck, Soldier," written by William Rose Benét.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an article by Mr. Tom Linder of Georgia.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a report on C. A. A.-W. T. S. training.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent that I may have permission to revise and extend my remarks in the RECORD and include certain excerpts and communications.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise the remarks I made today and include therein in connection therewith a copy of the bill as presented by the Committee on Banking and Currency to extend the Price Control and Stabilization Acts, and to show in italic in some suitable and appropriate manner the changes that have been made or proposed by the committee in existing law; and a further unanimous-consent request to extend my remarks and to include a statement by a large wholesale grocery concern, over 100 years old, which shows comparative prices during the First World War and the Second World War, to make such comparison appear in parallel columns.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to withhold two parts of my speech which I do not want to put in the RECORD tonight, but put in the Appendix later as part of my address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JACKSON HOLE MONUMENT

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and to include therein a petition in regard to the Jackson Hole National Monument.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, I want to make a short statement about the Jackson Hole National Monument in Wyoming, which has been a subject of Nation-wide discussion and, I regret, a matter of much misunderstanding.

After Jackson Hole National Monument was established last year by the President, the gentleman from Wyoming [Mr. BARRETT] introduced a bill H. R. 2241, to abolish the monument. Since Mr. BARRETT'S bill concerns the public lands, it was referred to my committee, where it has been thoroughly and exhaustively studied. At the conclusion of extensive hearings here in Washington, I went out to Wyoming to see this famous area myself, to study its problems on the ground, and to get first-hand information. As a result of that study, I have reached the following conclusions:

In the creation of Jackson Hole National Monument, there was no departure from established precedent.

Congress, in 1906, authorized the President to establish national monuments. Every President since that time, regardless of party, has established national monuments under this authority granted

by Congress. A total of 82 such national monuments have been created under this authority to date. Many of them are smaller and many of them are larger than the Jackson Hole Monument area.

No State's rights were disturbed by the creation of this monument.

The proclamation setting up the area refers only to the Federal lands within the described boundaries, and more than 92 percent of the area included within the monument boundaries is either Federal land or land bought with the knowledge and consent of the people of Wyoming to be donated to the Federal Government.

State lands inside the monument boundaries amounts to 1,367 acres, or only sixty-one one-hundredths of 1 percent of the monument area, and that land still belongs to the State. Moreover, the State's jurisdiction over the lands in the monument is exactly the same today as it was before the monument was established. The State has lost nothing.

No individual rights have been lost by the creation of the monument, either.

The monument was created subject to all valid existing rights. Any rancher, or anybody else, who had rights in the area before the monument was created has those same rights today. Contrary to the impression that has gained wide acceptance, nobody's private lands, homes, permits, or other rights have been damaged or threatened in any manner whatsoever.

Shortly after the monument was reserved, the Secretary of the Interior issued a most reassuring and forthright policy statement governing the administration of these Federal lands. In this statement he said, and I quote:

> In fact, all permits issued by the Forest Service or other Federal agencies for use of lands now within the national monument will be honored by the National Park Service during the lifetime of the present holders, and the members of their immediate family. This includes existing grazing privileges on monument lands and stock driveway privileges. Cattlemen desiring in the spring and fall to drive their cattle across the monument lands between their respective ranches and the summer ranges on national forest or other lands will be permitted to do so.

The establishment of Jackson Hole National Monument is no detriment to Teton County, in which the area is situated.

Private property in the monument is still subject to taxation. In this connection it is interesting to note that the State of Wyoming collected more than $150,000 in taxes from Yellowstone National Park in 1941. That shows that tourists pay.

When the private lands which have been purchased in Jackson Hole National Monument to donate to the Government are accepted by the Government, Teton County will suffer a temporary loss of about $10,000 annually. That situation should be rectified and it is up to Congress to rectify it. There is now pending a bill—Senate 380—introduced by Senator HAYDEN to authorize the payment of a reasonable portion of national park tourist fees to the counties in which the parks are situated, and I am introducing a similar bill. Both the President and the Secretary of the Interior have indicated their support of some such measure to compensate Teton County.

Obviously, the way to deal with that problem is for Congress to authorize the necessary payments. Abolition of the monument would solve nothing and would be purely negative.

When I went to Wyoming, I also found that there was not unanimous opposition to this monument. I found that there is an honest difference of opinion concerning it. As an example of what I found, I want to introduce herewith into the RECORD a letter signed by eight influential businessmen in the town of Jackson, which I received too late to include in the printed hearings, urging that the monument not be abolished. I also wish to include a petition signed by numerous people in Jackson Hole, and handed to me when I was there, supporting the monument, and a letter which indicated plainly that many other people in Jackson Hole would support the monument openly if they dared.

These petitions are as follows:

JACKSON, WYO., *August 16, 1943.*

Hon. J. HARDIN PETERSON,
Chairman, Public Lands Committee of the House of Representatives.

DEAR SIR: We would like to bring before your committee our vigorous objection to Congressman BARRETT'S bill to set aside the President's proclamation creating the Jackson Hole National Monument. We are all now, and have been for many years past, residents of Jackson Hole. We have seen Jackson Hole grow in the last 15 years from a small cattle town to the thriving community with its many activities as you see it today. We believe that growth has been due entirely to its attraction as a recreational area which people all over the country are beginning to hear about through the National Park Service. We believe that the influx of tourist travel has just begun and that after the war it will greatly increase.

If Jackson Hole is not protected by being in a national park area, these crowds of visitors and those trying to make money from them, will, in short order, spoil the country. This they were beginning to do when Jenny and Leigh Lakes and the Teton Peaks were protected by the creation of Grand Teton National Park and Mr. Rockefeller bought up most of the privately owned lands in the north part of the valley. On the other hand, we believe that this area, protected by a national park, administered in accordance with the peculiar character of this country (which is quite different from Yellowstone) can take care of all of the tourist travel that will come here and will greatly increase the prosperity of this valley and the businesses in the town of Jackson.

On the faith of this belief, we have made heavy financial investments in the town of Jackson to which we are now committed as they are in the shape of buildings and equipment which are permanently there. We made that investment in the belief that this area would become a part of the national park system, protected and developed as such. If we had not believed that, we would not have invested our money here as we have.

We earnestly urge you not to undo the Jackson Hole National Monument, but, if it needs bettering in any way, that you strengthen and perfect it by legislation.

Our businesses and our investments in Jackson are written after our signatures.

Respectfully yours,

W. L. Spicer, garage and property, $45,000; Ben F. Goe, saloon and property, $70,000; Wort Bros., John & Jess Hotel and other real estate, $200,000; H. C. Richards, Ideal Lodge, $80,000; R. T. Black, Black's Lodge, $45,000; John James, James' Cabins, $45,000; Jack Moore, Moore's Cafe, $40,000; A. Martin, laundry, $20,000.

JACKSON, WYO., *August 1943.*

To the House of Representatives, Committee on the Public Lands, Hon. J. Hardin Peterson, Chairman:

INVESTIGATIONS IN CONNECTION WITH H. R. 2241

GENTLEMEN: We, the undersigned, are long-time residents of Jackson Hole, Wyo., and are actively engaged in business here. For the past 25 years or more there have been arguments and disputes about the future of this valley that have at times become so bitter as to wreck old friendships and entirely to lose sight of actualities and facts. The establishment of the Jackson Hole National Monument has caused these old feuds to flare up again, and we feel that so much misinformation is being given out in the heat of passion that we have concluded that some of us who have not been involved in these controversies should take it upon ourselves to bring before your committee the simple facts of the case as we see them. We have tried to separate the wheat from the chaff and these are our conclusions:

1. We believe that Jackson Hole is one of the finest outdoor recreational areas in the world and that it should be protected and developed as such.

2. We believe that the cattle business is an essential part of the industry of the valley and that it can and should continue along with the recreational activities. The cattle business is by the very nature of the country limited in its operations and the rights which the cattlemen have always had, to drive their cattle in the spring and fall across what is now a part of the National Monument, should be secured to them, their heirs and assigns, by national legislation and should not be left subject to change at the will of bureau chiefs. As private lands in the Monument pass to Government ownership, and the fences are taken down and the available area is thus enlarged, this right can, without detriment to other considerations, and should, become the right to drift and graze across the Monument to and from the summer range.

3. The wild game for which this region is famous, is the property of the State of Wyoming. There are many problems of management which should be left to the trained men of the State game department with whom the Wildlife Service of the Department of the Interior has always cooperated. We believe that the State of Wyoming should continue in the management of its game herds and in the control of its big-game hunting.

4. We all know that if Teton County is to continue its existence as a county (and we believe it should because of its geographical location) it must be provided with funds to compensate it for the loss of taxes on privately owned lands taken over by the Government within the Monument area. Both the President of the United States and the Secretary of the Interior have stated they would give their support to legislation to accomplish this.

5. The Jackson Hole country, its beautiful lakes and watersheds, have been in constant danger of exploitation in the past. The Presidential proclamation of 1918 and subsequent proclamations and the vigilance and

cooperation of our State officials have so far prevented such exploitation, but Federal legislation has long been needed to make permanent that protection.

6. While we would have preferred an act of Congress, setting aside the north end of Jackson Hole as a recreational area and incorporating in the act guaranties of protection for our country, the grazing rights of the cattlemen and all other existing valid claims, and private ownerships remaining in the area, nevertheless the Presidential proclamation of March 15, 1943, setting aside this section as the Jackson Hole National Monument, has provided the much-needed permanent protection so long required and should be allowed to stand unless and until more comprehensive legislation is enacted by the Congress of the United States.

7 It is our final conclusion that it is time for us to work constructively together and to put an end to quarreling, and we urge upon our congressional delegation that they transfer their efforts from the present Barrett bill to efforts for constructive legislation that will supplement the monument proclamation, by giving permanence and certainty to the foregoing rights which, although now guaranteed by the statements of officials of the Interior Department, should be placed beyond any possibility of doubt by legislative action.

We have asked those of our fellow citizens who agree with us in our conclusions to indicate their approval by signing this letter with us, and so that may more readily be done we have signed this letter in six originals.

W. Z. Spicer, R. T. Black, John Wort, W. J. Grant, Orin H. Seaton, Virgil W. Ward, J. Wallace Moulton.

We, as residents of Jackson Hole, in Teton County, Wyo., endorse our approval of the above letter:

James Budge; Del Brown; G. L. Wehville; Mrs. M. R. Yokel; Mrs. M. E. Ward; Elbert E. Davidson; Mrs. Julius Sensenbach; J. J. Goodrich; Mary A. Budge; R. C. Lundy, H. A. Curtis; Jesse D. Wilson; Edna E. Wilson; M. R. Yokel; Nephi Moulton; M. E. Moulton; Seth Johnson, Independent Oil Co.; L. Sager, ranch manager; Harry Hein; Jack F. Moore, Moore's Cafe; Ruby Spicer; Lucy Curtis; Jean Johnson; Helen Black; Laura B. Seebohm; Robert L. Price; W. H. Seebohm; Howard Erwin; Pauline Hein; John J. Nelsen; Mrs. John James; John Nelsen; Joe Pfeifer; Mae O. Kafferlin; F. J. Edmiston; R. D. Reimen; E. A. Seelemire; W. C. Miner; Wafie E. Robinson; K. M. Robinson; Ben F. Goe; Helen Seelemire; R. C. McQueen; Gertrude Bessette; Clover Sturlin; John James; V. M. Hess; Alice M. Giles; A. Martin; H. C. Richards; Eliza Richards; C. C. Scott; John S. Smith; Ivan Basye; Emil Bestuyville; Cuhl Clason Eneuy Jacobson; Frank P. Bessette; Dave Madsen; Frank Gosarson; Myron Seaton; Helen F. Seaton; W. H. Seelemire; Camilla L. Seelemire; Richard Winger; J. D. Flavin; Mrs. Mary Heninger; Walter D. Huyler, Bear Paw Ranch, Wilson, Wyo.; Margaret P. Huyler, Bear Paw Ranch, Wilson, Wyo.; Marta Winger, Jackson, Wyo.; G. F. Giles, Moran, Wyo.; W. L. Giles, Moran, Wyo.; Robert S. Turner, Moose, Wyo.; Struthers Burt, Moran, Wyo.; Katharine Newlin Burt, Moran, Wyo.; P. M. Browne, Moran, Wyo.; Aldea Perry Browne, Moran, Wyo.; Genevieve D. Turner, Moose, Wyo.; Mrs. Maxine Jacobson; Lester Jacobson; John C. Walker; Clarence F. Hervin; Jack Boyce; Edward L. Flygore; Fred A. Houchens; H. D. Thompson; A. H. Remington; H. G. Prutt; Paul W. Dial; Lyle Walker; A. E. Scheralacher.

ESTABLISHMENT OF FREE PORTS FOR POLITICAL AND RELIGIOUS REFUGEES

The SPEAKER. Under previous order of the House the gentleman from New York [Mr. DICKSTEIN] is recognized for 30 minutes.

Mr. DICKSTEIN. Mr. Speaker, I rise today with a prayer in my heart that our invasion of the Hitler fortress will be successful and that we will destroy the menace of Hitlerism wherever it is found with the least possible casualties to our forces and the forces of our gallant allies.

Mr. Speaker, the civilized world is shocked and appalled by the program of murder and destruction planned by Hitler and his puppets for the helpless minorities that have lately fallen into their hands. In Hungary alone nearly a million lives are at stake. Men, women, and children, who are not guilty of any other crime but that of belonging to a people whom Hitler has sworn to drive from the face of this world, have been herded into concentration camps where they are awaiting their cruel fate.

Can we, citizens of a free Nation, who believe in the sanctity of human life, remain silent and inactive while the Nazi gangsters are continuing their vicious blood bath? No decent human being can feel safe and secure while innocent human beings are being slaughtered in any part of the world. Such a threat to the sanctity and dignity of human life is a threat to all humanity.

Because of that, Mr. Speaker, the President of the United States has created what is known as the Refugee Board for the sole purpose of saving as many human lives as possible.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. WHITE. I have always been interested in and have supported a plan to restore the Jewish people to their homeland in Palestine. The gentleman favors that program; does he?

Mr. DICKSTEIN. Yes.

Mr. WHITE. I have just taken a position on the matter in writing to one of the heads of the organization here in Washington for the resettlement of Palestine by Jewish people. I am heartily in support of that program.

Mr. DICKSTEIN. I thank the gentleman. At present the British white paper has closed Palestine to Jewish immigration. The British white paper has violated the guardianship of Palestine entrusted to Britain by the League of Nations. The British Government has failed to do what it agreed to do under the Balfour Declaration. I do know that there are millions of suffering people who are doomed to die unless the Allied Nations of the world do something to save them. Mr. Speaker, I have introduced a resolution, H. Res. 576, on which I hope to set a hearing shortly, for the purpose of calling upon the President of the United States to issue a proclamation or Executive order authorizing the temporary admission of a number of the so-called refugees who are physically and morally fit, who have committed no wrong or crime other than that they belong to a certain minority group in the world.

Once we establish free ports in this country, other Allied Nations will do the same thing. In that way I am certain that at least 2,000,000 people can be saved from the Axis henchmen until after the war when they can return to their native lands.

This resolution does not attempt to change the policy laid down by our immigration law. This resolution does not attempt to open the doors in violation of our basic immigration laws. This resolution simply means that the Congress of the United States, with the approval of the President, would allow admission of bona fide political and religious refugees into an area in this country which might be fixed by the War Department and permit them to remain there during the period of this war.

Mr. Speaker, there are a number of Governors and other outstanding Americans who are supporting this plan. The American Federation of Labor has gone on record, the C. I. O. and certain church groups have gone on record supporting the free port idea. Outstanding citizens of note have written to me and have placed themselves on record by calling upon Congress as well as upon the President to establish free ports, to do something now; not tomorrow; because tomorrow may be too late.

Mr. Speaker, I want to call the attention of this House to the fact that we have brought to this country today 200,000 German prisoners; 200,000 murderers that our armed forces picked up have been brought here. They are in certain camps. They get milk twice a day. They get butter. They get meat. They get cleansed and fed like decent human beings, more so than our own American people within war areas. They have everything. We have a couple of hundred Japanese in camps. Why could we not at least set aside a little area somewhere in this great country of ours for a group of people persecuted by the Nazis; for a group of people who believe in God, people who believe in democracy and who have no other hope left but their faith in us?

Mr. PATMAN. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. PATMAN. I do not like to hear the gentleman say anything in criticism of our prisoners of war, for the reason that we want our prisoners treated in accordance with the terms of the Geneva Conference. Any time word gets to Japan or Germany that we do not look with favor upon carrying out that conference agreement, it is possible that they will punish our prisoners of war.

Mr. DICKSTEIN. I thank the gentleman. I have no desire nor the slightest intention to make any remarks which in any way could be construed so as to harm our boys who are prisoners abroad. Certainly a statement as to the excellent treatment given German prisoners in this

country should not make the Germans angry.

Mr. PATMAN. I understood the gentleman to say they had certain things.

Mr. DICKSTEIN. I am simply calling attention to the fact that we are treating the German prisoners interned here far too generously.

Mr. PATMAN. Certainly. According to the Geneva Conference, we should do that. I hope the gentleman does not criticize it, because it might cause some of our boys to be unduly punished.

Mr. DICKSTEIN. They are punishing our boys and killing them by having them lynched by the populace. The papers carried the story only a few days ago. The Red Cross cannot get to them. Our boys are not treated according to the agreement of the Geneva Conference. Nevertheless, their soldiers who are in this country are treated in accordance with that policy as the gentleman has pointed out. If I have stated anything to the contrary, I will correct it.

Mr. PATMAN. As much as we might dislike certain prisoners of war, for the sake of our own brave men who are prisoners of the Japanese and Germans at this time, we should not do anything that might heap punishment upon them.

Mr. DICKSTEIN. The point I wanted to convey to the House was that we have prisoners of war in this country. We have brought them here. They are in certain restricted areas. We are taking care of them like human beings. We are treating them probably better than our own boys are being treated. There is no harm in that. But what harm could there be, I want to ask my distinguished friend from Texas, in setting aside a certain area as free ports, to allow political and religious refugees to stay here, and without cost to the United States, until after the war, and then let them return to their native countries? Why can we not treat our friends at least as well as our enemies?

Mr. PATMAN. I am not familiar with the gentleman's proposal, and I do not propose to discuss it, because I do not know about it. But I think the gentleman is making a mistake by boosting his proposal by comparing it with the treatment of prisoners of war. That must stand on its own bottom. The reason we treat prisoners of war as we do is in the hope that it will be reciprocated, and they will treat our boys who are prisoners in the proper way. I do not think the gentleman can help his cause any.

Mr. DICKSTEIN. I join with the gentleman in what he says that we are treating these prisoners of war in the proper way. We are taking care of them. We are doing everything we can to live up to the regulations of the Geneva Conference. But I am asking the distinguished gentleman from Texas, would it not be equally fair and just, forgetting about the prisoners of war—I just used that as an illustration—to give our friends at least the same—if we do not want to make it better—treatment as we accord our enemies? What harm would there be in carrying out the program of free ports somewhere in these United States, under proper guide and protection to our country, under assurance that the people in question will not become public charges, that the American people would not have to pay one dollar taxes for their upkeep? At the same time without any cost to the country we would be doing the humanitarian and the decent thing, and set an example for other nations upon whom we have called to let in refugees and save human lives. If the gentleman does not want to answer it, that is all right.

Mr. PATMAN. I am just not familiar with the gentleman's proposition.

Mr. DICKSTEIN. The distinguished majority leader [Mr. McCORMACK] has come out for free ports. I am incorporating in the RECORD the names of many Governors of the United States, who have come out for free ports. The best citizens of the country have called upon the President to do something to alleviate the slaughter of innocent men and women who are within the influence sphere of the satellite nations under the domination of the Nazi government. In Hungary today over 1,000,000 people are doomed to die unless we can do something to take them out.

A wave of great-hearted sympathy has suddenly arisen over this land of ours. It has already touched the hearts and minds of all of us. But not all of us understand its urgency, and the necessity of doing something about it with the utmost haste. I refer to havens of refuge for the victims of German brutality who have been able to escape the Nazis' boundaries, and to those who will manage to escape before the United Nations can conquer and render impotent the Teutonic marauders.

The urgency for this is great.

Every day, as we poise for the invasion of the Germanic lair, the enemy is enslaving, brutalizing, and murdering thousands upon thousands of noncombatants. The depredations started in Poland. I need not repeat to you the reports of destruction and demoralization which the Germans inflicted there. Nor need I repeat to you how the Germans applied their science of disintegration to the other countries of Europe—to Norway and Denmark, to Belgium, Holland and France, to Czechoslovakia and Yugoslavia. Latest victims of the German drive and storm into chaos are their last collaborationists—the Hungarians and Bulgarians. The Germans are now treating their Hungarian and Bulgarian allies precisely as they treated the Poles, while there was a Poland to destroy.

For, according to Nazi tenets and conduct, all who are not Nazis must become underlings; all who are not Germans must become subhumans; all who are useless to the Nazis must be killed. If the Nazis cannot use you as a slave—either because you are too weak in muscle or too strong in character—they destroy you—first making you strip naked—children, women, men—of all your clothes which they thriftily salvage for their docile and beaten underlings. Your carcass they dump into a gully or ravine. All around the Nazi den of Europe there are thousands of those charnel pits—thousands of Golgothas whose lime- and slime-encrusted bones make that ancient little park of skulls outside Romanic Jerusalem seem by contrast a pleasant promenade for Sabbath mourning.

Some quarry of those Nazi dogs manage to escape. Others will manage before, yes, even before we can get into Europe and collar the hounds. Those refugees manage to get into Sweden, into Switzerland, into Spain and Portugal, into Turkey. Some reach the haven of the fighting United Nations—Russia, England, and a very few to the United States.

My resolution calls upon the President to establish free ports in which to harbor such refugees temporarily.

These free ports for refugees would be exactly similar to the free ports for international merchandise. Goods come to our seaports. There they are put in bond until they are reexported. They do not enter our domestic commerce. They do escape our customs duties. They do not compete with the products of our own farms and factories. They merely rest on a shelf, as it were. We merely supply the shelf, that is the warehouse, that is the free port. Such a free port is an international convenience which costs us nothing.

Why not establish free ports for refugees? They would remain interned and segregated in such areas, in such temporary havens—I repeat, temporary havens. They would never mix with our citizens. Only those would ever be permitted the freedom of the country and the acquisition of citizenship as would have gained those privileges while they were in Europe and subject to our regular consular procedure. All others would be deported to the regions of their origin or to those countries who invited them—just as soon as we bring peace and order to Europe.

Remember, that these human beings would simply be in transit—precisely like some merchandise kept in customs bond in the free-port area of Staten Island in New York Harbor.

As one early advocate of this proposal of free ports for refugees puts it:

> Can we really argue with shabby earnestness that the innocent victims of these Nazis are not entitled to equal rights with their deadly and malicious enemies? If we cannot give our friends at least the same rights we give our enemies, then a host of questions is raised, including whither are we drifting and what is wrong with our heads.
>
> The refugees could be visited by consular and other officials of their own nations in these free ports. They could be investigated, picked over, and, perhaps, in time outfitted with papers, and thus gradually raised to the lofty level of legal existence, as distinguished from the inconsequential level of mere physical existence.
>
> Meanwhile, those Americans who do not want refugees here could have the assurance that they are not legally here at all; while Americans of a more humanitarian turn of mind and heart could have the assurance that the refugees were being cared for, and this is, therefore a democratic solution, in harmony with the traditional ingenuity and resourcefulness of Anglo-Saxon lawmaking.
>
> As one looks it over it seems, also, to be a fairly repulsive solution. But that is all the refugees ask for; a repulsive solution. Can we give them less?

The response to this proposal for temporary shelter was quick and widespread.

Newspapers, magazines, national organizations, national leaders throughout the land quickly applauded, quickly approved, quickly memorialized President Roosevelt to establish such havens forthwith.

Let me read you a brief passage from an appeal to the President signed by Alfred E. Smith; Chauncey Sparks, Governor of Alabama; Sidney P. Osborn, Governor of Arizona; John C. Vivian, Governor of Colorado; Spessard L. Holland, Governor of Florida; C. A. Bottolfsen, Governor of Idaho; Henry F. Schricker, Governor of Indiana; Simeon Willis, Governor of Kentucky; Herbert R. O'Conor, Governor of Maryland; Thomas L. Bailey, Governor of Mississippi; Robert O. Blood, Governor of New Hampshire; Walter E. Edge, Governor of New Jersey; J. M. Broughton, Governor of North Carolina; John W. Bricker, Governor of Ohio; J. Howard McGrath, Governor of Rhode Island; Olin D. Johnston, Governor of South Carolina; M. Q. Sharpe, Governor of South Dakota; Matthew M. Neely, Governor of West Virginia; L. C. Hunt, Governor of Wyoming; Charles G. Dawes, former Vice President of the United States; Frank Murphy, Associate Justice of the United States Supreme Court; Robert F. Wagner, United States Senator from New York; James A. Farley, former United States Postmaster General; Owen D. Young, chairman of the General Electric Co.; Judge John P. McGorty, of Chicago, Ill.; Frank S. Hogan, district attorney of New York County; Basil O'Connor, of New York City, former law partner of President Roosevelt; Dr. Nicholas Murray Butler, president of Columbia University and co-winner of the 1931 Nobel peace prize; Dr. Irving Langmuir, of Schenectady, N. Y., winner of the 1932 Nobel prize in chemistry; Dr. Robert A. Millikan, of Pasadena, Calif., winner of the 1923 Nobel prize in physics; Dr. George R. Minot, of Brookline, Mass., co-winner of the 1934 Nobel prize in medicine; Dr. Harry Woodburn Chase, chancellor of New York University; George N. Shuster, president of Hunter College; Harry N. Wright, president of the College of the City of New York; Frank P. Graham, president of the University of North Carolina; Robert G. Sproul, president of the University of California; William P. Tolley, chancellor of Syracuse University; Raymond R. Paty, president of the University of Alabama; Homer P. Rainey, president of the University of Texas; R. B. von KleinSmid, president of the University of Southern California; the Very Reverend M. J. O'Connell, president of De Paul University; F. C. Bolton, president of Agricultural and Mechanical College of Texas; L. N. Duncan, president of Alabama Polytechnic Institute; John L. McMahon, president of Our Lady of Lake College, San Antonio, Tex.; Prof. Eugene H. Byrne, of Columbia University; Prof. Harry J. Carman, of Columbia University; Prof. Helen C. White, of the University of Wisconsin; Thomas H. McInnerney, chairman of the National Dairy Products Corporation; Dr. Samuel McCrea Cavert, general secretary, Federal Council of the Churches of Christ in America; James S. Adams, president of Standard Brands; Robert Gaylord, president of the National Association of Manufacturers; A. T. Mercier, of Chicago, Ill., president of the Southern Pacific Railroad Co.; J. C. Happenny, of Tulsa, Okla., president of the Oklahoma Power & Water Co.; P. C. Lauinger, of Tulsa, Okla., publisher; William Green, president, American Federation of Labor; James B. Carey, secretary of the Congress of Industrial Organizations; Samuel Seabury, New York; Edward Skillin, Jr., New York, editor of the Commonweal; Quentin Reynolds, war correspondent and author; William Rose Benet, New York, poet and editor; Edna St. Vincent Millay, poet; Margaret Culkin Banning, Duluth, Minn., novelist; John B. Collins, editor of the Pittsburgh Catholic; Maurice F. Donegan, former chief justice of the Supreme Court of Iowa; Martin Quigley, New York City, editor; Daniel Mahoney, Miami, Fla.; Leo Considine, Oklahoma City, Okla.; Andrew T. Healy, Miami, Fla.; Thomas F. McDonald, St. Louis, Mo., attorney; James J. Moore, New York City; Andrew F. Burke, San Francisco, Calif.; George W. Strake, Houston, Tex.:

> We endorse the idea of establishing in this country temporary havens of refuge for those who are brought out of Europe by the War Refugee Board. It is a moral obligation of the United States and other freedom-loving nations to erect temporary havens where the refugees may find sanctuary until conditions in their native lands enable them to return and take up their lives in the atmosphere of respect and decency and charity that our certain victory will create.

The New York Times editorialized:

> The plan has nothing to do with restricted immigration. It is simply a proposal to save the lives of innocent people.

The New York Herald Tribune editorialized:

> The appeal represents one more expression of American anxiety that nothing be left undone in the effort to save as many innocent people as possible from the unspeakable brutality of the Nazis.

The Chicago Sun said:

> We can hope that the Government can and will adopt the project.

The Asheville (N. C.) Citizen Times:

> Prisoners of war will not reside here after the war. It could be the same, if charity follows the counsel of wisdom for the war refugees.

The leading Catholic weekly, the Commonweal, urged:

> Suppose we put our influence, whatever determination to help the refugees we have left, back of the plan.

And that leading liberal weekly, the New Republic, had this to comment:

> The United States Government talks a lot about helping refugees from Hitler-occupied Europe; but thus far, we have done almost nothing about it. * * * Build a few concentration camps along the eastern seaboard. Put the refugees into them with the understanding that they are to see no more of America than this, and will be sent somewhere else when the war is over. At least, they would not then starve in Europe or use up precious cargo space for food on ships going to north Africa. If we refuse as a nation to do any more than this, then in the name of human decency, let us do no less.

And the national organizations:

Speaking for the National Farmers Union, of which he is president, James G. Patton pleaded with President Roosevelt:

> I am confident, Mr. President, that if the American people were acquainted with the true facts of Nazi persecution they would cry out with one voice asking that this country point the way in this proposed humanitarian task of providing temporary havens for European refugees.

President William Green, of the American Federation of Labor, also pleaded:

> I urge you, Mr. President, in my own name and in the name of the American Federation of Labor, to cause the creation of free ports in this country for refugee victims of the cruel war, now, before it is too late. Such action on your part will, I believe, clear the way for similar action in other parts of the Allied and neutral world.

And President Philip Murray of the C. I. O.:

> In behalf of the C. I. O., I endorse the plan and hope to see it implemented without delay.

And Mr. Justice Frank Murphy, speaking as chairman of the National Committee Against Persecution of the Jews:

> Surely we have not become so calloused to human suffering, so inured to brutality and bestiality that we can stand idly by and refuse to initiate this simple plan which will save thousands of human lives and in the bargain cost the taxpayers of our country not a cent.

Note, please, that these temporary havens need cost us not one cent.

Note, too, please that European Jews loom large in this sad situation simply because the Nazis—solely on account of their religion—are methodically massacreing every Jew they cannot put to hard labor or to abject prostitution; and that the Nazis are methodically working those Jews—men and women—to the very death.

But there are hundreds of thousands of other Poles and Czechs, of Scandinavians and Netherlanders, of Belgians and French, of Serbs, Croats, Albanians, and Greeks, who are also trying to escape the Nazi debasement. There are Catholics, Lutherans, and Eastern Orthodox, as well as Jews. They represent all the spectra of religious, political, and social credos which the Nazis despise and fear. It is for all these refugees that Jewish organizations—the American Jewish Congress, the American Council for Judaism, the American Ort, the Hebrew Sheltering and Immigrant Aid Society—have joined the A. F. of L., the C. I. O., the National Farmers Union, and Mr. Justice Murphy's National Committee Against Persecution of the Jews—in pleading to President Roosevelt to establish such temporary havens for refugees in this country.

How dare our War Refugee Board say to Turkish Government officials, or to Iransian officials, or to anyone else: "We would like you to let in anyone who manages to escape from the Nazis, to rest

in your territory until we can get them settled elsewhere." How dare our Refugee Board say that with a clear conscience, when we refuse refugees any temporary asylum in our own land?

Little, impoverished Portugal actually has such a reservation for refugees near Lisbon. England has one on her crowded island.

And I am sure that we here in the United States will soon have at least a token haven, a temporary haven, mind you, on our shore. Nothing less will satisfy our souls.

So, Mr. Speaker, I ask unanimous consent that I may insert in my remarks the names of a number of Americans, including certain Governors and others in support of this idea of free ports, and certain other excerpts and editorials from newspapers who are supporting House Resolution 576, at the proper place in my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2928. An act to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended; and

H. R. 4464. An act to increase the debt limit of the United States.

The SPEAKER announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 133. A joint resolution to extend the statute of limitation in certain cases.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until Thursday, June 8, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., June 8, 1944, to resume public hearings on bills extending the Civilian Pilot Training Act.

SELECT COMMITTEE TO INVESTIGATE MONTGOMERY WARD & CO. SEIZURE

The Select Committee to Investigate the Seizure of Montgomery Ward & Co. will hold a public hearing Thursday, June 8, 1944, at 10 o'clock a. m., in the Ways and Means Committee hearing room, New House Office Building.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold hearings on Thursday, June 8, 1944, at 10 o'clock a. m., in the committee room, 247 House Office Building, on H. R. 919 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2, of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1616. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1944, submitting a report, together with accompanying papers and illustrations, on a review of reports on Ouachita River and tributaries, Arkansas and Louisiana, with a view to determining the advisability of undertaking the construction of the Blakely Mountain Dam as a Federal flood-control project, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on May 12, 1941 (H. Doc. No. 647); to the Committee on Flood Control and ordered to be printed, with three illustrations.

1617. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 2, 1942, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Little Colorado River and its tributaries upstream from the boundary of the Navajo Indian Reservation in Arizona, authorized by the Flood Control Act approved on August 28, 1937 (H. Doc. No. 648); to the Committee on Flood Control and ordered to be printed, with one illustration.

1618. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 10, 1944, submitting an interim report, together with accompanying papers and illustrations, on a preliminary examination and survey of Sacramento River and tributaries, California, from Collinsville to Shasta Dam, including the American, Feather, Yuba, and Bear Rivers, and the Yolo bypass, made under the provisions of the Flood Control Act approved on June 22, 1936, and requested by a resolution of the Committee on Commerce, United States Senate, adopted on May 19, 1936 (H. Doc. No. 649); to the Committee on Flood Control and ordered to be printed, with three illustrations.

1619. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 22, 1944, submitting a report, together with accompanying papers and illustrations, on a review of reports on and survey of the Roanoke River, Va. and N. C., and Smith River and its tributaries, Va. and N. C., requested by resolutions of the Committee on Flood Control, House of Representatives, adopted on August 28, 1940, the Committee on Rivers and Harbors, House of Representatives, adopted on January 26, 1942, and authorized by the Flood Control Acts approved on June 22, 1936, and June 28, 1938 (H. Doc. No. 650); to the Committee on Flood Control and ordered to be printed, with five illustrations.

1620. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 13, 1943, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Des Moines River, Iowa, with particular reference to the construction of a dam at or near Madrid, authorized by the River and Harbor Act approved on June 20, 1938 (H. Doc. No. 651); to the Committee on Rivers and Harbors and order to be printed, with two illustrations.

1621. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 23, 1944, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of the Yadkin-Pee Dee River and its tributaries, North Carolina and South Carolina, including Rocky River (Love's Ford and Crump's Ford) and Wilkesboro Dam, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on April 1, 1937, and a resolution of the Committee on Commerce, United States Senate, adopted on November 1, 1938, and authorized by section 7 of the Flood Control Act approved on June 22, 1936 (H Doc. No. 652); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

1622. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation of the emergency fund for the President (H. Doc. No. 653); to the Committee on Appropriations and ordered to be printed.

1623. A letter from E. G. Allen, rear admiral, United States Navy, Director of Budget and Reports, transmitting a report showing the name, age, legal residence, rank, branch of service, with special qualifications therefor, of each person commissioned from civilian life into the Coast Guard Reserve, and in the Marine Corps Reserve, during the period April 1, 1944, to May 31, 1944, who have not had prior commissioned military service, and in the United States Naval Reserve for the period March 28, 1944, to May 29, 1944, inclusive; to the Committee on Naval Affairs.

1624. A letter from the War Food Administrator, transmitting a draft of a proposed bill for the relief of Mrs. Gladys Stout; to the Committee on Claims.

1625. A letter from the Attorney General, transmitting a draft of a proposed bill to amend Public, No. 507, Seventy-seventh Congress, second session, an act to further expedite the prosecution of the war, approved March 27, 1942, known as the Second War Powers Act, 1942; to the Committee on the Judiciary.

1626. A communication from the President of the United States, transmitting drafts of proposed provisions affecting naval appropriations for the fiscal years 1942 and 1945 (H. Doc. No. 654); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SNYDER: Committee on Appropriations. H. R. 4967. A bill making appropriations for the Military Establishment for the fiscal year ending June 30, 1945, and for other purposes; without amendment (Rept. No.

1606). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 1748. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, to continue it in effect; without amendment (Rept. No. 1613). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 1749. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, to continue it in effect; without amendment (Rept. No. 1614). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1607. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1608. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1609. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1610. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1611. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 4968. A bill to amend section 511 (c) of the Merchant Marine Act of 1936, as amended, relative to deposit of vessel proceeds received from the United States in certain cases, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. RANDOLPH:

H. R. 4969. A bill to amend the Mustering-Out Payment Act of 1944 so as to provide mustering-out payments to certain persons discharged or relieved from active service in the armed forces to accept employment; to the Committee on Military Affairs.

By Mr. MAY:

H. R. 4970. A bill to provide additional pay for enlisted men of the Army assigned to the infantry who are awarded the expert infantryman badge or the combat infantryman badge; to the Committee on Military Affairs.

By Mr. SATTERFIELD:

H. R. 4971. A bill to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes; to the Committee on Naval Affairs.

By Mr. MAY:

H. J. Res. 293. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund; to the Committee on Military Affairs.

By Mr. PFEIFER:

H. J. Res. 294. Joint resolution creating a commission to explore means of securing an agreement between the United States and Japan for the exchange of wounded prisoners of war; to the Committee on Foreign Affairs.

By Mr. ROWAN:

H. Res. 583. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free ports for refugees; to the Committee on Immigration and Naturalization.

By Mr. MARCANTONIO:

H. Res. 584. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free ports for refugees; to the Committee on Immigration and Naturalization.

By Mr. SCANLON:

H. Res. 585. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free ports for refugees; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADLEY of Pennsylvania:

H. R. 4972. A bill for the relief of Morris Fine; to the Committee on Claims.

By Mr. BALDWIN of New York:

H. R. 4973. A bill for the relief of Chandler Cobb; to the Committee on War Claims.

By Mr. CURTIS:

H. R. 4974. A bill for the relief of Mrs. Dorothy Stowell; to the Committee on Claims.

By Mr. EBERHARTER:

H. R. 4975. A bill for the relief of Gorgios Nicolaou Perivolaris (also known as George N. Perivolaris); to the Committee on Immigration and Naturalization.

By Mr. HINSHAW:

H. R. 4976. A bill for the relief of Mrs. Ruth C. Stone; to the Committee on Claims.

By Mr. MANASCO:

H. R. 4977. A bill for the relief of Mrs. John W. Boshell; to the Committee on Claims.

By Mr. SMITH of Virginia:

H. R. 4978. A bill for the relief of Leonard D. Jackson and Elsie Fowkes Jackson; to the Committee on Claims.

SENATE

THURSDAY, JUNE 8, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Hunter M. Lewis, B. D., assistant minister, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, our Heavenly Father, who in times past didst lead our forefathers from lands of oppression, opening before them in the wilderness a new land which by Thy gracious providence has become great among the nations of the world: We beseech thee to continue to us the vision that thou didst reveal to them of a land of freedom and justice and brotherhood. Bless all those to whom Thou hast committed the government of our Nation and of every nation allied with us in the cause of freedom from oppression. Be with all who go forth in the defense of our country and in the cause of humanity, especially those who are pressing forward in the liberation of Europe. Sustain them wherever they may serve, on land, sea, or in the air. Heal the wounded, restore the sick, comfort the prisoners, and receive the dying into Thine eternal safekeeping.

We give thee thanks, O God, for the goodly heritage that Thou has given to us in those who have sacrificed their lives in the cause of human liberation, and we pray that, following their examples of courage, endurance and steadfastness, we may serve Thee well in our turn, holding high the ideals for which they have died, and leaving to those who come after us an inheritance uncorrupted by tyranny and undefiled by fear, that our heroes may not have laid down their lives in vain. We ask it in the Name and for the sake of Him who died for our eternal freedom. Thy Son, Jesus Christ our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 8, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. BENNETT C. CLARK, a Senator from the State of Missouri, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. CLARK of Missouri thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. THOMAS of Utah, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 7, 1944, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Murray
Austin	Gerry	Nye
Ball	Gillette	O'Daniel
Bankhead	Green	Overton
Barkley	Guffey	Radcliffe
Bilbo	Gurney	Reed
Brewster	Hatch	Revercomb
Bridges	Hawkes	Reynolds
Buck	Hayden	Robertson
Burton	Hill	Russell
Bushfield	Holman	Shipstead
Butler	Jackson	Stewart
Byrd	Johnson, Colo.	Taft
Capper	Kilgore	Thomas, Idaho
Caraway	La Follette	Thomas, Okla.
Chandler	Lucas	Thomas, Utah
Chavez	McClellan	Tobey
Clark, Mo.	McFarland	Truman
Connally	McKellar	Tunnell
Cordon	Maloney	Vandenberg
Davis	Maybank	Wagner
Downey	Mead	Wallgren
Eastland	Millikin	Walsh, Mass.
Ellender	Moore	Walsh, N. J.
Ferguson	Murdock	Weeks

Wheeler	White	Willis
Wherry	Wiley	Wilson

Mr. HILL. I announce that the Senator from Washington [Mr. BONE] and the Senator from Virginia [Mr. GLASS] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Maryland [Mr. TYDINGS], and the Senator from South Carolina [Mr. SMITH] are detained on public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. PEPPER] are necessarily absent.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Illinois [Mr. BROOKS] and the Senator from North Dakota [Mr. LANGER].

The ACTING PRESIDENT pro tempore. Eighty-one Senators have answered to their names. A quorum is present.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 7, 1944, that committee presented to the President of the United States the following enrolled bill and joint resolution:

S. 1941. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; and

S. J. Res. 133. Joint resolution to extend the statute of limitations in certain cases.

ENROLLED JOINT RESOLUTION SIGNED DURING RECESS

Under authority of the order of the 7th instant,

During the last recess of the Senate the Acting President pro tempore (Mr. JACKSON) signed the enrolled joint resolution (S. J. Res. 133) to extend the statute of limitations in certain cases, which had been signed previously by the Speaker of the House of Representatives.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate petitions of sundry citizens representing various real-estate companies and corporations of New York City, N. Y., praying for amendment of the rent-control section of the Emergency Price Control Act so as to remove alleged inequities therefrom, which were ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCFARLAND (for himself and Mr. MURDOCK), from the Committee on the Judiciary:

H. R. 3241. A bill to implement the jurisdiction of service courts of friendly foreign forces within the United States, and for other purposes; with amendments (Rept. No. 956).

By Mr. CONNALLY, from the Committee on Foreign Relations:

H. J. Res. 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists, the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes; without amendment (Rept. No. 957).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. REYNOLDS:

S. 1988. A bill to place glider units of the Army and Navy on the same parity as to pay allowances and privileges as now given to the air forces of the Army and Navy and paratroops; to the Committee on Military Affairs.

By Mr. BARKLEY:

S. 1989. A bill to provide for water-pollution-control activities in the United States Public Health Service, and for other purposes; to the Committee on Commerce.

AMENDMENT OF PAY READJUSTMENT ACT—AMENDMENT

Mr. WHEELER submitted an amendment intended to be proposed by him to the bill (H. R. 1506) to further amend the Pay Readjustment Act of 1942, and for other purposes, which was ordered to lie on the table and to be printed.

REDUCTION IN INTEREST RATE ON LAND BANK COMMISSIONER LOANS—AMENDMENTS

Mr. WHEELER submitted amendments intended to be proposed by him to the bill (H. R. 4102) to extend for one additional year the reduced rate of interest on Land Bank Commissioner loans, which were ordered to lie on the table and to be printed.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS—AMENDMENT

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.), which was ordered to lie on the table and to be printed.

AVIATION COLLECTION OF THE SMITHSONIAN INSTITUTION

Mr. WHERRY. Mr. President, I have just seen an advance copy of the July issue of Flying magazine. Under its report from Washington, the editors state that the Smithsonian Institution has "the best aviation collection of any museum in the world."

Flying says:

The present collection is muted, mangled and badly displayed, and that the visitor has to keep reminding himself there is a war on. There is no way of knowing that in the last 10 years we have established, once and for all, that we are the greatest aviation Nation in the world, the greatest builders of aircraft. The impression one brings away is that we patted Wiley Post, Lindbergh, and the other distance-flight boys on the back, racked up their planes and returned to contemplating the horse and buggy.

Thus we face a peculiar paradox: On the one hand, we have a collection of aviation museum pieces which, so far as it goes, is unrivaled in the world; on the other hand, we have one of the worst because it fails to bring the dramatic story of aviation up to date, because it is miserably housed.

Mr. President, I suggest that we give recognition to this unfortunate situation. Any post-war planning for Federal construction, should contemplate and develop aviation to the prominence it deserves. Plans should be made now, as it is highly fitting and proper that the deeds of United States airmen now battling in the cause for democracy be properly documented, displayed and preserved for future generations. We must not only protect the priceless treasures already available, and those which will become available in the future, but by all means we should provide a shrine for those now making United States flying history on the battle fronts of the world. I ask consent to submit a resolution looking toward the attainment of these ends.

I also ask unanimous consent to have the resolution printed in the RECORD at this point as a part of my remarks, and referred to the appropriate committee for consideration.

There being no objection, the resolution (S. Res. 307) was received and referred to the Committee on Public Buildings and Grounds, as follows:

Whereas the Smithsonian Institution has one of the world's most valuable aviation collections;

Whereas lack of space has seriously handicapped the effective display of such collection, and has prevented the addition thereto of exhibits reflecting recent progress in aviation;

Whereas as a world leader in the field of aviation, the United States should take steps to preserve for future generations a complete historical record of its contributions to the development of aviation: Therefore be it

Resolved, That the Committee on Public Buildings and Grounds or any duly authorized subcommittee thereof is authorized and directed to make a full and complete study and investigation of exhibition facilities at the Smithsonian Institution with a view to ascertaining what additional facilities are necessary to provide for the proper display of aviation exhibits now in the possession of such institution and to provide adequate space for the housing and display of such additional exhibits as may be acquired for the purpose of bringing up to date and maintaining a complete aviation collection. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with its recommendations as to the construction immediately after the war of such additional facilities as may be found to be necessary.

ADDRESS BY SENATOR RUSSELL TO WEST VIRGINIA BANKERS ASSOCIATION

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD an address delivered by him at the anniversary meeting of the West Virginia Bankers Association at Charleston, W. Va., on June 2, 1944, which appears in the Appendix.]

COMMENCEMENT DAY ADDRESS BY THE SECRETARY OF THE NAVY AT THE NAVAL ACADEMY

[Mr. WALSH of Massachusetts asked and obtained leave to have printed in the RECORD

the address delivered by Hon. James Forrestal, Secretary of the Navy, to the one hundred and fourth graduating class at the United States Naval Academy on June 7, 1944, which appears in the Appendix.]

PAY AS WE GO AMENDMENT TO THE CONSTITUTION—ARTICLE BY SENATOR TYDINGS

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article entitled "Why I Propose a Pay-as-We-Go Amendment," written by Senator TYDINGS and published in the June 10, 1944, issue of the Saturday Evening Post, which appears in the Appendix.]

THE PROPAGANDA PROBLEM—EDITORIAL COMMENT FROM THE CATHOLIC WORLD

[Mr. WHEELER asked and obtained leave to have printed in the RECORD editorial comment appearing under the heading "The propaganda problem," published in the Catholic World for June 1944, which appears in the Appendix.]

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.).

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment beginning on page 11, line 20, relating to cotton textiles. The senior Senator from Alabama is entitled to the floor.

Mr. BANKHEAD. Mr. President, I hope Senators will not insist on being recognized for the presentation of papers, records, and the like for 20 minutes or so. If I may proceed I can conclude before lunch time.

Mr. WHERRY. Mr. President, will the Senator repeat his statement? I did not hear it.

Mr. BANKHEAD. I stated that I hoped Senators would not urge me to yield for statements, or for the presentation of documents. I should like to conclude by the time Senators wish to go to lunch, and yesterday 30 or 40 minutes were taken up in the presentation of documents, and things of that sort, after I was recognized. I shall be glad to yield to Senators as soon as I conclude my statement. I do not mind being interrupted during my remarks for discussion of any topic which develops in connection with them, if Senators desire to interrupt.

Mr. President, I should like to have the attention of Senators, especially those who do not fully understand the pending amendment, and I hope I may have the opportunity to present to them the reasons why the amendment should be agreed to. Of course, it is difficult, in presenting a relatively new proposition, when the attention of Senators cannot be secured to a real discussion intended to appeal to reason and to furnish information.

Mr. President, the problem before us is an extremely important one. I shall not take the time of the Senate to point out the importance of cotton to the economy of the United States. It is a very interesting subject, but I do not wish to take time on it now. It is a proper subject for discussion, because a great many people now look on cotton merely as a southern product, whereas in fact it is important to every section of the United States.

I shall take only the time necessary to state that since the ports of America were opened to foreign trade, nearly 175 years ago, according to the official figures the balance of trade in our favor has been approximately $40,000,000,000. In short, the assets of this country since we have engaged in foreign trade have increased about $40,000,000,000, due to the balance of trade being in our favor to that extent. I am sure it will surprise many Senators to know that of the approximately $40,000,000,000 balance of trade in our favor, more than $36,000,000,000 of it is traceable to the exportation of cotton. These figures are official, though I do not have them exactly. Since we have engaged in foreign trade nearly 90 percent of the balance of trade in our favor is the result of our cotton business with foreign countries. So, Mr. President, an item so important to the general economy of the country and to the industrial factories of the North and East, affects everyone in the country, and every section of the country. I shall not go further into that subject. I merely make the suggestion to indicate to those who want to study the subject further that we are dealing here with a great national problem, although the production involved is localized in the South.

Mr. President, yesterday I was beguiled into a diversion from the subject under discussion to answer, at the insistance of the Senator from Utah [Mr. MURDOCK], the suggestion of a loan of 100 percent on cotton. I did not want to enter into a discussion of that question at that time. I thought it would be more appropriate to discuss it if a Senator offered an amendment to that effect. But there was insistence that the subject be discussed, so I did go into it until I became diverted to something else and did not conclude the discussion of that particular matter. I do not intend to conclude it now, because it would take too much time. I merely wish to say, in addition to what I said yesterday, that when a 100-percent loan is fixed on cotton it will result in closing up the cotton trade. The cotton buyers, the cotton merchants cannot buy cotton if they have no place where they can hedge their purchases. They cannot afford to take the risk of a drop in the price of cotton. It would break them all if a drop in the price of cotton should occur. Such a drop may occur. It is generally expected that it will occur at the close of the war, when it will be necessary for businesses now engaged in war production to transfer to other lines of production, when the great mass of business which now comes from the Army, and as a result of the war effort will be lessened. Merchants cannot buy cotton and hold it at their risk when there is no margin of profit above the 100-percent parity. So a 100-percent loan would result in closing up the cotton trade, a trade development and system of marketing which has been developed during the course of 175 years. Our people are proud of the development they have made in the marketing of cotton throughout the world.

Cotton merchants who buy cotton take some risk of finding buyers throughout the world as well as in the United States. If we should provide for a 100-percent loan on cotton the merchants could not continue to buy cotton, they could not carry cotton at their own risk. There would then be no encouragement to buy it because there would be no profit. They would have to pay the parity price, for the farmer would probably put his cotton in the loan. The cotton buyers could not hope to receive any more, because that would be the selling price of cotton. So, such a program would result in blocking the cotton trade.

Furthermore, the farmer could do only one thing with his cotton. He would not have a market throughout the year as he now has. The farmer now has a market for his cotton every day in the year. Each farmer has the same market because it is fixed on the various cotton exchanges of the country. He would then have but one recourse, and that would be to put his cotton in the warehouse and take a loan. When he does that he starts right in on a loss. He must pay insurance on the cotton the whole time it is in the warehouse. And nearly all the time there is a large excess of cotton, so there is no assurance under a loan program that he may not have to hold his cotton for 1 or 2 years before it is sold and his loan is canceled. He must pay insurance, he must pay taxes, he must pay warehouse storage charges. We also know that with 10,000,000 bales now in the warehouses there would not be storage capacity available for the Government to store an additional ten or twelve million bales of cotton.

Mr. President, the ordinary owner of cotton now knows where cotton finds an outlet. The merchants buy it and ship it out of the area. Some of it is shipped abroad; some is shipped to other sections of the country, where warehouses must be found in which to store it, because it is held at the buyer's own risk. The Government does not want to incur great losses by reason of deterioration of cotton in warehouses which are unsuitable for storage of cotton, and which may burn or be otherwise destroyed.

Let me say one more thing, and then I shall leave that particular subject. The farm organizations are opposed to such a program. Those who represent the producers do not want to have cotton diverted from the market which they have always had and from which they always benefited, and they have requested me, though they know my position on the subject, to state their position. They are opposed to such a program because they realize that it would be injurious to the farmers and to the cotton industry. With that statement I shall pass on to the main subject, which I was discussing when I was interrupted yesterday.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER (Mr. WALSH of New Jersey in the chair). Does the Senator from Alabama yield to the Senator from New Mexico?

Mr. BANKHEAD. I yield, Mr. President, if we can have more quiet in the Senate.

Mr. HATCH. Perhaps the interruption may result in bringing about more quiet. I am not a member of the committee, and have not studied the bill, but I wish to ask the Senator whether, as a matter of fact, the present measure does not provide for an increase in the cotton loan rate?

Mr. BANKHEAD. Yes; and I am not going to insist on that provision. I shall withdraw it.

Mr. HATCH. The loan rate is now 90 percent, is it not?

Mr. BANKHEAD. It is now 90 percent. The provision in the bill, for which I was responsible, makes it——

Mr. HATCH. Ninety-five percent?

Mr. BANKHEAD. Yes; 95 percent; and now several Senators have announced that they want to make it 100 percent.

Mr. HATCH. Am I correct in my understanding that the Senator from Alabama is opposed to the 95-percent loan provision?

Mr. BANKHEAD. In view of the attitude of the farmers and their organizations on the subject, I thought I ought not to insist on pressing my personal views about the matter. That is the situation. The farm organizations think it would be injurious, and in view of their relationship to the farmers, their representation of them, and their experience, especially the Farm Bureau, with so many members all over the Cotton Belt, I felt I should not press my personal views.

Mr. HATCH. It was the personal view of the Senator from Alabama that the loan rate should be 95 percent?

Mr. BANKHEAD. Yes.

Mr. HATCH. But the farm organizations oppose the 95-percent loan?

Mr. BANKHEAD. Yes.

Mr. HATCH. And, therefore, the Senator is willing that it remain as it is, at 90 percent?

Mr. BANKHEAD. Yes.

Mr. HATCH. Then in the event the committee amendment providing a loan of 95 percent should be defeated——

Mr. BANKHEAD. I am going to withdraw it when I get to it. That is what I am trying to state.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. ELLENDER. Let me ask who proposed the 95-percent provision originally?

Mr. BANKHEAD. I did. I just said so.

Mr. ELLENDER. I am sorry; I was not present at the time when the Senator made that statement.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. LUCAS. I wish to take this opportunity to congratulate the Senator from Alabama for yielding and for withdrawing the amendment increasing the loan from 90 percent to 95 percent. I agree with the farm organizations that, insofar as my section of the country is concerned, a 95-percent loan would be definitely injurious to the farmers.

Mr. BANKHEAD. I thank the Senator. I was advised, and I have known all the time, that there was opposition in the Corn Belt. There was opposition in the Corn Belt even to the 90-percent loan provision.

Mr. LUCAS. That is correct.

Mr. BANKHEAD. When we passed the law a year ago, we inserted a provision permitting the President to exempt farmers from application of the law, because of the possible increase in the cost of feed and things of that sort.

Mr. LUCAS. That is correct.

Mr. BANKHEAD. So, because of the attitude of the farmers, that matter was left to the President. The Senator well knows what a prolonged fight we had here 3 or 4 years ago between groups which favored a high loan and those which did not favor a high loan.

Mr. LUCAS. It so happens that the corn farmer is in a position which is a little different from that of others.

Mr. BANKHEAD. I realize that. Most of them are feeders as well as producers. At any rate, that matter can be brought up in an independent bill.

The junior Senator from Mississippi [Mr. EASTLAND] and I introduced a bill, 4 or 5 months ago, increasing the loan to 95 percent; but the committee has not considered it, and I have not urged it. If any Senator wishes to press the matter he can introduce a bill for that purpose, and have it referred to the Committee on Banking and Currency, and he can even provide for increasing the rate to 100 percent, if he desires so to do. But now the Government probably will have to pay out a billion and a quarter dollars on these loans; because if the Government takes all of them over, there will be no other market. The cotton mills do not want that to happen. Installment delivery contracts are made with the cotton mills, the cotton traders, and the merchants. Of course, they make their purchases on the exchange. I assume that wheat and other commodities are in somewhat the same situation.

Now, if we have disposed of the loan question, I shall endeavor to proceed to finish my remarks.

During this controversy I have asked one question which has not as yet been answered. It is a serious question. It is a question which goes to the heart of the situation with which we are now dealing. Why does not the O. P. A. raise the ceilings in cases in which they are obviously too low, and are resulting either in putting the cotton mills out of business, which has happened in the case of several cotton mills, or in having the cotton mills shift from the production of low-cost goods to the production of high-cost goods, on which their profit is excessive? Why does not the O. P. A. raise the ceilings in the cases in which they are obviously too low, and reduce the ceilings in cases in which they are obviously too high? I have been trying to get a frank opinion on that subject. Our committee has been negotiating for weeks with the O. P. A. in an endeavor to obtain an adjustment of this situation along the line of pulling down the ceilings which are providing excessive profits, profits over and above a fair and reasonable margin, and to use those gains to increase the ceilings on low-priced cotton goods, which are disappearing from the market.

I think all Members of the Senate are familiar with that situation. Such goods are becoming so scarce that various articles of common usage are not to be found in the largest stores. Because, in part, of the scarcity of those goods, we have black-market prices. The results from the various developments is that common, ordinary cotton garments—cotton dresses, men's work clothes, and the various other items which working men use and which poor people are accustomed to buy—are now at prices which represent increases ranging from 200 percent to 400 percent, since the ceilings on cotton were fixed. How that has happened, it is difficult to understand; but it has happened. Either because of the difficulty of the task or because of the cost, as we hear from some sources, various persons in the O. P. A. claim they do not have the authority to decrease price ceilings, and they have failed and have declined to decrease them. At the end of the negotiations with the committee on this subject 3 or 4 weeks ago, they announced they could do nothing about it. That ended it.

Some persons have received that impression from publications in newspapers, most of which have been inspired by the O. P. A. For example, their assistant chief counsel gave out, at the door of the committee room, after being around the committee meetings for many days, a statement relative to the degree of inflation which would result from the passage of the bill including this amendment. The O. P. A. did not even get a high-class economist to sponsor the statement, but the statement was made by a practicing lawyer who is there to aid and advise the committee in matters of legal discussion and legal statements. I had no objection to that; but he wound up not only as a lobbyist but as an economist giving out the figures. Where he got them, no one has as yet ascertained. Evidently he just reached up into the air and pulled them down.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. That statement, as I recall it, was that the Bankhead amendment would increase the income of the cotton mills $150,000,000 per year, and that that figure would be pyramided, and that the added cost to the consumers, in terms of increased prices for clothing, would be $350,000,000. Is that the statement to which the Senator has referred?

Mr. BANKHEAD. That is the statement to which I have referred.

Mr. EASTLAND. Does the Senator know that the Textile Accounting Division of the O. P. A., the very division

which had all the information, the very division which had the power and duty to estimate the increased cost, repudiated that statement, and said it was incorrect and reckless, and asked them not to give it out. That division of the O. P. A. took the position then, and takes it now, that this amendment will not increase the income of the textile mills $1 if the O. P. A. can properly administer the bill with this amendment in it.

Mr. BANKHEAD. I thank the Senator. Even the President accepted the statement of this lawyer, and issued a statement of his opposition to the bill on the ground of the purported inflation.

Mr. TOBEY. Mr. President, will the Senator yield to me?

Mr. BANKHEAD. I am glad to yield.

Mr. TOBEY. I should like to address my question to the Senator from Mississippi. I was rather amazed at the statement he made, but I am sure he made it in good faith. Am I to understand that the net import of his statement is that we have here one group of the O. P. A. who take one position and another group who voice another position?

Mr. EASTLAND. Mr. President, that is absolutely correct. But the group which voices that position and repudiates the inflation charge is led by the responsible head of the textile accounting department which has control of textile cost accounting.

Mr. TOBEY. What is his name?

Mr. EASTLAND. His name is Hon. York Wilson, and he is on this floor today.

Let me say further to the distinguished Senator from New Hampshire that the controversy in the O. P. A. is between the practical men who know the cotton business and some economic professors from Harvard University; men who formerly taught at Harvard University in association with Mr. Justice Frankfurter.

Mr. TOBEY. Senators are seeking light on this subject. This dispute does not give light. It might well create heat, or something more serious than that, to find a great agency divided in its own organization on the merits of the proposed legislation. I for one cannot understand it, and I repudiate that sort of thing in Washington officialdom.

Mr. EASTLAND. I thoroughly agree with the Senator from New Hampshire. Let me say further that I have the official estimate from the Textile Accounting Division of O. P. A. as to the cost of the Bankhead amendment. I shall place it in the RECORD later.

Mr. TOBEY. I shall follow it with interest. I thank the Senator.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MAYBANK. Let me say further to the Senator from New Hampshire that the escalator clause was the thought of the cotton experts associated with the O. P. A. as to the best way to handle the textile industry in 1941 and 1942. It was in effect then, and it worked well.

Mr. BANKHEAD. Mr. President, referring to the statement that the cotton mills would be enriched by $150,000,000, and that domestic consumers would have to pay $350,000,000 more as a result of that increase, in my judgment there is something wrong with the administration of any program when an organization as powerful as O. P. A. permits an increase in prices of cotton goods at the door of the mill to the extent of $150,000,000, and prices to consumers rise by leaps and bounds in the staggering sum of $350,000,000.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. In that connection, is it not a fact that pyramiding of prices, which O. P. A. charges would be the result of this amendment, would be in violation of its own regulations? The O. P. A. maintains that this amendment would increase the cotton-mill income by $150,000,000 and that that would be pyramided to $350,000,000 at the consumer level. If the O. P. A. were to permit such a thing it would violate its own regulations, its own orders, and its own policy.

Mr. McCLELLAN. It would also violate this amendment.

Mr. BANKHEAD. It would also violate this very amendment.

Mr. MAYBANK. I should like to ask the distinguished Senator from Alabama if I am not correct in stating that there has been very little change of any consequence in textile ceilings since 1942.

Mr. BANKHEAD. There has been practically no change. I shall reach that point in a few minutes.

Mr. President, I regret that there are not more Senators present. It is almost futile to make an argument on the subject with so few Senators in attendance. I hope that Senators who are absent have made up their minds to vote for the amendment.

Mr. McCLELLAN. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. BANKHEAD. I yield.

Mr. McCLELLAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Radcliffe
Austin	Green	Reed
Ball	Guffey	Revercomb
Bankhead	Gurney	Reynolds
Barkley	Hatch	Robertson
Bilbo	Hawkes	Russell
Brewster	Hayden	Shipstead
Bridges	Hill	Stewart
Buck	Holman	Taft
Burton	Jackson	Thomas, Idaho
Bushfield	Johnson, Colo.	Thomas, Okla.
Butler	Kilgore	Thomas, Utah
Byrd	La Follette	Tobey
Capper	Lucas	Truman
Caraway	McClellan	Tunnell
Chandler	McFarland	Vandenberg
Chavez	McKellar	Wagner
Clark, Mo.	Maloney	Wallgren
Connally	Maybank	Walsh, Mass.
Cordon	Mead	Walsh, N. J.
Davis	Millikin	Weeks
Downey	Moore	Wheeler
Eastland	Murdock	Wherry
Ellender	Murray	White
Ferguson	Nye	Wiley
George	O'Daniel	Willis
Gerry	Overton	Wilson

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the committee amendment beginning on page 11, line 20, relating to cotton textiles. The senior Senator from Alabama has the floor.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. TOBEY. In connection with inquiries which I recently made I should like to read into the RECORD a letter which I have received from a prominent citizen of Massachusetts. With reference to the matter to which the Senator from Alabama is addressing himself, I may state that some leading textile men in New England are interested as producers of certain textile goods. In reply to communications which I had received from some of them I sent them copies of the committee report, together with the minority views. I have recently received a letter from one of the finest citizens of Massachusetts of whom I know. The letter comes from a leading textile man in Massachusetts, and because it is eminently fair I wish to read it into the RECORD. It reads as follows:

WELLINGTON SEARS CO.,
Boston, Mass., June 2, 1944.

Hon. CHARLES W. TOBEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR TOBEY: Your favor of May 31 is at hand and I have read the minority report on the Bankhead amendment with much interest.

What is troubling the industry is the rapidity with which costs in the past 6 months have been approaching ceiling prices. In numerous instances they have already passed them. We have one mill that went into bankruptcy last fall caused very largely by this situation. We have another mill which has already gone into the red, and how long we shall be able to continue running it we do not know. This of course is not a healthy situation for any industry, and in the case of textiles it seems to me must be unfavorable to the country as a whole.

In my opinion the figures presented in the minority report are too old to be of value. I myself am not in a position to furnish you with figures refuting them but I have no doubt they can be produced, if indeed Senator BANKHEAD has not already obtained them. I also wish to say that if these figures when obtained do not satisfy you, or if for any other reason you are not satisfied, please do not allow any personal considerations to influence your final decision.

Again expressing my appreciation of the interest you have taken in this matter, I remain,

Sincerely yours,
CHARLES O. RICHARDSON.

Because the letter is so fair, and because it represents the opinions of a man who, above all, desires to be fair, I thought it would be well to read it into the RECORD during the course of the present debate.

I thank the Senator from Alabama.

Mr. BANKHEAD. I thank the Senator from New Hampshire.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WHITE. The Senator from New Hampshire comes from a great cotton textile State. It happens that my home community is one of the large cotton in-

dustrial centers of New England. I should not want to cast a vote based purely on local interests, and yet I think we are justified in taking into account the interests of our several communities.

The Senator from Alabama has spoken of the textile industry. I should appreciate it very much if he would indicate to me what effect he believes the so-called Bankhead amendment would have on the textile mills of Maine, New Hampshire, and of New England generally.

Mr. BANKHEAD. Mr. President, I am not sure that I can make a helpful statement with respect to the mills of the locality to which the Senator has referred. Generally speaking, it has been my position, as I am sure it is the position of the Cotton Textile Institute, and the American Cotton Shippers Association, one covering largely the mills in New England and the other covering largely the mills in the South, that this amendment, if properly administered, will result in the stabilization of the cotton industry. Both organizations to which I have referred are supporting the amendment. As I have said, it is my judgment, and I assume it is theirs as well, that the amendment will result in a stabilization of the cotton industry. By that I mean it will eliminate constant changes, bickerings, and arguments with reference to whether excess profits are being made, and with reference to orders of the War Production Board to discontinue production of one item, for example, and concentrate on the production of another. There are many things which have brought about an unsettled condition in the conduct of the textile business.

It is agreed that some of the cotton mills, especially those which are making high-cost goods, are making rather large profits. This amendment would permit the ceilings on the products of those mills to be reduced, but not below the formula fixed, which provides for the right to have a fair and reasonable profit, and no ceilings could be fixed below that point.

On the other hand, there are many mills which are not getting a fair and reasonable profit and are in very great financial difficulties. Some of them have been ordered to produce low-grade goods on which the ceiling price is low and the profit is low. Some of them have gone into bankruptcy; some have gone into the hands of receivers—not a great many but some—and many are in difficulty. The letter presented by the Senator from New Hampshire may have indicated something of that kind, and it is true. The amendment will permit the ceilings of those companies to be increased so as to encourage them to greater production, particularly of clothing and of goods used by the plain people.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WHITE. I take it from what the Senator has said that his opinion is that the amendment, if adopted, would result in a stabilization of the cotton manufacturing industry on a reasonable and profitable basis.

Mr. BANKHEAD. That is my idea, I may say to the Senator, in which I am supported by the National Cotton Council, which represents the entire cotton industry, the producers and the cotton mills North and South. They have gone into it and made a thorough survey which has taken many weeks. They worked with the Price Adminstrator but could not get any relief or any help from that source. Representatives both of the cotton mills and of the producers and of all the other elements of the cotton industry have studied the matter thoroughly and they sponsor this proposal. They do not want to inflict any higher prices on the public. So they have worked out this program, under which, if the O. P. A. will fairly administer it, whatever increase in ceilings may be brought about will be paid by reductions from excess profits, which we all admit in some cases are made. But the formula provides guaranties that whatever ceilings may be fixed will be sufficient to enable them to pay parity to the farmers, and give them cost of delivery to the place where the mills are, and, in addition to that, a fair and reasonable profit.

Mr. WHITE. Mr. President, will the Senator yield further?

Mr. BANKHEAD. I am glad to yield.

Mr. WHITE. I have no hesitation in saying that I am in agreement with the position that stabilization, if on a proper level, is in and of itself a desirable thing in any industry.

Mr. BANKHEAD. That is my judgment. I think if the profit system is abandoned it will destroy the incentive to engage in private industry. I do not think the Government through its rules, or its agencies, or otherwise, should put a great many businesses in such a position that they will be jeopardized and their life as business institutions threatened. Yet that is what is being done under the program being administered by the O. P. A. Many cotton mills are being faced with the necessity of going out of business, although there is the wildest orgy of high prices in the cotton-goods industry that has prevailed in this country.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MAYBANK. In that connection, if the Senator will permit me to make an observation, one of the reasons for the wild orgy in the price of cotton goods is the lack of cotton goods. Some of the mills have been closed because they could make no profit.

Mr. BANKHEAD. That is always true where there is a scarcity and at the same time high prices. Such conditions bring about black markets, as apparently they have been brought about in the cotton-goods industry.

Mr. MAYBANK. Has the Senator the figures showing the decline in cotton-goods consumption recently? Unfortunately, I have been absent during a portion of the Senator's address.

Mr. BANKHEAD. I have not reached that point, but I will refer to it now. There has been a great reduction in the consumption of cotton and it is an alarming thing to the cotton business. Consumption, as I am sure most Senators understand, means the grinding up of a bale of cotton by the mills, not the ordinary consumption as we understand it by the use of goods and wearing them out. It is the operation of the cotton mills so as to turn out the cotton goods ready to go from the mill. That is considered as consumption. As a comparison between this year and last year, I have a statement in my address which has been furnished me by the National Cotton Council, and which shows it is likely that this year the consumption of cotton will be 1,400,000 bales less than it was last year.

Mr. EASTLAND. Mr. President, will the Senator yield at that point?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. And, in addition, 700,000 cotton spindles in America are idle today, at the very time the War Production Board says we have got to increase production in order to meet dire war needs, and that if production is not increased it will equal a major military defeat for the United States. Yet the O. P. A. has permitted a wild orgy of inflation in some ceilings while making others so low, below the cost of production, that goods cannot be manufactured under them.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. TOBEY. I am sorry I was not present yesterday; I had to be away; but when the Senator began his discussion I heard two objections to the Senator's amendment as I talked to my fellow Senators. One is that this bill applies only to cotton, an isolated single commodity, and we much prefer to have it apply all along the line and across the board, and we cannot vote for something that favors only one particular commodity.

The other objection is this, and I put it in the form of a question: The Senator recently said in his remarks that this proposal would give the producers, the manufacturers, the fabricator's cost plus a profit. The thought comes to the minds of some of us who have a conviction that the profit system or the cost system is well worth preserving, that it should, in the first place, recognize the man who produces the goods, the man who bears all the hazards of rain and hail and insects so that he may take a deep breath and say, "It is a pretty good world after all and I will have my cost of production and also a fair profit." Then the price system must take into consideration the cost of handling the goods and also the price the consuming public has got to pay and give constructive consideration to the men and women who toil in factories and shops to produce the goods. The danger of some of the economic theories is that they start at the top and put the crown of thorns upon the man who produces. That is what I want to obviate. To that we object.

I am asking the Senator, in response to a question in my mind, is there anything in the amendment which proposes an advantage which would accrue to the benefit of the man who produces the goods, the cotton itself, the little cotton farmer? Under the proposed legislation would he get any more for his product

and could he have the same relative profit as the fabricator?

Mr. BANKHEAD. If he could not I would be opposed to the proposal. I think every Member of the Senate——

Mr. TOBEY. I realize the Senator's devotion to agriculture and the producers, but I want to bring light on the subject.

Mr. BANKHEAD. Of course, if the producer is not to benefit by it there is no particular advantage of reorganizing the cotton industry. The cotton farmer is the only farmer in the country whose prices continuously since the war started have been below parity. Wheat stayed below parity for a time but it is at parity now. Cotton, however, is down. It was at its lowest point on the 15th of May, 1944, which is the date of the latest official figures on cotton prices.

Mr. TOBEY. What is it; about 19¾?

Mr. BANKHEAD. Approximately that. I have the figures in my address which I had intended to state. I will give the figures to the Senator in a moment.

Mr. TOBEY. I am sorry if I have troubled the Senator and interrupted his trend of thought.

Mr. BANKHEAD. I have the figures. I shall read from the original document. The table I have before me shows the agricultural prices issued by the Bureau of Agricultural Economics on the 31st of May. They take the price information on the 15th of each month, and publish it about 2 weeks thereafter.

The average price received for cotton on April 15, the way they report it, was 20.24 cents a pound. Thirty days later, the 15th of May, it was down to 19.80 cents a pound. So there is shown a reduction within 30 days of 44 points.

Mr. TOBEY. What is parity?

Mr. BANKHEAD. Parity was 21.08 cents. So at the time of the last report the price of cotton was 128 points below parity, which represented about $7 a bale.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Alabama yield to the Senator from Vermont?

Mr. BANKHEAD. I yield.

Mr. AIKEN. Can the Senator tell us approximately what percentage of the crop was in the hands of the growers in April when this decline started, either on Government loan or not on loan?

Mr. BANKHEAD. Does the Senator mean at this time?

Mr. AIKEN. In April, when the decline started.

Mr. BANKHEAD. Of course, in April the farmer had sold most of his cotton, except that which was in a loan, and there were about 4,000,000 bales put under loan, as I recall. To that extent the farmers were unwilling to sell at the price prevailing.

Mr. AIKEN. How much cotton does the Government now own?

Mr. BANKHEAD. I am unable to give the Senator the information, but I think the Government owns about 6,000,000 bales, which are in warehouses.

Mr. AIKEN. If, as the Senator intends, this slight increase in price should all go back to the grower, what would it amount to in dollars?

Mr. BANKHEAD. It would amount to about $60,000,000.

Mr. AIKEN. About $60,000,000?

Mr. BANKHEAD. Yes; for the entire crop.

Mr. AIKEN. And the Senator contends that the farmer could still get this increase of $60,000,000 for his entire crop without appreciably raising the cost of cloth, or finished goods, dresses, suits, and other materials?

Mr. BANKHEAD. That is mathematically true, if the O. P. A. is correct.

Mr. AIKEN. If the O. P. A. holds the ceilings on the finished goods down to what they could hold them, and probably should hold them, there should be no appreciable increase in the consumer costs?

Mr. BANKHEAD. That is absolutely correct. I hope the Senator will call my attention later to the other part of his question, but let me at this point say that the ceiling prices on cotton goods were fixed 2 years by the O. P. A. The last ceiling order was made the 28th of April 1942. At that time the price of cotton was at parity, or at a little above, 45 points above. The O. P. A., in fixing the ceiling, estimated the cost of the mills to convert the raw cotton into cotton goods. When they issued the order they issued an explanatory statement, explaining the order and the effect of the order, a copy of which I have with me, if any Senator desires to see it. They went into details in that explanatory statement, and said that with the ceiling prices then fixed the cotton mills could pay parity for the cotton, and have a nice profit left over.

Of course, cotton mills, like any other business, are not going to pay more than they have to pay. I never blamed them for that, and they are the only buyers of cotton. If the cotton mills do not buy the farmers' cotton, the farmers do not sell it. There are no other consumers, to any great extent.

The matter drifted along, and there was a 2-cent margin between parity and the market price. But the point I am making, in answer to the Senator's question, is that, with the ceiling prices on the products of the cotton mills, which have stood for 2 long years, the cotton-mill business has worked along very well. The mills have not troubled the O. P. A. about readjustments until lately, until the situation became serious, and really was disturbing to the public generally.

I doubt if anyone can mention any other great business such as the cotton business, with all its ramifications, with the millions of people dependent upon it, and as to which the program has continued for 2 long years during these trying times, that has not had troubles, that has not had controversies and contests, and has not made applications to Congress for relief.

Then let us turn to the cotton producers, the poorest and lowest-paid group of major workers in the United States. A great many of them, as we all know, are colored people, struggling along, prices of things they buy going up, the prices of the cotton farmers going up, labor in particular going up in price, until the point has now been reached when it costs about $37.50 or $40 a bale merely to pick the cotton, and the farmers get only one-third of the cotton picked in the form of lint cotton. The remainder is cotton seed. There stands that great mass of cotton farmers, white and black, with constantly increasing costs of living and of production, as I have said, but left out in the great movement of the upward swing of prices which has taken place since the war started.

Mr. President, I have stated in my address that agricultural prices are averaging 114 percent above parity. That is what the President said, but they are really higher, I find from later records. The prices for all agricultural products are 124 percent of parity, on the average. Here is cotton, the source of living, the real source of practically all the money that comes into the South, away down to 94 percent of parity. If we use 114 percent as the average—and for this argument I shall use it, though I am sure the average is higher—the price of cotton is 20 percent under the average paid producers of other agricultural products in America.

A few years ago the President of the United States, after receiving a survey of economic conditions in the Southeastern States, referred to that section as "Economic Problem No. 1 of America." It is a fact, Senators, that nearly all the money received from the sale of cotton—and about half of it, until the war began, came from foreign countries, but now none of it comes from that source—is spent for things produced in other sections of the country. The South has never developed as an industrial section. Our people seemed to be content to go along in the production of cotton, to which they are accustomed, and to buy the things they need. In the largest stores in the South there can be found very few articles which were manufactured in the Southern States. They are simply not there. A few local country-produced articles can be found. We are content to have the people of the North and the East produce our clothing, our shoes, our hats, our victrolas, our radios, our automobiles, our farm implements and the many other things the people use. We have been content with that situation and have sent our money from the South for the purchase of such articles. Checks go out for that purpose by every mail. The farmers of the South do not get any money in return except in the fall, when the cotton crop is sold. So, with that situation prevailing, Mr. President, I again submit that the purchasing power of the cotton farmer is a matter of paramount importance to the people in every section of the United States.

We buy corn from the West. We buy hay and a great many other agricultural commodities which come in daily by the trainloads, but we do not receive a decent price for our cotton. We rely on the East when placing our insurance business. We have a few local insurance companies, but not many. We rely on the East for our life insurance, our accident insurance, for every form of insurance we place. We send money from the South to take care of our insurance. The divi-

dends we receive on stocks and other securities we send to the financial centers of the country.

We hear people ask—and the Senator from New Hampshire [Mr. TOBEY] properly referred to it—Why does the amendment relate only to cotton? As if cotton represented simply a small sectional industry which did not relate to the welfare of the people of the country anywhere except in the South. That is not correct. I will tell the Senate why we did not include anything but cotton, and the Senator from Vermont [Mr. AIKEN] knows it to be true, because he is closely allied with the agricultural leaders of the Nation. We did not do it because they said to us, "We do not want it done. Our commodities are above parity. We do not want to upset the situation." The farm organizations are represented here in full force and are giving active and earnest support to the proposal. Their leaders represent their membership just as Senators represent their constituents. They are accountable to their membership because the farm organizations hold annual meetings when the officials must account for their stewardship and be reelected. In response to the question why nothing but cotton was included, the matter was debated for 3 or 4 days, and after full consideration of the matter, after we had told the farm representatives that we would be glad to include any agricultural commodity they thought ought to be placed in the bill, if they wanted it to come in on the same basis as cotton, they said they did not want any other agricultural commodity included. We were seeking parity for our farmers. The producers of other commodities already had parity. The escalator clause which is placed in the bill to prevent excess profits to the mills, and to require them to pay parity, does not apply to any other agricultural commodity, because other agricultural commodities are not confined to one class of buyers, and the price and the ceiling cannot be pulled down on other commodities.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BANKHEAD. Yes; I am glad to yield.

Mr. AIKEN. I want to assure the Senator that I understand perfectly the need for raising the income and the living conditions of the cotton farmers, and, as the Senator knows, I have frequently done whatever I could to help bring that about. But, in regard to the amendment, I want to be sure of one thing. I want to be sure that if there is a slight increase in the cost of the material it will be reflected back to the farmer. The language is that for the purpose of fixing the price of cotton cloth—

> The cost of any cotton shall be deemed to be not less than the parity price for such cotton—

And so on. But I do not find where there is any assurance that, although the cost to the manufacturer shall be figured at parity, the buyer cannot buy for just as little as he can, as he is doing now. If the Senator can assure me in some way that the farmer will receive this increase, and that we will not have another case similar to the meat subsidy, as to which we have not been able to find any farmer who received it, then I should be glad to support the amendment. But I want to make sure that this provision is not simply going to increase the profits of some middleman, while the farmer continues to sell his cotton for as low a price or lower than he has been selling it, which has not been up to parity, as it should have been.

Mr. BANKHEAD. The Senator is perfectly correct, and I feel the same way about it.

Mr. AIKEN. If the wording of the amendment does not do that, I should like to see it worded in such a way that it will, before it is voted on.

Mr. BANKHEAD. I think it does. It has passed the test of the examination by the cotton council and their advisers, and I think the O. P. A. will agree that it will have that effect, or something else which I will explain in a minute. I am glad the Senator brought that matter up, and I will deal with it now. The Senator from New Hampshire [Mr. TOBEY] brought it up, and I asked him to remind me to come back to it, and will deal with the matter right now.

I take it that very few understand what is called the escalator clause. I did not know exactly what it was, but I had a general idea. That is the part of this amendment which protects either the farmer or the consumer. The statement which has been spread over the country by the C. I. O., which has actively joined with the Price Administrator in this matter, is due, in my opinion, to the fact that they do not understand the situation. I believe if they understood it they would be here fighting as hard as they could to have this provision agreed to, because it would bring down the price of cotton goods to their members and the group of individuals they represent, by increasing the production, as I have just outlined, or by concentrating on the production of low-priced goods; but somehow they have a different idea about the matter, and they have a right, of course, to their views. The amendment, however, provides for the formula found in it under clauses (1), (2), and (3), which requires the O. P. A. in ascertaining the cost to the cotton mills—and they are entitled to cost plus a profit—to deem the price of cotton to have been parity to them. The present ceilings are based upon that theory. If costs have otherwise been increased, the O. P. A. is allowed and required to adjust them. The O. P. A. is not allowed to put the cotton mills out of business. It must help them in a square, fair sort of way, and I believe that is what it seeks to do.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. BANKHEAD. Permit me to finish my statement, and then I shall be glad to yield.

Mr. MURDOCK. Certainly.

Mr. BANKHEAD. Then, having figured that the cotton mills have paid parity for their cotton, the ceiling for their goods is fixed on the basis that they have paid parity. The present price is below parity. It has been the duty of the mills to pay the parity price for the cotton they buy. If they cannot do it under the present arrangement the O. P. A. must increase their ceiling price so that they can. Having fixed their ceiling on the basis that cotton has cost them parity, if it is found by the O. P. A., after a 60-day investigation, that they are not paying the farmers a parity price, then their ceilings must be automatically reduced to that extent. In other words, they have been allowed in the calculation full parity for the farmer's cotton. It is not to their interest to let the price stay down. They naturally feel an interest in the producers of their entire raw product, but aside from that friendly relation between the producers and the manufacturers, the manufacturers gain nothing by not paying parity, but on the contrary their price is reduced the difference between the market price and the parity price.

Who gains by that? The farmer does not. I concede that he does not. But the ceiling price is brought down, and to that extent the consumers of the country, the members of the consuming public, gain the difference because it is taken out of the ceiling prices, and no longer is permitted to be charged to the consumers.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. Are there not two reasons why the amendment will help the cotton farmers? In the first place, let me ask why cotton is selling at less than the parity price today? Today cotton sells for less than the parity price because it is figured by the O. P. A., in certain of its price ceilings, at a price below the parity price. In fact, in certain O. P. A. price ceilings it is figured at prices below the current market price of cotton.

Next, let me ask how a price ceiling is arrived at by the O. P. A. First, the O. P. A. computes the cost of the raw material to the manufacturer, for instance, the cost of the cotton. Then the O. P. A. computes the conversion cost or the manufacturing cost. Then the O. P. A. computes what is a reasonable profit. The sum total of those 3 factors—the cost of the cotton, the manufacturing cost, and the profit—is the price ceiling. The O. P. A., according to official figures which we have here and which we will put into the RECORD, has figured the price of cotton at a price less than the parity price or less than the current market price. Of course, over a period of time the price the O. P. A. says the mill should pay for cotton will control the price of cotton. If it gets above that, it wipes out the mills' profit, and the mills operate at a loss.

The cotton mills say their costs of operation have greatly increased in the past 2 years, that they are pressing up against certain of the ceilings, and that, therefore, the price of cotton being flexible, they have had to depress the market price, in order to pay the increased costs. In other words, certain of the increased costs of their business have been paid from the farmers' pockets. That is the reason why the selling price of cotton is below the parity price.

The amendment first would remove the cause for having cotton sell for less than the parity price. The second reason is, as the distinguished senior Senator from Alabama has said, that the O. P. A., in computing the price ceiling, will figure the cost of cotton at the parity price, and then will calculate the manufacturing cost, and then will calculate the profit; and the sum total of those three factors will be the new ceiling. At the end of 60 days, if the price of cotton on the cotton market had not gone to the parity price, but was still below parity, the mills' ceiling would be reduced.

What we would do would be to give an incentive on the part of the mills to keep the price of cotton at the parity price, in order to hold the ceiling up. That would be their incentive to do so.

The O. P. A. cannot say that any product shall sell for the parity price or for any other figure. First, it is necessary to remove the shackle which holds the price of cotton below the parity price. By this amendment we would create an incentive on the part of the mills to pay the parity price for cotton, and we would have a 95 percent loan figure, which would be a jack which would raise the price of cotton to that figure.

Mr. WEEKS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WEEKS. Did I correctly understand the Senator to say that the ceiling prices on textiles have not changed since 1942?

Mr. BANKHEAD. Yes; except in some minor details.

Mr. EASTLAND. Four-tenths of 1 percent has been the increase in 2 years, and that is less than the increase granted in the case of any other major American business, so I am informed.

Mr. WEEKS. In that period, Mr. President, there having been practically no change in the ceiling prices, there have been substantial changes, have there not, in the conversion costs?

Mr. EASTLAND. Yes. There have been several increases in the cost of labor. The prices of coal, of oil, and of starch have increased. For instance, when John L. Lewis brought about a large increase in coal prices, that increased the mills' cost of operation; and in the case of certain ceilings, those costs pressed against the ceilings, and had the effect of requiring the mills to decrease the price they paid for cotton, in order to pay the increased costs.

The mills have another increased cost. A great amount of their skilled labor has gone into the armed forces, into the shipyards, and into other war industries. Consequently, the mills have had to train new workers. As a result, the figures of the Cotton Textile Institute show that the per unit labor cost has increased 30 percent in the past 2 years, due solely to the use of new workers who must be trained, and due to the inefficient labor which the mills have had to use.

Mr. WEEKS. Mr. President, I should like to ask one more question, if the Senator will further yield?

Mr. BANKHEAD. I yield.

Mr. WEEKS. I have in mind the fact that a number of mills, particularly those in the underwear field, have been having considerable difficulty due to increased conversion costs. In fact, I believe I have been told that some of them have actually closed.

Mr. BANKHEAD. That is correct.

Mr. WEEKS. As I see the picture—and let me say that I am seeking information—that condition not only affects the supply of cotton textile goods, but it seriously affects the standing of the mills and seriously affects the labor which may be employed in them, and which cannot conveniently transfer to other sections of the country.

Mr. EASTLAND. And it affects the price of cotton; because when there is a squeeze on a textile ceiling or when a mill is operating at a loss, the natural thing for the mill to do is to seek to decrease its loss. The first thing it does is to depress the price of cotton. Because the price of cotton is flexible, and can be depressed; and the cotton mills frankly state that is what they have been forced to do.

Mr. AIKEN. Mr. President, will the Senator yield? Perhaps he can give me some information which I desire to have.

Mr. BANKHEAD. I yield.

Mr. AIKEN. If there has been so little increase in the price of cloth, as may be charged by the mills, what is the reason for the very serious complaints we receive as to the tremendous increase in the cost of clothing? Where has the increase which has caused such a commotion among the consuming public occurred?

Mr. BANKHEAD. I shall be very glad to answer that question as best I can. We have given it a great deal of consideration. We have implored the Office of Price Administration to institute a different system, so as to prevent the exorbitant and black-market profits on dresses, underclothes, and other wearing apparel, particularly the low-priced garments worn by the working people.

One of the most unfortunate results of this situation, aside from the losses to the farmers—for I am talking now about the prices of the goods—has been the unfortunate reputation which has been given to high-class men in the cotton-mill industry. They are generally regarded as being the chief criminals in the unlawful, wild, inflationary runaway in the prices of cotton goods after the goods leave the cotton mills.

As I have stated, ceilings were placed on the cotton mills 2 years ago. Those ceilings stand today, and there is no charge by the O. P. A. or anyone else that the ceilings fixed by the O. P. A. are being violated by the cotton mills. In the conduct of their business they stand unimpeachable so far as the price situation is concerned. So, without the farmer's price being increased, and without the prices of the manufacturers of the raw material being increased, the Senator properly asks, and others inquire, "Where does the increase come from?" It comes from the converters of the cotton cloth after it leaves the mills. From there on down to the consumer, the prices of those goods are increased more than 200 percent over the prices of the goods as they come from the cotton mills.

Converters, cutters, knitters, and various other groups handle the goods. Take the group called converters. They do not have any business, except an order business. They do not make any investment. With a typewriter they may order from the mill so much grey goods, or other kinds of cloth. Then they proceed to send it to others engaged in working upon the cotton goods before they reach the retail stores. The goods are sent to cutters, who cut the patterns. They are sent to knitters, and various other manufacturers. Every time the goods are handled there is an increase in the price, and as the cost goes up the commissions are increased, based upon the amount, just as a surtax is increased. The larger the amount of the order which is placed the higher the percentage for handling it. In that way the increase in cost is accelerated, until the goods reach the retail stores.

Of course, the O. P. A. is supposed to fix prices in retail stores. I recognize that that is a rather difficult task. I do not know how well those prices are followed, but we hear complaints from all over the country that cheap cotton dresses worn around the house, which formerly cost less than a dollar in some instances, and less than $2 in nearly all cases, are now selling for $5, $7, and even $15.

We know that that is one of the evils which should be remedied, even if it costs money. Cotton goods have become almost unobtainable in some stores. There is a great scarcity of cotton goods. What is the reason? Of course the reason is production. They are not being made. The people have plenty of good money in their pockets, and are looking for cotton goods. They are anxious to find them and buy them, even at high prices. They do not like the prices, but they are forced to buy cotton goods. They cannot find them, even at these scandalous and outrageous prices.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. AIKEN. From what the Senator from Alabama says, it would appear that if the farmer were to give away his cotton the consumer still would have ground for complaint as to the cost of the finished products.

Mr. BANKHEAD. I believe that is true.

Mr. AIKEN. What reason or excuse does the O. P. A. give for permitting such conditions and such prices to exist?

Mr. BANKHEAD. I have not talked directly with officials of the O. P. A. on that subject, but I have talked with persons who have. It is said that the situation simply got out of hand, and therefore we have had a run-away price condition. Prices are still running away.

It is said to be impracticable—or, as I construe it, it would require too much work—to review prices after the cloth leaves the cotton mills. It is not claimed that there is any abuse on the part of the cotton mills themselves. The cause

is said to be factors which are beyond the province of the cotton mills, for example, the charges about which I have been speaking, made by converters, distributors, handlers, and others engaged in handling the goods.

I have heard it said that the O. P. A. does not have legal authority to reduce prices; that it can permit prices to rise, or hold them where they are, but cannot bring them down. I have an amendment to meet that very situation which would give the O. P. A. authority to reduce prices. I shall offer the amendment later.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MALONEY. As the Senator knows, the O. P. A. already has the power to reduce prices.

Mr. BANKHEAD. I believe it has; but it will not exercise the power, and I have heard it claimed that it does not have the power. It certainly will not exercise it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. AIKEN. Is it because the O. P. A. does not have the manpower or the money to do the job properly?

Mr. BANKHEAD. I could not say as to that.

Mr. AIKEN. If it be true that the O. P. A. does not have the money, then the responsibility rests largely upon us.

Mr. BANKHEAD. If the O. P. A. has asked for it.

Mr. AIKEN. If the O. P. A. has asked for it.

Mr. BANKHEAD. As the Senator knows, I am a member of the Appropriations Committee. I have heard of no such request from the O. P. A. We have been giving the O. P. A. all the money it has asked for.

Mr EASTLAND. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. The Senator from Vermont spoke about the trouble in the O. P. A. The trouble is that the men who are actually conducting the cotton program in O. P. A. have had absolutely no experience in the cotton business. They were moved to Washington from minor places in the Department of Labor and in the National Labor Relations Board, and placed in the cotton section of O. P. A. Economics teachers and men without experience in any line of business cannot be placed at the head of a business and be expected to make a success of it. I am absolutely sure that those gentleman are honest and sincere, but they are professional teachers who have never had any experience in the cotton business. Most of them have never been in a cotton mill in their lives. They have never been on a cotton farm, and yet they are put in charge of the cotton industry. One of the most powerful men in the O. P. A., so far as cotton is concerned, was Harry Hopkins' economic adviser when Mr. Hopkins was Secretary of Commerce. He knows absolutely nothing about cotton, and yet he is one of the powers in formulating the cotton policy of the O. P. A. and the Government.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. HAWKES. I served on the subcommittee with the Senator when this amendment was considered. It is my very clear recollection that the majority of the committee proved to me—and I profess to know very little about the cotton business—that the prices established by O. P. A. on textile products in 1942 were definitely established on the basis that the parity price of cotton would be paid. Is that correct?

Mr. BANKHEAD. That is correct.

Mr. HAWKES. The maximum prices fixed for textile products at that time contemplated a fair and reasonable profit, did they not?

Mr. BANKHEAD. That is true.

Mr. HAWKES. If the payment of a parity price for cotton at the present time, coupled with a fair maximum ceiling price on textile products, does not leave a profit, it is simply because something else has got out of hand, is it not?

Mr. BANKHEAD. That is true, obviously.

Mr. HAWKES. In other words, either the labor charges have increased, or the costs of fuel and the various other costs referred to by the Senator from Mississippi have increased to such an extent as to deny a fair profit to the textile mills; and the power lies within the O. P. A. to carry through the original plan of paying parity for cotton and establishing ceiling prices which will permit a reasonable profit.

From my point of view our American way of life and the free enterprise system should insure that no man shall be ordered by the Government to make anything at a loss, or without a reasonable profit. If we cannot maintain such a principle, I think we are through with our American free-enterprise system. It seems to me that the O. P. A. has ample authority to lower the price, as the Senator from Connecticut has said, on certain items which may be too high, and fix the price on other items which may be too low, in order to bring about the production which the American people need. After all, laws do not make clothes. We can pass all the laws in the world, and they will not produce cloth from which clothes can be made at a proper price, and enable the people to be served. I am just as deeply interested in preventing a rise in the cost of living as any other man can be, but I know that the working people will not be able to maintain their homes and receive their just wages unless we make possible the existence and maintenance of a system of free enterprise with a reasonable profit to all. Does the Senator agree with me?

Mr. BANKHEAD. I am in full accord with the Senator's statement.

Mr. HAWKES. If I had my way, the law would not permit the O. P. A. to order anyone to make an article which did not show cost and a reasonable profit. Then, if anyone were found to be making an excess profit it could be taken away from him providing that such action were warranted in consideration of the demands of the Nation in time of war. I am not talking about how much profit anyone should have, but I am talking about the great fundamental principle in the American free enterprise system.

[Mr. HAWKES subsequently obtained permission to have a statement inserted at this point in the RECORD.]

The statement by Mr. HAWKES is as follows:

I would like to reiterate my statement that no Government agency should have the authority to order anyone to produce material in peacetime or wartime except on a basis which will return to that individual for his work a fair cost of production, plus a reasonable profit.

I emphasize the words "no Government Agency should have the authority to order" an individual to do this. This does not mean that the Government must provide a profit for inefficient people unless they order them to do things because of the necessity of having the things done.

I previously stated I was talking about a principle involved in the American system of free enterprise, and I further stated if the Government needed the money it could take as much of the profit as was necessary away from the people to meet the requirements of the Government. I, of course, referred to the power of the Government to levy taxes for the absolute necessities of the Government in war.

When the Bankhead amendment was considered in the subcommittee I voted for it on the grounds that when O. P. A. fixed the ceiling prices on textiles in 1942 it was definitely stated by them that those prices were fixed on the basis of the textile mills paying parity prices for the cotton.

The Bankhead amendment is an effort to see that the cotton producer gets parity for his cotton, and if for any cause he fails to get parity, then the escalator clause keeps the textile mill from benefiting through the purchase of cotton on a basis lower than parity and selling at ceiling prices which were established on the basis of parity for cotton.

The escalator clause does more. It provides that if through causes unknown the price of cotton goes above parity, then the textile mills will be allowed still to make a reasonable profit under the ceiling prices, which will then be in effect through the operation of the escalator clause.

Oratory will not make this thing clear, but perhaps a simple illustration may convince some of the Senators, Congressmen, and the public that this clause will not work to the detriment of the workingman or the people in the low-income group. I give this illustration:

If, as it is stated by O. P. A. and not denied by anyone at the hearings of the Banking and Currency Committee—it is a fact that denim and low-priced work clothes are not available due to the way the O. P. A. and the law establishing it, is operating, then there are many working people who cannot buy the kind of low-priced garments they wish because such garments do not exist.

If it is a fact that working people and those of the low-income group are compelled to buy higher-priced materials which do not wear half as well as the denim and low-priced working clothes which they wish, then anything which will bring that lower-priced cloth and those lower-priced garments into existence will be helpful to the situation.

If a man or woman wants a $2 garment but cannot get it, because our present operations under O. P. A. has not produced sufficient low-priced material—and consequently that man or woman has to buy a $4 garment, which will only wear half as long, as the low-priced garment would wear, then I contend any change in the law or the operations of O. P. A. which brings the low-cost material into existence will be beneficial to the people as a whole.

Suppose for instance that the new plan under the Bankhead amendment stimulates mills to produce the low-priced, longer wearing material in sufficient quantities to satisfy the needs of the working people and the low-income groups, but that under that system they have to pay a slight increase for a garment which, when available, previously sold for less, and which will wear twice as long as the garment they have been compelled to buy at $4, then I ask you if we have not benefited the situation for the working people and the people in the low-income group?

To me it seems perfectly clear that anything that causes us to produce the thing required and which thing is of greater relative value to the people than the things they now have available to them is beneficial to the maintenance of the cost of living line.

I hope this means the same thing to others as it means to me, and I cite the illustration because the reasons given herein are the reasons that I have supported the Bankhead amendment.

I have a very high regard for Chester Bowles and most of his associates. I do not believe this amendment will destroy the efficiency and effectiveness of O. P. A.'s operations in holding the price line so far as it can be held with justice to all who are affected by it.

I cannot see why anyone in our great Nation should wish to make and keep excess profits when millions of our boys are making the supreme sacrifice, but on the other hand I believe any unfair, unjust profit which is made after we do our best to control such profits by law, can easily and properly be handled by the power of the Government to tax in wartime as well as peacetime.

If we are to keep faith with these boys who are making the supreme sacrifice in order to preserve the freedom of the individual and, in the case of America, in order to preserve the American system of free men, then we must use our best endeavors to dispense justice to all who are cooperating to win the war.

The past 2 years have proven that it is utterly impossible to totally hold the line on living costs, but we can have a fair regard for relativity of sacrifice and obligation and this Government, through its law-making body, has ample power to regulate those few of our citizens that are willing to make exhorbitant profits while the vast majority of our citizens are making sacrifices which run all the way from modest sacrifices to the supreme sacrifice.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MALONEY. I should like to point out that the Senator has somewhat scrambled his observation by talking about a system of free enterprise, as he talks about cotton. We cannot have a free-enterprise system and protect cotton. We have been talking about a 100-percent loan.

Mr. HAWKES. I am not talking about a 100-percent loan.

Mr. MALONEY. I did not say the Senator had been talking about it. I said that we have been talking about it.

Mr. HAWKES. I am talking about a principle involved in our American system of free enterprise.

Mr. MALONEY. The principle involved is not one of free enterprise because the Senator, as well as every other Senator, knows that we cannot have free enterprise and keep the cotton producer in business.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. TAFT. I see no reason why, in a system allowing a proper price for raw cotton, free enterprise should not remain throughout the industry. It is perfectly possible, as has been done for many years, to superimpose upon a Government controlled price for raw cotton a completely free enterprise system with respect to the producer and the distributor.

Mr. MALONEY. I agree, but when we provide an 80- or 90-percent loan on cotton we abandon free enterprise.

Mr. TAFT. No, it would not be abandoned at all. The principle of free enterprise may be modified insofar as the producer is concerned.

Mr. MALONEY. That is what I say.

Mr. BANKHEAD. I do not believe that the Senator would insist that an abandonment of free enterprise has taken place with respect to all basic commodities. He has specified cotton. We also have such commodities as wheat, corn, tobacco, rice, and peanuts.

Mr. MALONEY. Oh, I agree with the Senator. Under existing circumstances I am in favor of the 100-percent loan for cotton.

Mr. BANKHEAD. But the Senator is not in favor of this amendment.

Mr. MALONEY. I have supported every cotton-loan bill which has come before the Senate.

Mr. BANKHEAD. The Senator knows that a 100-percent loan cannot be administered.

Mr. MALONEY. I do not like the idea of voting for a 100-percent loan. I certainly wish, however, to defeat this amendment. The Senator is correct about that.

Mr. BANKHEAD. I thank the Senator, and I am glad to say that he has been liberal in connection with farm legislation. I think that he has believed very much along the lines I have believed with respect to general agriculture legislation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. AIKEN. It has appeared to me that the Office of Price Administration already has ample authority to deal with the situation which apparently exists, if it sees it as it is, and desires to make whatever correction is necessary. I am wondering how long it has been since the Office of Price Administration has reviewed the situation, and whether it has declined to make adjustments.

Mr. BANKHEAD. It has declined in the last week or two. However, that would apply to the regulation of the cotton-goods industry, but would not cover the escalator clause about which we have been talking.

Mr. AIKEN. But the O. P. A. could set a price on raw cotton goods which would give the manufacturer no excuse for not returning to the farmer full parity price for his cotton.

Mr. BANKHEAD. For 2 years it was done without any excuse.

Mr. AIKEN. There have been some increases in the cost of manufacturing, even within the last few days. I refer at least to some items. It seems to me that the O. P. A. should recognize the situation and make it unnecessary for Congress to legislate in that direction.

Mr. BANKHEAD. I stated, perhaps before the Senator entered the Chamber, that there has been a persistent effort within the last 3 or 4 weeks, perhaps within a greater span of time than that, by representatives of the National Cotton Council, to bring about adjustments which we have been here discussing. The O. P. A. finally announced that nothing would be done about it. One of the officials who appeared before the Banking and Currency Committee told me that they could not do anything about it. So there is no question about it. We have exhausted all resources and have failed.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BURTON. I wish to be sure that I understand the Senator. Is it his contention that there was ample authority in the O. P. A. to grant relief, but that the O. P. A. did not grant any relief after all the appeals had been made to it?

Mr. BANKHEAD. That is exactly correct.

Mr. BURTON. So the present proposal would be merely an attempt through a board of appeals to overrule the decision of the O. P. A.

Mr. BANKHEAD. I do not know what the Senator would call it. I know that the cotton farmers are entitled to relief, and that they have not been able to obtain it. We are therefore asking Congress to grant such relief. I do not believe there is any technical application concerning the overruling of the decision.

Mr. BURTON. I do not wish to be technical, but I wish to be certain concerning the precedent which may be established in regard to decisions of the O. P. A. Is it intended that unfavorable decisions of the O. P. A. shall come before the Senate for its action in counteracting by legislation an administrative ruling?

Mr. BANKHEAD. I believe the Senate should have sufficient interest in the proper enforcement of our laws, and in the public interest which is involved, to take action when any agency of the Government, under admitted facts, has failed to take steps to rectify an adverse situation. I am not willing to submit supinely to that kind of administration.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. TAFT. I wish only to suggest that one of the dilemmas created by the present law is a justification, perhaps, for legislation on this particular subject. So far as I know, cotton is the only product selling below parity, or the comparable price provided by the law. The act provides that a maximum price for cotton cannot be fixed below parity. It also states:

No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a

price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a)—

And so forth. A curious effect grows out of such language. If prices must be fixed on the basis of cotton before it has reached parity, the result is that they must be fixed on the basis of parity under the law. Thereupon, if the mills do not pay parity, they will receive more than a reasonable margin and will make excessive profits. Cotton is the only product I know of in connection with which there is such a dilemma. There should have been in the law, and there should be put is now, something like the escalator clause providing that under those circumstances the price of the manufactured products shall be reduced. That is what the Senator's amendment does. I think there is a justification for the legislation dealing with cotton, because the dilemma created by the act applies at the present time, so far as I can see, only to cotton.

Of course, as a practical matter, under the act I suppose if it was desired to conform to it and not get into this dilemma one would be forbidden to fix any retail prices for cotton goods. A margin could be fixed, it could be said that certain goods are to be sold at a certain price over the price that is being paid for cotton. A margin could be fixed for the producer, but the retail price could not be fixed. The Price Administration feels today that it is absolutely essential for their system of price control that they fix maximum prices on cotton goods. Yet if they do they are up against the difficulty that, under the law, they will have to give the mills more money than they are entitled to, more than proper margins, because they have got to base the price of cotton goods on parity. I do not see how we can get away from that dilemma, unless we enact some such provision as the Senator has provided in his escalator clause, to deal with cotton, and I do not think it is necessary for any other product.

Mr. BANKHEAD. Mr. President, following the statement of the Senator from New Jersey [Mr. HAWKES] as to what occurred in the subcommittee I want to read from a recent statement submitted by the O. P. A. to the Banking and Currency Committee while it was considering this bill on April 25:

III. The contention that existing ceilings on cotton textiles prevent cotton from reaching parity.

That is the contention which the O. P. A. proceeds to answer.

I stated in the earlier part of my address that on a number of cotton items the ceiling price was so low that the mills could not pay the parity price. I mentioned them and gave the figures. I read this statement of the O. P. A. in response to the Senator's statement. He is right about it, and I want to confirm it by the statement of the O. P. A. itself. I continue the reading:

III. The contention that existing ceilings on cotton textiles prevent cotton from reaching parity: The most serious criticism expressed at the hearings was the charge that existing textile ceilings are preventing or have prevented cotton from reaching parity. If this charge were well-founded it would, of course, mean that the ceiling prices have been in violation of law.

They admit, as they must admit, that they have no right under the law to fix the ceiling price so that the manufacturing process would not reflect parity.

I read further:

O. P. A. has given the most intensive study to this question. All the evidence bearing upon the movement of cotton prices which it has been able to gather, or which has been submitted to it, shows that the charge is unfounded—that cotton prices have not been prevented from rising by textile ceilings. This evidence is considered below in connection, first, with mill earnings; second, with the large carry-over of cotton; and, third, with the current operating demand of the mills for cotton, as determined by the volume of textiles they are able to produce.

A. Mill earnings: Is the price of cotton below parity because the textile companies cannot pay more for cotton? The evidence against such a contention is overwhelming.

In other words, if the escalator clause were adopted there would be no increase in the ceiling prices, there would be no increase in the price of cotton goods, and there would be no justification whatever for the clamor set up that inflation would be brought about. The statement of the O. P. A. is totally inconsistent and utterly in conflict with the assertion that this amendment would increase prices and tend to cause inflation.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. BANKHEAD. Let me finish reading from this statement.

Mr. MURDOCK. I have sat here patiently while the Senator yielded to a number of other Senators.

Mr. BANKHEAD. I did not mean to be discourteous to the Senator at all.

Mr. MURDOCK. I know the Senator did not.

Mr. BANKHEAD. But I should like to finish with this matter.

Mr. MURDOCK. I will wait patiently.

Mr. BANKHEAD. Unfortunately, the Senator was in a position where I could not see him well.

Mr. MURDOCK. The Senator turned his back and spoke to the other side.

Mr. BANKHEAD. Because most of the Senators were on the other side.

I continue reading from this statement by the O. P. A.:

The ability of the mills to pay higher prices for cotton, and indeed to pay higher than parity prices, can be shown by a comparison, first of all, of mill earnings in the year 1942 with representative peacetime earnings, and then by a comparison, based on a somewhat smaller sample, of 1943 earnings with those of 1942.

There is more along that line, and then on the next page it is said:

It is thus clear that the earnings of the textile mills are more than ample to permit a rise in the price of cotton to parity and above. A rise of 2 cents a pound in the price of cotton would bring cotton well above parity. It takes about 2½ pounds of cotton gross to produce one dollar's worth of fabric. Such a rise in the price of cotton would reduce the profit margin of the industry from 12.5 percent to 7.5 percent on sales. This figure, however, would still be more than double the base-period percentage. Moreover, the dollar volume of profits would be about five times what it was in the base period.

Notwithstanding that positive written declaration filed by the O. P. A. with the Banking and Currency Committee that the mills have ample margins with which to pay parity, we are told that if they do pay it, it will bring about inflation and increase prices paid by the consumer from $150,000,000 to $350,000,000. That is the situation; that is what we have to deal with here. I now yield to the Senator from Utah.

Mr. MURDOCK. I wish the Senator would explain now or at the proper time when he comes to it the meaning of this clause in his amendment: "and for each subsequent 60-day period, if the actual current market value of such cotton at the beginning of such period is lower than such parity price."

And so on. The question in my mind is how does the Senator, the author of the amendment, define "at the beginning of such period"? Is that the first day of the period?

Mr. BANKHEAD. Sixty days or thirty days, whatever the language is.

Mr. MURDOCK. The provision may limit it to the beginning of such period. I think that is very important, and I hope the Senator will explain just what he means by the words "and for each subsequent 60-day period, if the actual current market value of such cotton at the beginning of such period."

If I understand the amendment, the words "at the beginning of such period" are very important, and I should like to have the author of the amendment define specifically what he means by that language. Is it the first day, the first 2 days, the first week, or what is it?

Mr. BANKHEAD. It says "except that for the 60-day period beginning 120 days after the date of enactment of this paragraph."

Mr. MURDOCK. The language I should like to have the Senator to define is "at the beginning of such period." Is the price on that day to be taken?

Mr. BANKHEAD. I think the Senator did not read all the language. It says "120 days after the date of the enactment of this paragraph." I do not see how there could be any uncertainty about that. The affected persons are given some reasonable time, of course, to readjust their affairs and go into an accounting of the costs.

Mr. MURDOCK. I am making the inquiry in order to clarify in my own mind, and I think in the minds of other Senators, what is meant by the amendment. We are through, let us say, with the 120-day period; that has passed. Then an adjustment must be made for the ensuing 60 days on the market value at the beginning of that 60-day period. When the amendment says the beginning of the period, does it mean the first day, the second day, the third day, or the first week, or what does it mean? As I understand from the discussion and the evidence before the committee, the cotton market fluctuates from day to day, so that the market might be parity on the

beginning day of the period and slump immediately to a point below parity the next day, and on the ensuing days. If I am wrong in that, I should like to have the Senator to explain the situation to me.

Mr. BANKHEAD. Each 60 days there will be a reexamination, to ascertain if the market price of cotton is up to parity.

Mr. MURDOCK. At the beginning of the ensuing period?

Mr. BANKHEAD. Yes. How would the Senator want to make it?

Mr. MURDOCK. What seems to me wrong is to say that if the market price of cotton on one day in a 60-day period is up to parity, then in fixing prices during the ensuing 60 days, the O. P. A. must assume that the cotton exchanges and the mills are buying cotton at parity for the entire 60 days. If the amendment means that, it is one thing. If the amendment merely means that the price on one particular day, the beginning of the period, controls throughout the ensuing 60 days, then I wonder what cotton brokers and cotton buyers can do with the farmer during the 59-day period.

Mr. BANKHEAD. Of course, the Senator's friends, the O. P. A.——

Mr. MURDOCK. They are not my friends any more than they are the Senator's. I have asked a fair question.

Mr. BANKHEAD. I say, they have charge of the application of the formula.

Mr. MURDOCK. That is correct.

Mr. BANKHEAD. I have sufficient confidence in them to believe that they would not adopt any technical definition which would do injustice to the farmers, or would give any particular advantage to the mills. They might use an average price.

Mr. MURDOCK. The Senator could put that into the amendment, but he has not done so. The amendment says, "at the beginning" of the 60-day period.

Mr. BANKHEAD. If it will cause the Senator to vote for the amendment, I will let him fix the time.

Mr. MURDOCK. I do not intend to vote for this kind of an amendment, but the Senator should look very keenly at that phrase "the beginning of such period," and see if it means what he wants it to mean.

Mr. EASTLAND. Mr. President, will the Senator from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Caraway	Green
Austin	Chandler	Guffey
Ball	Chavez	Gurney
Bankhead	Clark, Mo.	Hatch
Barkley	Connally	Hawkes
Bilbo	Cordon	Hayden
Brewster	Davis	Hill
Bridges	Downey	Holman
Buck	Eastland	Jackson
Burton	Ellender	Johnson, Colo.
Bushfield	Ferguson	Kilgore
Butler	George	La Follette
Byrd	Gerry	Lucas
Capper	Gillette	McClellan
McFarland	Reed	Tunnell
McKellar	Revercomb	Vandenberg
Maloney	Reynolds	Wagner
Maybank	Robertson	Wallgren
Mead	Russell	Walsh, Mass.
Millikin	Shipstead	Walsh, N. J.
Moore	Stewart	Weeks
Murdock	Taft	Wheeler
Murray	Thomas, Idaho	Wherry
Nye	Thomas, Okla.	White
O'Daniel	Thomas, Utah	Wiley
Overton	Tobey	Willis
Radcliffe	Truman	Wilson

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

GREETING TO MAJ. ROBERT JOHNSON, UNITED STATES ARMY AIR FORCE

Mr. THOMAS of Oklahoma. Madam President, will the Senator from Alabama yield?

The PRESIDING OFFICER (Mrs. CARAWAY in the chair). Does the Senator from Alabama yield to the Senator from Oklahoma?

Mr. BANKHEAD. I yield.

Mr. THOMAS of Oklahoma. Madam President, I wish to call the attention of the Senate to the fact that there is now present in the gallery a young officer who has distinguished himself on the battlefield in the present war. This young officer comes from my home county-seat town of Lawton, Okla. I have known his family since as long ago as I can recall, and I have known this young officer for a long time, although he is still a youngster. He is a member of the Air Forces. He is the first ace in the European theater. He already has 27 enemy planes to his credit, and it is thought he has 3 and probably 4 more. If I may have the permission of the Senate, I ask unanimous consent that the young officer may rise in the gallery so that Senators may see the type of men we have on the fighting fronts winning victories and glory for the Allied cause. I present Maj. Robert Johnson.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Major Johnson rose from his seat in the gallery and the Members of the Senate rose and applauded.

Mr. THOMAS of Oklahoma. I should like also, Madam President, to present the officer's wife, Mrs. Robert Johnson.

Mrs. Johnson rose from her seat, and the Members of the Senate rose and applauded.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.).

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. AUSTIN. Madam President, will the Senator yield to me for some questions?

Mr. BANKHEAD. I am glad to yield.

Mr. AUSTIN. I have understood from the remarks of the distinguished senior Senator from Alabama that the price asked and paid at the present time for raw cotton is less than the parity price. Is that correct?

Mr. BANKHEAD. That is correct.

Mr. AUSTIN. Is there on hand at the present time a store of raw cotton which is available to the market if the market wants it?

Mr. BANKHEAD. There will be, as estimated by the Bureau of Agricultural Economics, about 10,000,000 bales on hand before the new crop starts to market.

Mr. AUSTIN. Is that now available? Can it be purchased by a manufacturer at the present time?

Mr. BANKHEAD. It is all open to purchase.

Mr. AUSTIN. There is no restriction by O. P. A., and no other governmental interference, in a transaction between a manufacturer and the present owner of the raw cotton; is that correct?

Mr. BANKHEAD. There is no restriction or limitation on cotton which is not owned or held by the Government.

Mr. AUSTIN. On that which is held by the Government, is there a restriction?

Mr. BANKHEAD. Yes; there is a statutory restriction that it cannot be sold at a price below the parity price.

Mr. AUSTIN. That is the only one; is it?

Mr. BANKHEAD. Yes; and that limitation applies to approximately 6,000,000 bales, but there are 4,000,000 or 5,000,000 bales of free cotton, owned by the cotton merchants or the mills.

Mr. AUSTIN. Yes. So, Madam President, the important shortage of manufactured cotton goods to which the Senator has so definitely referred cannot be attributed to the price of raw cotton; can it?

Mr. BANKHEAD. No; it cannot be attributed to either the price of raw cotton or the quantity of raw cotton.

Mr. AUSTIN. There is an ample surplus to take us to the next crop, sufficient for the ordinary and normal demands; is there not?

Mr. BANKHEAD. That is correct; there can be no question about that fact.

Mr. AUSTIN. Then there must be some place in the chain of operations between the field production of cotton and the final use of the cotton which accounts for the price which is asked for the cotton goods. Where is it?

Mr. BANKHEAD. Of course, as to the reason why consumption by the cotton mills is being reduced, several statements are made. In the first place, the O. P. A. claims as I understand the argument, that the mills have had some reduction in their supply of labor, which has brought about some decrease in consumption of cotton and production of cotton goods.

Mr. AUSTIN. In other words, there is a shortage of manpower; is there?

Mr. BANKHEAD. Yes; mainly a shortage of women and girls in the factories, so it is claimed. But I insist that cannot be true, because the factories have not had any great exodus of employees which would bring about a reduction of consumption of, let us say, 100,000 bales in the last month.

The mills claim it is due in large measure to the restriction of the ceilings on certain items of goods; they claim that the ceilings are so low that they cannot produce the goods at a selling price which will reflect a parity price to the farmer. In fact, they cannot break even. Some mills have failed and have gone out of business because they could not break even in their operations, under the ceiling prices which have existed. One in my State, at Talladega, had such an experience.

Those are the principal reasons. The mills say they cannot make a profit. They have shifted from the manufacture of low-cost goods, the very kind that are now so scarce, and that shift has made them scarce, to the production of high-grade, high-class, high-priced goods.

Mr. AUSTIN. I know from recent observation that, in that category, there is a great shortage, also. As nearly as I can ascertain the situation, there is a great shortage of all cotton goods.

Mr. BANKHEAD. That is true.

Mr. AUSTIN. I think the Senator understands what I have in mind. I am endeavoring to ascertain what change occurs between the time when the cotton itself comes off the farms and the time when the cotton is worn, which in the present times causes the manufacturer to close his mill, rather than to go ahead, and which causes him to lose money, instead of making a profit. Somewhere there an economic reason for the present shortage. Is it the increased cost of labor?

Mr. BANKHEAD. No. The mills have not had any great increase in the cost of labor, although they have had some increase. The C. I. O. has now on file in Washington an application for a large increase.

Mr. AUSTIN. Is the shortage due to the increased cost of power?

Mr. BANKHEAD. The contention of the cotton mills is chiefly that they cannot make any more, under the present ceiling prices.

Mr. AUSTIN. I know, and that is an economic matter which I am endeavoring to explore.

Is the cause of the shortage an increase in the cost of sales? Somewhere along the line there is a cause for the manufacturers' inability to produce the commodities at a profit. Their profits are absorbed in something connected with the production or manufacture of the cotton goods. The fault cannot be the farmer's, because the price he receives is below the parity price.

Mr. BANKHEAD. No; it is not the cotton farmer's fault. The mills necessarily have had some increases in cost. I do not know about all the items; I have not investigated all of them. But the mills have broadly made the contention to the O. P. A. and to others that for a number of items the ceilings were so low that they could not produce and operate; they could not break even. Therefore, production has been reduced.

Mr. AUSTIN. Assuming that the Bankhead amendment were adopted, and assuming it had the effect of lifting the ceiling to which the Senator has referred, but assuming also there was nothing about the transaction which directly affected the price to the producers of the raw cotton, how would this remedy be of the usefulness which the Senator seeks to have it be?

Mr. BANKHEAD. The explanation is very brief and very simple. The cost of the operation of the mill is ascertained by the O. P. A. Under this formula the mills would receive the cost, plus a reasonable margin of profit. The O. P. A. calculates what the cost to the mills is. In doing so, the O. P. A. assumes that the cotton has cost the mills the parity price. In the ceiling price, the parity price of cotton is included, as representing what has been paid in purchasing the cotton. As has been the case ever since the rule was established in 1942, the mills receive credit for paying to the farmers the parity price, which they are supposed to pay, but if they do not actually pay that price, then the escalator clause is placed in effect. It is well known, and was used for a time by the O. P. A. The escalator clause is put into effect if that situation obtains. It is easy to ascertain whether that situation obtains, because the market price controls. If it is ascertained that the mills have not bid the price of cotton up to the parity price, and that the farmers are not receiving the benefit of the parity price, then the so-called tripping occurs, and the O. P. A. pulls down the ceiling price to a degree equal to the amount the farmer should have received, but did not.

Mr. TAFT. Madam President, will the Senator yield to me for a moment?

Mr. AUSTIN. Madam President, I should like to finish my questions.

Mr. TAFT. I think I have the answer to the question the Senator asked.

Mr. AUSTIN. I will merely follow the question one step further, if the Senator will excuse me, and then I shall be glad to give way.

As I have indicated to the Senator, that is where I have my trouble.

Mr. BANKHEAD. Yes.

Mr. AUSTIN. For, unless I misunderstand the Senator, the effect of that process would not be to pour into the market the necessary finished cotton goods for women and children, many of whom need them now but cannot find them. That is really the most important element in the problem; is it not?

Mr. BANKHEAD. Not from the farmers' standpoint, but from the public's standpoint, that is true.

Mr. AUSTIN. It would reflect a benefit to the farmer.

Mr. BANKHEAD. Yes; but the theory is that an increase in the margin of profit will result in an increase in production, because production of many items in many mills has been slowed down. But the doctrine is the old one that a profit incentive is the best one to bring about an increase of production and a decrease in price.

Mr. AUSTIN. That is working in the opposite direction from pulling open the throttle and pulling down the price; is it not?

Mr. BANKHEAD. Yes; but we do not expect to do that.

Mr. AUSTIN. If the price is pulled down, that does not result in affording to the manufacturer the surplus or the net profit which he should have, according to the formula of the Senator from Alabama.

Mr. BANKHEAD. No. He should not have it if he does not pay parity. He is given that profit on the theory that he will pay parity to the producers.

Mr. AUSTIN. I thank the Senator very much.

Mr. BANKHEAD. He has an excess profit. He has the profit to which he is entitled, and he has something over, an excess profit.

Mr. AUSTIN. As I understand, at the present moment he is not paying a price equal to parity, and yet many of them are not able to make any profit, and are therefore closing down. The quantity of production is being reduced all the time, and the public is suffering very much for the lack of cotton goods. That is the problem with which we are faced. I should like to know, if possible, what would be contributed by the amendment of the Senator from Alabama toward solving that problem. I do not believe that the amendment would involve a very great step toward inflation; but assuming that it does have some such tendency, if I thought that it had any real beneficial purpose to serve in solving this exceedingly serious problem, I would favor it, even at the risk of a trend toward inflation.

Mr. BANKHEAD. Let me say to the Senator that representatives of two great organizations representing the farmers thoroughly agree that this provision is definitely in the interest of the farmers. Representatives of the National Cotton Council and of the Farm Bureau Federation, which has members all over the South, have agreed, after consultation with owners of cotton mills, that the cotton mill will pay parity to the farmers. So all factions involved believe that this amendment is to the interest of the farmers. If the farmer does not receive the difference between the present market price and the parity price, who gets it? The price is reduced to the cotton mills for their output if they do not pay parity. Who gets that reduction? The consumers, of course. Either the farmers or the people of the United States who consume cotton goods get it.

Mr. AUSTIN. My great trouble, I will say frankly, is that as I see it, no one will get anything if the situation now existing continues.

Mr. BANKHEAD. That is true.

Mr. AUSTIN. The public does not get the finished cotton goods; the manufacturer does not get his profits, and the producer of raw cotton does not receive parity.

Mr. BANKHEAD. The Senator has well stated the case.

Mr. AUSTIN. That seems to be the major premise. All I wish to know is

that the proposal before the Senate would have a reasonable tendency toward solving that problem.

Mr. BANKHEAD. The Senator is eminently correct when he says that if we permit the present situation to drift, no one will receive any benefit. The public will suffer and the farmers will suffer, because the ceilings on the goods do not reflect parity to the farmers. The situation will continue to grow worse. The goods are becoming more and more scarce, and we have what might be termed a black market. I do not know why prices are so rapidly increased from the time the goods leave the mills until they reach the shelves of the merchants. Prices are increased in some cases as much as 200 percent. No one receives any benefit from that, unless it be the operators who are increasing prices so rapidly. The O. P. A. is not stopping it. It is acquiescing in that condition and permitting it to continue. If it continues, goods will become more and more scarce.

Mr. TAFT. Madam President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. TAFT. Answering the first question of the Senator from Vermont [Mr. AUSTIN] as to the increase in prices, I should like to read a portion of a letter from the Underwear Institute, which is an association of woolen mills devoted to the manufacture of men's and boys' heavy underwear. That is one of the items which has been selling below cost. It is one of the low-priced items. Prices have been held down so that it is now selling below cost. The letter states, in part:

> Four of our mills have already closed their doors because of this and five more are about to do so, reducing materially badly needed production of underwear for our people.
>
> The War Labor Board is, mill by mill, increasing underwear mills' minimum wages from the congressional-fixed minimum of 40 cents per hour to 50 cents per hour. This is an increase of 10 cents per hour per employee because, unless you reflect this 10 cents per hour increase throughout the plant, the other employees will strike or quit. Thus, if a mill has 100 employees working 8 hours a day, that is 100×8×10 cents, or an increase of $80 per day in that mill's labor cost. Figuring conservatively 300 working days per employee per year, that means an increased labor cost of $24,000 per year to the mill.
>
> * * * * *
>
> Further, and if a mill is located in an area declared critical by the War Manpower Commission, and we have several such areas, the mill must work an additional 8 hours per employee per week for a weekly total of 48 hours. Under Federal law it must pay time and one-half overtime for each hour of the additional 8 hours over 40 per week. Average hourly earnings in the industry are 61.8 cents per hour. The additional one-half which must be paid for this overtime is roughly 30 cents per hour. Taking our mill with 100 employees and multiplying the 100 by 8 hours by 30 cents, you have an additional Federal Government imposed labor cost of $240 per week, over and above regular straight time cost for the same production. Considering the working weeks in the year as 50, you have roughly $240×50 or $12,000 additional labor cost per year for which O. P. A. gives no relief.

That represents an increase in labor cost of $36,000 a year in the case of a small mill.

At the time prices were originally fixed, this particular type of underwear was selling on a very close margin. There has been no increase since then. Although the administration itself recommended an increase more than a year ago, none has been made. I think we can say that in most cases the increase in cost is almost entirely due to increased labor costs. In this case, in addition, when prices were originally fixed, they were fixed practically at cost, with no profit. This is one of the cases in which there has been an increase in cost.

On the other hand, according to the testimony in the case of another mill—I believe it was a towel mill—the price of cheap towels has been held absolutely rigid, with the result that there are no cheap towels. The mill has shifted to the production of expensive towels, which sell at higher prices. Those towels formerly cost perhaps twice as much to make as they now cost. By increasing the volume of production the cost of manufacture has been greatly reduced, and the mill is making a large profit on the expensive product.

It seems to me that the handling of the cotton-textile industry is one of the great failures of the O. P. A. I think it has been due to the fact that the O. P. A. has insisted upon holding down rigidly the prices of cheaper products for the benefit of the lower-income groups, no matter what happened. The result has not been helpful, because such action has prevented the manufacture of the cheaper goods, and the lower-income groups have had to buy the more expensive goods at higher prices. That is one reason why I am willing to make an exception, because I believe that this is one of the great failures of the O. P. A. In most cases, regardless of how much injustice there may have been—and I shall deal with that question at another time, on a different subject—the O. P. A. has held down prices to consumers. In this case the result of the O. P. A. policy with respect to cotton goods has been in no way to hold prices down. That is the chief criticism of the labor groups today. When the cost of living is discussed, it is figured on the basis of imaginary prices for goods which do not exist. Prices of cotton goods have increased to a greater extent than those of any other product.

Mr. EASTLAND. Madam President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Mississippi?

Mr. BANKHEAD. I yield.

Mr. EASTLAND. The Senator from Ohio is exactly correct. Most of the cotton mills manufacture three or four textile commodities. Work clothes and other cheap products have always been manufactured on a narrow margin of profit. That has always been true throughout the history of the industry. High-quality merchandise is manufactured on a wide margin of profit. Costs in the textile industry have increased to a great extent. Officials of the O. P. A. have told me that generally costs in the textile industry have increased more than 20 percent in the past few months. Because of the price ceilings on the low-priced goods, the mills have shifted their production from goods on which they were losing money to high-priced goods on which there is still a profit. When the industry is stabilized, as this amendment would do, by decreasing the ceilings which are inflationary and increasing others to place them back on a profitable basis, then we shall have production of the cheaper items. There will be cheap clothes for the workingman and the low-income group in America.

Mr. WAGNER. Madam President, will the Senator yield for a question?

Mr. BANKHEAD. I am glad to yield.

Mr. WAGNER. As the Senator well knows, I am in sympathy with his efforts to aid in securing parity for the cotton farmers.

Mr. BANKHEAD. I have no doubt of it.

Mr. WAGNER. We may differ only in the method of bringing about such aid.

Mr. BANKHEAD. That is true.

Mr. WAGNER. During the hearings which were held by the committee many witnesses appeared. Aside from a few isolated instances, was it not shown that all our mills and textile manufacturers were making the largest profits they had ever made?

Mr. BANKHEAD. I did not hear any testimony of that nature before the committee, unless it was by some representative of the O. P. A. I may say to the Senator that it has been recognized that some of the mills manufacturing special items of cotton goods, which are high in price, are making a good profit. I do not know whether the profit is the highest in the business. I have heard it said that profits in the cotton mills during the period 1936–39 were the highest. I believe a representative of the O. P. A. made the statement. However, I challenge its accuracy.

Allow me to say to the Senator that, as I stated at the beginning of this discussion, some mills are making excessive profits, profits which are greater than they should be permitted to make. But as the Senator knows, the O. P. A. has the power to adjust ceilings and profits. While some of the mills are making excessive profits, many of them are running in the other direction. Some of them have deficits, and many of them are on the borderline where they may run into the red.

Mr. WAGNER. I believe the Senator will recall the testimony of Judge Vinson.

Mr. BANKHEAD. I did not hear it. However, I do not think Judge Vinson is a practical cotton man.

Mr. WAGNER. He comes from a State which produces considerable cotton.

Mr. BANKHEAD. No; I do not think so. His State is Kentucky. Kentucky has raised horses and pretty women. However, I recognize Judge Vinson as a

very able man, and I have very great respect for him. I did not hear his testimony.

Mr. WAGNER. He testified to large profits being made by the textile manufacturers, and also to large profits being made by the mills at the present time.

Mr. BANKHEAD. I think they are making sufficient to enable them to pay the farmer parity for cotton. Under the escalator clause, if my amendment is agreed to, they must do so.

Mr. WAGNER. I think the profits will be increased somewhat.

Mr. BANKHEAD. Not unless the O. P. A. allows it.

Mr. WAGNER. No; I am speaking of the formula.

Mr. BANKHEAD. It is all a matter of administration.

Mr. MAYBANK. Madam President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MAYBANK. I am in thorough agreement with what the Senator from Alabama has said.

Lest it be forgotten, I assert that perhaps the largest orders which are received today by the textile mills come from the Army and the Navy, and are subject to the law covering renegotiation of contracts. Millions of dollars of profits made by textile mills have been renegotiated. So if the mills are making such excessive profits, as is contended by some, it is the duty of the renegotiators to renegotiate the contracts, and compel the mills to pay the excess profits into the Treasury of the United States.

Mr. BANKHEAD. I thank the Senator. I think his statement is a very fine contribution to the argument.

Mr. WAGNER. I believe there should be a directive from the War Production Board for the production of so-called low-priced goods.

Mr. BANKHEAD. That was done in some instances, and mills were closed. One mill in Alabama, about which I know, got into difficulties. I helped obtain an order extending the time of sale of the mill, because the War Production Board had assigned it to the production of low-cost materials without increasing the price.

Madam President, I wish to bring the discussion to a conclusion. Before doing so, however, I desire to make some remarks with reference to the subject of inflation. If any Member of the Senate wishes to direct my attention to something, or ask any questions about any phase of the matter, I shall be happy to respond.

Some Senators, in good faith, are inclined to believe the assertion of the O. P. A. that the proposed program would result in inflation. I totally disagree with such assertion. In the first place, no thoughtful man would talk about a rise in the price of an agricultural commodity to parity as constituting inflation. That was contemplated when the law was enacted. There is involved here no great amount being paid to the producers. It is already counted as being paid to them and allowed in the ceilings, but they do not receive it.

As I have already said, I am sure that no one will deny a struggling group like the cotton farmers the right to receive what the law contemplated they should receive, by denouncing it as a contribution on the part of the farmer to the cost of inflation.

Ever since we entered the war, or fell under its shadow, it has been claimed that a terrible threat of inflation might result from proposed agricultural legislation. It will be remembered that when Congress passed a bill to annul an Executive order taking 5 cents a bushel out of the parity and ceiling price of corn, a great clamor predicting wild inflation was set up by the O. P. A. and other administrative agencies if the President's veto was overridden by Congress.

The O. P. A. and others issued figures which showed a billion and a half dollars inflation unless the sale price of corn was decreased 5 cents a bushel. Someone convinced the President that an increase of 5 cents a bushel would result in inflation, so he vetoed my bill which had been passed by the Senate with only 2 negative votes. It was said to have been done because of the fear of inflation and also because of the fear that John L. Lewis, the head of the miners, who was actively pursuing his application for an increase in the wages of the miners, would be given an excuse, and that it would be embarrassing to the Labor Board not to grant his request for an increase, if this small amount was granted to the corn producers of the country, and ultimately to the wheat producers because wheat was far below parity.

Madam President, some of the ablest men who had voted for the bill to restore 5 cents a bushel to the price of corn became alarmed and told me that they feared the result might be inflation, that the Labor Board might be caused to give John Lewis the increase he desired, and so they could not go along with an effort to override the President's veto. I was forced, as a result of the expressions of many Members of the Senate who had supported the bill, to move to send it back to the Committee on Agriculture and Forestry, whence it came and there it still rests.

What happened? I do not know how the O. P. A. estimators computed the figures which alarmed many persons from the President down both about inflation and about John L. Lewis; but they also said there would be a great inflation if we let the price of wheat go up. There had been no order made as to wheat, but it was supposed one would be made after action had been taken with reference to corn, and wheat was 20 cents below parity. We did not get the bill to the floor, and it rests still in the committee.

What happened? The light of experience always is valuable, especially when dealing with gentlemen who sometimes appear to me to use their imagination in estimating the effect of an increase in prices and costs rather than considering national experience. In a very short time, 2 or 3 months or so, Chester Davis, an able man, was appointed Food Administrator. He came to Washington and found the corn market paralyzed all over the United States, and corn tied up everywhere. The farmers would not submit to the reduction, and so they held the corn for the purpose either of obtaining a better price or using it for feed purposes. In a short time Chester Davis, on his own responsibility, added 5 cents to the price of corn, and very few Members of the Senate or the Congress ever knew he did it. The public certainly never realized that he did it because of any resulting inflationary price rises.

The price of wheat which was also supposed to be threatening inflation as it gradually climbed up from 20 cents below parity to about parity; but nobody noticed it; there was no comment on it; there were no declarations from the O. P. A. to alarm the people, because the price of wheat was climbing to parity, and there were no injurious results.

I submit those two actual experiences should be exceedingly helpful to Senators who are not taking orders, not obeying the O. P. A. or the C. I. O., but searching for the truth. I submit that there could be no better experience and no stronger argument to sustain the position that an increase to parity in the case of cotton would result in no sort of inflation, no sort of increase in the price of goods, and in no wild monetary inflation. I have always thought that the monetary inflation based upon fiat money was the most dangerous of all inflations.

What else did we do? The question of railroad wages came before the Labor Board, as it was constituted at that time, and the Government increased the wages of railroad employees so that they received approximately $300,000,000 more than they were receiving before the war. If an increase in wages or other similar action would bring about inflation, we did not in that instance hear anything about it in the Senate, or from the O. P. A., or from any other organization of the Government, although the Labor Board argued about it for a while. I do not know whether the President got into it or not; I do not recall; but, anyway, the increase was granted, involving a great increase in the amount of circulating money, and I never heard of any inflationary result that grew out of it.

What happened as to John L. Lewis? He alarmed many people. They were afraid he would get through a wage increase if we left the 5 cents a bushel on corn, and did not reduce the parity and ceiling price on wheat. Finally, after the fear of inflation had prevailed in connection with the item of corn included in the President's veto, John L. Lewis—and I make no criticism of it; I commend him for his loyalty and fidelity to those whom he represented—came out of the controversy with an increase of $1.50 a day for 600,000 miners in this country, an increase amounting to $270,000,000.

Before he got that increase it was said it would be inflationary and dangerous. After he got it, and his miners began to receive the increase, to spend it, and to

put it into circulation, what became of the prognostications of the calculators who were working on formulas they never made public? What became of them? There was no sign of inflation or change in prices by reason of the miners getting $270,000,000 more a year than they had been receiving.

What about the Federal employees? All of them, except Members of Congress, and perhaps a small number of the members of the judiciary, received increases in compensation. How much did that amount to? We voted it. I was not afraid of inflation, because I did not swallow the doctrine promulgated by the O. P. A. on that subject. According to the best figures I can obtain—and I have checked with several agencies of the Government—the Federal employees received, not a few hundred thousand dollars, they received an increase of approximately $1,797,000,000 a year, in the face of the thought of those who are so free to accept the idea of inflation because of increases in public expenditures.

It looks as if it depends a good deal on whose ox is gored about what effect a specific action will have on the public economy. The Federal employees had many friends among us, so we did not become alarmed when they were involved. I wish the farmers had as many friends as the Federal employees have. I have just stated that I voted for those increases, I thought they were right, I was not afraid of the result. But now, with an increase of a paltry fifty or sixty million dollars to the farmers in order to bring them up to parity, there is a general alarm issued and accepted by many strong and able men.

Madam President, since the enactment of the Price Control Act every time an increase of income to farmers has been proposed the O. P. A. officials, metropolitan newspapers, and many radio commentators have begun to chant "Inflation! Inflation! Inflation!" We hear that every time.

Mr. WAGNER. Madam President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. WAGNER. I made reference a little while ago to profits, and referred to a statement by Judge Vinson, so I should like to read it into the RECORD at this time, if the Senator will permit me. I read from the record of the hearings:

Mr. VINSON. I have not put any out of business and I do not know of any that have gone out of business. The Senator may have information that they have gone out of business, but my understanding is that they are in a healthier financial position as an industry than probably ever in history; that a sample taken of 118——

Senator TAFT. I do not question that——

Mr. VINSON. I should like to just state my position, Senator.

Senator TAFT. Yes.

Mr. VINSON. A sample taken of 118 cotton-textile manufacturers showed a profit, before taxes, in 1936 to 1939, of $14,787,000.

Senator BARKLEY. You say before taxes?

Mr. VINSON. Before taxes; before taxes in 1942; my understanding is that 1943 is relatively the same, $144,903,000.

Now, the same textile profit, after taxes, 1936–39, $11,219,000; and in 1942, $46,980,000. In other words, practically 10 times the profit, before taxes, and over 4 times the profit, after taxes.

Mr. BANKHEAD. The Senator has been present listening to my remarks on the subject, he has been fairly liberal about being present, and I am sure he recognizes that I am doing nothing to protect excess profits of any member of the cotton-textile industry. In fact, my whole argument has been based on the idea that they are getting at least sufficient in the way of profit—and I have proved it by the O. P. A.—to enable them to pay the parity price to the farmers. But I have taken the position that where there are excess profits, it is the duty of the O. P. A., which they have not undertaken to perform, to bring the ceilings down to the point where the margin of profit is reasonable and fair, and to take the reduction in those excess profits and use it in order to add to the ceilings of the low-grade cotton, where those ceilings are resulting in failure to produce an adequate supply of goods. When we take the high ridges and fill up the low valleys of those two groups, the fear of inflation will disappear. That is my position. I am not trying to protect anyone except the cotton farmer and the public and the consumers, particularly the poor among the consumers.

Mr. WAGNER. The Senator need not attempt to assure me or any other Senator of his sincerity. We all know of his sincerity in the matter. But I still say that the enactment of the amendment would increase the price of goods to the consumer without any compensating help to the cotton farmer.

Mr. BANKHEAD. In the first place, I do not agree with the Senator in that statement. In the next place, I take the bold and broad position, which I think is just and right, that no regulation of the Federal Government should prevent those engaged in an industry from making at least operating expenses and making a profit. I believe in the profit doctrine.

Mr. WAGNER. So do I.

Mr. BANKHEAD. Very well. If we have to increase the cost to some extent, and if that will result in production of more of the low-grade cotton goods, it will also result in the reduction in the price of those goods, if the O. P. A. will fairly and justly administer such a program. That is my position.

Not only that, Madam President, but I offered an amendment yesterday which meets the suggestion that the O. P. A. cannot reduce prices. I am clear that it can. I know they hold that they cannot reduce the excessive ceilings of some types of cotton goods. I have submitted an amendment providing them with such authority, which I hope they will use.

As I have frequently stated, I seek to do away with excess profits and to increase production, because I am disturbed, as are all the friends of the cotton farmers, over the reduction in the consumption of raw cotton, which results necessarily in addition to the surplus of cotton which some day must find buyers. That surplus is accumulating now with the reduction in consumption at the mills. It is accumulating every day and every month. That is an alarming situation. If something can be done to increase production of cotton goods, why do we not meet the situation? We have met similar situations with supporting prices. We were not niggardly in providing supporting prices in connection with hogs. We did not say, "Oh, there will be some inflation if we pay support prices to the hog producers." We provided a support price of 13 or 14 cents in the case of hogs, and as a result of that price incentive the farmers increased hog production to such an extent that we could not find sufficient storage for the meat. It increased production to such an extent that great dissatisfaction resulted among the hog growers all over the country, as the O. P. A. did not carry out what the farmers believed was a promise with respect to maintaining prices at the support price.

Mr. MURDOCK. Madam President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MURDOCK. Why can we not adopt the same theory of a support price with respect to cotton?

Mr. BANKHEAD. We have too much cotton now. A very different question is involved. I am talking now on the subject of the expenditure of Government money where it is needed in the interest of the public.

Mr. MURDOCK. My question is in line with that thought. Would the Senator mind answering the question I am about to ask? I do not care whether he does so now or at some other appropriate point in his argument. As I understand his amendment, the mill is guaranteed a profit on each item of its textile production.

Mr. BANKHEAD. Yes; and the O. P. A. fixes the ceiling on each item.

Mr. MURDOCK. I understand that. Ninety percent of the volume of the production must be taken into the picture in arriving at it.

Mr. BANKHEAD. Yes.

Mr. MURDOCK. Am I correct in my assumption that in that 90 percent, of course, there will be some high-cost producers?

Mr. BANKHEAD. Undoubtedly, if the O. P. A. permits them to continue as high-cost producers.

Mr. MURDOCK. But if they are permitted to continue, there will be in the 90 percent some high-cost producers?

Mr. BANKHEAD. Yes.

Mr. MURDOCK. Under the Senator's amendment, based on the 90 percent of production, and a profit on each item, the price must be fixed, must it not, on the basis of the highest-cost producer?

Mr. BANKHEAD. No; of course not.

Mr. MURDOCK. I mean the highest cost producer within the 90-percent volume.

Mr. BANKHEAD. I do not know about that.

Mr. MURDOCK. There cannot be any question about that, can there?

Mr. BANKHEAD. Oh, yes.

Mr. MURDOCK. Assuming that to be true, then we have a great volume of

low-cost producers who were already making a profit. If they are raised, under the Senator's amendment, as they must be raised——

Mr. BANKHEAD. Oh, no.

Mr. MURDOCK. To the level of the highest cost producer——

Mr. BANKHEAD. Oh, no.

Mr. MURDOCK. Within the 90-percent volume, then certainly we are raising profits to those low-cost operators to an extent which is unconscionable.

Mr. BANKHEAD. They will not be raised that way unless the O. P. A. permits it.

Mr. MURDOCK. How will they be raised? Let the Senator explain it so we will understand it.

Mr. BANKHEAD. Does the Senator desire everything to remain as it is now, permit the farmers to receive low prices, let goods disappear from the shelves of the merchants, let the scandalously high prices of goods prevail? That is what would happen if the amendment is defeated.

Mr. MURDOCK. I do not want to bring such a situation that the people would be paying higher prices than they are paying today, while the cotton farmer's price would still remain below parity.

Mr. BANKHEAD. If the Senator votes against the amendment he votes to maintain the status quo. If that suits him, very well.

Madam President, there is another amendment which I think should have careful consideration, because it hits at a very vital spot in this very unfortunate situation with reference to cotton. It is admitted, there is no dispute about it, that the excessive prices are not caused by the farmer and are not caused by the cotton mills. They are caused by the middlemen, the converters, the distributors along the line. I do not know whether the O. P. A. fixes any ceiling with respect to them; I do not know what the O. P. A. does about them; but the prices have steadily gone up.

A drastic operation must be performed at that point, in my judgment, if we desire to remedy the situation. For some reason the O. P. A. is disinclined to review the prices charged all along the line, or else they think the prices are fair, and therefore do not wish to review them. The amendment I propose does not make it compulsory on the O. P. A. to do so, because I do not believe compulsory action can be taken with respect to a matter of this kind, but the amendment authorizes the O. P. A. to do so, and in that way points out what Congress wants the O. P. A. to do. It authorizes the O. P. A. to reconsider and review and reduce extravagant and inflationary prices which the converters and others engaged in the distribution of cotton goods have inflicted on this country.

Madam President, I have taken more time than I thought I would. There are several other questions to which I have not adverted, which need attention. I understand my friend, the Senator from Mississippi [Mr. EASTLAND] will refer to the rayon problem.

A man named Seidel, auditor of the W. T. Grant Stores, a chain of two or three hundred retail stores all over the country, went before the Banking and Currency Committee of the House complaining about the position taken by the O. P. A. on the subject of the highest-price-line limitation. That means that a store is not allowed to sell anything at a price above the price it charged, we will say, in 1942. On its face that appears to be good. But many slick traders have put a little rayon in cotton goods, thereby making a different article from the one sold in 1942, and because of that addition to the cotton goods, which deteriorated rather than strengthened the goods, they were permitted to raise their prices. They could not sell cotton goods at a price 1 cent a pound higher than the price at which they sold them in 1942. But by putting rayon and some other synthetic substitutes in the material, they could hoist the price, and thereby bring about this scandalous situation in the available supply of cotton goods.

Madam President, I am about to bring my remarks to a conclusion. There are a number of other questions which a number of other Senators will discuss. I am sorry we have not had throughout the day the attendance of those Senators who are not informed on the cotton question, some of whom, as has been stated, look at it as a local, sectional problem. But we cannot avoid such things.

In conclusion, I wish to speak in a concise way of what I think the amendment means and what effect it will have if fairly administered by the O. P. A. in accordance with the spirit of the amendment and its purposes and the results it seeks to accomplish.

The adoption of this amendment and its fair administration will stabilize the large cotton industry by taking excess profits out of the ceilings on items on which excess profits are made, and by adding the withdrawn profits to ceilings on low-grade garments on which there is no profit or so little profit that production is shifted from garments which formerly were low-priced to expensive, profitable garments. That will provide increased production for the needed cotton garments and thereby tend to reduce prices; and the quantity of cotton goods on the merchant's shelves will be increased. It will insure the receipt by the farmers of the parity price for their cotton, without increasing the cost of cotton goods to the consumers. It will take the racketeering and the scandalous profits out of present retail prices for the cotton clothes used by the masses of our people. It will help end black-market prices. It will greatly aid poor people, by putting the price of cotton work clothes and ordinary cotton dresses nearer their ability to pay. It will increase the output of the grades of cotton necessary for the production of the cheapest cotton wearing apparel.

The administration of the proposed law would be left in the hands of the Government agencies, principally with the O. P. A. If properly administered, no inflation would result.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment inserting section 201.

Mr. MURDOCK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Radcliffe
Austin	Green	Reed
Ball	Guffey	Revercomb
Bankhead	Gurney	Reynolds
Barkley	Hatch	Robertson
Bilbo	Hawkes	Russell
Brewster	Hayden	Shipstead
Bridges	Hill	Stewart
Buck	Holman	Taft
Burton	Jackson	Thomas, Idaho
Bushfield	Johnson, Colo.	Thomas, Okla.
Butler	Kilgore	Thomas, Utah
Byrd	La Follette	Tobey
Capper	Lucas	Truman
Caraway	McClellan	Tunnell
Chandler	McFarland	Vandenberg
Chavez	McKellar	Wagner
Clark, Mo.	Maloney	Wallgren
Connally	Maybank	Walsh, Mass.
Cordon	Mead	Walsh, N. J.
Davis	Millikin	Weeks
Downey	Moore	Wheeler
Eastland	Murdock	Wherry
Ellender	Murray	White
Ferguson	Nye	Wiley
George	O'Daniel	Willis
Gerry	Overton	Wilson

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Eighty-one Senators having answered to their names, a quorum is present.

Mr. EASTLAND. Mr. President, the controversy here arises in connection with the effort to secure a greater production of textile items for the war effort of the United States, and to secure that which the Congress of the United States has obligated itself by legislation to secure for the man who grows cotton for his livelihood, namely, a parity price.

This amendment has been blackened. Those who sponsor it have been the object of a smear campaign based upon the contention that the purpose is to grab additional profits from the war effort of this country. Nothing could be further from the facts. It is a sincere effort to increase the production of textiles.

The War Production Board states that textile production for the year 1944 will be 2,000,000,000 yards short of the dire war needs of America. Hon. Donald Nelson, head of the War Production Board, states that unless textile production is increased to the level of 1942 the result in our country will equal that of a major military defeat. Today in Charlotte, N. C., there is meeting a conference of the Governors of the textile-producing States, called by the War Production Board in an attempt to secure an increased production of textiles.

What is the history of the industry? Two years ago, roughly, textile ceilings were imposed. Those ceilings have remained on practically the same level during that 2-year period, there having been an increase of only roughly four-tenths of 1 percent, which I am informed is less than the increase granted to any other major American industry. All costs of

production of the mills have greatly increased. Their labor costs have been increased. The prices of coal, starch, and oil have increased; and because of the labor turn-over, because many of their skilled workers have left the textile industry for the armed forces, or have gone into shipyards and other war industries, there is a 30-percent increase in the per unit labor cost of textile production.

As a result of constantly rising costs, many textile products which, during the entire history of the textile industry, have been produced at only a small margin of profit, have disappeared from the market. The mills manufacturing such goods today operate at a loss, or merely break even, while other textile ceilings are highly inflationary, and there is a tremendous margin of profit to the manufacturer in the prices of such items.

As a result of that condition the textile industry has done exactly what everyone admits is the natural thing for textile mills to do. They have ceased the production of items on which they would lose money or merely break even, because of the price ceilings, and have concentrated on the production of items in which there are high profits. In some cases such goods, cheap goods have been produced in obedience to directives from the War Production Board. However, the attempt to secure the production of goods by such methods has largely failed, because the textile mills have used their best skilled labor to manufacture goods on which there is a tremendous profit under the present price ceilings.

Everyone admits that that condition exists. As a result, there is a shortage of work clothes. There is a shortage of staple textile articles. There is a shortage of low-priced clothing for the lower-income groups.

What we seek to do through the amendment is to equalize the condition to which I have referred in order to resume the production of low-priced items. Under the amendment the O. P. A. would lower the price ceilings on goods manufactured by the cotton mills on which there are tremendous profits, and increase the ceilings on cheap staple goods which the mills are no longer making. The result will be an incentive to the mills to return to the production of cheap goods.

Mr. President, today a workingman cannot buy a 95-cent work shirt, or a blue work shirt. He must buy a dress shirt if he wishes a shirt in which to work. This amendment is designed to encourage a return to the manufacturer of cheap clothes by insuring to the mills a proper margin of profit.

How would cotton be affected? When a cotton-textile ceiling has been established, as a result of which the mills lose money, naturally the mills will cut their losses by the purchase of raw material as cheaply as possible Such a procedure depresses the cotton market. Representatives of the cotton mills have frankly stated that they have been forced to depress the cotton market in order to meet their constantly rising costs in certain items. However, it must be borne in mind that when part of the cotton crop is sold at cheap prices those prices set the price for the entire crop. That is an economic law which has governed the markets of this country for many years.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. EASTLAND. I am glad to yield.

Mr. AUSTIN. I should like to ask the distinguished Senator from Mississippi whether the hearings disclosed clearly what was involved in the manufacture of textiles from cotton which resulted in an increase in cost to the extent that the mill could not afford to continue manufacture? I have listened attentively to the several explanations which have been made, and I am curious to know, in view of the answer of the distinguished Senator from Alabama that it was not the wage scale of labor, whether the condition to which I refer exists in the cotton mills. I have found that it exists in war industries with respect to costs. The turn-over is so constant that the employers have had to keep men in line, ready to be trained and made skillful in order to take the place of the men who quit, either because they have been inducted into the armed forces or because they wish to go somewhere else. That condition obtains in the industries producing munitions to such a degree that, according to the testimony, an average of five men must be employed and kept standing by in order to take care of the turn-over of one man. Does that situation exist in the cotton mills?

Mr. EASTLAND. The labor turn-over in the textile industry is very great, due to the fact that it is normally a cheap-wage industry. The cotton mills cannot stand the competition of the shipyards and war industries. Textile labor has received wage increases ranging from 30-some cents an hour to approximately 57 cents an hour. The cost per item in labor has increased approximately 30 percent because of the labor turn-over, and because the mills must train inexperienced labor. Those factors have increased the mills' labor cost 30 percent within the past 2 years, and 58 percent since 1939.

Mr. AUSTIN. Mr. President, will the Senator further yield to me?

Mr. EASTLAND. I yield.

Mr. AUSTIN. I have obtained the impression that the Senator answered my question in the affirmative. Did the evidence before the committee tend to show that a supply of labor was paid for, though not working, in order that it might be trained and be on hand to take care of the turn-over?

Mr. EASTLAND. No; the hearings did not show that, as I recall. They showed that the increase in cost has been 30 percent due to the labor turn-over.

Mr. AUSTIN. I thank the Senator.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. MURDOCK. I have followed the Senator's remarks. I understood him to say that the cotton-textile industry does not compete with war plants and other high-priced-labor industry.

Mr. EASTLAND. No; I said that that had been true, and for that reason there was a great labor turn-over. Since wage increases have been granted, frankly, I do not know what the effect has been. I do not know whether the competition exists today. Of course, the cotton industry could not compete on a basis of 35 or 36 cents an hour.

Mr. MURDOCK. The Senator was referring to the past rather than the present.

Mr. EASTLAND. Under certain ceilings the mills are today losing money, and that is what we are attempting to remedy.

Mr. MURDOCK. That is the point I have in mind. If the profits of the mill were stimulated by this amendment, could we not in turn expect an increase in the labor wage schedules?

Mr. EASTLAND. The profits of the mills would not be stimulated by this amendment. To answer the Senator's question it is only necessary to turn to the Textile Accounting Section of the O. P. A.

Mr. MURDOCK. I remember one witness who appeared before the committee and testified that recently, within a period of only a few months, the textile industry lost 50,000 men. I believe the O. P. A. attributes the decrease in the consumption of cotton at the mills to a decrease in manpower rather than to anything else. They have stressed that factor as being the most important.

Mr. EASTLAND. One reason for the decrease in textile production is labor shortage in the textile industry. It is also certain that production is down because of the price-ceiling situation. Before I am through I will refer to the men who I believe are responsible for the situation, and I will put their names in the RECORD.

Mr. MURDOCK. Will the Senator yield for one further question?

Mr. EASTLAND. I yield.

Mr. MURDOCK. If I take the Senator at his word—and I do—that there would be no increase in the profits of the operators of the mills under this amendment, how would the mills obtain the necessary labor in order to increase the consumption of cotton at the mills?

Mr. EASTLAND. There is pending today a suit for another wage increase. If the increase is granted all ceilings will have to go up. That is a bridge which we must cross when we reach it. The hearings before the committee have certainly shown—and the textile industry has also shown—that if the price ceiling situation is cleared up and this amendment is adopted, there will be an increase in textile production which is badly needed in the war effort.

Mr. MURDOCK. That might be, but I cannot see how by increasing the profits of the mills the necessary labor can be attracted without offering them higher wages.

Mr. EASTLAND. Mr. President, why is not cotton at parity? Here is an official statement prepared by the O. P. A. which lists under each of 11 price ceilings the price at which raw cotton has been computed. I ask that it be placed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Cotton costs by grade and staple in Office of Price Administration cotton-textile schedules and equivalent parity prices, landed mill points, March 1944

Grade and staple	Group B mills									New England	
	7 Col. A	7 Col. B	33	35 and 118	GMPR	89-S-128	89-S-140	Vinson formula [1]	Parity landed [2]	11	Parity landed [2]
Strict Middling:	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
1 1/16-inch	22.95	23.75			24.15			24.72	25.13		
1 3/32-inch	23.70	24.64			25.05			25.97	27.04		
1 1/8-inch	24.95	26.12			26.80			28.47	29.53		
1 5/32-inch	26.45	28.37			28.80			30.97	32.09		
1 3/16-inch	28.30	30.37			30.55			32.47	33.45		
Middling:											
1 5/16-inch			23.12	21.67	21.45			22.12	23.38	20.37	23.63
1-inch			23.49	21.97	21.80			22.57	23.65		
1 1/32-inch				22.17	22.30	22.58	21.45	22.97	24.11	22.62	24.36
1 1/16-inch			24.35	22.47	23.30			24.02	24.45	23.15	24.70
1 3/32-inch					24.05			25.12	26.12	23.89	26.37
1 1/8-inch					25.80			27.22	28.33	25.37	28.58
1 5/32-inch					27.55			29.47	30.61	27.37	30.86
1 3/16-inch					29.30			31.22	32.25	29.37	32.50
Strict Low Middling:											
1 5/16-inch				21.12	20.25			20.97	21.99		
1-inch				21.47	20.70			21.37	22.25		
1 1/32-inch				21.67	21.05			21.57	22.45		
1 1/16-inch				21.97	21.55			22.27	22.76		
Low Middling: 1-inch				20.35				19.06	19.54		
Strict Good Ordinary: 1-inch				19.75				17.68	18.16		
Good Ordinary: 1-inch				19.09				17.67	17.14		

[1] "Vinson formula" calculated on basis of market price Mar. 17, 1944.

[2] Parity prices landed group B mill points, computed as follows (Middling 1 inch):

	Cents
Parity for February 1944 as reported by Bureau of Agricultural Economics (parity on average of all cotton at all locations)	21.08
5-year average spread between "at the farm price" and Middling 1 5/16 Memphis	+.60
Parity at Memphis on Middling 1 5/16	21.68
Premium for grade and staple (computed by War Food Administration from actual 10 spot-market grade and staple differentials during current marketing season, Aug. 1, 1943, to Feb. 15, 1944)	+.27
Parity Middling 1 inch at Memphis	21.95
Delivery cost, Memphis to group B mill points (see attached table)	1.70
Parity Middling 1 inch landed group B mill points	23.65

NOTE. Equivalent parity prices would be 45 points higher if parity price was assumed to represent Middling 7/8-inch at an average location. This is the procedure specified in legislation for determining Commodity Credit Corporation loan rates.

Mr. EASTLAND. That statement shows that, instead of obeying the mandate of the law O. P. A. has figured in textile ceilings the price of cotton at from $5 to $15 a bale below parity, and, in addition, it has figured cotton in some of those ceilings below the current market value.

It may be asked how would this amendment help the cotton grower. Why is cotton below parity? The price over a period of months at which cotton is figured in the textile ceiling will control the price of the commodity. The price at which any commodity is figured in any price ceiling affecting such commodity will over a period of time control the price of the commodity. In other words, no farm commodity, for any length of time, can go above the price at which it is computed by O. P. A. in the ceiling on the processed article of which it may be a part. There might be a scarcity, a short crop, war news, or a local condition which temporarily would throw the farm commodity out of line, but over a period of time the price at which the commodity is figured in the price ceiling will control.

In the case of the textile ceiling the price of cotton is first computed. Then there is computed the conversion cost, the manufacturing cost, and then a reasonable profit is set aside for the manufacturer. When cotton gets above the price at which it is figured in the ceiling, then the mill is forced to take a part of the profit that has been computed to it in the ceiling in order to pay the increased price for cotton, and if the price of cotton should rise high enough it would take all the profit to which, of course, a textile mill would not submit. But in this instance it has not been cotton prices, it has been an increase in the cost of all other items of doing business, pressing against the ceiling that has forced the cotton mills to depress the cotton market on goods manufactured in order to meet their increased costs. The mills that are losing money are forced to depress the cotton market in order to decrease their losses. As the result, cotton bought by the mills under those ceilings fixes the price of the whole crop, because the low price fixes and controls the whole price.

So we propose to require O. P. A., first to remove that shackle, and in its price ceilings to compute cotton at a parity price. If, after a 60-day period, the market is not at parity, then the escalator clause goes down; manufacturing costs and profits are built on the price of the raw cotton, the escalator provision, and if cotton does not go to parity the price of the manufactured article goes down, in proportion to the amount cotton is below parity, and the mill is thereby prevented from making exorbitant profits. The amendment would remove the cause that has kept cotton below parity, and, in addition, by the escalator clause going up as cotton goes up it raises the price of the ceiling until cotton gets to the parity level. So there is an incentive, an inducement to cotton mills to pay a parity price for cotton.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Since it is the desire of the Senator to have cotton sold at parity, why is it that the parity price is not figured throughout and the 60-day period, wherein the market price is to be used rather than the parity price, forgotten?

Mr. EASTLAND. Will the Senator repeat his question, please. I do not know that I understand it.

Mr. ELLENDER. Under the amendment, as I understand it, for a period of 60 days the price of raw cotton must be figured at parity.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. Thereafter, the market price is used. The question is, Why not use the parity price throughout, and eliminate the 60-day periods?

Mr. BANKHEAD. That is the escalator clause.

Mr. ELLENDER. Yes.

Mr. EASTLAND. As a matter of fact, we believe that, if this amendment is adopted, after the 60-day period cotton will be at parity, but, if it is not, then the escalator clause goes down, it decreases the mill's ceiling prices and prevents the mills from making exorbitant profits. The escalator clause is designed to protect the consumer.

Mr. ELLENDER. Why take that chance, if one of the main reasons is to have cotton sell at parity?

Mr. EASTLAND. It will be necessary to work it out and adjust the costs and the price ceiling. If we say that cotton had to sell at parity——

Mr. ELLENDER. That is what it is sought to do, as I understand.

Mr. EASTLAND. Not as a matter of law. I do not think we could say that; I do not think we could get by with it.

Mr. ELLENDER. It is proposed to get by with it for 60 days.

Mr. EASTLAND. As a matter of fact, if this amendment is adopted, cotton will go to parity and stay at parity, and there

will be an increase in the consumption of cotton. More textiles will be produced which will help the farmers and the consumers of the country. I will say it is just as much to the farmers' interest to have cotton ground up by the mills, spun into cloth, manufactured into clothes, and worn out by the public so that he can grow more cotton, as it is that he secure a very high price. In fact a great surplus of spinnable cotton depresses the price, and by increasing the production of textiles and the consumption of cotton we help raise cotton prices to parity. We materially help the farmer.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. MURDOCK. While the Senator is on this point will he define what is meant by "beginning of the period."

Mr. EASTLAND. The Senator well knows that the distinguished Senator from Alabama will have an amendment tomorrow——

Mr. MURDOCK. No; I do not know that.

Mr. EASTLAND. I will state to the Senator that the distinguished Senator from Alabama will have an amendment tomorrow defining that point. What the amendment will contain I do not know.

Mr. BANKHEAD. If it causes the Senator from Utah any pain, I shall be glad to tell him.

Mr. MURDOCK. I am not in any pain. I think if there is any pain it might be on the other side. I am merely asking a simple question, and, in my opinion, I am entitled to the courtesy of a simple answer. The language is that of the Senator from Alabama; it is not mine; and I have asked what "beginning of the period" means. If it means the first day of the 60-day period it would be a simple thing, it seems to me, for the mills and the buyers of cotton on that day to be bidding and buying cotton at parity.

Mr. EASTLAND. What is meant is the average price for the last 30 days, and such an amendment will be offered tomorrow.

Mr. MURDOCK. Then, at least I have accomplished something by my question in having it determined that the amendment itself shall define what that means. In my opinion, it is a very important point. I am not, however, in any pain, as the Senators must know.

Mr. EASTLAND. Mr. President, why is not the farmer entitled to the parity price? Why is not he entitled to have cotton figured at parity by O. P. A. in the price ceilings? It is the policy of this Government that that be done. What can be the objection in computing cotton at a parity price in textile price ceilings? Cotton cannot go to parity until this is done.

There is a third reason why this amendment will put cotton to parity. O. P. A. says that the cheap price of cotton today is due to a surplus of 10,000,000 bales of cotton. Yet of that 10,000,000 bales surplus, only 3,000,000 bales are free cotton; the rest is under loan or is owned by the Government, and as there is a great demand for textile goods, the mills, in my judgment, bidding for this free cotton, will speedily bid cotton up to parity, when we have removed the log jam, when we have equalized the price ceilings so as to secure full production, the mills by competing for this short supply of good spinnable cotton will bid the cotton market up to the parity level.

Because of the ceiling situation today, when we are in dire need of textiles, when the War Production Board says it is one of the great war needs of America, we have 700,000 idle cotton spindles in America.

O. P. A. says—and it rests its whole case on this defense—that the over-all profit figure of the mills is sufficient to enable the mills to pay a parity price to the cotton grower, and that the profit figure of the mills, over-all—that is, a mill which makes, using a hypothetical case, seven textile items will probably lose money on three or four but make tremendous profits on the others—that that over-all profit is great enough to permit the mills to pay the increased cost of operation, to pay parity for cotton, to produce textiles, and to make large sums of money.

First, I shall dispute the accuracy of those figures in a few minutes; but if O. P. A.'s contention is accurate, then the pending amendment—taking their word for it—will not cost the consumers of the United States one thin dime, it will not cost them one thing, because if we pull down the price ceilings which are inflationary and increase the price ceilings on which a cotton mill is today losing money, we get production of textiles; the mills, to decrease their losses, will not be forced to depress the cotton market; and we equalize the price ceilings. By decreasing some of the ceilings we get the money to pay for increased prices in other ceilings without additional costs to the consumer.

The present system, the over-all system, discourages production, for several reasons. First, again using a hypothetical case, 90 percent of the production of a cotton mill will be directed to the production of a textile item on which the mill is on the border line, or on which it is losing money, and 10 percent will be on a highly profitable item. In that situation many of the mills have shut down. There are other cases of textile mills which will manufacture three items on which there are great profits and manufacture three other items on which they lose money. Yet, the over-all profits are good.

What happens in a case like that? The mill concentrates not on producing items on which it is losing money but it concentrates on the production of high-priced items on which there is a tremendous profit. As a result, the production of the cheap items, the staple items, has greatly decreased, and cheap goods, work clothes, have practically left the shelves of the merchants.

Mr. President, on that subject I shall read excerpts from a letter from a prominent wholesale dry-goods merchant of my State, the Whittington Drygoods Co. Mr. Curtis C. Whittington, who owns this concern, is a brother of Representative W. M. WHITTINGTON, from my State. He is a man who knows the textile business in all its details. Listen to this. I quote him:

> Cotton mills simply ceased manufacturing nonprofit goods, with the result ordinary, everyday household, staple, home-sewing cotton goods have disappeared from the market. The recent Vinson survey revealed that staple articles made of cotton, such as work shirts, athletic shorts, dress shirts, print dresses, when available, are being sold at black-market prices. To remedy this situation it will be necessary for O. P. A. authorities to face the facts and understand certain price schedules are altogether inequitable. Prompt adjustment should be made, and the O. P. A. should abandon the over-all price-profit theory.

Mr. President, the dispute here is over the over-all price-profit theory. Let us equalize the ceilings as the textile industry, the cotton grower, and the men who know this business in all its details desire. Mr. Whittington says:

> Prompt adjustment should be made, and the O. P. A. should abandon the over-all price-profit theory, and permit each item to carry its own burden of cost and profit. To continue price control on any other basis results in nothing but profit control.

Mr. AUSTIN. Mr. President, will the Senator yield at that point for another question?

Mr. EASTLAND. I yield.

Mr. AUSTIN. The comment just read causes me to ask this question: How does the Senator account for the projected effect of raising the price ceilings, or permitting them by law to be raised, upon only the price of the raw cotton? In other words, is not the Senator overlooking the probability that raising these ceilings would not only affect the price of raw cotton but would also affect the other costs in the manufacture, that is, labor and all the items entering into the business of making cotton textiles? Would they not be as much stimulated by taking the ceiling off as the price of the raw cotton would be?

Mr. EASTLAND. I do not think so. The increases in labor and in all other items are there. It is a condition we have to face, and because the prices have increased, the mills are losing money, are making no profit, under textile ceilings, and to meet the increased costs they have to depress the cotton market.

Mr. AUSTIN. This is a natural question, is it not? If the cost of the denim shirt which the textile worker wears is raised, will he not be coming around and saying, "You see, I pay more for my shirt; I must have my wages raised"?

Mr. EASTLAND. He has no shirt, he has no overalls, he has no work clothes.

Mr. AUSTIN. Then he has a still greater cause, has he not, for saying, "I must have fair wages, because I was not able to buy shirts and overalls, but now I can get them and I must have them. My old ones are worn out. I must have higher wages"?

Mr. EASTLAND. The pending amendment meets that situation, because today he is buying high-priced goods because cheap goods are not available.

Mr. AUSTIN. That is a good answer; that is a real answer.

Mr. EASTLAND. The amendment is designed to meet that situation.

Mr. AUSTIN. I thank the Senator.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Is it not true, however, that the ceilings on these low-priced goods will have to be raised?

Mr. EASTLAND. Some, yes.

Mr. ELLENDER. Quite a bit?

Mr. EASTLAND. They will have to be raised some; yes. But the point is that no goods are being manufactured under the present ceilings today, and no one benefits.

Mr. ELLENDER. As I understood the Senator from Alabama [Mr. BANKHEAD]—I am sorry I did not hear all he had to say because I was very busy holding hearings on another bill—the amendment, if it shall be adopted, will nowise raise the cost of the cloth?

Mr. BANKHEAD. I did not make that statement, Mr. President.

Mr. ELLENDER. I understood it that way. The Senator from Mississippi has told me on several occasions that it would not cost the consumer an extra dime.

Mr. EASTLAND. Well, over-all it will not.

Mr. ELLENDER. Over-all. The high-priced goods will be bought by those who have enough money to pay for them.

Mr. EASTLAND. I will answer the Senator at this moment on that point. There is cheap cloth which is today manufactured in the textile industry. We propose that the ceilings which are too high be reduced.

Mr. ELLENDER. That will not be done by the provisions of the amendment now before the Senate?

Mr. EASTLAND. I will give the Senator an illustration. There are ceilings, 127 and 128, which are the converter ceilings. The converter is a kind of broker. He buys the unfinished cloth and bleaches it, prints it, dyes it, or styles it. Under his ceiling his profits are so inflationary, are so out of line, are so unreasonable compared with his earnings in the base period that the Textile Accounting Division of O. P. A. says $100,000,000 a year can be saved for the consumers of this country on those two ceilings alone.

Mr. ELLENDER. The amendment we are now discussing does not in any manner affect the manufacture of cotton apparel, does it, such as socks, dresses, shirts, and so forth?

Mr. EASTLAND. No.

Mr. ELLENDER. Only the cloth is affected.

Mr. EASTLAND. It will hit the converter.

Mr. ELLENDER. I understand, but I judge from the argument so far made by the distinguished Senator from Mississippi that in order to obtain this production it will be necessary to raise the ceilings on the cheaper goods, and I fear to a greater extent than the distinguished Senator thinks.

Mr. EASTLAND. Of course, they have to be raised somewhat in order to obtain production. That is the mill level. At the same time $100,000,000 can be saved at the converter level when the goods leave the mill.

Mr. ELLENDER. Whom would it benefit?

Mr. EASTLAND. If O. P. A. does its duty, it will benefit the consumers and workers of the country.

Mr. ELLENDER. It does not benefit the poor man who must buy overalls and shirts.

Mr. EASTLAND. Why not?

Mr. ELLENDER. Because under the Senator's suggestion the price of the cheaper materials must be raised.

Mr. EASTLAND. Yes; but the poor man cannot buy overalls and blue shirts today, because the mills are not making them.

Mr. ELLENDER. No; but the Senator is making it possible to buy at a much higher price.

Mr. EASTLAND. We are making it possible for the poor man to buy work clothes at a cheaper price than he is buying them today, because now he must buy higher-priced clothes than the work clothes and the overalls will cost if the amendment is adopted.

Mr. President, I wish to read from the American Federation of Labor Weekly News Service under date of May 30, 1944:

> Vinson admitted that O. P. A. regulations permitted manufacturers to up-grade cloth and hike their prices. He said the War Production Board will shortly issue regulations requiring manufacturers to produce cloth for overalls and other work clothes.

That has been tried before. But directives to that effect have utterly failed unless the mills were put upon a profitable basis. As the distinguished Senator from Alabama said, such a directive closed a cotton mill in his State. But the cry of "inflation" cannot be laid at the door of the farmer or at the door of the cotton mills.

Senators, listen to this from the American Federation of Labor Weekly News Service:

> WASHINGTON, D. C.—Action to curb the rapacity of clothing manufacturers and dealers was promised by Fred M. Vinson, Economic Stabilization Director, while testifying before the House Banking Committee.
>
> Simultaneously the Department of Labor, reporting an increase in living costs in April, devoted several paragraphs to the soaring cost of wearing apparel, especially of cheaper grades.

Increases which came after the product had left the cotton mill.

> Some stores have boosted prices more than 100 percent on certain kinds of clothing, the Department said. Women's cotton house dresses and other garments made of cotton have borne the brunt of the gouge.

Those are increases, Mr. President, which should not be charged to the cotton mill or to the cotton producer.

Mr. President, the statement has been made by O. P. A. that this amendment will increase the textile income $150,000,000, and that that $150,000,000, when pyramided by subsequent manufacturers and handlers will amount to $350,000,000 when it reaches the consumer level. First, that statement was repudiated by the head of the Textile Accounting Division of O. P. A., the man who had strict authority in the premises. A man named Caplan, who is not an accountant, and had no authority in the premises, was called to make such an estimate, an estimate which was made in my judgment for propaganda purposes to level the cry of inflation against this amendment and to arouse the consumers of the country against it. The head of the Accounting Division of O. P. A. has been loaned to the distinguished senior Senator from Alabama and me as an adviser in this controversy. He was loaned by Mr. Bowles and Mr. Brownlee. Let me say that Mr. Bowles and Mr. Brownlee have been more than fair with us in the discussions. I think they are good men. I think they are sincere. But I am going to show in a moment that the decline in textile production is not due to them, but is due to their advisers, men on whom they have to lean in the department. They are good businessmen, but they know utterly nothing about the textile business.

Mr. MAYBANK. Mr. President—

The PRESIDING OFFICER [Mr. MCFARLAND in the chair]. Does the Senator from Mississippi yield to the Senator from South Carolina?

Mr. EASTLAND. I yield.

Mr. MAYBANK. In the discussion between the distinguished Senator from Mississippi and the distinguished Senator from Alabama the question came up of the increase of cost of what might be termed cheaper goods. As I understand there are practically no cheaper goods on the market today. Am I correct in that belief?

Mr. EASTLAND. That is correct.

Mr. MAYBANK. In other words, if you increase minus something by minus something you still do not have any increase.

Mr. EASTLAND. That is correct.

Mr. MAYBANK. And insofar as concerns overalls and work shirts and clothes necessary for war workers today, they are absent from the store shelves in the principal localities.

Mr. EASTLAND. That is correct.

Mr. MAYBANK. Therefore the people who today are working in the war industries and war factories necessarily must buy a better grade of clothing.

Mr. EASTLAND. That is correct.

Mr. MAYBANK. So they themselves are the purchasers of what might be termed high-priced goods today?

Mr. EASTLAND. That is correct.

Mr. MAYBANK. The distinguished Senator from Mississippi said that the amendment might affect wages. If I am correct, the distinguished Senator from Alabama today stated that there had been some small increase in wages since 1942 to textile workers, and that there is now pending another increase in wages. That is now up to the War Labor Board, is it not?

Mr. EASTLAND. Yes.

Mr. MAYBANK. The Senator from Mississippi will agree, will he not, that the wages of the textile workers have been raised less than those of other workers?

Mr. EASTLAND. The Senator means they have been raised less than those of other workers in manufacturing industries; does he not?

Mr. MAYBANK. Yes.

Mr. EASTLAND. That is correct. But today their income is roughly 57 cents an hour, as against a cotton farmer's income of 20 cents an hour. Of course, I do not want to have any controversy with the textile workers. I want them to receive every nickel they are entitled to. I certainly want them to have a wage scale high enough to induce them to go into the factories and produce clothing for the American people.

Mr. MAYBANK. If the Senator will further yield for an observation, let me say that I did not intend to compare the average income of the textile workers with the income of the cotton farmers.

Mr. EASTLAND. I understand.

Mr. MAYBANK. Because it has been shown that the cotton farmers are the only class of Americans who, since the war commenced, have consistently received for the commodity they produce a price below the cost of production of that commodity. The increase which we say is desirable for the cotton farmers to receive is needed by them and is deserved by them more than by any other class of farmers in America.

Mr. RADCLIFFE. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield.

Mr. RADCLIFFE. I understood the Senator to say he has a very high opinion of Mr. Bowles and of Mr. Brownlee. I certainly have.

Mr. EASTLAND. I do, too.

Mr. RADCLIFFE. And I understood him to say, although he was not very explicit, that he thinks the reason why matters have not worked out the way they should have is because their textile advisers have not given them sufficient good advice.

Mr. EASTLAND. I have stated, and I state it again, that both those gentlemen say they know nothing about the cotton business; and I know they rely on the judgment of certain individuals there, whom I intend to discuss in a few minutes.

Mr. RADCLIFFE. I do not know who their advisers in this matter are, and I certainly would not attempt to express any opinion as to their ability or as to the character or value of the advice they have given Mr. Bowles.

Mr. EASTLAND. I think they are entirely sincere.

Mr. RADCLIFFE. The Senator has suggested a method—the Bankhead amendment—by which he thinks the price paid to the producers of cotton would be increased. Certainly the method proposed is not a direct one. It is a very indirect one; it is quite an involved one.

Mr. EASTLAND. I do not agreed with the Senator.

Mr. RADCLIFFE. By the proposed method, the price of cotton would not be directly increased. The proposal contemplates the so-called escalator system by which the selling price of the manufacturer's commodity would be increased or decreased from time to time.

Mr. EASTLAND. That would protect the consumer.

Mr. RADCLIFFE. But if the price received by the producer of the cotton is increased under the operations of this amendment, it will be done indirectly; because there is nothing in the amendment which would directly increase the price of cotton. The Senator hopes it will be increased under the proposed plan.

Mr. EASTLAND. Of course, the 95 percent loan provision will increase it. That is all a part of the picture.

Mr. RADCLIFFE. This thought enters my mind: If, under the present law, the Administrator has not been able to do what the Senator thinks he should have done, because his advisers have not kept him properly and adequately advised or because they have been mistaken, is not the Senator apprehensive that under the very involved and complicated system which would be set up under the Bankhead amendment there would be imperfections or difficulties in administration, and that the desirable results which the Senator pictures as due to come about would not necessarily follow?

Mr. EASTLAND. No; I am not. The formula is one which a child could follow.

Mr. RADCLIFFE. Certainly it is an intricate and a complicated formula, and would only indirectly cause the result generally desired.

Mr. EASTLAND. I disagree with the Senator.

Mr. RADCLIFFE. The Senator stated just a moment ago that he thought the formula carried out through various steps would increase the price received by the producers of cotton.

Mr. EASTLAND. I do think so.

Mr. RADCLIFFE. And yet the Senator has stated that there is nothing in the amendment which would directly do that. The Senator must think, therefore, that the result could come about only indirectly through activities in various stages.

Mr. EASTLAND. The result which will come about will be that the price of cotton will go to the parity price.

Mr. RADCLIFFE. The Senator hopes that will occur.

Mr. EASTLAND. No; I know it will occur.

Mr. RADCLIFFE. How does the Senator know that?

Mr. EASTLAND. I discussed that at great length earlier in my remarks. I am sorry the Senator was not then in the Chamber.

Mr. RADCLIFFE. I think I was here all the time the Senator was talking. I am indeed sorry if I missed that or any other part of his remarks.

I will not trespass further on the Senator's time, except for one brief observation, and then I will no longer trouble him. I do not see, personally, how the Senator can count on increasing the price of cotton, except by the indirect method which I understood the Senator to say a little while ago would be the situation under the amendment.

Mr. EASTLAND. But it is a part of the plan.

Mr. RADCLIFFE. Yes; but the indirect method is an essential part of the Senator's plan, and is the keystone, so far as the producer is concerned.

Mr. EASTLAND. That is correct.

Mr. RADCLIFFE. The point I wish to make, and then I shall not trespass any further on the Senator's time by trying to amplify my point, is that under this involved and somewhat intricate amendment, which certainly has several stages by which all its program is to be worked out, it is hoped that certain results will be secured. I desire to suggest to the Senator that if imperfections have occurred under the existing law, it is probable that other imperfections will occur under the proposed new law, which certainly has not the advantages of greater simplicity in plan. I assume that any imperfections under the existing law are imperfections in administration; because otherwise the Administrator could have done and would have done what the Senator thinks he should have done. If those imperfections have existed in connection with the law, which has thus far existed, is not the Senator somewhat apprehensive that if the new plan is put into operation, still other imperfections in administration will occur?

Mr. EASTLAND. As I stated to the Senator from Maryland, in the amendment we set up a formula which a child could follow. If those men in good faith will administer the act, there will be no difficulty. But I have stated further that the more contact I have with the O. P. A., in representing the farmers, the more I think agriculture has received a very raw deal.

Mr. RADCLIFFE. If the Senator believes the plan has not worked——

Mr. EASTLAND. Let me give the distinguished Senator from Maryland an illustration of what happens. A man who grows watermelons for a living takes all the risk, works from morning until night, and under the price ceiling was allowed a cent and a quarter a pound. Yet the wholesaler, just a commission man, was allowed a cent and a half a pound. He was actually allowed more than the grower. That is the kind of treatment agriculture is receiving, and that is the kind of treatment we are attempting to obviate, by the amendment, for the biggest business in America and, in fact, the biggest business in the world.

Mr. RADCLIFFE. When the Senator gave the watermelon illustration a moment ago I was mindful of the fact that I was born a farmer and have been a farmer all my life. I know a little, at least, about farming, and I am deeply sympathetic with the farmer in his continuing grave difficulties.

Mr. EASTLAND. The Senator has been very successful in all endeavors in his life.

Mr. RADCLIFFE. I am sorry to say my record does not measure up to the kindly and generous estimate of the Senator from Mississippi.

Mr. EASTLAND. Oh, I think it does.

Mr. RADCLIFFE. But I should like to leave the Senator with this thought: He has expressed hopes that the new plan will work in a way in which the old plan has not worked. I must say I cannot share his optimism.

Mr. EASTLAND. But under the Bankhead amendment there would be no discretion to be exercised.

Mr. RADCLIFFE. Possibly it might be said that there was no room for discretion before. Under existing law, according to the Senator's idea, so far as I understand it, there is ample opportunity to have the situation properly handled. However, the Senator said this result has not been secured, and he has given his reasons for making that statement. The Senator has also said the Administrator did not know about cotton. However, the Administrator will not know much more about it under the new plan than he did under the old one. He will have to rely largely upon advisers. If the persons upon whom he has relied in the past, or new ones, do not give him enough sound advice under the new plan, he will not do any better under it than he did under the plan which was used in the past. I must say I do not share the Senator's optimism about the new plan as being a method by which the cotton producer is sure to be benefited.

Mr. EASTLAND. The Senator's idea is that if the farmer has been mistreated under the old plan, Congress should not attempt to alleviate or to better his condition, merely because the same men in the agency might do it again.

Mr. RADCLIFFE. Mr. President, will the Senator permit me to reply? The Senator is mistaken. What he has just said was his own language; it was not mine. I never intentionally gave expression to any such idea, and I do not think anything I said warrants the interpretation of the Senator. What I said was that the plan has not worked the way the Senator thinks it should have worked, and I am not at all optimistic that the somewhat roundabout, complicated, and involved procedure which would be set up under the Bankhead amendment would cure the situation.

Mr. EASTLAND. I hope the distinguished junior Senator from Maryland is wrong about that, and I know he hopes he is wrong.

Mr. President, I was discussing inflation. The hour is growing late, and I shall stop in a few minutes.

The O. P. A. says the amendment will cost $150,000,000, and will be pyramided to $350,000,000 in terms of increased cost to the consumers. However, the pyramiding of costs would be in violation of the O. P. A.'s rule and the O. P. A.'s regulations.

Where is the inflation in this country; and how is it that this amendment, if properly administered, will actually save the consumers money and, in addition, will increase the production of cheap clothing in America? A few moments ago I discussed finishing ceilings 127 and 128. According to the figures of the Textile Accounting Division of O. P. A., we could save $100,000,000 a year by reducing those ceilings to their base-period level. Not long ago Chester Bowles made a speech in which he stated that clothing costs in the United States had increased 7.4 percent in the past 2 years. Some items have increased 100 percent, but the over-all picture is 7.4 percent; and yet the prices of cloth and cotton have remained practically stationary. The increase of 7.4 percent has increased the clothing bill of the American people roughly $800,000,000 a year; and O. P. A., while permitting such a thing as that, raises the cry of "Inflation!" against this amendment.

I hold in my hand a piece of seersucker cloth, which will demonstrate how absurd the cry of "Inflation" against this amendment is. On the 31st day of May a piece of such cloth sold in department stores in the city of New York for 69 cents a yard. A pound of cotton makes 4 yards of the cloth. Today cotton is worth 20 cents a pound. In other words, the consumer in New York pays $2.76 for 4 yards of the cloth, and the farmer receives approximately 20 cents. If this amendment is adopted, the farmer will receive 21 cents. The O. P. A. says that is inflationary; and yet in the past two years that cloth has doubled in price. Three yards of that cloth are required to make a dress which, on the 31st of May, sold in New York department stores for $9. From that $9 the farmer receives 15 cents for three-quarters of a pound of cotton which went into its construction. To give the farmer three-quarters of a cent more for the cotton which goes into a $9 dress is inflationary, says the O. P. A.; yet it was not inflationary to permit that dress to double in price, or to increase from $4.95 to $9 during the past year. If this amendment is adopted, by adequate price control, we can save the American people half a billion dollars a year in their textile bill.

What has happened in the case of rayon?

Mr. WEEKS. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. WEEKS. Does the Senator know what the price of that cloth was at the mill?

Mr. EASTLAND. I do not. I know that it was very meager.

Mr. WEEKS. I was thinking of the comparison between the price at the mill 2 years ago and the price at the mill today.

Mr. EASTLAND. It would be the same. There has been no increase.

Take the case of rayon. Senators from wool-producing States will be interested in this comparison. Rayon is a great competitor of cotton and wool. There are 16 principal rayon-producing companies in the United States. With one exception, every single one of them is owned by foreign capital. They are owned by British, Dutch, French, and Belgian capital. There is only one large American producer.

The rayon manufacturer is a competitor of the American cotton grower and the American wool grower—men whose sons stormed the beaches of the fortress of Europe on Monday night last, men whose sons are following Old Glory, fighting for the country that they love, men who have a greater stake in the future of America than the dollars invested here by the foreign-owned rayon cartels.

The profits of these rayon companies in the past 2 years have been 137 percent greater than they were in the base period from 1936 to 1939. Today, under O. P. A. regulations, the rayon companies are permitted a net profit of 16 cents a pound. During the period that they have made this profit of 16 cents, the total price of cotton has been around 16 cents a pound.

On February 4, 1943, a recommendation was made by Donald A. Crawford, an economist in the rayon section of O. P. A. This comes from the files of O. P. A. Mr. Crawford says that these companies had an income of $20,996,000 during the base period, and that that profit increased to roughly $50,000,000 a year ago. I submit that that condition exists in the rayon industry today, because the net profits today are the same as they were a year ago. Listen to this recommendation made by an official of the O. P. A.:

> Applying the formula for reasonable profit adopted by O. P. A. (Price Policy Series Memorandum No. 5) to the rate of return on invested capital for seven principal producers of rayon yarn, a 9-cent-per-pound reduction would be justified.

Has it been made? No; and yet to grant parity to a poor cotton farmer, a man with an income of 20 cents an hour, would be inflation. But it is not inflation to permit foreign capital to make 16 cents a pound net profit.

I quote further from the same document:

> Certainly these are profits properly classified as unreasonable and exorbitant under Executive Order 9250, which the Administrator is required to prevent in fixing price ceilings.

The price was 9 cents a pound too high, and profits were "unreasonable and exorbitant * * * which the Administrator is required to prevent in fixing price ceilings." Yet nothing has been done about it. Place these interests on a reasonable profit basis, and we can save enough money to pay parity to the cotton growers of America. That recommendation has been made, but nothing has been done about it. Although the rayon industry is largely owned by foreign interests, rayon is a favorite in certain circles today. In addition rayon companies have been given priorities to manufacture rayon cord for tires, thus taking away the market from the cotton farmer for half a million bales of his cotton; and rayon manufacturers have been permitted to charge off in a 5-year period from their profits the costs of the new plants, plants which are manufacturing tire cord and depriving American citizens of the market for their cotton.

Mr. President, there is a powerful hidden influence in this Government which protects the rayon interests and allows them exorbitant profits to the detriment of American citizens who produce wool and cotton. O. P. A. owes an explanation to the Congress. O. P. A. owes an explanation to the public for permitting such exorbitant and inflationary profits. Why should rayon be permitted better treatment than is accorded to our own citizens?

The argument is made that we should not give cotton special treatment. I submit that in this amendment we are not giving special treatment to cotton. We ask only that the cotton industry be put on the same basis as other fabric-producing American industries. Take the case

of wool. The wool manufacturer is not held under a ceiling so low that wool cannot reach parity. As a general rule the wool manufacturer is not on a 90-percent bulk-line basis, where we seek to place cotton. He is on a 100-percent cost-plus basis. That is all right; but we ask only that cotton growers and cotton manufacturers be given the same treatment.

Under the price ceilings of the O. P. A. the rayon manufacturer is not required to manufacture at a loss certain kinds of rayon. The O. P. A. realizes that to require rayon manufacturers to manufacture at a loss would be to decrease the production of rayon for the war effort. Therefore they do not insist on such a requirement. We ask only that cotton be accorded the same treatment. Under the ceilings of the O. P. A., the wholesale merchant, the retail store, is not required to sell certain goods at a loss. We ask only that cotton be put in the same category.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. MURDOCK. Will the Senator explain his analogy between this amendment and a similar amendment in behalf of wool?

Mr. EASTLAND. Certainly.

Mr. MURDOCK. I should like to hear the explanation.

Mr. EASTLAND. Very well. In many instances textile ceilings are so low that a cotton grower cannot obtain parity for his cotton. Textile ceilings with regard to wool are not low enough to prevent a wool grower from receiving parity for his wool. Wool is generally on a cost-plus basis. All the manufacturing costs are taken into consideration, and a reasonable profit is computed. That profit is on a percentage basis. Assume that it costs 12 cents a yard to make a woolen garment, and the woolen mill receives 2 cents a yard for its profit; if its costs increase until they reach 20 cents a yard in order to make the same yard of woolen garment, the same percentage of profit will be figured on the 20-cent article that was computed when the article cost only 12 cents. Instead of 2 cents a yard the profit would be roughly 3¾ cents a yard. Cotton mills are forced to make many items at a loss. If it costs 12 cents a yard to make a certain item and the mill makes a profit of 2 cents, and the cost increases to 20 cents on the same basis, the mill is still allowed to make a profit of only 2 cents, and not 4 cents.

However, that feature of the situation has nothing to do with the pending amendment. The ceilings which require manufacturers of cotton clothes to lose money under certain conditions do not exist in the woolen industry.

Mr. MURDOCK. If I correctly understand the Senator, the distinction which he makes between wool and cotton is wholly chargeable to the O. P. A.

Mr. EASTLAND. Yes; to their price structure.

Mr. MURDOCK. The Senator does not mean, does he, that the wool producer in my State is guaranteed parity today any more than the cotton farmer is guaranteed it?

Mr. EASTLAND. Oh, yes.

Mr. MURDOCK. In what way?

Mr. EASTLAND. The ceilings are figured so low that a cotton farmer cannot be paid parity under them. In establishing the price ceiling, cotton is figured at from 1 to 3 cents a pound below parity, evidence of which I have submitted by placing O. P. A. figures in the record. Wool is figured at parity and above parity in establishing the price ceiling.

Mr. MURDOCK. The Senator is referring to the O. P. A.

Mr. EASTLAND. The O. P. A. has figured the cotton ceilings so low that it has prevented the price of cotton from going to parity. In establishing the wool ceiling it has figured the wool cost high enough to permit the parity price to be paid.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield.

Mr. BARKLEY. Is it not true that the price of wool was considerably above parity before there was any price-control act under the O. P. A.?

Mr. EASTLAND. Yes; and I am not disputing it.

Mr. BARKLEY. That being true, when the price ceilings of the O. P. A. were fixed on wool products they had to be based on the price of wool prevailing at a certain time previous thereto. That condition did not exist with respect to cotton.

Mr. EASTLAND. That is true, but the point we are making is that there is a difference in treatment. The point made by the Senator from Mississippi is that a shackle has been placed by a governmental agency which prevents cotton going to parity. In the case of wool no shackle has been placed which would prevent wool from going to parity. All we ask for is equal treatment.

Mr. BARKLEY. I thought the Senator was stating that the difference between the treatment of the O. P. A. in the case of wool and in the case of cotton was responsible for the fact that the wool grower receives a price above parity, and that the cotton grower does not.

Mr. EASTLAND. Oh, no. Of course, the O. P. A. price ceilings have not prevented wool from going above parity.

Mr. BARKLEY. I thought the Senator was drawing an analogy between the treatment by the O. P. A. of wool and its treatment of cotton.

Mr. EASTLAND. I say that the O. P. A. has placed a shackle which has prevented cotton from going to parity, and that it has not placed a shackle which would depress the price of wool.

Mr. BARKLEY. Even if the O. P. A. had fixed ceilings on all woolen goods it would have had to base those ceilings on a price for wool which was above parity before the O. P. A. was in existence.

Mr. EASTLAND. That is correct.

Mr. BARKLEY. So the O. P. A. had a different basis upon which to act.

Mr. EASTLAND. Yes; but ceilings have been placed on cotton. They are so low that they have actually depressed the price of cotton. Wool has not been placed on any such basis, and wool prices have not been depressed.

Mr. President, a meeting was held of representatives of the cotton industry, several Senators, and representatives of the O. P. A. As I have stated, Mr. Gitchell and Mr. Brownlee, who met with us, are both excellent gentlemen. They are successful businessmen. They are in my judgment honest, sincere, and desire to do the right thing. However, they know absolutely nothing about the cotton business, and were frank in so stating.

Do Senators wish to know what is the trouble? The growth and production of cotton in the United States is the biggest business in the world. More people make their living in growing and producing cotton than in any other American industry. I believe the figures will show that that statement may be enlarged to include any other industry in the world. Persons who have built that great business and have successfuly operated it have stated that this amendment would not be inflationary, and that under it parity could be paid for cotton. I submit that the judgment of these gentlemen, both producers and mill men, are entitled to serious consideration.

It is said by these men that this overall pricing theory of O. P. A. has prevented production, and that we should put each article on its own bottom, give a profit on each one, but reduce the inflationary articles, that that is sound business.

Issue is taken by certain men in O. P. A., and, as I stated, the policy men there, Mr. Gitchell, of the Consumer Division, and Mr. Brownlee, are good businessmen, and honest and reliable, but know utterly nothing about the cotton business, and at these meetings they were surrounded by certain advisers. It was perfectly evident to those who were present that those gentleman, those advisers, run the cotton show in O. P. A., that those gentleman through the power of recommendation control the cotton policy of O. P. A., and I submit that, in this dilemma, the Senate of the United States should weigh carefully the unselfish, patriotic business judgment of the men who have ability to operate America's biggest business in contrast to these advisers.

Who is it that takes issue with these practical men? I shall read several names taken from the personnel files of O. P. A. which I have here. What I say is nothing against these advisers in O. P. A. I think they are honest, sincere, and patriotic. The only charge I level against them is that they lack business experience, that they have had utterly no experience in textiles, and are incapable of administering the cotton program.

The first of these gentlemen is a man with whom I have associated somewhat—and I think he is a very excellent gentleman, I know he is very intelligent, and I think he is honest and sincere—Dr.

Henry Hart, the associate general counsel. Dr. Hart was born in 1904 and has a doctor's degree from Harvard University. He was editor of the Harvard Law Review. By profession he is a college professor. He was on the faculty of Harvard University. That is laudable. He has risen high in his profession. But that does not qualify him to fix textile ceilings, that does not qualify him to have any voice in O. P. A. policies in regard to cotton. Dr. Hart has never seen a cotton mill, has never seen a cotton farm in his life.

Now let us take the most powerful man in O. P. A. He did not attend those meetings, but everyone knows that Dr. Richard Gilbert has much to say about the agricultural policies of O. P. A. Dr. Gilbert was born in 1902, and is a graduate of Harvard University with a Ph. D. degree. He is an economics teacher, and for several years has been in the Government service. Dr. Gilbert was assistant to the Secretary and Harry Hopkins' economic adviser when Hopkins was Secretary of Commerce.

Mr. President, I do not think that Harry Hopkins' economic adviser is a proper person to have any say or any authority in the cotton program of the O. P. A., or any other agricultural policy. Dr. Gilbert has had utterly no experience in business. I am sure he is honest, I am sure his intentions are good, but he is not qualified to administer this program.

There was another gentleman, a very likeable man, who attended those meetings, and who is one of the cotton advisers, it was evident to all of us. I refer to Dr. Donald H. Wallace. Dr. Wallace was born in 1903. He also has a doctor's degree from Harvard University, and was an assistant professor of economics at Williams College and Harvard University before coming into the Government service. Dr. Wallace held a minor appointment in the Department of Labor from 1939 to 1940. He has had utterly no business experience, knows nothing about the cotton business, and certainly is not competent to speak on the question here under consideration, or to advise in formulating the textile and cotton programs.

The next gentleman who attended those meetings, and who is certainly one of the advisers, was Dr. Benjamin Caplan. Caplan was born in 1909, attended McGill University at Montreal, and received his doctor of philosophy degree from the University of Chicago. Dr. Caplan taught economics in some minor junior college in Chicago, and held minor positions in Government bureaus until he went to O. P. A. Dr. Caplan has had utterly no experience in the cotton business, he has had no experience in any business of any kind, character or description. In fact, he has had no practical experience in anything.

Mr. President, I submit that men like these are responsible for the textile program bogging down.

There was another adviser who attended those meetings, one Leander L. Lovell. As I understand, Mr. Lovell is a member of the C. I. O. That does not disqualify him but it shows his interests are not in the cotton grower, not in the cotton mill, not in getting production, but in labor relations.

Mr. Lovell was born in 1906. He holds a master's degree from the University of Wisconsin. Mr. Lovell studied economics, and has held very minor places in the Government service since that time. He, too, has never seen a cotton field or been inside a cotton factory, and is totally inexperienced in business.

The next gentleman who attended those meetings—and he, I understand, is an influential man in the cotton program—is Mr. William Stix, the chief attorney for the Textile Division of the O. P. A. Mr. Stix's qualifications are even better than the qualifications of the gentlemen whose names I have just said. Mr. Stix was born in 1911, and is also a graduate of Harvard University. I said he was better qualified, because Stix has been in business for himself. Stix practiced law for himself. For 5 months, for 5 whole months, 150 days, he had a law office in the city of St. Louis, with his shingle out, offering to practice law, specializing in labor relations. He left there, entrained for the city of Washington, and got a job at $2,100 as a field investigator for the Senate Civil Liberties Committee. After holding minor Government places like that, he has become a power in the cotton program in O. P. A.

Mr. President, as I stated, these men are, in my judgment, doing the very best they can, but experience counts, ability in any particular line of endeavor counts, and I submit that the cotton program in O. P. A. should be in the hands of efficient businessmen who know the cotton business. Those experienced men cannot be cast aside, and the biggest business of this country turned over to several college professors, and they be expected to conduct it successfully.

Textile production is falling down. The War Production Board says that if it is not increased to the 1942 level it will equal a serious military defeat. We must have that production increased. We cannot say, "This is simply a question of administration," and send it back to O. P. A. O. P. A. will fail. It is our responsibility. It is the duty of the Congress. We cannot pass the buck. We must take action to protect the war economy of our country.

Mr. President, the cotton business says the amendment is good. It says the amendment is not inflationary. It says the amendment will not increase the profits of the textile industry. Are we going to adopt it or are we going to pursue the same course as is at present being pursued?

Mr. President, I challenge the opponents of the amendment to produce a program which will increase production of textiles and will obtain parity for the farmer—something which they say the amendment will not do. Can we not rely on the judgment of the men who have built and have successfully operated the world's biggest business, the business of growing and producing cotton?

Mr. President, on behalf of the cotton farmer, I maintain that he is entitled to the same open-handed justice as any other American citizen. The adoption of the amendment will not give him justice, because labor costs are not computed in the parity formula, but it will give him the price which under the present law he is entitled to receive, it will cause more cotton to be manufactured by the mills, it will take up all the cotton surplus which the opponents of the amendment speak of, and it will promote the war economy of our country.

Mr. President, I submit that the amendment should, by all means, be adopted.

Mr. ELLENDER. Mr. President, today during the debate, when the distinguished Senator from Alabama [Mr. BANKHEAD] was presenting his amendment, the name of York Wilson was mentioned in a colloquy between the Senator from Alabama and the Senator from New Hampshire [Mr. TOBEY]. I desire to place in the RECORD a letter which I received from Mr. Bowles in relation to Mr. Wilson. Before I read the letter I should like to state that some time last week I was asked by the distinguished Senator from Mississippi [Mr. EASTLAND] to discuss the Bankhead amendment with Mr. Wilson, and at that time I understood the Senator from Mississippi to state that Mr. Wilson was connected with the textile industry. I did not know at the time that he was connected with O. P. A. However, last Monday or Tuesday I learned from the Senator from Mississippi that Mr. Wilson was connected with O. P. A., and I further learned that Mr. Wilson's views did not correspond with those of the O. P. A. Administrator. So I telephoned to Mr. Bowles and he not being in his office, Mr. Rogers talked to me. I explained to Mr. Rogers that I learned that there was some conflict in O. P. A. in respect to the Bankhead amendment, that I was advised that Mr. York Wilson was in favor of it, and that Mr. Bowles and a number of others in O. P. A. were against it. So I asked Mr. Rogers to present my comments to Mr. Bowles. I received from Mr. Bowles the following letter addressed to me:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C.

The Honorable ALLEN J. ELLENDER,
United States Senate,
Washington, D. C.

DEAR SENATOR ELLENDER: Yesterday my deputy, Mr. Rogers, told me of your comment on the fact that an O. P. A. employee, York Wilson, had been serving as an aide to Senators BANKHEAD and EASTLAND in their efforts to make special provision in the Price Control Act for cotton textiles. Since O. P. A. is severely critical of Senator BANKHEAD's textile proposal, I think you are entitled to an explanation of how this situation arose.

Mr. Wilson is the chief accountant in the Textile, Leather, and Apparel Section. His duties do not extend beyond obtaining financial and cost data in response to requests made by our operating personnel. Decisions as to the action called for by this information are made by the operating personnel in accordance with the established pricing policies of the agency.

Several months ago Senator EASTLAND met Mr Wilson in a conference with O. P. A. staff members over our cotton-textile ceilings. At the end of the meeting Senator EASTLAND requested that Mr. Wilson be made available to him during deliberations upon renewal of the Price Control Act.

I must confess that this arrangement, which we thought would be mutually helpful to Senator EASTLAND and to us, has caused us embarrassment. Mr. Wilson has unfortunately been drawn into an expression of his personal views on matters far beyond his limited and specialized duties as an accountant in this organization. His duties do not give him the authority, nor does he have the qualifications, to speak for the O. P. A. on any policy question. His judgment on these matters suffers from his utter failure to take into account—as I must—all aspects of the price-control problem as a whole. From what I have heard of Mr. Wilson's ideas, I can only say they are one-sided in approach and recklessly inflationary in their consequences.

You are undoubtedly familiar with the position of this Office on the Bankhead amendment. This amendment has been presented to you as a means of raising the farm price of cotton to parity (now about 1 cent higher than the market) and of increasing textile production. However, the proposal is no guaranty that the first of these objectives would be achieved nor has it any real bearing on the second. The price of cotton is held in check and a top limit is set on textile output by factors other than O. P. A. cotton-goods ceilings.

What the Bankhead bill does guarantee is that the consumer will pay increases of a quarter billion dollars or more in prices for clothing, yard goods, and domestics. It is a guaranty of even greater profits to the cotton-textile industry which, on the average, is enjoying profits nine times or more those of pre-war. So generous are the terms of the amendment that it more closely resembles an exemption from price control than a formula for fixing ceilings. Were the Bankhead proposal to become law the Congress could not in fairness refuse equally favorable treatment to other industries.

These are the reasons why I say in all earnestness that, of all changes now under consideration, the Bankhead amendment is the single proposal best calculated to shatter the entire structure of stabilization.

Sincerely,

CHESTER BOWLES,
Administrator.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, I should like to make a statement for the information of Senators. It is my purpose to move that the Senate take a recess until 11 o'clock tomorrow morning. It is very desirable that we proceed as rapidly as possible with the pending legislation. It had been my hope that we might finish it today, but we have not been able to do so. I hope we may finish it tomorrow.

With that purpose in view, after consulting with the Senators in charge of the pending bill and in charge of the amendment, with the minority leader, and with other Senators, I may state that it is agreeable that we meet tomorrow at 11 o'clock, instead of at 12 o'clock.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit the conference report, House bill 4070, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 23, 40, 45, 48, and 62.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 7, 10, 12, 15, 16, 18, 19, 20, 21, 22, 24, 25, 27, 28, 31, 32, 33, 34, 36, 38, 39, 41, 42, 43, 44, 46, 47, 49, 50, 51, 59, and 61 and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9 and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,750"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$5,821,900"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede rom its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,104,500"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,500,000"; and the Senate agree to the same

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$38,000,000"; and the Senate agree to the same

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$164,044,940"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,259,355,440"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 37, 52, 53, 54, 55, 56, 57, 64, 65, 66, 67, 68, and 69.

RICHARD B. RUSSELL,
THEODORE FRANCIS GREEN,
STYLES BRIDGES,
WALLACE H. WHITE, JR.,
Managers on the part of the Senate.

C. A. WOODRUM,
JAMES M. FITZPATRICK,
JOE STARNES,
JOE HENDRICKS,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
FRANCIS CASE,
Managers on the part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report? The Chair hears none.

Mr. McKELLAR. I move the adoption of the conference report.

The report was agreed to.

Mr. McKELLAR. I now ask the Chair to lay before the Senate the action of the House on certain Senate amendments.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4070, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 1, 1944.

Resolved, That the House recede from its disagreement to the amendments of the Senate Nos 37 and 69 to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 68 to said bill and concur therein with an amendment as follows:

In line 1 of the matter inserted by said amendment strike out "July 1, 1944," and insert "January 1, 1945."

That the House insist upon its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67 to said bill

Mr. McKELLAR. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 68.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I now move, Mr. President, that the Senate further insist on its amendments numbered 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67, and ask for a further conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. GLASS, Mr. RUSSELL, Mr. TRUMAN, Mr. GREEN, Mr. McKELLAR, Mr. BRIDGES, and Mr. WHITE conferees on the part of the Senate at the further conference.

MUSKINGUM WATERSHED CONSERVANCY DISTRICT

The PRESIDING OFFICER (Mr. McFARLAND in the Chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1849) for the relief of Muskingum Watershed Conservancy District, which was, on page 2, line 12, after the word "claim", to insert a colon and the following proviso: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. WHITE. Mr. President, let me ask what the bill is.

Mr. ELLENDER. It simply adds an amendment providing that the recipient of the amount of the claim shall not pay more than 10 percent of such amount in attorneys' fees.

Mr. WHITE. The amendment simply provides for the addition of the usual 10-percent limitation; does it?

Mr. ELLENDER. Yes; that is all it does.

Mr. WHITE. Very well.

Mr. ELLENDER. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. MCFARLAND in the chair) laid before the Senate a message from the President of the United States, which was referred to the appropriate committee.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of committees were submitted:

By Mr. GILLETTE, from the Committee on Foreign Relations:

Executive B, Seventy-eighth Congress, second session: A convention on the Inter-American Institute of Agricultural Sciences, opened for signature in the Spanish, English, Portuguese, and French languages at the Pan American Union in Washington January 15, 1944. Signed by the United States of America on January 15, 1944 (Ex. Rept. No. 1).

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

The nominations of sundry postmasters.

REMOVAL OF BAN OF SECRECY ON CERTAIN TREATIES

Mr. CONNALLY. Mr. President, the Senate Committee on Foreign Relations has before it four treaties, which are identified as Executive B, C, D, and E. I shall not encumber the RECORD by reciting anything more than the headings or titles:

Executive B, Seventy-eighth Congress, second session: A convention on the Inter-American Institute of Agricultural Sciences, opened for signature in the Spanish, English, Portuguese, and French languages at the Pan-American Union in Washington on January 15, 1944. Signed by the United States of America on January 15, 1944;

Executive C, Seventy-eighth Congress, second session: A convention on the regulation of inter-American automotive traffic which was opened for signature at the Pan American Union in Washington on December 15, 1943. Signed on behalf of the United States on December 31, 1943;

Executive D, Seventy-eighth Congress, second session: A protocol signed at London on February 7, 1944, for the United States of America, the Union of South Africa, the Commonwealth of Australia, the United Kingdom of Great Britain and Northern Ireland, Canada, New Zealand, and Norway, amending in certain particulars the international agreement for the regulation of whaling signed at London June 8, 1937, as amended by the protocol signed at London on June 24, 1938; and

Executive E, Seventy-eighth Congress, second session: Texts of notes exchanged at Washington on May 3, 1944, between the Governments of the United States and Canada, amending in its application article V of the treaty signed on January 11, 1909, between the United States of America and his Britannic majesty, to permit for the duration of the emergency, unless terminated earlier by agreement, an additional diversion of the waters of the Niagara River above the Falls. These notes supplement the notes which were exchanged on May 20, 1941, and approved by the Senate on June 12, 1941, and the notes exchanged on October 27 and November 27, 1941, and approved by the Senate on November 27, 1941.

I ask unanimous consent that the ban of secrecy on those treaties be removed.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

PUBLIC UTILITIES COMMISSION

The legislative clerk read the nomination of J. Francis Reilly, of Maryland, to be a member of the Public Utilities Commission of the District of Columbia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BILBO. Mr. President, I wish to ask that a change be made in the address or place of residence of Mr. Reilly. He is from the District of Columbia, instead of from the State of Maryland. I wish to have the RECORD show that.

The PRESIDING OFFICER. The Chair must advise the Senator from Mississippi that the nomination must be confirmed as it is received from the President of the United States. The Senate would not have authority to make the requested change.

Mr. BARKLEY. Mr. President, the Senate cannot change the statement of the residence of a Presidential appointee, as it is set forth in the nomination. If the President designates the appointee or nominee as residing in a certain place, we must accept that designation as official.

As the nomination was received from the President, I think the nominee was designated as residing in the State of Maryland. Perhaps he has a residence in Maryland. I do not know as to that; but, at any rate, the Senate cannot change that designation.

Mr. BILBO. Very well; let it stand as it is. However, it is my information that the nominee's real residence is in the District of Columbia. But we will let the matter rest as it is.

Mr. BARKLEY. Very well.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Foreign Service.

The PRESIDING OFFICER. Without objection, the Foreign Service nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. MCKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc, and that the President be notified forthwith of the confirmation of the postmaster nominations.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc, and the President will be notified forthwith of their confirmation.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

Mr. BARKLEY. I ask unanimous consent that the President be notified forthwith of the confirmation of all nominations on the Executive Calendar.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 9, 1944, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 8 (legislative day of May 9), 1944:

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERALS

Brig. Gen. Robert Chauncey Macon (lieutenant colonel, Infanry), Army of the United States.

Brig. Gen. James Pratt Hodges (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Benjamin Franklin Giles (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Archibald Vincent Arnold (colonel, Field Artillery), Army of the United States.

Brig. Gen. William Samuel Rumbough (lieutenant colonel, Signal Corps), Army of the United States.

Brig. Gen. Uzal Girard Ent (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States Air Corps), Army of the United States.

Brig. Gen. Lyman Louis Lemnitzer (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Brig. Gen. Jay Ward MacKelvie (lieutenant colonel, Field Artillery), Army of the United States.

Brig. Gen. Frank Seymoure Ross (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. John Wilson O'Daniel (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Walter Leo Weible (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Brig. Gen. William Benjamin Kean (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. William Frederic Marquat (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Brig. Gen. Joseph Cowles Mehaffey (colonel, Corps of Engineers), Army of the United States.

Brig. Gen. Henry Benton Sayler (colonel, Ordnance Department), Army of the United States.

Brig. Gen. Robert Boyd Williams (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Brig. Gen. George Lane Van Deusen (colonel, Signal Corps), Army of the United States.

Brig. Gen. Archer Lynn Lerch (lieutenant colonel, Judge Advocate General's Department), Army of the United States.

Brig. Gen. Earle Everard Partridge (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Brig. Gen. Ralph Hudson Wooten (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Maxwell Davenport Taylor (major, Field Artillery), Army of the United States.

TO BE BRIGADIER GENERALS

Col. George Douglas Wahl (lieutenant colonel, Field Artillery), Army of the United States.

Col. Alfred August Kessler, Jr. (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Clesen Henry Tenney, Coast Artillery Corps.

Col. Herbert Bishop Thatcher (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Francis William Farrell (lieutenant colonel, Field Artillery), Army of the United States.

Col. Paul Frailey Yount (captain, Corps of Engineers), Army of the United States.

Col. John Paul Ratay (lieutenant colonel, Field Artillery), Army of the United States.

Col. William Milton Gross (first lieutenant, Air Corps; temporary lieutenant colonel, Air Corps), Army of the United States.

Col. Reuben Ellis Jenkins (lieutenant colonel, Infantry), Army of the United States.

Col. Donald Robert Hutchinson (first lieutenant, Air Corps; temporary major, Air Corps; temporary major, Army of the United States), Army of the United States, Air Corps.

Col. Clinton Dermott Vincent (first lieutenant, Air Corps; temporary major, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. James Somers Stowell (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Egmont Francis Koenig (lieutenant colonel, Infantry), Army of the United States.

Col. Julius Kahn Lacey (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. James Edward Morrisette (lieutenant colonel, Judge Advocate General's Department), Army of the United States.

Col. Charles Henry Caldwell (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Claude Birkett Ferenbaugh (lieutenant colonel, Infantry), Army of the United States.

Col. Alexander Mitchell Owens (lieutenant colonel, Quartermaster Corps), Army of the United States.

Col. Clark Louis Ruffner (major, Cavalry), Army of the United States.

Col. George Burgess Foster, Jr., Medical Corps.

Col. Charles Stricklen Shadle (lieutenant colonel, Chemical Warfare Service), Army of the United States.

Col. Robert Marks Bathurst (lieutenant colonel, Field Artillery), Army of the United States.

Col. Richard Condie Sanders (first lieutenant, Air Corps; temporary lieutenant colonel, Army of the United States), Army of the United States, Air Corps.

Col. Walter Gilbert Layman (lieutenant colonel, Infantry), Army of the United States.

Col. William Weston Bessell, Jr. (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Edwin Britian Howard (major, Infantry), Army of the United States.

Col. Henry Cheesman Dooling, Medical Corps.

Col. Philip Gilstrap Bruton (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. James Malcolm Lewis (lieutenant colonel, Field Artillery), Army of the United States.

Col. Howard McMath Turner (major, Air Corps; temporary lieutenant colonel, Air corps; temporary colonel, Army of the United States, Air Corps) Army of the United States.

Col. William Herschel Middleswart (lieutenant colonel, Quartermaster Corps), Army of the United States.

Col. John Halliday McCormick (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Edmund Clarence Langmead (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Arthur Arnim White (lieutenant colonel, Field Artillery), Army of the United States.

Col. LeRoy Judson Stewart (major, Field Artillery), Army of the United States.

Col. Carl Conrad Bank, Field Artillery.

Col. Harold Chittenden Mandell (lieutenant colonel, Cavalry), Army of the United States.

Col. Andrew Jackson McFarland (lieutenant colonel, Infantry), Army of the United States.

Col. Ernest Joseph Dawley, Field Artillery.

Col. James Wayne McCauley (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Miles Reber (major, Corps of Engineers), Army of the United States.

Col. Frank Andrew Henning (lieutenant colonel, Field Artillery), Army of the United States.

Col. Donald Prentice Booth (major, Corps of Engineers), Army of the United States.

Col. Ralph Godwin DeVoe, Medical Corps.

Col. John DeForest Barker (lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Hugh Williamson Rowan (lieutenant colonel, Chemical Warfare Service), Army of the United States.

Col. Nicholas Hamner Cobbs (lieutenant colonel, Finance Department), Army of the United States.

Col. James Hobson Stratton (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. Harry Benham Sherman (lieutenant colonel, Infantry), Army of the United States.

Col. Royden Eugene Beebe, Jr. (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States), Army of the United States, Air Corps.

Col. Isaac Davis White (major, Cavalry), Army of the United States.

Col. Edwin Albert Zundel, Field Artillery.

Col. Charles White Lawrence (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. George Senseny Eyster (lieutenant colonel, Infantry), Army of the United States.

Col. Frank Fort Everest (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States

Col. Homer Caffee Brown (lieutenant colonel, Infantry), Army of the United States.

Col. Joseph Smith (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Rex Eugene Chandler (major, Field Artillery), Army of the United States.

Col. Jarred Vincent Crabb (captain, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Leif John Sverdrup, Army of the United States.

Col. Ephraim Franklin Jeffe, Army of the United States.

Col. Victor Emile Bertrandias (major, Air Reserve; temporary lieutenant colonel, Army of the United States), Army of the United States, Air Corps.

Col. Lawrence George Fritz (captain, Air Reserve; temporary lieutenant colonel, Army of the United States), Army of the United States, Air Corps.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8 (legislative day of May 9), 1944:

FOREIGN SERVICE

TO BE CONSUL GENERALS OF THE UNITED STATES OF AMERICA

Richard F. Boyce
John J. Meily

TO BE CONSULS OF THE UNITED STATES OF AMERICA

James E. Henderson
James Espy
Paul H. Pearson
Franklin Hawley

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

J. Francis Reilly to be a member of the Public Utilities Commission of the District of Columbia, term of 3 years from July 1, 1944.

IN THE ARMY

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

To Field Artillery

Second Lt. Thomas Carlton Reddington.

To Air Corps

First Lt. Arthur Howland Baker, Jr.
Second Lt. Lawrence Augustus Adams, Jr.
Second Lt. Otto John Glasser.

POSTMASTERS

CALIFORNIA

Stephen E. Graham, Oakland.

OKLAHOMA

Estella C. Lacy, Kingston.

TENNESSEE

Hazel T. Brickell, Friendsville.
Gordon L. Cox, Louisville.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 8, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our help in ages past, our hope in years to come, we draw near to Thee, asking to be made strong in Thy strength

and our spirits opened to Thy sacred influence. By toil and sacrifice we would lift ourselves into the confidence of those who defend us, who in the peril of death are struggling to release humanity from the appalling grip of despotic masters; O bless and claim the devotion of our souls. In the frailty of human nature judge us not, dear Lord, by that which we have lost, but by the conflicts we are striving to win.

Do Thou inspire our people to deep fidelity and obedience, to humility and prayer for all who know not the way. How many tired hearts in our land—waiting, waiting, and there cometh a mist and a weeping rain and life is never the same again. May their worn hearts wait for Thee more than they who wait and watch for the morning. "In His good time, in some good time, they shall arrive." So long as there is a flower to lift its face toward the sun, so long as there is a bird to sing away the selfishness of men, so long as there is a lone pilgrim with the scarred image of our Father, slipping and falling upward, we bless Thee that there will be mercy and redemption in the heart of the Almighty. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. MALONEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein the radio addresses delivered by Senators OVERTON and ELLENDER and the gentleman from Louisiana [Mr. HÉBERT] and myself on June 6 from radio Station WOL, Washington, D. C., and through radio Station WNOE, New Orleans, La.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial on German atrocities from the New York World-Telegram.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects and to include therein certain statements and excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks and include extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two letters I have received from Government officials.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. LAMBERTSON asked and was given permission to extend his own remarks in the RECORD.)

FARM PROSPERITY FOLLOWING THE WAR

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. HAGEN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include therein an explanation of a farm bill by Senator PEPPER and Senator SHIPSTEAD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourn today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF EMERGENCY PRICE CONTROL ACT OF 1942

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942, and the Stabilization Act of October 2, 1942, from June 30, 1944, to June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4941, extension of Emergency Price Control Act of 1942, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Chairman, the pending bill, extending the operation of the Emergency Price Control Act of 1942, deals with stabilization and ceiling prices. It is not, therefore, inappropriate at this time to discuss a grave injustice that has been done the farmers of America in fixing the ceiling prices of their farm products.

The O. P. A. law provides that ceiling prices of farm products shall not be less than the parity price of such products. The injustice lies in the fact that under existing regulations, farm wages are not included in determining parity.

This House has sought to correct that injustice, and has twice passed legislation directing and requiring that in determining parity prices of agricultural commodities the cost of farm labor shall be included therein. I actively supported both of these measures, but neither of them became a law because the other body took no action thereon.

The last bill passed by the House, during this Congress, more than a year ago, was H. R. 1408, known as the Pace bill. After its passage by the House it went to the Senate, and was favorably reported by the Senate Committee on Agriculture and Forestry, but has never been acted upon by the Senate, and is still pending in that body. Six months yet remain before this Congress expires, in which time, if the other body would act, the bill might then become a law without further action by the House.

I understand that the author of the Pace bill, the gentleman from Georgia [Mr. PACE], will offer it as an amendment to the pending O. P. A. bill, and which, if adopted, would require action by the other body when the O. P. A. bill reaches it for consideration.

I shall gladly support such an amendment to the pending bill, believing it to be equitable and just.

If such an amendment is adopted, it would require the Department of Agriculture and also the Office of Price Administration to include farm-labor costs in the determination of parity and ceiling prices of farm products.

A parity price, without the inclusion of the cost of farm labor, is not parity.

The meaning of parity, as defined by Congress in the Agricultural Adjustment Act, is as follows:

> Parity as applied to prices for any agricultural commodity shall be that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period, August 1909 to July 1914.

Farm labor before the war was 32 percent of the cost of producing a crop. It is more now. According to the figures of the Department of Agriculture, farm wages have gone up 174 percent since the base period, and yet not one penny of this increased cost is included in fixing parity prices. The present law authorizes its inclusion, but such has not been done, and will not be done unless Congress mandatorily so directs.

The cotton farmer has perhaps suffered most, because the price of cotton has not advanced like many other agricultural products, and yet the farm-labor cost in producing cotton has more than doubled during the war.

Statistics have been cited which have been misleading with reference to the prosperity of the farmers. A statement issued a few months ago recited that farmers are receiving prices equal to 193 percent of what they received in the base period, and that for things they buy, they are paying only 165 percent of what they paid during the base period. That is not the truth, but it leads the public to believe that the farmer is in a favorable position and is getting better prices than he pays. If farm labor were included in determining parity prices, then it would show that while the farmer is receiving for some few commodities 193 percent of the price received in the base period, he is paying 200 percent for what he has to buy.

Publicity has been given to a statement by the Department of Agriculture that prices received by farmers are now 117 percent of parity. This is not true because these parity prices do not include the increased cost of farm labor,

the largest single item in the cost of producing a crop. Furthermore, it is unfair, because many commodities, including cotton, wheat, and others are all below parity. These high figures relate to the smaller crops such as apples, which are 139 percent of parity, rice is 121 percent of parity, sweetpotatoes are 159 percent of parity, and so forth, but these items represent an insignificant part of the income of the farmers of this Nation. Yet those prices are used to bring up the national average to 117 percent, while the major crops, such as cotton and wheat, are below parity, even under the present law which does not include farm labor costs.

To deny the farmers the right to include labor costs in fixing the cost of production would be an injustice, even in normal times, but in war times, with labor costs more than double, it is completely indefensible and should not be tolerated.

The Pace bill does not, as some have contended, include the entire item of farm labor. It would include only the increase in farm labor costs since the base period 1909–14, as it is changes occurring since that period which are used in computing parity.

In no other business of the country is the cost of labor eliminated in determining the cost of production. In the war contracts made by Government with industry, labor is certainly included, and when the cost of labor increases, a proportionate increase is allowed in determining the price that the Government will pay for everything it buys, except in farm products.

No class of our citizens has been more patriotic during this war than our farmers. No group has worked harder or for longer hours, or for less pay than they. No strike or threatened strike has come from that group in any section of America. They have toiled from daylight to dark, and often after dark. Their sons have gone to war, many of their daughters have joined the armed forces, and likewise their farm hands of military age. Manpower shortage has been more acute on the farms than elsewhere, and yet the Government has called upon the farmers for increased production, to feed not only our own people and our armed forces, but those of our allies. Without the food which they produced, neither our armed forces nor those of our allies could be winning the war as they are today. Food is as essential as munitions of war, and the farmers, realizing the necessity of its production, have responded, as patriotic Americans always do, and have done a magnificent job.

Talk about the feat of the industries, which has been magnificent and deserving all praise, it does not excel that of the farmers, for industry has had more labor and more Government aid, while the farmers have produced greater crops with less manpower, less machinery, less gasoline, fewer tires, fewer trucks, fewer tractors, and yet they have produced the largest feed crop in history.

The passage of the Pace bill would not be granting the farmers a gratuity or a subsidy, but would be a mere act of simple justice.

Congress has already decreed, both in the Agricultural Adjustment Act and in the O. P. A. that they shall be paid parity prices for their products, but unless farm labor costs are included in determining parity, they are denied that which the law says they shall have. If the Pace bill should not be adopted as an amendment to the pending bill, our only hope is that the other body may pass the bill which the House passed, but I shall support it as an amendment to the pending O. P. A. bill and thereby give two chances instead of one for its enactment.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. OUTLAND].

Mr. OUTLAND. Mr. Chairman, as a member of the House Banking and Currency Committee it has been my privilege to sit for several weeks with the members of both parties who constitute that committee, listening while the people of this country brought forward their observations and their suggestions about renewal of the Price Control Act.

There were two principal jobs that we as members of the committee faced then, and that we as Members of the House face now; and, in my opinion, those two tasks are not necessarily in conflict. The first and the over-all job is that of holding the line. If we permit breaks in the Price Control Act for this group or for that group, we are going to permit the wall to be broken and the waters of inflation to rush in. We might as well frankly recognize that fact.

We face at the same time another problem and that is wherever possible and wherever it is not inconsistent with the over-all purposes of the Price Control Act to correct injustices and conditions which bring about inequities in the administration of the law. It has been in an attempt to harmonize those two principal goals that the Banking and Currency Committee has brought forth the present bill. Like most committee bills this one is a compromise. There are amendments in it which I voted against, which appeared to me to be inconsistent with the purposes I have just outlined. There are other amendments which I voted for because they appeared to strengthen rather than to weaken the existing law.

It would be futile for me to attempt to go over again the various figures showing the achievements of the Office of Price Administration. We have seen an increasingly better job during the past year and a half. It has not been a perfect job. No task of that nature can be administered without there being flaws, but it has been holding the line pretty well, and that is what it was intended to do. If in the bill we are now bringing forth we can harmonize with that the other goal, namely, the correction of some of the injustices that have crept in, then we will have made a genuine contribution to the war effort here on the home front.

Let me give an example or two of how the committee has attempted to correct certain injustices that have crept in without at the same time breaking down the over-all purposes of the act. One of the most important phases of the whole Price Control Act has been in regard to the control of rents. Taking America as a whole, rents constitute approximately 18 percent of the family budget. It was found necessary very early in the price control program to put in an order covering rents to prevent them from skyrocketing and to prevent them from being one of the most important factors leading toward inflation. Obviously in the administration of rent control there have been certain inequities creep in. Those of us from California have been especially cognizant of this fact because we probably have a more serious housing congestion on the west coast than exists in any other part of America, and that housing congestion is getting more rather than less serious. Consequently, as one of the Representatives from California, I was especially interested in the suggestions that were made as to how we might improve the rent-control picture without at the same time breaking down the line altogether.

A great many amendments were offered. Some of those seemed to the majority of the members of the committee too drastic, too extreme, but finally I introduced into the committee an amendment which passed unanimously which I should like to read to the Members of the Committee of the Whole today:

> The Administrator shall provide for individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodation is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense rental area for comparable housing accommodations.

In other words, this particular amendment will permit the Administrator to classify additional types of cases where, for peculiar reasons, the rents prevailing on the freeze date were substantially higher or substantially lower than those for comparable accommodations within the same rental area. In my judgment, this is not in any way a crippling amendment. I look upon that as an amendment which definitely improves the operation of the whole price control program in this regard because it will directly authorize the Administrator to help correct peculiar circumstance rental cases. All of us are anxious to achieve that very thing.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. OUTLAND. I yield to the distinguished gentleman from California.

Mr. VOORHIS of California. Does the gentleman regard that particular amendment as establishing any other ground for individual adjustment in addition to those that have already been set up by O. P. A.?

Mr. OUTLAND. I look upon it as authorizing the Administrator to establish additional classes of cases which can be authorized to local rent administrators giving them grounds which will meet the peculiar circumstance condition.

Mr. VOORHIS of California. As I read the bill, and I would like the gentleman to correct me if I am mistaken about this, it also included language which indicated that substantial increases in taxes or operating costs were

to be considered in this matter; is that right?

Mr. OUTLAND. I do not have the language of the bill as a whole in front of me at this time, but it is not my recollection that the particular phraseology which the gentleman uses was so included. I may be in error on that.

Mr. VOORHIS of California. As I read the bill, that is to be included in a determination of general rent regulations, not in individual adjustments.

Mr. OUTLAND. The gentleman may be correct on that point. I am sorry I cannot furnish more information.

Mr. VOORHIS of California. The second question is in a different field from the first one.

Mr. ANGELL. Will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Oregon.

Mr. ANGELL. May I ask the gentleman to state in the case he has cited, in the event a case is made out by a landlord and the Administrator refuses to give consideration or refuses to grant relief, what is open to the landlord? Can he carry the matter further?

Mr. OUTLAND. I will say to the gentleman that we in the Congress, of course, can only write and phrase the law; we cannot administer it.

Mr. ANGELL. Is there a right of appeal? that is what I am asking. Is there a right of appeal so that the question may be passed upon?

Mr. OUTLAND. I think the gentleman's question will probably be answered more in detail by one of the other members of our committee who is going to speak upon the changes that have been made in court procedure. Not being an attorney, I feel somewhat handicapped in attempting to answer in detail the question that is asked.

Mr. ANGELL. I may say to the gentleman that the complaints coming in from my district are due to the fact that the Administrator refuses to take any action, regardless of the merits of the case. He just will not act. If he continues to operate in that way after we amend the law, there is no need to amend it.

Mr. OUTLAND. I might speak to that point briefly, if I may. I have probably had as many complaints from my area in California as has the gentleman in that connection.

Regulations by which adjustments can be made have been promulgated here in the Washington office. We are directing the national director to draw up additional classifications where, due to peculiar circumstances, rents are substantially higher or lower for comparable housing conditions. I assume, therefore, that we can anticipate in the very near future such additional classifications being made and sent to local directors, and certainly they would be bound to obey them. Whether or not they do so obey them, of course, is another matter. I assume that would follow.

Mr. ANGELL. I was interested in the question raised by the gentleman from California [Mr. VOORHIS] and that is, whether in any individual case relief can be granted, or whether they will classify all cases in one whole group, and one man may be starving to death and the other man getting more than he is entitled to, and yet in that group they say there will be no change; let conditions remain as they are.

Mr. OUTLAND. Might I say to the gentleman in regard to the first part of his statement that I do not think this particular amendment authorizes every single landlord in America to come in and say, "Look. Review my case." To do so would be to break down rent control. What it does do is to authorize the rent administrator to reclassify hardship cases, which will help in peculiar circumstance instances.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Texas.

Mr. PATMAN. May I invite the gentleman's attention to one amendment on page 5489 of the RECORD, which contains the bill with the changes in it:

He (the Administrator) shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs—

And these words were added—

within such defense-rental area.

The gentleman's amendment is very specific with reference to hardship cases.

Mr. OUTLAND. I thank the gentleman from Texas. His remarks will, I believe, answer the question asked by the gentleman from California [Mr. VOORHIS].

I might leave the rent-control phase of this problem for a moment to touch upon how the committee has attempted to remedy other types of hardship which have grown out of experience of the administration of the act.

For example, the whole problem of fresh fruit and vegetables has been a very difficult one. Those of us who live in agricultural communities realize that a sudden storm or some other catastrophe may serve to ruin half or more of a year's crop.

There was introduced by the committee, in an attempt to improve that particular situation, the following amendment. And again I quote:

(g) Whenever a maximum price has been established, under this act or otherwise, with respect to any fresh fruit or fresh vegetable, the Administrator from time to time shall adjust such maximum price in order to make appropriate allowances for substantial reductions in merchantable crop yields, unusual increases in costs of production, and other factors which result from hazards occurring in connection with the production and marketing of such commodity.

That, it seems to me, is another illustration of how the committee, anxious to go into every possible aspect of the problem, added an amendment which cannot in any sense be viewed as crippling, but again will serve to improve the general administration of price control.

Mr. PATMAN. There is another amendment on rents that might apply in the gentleman's case.

Mr. OUTLAND. We are going back to rents now?

Mr. PATMAN. Yes; subsection (h):

The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices, or methods—

Then there is some further language, and this was added by the committee—

or changes in established rental practices.

That is the new language.

Mr. OUTLAND. I thank the gentleman. I was not trying to go into all of the changes made in the field of rents. I was simply trying to point out three or four of the more important ones in the bill as a whole, in the brief time I have here.

Mr. Chairman, may I make one concluding statement? In the consideration of the price-control bill, not only in the committee but in this House and the other House of Congress as well, I sincerely trust that there will be an absolute minimum of partisanship. This is not a Democratic bill or a Republican bill. It is one which is attempting to hold the home front, and consequently it is an American bill.

I should like to pay tribute to the ranking minority member of the committee the gentleman from Michigan [Mr. WOLCOTT] and other Members on the Republican side, for the nonpartisanship emphasized in the drawing up of this measure. I think that tribute is due them, and I, for one, should like to make it at this time.

May I make one further observation? It has been rumored that there will be a great many amendments introduced on the floor of the House. Possibly a few amendments may be in order. Again I sincerely trust that we will not see large numbers of them introduced which will have a crippling effect.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. OUTLAND. Mr. Chairman, I sincerely hope that there will not be introduced here amendments whose purpose it is to favor this particular group or that particular group. If we start in on that course of events, we are not only going to wreck the bill and the purposes of the bill, but we are going to invite, I believe, a veto of it.

While the present bill as drawn, certainly is not perfect, it does represent in most respects a fair compromise. It seems to me, with a very few exceptions, that it is probably the best that could be drawn under the circumstances. It is a delicately balanced one, and if we throw one part of the mechanism out of gear it is going to be certain that we will throw a great many other parts of that mechanism out of gear, and eventually the whole machine.

I hope that the Members on both sides of the aisle, therefore, will be very careful indeed in introducing amendments which may possibly help to upset the apple cart.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I wish I could contribute something worth while

to this discussion. Our committee has not reported very many amendments, and several of them were rather approved of by the O. P. A. officials. You have heard that we should not offer any crippling amendments. If there is any crippling to be done, let the O. P. A. do it. And they, of course, have done much of it. Vast amounts of money have been spent in this country because of the war. Conditions generally are pretty good, are they not? Let us leave the word "generally" in, although I would like to vote 10 times to take it out. It is too often used to defend inattention to hardship cases. We had a difference in the committee, but it is still in the bill. If the general health is better in your community, let the sick ones despair of relief.

I am only a Congressman, having largely delegated my authority to many scattered Government agencies. Must I take the position that I am a Congressman only because I am smart enough to be elected? We seem to have few qualifications now other than that. Largely, the powers supposed to be given to us are taken over by these agencies. Even if the agencies of the Government do attempt relief, we may expect orders and directives—plenty of them—so that even the agencies cannot pay appropriate attention. We may hear the order "hold the line." And they must hold it. No matter about hardship cases and conditions. Hold the line—John L. Lewis must be appeased.

I spoke at length on this O. P. A. matter when it was first presented to the House. I said that to hold inflation in check we needed a three-legged stool. You can hardly sit on one leg. But to hear the reports of our O. P. A. people you would think that they had really used a one-legged stool and had proved the other legs to the stool unnecessary.

You cannot tell me that the O. P. A. has controlled wages. Let us see you hire domestic help at almost any price; let us see you hire any ordinary labor in the country districts except at double or triple the price you formerly paid. Have we really held the line on wages? Well, I will ask John Lewis to testify on that. Even the dairy farmers write us this morning that they may have to endorse John Lewis and join his organization. Did you not read that this morning? This is a pretty dangerous condition. But I am a Congressman. My people write to me and expect me to be able to help them. I wish you could see what I have on my desk relating to price control. This package here is a small sample. These are communications from my people in various lines of endeavor. "Hold the line." Did they not hear it and are they not willing to be put out of business in order to hold the line?

I should pay a high tribute to Chester Bowles. He has courage and when they tell him to hold the line he will hold it. He can be tough; he is able; he has had valuable experience. He was at the head of O. P. A. in the State of Connecticut. He is a businessman; nonchalantly he could face this committee. He is reported to have said before the committee, "We have saved the Nation and the consumers of the Nation $65,000,000,000." Afterward he said he did not quite say that. Our friend the gentleman from Texas [Mr. PATMAN] constantly reiterates it.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Texas.

Mr. PATMAN. I think the gentleman is entirely mistaken about what Mr. Bowles said, that the consumers had been saved $65,000,000,000. He showed where in the war cost, not the consumers' costs, the Government, the taxpayers, had been saved $65,000,000,000 in the first 22 months of this war.

Mr. GIFFORD. All right. How I listen in wonder to Mr. Bowles and Mr. PATMAN when they tell me that they think that O. P. A. saved $65,000,000,000. If that is their judgment, it deprives me of a lot of confidence in their judgment. Why did they not say $100,000,000,000? Where did they get that figure? I simply do not believe it. Of course, they cannot prove it, but they can say it and they can think it. And when they think that way, I can only wonder how they will think on other matters. It disturbs me. Such extravagant statements really jolt me. Is that the line of defense adopted generally?

My people are confronted with so many regulations having the force of law that many of them are innocent lawbreakers. Millions might be in jail or heavily fined if they were caught in this net spread for them. Their day in court and their opportunity of defense is very limited. Many fine people simply rebel at unreasonable and stupid regulations and feel real justification in not obeying them. It is a corrupt nation that has a great many laws. Too many laws bring about lawbreakers. In this country our people have been taught that they are the Government. Has it not been declared constantly that this is a government of the people, by the people, and for the people? They will let us know about that in November.

Who are the people who are not too greatly disturbed? They are the fellows who can give the gasoline dealer a $5 bill or a $10 bill and say, "fill me up"; and somehow or other he gets filled up. Money always talked, did it not? Where did the coupons come from? Why does the black market flourish? Can we cure it by threats of punishment? It would be far better to remove the cause.

In my neighborhood it is difficult to hire anybody because the Government itself pays higher wages for easier jobs. It is claimed that there have been fewer bankruptcies the last 2 years. Of course, there have been much fewer. Thousands of small businesses simply folded up and discontinued. They did not go bankrupt, they just simply closed the doors. Government exactions and regulations forced them out.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Does not the gentleman think that a business voluntarily closing up is a more tragic sign of the condition of affairs than a failure is, under these circumstances?

Mr. GIFFORD. It is tragic, of course. I recall a neighbor who has been in business many years. The old gentleman was looking over the instructions received for preparing the governmental reports demanded of him as to his past business and he could only say, "I am afraid I cannot live up to all that." He quit, he did not go into bankruptcy, although he probably would have, had he continued.

Rules and regulations—Mr. Bowles informs us there are to be fewer of them, that he is going to simplify them. They have been 2 years at it. Why did the two Administrators before him fail? Somebody said yesterday that it was a new thing to Mr. Henderson and he lacked experience, but I thought he complained that he did not have force enough. When price control was asked of the Congress, Mr. Henderson testified that few officials and little money would be needed, stating that the people themselves would see to it that the law was enforced. What is Mr. Bowles' report to us? He now has some sixty or seventy thousand, or perhaps eighty or ninety thousand paid employees—I do not have the figure at hand. He also has a tremendous number of volunteer workers on full and on part time. An army has gone forth, but still the black market operates. Still the hardship cases multiply.

What can we do about it? If people suffer punishments according to the rules and regulations, there will be an unfortunate era in this country. It amazes me that people who have boys in the Solomons, on Guadalcanal, and who are buying bonds, have little compunction about buying in the black market. If they think it is because of stupidity displayed here in Washington, how can I argue with them? Do we not now pay double for farm work? There is no regulation about that, you see, because it does not apply unless you employ more than eight men, and it does not apply to farmers and domestics. Wages have not been held to the line. Do not give price control too much credit in preventing inflation. It is a help, but it is perhaps the least important leg on the stool. Inflation is caused, as you well know and everybody knows, by too much money and a speculative fever coming over the Nation. Are we paying any attention to that? A little, rather indirectly. The banks are not allowed to loan money for certain purposes. As I have said before, under the many regulations of the Federal Reserve you cannot now ask credit of your merchants for more than 2 months. The merchants cannot extend credit to you lest they have to ask their local banker for credit. Banks must remain in such financial condition that they can loan you money to buy bonds, but not to carry on your business. If your note has been in the bank more than 2 years it will have a mark on it stating that it should now be paid or greatly reduced. It may have been there 20 years with the full knowledge of your bank directors that it was as good as a mortgage. They dictate such rules appar-

ently for one purpose, that banks should be loaded with money and that you should borrow for the buying of bonds. Perhaps that in a measure does help stop inflation. But with $21,500,000,000 in people's pockets, with a fairly good bank account such as many people have never known before, and $35,000,000,000 worth of bonds that can be cashed immediately, there is your inflation danger. Can anyone doubt it?

Mr. BUFFETT. Mr. Chairman, will the gentleman yield further?

Mr. GIFFORD. I yield.

Mr. BUFFETT. Does the gentleman know of any instance in history any place where there has ever been a disastrous inflation that was not accompanied by deficit financing and for which the deficit financing was not primarily responsible?

Mr. GIFFORD. Well, I always thought that way about the deficit financing we had before the war, but it could not seem to bring about any inflation. In the end it would seemingly be proven that you are right. We have to pay the debt somehow. We are confused. We are adopting new doctrines. I was brought up in a community where my forefathers were Puritans and Pilgrims and we were taught thrift and economy: "Prepare yourself for your old age; do not become dependent," and all that sort of thing. Now that doctrine seems to be thrown overboard: "We can borrow from ourselves; can we not?" "We simply owe it to ourselves, and since we are to pay ourselves, it doesn't matter, does it?" Again it seems of little importance what is happening in hardship cases if generally conditions are fairly good. That seems to be the doctrine of the O. P. A. The widow who owns a tenement and rents were frozen when they were low—never mind her; she is not important, if landlords generally are better off. Freeze as of a certain date and ignore costs that have increased. This must be corrected. We must, of course, acknowledge that there are less vacant tenements. But this new doctrine! Freeze as of a date when prices and rents were low. No doubt, Chester Bowles can be tough. He is very able. We admire him greatly. When he came before this committee, however, he was flanked on both sides by those of his own Department who had thought up all the answers. He personally did not need to have the answers. They had thought them up. They were ready to face the committee. Then he told us he gained a great deal of information and that the sessions were a great help to him and would bring about a better understanding. I think they will. There was a great array of witnesses. After the 40 days of hearings, I got the idea there was pretty general dissatisfaction, not satisfaction, with the O. P. A.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. RIZLEY. I always enjoy the philosophy of the gentleman. I think it is sound.

Mr. GIFFORD. Well, perhaps I complain too much.

Mr. RIZLEY. I would like to ask the gentleman a few questions about this bill and what the committee has done about certain things.

Mr. GIFFORD. I have tried not to go into details of the bill as the amendments have already been much discussed.

Mr. RIZLEY. The basic industry of my section of the country is agriculture, and next to agriculture in my specific section of the country is the oil and gas business. Wages on the farm have continued to increase since the original O. P. A. Act was made effective. Likewise the wages that the producers of oil must pay to their employees. What has the committee done in this bill to remedy that situation so that the farmer can pay these increased wages and expect to have that reflected in what he gets in his prices that can be fixed by ceilings? What have they done toward fixing the price of oil which my oil producers produce, and which is way, way below parity now, in order to meet the increased wages that have come about while we have been regulating all these things? Can the gentleman shed some light on that?

Mr. GIFFORD. Oh, yes. The committee listened sympathetically. But later on Mr. Vinson came in before our committee, representing the President of the United States—"hold the line." He drew such a picture that the oil question sort of faded away. He advocated subsidies as the only method of relief in the oil situation. I think there was no oil amendment offered in the committee. But I will shed copious tears with you. If the gentleman has any sort of reasonable amendment, I shall probably vote for it. I was one of those who voted to report this bill and felt very fortunate we could get as many amendments voted as we did, with the pressure exerted for no amendments at all. I am a Republican and in the minority. However, we have some very able men in the minority. Many of their suggestions were adopted. Right here, lest I forget it, let me call attention to that splendid gentleman from Kentucky [Mr. SPENCE], our chairman. He opened meetings promptly. He was always fair. I think it unlikely that pressure groups could interfere with his sound judgment. He was hounded with the cry "No amendments, for any amendment would be a crippling amendment." There are many women's organizations, composed largely of consumers, who think they are buying cheaper under O. P. A. prices and we have heard much from them. However, when it came to onions, and they could not buy any at all, it rather seems that they were quite willing and glad to be served in the black market. We may finally be convinced that production is more important than an unfair low price which ends with nothing produced.

Mr. RIZLEY. If I understand the gentleman correctly, the committee listened attentively?

Mr. GIFFORD. And sympathetically.

Mr. RIZLEY. And sympathetically, and shed copious tears; but have they done anything so far as making any adjustment of the things I mentioned?

Mr. GIFFORD. When the gentleman from Oklahoma [Mr. DISNEY] offers his proposal, perhaps they will have a chance to do something more than listen sympathetically. In spite of the fact that I was one of those who unanimously reported this bill, the gentleman can be sure that I will vote for some amendments. They are needed. I want to get fish out entirely from the O. P. A. They have made such a mess of it. They could not do otherwise. I do wish the Members of the House would inform themselves a little more about fish. So many of the Members come from sections of the country where commercial fish are not important. We cannot regiment fish and can hardly regulate fishermen. When I offer such an amendment I want the gentleman to vote for it and relieve fishermen from an intolerable situation. I shall offer an amendment. If you are sympathetic, then, perhaps, I will be more sympathetic to your amendment. We have too many laws and regulations. A decent nation does not need so many laws.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. GILLESPIE. With reference to this $65,000,000,000 which have been mentioned, has anyone any figures as to how much of that was taken back by the Government in taxes?

Mr. GIFFORD. I presume they have; anybody can figure. It is no trouble at all to get figures The great success of the O. P. A. is based on figures.

If this Congress has any courage they should see to it that costs since the freeze days should be considered. Price-fixing of any kind is bad enough, but to keep prices frozen in the face of increased costs should not be tolerated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 additional minutes to the gentleman from Massachusetts.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. MASON. I just want to furnish the gentleman with the proper phrase for this $65,000,000,000 that has been saved by the O. P. A. It is "statistical mirage."

Mr. GIFFORD. That is well phrased.

Mr. MASON. And the Government is now putting out an abundance of statistical mirages to fool the people.

Mr. GIFFORD. Yes; I think I may have commented on that. Do not let me deprive anyone of a belief in Santa Claus. It is a comforting mirage. Uncle Sam is in reality a Santa Claus to many. Some men when they get into office remind me of a saying, "When a mouse falls into a meal sack he thinks he is a miller himself." How important they grow. They represent the great Government of the United States. The weight of a great Government is all on their side. When a snooper can go into your grocery store 40 days running and get an inexperienced clerk to sell him something for 5 or 10 cents above a ceiling price and then sue you for $50

40 times, we have reached an all-time low in snooping activity. Small wonder that on yesterday, in another body, an innocent violator was voted protection and allowed to plead ignorance of the law.

Mr. Bowles is an able man. He will probably do as well as anybody could. He must consult other agencies and several czars. The job is one of the worst imposed on any man. I want to relieve him of fresh fruit and fish problems, and perhaps several others.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. MURRAY of Wisconsin. Speaking of Mr. Bowles, I notice in today's RECORD in an extension of remarks by the gentleman from Texas [Mr. PATMAN], that Mr. Bowles had made a speech out in Iowa. It looks as though the O. P. A. is going to take over all the knowledge in connection with agriculture. I notice in this speech that he tells those good farmers in Iowa how bad things were from 1920 to 1930. I just wonder if Mr. Bowles, in appearing before your committee so much, had not got a little confused, because during 1920 to 1930, actually in 1926, was the only time the farmers of this country had parity price for their products up until we got into this war.

Mr. GIFFORD. But he testified he was in favor of you having parity prices. Why does he not give it to you?

Mr. MURRAY of Wisconsin. But I would like to know where he gets so much information so quickly.

Mr. GIFFORD. He was flanked by attorneys. I think Great Britain has 10 lawyers in their price-control set-up. We have some 2,600 to advise and educate him. They, of course, know everything about everything.

Mr. MURRAY of Wisconsin. I thank the gentleman.

Mr. GIFFORD. I do not think I answered the gentleman very well. But the point I desire to bring out is that the O. P. A. regulations have brought about some conditions of which we should take note and legislate when such action is needed. These new laws furnish new tricks. Good men do not need many laws. Laws do not make bad men good. We are now smothered with rules and regulations.

I like to represent my people a little more successfully. I wish so-called industry committees chosen by the O. P. A. would be more fairly selected.

I have not contributed very much to the discussion, but I feel better in that I have confessed that I am not as effective as I ought to be in presenting the complaints of my people to the O. P. A. I hope to do better. Meanwhile, however, the strawberries are being harvested and sold at too low a ceiling price.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. GIFFORD] has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. WINTER].

Mr. WINTER. Mr. Chairman, it would seem that reason and good judgment would require that Congress amend the Emergency Price Control Act before it is extended for another year. There should be an amendment providing for an equitable proceeding in the United States district court to review all regulations issued by the Office of Price Administration, both as to fact and law. This amendment should provide for a review of orders, rules, regulations, edicts, and all other bureaucratic promulgations by every executive agency authorized by statute to issue such documents, or in case an executive agency has been created by the President without authority of law to test its validity as well as the validity of its creative orders. This proceeding should be made simple and expedient.

The principal difficulty which producers of this Nation have had with the Office of Price Administration has been the method used by O. P. A. in applying the so-called discretionary powers in the matters which they have had under consideration.

As the Emergency Price Control Act of January 30, 1942, as amended by the Stabilization Act of October 2, 1942, stands at present, it has been a fertile field for the testing of crackpot bureaucratic theories by hundreds of New Deal theorists now to be found in the various executive agencies set up under O. P. A. It has become an instrumentality to be used by socialistic-minded bureaucrats to practice their pet theories upon the American producer and consumer. This and many other executive agencies have assumed to issue edicts, orders, regulations, and judgments which have had, or had assumed to have, the force and effect of law, and from which the public has had no right of appeal. Now is the time for this Congress to subject all of such agencies and the regulations, edicts, and judgments created by them to the test of legality by the courts. O. P. A. should not be extended for another year without providing for review of all O. P. A. regulations and edicts by appropriate action in the United States district court, where the complaining party resides, or in the United States District Court for the District of Columbia at the choice of the party bringing the action.

Why should a citizen of Kansas, involved in a controversy with O. P. A., be required to come 1,200 or 1,500 miles to Washington to petition the Emergency Court of Appeals for relief when there is a Federal court for the District of Kansas, which does not have anything to do 90 percent of the time except draw its salary? All of the evidence involved is in Kansas, the parties involved are in Kansas, and certainly it would be more economical to both the Government and the party bringing the action and would be much more expedient.

The orders, regulations, and edicts of O. P. A. and other Federal agencies, from which there is no right of appeal, except in limited cases, are contained in the Federal Register, which has now become more important than the United States Code. It is a sad state of affairs when a large mercantile organization here in the city of Washington alleges that the mass of contradictory and nonunderstandable orders of the Office of Price Administration have reached such volume that they were required to employ 33 clerks and 2 lawyers in an effort to comply with the regulations and edicts of this bureaucratic monstrosity.

It is necessary, of course, to make every effort to avoid the consequences of inflation, but there is no excuse for Congress continuing the Emergency Price Control Act without providing some protection for the citizen who is the target of thousands of bureaucratic regulations, promulgated here in Washington.

The Federal Register, volume 8, covering last year's activity of the various Federal bureaucratic agencies of the United States Government, contains 17,553 pages of bureaucratic-made laws, rules, and regulations. These rules and regulations of bureaucratic agencies have the force and effect of law. Violation of their provisions may constitute our constituents criminals or deprive them of their business.

It is, indeed, a serious matter when the Federal Register becomes more important to our constituents than the United States Code, which contains the laws enacted by Congress and which, incidentally, only contains 5,340 pages up to and including supplement No. 3.

I doubt if there is a lawyer in this House who can intelligently analyze the mass of bureaucratic regulations and orders applying to any particular line of business that he might be called upon to advise concerning its course of action under these regulations.

The operations of O. P. A. are cluttered up with red tape and foolishness and it is high time that Congress provide some recourse for the citizen who must operate his business in spite of this mass of regulations and orders.

The only protection which the American public can have in this situation is to grant a free, full, and complete review of all of the regulations and orders of the Office of Price Administration and any other agency which is concerned with the execution of the program under the Emergency Price Control Act and the amendments thereto.

It is not enough to provide for a complete review of orders and rulings of the O. P. A., as now constituted. Provisions should be made for a review of all orders, proceedings, decisions, and regulations, of any board or agency now in existence, or that may be hereafter created by Executive order with or without authority of law.

Congress should also specifically outline the authority of the Office of Price Administration and War Food Administration under the terms of this bill, and should revoke the authority of all other agencies, created by Executive order, to administer any of the provisions of this act. The discretion that is now granted to the Office of Price Administration, and the Secretary of Agriculture, and by him delegated to the War Food Administration, should be strictly and carefully defined in this bill so that these administrative bodies cannot annul the intent of an act of Congress.

To illustrate the methods used by the Office of Price Administration and the War Food Administration to disregard the will of Congress, I would like to call the attention of the House to the methods used by these agencies in determining maximum prices for agricultural products. The Stabilization Act of October 2, 1942, provides that the maximum price for agricultural products shall not be less than the highest price received for such products between January 1 and September 15, 1942, or parity, whichever is the higher. There is a letter placed in the record of the hearings before the Banking and Currency Committee of the House of Representatives, written by the War Food Administrator to a Member of this House, which clearly demonstrates that the economic experts in these agencies calculate the farmer out of the benefits of this act.

The illustration which they use shows that potatoes ranged in price during the test period from 97 cents to $1.24½ per bushel, the low price being in January 1942 and the highest price of $1.24½ in July 1942. By some unknown method evolved in the minds of these bureaucratic theorists in which they compare what they call the season-long price with the 5-year period preceding the test period of 1942, they arrive at a maximum price of $1.14 per bushel for potatoes, which is 10 cents less than the maximum price fixed by the act. This sinister method of avoiding the plain terms of the act is accomplished by a "joker" in the original bill which permits the Secretary of Agriculture to adjust the price as to distance, grade, and seasonal differentials. I am certain that not a single Member of this body knows the meaning of that clause. I doubt very much whether there is a bureaucrat in Washington who knows what it means, or cares very much. This provision is simply used as an excuse to avoid the terms of this act as passed by Congress.

Illustrations of this character could be multiplied many times, not only in agriculture but in all lines of endeavor. They simply illustrate that it is necessary for Congress to strip these bureaucrats of every vestige of discretion, and provide in plain, unmistakable terms the limits of their power under the act.

These departments are full of "parlor-pinks" and half-breed socialists, whose primary purpose in life is to get social control of the farmer, the industrialist, and the laborer.

The sad comment upon this situation is that the laboring man has been lulled to sleep by the siren song of these economic theorists and seems to think that his lot in life will be improved, and that he is to become the controlling factor in the new order of things. If he would but look at the condition of labor in Europe, where these crackpot theories have been put into practice, he would know that the only thing ahead of him is regimented slavery under such a program. In a program of socialistic regimentation, every individual would have his life determined for him by economic bureaucrats.

Many of these men in these agencies have been failures in every line of business that they ever undertook. These bureaucratic organizations in Washington are full of bankers whose bank failed, industrialists who went bankrupt, and other theoretic failures of every kind and character. This array of human misfits and social monstrosities are assisting in administering the provisions of the Emergency Price Control Act, and other war-power acts, evidently without let or hindrance.

The limited judicial review of orders of the Office of Price Administration, now provided by the Emergency Price Control Act to the Emergency Court of Appeals, is of little value. There should be a general review of both fact and law so that a proper legal construction would be put upon the legislation in question by the courts.

Congress has delegated almost unlimited legislative authority to various executive agencies, and much more authority has been assumed, and Congress has provided no method of correcting crackpot interpretations of law by this group of social reformers.

As soon as these agencies are created, they immediately proceed to promulgate orders, regulations, and edicts for the government of the American people along lines never contemplated by Congress. They immediately proceed to fill the pages of the Federal Register with the greatest conglomeration of economic nonsense ever known in American history. Confusion is succeeded by greater confusion, and nonsense is added to foolishness until the American businessman, farmer, industrialist, and laborer does not know what to do, or what not to do.

These bureaucrats decide that an institution is a war plant, and confiscate such plant for assumed violations of some nonsensical regulation. Tomorrow, they exclude a like plant under the same circumstances, to the utter confusion of everybody concerned. Labor is confused, business is in chaos, and the farmer disgusted and discouraged.

The experience which we have had with the Office of Price Administration and the War Food Administration in the execution of these acts of stabilization control has forcefully demonstrated that it is a dangerous thing for Congress to delegate any of its legislative authority to these bureaucratic agencies.

If we must have regimented control of the American people to avoid inflation, then it is the duty of Congress to provide legal protection for our constituents to protect them against the crackpot socialist parlor-pink theories of this group of human misfits that now fill the bureaucratic executive agencies.

If the administration leadership is not willing to amend the act to provide such protection, then this bill should be defeated.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. DISNEY].

Mr. DISNEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DISNEY. Mr. Chairman, at the proper time in the consideration of the bill under the 5-minute rule, I shall offer as an amendment the so-called Disney bill, which passed this House by more than a two-thirds vote in December, and which has since been sleeping peacefully in the Senate committee.

At the outset let me say that I am in favor of this price-control law. It has been said by many people that in the First World War we got along without a price-control statute, but the analogy is not all correct. We spent only $26,000,000,000 in the First World War. When we conclude now we will have spent between $200,000,000,000 and $300,000,000,000 on this war. Turning loose two or three hundred billion dollars of Government money in a Nation of 130,000,000 people, without some restriction or price control would have created run-away inflation. We might be paying $25 or $50 for a meal. So we must have a price-control statute; and I voted for it willingly. But it was not easily drawn; it was not perfectly drawn. The whole history of the statute has been convincing to most men that corrections and revisions should be made.

I doubt if we can stick our heads in the sand and say that this thing has done so well, generally speaking, that no revisions or corrections should be made. Slogans do not make economic laws, nor do they overcome economic laws. When it is said that we must "hold the line," while that sounds fine as a slogan, it does not take into consideration inequities that have necessarily resulted from the operation of the law. I have not heard any member of the committee, which patriotically and studiously studied this whole subject, claim that the operation of the law has been perfect in any way, or that there are not certain revisions and changes that should be made.

We are using about 5,000,000 barrels of oil every day. We are producing and importing and drawing from storage about 4,600,000 barrels a day. Of that, more than 100,000 barrels a day are imports. A couple of hundred thousand are drawn from stocks. The demand for oil is going up all the time and producing is at its absolute peak. The Elk Hills bill the other day was proof to everybody that the demand for oil by the armed forces was immense, and will continue to enlarge as long as the conflict ensues. No less person than Mr. Henderson back in 1942 admitted that the price of oil was at a depression. His exact language is in the CONGRESSIONAL RECORD and I have it before me. I do not want to bore the House with reiterating it except that he himself made that admission. You all remember that Mr. Ickes, Petroleum Administrator for War, recommended a 35-cent increase. In the interest of accomplishing something—I believe the increase should be 50 or 60 cents a barrel, but in the interest of accomplishing something I am offering the so-called Disney bill, which provides

for 80 percent of parity, or about 35 cents a barrel, to accomplish something in the interest of an industry that is having a struggle.

There has been a great deal of talk that we cannot do that because the big oil companies are making money. Anybody can say that, but it takes somebody who will take the time to analyze that statement to determine what it means. The big oil companies are making money. They have increased their production. They have put their production at the peak. They have increased their production in another manner; that is, by buying the independents. Now instead of about 50 percent of the production belonging to the independents and 50 percent to the majors, the major oil companies own about 70 percent of the production and are constantly purchasing it, because there is no other market for the independents but the big companies. Bear in mind the big companies made more money in 1941 than they made in 1943. They made $530,000,000 in 1941. They made $508,000,000 in 1943, and $200,000,000 of that went for replacements and the production of the oil.

Then what becomes of that argument? Nobody can say it, but you have to have some integrity to analyze it. Now it is proposed that we have the un-American dishonest system of subsidies in lieu of a price rise. The independent oil men, just as is the case with farmers, hate subsidies. But if you do put on a subsidy who gets the subsidy? The big oil companies get the major portion of the subsidies. I tell you that the majors with 70 percent of the production—just in round terms—with 70 percent of the stripper wells get the greater proportion of the subsidy. So on the one hand the opponents say the big companies are making the money and on the other hand the opponents say the big oil companies are going to get the subsidy.

Let me repeat what I said when I discussed the so-called Disney bill: When you grant a subsidy, a general subsidy, people will not drill for oil, they will drill for subsidies; but do the subsidies for the stripper wells produce any more oil? It simply saves some little stripper wells, and there are thousands of them, two or three hundred thousands of them, but it will not produce any more oil and I tell you we are using 5,000,000 barrels a day and producing, importing, and drawing from stocks about four million and a half a day, or a little more. So that is not a solution of the problem. Oh, they may produce statistics to show that wildcatting has increased. It has not increased to the extent that the Petroleum Administrator for War said was necessary for this year and that wildcatting in large measure is being done by people not in the oil business as a general thing. The Northern Pump Co., of Minneapolis, is out drilling oil wells. If they take a loss they charge it off in taxes; if they strike wells they make some profit. Many manufacturing concerns never in the oil business before are out wildcatting recklessly probably with the general expectation they will get tax charge-offs. And as I touch this subject, referring again to the big companies, they are in the high brackets. Where does the money go if they are making so much money? And I repeat they did not make as much money in 1943 as they did in 1941; it goes to Secretary Morgenthau in taxes. I have no brief for the big oil companies. They are the people who held this price down and put us in the slough of the depression when this freeze order was put on. They should have learned better and should have realized that the oil business, big and little, goes up or down together.

I ask you, is the slogan "Hold the line!" an American slogan? If injustice is being done to an American citizen, the independent oilman, is that fair? Is that decent? Is it even common American honesty to cry: "Hold the line!" and sacrifice a vast segment of the American people, legitimate businessmen? Before the Rules Committee I heard a very eminent American, a member of the Committee on Banking and Currency, say: "I hope when the bill comes before the House the pressure groups will not riddle the bill." Is not this the place for the redress of grievances? Is not this the place of all places in America for citizens to come whose rights have been invaded, whose businesses are being destroyed? Is not this the place for them to come and have their voice heard? And do they have to have the rather snooty appellation of "pressure group" applied to them? I hope that appellation will not be used here, especially, Mr. Chairman, when you remember the charts we had before us here show that oil stands at 60 yet the general average of all commodities in all of America is 103 or 104—nearly 110—these statisticians know better than I about that; maybe 103 is the correct figure but I think it more nearly approaches 110. Where stand the implements, the cost of producing the oil that stands at 60; where are they? Labor is at 175 and 180, and labor goes into every element of production of the expensive machinery the oilmen have to buy.

They cannot produce the oil for you without the high-class machinery, and labor has gone to the top. All other expenses of producing oil have gone up, but oil in the trough at the time of the freeze remains at 60. Your general average is 103. Is that fairness? If it is not, cannot something be done about it? Oh, it is said, it ought to be done administratively. We have exhausted every resource of reason and argument with the administrative powers and to no avail; and this notwithstanding several departments of the Government recommend that a price rise be instituted in the name of common decency and fairness and for the production of more oil.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield for a question?

Mr. DISNEY. Yes; I want to have the gentleman ask me questions; I know the answers.

Mr. OUTLAND. The gentleman, as is usual, is making a very able argument and presentation. I wish to ask the gentleman for some information. How much money would be involved should the Disney bill be added to the Price Control Act?

Mr. DISNEY. About the same amount, I presume, as the subsidies that the O. P. A. even proposes to put into effect. It will cost some money; it costs some money to be decent, to be fair; it is bound to cost some money.

Mr. OUTLAND. But I am interested in getting statistical information, some specific figures.

Mr. DISNEY. Let me observe there, although I do not want to interrupt the gentleman's question, that it would save some money if you pulled the entire average down from 103 to 60 too; it would save several billions of dollars if you would do that.

Mr. OUTLAND. My question did not carry an implication either for or against the gentleman's argument.

Mr. DISNEY. I understand.

Mr. OUTLAND. It was asked purely to obtain information for the benefit of the membership. How much money would be involved?

Mr. DISNEY. I do not know right off hand. I will tell the gentleman under the 5-minute rule. I am glad the gentleman asked the question. I want the figures to be exact.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. GIFFORD. I want to call the gentleman's attention, or recall it, to the statement by Judge Vinson before our committee to the effect that if we raised the price of oil, changed it, the big concerns would make a great deal of money. He favored paying subsidies, liberal subsidies for the stripper wells. Did the gentleman read that part of Judge Vinson's testimony?

Mr. DISNEY. I know that. The big companies have the majority of the stripper wells. The big companies would get the greater portion of the subsidies. They meet themselves coming back on that argument.

Mr. GIFFORD. Then the gentleman does not agree with Judge Vinson.

Mr. DISNEY. No; I do not agree to subsidies under any circumstance whatever.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DISNEY. Gentlemen have held up their hands in horror at what would result if we should pass this amendment to compel the creator to be decent and fair, saying that all kinds of other white rabbits would rush in to demand equivalent treatment. The first answer is that if there are any injustices being perpetrated on other industries do they not have the right to come to the Congress of the United States and ask to have those grievances redressed? Are they not entitled to that? They are; and there are not many rushing in here. The general run of people are satisfied with this. But submit it to the jury of the people, would they ask for one commodity to be held down to 60 with the general average up to 103? Would not

they suggest some reasonable basis for handling this matter? All right; let us save a lot of money by pulling the general index down to 60 too.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. GILLESPIE. I should like to ask two questions: First, does it not cost more to produce oil from new wells today than it ever did before? And, second: Is not crude oil cheaper than it has been on an average for 25 years?

Mr. DISNEY. The answer to the last question is that the gentleman is correct. The answer to his first question is that it takes about six times as much construction and about five times as much cost to discover the same amount of oil. Your discoveries have been taking a nose dive. The discoveries were up a few years ago, but the discoveries are down now and going down alarmingly, if we are really considering the welfare of the Nation.

Mr. WRIGHT. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. The gentleman made a rather broad statement. He said he was against subsidies. I take it from that statement that he is against subsidies of all kinds?

Mr. DISNEY. Yes.

Mr. WRIGHT. Is the gentleman opposed to subsidies for the production of high cost copper during the war emergency?

Mr. DISNEY. I knew the copper subject would come up.

Mr. WRIGHT. Is he opposed to subsidies for the production of pig iron that is sorely needed on the eastern seaboard?

Mr. DISNEY. Does the gentleman want my personal opinion?

Mr. WRIGHT. Yes.

Mr. DISNEY. I think it is a mistake.

Mr. WRIGHT. You have to get the high-cost producer into production when you have a greater demand than you have in your normal economy. Now, how else would the gentleman handle the situation?

Mr. DISNEY. By price.

Mr. WRIGHT. Would the gentleman pay a different price to one manufacturer than he would to another?

Mr. DISNEY. What is the difference?

Mr. WRIGHT. That is subsidy, is it not?

Mr. DISNEY. Maybe it is. Maybe that is what the gentleman calls it, but I think the subsidy system is wrong in every particular. That is my personal opinion. I do not agree with subsidies as a system.

Mr. WRIGHT. I have respect for the gentleman's wisdom even though we may find ourselves in disagreement at times.

Mr. DISNEY. I am not as informed on some of these subjects as my friend and other colleagues, but I do know about this subject I am discussing and I am telling you it is not good American honesty to treat these independent oilmen the way they are being treated and to treat the country the way it is being treated in the matter of the production of oil. You will see a monopolistic system grow up when the independents are driven into the laps of the majors and when that does happen then you will be paying high prices for oil and its products when we get back on a competitive basis.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD on the one-hundredth anniversary of the Y. M. C. A.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey [Mr. CANFIELD]?

There was no objection.

Mr. WOLCOTT. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I have taken the floor quite a number of times during these many months in an endeavor to make clear to the House the importance of lubricating oil in this war.

Whenever there is a proposal to appropriate billions of dollars for lend-lease and to U. N. R. R. A. to distribute to foreign nations, there is no dearth of emotional oratory to support such proposals.

It is quite a different matter, however, when legislation is brought to the floor of the House asking for a fair price for an essential war material to insure an adequate supply for our armed forces, in the event of a long war.

I maintain that, were it not for our air force, the duration of this war could and probably would be prolonged for a decade. Our heroic infantrymen, who, in the final analysis, will have to win the war in wave after wave going over the top with fixed bayonets, will of necessity suffer a heavy loss of lives, yet that loss of life will be far less if the infantry can have an air force at all times of maximum strength. The greater our air force to support the infantry, the more imperative becomes the necessity for gasoline and lubricating oil.

Oil wells that should be producing the highest test airplane lubricating oil are now, because of the short-sighted policy of the Government, being abandoned at a shocking rate. The pipes and machinery of the abandoned oil wells are being sold as junk.

Mr. Chairman, I want to point out to the Members of the House that in the western part of New York and throughout Pennsylvania, Ohio, and West Virginia there is produced the finest lubricating oil in the world, known as Pennsylvania crude. It is produced by small wells. Probably 133,000 or perhaps 200,000 of these wells are in operation. The producers' costs in producing the oil now are greater than they have ever been before. They produce on the average, according to the Bureau of Mines, about seven-tenths of a barrel a day. In the case of many of these wells water has to be forced down in holes drilled around the central hole in order to put sufficient pressure in the sand to force the oil to the surface. That is, the oil from which the lubricating oil is extracted. These small producing wells so necessary to supply airplane lubricating oil are being abandoned, as I have said, at an alarming rate.

Why is this? Because a group of bureaucrats refuse to grant a price sufficient to enable the owner of the small stripper wells to pay the cost of production.

We know that the invasion is on in France, where 11,000 or more airplanes are consuming lubricating oil and gas at a terrific rate. Not a fighting plane can be kept in the air unless lubricating oil and gasoline are to be had. Once our air fleet becomes grounded for lack of fuel and lubrication, no man can predict the magnitude of the holocaust. The bureaucrats are more concerned about ramming some sort of subsidy down the throats of the producers than they are in granting a fair price for oil.

Outside of the invasion now taking place in France, let me point out what an adequate supply of gasoline and lubricating oil means in the Pacific and in Asia.

The Ferrying Command was established in May 1941; the transport and ferry systems of the Air Transport Command now extend over some 110,000 miles of routes. It is reported that in recent months an average of more than 12,000,000 miles a month have been flown in ferrying operations and more than 10,000,000 in air transport. I am told that the Air Service Command supplies 4,000,000 barrels of aviation gasoline per month.

I call attention to the fact that since Pearl Harbor, over 125,000 casualties—sick, wounded, and injured—have been flown from combat zones in American transport planes. It is a matter of record that in the Mediterranean theater from the beginning of the Tunisian campaign in November 1942 to the close of the Sicilian campaign in September 1943, a period of 10 months, more than 25,000 men, with all types of illnesses and wounds, were transported 8,000,000 miles by air. Only one of the patients died.

I call attention to another remarkable achievement: 6 days after the Army hospital in Nome, Alaska, burned down, a new and complete 25-bed hospital had been flown in from a distance of 3,400 miles.

Furthermore, two field hospitals were flown over the Owen Stanley Mountains in New Guinea.

Again, think of this. In Sicily a 50-bed hospital was moved by air 44 miles in 2½ hours from dismantling until it began receiving patients.

It is well to keep in mind that not a person, not a hospital, not an ounce of food or medicine, blood plasma or essential material of any kind can be moved by airplane without fuel and lubricating oil.

This Congress has known for months that our rapidly depleting stock of oil is endangering our war effort. A shortage of gasoline or of lubricating oil can lose

the war. Who are resisting legislation to insure an adequate supply of these vital materials with which to save the lives of our armed forces and to make sure of victory? A group of bureaucrats, who, if their opinion had prevailed on the days prior to Pearl Harbor, would have prolonged the war by several years.

Are our small producing oil wells to be strangled to provide machinery and pipes for those who wish to profit from the purchase and sale of the junk taken from abandoned oil wells?

This Nation has paid a ghastly price in human life, and is still paying for it as a result of the shipment of junk to Japan.

What, I ask, will be the outcome of this war if our production of oil continues to fall at the present rate? How many hundred thousands of boys will pay with their lives for the inept and selfish leadership who are resisting a parity price for oil?

Nothwithstanding the charts and printed documents presented to the Committee on Banking and Currency by the O. P. A. in opposition to a price increase for oil, the fact is that more oil wells are being abandoned and at a greater rate now in proportion to existing wells than at any time heretofore. The number of oil wells abandoned in 1942 was 10,541. The bureaucrat's mind always deals with charts rather than facts obtained in the field.

The O. P. A. would destroy 133,000 small stripper oil wells rather than run the risk of having a few large producers who are actually making profits share further in any increase of price which an increase might give them.

I have pointed out on a previous occasion that some 133,000 stripper oil wells in New York, Pennsylvania, Ohio, and West Virginia produce the finest lubricating oil in the world for use in airplanes. It is about time the O. P. A. measured its responsibility by the needs of our armed forces now fighting desperately on the far-flung battle fronts of the world rather than measure it by the sophistry and philosophy of scarcity.

The O. P. A. may feel that there is sufficient gasoline and lubricating oil to win the European war—possibly there is, but, if so, a glance at the requirements for aviation in Asia presents a different prospect. There are too many rattlesnake dens to be cleared out to permit of a short war in Asia.

Why is it that the success of the Allied forces in China has already been delayed? There are many reasons, but one of them has been that 100-octane gasoline has had to be delivered over the hump between Assam and Kunming by the Liberator Express, which delivers 4 tons at a time, but to do so the airplane consumes 3½ tons in making the trip. The very best lubricating oil, such as our stripper wells produce, is just as essential in this service as the 100-octane gasoline, which would be useless without the lubricating oil.

Are the bureaucrats, who are resisting every effort on the part of Congress to make sure of an adequate supply of gasoline and oil, aware that before a bombardment group can go on one combat flight four trips must be made over the hump? Think of what it means to fight where all supplies have to be flown over a mountain range 17,000 feet high.

I am informed that our Fourteenth Air Force has to be supplied over this air route and that the materials to help equip the Chinese Army and to build and defend China's airdromes have to be flown over this route. A program of oil scarcity as urged by the O. P. A. is to trifle with the lives of our fighting men. Why, when faced with the uncertainty as to the duration of this global war, should the O. P. A. hinder the production of oil?

As late as May 3 this year, oil producers were urged to increase the production of oil in one area alone from 15,000 barrels a day to 65,000 barrels a day. The Congress has no right to be dominated by the O. P. A., when the military are urging greater oil production on the plea that it is now imperative. It is another case of trying to force a subsidy upon the oil producers, instead of granting a fair price under the parity formula.

I hope when this proposition comes up and is presented to you in the form of an amendment by the gentleman from Oklahoma [Mr. DISNEY], you will keep these facts in mind, for I say no man can predict the length of this war, nor the hundreds of thousands of lives that may be lost due to an inadequate supply of lubricating oil and gasoline.

Mr. BROWN of Georgia. Mr. Chairman, I yield 28 minutes to the gentleman from Wisconsin [Mr. DILWEG].

Mr. DILWEG. Mr. Chairman, I wish to preface my discussion on the protest and court review amendment by referring briefly to the task assumed by the House Banking and Currency Committee in connection with the Stabilization Extension Act, which was reported out last Friday, after 40 days of continuous hearings.

Every segment of American life appeared before this committee to contribute its share of testimony in a record which will exceed 2,300 pages. No one can say that the American public did not have its day in court so to speak.

The witnesses who appeared before the committee, without exception, favored the continuation of the legislation. There were, however, material differences of opinion as to what amendments should be made in the law in connection with its extension.

Many of the proposed 125 amendments called for special exceptions to price schedules for specific groups; others for special treatment at the hands of O. P. A.; still others for removal of all ceilings on their particular products and modifications of the enforcement and review provisions of price control.

Each and every amendment received due consideration by the committee, which set its sights on the general effect of price-control changes. Amendments proposed to correct hardship cases were weighed in light of their general effect upon the stabilization program. This was as it should be, for any substantial relaxation of the program on any broad front would throw it out of balance and set in motion new inflationary forces which could not be controlled.

The committee made a painstaking study of each paragraph and every word of the existing law. Changes which were recognized as far-reaching and perhaps dangerous were promptly voted down. The House committee refused to yield to the importunities of any special interest group. In general, it voted to extend the legislation for 1 year beyond June 20—provided the mechanics to correct hardship cases in the rental field, limited the use of subsidies, and liberalized court procedures under price control by eliminating the present 60-day limit for challenging the validity or invalidity of O. P. A. rules and regulations.

In the committee, I made certain reservations as to my vote cast on a procedural change which eliminates entirely the present 60-day limits upon the filing of protests and upon the amendment to section 204 of H. R. 4941. The reservations which I made were undoubtedly influenced by the fact that as a member of a subcommittee appointed to consider procedural changes I had an opportunity to study the Senate amendments which were reported out by the Senate Banking and Currency Committee.

In the following discussion, it is my intent and purpose to furnish the House with information which I suggest every Member study carefully before casting his vote on the amendments in the committee bill, or any proposed amendments which relate to procedure under the Price Control Act.

H. R. 4941, SECTION 5—PROCEDURE

The bill amends section 203 (a) by eliminating entirely the present 60-day limitation upon the filing of protests. This may be a serious and unfortunate change.

It is of great importance, from the point of view of industry as well as that of the Office of Price Administration, that legal questions with regard to the basic validity of a regulation should be raised and settled as quickly as possible. This is particularly true when, as often happens, several regulations are geared about a basic pattern or a series of regulations are built upon an underlying regulation. Obviously, if questions with respect to the validity of the fundamental pattern or of the underlying regulations can be raised for the first time after the whole structure of price control in a particular field has been fully developed and the industry has become accommodated to it, some of the principal benefits to industry arising from the stability of price relationships will be sacrificed.

It should also be noted that under the original act, although protests directed against the validity of regulations must be filed within 60 days of the issuance of the regulation, protests based upon grounds arising thereafter may be filed at any time. Thus the 60-day limitation is applicable only to protests directed against the validity of the regulation as originally issued. A protest based, for example, upon an increase in costs which occurred after the issuance of a regula-

tion may be filed at any time after those costs increases occur. There is, therefore, no necessity for the proposed amendment in order to provide for the case of hardship which develops after the issuance of a regulation. The amendment, however, would go much further than this by leaving open all questions with respect to the basic validity of the regulation indefinitely and thus detracting greatly from the stability of price control.

Furthermore, this elimination of any time limit upon the filing of protests would place a tremendous handicap upon both th proper administration and enforcement of price and rent regulations. This would be particularly true in view of section 6 of the bill providing that enforcement proceedings should be suspended during the pendency of a protest and dismissed if the proceeding in the Emergency Court of Appeals is successful. Many people who have been guilty of violations will file protests, not because of serious objection to the regulation but for the purpose of delaying or defeating enforcement proceedings against them. The result would be not only that enforcement would be greatly handicapped but also that the Administrator would be flooded with frivolous protests which would absorb time and energies far better devoted to more constructive activities.

The provision in section 6 that a protest should have this effect only if it is filed prior to the institution of enforcement proceedings, and if it sets forth objections which the court finds to have been made in good faith, would have little or no effect in reducing the volume of such protests, since anyone knowing that enforcement proceedings were contemplated against him would be likely to file a protest in the hope that the court would find that it was filed in good faith. Thus the inevitable effect of this amendment would be to pervert the protest procedure from its original purpose to a lawyer's strategic weapon for use in defending against enforcement proceedings.

The principal objections which have been made to continuation of the 60-day limitation can be met without so drastic a change as its complete elimination. One of the principal objections has been that a defendant in a criminal proceeding who has failed through excusable mistake to file a protest may be convicted and punished without opportunity to challenge the validity of the regulation. This possibility is answered by the amendment proposed in the bill as reported by the Senate Banking and Currency Committee, which provides that in such a case the district court may grant leave to file a complaint in the Emergency Court of Appeals.

It has been urged that this provision should also be extended to damage suits under the act because of the seriousness to the civil defendant of a judgment for treble damages. But the advocates of this extension of the provision to civil cases forget that the bill as reported by the House committee would allow the courts discretion to fix the damages recoverable in damage suits by consumer or the Administrator at from one and one-half to three times the overcharge. In other words, if a civil defendant has genuine grounds for invoking judicial sympathy, the court can cut in half the damages for which previously he would have been liable. Consequently, there is no longer the need to accord the civil defendant the special protection which everyone recognizes the criminal defendant should have.

Another objection has been that in the early days of price control many people unfamiliar with the provisions of the statute may have lost their right to protest through ignorance of the 60-day provision. This objection, too, is met by the Senate committee bill which opens up all old regulations to protest for 60 days after June 30, 1944. The 60-day limitation has now been so widely publicized, and is so generally understood, that these two amendments in the Senate bill, together with the existing provision for the filing at any time of a protest based on new grounds, would clearly remove any basis for the claim that it is too strict.

ANALYSIS OF SECTION 6 OF H. R. 4941—WHAT SECTION 6 PROVIDES

Section 6 of the bill proposes to amend section 204 of the present act by adding a new subsection. Briefly, this subsection would provide:

First. Any enforcement proceeding brought against a violator of an O. P. A. regulation shall be stayed by the court in any case where the violator has previously filed a protest challenging the validity of the regulation. Such stay must be granted for as long as the protest is pending before the Administrator and for as long as any appeal from the Administrator's decision is pending in the Emergency Court of Appeals or the Supreme Court.

Second. Where no protest to the regulation has been filed before institution of the enforcement proceeding, the court must grant leave to the defendant to file a complaint against the validity of the regulation with the Emergency Court of Appeals if it finds that the request is made in good faith and that there was reasonable and substantial excuse for the failure to file a protest before commencement of the enforcement proceeding. If leave to file such a complaint is granted the court must stay the enforcement proceeding pending disposition of the matter by the Emergency Court of Appeals and the Supreme Court.

Third. If any regulation is declared invalid by the Emergency Court of Appeals, or by the Supreme Court on review by that Court, then all pending enforcement proceedings based on that regulation shall be dismissed and all judgments previously rendered shall be vacated.

Fourth. During the period an enforcement case is stayed the court may in its discretion grant a temporary injunction or restraining order enjoining further violations of the regulation during the period of the stay.

These provisions should be considered in the light of the proposed amendment to section 203 (a) of the act—embodied in section 5 of H. R. 4941—which would abolish the 60-day limitation within which protests against validity may be filed and permit the filing of such a protest at any time.

WHAT THE ACTUAL EFFECT OF SECTION 6 WOULD BE

There is little doubt what the actual effect of the proposed amendment would be:

First. Virtually every enforcement proceeding brought by the O. P. A.—certainly every important one—would be stopped at the outset and held inactive on the court's docket pending exhaustive litigation by the defendant before the Administrator, the Emergency Court of Appeals, and the Supreme Court.

It is hard to imagine any lawyer who would not take advantage of the proposed amendment to obtain a stay of the enforcement proceeding brought against his client. Such a move would be obvious, natural, inevitable. It would at once become the accepted initial step in the defense of any enforcement suit.

In most cases the delay could be obtained automatically by filing a protest before the enforcement proceeding was actually commenced. Normally a violator would be fully aware that an investigation was being conducted by O. P. A. and would have ample time to file the protest. As a matter of fact it has been the usual practice for O. P. A. to call the violator into a conference and attempt to dispose of the matter by settlement before starting an enforcement case in court. Unless this salutary practice were abandoned the violator would thus have notice from O. P. A. itself that enforcement action was contemplated.

In those cases where the violator did not, for some reason, file a protest before the enforcement case was commenced he would still have the right to go to the Emergency Court of Appeals after the enforcement case was instituted, providing only he could show that he was challenging the validity of the regulation in good faith and had some reasonable excuse for not having filed a protest sooner.

Second. The delay that could thus be obtained before an enforcement case could begin would average at least 11 months, in many cases would run to 14 months, and in some cases even more.

The dilatory timetable upon which every defendant could rely runs as follows:

a. Elapsed time between filing a protest and decision by the Administrator now averages 111 days.

This time is necessary for the submission of evidence by the protestant, for the submission of evidence by the Administrator, for rebuttal evidence, for consideration by the Administrator, for preparing the decision and opinion of the Administrator, and so forth. Under H. R. 4941 the elapsed time would certainly be longer. In the first place vastly increased numbers of protests would be filed because of the abolition of the 60-day time limit and because of the encouragement to violators to file protests. In the second place the provision for consideration by the board of review would add appreciably to the elapsed time before action by the Administrator on the

protest. In the third place the protestant would have no incentive, in cases where an enforcement case was pending, to cooperate in obtaining prompt action on the protest. For these reasons the period of delay pending decision on the protest would inevitably be longer than it is now.

b. The period authorized by the act for filing a complaint in the Emergency Court of Appeals after decision by the Administrator on the protest is 30 days.

Undoubtedly the dilatory defendant would wait until near the end of this period, as he would in similar periods enumerated below.

c. The period allowed by the rules of the Emergency Court of Appeals for filing of an answer to the protest is 23 days.

d. The period allowed by the rules of the Emergency Court of Appeals for filing of briefs is 40 days.

e. Setting of oral argument before the Emergency Court of Appeals adds another 10 days.

f. Decision and preparation of opinion by the Emergency Court of Appeals after oral argument averages 50 days.

g. Under the present act the time allowed after the decision of the Emergency Court of Appeals in which to apply for certiorari to the Supreme Court is 30 days.

h. Time necessary for the Government to file brief in opposition to certiorari is 20 days.

i. Period for action by the Supreme Court on petition for certiorari is 30 days.

If the petition is filed during the summer when the court is in recess the elapsed time might run as high as 120 days.

j. If the Supreme Court grants certiorari the filing of briefs, oral argument, and decision would add another 90 days.

The total elapsed time, excluding delay by the Supreme Court because of its summer recess, and excluding the possibility that the Supreme Court will decide to review the case, is 344 days.

Third. The basic concept embodied in the present act, that all persons shall comply with price regulations pending litigation over their validity, has been scrapped in theory and in practice.

OBJECTIONS TO SECTION 6

The serious and far-reaching objections to section 6 are obvious from the above analysis of its actual operation. The basic objections may be stated as follows:

First. The devastating delay to which all enforcement proceedings are subjected would paralyze enforcement operations. It is a truism that justice delayed is justice denied. The legal impediments here thrown in the way of prompt enforcement action are without parallel in the history of Federal regulatory legislation. O. P. A. enforcement is a difficult and gigantic job at best. It could not survive the unprecedented shackles placed upon it by the proposed amendment.

In more concrete terms the effect of the proposed amendment would be felt at the following points:

a. Without question the delay in bringing violators to justice would drastically weaken the deterrent effect of the enforcement provisions of the act. Violators would be willing to run the risk of violation in the hope that the war would be over before they could be brought to account. The normal delays of justice are serious enough. No law can possibly be effectively enforced where a violator is given an automatic reprieve of 11 to 14 months before enforcement action can even be started.

b. If it is impossible to bring the more flagrant violators to justice promptly compliance on the part of others will deteriorate rapidly. Violation of a price regulation by one individual or firm puts enormous pressure on others in that industry, and in related industries, to violate. I understand that the experience in O. P. A. enforcement conclusively shows that, whatever the reason for the delay, a satisfactory standard and atmosphere of compliance cannot be maintained if known violators go unpunished.

c. Stale cases cannot be successfully prosecuted. Witnesses cannot be found. Investigators and attorneys who know the case may leave the O. P. A. or be assigned elsewhere. The facts upon which the prosecution is based have become ancient history. In short the burden put upon the O. P. A. enforcement staff of proving its case 11 to 14 months after the case would normally get to trial would be intolerable.

d. The provision for temporary injunction pending litigation on the protest would not meet any of these objections based on delay. It applies only to future violations. It does not, and cannot, serve the vital purpose of securing prompt and positive action on past violations.

Second. Aside from the question of delay, the proposed amendment strikes down one of the basic principles of price control—that there is an unqualified obligation to comply with price regulations unless and until they have been held invalid. It is absolutely essential to effective price control that price regulations should be fully complied with even while litigation is pending as to their validity. To secure such compliance the Administrator must be able to enforce a price regulation effectively and without protracted delays even though a protest or a complaint as to it is outstanding. It is also essential that people should not be encouraged to gamble on the outcome of litigation by violating a regulation on the chance that it will be held invalid in enforcement proceedings or that a subsequent holding of invalidity by the Emergency Court of Appeals will allow them to escape entirely the consequences of their violation.

The proposed amendment would have one of the most serious consequences which the exclusive-jurisdiction provisions of the statute were designed to avoid. Effective enforcement of a regulation while litigation with respect to its validity was pending would be impossible, because it would be clear that a subsequent determination of invalidity would provide complete excuse for all previous violations. The result would be to encourage violations on the part of all those who were willing to gamble on the chance that the regulation might be held invalid. The provision that a temporary injunction might be issued while such litigation was pending would afford no substantial aid to enforcement since it would have no tendency to discourage violation on the part of those not directly involved in the proceedings and since proceedings could be brought only with respect to a small minority of the violations.

Thus the real effect of the provision would be to render a regulation practically unenforceable so long as litigation was pending as to its validity. For reasons already stated it is clear that there would nearly always be litigation pending with respect to the validity of a regulation when enforcement proceedings were brought. Not unless there had been a final authoritative decision on the validity of the regulation as applied to the particular situation of the defendant would it be possible to enforce any sanctions of the act against him. This would indeed make a mockery of the enforcement of price control.

Third. The proposed amendment would greatly encourage the filing of protests and the filing of cases in the Emergency Court of Appeals. The amendment is an open invitation to all violators to postpone action against them by challenging the validity of the regulation. Both the O. P. A. and the Emergency Court would be bogged down by a flood of dilatory litigation. The result will be that cases which merit serious attention will not only be greatly delayed but cannot receive the full consideration they deserve.

Fourth. The proposed amendment would have particularly serious effects in the important field of enforcement of retail and rent controls, where much enforcement activity is carried on by consumers and tenants through the medium of the consumer's damage remedy. It has been recognized by the Congress both in the original drafting of this consumer damage provision, and in the recently concluded hearings on renewal of the act, that this remedy, the people's remedy against inflation, must be kept simple and workable if it is to remain within the people's reach and if the people are to feel encouraged in using it. The discouraging prospects which the proposed amendment would create for all O. P. A. enforcement litigation would be bound to result in a crippling of the remedy. Very few persons of the type who bring these damage suits—housewives, war workers, white-collar girls—would be willing to embark upon litigation if they faced the prospects of delay and complicated legal issues that would be opened up by the proposed amendment.

A PROPOSED SUBSTITUTE FOR SECTION 6

The chief reason for urging an amendment to section 204 is the feeling on the part of Members of the House that the present act operates unfairly in that it is possible for a person subject to a regulation to be prosecuted criminally and punished by a jail sentence even though the

regulation may subsequently be found invalid. It is recognized that this aspect of the present act should be changed. But the change should be directed to the specific objection. It should not abandon the basic principle that everyone must be made to comply with the regulations while their validity is being tested.

The original proposal of the Senate Banking and Currency Committee meets the particular criticism in the present act without destroying the whole structure. That proposal—section 107 of S. 1764—as reported, reads as follows:

Section 204 of such act is amended by adding at the end thereof the following new subsection:

"(e) Within 5 days after judgment in any criminal proceeding brought pursuant to section 205 (b) for the violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the district court for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant has been found to have violated. The district court shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a). Upon the filing of a complaint pursuant to and within 30 days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with subsection (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection. After judgment in any criminal proceeding brought pursuant to subsection 205 (b), the district court shall stay the execution of its judgment for the violation of any provision of a regulation, order, or price schedule concerning which there is pending a protest properly filed by the defendant in accordance with the provisions of section 203, or any judicial proceeding instituted by the defendant in accordance with the provisions of this section, the stay to continue until the disposition of such protest, or judicial proceeding, and the expiration of the time allowed in this section for the taking of further proceedings with respect thereto. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any criminal proceeding pending in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205; nor, except as provided in this subsection, shall any retroactive effect be given to any judgment setting aside a provision of a regulation or order issued under section 2 or of a price schedule effective in accordance with the provisions of section 206."

This amendment is explained in the Senate report—pages 12, 13—in the following manner:

It is provided in this amendment that after judgment in criminal proceedings a defendant who has failed to file a timely protest to the provision which he has been found guilty of violating may apply to the district court for leave to file a complaint in the Emergency Court of Appeals, challenging the validity of the provision concerned. If the court finds that the defendant's application is made in good faith, and that there is a reasonable and substantial excuse for his failure to file a timely protest, the court is to grant the application and to stay execution of the judgment until after the defendant has exhausted the opportunity thus given to challenge the validity of the regulation. If the defendant is successful in either the Emergency Court of Appeals or the Supreme Court in his challenge to the validity of the regulation, the judgment in the criminal proceeding is to be vacated and the proceeding dismissed to the extent that they are based upon the invalidated provision of the regulation. It is also provided that if the defendant in a criminal proceeding has already pending a protest, or complaint in the Emergency Court of Appeals, attacking the validity of the provision of the regulation which he is found guilty of violating, the district court shall stay execution of judgment until final disposition of the protest or complaint, and shall vacate the judgment and dismiss the proceeding if the defendant is successful in his challenge to the validity of the regulation.

This amendment is not designed to change the basic theory of the statute that there is an unqualified obligation to comply with regulations unless and until they have been held invalid. As this committee indicated in its report accompanying the original act, and as the Supreme Court recognized in its decisions upholding the validity of the exclusive jurisdiction provisions of the statute, it is absolutely essential to effective price control that price regulations should be fully complied with even while litigation is pending as to their validity. To secure such compliance the Price Administrator must be able to enforce a price regulation effectively and without protracted delays, even though a protest or complaint as to it is outstanding. It is also essential that people should not be encouraged to gamble on the outcome of litigation by violating a regulation on the chance that it will be held invalid in enforcement proceedings or that a subsequent holding of invalidity by the Emergency Court of Appeals will allow them to escape entirely the consequences of their violation.

In the proposed amendment, the committee has attempted to give adequate weight to the above considerations and yet to provide against the possibility that a defendant might be punished criminally for violating a regulation which, but excusable failure on his part to file a timely protest, he might have successfully challenged in the Emergency Court of Appeals. In making provision for this unusual case the committee has sought to preserve the essential pattern of the statute and to avoid insuperable obstacles in the way of effective enforcement. Therefore, the availability of the special remedy is limited to criminal proceedings; and in order to present its use as a means of delaying the trial of such cases, it is provided that the application for special leave can be made only after judgment.

The wisdom of thus limiting the amendment becomes apparent when the enormous task of enforcing price and rent control is appreciated. We were informed, for example, that the number of enforcement proceedings instituted each month for price or rent violations has recently been averaging over 700. If in every one of these cases the validity of the regulations could be challenged, even though only to delay trial by contesting the regulation in the Emergency Court of Appeals, enforcement would break down completely, while the absorption of the operating staff in the resulting flood of litigation in that court would seriously interfere with effective administration. It also seems clear that if compliance is to be effectively secured while a case involving the validity of a regulation is pending, civil remedies, including the treble-damage provision, should not be nullified by a subsequent determination of invalidity of the regulation. It is, therefore, made explicit in the amendment that the pendency of a protest or a complaint is not to be grounds for relief from civil proceeding, and also that a judgment of invalidity in the Emergency Court of Appeals is not to be grounds for relief from civil liabilities which have been incurred on account of violations before such determination of invalidity. If civil remedies were not thus left unimpaired by the amendment, it would undermine the fundamental proposition that price and rent regulations must be obeyed even while being litigated, thus jeopardizing one of the principal benefits of the exclusive jurisdiction provisions of the statute.

The Senate amendment applies only to criminal cases. And it permits a stay only after trial, conviction, and sentence. In other words, rather than allow a stay of the whole enforcement proceeding, it provides a stay of execution of judgment and permits a special appeal to the Emergency Court on the issue of validity.

This proposal avoids most of the dangers in the House amendment. By the limitation to criminal prosecutions it leaves available the civil enforcement proceedings as a method of obtaining compliance pending litigation over validity. In this respect it follows the dissenting opinion of Justice Rutledge in the Yakus case, in which the Supreme Court upheld the procedural provisions of the present act. The Senate amendment likewise eliminates most of the difficulties over delay. It provides for a stay only after trial and conviction, so that the delay is not different from that involved in a normal appeal from a district court conviction. And it specifically states, with the modification introduced as to criminal cases, the principle of compliance pending litigation.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. DILWEG. I yield.

Mr. VOORHIS of California. One of my main questions was to ask about these Senate amendments. Do I understand the gentleman that under that Senate amendment a civil action could still be brought and fines collected under a civil action, even though later on it were found that this regulation was invalid? Is that correct?

Mr. DILWEG. That is correct. There is some finality to the basic validity of the regulation.

Mr. VOORHIS of California. In other words, the regulation is presumed to be valid?

Mr. DILWEG. Until it is tested by protest procedure provided under the original act.

Mr. VOORHIS of California. Do I understand the gentleman that under section 6 of the committee bill, the regulations would not remain in full force and effect during the pendency of proceedings which a defendant might start by

asking permission to appeal to the emergency court?

Mr. DILWEG. No. If I gave that impression it is a false impression. That is not true. That might be the practical effect, however.

Mr. VOORHIS of California. But the language does not intend it, is that correct?

Mr. DILWEG. That is correct.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WRIGHT. Will the gentleman yield?

Mr. DILWEG. I yield.

Mr. WRIGHT. My question is similar to the question propounded by the gentleman from California [Mr. VOORHIS]. I take it you are objecting to the amendment which was put into the bill by the committee?

Mr. DILWEG. That is correct. I made certain reservations in the committee because I felt—and this was a personal feeling and I am only making the statement for myself—that it would make the job of enforcement impossible.

Mr. WRIGHT. Because of the pendency of a great number of cases?

Mr. DILWEG. That is correct.

Mr. WRIGHT. Even though theoretically the regulations are still retained in effect during the pendency of the appeal, the gentleman feels that they would lose some of their force and public respect because of their being questioned?

Mr. DILWEG. That is correct, and I think it would delay the whole operation of the Office of Price Administration. I think it would delay constructive work on the part of the O. P. A. and cases which merit serious attention will be greatly delayed.

Mr. WRIGHT. The gentleman feels then that the testing of the validity of rules and regulations should either be during the 60-day period or, if after the 60-day period, should be confined to criminal cases? Is that the gentleman's position?

Mr. DILWEG. That is correct. I do want to add that the Senate amendment will open up all old regulations to protest for 60 days after June 30, 1944.

Mr. WRIGHT. I want to compliment the gentleman on the careful study he has given this matter. I think he has done a great service to the House.

Mr. DILWEG. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Chairman, I have the pleasure to announce to the House that the Prime Minister of Poland is now in the office of the Speaker, and if any Members wish to meet him, it will be his pleasure to see them.

Mr. GAMBLE. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, this is the forum for the American people. That is no news to you Members of Congress. It is the place where the people can address their grievances and file their petitions for relief. The people that I want to speak for in the next few minutes are people who have gone to the wrong place with their petitions and with their grievances. They have gone to the administration in power. They have asked for a loaf and have been given a stone. They have gone to the bureaus set up under this administration, pleading for help in the American way, in an effort to contribute to the economy of the country and to the winning of the war, and they have come away discouraged and depressed. I wish there were more Members on the left side of the House, particularly right now, and I would like to speak rather off the record to them.

Mr. WRIGHT. Will the gentleman yield?

Mr. VURSELL. I yield for a brief question.

Mr. WRIGHT. The question will be brief. Does the gentleman think there are any considerably greater number of Members on the right side of the House than there are on the left side of the House at the present time?

Mr. VURSELL. Well, there is not enough on either side.

Now where are we? We have been over a barrel a great deal of the time. We have voted for billions and billions of dollars rather than be accused of impeding the war effort. I recall that a year ago we who wanted to amend and clarify the O. P. A. Act were charged with impeding the war effort, but we had the courage, in the interest of the people, to write some clarifying amendments into the O. P. A. Act that made it more workable, and for the past year it has operated much better than it did prior thereto, because we had the courage and the wisdom to disregard those who said we were trying to sabotage the O. P. A., and demand that business experience, common sense, and a certain semblance of honesty be brought into the administration of the act. Our efforts were beneficial to the American people.

We will be met with the same charge on the floor of this House before this debate is over. There are many amendments which if enacted will improve this act. I hope that each amendment, when it is considered, will not be considered politically, will not be considered under pressure, but will be considered on its merits.

I want to speak for a few minutes today regarding the oil amendment which will be introduced later on when the bill is read for amendments. You will recall that we passed, last December, by a large majority in this House, after we had tried every possible way to get consideration for the independent oil operators and people who wanted more gasoline, the Disney bill. Finally after it was passed it went to the Senate, and there it has been held up by the administration and there is no opportunity for relief, even though this House voted by a large majority for a 35-cent floor and 80 percent of parity for oil. That amendment is coming up again. We need oil and more oil to win this war. As proof of that let me say to you that it was testified to by the Secretary of the Navy, Mr. Forrestal, before the Naval Affairs Committee, speaking for the Chiefs of Staff of the military forces of this country, that it was necessary to come before the committee and ask for a bill permitting them to draw more oil out of the Elk Hills reserve because of the emergency and for the prosecution of the war effort. Keep that in mind when you are confronted with statements by Chester Bowles, an advertising man who has never been able to hold any line except the headlines in the American newspapers, since he was given this job. Think of the enormous quantities of gasoline and oil which are being used today by our Navy and our armed forces and our thousands of planes and tanks and trucks in this invasion of Europe. Add to this use the necessity of gasoline for the power-driven machinery of this country needed to produce the food to win the war and the amount used in the ordinary distribution of the essentials of life and it represents tremendous drains upon our oil reserves. Much has gone into lend-lease. Oh, yes. We can give billions of dollars' worth of oil away; we can furnish 70 percent of the oil for the war effort and ship it to the eastern Mediterranean, as we did a year ago while the British were conserving their oil in the same fight with us; but it will be argued on the floor of this House that we cannot take a chance on letting the oil people of this country make a few million dollars that go to strengthen the economic structure of the country, that go to winning the war, that go toward keeping this country going for the soldiers when they return, and most of which goes into the Federal treasury as taxes to support the Government.

Mr. HARTLEY. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. HARTLEY. Does not this matter of an increase in price to increase production also involve the saving of thousands of stripper and secondary wells that are going out of business today as a result of price alone?

Mr. VURSELL. There is no question about it. Rigs are stacked up all over southern Illinois that ought to be in oil production today; rigs are stacked up all over the United States that ought to be in production today. Stripper wells by the thousand are going out of business and it will be so expensive to redrill those wells that the oil will never be recaptured in the generations to come, let alone oil that is needed even today for civilian use and the prosecution of the war.

Mr. HARTLEY. It is a fact that in district No. 1 on the eastern seaboard in 1943, 12,000 wells went out of production.

Mr. VURSELL. And that is only one district.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I gladly yield to the able gentleman from Michigan.

Mr. CRAWFORD. There is a phase of this oil question that is bothering me very much. We have a situation where the stripper wells are going out of business; I believe the gentleman said, production is not forthcoming and the wells probably will be lost for good. Then we have a condition where certain industries—I should not say industries, but certain units of industries—are engaged in war activities and where they have a tremendous excess of profits, we will say, subject to the excess-profits tax but with a situation governing where these units of industry can take those profits and use them to explore, wildcat, and bring in new production or if they lose deduct the losses as part of their expense. To put it another way, they can use dollars which otherwise would go into the tax box for the purpose of experimenting. If this brings any oil, all right; if it does not, it has not really cost them anything of consequence.

The bringing in of those wells through that type of operation maintains the total production, it carries on exploration, wildcatting, and so forth, and to that extent washes out one of the primary arguments that was fixed in my mind when this question first came up, namely, that the regulation or the law should be changed so the exploratory work could be continued and new producing fields would come into existence. What are we going to do about that situation?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 additional minutes to the gentleman from Illinois.

Mr VURSELL. The gentleman is quite right. So far we have listened to O. P. A., to a gentleman who has been in the advertising business, who has never been in any other business of any consequence, I am informed, all his life, a gentleman who has been put there as an advertiser to sell the thing the Administration wants sold, until we have got to the point where we are in "bootleg production" of oil; that is what I term the men who know nothing about oil but who are washing out their taxes drilling for oil.

Mr. Chairman, there are millions of little merchants in this country who want relief and I want to help them. There are millions of men who have their money invested in oil leases and oil royalties, and billions of dollars invested for the production of oil, who are looking to this Congress for a redress of their grievances, who are looking to this Congress for aid and a square deal. Let me tell you there is nothing so sacred and so necessary and no judgment so unquestionable in the O. P. A. in running a large part of the business of this country, that the Congress of the United States may have any reason to hesitate or fear to write clarifying and protective amendments into this act which will make it more workable and much better for the American people and for the war effort for the next year, as we did last year when they insisted we extend the act without amendments. If you are going to win this war, if it is a long war, if you are going to do the best you can for this country you had better start now even though it is a little late, marching the little businessmen and the big businessmen along together and affording some sort of protection to the little businessman. They have in the past held up the specter of Wall Street and charged that stigma to my party, but I tell you that the power of Wall Street has been moved to Washington, as an ally of the present administration whereby the combinations of Government and Wall Street monopolistic policies operate in defiance of the interests of the people. Government, in combination with the big meat-packing and dairy-products concerns, works hand in hand and with the great farm-implement companies and every other big business; yet they prate so much about their desire to protect the little people and the little men of this country. It is the little oil men, however, who are being driven out of business, gobbled up by the major oil companies. It is our obligation and responsibility, in my judgment, to the people of this country, to them particularly and to the war effort, that something be done and that an amendment be written into this O. P. A. bill providing a fair price for oil, one of the most essential war commodities in this Nation today. Let us take the curse of punishment off of honest business in this country. None of us want to destroy the O. P. A. We want only to see it operate in a democratic, fair, businesslike way, and on sound economic principles for all the people of this country, the people who pay the taxes to run the country, who furnish the sons and daughters to win the war, with the hope that we can keep this country in such shape financially and economically that those sons and daughters will have something to come back to, something similar to what they left when they went into the service of their country.

Let us remove the further threat of an oil shortage by providing an increase in the price of crude oil that will bring about the production we need and must have. Oil is now selling at 60 percent of its value. We only ask that it be raised to 80 percent of parity, only about 35 cents a barrel increase. It would not break the price line. It will still lack 20 points of reaching it.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE. Mr. Chairman, I am sure we are all agreed that we must have some kind of a price-control law. It seems to me, however, the enforcement of this law at the present time has been nothing to write home about. I appreciate the fact that the advertising people connected with O. P. A. are making great claims about what they have saved the country in maintaining reasonable prices. While this may be true, when I went to school we learned something about the law of supply and demand. I am not sure but what this Congress may have repealed that law recently; if they have not, I daresay the Supreme Court, judging by their recent decisions, would insist that it no longer is in operation.

To those people who believe that prices are regulated to some extent at least by the law of supply and demand, I would like to give a few figures. When the war began the farmers in Iowa and the Midwest were urged to increase their production.

Based on the average for the years 1938, 1939, and 1940, here is how they complied with that request:

The production of hogs in 1942 was 34 percent more than the average for the three years I have given. In 1943 the increase was 53 percent.

In 1942 the increase in the production of eggs was 37 percent. In 1943 it was 51 percent.

In 1942 the increase in poultry production was 24 percent. In 1943 it was 44 percent.

I have an idea that this increased production, more than anything else, is keeping down prices. If you have any doubt about that, go ahead and pass any kind of price-control law you like, let the farmers of Iowa and the Midwest generally walk out on you, and see how good your law is.

Mr. Chairman, this increase in production has been accomplished in spite of the restrictions that have very definitely decreased production out there.

In the matter of farm machinery for example, a typical county in my district requested 150 new corn pickers last year. They were allowed 23. That is the situation in Iowa generally.

How does O. P. A. help to get the corn pickers for the farmers of Iowa? Here is the way they helped: We have in my town a company which has been given a quota of 500 corn pickers and they expect to make them. This company went to another concern nearby that happened to have war contracts and asked them to make certain parts for these pickers. The second concern was anxious to do it, although he realized he could not do it at a profit. But when he checked up with the O. P. A., because of his increased labor costs he figured that the cost at which he would be required to do this work would result in a loss. He would actually be doing the work at a loss. He was willing to do it for nothing, but he just could not do it at a loss. That is how the O. P. A. helped production out in my part of the country. That is how this great advertising man that we tell about is keeping down the cost of living.

The people who are producing will take care of the situation. They believe in the law of supply and demand and they will create the supply if you will give them half a chance.

Mr. Chairman, there is another matter I would like to call your attention to. The O. P. A. has discovered an unusual way to enforce the O. P. A. regulations throughout the country. Mr. Emerson, who is administrator for enforcement, has written to the regional administrators throughout the country, sending

them a suggested copy of a city ordinance. I understand that some 65 cities in 12 States have adopted this ordinance. I have a copy of it here and if I had time I would read all of it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GWYNNE. Mr. Chairman, this ordinance is directed against anyone who sells or transfers to an ultimate consumer or who buys or acquires for ultimate consumption a commodity in violation of O. P. A. regulations. The general purport is that whoever buys or consumes any commodity in violation of these multitudinous regulations of the O. P. A. is subject to being put in jail and fined. These city councils are being asked to adopt an ordinance making effective the six volumes of regulations which the members of the city council have never seen and that most of the people who try to comply with the ordinance have never seen. It seems to me, Mr. Chairman, that that is bureaucracy running mad.

Mr. JENKINS. Will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Ohio.

Mr. JENKINS. It is another illustration in which they ask that the courts be opened for their benefit; they can invoke the aid of the courts, but an individual cannot.

Mr. GWYNNE. That is right. Every time there is a crisis in America, some bureau comes in and says: "If you allow the courts to function in our particular case, the country will go to pieces." But who is turning in the greatest performance in America today? Industry and labor. The people who are manufacturing, the people who are laboring, are subject to the courts. They do not get any such immunity as these bureaus call for.

Mr. Chairman, I hope there will be written into this bill an adequate, honest to goodness provision to take care of these kangaroo courts, because, as far as I am concerned, I am getting tired of them.

In accordance with permission given to extend my remarks, I include herewith a copy of a proposed ordinance to be submitted to the City Council of San Diego, Calif., by the San Diego County Consumers' Council. This proposed ordinance has been submitted by Thomas Emerson, Deputy Administrator for Enforcement of the O. P. A., and its adoption is being urged by the O. P. A. on cities and towns throughout the country.

It is hereby ordained by the people of the city of San Diego that the proper allocation of commodities needed for the defense of the United States or for civilian supply and the effective enforcement of the national anti-inflation program are necessary for the effective prosecution of the war, and the welfare of the citizens of this city. It is hereby declared to be the policy of this city in order to assure fair dealing and the prevention and elimination of black markets to cooperate with the Federal Government's price, rationing, and rent-control programs.

Section 1. Any person—

(a) Who sells or transfers to an ultimate consumer, or who buys or acquires for ultimate consumption, a commodity rationed by an order or regulation issued by the United States Government or any agency thereof in effect on the effective date of this act, without taking or giving coupons, stamps, certificates, ration checks, or other evidences required by the order or regulation at the time of the transaction; or

(b) Who uses any such rationed commodity as an ultimate consumer in a manner prohibited by the order or regulation at the time of the enactment of this ordinance; or

(c) Who, as an ultimate consumer or otherwise, possesses, acquires, transfers or otherwise disposes of any ration coupons or any other ration evidence in a manner prohibited by one of such orders or regulations at the time of the enactment of this ordinance, shall be guilty of a misdemeanor and, on conviction, shall be punished by a fine of not more than ——— dollars or imprisonment for not more than ——— days or both, for each such violation.

SEC. 2. Any person who, in selling or offering for sale at retail any commodity or service, or in renting any housing accommodation, for which a maximum price or maximum rent has been prescribed by a regulation, or order, or price schedule issued by the United States Government or any agency thereof, and in effect on the date of the enactment of this ordinance, demands or receives a price or rent in excess of the applicable maximum price or maximum rent in force and effect at the time of the occurrence of the violation, or who violates any other provision of such regulation, order, or price schedule governing selling at retail or the rental of housing accommodation, shall be guilty of a misdemeanor and, on conviction shall be punished by a fine of not more than ——— dollars, or imprisonment for not more than ——— days, or both, for each such violation.

SEC. 3. Any license or permit used by any person in connection with any activity involving a violation of any provision of this ordinance may be revoked or suspended because of such violation in accordance with the procedure provided by law or the revocation or suspension of such license or permit.

SEC. 4. If any provision of this ordinance or the application of any provision of this ordinance to any person or circumstances shall be held invalid, the validity of the remainder of the ordinance and the applicability of such provision of other person or circumstances shall not be affected thereby.

SEC. 5. The provisions of this ordinance with regard to violations of price regulations and orders shall remain in force and effect until the termination date of the Emergency Price Control Act of 1942, as amended by the act of October 2, 1942, or until such other time as the city council may determine. The provisions of this ordinance with regard to violation of rationing orders shall remain in force and effect until the termination date of the Second War Powers Act of 1942, or until such other time as the city council may determine.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. MORRISON].

Mr. MORRISON of Louisiana. Mr. Chairman, first of all may I say I realize as well as every other Member of the House realizes that it is necessary to have a price-control act. Without a price-control act we would have runaway inflation in this country that would ruin it. However, I am going to relate a typical example of the wrong way in which the Administrator of the O. P. A. operates the act which makes me believe that there are many ways in which the Price Control Act can be amended to aid and help the people of America and still hold down inflation to a minimum degree or maybe even to a better degree than it has been held down up to this time. I make that statement on the ground that it is not necessary to cut off your whole arm if by amputating one finger you can save your life.

Mr. Chairman, I intend to introduce an amendment to the Price Control Act which would exclude all highly perishable fresh fruits, such as strawberries, peaches, cherries, watermelons, raspberries and the like from the Price Control Act. In the first place, due to the highly perishable nature of these commodities it is absolutely impossible to establish a fair ceiling price. In the next place, unless you get an abnormally high price at the beginning of the season you will not have an average base to apply to the abnormally low price that the farmer usually gets at the end of the season. Mr. Chester Bowles admitted to me that over 8,000 commodities were still without price regulations. Certainly these few items would not affect our economy from the national standpoint in any way.

As I see it, a ceiling price on fresh fruits of this nature does nothing to help the war effort, it does nothing to aid price control, it does nothing to stop inflation; but it does seriously hurt and seriously damages and in many instances it has ruined the ordinary business practices, market conditions, and market ways of doing business of many fresh fruit farmers in America.

Mr. ROLPH. Will the gentleman yield?

Mr. MORRISON of Louisiana. I yield to the gentleman from California.

Mr. ROLPH. Is the gentleman familiar with the amendment that the committee added in connection with fresh fruits and vegetables?

Mr. MORRISON of Louisiana. I am glad the gentleman asked that question.

I say, after what I will relate in the examples that I will show this body, that it is impossible for a farmer to depend upon the head of the O. P. A., Mr. Chester Bowles, to use reason and to use common business sense, as far as fresh fruits are concerned.

I will go into detail and give as an example the Louisiana strawberry deal this year. Incidentally, there are over 20 States in these United States producing strawberries. In my State of Louisiana and my district, particularly, is the largest strawberry-producing section in the whole United States.

Mr. ROLPH. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Louisiana. I yield to the gentleman from California.

Mr. ROLPH. I know the gentleman has played a great part in the strawberry situation. I attended several meetings in which he participated, and which he called together. I want to compliment the gentleman on what he has done in connection with fresh strawberries.

I would also like to make this observation, that in introducing this amendment

we thought we were taking care of the strawberry people, because strawberries is a very important crop in my State of California.

Mr. MORRISON, of Louisiana. I thank the gentleman. I appreciate it.

But I want to say to the distinguished gentleman from California who is on the committee that I explained to the members of the committee when I appeared before that body that if they did not put in the Price Control Act the removal of fresh fruits, that the strawberry growers and other growers of highly perishable fruits would not be protected. I am certain of what I say, because I have definite and accurate proof of exactly what has happened.

Florida started shipping strawberries last December in 1943 and practically finished their season before the ceiling price was put on in April of 1944.

When the O. P. A. decided arbitrarily to put the ceiling on Louisiana strawberries in March of this year 15 United States Senators and 30 Congressmen at a meeting appealed and urged and unanimously requested Chester Bowles not to put a ceiling price on fresh strawberries. Mr. Bowles paid no heed or attention to it. I personally asked at that meeting who were the gentlemen who were putting that ceiling price on. Mr. Bowles pointed out a man by the name of Mr. Gismond. I asked him how many acres he farmed. He said he was not a farmer; that he was an industrial expert. I asked, "Do you own a factory?" "No," he said, "I was a statistical expert for the A. & P. chain stores before I came to the O. P. A." They had another gentleman there, and Mr. Bowles said that Mr. Geoffrey Baker was the other gentleman that was placing the ceiling price on strawberries. I inquired of him how many acres he farmed. He said he did not farm. I asked him what he did. He said he worked with General Foods before he came to the O. P. A. I afterward investigated and found out that as assistant to the president of General Foods he received over $30,000 a year before coming down here to Washington with the O. P. A.

Mr. Chairman, I say that it is perhaps quite a coincidence that down in my district General Foods competes with fresh strawberries, in that they get hundreds of thousands of pounds of Louisiana cold-pack strawberries, and General Foods coincidently has over a million dollars invested in a plant down in Louisiana. It is also quite a coincidence that the A. & P. chain stores buys thousands of pounds in barrels, of cold-pack strawberries from Louisiana for preserves which are in competition with the fresh strawberries.

In Louisiana when the fresh strawberry season was on, the ceiling price went on right in the middle of the season. Despite the unanimous appeals from the growers, despite the unanimous appeals of the businessmen, despite the unanimous appeal from practically every individual, including the Rotary Clubs, as well as other civic bodies, and the ministers of that district, the ceiling price went on. But was there a ceiling price on the cold-pack strawberries purchased by General Foods and the chain stores put on with the same effect? No. The ceiling price that the O. P. A. put on was to have reflected 15 cents a pound for cold-pack strawberries which meant that the price could go up or down, depending on how difficult it was to get those strawberries for the cold pack. In other words, I could not help but assume, as a reasonable man, that when the farmer shipped his strawberries fresh in crates, that A. & P. could not make money out of strawberries—that were not preserved—and sold from the shelves of their stores, and General Foods could not make money either unless General Foods secured these strawberries of Louisiana for quick-frozen processing.

However, the ceiling price on cold pack did not stay at 15 cents a pound. When the ceiling price was placed so low as to force these strawberries to the cold-pack processors, namely, General Foods and A. & P. chain stores, the farmers said they thought it was outrageous and unfair, and they began plowing up their strawberries, and lo and behold, the price on cold-pack strawberries, which was supposed to reflect 15 cents a pound on cold pack, went up to 25 cents a pound, because that was the only way that the cold packers, including General Foods and A. & P., knew they could get those strawberries and thereby keep the farmers from plowing them up. Was it fair for O. P. A. to put a ceiling which was unreasonably low on fresh strawberries and yet at the same time put a fake ceiling on cold pack so as to force the strawberries to the cold pack? We had a crop failure in the strawberry crop in Louisiana this season, but did Chester Bowles take this crop failure into consideration in fixing this unreasonably low ceiling on fresh Louisiana strawberries? No; Mr. Bowles did not. However, Mr. Bowles stated that there would be over 1,600 cars produced, and yet there were only approximately 800 cars produced. Not once, time after time, with appeal after appeal that I made to him, would he change that low and unfair ceiling price that he put on those strawberries. Fortunately for those growers down in Louisiana, the unfair and unreasonably low ceiling price did not go on until approximately two-thirds of their strawberries were harvested, so Louisiana growers suffered, but were not ruined completely as a result of Mr. Bowles' unfair ceiling price.

If the raising of fresh fruits in America would hurt the war effort, if it would take men away from shipyards to grow strawberries, I would say let us abolish it, but let us not do it in a back-handed way. In my State and in my district, which I think is typical of every strawberry State in America, for the past 3 years our acreage has decreased many, many acres annually, until today I guess we grow about 35 percent of what we normally produced in the pre-war period.

In Florida without any ceiling price on strawberries this season there was not an increase this year as compared to some of the pre-war average prices. The increase from the 1943 season in Florida, as compared to the 1944 season, was less than 4 cents per pint box, and this was due solely to a decrease in acreage. I personally checked up with the consuming public of America in some of the largest cities where these Louisiana strawberries were sold under the ceiling price, as compared to the price that they paid before the ceiling price was put on Louisiana's strawberries, and I found that in many instances, or in the majority of instances, the consumer was paying identically the same price, and in some instances more than before the ceiling price went on.

In Chicago one jobber was selling strawberries for Louisiana growers for $50 a car. Under the O. P. A. ceiling price set-up they got $560, of which $530 did not go to the farmer, and which previously had been going to him prior to the ceiling. Where merchants had been selling at a very low profit, they were increased to 33-percent profit under the O. P. A., and completely took advantage of it. That loss that those strawberry growers took is most important but still not the important matter that is facing those growers today. The O. P. A. act says that nothing in this act or nothing done by the O. P. A. shall be done to destroy business as it now exists or as it has existed or disturb or change usual business practices. Yet with the establishment of that ceiling price, as a typical example, in one fell swoop the O. P. A. destroyed the marketing system that had taken 25 years to establish, whereby the farmers of Louisiana had created a streamlined system of selling their strawberries; such an efficient streamlined marketing system—I do not care how big the grower was or how small the grower was—whereby the grower of 1 crate and 2 pints of strawberries could have and did have the advantage of the buying power of the entire fresh fruit and vegetable industry bidding against each other in competition for his particular amount of strawberries. This unfair O. P. A. ceiling price that Chester Bowles put on took that advantage away from him in one fell swoop. If the ceiling price remains the same as it has remained this past season in Louisiana, next year our entire efficient, streamlined marketing system of selling strawberries, which is an example for every fresh-fruit farmer in America to follow, will be abolished and will be destroyed.

Do not think that I did not try to get into court, because I did. I started down there in my own Federal district court in Louisiana. The O. P. A. law said that court had no jurisdiction. I came up here and tried to go in the district court here. I could not do it for the same reason. I even got the Governor of the State and as his attorney and as a Congressman tried to sue in an attempt to get original jurisdiction as representing the State of Louisiana in the United States Supreme Court, because I set out through an affidavit that the strawberry farmers were having their property taken away from them without due process of law. The highest court refused jurisdiction. That is the first time

that I knew that our Constitution did not function and people's property could be taken without due process of law.

When I talked to the Chief Justice of the United States Supreme Court when I was filing this suit, he shook his head and said, "You boys in Congress put that O. P. A. act on the statute books. We have to follow the law as you have passed it." I told him I was not in Congress when the O. P. A. act was passed, but believe me I was surely going to try to change the O. P. A. law when it came before Congress again.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. SPENCE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Louisiana.

Mr. MORRISON of Louisiana. I still contend that if we cannot get a fair O. P. A. act by allowing our American public or allowing any group of farmers or any person or group of people to go into our Federal courts, we should not have any O. P. A. I prefer the Constitution above all else. But I do not think that is the case because I know that we could have a price control act and that we could have an opportunity in addition to that to go into a Federal court and get a fair trial.

The State Legislature of Louisiana has passed a concurrent resolution asking that strawberries be removed from price control under the O. P. A. along with rough rice and some other products down there, grown in that State. Those men who are in that legislature are close to those farmers and they are close to the men that grow those crops, and they should know what those farmers want.

There is nothing that is going to hurt the people of the United States or the O. P. A. if these fresh fruits are taken out of the control of the O. P. A. Until 60 days ago they were not under ceilings. If winning the war meant putting a ceiling price on strawberries and ruining every strawberry grower in America, I say, let us do it. But a ceiling on strawberries will not help the war effort, it will not do anything but persecute and prosecute and cause a serious financial loss to those old people who are too old to be in the war effort and the young people who are too young to be in the war effort, and it will not accomplish a single good.

I plead with you Members of this House to vote for and support that amendment to take the fresh fruits out from under O. P. A. which is as follows:

AMENDMENT TO H. R. 4941

Page 12, line 18, strike out the word "subsection" and insert the word "subsections"; and on page 13, in line 2, strike out the quotation mark; and on page 13, after line 2, insert the following subsection:

"(h) No maximum price shall be established or maintained under this act or otherwise with respect to any highly perishable fresh fruit, including fresh strawberries, peaches, cherries, raspberries, and watermelons."

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. GAMBLE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. On behalf of my constituents, I want to mingle my tears with those of the gentleman from Louisiana. I have a large strawberry section in my district. They average 1,000,000 quarts per year from one of the towns adjoining where I live. Because of the shortage of labor last year they planted only two-thirds of the crop. A week ago last Friday night one-half of what was left was taken by the frost. In the month of May we suffered the worst drought we ever had in the month of May, according to the records. Do we want price fixing from Washington under conditions like that? They have put on a ceiling price. I have begged that it be removed, but I am not beggar enough.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I just listened to the gentleman from the South. I have heard many talks like that, and I have heard some like that from Members on our side. I wish the gentleman would tell me, as long as the thing is up now for legislative action, what, if anything, the committee of which he is a member is going to do about it. What are you going to do to relieve these various complaints or to do away with those complaints? What relief are you going to give those people?

Mr. CRAWFORD. That was part of the subject I was going to discuss.

Mr. HOFFMAN. Then I withdraw the question, if the gentleman wants to go into that.

Mr. CRAWFORD. I think I may touch upon that.

Mr. Chairman, I think it can be truthfully said that there is not a Member of this House who desires to enact legislation that will nullify the good effect of price control, but as Members of Congress and as representatives of the people we have before us the complaints from our constituents and from those good people who operate the farms and the industries of our country, and naturally we have to have some concern about their miseries because, after all, if price control is to be effective and if it is to prevent our people from psychologically stampeding themselves as free economic agents into the use in the open markets of this country of the $194,000,000,000 of savings, potential buying power, which they now have—I say if the Price Administrator is to have the cooperation of our people in doing that very thing, then Congress and the Administrator will have to pay some attention to the protests of the people. That is what my friend from Michigan [Mr. HOFFMAN] has reference to, I believe, in the question he has submitted. He wants to know what our committee, the House Committee on Banking and Currency, is going to do about it.

My direct answer to that is that the House Committee on Banking and Currency reported a bill and the Rules Committee reported a rule which would provide that amendments could be offered to correct some of these matters—at least, as legislators we would think they would correct them; it may be there are some things that cannot be legislated—and the House yesterday saw fit to amend that rule so that certain amendments could not be offered. So it is not just a question of what the House Committee on Banking and Currency is going to do about this, it is a question of what will the Members of the House and the Members of the Senate, speaking from their two floors, and the conference committee in reporting back a conference report, and final action by the two Houses, and eventually with the bill going to the President, and whether or not he vetoes or approves it or lets it become law without his signature—it is a question of what all of us together are going to do about this, and that is something I cannot answer at the present time, and I am not so sure there is anyone else who can answer that just now.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Yesterday, when the chairman of the Committee on Banking and Currency had the floor, I called his attention to a case which is typical of many, where a company had its ceiling prices fixed as of March 1941, and then on February 9 of this year, 3 years later, the War Labor Board ordered that company to pay $700,000 in back wages. I asked the chairman of the committee what the House or the committee was going to do about it. If you will read the RECORD, you will see that he said we were not going to do anything about it. I asked the ranking Republican member, the gentleman from Michigan [Mr. WOLCOTT] what they were going to do about it. I fail to find his remarks in the RECORD today, so I conclude that we are not going to do anything. What are you going to write your people when they put in similar complaints? What are you going to write them?

Mr. CRAWFORD. I heard that colloquy on the floor and I think it is in order to add this to it. When we consider the war powers of the President as reflected through the War Production Board, the Office of Price Administration, and other agencies which I shall not mention, we find that we have set up in front of food producers, processors, and manufacturers of hard goods, many baffle plates which they in their individual capacities as units of American production cannot proceed against. When they reach certain baffle plates, they are prevented from going further.

The gentleman has referred to one of the cases, and the chances are that particular unit of industry to which he has referred will eventually face the bankruptcy court. The picture carries into our tax laws, to our prohibition against firms obtaining supplies with which to carry on productive processes. To me it is exceedingly disturbing because I try to comprehend and appreciate what production in this Nation of ours means from the standpoint of employment, if no other, and from the standpoint of making profits which can be taxed so as to bring tax dollars into the Treasury of

the United States and keep our Government functions operating. So the problem presented by the gentleman from Michigan is to me a No. 1 problem. How it can specifically be answered without a tremendous showing that answering that problem for that specific unit of industry is directly contrary to the prosecution of the war effort, according to the present concept, is something I do not know.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. The Members probably have in their districts many people now jeopardized by decisions affecting many concerns under the Wages and Hours Act?

Mr. CRAWFORD. Yes.

Mr. GIFFORD. They have been determined to be under interstate commerce if they sell coal to somebody that is selling in interstate commerce. And they are collecting a lot of money retroactively. We should be doing something about this matter. Wherever a determination has not been made by a Government agency itself the punishment should not, at least, be retroactive.

Mr. CRAWFORD. I agree with the gentleman. We had this illustration here on the floor a moment ago by the gentleman from Illinois [Mr. VURSELL], in discussing this problem. When the gentleman yielded to me I pointed out a firm, for instance, engaged in the manufacture of lumber in the raw, semiprocessed, we will say, to move, for instance into a fabricated product to be used for building gliders. Under a negotiated war contract they can make what is termed excess profits which become subject to the excess-profits tax take. And before rendering their return for the calendar year or the fiscal year in question, they can take what appears on their books as excess profits and go out and engage in oil wildcatting; and maybe bring in a producer. If so, they win. But if they lose, the potential excess-profits tax which they would have had to pay had they not incurred a loss outside of their regular business goes to pay for the wildcat oil well instead of going into the tax box; and it has cost the company practically nothing to wildcat. On the other hand, we have a procedure connecting into O. P. A. where a business unit, for instance, producing civilian goods or war goods, if the owner or proprietor of that establishment overpays an employee who is drawing, say, $3,000 a year salary, 50 cents or $1 in salary or wages over and above the amount stipulated by the Government agency, that firm cannot deduct any of the salary of that employee when the firm is arriving at its taxable income. Now can you imagine any more ridiculous situations than these. To me it is utterly fantastic. Yet it comes as a direct result of laws enacted by the Congress. If you try to change either one of those situations, the charge is immediately made that you are trying to emasculate the administration's program; you are trying to nullify the efforts of the Office of Price Administration, and you are trying to prevent successful prosecution of the war, and that you are causing the loss of lives of many of our men. Those are some of the realities we have to deal with.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GAMBLE. Mr. Chairman, I yield 5 additional minutes to the gentleman from Michigan.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. GAVIN. The gentleman is inferring that certain people or interests who have earned these surplus profits, that would ordinarily be paid in taxes to the Government in surplus profits, are using that money for the exploration of oil; is that right?

Mr. CRAWFORD. That is what they tell me.

Mr. GAVIN. All right. Now I presume they conclude that it is a privilege which they enjoy as American citizens and as representative businessmen under our system of free enterprise to do exactly that.

Mr. CRAWFORD. They are within the law.

Mr. GAVIN. They are within the law?

Mr. CRAWFORD. Yes.

Mr. GAVIN. What difference does it make if the Chiefs of Staff of the United States Army take $138,000,000 of the taxpayers' money and go up into the Canadian wilderness and explore for oil and only get 3,000 barrels a day as against a daily production in the United States of 4,250,000 barrels a day? This was costly oil exploration at the taxpayers' expense.

Mr. CRAWFORD. About the only difference I see is that in one case, in the latter case, they claim it is in furtherance of the prosecution of the war effort, and in the first instance it is a case where a man takes a course that may or may not prevent the payment of excess-profits taxes. That is about the only difference I see between the two cases.

Mr. GAVIN. Absolutely. They are speculating and exploring for oil and may get some results and incur profits; and the Government is speculating and exploring for oil. However, in the case of the Government they did not get any oil of any consequence.

Mr. CRAWFORD. That is right, as I understand the case.

Mr. GAVIN. These oil men usually know what they are doing and they do get some oil that goes in as a contribution to the war effort.

Mr. CRAWFORD. Now, let us carry that a little further by going directly to the law as it now stands and as we propose to amend it. I call your attention to the matter on page 11 of the committee Report No. 1593, section 2, where you will find language in italic, which reads as follows:

Provided, That no such regulation or order shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods.

That is new language to be inserted.

Now, refer to page 13 of the report in subsection (h) of section 2, where you will find this interesting language, which is now in the law:

The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution established in any industry.

The bill which is now before you strikes from the present law this language which is shown in brackets on page 13:

[Except to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this act.]

The italics on page 11 were put in the bill now being considered as the result of my having offered it in committee. I offered it as being in sympathy with the language which is now in the law, subsection (h), and which has been amended by our committee in the bill now before you, by striking out the language which is in the brackets on page 13. If the O. P. A. law is to be construed, and if it is to stand, so that the powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution established in any industry, I feel if that is to remain in the law we should also put into the law the amendment which I offered and which was adopted by the committee, and which appears on page 11 in italics.

On the other hand, if subsection (h) is to come out of the law I feel that my amendment with reference to established accounting methods should come out of the law.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GAMBLE. Mr. Chairman, I yield 5 additional minutes to the gentleman from Michigan.

Mr. CRAWFORD. Why do I say that? I take it from a memorandum furnished to the committee, consisting of three and a half pages of single-spaced matter, as to the destructive effects which O. P. A. claims that my amendment would have on the administration of price ceilings.

The O. P. A. took the position that my amendment would virtually destroy the effectiveness of price control. I ask you in all seriousness, does this Congress want to give O. P. A. the power to ignore established accounting practice in the setting of price ceilings in the determination of cost in the steel industry, the textile industry, the sugar industry, the flour milling industry, and all the other numerous industries we have in this country, wherein established accounting practice has been in operation down through the years, and through which commercial banks of this country loan billions of dollars of commercial loans?

When you go into a bank to arrange a line of credit they say, "Let us see your certified balance sheets and operating statements." Why? Because the banks accept the certificates made by those professional men who qualify as certified public accountants under the laws of the States of this country. The O. P. A. takes the position, and here is their own statement:

The agency maintains a staff of trained accountants whose advice is sought and followed on all matters pertaining to cost calculation. If the amendment means nothing more than that the elements of cost required by O. P. A. to be used in its formulas for the

computation of ceiling prices should be computed in accordance with established accounting methods, then the only substantial effect of the amendment would be to inject a new source of controversy into the price-control program.

If O. P. A. is recognizing established accounting procedure, wherein do you inject a source of controversy by saying in the law that that is what they shall do? If you do not want them to accept established accounting procedure or to follow established cost practice or business practice in this industry, I say if you do not want the O. P. A. to recognize those established things, then that means that we are proceeding to give O. P. A. the power to set up a new course for industry to follow. If we give O. P. A. the power to do that, then why should we condemn the O. P. A. for doing some of the things we are now condemning them for? Why do we not straighten out this law and let the people of this country know that the Congress has given O. P. A. the power to do these contrary things, and give the people to understand that we are going to back up O. P. A., and through this process get rid of some of these miseries which the people send to us and if the people then disagree with us, give them the chance to get rid of us.

I said to the attorney for the O. P. A., "As far as I am concerned, I am ready to face this thing right on the nose, and let Congress know exactly what is going on and if it wants to change the situation, very well. If we want to approve of what you have done up to date, then let us tell our constituents that they have no remedy, that O. P. A. has this power, that we propose to back up the O. P. A. in this course, and that we do it as a war measure, and if it destroys your industry, then your industry will have to be destroyed—your unit of industry has got to be destroyed if it cannot adjust itself to O. P. A. regulations authorized by the law."

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. JENKINS. How could they figure what the reasonable cost is if they do not follow the established accounting practice?

Mr. CRAWFORD. Unless they follow established accounting practices they have to proceed in what many will claim an unfair and arbitrary manner with O. P. A. setting up their own price ceilings, and their own cost formulas based on the base period performance just as you will find they did in the Vinson order of November 16, 1943, and amendments and supplements thereto. I have no criticism of these documents which are official, because in my opinion the law which this Congress approved authorized the Director of Stabilization and the O. P. A. to issue these releases. If we authorized them to do it, why should we complain about it? If we do not want them to do these things then let us change the law so that they will not be tempted to do them, and thus eliminate certain miseries of our people. But, be prepared for the consequences.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. PLOESER. Why would O. P. A. fear established accounting procedure?

Mr. CRAWFORD. Because established accounting procedures interfere with the concept which O. P. A. has incident to the stabilization of prices, ceilings, and prevention of abnormal profits.

Mr. PLOESER. Did they at any time during this argument tell how many of their general orders or if any of their specific price orders would be affected by it?

Mr. CRAWFORD. I understand if this amendment of mine is kept in the bill they will have to change 168 price orders and revamp the whole procedure incident thereto.

Mr. PLOESER. Will the gentleman yield further?

Mr. CRAWFORD. I yield.

Mr. PLOESER. Does that mean that the O. P. A. admits that they have 168 general price orders in which they have deliberately attempted profit control instead of price control?

Mr. CRAWFORD. I would not go that far, but the complications and intricacies are such that they took the position with me that recognizing my amendment would force them to change the entire concept of price ceilings to the extent of 168 orders.

Mr. PLOESER. Are we to interpret that the O. P. A. admits that in 168 general price order instances they have deliberately ignored established accounting procedure on cost?

Mr. CRAWFORD. Let me answer that directly in this way:

O. P. A., however, uses the base-period-cost formula far more frequently than the current-cost formula.

What does that mean? It means that instead of using your current costs in a particular unit of industry which you represent, they set up an arbitrary base-period-cost formula in which they determine the cost of a product to which they apply price ceilings, and under which you have got to operate and dispose of your goods, letting your profits be affected accordingly.

Mr. PLOESER. If they use a cost formula based upon a base period, and along comes the War Labor Board and effects some salary increases, and along come other adjustments in material costs, in rents, in other basic costs of any industry, in taxes, how in the world can O. P. A. go back a few years and say, "We are taking this base period which must apply to all time"? Every sensible businessman of the country operates on the basis of cost, which runs according to formula but it is a flexible formula.

Mr. CRAWFORD. This illustrates what you are up against if you are out here trying to run an industry. Listen to this language:

"The current-cost formula"—and this is from Mr. Fields, attorney for the O. P. A.—"The current-cost formula, with its 'squeezed' margin, calls for the constant reexamination of regulations since changes in current costs require changes in margins if prices are to be kept in line with those prevailing in the base period." Because they use elements of cost different from those used in ordinary accounting operations, all base-period-cost formulas would be open to attack.

Do you see what I am driving at? The industries of this country are operated through what is now understood to be accounting control. For instance, you may be operating an extractive industry. For instance, guayule rubber that we have illustrated out here in the reading room, where you extract something. That depends upon laboratory control; but the final and total operation of that particular unit of industry depends upon accounting control, which ties in to the relations of management with stockholders, and the relations of the corporate structure with commercial banks and commercial loans. We are dealing with the intestines and vital organs of American industry in connection with this O. P. A. operation and we might as well have a showdown on this now as at a later date. If we desire to subject industry to this type of treatment, in behalf of the successful prosecution of the war, and let the economic consequences be what they may to industry when eight or nine million new workers come back and ask for a job in the post-war period, then let us be ready to take the consequences. On the other hand if we want to sit here and debate and understand this thing and design a program which will effectively prevent wild inflation as the result of the people using the buying power, and at the same time coordinate that in the operation of our industries so that we will protect industries as well, I think that is what we should do, and I think we have the intelligence to do it. So let us endeavor to be constructive in all phases of this approach.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. CRAWFORD] has again expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Chairman, for the past few days we have all been at our radios as much as possible, absorbing every word that comes over the waves, the smallest detail being of greatest interest to each of us. We anxiously await any word that will show our gains and progress. The news commentators and reporters have done a remarkably fine job in giving us a vivid picture of what is taking place. Of the most paramount concern to the individual and community is the local boys who are participating in this, the most stupendous battle in the history of the world. The family and friends of Coast Guard Man Shelby B. Smith, of Mount Rainier, Md., were thrilled this morning in hearing his voice in a broadcast from England, over Station WTOP, Washington, D. C. Mr. Smith served as chief photographer's mate on a large transport which made two trips to the invasion coast, and as he was the first Coast Guard man to return to England from the invasion, he was selected to describe the landing in an overseas broadcast. I do not know just what his duties were on board the transport, but having known him since his childhood, I do know that he made as good a showing as he has done in all his past endeavors. I know it is a great

source of consolation to his wife, mother, and father that in the midst of what must have been a veritable hell on earth, his thoughts on leaving for this great adventure were directed to the spiritual, for he made reference to his chaplain's parting words.

This, I am sure, typifies the thoughts and feelings of all our boys, and this being their attitude, God must be with them.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, I had the pleasure of serving for some time on the Committee on Banking and Currency, and I want to testify to the diligence and the hard work and the long hours that committee gives not only to the present bill under consideration but to all measures which come before it. I had the honor and pleasure of serving under a great chairman, recently deceased, a very beloved man, the Honorable Henry Steagall, of Alabama. Now we have another great chairman presiding over this committee, the gentleman from Kentucky [Mr. SPENCE]. We have had disagreements among the members as to the policy underlying our legislation, but I think this is only quite natural. I feel they have all been honest disagreements and I respect the integrity, the honesty, and the fairness of those members of the committee who have taken a position opposite to mine. I have always been interested as have all the members in O. P. A. and in the price-fixing program. I believe it has been necessary to preserve our economy during this greatest of all wars. I have always supported it and I intend to support it now. I am not, however, blind to certain inequities in the program and I know that certain individuals and certain types of business have been hurt. Some of this hurt has been unavoidable; it has been a necessary although unfortunate result of the war. Some of it I believe has been avoidable and I think it is our job in Congress to do what we can to correct it, still keeping in mind all the time the necessity of preserving the control of prices. I was very happy to see several provisions introduced in this bill which I believe are of importance. One of them provides for a review by the Committee on Banking and Currency of the activities of O. P. A. I had spoken about this several times with the gentleman from Kentucky [Mr. SPENCE] and I knew he was interested in it. The gentleman from New Jersey [Mr. KEAN] suggested that this be done in a broadcast in which the gentleman from New Jersey and I engaged in a discussion of O. P. A.

There have been some rather trenchant criticisms in some minority opinions in recent decisions of the Supreme Court concerning the fact that we, as a Congress, are delegating our legislative powers to various administrative branches of the Government. I think it is unfortunate that we have done it. To a certain extent, however, we have done so in providing for activities that we cannot do ourselves because of the complexities of the legislation, because of the vast task which we as the legislative branch of the Government are confronted with, because of the necessity of these various bureaus passing on not only thousands but millions of difficult cases. We in Congress cannot administer O. P. A., we are not geared to do it, we are not trained to do it, we are not staffed to do it. There is, however, the danger that we are surrendering our legislative functions to an administrative arm of the Government and thus are throwing out of balance that division of power which was supposed to exist among the three branches of Government: The executive, the legislative, and the judicial. I believe the best way we can keep our control of these administrative agencies is by provisions similar to those the committee has very wisely written into the bill requiring the various administrative agencies to come before legislative committees either when complaints have been made about some of their practices or at stated intervals even in the absence of complaints, when they will discuss with the committee the way they are operating, and the committee will have the opportunity of venturing suggestions, and corrections. Sometimes these altercations may result in the committee's being better informed as to the work of the agency. Sometimes they will undoubtedly result in the correction of abuses in administration. It has always struck me as being a very vain and futile thing for the Members of Congress, including myself, to indulge in the practice of making speeches from the floor of the House about some specific activity on the part of one of the agencies when we could, by doing what this committee intends to do, bring the very same agency before us and correct the abuses about which we complain.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. SCRIVNER. Along that very same line the gentleman may be interested in reading the trans-Atlantic edition of the Daily Mail of May 31, on page 11, where he will find a heading reading: "England's bureaucrats checked." In this article they announce that they have developed in Parliament a supervising committee to do much I believe the same thing the gentleman now proposes to do.

Mr. WRIGHT. I thank the gentleman for his contribution. I may observe, however, that there are some fundamental differences between the British system and our own. After all, their bureaucracy is the servant of the Parliament whereas ours is a part of the executive branch of the Government.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the distinguished gentleman from California.

Mr. VOORHIS of California. I should like just to observe that on the first day of the present session of Congress I dropped a little resolution into the hopper providing that all standing committees of the House should have as part of their functions a continuing review of the work of any governmental agency as to which those committees had passed legislation. This, I understand, is precisely the thing provided in the present bill with reference to the relationship between the Committee on Banking and Currency and the O. P. A. I think it is very proper and only wish the same sort of thing may eventually apply to all committees. I believe it will be a very helpful procedure and much better than the present system of appointing special committees with their fireworks. I hope we may establish the precedent in this bill.

Mr. WRIGHT. I thank the gentleman and agree with him completely. I believe this is a job in which Congress possibly has been remiss in the past; but the remissness is quite natural because in recent years the legislative task has increased in complexity and increased in magnitude. I believe the membership will agree with me that a Congressman can spend all his spare time, all the time he can take from his office, from his work on the floor, from his work with the committees, and from his work for his constituents to read and study our Government and still be able to know thoroughly only a very small portion of it. It is consequently necessary that we do delegate some of our work to these various bureaucracies. I do not see how we can run our Government if we do not. On the other hand, if we keep these various agencies coming periodically before the Congress and subject them to review, subject them to questioning, we keep our finger on the pulse of government and keep that control over the Government and over the law-making function which the founders of our Constitution originally intended. I think the committee is to be complimented upon this step.

When the gentleman from Michigan [Mr. WOLCOTT] was speaking yesterday, I asked him about one inequity in O. P. A. which I think we might try to correct. I understand the power of O. P. A. to distribute rationed commodities does not derive from the O. P. A. law but, rather, from the War Powers Act. The O. P. A. has taken the position that where there has been a violation of O. P. A. regulations, price ceilings or otherwise, they have the right under the War Powers Act to suspend the license of any firm or individual to deal in rationed commodities. Their argument is that such a person or firm is an unfit conduit or an unfit distribution agency for scarce commodities and I think there is some justice in their position. The gentleman from Michigan [Mr. WOLCOTT] seems to think that is usurpation, and I am not going to quarrel with him on that. I can see the argument both ways, but nevertheless it has been the prevalent practice that the O. P. A. has suspended or taken away completely the licenses of firms and individuals to deal in rationed commodities because of violation of price ceilings and other O. P. A. violations. The unfortunate part of this entire procedure is that the O. P. A. in performing this function is not subject to judicial review. We have had several small packing plants in the vicinity in which I live that violated the price ceiling regulation at a time when it will be remembered that

everybody agreed there was discrimination or a hardship worked upon the small nonprocessing packers because there was no ceiling on livestock and they had to purchase in competition with the larger packers who also did certain processing work with the byproducts of meat and were able to make out because they utilized the entire carcass.

These firms did violate the price ceilings. However, if they had kept the price ceilings they would not have been able to stay in business, and I am not excusing them for the violation. I feel they should be punished. But it was proposed by gentleman in charge of the hearing—I do not know whether it was a referee, hearing administrator, or whatever his title happens to be who held the hearings in these cases—to remove entirely the licenses of these packers to deal in meat for the duration of the war. When the matter was taken up with the central office, I am very happy to say that this drastic sentence, this death sentence, upon these businesses was not carried into effect.

Mr. Chairman, I can see the possibility of injustices being worked from time to time. I am not proposing that this power to suspend licenses to deal in rationed commodities be taken away entirely from the O. P. A., but I do think it would be very helpful if a judicial review be provided for such action on the part of O. P. A.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. VOORHIS of California. Does the present bill carry any such provision as that?

Mr. WRIGHT. It does not. I was coming to that, if the gentleman will bear with me for a moment.

I understand that any amendment which might affect powers which the O. P. A. derives not from the O. P. A. Act itself but from the War Powers Act might be subject to a point of order. However, I am glad to note that in the Senate an amendment was adopted, which is now in the Senate bill unless it should be removed by later action, providing for such judicial review. When any business has its license to deal with rationed commodities suspended because of violation of the price ceiling, the amendment which was offered by the committee in the Senate provides that the district court of the district shall have jurisdiction to enjoin or set aside in whole or in part or modify the action of the O. P. A. if it is too drastic. This amendment thus limits the orders of suspension issued by the Administrator pursuant to section 2 (a), and so forth, of the act entitled "The Second War Powers Act."

Mr. HOFFMAN. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Why not permit those who protest these decisions the opportunity to test the validity of these orders. Why not give them the opportunity to have declared invalid the act or regulation which has been set up? Why not let them test that before they have been convicted?

Mr. WRIGHT. My understanding is there is a provision in this bill which has been reported to the effect that if there are any cases pending in court, even though the 60-day period has elapsed during which the original act provided you could test the validity of the order, if there is a pleading of the invalidity of any order of the O. P. A. in any proceeding in court, there shall be a preliminary determination by the court as to the validity of such order, which may be appealable to the Emergency Court of Appeals.

Mr. HOFFMAN. That is in the Smith amendment.

Mr. WRIGHT. No; that is in the committee amendment.

Mr. HOFFMAN. I would like to see it. Perhaps the committee has taken the Smith amendment. It is not in the original bill.

Mr. WRIGHT. I am not on the committee, but I think the committee has taken what is best out of the Smith bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, when this bill is read tomorrow, at the proper place I shall offer an amendment which embodies the provisions of H. R. 1359, a bill I introduced last year that received wide publicity and favorable editorial comment from newspapers all over the United States.

I will read this amendment at the present time which is one to curb the powers of the O. P. A.

After line 2, of page 11, add a new paragraph as follows:

"(h) That no person who violates or who is alleged to have violated any provision of a regulation or order issued by the Price Administrator of the Office of Price Administration shall be subject to any penalty or sanction or the withdrawal or denial of any benefits, rights, or privileges, or otherwise be subject to discrimination, unless such penalty or sanction, or the withdrawal or denial of such benefits, rights, or privileges, or such discrimination, as the case may be, is specifically provided by law as a sanction for such violation or alleged violation."

As my district is as American as all the rest, I presume the complaints I receive from the Americans I represent must be somewhat the same as other Members of this House. If these same complaints come to the attention of others, I have no doubt that they will look upon this amendment as a guaranty to the American people of the preservation of their fundamental rights.

There is a deep concern today back home over the growth of power of those in administrative capacities of our Government. As long as I am in Congress, I feel it incumbent upon me to fight such growing abuse, inevitable as it seems to be.

The Office of Price Administration has been granted too much power. The people at home are not satisfied with such a condition, especially since they have faced this war with a voluntary, patriotic attitude which is admirable to see. They do not have to be pushed around to take steps to win this war.

O. P. A. has made thousands of regulations, many of which are impossible to comply with. Yet, in this bill there is authority to impose any penalty or take any steps the Administrator deems necessary to carry out his acts.

Such authority will be unconstitutional even though it gets through Congress. Such regulation should never be accompanied by penalties because they will be extended to everyone in the country.

There are nearly 3,000 lawyers in the O. P. A. program. I do not pretend to be able to stop them from regulating. But the Hall amendment will stop them from imposing penalties upon the people and I hope the House will approve this last-ditch attempt to save the rights of our citizens.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, the bottleneck on the crude-oil supply for the Nation and the war effort must be broken. The oil situation in this country is a very serious one. The Nation now realizes this fact, for the Nation feels a shortage.

We have been arguing with the Office of Price Administration since October of 1941 to secure relief for the producers of crude oil. The prices were frozen on oil at artificially low levels in October 1941, and, although it is readily admitted and recognized that material costs and labor costs have advanced some several hundred percent, no relief has been afforded to producers of petroleum to meet these increased costs.

No one can question the patriotism of the oil producer because they have been steadily producing the oil necessary to meet not alone the consumer demands but the demands for the war effort, and certainly it must be recognized that they are entitled to some consideration.

In my district, they are not securing the lifting costs on the oil, with the result that they are unable to meet the competition created by industries and the oil-field worker abandons the leases to secure more money and the lease owner abandons the lease because of his inability to secure men, with the result that hundreds of leases in my district that formerly produced oil are abandoned and hundreds of lease owners have scrapped their equipment, sold the material for junk, the oil in the earth is lost, and the consumer and the war effort must suffer.

Pennsylvania lubricating oil is in great demand by the Army and the Navy, for planes, tanks, jeeps, and guns, and it is a known fact that the refiners in my district are unable to get a supply of oil to meet the demands that are made upon them. The production is down approximately 15,000 barrels a day, and this runs into 450,000 barrels a month—a sizable contribution, particularly during this critical war period—and all because of the failure on the part of the Office of Price Administration to handle this matter in a fair and impartial and commonsense manner. Refiners in my district

are operating at 75 percent capacity and begging producers for oil.

I might say that the Pennsylvania field is one of the small oil fields of the country, and it is off about 450,000 barrels a month. The refiners in my district are operating at 75 percent of capacity and begging the producers to get more oil.

The Congress of the United States delegates to the executive departments in the Price Control Act the authority to regulate prices; but it also imposed the duty of safeguarding and stimulating the supply of essential commodities and materials. As to petroleum, the obligation has been ignored by the Office of Price Administration. We have had excuses, delays, evasions, promises, and dodging of the issue. The oil reserves of the Nation have been drawn upon to capacity. Military demands increase daily and the consumer's supply is being continually lowered. The only program the Administration offers is more and more rationing. It never stops to think it might be able to stimulate production and increase the supply. This approach has been ignored completely.

The responsibility for our present condition in petroleum is fixed. There can be no shifting of the blame. The Members of the Congress in ever-increasing numbers have, for the past 3 years, been making an effort to persuade the Office of Price Administration to recognize the facts and take some action. Individually, and as committees, they have taken the case to the Office of Price Administration, and to the Director of Economic Stabilization, and the President, himself, has been given the facts.

Under our form of government, there is a method of correction for every injury to a people.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Texas.

Mr. PATMAN. The gentleman is well informed on the oil situation. He is so recognized by the Members of the House. Is he acquainted with a directive, as I understand it, issued today by Mr. Fred Vinson regarding the increased price of oil on stripper-well production?

Mr. GAVIN. No; I am not acquainted with that directive. What is the directive about, may I ask?

Mr. PATMAN. I do not know; I have not seen it. I imagine the gentleman has seen what was proposed in the past.

Mr. GAVIN. No; I made an effort to secure the O. P. A. proposal from the Economic Stabilizer, but he did not feel at liberty to give it to me, so I am not aware of just what the proposed recommendation may be.

I have been waiting, I might say to the distinguished gentleman from Texas, for the past 2½ years to get some action such as he indicates is being considered today to give relief to these oil producers who have been on a starvation diet for the past 10 years and I insist must have some help. I recognize the fact that the Office of Price Administration intimates that they are economic casualties, that they are just little producers of little or no consequence, and therefore they are just a wartime casualty, but the little producer and small businessman has been the backbone of this Nation and he must have help, and therefore I am pleased to hear the gentleman from Texas say that some action has been or will be taken by Economic Stabilizer Judge Vinson to afford them relief.

Mr. PATMAN. A Member of the House told me awhile ago it was issued this morning. I am not at all sure myself.

Mr. GAVIN. I tried to find out just before I came on the floor, but I could not secure any information as to what action had been taken.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Illinois.

Mr. VURSELL. It just strikes me that if they were going to give any relief to the little people through this measly hand-out of subsidies they might have done it 4 or 5 months ago, and not let it come right to the crucial moment, in an attempt to defeat the interests of the oil people, by releasing it now, the day this amendment is to be effected.

Mr. GAVIN. I wish to thank the gentleman from Illinois for his contribution.

Mr. HARRIS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Arkansas.

Mr. HARRIS of Arkansas. It is my understanding that it is not necessarily lifting the price freeze so far as the stripper wells are concerned, but the order that was issued—or reported issued today—is to provide a subsidy. It is to take care of whatever price the O. P. A. puts on the stripper wells or any other well, and in determining what well is a stripper well, the cost of production and any other cost that might go with the particular well and field must be presented. That would require a force of tremendous size—to determine whether a well is a stripper well or not. The price freeze is still in effect and only those who can comply with the complicated requirements can get relief.

Mr. GAVIN. I am sorry I cannot reply to the gentleman from Arkansas because I have not seen the proposal of the O. P. A.

We hesitate to be critical of the Office of Price Administration and the Members of the Congress are anxious to cooperate to the fullest extent of their ability to do so with the instrumentality created by the Government for the purpose of controlling of prices. However, when we have been ignored it becomes necessary that other methods be taken to impress upon the Office of Price Administration that some consideration must be given this very important problem.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Kentucky.

Mr. SPENCE. I have been in communication with the Office of the Director of Economic Stabilization, Judge Vinson, and no such directive has been issued as has been described here.

Mr. GAVIN. No such directive has been issued?

Mr. SPENCE. No. That is what they tell me. They are contemplating some action in the matter, but nothing has been done.

Mr. GAVIN. They have been contemplating some action, I will say, for many months, but the oil producer has lost faith and has about reached the point of utter exhaustion. Gentlemen, these small oil producers must have some help.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GAVIN. We have been very patient with the Office of Price Administration. I might say that the stripper well producer represents 200,000 out of 400,000 wells in the Nation. He is producing about 20 percent of the over-all oil picture or about 750,000 barrels a day; a very sizable contribution of oil and refined products to the people who are crying for gasoline, fuel oil, and oil to meet the needs and demands of the war and domestic consumers. The oil producer cannot get the lifting cost of the oil and therefore our appeal is a just one. The O. P. A. is charged with the responsibility of stimulating production to meet the needs and demands of the war, but they have not been doing it. However, when we have been ignored as we have been, it becomes necessary that other methods be taken to impress upon the Office of Price Administration that some consideration must be given this very important problem.

This is a case where the direct representatives of the people must act. This is a matter that is above political partisanship. The man who walks and leaves his car in the garage to become worthless because of lack of use, and the fellow who needs a few gallons of oil to heat his home, and fathers and mothers who want some attention paid to the future needs for petroleum for their sons in the battle zones, are not concerned whether it is Democrats or Republicans who keep the oil producer from increasing the supply; they want us to produce oil the same as we produce everything else to meet the needs not only of the men in the fighting zones throughout the world but to afford relief to the consumers who are making their contribution in the war industries throughout the Nation.

And it must be recognized that the American people have been patient. The oil is available, the oilmen know how and where to find it, and if the price incentive is offered, or at least producing costs, there is no question but what we can increase the crude output of the United States to meet the necessary demands that are now being made upon us.

I want to state to the Members of the House that this matter has not been given the consideration by the Office of Price Administration that its seriousness entitled it to. All we hear is the price increase on petroleum would destroy the entire national economy and probably prolong the war. Every day sees the Nation's oil reserves being rapidly depleted. Every day we are drawing on our vast inventories to a point where it becomes a

serious question as to how long we can carry on.

The time for action is here to increase the supply of oil and not permit further bungling. We need more oil and not more rationing. We need action and not theorizing. If we continue to deplete our reserves and we wake up to find ourselves without the oil to fight this war, someone will have considerable explaining to do.

This matter has been up before the Petroleum Administration for War, the Economic Stabilizer, the Office of Price Administration—and I have personally concerned myself to present this matter to everyone who is in an executive directing capacity—in an effort to convince them that something must be done to help the producers of oil.

To date we have had no definite action to stimulate and increase the production of oil. It becomes increasingly evident that legislation is necessary to bring the Office of Price Administration to the full realization that they must act to increase the Nation's supply of oil.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Chairman, I believe that every right-thinking American is anxious to have our price regulations and stabilization program continued for the duration of the war. I can hardly believe that anyone who has made a thorough analysis of the conditions which prevail now, as compared with those which existed during the last World War, would want to scrap our price-control set-up.

It is my opinion that the great majority of the individuals who work in the Office of Price Admipistration, its regional offices, and local offices throughout the Nation as well as those under the Stabilization Director, are extremely conscientious and desirous of doing those things which they believe best for the welfare of our country. However, I am sure that we all understand that those who work in the offices mentioned are only human and have made mistakes. This has been a new undertaking—this regulating the economy of this country, and we can expect mistakes. However, there are certain inadequacies in the present laws which bring on injustice in many instances. Therefore, it is up to this Congress to carefully scrutinize the provisions of the Stabilization and Price Administration Acts in their present amended form, in view of the effects of their operation during the last 2 years, and when we find certain inadequacies exist we should remedy them.

At this time I particularly want to call the attention of Congress to one inadequacy. If you will carefully analyze these two acts you will find that there are provisions in the rent- and price-control portions of the law to take care of those who are caught in the technical aspects of the law where, as a matter of fact, they have acted in good faith or have been guilty only of making honest mistakes. This is not true in the Wage Stabilization Act. If you will carefully analyze this law you will find that there is no provision to exempt those who have technically violated the law, even though they may have acted in good faith or may be victims of honest mistakes. In this respect I urge that this Congress amend the law as it now exists so that the War Labor Board panels throughout the country may exempt from the penalties of the law those who have acted in good faith or who have been victims of honest mistakes.

In my State there are many farmers—particularly vegetable growers—who are now suffering as the result of the rigidness and inadequacy of this law. It is my contention that no penalty should be imposed in a case where an illegal wage or salary payment has been made as the result of an honest mistake of law or fact and without intent to violate the laws or regulations as they exist. It is my further contention that the only way in which justice can be meted out in such a case is to make a provision that all enforcement agencies of these laws shall have the power to enter into stipulations with a person charged with violations, fixing a penalty therefor which shall be in lieu of all other criminal or civil liability under the law, or waiving penalty in a case where there has been an honest mistake of law or fact. Unless such provisions are incorporated in the measure now before Congress, great injustice will ensue to many of the people of this country.

I have in mind one vegetable grower in my State who, through a mistake, overpaid one employee in the sum of 90 cents. Under the technical provisions of the law as it now stands, all the wages paid to that employee during the fiscal year could be set up as an operating expense and used in computing his income-tax returns. In other words, with our present high rate of income tax this vegetable grower finds that he has to include as a part of his profits the wages paid to that employee and he must pay a tax on this sum just the same as if it were an actual part of his profits. I am sure that you will agree that there is no justice where, as a matter of fact, a mere 90-cent mistake makes it possible for the employer to be victimized to the extent of several thousand dollars.

If we expect the people of this country to continue to support the program of price control and wage stabilization, we must give them a program that carries with it the essence of justice. We must make them feel that they have the right to be protected in the law and not victimized in the jaws of technicalities and ruined in the vice of rigidness. It seems unjust that those who have, for any reason, overpaid employees should be required to have the entire amount of such wages paid to such employees used as penalties. It would appear that only the amount of overpayment should be considered as the penalty. There are cases where an infinitesimal overpayment has been made, and yet the employer has had to refrain from using the entire amount of wages paid to that particular employee in setting up his operating expense when computing his income tax.

An amendment will be offered which will penalize the employer only to the extent of overpayment of wages. Let me urge that the Congress adopt this amendment. In this way those who have been grossly negligent or who have willfully violated the law will be penalized accordingly to the extent to which the violation has been made. On the other hand, those who may have violated the law to a minor degree will not receive the extreme penalty of having the entire amount of the wages of an employee charged against them in their income-tax returns. Such amendments will create justice and fairness and will not penalize to the extent of harshness and confiscation.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Chairman, I have the honor to represent the Seventh District of Louisiana in the Congress, which district is one of the most important in the United States. My district produces nearly all agricultural products except wheat. We grow rice, cotton, corn, cane, soybeans, Irish potatoes, sweetpotatoes, oats, hay, and vegetables, fruit and legumes being the principal agricultural products. In addition my district is one of the largest producers of oil in the State of Louisiana, and in the United States. As a result we have the largest oil refineries in the world and synthetic rubber plants. We also produce salt, sulfur, limestone, sand, gravel, marble, and many other minerals. The lumber and saw-milling and creosoting, turpentine, and naval-stores industry is one of the important industries, and our reforestation program has been under way for many years. The cattle industry is one of the largest in Louisiana. My district is the center of the Louisiana fur industry, muskrat being one of the more valuable in the fur industry. We also have many large manufacturing industries such as magnesium, aluminum, and other manufacturing war materials. Crowley, in Acadia Parish, is known as the rice center of America, and also Lake Charles, in Calcasieu, is recognized as the oil center of Louisiana. Many rice mills are located in Acadia and Calcasieu Parishes, and the city of Lake Charles has one of the finest ports in the South, where oil and rice are shipped in oceangoing vessels, as well as cotton, naval stores, and other products of the Southwest. Sunset, in St. Landry Parish, is known as the sweetpotato capital of the United States. We have many rivers and streams traversing the district, and fishing is quite an industry, to say nothing of the fine game which is abundant. The United States Government has established several game preserves where the mallard and Canadian geese winter.

The population of my district according to the 1940 census was 258,675, and all of our people are patriotic and are contributing to the war effort to the fullest extent. I make these preliminary remarks to call to your attention to what extent my district is concerned and affected by the Price Control Act which is now under consideration for extension by your committee.

My constituents have been damaged and will continue to be damaged in the administration of the Price Control Act under the present regulations, edicts, directives, and proposed regimentation which we are informed will be promulgated as the same affects a number of the most important industries in my district, and they are opposed to, and as their Representative in the Congress I will oppose, the extension of the Office of Price Administration under the present regulations, unless full relief is afforded the industries in my district.

I could write a book about the administration of the O. P. A. As a matter of fact, Mr. Lawrence Sullivan, a prominent newspaper commentator, has written such a book, and I would recommend the reading of this book to the members of your committee. I also direct your attention to a pamphlet written by Hon. Harold L. Warner and Albert Plantan, of Minneapolis, in regard to rent control. With your permission, at this point, I would like to include in this statement a copy of a survey or poll concerning the extension of the Price Control Act, by the Illinois State Chamber of Commerce, as follows:

SUMMARY OF REPLIES RECEIVED FROM THE MEMBERSHIP OF THE ILLINOIS STATE CHAMBER OF COMMERCE, REPRESENTING 28 DIFFERENT CLASSIFICATIONS OF BUSINESS LOCATED IN 58 ILLINOIS CITIES, CONCERNING EXTENSION OF THE FEDERAL PRICE CONTROL ACT

1. PURPOSES, OBJECTIVES, AND POWERS

A. Sixty-six percent stated that the objectives of the Price Control Act should be more specifically set forth and more clearly defined to prevent the issuance of regulations contrary to the intent of the law.

B. Twenty-six percent stated that administrative officials should be restrained in the issuing of regulations and rules, and there should be some limitation on the powers granted the administrator.

C. The remaining 8 percent offered a variety of suggestions and comments.

2. JUDICIAL REVIEW

A. Eighty-two percent stated that the right of full and prompt hearings in local courts should not be denied citizens under the Price Control Act.

B. Nine percent stated that the distributing of court power to local courts would increase confusion because of the varied opinions which would arise and delay would result because of jammed courts, appeals to higher courts, etc., often to the advantage of the chiseler.

C. Three percent stated that the means for prompt hearing should be available, but jurisdiction should be limited to certain (possibly Federal District) courts to minimize conflicting interpretations and prevent undue delays.

D. Two percent stated that a defendant sued for civil damages should have the right to make defense as to the validity of the law itself or any regulation issued under the law in the court in which suit is brought. Manufacturers and others seeking to enjoin the enforcement of a price regulation, etc., could continue to proceed through the Emergency Court of Appeals.

E. Two percent stated that the Reviewing Board or Board of Appeals should be set up with power to amend or set aside unfair price orders or regulations. This Board would first be approached and, failing satisfaction, appeal would be taken to the regular court.

F. The remaining two percent offered a variety of suggestions and comments.

3. MECHANICS OF ADMINISTRATION AND ENFORCEMENT

A. Forty-four percent stated that regulations and orders should be standardized, made more specific, and more simply stated, to make them understandable and uniformly interpreted and to inspire confidence in them.

B. Eighteen percent stated that administrative processes should be speeded up to ease hardship. Decisions on protests, etc., should not take months, caused by intentional procedural delays. There should be provisions that regulations against which protest is filed shall automatically become ineffective if protest is not either granted or denied within a fixed period.

C. Nine percent stated that paper work required should be cut to the absolute minimum. Financial and other reports should be simplified and limited in number and frequency and, in some cases, O. P. A. should be prohibited from requiring them.

D. Nine percent stated that power and authority should be decentralized into hands of local groups.

E. Two percent stated that before instituting court proceedings to force compliance, it should be required that the person charged with violation be advised of such violation in writing. If person discontinues violation, no further enforcement action should be taken; if violation continues after notice, court proceeding would be instituted. Purpose would be to protect innocent violators.

F. The remaining 18 percent offered a variety of suggestions and comments.

4. DURATION OF LAW

A. Thirty-four percent stated that the law should be terminated as soon as post-war production is sufficient to minimize the possibility of inflation and equalize distribution, and other inflation dangers no longer appear critical.

B. Twenty-seven percent stated that the law should be terminated as soon as possible after the end of the war.

C. Eleven percent stated that the law should not be continued after the war and pointed out that competition, law of supply and demand, and free enterprise should rule.

D. Nine percent expressed opinions to the effect that the law should be terminated from 3 to 6 months after the end of the war and several indicated that that meant after the cessation of hostilities.

E. Seven percent stated that the law should be discarded on June 30, 1944.

F. Six percent stated that the law should be extended for 1 year, subject to possible renewal.

G. One percent stated that the law should be renewed with definite termination date, and if not again extended at least 6 months prior to that expiration date, should pass out of existence. If not renewed 6 months prior to expiration date, last 6 months should be used to liquidate the agency and gradually remove all restrictions.

H. The remaining 5 percent offered a variety of suggestions and comments.

OIL

Of course, Mr. Chairman, I do not expect to presume to take up such time as would be necessary to present my case, but I will try to briefly present to you certain facts in respect to the industries in my district which are the most severely damaged under the present regulations of the O. P. A.

The first is the petroleum industry.

My district and State are now producing more 100-percent high octane gasoline than all of the United Nations combined, so you can well realize how important this industry is to my district.

I think, Mr. Chairman, that the statement made in person before your honorable committee by the Honorable Russell B. Brown, some few days ago, brings to your attention the plight and tragic condition of this important industry, and clearly proves the maladministration by the O. P. A. of an industry which is so important to the war effort, and while I will not reiterate the arguments so splendidly presented by Mr. Brown, it is my opinion that many of the arguments advanced apply to other industries in my district.

The most surprising and unbelievable aspect to the administration of the petroleum industry is that notwithstanding more than two-thirds of the Members of Congress voted, as the representatives of the people of the United States, after having had to introduce a discharge petition to force consideration of the Disney bill to increase the price of petroleum, the O. P. A. paid no attention at all to the representatives of the people, and are still obdurate, intransigent, and refuse to give consideration to the mandate of two-thirds of the Congress of the United States.

POTATOES

Last year Florida and Texas Irish potatoes had a ceiling price of $3.75 promulgated by the O. P. A. and Irish potatoes from my district and Louisiana had a ceiling price of $2, and the only justification the O. P. A. could give me and the other Senators and Representatives in Congress for the discrimination was "historical data."

With your further permission, Mr. Chairman, I would like to call to your attention, and I hope the bureaucrats in the O. P. A. will read, the following editorial from the National Grange, of recent issue, which will give them some facts in regard to "historical data" in respect to price control:

History records the efforts made to control food and food prices as far back as 2830 B. C. The accounts of the early attempts are fragmentary, but apparently they were either carried out under complete dictatorship or soon resulted in dictatorship.

Eleven hundred years before Christ, China did a lot of experimenting, and Li K'o, minister of Wei, is reported not only to have "made the people rich but also made the state strong" by the food policies he pursued. He said that "if the price of grain were too high, it would hurt the consumers, and if it were too low, it would hurt the farmers. If the consumers were hurt, the people would emigrate, and if the farmers were hurt, the state would be poor. The bad results of a high price and a low price are the same." He established a unique system of price support which encouraged production, and through ample production held prices down.

Seven hundred years later, Confucius dealt with this problem and is reported to have found that nothing more markedly affects the interests of producers and consumers than prices. "Price is the great problem for society as a whole." According to the Confucian theory, "the government should level prices by the adjustment of demand and supply, in order to guarantee the cost of the producer and satisfy the wants of the consumer. Its chief aim is to destroy all monopoly so that the independent or small producer can be protected on the one side, and the consumer on the other. It prevents the middleman from making large profits and gives the seller and buyer full gain."

Later in Rome (A. D. 301–314), Diocletian fixed the maximum prices on several hundred items, as well as wages for various occupations, and prescribed the penalty of

death for anyone who violated the prices. The historian, Lactantius, tells us that there was much blood shed and "the people brought provisions no more to markets, since they could not get a reasonable price for them; and this increased the dearth so much that at last after many had died by it the law itself was laid aside"; but while the law remained, gradually the democratic senate gave way to centralized law enforcement, until the senate's powers ceased to exist and a dictatorship assumed complete control.

In Antwerp, Belgium, 1584–85, we have another instance where the city was besieged. Food became scarce and prices rose. Price ceilings were established to protect the consumer, but merchants could not attempt running the blockade at the prices fixed. The historian, Fiske, tells us "the enforced lowness of prices prevented any general retrenchment on the part of the citizens. Nobody felt it necessary to economize. So the city lived in high spirits until all at once provisions gave out and the Government had to step in again. * * * In this way a bungling act of legislation helped to decide for the worse a campaign which involved the territorial integrity * * * of a great nation."

Later the historians tell us that during the French Revolution the attempt at price fixing converted a food scarcity into a famine. Throughout all history, the results are the same. When we try by edict to set aside economic law, we may succeed for a short time, but eventually the accumulated unbalance is so great that no law can withstand it and the unsound edicts are swept aside in the onrush of the accumulated distress. The economic principles involved are simple. A low price will increase consumption and reduce production. A high price will increase production and decrease consumption. The proper balance will maintain production sufficient to meet consumption demand. Any attempt to put these principles into reverse is bound to result in disaster.

We are inviting the profligacy which destroyed Antwerp, the dictatorship which destroyed democracy in Rome, and the hunger which followed the French Revolution and which has been the result in China or wherever men have attempted by law, regulations, or directives, to set aside the sound principles of economics.

CATTLE

Mr. Chairman, the handling of the meat situation last fall and last year by the O. P. A. was tragic.

It is needless to call your attention to the fact that the gentleman from Texas, Congressman KLEBERG, appeared before the House of Representatives on June 24, 1943, and reference to the CONGRESSIONAL RECORD of that date, on pages 6420 et seq., will disclose that Congressman KLEBERG stated that with more cattle than ever before in the United States, the people of the United States were unable to obtain meat, and Congressman KLEBERG pointed out the remedy to the situation, but the O. P. A. paid no attention to one of the best posted and largest cattlemen in the United States.

If the O. P. A. was not willing to take the judgment and experience of Congressman KLEBERG in his advice and suggestions in the proper steps to take to correct the situation at that time, Mr. Marvin Jones, the Administrator, from San Antonio, Tex., the heart of the cattle country, should have taken cognizance of the full page advertisement in the Washington Post, of Washington, D. C., telling of the plight caused by the administration by the O. P. A. of the cattle and meat problem.

This program was bungled by the O. P. A. and caused an enormous loss to our people, and especially to the people of my district, who as I stated in the beginning of my statement are large cattle producers.

STRAWBERRIES

Mr. Chairman, Louisiana strawberries are recognized the world over as being the most luscious grown, and Louisiana has expanded this industry until more than $5,000,000 was formerly received by the growers of this fruit each year. The strawberry industry is one of the most important in Louisiana, as well as to many of the other States, and notwithstanding all of our arguments, statistics, affidavits, protestations, and even recourse to the Supreme Court of the United States, we were unable to prevent the O. P. A. from placing a ceiling price on this product which will practically ruin the industry.

It is not necessary for me to present further facts in substantiation of my statement, as the gentleman from Louisiana [Mr. MORRISON], the Senator from Tennessee, Mr. STEWART, and other Members of Congress from all of the other strawberry-producing States have clearly proven my contention in public meetings, in the press, and in the Congress.

ROUGH RICE

Mr. Chairman, the placing of a ceiling price on rough rice is one of the most absurd, unnecessary, unreasonable, unjustifiable, discriminatory, and ruinous blows to an industry, which the O. P. A. instituted on April 15, 1944, notwithstanding the presentation of arguments, facts, statistics, and so forth, by the Senators and Members of Congress from the States of Louisiana, Arkansas, Texas, and California, in support of our protests. In order to prove this statement, with your kind permission, I desire to read into the RECORD the last appeal made by the Senators and Representatives of the rice-producing States to the O. P. A. under date of March 28, 1944, which is a condensed statement of our contention, as follows:

MARCH 28, 1944.

Hon. CHESTER BOWLES,
Administrator, Office of Price Administration.

Hon. MARVIN JONES,
Administrator, War Food Administration.

GENTLEMEN: The Office of Price Administration has issued MPR 518, dated March 7, 1944, to become effective April 15, 1944, in which order there is established maximum prices on rough rice. This regulation bears the approval of the Administrator of the War Food Administration as of February 26, 1944.

The Representatives of the rice-producing States have consistently opposed the establishment of maximum prices on rough rice and have filed written protests and objections with the Office of Price Administration, and from time to time have participated in many conferences with the officials of that Office, and do now further protest this action and reiterate our reasons therefor, to wit:

1. The placing of a maximum price on rough rice is unnecessary as there has been placed a maximum price on milled and clean rice, which maximum price on milled or clean rice, if enforced, protects the consumer.

2. The 1943 crop of rice, under the maximum price under which the same was produced, harvested, milled, and distributed, was handled with a fair return to all concerned.

3. It is unfair to the producer to place a maximum price on rough rice for the reason that, under the proposal, there is a scandalously wide spread between the maximum price on rough rice and the maximum price on milled or cleaned rice.

4. The proposed maximum prices for rough rice are below the levels of the year 1942, and violate the 1942 Emergency Price Control Act, as amended. The term "gross inequity" was never intended to confer authority on your agency to place maximum prices at levels below the standards contained in the law, but rather to permit prices to be fixed at levels above the standards when justice dictated this action. Thus clearly MPR 518 violates the law and intent of Congress. You cannot expect support of your program unless you administer it in accordance with the letter of the law.

5. The proposed maximum prices for rough rice, we are informed, are below the cost of production at this time (see testimony of hearing of O. P. A. held in New Orleans, La., on March 20, 1944), and instead of encouraging the production of this important food, will not only reduce the crop for 1944 but will practically ruin the rice growers.

6. We are further informed that it is the intention to amend the above-mentioned M. P. R. 518 regulation to provide for Federal grading of rough rice, and that the total rice production be allocated to the various rice mills and that the value of the individual rice crops be determined by valuation committees in order to eliminate all competition in the purchase of rice. The effect of this would be that the producer would have completely destroyed his privilege to trade in the sale of his crop, and would be entirely unable to protect himself against unfair grading, etc.

7. Our constituents advise us that all of the producers and a majority of the rice mills are opposed to the placing of this proposed maximum price on rough rice, as the same is unnecessary, unfair, unreasonable, and that the only result would be to create unknown hardships and unnecessary confusion on the part of the producer and in no way help the consumer, and that they are all further opposed to any such regimentation on the part of your agencies as is suggested in the above and foregoing paragraph.

Therefore, in view of our sincere opinion that the facts do not justify MPR 518, no other alternative is left us, except to demand that you rescind and abrogate MPR 518 before it destroys the rice industry and reduces this source of food.

We expect to be advised as to your intentions in regard to our request.

Sincerely yours,

Signed: Louisiana: JOHN H. OVERTON, United States Senator; ALLEN J. ELLENDER, United States Senator; H. D. LARCADE, JR., Member of Congress, Seventh District; JAMES DOMENGEAUX, Member of Congress, Third District; JAMES H. MORRISON, Member of Congress, Sixth District; PAUL H. MALONEY, Member of Congress, Second District. Arkansas: HATTIE W. CARAWAY, United States Senator; JOHN L. MCCLELLAN, United States Senator; W. F. NORRELL, Member of Congress, Sixth District; WILBUR D. MILLS, Member of Congress, Second District; E. C. GATHINGS, Member of Congress, First District; BROOKS HAYS, Member of Congress, Fifth District. Texas: MARTIN DIES, Member of Congress, Second District; J. J. MANSFIELD, Member of Congress, Ninth District. California: HIRAM W. JOHNSON, United States Senator; J. LEROY JOHNSON, Member of Congress, Third District.

Mr. Chairman, rice is the principal agricultural product of my district, and there are approximately between 15,000 and 16,000 people engaged in that industry, and a rice crop is one of the most expensive to grow that I know of. The rice grower requires good farm land, deep wells costing from $5,000 to $15,000 for water to irrigate the rice, and an enormous investment of money in farm machinery, and as outlined in the foregoing argument signed by the Senators and Representatives from the rice producing States, no ceiling price is necessary to control the price to the consumer, as a ceiling price on the finished, clean or milled product is abundantly sufficient to control the same. Therefore, the imposition of a ceiling price on the rough product is entirely unnecessary and ridiculous, and as our statement indicates, if the proposed ceiling price is to remain on rough rice, it will not only be the means of reducing the production of this important food crop at a time when it is so sorely needed for the war effort, but in addition will ruin the industry.

Mr. Chairman, as you will observe from the signatures on the letter protesting the ceiling price on rough rice, not only the State of Louisiana is interested and concerned with this unreasonable edict, but also the States of Arkansas, Texas, and California, whose representatives have made vigorous protest to this unfair transaction, and with your permission, in order to support this statement, I would like to include in this statement a copy of resolutions adopted by the Texas Rice Growers Association, of the State of Texas, adopted on March 31, 1944, as follows:

A meeting of the Texas Rice Growers was held at the courthouse in Houston, Tex., on March 31, 1944, for the purpose of hearing a report of the Texas members of the Southern Rice Growers' advisory committee on the hearing held in New Orleans on March 20 with O. P. A. representatives with reference to rough-rice ceiling prices.

A large and representative group of Texas rice growers attended the Houston meeting, and after considerable discussion the following resolution was unanimously adopted for the purpose of setting forth the views of the rice growers in respect to the ceiling prices:

Resolved by the undersigned Texas rice growers assembled at a public meeting at the courthouse in Houston, Tex., on March 31, 1944, with the Texas members of the Southern Rice Growers' advisory committee, and after hearing a full and complete report of said committee of its conference with the O. P. A. representatives in New Orleans on March 20, 1944, with respect to the ceiling prices on rough rice, That the following protest be filed with the O. P. A. authorities, and that a copy of this resolution of protest be filed with the Members of Congress from the rice-growing States, the American Rice Growers Association, and other interested parties.

1. PROTEST AGAINST ANY CEILINGS ON ROUGH RICE

Growers are unanimous in protesting the imposition of ceiling on rough rice on the grounds that such action is unfair to producers, unnecessary, unenforcible, and, in the light of previous O. P. A. orders with respect to clean-rice ceiling, all of which operate to reduce the price on rough rice, would create doubt and uncertainty among growers which would tend to greatly reduce the acreage of this much-needed food crop, also that imposition of ceilings at a much lower level than the present rough-rice market, after producers had made purchases of and lease contracts on land, contracted for water, at a higher level than 1943, with the assumption that price levels now existing would and could be maintained. We also charge that the O. P. A. failed to properly consider the increased cost per acre of labor, land, water, equipment, and living cost of rice production, which has risen from $45 per acre in 1941 to $72 per acre in 1943 and an estimated $78 per acre in 1944.

2. PROTEST ON MOISTURE CONTENT

The growers unanimously protest any moisture clause in the establishment of value should ceiling be imposed in that sufficient equipment for this purpose was not available at country shipping points and that it is impossible to secure same, therefore producers would be at the mercy of processors who would give moisture content only when rice was delivered to final destination, which would be the mill.

3. PROTEST ON FEDERAL GRADING

The O. P. A. recommended Federal grading of rough rice, to which the growers unanimously disapprove in that it has been tried once before and was an utter failure. It is a mechanical method which worked only one way, to greatly penalize the producer on all but top milling grades, and in no way reflected the true milling values of rough rice.

4. PROTEST ON VALUATION COMMITTEE

The O. P. A. recommended the setting up of a valuation committee of one farmer and one mill representative in each community, to which the growers unanimously oppose on the grounds the producers would be under a disadvantage in that mill representatives would have a vast advantage in knowledge and experience in this method of valuation.

5. PROTEST ON ALLOCATION

The question of allocation of rough rice to mills is unanimously disapproved in that it would eliminate necessary competition. The proposition of taking away from the grower the right to sell his rice to whatever mill he wanted to sell it to seems indefensible from every standpoint. We submit that the rice farmer or any farmer has the natural right, which should always be preserved, to sell his product to whom he pleases at the prevailing price or at the ceiling price if ceiling prices should be adopted.

6. PROTEST ON EFFECTIVE DATE OF ORDER

The growers unanimously disapprove the effective date of the order on rough-rice ceilings in that it would penalize producers who have been unable to harvest their 1943 crops due to weather conditions and would penalize those producers who were insuring their 1944 crops by carrying an excess of seed rice, in many cases up to 100 percent of their plantings. We submit that inasmuch as the Department of Agriculture has always designated August 1 as the beginning of the new crop year for rice, we request that if ceilings are put into effect that this date be used, as plantings will be completed not earlier than July 15.

7. PROTEST DIFFERENTIAL ON VALUES OF VARIETIES

The growers unanimously protest the differential of ceiling prices by varieties in that they are not in accordance with values of clean rice.

8. PROTEST ON ESTABLISHED ROUGH RICE CEILING WITH RESPECT TO CLEAN RICE

The growers submitted written evidence, signed by eight rice mills, admitting that prices set by O. P. A. could be raised without affecting the clean rice ceiling, thereby proving conclusively that the O. P. A. had erred in the placing of ceilings as contained in order M. P. R. 518. There can be no doubt therefore that some advance in ceiling prices on rough rice such as proposed in this resolution could be made without increasing the ceiling prices on clean rice.

We wish to call special attention to the present practice of undermilling rice which results in increased milling yields of clean rice. The O. P. A. ceiling on rough rice was based on the old method of hard milling rice which has been abandoned. The mills are now leaving much of the byproducts on the milled rice, which results in a further profit to the mills of at least 50 cents per barrel on the average over and above the milling assured them by reason of rough rice ceiling prices. We feel that no public investigation has been made of the operating costs of the mills per barrel of rice processed, or of the milling yields. We submit that it is only fair that a thorough examination be made into the operating expenses of the mills and the milling yields before any ceiling prices on rough rice are fixed which will clearly have the effect of assuring the mills of what is considered by the growers as an exorbitant conversion margin. We call attention also that the O. P. A. authorities have made no proper investigation of the increased cost of production of rice to the farmer. Throughout the rice-growing section there has been almost constant rain since the latter part of November 1943, which has greatly retarded plowing and the preparation of the lands for the 1944 crop, and much of the land has not even been plowed to this date. The late start on this crop is going to result in greatly increased cost, and many farmers who had planned to farm during 1944 are turning in their water contracts and are not going to farm at all because of the unfavorable weather conditions which have prevented them from preparing their lands, and also because of the ceiling prices which have been fixed on rough rice which constitute a roll-back in prices of $1 or more per barrel.

If these ceiling prices are maintained, a rice grower can have little hope during the year 1944 of making any money at all, and many of them are not going to plant under these conditions. The growers must necessarily assume all the risks of planting, growing, and harvesting the crops, including the hazard of recurring tropical storms, excessive rainfall during harvest periods, without any assurance from any governmental agency or anyone else of a profit on his labors, while on the other hand, he feels that the imposition of these ceilings on rough rice will absolutely guarantee to the rice mills a conversion margin of more than $1 per barrel. Even after a practical guaranty of these unjustified and unreasonable milling profits to the rice mills, it has been seriously proposed to divide up and allocate the farmer's products among the rice mills by some system over which he has no control, and for no reason at all other than to assure each mill that it will receive its proportionate share of these excessive and unreasonable milling profits. We demand that if these rough rice ceiling prices which have been arbitrarily adopted by the O. P. A. authorities without any adequate or proper investigation of the operating costs and the milling yields of the rice growers in the several southern rice-growing States are going to be maintained that they should at least be revised according to the following schedule, and which revision would at least provide some encouragement to the rice grower to go ahead and perform his duty to his country in the matter of providing adequate food supply:

E. P. from $5.30 to $6.25.
Zenith from $6.15 to $6.50.
L. W. from $6 to $6.50.
B. R. from $6.15 to $7.
Pearl from $6.15 to $7.
Fortuna from $6.15 to $7.25.
Nira from $6.65 to $7.75.
Patna from $7.05 to $8.
Edith from $6.10 to $7.
Others from $5.30 to $6.25.

9. GRADING MAXIMUM PRICES SET BY O. P. A.

The O. P. A. offered the following table of maximum prices by variety on rough rice should Federal grading or valuation be set up:

E. P	$6.21
B. R	6.50
Zenith	6.50
L. W	6.50
Edith	6.99
Fortuna	7.40
Nira	8.08
Patna	8.08

Should the valuation of Federal grading be put into effect as suggested by the O. P. A., we oppose the table of margin prices as set up on various varieties of rough rice in that they are unreasonable and unintelligent. We have been informed that rough rice would have to yield in excess of 100 pounds of whole grain and 115 pounds of total in order to receive the margin price as set out by the O. P. A. Examples are given on two varieties, viz: Early Prolific and Fortuna, which required them to yield 102½–115 and 105–115, respectively, notwithstanding the Government standard on these rices is 85–108 and 70–108, respectively.

We urge that the imposition of the proposed ceiling prices on rough rice be deferred until such time as a full and adequate investigation can be made and submit that failure to do so will result in chaotic conditions in the rice industry and a widespread abandonment of rice planting during the year 1944.

Mr. Chairman, in order to indicate how my people in my district and the State of Louisiana feel about the O. P. A. I have placed in the CONGRESSIONAL RECORD copies of house concurrent resolutions and senate concurrent resolutions, wherein the Legislature of the State of Louisiana memorializes the Members of the Senate and the House in the Congress to vote against any future appropriations for the O. P. A. unless some relief is given to our industries and rough rice is one of the first products named.

Mr. Chairman, we cannot understand why the O. P. A. insists upon placing a ceiling price on rough rice, for, on October 1, 1943, the War Food Administration wrote me:

We do not favor establishing a ceiling price at the present time pending further developments in the industry.

The letter is signed by Hon. Ralph W. Olmstead, Deputy Director, and I desire to include the entire letter in these remarks, to-wit:

WAR FOOD ADMINISTRATION,
FOOD DISTRIBUTION ADMINISTRATION,
Washington, D. C., October 1, 1943.

Hon. HENRY D. LARCADE,
House of Representatives.

DEAR MR. LARCADE: This is in reply to your letter of September 21, addressed to the Honorable Marvin Jones and enclosing copy of a telegram you sent to the Honorable Prentiss M. Brown, which has been referred to us for reply.

As you are aware the matter of a ceiling price for rough rice has been under consideration for some time. This action has been recommended by the Rice Milling Industry Food Advisory Committee based on the contention that millers are unable to buy rough rice at prices which will permit them to process the rice and sell it under established Office of Price Administration ceiling prices for milled rice without incurring a loss on the operation. Prices being quoted for rough rice sales in the southern producing areas appear to substantiate the millers' contention and they claim they are able to operate only by undermilling the rice, whereby they obtain a higher yield of whole grain rice which can be sold at ceiling prices for export and to brewers who are willing to accept brown and undermilled rice for use in the production of beer.

Due to the shortage of rice, it is not considered desirable to permit the use of large quantities of table quality rice for use in the production of beer and we are, therefore, considering the issuance of an order restricting rice which may be used for brewing purposes to the broken classes: Second head, screenings, and brewers' milled rice. Also, we understand the Office of Price Administration has under consideration the advisability of providing lower ceiling prices for brown rice and undermilled rice than for milled rice. When and if these provisions are placed in effect, it may result in the millers' refusing to pay prices for rough rice in excess of its value for conversion into table quality milled rice. Should this prove to be the result, we doubt that there would be any necessity for placing a ceiling on rough rice, since all mills would be able to compete for and buy rough rice at a price which would enable them to process it without incurring a loss.

On the other hand, if conditions should develop in such a manner that many of the rice mills were compelled to discontinue operations because of excessively high prices for rough rice, we might feel compelled to recommend that a ceiling be placed on rough rice.

We do not favor establishing a ceiling for rough rice at the present time pending further developments in the industry.

Sincerely,

RALPH W. OLMSTEAD,
Deputy Director.

Mr. Chairman, I have my files full of additional statements, resolutions, letters, telegrams, and other statistical data which I could present to your honorable committee in support of our position in regard to it not being necessary to place a ceiling price on rough rice, but same are so voluminous and numerous that I hesitate to include the same herein.

I would like to bring to your attention the complaint of many of my constituents that it is their opinion that the O. P. A. is discriminating against the producer in favor of the middle man who makes almost as much profit in the handling of many commodities as the producer, among which they point out strawberries, rice, fish, and many other products, and that it is their opinion that many of those in charge of the various departments, panels, and administrative positions represent special interests.

Mr. Chairman, I further resent the fact that the O. P. A. refuses to consider the protests of the regularly elected representatives of the people of the United States in matters which affect their constituents, and where they seek to give some measure of reasonable protection to their people. Other amendments will be proposed to your committee, and in justice to the 15,000 producers of rough rice in my district I feel it is my duty to submit to your committee an amendment which I propose to the Price Control Act, at the proper time to exclude rough rice from the provisions of the act.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. LARCADE. I yield to the gentleman from Arkansas.

Mr. NORRELL. I should like to say that I have worked with the gentleman with reference especially to rice, both rough rice and finished rice.

I know no more able and vigorous Member of Congress in behalf of the rice industry than the gentleman from Louisiana. Notwithstanding the fact that we were not able to secure for the rice people what they are justly entitled to receive, I do want the people to know that the gentleman who is now addressing the House has rendered most able and courageous and vigorous effort in their behalf.

Mr. LARCADE. I thank the gentleman from Arkansas. I appreciate his expressions of praise, and want to say that he, and the other members of the Arkansas delegation, have also worked hard in the interests of the rice farmers in this matter.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. LARCADE. I yield.

Mr. BROOKS. I am familiar with the gentleman's district. I know that a vast amount of money and labor are invested in the rice farms of south Louisiana. Those people have made good through the years in spite of the keenest sort of competition. They have had one adverse year after another and they should not be penalized in times like this. They are entitled to a reasonable price for their commodity to put them back on their feet. I have watched the gentleman in his activity in their behalf and I know he has been conscientiously working for them. He is entitled to receive their sincere thanks and gratitude.

Mr. LARCADE. Mr. Chairman, I thank my colleague from Louisiana for his kind expressions.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, orators have been lauding the way O. P. A. has been reformed. I hope they realize that the boasted improvement would have come sooner if they had assisted instead of strenuously opposing the efforts of those of us who from the first have fought against the perverted policies of O. P. A. We still shiver remembering how O. P. A. officials used to load the newspapers and magazines with doleful predictions of shortages to come and prophecies of a coming panic of price increases. Naturally such chatter goaded shoppers into buying out the stores and hoarding. How much the improvement today, if any, can be attributed to price control and how much to the fact that the people have grown cold to such scare campaigns we do not know.

The Administrator himself has cheerfully admitted that much of the boasted success is due to the magnificent performance of the Nation's producers and also to the fact that a lot of American citizens have been prudent enough not to squander their money. The chief cause for this magnificent production by farmers is the liberal policy which the New Deal at the time vigorously opposed. It required a certain obstinacy if not a degree of heroism to insist that

farm prices ought not to be frozen at depression lows and should be permitted to fluctuate around parity, when those who fought for it were being lampooned and lambasted as being subservient to a farm block. The chairman, Henry Steagall, Democrat, of Alabama, since gone to his just reward, felt heartsick when he read to some of us a scurrilous editorial actually accusing him of disloyalty. But he refused to submit to the O. P. A. theorists who seemed to think that because farmers work like horses they are dumb brutes who, unlike people, would not work harder if work brought profit instead of loss. Farmers have slaved harder than ever before, pressing into service their wives and little children, working with worn-out tools and often without tools, in the boiling sun and often through the freezing nights. For the first time in 20 years farmers saw a chance to pay off some of the mortgage. Their magnificent production is the result.

The O. P. A. joined in the effort to drive out of Washington Congressmen who fought against their alien theories. But thanks to the people of their districts, all of those Congressmen are with us today—all except our colleague from Alabama, who died the day after his last speech against O. P. A. policies—a speech in which he spoke so fervently for southern farmers whose labor we almost take for granted. These Congressmen are still with us, still fighting for a kind of price control which will be consistent with justice and human nature. But the O. P. A. is still fighting to preserve its powers including the power to deny to American citizens their constitutional right to a day in court. For example, the President's inflicting income tax increases on those violating his hold-the-line regulation preventing wage increases. How can that be constitutional?

The 1942 election reflected a discontent which could not be ignored. But instead of trying to give the people the truly American kind of price control they had shown they wanted, a campaign was begun to try to sell O. P. A. to the public. The gentleman from Texas [Mr. PATMAN] in another debate has shown how O. W. I. used its power to induce private industries to advertise the virtues of O. P. A. Immediately after the election the Administrator, Mr. Leon Henderson, was replaced by Senator Brown, a likable politician. A bit later Senator Brown was replaced by Mr. Bowles, an appealing and, I believe, a sincere person who is a highly successful professional advertising man.

There is always a certain amount of advertising by the departments creating an undue influence upon Congress and the people. The agency heads come over to congressional hearings flanked by experts and armed with statistics which sometimes turn out to be elastic. Some Members of Congress act as if they considered themselves part of the executive branch of the Government; others flounder about rather helplessly. Since quite a few Congressmen are lawyers, it is possible to detect some of the legal tricks. Since all Congressmen know something about politics they may see through some of the political schemes. But hardly a Congressman knows anything whatever about mass psychology, public opinion trends, and other selling arts which are the tools of the advertising profession. Advertising is an effective profession else so much of the diet of the public would not consist of patent medicine and other injurious forms of dissipation. Hence, Congress cannot be certain how much of the boasted O. P. A. improvement is genuine and how much is an illusion created by skillful advertising.

Certainly the assembly of experts fronting for O. P. A. looked different from the personnel which accompanied Mr. Henderson mouthing theories whenever he ran out of breath. Few of them looked lean and fanatical. One got the impression that maybe the revolution is not going to happen after all. This time there was a soft answer turning away the wrath aroused by each complaint. The O. P. A., to be sure, had had plenty of opportunity to rehearse. Since 1942 two special House investigating committees have been investigating O. P. A. Before the House Banking and Currency Committee held hearings, the Senate Banking and Currency Committee held hearings, listening to testimony from the people which, in some cases, turned out to have been word for word the same as we heard. Sometimes the O. P. A.'s gentle denial, like the figures on Montgomery Ward they gave us, were afterward said by reliable people who should know to be ruthlessly inaccurate. Sometimes, in addition to the denial, O. P. A. promised a beneficent-sounding remedial program—not to be fully disclosed until after this bill has been voted. Such tactics left the impression that beneath the new varnish of sophistication the same slick tricks that have gained O. P. A. the reputation of being a noxious weed are still being used by, perhaps, the same O. P. A. officials operating behind the scenes. O. P. A. insisted, for instance, that nowadays it does consult committees representing industry. But after the hearings one industry told us of selecting a representative and being told by O. P. A. he would not be acceptable.

Perhaps the inveterate chicanery of O. P. A. is due to the fact that the hold-the-line policy is untenable. Inflation, judging from the way it has manifested itself in history, is a disease of extreme nervousness on a national scale. A government puts too much money in circulation. People start spending. Speculation begins. Prices rise. The Government spends more and more. Speculative price increases become a mania. The hold-the-line price-control program has the effect of a strait jacket. It is not a cure. The only sure cure found so far is increased production and also decreased spending.

That O. P. A. has substantially prevented adequate production has been demonstrated by numerous instances, some of which will be mentioned during the debate. Low-cost producers of such scarce articles as children's shoes have been squeezed between fixed price ceilings and rising costs. Nobody, so far, has mentioned the way O. P. A. has driven off the market needed farm equipment, including such things as horse collars, doubletrees, harness, plow handles, whiffletrees, neckyokes, and so forth. But look at these letters I have here, they were written in the course of business to jobbers telling that O. P. A. has deliberately prevented needed farm equipment from being manufactured by refusing to give price relief or delaying it too long. Some manufacturers of needed farm equipment, I am told, stopped making the needed items less because of the low price ceilings than because in order to get price relief, they were required by O. P. A. to hire expensive new accounting jobs, and it was cheaper to go out of production than spend the money for the accounts.

Some producers and manufacturers are clinging to their businesses—producing at a loss—in the hope that the war will soon be over and O. P. A. will soon also be over and forgotten like a nightmare. But O. P. A., while not admitting it yet, like the man who came to dinner, may prove to be our permanent guest. According to monetary experts outside of Government, the United Nations' monetary stabilization program our Government intends as a permanent post-war program means fixed rates of foreign exchange and therefore means that abnormal fluctuations in prices in our country are to become chronic. Those who want O. P. A. now will demand that O. P. A. be made permanent when price fluctuations and also depressions and inflations become a constantly recurring phenomenon in America.

Because the war may go on and become more difficult and because, even if the war ends, price control is apt to become permanent, we dare not ignore serious mistakes in policy. The hold-the-line policy is sophomoric. Because it prevents maximum production by freezing some people to their losses, it is inflationary and also weakening. How much of this weakening process our country can endure remains to be seen. Today, for instance, our country enjoys less beef, milk, and a great many kinds of food made from corn than we might have if O. P. A. would raise the ceiling on corn. The supply of corn is already so inadequate that the Government has commandeered the corn supply, telling farmers they cannot sell to anybody but Government and at a price which, because of down-grading and other circumstances, is less than farmers would otherwise get. Of course, any bravado with an army at his command can commandeer an existing supply. But inducing farmers to produce all they might in the future under such circumstances, when neither labor nor tractors are available, may prove to be quite a feat. It grows hard for one citizen to understand why patriotism requires him to work and worry until he blows out his gaskets while all patriotism seems to require of the next fellow is a little political pressure.

Today Americans are eating much of the food we expected by this time to be

sending to people of foreign nations, but that relief job comes under the heading "Deferred maintenance." O. P. A. is demanding enough money to enforce regulations and exterminate black markets. The black markets, of course, impede fair distribution. But black markets, until now, by offering prices above cost of production where they could not be obtained under O. P. A. ceilings, have encouraged production. I wonder if the Administration really wants to exterminate black markets.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentlewoman from Illinois 5 additional minutes.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. HARNESS of Indiana. I wonder if it is not the policy of O. P. A. that has created the black markets?

Miss SUMNER of Illinois. Does the gentleman still wonder?

Mr. HARNESS of Indiana. I asked the gentlewoman if she does not agree with me that the policy of O. P. A. has created the black markets.

Miss SUMNER of Illinois. I am astonished that the gentleman is still wondering.

The administration itself tacitly admitted that the hold-the-line policy cannot secure adequate production when it resorted to shyster interpretations in order to evade the hold-the-line order and gave coal miners the increase in wages which, coal mine owners said privately, was necessary in some cases in order to obtain an adequate supply of coal.

This used to be a Government with a universal reputation for square dealing. The truth seems to be that the productive capacity and genius of this country cannot operate at maximum peak beneath the injustices of centralized dictation. Canada has a more flexible program, refusing to control luxuries. Britain has a still more flexible and just program. As the war drags on it may become apparent even to the biggest Nazi imitator in our bureaucracy that the strait jacket Nazi-like program weakens the home front because the business of our great country is too vast and intricate to goose step.

The O. P. A. has done such an excellent job of selling O. P. A. to the public that virtually every witness from the people endorsed price control—for everybody, it seemed, but the people in his own line of business. About the only groups which advocated that O. P. A. be continued without amendment were the C. I. O. and other organized labor groups. But wages are not controlled by O. P. A.; another agency has jurisdiction over wages. The bill, as it comes to you, offers little if any relief. About all it gives the producers, manufacturers, and distributors of this country is a kiss and a promise.

What shall we do then? We know from past experience that some members will vote for a liberal bill on the way to the White House and vote against it when it comes back vetoed because it is liberal. We know that after the veto is sustained the votes of this House will put through a bill containing even less relief than the bill before you. The feeling seems to be that Congress is caught between the devil and the deep blue "C. I. O."

What shall we do then? Well, the excuse that Congressmen should vote against provisions they believe right only because the President is so petulant and powerful sounds craven to me and I think it would to most people.

Now as before, Congressmen can improve O. P. A. by stubbornly fighting for improvement.

Mr. Chairman, I yield back the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I doubt if I shall consume the 15 minutes graciously allotted to me by the chairman of the committee, but I do want to make some observations concerning the legislation before us. It is given rise to, and has been heretofore recognized by legislative enactment, on account of the emergency; indeed, Public Law 421, approved January 30, 1942, in its title contains the language: "An act to further the national defense and security." I do not know how much thought we have given to the fact that these words appear in the title expressing the will or purpose of Congress in enacting Public Law 421 on the 30th day of January 1942. May I then, for the purpose of impressing upon us that this is not a forum of idle debate in which we appear, but a place for the transaction of important business, believe it or not—it is the attempt on the part of every Member of the House of Representatives and the Senate, as it may come to them, to meet a responsibility that our several offices impose upon us. I do not know whether I am altogether correct, but I do feel from time to time—and this is said without reference to any group—that it ought to be when we enter the doors of this House and assume or resume the work that we are undertaking to do, we should leave politics and religion outside the door. In this particular circumstance I do not believe it is helpful for us to engage particularly or with any undue emphasis upon the question of whether we like Chester Bowles or do not, whether we like the men he has around him in O. P. A. or would rather have somebody else, whether we desire to commend them personally in their work in part or in whole.

By reason of the fact that this authorization as extended heretofore will expire and the proposal addresses itself to us as Members of Congress as to how we shall do our job, we are required to give attention to the question whether we wisely adopted an act in January 1942 to further the national defense and security, to check speculative and excess price rises, price dislocations and inflationary tendencies, and for other purposes.

The question addresses itself to us, did we act wisely in assuming or recognizing that as a responsibility of the Congress of the United States when it was done? Then the further question addresses itself to us, what shall be our attitude in extending that which we declared was a wise step which we took in 1942 with such modifications, seriously and sincerely proposed, as will aid that which no man in the first instance would assume we could make perfect in the bill which we passed in that year.

I hardly think we can dip here and dip yonder and grab an article of this kind and an article of another as a Congress and undertake to deal with these specific articles as we personally would like to do or as we would presume our constituency would applaud us for doing. This is of Nation-wide concern. It may be that in forming this pattern by which we declared these things shall be controlled, since it is a Nation-wide action which affects the Nation at large, some of us in instances may have to yield a little here and a little there, but I think our final responsibility will have been met when we can say that as a body composing the House of Representatives, speaking of us here, we have undertaken to be fair and to do the best we could for the public welfare under all the circumstances.

The time came when the Committee on Banking and Currency, to which the bill was originally referred and was thereafter committed, set about to do its work and it set about regardless of political considerations to devote to the subject such time as the 26 men felt was due this important subject. The doors were thrown open wide. The chairman was considerate almost to the extent of being lenient with every consideration seeking a hearing and with the members as a whole regardless of their political affiliations.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I believe the gentleman is a member of that great Committee on Banking and Currency. He spoke about the committee consisting of 26 members.

Mr. FOLGER. Yes.

Mr. ROBSION of Kentucky. Is this report a unanimous report of that committee?

Mr. FOLGER. We considered it a unanimous report. There were probably two who voted "present," but I think that was to preserve a right, but I think it was recognized they had that right without reservation.

Mr. BROWN of Georgia. Will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The idea was that we were all in favor of price control with the distinct understanding that anyone could present an amendment or vote for anybody else's amendment.

Mr. FOLGER. That is what I meant when I said they were undertaking to reserve a right that the other members all understood without any question that they had: to offer such amendments as they might feel should be offered.

Mr. ROBSION of Kentucky. Your committee did feel some amendments should be offered to this act?

Mr. FOLGER. The gentleman is asking me about personal opinions and concepts of each member.

Mr. ROBSION of Kentucky. I mean from the action of your committee.

Mr. FOLGER. No member of that committee would be regarded as unfaithful to the work of the committee if he desired to offer an amendment on the floor of the House.

Mr. ROBSION of Kentucky. I am not being critical at all, but we get letters and telegrams to accept it without change. It has been my view on a matter affecting so many millions of people and concerns, it being a new venture, that after two and a half years of observation and experimentation with it, naturally it looked to me like it could be improved on and your committee thought it could be, I assume.

Mr. FOLGER. I think that was shown in the request for 9 hours' general debate under an open rule.

Mr. WHITE. Will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Idaho.

Mr. WHITE. From the gentleman's experience in dealing with the O. P. A. and the adjustments that come along under it and that we are requested to effect through the O. P. A., has not the gentleman found that Mr. Chester Bowles, the Administrator, is doing the best possible job under the circumstances?

Mr. FOLGER. Yes; I believe Mr. Bowles is doing an excellent job.

Mr. WHITE. Is he not leaning over backward trying to do everything he can to pull the country out of a bad situation, using the kind of an organization that he found in charge when he took over?

Mr. FOLGER. I think Mr. Bowles is making a very sincere effort to do his duty.

Mr. WHITE. I thank the gentleman.

Mr. FOLGER. Mr. Chairman, I want to read a little of the original bill, Public Law 421:

> It is hereby declared to be in the interest of the national defense and security, and necessary to the effective prosecution of the present war, and the purposes of this act are to stabilize prices and to prevent speculative, unwarranted, and abnormal hoarding, manipulation, speculation, and other disruptive practices contributing to the national emergency; to assure our defense and that appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance annuities and other fixed amounts for their living and income.

Mr. Chairman, I am not undertaking or assuming to debate the several sections of this bill. I am making the observations I do make to draw us to a recollection of that which we have already declared was necessary for the successful prosecution of the war and for the preservation of our economy as far as may be. We recognize that a sane approach, an unprejudiced effort to bring about stabilization of wages and a stabilization of prices, preventing run-away prices resulting in inflation, is one of the parts and one of the important parts of this bill that we are considering today by way of amendment to Public Law 421.

The question of the complaints which have been registered with probably every Congressman most every day, or week, at least, with regard to the O. P. A. law, have been found to be, in large measure, due to complaints at some form of administration. At that point, we are not undertaking and should not undertake to shift our own responsibility to the Administrator of the Office of Price Administration, and we have undertaken, without claim of perfection, however, to make such amendments to the Price Administration law as we felt would be helpful. That is what this bill that is presented to you today, as coming from the Committee on Banking and Currency, means; with the proviso always that no man on there, nor the committee itself, arrogates to itself or to himself the idea that he has done a perfect job; because of the recognition that suggestions may come in honest desire to aid and to perform the duties of a Member of the House and to be constructive in bringing about as real as may be a perfect bill which we have heretofore, and I assume now, deemed absolutely necessary in order to prosecute this war and to prevent, as far as it may continue to prevent it, inflation in this country, which we all understand would be destructive not only of our war effort, but all our efforts, and our economy that would follow into the period long after the war, if we should allow inflation to submerge us, as it would do.

Therefore the open rule. Therefore the real open rule; not one tied down by any consideration but the open rule which makes it subject to amendment; the 9 hours of debate in order that we may have the benefit of the views of the other Members of this House of Representatives who have, no doubt, given much study and are greatly concerned, just as much as the members of the committee, in bringing to the House or completing in the House a bill that will, as far as humanly possible, do the work that it is hoped and intended that it will do.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, this is a good bill. Nothing in it will raise the cost of living and yet we have provided means by which hardship cases can be corrected and means by which everyone honestly injured can have his day in court.

This is a nonpolitical bill. It was written with the cooperation of both parties in the Banking and Currency Committee, after extensive hearings covering almost 2 months. The committee met every day, mornings and afternoons, including some Saturday afternoons. We even met on Memorial Day.

We first heard the O. P. A. staff, who tried to sell us the idea that the present law is perfect. We heard from representatives of industry. They told us their troubles.

The O. P. A. then came back and told us why they could not remedy all those troubles and why they were opposed to most of the amendments which had been suggested. But by this time they had changed their attitude somewhat, actually suggested certain amendments, and generally took a more cooperative position.

We devoted an afternoon to the recommendations of the gentleman from Virginia [Mr. SMITH]. When we got into executive session every member had a copy of the Smith report before him and as we read the bill, paragraph by paragraph, the Smith proposals were carefully considered and several of them are included.

In studying the whole question of price control and stabilization, we are faced with these important considerations:

Whatever the cause, it is an incontrovertible fact that prices have gone up very little during the past year. What we hoped for, when we wrote the original act, has come to pass. My aim and that of the members of the committee, both Republican and Democratic, is not to upset in any way the delicate balance which has brought this about.

A breaking of the line in any one sector would probably cause other parts to break and set up the inflationary cycle. Our effort was to correct injustices and hardships without in any way weakening price control. I think we have succeeded in this task.

We refused to give special treatment to any one industry; for if we had included amendments to give special treatment to cotton, or fish, or oil, or furs, or strawberries or any other of the many groups who desired special treatment, it would be difficult to refuse the request of all. If the dikes are once opened we may not be able to close them again.

I will not discuss the legal provisions as they have been well covered by other speakers, but some of the other changes are as follows:

There has been much complaint that the O. P. A. has been using the act to control profits, contrary to the will of Congress. A provision is included to reiterate the intent of Congress that the act should not be "interpreted in such a way as to give the Administrator the right to fix profits where such action has no relation to price control."

Much complaint was also made that the O. P. A. paid no attention to the industry committees, which are provided for in the present law. We have now specified in two places that the Administrator "should give consideration to the recommendations" of these committees.

As was mentioned by the gentleman from California [Mr. ROLPH] on yesterday, a directive is given the Administrator to provide for individual adjustments in rents where, due to peculiar circumstances, certain rents were not in line with those generally prevailing in that defense area. We have also provided that where the necessity for rent control in any area ceases that the Administrator shall abolish rent control there.

We have also reiterated the intent of Congress that the Administrator shall not use the act to compel changes in

business practices or established accounting methods. I would have preferred a slightly more moderate amendment to this section—more along the line of the wording as proposed by the Smith committee—and I proposed one in committee, but it was rejected.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The gentleman continues to speak of what the gentleman from Virginia [Mr. SMITH] proposes. Does the gentleman refer to the special comittee set up by the House and composed of Democrats and Republicans?

Mr. KEAN. I do. I refer to the Smith committee.

In general it might be said that these amendments clarify the intent which Congress tried to express when the original law was written—but which intent has not been carried out by O. P. A.

We have also provided that present roll-back subsidies on meat, bread, and butter may be continued, but that no additional agricultural commodities used as food for human consumption can be declared to be strategic or critical materials and thus be eligible for subsidies under this act. No one is more opposed to the principle of consumer subsidies than I am, which my voting record will show; however, we are met with the condition that, though in my opinion these subsidies were not necessary and never should have been instituted, now that they have been, they have become part of our economy and the removal thereof at this time might disturb that delicate balance to which I have previously referred.

I am particularly pleased with section 12. I urged such action not only in a speech on the floor in January 1943, but by introducing a resolution, and also on the air last month as mentioned by the gentleman from Pennsylvania [Mr. WRIGHT]. It has been my contention that committees of this House when they write new legislation should follow it along and try to improve the law in the light of the experience of its actual operation.

This would be done in a friendly atmosphere by those anxious to make a law work and who knew all about its provisions.

This should be a much more satisfactory method than providing for an investigating committee, often hostile to an act, who often do not understand all the circumstances under which a law was written—and whose members must devote much time to learning facts which members of the legislative committee already know.

This section should provide a forum to which those aggrieved by O. P. A. can constantly appeal and if we find where the law should be improved we can quickly do so. This is a step toward better government.

Mr. Chairman, as I said before, this is a good bill. It represents the careful judgment of our committee which has lived with price control now for over 2 years.

Naturally there are those businessmen who, thinking of their own industries, would like to make changes which would benefit their own businesses. But they do not look at the problem as a whole, as we do. They do not realize how, if we singled them out for special treatment, it would affect the general picture.

Mr. Chairman, I urge the House not to adopt any amendments which will make it impossible to enforce the act and make probable a rise in the cost of living.

Mr. BROWN of Georgia. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. Mr. Chairman, I listened with a great deal of interest to the statement that has just been made, to the House by the gentleman from New Jersey [Mr. KEAN]. It seemed to illustrate the thing that has been in the minds of many of us that this debate over the extension of price control, not only in the House but in the committee, has proceeded, to a large extent, along nonpartisan lines.

I join the gentleman from New Jersey in the statement that this is a good bill, and I hope the House will accept it in substantially the form in which the committee has presented it to you. While there have been sharp differences of opinion between us, the two sides of the committee, we come to you in substantial agreement that the extension of price control is necessary in the war program, necessary for the maintenance of this country's economy. I think it is a splendid thing that we have disregarded partisan divisions when many of the real, fundamental, and crucial issues have been up for consideration.

I join my colleagues in tribute to the chairman of our committee, who has presided with such patience over these long deliberations. I also want to say a word in appreciation of the contribution that my friend from Michigan, the ranking member of the minority [Mr. WOLCOTT], has made. I think the gentleman from Michigan, with our chairman, is largely responsible for many of the best features of this bill.

I want to commend to you in that connection, and I hope this is not overemphasizing the nonpartisan character of the treatment that some of us are trying to give this problem, the cartoon that appears in the front page of the Evening Star. Sometimes a man who is skilled with the pen can do a better job than we speakers. Mr. Berryman has given us a cartoon here that seems to state very well the situation in which we find ourselves. Here is Uncle Sam reading the invasion news and here are the elephant and the donkey and industry and labor looking over his shoulder, and as he reads the news he says, "This is big enough to make all of us forget our own little troubles, isn't it?"

So we are confronted with the fundamental question as to whether or not we are going to have the controls that are necessary to prevent a ruinous inflation in America today. We should place petty differences in the background.

As some of you know, I come from a rural district; seven of the eight counties in my district being largely rural. I have been impressed by the fact that demands for drastic changes in the O. P. A. law have not come from farmers. There is an impression sometimes that the farmers are bristling with demands for sweeping changes in this law. That has not been my experience. I recognize that here and there some adjustments need to be made, and I have joined with my colleagues from rural sections in making first requests, and then sometimes demands, of the O. P. A. that administrative adjustments be made. But the farmers of my district have not insisted that their adjustments must come legislatively, and that is significant.

We are truly representing our farmers when we insist that they have a tremendous stake in the continuation of this law, with the changes that our committee has recommended to you. I say that in justice to the farmers. It is often overlooked that they do have a stake in price controls, because, of course, they are inclined to think, as we all are, in terms of producer interests. But the farmers are consumers as well, and any increase at all in the cost of living is going to bring hardship to them. The percentage of income that is devoted to the necessities of life is higher among farmers than among any other group of our population. So when we protect the farmer in the cost of clothing, and even against increases in prices of some foods, for he buys more than two and a half billion dollars' worth of food every year, we are doing him a service. The farmers in general, then, have not complained about what has been happening to the price structure in this war; I say, in general. Let us see what has happened. Look at the difference between the other war and this one. First, as to income: The national farm cash income totalled $19,750,000,000 in 1943, compared with $11,750,000,000 in 1941. The net income of the farmers of this country increased 21 percent in the First World War. But from 1939 to 1943 the net income of farmers increased 82 percent. That was in spite of the fact that the prices received by farmers went up 73 percent in the First World War and only 71 percent in this period between 1939 and 1943. But the prices that farmers paid rose 46 percent in the First World War and only 21 percent since 1939.

I come now to the measurement of production by the farmers, because I believe that in justification for what we have done for the farmers in the maintenance of the Commodity Credit Corporation and its policy of supporting commodity prices and in the protective features of the Price Control Act which I have mentioned, the farmer turned in the most impressive production of foodstuffs in the history of the world. In the First World War, there was a reduction of 1 percent in food production between 1914 and 1918. But it went up 19 percent between 1939 and 1943.

Cotton production was down 24 percent in the other World War. It increased 12 percent in the last 4 years.

Meat production went up 25 percent, which was an impressive increase in the other World War. But it has gone up even more—28 percent—in this war.

Dairy production was up a meager 4 percent in the First World War. But it rose 14 percent between 1939 and 1943.

Chicken and egg production did not increase in the First World War at all, but it has increased 20 percent during the present war.

Now, the share of the retail food dollar that the farmer gets is larger than at any time since 1919. It reached 58 percent in 1943, going up from 42 percent in 1942.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Texas.

Mr. PATMAN. Does the gentleman mean that the farmer receives 58 cents out of every dollar that the consumer pays for food?

Mr. HAYS. Yes.

Mr. PATMAN. That is interesting because I think that is the highest that the farmers have received in 20 years. There has been a great deal said about the farmer receiving more and more of the consumer's dollar. Of course, the figures that have been presented conclusively prove that is true. So this is making a long step in that direction.

Mr. HAYS. Yes; it is a step in the right direction. I pause to say however that there are some important exceptions, when you consider the farmer's other crops. We are inclined to say in the South that he has not received enough of the dollar that is spent for cotton goods, for example; and when he gets only thirteen and a fraction percent of the dollar that goes into a cotton shirt, we think there should be an increase.

I am saying that since foodstuffs is a large item in crop production and in his income, and since he is getting 58 percent of the retail dollar, he has no ground for complaint on that score. There are many adjustments to be made, but, may I repeat, they are administrative and not legislative. I concur in what the gentleman from New Jersey [Mr. KEAN] said regarding the distinction between the two types of relief.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. THOMAS of New Jersey. I am very much interested in what the gentleman has to say about the satisfaction of the farmers. I also come from a farming district, probably the largest farming district in New Jersey, and I have received more complaints from the farmers in my district than I have received from all other groups combined. The New Jersey farmer, as far as I know, is very dissatisfied with the administration—I will admit, the administration—of the O. P. A., and he has had many complaints. It has done the New Jersey farmer a lot of harm and put a great many of them out of business entirely. I hope we will do something in a legislative way that will help to correct some of these administrative ills in this O. P. A.

Mr. HAYS. I appreciate the comment of the gentleman. I think he would agree, however, that his colleague from New Jersey made an important point in saying we must not open the doors to other demands; that it is a very delicate problem and if we undertake to deal with all of the particular maladjustments, we may find ourselves in the same situation that the Congress once found itself with reference to freight rates and tariff schedules. We simply cannot legislate as to particular items on the floor of the House.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. I will tell the gentleman that if we do not legislate we will find that these bureaucrats, and some of them are right in the O. P. A., are going to run away with the barn as well as the horse. They have done a lot of harm and they are doing a lot of harm with this O. P. A. racket.

Mr. HAYS. The gentleman does not mean by that, surely, that O. P. A. is opposed to the farmers' welfare? I do not think he would make that general statement?

Mr. THOMAS of New Jersey. I will make this statement. There is no crazier agency in the Government today than the O. P. A. They can create more havoc than any other agency of Government have ever heard of and they have created more distrust in Government and they have done more to hurt the New Deal party than all the Democrats combined. They are going to defeat the gentleman's party at the polls.

Mr. HAYS. I am not interested in political success. I am talking now about the welfare of the farmers as related to the welfare of this country.

Does the gentleman in this indictment include the present Administrator of O. P. A.?

Mr. THOMAS of New Jersey. No; I think the present Administrator has been a great improvement over the one we had before. Certainly the one you started out with, this man Henderson, just about ruined it, and he ruined it also for the Administrators that followed. Of course, you cannot expect anything different. He is a typical New Deal crackpot.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from California.

Mr. HINSHAW. I represent a district which might be called a secondary agricultural district in that we have a very large amount of poultry production and, of course, the feeds that go into poultry production are the primary source of the agricultural output. Now the gentleman speaks of agriculture being benefited. I think if the gentleman would divide that as between primary agriculture and secondary agriculture, he would find primary agriculture has been largely benefited by receiving higher prices due to the parity formula that was introduced. The secondary industry being the poultry industry, has had to pay two and three times the price on the feed that goes into their part of the agricultural production. I think the gentleman ought to make a distinction between the two types.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield 3 additional minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. I think that is an important point and I thank the gentleman for making it. He will remember that he and I joined in support of a resolution to provide some relief for the poultry producers and the dairymen of this country, those who must buy feed.

Mr. HINSHAW. The gentleman is correct.

Mr. HAYS. The gentleman's comment shows that some of these conflicts are inside agriculture. In other words, it is not agriculture against industry. Agriculture has divisions within itself that have to be reconciled.

Let me say in conclusion since my time is limited, that the farmer has profited by price control. A previous Congress in an effort to do justice had given him price support assurances continuing by law for 2 years following the emergency. We must continue to assure him that the efforts he expends in producing food to feed our armies and the civilian population of this country and of our allies will be rewarded. He must also have the assurance that price controls will be maintained so that he will not lose what he has gained. I plead with the House to be cautious in making amendments to this bill. Let us protect the farmer but let us call upon him to make whatever sacrifices are necessary. We have asked both labor and industry to make them. The farmers are willing to make them. They have shown that they are willing to share in the sacrifices that are necessary to carry this war to a successful conclusion.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield the gentleman 2 additional minutes.

Will the gentleman yield to me?

Mr. HAYS. I yield.

Mr. BROWN of Georgia. The gentleman, I am sure, is in favor of the production of clothing for our Army and Navy at the production of low-price clothing for civilians.

Mr. HAYS. Yes; I am in favor of that.

Mr. BROWN of Georgia. The gentleman also knows that the Navy has recently called for 30,000,000 chambray shirts. The gentleman is in favor of obtaining those shirts?

Mr. HAYS. Yes, indeed. I might have something to say about the method in which that is to be provided; that it should be done without doing him a greater injustice, which would be the case if processors should undertake to capitalize the farmers' failure to secure parity in obtaining an unwarranted boost in their own prices.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. MONKIEWICZ].

Mr. MONKIEWICZ. Mr. Chairman, after almost 3 years of life, the Emergency Price Control Act and the so-called

Stabilization Act again come before us for action.

First of all, may I express my pleasure in the action of the House in voting down the previous question on the rule, and in accepting the amendment of the distinguished chairman of the Committee on Banking and Currency. I deem it an honor to be a member of this committee, and as a freshman it was a profitable opportunity for me, indeed, to sit in with the more-experienced members who had a thorough knowledge of this legislation, they having taken part in its origin. It was, indeed, a revelation to me to find the devotion with which the chairman and the ranking minority member and all of the members on both sides of the committee approached this problem. All were most generous in their effort and energy to this legislation.

I say this with no intention of casting any reflection upon the work of the members of the Smith committee, which everybody acknowledges to have been of great assistance to our committee in its consideration of these measures. The Smith report and the so-called Smith bill proposing amendments to these measures were given thorough study and examination.

The two acts in question have been the subject of controversy and have received the attention of the general public, I believe, more than any other piece of legislation. The operation of this law and its effects upon the lives of the people have been discussed upon this floor frequently. The numerous letters received by Members of Congress from constituents, the various complaints made in this Chamber, together with the report of the findings of the Smith committee and its suggestions, furnished the members of the committee with plenty of material for inquiry, investigation, and examination for any desired improvement of the law. There was absolutely no reason, therefore, why the Committee on Banking and Currency could not have been considered to be well prepared and qualified to meet the many problems presented by these two acts.

Curiously enough, while this legislation did receive attention and criticism to an extent that those who feared changes deemed it necessary to bring pressure upon the members of the committee to prevent changes, and while a great many varied industries sought to be released from the operation of this law, these acts were amended only in minor respects and no drastic—or, as some term them, "crippling"—amendments were adopted. In my opinion, most of the amendments adopted were only what might be called clarifying amendments, seeking to express more clearly and definitely the intent of the Congress.

Very early in the hearings it became quite evident that the law was not going to receive a so-called overhauling. An examination of both the Price Control Act and the Stabilization Act disclosed that both were broad and quite thorough; that their provisions were so constructed that very little change was necessary. The dispute, if any, was with the administration of the acts rather than with the acts themselves. Indeed, when some changes were proposed those who stood by the acts and opposed any changes, and even members of the agency itself, pointed out and argued that the end sought could be gained under the present wording of the acts, if the administration of them was steered in that direction. The purpose of the law is quite important and apparent. A most substantial number of our people agree that as an emergency measure in these times this law is very essential. Although I disagree with those who say that the sentiment is almost unanimous in favor of this law. Those who say so base their statements on some polls that were made and mail that they received. I, for one, have received some mail urging the absolute repeal of this law and advising that this country would be better off by returning to the law of supply and demand. Indeed, I would caution that it would not take much to arouse the sentiments of the whole country overwhelmingly against this law. I am willing to state that if the people of our country should become suspicious that by this law their method of living was in danger, or that revolutionary steps were being made to affect business permanently, much commotion and great consternation would result and a demand for an immediate repeal of the law would follow. If it appeared that the law operated in a manner that prices were affected by profit and that an emasculation of our business methods was in progress, this law would receive universal condemnation. Under our system we have always encouraged efficiency. Experience shows us that the progress of our country owes most of its success to efficiency and any theory creeping into our lives tending to destroy or discourage this philosophy would undermine the very foundation of our existence.

It is necessary, therefore, to remind ourselves constantly why we did and why we are extending this law. We must destroy any effort on the part of anyone to retain this law after the need for it expires. And may I issue the warning that even now if there appeared any tendency to perpetuate any of the operations of this law it would produce immediate disregard and disrespect for it.

Much concern, of course, was furnished by the situation created by rent control. The law to a certain extent operates in favor of the bullish real-estate manipulators who took advantage of the situation by raising prices before the law went into effect. The owner of residential property, the elderly couple, the widows and orphans who depended upon real estate as a means of livelihood were the ones who shared the troubles of their tenants during hard times and did not immediately raise prices when people began going back to work. They were left holding the bag. It is hoped that with the amendments adopted in committee and with a more liberal administration of the act, many of the injustices might be corrected. The provisions for individual adjustments in cases where the rent on the maximum rent date for any housing accommodation is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the area or comparable housing accommodations, if conscientiously administered, is a great improvement to the Price Control Act. Likewise, the amendment which will provide the Administrator with a pattern for abolishing or reestablishing defense rental areas is an important addition to the law.

There was much evidence furnished the committee that in some respects the operation of the acts has been improved upon. The history of the O. P. A. shows that within its brief existence three different Administrators have had an opportunity to apply their respective ideas and methods. Undoubtedly there must have been very many difficulties in setting up the organization originally and undoubtedly a great many problems had to be overcome. No one can question the fact that the novelty of this law created many obstacles, which were overcome. But it appears that there have been a great many mistakes made—many of them very bad. Some of the injustices were corrected, but a great many of the difficulties still remain. A lion's share of thanks for any success of the operation of the Price Control Act must be expressed to the many loyal patriotic people who serve on local ration boards. These people devote most of their spare time to a responsibility which is thankless and for which they receive no compensation whatever. It is these people who come in direct contact with the consumer and who suffered much abuse while the people were becoming accustomed to the adjustments necessitated by the law.

I have made it my business to write to every one of the chairmen of the local boards in my State seeking information from them regarding possible improvements in the operation of the law. Answers to these letters were quite revealing; some very valuable suggestions were provided and I have inserted some of these letters into the minutes of the hearings.

Among the most prominent of the complaints were those directed to the orders and regulations issued by the Administrator in dealing with rationing. These regulations are so written that an ordinary person is in no position to decipher them without the aid of a staff of experts engaged in research work to chase down the sections of the law and paragraphs of various orders and regulations previously issued by the Administrator. I have been told that when information was sought at district headquarters, the meaning of the regulations was not available for some time and quite frequently by the time the answer was received, a new order or regulation appeared in just as complicated form rescinding the previous one and substituting new provisions. This created much confusion and uncertainty. It placed many people in danger of being accused of a violation of the law and while they could be found guilty only of a willful violation they were nevertheless placed in jeopardy of prosecution.

Mr. Chairman, I have seen some of these regulations and they have the semblance of something written in code. In fact, when I read one of them to the

Administrator he admitted that he was embarrassed.

This situation has led to a practice which seems to have solved the problem for the present at least. Certain distributors and wholesalers have assumed the responsibility of decoding these regulations and translating them into what is known as trade language. Much credit must go to the resourcefulness of these people because they not only improved the conduct of their business in their relations with their buyers and retailers, but they actually performed a function of the O. P. A. by giving people something by which they could be guided. This also presents its difficulties, however, because not everyone understands trade language and even these translations may be misinterpreted by people unaccustomed to trade terminology. It has become customary by most local boards to depend upon these translations instead of trying to decipher the regulations. I have found that this procedure has been approved by the Administrator, but that it has no official standing so that any errors made are at the risk of the ones who make them.

Mr. Chairman, I introduced a resolution seeking to have these regulations written in plain, simple, understandable English language. I offered my resolution in committee as an amendment to the act. My amendment was turned down by the committee and I shall not offer it here in view of the objections made to legislate in this form and in view of the fact that since I introduced this resolution much improvement in the writing of these regulations developed and the Administrator has promised that further efforts to correct these difficulties will be made.

In view of the very many new problems that this law presented dealing with the everyday lives of our people, I think that our committee used good judgment and wisdom in providing that the Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House of Representatives shall be authorized to conduct investigations as a whole or by subcommittee and report from time to time to the Senate and the House of Representatives of the results of such investigations. This amendment may prevent any serious departure from the intent of Congress because it makes the administration of the law subject to a constant check of that body which created and extended it. Perhaps some argument might be advanced that this is an interweaving of the responsibilities of the legislative and administrative bodies of our Government. But since this is a law instituted only for an emergency period, such argument may well be withheld.

Mr. BROWN of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. GAMBLE] to use as he may see fit.

Mr. GAMBLE. I thank the gentleman very much. I now yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, in view of the fact that those in charge of this bill have denied time to some of us who have worked off and on over a 15-month period and who wanted to present amendments to take care of some of the wrongs of which our constituents complain, and in view of the fact that although the gentleman from New Jersey [Mr. HARTLEY] has spent something like 15 months on a committee which has conducted hearings on this same matter, has been given only 15 minutes, I am going to yield back my 10 minutes so that the gentleman from New Jersey may have that time.

The CHAIRMAN. The gentleman from Michigan yields back 9 minutes of his time.

Mr. GAMBLE. Mr. Chairman, I now yield 24 minutes to the gentleman from New Jersey [Mr. HARTLEY].

Mr. HARTLEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman may, without objection, have permission to revise and extend his own remarks but permission to include anything else will have to be obtained in the House.

There was no objection.

Mr. HARTLEY. Mr. Chairman, due to the fact that I hope to cover quite a bit of ground I am going to decline to yield until I have finished my statement.

Mr. Chairman, I quite agree with the gentleman from Arkansas [Mr. HAYS] that the farmers of this Nation are willing to make whatever sacrifice is necessary in the effort to win the war. That is true of all the American people. We are all willing to make whatever sacrifice is necessary in the effort to win the war. But by the same token the American people, and we as their representatives in the Congress, have a right to complain of and a duty to try to correct any hardship or any suffering that is the result of incompetence, inefficiency, and plain downright cussedness on the part of executive agencies here in Washington.

Approximately 15 months ago this House by resolution appointed a select committee to investigate complaints of abuses of authority on the part of executive agencies. Within 1 month after the creation of that committee we had received over 1,400 bona fide complaints and inasmuch as most of them concerned the Office of Price Administration, we started our investigation there.

We first investigated the O. P. A. administration of rent control, and we found that they had violated not only established customs in private business but that they had violated established Federal practices, practices of other Federal agencies as well. We found that they had interfered with leases that had been in effect for years. I will mention one in particular on the west coast. There was a lease in effect which provided that the occupants of an apartment house could not keep pets. Several of the tenants kept dogs and cats and so forth. The owner of the apartment house tried to obtain an eviction. It was a part of the lease that there was a prohibition against the keeping of pets in the house. The O. P. A. said, "We will permit you to obtain an eviction only if you prove that the dog is damaging the property; secondly, if you can prove it is objectionable to all the rest of the tenants; and third, if you can prove that it is not house-broken." How the landlord would prove the latter without producing the corpus delicti is beyond me.

We further found that by a series of radio broadcasts and so forth, rent control was being administered as though it had been written solely for the tenant, and a deliberate attempt was made by the rent control division to incite the tenant against the landlord.

We found, too, that rather vigorous methods were used by the enforcement division. I am going to read this letter rather rapidly because it is lengthy and I do not want to take up too much time, but here is a letter that was sent out by the enforcement agent to hound a woman who happened to violate one of the rent control ceilings. In this letter he said:

Pick up all original ledger sheets from former owner, Marie Laechelt, 1950 Caroline Avenue (234 East Fifth Street, care of Art's Restaurant) showing rent collected on each apartment from February 1, 1942, until December 1942 (when property was sold). In the event Laechelt has destroyed her books secure affidavit from her regarding the rent collected on each apartment by her on February 1 and March 1, 1942, and from whom; also rent collected on December 1, 1942, and the name of the tenant in occupancy in December when property was sold to Mrs. E. N. Brunner. Check with Laechelt and find out if the rental also included garage, or was garage rented separately.

Call on Chester C. Sudbrack, real-estate operator and rental agent for subject property, and check his books for rent collected on this property from December until present time; where rent was raised on any apartment direct or through the taking away of the use of garage; secure original ledger sheet showing the month when raise took place and all subsequent months raised rent was collected.

Find out nature of agency between Mrs. E. N. Brunner and Sudbrack, ascertain if it is a general agency with full authority or a limited agency, whereby Mrs. E. N. Brunner must O. K. any raise in rents, repairs, etc. Does this agent have an agency contract with subject in writing or a verbal contract? Obtain all pertinent information regarding Sudbrack—age, family, standing in real estate board, any and all information regarding his character, etc. Does Agent Sudbrack forward Mrs. E. N. Brunner monthly statements showing rents collected, and amounts, less repairs? If so, obtain originals from Mrs. E. N. Brunner, and copies from agent. (If copies only secured, check with books for accuracy and have Sudbrack initial same). In the event Sudbrack will not produce and give up original ledger sheets, contracts, etc., make copies from his books, compare copies in his presence and have him initial same, showing that copies are exact copies taken from his books.

Call on Mrs. E. N. Brunner, 2618 Vine Street, Cincinnati, Ohio. Find out when she purchased subject property, what other property she owns, here or elsewhere, pick up or make copies of all rental statements in connection with subject property. Pick up or make copies of all ledger accounts, etc., in connection with this apartment house or any other apartment or housing accommodation owned by subject that you find are renting now for more than rental on March 1, 1942. Be sure and have Mrs. Brunner initial all copies that you make and press upon her to keep same intact for future surveillance by this office.

When did she first learn of the regulations concerning rents in this defense-rental area; how were these regulations brought to her attention—newspaper, radio, personal contact with rent office or otherwise? Ascertain why rents were not reduced upon her learning of regulations, and refund made to tenants of all rent collected by her or her agent since effective date of the act, as provided in regulation, November 1, 1942. Is she a willful violator or misinformed by her agent or attorney?

Where does she work; who is her immediate employer; how long has she worked in present employment; is she married, widow, or single; if married has she any children, and how many, and what sex? Is she native of Cincinnati; who was or is her father or mother, names of all sisters and brothers?

Procure, if possible, any other violations from a check of the books of agent Sudbrack, check books in his office and determine if he has collected rents in excess of March 1 levels on any other properties. If so, obtain all pertinent information from his records, such as name of owner, location of property, name of tenant, original ledger account or copies (initialed).

And listen to this, the last paragraph of the instructions:

You are to confine your investigation insofar as possible to the information asked for in the memorandum. Report in detail and await further instructions.

We had case after case, of course, called to our attention where owners of property who had made prudent investments were losing their property because their costs had risen but their ceilings had not been changed. You may wonder why such conditions exist, but they will continue to exist unless we modify this rent-control section.

Mr. ROLPH. Mr. Chairman, will the gentleman yield before he leaves rent control?

Mr. HARTLEY. I yield.

Mr. ROLPH. I want to compliment the gentleman for the very effective work he and his committee did in developing this rent data. I want to thank him for the opportunity of appearing before his committee and setting forth some very interesting cases.

Mr. HARTLEY. I appreciate the gentleman's expression and want to thank him for cooperating with our committee.

Mr. HOFFMAN. Would it not be nice to have the committee put something in there amending the law to prevent that thing?

Mr. HARTLEY. We will propose an amendment which will give us real rent control—which will, in fact, strengthen it.

Mr. HOFFMAN. But to do that the gentleman will need the support of the gentleman from California and a great many others.

Mr. HARTLEY. Yes.

Mr. GAMBLE. Mr. Chairman, if the gentleman will yield I might say that the gentleman from California offered that amendment in the committee but was defeated.

Mr. HARTLEY. I am glad the gentleman did and want to compliment him for having done so.

Mr. ROLPH. I am always pleased to propose and support helpful legislation.

Mr. HARTLEY. I want to tell you why these conditions exist; I want to read to you—and this document I have in my hand is the official transcript of the testimony taken before our committee—I want to read to you from a book written by Prof. Tom Tippett. You may have the impression that Mr. Ivan Carson who has had experience in the real-estate field is the real rent administrator, but he is not. The man who actually runs the show in the rent-control office of the Price Administration is Director of Personnel, Prof. Tom Tippett, formerly of Brookwood Labor College, who hires and fires every rent director in the United States. I want to read to you Professor Tippett's conception of the Constitution of the United States. He wrote:

We have often been told that the men who started this Government were wonderful, all-wise men, who were acting for the good of all the people forever after. We are often told that the United States Government is perfect and is equally fair to all. But as a matter of fact, the men who started the United States Government, although they were able leaders, were also property owners.

Now, is not that just too bad. Let me read further from Professor Tippett's book. He said:

We said before, the men who wrote this Constitution did not do a very good job, but as we said before, they were not drawing up a Constitution for the welfare of the people as a whole. They were trying to set up a government which would protect their interests as property owners.

I ask you—or I will make a positive statement: That in my opinion any man holding such a conception of the Constitution of the United States not only should not be in control of the Rent Division but he should not have any position on the pay roll of the Government of the United States.

Now I want to turn from rent control to the Gasoline Section of O. P. A., and once again I want to remind you that it was under the head of a personable young man of 33 years of age, college professor Dr. Phillips. I have no animosity toward this young man. He has since been boosted into the position formerly occupied by Col. Bryan Houston; but here is a young man administering gas rationing with totally no experience whatesoever in either the petroleum or automotive field and little if any practical business experience in any other field.

I want to turn from him to the Textile Division. There was a regulation written concerning the woolen industry, which had a very adverse effect on the largest woolen mill in the United States. I may say that 90 percent of its business was with the Military Establishment. Their only civilian contract was that of a jobbing business which they had built up. The effect of the regulation was that they had to run it at a loss of $300,000 a year or be put out of that business. They appealed to O. P. A. and O. P. A. said: "You can absorb that $300,000 loss in the balance of your business; that will just be a casualty of the war."

They came before our committee and we called the Textile Division in. It was headed by a professor, a Dr. Haley, who has since been kicked upstairs, under the Dirksen amendment they kicked him upstairs—they get them out, then they kick them upstairs. We called in Dr. Haley of the Textile Division and asked him who wrote this regulation that had this baneful effect on this company. After a lot of pulling and hauling and digging around it finally developed that it had been written by a 23-year-old boy only 2 years out of college whose only previous job was that of a stockroom clerk at 50 cents an hour, who came to O. P. A. at $1,440 a year and who within a year by some method that has never been satisfactorily explained was getting $4,200 and carried the title of "economist."

Mr. VURSELL. Mr. Chairman, will the gentleman yield at that point?

Mr. HARTLEY. I shall be pleased to.

Mr. VURSELL. I wonder if he was not one of the "indispensable" young men.

Mr. HARTLEY. You would be surprised how many of these men are called indispensable to the war effort. I for one am of the opinion they would be doing a far better job if they were in uniform.

I want to turn now from the professors to the legal talent we find in O. P. A. Do you think they are men of experience, of years of training before the courts of this land? Not the ones we have come in contact with during the course of this investigation. Most of them are young whippersnappers who hopped right from law school onto the Federal pay roll, few having practiced in the courts of the country. These youngsters are the ones who are writing the regulations that have businessmen tearing their hair out all over the United States. We called some of them before the committee. We asked what their authority was for this legislation. They said: "We have that right under section 2A." Then we found another document and asked them if that was the regulation and they said: "No; this is an interpretation of the regulation under that statute." The gentleman from Virginia [Mr. SMITH] then asked: "Why do you not write your regulations so they will not need interpretation?" So then we came to another form and we asked whether or not that was a regulation or an interpretation and they said: "No; this is a memorandum of the interpretation of the regulation under the statute."

Did that finish it? Not at all. We found something else and asked whether this was an interpretation or a memorandum, and the witness said, "No; this is a comment on the memorandum of the interpretation of the regulation under the statute."

Let me remind you that the Declaration of Independence was written in 1,321 words; the creation of the world was told in the Book of Genesis in 400 words. The world's greatest moral code, the Ten Commandments, required but 299 words. Lincoln's Gettysburg Address required 266 words. But it required on the part of the Office of Price Administration 2,500 words to write a regulation telling the bakers of the country how to bake fruit cake, and after the regulation was sent out there was not a baker in the United States who could bake a fruit cake

under it. They came down here and complained. They asked, "Will you shorten it up and make it brief? Will you simplify it for us?" Well, they did shorten it. I will leave it to you whether they simplified it or not. This is amendment 7 to maximum price 319:

All commodities listed in appendix A are those known to the trade as such excepting therefrom such thereof, if any, while subject to another regulation.

Now, go out and bake yourself a fruit cake.

Oh, do you think that is all? Suppose you were in the restaurant business and you wanted to get a regulation for example to cover pork chops, or roasts for lunch. Here is the Federal Register, page 101, of Tuesday, January 4, 1944:

Example: A weekday roast pork dinner would be in a different class from a weekday roast pork lunch or a Sunday roast pork dinner or a weekday vegetable plate dinner, but would be in the same class as a weekday pork chop dinner.

Now, I want to turn to mashed potatoes and I do not know whether this is the first or second helping. Here is what they say about mashed potatoes:

Example: Mashed potatoes offered à la carte for weekday lunches would be in the same class of food items as potatoes au gratin offered à la carte for weekday lunches, but would be in a different class than mashed potatoes offered à la carte for weekday dinners or Sunday suppers or in connection with other meal menus if during the base period they were customarily distinguished in price or otherwise.

Mr. Chairman, this is amusing, true, and others can be cited, my goodness, some wonderful gags can be written around these things. There is a serious side to this. I want to remind you that during the life of the price-control law the Congress has written a total of 522 public laws. During that same period the Office of Price Administration has written a total of 3,196 rules, regulations, memoranda, whatever they may be, all of which carry the effect of law. That is a mighty dangerous situation. It is usurpation of the legislative functions of this Government.

I recognize, as the gentleman from New Jersey [Mr. THOMAS] stated a while ago, that there has been some improvement in O. P. A. Mr. Bowles, in my opinion, is a marked improvement over the original Administrator, but may I say to the House this afternoon that even though Mr. Bowles has brought some businessmen into O. P. A., the Leon Henderson clique still rules O. P. A.

Let me give you an example of that. You might have read recently of the resignation of Col. Bryan Houston, a man with years of experience in the petroleum industry, who was head of rationing down there. But the enforcement boys, the attorneys, were taking over the business of rationing as well as their job of enforcement. Who was it that forced Colonel Houston out? It was Isador Polier, enforcement attorney. Mr. Polier was a member of the International Juridical Association and who, back in 1925, wrote to our colleague, the distinguished majority leader, then investigating un-American activities, the following:

We desire to express to your committee investigating un-American activities, our disapproval of the use of the power of the Federal Government to suppress so-called radical propaganda.

We wish to go on record specifically as opposed (1) to the proposal to bar from the mails all publications of Communist origin; and (2) to strengthen already too severe immigration and deportation laws so as to render Communists deportable as such; and (3) to the proposal to enact a Federal sedition statute under which mere opinions, beliefs, or utterances could be penalized.

Let me read to you from the preamble to the constitution of the American section of the International Juridical Association:

Present America offers the example of a country discarding traditions of liberty and freedom and substituting legislative, administrative, and judicial tyranny. This country, once known to the world as the haven of refuge of oppressed peoples, now excludes, or deports, those daring to voice unpopular opinions; with a Constitution supposed to protect freedom of expression, it now persecutes and imprisons its political dissenters.

Mr. Chairman, that is the type of influence you find down there in O. P. A. and the type of influence I am unwilling to allow to go on without providing some restrictions.

Mr. Chairman, let me tell you that we examined a memorandum that passed between the former chief counsel of O. P. A. and the chief economist, in which it was admitted that they were going to use the price-control machinery not merely to control inflation and prices as such but to control profits as such.

It is my opinion that there is a widespread infiltration of that school of thought which believes in production for use and not for profit. They do not believe in the parliamentary system of government. They believe our courts are outmoded, and that is why they do not want to give the private citizen the right to go into the courts of this land.

What are we going to do about it? I say that this House ought to have the courage to permit a citizen to go into court and to take O. P. A. into court just as O. P. A. can take him into court. It has been suggested that such right would permit of a variety of decisions and would permit all sorts of chaos to develop. Let me remind you that the amendment on court review that we are proposing provides that the order of the Administrator will not be stayed until the issue is finally determined in the highest court; so the argument opposed to our amendment falls of its own weight.

What else do we want to do? We want to provide relief in hardship cases, and when I say relief, I mean real relief, and not leave it up to the discretion of the Office of Price Administration. We want to give the average citizen the right to go to O. P. A. and where he has made a prudent investment, where he is operating efficiently, and where his costs have risen so that he has to operate at a loss, he shall be given relief. Is there anything unfair about that?

There is another proposal that we are going to offer and that has to do with the so-called high-priced-line limitation. I propose to offer an amendment to eliminate this high-priced-line limitation. What does that regulation of O. P. A. do? Well, for example, if the gentleman from New Jersey is in the dress-goods business and during the base period he never sold a cotton dress for more than $2, today he cannot sell a cotton dress for more than $2. But if the gentleman from Ohio who operates a higher-priced store, with more exclusive dresses, sold some cotton dresses during the base period for $5, he may today sell those dresses for $3.98, whereas the gentleman from New Jersey is not permitted to sell them for $2.98.

The regulation is in itself inflationary and we propose to correct it. It does not interfere with price ceilings whatever. It will simply give the low-price concern a chance to go out into the competitive market and do business. I hope the House will stand up and answer the complaints of the American people and get some equity into price control.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I enjoyed, as I know all of you did, the speech of the gentleman who has just addressed us. In fact, I wish we could hear more about these regulations in reference to fruit cake and perhaps many other statements, regulations, interpretations, or memoranda that have been issued. I expect that others, sitting in criticism of the acts of Congress, would be able to point their finger at almost as many ambiguities, hard-to-understand phrases, and legalistic paragraphs as we could point to in the regulations involving highly technical subjects that must be passed out to the trade in this most complicated and complex economic machinery of ours.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-eight Members are present; not a quorum. The Clerk will call the roll.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 83]

Abernethy	Fitzpatrick	Lynch
Allen, Ill.	Fogarty	McCord
Andrews, Ala.	Forand	McMurray
Andrews, N. Y.	Ford	Magnuson
Arends	Fulbright	Maloney
Baldwin, Md.	Fuller	Marcantonio
Bennett, Mich.	Furlong	Martin, Iowa
Bland	Gallagher	Mason
Bloom	Gibson	Merritt
Boren	Gifford	Merrow
Buckley	Gilchrist	Miller, Mo.
Burdick	Granger	Monkiewicz
Byrne	Green	Mundt
Cannon, Fla.	Harris, Va.	Murphy
Carter	Heidinger	Murray, Tenn.
Chapman	Holmes, Mass.	Newsome
Clark	Howell	O'Brien, Ill.
Courtney	Johnson,	O'Brien, N. Y.
Curtis	Calvin D.	O'Connor
Davis	Kefauver	O'Hara
Dewey	Kelley	O'Neal
Dickstein	Kilburn	Pace
Dies	King	Peterson, Ga.
Dingell	Kleberg	Philbin
Dondero	Klein	Ploeser
Ellison, Md.	Lea	Plumley
Engel, Mich.	Lewis	Ramspeck
Fay	Luce	Randolph

Robinson, Utah	Stanley	Vincent, Ky.
Rolfbough	Starnes, Ala.	Vinson, Ga.
Sadowski	Stearns, N. H.	Welchel, Ohio
Satterfield	Stewart	Weiss
Schiffler	Stockman	West
Short	Sullivan	Whelchel, Ga.
Sikes	Tarver	White
Simpson, Pa.	Taylor	Whitten
Smith, W. Va.	Treadway	Woodruff, Mich.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union reported that that Committee having under consideration the bill (H. R. 4941), and finding itself without a quorum, had directed the roll to be called, when 316 Members answered to their names, disclosing that a quorum was present, and he submitted herewith the names of the absentees to be spread upon the journal.

The SPEAKER. The Committee will resume its sitting.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MONRONEY] is recognized.

Mr. MONRONEY. Mr. Chairman, I want to apologize to those of you who were called at this late hour to hear me talk, and to assure you that the quorum call was not made at my request or at my desire.

At the time the quorum call was made I was mentioning the fact that the distinguished gentleman from New Jersey [Mr. HARTLEY] had spent considerable time before this House in one of the most entertaining talks I have ever heard on the floor. He discussed at great length the regulation prepared by the O. P. A. determining how to make fruit cake.

ENJOYED PRESENTATION

I enjoyed this and I know the members of the committee enjoyed it. But I do believe we could pick out many, many sections of legislation passed by this House, involving transportation, taxation, judicial procedure, and other things that are almost as difficult to understand and that appear almost as ludicrous as do these highly technical regulations which mean something to men of experience in that technical line as the O. P. A. prepares them.

The gentleman from New Jersey [Mr. HARTLEY] was spending a great deal of time discussing the personnel of the O. P. A. On that score I would like to take up this discussion a little further and, thanks to this intermission, I have had a chance to check some of the statements made on the floor. The gentleman from New Jersey [Mr. HARTLEY] said that Dr. Haley, former Director of the Textile Price Division, had been kicked upstairs after Congress adopted the "college professor amendment." This is an error, I am informed, because Dr. Haley has left the employment of the O. P. A. and is no longer employed in any branch or in any capacity there.

COLONEL HOUSTON CASE

The gentleman from New Jersey [Mr. HARTLEY] also made the direct charge that Col. Bryan Houston, in charge of the Gasoline Rationing Division of O. P. A. had been removed because of the desire of some attorney in the rationing section, whose name I cannot recall, allegedly with certain tendencies not compatible with this Government, to force him to leave the Office of Price Administration.

I would like to read a portion of a letter signed on May 31, by Col. Bryan Houston:

I am informed that Mr. HARTLEY of New Jersey has stated before your committee—

This was before the Committee on Interstate and Foreign Commerce of this House—

that I was forced out of Office of Price Administration. The fact is that I left that office in response to War Department orders, which were issued in spite of Mr. Bowles' request that I remain with his organization. I recommend the appointment of Dr. Charles S. Phillips as my successor.

CAN TRUST WAR DEPARTMENT

I do not believe any of us would suspect for a minute, and the facts in the case show the ridiculousness of this charge, that any allegedly communistic attorney could have any influence on our great War Department in ordering this valuable officer back to duty.

So I presume we must let most of these charges stand on the proof that is offered.

I do not know Professor Tippett who was mentioned as having charge of the selection of rent-control administrators throughout the Nation. He was charged with strange ideas of government. But I do know that in my State someone in O. P. A. has picked some mighty good members of the Rotary Club and other civic clubs to run that office of rent control, and the endorsements by leading citizens of these men have proven the wisdom of most of those selections in my section.

So if we are going to consider price control on the basis of attacks of this kind I believe we are going to wind up by riddling our act.

JOB MOST DIFFICULT

I do not believe it is possible for any organization that is set up in a short period of time, that is pioneering in a brand-new field, a field that is the most difficult in the world to understand, could be perfect.

We knew, Mr. Chairman, that we could not collect any set of brains in Washington that would be big enough or all-knowing enough to run this economy of ours. That is the reason why you and I and all Members of Congress have insisted that the Government could not run our economy.

But then when we found ourselves forced because of the exigencies of war, forced because in the history of this Nation in every war we have ever been engaged, we have suffered from devastating inflation; when we see ourselves faced with this condition that we know will happen if we do not do something about it—then is it unreasonable to expect that the very thing that you and I knew would happen did happen?

CANNOT WORK SMOOTHLY

We knew they could not run this Nation's economy smoothly and it has worked out like we knew it would work out. We have had 2 long difficult years under men who were not as efficient, who were not completely in sympathy with making price control work smoothly and effectively, but gradually out of lack of experience has come experience; gradually out of an abuse of power has come an understanding and cooperation with business.

Almost every witness. and at this time I do not recall a single one who did not, who appeared before our committee was asked if he thought Chester Bowles had done a good job, and the answer almost unanimously—as I say I cannot remember a single dissent—was: "Yes; he has done a fine job; he has improved the administration and the working of this office a thousand percent."

RENEWS CONFUSION

But here we are faced now with taking a law that business and the public and the O. P. A., if you please, has learned to live with—they have issued thousands of necessary regulations under it, the people affected by it; business all the way from the manufacturer down to the little corner grocer has finally gotten over this terrible dislocation of trying to digest and understand and meet the errors, the mistakes, the lack of know-how that occurred during the time we were trying to get used to making price control work.

ASKED TO TEAR DOWN

But here now before the House of Representatives we are asked to tear down that law, practically tear it up, the law that has worked so effectively, the law that industry and Government has learned to work with, tear it up and place into the law amendments and put around the neck of business something that no Member of this House, no matter how they have studied this question, can say how it will work.

The committee has, I feel, recommended some very fair and fine amendments. I am not completely in sympathy with all of them, but I will say that the members of this committee after 40 days of morning and afternoon study considered these in the light of two things: One, what effect will it have upon maintaining our stabilization program; and, two, what effect will it have on industry?

CAN STABILIZE PRICES

When we got through we had the bill amended to the point, I believe, where O. P. A. can live with the bill and keep their program of stabilization; and I feel that industry will find themselves very well pleased with the amendments that we have written into the bill.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I will yield when I complete my statement; I hope the gentleman will not insist.

Are we now, during a time when the European invasion has just started, when the war has reached its climax, going

to tear up and knock out the foundations and the cornerstones of a system that has held the line against price increases during a most difficult year in our war history, a year when governmental expenditures exceeded $90,000,000,000 largely for war?

DO NOT DARE EXPERIMENT

I do not believe we dare experiment and change a system that has proven useful; for if you do, bear in mind as we make these changes, if we should make that mistake, you will meet not only the complaints of the consumers whose costs of living will be moved up almost overnight, but you will meet again thousands of complaints of business unfamiliar with regulations that must be changed. Bear in mind, if you change a paragraph number of the regulation that means many new regulations have to be issued.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman from Oklahoma 3 additional minutes.

Mr. VURSELL. Mr. Chairman, will the gentleman yield now?

Mr. MONRONEY. I have taken but 15 minutes out of 9 hours' debate, and I did not interrupt any person on the other side of the aisle. I hope the gentleman will let me finish my statement.

As I was saying, we must take the responsibility of the dislocation that will occur by forcing thousands of new price orders simply because we have changed the number of a section or because we may have changed a small bit of language in this bill.

So the smart thing to do if you do not want to cause dislocation in industry, if you do not want to run up the cost of living of people who have learned to live under this is to pass the act as nearly intact as you feel people can live under it.

I do not believe this House intentionally wants to weaken price control. Every witness who appeared before the committee said he wanted price control continued but; and there was always the "but"—"our price is not quite high enough; this regulation is too restricted." Over 200 amendments were brought before the committee. If you knock holes in this Price Control Act to take care of every ache and pain in our economy you are not going to have price control.

BUSINESS NEVER SERENE

I am a small businessman. In my 15 years of business experience I can never remember a time when my path as a businessman was a bed of roses. It is true I did not have Government setting my price ceilings, but I had Sears and Roebuck setting my price ceilings. The apartment owners who are today complaining against certain rent ceilings never had Government setting rent ceilings, but they had a hundred or a thousand vacant apartments setting their rent ceilings.

Yes; business has always had price ceilings that were set by the law of competition, and now because of a war boom in many defense areas, because of war requirements that have sucked away from civilian supply necessary equipment and necessary materials to make civilian supply, those restrictions of competition have to be supplanted by artificial controls which we know as price control.

I say it would be a great injustice materially to damage this act and I believe that we as intelligent Members of this House ought to apply to any complaint that is made against price control the test offered by this simple gag that has been so often repeated: "There is nothing the matter with price control that a 10-percent increase will not correct."

If the complaint falls within that bracket, and a great many of these complaints do, then you may be sure that the amendment is a price-increasing amendment.

This is no time to raise prices, because if you raise them on one thing you are going to open gates. You cannot let through your own little lamb that is waiting on the other side, but the whole flock is going to stampede through. Our economy is like a jigsaw puzzle; it is difficult, it is interlocked, it is the most complicated machine in all history. If you enlarge one little piece of this jigsaw puzzle by 10 or 15 percent it will not fit back into the economy of the country unless you enlarge the rest of the jigsaw puzzle proportionately.

CORRECTS ADMINISTRATIVE ILLS

We have tried to answer most of the complaints that were made before the committee and I might say that about 95 percent of the complaints were of administrative matters purely. If we had written into the law every request to correct administrative difficulties we would have had a law much larger than the New York Sunday Times; but we realized that no good law could be passed that bad administration would not ruin, and that no bad law could be passed that good administration would not improve. Because we are delegating a vast power to a governmental agency to make rules and regulations and set prices having the force and effect of law, we provided in this act that the two Houses of Congress that have studied this question for over 3 years should continue to study it, should continue to investigate the activities of O. P. A. and of the effectiveness of the stabilization program. Thus these committees that have the right to report to this House remedial legislation if these things are not corrected, continue as the people's representatives, and to insist on not only adequate price control but to prevent abuses of authority or any deviation from their legal authority.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KUNKEL].

Mr. KUNKEL. Mr. Chairman, we spent a great deal of time in our committee trying to work out a satisfactory extension of the Price Control Act. I doubt very much if the bill that we brought in satisfies everybody in the Congress, but, in my opinion, if the thing is studied carefully and if it is given the same amount of thought that we gave in committee, it will be found that this is the very best bill that could be brought out. You might have some exceptions to this, for that, or for the other thing, but we might absolutely disrupt price control if we adopted the exceptions. We avoided that error.

Mr. Chairman, we tried to make this bill one that would keep ceilings on prices, one that would prevent prices from rising, and one that would be fair and equitable to everybody in the United States.

There were a number of amendments proposed in the committee for which different industries and organizations throughout the country argued, but I voted against them. I admit that very frankly. I have no hesitancy in saying it publicly on the floor. I voted against them. Why? Simply because if you open this thing up you are going to destroy price control and I do not want to see this done. I want it continued.

Mr. Chairman, I ask the membership of the House to support this bill 100 percent; I ask the Members of the House to stand back of the committee. We have reported this bill by practically a unanimous vote and I should like to see all Members of the House stand back of the judgment of the committee which devoted 2½ months of serious study to this problem.

Mr. Chairman, Members may have some ideas, I might have some ideas; there may be things I would like to see added to the bill, there may be some things I would like to see taken from it; but by and large, as I stated before, this is one of the best bills ever brought before the Congress by a legislative committee of the House. Our distinguished chairman, our minority leader, the majority of the Republicans, and the majority of the Democrats are back of this bill. If we start ripping it to pieces by adding amendments, price control will be destroyed. Therefore, as one member of the Committee on Banking and Currency I shall oppose any amendments, whether I think they are beneficial, whether I think the people have made out a case for them or whether I do not, because we have a good bill. The only exceptions will be the amendments to be offered by the gentleman from Michigan [Mr. WOLCOTT], whose theory on this is the same as mine. I want to get this bill through in the manner it was introduced, in the manner in which the Banking and Currency Committee has reported it.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. KUNKEL. I yield to the distinguished gentleman from Texas, chairman of the Judiciary Committee.

Mr. SUMNERS of Texas. Does the gentleman not feel that in connection with the work done by his committee and the administrative officers that you have established a sort of common understanding between the legislative agency and

the administrative agency with reference to this subject?

Mr. KUNKEL. I may say to the gentleman that we expect to do that under the amendment proposed by the gentleman from Oklahoma [Mr. MONRONEY].

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KUNKEL. Mr. Chairman, if we have not done that under the amendment proposed by the gentleman from Oklahoma [Mr. MONRONEY], which permits the Banking and Currency Committee of the House and the Banking and Currency Committee of the Senate, or any subcommittee that these committees may see fit to establish, we certainly will do it from this point on.

Mr. SUMNERS of Texas. In your contacts in working out this bill, in meeting with the representatives of the administrative agency, the gentleman being the representative of the Congress, does the gentleman feel that you have come to a sort of common understanding between you, as a member of the legislative committee, and these gentlemen as members of the executive branch of the Government, dealing with this subject?

Mr. KUNKEL. No; I do not agree with the gentleman. I do not think that we can say that we have reached quite that common understanding. From this point on we will have to give them our viewpoint and they will have to give us theirs. We have reached that much of a common understanding at this point of price-control administration.

Mr. COX. Will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Georgia.

Mr. COX. I wonder if the gentleman and his committee in their examination of this question did not find in the administration of the Rent Control Act that which an open-minded, sincere person would take to be an angry hostility toward private ownership?

Mr. KUNKEL. I do not know whether we might say that or not. The Rent Control Administration is particularly concerned with the renter rather than the landlord. It is not the idea of the Rent Control Administration to destroy the rights of the landlord. Most Members of Congress believe that is true. I believe they are doing the best they can under a very difficult situation. I do not see how it could be handled legislatively. I would like to see it handled legislatively, if it could be done, but in my opinion the thing must be done administratively.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. POAGE].

GUAYULE PRODUCTION

Mr. POAGE. Mr. Chairman, within the next few days this House will be called upon to vote on the conference report on the agricultural appropriation bill. We have expected this report to be called up for the past couple of days. The chairman of the subcommittee in charge of the bill has suggested that he did not desire to have the report considered at the end of the day with a small attendance and with inadequate time to discuss its vital provisions. I hope that it will be possible for this report to receive the full consideration which I think it deserves. It contains many very important provisions. I desire to briefly discuss the provisions relative to the continuation of the development of natural rubber within this country. The conferees on the part of the House have recommended that the entire native rubber project be liquidated within the coming year. The Senate, on the other hand, recommends that the project be allowed to continue at its present size so as to avoid the criminal waste that I feel would accompany liquidation. A motion will be made to recede and concur. This motion will, if carried, mean that the present plantings of rubber-producing plants will not be destroyed, although they will not be increased. It will also mean that the very splendid experimental work that is now being conducted will continue. I hope this motion will prevail.

Some 2 months ago I was named as chairman of a special subcommittee of the Committee on Agriculture, which was instructed by this House to study all of the various possible sources of domestic rubber. My colleagues on that subcommittee are: Hon. ANTON J. JOHNSON, of Illinois; Hon. VICTOR WICKERSHAM, of Oklahoma; Hon. JOHN PHILLIPS, of California; and Hon. JIM MCCORD, of Tennessee. Our study has not been completed, but it has gone far enough for us to arrive at the definite conclusion that the guayule plant offers by far the best prospects for the production of natural rubber in the United States at this time. Possibly this is due to the fact that guayule is almost the only rubber-producing plant growing in the United States on which any work has been done, and precious little research has been done on it. We do not know how far north it will grow. We do not know the best methods of harvesting. We do not know many things about this plant that we would like to know, but we do know that it will produce an appreciable amount of commercial rubber in the United States. Your special committee is therefore in unanimous agreement that the present program of guayule production and experimentation should be continued at least until after the war, or until some other reliable source of rubber becomes available.

We do not claim that our judgment is better than the judgment of the majority of the Subcommittee on Agricultural Appropriations, but we do believe that we have had far greater opportunity to study this question than have those gentlemen. Our special committee is unanimous in its decision. I understand that the membership of the Appropriations Subcommittee is not in agreement among themselves, nor is the majority of that subcommittee in agreement with the Members from the other body who studied the same question. Moreover, since the question here involved is not one primarily involving the amount of money, but rather one of whether or not the guayule project should be liquidated, I feel that the recommendation of the legislative committee is entitled to great weight. The special subcommittee, of which I am chairman, was not appointed until after the Appropriations Subcommittee had made its decision to terminate this rubber-research work. We have, however, within the short time we have been organized, actually seen the project. We have talked with farmers who have grown guayule. We have visited the mills, the laboratories, the fields, and have seen just what physical properties our conferees would have us junk. We have visited the tire factories and have seen guayule rubber actually used in commerce. We have not only talked with the witnesses who appeared before the Appropriations Committee but we have also talked with officials of the great tire companies of America. We are convinced that it would be unsafe to destroy this rubber at this time. The House Committee on Agriculture has officially expressed its belief that this action would be unwise. I submit that the Appropriations Subcommittee is going rather far afield when it attempts to dictate the policy we should pursue in regard to the development of native rubber in this country.

Let us first consider our war needs. We have about 33,000 acres of guayule now growing—about 32,000 acres of it in California. Most of these plants are less than 2 years old. If left until they are 4 years old, we can expect between 25,000 and 30,000 tons of rubber. If cut now, as the gentleman from Georgia [Mr. TARVER] would have them cut, most of this rubber will be lost. Can we afford to lose this rubber? I do not think so. We are, it is true, producing great quantities of synthetic rubber—some of it very good for certain purposes, but none of it interchangeable for all purposes with natural rubber. We must still have natural rubber in substantial quantities. Our monthly consumption of natural rubber far exceeds our monthly replacements in spite of the tremendous sums we have spent to get South American rubber—and we are nearing the end of our stock piles of natural rubber. This acreage of rubber is absolutely the only source of natural rubber we have in commercial quantities within the United States today.

When our subcommittee was in California, the Navy Department voluntarily sent its own experts to appear and tell us of the Navy's need for this rubber. The Army had investigated guayule years ago. In fact, 14 years ago the Army appointed two officers to study this very program as a policy of insurance. After a very exhaustive survey, they recommended that we should plant and keep in being 400,000 acres of guayule to meet

just such an emergency as we have today. I have a copy of that report. It is signed by the man who is at this minute leading the invasion of Europe—Gen. Dwight D. Eisenhower.

The Rubber Director, Mr. Bradley Dewey, told our committee that it would be criminal to destroy any natural rubber that we have. I submit that it would be criminal to destroy this, our only domestic reserve of natural rubber, before we know that the war is over. It may be years before we are able to import hevea rubber from the East Indies. No one knows when, if ever, the chemists will produce a synthetic rubber satisfactory for all purposes. They have not done it yet. Unless the conferees can give us some positive assurance that the Japs will be defeated and our trade routes open to the Far East during the next year, or that science will be able to produce an entirely new and better synthetic rubber, it seems to me that we should keep this insurance premium. I hope we never need a pound of this guayule rubber just as I hope I never have to collect on my personal insurance policies, but just as I carry insurance I believe our Nation should continue to pay the premiums on the policy until our need for it is past. The War and Navy Departments say it is not past. The Rubber Director says it is not past. In fact, Mr. Dewey said before our committee:

> Until we can see our books are in balance on new supplies of crude rubber, I do not think we can afford to sign off our insurance policy. This is insurance. It is rubber that is now in the bush. Moreover, new rubber is being added to it. I cannot conceive of liquidating crude rubber today.

Our special committee agrees unanimously with our military, naval, and rubber experts. We are not willing to gamble with this vital commodity. We believe that from the standpoint of stern war needs alone that we should not destroy this rubber.

Turning to the question of establishing a peacetime industry in the United States, we believe that it is sound for our Government to carry on all of the necessary experiments to determine whether we can hope to produce natural rubber on an economical basis in this country. If we can produce our own rubber at a reasonable cost, it would, of course, mean a great deal to agriculture throughout the Nation. A new major crop is important and helpful to all sections, not simply to the section where the crop is produced. But for a new crop to be helpful, it must be able to stand on its own merits economically. Our special subcommittee cannot tell you what the world price of rubber will be after the war. The Japs may return the Hevea rubber plantations of the Far East uninjured, but I doubt it. Wages in the Indies may remain at pre-war levels, but I doubt it, and if wages go up in those distant lands the price of rubber must go up. Before the war, Hevea rubber brought 22 cents in the United States.

After the war, the cost of synthetic rubber may be greatly reduced but inasmuch as synthetic rubber is largely produced from petroleum which is now selling at little more than 50 percent of parity as a result of artificial control of the price, it seems unlikely that the synthetic product can hope to reach the low price levels that it must to compete with natural rubber. In any event, there must be further improvements in the quality before it can entirely displace natural rubber, no matter what the price. These things may happen. We certainly do not want to be understood as saying that the production of guayule rubber is sure to be profitable after the war. There may be no market at all—but what commodity do we produce that does not face the constant threat of chemical or synthetic competition that may completely replace it on the markets of the world?

We do know that guayule is now being produced in Mexico and is being sold commercially at 28 cents per pound f. o. b. New York. We do know that several farmers who had produced guayule in California testified before our special committee that they would gladly undertake to grow guayule if the Government would guarantee them 28 cents per pound. It seems reasonable that after the war our own farmers will be able to produce guayule profitably at around 25 cents per pound. It is entirely possible that this will be cheaper than either East India hevea—natural—rubber or synthetic rubber. If it is, there is every reason to think that we might establish an important new industry in the United States.

We do not know just how far north guayule will grow. We do know that it will grow over the southern parts of Texas, New Mexico, Arizona, and California. It may be possible to develop plants that will stand much more cold. The Russians report that they have done so. We do not know the best methods of cultivation, harvesting, or extraction of the rubber. In the 2 years the Department of Agriculture has been working on the problem it has been able to cut the cost of germinating the seed, establishing the plants, and eradicating the weeds by possibly 50 percent, and to reduce the manpower needed by probably 75 percent. Such progress is worth while. I believe we should continue our experimental work. The House conferees would bring all this research to an end.

I hope that the Members of the House will not take the gamble with a critically needed resource that the conferees want us to take. Perhaps we may be lucky and not need this rubber, but what if we are not lucky?

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, the farmers have gone a long way the past 11 years but they have not had their problems solved. More yet is to be done and must be done for agriculture.

MISUNDERSTANDING ABOUT SUBSIDIES

Many farmers are being misled in the belief that a subsidy is something real bad, sometimes referred to as a bribe, and that farmers should not, under any circumstances, be given the benefit of subsidies. We have gone a long way the last 10 years in helping the farmers. Our gains can be quickly lost if we permit the farm program to be wrecked by the denial of subsidies. As long as we have a protective tariff for industry, farmers are entitled to a compensating offset to pay them for this disadvantage. It is really not a subsidy. If the campaign that is now going on against subsidies for farmers is successful, the farmers will lose the following:

First. The soil-conservation program will be stopped.

Second. There will be no parity payments.

Third. There will be no support prices for farm products.

Fourth. There will be no commodity loans.

Fifth. Other farm benefits, which should be paid, will be denied.

FARMERS HELPED BY INDUSTRY

The industrialization of the Gulf-Southwest States is assured through the development of the iron ore resources near Daingerfield and Hughes Springs. This plant is only the beginning. There will be others in other locations in northeast Texas—several in our own congressional district.

Our district is destined to be the Pittsburgh of the Southwest. It is my prediction that the time will come when every town or village in our district will have one or more manufacturing plants engaged in fabricating into different finished products the raw materials that are produced by the Lone Star Steel Co., and other concerns.

Farmers are more prosperous near an industrial area. Around Pittsburgh, Pa., and around the industrial plants in the Ohio Valley, farmers are in good condition financially, because they have a ready market for everything they produce at a good price. This is especially true with dairying and our district is becoming one of the finest dairying districts in the United States.

SURPLUS PROPERTY

When this war is over there will be billions of dollars worth of surplus property, including machinery and motor equipment that will be of great value to the farmers. I am sponsoring a bill which will give soil-conservation districts and other public improvement bodies preference in the purchase of material for the conservation of our soil. I believe there will be sufficient jeeps and similar equipment for every farmer, who wants one, to buy one for his own use. The post-war period will be one of the most critical periods in the history of this Nation for the farmers. I have realized this a long time and have constantly worked in the direction of protecting the farmers from what usually happens after a war.

FIRST LAW A SUBSIDY

The first act of general legislation passed by the First Congress, which was

held something over 150 years ago, was a tariff act, which, in fact, subsidized the small and struggling American manufacturers of that day. Every tariff act ever written into law, and we have always had a tariff law, while it has produced revenue, has really been a protective tariff and has provided one or more subsidies designed to promote the growth of American industry and costing the American people $4,000,000,000 a year and more. The use of subsidies as now in effect is likewise a protective measure, but, unlike the tariff, it does not protect one group alone. It protects the producer and the consumer—in fact, all the people—and, as a safeguard against inflation, it is a protection to the whole business structure of the country.

A SUBSIDY EXAMPLE

Let me give you an example, which is one of many that could be given, of how a subsidy is working for the taxpayers' benefit. Copper is a critical war material. Some mines have a high cost in producing copper, maybe 10 percent of them. But we need all the copper we can lay our hands on. Would it have been good sense to have increased the price of all copper high enough so that high-cost mines could come out even? Certainly not. Government subsidized by paying a few mines a higher price for their copper. Thus, no mine made either a loss or a "war baby" profit, the Government got the copper, and the taxpayers have had to pay about $80,000,000 by way of subsidy and have saved about $1,000,000,000 by way of over-all price, or about $12.50 to every $1 paid in subsidy. That is good business.

As a member of the Committee on Banking and Currency of the House of Representatives, I have been in a position to sponsor and help secure the approval of important amendments to the Commodity Credit Act and other acts that must originate with our committee which are now and have substantially aided the farmers.

One provision that I advocated and assisted in securing the adoption of was the amendment to the Price Control Act of October 2, 1942. It was my contention that it would be unfair to freeze the farmers' prices at such a low level and that they should not be fixed until they had reached parity.

Further, I remember very well what happened to the farmers after the last war. The collapse that followed the war caused over 500,000 farmers to lose their homes. It took the farmers 10 years to get over this collapse. In fact, some of them are still suffering from it. Therefore, I sponsored and helped to secure the approval of an amendment to the Price Control Act, which is now the law, which will give the farmers a guaranteed price equal to 90 percent of parity for 2 years after the declaration of peace.

Mr. Justice Byrnes, Director of War Mobilization, in a speech April 12, 1944, made the following statement:

We cannot consider the problems of transition from war to peace without considering the problems of the farmer, the worker, and the returning soldier.

Agriculture, no less than industry, has established unprecedented production records in this war. The farmers must not be penalized for their war effort as they were after the last war, with widespread foreclosures and bankruptcies.

Steps have already been taken to protect the farmers from a repetition of such a disaster. In the Stabilization Act of October 2, 1942, the Congress, acting on the President's recommendation, authorized the Commodity Credit Corporation to make loans on basic crops at the rate of 90 percent of parity for 2 full crop years after the formal termination of hostilities.

The full significance of this provision may not be realized. Within 2 years after the last war the net income of our farmers was cut in half. The Government now guarantees that it will not happen after this war. It is a wise policy not only for the farmers, but for the Nation as a whole. It gives assurance that after this war we will have a policy not of scarcity but of food abundance.

Full crops will mean employment for those engaged in transporting, financing, and selling them The purchasing power of the farmers will turn the wheels of industry. Full crops will give our people health and strength. The mass of our people under conditions of full employment brought about by the war has been eating more food than ever before. We should see to it that they have the means to continue to do so.

Such surpluses as we can produce will be necessary to help replenish our reserves and to help the war-devastated countries during the period of rehabilitation. Such help is not misguided philanthropy. It is intelligent self-interest and plain common sense.

IF WAR ENDS IN 1945

In practice, applying it to the last war, it will work this way. The Armistice, after the last war, was signed November 11, 1918 but the Declaration of Peace with Germany and Austria was not signed by the President until July 2, 1921. If this law had been effective then, as now, the farmers would have received this guaranteed price not only until July 2, 1921, after the war, but for 2 years after January 1, 1922. If this war, World War No. 2, should end July 2, 1945, the farmers will have this guaranteed price throughout the years 1945, 1946, and until January 1, 1948.

NO OTHER GROUP HAS THIS PROTECTION

No other group or class has this protection against post-war collapse. It should not be overlooked that there are only 102 Representatives in the House of Representatives out of the 435 from cotton-producing districts. This makes it increasingly difficult being out numbered three to one for cotton to get special consideration.

In 1938, Congressman Marvin Jones, Chairman of the House Committee on Agriculture, prepared a statement on the agricultural situation at that time. It is very timely now. It has so many thought-provoking statements I think it is worthy of reproduction. It is as follows:

The farm movement will be continued. The law will be improved, mistakes will be corrected, but the movement itself, since it is based on the fundamental principle of equality, must go on.

The principle of equality was recognized by the early statesmen of every political faith. It was written into the Declaration of Independence. It was carried forward in the Constitution. It was recognized in the first report on manufactures. It is not a question of whether we shall have a farm program. It is a question of what that program shall be.

What parts of the long-range program should be kept and what parts should be discarded:

1. We have the lowest farm interest rates that have ever prevailed in this or any other great country. The farmers of America are now paying $160,000,000 per year less in interest rates than they were paying in 1932. These advantages should be retained.

2. The freight rate provision of the present act authorizes the Secretary of Agriculture to file applications for correction of the rank discriminations against agriculture in the freight rate structure of the country. This is the first tangible step that has been taken in this regard and should be retained.

3. The present act provides for the search for new uses, new outlets, and new markets for farm commodities.

4. The provisions of section 32 make available funds for widening distribution of farm commodities and the products thereof, both in this and other countries. These funds have been used effectively in respect to a great many different farm commodities and the products thereof.

5. The soil features provide for conserving and rebuilding of the soil. Some of the finest work that has been done in this generation has been done under the soil provision of the act. I do not see how anyone can object to continuing this work.

Practically all these features have been lost sight of in the discussion of loans and marketing quotas.

Personally I have never favored the mandatory loan features of the act. True, the bill as it passed the House contained a loan feature, but simply a discretionary one in order that complete price collapse, such as might have happened under the tremendous cotton production of 1937, could be prevented. It had no mandatory features, either as to the making or as to the amount of the loans. These were inserted after the measure left the House.

I feel that these mandatory features should be changed. World markets are important to us, and our program for the future should be so modified as to permit our commodities to flow freely into those markets.

I feel also that, as to wheat and cotton, at least, the benefit payments should be based on the lease of a definite percentage of the tilled acreage of each farm and conditioned on soil-building crops and practices on such leased land. This would simplify the program and enable payments to be made more promptly.

The question of marketing quotas is the controversial part of the measure. Many of us hoped that these would be rarely used. They are invoked in reference to any commodity only when two-thirds of the farmers producing that commodity ask by their vote that the quotas be established. If quotas are to be used under any circumstances, I know of no wiser way than to allow the producers themselves to determine the matter.

For the current year, cotton farmers voted for quota provisions. The tobacco and rice farmers voted against quota provisions. It must be remembered that the cotton program is complicated by the 6,000,000 bales overproduction of 1937. Any program, any plan that may be offered must deal with this tremendous carry-over.

These quotas should never be formed on a scarcity basis. We should always produce all that the market will absorb both at home and abroad.

The farm problem is the primary outgrowth of tariff and other group legislation. Had there been no tariffs, no trade barriers, no trusts, no monopolies, and no group legislation, there would have been little need for special farm legislation.

But for 100 year these interests have been fighting for and securing legislation favoring their particular groups.

Everyone recognizes that, behind the tariff wall, the prices of industrial products have been greatly increased. The most ardent protectionist will not claim that the cotton farmer gets any advantages from the tariff. He is burdened with all of the disadvantages of that system.

Personally, I do not believe in the high protective tariff system. I believe in the principles of Thomas Jefferson. However, in a fight that has lasted more than 100 years, the tariff schedules have grown higher and higher, until our economic system has become lopsided.

So long as we have a tariff system, the cotton farmer is entitled to an offset to the tariff. For this reason the benefit payments do not constitute a subsidy. They are merely restitution.

An interesting sidelight is the fact that since the adoption of the farm program there has been more discussion about removing the inequities of the high tariff system than in many generations heretofore.

Many people make the mistake of comparing farm prices now with those which prevailed in the twenties. In those years we were lending billions to foreign countries for the purpose of sustaining a market for the products of this country. We were living in a fool's paradise while we were headed for the deluge. A man running a grocery store could do a great business so long as he financed all of his customers in the making of their purchases. But ultimately pay day arrives.

Pay day arrived in the fall of 1929.

Comparison should be made between the prices of 1932 and prices of today. In 1937 we produced the greatest cotton crop in history. We produced the greatest wheat crop since 1915. In 1932, with a smaller cotton crop than in 1937, cotton sold at 4 and 5 cents per pound. In 1932, with a smaller wheat crop than in 1937, wheat sold at 20 cents per bushel.

I do not believe that the solution of this age-old problem can be achieved, or even materially contributed to, by extreme attacks and bitter personalities or by dogmatic statements. It certainly cannot be solved by approaching simply one phase of a many-sided problem. It involves credits, markets, freight rates, research, new uses, soil and water conservation, and the disadvantages of a tariff system.

I am sure that if all those who have a simple heart interest in the success of the greatest of all American businesses, American agriculture, will be more tolerant and, realizing the magnitude of the problem, substitute helpful suggestions for extreme statements, much more progress will be made.

SUBSIDY A MISNOMER

Congressman Marvin Jones never submitted to the use of the word subsidy in connection with farm benefits. He always referred to the payments as restitution or a compensating offset for the protective tariff or similar words or phrases.

Regardless of his insistence, however, that the payments were not subsidies, they have become generally known as subsidies and to use any other word one is likely to be misunderstood so whether we like to use the word or not we are compelled to since it has become common usage.

This is very much like my fight to pay the soldiers of World War No. 1 what Congress confessed was due them in adjusted pay. It was my contention that it was not a bonus or a subsidy, but a just and honest debt confessed as due by the Congress. Notwithstanding the fact that I never referred to the payment as a bonus, common usage referred to it as a bonus and now it is referred to generally as the bonus bill or bonus law.

It is interesting to note the prices of certain agricultural commodities here in the United States compared with the same or similar commodities in South America where the support subsidies are not as high as they are here and, in some cases on some product the South American countries have no subsidies at all.

A support price for a product is possible only by reason of a subsidy. Brazil has a subsidy to support the cotton price but not near as high as our own. I am inserting herewith a statement showing the prices of beef cattle, peanuts, rice, and wheat compared with the prices in certain South American countries for the years indicated. It is as follows:

Average prices received by United States farmers for selected commodities compared with prices received in Argentina, Brazil, and Mexico

Commodity and year [1]	United States	Argentina	Brazil	Mexico
Beef cattle:				
1938	*Dol.*	*Dol.*	*Dol.*	*Dol.*
100 pounds	6.54	[2] 3.96		
1939 ...do	7.14	[2] 3.60		[2] 2.71
1940 ...do	7.55	[2] 3.72	[3] 3.77 -4.77	[2] 2.36
1941 ...do	8.80	[2] 3.82	[3] 3.80 -5.07	[2] 3.18
1942 ...do	10.62	[2] 4.87	[4] 5.81 -6.58	[2] 4.48
1943 ...do	11.80		[4] 5.90 -6.92	[2] 6.63
Peanuts, 1943 pound	[5] .0711	[6] .0405	[6] .0214- .0232	[7] .039
Rice, 1943 bushel	[2] 1.774		[10] .83 - .92	
Wheat (all):				
1940 ...bushel	.682	[6] .43		
1941 ...do	.945	[6] .43		
1942 ...do	1.098	[6] .43	[6] 1.43	[8] 1.29
1943 ...do	[2] 1.329	[6] .53	[6] 1.43	[8] 1.41

[1] For beef the 12-month period is the calendar year; for peanuts, rice, and wheat it is the respective crop season (United States.)

[2] Season average to Dec. 1.

[3] Calendar year average of prices paid by freezing companies at ranches.

[4] Range of prices for cows and steers slaughtered at freezing plants in Rio Grande do Sul, during season January-June.

[5] Wholesale price in Mexico City.

[6] Based upon top quality.

[7] Shelled, delivered Mexico City.

[8] Shelled, delivered Buenos Aires.

[9] Unshelled, quoted in Sao Paulo (probably a farm price).

[10] Wholesale price, unmilled, in Rio Grande do Sul, priced in April and September.

Sources: United States prices from Bureau of Agricultural Economics. Foreign prices from Office of Foreign Agricultural Relations.

It will be noted that peanuts that sold for $80 a ton in Argentina and $40 a ton in Brazil and $60 a ton in Mexico were worth $140 a ton in the United States in 1943.

I am also inserting herewith a statement about the price of American cotton compared with a similar type cotton produced in Brazil. This statement indicates that our price today is almost 7 cents a pound more than the World price or the Brazilian price. This is conclusive proof that without a subsidy to hold up the price of cotton, although in many cases a subsidy will not actually be used but it must be available if needed, the price of cotton here in the United States would be at least $35 a bale less than it is. The fact is that it would be much less in price. Probably not more than 10 cents a pound and possibly much less than that since the only market we have for cotton now, and we have a year's supply on hand, is here in our own country. We do not have any foreign markets and if we did we would not have the ships to transport the cotton to these markets. The statement is as follows:

Cotton: Average spot prices of American and Brazilian cotton at specified markets, 1923–43

Year beginning August—	American Middling 15/16 at New Orleans	Brazilian Type 5 at Sao Paulo
	Cents per pound	*Cents per pound*
1923	30.83	31.57
1924	24.87	24.60
1925	20.51	18.00
1926	15.37	15.31
1927	20.32	21.48
1928	19.25	20.29
1929	16.59	15.52
1930	10.49	10.03
1931	6.40	8.99
1932	7.41	14.31
1933	11.12	11.48
1934	12.79	13.84
1935	12.06	12.17
1936	13.45	12.95
1937	9.24	9.26
1938	9.04	8.42
1939	10.23	9.04
1940	11.06	6.91
1941	18.17	8.42
1942	19.96	11.08
1943	[1] 19.99	[1] 13.16

Prices of Brazilian cotton converted to cents per pound at current average monthly rates of exchange as reported by the Federal Reserve Board.

[1] Average for 7 months.

Source: Bureau of Agricultural Economics.

CONGRESS PASSES RESOLUTION ON IMPORTANCE OF FARMERS

On March 19, 1943, the House of Representatives passed a resolution expressing the sense of Congress on the importance of farming, which had my support. The Senate also passed the resolution and it was signed by the President. It is as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) The production of adequate supplies of food, feed, and fiber is as essential to the successful prosecution of the war as the production and manufacture of actual munitions of war;

(2) Farmers are handicapped in obtaining farm equipment, materials, manpower, and supplies that are needed in order to produce enough food, feed, and fiber to meet the

requirements of the war food production program; and

(3) The authorities responsible for the allocation of critical material, manpower, and supplies in giving consideration to the needs of farmers and of the persons who supply farmers with equipment, materials, and supplies must consider the needs of farmers to be of equal importance to the needs of war industries.

It is further the sense of the Congress that the Congress should, and it hereby does, commend the farmers of the United States for the manner in which they have shown their patriotism in response to the many demands that have been made upon them to aid in the effective prosecution of the war.

FIRST DISTRICT OF TEXAS

I am inserting herewith the latest information obtainable relative to certain benefits that were made in our own district, the First Congressional District of Texas. The information is self-explanatory and is as follows:

Estimate total Agricultural Adjustment Agency payments made to farmers in First Congressional District of Texas, 1933 to 1942, inclusive

County	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942
Bowie	$404,200	$252,100	$244,400	$253,200	$164,800	$540,900	$434,500	$424,700	$419,700	$215,500
Cass	343,400	254,000	257,200	228,200	174,100	573,500	442,800	435,100	446,500	241,100
Delta	420,500	237,300	241,200	187,500	142,100	519,500	393,600	384,700	402,600	198,300
Franklin	123,000	71,600	76,100	76,800	64,400	168,000	132,700	131,000	142,400	84,600
Harrison	307,200	234,300	234,300	236,400	170,100	545,900	433,300	431,800	458,100	228,100
Hopkins	467,600	264,300	264,900	275,800	203,300	650,400	520,300	520,000	549,400	305,800
Lamar	701,900	457,900	451,300	374,900	221,600	989,000	743,500	717,600	738,500	360,400
Marion	82,900	60,900	63,500	69,600	48,400	128,500	94,200	90,500	92,300	49,800
Morris	82,000	66,800	67,800	85,900	69,100	165,500	135,800	125,300	127,300	65,900
Red River	496,500	295,500	302,000	267,400	211,000	663,500	516,600	505,400	502,000	234,100
Titus	195,900	136,000	131,300	160,100	140,800	267,100	201,800	186,600	195,500	117,800
District total	3,625,100	2,330,700	2,334,000	2,215,800	1,609,700	5,212,600	4,049,100	3,952,700	4,074,000	2,101,400

Estimated agricultural conservation payments made to farmers in First Congressional District of Texas, 1933 to 1942, inclusive

County	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942
Bowie	$404,200	$252,100	$244,400	$204,700	$164,800	$305,800	$281,000	$256,800	$266,400	$215,500
Cass	343,400	254,000	257,200	174,400	174,100	319,900	293,000	271,700	293,600	241,100
Delta	420,500	237,300	241,200	141,400	142,100	278,900	239,200	217,300	236,100	198,200
Franklin	123,000	71,600	76,100	59,500	64,400	97,700	91,400	84,100	95,600	84,600
Harrison	307,200	234,300	234,300	154,100	170,100	300,700	279,200	263,900	293,500	228,100
Hopkins	467,600	264,300	264,900	217,900	203,300	390,800	353,900	328,600	354,800	305,800
Lamar	701,900	457,900	451,300	308,100	221,600	548,900	492,800	428,800	462,400	360,200
Marion	82,900	60,900	63,500	54,400	48,400	70,300	64,900	59,800	63,500	49,800
Morris	82,000	66,800	67,800	69,100	69,100	100,200	91,900	79,600	83,300	65,900
Red River	496,500	295,500	302,000	218,900	211,000	378,300	332,100	304,100	317,100	234,100
Titus	195,900	136,000	131,300	129,600	140,800	158,100	138,400	118,600	128,400	117,800
District total	3,625,100	2,330,700	2,334,000	1,732,100	1,609,700	2,953,600	2,657,800	2,413,300	2,594,700	2,101,100

Estimated price adjustment payments made to farmers in First Congressional District of Texas, 1933 to 1942, inclusive

County	1933	1934	1935	1936[1]	1937	1938	1939	1940	1941	1942
Bowie				$48,500		$231,100	$153,500	$167,900	$153,300	
Cass				53,800		254,000	149,800	163,400	152,900	
Delta				46,100		240,600	154,400	167,400	166,500	$100
Franklin				17,300		70,300	41,300	46,900	46,800	
Harrison				82,300		245,200	154,100	167,900	164,600	
Hopkins				57,900		259,600	166,400	191,400	194,600	
Lamar				66,800		440,100	250,700	288,800	276,100	200
Marion				15,200		58,200	29,300	30,700	28,800	
Morris				16,800		65,700	43,900	45,700	44,000	
Red River				48,500		285,200	184,500	201,300	184,900	
Titus				30,500		109,000	63,400	68,000	66,800	
District total				483,700		2,259,000	1,391,300	1,539,400	1,479,300	300

[1] 1935 cotton price adjustment program.
[2] 1937 cotton price adjustment program.

Southern Division, Agricultural Adjustment Agency, May 11, 1944.

Payments made through Dec. 31, 1943, to farmers in First Congressional District of Texas in connection with 1943 Agricultural Adjustment Agency programs

County	Agricultural conservation program payments	Potato and truck crop payments	Parity payments[1]	Dairy feed payments	Total payments
Bowie	$54,400	$600		$2,400	$57,400
Cass	112,500	700		700	113,900
Delta	106,700		$100	1,300	108,100
Franklin	56,700	200		2,700	59,600
Harrison	137,500	600		3,500	141,600
Hopkins	107,000	500		12,200	119,700
Lamar	207,300	1,000	200	2,900	111,400
Marion	9,600			200	9,800
Morris	33,600	300		400	34,300
Red River	38,300	1,300		1,600	41,200
Titus	55,900	1,200		2,600	59,700
District total	919,500	6,400	300	30,500	956,700

[1] 1942 wheat crop parity program.

Value of stamps issued to producers in First Congressional District of Texas in connection with the 1941 supplementary cotton program

County:	Value of stamps issued
Bowie	$39,700
Cass	49,500
Delta	21,500
Franklin	18,400
Harrison	35,300
Hopkins	65,200
Lamar	50,100
Marion	12,800
Morris	12,200
Red River	52,100
Titus	24,200
District total	381,000

Southern division, A. A. A.

I am also inserting a table showing conservation practice payments made in the district I have the honor to represent, and the goals for 1944:

Conservation practice accomplishments and 1944 goals, Agricultural Adjustment Agency, Texas

TERRACES (FEET)

County district 1	1942	1943	1944 goal
Congressional district:			
Bowie	495,160	282,446	2,000,00
Cass	1,376,844	203,935	2,640,000
Delta	450,760	324,919	1,108,800
Franklin	433,643	575,951	325,000
Harrison	447,251	556,046	5,280,000
Lamar	1,090,510	812,480	10,000,000
Hopkins	2,307,878	1,137,138	2,568,000
Morris	427,470	361,893	750,000
Marion	191,535	77,282	1,200,000
Red River	796,473	397,778	7,503,667
Titus	562,838	521,058	1,584,000

Conservation practice accomplishments and 1944 goals, Agricultural Adjustment Agency, Texas—Continued

DAMS AND TANKS (CUBIC YARDS)

County district 1	1942	1943	1944 goal
Congressional district:			
Bowie	49,223	49,132	520,000
Cass			150,000
Delta	4,756	11,087	123,000
Franklin	5,517	19,491	30,000
Harrison			89,000
Lamar	30,868	63,195	1,000,000
Hopkins	66,026	77,487	250,000
Morris		2,635	32,500
Marion			160,000
Red River	22,282	12,514	400,000
Titus	5,217	19,964	224,500

CONTOUR LISTING (ACRES)

Congressional district:			
Bowie	3,832	5,606	
Cass	64,730	68,466	135,000
Delta	32,136	38,035	65,000
Franklin	19,392	20,990	19,400
Harrison	15,100	15,738	13,30[illegible]
Lamar	49,698	76,120	
Hopkins	33,687	48,416	20,000
Morris	11,934	11,720	28,500
Marion	9,026	9,354	16,000
Red River	22,807	27,389	
Titus	16,839	21,270	21,726

CONTOUR FARMING (ACRES)

Congressional district:			
Bowie	4,156	5,879	10,000
Cass	65,073	71,489	135,000
Delta	32,010	38,041	65,000
Franklin	19,399	21,003	19,400
Harrison	22,859	20,688	23,998
Lamar	49,351	76,266	100,000
Hopkins	33,974	48,446	20,000
Morris	11,842	11,664	28,500
Marion	9,119	9,289	16,000
Red River	22,670	27,390	
Titus	16,883	21,237	21,726

NOXIOUS PLANT CONTROL (ACRES)[1]

Congressional district:			
Bowie	1,311	730	5,000
Cass	128	137	500
Delta			300
Franklin	1,332	1,745	1,500
Harrison		130	8,300
Lamar	31	64	4,000
Hopkins		2,049	13,000
Morris		276	475
Marion		27	10,500
Red River	775	3,512	18,000
Titus	4,182	5,836	9,000

WINTER LEGUME COVER (ACRES)

Congressional district:			
Bowie	2,546	2,340	10,000
Cass	5,084	1,103	200
Delta	176	45	100
Franklin	2,869	746	3,000
Harrison	14,950	3,731	3,000
Lamar	1,079	1,677	
Hopkins	1,531	636	2,000
Morris	505	195	300
Marion	1,100	1,679	
Red River	1,070	874	15,000
Titus	3,104	209	750

PHOSPHATE (POUNDS P_2O_5)

Congressional district:			
Bowie	39,493	52,220	20,000
Cass	30,177	42,606	500,000
Delta	1,208	1,000	
Franklin	15,315	12,455	100,000
Harrison	40,770	64,684	626,000
Lamar	11,900	27,500	3,200,000
Hopkins	58,251	26,415	1,000,000
Morris	4,569	5,632	151,500
Marion	31,900	17,320	200,000
Red River	5,610	33,690	
Titus	16,170	20,160	200,000

[1] Eradication of prickly pear, cactus, mesquite, huisache, cedar, lechuguilla, sagebrush, underbrush, etc.

Conservation practice accomplishments and 1944 goals, Agricultural Adjustment Agency, Texas—Continued

GREEN MANURE CROPS (ACRES)

County district 1	1942	1943	1944 goal
Congressional district:			
Bowie	24,106	33,423	10,000
Cass	28,105	10,008	
Delta	14,725	3,859	2,500
Franklin	8,825	5,777	3,000
Harrison	3,318	29,135	25,275
Lamar	35,748	16,261	20,000
Hopkins	27,842	18,770	20,000
Morris	7,914	6,914	3,000
Marion	6,623	6,413	3,500
Red River	22,100	7,992	
Titus	11,273	7,059	14,000

MOWING (ACRES)

Congressional district:			
Bowie	2,269	2,098	5,250
Cass	128	575	2,000
Delta	2,560	4,989	1,500
Franklin	3,000	4,141	6,000
Harrison	2,305	3,709	13,530
Lamar	16,538	17,103	60,000
Hopkins	7,488	11,310	10,000
Morris		337	7,500
Marion	128	98	1,600
Red River	10,622	14,505	25,000
Titus	4,618	4,130	26,000

1944 conservation-practice goals were not established in some counties; in others, goals were established for the principal practices adapted to the locality and for which there was an urgent need to control erosion to maintain and improve land fertility, and to increase pasture carrying capacity.

RALLYING FARM SUPPORT AFTER FIRST GREAT DEFEAT

January 21, 1936: Mr. WALLACE, Secretary of Agriculture, delivered a radio broadcast in which he said:

The Supreme Court has unjustly killed the greatest support of the farmers.

He was referring to the Supreme Court decision which invalidated the first A. A. A. law.

He further said:

The great bulk of the farmers of this country have steadfastly endeavored to get for their purposes the moral, legal, and economic equivalent of what the corporate form of organization and the tariff give to industry.

In its decision on the Hoosac Mills case declaring the A. A. A. unconstitutional, the majority of the Court expressed disapproval of the idea of "expropriation of money from one group for the benefit of another. The return of this $200,000,000 to the processors is exactly that. The money was collected from the producers and consumers by the processors. It now goes by Supreme Court order to enrich solely the processors.

But to return to the larger issue: If I know the feelings of the farmers of the United States, I believe that once they learn the nature of the job ahead of them they will set to work fighting for a unified program in the same spirit which they have displayed most of the time since 1921. But thus far the farmers, like many of the rest of us, are a good bit like a man who has just had the breath knocked out of him. When he comes to, he doesn't know whether to laugh, cry, or cuss. Chester Davis and I decided to grin and go to work.

The important thing, so far as the farm leaders, Congress, and the administration are concerned, is to do some cool, hard, and determined thinking as to what can best be done as soon as possible to repair the damage to farmers and conserve the general welfare. The triple A is not dead, and, even more important, the farm sentiment which built up 14 years of strenuous fighting for equality to agriculture is not dead. Farmers are slow to start, but once they start they keep on going.

The vehicle by which the accomplishments of the A. A. A. were made possible has been discarded, but the spirit which drove that vehicle is still here, more determined than at any time the A. A. A. was in operation.

A DARK DAY IN FARM HISTORY

January 7, 1936, Mr. HENRY A. WALLACE, Secretary of Agriculture, stated:

On March 10, 1933, about 50 representatives of farm organizations from every section of the United States assembled with us in Washington to decide upon a farm program to be submitted to Congress. On March 16, a farm bill was introduced into the Congress, and on May 12, 1933, the Agricultural Adjustment Act became law. When, on May 27, 1935 the National Industrial Recovery Act was ruled unconstitutional by the Supreme Court, farm leaders and the Congress endeavored to profit by that decision and took what seemed to them the necessary steps to strengthen constitutional defects in the Agricultural Adjustment Act. On January 6, 1936, however, 24 hours ago, the Agricultural Adjustment Act was declared unconstitutional by a majority of the Supreme Court of the United States, three members of the Court dissenting.

The gist of the majority opinion is as follows:

The Adjustment Act is unconstitutional, the Supreme Court declares, because it violates States' rights, as protected in the tenth amendment to the Constitution. Agricultural production, the Court says, is "a purely local activity." But the Agricultural Adjustment Act, the Court declares, presumes Federal power to control agricultural production in an effort to give farmers fair exchange value for their products. There is no power in the Constitution, the Supreme Court declares, giving the Federal Government the right to regulate agricultural production, therefore, legislation by Congress for that purpose is forbidden.

FIRST REAL PROGRESS AFTER GREAT DEFEAT BY SUPREME COURT

March 20, 1936, Mr. WALLACE, Secretary of Agriculture, stated:

Two days ago the appropriation bill providing $440,000,000 for the new farm program passed the House and Senate. Yesterday the President signed it. Sometime tonight we hope to begin mailing out to the States a complete outline of the new program.

Because of the speed with which Congress and the administration have had to move since January 6, and because decisive action in the field was not possible until the appropriation bill was signed yesterday, all of us who are interested in planting crops this spring find ourselves faced with a race against time. The President, therefore, has prepared a special statement which I am transmitting to Farm and Home Hour listeners with his permission. The President's statement is as follows:

"Three weeks ago, when I signed the Soil Conservation and Domestic Allotment Act, I said that this administration had not abandoned and would not abandon the goal of equality for agriculture. I pointed out that although the act is addressed primarily to the serious and long-neglected problem of soil conservation, the reestablishment and maintenance of farm income was also a major objective.

"Today, as a national soil conservation program is being launched in accordance with the act by the Agricultural Adjustment Administration, the need for protecting not only the soil but also farm prices and income appears even greater than when the act was adopted."

In conformance with the Supreme Court's decision, the farmers' production control programs have been stopped, but

their chronic surplus problem goes on. Export markets for wheat, pork, and tobacco, lost following the enactment of the Smoot-Hawley tariff of 1930, have only in small part been regained. The huge carryover of cotton which was accumulated during the years leading up to 1933 has not yet been reduced to normal. Although reduction has progressed well for 3 years, the carry-over is still probably twice as big as it ought to be for the maintenance of a reasonable price in the future.

The Supreme Court went through a change. The membership of this court were changed due to vacancies. If the Court had remained the same we would not have at this time any farm acts, social security, including old-age assistance, and many of the other humanitarian acts now on the law books.

JUDGE MARVIN JONES HELPED WRITE FARM HISTORY

Judge Marvin Jones who is at this time War Food Administrator, and a Federal judge, who was Chairman of the Committee on Agriculture in the House of Representatives for 10 years is one of the best informed if not the best informed man on all agriculture problems in America.

Judge Jones and I were at one time the only former actual tenant farmers in Congress. He knows the farmers' problems from experience. It was his considered judgment throughout his long career as a Member of the House of Representatives from the Amarillo District that the farmers of this Nation should have an offset to the protective tariff to compensate them for the disadvantage they are placed in by reason of the protective tariff.

For instance, a farmer is compelled to pay from one to three dollars extra per pair of shoes depending upon the value of the shoes, because there is a protective tariff that enables the shoe manufacturer and dealer to obtain this price. The farmer pays from 50 to 75 percent more for machinery and equipment of different kinds than he would have to pay were it not for a protective tariff.

A tariff is a sales tax. It raises the price of goods to consumers like the gasoline tax raises the price of gasoline. The only difference is when a $20 suit of clothes enters this country from abroad a $10 tariff, or tax, is added at the custom house. The customer in the United States who buys the suit pays $30 for it, $20 going to the manufacturer and $10 to the Government Treasury. The home manufacturer instead of selling his clothes of the same quality for $20 a suit, he adds $10 for himself, being protected from outside competition by a tariff, and collects $30 for the $20 suit, keeping it all. In the former case the $10 goes to the Treasury; in the latter case it goes to the manufacturer.

Out of billions of dollars paid by the people as a result of the tariff only a small amount finds its way into the Government Treasury, the remainder a subsidy going into the pockets of a few.

A State has as much right (and it has no such right) to permit a few oil companies to collect a gasoline tax and keep the money as the Government has to permit a few manufacturers to collect an extortionate and excessive price from the consumers of America.

In Mexico, our neighbor to the south, where there is no protective tariff, everything that the farmer buys in that country is much lower in price in Mexico because there is no tariff there.

Judge Jones was such a great student of this problem, I am going to quote from some of the speeches he has made concerning it. On January 9, 1935, Judge Jones, in his speech on the floor of the House, in a colloquy with Congressman TREADWAY, from Massachusetts, stated:

The gentleman decries sectionalism, yet almost in the same sentence he defends sectionalism. Nobody who has studied the question one moment believes that a protective tariff can be of any appreciable benefit to commodities like cotton and wheat and other commodities which are produced for the world market, yet the people who grow these commodities must pay the increased price on the tariff-protected articles.

I have always said that whatever policy is established should be a national policy. We should have a tariff for all or a tariff for none. [Applause.] The only purpose of the processing fees is to complete the circle, making the tariff, as nearly as possible, national in character. The gentleman tries to make that sectionalism because, forsooth, certain States which for 60 years have been paying tribute to his State are getting more of the proceeds from the processing fees while his States is getting more of the proceeds from the protective tariff. [Applause.] That just balances it. What is sauce for the goose is sauce for the gander. If his argument were true, then because New England and perhaps New York loan more money and therefore receive more in total interest rates than the southern and western sections of the country, we should abolish interest because it is sectional.

Whatever is necessary to complete the circle and to put every American citizen on the same dead level of equality with every other American citizen, I am for; are not you?

Now, I asked the gentleman from Massachusetts what he would do to put the surplus-producing farmer on the same level with the others, and he said, "Oh, some system ought to be worked out." But in the many years his party has been in power they have not worked out a system; and we have. [Applause.] Unless he offers a better one let us keep the one we have. If he does not want his manufacturers to pay a processing fee, let them pay a proper price for their raw materials and automatically the processing fee goes off. Most of them are willing to do this but cannot unless their competitors do. This enables them all to be on the same level in this regard. It is merely a way of getting a proper price for the farmers' products. Surely the gentleman does not want to grind down the farmers' price below a living level. The gentleman represents a great manufacturing State. We glory in its accomplishments. I am sure that in their heart of hearts they will recognize the innate fairness of a just price to all Americans.

We have nothing against the manufacturers. They must operate if we are to prosper. On the other hand, the producer must live if the factory is to continue to spin. The South and West are integral parts of the American Union, and so is the East. If Massachusetts pays a larger percentage of the processing fees, it is because she is fortunate enough to have more factories. Surely they would not be selfish enough to claim the advantages of the tariff without according the producer a similar restoration through the proceeds of the processing fees. [Applause.]

On April 5, 1937, Judge Jones, in discussing the soil-conservation and domestic-allotment bill which was then pending before the House at his request stated:

Mr. JONES. According to my philosophy and the philosophy of a number of others who seem to believe as I do, as long as the tariff system prevails in this country—and I am not discussing the merits or the demerits of the system—the producers of the great farm crops are entitled to a reasonable offset to the tariff. I believe this is largely in line with the declaration of both political parties and is most generally recognized. I feel this amount of money is justified on that basis. I feel it is further justified on the basis that the entire country is interested in the conservation of our soil, looking down the range of the years. If we can preserve the fertility of the soil of this country for future generations, protect the streams, the soil, the valleys, and the hills throughout the country, the money will be well spent.

Mr. Speaker, I do not agree in any sense that this is a subsidy for the farmer, nor do I regard the soil treatment as useless. If any man will go to China and see how they wasted their soil in that country so that as a result practically the entire population lives upon rice, I think we will reach the conclusion that we need a soil-conservation program. These gentlemen claim that they do not think that this is a soil-conservation program. I take issue with them on that, and I believe they will change their minds, because they are both reasonable men, if they will visit other sections of the country. There may be a few instances where it has been abused, but in the main the farmers have been required to and have done some real conservation in farm practices in soil treatment and in crop planting as a condition to receiving these payments.

The patron saint of the tariff-protection system of this country was Alexander Hamilton. In his Treasury report dated December 5, 1790, in what is known as his report on manufactures, he advocates a protective system, as far as I know for the first time in this country; but he at least was honest enough to follow his reasoning to its logical conclusion. As a part of that report he said that in that system in order to be fair to the farmer it would be necessary to take a portion of the receipts collected from tariff importations, or to take money out of the Treasury and make up to the farmer the unfairness that that system develops as to him.

Now, I ask these gentlemen or anyone else on the floor just how, if you do away with the farm program, the cotton grower, for instance, or any other surplus-producing farmer, who sells on a world market, whose prices are fixed by the world market, is going to be put on a basis of equality with the man who manufactures a tariff-protected article which that producing farmer must buy? That is one of the things that brought about this condition that made this kind of legislation necessary.

The most fundamental principle in this country is the principle of equality. That was written in the Declaration of Independence before we had a Constitution. In the very first paragraph of the Declaration of Independence, we find the statement that all citizens of this country, all men are created equal in the eyes of the law. We adopted a tariff system—right or wrong, I will not discuss that—that upset this balance; and the farm measure is simply an effort to bring back the balance; and in bringing it back also to do a fine national thing that every man, woman, and child in America is interested in—that is the protection and rebuilding of the soil of this country, and its maintenance, so that future generations who

live in this country will have the basic natural wealth that is necessary to any industry or any people.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. HOFFMAN. Talking about equality, does the gentleman figure he is getting it by taking the taxpayers' money and paying it to one class?

Mr. JONES. Does the gentleman believe in the tariff system?

Mr. HOFFMAN. I asked the gentleman a question.

Mr. JONES. If I have $5 that belongs to you, and I hand it to you, I do not give you anything. I am simply making restitution. Our tariff system has taken from the farmers a part of what is due them, and we are simply returning to them their own, in a free country.

Mr. HOFFMAN. Well, assuming that the $5 you have belongs to you, is it right to give it to me?

Mr. JONES. I want to state this: If there are four people in a partnership and three of them draw something out of the firm's proceeds, does not the gentleman think the fourth one should be given his portion, to make them equal?

Mr. HOFFMAN. But if it belongs to the three and it is theirs, are you going to make it equal?

Mr. JONES. Does not the gentleman think the cotton grower and the wheat grower and the other surplus-producing farmers are also stockholders, interested in the Government? It is their fund as well as the others'. But industry has drawn its dividends indirectly through the tariff system. We ought to do one of two things: We ought to do away with the tariff system or give an offsetting payment to the farmer who produces our world market crops.

On November 29, 1937, when the Jones bill, H. R. 6505, to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce was being considered in the House of Representatives, Judge Jones stated:

Mr. JONES. Mr. Chairman, more than 160 years ago Thomas Jefferson, whom I regard as the greatest political philosopher who ever lived on earth, wrote the Declaration of Independence. In the first part of that Declaration he laid down what I regard as the most basic fundamental of free government, that of equality in the application of its laws, with the statement that in this respect all men are created equal.

Just a few years later, while that statement was still fresh in the minds of the people, and after they had won their independence, Alexander Hamilton, the first Secretary of the Treasury, submitted his report on manufactures on December 5, 1791, advocating for the first time in this country the adoption of the principle of protection. This is a very interesting treatise of about 80 pages.

The philosophy of protection was advanced as being in the interests of infant industries, which in no other way, he claimed, would compete with the established industries of the Old World, and as he further argued, it would be in the interest of the Nation as a whole.

Whatever you may think about the philosophy of Alexander Hamilton, he had intellectual integrity, and he realized in that early day the attack that would be made that his proposal was in the interest of special groups. He realized that it would be especially burdensome upon the farmer, and he so stated in that document.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. JONES. I am sorry, but I prefer to make a little explanation before I yield. I shall be glad to yield later. He so stated in his report on manufactures that the farmer would not have the advantage of the tariff. He knew that he would be attacked by the other group of political philosophers. In this report he comments on that fact and suggests a remedy, and he suggests that the farmers be paid a bounty as an offset to the tariff—not as a gift but as a restitution. He says:

"Bounties are sometimes not only the best but the only proper expedient for uniting the encouragement of a new object of agriculture with that of a new object of manufacture. * * *

"It cannot escape notice that a duty upon the importation of an article can no otherwise aid the domestic production of it than by giving the latter greater advantages in the home market. * * *

"The true way to conciliate these two interests is to lay a duty on foreign manufactures of the material, the growth of which is desired to be encouraged, and to apply the produce of that duty, by way of bounty either upon the production of the material itself or upon its manufacture at home, or upon both. In this disposition of the thing the manufacturer commences his enterprise under every advantage which is attainable as to quantity or price of the raw material."

The tariff was not adopted at that time, but a few years later certain groups came together and took one wing of that philosophy. They took the protective wing, but forgot, in their eagerness to secure some advantage, to take up the other wing of the philosophy. The farmer thus became the first forgotten man.

An immediate fight started when the tariff was adopted by those who believed in the other wing of the philosophy, and who opposed a high protective tariff system. For nearly 100 years the fight continued, but while the tariff rates went up and down, the net result was that the tariff became higher and higher and the burdens of the farmer became greater and greater. The country became, in certain of its agricultural and livestock sections, bled white. Paralysis naturally set in, which affected the whole economic body. In the early twenties an effort was made, since we could not dislodge the tariff, to complete the circle and restore Jeffersonian, and even Hamiltonian, equality in a system that was wholly lopsided and wholly unfair. That is the basis upon which we lay the claim that in making an appropriation out of the United States Treasury for a farm program we are not giving the farmers anything; we are simply making restitution and restoring the basis of the ancient fundamental of this form of Government. [Applause.]

On the question of subsidy for the farmers, Judge Jones in a discussion on the floor of the House, January 31, 1940, made the following statement:

We are now going ahead with the various parts of the program, and we are bettering the entire farm program. I believe we have the best program now we have ever had in this country. I know it is not perfect, but we are going to improve it. I hope that we may improve it as we go along, and I hope we will not turn back.

The most fundamental principle in American life is the principle of equality in the application of the laws of the country.

That was written in the Declaration of Independence before we had a Constitution. It was carried forward in the Constitution. When the tariff act was first sponsored by Alexander Hamilton, its patron saint, in 1791, on December 5, when he made his report on manufactures, he recognized, honest as he was—while I do not believe in his general philosophy, I do recognize his intellectual integrity—he recognized that the placing of a tariff act on the statute books would be to the disadvantage of the farmer. He discussed that matter and suggested that when the tariff should be put into effect the farmers should be paid bounties as an offset to the tariff.

Now, that is not a subsidy. I get out of humor every time I hear them talk about a subsidy in connection with this legislation, and before I read this statement I want to call your attention to these facts.

I asked the Tariff Commission to give me the amount of industrial production in America. It was sixty billion and some million dollars in 1939. I asked them how much of that is protected by the tariff. They said they could not give me the exact figures but most of it is; that there is some of it on the free list but the greater part, in fact, a large percentage, is protected by the tariff. I ask what the average rate of the tariff is an ad valorem basis and they said thirty-six-and-a-fraction percent. If you will take that $60,000,000,000 and assume that 50 percent of it is protected, and take that thirty-six-and-a-fraction percent and say 40 percent of that is effective in the way of increased prices, you have increased prices on tariff-laden articles in this country amounting to nearly $10,000,000,000.

I am not talking about the wisdom or the unwisdom of it, but taking as an example the cotton farmer who, with his wife and sometimes his children, bends his back in the blazing August and September sun and picks that cotton, sells it in a free market, and assumes the burden of those tariff-laden articles which he must buy, and then include the other surplus farm commodities, you will find that it would take a good deal more than the $1,300,000,000 that we had in last year's bill, before complete restitution is made to the farmers for their added burdens under the tariff.

Jefferson and his group assaulted it, but through the years the tariff increased, and, finally, the doctrine was announced in the early part of this century that if we are going to keep the tariff the surplus-producing farmers are entitled to an offset to the tariff as a matter of simple justice, and on that philosophy I will stand today, and I believe every man, whether he is a high-tariff man or a low-tariff man, should stand by that philosophy.

Upon the principle of equality among all its citizens, this country has grown from simple beginnings to a proud position of freedom and power. I hope it may remain in a balanced condition. I hope it may remain a true Nation of equal privileges under the law.

STICK TO THOSE WHO ARE TRYING TO HELP FARMERS

Progress has been made toward the solution of the farmer problem. It is not solved, but much has been done in that direction. On July 1, 1940, Judge Jones in a speech on the floor of the House stated:

My one message to the American farmer is to stick—stick to those who are honestly trying to find a solution for this great problem. Progress is being made. Six million farmers are now cooperating voluntarily in the various wings of the farm program. Operating as a unit this is a mighty army. Behind the farm program is more than 50 years of discrimination. To remove that discrimination and thus restore our Government to first principles is our primary national duty and is worth the effort of years.

Before you join the anvil chorus ask the farmer if he believes in soil and water conservation, if he believes in the lower interest rates, research, surplus distribution, rural electrification, and marketing agreements.

Ask the 6,000,000 farmers who are now complying if they wish to repeal all these acts and again chase the rainbow.

I am not afraid of what their answer will be. [Applause.]

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. In my brief stay in the House of Representatives I have found no Member who has such a broad view and keen analysis of this whole farm situation as has the gentleman who has been addressing us. No Member can surpass him and few equal him in disinterested service to American farmers. [Applause.]

Mr. JONES of Texas. I thank the gentleman.

Mr. MURDOCK of Arizona. I mean every word very sincerely. The best friend which the farmers have in Congress is now facing us in the well of the House. We have listened to a masterly address from him.

One of the tragedies connected with the question of price of farm products has been the fact that land speculation has come into the picture every time farm prices have reached anything like a fair basis. This has been true not only in our country but in every other country. It is a historical fact in every country where the rights of private property are recognized. A fair price for farm products is the most vital and essential thing that can be accomplished. In order to prevent the tragic ups and downs and the foreclosures that have always come when depressions have followed booms and land speculation, a land program is essential if we are to approach a solution of the farm problem.

NOT A SUBSIDY

Some of the critics have complained of the amount of money that is being expended on the program and have repeatedly referred to it as a subsidy. Everything that is being expended on every wing of the agricultural program can be fully justified, not as a subsidy but by way of restitution.

The value of manufactured commodities in the United States in the year 1937 was $60,000,000,000. More than 80 percent of these items are protected by the tariff. The average rate of the tariff, reduced to an ad valorem basis, is approximately 36 percent, according to the Tariff Commission. If this tariff is 33⅓ percent effective, it means increased industrial prices of nearly $6,000,000,000; in other words, a subsidy to business of the major portion of that amount.

Producers of what are known as surplus agricultural commodities receive no benefit from the tariff. Cotton farmers, for instance, are in this class. At the same time they assume the burden of increased prices on the articles they must buy.

So long as we have a tariff the surplus-producing farmer is entitled to an offset. This is a right. It is only restoration. Alexander Hamilton, patron saint of the tariff, recognized this fact. Thomas Jefferson wrote the principle of equality into the Declaration of Independence before we had a Constitution.

I am not arguing the merits of the tariff, although I have never believed in the high protective system. I am simply stating that so long as we have that system the surplus-producing farmers should have some provision for placing them on an equality under the law.

On the question of The Land—Our Ultimate Security, Judge Jones made an interesting speech on July 1, 1940, in which he stated:

THE LAND—OUR ULTIMATE SECURITY

OUTLINE

Mr. JONES of Texas. Mr. Speaker, at the close of the decade ending with 1932, what did the farmers of America have?

They had the Farm Bloc and the panic.

What has been done for them since that time?

They have:

First, the soil and water conservation program.

Second, the lowest farm interest rates in our history.

Third, rural electrification.

Fourth, marketing agreements.

Fifth, commodity loans.

Sixth, parity payments.

Seventh, research into new uses and new markets.

Eighth, the stamp plan and distribution of surplus commodities.

Six million farmers are voluntarily cooperating in the various wings of the program.

Would anyone advocate the repeal of any of these acts?

OUR GREATEST INDUSTRY

Mr. Speaker, farming is as old as history. It was the original occupation of man. It produces the basic essentials of practically all other activities. "When tillage begins, the other arts follow. The farmers, therefore, are the founders of human civilization."

It need no longer be argued that the permanent success of industry is linked with the success of the producer. That is now accepted as axiomatic.

For more than 100 years, legislation has been enated in favor of various groups, and busines practices have added to the cost of the farmers' supplies. Tariffs, trade barriers, wage scales, trusts, monopolies, transportation costs, and many other laws and practices have interfered with his original freedom of operation. Out of these things has grown the farm problem.

A remedy must be applied. It should be broad enough to cover the entire field. It is not a simple assignment. The scores of commodities require different methods, different facilities, different marketing, different forms of credit, and different approaches to the problem.

It is easy to criticize. It is difficult to construct. Just what has been done within the last few years?

PRICE AND INCOME

The most important element in any farm program is the price of the product and the income of the farmer. The price of the product is too low. Much remains to be done along this line. Even so, we have come a long way from the days of 15-cent corn, 30-cent wheat, and 5-cent cotton that prevailed during the dark days of 1932.

During the twenties we artificially sustained our foreign markets for farm and other products by lending more than $8,000,000,000 to foreign countries between 1921 and 1929, for the purpose of stimulating foreign purchases. If a man were running a grocery store, he could maintain a good business by financing the purchases of all his customers, but, of course, pay day would finally come.

PRESIDENT HOOVER'S FARM PROPOSAL

President Herbert Hoover permitted the tariff to be greatly increased during his administration. In fact, he advocated huge increases in the tariff for industry, but he never could find a way to help the farmers. He wanted to help them without the Government paying out any money.

In 1932, on May 3, the Associated Press carried an article to the effect that Mr. Hoover was advocating a day of prayer for the farmers, in which he stated:

The blessings of Heaven to be invoked on May 5 by Christian churches of all creeds and in all lands on the farmer and his work will comfort many with the knowledge that their burdens are in the anxious, sympathetic thoughts of men of good will everywhere.

WHY SUBSIDY TO FARMERS FIRST GIVEN

Industry has received a subsidy in the form of a tariff since the beginning of our Government. This has been unfair to farmers because they had to buy in a protected market and sell in an open competitive world market. Congress wisely said more than 10 years ago that the farmer should have some compensating offset for this disadvantage caused by the protective tariff, and in order to give this offset, a subsidy was provided through A. A. A. and other benefits. It was right and sound in principle and the farmer should not now want that valuable principle destroyed.

COMMODITY CREDIT CORPORATION

The Commodity Credit Corporation is the most valuable agency for the farmers. Not only does this agency guarantee a floor under farm prices, but under a law that is upon the statute books now this floor under farm prices will continue for 2 years after the declaration of peace when this war is over. Applying this law to the last war, the farmers would have been guaranteed a price equal to 90 percent of parity for 2 years after the 1st day of January after the declaration of peace, which was July 2, 1921, and would have therefore extended until the end of 1923. If the war is over in July 1945, the farmers will have this protected price for 1945, 1946, and until January 1, 1948. This is substantial and should not be given up.

ONLY GROUP SO PROTECTED

No other class or group has this guaranty of a fair price or a fair wage after this war is over. If the Commodity Credit Corporation Act is not extended it will not be possible for the Government to carry out this promise. We should not run any risk of the Commodity Credit Corporation Act not being extended as it is too important to the farmers.

IF SUBSIDIES OUT THIS PROVISION OUT

If farmers are induced to take a stand against subisidies and persuade the Congress to believe that the farmers do not want subsidies, the administration that is in power when this war is over would therefore be justified in failing to carry out that provision of the Commodity Credit Corporation Act which says that farmers shall be guaranteed a price equal to 90 percent of parity for 2 years after the declaration of peace, since subsidies will be required to carry out that provision.

SUBSIDIES NECESSARY IN POST-WAR

Furthermore, any permanent plan for agriculture when this war is over will embody the use of subsidies in one form or another. If farmers persuade Congress and the country to believe now that they are opposed to subsidies this will be against their interest in working out post-war problems for agriculture.

It was proposed by the President, and adopted by Congress, that subsidies be used to encourage the production of needed foods for this year and next year to the amount of several hundred million dollars. Farmers are thereby induced to grow the maximum amount of food. They are hard hit by manpower shortage,

machinery shortage, high prices of things they buy, and other unfavorable factors, and they must therefore be assure a fair price in advance in order to assure maximum production. This cannot be done without the use of subsidies. In many cases farmers will be requested to grow food crops with which they are not familiar in preference to other crops they normally produce. This can only be successful if proper support prices are offered to them in advance and this cannot be done without the use of subsidies.

FOOD JUST AS ESSENTIAL AS BULLETS

Our war budget for this year is $100,000,000,000. It will be used to purchase planes, tanks, guns, ships, and ammunition. Food is just as essential as bullets in a war.

It is possible that if subsidies are outlawed and prices are increased instead that the needed production of food will be forthcoming, but we are not sure and no one can be sure. There is only one way that has yet been discovered that we know of that will absolutely guarantee the necessary effort to produce the needed food, and that is through the use of subsidies. Since this is the only certain way, $800,000,000 in a year is small, less than 1 percent of the cost of our war machine for this year, and the food is just as important as the war machine. Therefore we should not run any risk—we should do everything reasonably possible to back up our fighting forces and $800,000,000, considering all the circumstances, is too small an amount to justify us running any risk.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I appreciate the fact that something must be done to prevent the inflation which we had following the First World War and which could follow this war; therefore we must have a price-control bill. With this fact in mind the Committee on Banking and Currency unanimously reported the pending bill, but in this fashion: Everybody has the right to offer an amendment to the bill or to vote for other amendments. This measure was reported on the theory that we must have a price-control bill. Yet if we can improve the price-control law, a law that affects every man, woman, and child in America, I know that we will not hesitate to change the bill as it was reported by the Banking and Currency Committee.

I think the committee has improved the basic law. Some amendments will be offered that are not crippling amendments; that will perfect the law. Let us not assume the attitude that one man or one agency can write the laws for Congress. I am for price control, but I have an amendment which, in my opinion, will strengthen the measure reported by the committee.

We have a condition in this country that has worried the W. P. B. and other Government agencies very much. It is the lack of certain kinds of clothing and in particular the clothing that is worn by the poor people of this country; overalls, work shirts, and many other essentials. The people find it hard to get this clothing, and they pay high prices for it when they do get it. We must have this clothing. Therefore I presented an amendment to the committee which had two principal objectives. One objective was to insure the production of necessary textiles for the war and for the civilian population also. If my amendment will achieve this objective, it should be adopted. Something must be done. The Navy, within the last 48 hours, has called for 30,000,000 chambray shirts. They cannot get them, and we must have them. The Navy will get the shirts. Of that I have no doubt, but at the present rate of textile production, there will be very little left over for civilians after the Navy gets the material which it should have. The second big objective of my amendment is to get parity for the cotton farmers. During th. hearing I asked Mr. Bowles if he would object to any amendment to bring parity to the cotton producers of this country. He said, "I would not." Nor should Mr. Bowles or the O. P. A. oppose any amendment that will produce the clothes that we need so much. If my amendment is adopted, it may correct some of the conditions to which the gentleman from New Jersey [Mr. HARTLEY] has referred.

If I can show that my amendment will carry out these two objectives without costing the public any more money, then it is not unfair to ask the Members of this House to support it.

Let me briefly give you the background of the situation which brought about my amendment. Cotton is the only major commodity which has been consistently below parity since the passage of the Price Control Act. Cotton has reached parity price only three times since October 2, 1942, and has remained there for only a few days at a time. Within recent months, cotton has averaged a cent below parity, or about $50,000,000 less on an annual basis than the cotton producers would receive if they were getting parity for their product.

The persistent failure of cotton to reach parity resulted in an investigation. It is true that the over-all supply of cotton is ample, but approximately 7,575,000 bales are owned outright by the Government, or are under Government loan. The supply of free cotton—cotton that is not owned by the Government or under Government loan—is by no means excessive. And, in particular, the supply of the most desirable grades and staples of cotton is not large. In view of this situation, persons familiar with cotton felt that forces outside the market might be responsible for the failure of cotton to rise to parity. As the result of an inquiry it was discovered that the Office of Price Administration had placed ceilings on certain textile items that reflected less than parity in the case of raw cotton.

In other words, taking into account the costs of manufacturing the cotton, the costs of transportation, other costs, and margins, mills cannot afford to pay parity prices for the particular kind of cotton which they use in making a particular textile item. For the benefit of some of you who are not familiar with cotton, I might explain that there are more than 600 grades and staples of cotton and parity is a different figure for each of them. Cotton that is seven-eighths of an inch in staple length and of a grade called Middling is the yardstick generally used in pricing other kinds of cotton, and it is used to a certain extent in determining parity. The parity price for cotton in May was 21.08 cents a pound on the farm. Cotton that is better in grade and longer in staple length than ⅞-inch Middling is worth more than 21.08 on the farm, and cotton that is shorter in staple length and poorer in grade than ⅞-inch Middling is worth less than 21.08. My example is not technically correct, but it is accurate enough, I think, to give you an idea of what has been happening at O. P. A. with regard to cotton.

Let me give you one specific instance. Cotton that is 15–16 inch in length and middling in grade is used to manufacture denims, which are used in turn in making overalls and other work clothes. The same kind of cotton also is used in making chambrays that are made into work shirts. This type of cotton also is employed for blankets, corduroys, ginghams, and a lot of other cotton goods that are used for clothing or household use. The parity price of 15–16 middling cotton, landed at the textile mill, as of March 1944, was 23.38 cents. But in fixing its ceiling on the goods referred to, O. P. A. allowed only 21.67 cents for cotton landed at the mill. In other words, the price reflected by the textile ceiling is 1.71 cents a pound below parity, or $8.55 cents a bale below parity. I could cite you about 40 similar instances and perhaps there are others. But the one illustration I haye given will, I hope, give you an idea of what has happened in cotton and why we are seeking legislative relief.

The Office of Price Administration admits that it has computed the price of raw cotton at less than parity in a number of cases in fixing textile ceilings. In this connection I would like to quote two paragraphs of a letter, dated March 14, 1944, from Byres H. Gitchell, Acting Director, Consumer Goods Price Division, O. P. A., to Senator JAMES O. EASTLAND, of Mississippi:

> The Price Control Act, as amended, provides that no maximum price shall be established for a commodity processed from an agricultural commodity, below a price which will reflect to the producers of such agricultural commodity a price therefor at least equal to parity, as well as the other legal minimum prices specified in the act.
>
> In the case of products such as textiles this provision forbids the Administrator from establishing for a commodity or commodities processed from an agricultural commodity any ceiling price or group of ceiling prices which will prevent the agricultural commodity from reaching parity or any other of the specified minimum prices.
>
> It has sometime been argued that the provisions as to processed agricultural commodities has a further and different effect. This view is that the Office is required, in computing and maintaining ceiling prices for processed agrcultural commodities such as cotton textiles, to take the raw material, cotton, at the parity price (or other legal minimum), regardless of the price at which the raw material is actually selling, and add thereto an appropriate margin for processing. The Office has not believed that the act required it to adhere to this or to another

specific formula in computing prices or in applying the parity standard.

The O. P. A. then admits that some, at least, of its ceilings on textiles do not reflect parity on raw cotton. I think that anyone who knows anything about cotton will admit that the price paid by mills whose ceilings reflect less than parity tend to fix the price for all raw cotton. The supply of cotton is not excessive—I am speaking now of the free supply—but there is enough to go around and the mills are not bidding aggressively against each other for cotton. Therefore, the depressed prices to which I am referring, the O. P. A. textile ceilings, that reflect less than parity, are holding down the price of all cotton below parity. Since the textile ceilings are fixed and do not rise or fall with increases or decreases in the price of cotton, it is evident that the price of cotton cannot go to parity unless this situation is corrected.

In my opinion, the action by O. P. A. in fixing ceilings on textiles at prices which fail to reflect parity is a violation of the Price Control Act. Certainly it is a violation of the spirit of the act for the Congress never intended that price control should be used to keep farm prices from going to parity.

I may say that the cotton industry went to O. P. A. when it was discovered that textile ceilings failed to reflect parity on raw cotton and asked them to handle the matter administratively. A series of conferences began and at one time it seemed that O. P. A. would change its ceilings in line with the requests of the cotton industry. Eventually, however, the O. P. A. refused to make the changes requested. The agency stated that it was reviewing the textiles schedules but it insisted on fixing prices on an over-all basis instead of each textile item. Even if this resulted in some textile ceilings that are too high and some that are too low, the O. P. A. insists that everything is all right when the entire picture is taken into account. It explains, as I see it, the shortage in work clothes and many essential textile items. Despairing of any relief at all from O. P. A., the cotton industry brought its case to the Congress.

Now, let me explain what I am proposing to do. My amendment is, in its essence, simple and I feel that is is reasonable and just. In the first place, it would require textile ceilings to be computed on a basis that will reflect parity for raw cotton. This is necessary if cotton is to go to parity. I do not see how anyone can deny that.

My amendment also would give the Chairman of the War Production Board the power to increase the production of badly needed textile items. This would be done as follows: Whenever the Chairman of the War Production Board determined that a textile item was necessary for the war effort or the maintenance of the civilian economy, the cost of manufacturing and marketing that item would be computed at a figure that would cover the cost of manufacturing and marketing 90 percent by volume of the item.

This may sound a bit complicated but I think I can explain it by a simple illustration. Let us take denim for example, which, as I stated before, is a textile item used mainly for the manufacture of overalls and other work clothing. Under my amendment the Chairman of the War Production Board would determine that the production of denim should be increased. He then would direct the O. P. A. to compute its ceilings on a basis that would cover the cost of cotton, plus the cost of manufacturing and marketing figured on a basis that would cover 90 percent by volume of the denim made. In other words, the O. P. A. would have to cover the cost of manufacturing 90 percent of the denim. And O. P. A. also would have to give a reasonable margin on the denim made.

My amendment then would do three things: It would require textile ceilings to reflect parity on raw cotton. It would give the Chairman of the War Production Board power to increase production of textiles and it would direct the O. P. A. to allow reasonable profit on textiles.

Keep in mind that the law, in my opinion, requires that textile ceilings reflect parity. Keep in mind also that the O. P. A. is supposed to allow a reasonable profit on textiles. My amendment would go only one step beyond the law as it now exists. The Chairman of the War Production Board would be given the power to increase the production of textiles and anyone who knows the textile situation will agree, I think, that one of the reasons for the higher prices and scarcity of cotton goods is the fact that production has been curtailed because of existing policies.

Certainly, this country needs more textile goods and certainly the farmers should get parity for their product. What then is the objection to my amendment? The O. P. A. says it would greatly increase the cost of living and they have given some very high estimate of costs. That is the reason for their attack on the Brown amendment. Now, if I could show that my amendment, if administered in the right way, will not raise the cost of living at all, I am certain that the House would support it. This is what I propose to do. There should not be a cent increase in the price to the consumer.

Who is my witness?

I hold in my hand a letter addressed to Senator TAFT by Mr. York Wilson, who is the chief accountant for the textile industry in the office of the O. P. A. This letter did not have the approval of the O. P. A., but it was written by the man who knows more about textile costs than any man in the O. P. A. So I say, as testimony, it should have more weight than that from any other official in O. P. A. I have no authority to quote the O. P. A. for it, but I have the authority to quote Mr. Wilson, who looks after this particular industry, and who is the chief in that particular section. He has been an accountant for several textile mills. Let me read from his letter. What did he say?

> If properly administered, the amendment will not increase mill profits 1 cent.

This is Mr. Wilson's statement.

Yet, we see in the papers that any change from present ceilings will raise the cost of living. Here is a man trained in the textile industry. Here is a man whose reputation is so high that the O. P. A. sent for him on account of his knowledge. He gave Senator TAFT his impartial judgment. He knows more about the subject than anybody else in O. P. A. He knows what he is talking about. The trouble is that so many of those who have been talking in the newspapers do not know anything about the textile or the cotton industry. What else did Mr. Wilson say? This is what he said:

> If the textile items that reflect less than parity are raised in accordance with the amendment, and those that are too high are reduced, as they should be reduced, there will be no increase in the over-all cost.

I know the basis on which Mr. Wilson made his statement. O. P. A. has said on numerous occasions that the textile mills are making profits sufficiently high to enable them to pay parity for raw cotton. O. P. A. also admits that some ceilings on textiles do not reflect parity on cotton. Obviously then, some ceilings are too high and some are too low.

The reason for the shifts in the manufacture of lower-priced to higher-priced goods have come about, in my opinion, because of this maladjustment in O. P. A. price ceilings. The ceilings on many of the essential items needed for everyday wear and for the household are too low. The ceilings on some of the higher priced and fancier goods are, in my opinion, too high. The O. P. A. argues that it can correct this situation by directives from the War Production Board, but I doubt this very much. It is only human nature and an instinct for self-preservation for an industry to concentrate on more profitable items to the exclusion of the less profitable items. The War Production Board can issue directives but it cannot force increases in the production of textiles that are being made at a loss.

I must say that I am at a loss to understand some of the O. P. A.'s arguments. Why does not O. P. A. raise the textile prices in the instances where these prices are too low and reduce them in the instances where they are too high? I have yet to have a satisfactory answer to this question.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BROWN of Georgia. I asked that question, but one of them said, finally, "Well, we can do it under the law." "Why don't you do it?" "Because we don't want these fellows to be jumping on our necks all over this country." My reply to them was this: "You took the job to be shot at and you are expected to be shot at."

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Did I correctly understand the gentleman to say that there is just one price for all grades of cotton?

Mr. BROWN of Georgia. No. That is the trouble. I am getting to that now. I

will tell you where they make the mistake. They take ⅞-inch Middling cotton. The parity on ⅞-inch Middling cotton is about 21.08 cents a pound. You take 15/16 Middling and the price for this cotton and for inch Middling is higher than that for ⅞-inch cotton. But cotton that is below Middling in grade and less than ⅞-inch in staple is lower in price than ⅞-inch Middling.

As to making this clothing that is so needed now, let me give you an illustration. They use a 15/16-inch Middling grade and manufacture it into denim. That is what your overalls and work clothes are made from. The same kind of cotton often is used in making chambrays. That is where your shirts come from. The Navy has called for 30,000,000 of these shirts. It is made into white shirts. This type of cotton also is employed for blankets, corduroys, ginghams, and a lot of other cotton clothes that are used for household use and for the poor people of the land. As I stated before, the parity price of 15/16 Middling cotton landed at the textile mill in March 1944, was 23.38 cents, but in fixing the ceiling on the goods referred to, O. P. A. allowed only 21.67 cents for cotton landed at the mill. In other words, the price reflected by the textile ceiling is 1¾ cents per pound less than parity.

Under the circumstances, it is no wonder that some of the cheaper cotton goods are becoming scarce. Any housewife will tell you that cotton goods and cotton clothing are hard to get and that, after they are found, they cost a good deal more than they did a year or two ago. A dress which formerly sold for $2.98 now will sell for about $4.98. Coats that formerly sold for $9.98 are selling for $14.98, and the cost of most cotton clothing has risen in proportion. So far as cotton clothing is concerned, the stabilization line has broken.

What has happened is this: While the price of textiles has risen very little, the people are having to buy more and more goods made from higher-priced textiles. Let me give you an example of how this works: Let us say that a textile manufacturer is making goods that cost 30 cents a yard, and the O. P. A. ceiling denies any profit on these goods. Let us say that he also is making textiles that cost 60 cents a yard and there are reasonable profits on these goods. Under such circumstances production of 30-cents-a-yard goods will be reduced and the production of 60-cents-a-yard goods will be increased. The labor costs for the 30-cent goods is just as high as for the 60-cent goods. Therefore, there will be very little 30-cent material for sale. The people will have to buy 60-cent goods and the cost of clothing will rise as a result. This hits the poor people especially hard. Another reason for the rapid rise in the cost of clothing is the wide margins allowed after the goods leave the textile mills, and particularly the wide margins between wholesalers and retailers.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. PATMAN. Mr. Chairman, I yield 5 additional minutes to the gentleman from Georgia.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Let us see if we can get this cleared a little bit for some of our Members on this side who are not so familiar with cotton. We have a terrible shortage in three types of cloth, cotton flannels, blue denim, and blue chambray, which is terrifically needed by the armed forces and the civilian population.

Mr. BROWN of Georgia. The W. P. B. has been in conference for weeks and weeks and months with the O. P. A. trying to straighten them out on this very problem.

Mr. CRAWFORD. When they determine a cost formula and a price ceiling which does not give the farmers the parity price on cotton by about $8.50 a bale, it injures the farmers, and defeats the purpose of the Stabilization Act wherein we provide for parity. When a price ceiling is set in such a way as to narrow the margin of the textile mill that produces the yarn and the yardage, it prevents production there. So we have a double-acting mechanism, you might say.

As I understand the gentleman's amendment, it is somewhat dissimilar to the original Bankhead amendment.

Mr. BROWN of Georgia. That is true.

One difference is that under my amendment the chairman of the W. P. B. must certify to the O. P. A. that a textile item is essential for war purposes before the costs of producing 90 percent are covered. That was the strongest objection raised by the O. P. A. to the Bankhead bill at one time. I took away that objection to the proposal and now they come in with others. We should give the W. P. B. power to increase the production of textiles, because we expect W. P. B. to find everything necessary to successfully carry on this war. When that is done, how can any man within the sound of my voice vote against this amendment?

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. I do not know just what the gentleman from Michigan means by excess profits. Does he mean that every cotton manufacturer is operating under an excess-profits formula?

The thing we want to be deeply concerned about in connection with an increase in the ceiling on raw cotton, which must go on to the selling price of the goods, is that we are not going to ruin these mills.

Mr. BROWN of Georgia. We have an escalator clause in this bill that when you adjust textile ceilings to reflect parity for cotton plus the expense of carrying it to the mills and manufacturing it in the mills, and that if the mills fail to pay parity, within 60 days their ceilings will be lowered. The mills understand this and approve it. They tell me that they do not mind paying parity for raw cotton. They want their ceilings adjusted so they can pay parity.

And as I have said several times, this amendment should not increase the cost to consumers 1 cent if it is properly administered. On the other hand, it should help consumers, and in particular, the poorer people by making more low-priced goods available at reasonable prices. As it is now, there simply is not an adequate supply of low-priced goods and even though, in theory, prices are low, it does not mean anything. It is apparent to any objective observer that O. P. A. has let this clothing situation get entirely out of hand. The price of textiles rose very little, if at all, in 1943, but the price of clothing increased 6.7 percent and the price of cotton clothing led the march upward. I am sincerely of the opinion that what I am proposing would lower the cost of living if it is administered as it should be administered. If we do not do something to increase the supply of clothing, this country is likely to have to ration cloth.

I am certain also that my amendment will help the cotton farmer. In this connection, the cost of producing cotton has risen steadily. The cost of rising a bale of cotton now is approaching $100 and the average income per acre, exclusive of seed, is around $100. The factory worker in January 1944 earned an average of $1 per hour; the cotton farmer is earning an average of about 20 cents per hour for his labor. I am not arguing that the factory workers are being overpaid, but it is apparent, I think, that the cotton farmers are underpaid. It should be noted that the average of all other farm commodities is about 114 percent of parity.

The question has been raised as to why this amendment applies only to cotton. The answer, I think, should satisfy everyone. Cotton is the only commodity whose prices are depressed below parity by O. P. A. price ceilings. Cotton therefore finds itself in a unique situation. The cotton industry had no objection to broadening this amendment. The organizations representing other agricultural commodities, however, said that since cotton was the only one affected by O. P. A.'s textile ceilings, the legislation should apply only to cotton.

I want all of you to know that the American Farm Bureau Federation, headed by Edward A. O'Neal; the National Milk Producers Federation; and other farm groups are supporting my proposal. They are urging its passage. This is proof, in itself, that the amendment covers cotton because only cotton finds its price depressed below parity by O. P. A.

I am certain that this House will not hesitate to remedy an injustice done the cotton farmers, or any other farmers, when the situation is called to its attention. There has been instance after instance of legislation for one commodity in this House. In 1942, for example, Congress passed a bill to annul an order which took 5 cents per bushel out of the parity and ceiling price for corn. What we are trying to do here is to remedy a similar situation here. What we are trying to do is to remedy an injustice

done both the producer and consumer. Under such circumstances, I am certain we can count on the unity of agriculture and on the support of all persons who understand this situation and have the welfare of the country at heart.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I am talking to you today about a system of government—government by bureaucracy. I am not interested in individuals. I shall criticize not persons but institutions. Scores of bureaucratic institutions that have been brought into existence in the name of war, but that do not assist in the war effort but hinder it. We know that government by bureaucracy must be abolished if our Republic is to survive.

This is not a partisan issue. It is not a Democratic or a Republican issue. It is an American issue. The question is, Shall we recover our American system of government? Will we again make the executive, the judiciary, and the legislative coordinate branches of our Government? One government but three coordinate branches to protect our lives and liberties. Or shall we continue to slumber and submit to the dictatorial powers exercised by the heads of bureaus without the right of an appeal to courts?

When Congress authorized the creation of 165 Federal bureaus and executive agencies—when it surrendered to these the right to write the Nation's laws—to issue one-man edicts—it surrendered that which was not its to surrender. When it gave to the bureaucrats the right to make rules and regulations, when it gave them immunity from court procedure, it did that, which under our Constitution, it had no authority to do.

But what is the use of discussing the Constitution. Just now we have no Constitution. Courts no longer respect the Constitution that they took a solemn oath to uphold and defend against all enemies, foreign and domestic. Unless Congress again asserts itself and on occasion even uses the power of impeachment, our Constitution is gone, and with it our liberties and our form of government.

Today the question is, Should the O. P. A. be abolished? It should never have been created. It is an un-American, illegitimate child. It was born of foreign parentage. It was put over by an official clique in Washington that think more of foreign institutions than of our own. It is only one of scores of the alphabetical set-ups of foreign origin. It is one of the bureaus that will have to be abolished if our institutions and our form of government are to survive. It is incompatible with our American way of life.

The O. P. A. got off on the wrong foot to start with. Its first Administrator lost his head. Like all bureaucrats he started out by bluffing and blustering. He threatened to "crack down" on the people—to get tough. In the words of Confucius, "When there are no tigers in the mountains, even monkeys proclaim themselves kings." This O. P. A. Administrator had his picture taken riding through Washington on a bicycle with a lady sitting on the handlebars. The people smiled in astonishment at such childish pranks.

The object was to make the public believe that the Administrator of the O. P. A. was conserving gasoline and manpower—if not lady power. The truth is that the O. P. A. has not conserved, and is not conserving, either manpower or gasoline. It has, and is, wasting both. The trouble with the O. P. A. is that it is top-heavy with book knowledge—crammed full of inexperienced, bookwise New York youngsters—who do not know whether they are coming or going.

The O. P. A. has spent millions of dollars of the taxpayers' money without any real accomplishments. In its early stages, it employed hundreds of super-snoopers chasing around the country spying on, and interfering with, the people who transact the Nation's business, and who do the Nation's work. It insulted the small businessman and challenged the farmer and the workingman's integrity. It added confusion upon confusion, issued edict after edict, each one contradicting the other.

It takes a Philadelphia lawyer to figure out what it is all about. It may truly be said that the right hand of the O. P. A. never knows what the left hand is doing. The people are bewildered and angered. Little wonder that the President was forced to give the O. P. A. personnel a shake-up or two. In justice to himself, he ought to shake it up some more.

Any businessman can tell you that, at least, one-fifth of his time is wasted in trying to keep up with the red tape and confusion of the O. P. A. Any farmer can tell you that a great deal of his time and gasoline is wasted in trying to comply with the contradictory rules and regulations of the O. P. A. He can tell you he has made countless trips, burned up gas, and wore out his old tires trying to get a new inner tube or other necessary farm equipment.

Go into any store, and purchase a few cents worth of goods, and you will stand in a line and wait while the seller and the buyer count points—wasting manpower, losing tempers, and wrecking nerves. Then, think of the thousands of employees of the O. P. A. wasting not only their own time but your time. Some of these pencil pushers lie awake nights figuring out new rules, definitions, and regulations—more red tape and confusion. Here is how the O. P. A. defined Cheddar cheese. "A clean, pleasant, mild aroma, a pleasing nutty flavor, a mellow, silky, meaty body, and a close, solid, uniformly colored interior."

Others are just plain loafers—with a political pull—who do not earn their salt. A casual walk through Federal Office Building No. 1, a few blocks from the Nation's Capitol, will confirm this statement. There, you will observe women knitting and making dresses—men and women gathered in groups playing games and discussing the topics of the day—while others are engaged in an attempt to write poetry.

Then think of the thousands of dollars of paper and material wasted in printing and manufacturing and distributing regulations and points. I repeat the O. P. A. has not aided the war effort but has hampered it. It has wasted manpower, interfered with production, and caused disunity.

The O. P. A. has not decreased the cost of living but increased it. It has muddled production and caused shortages. It has been guilty of gross discrimination in ceiling prices. It sets a ceiling price on a loaf of bread in one city and a lower ceiling price on the same loaf of bread in an adjoining city. It has a ceiling price on eggs in one locality and a lower ceiling price in another locality. In many cases it fixed the ceiling price on fruit and vegetables below the cost of harvesting so that the producer was compelled to plow under, or permit to rot, millions of dollars worth of fruit and vegetables. It has created shortages and boosted prices.

We know that because of the blunders of Government bureaus and agencies millions of dollars of food have been permitted to spoil and rot. This includes 3,000 carloads of potatoes, 30 carloads of evaporated milk, 250,000,000 bushels of wheat, 2,841,700 pounds of dry beans and peas, 295,000,000 pounds of wheat cereal, 234,620 pounds of strawberry preserves, 353,088 pounds of canned salmon, 138,750 pounds of fresh onions, 69,804 pounds of canned tomatoes, 74,064 pounds of canned peaches, 1,939,000 pounds of rolled oats, and 47,420 pounds of canned chicken. This is just a small part of bureaucratic waste.

In the fall of 1942 the farmers in North Dakota sold their potatoes for $1 per hundred pounds. Less than 6 months later potatoes that were unfit for human consumption cost $10 a hundred in Washington. Who got the other $9? Surely not the farmer nor the consumer who paid the $10. Is it possible that there was a leak by someone in the O. P. A. to the potato brokers? Later it developed that there never was a shortage of potatoes. Millions of bushels were later dumped into gutters and permitted to rot.

When this matter was brought to the attention of the O. P. A., they informed us that the ceiling price on potatoes in Washington was $3.50 a hundred, but they immediately qualified that statement and said that there was no ceiling price at all on Maryland, Pennsylvania, or Virginia potatoes. Is it possible that the O. P. A. officials did not know that under these conditions all potatoes in the Nation would overnight become citizens of these three States?

Again, last fall the farmers in North Dakota and Minnesota were urged to harvest their onions in August and September. They were threatened by the O. P. A. with lower prices if they did not comply. Of course, the O. P. A. did not know that these onions should have been harvested in late October. For these onions the farmer received about $1.70

a hundred pounds. Later there are no onions in many of the Eastern States. They have been selling as high as $15 to $29 a hundred. Who got the other $27.30? Not the farmer, nor the consumer. The consumer paid the $29. The farmer got $1.70. Who, we repeat, got the other $27.30?

Then, the O. P. A. began to muddle the hog market. It plastered its points and ceilings all over pork. But it forgot to fix a floor. The farmer and the consumer again took the rap. The farmer was docked for overweight and for underweight. He received from 7 to 13½ cents a pound. In many cases, he was not able to sell his hogs at any price.

The farmer was compelled to feed these hogs long after they should have been slaughtered. Every pound of feed they consumed after they were ready for market was wasted. This at a time when the Eastern States were in great need of feed. The farmer, of course, cannot be blamed when next year there is a pork shortage. He cannot be expected to continue to produce pork at a loss.

Recently we had an egg crisis. The farmer in the Midwest received as low as 14 cents a dozen, while in Washington the ceiling was still 50 cents a dozen. Where was the O. P. A.? A ceiling of 50 cents a dozen in one place, a market of 14 cents a dozen in another place.

Now the Government has 14,000,000 crates of eggs on hand. These eggs are in danger of becoming overripe. So some bureaucrat suggests that they be mixed with other products and fed to livestock—to cows. I never knew that cows ate eggs. I would not be surprised but what somebody in the O. P. A. got the idea that if they fed eggs to cows, cows would lay eggs. That would be on par with writing to a Texas stockman, asking him how many male and female steers he had on hand. It would be on par with suggesting that farmers take the shoes off the horses' feet at night so they would not wear out.

Another example is the berry and fruit industry. Last fall the O. P. A. fixed a ceiling of 18 cents a quart on raspberries. It cost the growers about 22 cents to get them picked and crated. The result was that they plowed them under. Then, after they were destroyed there was a shortage. The ceiling went up and you could not buy raspberries for any price.

Prior to the O. P. A. the consumers could buy a cotton handkerchief for 5 cents. Under the O. P. A. regulations they are 25 cents each. One bale of cotton made into handkerchiefs sells for $3,200. The farmers get $100 for the same bale. Who gets the other $3,100? Not the consumers that pay the $3,200.

These are just a few of the hundreds of blunders of the O. P. A. Just a few of the unnecessary hardships placed upon us. Just a few examples of the confusion caused by the O. P. A. It should be abolished and its worth-while functions transferred to the Department of Agriculture and the W. P. B., and the enforcement thereof to the Department of Justice where it belongs.

The people are getting tired of being bossed and bulldozed by the little autocrats in the various set-ups throughout the Nation. Many of these act not only without authority of law, but, in violation of the law and the Constitution. Unfortunately, the bureaucrats refuse to trust the people, to have confidence in them. In turn, the people have not only lost confidence but also respect for the bureaucrats. They have a contempt for them. The result has been disrespect for law and order, black markets.

In the words of the immortal Senator Borah. "Any government that loses confidence in the best of its citizens, should not be permitted to exist for one year, for one month, for one day, for one hour, for one minute thereafter." Government by bureaucracy must be abolished.

We all know that in time of war the military arm must have full and complete control of military operations, but a declaration of war does not abolish Congress, nor abrogate the Nation's laws. Congress should still shape the policies that govern the civilian population. The people demand that Congress accept its responsibilities, that it once more write the Nation's laws.

In place of creating the O. P. A., Congress should have, on the day that it declared war, fixed a floor and a ceiling price on all commercial commodities. Then, it should have appointed a committee to make adjustments where adjustments were necessary. Congress can and should still do this.

It is not necessary to surrender our intellect in order to win this war. It is not necessary to become regimented serfs in order to win. We must forever be on our guard. The greed for power—bureaucracy—is more dangerous than the greed for money. We must never surrender the right to think out loud. In spite of the fact that all of our avenues of publicity are now more or less under the control of official Washington, we must insist upon freedom of speech and press—freedom of conscience. We must give constructive criticism whenever and wherever it is needed.

There has been too much concentration of power in Washington. The bureaucrats not only wish to control the Nation's industrial activities, but insist upon doing the thinking for all of us. Many of these are incompetent to do their own thinking, let alone the Nation's. Congress must stop this nonsense—it is dangerous.

Congress has given too many blank checks to the Executive, and through it to the bureaucracy. The chickens of this legislation have now come home to roost. The one-man made laws made under these blank checks by Executive orders and administrative edicts, from January 3, to April 2 consist of 4,223 pages, while the CONGRESSIONAL RECORD for the same period, which contains all the speeches in both Houses of Congress, consists of only 2,948 pages. The time has arrived for this Congress to abolish this unconstitutional method of government.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, the supply of crude oil, one of the most essential of our war materials, is growing less every day. This supply must be increased. In order to provide for more oil the price of crude should be increased.

The Office of Price Administration under its regulations has not seen fit to grant increases in the price of crude oil, even though the present prices are approximately 60 percent parity when considered under what is known as the 1926 index of the Department of Labor. On the same basis coal is 118 percent; raw materials, 112 percent; all commodities, 103 percent; lumber, 144 percent; and so forth. The average price of crude oil today is about $1.18 per barrel. It is approximately the same as in 1937.

It is agreed, I am sure, that one of the most vital war materials is petroleum. Transportation of all kinds—rails, ships, air—as well as industry and agriculture would slow down or quit without an adequate supply. Most important of all, we must have a huge supply for our planes and tanks and other war equipment. The demand and need becomes greater every day.

I want to quote from the Division of Reserves, Office of the Petroleum Administration for War, showing the initial production of petroleum since 1937. Here are the figures:

	Barrels
1937	10,185,780
1938	8,795,660
1939	6,664,200
1940	7,076,250
1941	7,284,100
1942	2,781,540
1943	1,553,400

You will observe that in 1937 the amount of new production was 10,185,780 barrels and in 1943 approximately 1,553,400. The average daily production of crude in the United States in 1942 was 3,919,000. In 1943 it was 4,300,000 barrels. It is hoped that production in 1944 may reach 4,600,000 barrels. Our refining capacity is around 5,000,000 barrels. I am advised at the present time we are refining about 87 percent capacity.

The demand for gasoline and other petroleum products has doubled in the last 2 years, and so almost 50 percent of our petroleum products goes to the armed forces and Allied Nations; about 14 percent to industries and public utilities. Passenger cars get about 10 percent. The railroads get 8 percent. Busses and taxicabs get about 10 percent, and the farmers get about 5 percent. The remainder goes for miscellaneous items including heat. Of course, nobody is asking for gasoline for pleasure driving or unnecessary use, but we must have a certain amount of it to carry on our needed operations.

There has been a definite decline in stocks on hand since 1941 and unless those stocks are increased we are likely to find ourselves in a rather embarrassing position with respect to petroleum supplies within the near future. The demand for crude petroleum at present

amounts to 5,000,000 barrels every day. The production of crude right now is approximately 4,500,000 barrels. In addition to the 4,500,000 barrels, there is a further production or recapture of oil of about 200,000 barrels, so there is a deficiency right now of 300,000 barrels of petroleum per day. This deficiency is made up by taking from dwindling stocks and from the importation of crude oil. This House and the country ought to know that the demand for crude oil above production has been at the rate of 100,000 barrels per day since prior to the beginning of the war. Supplies of gasoline and crude oil have been rationed to the very limit, but even at that the supply of crude oil since December 1941 has been reduced 83,000,000 barrels.

I have called your attention to the fact that more than 50 percent of all production goes for the use of our armed forces, and almost all of the remainder of it goes indirectly for war purposes. This is not a question of providing gasoline for nonessential purposes. That thing is rationed to the limit. This is not a question of providing profits for big oil companies. It is a problem of producing an important and essential war material that is needed now and is going to be needed in greater quantities in the immediate future.

According to the Bureau of Mines 22,143 oil wells were completed in 1937. They had a capacity as I have told you of more than 10,000,000 barrels. In 1943, 9,762 wells were drilled with a capacity of a little more than 1,500,000 barrels. Now some figures as to the cost of drilling new oil wells. In 1936 the average cost per barrel was $56.92. In 1941 it was $72.48. In 1943 the average cost was $207.69. This is three times the cost of 1941. If the price of crude oil were increased 50 cents per barrel, it would raise the price of gasoline about 1 cent per gallon.

Now, Mr. Chairman, it seems to me there are two alternatives offered for the providing of a bigger supply of crude oil. One is importation and the other is greater production in our own country. There is no reason why we should import oil in the United States when we can produce it and refine it right here if we are willing to pay nearly a fair or parity price to get it done.

I want to call your attention to the fact that new production and new exploration is done by independent operators. They are the ones who ordinarily do the exploring and bring in added production. It is estimated independent operators are responsible for about 70 percent of new production. It has been suggested that because some of our big oil companies show plenty of profits that no increase should be allowed. These big companies can show profits because they make their money on refining and on by-products, transportation, retail sales, and so forth. Furthermore, companies showing big profits have huge contracts with the United States Government. A great deal has been said about protecting the small businessman, the independent businessman of this country. It would interest you to know that a good many independent operators have sold out to big companies and gone out of business because they could not continue to operate under present prices and yet here are Members of Congress who talk about protecting the small businessman but permit him to be swallowed up by a few big major companies.

If we continue as we are now going the big companies will have the small independent operator out of business in a couple of years. If the Office of Price Administration believes the big operators are making unnecessary profits they can certainly take care of that problem without fixing a below-cost price on crude-oil production. It seems strange that prices far beyond parity are granted on services and certain other materials in order to promote the war effort at a maximum, and yet because a few major companies make large profits on refined products the Administration hesitates to give the producer a cost price for his efforts.

Mr. Chairman, I think this Congress ought to take cognizance of another thing with respect to the production of crude oil. We now have a number of concerns who have made large profits on war contracts for the armed forces who are now also engaged in the exploration and drilling for oil. Their profits are in the high brackets, so in place of paying so much taxes to the Federal Government they use the profits for drilling oil wells and thereby reduce the amount of taxes due the Government.

Here are names of companies that have been given me, who are in the business of drilling oil wells. The Northern Ordnance Co. engaged in the production of crude oil in western States and in Pennsylvania. The Auto Ordnance Co. is drilling oil in Kansas and Texas. The Nu-Enamel Paint Co. operates in Texas. The Alco Valve Co. and the Great Lakes Carburetor Co. have also been named as being engaged in the oil and drilling business. I am told the Sharples Cream Separator Co., that formerly made cream separators and then was engaged in providing equipment for war uses, is now interested in the drilling of oil wells in the State of Texas.

I do not claim they have no legal right to do this sort of thing, but it hardly seems fair to the ordinary independent operator that these concerns should drill oil wells on 15- and 20-cent dollars in competition with the independent operator who is not allowed a price sufficient to pay for the cost of carrying on his business.

Newspapers have recently given publicity to a statement that we have about 20,000,000,000 barrels of crude-oil reserves, equivalent to a 14-year supply, if we follow last year's rate of consumption. This statement has carried a lot of misunderstanding. Such thing might be true if no new discoveries were made, but we are discovering new oil all the time. New fields have recently been discovered in Alabama, Florida, and Mississippi, so we really do not know how much oil has not yet been discovered. We do know we are not producing as much oil as we can. We also know that our immediate reserves are dwindling every day and that the demand for oil is increasing. I am not suggesting that we ought to have more oil for unnecessary needs. I know and you know that we do need more oil for carrying on the very necessary operations that contribute to the prosecution of the war and provide for the best interests of our Nation as a whole.

Mr. Chairman, I want to quote from an address delivered by the Honorable Harold L. Ickes over the National Broadcasting Co. network wherein he says:

> In the face of this huge war demand, crude oil productive capacity is falling off seriously throughout the important midwestern oil-producing States, and is susceptible of a substantial increase only in west Texas. On the basis of known military requirements—let alone whatever unexpected demands may develop—we will not be able, by next year, to produce enough oil in the United States to meet the needs of the military, of war industry, of agriculture, and for essential civilian purposes unless we cut down on consumption now. That is not my opinion. It is a fact recognized by the practical oilmen who have formally endorsed the gasoline curtailment in the Middle West and Southwest.

A shortage of crude oil has to some extent been recognized. To overcome the shortage it is suggested that to stimulate production subsidies be paid instead of increasing the price of crude oil. I do not want to go into that discussion except to say that it does not make sense that we should dip into the Federal Treasury to pay for drilling oil wells when the price of crude is little more than half of parity. Furthermore, it is impractical in so many ways.

Mr. Chairman, this matter has been brought to the attention of officials in the Office of Price Administration a number of times. Those officials have not seen fit to provide what I believe is a fair price for crude oil so I am asking the membership of this House to support an amendment offered by the gentleman from Oklahoma [Mr. DISNEY], that will provide for a price of approximately 80-percent parity, which will increase the price of crude on an average of not more than about 50 cents per barrel and will provide for an increase on the price of gasoline of not more than 1 cent per gallon. The amendment is fair and reasonable and should be adopted. This amendment is not out of order and puts the price of petroleum a little nearer in line with that of other essential war products.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, everywhere one hears discussions about employment when this war is over. Jobs must be found for about 55,000,000 workers, and of course these workers could not long be employed unless a market was found for what they produced. However, employment, together with good wages, will insure a purchasing power that will give a market for the products produced by private enterprise.

JOBS

About 25 percent of the jobs in this country are normally in manufacturing. Of course, there are jobs in other fields that are indirectly dependent upon manufacturing. Nevertheless, to take care of the great number of required jobs, we have to look somewhere else besides the great manufacturing corporations.

About 45 percent of the total business employment of the country is furnished by small businesses with fewer than 100 employees each. Of the 3,000,000 separate business establishments in the United States only about 3,300 employ more than 1,000 workers each. Therefore it is evident that small business is the backbone of the country in the matter of furnishing jobs, and it is necessary that small business be protected from destruction, not only by the competition of big business but also by Government regulation.

RECONVERSION

Economists in Britain as well as in the United States are generally agreed that there will be three separate periods following the war:

First. There will be the period of reconversion when unemployment cannot be avoided. What that will amount to we do not know, but the Bureau of Labor Statistics estimates 7,000,000 to 12,000,000 will be jobless during this reconversion period. Therefore speed is absolutely necessary to cut down this unemployment as much as possible.

Second. Boom period. It is estimated that by the middle of next year there will be $194,000,000,000 worth of liquid holdings in the hands of business and individuals. That will furnish a purchasing power far beyond the wildest dreams of the most visionary inflationist. Hence, there will be a necessity for some kind of control until the supply equals the demand.

Third. Overproduction. It is difficult to foretell what will be the result when production equals demand and goes beyond it. Then, of course, you have stagnation unless an outlet is found for surplus goods. Such an outlet to some extent might be found abroad. We could probably figure that 10 percent of our production might be disposed of abroad, but there again you come in conflict with the purchasing power of other countries. If such countries cannot buy our products, then there is no market. However, if foreign countries can sell us something so that they can also purchase from us, then we can hope to dispose of some of our excess.

To achieve this balance of trade with foreign countries, Secretary of State Hull has developed the reciprocal trade agreement. The reciprocal trade agreement is the best device yet discovered to achieve trade with foreign countries, but one danger is always present, namely, that the foreign purchasing country can only produce goods of which we already have a surplus, in which event we would endanger our own economy by making an agreement with such country.

AGRICULTURE

The question of employment and purchasing power bears intimately on the farm product. When you create high production and high employment you create markets for the farmers' produce, but here again we run into the difficulty of making reciprocal trade agreements with countries that can only furnish farm products which would depress the market for agricultural products in our own country. In other words, we would be selling manufactured goods to foreign lands at the expense of what the farmer produces and would thereby depress farm prices and leave the farmer the victim of an unfair agreement. Hence, it must be apparent that many difficulties stand in the way of achieving a well-balanced economy, but neverthelss I think it can be done, although dislocations will occur and adjustments will have to be made, not only during the present reconversion period but from time to time over a period of years.

CONGRESS AND SMALL BUSINESS

Congress has been aware of the fact that there has been a high mortality rate among small-business men because of the war emergency, and Congress has been attempting to gather facts through investigations so as to make adjustments in the post-war period. The House created a Committee on Small Business on December 4, 1941. This committee has held 80 public hearings up to the present time and has heard 1,237 witnesses, covering many subjects. By the close of 1944 the committee will have spent approximately $90,000 and will undoubtedly hear additional witnesses on a number of subjects which have not yet been explored. Many bills have been introduced as a result of these hearings which will no doubt receive committee hearings.

In addition to the above, the Senate has also established a committee to consider the problems of the small-business man which has a much larger personnel than the House committee and has spent considerably more money. Also there was created an agency known as the Smaller War Plants Corporation which has been endeavoring to solve many of the problems of the small-business man, not only during the present war emergency but also in the emergency following the cessation of hostilities. Unfortunately, in the multitude of bureaus, commissions, agencies, and corporations set up by the Government there are many conflicts of jurisdiction and authority which do more harm than good.

To illustrate: In my district there are many small businesses. It is a wealthy agricultural district which contains some 35 plants devoted to the canning of vegetables. These plants could not possibly have turned out the large volume of business needed by our armed forces, by our agencies overseas, and for our own civilian trade unless they had a sufficient labor force to do the trick. However, they ran into the difficulty of being restricted to a low wage scale which made it impossible for many of the operators to secure sufficient help. As a result, the operators were confronted with the dilemma of either letting the crops rot in the field or violating the wage scale and saving this much needed food. Of course there were some violations. There had to be rather than to let the crops rot. The same condition obtained in cheese factories, condenseries, and other processing plants of dairy products. Milk is highly perishable, and either it had to be taken care of at once or poured down the sewer. As a result there were some violations of wage scale in these plants, but the food was saved.

Now, what has happened? I am advised that the Internal Revenue Department has refused to allow the wage deductions in income-tax reports of these plants; not only disallowed the wages paid above the scale but has penalized these operators by disallowing their entire wage payment in computing cost of production. One can readily understand the tremendous hardship such a ruling has imposed on many operators of small business.

Of course, big business has no such problem because big business is devoted primarily to war contracts, and secondly big business has the personnel sufficient to interpret the endless orders and regulations being constantly issued from Washington. As a result, big business has a decided advantage over the little fellow and is given an unfair advantage by the very Government which ought to protect the small-business man.

Mr. CRAWFORD. Will the gentleman yield?

Mr. SAUTHOFF. I yield.

Mr. CRAWFORD. We have a provision in the present O. P. A. law which authorizes the President to direct other agencies of government, including the Treasury Department, to say for instance that company A, cannot deduct from its gross income, in arriving at the amount to be taxable under the revenue laws, the wages paid to an employee in violation of one of the regulations issued under the Stabilization Act.

Mr. SAUTHOFF. That is right.

Mr. CRAWFORD. So we ask our people to go out and labor day in and day out and bring to the markets vegetables ready to can, or milk ready to bottle, and then we say to them, "Now, if you go 50 cents beyond the regulation in hiring people to save that product, you cannot deduct it in arriving at the tax rate."

Mr. SAUTHOFF. Yes. The trouble is you cannot hire enough people without breaking it. And while we are on this subject, let me point out one thing more. Financial institutions, large and small, are crammed with money which ought to be working. Idle money is useless. Active money creates jobs and means prosperity. But money is timid, and no one will risk his money unless he is free from fear. This risk money should be put to work as jobs depend upon it. Much of the fear that drives this risk money into hiding is created by such foolish policies as that just mentioned. Conflicts between Government agencies should and can be removed so that the free flow of risk money and resultant commerce may be allowed to operate.

A case in point is the need for tires of the farm haulers and truckers who are going to be in difficulty this year unless their case receives special attention. A great many of these haulers use tires in sizes 8.25 x 20 and larger, and it is next to impossible even at this time to obtain such tires. What will happen is that in the hot weather there may be a breakdown in farm transportation due to a lack of tires.

CONCLUSION

Price control is imperative during this war emergency. Every intelligent person admits this fact even though he may

criticize the manner in which it is done, and it is readily understandable that many annoyances and irritations arise from Government regulations. However, you have the choice of accepting either Government regulation or economic chaos, and of the two evils the former is preferable. In the earlier years of the Office of Price Administration, violent opposition was created, because there was too much personal egotism and too much trying out of pet theories to satisfy not only the producer, processor, and distributor but also the consumer. In the end Congress had to step in and assert itself by removing the irritation and thereby eliminating a large amount of the dissatisfaction. I think all of us are agreed that under Mr. Bowles and Mr. Brownlee the Office of Price Administration has made great advance, has reduced to a large extent the irritations and resultant complaints and has given due consideration to the various industries and the problems of such industries.

We all appreciate that regimentation and regulation by the Government are extremely unpopular and that when such regimentation and regulation is coupled with the intent to create national socialism, a powerful opposition is created to the whole movement of price stabilization. Mr. Bowles and Mr. Brownlee have removed, by their words and their acts, much of the fear engendered in the hearts of not only businessmen but the consumers also that under the guise of war emergency all of us were to be goose-stepped for life. I believe that that fear has subsided and that we can safely, in fact must, continue this law not only for the period of the war emergency but also for the period of reconversion. I shall, therefore, support the bill.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, my purpose for taking this time is to call attention to a situation requiring a remedy which a simple amendment will cure and will not unbalance any portion of the price-control program—although it will curb some reprehensible practices on the part of some agents of the O. P. A.

But first may I enlist the aid of every Member of Congress in a program to obtain more than 5 gallons of gas for servicemen on leave or furlough.

The following letter to Mr. Bowles, as yet unanswered, is self-explanatory:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 1, 1944.

Mr. CHESTER A. BOWLES,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: I have just returned from a short visit to Kansas City, and on the trip I had an opportunity to talk to a large number of servicemen. I never at any time disclosed the capacity in which I was serving the Government, but due to the fact that I did let it be known that I was a veteran of the First World War and a past State commander of the American Legion, I was able to enter into and listen in on many discussions these men had.

There was, of course, the usual beefing about various conditions that have developed, but the one big "gripe" expressed by nearly all of these men was the limitation of allowance of only 5 gallons of gasoline when they get home on leave. Several of these men had been away from home nearly 3 years, several of them had served overseas for nearly 2 years and, of course, had many places to go, many things to do, and many people to see, so many in fact that 5 gallons of gasoline was hardly a starter.

For the young men who are comparatively close to home who get frequent furloughs or leaves, this allowance of 5 gallons doesn't seem to be so much of a handicap, but then, of course, they haven't been gone as long and do not have as much ground to cover as those men who have been gone for longer periods of time.

There is no person, you and I included, who would not cheerfully forego a few gallons of gasoline so that these men who have been gone for so many months or years can have all that they desire or need. It seems to me that regulations could be so amended as to allow the 5 gallons for short leaves of 2 or 3 days with at least 5 gallons additional for each 2 additional days of leave. Several of these men were so resentful of the paltry allowance that many of them did not even ask for that, and apparently none of them knew that they could tell their ration boards they had business matters to which they must attend during their leave or furlough; if they did know about it, they had no desire to make any false statements relative thereto in order to obtain gasoline.

It is sincerely hoped that this inequity may be promptly corrected and that these servicemen may, through your office, be granted additional gasoline so they may enjoy their well-deserved periods of rest and recreation.

Sincerely yours,

ERRETT P. SCRIVNER.

But back to our problem, article VI of the Constitution reads:

The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures, shall not be violated.

Under the present law, in substance, section 202, empowers the Administrator to make investigations, to subpena witnesses and all records for hearings at any place.

In view of our constitutional protection there surely was no thought in the minds of Congress to prevent public hearings or to permit private star-chamber proceedings, where persons were to be examined and cross-examined by O. P. A. attorneys and agents while the witness himself was to face this fire of examination by himself without aid of counsel—with no record made to show what was actually said and done at these hearings.

Recently, the O. P. A. issued subpenas duces tecum directed to customers of a packing concern. They appeared with their records, their attorneys, and a reporter. The O. P. A. ordered the investigation to be conducted in private, with no attorney or reporter present.

These witnesses refused to testify under their conditions. Proceedings in the nature of contempt were instituted in the district court.

The decision of that court reads:

Price Administrator's representative may not conduct secret hearing to examine purchaser of meat packer but is entitled to make such examination at public hearing; witness is not entitled to be atended by counsel or stenographer of his own choosing, but such counsel and stenographer may attend hearing as members of public and stenographer "may make notes" of proceedings.

Neither the counsel nor the stenographer, however, may be permitted to participate in or interrupt the examination.

The statute (Sec. 202) under which the Administrator is proceeding * * * does not say anything about any appointee of the Administrator having the power or powers of a grand jury. If Congress desired that the appointees of the Administrator have the powers of a grand jury, it would have been very easy to say so.

The Administrator by himself and his appointees is without question authorized to make studies, investigate, and obtain information. To that end he is authorized to compel persons to attend by means of the subpena. He is also authorized to compel them to attend and produce documents. Now, that language can be given an effect as it should be given an effect.

We Americans, accustomed as we are to proceedings in accordance with the forms of a system of law handed down to us from England, are distrustful of and fearful of secret proceedings. We are accustomed to have all of our court proceedings, substantially without exception other than proceedings before a grand jury, conducted in the open, in public places, and we dislike and are suspicious of such proceedings conducted otherwise (U. S. D. C., N. Ill. (Barnes, D. J.); *Brown* v. *Baer*, Sept. 16, 1943. (12 L. W. 2185)).

Both parties, being dissatisfied, appealed. The circuit court overruled the district court and upheld the star-chamber proceedings of O. P. A. in language which points out the remedy required:

Before Evans, Kerner, and Minton, circuit judges.

Minton, circuit judge: The Administrator of the Office of Price Administration, in connection with an investigation of purchases of meat from the Empire Packing Co., issued subpenas duces tecum to 15 persons who had dealt with that company, ordering them to appear at a stated time and place to testify concerning their transactions with the company for a certain period and requiring them to bring with them all invoices, records, and other documents pertaining to the purchase of meat from the company for that period. The witnesses responded to the subpenas and reported as directed, accompanied by their attorneys and a court reporter. All of the witnesses but one were represented by the attorney for the Empire Packing Co. The Administrator, however, through his lawful agent, had proposed to hold the investigation privately and not publicly. Consequently, the representative of the Office of Price Administration conducting the investigation, after a few preliminary questions to the witnesses, told each that his attorney and ccurt reporter would have to withdraw from the room. The attorneys and reporter refused to withdraw unless authorized by their clients, and the witnesses refused to answer any questions in the absence of their attorneys and reporter.

Upon the refusal of the witnesses to testify, the Administrator applied to the United States District Court for the Northern District of Illinois, Eastern Division, for an order requiring the witnesses to appear at a certain time and place with the documents called for, without their attorneys and their reporter. The witnesses filed an answer to this complaint, and oral argument was had. The court ordered the witnesses to appear and testify before a representative of the Administrator without their attorneys to represent them and without their reporter, but provided that the investigation be open to the public, which could include the attorneys and the reporter so long as they did not interrupt or interfere with the proceedings.

The Administrator has appealed from the order in its entirety, and the witnesses have filed a cross-appeal from so much of the order

as required them to attend without being represented by their attorneys or being attended by their reporter.

The Administrator was proceeding under the authority granted by section 202 (a) (c) and (e) of the Emergency Price Control Act of 1942 (50 U. S. C. A., sec. 922 (a) (c) and (e)), the pertinent provisions of which are set forth in the margin.[1]

This was an investigation, not a hearing. Investigations are informal proceedings held to obtain information to govern future action and are not proceedings in which action is taken against anyone. Investigations, such as this by the O. P. A., have no parties and are usually held in private, just as a grand jury carries on its investigations in private. Investigations may very properly be held in private. *Woolley* v. *United States* (97 F. 2d 258, 262); *In re Securities & Exchange Commission* (14 F. Supp. 417, 418), affirmed 84 F. 2d 316, reversed for mootness (299 U. S. 504, 57 S. Ct. 18, 81 L. Ed. 374).

On the other hand, in a hearing, there are parties, and issues of law and of fact to be tried, and at the conclusion of the hearing, action is taken which may materially affect the rights of the parties. Hearings are usually open to the public. The parties are entitled to be present in person and by counsel and to record the proceedings or be provided with a record by the hearing body. The parties to a hearing are entitled to participate therein, to argue, and to brief their case, and if findings of fact and an order are made they are entitled to be furnished copies. *Morgan* v. *United States* (304 U. S. 1, 58 S. Ct. 773, 82 L. ed. 1129). These essential differences between an investigation and a hearing are what permit the two proceedings to be conducted in different manners.

There is nothing in the nature of the proceeding in question here which requires it to be held in public. Neither does the statute require it. The power to hold such an investigation was given by statute to the Administrator. In the absence of words in the statute prescribing the manner in which such investigations were to be held, the Administrator had a right to determine for himself how the investigation was to be conducted and regulated.

The district court was given no power by the statute to regulate the manner in which the investigation was to be conducted. The Administrator was given authority to subpena witnesses before him for investigation. If they refused to appear and testify or to bring the requested documents, the Administrator was authorized to apply to the district court for an order requiring them to comply with his subpenas. On such application, the district court has to determine only whether the Administrator was conducting an investigation, whether he had subpenaed the witnesses named in the complaint to appear and bring the papers and documents properly identified in the subpenas, and whether the witnesses had refused to comply. If these essential elements are present, the district court has no right to do more than to order compliance.

The court had no right here to control by its order the manner in which the Administrator might conduct his investigation. We know of no provision of the Constitution or of the Price Control Act which authorized the court to order a public hearing. By doing so, the court imposed conditions which it had no right to impose. The order should have been issued without the limitations prescribed therein.

The judgment of the district court is reversed in so much as it ordered the investigation to be held in public. The balance of the judgment is affirmed.

To meet this decision, to remedy this situation, and give our citizens the protection they need and should have, I will at the proper time, present an amendment much as follows, by adding a subsection (i):

(i) That all studies, investigations, and hearings provided herein, upon request of any person subject to subpena, shall be public and such person may be represented by counsel and may make a record of such studies, hearings, and investigations.

This amendment will right this wrong and place citizens and the O. P. A. on an equal footing, dealing at arm's length, in public, with the citizen protected by his counsel.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, if a man had a tiger by the tail, you would not pay much attention to what the man said he was going to do to the tiger. You would watch and see what the tiger did. This administration has a tiger by the tail when it talks of curbing inflation. Their talk is the reflection of their guilty consciences. The inflation kitten they brought into being in 1933 has now grown to a full-sized jungle tiger.

In legislating a renewal of price control, talk about price control permanently curbing inflation is only misleading. That misconception may make possible the most colossal economic blunder committed by a national legislature since the Assembly in France thought they could curb inflation by passing the Law of the Maximum. Price control does not prevent inflation because it deals with the effects and not the cause of inflation.

Can anyone show any instance in history where price control has prevented inflation? Can you find any record where any nation has had disastrous inflation except because of deficit spending? If our price-control efforts cause this Congress to neglect the real danger of inflation, deficit spending, then price control will have cost too much.

Price control is a necessary anesthetic to control the pain of inflation. A doctor cannot fix an aching tooth with an anesthetic. He can kill the pain, but the anesthetic does not cure the infection nor repair the damage. Price control does not cure the infection nor does it repair the damage of inflation.

When the appropriation for enforcement is considered, the great French inflation should be remembered. The French penalties for price-fixing violations were as follows: For the first violation, a fine of 3,000 francs was imposed. For the second violation, the penalty was increased to a 6,000-franc fine and 20 years imprisonment in irons. A third violation was punishable by death on the guillotine and confiscation of the violator's property.

Rewards were paid to spies or stool pigeons just as the O. P. A. is doing in this country. Hundreds died on the guillotine, but the violations did not stop. Price control is finally enforceable only by bayonets and tyranny. That is the unanimous verdict of history.

This House should face the prospect frankly that all kinds of black-market operations and widespread flouting of price-fixing laws will exist regardless of any O. P. A. gestapo program. Why? Because the annual deficits now running at the rate of $1,000,000,000 a week are the inflation automatically reducing the buying power of our currency and discouraging production. Only a balanced budget can cure this situation and any other remedy has only the effect of a sedative.

People say prices are going up. The actual situation is somewhat different. When the price of a quart of milk goes from 10 to 15 cents, the value of the milk has not changed. A quart of milk never varies in actual value. What actually happens is that the money which is used to purchase a quart of milk has been cut one-third. The basic inflation problem is found in the income and outgo of the United States Treasury—and no place else.

The value of our money is shrinking and will continue to decrease unless the reckless spending of this administration can be stopped. This Congress is as powerless to change economic laws as it is to change the laws of physics and chemistry.

A great economic authority, Harold G. Moulton, president, Brookings Institution, says:

It will be necessary to make a choice. With unlimited debt expansion, we cannot prevent inflation without the use of totalitarian methods of control. No compromise or halfway measures can adjust the difficulties. The choice is between regimentation and inflation.

The foregoing analysis serves to disclose the gravest danger with which the United States is now confronted. Unable or unwilling to perceive basic inconsistencies, or to choose between clear-cut alternatives, we drift toward the deep financial waters from which there is no return other than through repudiation in one form or another.

This administration has for 12 years promoted spending which makes ugly inflation inevitable. Every day this Congress continues to be hoodwinked about inflation, by believing price control stops inflation, makes disaster more certain.

Mr. Chairman, price control creates a situation in which the cunning and the cold-blooded proceed to enrich themselves at the expense of the more patriotic and trusting citizens. The frantic purchasing of all kinds of permanent wealth

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[1] "(a) The Administrator is authorized to make such studies and investigations and to obtain such information as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act and regulations, orders, and price schedules thereunder.

"* * *

"(c) For the purpose of obtaining any information under subsection (a), the Administrator may by subpena require any other person to appear and testify or to appear and produce documents, or both, at any designated place.

"* * *

"(e) In case of contumacy by, or refusal to obey a subpena served upon, any person referred to in subsection (c), the district court for any district in which such person is found or resides or transacts business, upon application by the Administrator, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof. * * *"

today and the feverish turn-over at advancing prices of property and real estate generally reflects the efforts of the shrewd and wealthy to protect themselves. This is simply legal robbery of the plain people made inevitable by the inflation now going on.

There has been considerable talk in the House about various covenants to the rest of the world. As far as I am concerned, there is one covenant that has priority over any pledges made by the irresponsible carpetbaggers of the New Deal. The covenant which has my first allegiance is being daily written by the blood of American boys dying in battle. That covenant is that these boys, their widows and orphans, shall have, when this conflict is over, the America of freedom and opportunity which they were told they were going abroad to defend. Unless this reckless spending stops, that covenant, the most sacred in recorded history, will be shattered and broken.

The Clerk read as follows:

Be it enacted, etc., That (a) section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1944" and inserting in lieu thereof "June 30, 1945."

(b) Section 6 of the Stabilization Act of October 2, 1942, as amended, is amended by striking out "June 30, 1944" and inserting in lieu thereof "June 30, 1945."

Mr. SPENCE. Mr. Chairman, I move that the Committee rise.

The motion was agreed to.

Accordingly the Committee rose and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Tennessee [Mr. DAVIS] may have permission to revise and extend his own remarks in the RECORD and include therein an address recently delivered by the gentleman from Texas [Mr. SUMNERS] at Southwestern University at Memphis, Tenn.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARLESS of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a letter from Mr. J. F. Blanchard, of my State, together with the heading of a petition signed by various and sundry citizens.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

STATE, JUSTICE, COMMERCE APPROPRIATION BILL—FURTHER CONFERENCE

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1945, with Senate amendments, that the House further insist on its disagreement to the amendments of the Senate Nos. 10, 12, and 13, agree to the conference asked by the Senate, and that the Chair appoint conferees on the part of the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. RABAUT, KERR, HARE, O'BRIEN of Illinois, CARTER, STEFAN, and JONES.

EXTENSION OF REMARKS

Mr. MORRISON of Louisiana. Mr. Speaker, I desire to submit three unanimous-consent requests to extend my remarks in the RECORD and include: First, an article from the Washington Evening Star; second, a short article from the Statesman, a newspaper of Boise, Idaho; and, third, an article from Liberty magazine entitled "Music for the Services."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent that in the remarks I made in the Committee of the Whole this afternoon I may be permitted at the indicated places to include a letter, two court decisions, and a proposed amendment.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in two particulars: In one to include a statement on the outstanding work of the House Committee on Small Business; and in the other to include a communication from the Wisconsin State Department of Agriculture, Milton H. Button, Director.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I desire to submit two requests: First, that I be permitted to extend the remarks I made on the floor of the House this afternoon in the Committee of the Whole; secondly, that I may be permitted to extend my remarks in the Appendix and include therein an address by Senator CAPPER, of Kansas.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GWYNNE. Mr. Speaker, I ask unanimous consent to extend the remarks I made in the Committee of the Whole this afternoon and include a city ordinance suggested by the Office of Price Administration.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GAMBLE. Mr. Speaker, I desire to submit two unanimous consent requests: First, that the gentlemar from Indiana [Mr. HALLECK] may extend his own remarks in the RECORD and include therein a speech delivered by him on June 2, 1944; second, that the gentleman from Connecticut [Mr. MILLER] may extend his own remarks in the RECORD and include two articles.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MCCORMACK] may be allowed to extend his own remarks in the Appendix of the RECORD and to include therein a letter from Chester Bowles, commenting on the bill, H. R. 4941, extending O. P. A., together with comments by Mr. Bowles accompanying the letter, and that if the same exceed the ordinary limit that the amount be waived.

The SPEAKER. Notwithstanding, without objection, the request is granted.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today in the Committee of the Whole and to include therein certain statements, excerpts, and quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING THE CONSTITUTION

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. PATMAN addressed the House. His remarks appear in the Appendix.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ANDREWS of Alabama, for Friday and Saturday, June 9 and 10, to attend a funeral.

To Mr. HARLESS of Arizona, for 3 weeks, on account of official business.

To Mr. RANDOLPH, for Friday, June 9, on account of official business.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3236. An act to provide aid to dependent children in the District of Columbia; and

H. J. Res. 242. Joint resolution to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918, as amended.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 754. An act for the relief of Iver M. Gesteland;

S. 891. An act for the relief of Rebecca Collins and W. W. Collins;

S. 1081. An act to add certain lands to the Upper Mississippi River Wild Life and Fish Refuge;

S. 1093. An act for the relief of Fermin Salas;

S. 1102. An act for the relief of Helene Murphy;

S. 1112. An act for the relief of Taylor W. Tonge;

S. 1247. An act for the relief of the Bishopville Milling Co.;

S. 1281. An act for the relief of Rebecca A. Knight and Martha A. Christian;

S. 1305. An act for the relief of Anne Rebecca Lewis and Mary Lewis;

S. 1335. An act to amend the fourth and fifth provisos of section 2 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437, 438; 30 U. S. C., secs. 201, 202);

S. 1355. An act for the relief of Robert C. Harris;

S. 1416. An act for the relief of Mrs. Judith H. Sedler, administratrix of the estate of Anthony F. Sedler, deceased;

S. 1553. An act for the relief of J. M. Miller, James W. Williams, and Gilbert Theriot;

S. 1660. An act granting the consent of Congress to the Minnesota Department of Highways and the county of Crow Wing in Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at Mill Street, in Brainerd, Minn.

S. 1682. An act to provide for the payment of compensation to certain claimants for the taking by the United States of private fishery rights in Pearl Harbor, island of Oahu, Territory of Hawaii;

S. 1837. An act for the relief of Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve; and

S. 1944. An act to amend the act entitled "An act to provide books for the adult blind."

BILLS PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2928. An act to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended; and

H. R. 4464. An act to increase the debt limit of the United States.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 7 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Friday, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will hold executive hearings at 10 a. m. on Friday, June 9, 1944, on the civilian pilot training bill.

There will be a meeting of the Public Health Subcommittee of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. Tuesday, June 13, 1944, to begin public hearings on H. R. 4615, a bill to establish, for the investigation and control of tuberculosis, a division in the Public Health Service, and for other purposes.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will continue hearings on Wednesday, June 14, 1944, at 10 a. m., in the committee room, 247 House Office Building, on H. R. 919 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs, will present testimony.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Saturday, June 17, 1944, at 10 a. m., on H. R. 4968, a bill to amend section 511 (c) of the Merchant Marine Act of 1936, as amended, relative to deposit of vessel proceeds received from the United States in certain cases, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearing of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearing should be submitted to the reporter in duplicate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1627. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to remove restrictions on transfers of small craft to other American republics in furtherance of the war effort; to the Committee on Naval Affairs.

1628. A letter from the President, United States Civil Service Commission, transmitting a paragraph to be included in the proposed draft of a bill to establish a uniform policy with respect to the pay status of civilian employees suspended without pay pending investigation, which was transmitted in the letter dated June 5, 1944; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOBBS: Committee on the Judiciary. H. R. 4960. A bill to amend section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended; without amendment (Rept. No. 1615). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HAGEN:

H. R. 4979. A bill to provide adequate markets and fair prices for agricultural commodities produced in the United States; to eliminate the necessity for mandatory reductions in crop production; to provide a method for the exchange of surplus agricultural commodities for products of foreign countries on a basis mutually advantageous to agricultural and manufacturing interests in the United States, and to such foreign countries; to promote foreign trade in the interest of friendly and peaceful relations among nations; and for other purposes; to the Committee on Ways and Means.

By Mr. COSTELLO:

H. R. 4980. A bill to place on the retired list certain former commissioned officers of the Army who served during World War No. 1; to the Committee on Military Affairs.

By Mr. DICKSTEIN:

H. R. 4981. A bill to amend section 327 (h) of the Nationality Act of 1940; to the Committee on Immigration and Naturalization.

By Mr. EBERHARTER:

H. R. 4982. A bill to amend the Classification Act of March 4, 1923, as amended, to create a mechanical service, and for other purposes; to the Committee on the Civil Service.

By Mr. ELLSWORTH:

H. R. 4983. A bill to restore to active duty and to the active list certain retired officers of the Regular Army, and for other purposes; to the Committee on Military Affairs.

By Mr. HEFFERNAN:

H. R. 4984. A bill to confer on the district courts of the United States jurisdiction of certain proceedings involving support for children; to the Committee on the Judiciary.

By Mr. CANNON of Missouri:

H. R. 4985. A bill to authorize a national Mississippi River parkway and matters relating thereto; to the Committee on the Public Lands.

By Mr. ELLSWORTH:

H. R. 4986. A bill to reopen the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands to exploration, location, entry, and disposition under the general mining laws; to the Committee on the Public Lands.

B Mr. KEOGH:

H. Res. 586. Resolution authorizing the printing of additional copies of the preliminary draft of the Revision of Criminal Laws for the use of the Committee on Revision of the Laws; to the Committee on Printing.

By Mr. CELLER:

H. Res. 587. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free ports for refugees; to the Committee on Immigration and Naturalization.

By Mr. TORRENS:

H. Res. 588. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free

ports for refugees; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK:

H. R. 4987. A bill for the relief of the estate of Otto Frederick Gnospelius, deceased; to the Committee on Claims.

By Mr. BLOOM:

H. R. 4988. A bill for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions; to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5821. By Mr. CAPOZZOLI: Petition of the people of the city of New York who are members of settlement houses belonging to United Neighborhood Houses, urging the Congress of the United States to renew the Price Control Act with additional provisions to give more and stronger price control; to the Committee on Banking and Currency.

5822. By Mr. PLOESER: Petition of John Ferrara of Societá di Mutuo Soccorso Unione Siciliana Principe di Piemonte and approximately 1,020 citizens of St. Louis and St. Louis County, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

5823. By Mr. THOMAS of New Jersey: Petition of Wantage Township, Sussex, N. J., and Clinton Township, Annandale, N. J., in support of Senator HAWKES' bill (S. 1737), providing certain payments to States and their political subdivisions for loss of revenues occasioned by the acquisition of real property by the United States for military purposes; to the Committee on Ways and Means.

5824. By the SPEAKER: Petition of the Secretary, Texas Power Reserve Electric Cooperative, Inc., petitioning consideration of their resolution with reference to House bill 3961, authorizing construction, repair, and preservation of certain public works on rivers and harbors; to the Committee on Rivers and Harbors.

5825. Also, petition of various real estate owners in New York City, petitioning consideration of their resolution with reference to the inequities in the rent control section of the present Emergency Price Control Act; to the Committee on Banking and Currency.

SENATE

FRIDAY, JUNE 9, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Fred S. Buschmeyer, minister, Mount Pleasant Congregational Church, Washington, D. C., offered the following prayer:

Almighty God, whose power hath created all that is, whose goodness and mercy have spanned all the years, and whose present love and concern for all the creatures of Thy hand count even the sparrow as it falls: Our hearts are stilled before the thought of how great the suffering of Thy heart must be, when conflict tears Thy earth apart, and human children of Thy love—not sparrows—fall by scores to rise no more among their fellow men.

As we take up the duties of this day grant us hearts and minds attuned to Thine. Take from our souls all self-concern which would prevent our becoming the channels of Thy grace and power. Lift the scales of selfish, narrow vision from our eyes that we may see the splendor of a service completely acceptable unto Thee.

To Thy hands of mercy we commit all those who stand this day in mortal danger on our behalf. Help us see, as Thou dost see, the honor and the greatness of their sacrifice. Teach us to serve, with matching honor and fidelity, the noblest interests of our land and the larger hopes of Thine own heart for all mankind.

Invade our lives, O God, and conquer us with Thy wisdom and Thy power, that we may live and die with the knowledge that we have served out the fullness or the shortness of our days in the name of the Most High. In the spirit of the valiant Christ, and in remembrance of all our noble dead, we pray. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 8, 1944, was dispensed with, and the Journal was approved.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PERSONNEL OF THE LAND FORCES

A letter from the Secretary of War, reporting confidentially, pursuant to law, relative to the personnel of the land forces in training and service on April 30, 1944; to the Committee on Military Affairs.

PAY STATUS OF CIVILIAN EMPLOYEES SUSPENDED WITHOUT PAY PENDING INVESTIGATION

A letter from the President of the United States Civil Service Commission, submitting an additional paragraph to be included in the proposed draft of a bill to establish a uniform policy with respect to the pay status of civilian employees suspended without pay pending investigation; to the Committee on Civil Service.

DELEGATION OF AUTHORITY TO APPROVE PAYMENT OF CERTAIN TRAVEL AND TRANSPORTATION EXPENSES IN CONNECTION WITH TRANSFER OF CIVILIAN PERSONNEL

A letter from the President of the United States Civil Service Commission, transmitting a draft of proposed legislation to authorize the delegation of authority to approve payment of expenses of travel and transportation of household goods and personal effects in connection with the transfer of civilian officers and employees from one station to another (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate petitions of sundry citizens and representatives of various real-estate companies and corporations of New York City, N. Y., praying for amendment of the rent-control section of the Emergency Price Control Act so as to remove alleged inequities therefrom, which were ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BANKHEAD, from the Committee on Irrigation and Reclamation:

S. 1571. A bill to provide that the transmountain tunnel constructed in connection with the Colorado-Big Thompson project shall be known as the "Alva B. Adams tunnel"; without amendment (Rept. No. 958).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 4707. A bill for the relief of J. Fletcher Lankton and John N. Ziegele; without amendment.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

Capt. Harold Dodd, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as chief, United States Naval Mission to Brazil.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DAVIS:

S. 1990. A bill to create United States Civil Service Board of Appeals; to the Committee on Civil Service.

S. 1991. A bill to amend Section 5 of the Railroad Retirement Act, approved August 29, 1935, relative to death benefits; to the Committee on Interstate Commerce.

By Mr. WALSH of Massachusetts:

S. 1992 (by request). A bill to remove restrictions on transfers of small craft to other American republics in furtherance of the war effort; to the Committee on Naval Affairs.

CHANGE OF REFERENCE

On motion by Mr. ELLENDER, the Committee on Claims was discharged from the further consideration of the bill (H. R. 3659) for the relief of Anne Loacker, and it was referred to the Committee on Civil Service.

FELICITATIONS TO THE ICELANDIC ALTHING ON ESTABLISHMENT OF THE REPUBLIC OF ICELAND

Mr. CONNALLY submitted the following concurrent resolution (S. Con. Res. 45), which was referred to the Committee on Foreign Relations:

Whereas the people of Iceland in a free plebiscite on May 20–23, 1944, overwhelmingly approved the constitutional bill passed by the Althing providing for the establishment of a republican form of government; and

Whereas the Republic of Iceland will be formally established on June 17, 1944: Now, therefore, be it

Resolved by the Senate of the United States (the House of Representatives of the United States concurring), That the Congress hereby expresses to the Icelandic Althing, the oldest parliamentary body in the world, its congratulations on the establishment of the Republic of Iceland and its welcome to the Republic of Iceland as the newest republic in the family of free nations.

WHAT FOREIGN POLICY WILL BEST PROMOTE PEACE?—ADDRESS BY SENATOR TAFT

[Mr. TAFT asked and obtained leave to have printed in the RECORD a radio address entitled "What Foreign Policy Will Best Promote Peace?" delivered by him on June 8, 1944, which appears in the Appendix.]

THE BANKHEAD AMENDMENT TO THE PRICE-CONTROL EXTENSION BILL

[Mr. HAWKES asked and obtained leave to have printed in the RECORD a statement prepared by him relative to the so-called Bankhead amendment to Senate bill 1764 to amend the Emergency Price Control Act of 1942, etc., which appears in the Appendix.]

OUR WAR AIMS IN EUROPE—EDITORIAL FROM THE WASHINGTON TIMES-HERALD

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial entitled, "Our War Aims in Europe," published in the Washington (D. C.) Times-Herald, which appears in the Appendix.]

FLOODS IN THE MISSOURI RIVER AS A THREAT TO IRRIGATION—EDITORIAL FROM THE NEBRASKA FARMER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "Threat to Irrigation" published in the Nebraska Farmer, which appears in the Appendix.]

WORK OF CONGREGATION AT GLENNONVILLE, MO.—ARTICLE FROM ST. LOUIS POST-DISPATCH

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an article published in the St. Louis Post-Dispatch regarding the pioneer development conducted by Father Peters and his congregation at Glennonville, Mo., which appears in the Appendix.]

ACTIVITIES OF C. I. O. POLITICAL ACTION COMMITTEE

Mr. MOORE. Mr. President, we have abundant proof to force us to the conclusion that our judiciary has sunk to an all-time low in its respect for the Constitution and the basic laws of the country, including a long line of precedents established by our once learned courts.

The Attorney General, in his opinions to the executive department, has totally ignored constitutional provisions and has arrived at conclusions with an obedience that has shocked the Nation.

I have addressed a letter to the Attorney General, reciting his opinion to the Honorable HOWARD W. SMITH, of the House of Representatives, respecting the activities of the C. I. O. Political Action Committee. I have given a chronological statement of the activities of this committee and of the American Communist Political Association, and have asked his opinion as to whether these activities are violative of any statutes. I ask unanimous consent to have printed in the RECORD a copy of the letter.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

JUNE 6, 1944.

Hon. FRANCIS BIDDLE,
Attorney General of the United States,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL: I have noted your opinion, addressed to Hon. HOWARD W. SMITH, of the House of Representatives, dated April 6, 1944, concerning the activities of the political action committee of the Congress of Industrial Organizations, in which you state that a thoroughgoing investigation of such activities was made by the Federal Bureau of Investigation and that no violation of any Federal law was disclosed by the investigation.

You stated that the activities of the C. I. O. Political Action Committee to date (April 6, 1944) were confined to furtherance of a program consisting of an effort to have the unions get their members to register and qualify as voters in their respective communities and for other purposes not prohibited by the Federal statutes.

You also stated that if future acts by the committee of a nature prohibited by Federal law should occur that appropriate action will be taken by your Department.

Since the date of your opinion on April 6, 1944, there have occurred certain activities of the C. I. O. Political Action Committee and other political associations to which I desire to direct your attention.

1. On Tuesday, May 9, 1944, the press reported that the president of the Congress of Industrial Organizations in his official capacity had announced to the convention of this organization at Philadelphia he endorsed and would actively work for a continuation in office of the present national administration.

2. On Wednesday, May 10, 1944, the press reported that the chairman of the political action committee of the C. I. O., acting as such official, had announced his support and endorsement of a continuation in office of the present national administration.

3. On Tuesday, May 16, 1944, the press, radio commentators, and columnists reported that the C. I. O. Political Action Committee in session at Chicago officially adopted the following resolution:

"To meet its needs and those of the entire Nation, both in winning victory in war and the peace to follow, as we approach the national elections of 1944 it becomes the task of the C. I. O. and the C. I. O. Political Action Committee to determine what candidate for national office can best effectuate those objectives; in particular, our Nation's choice on November 7 of a Chief Executive who will shape our course during the next 4 critical years. Those great tasks can be fulfilled only by a man of experience and demonstrated leadership, a man whose performances rather than promises entitle him to the confidence of the Nation. They require a man whose outstanding capacity for leadership can unite the entire Nation behind him and assure continued unity of the United Nations.

"The overwhelming majority of the C. I. O.'s 5,000,000 members, acting through their international unions and their local organizations, have called upon Franklin D. Roosevelt to run for another term in office and upon the Nation to elect him to that office. The C. I. O. Political Action Committee therefore merely records the sentiment of the membership of the C. I. O. as already expressed when it joins with them in urging Franklin Roosevelt again to respond to the call of duty in the Nation's service and become a candidate for President."

4. It has been reported by a congressional investigating committee that the chairman of the C. I. O. Political Action Committee stated that $2,000,000 will be collected from labor organizations for the activities of the committee.

5. On Wednesday, May 17, 1944, a radio news commentator reported that he had been advised by an official C. I. O. spokesman that leaflets, radio speeches, and rallies promoted by the C. I. O. were specifically designed to promote and aid in the election of specific candidates. This commentator further reported that the legal position of the C. I. O. Political Action Committee, as stated by the spokesman, was that under the interpretation of the Attorney General it is necessary to make a direct specific cash contribution to an individual candidate or political party in order to violate the Federal law, and that any other activity is not a violation and is perfectly permissible.

6. On May 19, 1944, the Political Action Committee of the C. I. O. published and made Nation-wide distribution of a special edition of Political Action News (vol. 1, No. 5), in which it is stated:

"The full strength of the C. I. O. has been mobilized behind President Roosevelt. Meeting in Chicago this week, the C. I. O. Political Action Committee issued a vigorous endorsement of the President and demanded his reelection.

"As we approach the national elections of 1944, it becomes the task of the C. I. O. and of the C. I. O. Political Action Committee, as its political arm, to determine what candidates for national office can best effectuate these objectives.

"It will, therefore, be the task of the C. I. O. Political Action Committee, between now and November 7, to intensify the educational campaign which it has launched throughout the Nation.

"We are confident that this task of education and organization will be performed, and that on November 7 the American people will reelect Franklin Delano Roosevelt to office."

7. On May 20, at New York City, the Communist Political Party, according to the daily press, voted to dissolve as a political party and thereupon the group formerly representing the Communist Party organized an association known as the American Communist Political Association; nonpartisan in character, but for avowed political purposes.

8. According to such announcements the American Communist Political Association, by official action, pledged its support to the continuation in office of the present national administration.

9. On Saturday, June 3, 1944, the New York Times carried a financial report of the C. I. O. Political Action Committee in which it was disclosed that $669,764.11 had been received from member unions of the Congress of Industrial Organizations and that $189,112.12 had been expended to May 31, 1944, in connection with various political activities.

10. On June 6, 1944, the United Press, under a Boston date line of June 5, 1944, reported that the International Ladies Garment Workers Union in convention at Boston received a report from the President of this Union, in which it was reflected that $243,369 had been contributed to the American Labor Party, a national political party.

Your attention is called to the following section of the Hatch Political Activity Act of 1939 as amended:

"It is hereby declared to be a pernicious political activity, and it shall hereafter be unlawful, for any person, directly or indirectly, to make contributions in an aggregate amount in excess of $5,000, during any calendar year, or in connection with any campaign for nomination or election, to or on behalf of any candidate for an elective Federal office (including the offices of President of the United States and Presidential and Vice Presidential electors), or to or on behalf of any committee or other organization engaged in furthering, advancing, or advocating the nomination or election of any candidate for any such office or the success of any national political party."

The act defines the term "person" to include an individual, partnership, committee, association, corporation, and any other organization or group of persons. The term "contribution" is defined to include a gift, subscription, loan, advance, or deposit of money, or anything of value.

Section 11 of the Federal Corrupt Practices Act, as amended by the Smith-Connally Law, provides as follows:

"It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution in connection with any election to any political office, or for any corporation whatever, or any labor organization to make a contribution in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to Congress are to be voted for, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section."

In view of the disclosures made by the Federal Bureau of Investigation, set forth in your opinion to Representative Smith on April 6, 1944, that large contributions of money had been made by the Congress of Industrial Organizations to the C. I. O. Political Action Committee and in view of the events reported to have occurred subsequent to April 6, 1944, to which reference hereinbefore is made, I am respectfully requesting as a Member of the United States Senate and as a Member of the Senate Standing Committee on Privileges and Elections that you cause the truth and correctness of the reports and statements herein mentioned to be investigated, together with such other matters as may be pertinent and relevant, and advise me in the following particulars:

1. Is the Congress of Industrial Organizations an "association" or "other organization" within the meaning of the Hatch Act?

2. Is the Political Action Committee of the Congress of Industrial Organizations a "committee" or "other organization" within the meaning of the Hatch Act?

3. Is the American Communist Political Association an "association" or "other organization" within the meaning of the Hatch Act?

4. Is the Congress of Industrial Organizations a "labor organization" within the meaning of the Federal Corrupt Practices Act?

5. Is the C. I. O. Political Action Committee a "political committee" within the meaning of the Federal Corrupt Practices Act?

6. Is the American Communist Political Association a "political committee" or "other person" within the meaning of the Federal Corrupt Practices Act?

7. Is the International Ladies Garment Workers Union an "organization" or "group of persons" within the meaning of the Hatch Act and is it a labor organization within the meaning of the Federal Corrupt Practices Act?

8. Has the Congress of Industrial Organizations, the Political Action Committee of the C. I. O., the American Communist Political Association, or either of them, made or given, directly or indirectly, a contribution, gift, subscription, loan, advance, deposit of money, or anything of value in an aggregate amount in excess of $5,000 during the calendar year in connection with any campaign for nomination or election, to or on behalf of any candidate for an elective Federal office, or to or on behalf of any committee or other organization engaged in furthering, advancing, or advocating the nomination or election of any candidate for any such office or the success of any national political party?

9. Will contributions to the American Communist Political Association from either the Congress of Industrial Organizations or the C. I. O. Political Action Committee, and used by such association in connection with an election at which Presidential and Vice Presidential electors or a Senator or Representative in Congress are to be voted for, violate section 11 of the Federal Corrupt Practices Act?

10. If you find from your investigation that the activities of the Congress of Industrial Organizations and those of the Political Action Committee of the C. I. O. since April 6, 1944, have been as reported, then in view of such facts please advise if the contributions from the Congress of Industrial Organizations to the C. I. O. Political Action Committee as disclosed in your opinion of April 6, 1944, and contributions as subsequently disclosed have been made in connection with any election in which Presidential or Vice Presidential electors or a Senator or Representative, or a Delegate or Resident Commissioner to Congress are to be voted for.

11. In view of the same considerations, please advise whether or not the Political Action Committee of the C. I. O. received such contributions in connection with any election in which Presidential and Vice Presidential electors or a Senator or Representative to Congress are to be voted for.

12. Did the International Ladies Garment Workers Union violate the terms of the Hatch Act and/or the Federal Corrupt Practices Act in contributing the sum of $243,369 to the American Labor Party, a national political party; and did the American Labor Party, a national political party, violate the provisions of the Federal Corrupt Practices Act in receiving such contribution?

Respectfully submitted.

E. H. MOORE.

QUALITY OF AMERICAN ORDNANCE

Mr. REYNOLDS. Mr. President, I wish to provide the Senate with information relative to the equipment of our soldiers in foreign lands. I have before me a letter dated June 6, 1944, from Gen. L. H. Campbell, Jr., Chief of Ordnance of the United States Army, which states, as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ORDNANCE,
Washington, D. C., June 6, 1944.

Hon. ROBERT R. REYNOLDS,
Chairman, Military Affairs Committee,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I know that you will take great pleasure with me in reading the enclosed copy of letter from General Devers, from Italy. I feel also that it will give you, as chairman of the Senate Military Affairs Committee, a very happy feeling in the knowledge that the weapons as supplied by our Ordnance Department are meeting with approbation and approval as that expressed by General Devers.

With kindest personal regards, I am,
Always sincerely yours,
L. H. CAMPBELL, Jr.,
Major General, Chief of Ordnance.

I shall now read the letter which was sent to General Campbell by General Devers from Italy. The letter which has come from the Italian front is dated May 28, 1944, and reads as follows:

ALLIED FORCE HEADQUARTERS,
May 28, 1944.

Maj. Gen. LEVIN H. CAMPBELL, Jr.,
Chief of Ordnance, War Department,
Washington, D. C.

DEAR LEV: The equipment developed and turned out by the Ordnance Department under your able leadership is in great part responsible for the successes we are having. It is far superior to any German equipment that I have seen. In fact, most of the German equipment would be obsolescent insofar as we are concerned. It is true they have guns which shoot projectiles and that projectiles kill when they hit the right spot. However, for every one projectile they throw over we throw back a hundred. Their counterattacks are turned back by determined fighting men first, but it is the weapons which they handle that have been slaughtering the Germans.

For the first time we are using tanks in great numbers. It is all a lot of bunk that the terrain is not suitable for tanks. No terrain is unsuitable for tanks if they can move across country when the ground is dry. They are the boys that take the battle across the mine fields and into the machine-gun fire, but they must be followed always by well-trained, aggressive infantry.

I have spent most of my time in Italy for the past 2 months. I have been on the front continuously, and I know whereof I speak. Only a few days ago an M–5 tank surprised a German Panther tank and knocked it out with 14 rounds from its 37-millimeter gun. This was brought about because of the mobility with which the turret could be swung onto the German, and they got their rounds off before the lumbering Panther could swing its big gun into action. Of course, an alert crew and an excellent gunner were handling the tank, but the point I want to make is that the best equipment in the world, improperly handled, is of no value. We lost tanks in the first day's attack which cracked the German line outside the bridgehead, but it permitted the infantry to get on. Our casualties were few, and well over 80 percent of the tanks were in action again within the next 48 hours.

The mortars have done exceptionally fine work, for we have lugged them up the mountains along with our pack artillery, and they have meant the difference in killing and destroying the Germans, for the German was not able to get his equipment to the right places at the right time.

All pieces of artillery are loved, not only by the artilleryman, antiaircraft, and field, but by the infantryman, who cheers as the rounds go over his head.

The bombs furnished the Air Force have been a big part in ripping into the Germans all along their lines of communication and destroying their equipment and supplies.

I just want to let you know that all of us over here appreciate the fine efforts of you and your efficient staff to keep us fully supplied at all times, and to let you know that the equipment furnished the American Army is second to none.

Lots of luck to you.

Sincerely,

JACOB L. DEVERS,
Lieutenant General, United States Army.

Mr. President, when the letter which I have just read came to my desk I found it so thoroughly interesting and inspiring that I called General Campbell over the telephone and requested permission of him not only to bring it to the attention of the Committee on Military Affairs, but also to the attention of Members of the Senate. I knew that the American people would be comforted by knowing that our boys on the fronts all over the world are supplied with weapons which will not only destroy the enemy, but serve in self-defense.

General Campbell has done a magnificent job ever since the inception of the war effort, and I am sure that he will receive the appreciation, commendation, and congratulation of all, particularly of American mothers and fathers.

FUTURE USE OF MISSOURI RIVER WATERS

Mr. NYE. Mr. President, I wish to detain the Senate for but a few minutes.

It is now apparent that there will be no action by the Senate on the rivers and harbors bill, which carries, among other things, the destiny of the use of Missouri River waters by the States through which that great stream flows.

The delay in bringing to a head this issue of the rights of the States should af-

ford an opportunity to Senators to more fully acquaint themselves with the interests which are ours in the upstream States. I take this means of urging upon my colleagues some of the reasoning which I hope may prevail in the end, and give to our States a prior right to waters which will let us in those States face a future bright with prospect, so that we can make prosperous homes for thousands and thousands more of people in the difficult years that lie ahead. I am certain that far greater benefit to the country as a whole is to be found in making reclamation possible than by enlarging upon river navigation at the possible expense of irrigation prospects.

Mr. President, in the interest of conserving the time of the Senate, I ask unanimous consent to have printed in the RECORD at this point, as part of my remarks, a statement which I have prepared on the subject of the Missouri River, and also an editorial appearing in the Minot Daily News, of North Dakota, entitled "Star Takes Selfish Sectional View."

There being no objection, the statement and the editorial were ordered to be printed in the RECORD, as follows:

NOT PROPOSING IDLE LAND FOR IRRIGATION

The future welfare and prosperity of North Dakota is dependent upon the wise utilization of its water resources. The Missouri River may well be considered a main artery of economic life to the State. If my State is to become merely the territory which provides the channel through which this river passes to serve primarily uses in another State or States, then, indeed, its citizens have been deprived of one of their basic resources which is necessary for the stabilization and advancement of agriculture. I submit that no Senator can justly advocate any program of river improvement which would retard or defeat the development of a dominant natural resource which serves the agricultural needs of a State. Especially is this true where that resource is a part of a State's territorial inheritance and is an inherent complement to its land development. And this becomes more apparent when it is considered that agriculture in that State constitutes its principal economy.

The value and necessity of the use of water in North Dakota for irrigation purposes is demonstrated by an account of the ravages which accompanied drought and recurrent insufficient rainfall. The need for irrigation is not expressed in increased agricultural acreages. It is required to stabilize existing farm and livestock operations. It is needed to place the farmer now on the ground with a substantial investment upon a firm economic basis; and it is necessary to prevent the serious losses which have besieged his position in an area where nature cannot be relied upon to provide plentiful rainfall every year.

DROUGHT DESTROYS SEEDED ACRES

All of the land in North Dakota, being approximately 1,266,440 acres which may be benefited by irrigation, is already farmed. But what are the conditions under which these farming operations are conducted? During the 10-year period, 1932–41, inclusive, the six counties in the northwestern part of my State, which will be benefited by such irrigation, suffered serious depletion of crop yields, and were subject to extensive crop abandonment and population losses. During this 10-year period these six counties abandoned without harvest, because of crop failures due to drought, an annual average of 31.4 percent of the seeded acres of all crops. Expressed more simply, out of every 160 acres seeded the reaper found nothing to garner on 50 acres. During this same 10-year period, the townships within approximately the boundaries of these counties lost 20.6 percent of their total population, and 28.7 percent of their rural farm population.

Looking at the long-time record in North Dakota, there have been only 5 years when the wheat yield reached 20 bushels per acre. In 19 out of 60 years these wheat yields were below 10 bushels, or 600 pounds of grain, per acre, and in 17 of those 19 years drought was the chief cause. Oat yield was below 600 pounds per acre in 12 out of the 60 years, and barley yields were below 600 pounds per acre in 8 out of 60 years.

STABILITY OR FEDERAL RELIEF?

To indicate the value and importance of irrigation in this area it is only necessary to mention that in 1941, when there was abundant rainfall, the average production of 6 bushels per acre of wheat was increased to 21 bushels, 52-bushel potato land became 92-bushel potato land, and the people thereby temporarily prospered. But history demonstrates that these drought and insufficient rainfall years will recur, however much our regrets need to acknowledge the inevitable.

In this situation the Nation as a whole is interested. We are all familiar with the relief which it was necessary to afford such areas in these drought years. This relief could not be and was not of a permanent nature. Reason dictates that the national economy should provide some form of enduring adjustment and stabilization. This can be provided through irrigation.

In 1 North Dakota county in the period July 1, 1938, to June 30, 1939, when wheat yielded less than 6 bushels to the acre and other crops were correspondingly low, the total cost of relief in that county, largely from Federal funds, was over $1,000,000. A simple calculation reveals the startling fact that to meet this relief load alone that county would have had to sell all its wheat, all its barley, all its flax, and a third of its potatoes. How did the more than 30,000 people in that county live in 1938? The answer is obvious. They lived on low farm income, on financial reserves and credit, and on relief which could be of no lasting or permanent benefit.

GREAT LIFT TO STOCK RAISING

In a major way, the agriculture of the area lying west of the ninety-seventh meridian is of the livestock type. It should be borne in mind that the livestock raised in the western part of the country is integrated with the feeding operations in the Mississippi Valley and the packing industry which is found along the Missouri River as well as in Chicago. The Nation is dependent in a large measure upon the livestock industry in the West. For years an attempt has been made to stabilize this industry. To do this it is necessary to maintain sufficient irrigated acreages for winter feeding which in turn is dependent upon vast acreages of grazing land. As evidence of this fact, the situation at Billings, Sidney, and Great Falls, Mont., all located in the midst of irrigated land, should be noted. Undoubtedly this particularly prosperous area surrounding the city of Billings, Mont., has resulted from the irrigation of 400,000 acres of land in that valley. The soil, topography, and the climate are no different in this Montana area than in many other sections of the upper Missouri Basin. Stabilized agriculture in that area is the result of water having been applied to irrigable land in proper amounts to assure production. Northwestern South Dakota, northeastern Wyoming, southeastern Montana, and southwestern North Dakota comprise a large area of arid and semiarid country where little has been done toward the development of irrigation projects. These areas are the ones which periodically have suffered the greatest distress. During the drought year of 1934 the livestock population in that area was reduced by 20 percent. In that year, when the Federal Government inaugurated its drought cattle purchase program to relieve stricken farmers and ranchers, 977,000 head of cattle were purchased by the Federal Government at prices ruinous to the farmers of North Dakota, a State which, unfortunately, has only a few thousand acres of its lands presently farmed under irrigation. This number represented approximately 40 percent of all the cattle in the State at that time. On the other hand, in the State of Montana, which has approximately 3,000,000 acres of land under cultivation, only 135,000 head of cattle were purchased under the Government drought-relief program, and none were bought in the irrigated areas, or in areas immediately adjacent to irrigation projects.

SOURCE OF FEEDER SUPPLIES

The range country of the West markets hundreds of thousands of head of cattle and lambs annually. Normally, a high percentage of this livestock is sent to the Corn Belt to be finished for the slaughter markets. The feeding areas in the 11 Corn Belt States depend heavily on this Northwest area for their feeder cattle and lamb supplies. They use their high-priced land for the production of feed, and their feed lots serve as a reservoir for cattle and lambs, which supply the processing plants at seasons of the year when cattle and lambs are not available to the processors from the ranges. Under normal conditions the production of cattle and lambs on the ranges and the finishing of a high percentage of them in the feed lots of the Corn Belt result in a year-round supply of meat for the consuming public. We find a definite interdependency therefore existing between midwestern farms and the irrigated areas of the West.

The facts which I have here stated stand uncontroverted in the hearings before the Commerce Committee on the Rivers and Harbors bill.

THE PICK AND RECLAMATION PLANS

At the hearings before the Commerce Committee the Pick plan of the Army engineers for the develoment of navigation, flood control and irrigation on the Missouri River was presented. Likewise, the sponsors of the O'Mahoney amendment, which I shall later discuss, injected into the hearings the Sloan plan of the Bureau of Reclamation. H. R. 3961 provides for the authorization of an improved navigation channel from Sioux City, Iowa, to the mouth of the Missouri. This navigation improvement is a part of the Pick plan and is included in the omnibus flood control bill by reference to House Document 475, Seventy-eighth Congress, second session, which has passed the House and is now before the Commerce Committee. The Bureau of Reclamation report which is referred to as the Sloan plan is now before the Senate in the form of Senate Document 191, Seventy-eighth Congress, second session. This report is the result of five years of investigational work in the field for the purpose of appraising irrigation potentialities in the upper basin of the Missouri River, and devising a plan for the utilization of upstream water, through storage reservoirs, diversion canals, and incidental works. It provides for the integration of facilities for irrigation, flood control, and navigation improvements lower down on the river. It does not propose the irrigation of all irrigable land in the upper basin but confines the use of water for such purpose on a reasonable area of land and thereby reserves approximately 17,000 cubic feet per second of water at Yankton, S. Dak., at the head of navigation on the Missouri, for the maintenance of navigable capacities during approximately 8 months of each year. Five thousand cubic feet per second of time is reserved for navigation during the balance of each year at this point on the river. This reclamation plan includes provision for power

development and for the diversion of Missouri River water into the James and Sheyenne Rivers in North and South Dakota, which will furnish municipal supplies to many towns and cities in those basins. These municipalities have experienced extreme difficulty in obtaining sufficient water for their needs during the past decade. More than 19 cities and towns would thus obtain adequate and safe water supplies.

PLAN PROPOSES DIVERSION

In North Dakota it is proposed to irrigate 1,266,440 acres, being lands in the northwestern part of the State, presently farmed in an insecure manner because of the lack of rainfall I have mentioned. In addition, water from the Missouri River would be used to restore the once famous Devils Lake to its former prominence and value. This lake once had an area of 60,000 acres and within the last 60 years has shrunk to an area of 1,000 acres. The effect of this restoration will be to restore ground water levels which have also lowered to an alarming extent.

The water for irrigation and domestic uses in North Dakota, under the Bureau plan, would be made available by what is known as the Missouri-Souris project which diverts water at a point on the Missouri River approximately 10 miles below Fort Peck and conveys it to the Souris River basin where the greatest portion of the proposed irrigated land is located. After the water serves this area that portion remaining after beneficial consumptive use, is recaptured and conveyed to the Devils Lake area from which it has an outlet into the Sheyenne and James Rivers.

MISSOURI IS STATE'S WATER RESOURCE

Although North Dakota for the stabilization of its agriculture is so desperately in need of irrigation supplies of water, its major water resource is found in the Missouri River. The natural surface water supplies in the Souris Basin, where great areas of wonderfully fertile and level land have passed into private ownership for farming purposes, are extremely deficient. Water for that area, as I have pointed out, is not provided by rainfall nor by surface stream flows in sufficient quantities to maintain year in and year out dependable agricultural production. The topography of the Mountain and Plains States of the West is such that, in order to utilize available water supplies of the rivers and streams, it is common practice to convey water from one basin to another. This is necessary if the water is to be utilized to bring land and water resources together in an arid or semiarid region. In Colorado there are a number of irrigation projects which export water from the Colorado River Basin to the Arkansas and Platte River Basins. The Platte is a tributary of the Missouri River. One project now under construction in that State will convey 310,000 acre-feet annually from the Colorado to the Platte. The great Metropolitan project in California conveys large quantities of water from the Colorado River Basin to the Los Angeles coastal area. A project is now under study to take approximately 1,000,000 acre-feet annually from the Colorado River to the Great Basin in Utah. These are only a few of the examples of this practice. The legality of such conveyance of water from one basin to another has been upheld by the decisions of the supreme courts of a number of States, and by the Supreme Court of the United States.

CONGRESS MUST FIX THE PATTERN

The brief review which I have made of the needs in one State, North Dakota, of the Missouri Basin for the use of water to stabilize existing agriculture and the plans which have been made to accomplish this objective indicate the far-reaching effect of any scheme of comprehensive development of a large river basin. It has been said that in the arid West land problems merge into water problems, and land and water problems merge into human problems. This is only another way of saying that in the arid and semiarid regions of the West, agriculture, which is basic to the growth of the region, is dependent upon the wise utilization of the limited water supplies. The bringing of land and water together, therefore, is a part of the making of the economic pattern. The making of this pattern involves consideration of the use of water for various purposes. It follows that when Congress has under consideration the authorization of major projects, which fit into a scheme of ultimate development, more is involved than mere project authorization. Congress in that case is engaged in dealing with the utilization of a vital natural resource which in a large measure will determine the economic future for large areas of the Nation. In casting this pattern Congress would not be meeting its responsibility if it limited its considerations to a single project, the desirability of it for a limited area, or its adaptability to meet a single water use. In any plan of ultimate river development, any specific improvement must be considered in relation to other desirable improvements, and the use of water provided by one must be weighed and considered in relation to the use of a limited water supply to meet other purposes. The finality of such action by Congress and its serious import is realized when we remember that the Supreme Court of the United States has said that—

"It is for Congress alone to decide whether a particular project, by itself or as part of a comprehensive scheme, will have such a beneficial effect on the arteries of interstate commerce as to warrant its authorization and construction."

Such power, the Supreme Court states, is so unfettered that the judgment of Congress is conclusive.

It should be noted that the Supreme Court was here referring to navigation and flood-control projects authorized by Congress pursuant to its power to regulate commerce among the States. It is by virtue of this power, expressed in the commerce clause of the Federal Constitution, that projects for navigation may be authorized. The courts have held that the power to regulate commerce includes power over navigation. Power over navigation in turn encompasses the power in the Congress to provide improvements in the interest of navigation.

CONTROVERSY BETWEEN IRRIGATION AND NAVIGATION

For Congress to authorize navigation projects, involving expenditure of many millions of dollars, it is necessary that there be a finding that the water supplies are available to maintain navigation capacities. It would be folly to act otherwise. Therefore, when Congress authorizes such a navigation improvement it thereby extends the Federal jurisdiction over waters of a particular waterway for the purpose of serving the ends of commerce. This in effect dedicates given water supplies of a river basin to navigation purposes and strikes down the use of such water under State laws for beneficial consumptive uses. Beneficial consumptive use purposes are understood to mean uses of water for domestic, irrigation, and industrial requirements. In the absence of any act of Congress to the contrary, navigation uses of water, to the extent needed to maintain navigable capacities for a project authorized by Congress, is given a preferential position.

It was freely admitted at the hearings before the Commerce Committee, by many appearing in behalf of navigation—even by the Chief of the Corps of Army Engineers—that the use of water in arid and semiarid sections of the country for domestic, irrigation, and industrial purposes should be given a preference over the use of water for navigation. Of course, this position was taken and strongly urged by those who appeared at the hearings in behalf of the irrigation interests of the West. I have always held, and now strongly urge, that position. To take any other position would mean to disregard the highest use of water in the national interest as well as for the welfare of areas largely dependent upon water to stabilize existing economy.

It follows that if Congress is to avoid the preferential use of limited water supplies in the interest of navigation, and if protection is to be accorded the use of water for irrigation and other beneficial consumptive use purposes in the arid and semiarid sections of the country, there must be imposed some restriction or limitation in the authorization of navigation projects which constitute a part of a scheme of comprehensive development of a river basin. Since Congress has the power to authorize projects in aid of navigation under the commerce clause of the Constitution, it has power to determine in what manner this power will be exercised. The commerce clause gives Congress the right to regulate commerce among the several States. The right to regulate includes the power to prescribe conditions and restrictions. This is not in any sense the giving up of any Federal jurisdiction; but a determination of the extent to which its power is to be exercised within the field of Federal jurisdiction under the commerce clause. Surely, Congress may prescribe that its power shall not be exercised to the detriment of rights to the use of water for beneficial consumptive purposes, under whatever law those rights might be asserted.

THE O'MAHONEY AMENDMENT

For the reasons which I have set forth I cannot too strongly assert that the provisions of the amendment offered by Senator O'MAHONEY, myself, and others, to this rivers and harbors bill which gives primacy to the use of waters arising west of the 97th meridian for domestic, irrigation, mining or industrial purposes is sound in principle, is necessary in this bill, and its passage represents a proper exercise of a constitutional power of Congress.

Much was said in the hearings before the Commerce Committee as to whether the authorization of the navigation improvements sought in this bill will create a conflict between the uses of water for navigation and irrigation. It is clear that there is a difference of opinion among engineers who appeared before the Committee as to such conflict. This alone is sufficient to indicate that caution and reason should move Congress to provide against a future conflict of this nature. This is especially true when the one navigation project appearing in this bill is a part of a comprehensive scheme of development. The entire framework of such a comprehensive plan is sought to be authorized in the flood control bill which is now before the Senate. In addition the Bureau of Reclamation which is charged with the planning, construction, and operation of projects in the interest of irrigation has filed a report with Congress, which provides a plan different in many respects from that submitted by the Army engineers. The conclusions of engineers, no matter how capable they may be, are not infallible. It seems only wise that in the interest of caution and consideration of the future welfare of all sections of a river basin that Congress establish certain principles which must be recognized by agencies of the Government in making plans for ultimate river development. This is even more important when we consider that the use of water arising west of the 97th meridian for navigation purposes precipitates conflicts between Federal and State jurisdictions. These conflicts should be avoided if possible. It is within the power of Congress to prevent such conflicts.

It is unfortunate, indeed, that agencies of the Federal Government have not in this instance come before the Congress with in-

tegrated plans for the development of a major river basin. The fact that the Army engineers in this case have not done so is ample reason for the directive contained in this amendment to coordinate their plans with those of the Department of the Interior and to consult with, and obtain the views of, interested States. If that had been done before the Congress was asked to act this controversy on the Missouri River over a plan of development may well have been avoided. Furthermore, the fact that this was not done made it necessary for irrigation interests to appear before the Commerce Committee and urge the favorable consideration of the so-called O'Mahoney amendment to the rivers and harbors bill.

INEQUITY OF DISTRIBUTION

There is another consideration which must not be disregarded. The authorization of projects which may demand water for navigation for the benefit of a lower group of States from other States located in an arid or semiarid region may well have the effect of bringing about an inequitable apportionment of water among States. After all the waters of a State represent a natural heritage. They are a part of the natural resources of a State. An interstate river is the common treasure of all the States through which it flows, but to enjoy this treasure it must serve its highest purpose and benefit the area through which it passes. To deprive any State of the flow of its rivers required to maintain and advance its agricultural economy, in order to maintain navigable capacities in other States, creates inequities which the Congress should not permit.

CREATING NEW WEALTH

I do not propose to indulge in a discussion of various economic comparisons of the use of water for navigation and for irrigation. However, we cannot lose sight of the fact that in an arid region successful agricultural development is wholly dependent upon irrigation. On the other hand transportation is afforded by means other than navigation. Furthermore, the requirements for water to maintain navigation can be greatly reduced through altered and extended improvements. And we must note also the fact that the irrigation of land creates new wealth, whereas the benefits to navigation can be reflected in the Missouri Basin only by the reduction in freight rates. May I also indulge the suggestion that the cities and towns on the Missouri seeking navigation improvements may well realize more substantial benefits in the future if they encourage and support the stabilization and advancement of agricultural production within their trade territories.

CONGRESS ALONE MUST SETTLE QUESTION

It came as a surprise to me, as it must have been to others, that the Army engineers suggested at the hearings on this bill that they should be left free to adjust conflicts between the uses of water for navigation and irrigation. They seem to admit, as I have stated, that where there was a conflict irrigation should be accorded a priority. And yet they were unwilling that protection to beneficial consumptive uses of water should be written into the law. They asserted that they had never made demands against domestic or irrigation uses to maintain navigable capacities. They apparently wished to leave the impression that they would not ever do so or would be called upon to do so. It should be remembered that the fact, if it is a fact, that they have never called upon irrigation to release water for navigation does not offer any security to the irrigation farmer in the future. We are only now planning for the ultimate development in major river basins. It is these plans for comprehensive developments which sow the seed for serious conflict between the two uses of water. I strongly submit that it is not for the Corps of Army Engineers or any other Federal agency to exercise supreme control over such conflict. This is a function of the Congress. It should be a matter of law based upon formulas and principles prescribed by Congress. The action agencies such as the Corps of Army Engineers should be directed to formulate their programs of river development in accordance with such a law. The irrigation farmer, if he is to successfully pursue his agricultural enterprise, must have a status which the law protects and not be subject, in such matters, to the rules and varying policies of a Federal agency. This in essence would amount to encouraging the expansion of bureaucracy and its power over the States in the most extreme measure.

I do hope our just cause, as it is represented by the amendment which Senator O'MAHONEY and others of us have offered may have the complete understanding of my colleagues, and that they will help us save our advantages for our States in the upper Missouri Valley.

[From the Minot (N. Dak.) Daily News of June 6, 1944]

STAR TAKES SELFISH SECTIONAL VIEW

The Kansas City Star is throwing dust against the wind when, in opposing use of Missouri waters for extensive irrigation in the upper basin, it deplores the use of Federal funds for projects which it says would enable upstream farmers to "get free water from reservoirs built by the people's money for other purposes."

You see, the Star is a bit brazen in speaking for the navigation interests downstream. It implies that it is entirely righteous and holy for the Federal Government to provide "free water" for a subsidized system of river transportation, yet wholly inexcusable to help farmers in the Plains States use water originating in these States for irrigation of their fertile but thirsty land.

Is there a greater need, a more justifiable need for the nine-foot channel than for water to stabilize the agriculture of States upriver? That is the real question, and the Star does not discuss it.

In raising a question as to whether there is any justification for more irrigation in America, the main argument of the Star turns out to be an appeal to sectional, selfish interests. It is an attempt to frighten the agriculturists of the older farm belt States into imagining that they would suffer dire consequences if 4,000,000 more irrigated acres were added to the Nation's wealth-producing capacity.

Defeatism of a kind which would shrivel the United States into a fenced-off island of regressive corn-eaters is present, or implied, in the Star's position. It is a confession of disbelief that America still has the possibilities of growth. It is, in the last analysis, an espousal of the philosophy which justified the killing and burial of a certain percentage of our pig crop. It is an appeal, moreover, to the short-sighted fear that if the have-not people are given a chance, the people-who-have must necessarily suffer. The Star says, in effect, that "us" who have rain to grow crops must not let anybody else have the blessings of dependable water supply.

WIDE OPEN FIELD

America has a future, if we have the courage to shape it. There are new frontiers. One of them is in the field of technology as applied both to processing industries and to agriculture. A phase of this frontier is water use and reclamation. It offers us the means of creating more wealth than we have had to provide a richer living than we have had for more people than we have ever had before. But we shall not be able to open this frontier, and other new frontiers, as long as we are afraid to let America expand its wealth-producing capacities.

The new frontier in reclamation, if we have the courage to see it through, is one of the open roads by which the wealth of the whole Nation may be enhanced, without detracting from anyone.

The Star unveils the old picture of agricultural surpluses, while at the same time suggesting that "the total crop production of the new irrigated land might amount to only 1 or 2 percent of the national production." It might have admitted that the proposed irrigation of some 4,000,000 acres for the stabilizing of an already existing and vitally necessary agriculture in the States of the upper basin does not threaten the Nation with any new bogey.

After all, the farmers of Missouri know that there is a good deal of "bogey" in what we call agricultural surpluses. They know that whether surpluses are real and demoralizing, or artificial and remediable, depends upon a complex of factors in which various national policies play an important role. Whether one is for high tariffs or low, he can see the point fairly taken that to a great extent our agricultural surpluses of the pre-war days in America were "imported surpluses" and, therefore, to a certain degree, artificial rather than real. Neither the Kansas City Star, nor anyone else, knows with any certainty what agricultural surpluses there will be, great or small, in the post-war era. But we all know that there are trends which are heartening. The American people, even in wartime, are being educated in the direction of better nutrition and of greater consumption of the health-building foods produced on the farm.

We are finding ways and means to overcome what is called underconsumption. At the same time we see grounds for hope that an era of freer international trade will follow the war and that this freer exchange of goods may not be wholly adverse to agriculture. Besides, we know that new outlets for the staple products of the farm are being found in industry, in the fields of plastics and synthetics. We know that new crops, not previously grown, are finding new markets. Even if these things do not fully solve the problem immediately, we know that the American people, whether they live in Missouri or in North Dakota, have yet a store of faith in the country. And, whether we like some of the methods that have been used, or not, we know that the Government of the present age, in America, has developed certain ways and means of alleviating some forms of economic maladjustment, and that agriculture was one of the earliest beneficiaries of this new activity of government. The Nation is committed to the idea that it is justifiable to use the powers of government for this purpose when it is to the best interests of the country to adjust the balances.

NATIONAL WELFARE AN ISSUE

The Star is right in implying that the merits of the proposal to improve agricultural stability in the upper basin of the great Missouri must stand or fall on the question of whether it promotes the national welfare. It is short-sighted, and wrong, in leaping hastily to the conclusion that the Nation's best interests would not be served thereby. We believe that we can suggest several lines of approach to this issue, any one of which, if followed through, will convince the doubters that the plan to expand irrigation in the Missouri Basin is amply justified.

In the first place the States of the upper basin are not parasites upon the Nation. Their agriculture, although handicapped and cheated of dependable reward for its labors, is an essential source of the Nation's food supply. Even in the drought period of 1930–39, the upper Plains States—the Dakotas, Montana, Wyoming, Colorado, Kansas, and Nebraska—produced 41.5 percent of the Nation's wheat, 43.4 percent of the Nation's barley. In 1941 they produced 51.7 percent of

the Nation's wheat, 50.4 percent of the Nation's barley, 61.9 percent of the Nation's rye, and 32.7 percent of the Nation's wool. This production record is the more remarkable when, as Dean H. L. Walster, of the North Dakota Agricultural College, points out, "This tremendous job of filling the breadbaskets and granaries of the Nation was performed by 7.4 percent of the farm people of the Nation." Yet the lack of dependable moisture, year in and year out, is causing the States from which the Nation derives the great portion of its finest Hard Spring wheat to lose heavily in productive manpower. Its past record in production of crops vital to the country justifies the view that the Nation as a whole has a stake in the maintenance of this productive capacity.

Interestingly, the proposed irrigation projects in the upper basin are from the standpoint of the geography of the country "a natural" for giving this important region a backbone of agricultural stability. The upper Missouri runs right through the middle of those States which have suffered worst from lack of dependable moisture. The irrigated sections are widely distributed. It would be difficult to conceive of a situation in which the benefits of irrigation from a great river would be more widely distributed to aid a larger proportion of the people of a distressed region. But as the Kansas City Star well knows, the Missouri and its major tributaries flow through many States, and the problem of harnessing these now-wasted waters is too great for the States severally to work out. To achieve the possible benefits of this great natural opportunity for conservation is a task for the National Government.

AN INSURANCE POLICY

It would be possible, we believe, to justify the upper Missouri irrigation projects solely as an insurance policy against the recurrence of conditions which, during the 1930's, made it necessary for the Federal Government to spend many millions of dollars for the relief of families made destitute by drought. In one of these counties alone, a county which would be directly served by irrigation, the cost of public relief in 1 year (1938-39) exceeded $1,000,000.

We have rightly come to a stage of development in America where we regard it more and more the main job of democracy to achieve a rich and satisfying environment for the human resources of the Nation. Farming, whether it is in Missouri or Ohio, or Georgia, has ever been the foundation of American life. We reject wholly the idea, suggested in the Star's argument, that a great America can ever have too many farmers. Farming is a way of life that is congenial to the democratic system. When it can be made sufficiently stable to provide a sure foundation for home and family life, it is a way of living to be encouraged as socially gainful, even if the economic balances have to be adjusted to insure the produce his due share of the wealth created by his effort. While there are many details yet to be worked out with respect to the planning of these irrigation projects, the farmers of Missouri may rest assured that when the projects are completed, the operators will be working on units of a size and character which will provide the basis of a good subsistence according to American standards of independent living. There will be room, then, in the Plains States for a considerable number of new families of people who want to live by farming but who, today, cannot find land where they can make a living.

The scope of the proposed developments in the Missouri basin, including the multiple aims of flood control, water storage, navigation, and irrigation, is wide enough to suggest that, with irrigation not ruled out, they will provide an undertaking which, in its construction and reconstructive phases, will help the Nation to keep its employment level high in the years after the soldiers come back home.

MORE THAN IRRIGATION

Finally, it must not be forgotten that the plans of the reclamation interests in the upper basin include a good deal more than the irrigation of 4,000,000 acres of land now devoted to dry-land farms. They provide the means for renewing and enlarging the municipal and industrial water supply of cities and villages and farming areas in a much larger territory than is represented by the number of acres to be irrigated. In that respect, the proposed developments represent a part of a nation's efforts to conserve its ground waters and to make better use of water supplies which are being wasted. More and more, the Nation is recognizing that in all parts of the country its ground waters are being wastefully tapped and misused. This cannot but become a Federal problem in some of its phases. It will be wasted water, from which the lower basin States do not now derive benefit but rather losses through floods, which will give the upper basin new life-restoring water lines, if the reclamation projects are carried to completion.

Is there a need for the reclamation program outlined for the upper basin States, including the 4,000,000 acres of irrigated land? Yes, for the reason that the future of the Nation demands that its resources be conserved, wherever they are, and turned to constructive uses which will serve the greatest good for the greatest number. Yes, because the natural features of the upper basin make it possible to turn the waste flow of the Missouri into ditches which will carry sure moisture and fresh-water supply to the farms and homes of the largest number of families ever reached by a water-diversion program. It will give the stability that irrigation alone can give to an essential agriculture which has had no greater problem than lack of water, and which has been periodically driven to destitution despite the most valiant persistence. By sending out fingers of water over a stretch of valley land from Fort Peck to Sioux City, it actually will put a substitute for raindrops on 11 percent of the tillable basin land in that area. We cannot believe that the farmers of the lower basin would deny their neighbors to the north the benefits of this substitute for rain, so vital to so great a region, when the denial would not deprive them of any usable water which they are now getting.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 754. An act for the relief of Iver M. Gesteland;

S. 891. An act for the relief of Rebecca Collins and W. W. Collins;

S. 1081. An act to add certain lands to the Upper Mississippi River Wild Life and Fish Refuge;

S. 1093. An act for the relief of Fermin Salas;

S. 1102. An act for the relief of Helene Murphy;

S. 1112. An act for the relief of Taylor W. Tonge;

S. 1247. An act for the relief of the Bishopville Milling Co.;

S. 1281. An act for the relief of Rebecca A. Knight and Martha A. Christian;

S. 1305. An act for the relief of Anne Rebecca Lewis and Mary Lewis;

S. 1335. An act to amend the fourth and fifth provisos of section 2 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437, 438; 30 U. S. C., secs. 201, 202);

S. 1355. An act for the relief of Robert C. Harris;

S. 1416. An act for the relief of Mrs. Judith H. Sedler, Administratrix of the estate of Anthony F. Sedler, deceased;

S. 1553. An act for the relief of J. M. Miller, James W. Williams, and Gilbert Theriot;

S. 1660. An act granting the consent of Congress to the Minnesota Department of Highways and the county of Crow Wing in Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at Mill Street, in Brainerd, Minn.

S. 1682. An act to provide for the payment of compensation to certain claimants for the taking by the United States of private fishery rights in Pearl Harbor, Island of Oahu, Territory of Hawaii;

S. 1837. An act for the relief of Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve;

S. 1944. An act to amend the act entitled "An act to provide books for the adult blind";

H. R. 3236. An act to provide aid to dependent children in the District of Columbia; and

H. J. Res. 242. Joint resolution to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes", approved September 19, 1918, as amended.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.).

Mr. WILEY. Mr. President, I send to the desk a proposed amendment to the pending measure, which would, on page 13, line 24, change the word "paragraph" to "paragraphs" and insert the following:

No action shall be taken under authority of this act with respect to an increase in any wages or salaries in any case in which such increase has been agreed upon by the employer and employee and will not result in the payment of wages or salaries at a rate greater than $37.50 per week. For the purpose of the preceding sentence, if the employee ordinarily works overtime and extra compensation is paid therefor, such extra compensation shall be included in determining the rate of wages or salaries paid.

Mr. President, I desire briefly to state the purpose of this amendment and at the appropriate time to call it up. It will be noted that the total amount of wages that could be paid, including regular wages and overtime, would be $1,950 a year; that would be the top wage. There are literally thousands of cases affecting people who are not engaged in war work where both the employer and employee have reached an agreement on wages. At the present time they have to file an application with the regional office of the War Labor Board in Chicago. Cases have piled up and no decision reached, and consequently, a good many people engaged in private business, not war work, are losing their help because they cannot pay the wages they want to

pay to the employees. This is particularly true in the case of lumber yards and elevators; indeed, of practically every line of business.

So my contention is that in order to afford relief and also to take care of the 20,000,000 in the white-collar class, such as school teachers and clerks, who are not now deriving benefits from war expenditures but are living under reduced standards of living, such an amendment as I propose should be adopted. It would give employers an opportunity to pay such persons more wages because of the increased cost of living, without going before the War Labor Board. The only relief which under the present law can be granted without W. P. B. approval is in cases where the employee receives less than 40 cents an hour his compensation can be increased to 40 cents an hour. Under my amendment the employer and employee could agree and a raise in salary or wages could be effected without W. P. B. approval up to $1,950 a year.

This thing is a matter of such serious consequence that I felt I would not be trespassing upon the business of the Senate if I made a few prefatory remarks at this time.

There are instances of school teachers, of city employees, of store clerks, of factory workers—the white collar class—whose numbers run up to 20,000,000, who have literally had their earnings sabotaged in the war effort because their compensation could not be increased and living costs have gone up.

The argument may be made of course, that if their compensation is increased, it will tend to contribute toward inflation. To that, Mr. President, I say "No." Anyone who lives on a substandard basis in wartime, when the national income has run up to $135,000,000,000, is entitled to have at least a little increase in his earnings, and such an increase will not contribute toward the inflationary trend.

Let us do justice to the white-collar class of America. My amendment will do that.

I ask that the amendment be printed and lie on the table.

The ACTING PRESIDENT pro tempore. Without objection, the amendment will be received, printed, and lie on the table.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Clark, Mo.	Hill
Austin	Connally	Holman
Ball	Cordon	Jackson
Bankhead	Danaher	Johnson, Colo.
Barkley	Davis	Kilgore
Bilbo	Downey	La Follette
Brewster	Eastland	Lucas
Bridges	Ellender	McClellan
Burton	Ferguson	McFarland
Bushfield	George	McKellar
Butler	Gerry	Maloney
Byrd	Gillette	Maybank
Capper	Guffey	Mead
Caraway	Gurney	Millikin
Chandler	Hatch	Moore
Chavez	Hawkes	Murdock
Murray	Stewart	Wallgren
Nye	Taft	Walsh, Mass.
O'Daniel	Thomas, Idaho	Walsh, N. J.
Overton	Thomas, Okla.	Weeks
Radcliffe	Thomas, Utah	Wheeler
Reed	Tobey	Wherry
Reynolds	Truman	White
Robertson	Tunnell	Wiley
Russell	Vandenberg	Willis
Shipstead	Wagner	Wilson

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. HAYDEN], the Senator from South Carolina [Mr. SMITH], and the Senator from Maryland [Mr. TYDINGS] are detained on public business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Florida [Mr. PEPPER] are necessarily absent.

Mr. WHERRY. The following Senators are necessarily absent:

The Senator from Illinois [Mr. BROOKS], the Senator from Delaware [Mr. BUCK], the Senator from North Dakota [Mr. LANGER], and the Senator from West Virginia [Mr. REVERCOMB].

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

The question is on agreeing to the committee amendment, beginning on page 11, line 20, relating to cotton textiles.

Mr. LA FOLLETTE. Mr. President, is the amendment referred to by the Chair the amendment which has been heretofore under consideration?

The PRESIDING OFFICER. Yes; section 201.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Radcliffe
Austin	Gillette	Reed
Ball	Guffey	Robertson
Bankhead	Gurney	Russell
Barkley	Hatch	Shipstead
Bilbo	Hawkes	Stewart
Brewster	Hill	Taft
Bridges	Holman	Thomas, Idaho
Burton	Jackson	Thomas, Okla.
Bushfield	Johnson, Colo.	Thomas, Utah
Butler	Kilgore	Tobey
Byrd	La Follette	Truman
Capper	Lucas	Tunnell
Caraway	McClellan	Vandenberg
Chandler	McFarland	Wagner
Chavez	McKellar	Wallgren
Clark, Mo.	Maloney	Walsh, Mass.
Connally	Maybank	Walsh, N. J.
Cordon	Mead	Weeks
Danaher	Millikin	Wheeler
Davis	Moore	Wherry
Downey	Murdock	White
Eastland	Murray	Wiley
Ellender	Nye	Willis
Ferguson	O'Daniel	Wilson
George	Overton	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

Mr. ELLENDER. Mr. President, I desire to make a few remarks in opposition to the pending amendment. I dislike to disagree with my leader, the Senator from Alabama [Mr. BANKHEAD] on legislation that affects our farming population. Ever since I have been in the Senate, I have followed his leadership, and it has been only on a few occasions that we have differed.

I am of the firm belief that it would be a mistake for the Senate to adopt the so-called Bankhead amendment. It will not aid the cotton farmer but will tend to break down our stabilization program, and some of the real sufferers will be the tillers of the soil.

We have made splendid progress up to now in stabilizing our economy. We had rough roads to travel on soon after the Price Control Act was adopted by the Congress. It was a new venture for the American people. We had to chart our own course. Many of our citizens did not cherish the idea of having so-called bureaucrats write rules and regulations saying how they should or should not operate their businesses. But as a war measure price control and rationing of commodities were necessary, and I am certain that the program has resulted in making it possible for us to more quickly prepare ourselves to fight the Huns and the Japs.

Mr. President, the figures show that the cost of industrial material rose 165 percent during World War No. 1 in contrast to a rise of only 22 percent during World War No. 2. The cost of steel plate rose 700 percent during the last war in contrast to zero during this war. The program has meant a saving to our Nation and our people as has been estimated and stated on many occasions of almost $100,000,000,000. The effect on production has been very striking. Production in our industries rose during this war 130 percent in contrast to only 25 percent during World War No. 1. Agricultural production rose but 5 percent during World War No. 1 in contrast to 21 percent during this war.

Mr. President, I maintain that this marvelous showing is attributable to our stabilization program. Industry knew where it was headed and could make plans far ahead. The figures show that American industry made big profits notwithstanding price control and rationing regulations. Profits rose 156 percent above those that were made during the 4 years preceding the war. All shared in the profits and no substantial group made less than those that prevailed before the war. Farm income under this stabilization program also rose, as has been shown on many occasions. Here are the figures: In 1940 the net returns for farmers was $4,500,000,000; in 1942, $10,000,000,000; in 1943, $13,000,000,000; and probably as much as $15,000,000,000 in 1944. Mr. President, we cannot afford to destroy those gains. We must and should renew the Price Control Act without crippling it.

We cannot afford now to select any particular group and allow it to have advantages which other groups do not enjoy. As I interpret the pending amendment there is absolutely no doubt in my mind that that is what would occur. The cotton textile business will be in a class by itself. There is no question but that other manufacturers would like to have the formula which is written in the Bankhead amendment applied to the operation of their businesses. Why do I say that? The amendment is plain in stating that for textile manufacturers three rigid factors are incorporated in the bill so as to determine cost and profits. The first is the cotton factor, the price of the raw cotton. Under that heading, in fixing the price of the material or the yarn, the parity price of raw cotton must be taken into consideration. Mr. President, that is now the law. The Bankhead amendment does not provide that parity shall be paid to the farmer but only that the parity price of raw cotton shall be considered in fixing ceiling prices of the cotton yarn. The computation must be made every other 60 days.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I think the statement just made by the Senator from Louisiana, namely, that the price of the material must reflect parity, is a little misleading. The situation created is simply that regardless of the cost of cotton, in figuring the maximum price for textile products the O. P. A. must deem that the parity price was paid, regardless of whether it actually was paid.

Mr. ELLENDER. That is true; but the ceilings fixed must be high enough so as to enable the textile mills to pay parity.

Mr. MURDOCK. I think the Senator's use of the words "must reflect parity" was a little misleading. That is why I interrupted.

Mr. ELLENDER. When prices on textiles were fixed in May 1942, the market price of cotton, as I recall the figure, was 19.2 cents a pound. Within a few months the price of raw cotton reached parity. The mills paid parity through April of 1943, and the price has not changed much since that time. The price, as I recall, was around 20.3 cents per pound at its height. Now, when the parity index rose it was only then that the mills failed to pay the increased parity price for raw cotton.

There is one sufficient reason for the present situation, that mills do not have to pay parity although they easily could under their price ceilings. We have now a supply of cotton of sufficient size to last our mills a whole year, even though not one pound of cotton was secured from the coming cotton crop that will begin to mature in about July of this year. We have a large surplus on hand—a carry-over of 10,600,000 bales—and the law of supply and demand, of course, has and will continue to keep the price down close to the loan value of cotton, regardless of what the mills can afford to pay.

I can demonstrate in my own case what the law of supply and demand caused to my potato crops of 1943 and 1944, respectively.

Last year, on my farm in Louisiana, I produced about 6,400 bags of potatoes. The demand was enormous. I could have obtained for those potatoes $5 a hundred on my farm had I desired to violate the law. I was paid ceiling prices on every pound that I produced. This year we had a ceiling price on potatoes, as we had last year. The only difference was that the ceiling was a little lower in 1943 than in 1944. In 1943 it was $2.80 per 100 pounds, and this year it was $3.25; but because of the supply, because there were more potatoes to sell, than there was demand, at the time I sold, I did not receive $3.25, which was the ceiling price. The average price paid me was only $2.54. The reason for that was that the supply was greater than the demand. Later in the season the prices of potatoes took a sharp advance because the expected crop production in some areas was far below previous estimates.

There is only one reason why the mills are not operating at full speed, and that is lack of labor. Let me read from a news item which was published in the Times-Picayune, a daily newspaper published in New Orleans, in its issue of June 5, 1944, under an Atlanta date line of June 4:

ATLANTA, June 4.—Continued and intensified labor shortages, complicated by a shortage of carding facilities, was predicted for the Southern textile industry by the Atlanta Federal Reserve Bank.

"Even after the conclusion of hostilities, the textile mills of the (sixth) district will probably have difficulty meeting demands unless a substantial expansion program is undertaken," the bank's monthly review said, but added doubt that such an expansion program would be justified in the long run.

The bank said the industry, largest single employer of labor in the district, had been dropping in production since 1942 and attributed this to a shortage of manufacturing capacity in certain lines and failure properly to maintain plants. The labor shortage has been apparent only for the past year or so, the bank said.

"It has been impossible for the industry to maintain its labor force at the necessary size because wages have usually been substantially below those paid by new wartime industries in adjacent localities," the report added.

Absenteeism, described as avoidable, was blamed for much labor trouble. The bank attributed this to lack of housing, shortage of day-care facilities for children of working mothers, transportation troubles, shopping difficulties, and the shortage of domestic servants.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. I call attention to the fact that the bulletin of the Boston Federal Reserve Bank, commenting on the same situation as applied to textile manufacturers, made substantially the same statement as that contained in the Atlanta report.

Mr. ELLENDER. I thank the Senator. There is no question in my mind that the main reason why cotton textile mills are not running to capacity is because of labor shortage, as I have just indicated. Since the textile mills can buy all the cotton they want, they do not need to buy in advance and fill their warehouses. The supply is so great that they need not beg for it, and that is the reason why the price of cotton has not gone up. The fact that less cotton is consumed by the mills because of labor shortage means that our already big surplus has increased.

I am among those who favor paying the farmers parity for their cotton. I have been fighting for them ever since I first took my seat in this body. In my judgment the amount which may be borrowed on cotton should be increased from 90 to about 95 percent, as the bill now provides. In my opinion that would give the farmer parity prices whereas the formula written in the amendment would only increase the cost of textile goods and the mills' profits. That is all that the pending amendment would accomplish as I have previously indicated. Without in any manner casting any reflection on the author and the supporters of this amendment, I contend that the amendment can be tagged as a textile amendment, that is, one for the benefit of the textile mills, and not in the interest of the farmers.

With the assured increase in the price the farmers may receive for their cotton, they will have to pay much more for what they need. The clothing bill for themselves and their children will advance by leaps and bounds and, over a longer period, not only their clothing bill either.

Mr. President, in that connection let me cite a few figures to show the percentage in increase in what the farmers received for all their commodities during this war in contrast to World War No. 1. In World War No. 1 the percent price increase was 98 and during this war 120 percent. Now let us see what farmers paid in terms of percentage increases for commodities they purchased, plus interest and taxes during World War No. 1 and World War No. 2. During World War No. 1 the percentage increase was 70 and during World War No. 2 only 38 percent. In other words, prices farmers received for their products rose 22 percent more during World War No. 2 than in World War No. 1, and the prices they pay rose 32 percent less during World War No. 2 than during World War No. 1. I attribute this showing to price control and our stabilization program.

Mr. President, I will now discuss the second factor contained in the amendment—that is, the manufacturer's cost. How is that to be arrived at? Is it proposed to take the costs in all the mills of the country on each item and strike an average and let the average apply to all? (Not that I am advocating that plan.) Oh, no. It is proposed to take a uniform figure purportedly representing all costs of manufacturing and marketing each item or yarn. This figure must be high enough so that it will cover all the costs of the highest cost manufacturer among the manufacturers of at least 90 percent by volume of each item or yarn. Not the average, but the highest-cost manufacturer.

What is the effect of this formula? A trick has, I think, been played on many of the amendments' sponsors, as well as on the American public. Here is how the formula will operate.

Different mills produce various textile items at very different costs. The high-cost producer of one item is often a very low-cost producer of another. Almost all mills produce some items at relatively low cost, and in peacetime almost every mill produced some item without profit or even below its total cost in order to round out its line and keep its plant fully occupied. The peacetime market never set a price on the basis of the cost of the least efficient producers of a particular item. The mills which were reasonably efficient in producing that item set the going price, and the high-cost producer of that item made his profits out of others he could make more efficiently.

The present textile ceilings reflect these characteristics of the industry. They reflect, as they should, the fact that most mills make up on some items for the narrow profits they may make on others. The mills are making very large aggregate profits now. Yet, since the proposed amendment would not permit the OPA to consider any mill's low-cost of production on other items in setting the ceiling on any given item, practically all textile ceilings would have to be raised substantially, despite these very large profits. The contention of the sponsors of this amendment that OPA will be able to reduce the prices of some textiles out of the present large profits of the mills is not correct. All the ceilings must be kept high, and almost all of them raised, to meet the high costs of the inefficient producers of each item.

Let me illustrate, Mr. President. Let us take three producers, Jones, Smith and Brown, each of whom is making very good profits at present. Jones is a high-cost producer of chambray, but a low-cost producer of denims and print cloth. Smith's only high-cost product is denims. Brown's high-cost item is print cloth. OPA would have to set the ceiling on chambray at Jones' high cost plus a profit; the ceiling on denims at Smith's high cost plus a profit; the ceiling on print cloth at Brown's high cost plus a profit. Jones would thus be guaranteed a good profit on his high-cost chambray and would make a killing on denims and print cloth. Similarly Smith would make a killing on both chambray and print cloth, and Brown would make a killing on chambray and denims. In other words, they would all three make a killing, and there would be absolutely no way of reducing any of these prices despite this gross profiteering. All because, instead of the prices being fixed on the costs of reasonably efficient production, they would have to be fixed on the basis of inefficient production.

Note, Mr. President, that this amendment will not even have the merit of increasing the mill's consumption of cotton or encouraging the production of needed types of textiles at the expense of the unneeded. Total textile production, as I have shown, cannot be increased, for the manpower is simply not available. The amendment will not even shift the relative ceilings on different textiles, to encourage more production of essential items, except by sheer accident. The new ceiling prices will be based on the costs of the inefficient producers of each item, and each mill will find it profitable, as before, to produce the items for which its cost is lowest relative to their price ceiling. All ceilings alike will be raised skyward, and neither of the two purported objectives of the amendment—a better price for cotton and a greater supply of essential textiles—will be secured.

Why, therefore, does the textile industry propose this pricing formula? So most manufacturers would be enabled to make profits probably 20 to 30 percent greater than the enormous profits which are now theirs. It would place a premium on inefficiency and modern mills would roll in wealth. Such a scheme is unconscionable. Now let me point out some data as to profits. I read from page 22 of the committee report:

> The available figures on mill earnings prove conclusively the unwarranted and inflationary character of the proposed increase. Some industry representatives have suggested doubt about these figures; but they have not come forward with any information which contradicts them, as it is reasonable to believe they would do if the information exists. The firms for which the Office of Price Administration has been able to secure data represent more than one-third of the total production. In 1943 those firms earned an average, before taxes, of 12.5 percent on sales and an average on estimated net worth of no less than 32.9 percent. These earnings compare with an average of 3.5 percent on sales and 4.5 percent on net worth in the peacetime years of 1936 to 1939, which were themselves the most favorable for the industry since the early twenties.

Aside from that, we have a third factor, the reasonable profit item. Bear in mind that the reasonable profit must be given to the highest cost manufacturer of each and every item and again the efficient mills will come in for more profits. Mr. President, there is no telling the extent to which the cost of cotton textiles will be increased. And who will pay for that? The dear public. And as for the farmers, they will receive little, if any, benefits.

The Office of Price Administration will be compelled each 60 days to establish manufacturers' costs and ascertain the cost of each item of yarn and allow a reasonable profit. In fixing the cost of the yarn the parity price of cotton for a period of 60 days will have to be taken into consideration.

The manufacturers' cost will have to be fixed on the basis of a uniform figure for each item. And as I indicated a while ago, the figure must be high enough so that it will cover all costs of the highest-cost manufacturer among the manufacturers of at least 90 percent by volume of each item. In addition to all this, a reasonable profit must be added to the high-cost manufacturer that I have indicated, and whatever profit may be given to him, irrespective of what it may be, will have to be passed on to the others forming the group that produce 90 percent by volume of each and every item.

If such a formula will not increase the cost of textile products of all kinds, then I do not know what I am talking about. I am satisfied that it will increase the cost of all fabrics. That is why, Senators, as I indicated a while ago, with all due respect to the author of this amendment, and to those who are supporting it, the amendment sounds more to me like an amendment for the benefit of the textile industry than an amendment to help the farmers.

Mr. BARKLEY. Will the Senator yield for an inquiry?

Mr. ELLENDER. I yield.

Mr. BARKLEY. The substance of the amendment is that the O. P. A. must fix ceilings on textile goods sufficiently high to reflect parity on cotton, if the parity is to be paid on cotton.

Mr. ELLENDER. The Senator is correct. The parity price of cotton must be taken into consideration.

Mr. BARKLEY. There is no way by which to compel the textile mills to pay parity. There is no formula which would compel it. Nevertheless, the O. P. A. would be required to fix a ceiling high enough to reflect parity if it were paid.

Mr. ELLENDER. That is correct.

Mr. BARKLEY. In other words, the O. P. A. could not fix a ceiling below what would reflect parity if it were paid. Having a higher ceiling, if the textile mills do not pay parity, their profits will automatically be increased beyond what they are at the present time. Is not that statement correct?

Mr. ELLENDER. The Senator is entirely correct and I believe that I demonstrated that proposition a few minutes ago.

Mr. BARKLEY. I do not understand how there can be any provision in the formula, in the Stabilization Act, or any other act, which would compel the industry to pay parity for cotton, because the O. P. A. cannot even consider cotton until it reaches parity itself.

Mr. ELLENDER. That is what I have already stated to the Senate. The Senator from Alabama is on his feet, and may desire to comment on the question.

Mr. BANKHEAD. I wish first to answer the Senator from Kentucky.

Mr. ELLENDER. Yesterday in debate I asked, if the cost formula is to afford parity to farmers for raw cotton, why is it that the prices of goods manufactured from cotton are to be based for 60 days on parity, and after that time on the market value of raw cotton. It strikes me that if it is to be the purpose—as I understand from the Senator from Alabama it is—to give the farmer parity throughout, parity should be reflected at all times and in all price formulas.

Mr. BANKHEAD. Of course, Mr. President, when Senators do not remain and hear explanations, it is necessary from time to time to repeat them. That statement is true particularly with regard to the absence most of the time

yesterday of the majority leader. I am sure he had official duties which required his absence. However, a great deal of time was devoted yesterday to answering the very question he propounds today. He says that he does not understand why certain things are true, and I am sure he does not understand. However, the Senator should know by now—at least he will know from now on—that, while there is no law under which the mills can be required to pay parity without fixing by law a specific price on cotton, as has been explained here time and time again, if the mills do not pay parity their ceiling prices will be reduced by an equivalent amount.

Mr. BARKLEY. In other words, they would not receive the increased ceiling which the Senator contemplates, but they would not have their present ceiling reduced.

Mr. BANKHEAD. Yes; they would, because their present ceilings are based on the payment of a parity price for cotton. All the evidence of the O. P. A. showed that to be so.

Mr. BARKLEY. Why does the Senator's amendment require that a new ceiling be placed, as though there were no ceiling already placed on cotton textiles?

Mr. BANKHEAD. The amendment does not so require. It provides that in calculating the cost of production, one item of which must be the payment of parity to the farmers, it will be deemed that parity is being paid. The O. P. A. has stated that to be true. It has said that the mills are supposed now to be paying parity, and its present ceilings are based on the ability to pay parity. With the presumption that they are paying parity, there would be no new requirement except that they pay to the farmer the difference between the current market price and what is now being paid. So far as legal obligations are concerned, and the effect of the O. P. A. ceiling prices, the mills are now deemed to be paying parity. The O. P. A. statement, which I read several times yesterday, states that the mills have ample money and ample margin under the ceiling established in 1942 with which to pay not only full parity to the producers, but in excess of parity. The ceilings were originally established upon the presumption that the mills would pay parity. If the O. P. A. had correctly stated the facts to the Banking and Currency Committee we would not have to add anything to the ceiling in order to accomplish the payment of parity. So the Senator's statement simply befuddles the issue. I do not accuse him of being inconsistent.

Mr. BARKLEY. We thrashed the entire matter out in the Committee on Banking and Currency for weeks.

Mr. BANKHEAD. Yes; and the committee voted for the amendment. The committee seemed to have understood it better than the Senator from Kentucky has understood it.

Mr. BARKLEY. I am not certain whether it was the result of better understanding.

Mr. BANKHEAD. The Senator has referred to thrashing the matter out, and I assume he means that the committee understood it.

Mr. BARKLEY. I believe it is logical to assume that the committee understood it, whether it actually did or not. I would not question the Senator's sincerity with reference to that point. However, what the Senator now is attempting to do is to say to the O. P. A. by his amendment, "While you have fixed the ceiling to justify parity for cotton, purchasers of cotton have not paid parity prices, and therefore by law we compel you to reduce the ceiling on cotton goods unless you raise the price."

Mr. BANKHEAD. That is it exactly.

Mr. BARKLEY. So by law, under the Senator's amendment, we would direct the O. P. A. to reduce ceilings already fixed on cotton textiles.

Mr. BANKHEAD. That is correct.

Mr. BARKLEY. How can we excuse ourselves for not adopting a similar formula for all other manufactured products which are made from cotton?

Mr. BANKHEAD. I do not know of any other agricultural commodity that is not above parity.

Mr. BARKLEY. That may be so now, but there is no way to guarantee that parity will continue either during the war or following the war, and this will be a law until repealed.

Mr. BANKHEAD. That is true, but the escalator clause does not apply to anything except cotton. If the Senator wants to bring in any other commodity that he thinks ought to be brought in he can do so.

Mr. BARKLEY. I am not offering to bring in anything else.

Mr. BANKHEAD. I thought the Senator was complaining that other commodities were not included.

Mr. BARKLEY. I am not complaining because other commodities are not included. I am simply asking how the Senator can justify putting in an escalator clause in regard to cotton without putting in an escalator clause with regard to other items. Other amendments will no doubt be offered dealing even with nonagricultural products.

Mr. ELLENDER. Mr. President, that is what I fear, and that is what I am opposed to, because it will open wide the door, and I know of nothing that will destroy our stabilization program to any greater extent than would this amendment. If we start to show preference for this manufacturer or that manufacturer, all manufacturers will come and ask for similar treatment. Take my own State of Louisiana, a big oil-producing State. It ranks third or fourth in the country in the production of oil. The oil producers are not getting parity for oil. I mean——

Mr. BANKHEAD. What is parity for oil?

Mr. ELLENDER. I do not know offhand.

Mr. BANKHEAD. The Senator knows that oil has no parity.

Mr. BARKLEY. There are different grades of oil.

Mr. ELLENDER. I am aware of that, but the oil producers are not receiving comparative prices with other industries that are engaged in helping win the war.

Mr. BARKLEY. Let me say to the Senator from Louisiana that the same situation exists in my State, and I have received letters daily for months asking me to vote for an amendment which would fix the price of oil or enable a higher price to be paid for oil.

Mr. ELLENDER. Comparable to the prices other industries are receiving.

Mr. BARKLEY. I am sympathetic with their desire.

Mr. ELLENDER. So am I.

Mr. BARKLEY. Frankly, I feel the increase of 35 cents a barrel recommended by Secretary Ickes might well have been granted. It was represented that the adoption of such an all-over increase would give many producers prices to which they were not entitled. But if some differentiation could be made as between stripper wells, for instance, and other wells, an increase might be justified. I understand the O. P. A. is now working on that proposition and approaching it in a rather sympathetic way. The difficulty, however, is that if we should put amendments on this bill to satisfy everybody whose request for an increase of prices has been turned down we would make Congress a price-fixing agency, and we might as well abolish the O. P. A. and pass a law saying what should be the prices of everything we buy or sell. We cannot any more do that than we can fix railroad rates. We never have attempted to do that by legislation, even in times of peace. We are dealing, it seems to me, with a war situation where somebody must admit that he has got to take some sort of punishment on the chin, if necessary, in order to effectuate the war effort and the war program, while those who are fighting in order that we may even indulge in legislation here, are putting all they have and all they ever hope to have on the altar of their country.

Mr. ELLENDER. There is no doubt that the most objectionable feature of the amendment is that it places the textile industry in a preferred class. As I have said, the three factors for price fixing assure them a profit on each and every item or yarn. Some of those profits in many instances, I should say, would be unconscionable.

Mr. MURDOCK and Mr. LUCAS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Louisiana yield, and, if so, to whom?

Mr. ELLENDER. I yield first to the Senator from Utah.

Mr. MURDOCK. I think, Mr. President, that we must bear in mind all through the debate that Congress has written into the present law, in the most emphatic language, in my opinion, of which we are capable, that ceiling prices on agricultural commodities must be fixed by O. P. A. at a level which must reflect parity to the producer. That is the present law. Now the O. P. A. say what? They say they have fixed those ceiling prices at a level at which the mills can now well afford to pay parity to the cotton farmers, and, in support of that position, the record is replete with figures that show that if the cotton mills

had the right attitude today they could do that and still make a large profit.

Now we are confronted with a proposal so far as cotton is concerned that says what? It says that, regardless of what the mills pay for cotton, during the first 120-day period after the enactment of this act, in fixing ceiling prices—and we admonish the O. P. A. that there must be an adjustment within the first 60-day period—the O. P. A. must deem in the adjustment of prices on cotton textiles that they have paid parity for cotton.

From the argument made yesterday by the Senator from Alabama [Mr. BANKHEAD] and that made by the Senator from Mississippi [Mr. EASTLAND], and I have never heard more able arguments than they made from their approach to the subject, is there any doubt in any Senator's mind that they both expect an adjustment and a revision upward of prices of cotton textiles? Of course not. Every syllable of their argument indicated—what? It indicated that the present ceiling prices of the O. P. A. were too low. As the junior Senator from Mississippi said, they are shackled under those ceilings and the lid must be taken off. So what did they expect? They expected that within the first 60-day period after this proposed law goes into effect textile prices will be revised upward, regardless of what is paid for cotton, regardless of the price the mills paid for their inventories which are now on hand.

If the Senator from Alabama, as I think it could well be inferred this morning from this statement, takes the position that prices are already high enough on cotton textiles to warrant the mills in paying parity for cotton, then why does he not reverse the language of his amendment and say that if within the 60-day period or the 120-day period the price of cotton does not go up to parity then there shall be a revision downward on the ceiling prices of textiles. Then, we would be doing what? We would be enacting a law for the cotton farmer and not for the textile mill operators. If we tell those gentlemen who are today making such profits as they have never made before in their history since 1919 and 1920 that they must pay parity or there will be a revision downward, then the farmers of cotton would be brought up to parity. But under this amendment just as surely as it is adopted there will be a windfall on inventories that will be unconscionable; there will be a manipulation and a speculation on the markets which in my opinion will not inure to the benefit of the farmer but to the speculative attitude of the textile mills. I thank the Senator from Louisiana for yielding.

Mr. ELLENDER. I was glad to yield to the Senator and I am indebted to him for his contribution. I now yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I have before me information which is presumed to be authentic which says that if the Bankhead amendment shall be adopted 90 percent in volume of the textile industry will be guaranteed a profit on every item that is manufactured. I should like to know whether that is correct.

Mr. ELLENDER. That is correct as I understand the formula contained in the amendment.

Mr. TAFT. Will the Senator yield?

Mr. LUCAS. I have not the floor.

Mr. ELLENDER. As I understand the manufacturer's costs, that is, factor No. 2, the figure must be high enough to cover all the costs of the highest cost manufacturer, "of at least 90 percent by volume of such item."

Mr. TAFT. Will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. TAFT. The Senator from Alabama has presented, and will offer before the committee amendment is voted on, an amendment to subdivision 2, which the Senator will find on his desk, which reads in this way, instead of that to which the Senator has referred:

> A generally fair and equitable allowance for the total current cost of whatever nature incident to processing or manufacturing and marketing such item—

That is a different rule, the Senator will see, "a generally fair and equitable allowance for the total current cost" of manufacturing such item.

Mr. ELLENDER. What is the difference between the pending amendment and the modification of the amendment just quoted by the Senator?

Mr. TAFT. That is in the law now; that does not change anything. We now provide that all processors must get a generally fair and equitable margin. Then the amendment proceeds:

> And whenever the Chairman of the War Production Board or the War Food Administrator has determined such item to be necessary for the war effort or the maintenance of the civilian economy—

Then the 90 percent bulk line shall apply. So that instead of being a compulsory 90 percent bulk line, which I myself criticized in the Bankhead amendment, this provides now simply for the processor a generally fair and equitable allowance for the total current cost of the manufacture of the item, unless the Chairman of the War Production Board or the War Food Administrator finds that the item is an item which is necessary for the war effort, one the production of which should be increased, in which case he applies the 90 percent bulk line in order to get the increase in production. As I understand, that is the amendment, and I understand from the Senator from Alabama that that will be offered before the pending amendment is voted on.

Mr. ELLENDER. In my opinion, that will not change the situation, except that the modified amendment may be used to force manufacturers to manufacture certain kinds of textiles. That, in my opinion, without having studied the modified amendment, is its purpose.

Mr. TAFT. The Stabilization Act provides that processors of articles made from agricultural commodities must receive a fair and equitable margin, and this amendment, unless there is some action by the chairman of the War Production Board or the War Food Administrator, provides exactly what is in the present law. So that in effect, what this does is to take out the 90-percent bulk line provision, unless the chairman of the War Production Board or the War Food Administrator determines to apply it. So that it is entirely within the option of the administration whether any such 90-percent bulk line need apply.

Mr. ELLENDER. But it will apply to any article which the chairman of the War Production Board or the War Food Administrator may determine to be necessary.

Mr. TAFT. That is correct. But surely the President is able to control, and Mr. Byrnes is able to control, the action of the War Food Administrator and the action of the chairman of the War Production Board, if they consider their action contrary to the general policy of stabilization. We have only one administration here. These are the gentlemen, however, who are interested in production, and if they say that in order to get production we should apply the 90-percent bulk line, and if that is approved by the President and Mr. Vinson, I do not see how Congress can have any objection to it.

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield? I wish to ask the Senator from Ohio a question.

Mr. ELLENDER. I yield for that purpose.

Mr. MAYBANK. I wish to ask the Senator from Ohio whether, from what he has just stated as to articles which might be determined to be necessary, it would not be the Senator's belief that it would largely apply to the Army and the Navy, because they are the largest buyers of textiles in most instances.

Mr. TAFT. I think probably that is true of a good many of the commodities which might be affected. In other words, the Bankhead amendment provides that the 90-percent bulk line would be applied to every item of textile goods. The proposed amendment provides that it shall not be applied unless the War Food Administrator applies it to a particular item of textile goods which is necessary for the progress of the war, and of which an increased production is required, in which case, surely, if there is a desire to get increased production, it will be necessary to give 90 percent of the industry some opportunity to have some advantage in manufacturing those goods.

Mr. MAYBANK. Will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. MAYBANK. I have been told by high officials of both the Army and the Navy that they themselves have had trouble in obtaining certain types of work clothes for the Army and the Navy, and I wish to ask the Senator whether it is not his judgment that under the amendment he has just read, that is, the changed amendment, the prices would be subject to renegotiation, as are all Army and Navy contracts and essential contracts in the textile industry.

Mr. TAFT. Of course.

Mr. MAYBANK. Then there could be no huge profit, if the renegotiation law were carried out.

Mr. TAFT. There could be no profit on the Government's business, which is more than half the business, I understand.

Mr. ELLENDER. But the public will have to pay for it, and the Government will get what the public is paying in the renegotiation process. In other words the manufacturer will have to kick back into the Treasury a part of the huge profits which were made by him because of the high prices that he received for his goods from the public. Another thing the Senators must keep in mind in this connection is that the renegotiation powers of the Army and Navy will terminate on December 31 of this year, and can be extended for no more than 6 months by Presidential action.

Mr. TAFT. Will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. TAFT. The Stabilization Act contains this provision, to which I referred:

Provided further, That in the fixing of maximum prices on products resulting from the processing of agricultural commodities, including livestock, a generally fair and equitable margin shall be allowed for such processing.

That seems to me exactly the same as the provision of the amended Bankhead amendment, "a generally fair and equitable allowance for the total current cost of whatever nature incident to processing or manufacturing and marketing such item."

Mr. ELLENDER. But there is a third factor, which is that above that it is necessary to allow a reasonable profit to all manufacturers in the group that manufacture at least 90 percent by volume of each item.

Mr. TAFT. If the 90 percent bulk line is applied; but the amended amendment makes the 90 percent bulk line entirely optional. The Chairman of the War Production Board or the War Food Administrator must say they apply it to a particular product, whereas the original Bankhead amendment applies it by law to all products, a provision to which I also objected. It seems to me the amendment offered meets the objection which is urged by the Senator, and does not establish any new rule, except at the option of the administration.

Mr. ELLENDER. It certainly will work hand in hand with the third factor, which would allow a reasonable profit after the costs of the raw cotton factor and the manufacturers' costs are taken into consideration.

Mr. LUCAS. Will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. The question I asked the Senator from Louisiana brought forth an answer from the Senator from Ohio [Mr. TAFT] to the effect that the Bankhead amendment to the bill, which, as it stands now, guarantees a profit on every article manufactured by 90 percent of the industry, is now to be amended on the floor of the Senate.

I have attempted to follow the arguments and debate on the pending matter, and I am not so sure that I know what the proposed amendment to the Bankhead amendment means. This usually follows when an attempt is made to amend a very important legislative proposal on the floor of the Senate, after a committee has given much study to it. It seems to me this is one of the most important parts or features of the proposal now pending before us, and certainly if the textile industry is to be guaranteed a profit on 90 percent of every item it manufactures, I can readily see that every other industry, whether it is the textile industry, the implement manufacturing industry, or any other industry of the Nation, of any type and kind, is going to come to Congress, and rightfully so, and ask that we guarantee them a profit on the items they produce. I do not know whether the Congress wants to go that far or not.

Mr. ELLENDER. The Senator has placed his finger on the objectionable feature of the amendment, as I see it.

Mr. LUCAS. I think I have.

Mr. ELLENDER. I do not see how it can be stopped.

Mr. LUCAS. I want to be fair in this argument. I am the last one in the world who wants to do anything injurious to the textile industry of America, or any other industry that is manufacturing or making instruments of war or any other implements or commodities that go into the civil economy of the Nation at this time. I doubt whether there was any time in history when business, both large and small, was in a better position than it is today. That condition may be artificial due to the war, but nevertheless there are more people in business at this moment and more people making profit, both in large and small businesses in America, than at any other time in our history. Notwithstanding this enviable position an amendment of this kind is brought before us providing guaranties for the textile industry of America. No other industry is involved in the amendment. There are diverse and sundry industries in my State of Illinois which will want to come in on this kind of a guarantee "grab" if that is what the Congress of the United States wants to do, but I do not believe we ought to do it.

I wish to ask a further question with respect to a statement in the article to which I referred, and ask whether the statement is correct. I am informed that the cotton textile industry last year earned profits, after taxes, of 12.5 percent on its total sales.

Mr. ELLENDER. I read that into the RECORD a few moments ago.

Mr. LUCAS. Very well. That compares with 3.5 percent average profit before the war. The article further says:

It has benefited a 58-percent rise in wholesale prices since 1940 by a greatly expanded volume of business.

Mr. President, if that article is true how can it be said that the textile industry of America is suffering at this moment? If it is true how can the Congress of the United States guarantee to this industry a profit, in view of the figures presented of profits earned last year by the textile industry, and not take in every other industry existing in America today?

The textile industry is not a bankrupt institution. It is a going concern making money. It made profits last year of 12.5 percent after taxes, and did the largest business in the history of the textile industry. The same is true with respect to every other industry in this country today.

Mr. President, if these facts are true, and I am assuming they are true, as no one has challenged them, I cannot understand why at this particular time an amendment of this character should be attached to the price-control bill. If we adopt the amendment we will set a precedent for special privilege, and Congress will be flooded from now on with appeals from every other industry in America asking us to do the same thing for them. If Congress does it for one how can Congress deny it for others? I am basing my argument upon the figures representing the profits of the textile industry last year. If these figures are true, then there are many industries which need more help, in my opinion, than does the textile industry.

Mr. President, as I said before, I am not going to make a special argument against any industry. I want them all to do well, and I maintain and submit that they are doing pretty well in this war period, as is every other industry. Yet it seems that the more some people make, and they are making more than ever in this war period, the more they complain and the more they want. That seems to be the rule of the game—the more you get the more you want. I believe that industry of America and the people of America generally have never been in such good shape economically as they are at this particular moment. Notwithstanding that, we are faced now with an amendment which seeks to get more for certain industries, as I see it. It is class legislation detrimental to the best interests of the great majority. I cannot support the amendment.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CHANDLER. In the time of my good friend, the Senator from Louisiana, I wish to read a letter I have received, and to ask a question of the Senator from Ohio. I have been a strong supporter of the stabilization program and am as anxious as any other Senator to avoid ruinous inflation in the country which would result in the general break-down of the whole plant. But our experience here since we enacted the price-control law should have taught us that some injustices exist under it which ought to be corrected. I cannot bring myself to the conclusion that because some of our men are suffering and dying away from home we should inflict unusual and inhuman punishment on those whom they left at home. I do not like the idea which is expressed by the O. P. A. when they bring a bill to Congress that we must take it as it is and cannot change its provisions. I cannot believe that the little inoffensive amendment the Senate adopted the other day giving an individual the right to defend himself in court will injure the whole program. If it takes so little to destroy our stabilization program and bring in-

flation in the country we are indeed in bad shape.

Mr. President, I am particularly interested in an amendment which is going to be offered by my friend the Senator from Oklahoma [Mr. THOMAS] with respect to crude oil, and I asked the Petroleum Administrator for War what the situation was. I received an answer from the Acting Director of Production, Mr. Ralph J. Schilthuis, in which he wrote:

> The importance of higher crude oil prices as a means of increasing our oil supplies for military, industrial, and civilian needs—

That is what my friend the Senator from Ohio had reference to with respect to the things which are necessary for military purposes—

> has long been recognized by the Petroleum Administration. In April 1943, after an exhaustive analysis of the problem, P. A. W. formally recommended to the Office of Price Administration an upward adjustment of crude oil price ceilings averaging 35 cents per barrel. This recommendation was turned down by O. P. A. on May 1. On June 10 we renewed our recommendation, only to have it again rejected by O. P. A. on August 7. We then appealed the matter to Judge Vinson, Director of the Office of Economic Stabilization. In a decision on October 29, 1943, Judge Vinson upheld the O. P. A. position, and stated that there could be no general increase in crude-oil prices.

Mr. President, I understand that the present price for crude oil is 64 percent of parity. If we need more oil, and everyone admits that we do, and if those who must produce oil for the country's needs say the price should be raised, and they have said it again and again, and then the O. P. A. turns them down, after which the Director of Economic Stabilization turns them down, then I do not understand the argument that the industry should not come to Congress and ask for relief, when an injustice is being done which results in a hurt to the war effort.

If some Senator can explain that situation to me I wish he would.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TAFT. With respect to the question of amendments, and the question of the relation between the cotton amendment and the oil amendment, I have felt throughout that Congress ought not to increase the price of a product by law. It may be that the administration is wrong. We have heard the representatives of the oil industry. We heard Mr. Brown present a very convincing case. He was answered by Mr. Vinson. Personally if I had to decide the case I would say Mr. Brown was right. But I did not think it was an overwhelmingly convincing argument, and I do not feel that Congress ought to increase the price of any article deliberately by action of law.

The question involved in textiles does not seem to me to be one relative to an increase in price, or at least not a net increase in price.

I approve of this amendment because it attempts to change the whole method by which the administration has been applying the price policy to cotton goods. I think that whole method is wrong. I think it is out of accord with the present law. I think, therefore, that it is a matter with which we may properly deal.

I am perfectly convinced that if the method proposed by the Senator from Alabama is adopted, and if the Office of Price Administration accepts that method of fixing prices, the net result to the consumer of cotton goods will be a lower price rather than a higher one. That is the reason why I am willing to go along with the cotton amendment, and I am not willing to go along with any direct increase in price on any article.

Mr. CHANDLER. Mr. President, let me ask my friend a question in that connection.

Mr. TAFT. In just a moment.

First, let me say that in connection with the cotton business, the Director of Economic Stabilization has applied a brand new theory. He goes further than the 90 percent bulk line in some ways. He says regarding the directive relating to cotton goods—I quote from his letter of February 4:

> There has also been some misunderstanding as to other provisions. The directive states that, in cases where a uniform increase in price to all producers must be made, the increase to be permitted shall not exceed an amount sufficient to make the maximum price equal to the total unit cost of the highest cost producer whose production is deemed essential. I wish to emphasize that this method and standard of price increase is to be used only as a last resort when the other methods set forth in the directive are impossible. Indeed, I shall hesitate to let it be used at all.

In other words, he practically says that under no circumstances will he authorize a general increase in the cost of any cotton goods. Then he goes on, and says that he will make individual adjustments for individual mills—which, after all, Mr. President, is going back to a profit-control basis, rather than to a price-control basis.

When he makes those adjustments, he says that the producer whose current profits from all operations are less than double those earned in the 1936–39 period, or who is operating at a loss, may sell at not to exceed the total unit production cost, plus a profit not to exceed 2 percent. In other words, there is a 2 percent turn-over which is utterly inadequate to enable the mill to run. He goes on to say that for a producer who had more than twice his 1936–39 profits, producers with exceptionally high profits will be required to produce the goods at cost.

In another order, cost is defined as simply the actual out-of-pocket expense, without any overhead at all.

So he is saying to the cotton-goods industry, "I will not increase the price of cotton goods. I will make individual adjustments for low-cost mills, but I will still require them to sell the goods at a loss."

I think that is utterly illogical. I think it is utterly opposed to the principle of the Price Control Act. I think the Bankhead amendment is a better method of pricing cotton goods. I say that in decreasing the price of low-cost goods we can decrease the cost of the goods on the basis of the profits that are made, so that the profits will be less.

Mr. ELLENDER. Mr. President, why could not he do it under the law as it now stands? The Bankhead amendment is not required in order to do that. It can be done under the law as it now stands.

Mr. TAFT. It can be, except for the fact that Mr. Vinson is a very stubborn gentleman, and does not desire to change it unless Congress makes him change it.

Mr. ELLENDER. As a matter of fact, while under the law as it stands, textile ceilings can be adjusted to spur production of one type of textile in comparison with others, it could not, as I have already shown, be done under the proposed formula. I remind Senators of what I have already said. Under the amendment all the ceilings must be kept high, and almost all of them raised, to meet the costs and provide a profit for the inefficient producers of each and every item. I presented a resolution before the Senate which was referred to the Committee on Agriculture and Forestry providing for an investigation of the cotton-textile industry. So far as I am concerned, I am willing to stay here all summer, if that is necessary, in order to have that investigation made.

Mr. TAFT. I am sorry, Mr. President, that I cannot agree with the Senator to stay here all summer.

Mr. ELLENDER. I believe something can be accomplished by investigating the textile industry, prices received by them in relation to what they pay for raw cotton. I believe by bringing those gentlemen before us and having them tell us the whole story, and then letting the public know about it, something can be accomplished.

Mr. TAFT. But, Mr. President, we have had 4 weeks of hearings. We have had most of those gentlemen before us. We have heard from both sides. The Senator from Louisiana is not a member of the Committee on Banking and Currency; but the committee has heard various persons on this subject.

Mr. ELLENDER. The committee did not hear the textile representatives, did it?

Mr. TAFT. Certainly we heard the textile representatives.

Mr. ELLENDER. Did the committee hear from those who do the manufacturing, rather than from those in the O. P. A.?

Mr. TAFT. Yes; we heard them. Mr. Murchison represented one group of cotton mills.

I think the mills are making too much profit. Whose fault is that? It cannot be the fault of anyone else except the O. P. A., as far as I can understand.

But that does not mean that the textile industry is just one industry. It is a whole group of industries, making various kinds of goods. The O. P. A. has permitted them to make big profits on some types of goods, and has held them down to less than cost on other types of goods. What happens? We do not get any cheap goods, or at the most we get only a limited amount of them. In the branches of the industry such as the

heavy underwear industry, to which I referred, the cost is held down to such an extent that it is impossible for those mills to continue in business. If a person attempts to buy a unionsuit in any store today he will be unable to find one, because the practice which has been pursued has catered to the low-income groups, naturally, by saying, "We have not increased by 1 cent the price of the low-cost goods."

I think the pricing of cotton goods has been the biggest failure of the O. P. A., and I think the Congress is justified in saying to the O. P. A.: "You must pursue a different method, and here is the method."

I deny that there is anything in the Bankhead method which can in any way increase the over-all profits which have been referred to by the Senator from Illinois. In fact, if it is properly applied, it should reduce those profits very considerably.

Mr. ELLENDER. Mr. President, with due respect to the distinguished Senator from Ohio [Mr. TAFT], there is absolutely no possibility of reducing the profits of textile mills, or even keeping them at present levels, under the proposed amendment. As I have already shown, profits of practically every mill would be increased by virtue of the fact that the ceilings of the items which it produces would be fixed at cost plus profit for the inefficient producers of that item. Virtually all the ceilings would have to be raised to meet this requirement. It stands to reason that the mills are going to make much greater profits.

Mr. President, I believe it would be an easy matter to bring before the Senate or before any committee of the Senate many complaints to show that the Office of Price Administration has made many mistakes in issuing and administering many of its rules and regulations. For instance, with respect to agriculture, in relation to placing a ceiling price on rough rice or strawberries, and the like, many mistakes have been made. Mr. President, if we ever open the doors, we shall be haunted for a long time. There is no telling where the trail of investigations will end.

Mr. CHANDLER. Mr. President, will my friend permit me to return to a discussion of the oil business for a moment?

Mr. TAFT. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield for that purpose. Then I should like to complete my remarks, if I can, although most of the points I had in mind have been argued very well, and I am almost ready to conclude my presentation.

Mr. CHANDLER. Mr. President, this question is not one of profits. It is a question of a commodity on which someone should have the right to raise the ceilings, if it is clearly shown that the ceiling price is 64 percent of the parity price.

How would we go about getting simple justice? The question is not one of profits. The question is one of letting people live, and at the same time supporting the war effort.

I have read the statement which has been referred to. I should like the Senator from Ohio to comment on it for me. But first I wish to relate an experience we had with strawberries.

I intend to support the amendment offered by the Senator from Tennessee. The O. P. A. did not put any ceiling at all on strawberries until about the time they were ready for sale in Tennessee and Kentucky. Then the O. P. A. suddenly put a ceiling of $7.80 on strawberries, and indicated that if anyone "broke the line" on strawberries, it would be possible to bring on inflation by the sale of 100 carloads of strawberries. Of course, I do not believe that; and, so far, no one has been able to convince me that that was so important in connection with the economy of the country, namely, that it would be possible for the sale of 100 carloads of strawberries to break the economy of the country. But the O. P. A. set the ceiling, after having no hearings in Louisiana or in the other parts of the country. In Louisiana the strawberries were sold without a ceiling.

Mr. ELLENDER. Oh, no; only approximately 50 percent of them were sold without a ceiling.

I wish to say in that connection that I have objected, ever since the O. P. A. has been in existence, to having the O. P. A. place a ceiling on a crop which is in the midst of harvest. The O. P. A. should act before the crop is planted so that the farmer will know in advance what he can expect by way of prices.

I have contended quite a great deal that that should be done, but thus far the O. P. A. has not listened to me. I think that such a procedure has caused a great deal of trouble and, I would say, just criticism.

Mr. CHANDLER. Very well, Mr. President. Let me say that I will support the amendment offered by the Senator from Tennessee, so that an unfair price cannot be set for persons who grow a small amount of perishable food and vegetables in one section of the country, and at the same time permit the growers in another section of the country to disregard that price, all under the plea and the statement that if any other course is pursued the result will be to bring on inflation in the country.

On the basis of my understanding of the statement made a while ago by my friend, the Senator from Ohio, I wish to ask a question. If it is shown that these things are necessary for the war effort, and if it is definitely shown that the prices are away below the parity price, what is the method which we shall use to correct injustices, if the O. P. A. will not correct them and if the Office of the Administrator of Economic Stabilization will not correct them? Who is going to do it, and what is my justification or excuse for not supporting something which will correct a manifest injustice, even though I vote for an amendment to this bill?

Mr. TAFT. Mr. President, let me say that I feel very strongly that the main problems of price administration are administrative ones, and that we cannot go into the question of fixing detailed prices on goods, any more than we can go into the question of fixing railroad rates for the Interstate Commerce Commission. That would seem to me to be a hopeless job.

I think we are concerned with the fundamental principles of price control. That is why I went along with the Senator from Alabama on the amendment. That is why, it seems to me, the chief feature of the amendment of the Senator from Alabama is that it says that each product must be handled on its own feet, but that the O. P. A. cannot say to a man, "Because you are making a profit on this article, you must sell the other one at a loss."

That is the chief feature of the amendment of the Senator from Alabama. That seems to me to be a fundamental question, which is not clearly stated in the act. I think the act requires each one to stand on its own feet, but I am not convinced of that. On the question of principle, I was willing to go along with an amendment, but if we begin to exempt this and that, and increase the price of this and that, there is no limit to what the Congress may do. We might spend the entire year correcting injustices.

After all, the main question as to whether the price itself is right or wrong is an administrative question. It is a question for which the Price Administration has the responsibility. It is to blame if the determination is wrong. Its judgment is perhaps just as likely to be good as our judgment. I do not know. I believe that in many cases its judgment is radically wrong.

A little later today I shall point out the tremendous mistakes which I think have been made in the administration, but which I think are matters purely of administration, in which Congress should not interfere. That is my feeling.

Mr. CHANDLER. Would the amendment of the Senator from Alabama correct the trouble?

Mr. TAFT. The amendment of the Senator from Alabama lays down the fundamental principle that no article or goods shall be sold at a loss and that a reasonable margin should be applied to each character of goods manufactured by a manufacturer. I only regret that we are not applying the same principle to all industries, because I think it ought to be applied to all industries. But that is not a question of administration. That is a question of the fundamental pricing principle of the Price Control Act.

Mr. ELLENDER. Would the Senator apply the same principle to the canning industry? As he knows, many articles are canned by some of the large canning interests of the country at a loss, and they make huge profits on others.

Mr. TAFT. They should not make huge profits on others.

Mr. ELLENDER. That may be true, but the same principle would apply to them as applies to the cotton textile industry.

Mr. TAFT. Suppose we were to say to the entire canning industry, "There is a big profit on tomatoes; therefore you must can peas at a loss." There may be a dozen plants which can nothing but peas. What situation are they in? They are out of business. The whole principle of

trying to take over-all profits as a guide to a margin for particular products is wrong. The way the situation should be controlled is to cut down the margin on the goods on which there is too much margin today. That is a feasible principle. That is what I think should be done in price control.

Mr. ELLENDER. The Senator has argued eloquently to demonstrate that if we open the door to one industry, many more manufacturers will ask for the same treatment proposed to be accorded the textile industry and I see no reason why we should not treat them all similarly.

Mr. TAFT. With the exception of the 90-percent bulk line, I should have no objection to that. Otherwise the Bankhead amendment states the principle which should apply to all manufacturing industries.

It does one other thing. There is a peculiar situation with respect to cotton. Cotton sells below parity, while all other products are selling at parity or above. So we have the difficulty of the limitation on agricultural prices, and we are trying to conform the law to that limitation.

Mr. ELLENDER. The item of cost of raw cotton in connection with the manufacture of cotton goods is infinitesimal and its payment would not place a burden on the textile industry. The textile industry will continue to do the same thing it has done for years, as was illustrated yesterday by the Senator from Mississippi [Mr. EASTLAND], that is, pay as cheaply as it can for raw cotton. He pointed out that 1 pound of cotton will make 4 yards of seersucker cloth, which is sold for $2.76 in New York. The farmer received 20 cents of that $2.76. Under the terms of the Bankhead amendment, according to Senator EASTLAND'S version thereof, he would receive 21 cents, or 1 cent more. Is it reasonable for us to argue that that 1 cent increase would be such a big item in the cost of the textile industry and thereby prevent it from paying the farmer the additional cent, when we consider the enormous profit that is made on 1 pound of raw cotton?

Mr. TAFT. I believe that the Price Control Act intends that prices shall not be fixed on a product until the product has reached parity. The Administration has insisted on going ahead and fixing prices, which is all right; but if so, we must put in the escalator clause in order not to allow too great profits. My own interest is far more in the processing than in the 1 cent to the cotton farmer. No doubt the Senator from Alabama has a different feeling about that; but I am interested in trying to correct the present cotton-goods situation in the United States, and in forcing the Price Administration away from a theory of price control which I think will lead only to profit control in the end, which I think is unsound, and which, if it were continued, would absolutely prevent the production which is necessary.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. RADCLIFFE. Am I to understand that the Senator from Ohio will later amplify his statement that he regards what is apparently an exception as not an exception? He has stated very eloquently and forcibly the dangers of opening the doors wide so that any particular industry may show that some special amendment must be adopted for its particular benefit. The Senator from Ohio realizes the danger involved in that situation, and therefore he is opposed to any such general policy; but I understood him to say that he regarded the cotton situation as being an exception. What he has said thus far has been interesting to me, but it certainly has not been convincing. The only reason I rise now is to ask whether or not the Senator from Ohio will discuss the question further this afternoon. If so, I should like to hear him amplify his statement and give the reasons why he thinks this apparent exception is not an exception.

Mr. TAFT. I thought I stated as clearly as I could that I think this amendment involves a basic principle of pricing. I have an amendment on the table which I may not offer. It applies to all industry, and applies, to a certain extent, a part of the principle of the Bankhead amendment to all industry, requiring each article to stand on its own feet, subject to certain exceptions. But I do not think that it is an administrative question.

In this field I believe that price administration has departed from the basic principles of pricing, which I think are at least within the spirit of the Price Control Act, but which are perhaps not so clearly defined that the cotton industry could take its case to court and obtain a favorable decision.

I see no objection to defining now what we think the pricing policy should be. What is that policy? I can see nothing particularly revolutionary in the Bankhead amendment. It provides that each processor shall have a generally fair and equitable margin. The word "generally" means that it does not have to apply to everyone. It must apply to the industry as a whole. The margin must be generally fair and equitable as a whole. That provision is now in the act. The 90-percent bulk line may or may not be right. Frankly, I do not know enough about the cotton industry to judge whether it is right or not; but the 90 percent bulk line in this amendment is entirely optional, and can be put in only if the administration wants to put it in.

Mr. RADCLIFFE. The 90-percent provision would remain in the modified amendment.

Mr. TAFT. Only if the administration should choose to apply the 90-percent rule in order to obtain additional production. If we wish to obtain additional production, we had better not have more than 10 percent of an industry producing at a loss.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MOORE. I wish to say to the Senator from Ohio that I think he is guilty of an inconsistency when he says that he is opposed generally to legislating prices. I could agree to that principle very definitely. But we have the Price Administration. We have enacted a price-control law and turned price control over to an administration which has been proved to be both dishonest and inefficient. Discriminations have been imposed against industries to the point of destroying them. I agree with the Senator from Kentucky [Mr. CHANDLER] that the oil industry has been subjected to a price which is destructive of it. The administrative agencies, as well as the committees of both Houses of Congress, have conclusive proof that the price which is imposed on the oil industry is destructive of a large segment of that industry.

We are to keep the Office of Price Administration, which I think in itself is a fake, and has not at all prevented inflation. Its efforts have been conducive to inflation, to black markets, and to law violations. It has singled out for total destruction certain industries, including the oil industry. Therefore I see no reason why the Senator from Ohio should refuse to accept the amendment offered by the Senator from Oklahoma [Mr. THOMAS] if he is supporting the amendment offered by the Senator from Alabama [Mr. BANKHEAD], because both have the same purpose. If overalls and workshirts are manufactured at a loss, and the Congress can fix a ceiling upon the prices of such articles which will prevent the destruction of that industry, why can it not also prevent the destruction of the oil industry? If there is any difference between the cotton textile industry and the oil industry in that respect, I am unable to see it.

Mr. TAFT. I believe that the distinction is very clear. Oil is oil. A protest may be filed with the Office of Price Administration. We have provided the method by which it may be filed. The Office of Price Administration then makes a decision. An appeal may thereafter be taken from the decision to the Emergency Court of Appeals. Of course, the Emergency Court of Appeals could not afford any relief unless it found the action of the Office of Price Administration to have been arbitrary and unreasonable. If it should so find, it could afford relief. We have provided such procedure for everyone.

No question has been raised in the oil industry with reference to individual products. No effort has been made in the industry to say that one must sell a particular article at a loss because he is making a profit on something else. There has been no effort to apply the extreme, which I think would be wholly unsound, and which would be prevented by the Bankhead amendment. I believe the two questions are entirely different. I believe that one is an administrative question and the other is a legislative question. That is the distinction which I drew in the committee, and which I have tried to draw here in the Senate.

Mr. ELLENDER. Mr. President, I am very glad to yield to any of my colleagues in discussing this very important amendment. I had prepared a synopsis of the speech which I had intended to deliver, but so much of the matter which I proposed to present to the Senate

through my speech has been brought out in questions which have been asked that I shall not delay the Senate very much longer.

I believe that my position on the stabilization program is well known to my colleagues. I have taken issue many times with some of my good friends and colleagues, and I believe that the RECORD will show that I was one of the few who opposed Senate Resolution No. 91, which sought to increase the pay of nonoperating railroad employees. My reason for doing so was that I felt it would break the Little Steel formula. I thought that it would cause employees in other industries to make similar demands to those which had been made by the fine class of workers to whom I have referred.

Today it is not very popular to oppose demands made by farmers. However, I am confident that the amendment would operate adversely to their interests. Its adoption would be definitely and unequivocally detrimental to their interests. I have been a close friend of the farmers of my State in particular and to those of the Nation in general. I am certain that my record in the Senate will bear me out. Aside from that, I am a farmer myself.

I am confident that this amendment is more in aid of the textile industry, as I have just indicated, than it is of helping the farmer.

I shall ask the indulgence of Senators to listen to me read from the Times-Picayune, a newspaper published in my State in its issue of June 5, 1944:

> The cotton market held gains of 6 to 9 points net on active futures last week but this was only after prices had reached into new high ground for the season Wednesday and Thursday. The spot average reached up to 21.30 on Wednesday, a new high, and which compared with 21.28 cents the previous high set March 21. But quotations eased sluggishly toward the end of the period and the spot price for the 10 markets closed at 21.18 cents, up 5 points on the week but off 12 points from the Wednesday high.
>
> Probably the immediate cause of the mid-week price spurt which followed the Memorial Day holiday Tuesday was the hopes in some quarters for price boosting legislation to come out of Washington. The high point in this thinking came with the adoption by the Senate Banking and Currency Committee of the Bankhead amendments to include the so-called escalator plan to allow mills to pay parity prices for cotton and still make a fair profit—
>
> "A fair profit," I repeat—
>
> and an amendment to raise the loan rate from 90 to 95 percent of parity. The vote had been larger than expected, but doubts still prevail as to the ultimate success of the amendment and prices eased shortly after the news was out. These doubts seemed to be confirmed in the Friday action of the House committee in rejecting the price-boosting plans. At the weekend not many traders here felt confident that any measurable price-raising legislation would get through this sitting of Congress. If any confidence existed it was that possibly the administration might accept a 95 percent of parity loan.

Mr. President, when anybody argues that this amendment will not raise the price of textiles and will not help the textile manufacturers, I am wondering what prompted the writing of the article I have just read; I am wondering what prompted the spurt in the cotton market.

I feel confident that the Bankhead amendment will not give the Price Administrator any greater power than he now has to force the textile industry to pay parity to the cotton farmers. If there is a rise in price for raw cotton through this amendment, it will be gobbled up by the higher prices the farmers will have to pay for the finished products they must buy to clothe themselves and their families.

Not only that, Senators, but, as I have indicated, this amendment is but the opening wedge to the demand of many other industries that feel themselves as much hurt by O. P. A. as the textile industry. I wish to say that if, perchance, the Bankhead amendment is adopted, then I shall feel perfectly justified in voting for any other amendment designed to help other industries, because I do not believe it is fair or square to industry as a whole to select the textile industry and assure them of a formula that will give them profits on each item produced far in excess of the huge amounts now being made by them.

Mr. President, as I have said on many occasions, I believe that after this war is over the Price Control Act, badly as it has been administered from its inception and until the time it was taken over by Mr. Bowles, will be hailed as the most effective method of sustaining our war economy and of increasing our industrial and agricultural production that could have been devised.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The question is on agreeing to the committee amendment. On this question the yeas and nays have been ordered.

Mr. WAGNER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Radcliffe
Austin	Gillette	Reed
Ball	Guffey	Reynolds
Bankhead	Gurney	Robertson
Barkley	Hatch	Russell
Bilbo	Hawkes	Shipstead
Brewster	Hill	Stewart
Bridges	Holman	Taft
Burton	Jackson	Thomas, Idaho
Bushfield	Johnson, Colo.	Thomas, Okla.
Butler	Kilgore	Thomas, Utah
Byrd	La Follette	Tobey
Capper	Lucas	Truman
Caraway	McClellan	Tunnell
Chandler	McFarland	Vandenberg
Chavez	McKellar	Wagner
Clark, Mo.	Maloney	Wallgren
Connally	Maybank	Walsh, Mass.
Cordon	Mead	Walsh, N. J.
Danaher	Millikin	Weeks
Davis	Moore	Wheeler
Downey	Murdock	Wherry
Eastland	Murray	White
Ellender	Nye	Wiley
Ferguson	O'Daniel	Willis
George	Overton	Wilson

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House further insisted upon its disagreement to the amendments of the Senate Nos. 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 54, 55, 56, 57, 64, 65, 66, and 67 to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOODRUM of Virginia, Mr. FITZPATRICK, Mr. STARNES of Alabama, Mr. HENDRICKS, Mr. WIGGLESWORTH, Mr. DIRKSEN, and Mr. CASE were appointed managers on the part of the House at the conference.

The message also announced that the House further insisted upon its disagreement to the amendments of the Senate Nos. 10, 12, and 13 to the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RABAUT, Mr. KERR, Mr. HARE, Mr. O'BRIEN of Illinois, Mr. CARTER, Mr. STEFAN, and Mr. JONES were appointed managers on the part of the House at the conference.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS

The Senate resumed consideration of the bill (S. 1764) to amend the Emergency Price Control Act of 1942 (Public Law 421, 77th Cong.) as amended by the act of October 2, 1942 (Public Law 729, 77th Cong.).

Mr. BANKHEAD. Mr. President, I have three amendments which have been presented and printed, and I wish to offer them. They are amendments to the cotton textile section, and I desire to have them acted on before the main amendment is acted on.

The PRESIDING OFFICER. The clerk will state the first amendment to the committee amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 12, it is proposed to strike out clause (2), beginning with the figure "(2)" in line 6 and ending with the word "item" in line 11, and in lieu thereof insert the following:

> (2) a generally fair and equitable allowance for the total current cost of whatever nature incident to processing or manufacturing and marketing such item, and whenever the Chairman of the War Production Board or the War Food Administrator has determined such item to be necessary for the war effort or the maintenance of the civilian economy, such allowance shall be computed at a uniform figure that will cover such total current costs in the case of any manufacturer or processor among the manufacturers or processors of at least 90 percent by volume of such item.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment offered by the Senator from Alabama to the amendment of the committee.

Mr. MALONEY. Mr. President, as was said a few minutes ago by the able Senator from Louisiana [Mr. ELLENDER], the proposal before the Senate has been pretty thoroughly discussed during the past few days. I am about to offer a substitute for the so-called Bankhead amendment. Before doing so I should like to join with those who have expressed the feeling that if we yield to the proposal of the Senator from Alabama, stabilization will be wrecked, and the stage set for all ravages of inflation.

I should like briefly to remind my colleagues that opposition to the amendment now pending comes very forcefully from the Office of Price Administration, from the office of the Economic Stabilization Director, the President of the United States, and in tremendous volume from the people of the country. I see in the adoption of the amendment, as so many others have seen, a letting down of the bars, a breaking of the line, a complete destruction of the barrier against runaway prices and wages. The amendment singles out an industry which is in some respect in trouble and proposes to grant it special favors. In my judgment, the problem is largely due to a shortage of manpower. The wages in this industry have been pitifully low, and manpower is not attracted by distressingly low wages.

I cannot see how the Bankhead amendment would aid the cotton farmer one little bit. I join with those who express the feeling that it would result in a bountiful harvest for those engaged in the textile industry. I am entirely hostile to the views of those who ridicule the singling out of an individual for special attention. I am entirely hostile to the suggestion that we would take 90 percent of this particular industry, or any industry, and raise the prices for all of them regardless of what the profit situation might be in individual cases.

The Bankhead proposal is not a complicated amendment. It seems very clear to me. I think I understand the purposes of those behind the amendment and the noble aims of those who sponsor it here. I want to aid the cotton farmer. I want to provide low-cost clothing, and with that purpose in mind I send to the desk and ask that it be read a proposed substitute for the amendment offered by the able Senator from Alabama [Mr. BANKHEAD].

The PRESIDING OFFICER. For the information of the Senate the clerk will read the amendment offered by the Senator from Connecticut in the nature of a substitute for the committee amendment.

The LEGISLATIVE CLERK. In lieu of the committee amendment it is proposed to insert a new section 201, as follows:

SEC. 201. The Stabilization Act of October 2, 1942, is amended by inserting after section 3 the following new section 3 (a):

"(a) The Economic Stabilization Director is authorized and directed to coordinate the activities of all the departments and agencies of the Government concerned with the production and distribution of essential textiles, apparel, and other textile products in effectuating a comprehensive national policy to increase the supply and improve the quality of such essential products to the maximum extent consistent with the effective prosecution of the war and the stabilization of the cost of living. Special emphasis shall be given in the policy to the production and distribution of low-cost children's clothing, work clothing, and other low-cost staple textile products.

"(b) Every agency of the Government concerned, directly or indirectly, with the production or distribution of such essential textiles, apparel or other textile products is directed, in cooperation with the Director and with each other, to utilize its full legal authority to put the policy promptly into effect. So far as each may be authorized by law and to the fullest extent necessary to effectuate the policy, it shall be the specific duty and responsibility—

"(1) of the War Production Board to develop adequate production and distribution programs and to take appropriate action to direct production, to grant priorities, and to control the distribution of facilities, raw materials, and processed commodities so that, as far as practicable without interference with other needs of the war and the defense program, essential textiles, apparel, and other textile products (as designated by the War Production Board in an extent sufficient to effectuate the policy) shall be produced and distributed in the proportions by price lines and in the qualities (especially durability) in which they were produced and distributed in an appropriate base period to be designated by the Economic Stabilization Director;

"(2) of the War Manpower Commission to take such action as may be appropriate to avoid shortages of manpower required by the program;

"(3) of the Smaller War Plants Corporation to take such action as will enable small business concerns to participate to the fullest extent practicable in the program; and

"(4) of the Office of Price Administration (1) to establish, as far as may be practicable, dollar-and-cents maximum retail prices for the items designated by the War Production Board, utilizing, where appropriate, minimum specifications established by or in cooperation with the War Production Board and (2) to take such action as may be necessary to remove price impediments to the production or distribution of commodities required by the program, including increases in maximum prices where no practicable alternative exists to carry out the purposes of this section and including reductions in maximum prices either to offset such increases or to prevent diversion from production or distribution of commodities required by the program.

"(c) From time to time, the Director shall transmit to the Congress a report of operations under this section. If the Senate or the House of Representatives is not in session, such report shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be."

Mr. MALONEY. Mr. President, I do not suppose there are individuals anywhere more interested in the success of this program than the President of the United States, the Economic Stabilization Director, and the head of the Office of Price Administration, unless it be the distressed consumer. Before we undertake to vote on the proposed substitute I should like to say that the amendment was drafted under the guidance of the Office of Price Administration, that it has the approval of the Economic Stabilization Director, that it has the approval of Donald Nelson of the War Production Board, that it comes largely out of the intense efforts and interests of such organizations as the American Association of University Women, the American Home Economics Association, the directors of the National Consumers' League, the National Congress of Parents and Teachers, the National Education Association, and the national board of the Y. M. C. A. It has, of course, the approval and the support of countless other organizations. I cannot think of where there would be opposition to the proposal. I should imagine that it would have unanimous support. Its language is simple. It speaks for itself.

Before the Senate votes upon the proposed substitute I should like to point out that for some time past the War Production Board has been giving attention to this particular subject, to this particular problem of the sore need for a greater supply of lower-cost clothing. The adoption of the substitute will force or strengthen the hands of the War Production Board. It will give impetus to all those governmental agencies which are so much interested in the subject. It will be helpful to the Office of Price Administration, and extremely helpful to the American people.

Mr. President, I think it will be very helpful to the American cotton farmer. It will stimulate the production of these so sorely needed materials and articles. There is a crying demand for low-cost work clothing, and other clothing. It is not being purchased because it is not on the shelves. The adoption of the substitute amendment will accelerate the production of such clothing. Under the priority and allocation powers of the War Production Board that agency can direct the manufacture of these so sorely needed articles. The Office of War Manpower can make a great contribution if directed under some such language as I here offer. The directions contained in it to the Office of Price Administration are clear. In my judgment, Mr. President, the adoption of the so-called Bankhead amendment, offered in all sincerity by a conscientious and able and good Senator, will destroy the attempt to do what he would do and what we would do, but if there is a way to correct the situation pointed to in these last few days, and to provide these things which are so sorely needed by the American consumer, I think that this is the way, and I urge my colleagues to accept my amendment in lieu of and in substitution for the so-called Bankhead amendment.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. GERRY. I always listen with a great deal of interest and pay a great deal of attention to any amendment offered by the senior Senator from Connecticut, but I wish to ask him whether the substitute amendment was submitted to the committee.

Mr. MALONEY. No; the amendment was not submitted to the committee.

Mr. GERRY. Is it printed?

Mr. MALONEY. An amendment almost identical in language was printed several days ago. I had not submitted the earlier amendment to the Office of Price Administration. As the result of

its printing the Office of Price Administration volunteered to find what they had supposed was and which I agree is much better language. It has, in substance, been before the Senate for a period of several days. I know that it has the hearty approval of the chairman of the committee, and I suppose that no member of the committee would object to it, although there are some members of the committee who would obviously prefer the Bankhead amendment.

Mr. GERRY. I thank the Senator.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Vermont?

Mr. MALONEY. I yield.

Mr. AIKEN. It is very difficult to remember everything contained in the Senator's substitute amendment, as it was read, but as I listened to the reading of it I wondered what was authorized in the amendment that the War Production Board and the Office of Price Administration and the War Manpower Commission do not already have full authority to do. I know they have been working together on some programs to increase production, and that the O. P. A. has agreed to an increase in the price, which was necessary. I am wondering what the Senator's amendment would authorize them to do, which they do not already have full authorization to do.

Mr. MALONEY. Very little, if any, additional power is provided by the amendment. The direction is here. The Congress, by the adoption of the amendment, would set forth its views clearly on what it wants these agencies to do. It would call upon every interested agency of government to contribute toward the solution of a most aggravating situation. It would tell them that Congress feels they might go further toward the correction of a lamentable condition. I think the Senator's suggestion is correct, namely, that no actual additional powers are provided by the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama to the committee amendment.

Mr. MURDOCK. Mr. President, I wish to say a few words on the Bankhead amendment, and particularly on the amendment just offered, before it goes to a vote.

I wish to preface my remarks by saying that we passed the Price Control Act very shortly after Pearl Harbor. At that time the whole Nation was, in my opinion, more united than it had been for months, or than it has been since. At that time we knew we were getting into very serious difficulties. We knew then that a great part of our Navy had been sunk. We knew that thousands of American lives had been lost as a result of the sneak attack on Pearl Harbor. We had every reason at that time to be a united nation, united for the purpose of enacting in Congress measures conducive to the adoption of a successful war program and to the earliest possible conclusion of the war.

Today I ask the question whether the situation now confronting the United States of America is any less serious than the situation was immediately after Pearl Harbor? I ask the question whether, in the opinion of Senators, we have not lost more American lives in Italy and now in France in the last week or so than were lost at Pearl Harbor? I ask whether there is now any reason for relaxing the Price Control Act?

It is evident, Mr. President, from what has already happened, that today the Senate does not take the position it took when it passed the Price Control Act. It is evident that now we are ready to weaken the act, to consider specific and individual cases, and to consider sections of the country, rather than the country as a whole. In my opinion, we can ill afford to do that at this time. I wish to predict that if the Congress weakens to any material extent the Price Control Act and the Stabilization Act, Congress will find itself supervising and superintending inflation, rather than controlling prices.

Coming now to the Bankhead amendment as originally reported to the Senate, let us consider what it would do. It would say to the Office of Price Administration, first, that in fixing ceiling prices on cotton textiles it should be deemed that the parity price had been paid for the cotton. Regardless of what price had been paid, the O. P. A. would have to consider that the parity price had been paid.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. MURDOCK. I yield.

Mr. TAFT. That is the provisio in the present Price Control Act. What the Bankhead amendment would do would be to modify it, and to say that if the parity price for cotton had not been paid, the price of the manufactured article should be reduced later on. But the present Price Control Act provides that the price must be fixed on a basis which will reflect the payment of the parity price to the producer.

Mr. MURDOCK. Yes; and I have emphasized that point every time I have spoken on this question. I have emphasized the point that the present law does say that, and that it says it in the most emphatic language which Congress possibly could write into the law. It says that all ceiling prices on agricultural commodities must be fixed high enough to reflect the payment of the parity price to the agricultural producer. The O. P. A. tells us that the prices on textile products now are sufficiently high to do that very thing. But the Bankhead amendment departs from the language of the present act, and says to the O. P. A. that, regardless of whether the parity price has been paid for cotton, the O. P. A. must deem that it has been paid.

The next factor involved is the manufacturing costs. The pending Bankhead amendment tells the O. P. A. that it must first select 90 percent of the volume of production of cotton textiles, and then must fix a production cost and a marketing cost sufficiently high to cover the cost of any manufacturer coming within that 90 percent volume. That means, and can only mean, one thing, namely, that the highest-cost producer in the 90 percent volume of production will have his costs become the costs for the whole industry.

Let us consider that point for a moment. When we were considering this matter before the committee we were told that one large manufacturer who was manufacturing carpets was told and directed to convert to the manufacture of duck. We were told that his costs by reason of that conversion of necessity went up tremendously. Now let us suppose that manufacturer's production is included in the 90 percent. Then, what happens? The cost of production of the whole industry will be raised to the cost of that highest-cost manufacturer. There can be no doubt about that. The language is just as plain, simple, and emphatic as it can be that that is the way to arrive at the production costs, as the second factor.

The third factor is that, regardless of factor No. 2, which unquestionably would result in the payment of unconscionable profits to low-cost manufacturers, there still must be added on top of the other two factors, according to the formula of the Bankhead amendment, a fair and reasonable profit. Then, the Bankhead amendment proposes and directs that the Office of Price Administration during a period of 60 days shall adjust prices according to the formula of the amendment. Will any Senator supporting the Bankhead amendment say that that revision of prices will not be a revision upward? Of course not. Why? Because, according to the author of the amendment, all the present inventories in the cotton mills have been purchased at prices below parity. If the present inventories have been purchased at prices below parity, and adjustment of ceiling prices by the O. P. A. must be made on the assumption that parity was paid, will any Senator say that that will not result in an upward revision of the ceiling prices on textiles?

The next important step in the amendment is this: After the adjustment has been made during the first 60-day period, then at the beginning of the period after 120 days have elapsed following the enactment of the act, cotton textile prices will again be adjusted, and the adjustment will be made for the ensuing 60 days—on what basis? On the basis of the market value of cotton at the beginning of the ensuing 60-day period.

Yesterday I called the attention of the Senate—and I call attention to it again today—to the fact that the phrase "the beginning of such period" is a very dangerous phrase. I ask any Senator present, if he knows what that phrase means, to rise and tell the Senate. Does it mean, Mr. President, the first day of the period? Does it mean the first 3 days, the first 5 days, the first week, or the first 2 weeks of the 60-day period? I asked the distinguished author of the amendment what that language meant. Did I get a responsive answer? No. In my opinion I got no answer at all. The Senator said that the average price might be taken. But, Mr. President, the O. P. A. must look to the language of the amend-

ment, and the language of the amendment is that ceiling prices for the ensuing 60-day period must be based on the market value of cotton at the beginning of the 60-day period.

I do not know very much about how the cotton markets are handled——

Mr. AUSTIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). Does the Senator from Utah yield to the Senator from Vermont?

Mr. MURDOCK. I yield.

Mr. AUSTIN. I should like to ask the Senator what he himself would regard as the beginning of the period?

Mr. MURDOCK. I have given the question careful attention and study, and I can come to only one conclusion. That is that the first day of the period would be the beginning.

I do not know very much about the marketing of cotton, but I have looked at that phrase in the language of the amendment from the standpoint of the little experience I have had in markets. Let us see what might happen. Let us assume that 60 days have passed—the first 60 days after the enactment of the bill. According to the directive of Congress, the O. P. A. would revise the ceiling prices upward on the basis that parity was paid for cotton. At the end of 120 days the ceiling prices must again be adjusted. I ask any Senator present if the following result could not flow from the language of the amendment: Suppose that at the beginning of the second 60-day period, when adjustments are to be made, the cotton mills, or those who actually buy the cotton, go into the market on that day and bid the price of cotton up to parity. That day is the beginning of the period. The price of cotton at the beginning of the period conforms to the formula of the Senator from Alabama. So no downward adjustment can be made. Why? Because at the beginning of the period the price of cotton is bid up, on that particular day, to parity.

Then we would go along for 59 days——

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. BANKHEAD. I announced that I would offer an amendment to meet the point raised by the Senator, which I think is well taken. My amendment would provide that the cost should be the average cost during the last 4 weeks of the period.

Mr. MURDOCK. The Senator now tells us that he has departed from the language of the amendment. Why? Because it was uncertain; because it was indefinite; and because, in my opinion, when it was called to his attention and to the attention of other distinguished Senators supporting the amendment, they decided that it would be conducive to the worst kind of speculation in cotton.

Let us forget for a moment the proposed amendment of the Senator. At the beginning of the period the price of cotton is bid up to parity. That is the controlling price, on which the prices of cotton textiles must be adjusted for the next 60 days. I ask Senators if during that 60-day period the mills could build up their inventories at a price below parity. Of course, they could. What would there be to stop them?

Then, as the mills neared the end of the 60-day period, and the beginning of the next period became important, they could go into the market on the first day of the period and again bid up the price of cotton to parity. My construction of the language of the amendment is that if on 1 day in every 60-day period cotton could be sold at parity, that price would control the adjustment of price ceilings. During the remaining 59 days of the period the mills, buyers, and brokers could depress the price of cotton, and in each 60-day period could reap an unconscionable windfall. The first windfall would come during the first 120 days. How would it arise? It would arise from the fact that the existing inventories were all purchased at prices below parity.

If the Congress of the United States should adopt the amendment of the distinguished Senator from Alabama, it would not be saying to the farmers of the South, "We are going to see that you get parity for your cotton." It would be saying to the mills, "Your ceiling prices will be adjusted on the basis of the assumption that you paid parity for all the cotton in your inventories, no matter what price you may have actually paid for it."

Do we want to do that? Is that a continuation of price control? Is that fair and equitable to the other industries of the country? Is that putting money into the pockets of the farmers, where we say we want to put it? Or is it putting money into the pockets of men who are today receiving the highest profit they have received since 1920, and giving them a windfall to which they are certainly not entitled? If the amendment were in the interest of the cotton farmers of the South, it would provide that if within 120 days, or 60 days, they failed to receive parity, there should be an adjustment of textile prices downward. That type of amendment would be justified by the figures showing the profits of the mills during 1942 and 1943.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. BANKHEAD. It has been explained time and time again that that is the proper construction and the real object of the amendment. If the price of cotton is not raised to parity, the escalator clause comes into effect and brings down the price ceiling to the extent that the price of cotton is below parity.

Mr. MURDOCK. That is the theory of the amendment. I have pointed out, and I repeat, that if at the beginning of the period the price of cotton is bid up to parity, there will be no adjustment. The Senator says that he intends to offer an amendment providing that the price shall be the average price during the last 4 weeks of the 60-day period. If in the first instance the language was bad, I assert that the new proposal corrects the situation only for a 4-week period. Why not say to the mills that if the average price paid during the entire 60-day period is not at parity the ceiling price shall be reduced?

There would be no reduction in prices under the Bankhead amendment. Why? Let us assume that the amendment would accomplish all that the Senator from Alabama desires it to accomplish, namely, the paying of parity to farmers. If that objective were attained, nothing in the amendment would provide for any adjustment downward subsequent to the upward revision. The only reason for a downward adjustment following the first 60-day period would be the reduction of the price of cotton below parity. I do not refer to the beginning of the period, but if during the last 4 weeks of the period cotton should drop below parity, only in such event could there be an adjustment downward.

Mr. President, how could there be an adjustment downward when, in considering 90 percent of the volume, every manufacturer who came within such volume, regardless of his costs, would have to figure such costs as the costs for the entire industry?

The Senator now proposes to offer another amendment. In my opinion, it is illusory, deceiving, and will not help the farmers. Furthermore, it would place upon the O. P. A. in Washington a restriction which, in my opinion, would be more unconscionable than that which would be imposed by the language which is now in the bill. Let us read what it states, and give it careful consideration. Also, allow me to invite attention to the fact that there would be no need for this language if the previously proposed language had not been determined by our distinguished friend from Alabama to be not what he desired. The amendment reads, in part, as follows:

> A generally fair and equitable allowance for the total current cost of whatever nature incident to processing or manufacturing and marketing such item—

Mr. President, how much of a departure is that from the present language? There is no such word as "item" in the present language. It is a departure from what is considered generally to be fair and equitable, based on specific items.

As the Senator from Louisiana [Mr. ELLENDER] asked us a few minutes ago, if there is reason to do for the textile industry what has been suggested, why limit it to that industry alone? If the proposed policy is correct, and is to be substituted by the Senate for the present policy, should we not take the long step and initiate a similar policy in behalf of every industry in America, and not alone in behalf of the textile industry, which has already received unconscionable profits? However, that is not the worst feature of the amendment. Let us see exactly what it would do.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. SHIPSTEAD. The Senator made the statement that the proposed policy should be extended to all producers of raw material. Such extension would be reasonable. Business corporations are allowed to figure their costs and salaries, and are allowed a profit. Such practice

is followed generally throughout all industry, and by the middlemen who handle goods, regardless of the kind of goods they may happen to be. However, the farmer is not to be allowed to figure his cost of production, and is not to receive wages for himself and his family. If the proposal referred to is equitable it should be extended to all industries.

Mr. MURDOCK. What the Senator has stated is correct, and the farmers should be included.

Mr. SHIPSTEAD. Other industries have already received such consideration.

Mr. MURDOCK. I admit that if anyone is suffering in America today it is the farmer. I am not, however, willing to take money out of the pockets of the American people and put it into the pockets of the textile manufacturers, who are already receiving unconscionable profits, under the subterfuge that the money will go into the pockets of the cotton farmers of the South. I may say to the Senator from Minnesota, and to the Senate, that I proposed in the Banking and Currency Committee that instead of raising the loan value to 95 percent of parity it should be raised to 100 percent of parity. Oh, no; 100 percent of parity was not wanted. I know that the gentlemen who so contended are sincere gentlemen. I have no better friends in the Senate than the Senators who are sponsoring the pending amendment. My affection for the Senator from Alabama [Mr. BANKHEAD] is as genuine as it is for any other Senator. I have such affection for two reasons, namely, because of his own fine qualities, and because I had the privilege of serving as a Member of the House under his illustrious deceased brother, "Bill" Bankhead. Anyone who knows the Senator from Alabama cannot help having a genuine and sincere affection for him. But I cannot go along with the distinguished Senator on this amendment. I proposed a 100-percent loan on cotton. That would not mean that the Government would have to take over any more than it would have to take over under a 95-percent or a 90-percent loan. It would mean that if the farmers were unable to obtain parity under a 90-percent loan they would not receive it under a 95-percent loan. Why? Because of the small percentage of margin involved.

Yesterday I was sitting in the Chamber listening with interest and sincerity to my friend, the Senator from Alabama, and I was called to the telephone. When I reached the telephone I received the announcement that Representative FULMER, of South Carolina, one of the largest cotton-growing States in the Union, at least an important cotton-growing State, was on the other end of the line. I expected Representative FULMER to take me to task. Why? Because I was not in favor of the Bankhead amendment. But he did not take me to task. He gave me the surprise of my life by saying, "Senator, I wish to congratulate you on the position which you have taken for the cotton farmers of the South." When I had recovered my breath I asked, "Just what do you mean, Representative FULMER?" He is an old friend of mine. I sat with him in the other House for 8 years. He said, "The Bankhead amendment is not intended and is not calculated to obtain parity for the cotton farmers of the South. Your proposal of a 100-percent loan is the correct solution of the parity problem of the cotton farmers of the South."

Who is Representative FULMER? He is the chairman of the Committee on Agriculture of the House of Representatives. He has served on that committee ever since I have known him; and I have an idea that he knows something about cotton; I have an idea he knows something about cotton farmers, and I have an idea that he is correct in his construction of the Bankhead amendment that it will not put money into the pockets of the cotton farmers but into the pockets of the textile manufacturers.

Mr. SHIPSTEAD. Mr. President, will the Senator yield now?

Mr. MURDOCK. I yield.

Mr. SHIPSTEAD. From the information I have received the textile manufacturer is not suffering. I am told that in the stores of the city cotton gloves for women about that long [indicating] which used to sell for $1 now sell for $3.50. There is a great deal of complaint about the high prices of cotton finished goods.

Mr. BANKHEAD. Mr. President, will the Senator yield to me on that point?

Mr. SHIPSTEAD. I have not the floor.

Mr. BANKHEAD. I fully agree with the Senator, and have made many comments about it. I have pointed out that the difficulty is not due to the fact that the price of cotton goods cannot be reduced because they have a ceiling. It is due to the converters and others after they have bought cloth from the mills and due to the failure of the O. P. A. to put proper ceilings on articles made by the middlemen. That is where the trouble is.

Mr. SHIPSTEAD. Then the trouble is with the O. P. A.

Mr. BANKHEAD. That is what I say, it is due to their absolute failure.

Mr. MURDOCK. Mr. President, that is the remedy, and the O. P. A. have all the power now that they would have under the Bankhead amendment to do that very thing. We all receive, I assume, every month or every week, or whatever the period may be, a circular letter from the City Bank of New York City. What does it say? This morning it tells us that wholesale prices have declined from what they were a few months ago; that the cost of living is slightly up, and the cost of food has gone down in the last month, but the cost of clothing is still on the ascension. I ask what has happened to clothing? I am not justifying the price of cotton goods at the retail level, I am not justifying the price of cotton goods at the wholesale level; but, Mr. President, if there is any information before the Banking and Currency Committee that is convincing it is that at the mill level there is a sufficient profit today to warrant the payment of parity to the cotton farmers.

Mr. BANKHEAD. Mr. President, will the Senator yield there?

Mr. MURDOCK. I yield.

Mr. BANKHEAD. Assuming that to be true, does not the Senator agree that it would be a total breach of duty on the part of the O. P. A. if they permitted the textile manufacturers an increase in ceilings if they have sufficient money with which to pay parity?

Mr. WILEY. Will the Senator speak a little louder?

Mr. BANKHEAD. If they have sufficient money, as the Senator stated, to pay parity to the farmers, I ask him if it would not be a total breach of duty on the part of O. P. A. if they permitted them to increase their ceiling prices?

Mr. WILEY. The Senator refers to the textile manufacturers?

Mr. BANKHEAD. Yes; the textile manufacturers. That is what the Senator from Utah is talking about—the cotton mills. If they have sufficient money and the O. P. A. says they have it, and I think on the over-all whole they do have it, then there is no reason on earth to increase the ceilings, and if they are increased it will be done by action of the O. P. A. This amendment does not direct that to be done.

Mr. MURDOCK. O Mr. President, the Senator misconstrues the plain language of his amendment. How he can take that position in the face of the language of his amendment is incomprehensible to me. The language of the Senator's amendment is what? That the ceiling price shall be adjusted by the Price Administration within a 60-day period on the basis that parity has been paid to the cotton farmers. The Senator himself admits that parity has not been paid.

Mr. BANKHEAD. No; but I admit that the textile mills have the money with which to pay it.

Mr. MURDOCK. Certainly, they have the money.

Mr. BANKHEAD. We assume that if they have it they can pay parity.

Mr. MURDOCK. The Senator wants now to give them more money.

Mr. BANKHEAD. No.

Mr. MURDOCK. That is what the amendment does; it puts more money into the pockets of the cotton mills with the hope—and I might say with the faith on the part of Congress—that the attitude of the cotton mills will change overnight and that they will begin to dish out to the cotton farmers something they have denied them month after month under the present law.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield to the Senator from Connecticut.

Mr. DANAHER. The Senator a few moments ago told us that when in committee he proposed a 100-percent parity loan rate on cotton "they told me"—and I am now quoting the Senator from Utah——

Mr. MURDOCK. That is right.

Mr. DANAHER. "They told me"—and then the Senator broke off with references to whoever it was who told him something; and he never did tell his colleagues what he was told. Now what did they tell the Senator from Utah when he made that proposal?

Mr. MURDOCK. I am very sorry, and I am grateful to the Senator for calling the attention of the Senate and my attention to the fact that I did break off there without concluding. What I was told and what I was given to understand was that to raise the loan on cotton to parity would destroy the cotton exchanges, and because of that the Senator from Alabama and other Senators were not in favor of a 100-percent loan.

Mr. BANKHEAD. Mr. President, I think it is a totally unfair statement to place the opposition solely on the exchanges as the Senator has done. Senators who were here yesterday heard me go into that subject and say that it involved many other considerations.

Mr. MURDOCK. I do not doubt that.

Mr. BANKHEAD. It involved the opposition of the farm groups; it involved the possibility of being unable to obtain an appropriation of a billion or more dollars; it involved the question of whether we should provide for the farmer getting parity for his cotton, wheat, and oats, for the law applies to them all; whether we should provide for him getting his money in the market, or whether we should force him to take a loan which is constantly increasing in cost and reducing the value of his commodity by reason of storage charges, interest charges, and other items.

Mr. MURDOCK. I have no doubt that the able Senator from Alabama had all the other factors in his mind; I have no doubt that they all entered into his decision against 100-percent loan; but the only information which was conveyed to me during the discussion was that it would put the cotton exchanges of the country out of business.

I have no doubt whatever that the Senator from Alabama is not interested in the cotton exchanges; I want to give him credit for being sincerely interested in the cotton farmers; I give him credit for wanting to do nothing except to put parity into their pockets for their cotton, but I must take issue with him on the formula under which he attempts to do it.

Mr. WILEY. Mr. President——

Mr. MURDOCK. I yield to the Senator from Wisconsin.

Mr. WILEY. For the benefit of some of us who are not fortunate enough to be on the Banking and Currency Committee and therefore did not hear the facts presented in committee, I should like to ascertain if there is not some basis on which the opposition to the amendment and those in favor of it may agree. I understand definitely that it is the consensus that everyone wants the cotton farmer to get parity. Can we agree on that?

Mr. MURDOCK. I do not think there is a Senator who is not anxious to bring about that result.

Mr. WILEY. Can we agree on this, that when the O. P. A. fixed prices for the producers of textiles in the elements entering into their calculation they took into consideration the parity price. That has been stated several times, and I should like to know if it be true.

Mr. BANKHEAD. It is.

Mr. MURDOCK. May I read to the Senator——

Mr. WILEY. Will the Senator answer yes or no? I want to clear my mind and this is a discussion between ourselves.

Mr. MURDOCK. The question can not be answered yes or no. If I were to answer I would say that, of course, the O. P. A. took into consideration that under the Stabilization Act and under the Price Control Act no ceilings on agricultural products or products manufactured substantially from agricultural products should be fixed at a level that would not reflect parity to the producer.

Mr. WILEY. Then we can assume further that the cotton producers have not been receiving that which the textile producer has been receiving, which should equitably go to the cotton producer. Is that correct?

Mr. MURDOCK. I should say that not only can we assume but we know that the cotton farmer does not receive parity.

Mr. WILEY. There was something else in my question, namely, that the textile manufacturer has been receiving for his product that which equitably belongs to the farmer. That takes into consideration the element that when there was fixed for him the price for which he could sell his product, there was the element that he would pay parity to the farmer.

Mr. MURDOCK. I think that is a correct deduction.

Mr. WILEY. Let us see if we can agree on something else. The statement is that before the war the textile producers of the country were receiving about 3½ percent. Three and a half percent of what?

Mr. MURDOCK. I think it was 3½ percent on sales.

Mr. WILEY. And the undisputed evidence now seems to be that they are receiving 8½ percent. Can we agree on that?

Mr. MURDOCK. Those are the figures which were before the committee.

Mr. BANKHEAD. I do not know whether the figures are correct. Those were figures supplied by someone in O. P. A. We did not go into that question. They just put in a general statement.

Mr. MURDOCK. Mr. President, I have the floor, and I have not yielded to anyone except the Senator from Wisconsin.

Mr. MAYBANK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. MURDOCK. I yield to the Senator from South Carolina.

Mr. MAYBANK. I think what the Senator from Wisconsin says would be correct as to high-priced goods, but there are no cheap goods on the market today, so the mills are receiving nothing on them.

Mr. WILEY. Can we agree further that the failure of O. P. A. to provide some method whereby the textile producers would produce cheap goods, the failure to do that, has resulted in the country not having cheap goods?

Mr. MURDOCK. I should say, with all due respect to my colleague from South Carolina, that the big factor in the decrease in the consumption of cotton by the mills, and the big factor in low priced clothes leaving the shelves of the merchants, is the shortage of labor. That is the big factor, in my opinion, and I think that is amply borne out by the evidence before us.

Mr. WILEY. Can we not agree that, with the present available labor, a mill will manufacture goods on which it can make a profit, and refrain from manufacturing goods on which it cannot, and because O. P. A. did not place adequate ceilings on underwear, which we all need, overalls, and so forth, the manufacture of that type of goods was stopped?

Mr. MURDOCK. I have a statement with me which shows the yardage in millions of linear yards, and the percentage of increases and decreases, which I intend to put into the RECORD. I am not willing to say that because of price ceilings alone cheap work clothes have left the shelves of the merchants. I am not willing to agree to that.

Mr. WILEY. Does not the Senator think that the shortage of labor is an element? It is merely common sense, if one is a manufacturer and has an article on which he can make a profit, for him to manufacture that, instead of manufacturing an article on which he cannot make a profit. The responsibility lies with the O. P. A. in not fixing adequate ceiling prices for articles such as underwear and overalls. We can agree on that, can we not?

Mr. MURDOCK. I am not willing to agree that that is the case. I am willing to agree with the Senator that certainly any man in the texile business who can make a profit on one class of goods and cannot make a profit on another class, is probably going to manufacture the type of goods or products on which he makes the largest profit. I do not think there is any question about that.

Mr. WILEY. We have agreed on practically everything except this, and can we not agree that the price fixed by O. P. A. for the textile producers is, by and large, a fair price, but that the excessive price we have to pay to the retailer is due to the O. P. A. failing to fix prices from the textile producer to the retailer?

Mr. MURDOCK. I think without question the O. P. A. has not fixed those prices as efficiently as we would have liked to have them do. I am willing to agree to that.

Mr. WILEY. Then, we can agree, as suggested by the distinguished Senator from Minnesota, that the O. P. A. has "missed the boat" in that particular, and should get busy, for the sake of the consumers of the country, to see that there is not a hold-up all along the line, and should not the O. P. A. get busy, secondly, to fix an adequate ceiling for the cheap goods, such as overalls and underwear, so that the country could be furnished with them? Should not the O. P. A. do that?

Mr. MURDOCK. Yes; I am in full agreement with that.

Mr. WILEY. Would a directive of the legislature accomplish that?

Mr. MURDOCK. I am quite sure it would be taken notice of by O. P. A., and they would do their best to accomplish the result desired.

Mr. WILEY. Then, it seems to me that between the Senator from Utah and the Senator from Alabama—and I thank the Senator from Utah for helping me to clear the cobwebs out of my mind—there seems to be one difference, namely, that the Senator from Alabama wants to accomplish what the Senator from Utah wants to accomplish, and the Senator from Utah wants to accomplish what the Senator from Alabama wants to accomplish, but the Senator from Utah claims the amendment of the Senator from Alabama will not accomplish it, and the Senator from Alabama says it will. Is there not some way by which it can be made clearer to the others of us what will be accomplished and what will not be accomplished by the amendment? We have listened for 2 or 3 days, and I suppose will listen 2 or 3 days more, and are right up against the question: Will the job be done which all of us want to have done?

Mr. BANKHEAD. The Senator knows it will not be done unless we adopt the pending amendment, or some similar measure.

Mr. WILEY. I thank the Senator from Utah for yielding.

Mr. MURDOCK. Now we are back where we started. I say to the Senator from Wisconsin that, in my opinion, if there is anything which will effectively bring about what the Senator from Alabama desires, it will be, as Representative FULMER indicated to me yesterday, the establishment of a loan rate of 100 percent. The Senator from Alabama says that it would take a billion dollars to buy the entire crop of cotton, but I take the position that there would be no more cotton purchased under a 100-percent-loan provision than there is under the present 90-percent-loan provision. So, in my opinion, we need not fear the expenditure of a billion dollars if the loan rate goes to a hundred.

Mr. MAYBANK. Mr. President, will the Senator from Utah yield further?

Mr. MURDOCK. I yield.

Mr MAYBANK. The last time, according to my recollection, when there was a 100-percent loan on cotton, was in 1930, when, through the purchases of the cooperative associations and others, the price of cotton was to be pegged at 18 cents, and there was a loan. The warehouses of the United States were filled. Business ended. The cooperative associations could not maintain the business. The price of cotton stood at that 18-cent level while the 100-percent purchase loan was in effect. Two years later the price of cotton was 5 cents.

Mr. MOORE. Mr. President, will the Senator from Utah yield?

Mr. MURDOCK. I yield.

Mr. MOORE. I understand from the Senator from Utah that the same thing can be done now by the Price Administration that is sought to be done by the amendment of the Senator from Alabama. Am I correct?

Mr. MURDOCK. I think the Price Administration would have no more power under the Bankhead amendment than it has now.

Mr. MOORE. Then, the injustice that is being done, according to the Senator from Alabama, is being done merely because of the arbitrary position of the Price Administration. Is that correct?

Mr. MURDOCK. No; I think the injustice being done is due to the selfishness and the unwillingness of the operators of cotton textile mills to give the farmer his parity price, which they could well afford to do under the present ceiling prices.

Mr. MOORE. Does the Senator understand, then, that now the prices of certain articles of the textile mills, as fixed by the ceilings, are so low that it is unprofitable to manufacture them at all?

Mr. BANKHEAD. And drive them out of the market.

Mr. MOORE. Then, I wish to go further——

Mr. MURDOCK. Let me answer the Senator's question. He has asked a question, and I wish to answer it. I should say that if we look at specific items, that is the case, but in the law we did not ask the O. P. A. to look at specific items. In the law we told them in plain language to fix ceiling prices which would be fair and equitable.

Mr. MOORE. That is the point exactly. That was the intent of Congress, and having bestowed upon the Price Administration that authority, the Price Administration has administered it in such a manner that they have driven the overall and the work-shirt manufacturers out of business. They have put the prices up so high on some items, and so low on others, that they have produced discrimination. Since discrimination has been produced in various activities, then what else is to be done except for Congress specifically to restrain the Price Administrator from placing ceilings so low as to drive these manufacturers out of business? That is what I am talking about in respect to the oil industry. When an administrative agency has been given the power to fix prices so that an industry can live and make a reasonable profit and stay in business, and when the agency administers its power in such a way that such a result is not effected, then what way remains to save the industry except for it to come to Congress and ask Congress to enact legislation which will restrain the agency within such boundaries as are established with respect to it?

Mr. MURDOCK. The Senator from Oklahoma has a right to come to the conclusion at which he has arrived. He has adopted certain premises with which I do not agree.

Mr. MOORE. Is that not the theory of the Bankhead amendment?

Mr. MURDOCK. The theory of the Bankhead amendment, as I understand it, is that by increasing prices to the textile manufacturers, they in their turn, because of a change of heart, will pay parity prices to the cotton farmers. With that I do not agree.

Mr. BANKHEAD. Does not the Senator realize that the amendment does not propose a uniform increase in prices to the textile mills, but on the contrary, proposes to give increased prices to mills on those items which are now so low that the mills cannot continue to operate and produce them, and proposes to bring down excessive prices on other items?

Mr. MURDOCK. My answer to the distinguished Senator is that what he says his amendment will do, does not square or conform to the language of the amendment.

Mr. BANKHEAD. It will do what we say it will do, if the O. P. A. complies with it. It all depends on the O. P. A.

Mr. MURDOCK. I know that the distinguished Senator takes that position, but I must disagree with him. I return now to what I was saying a while ago, and hope I may be able to finish my statement in a few minutes.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. WHERRY. I am very much interested in this discussion. As I understood it, the last statement made by the Senator from Alabama in response to the Senator from Utah was that whether the adoption of the amendment would result in what was claimed for it depended on the good faith of the Office of Price Administration. Is that correct?

Mr. BANKHEAD. Yes; that is what I said.

Mr. WHERRY. I wish to propound a question to the Senator from Utah. If we assume that the success of the amendment depends on the good faith of the Office of Price Administration in administering it, does the Senator from Utah feel that the amendment offered by the Senator from Alabama is in the proper language?

Mr. MURDOCK. In my opinion there could not have been presented anything in the way of an amendment to the price-control measure which would be much more inflationary than the Bankhead amendment. That is my conclusion.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. MURDOCK. Yes.

Mr. WHERRY. Would the adoption of the amendment generally give parity to the cotton producer, and in instances where it would not give parity would it reduce the wholesale price to the processors in the same proportions?

Mr. MURDOCK. I do not believe I follow the Senator.

Mr. WHERRY. It is my understanding that the Bankhead amendment does two things. One is that it gives parity to the cotton producer. The second is that where parity is not paid, that the wholesale price is reflected by a decrease in line with the amount under the parity price at which the processor buys the cotton from the producer. Is that correct?

Mr. MURDOCK. No; I should say that is not correct.

Mr. WHERRY. What is the Senator's interpretation of it?

Mr. MURDOCK. My interpretation of the Bankhead amendment is simply this, that in fixing selling prices on cotton textiles, if the amendment is adopted, first the Price Control Administration must assume that the mills have paid

parity for the cotton. Second, that 90 percent of the production volume of the cotton manufacturers must be taken and the costs ascertained item by item. After finding the cost of the highest-cost producer in the 90-percent volume, the cost of the entire industry item by item is fixed based on that cost. Third, after adding together the parity price of cotton and the cost to produce, then there is another addition in the way of a reasonable profit to every manufacturer.

Mr. WHERRY. When the price is finally stabilized on that basis, then the amendment offered by the distinguished Senator from Alabama provides that parity shall be paid, because the Office of Price Administration has permitted the textile manufacturers to pay that price in establishing the costs. Is that correct?

Mr. MURDOCK. Where does the farmer come out?

Mr. WHERRY. In the event the textile processor does not pay parity, is his ceiling reduced by the amount at which he purchases the cotton below the parity price?

Mr. MURDOCK. The language of the amendment is that if at the beginning of the 60-day period the market value of cotton is at parity, then, of course, there will be no adjustment.

Mr. WHERRY. Yes.

Mr. MURDOCK. The Senator from Alabama has submitted an amendment which calls for the average price for the last 4 weeks. If at the beginning then of the 60-day period the average price of the last 4 weeks of the preceding period is parity, the price is continued at that level. There is no provision in the measure, so long as that price is at parity, for bringing prices down.

Mr. BANKHEAD. That is all the farmer wants, is it not?

Mr. MURDOCK. Yes.

Mr. BANKHEAD. Then, why is the Senator criticizing the farmer?

Mr. MURDOCK. I am not criticizing anyone or anything. I am stating the only conclusion, Mr. President, I can arrive at, while still retaining the highest regard for the Senator from Alabama.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I believe the result of this discussion for the last 2 or 3 days, as it was in the Committee on Banking and Currency, has been to emphasize that we do have a problem which needs to be dealt with. Also, that everyone wants to find the answer to the problem. I wish to ask the Senator if he agrees on the proposition, first, that today the farmer is not receiving parity for his cotton.

Mr. MURDOCK. Yes.

Mr. McCLELLAN. That has been thoroughly established, has it not?

Mr. MURDOCK. Yes; I have agreed to that, I should say, at least twice before in my argument.

Mr. McCLELLAN. Is it also conceded that today all ceiling prices of textile products are based on parity for the cotton so as to reflect parity to the farmer, and is it not so admitted by the O. P. A. authority?

Mr. MURDOCK. The O. P. A. claims that the ceiling prices established by them on cotton textiles are sufficiently high generally to reflect parity to the cotton farmers.

Mr. McCLELLAN. In other words, that means that the cotton farmer could be paid parity for his cotton on the basis of ceiling prices now established?

Mr. MURDOCK. Under the present law there can be no doubt as to that.

Mr. McCLELLAN. Very well. Then, under the present administration of the law and the facts which are conceded, that does leave a windfall of profit somewhere, does it not?

Mr. MURDOCK. I should say that it leaves a very unconscionable windfall of profits.

Mr. McCLELLAN. Very well. If, due to the fact that the farmer is not paid parity for his cotton by mills or by those who purchase the cotton, that windfall exists, then the windfall of profits is ultimately passed on to and hurts the consumer, does it not?

Mr. MURDOCK. Yes.

Mr. McCLELLAN. Ultimately it comes out of the consumer?

Mr. MURDOCK. That is correct.

Mr. McCLELLAN. Very well. On that premise, to which we agree up to now——

Mr. MURDOCK. Does the Senator agree with all the statements he is making?

Mr. McCLELLAN. I do.

Mr. MURDOCK. All right. I want the Senator to remember that he has agreed to those statements.

Mr. McCLELLAN. I am agreeing to that statement for the purpose of this question: If that be correct, then I ask the Senator if this injustice to American consumers exists by reason of present conditions? I am not taking into account now the shortage of clothing, but merely the fact that on the articles now being processed from cotton, and ultimately sold to consumers, there is a great windfall of profit. Does not the Senator agree with me that that condition is one which should be corrected immediately?

Mr. MURDOCK. Yes.

Mr. McCLELLAN. Very well. The O. P. A. has been administering the law for the past 2 years, and this condition has obtained substantially all that time—namely, that the price of cotton has not been up to the parity price, but the ceiling prices have been based on the parity price.

Let me now ask the Senator if he agrees with me that under the present law the O. P. A. does have sufficient power and authority to correct the condition we have just described.

Mr. MURDOCK. No; I certainly do not think it has.

Mr. McCLELLAN. If it does not have sufficient authority to do so, does not the Senator believe we should give it sufficient power, or should set up some formula by way of legislation whereby it could be corrected?

Mr. MURDOCK. I think that certainly should be done if it can be done, and I think it can be done.

Mr. McCLELLAN. Very well; the Senator agrees that it should be done.

If we in the Congress do nothing about it, then what hope is held out to the consumers and to the cotton farmers? Can the Senator offer us any hope as to the future administration of the law by the O. P. A., based on its record in the past, on this particular problem? What hope is offered to the Senate, what hope is offered to the country, what hope is offered to the consumer, what hope is offered to the cotton farmer, that these injustices will be remedied if the Congress does not act?

I should like to have the Senator's opinion on that matter, because I think the condition is a serious one. I say to the Senator and to my other colleagues that I do not wish to have anything done which will tear down whatever good we are accomplishing by the stabilization program. But when we come to an injustice which we all agree works a hardship such as this, when someone is getting a windfall of profit which is coming out of the pockets of the consumers, when the original producer does not receive the price which it is intended he shall receive, and the price upon which the price ceilings are based, can we justify inaction, unless there is some definite hope that the situation will be corrected by the present authorities who are authorized and directed to administer the act?

Mr. MURDOCK. Mr. President, before I answer the Senator's question, I should like to ask him a question. Does the Senator believe in price control?

Mr. McCLELLAN. I certainly do. In answer to that question, I say to the Senator that before the hearings on this bill were concluded and before this amendment was offered, I made a brief radio address in my State, a little more than a month ago, in which I said—and I say this to the Senator now—that I was going to vote for continuation and extension of the Price Control Act and the Stabilization Act, irrespective of whether any amendments were adopted. And I am. I took that position before this amendment was presented, and before I knew it was being considered.

Mr. MURDOCK. I know the Senator was very sincere in that respect. In my answer to his question I will assume the very premises he has laid down, one of which is that the cotton farmer is not receiving the parity price for his cotton, and has not received it, and the other of which is that under the O. P. A. the present ceiling prices on textiles are based on the parity price for cotton, and are fixed with the idea that the profits to the textile manufacturers are sufficiently high to enable the parity price to be paid to the farmers. Up to that point the Senator from Arkansas and I agree.

Now the Senator from Arkansas, in supporting the Bankhead amendment, and the Senator from Alabama seek action on the part of the Senate in order to give the parity price to the cotton farmers. The means by which they are going to do that is to boost again the prices received by the textile manufacturers, who already are getting more

than they are entitled to, according to the premises laid down by the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, will the Senator further yield?

Mr. MURDOCK. I will not yield until I finish my answer. Then I shall yield.

Mr. McCLELLAN. Very well.

Mr. MURDOCK. My answer to the Senator's question as to a remedy for the condition is that we should not add to the already large profits of the textile manufacturers; but if we would put the Bankhead amendment in reverse, and say to the O. P. A. that unless the parity prices are paid to the farmers there will be an adjustment within a 60-day period, and that textile prices shall be revised downward, then what would happen? The farmers would receive the parity price for their cotton.

But under the remedy suggested by the Bankhead amendment, under the remedy which seems to be supported by the able junior Senator from Arkansas, the desire is to add, at the mill level, additional money for the textile manufacturers in the hope that out of their love for the cotton farmers they will pay them the parity price.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. McCLELLAN. The Senator has indulged in an assumption, when he says I am interested in the mill owners.

Mr. MURDOCK. I did not say that.

Mr. McCLELLAN. Very well; I misunderstood the Senator, and I stand corrected.

What I wish to point out, in view of the Senator's explanation and his statement that we wish to have the prices revised downward, in the event that within 60 days the mills do not pay the farmers the parity price, is that if the prices are not revised downward, there will be a continuation of the present situation, under which the Senator admits that a very large windfall of profit has been going to someone.

Mr. MURDOCK. But when would prices be revised downward under the Bankhead amendment?

Mr. McCLELLAN. That would be done within 60 days. It gives them an opportunity to adjust the prices within themselves.

I do not know that this plan will result in having the farmer receive the parity price for his cotton. That is not my primary concern, although I should like to see the cotton farmers receive the parity price for their cotton, because all other agricultural commodities now sell for the parity price, and I should like to see the price of this particular agricultural product brought to the parity price, in justice to the men, women, and children who labor to produce it. I think they are entitled to it. But I should like to point out that if the cotton farmers are not to receive the parity price for their cotton—and cotton is now selling at a cent and a quarter or a cent and a half below the parity price—I do not wish to have the parity price charged to the man who buys the consumer goods.

I do not care how it is worked out. If the amendment will accomplish the desired result, it is a good amendment to the bill. There are honest differences of opinion as to whether it will actually bring about that result. But if it will bring it about, it is a good amendment, and should be adopted, unless the Senator or the O. P. A. or someone else can give the American people hope that this condition will be remedied under existing law. If existing law is not adequate to do it, or if it is adequate but there is no hope that it will be done, then the responsibility is on the Congress to take action, either by this amendment or by some other amendment, so as to remedy the condition.

In this connection, if the Senator will pardon me for a moment more—I did not wish to speak about this before, and I do not wish to take much of the Senator's time—I should like to say that I understood the Senator to say a while ago that he did not necessarily agree, with respect to the claim of a shortage of work clothes, that they had gone off the shelves. The Senator thinks there has been some effect, at least, does he not?

Mr. MURDOCK. I did not agree as to the cause of that removal.

Mr. McCLELLAN. The Senator agrees that they are off the shelves, but he does not agree as to the cause.

Mr. MURDOCK. That is correct.

Mr. McCLELLAN. I am not fully advised as to that. However, my impression is, as has been stated many times in the course of this discussion, that the reason such articles are not being manufactured is that it is more profitable to manufacture higher-priced goods under present ceiling prices of the O. P. A. If that be true, it is a natural consequence that the higher-priced goods should be manufactured, because there is more profit in them. I understand that the ceilings on cheaper goods, such as work clothes, particularly, are so low that they cannot be manufactured at a profit. I heard the discussion in the Senate yesterday. I wish to mention this point while I am discussing this phase of the bill. The claim is that if we adopt the amendment and the farmer receives parity and there is production of work clothes, prices will be increased, and therefore those of us who are inclined to support the amendment as being the best hope for a remedy we can find are accused of raising the prices which working men must pay. In that connection, I mention the statement now being made by the O. P. A. Director that the ultimate cost to the consumer will be increased by $350,000,000.

Although the result might be to raise the price of a pair of overalls or a work shirt by a few cents, it is my belief that in the long run the few extra cents paid by the farmer or the laboring man for a shirt or a pair of overalls would actually be an economy, in contrast with the situation in which he now finds himself. He is now compelled to buy more costly shirts and other garments, which are of less durability for purposes of work clothes. Therefore, even if he should have to pay a few cents more, if we can stimulate the production of work clothes, in the end he will have more durable goods, goods designed and intended to be used for work clothes, instead of having to spend far more money for higher-priced, less durable goods. At the end of the year he would be money ahead. In my judgment, the consumers of utility cotton goods would realize a profit from the Bankhead amendment if more of such goods were produced, as compared with present existing conditions.

I should like to ask a further question. Does the Senator have any information from the O. P. A., either as a result of the hearing or as a result of personal contact or otherwise, which enables him to hold out hope to the country, to farmers and consumers, that if no action is taken by the Congress the conditions which we have described will be remedied?

Mr. MURDOCK. Let me say to the distinguished Senator that I am informed that the O. P. A. is now cooperating with the War Production Board to accomplish the very thing he mentions, namely, a stimulation in the production of low-priced garments.

Referring to the amendment offered by the Senator from Alabama [Mr. BANKHEAD] to the committee amendment, in my opinion, instead of helping the amendment, instead of clarifying it, it simply adds confusion to what in my opinion is a bad amendment. He proposes to substitute for item 2 in his formula the following:

(2) A generally fair and equitable allowance for the total current cost of whatever nature incident to processing or manufacturing and marketing such item.

He uses the language "generally fair and equitable," but he changes its application from an application to the industry, as a whole to an application to specific items, which, of course, is a very material change. Then he does away completely, in my opinion, with all the virtue which anyone could possibly imagine in the amendment, by adding the following language:

And whenever the Chairman of the War Production Board or the War Food Administrator has determined such item to be necessary for the war effort or the maintenance of the civilian economy, such allowance shall be computed at a uniform figure that will cover such total current costs in the case of any manufacturer or processor among the manufacturers or processors of at least 90 percent by volume of such item.

What does that add to the Bankhead amendment? It simply says, Mr. President, that if there are any items at the mill level which are not necessary to our civilian economy or to the war program, he would apply to such items the "generally fair and equitable" language. But the moment the Chairman of the War Production Board or the War Food Administrator says that a certain item of textile construction is necessary to the civilian economy or to the war program, the other formula is applied, namely, that the costs of production on that particular item must be the highest costs among the manufacturers or processors of 90 percent of the production of such item.

I ask, Mr. President, if anything in the nature of an equitable modification of the amendment is accomplished by

adding such language? Unless it were desired to apply the 90-percent formula, it would be impossible for the Chairman of the War Production Board or the Food Administrator to say that an item was necessary either to the civilian economy or to the war program. In my opinion, as I previously stated, the amendment would simply add confusion to an already bad condition.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks certain schedules and figures shown on page 14 of a statement issued by the Office of Price Administration.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Change in production of broad woven cotton fabrics from first to fourth quarter, 1943 [1]

	Yardage [2]	Percentage
Cotton duck	−59	−34.1
Narrow sheetings and allied fabrics	−85	−11.1
Osnaburgs	−26	−19.9
Sateens	+0.2	+6.7
Birdseye diaper cloth	+2	+22.6
Print-cloth yarn fabrics, total	−74	−8.5
Fancy print cloth	−2	−14.2
Gauze diaper cloth	+3	+71.7
Napped fabrics	+9	+8.5
Colored-yarn cotton goods and allied fabrics	−32	−16.7
Denims	−13	−17.5
Bed tickings	−3	−11.0
Chambrays	−7	−19.1
Ginghams	−5	−34.1
Fine cotton goods	−60	−16.4
Twills and gabardines	−30	−31.1
Towels, toweling, and wash cloths	−15	−13.1
Wide cotton fabrics, total	−21	−13.2
Specialties and other fabrics	+7	+7.2
Total, broad woven cotton fabrics	−330	−11.6

[1] Source: Bureau of the Census, Facts for Industry, series 32-2-1, Apr. 4, 1944.
[2] Million linear yards.

Mr. MURDOCK. I wish to read to the Senate the following statement by the Office of Price Administration:

The most serious criticism expressed at the hearings was the charge that existing textile ceilings are preventing or have prevented cotton from reaching parity. If this charge were well-founded, it would, of course, mean that the ceiling prices have been in violation of law.

O. P. A. has given the most intensive study to this question. All the evidence bearing upon the movement of cotton prices which it has been able to gather, or which has been submitted to it, shows that the charge is unfounded—that cotton prices have not been prevented from rising by textile ceilings. This evidence is considered below in connection, first, with mill earnings, second, with the large carry-over of cotton, and, third, with the current operating demand of the mills for cotton, as determined by the volume of textiles they are able to produce.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks all the remainder of page 7 of the statement from which I have been reading.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

A. MILL EARNINGS

Is the price of cotton below parity because the textile companies cannot pay more for cotton? The evidence against such a contention is overwhelming.

The ability of the mills to pay higher prices for cotton, and indeed to pay higher than parity prices, can be shown by a comparison, first of all, of mill earnings in the year 1942 with representative peacetime earnings and then by a comparison, based on a somewhat smaller sample, of 1943 earnings with those of 1942.

The immediate comparison of 1942 earnings is with earnings in the years 1936–39. The claim was made before the Committee that this was an unfavorable period for the cotton-textile industry. The figures, however, do not bear this out. It would be necessary to go back nearly 20 years to find a span of years more favorable, in terms of dollar profits, to the cotton manufacturers. During the 1936–39 period, the industry made more than 3 percent on sales and more than 4 percent on net worth.

Here are the figures for 1940, 1941, and 1942, compared with those for 1936–39. The figures are based on a sample of 148 cotton-textile companies which had in 1942 more than a billion dollars of sales.

Mr. MURDOCK. I wish to read to the Senate some very brief figures relative to profits which are now being made by the textile industry.

The index of sales covers the period 1936 to 1939, the average being fixed at 100. We find that in 1940 the sales were 110; in 1941 the sales were 170; and in 1942 the sales were 234.

Considering the index of dollar profits before income taxes, taking 148 textile companies and the period of 1936 to 1939 as a base of 100, we find that for 1940 the index of dollar profits was 176; for 1941, 546; and for 1942, 963.

In other words, the dollar profits before income taxes, compared with the period 1936 to 1939 as a base, were 963, or approximately 9 times greater than they were during the base period.

Let us consider the index of dollar profits before income taxes, as related to 2,460 industrial corporations. Still using the base period of 1936 to 1939 as 100, we find that in 1940 the dollar profits were 147; in 1941, 261; and in 1942, 306.

The remaining figures on this page bear out the same relationship, and I ask unanimous consent that they, together with the ones which I have already read, be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

	1936–39 (average)	1940	1941	1942
Index of sales	100	110	170	234
Index of dollar profits before income taxes (148 textile companies)	100	176	546	963
Index of dollar profits before income taxes (2,460 industrial corporations)	100	147	261	306
Profits before taxes of textile companies as a percentage of:				
Sales	3.5	5.6	11.3	14.5
Net worth	4.3	7.8	22.9	37.4
Index of dollar profits after income taxes (148 textile companies)	100	166	419	404
Index of dollar profits after income taxes (2,460 industrial corporations)	100	126	163	147

The dollar profits before income taxes realized by textile mills in the year 1942 were equaled only in the First World War in 1918 and 1919.

It should be emphasized that this prosperity was well diffused throughout the industry. In 1936–39 this had not been true. Of the 148 companies, 30 companies, doing 20 percent of the sales volume, lost money in that period. An additional 73 of the companies, doing 51 percent of the sales volume, earned before taxes less than 5 percent on sales. Thus companies doing 71 percent of the sales volume earned less than 5 percent on sales. In 1942, on the other hand, every company in the sample, without a single exception, made a profit. Only 19 of the companies, accounting for only 6 percent of the sales volume, earned less than 7.5 percent on sales, a volume which had risen by 134 percent. How remarkable this performance is can best be grasped when it is remembered that in the period from 1921 to 1939 an average of only 50 percent of the mills reporting to the Bureau of Internal Revenue showed any profit at all. In no single year between 1921 and 1939 did the percentage making profits rise above 76.

O. P. A. has given the most intensive study to this question. All the evidence bearing upon the movement of cotton prices which it has been able to gather, or which has been submitted to it, shows that the charge is unfounded—that cotton prices have not been prevented from rising by textile ceilings. This evidence is considered below in connection, first, with mill earnings; second, with the large carry-over of cotton; and, third, with the current operating demand of the mills for cotton, as determined by the volume of textiles they are able to produce.

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The immediate comparison of 1942 earnings is with earnings in the years 1936–39. The claim was made before the committee that this was an unfavorable period for the cotton textile industry. The figures, however, do not bear this out. It would be necessary to go back nearly 20 years to find a span of years more favorable, in terms of dollar profits, to the cotton manufacturers. During the 1936–39 period, the industry made more than 3 percent on sales and more than 4 percent on net worth.

Here are the figures for 1940, 1941, and 1942, compared with those for 1936–39. The figures are based on a sample of 148 cotton textile companies which had in 1942 more than a billion dollars of sales.

Mr. MURDOCK. Mr. President, I fully agree with the Senator from Arkansas [Mr. MCCLELLAN] and the Senator from Alabama [Mr. BANKHEAD] that if there is anything which Congress can do to insure, indubitably, parity for the cotton farmers it should be done. I think the surest method and, according to the gentleman from South Carolina, Representative FULMER, the safest method would be to raise the loan rate on cotton to 100 percent of parity. That would not mean that the Government would have to buy the entire crop; it would mean that

without any question the farmers would be paid parity for their cotton.

Mr. BARKLEY. Mr. President, I believe that the time has come when we should vote on the amendments to this bill. I believe that every Member has made up his mind as to how he will vote. I further believe that it explains the reason for such sparse attendance of Senators during the debate. I had hoped that we could complete consideration of the bill today. I now serve notice on the Senate that if we do not complete consideration of the bill today we shall have to hold a session tomorrow. I hope that Senators will forego further speeches until after the vote has been taken. I am foregoing my right to inflict upon the Senate a visitation of my views on the subject, and I hope that other Senators will do likewise, with the purpose in mind of bringing to a close consideration of the pending legislation. The time is growing short in which to pass legislation through both Houses and have it reach the President in time to be acted upon before a voluntary, official, formal, or informal exodus takes place from this city on the part of statesmen who dwell here. Therefore, I urge the Senate to get down to brass tacks and to begin voting.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama [Mr. BANKHEAD] to the pending committee amendment.

Mr. MALONEY. Mr. President, do I understand that we are now about to vote on the so-called perfecting amendment?

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the amendment of the Senator from Alabama to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BANKHEAD. Mr. President, there are two more perfecting amendments to which I believe there will be no objection. I send the first one to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Alabama to the committee amendment.

The CHIEF CLERK. In the committee amendment on page 13, after line 20, it is proposed to insert the following:

Whenever the maximum price established for sales at any subsequent level of manufacture, processing, or distribution of any commodity which is constituted in whole or substantial part of any textile item is in excess of a price which in the judgment of the Administrator will provide a generally fair and equitable margin at such level of manufacture, processing, or distribution, then the Administrator may reduce such maximum price to any price which in the judgment of the Administrator will provide a generally fair and equitable margin at such level.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama to the committee amendment.

Mr. MALONEY. Mr. President, I should like to be sure that we are proceeding in the proper manner.

The PRESIDING OFFICER. The Chair hopes that the statement of the Senator from Connecticut is no reflection upon the Chair.

Mr. MALONEY. If so, it is only a mild reflection. I should like to be sure that we are not being asked to vote on these amendments, consisting of the one which has just been read and the remaining one which is to be proposed. As I understand, the Senator from Alabama has the right to modify his own amendment.

Mr. BARKLEY. Not after the yeas and nays have been ordered on the original amendment.

The PRESIDING OFFICER. The difficulty is that the yeas and nays have been ordered on the original amendment.

Mr. MALONEY. Mr. President, I should like to be sure that the yea-and-nay procedure will not deny me the opportunity of offering a substitute for the Bankhead amendment as perfected.

The PRESIDING OFFICER. The present occupant of the chair rules that the Senator from Connecticut will be entitled to offer his substitute amendment after the Bankhead amendment has been perfected.

The question is on agreeing to the amendment of the Senator from Alabama to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BANKHEAD. Mr. President, I offer another amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Alabama to the committee amendment.

The CHIEF CLERK. In the committee amendment on page 13, line 20, after the period, it is proposed to insert the following:

Whenever the maximum price established for any item to which this paragraph is applicable is in excess of a price which in the judgment of the Administrator is generally fair and equitable and is also in excess of the lowest maximum price which could be established therefor in accordance with the foregoing provisions of this section, the Administrator may reduce the maximum price for such items to a price which in his judgment will be generally fair and equitable, except that such maximum price shall in no event be reduced to a price lower than the lowest maximum price which could be established therefor in accordance with the foregoing provisions of this section or be reduced to a price which will impede the effective prosecution of the war or the maintenance of the civilian economy.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama to the committee amendment.

The amendment to the amendment was agreed to.

Mr. MALONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bilbo	Butler
Austin	Brewster	Byrd
Ball	Bridges	Capper
Bankhead	Burton	Caraway
Barkley	Bushfield	Chandler
Chavez	Kilgore	Stewart
Clark, Mo.	La Follette	Taft
Connally	Lucas	Thomas, Idaho
Cordon	McClellan	Thomas, Okla.
Danaher	McFarland	Thomas, Utah
Davis	McKellar	Tobey
Downey	Maloney	Truman
Eastland	Maybank	Tunnell
Ellender	Mead	Vandenberg
Ferguson	Millikin	Wagner
George	Moore	Wallgren
Gerry	Murdock	Walsh, Mass.
Gillette	Murray	Walsh, N. J.
Guffey	Nye	Weeks
Gurney	O'Daniel	Wheeler
Hatch	Overton	Wherry
Hawkes	Radcliffe	White
Hill	Reed	Wiley
Holman	Robertson	Willis
Jackson	Russell	Wilson
Johnson, Colo.	Shipstead	

The PRESIDING OFFICER. Seventy-seven Senators have answered to their names. A quorum is present. The question is on the committee amendment, as amended.

Mr. MALONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut wish to offer a substitute at this time?

Mr. MALONEY. Yes, Mr. President.

The PRESIDING OFFICER. Then, the substitute is the pending question. Does the Senator wish to have the proposed substitute reread?

Mr. MALONEY. I should like to have it reread.

The PRESIDING OFFICER. The amendment to the amendment will be again stated.

The CHIEF CLERK. In lieu of section 201 of the committee amendment it is proposed to insert the following:

SEC. 201. The Stabilization Act of October 2, 1942, is amended by inserting after section 3 the following new section:

"SEC. 3. (a) The Economic Stabilization Director is authorized and directed to coordinate the activities of all the departments and agencies of the Government concerned with the production and distribution of essential textiles, apparel, and other textile products in effectuating a comprehensive national policy to increase the supply and improve the quality of such essential products to the maximum extent consistent with the effective prosecution of the war and the stabilization of the cost of living. Special emphasis shall be given in the policy to the production and distribution of low-cost children's clothing, work clothing, and other low-cost staple textile products.

"(b) Every agency of the Government concerned, directly or indirectly, with the production or distribution of such essential textiles, apparel, or other textile products is directed, in cooperation with the Director and with each other, to utilize its ful legal authority to put the policy promptly into effect. So far as each may be authorized by law and to the fullest extent necessary to effectuate the policy, it shall be the specific duty and responsibility—

"(1) of the War Production Board to develop adequate production and distribution programs and to take appropriate action to direct production, to grant priorities, and to control the distribution of facilities, raw materials and processed commodities so that, as far as practicable without interference with other needs of the war and the defense program, essential textiles, apparel and other textile products (as designated by the War Production Board in an extent sufficient to effectuate the policy) shall be produced and distributed in the proportions by price lines and in the qualities (especially durability) in which they were produced and distributed in an appropriate base period to be desig-

nated by the Economic Stabilization Director;

"(2) of the War Manpower Commission to take such action as may be appropriate to avoid shortages of manpower required by the program;

"(3) of the Smaller War Plants Corporation to take such action as will enable small business concerns to participate to the fullest extent practicable in the program; and

"(4) of the Office of Price Administration (i) to establish, as far as may be practicable, dollar-and-cents maximum retail prices for the items designated by the War Production Board, utilizing, where appropriate, minimum specifications established by or in cooperation with the War Production Board and (ii) to take such action as may be necessary to remove price impediments to the production or distribution of commodities required by the program, including increases in maximum prices where no practicable alternative exists to carry out the purposes of this section and including reductions in maximum prices either to offset such increases or to prevent diversion from production or distribution of commodities required by the program.

"(c) From time to time, the Director shall transmit to the Congress a report of operations under this section. If the Senate or the House of Representatives is not in session, such report shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be."

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Connecticut [Mr. MALONEY].

Mr. MALONEY. Mr. President, many months ago I introduced in the Senate a joint resolution providing for a study of the reorganization of Congress. This would be a very appropriate time to discuss that, in view of the absence of so many Senators who are compelled to be absent from the Chamber because of pressing duties on important Senate committees. These committees are in session, and it is obvious that Senators will not be present until a call for a vote is rung. There are very few more Senators in the Chamber now than there were when I earlier discussed the amendment at some length, and I do not intend to take the time of the Senate to go over the arguments again, for the reason which I have just given, in addition to the appeal made by the distinguished majority leader that we hasten to the conclusion of the consideration of the pending measure.

I should just like to point out that the proposal which I offer has the approval of the Office of Price Administration, the approval of the War Production Board, the approval of the Economic Stabilization Director, and of many private organizations, representing millions of people, throughout the country. I think it meets, or goes far toward meeting, the aims of the distinguished Senator from Alabama. I cannot see any occasion for opposing or objecting to the amendment which I offer, except, of course, in the instance where it is offered as a substitute for another amendment. I think on its own it would have the almost unanimous support of the Senate.

I shall not delay longer, because I see no purpose in it. I ask for the yeas and nays on my substitute amendment.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I think there is a legitimate question on the Bankhead amendment, and a real difference of opinion, but I can see no excuse for the Maloney substitute. As I see it, it confirms everything the Administration has done in price policy as to cotton goods. It gives the War Manpower Commission and the War Production Board powers which are at least doubtful, but which they are now using. Some months ago they did exactly what they would be required by the amendment to do. They issued their comprehensive program, and under it the War Production Board is to compel mills to produce articles at less than cost. We know that to be so. The evidence shows the orders of the Director of Economic Stabilization to make the mills produce at cost. Their proposal for bringing about a greater production of cheap goods is to say to the mills, "You have to produce these at cost or less than cost, or we will cut off all your supplies and priorities." That is the very thing that has led me to support the Bankhead amendment, to get rid of that comprehensive plan for production, which I think has been a failure, and will be a failure. That is the plan of the Maloney amendment, which provides:

The Economic Stabilization Director is authorized and directed to formulate a comprehensive and coordinated national program.

That has been done. That is not the trouble. The trouble is that it is the wrong program. I read further from the amendment:

So far as each may be authorized by law and to the fullest extent necessary to effectuate the program, it shall be the specific duty and responsibility—

(1) of the War Production Board to allocate necessary facilities and materials to the production of the commodities required by the program and to institute appropriate restrictions when and to the extent that the production or distribution of any commodity is inconsistent with the program.

In other words, the amendment in so many words would authorize the War Production Board to go into any mill and say, "You must produce these goods for civilian consumption at whatever prices the Price Administration chooses to fix, at cost or less than cost."

Mr. MALONEY. Mr. President, what the Senator last said is entirely the truth, that they are compelled to manufacture at whatever prices are designated by the Office of Price Administration. That is true of every commodity. That is true of every single item with which the Office of Price Administration deals. The amendment would not result in what the Senator from Ohio first indicated. It would merely mean that those engaged in these manufacturing businesses must help, must contribute their share in the war program by manufacturing sorely needed cheap articles of clothing. It has not anything to do with prices. That is something that is determined by the Office of Price Administration, entirely apart from this amendment.

Mr. TAFT. Not at all. The amendment provides further that the Office of Price Administration shall "take such action as may be necessary to remove price impediments to the production or distribution of commodities required by the program, including increases in maximum prices where no practicable alternative exists", and so forth.

The O. P. A. says there is a practicable alternative, namely, to order people to make things at less than cost, or get the War Production Board to cut off all their supplies if they do not do it. That is the practicable alternative that is provided in the order of the Director of Economic Stabilization.

So that all the amendment would do would be to affirm and give congressional authority to the program which has been tried in an attempt to meet the difficulty in regard to cotton goods.

I say there may be some argument for not taking the Bankhead amendment, but there is no argument for asking Congress to go on record in favor of a policy which has already failed, and which is bound to fail if it is continued.

Mr. MALONEY. Mr. President, in view of the statement of the distinguished Senator from Ohio, I must say a concluding word. He is in part stating the case; the amendment intends that the agencies of Government with the power would tell men engaged in the production of clothing that they should do their share, that if they are to reap profits, they are to make some contribution to the war effort. No one expects a soldier to say that he will obey a forward march order a little later. We are saying to those engaged in this industry, operating at great profit, that they shall not go backward while our soldiers in the same war effort are going forward. We are saying to them, "You have waited too long. You have a part to play. Your industry has been dilatory. Your industry has been negligent. You are going to participate in the program in its entirety, to the extent you can, or you are not going to be permitted to reap a harvest." Under the priority powers of the War Production Board, under the allocation powers of the War Production Board, we can do the things that are suggested by the Bankhead amendment.

Mr. President, I think this is all important, and I am very hopeful that the Senate will agree to the amendment, and that we will adopt it as a substitute for the Bankhead amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Connecticut [Mr. MALONEY] for the committee amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virgina [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness.

The Senator from Texas [Mr. CONNALLY] is detained in a committee meeting.

The Senator from North Carolina [Mr. REYNOLDS] is detained in one of the Government departments on matters pertaining to his State.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. HAYDEN], the Senator from South Carolina [Mr. SMITH], and the Senator from Maryland [Mr. TYDINGS] are detained on public business.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Florida [Mr. PEPPER] are necessarily absent.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is paired with the Senator from Maryland [Mr. TYDINGS].

The Senator from North Dakota [Mr. NYE] is paired with the Senator from Arizona [Mr. HAYDEN].

The Senator from Illinois [Mr. BROOKS], the Senator from North Dakota [Mr. NYE], the Senator from North Dakota [Mr. LANGER], the Senator from Delaware [Mr. BUCK], and the Senator from West Virginia [Mr. REVERCOMB] are necessarily absent.

The result was announced—yeas 24, nays 51, as follows:

YEAS—24

Barkley	La Follette	Truman
Chavez	Lucas	Tunnell
Downey	Maloney	Wagner
Ellender	Mead	Wallgren
Guffey	Murdock	Walsh, Mass.
Jackson	Murray	Walsh, N. J.
Johnson, Colo.	Radcliffe	Wheeler
Kilgore	Thomas, Utah	Wilson

NAYS—51

Aiken	Davis	O'Daniel
Austin	Eastland	Overton
Ball	Ferguson	Reed
Bankhead	George	Robertson
Bilbo	Gerry	Russell
Brewster	Gillette	Shipstead
Bridges	Gurney	Stewart
Burton	Hatch	Taft
Bushfield	Hawkes	Thomas, Idaho
Butler	Hill	Thomas, Okla.
Byrd	Holman	Tobey
Capper	McClellan	Vandenberg
Caraway	McFarland	Weeks
Chandler	McKellar	Wherry
Clark, Mo.	Maybank	White
Cordon	Millikin	Wiley
Danaher	Moore	Willis

NOT VOTING—21

Andrews	Glass	O'Mahoney
Bailey	Green	Pepper
Bone	Hayden	Revercomb
Brooks	Johnson, Calif.	Reynolds
Buck	Langer	Scrugham
Clark, Idaho	McCarran	Smith
Connally	Nye	Tydings

So Mr. MALONEY's amendment in the nature of a substitute for the committee amendment was rejected.

Mr. DANAHER. Mr. President, I am opposed to the so-called Bankhead amendment. I joined in the minority views against it. I had hoped to speak briefly as to the amendment on which the vote was just taken. During much of the discussion which preceded the vote I was necessarily absent, because I am one of the conferees on the veterans' bill, and we have been in active session. I now wish to cause the RECORD to show that the amendment just voted upon was not considered by the committee.

Furthermore, Mr. President, there are certain excerpts from the record of the hearings which I think the RECORD should show. From the hearings at page 46 I read from the testimony of Mr. Bowles:

> Mr. Chairman, I appear before this committee to ask that the price-control statutes be extended substantially as they stand today. While I have been frank to say to you that the administration of the law has been faulty in many respects, the progress we have made in administration bears considerable promise for the future. But regardless of past and even future errors, the past stands at that. Under the statutes as written by Congress and with the powers granted by them we have carried out the mandate of the Congress to stabilize prices and rents.

Again, Mr. President, at page 47, Mr. Bowles said:

> Some of the witnesses who will appear before you will suggest amendments to the statutes. I hope that later, before these hearings are concluded, you will give me opportunity to comment upon such suggestions and give you my best judgment on how these proposed amendments would affect our operations.

Mr. President, as to each of the amendments which was proposed before the committee we had the benefit of the suggestions and the comments of Mr. Bowles and his counsel. Those amendments were extensive. Their comments were more so. They ran through over 120 mimeographed sheets. Long hours of consideration were given to all the amendments which actually were submitted to the Senate Committee on Banking and Currency.

I turn next to the statement of Mr. Donald M. Nelson, Chairman of the War Production Board. His testimony appears at page 283 of the hearings. The chairman, the Senator from New York [Mr. WAGNER], addressed him:

> Would you suggest any amendments to the act as the result of your experience?
>
> Mr. NELSON. No, sir; I do not know that I could, sir, suggest any amendments to the act. Like everything else, an act has to be brought into being, and there have to be working relationships from day to day in the working out of that bill; and in its present form, sir, I believe it is very satisfactory as far as we are concerned.

Then, Mr. President, Judge Vinson, Economic Stabilization Director, appeared before us. At page 1117 of the hearings, Judge Vinson stated:

> First, as to the statutory powers themselves. I will not dwell upon these except to say that since the passage of the act of October 2, 1943, the statutory directive has been clear and unmistakable and the powers conferred have been fully adequate to the great responsibilities laid upon the President and the stabilization agencies. My experience with operations under these statutes, first as a member of the Emergency Court of Appeals and later as Director of the Office of Economic Stabilization, has led me to the conclusion both that all the powers conferred by the statutes are necessary for the full discharge of these responsibilities and that the statutes provide ample protection against abuse of those powers. I am convinced that amendment in any substantial particular would be highly dangerous. This is no time to tinker or tamper with a working program.

Mr. MALONEY. Mr. President, will my colleague yield?

Mr. DANAHER. I yield to my colleague.

Mr. MALONEY. Is the Senator by any chance referring to my substitute amendment, which was so overwhelmingly defeated a moment ago?

Mr. DANAHER. Yes.

Mr. MALONEY. I should like to point out in my colleague's time, and with his permission, that the statements which were made by the heads of the various agencies, and from which he is now reading, were made before the Bankhead amendment was finally adopted by the committee; and I should like to add, if I may, that during the course of the discussion of my proposal I said time and again that it had the approval of Mr. Vinson and Mr. Bowles and the War Production Board.

Mr. DANAHER. Mr. President, I wish to recall to my colleague that I voted against the Bankhead amendment, and I am on record in the minority views against its adoption.

Again on page 1124, Judge Vinson said:

> Mr. Chairman, as it stands today, in my view, price control is a proven success. The job which the Congress assigned has been carried out and carried out extremely well. For its continuation, no significant change in the statutes is required.

I end the quotations from the record of the hearings. Every one of those quoted excerpts from the testimony applies not only to the amendment just considered, but also to the Bankhead amendment which is pending, and the other suggested Bankhead amendments which lie on our desks and as to which I assume the Senator from Alabama will press for action.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended, inserting a new section 201. On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD (when his name was called). On this question I have a pair with the senior Senator from South Carolina [Mr. SMITH]. Were he present, he would vote "yea." Were I permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness.

The Senator from Montana [Mr. MURRAY] is detained in a committee meeting. I am advised that if present and voting, he would vote "nay."

The Senator from North Carolina [Mr. REYNOLDS] is detained in one of the Government departments on matters pertaining to his State.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. HAYDEN], the Senator from South Carolina [Mr. SMITH], and the Senator from Maryland [Mr. TYDINGS] are detained on public business.

The Senators from Nevada [Mr. McCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Florida [Mr. PEPPER] are necessarily absent

The Senator from Arizona [Mr. HAYDEN] has a general pair with the Senator from North Dakota [Mr. NYE]. I am not advised how either Senator would vote if present and voting.

The Senator from North Carolina [Mr. BAILEY] is paired with the Senator from Rhode Island [Mr. GREEN]; the Senator from Nevada [Mr. McCARRAN] is paired with the Senator from Florida [Mr. PEPPER]; the Senator from Maryland [Mr. TYDINGS] is paired with the Senator from Illinois [Mr. BROOKS]; the Senator from Idaho [Mr. CLARK] is paired with the Senator from Virginia [Mr. GLASS]; and the Senator from North Carolina [Mr. REYNOLDS] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. I am advised that if present and voting, the Senators from North Carolina [Mr. BAILEY and Mr. REYNOLDS], the Senator from Nevada [Mr. McCARRAN], the Senator from Illinois [Mr. BROOKS], and the Senator from Idaho [Mr. CLARK] would vote "yea," and that the Senator from Rhode Island [Mr. GREEN], the Senator from Florida [Mr. PEPPER], the Senator from Maryland [Mr. TYDINGS], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], who would vote "yea," is paired with the Senator from Maryland [Mr. TYDINGS], who would vote "nay."

The Senator from North Dakota [Mr. NYE] has a general pair with the Senator from Arizona [Mr. HAYDEN].

The Senator from Illinois [Mr. BROOKS], the Senator from North Dakota [Mr. LANGER], the Senator from North Dakota [Mr. NYE], the Senator from Delaware [Mr. BUCK], and the Senator from West Virginia [Mr. REVERCOMB] are necessarily absent.

The Senator from North Dakota [Mr. NYE] and the Senator from Delaware [Mr. BUCK] would vote "yea," if present.

The result was announced—yeas 39, nays 35, as follows:

YEAS—39

Aiken	Gillette	Reed
Austin	Hatch	Robertson
Bankhead	Hawkes	Russell
Bilbo	Hill	Shipstead
Bushfield	Holman	Stewart
Butler	McClellan	Taft
Capper	McFarland	Thomas, Idaho
Caraway	McKellar	Thomas, Okla.
Chandler	Maybank	Weeks
Clark, Mo.	Millikin	Wherry
Connally	Moore	White
Eastland	O'Daniel	Wiley
George	Overton	Willis

NAYS—35

Ball	Gerry	Thomas, Utah
Barkley	Guffey	Tobey
Brewster	Gurney	Truman
Bridges	Jackson	Tunnell
Burton	Johnson, Colo.	Vandenberg
Chavez	Kilgore	Wagner
Cordon	La Follette	Wallgren
Danaher	Lucas	Walsh, Mass.
Davis	Maloney	Walsh, N. J.
Downey	Mead	Wheeler
Ellender	Murdock	Wilson
Ferguson	Radcliffe	

NOT VOTING—22

Andrews	Green	Pepper
Bailey	Hayden	Revercomb
Bone	Johnson, Calif.	Reynolds
Brooks	Langer	Scrugham
Buck	McCarran	Smith
Byrd	Murray	Tydings
Clark, Idaho	Nye	
Glass	O'Mahoney	

So the committee amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 13, after line 20, to insert:

SETTLEMENT OF DISPUTES UNDER RAILWAY LABOR ACT

SEC. 202. Section 4 of such act of October 2, 1942, is amended by adding at the end thereof the following new paragraph:

"In any dispute between employees and carriers subject to the Railway Labor Act, as amended, as to changes affecting wage or salary payments, the procedures of such act shall be followed for the purpose of bringing about a settlement of such dispute. Any agency provided for by such act, as a prerequisite to effecting or recommending a settlement of any such dispute, shall make a specific finding and certification that the changes proposed by such settlement or recommended settlement are consistent with such standards as may be then in effect, established by or pursuant to law, for the purpose of controlling inflationary tendencies. Where such finding and certification are made by such agency, they shall be conclusive, and it shall be lawful for the employees and carriers, by agreement, to put into effect the changes proposed by the settlement or recommended settlement with respect to which such finding and certification were made."

Mr. BARKLEY. Mr. President, now that the main "hump" of amendments has been disposed of, it seems to me entirely possible that we may conclude consideration of the bill today. I ask Senators to remain in the Chamber, or available, so as to cause as little delay as possible, in order that we may conclude the consideration of the bill before the close of the session today, even if we must remain in session a little longer than usual.

Mr. TAFT. Mr. President, I intend to speak on the general subject of the bill, rather than on the amendment reported by the committee, offered originally by the Senator from New York [Mr. WAGNER] exempting railroad labor from the provisions of the Stabilization Act.

As a member of the Banking and Currency Committee, I have joined in the report recommending continuation of the Office of Price Administration, and I concur in the general statement of the report. I wish to make clear at this time, as I did last week, that I do not concur in the Supplemental Statement and do not regard that statement as a part of the report. It presents a summary of the evidence entirely from the Price Administration point of view, without any consideration of the pages of evidence received from those criticizing—and criticizing fairly and correctly in many cases—the policies of the Price Administration. With many of the conclusions of the supplemental statement, and many of the policies of the Price Administration, I emphatically disagree.

The fixing of all prices and wages by the Government can only be at best a complicated, arbitrary, and oppressive regimentation of the people. It involves Government control of a billion or more transactions every weekday of the year. It must necessarily limit freedom and choke all initiative and enterprise. Once it is undertaken, in order to make it effective and prevent evasion, control must extend to all kinds of practices and incidental activities. It could not be continued in peacetime without practically eliminating freedom in the United States.

Yet, I believe, in a war of the colossal size of the present war, we would be worse off without it than with it. Inflation of prices is always a danger in time of war because of the huge expenditures of the Government. Last year and this year our annual deficit exceeded $50,000,000,000, and only the most strenuous efforts can prevent a dangerous increase in prices. Price control is not the only method of reducing this danger. The Government should reduce its expenses, but it is very difficult for Congress to restrain waste in time of war with the expenses controlled by officials whose attention is entirely devoted to the success of the war effort.

Second, the danger can be reduced by increasing taxes, but it is also true that too great an increase in taxes may do more harm to the national economy and the national morale than inflation itself. Whether we have reached that point is now in dispute.

Third, we can reduce the danger of inflation by selling bonds only for money that is truly saved, and not in large volume to the commercial banks to create additional deposits. Along this line real progress has been made, although we were very slow to follow it in the first years of the war.

Fourth, a system of drastic rationing may reduce demand and remove pressure on prices.

With all of these measures, however, I do not believe prices could be held within reasonable bounds without price fixing. Also, there are many war maladjustments which would normally, without the Government borrowing, result in spectacular price increases for particular commodities. Therefore, I believe that price control is necessary, much as I deplore it. Every witness appearing before the committee agreed with this conclusion, even though he himself may have been injured by the control.

In my opinion, while excessive inflation of prices is a real danger, that danger has been deliberately exaggerated as a justification for demands for arbitrary power. Reasonable and very gradual increases do not seem to me to be a serious threat. To a certain extent, even, increasing prices assist the creation of prosperity. Prices, after all, are only an index, and if all increases were uniform, everyone would be in approximately the same position. The difficulty is that a rapid increase of prices distorts the relationship between different groups and interests in the population, creating bitterness and controversy, and throwing

the whole economy largely into confusion. If uncontrolled, it increases rapidly the returns to the producers, including the farmer. It also increases business profits for processing and distributing, just as falling prices are likely to wipe those profits out.

Ordinarily, wages cannot keep up with the increase. Fixed salaries certainly cannot do so, and the relative return to savers and investors rapidly decreases. In extreme inflation all savings are wiped out. If controls are instituted, however, there is always some danger that they may be overdone. If wages increase faster than prices, there may well be a reduction in the production of goods, and also business losses which can bring depression and unemployment. If the war were to end today and the present drastic price policies of the Price Administration were continued, I believe they would seriously threaten any post-war recovery.

If Congress has once determined on the necessity of price control, the actual carrying out of that policy must be largely one of administration. Congress cannot fix the actual prices or write the details of regulations. It must grant discretion and legislative authority to the Price Administrator, just as it had to do the same thing in authorizing the Interstate Commerce Commission to fix railroad rates. Inevitably, the powers granted must be broad, and therefore they are capable of abuse, no matter what Congress may do. Furthermore, the whole process is so complex that mistakes are not only possible, but almost certain. Your committee received scores of serious complaints against the Price Administration, but found that attempts to delimit the powers of the Administrator in a statute were difficult to draft without limiting some powers which are clearly desirable if price control is to be effective. The existence of this situation is reason enough for abolishing price control at the earliest possible moment after the war.

No doubt many Senators have received complaints from their constituents, often very convincing in their sincerity and logic, but a large number of these complaints relate clearly to matters of administration. Congress cannot, and should not, undertake to correct all mistakes of administration by changes in the statutory law. Most of the amendments to the act proposed by your committee are intended to improve the procedural section of the act—I think all except the Bankhead amendment, which involves a question of fundamental price policy. We have tried to see that every man may have a fair and public hearing within the Price Administration, and an appeal to the courts against arbitrary and capricious action. This is the first essential and it is not met by the present act, or the actual practice.

The original acts, however, do contain certain fundamental principles which the Administrator is bound by law to observe. The courts are given the task of seeing that he does abide by those principles, and if our procedural amendments are effective, departures from those principles can now be challenged by the men who are affected. The acts provide that maximum prices fixed shall be generally fair and equitable, and that rents shall be generally fair and equitable. As a starting point, consideration was to be given to the prices in effect from October 1 to October 15, 1941, and then later to those in effect on September 15, 1942. Prices fixed which are no longer fair and equitable become invalid and therefore must be adjusted so that they may be fair and equitable. The Emergency Court has so held over the protest of the Administrator. Individual adjustments may be made, even though the general price or rent scale is fair and equitable. Maximum prices for agricultural products cannot be below parity in general, and articles processed from such commodity cannot be priced below a figure which will reflect parity to the producer. That means a fair and equitable margin to the processor over parity.

If the Price Administrator abides by these general principles, there should be no unusual hardship caused to any producer, or distributor, by price control. The person aggrieved should be able to prevent such hardship by following the procedure prescribed in the act.

Unfortunately, the Price Administrator, in his administration of the act, has made many serious departures from the spirit of the act, and in some cases, from its language. It is my belief that this conflict with the policy prescribed by Congress grows out of the so-called freeze theory. There is nothing in either act which authorizes such a theory. The act requires prices to be fair and equitable, and to be constantly adjusted, if necessary, to secure that result. The freeze theory prescribes that they shall remain where they are, regardless of fairness or equity. The theory was frequently discussed, but was not finally adopted by the Administrator until the issuance on April 8, 1943, of Executive Order 9328. One of the purposes of this order, stated in its preamble, is "to prevent increases in wages, salaries, prices, and profits, which, however justifiable, if viewed apart from their effect upon the economy, tend to undermine the basis of stabilization." Incidentally, nothing in either act says anything about profits, and the Administrator has nothing to do with profits, except as the general profit condition of an industry affects the reasonableness of the prices charged.

Paragraph 1 of this order 9328 says further that the Price Administrator "is directed to authorize no further increase in ceiling prices except to the minimum extent required by law." In short, the Administrator is not to carry out the principles of fair and equitable prices, but only to increase prices if the courts compel him to do so. He is authorized by this order to make adjustments for various purposes "provided that such action does not increase the cost of living." This seems to mean that adjustments can only be allowed producers if the increases are absorbed by the processor or distributor, and that increases can only be allowed the manufacturer if they are absorbed by the distributor. In short, the order conflicts with the principles of the acts of Congress, and goes far beyond the provisions of those acts.

The freeze theory, in my opinion, is unsound because it freezes wages and prices exactly where they are on a given date. It therefore freezes all injustices, low wages, unfair prices, and depressed industries. This might not be so bad if the injustices were not frequently increased, and new injustices created, by a steady increase in costs, particularly raw materials and wages, compelled by war conditions. For various reasons it is absolutely impossible to freeze all costs. Public opinion demands the adjustment of unduly low wages and farm prices. Sometimes increases are essential in order to obtain production. Wages cannot be frozen, and have not been frozen. On April 20, the Senator from Kansas [Mr. REED] wrote a very clear letter to Mr. Bowles, criticizing the statement that "basic wage rates have been firmly held" and showing that during the year 1943 the increase in the average hourly earnings of factory workers increased from 91.9 cents per hour to 100.1 cents per hour, an increase of nearly 9 percent. On March 15 this figure reached 100.6, an increase of about 8 percent since March 15, 1943. Yet during those 12 months the cost of living was held almost level.

This increase in average hourly earnings has occurred in spite of the Little Steel formula which purports to freeze wages. In fact, that formula only attempts to freeze basic wage rates, whereas the cost of labor is based on average hourly earnings. In my opinion, if the Little Steel formula were enforced, it would be unfair and unjust. Labor should not be held to an increase of 15 percent over January 1, 1941, when the cost of living has gone up 25 percent. All sorts of evasions have made possible the increases in average hourly earnings. Salaried employees and weak unions are held to this unjust limit, while concessions are made to the powerful unions. We saw in the coal case, and in the railroad case, how methods were found to evade the Little Steel formula in order to get the just result demanded by price conditions. At the present time steel workers are demanding a very substantial increase and the general impression is that, one way or another, they will get it. In short, the freeze policy is impossible to carry out.

It is furthermore true that in spite of the freeze policy during the last year, and the stable cost of living, some important raw materials have substantially increased. Thus, in 12 months the price of lumber has increased 8.7 percent; the price of coal has increased approximately 6 percent; and the price of cattle feed has increased 7 percent.

Those products enter substantially into the price of manufacturing and distributing, and yet the Price Administrator has refused to make any compensating increases in retail prices. His only answer is that corporation profits are still large. This may be true in many lines, particularly those dealing with the Government, where they are subject to reduction by renegotiation; but this high average is of little interest to the particular businessman who is compelled to sell at a loss, or to the individual land-

lord who cannot increase rents to meet largely increased costs. In short, the freeze theory has been applied to the producer, the farmer, and businessman, but not to anyone else.

I should like to suggest that it is just as dangerous to get prices below wages, as it is to let prices increase more than wages. Since the beginning of the war prices have gone up 25 percent, whereas hourly earnings have gone up about 45 percent, and take-home pay has gone up approximately 70 percent. It is interesting to note that in England the cost of living has gone up 28 percent as compared to 25 percent, and wages have gone up to approximately the same percentage as here. In April, Sir John Anderson, Chancellor of the Exchequer, announced that the Government was going to permit the cost of living to go up 5 percent, because of the fact that wages were still increasing.

There is serious doubt whether the fixing of prices is not being overdone. The only reason that a number of industries have been able to continue is because of their increased volume. The moment that volume stops, they will either have to close down or prices will have to be increased. The increase must occur at exactly the same time as a decrease occurs in wages, at least in take-home wages. All of us are looking to private enterprise to reconvert their plants to peacetime production, seek new products and new capital in order to give increased employment. If the price policy is not relaxed, it will be very difficult to get any business to go ahead with the capital improvements necessary for increased employment. Furthermore, the capital-goods industry, on which so much depends, may be as dead as it became in 1937 when wages and other costs outran prices. In my opinion, the Price Administration should hold prices as low as possible, but they should give industry and commerce a fair hearing and increase prices to compensate in some substantial part for increased costs. The whole relation of margins to price should not be destroyed merely because the more efficient firms are receiving profits of which the Government takes the lion's share. If wages cannot be held, price increases should be permitted in approximately the same percentage.

In my opinion, the determination of the Administration to hold the cost of living absolutely fixed at all costs has led to the adoption of numerous devices subject to the most serious criticism.

First. The payment of subsidies to compensate for increased costs, when prices should have been allowed to rise. While some subsidies are justifiable as a means of preventing a price increase on a large group of products, not requiring subsidy, or as a means of postponing price increases for a reasonable time, the effort to hold all prices by a subsidy across the board to all consumers, saving consumers no more than the Government pays out, seems to me inflationary and unfortunate, except in exceptional circumstances.

Second. The administration has adopted a doctrine known as the highest price line regulation. This provides that a store which handled dresses, for instance, in a certain price range cannot sell dresses of any better quality. As prices increased, many stores found themselves wholly unable to sell dresses at all. The distinction seems to be utterly unreasonable, and, of course, it is ineffective in enabling the public to obtain dresses, or any other commodity, at a reasonable price. Since the administration asserts that, with all its powers, it has no way to hold merchants within reasonable margins on this line of goods, the committee did not adopt an amendment; but as an administrative measure the regulation seems to me illogical, ineffective, and indefensible.

Third. One of the most obvious failures of the Price Administration is in the field of cotton goods, the subject dealt with by the Bankhead amendment. In this field many low-priced articles have entirely disappeared from the market, for the reason that prices have been held so closely that they can only be manufactured at a loss. Thus, heavy underwear for men and boys, denim for overalls, and many other cheap articles have almost disappeared from the market, while many mills have made large profits on the more expensive items. Of course, it does not do the consumer any good to have a low price fixed for various kinds of cotton goods, if the goods are not available at all and he or she has to buy a much more expensive article. The obvious remedy seems to be an increase in the price of cheap goods and a decrease in the price of expensive goods. Inspired, apparently, by the freeze idea, however, Mr. Vinson has refused to make any increase in the price of the cheap goods, but has called on the War Production Board to order the mills to make these goods at cost, or less. In Mr. Vinson's directive of February 4 he says clearly that he shall hesitate to let any uniform increase be made to all producers on any textiles. Instead of that, he proposes to permit individual manufacturers, who would otherwise sell at a loss, to increase their own prices so that they may receive total unit production costs plus a profit not to exceed 2 percent. Any producer whose over-all operations are profitable is required to produce at cost, which perhaps may not even include overhead expenses, according to the same order. Mr. Vinson says that under any other method the cost to consumers will exceed the amount necessary to obtain the desired production, and low-cost producers would receive an unwarranted windfall. Mr. Vinson is out to prevent profits, even of the producer who makes profits because of extraordinarily efficient operation. The standard of fair and equitable prices has practically disappeared from his mind.

I may say that this order has been further extended, and in an order recently issued the theory of compelling the sale of goods at less than cost is extended to a great many household goods such as household furniture, commercial kitchen utensils, office machines and equipment, dental and optical supplies, and several other large classes of products on which there is only permitted the recovery of the manufacturing, packing, and shipping costs of each item. If the manufacturer's entire operation is profitable, he cannot even include the overhead in the cost of those particular articles.

The whole theory that the Price Administrator can force manufacturers to sell certain lines at cost, or less than cost, because they are making profits on other lines, is absolutely contrary to the principles of the Price Control Act, and would lead ultimately to a fixing of individual profits, instead of to a fixing of prices. It does not secure increased production, nor does it effectively bring about reasonable prices to the consumer. The chief merit of the Bankhead amendment is that it would require each line of goods to stand on its own cost, with a fair and equitable margin.

Any rule which refuses to apply the fair and equitable rule to individual products creates great injustice between different firms in the same industry. Some firms may be forced out of business because they only manufacture a particular product, the price of which is so closely held down. Other firms may depend largely on such products. Still others may be practically unaffected. I voted for the Bankhead amendment because it proposes largely to upset this rule, at least in the textile industry, and require a fair and equitable margin for each product.

Fourth. The result of this policy and the general unwillingness even to consider an increase in retail price, however much costs may have increased, threatens disaster in some industries. Evidence before the committee shows that many small packers and slaughterers in Buffalo, Cincinnati, and many other cities have had to close because they actually lose money on each steer they buy. The large packers are able to survive, but they state that they have made practically no money on their meat business. They, however, have many other products on which profits are ample. It is the small businessman who suffers most from a stringent policy of price control. We have extensive evidence from the asphalt roofing industry showing that concerns engaged only in manufacturing asphalt roofing are rapidly going on the rocks, whereas the large companies with a full line of products, are having little difficulty. I have already spoken of the underwear mills whose entire product is now unprofitable. The committee had bitter complaints from the producers and distributors of fresh vegetables. More and more, as costs increase, other industries are going to find that it is almost impossible to continue in business.

Fifth. The result of these practices has been to roll back some prices on the farmer, particularly in the case of cattle, and in the case of cotton. In other words, the control of the price has been so close that parity is not paid for cotton and the price paid for cattle is inadequate certainly for many feeders.

Sixth. The policy with regard to rents has been harsh and inequitable. Rent control is one of the prides of the Administration because rents have been held practically without increase for 3 years. But this has only been done at

the cost of hardship to many landlords, though not perhaps a large percentage of the total. Rents in each city were frozen as of a definite date. Since that time the Price Administration has refused to consider individual adjustments, no matter what the increase in costs may have been. They admit the duty of giving a general increase when costs have uniformly increased in a community, but I doubt if any such increases have been made. Nor should they be. Many landlords who rent entire houses have no increase in cost whatever. Rent adjustments should be an individual matter, and a landlord who has had substantial increases in coal and janitor service, for instance, is entitled to a fair hearing on his request for an increase in rent. Outside of a few special circumstances, however, this has been arbitrarily denied by the Administrator. The Administration apparently feels that landlords are comparatively few in number and that tenants are many. I offered an amendment in the committee to require individual adjustments in proper cases. I withdrew it on the suggestion that the Price Administrator might change his present practice by regulation, as he may. A regulation has been submitted, and I hope it may be sufficient.

Seventh. From my own investigations and correspondence I have found an attitude among many employees of the Price Administration of direct hostility to businessmen. Many of these employees seem to think that a businessman who asks for a reasonable profit, so that his business may go on, is in some way unpatriotic. In the past, complaints have been ignored for months. Interviews with those in charge seem to promise relief, but relief is blocked at some higher level, and more and more is heard of the iniquity of any profit whatever. Furthermore, the enforcement division includes many individuals whose interest seems to be to destroy business rather than to secure compliance. The conditions to which I have referred have been considerably improved since Mr. Bowles became Price Administrator, and he does not countenance any such attitude, but the attitude is still present to an extent which leads most businessmen to feel that justice cannot possibly be secured within the Price Administration.

Kangaroo courts have been set up outside of any provisions of the law to try violators of the ration regulations issued under the Second War Powers Act. Many retail firms have been prosecuted and sued for damages. In northwestern Ohio an auctioneer who conducted a sale of all the effects of a farmer who was selling out was sued, and a judgment obtained for $3,600, enough to put him out of business completely. This resulted in a petition of protest signed by 2,700 citizens of the county where the sale took place.

I do not underestimate the difficulty of enforcing price regulations. It is quite true that deliberate evasion is occurring in many places throughout the country, but the methods of the Price Administration Enforcement Division do not secure compliance, and only make the situation worse. The only way to secure compliance with this kind of regulation is to make the regulations reasonable, and secure the approval and cooperation of 90 percent of the people who are involved. Once that is done, they will police the other 10 percent. This was the method pursued by the Food Administration in the World War. Cooperation of every trade and every group was the first step. Congress filled the present law with provisions for trade committee consultations and agreements. For a long time the provisions of the law were in no way complied with. Mr. Bowles has made an improvement, but the idea has not permeated the lower reaches of the O. P. A., and particularly its Enforcement Division. The only cooperation successfully secured is that of a few consumers groups and the C. I. O. Political Action Committee. These groups have adopted the same anti-business attitude as the Enforcement Division itself.

Eighth. The tactics of the O. P. A. in dealing with the pending bill do not seem to me calculated to improve the situation. They have fought every attempt to modify in any way the drastic provisions of the Emergency Price Act. They have taken the position that there should be no amendments, and that any amendment will hamstring the enforcement of the act. This is simply untrue. Very few of the amendments affect in any way the basic policy of price control. Their purpose is to correct substantial injustice to individuals which have been made clear in evidence before the committee.

Day before yesterday Mr. Vinson issued a protest against the Bankhead amendment, calling it a "devastating blow at the stabilization policy, a special bonus at the housewife's expense." He and Mr. Bowles have referred to lobbyists and pressure groups, and try to give the public the impression that Congress is swayed by improper motives, if they make a single concession. The representatives of interested groups appeared openly before our committee. There was hardly one who did not impress us with his sincerity. Many undoubtedly consider that they will be put out of business if the present policies of the Price Administration are continued. Their lobbying has been considerably less than the lobbying of the C. I. O. Political Action Committee, stimulated by the Office of Price Administration.

Ninth. I have already referred to the apparent attempt of the Office of Stabilization to cut business profits to a minimum or eliminate them entirely. In 1943 the Office of Stabilization repudiated a promise made by the Price Administrator to the canners that they would be compensated by subsidies for any increase in the cost of labor granted by the War Labor Board. On this question of profits they have departed even from the policy laid down by Mr. Henderson when he testified for the original Price Control Act. He referred to "the general philosophy of price regulation as being one intended to keep production going, and therefore to yield a decent profit." Of course, a just and equitable price does not guarantee a profit to inefficient members of any industries, or those unfortunately placed, but the attempt to prevent any company, no matter how efficient, from securing the reward of that efficiency is not a function of price administration. Congress should determine what proportion of such profits are to be taken by taxation.

Conclusion. I regard these abuses as abuses of administration, except for the Bankhead amendment and the questions of procedure. It is difficult to correct them by legislation. We have offered amendments designed to reach some of the worst abuses, and particularly to give every man an open hearing and his day in court. The Bankhead amendment is the only amendment which attempts to control policy. It is an experiment, but it restores a policy which worked satisfactorily at one time, and it operates in a field where there has been a complete failure since that policy was abandoned. If properly administered, it could reduce costs to the consumer instead of increasing them, and get to the consumer the goods which he is not getting now.

The difficulty with O. P. A., as I see it, is that it is still crusading for the ideal of freezing all retail prices. It seems to believe that this end justifies the use of any means. It thinks it has a mission superior to individual rights and a special license to regulate as it chooses millions of transactions every day. The Executive order should be modified to be in accord with the principles of the acts of Congress.

I have every confidence in the good faith of Mr. Bowles, but not so much confidence in the political and economic theories of his advisers. The O. P. A. can be a success if he will accept, as the first principle of administration, a deep respect for American principles of right and justice administered within the provisions of the Emergency Price Control Act as enacted by Congress.

Mr. WILEY. Mr. President, at this point I desire to call up my amendment, which is at the desk.

Mr. WAGNER. There are only two more committee amendments, which I should like to have disposed of.

Mr. WILEY. I understand that under the rule I must, if I desire to bring this amendment up, do so at this time, because it proposes to amend section 202. It will take only a moment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 13, line 24, it is proposed to change the word "paragraph" to "paragraphs", and insert the following:

> No action shall be taken under authority of this act with respect to an increase in any wages or salaries in any case in which such increase has been agreed upon by the employer and employee and will not result in the payment of wages or salaries at a rate greater than $37.50 per week. For the purpose of the preceding sentence, if the employee ordinarily works overtime and extra compensation is paid therefor, such extra compensation shall be included in determining the rate of wages or salaries paid.

Mr. WILEY. Mr. President, I have submitted the amendment to the dis-

tinguished senior Senator from New York, and, as I understand, he is perfectly willing to take it to conference. All the amendment provides, in substance, is that in those cases in which the ordinary white-collar workers or laborers throughout the country receive less than $37.50, and where the employer and employee agree, it will not be necessary to present a petition for the right of the employer to pay up to that amount. There are millions of such cases, as I have previously stated, and many thousands of petitions are in the Chicago office, and in some instances have been there for months not acted on. These white-collar workers have no organization to represent them in Washington, but that is no reason why they should not have justice. The adoption of this amendment will relieve the War Labor Board of 75 percent of the labor involved in wage increases. It is the white-collar workers of America who have suffered most due to the rise in living costs. I am very happy that the senior Senator from New York has agreed to take the amendment to conference.

The PRESIDING OFFICER (Mr. JACKSON in the chair). The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. WILEY] to the committee amendment on page 13, after line 20.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry

The PRESIDING OFFICER. The Senator will state it.

Mr. THOMAS of Oklahoma. I have an amendment in the nature of a new section to the bill. My inquiry is whether it is proper to offer that amendment before action is completed on the committee amendments.

The PRESIDING OFFICER. The Chair asks the Senator whether his amendment constitutes a new section.

Mr. THOMAS of Oklahoma. Yes; it will come into the bill as a new section.

The PRESIDING OFFICER. The Chair then rules that it is not proper that the amendment be offered until all committee amendments are disposed of.

The next committee amendment will be stated.

The CHIEF CLERK. The next amendment of the committee was, on page 14, after line 15, to insert the following:

TERMINATION DATE

SEC. 203. Section 6 of such act of October 2, 1942, is amended by striking out "June 30, 1944", and substituting "December 31, 1945."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next committee amendment was on page 14, after line 19, to insert the following:

LOAN RATE FOR AGRICULTURAL COMMODITIES

SEC. 204. (a) Section 8 (a) (1) of such act of October 2, 1942 (relating to loans upon cotton, corn, wheat, rice, tobacco, and peanuts), is amended by striking out "at the rate of 90 percent of the parity price" and inserting in lieu thereof "at the rate of 95 percent of the parity price." The amendment made by this subsection shall be applicable with respect to crops harvested after December 31, 1943. In the case of loans made under such section 8 upon any of the 1944 crop of any commodity before the amendment made by this subsection takes effect, the Commodity Credit Corporation is authorized and directed to increase or provide for increasing the amount of such loans to the amount of the loans which would have been made if the loan rate specified in this subsection had been in effect at the time the loans were made.

(b) Section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941, as amended (relating to supporting the prices of nonbasic agricultural commodities), is amended by striking out "90 percent" and inserting in lieu thereof "95 percent." The amendment made by this subsection shall, irrespective of whether or not there is any further public announcement under such section 4 (a), be applicable with respect to any commodity with respect to which a public announcement has heretofore been made under such section 4 (a).

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. BUTLER. Mr. President, I had intended to ask that some Senator in a word or two explain the committee amendment before the vote was taken. What would the amendment accomplish?

Mr. BARKLEY. The amendment would merely change the loan value from 90 percent to 95 percent of parity.

Mr. BUTLER. My understanding was that it was proposed to leave it at 90 percent.

Mr. BARKLEY. No; I think the Senator misunderstood. It is a committee amendment agreed to by the committee, and there was no desire to change it, so far as I know.

Mr. THOMAS of Oklahoma. Mr. President, if it is now in order I offer an amendment in the form of a new section to the bill.

Mr. MOORE. I suggest the absence of a quorum.

Mr. STEWART. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEWART. Have all committee amendments been disposed of?

The PRESIDING OFFICER. All committee amendments have been disposed of, and the bill is now open to further amendment.

Mr. MOORE. Mr. President, I have suggested the absence of a quorum.

The PRESIDING OFFICER. Does the senior Senator from Oklahoma yield for that purpose?

Mr. THOMAS of Oklahoma. I yield for that purpose.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll, and called Mr. AIKEN's name.

Mr. STEWART. Mr. President, before the clerk proceeds to call the roll I wish to ask the senior Senator from Oklahoma if he will yield for a moment. I wish to call up an amendment by unanimous consent, which I understand will be accepted. I wish to have an opportunity to present the amendment at this time. I do not wish to wait until the roll call has been completed. I do not desire to prevent a roll call, but I ask unanimous consent that I now be permitted to call up an amendment which I understand is acceptable to all concerned.

The PRESIDING OFFICER. Does the senior Senator from Oklahoma yield so the junior Senator from Tennessee may present his amendment?

Mr. THOMAS of Oklahoma. I yielded so the junior Senator from Oklahoma could suggest the absence of a quorum. If I have the privilege of yielding for the purpose I shall be very glad to yield to the Senator from Tennessee so he may submit his amendment.

Mr. STEWART. Mr. President, if the amendment is not accepted by unanimous consent I shall withdraw my request.

The PRESIDING OFFICER. Does the junior Senator from Oklahoma withhold his suggestion of the absence of a quorum?

Mr. MOORE. Yes.

Mr. WHITE. Mr. President, had not the clerk begun to call the roll? It seems to me that when a roll call has been begun it must be completed, after which if the senior Senator from Oklahoma desires to yield to the Senator from Tennessee he can do so.

Mr. STEWART. I thought I addressed the Chair before the roll call was begun.

The PRESIDING OFFICER. The Chair is informed that the clerk had begun to call the roll, but that there had been no response to the call, and the junior Senator from Oklahoma has withheld his suggestion of the absence of a quorum.

Does the senior Senator from Oklahoma yield to the Senator from Tennessee?

Mr. THOMAS of Oklahoma. I yield.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. STEWART. Mr. President, I offer my amendment, which was ordered to lie on the table the other day and to be printed. I ask that it be read for the information of the Senate.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of title II of the bill, it is proposed to add the following section:

SEC. 205. Section 3 of the act of October 2, 1942 (Public Law 729, 77th Cong.), is hereby amended by adding a new paragraph to read as follows:

"PERISHABLE COMMODITIES

"Whenever a maximum price is established on any fresh fruit or fresh vegetable, including potatoes, adequate allowances shall be made for hazards of production and marketing of such commodities throughout the crop year, including increased costs due to crop losses which have resulted or may result from such hazards. If a maximum price has been established on any such commodity, the Price Administrator shall take immediate action to review and increase such maximum

price from time to time by making further allowances to the extent necessary to compensate for subsequent substantial changes in such conditions including substantial reductions in merchantable crop yields."

Mr. WAGNER. Mr. President, before the question is put on agreeing to the amendment of the junior Senator from Tennessee [Mr. STEWART], I wish to discuss it.

I personally see no objection to it. I suggest that it may go to conference. If it should develop that there is some serious objection to it by the O. P. A., I am sure the Senator from Tennessee will permit the conference to consider that question.

So I do not object to the amendment.

Mr. STEWART. I am willing to accept on those terms. Of course, Mr. President, I should wish to have the amendment insisted upon in the conference, if it is agreed to by the Senate. I should want the conferees to insist upon having it remain in the bill.

Mr. WAGNER. Of course, that would be done.

Mr. STEWART. But I can see no serious objection which the O. P. A. would offer to it. In the main it is a declaration of policy. It affects only fresh fruits and vegetables, perishable commodities. The amendment itself, as read, is self-explanatory.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

The PRESIDING OFFICER. Does the Senator from Oklahoma renew the suggestion of the absence of a quorum?

Mr. MOORE. Mr. President, I am informed that more Senators have entered the Chamber since I first suggested the absence of a quorum. So I withdraw the suggestion of the absence of a quorum.

Mr. THOMAS of Oklahoma. Mr. President, I offer my amendment which now lies on the table.

The PRESIDING OFFICER. The amendment will be stated, for the information of the Senate.

The CHIEF CLERK. At the proper place in the bill, it is proposed to add the following:

SEC. 206. That notwithstanding the provisions of law no agent, bureau, or department of the Government shall be authorized to fix, establish, or maintain any price ceiling on crude petroleum below 90 percent of the parity price per barrel as shall be determined by the application of the parity law "in the case of all kinds of tobacco except burley and flue-cured" (par. (1) of (a) of sec. 301 of subtitle A of title III of Agricultural Adjustment Act of 1938, as amended): *Provided*, That the provisions of this paragraph shall be applicable to effect an average price of the various grades of crude petroleum throughout the United States at 90 percent of parity as above defined: *And provided further*, That the Director of the Office of Price Administration shall proceed immediately to adjust the ceiling price per barrel for such crude petroleum in the various grades and the refined products thereof and derivatives therefrom in harmony with the provisions of this paragraph.

Mr. THOMAS of Oklahoma. Mr. President, the amendment is proposed as a new section to the bill. It has to do with crude petroleum, commonly called oil. At the present time oil is priced at 64 percent of the parity price.

At this time I wish to call attention to the relative prices for other products which are used by the people of the country. For example, the price of grain stands at 129 percent of the parity price; the price of livestock and poultry stands at 123 percent of the parity price; the price of fruits and vegetables stands at 126 percent of the parity price; the price of shoes stands at 126 percent of the parity price; the price of hides and skins stands at 111 percent of the parity price; the price of clothing is now 107 percent of the parity price; the price of cotton goods is now 113 percent of the parity price; the price of woolen and worsted goods stands at 112 percent of the parity price; the price of bituminous coal stands at 120 percent of the parity price; the price of coke stands at 130 percent of the parity price; the price of motor vehicles stands at 112 percent of the parity price; the price of building materials stands at 115 percent of the parity price; the price of lumber stands at 153 percent of the parity price; the price of drugs and pharmaceuticals stands at 220 percent of the parity price; the price of cattle feed stands at 159 percent of the parity price; and the price of petroleum stands at 64 percent of the parity price.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Oklahoma yield to the Senator from Nebraska?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHERRY. Will the Senator please state the source or the authority for the figures he has cited?

Mr. THOMAS of Oklahoma. The figures were issued by the Bureau of Labor Statistics. The system used by the Bureau of Labor Statistics is generally recognized, and embraces some 900 commodities. It is based on 100 percent. That 100 percent was the average price of each of those commodities during the year 1926. So when I give these figures as being above the parity price, that means the present price of the commodity is that much above its average price in 1926.

Mr. President, I am supporting the proposal to extend the price-control legislation. At the same time, let me say that I voted for the cotton amendment.

I shall vote for other amendments, if they are offered, to adjust the prices among the various commodities, to the end that all our people and all the products of their labor shall be treated comparably and equally. That is the only reason why I offer this amendment at this time.

The producers of oil are forced to sell their product at 64 percent of the parity price, notwithstanding the fact that they have to pay more for labor, for drilling, and for everything they buy. Yet they are permitted to sell their product at only 64 percent of what the average price was in 1926. Mr. President, I contend that is an injustice and a hardship on the producers of oil throughout the entire United States.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. When the Secretary of the Interior, as Oil Administrator, I believe, recommended an increase of 35 cents a barrel in the price of oil, I felt that recommendation had much merit. Frankly, I regretted that it was not adopted, because I did not feel at the time that it would be reflected in any great injustice to the users of the refined products of oil, such as gasoline, motor oil, and other petroleum products. That recommendation was disapproved on the ground that, while some producers of oil needed the increase, there were others who did not need it.

An approach to the problem was being sought, and, as I understand, is now being sought, on the theory that some sort of adjustment which will benefit those who need it, without benefiting those who do not need it, can be worked out. Let me inquire what effect the Senator's amendment would have on that situation. Does it provide for a general increase for all producers of all grades of oil in the United States?

Mr. THOMAS of Oklahoma. The answer is that it does.

Mr. BARKLEY. Of course, the Senator knows there are different grades of crude oil. I presume that the oil which brings the highest price is Pennsylvania oil, which has always brought a higher price in the market than almost any other oil, on the ground that it contains a higher content of gasoline and other petroleum derivatives.

In my State we have had a grade of oil known as Somerset light, which we have always felt merited as high a price as any other oil in the country, because of its content. But it never has been accorded that price. That oil is now bringing $1.43 a barrel. It has been bringing that price for practically the last year.

I can recognize that there is a difficulty growing out of a general, across-the-board increase in the price of oil, which probably would benefit some companies which do not need it, whereas there are many companies and small organizations which do need it. Can the Senator tell me whether under his amendment the O. P. A. would be required, in connection with the increase in the price of oil, to give all persons the same increase, or could the O. P. A. graduate the increase and work out an adjustment according to the price of oil and the needs of the individual producers or the producers of a particular type of oil?

Mr. THOMAS of Oklahoma. Mr. President, I desire to explain the amendment and how I think it will operate. I wish to reason with Senators. I do not contemplate making a speech, but shall be glad to answer any questions.

With respect to Pennsylvania oil, let me say it is a very high quality oil. I do not think it has any great quantity of gasoline in it; but it is the highest quality of oil for lubricating purposes, and for that reason it now sells for approximately

$3 a barrel, which is evidence that it is an oil of high quality. My amendment would not affect the Pennsylvania production.

I shall state the facts respecting oil. The large companies produce oil and refine it, and sell the refined products. So the larger companies are not interested in the price of crude oil. If they were interested, they would want to buy it as cheaply as they could; because if they do not produce enough oil to serve their refineries, they must go into the open market and buy sufficient oil to serve their refineries. So the large companies are not interested in having the price of oil increased. They would prefer, so I am advised, to have the price of oil decreased, because they produce the oil and refine it, and sell the refined products; and what they receive is what is paid for gasoline, lubricating oil, fuel oil, and other refined products of oil.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. Those same companies do produce oil; do they not?

Mr. THOMAS of Oklahoma. They do, but they refine it.

Mr. BARKLEY. My question was not properly framed. Let me ask the Senator whether they buy some oil? They do, do they not?

Mr. THOMAS of Oklahoma. They buy oil only when they need it in order to keep their refineries in operation. The large companies not only produce the oil they regularly need for their refineries, but they also have oil stored in the event they should need it in an emergency. So, Mr. President, the amendment is intended to help the little fellow.

Personally, I have taken this matter up with the O. P. A. and with Mr. Vinson. For some reason, which no doubt is good enough for themselves, they have refused to give any favorable consideration to an increase in the price of oil.

There are in the country a very large number of oil wells called stripper wells. Some of those wells produce as little as a gallon of oil a day. Of course, others produce more. The wells which produce the smaller amounts of oil are called stripper wells. In my State of Oklahoma there are 53,000 so-called stripper wells which produce less than 5 barrels of oil a day. Those small wells cannot continue producing at the present price.

The standard price of oil throughout the country is $1.17 a barrel; that is for oil of 36° gravity. Oil is gaged in value according to gravity. Some other liquids are gaged by proof, but oil is gaged by gravity. Oil of 36° gravity sells for $1.17 a barrel, and the higher percentages sell for more. The lower percentages sell for less. This amendment relates to the standard grade of 36° gravity. If this amendment should be adopted, oils of greater than 36° gravity would sell for more than the price contemplated by the amendment. Oils of less than 36° gravity would sell for less than the parity price.

Mr. WILEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Oklahoma yield to the Senator from Wisconsin?

Mr. THOMAS of Oklahoma. I yield.

Mr. WILEY. How much a barrel would the proposed parity price be? The Senator states that the present price is $1.17.

Mr. THOMAS of Oklahoma. At the present time some oils sell for as little as 75 cents a barrel. The lower grades—grades which have a large asphaltic content, for example, and consists almost entirely of tar or refuse—sell for less than that.

Mr. WILEY. Under the terms of the Senator's amendment, what would the price of $1.17 become?

Mr. THOMAS of Oklahoma. If my amendment should be adopted, the parity price on oil fixed by the amendment would be $1.83 a barrel. The price of oil would be raised to 90 percent of parity, and the amendment states a parity formula.

The parity formula is a tobacco formula. Some may wonder why I selected a tobacco formula. The reason why the regular formula was not selected was that during the period from 1909 to 1914 not much oil was produced throughout the country at large. Oil was produced in Pennsylvania, but the large production of oil has been brought about since 1914. So, we do not have accurate records of either the production of oil or the price of oil in that early period. So that period is not a good one for basing the price of oil. I have taken the tobacco formula because it is based upon the period from 1919 to 1929, at a time when there was a large production of oil, and at a time when we had complete records of oil production and oil prices. The average price of 36° gravity oil from 1919 to 1929 was $1.63 a barrel. So, under this amendment that becomes the base price for oil. The tobacco formula is based upon those years.

The tobacco formula is divided into two parts. One is for flue-cured and burley tobacco, and the other is for the common form of tobacco. I selected the lower of the two. I did not select the highest formula, that for flue-cured and burley tobacco, because the index number is 140. The index number for the common form of tobacco is 109.

So, I select a period which is definite, and I take the average price for that period, under the lowest formula which is now in use, namely, the formula applicable to the common grade of tobacco. So, if the amendment is adopted, we shall have a definite formula which cannot be misconstrued. It is in use, and it is applied every day to the common form of tobacco, wherever tobacco is grown. My amendment, if adopted, would establish a basic price for oil of $1.63 a barrel. Applying the formula, multiplying the basic price by 109 gives $1.83 as the present parity price for oil. I am not asking that the ceiling price be raised to 100 percent of parity. I place it at the loan value on farm commodities, or 90 percent of parity. So, if my amendment should prevail, the parity price of oil under the amendment would be raised to $1.83.

Then I provide that neither the O. P. A. nor any other agency of the Government may fix a ceiling price on oil below 90 percent of parity.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. I am seeking information about the effect of the Senator's amendment. When he speaks of a ceiling of $1.83, is he speaking of an average over-all ceiling?

Mr. THOMAS of Oklahoma. Under this amendment the parity price would be fixed at $1.83.

Mr. BARKLEY. I mean the parity price. What effect would that have on oil which is now selling at $1.43?

Mr. THOMAS of Oklahoma. It would raise the price of such oil.

Mr. BARKLEY. To what point?

Mr. THOMAS of Oklahoma. I have not computed it; but oil selling at $1.43 has a certain gasoline content. It has a higher quality than 36° gravity oil.

Mr. BARKLEY. It has a higher quality than oil now selling for $1.17, does it not?

Mr. THOMAS of Oklahoma. Yes. So if this amendment should be adopted it would raise the price of the $1.43 oil to approximately 20 or 25 cents above the price of $1.83 fixed in the amendment. It would raise the price of such oil to a point above $2 a barrel.

Mr. BANKHEAD. What is the present price?

Mr. THOMAS of Oklahoma. The common brand of oil is selling on the market for $1.17, which is the average price.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McCLELLAN. As I understand the Senator's amendment, the effect of it would be to raise the parity price of oil which is selling for $1.17 a barrel to $1.83, and the Senator's amendment would provide that the ceiling be fixed at not less than 90 percent of that amount.

Mr. THOMAS of Oklahoma. That is correct.

Mr. McCLELLAN. Which would be $1.65, or an increase of 48 cents a barrel on the $1.17 oil.

Mr. THOMAS of Oklahoma. If the Senator's figures are accurate, he has stated the correct theory.

Mr. President, the amendment is very simple. It cannot be misconstrued. If it should be adopted, the Administrator could not make a mistake, because very shortly he would figure out the base price, and that would be carried indefinitely. All one would have to do at any time to find the parity price for oil would be to call up the Department of Agriculture and find out what the index number was on common tobacco. If it were 110, he would multiply the base price by 110. That would give him the parity price for that quality of oil. Figuring 90 percent of that would give the ceiling below which neither the O. P. A. nor any other agency of the Government could go. The amendment would not require the O. P. A. to put the price up to the full

amount, but it could not be put below 90 percent of parity.

The O. P. A. froze the price of oil as it was found back in 1942. It was very low, because at that time there was a large production and a large amount of oil was in storage. Now conditions are different. We are using up our storage. We are now using four and a half million barrels of oil a day. Each day four and a half million barrels of oil are required to supply the demand. Seven barrels of crude oil are required to make one barrel of high-test aviation gasoline. Last year 127,000 airplanes were made for the war effort. In addition to furnishing gasoline for our own planes we are furnishing gasoline for the British planes, the Russian planes, and if there are any other planes, we are furnishing gasoline for those. So the present demand for gasoline is heavy.

Likewise the demand for other things made from oil is heavy. The demand for gasoline for domestic use is heavy. The demand for the lower grades of gasoline for trucks, tanks, and cars on the battle front is also heavy. The demand for fuel oil is heavy. At the present time sufficient oil is not being produced to supply the demand. I do not mean by that statement that there is today a shortage of oil, but the quantity of oil being produced is decreasing. Formerly we produced more new oil than we used, and as a result we had a vast amount of oil above ground. At the present time the experts know of only 20,000,000,000 barrels of oil on which they can place their fingers. That number of barrels of oil now represents the present supply in America. More than a billion and a half barrels of oil a year are now required to meet the demands of the United States. Divide 20,000,000,000 barrels, the total present supply, by a billion and a half, the amount consumed each year, and it will be seen that we have a reserve which will last only about 12 years.

The question is, Shall we keep down the price of oil to $1.17 a barrel, when the price of labor and machinery is higher than it has ever been, and when such condition will mean a decrease in the amount of wildcat drilling and a decrease in the amount of oil to be discovered?

The record shows that as the price of oil goes up more drilling is done. In 1920 oil was selling for $3.07 a barrel. In recent years the price of oil has been declining. As it has declined those who prospect for oil have ceased their prospecting, and of late there has been little drilling compared to that which was formerly done.

So, Mr. President, I offer this amendment in order to stimulate prospecting and drilling for oil. It would have the tendency of promoting such activity. If prospecting and drilling are not carried on we may be confronted with the same condition which existed with respect to rubber at the time of Pearl Harbor in 1941.

Mr. McCLELLAN. If my calculation is correct, an increase of 48 cents a barrel would be on the basis of the same quality of oil which for the past year the Petroleum Administrator for War has been insisting should be increased in price 35 cents a barrel.

Mr. THOMAS of Oklahoma. The Senator is correct. The amendment is of such a nature that it would work automatically. The recommendation made recently by the Petroleum Administrator for War was an arbitrary recommendation of an increase of 35 cents a barrel for oil, without regard to where it came from.

Mr. President, I do not desire to take up the time of the Senate needlessly. If there are any questions I shall be glad to try to answer them.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. MURDOCK. Has the Senator computed what the cost would be if the amendment were adopted, based on our present consumption of crude oil?

Mr. THOMAS of Oklahoma. I may say to the Senator that the calculation is not based upon the consumption of crude oil.

Mr. MURDOCK. Has the Senator figured what the total cost would be on the basis of our present consumption?

Mr. THOMAS of Oklahoma. No; I have not made such a calculation, although it could be made. I assume that if we should run out of oil to the same extent that we ran out of rubber we would be very much embarrassed. Having now on hand only a 12-year supply, it seems to me that it is high time to do something about increasing the discovery of oil, if it can be done, and such objective is the purpose of the amendment.

Mr. MURDOCK. Does the Senator believe that discoveries would be very materially affected by a general increase in the price of crude oil?

Mr. THOMAS of Oklahoma. In answer to the question, I may say to the Senator from Utah that I hold in my hand a booklet containing approximately a hundred pages. It represents a compilation of the hearings on the oil situation which were held last year by the Committee on Appropriations.

On page 34 of this booklet I find a table which was prepared by the Oil Institute. It shows the production of oil from 1909 to 1942. In 1920 there were 40,163 wells placed in operation. That was at a time when oil was selling at $3.07 a barrel. More oil wells were brought in during that year than had ever before been brought in in any one year. In other words, during the year in which the highest price was paid for oil, the largest number of wells were brought in. In 1920 the number of productive oil wells drilled during the year was 24,278. That was the largest number of new wells ever drilled in any one year. So I submit, in answer to the Senator's question, that the record shows that when oil was being sold at $3.07 a barrel, more oil wells were brought in than had ever been brought in in the history of oil production.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. A while ago I spoke of Somerset light oil produced in my State selling for $1.33 a barrel. That same oil sold at the conclusion of the last war for $3.50 a barrel. Other oil throughout the country sold at slightly higher prices than those prevailing at the present time. As I recall, the price of gasoline to the consumer at the time to which I have referred was not much higher than it is now. Of course, there is this difference to be considered: Taxes on gasoline are now higher than they ever were before. At the time to which I have referred taxes on gasoline were practically nothing. The Federal Government had not yet entered into its program of taxing gasoline, and the States had not increased their gasoline taxes to any great extent, all of which accounts for the fact that gasoline now sells almost as high, considering the lower prices for crude oil, as it did back in the 1920's when crude oil was selling at a much higher price. Does that statement constitute a legitimate analysis of the relative difference between the present price of gasoline and oil and the price in effect during the period which I have mentioned?

Mr. THOMAS of Oklahoma. I think it does. Of course, labor costs are now higher than they were during the former period. The State taxes on gasoline are higher now than they were then, and at that time there was no Federal tax whatever on gasoline. All those items must be added to the total cost which the consumer has to pay.

Mr. BARKLEY. If the Senator will yield further, allow me to ask him this question: Suppose that the price of $1.17 oil should be raised under the Senator's amendment to $1.83, and that the price of the $1.43 oil should be raised to approximately $2, what would be the reflected difference in the price of gasoline to the public?

Mr. THOMAS of Oklahoma. It would be from 1 to 3 cents a gallon, according to the estimate of the refiners. Of course, the cost of gasoline to the consumer would be increased.

Mr. BARKLEY. When the Senator speaks of from 1 to 3 cents a gallon, does he mean that some grades would be increased 1 cent and other grades would be increased three?

Mr. THOMAS of Oklahoma. With reference to that point, I am not in position to be definite.

Mr. BARKLEY. The increase would be the same regardless of the grade of oil from which the gasoline was refined, would it not?

Mr. THOMAS of Oklahoma. There are different brands of gasoline.

Mr. BARKLEY. Yes; but frequently more than one brand comes from the same grade of oil.

Mr. THOMAS of Oklahoma. At the present time the wholesale price of gasoline is 6 cents a gallon. The premium grade, which means a higher quality of gasoline, sells for 6¾ cents at wholesale. There are 42 gallons of oil in a barrel. The refiners are able to obtain on the average 18 gallons of gasoline from 1 barrel of oil. It has been estimated by the refiners with whom I have talked that the price of the cheaper grades of gasoline would perhaps not be raised as much as the price of the higher grades. On

the market it is possible to obtain various grades of gasoline. During ordinary times a person could buy at a filling station low or high quality gasoline. Some of the well-known brands of gasoline have cost 2 or 3 cents a gallon more than the cheaper brands.

Mr. President, in further answer to the question asked by the Senator from Utah, I wish to place in the RECORD the following information which shows the trend of exploratory drilling results.

In 1938 there were 6,442,000 barrels of new oil discovered. That was oil coming from wildcat wells.

In 1939 the volume dropped to 4,209,800.

In 1940 it had dropped to 3,129,000.

In 1941 the drop was down to 717,700 barrels.

In 1942 it was 643,000 barrels.

In other words, during a period of 5 years the production of new oil had fallen from more than 6,000,000 barrels a year to less than 1,000,000 barrels a year.

Mr. VANDENBERG. Did not priorities on steel have something to do with that, along with the price?

Mr. THOMAS of Oklahoma. No. It is my understanding that there is no difficulty in obtaining priorities for the development of new oil fields. It is not possible to get them for drilling in old territory, but for approved new fields no priority has been required. The War Production Board realizes the importance of new production, and it has made it easy. The trouble is that the price of oil is so low that men who have money will not risk it, and those who do not have money simply cannot drill.

The next list I wish to place in the RECORD is that showing the total number of wells completed during the period 1937 to 1942.

In 1937 the total number of oil wells completed was 22,481.

In 1938, it was 18,544.

In 1939, it was 17,687.

In 1940, it was 19,225.

In 1941, it was 19,472.

In 1942, 2 years ago, it fell to 10,954.

The next table I wish to have in the RECORD shows the amount of production from these wells.

The average initial oil production, in barrels daily, for all the wells completed, was as follows:

In 1937, 24,222,121.

In 1938, 16,872,701.

In 1939, 10,512,729.

In 1940, 10,227,178.

In 1941, 8,822,500.

In 1942, 2,841,300.

The average initial production per well was as follows:

In 1937, 1,077 barrels.

In 1938, 909 barrels.

In 1939, 594 barrels.

In 1940, 532 barrels.

In 1941, 453 barrels.

In 1942, 259 barrels.

The trend in the decline is positive. Fewer wells are being drilled, smaller fields are being found. It seems to me that precaution should be taken, and that something should be done to stimulate exploration in an attempt to find more oil.

The record further shows that the higher price will accomplish that result, and for that reason I have offered the amendment to increase the parity price, and then to provide that no agent of the Government may fix a selling price on oil below 90 percent of parity. I submit the amendment for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

Mr. CONNALLY. Mr. President, I do not care to take up much of the time of the Senate on the pending amendment. The Senator from Oklahoma has outlined very clearly the important considerations involved. Primarily, the purpose is to stimulate the production of oil. That involves, incidentally, a slight increase in the price of petroleum.

I happen to be a member of the special committee the Senate has appointed to investigate the entire oil situation, under the able chairmanship of the Senator from Connecticut [Mr. MALONEY], and if the Members of the Senate could have heard the testimony which has been adduced before the committee, they would realize that oil has become a world product, and now that all the nations of the earth are reaching out, and after the war the contest will be much more vigorous, to get command of the oil resources of the world.

The Oil Administrator, Secretary Ickes, as Senators know, on two or three separate occasions has made a thorough survey of the oil situation with regard to price, and has made recommendation that there be an increase in the price of crude petroleum, but his recommendation failed to secure the approval of the authorities in the O. P. A. and Judge Vinson's office.

Mr. President, as has been so well pointed out by the Senator from Oklahoma, the present ceiling price of oil, which means an average of all grades of oil, some selling above the price and some below, is $1.17. That figure is only 64 percent of parity. The prices of other commodities cited by the Senator from Oklahoma equal parity; some of them exceed parity. I see no reason whatever why oil should not receive the same degree of consideration, as to the fairness of its price, that other commodities receive.

I do not own a gallon of oil, and I am not interested in any oil company, much to my sorrow and regret, and I have no personal interest in this matter, but normally my State is the producer of large quantities of oil, and in my contacts with the oil interests, the independents particularly, I have learned that the prices of their materials, the price of their drilling machinery, of their pipe, and of every element that goes into the cost of producing oil, have risen greatly since about the time of the beginning of the war.

Labor costs have skyrocketed; labor is scarce at the present moment, and those familiar with the oil business represent to me that at the present levels they cannot bring about a greater volume of wildcat production. The Senator from Oklahoma is correct in saying that the great mass of the initial production of oil is done by the wildcatter. He is the one who ventures forth and discovers a field, and after it is proven the large companies move in and acquire leases within the field. The large companies do some exploring, but they depend very largely for exploration and pioneering on the small, independent operators.

Mr. President, in my State there is an organization called the railroad commission. Under our laws it has jurisdiction of oil and gas. That commission has made very careful surveys, and has on a number of occasions represented to me that it thought it necessary, in behalf of increasing production and really conserving some of the fields which are now in existence, some of the stripper wells, to increase the price. A stripper well occurs where flush production has already been enjoyed and a well produces only a few gallons a day, which must be pumped. The operating costs for that kind of a well are very high. Yet the total production of stripper wells constitutes a very considerable portion of the volume produced in the United States, because there are so many of them. Like Lincoln's poor people, God must have loved them, because he made so many of them.

Mr. McCLELLAN. Is it not also true that the stripper wells cannot be closed down and reopened, that once they are closed the loss is permanent?

Mr. CONNALLY. Whenever a stripper well is closed salt water or something else seeps in, and the well never can be reopened profitably; it is gone. A stripper well, with the high operating costs, unless the operators obtain a fair price, cannot operate, and unless a fair price were provided, many of the stripper wells would pass out of existence.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MURDOCK. Would it not be possible to subsidize the stripper wells, and take care of them in that way, instead of having the general rise in price that is contemplated by the amendment?

Mr. CONNALLY. That could be done, and I think that is being done to some extent.

Mr. BARKLEY. If the Senator will yield, that program has not been inaugurated.

Mr. CONNALLY. It has been talked about.

Mr. BARKLEY. I conferred a day or two ago with Judge Vinson about this problem. It was due largely to his disapproval of the recommendation of Secretary Ickes that the 35-cents-a-barrel increase was not put into effect. The authorities are now considering approaching the subject from the standpoint of taking care of the stripper wells to which the Senator has referred. What will be adequate I do not know, but they are giving the subject consideration, and I understand sympathetic consideration.

Mr. CONNALLY. I thank the Senator from Utah for his suggestion.

Mr. President, I have no hesitancy in admitting that if one man cannot do something at a certain income level, and his case is fixed by handing him some free money, of course that suits him. But that does not suit all the others engaged in the industry who are undergoing perhaps not so great a hardship as the stripper, but are themselves going to arrive at the stripper's state sooner or later.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MOORE. Commenting on the suggestion made by the Senator from Utah about subsidizing the stripper wells, the industry well knows, for the matter has been thoroughly explored, that it is so impractical that it would be impossible to do it without tremendous overhead.

Mr. CONNALLY. It would involve a tremendous administrative cost.

Mr. MOORE. It is like many other things in connection with regulating prices; it would produce evasions and practices of that kind.

Mr. CONNALLY. Yes.

Mr. MOORE. I should like to say, with the Senator's permission, in his time, if I may——

Mr. CONNALLY. I have no assurance of time. Proceed, Senator.

Mr. MOORE. I only wish to say that I approve of the amendment. Like many other Members of the Senate, I do not generally approve of fixing prices by legislation, in fact, I am very much opposed to it; but as the Senator from Texas and the Senator from Oklahoma and many other Senators know, an increase in the price of oil has been overdue for a long period of time.

The Petroleum Administrator for War has repeatedly, as has been stated, recommended an increase in the price of oil for reasons set forth. This matter has been submitted to every executive agency that has had jurisdiction of it, and to every Member of Congress considering the matter, and there never has been a single instance when the members of the committees have not been thoroughly convinced of the justice of the proposed increase in price. Therefore I am endorsing and approving the amendment, because the increase in price can be obtained in no other way.

Mr. CONNALLY. I thank the Senator. He says he is generally opposed to fixing prices by law. I suppose most of us are. But the purpose behind the whole of the O. P. A. legislation is to fix prices by law. We do not pass a separate statute with respect to each commodity, but when we vest in an agency or a bureau the power to fix prices, the prices are fixed by law. In many cases instead of Congress making the law, the bureau makes the law, but it is no less a fixing of prices by law when the cases are all placed in one hopper than when individual cases are picked out and statutes passed with respect to them. We are not now proposing to pick out individual cases, but to make a general rule.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. I wish to correct a statement I previously made. A moment ago I suggested that the O. P. A. and Judge Vinson were considering dealing with the stripper wells—by way of a subsidy. I do not know that it is by way of subsidy. I have the impression that it is by way of an increase in the price, but it may be by a subsidy.

Mr. THOMAS of Oklahoma. An increase of 30 percent.

Mr. BARKLEY. Thirty percent. Let me ask the Senator from Texas a question. I object, and I do not suppose I have to reiterate my objection, to Congress by law fixing prices of anything. I do not think we are any better qualified to do that than we are to fix the railroad rates. For that reason we have created an Interstate Commerce Commission to fix railroad rates. We have created a a tariff commission to fix tariff rates. We have done that because of the difficulty, if not the impossibility, of Congress en masse getting the information upon which scientifically we can act.

I wanted to ask the Senator this question: Since the Bankhead amendment in regard to cotton has been adopted by the Senate and it has been placed in the bill, it leaves less ground to stand upon for those who, on account of principle, objected to it for the same reason might object to the pending amendment and to other amendments dealing with specific commodities. I do not know what the House will do. I do not know whether a similar proposal will be contained in its bill when it comes to the Senate. I understand the House has already defeated an amendment similar to the Bankhead amendment which was submitted to the O. P. A. bill which is there now under consideration. If the House bill should be passed without such an amendment as this, the subject would be in conference. If both Houses act favorably upon it, it will not be in conference.

Mr. President, all of that leads to this: What comparison and what relationship does the Senator from Texas feel exist as between natural products which are limited in quantity and cannot be increased by any of the genius of man? All man can do is to find more of them if they are in existence, but he cannot create oil or coal or copper. When the wages of coal miners were increased last year, I think 22 cents a ton were added to the price of coal in order to absorb the increase in the cost of production. That, of course, was an official recognition by agencies of the Government of a wage increase sanctioned by the Government, and therefore they reflected it in an increased price for the coal which was produced. Now we know there has been an increase in the wage rate of those who work in oil fields, but that may not have been sanctioned by the Government. It may have come about by force of circumstances.

Mr. CONNALLY. That is correct.

Mr. BARKLEY. How does the Senator in his own mind compare the situations, one being an official recognition of an increase in wages by the Government to one type of producers of a natural product, and another an increase which had been brought about by force of circumstances, which is just as effective as if it had been sanctioned by the Government, being reflected also in a comparative increase in the price of the product produced?

Mr. CONNALLY. I thank the Senator. The point he has made is a very valuable one. In the case of the production of oil I know that the cost of labor and production have both gone up, but I do not think in any case that has ever been called to my attention that the increase in wages was the result of any Government action or the action of any board. It was because of the shortage of manpower and the attractive wages paid in other industries. It was difficult to secure sufficient manpower to drill the wells, and when the operators did secure the manpower they had to pay higher wages.

On the other hand, let us consider the coal situation. Coal is sometimes regarded as a competitor of oil. I do not see the Senator from Pennsylvania present. I presume he will not take serious umbrage at that statement. But in the case of coal when the miners demand and receive an increase in their wages, then the Government automatically lifts the price of coal, and the consumers must pay the additional price. But in the case of oil we are told "No, we froze you back yonder in 1941, and when frozen you have got to stay frozen. We have given you the "Birdseye" treatment, and you have got to keep it up."

Mr. President, that is not a fair method of treating the two industries. Everyone knows that the price of coal has just been raised, and the increased price was passed back to the consumer, and then the money was handed over to the miners, They vote in quite large numbers, as Senators know.

Mr. President, I was saying a moment ago that in Texas we have a railroad commission whose functions include the regulation of the transportation of coal and gas, and the regulation of production, and the determination of how many wells can be drilled on how many acres, and how many barrels can be produced after the operators strike oil. I have a telegram from each one of the members of that commission urging that this amendment be adopted. They have communicated with the members of committees of the House and the Senate. They have communicated almost daily, in conference, with the Oil Administrator for War. They favor and approve the action of Secretary Ickes, as Oil Administrator, in heretofore seeking an increase in the price of oil.

The chairman of that commission in Texas is the Honorable Beauford H. Jester. I have received a telegram from him, under date of June 1. I will not place it in the RECORD, because I do not wish to encumber the RECORD. I have received another telegram from the Honorable Olin Culbertson, railroad commissioner of Texas, under date of June 1.

While I do not have it at hand at the moment, I have also received a telegram

from the other member of that commission, the Honorable Ernest O. Thompson, who was formerly chairman of the commission, strongly urging adoption of the amendment. I have also received numberless letters and other communications from him and the other members, from time to time.

Now let me address my remarks to the Senator from Kentucky, because I wish to answer his question and the question asked by another Member of the Senate. I may state that what I shall say is not particularly serious, so the Senator can continue to talk to the Senator who sits near him, if he wishes to do so.

Mr. BARKLEY. Mr. President, whatever the Senator says is always serious, even if he does not mean to have it so.

Mr. CONNALLY. The Senator from Kentucky made the point that there is a difference between commodities the sources of which are exhaustible and other commodities. He pointed out that once the source was exhausted, no more could be obtained. He also pointed out that in the case of oil, all one had to do was to find it. Let me tell the Senator that when anyone tries to find oil he undertakes a tremendous job. In my State, after the location of a well is selected, it is often necessary to drill the well 12,000 feet deep in order to reach the oil. We have a number of wells 12,000 feet deep or more. That means the operator must pay $125,000 or more just for the drilling of the well. We have numerous wells 8,000 or 9,000 feet deep.

I see the Senator from Oklahoma [Mr. MOORE] is smiling. Let me ask him if what I have said is not true?

Mr. MOORE. I understand that it is true.

Mr. CONNALLY. In fact, there are slanting wells in Oklahoma. I understand there is an oil well under the State House in the capital of Oklahoma, and that in order to get to the well the drill was slanted, so that it punctured the pool under the statehouse. Is that true?

Mr. MOORE. I think it is.

Mr. CONNALLY. The Senator from Oklahoma should know.

Mr. President, I do not wish to take up any more of the time of the Senate.

Mr. BARKLEY. Mr. President, I hope the Senator does not imply that the Senator from Oklahoma has a slant on the situation like that one.

Mr. CONNALLY. Under the circumstances under which he got here, I think he has a slant on the whole State, or the State has a slant on him, one way or the other. [Laughter.]

At any rate, let me say that I shall vote for the amendment, on the ground that it will aid in increasing the production of oil at a time when it is needed for war purposes as never before, and because it will be needed after the war comes to an end. The Senator from Utah, as I recall, mentioned a subsidy. I do not like subsidies in principle. I do not see why the Government should pay a subsidy to help a person get cheap gasoline, so that he may run up and down the roads and wear out the roads we are building. I do not see why he should not pay for the value of the gasoline, if he is going to get it.

Incidentally, of course, I should be willing to pay for more gasoline than I am getting now, if I could get it. [Laughter.] But that is beside the point.

The taxpayers are under no obligation, as I see it, to pay a subsidy. Of course, the payment of a subsidy would be justified if the Army and the Navy, for instance, had no other way to obtain a supply of gasoline. I will say to the Senator from Utah that would be entirely justifiable; even though it would be out of the ordinary line of thinking, I would have no disagreement with that view.

Mr. MURDOCK. Mr. President, will the Senator yield at that point?

Mr. CONNALLY. I yield.

Mr. MURDOCK. In the production of copper, lead, and zinc, instead of providing a general price increase, the high-cost operators of producing those commodities were granted subsidies, and thus the needed production was obtained. But at the same time the line was held on the high-price ceiling.

I wonder if the desire is to get the stripper wells into production, and to keep them in production.

Mr. CONNALLY. That is one of the desires.

Mr. MURDOCK. I wonder how much more economical it would be to subsidize the stripper wells, rather than to grant to all the large oil corporations a general increase in prices, when today they are making more millions than they have ever before made in all their history.

Mr. CONNALLY. I will answer the Senator.

Mr. MURDOCK. Of course, by increasing the price of oil, we would increase the price of the most important article which is used in the entire war program.

Mr. CONNALLY. Oil is no more important in the war effort than copper.

Mr. MURDOCK. No; but we are holding the line on copper, and we are subsidizing the high-cost producers.

I am willing to do that if it is necessary. If someone would simply give the figures, regarding what the adoption of this amendment would cost the country over a period of a month or a year, in view of the tremendous profits which now are being made by the oil companies, I doubt that the amendment would be adopted.

Mr. CONNALLY. Very well; I shall answer the Senator. He is thinking only in terms of dollars, in terms of how much the adoption of the amendment would cost the people of the country. I do not know what it would cost them; but the gasoline and oil should cost them what it is worth. That should be the cost to all organizations, whether large or small. If the doctrine which is to be applied is based on the question of how much the cost will be we should insert a provision cutting all prices in half, and thus save considerable money to everyone.

Mr. President, the Senator from Utah has referred to the large profits made by some of the oil companies. I think some of the oil companies are making large profits.

Mr. MURDOCK. They are making the largest profits in their history.

Mr. CONNALLY. At this time I shall revert to a discussion had earlier today. A while ago I endeavored to point out that the oil in question is discovered by the wildcatters, the operators of the small companies. They risk their money. Whenever they find an oil field the large companies move in and buy it.

I understand, although I have not seen the figures, that some of the large companies are making great profits. But they are doing it by the manufacture of high-octane gasoline and by the sale of it to the Government, at a high price, for the Army and the Navy. They are making their profits on the subsidization of their program for the manufacture of synthetic rubber, in connection with which the Government has been building the plants and turning them over to those companies. They are making it in the refining operations in which the small operators do not engage. They are making it from their pipe lines, which the small operators do not have. The larger company is an integrated company. It has some oil production of its own, and also has the oil it buys from other oil producers. Then it has its refinery outlet for all grades of gasoline, first, and for lubricating oil, crude oil, and a dozen other distillates and petroleum products. It makes some profit on all of them. Then it has its own pipe line, in which it not only transports its own oil and gasoline, but transports oil and gasoline for other companies; and it receives a high profit from the operation of the pipe line.

The small operator has only a small well somewhere out in the country. When he sells the oil he obtains from that well he is through.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. I should like to ask the Senator from Texas and also the Senator from Oklahoma whether under the pending amendment it would be possible for the Government, through the O. P. A. or the War Department, the Navy Department, or any other governmental agencies, to compel the larger companies which are making unaccustomed profits from the refining of oil to absorb any part of the increase in the price of crude oil, so as not to pass all of it on to the public in the form of an increase in the price of gasoline and in the prices of other petroleum products.

Mr. CONNALLY. Mr. President, I never like to interpret another Senator's amendment. Therefore I yield to the Senator from Oklahoma. I do not desire to embarrass him.

Mr. THOMAS of Oklahoma. Mr. President, it is my understanding that if the amendment should become a part of the law, the O. P. A. then would proceed to fix ceiling prices on the derivatives and products of oil.

Mr. CONNALLY. That is correct.

Mr. THOMAS of Oklahoma. That is not now being done. Today the ceiling price is placed only on crude oil, and the

price of gasoline and the price of other products of oil is permitted to be governed by the contracts between the producers and the consumers.

The pending amendment would require the O. P. A. not to fix the ceiling price below 90 percent of the parity price, and then to proceed to fix the ceiling prices on other oil products or derivatives in harmony with the price for the crude oil.

Mr. CONNALLY. That will reach the problem.

Mr. BARKLEY. In other words, the answer to my question is, "Yes; the O. P. A. could do that"; is that correct?

Mr. CONNALLY. That is correct.

Mr. BARKLEY. The Senator said the average price of crude gasoline at the refinery is 6 and a fraction cents a gallon.

Mr. CONNALLY. The price is 6 cents a gallon, and for the premium grade it is 6⅓ cents a gallon.

Mr. BARKLEY. In other words, the gasoline station at the corner of the road pays 6 and a fraction cents a gallon for the gasoline it sells. It sells that gasoline for 15, 16, 20, and in some cases as much as 25 or 26 cents a gallon, depending on the amount of the State and Federal taxes. I do not think any State tax is more than 7 cents. Added to the cost of 6 cents is a State tax which on the average probably is 3 or 4 cents a gallon. If we add that 3 or 4 cents, or if we assume that the tax in the various States is 4 cents, on the average, or even 5 cents, and if we add the Federal tax, we arrive at a price of approximately 11 cents a gallon which the retailer pays for the gasoline he sells to the public for 15, 16, and in some places as much as 21 or 22 cents a gallon.

Mr. CONNALLY. That is correct.

Mr. BARKLEY. It seems to me that somewhere in that process there ought to be an absorption of the increased price of oil. It seems to me that it could be done without much injury to the public which is buying gasoline, if the O. P. A. has full authority to deal with that situation.

Mr. CONNALLY. Mr. President, I am glad the Senator asked the question, because the Senator from Oklahoma [Mr. THOMAS] very clearly pointed out that under the terms of this amendment the Office of Price Administration would be able to regulate a field which it is not now regulating. If the price ceilings on lubricating oil and all the other by-products of oil are reduced, there will be no opportunity for high profits in refining; and, as the Senator suggests, the price of gasoline itself can be regulated.

I do not wish to take up any more of the time of the Senate. I am supporting this amendment because it would aid in stimulating the production of crude oil when we need it. It would give recognition to the policy of parity, which the Congress adopted in solemn statutory form years ago. That is our policy, and all we are seeking to do is to implement that policy by saying that the Administrator shall observe a certain standard. We are not fixing the price by law. We are simply setting up a standard, a measurement, a yardstick for the guidance of the price-fixing agency.

I think we have clearly demonstrated that the costs of production have vastly increased. Everyone knows that to be so. Every cost entering into the production of an oil well has increased, and it is only fair that producers should receive 90 percent of parity, when the theory of the parity law was that they should receive 100 percent.

Mr. CAPPER. Mr. President, in the measure pending before the Senate there is now a specific provision intended to guarantee cotton producers parity price for cotton, as I understand it. I have no quarrel with that provision. I supported it. I believe in the principle of parity prices for farm commodities. Cotton is entitled to the favorable consideration we gave it today. But we have another natural resource in this country for which there is a great demand. While cotton has been selling at close to parity for several years, crude petroleum has been selling at prices far below any possible parity formula that can be fairly computed.

Therefore, if only in the interest of fairness and equity, the Office of Price Administration should be instructed by the Congress to provide increased prices for crude petroleum.

But more than equity is involved. The present prices for crude petroleum, based on the price level of around 1937, while most other prices are based on the levels of 1941 and 1942, are not sufficient to operate thousands of stripper wells at cost. Hence these wells are being abandoned. Once abandoned, they are through pumping oil forever. Water comes in and takes the wells, and that petroleum is lost. The time is coming when even the United States cannot afford to throw away its reserves of petroleum.

I am supporting the amendment for an increase in the price of crude oil, in the interest of national defense, and in the interest also of conserving this great natural resource, as well as in the interest of the small independent producers who are being eliminated from production by the present unduly low prices enforced by the Office of Price Administration.

In this connection, Mr. President, I ask to have printed at this point in the RECORD a statement by Mr. Russell Brown, general counsel for the Independent Petroleum Association of America, dated June 2, 1944; an article from the Wichita (Kans.) Beacon, published May 20, 1944, with an accompanying letter from Arthur L. Vermillion, executive vice president of the Union National Bank of Wichita, Kans., giving the views of W. B. Harrison, president of the Union National Bank and vice chairman of the Kansas Industrial Development Commission; also an interesting communication from W. L. Hartman, an independent oil producer of Wichita, Kans., giving valuable statistical information on Kansas oil production; also a telegram from former Governor Payne Ratner of Wichita, and other telegrams received by me in the past few days on this very important subject.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA,
Washington, D. C., June 2, 1944.

To the Members of the Congress of the United States:

The independent producers of petroleum have proposed to the Congress, during the hearings before the Banking and Currency Committee, an amendment to the price control law, the purpose of which is to correct the petroleum shortage. We respectfully request your earnest consideration and support of such amendment.

In a collection of charts which the Office of Price Administration sent to Members of Congress, accompanied by a letter bearing date of May 17, it was asserted that "proposals to increase the price of crude petroleum have been based upon these claims" (then followed four statements).

The statements failed to include the one which is of greatest public concern, present shortage of oil. That consideration has been emphasized in the representations made by the oil producers.

An elaborate reply would be required to refute the contentions made in the 20 pages of charts prepared by the O. P. A. We shall here confine ourselves to the four propositions stated on page 2 of the booklet. On the following four pages are the "claims" as stated by O. P. A., with our comment thereon.

Respectfully submitted.

RUSSELL B. BROWN,
General Counsel.

Claim No. 1: That petroleum reserves are being exhausted—producing a shortage of crude oil.

Contrary proof offered by O. P. A.: A graph showing increase in estimates of proved reserves from 1937 to 1943, with a small decline in 1943.

The facts: It is producible oil, not total estimated reserves, that is the basis of supply. There is a present shortage of producing ability and a substantial refining capacity that is idle because of lack of crude oil. There is a steady drain on oil in above-ground storage. The rationing program and the shameful black market eloquently testify to shortage.

"On May 3 we received a request from the Joint Chiefs of Staff for an immediate increase in the production of oil from Elk Hills from the present rate of 15,000 barrels a day to 65,000 barrels a day * * *.

"I need not add that we in the Navy had hoped to conserve the Elk Hills Reserve with only nominal withdrawal throughout. But we have been forced to the reluctant conclusion that a large increase in production is now imperative." (Assistant Secretary of the Navy Ralph Bard.)

Claim No. 2. That a price increase is needed to stimulate the drilling of new wells.

Contrary proof offered by O. P. A.: A chart showing that wildcat drilling was greater in 1943 than in the 6 previous years, an estimate of the number that may be drilled this year, and a statement that shortage of materials and manpower, not inadequate price, was responsible for the decline in drilling of wells other than wildcats.

The facts: Wildcat wells is not a complete answer. Development wells must be drilled. The yearly average of producing oil wells drilled for the years 1940–41 was 19,160; for the years 1942 and 1943 it was 10,032 wells, approximately one-half of the preceding 2-year average, while demand for oil was increased greatly.

The number of wells actually drilled in 1942–43 in areas unrestricted by regulations declined sharply from previous years.

Total number of wells recommended by the Petroleum Administration as this year's program is 24,000. Deputy Administrator Davies recently testified that he doubted that they would do better than 22,000.

Materials, manpower, and price are the important elements of a production program. Price will go far to overcome the shortage in the other two. That is the experienced judgment of our industry.

Claim No. 3. That a price increase is needed to keep stripper wells in operation.

Contrary proof offered by O. P. A. A page of statistics labeled, "Well abandonment at very low level in price-control years." The table shows a lower rate of abandonments in 1943 than in any year since 1939.

The facts: A careful and comprehensive survey—not a computed estimate—now being made by the Interstate Oil Compact Commission and the National Stripper Well Association, will reveal, according to the president of the latter organization, that more wells were abandoned in 1943 than in the previous year; the 1942 total was 10,541, according to the same authorities, not the 7,600 shown in the O. P. A. tabulation. Official notice of this problem was taken on April 21, 1942, by the Petroleum Coordinator for National Defense, and in recommendation No. 47 required 30 days' notice of the intention to abandon wells capable of producing 1 barrel or more per day and reserving the right to disapprove.

Despite its claim that well abandonments are decreasing, O. P. A. has proposed a subsidy to prevent abandonments.

Claim No. 4. That present prices are a hardship upon producers.

Contrary proof offered by O. P. A.: Graphs of "profits of 12 large crude-oil producers" and of 10 major companies. As to the latter, the profits figures shown by O. P. A. do not agree with the published statements of the companies.

The facts: The fact that 10 or 22 companies selected by O. P. A. are making profits does not answer the problem. The thousands of oil producers throughout the United States are the measure of the success or failure of the producing industry. According to the published reports of the Treasury Department of the United States, a majority of companies engaged only in production of oil were losing money even before the addition of wartime costs and difficulties.

UNION NATIONAL BANK,
Wichita, Kans., May 26, 1944.

The Honorable Mr. ARTHUR CAPPER,
Senator of Kansas,
Senate Office Building,
Washington, D. C.

DEAR SIR: We are enclosing herewith a very timely article on our oil situation written by Mr. W. B. Harrison, president of our bank. Mr. Harrison is thoroughly familiar with our immediate problems affecting our oil industries, more particularly the developments of new fields, which means the increasing of our oil reserves.

We humbly pray that you will give immediate consideration to an increase in the price of crude oil in order to hasten the successful conclusion of the present war and to perpetuate one of the greatest American industries in the post-war period. New fields can only be discovered and developed by increasing the price of crude oil, and the present price does not afford the proper spread between the cost of drilling new wells and the price of crude oil. Drilling costs have increased many times during the past few years, while the price of crude oil has remained at a fixed price.

If there is any additional information you desire on this subject we will be glad to furnish same, as we want to do everything we can to cooperate in the proper evaluation of the many problems confronting the oil industry.

Very truly yours,

ARTHUR L. VERMILLION,
Executive Vice President.

[From the Wichita Beacon of May 20, 1944]

CRUDE DEVELOPMENT HALTED BY LOW PRICE

(By W. B. Harrison, president, Union National Bank, Wichita, and vice chairman, Kansas Industrial Development Commission)

The oil business means so much to Kansas that we cannot afford to let erroneous information regarding the present status and future prospects of this great industry gain general circulation in the United States. At present there is widespread prediction that the Nation's supply of oil is about to be exhausted.

Based on this erroneous belief, we find the eastern seaboard States, which have always clamored for cheap oil for fuel purposes, planning to open flood gates for foreign crude into the United States immediately after the war. We also find the Government itself planning investment of more than $100,000,000 in a pipe line in Arabia to facilitate transportation of Arabian oil into the United States.

Either of these moves would directly affect the oil industry in Kansas and the Southwest, with a strong tendency to lower the price, although the price is now far too low, and neither of the moves contemplated is based on facts. They are based only on suppositions which can easily be proved to be unwarranted.

PREVIOUS FALSE ALARMS

This is by no means the first time that the cry has been raised that the United States' supply of crude oil is being exhausted. Within my own memory the same assertion has been made by Government officials loudly and insistently at three distinct periods in the last 40 years. In 1908 the United States Geological Survey estimated that the maximum oil resources of the United States was 24,500,000,000 barrels. Some 2,000,000,000 barrels in excess of that amount has been produced since that estimate was made, and there is general agreement that we have at least 20,000,000,000 barrels now in known reserves.

In 1919 the same Government bureau estimated that the total amount of oil in the ground for future use was a little less than 7,000,000,000 barrels. In the 25 years since that estimate was made there has been discovered in oil reserves more than five times this amount, and new discoveries are constantly adding to these, though not nearly as fast as would be the case if the price of crude had increased with the cost of discovery wells.

KANSAS' ESCAPE IN 1931

In 1931 the writer, together with other representatives of the oil industry in Kansas, journeyed to Washington several times to present arguments for the imposition of an excise tax on oil imports. At that time the Government again came forward with very serious predictions of an oil shortage. Mr. Lyman Wilbur, then Secretary of the Interior under President Hoover, gave out an interview to the press in which he stated that the then known oil reserves in Kansas should not be tapped for 50 years, but should be kept in the ground so that the Government would have a sure supply of oil for the Navy and other operations. And, mind you, this was before the discovery of the rich fields in Barton, Ellis, Rooks, and Barber Counties, and in some other sections of the State. If Secretary Wilbur's policy had been adopted the oil industry in Kansas would have been strangled to death before it had reached its adolescent period. It has not yet grown to full manhood.

PLENTY OF CRUDE AVAILABLE

In view of the above facts it is not presumptive to say that the record of the Government bureaus on the available supply of crude oil does not warrant confidence in their present prediction. No one knows or can know how much oil can be found in the United States when the prospective oil producing lands have all been tested and those found productive have been developed. It is, however, the sincere belief of many well-posted men in the industry that enough oil can be found by normal exploration operations to supply the needs of the United States for centuries. During the past month a very promising field has been opened in Mississippi, an entirely new area from which it is quite possible that hundreds of millions of barrels of oil may be recovered.

No one has any idea how much oil Kettleman Hills can produce, but those who are familiar with that territory estimate a vast amount of oil available there when it is needed. Oil lands along the Gulf Coast and the Atlantic and Pacific coasts produce much more heavily per acre in some cases than any of the interior oil lands, like Kansas. One small tract in California has already produced 3,000,000 barrels of oil per acre, and is still producing prolifically after 15 years of production.

Kansas has many thousands of acres of undeveloped lands that are considered good prospects for oil when drilled, but drilling costs have increased materially during the war period; the price of oil has not increased, the number of wells being drilled is falling off accordingly, and there is no way of estimating how much Kansas can produce in oil during the next 25 to 50 years until this exploration work is done.

Any estimate by Government bureaus or by anyone else of what Kansas can contribute to the oil reserves of the country is likely to be far under what future developments will show, because such an estimate would be based on what is known today and not on the results of exploratory operations. Wyoming is now getting a big play in oil development and is likely to greatly add to the known oil reserves. It is only a few years since Michigan and Illinois produced practically no crude; today they are heavy producers. Nebraska, the Dakotas, Colorado, and Montana are now considered good prospective oil territory. There are large sections of Texas, especially along the coast, that are believed to be good prospects for heavy production.

Some 22 States are now producing oil, and the proven oil territory is extending every year. It is passing strange that the Government is willing to spend more than $100,000,000 on a wildcat project in Alaska, and an equal amount on a pipe line in Arabia, either of which projects may get us into serious international trouble, but is not willing to permit the price of crude oil to be raised 50 cents a barrel, to be paid for not out of the United States Treasury but by the consuming public, which would probably result in the location of new oil fields within our own borders that would insure an adequate oil reserve for the Nation for several hundred years.

EAST WANTS CHEAP FUEL

It is quite natural that the eastern seaboard manufacturing district, which is a vast consumer and not a producer of fuel oil and gasoline, would like to get this product as cheap as it can, but it is not in the interest of American business as a whole, and certainly would not contribute to the prosperity of the country to permit the importation of cheap oil from Venezuela or Trinidad or Africa or any other foreign port. The oil industry pays high wages even in peacetimes, provides a market for pipe and oil well supplies in the making of which hundreds of

thousands of American workmen are engaged, and in many other respects is a vital link in the Nation's industrial chain. The cry of diminishing reserves which threaten future supply has no basis in fact if the industry is given a proper opportunity to maintain the needed reserves.

In the last 20 years this country has produced 21,500,000,000 barrels of oil, but we still have in proven reserves some 20,000,000,000 barrels; and this in spite of the fact that the percentage of dry holes drilled since the war began is less than in normal years. In other words, although the demand for oil is four times greater in World War No. 2 than in World War No. 1 our effort to find crude oil in new fields has increased only a little more than 10 percent above the same effort in the last war. The statistics plainly show that the risk of drilling is not being taken because the costs of drilling compared with the price of crude oil is out of line. If the price of crude were raised it is fair to assume that there would immediately begin a campaign of wildcatting comparable with such activities in former years, and the results would be seen in new fields opened and new reserves created. Until that has been done, or at least tried, there is no foundation whatever for the claim that we are running out of crude oil reserves and that we must lay plans for foreign importation. The Government's own statistics show that only about one-half of the 15,000 square miles of prospective oil producing fields in the United States have been tested. Besides it should be borne in mind that the prospective oil producing territory is being constantly enlarged. In recent years these additions include, for instance, large sections of Nebraska and the Dakotas. Looking back only 25 years, it was a common saying among oilmen in Wichita that no oil would be formed in Kansas west of Butler County because the "granite ridge" was the dividing line. Yet the big Kansas production has been found west of the dead line designated, and it is now generally accepted that much more will be found when western Kansas is better explored. Would it not be much better to test some more of these good looking prospective oil lands before throwing up our hands and inviting in a flood of cheap oil from abroad?

OVERSUPPLY AGAIN POSSIBLE

Every preceding period of doleful predictions that the oil supply in the United States is being rapidly exhausted has been followed in less than 10 years by an actual surplus of domestic crude, which demoralized the market and sent the price below the cost of production. It is entirely possible that this may happen again, and the writer believes it will if oil men are given a chance to locate the present unknown reserves. In an article in Nation's Business for May by Wallace E. Pratt, internationally known geologist and vice president of the Standard Oil Co. of New Jersey, entitled "We're Crying Wolf in Oil Again," many dependable statistics on the past and probable future production of oil are given which lead up to the inevitable conclusion that "although no one can measure accurately the future oil resources of the United States, there is no evidence that our present proved reserves constitute all, or even the principal part, of total remaining resources. It is doubtless true that we shall some day exhaust our oil resources unless before that day we discover a better or cheaper source of energy, but the end is not yet in sight. Our proved reserves are large, but undiscovered oil fields still constitute our greatest oil resource." Mr. Pratt further estimates that with now processes of producing oil from shale and coal, it is probable that we have reserves in sight to last the country 1,000 years. Many other authorities agree with him.

SOURCES OF POWER CHANGE

Engineers are already promising us a new type engine to be put into production in the post-war period which it is claimed will be many times more efficient than the internal combustion engines or Diesel engines which use large quantities of crude oil, and they predict that the life of the present type of engines will not be more than 50 years. We are therefore faced with two possibilities: First, a supply of crude oil that may last 1,000 years; second, a demand for that crude that may not last more than 50 years.

Under these circumstances does it seem advisable to build pipe lines in Arabia or subsidize imports from Central and South America to guard against a shortage of crude oil until we have made greater inroads on our domestic supply? The Arabian project offers definite danger of no mean magnitude. The proposed pipe line would run through a wild territory where it must be under constant guard by our nationals. That some of them would be killed by the well-known lawless bandits of these districts is hardly open to question. This might well produce strained international relations and result in activites by the Army and Navy that would cost many times the actual investment in the pipe line itself. Why place our foot in such a trap when there is sound reason to believe that adequate reserves of petroleum can be found in the United States by a small increase in the market price of crude oil?

WICHITA, KANS, *June 3, 1944.*

Hon. ARTHUR CAPPER,
United States Senator from Kansas:

Referring to Banking and Currency bill extending O. P. A. and including parity price on cotton, the vital importance of crude oil to the winning of the war and to the maintenance of our necessary civilian economy necessitates an increase in the present below parity price on crude oil in this bill as well as on cotton.

PAYNE H. RATNER.

AUGUSTA, KANS, *June 3, 1944.*

Senator ARTHUR CAPPER,
Washington, D. C.:

We understand that the O. P. A. bill is out of the Banking Committee and ready for Senate and that rider to bill puts cotton on a parity and we ask that you see that oil is protected in the same manner as cotton grown by the southerners.

ROY M. HAINES.

AUGUSTA, KANS., *June 3, 1944.*

Senator ARTHUR CAPPER,
Washington, D. C.:

The oil men of the country have done everything possible toward the winning of the war by increased production at the same price as prior to war. Labor and supplies have increased to O. P. A. bill putting oil on parity same as cotton.

E. C. VARNER.

AUGUSTA, KANS., *June 3, 1944.*

Senator ARTHUR CAPPER,
Washington, D. C.:

It is imperative that an increase in the price of oil should be made so as to encourage production. The O. P. A. bill now out of the Banking Committee protects the South in cotton and it is due the oil men to have a rider protecting oil on a parity basis.

HENRY C. BENNETT.

AUGUSTA, KANS., *June 3, 1944.*

Senator ARTHUR CAPPER,
Washington, D. C.:

The Government has maintained the price of oil same as prior to the war. A rider has been attached to the O. P. A. bill putting cotton on a parity and this is the opportune time for an oil rider to the bill. Will appreciate your interest.

SIMON COHEN.

HUTCHINSON, KANS, *June 3, 1944.*

Senator ARTHUR CAPPER,
United States Senate,
Washington, D. C.:

You and your Kansas colleagues are beyond preadventure of any doubt fully familiar with the necessity for an increase in the price of crude oil, as all costs in connection with exploration, development, and production have increased tremendously over the last 3 years. Since the Banking and Currency Committee has reported out a bill which, among other things, calls for periodical adjustments of the market price of cotton to parity, we strongly advocate an amendment thereto with a similar provision affecting intermittent adjustments of the market price of crude oil to parity. All operators with whom I have talked within this area are exceedingly anxious that you give fullest support to such a movement.

CARL HIPPLE OIL CO.,
By CARL HIPPLE.

WICHITA, KANS., *June 3, 1944.*

Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.:

We have been established in the proposed amendment on cotton. We ask for your support on a similar amendment for oil.

KARL F. FISHER.

WICHITA, KANS., *June 1, 1944.*

The Honorable ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR CONGRESSMAN CAPPER: I sent you today a telegram, a copy of which is enclosed.

The independent producer has been fighting for a fair price for crude oil constantly, since the Office of Price Administration came into existence. Up to this time the Office of Price Administration has failed to recognize the difference between a producer and their problems, and an integrated company that depends largely upon buying the producers' crude, running it through their pipe line, processing it, and distributing it to the public or the Army and Navy, for their profit or loss.

I believe that unless the Office of Price Administration is forced to do so through congressional direction, they will continue to ignore the plea of the individual producer for a fair and living price for crude oil.

I also believe you should give due consideration to the individual producer's plight, as the records will show that in Kansas, up to June, 1943, 75 percent of the pools opened in Kansas were by the Independents and small producers, while only 25 percent were opened by the majors. Also as of that date, 84 percent of the crude oil produced in Kansas for the current month was from pools opened by independents, while only 16 percent was produced from fields discovered by major companies.

I am strictly a producer of crude oil and a developer of producing properties, and depend upon the income to carry on my operations.

I found it necessary recently to sell 22 producing properties, as I was unable to operate these properties without loss under the present price, and have had to practically quit development of any future reserves due to lack of cash.

I entered the oil business in Glenn Pool day in Oklahoma and have stayed with it

through the years, with moderate success until now. I have drilled hundreds of wildcat wells, and discovered several of the best pools in the State. My partner and I discovered 11 pools in Kansas during one 2-year period. I feel that I have done a small part toward the development of one of the great industries that has developed our great Nation. I would like to stay in business. It seems odd to us who have been in the oil business all our lives as producers, that we cannot get a price for our crude enabling us to develop new reserves, let alone produce our properties without loss.

As you know, we are getting the same price for our crude that we did before the present war started. Wages, material, overhead, and all expenses connected with this business have gone up and doubled; handicaps of all kinds, together with regulations that slow down our efficiency, have been placed upon us until we are unable to accomplish what we used to do in half the time that it takes now.

I am sure that by joining the oil business and the cotton industry in supporting this amendment, as their problems are so much alike, we will be able to keep two necessary industries healthy and alive and still do the war effort a great service by continuing to discover new reserves and by producing much-needed crude oil.

I am enclosing a copy of a statement which I had prepared from the records of the State of Kansas showing pools in Kansas discovered by individuals such as I am, and the major companies, together with other pertinent facts which I hope will be of interest to you.

Sincerely,

W. L. HARTMAN.

JUNE 1, 1944.

Senator ARTHUR CAPPER,

Washington, D. C.:

I noticed in the press where a bill was to be presented to Congress to extend the Office of Price Administration for 18 months with amendment attached that they would periodically adjust the price of cotton to parity. The oil producer has the same problem as cotton growers; that is, not enough price to allow the individual producer to stay in business, and everything has been done to no avail to get the O. P. A. to bring the price of crude oil up to a line of other commodities. I urge you to include oil with cotton in this amendment as our problems are so similar to the cotton industry. Please do all possible in your power to get crude oil included in this amendment.

W. L. HARTMAN.

Kansas pools	Discovered by—	June pool allowable	
		Independent	Others
Ainsworth-Arbuckle	M. B. Armer	32,894	
Ainsworth-Lans. K. C	do	935	
Albert	Treleaven & Brimm	16,707	
Aldrich	Continental Oil Co		12,544
Anness	Magnolia Petroleum		915
Barrett-Arbuckle	I. W. Murfin		
Barry-Arbuckle	Continental Oil Co		5,400
Bear Creek	Great Lakes Carbon Corporation.	833	
Beaver	Darby Petroleum Corporation	27,798	
Beaver-Shallow	do	6,143	
Beaver, NW-Lans. K. C	N. Appleman	935	
Beaver, NW-Shawnee	do	894	
Bedford-Arbuckle	Shell Oil Co		20,986
Belpre-Lans. K. C	Cities Service Oil Co		862
Bemis	Louis Roark	430,711	
Bemis, South	do	881	
Big Creek-Arbuckle-Gorham	Wakefield & Armer and Hartman-Blair.	59,588	
Big Creek-Lans. K. C	do	3,870	
Big Creek, South-Lans. K. C	do	6,586	
Bloomer-Arbuckle	Yarnell, Carlson & Spencer	193,941	
Bloomer-Conglomerate	do	422	
Bloomer-Lans. K. C	do	27,404	
Blue Hill-Arbuckle	Alva Billings	1,500	
Blue Hill-Lans. K. C	do	14,211	
Blue Hill-Shawnee	do	2,793	
Bornholdt	C. R. Craft	146,623	
Bowman-Arbuckle	Simpson-Noble	1,565	
Bowman-Lans. K. C	do	3,264	
Brandenstein	Atlantic Refining Co		1,708
Breford-Arbuckle	Slick, Pryor & Lockhart	23,686	
Breford-Lans. K. C	do	8,423	
Burnett-Arbuckle	Central Petroleum	407,824	
Burnett-Lans. K. C	do	1,680	
Cairo-Viola	Skelly Oil Co		1,477
Canton-North	Empire		1,558
Carmi-Arbuckle	Hollow Drilling Co	22,901	
Chase-Arbuckle	Ramsey Petroleum Co	418,734	
Chase-Lans. K. C	do	27,002	
Couch	Ryan	22,798	
Crowther-Chat	Westgate-Greenland	9,853	
Cunningham-Lans. K. C	Skelly Oil Co		79,259
Cunningham-Viola	do		7,393
Curtis-Arbuckle	Vickers & McMorrow	2,473	
Darien	Hartman-Blair	5,130	
Dayton, North	Carter Oil Co		750
Dayton	do		24,200
Deichmann	Trees Oil Co	4,893	
Deerhead, West-Viola	Champlin	2,005	
Doran-Arbuckle	C. H. Weaver	4,549	
Dorr-Lans. K. C	Cities Service Oil Co		1,705
Drach	Fred Rust	20,622	
Driscoll-Gorham	Haynes-Anschutz	833	
Dubuque-Arbuckle	Block & Bailey	3,349	
Dubuque-Lans. K. C	do	1,533	
Dunn's Mill-Arbuckle	Deep Rock	2,105	
Edwards	C. E. Skiles	85,331	
Ellis-Arbuckle	Darby Petroleum Co	2,670	
Emmeram	Truro	3,899	
Erway-Lans. K. C	Cities Service Oil Co		843
Feltes-Arbuckle	Day	22,162	
Fischer	Stanolind Oil & Gas Co		3,470
Forest Hill-Arbuckle	Central Petroleum Co	7,025	
Frog Hollow	Tulsa Oil Corporation	41,890	
Frog Hollow, East	do	5,022	
Gates	Atlantic		10,051
Geneseo-Arbuckle	Continental Oil Co		207,131
Geneseo-Simpson	do		834
Goodrich	do		31,264
Gorham-Arbuckle-Gorham	Midwest Exploration Co	143,634	
Gorham-Lans. K. C	do	131,535	
Gorham-Shawnee	do	7,673	
Gorham-Wabaunsee	do	863	
Greenvale-Arbuckle-Gorham	Magnolia Petroleum Corporation.		29,607
Greenvale-Lans. K. C	do		21,034
Greenvale-West-Arbuckle-Gorham.	Magnolia Petroleum Corporation.		7,388
Grunder-Lans. K. C	Cities Service Oil Co		767
Gustason-Arbuckle	Central Petroleum Co	750	
Gustason-Northwest-Lans. K. C.	do	1,193	
Gustason-Lans. K. C	do	1,654	
Hafferman-Arbuckle	Shell Oil Co		8,025
Hagan-Arbuckle	Herndon	2,822	
Hall-Gurney-Arbuckle	Hartman-Blair	15,627	
Hall-Gurney-Gorham	do	39,156	
Hall-Gurney-Lans. K. C	do	454,845	
Hall-Gurney-Pre Cambrian	do	2,190	
Hall-Gurney-Shawnee	do	4,609	
Hall-Gurney-Wabaunsee	do	1,709	
Harrison-Arbuckle	Palmer-Mid Continent		
Hansen-Lans. K. C	Cities Service Oil Co		1,105
Hazel-Arbuckle	W. P. Faulkner	3,410	
Heiken, North-Arbuckle	Ainsworth Bros	1,747	
Henderson-Arbuckle	Earl Wakefield	1,696	
Henne	Westgate-Greenland	17,173	
Herzog-Arbuckle	Gled Oil Co	4,149	
Hesston	Frank Hollow	913	
Higler	Stanolind Oil & Gas Co. & Amerada.		33,577
Hiss	Simpson-Noble	4,512	
Hittle-Arbuckle	Arthur Brewer	74,652	
Hoisington-Arbuckle	Perry Thayer	2,219	
Hoisington-Lans. K. C	do	1,063	
Hunter-Chat	Deep Rock	2,532	
Iuka-Simpson	Skelly Oil Co		29,280
Iuka-North-Arbuckle	do		18,617
Jerry-Lans. K. C	N. Appleman	860	
Jordan-Lans. K. C	Cities Service Oil Co		6,923
Karber-Arbuckle	C. L. Carlock	3,845	
Keighley-Simpson	Phillips Petroleum Co		2,745
Kipp	Skelly Oil Co		22,144
Koblitz	I. W. Murfin	7,762	
Kraft-Prussa-Arbuckle-Gorham	C. L. Price	318,920	
Kraft-Prussa-Lans. K. C	do	21,279	
Kraft-Prussa-Shawnee	do	8,895	
Kraft-Prussa-South Lans. K. C.	do	750	
Kraft-Prussa-NE-Arbuckle	do	2,467	
Kraus-Northwest	Vickers Petroleum Co	750	
Krug-Lans. K. C	Alva Billings	1,620	
Lake City-Arbuckle	Pryor & Lockhart	1,546	
Lake City-Simpson	do	2,119	
Lanterman-Arbuckle	Murfin & Downing	4,051	
Lanterman-Lans. K. C	do	6,236	
Leesburgh	Continental Oil Co		36,237
Lindsborg-Simpson	Dickey Oil Co	16,108	
Lindsborg-Viola	do	42,632	
Lindsborg, SW-Viola	Falcon-Seaboard-Globe Oil	23,218	
Marchand, West	York State Oil Co	8,312	
Marshall	Lario Oil & Gas Co	24,854	
Max-Arbuckle	E. F. Moran	11,071	
Max-Lans. K. C	do	1,738	
Morel	Continental Oil Co		63,270
Mueller-Arbuckle	Tory & Feaster	2,123	
Mue-Tam-Arbuckle	Lario Oil & Gas Co	750	
Nunn	Atlantic Refining Co		3,030
Orth-Arbuckle	Slick-Pryor-Lockhart	10,292	
Orth-Lans. K. C	do		
Orth-Shawnee	do		
Orth, East-Arbuckle	do	3,264	
Otis	Morgan, Flynn & Milmax Oil	34,932	
Patterson	Stanolind Oil & Gas Co		3,297
Pawnee Rock	Simpson-Noble	31,059	
Pawnee Rock, East	do	905	
Peace Creek-Viola	Simpson Oil Co	252,471	
Penny Wann	Kansas Oil & Gas Co. & John LeBosquet.	815	
Penoke-Lans. K. C	R. W. Shields	1,643	
Pioneer-Arbuckle	John Harwood	1,673	
Prosper-Arbuckle	Aylward	1,101	
Rahn	Jock Garden	1,358	
Rattlesnake	Atlantic Refining Co		798
Ray	Derby Oil & Crow Drilling	91,369	

Kansas pools	Discovered by—	June pool allowable	
		Independent	Others
Ray, Southeast	Derby Oil & Crow Drilling	835	
Raymond-Arbuckle	Steinbuchel et al	40,500	
Raymond-Lans. K. C	do	22,573	
Richardson	Midwest Exploration Co	56,916	
Riley-Lans. K. C	Courtney B. Davis	1,051	
Roesler-Arbuckle	Helmerich & Payne	810	
Rothgarn	W. P. Faulkner	1,735	
Roxbury	Westgate-Greenland	37,798	
Roxbury, South	do	5,151	
Rusch-Arbuckle	do	4,523	
Rusch-Lans. K. C	do	1,950	
Russell-Arbuckle	Tom Palmer	42,054	
Russell-Lans. K. C	do	2,713	
Russell, North-Lans. K. C	do	893	
Salina-Viola	Westgate-Greenland	924	
Shaffer-Lans. K. C	Atlantic Refining Co		6,488
Shallow Water	Atlantic Oil Producing Co		8,385
Shutts	Phillips Petroleum Co		24,299
Silica-Arbuckle	Hilligos and others	626,220	
Silica-Lans. K. C	do	13,205	
Silica, South-Arbuckle	do	141,115	
Silica, NW-Arbuckle	do	750	
Sittner, South-Arbuckle	Tory & Feaster	18,368	
Smyres-Chat	Nelson Drilling Co	24,404	
Snider-Simpson	L. A. Ferris	2,353	
Snider-South-Simpson	do	7,589	
Spangenberg-Arbuckle	Phillips Petroleum Co		1,003
Stafford-Arbuckle	Stanolind Oil & Gas Co		913
Stafford-Viola	do		41,651
Stark, North-Viola	Lion Oil & Gas Co	934	
St. John-Arbuckle	Atlantic Refining Co		24,568
St. John-Lans. K. C	Atlantic Refining Co		912
Stoltenberg	Tom Palmer	104,669	
Stoltenberg, Southwest	do	3,261	
Studley-Lans. K. C	Union of California		1,952
Sugar Loaf-Lans. K. C	Derby Oil Co	4,286	
Sugar Loaf, SE-Lans. K. C	do	864	
Sun City-Lans. K. C	Pryor & Lockhart	4,315	
Susank	M. B. Armer	4,250	
Trapp-Arbuckle	Coralina Oil Co	742,041	
Trapp-Conglomerate	do	915	
Trapp-Lans. K. C	do	118,737	
Trapp-Shawnee	do	3,767	
Turkey Creek	Aladdin Petroleum Co	750	
Van Lieu-Arbuckle	Stanolind Oil & Gas Co		2,023
Vaughn-Arbuckle	Cities Service Oil Co		2,976
Vaughn-Gorham	do		775
Vaughn-Lans. K. C	do		24,532
Walters-Arbuckle	Lario Oil & Gas Co	48,820	
Webster	Aylward	1,021	
Wenke	Twin Drilling Co	7,744	
Wenke, West	do	1,364	
Westhusin	L. C. Dean & Kiskadden	14,544	
Whelan	Lario Oil & Gas Co	21,190	
Wilkins	Mid Plains	69,775	
Wilkins, SE-Arbuckle	do	4,236	
Williamson-Lans. K. C	Tony Witt	13,939	
Williamson-SE-Lans. K. C	Hartman-Blair	761	
Zenith	Stanolind Oil & Gas Co		340,306
Zenith, West	do		750
		6,290,607	1,182,687

Number of pools listed on June report	208
Number of pools listed on report discovered by majors, 25 percent	51
Number of pools listed on report discovered by independents, 75 percent	157
June allowable allocated to pools discovered by majors, 16 percent	1,182,687
June allowable allocated to pools discovered by independents, 84 percent	6,290,607
Number of pools discovered by:	
Cities Service Oil Co	10
Atlantic Refining Co	8
Standolind Oil & Gas Co	8
Continental Oil Co	7
Skelly Oil Co	6
Socony-Vacuum Oil Co	4
Phillips Petroleum Co	3
Shell Oil Co	2
Carter Oil Co	2
Union of California	1
Gulf Oil Co	0
Tidewater Oil Co	0
Standard of Ohio	0
Sinclair-Prairie	0
The Texas Co	0
	51
Hartman-Blair, Inc	11

Mr. REED. Mr. President, if I may have the attention of the Senate, I promise to finish at 5:45 p. m., which is 10 minutes from now.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. REED. If I am to finish at 5:45, I cannot yield to the Senator from Connecticut or any other Senator.

The PRESIDING OFFICER (Mr. DOWNEY in the chair). The Senator declines to yield.

Mr. REED. Mr. President, the case has been so well stated that little additional can be said. Not much needs to be said. I wish to supplement what the Senator from Oklahoma [Mr. THOMAS] and the Senator from Texas [Mr. CONNALLY] have said by reading from a report on this subject by a special committee of the Senate appointed to investigate the Midwest fuel situation. The report of that committee was submitted on September 15, last. The senior Senator from Missouri [Mr. CLARK], the Senator from Nebraska [Mr. WHERRY], and I submitted a report which read in part as follows:

> The committee is definitely of the opinion that every circumstance justifies an increase in the price of crude oil. The committee doubts whether the increase suggested by Petroleum Administrator for War Ickes of 35 cents a barrel is sufficient to bring the necessary added exploration. The committee is more disposed to the thought that in view of the continued increasing costs prevalent throughout the entire producing oil fields a minimum of 50 cents per barrel increase should be allowed. In fact, the committee believes that perhaps a 60-cent increase is necessary. This is included among the recommendations of the committee.

Let me deal for 2 or 3 minutes with the stripper-well question. Stripper wells are wells which once had flush production. They have come down to the point where they produce, on the average, only 2.8 barrels of oil a day, but there are 293,000 of them, and they produce 14 percent of the total petroleum produced in the United States. Those wells are going out of existence, and operation is being stopped because the low price of oil, from their viewpoint, plus the high operating costs which have come to all the oil industry, have made it impossible to continue the operation of stripper wells.

There are more than 3,000,000,000 barrels of reserves in stripper wells, which can be produced by what is known as secondary recovery. However, that requires an additional expenditure which the present price of oil will not justify. If a fair price of oil could be given to the owners and operators of the stripper wells—and let me say to the Senator from Pennsylvania [Mr. DAVIS] that Pennsylvania has more of them in proportion to its production than any other State—they would spend the money to recover the additional 3,000,000,000 barrels of reserves. There is no other place where we can go with such a degree of certainty and security. So much for the oil question.

Mr. MALONEY. Mr. President, this matter is so exceedingly important, and may result in such terrific cost to the Government should the proposed amendment be adopted, and should the bill fail of veto, that I shall wish to discuss it at some length unless I can be assured of a record vote being taken on the question. I know the anxiety of Senators for action. I know that Senators are likely to become impatient with a lengthy discussion at this late hour. I appreciate the need for haste, as described by the majority leader. I also appreciate the need for affording relief to certain oil producers. But, the method proposed is not the proper one. We should not create the kind of a gusher which we are asked to create in an effort to help some distressed producer. The proposal goes so far, in my judgment, that if it be adopted we shall rue the day we allowed it to become law. The country cannot much longer stand these tremendous costs.

I have a feeling that with greater light on the subject that somehow and in some way, what we have done today may be undone in the next several days. I have no desire further to delay the Senate. Mr. President, I ask for the yeas and nays, and if that is granted I shall not delay the Senate much longer.

Before taking my seat, I should like to say that this matter has been referred to a subcommittee of the Committee on Banking and Currency of which the distinguished chairman of the Committee on Banking and Currency is also chairman. I think it should have careful study of the committee.

The PRESIDING OFFICER. Is the request of the Senator from Connecticut for the yeas and nays sufficiently seconded?

The yeas and nays were ordered.

Mr. MALONEY. Mr. President, the matter has been referred, as I have said, to a subcommittee of the Committee on Banking and Currency. It is important that an effort be made to help the distressed small independent producer. It should have the early consideration of the Senate. I am anxious to do what I think the very able Senator from Oklahoma is anxious to do; namely, to provide relief for the small producer; but I do not think it should be done by providing hundreds of millions of dollars to all oil producers in the country, regardless of what their financial status may be, or regardless of what their profit situation may be at this time.

Mr. WAGNER. Mr. President, I wish merely to say that I concur in what the distinguished Senator from Connecticut has said with reference to the so-called oil bill. I have forgotten who introduced it in the other House. It is now before the subcommittee, of which I am chairman, and as soon as we complete consideration of the so-called O. P. A. bill, we will seriously consider the amendments in the subcommittee.

In reference to the pending amendment, I wish to read a statement. I am not at all familiar with the subject of oil. I am not an authority on it, and anything which I myself might say would be of very little consequence. However, I wish to read from a report of the division in the O. P. A. which has charge of the oil situation. It reads as follows:

> This amendment would force an increase in oil ceilings by about 67 cents per barrel, equivalent to an increase of more than 50 percent above the present ceiling. This would increase the cost of oil and its products to the public and the Government by more than a billion dollars, and would add this sum to the earnings of the oil companies, which now far exceed their peacetime earnings.
>
> Oil is not unique in being below this 1926 parity. Three hundred and two of the eight hundred and eighty-nine commodities included in the B. L. S. index are below their 1926 parities. Creation of such a highly favorable special pricing standard in the case of oil would give each of the other commodities among these 302 an equally justifiable case for 1926 parity.

Mr. HATCH. Mr. President, it is regrettable that this matter is now going to a record vote when there has been so little discussion of it. I know that many Senators are interested, and the whole subject should be discussed and fully explored and understood by the Senate. I myself should like to address the Senate at length on the oil conditions in the State of New Mexico, a State which has been largely developed by independent producers.

What the Senator from Texas said about his State is true of mine as well. I have received messages from the officials of New Mexico, such as our Governor and others engaged in the production of oil. Not only recently, but for years they have asked for a substantial increase in the price of oil.

The distinguished chairman of the committee read from the report of the O. P. A. as to what this proposal, if adopted, would cost and how it would benefit the oil companies, and that statement has been repeatedly made by the Office of Price Administration, as though every oil company were making tremendous profits, which it was said far exceed peacetime profits.

I have on my desk a reply to that statement, prepared by the Independent Petroleum Association. I wish I could discuss all the facts which have been developed, but I call attention to this statement:

> According to published reports of the Treasury Department, a majority of the companies engaged only in production of oil—
>
> Merely in production—
>
> were losing money even before the addition of the wartime costs and difficulties.

It is said that the companies that are making these profits are limited to 10 or 20. That does not take into consideration the thousands of independent producers, the men who drill for oil and sell oil alone.

As I have said, I regret very much that this matter comes up at this late hour. Reference has been made to the bill pending before the committee. It has been there a long time. It passed the House of Representatives some time ago. Several different committees have already studied this problem. The Committee on Public Lands and Surveys more than 2 years ago recommended to the Senate an increase in the price of oil. The Office of Petroleum Administration for War has devoted its facilities for months to that question, and has recommended an increase, but the Office of Price Administration has refused to act.

Mr. MOORE. Mr. President, in refutation of the statement about the enormous profits made by the oil companies, I wish to say that the oil companies producing oil, and refining and selling refined products, are making money, but the fact is not disclosed that this is a liquidating proposition that is going on with the great number of wells that have been drilled throughout the country, which are often spoken of by the Stabilization Director and by the circulars issued. There is not a single committee or a single agency anywhere that has not recognized the justice of an increase in the price of crude oil for the purpose of building up the oil reserves.

When it is said the companies are making money, I want the Senate to understand that they are not making money, they are liquidating the stock on their shelves, they are selling off their reserves at a price, and so fast that it simply means that they are taking in money and not profits, and these profits have to be used from now on to enable them to go out into the country and build additional reserves, for replacement. The cost of replacement today is away beyond the present price of crude oil.

It is false to say that these profits are accruing to these companies, for they are liquidating the business, and the small producers throughout the country can never again, at the present price, replace the reserves they are liquidating today.

Mr. HATCH. Mr. President, I am about to make a statement in which I think I am correct, and I am sure the Senator from Oklahoma will correct me if I am not. If I am not misinformed, the Phillips Petroleum Co. in 1941 actually posted, or was about to post, an increase of 25 cents a barrel on the price of crude oil. That was before the Stabilization Act was passed. Mr. Henderson requested that that increase, which was being voluntarily posted at that time, be withheld until the matter could be adjusted. It was withheld, and it has been in the course of adjustment ever since, except that the price of oil was frozen. Even that voluntary increase was not granted. Am I correct in that statement?

Mr. THOMAS of Oklahoma. The Senator is correct.

Mr. HATCH. I repeat, I regret very much that this matter comes up at this late hour, and I wish the Senate could thoroughly explore the whole subject, although the Senators who have spoken, the Senator from Oklahoma [Mr. THOMAS] and the Senator from Texas [Mr. CONNALLY], have fully shown the necessity for the increase.

Mr. DAVIS. Mr. President, I shall take but a moment or two, and I speak at all only because the stripper wells in Pennsylvania have been referred to.

Former Representative Evan J. Jones, who is one of the best informed men on oil matters in the State of Pennsylvania, has told me that in the Bradford field the operators are now down to seepage production, and do not have the money with which to develop, nor can they borrow, and that if they are not afforded some relief of some kind by the Congress, the result will be that in the northern part of Pennsylvania and in the western part of New York those wells will be closed down.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a portion of the letter received from former Representative Evan J. Jones, of Bradford, Pa.

There being no objection, the extract from the letter was ordered to be printed in the RECORD, as follows:

BRADFORD, PA., *June 6, 1944.*

HON. JAMES J. DAVIS,
Senate Office Building,
Washington, D. C.

DEAR JIM: This confirms my phone talk a minute ago, urging you to give support to the amendment to the O. P. A. Renewal Act, affecting the increase in the price of crude oil. I take it from our phone discussion, that you have the opinion that the present price of Pennsylvania crude is sufficient to justify increased development with proper returns to the owner. With the exceptional producer, that is to say, the man or company who has financial backing, or sufficient financial strength of his own, and who can drill up and apply water pressure in his property, this conclusion may have merit, but it is not sound to the vast majority of individual producers. They are down to a seepage production on existing wells. They cannot afford to develop their property on the present price of oil because they don't have the money to do it, and they could not borrow the money to do it.

You must remember that secondary recovery by water pressure is localized. The Bradford field and the Allegany field, New York,

are the only fields in the Pennsylvania area that can use water safely and successfully as a pressure. Other fields in Pennsylvania area, such as the Venango or Oil City field, Butler, Allegheny, Pennsylvania, and West Virginia field and East Ohio cannot use it successfully, and in many cases application is disastrous. The Pennsylvania area takes in all these fields. I am thinking about the producers as a whole and not the specific lease or property owner such as the South Penn or the Tide Water or other large financially supported holdings. There are also certain conditions in the Bradford field which are as distressing as in the lower area. A large part of properties in this field have reached their economic limit. That is, their production costs, because of the high water-oil ratio, are such that they are being forced to abandon these properties when they still have a fairly good daily average production. In 1943 a survey was made of eight different properties abandoned in the Bradford field because of excessive production costs. The aggregate daily average production of these eight properties amounted to between 150 and 160 barrels per day—a considerable amount of high quality oil to be abandoned when you consider that the national average of lubricant recovery from all crude, including Pennsylvania, is 2.8 percent and the customary recovery from the Pennsylvania crude is 23 percent. An increase in the price of oil would mean a considerable extension of the economic life of a large part of properties in the Bradford field. Lands are being abandoned in the lower area (that is, in the Venango, Butler, and Allegany fields, and also in West Virginia and Ohio) at a terrific rate, simply because the junk value of the material in the well is worth more than the oil produced. This trend must be stopped if we are to conserve our oil reserve in the State of Pennsylvania.

These independent producers that have that situation need an increased price and as I look at it, it is the only thing that will result in continuing production. Your immediate personal interest, undoubtedly, is to help the Pennsylvania producers, and I say to you without any equivocation, that there is a need for the increased price of crude to these producers in order to induce them to expend money to develop their respective properties and thereby increase production during this emergency.

Very truly yours,

E. J. JONES.

Mr. TAFT. Mr. President, there is very much the same type of stripper wells in Ohio to which the Senator from Pennsylvania has referred as existing in Pennsylvania. I think it is purely a question of administration as to whether those wells should have 30 cents or 40 cents or a dollar more for the oil produced. I think the administration has held them too tightly. But I do not see how the Senate can undertake to say that a particular price of a particular product shall be so many cents higher than the Price Administration says it shall be.

There were at least a dozen industries represented before our committee, who presented stronger cases than did the oil industry. We heard the oil industry at length. I was convinced of the justice of the arguments of many of the other industries more than I was convinced of the justice of the arguments of the oil industry.

As a legislative matter, I do not see how we can undertake to pass upon price after price of thousands of products in the United States. If we enter upon that field, it seems to me we will become hopelessly involved.

Mr. VANDENBURG. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. VANDENBERG. I merely wish to join myself with the observations now being submitted by the Senator from Ohio. I come from a State which is developing into a substantial oil-producing State, and there is no question in the world about the fact that O. P. A. has not treated oil and petroleum adequately and fairly. There is no question in the world about the validity of the argument for better treatment. But, in my humble opinion, there is no validity on earth for ever trying to start to reach specific price controls on the floor of the United States Senate, if we expect to hold the line against inflation very long, and, so far as I am concerned, I shall vote "nay."

Mr. MOORE. Mr. President, I should like to say to the Senator from Ohio and the Senator from Michigan that I am just as firmly convinced as they can possibly be that it is no function of the United States Senate or of the Congress to legislate prices; but after listening to the excoriating address of the Senator from Ohio about the Price Administration, and after all that has been said by all the Senators who have spoken of how the Administrator and this agency have administered these prices, I am convinced we cannot expect to get anything fair from them.

As I stated before, to begin with, there is only one way in the world to get justice for this enterprise, and not have it destroyed, and that is for the Senate and the Congress to move as they are moving. It would not have been necessary to adopt the Bankhead amendment except for the fact that its advocates said they could not get an exercise of authority by the Administrator, but discriminations were made, and discriminations are being made now against the oil industry, to the destruction of a large segment of that industry. The purpose is well known.

If the Senate will do what it should do, in my opinion, it will admit that the administration of the price control law has been a mistake, and has not at all resulted in the prevention of inflation, but has created the greatest inflation ever known in this country. It has not been noninflationary; it has produced inflation. It has produced a disrespect for law, and it has not only done that, but it is producing an inflation the like of which was never before known. It is well known that $21,000,000,000 in currency are floating throughout this country. That $21,000,000,000, or a large part of it, is used for the specific purpose of running black markets, and for the specific purpose of evading taxes. If the laws had been honestly administered it would not be necessary for a Senator to rise on the floor of the Senate today and advocate the fixing of prices. But unless Congress wants to abolish the Office of Price Administration—and I candidly think it ought to be done—the only thing the oil industry and the other industries have left to do is advocate the fixing of prices.

Mr. RADCLIFFE. Mr. President, I shall not detain the Senate for more than a moment at this late hour. I find myself totally at variance with the statement made by the Senator from Oklahoma. Many things have been done by the Office of Price Administration with which I do not agree, but most assuredly I think there has always been an attempt by Chester Bowles and his associates to administer the act honestly. I know that a vast amount of effective work has been done under unprecedently trying and often baffling circumstances. Many mistakes have occurred, and many things have been done differently from the way in which you and I may think they should have been handled, and many of them have possibly been handled contrary to what was really the best interests of the country.

The fact remains, however, that conscientious and successful efforts have been made to handle a problem which is as complicated, intricate, and as essentially unpopular as any problem which has ever arisen in this country. The O. P. A., whatever its shortcomings, and these are being constantly lessened, has been a most important and indispensable factor in the fight against inflation.

But, Mr. President, I think the proposition now made to provide specifically by legislation in Congress for an increase in price, especially in the tremendous amount which is provided for by the pending amendment, would be a very unfortunate and unjustifiable move indeed, and I sincerely hope the amendment will not prevail.

SEVERAL SENATORS. Vote! Vote!

Mr. MALONEY. Mr. President, no matter how anxious the Senate may be to vote, I am not going to sit silent under this indictment of Chester Bowles. I am certain that the charge or insinuation that he has not administered his office honestly finds no confirmation among Members of the Senate. I have never heard a committee of the Senate give such praise to a Government official as Chester Bowles received from the Committee on Banking and Currency of the Senate a few weeks ago. I think he has done an admirable job.

It so happens that he comes from my State, and it so happens that he is a long-time dear personal friend of mine. Most Senators know that Mr. Bowles has been an exceedingly successful businessman. Those who do know about him know that most of his business success came by way of the very large corporations of this country, that kind of large corporation which at the present time in a few instances, is endeavoring to overcome the regulations and the rules of the Office of Price Administration. I think it would be half natural if Mr. Bowles had yielded in some instances to those who had during the years been his close friends and his clients. But rather than discovering such a situation, we find a man, a self-effacing, good, hon-

est, and able man, who has been willing to submerge all his personal feelings because of devotion to his country.

I know, because he is my friend, that he does not like the job any more than any other man would like it, but he stays on because it affords him a chance to be of service to his country. I know that from the standpoint of comfort if he followed his personal feelings he would long since have gone home. I know that if he sought comfort for himself he would never have come into this Washington position, because he had been Administrator of the Office of Price Administration in Connecticut for a long time, and he knew its discomforts and its dangers. He came here with an understanding of the fact that there would be mistakes, that his was the most unpopular assignment in the country, and that there was little likelihood that he could win very wide public applause.

Mr. President, I say it is a shame to have it said on the floor of the United States Senate that there has been dishonesty in the management and direction of this organization, which in my judgment has come to pretty rich success under the able leadership of the present Administrator.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BARKLEY. I am sure the Senator knows, as all other Senators know, and as every informed person knows, that there was never a great war in the world that did not result in an increase in the circulation of money, that did not result in a certain degree of inflation, because the very expenditure of unusual sums of money and the creation of large debts and large taxes in order to obtain the money, creates automatically a spending power which it is difficult to curb. Certainly it is not true that under the administration of Mr. Bowles or any of his predecessors in the O. P. A. the greatest inflation has taken place that ever occurred in the history of the United States.

Mr. MALONEY. I was coming to that point, of course.

Mr. BARKLEY. No one who is familiar with what happened after the last war can say that; and it is incredible that any responsible man on the floor of the Senate should say that the $21,000,000,000 in circulation in the United States is brought about for the deliberate and specific purpose of creating black markets.

Mr. MALONEY. I had intended to discuss that phase of this matter, Mr. President, but with the majority leader's contribution I have said about what I wanted to say. There has been no inflation in this war period comparable with that of the last war. We have not had wartime inflation in a real serious sense. Of course our experience has been painful; of course the situation here and there has gotten out of hand; but by comparison with every other wartime period in history we have sailed this tempestuous sea quite successfully.

Mr. President, I want to say a word more before I close. I do not think the able Senator from Oklahoma [Mr. MOORE] intended to say what he did say. I do not think his words conveyed his feelings. I know how intensely he feels about the oil situation, with which he has had so much experience, and I choose to think that it was because of the intensity of his feeling in that respect that he overstated his own personal feelings. Feeling that way, I should not have challenged it except for the fact that I should be extremely ashamed of myself if I sat here in the Senate and permitted the indictment of a man who has earned my great respect and who I think has earned and does have the respect of the great majority of the American people.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oklahoma [Mr. THOMAS]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MILLIKIN. Mr. President, I ask to be excused from voting, under rule XII. If the pending amendment were agreed to, I might derive an indirect financial benefit. If I felt free to vote, I should vote "yea."

The PRESIDING OFFICER. Shall the Senator from Colorado, for the reasons assigned by him, be excused from voting? The Chair hears no objection, and the Senator is excused from voting.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness. I am advised that if present and voting the Senator from Virginia [Mr. GLASS] would vote "nay."

The Senator from Montana [Mr. MURRAY] is detained in a committee meeting.

The Senator from Florida [Mr. ANDREWS], the Senator from Idaho [Mr. CLARK], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from South Carolina [Mr. SMITH], and the Senator from Maryland [Mr. TYDINGS] are detained on public business. I am advised that the Senator from Florida [Mr. ANDREWS], the Senator from Rhode Island [Mr. GREEN], and the Senator from Maryland [Mr. TYDINGS], if present and voting, would vote "nay."

The Senator from North Carolina [Mr. BAILEY], the Senator from Iowa [Mr. GILLETTE], the Senator from Illinois [Mr. LUCAS], and the Senator from Florida [Mr. PEPPER] are necessarily absent. I am advised that if present and voting, the Senator from North Carolina [Mr. BAILEY], the Senator from Iowa [Mr. GILLETTE], and the Senator from Florida [Mr. PEPPER] would vote "nay."

The Senator from Arizona [Mr. HAYDEN], who is detained on public business, has a general pair with the Senator from North Dakota [Mr. NYE].

The Senator from Utah [Mr. THOMAS], who is necessarily absent, has a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I am advised that if present and voting the Senator from Utah would vote "nay."

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

Mr. WHERRY. I announce the following general pairs:

The Senator from Illinois [Mr. BROOKS] with the Senator from Maryland [Mr. TYDINGS];

The Senator from North Dakota [Mr. NYE] with the Senator from Arizona [Mr. HAYDEN]; and

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from Utah [Mr. THOMAS].

The Senator from Delaware [Mr. BUCK], the Senator from North Dakota [Mr. LANGER], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Iowa [Mr. WILSON] are necessarily absent.

The result was announced—yeas 25, nays 42, as follows:

YEAS—25

Bankhead	Eastland	Overton
Bilbo	Hatch	Reed
Butler	Hawkes	Robertson
Capper	Johnson, Colo.	Stewart
Caraway	Kilgore	Thomas, Idaho
Chandler	McClellan	Thomas, Okla.
Chavez	McFarland	Wherry
Connally	Moore	
Davis	O'Daniel	

NAYS—42

Aiken	Gerry	Shipstead
Austin	Gurney	Taft
Ball	Hill	Truman
Barkley	Holman	Tunnell
Brewster	Jackson	Vandenberg
Burton	La Follette	Wagner
Byrd	McKellar	Wallgren
Clark, Mo.	Maloney	Walsh, Mass.
Cordon	Maybank	Walsh, N. J.
Danaher	Mead	Weeks
Downey	Murdock	Wheeler
Ellender	Radcliffe	White
Ferguson	Reynolds	Wiley
George	Russell	Willis

NOT VOTING—29

Andrews	Green	O'Mahoney
Bailey	Guffey	Pepper
Bone	Hayden	Revercomb
Bridges	Johnson, Calif.	Scrugham
Brooks	Langer	Smith
Buck	Lucas	Thomas, Utah
Bushfield	McCarran	Tobey
Clark, Idaho	Millikin	Tydings
Gillette	Murray	Wilson
Glass	Nye	

So the amendment of Mr. THOMAS of Oklahoma was rejected.

Mr. REED. Mr. President, the roll calls in the Senate during this week have been the most revealing of any roll calls which have ever occurred in my presence and during my service in the Senate. There has been no organization between the other side of the aisle and this side. Yet every roll call which has been taken this week has demonstrated that an overwhelming majority of the Members of the Senate voted along the lines of a rather definite policy. I account for that fact in this way: In 1942 a message was sent to the Congress of the United States which would have declared a dictatorship unless Congress had enacted certain legislation. Congress enacted the legislation requested. Under an Executive order of the President, there was set up a policy which has been followed to this date, notwithstanding the fact that on every occasion on which Congress has had a chance to state its views, it has taken a course in the opposite direction. I interpret the sentiment

revealed by the roll calls during the past week as indicating a definite feeling on the part of Congress that the time has come for it to legislate regardless of the views and the declared intention of some of the executive agencies to continue their established policies notwithstanding the views of Congress.

Mr. President, last December I made a speech dealing with important factors relative to price control and inflation. I left Washington about the middle of February for a vacation. After I had gone there came to my office a letter from Mr. Chester Bowles, Price Administrator. It discussed the remarks which I had previously made in the Senate. After I returned to my office and had time to do so, I prepared an answer to Mr. Bowles in which I discussed the entire question. I ask unanimous consent that the letter be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. MALONEY. Does the Senator wish to put Mr. Bowles' letter in the RECORD also?

Mr. REED. If the Senator thinks that it is desirable, I shall be very happy to put Mr. Bowles' letter in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas? The Chair hears none and it is so ordered.

The correspondence referred to is as follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., February 24, 1944.

Hon. CLYDE M. REED,
United States Senate.

DEAR SENATOR REED: Just prior to the Christmas holidays you presented some rather elaborate statistics to the Senate and drew conclusions therefrom. Ever since then I have been wanting to give you my reaction to them.

First you presented an array of figures showing the powerful accumulation of inflationary pressures and stated that anyone was either dumb or dishonest who said that in view of these forces, prices could be held under control.

The facts you presented were correct and impressive, but the truth is, that in spite of these pressures, prices have been controlled to a great extent—far better than in the last war, when inflationary pressures were much less powerful.

After 52 months in the last war living costs had risen 61.8 percent. In the present war, in a like period with pressures greater, they have been held to a 26.2 percent rise. However, all but three-tenths of 1 percent of the present rise occurred prior to last April, when the hold-the-line order was issued, and the subsidy program went into effect. Since then, for 9 difficult months, the cost of living index has remained almost level. In view of the great inflationary pressures which you so clearly pointed out, this is, I think you will agree, an extraordinary achievement.

The increase in living costs has come about largely through a rise in food prices of 57.1 percent. All other living costs have been held to far lower gains, rents to an increase of only 3.5 percent.

The best job, however, has been in controlling the prices of basic materials entering largely into the cost of the war. Let me give you a few comparisons between the price rises of such materials in this and in the last war.

Commodity	World War No. 1 (51 months)	World War No. 2 (51 months)	World War No. 1 (inflation peak)
	Percent	*Percent*	*Percent*
Steel plates	187	0	695
Pig iron	145	14	304
Copper	93	15	165
Zinc	80	70	345
Anthracite coal	43	26	65
Bituminous coal	135	22	264
Lumber	71	59	72
Tin	156	0	228
Cement	76	0	276
Coke	171	19	268
Glass (plate)	81	0	81
Petroleum	200	13	215
Lead	106	29	195
Wool (wholesale)	203	62	264
Cotton (wholesale)	137	106	222

As a result of the large price increases of the last war, the war which had a necessary cost of $17,000,000,000, actually cost $32,000,000,000, some $15,000,000,000, or 47 percent was added by price increases. We still are paying interest on the price increase cost of the last war.

But here is the most impressive fact of all. Had prices advanced in this war as they did in World War No. 1, the war to date would have cost $65,000,000,000 more than it has cost. Roughly speaking, 1 year's interest on this sum equals the cost of O. P. A. and all subsidy payments to date. In view of these facts I don't think it dishonest to say that prices can be controlled in spite of the great inflationary pressures you so clearly pointed out. They have been controlled.

The second point made in your talk was that we have had no real inflation in this war, since only now have we approached the price level of 1926, said to be a normal, prosperous business year.

There seems to be some incompatability between the claims; that we are dishonest for saying that prices can be controlled; and saying that there has been no inflation, for if there has been no inflation, then prices have been controlled.

But it does not seem clarifying to let the matter rest with that statement, for the assumption that 1926 was a normal price year is far from correct. Here are annual cost-of-living figures from 1921 to 1942 and monthly figures for 1943.

1922	119.7
1923	121.9
1924	122.2
1925	125.4
1926	126.4
1927	124.0
1928	122.6
1929	122.5
1930	119.4
1931	108.7
1932	97.6
1933	92.4
1934	95.7
1935	98.1
1936	99.1
1937	102.7
1938	100.8
1939	99.4
1940	100.2
1941	105.2
1942	116.5
1943:	
January	120.7
February	121.0
March	122.8
April	124.1
May	125.1
June	124.8
July	123.9
August	123.4
September	123.9
October	124.4
November	124.2
December	124.4

From these figures it is clear that living costs were higher in 1926 than at any time from the end of the World War No. 1 boom period up to the last half of 1943. This being true, it is no more correct to call the peak of a 22-year period a normal year than to call the low year of the 22-year period—1933—a normal year.

Looking back to 1926 and saying that we have no inflation because only now have we gone over the 1926 peak, is like standing on a mountaintop, looking across a wide valley to another distant mountain, and saying that one is not on a mountaintop because there, off in the distance, is another bit of land just as high.

The surest guaranty of inflation would be to let each production group pick its peak price year and have its prices adjusted on that basis.

I have repeatedly stated the opinion that some upward adjustment of farm prices was called for since they had been too low for farmer or national welfare; but, in my opinion, they have now gone as high as they should go, for the welfare of the farmers. Even as it is, farm-land prices have risen considerably and it will be difficult to maintain farm prices at their present high level.

I wonder if you ever have occasion to study what happened after the World War No. 1 inflation. The prices of principal farm products dropped as follows in the years 1921–22, following the inflation peak:

	Percent
Wheat	65
Corn	78
Oats	71
Cotton	76
Potatoes	85
Rice	79
Peanuts	73
Lambs	61
Hogs	66
Beef cattle	57
Butter	53
Milk (wholesale)	32
Eggs	73
Hens	39
Oranges	75

As a result per capita farmer income declined from $1,430 to $554 in 2 years and total farm income declined from $9,249,600,000 to $3,603,000,000. And in the next 5 years 453,000 farmers lost their farms through mortgage foreclosures. If there is any way to prevent it, I am sure we all want to prevent a repetition of such a situation.

As things stand, in spite of higher costs, especially of farm labor, the farmers have benefited more from the war than any other group in the population, unless it be some of the war contractors. If one calls the 1936–39 level 100, the index of the take-home pay of industrial workers in 1943 reached 182. But the net farm operator income, with all increased costs of farming deducted as expense, reached 295—a 113 percent greater gain. Of course, corporation earnings before taxes far outran all other gains, and totaled 336 percent; but corporation taxes were very heavy and brought net corporation earnings to 110 percent over the pre-war level.

No one begrudges farmers their gains. Their annual earnings were low at the start and still are far below nonfarm income. But I am of the opinion that while individual adjustments still are in order, any further general gain in farm prices will not be in the interest of the farmers. With no further gains farm prices have advanced so much that a distressing post-war decline may be difficult to prevent.

We here in the Office of Price Administration have tried hard to perform a difficult wartime task sincerely and faithfully. Although I do not for 1 minute claim that we haven't made some mistakes, I do believe that in view of the many pressures and obstacles we have encountered along the way we have succeeded in our efforts to keep prices and rents in line and prevent a ruinous inflation.

If you would like to sit down and talk this whole broad subject of price control and the work we are doing here with me at any time, please let me know and I will arrange my time to suit your convenience.

Sincerely,

CHESTER BOWLES,
Administrator.

UNITED STATES SENATE,
April 20, 1944.

Hon. CHESTER H. BOWLES, *Administrator,*
Office of Price Administration,
Washington, D. C.

DEAR MR. BOWLES: I have read with interest your testimony before the Senate Banking and Currency Committee relative to price-control legislation. I hope to be able to discuss with that committee the same subject matter, during the present hearings.

Your letter of February 24, having reference to the facts presented in my speech in the Senate on December 17, reached my office while I was away for a period of a few weeks. I am only now able to give it the consideration to which it is entitled because of your important position.

Your appearance before the Senate Banking and Currency Committee was subsequent to the writing of your letter. Your testimony there covered much the same material as your letter to me. I judge from the record that everybody, including yourself, had a good time. The documents you filed are interesting. The less one knows about the subject, the more he would be impressed. I think there is a general agreement that you strengthened your reputation as a good advertising man.

One of the points on which the New Deal agencies and New Dealers are fairly entitled to criticism is the extent to which they arrogate to themselves all of the virtue and wisdom possessed by men in public life. No credit is ever given to the other type of people. They seem to think that this question of price control is subject to copyright by them. May I remind you that I began to vote for price control legislation in the Senate while you were still in the advertising business. I have consistently voted for all such legislation.

In the second paragraph of your letter you impute to me a statement that prices could not be held under control. I have never made any statement of that kind. In my speech of December 17, I did refer to the difficulty of holding prices "to some recent level in the face of these factors." In using the term "recent level" I was referring to the statistical period universally used by your school of thought, namely, the years 1935–39. That was a depressed period, especially for farm products. I do not know of any economist of any standing who believes that prices could be or should be held to that subnormal level. I have stated, and I repeat now, that the American farmer, especially, and American business, in general, could not exist with prices at such a depressed level.

You criticize my use of the year 1926 as a basis for comparison and refer to it as a "mountain top" of inflation. My statement was:

"The year 1926 has been used by dependable statistical agencies as a base year for comparison of prices and living costs."

May I bring to your attention the fact that one of the leading statistical agencies dealing with this question is the Bureau of Labor Statistics in the Department of Labor? This Bureau is quoted more frequently than any other, perhaps as frequently as all other agencies combined.

The Bureau of Labor Statistics still uses 1926 as its base period for wholesale prices. Its current reports are made on that basis. This basis, for comparative purposes, has been written into many escalator clauses in important war contracts.

The Federal Reserve bank, over a period of years, used 1923–25 as its basis. Other statistical organizations used 1925–29, and still other statistical agencies used some combination of years between 1923 and 1930 as an index of what was regarded as reasonably normal business conditions. The difference between using 1926 alone, or any of the others, or for that matter, all of the years mentioned in this paragraph, is not great. The fact that the Bureau of Labor Statistics still uses 1926 is, I think, a conclusive answer to your criticism on this point. I realize it is easy for a person with little experience in production to make criticism that is not soundly based. I do not question your good faith. I only question your information and experience.

As far as I know, there is no authoritative voice asking for any general increase in farm prices. The farmer started from the lowest level of anybody in the 1935–39 period. He had a much longer distance to travel to obtain some reasonable relationship than did anybody else. To those of us who have lived with this question for a generation, your statement that "some upward adjustment of farm prices was called for, since they had been too low for farmer or national welfare," is definitely an understatement. We are not greatly impressed with your statement, "In my opinion they have now gone as high as they should go for the welfare of the farmer." I doubt if your brief experience with the O. P. A. qualifies you to pass a competent judgment upon fundamental policies necessary to the welfare of the farmer. Myself and others have been concerned about the farmer's welfare throughout all the years. We welcome your addition to our ranks, even if you are tardy in joining up.

While I am on this particular point I think the farmers and their advocates, of which I am one, will be further interested in your statement that "their annual earnings were low at the start and are still far below nonfarm income." You seem to think that is all right. While you favor "individual adjustments," you state that "any further general gain in farm prices will not be in the interest of the farmers." I will be glad to have the basis for a view that farm population should be permanently condemned to a wage and price level lower than the nonfarm population. Is this your conception of equality as between important classes of our citizenship?

I have not, at any time, opposed price control. In fact, I have favored price control and all legislation to that end. I have definitely opposed the "grocery bill subsidy policy" which the O. P. A. is following. I shall discuss that at some length presently. My position in regard to the O. P. A. was fairly well stated on the Senate floor on February 11, 1944, page 1605 of the CONGRESSIONAL RECORD.

"I have been one of those who have rather freely criticized the O. P. A. It has made a great many mistakes. However, I wish to say for the O. P. A. that, over all, it has done a reasonably good job in holding prices from running away in uncontrolled inflation. The administration now has the power, through ceiling prices or maximum prices, plus the rationing of commodities as between consumers, to control prices; and it does not need the subsidy policy to prevent inflation. I charge these officials responsible for this agitation in the country with bad faith, with exaggeration, with overstatement of the facts, with unnecessarily alarming the people."

May I say, also, that I think you have greatly improved the administration of the O. P. A. For that I wish to give you full credit. This improvement is also reflected in a better public sentiment than the O. P. A. previously enjoyed.

I now want to come to the heart of the differences between yourself and other responsible officers in this administration and those who hold the views that I hold on this "subsidy" feature of your program.

I make these assertions:

1. That the subsidy policy, as you administer and defend it, is inflationary.

2. That the use of subsidies, as you advocate, has only a slight and incidental relation to farm prices—since you propose that the farmer receive the full price; the deficit to be made up by taxpayers' money from the Government Treasury.

3. That this whole grocery bill subsidy is being carried out as a result of promises made by President Roosevelt to organized labor and has little or no relation to the matter of price control.

4. That the control of inflation, so far as commodity prices are concerned, is to be found in the use of: (a) Maximum prices; (b) rationing; (c) vigorous administration.

As recently as April 8 you joined in a statement to the President, along with Messrs. Vinson, Jones, and Davis, to the effect that the stabilization line has been strengthened and held. To be correct, this must include both prices and wages. It is true that cost of living prices have not increased measurably in the last year. That is not true of hourly wages or weekly earnings.

That statement ends with this language:

"We should cling to the policies and machinery which have served us so effectively thus far."

Here you serve notice of your intention to cling to your policy in the use of subsidies as long as you are able to continue to evade and defy the expressed intent and will of the Congress.

I want to challenge a statement from you or anybody else that the grocery-bill subsidy, as you advocate and administer it, is a factor in preventing inflation. It may be a factor in fulfilling a promise President Roosevelt made to the leaders of organized labor that certain staple food prices would not be permitted to rise under any circumstances no matter how much earnings increased. On several items prices have been kept down at the expense of the taxpayer. In round numbers, the O. P. A. and the W. F. A. are spending $1,300,000,000 a year of taxpayers' money to reduce prices on several cost-of-living items. Every dollar of this money is taken from the Treasury and is all borrowed. The public debt is increased to the full amount of the subsidy. Eventually the public debt must be discharged by the taxpayer. That burden will fall heavily on a generation of taxpayers most of whom are now in the armed forces. Unlike yourself, and others in the administration, I think taxpayers, including coming generations, are entitled to some consideration.

The immediate effect of this policy is to leave the full amount of the subsidy in the hands of the consumer. To the extent of this full amount, pressure upon the price of an inadequate supply of consumer goods is increased. The effect is obvious. It is inflationary. Why you persistently attribute some stabilizing virtue to this policy is not clear to any person who fully understands the subject. Your repeated declarations, along with similar declarations by President Roosevelt, Justice Byrnes, and Judge Jones, have deceived the public and increased public alarm.

I repeat what I have said before:

That is a dishonest public policy, no matter who uses it.

While the effort of those of us who are trying to keep you and your associates honest centers principally around food prices, which have some relation to farm prices, I want to repeat here, and to emphasize, that, theoretically, the farmer has no interest in this controversy, except as a taxpayer. He has the same interest as every other taxpayer and, in theory, no more. Your subsidy money is, in theory, paid to hold farm prices at the full parity or comparable price level. This is not being done, especially in

livestock. Stock raising, including poultry raising, at this time, is perhaps the most demoralized industry in the country due to O. P. A. and W. F. A. policies. The livestock raisers insist that they get only a small portion of the benefit intended for them—and that most of the subsidy money is retained by the middle man or processor. I have seen no figures on this point that could be accepted as conclusive, but undoubtedly there is merit in the livestock producers' contention.

I come now to the statement made by yourself and your associates on April 7. You say:

"Basic wage rates have been firmly held." (Referring to a previous period which might be either October 1942 or the first part of 1943.)

This is simply not true. For your ready convenience, I quote below the average hourly earnings of factory workers as reported by the Bureau of Labor Statistics:

	Cents
1942:	
October	89.3
November	90.5
December	90.7
1943:	
January	91.9
February	92.4
March	93.4
April	94.4
May	95.3
June	95.9
July	96.3
August	96.5
September	99.3
October	98.8
November	99.6
December	99.5
1944: January	100.1

It will thus be seen, that instead of "basic wage rates" being firmly held, they have steadily moved upward—and not slowly. From January 1943 to January 1944, hourly wage earnings increased 8.2 cents per hour, or 9 percent. That is the third largest increase in hourly earnings of any year in the 5-year period since the war in Europe began in 1939.

It is such constant and persistent deception as this which causes those of us who follow the facts to lose faith in you and your associates who make these incorrect statements, and, therefore, deceive the public. I grant that deception of the public is necessary to the success of your policy, but that does not make it honest.

I have dealt here with only the increase in hourly earnings through 1943. This is because your misstatement was directed at that period. It may be said that the increase in hourly earnings from January 1939 to January 1944 is 58.4 percent. Increase in the hourly earnings since January 1941 (Little Steel formula) to January 1944, is 46.6 percent. The entire increase in all items making up the cost of living from January 1939 to January 1944 is 23.7 percent. Measured from any standpoint, increase in hourly earnings, which directly reflect the basic wage, is from two to three times the increase in the cost of living.

Up to this time I have dealt entirely with hourly earnings. These earnings are the main factor, although not the only factor, in the total weekly earnings of these workers. After all, the important thing to the worker is his "take home pay" at the end of the week. Weekly earnings of factory workers increased from $23.19 a week in January 1939 to $45.15 a week in January 1944, or a percentage increase of 94.7. Virtually all of this increase came after January 1941. In that month the weekly earnings were $26.65 as against the January 1944 figure of $45.15. In other words, during the period of application of the Little Steel formula, hourly earnings went up 46.6 percent; weekly earnings went up 69.4 percent, and the cost of living went up 23.7 percent. All of these statements are based upon reports of the Bureau of Labor Statistics.

Neither in my long life nor in my reading of American history have I found anything to compare with this persistent and determined attempt to mislead and alarm the people. I have previously mentioned those responsible for this policy of persistent and continued deception.

Let us now move from the factory worker to a somewhat broader field. Workers engaged in mining and transportation are not included as factory workers. Their incomes, however, are included in reports by the Bureau of Agricultural Economics. That Bureau shows the annual wage income of industrial workers, as follows:

1939	$1,205
1940	1,273
1941	1,495
1942	1,847
1943	2,138

In this period, the average annual wage income per industrial worker increased 77 percent. In the same period, the cost of living, all items, using 1935–39 as 100 percent, increased 23.7 percent.

While comparison between the wages of industrial workers and the cost of living is the point directly in issue, it is interesting to take a look at the income of the public in general. The total national income divided by the total population, including the armed forces, shows the following average annual incomes:

1939	$540.70
1940	577.10
1941	695.70
1942	865.30
1943	1,041.50

Source: Bureau of Labor Statistics, based on reports from Department of Commerce.

Here we have in this 5-year period a 92-percent increase in the average income of all the citizens of the United States. Cost of living in this period increased 23.7 percent.

In the name of God and common sense, why should future generations of taxpayers, including men in the armed forces all over the world, be penalized to subsidize the grocery bill of the present generation of citizens who are receiving the highest average income ever received by any people in the world throughout all history, and spending a smaller proportion for food than any other civilized people?

A plea that this grocery bill subsidy policy is in the interest of the wage worker is insincere and fallacious. Prior to World War No. 2, the maximum average income per industrial worker was, in 1920, $1,411. Decline began after 1920 and the industrial worker's income never equaled the 1920 income until 1941 when it amounted to $1,495. The 1943 annual income per industrial worker was $2,138. Beyond any doubt, incomes of all kinds of people, including industrial workers, will decline after World War No. 2. How far this decline will go, and how long it will last, is a matter of so uncertain conjecture that no estimate is of any value.

The outstanding fact is—that never in all of our history have the people generally, and industrial workers in particular, been so able to pay the living expenses out of current income as they are now. As has been pointed out, the use of this grocery bill subsidy only defers the day of payment. In heaven's name, why defer payment from the period when one is most able to make it, to a period when the ability to pay will be lessened? We are only transferring the burden, not removing it.

Continuing with this study: Because this matter is too voluminous to readily include in this letter, there is attached a statement showing the income and trend of income throughout 1943, as well as the expenditures for food.

It will be observed that the per capita average income increased 13.2 percent through 1943. Expenditures for food increased 11.2 percent. This item is affected by volume of food consumption as well as price. The "take home income after paying grocery bill" increased 13.6 percent. The percentage of income expended for food shown on this table never exceeded 20 percent. If a quantity of food, representing average consumption through 1935–39, had been bought, the expenditure for food would have been 15 percent of the income.

There is no record of any population in any civilized nation in the world being so well fed as the people of the United States, and there is no record of any people being able to purchase their food for so low a percentage of their income as the average citizen of the United States can do at this time and has been doing throughout the years.

Why the persistent demand of yourself and those associated with you for subsidies to reduce the grocery bill of people whose incomes are larger currently than they are likely to be again for any conceivable period of time? This policy is so unsound that no man can thoroughly understand it and still advocate it if that man is sincere. If men in authority advocate such a program without understanding it, they may reasonably be charged with being dumb, at least incompetent. If they understand all the facts, and still advocate it, on the basis that yourself, Judge Jones, Justice Byrnes, and President Roosevelt advocate, they create a basis for doubting their sincerity and integrity. I have said this before—I repeat it here.

With my best wishes, I am

Cordially yours,

CLYDE M. REED.

Per capita food costs, consumer income and expenditures, United States by months, 1943

Year and month	Total income payments per capita	Expenditures for food	Take-home income after paying grocery bill	Food expenditures as percentage of income	
				Actual	Cost of quantities of food representing average annual consumption 1935–39
1943:				*Percent*	*Percent*
January	$973	$196	$777	20	16
February	991	198	793	20	16
March	1,009	207	802	21	16
April	1,023	193	830	19	16
May	1,028	201	827	20	16
June	1,040	200	840	19	16
July	1,048	217	831	21	16
August	1,059	207	852	20	15
September	1,058	204	854	19	15
October	1,069	219	850	20	15
November	1,086	210	876	19	15
December	1,101	218	883	20	15

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an amendment which yesterday, at my request, was ordered to lie on the table and be printed, but which I do not intend to propose.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

At the proper place in the bill insert the following:

"SEC. —. The Emergency Price Control Act of 1942 is hereby amended as follows:

"At the end of the second sentence of section 2 (a) insert the following: 'Any maximum price established or adjusted by the Administrator shall be such as to allow to each class of producers, manufacturers, processors, and distributors concerned therewith a generally fair and equitable price for the particular product affected, taking into consideration the cost of producing, manufacturing, processing, or distributing such product and a reasonable profit subject to the following provisos:

"'(a) The price need not be such as to assume profit to any individual producer, manufacturer, processor, or distributor who is inefficient, or who for any other reason failed to receive such profit under peacetime conditions.

"'(b) The maximum price fixed for any class of producers, manufacturers, processors, and distributors need not be such as to assure a profit for such particular product if it was customary prior to the war for such class to sell such product without profit.

"'(c) The price fixed for any class of producers, manufacturers, processors, or distributors need not be such as to assure a profit for a particular product if (1) such product is only one of a larger group of products substantially all of which are handled by all members of such class, and (2) the sum of the profits on all the products handled by such class are generally reasonable.

"'(d) The Administrator shall have the right to determine what producers, manufacturers, processors, and distributors constitute a class, and in doing so shall give proper consideration to the character of the business, the kind of products handled, method of handling such products, and regional variations which prior to the war led to a general difference in prices and margins.'"

Mr. BUTLER. Mr. President, I desire to call up an amendment, in order to have 1 or 2 minutes' discussion of it. It was intended to be proposed by the Senator from Illinois [Mr. BROOKS], who is not present at this time. I ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill, it is proposed to insert the following:

SEC. 101.5. Section 2 (c) of such act is amended by inserting after the first sentence thereof the following: "The Administrator shall provide for individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations, including rents in housing accommodations in which there has been since the maximum rent date a substantial increase or decrease in property taxes or operating costs, or in which the rent is less than the total costs of operation, or in multiple-unit premises the rent is lower than the maximum rent generally prevailing for comparable housing accommodations in the same premises."

Mr. BUTLER. Mr. President, an amendment of this sort was submitted at the committee hearing. I believe the Senator from Ohio has a proposed regulation, received from the O. P. A., which should be placed in the RECORD, in order to make it complete.

Mr. TAFT. Mr. President, in the committee I offered an amendment. The difficulty with the rent situation is that the Administrator has refused to consider individual applications for adjustment of rent, except in 10 limited classes of cases in which he has chosen to permit adjustments to be made.

I think there should be a broader provision. In the committee I submitted an amendment, which I subsequently withdrew when it appeared that a majority of the members of the committee were opposed to it. I withdrew it with the understanding on the part of the O. P. A. that it would submit a further exception, in the form of a regulation which it would put into effect in order to permit individual adjustments to be made.

After the committee closed the hearings, the O. P. A. submitted the proposed regulation. I shall ask unanimous consent to have it printed in the RECORD. It does not go so far as I think it should go. However, it shows a willingness to open up somewhat the matter of consideration of individual rent adjustments.

If it appears, after trial, that the new regulation does not flood the O. P. A. with a large number of rent cases, I am hopeful the O. P. A. will increase the number of cases of rent regulation or adjustment in which it will grant hearings for individual complainants.

I think it is perfectly clear that the Senate, the House of Representatives and the act contemplated that an individual complainant who had an especially large increase in cost, or whose rent was not comparable to other rents, should receive an individual adjustment. However, at this time I do not wish to press the general question of an amendment of the law.

I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the amendment to the rent regulations which I understand the O. P. A. is making or will make if no provision relating to rents is incorporated in the present law.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment to the rent regulations was ordered to be printed in the RECORD, as follows:

AMENDMENT TO RENT REGULATIONS

Any landlord may file a petition for adjustment to increase the maximum rent otherwise allowable, only on the grounds that:

(II) The rent on the date determining the maximum rent was materially affected by special hardship circumstances and as a result was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

Mr. BUTLER. Mr. President, in view of the explanation made by the Senator from Ohio and the understanding we have had within the committee, I am hopeful that the Administrator will be as reasonable or as lenient as he possibly can be under the regulations which are proposed.

In view of that situation, I withdraw the proposed amendment. Of course, I desire to have it printed in the RECORD as it has been read.

Mr. WILLIS. Mr. President, the other day, at my request, an amendment to the bill now under consideration was ordered to lie on the table and to be printed. I do not propose to press for its adoption at this time, but I desire to have it printed in the RECORD, and I ask unanimous consent to have that done.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 3, after line 24, insert the following:

"(1) No maximum price shall be established or maintained for any of the following: (1) Public sales by a bona fide owner, directly or through an agent or auctioneer, of such owner's used furniture, household goods, and personal effects acquired by such owner for his own use or consumption, and not acquired for the purpose of resale; (2) public sales by a bona fide farmer, directly or through an agent or auctioneer, of such farmer's used tractors, machinery, implements, and tools, acquired by such farmer for his own use in connection with his farming operations and activities, and not acquired for the purpose of resale; and (3) public sales by an administrator, executor, guardian, or trustee, directly or through an agent or auctioneer, pursuant to an order of court, of any used personal property of the character enumerated in clauses Nos. 1 and 2 above."

On page 2, line 24, strike out "subsection" and insert in lieu thereof "subsections."

Mr. WILLIS. Mr. President, I also ask unanimous consent to have printed in the RECORD, as a part of my remarks, a statement about certain abuses in connection with market regulations affecting the sale of hogs. The statement relates to a regulation by the War Food Administration, which I intended to offer at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ABUSES IN REGULATIONS AFFECTING HOG MARKETING

Present support prices are on hogs weighing from 180 to 270 pounds, hereinafter called bracket weights. Hogs weighing below or above these bracket weights can be bought at a price discretionary to the packer. As a result, hogs in excess of 270 pounds are now selling at discounts as great as $2 per hundredweight below support prices for bracket weights. This means that a hog weighing 271 pounds will bring approximately $5 less than a hog just under 270 pounds. It is common practice for order buyers to fill orders as nearly as possible with hogs outside the bracket weights. As a result, bracket-weight hogs oftentimes lie in the yards 2 to 3 days before being sold, thus effecting an enormous shrinkage and penalizing the producer.

Due to the heavy flow of hogs to market and the apparent inability of packers to take the

hogs, a permit system has been established on the Indianapolis market. Demand for permits far exceeds the ability of the market to assimilate the hogs. As a result hogs are kept back on the farm, and in many instances held there against the farmers' wishes, until the weight exceeds the 270 pounds, consequently inflicting a terrific loss on the producers.

Another unfair practice is that of making false grades within the bracket weights, which enables the packer to buy choice hogs below the support price.

It is my suggestion that false grading be absolutely prohibited, and that the break in prices on out-of-bracket weight hogs be limited to the normal differential prices for hogs in those weights.

Mr. MILLIKIN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter dated April 14, 1944, from me to Hon. Ivan D. Carson, Deputy Administrator of the Office of Price Administration, and a reply which I received under date of May 6, 1944, from Mr. Bowles, both letters having to do with the subject of voluntary contributions. I started to read the letters the other day, and referred to them, but did not actually enter them in the RECORD. I ask unanimous consent that they may be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 14, 1944.

Hon. IVAN D. CARSON,
Deputy Administrator,
Office of Price Administration,
Washington, D. C.

DEAR MR. CARSON: Thank you very much for your letter of April 13, 1944, replying to observations in a letter which I have received from Mr. T. B. Estill, of 1770 South Santa Fe Drive, Denver, respecting rent control of motor courts by O. P. A. I am passing your letter on to Mr. Estill for his further reactions, which I shall communicate to you.

I am very much interested in the second from the last paragraph on the third page of your letter regarding voluntary contributions to the Treasury of the United States by those alleged to have made rental overcharges and where the person overcharged cannot be found and where in the opinion of the enforcement officials the violation is not of a sufficiently serious character to warrant criminal proceedings. Your statement that "a somewhat similar technique of voluntary contributions to the Treasury has been used in the past in connection with violation of other Federal statutes" is also noted with especial interest.

Let me suggest that this technique is reprehensible. If, as you state, the alleged violation does not appear to be of such a serious character that criminal proceedings should be brought against the violator, then, under self-evident principles of fair play and under proper performance of official duty, there should not be any criminal proceedings and there should not be any bartering to remove the threat of them.

If criminal proceedings are not warranted, there is nothing left but a civil claim existing exclusively between the landlord and tenant. The landlord did not rent his accommodations to the United States Treasury. He did not overcharge the United States Treasury. Hence, he does not owe anything to the United States Treasury. Moreover, the Government is not a collection agency for claims between landlords and tenants and the procedure does not serve that function for obviously the citizen's voluntary payment of a sum of money into the United States Treasury does not extinguish his debt to his creditor. If the landlord is unjustly enriched because he cannot find the tenant to whom he owes the money this is not corrected by an equally unjust enrichment of the Federal Treasury.

To call the payment voluntary, keeping in mind that it is admittedly a part of a technique of settlement, is a cynical perversion of the meaning of the word. Of course, the voluntary contribution is induced by dangling the threat of a criminal proceeding over the citizen's head. This technique is condemned by its nature, it is a criminal offense, where practiced by private citizens, and so far as I know it is not a statutory privilege of Federal officials.

I shall appreciate it if you will furnish me with a list of all persons who have made such voluntary contributions, with the amounts thereof, in O. P. A. rent-control cases. Please also cite me any provisions of law relied upon as authority for practicing this technique.

I shall also appreciate it if you will advise me of the names of the other Federal agencies which follow this technique in connection with the violation of other Federal statutes.

I am,
Sincerely,

EUGENE D. MILLIKIN.

OFFICE OF PRICE AMINISTRATION,
Washington, D. C., May 6, 1944.

The Honorable EUGENE D. MILLIKIN,
United States Senate,
Washington, D. C.

DEAR SENATOR MILLIKIN: Your letter of April 14, 1944, addressed to Ivan D. Carson, Deputy Administrator for Rent, has been referred to me for reply.

You express an interest in the second from the last paragraph on the third page of Mr. Carson's letter to you dated April 13, 1944, wherein he mentions the matter of voluntary contributions to the Treasury of the United States in those cases where landlords have made rental overcharges, where the person overcharged cannot be found, and where, in the opinion of the enforcement official, the violation is not of a sufficiently serious character to warrant formal proceedings. You express disapproval of the technique of collecting voluntary contributions and ask that we cite to you any provisions of law relied upon as authority therefor.

I have checked carefully into the practice of accepting voluntary contributions and enclose a full memorandum on the matter, dated April 10, 1943, by Thomas I. Emerson, Deputy Administrator for Enforcement, then Acting General Counsel. Prior to the effective date of the Emergency Price Control Act, and prior to July 31, 1942, when the treble-damage provisions of the Emergency Price Control Act became operative, the acceptance of voluntary contributions from violators proved a very practical and, in our opinion, a fair and effective way of adjusting many cases which did not warrant the expenditure of time and funds in formal enforcement proceedings. With respect to violations occurring after July 31, 1942, we have been accepting voluntary contributions only in an insignificant number of cases compared to the total number and amount of refunds to tenants. The reason for this is that most of the cases which we wish to adjust on an informal basis, without the imposition of formal sanctions, are disposed of through a settlement of the Administrator's claim for treble damages or, in the case where the treble-damage claim lies in the purchaser or tenant, through restitution to such purchaser or tenant. As a result, the only cases in which we accept contributions, where the violation has occurred after July 31, 1942, are situations where the Administrator has no right of action to treble damages and where the consumers or tenants are numerous and unknown.

We have, as you know, literally thousands of complaints of violation and our investigations disclose that many of these are well-founded. It seems entirely justifiable to me to dispose of a great proportion of these innumerable cases without formal enforcement proceedings. As the attached memorandum indicates, the practice has never been used in substitution for criminal sanctions. It has been a device for rapidly adjusting cases which were not sufficiently serious to warrant criminal prosecution and which were not sufficiently important to justify other types of formal enforcement proceedings. The practice seems to me a sound method of restoring the status quo and eliminating the effect of the violation.

I should also like to point out that in my eighth quarterly report to Congress for the quarter ending December 1944, which is currently in the process of being distributed to the Congress, we state:

"As a result of the activities mentioned, restitution of thousands of dollars by landlords, representing overcharges, has been effected. In cases where restitution has not been feasible, landlords have made voluntary contributions to the United States Treasury in the sum of $112,523.95 during this quarter."

You also request that we furnish you with a list of all persons who made such voluntary contributions, with the amount thereof, in O. P. A. rent-control cases. The research involved in complying with this request would delay this response so long that I am submitting herewith the following total figures setting forth the number of rent contributions to the Treasury and the total amounts for the years 1942 to 1944, inclusive:

1942 [1]	3	$33.16
1943	593	245,597.48
1944 [2]	221	73,979.01
Total	817	319,609.65

[1] Incomplete.
[2] January, February, March.

If these statistics are not adequate for your purpose please advise me and I shall endeavor, as soon as possible, to obtain the detailed information which you request.

Thank you for your interest in these matters.

Sincerely yours,

CHESTER BOWLES,
Administrator.

APRIL 10, 1943.

To: Prentiss M. Brown, Administrator.
From: Thomas I. Emerson, Acting General Counsel.
Subject: Voluntary Contributions.

The practice of accepting voluntary contributions to the United States Treasury of amounts received, in excess of ceiling prices, by violators of price regulations is based on the theory that it is contrary to the policy of the Emergency Price Control Act and against public interest to permit violators to retain the fruits of their wrongdoing. These excess charges are not to be confused with legitimate profits. Where illegal amounts have been charged, the amount which is contributed represents profit to which the seller is not entitled under the law. The retention of such sums by violators contributes to inflation.

The making of contributions by violators of price regulations is voluntary, and has always been limited to the type of case where the violation is inadvertent. Contributions have not been accepted in cases where the evidence indicates that the violation was willful or deliberate, or where for any reason the application of the criminal or other statutory remedies appears warranted.

The amount of the contribution is in each case determined in accordance with the exact amount of the overcharge which is thereby remedied. In cases where a contribution is

accepted, the violator is advised by the representative of the Office of Price Administration that the making of the contribution is a voluntary method of disposing of cases whereby the violator may evidence his good faith as to future compliance. The violator is also required to submit a written statement that he will in the future comply with the regulations.

To a limited extent, as explained below, the policy has also been extended to violations of rent regulations. It has never been used in connection with violations of rationing regulations, since violations of this type do not involve overcharges.

The policy is also not applicable to violations which have occurred after July 31, 1942, which is the effective date of the treble-damage provision of the Emergency Price Control Act, except in a limited class of cases involving sales at retail where the buyers are unknown or unascertainable and where there is little likelihood that such purchasers will exercise their treble-damage rights. Similarly, in cases of violations of rest regulations, contributions may be accepted in cases where tenants have been numerous and are unavailable, as in the case of overcharges made by the proprietor of a trailer camp, or the proprietor of a boarding house for transients. In cases where overcharges have been made to retail purchasers or tenants who are available or ascertainable, the sellers are not permitted to dispose of their violations through the making of a contribution, but are instead required to make any adjustments directly with the persons who have been overcharged. In cases of over-the-ceiling sales made subsequent to July 31, 1942, to purchasers other than at retail, where, pursuant to the statute, the treble-damage remedy belongs to the Administrator, the contribution policy has no application. In such situations, of course, settlement of the Administrator's claim to treble damages frequently results in a money payment by the violator to the Treasury.

Precedent for utilizing the contribution policy as an enforcement technique was found in the use of a similar practice by former President Herbert Hoover, the United States Food Administrator under the Food Control Act of 1917, during World War No. 1. Under Mr. Hoover, the contributions were made to the Red Cross instead of the United States Treasury. His authority for this practice was never challenged, either in the courts or in Congress. His annual report for the year 1918 shows that between August 10, 1917, and December 3, 1918, there were 8,676 cases of violations handled by the Enforcement Division, and of these 4,123 cases were disposed of by contributions and refunds (Annual Report of U. S. Food Administration for the year 1918, pp. 42–43). On page 43 of his report the following language appears:

"These orders fall into two general classes depending upon whether they are addressed to a licensee or a nonlicensee. If in the first class, the order has either revoked or suspended the violator's license, temporarily or indefinitely, or has accepted some action by the violator as a substitute for such revocation or suspension as; for example, a refund of excess profits or a contribution to the Red Cross, or some other patriotic organization. In many cases a violator has offered and preferred to make such a contribution rather than to have his business closed, even temporarily; and in cases of minor offenses, such action has met the ends of substantial justice to the best advantage."

The contribution policy was first utilized by the Administrator under Executive Order No. 8734, issued by the President on April 11, 1941 (6 F. R. 1917), which established the Office of Price Administration and Civilian Supply, and under Executive Order No. 8875, issued on August 28, 1941 (6 F. R. 4483), which continued price control authority in the Office of Price Administration. At the time of the adoption of the policy, the sanctions available to the Administrator under these Executive orders were indirect and cumbersome, and for most practical purposes unusable.* The Administrator was thus faced with a serious enforcement problem. Numerous violations of the regulation were called to his attention, particularly in connection with crucial waste-materials industries. Wherever such violations were found to be inadvertent, as in cases of honest mistakes or where because of the newness of the regulation involved the violator was not sufficiently acquainted with its provisions, the contribution policy was found to be an effective means with which to secure compliance. The application of this policy during this period enabled the Administrator to enforce price regulations over a wide area during a critical period through the use of a device that was both equitable and practical in its operation. The availability of this remedial device, to the extent to which it was applied, made less serious the threat of inflation created by the absence of workable sanctions.

Because of its effectiveness in providing a fair means for disposing of cases of inadvertent violations, the contribution policy was continued in operation after the passage of the Emergency Price Control Act, which became effective on January 30, 1942 (Pub. Law No. 421, 77th Cong., 2d sess. (1942)). This act provided for the following enforcement sanctions:

1. Injunction (Sec. 205 (a)).
2. Criminal prosecutions (Sec. 205 (b)).
3. Treble damages (Sec. 205 (e)).

(a) By purchaser where sale is made for use or consumption other than in the course of trade or business.

(b) By the Administrator where purchaser is not entitled to bring suit.

4. Suspension of license (Sec. 205 (f)).

As pointed out above, contributions have not been accepted in cases where the use of any of these sanctions has been called for, with the exception that in a few cases a contribution has been accompanied by a consent decree entered in an appropriate court to enjoin further violations. In no case has a contribution been accompanied by or taken the place of a criminal prosecution or license suspension suit. Under the provisions of the statute, the effective date of the treble damage remedy was postponed for 6 months after the date of enactment of the statute. During this period, the contribution policy was a useful device for the disposition of cases which were not subject to the application of other sanctions. Subsequent to the effective date of the treble-damages remedy, the contribution policy has not been applied in cases where either the Administrator or a purchaser has a treble-damage claim, except in the single instance where an over-the-ceiling charge has been inadvertently made to numerous buyers or tenants who are unascertainable or unavailable. The contribution policy has thus been practically terminated with respect to violations which have occurred after July 31, 1942.

The contribution policy has been made known to Congress and the public since its inception. The practice was mentioned in the first quarterly report submitted to Congress for the period ending April 30, 1942. (See page 76 and table 5 (c) (1) in Appendix C at page 195.) It was discussed in the second quarterly report for the period ending July 31, 1942, and a full table of the contributions transmitted to the Treasury was published. (See page 55 and table 8 in Appendix C, page 251.)

It is to be noted that every contribution is made payable to the United States Treasury and is transmitted to the Treasury, in each instance, with a covering letter. These contributions are accepted by the Treasury as unconditional gifts and are deposited there as miscellaneous receipts. Letters of acknowledgement have been sent by the Treasury to each contributor.

It is believed that the policy has been fair and equitable in its operation, and that it has assisted in carrying out the purpose of the President and of Congress to curb the rise of prices.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1764) was passed, as follows:

Be it enacted, etc., That this act may be cited as the "Stabilization Extension Act of 1944."

TITLE I—AMENDMENTS TO THE EMERGENCY PRICE CONTROL ACT OF 1942

TERMINATION DATE

SEC. 101. Section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out "June 30, 1944," and substituting "December 31, 1945."

APPROPRIATION REQUIRED FOR SUBSIDIES

SEC. 102. Section 2 (e) of such act is amended by adding at the end thereof the following new paragraph:

"After June 30, 1945, neither the Price Administrator nor the Reconstruction Finance Corporation nor any other Government corporation shall make any subsidy payments, or buy any commodities for the purpose of selling them at a loss and thereby subsidizing directly or indirectly the sale of commodities, unless the money required for such subsidies, or sale at a loss, has been appropriated by Congress for such purpose."

UNAUTHORIZED CONDITIONS OR PENALTIES

SEC. 103. Section 2 of such act is amended by adding at the end thereof the following new subsection:

"(k) No agency, department, officer, or employee of the Government, in the payment of sums authorized by this or other acts of Congress relating to the production or sale of agricultural commodities, or in contracts for the purchase of any such commodities by the Government or any department or agency thereof, or in any allocation of materials or facilities, or in fixing quotas for the production or sale of any such commodities, shall impose any conditions or penalties not authorized by the provisions of the act or acts, or lawful regulations issued thereunder, under which such sums are authorized, such contracts are made, materials and facilities allocated, or quotas for the production or sale of any such commodities are imposed.

*Par. 2 (h) of Executive Order No. 8734, empowered the Administrator to recommend to the President the exercise of such of his powers as the commandeering power (Selective Service Act, sec. 9, 54 Stat. 892 (1940), 50 U. S. C. A., sec. 309 (Supp. 1941)), and the priority power (Priorities Act, sec. 2 (a), 54 Stat. 676 (1940), as amended by the Vinson Act, Public Law No. 89, 77th Cong., 1st sess. (May 31, 1941)), when in the judgment of the Administrator such action by the President would enforce compliance with price schedules.

Any person aggrieved by any action of any agency, department, officer, or employee of the Government contrary to the provisions hereof, or by the failure to act of any such agency, department, officer, or employee, may petition the district court of the district in which he resides or has his place of business for an order or a declaratory judgment to determine whether any such action or failure to act is in conformity with the provisions hereof and otherwise lawful; and the court shall have jurisdiction to grant appropriate relief. The provisions of the Judicial Code as to monetary amount involved necessary to give jurisdiction to a district court shall not be applicable in any such case."

ENFORCEMENT AUTHORIZATION

SEC. 104. Section 3 (e) of such act is amended by striking out "(a) and (b)."

EXPENDITURES BY THE ADMINISTRATOR

SEC. 105. Section 201 (c) of such act is amended to read as follows:

"(c) The Administrator shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for lawbooks and books of reference; for paper, printing and binding; and for purchase of commodities in order to obtain information or evidence of violations of price, rent, or rationing regulations or orders or price schedules) as he may deem necessary for the administration and enforcement of this act. The provisions of section 3709 of the Revised Statutes shall not apply to the purchase of supplies and services by the Administrator where the aggregate amount involved does not exceed $250."

PROTEST PROCEDURE

SEC. 106. (a) The first sentence of section 203 (a) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: "Within a period of 60 days after the issuance of any regulation or order under section 2 (or in the case of a price schedule, within a period of 60 days after the effective date thereof specified in section 206), or within a period of 60 days after June 30, 1944, whichever is later, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections."

(b) Section 203 (c) of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided, however,* That, upon the request of the protestant, any protest filed in accordance with subsection (a) of this section, after September 1, 1941, shall, before denial in whole or in part, be considered by a board of review consisting of one or more officers or employees of the Office of Price Administration designated by the Administrator in accordance with regulations to be promulgated by him. The Administrator shall cause to be presented to the board such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate in support of the provision against which the protest is filed. The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the board and the board shall make written recommendations to the Price Administrator. The protestant shall be informed of the recommendations of the board and, in the event that the Administrator rejects such recommendations in whole or in part, shall be informed of the reasons for such rejection."

(c) Section 203 of such act is further amended by adding at the end thereof the following new subsection:

"(d) Any protest filed under this section shall be granted or denied by the Administrator, or granted in part and the remainder of it denied, within a reasonable time after it is filed. Any protestant who is aggrieved by undue delay on the part of the Administrator in disposing of his protest may petition the Emergency Court of Appeals, created pursuant to section 204, for relief; and such court shall have jurisdiction by appropriate order to require the Administrator to dispose of such protest within such time as may be fixed by the court. If the Administrator does not act finally within the time fixed by the court, the protest shall be deemed to be denied at the expiration of that period."

(d) Section 204 (c) of such act is amended by inserting after the third sentence and before the fourth sentence thereof the following:

"Two judges shall constitute a quorum of the court and of each division thereof."

STAYS IN CRIMINAL PROCEEDINGS, ETC.

SEC. 107. Section 204 of such act is amended by adding at the end thereof the following new subsection:

"(e) Within 5 days after judgment or decree in any proceeding brought pursuant to section 205 for the violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the district court for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant has been found to have violated. The district court shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a). Upon the filing of a complaint pursuant to and within 30 days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with subsection (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection. After judgment in any proceeding brought pursuant to subsection 205, the district court shall stay the execution of its judgment for the violation of any provision of a regulation, order, or price schedule concerning which there is pending a protest properly filed by the defendant in accordance with the provisions of section 203, or any judicial proceeding instituted by the defendant in accordance with the provisions of this section, the stay to continue until the disposition of such protest, or judicial proceeding, and the expiration of the time allowed in this section for the taking of further proceedings with respect thereto. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any proceeding pending in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205; nor, except as provided in this subsection, shall any retroactive effect be given to any judgment setting aside a provision of a regulation or order issued under section 2 or of a price schedule effective in accordance with the provisions of section 206."

SUITS FOR DAMAGES

SEC. 108. (a) Subsection (e) of section 205 of such act is amended to read as follows:

"(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may, within 1 year from the date of the occurrence of the violation except as hereinafter provided, bring an action against the seller on account of the overcharge. In such action, the seller shall be liable for reasonable attorney's fees and costs as determined by the court, plus whichever of the following sums is the greater: (1) Such amount not less than one and one-half times and not more than three times the amount of the overcharge, or the overcharges, upon which the action is based as the court in its discretion may determine, or (2) $50. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be; and the word 'overcharge' shall mean the amount by which the consideration exceeds the applicable maximum price. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer either fails to institute an action under this subsection within 30 days from the date of the occurrence of the violation or is not entitled for any reason to bring the action, the Administrator may institute such action on behalf of the United States within such 1 year period. If such action is instituted by the Administrator, the buyer shall thereafter be barred from bringing an action for the same violation or violations. Any action under this subsection by either the buyer or the Administrator, as the case may be, may be brought in any court of competent jurisdiction. A judgment in an action for damages under this subsection shall be a bar to the recovery under this subsection of any damages in any other action against the same seller on account of sales made to the same purchaser prior to the institution of the action in which such judgment was rendered. Notwithstanding any provision of this act, the Emergency Price Control Act of 1942, or the amendment thereto of act, October 2, 1942 (Public Law 729, 77th Cong), all suits for civil damages shall be brought in the district or county in which the defendant against whom substantial relief is sought resides or has a place of business, or office, or agent."

(b) The amendment made by subsection (a), insofar as it relates to actions by buyers or actions which may be brought by the Administrator only after the buyer has failed to institute an action within 30 days from the occurrence of the violation, shall be applicable only with respect to violations occurring after the date of enactment of this act. In other cases, such amendment shall be applicable with respect to proceedings pending on the date of enactment of this act and with respect to proceedings instituted thereafter.

REVIEW OF RATIONING SUSPENSION ORDERS

SEC. 109. Section 205 of such act is amended by adding at the end thereof the following new subsections:

"(g) The district courts shall have exclusive jurisdiction to enjoin or set aside, in whole or in part, orders for suspension of allocations, and orders denying a stay of such suspension, issued by the Administrator pursuant to section 2 (a) (2) of the act of June 28, 1940, as amended by the act of May 31,

1941, and title III of the Second War Powers Act, 1942, and under authority conferred upon him pursuant to section 201 (b) of this act. Any action to enjoin or set aside such order shall be brought within 5 days after the service thereof. No suspension order shall take effect within 5 days after it is served, or, if an application for a stay is made to the Administrator within such 5-day period, until the expiration of 5 days after service of an order denying the stay. No interlocutory relief shall be granted against the Administrator under this subsection unless the applicant for such relief shall consent, without prejudice, to the entry of an order enjoining him from violations of the regulations or order involved in the suspension proceedings.

"(h) It shall be an adequate defense to any suit or action brought under subsections (b), (e), or (f) (2) of this section if the defendant proves that the violation of the regulation, order, or price schedule prescribing a maximum price or maximum prices was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation.

"(i) Nothing in this section shall be construed to deprive the courts of the power to assess against the defendant the amount of the overcharge."

TITLE II—AMENDMENTS TO THE STABILIZATION ACT OF OCTOBER 2, 1942

COTTON TEXTILES

SEC. 201. Section 3 of the Stabilization Act of October 2, 1942, as amended, is amended by adding at the end thereof the following new paragraph:

"Any maximum price established or maintained under authority of this act or otherwise for any textile product processed or manufactured in whole or substantially part from cotton or cotton yarn shall be not less for any specific textile item than the sum of the following: (1) The cost of the cotton or yarn involved, plus the cost of delivery of such cotton or yarn to the point of processing or manufacturing, as determined by the War Food Administrator; (2) a generally fair and equitable allowance for the total current cost of whatever nature incident to processing or manufacturing and marketing such item, and whenever the Chairman of the War Production Board or the War Food Administrator has determined such item to be necessary for the war effort or the maintenance of the civilian economy, such allowance shall be computed at a uniform figure that will cover such total current costs in the case of any manufacturer or processor among the manufacturers or processors of at least 90 percent by volume of such item; and (3) a reasonable profit on such item, in addition to the costs computed as provided in clauses (1) and (2). The maximum price established for any textile item under this act or otherwise shall be adjusted to the extent necessary to conform with the requirements of this paragraph within 60 days after the date of its enactment. For the purposes of this paragraph, the cost of any cotton shall be deemed to be not less than the parity price for such cotton (adjusted for grade, location, and seasonal differentials); except that for the 60-period beginning 120 days after the date of enactment of this paragraph, and for each subsequent 60-day period, if the actual current market value of such cotton at the beginning of such period is lower than such parity price, the cost of such cotton during such 60-day period shall be deemed to be the actual current market value at the beginning of such period, and whenever a change is made in such cost of cotton a corresponding change shall be made in the maximum price for each specific textile item. The method that is now used for the purposes of loans under section 8 of this act for determining the parity price or its equivalent for seven-eighths inch Middling cotton at the average location used in fixing the base loan rate for cotton shall also be used for determining the parity price for seven-eighths inch Middling cotton at such average location for the purposes of this section; and any adjustments made by the Secretary of Agriculture or the War Food Administrator for grade, location, or seasonal differentials for the purposes of this section shall be made on the basis of the parity price so determined. For the purposes of this paragraph, the terms 'textile product' and 'textile item' mean any product or item manufactured or processed in whole or substantial part from cotton or cotton yarn by any manufacturer or processor engaged in the manufacture or processing of such product or article from cotton or cotton yarn. Whenever the maximum price established for any item to which this paragraph is applicable is in excess of a price which in the judgment of the Administrator is generally fair and equitable and is also in excess of the lowest maximum price which could be established therefor in accordance with the foregoing provisions of this section, the Administrator may reduce the maximum price for such items to a price which in his judgment will be generally fair and equitable, except that such maximum price shall in no event be reduced to a price lower than the lowest maximum price which could be established therefor in accordance with the foregoing provisions of this section or be reduced to a price which will impede the effective prosecution of the war or the maintenance of the civilian economy.

"Whenever the maximum price established for sales at any subsequent level of manufacture, processing, or distribution of any commodity which is constituted in whole or substantial part of any textile item is in excess of a price which in the judgment of the Administrator will provide a generally fair and equitable margin at such level of manufacture, processing, or distribution, then the Administrator may reduce such maximum price to any price which in the judgment of the Administrator will provide a generally fair and equitable margin at such level."

SETTLEMENT OF DISPUTES UNDER RAILWAY LABOR ACT

SEC. 202. Section 4 of such act of October 2, 1942, is amended by adding at the end thereof the following new paragraphs:

"No action shall be taken under authority of this act with respect to an increase in any wages or salaries in any case in which such increase has been agreed upon by the employer and employee and will not result in the payment of wages or salaries at a rate greater than $37.50 per week. For the purpose of the preceding sentence, if the employee ordinarily works overtime and extra compensation is paid therefor, such extra compensation shall be included in determining the rate of wages or salaries paid.

"In any dispute between employees and carriers subject to the Railway Labor Act, as amended, as to changes affecting wage or salary payments, the procedures of such act shall be followed for the purpose of bringing about a settlement of such dispute. Any agency provided for by such act, as a prerequisite to effecting or recommending a settlement of any such dispute, shall make a specific finding and certification that the changes proposed by such settlement or recommended settlement are consistent with such standards as may be then in effect, established by or pursuant to law, for the purpose of controlling inflationary tendencies. Where such finding and certification are made by such agency, they shall be conclusive, and it shall be lawful for the employees and carriers, by agreement, to put into effect the changes proposed by the settlement or recommended settlement with respect to which such finding and certification were made."

TERMINATION DATE

SEC. 203. Section 6 of such act of October 2, 1942, is amended by striking out "June 30, 1944" and substituting "December 31, 1945."

LOAN RATE FOR AGRICULTURAL COMMODITIES

SEC. 204. (a) Section 8 (a) (1) of such act of October 2, 1942 (relating to loans upon cotton, corn, wheat, rice, tobacco, and peanuts), is amended by striking out "at the rate of 90 percent of the parity price" and inserting in lieu thereof "at the rate of 95 percent of the parity price." The amendment made by this subsection shall be applicable with respect to crops harvested after December 31, 1943. In the case of loans made under such section 8 upon any of the 1944 crops of any commodity before the amendment made by this subsection takes effect, the Commodity Credit Corporation is authorized and directed to increase or provide for increasing the amount of such loans to the amount of the loans which would have been made if the loan rate specified in this subsection had been in effect at the time the loans were made.

(b) Section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941, as amended (relating to supporting the prices of nonbasic agricultural commodities), is amended by striking out "90 percent" and inserting in lieu thereof "95 percent." The amendment made by this subsection shall, irrespective of whether or not there is any further public announcement under such section 4 (a), be applicable with respect to any commodity with respect to which a public announcement has heretofore been made under such section 4 (a).

SEC. 205. Section 3 of the act of October 2, 1942 (Public Law 729, 77th Cong.), is hereby amended by adding a new paragraph to read as follows:

"PERISHABLE COMMODITIES

"Whenever a maximum price is established on any fresh fruit or fresh vegetable, including potatoes, adequate allowances shall be made for hazards of production and marketing of such commodities throughout the crop year, including increased costs due to crop losses which have resulted or may result from such hazards. If a maximum price has been established on any such commodity, the Price Administrator shall take immediate action to review and increase such maximum price from time to time by making further allowances to the extent necessary to compensate for subsequent substantial changes in such conditions, including substantial reductions in merchantable crop yields."

The title was amended so as to read as follows: "A bill to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of October 2, 1942, as amended, and for other purposes."

Mr. WAGNER. Mr. President, I ask that the bill be printed as passed today.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO REPORT, ETC.

Mr. McKELLAR. Mr. President, I ask unanimous consent that during the recess or adjournment of the Senate, following today's session, the Committee on Appropriations be authorized to file reports on appropriation bills before it, and to file notices of motions to suspend the

rule for the purpose of proposing amendments to such appropriation bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROCUREMENT OF OIL FOR THE NATIONAL DEFENSE

Mr. WALSH of Massachusetts. Mr. President, I move that the Senate proceed to the consideration of House bill 4771, Calendar No. 962. I shall not ask for its consideration tonight, but I should like to make it the unfinished business.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4771) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

Mr. WALSH of Massachusetts. Mr. President, I may say that the title of the bill is misleading and does not define the objective of the measure. The purpose of the bill is to authorize the production of oil from Naval Petroleum Reserve No. 1—Elk Hills—whenever production is required for national defense.

Mr. TAFT. Mr. President, am I correct in understanding that the consideration of the bill will go over until Monday?

Mr. WALSH of Massachusetts. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts [Mr. WALSH].

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, I should like to inquire of Senators—especially the Senator from Massachusetts [Mr. WALSH] and the Senator from Tennessee [Mr. MCKELLAR]—whether the appropriation bills in the Appropriations Committee and the bill to which the Senator from Massachusetts has referred, and which is now the unfinished business, are of such urgency that we could not take a recess from today until Tuesday next. I do not wish to waste a single day that is necessary in order to clear our program; but if committees could have an opportunity to act on Monday on legislation pending before them, it is possible that we might facilitate matters by taking a recess until Tuesday, rather than holding a session on Monday.

Mr. WALSH of Massachusetts. Mr. President, the Navy Department has been pressing me very hard all week to obtain action on the bill which has been made the unfinished business. It deals, as I have said, with the extraction of oil from the Elk Hills Oil Reserve in California.

The contract under which the Navy has been acting has expired, and the Navy is pressing very hard for legislation which would permit it to increase the volume of oil which it can obtain. I hope very much that the Senate may consider the bill on Monday.

Mr. MCKELLAR. Mr. President, in answer to the question of the Senator from Kentucky, let me say that there are 13 appropriation bills, and only 2 of them have finally passed. It will require the most nerve-racking work for our committee to finish consideration of those bills so that a recess may be taken for the Republican National Convention, as I understand is now the program. For that reason it seems to me that we had better stay in session as much as possible if we are to get through.

Mr. BARKLEY. Mr. President, the answers of both the Senator from Massachusetts and the Senator from Tennessee are satisfactory. Therefore, at the proper time I shall move that the Senate take a recess until Monday.

TEMPORARY APPOINTMENT OF ARMY NURSE CORPS MEMBERS AS OFFICERS IN THE ARMY OF THE UNITED STATES

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1808) to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes, which were to strike out all after the enacting clause and insert:

That, notwithstanding any other provision of law, members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices) appointed under the provisions of the act of December 22, 1942 (56 Stat. 1072), and female persons having the necessary qualifications for appointments in such department as female dietetic or physical-therapy personnel under the provisions of the act of December 22, 1942 (56 Stat. 1072), may be appointed as officers in the Army of the United States under the provisions of the joint resolution of September 22, 1941 (55 Stat. 728), as amended by the act of July 7, 1943 (Public Law 114, 78 Cong.), in the grades therein prescribed, and assigned, respectively, to the Army Nurse Corps and Medical Department of the Army. All persons so appointed and assigned shall have authority in and about military hospitals as regards medical and sanitary matters and all other work within the scope of their professional duties next after other officers of the Medical Department and, except as above provided, shall exercise command only over those members of the Army of the United States specifically placed under their command. Members of the Army Nurse Corps so appointed and assigned shall not by acceptance of their appointments vacate their appointments in the Army Nurse Corps.

SEC. 2. All persons appointed and assigned as officers in the Army of the United States under the provisions of section 1 of this act and their dependents and beneficiaries shall have all the rights, privileges, and benefits accorded in like cases to other persons appointed under the joint resolution of September 22, 1941 (55 Stat. 728), as amended, except where otherwise expressly provided in this or any subsequent act.

SEC. 3. In addition to members of the Army Nurse Corps, any person appointed and assigned as an officer in the Army of the United States under the provisions of section 1 of this act shall be eligible to be retired under any law providing for the retirement of members of the Army Nurse Corps, and any such person, including members of the Army Nurse Corps, who, while serving under such appointment and assignment, is so retired for disability shall receive retired pay at the rate of 75 percent of the active duty base and longevity pay received by her while serving in the highest grade in which she served under any such appointment and assignment, and, notwithstanding any other provision of law, shall be placed upon the Army Nurse Corps retired list in such highest grade. Any member of the Army Nurse Corps retired between December 7, 1941, and the date of enactment of this act for disability and any female dietitian or physical-therapy aide so retired between January 12, 1943, and the date of enactment of this act shall receive, effective on the first day of the first month next following the date of enactment of this act, retired pay at the rate of 75 percent of the highest active duty base and longevity pay received by her while serving in the Army Nurse Corps or Medical Department of the Army, as the case may be, during the above-cited applicable period: *Provided*, That nothing contained in this section shall operate to reduce the retired pay presently received by any nurse, female dietitian, or physical-therapy aide.

SEC. 4. In computing years of service for all purposes of members of the Army Nurse Corps appointed and assigned under the provisions of section 1 of this act there shall be credited active service in the Army Nurse Corps and in the Navy Nurse Corps, active service as a contract nurse prior to February 2, 1901, and service rendered pursuant to an appointment under this act.

SEC. 5. In computing years of service for all purposes of female dietetic and physical-therapy personnel appointed and assigned under the provisions of section 1 of this act there shall be credited all active full-time service (except as a student or apprentice) in the dietetic or physical-therapy categories rendered subsequent to April 6, 1917, as a civilian employee of the War Department, service rendered pursuant to an appointment as a female dietitian or physical-therapy aide under the provisions of the act of December 22, 1942 (56 Stat. 1072), and service rendered pursuant to an appointment under this act.

SEC. 6. Notwithstanding any other provision of law, no woman appointed and assigned under the provisions of section 1 of this act who is a member of the Army Nurse Corps or who has previously held an appointment as a female dietitian or physical-therapy aide under the provisions of the act of December 22, 1942 (56 Stat. 1072), shall be entitled to any uniform allowance payable to officers of the Army of the United States. Any such woman who, either as a member of the Army Nurse Corps or a dietitian or physical-therapy aide, has not received a complete issue of uniforms, insignia, accessories, and equipment prescribed by regulations of the Secretary of War for persons in the respective categories may be issued the remainder of such prescribed articles, and any such woman who has heretofore or may hereafter receive such complete issue, or any part thereof, may retain such articles as her personal property.

SEC. 7. For the purpose of effectuating prompt and equitable appointments under section 1 of this act of the personnel mentioned in the title of this act who are on active duty on the date of enactment of this act, the President is authorized to appoint, in commissioned grades corresponding to the relative rank held by such personnel on the effective date of the order of appointment, all or any part of such personnel by means

of a blanket order without specifying the names of the personnel so appointed. Any person so appointed by such blanket order shall be deemed for all purposes to have accepted her appointment as an officer in the Army of the United States upon the effective date of such blanket order unless she shall expressly decline such appointment, and shall receive from such date the pay and allowances of the commissioned grade to which she was so appointed. No such person who, upon receiving an appointment in the Army of the United States, shall have subscribed to the oath of office required by section 1757, Revised Statutes, shall be required to renew such oath or to take a new oath upon her appointment as a commissioned officer, if her service in the Army of the United States after the taking of such oath shall have been continuous.

SEC. 8. Women appointed in the Army Nurse Corps, female dietitians and physical-therapy aides appointed in the Medical Department of the Army under the provisions of the act of December 22, 1942 (56 Stat. 1072), and women appointed from civilian life under the provisions of section 1 of this act shall receive for travel performed under competent orders from home to first-duty station the mileage allowance provided for persons appointed as officers under the joint resolution of September 22, 1941 (55 Stat. 728). This section shall be applicable with respect to travel performed on or after December 22, 1942.

SEC. 9. The provisions of this act shall apply also to the members of the Navy Nurse Corps.

And to amend the title so as to read: "An act to authorize temporary appointment as officers in the United States Naval Reserve of members of the Navy Nurse Corps and as officers in the Army of the United States of members of the Army Nurse Corps female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes."

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate concur in the House amendments with an amendment, on page 6, to strike out section 9, and an amendment to the title as proposed to be amended by the House, by striking out, in line 3 of the title, the words "Navy Nurse Corps."

Mr. WHITE. Mr. President, is this a Senate bill with House amendments?

Mr. JOHNSON of Colorado. It is a Senate bill which has come back from the House with amendments.

Mr. WHITE. Is the Senator moving to concur in the House amendments?

Mr. JOHNSON of Colorado. No; I am moving to concur in the House amendments with an amendment striking out section 9, and also an amendment to the title as proposed to be amended by the House.

Section 9 was put in the bill on the floor of the House. It is not acceptable to the Navy, and it is not acceptable to the Military Affairs Committee. I have been informed that if we strike out that section in the Senate, the House will then agree, without sending the bill to conference.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. DANAHER. What does section 9 do?

Mr. JOHNSON of Colorado. We do not think section 9 accomplishes the purpose which was intended. It attempts to make the provisions of Senate bill 1808, as applied to Army nurses, apply also to Navy nurses. We are informed by the Navy Department that that is not possible under the language of the bill, and that shortly the Navy Department will submit a bill to accomplish what is intended, as it should be done. The House is now convinced of its error, and is willing to correct its mistake by accepting an amendment to the House amendment, striking out section 9 and amending the title as it has been amended by the House.

The PRESIDING OFFICER. The proposed amendments to the House amendments will be stated.

The CHIEF CLERK. It is proposed to strike out section 9, as follows:

SEC. 9. The provisions of this act shall apply also to the members of the Navy Nurse Corps.

And to amend the title as proposed to be amended by the House, by striking out in line 3 of the title the words "Navy Nurse Corps."

Mr. WHITE. Mr. President, did this bill come from the Military Affairs Committee or the Naval Affairs Committee?

Mr. JOHNSON of Colorado. It came from the Military Affairs Committee, was passed by the Senate, and was amended in the House.

Mr. WHITE. I take it that what the Senator is proposing has the sanction of the Military Affairs Committee?

Mr. JOHNSON of Colorado. It has the sanction of the Military Affairs Committee, and also the sanction of Admiral Jacobs.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado.

Mr. BARKLEY. Mr. President, as I understand, the Senator's motion is to concur in the House amendments with certain amendments; namely, to strike out section 9, and, further, to amend the title as proposed to be amended by the House, by striking out the words "Navy Nurse Corps."

Mr. JOHNSON of Colorado. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado [Mr. JOHNSON].

The motion was agreed to.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. DOWNEY in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

POSTMASTER NOMINATIONS CONFIRMED

Mr. BARKLEY. Mr. President, the only names on the Executive Calendar are those of four postmasters. I ask unanimous consent that, as in executive session, the nominations of postmasters be confirmed, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the nominations are confirmed; and, without objection, the President will be notified forthwith.

RECESS TO MONDAY

Mr. BARKLEY. I move that the Senate take a recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 28 minutes p. m.) the Senate took a recess until Monday, June 12, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 9 (legislative day of May 9), 1944:

DIPLOMATIC AND FOREIGN SERVICE

David McK. Key, of Tennessee, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

Robert B. Memminger, of South Carolina, now a Foreign Service officer of class 7 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

Harlan B. Clark, of Ohio, now a Foreign Service officer of class 8 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONEL, WITH RANK FROM MAY 7, 1944

Lt. Col. Edward James Dwan, Cavalry (temporary colonel).

TO BE COLONELS, WITH RANK FROM MAY 31, 1944

Lt. Col. John Ross Mendenhall, Infantry (temporary colonel).

Lt. Col. Norman Randolph, Infantry (temporary brigadier general).

Lt. Col. George Edward Stratemeyer, Air Corps (temporary major general).

Lt. Col. Eustis Lloyd Hubbard, Cavalry (temporary colonel).

Lt. Col. Frederic William Boye, Cavalry (temporary colonel).

Lt. Col. Leroy Hugh Watson, Infantry (temporary major general).

TO BE COLONELS, WITH RANK FROM JUNE 1, 1944

Lt. Col. Arthur Arnim White, Field Artillery (temporary colonel).

Lt. Col. John Keliher, Field Artillery (temporary colonel).

Lt. Col. Thomas Fenton Taylor, Infantry (temporary colonel), subject to examination required by law.

Lt. Col. Marshall Henry Quesenberry, Infantry (temporary colonel), subject to examination required by law.

Lt. Col. Richard Wilmer Cooksey, Cavalry (temporary colonel).

CONFIRMATIONS

Executive nominations confirmed by the Senate June 9 (legislative day of May 9), 1944:

POSTMASTERS

MICHIGAN

Oswald J. Koch, Ann Arbor.
Arthur Elmore, Hanover.
Claude A. Van Dusen, Jasper.

WISCONSIN

Howard L. Van Ness, Lodi.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 9, 1944

The House met at 11 o'clock a. m. and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou whose ears are open to Thy children's prayer and whose heart is fatherly and loving restore unto us our lost estate; our restless spirits yearn for Thee. Cleanse all thoughts and lift all minds, guiding them in the ways of sincerity and judgment, that we may be wise counselors of the great trust committed unto us. As there is a silent witness in every breast, make it more susceptible to Thy holy presence.

O Thou divine Redeemer, as mankind is wrought upon by turmoils and fears, by sin and guilt, Thou who dwellest in eternity, our times are in Thine hands. Grant that men and women may live less and less, revolving about themselves, and that by working here and there, may show forth that we are a Christian nation, with the consciousness that we are serving for the victory of a righteous and a just peace. In the strength of dedication renewed and in opportunities reborn, we pray Thee to confirm the faith of the priests and prophets and the dreams of great souls when love and brotherhood shall shine through all clouds hanging over this seething earth. Pour out Thy spirit upon our whole country until all individual and group selfishness shall be dissolved into unity and into a great fellowship. O God, the days are hard and the nights are long and weary; we therefore earnestly pray for our President and all who are associated with him in authority and Thine shall be the praise forever. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1849. An act for the relief of Muskingum Watershed Conservancy District.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4070) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House of Representatives to the amendment of the Senate No. 68 to the foregoing bill.

The message also announced that the Senate further insists upon its amendments Nos. 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67 to said bill, disagreed to by the House of Representatives, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GLASS, Mr. RUSSELL, Mr. TRUMAN, Mr. GREEN, Mr. MCKELLAR, Mr. BRIDGES, and Mr. WHITE to be conferees on the part of the Senate.

LEGISLATIVE BRANCH AND JUDICIARY APPROPRIATION BILL, 1945

Mr. O'NEAL submitted a conference report and statement on the bill (H. R. 4414) making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement I received from the Department of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

EXECUTIVE OFFICE AND INDEPENDENT ESTABLISHMENTS APPROPRIATION BILL, 1945

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4070) making appropriations for the Executive Office and independent establishments for the fiscal year 1945, with Senate amendments; that the House further insist on its disagreement to the amendments of the Senate Nos. 1, 2, 3, 4, 6, 8, 14, 29, 30, 35, 52, 53, 54, 55, 56, 57, 64, 65, 66, and 67, and agree to the further conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is that agreeable to the minority Members?

Mr. WOODRUM of Virginia. It is.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The SPEAKER appointed the following conferees on the part of the House: Messrs. WOODRUM of Virginia, FITZPATRICK, STARNES of Alabama, HENDRICKS, WIGGLESWORTH, DIRKSEN, and CASE.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a letter from Admiral Vickery showing the shipbuilding production through May 31.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There was no objection.

GUAYULE RUBBER PROGRAM

Mr. POAGE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. POAGE]?

There was no objection.

Mr. POAGE. Mr. Speaker, I want to call the attention of the membership to the fact that when the agricultural appropriation conference report comes up for consideration there will be involved the question of the continuation of the guayule-rubber program, and the continuation of research on all of the natural-rubber programs. Those of us on the special subcommittee who made an investigation of our natural-rubber resources feel that the program should be continued. We do not ask that it be enlarged, but we do urge that it be continued, and that the research experiments should not stop. We feel that the Government has a large investment in this program and that it would be a mistake at this time to discontinue the work on it. It would be comparable with pulling up a 2-year-old apple orchard because it had produced no apples.

I hope that the Members will look at page 5570 of the RECORD and note there some of the figures and data I have placed in the RECORD for the information of those who are not familiar with guayule. This is the only way that I can see whereby the membership will know what we have involved in the guayule program as there will not be sufficient time for discussion when we take up the conference report. The Army, the Navy, and the Rubber Director say we need this guayule as insurance. Only a few members of the House Agricultural Subcommittee on Appropriations feel that we can afford to plow this insurance policy under.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a resolution on the extension of the Price Control Act, and I also ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. OUTLAND]?

There was no objection.

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an article that appeared in the New York Evening Sun by George E. Sokolski, and I also ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address delivered by Mr. Walter White, executive secretary, National Association for the Advancement of the Colored People.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

(Mr. MCKENZIE, Mr. HOFFMAN, and Mr. JENKINS asked and were given permission to extend their remarks in the RECORD.)

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial which will appear in the next issue of the American Medical Journal.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a news release entitled "Guarding Veterans' Families Against Eviction," appearing in the Sparta Herald, Sparta, Wis., and other Wisconsin newspapers.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LeCOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a set of resolutions of a labor organization of Newton, Iowa.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GROSS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein the remarks I made in connection with House Resolution 536, together with the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, and in one to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Chickasha Star.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by Lewis I. Bourgeois.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, and in one to include a short letter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an interesting article that appeared on the editorial page of the Boston Post recently.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. FOLGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 84]

Abernethy	Gibson	Martin, Iowa
Anderson, N. Mex.	Gilchrist	Merritt
Andrews, Ala.	Granger	Merrow
Arnold	Green	Mundt
Baldwin, Md.	Hancock	Murphy
Bates, Mass.	Harless, Ariz.	Newsome
Bennett, Mich.	Hart	Norman
Boren	Heidinger	O'Connor
Buckley	Herter	Peterson, Ga.
Burdick	Johnson, Anton J.	Philbin
Case	Kelley	Plumley
Chapman	Keough	Randolph
Dawson	King	Sadowski
Dickstein	Kleberg	Simpson, Pa.
Dies	Klein	Smith, W. Va.
Durham	Lewis	Stanley
Fay	Luce	Stearns, N. H.
Fish	Lynch	Stewart
Fogarty	McCord	Voorhis, Calif.
Forand	McGehee	Weichel, Ohio
Fulbright	McMurray	West
Fuller	Maas	White
Gale	Madden	Whitten
Gallagher	Magnuson	Wigglesworth

The SPEAKER. On this roll call 345 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF EMERGENCY PRICE CONTROL ACT OF 1942

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942, and the Stabilization Act of October 2, 1942, from June 30, 1944, to June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4941), extension of Emergency Price Control Act of 1942, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Section 1 of the bill had been read at the time the Committee rose on yesterday.

Any amendments to section 1 may now be offered.

Mr. PACE. Mr. Chairman, I offer an amendment, which I send to the desk.

The CHAIRMAN. Is this an amendment to section 1 of the bill?

Mr. PACE. I might explain, Mr. Chairman, there are paragraphs A and B in section 1, and I am attempting to add subsection C to section 1.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. PACE: At the end of section 1 add a new paragraph, as follows:

"(c) Section 3 of an act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes, approved October 2, 1942, is amended by striking out the words 'adequate weighting shall be given to farm labor' appearing in the last proviso and in the last sentence of said section, and inserting the following in lieu thereof:

"'There shall be included, and such maximum price shall be adjusted to include, the increase in the cost of farm labor since the respective base period for each such commodity as fixed in section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, and in the Agricultural Marketing Agreement Act of 1937, approved June 3, 1937, as amended, which increase in the cost of farm labor shall be determined on the basis of the national average and shall include hired workers, farm operators, and the members of the families of farm operators engaged in work on the farm, computed for all such labor on the basis of wage rates for hired farm labor.'"

Mr. WOLCOTT. Mr. Chairman, I make a point of order, and I make it for the purpose of getting a ruling by the Chair at this time. The point of order, of course, would be that the amendment does not come at the proper place. I would like a ruling on the point of order in respect to whether at this juncture of the bill any and all amendments to the Emergency Price Control Act of 1942, and the Stabilization Act of 1942, are in order. I make the point of order that the amendment is not germane to the section.

The CHAIRMAN. Does the gentleman from Georgia desire to be heard on the point of order?

Mr. PACE. Only one comment, Mr. Chairman. I had assumed that this section would be the appropriate place to offer the amendment for the reason that subsection B of this section amends identically the same act that I am attempting to amend. It relates to the act of October 2, 1942.

Section (b) amends that act. My amendment seeks to amend the same act. They therefore relate to identically the same amendment, and that was what moved me to offer it at this point.

The CHAIRMAN (Mr. COOPER in the chair). The Chair is prepared to rule. The Chair invites attention to the fact that under the provisions of the pending bill amendments are made to both the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942. The Chair, therefore, is of the opinion that amendments to either of these two acts included in the pending bill would be in order.

The question is presented, however, by the point of order, as to the appropriate place in the pending bill that the amendment offered by the gentleman from Georgia should more properly appear.

The Chair invites the gentleman's attention to the fact that section 2 of the pending bill provides: "Section 2 of the Emergency Price Control Act of 1942 as amended is amended to read as follows." The Chair is therefore of the opinion that the amendment offered by the gentleman from Georgia would more properly come as an amendment to section 2, to follow section 2 of the pending bill.

Mr. PACE. Mr. Chairman, I ask unanimous consent, then, to withdraw my amendment and will offer it at the appropriate place under section 2.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. I have an amendment to add a new title and section. Would it be in order at this point or should it come at the end of the present bill?

The CHAIRMAN. Answering the gentleman's parliamentary inquiry, an examination of his amendment shows it would add a new title to the bill. The Chair is of the opinion it would certainly not be in order as an amendment to section 1 of the bill, but that it should more appropriately follow as a new title at the end of the bill.

Mr. JENKINS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JENKINS. Is it the purpose of the Chair to have all of section 2 read before any amendments are offered to any portion of section 2?

The CHAIRMAN. The gentleman is correct. The rule, except for appropriation bills, is that all of a section of a bill is read before amendments to any portion of the section may be offered.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EDWIN ARTHUR HALL. I have an amendment at the desk. Will the Chair be so kind as to indicate whether it is in order to be offered at the present time?

The CHAIRMAN. The amendment to which the gentleman from New York invites the attention of the Chair appears to relate to penalty provisions. Certainly it would not be in order to section 1 of the bill which is now under consideration for amendment.

The Chair would advise the gentleman to examine the bill and determine to what part of the bill with relation to penalties his amendment relates.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EDWIN ARTHUR HALL. Does the Chair feel that this amendment might be presented at the end of section 2?

The CHAIRMAN. The Chair has advised the gentleman that it would not be in order to section 1, which is the section now under consideration. The Chair suggests that the gentleman examine the bill with respect to the provisions relating to penalties. It appears to the Chair that probably section 7 might be the place where the gentleman might want to consider offering his amendment.

Mr. HINSHAW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HINSHAW. In view of the fact that the Price Control Act itself will be subject to amendment in several different ways at several different points, will the Chair be so kind as to advise me when the amendment I have sent to the desk will be in order?

The CHAIRMAN. In reply to the gentleman's inquiry, a rather hurried examination of the amendment would indicate to the Chair that it might be appropriate at the point indicated in the amendment prepared by the gentleman.

Mr. HINSHAW. I thank the Chairman.

The CHAIRMAN. Permit the Chair to inquire if there are amendments to section 1 of the bill not proposing new sections?

Mr. CRAVENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAVENS: Title I of the Emergency Price Control Act of 1942 as amended, is hereby amended by adding the following at the end of section 1 of said title:

"Notwithstanding the provisions of any other law, order, or regulation, the National War Labor Board, in the exercise of its authority, may prescribe the terms and conditions of employment (customarily included in collective bargaining agreements) which the parties shall observe, but the Board shall make no order requiring any person—

"(1) to sign any contract or agreement to which such person does not voluntarily agree;

"(2) to make any award or payment of any kind retroactive for a period of more than 90 days, such period to be measured from the date of final determination by the National War Labor Board;

"(3) to agree to submit any dispute to arbitration;

"(4) to do or perform any act after termination of the war, or of the life of the Board, or expiration of this act, whichever shall first occur;

"(5) to make any indirect wage or salary increase of any kind whatsoever except under regulations promulgated by the President and in strict conformity therewith.

"The jurisdiction of the National War Labor Board shall not extend to disputes involving issues determinable under the provisions of the National Labor Relations Act or of section 222 (f) of the Communications Act of 1934, as amended, and no order of the National War Labor Board shall require the execution, renewal, or extension of a contract with any labor organization as collective bargaining representative if the present majority of such organization, or the appropriateness of the unit it seeks to represent, has been drawn into question by one of the parties to the dispute, until such question shall have been determined by the National Labor Relations Board.

"COURT REVIEW

"(a) Any person aggrieved by any decision, directive, or order of the National War Labor Board (hereinafter in this section called the 'Board') may obtain a review of such decision, directive, or order in the Circuit Court of Appeals of the United States for the circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court within 60 days after the entry of such decision, directive, or order, a written petition praying that such decision, directive, or order of the Board be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Board, and thereupon the Board shall certify and file in the court a transcript of the record upon which such decision, directive, or order complained of was entered. Upon the filing of such transcript, such court shall have exclusive jurisdiction to review all directives, decisions, and orders of the Board complained of and may hold unlawful and set aside such directives, decisions, or orders insofar as they are found—

"(1) contrary to constitutional right, power, privilege, or immunity;

"(2) in excess of statutory authority, jurisdiction, or limitations or short of statutory right, grant, privilege, or benefit;

"(3) made or issued without full observance of all procedures required by law;

"(4) unsupported by substantial, credible, and material evidence upon the whole administrative record; or

"(5) arbitrary or capricious.

"(b) The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 346 and 347 of title 28, as amended, of the Judicial Code.

"(c) The decision of the Board shall remain in effect pending final decision in the courts: *Provided*, That no remedial or punitive measures shall be taken or instituted against any person subject to such directive, decision, or order pending judicial review as provided herein unless the court having jurisdiction of the case shall upon a proper showing by the Board find such measures necessary to further the prosecution of the war.

"(d) Nothing in this section shall be construed as being a bar to the prosecution of any suit now pending before any court seeking a review of the legality of a directive, decision, or order of the Board, and no person shall be prejudiced by reason of any prior or subsequent denial of jurisdiction, and in the event of a denial of jurisdiction by any court on the grounds of lack of jurisdiction or for want of a cause of action, such person may bring his suit under the provisions of this section."

Mr. SPENCE. Mr. Chairman, I desire to make a point of order against the amendment offered by the gentleman from Arkansas [Mr. CRAVENS].

The CHAIRMAN. The gentleman will state his point of order.

Mr. SPENCE. Mr. Chairman, the amendment goes very much further than any of the provisions of the bill we are considering. It not only includes wages but it includes working conditions, the relationship of employer to employee and the settlement of labor disputes, none of which are involved in this bill and none of which, it seems to me, are germane or in the contemplated purposes of any provision of the pending bill.

The CHAIRMAN. Does the gentleman from Arkansas [Mr. CRAVENS] desire to be heard on the point of order?

Mr. CRAVENS. Mr. Chairman, may I direct the attention of the Chair to the fact that H. R. 4941, section 1, now under consideration, refers to section 1 of

the Emergency Price Control Act of 1942, as amended, which in turn refers specifically to the National War Labor Board. I am proceeding on the theory that the express reference to the National War Labor Board would make germane any matter which might control the action or conduct or jurisdiction of that Board.

The CHAIRMAN (Mr. COOPER). The Chair is prepared to rule.

The gentleman from Arkansas offers an amendment which has been reported, to which the gentleman from Kentucky [Mr. SPENCE] makes a point of order on the ground it is not germane, for the reasons stated by him.

The Chair invites attention to the fact that in the Emergency Price Control Act of 1942, as amended, reference is made to stabilization of prices and wages. This act and the Emergency Stabilization Act are amended by provisions of the pending bill.

The Chair also invites attention to the fact that the amendment offered by the gentleman from Arkansas [Mr. CRAVENS] seeks to include provisions relating to contracts and agreements with respect to employee and employer relationships which are beyond the scope of the pending bill or the appropriate provisions of the acts sought to be amended by the pending bill.

The Chair feels it is also appropriate to invite attention to the fact that during discussion of the rule which was adopted for the consideration of the pending bill it was pointed out that a waiver of points of order would be necessary in order to make certain amendments in order, one of which doubtlessly is the amendment here presented by the gentleman from Arkansas [Mr. CRAVENS]. The rule adopted by the House did not contain such a waiver.

The Chair is therefore constrained to rule that the amendment offered is not germane and sustains the point of order.

Mr. CRAVENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAVENS. Section I of the Emergency Price Control Act of 1942, as amended, is hereby amended by adding the following to the end of section 1 (a) of said title:

"*Provided, however,* That the National War Labor Board, in the exercise of its authority, may prescribe the terms and conditions of employment (customarily included in collective-bargaining agreements) which the parties shall observe, but the Board shall make no order requiring any person—

"(1) to sign any contract or agreement to which such person does not voluntarily agree;

"(2) to make any award or payment of any kind retroactive for a period of more than 90 days; such period to be measured from the date of final determination by the National War Labor Board;

"(3) to agree to submit any dispute to arbitration;

"(4) to do or perform any act after termination of the war, or of the life of the Board, or expiration of this act, whichever shall first occur;

"(5) to make any indirect wage or salary increase of any kind whatsoever except under regulations promulgated by the President and in strict conformity therewith.

"*Provided, moreover,* That the jurisdiction of the National War Labor Board shall not extend to disputes involving issues determinable under the provisions of the National Labor Relations Act or of section 222 (f) of the Communications Act of 1934, as amended, and no order of the National War Labor Board shall require the execution, renewal, or extension of a contract with any labor organization as collective-bargaining representative if the present majority of such organization, or the appropriateness of the unit it seeks to represent, has been drawn into question by one of the parties to the dispute, until such question shall have been determined by the National Labor Relations Board.

"*Provided, further,* That any person aggrieved by any decision, directive, or order of the National War Labor Board (hereinafter in this section called the "Board") may obtain a review of such decision, directive, or order in the circuit court of appeals of the United States for the circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court within 60 days after the entry of such decision, directive, or order, a written petition praying that such decision, directive, or order of the Board be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Board, and thereupon the Board shall certify and file in the court a transcript of the record upon which such decision, directive, or order complained of was entered. Upon the filing of such transcript, such court shall have exclusive jurisdiction to review all directives, decisions, and orders of the Board complained of and may hold unlawful and set aside such directives, decisions, or orders insofar as they are found—

"(1) contrary to constitutional right, power, privilege, or immunity;

"(2) in excess of statutory authority, jurisdiction, or limitations or short of statutory right, grant, privilege, or benefit;

"(3) made or issued without full observance of all procedures required by law;

"(4) unsupported by substantial, credible, and material evidence upon the whole administrative record; or

"(5) arbitrary or capricious.

"And, the judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 346 and 347 of title 28, as amended, of the Judicial Code.

"However, the decision of the Board shall remain in effect pending final decision in the courts: *Provided,* That no remedial or punitive measures shall be taken or instituted against any person subject to such directive, decision, or order pending judicial review as provided herein unless the court having jurisdiction of the case shall upon a proper showing by the Board find such measures necessary to further the prosecution of the war.

"But, nothing in this section shall be construed as being a bar to the prosecution of any suit now pending before any court seeking a review of the legality of a directive, decision, or order of the Board, and no person shall be prejudiced by reason of any prior or subsequent denial of jurisdiction, and in the event of a denial of jurisdiction by any court on the grounds of lack of jurisdiction or for want of a cause of action, such person may bring his suit under the provisions of this section."

Mr. SPENCE. Mr. Chairman, I make the same point of order against this amendment that I did to the previous amendment.

The CHAIRMAN. The gentleman from Kentucky makes the point of order on the same grounds as he did to the previous amendment. The Chair is of the opinion that the same reasoning would apply with respect to the point of order made against this amendment as applied to the previous amendment, and therefore sustains the point of order.

Mr. CRAVENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAVENS: Amend title I of the Emergency Price Control Act of 1942, as amended, by adding the following to the end of section 1 of said title:

"*Provided, however,* That the National War Labor Board shall make no order requiring any person, firm, or corporation to pay retroactive or back wages for a period of more than 90 days, such period to be measured from the date of final determination by the National War Labor Board."

Mr. SPENCE. Mr. Chairman, I make the point of order against the amendment that it is not germane. It provides for the relationship and pay between employer and employee.

The CHAIRMAN. For the reasons indicated as applicable to the previous amendment, the Chair sustains the point of order.

The Clerk read as follows:

SEC. 2. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"PRICES, RENTS, AND MARKET AND RENTING PRACTICES

"SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in section 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonal market conditions or other cause, then to the prices prevailing during the nearest 2-week period in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941: *Provided,* That no such regulation or order shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods: *Provided further,* That this act shall not be construed or interpreted in such a way as to give the Administrator the right to fix profits where such action has no relation to price control. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term 'regulation or order' means a regulation or order of general applicability and effect. Before issuing

any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order, and shall give consideration to their recommendations. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members, and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustment therein. The committee may make such recommendations to the Administrator as it deems advisable, and such recommendations shall be considered by the Administrator. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within 5 days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than 60 days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

"(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within 60 days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within such defense-rental area. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area.

"(c) Any regulation or order under this section may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions, as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this act. The Administrator shall provide for individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations. Any regulation or order under this section which establishes a maximum price or maximum rent may provide for a maximum price or maximum rent below the price or prices prevailing for the commodity or commodities, or below the rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order. Whenever the Administrator shall find that the availability of adequate rental housing accommodations and other relevant factors are such as to eliminate speculative, unwarranted, and abnormal increases in rents and to prevent profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this act shall be forthwith abolished in such areas theretofore designated by the Administrator as defense-rental areas; but whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purposes of this act, to reestablish the regulation of rents in any such defense-rental area, he may forthwith by regulation or order establish maximum rents for housing accommodations in the area in accordance with the standards set forth in this act.

"(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession) in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as the case may be, inconsistent with the purposes of this Act.

"(e) Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided*, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity: *Provided, however*, That, with the exception of any commodity which prior to the effective date of this amendatory proviso has been defined as a strategic or critical material pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended no agricultural commodity or commodity manufactured or processed in whole or substantial part from any agricultural commodity intended to be used as food for human consumption, shall, for the purposes of this subsection, be defined as a strategic or critical material pursuant to the provisions of said section 5d of the Reconstruction Finance Corporation Act, as amended. In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, or to authorize the Administrator to prohibit trading in any agricultural commodity for future delivery if such trading is subject to the provisions of the Commodity Exchange Act, as amended.

"(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3, and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this act with respect to such commodity.

"(g) Regulations, orders, and requirements under this act may contain such provisions as the administrator deems necessary to prevent the circumvention or evasion thereof.

"(h) The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, or changes in established rental practices.

"(i) No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1941.

"(j) Nothing in this act shall be construed (1) as authorizing the elimination or any restriction of the use of trade and brand names; (2) as authorizing the administrator to require the grade labeling of any commodity; (3) as authorizing the Administrator to standardize any commodity, unless the Administrator shall determine, with respect to such standardization, that no practicable

alternative exists for securing effective price control with respect to such commodity; or (4) as authorizing any order of the Administrator fixing maximum prices for different kinds, classes, or types of a commodity which are described in terms of specifications or standards, unless such specifications or standards were, prior to such order, in general use in the trade or industry affected, or have previously been promulgated and their use lawfully required by another Government agency."

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 12, line 2, at the end of section 2 add the following paragraph:

"(k) The Administrator shall, without regard to the limitations contained in this Act or the Stabilization Act of 1942, adjust any maximum price or rent to the extent that it may be necessary to correct gross inequities."

Mr. SPENCE. If the gentleman will yield, that is the amendment the gentleman submitted, is it not?

Mr. WOLCOTT. Yes.

Mr. SPENCE. We have no objection to that amendment, Mr. Chairman. It is a clarifying amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. FOLGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOLGER: Amend paragraph (h) of section 2 by adding at the end thereof the following:

"Nor shall such powers be used to deny to any individual producer of a product processed or manufactured in whole or in substantial part from an agricultural commodity including livestock, a fair and equitable margin of profit on each product or commodity. In no event shall a margin or margins of profit be held to be fair and equitable hereunder as to any producer whose cost is not above the highest cost among producers of 90 percent of the product involved when such margin or margins of profit will deny to the producer a return of profit from his operations equal to that realized in the normal pre-war period, and where neither the producer's percentage of profit on sales nor his percentage of return on capital invested (both figured without compelling changes in the business practices, cost practices or methords, or means or aids to distribution established in the producer's business) is above such percentage in the normal pre-war period.

"The maximum price or prices established under this act or otherwise for any producer affected hereby shall be adjusted to the extent necessary to conform with the requirements of this paragraph as promptly as possible and within 60 days after the date of the enactment hereof."

Mr. FOLGER. Mr. Chairman, the amendment to H. R. 4941 is a matter of simple minimum of justice to those producers in the country who are caught in deficiencies of administration of the Price Control Act. It refers not to producers who were making more or as much in normal peacetimes. It touches only those cases where the producer is making less than in peacetimes. It affects also the small manufacturer or producer and is intended to aid him in continuing in business.

The subject is industry ceilings rather than the power of adjustment of ceilings for individual producers who have been caught in a hazardous position. Mr. Brownlee's testimony makes the clear statement that in industries costs of goods vary greatly for different producing units. This might happen through inefficiency or waste, but this amendment is not seeking to treat that subject, which is disposed of by requirement of a cost not above that of the highest cost of producers of 90 percent of the product. The producer who produces a higher grade of material or manufactured product will have a higher cost of raw materials, and the higher cost of his product is not through inefficiency but because he buys a high grade of raw material, producing products of a higher cost classification.

There is no alternative against severe and unjustifiable hurt to any producer in these situations as the law is now administered. Mr. Brownlee admits that costs vary greatly between units in industries. These administrators continue to apply, however, the rule, but do not attempt to defend it very seriously. Mr. Brownlee testified in the hearings on this proposal for O. P. A. extension that they were using and were going to more and more use individual ceilings to relieve against inequities. He laid down no standards of inequity, and this amendment, following the line of Mr. Brownlee's lead, simply recognizes one such class of inequities and provides the relief therefor. To deny the relief proposed to units who instead of profiting from the war are making less in actual dollar return, making a smaller percentage of profit on a unit of sales, and making a smaller percentage return on invested capital, is to give to O. P. A. a purpose which was not a part of its original concept or the purpose of Congress.

We are, too, seeing certain industries, under the industry ceiling plan, make unheard-of profits while other small industries are suffering, some having to discontinue business and others running at a loss.

Passing over with mere mention unwarranted dislocations and injustices that, but for this amendment, will be forced among competing units in industries, the effects upon growers of farm commodities can be disastrous. The provision for parity will mean less if manufacturers, in order to exist, have to pay lower prices for raw materials. When those who purchase the highest grades of commodities find themselves penalized for so doing, it may easily become impossible for them to pay substantial prices for agricultural products and other raw materials. At the best, a high pressure against better farm prices is established and applied.

The effect upon stabilization or control of inflation or cost of living is not attributable to this bill. Without the relief provided by this amendment it is apparent that when a price raise becomes necessary in an industry, the raise will affect all of the products in the classification, though some producers may not need the raise. This is where the unusual profits accrue to some at this time. It takes no imagination to see that as far as inflation or the cost of living is concerned the argument is with the method of this amendment and against the present method of using only industry ceilings. And again attention is called to the fact that the provisions of this amendment are exactly in line with Mr. Brownlee's testimony, and goes further only in that it recognizes one set of standards for the application of his proposal to use individual ceilings to relieve against injustices.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield.

Mr. AUGUST H. ANDRESEN. As I understand, the amendment of the gentleman simply provides that in making regulations and fixing prices these prices shall be based upon a fair and equitable margin.

Mr. FOLGER. The gentleman is correct.

Mr. AUGUST H. ANDRESEN. And in no event shall profits be permitted that are in excess of the profits made on the volume of business as it was before the war started?

Mr. FOLGER. That is correct.

Mr. AUGUST H. ANDRESEN. I think the amendment is a very good amendment.

Mr. FOLGER. Repeating, I say passing over with mere mention the dislocations and injustices which, except for this amendment, will be forced upon competing units in industry, the effect upon growers of farm commodities can be disastrous when those who purchase the highest grades of commodities find themselves penalized for so doing and it may easily become impossible for them to continue so to do. At the best a high pressure against the base prices for farm products is established and applied.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman.

Mr. BARRY. Does this amendment increase the prices or permit the Administrator to set prices above parity; or forbid him to do so?

Mr. FOLGER. It does not interfere with that. There is simply a 90-percent margin, or above that there is a margin that is not considered in the fixing of any price.

Mr. BARRY. Under the present law the Administrator cannot set a price below parity.

Mr. FOLGER. This does not change it.

Mr. BARRY. Whom does the amendment actually affect, the producer or the grower?

Mr. FOLGER. It affects the growers more than anything else, I think. Of course, it does affect the industry all along and the individuals within the industry. It appears to me that industry ceilings open the door to depressing farm prices unless you adopt the 90-percent formula.

Mr. BECKWORTH. Mr. Chairman, will th gentleman yield?

Mr. FOLGER. I yield.

Mr. BECKWORTH. Would it affect the processor who has been losing money

because of rules and regulations that have been promulgated by the O. P. A.?

Mr. FOLGER. My opinion is it would affect them favorably in the case of the man who has found himself unable, almost, to process.

Mr. BARRY. Can the gentleman state how many price ceilings this amendment would affect?

Mr. FOLGER. No; I do not know that.

Mr. BARRY. It would have the effect of increasing or raising price ceilings; would it not?

Mr. FOLGER. It would apply to the 90 percent of producers based upon the cost paid by 90 percent of the producers in a certain industry.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

This amendment was never considered by the committee. Hence I am not familiar with its effect. However, I do know that it guarantees to the producers of manufactured or agricultural commodities in whole or in part a profit on every individual item. That, it seems to me, is a highly inflationary provision. I know that most of the gentlemen who introduced amendments of this kind have in view the primary producer, but I think they are relying on a broken reed when they think that by increasing the price the manufacturer can obtain for his products they are going to help the farmer. The manufacturer buys as cheaply as he can, and in normal times sells in the highest market that he can find. I hope this amendment will be voted down. We do not know what effect it will have upon the whole program and this is a program not only for the farmers but also all the American citizens. I think the farmer would probably be more injuriously affected by any breaking down of this program than any other segment of the American people.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. ZIMMERMAN. The gentleman has stated that he does not believe that increasing the profit of the processor will in any way help the producer of raw material?

Mr. SPENCE. It will not necessarily help the producer of raw material.

Mr. ZIMMERMAN. What does the committee propose to do for the cotton farmer who has been selling his cotton below parity and at a loss at a time when the cost of production is the highest in all history? What does it propose to do for that man who is engaged in an essential industry for this Nation at this critical time?

Mr. SPENCE. The history of industrial America, I believe, will show that to increase the price of the product to the consumer will not necessarily, and will not usually, increase the prices of the primary producer.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. PATMAN. Is it not a fact that the testimony before the committee was that the ceiling prices now allowed to the processors in most cases will permit them to pay parity for cotton? And they are not paying it; they can pay, and they are not doing it?

Mr. SPENCE. And the testimony brought out more than that. There was testimony that some of the processors were making nine times as much as they made before the war.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. ZIMMERMAN. In view of the testimony that these processors are making nine times more than they should, I respectfully ask the chairman of the committee and the members of this committee why some consideration has not been given to the producers of these raw materials, something that was guaranteed to them—that is, a fair price?

Mr. SPENCE. May I make one statement which I would ask the members of the committee to keep in view; this is not a bill to raise the prices. This is a bill to hold the line to prevent inflation. If we break the line here we are going to break it in other places.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. MORRISON of North Carolina. This amendment, as I understand it, seeks to guarantee that the manufacturer will not make less than he made before the war. Does that mean a percentage of profit or total volume of profit? Some of them who were making little money on a very small volume of business are now doing many times greater volume of business and ought to do it on a smaller percentage.

Mr. SPENCE. I am not in position to give any definite information on this amendment because the committee never considered it. We do not know what effect it will have. For that reason alone I think it should be voted down.

Mr. MORRISON of North Carolina. As I understand the amendment, it seems to me it has a very grave defect, and at least ought to be clarified. If we seek to let the manufacturer make as much as he made before the war, what do we mean by that? Percentage of profit, or volume of profit?

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

Mr. PLOESER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I want to call the attention of the Committee to the fact that there are some instances, and I am thinking particularly of one product of the meat industry, beef, one product, in which the Office of Price Administration has not only established a ceiling for the processor, but they have used the subsidy injuriously. O. P. A. has attempted to enforce a floor on beef. To effect this floor they have established a penalty point on subsidy. I am of the opinion that this practice is both illegal and dishonest. When the chairman of the Committee on Banking and Currency says there is a normal reaction takes place by virtue of the ceiling on the processor, which naturally holds down the price that he has to pay to the producer, he speaks in error, because the Office of Price Administration of its own action seeks to defeat that sort of a normal process.

There are many processors who process more than one commodity. For example, in the meat industry today some packers process hogs, beef, and lamb. Others may only process hogs. In the hog-processing operation today there is a profit and they are getting along very well. Others may process only lambs. Others may process only beef. In the case of those who are processing beef today, they lose considerable money for every head of cattle they kill. Many of these processors have been forced to close their doors. We have a situation in the Nation today where we have more beef cattle than ever before in history, and yet the market becomes thinner and thinner and thinner. I believe this amendment would correct that situation.

Mr. BECKWORTH. Will the gentleman yield?

Mr. PLOESER. I yield.

Mr. BECKWORTH. Is it not true that the smaller processors are losing money fastest?

Mr. PLOESER. The small processor is the one who is going out of business. His day for losing money is near an end. He is about to collapse.

Mr. BECKWORTH. Is there anything in this bill as brought in today that will effectively take care of the little processor in such a way that he is not today being taken care of?

Mr. PLOESER. There may be, and when we get to the end of the bill we will be able to tell. There will be some attempts made to correct this bill so as to weaken the bill.

Mr. BECKWORTH. But this amendment is along the line of helping take care of these small processors who are today losing money?

Mr. PLOESER. If this bill is sincere in its entirety this amendment does not affect the purpose of the bill, because there are other sections of the bill which call for the recognition of established accounting practices and costs that are proper in the establishment of a price. If the bill is sincere in its entirety, then this amendment cannot injure it.

Mr. BARRY. Will the gentleman yield?

Mr. PLOESER. I yield.

Mr. BARRY. Is the gentleman in a position to inform the House just how many price ceilings will be raised to the consumer by the adoption of this amendment?

Mr. PLOESER. I have spoken only of one industry about which I have made considerable study. I am not in a position to give such information and I do not pretend to be. Neither is the gentleman. But there are no necessities for an increase of the retail price ceiling in the beef market in order to accomplish what I have been talking about, and this bill can accomplish it without increasing the retail ceiling price.

Mr. BARRY. The gentleman will concede that this amendment may be very far-reaching. Does he not think it should have been considered by the com-

mittee before being brought to the floor of the House?

Mr. PLOESER. I do not concede the amendment is far-reaching, with injurious result, and I am not responsible for what the committee did or did not consider. There are many subjects that the committee may have considered. They would probably be of the opinion that they did not have time to hear everything.

Mr. BARRY. The gentleman will concede that it will have the effect of increasing a great many ceilings to the consumer.

Mr. PLOESER. I do not concede any such thing and I prefer you do not try to interpret my thoughts in that way.

Mr. HARNESS of Indiana. Will the gentleman yield?

Mr. PLOESER. I yield.

Mr. HARNESS of Indiana. It is recognized by all of us that these small industry processors will be put out of business if they do not get some relief. Why did not the committee go into it and give them some relief? Whose fault is it that the committee did not consider it?

Mr. PLOESER. Of course, that inquiry will have to be directed to the chairman of the committee and not to me.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. PLOESER] has expired.

Mr. RUSSELL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I approve of what the gentleman from Missouri [Mr. PLOESER] just said with respect to many, many little businesses that are being put out of business by the low ceiling prices.

I would not care for them going out of business if I felt it was necessary to carry on the war, or even if I thought it would aid in any way in carrying on the war effort. I would make no complaint about it. But to save my life, I cannot see how such actions taken on the part of the O. P. A. will aid in the war effort or aid in holding down inflation. So I must raise my voice and express my sentiments against such action.

I have an isolated case, a peculiar case in my district. That is with reference to the bread situation. In my State we have a State law that does not permit bakers to make bread on the quarter-pound loaf. It must be a pound and a half or a pound loaf. In my district they have placed a ceiling price for the pound and a quarter loaf of bread at 11 cents. The bakers in my State cannot make a pound and a quarter. They are necessarily compelled, under the State law to make a pound and a half, and thereby lose money on it. The little baker in my home town had to quit business. We have no bakery in my home town now. In many of the smaller towns in my district the bakers have closed their doors and gone out of business. The largest baker in my district is situated in the largest point. That bakery kept a book account and lost approximately $2,500 in their bread business in the first 3 months of this year. The O. P. A. in Washington has all the facts. They admit that this bakery has lost that money and yet for those 3 months they sat by and said, "We know something ought to be done. We are trying to figure out what to do. We are going to do something about it."

Mr. MAHON. Will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. MAHON. Does not the gentleman think that in cases such as that an appeal to the courts should be provided for?

Mr. RUSSELL. It should be provided for in every case. That is the cherished ideal of the American people, guaranteed by the Constitution that has meant so much to the American people. I spoke to the O. P. A. the other day. I said, "You are violating the law. As I understand the law it says that you cannot set a ceiling lower than the cost of production of any commodity." And they admitted it.

We are going to do something about it but yet they are going to let that little man lose $10,000 before they do anything. Then it is too late, it is gone. I believe this amendment would help in such cases. I believe the amendment goes farther, that it will lower the prices in some instances because of the profits made before the war. In many instances they were not making any profits to speak of. I do not want the baker to get rich by the war effort, I do not want anyone to get rich by the war effort, but I do want him to get enough out of it so that he may continue to carry on his business. The bread business at this time is a substantial one and a necessary one; it has to be carried on. We could hardly go ahead without it. It is a time-saving device for the people of our country. There was a time in the pioneer days when we did not have the bakers to depend upon, but that day has long since passed and gone; and now, when such businesses are losing that much money and when the small bakers have had to take the loss, it is time, I say, to do something about it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. PATMAN. This is an amendment that would guarantee a profit to big business. This is not a bill to guarantee profits and freeze prices; this is a bill to prevent inflation; it is a stabilization bill. If everyone here who has a special interest in increasing the price of certain commodities succeeds we will not have any stabilization, we will not have any price control, we will have runaway inflation. I doubt that there is a Member of this House who has not some change in mind that he would like to see made in O. P. A. I suspect we all have, but in cases like this we have got to trust the administration of the law to the executive branch. We are the legislative body, we cannot execute these laws; the President of the United States was elected by the people to do that and he is charged under the Constitution with that duty just like we are charged with the duty of making the laws. We cannot do everything as we would wish to.

This particular amendment goes much further than I thought at first. This guarantees a profit to this extent: Take the case of a concern which before the war had say a million dollars' worth of business a year but today by reason of the abnormal situation and the seller's market and the scarcity of goods is doing 10 or 20 times as much business. They did not put any agents out to solicit this business, they do not have any costs like that, but the business comes to them and the Government is paying for about 50 percent of this business. So whenever you increase a price you are increasing the cost of the war and the national debt by that amount. I therefore want to beg and plead with the Members of this House to realize the danger we are facing if we do not have adequate controls against inflation, that inflation can cause us to lose this war. It has happened in other countries, it can happen here if we have a race between wages and prices and your money becomes valueless and your bonds are not worth a penny. Do you think people will work for worthless money? They certainly will not, and if people do not work and do not produce how are we going to back up the fighting men on the 55 fighting fronts of the world?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the chairman of the committee.

Mr. SPENCE. Equality of treatment is the very strength of price control. If this precedent is set I do not see how we can refuse the same benefits to all other manufacturers and processors, if you grant it to the manufacturers and processors of agricultural commodities.

Mr. PATMAN. And I hope no one is deceived into believing that if we pour money in at the top it is going to trickle down to the bottom. We have tried that. It will not work. I hope no one is deceived into believing that if you pay the processors more they are going to use the increase of their profits to pay the farmers more; they will not. Mr. Bowles is in favor of paying the farmers 100 percent parity on cotton. He so testified before the committee in answer to my questions. They are trying to work out plans under which the producers can get every cent that the act says the farmers are entitled to receive under the parity and other price supports our committee has said they should receive.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. FITZPATRICK. If we amend this act to make it take care of every desired increase it means inflation, does it not?

Mr. PATMAN. Absolutely; and inflation means ruin. Inflation means we are losing the war here on the home front; it means that we are losing the war abroad. It means that we are stabbing our fighting men in the back and their dependents here at home while they are fighting our battles on foreign soil; it means that we here at home are destroying them on the home front.

Now let me say something about this bill. Whether we like it or not we have got to grant broad powers to someone to

do what is necessary to prevent inflation. During the past 12 months it has actually worked. During the past 12 months your dollar has been worth as much as it was 12 months ago.

That never happened before in the history of any nation on earth.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. HOFFMAN. Reserving the right to object——

Mr. PATMAN. I ask for the regular order, of course, if the gentleman is going to do that.

Mr. HOFFMAN. Then, Mr. Chairman, I object.

Mr. BECKWORTH. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. BECKWORTH. Mr. Chairman, I am in favor of this amendment which has been offered by the gentleman from North Carolina, Representative FOLGER, an able and distinguished member of the Banking and Currency Committee. Certainly something ought to be done during the consideration of this bill to help what might be termed the small, independent meat processors and anyone else who is situated as they are. I have had in my district a case which I believe is very similar to a number of cases throughout the Nation. One of my constituents is the owner of a small meat-packing plant, the only one left in our district, incidentally. He came here to Washington to try to obtain relief that would enable him to remain in business. We went to see Mr. Bowles and discussed with him the problems of this meat packer. Mr. Bowles said he could not help us, that he would send us to Mr. Brownlee. We went to Mr. Brownlee. Mr. Brownlee referred us to Mr. John Madigan. Both insisted that we see Hon. Marvin Jones, the War Food Administrator. We went to see Mr. Jones, and Mr. Jones indicated the problems were really under the jurisdiction of Hon. Fred Vinson. Twice I talked over the phone to Fred Vinson, but nothing has been done over a period of 5 months to assist packers like the one of whom I speak, and his case is not dissimilar to many others.

The essence of what has happened is this, that over a period of some 5 months this packer has been losing about $2,000 a month on beef, according to the figures I saw, and nothing yet has been done by any of the administrators. The chairman of the Banking and Currency Committee a moment ago said he believes in equality of sacrifice. I say that equality of sacrifice so much desired has not been obtained, when small independent processors and businessmen, whatever their field of activity may be, are being forced out of business while the big ones are making more money than ever before. No one contends this is fair. Any amendment that bids fair to help on a situation of the type I have described ought to be adopted. If there is something wrong with the amendment as written, it can be perfected in conference. Certainly we ought to keep these small fellows in business and I believe this amendment will do much good along this line.

Mr. PLOESER. Will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from Missouri.

Mr. PLOESER. The case which the gentleman has cited in his own district is just one of hundreds in the United States. Many have been forced to close their doors and the action in closing is depriving not only the civilians of beef, but the Army of the United States as well.

Mr. BECKWORTH. The gentleman is exactly right. If there ever was such a thing as a royal run-around, those fellows have got it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOFFMAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from North Carolina [Mr. FOLGER].

Mr. Chairman, in reserving the right to object, when the gentleman from Texas [Mr. PATMAN] asked for an additional 5 minutes, it was not my purpose to object. What I wanted to learn was whether the debate would continue through today and tomorrow and we would vote on Monday. From the leaders on both sides I have had different statements about that. Some of us have waited here during the 9 hours of general debate, some of us who have been on these various committees investigating this matter, and we have been unable to obtain time. I do not care how long anyone talks, it is all right with me but it will aid all Members if we may be advised.

Mr. PATMAN. Will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. PATMAN. Of course I have no authority to answer that question. I can tell the gentleman my opinion if he wants it. My opinion is that we will determine one way or the other in the next 2 or 3 hours what we are going to do. If we lose control of the bill we have lost it and we will get through this afternoon. If we vote down these amendments and save it, we ought to get through this afternoon.

Mr. HOFFMAN. In other words, if the old steam roller is properly greased and oiled, as it was yesterday on the vote on the rule, we are through right now and we might as well quit. We had an illustration the other day of how that machine works. I do not know how the gentleman who just preceded me, who is complaining so bitterly, voted on the rule, but I do want to say that all who went along with the leaders on both sides have no reason to kick now if these young administrators skin the hides off your constituents in the respective districts. Here is our chance to serve our own people.

The gentleman from Texas said that this is a stabilization bill. I am sorry but I cannot agree with him because before we are through with this debate, the gentleman from New Jersey [Mr. HARTLEY] will show you where Order 330 increases the price of the very things that the C. I. O. boys want held down. I am for the C. I. O. today. I would like to stabilize prices. We will show you where O. P. A. increases the prices that the C. I. O. boys want stabilized and held to a certain level. There is not a Member of this House, even if he were as dumb as some of these columnists and radio commentators say we are, who does not know that we cannot have stabilization unless we take into consideration the question of wages when we are computing costs.

I sat on the Smith committee and I heard an attorney for the packers testify that they paid no attention to the regulations of the O. P. A. in the meat industry. He said they either violated them or circumvented them and that if they did not, neither the armed forces nor the civilian population would get meat. On the other hand, the little fellow in the district represented by the gentleman from Tennessee, in the district represented by the gentleman from Missouri [Mr. PLOESER], and in my district, as well as other districts, who kills a few cattle, who wants to supply his former customers, is out of business, and when you put those people out of business and you try to do something about them you get the run-around to which the gentleman referred. There are many hardship cases in other industries of the same nature. When you get the head of one of these departments before your committee and ask him, "What are you going to do about it?" or when you ask the chairman of the Banking and Currency Committee as I did the other day, when you ask the ranking minority Member as I did the other day, "What are you going to do about this?" "What relief will you give in these hardship cases?" Where you require a concern to pay out $700,000 in back wages, which puts it out of business, they give you the run-around. They tell you, "We will take it up some other time." They say, "That is too bad, that is his hard luck."

Mr. Chairman, the time to cure that evil is now when we have this bill before us. I may say to the Members on the minority side, we have been criticizing these fellows over here, we have been telling them what is wrong. It is about time that we begin to vote as we talk or else quit and go home or go along with the new dealers. There are enough Democratic votes over there on the left to go along with us and win. I heard Chester Bowles say and I heard the head of the War Labor Board say in the hearings before the Smith committee, in substance when these cases were pointed out, "That is just that fellow's hard luck." Well, if you get enough fellows in hard luck like that the whole economy of the Government goes down. Now is the time to fix it.

Mr. SHAFER. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Michigan.

Mr. SHAFER. Why does not the gentleman include among those on the other side the gentleman who has written a magazine story on this?

Mr. HOFFMAN. Oh, some of them have repented. If we will show a little unity over here on our side and get a

sizable vote against the practices of which we have complained, there will be enough Members over there to go along with us to win. They have hit the old sawdust trail and they will go along with us if we show a little determination. The people are tired of words without acts and they are looking to the Republicans for leadership and for relief.

JUSTICE TO OUR CONSTITUENTS

This Congress has been enacting legislation and appropriating billions of dollars to aid the people of almost every nation on earth. But, when the American taxpayer, the people who elected us, prove that they are not receiving equal justice under law, we turn down their pleas, go along with the bureaucrats whom we have so often condemned and vowed to curb.

We have probably received more complaints pointing out the hardships growing out of the administration of O. P. A. than we have received about the administration of any other or all Government agencies, except that relating to the administration of the N. L. R. B. and the War Labor Board.

Time and again our people have demanded relief. Day after day, Republicans from the floor of the House and in letters to their constituents have bitterly denounced specific inequitable actions of the O. P. A.

This is our opportunity to correct some of the practices which are not effective as holding the price line and which are destroying the business of many a citizen and compelling consumers to pay higher prices for articles of poorer quality.

The pending amendment was designed to do away with M. P. R. 330, known to the trade as the highest price line limitation.

That order of the O. P. A., governing women's and children's wear, in effect stipulates that retailers cannot increase prices on old lines or add new and higher priced lines of goods. On its face, it appears to be a price-stabilizing measure. As administered, it results in:

First. Higher prices to the consumer;

Second. The stifling of competition;

Third. A deterioration in quality; and

Fourth. A disappearance from the market of the cheaper lines of merchandise.

The testimony taken by the Banking and Currency Committee and by the Select Committee to Investigate Executive Agencies demonstrates the truth of these assertions.

A brief but comprehensive statement of the issue is given in the letter of February 7, 1944, from the W. T. Grant Co. to the Smith committee. That letter and certain exhibits attached to it are attached hereto and marked "Exhibit Y."

In brief, M. P. R. 330 provides that no retailer can sell for a higher price any women's, girls', or children's outer wear at a higher price than he charged for the same article prior to the issuing of the order. It also provides that he cannot add a new or a higher-priced line of women's, girls', or children's outer wear.

The result is that, if a merchant, prior to the issuance of the order, sold a $2 dress, he could not thereafter sell the same dress for more than $2; nor could he add a higher-priced dress. If, however, the merchant sold a $2 dress, a $4 dress, and a $10 dress, or if he was not in business and went into business after the issuance of the order, he could sell the $2 dress for $5.

The result has been, as shown by the chart of the National Independent Conference Board, a disinterested, nonprofit organization, that, from January 1, 1942, to July 31, 1943, the ready-to-wear lines went from a base of 115.28 to 128.58, an increase of 13.30 percent, while all other lines increased in price only from 118.43 to 124.29, an increase of but 5.86 percent.

Take a concrete example: A woman's cotton, commonly called seersucker, blue and white polka-dot dress, purchased at the Hat Box, 412 State Street, St. Joseph, Mich., cost $3.95. Had it not been for this same order, this same dress would have sold for $2.98.

The result on this particular line of dresses was that the customer in St. Joseph, Berrien County, Mich., in the Fourth Congressional District, paid 97 cents more than she would have paid had the order not been issued.

A misses' slack suit, blue rayon poplin, purchased at Rimes & Hildebrand, St. Joseph, Mich., for $9.85, had it not been for the order, would have sold for $7.98—a saving to the customer of $1.87. The customer pays, and will pay, even if O. P. A.'s latest amendment is put into effect, $1.87 more because of the enforcement of M. P. R. 330.

A dress purchased in Columbia, S. C., for $3.99, could and would be sold by a competitor, if he were permitted to sell that dress, for $2.98. In South Carolina the customer, because of order 330, pays $1.01 more for that particular dress.

A result of the order has been to put out of business manufacturers making the cheaper line of goods. As an illustration:

A cotton coat which sold in the fall of 1942 for $7.98 was manufactured by 37 concerns. In the fall of 1943, not a factory was making that priced cotton coat.

There were 106 concerns making a $9.98 cotton coat in the fall of 1942. None made that priced coat in the fall of 1943.

And, while fewer manufacturers were making women's cotton coats in 1943 than there were in 1942, the discrepancy was not so great.

In the spring of 1942, 20 people were making women's cotton dresses which sold at $1.29. In 1943, no one was making that priced dress.

When it came to rayon, in the fall of 1942, while 14 concerns were making $1.98 dresses, just 1 company was making them in the fall of 1943.

Sixteen hundred and nine concerns were making a $7.98 dress in the fall of 1942, and 1,407 companies were making the same dress in 1943.

Those figures show how the available number of cheap cotton dresses fell off, while, on a comparison basis, higher priced cotton and higher priced rayons more than held their own.

In 1942, of dresses that sold for $1, 65,000 were available; but in 1944 there will be none.

In the fall of 1942, of rayon dresses which sold at $2.98, there were 214,152, while, in 1943, there were 227,298 sold.

Take women's and misses' coats: In 1942, the coats which sold for $9.98 numbered 5,427; but, in 1943, they had dropped to 1,217; while the coat which sold for $12.98—$3 more—jumped in number from 3,899 to 7,276.

The C. I. O., in its Price Control Bulletin No. 8, received on June 2, objected to the increase in the price of housedresses, play suits, and several other items, and it asked this Congress to hold the line.

The exhibits which I have offered, and which will be printed in the RECORD, show conclusively that the result of M. P. R. 330 has been to increase the price on every piece of merchandise affected by it.

Surely the C. I. O. is interested in children's overalls which are available to its members. Thirty-six hundred 25-cent childrens' overalls were sold in 1942, but in 1943 there were none available.

There were 10,000 less of the 59-cent overalls offered for sale in 1943 than were sold in 1942.

The 69-cent garment jumped from a sales volume of 75,600 pieces to 133,200, and the 89-cent children's overall went from a sales figure of 60,000 in 1942, to 147,600 in 1943.

Take an article with which we all at one time or another have been familiar—the lowly diaper. In 1942 six diapers, 27 by 27, made of 4.52 weight bird's eye cloth, cost the wholesaler 48 cents and 49 cents and, during the spring of 1943, 50.7 cents. They sold for 69 cents the half dozen.

In the spring of 1944, the manufacturer found that he could no longer produce diapers at that price, so he discontinued making the lighter weight, and manufactured a heavier diaper of 5.73 bird's eye cloth. For this he charged 63 cents the half dozen, and the retailer was allowed to sell for 89 cents.

The O. P. A. not only increased the price of women's and children's wear, but it lessened the baby's chance of getting a diaper by adding 40 cents to the cost of a dozen.

The figures show that the cheaper priced garments went off the market—the higher priced came on.

Yet the C. I. O. asks us to go along with the Banking and Currency Committee in its approval of this O. P. A. legislation.

For myself, I intend to vote for the Hartley amendment.

Nor is this the whole of the story.

The quality of the merchandise has deteriorated, which means that more money is paid for a poorer garment today than before M. P. R. 330 went into effect. This is not a matter of argument. Chester Bowles, O. P. A. Administrator, testifying before the Pepper subcommittee of the Senate Education and Labor Committee, referred to "quality deterioration" in women's dresses as, and I quote, "alarming."

He said that the $3.90 dress then on the market was of no better quality than the former $1.98 dress, and he referred to "quality deterioration" as a "national scandal."

Yet Chester Bowles insists that he be permitted to continue this practice, which is putting the cheaper lines of goods off the market, increasing the cost and lessening the quality.

David R. Craig, president of the American Retail Federation, whose membership includes 30 State trade associations and 18 national trade associations, representing 600,000 stores, said:

A small increase in the price of an inexpensive coat would keep that coat on the market. But we were told that a little increase, like a little cocaine, is habit-forming, and the line must be held. There were three results. The line was held; the inexpensive coat disappeared; and it was the customer who had to raise her sights to the more expensive price lines.

Many Members of this House have received from their constituents complaints showing how the complainant, some business associate or some acquaintance has been put out of business or his business ruined by this order.

When the hardships growing out of this order or other orders issued by one of these governmental agencies are called to their attention in a committee hearing, I have heard the one responsible for the order more than once, after admitting the injustice, the hardship; after acknowledging that the complainant would be put out of business, say, in answer to my question as to what could be done, that it was just too bad, it was the citizen's hard luck.

The American businessman, the American consumer, who comes to the O. P. A. asking for bread is given a stone. This House today and tomorrow has the opportunity to give relief to our constituents from the arbitrary and unjust orders which have been issued by this agency.

The people of this country are looking to the Republicans in Congress; they are looking to the Republican leadership to make good on their criticism of the New Deal bureaucrats by adopting clarifying, remedial amendments.

The people know that there are enough Democrats in this House who do not believe in unjust New Deal orders and directives who will support the Republicans on such amendments to put them through. If we fail to do it, the people will hold us responsible, for they are sick and tired of words without acts.

I hope that the Republicans will show a united front and demonstrate to our people that we are capable of vigorous, constructive action; that we mean what we have said and that we intend, whenever opportunity offers, not only to prevent inflation, but to stabilize prices.

EXHIBIT Y

W. T. GRANT CO.,
New York, February 7, 1944.

THE SELECT COMMITTEE TO INVESTIGATE EXECUTIVE AGENCIES,
House of Representatives,
Washington, D. C.

GENTLEMEN: The following data is presented for the purpose of petitioning the Congress to (a) remove highest price line limitation clauses from all existing price regulations, and (b) amend the Emergency Price Control Act to forbid the Office of Price Administration from inserting any such clauses in future regulations.

A. EXPLANATION OF HIGHEST PRICE LINE LIMITATION

To date the Office of Price Administration has issued over 700 regulations applicable to our business. All of these excepting three are strictly price control regulations, but the following three include, in addition to provisions for determining ceiling prices for the commodities included therein, a highest price line limitation.

M. P. R. 177: Men's and boys' outerwear.

M. P. R. 178: Fur garments.

M. P. R. 330: Women's, girls', and children's outerwear.

These price line provisions have no bearing on the determination of specific selling prices for any articles. Instead, they improperly prohibit the sale of lines of merchandise not previously carried. If, for example, a store carried no higher than $2 dresses during a base period it may not now carry better dresses regardless of the fact that there may not be any $2 dresses, or customers may not want to purchase $2 dresses because they are of such inferior quality. At the same time, competitors who happen to have sold more expensive dresses during the base periods may now continue to sell them, or newcomers who sold no dresses during the base periods are permitted to sell whatever goods are available at their customary margins.

B. OFFICE OF PRICE ADMINISTRATION'S CLAIMS FOR HIGHEST PRICE LINE LIMITATIONS

In the statement of considerations filed with the Division of the Federal Register, February 18, 1943, simultaneously with the issuance of Maximum Price Regulation 330, the Administrator stated:

"Prices during the fall and winter of 1943 for the 31 categories of garments previously covered by this regulation (i. e., women's, girls', and children's dresses, coats, suits, jackets, skirts, etc.) will be held to the levels which prevailed in 1942. Also because of the continuance of the highest price line limitation, some assurance is provided that these garments will be available to consumers in customary price brackets. In the case of the 15 new categories of garments (slacks and slack suits, blouses under size 30 and various toddler garments) some reduction in prices as well as price lines should result. This is so because the pricing methods of this regulation constitute an improvement over the looser pricing rules of the General Maximum Price Regulation and because of the highest price line limitation which is now imposed for the first time on these types of garments.

"In the opinion of the Administrator, the ceiling prices established are generally fair and equitable and will not cause an increase in the cost of living."

In his press release of February 18, 1943, the Price Administrator made the following comments:

"Consumers will continue to find women's and children's garments, such as dresses, suits, coats, skirts and blouses, for sale at approximately the same price levels that prevailed during the last spring and summer seasons for substantially the same quality of apparel, the Office of Price Administration announced today.

"This is assured through issuance of the O. P. A. pricing rules that retailers and wholesalers of these outerwear garments will use.

"O. P. A. previously stabilized manufacturers' prices for these garments and assured maintenance of quality standards through its regulation setting ceiling prices for producers of women's and children's outerwear. This measure—Regulation 287—placed controls over mark-ups, selling prices and the minimum allowable costs of materials and labor that manufacturers are required to build into their garments."

O. P. A. advocates of the "highest price line limitation" theory have recently stated publicly that the inclusion of these clauses has had the following result:

1. That there has been less price increase on the commodities covered by high price line limitation clauses than on other lines.

2. That the inclusion of high price line limitation clauses has had the effect of keeping low-priced merchandise available to the public.

3. That sellers have been kept in the brackets in which they belong.

None of these claims is factual as the data which follow will prove:

C. WHAT HAS HAPPENED TO PRICES OF THE COMMODITIES INVOLVED?

As indicated previously the highest price line restrictions have absolutely no bearing on the determination of specific selling prices. They do, however, limit or eliminate the competition of distributors of low-priced commodities, thus permitting the high-priced retailer the exclusive right to handle available goods and to sell at prices higher than would obtain were he required to face the competition of the low-priced distributor. It is axiomatic that such provisions encourage rather than prevent price increases and therefore it is not at all surprising that retail prices of merchandise covered by "highest price line limitation" provisions have advanced much more rapidly than have other lines.

The most comprehensive index of retail prices in the United States is prepared by the National Industrial Conference Board for use in the retail industry in the valuation of inventories. The information used in the preparation of this index is obtained from a highly detailed questionnaire containing over 700 items, which is sent to more than 900 companies, each with a retail volume in excess of $500,000. While this is by far the most accurate study of its kind ever attempted, and although specifications for each item have been definitized, the Conference Board explains that it is probable that the full extent of price change has not been reflected, because with price freezing there has been no adequate control to regulate quality deterioration. This is particularly true of merchandise having a high style factor and generally sold in fixed price ranges, such as is the case in practically all lines covered by regulation 330.

The Conference Board index shows definitely that the increase in price of ready-to-wear lines (all of which are covered by price-line limitation provisions) during the period from July 31, 1942, to July 31, 1943, has been much more rapid, 7.13 percent, than has the price increase in lines not covered by price-line limitation provisions, which is only 1.87 percent.

The price indexes for the six ready-to-wear departments are as follows:

Indexes of retail prices, department stores, including mail-order chains and variety stores

[Jan. 31, 1941=100]

		July 31, 1942	July 31, 1943	Percent change
51	Coats, women's and misses'	113.23	121.36	7.18
53	Dresses, women's and misses'	112.54	120.53	7.10
54	Blouses and skirts	123.67	126.07	2.02
55	Girls' wear	118.14	121.28	2.66
57	House dresses and uniforms	138.02	148.30	7.45
59	Furs	119.59	136.05	13.76
	Total ready-to-wear departments	120.02	128.58	7.13
	Total, all other lines (excluding ready-to-wear departments)	122.01	124.29	1.87

The National Industrial Conference Board has prepared a chart showing the movement of prices of items covered by regulations 178 and 330 as compared with the movement of prices of other lines. This chart indicates graphically how sharply ready-to-wear lines have advanced during the spring period of 1943 as compared with other lines. Data covering the fall of 1943 will not be available until about the middle of March. The conference board's chart is attached (marked "A").

A complete copy of the conference board index is attached (marked "B").

D. IS LOW-PRICED MERCHANDISE AVAILABLE TO THE PUBLIC?

The disappearance of low-price lines has been as pronounced, if not more pronounced, in women's outerwear as in any other line. A chart is attached (marked "C") showing the number of manufacturers of women's coats and dresses in various price ranges during each of the spring and fall seasons of 1942 and 1943. Please note the number of instances in which low-priced lines have completely disappeared from the market, such as coats at $7.98 and $9.98; cotton dresses at $1.29; as well as the number of instances in which merchandise has practically disappeared from the market, such as coats at $10.98, $12.98, and $14.98; cotton dresses at $1.59; and rayon dresses at $1.98 and $2.98 Data covering the spring period of 1944 are not yet available, but we know that there has been a further dropping off of the manufacturers producing garments in the lower-price ranges. For example, there are now only five manufacturers in New York City producing dresses to retail at $1.98, and not one of these manufacturers is now in position to take orders for delivery within the next 60 days.

Also attached is a chart (marked "D") listing a sampling of low-priced items together with the actual sales of this company during the years 1942 and 1943 and the estimated quantities available for 1944. Please note the drastic decline in the unit sales of these items and the very small quantities that are estimated to be available during 1944. In reviewing this chart it should be kept in mind that we purchased all the low-priced items we possibly could during the year 1943, and plan to do so for 1944, because this type of merchandise is the lifeblood of our business.

E. WHAT ABOUT QUALITY DETERIORATION?

In his testimony before the Pepper subcommittee of the Senate Education and Labor Committee a short time ago, Price Administrator Chester Bowles referred to "quality deterioration" in women's dresses as "alarming." He stated that $3.98 dresses were of no better quality than former $1.98 dresses, and referred to "quality deterioration" as "a national scandal."

Business Week, in their issue of September 25, 1943, made some very interesting comparisons of quality and price and indicated that O. P. A. had charted quality deterioration of as much as 30 percent. A copy of this article is attached (marked "E").

In issuing the highest price line limitation O. P. A. prefaced the regulation with the statement "In order that consumers may continue to buy garments at customary price levels this regulation provides, etc." They have assumed an obligation to control prices and qualities in the preretail markets which has certainly not been discharged. O. P. A. has known full well of the high degree of quality deterioration. The New York district office staff of the O. P. A. charted it in a series of O. P. A. graphics, Nos. 4512, 4513, and 4514, which are attached (marked "F," "G," and "H"). These charts, which were prepared at the end of the spring 1943 season, indicate sharp increases in practically all price ranges of dresses, coats, and suits, some of them as high as 60 percent.

The following are typical examples of quality deterioration:

A broadcloth short-sleeve blouse that was formerly sold for 59 cents must now be sold for $1.29.

A rayon blouse which formerly sold for 98 cents must now be sold for $1.98.

The former long-sleeve rayon blouse that sold for $1.98 is better than the present blouse that must be sold for $2.98. An equivalent blouse would sell for not less than $3.59.

The present $1.98 cotton dress is the equivalent of the former 59-cent dress with approximately 10 cents' worth of styling added.

The present $2.98 cotton dress is the equivalent of the former $1.59 dress with approximately 20 cents in styling added.

The former $2.98 rayon dress must now sell for $4.98.

The present $7.98 rayon dress is not better than the former $4.98.

Coats formerly sold for $9.98 must now be sold for $14.98.

Former $12.98 coats must now be sold for $16.98.

Former $14.98 coats must now be sold for $21.98.

Fur-trimmed coats which formerly sold for $25 must now be sold for $38.

Girls' cotton dresses formerly sold at $1.98 must now be sold at $2.98.

F. THE GRANT CO.'S POSITION ON PRICE CONTROL

We sincerely believe in price control and consider it a vital wartime necessity. Our records substantiate the fact that we have practiced it.

Further, we realize that price-control regulations are necessarily complicated. We take no exception to any method the Office of Price Administration may employ in fixing selling prices of specific articles, whether these be established by a squeeze technique, or by freezing dollars and cents ceiling prices, or by freezing mark-up percentages, provided of course that the regulations have general applicability and effect as Congress has provided.

On the other hand, we take serious exception when the Price Administrator issues, under the guise of a price regulation, a provision which has no bearing on the fixing of a specific selling price but, instead, prohibits us from selling the items that we require to supply our customers' needs. We contend that the Administrator's action encourages rather than prevents unwarranted and abnormal increases in price by needlessly and harmfully restricting our competition as well as that of those retailers similarly situated. We have customarily distributed large quantities of low-priced commodities at low gross profits. We insist that we be permitted to continue to do so and guarantee that our prices will be as low or lower than any prices which the Administrator may legally permit.

It is obvious that if merchandise is distributed by companies with low margins prices will be lower than would be the case if the same merchandise were distributed by companies with high margins.

We believe that no sizable retail business that earns a profit operates at as low a margin as we do. Certainly our margin is one of the lowest in the retail industry. Attached is a chart (marked "I") showing the gross margins of forty-odd competitive companies during each of the past 5 years.

Also attached please find a chart (marked "J") comparing our gross margin with that of the general average of department stores and limited-price stores. Please note that during 1942, the first year of price control, our margin declined from 34.16 percent to 33.81 percent, whereas the margin of department stores increased from 38.3 percent to 38.7 percent, and that of limited-price stores increased from 36.36 percent to 36.66 percent. Note how much lower our margins are than those of our competitors.

Also attached please find a chart (marked "K") comparing our mark-up with the general average of department and specialty stores. It will be noted that during the year 1942 our mark-up on purchases declined from 35.15 percent to 34.75 percent, whereas the national average of department and specialty stores remained constant at 40.1 percent.

During the year 1942 the expense of doing business increased and this, combined with the decline in gross profit referred to above, resulted in a decline in our net profit of $600,000. We complied with every price control regulation that was issued regardless of the resultant effect on our margin. We decided as a matter of policy, in the early stages of price control, that we would not appeal for relief and this policy has since been followed with only one exception. We joined in the appeal for relief of a shirt manufacturer who was about to be forced out of production, one of the fastest-selling low-priced shirts in America. After 5 months of haggling and furnishing figures we obtained the right to pay him a slightly increased cost (much less than he needed to continue production) and authorization to sell the shirt at a slightly increased selling price, so slight in fact that we have since suffered a net loss.

G. DID CONGRESS AUTHORIZE REGULATIONS OF THIS KIND?

Surely they did not. In issuing prohibitive regulations of this kind that have no bearing on price control the Office of Price Administration has assumed powers not granted by Congress. There is no language in the Emergency Price Control Act which would permit such action.

Rather, the reverse is true. Section 2 provides that regulations have "general applicability and effect," that the Administrator "shall so far as practicable, advise and consult with representative members of the industry," and that the powers granted shall not be used "to compel changes in the business practices * * * established in any industry." Or by indirection, "nothing in this act shall be construed to require any person to sell any commodity" certainly infers that the Price Administrator cannot construe the act to require that we not sell lines of goods that are priced in accordance with regulations issued by his office.

H. SOME OF THE EFFECTS OF PRICE-LINE LIMITATION ON OUR BUSINESS

The O. P. A. interprets Maximum Price Regulation 330 to mean that each of our 493 stores is a separate seller. Although the context of the regulation specifies otherwise, and clearly defines a seller, O. P. A. contends that the definition of "seller" which appeared in the General Maximum Price Regulation is meant to apply in M. P. R. 330. In a recent court case of another company, O. P. A. argued that this was intended and that if the O. P. A. meant to make a change of this kind they would have mentioned it in the Statement of Considerations accompanying Regulation 330. In that case the court upheld O. P. A.'s contention. In our case this matter has yet to be litigated.

The fact of the matter is that our company is one seller. Our stores are not autonomous units, and O. P. A. regulations can't make them so. Stores are operated centrally and all of our merchandise is purchased and priced centrally.

Our business is in the popular price field. During the various base periods, fall 1941, March 1942, our highest prices, for example, were as follows: Women's and misses' coats, $38; women's and misses' dresses, $14.98; and

girls' dresses, $4.98. In every community in which we operate there are competitive stores performing substantially the same customer services as we that are legally permitted to sell in price ranges higher than we are.

Compliance with O. P. A.'s interpretation produces some very strange results:

In many of our stores we are denied the right to sell price ranges of women's coats over $17, although we have steady customer demand in these stores for our regular lines of coats ranging in price up to $38, and we have excellent physical facilities for the display and sale of these coats.

However, in many other stores where we are not equipped to sell coats the regulations permit us to carry them up to any price range carried by a competitor simply because we did not happen to sell coats in these stores during the base periods.

In certain of our stores we may sell coats in any price range carried by competitors during the spring, but are limited to $17 during the fall.

In many of our stores we are limited to $6 as the highest price line of girls' jackets in sizes 7 to 14, but in these same stores we may sell children's jackets in sizes 3 to 6 up to any price carried by a competitor.

Likewise, in many stores we are limited to $2 on cotton dresses for girls, sizes 7 to 14, but we may carry teen-age dresses for girls in sizes 10 to 16 in any price range.

Although we have an excellent line of $2.98 cotton dresses that are ordinarily sold by competitors for prices from $3.39 to $3.99, we are prohibited from selling these dresses in more than 200 of our stores at $2.98, although O. P. A. regulations would permit us to charge more than $2.98 for the same dresses in our remaining stores.

In many large metropolitan centers we have a number of stores—12 in metropolitan Boston, 15 in New York, 8 in Buffalo. Some of these stores are permitted to carry all of our merchandise lines, while others are restricted to prices of $2 for cotton dresses, $5 for rayon dresses, $17 for coats, etc.

An absurd situation exists in one city in which the store was relocated in May of 1942. The new store is several times its former size and has a modern, up-to-date ready-to-wear section. This store is permitted to carry coats, suits, and millinery in price ranges as high as any of its competitors because these lines were not sold in the old store, but because the old store sold some wash dresses in March of 1942 we are prohibited from carrying cotton dresses at a higher price than $2 and rayon dresses at a higher price than $5.

We contend that the high price line provision of this regulation is not price control in any sense of the word. The Administrator, in attempting to enforce such a regulation, is acting in utter disregard of the intent of Congress and is compelling changes in our business that have no bearing whatever on price control. This is certainly in direct contravention to the provisions of the Emergency Price Control Act.

We can make a sizable contribution to lowering the cost of living in the 493 towns in which our stores are located if permitted to distribute our regular lines of merchandise at our customary low margins.

I. CAN WE DEFEND OURSELVES IN COURT?

We were approached by the legal staff of O. P. A. in July of 1943. They informed us that while there was no question of the prices we were charging, in their opinion we were in violation of Maximum Price Regulation 330 in that they believed that we had in certain of our stores violated the highest price line limitation provision. During the discussion that followed, practically all the data included in this communication were discussed. Much to our surprise the O. P. A. representative advised that we would be prohibited from offering any testimony on the economics or equity of this matter in court and offered us "one last chance to protest to the Price Administrator." Because we did not agree with O. P. A.'s multiple-seller interpretation of the regulation and because we felt that we had not violated either the spirit or the letter of the regulation or of the Emergency Price Control Act we declined to protest to the Administrator but, rather, informed the O. P. A. legal representative that we felt our position was absolutely sound, economically and legally, that if he felt the matter should be brought into court we would prefer to contest the matter in the regular courts rather than with the Administrator or the Emergency Court of Appeals. We sensed from the discussion that O. P. A. seemed to want to avoid our having recourse to the regular courts of law.

The O. P. A. then brought action against us in the United States District Court of New York on August 7, 1943. Before filing an answer to their complaint, which we felt would adversely affect price-control enforcement, we addressed a letter to Mr. Chester Bowles, copy of which is attached (marked "L"). Failing to receive even an acknowledgement of this communication, we were compelled on September 15, 1943, to file our answer. In it we denied every allegation contained in the complaint and offered eight separate defenses. At present the case is scheduled for trial on March 15, but seven of our eight defenses have been stricken as not proper because of the provision of the Emergency Price Control Act which is interpreted to mean that no court is open to us except the Emergency Court of Appeals, notwithstanding the fact that we are in the district court because of action initiated by the O. P. A. Several Supreme Court cases are now pending on this point and we have offered briefs as amici curiae in two of them, but if the lower court's interpretation is sustained by the Supreme Court, it would certainly seem that congressional action to amend the act is necessary. The following, briefly stated, are the defenses which were stricken:

1. That although prior to price control considerable sums were spent in altering stores to provide space for broadening lines of women's ready-to-wear, O. P. A. attempts to prohibit us from using the space for its intended purpose.

2. That the O. P. A. is attempting to regulate our business and stifle competition in a manner not authorized by Congress. That MPR 330 is not a price-control regulation.

3. That the O. P. A. did not advise and consult with representatives of the industry although it was practical for them to do so.

4. That the O. P. A. regulation did not establish prices that were generally fair and equitable.

5. That the O. P. A. assumed powers not delegated by Congress, or such powers were improperly delegated in contravention of article 1, section 1 of the Constitution.

6. That we were being deprived of property without due process of law in contravention of the fifth amendment to the Constitution.

7. That as construed and enforced by O. P. A., the Emergency Price Control Act limits and restricts persons charged with violation of any regulations from interposing any defense and thus the act is unconstitutional in that it denies due process of law.

Is it possible that we could be indicted for the violation of an illegal act without being permitted to offer our defenses in courts of law?

BUSINESSMEN AND O. P. A. OFFICIALS AGREE THAT HIGH-PRICE-LINE LIMITATION IS WRONG AND SHOULD BE ELIMINATED

We have yet to find a single businessman, large or small, that does not immediately recognize the unfairness and inequity in the "high-price-line limitation."

Dr. David R. Craig, president of the American Retail Federation (membership includes 30 State trade associations, 18 national trade associations, in total representing 600,000 stores) says:

"A small increase in the price of an inexpensive coat would keep that coat on the market. But we were told that a little increase, like a little cocaine, is habit-forming, and the line must be held. There were three results. The line was held; the inexpensive coat disappeared; and it was the customer who had to raise her sights to the more expensive price lines. This is known as protecting the consumer's purchasing power and keeping down the cost of living.

"It feels good to say that. There is a perfect 'statement of considerations' to support a reversal of the hold-the-line policy. It satisfies the soul.

"But does it answer the question, 'How are you going to prevent inflation?'"

Dr. Paul H. Nystrom, president of the Limited Price Variety Stores Association (whose membership includes 6,480 stores, large and small, chain and independent, some from every State in the Union): "We must protest this needless and harmful restriction on retailers who have up to present maintained but few price lines. Neither the war effort nor the public interest helpfully served by such regulation."

Mr. Lew Hahn of the National Retail Dry Goods Association (whose membership includes over 6,000 department and specialty stores, large and small, chain and independent, from every State in the Union): "The no-higher price lines limitation should be completely eliminated from MPR–330 and from all other orders in which it appears."

"Retailers have objected to this provision almost from the very start of O. P. A.'s operations."

Mr. Reagan Connolly, until very recently Director of the Consumer Goods Division of the Office of Price Administration:

"The high-price-line-limitation provision is inequitable."

Industrial News Review:

"O. P. A.'s high-price-line limitation, by a maze of technicalities, actually prevents low-cost retailing. Who is promoting inflation?"

Time magazine:

"MPR–330 had an upside-down effect: It began to squeeze out of the market O. P. A.'s favorite price policemen, the big-volume, low unit-cost chains."

"The consumer is out in the cold."

New York World-Telegram:

"O. P. A. would appear to have brought about results which are directly opposite to those at which it had aimed. * * * Price increases probably are even larger than they would have been had the chain-store competition been allowed to exert its full force."

"O. P. A. is seeking to punish the very people who could contribute the most toward achieving its aim of holding prices down."

One of the higher-ups on O. P. A.'s legal staff:

"Certainly we don't have regulations of this kind. This can't be right. Something's wrong."

One of the present important O. P. A. executives:

"High price line limitation is a concoction of the devil."

And still another of the present executive staff:

"It stinks."

WE CAN'T DEPEND ON O. P. A. PROMISES

During the past 18 months we have had frequent conferences with many O. P. A. officials who completely agreed that the "high price line limitation" was inequitable and that it was not working out. We have received numerous assurances from persons in authority that immediate action would be

taken to remedy the situation. But no action has been taken, except for an amendment of last November which removed the limitation provision from certain low-priced items—many of which are no longer being produced—but retained the theory in full effect on the bulk of low-priced goods currently available.

CONGRESSIONAL SAFEGUARDS ARE NECESSARY

O. P. A. is currently considering elimination or revision of the High Price Line Limitation. Their officials inform us that they will need to decide on this point before a proposed revised retail regulation can be issued, that the matter will probably be decided this month. Inasmuch as most of the present officials seem opposed to the limitation clauses, they may be eliminated. We hope so.

We have a great deal of confidence in Retailer Byers Gitchell, who knows what price control is, and knows how to run a business, but we don't know whether or not he will be permitted to overrule the "economists" who advocate this vicious order. His predecessor, Reagan Connolly, evidently was not permitted to do anything about it.

But even if price-line limitation is now removed there is no assurance that similar clauses will not be reinstated in the future. O. P. A. policy may change after extension of the act—Congress should impose safeguards:

1. Prohibit O. P. A. from restricting the right of any merchant to compete. Confine O. P. A. activity to price fixing.

2. Assure citizens the right to challenge the validity of regulations in any action brought by O. P. A.

Very truly yours,

R. H. FOGLER, *President.*

Number of manufacturers making women's coats in various price ranges

	Retail					
	$7.98	$9.98	$10.98	$12.98	$14.98	$16.98
Spring 1942	108	164	98	63	103	105
Fall 1942	37	106	143	115	172	173
Spring 1943	0	14	54	86	130	128
Fall 1943	0	0	8	15	43	116

	Retail				
	$19.98	$21.98	$24.98	$29.98	$38
Spring 1942	140	183	206	138	187
Fall 1942	222	227	233	244	251
Spring 1943	172	169	167	139	142
Fall 1943	202	201	192	176	172

Number of manufacturers making women's cotton dresses in various price ranges

	Retail		
	$1.29 each	$1.59 each	$1.98 each
Spring, 1942	20	23	38
July 1943	0	5	24

Number of manufacturers making women's rayon street dresses in various price ranges

	Retail					
	$1.98	$2.98	$3.98	$4.98	$7.98	Above $7.98
Spring 1942	37	91	31	124	208	1,339
Fall 1942	14	80	30	123	191	1,609
Spring 1943	8	79	39	141	220	1,407
Fall	1	7	34	108	155	-------

Retail	Sales		Estimated quantity available to W. T. Grant Co. for 1944
	1942	1943	
Women's and misses' cotton dresses:			
$1.00	65,105	9,300	None
$1.29	611,415	385,945	None
$1.59	604,778	406,474	144,000
$1.98	447,086	870,252	606,000
Women's and misses' rayon dresses:			
$1.98	65,700	24,492	None
$2.98	214,152	227,298	20,000
Women's and misses' coats:			
$9.98	5,427	1,217	None
$10.98	4,204	3,818	None
$12.98	3,899	7,276	5,500
Women's and misses' skirts:			
$1.29	36,000	None	None
$1.98	62,000	95,000	48,000
Women's and misses' cotton blouses:			
$0.69	292,750	82,310	None
$1.29	89,950	103,100	12,000
$1.98	7,500	63,100	60,000
Women's and misses' rayon blouses: $1.29	155,000	78,000	None
Girls' cotton blouses, sizes 1 to 6:			
$0.59	2,400	None	None
$0.69	18,000	3,600	None
$0.79	60,000	48,000	18,000
Girls' cotton dresses, sizes 7 to 14:			
$0.79	175,200	None	None
$1.19	165,600	216,000	None
$1.29	None	24,000	72,000
Children's overalls, sizes 1 to 6:			
$0.25	3,600	None	None
$0.39	62,400	38,400	None
$0.50	16,800	6,000	None
$0.59	85,200	74,400	12,000
$0.69	75,600	133,200	49,200
$0.79	111,600	194,160	60,000
$0.89	60,000	147,600	None

[From Business Week of September 25, 1943]

MARKETING

PRICE VERSUS QUALITY

Big merchandisers, cited by O. P. A., assert M. P. R. is fine in theory but won't work; lower price lines are off market.

Quality control is an essential part of price control. For that reason, many of O. P. A.'s price regulations—notably Maximum Price Regulation 330, governing women's and children's wear—stipulate in effect that retailers cannot increase prices on old lines or add new and higher price lines.

Just one objection

For a long time, it has been increasingly apparent in the trade that such regulation was a fine idea in theory but not in practice. How, retailers have asked, can you hold to established price lines when you can't get those goods any more?

Last week the W. T. Grant Co., a variety chain operating in 39 States, filed its answer to an O. P. A. complaint charging it with violation of M. P. R. 330, and eight other mass distributors of women's apparel have been charged with similar violations. These eight are J. C. Penney, F. W. Woolworth, J. J. Newberry, McCrory Stores, H. L. Green, G. C. Murphy, Neisner Bros., and Montgomery Ward & Co. The first six of these are scheduled to appear at O. P. A. hearings in Washington next week. Montgomery Ward has taken stronger action by filing a suit against Price Administrator Prentiss Brown to enjoin and set aside M. P. R. 330.

Theoretical safeguard

In operating under MPR 330, the merchants are protected—again only in theory—by another regulation, MPR 287, which prohibits apparel manufacturers and wholesalers from adding higher-priced lines than they carried in the base period, but manufacturers can legally shift an increased quantity of materials into their highest price lines. And most of them—squeezed between ceilings and the rising cost of labor and scarce materials—have had to.

For example, Buyers Informant, basic directory of coat and dress manufacturers in the New York market, listed 108 manufacturers of coats to retail from $5.75 to $7.98 in the spring of 1942. The fall directory listed 37; spring and fall 1943, none.

In cottons and rayons

Similarly, of 20 manufacturers offering women's cotton dresses to be sold at $1.29 in the spring of 1942, one remained in July 1943, the $1.59 group had dwindled from 23 to 5, and the $1.98 from 38 to 24. In rayon dress lines, only one of the 37 manufacturers offering dresses to be sold from $1.37 to $1.98 survived. Increased listings began at $7.98.

In blouses, the situation is little better. One of the three largest manufacturers reports that in the spring of 1942 he made more blouses to sell at $1.98 than any other price range, but he has not accepted an order for a $1.98 blouse in over 5 months, and is concentrating on $2.98 and $3.98 lines.

Competitive pinch

This situation becomes doubly inflationary, the chains contend, when they can find no merchandise to sell as low price lines, but are enjoined from adding the next higher price line because they did not carry it in the base period, while either an independent store which has always carried higher price lines or a merchant who has never carried dresses can market the same line at a higher price.

The low-price chains do enough comparative buying to know they can prove with no particular trouble to O. P. A. that they undersell identical merchandise sold in department stores and other independents by a sizable margin.

O. P. A. on quality

And O. P. A. itself has charted quality deterioration, indicating that, in rayon dresses, 1942's $2.50 quality now sells for $3.30, $4.75 for $5.50, $8.75 for $10.75, and so on. Similarly, last year's $14.75 coats now sell for $16.50, etc. One company which was able to show fur-trimmed coats at $16.50 in 1941, $19.75 last year, now has nothing in this group for under $29.75.

All of these inflationary conditions can logically be traced to the fabric shortage. In rayon, for instance, with 60 percent of a slightly increased production going into war uses, civilian processors are left but 240,000,000 pounds compared to 540,000,000 pounds formerly consumed. The price line shifts begin at the weaver's level. To cover overhead on a reduced volume, the weaver turns out more top-quality gray goods, less low-priced yardage.

Converters follow suit

Faced with the same situation on a larger scale, the converter then processes materials to improve quality—and price. A common shift is from roller-printed fabrics which sell, under O. P. A., at 32 cents a yard to screen-printed fabrics which sell for 52 cents. Similarly, more expensive dyes and extra finishes may be, and are, added to increase the selling price of the yard goods.

Now when a manufacturer does turn out dresses at $2.98 and $1.98, he usually has to cut down on labor and use cheaper trimmings to make up for the high cost of material.

Black-market dodges

These presumably legitimate cost increases are frequently attributed to the black market in piece goods, which trade observers contend is greatly exaggerated. What usually happens is that a low-end producer finds that he can resell piece goods to a hard-pressed higher price line manufacturer at a better profit than he can make on the finished dress.

Most spectacular of the illegal transactions on record is in the sale of the cheesecloth type of material usually used for the bottoms of upholstered chairs. Preinflation price was 3½ cents to 4 cents a yard retail. Recently it was being sold for 35 cents a yard at wholesale to be made into blouses.

Another method

Buyers have observed another evasion on the part of manufacturers. For example, a buyer calling on X company, New York manufacturer of a $4.98 line of dresses, was told the firm was not taking any orders but that another concern, the Y company, operating at the same address had a dandy $7.98 line. Similarly, the A company now offers $9.98 dresses on the same premises where last year B company sold $7.98 models.

All these attempts on the part of weavers, converters, manufacturers, brokers, etc., to make the best of a bad situation have only made conditions worse for low-priced retailers. And the worst is suspended sale of all merchandise covered by the O. P. A. complaints for violation of MPR 330. Grant, for instance, is denied the right to sell its $3.98 line of dresses in 347 of its 492 outlets, and cannot sell its regular line of $2.98 dresses in 223 of its stores.

And, as Grant's president, R. H. Folger, pointed out to the press last week, MPR 330 prevents 37 stores from selling women's coats at $10.98 because they had previously carried coats only at lower prices. However, 401 other Grant stores are eligible to sell the same coats solely because these stores had not previously carried any coats.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am not very familiar with the amendment that has been offered by the gentleman from North Carolina, but he is a member of the Banking and Currency Committee and I imagine his amendment is drafted with a great deal of care and in such a way as to take care of the situation that we are talking about. My only purpose in rising to speak on this amendment, in which I have not the slightest interest, is to give the House some facts that were developed before the so-called Smith committee of which I am chairman. The small meat packers came before us and they laid before our committee the fact that the ceiling price on their slaughtered animals had been fixed at such a level that they were and have been for 6 months losing from a half-cent to a cent and a half a pound on every pound of meat that they killed. That was the little packer.

The big packer was getting by, according to the testimony, because he processed byproducts. He could sell a fellow a side of beef on the ceiling price but make him take a couple of cases of beef tea on some other price and in that way by the use of his byproduct industry the big packer was enabled to live, but the little packers, one after another, had been choked out of business and had closed their doors.

We had a hearing before the Agricultural Committtee, I think it was, in which the O. P. A. people appeared and they were asked about this very thing you gentlemen have been talking about this morning. What do you suppose they said? Here is the statement in almost exact language, after this situation had prevailed for a period of more than 6 months, after hundreds of small packers had been destroyed. This gentleman, I forget his name, said, "Very frankly, the small meat packers have been getting a terrific and unjustifiable shellacking for 6 months." We asked these men: "Why do you not do something about it?" Still apparently nothing has been done about it and that was 6 months ago.

This is all I know about the situation. I have no interest in the amendment except that I am interested in seeing everybody get a fair deal and I have no doubt that the gentleman from North Carolina has prepared an amendment which covers the case.

Mr. BECKWORTH. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Texas.

Mr. BECKWORTH. And if you ask them to say what kind of deal the small packer is getting, they will repeat that he is getting a terrible shellacking. You tell them to do something about it and they will not do a thing.

Mr. PATMAN. The gentleman is correct.

Mr. HARTLEY. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New Jersey.

Mr. HARTLEY. I would like to call the gentleman's attention to the fact that the independent butchers of the country, representing tens of thousands of small butchers throughout the country, came before our committee and in the presence of O. P. A. officials offered to give back some of the percentage that they had so that the packers might have it, but the O. P. A. refused to accept their suggestion.

Mr. SMITH of Virginia. I am sorry I overlooked that. Here was a proposal that was made by the butchers and also by the retail sellers of meat. Everybody knew there was a terrible situation existing. These little retail sellers came before our committee and offered this proposition: "For goodness sakes give our killers of meat a little raise in profit and we will absorb it without raising the price of meat to the public at all. Raise their ceiling so they can live. If we can get some meat we can live on a smaller margin of profit."

Mr. PLOESER. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Missouri.

Mr. PLOESER. That is why in response to an inquiry a while ago asking me whether or not this would affect retail prices I said that it would not.

Mr. SMITH of Virginia. That was a definite proposal.

Mr. PLOESER. There is absolutely no need for an increase in the retail price of meat to accomplish this equitable adjustment.

Mr. CRAWFORD. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If I understand the gentleman's remarks just made about butchers and retailers, the higher margins or profits which they are now receiving came about through a mark-up permitted in the regulations issued by the O. P. A. wherein the mark-up allowed the butchers and retailers was greater than the historical background and the increase to the butchers and retailers comes out of the small packers. Is that about the situation?

Mr. SMITH of Virginia. That necessarily was the situation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I had not intended to debate this question, but I merely want to talk about it just a few minutes to say this: This amendment, if adopted, will undoubtedly bring about a rise in prices so far as the group of products embraced within its scope are concerned. If it is adopted, that will constitute the first break in the dam that holds the flood against inflation. If it is adopted, it is likely that you will adopt one for the oil people. Then if you adopt one for the oil people you will probably be asked to adopt one for the coal people, and I happen to know that they do not need it; then also other industries. If one industry is to be given some favoritism, then why not all?

Those for whom I wish to speak today are the men on the battle fronts of the world, fighting, not for $50 a month, but for their lives and the life of their country. They have bought bonds out of the $50 they get. Their parents at home have bought bonds. Their brothers and sisters and their friends at home have bought bonds. You and I have bought bonds. If we reach uncontrolled inflation in this country, our bonds will be like the German marks were at the end of the First World War.

What I want to do is to hold the line against inflation, and I am willing to pay the sacrifice that it takes to hold it. I am opposed to lots of things that the Office of Price Administration is doing, but we must remember that in wartime, when the whole world is on fire, and when our boys are dying by the hundreds and thousands right at this hour, no doubt, in an effort to free the world, we can wreck the whole thing here by breaking the line against inflation.

I do hope that you will think about this amendment very carefully, and seriously.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Will the gentleman point out the provision in this bill which will increase prices and bring about this inflation that he talks about?

Mr. MAY. This amendment here offered is proposed to bring the prices of all farm products up, and it will do that. If it will not do that why are you, as a farm representative, supporting it? It will increase the price to the consumer and will amount to what we defeated once before, that of a subsidy.

Mr. AUGUST H. ANDRESEN. Does the gentleman think that the consumers will get food if the producer loses money on the food?

Mr. MAY. The producer is not losing money on the food at this time, is the fact about the matter. Of course, there are places where prices are fixed, and it hurts some group for a little while. All prices are already far above normal conditions due to war demands.

Mr. AUGUST H. ANDRESEN. All this amendment does is to direct the Administrator to provide a fair and equitable margin on the product that is sold.

Mr. MAY. A margin of what? Profit?

Mr. AUGUST H. ANDRESEN. A margin of profit.

Mr. MAY. That is exactly what it does.

Mr. AUGUST H. ANDRESEN. It leaves it in his hands to fix a fair and equitable margin.

Mr. MAY. He has already the authority to fix prices. I will say that when you make one break in a dam, there is going to come another, and if you do this, you can count on the House adopting an increase of 40 to 50 cents, or maybe a dollar, on a barrel of oil. I have oil all over my district. I have coal in abundance. Every time there is a raise in wages they demand a raise in the price of coal, and that is just the program that this amendment would put in order.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Oklahoma.

Mr. DISNEY. The gentleman spoke abut holding the line. A line that should be held should be a uniform, nondiscriminatory line; does the gentleman not agree with that?

Mr. MAY. I certainly agree with that. When you realize that in China today a pair of shoes that sells in this country for $4 sells for $72, you will know what inflation means. We on the home front, or at least some people, think we are making vast sacrifices when, as a matter of fact, we are not. In this character of legislation we should look at the picture as a whole and not undertake to legislate for groups. The Committee on Banking and Currency has spent weeks in study and hearings on this subject, and I think the House should support their bill.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we admit and we have roundly denounced many of the administrative deficiencies in respect of price control. They are very many and they are very varied. We cannot hope, as a Congress, to administer that act, and we cannot hope to guarantee to correct all of the deficiencies in the administration of the act by legislation; otherwise we would be in the position of the Administrator himself. We threw up certain safeguards, and we did what was expected of us. We created certain standards and certain yardsticks as an aid in the enforcement of the act. We put certain limitations on the Administrator, and we have provided in this bill that he shall do certain things with respect to his power and limitation.

In the first place, as I understand this amendment, it seeks to control the income of the producer. You cannot do that by manipulating the maximum price. Witness the fact that recently there has been chaos in the egg and potato markets. It would not have made any difference whatsoever had we put a maximum price of 80 cents a dozen on eggs. The farmer would not have received 80 cents. We could have done likewise in respect of potatoes, but it would not have given the farmer any guaranty that he would get any greater return for his labor and production than he would have received otherwise. The only way that you can guarantee to the farmer or to the producer a reasonable profit, or parity, is through support prices as we are now doing through the Commodity Credit Corporation. That is the only way you can guarantee to the farmer that he is going to get a decent, respectable, livable income.

We have already set up in the act that the Administrator shall make modifications to cover a great many things. Let me read to you something which I think will indicate that in the adoption of this amendment we are merely restating language which is now in the act. In the Stabilization Act, in section 3, we said this:

> That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs.

That is a clear mandate to the Administrator to adjust these prices, to absorb these increases in production costs or other costs. If the Administrator has not followed the mandate of the Congress in that respect, that is a deficiency in administration, and it is only one of the many deficiencies in administration.

I hope the amendment will be defeated, otherwise I am afraid we will not be able to hold the line against price increases.

Mr. SPENCE. Mr. Chairman, I wonder if we cannot agree on the time to be devoted to this amendment.

I ask unanimous consent that the debate on this amendment close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I rise simply for the purpose of agreeing with the statement made by the distinguished gentleman from Michigan that we could not hope by this legislation to correct all of the mistakes or errors of administration made by the officials of the Office of Price Administration. I agree with him fully, because the gentlemen in that bureaucracy can make mistakes far more rapidly than we can possibly correct them. However, that is no reason why we should not attempt to correct by legislation, such mistakes as have been called to our attention, and where possible, prohibit and restrict such mistakes from being made in the future. Whenever we fail or refuse to consider amendments that would so restrict or correct such mistakes, we are also failing in our responsibility to our constituents and to the Nation we serve. I hope we will hear no more of the argument that the Office of Price Administration, or any other governmental agency for that matter, should be above reproach, or that its activities and work should not be reviewed here on this floor. I think we should openly, and fairly, and frankly consider any and every amendment that may be at all germane to this legislation. That is the position I took the other day on the rule, and that is the position I take now. I hope that we will, with open minds, fearlessly, frankly, and fairly, consider any amendment to this bill that will aid in bettering the present law and help the Office of Price Administration to administer it properly and correctly. Such is our duty and our responsibility as the representatives of the people.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I do not think there is anyone in the House who wants to emasculate this O. P. A. bill or bring about any kind of uncontrolled inflation, but we must correct a lot of inequities in the present set-up. Several of them have been brought to my attention from my district.

I have one concern that processes farm products into a breakfast food. They have for many years sold a product for about half the price that the larger breakfast food concerns sell an equal quality product. Because of that, naturally they are in the low price line bracket and they have been unable to get their price raised. I have tried for over 2 years to help them get relief; but it seems some one in the O. P. A. is not interested in saving a concern which is selling food at a low fair price.

I am wondering if this amendment would not take care of just such concerns as that. If it does, certainly it is needed, because we have many factories that will go out of business, and then where will the much needed taxes come from, and where will our returning veteran get a job?

We have listened to the gentleman from Texas [Mr. PATMAN] and I like him, but sometimes I think he talks too much and does not listen quite enough. He is not worried about the little fellow, he is not worried, it seems, about the fellow that is going to pay the taxes to refill this Treasury of ours so that we may really stop inflation.

Mr. PATMAN. That is a misstatement.

Mr. JENSEN. That is the idea that most of us get from the gentleman's speeches. It seems that he does not care if a lot of these concerns go out of business.

Mr. PATMAN. The gentleman is mistaken, absolutely mistaken. Fewer of them are going out of business now than ever before in the history of the United States of America.

Mr. JENSEN. I am sure the gentleman does not want that statement to go in the RECORD.

Mr. PATMAN. It is in the RECORD this morning. I think the gentleman will find it in my remarks. I gave year by year the number that have gone out of business. That is absolutely true.

Mr. JENSEN. The gentleman knows that thousands of small concerns have already been forced out of business because of inequities in price control, and unless relief is immediate many more thousands of them will be forced out of business and remember it is the small well-managed manufacturers who are holding down costs today on a great many commodities.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the very able and well-informed gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. There seem to be some people who are in favor of helping the big fellow and putting the little fellow out of business.

Mr. JENSEN. Absolutely. That is what is going on today, and unless Congress writes into this bill proper safeguards for equality our whole business economy will fail, then the big and little alike will suffer and all of us will go down in the crash.

The CHAIRMAN. The gentleman from New York [Mr. BARRY] is recognized.

Mr. BARRY. Mr. Chairman, in discussing this amendment reference has been made to the plight of the farmer. I want to take this opportunity to refer the Members of the House to the testimony of Judge Marvin Jones, formerly chairman of the Committee on Agriculture, and certainly a friend of the farmer. He stated that under this bill the farmers' prices have gone from 85 percent of parity to 117 percent of parity, an increase of 32 percent, or really more than that because the calculation of parity changes, and it is probably an increase of more than 40 percent, since January of 1941. At the same time it was testified by Mr. Jones that production has increased more than 30 percent since January of 1941. Secretary of Agriculture Wickard testified that the farmer today is getting more money and is in a better position than he has ever been in the history of the country.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. BARRY. I yield.

Mr. ZIMMERMAN. The gentleman from New York is not saying nor that Mr. Jones is saying, that great segment of our population engaged in the production of cotton is getting more money than they ever got before?

Mr. BARRY. I am talking about the average price of agricultural commodities being 117 percent of parity. Cotton is not in that category; and there are some other agricultural commodities which are higher and others lower.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BARRY. I yield.

Mr. JENSEN. As I understand this amendment, it will take care of inequities that are taking place today. It is not an overall bill.

Mr. BARRY. As I understand this amendment, it guarantees a profit to every processor, whether he ever had a profit before or did not have a profit.

Mr. ZIMMERMAN. The gentleman will admit that very little consideration has been given that great group of American farmers engaged in cotton production who are getting less than parity?

Mr. BARRY. Cotton is one commodity that is not above parity as I understand it.

Mr. ZIMMERMAN. I hope the gentleman will join with us in trying to correct that.

Mr. BARRY. We are not supposed to guarantee parity. That is an ideal goal which the farmers have for years aimed at.

The CHAIRMAN. The gentleman from Texas [Mr. SUMNERS] is recognized.

Mr. SUMNERS of Texas. Mr. Chairman, I am not prepared to discuss this amendment which I have just heard, but I am interested in its objective. I want to direct attention to what seems to me to be a fault in the philosophy which is guiding this price fixing. It should be more effectively recognized that small business, small people who in communities are performing a very useful community service and a most useful service in the social and governmental structure of the country do not ordinarily have the equipment, the machinery of organization, to produce as cheaply as a big concern can produce, especially one which can utilize all byproducts. They are, however, rendering other services for which the people in the communities are willing to pay. Otherwise they would buy from the bigger concerns that can sell more cheaply.

It is poor governmental policy not to recognize and seek to preserve these small businesses which constitute the yeomanry in business and industry. People who do not want to pay the prices these small concerns must charge in order to live can buy from the bigger producers if they want to. To put these small producers on the same selling prices that bigger producers can live on is the judgment of death for them.

This general plan and over-all arrangement of prices, which makes no allowance for the conditions under which the small man produces and no allowance for community convenience and willingness to pay a higher price, is not a sound policy. I do not care what the statistics of my distinguished friend from Texas show, these little men, this particular group of little men, are being squeezed out of business. If these little men are able to provide service or to have the support of community pride, or the fact that people who work in these plants own their homes in these communities, or for any other reason, are willing to pay above what an outside big concern will sell at, whose business is it? If the governmental agencies will permit the little man to sell at a price that will keep him going, if the people do not want to pay that price they will have the same opportunity to buy from a big outfit which they would have after the little man had been "busted" by his Government.

There are some community concerns that are rendering a good community service; they are buying that which is produced in the community, processing it with community labor, and selling it to the people in the community. Insofar as I can see it, insofar as the price which the general public has to pay, if you permit these smaller businesses to continue to live, the opportunity of the public in these communities to buy from the big concerns would not be disturbed. If the people want to pay them enough to keep them going, who is hurt? Whose business is it in a free country? If the people do not want to pay such a price, they do not have to. What is wrong with that? I ask that question of anybody on the committee. What is wrong about putting it in as a part of the basic philosophy of this price-making outfit that where you establish uniformity of prices covering the major part of production, a provision be incorporated recognizing the public interest in keeping alive these smaller businesses serving the community, if the people want to keep them alive.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. PATMAN. I will venture to say, with all due respect to the distinguished gentleman from Texas, that not a dozen establishments have been squeezed out, such as the gentleman suggests.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MONRONEY. If I understand the gentleman's question correctly, he wants the small producer given some extra help so that he can meet the competition of the bigger man. I would like to say to the gentleman that 80 cents a hundredweight on livestock is now paid to these small producers such as the gentleman from Texas has mentioned and is talking about, and that has relieved a great deal of suffering and hardship that existed before the extra payment of 80 cents per hundredweight was given.

The CHAIRMAN. The gentleman from Oklahoma [Mr. RIZLEY] is recognized.

Mr. RIZLEY. Mr. Chairman, like my distinguished friend from Texas, I, perhaps, do not understand the full import of this amendment. But I do know it has something to do with correcting some of the inequities which we have heard so much about in price control, and which I believe will aid in giving the small businessman a chance to exist.

The only answers that the gentlemen of the committee make to any of the arguments, thus far advanced in support of the amendment which, in my opinion, is not an argument at all and I am getting awfully tired of hearing it myself, is first, "You just must not break the line." Well, what line? I thought the purpose of this price-control bill was to keep a line that was fair and equitable to everyone. The other argument which the distinguished Member from Kentucky makes, and I am getting terribly tired of hearing that argument, is that we are stifling the efforts of our boys that are fighting over there today. No one could be any more interested in our boys than am I, but I am interested in those boys coming back to a Government which believes in the kind of philosophy they think they are fighting for and one that will protect the little businessman from whose office or whose farm most of them left when they went over there to fight. I think I understand this philosophy of some of those in high official places in the O. P. A. I will tell you why. A few months back when I had a bill before the Committee on Agriculture in the House in connection with restrictions on wheat acreage, I had a farmer here, a wheat farmer from Oklahoma, who testified—and I wish I had the time to tell the story that he told before our committee—he testified as to what certain things and certain practices were doing to the small farmer. When his testimony was over, a high department official from the Department of Agriculture was there, I said to him after the hearing was over, "What do you think about the testimony of this farmer based upon actual facts and not theory?" He said, "Oh, that's all right, that's the old philosophy." "But" he said, "If I had my way about it I would not let anyone produce wheat in this country who could not farm at least a thousand acres of wheat. It is not economically sound and in the interest of the consumer to permit wheat to be produced by small farmers; it costs too much to produce it."

This is the same philosophy that is running through the administration of this price-control bill, that the big packers and the big processors can do it more cheaply. They forget and overlook the little men in this country who have been the bulwark of this country and who, if we are to preserve fundamentals in this country, must also be saved. I think this amendment will help. And I am going to support.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, this amendment deals with the right of people who operate small businesses. To further illustrate some of the things that have taken place under the O. P. A., I am going to spend a moment discussing the little fellow who operates automobile tire shops. For instance, I am informed the orders of O. P. A. provide that tire dealers pay to the manufacturer 8.9 percent of the list or billing price to cover the manufacturer's increased cost of producing tires.

In the case of the popular 6.00 by 16 size, the billing price is $14.75. The retailer pays $1.30 additional which he in turn collects from the consumer. He becomes a collecting agent for the manufacturer and this has never been a practice in any industry in America. By reducing the retail price from $17.11 to $16.05, dealers were not protected on inventory and many have taken losses of several hundred dollars—losses they could ill afford.

In the case of truck tires, which is critical today, both the retailers and the trucking industry are placed at a disadvantage. If motor transportation breaks down we will see much needed supplies at depots all over the country while soldiers on the beach heads of France are crying for ammunition.

In truck tires, O. P. A. has permitted manufacturers to add 6½ percent to the ceiling price, which results in an increase of about 11 percent to the retailer. He cannot sell above ceiling so must absorb this cost. Where he formerly made about 30 percent gross profit he is reduced by governmental edict to about 19 percent and on this he cannot stay in business.

Truck operators, such as fleet owners, who have enjoyed a discount now find their prices raised so that, with reduced tire mileage, they find the cost per mile of tires greatly increased. We see here definitely who pays for preventing inflation.

I say that it is the duty of Congress to protect American enterprise by writing laws so they cannot be misinterpreted or evaded. I say that the producers and retailers must be protected or we will see chaos ahead with millions of Americans who have a right to select their home sites, to establish themselves in business, to provide for their own future, depending on the Government for maintenance or becoming wards of charity.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE. Mr. Chairman, I would like to address the members of the committee reporting the bill. Perhaps the gentleman from Michigan [Mr. CRAWFORD] can answer this for me. During the remarks of the gentleman from Michigan [Mr. WOLCOTT], in commenting on the pending amendment, he made the statement that the amendment sought to deal with supporting prices, and intimated that the bill deals with ceilings rather than with floors of prices. Can the gentleman tell me whether there is anything in the bill amending the present statutes that directly or indirectly supports prices, other than references to section 8 of the present law which deals with loans by the Commodity Credit Corporation?

Mr. CRAWFORD. I do not know of any. Of course, we have an illustration in the case of eggs. The egg market broke so terrifically that the Government, through other agencies, came in and started absorbing the egg crop in excess of consumer demand, and today eggs can be purchased by fertilizer manufacturers for $30 per carload.

Mr. CASE. Does this bill do anything about that?

Mr. CRAWFORD. I do not think it does, because the support price comes in through the operation of the Commodity Credit Corporation, or some other Government agency, instead of through regulation established by the Office of Price Administration.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CASE. I yield.

Mr. AUGUST H. ANDRESEN. The consumers receive the benefit of the lower egg prices, because the producers were producing in abundance in this country.

Mr. CASE. Is there any way the gentleman can suggest whereby we could operate under section 8 and extend the provisions of that to secure equity?

Mr. CRAWFORD. The gentleman has submitted a legal question. It is my guess that the smart lawyers on this floor could design an amendment which would greatly alleviate the situation against which we complain.

Mr. CASE. What is the benefit or value of the amendment proposed, where the word "may" is to be changed to "shall" with reference to what the President can do or should do with respect to certain prices, wages, and so forth?

Mr. CRAWFORD. If you will take the original law and analyze it very carefully, in the most scrutinizing manner possible for human ingenuity to do, you will find there was woven into the original law many little niceties which enable the President to do practically anything he wants to do with American industry. When you get down to a keen analysis of it you will find the committee recommending changes here and there, as amendments will be offered, to correct some of the difficulties in the original law.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MONRONEY. Mr. Chairman, there has been so much talk on this amendment being the little-business man's amendment that I have examined and reexamined this amendment three times, in order to see if, perchance, I overlooked some language in the amendment. I have not done so.

This is no more a little-business man's amendment than most of the price-wrecking practices and amendments that were brought before our committee under the guise of widows and orphans and small-business men and farmers.

Let us see what this amendment does. It forces a fair and equitable margin of profit on each product and each commodity. What is a fair and equitable profit? The amendment goes back to a normal pre-war period. It is not spelled out or defined. Perhaps it goes back to 1920, 1924, 1929, but no one can

tell. Then it says that in defining a normal pre-war profit you must make a satisfactory percentage on the individual item and also—a double-barrel shot—and also a normal percenatge return on your capital.

What more could General Foods want than that? In other words, every one of their prices would be subject to being unregulated until they have made their normal percentage of profit on their capital stock. Armour or any other food processor could come in under this amendment and literally wreck the price ceilings on food because this provides that each product shall be sold at an individual profit. You might have satisfactory percentage profits on 90 percent of your products and maybe be in the 95 percent excess-profits bracket and yet to make a normal profit on each item he manufactured he would have to raise those ceilings to provide additional and excess profits.

I say to you, Mr. Chairman, this is another example—and I know the author of this amendment did not intend it to work so—but it is an example absolutely of what hastily and ill-conceived amendments can do. It has no effect in helping the little man but would help the big man instead.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

All time has expired. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. FOLGER) there were—ayes 67, noes 86.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask for tellers.

Tellers were ordered and the Chair appointed as tellers Mr. FOLGER and Mr. SPENCE.

The committee again divided; and the tellers reported that there were—ayes 91, noes 177.

So the amendment was rejected.

Mr. CRAWFORD. Mr Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: Strike out all after section 2 and insert the following:

"Strike out all of section 2 and insert the following:

"'PRICES AND MARKET PRACTICES

"'SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in section 301) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act, but nothing herein shall be construed to give the Administrator the right hereafter to fix a price on any commodity unless there is evidence that the price of such commodity has risen or is threatening to rise. In establishing any maximum price, the Administrator shall adopt the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonal market conditions or other cause, then the prices prevailing during the nearest 2-week period, but in no event prior to October 1, 1940, in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments in such prices by giving effect to general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers as a result of the sale of a commodity or commodities in question subsequent to the date upon which such prices shall be established: *Provided*, That this act shall not be construed or interpreted in such a way as to give the Administrator the right to fix profits where such action has no relation to price control. No common carrier or other public utility shall make any general increase in its rates or charges which were in effect on September 15, 1942, unless it first gives 30 days' notice to the President, or such agency as he may designate, and consents to the timely intervention by such agency before the Federal, State, or municipal authority having jurisdiction to consider such increase. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall advise and consult with representative members of the industry which will be affected by such regulation or order and shall give due consideration to their recommendations. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional, or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representatve of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members, and shall meet at the call of the chairman. The Administrator shall, from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable, and such recommendations shall be considered by the Administrator. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within 5 days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than 60 days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

"'(b) Any regulation or order under this section may be established in such form and manner, may contain such classifications and differentiations, and shall provide for such adjustments and reasonable exceptions, as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this Act: *Provided*, That the Administrator shall, in all cases where it is shown that a business is being operated efficiently, that the capital investment of such business reflects no inflated values, and that a regulation, order, or price schedule has caused such business to be operated at a loss, adjust such price schedule, order or regulation within a reasonable time as to that business, or give such other or further relief as may be authorized by law: *Provided further*, That whenever the Office of Price Administration shall raise the ceiling price charged by a manufacturer, producer, or wholesale distributor for a commodity, a comparable increase shall be immediately granted by the Administrator to subsequent dealers or sellers of such commodity. Any regulation or order under this section which establishes a maximum price may provide for a maximum price below the price or prices prevailing for the commodity or commodities at the time of the issuance of such regulation or order.

"'(c) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, by regulation or order, within the limitations of subsection (g) of this section, regulate or prohibit speculative or manipulative practices (including practices relating to changes in the form or quality) or hoarding in connection with any commodity which in his judgment are equivalent to or are likely to result in price increases inconsistent with the purposes of this Act.

"'(d) Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided*, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity. In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to

authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, or to authorize the Administrator to prohibit trading in any agricultural commodity for future delivery if such trading is subject to the provisions of the Commodity Exchange Act, as amended.

"'(e) No power conferred by this act shall be construed to authorize any action contrary to the provisions and purposes of section 3, and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this act with respect to such commodity.

"'(f) Regulations, orders, and requirements under this act may contain such provisions as the Administrator deems necessary to prevent circumvention or evasion thereof.

"'(g) The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, unless upon an affirmative showing by the Administrator it is established that such changes are necessary to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this act.

"'(h) Nothing in this act shall be construed (1) as authorizing the elimination or any restriction of the use of trade and brand names; (2) as authorizing the Administrator to require the grade labeling of any commodity; (3) as authorizing the Administrator to standardize any commodity, unless the Administrator shall determine, with respect to such standardization, that no practicable alternative exists for securing effective price control with respect to such commodity; or (4) as authorizing any order of the Administrator fixing maximum prices for different kinds, classes, or types of a commodity which are described in terms of specifications or standards, unless such specifications or standards were, prior to such order, in general use in the trade or industry affected, or have previously been promulgated and their use lawfully required by another government agency.

"'(i) No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1941.

"'(j) The Price Administrator shall have 90 days from the enactment of this act within which to comply with its requirements, and during such period all orders, regulations, price schedules, and requirements heretofore promulgated by the Administrator shall remain in full force and effect until changed in accordance with the terms of this act.'"

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, if the Members of the House will listen very carefully for a moment or two it will save a lot of time on the debate of this amendmen which I have offered.

If you will refer to section 2 of H. R. 4941, the bill before us, you will find that section 2 of this bill strikes out section 2 of the Emergency Price Control Act and substitutes the bill's language therefor.

The amendment which I have offered will be found in full on pages 3 to 8, inclusive, with the exception of the last four or five lines, subparagraph (j), in the Smith report, copies of which are available here on the desk. You will notice in reading the Smith amendment that the law as it now stands is altered by my amendment by adding certain new material in italics and striking out certain material through which a line has been drawn. The changes are so numerous that it is utterly impossible for me to cover all of them within the 5 minutes allowed me to discuss these amendments.

The changes herein recommended go to the very heart of a great many of the problems which industry in this country must deal with and which the administrators of the O. P. A. have to deal with. There are certain provisions in the bill reported by our committee which I would very much like to see adopted; yet there are certain provisions in the Smith amendment, which I have offered, which I would like very much to see put into the law. As I said when we were debating the rule, I want the House to understand thoroughly, as best legislators can understand, exactly the policies that are being followed by O. P. A. in handling the industry of this country. I want the House to understand what the enterprises, the managers, the owners, and trustees of American industry are up against; what is happening to many of the units of industry under this procedure, and, having understood those things, either make some sacrifices in connection with the benefits we now enjoy under O. P. A., in order to pick up benefits we are losing by reason of the policies followed by O. P. A. in setting price ceilings, determining costs, fixing margins of profit, and so forth, closing out some businesses, for instance, or we amend the law, correct those situations and lose some of the O. P. A. benefits we may now be getting.

I wanted these amendments brought before the House so that we can decide which of the many of them we want; decide on those we do not want, and get them out of the way. In this manner I have brought the entire Smith amendment before the House.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. If this amendment should be adopted, I take it that the gentleman will offer a new title to the bill that will cover rents and renting practices.

Mr. CRAWFORD. Yes. If you will look at page 3 of the Smith report, you will find that the word "rents" and the words "and renting" have been stricken, and then you will find in the Smith report where those have been brought in under title II on page 10 of the report. It is my understanding that amendments will be offered to take care of the rent and renting provisions of the present law, and amendments thereto, should the present amendment be adopted.

I do not care to take the time of the House any further in discussing this, because I think that everyone understands exactly what the proposition before us is. As we go along under the 5-minute rule, we can ferret out the various angles that are involved in this proposal and come to some conclusion as to what we want to do about the whole matter.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. MICHENER. The Smith amendments to which the gentleman referred are germane to the bill, are they not?

Mr. CRAWFORD. I understand that every one of them has been made germane by reason of the rule we adopted the other day.

Mr. MICHENER. And that the type of rule that was adopted the other day does not in any way prevent the offering of these amendments to which the gentleman has referred.

Mr. CRAWFORD. It is my understanding—and I would like to trade ideas with the gentleman from Michigan on this—that if the Members desire to do so, they can take each amendment as set forth and offer it to our present bill, in the event this particular amendment is voted down.

Mr. MICHENER. One reason I asked the question was this: The gentleman offered this as an amendment.

Mr. CRAWFORD. That is right.

Mr. MICHENER. And no objection was made to it.

Mr. CRAWFORD. That is right.

Mr. MICHENER. Therefore, if this amendment is voted on, it would be too late now, even though there had been an objection as to germaneness, which there was not.

Mr. BROWN of Ohio. If the gentleman will yield further, as I read the title of this particular section it would be germane, inasmuch as it applies only to prices and not the practices and not to rationing rules.

Mr. CRAWFORD. That is correct.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. VOORHIS of California. Can the gentleman tell me how much of the Smith bill his amendment comprises?

Mr. CRAWFORD. It comprises section 2 only.

Mr. VOORHIS of California. Of the Smith bill?

Mr. CRAWFORD. That is right.

Mr. VOORHIS of California. I thank the gentleman.

Mr. CRAWFORD. If the gentleman will go to page 8 of the Smith report he will find where section 3 of the Smith bill begins.

Mr. VOORHIS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is quite impossible to discuss this entire amendment, nor shall I attempt to do so. I would like to preface my remarks by saying that I am a member of the Smith committee; that I do not believe that the amendments brought forth by that committee or by its chairman have been stealthy or underhanded in any way. I would like to make the criticism, as a member of the committee, that I do not think those amendments were exposed to anything like a sufficient extent to opposition testimony by people closely in touch with and in support of the operation of price control. I think the Smith committee amendments resulted far too much from

the testimony of people who had complaints to offer. But I certainly think they are offered in good faith.

It happens that I, along with the gentleman from New York [Mr. DELANEY], filed a minority report to the report of the Smith committee in which we agreed with certain provisions that were advanced and disagreed with a good many others. I want to say that my general viewpoint is approximately as follows: I think that any attempt to legislate on behalf of special interests in this bill, or any amendment which would cause a general increase in price levels as to any commodities, is a dangerous move, but that I believe we can do a better job than has been done heretofore of making it possible for citizens of this Nation to obtain redress with regard to rules and regulations of the O. P. A. which might be held invalid under the statute if subject to some carefully devised review method. I have read carefully the proposal along this line in the Banking and Currency Committee bill and am inclined to believe they are good provisions, though I hope to get some additional information regarding them before that point in the bill is reached. It is in this field of effective but not crippling court review that I believe the main effort of this House should be directed.

With regard to the amendment offered by the gentleman from Michigan, there are two points that I want to make. In the first place, this amendment contains the following language:

> *Provided,* That the Administrator shall, in all cases where it is shown that a business is being operated efficiently, that the capital investment of such business reflects no inflated values, and that a regulation, order, or price schedule has caused such business to be operated at a loss, adjust such price schedule, order, or regulation within a reasonable time as to that business, or give such other or further relief as may be authorized by law.

In other words, as to any business that does not have an inflated capital or that can show that it is operating efficiently, the Administrator is compelled under the language of this amendment to adjust his price order as to that business. Either he has to adjust his entire price ceiling or he has to give a special price to that business with obviously chaotic results in the trade or he has to provide for the payment of some kind of subsidy payment to that business.

In my judgment, the only way you can have effective price control would be if you adopt the third method. In other words, if you need the production of a certain business and cannot get it under an equitable price ceiling which gives an ample margin to all other operators in that business, I do not believe the answer is to raise the ceiling so as to include that marginal producer in every single case and guarantee him a profit. What you have to do in this instance is to provide a subsidy to that marginal producer. I do not believe that could be done under the language of this bill, not unless it was directly authorized by Congress. Therefore, I think this is a dangerous provision that would result necessarily in increasing price ceilings generally.

The second thing I want to speak about is this. The amendment states:

> That whenever the Office of Price Administration shall raise the ceiling price charged by a manufacturer, producer, or wholesale distributor for a commodity, a comparable increase shall be immediately granted by the Administrator to subsequent dealers or sellers of such commodity.

I know what that is for. I think the purpose is worthy. But may I refer back to last fall, when I myself and many other Members of this House went through long weeks of earnest effort to try to get a revision of a pricing order on citrus fruit. Why? Because under that order issued by the O. P. A. middlemen's margins were unconscionable. Middlemen were making as much as $500 to $1,000 of margin a car on citrus fruits. The result of our efforts was that O. P. A. changed that order, reduced the ceiling prices to consumers, increased the price to the grower of citrus fruit, and came out even, because it reduced the margins of middlemen to life size.

Under this amendment, if I understand it at all, they could not have done that. They would have had to have added to those exorbitant middlemen's margins every dime that they allowed the grower of citrus fruit in addition to what he was then getting, which was less than parity. So I consider that portion of this amendment also is not well advised, and I do not believe that as to those two particular items the House would want to adopt it.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it was stated in the beginning of the debates that in this bill we have thrown certain safeguards around persons, some of which safeguards do not appear in the amendment which is offered, which is a part of the so-called Smith report. For example, we have provided in our section 2 that no such regulation or order shall contain any provision requiring the determination of costs otherwise than in accordance with established accounting methods. There is no such protection as that in the amendment which has been offered here, and that is a very important amendment. It prevents the administrator from establishing uniform accounting systems regardless of the ability of the business or industry to conform to them, either because of ignorance of bookkeeping methods or because they do not have the capital or the money to employ accountants to put into effect a standardized system of cost practices and accountancy.

We also provide, in the committee amendment—and it is doubtful whether there is any comparable provision in the amendment which was just offered—that the Administrator shall provide for individual adjustments in those classes of cases where the rent on a maximum rent date for any housing accommodation is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense rental area for comparable housing accommodations.

I do know that there is no comparable language in section 2 of the Smith report which has been offered here as a substitute in respect to the language contained on page 9 of the bill starting with line 15 and ending in line 1 on page 10, which, to my mind, is a very important contribution to the stabilization of our economy and the protection of the taxpayers.

It is very questionable whether we do not by the so-called Smith amendment authorize the Administrator to continue to regulate rents even though the reasons for his first having regulated the rents have disappeared and become completely dissipated. We provide for that in the House bill.

I think, Mr. Chairman, that the House committee has done a very efficient job in respect to section 2. If we adopt the amendment which has just been offered, of course we shall have to rewrite the entire bill in order to conform to the changes in form provided for in the Smith amendment, which has no relationship whatsoever to the purpose of the bill, changes that are purely administrative and that have to do only with the adjective law and not the substantive law.

Mr. Chairman, I hope that the committee will defeat the amendment.

Mr. PETERSON of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to call your attention to subparagraph (i) on page 11. I do this because the Smith amendment as proposed has the same provision with reference to fisheries. The fisheries produce more pounds of food per man than any other food-producing industry. They have to fight the weather and the elements and what has been aptly termed "many unpredictable variables." It is rather important that we go into their problems. We have for some time been making a study of the different problems with reference to fisheries, and they present some of the most difficult problems with which the O. P. A. have to deal.

I call the attention of the chairman of the committee to the fact that on page 11, subparagraph (i) provides that:

> No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1941.

Mr. Bowles in a letter and the O. P. A. in sworn testimony before the Subcommittee on Fisheries testified that:

> In view of the desirability of maintaining normal relationships between the prices for different species, the weighted average price for each species in the year 1942 represents, in the judgment of the Administrator, the closest practicable approximation to the prices prevailing on September 15, 1942.

So I feel that in subparagraph (i) on page 11 the year 1941 should be changed to the year 1942. I am not proposing this as an amendment at the present time, I am calling it to the attention of the committee because I feel sure that the committee does not want to provide for a lower price at the present time.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. SPENCE. Under the provision of the law the Administrator has a right to take the nearest two-week period, from October 1 to 15, if that is not truly representative of the price that should be made. I understand that the fish do not run in certain seasons.

Mr. PETERSON of Florida. There are certain seasons that the certain species of fish do not run.

Mr. SPENCE. And if that was the nearest period in which there would be a truly representative price, and the market opened then, there is no doubt under this bill he has a right to select that period.

Mr. PETERSON of Florida. Of course a given date is hard to work out, but I want to be sure there would be no authorization to roll back the prices. I am sure the chairman of the committee does not want a roll-back of prices to 1941; I think that is correct.

Mr. SPENCE. I would like to see the industry get a price which is truly representative of what should prevail in the year 1941, and if there was no representative price at that time which truly represents what the condition should be as to a fair price for the commodity, the nearest 2-week period can be selected even though it would go into 1942. I think the Administrator is perfectly within his rights when he selected a period in 1942 if that was the nearest period.

Mr. PETERSON of Florida. And there would be no rolling back to 1941, even, as I understand. Is that correct?

Mr. SPENCE. The committee has no such intention, nor is it expressed in the bill, to roll it back at all.

Mr. PETERSON of Florida. I was afraid there might be a misunderstanding as to the rolling back of prices to 1941 or 1942. I thank the gentleman very much.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Virginia. As has been explained by the gentleman from Michigan [Mr. CRAWFORD] this whole thing is explained in the so-called Smith committee's intermediate report. I regret very much that the time of the gentleman from Michigan [Mr. WOLCOTT] has been so occupied that he has not had the opportunity to familiarize himself with what is in the so-called Smith amendments. I wish to correct the statement made by the gentleman from Michigan [Mr. WOLCOTT] in which he said that this amendment offered by the gentleman from Michigan [Mr. CRAWFORD] did not make provision for the cessation of rent control where it was no longer necessary in an area. If the gentleman from Michigan will now inform himself as to what is in the Smith committee bill which we endeavored to get the committee to consider, he will find that the provision in his bill with regard to the cessation of rent control is taken verbatim from the bill offered by the Smith committee. The second part is that the gentleman from Michigan says we give no authority in our recommendations for local rent adjustments and that such authority is given in the committee bill. If the gentleman will again inform himself as to what is contained in the recommendations of the Smith committee he will find that that language that is used in the bill of the Committee on Banking and Currency is identical with the language which we recommend and which is in our bill. This amendment offered by the gentleman from Michigan [Mr. CRAWFORD] strikes out the rent provisions in this section. A great many of you have been interested in getting some relief for your constituents from the abuses of authority by the rent control of O. P. A. Our rent-control amendment is going to follow this amendment. If you adopt this amendment we are going to then present the rent-control amendment and there is going to be an opportunity for the Members of the House to do something for their constituents in order to obtain the relief that they have been crying for for so long a time. I hope for that reason, if for no other reason, you will adopt this amendment. I have asked for this additional time in order to explain a little more in detail than the preceding speakers have done, just what is the change in this amendment from existing law. First, this prohibits the Administrator from making any adjustments in prices or lowering prices of a commodity where there has never been any rise in the price of that commodity and where the price of that commodity has never threatened to rise and does not threaten to rise. That, in effect, is what we said in the original law.

But the O. P. A. has undertaken to say that even though there has never been a rise in the price of a commodity and there is no threat to rise, they have a right to lower the price of that commodity. We have also put in an amendment which prohibits them, in fixing prices, from taking a base date prior to October 1940. The reason for that is, we require them to take a certain base date, or the 2 weeks nearest to that which was representative. The O. P. A., in utter disregard of that provision, has gone back in many instances and required people to produce their books and undertake to show what the history of their business was between the years 1936 and 1939, and upon that basis, created and invented by the O. P. A., they have undertaken to fix prices. We say in fixing prices they shall not go back of October 1940. That is all that that amendment means.

Then we have a general provision that where there have been changes in the cost of manufacture and the cost of raw products, and so forth, the Administrator is put under the duty to investigate that and make reasonable and proper adjustments. We do not undertake to lay down any hard and fast rule for him, but we do require him to give consideration to these complaints and to make appropriate adjustments. We further provide that he shall not fix prices on a basis undertaking to control the profit system of the country, because that was not what we originally intended to do.

On page 6 of the report, which I know the Members are all interested in, with reference to these hardship cases, we have undertaken to say there, and I think the gentleman from North Carolina [Mr. FOLGER] whose amendment was just defeated, should listen to this, because I think it has some bearing on his case, we undertake to say where a business has historically been sound and is not overcapitalized and has always made a profit in the past and by reason of some regulation, such as was mentioned a while ago, is required to operate at a loss, then that must be adjusted by the Administrator.

We have a further provision that where the Administrator has fixed a ceiling price of a manufactured article and then another ceiling price on the retail price of that article and raises the ceiling to the manufacturer at his level, he must also correspondingly raise it to the retailer.

I think that covers substantially the changes that are made there.

If the Members want the rent-control amendment which is going to follow right after this, then it is very desirable that they should support this amendment so that the two will be coordinated.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. CRAWFORD. I think the gentleman from Virginia should point out to the House that on pages 36 to 50, inclusive, of the report of the Smith committee, there is found the so-called Smith bill, which sets this up in sequence without the comments being interjected, and practically all of which, as I understand, is germane under the rule under which we are now considering this bill.

Mr. SMITH of Virginia. Yes; I so understand.

Mr. PATMAN. Will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. PATMAN. The gentleman condemned O. P. A. for violating the law that Congress enacted which said that prices should not be fixed unless prices had risen or there was a threat that they would rise. For the information of the gentleman, the Stabilization Act changed that. That was the object of one part of the Stabilization Act. We made a mistake when we tried to select commodities like the gentleman says. We tried that once and failed, and we passed the Stabilization Act changing it. Now, the gentleman wants to go back to the old law.

Mr. SMITH of Virginia. Oh, no. I think the gentleman will find he is mistaken. But I do object to the statement that I condemn the O. P. A. I do not condemn them. I sympathize with them. But, they are doing a lot of things to the people with whom I also sympathize, and I think we should correct that.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. SMITH] has expired.

Mr. PATMAN. Mr. Chairman, I move to strike out the last two words and I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Chairman, I have a very high regard for the gentleman from Virginia [Mr. SMITH]. He and I came here, I think, at the same time, and have served on committees together. I know he is sincere and conscientious, but even conscientious and sincere, still a man can be mistaken. His committee has done a very worthy, commendable, and constructive work by taking the two price control and stabilization acts and conducting hearings on them. Then by the time the Committee on Banking and Currency, which has jurisdiction over the subject matter, met, the Smith committee was there with a bill for us to O. K. and bring to the House. I will admit it was very helpful to us and we appreciate it, but it was not within their power or jurisdiction to consider the continuation of this act. It was wholly without their power and jurisdiction. Now they want to take what I will call a half-baked measure—and it is a half-baked measure—and to show you that Judge SMITH is mistaken, as he very seldom is, but in this particular case he is——

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. PATMAN. Not just now. I desire to respectfully invite your attention to the fact that the gentleman is mistaken about the fundamental policy involved in the enactment of this legislation.

When the first price control act was passed and became law January 30, 1942, it was our theory and philosophy at that time that we should pick out certain prices that might rise and have the Administrator slap a price ceiling on them. It sounded very good. Many of us fell for it. We liked it. A lot of Members wanted an over-all price-control bill then. But they failed to get their wishes carried by a majority vote in this House. But we went ahead and tried the selective method. Very much to our surprise, in a short time we discovered that that method would not work. Then there was a demand that we have an over-all bill that would include everything—prices, wages, and all commodities that go to make up the cost of living. So we changed the law that Judge SMITH is saying should prevail now. His views have already been repealed. They have been repealed because practice and experience demonstrated to us they would not work. Now he is going back to the old law.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I hope the gentlewoman will not insist now because I only have a limited time.

Upon his method that we first selected, which failed, Judge SMITH wants us to go back to that method that failed. Prices rose then and they rose rapidly under the old Smith plan. We could not control them. We tried to but failed. But when we enacted the Stabilization Act of October 2, 1942, and the hold-the-line order was issued to hold that line, for 12 solid months the cost of living has not gone up, and your dollar today and your bonds today are worth just as much as they were 12 months ago. That is a record that is unsurpassed in any country on earth. It is a record of which we should be proud. That was made possible because we repealed Judge SMITH'S views. Now he wants to go back to the method that failed. Give us the method that succeeds and let us hold it.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. PATMAN. Certainly I yield to the gentleman.

Mr. SMITH of Virginia. In fairness to the House I ask the gentleman to stop talking about me and get back to the law he is talking about and show the House where the views that I propose in this bill have ever been changed or how they were ever different before.

Mr. PATMAN. The gentleman himself referred to the so-called Smith bill. He said it a dozen times. So if he can say the Smith bill, as modest as he is, I can certainly refer to it as the Smith bill also.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Not now.

To show you how scuttling this bill is, the fact that he does not have over-all information about this whole stabilization and price-control program should condemn his proposal, because he is fundamentally wrong. When he starts out fundamentally wrong you cannot afford to accept what has been proposed here.

Let me invite your attention to the fact that Judge SMITH came before our committee and we considered his amendments and we actually accepted a few of them. A few of them are written into this bill that is now proposed by the committee. But some of them were scuttling. They were emasculating, and our committee was of the opinion that the Price Control Act would be destroyed if we adopted the Smith bill. For that reason we turned it down.

May I invite your attention to one or two specific cases. In the beginning, 2 (a) you will notice:

> So far as practicable, in establishing any maximum price the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941.

That is a very important statement. The Smith committee changed that wording. They left out "so far as practicable," which our committee decided was absolutely necessary and essential to adequate price control and stabilization and to give everybody a square deal, and to eliminate the hardship cases. That part was left out by the Smith committee.

So the Smith committee says "In establishing any maximum price the Administrator shall adopt the prices prevailing between October 1 and 15, 1941."

Is there any Member of this House who will be satisfied with that? That is not saying, "Consider prices and adjust them so far as practicable to do it in the interest of stabilization and security for the businessman and the producer and the consumer." It says you must do it; just this 2 weeks' period. Do you know what the price of things were that you are interested in? Of course, you do not. You do not know how far this thing goes. I do not know how far it goes. This is no way to legislate on the floor of the House. Our committee, under the chairmanship of the distinguished gentleman from Kentucky [Mr. SPENCE], spent more than 40 days, morning and afternoon, listening to witnesses by the hour. Our committee was charged with the responsibility of writing this legislation. We considered it from that viewpoint. We knew the over-all picture, because in the preceding year we considered this bill for 3 months. We initiated this legislation. We have lived with it for years. We know what is behind it. I doubt that the Smith committee, as diligent as they were and as anxious as they were to be helpful, were convinced of the fundamental policies. Otherwise the chairman of that committee would not be so substantially wrong about the fundamental policy engaged in this legislation.

Now, Mr. Chairman, there is another amendment in the first part that the gentleman from Michigan [Mr. CRAWFORD] offered that we actually adopted. That is saying that no control should be made over profits unless necessary to stop inflation. Such action has no relationship to price control. We thought that was a good amendment, and out of the number of amendments they suggested we accepted two or three, the good ones. But some of them were devastating, they were scuttling, they were emasculating, they would have destroyed price control; and we turned them down. That is what you wanted us to do, because we were charged with the responsibility. That committee is not charged with the responsibility. Therefore a lot of people who would be interested in this matter did not appear before them because that committee did not have the power, the jurisdiction, and the authority to act upon the subject matter of their investigation. The over-all picture is the one we must consider. We cannot afford to scuttle this law; you do not want the responsibility for scuttling it. You cannot write into this law language to administer it after it is enacted; you might just as well forget that; you must leave it to administrators. You cannot tell them exactly what to do. There are 8,000,000 different prices involved—8,000,000 different prices. There are 3,000,000 businessmen involved. There are 135,000,000 people and 35,000,000 families; and we have saved $65,000,000,000 on the war cost alone the first 52 months of this war. So let us hold the line like it is.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Miss SUMNER of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not certain I shall vote for the Smith amendment, because there are a couple of amendments including the one about gross inequities in

the committee bill that I like; but I should like to point out to the House, because I think it is very important, that the gentleman from Texas [Mr. PATMAN] is himself fundamentally wrong when he accuses the gentleman from Virginia [Mr. SMITH] of being fundamentally wrong about the way the selective flexible price system has worked. The gentleman from Texas [Mr. PATMAN] says it has failed. It never was tried. When Mr. Leon Henderson, the original Administrator, came before our committee, he asked for what he called a selective price system. He had all the power necessary to have his hold-the-line, strait-jacket system except the power to hold down wages. That is all that repealing of the first bill meant. You repealed the theory that you could control prices without controlling wages. We knew at the time the President would come to it. The administration brought in a bill. The bill said that wages would be exempted, but also from the administration came the very wise gentleman, Mr. Baruch, advocating the strait-jacket system, including wages. The gentleman from Oklahoma [Mr. MONRONEY] and the gentleman from Tennessee [Mr. GORE], both friends of the administration, led the fight on the floor, you remember, to indoctrinate us with the idea that eventually we would have to have wage control and the straight-across price control system while on the radio Mr. Henderson, the then Administrator, and various administration leaders, including some of the administration women, were telling labor that there was a move in Congress—we did not know where although we knew they would come to it, we did not see anything—that there was a move in Congress which they were opposing to put in he control of wages which they said violated the constitutional amendment prohibiting human bondage. Eventually, of course, as wages rose prices rose and there was what looked like inflation in this country. Then they came in with their dictatorship, the strait-jacket bill, demanding that we have the strait-jacket control because they said the selective system had failed. Those of us on the committee who were realistic, those of us in the House who were realistic, knew that all that had failed was the idea that you could control prices and costs without controlling wages. I would not mention that, I do not want to embarrass anybody, except for this one thing: Selective price control is the logical control, it is the kind of control which if this war drags on and becomes more difficult we are going to have to have in this country; the administration is going to have to come to it and I do not like to see them hop-scotching around telling you one month the thing will not work and coming in the next month demanding it. I like to see this House look at facts, reach correct conclusions, and lead the administration.

Mr. SPENCE. Mr. Chairman, I wonder if we cannot agree on a time limit on debate on this amendment?

I ask unanimous consent that all debate on this amendment close in 20 minutes, reserving 3 minutes to myself in which to conclude.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, the pending amendment is probably one of the most important questions that we will have to pass on in the consideration of this bill.

We must keep in mind that the committee has worked hard, that the bill now before us is the result of several weeks of hard work by the members of the Committee on Banking and Currency, and that this is the result of the labor of the 25 members of that committee, Republicans and Democrats alike. The amendment offered by the gentleman from Michigan [Mr. CRAWFORD] is one that takes away from the Administrator of this law certain powers and certain opportunities or means to effectively control prices in the interest of the people of our country and in the interest of the Nation.

The gentleman from Michigan [Mr. WOLCOTT] well presented the case in his very constructive observations made earlier this afternoon. As you and I remember, he stated that the Smith amendment, which the gentleman from Michigan [Mr. CRAWFORD] has offered, leaves out of it certain important features contained in section 2 of the bill reported by the committee. The gentlewoman from Illinois [Miss SUMNER] indicated an uncertainty as to whether or not she would support the amendment.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. MCCORMACK. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The Administrator himself has said that he would construe this provision of the Smith amendment which provides that in cases of prices about to rise an adjustment be made, that this would enable him to set prices on everything because he feels that the whole economy is so connected with inflation.

Mr. MCCORMACK. I was referring to the remarks made by the gentlewoman from Illinois so that we might have the benefit of her testimony in the Committee of the Whole as to her uncertainty with reference to whether or not she is going to support the pending amendment.

There is no question in my mind but what the committee has done a very fine job. There are some provisions of the bill that have been reported that I personally do not like, but I am going to support the committee.

Mr. THOMAS of New Jersey. Will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. Is the distinguished majority leader trying to make the point that we should not amend any bill on the floor of this House, that we should always follow the committee?

Mr. MCCORMACK. Of course not.

Mr. THOMAS of New Jersey. I cannot reconcile the gentleman's argument with what has been going on here.

Mr. MCCORMACK. Of course, there are many of us who have the same opinion with reference to what the gentleman thinks. It is hard for me to reconcile them myself, and I do not want that misconstrued.

Mr. THOMAS of New Jersey. I would like to understand just what the gentleman means. What does he mean?

Mr. MCCORMACK. Just what the gentleman meant when he made reference to my remarks.

Mr. THOMAS of New Jersey. The gentleman has been making an argument here that we should follow the committee.

Mr. MCCORMACK. Oh, no.

Mr. THOMAS of New Jersey. That we should follow the committee almost blindly. He did not use the word "blindly" but that is what I gathered.

Mr. MCCORMACK. I am not responsible for the gentleman's interpretation of what I say. The import of what I am saying is that before we vote for an amendment that sharply or materially alters a bill reported out of the committee we should give serious consideration to the fact that this committee labored for several weeks and that the bill reported is the result of the efforts of all the members of the committee and represents in many respects a compromise of conflicting views. Before we vote for an amendment that will strike out an important section of this bill and substitute another section by the amendment offered by the gentleman from Michigan, the burden of proof should be upon the proponents of the amendment to satisfy us that the committee was in error. This action should be taken only after considerable hesitancy and care. I hope the pending amendment will be defeated.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. VORYS of Ohio. Mr. Chairman, would it be possible to make a parliamentary inquiry at this time?

The CHAIRMAN. Not unless the gentleman from Kentucky yields.

Mr. VORYS of Ohio. Would the gentleman permit a parliamentary inquiry at this time?

Mr. SPENCE. Mr. Chairman, is that taken out of my time?

The CHAIRMAN. It is.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield for a question?

Mr. SPENCE. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. If the present amendment offered by the gentleman from Michigan is voted down, would that bar the presentation of portions of the same subject matter so that the Smith amendments could be considered as amendments to the individual sections, or not?

Mr. SPENCE. The Chairman will have to answer that. I refuse to yield further.

Mr. Chairman, this bill has been reported after 40 days of hearings and after

long executive sessions. There seems to be a constant contest between your regular legislative committee charged with the duty of reporting this bill and the Smith committee.

I recognize the high character and standing of the members of the Smith committee; I think they have done a good job, but under the ordinary precedents and practices of the House you proceed in certain ways. You have charged the Committee on Banking and Currency with the duty of bringing in this bill, which they have reported. There is nothing sacrosanct about our committee. I do not claim that we are superior to other committees in the House, but I do claim for them an integrity and honesty of purpose and a splendid knowledge of the subject within the jurisdiction of the committee. Three times they have investigated these matters; the original price control bill, the Stabilization Act, and then this bill.

I do not say that the members should not be given an opportunity to offer amendments. What has been our conduct in this matter? We went before the Committee on Rules and we asked for a rule that would make every one of these amendments of the Smith committee in order, save one. We did not ask for a gag rule. We thought we brought in a bill that would stand the searchlight of investigation. We wanted you to have an opportunity to offer amendments if you thought they would be of benefit.

But I want to say now that you would not have for a moment considered this long and involved amendment if it had not been reported by the Smith committee. There has been a constant effort to supplant the Banking and Currency Committee with the Smith committee in this consideration. How many of the gentlemen on either side of the House know just what this amendment would do? It is involved, it is complicated, and it strikes out 12 pages of the bill we brought in and substitutes just about that much in its stead.

If you are going to follow the ordinary precedents and practices of the House, which time and experience have shown to be wise, you will not supplant your legislative committees with investigatorial committees, but you will rely, at least, in the introduction and consideration of the bill, on the committees charged with the duty of performing that function. We considered the Smith bill. The Smith bill was introduced before we reported this bill. It was before our committee. We considered the provisions. This is one we rejected.

In the consideration of these two measures I am sure the only question that is before you is whether or not you are going to adopt the provisions of the Smith report, or the bill as reported by the regular legislative committee, and I certainly think you ought to give greater consideration to your legislative committee charged with that duty.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

Mr. MASON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. The Chairman recognized four different Members for 5 minutes each, making the 20 minutes that was allotted. One Member only used 2½ minutes and turned back the other 2½ minutes.

My parliamentary inquiry is: Who gets the other two and a half minutes before all time has expired?

The CHAIRMAN. No one has claimed it, so it has expired. All time has expired on the amendment.

The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were—ayes 63, noes 121.

So the amendment was rejected.

Mr. GIFFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GIFFORD: Page 11, strike out lines 8, 9, and 10, and insert "Fresh fishery commodities are hereby declared not subject to regulations of price control acts as amended."

Mr. GIFFORD. Mr. Chairman, my amendment is very appropriate, for today is Friday. If you will give attention, I should be able to have your support.

The committee worked hard for 40 weeks, and some said 40 nights. The minority wanted to make many changes. I suppose the majority worked hard to prevent our doing it. But, you know, the committee was not evenly divided on party lines as the House is. We can work our will, but on the committee my side was quite in the minority. But I had many votes on the fish amendment. Do not think I did not have any on the committee.

This fish business has been a failure. Our food committee of nearly 100 members called in ex-President Hoover to talk to us about food, and we still think he knows something about food. He told us that fisheries comprised only one-half of 1 percent of the food products of the Nation, and that we should not try to regulate the fish business. During the last 2 years I have found out that he was right.

I have all the facts and figures that anybody ought to need to convince us, but I have seen so many facts and figures on so many items that I hardly believe them any more. But here they are if we had the time to present them.

The small-boat fishermen are in a bad way under these ceiling prices. The dealers were allowed to make twice the profits they made before, but the consumer has been paying the highest possible prices. It seems that even the consumer has not benefited. But we can foresee ruin to a lot of small fishermen.

This House is to recognize a condition by and by where they may be forced to believe that when we hold down prices to the producer there will be less production, if any. At the very beginning of the price control hearings our committee was assured over and over again that nothing would be done to curtail production. However, when people cannot make any money they stop producing.

These remarks apply not only to the fisheries but to many other industries. Not only small businessmen in various lines but small fishermen are actually being put out of business; deliberately put out of business. The large fishing boats coming in with 1,000,000 or more pounds of fish can make some money even with a low-ceiling price, but the small-boat fishermen that I am pleading for must have a price sufficient to keep them going. They ought to be allowed to ask a proper price to meet their costs.

I am asking that Chester Bowles and his people be relieved of something that they cannot do. They ought not want to attempt it. I asked him if he would not be willing to endorse my amendment but with our friend the gentleman from Texas [Mr. PATMAN] and others over here listening to him he could not, of course, agree to it.

As to that $65,000,000,000, the fish ceilings did not contribute much to that.

I plead with you on this Friday, in behalf of the fisherman, that you vote for this amendment. I am only their Representative, but they expect me to demand relief.

Many of you do not have any commercial fisheries in your district. Will you listen to one who does?

Let us take the fisheries out, as they have been proven a failure on all fronts.

As to these ceiling prices, great loads of fish are often being sold at less than ceiling prices. When there is a surplus of fish they get only what is bid for them. When there are only a few fish caught people are willing to pay a proper price to keep the industry alive. I wanted to vote for the Smith amendment because I believe in selective-price control. I do not want to ruin so many businesses.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. The O. P. A. testified before our Subcommittee on Fisheries that they were placing these ceiling prices in some instances deliberately as a conservation measure and in others to regulate the profits of the companies.

Mr. GIFFORD. Yes; a lot of this is being done to socialize conditions, leading to a socialized state.

I made a long speech here when price control was first considered. I favored selecting industries where the prices were in danger of going too high. I did not want to put a blanket over everybody. By spending all this money for the Army and the Navy and everybody else, the general condition is better, is it not? There is more money. Under that defense, heaven help the hardship cases. I desire to help the hardship cases in every line of business. It is expected that we will bring them relief. If the Administrator has not acted after 2 years of experimentation it is high time we gave instructions, in spite of any broad directives such as "hold the line."

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SPENCE. Mr. Chairman, may I inquire how many amendments are on the Clerk's desk?

The CHAIRMAN. The Chair is advised there are 15 or 16 more amendments to this section.

Mr. SPENCE. I wonder if we cannot agree on a limit on debate on this amendment.

Mr. GIFFORD. I have another amendment. However, if you will pass this one I will not offer any more. If you will not, I will offer another. Will the chairman agree to support my amendment?

Mr. SPENCE. I am very fond of the gentleman, but I cannot agree to accept his amendment.

Mr. GIFFORD. That does not get me any fish.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. GIFFORD. Reserving the right to object, Mr. Chairman, if I should not win this amendment I have another amendment to offer. Can I offer it then?

The CHAIRMAN. The gentleman certainly can, because the gentleman from Kentucky has asked only that debate on this amendment be limited to 5 minutes.

Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I regret exceedingly I am compelled to take issue with my good friend the distinguished gentleman from Massachusetts [Mr. GIFFORD]. I know he is very much interested in the fish industry. According to what he says, it represents only a small part of what the consumers spend on the cost of living each year. That part I concede. But if we exempt every commodity that represents only a small part of the cost of living, the aggregate will be more than 50 percent and possibly go way up to 75 percent. Therefore, we would have no price control and no stabilization. If you do not have price controls on these items, even the luxuries, even the slot machines and player pianos—if you were to say there would be no price and wage controls, people would quit essential work and go to making slot machines and player pianos. You have to take that into consideration. There is a shortage of labor in this country. If you take the controls off of certain industries like fish, you are not only inducing labor to leave other essential businesses to go there but you also place them in competition with other people to get vital materials to carry on their businesses and their occupations.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from North Carolina.

Mr. BARDEN. Why did you put the date 1941 in the bill? You know they are going to use that as a maximum.

Mr. PATMAN. The gentleman asks why we made it 1941. We thought that date would be fair. They have an adjustment period written into the law where they can use any 2 weeks they want to preceding certain seasons. It is absolutely fair. The fish industry is not suffering; the fishermen in New England are making $3,600 a year, ordinary labor, fishermen. They are making $4,000, they are making $5,000, they are making $10,000 and even more. You can read the testimony before the committee yourself. I do not know of any other industry where the people are making more money working in that industry than the fishing industry. The testimony discloses it. This is just an entering wedge. If you are going to exempt anything because it is small, there are a lot of other amendments that will come in later.

When you get through exempting all the small ones, the aggregate will destroy price control and bring about inflation. The gentleman from Massachusetts [Mr. GIFFORD] said he did not understand about the $65,000,000,000 saving. That is just as simple and plain as a person can make it. The fact is during the First World War over a certain period of time from the time the war started, we paid a certain price for steel, copper, cement, and aluminum and different things that went into our war machines. During this war, over an identical period of time, under price control, we paid a certain price. If you will take the difference in the price that was paid in the First World War, when they did not have price control and stabilization, and the price that was paid this time on our war machine, you will come to one conclusion. That conclusion is that we have saved $65,000,000,000 during the first 52 months of this World War by reason of price control and stabilization. That is $500 for every man, woman, and child in America. Do not overlook this fact, that if that money had been borrowed, as it would have had to be, if we had not had stabilization and price control, the interest on that $65,000,000,000 for 1 year would be more than the total cost of price control, wage stabilization, and stabilization generally, since this war was declared. The interest alone, mind you, on that $65,000,000,000 would cost much more. Not only that, the consumers of this country have saved a lot of money too during the first 52 months of this war. They have been saved an average of $700 per family. I do not mean each family has been saved that much, but the average amounts to $700 per family, or $22,000,000,000 plus, in all. Are you going to throw that to the four winds and say that we are not going to have any control over the value of our money? Are you going to say to the boys who are fighting the war that we are going to have inflation go wild and destroy the value of the money of this country?

The CHAIRMAN. The time of the gentleman from Texas has expired.

All time has expired on this amendment.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. GIFFORD].

The question was taken; and on a division (demanded by Mr. GIFFORD) there were—ayes 73, noes 89.

Mr. GIFFORD. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. SPENCE and Mr. GIFFORD to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 92, noes 91.

The CHAIRMAN. The Chair votes "No."

So the amendment was rejected.

Mr. GIFFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GIFFORD: After subsection (k) insert subsection (l):

"No maximum price shall be established for any fishery commodity below a price which shall reflect to producer fishermen the higher of the following prices:

"(1) The highest average price of such commodity in the year 1942;

"(2) The price which shall reflect to such producers prices or wages, as the case may be, equal to the highest prices or wages paid to such producers between January 1 and September 15, 1942."

Mr. SPENCE. Mr. Chairman, I reserve a point of order against the amendment. I do not know the exact effect of the amendment.

The CHAIRMAN. The gentleman from Kentucky reserves the point of order.

The gentleman from Massachusetts [Mr. GIFFORD] is recognized.

Mr. GIFFORD. Mr. Chairman, I will speak briefly on the amendment. Even after the vote of a minute ago, fish will still swim. They will need attention. I will call the Chairman's attention to the two portions of this amendment. One is simply to give fishermen the highest average price, about the same as you give the farmers and also the producers of manufactured articles. The second half of it simply clears the meaning of wages and shares. We want shares and wages treated fairly and properly. Under many court decisions, shares have been declared as wages. I ought to expect every farmer to vote for this amendment. Give us the same treatment. That is all that is sought in this amendment.

The second part of the amendment simply clarifies wages and shares for the benefit of O. P. A. decisions.

I wish that the first amendment had passed. I noticed a few of you were a little confused. Had the first one passed, I would not have had to annoy you with this amendment. However, this is very simple. I do not see how you can vote against it, be you farmers or manufacturers. I shall be interested to know if you can find any reason to vote against it.

Mr. WOODRUFF of Michigan. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. WOODRUFF of Michigan. Does the gentleman's proposed amendment apply to fish in fresh water as well as in salt water?

Mr. GIFFORD. It says "fresh fishery commodities." I wanted to leave out "processed commodities," lest somebody would have a word of objection.

I trust the Chairman will not have to vote this time.

Mr. PETERSON of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I sincerely hope that the House will agree to this amendment. For a number of weeks I have been making a careful study with the Subcommittee on Fisheries of the problems relating to fisheries industry. The chairman of the full committee on Merchant Marine and Fisheries the distinguished gentleman from Virginia [Mr. BLAND] appointed me as chairman of a subcommittee. We have gone into the problems in the New England area. We have gone into the problems of the Pacific coast industry. An immense amount of food is produced by the fishermen. They have all types of problems. They have the same problems as the farmer and some of their own. This does for them virtually what we have tried to do for other industries.

The actual working out of the formula is in accord with the rule. If you pass the law with the verbiage "average price 1941" there is great fear among the fishermen that you will cut back.

While I am on my feet I want to take this occasion to deny that the income of the fishermen is $3,000 a year. That is only on the extremely large boats, well managed, immense boats, great ships, fishing away off on the far banks, and is the exception rather than the rule. The income of many fishermen is pitiably small, averaging in some States less than a thousand dollars a year. Many fish in small boats, live in small houses. Work in the worst kind of weather and at night.

This is a very deserving amendment. I have tried to bring to you the mature judgment of the subcommittee appointed by the House itself. I hope you will vote for this amendment.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. WOODRUFF of Michigan. Did the gentleman investigate fishing conditions on the Great Lakes?

Mr. PETERSON of Florida. Yes. We had hearings. We have not completed the hearings. They were very much concerned. The gentleman from Michigan [Mr. BRADLEY] brought quite a number of his people there. It resulted in some changes which helped them. We are still studying that problem.

Mr. WOODRUFF of Michigan. Will this proposed amendment apply to fishing on the Great Lakes as well as in salt water?

Mr. PETERSON of Florida. Yes.

Mr. DONDERO. Will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. DONDERO. If this amendment is voted down, does it not then leave it to the discretion of the Administrator of O. P. A. to fix the price?

Mr. PETERSON of Florida. Yes; except you have the minimum of 1941. But I am afraid if you leave that 1941 in there, they will take that as a direction, and the fishermen cannot operate on that basis.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. BATES of Massachusetts. We all appreciate the splendid work the gentleman has done in regard to the investigation of the fishery industry. Does the gentleman know of another group of men who has contributed more to the war effort than the fishermen that he is speaking about who go out on the North Atlantic and on the Pacific?

Mr. PETERSON of Florida. The testimony before the committee from a nongovernmental scientific group was that the fishermen provide more food per man than any other class of producers. The hog farmer in the great Corn Belt produces next. The farmer has done a great job and we are thankful for that, but we must not forget the great food supply brought in by our fishermen.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. BRADLEY of Michigan. The gentleman will recall that the chairman of our subcommittee was very courteous when I called him as late as 8:30 o'clock at night, at the request of the gentleman from Michigan, to convene a special session of our subcommittee at 10 o'clock to hear testimony from the Great Lakes fishermen in his district, asking for this very measure.

Mr. PETERSON of Florida. That is right. The gentleman from Michigan has been most diligent in presenting the fishery problems of his section. The problem is Nation-wide. It helps many, many States more than my own. Most of my fishermen fish for migratory fish and not under price ceilings. The Pacific coast and the Great Lakes, New England, and all will be helped; and above all, the high-protein food will be produced for the Nation.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. RAMSPECK. What effect will this amendment have on the present price of fish?

Mr. PETERSON of Florida. I do not think it will affect it greatly, if they operate as they should under the present formula. There were a lot of price ceilings fixed where they did not have adequate information. But with the words "1941" in there, the fishermen are afraid it will result in a cut-back and cause a great amount of confusion in the fishery industry. I hope we can vote for this amendment. It is a very deserving amendment.

The CHAIRMAN. The time of the gent'eman has expired.

Mr. BARDEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I had prepared an amendment to change the date "1941." Why that was put in I am unable to say, and I could not get a satisfactory answer from the committee. I am afraid the fishing industry is being treated a little like the O. P. A. has treated some other industries in my section. That is because the O. P. A. does not know much about it. They are just not concerning themselves, and the first thing you know somebody is going to get hurt.

When the gentleman from Texas [Mr. PATMAN] steps down into the well of this House and attempts to tell me how much my fishermen are making and he coming from a locality 3,000 miles away, that is typical O. P. A. procedure.

There is one county in my district that produces more sea products and sea food than any county between New Jersey and Texas and I think I know something about the way the fishermen have to get along and the way they produce sea food. We cannot deal with this problem lightly. The fishing industry of this country is a tremendously important industry and I am not at all satisfied with the date 1941 remaining in this law.

Mr. GIFFORD. In my amendment I changed it to 1942.

Mr. BARDEN. Yes. I am going to vote for the gentleman's amendment. The only reason I voted for the gentleman's other amendment was because I was afraid we might not get an opportunity to vote to amend the year. I think the other amendment was too strong, but I think this amendment is fair and reasonable and will tend to protect and preserve the fishing industry.

Mr. GIFFORD. I want to thank the gentleman for his support. I do want to include in the gentleman's remarks a reply to the gentleman who spoke about these fishermen making $3,000 or $4,500 a year. I should like to take him to Martha's Vineyard and Nantucket where the small fishermen operate and have him realize how little they receive but how hard they work.

Mr. BARDEN. I thank the gentleman. The gentleman from Texas probably had in mind O. P. A. salaries. I may say to the gentleman from Massachusetts that 95 percent of the fish produced within my district are caught by small boats approximately 35 to 50 feet long. That is the type of fishermen we are trying to protect, and there are literally thousands of them that operate every day. If it is a stormy week they do not catch a fish and then maybe they go out and catch only a few fish the next 2 or 3 days. But the men who are handling these things cannot handle them properly unless we give them some guide to go by. Otherwise we cannot expect them to do anything except make blind mistakes. My experience has taught me that unfortunately very few of these O. P. A. folks have had practical business experience and I believe the formula set out in the amendment offered by the gentleman from Massachusetts is absolutely fair. I do not see how anybody can attack it. It is just what we are advocating for other industries.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. BATES of Massachusetts. The gentleman speaks about the many trips his fishermen make that do not yield results. The same thing applies to the commercial fishermen along the North Atlantic coast; they go out with their big boats, drag their nets on the bottom of the ocean, and at times come back with practically no fish.

Mr. BARDEN. We are little fellows down my way and we proceed on the theory that most of you big fellows up there are going to take care of yourselves.

Mr. BATES of Massachusetts. We try to do it anyway.

Mr. BARDEN. But this is one time when we all ought to get together to do something for the protection of the smaller fishermen who produce the major bulk of the sea food of this country.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. ROWE. There is nothing about this formula that would raise the price above what it has been.

Mr. BARDEN. Not a thing in the world; it would simply be a guide for the O. P. A. to go by.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. CELLER. We consumers in New York pay 60, 75, and 80 cents a pound for fish. Who gets the money?

Mr. BARDEN. I will tell you who gets the money, some of the gentlemen's New York constituents who have been buying and sometimes just taking our fish for the last 50 years.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. WOLCOTT. Mr. Chairman, the committee should understand the reason why very many of us voted against the first amendment offered by the gentleman from Massachusetts. It was because it would take all controls off the fishing industry. Had we taken all controls off the fishing industry it would have established precedents whereby other groups might expect like consideration, but there is no reason why the present amendment offered by the gentleman from Massachusetts should not be adopted. It is in my humble opinion a very fair standard for the control of fish prices and bears a relationship to the prices we have established for other food commodities, agricultural commodities. This may be compared to similar formulas set up under this regulation. The standard set up by the gentleman's amendment would provide the administrator every authority necessary to adjust them so he can do equity to both the fishermen and the consumers.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. WOLCOTT. I yield.

Mr. PATMAN. Does this amendment read: "Seasonally adjusted" or "at the highest price paid during the year"?

Mr. WOLCOTT. As I understand it it is fixed at the highest price paid between January 1 and September 15, 1942.

Mr. PATMAN. That would raise the price more than 25 percent. If the author of the amendment will modify it to include the language "seasonally adjusted" I think there would be no objection to it. I do not believe the proponents of the amendment would object to it; they should not. When everything else is seasonally adjusted why should not this be seasonally adjusted?

Mr. WOLCOTT. I do not know that agricultural prices are seasonally adjusted.

Mr. PATMAN. I believe they are.

Mr. WOLCOTT. The only provision in respect to that is subsection 2 of section 3 which reads:

> That the highest price received by such producers for such commodity between January 1, 1942, and September 15, 1942—

Yes; the gentleman is right—

> adjusted by the Secretary of Agriculture for grades, locations, and seasonal differentials.

The gentleman is correct in that respect.

Mr. PATMAN. I think they should accept an amendment in that respect.

Mr. WOLCOTT. I do not know that it is particularly necessary in this case for the reason that you know when you plant radish seeds you are likely to get radishes, but you cannot plant fish eggs and know that you are going to get fish.

I hope the committee will adopt the gentleman's amendment.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield for a question?

Mr. WOLCOTT. I yield.

Mr. FITZPATRICK. Down at Atlantic Highlands, N. J.—and they are not New Yorkers down there—they used to sell fish at 15 and 20 cents a pound. Last year they were charging 65 cents a pound in Atlantic Highlands for fish.

Mr. WOLCOTT. You know, at one time I worked in a chair factory for 10 cents an hour; I would not want to have to do it again.

Mr. FITZPATRICK. That is what they are selling fish for down there now.

Mr. WOODRUFF of Michigan. Will the gentleman yield?

Mr. WOLCOTT. I yield to my colleague from Michigan.

Mr. WOODRUFF of Michigan. Mr. Chairman, reference has been made to the fact that the price of fish in the city of New York is exceedingly high. I believe the figure mentioned was 80 cents per pound. I can assure the Committee, Mr. Chairman, that to my personal knowledge this situation is not due in any degree whatsoever to the price the fishermen of the Great Lakes receive for the fish they ship to the eastern market. For many years there has been a situation existing in fish merchandizing in New York which I believe could long ago have been stopped had the Federal and State authorities taken the situation in hand and enforced the law. There is only one market, aside from the purely local market, available to the fishermen on the Great Lakes. That is the city of New York. Our fishermen are compelled to ship their fish and to take whatever price that gang of racketeers see fit to pay them. It seems that the selling of fish in that great city is conducted by an exceedingly close corporation. Fishermen in my congressional district have in years gone by complained to me about the treatment they have received in connection with the selling of their fish and have been compelled to accept prices far, far below the cost of producing and shipping them to that market. So, if our friend from New York complains that the price of fish in his home city is at this time way above what it has been in the past you may be very sure it is due entirely to the fact that the greed of those engaged in the distribution of this particular food product to the people of New York has gone beyond all bounds. Certainly, the fishermen of the Great Lakes, and I assume the fishermen along the Atlantic coast, have not been receiving a price for their product which in the slightest degree is above that they received in years gone by. I hope, Mr. Chairman, that the O. P. A. will take such action as is necessary to give to the men who produce the fish a proper price for their product, and give to the consumers of New York and the country generally an opportunity to buy this very valuable food product at a reasonable price.

Mr. WOLCOTT. I am in hearty agreement with the gentleman's position.

Mr. PATMAN. Mr. Chairman, I would like to ask the gentleman from Massachusetts if he would accept an amendment to make the price seasonally adjusted.

Mr. GIFFORD. No; I am afraid of the gentleman; I would not dare to.

Mr. WOODRUFF of Michigan. In respect to the marketing of fish in New York City, the gentleman from New York knows there is a group in that city that offers to the people who catch the fish whatever price they please, and the fishermen have to take it or get nothing. It is the people who handle the fish in New York City who are responsible for the retail price and not the people who catch the fish.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF of Michigan. I have not the floor.

Mr. FITZPATRICK. I am not talking about the price of fish in New York, I am talking about the price of fish in Atlantic Highlands, N. J. It is the natives down there who charge it.

Mr. WOODRUFF of Michigan. It amounts to the same thing; they handle fish all up and down the coast.

Mr. PATMAN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the gentleman made a very persuasive argument about this fishing situation being comparable to the agricultural situation; and since he is basing it on that ground it occurs to me he should make the standard similar. I hope he will accept an amendment to make the price seasonally adjusted; otherwise we do not know where we are. We know that in certain cases the price of fish went very high maybe one day in the year, and under the gentleman's amendment they would take the highest price for the entire year. It seems to me that it is only fair to ask that the price be seasonally adjusted. If the gentleman will agree to an amendment just like that adopted in the case of agricultural products I will support his amendment.

Mr. GIFFORD. When you plant corn you know you will raise some kind of a crop, but you cannot control the love life of fishes so easily.

Mr. PATMAN. I do not think that is an answer. Evidently the gentleman does not want to do it.

Mr. GIFFORD. Fish is a different matter. I want the highest average price, not pick out the days when they are low.

Mr. PATMAN. If the gentleman will agree to make it seasonally adjusted like other things, the committee will be for it.

Mr. GIFFORD. Of course, I will not agree to that. All I want is what you have over there.

Mr. PATMAN. Otherwise I hope the amendment will be defeated.

The CHAIRMAN. The gentleman from Virginia [Mr. BLAND] is recognized.

Mr. BLAND. Mr. Chairman, I supported the previous amendment offered by the gentleman from Massachusetts [Mr. GIFFORD] although I had some doubt about it; but this amendment meets the issue squarely, in my opinion. I regretted very much to hear the gentleman from Texas, for whom I have the profoundest admiration and whose statements are generally correct, make the statement that he did about the profits that were being made by the fishermen. I doubt these figures and I am definitely opposed to anything resembling inflation.

Mr. PATMAN. I referred to New England only from the testimony brought out from a witness that the gentleman from Massachusetts interrogated and that I interrogated.

Mr. BLAND. I have not read that testimony, but I may say that the subject of fisheries as related to the O. P. A. and its regulations has been the subject of thirty public hearings held before the Committee on the Merchant Marine and Fisheries of which I am chairman. In addition to the 30 public hearings, 12 executive hearings have been held, and there have been innumerable conferences with the O. P. A. and with other persons to try to bring about some solution of these problems. The gentleman from Florida [Mr. PETERSON] and his Subcommittee on Fisheries have done an excellent job. The subject is important, but I will not take your time unduly.

In 1941 there were 5,000,000,000 pounds of fish caught by United States and Alaska fishermen. In 1942 the catch dropped to 3,700,000,000 pounds, presumably because of the loss of vessels and men, and restrictions on fishing operations. In 1943, it was estimated that we needed 5,000,000,000 pounds of fish and sea food to meet the War Food Administration's requirements, but we were only able to catch 4,000,000,000 pounds. Now the War Food Administration says that we need a production of five and three-tenths billion pounds of fish and sea food in 1944.

The War Food Administrator reported on the necessities for fish, not alone for food but also for military and essentially industrial purposes. Marvin Jones, War Food Administrator, has stated to this committee that to supply essential food needs during the year 1944, 727,775,000 pounds of canned fish will be needed, and of this amount approximately 45 percent or a total of 262,862,000 pounds are required for military, lend-lease, and related purposes. Likewise 980,000,000 pounds of fresh fish will be needed for military uses in this country this year. The byproducts of sea foods are of very great importance to our national economy. Approximately 50 percent of all sea food goes into fish oil, fish meals, and vitamins. With respect to the critical need which exists for these byproducts, Mr. Jones has stated to this committee:

> Fish oil is used for military and essential industrial purposes. Some of these uses are in ship bottom paints, hot dip tinning, terne plating, galvanizing, alkyd resins, water-insoluble metallic soaps, lubricants and greases, calking compounds, mechanical packing, textile sizes, and many others. Fish oil is also used by the aircraft industry in magnesium castings, and it has been reported to us that breakage of these castings has been reduced 70 percent since fish oil has been used.
>
> Fish meal is produced simultaneously with fish oil. Fish meal runs very high in protein content and is used for feeding poultry and farm animals. The War Food Administration is interested in an increased production of 60,000 tons of fish meal during the coming season because of the extreme shortage of high-protein feedstuffs.
>
> Vitamin A, which is produced from the liver and viscera of the fish, is an essential element in human and animal nutrition and is required in large quantities for war activities. Because of the shortage of the vitamin, which was further aggravated by the increased demand of lend-leasing activities, it was necessary to issue an allocation order controlling the distribution to essential uses. Against an estimated production of 82 trillion units, there was allocated 138 trillion, the difference to be met from industrial and Government stocks. However, the catch to date of fish high in vitamin A potency has fallen off 50 percent, as compared to the same period in 1943. Therefore, it is vitally necessary that every effort be made to increase the supply of vitamin A, or sharp decreases in the quantities allocated to military and war services, lend-lease countries, and essential United States civilian uses will be caused by the deficit in the estimated availability.

Mr. DONDERO. Will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Michigan.

Mr. DONDERO. What can the gentleman give the House as the reason for the reduction in the production of fish for food?

Mr. BLAND. There are several reasons. Boats were taken by the Navy and by various other governmental agencies for the necessities of war; consequently those people were driven out of business and could not carry on. Lack of boats, manpower shortage, and reduced fishing areas has contributed considerably to the decrease.

Mr. DONDERO. Did price have anything to do with it?

Mr. BLAND. Yes; I would say price had something to do with it, but not so much as the taking of the manpower, taking the men for the services, the Army and Navy and Coast Guard and taking the boats and closing and restricting fishing areas for various war purposes. Those all had a great deal to do with it.

The principal point of this amendment, as I see it, is the specific fixing by legislation of the 1942 price instead of the 1941 price. In offering this we are simply asking you to make law what has already been done by the O. P. A. by regulations. If you had had as much experience as we have had with the different gentlemen, economists, and others who appeared before us representing O. P. A., you will realize that we cannot entirely rely upon the use of 1942 prices by regulation. We desire to write this affirmatively into law. The personnel changes greatly and there is always danger of a different approach in our problems.

In the regulations governing fresh fish and sea food, the Administrator has, in general, adopted the policy of establishing maximum prices, adjusted for seasonal differentials. It is shown that 1942 is the year that has been adopted and we ask you to make this affirmatively a part of the law.

Upon request the O. P. A. supplied the committee with bases used in establishing the host of maximum prices from which I quote:

> In the regulations governing fresh fish and sea food, the Administrator has, in general, adopted the policy of establishing maximum price, adjusted for seasonal differentials, which will reflect the weighted average price for the species in the year 1942. Fish prices during that year were on the average about 50 percent higher than in the year 1941. Prices established at 1942 levels, therefore, amply satisfy the requirement of section 2 (1) of the original act. At the same time, they much more than satisfy the minimum requirements of section 2 (a), since they represent an adjustment above October 1941 levels far in excess of that which would be required, in the light of known cost increases and other factors, by the standards applied to other commodities. In view of the desirability of maintaining normal relationships between the prices for different species, the weighted average price for each species in the year 1942 represents, in the judgment of the Administrator, the closest practicable approximation to the prices prevailing on September 15, 1942. In no case involving fresh fish or sea food has the Administrator yet found occasion to recommend, or the Economic Stabilization Director to approve, a maximum price above these levels for the purpose either of correcting a gross inequity or aiding in the effective prosecution of the war.

In the main, the O. P. A. officials have been cooperative with us in our study of these problems, and we approach these problems in no critical sense. They have been difficult and we have tried to be helpful. They have been helpful and cooperative. We are grateful to them for their patience in considering our problems and in trying to help us.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, the fishing industry deserves consideration. I know they are fine hearty men who bring the fish into market and they ought to have a fair return on their products. I understand, however, under the law that exists now the Administrator has given the fishing interests the price that prevailed in 1942. The law provides that the base period for commodities shall be between October 1 and 15, 1941, but if that is not truly representative of a normal market he can take the 2 weeks nearest that time that will be truly representative of normal times.

The Administrator of Price Control has taken 2 weeks in 1942 as the base period for fish. In that way the fishing industry has received a higher price than it would have obtained if any time in 1941 had been taken. The base or floor under the price of fish is the average price of 1941. You cannot make a price lower than the average price for 1941. The amendment, as I understand it, would make the floor price the price that prevailed on the highest day of 1942.

I would like to do justice to the fishing industry, but it does not seem to me that that is the proper way to do it, not because they perhaps are not entitled to something, but if you give preferential treatment to one industry, what argument will there be not to give preferential treatment to another industry? What is the Price Administrator going to say to some other industry that comes in and states: "We had a higher price at a certain time and we want it."

Mr. Chairman, that is the peril in this whole thing. It is the peril of breaking through the dam that holds the floodwaters. I feel sympathetic to this industry and I feel very sympathetic and very kindly to the men who constitute it, but when you vote for this amendment I want you to consider that when you break the dam the floodwaters will come through. I do not care whether you like the way it has been administered or not. We have all had complaints. However, it is necessary to hold the line and every breakthrough weakens it.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. GIFFORD].

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 131, noes 66.

So the amendment was agreed to.

Mr. IZAC. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. IZAC: Page 6, line 23, change the period to a comma and insert the following: "Including those cases in which there has been since the maximum rent date a substantial increase or decrease in property taxes or operating costs, or in which the rent is less than the total costs of operation, or in multiple-unit premises the rent is lower than the maximum rent generally prevailing for comparable housing accommodations in the same premises."

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes.

Miss SUMNER of Illinois. I object, Mr. Chairman.

Mr. IZAC. Mr. Chairman, in explanation of this amendment, on page 6, subsection (c) of section 2, we are talking about rent control. So far we have been delving into the realm of food commodities; fish, and the like. Now we come to rent control.

Of all of the parts of price control the most unjust and unreasonable has been that of rent control, and I think I speak the sentiments of most of the people who have come in contact with it when I say that. It is an accusation, and I mean just that. The Administrator has had opportunity for the last 2 years to make this correction. He has failed to do so, even after the urging of Members of the House and of members of the committee. I have had a little experience in going throughout the country, in war-congested areas, and finding out how this rent control has functioned. It has been unjust to individuals, both tenants and owners. There has been no effort made to avoid discrimination, and of all of the parts of price control this has been the worst of all.

We say here in the original act—and I will give you the exact words:

The Administrator shall make adjustments for such relevant factors as he may determine and deem to be of general applicability.

Think that over for a moment, "general applicability." That means if 51 percent of the people are treated properly in a rental area, as to the other 49 percent it does not make any difference how rough you treat them. You can take all of their livelihood from rents away from them; it does not make any difference.

After all this time this committee has brought in an amendment, and it is incorporated in the bill. It says:

The Administrator shall provide for individual adjustments in those classes of cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations.

He already sees the handwriting on the wall, so he is willing to accept that. This committee has brought that kind of an amendment in. It is in the bill. If you accept the bill, you should accept that much. So far, so good. But do you not see there is still no compulsion on him to do justice in an individual case? Not at all. There is only one way we are ever going to make that Administrator give justice and equity where it is due, and that is by the adoption of some sort of an amendment as I am offering here today, which I think will meet with the approval of practically everyone who has had trouble with rent control.

We take the bill exactly as it stands and we incorporate these further provisions, "including those cases"—that does not eliminate any other cases, but it does include these cases—"in which there has been since the maximum rent date a substantial increase or decrease in property taxes or operating costs."

Do we want a home owner to operate his home for the benefit of the war effort at a loss? Of course, we do not. But we have never had any individual adjustments in cases where the man was actually losing money.

Now, note the next step, "or in which the rent is less than the total costs of operation."

That has happened in innumerable instances. We have a case in court now where it is going to cost the owner $100 a month to keep the doors of his rentals open. It is of advantage to the war effort in these highly congested areas to have just as many rental units available as possible. But we have to treat these people equitably. This would do it.

There is one other phrase I would like to mention, "or in multiple-unit premises the rent is lower than the maximum rent generally prevailing for comparable housing accommodations in the same premises."

Would you believe me when I tell that there are instances in my district, not one or two, but by the dozen, where comparable properties are renting for as great a difference as $18 a month and $45 a month?

If $45 is right and fair, $18 is too low, and vice versa. They both cannot be right. The Administrator has refused to permit the local rent director to use any discretion at all. He cannot go in there, in the worst kind and type of hardship case, and try to adjust it on its merits.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield to the gentleman from California.

Mr. HINSHAW. I have a case right in point on the question the gentleman brought up. A hotel keeper, who ordinarily received $5 a day for his rooms, but because he has entertained soldiers in these rooms out of the goodness of his heart at the price of 75 cents a night during the base period, is now forced to keep 50 rooms in that hotel at 75 cents a night for everybody that calls for them.

Mr. IZAC. Of course, the gentleman knows that is not only true on the west coast, but that throughout the 351 defense rental projects we have had the same situation.

All I am asking is that Congress do justice to our people. I know that it is going to affect some tenants; I know that it is going to affect some owners, but I think that when we adjudicate it on a basis of equity, where it is fair to both sides, we are right, and our actions will meet with the approval of the people of the United States; and unless we do that, we are permitting the Administrator to do something that is not right, that is not just, and fair, and we as a Congress are failing to protect the best interests of our people. Mr. Chairman, I appeal to my colleagues to indicate their belief in fair play by voting for my amendment.

Mr. OUTLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is very difficult for me to rise in opposition to an amendment proposed by my friend and colleague from California [Mr. IZAC]. All along the west coast we have a seriously congested housing condition. I do not know of any portion of America where the rent-control situation has posed more problems of the type pointed out by the gentleman from California [Mr. IZAC]. In my own district the rent problem is most serious. However, may I in the very few moments I have mention what the committee has done in an effort to meet this problem, and then show the effect that the amendment offered by the gentleman from California would have.

To begin with, the committee recognizes that there are cases where peculiar conditions should certainly be considered in individual adjustments of rent. Consequently, this particular change was made in line 17 on page 6 of the bill:

The Administrator shall provide for individual adjustments in those classes of

cases where the rent on the maximum rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense rental area for comparable housing accommodations.

It seems to me that this amendment amply directs the O. P. A. to care for hardship cases.

The second change that was made comes at the end of the sentence ending in line 4 on the same page. I quote:

He shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs—

Then this language was added:

within such defense-rental area.

That language was added in order that changes might be made to bring about greater justice when there were peculiar costs within the particular rental area that was being considered, and to definitely instruct the Administrator not to try to compare conditions in one defense area with those in another defense rental area.

The gentleman from California [Mr. IZAC] pointed out that the term "generally fair and equitable" brought about certain hardships. We have tried to eliminate those through the addition of this language. However, if we attempt through legislation to iron out every particular case of rent control, we are going to find ourselves up against an absolutely impossible situation.

In addition to what we have done, it seems to me that the matter is primarily one of administration. May I quote to you from a letter received June 3 from Mr. Carson, the National Rent Control Administrator:

DEAR MR. OUTLAND: As you know, the rent regulations now provide 10 grounds upon which an individual adjustment may be made increasing the maximum rent on petition of the landlord. We are proposing to amend the regulations by adding a further ground for individual adjustments where—

And I quote, and this is new administrative regulation—

"the rent on the date of determining the maximum rent was materially affected by special hardship circumstances and as a result was substantially lower than the rent generally prevailing in the defense rental area for comparable housing accommodations on the maximum rent date."

Under this new ground a maximum rent will be increased where it appears, first, that the rent on the date determining the maximum rent was materially affected by special hardship circumstances, and, second, that as a result of these special hardship circumstances the rent was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum-rent date. Where these facts appear the rent will be increased to the rent generally prevailing in the area for comparable accommodations on the maximum-rent date.

As you know, maximum rents are established in the various areas on the basis of the actual rents for housing accommodations on a date selected as appropriate for a particular area in accordance with the standards set forth in section 2 (b) of the act. This date is referred to in the rent regulations as "the maximum rent date."

In some instances housing was not rented until after the maximum-rent date, and where this is true the maximum rent established by the regulations is the first rent received for the accommodations. The phrase "date determining the maximum rent," which is used in the above adjustment provision, includes these "first rent" cases. Therefore, if the first rent was substantially lower than comparable rents because of special hardship circumstances the language makes provision for adjustment.

The adjustment provision does not include cases where there has been an increase in operating costs of a particular property. However, under the Emergency Price Control Act, the Administrator is under a duty to make general adjustments of maximum rents in an area, not only when housing accommodations generally in the area have been affected adversely by increased operating costs, but also where particular classes of accommodations have been so affected. In making surveys to determine the effects of rent control upon the operating position of landlords, this office has recognized that different classes of housing may be affected differently. Therefore, its surveys have differentiated between apartment houses and small structures so as to determine the operating position of each of these classes. In addition, income and expense studies of hotels in various areas have been made when occasion required.

The adjustment provision which we propose to insert in the regulations requires a finding of "special hardship circumstances." This is a rather general phrase and because of its generality we recognize that it will create difficulties of administration. It is quite important to the administration of our individual adjustment provisions that fairly specific criteria be established to guide the area offices which are actually charged with the responsibility of making the adjustments. The number of these offices is large—368 at the present time—and some of the areas cover a vast number of housing accommodations. In order to obtain a reasonable degree of uniformity it will be necessary for us to furnish the field offices with instructions as to the types of cases which come within the phrase "special hardship circumstances." In addition, it will be necessary for us to issue public interpretation or other statements which will inform landlords of the types of cases in which relief may be given under the adjustment provision. This information is needed not only so as to place landlords upon notice of their rights but also in order to cut down the number of petitions filed which have no merit. One of the real dangers in an adjustment provision which contains vague language is that the area offices will be bogged down in processing and disposing of a vast number of petitions which have no merit. The work thereby created, of course, retards the disposition of cases which do have merit, and inevitably results in criticism because of administrative delay.

Our ability to administer this adjustment provision, therefore, depends to a considerable extent upon our ability to establish various classes of cases which properly fall within the language "special hardship circumstances." Upon the basis of our present experience we are able to outline certain types of cases, but many problems will have to be worked out as they develop. It may be helpful to discuss a few types of cases in which adjustment will be made under the amendment.

One group of cases is where a landlord rents for an amount substantially below the prevailing level of rents as a result of unusual pressure or necessity. For example, a husband dies and the wife makes immediate plans to move out of the house in which they have been living and return to live with her parents. As a result of emotional distress and anxiety to rent the house immediately she rents the house for an amount substantially below the rent prevailing on the maximum rent date for comparable housing. Perhaps this renting takes place after the maximum rent date, in which even the maximum rent for the house is established on the basis of the first rent received. In a case of this type an adjustment will be made because of special hardship circumstances.

Another group of cases covered by special hardship circumstances is where unusual circumstances were present in connection with the management of the accommodations on the maximum rent date, resulting in a rent substantially below comparable rents. For example, the owner of a rented house died some time before the maximum rent date. A dispute arose concerning title to the house and this dispute continued for a considerable period of time and until after the maximum rent date. Because of the title dispute no one undertook the responsibility of managing the property and the tenant continued to pay the rent that she had been paying to the former owner. This rent was substantially below the prevailing level of rents on the maximum rent date. In a case of this type an adjustment will be made under the new provision.

A third group of cases includes those in which property is being rented on the maximum rent date by a person who is not primarily interested in obtaining an adequate rent. For example, a house has been taken over by a mortgagee at foreclosure sale and on the maximum rent date is rented for a low amount, primarily in order to keep the house occupied and prevent vandalism until it can be sold. In cases such as this an adjustment will be made on the ground that the low rent was the result of special hardship circumstances.

Occasionally, cases have been presented in which the person who owned the property on the maximum rent date rented it at a low figure in order to secure some other advantage which could be secured only by fixing a low rent. For example, on a maximum rent date a house was owned by an individual who intentionally rented it at a low rent in order to keep his income down and thereby obtain old-age assistance from the State. Title to the house has since been transferred. Under these circumstances we would consider that the new owner may obtain an adjustment because of special hardship circumstances.

I will not burden you with a further discussion of specific types of cases. I hope that this discussion has indicated some of the situations with which we are confronted and in which adjustment will be made under the proposed amendment. I should like to add a few words concerning the general approach which we will take in making determinations under this amendment. The rent regulations establish maximum rents on the basis of rents freely bargained for between landlords and tenants in the competitive market which existed prior to the housing shortage created by the impact of war activities. A number of the present adjustment provisions of the regulations are intended to give relief where some abnormal element was present so that the rent was not the product of the normal bargaining process. The new adjustment provision will be used to give more extensive relief in this type of case.

If there are any problems on which you would like to have additional discussion, I will, of course, be only too happy to communicate with you further.

Sincerely yours,

IVAN D. CARSON,
Deputy Administrator.

May I also point out that if we attempt to change the "generally fair and

equitable change," whether it be in rents or be in other phases of the Price Control Act, we are going to run up against exactly the situation that Mr. Bowles stated to the committee, and I should like to quote his comment:

It is the judgment of the Office of Price Administration that the elimination of the word "generally" from the standard "generally fair and equitable" would destroy effective control of rents.

In my judgment, the provisions which have been added in the amendment proposed by my friend from California would have the effect of seriously impairing the operation of rent control. I do believe—and I discussed the matter with him and with the National Rent Control Director—that there are some additional changes which should be made in administration, and I will be the first one to go along with both of them in bringing about those changes. Especially should more consideration be given in cases of increased occupancy. Throughout my entire district rent control is a terrific problem and many serious injustices have crept in, but I do not want to see put into the bill language which in my judgment and in the judgment of the Administrator will impair its effectiveness.

The last proposal in Mr. IZAC's amendment, namely, to adjust rents within the same multiple-dwelling unit on a comparable basis, seems to me to be full of danger. It is difficult for me to see any justification for equalizing maximum rents of apartments or other units within a building while not doing the same thing for single-family structures. If this change were made, the rent control administrator would certainly be under great pressure to adjust upward rents where the maximum of one house is lower than that of similar houses in the same locality.

Furthermore, experience has shown that rents do not rise even in an area as inflationary pressures set in. Some rents are raised at the first omens of such pressure while others spiral only as the pressure becomes extremely acute. On any maximum freeze date it is inevitable that some rents already have risen while others have been held constant. An adjustment of all rents to the highest amount charged for comparable units in the same building—and this interpretation is widely held regarding this particular phase of this amendment—might operate to raise all rents in multiple unit structures to the inflationary levels reached by a few; this is exactly the result which was avoided in the selection of a maximum rent date for a particular area, and it is a result which I feel certain this House does not wish to sanction in this legislation.

I repeat, that I am as anxious as my colleague to remedy individual hardship cases; such a course is imperative if we are to bring about greater equity in the law. But the proposed amendment would be harmful rather than helpful in this connection; consequently, it is with reluctance but deepest sincerity that I ask the committee as a whole to vote down the proposed amendment.

Mr. ROLPH. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I first want to compliment my colleague the gentleman from California [Mr. IZAC] for the splendid work he has been doing in connection with rent control. As the speaker who just preceded me, also my colleague the gentleman from California [Mr. OUTLAND], has stated, the rent situation on the Pacific coast has perhaps been more acute than in any other section of the United States. There is no person in this Congress who has taken a more active interest in it than the gentleman from California [Mr. IZAC], and I am here to support his amendment.

As I told this House on Wednesday last, in discussing the rent-control situation I introduced before our committee an amendment which I quoted at length in my remarks. That amendment would take care of perhaps 80 percent of the differences which have arisen in connection with rent control. I also stated at that time that about 90 percent of the amounts involved in these rental disputes ranged from $2.50 to $10. If more authority had been given to the local offices, we would not have had one-tenth of the complaints which have arisen in connection with rent control.

My colleague, the gentleman from California [Mr. IZAC], has introduced an amendment here which I am supporting and which I hope the House will adopt.

The gentleman from California [Mr. OUTLAND] has stated the objections of the O. P. A. to amending rent control. I yet have been unable to figure out why they object to the provisions of the amendments which we have before us. There is no reason in the world why these individual cases should not be investigated.

They speak about the fact that it is impossible to know the values of real estate and to know rentals. In every metropolitan district in this country the real-estate men know the values of property and have known them for years.

As to the inability of the Rent Control office to function properly without the word "generally" in the legislation, it is not, in my opinion, well founded. I think that each individual rent case should be adjusted on its merits.

In many of the areas in California the rent date, according to O. P. A. records, was established on January 1, 1941. By looking through the hearings you will find that there is no section of the country where the rent date, the effective date, was earlier than January 1, 1941. In California many sections have that date as the basis. In San Diego, itself, January 1, 1941, is listed.

Many people rented their property during the depression at low rentals. They did it for two reasons. First, property deteriorates rapidly unless occupied. Second, they wanted to give an opportunity to people whose incomes had been drastically reduced to have suitable housing accommodations. In the meantime, taxes and other expenses are higher and the incomes of many of these tenants have increased very much. Numbers of the tenants would gladly pay moderate increases in rent which would help pay increased costs, but O. P. A. allows no leeway. I think the O. P. A. should correct these hardship cases.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. ROLPH. I yield to the gentleman from California.

Mr. OUTLAND. The gentleman is making an excellent speech. I am sure he realizes I agree with him that we must do something about correcting the rental conditions. I am simply anxious not to get crippling amendments into this bill.

Mr. ROLPH. I do not consider these are crippling amendments. I think they are strengthening amendments which will help the legislation.

Mr. OUTLAND. The gentleman stated a moment ago that he thinks each case should be investigated.

Mr. ROLPH. I do.

Mr. OUTLAND. Does the gentleman realize there are over 14,000,000 cases to check into?

Mr. ROLPH. Certainly I realize there are 14,000,000 cases, but there are not 14,000,000 cases of criticism; there are not 14,000,000 complaints. There are 14,000,000 rented properties, but not 14,000,000 kicks against the O. P. A. Only a comparatively few. Certainly I think they should handle each individual case. In my opinion, it is entirely reasonable.

Mr. OUTLAND. Does the gentleman realize further that already there have been adjusted over 350,000 petitions initiated by landlords and over 300,000 petitions initiated by tenants?

Mr. ROLPH. Yes. I think that is splendid, but I think they should go further and straighten this whole thing out.

Mr. BELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when this conflict started, it became necessary to place certain restrictions on the normal activities and rights of our citizens in the interest of the general public and in the interest of the war. On the other hand, the amendment that is now before the House affects something that, you will all agree with me, is perhaps the most vital right in our domestic lives as citizens of this country. I think it was William Pitt, Earl of Chatham, whom every lawyer in this Hall has read, who said that a man's home is his castle. He went further than that, and he said, the rain may enter, the storms may enter, no matter how humble that cottage is, the very elements may shake it to its foundations, but the King may not enter.

How many times have those words of William Pitt been quoted in courtrooms from coast to coast in this country of ours? And how dear to our hearts are the principles behind those words uttered by that great English jurist? And how thoroughly have those great principles become embodied in the warp and woof of our common law? The amendment before us at this moment seeks to place about the men who would administer this act certain laws and restrictions. I am a believer in government by law rather than by men. So far as this amendment goes, and I think it goes to a considerable

extent toward bringing about an enforcement by law rather than an enforcement by men, I am for this amendment. I think it helps the act. I hope the Members will vote in favor of it. There is no one thing that has grown out of the O. P. A. which, to my observation, has caused more discontent back in the grass roots than to have someone come into your community from afar and say, "Now you must take this man into your home" and having taken him in, you cannot kick him out, no matter how late he comes in at night or how he disturbs your family or how much less rent he pays than your taxes and your upkeep amount to. I think this amendment will remedy that very situation.

Mr. SPENCE. Mr. Chairman, I move that all debate on the pending amendment close at 5 o'clock.

The CHAIRMAN. The question is on the motion of the gentleman from Kentucky [Mr. SPENCE].

The motion was agreed to.

Mr. DONDERO. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I come from a section of the country where the Rent Control Administration has caused more dissatisfaction and discontent among the people than any other law that has been administered since the beginning of the war. The Emergency Price Control Act had my support and vote because I believed in the principle of price stabilization in time of war. The act has, on the whole, been very beneficial to the people in keeping prices of essentials of life and commodities within reasonable bounds.

Yesterday I talked with Karl H. Smith, president of the Greater Detroit Property Owners Association. Part of the city of Detroit is in my congressional district. Let me cite an instance of how rent control operates in that city, as I was informed. But before doing so, let me call attention to the fact that conditions have become so bad in that area—and it is a defense area—that even the H. O. L. C., a Government agency, has petitioned the O. P. A., another Government agency, to increase the rents on property which it holds in that area.

In Detroit, when a property owner, and I do not think anybody ought to use the term "landlord," because there is no such thing as a landlord, the owner of property is not "lord" over anything, not even his own home if he rents a room in it under present conditions, files a petition for relief with the rent Administrator that petition might not receive attention for 9 months. When a decision is made on it, that decision takes effect on the date it is made. If a tenant files such a petition and that petition remains in the office of the Administrator for 9 months, and a decision is made favorable to the tenant, it is retroactive to the date on which the tenant filed the petition. I ask the Members of the House if there is any such thing as equal justice under law when it is administered in that way? Either the rent-control law or its administration is unjust. We had better chisel away the words over the portals of the Supreme Court of the United States and substitute "Unequal justice under law." Let me give another reason why I am supporting the amendment. In my home city of Royal Oak, Mich., a 5-room unit is renting for $25 a month, with all modern conveniences, because the property owner was generous to a tenant who had had bad luck. In the same area another 5-room unit, of equal space and conveniences but built subsequent to the beginning of the war, brings $55 a month. So far as I have been informed nothing has been done to correct that inequity. This is nothing more nor less than unfair and inequitable treatment among our own citizens. Is it any wonder that protests are made? I hold in my hand a post card, and I understand that more than 200 of these cards were sent to the Committee on Banking and Currency of the House, and I want the Members to listen to what one of the property owners of Pontiac, Mich., has to say:

DEAR SIR: We have pleaded with our Washington Representatives for 2 years, asking relief from an unjust rent ceiling, but without avail. Is there anyone in Washington who knows and understands our dilemma? Must we succumb to the tyrannical edicts and directives of bureaucrats and dictators?

In addition to all the increased costs of operating and maintaining property, we are now faced with a 20-percent increase in our assessed valuation, ordered by the State tax commission. This has been followed by a strike of school teachers, demanding more money and a special election called to vote 2 additional mills for school purposes. Have we returned to the days of the Boston tea party? Will drastic action on the part of property owners be necessary, before Congress is aroused to action? Where is the freedom we of America once knew?

Yours sincerely.

Under this proposed bill, nearly everything is left to the discretion and the judgment of the O. P. A. Administrator. How will he deal with the people at Pontiac, Mich., when they are faced with a 20-percent increase in their taxes in one year?

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I will yield to the gentleman if he can answer that.

Mr. OUTLAND. Mr. Chairman, I think I can answer that. That is taken care of in the present bill, when taxes are of a general nature and where they cover an area, at the top of page 6, where provision is made that he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, which would include increases or decreases in property taxes.

Mr. DONDERO. The difficulty with that is these people have already waited 2 years for some fair adjustment in their rents, and they have not received it. The trouble with the present Rent Control Administration is that too much discretion or too broad powers have been given to the Administrator, who has not exercised those powers fairly. What I say about the people at Pontiac, Mich., also applies to the city of Detroit. They have formed property owners' associations in both cities to protest.

I am in favor of an amendment to correct that injustice.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am under the impression that the committee bill takes care of all inequities that these gentlemen have complained of, because, on page 6, line 17, it is stated:

The Administrator shall provide for individual adjustments in those classes of cases where the rent on the maximum-rent date for any housing accommodations is, due to peculiar circumstances, substantially higher or lower than the rents generally prevailing in the defense-rental area for comparable housing accommodations.

I think the committee has used splendid judgment in putting this provision in the bill. Relief is forthcoming to all those who have a just claim.

I have received perhaps a greater number of complaints from property owners than anyone, but most of those complaints come from the owners of large apartment buildings, owners who acquired those apartment buildings under foreclosure at about 15 or 20 cents on the dollar. In all of those cases those owners cannot show that they have not received a fair return on their investment. Consequently their claims and complaints are not fair or just.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. IZAC. Unfortunately it may be true that in cities like Chicago and New York, where you have a great number of apartment houses, that does apply, but it certainly does not apply in the vast majority of cases along the western seaboard, where we have thousands of little communities, peopled by aircraft and shipyard workers living in duplexes, living in one side and renting the other to a fellow worker.

Mr. SABATH. I fully appreciate that there may be some exceptions to the rule, but I am speaking of general conditions. I feel that the country and the people as a whole have been greatly benefited by this law. Otherwise, the rents of the poorer class of people would have gone sky high. I know that in commercial buildings and properties, where there have been no restrictions whatsoever, rents have gone up 25, 50 and as much as 250 percent.

Now, I have complained. I do not say the O. P. A. has been perfect and all of its men have used good judgment. Some of them have not. I am willing to concede that. But taking everything into consideration, that organization has done a splendid job—much better than most of us have accomplished.

Mr. OUTLAND. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. OUTLAND. I would like to say to the gentleman, in making the statement that the committee in adding this amendment beginning in line 17, had as its aim correcting the injustices that have arisen.

Mr. SABATH. That is what I originally understood. I understand that there is now a corrective provision in the bill.

As I said before, I compliment the committee for wisely including this provision in the bill which will give people who have just complaints an opportunity to be heard and to have their complaints adjusted. Consequently there is no need for the far-reaching amendment that the gentleman has introduced, which will permit anybody at any time to come in and demand a revision of rents.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROWE. Mr. Chairman, I think the broader view of this problem of rent control ought to be considered now while this amendment is under consideration.

When this war came upon us suddenly it was necessary that something be done to stabilize prices to a certain degree, that inflation might not rur away. This Congress, together with the people, accepted the fact that a blanket regulation be placed over all rental properties in the United States where war activity would cause high rents. In order to effect stable rents as nearly equitable as possible they fixed certain dates which on that day certain fixed rents would be effective. That was a protection so rents would not run away. Now, the Congress intended that power be granted to the Administrator so that wherever the rents fixed on that particular date worked a hardship that the people upon whom that hardship was imposed might appear before the Administrator or his delegates and obtain something equitable in comparison to other rented properties in that same general locality. As a matter of fact, for 2½ years that has not been done. So the attempt of this amendment is to further instruct the Administrator and implement him to do the very thing that Congress intended to do originally.

Mr. POULSON. Mr. Chairman, will the gentleman yield?

Mr. ROWE. I yield.

Mr. POULSON. The distinguished gentleman from Illinois [Mr. SABATH], who refused to yield to anyone on this side of the aisle, made a statement to the effect that there were no inequities and that they were complaining about something about which they had no right to complain. Here is a man who paid $4 a week when the rent had been fixed at $3.50. The total amount of excess rent paid was $15. A judgment was entered against the property owner for $1,500 for overcharge of rent. Is that an inequity according to the opinion of the gentleman?

Mr. ROWE. I do not think that is applicable to this amendment. Obviously that is a violation of the rule set up. There should have been machinery whereby an adjustment could have been made if the rent paid was too low. I hold no brief for anyone who will knowingly charge rents above that which is fixed by the regulation until such time as they can have had an appeal.

Mr. CURTIS. Will the gentleman yield?

Mr. ROWE. I yield.

Mr. CURTIS. I shall support the amendment. I think the Congress should do something in regard to the rent-control law. The high policy-making officials have proceeded on the theory that the property owner is always wrong. In my particular area we were unfortunate. We had several years of drought and total crop failure, and all rents were subnormal in the base period. They have refused to take corrective action that they should, and it has been very unjust to many, many people.

Mr. ROWE. May I say at this point I do not think there is anything in the amendment that will not permit the Administrator, or his fixed authority in the respective localities, to make any person who wants to qualify for a higher rent to come in and state the reason why, and validate each and every claim. If they can do that, what harm is there in giving to that person the expenses which have been imposed upon him, and over which he has had no control?

Mr. OUTLAND. Will the gentleman yield?

Mr. ROWE. I yield.

Mr. OUTLAND. On the point raised by the gentleman from California [Mr. POULSON], if he will read the last part of the bill he will note the committee has added another amendment under "Procedure" which is designed to correct the situation to which he referred.

Mr. ROWE. I am advised that the punitive damages are limited to one offense. I think that is a corrective step. I have had many occasions to contact the O. P. A. officials. There are many complaints coming from my constituency.

I have had little or no difficulty in bringing about some remedial relief when they were justified and within the law. I expect to say more about this at a later time. I believe that if the amendment is passed it will not impair or impede the Administrator in doing just as good a job as he has done in the past—if it has been a good job.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WRIGHT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I believe a good bit of trouble with O. P. A. arises from two causes: One, bad public relations; and, two, defects of administration.

I believe the bill the committee has written is an improvement over the prior bill; I think it contains many features which will eliminate some of the injustice about which complaints have been made. I think the committee has done a good job. They have worked hard on this bill and brought out one which deserves the support of the House.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. PACE. I notice the committee bill provides that the Administrator shall make adjustments for increases in property taxes and other costs within such defense-rental area. Is it the gentleman's understanding or the committee's understanding that the item of costs will include increased costs of repairs and maintenance?

Mr. WRIGHT. I yield to the chairman of the committee to answer that, because it was the committee that drafted the bill and his word would be more authoritative than mine.

Mr. SPENCE. I think it is obvious that it is intended to meet the increased costs of maintenance and upkeep and repair.

Mr. PACE. I thank the gentleman.

Mr. WRIGHT. There are several factors that should be taken into consideration if we are to pass judgment. Statistics seem to show that the profits from the rental of dwelling houses are higher now than they have ever been before. The second factor is that there have been fewer foreclosures on rental property in the past several years.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. ROWE. I should like to make just this explanation, that the general average of rental income is higher than it has been.

Mr. WRIGHT. Yes; that is right.

Mr. ROWE. And it was pointed out here that for any new structures coming in after the date certain on which rentals were fixed the standard of rents is extremely high as compared to those that were fixed on that date. The trouble with statistics is that they take the average. The purpose of the amendment is to readjust down to the date certain.

Mr. WRIGHT. In my opinion, under the committee bill there is just as much chance to get fair consideration for the individual hardship case as there is under the amendment. I think it is entirely a question of administration. What I am going to rely on to get these adjustments is this provision that has been set up in the bill bringing the O. P. A. officials before the committee where the committee can direct them on questions of policy. That is the way we are going to get rectification of abuses. It is the most forward step the committee has ever taken with reference to O. P. A.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. IZAC. The committee bill refers to "peculiar circumstances." What is the Administrator going to do in interpreting that? In my amendment we say definitely what he must do in four particular cases.

Mr. WRIGHT. As I recall the reading of the gentleman's amendment, it said that he must consider these facts. Is that correct?

Mr. IZAC. That is correct.

Mr. WRIGHT. The mere fact that the Administrator is to consider something does not mean that he is going to make a resolution of those matters that he considers.

Mr. IZAC. Does not the gentleman believe that any administrator or administrative agency should follow the intent of Congress when Congress states definitely what he should do?

Mr. WRIGHT. Certainly; but they did not administer everything under the original bill or interpret the intent of Congress under the old bill as we thought they should.

Mr. IZAC. But these represent the cases where relief is most urgently needed.

Mr. WRIGHT. I want to say that in my opinion the rent control—it may have been harsh in some instances—has been the most effective of all controls; in other words, there has been no increase of rent and there has been no increase in prices. Some people may have been hurt, but generally the people have not been hurt by rent control.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. FORD. What I am afraid of about the amendment is that it sets up specific things in the law and that that is all they will do; you are limiting the things they will do; and that is not good legislative practice.

Mr. WRIGHT. The gentleman feels that the procedure prescribed is too rigid and does not give the administrator the right to consider other factors which may be of aid to the property owner.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Briefly; but my time is running fast.

Mr. OUTLAND. For the information of the House may I ask the gentleman from California [Mr. IZAC] to explain the last of the three qualifications in his amendment?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The gentleman from Oklahoma [Mr. MONRONEY] is recognized for the remaining 5 minutes.

Mr. MONRONEY. Mr. Chairman, this probably will have more effect on the cost of living of every individual in the country than any other amendment that could be proposed, because it deals with one single certain factor, and that is rents, which comprise on an average 20 percent of the consumer's income and the consumer's expenditures.

We cannot throw this wide open. Bear in mind the committee gave careful attention to trying to rectify legitimate, honest-to-goodness hardship cases; we recognize that many, many individuals were squeezed unjustly and unduly by too-close adherence to rigid formula, so in the committee we took particular pains to make it possible to open up these hardship adjustments to take care of such deserving cases. But in the amendment that is proposed by the distinguished gentleman from California I fear you throw the doors wide open where you not only take in hardship cases, but you make it impossible to hold the line on a great, great many more rental cases.

The real estate boards that were before our committee and the representatives of the landlords' association told us their estimate was that about 10 percent of the rentals were in a hardship position, and that is what the committee endeavored to correct. The amendment offered provides that raises shall be made in the rent in those cases where after a certain date substantial increases in taxes or operating costs have occurred. That sounds perfectly plausible, but why not say "net increases"? This amendment does not take into consideration the fact as was testified to before our committee, that thousands and thousands of landlords have enjoyed 20 percent increases in their revenue and their income, although their rent ceilings have not been raised. They have enjoyed this increase because they have avoided the large loss through unoccupied apartments. So this amendment does not take into consideration the net increased cost and the amendment surely should be drawn in that way.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. Not now; I have not time.

Furthermore, many, many apartment jobs and home jobs will require new roofs, they will require new heating systems, they will require these improvements that will all come in a lump sum in 1 year. In many cases the landlord's accounting system provides that and so they could have ballooned into 1 year an almost complete remodeling job.

I am going to skip to the last one, the one I think is the most dangerous:

> In multiple dwellings cost raises shall be given for rents which are lower than comparable housing accommodations in the same premises.

How would you measure a view of Lake Michigan? How can you tell which way the prevailing winds blow in an apartment or whether the odor from some manufacturing plant is worse on the south side or the north side of the building? And yet this amendment directs the Administrator that he is not going to adjust on the basis that the old free competition has adjusted it and give the higher rent to the more valuable and best apartment, but you are going to base it on comparable housing, and a court would interpret that as floor space.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. IZAC. The gentleman will notice that we give no advantage to the owner here that we do not give to the tenant and vice versa. The gentleman is talking all the time about not holding the line in housing. That is just what we are attempting to do, be fair to both sides, which is not in the law at the present time or, if it is, the Administrator will not let it function.

Mr. MONRONEY. The gentleman's amendment provides that multiple unit premises shall be adjusted if the rent is lower for comparable housing.

Mr. IZAC. Certainly.

Mr. MONRONEY. And that would force them up to the highest price line in that bracket, would it not?

Mr. IZAC. If there are two apartments renting for $30 and six others renting for $50, it is because those two were caught in the middle of the year before they could be adjusted. In that case they should be adjusted because everybody in that apartment house is going to want to go down to the $30-a-month apartments.

Mr. MONRONEY. Suppose the condition is reversed and you have two or three apartments?

Mr. IZAC. We say "under comparable conditions."

Mr. MONRONEY. Are you going to adjust downward these high rents, too?

Mr. IZAC. Certainly.

Mr. MONRONEY. The amendment does not say that. It is a very dangerous amendment; it is not carefully drawn, and you will destroy rent control if you adopt the amendment.

The CHAIRMAN. The time of the gentleman has expired. All time has expired on this amendment.

The question is on the amendment offered by the gentleman from California [Mr. IZAC].

The question was taken; and on a division (demanded by Mr. SPENCE), there were—ayes 96, noes 67.

So the amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to include as part of the remarks I made in the Committee this afternoon a letter on rent control from the Office of Price Administration.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. OUTLAND]?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an article appearing in the Times-Herald of yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. FLANNAGAN]?

There was no objection.

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on four different topics and in connection therewith to include certain magazine articles and newspaper excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. COFFEE]?

There was no objection.

(Mr. VURSELL asked and was given permission to extend his own remarks in the RECORD.)

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in Committee of the Whole today and to include certain extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Washington Post of yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. MYERS]?

There was no objection.

(Mr. POULSON asked and was given permission to revise and extend his own remarks in the RECORD.)

Mr. ANGELL. Mr. Speaker, on yesterday I was granted leave to extend my own remarks in the RECORD and to include certain excerpts. I am advised by the Public Printer that this extension will consist of 4 pages and cost $208. I ask unanimous consent that this extension may be included in the RECORD notwithstanding the estimate of the Printer.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article entitled "Growth of Administrative Processes" by Adele I. Springer. This article will appear in the July issue of the Women Lawyers Journal. Miss Springer is a member of the New York bar and is chairman of the committee on administrative law of the National Association of Women Lawyers.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial taken from the National Petroleum News of June 7.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GAVIN]?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein amendments I will offer tomorrow to the price-control bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

There was no objection.

(Mr. MILLER of Nebraska asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make tomorrow in support of an amendment I shall offer and to include certain tables, newspaper articles, and letters.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes tomorrow at the conclusion of business on the Speaker's desk and after any special orders that may have been heretofore entered.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

EXTENSION OF REMARKS

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include copy of a letter sent to the Honorable ANDREW J. MAY, chairman, Military Affairs Committee of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. BUSBEY]?

There was no objection.

PERSECUTION OF JEWS IN EUROPE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the world is witnessing today the execution of one of the most fiendishly devised schemes ever conceived by depraved minds—the Nazi program for exterminating all Jews upon whom they can lay their hands, as well as other persons in conquered lands. With the brutal thoroughness so characteristic of the Fascist mentality, all means of inflicting death, either outright or through tortures calculatedly drawn out to inflict the maximum pain and degradation upon the innocent victims, are employed. The firing squad, the freight car packed with suffocating humanity and lined with quicklime, the gas chamber, the injection of disease germs, deliberate starvation and subhuman living conditions followed inevitably by the plague of disease, and other devices that only the criminally insane could or would devise take their toll of thousands.

The kindly, decent sentiments of the ordinary man to his fellows, the civilized ethics and morals developed in 2,000 years of Christian civilization are completely foreign to these mass murderers. Helpless women and children, the aged and the infirm, as well as the able-bodied, are slain and tortured indiscriminately.

The immensity of this gigantic pogrom is almost beyond human conception. Accurate statistics of the slaughter that has occurred thus far are, of course, impossible to obtain. But think of it, of the approximately 8,000,000 Jews in Europe in 1939, some 4,000,000 are believed to have been slain either by direct methods or as a result of starvation or disease. Even more appalling is the fact that we are told this is a conservative estimate, and the actual number of victims might be and probably is much larger. How many more will disappear from the face of the earth before that final day of liberation for which we all so fervently pray and hope arrives is impossible to state.

In the one-hundred-and-sixty-odd years of this Nation's independent existence, many instances—far too many I am sorry to say—of persecution of peoples by tyrants throughout the world have occurred, but never on so vast a scale as the present Nazi atrocities. This Nation, I am proud to say, relying on the eternal principles of freedom enunciated by the founding fathers, has repeatedly made known its outraged feelings to the civilized world whenever such persecution has occurred.

Today the Government of the United States in line with this great tradition has appealed for justice and mercy for these unfortunate victims of tyranny. It has joined with Pope Pius XII and other eminent religious leaders and with other nations to express the horror of the civilized world at such bestial conduct and to warn the Germans against further persecution of the Jews and other victims.

Unfortunately, these appeals and warnings have had no visible effect on the Hitler bund in its insane attempt to create a master race. Realizing that more concrete efforts would have to be made, if any appreciable number of those Jews remaining in Europe were to be saved, the President created on January 22, 1944, a War Refugee Board, headed by the Secretaries of War, State, and the Treasury. At its helm he placed John W. Pehle, a young, able, and vigorous administrator.

The purpose of the Board is to carry out the policy of this Government "to take all measures within its power to rescue the victims of enemy oppression who are in imminent danger of death and otherwise to afford such victims all possible relief and assistance consistent with the successful prosecution of the war." The State, Treasury, and War Departments, within their respective spheres, are required to execute at the request of the Board the plans and programs so developed and the measures so inaugurated. The heads of all agencies and departments are under a duty to supply the Board with such information, supplies, shipping, and other assistance and facilities as the Board might require. Provision is made for the appointment by the State Department of special attachés with diplomatic status to be stationed abroad in such places where it is likely that assistance can be rendered to the war refugees. In addition, the Board is directed to cooperate with other international organizations, both public and private, concerned with the problems of refugee rescue, maintenance, transportation, relief, rehabilitation, and resettlement.

In this manner the facilities of three great departments of our Government have been made available to the new Board, which may also call on other agencies for cooperation. The world has now been placed on notice that this Nation has passed the stage of empty rhetoric in its determination to save the innocent victims of Nazi terrorism. Concrete action to this end has already been taken and will be vigorously followed up until complete victory over the assassins puts an end to one of the blackest chapters in the history of civilization.

Do not misunderstand me. Though I have great hopes that the War Refugee Board will achieve remarkable results, I do not desire to gloss over the great difficulties and problems it must face. There is so much to do and so little time in which to do it. It is a race against a clique of implacable murderers, and the stakes are human lives. To add to the almost insuperable obstacle is the grim fact of a world disorganized by war.

Even in peacetime, the movement of large groups of persons is a difficult problem. In war the difficulties are increased a hundredfold. Shipping is almost impossible to obtain. Rail transportation is congested by military and supply requirements. And where can food, clothing, shelter and medicines be obtained in regions torn by war and elsewhere which were already short of these essentials before the dislocations of war increased these shortages? I am sad to report that many nations, which before the war would have cooperated willingly to alleviate the sufferings of unfortunate victims of oppression, are now hesitant to extend aid or provide refuge. They feel the pinch of want themselves and fear that additional refugees would prejudice the care and feeding of their own peoples and those refugees to whom shelter has already been extended.

Nevertheless and despite these difficulties I am happy to announce that the War Refugee Board has made some excellent and humane and effective progress in rescuing some refugees and in alleviating the condition of others, particularly in the satellite countries. It is true that when viewed in the perspective of the great number in dire need and danger, only a little has been achieved thus far. A trickle of refugees has been assisted to escape, but a start has been made, and in a relatively very short time the ground work for turning this trickle into a stream and the stream into a flood has been laid.

The War Refugee Board has, I am confident, the overwhelming support of the American people for its efforts on behalf of the oppressed and the unfortunate. I am also certain that the American people join with President Roosevelt in his recent condemnation of Axis atrocities against innocent victims.

There is and can be no issue of partisanship in this great work of rescuing and alleviating the plight of innocent, oppressed peoples. The noble traditions of this country cry out against such matters being made the subject of party politics. Democrats and Republicans have always joined their voices in support of this Nation's historic position against tyranny and oppression.

Unbelievable as it seems, there are people, very few, I am happy to say, in this country, who have so far forgotten and departed from our great traditions, although vociferously proclaiming their attachment to those principles as if unique with them, that they oppose any and every attempt of this Government to take constructive action to aid these unfortunates. Most of this group, I believe, are simply unaware of or cannot bring themselves to believe that a so-called civilized nation can commit the terroristic acts the Germans have employed against the Jews and others. A very small minority among them, the lunatic fringe, are aware of the horrible slaughter committed by the Germans and not only approve, but would desire to import those alien doctrines of persecution to these shores in an attempt, frustrated I am pleased to state by the good sense and decency of our people, to split and weaken the united resolve of our citizens to overthrow the tyrants and restore liberty and decency to the world.

To alleviate human suffering, to terminate the persecution of peoples, to offer refuge to victims of tyranny are too firmly imbedded in the history, traditions, and ideals of our Nation to be upset by these spewers of alien doctrines of hate or to be made a matter of partisan politics.

I am confident that all Members of this House join with me in the feeling that every action required, consistent with the successful prosecution of the war, should be taken to rescue the Jews and other persecuted people from the barbarous persecution they are undergoing at the hands of the Nazis, and that at the proper time those guilty of these and future acts of barbarity be properly punished.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourns to meet tomorrow morning at 11 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. SMITH of Virginia. Mr. Speaker, reserving the right to object, and I shall not object, could the gentleman indicate whether it is expected to finish this bill tomorrow?

Mr. McCORMACK. I am glad the gentleman asked that question. There are 17 or 18 amendments to section 2 on the Speaker's desk.

Mr. SMITH of Virginia. And there are quite a few sections.

Mr. McCORMACK. I assume there will be a number of amendments offered to other sections. Giving the best answer I can, I hope that the consideration of the bill will be concluded tomorrow, although I seriously doubt it unless we speed up consideration of the amendments.

Mr. SMITH of Virginia. Would it not be possible to indicate to the membership whether there will be a final vote tomorrow or not?

Mr. McCORMACK. In all frankness, I am unable to state. When the House and the Committee of the Whole moves it can move fast, as the gentleman from Virginia knows. I am hopeful that may happen tomorrow because I would like to get this bill out of the way as soon as possible. Next week we have a very heavy program and in connection with any recess that may take place later on, it is important that we get legislation out as quickly as possible. The House has been very cooperative and I want it also distinctly understood that my observations with reference to any possible recess are not for the purpose of hastening consideration but simply to keep the membership reminded of a very practical consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LANE, for 2 days, on account of official business.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.), under its previous order, the House adjourned until tomorrow, Saturday, June 10, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

The Committee on Interstate and Foreign Commerce will meet Saturday, June 10, 1944, in executive session, to act on S. 1432 and H. R. 4935.

There will be a meeting of the Public Health Subcommittee of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. Tuesday, June 13, 1944, to begin public hearings on H. R. 4615, a bill to establish, for the investigation and control of tuberculosis, a division in the Public Health Service, and for other purposes.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will continue hearings on Wednesday, June 14, 1944, at 10 a. m., in the committee room, 247 House Office Building, on H. R. 919 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs, will present testimony.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Saturday, June 17, 1944, at 10 a. m., on H. R. 4968, a bill to amend section 511 (c) of the Merchant Marine Act of 1936, as amended, relative to deposit of vessel proceeds received from

the United States in certain cases, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearing of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearing should be submitted to the reporter in duplicate.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOYKIN: Committee on Patents. S. 1232. An act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior; with amendment (Rept. No. 1617). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H. R. 4989. A bill to assist in the internal development of the Virgin Islands by the undertaking of useful projects therein, and for other purposes; to the Committee on Insular Affairs.

By Mr. FULMER:

H. R. 4990. A bill providing for the sale of certain surplus military vehicles and equipment to farmers and to servicemen who intend to engage in or resume farming; to the Committee on Agriculture.

By Mr. HÉBERT:

H. R. 4991. A bill to remove restrictions on transfers of small craft to other American republics in furtherance of the war effort; to the Committee on Naval Affairs.

By Mr. MILLS:

H. R. 4992. A bill to provide for making certain surplus materials, equipment, and supplies available for soil- and water-conservation work through the distribution thereof, by grant or loan, to public bodies organized under State laws, and for other purposes; to the Committee on Agriculture.

By Mr. SUMNERS of Texas:

H. R. 4993. A bill to amend Public, No. 507, Seventy-seventh Congress, second session, an act to further expedite the prosecution of the war, approved March 27, 1942, known as the Second War Powers Act of 1942; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FULMER:

H. R. 4994. A bill for the relief of E. C. Goza, G. S. Kester, and A. H. McDermid; to the Committee on Claims.

By Mr. GOSSETT:

H. R. 4995. A bill for the relief of Pond Laundry Co.; to the Committee on Claims.

H. R. 4996. A bill for the relief of Charles D. Butts; to the Committee on Claims.

H. R. 4997. A bill for the relief of Oscar Zimmer; to the Committee on Claims.

By Mr. ROWE:

H. R. 4998 A bill for the relief of John C. Tuttle; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5826. By Mr. DELANEY: Petition of 5,700 United Shoe Workers, largely from Brooklyn, N. Y., urging the Congress of the United States to renew the Price Control Act, with additional provisions to give more and stronger price control and stronger enforcement of price control; to the Committee on Banking and Currency.

5827. By Mr. LEONARD W. HALL: Petition of sundry citizens of Greenport and Orient, N. Y., urging the enactment of the Sheppard bill, S. 860, relating to the sale of alcoholic liquors to the armed forces; to the Committee on Military Affairs.

5828. By Mr. HEIDINGER: Communication from J. H. Steinmesch, of Eldorado, Ill., urging that parity price for crude oil be included in the Price Control Act; to the Committee on Banking and Currency.

5829. Also, petition signed by Millage Carter and 133 other representative citizens residing in and near Carmi, White County, Ill., favoring the passage of the McNary-Angell bill (H. R. 2017, S. 65), the Voorhis-Downey bill (H. R. 375, S. 910) or some other measure making a reasonable blanket grant of an equal sum to all blind persons with an income of less than $100 per month; to the Committee on Ways and Means.

5830. Also, petition signed by C. T. Rosenberg and 78 other representative citizens residing in and near Norris City, White County, Ill., favoring the passage of the McNary-Angell bill (H. R. 2017, S. 65), the Voorhis-Downey bill (H. R. 375, S. 910), or some other measure making a reasonable blanket grant of an equal sum to all blind persons with an income of less than $100 per month; to the committee on Ways and Means.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 10, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou in whose presence our souls find peace and comfort, apart from Thee there is no permanent vision or rest. Hold us, O Lord, to the urgent requirements of these days, convinced that with divine help we shall be able to conquer, transmitting impulse and emotion into sincere achievement and turn doubt into certitude.

Blessed Lord, there is no departure from the road of drudgery of brave men which leads on and on to the dark lands of oppression. As the pathway of our Nation's life is not an easy one, as dangers and hardships are all about us, O give us strength and grace to walk therein. Whenever there are sore hearts bowed down with loneliness, in the Master's name, Thy peace bestow. Thou Christ of Calvary, who didst suffer and die, we bow at Thy altar for those over there; lay Thy blessed hand on their heads and when their strength faileth give them of Thy holy unction; when their hands are dropping the implements of earthly warfare, give them the palm and the crown of victory, revealing their kinship with Thee who triumphed over pain and loss, shame and death. In Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1764. An act to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of October 2, 1942, as amended, and for other purposes.

The message also announced that the Senate agrees, with an amendment, to the amendment of the House to a bill of the Senate of the following title:

S. 1808. An act to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the title of the foregoing bill.

EXTENSION OF REMARKS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a proposed post-war unemployment compensation plan.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a newspaper article. I have an estimate from the Public Printer that it will cost $104. I ask that it be included, notwithstanding the estimate of the Printer.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short statement.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short article.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FREE PORT

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. DICKSTEIN addressed the House. His remarks appear in the Appendix.]

ADDITIONAL COPIES OF HEARINGS

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report back favorably without amendment (Rept. No. 1618) a privileged resolution (H. Res. 579), authorizing the printing of additional copies of the hearings held before the House Committee on Roads on the bill (H. R. 2426) to supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, and for other purposes; and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Roads of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of the hearings held before said committee during the current session on the bill (H. R. 2426) to supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

QUESTIONS AND ANSWERS RELATIVE TO INDIVIDUAL TAX PAYMENT ACT

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report back favorably without amendment (Rept. No. 1619) a privileged resolution (H. Con. Res. 90), authorizing that the manuscript prepared by Representative DANIEL A. REED, containing an analysis of questions and answers relative to the Individual Income Tax Payment Act of 1944, be printed as a House document; and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the manuscript prepared by Representative DANIEL A. REED, containing an analysis of questions and answers relative to the Individual Income Tax Payment Act of 1944, be printed as a House document; and that 34,000 additional copies shall be printed for the use of the House document room.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SATTERFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a copy of a letter which I have written to the Attorney General.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances; in one to include a letter, and in the other a statement from the National Education Association.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Price Control Act, and to include therein a letter from Mr. Lew Hahn, general manager of the National Retail Dry Goods Association, giving the position of the National Retail Dry Goods' Association on the present Price Control Act, particularly the Hartley amendment.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HARTLEY. Mr. Speaker, this afternoon I am going to offer an amendment known as the high-price-line amendment. I ask unanimous consent to extend my remarks in the RECORD and include therein certain correspondence between those interested in this amendment and the Administrator of Price Control, Mr. Chester Bowles.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I have an amendment which I will offer in the Committe of the Whole this afternoon. I ask unanimous consent to revise and extend the remarks I expect to make this afternoon and include therein some letters and a clipping.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Indiana [Mr. HALLECK] be permitted to extend his remarks in the RECORD and include therein an address delivered by him.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I further ask unanimous consent that my colleague the gentleman from Michigan [Mr. BRADLEY] be permitted to extend his remarks in the RECORD and include therein a petition from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. SHEPPARD addressed the House. His remarks appear in the Apendix.]

THE REPUBLIC OF ICELAND

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 91.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Whereas the people of Iceland in a free plebiscite on May 20–23, 1944, overwhelmingly approved the constitutional bill passed by the Althing, providing for the establishment of a republican form of government; and

Whereas the Republic of Iceland will be formally established on June 17, 1944: Now, therefore, be it

Resolved by the House of Representatives of the United States (the Senate concurring), That the Congress hereby expresses to the Icelandic Althing, the oldest parliamentary body in the world, its congratulations on the establishment of the Republic of Iceland and its welcome to the Republic of Iceland as the newest republic in the family of free nations.

The concurrent resolution was agreed to.

EXTENSION OF REMARKS

Mr. RIVERS. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Georgia [Mr. GIBSON] be permitted to extend his remarks in the RECORD and include therein a letter from him to one of his friends on a number of speeches he delivered on the floor of the House.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

(Mr. WOLVERTON of New Jersey asked and was given permission to extend his remarks in the RECORD.)

CALL OF THE HOUSE

Mr. FOLGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 85]

Abernethy	Clark	Fuller
Andrews, Ala.	Clason	Gale
Arnold	Cox	Gallagher
Baldwin, Md.	Dawson	Granger
Baldwin, N. Y.	Dies	Green
Bennett, Mich.	Dirksen	Gross
Boren	Ellis	Hall,
Bradley, Pa.	Fay	Leonard W.
Buckley	Fish	Harless, Ariz.
Burdick	Forand	Hébert
Capozzoli	Ford	Heidinger
Chapman	Fulbright	Herter

Holifield	McGehee	Pracht
Horan	McMurray	C. Frederick
Izac	Magnuson	Sabath
Johnson, Okla.	Merritt	Scott
Johnson, Ward	Merrow	Short
Kee	Miller, Nebr.	Smith, W. Va.
Kennedy	Morrison, La.	Starnes, Ala.
Keogh	Morrison, N. C.	Stearns, N. H.
King	Murphy	Stewart
Klein	Norton	Taylor
Lane	O'Connor	Torrens
LeFevre	Patman	Treadway
Lemke	Peterson, Ga.	Ward
Lewis	Pfeifer	White
Luce	Philbin	Whitten
McCord	Plumley	

Three hundred and forty-seven Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

Mr. RANKIN and Mr. COLMER rose.

The SPEAKER. The Chair recognizes the gentleman from Mississippi [Mr. COLMER].

SETTLEMENT OF WAR CONTRACT CLAIMS

Mr. COLMER, from the Committee on Rules, submitted the following report on the bill (S. 1718) to provide for the settlement of claims arising from terminated war contracts, and for other purposes (Rept. No. 1620), which was transferred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1718) to provide for the settlement of claims arising from terminated war contracts, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on the Judiciary now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. RANKIN. Mr. Speaker—

The SPEAKER. The Chair announced before the call of the House that after the roll call he was going to recognize the gentleman from Kentucky [Mr. SPENCE], that he could not recognize Members further to make 1-minute speeches.

Mr. RANKIN. I merely want to make an announcement I believe is of interest to the House. I shall ask the gentleman from Kentucky to yield when we go into the Committee.

EXTENSION OF EMERGENCY PRICE CONTROL ACT OF 1942

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942, and the Stabilization Act of October 2, 1942, from June 30, 1944, to June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4941, extension of the Emergency Price Control Act of 1942, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. SPENCE. Mr. Chairman, I move to strike out the last word.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. RANKIN. I merely want to make this statement for the information of the membership: The conferees have agreed on the veterans' bill known as the G. I. bill. It is our intention to take up the conference report on next Tuesday. If we do not get through with it on Tuesday, we expect to let it go over until Thursday because of the fact that Wednesday is Flag Day.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. MARTIN of Massachusetts. Can the gentleman tell the House whether it is a unanimous report?

Mr. RANKIN. I may say to the gentleman from Massachusetts that the report is unanimous.

Mr. ROLPH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROLPH: Page 11, line 2, strike out the period, insert a comma, and the following: "but may not restrict the right of recovery of possession of housing accommodations where the conduct of the occupant is contrary to law, or grossly obnoxious to other occupants, or damaging to or destructive of the premises."

Mr. ROLPH. Mr. Chairman, this is the "control of property" amendment, differing somewhat from the "control of property" amendment offered in committee. I desire to read section (g) as it will read with my amendment:

Regulations, orders, and requirements under this act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof, but may not restrict the right of recovery or possession of housing accommodations where the conduct of the occupant is contrary to law, or grossly obnoxious to other occupants, or damaging to or destructive of the premises.

When an owner enters into a contract with a tenant he does so in good faith, assuming the tenant will take proper care of the property. In 99.5 percent of the cases the tenants do take reasonable care. The tenant considers the property as his home. He is happy in it and proud to be living in comfortable accommodations, but, in rare instances, tenants become obnoxious and abuse property. Up to the present time, under O. P. A. regulations, owners have been unable to get proper relief in the courts. This amendment is designed to give owners the opportunity of presenting their cases, being heard, and getting rid of grossly obnoxious tenants.

I shall read a statement in connection with an actual case in Washington. While it is true that Washington operates under different rent-control regulations than the general O. P. A. set-up throughout the United States, the same case might happen in any city in the country. This statement is dated June 5, 1944, and I shall not, of course, read the names of the people, but if any Members want to verify the circumstances, they are at perfect liberty to have further details privately. The statement reads as follows:

JUNE 5, 1944.

My husband and I live at Washington, D. C. This building is a four-family flat. We have been disturbed on numerous occasions (two or three times a week) by music, loud and obscene talk, and miscellaneous noise emanating from the apartment occupied by a Mrs. ———— and her daughter ————, who live on the first floor of the building. This disturbance occurs in the early morning hours, between 2 and 4 o'clock a. m.

We complained to the owners of the building, who say they wrote a letter to Mrs. ————. The noise continued, so on one occasion (May 27, about 3:30 a. m.) we called the police, who requested that Mrs. ———— turn off her radio and quiet down. After the police left, Mrs. ———— called up the air shaft in a voice loud enough to be heard outside the building, daring me to come down, threatening to kill me if and when I did come down, and calling me numerous obscene names. I notified the owners again, but upon being told that it was very difficult for them, under present O. P. A. regulations, to evict a tenant, I felt it necessary to take it to the district attorney. When the case came before the district attorney, he bound Mrs. ———— over to the peace for a period of 2 months. However, this action on my part was very inconveniencing, causing my husband, my neighbor across the hall, one of the policemen who answered our call, and myself to lose time from work.

Mr. Chairman, that statement is typical of correspondence reaching the desks of many Members. My amendment will correct this situation. Owners will be in position to get rid of obnoxious tenants.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. ROLPH. I yield to the gentleman from California.

Mr. VOORHIS of California. Suppose the gentleman's amendment is adopted. Under those circumstances it would be necessary, as it is now and as it always has been, for any landlord to make proper showing before his local court prior to the time any action might be taken?

Mr. ROLPH. That is right.

Mr. VOORHIS of California. In other words, the effect of the gentleman's amendment would only be to say that such cases could be handled through the local court in the way they have been handled in the past; is that not correct?

Mr. ROLPH. Yes; but the way it has been working out, I am informed, is that the O. P. A. has been making it almost impossible for aggrieved parties to get proper action.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OUTLAND. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California.

Mr. Chairman, just as yesterday when I felt reluctant to rise in opposition to an amendment on rent control introduced by the gentleman from California [Mr. IZAC] so do I feel reluctant today to rise in opposition to this amendment, introduced by another Member of this House from my own State; however, I do so in this case because the amendment in question, it seems to me, is entirely unnecessary.

I should like to cite for the benefit of the Members of the House the grounds upon which an eviction without authority from the area rent director are now available:

(1) Nonpayment of rent; (2) the tenant's refusal to sign a renewal lease on the same terms; (3) unreasonable refusal by the tenant to show the premises to a prospective purchaser or mortgagee; (4) the violation by the tenant of a substantial obligation of his agreement and a failure to cure such violation after notice; (5) and this is especially important in view of what the amendment proposes to know: The commission or permission of a nuisance; (6) using the premises for an immoral or illegal purpose; (7) where the tenant has subleased the dwelling and does not live in it at the expiration of the lease; (8) desire of the landlord to demolish the premises or to alter or remodel it in a manner which cannot be practicably done with the tenant in occupancy and (9) self-occupancy by an owner, except where property is duly acquired and the regulations in section 6 (b) (2) previously discussed are operative.

Mr. Chairman, it seems to me that the proposed amendment which states that where the conduct of the occupant is contrary to law is taken care of under the present eviction provision as follows:

(6) Using the premises for an immoral or illegal purpose.

The second portion of the amendment having to do with damage to or destruction of the premises is taken care of by the following paragraph:

The commission or permission of a nuisance. A tenant who is obnoxious may be evicted either on the ground that he is committing a nuisance or is violating a substantial obligation of tenancy.

The case to which the gentleman called attention is doubtless correct in every respect. I have had complaints too where tenants have badly damaged property and where they should have been put out. The rent-control law is supposed to be equitable both to the tenant and owner. In those cases where the individual has failed to take his case to the local court in sufficient time, it seems to me that the Price Administrator can hardly be blamed.

Mr. ROLPH. Will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from California.

Mr. ROLPH. I compliment the gentleman on his statement, but I would like to ask him the question: If this law is so perfect why have we so many complaints?

Mr. OUTLAND. That, of course, is a question I cannot answer completely. I would say that in many cases the landlords or owners are probably not sure of the grounds upon which eviction can be made. The ones I have cited, for example, should be publicized. The owners of property should know the grounds upon which they can get rid of tenants. When a man destroys property or when a man is making himself a nuisance the grounds are right there and the Rent Control Administrator does not even step into the picture.

Mr. ROLPH. I agree with the gentleman. What we are trying to do is to get fair treatment for the owner and tenant alike.

Mr. OUTLAND. That is right.

Mr. ROLPH. My amendment will help the situation and eliminate a lot of these cases and protect owners against obnoxious tenants.

Mr. OUTLAND. Will the gentleman tell me where his amendment would add anything that is not covered under the present grounds for eviction?

Mr. ROLPH. Yes. The courts decide that. This is an amendment which would clarify the situation and eliminate the practice of attorneys for the O. P. A. constantly appearing and taking the position of these tenants who are obnoxious, thus giving no relief to an aggrieved owner.

Mr. OUTLAND. On these grounds I have mentioned, that is, if a tenant has violated a substantial obligation of his agreement, if the tenant is using the premises in the commission or permission of a nuisance or using the premises for an immoral or an illegal purpose, eviction can be had right now.

Mr. ROLPH. This will just clarify it and smooth out the legality of the whole situation.

Mr. OUTLAND. If I felt the amendment would do that I certainly would not raise a single objection. However, if appears to me that it will do far more harm than good. I ask that the amendment be voted down. When we go back into the House I shall ask unanimous consent to include as part of my remarks an O. P. A. legal interpretation regarding the subject I have been discussing.

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C.

MEMORANDUM

To: All regional rent executives, regional and rent attorneys, area rent directors, and area rent attorneys.

From: George E. Palmer, associate general counsel for rent

Subject: Interpretation 6 (a) (3)-i: Eviction of tenant whose conduct is objectionable to other occupants of the same building.

Questions have arisen concerning the eviction of a tenant who over a period of time has conducted himself in a manner which is objectionable to other persons living in the same building. Where under all the circumstances the tenant's conduct is wholly unreasonable, and interferes substantially with the comfortable enjoyment by other persons of normal sensibilities of premises which they occupy in the same building, it is not the purpose of Section 6 of the rent regulations to protect the possession by the tenant.

Under section 6 (a) (3) (ii) of the rent regulations, the tenant may be evicted, after proper notices have been given pursuant to section 6 (d) of the Housing Regulation or section 6 (c) of the Hotel Regulation, if he is committing or permitting a nuisance. Whether conduct such as that just described constitutes a nuisance is for the local court to decide should the landlord file an eviction action based upon section 6 (a) (3) (ii) of the rent regulation. Section 6 (a) (3) (ii) contemplates that a tenant may be evicted if he is committing or permitting a legal nuisance and the decision of this issue depends upon the law of the jurisdiction concerned.

Under section 6 (a) (3) (i) the tenant also may be evicted if he has violated a substantial obligation of his tenancy; however, in such case, in addition to the notices required by section 6 (d) of the Housing Regulation or section 6 (c) of the Hotel Regulation, eviction is authorized only where the tenant continues or fails to cure the violation after the landlord has given him written notice to cease such violation. Whether there is a particular obligation of the tenancy, express or implied, will depend primarily upon the terms of the rental agreement and local law.

Where a tenant has conducted himself in the manner described above, some courts have given judgment for the landlord in an eviction action based upon section 6 (a) (3) of the regulation. In some instances this has been done on the ground that the tenant was committing a nuisance; in others on the ground that the tenant was violating a substantial obligation of his tenancy. These decisions are consistent with the purposes of the rent regulations.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it has never been conceded that O. P. A. has any jurisdiction whatsoever over ouster proceedings except where there is an affiliation between the ouster and the violation of a maximum rent. What we had in mind in this connection were what are referred to as fake sales, where a proposed tenant and a landlord would conspire to increase the rent by going through the motions of making a fake down payment and entering into a fake contract of sale or second trust, thereby evading the maximum rentals.

In subsection (d) of section 2 of the Emergency Price Control Act we provided as follows:

(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession) in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as the case may be, inconsistent with the purposes of this act.

The regulating of the practice with respect to the recovery of possession is authorized only when, in the judgment of the Administrator, such action is necessary or proper to effectuate the purposes of the act, which, of course, is to stabilize the rents. His authority stops there.

If the gentleman's amendment is adopted, we say "but may not restrict the right of recovery or possession of housing accommodations where the conduct of the occupant is contrary to law, or grossly obnoxious to other occupants,

or damaging to or destructive of the premises."

We recognize by the adoption of this amendment that the O. P. A. has jurisdiction to regulate recovery of possession in all other cases by stating that he shall not restrict the right to recover in these particular cases. We recognize his right to regulate the recovery or possession in all other cases. Instead of being a limitation upon the Administrator, it is such a broadening of his power that I, for one, do not want to go along with it, because I think that inferentially and under the interpretations which courts have always placed upon such language, we broaden the power of the Administrator in respect to the recovery or possession of real estate.

Mr. ROLPH. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from California.

Mr. ROLPH. The gentleman refers to defense housing. As a matter of fact, the O. P. A. controls the rental of all housing in defense areas.

Mr. WOLCOTT. If I said "defense housing," of course, I meant housing in defense rental areas. He has no jurisdiction in law over rentals outside of any area which has been designated as a defense rental area.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROLPH].

The question was taken; and on a division (demanded by Mr. ROLPH) there were—ayes 39, noes 86.

So the amendment was rejected.

Mr. HARTLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARTLEY: Page 12, after line 2, insert the following:

"(k) Nothing in this act shall be construed to require any person to sell any commodity or to offer any accommodations for rent, or to require any person to limit his stock of goods or sales to the highest price line offered for sale at any time, and any rule, regulation, or order inconsistent with the provisions of this subsection shall have no further legal effect."

Mr. HARTLEY. Mr. Chairman, I regret the fact that a thumping headache, which is wracking my body, prevents me from presenting this amendment as effectively as I should like.

This amendment calls for the elimination of the high-price-line regulation now in effect in O. P. A. What is the high-price limitation? It is a restriction to certain lines of goods, prohibiting the sale of such goods above the price ranges carried during some given base period. In retailing, the base period is March 1942. Such limitations now exist in MPR 330 and 3 or 4 other price orders.

This high-price limitation does not restrict the high-price stores from making sales. It does not prohibit any Johnny Come Lately or newcomer from selling at high prices. It does not prohibit a retailer who did not handle these certain goods during the base period from carrying a high-price line. The high-price-line limitation was intended by the theorists in the O. P. A. to keep low-priced goods on the market. However, the practical effect has been just the opposite. Low-price goods have gone off the market. and that is admitted by the Office of Price Administration.

The high-price-line limitation has been inflationary. Let me show you the practical effect. The high-price-line limitation provides that if, for example, a certain merchant sold cotton dresses for no more than $2 during the base period, today he cannot sell any cotton dress for more than $2, but if his competitor, in the same community, and in the same block, during the base period, sold cotton dresses up to $5 and $6, today he may sell a dress for $4.98 that the low-price handler of merchandise cannot, under the high-price limitation, sell for $2.98.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Michigan.

Mr. DONDERO. Would it be the same dress?

Mr. HARTLEY. It would be the same dress. We have made a survey throughout the United States and we can show garment after garment that could be sold for $2.98 and $3.98 that is being sold in the higher-priced stores for $4.98 and $5.98. The practical effect has been to force the women of this Nation to go into the higher-priced stores and pay higher prices for the garments than if the high-price limitation was not in effect.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. I would just like to say that I have given considerable study to this proposition. I think the gentleman's amendment is well taken and should be adopted. As I understand the working of this regulation, if the retailer in the base period had a maximum price of $2.98 for a dress—and today he cannot get the dresses in that price range—then under the regulation he is prohibited from seeking a higher price line of dresses, and hence kept out of the picture altogether.

Mr. HARTLEY. That is absolutely correct. While the Price Administrator is preparing a new regulation which is supposed to correct this high-price line limitation, let me tell the Committee this afternoon that the Administrator and his predecessor have for one year and a half been promising relief from the high-price line limitation, but they have failed to provide any relief whatsoever. I insert here correspondence between W. T. Grant Co. and Administrator Bowles from September 7, 1943, until May 29, 1944, as an example of promise and disappointment:

SEPTEMBER 7, 1943.

Mr. CHESTER BOWLES,
General Manager, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: As you undoubtedly know, on August 9 the Enforcement Division of the O. P. A. obtained an injunction from the district court against the W. T. Grant Co., alleging violation of the price-line provisions of MPR 330. On August 11 I discussed this with Mr. Burke, general counsel of your staff, not particularly the action itself, but the broader questions involved. This I did because it has been our company policy to cooperate with O. P. A. and I felt that all of the factors might not be fully understood by some of the O. P. A. staff. It had not been my intention to seek further discussion, but as we in the Grant Co. have further studied the matter I have become convinced that I would be remiss did I not again call attention to the price-line provisions of MPR 330, which I sincerely believe to be contrary to the best interests of the buying public and actually a handicap in the administration of price control itself.

Expressed in simple terms, it is my understanding that the intended benefit of the price-line limitation provision was to assure to customers price lines which had previously been available. The provision is failing increasingly to do this. The lower price lines are day by day becoming unavailable. If you will refer to the simple table enclosed showing what has happened in the manufacturing field in some of the most important categories, it will be obvious to you that this is true. This information was taken from directories of manufacturers, and while it may not be 100-percent accurate in every case, its general truth is substantiated by the experience of merchandise buyers.

Moreover, instead of helping to make price control effective, the regulation tends to make it necessary for customers to buy at higher prices. Primarily, two groups of companies are affected by it, small merchants and mass distributors of goods. Because I am familiar with the latter I will confine my discussion to them. As a group these are low-cost distributors and consequently they operate on lower than average mark-ups. If they are prevented from competing in price lines higher than they formerly carried, which are in many cases the lowest or among the lowest price lines now available, the public will be denied the privilege of buying these goods at the low prices at which these distributors could afford to sell them.

Specifically, consider a case in the Grant Co. experience. On only one occasion have we been asked by O. P. A. to remove goods from sale. The merchandise was a line of women's coats selling at $16.98. We removed the coats from sale at once, and on the same day we purchased in a department store in the same city an identical coat made by the same manufacturer and carrying the same labels, which was selling at the store's regular price of $19.98. This is not intended as a criticism of the price asked by the department store, as, like other department stores, it offers services such as credit and deliveries which the Grant Co. does not offer. But will that part of the public which, because of limited income or other reasons, wishes to purchase at the lower price be happy if it is prevented by an O. P. A. regulation from doing so? This instance is not an isolated one; it is typical of the actual working of the regulation in preventing customers from buying merchandise from the lowest-cost distributors.

There may be concern within the O. P. A. that if the price-line limitation were eliminated large retail companies selling lower-price merchandise would move completely or very largely into higher-price lines. I can speak very definitely for the W. T. Grant Co., as well as from discussion with members of other companies, and I feel very sure that this would not happen. The entire experience of the management of these companies, the foundation of their success, is so definitely tied to the selling of merchandise in the lower price lines that together they are, I believe, except for O. P. A. itself, by far the greatest force in the country today in keeping prices down.

This letter is longer than I wish it were. Actually, however, I have not covered a great deal which could be included, particularly as to the unfair and arbitrary basis for determining what price lines a company may carry.

This is not an appeal for any special consideration for the W. T. Grant Co. We have prepared our case for litigation, and if in the courts we should not be able to establish our right to sell merchandise in the price lines we now carry, we shall, in our own interest, be obliged to carry our case to the public. In this latter action we will, I am sure, be joined by many other groups and individuals. However, I still hope, as I told Mr. Burke, that a common ground of understanding with O. P. A can be found so that the real purpose of the Emergency Price Control Act, price control itself, may be furthered. Individuals in the Grant Co. have worked with officials of O. P. A. almost from its inception, and we hope that we may be privileged to continue to do so. We feel strongly that further study and consideration of MPR 330 will better serve everyone, particularly the buying public, than can litigation and controversy.

As I previously talked with Mr. Burke, I am sending a copy of this letter to him. Possibly it should have been addressed to him, but since the time is short until September 14, when we must answer the complaint that has been filed against us, I have presumed to send it directly to you.

Very truly yours,

R. H. FOGLER, *President.*

APRIL 28, 1944.

The Honorable CHESTER BOWLES,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: This is not intended to be antagonistic, but I do wonder whether you have any realization of the evasion, unfilled promises, delays, and confusion in connection with the highest price-line limitation order. For that reason I am anxious to recite to you the sequence of our experience since Mr. Seidel, Mr. Rynbrand, and I saw you in your office on January 26.

At that time we were told that prompt action would be taken. Even before going into your office Mr. Field advised that it would be unnecessary to see you as the matter was being given prompt attention. After talking with you we spent several hours in discussion with Messrs. Gitchell and Creighton and were advised that the matter would be definitely decided during the week of February 17.

On February 5, Revised Supplementary Order 13 was issued by O. P. A., and seeking a clarification of this order Mr. Seidel wrote on February 15 to Mr. Gitchell asking for an interpretation of the order as it affected our company. No answer to this letter has as yet been given; in fact, an answer has been revised even though at a hearing before a subcommittee of the Select Committee to Investigate Executive Agencies (the Smith committee) Mr. Gitchell advised that we would receive a reply to the letter in less than 10 days.

Mr. Seidel was invited to spend February 21 and 22 in consultation with members of the staff of O. P. A. on matters of price control. Approximately a half day of this time was spent in discussing price-line limitation with eight members of Mr. Gitchell's staff, and during the discussion he was advised that it would take a few more days before any answer could be given.

On February 29 at the annual meeting of the American Retail Federation you announced that you had appointed a committee of five O. P. A. executives to meet with retailers and consider the problem of highest price-line limitation and that this committee would settle the matter once and for all.

On March 10 Mr. Gitchell in a hearing before the subcommittee of the Smith committee advised that the special committee which you had appointed would meet on March 16 and that final decision would certainly be made by April 1.

On April 1 Mr. Gitchell advised that decision could be expected by April 5.

On April 5 Mr. Gitchell advised that decision would be made without fail during that week.

After a number of subsequent calls, on April 18 Mr. Gitchell stated that the decision would be published on April 19.

In a press release of April 26 you have now advised that changes in the regulations are to be made and have stated that the Consumers' Division of O. P. A. is to prepare within 30 days the orders to implement the changes.

The only claim that any person of O. P. A. has ever made in any of our discussions in justification of the price-line limitation was that it helped to prevent price increases in the lines covered and that it helped to maintain low-priced merchandise in the market. Never has any factual information been given to substantiate these claims. On the other hand, information has been presented showing definitely that the prices of the lines covered by the price-line limitation have increased more than the prices of merchandise not covered, and further that many of the lower-price lines of covered merchandise have completely disappeared from the market.

I recognize the difficulties of your position and the great number of problems that are involved in price control, but I believe that when you review the above, keeping in mind the passage of time from January 26 to April 26, and the fact that we are now faced with up to 30 more days of uncertainty, you will feel as I do that only one of two conclusions is possible: There is either very bad administration or a complete lack of sincerity.

Very truly yours,

R. H. FOGLER, *President.*

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., May 10, 1944.

In reply refer to 253.

W. T. GRANT CO.,
New York, N. Y.
(Attention Mr. R. A. Seidel, comptroller.)

GENTLEMEN: We have received your letter of February 15 addressed to Mr. Byres H. Gitchell, which requests permission for you to establish uniform price-line limitations for all of your stores. The permission is requested under Revised Supplementary Order No. 13, section 1305.17. You state that your attorneys interpret section 1305.17 to mean that this Office will issue such an order upon the proper showing.

I regret to inform you that your request must be denied. You will note that paragraph (d) of that section requires that although recipients of orders under this supplementary order may establish uniform item-by-item maximum prices for all of the stores, yet they must, under Maximum Price Regulation No. 330, prepare and keep highest price-line records for each individual outlet. From this it is clear that under this supplementary order permission cannot be given to revise highest price-line limitations for individual outlets. I am sure you will agree that it would be highly discriminatory, as far as individual stores which are not part of a chain are concerned, if highest price-line limitations for chain stores were to be revised under the guise of central pricing. As you are aware, the highest price-line limitation, as such, is being carefully studied in this office at this time. The general statements which you make in your letter with regard to its operations and to its effect on the cost of living are being considered in that connection.

If, regardless of the fact that an order of authorization for uniform pricing will not allow you to use the highest price lines in all your stores which may have been established by any store, you wish to renew your application for such an order, we shall be happy to discuss the matter with you.

Sincerely,

CHESTER BOWLES,
Administrator.

MAY 12, 1944.

Refer to 253.

Mr. CHESTER BOWLES,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: This will acknowledge and thank you for your letter of May 10 which replies to our letter of February 15, addressed to Mr. Byres H. Gitchell.

We regret that you have seen fit to deny this request because we feel that granting it would have been clearly in the best interests of price control. On the other hand, we certainly would not want you to take any action that was discriminatory in favor of the chain stores. Our application was prepared strictly in accordance with the language contained in Revised Supplementary Order 13 which makes no mention of highest price line limitation as a condition precedent to approval of a merchant's "practical method of determining prices centrally without increasing the general level of prices * * * as an aid to price control." Certainly there is no question but what permitting us to sell goods to the consuming public at lower prices than are now legally permitted to be charged by competitors would be an aid to price control and in the interests of the consuming public.

We respectfully take exception to the following portion of your letter: "yet they must, under Maximum Price Regulation No. 330, prepare and keep highest price line records for each individual outlet."

Maximum Price Regulation 330 contains no such requirement. The regulation clearly defines a seller and we, of course, contend that we as a company are one seller. We do not have records of sales of units of merchandise by individual stores, nor do we know of any legal requirement that we maintain such records.

It has been possible for us to maintain uniform prices in all of our stores without a central pricing order and if the issuance of such an order would require restrictions upon our operation not contained in existing regulations, it would seem desirable not to make such application.

You no doubt are well aware of the fact that as yet we have received no relief from the highly discriminatory and inequitable effects of the highest price line limitation, although we have received almost continuous promises of relief for more than a year and a half.

Sincerely yours,

W. T. GRANT CO.,
R. A. SEIDEL, *Comptroller.*

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., May 23, 1944.

Mr. R H. FOGLER,
President, W. T. Grant Co., New York, N. Y.

DEAR MR. FOGLER: I am very much disturbed by your letter of April 28. I am sorry that it has taken me so long to reply. As you know, I have for more than 3 weeks been so involved in the hearings before the Senate and House Banking and Currency Committees that it has been extremely difficult for me to keep up with my correspondence and with the routine problems of the office.

First of all, let me say that the chronology of events recited in your letter in connection with the proposed modifications of the highest price-line limitation order is absolutely correct. There is no dodging the fact that we have taken a long time to develop a definite answer to a problem of great concern to low-priced clothing retailers. I do not believe, however, that it can be said of my staff that they are guilty of either very bad administration or a complete lack of sincerity.

Mr. Brownlee and Mr. Gitchell, in whose good faith and judgment I have entire confidence, are businessmen of long experience showing a high order of administrative ability. They have been faced with an extremely complex issue to which there is no simple answer. On the one hand, we must protect consumers against the practice of unrestricted shifting from lower-priced to higher-priced merchandise. On the other hand, we must avoid injustice to retail outlets which have traditionally specialized in lower-priced clothing lines and which are now unable to secure this merchandise in the same volume or with the same ease that they did in pre-war years.

We have hoped that the joint efforts of the O. P. A. and the W. P. B. would restore the production of low-priced apparel sufficiently to make both the reasons for and the reasons against the highest price-line limitation order somewhat less compelling than they have seemed to both the proponents and the opponents of revision of the order.

Thus far, our efforts to restore this production have not met with conspicuous success. Consequently, the O. P. A. committee which I established, under the chairmanship of Mr. Brownlee, recommended to me the compromise modification of MPR 330, with which you are familiar.

The application of this principle has required the accumulation of data before it could be put into practice. We have had conferences with retail trade representatives who have assisted us in developing the necessary data. I assure you that the revision of the order will be in effect within the prescribed 30-day period, that is, by May 27.

Sincerely,

CHESTER BOWLES.

MAY 29, 1944.

The Honorable CHESTER BOWLES,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: I appreciate very much your letter of May 23 with its assurance that the revision of MPR 330 will be made on schedule and with the information which it contains in regard to your problems.

While the delays that have occurred must, I think, inevitably reflect on the administration of the agency, it was not my intent in my letter to question the good faith of any individual. I have known of Mr. Gitchell for a relatively long time and have had frequent contacts with him since he joined the staff of O. P. A. I have never doubted his good faith or integrity. I do not know Mr. Brownlee, but I have never heard anything which would lead me to doubt him in either respect.

But obviously they and you have a different concept from mine of what action is to be taken when failure occurs. Instead of continuing a failure I believe that MPR 330 should have been eliminated long ago.

You state that no adequate substitute for the regulation has been suggested. Certainly it has been suggested over and over again that price control would be better served by removing the restrictions on the free competition of companies which regularly sell ready-to-wear at less than the customary margins. With or without a substitute, why continue a failure when the investigation made by the National Industrial Conference Board shows conclusively that the prices of merchandise which has not been under price-line limitation have been better controlled than those which have been under price-line limitation.

You have said that you were disturbed by my letter. One part of your letter has disturbed me. You state that we must protect consumers from unrestricted shifting from lower-priced to higher-priced merchandise. The inference in this, as I interpret it, is that the companies which distribute low and medium price ready-to-wear wish to discontinue these lines. In making such an inference I believe you overlook the fact that the real reason for the reduced quantity of low-price ready-to-wear lines is the disappearance of the fabrics from which they can be made and the tremendous increase in the cost of production. I know it is true of the Grant Co., and I am confident that it is true of the other large distributors of low-priced ready-to-wear, that we are not only willing but anxious to buy every garment which is serviceable and in demand that can be produced in lower price ranges.

I have continuously been disturbed by the inequity of a regulation that permits the chance circumstance of the lines carried at some base period, or the chance circumstance of having been already established in business or of being new, to determine whether specific price lines may be sold.

I have also been disturbed that any regulation can exist under the guise of price control which compels a company like ours to fight for the right to sell merchandise at lower prices than it is customarily sold by a great many other retail stores.

I am, of course, anticipating that the forthcoming modification will ease the handicaps under which we have been operating, and this improvement will be very much appreciated.

Up to this point this letter was dictated on Saturday, May 27, at which time I anticipated the release of the revision on that day. Since no information in regard to it had been received by this morning, I telephoned to you to make inquiry. In your absence my call was answered by your assistant, Mr. Bruce, who tells me that it is hoped that a press announcement may be made before the day is over, but that the actual regulation cannot be out before 4 or 5 days, and that there may be additional delay, due to the fact that both Mr. Gitchell and Mr. Brownlee are away from Washington. Again I cannot help but think of delay and evasion.

Sincerely yours,

R. H. FOGLER, *President.*

In spite of all these promises no relief has been provided up to this point.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. HARTLEY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from New York.

Mr. CELLER. Will the gentleman explain to the Members how this present situation works against men who have been in the business and works to the advantage of a newcomer in the business or a newcomer handling a new line of dresses?

Mr. HARTLEY. The old established retailer is held down by this high-price line limitation while the newcomer in the field is permitted to charge whatever price he wants, of course within the price ceilings.

Mr. CELLER. Take a certain type of dress and explain it on that basis.

Mr. HARTLEY. Take a cotton dress. The low-price merchant who previously sold cotton dresses for no more than $2 per dress cannot sell them for more than $2 today, but a newcomer in the business can sell that same dress for $3.98 or $4.98.

Mr. CELLER. Then the old-line establishment is at a disadvantage?

Mr. HARTLEY. It is at a disadvantage. It cannot even sell that dress.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Is it not also true that another business that has been selling that same dress for $3 can keep selling that dress for $3?

Mr. HARTLEY. It can. That is absolutely correct.

Mr. SUMNERS of Texas. But the little fellow who has been selling the cheap dress cannot do that?

Mr. HARTLEY. That is absolutely correct. Further, this amendment of mine in no way changes the price ceilings. The O. P. A. price ceilings on these dresses are still in effect. Also, the high price-line limitation is not a ceiling on prices, it is a prohibition against sales.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Tennessee.

Mr. JENNINGS. Let me verify every word the gentleman has just stated here in support of his amendment. These same conditions exist all over my district. Every little dealer who has been put out of business has protested. In addition, this obnoxious and unjust regulation, or whatever you call it, is not in the law, it is simply one of the brain children of those who are performing mayhem on this act.

Mr. HARTLEY. I agree with the gentleman's remarks. If you do not adopt this amendment, the high price-line limitation may easily be added to hardware and everything else under the sun.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Is it not true that the gentleman's amendment does not interfere with price control, because it leaves intact the part of regulation 330, which keeps the mark-ups frozen?

Mr. HARTLEY. Exactly.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from New York.

Mr. REED of New York. We have a situation where millions of yards of certain cotton cloth have been shipped abroad and not been used, and third parties under the law can bring them back into this country and sell them. If this condition prevails, the people entering the business of buying those goods and selling them in this country will have an advantage and drive every other cotton-goods dealer out of the market.

Mr. HARTLEY. The gentleman's statement is absolutely correct.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Texas.

Mr. LANHAM. In the case of the cotton dress, is it not true that the business concern, which has a limitation we will say of $2 upon it, cannot today buy at

that price the identical dresses which the newcomers can sell for $5 or a little less?

Mr. HARTLEY. The gentleman is absolutely correct in that statement. Efforts are being made—and I will say this to the credit of the departments—to get some of the low-priced goods into circulation. But this amendment will in no way adversely affect those efforts.

Mr. CASE. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from South Dakota.

Mr. CASE. As many other Members have said, this particular problem is one that the people in my district have been writing me about the most in connection with retail selling. Further, in support of the gentleman's argument, may I say that it will not do any good to say that we will provide some sort of an appeals court to handle little problems like this. What the people want and what the merchants want is relief from these restrictions. They do not want to know that they can go through a lot of red tape and find some appeals court at some distance and work up an appeal there; they want the regulations themselves corrected.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Michigan.

Mr. DONDERO. I have received 60 telegrams this morning in favor of the gentleman's amendment. My people are not willing to leave it to the discretion of the Administrator. They want it written into the law to be sure that they can proceed in an orderly way.

Mr. HARTLEY. Personally, I have a great deal of confidence in the present Administrator of the O. P. A., but we do not know how long Mr. Chester Bowles is going to be there. As a matter of fact, there is a statement in this morning's paper that he is being considered for another executive position.

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. ROBSION of Kentucky. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Did I correctly understand the gentleman to say that this would not increase the price of these commodities to the consumer?

Mr. HARTLEY. I made that statement, and I will go a step further and say that it would result in a reduction in price, because it would place the low-price merchant in competition with the high-price merchant on the same kind of goods and cause the latter to reduce his prices to meet the competition.

Mr. ROBSION of Kentucky. If I understand the gentleman correctly, the present regulation puts out of business those who are selling the low-price goods and gives encouragement to those who are selling the high-price goods.

Mr. HARTLEY. Exactly. This may sound ridiculous, but one of the effects of this high-price line limitation has been that even taverns and gas stations are selling clothes today.

Mr. ROBSION of Kentucky. It is due to this regulation, and that will continue unless we adopt this amendment?

Mr. HARTLEY. Exactly.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Iowa.

Mr. JENSEN. How will the gentleman's amendment, which I am heartily in favor of, affect the manufacturer who has been selling lower than other manufacturers a comparable quality goods? What will it do to him who has been trying to get a price raise but cannot get it because of the restrictions?

Mr. HARTLEY. I do not know that it is particularly going to affect that fellow. The practical effect of the high-price limitation as far as the manufacturer is concerned has been to drive him out of the business of making low-price goods and into the making of higher-priced goods.

Mr. JENSEN. Does the gentleman believe this will work to the benefit of the low-priced manufacturer?

Mr. HARTLEY. Frankly I must admit that I do not believe it will have any effect there at all. The only way you will help the low-priced manufacturer, in my opinion, is by the allocation of goods that can be made into these very low-priced garments, and, let me tell you, these low-priced people will be the ones to handle it.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from New York.

Mr. CELLER. Suppose a store has been selling a line of cotton dresses at $4.98 a dress. Does the present situation preclude that merchant from selling that same line of dresses for a lower price?

Mr. HARTLEY. Does the gentleman mean that he sold the $4.98 dress during the base period?

Mr. CELLER. Yes.

Mr. HARTLEY. I doubt that any person who was selling a $4.98 dress during the base period can now find the same dress and sell it for $4.98. He may sell a cheaper dress for less than $4.98; yes.

Mr. CELLER. Can he get a new line of cotton dresses and sell them at a lower price, that is, below $4.98?

Mr. HARTLEY. Yes; he can.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield to the gentleman from Missouri.

Mr. COCHRAN. Did the gentleman appear before the committee and present his amendment?

Mr. HARTLEY. The amendment was presented to the committee by the gentleman from Virginia [Mr. SMITH]. Unfortunately, I could not attend the afternoon that was granted to the so-called Smith committee. Had they given a little more time to this, definitely this amendment would have been presented by me.

Mr. COCHRAN. The gentleman presents an argument, it seems to me, which is unanswerable. At the same time the gentleman does not know why the committee did not accept the amendment; does he?

Mr. HARTLEY. I do not.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield.

Mr. PHILLIPS. Should not the gentleman from New Jersey answer the gentleman from New York [Mr. CELLER], to the effect that it is impossible to obtain the line or the garment now at the price he is talking about?

Mr. HARTLEY. That is true.

Mr. PHILLIPS. I do not believe that was made clear.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. HARTLEY. I yield.

Mr. DISNEY. May I call attention to this situation in my district? A man had a low-cost line of shoes. His competitor had a higher-cost line of shoes. The man with the low-cost line of shoes purchased the stock of the higher-cost type of shoes and the O. P. A. notified him he could not sell those shoes which he had bought. Is that in line with the situation that your amendment seeks to correct?

Mr. HARTLEY. That is exactly in line. I want to give that man a chance to sell those shoes.

Mr. DISNEY. He has these shoes on hand. He will obey the O. P. A. price regulations, but they refused to let him sell them.

Mr. HARTLEY. This amendment will permit him to sell the shoes at the prices set by the O. P. A.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, like some of the other gentlemen, I have received a barrage of telegrams about this amendment. I checked quite a number of them against the city directory and found they came from employees of a certain company in my district. So I am not being unduly influenced by these telegrams. Some were received from other sources. However, a very fine gentleman who lives in my district and who operates a store in the city of Atlanta, came to Washington and talked to me about this matter. Another store executive talked to me by phone. Unless the committee can put up some argument to show me that they are wrong, I am going to vote for the amendment offered by the gentleman from New Jersey [Mr. HARTLEY]. I would like some member of the committee to tell us why, as I understand the situation, such a condition as the following exists: If store A in the city of Atlanta has been selling cotton dresses for $4.95, and that was the highest price dress they sold prior to price control, and they can no longer get a dress at that price, but can get one to sell for $7.95; they are not permitted to do so and they are out of business. They are not permitted to sell any dress, that is any cotton dress, at higher than $4.95, according to the statement made by my constituent. If

that is true, I wish some member of the committee would explain that.

Mr. CELLER. Mr. Chairman, will the gentleman yield at that point?

Mr. RAMSPECK. I would rather yield to some member of the committee to tell me whether or not this story is correct. Is there any member of the committee who can give me any good reason why that story is not true? I would like to hear from him.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to my friend, the distinguished gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. This highest price line regulation is a regulation written into the O. P. A. in an effort to continue as much as possible against the greatest kind of competitive odds the supply of low-end merchandise by trying to keep the normal customary, retail pressure that has always produced a supply of these low-end merchandise items in the market. Now the act says that no manufacturer and no distributor can be compelled to manufacture anything he does not want to do. Today the normal supply and pressure that was on the manufacturer to produce this low-end merchandise has disappeared because of inflationary tendencies and an abundance of spending money. So in an effort to try and continue for your retailer and for my country stores this low-end merchandise in the market, the O. P. A. has resorted to this highest price line limitation, establishing a historic pressure that was set by competition on the manufacturer to continue making low-end merchandise. If you do not have this, you have nothing in the law to keep your retailers, who today are wiring me and other Members, that they want this, the only thing that is helping them keep any low-priced merchandise in the market, in the market.

Mr. RAMSPECK. Let me ask the gentleman a question right there. Is it not true, however, that while company A can no longer get dresses to sell, we will say at $4.95, that a new company can open up across the street—we will call the company, company B—and that under the O. P. A. regulations they can take a dress at $6.95 or $7.95 and go into business and this other man, company A, is out of business because he can no longer get any dresses at his highest price.

Mr. MONRONEY. That is exactly stated. That is the difficult situation that the O. P. A. and the ready-to-wear industry is trying to work out. They have repeatedly called on the ready-to-wear industry to help them devise any plan that would continue to keep low-end merchandise in the market. Let me tell about what the O. P. A. is doing. Recognizing exactly what the gentleman says, it is a difficulty and a hardship on dealer A, the O. P. A. has set to work to correct it, first by making these specific hardship adjustments because the mass market will still then keep the pressure on the manufacturer to continue making low-end goods. So, if dealer A sells for the first 5 months of this year below the first 5 months of 1942, the dealer A is relieved of that higher-priced line limitation and allowed to go up to a point where his sales will be perfectly normal in that specific line. Without some limitation I do not see how you are going to have low-priced dresses, and men's underwear, work shirts, and things of that kind.

Now, the gentleman from New Jersey has said we will do it by allocation. The answer to that is that if Congress wants to take every normal competitive influence from the market, and have Government stylists telling Nellie Don how to style their dresses and telling how much each piece of cloth shall weigh and have all your low-end merchandise made according to Government standards on W. P. B. allocations of materials, then pass this amendment and you will force that into practice because the people of this country still must have access to low-end merchandise which they are accustomed to buying; because without any limitation on keeping normal, competitive conditions supplying the low-end goods, it is absolutely a fact and no one can deny it, the manufacturers of the ready-to-wear clothing will overfinish and upgrade and improve the dress material and the finished dresses, so that they can sell dresses not at $2.98, $3.98, or $5.98, but so that they sell them for $8, $9, and $10.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MONRONEY. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia have 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RAMSPECK. Let me say to my friend, the gentleman from Oklahoma, that I do not think there is any finer Member of the House than the gentleman from Oklahoma [Mr. MONRONEY]. I have the highest regard for his sincerity and the earnestness with which he attempts to deal with these perplexing problems. I am not disposed to vote for amendments to this act. But the gentleman, who came to see me, told me, and he is a reputable merchant in my district, that the regulation, although designed to do as the gentleman from Oklahoma says, to keep the lower-priced dresses and other articles on the market, has not had that effect. Is that true or not?

Mr. MONRONEY. May I say to the gentleman from Georgia that is almost definite proof of the difficulty of the situation.

Mr. RAMSPECK. I understand that.

Mr. MONRONEY. Without pressure on it at all, the whole thing would disappear. Too much has already disappeared.

Mr. RAMSPECK. I agree with the gentleman. In what way does this high-line price regulation solve the problem which, I think we both agree, is to keep the lower-priced cotton dresses and other things of that sort on the market so that the working people of this country will not be required to pay more money for articles that they were paying less money for when we passed this act?

Mr. MONRONEY. The best example of that is, if the large buyers of low-priced dresses are relieved from a $2.98 and a $3.98 price line on a certain style of house dress, we will say, or are relieved completely from the highest priced line, there will be no pressure directly or indirectly on the manufacturing market to continue that. It is a difficult proposition. Price control is not easy. You do not accidentally blunder into preventing inflation. You have to work that problem out. They have been working for months with the dry-goods and ready-to-wear industry, trying to get their cooperation on any proposition that would reasonably help, within the limitations of law, to keep this low merchandise within the market without going to complete regimentation of that entire field.

Mr. RAMSPECK. Did the O. P. A. present any evidence to your committee to indicate that this particular regulation had met the problem and was keeping on the market the lower-priced merchandise, which my merchant tells me has disappeared and that he cannot buy any longer from the manufacturer?

Mr. MONRONEY. What merchandise there is in the market in the lower-priced lines is being kept there by this higher-priced lines limitation. It would all disappear if you pass this amendment, because it takes away any governmental influence or any commercial influence in keeping these low-priced goods in the market.

Mr. CELLER. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. CELLER. Then how will these retailers have their situation remedied? They cannot buy the lower-priced goods, A newcomer comes into the market, and They cannot buy the lower-priced goods. he can buy the higher-priced lines. The old-timer cannot sell the higher-priced lines, so he has to go out of business. How long must we wait for the O. P. A. to remedy the situation by regulation?

Mr. MONRONEY. I was just saying to the gentleman that they have been trying for over 6 months to prepare a regulation that the industry would agree to. The O. P. A. is trying to work with the industry, but it is mighty difficult sometimes when the other party desires to make the higher-priced goods.

Mr. CELLER. Does the gentleman know the regulation they are working on?

Mr. MONRONEY. Yes.

Mr. CELLER. Will the gentleman state the regulation?

Mr. WRIGHT. Will the gentleman yield to me?

Mr. RAMSPECK. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I would like to ask the gentleman from Oklahoma [Mr. MONRONEY] if the result that he wants and that the gentleman from Georgia [Mr. RAMSPECK] wants could not be accomplished by a dollar-and-cent ceiling, as was suggested by the gentleman from New Jersey [Mr. HARTLEY].

Mr. MONRONEY. I doubt very much if the industry wants a dollar-and-cent ceiling, on Government specifications, on all of the low-end merchandise. As a small retailer I would hate the Government styling Nelly Don dresses and giving specifications, because this merchandise he is talking about is going to come

from the War Production Board on a direct allocation.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. RAMSPECK] has again expired.

Mr. HALLECK. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman from Indiana is recognized for 5 minutes.

Mr. HALLECK. Mr. Chairman, I had not expected to burden the committee with my observations on this amendment. And I will not do so at any length. However, I would like to say something about the suggestion of the gentleman from Oklahoma [Mr. MONRONEY].

Of course, we all share the regard expressed by the gentleman from Georgia [Mr. RAMSPECK] for him, but in this instance it strikes me that his argument is straining at a gnat and swallowing the camel. I am glad to have advanced here some alleged reason why the O. P. A. has had this so-called price line limitation. It has been quite a mystery to me and still is. As it boils down it seems to be just about this: As they put it, certain low priced lines of goods are going out of the market. That is making it bad enough for the retailer or distributor who is dealing in that line of goods. But now to add to the troubles of that retailer or distributor, the O. P. A. comes along with this price line limitation regulation and says he cannot stock and sell a better and higher priced line. To my mind, that further prejudices and damages the retailer or distributor in that classification. It just completes his crucifixion. I do not believe it should be permitted to stand. As a matter of compulsion to bring about the production of low-priced lines I do not think it will avail anything.

What sound reason can be advanced for saying to a retailer who in the base period has charged $2.98 as the top price for a dress, and who in this day finds that he cannot locate dresses to be resold by him in that price range, but can find $3.98 dresses, that under this regulation he cannot stock the $3.98 dress in order to meet the competition of the man across the street who started in business since the base period or who, fortunately, in the base period happened to have a few dresses in his stock that he was selling in the $3.98 classification. I am convinced it will not bring about the objective that the gentleman from Oklahoma talks about, but on the contrary will not contribute in that direction. Further than that, it will bring about the annihilation and destruction of hundreds, if not thousands or more of legitimate business people in this country who should not be put out of business by any such rule or regulation as this.

I deplore the fact that it is necessary for the United States Congress in this manner to undertake to correct such an unfair regulation but if it is the only way we have at hand, then, as far as I am concerned, I am going along with the amendment to correct what I think is an injustice. The amendment is a proper exercise of legislative authority and responsibility.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Miss SUMNER of Illinois. The contention that this high-price line limitation is necessary in order to obtain adequate amount of goods in low-priced lines falls down, due to the fact that 70 percent of the production of cotton goods is already allocated by the War Production Board. Sixteen percent more is allocated with respect to yarns. So that there is only 14 percent of the total amount of cotton goods free today. The Government is already saying, in effect, what lines shall be manufactured.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. HALLECK. I yield.

Mr. VORYS of Ohio. We are all interested in protecting the consumer, but if there are not any $2 shirts on the market I cannot see how it helps the consumer to make him go to a gas station or cigar store and pay $4 for a shirt instead of going to a store where he used to buy his goods. This regulation hurts the store. It does not help the consumer, but forces him to shop around to find a shirt.

Mr. HALLECK. Of course, what the gentleman says is absolutely correct. I would like to add this before I finish: I supported the Price Control Act when it was put on the books, and I stand by price control today. I am not supporting amendments which in my mind would destroy price control and would destroy our efforts to bring about price stabilization. But here is an amendment that I do not think anyone can say will be destructive in any degree of the fundamental objectives of price control and the Price Control Act. If that is true, then why not adopt this amendment and correct the injustice that has been brought about by the regulation.

Mr. ROWE. Will the gentleman yield?

Mr. HALLECK. I yield.

Mr. ROWE. The passage of this amendment means nothing more than putting the regular merchant in competition with people who are doing identically the same thing?

Mr. HALLECK. It gives him a chance to sell goods that are available, at ceiling prices.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SPENCE. I wonder if we cannot agree on time for debate on this amendment.

Mr. HOFFMAN. Will the gentleman yield?

Mr. SPENCE. I yield.

Mr. HOFFMAN. I have waited for 3 days to get 5 minutes on this question. I would like to have it arranged some way so that I could get that 5 minutes.

Mr. SPENCE. Mr. Chairman, may I inquire how many amendments are on the desk?

The CHAIRMAN. The Clerk informs the Chair that there are 26 other amendments on the desk to section 2 of the bill.

Mr. SPENCE. Mr. Chairman, I move that all debate on this particular amendment close in 30 minutes.

The question was taken; and on a division (demanded by Mr. HARRIS of Virginia) there were—ayes 147, noes 4.

So the motion was agreed to.

The CHAIRMAN. Permit the Chair to read the following list of those who were on their feet seeking recognition on the pending amendment. If there are any who are not seeking recognition will they please so indicate; and if there are others who desire recognition on the pending amendment will they so indicate? The Chair reads the following list: The gentlewoman from Illinois [Miss SUMNER], and Messrs. COLE of New York, JONKMAN, CRAWFORD, HOFFMAN, SUMNERS of Texas, MCCORMACK, BARRY, VOORHIS of California, RUSSELL, ALLEN of Louisiana, MONRONEY, VURSELL, and CELLER.

Mr. McCORMACK. Mr. Chairman, I was not seeking recognition.

Mr. HARRIS of Virginia. I desire to be recognized, Mr. Chairman.

Mr. HAYS. I desire recognition, Mr. Chairman.

Mr. AUGUST H. ANDRESEN. I wish to be recognized, Mr. Chairman.

Mr. WEICHEL of Ohio. Mr. Chairman, I desire to be recognized.

The CHAIRMAN. The Chair has noted these additional names. The Chair now has 19 names on the list. This will mean a minute and a half apiece.

Mr. GRANT of Indiana. Mr. Chairman, I hope this amendment will be adopted, and to erase many inequities that now stem from the application of the no-higher-price-line regulation it should be adopted.

The application of this limitation works to the distinct disadvantage of the merchant who stocked only the lower priced goods in the base period. Today goods in those lower-priced lines cannot often be found. As a result, the merchant is out of business, while his competitor, who previously handled a higher-priced line now takes over his customers, or perhaps the customers will go to a newcomer into the business who has no old-base period to be bound by. It is definitely unfair and in no way helps curb the inflation spiral.

Let us write this amendment into the O. P. A. Act and give all our merchants an equal and a fair opportunity.

The CHAIRMAN. The gentleman from Wisconsin [Mr. KEEFE] is recognized for a minute and a half.

Mr. KEEFE. Mr. Chairman, I prepared some statements on this particular amendment. I do not believe that any statement I may make now, or any other Member may make in the Committee of the Whole would change the action the Committee intends to take. I believe everyone is prepared to vote and I wish the vote were coming right now.

I have listened attentively for 2 days to the debates on H. R. 4941, a bill proposing to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942. The gentleman from Texas [Mr. PATMAN] has made innumerable speeches on the floor of the House and over the radio for months extolling the virtues of O. P. A., and attempts to create in the minds of the American people the feeling that there is a determined effort being made in the Congress to either abolish price control and ration-

ing, or to emasculate the law so as to make it inoperative and ineffective. May I say at the outset that I have never heard any Member of Congress seriously utter such a proposal. The complaints which have been registered against O. P. A. and the Stabilization Act relate entirely to claimed abuses of administration. Every right-thinking American realizes full well the necessity for continuing price control, rationing, and stabilization procedure. As true representatives of the people, however, whose interests are vitally affected by these laws, we would indeed be derelict in our responsibility as legislators if we did not attempt to cure some of the manifest abuses of administration that are the source of practically all the complaints against these laws. May I state that I fully believe that under the leadership of the present Administrator, considerable progress has been made in that direction. It does appear quite clear, however, that the Congress in the exercise of its plain legislative responsibility can remove some of the difficulties complained of without destroying the effectiveness of price control and without emasculating the fundamental purpose for which this legislation was enacted. Time will not permit a discussion of all the proposed amendments.

The committee, in proposing an amendment to section 2 (h) of the Emergency Price Control Act of 1942, striking out the words "except to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this act" and the insertion of the words "or changes in established rental practices" after the words "established in any industry," has taken a wise step, in my humble judgment, to insure fair, reasonable, and equitable administration of the law. I believe it can safely be said that it was the intent of the Congress in enacting the Emergency Price Control Act of 1942 to limit the power of the Administrator so as not to compel changes in business practices, cost practices, or methods or means or aids to distribution established in any industry. The Administrator has apparently interpreted the words proposed to be stricken—namely, "except to prevent circumvention or evasion of any regulation of the price schedule or requirement under this act"—as a broad grant of administrative discretion which has enabled him to set aside established business practices and methods of accounting on the theory that such established practices were being used to circumvent or evade regulations, orders, or price schedules. As a result, it has been demonstrated again and again that rules and regulations have been issued by O. P. A. completely setting aside and completely ignoring established business practices, and so forth. I believe that the action of the committee in clarifying this section is a real service to the people of America.

I would like to discuss the so-called Hartley amendment. This amendment reads as follows:

> Nothing in this act shall be construed to require any person to sell any commodity or to require any person to limit his stock of goods or sales to the highest price line offered for sale at any one time, and any rule, regulation, or order inconsistent with the provisions of this subsection shall have no further legal effect.

This proposed amendment relates to what is known as the "highest price-line limitation." This limitation is a restriction applied to certain lines of merchandise which prohibits the sale of such goods above price ranges carried during some given base period. In the retailing business the base period is established as March 1942. What actually happens under it may be illustrated as follows:

A merchant conducting a general store in the country has for many years carried in stock a line of low-priced work shirts, overalls, work gloves, and so forth. Such a merchant usually carried but one class of merchandise. Due to conditions which I do not have time to go into, this type of merchandise has practically gone off the market. The merchant, anxious to keep up his stock, seeks to buy some higher-priced goods that are available. Under the provisions of the so-called "highest-price line limitation," he must sell such higher-priced merchandise at the same price for which he sold the cheaper quality merchandise during the base period of March 1942. Obviously the merchant would go bankrupt selling merchandise for less than his cost. The obvious purpose of this regulation was to hold down prices. In actual operation, however, this is what has taken place:

The established merchant who has been in business for years is put out of business. The man next door who conducted a filling station, a tavern, or a hardware store could install a stock of the higher-priced merchandise and service the community. He could sell this merchandise at the higher cost plus mark-up. If there happened to be a store which carried complete lines of merchandise in various price groups, they would have no difficulty in continuing in business even though the lowest-price line is off the market. The operation of this order has resulted in putting the small merchant out of business and either concentrating business in the higher-priced merchandise in the hands of the larger stores or causing people who have never been in the business to install stocks of higher-priced merchandise in places of business that had never theretofore engaged in such an enterprise. In my humble judgment, this limitation does not restrict the sale of higher-priced goods in retail stores in which there were high-priced lines in the base period, and thus the limitation has little or nothing to do with price control and the prevention of inflation. This limitation does not prevent a retail shop established since the limitation order went into effect from installing stocks of higher-priced merchandise and selling it at higher prices. The limitation order does not prevent any retailer who in the base period did not handle cheap merchandise from selling goods at any price line current in his community. The one person who is affected and whose business is jeopardized is the retailer who carried low-priced goods and sold them in the base period. This limitation clearly discriminates against such retailers in favor of those who sold higher-priced merchandise and in favor of inexperienced retailers who are entering business for the first time. It frequently happens that the retailer who is most violently affected and whose business is threatened is the one whose operating costs were at a very low level which permitted him to sell low-priced merchandise during the base period.

You may ask, "Why cannot these merchants continue as in the past and sell low-priced goods?" The answer is clear: Such goods are not obtainable. The manufacturers are not making them. The consumers are forced to buy higher-priced goods, and under this limitation must buy them from the stores that were selling the higher-priced lines during the base period. It is difficult for me to understand the theory which lies behind this limitation order of the O. P. A. I cannot view the limitation as anything but inflationary, because it has forced low-priced goods off the market and compels the consumer to buy in the higher-priced fields and usually from stores where the cost of business is much greater than in the small stores in small local communities that have operated with low overhead. Certainly, in view of the fact that the low-cost merchandise is practically off the market, no protection is afforded to the consumer when he is compelled to go into a larger city, perhaps, and there be compelled to purchase higher-quality merchandise at advanced prices.

In my humble judgment, the actual operation and effect of this limitation order is highly inflationary in character and disruptive of every established principle of equity and sound business practices. I trust that the Congress will adopt the Hartley amendment and thus eliminate this unconscionable limitation order.

Mr. ROWE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROWE. Is it in order to move the previous question at this point?

The CHAIRMAN. It is not in order in the Committee of the Whole to move the previous question.

The gentleman from California [Mr. HOLIFIELD] is recognized for 1 minute and one-half.

Mr. HOLIFIELD. Mr. Chairman, let me say that I believe what the gentleman from New Jersey [Mr. HARTLEY] said is true. I want also to say that everything the gentleman from Oklahoma [Mr. MONRONEY] said is true. This may sound odd, but I talk as a merchant of 25 years' experience who at the present time is engaged in merchandizing. This condition exists. The amendment offered by the gentleman from New Jersey, however, will not clarify the position except in this one respect, that it will let the man who has a low-limit price line put in a higher price line, but it will make automatic the absolute disappearance of every low-price line in America. It will not help the consumer

obtain low-price goods. That is an undeniable fact. This condition is a result of the amendment which was put into the Price Control Act, the so-called Halleck grade-labeling amendment that was endorsed by the committee of the gentleman from Oklahoma [Mr. BOREN], which denied the fixing of quality specifications and quality standards to specific frozen prices. When that amendment was adopted, this condition was automatic.

Mr. POULSON. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I cannot yield in a minute and a half.

This condition arose automatically because under present O. P. A. regulations, a manufacturer could bring out substantially the same article under a new lot number and raise the price as much as the traffic would bear. Because the Halleck amendment, which was adopted a year ago, prohibiting the tieing of definite quality standards to specific frozen prices, a tremendous inflation has occurred through two main channels, quality adulteration and new high-price line substitution.

Now Mr. Chairman, it would be amusing if it was not so ridiculous to observe the procedure on the floor today in regard to this price-control bill. Practically every speaker introducing or supporting these various scuttling amendments begins his remarks by protesting his devotion to price control by saying, "I am for price control, but," and then he proceeds to advocate the raising of the particular commodity he is interested in from its present price position. This specious reasoning has been successful for those who pay lip service to price control, in the fish, rent-control, high-price lines and oil amendments. I understand that approximately 30 additional crippling and emasculating amendments are yet to be offered. Notwithstanding the record of holding the line which the O. P. A. has established during the last 12 months, we are now embarked on a course of procedure which will make impossible the enforcement of price control. It makes inevitable a rise in the price of commodities. This rise in the cost-of-living items works a terrible injustice on millions of white-collar and fixed-income people. While our boys are fighting and dying in foreign lands, we are reducing the purchasing power of their dependents. The Banking and Currency Committee has written a good bill. They have considered very carefully existing inequities and to a great extent have taken care of them in the bill. I believe in price control for the benefit of all the people in our country. I feel very sincerely that the committee bill should be passed as written. I intend to vote against all crippling amendments presented from the floor and it is my sincere hope that the President will veto this bill if the present procedure of adopting emasculating amendments continues.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Kansas [Mr. HOPE] for 1½ minutes.

Mr. HOPE. Mr. Chairman, I am supporting this amendment, although I do not believe it goes to the fundamental difficulty that has brought about the elimination of the low-price lines. No doubt there is something in what the gentleman from California [Mr. HOLIFIELD] said on that point, but I believe the disappearance of low-price lines has been due primarily to the unrealistic attitude of O. P. A. in that it has utterly failed to realize that it is better to increase the price ceiling on some of these low-price lines and make it possible for the manufacturer to make them rather than to see them disappear from the field altogether.

Low-price lines in the past have, of course, depended upon volume for profits and naturally when costs went up those were the lines that were eliminated first, because they could not absorb those costs. Had O. P. A. taken a realistic attitude at that time and used a bit of common sense in permitting the price ceilings to go up on those lines then I do not think we would have the fundamental difficulty we are facing today, not only as to clothing but in many other lines.

The main interest of the O. P. A. seems to be to make a good showing on paper. If it can get together a set of figures which indicate that it is "holding the line" it does not seem to care a hang whether the average citizen is actually paying out more for living costs or not.

Every Member of this House knows that low-priced lines in practically every commodity have disappeared. They have disappeared primarily because the stupidity of the O. P. A. policies has made it impossible to produce these lines except at a loss. The result is that irrespective of what price indexes show, the cost of living has increased. The O. P. A. has done nothing to meet the situation created by the disappearance of low-priced goods except to put in effect the regulation which the amendment offered by the gentlemen from New Jersey would eliminate.

If we adopt this amendment maybe it will wake up the O. P. A. to the extent it will take some real steps to bring low-priced lines back into production. For that reason I say, let us pass the Hartley amendment and do something to get this deplorable situation straightened out.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

The gentleman from Michigan [Mr. JONKMAN] is recognized for a minute and a half.

Mr. JONKMAN. Mr. Chairman, I favor price control and price-control legislation. I just want to drive home one idea, and that is that MPR 330 and similar regulations will not affect price control or contribute to effective control of prices but will destroy business, destroy price control, and destroy the consumer's right to goods at fair and equitable prices. I want to call your attention to a situation in my district. One of the merchants in my district early this year ordered 2,000 slack suits at $24 a dozen; that is $2 a suit. His retail price had been $2.98, and he hoped to sell them at $2.98, which was the highest price for which he had sold slack suits. In April he received word from the manufacturer that he could not get them at $2 a pair; that they would cost him $27.50 per dozen, an increase of 15 percent. He was not able to handle them at this increased cost price, and he had to let go of that line. Not only was he deprived of that business but the people in my district were deprived of the slack suits. That same slack suit was sold in a neighboring district a little later for $4.50, an increase of 50 percent.

In other words, in the neighboring districts they were getting the slack suits and they were getting them at an increased price of 50 percent whereas they could and should have been sold at $3.48 in both districts, an increase of only 15 percent, had there been adequate and equitable application of price control by the O. P. A.

In short, MPR 330 drove the merchant out of this line of business, deprived consumers in my district of 2,000 slack suits to wear, and wrecked the price structure by encouraging a 50-percent increase of price to the consumers instead of a justified 15 percent.

This is only one of numerous instances in my district but is in itself sufficient justification to support and vote for the amendment submitted by the gentleman from New Jersey [Mr. HARTLEY], and I hope the amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, this amendment was offered in committee and failed to carry by a small number of votes. On May 19, Judge Fred Vinson spoke to the committee on this particular item and stated:

> First, it was recognized that the present price ceiling regulations encourage the overfinishing and upgrading of cloth. This upgrading takes place principally while the cloth is in the hands of the converter or finisher.

That was an agreement between Mr. Bowles and Mr. Nelson, and Judge Vinson. You, therefore, get a higher price for upgraded garments.

Then the judge went ahead to say:

> Second, the War Production Board is now acting to set aside specific yardages of cloth to be made available only for the manufacture of certain essential low-priced items which are now in acutely short supply. This cloth will be made available only under allocation and the items which are manufactured from it will be produced according to specified quality standards.

On cross-examination Judge Vinson gave me and the other members of the committee to understand that the War Production Board, the Office of Price Administration and the Director of Stabilization were assuming 100-percent responsibility for getting these low-priced garments on to the market. He says here in item 1 that they agreed that the then existing price regulations caused the finishers to upgrade the cloth, thereby making it impossible for the retailers to obtain these low-cost garments.

As has been stated, this problem has been kicked around for many months. I do not know whether you can get real

action on it other than by adopting the pending amendment. The people have not the low-cost garments today, you cannot buy them, they have to go and purchase higher-priced garments. A farmer has to buy a white shirt instead of a blue shirt and at a considerably higher price than would prevail on a blue chambray cloth shirt.

The CHAIRMAN. The Chair recognizes the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, several things have not yet been brought out. It is contended that if the present limitation is removed the stores will go into higher-priced lines. But it seems to escape these O. P. A. experts, so-called, that businessmen who sell a cheap line of goods like to keep their reputation for being bargain stores Bargain stores are money makers, especially in depressions. The reason they are able to offer the public cheap living is because they do not deliver, they do not have fancy furniture, they do not employ salespeople who have a suave, svelte manner and the ability to sell you on the idea that it is smart to buy here rather than to buy more cheaply somewhere else.

It is difficult to see what good this price limitation has done. Retailers tell us that it has not done any good at all in the department stores, because it is so easy to pick up an article that they used to sell in the basement and sell it on the third or fourth floor, where you have a higher-priced line. It is stated too, that the country stores are not affected because the O. P. A. so far has really never stuck its nose into the country store. If they would, these prices would go up and you would hear no more of this talk from the country stores that they like O. P. A.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, for me this situation has some pleasant features. I know that some politicians as well as some of the statesmen are behind this amendment. It apparently will be adopted.

Mr. Chairman, this amendment is a necessary one that was worked out by the Smith committee; the hearings before that committee show it is good and it is now being accepted by the committee. That, in view of the action of the House when the rule was up, is encouraging, too. On top of all that may I say that I could not get time during the 9 hours of general debate to speak in support of the amendment, so, today, if you will look at page 5653 and the following pages of the CONGRESSIONAL RECORD you will find a statement which I think shows the need for the amendment that I put in yesterday under permission to revise and extend.

Mr. SUMNERS of Texas. Mr. Chairman, this is a very plain, simple, proposition. Under existing regulations a merchant who has been engaged in selling low-priced merchandise is not permitted to sell merchandise of the same general type at a higher price even though he may not be able to purchase comparable merchandise at a price which will enable him to sell at his old price. The fact is, to a large degree he is not able to do it because, as the gentleman from Oklahoma [Mr. MONRONEY] has stated, there is no law or regulation controlling the sort of goods that manufacturers produce. So, instead of producing the quality of goods which these merchants formerly have been able to buy, they make sufficient alteration if that is necessary, and sell these goods at a higher price to merchants who theretofore have been making a higher profit. To illustrate: If a merchant had been selling overalls at $1.50 a pair, or dresses at $2.50 each, he cannot sell overalls at a higher price nor dresses at a higher price. But the merchant across the street who has been selling this quality of goods at a higher price buys the goods from the manufacturer, sells them to the low-priced merchant's former customers; and being deprived of that business himself, the low-priced merchant goes broke.

Now this amendment which we are soon to vote on simply provides that if the merchant who has been selling the low-priced goods has to pay a higher price for that quality of goods, he may sell at a higher price. Certainly there is no advantage to a consumer in the present arrangement which compels him to go to the merchant who has a fine store, bigger overhead, and buy what he used to buy from the merchant who did not operate in so expensive quarters and with so expensive overhead; or, instead of buying in the basement, buy up on the third or fourth floor.

This arrangement is especially hard on the small country merchants. It is my information that they are being put out of business by being deprived of the opportunity to get the merchandise which the people of their community require. This regulation is an illustration of what is being done by these agencies. Here is a free-born American citizen living, we may say, out in a small community. The manufacturer is not producing at the old price the merchandise which he has been accustomed to buy and which people of his community want. He could buy what they need, at a higher price. The people of his community would be willing for him to make a reasonable profit and charge them more for what he has to pay more for, but this agency will not permit him to do it. And the people then have to go off to some store which has always been selling at a higher price and pay that merchant a higher price, higher than they would have to pay their home merchant if he were permitted to buy.

It is such regulations as that which make it necessary for the Congress to act, not only to protect the citizens but to make it possible to "hold the line" which we hear so much about. We are trying to reduce the difficulty in "holding the line" which such a regulation as this creates.

The other day I received the following statement from one of the best merchants and one of the finest men in my community:

> The reason that business asks that the life of the O. P. A. be extended 12 months only is that boards and bureaus of such nature should be scrutinized periodically by Congress, their creator, to prevent their usurpation of powers greater than conferred, and to correct such injustices as are frequently worked by them because of application of wrong interpretation of their powers.
>
> It is doubtful if O. P. A. has ever treated the matter of highest price lines as was originally intended. They construe them to mean that no merchant could ever sell merchandise at any higher prices than those shown in the list of prices required to be filed by O. P. A. under G. M. P. regulation, excepting in certain amendments thereto, which amendments, generally lowered rather than increased prices. Yet in regulations, there were included pricing formulas on how to price merchandise not before handled by a store, indicating that if merchandise was received that at retail exceeded price lines, it was to be priced accordingly. At the inception of O. P. A. most stores had full lines, and were not troubled by the highest-price-line limitation (that interpretation of O. P. A. of the regulation), but as lower-priced merchandise became scarce, basement merchants and small-town merchants began to suffer because of not being able to provide their customers with merchandise. Basement managers who largely depend for remuneration upon the volume of sales, found their customers going elsewhere. Small-town merchants found their customers going to larger cities.
>
> The request that business have the right when it feels unjustly treated by O. P. A. to resort to the courts for relief needs not to be explained. All should have that right.
>
> The clause in the law which has given the right of customers when they think themselves overcharged to sue for $50 or triple damages, whichever is the greater, opened up a storm of litigation to harass business, rather than to protect customers. It is rightfully dubbed the "ambulance chasing" section of the act, and should be abolished.

I can appreciate that the present administrative officers of O. P. A. have got a tough job. They have inherited a great deal of trouble from their predecessors. I recognize the necessity of "holding the line" against inflation, but I recognize also the necessity, if that line is to be held, we should make it less difficult to hold the line.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, I expect the pending amendment will be adopted. Some very cogent arguments have been made in favor of it and there can be no doubt that injustice is being worked in a number of cases as a result of the present situation. However, I take this time in order to state that if this amendment is adopted by the House we will still have in the lap of the Congress the most serious single problem in connection with price control that exists, and that is the disappearance from the market of the low-priced goods that the common people of America need and have to have.

I received a letter from a lady in my district who told me that she had spent not only some of her good money but her shoe ration coupon to get a pair of shoes for her little boy and that the shoes lasted about 2 weeks because they were made of paper. When the Congress adopted amendments which I voted against, and I am thankful I did, which forbid the

O. P. A. to apply quality standards in connection with price control, it brought upon the country and upon the Congress the very situation which today brings the Hartley amendment before the House. The Hartley amendment will not cure the basic problem.

There is not any pressure upon anybody for production of low-priced goods and there will not be as long as people can manufacture and get sold up-graded, adulterated, low-quality goods at higher prices than are justified. The answer to that problem is the fundamental answer that is going to have to be given. The only way you are going to protect the store that does deal in genuine fair quality, low-priced goods is to prevent his competitor from selling the same kind of goods at double the price they are worth. Until you stop that, until you let consumers know what they are buying, until consumers know it when they are paying high prices for low quality—until then this disappearance of low-price goods will continue.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RUSSELL].

Mr. RUSSELL. Mr. Chairman, in a minute and a half I can only say a very few words. I believe the Hartley amendment will at least go 50 percent of the way in correcting the evils that exist with reference to the question under discussion. I agree with what the gentleman who just preceded me, the gentleman from California [Mr. VOORHIS] said, but the Hartley amendment will at least be a step in the right direction.

I want to give a little illustration of what happened down in my home town which is a small place of about 5,000 population. A merchant there during the base period sold a certain line of children's dresses for approximately $4.20 apiece. This year in ordering the dresses he tried to order the same kind of material that he had been selling, but when the material came in, the cost on it was approximately $7.02. He had expected to sell it for approximately $7.98, but was prevented from doing so by the O. P. A. He could not sell those dresses for over $4.50. Well, he could not lose $2 on each one of these dresses, so he loaded them up and shipped them to a store in another town that had a higher price and the dresses were sold in that town for approximately $9.98 apiece.

Across the street from this man there was a new merchant who had bought the same kind of dress that he was prevented from selling in excess of $4.50, but the man across the street was permitted, under O. P. A. rules, to sell the same dress for approximately $9.98; so this amendment goes a little way, at least 50 percent, in correcting the error of this rule employed by the Office of Price Administration.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I rise in support of this amendment. It seems that the ruling of the O. P. A. has the effect of helping big manufacturers and of hurting small-business men who were in business in 1941. The O. P. A. ruling also seems to hurt the consumer who buys these low-priced goods because the ruling in many cases operates so that they cannot be bought. This amendment, as I understand it, seeks to help small business and also to help the consumer. The O. P. A. by its ruling which we now seek to correct has largely driven out of commerce certain lines of low-priced clothing. It seems to me that the ruling of the O. P. A. has played right into the hands of the big manufacturers. I do not charge that they intended that, but that seems to be the result.

We want to correct that. We want to still make available to the people the various lines of low-priced merchandise. We want to protect the small merchant, the small-business man, from the effects of this O. P. A. ruling. As has been pointed out here, there seems to have been no effective control or ceiling price for the big manufacturer. It appears that he can make his goods and sell them at a higher level to a new man who has just gone into business and who is not obliged to maintain any 1941 price level. This is a situation which I think can and should be corrected. Those who have studied the question carefully feel that this amendment will correct it, at least to a degree. It is conceded to be a step in the right direction and I am willing to try it.

Mr. Chairman, I feel that the O. P. A. has gone too far in some matters. Many of its rulings are ridiculous and absurd. I do not want to do anything that will hurt the war effort. No one in this House is more anxious to support the war effort than I am. Those of us who have our sons in that dreadful invasion of Europe are anxious and worried today. But I do not think anyone can contend that this amendment will in any respect hurt the war effort. I submit that it will help the war effort by encouraging the people and by helping our people at home to continue their businesses and by helping the consumers to continue to get these articles of wearing apparel at prices which they can afford to pay. I believe, therefore, that this amendment will do good, and I favor it.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Arizona.

Mr. MURDOCK. Whether or not I support this amendment, I would like to confirm what the gentleman has said regarding what this O. P. A. regulation has done to the detriment of established merchants and part of the buying public. The same situation applies in my State. The gentleman has indicated exactly the situation as I get it from long-established merchants, particularly in the mining camps and smelter towns of Arizona.

Mr. ALLEN of Louisiana. Mr. Chairman, I hope the amendment prevails, and I hope we will get more reason in O. P. A. operations.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. This high-price line has annoyed many and has put one of my merchants—Mr. J. B. Thiele, of Ramsey, Ill.—out of business. He was selected in the category of an average small merchant and came to Washington and testified before Chester Bowles and others.

The O. P. A. admits that this rule is no good and cannot be enforced and ought to go off the books. Why they do not take it off, I do not know.

Mr. J. P. Thiele, in my district, Ramsey, Ill., a town of 900, has been in business 60 years. He sold low-priced goods. Finally his competitor went out of business, a dealer in ladies' ready-to-wear. Mr. Thiele improved his store, was ready to go into a bigger line, and bought a lot of goods. Then O. P. A. came in and said, "You cannot sell these for $2.98 and $3.98 and $1.98 dresses at the price you intend to sell them for." So he practically had to close up his business.

The people now in that locality have to use critical gasoline and drive to St. Louis or to Pana, Ill., or to Taylorville, 25 or 30 miles away, and pay 40 percent more for the goods than this man could sell them for. He is out of business. That is going on all over this country. This highest-price line should be done away with. It has already done too much damage.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I believe the whole difficulty stems from the failure of Congress to provide for proper grade labeling and quality standards. If we had had quality standards we would have had no such difficulty as has been unfolded today.

I sympathize with the plight of the O. P. A. It is one that bristles with festering difficulties, but under the circumstances all wisdom does not reside in the O. P. A.

You have a situation where a man who has been in business for years, and, for example, whose cotton line of dresses was selling during the base period for $4.95, cannot get those goods any more, at the same cost. He can only get the $7.95 line. Now they say you cannot put in that $7.95 line, you must stick to the $4.95 line, but the man next door, the newcomer, the competitor, can put in the $7.95 line. He did not have the cheaper line in the base period. He is not penalized. What is the first man going to do? He cannot exist under those circumstances. It is like telling that man, "You must do without." That is like saying, "Let him eat cake," and that is inequitable and unjust.

Unless I can be assured of some sort of regulation coming forward from the O. P. A. that will relieve that situation, which is well-nigh intolerable, and that that regulation is coming forth immediately—and I have no such assurance—I shall vote for this amendment. I do so reluctantly. The Banking and Currency Committee has done a good job with this bill under most trying and adverse conditions. Nonetheless I must vote for the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. Mr. Chairman, I think the Committee is entitled to know that our inquiries of O. P. A. officials have developed some facts that might serve to clarify the situation. It is not true that a new business is not affected by the highest price limitation order. A new business is subject to limitations based on its competitors' practices. In the past new businesses have made their own classification and have probably escaped its effect in many instances. Recent orders of the O. P. A. are correcting that. This is a complicated question. It has great administrative difficulties, and I hope we can leave some administrative discretion with the O. P. A. in dealing with this problem.

A majority of the Banking Committee voted against an amendment similar to the Hartley amendment. I think they were moved by the feeling that the new orders should be given a chance and that the amendment would unduly limit the Administrator's authority to deal with the difficult problem under discussion.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, here the House is attacking an O. P. A. regulation, but we fail to attack the problem. The Congress is going to take away from O. P. A. the only weapon existent to try and continue the supply of low-priced merchandise under a free competitive system.

This amendment is going to pass, I know, and you will be hearing within a few months from your retailers who have wired you so enthusiastically today and yesterday about the high-price line. They will wire, "Why does not the Government do something to give us low-end merchandise?"

The only alternative to continuing this low-end supply which this House has repeatedly turned down, and which today you are going to force on our economy, if you intend to have this supply of low-priced merchandise, as the gentleman from Michigan [Mr. CRAWFORD] has said, is to have a direct allocation of yardage from W. P. B. made according to Government specifications for all of this low-priced merchandise.

I hope that we can prevent this and still keep some semblance of free competitive conditions and free competitive merchandise in the ready-to-wear fields. By voting this amendment, ostensibly at the request of the retailers, you are absolutely taking away from the O. P. A. and from the retailers themselves the influence that will help continue these low-priced goods.

This is important, because if a woman has been accustomed to buying out of her meager budget a $2.98 dress and must now buy a $6.98 dress, it does not mean anything to her whether the price of that $6.98 dress has increased, but she has had to pay three times as much for the dress she must have to wear.

This amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman, the arguments advanced up to this time have not convinced me that the adoption of this amendment will in any way restore to the market low-priced goods. Therefore, I am going to vote against the amendment.

THE HARTLEY AMENDMENT

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I am in favor of the amendment offered by the gentleman from New Jersey [Mr. HARTLEY] which proposes to eliminate the highest price line regulation order issued by the O. P. A. I have a similar amendment at the clerk's desk, which I will not press for action, as I am convinced that a majority of this committee will approve the amendment now before us.

Those who favor action to keep small business in operation should vote for the Hartley amendment. Due to the price limitation order of the O. P. A., tens of thousands of small merchants are not able to secure merchandise. If relief is not afforded, these people will be put out of business. This should not be tolerated by Congress in any respect.

I desire to read my amendment, which covers more ground than the proposal now before the committee. I expect to offer the first part of my amendment as a separate amendment. My amendment reads as follows:

Amendment proposed by Mr. AUGUST H. ANDRESEN: Page 3, line 5, after the colon, insert the following: "*Provided further*, That when the Administrator establishes a wholesale price on any commodity or article to be sold at retail, all retail distributors shall have the full benefit of the lowest wholesale price so established, and nothing in this act or otherwise shall be construed as authorizing the Administrator to issue any regulation or order which does not allow all retail distributors to compete freely in all commodities and articles of merchandise available for sale in every price line."

I wish again to urge favorable action for the Hartley amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I think we all recognize that this is an administrative matter. It is an attempt by Congress to administer this law. I do not believe we have the information to do this. If you do away with the highest price line limitation, then you will have to have a dollars-and-cents ceiling on all the items. I do not know what effect that will have. The merchants may troop here to ask that the highest price line limitation be restored. But leaving that aside, how are we going to correct all of the inequities and all of the things we think ought to be corrected, by legislation? We are attempting to correct this, if the House votes upon it favorably. Does that mean that this will be an approval of any other action the Office of Price Administration has taken, and that we have embarked upon the program of directing the Administrator as to what he should do in all cases? It is a well-known principle of law that the inclusion of some things would be the exclusion of the others in regard to which legislation might be enacted. I think it is perfectly impossible to administer the law in this fashion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HARTLEY].

The question was taken; and on a division (demanded by Mr. MONRONEY) there were—ayes 157, noes 31.

So the amendment was agreed to.

Mr. DISNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DISNEY: Page 12, line 2, insert a new subsection (k) to read as follows:

"In the fixing of prices for crude petroleum and the products thereof and derivatives therefrom, as provided under the Price Control Act of 1942, as amended, consideration shall be given to the necessity for exploring for crude petroleum and the maintenance of a competitive position in the petroleum industry and to that end shall give consideration to the parity prices as indicated by the relationship between the index based on the national average price of crude petroleum and the index of all commodities as reported by the United States Department of Labor, Bureau of Labor Statistics, in its Wholesale Commodity Price Index based on the year 1926: *Provided, however*, That such ceilings shall not be fixed or maintained at less than 80 percent of parity and not to exceed parity, per barrel above the present respective price ceilings for crude petroleum, and its products and derivatives."

Mr. SPENCE. Mr. Chairman, what agreement can we reach as to a limitation of debate on this amendment?

Mr. DISNEY. Mr. Chairman, there are several gentlemen who want to speak. I think we can agree after a while.

Mr. SPENCE. Can we not agree on 1 hour's debate?

Mr. DISNEY. I should think so.

Mr. GOSSETT. Mr. Chairman, I would like to speak for 5 minutes on this amendment.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that the debate be limited to 1 hour on this amendment.

The CHAIRMAN. Is there objection?

Mr. GOSSETT. Mr. Chairman, reserving the right to object, if that will permit all Members standing to have at least 5 minutes, I will not object. I do not know how many Members are standing.

Mr. REED of New York. Mr. Chairman, reserving the right to object, that may be liberal, but on an important proposition such as this, Mr. Chairman, it seems to me narrowing down the time to 2 or 3 minutes for each Member is hardly fair. If the chairman of the committee, the gentleman from Kentucky [Mr. SPENCE] will make it one hour and a half, I think we can go along on that.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment be closed in 1 hour and 15 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DISNEY. Mr. Chairman, this amendment is the exact language of the so-called Disney bill passed last December by a vote of about 2 to 1 in this House, with the exception that at the end of the amendment are added after the words "crude petroleum," as in the

original bill, the words "and its products and derivatives." That is to make it conform to the first two lines of the original bill, which reads "crude petroleum and its products and derivatives."

Mr. Chairman, I have understood that the object of the meeting of the committee was to correct the injustices and errors that exist in the price-control bill. I did not understand that to hold the line means to hold the line for all the mistakes and errors that might have been made in the original bill or in its administration. Price control in ordinary times is an illegitimate economic policy, although absolutely necessary in wartime. So where it is naturally rather an illegitimate system it ought to be used most carefully. We will help to hold the line, gentlemen, but who wants to be held to an illegitimate, unfair, and dishonest line? We will be with you on a uniform line, but why this distorted line? Is that the line that you expect us to carry on and be for? Is that sound policy in this Government of ours and in this Nation?

May I call the attention of the Members to this chart before me? Oil is down here at 63.8. Wages, which go into the production of oil, are at 183.6. Is that the line you want to hold?

Raw materials are at 113.6. Is that the line you want us to support? What kind of line are you talking about when you say "Hold the line"? Slogans are not economic laws.

All commodities, every commodity that the American people buy, are on the list at an average of 103.9. Is that the line? Let us have a line that is a decent, common-sense, fair line, when you talk about holding the line.

Lumber is a great factor in the production of oil. Here is a chart prepared at a little earlier date. These charts are prepared by the authority authorized by the President, by the P. A. W., which was ordered to investigate the subject. Wages were at 175.7, at the time of the preparation of this chart. Lumber, which is an important element in the production of oil, was 144.1. Is that the line you want us to hold, with oil down at 63.8? We want to get in hearing distance of the line.

Bituminous coal is at 119.8. Is that the line you want? All commodities, every commodity the American people buy, are on the line at 103.7.

We want oil, you all want oil. Do you know that a tanker of oil which started from Boston to a war area had to be ordered back to Boston to heat the homes of the people in Boston?

The gentleman from Texas [Mr. GOSSETT] will read that dispatch when he takes the floor. That happened not very long ago.

The proponents of "hold the line" say it is going to cost the people a lot of money to have this price raised 35 cents a barrel. Just taking that by itself it will be between $400,000,000 and $500,000,000. But I say that by this nonsensical operation of O. P. A. as to oil the Government and the people have lost more than that. The people have been driven to higher costs of transportation—railroads and busses. Their time has been taken up by lack of transportation by automobile. Fifty-four thousand communities, including one State capital, are dependent on motor transportation. The $5-use tax that the Government should get from automobile owners has been largely lost to the Government. There has been a 23-percent reduction in the use of automobiles in New York State alone. The Government has lost and the people have lost in taxes and necessary economic operation by shortage of oil; and we need oil. The use of oil is now about 5,000,000 barrels a day. Production of oil is now about 4,500,000 barrels a day—perhaps a little more. Of that production there comes more than 100,000 barrels a day from imports and 200,000 barrels a day from areas which could not be procured when we passed the Disney bill last December. Much is drawn from storage of above-ground stocks. We need oil. A price rise will produce oil. Let me tell you how it will produce oil. Here is the range. Watch these figures on this chart. Those are production wells. Here are dry wells on these blue lines. The chart indicates the average price per barrel. See how the production of wells runs right along parallel to the price. Better prices cause more well drilling. People do not produce oil except for a reasonable price. Let me point out when we got the most oil and drilled the most wells in the history of our Nation. In 1921, when oil was $3.50 a barrel, we drilled 52,000 wells in this country. Wildcatting now is at a low ebb. They hope to have 4,500 wells drilled this year, and no approach even to that has been made.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. WHITE. Mr. Chairman, I yield the time assigned to me to the gentleman from Oklahoma [Mr. DISNEY].

Mr. RUSSELL. Mr. Chairman, I also ask unanimous consent that the time allotted to me be transferred to the gentleman from Oklahoma [Mr. DISNEY].

The CHAIRMAN. Is there objection to the requests of the gentleman from Idaho and the gentleman from Texas that the time allotted to them may be used by the gentleman from Oklahoma?

There was no objection.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DISNEY. I yield.

Mr. BATES of Massachusetts. We all appreciate the great amount of time the gentleman from Oklahoma [Mr. DISNEY] has given this very grave question. What we do want on the eastern seaboard is more oil, but the suggestion of the gentleman, under the parity price, will not increase oil only 35 cents a barrel but it will increase it 75 or 80 cents a barrel, and we do not have any chance in the world of getting it by. If the gentleman will take the recommendation of the Fuel Oil Administrator, we can go along with that, but when you want to double the price then we cannot go along. That is what you are doing by the parity-price provision.

Mr. DISNEY. Oh, no. The gentleman is wholly in error. This is exactly the bill you passed last December, which means an average of 35 cents per barrel. Now, I agree it is not enough to get all the oil we need.

Mr. BATES of Massachusetts. Will the gentleman yield for a moment?

Mr. DISNEY. I yield.

Mr. BATES of Massachusetts. Upon presentation of your bill when we considered it last November, I was very much interested in it, and I discussed the matter myself with the Office of Fuel Administrator, who told me that under the parity provision of the bill the price would have to go up 75 cents to 80 cents a barrel.

Mr. DISNEY. True, if it were complete parity, but this is only 80 percent of parity.

Mr. BATES of Massachusetts. Even if it is only 80 percent.

Mr. DISNEY. Oh, no. The gentleman is wholly mistaken. He has been wholly misled. Do not follow any chimerical information of that kind. That is not correct. Nobody who has any understanding of the facts will agree that that is true.

Mr. BATES of Massachusetts. If 100 percent is 75 or 80 cents, 80 percent would be four-fifths of that.

Mr. DISNEY. Please do not take all of my time. I hope the House will take my assurance. I would not mislead this House. My honor is involved here. I tell you this means 35 cents a barrel and if you have received any other information you are mistaken.

Mr. BATES of Massachusetts. I am only telling you what I was told by the Fuel Administrator's Office, that your bill will mean an increase of 75 or 80 cents a barrel.

Mr. DISNEY. I cannot help that. He can be mistaken just like anybody else. That is not correct and you can depend upon that. That is not correct. I know what I am talking about.

Mr. PLOESER. Will the gentleman yield?

Mr. DISNEY. I yield.

Mr. PLOESER. The parity formula included in this bill was arrived at by taking the Petroleum Administration's 35-cent average figure. That is how you arrived at 80 percent.

Mr. DISNEY. That is correct.

Mr. PLOESER. The statement of the gentleman from Massachusetts [Mr. BATES] is in error.

Mr. DISNEY. Now, let me tell you this: It takes five times as much cost to discover a barrel of oil as it did in 1937, and about six times as much drilling. We have heard a lot of argument that the big companies are making money. They have made less money in 1943 than they did in 1941. They made $530,000,000 in 1941 and made $508,000,000 in 1943, and $200,000,000 of that went into replacements and the production of that oil.

Now it is proposed that we have subsidies. Absurd notion of subsidies. I wonder where that came from. If you have subsidies the big companies will share 70 percent in the subsidies and the independents about 30 percent. These independents are being wiped out. I am not sure but what the doom of the independents is already signed and

sealed. The big companies are the only markets for the independent properties.

Where does the money that these big companies make go? They are in high tax brackets so it goes into the Treasury of the United States.

Here is an unhealthy condition arising: Many of the manufacturing interests of the country have gone out and started drilling oil wells. If they strike oil they make some money. If not, they charge it off against taxes. The legitimate oil operator in the oil business for his lifetime has to take what the O. P. A. is giving him.

Let me tell you this confidentially. A member of the committee who is opposing this amendment said to me in discussing the matter the other day, "Leon Henderson ought to have fixed this thing up at the start instead of leaving oil down at 62, with the general average of about 103."

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. DISNEY. I yield.

Mr. BROWN of Ohio. The gentleman from Massachusetts [Mr. BATES]——

Mr. DISNEY. Oh, let us not go into that. The gentleman from Massachusetts is totally in error.

Mr. BROWN of Ohio. The 35 cents per barrel amounts to the difference between 62 percent of parity and 80 percent of parity.

Mr. DISNEY Yes.

Mr. BROWN of Ohio. That 18 percent amounts to 35 cents a barrel.

Mr. DISNEY. I am not going to put in my time on a wholly erroneous assumption.

Mr. BATES of Massachusetts. Will the gentleman yield just for a moment?

Mr. DISNEY. I yield.

Mr. BATES of Massachusetts. Did the bill which we passed in December contain the 80 percent of parity provision?

Mr. DISNEY. Yes. Let me show it to the gentleman.

Mr. BATES of Massachusetts. Then I have no objection to the amendment of the gentleman.

Mr. DISNEY. Now, let us look at what the price does on production. I am taking for granted that you are not interested in whether the oilmen make money, but you ought to be interested in whether or not we are going to have a monopolistic situation, with the big companies owning it all after the war is over. This 62-percent squeeze play was in operation, and we were in the trough when the prices were fixed—in the trough at 63.8. Fairness and foresight in our national interest demands this amendment.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. DISNEY] has again expired.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in trying to bring about what I think to be justifiable relations for the stripper-well producers, the gentleman offers an amendment which I think we should view with caution before any Member votes for it. The effect of the amendment would be an increase at the source of 35 cents a barrel.

That is a mathematical increase. Then the increase all along the line to the consumer will be much more than 35 cents. My investigation agrees with the gentleman from Oklahoma about the first increase being 35 cents a barrel.

Mr. DISNEY. Seven-eighths of one cent a barrel on gasoline.

Mr. McCORMACK. Then, of course, the middleman, and on to the consumer. But, what about the 65 or 70 percent of those who are producing, who are big companies? I am not against big companies. I try to vote to give justice to all groups. But, in our effort to help the fellow who owns the stripper well—I know there can be some justifiable complaint of the delay in that not being made, but we have tried to do it—but in the attempt to help that justifiable group, a group that ought to receive consideration, we are going to throw onto the American people an increase at the source of about $560,000,000 a year, because we produce about 1,600,000,000 barrels of oil. Sixty-five to seventy percent of those getting the benefit are now making mighty good profits on the present prevailing prices. The effect of this amendment is to swell the profits of the large companies, in an attempt to help a group that should be assisted.

This argument that it is going to be reclaimed through excess profits, of course, we know is not a legitimate argument on this amendment. There is no relationship between cause and effect there. So that argument, to my mind, seems to be very, very specious.

The important thing is this: Whether or not you are going to make this a bill to bring about inflation or a bill to control inflation. That is the thing that disturbs me. If this amendment is adopted it is the first real step that will change this bill from one to control inflation to a bill to bring about inflation. Do we want to send it on that journey?

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from Kansas [Mr. REES] for 3 minutes.

Mr. REES of Kansas. Mr. Chairman, I have the highest respect and deepest regard for the distinguished gentleman from Massachusetts, the majority leader of the House, who has just preceded me, but I cannot agree with his views concerning this legislation. The amendment of the gentleman from Oklahoma [Mr. DISNEY] does not destroy nor weaken the Price Control Act.

I think we ought to recognize first that we are dealing with a very important war material. About half of the crude oil produced goes directly for war purposes, that is for the use of the Army and Navy. About 14 percent goes to industries and public utilities. Railroads get 8 percent, busses and taxicabs 10 percent, passenger cars about 10 percent, and the farmer 5 percent. No one is asking for increased supply of gasoline for pleasure driving or unnecessary use, but we must have a certain amount of gasoline in order to carry on necessary operations.

Another thing that should be recognized is that the crude oil price is 60 percent of parity. Why pay subsidies for a material that sells so far below parity? The gentleman who preceded me says there would be an increased cost to the consumer. I believe it is pretty well agreed the price per gallon of gasoline would be increased about 1 cent per gallon under this measure. The price of crude oil has not been increased since the Office of Price Administration was established, but gasoline has increased about 1 cent per gallon. Crude oil is selling now for about the same price as it sold for in 1937, 7 years ago. Back in 1936 the average cost per barrel for drilling the oil wells was $56.92. In 1943 it was $207.69. It ought to be observed that although new production has decreased, the demand for crude oil is about twice of what it was in 1936 and the demand comes about notwithstanding a strict program of rationing.

Mr. Chairman, there are a few things we can do to increase the all-over supply of crude oil. One is to raise the parity price of crude and bring it up near parity. It is suggested we may import crude oil. It is impractical to do that now, even if we want to do it. We have just agreed to spend several million dollars to increase the supply of gasoline by synthetic methods. Anyone knows such gasoline is going to cost two or three times present prices. We have the further method suggested for increasing production, and that is to pay subsidies. The suggestions made on the floor today with regard to the payment of subsidies is to use such funds for stripper wells. That will only provide an increase temporarily, but it wi not really increase reserve supplies. It will not solve the problem. Furthermore, it just does not make good sense to use Federal funds to provide increased production when it can be done by paying 80 percent of parity for crude oil.

Mr. Chairman, I have pointed out on the floor of the House on other occasions that the demand for crude petroleum is about 5,000,000 barrels per day. The supply of production from all sources is approximately 4,700,000 barrels, so there is a deficiency of 300,000 barrels of petroleum per day. We are drawing on reserve supplies for this amount. Supplies of gasoline and crude oil, as I have just told you, are rationed to the very limit, but even at that during the past 3 years the supply of crude oil has been reduced 83,000,000 barrels. We cannot permit it to be reduced much further and get along.

Mr. Chairman, a great deal has been said about the profits that are made by the big oil companies. These profits are not made from crude-oil production. The companies have big contracts with the Government and make their profits on refining, transportation, and on prices of refined products. If the O. P. A. wants to curtail their profits, they can use other means than to fix a price on crude-oil production that is below cost, and that is what is going on right now.

Mr. Chairman, my first and important interest in this problem is to see that we have an adequate supply of crude oil to meet the demand for carrying on our very necessary activities. Unless we bring in new production, our supply will dwindle to a dangerous point. I also want to direct your attention again to the fact that the small independent

operator is the one who really pioneers and discovers the new production. Under present regulation he is slowly but surely going out of business. At the present rate the independent operator will be swallowed up by the big companies in a couple of years.

Mr. Chairman, this amendment is not inflationary. It is not out of line. It does not injure the Office of Price Administration in any respect. It is fair and right, and ought to be supported.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

The gentleman from Texas [Mr. GOSSETT] is recognized for 3 minutes.

Mr. GOSSETT. Mr. Chairman, I want to caution the Members against being influenced too much by this red herring they are dragging across the trail that the big oil companies will make more money under this proposed amendment. It is not going to mean any more money in the pockets of the big oil companies. They make their money out of refining, pipe lines, and so forth, not out of the price of crude oil. They would make less money out of higher-priced crude than out of lower-priced crude.

There are several things we might agree on regarding this question. Every responsible agency of this Government except O. P. A. and Economic Stabilizer Vinson has recommended an increase in the price of crude oil and has been recommending it for the past 2 years. P. A. W. did, P. I. W. C. did, and a half dozen committees of Congress have recommended an increase in the price of crude oil.

There is no question but what we must have more crude oil both for the domestic program and for the war program. I was told recently by an official of O. P. A. that they were holding themselves ready to embark upon a subsidy program for oil. I asked him what they were waiting for. He said: "We are waiting to see whether you boys write the Disney formula into the O. P. A. bill, and if you do not this subsidy program will get under way."

The Assistant Secretary of the Navy, Ralph Bard, recently had this to say relative to the need for more oil:

> On May 3 we received a request from the Joint Chiefs of Staff for an immediate increase in the production of oil from Elk Hills from the present rate of 15,000 barrels a day to 65,000 barrels a day. I need not add that we in the Navy hoped to conserve the Elk Hills reserve with only nominal withdrawals throughout the war. But we have been forced to the reluctant conclusion that a large increase in production is now imperative.

Another important question is whether or not the small petroleum industry of this country will survive. If this formula is not adopted, at the end of the war the petroleum industry of America is going to be owned almost exclusively by the major oil companies and they may ration gasoline to the people at their own prices.

I am opposed to the O. P. A. oil subsidy program for these five reasons:

First. It will set up a multiple price system for one commodity.

Second. It will not stimulate the necessary exploration and will not increase supplies or reserves appreciably.

Third. It will not save the independent oil industry of America.

Fourth. It ignores the recommendations of every other responsible agency of the Government and of industry.

Fifth. It will set up a vast and complicated administrative bureau requiring a small army of auditors, checkers, accountants, and so forth, and will eventually cost as much as the over-all price increase required by the Disney bill.

We passed the Disney bill by an almost 2-to-1 vote in this House; we voted against subsidies by almost the same majority. Every Member who believes in a fair deal to the small independent businessmen of this country, who wants an adequate supply of petroleum in this country, who is opposed to subsidies as a substitute for price increases, who believes a price increase would do the job better than would subsidies, ought to vote for this Disney formula.

Mr. KILDAY. Will the gentleman yield?

Mr. GOSSETT. I yield to my colleague from Texas.

Mr. KILDAY. I want to commend the gentleman for the interest he has taken in this matter of an increase in the price of crude. It seems to me that no one should object to placing a floor of only 80 percent of parity under crude oil. I concur in the gentleman's remarks and am supporting the Disney amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman——

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. DISNEY. Will the gentleman call the attention of the House to the fact that subsidies may save some old wells but will not stimulate production or bring in new wells?

Mr. LANHAM. I am sure we all appreciate the accuracy of the gentleman's statement. As someone has rather appropriately said, a subsidy may inspire drilling for the subsidy rather than drilling for oil.

Mr. Chairman, any informed person knows that our oil situation is critical. We realized this in this body when by a very large majority we passed several months ago a bill to bring about the very result contemplated by this amendment. Unfortunately, that bill has since that time reposed elsewhere without receiving further legislative attention.

On that former occasion, when this subject was before us for action, I pointed out that the best evidence we had been able to procure indicated very clearly that our production of petroleum now in sight would last for only 13 or 14 years. That statement was not disputed. Under these circumstances, and following the lack of action elsewhere on the bill the House of Representatives had passed to relieve our petroleum situation, resort was had to the legislative expedient of an act to get synthetic oil from coal and oil shale, and an appropriation of $30,000,000 was authorized for that purpose. Now let us assume that this synthetic program will add speedily and satisfactorily to our oil supply. Of course, we know that it cannot do this, for it was definitely established in the debate on that matter that several years would be required for production of any particular consequence. But, assuming that it will give prompt and effective relief, let me ask you to contemplate what the cost of such synthetic petroleum would be. We all know that necessarily it will be very much greater from the standpoint of price than any price increase which could possibly arise from granting 35 cents a barrel more for cude oil. In the latter case it has been clearly shown that any price increase would be negligible.

To whom would this additional 35 cents a barrel go? It would go to the oil producers of this country and to the farmers on whose lands petroleum would be found. They have no byproducts to sell from which to recoup any losses of exploration. Their profit or loss is reflected in the price of crude oil. Most of our oil is produced down in the southern part of the United States, but that section has no chance of any fair prospect of compensatory return under the present ramifications of the petroleum industry in its various phases. The producers and the farmers must rely upon the price of crude oil, and it must be remembered that they are the ones upon whom we must depend for additional supplies of this most vital need.

The independents have been the pioneers in the oil industry. On them falls most of the burden of the wildcatting to discover new fields. Bear in mind that they do this without 1 cent of expense to the Government. They bear their own losses, but what they can procure by way of production is available for both our war and peace purposes.

It is generally conceded by those in a position to know that by the drilling of much deeper wells we could reach a great store of petroleum still untapped. But exploration of this character involves great cost. From the financial angle it is a hazardous undertaking. But there are those willing so to drill if they can be given any reasonable assurance that there would be a possibility of a fair return for those operations which proved successful. Remember that they are the hope of getting an adequate oil supply. This amendment is simply to encourage them to bend their energies to that end. Oil is the blood which keeps alive and operating our planes and our tanks, as well as our implements of peace. It comes from the veins of the earth. Justice to our soldiers, our farmers, and our industries requires that we make it possible for those veins of the earth to do their part in aiding our boys on the various fronts to carry on successfully on the land, on the sea, and in the air, in combating the powers that menace our liberty. For the war we wage and for the peace to follow petroleum is an outstanding necessity. It is to do what we can to meet this need that this amendment is offered. By all means it should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Chairman, in this discussion there is one matter other than the amendment pending to which I must refer, even in the short time at my disposal. The situation which confronts us here apparently is a clash between a fear on the part of the distinguished and able gentlemen who are defending the bill against amendments and those who would amend the bill that we might in some strange fashion do something that might affect what might be termed the war effort. That remark has been dropped once or twice and, of course, every American in this group realizes that when things of that kind are uttered they just do not make sense.

As the gentleman from Texas [Mr. LANHAM] just stated on the floor, the question of oil is a vital question, and with reference to price control there is a vital issue involved. Price control, Mr. Chairman, to the contrary of the defenders of the bill notwithstanding, was never intended to be price paralysis, which destroys the functions of price upon which all production and all distribution in the history of our Nation has depended.

Costs have gone up and up and up, yet the price is set at a point which is unconscionable at the outset for the major war blood, which is oil. Mr. Chairman, should we not counsel with ourselves in honorable and tolerant fashion and admit that certainly something constructive can be done to relieve the situation and keep this oil blood flowing freely from the reserves upon which we must depend and which came originally from wild-cat operations that have already been discussed at length by my distinguished friend from Oklahoma?

Mr. BECKWORTH. Will the gentleman yield?

Mr. KLEBERG. I yield to the gentleman from Texas.

Mr. BECKWORTH. I want to concur in all that the gentleman has said. The gentleman knows that any person who is at all familiar with an oil field realizes that all costs of production have constantly gone up since the beginning of this war, and if nothing else justifies an increase, the rise in the cost of production does.

Mr. KLEBERG. Of course, that is what I referred to in my concluding remarks a moment ago, and I repeat them. When prices for a vital commodity start at the lowest ebb, save in the case of the price of cotton, when price control was placed on it, to say today that, unmindful of rising costs and unmindful of decreased operations in the oil field, we should not do anything about it, is something I cannot agree with. I shall support the amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, referring to the query of the gentleman from Massachusetts, may I say that Mr. Knowlton, formerly of the Petroleum Administration, in discussing this matter before one of the committees and with me in person, when we had the matter up prior to the time it was passed, gave it as his opinion, based on proper statistics, that an increase to 80 percent of parity would bring the price of oil only up to about 35 cents a barrel Nation-wide. This House voted in December by an overwhelming majority for the pending amendment in order to get a greater production of oil in the United States.

Mr. Chairman, this is a war measure. We have heard that before. We do not know how long this war will last, but we do not want our planes grounded and our Navy crippled, the efficiency of our armed forces impaired, by a failure to put our house in order and to do our best to produce all the oil we can in this Nation. If we fail to do this, it may cost the lives of hundreds of thousands of our soldiers.

Shall we do the sensible thing? Shall we be consistent and pass this amendment today in order to give economic relief to the country that is necessary, and in order to add the greatest power to our striking military forces in the defense of this country, or shall we quibble around and wait for more regimentation, more expense, more subsidy, more un-American socialistic policies to be put into operation in this Government, which have been voted against consistently by a majority of this House, or shall we approve this amendment, and get more oil?

No one, whether he lives in an oil territory or not, will have to apologize for his vote for this amendment to his people when he goes home. This is not an inflationary measure. The men and women of this country in civilian life, the farmers who operate power-driven machinery, would rather pay 1 cent more on their gasoline and have it for the production of food to win the war and for the distribution of the ordinary necessities of life throughout the Nation, than to go along and have a shortage of oil for our military forces and continue this regimentation and rationing of oil for years after the war.

Mr. Chairman, I beg the Members to support this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, it ought to be remembered when considering the amendment to assure a fair price for crude oil that even with the old established oil fields of Texas, Oklahoma, and California producing at capacity, the oil supply of the Nation is dangerously low. Do you know what will have to be done to meet the 1944 crude-oil quota for the United States? To meet the quota for the current year will require the opening up of new fields, if they can be located; then more than 20,000 producing wells will have to be drilled. This program is not quite so easy as a casual mention of it might imply. Experience shows that about six out of every ten wells drilled will be dry holes.

Many of the new wells will require drilling to a depth of more than 2 miles, often through thick rock formations. These deep wells require a full year of night and day drilling to sink one oil well and at a cost of $300,000 for each well.

Every item that enters into the cost of drilling and operating an oil well has increased several fold.

Why hesitate to adopt an amendment to the O. P. A. bill to insure the cost of production of crude oil when there is an imperative need for more oil to prosecute the war? Does it make sense to destroy the production of thousands of small wells while 20,000 new wells are being drilled? The small stripper wells in the aggregate can produce a vast volume of oil if kept in operation by a fair price for crude oil.

A price for crude oil that will not pay the cost of production is comparable to plowing under hogs and cotton, only in this case it is the small stripper wells that are destroyed. Another crop of cotton can be raised and in time more hogs can be produced, but when the pipe and machinery of a stripper well are destroyed the recoverable oil is lost forever.

Just assume that the price of oil is increased and that as a result some large oil-producing companies do make large profits; will not the excess-profits tax step in and take 95 percent of the profits? The Government will get the revenue and the oil too, and the Government needs both.

There is no certainty that new producing fields can be located nor that 20,000 producing wells can be drilled during the current year.

One thing we all know and that is that if the bureaucratic slogan, "Hold the line," is continued until it breaks the oil line to our mechanized Army, the tragic loss of human life and the national humiliation of Pearl Harbor will pale into insignificance. It will be a case of wholesale massacre of our boys due to the failure of Congress to protect our armed forces from the stubborn stupidity of the O. P. A.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Illinois.

Mr. DEWEY. I would just like to say that I congratulate the Members on their splendid statements in regard to this most important subject. I intend to support the amendment.

Mr. GAVIN. Mr. Chairman, I have just been advised that the Petroleum Administrator for War has initiated a program for the conversion of oil-fired equipment to coal-fired on the west coast, because of the extremely critical oil shortage in that area. They hope to save some 5,000,000 barrels of oil. If the oil shortage continues oil-fired equipment will necessarily be discontinued all over the country.

It may be interesting to my colleague from Massachusetts, who has questioned the parity price to realize that he may have some explaining to do next winter when the New England coast has some zero weather and the people do not have any fuel oil to keep themselves warm. There is no question in my mind but that there is a bottleneck in production

of oil because of O. P. A. price restrictions. We all know it.

The time for elaborate statistical surveys of this oil situation is past. The case has been proved over and over that the productive ability of the oil industry will not be exerted under the prices which have been frozen ever since price control began.

There is only one question before us: Shall we do something about oil supply or let it go on getting worse?

The Petroleum Administration last week said that the production of crude oil is not keeping pace with the demand and that there is a continued draft on the oil stored in tanks. That form of supply is limited and cannot be counted on to last long. Reserve stocks are being rapidly depreciated.

There is a great reserve of oil proved in the United States. It is being produced now at the fullest rate possible in all except one area, and in that one as much is being taken out as the pipe lines and the railroads can carry. In all other fields of the country it is going to take more drilling, more stimulating of old wells, and more maintenance work to make the reserves available for use. The job cannot be done without more money.

Does anybody deny that there is a shortage? If so, ask the consumers. They are told about these great reserves of oil and they cannot understand why they are being harassed and questioned and challenged over every gallon they use. There is an essential use of cars which is not being met.

The officials who control the price have given their answer to the question. They have said they do not mean to do anything about the problem of increasing supply. They propose, through premiums paid on the stripper wells, to keep alive this class of the oil production, but this will do no more than tend to prevent abandonment of such reserves. It will not stimulate search for new fields or drilling in the known fields.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from New York.

Mr. REED of New York. The fact is that the operators are pulling those wells every day because they cannot get the cost of production.

Mr. GAVIN. And they are selling the equipment for junk, as they are unable to continue operations at present prices.

Mr. REED of New York. Exactly. That oil, once lost, can never be recaptured.

Mr. GAVIN. That is correct.

It is a duty of Congress to do something about oil supply. It is our natural function to correct the mistakes of the administrators. The people look to us, and quite rightly so, to perform this function.

We made a start on this last December when we passed the Disney bill. It was an overwhelming majority that voted for it. Then it came to rest in a committee of the Senate and never saw the light of day again. We have the opportunity now to make our former action effective.

There are some who favor trying to work this problem out administratively. I do not know why anyone should think that worth trying further. The O. P. A. keeps right on saying that they oppose a general price increase. They would not change if the gasoline ration was cut to a gallon a month and if every independent oil producer in the United States quit business. There is no use going back to see them any more. The matter has been before the O. P. A. for nearly 3 years, and they sing the same song they did at the start. Promises, but no action.

The administrative branch is in favor of doing everything to stimulate oil production everywhere, except in the United States. Those of us who have some concern about home affairs will have to correct the unfair condition that is inflicting severe damage on industry and public. And it looks to me the only way to get action is through legislation.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON of Kansas. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma [Mr. DISNEY]. I assert the office of the O. P. A. has bungled the handling of our oil problem, and that is putting it very mildly. The regulations and policies set forth by this agency for the oil industry have proved; first, that they are not familiar with the problem; second, that they are not sympathetic; and third, that Congress can delay no longer taking definite action.

Thousands of independent oil producers have been forced to sell their holdings to the larger oil corporations or forced to cease operations under the present program. The oil industry has done everything within its power to secure a reasonable consideration from this agency. The House of Representatives passed a bill several months ago which would have required the O. P. A. to give some consideration to parity for oil prices. Individual Members of Congress and committees of Congress have met with officials of the O. P. A. and the Petroleum Coordinator for War urging that some relief be given before it is too late. It seems as though every one of these requests have fallen on deaf ears.

Today we have an opportunity to write an amendment into this bill which, if approved, will assure our Nation of increased oil supplies. If this amendment is approved it will give the individual producers a fair and living price for crude oil. There are some alarmists who would have us think that we are facing a crude oil shortage in this Nation. The statement has been made that we have only enough oil in the United States to last about 14 years. These figures are arrived at by taking the proved United States reserves of about 20,000,000,000 barrels and dividing it by half of our annual consumption, which is about one and a half billion barrels. Fortunately, this computation ignores many important factors. It assumes first that we are not going to find any new oil in the United States. The truth is that we are still finding large quantities of new oil and geologists agree there are huge quantities of undiscovered oil beneath this land of ours. We are not finding oil at the rate we were finding it before the war. The reason is because our drilling activities have been greatly curtailed through the shortage of material and labor, plus a ceiling price for oil which does frequently not cover the cost of recovering it. Crude oil prices have been fixed at levels so low as to afford no possible incentive to the wildcatters to search for new oil fields.

As one who has consistently urged parity prices for agricultural products, I most earnestly hope the Committee will approve this amendment.

According to figures submitted by the Department of Labor oil is now about 60 percent of parity based on the year 1926. Is it any wonder that our oil producers are being forced into bankruptcy? Today we are advised that the Director of Economic Stabilization, Mr. Fred Vinson, is recommending a subsidy for the oil industry. This subsidy would be paid to oil wells that produce less than 10 barrels per day. It has been suggested that this office may offer subsidies or bonus payments for the drilling of additional wells.

First, I want to state that I am absolutely opposed to subsidies for the oil industry. There is no reason why we should tax our citizens to pay subsidies to this industry. A slight increase in price would take care of it directly. Subsidies for drilling oil wells will not necessarily find new oil fields. Many large concerns who are in the higher tax brackets will take advantage of this method of reducing their corporate income taxes. I am informed that a large number of corporations are already doing this very thing. They are not concerned about finding new oil; they spent their money in order to take advantage of deductible items in their annual tax.

Let us meet this issue honestly and squarely. Let us take advantage of this opportunity to write into law provisions that have been refused by a bureaucratic agency.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from Oklahoma.

Mr. DISNEY. If they received subsidies, they would be drilling for subsidies, and not for oil.

Mr. CARLSON of Kansas. The gentleman from Oklahoma is correct.

Mr. WORLEY. Mr. Chairman, will the gentleman yield?

Mr. CARLSON of Kansas. I yield to the gentleman from Texas.

Mr. WORLEY. In my district there are many independent oil operators. Most of them are finding it most difficult to secure production of oil which the national welfare demands. The costs of producing a barrel of oil are five times greater now than they were before the war, yet the independent producer receives no more for his production. No military operations can be successful today without oil and gasoline, and we must see that a sufficient supply of oil is always maintained. And we will not get sufficient production of food, clothes, oil, or anything else if the producer thereof is compelled to produce at a loss.

Mr. CARLSON of Kansas. The gentleman is absolutely right.

Mr. ROBSION of Kentucky. Mr. Chairman, H. R. 4941 extends the period of the Emergency Control Act and Stabilization Act of 1942 which expire on June 30, 1944, for a period of 1 year. The greatest and bloodiest global war of all times is now in its critical stage and we should leave nothing undone to win this war at the earliest moment possible. There should be an equitable distribution of consumer goods available to all of our citizens without favoritism. Inflation must be prevented. There is nothing mysterious about inflation. This economic condition is brought about by an excess of buying power—money and credits, and a scarcity of consumer goods and products. Congress has appropriated at the behest of the administration since June 1940 for war purposes approximately four hundred billions and other billions will be appropriated.

Most of this huge sum of money has been released to the people of the Nation in exchange for munitions, materials, and services in connection with the war. There has been placed into the hands of the people of this country more money than they ever had before. This means, of course, an excess of spending money and credit in the hands of the people. As our materials have been converted into munitions and supplies for war and millions of dollars of consumer goods have been sent to other countries under lend-lease, Red Cross, and other relief agencies, it has brought about a scarcity of consumer goods and products. The people need these goods, they have the money, and are anxious to buy them. These conditions, unless restrained, cause the people to bid against each other. The consumers, desiring to get as much of these goods as possible and willing to pay high prices, force the prices to go up. The rich will, of course, get more than their fair share of these goods and commodities. Therefore during this emergency it is conceded by each and every Member of the House and Senate and those who are familiar with the subject that it is necessary to stabilize prices and ration goods and commodities that are thus affected by the emergency. All of our citizens, rich and poor alike, should have an opportunity to secure a fair share of these consumer goods and at a fair price. This does not mean, however, that all goods and products need to be rationed or the prices stabilized, but those should be rationed and stabilized that are necessary to prevent inflation. The American people generally willingly accept necessary and reasonable rationing and price control during the period of this emergency.

INEFFICIENCY AND FAVORITISM

The general complaint is that those administering the O. P. A. have shown partiality, favoritism, and inefficiency. They have disregarded the intent and purpose of Congress. Incompetent persons have issued unfair, discriminatory directives and regulations and they have shown in many cases an overbearing attitude toward the people of the Nation. Many incompetent and untrained persons have issued these directives and regulations affecting three million industrial plants and have forced hundreds of thousands of small business concerns out of business. Their acts have affected labor, agriculture, industry, commerce, and, in fact, every man, woman, and child in this Nation. These regulations and directives should be prepared within the laws as passed by Congress and by persons who are trained and experienced in the particular business or commodities affected by them. They should encourage production and the successful conduct of the millions of private enterprises of this country rather than to discourage and harass them, and above all there should be no favoritism.

THE ACTS AND REGULATIONS NEED CLARIFICATION

These acts have been in operation nearly 2 years. Many persons and organizations wrote and wired us to extend these O. P. A. acts without any amendments whatsoever. Others desired only a few minor amendments, while others believe that some reasonable amendments would be helpful, and a very small minority urged that the O. P. A. acts be not extended. Laws affecting so directly all of the activities of the people of this Nation and every man and woman and child could not be perfect. Experience would necessarily disclose some changes that would be helpful.

The Banking and Currency Committee, a large majority of whose members realize the necessity of fair and reasonable price control and stabilization, held extensive hearings on this bill to extend the O. P. A. for 1 year. These hearings covered many weeks. Persons in all walks in life, agriculture, industry, commerce, and management and workers in these activities, and the O. P. A. officials, testified before this committee. These hearings cover about 2,300 printed pages. These witnesses presented the good points and helpful suggestions as to how the O. P. A. act could be improved. After hearing all of these witnesses, the committee, by practically a unanimous vote, favorably reported the bill before us to the House. It contains many very substantial amendments to the O. P. A. The committee realized the O. P. A. acts must be amended in a substantial way to secure the best results.

This measure has been debated for 9 hours or more. We have been reading the bill, considering and debating amendments for 2 or 3 days. Whatever bill may be finally passed by the House and Senate, it can be truthfully said that no bill in my recollection has received more earnest consideration than this measure. There should be adopted some amendments that will not be adopted. This measure must be passed by the House and Senate as the law will expire by operation of law on June 30, 1944. We have been told that the President will veto the bill if it contained all the amendments that some think ought to be considered and adopted. If no bill is agreed upon before June 30, then the only other alternative is to permit these laws to die or pass a resolution continuing the O. P. A. as it now is. This would disregard some of the helpful amendments proposed in the bill by the committee and the friends of this legislation. The Members of the House and Senate feel that there should be some price control and stabilization of some products and commodities, and, therefore, a majority of the Members of the House and Senate approach this problem with the high purpose of writing the best law possible in the interests of all the American people, and to promote our war effort.

There have been three O. P. A. Administrators in less than 2 years—Mr. Henderson, ex-Senator Brown, and Mr. Bowles. I think that Mr. Brown was an improvement over Mr. Henderson, and Mr. Bowles is an improvement over both Mr. Henderson and Mr. Brown. With some needed amendments to the O. P. A. Act and better administration, the O. P. A. should be operated in the future with greater success than it has in the past. Mr. Bowles should conduct this agency in accordance with the intent and purpose of the Congress. No directive or regulations should be issued or enforced that is not based upon the acts of Congress. It is not within the province of the O. P. A. to make laws. It is their duty to carry out and execute the laws. The O. P. A. must continue to weed out these long-haired theorists and crackpots who have issued regulations and directives that have destroyed so many business enterprises, that have cut down production and irritated the people generally. Let us have more ability, experience, and common sense, and they will find the American people willing to cooperate and aid our country wholeheartedly in this great emergency. They should know that the tens of millions of fathers and mothers, wives and children, and our servicemen and women are just as willing to sacrifice and help in the winning of the war as those connected with O. P. A. Let Mr. Bowles refrain from taking over, rationing, and fixing the prices where there is no necessity. The O. P. A. has taken over commodities and products and rationed and fixed prices on them when those commodities and products were going down in price and were selling for less than the cost of production. The jurisdiction of the O. P. A. is limited to prices of commodities and products where there is danger of an inflationary rise in prices and to ration those articles where there is a scarcity. Why should there be rationing if there is a surplus? The O. P. A. should not fix prices or conditions that will destroy legitimate enterprises and thereby cut down production. No one can condone the black markets, but there is no doubt in the minds of many of us that some of the regulations and directives of the O. P. A. have produced many black markets. Inasmuch as inflationary prices are caused by a scarcity of consumer goods and products and an excess of buying power, the O. P. A. should in every way possible encourage rather than discourage increased production of consumer goods and commodities. There is a great deal of complaint against "star chamber" proceedings on the part of the O. P. A. Persons were called in before O. P. A. officials, testimony taken, no record made. This bill

gives such persons the right to have counsel present and a record made of the proceedings.

Under the O. P. A. no one could pass upon the legality of these hundreds of regulations and directives issued by the O. P. A. This bill provides that if a firm or person is proceeded against by the O. P. A. in the O. P. A. and there is an adverse decision, the aggrieved party may appeal to the Emergency Court of Appeals, a court especially created of regular Federal circuit and district judges to determine if the regulations or directives come within the O. P. A. acts of Congress and the O. P. A. or the aggrieved individual or company can appeal from the decision of this Emergency Court of Appeals to the Supreme Court of the United States. Furthermore, this bill provides if the O. P. A. goes into a United States district court and institutes civil or criminal proceedings for the alleged violation of any of its regulations or directives, the defendant has the right to ask that the proceedings be suspended until this Emergency Court of Appeals passes upon the legality of the regulation or directive, and an appeal may be taken also in that instance to the Supreme Court of the United States. We are sure that this will cause the O. P. A. to use greater care in the promulgation of these regulations and directives and if they do disregard the law there is relief for the aggrieved citizen or business involved. For a number of years now there has grown up a practice in the present administration to pass laws and have them administered in such a way as to deny citizens their day in court. The great bureaucracy that has grown up persists in having the full, complete, and final say in passing upon their own regulations and directives. They become at once the prosecutor, the judge, the jury, and the executioner. Some say this will cause delay. We assert it will provide better and more careful administration of the laws. The courts are set up to protect the rights of all of our citizens, and when it comes to the question of destroying a citizen's business and subjecting him to a heavy penalty we think it only fair that the matter should be passed upon by an impartial and competent court.

O. P. A. AND ADMINISTRATION TO BLAME

It is agreed that an excess of purchasing power and a scarcity of consumer goods bring about inflation. The policy of this administration has followed that exact course. In peacetime they increased the national debt to fifty billion. In other words they borrowed and turned loose over the country thirty billion. This, of course, created an excess of buying power. At the same time they killed the cattle and sheep, slaughtered the hogs, plowed up the cotton, corn, wheat, and other products and paid billions in subsidies not to produce and thereby created a scarcity of consumer goods and commodities. We have pointed out that at the behest of the administration Congress has appropriated approximately four hundred billion. No one complains of any dollar appropriated or spent to win the war. We do complain that billions of this sum were squandered and wasted in building up a great bureaucracy of 3,250,000 officials, when the country could have been served with one-half or two-thirds of this number. This money was taken from the bond and tax money of the people. This giant bureaucracy for salaries alone cost about eight billion a year. Other billions of the bond and tax money of the people were taken in paying exorbitant profit to favorite individuals and business concerns under the cost-plus and percentage basis contracts. Let us bear in mind that every billion dollars that we borrow and spread out over the country adds to this excess of buying power and therefore aids in bringing about inflation.

The administration has and is spending other billions in subsidies. For instance, in helping to pay the grocery bills of the rich and poor by taking the tax and bond money of the people and paying so much on butter, certain meats, vegetables, and so forth. This, of course, is being used as a campaign fund in 1944 to induce the American people to keep this New Deal party in power and these billions also aid in bringing about inflation.

Mr. Ickes, Secretary of the Interior and Oil Administrator, says that the O. P. A. should give crude oil producers an increase of 35 cents a barrel. He says the present price is below the cost of production and this low price is destroying thousands of stripper wells and is preventing private enterprise from exploring for oil. We are consuming our oil reserves and we all know how important oil and gasoline is to our war effort and to the productive life of this Nation, on the farm, in industry and commerce. Using 100 as a base, crude oil is less than 63. The average of all commodities is 103. Coal is 119. Lumber is 144. Unless something is done to relieve this situation our oil and gasoline shortage will become more acute. Furthermore, we need oil very much to win the war. The administration, and they control the O. P. A., admit as true what Mr. Ickes says, but they propose to relieve this oil and gas situation: (a) By paying oil drillers a subsidy, and paying to oil producers a subsidy. These would come out of the bond and tax money of the people. Everybody would be paying for this increase on oil and gasoline with their bond and tax money whether they used any oil and gas or not, but these braintrusters and politicians of the administration know or believe this would give them a big political pull with this great private industry. The oil producers say they do not want a subsidy, they merely want a fair price for their oil. If we want to get new producing wells, let industry drill the wells. If we pay a subsidy it would not matter whether they found oil or not.

These subsidies would scatter a lot more money over the country and add to the excess of buying power and therefore increase the danger of inflation. (b) The Administration proposes to build a pipe line from the Persian Gulf in Asia for a distance of about 1,200 miles to a point on the Mediterranean in Europe. No one knows how many millions it would cost. The war would be over before this could be built, and it would involve us in European and Asiatic politics. We have all heard of the Canol oil project being developed by our Government on the lands of one of the big oil companies in Canada. It has and will cost approximately $135,000,000. We are not getting much oil. Thus far it has cost us about $50 a barrel. Just think about how many barrels of crude oil this 35 cents a barrel would buy with the several hundred million dollars that we propose to invest in the Persian pipe line and the Canol oil project in Canada. All of this means that we are borrowing more money, we are selling bonds and scattering the money around, accelerating the dangers of inflation. But for this unwise policy of the Administration the thousands of our small producing wells would not be destroyed, our oil reserves would not be depleted to the danger point, and we could ourselves produce more oil for our war effort and more oil and gasoline for the use of the American people.

It developed in the debate that the O. P. A., in dealing with cotton and the textile goods produced from cotton, that we are losing approximately a billion yards a year in that grade of textile products in which we make low-priced work clothes for housewives and war workers, and for the work clothes for men, and play and school clothes for children. We all know what a great shortage there is in clothing of that character. It developed in the lend-lease debate that because of the policies followed by the O. P. A. we have the greatest surplus of wool that we have ever had. In fact, three times as much as would be necessary for all of our consumption for the next year, or more than enough for 3 years. The farmers, who are producing more wool, wanted this surplus wool to be given away under lend-lease so as not to burden the market. The policy of the O. P. A. has developed the greatest surplus of eggs ever known in this country. Because of lack of storage, eggs are being sold in carload lots at $30 a car. A car holds 600 cases with 30 dozen in a case. In other words, they are selling eggs at 5 cents a case, or one-sixth of a cent a dozen for hog feed and fertilizer. People were denied beef and pork and it turned out that we had more beef and pork than at any time in our history, and you also know about the numerous cases in which cabbages, potatoes, and other vegetables, as well as fruit, were thrown away due to conditions brought about by the unwise regulations and policies of the O. P. A.

We shall not take the time to mention many others in which production was discouraged and scarcity brought about in consumer goods, and in hundreds of other instances where O. P. A. prices and regulations caused great quantities of food to be lost. We understand that Mr. Bowles is improving the O. P. A. Let us indulge the hope that he will continue to build up a strong, experienced, and capable personnel, operate within the law, and always bear in mind that they are dealing with—except in some few cases—honest, sincere, loyal, Ameri-

can citizens. They desire above all that we win this war and that their sons, daughters, and husbands may return after a great victory in the greatest and bloodiest war recorded in history.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. PLOESER].

Mr. PLOESER. Mr. Chairman, I call the attention of the House to the fact that just a few days ago the Committee on Naval Affairs of this House came in with a bill which wrote a formula for the handling of oil production out of the naval oil reserve at Elk Hills, Calif. They said then, and most of us know, that the reason for that emergency was that the Navy needs now an additional 50,000 barrels of oil per day for use in the Pacific, not tomorrow, not next month, not next year, but now. They need these 50,000 additional barrels per day now. That is the shortage in the war effort in the Pacific.

There has been some talk of subsidies here on stripper wells. I think it has been well pointed out that no matter what subsidies you pay to produce oil from these stripper wells, it does not enable the exploration for new wells.

There has also been talk on the floor of what increase in the retail price may be brought about. As I understand this amendment, it is perfectly possible for the O. P. A. to hold the retail price line if they will apply the same stubbornness to the holding of that line that they have applied over many months to the holding of the line on crude oil whereby they depleted the production of oil in America.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Oklahoma.

Mr. DISNEY. This amendment if adopted will increase the price of gasoline eighty-five one hundredths of 1 cent per gallon.

Mr. PLOESER. What is most important it will enable us to get an adequate supply of oil for war and for civilian use. There is nothing new in this formula. We have already written into price control the parity formula. This formula is on an 80 percent of parity minimum. I happen to know that that means approximately an average of 35 cents per barrel, because I wrote the formula and introduced it as an amendment that was attached to the oil bill that went through the House some time ago, known as the Disney bill. I arrived at the 80 percent by taking a 35-cent average increase.

Those who are responsible for the production of oil in this country are advocating this increase so that we may get adequate production. Those who are trying to revolutionize the economics of the country are responsible for lengthening the war effort by handicapping the production of oil. On the one hand is the Petroleum Administrator for War and all those agencies charged with production, and on the other hand is that revolutionary agency known as the Office of Price Administration, which has attempted to remake our entire economy.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. BATES of Massachusetts to the amendment offered by Mr. DISNEY: In the proviso at the end of the amendment, after the word "at", strike out the word "less" and insert the word "more"; and strike out all after the word "parity" in line 13.

Mr. BATES of Massachusetts. Mr. Chairman, I appreciate the splendid work the gentleman from Oklahoma [Mr. DISNEY] has done in regard to the fuel oil and the gasoline question, and the interest that many of the Members of the House have taken in this question over the past year.

I had the privilege of serving on the special committee that had to deal with this subject. After several weeks of investigation of all the factors entering into the question of oil prices, and visiting the oil fields and talking to the producers and the wildcatters and all parties interested in the oil question, I came back with the committee and recommended an increase in the crude-oil prices. The gentleman from Oklahoma [Mr. DISNEY] and every other Member of the House who is interested in the oil question knows that to be true.

I have followed very carefully and closely the recommendation of the Petroleum Administrator for War in his recommendation for a 35-cent-a-barrel increase. I have delivered many addresses in the congested areas of this country in favor of that increase. The Disney amendment offered here goes beyond that. The Disney amendment develops a parity price for crude oil, and I am informed by a representative of the office of the Petroleum Administrator that that means an increase of 75 to 80 cents a barrel over present prices, double that recommended by the Petroleum Administrator.

My amendment simply provides that the increase shall not go above 35 cents a barrel. This increase of 35 cents was recommended by the Petroleum Administrator and generally accepted by the representatives of the petroleum industry. Such an increase, it was stated, would be very helpful in stimulating production and would mean an increase of 1 cent a gallon to the consumers of fuel oil and gasoline. The Disney amendment provides:

That such ceiling shall not be fixed or maintained at less than 80 percent of parity and not to exceed parity.

Under this amending the Price Administrator would be compelled to give consideration to the question of all cost going into crude-oil production. This means parity and parity prices mean an increase of 75 to 80 cents a barrel.

That is where I differ on this bill. If you will adopt my amendment limiting the increase to 35 cents, I shall go along for an increase. We then would be clearly in line with the recommendation of the Petroleum Administrator for War for an increase of 35 cents a barrel. If we go beyond that there is no hope of getting any price increase, there is no hope of getting any more oil. What we should do today is to pass legislation that will give us more oil. It must be remembered that this question of price increase has been discussed and debated for over a year. The Petroleum Administrator for War as far back as May 1943 recommended an increase of 35 cents a barrel for crude oil. He strongly felt that such an increase would stimulate new discoveries and more production. His recommendations were not approved by the Price Administrator. The result is that nothing has been done and the people of the country have for a long time been on a strict ration basis for fuel oil and gasoline, and there is little hope for the near future unless some way is found to stimulate production. To sum up the situation concerning the price of crude:

The Petroleum Administrator recommended an increase of 35 cents a barrel in May 1943.

The Administrator of Price Control has consistently denied this recommendation. Result, nothing has been done about a price increase for crude oil.

The Disney amendment provides that in determining the price to be paid for crude oil the Price Administrator shall give consideration to cost factors. This means parity and parity means an increase of 75 to 80 cents a barrel, double the 35 cents recommended by the Petroleum Administrator and refused by the Price Administrator. My amendment limits the increase to 35 cents a barrel which was recommended by the Petroleum Administrator over a year ago. This bill must go through the Senate and then be approved by the President. If the increase of 35 cents a barrel has been denied by the Price Administrator what hope is there that the Disney amendment calling for a parity price—meaning 70 to 80 cents increase—will be approved? It seems to me that we should take a moderate approach to this problem in the hope that something will be done. It is obvious to anyone who has studied the question that new discoveries of crude oil must be found in order to meet the growing demands of the country, both for war and peacetime purposes.

My amendment, I believe, has more of a chance of being enacted into law.

The CHAIRMAN. The gentleman from Arkansas [Mr. HARRIS] is recognized.

Mr. HARRIS of Arkansas. Mr. Chairman, I think the Members of the House had better well consider the amendment proposed by the gentleman from Massachusetts, because I think the gentleman from Massachusetts proposes something which will not do what he thinks or intends it to do. I think he is wholly mistaken in just what he is proposing here as a formula by offering the language that he does as an amendment to the Disney amendment. As provided in the formula of the Disney amendment it states that the index of all commodities as reported by the United States Department of Labor, Bureau of Labor Statistics, in the wholesale commodity price index, based on the year 1926, shall be

taken into consideration, provided that such ceilings shall not be fixed or maintained at less than 80 percent of parity. The amendment offered by the gentleman from Massachusetts says, "not more than 80 percent of parity." That reverses the intent of the amendment altogether.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. HARRIS of Arkansas. I yield.

Mr. BATES of Massachusetts. I am agreeing to the 35-cent-a-barrel increase. I am opposed to the 80-cent increase. That is all my amendment does.

Mr. HARRIS of Arkansas. I think the gentleman has been wholly misinformed as to 80 cents a barrel increase in this whole discussion. Today the parity of oil is on the basis of 63, as compared to all commodities.

Mr. BATES of Massachusetts. That is right, $1.20.

Mr. HARRIS of Arkansas. This proposes 80-percent parity or an average increase of 35 cents per barrel. If it were to be increased to 100-percent parity, which we do not propose, it would probably be about $1.88 per barrel.

Mr. BATES of Massachusetts. That is right; about $2.

Mr. HARRIS of Arkansas. But 80-percent parity would increase it an average of 35 cents a barrel.

Mr. BATES of Massachusetts. That is right; if it is limited to that, I am in favor of it. The Disney amendment does not limit it, but puts a ceiling on it and says, "Not to exceed parity."

Mr. HARRIS of Arkansas. Does the gentleman think the Office of Price Administration or anybody that has anything to do with the setting of prices is going to set the price beyond the specific language of the legislation?

Mr. BATES of Massachusetts. The language says they shall take into consideration parity prices. That is what I am objecting to.

Mr. HARRIS of Arkansas. I hope the Committee will vote down this amendment. I intended to give my time on the merits of the Disney amendment, but considering the importance of this proposed amendment to the Disney amendment, I have devoted my time in opposition to it, and I hope it will be defeated and the Disney amendment adopted. It would give relief to the stripper and marginal producers and prevent the closing of thousands of wells and losing the reserves under these wells forever. It would provide incentive for exploration in this country and encourage greater development, which is of so vital importance to this Nation. I am for price control on a fair and equitable basis. I realize its importance, and we must have it. I have supported and voted for price control and stabilization to prevent inflation and run-away prices. It was never the intention of Congress, however, to destroy any industry, but to give fair and adequate opportunity for industry to continue to contribute to the progress of the war and the welfare of the Nation.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MONRONEY] is recognized for 3 minutes.

Mr. SPENCE. Mr. Chairman, the gentleman from Oklahoma [Mr. MONRONEY] comes from an oil country. He has made a very exhaustive study of this subject. Therefore, Mr. Chairman, I ask unanimous consent that I may yield to him the time allotted to me.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MONRONEY] is recognized for 8 minutes.

Mr. MONRONEY. Mr. Chairman, I assure you that if I felt it was possible to get an increase for the oil producers of my district, which are many, without severely injuring and damaging inflation control, without damaging the oil industry itself, I, perhaps, would be joining with my colleague and others from oil-producing States, in advocating the raising of the price of oil by legislation. But if the price of oil can be raised by legislation it can also be lowered by legislation.

Mr. Chairman, this amendment attempts to establish a parity formula for oil. It attempts to pick out of the vast number of Government reports—and they are legion—the all-commodity index of the Bureau of Labor Statistics, which has no standing whatsoever in law and which has no specified certainty as to the component parts of that index in law. It takes a figure that has no more standing in law than the box score of the New York Yankees and ties the price of oil to the all-commodity index. What is contained in that index?

There is steel, cotton, aluminum, magnesium, tin, fertilizer, and many, many other things which go to make up the all-commodity index. Perhaps today the all-commodity index would help you get a 35-cent increase, or even a lot more.

But perhaps in a year or so another Congress might be quoting the fact that the oil industry wanted this so-called parity and in a hasty moment tied their prices to the all-commodity index. If we establish a parity price of oil based on the all-commodity index, will we not in all fairness be required to give that parity to the other items in that commodity index, many of which are far below the all-commodity index? Electric power, aluminum, and other things are selling far below the all-commodity index line. I would like to call your attention here to a table showing the added cost if some of these items are given this so-called parity.

When we raise an important commodity up to the general average, which is the line, we then raise the line a little bit higher. That is simple mathematics.

It seems to me the only way you can consider this and other amendments is, are we fighting inflation or are we fighting O. P. A.? Do we consider that in the midst of the most terrific spending in all history for war, the line against increased prices has been held?

Yet here today you have tied the hands of O. P. A. by almost every amendment. This amendment will add roughly a half billion dollars to the cost of oil. One hundred and seventy-five million dollars of this must come out of Uncle Sam's pocket for the oil he is using for the war effort. The balance comes out of the pockets of the public. If it is limited to 35 cents, which some of the oil amendment backers do seem not to quite agree on, if it goes the whole limit, it raises it something like $1,000,000,000 a year. I do not think we can stand that inflationary pressure.

It was admitted by oilmen themselves before our committee that 70 percent of all of the oil production, and this is not profits, this is oil production out of the ground, is in the hands of the major oil companies. It was admitted before our committee that 70 percent of all the production was in the hands of the major oil companies. Seventy percent of this half billion dollars will go to the major oil companies who, on the record, do not need one single dime, most of them being in the excess profits brackets.

You are trying to help, and I want to help the little, small fellow who cannot make both two ends meet, the submarginal producer and the stripper wells. Yet in order to help him you are going to help and give one fellow a windfall profit on 70 percent of the production in this country. I do not think that is what you want to do. I think we should use common sense in the midst of this terrible war in this difficult job of holding prices and put the relief where it is needed.

That is why it is proposed to pay a subsidy price on the stripper well production to keep them in production. They have broadened this program some and have improved it some and have tried to get the cooperation of the P. A. W. to that end. I have no time to argue the subsidy question, but I say that 90 percent of the complaints, the legitimate complaints that are made against the oil ceiling, would be relieved largely by that subsidy provision. We hear a lot of talk about the great shortage of oil. It is claimed, "Tomorrow morning our ships will be without oil." In the year 1943, the year of greatest consumption of oil in our country, our reserves in the ground yet unproduced, according to the testimony, decreased only one-tenth of 1 percent.

Does anybody think that through a mysterious price increase of 35 cents a barrel, the people of Massachusetts will have all the gasoline they need to drive to Maine on vacations, or all the oil they want to burn? No.

The limitation is on refining—on the carrying activities. We have the oil in the ground to finish this war. I say we should increase this reserve if we can. The figures and estimates of P. A. W. itself are that 5,000 wells will be drilled searching for oil this year. That is more than have been drilled any year since 1937. Yet we hear about the poor fellow; but the flush producer who is going to get this 35 cents or 70 cents increase, you do not hear on the floor. However, that is where about 70 percent of the increase will go. Those men are more worried about excess-profit taxes than they are the price of oil.

Mr. GAVIN. Will the gentleman yield?

The CHAIRMAN. The gentleman stated he declined to yield.

Mr. MONRONEY. Gentlemen, you either want price control or you do not. There is no easy way to get it. Everyone can make a very good case for the hardship cases, but if we give way on oil we are going to break the line and give way on other major commodities. In establishing this parity formula you will set a precedent that will come home not only to haunt this Congress but to haunt the oil industry as well.

I beg of you, gentlemen, if you heard from the people who are in favor of controlling inflation we would not be seeing the spectacle that we see on this floor today, with the committee in full retreat, not having been able to fight off a single price-increasing amendment.

I wonder if back over these 48 States tomorrow morning or Monday or Tuesday some of these 92 percent of the people who, by the Gallup poll, say they are in favor of the operation of O. P. A. will be heard from. That percentage does not apply to inflation control support today on the floor of this House—yet, when you hear from the people whose cost of living goes up you are going to meet the real sentiment of this country.

Initial cost of bringing prices of 11 items up to 80 percent and up to 100 percent of their 1926 "parity"

Item	Increased costs					
	From bringing to 80 percent of 1926 parity			From bringing to 100 percent of 1926 parity		
	To Government	To public	To both	To Government	To public	To both
Aluminum	$947,000,000	$19,000,000	$966,000,000	$1,641,300,000	$33,000,000	$1,674,300,000
Magnesium	1,087,000,000	22,000,000	1,109,000,000	1,479,800,000	30,200,000	1,510,000,000
Lead	6,000,000	6,000,000	12,000,000	27,900,000	27,600,000	55,500,000
Tin	2,000,000	1,000,000		17,300,000	5,600,000	22,900,000
Electricity	539,000,000	862,000,000	1,401,000,000	985,000,000	1,576,000,000	2,561,000,000
Rayon fabrics	66,000,000	794,000,000	860,000,000	91,200,000	1,108,300,000	1,199,500,000
Residential rents		784,000,000	784,000,000		2,960,000,000	2,960,000,000
Copper (electrolytic)				183,000,000	21,000,000	204,000,000
Iron and steel				(1)	(1)	1,250,000,000
Cement				22,080,000	5,000,000	27,000,000
Gas				(1)	(1)	210,000,000
Total	2,647,000,000	2,488,000,000	5,135,000,000	4,446,500,000	5,766,700,000	11,674,200,000

[1] Not available.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. MONRONEY] has expired.

The gentleman from Massachusetts has offered an amendment to the amendment.

The question is on the amendment offered by the gentleman from Massachusetts to the amendment offered by the gentleman from Oklahoma [Mr. DISNEY].

The amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Oklahoma [Mr. DISNEY].

The question was taken; and on a division (demanded by Mr. MONRONEY) there were—ayes 123, noes 57.

So the amendment was agreed to.

Mr. SPRINGER. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: On page 12, line 2, strike out the quotation marks, and at the end of line 2 insert the following language: "No maximum price shall be fixed or maintained upon any article of property, of whatsoever character, which is sold by any administrator, executor, trustee, receiver, or other officer of any court, which is sold under the order or decree of such court."

Mr. SPRINGER. Mr. Chairman, the amendment which I have offered relates to judicial sales, and to the confusion which has existed between the O. P. A. regulations and judicial sales which are conducted by trust officers throughout the country.

In all trust matters which are pending in our local courts and in our Federal courts—I refer especially to the settlement of estates, in which executors and administrators are appointed and are acting, and I refer to guardians, and in the Federal courts I refer to trustees and receivers, because they come within the category of officers who are greatly concerned in this matter. In many of those cases a very serious situation exists regarding prices. As all of you who have participated in matters of this kind know, a trust officer, acting under order of court, who is under oath and is under bond, is required to have an appraisement made of the property he is about to sell. These sales are forced sales. They are sales that are brought about by reason of the necessity of settling estates of bankrupts, or of those whose property is in the hands of trustees, or of decedent's estates. After appraisement has been made, then the order of court is made for the sale of the property. Under the laws of the respective States the trust officer is required to sell the property to the highest and best bidder. That is, he must secure the highest price obtainable for that particular property. That is where the O. P. A. regulations operate to prevent the trust officer, and the court, from complying with the laws of the State. I have a letter from one judge and I want to read some extracts from that letter with respect to the confusion which has existed.

I read from this letter.

We had in the settlement of this estate a one-half ton truck, 1936 model, which had been appraised for $600. There were a number of persons who wanted to buy this truck and they had offered to pay as high as $700 for it. We then consulted the O. P. A. Administrator, they advised us that for this truck the ceiling price was 41 percent of $612, which was the original cost, which would mean the sum of $250 was all the O. P. A. would permit that trust officer to receive for that truck when he was charged under the law of the State under which he was operating that he must receive the highest and best price which he could obtain for that property.

That confusion has continued in my section of the country, and in my State, and I have received communications just recently that some judges have gone so far as to order their trust officers that they must not consider the rules or the regulations of the O. P. A. in carrying out their judicial sales, and their functions under the order of the court in which such trust matter is pending.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the distinguished gentleman from Michigan.

Mr. DONDERO. The gentleman's amendment applies only to judicial sales.

Mr. SPRINGER. The gentleman is entirely correct.

Mr. DONDERO. It has been brought to my attention that auction sales on farms throughout the country have met with the objection from O. P. A. that articles sold must not go beyond the price fixed by O. P. A.; and the sales were discontinued.

Mr. SPRINGER. The gentleman is entirely correct. I have had a large number of similar instances brought to my personal attention. My amendment, however, relates only to sales under order and decree of the courts made by trust officers acting under the courts, and under the laws of that jurisdiction.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. BARRY. The black market flourishes because people are willing to pay prices above the ceiling. What fundamental difference is there between that problem and the gentleman's problem?

Mr. SPRINGER. The difference between the two problems is that under the law of the gentleman's State, as well as under the law of my State, a trust officer is obliged to secure the highest and best price for property which he sells at judicial sales, and O. P. A. will not permit that to be accomplished. In other words, the O. P. A. regulations at least attempt to make our laws, our courts, and our trust officers subservient to its domination and control.

Mr. BARRY. In these wartimes would not the highest and best price be the price fixed by O. P. A.?

Mr. SPRINGER. No. The O. P. A. price ceiling is much lower, in many instances, than the best price which a trust officer can obtain. If the trust officer fails to secure the highest and best price for the property he sells, under order of court, he not only violates the law of his State, but he would probably be liable on his bond. If the present existing situation continues there is no doubt in my mind that many suits will be instituted against our trust officers and their bondsmen.

It is my hope that the amendment which I have offered will be adopted by the Committee.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. SPRINGER] has expired.

Mr. SPENCE. Mr. Chairman, I rise merely to say that for 40 days we had hearings on this question and nobody ever appeared before the committee to present the matter that has just been presented by the gentleman from Indiana. There does seem to be some merit in what he says.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. SPRINGER. I will ask the gentleman if I did not present my amendment to the gentleman, on the floor of the House, just as quickly as this bill was started?

Mr. SPENCE. Yes; the gentleman talked to me about it, but it was never presented to the committee. We urged everybody who had any complaints to appear and present their views to the committee. I do not know just what effect this amendment if adopted would have on the administration of the Price Control Act.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. BARRY. I should like to ask the gentleman from Indiana through the Chairman whether this question has ever gone to the highest court.

Mr. SPRINGER. It has not gone to the highest court but it has been a matter which has confused all the courts, including State courts and district courts, and they are in a confused state now as to how they shall sell this property, whether or not they will sell it under the law, under which they are bound to operate, to the highest and best bidder, or whether they are going to be controlled by O. P. A. regulations.

Mr. BARRY. All other sales are subject to O. P. A. regulations; why should not these be?

Mr. SPRINGER. I have a letter from Chester Bowles in which he states to me that all sales under $100 are not subject to the O. P. A. regulations, but all sales which exceed $100 are subject to O. P. A. regulations. My amendment is intended, Mr. Chairman, merely to clarify this matter and to stop this confusion existing between O. P. A. and the courts and trust officers of the country.

Mr. BARRY. But does not the gentleman's amendment propose to give a man more rights after he is dead than while he is alive?

Mr. SPRINGER. It merely gives the opportunity in these forced sales by an administrator, an executor, a trustee, or a receiver in the settlement of an estate, or in closing out the property of a person or business that has failed, to permit them to proceed under the laws of the State.

Mr. BARRY. Why should a dead man have more rights than a living man?

Mr. SPRINGER. This merely gives the courts the opportunity to carry out their functions under the laws of their States. The adoption of this amendment will stop the existing confusion respecting all judicial sales.

Mr. BARRY. If a man wanted to sell an article while he was alive he would be subject to O. P. A., but when he dies and that article is sold from his estate it would not be subject to O. P. A. regulations.

Mr. SPENCE. Mr. Chairman, as I said before, the statement of the gentleman from Indiana seems to contain merit; I do not intend to deny that. I can conceive some sales which if there were no regulations might be highly inflationary. I do not know just what effect this amendment would have generally on the control of prices.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield for one question?

Mr. SPENCE. I yield.

Mr. SPRINGER. I know the distinguished gentleman from Kentucky is a splendid lawyer. All of us must remember that these trust officers are under oath and they are under bond to obtain the highest and best price obtainable for the property they sell, and they are under the order of the court to make the sale of such property in compliance with the law of their jurisdiction.

Mr. SPENCE. That is conceded; still they must be subordinated to the laws of the United States in these emergent times.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. BARRY) there were—ayes 71, noes 42.

So the amendment was agreed to.

Mr. LARCADE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LARCADE: Page 12, line 2, strike out the quotation mark and after line 2 insert the following new subsection:

"(1) No maximum price shall be established or maintained under this act or otherwise in the case of rough rice. This subsection shall be held to have become effective as of March 7, 1944."

RICE

Mr. LARCADE. Mr. Chairman, for more than 50 years, Louisiana has been the largest producer of rice in America; and its planted acreage and value in this State is exceeded only by cotton. The commercial culture of rice in the United States is limited to Louisiana, Texas, Arkansas, and California.

Approximately 80 percent of the State's rice acreage is in southwest Louisiana, especially in Acadia, Vermilion, Jefferson Davis, and Calcasieu Parishes. The 1942 plantings exceeded 600,000 acres. One of the features of rice production in Louisiana is the fact that ownership of acreage and production of the crop are not in a few hands. The average rice farm is nominal in size and family operated.

The principal use of rice is for human food, and for over half the world's population it is the main article of diet. Although the chief use of rice is in cooked form for human food, it is extensively used in the manufacture of many products, such as breakfast cereals, alcoholic beverages, starch, flour, cosmetics, pastes, glues, and other adhesives, vinegar, acetone, and alcohol.

As a food rice is nutritious and easily digested. One hundred pounds of clean rice contains 87.7 pounds of nutrients, consisting of 8 pounds of protein, 0.3 pound of fat, 79 pounds of carbohydrates, and 0.4 pound of ash.

Byproducts obtained in the milling of rough rice include rice hulls, rice bran, and rice polish, or polishings, as they are sometimes called. Rice hulls, the coarse fibrous husk or outer coating of the rice kernel, are used commercially as packing material, filler for horse collars, insulating material, sweeping compounds, in the manufacture of linoleum, and as a source of cellulose. Rice-hull ash is a granular silica refractory insulator with low thermal conductivity and possesses sound-deadening qualities. It is fireproof, decayproof, and odorless, and is used extensively for insulating purposes and as a base for certain kinds of soap.

Rice bran is a valuable concentrated feed for livestock, and the greater part of it is used for that purpose. Oils and fats also can be extracted from rice bran.

Rice polish, or polishings, is a rich source of the various components of vitamin B. While a large portion of the rice polishings produced is now used for cattle feed, rice polishings can be made into palatable breakfast foods. In mixture with wheat flour, it is used in the baking of bread and pastries, and it also may be employed as a raw product from which its vitamin content may be extracted.

Paper pulp and cellulose may be made from rice hulls or rice straw. The cellulose is then available for cigarette paper or for such products as celluloid, acetate rayon, and other plastics. The pentosans in the hulls and straw can be hydrolyzed to furfural, which is an important compound used in oil refineries and elsewhere.

Mr. Chairman, on day before yesterday I offered to the House an explanation of the operation of the Office of Price Administration with respect to some of the most important industries in the State of Louisiana and particularly in my district, and pointed out to them the hardships and injustices caused by the regimentation and by the directives and the ceiling prices placed on some of our most important products.

The Representatives of the rice-producing States have consistently opposed the establishment of maximum prices on rough rice and have filed written protests and objections with the Office of Price Administration, and from time to time have participated in many conferences with the officials of that office, and do now further protest this action and reiterate our reasons therefor, to wit:

First. The placing of a maximum price on rough rice is unnecessary as there has been placed a maximum price on milled and clean rice, which maximum price on milled or cleaned rice, if enforced, protects the consumer.

Second. The 1943 crop of rice under the maximum price under which the same was produced, harvested, milled,

and distributed, was handled with a fair return to all concerned.

Third. It is unfair to the producer to place a maximum price on rough rice for the reason that under the proposal there is a scandalously wide spread between the maximum price on rough rice and the maximum price on milled or cleaned rice.

Fourth. The proposed maximum prices for rough rice are below the levels of the year 1942, and violate the 1942 Emergency Price Control Act, as amended. The term "gross inequity" was never intended to confer authority on that agency to place maximum prices at levels below the standards contained in the law but rather to permit prices to be fixed at levels above the standards when justice dictated this action. Thus, clearly, MPR 518 violates the law and intent of Congress. You cannot expect support of your program unless you administer it in accordance with the letter of the law.

Fifth. The proposed maximum prices for rough rice, we are informed, are below the cost of production at this time—see testimony of hearing of O. P. A. held in New Orleans, La., on March 20, 1944—and instead of encouraging the production of this important food, will not only reduce the crop for 1944, but will practically ruin the rice growers.

Sixth. We are further informed that it is the intention to amend the abovementioned MPR 518 regulation to provide for Federal grading of rough rice, and that the total rice production be allocated to the various rice mills and that the value of the individual rice crops be determined by "valuation committees" in order to eliminate all competition in the purchase of rice. The effect of this would be that the producer would have completely destroyed his privilege to trade in the sale of his crop, and would be entirely unable to protect himself against unfair grading, and so forth.

Seventh. Our constituents advise us that all of the producers and a majority of the rice mills are opposed to the placing of this proposed maximum price on rough rice, as the same is unnecessary unfair, unreasonable, and that the only result would be to create unknown hardships and unnecessary confusion on the part of the producer and in no way help the consumer, and that they are all further opposed to any such regimentation on the part of your agencies as is suggested in the above and foregoing paragraphs.

Eighth. On October 1, 1943, the War Food Administrator advised me by letter that that agency did not favor establishing a ceiling for rough rice at that time, and we are unable to understand why the War Food Administration has joined in the order of March 7, 1944 placing a ceiling price on rough rice.

Therefore, in view of my sincere opinion that the facts do not justify a ceiling price on rough rice, no other alternative is left to us except to offer this amendment to save the rice industry, and make this source of food available.

Other amendments will be offered covering some of the other products which are adversely affected by other Members from my State, but since rice happens to be the principal agricultural commodity of my district, I propose to discuss it with you and have offered for consideration the amendment affecting that particular product.

Rice is grown in the States of Louisiana, Arkansas, Texas, and California. Louisiana is the largest rice-producing State in the United States, and my district is the largest rice-producing district in the State of Louisiana.

The Office of Price Administration has placed a ceiling on clean or milled rice which in the opinion of the people of my State and the people in the industry is sufficient to control the price to the consumer, and besides having placed a ceiling price on the clean and milled and polished rice, which is purchased directly by the consumer, the Office of Price Administration has also placed a ceiling price on rough rice. Rough rice is the rice which comes from the farm directly after it is harvested and threshed, before being turned over to the mills for processing into the finished product.

Our people are of the opinion, and have so protested to the Office of Price Administration through their constituted representatives against the placing of a ceiling price on rough rice. They have had conferences time and again with the O. P. A. in an endeavor to convince them that a ceiling price on rough rice is not necessary.

Mr. BARRY. Will the gentleman yield?

Mr. LARCADE. I yield to the gentleman from New York.

Mr. BARRY. Will the gentleman tell us what the price of rough rice is with respect to parity?

Mr. LARCADE. I do not have the exact figures, but I know that the ceiling price is not in keeping with the cost of production.

Mr. BARRY. The Administrator is forbidden by law to place a price below parity, so it must be above parity.

Mr. LARCADE. I know that. That is one of the complaints that is contained in my argument which I will bring out later.

Mr. BARRY. Has not parity been for years the desirable goal of the farmer?

Mr. LARCADE. I think so, but in this particular instance the price is not comparable with parity.

Mr. BARRY. It must be above parity, otherwise it would be contrary to law.

Mr. LARCADE. That is one of the things that the Office of Price Administration is doing. They are violating the law in placing the ceiling price which it has on rough rice. They are violating the Price Control Act of 1942.

Mr. ALLEN of Louisiana. Will the gentleman yield?

Mr. LARCADE. I yield to the gentleman from Louisiana.

Mr. ALLEN of Louisiana. Regardless of what the gentleman from New York has just said, the ceiling price on rough rice is still out of line with the cost of production. That is what the gentleman is talking about?

Mr. LARCADE. That is absolutely correct, and that is what my people claim.

Mr. ALLEN of Louisiana. The cost of production has gone up to such an extent it is hindering the production of rice?

Mr. LARCADE. That is correct.

Mr. BARRY. Is it not a fact that the cost of production is taken into consideration when the parity formula is worked out?

Mr. LARCADE. I do not think it is taken into account in the ceiling price that has been placed on rough rice.

Mr. ALLEN of Louisiana. Unless the price of rice is increased the farmers are going out of business in the middle of the war?

Mr. LARCADE. They are not going to grow as much rice as they did previously. Rice is one of the most important food products, and it is necessary to help in our war effort to feed our soldiers and our allies.

Mr. NORRELL. Will the gentleman yield?

Mr. LARCADE. I yield to the gentleman from Arkansas.

Mr. NORRELL. The fact is when a ceiling was placed on rough rice it was done in order to relieve the squeeze that the millers found themselves in? Actually, it means that the rough rice producer must stand that which it is necessary to give to the millers in order to give them a fair profit?

The CHAIRMAN. The time of the gentleman has expired.

Mr. NORRELL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas [Mr. NORRELL]?

There was no objection.

Mr. NORRELL. It means that the producers of rice are being mistreated. The price of finished rice should have been increased in order to relieve the millers of the squeeze they were in?

Mr. LARCADE. That is correct. I thank the gentleman from Arkansas for bringing that point out.

Mr. Chairman, may I say to the committee the principal reasons advanced by our rice farmers with respect to their complaint on the application of a ceiling price on rough rice are numerous.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LARCADE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes. I think I will be the only speaker on this amendment, and I have not had the opportunity to present my argument in full.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana [Mr. LARCADE]?

Mr. GAMBLE. Mr. Chairman, I object.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Louisiana [Mr. LARCADE].

Mr. Chairman, if I understand this amendment correctly it would prevent the establishment of any maximum price on rough rice. We should bear in mind

that if we were to do that it would have a material effect upon comparable or substitute products, such as wheat, corn, and such like. We do not know how far-reaching it might be. It would perhaps be the straw which might break the camel's back in the enforcement of the Price Control Act.

I also want to call the attention of the Members of the House to the fact that rice is a basic commodity and under the provisions of the Stabilization Act wherein we amended the Commodity Credit Corporation Act, we provided a floor under the basic commodities, corn, wheat, rice, tobacco, cotton and peanuts which were harvested after December 31, 1941, and continue that floor for 2 years following the war. As it was said here yesterday, you cannot guarantee to the farmers or to the producers a support price or any other kind of a price by manipulation of the maximum price.

The maximum price, you understand, set up under this act is the price which the consumer pays for the commodity and it is not necessarily reflected back to the producer; so the only way you can assure a producer parity or 90 percent of parity or cost of production or any other price which we see fit to guarantee to him is through the support price provisions which are administered by the Commodity Credit Corporation. That not only has to do with the basic commodities which I have mentioned but also has to do with all other encouraged crops, where the Government has encouraged the expansion of production of any commodity which is not a basic commodity then that commodity gets the full benefit of any floor which we place under the basic commodities.

Mr. Chairman, this amendment would not necessarily help the rice grower. I am sure that it would materially affect the cost of living by starting the escalator or the spiral or whatever we might want to call it. I do not believe this House, I do not believe the committee, wants to take the responsibility for breaking the line, because if we do so in regard to rice, of course, it will be inconsistent on our part to deny like benefits, if they can be called benefits, to almost all other commodities, not only agricultural commodities but all manufactured goods as well.

Of course, if we adopt this amendment we may expect any other group or individual who has a particular grievance against these prices to ask us to instruct the Administrator to administer this law so as to effectuate the defeat of our purpose, which is to control prices, and thereby control the cost of living. I think this is a very dangerous amendment. It is one not in keeping with our philosophy of price control, and I hope it will be defeated.

Mr. OUTLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if there is one certain way of breaking down price control it is to start and take one product and then another product out from under price ceilings simply because a particular group feels it is necessary in a particular section. There is not a Member in this House who does not have complaints about particular products in his district, agricultural or otherwise. There is not a Member in this House who probably would not like to bring before this committee amendments exempting this product or that product. Our colleague on the committee the gentleman from Wisconsin [Mr. DILWEG] has a particular product in mind. I do not know whether he will bring it before us or not. If he does, I shall reluctantly have to vote against it, even though he is a member of the committee and a good friend of mine.

Yesterday we had an amendment which was designed to take fish out from under price control. We will probably have many others brought in today, one by one.

I disagree with my colleague, the ranking minority member of the committee, in only one respect, and that is, I think we have already started to break the line and unless we stop pretty soon we are going to break it all the way across.

I hope the amendment is voted down.

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I did not ask for any time during general debate on this bill, but I do want to take a few minutes at this time, not only to discuss this amendment, but also other amendments that will be offered later.

I agree wholeheartedly with the remarks of the gentleman from California [Mr. OUTLAND] and the gentleman from Michigan [Mr. WOLCOTT]. There are people in my district who think that the particular commodity they raise or merchandise they sell should be excluded from the Price Control Act and they can offer a very convincing argument. However, if we are going to have price control, we must have price control right across the board without exception.

The bill now before us was considered by the House Banking and Currency Committee. This committee, composed of just about an equal number of Democrats and Republicans, held hearings for more than 40 days. They had an excellent opportunity to review the record and experience of O. P. A. Based on the testimony they heard, and the study they gave the problem of price control, they have unanimously reported out a bill that appears to me will give us a very greatly improved administration of the Price Control Act. I intend to support the bill reported by the House Banking and Currency Committee and it is going to take considerable augument to convince me that their bill should be amended in any material respect.

I would like to take just a minute, if I may have the attention of the gentleman from Michigan [Mr. WOLCOTT] to ask one or two questions, the answers to which I would like to have in the RECORD. It is my understanding that if this bill becomes law the O. P. A. in the future will be compelled to respect business practices that have been followed over a period of years in any given business or industry. Under the language found in section 2, the O. P. A. will not be permitted to ignore business practices. For an example of what I have in mind let us take shade-grown tobacco. Shade-grown tobacco has been sold for a good many years in my section of the country on a basis of grade. What I want to know now is, Will it be possible under the language of this bill for O. P. A. to insist that pricing must be done otherwise than by grades?

Mr. WOLCOTT. In subsection (h) of section 2 of the bill, found on page 11, starting with line 3, the committee recommends the following:

> The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution established in any industry, or changes in established rental practices.

I think that clearly indicates our intent that they shall not use any of the powers in the bill to make changes in business practices. That is the language in existing law, except that we have stricken from existing law language dealing with circumvention of regulations or other price regulations under this act. We have ample protection against circumvention in subparagraph (g) wherein we say:

> Regulations, orders, and requirements under this act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

Mr. MILLER of Connecticut. I thank the gentleman. I did want that information to appear in the RECORD.

In section 9 the committee changes the proviso "The President may" to "The President shall." Do I take it that that means, say in the case of milk or dairy products, that where it can be shown that due to increased labor costs or feed costs or other items going into the cost of production of milk, that it is the intention of the Banking and Currency Committee and of Congress, if this bill becomes law, that there shall be an adjustment made in the price of such dairy products?

Mr. WOLCOTT. The purpose of that is to give the court jurisdiction to compel the Administrator to correct gross inequities wherever they were found.

I might say that we have strengthened that provision by the adoption of an amendment known as subsection (k) of section 2, which provides:

> The Administrator shall, without regard to the limitations contained in this act or the Stabilization Act of 1942, adjust any maximum price or rent to the extent that it may be necessary to correct gross inequities.

That not only compels the Administrator to do it, but if he is arbitrary or capricious about it, then the court is given jurisdiction to compel him to make such corrections.

Mr. MILLER of Connecticut. I thank the gentleman. It appears to me that the answers given to my questions by the gentleman from Michigan [Mr. WOLCOTT] indicate very clearly that the committee has in fact strengthened the administration of O. P. A. Unless some of the amendments already adopted in the Committee of the Whole are removed from the bill when we go back into the House I doubt very much that I can bring myself around to voting for the

bill as now amended. Rather than to vote for amendments that emasculate the price control law, I would prefer to see a simple resolution adopted continuing the present O. P. A. act. Much as I am opposed to some of the amendments already adopted, it may become necessary to vote for the bill in order that it may go to conference, in the hopes that the conferees of the House and Senate can eliminate some of the objectionable amendments already adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. LARCADE].

The amendment was rejected.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my purpose in doing this is to call to the attention of the Committee of the Whole that there are 18 amendments on the Clerk's desk. We are still on section 2 of the bill. We have considered this bill under the 5-minute rule yesterday and today, and I am wondering if we can agree on a time limit on this section and all amendments thereto. I suggest that all debate on section 2 and all amendments thereto close, say, in 2 hours. We have to bring it to an end sometime.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. JENKINS. I appreciate what the gentleman has said, but section 2 is really the heart of the bill. I wonder if it is going to be the purpose of those in charge of the bill to finish section 2 tonight?

Mr. McCORMACK. Yes.

Mr. JENKINS. I was in hopes it might go over, because it is very evident that this bill is going into next week. There is no question but that section 2 is by far the most important part of the bill. I know that several very important amendments will be offered. Just as soon as you commence to limit the time, everybody gets more fidgety than they are now, and there we are. I wish the gentleman would put it over until Monday.

The CHAIRMAN. Will the gentleman permit the chairman to make a statement in that connection? There are more amendments to section 2 on the Clerk's desk now than there were yesterday when the Committee rose.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. McCORMACK. I yield.

Mr. DIRKSEN. May I inquire how many amendments are pending on the desk?

The CHAIRMAN. The majority leader just stated that there were 18 amendments to section 2, and the Clerk advises the Chair that there are 18 amendments on the desk now to section 2.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. May I state that in addition to the 18 amendments to this section which are now on the desk I have quite a few that have not been sent up to the Clerk's desk. In other words, none of the amendments which my committee has proposed are now on the Clerk's desk.

Mr. McCORMACK. That means that there are more than 18 amendments, inasmuch as the gentleman from Virginia says he has quite a few more. I wonder if we could agree on 3 hours of further debate on section 2 and all amendments thereto.

Mr. SMITH of Virginia. I hope the gentleman will not press that at this time, because, if debate is so limited, certain of these amendments are going to get preferred consideration and others that may be of equal or greater importance may not have the opportunity to be heard at all. It is going to depend a good deal in that sort of a situation on whose voice is the loudest in attracting the attention of the Chair.

Mr. McCORMACK. I appreciate what the gentleman says, but I am wondering if we cannot agree on a limitation of the time for debate.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I think in all fairness we could not very well limit the debate at this time. There are 25 or 30 amendments, and most of them are important amendments. They ought to be fairly considered by the House, whatever we do about them. I do not believe anyone should be shut off.

The CHAIRMAN. Will the gentleman permit the Chair to make a suggestion in that connection? If consent could be secured to have debate on each amendment and all amendments to each amendment limited to 5 minutes for it and 5 minutes against it, instead of talking for an hour on one amendment, progress might be made.

Mr. MARTIN of Massachusetts. Some amendments might require over 10 minutes of debate to be properly placed before the House. I do think that all speeches could be limited to 5 minutes.

Mr. McCORMACK. I will be perfectly frank in saying that I rose not for the purpose of action, but to see if we could get some kind of an idea out of this discussion.

Mr. JENKINS. If the gentleman will yield further, I think the gentleman and those in charge of the bill ought to get out of the notion of finishing this section today. This is Saturday afternoon. I live here, and I will stay here, until midnight if necessary. But this is not the last day we will be in session. This is a very important matter. There is no piece of legislation that has been before the Congress recently in which so many people are interested, unless it be the G. I. bill. We have plenty of time. We can take Monday and Tuesday if necessary. What is the hurry?

Mr. McCORMACK. It is always difficult for me to resist the persuasive influence and personality of my friend from Ohio. I recognize that what he says is correct, but the fact is that we will be going on here next Tuesday on section 2 from the looks of things unless sooner or later we agree on some limitation. I am not making any motion or submitting any unanimous-consent request at this time. I just want to call attention to the fact that we are still on section 2, that there are 18 amendments to that section on the Clerk's desk, and that the gentleman from Virginia [Mr. SMITH] has served notice that he has a number of other amendments to offer to section 2. I am sure that those debating the amendments will confine themselves to the amendments under consideration and not ask for any additional time. I hope they will not.

The CHAIRMAN. The Chair may state that amendments are being placed on the Clerk's desk much faster than they are being disposed of.

Mr. JENNINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENNINGS: On page 12, line 2, add a new paragraph as follows:

"SEC. 2. Section 201 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new subsection:

"'(f) Neither the Administrator of the Office of Price Administration nor any employee thereof shall inflict or impose penalties, sanctions, or suspension orders of any kind, remedial or otherwise, not both specified by and written into the statute and expressly delegated to the Administrator or employee of such agency by lawful authority. No person, who in good faith acts upon a written interpretation of any rule, regulation, or order of the Office of Price Administration made by any official authorized by the Price Administrator, of general applicability or specifically delegated to such person, shall be subjected to any penalty or deprived of any right or privilege, unless such interpretation shall have been revoked and notice of such revocation shall have been given; in the case of an interpretation of general applicability, by specification in the Federal Register and in the case specifically directed against such person, by written notice to such person.'"

Mr. MONRONEY. Mr. Chairman, I make the point of order against the amendment that it is not germane to this bill. It involves the rationing powers conferred on the O. P. A. by Executive order under authority of the Second War Powers Act, and thus is not germane to price control.

The CHAIRMAN. Does the gentleman from Tennessee desire to be heard on the point of order?

Mr. JENNINGS. Mr. Chairman, I insist that the amendment is germane because it grows right out of the abuses that have from the very beginning hampered the fair administration of this act in accordance with the letter and spirit of the act and in accordance with the intent of the Congress.

Mr. SMITH of Virginia. Mr. Chairman, I should like to be heard on the point of order.

The CHAIRMAN. The Chair will be pleased to hear the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Chairman, this act creates the office of Price Control Administrator and specifies his duties. The amendment offered by the gentleman from Tennessee merely places restrictions upon the activities of the Office of Price Control. We merely undertake by this amendment to say to

the officer created by this very act that "there are certain things you are hereby prohibited from doing." I should not think there would be any question of the right of this House, in an act which creates an office, to say to that officer that "there are certain things you must not do." That is all the amendment offered by the gentleman from Tennessee undertakes to do.

Mr. WOLCOTT. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Michigan.

Mr. WOLCOTT. Mr. Chairman, I did not realize the amendment included such matter as it apparently does until I listened to the gentleman from Virginia. If this amendment attempts in any manner to restrict the operation of the War Powers Act or the directive under the War Powers Act designating the O. P. A. as the agency through which rationing is administered, then it is clearly subject to a point of order.

It is true that under this act the O. P. A. is set up to administer this act. However, the War Powers Act, I believe, provides that the President may designate any agency of the Government to administer the War Powers Act, and he has delegated that power to the O. P. A.

So that the two functions of the O. P. A. are clearly drawn. One is, under this act, to control prices. The other, under the War Powers Act, to regulate rationing. The two are merely administered by the one agency, although we can limit the powers of the O. P. A. in respect to price control in this act inasmuch as any limitation upon the operation or the administration of the War Powers Act is in respect of a matter wholly extraneous to the Price Control Act. Then, of course, it is not germane and is in conflict. By this amendment, if it is as the gentleman from Virginia states it to be, what we virtually do is to amend the War Powers Act by stating that the President shall not designate the Office of Price Administration to function as the agency by which the War Powers Act shall be administered. That is in itself, of course, an amendment to the War Powers Act and the directive issued under the War Powers Act.

Mr. JENNINGS. Mr. Chairman, I would like to be heard further on the point of order.

The CHAIRMAN. The Chair will be pleased to hear the gentleman from Tennessee.

Mr. JENNINGS. Nobody ever heard of the Administrator of the Office of Price Administration until this very act was passed by the Congress. This amendment goes to the powers of the Administrator and those acting under him. It simply says, and we are saying it in the words of this Congress, what he can do in the performance of his duties. We are simply saying he cannot go beyond the letter and spirit and plain meaning of this act. That is the effect of it. It is not aimed at any other act, but is limited in its language to the act which we are now undertaking to extend and which the House is now considering.

Mr. SMITH of Virginia. Mr. Chairman, may I submit one further brief observation?

The CHAIRMAN. The Chair will be pleased to hear the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. I think this is a fair test upon which to determine this point of order: I do not think anybody would raise the question as to whether we could, by an amendment to this act, prohibit the Office of Price Administration from performing any act other than that specified in this act. No one would raise that question. If we can say in this act that the Price Administrator shall not perform any act other than that authorized by this act, why can we not also say he shall not do certain specific acts?

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Tennessee [Mr. JENNINGS] offers an amendment, to which the gentleman from Oklahoma [Mr. MONRONEY] makes a point of order on the ground that it is not germane to the pending bill for the reasons stated by him. Although the amendment is of some length, the Chair has examined it with sufficient care, and it appears to the Chair that the pending amendment is an amendment to the Emergency Price Control Act of 1942, and relates to the powers of the Administrator under that act, especially with respect to the imposition of penalties, and so forth. It will be remembered that the pending bill provides for amendment to the Emergency Price Control Act of 1942 and contains provisions relating to the Administrator of that act and imposes certain limitations and restrictions on the Administrator. The Chair is of the opinion that the pending amendment also seeks to impose certain restrictions and limitations on the Administrator of the Emergency Price Control Act of 1942. Therefore, the Chair overrules the point of order.

Mr. JENNINGS. Mr. Chairman, I hope that for a few minutes I may have the ear of this House. I am about to sow some good seed, and I do not want them to fall upon stony ground.

At the outset let us get our bearings. This amendment improves the measure we are considering. The act which we are considering empowers the Administrator and his duly authorized subordinates to make necessary rules, regulations, and orders to carry out the purposes of the act.

This House is a coordinate branch of the Congress. Under our scheme of government Congress has the sole power to legislate. In the exercise of that power we enacted the Price Control Act. I voted in favor of the passage of this law. I favor continued price control. What I say now is not in disparagement of the able and distinguished members of the Banking and Currency Committee of this House. The bill they have reported is an improvement on the original act.

The trouble that has arisen with respect to the enforcement of this act is directly traceable to the misconduct of those who have had its administration in their hands. Now that we know the imperfections of the law, the abuses that have characterized its interpretation and its enforcement, the injustices suffered by our citizens at the hands of those who have usurped power under this law, it is our duty to protect the people of this country against further misinterpretation and maladministration of this law.

As a member of a committee of this House I have heard men and women from all walks of life give sworn testimony of what has been done to them by O. P. A. officials. For more than 14 months good citizens from every section of this country have journeyed to Washington and testified to the outrages perpetrated on them by bureaucrats. They have come here and petitioned this Congress for relief, because the O. P. A. has deprived them of their rights under the law, has shut the doors of the courts of the country in their faces and trampled their rights under foot in kangeroo courts where O. P. A. officials are the accuser, the prosecutor, the judge, the jury, and the executioner.

From my study, practice, and enforcement of the law, I have always looked upon the Constitution of this country as a solemn contract between all the people on the one hand and each individual citizen on the other, that the combined power of all the people through our Government—the Congress—the Executive—and the courts—will forever stand ready to protect the life, liberty, and property of the citizen. The men who fashioned our Constitution were governmental experts. They worked in the light of the world's experience. They were familiar with every governmental experiment from the drawn of history to their day.

They had just won a war for independence against a Government which had trampled their rights under its feet. They knew that after a people establish a Government to protect its citizens against foreign aggression and against the fraud and violence of the lawless members of society, the greatest menace to the citizen is the abuse of power by his own government. And, therefore, the founding fathers undertook to cover the citizen all over with the armor of the law's protection.

This Congress, therefore, at all times is clothed with the right and charged with the duty to alter, reform and amend a statute that has been used to disturb the peace of the people, to assail their saftey and to destroy their happiness.

For 150 years, this cherished support of human liberty, has glorified the constitution of my State:

> That Government being instituted for the common benefit, the doctrine of nonresistance against arbitrary power or oppression is absurd, slavish, and destructive of the good and happiness of mankind.

Under the stimulus of this inspiring declaration can any of us afford to condone the arbitrary oppression of our people by the bureaucrats in the O. P. A.

In its declaration of the rights of the people of Tennessee our constitution declares:

> That no man shall be taken or imprisoned or disseized of his freehold, liberties, or privileges, or in any manner destroyed or deprived of his life, liberty, or property but

by the judgment of his peers and the law of the land.

It is universally held that the words "liberty" and "property" include the right to make contracts. This declaration of the constitution of my State, lifted as it is from the Magna Carta, is expressed in the fifth amendment to the Federal Constitution in these words:

No person shall be deprived of life, liberty, or property without due process of law.

As before stated, in the assertion of their right of petition, in an effort to protect their right to enjoy their property rights, their right to contract, their right to earn a living, their right to eat, to have clothing and shelter, thousands of citizens from all walks of life, from all over this Nation, have complained to the committee of which I am a member and have complained to their representatives in this body.

The hearings held by us, on the sworn testimony of witnesses, reveal many shocking instances of oppression.

Widows whose meager source of a living left them by their deceased husbands was rendered valueless, working people whose life savings for their old age were rendered worthless by rulings of the rent-control officials of O. P. A came before us. Business, big and little, oppressed, harassed, hamstrung by the rulings of O. P. A. and its countless bureaucrats—home owners who were no longer master of their own homes—working people along with employers—all have come to us with their complaints. We heard them as it was our duty to do.

And we heard the officials against whom these complaints were made. In some instances adjustments were voluntarily made to correct the evils complained of. In other cases the offending officials were defiant and wholly unsympathetic toward the people who were suffering at their hands.

We heard the testimony of a high-placed official in the department of rent control who had written a book in which he derided and undertook to undermine the Constitution of this country because, forsooth, he said it was written by men who owned property and who were undertaking to protect property rights rather than to protect the rights of the people, and he looked forward to the day when the work of the men who fashioned and built this the greatest free Nation in the world would be undone. We heard slick young radicals who had cold-bloodedly told the people whose business they were wrecking: "You should produce for use—not for profit." From such as these I could pick as motley a crew as ever cut a throat or scuttled a ship. This observation, of course, is not meant to apply to the thousands of conscientious, patriotic men and women who are undertaking, in a spirit of fairness, to administer this act.

I assert, however, without the fear of successful contradiction that all these rules, regulations, price ceilings, sanctions, and penalties that have harassed and tormented our people have been promulgated and enforced in contravention both of the letter and spirit of this law.

I wish to make it clear by the amendment I have offered, that when the Congress legislates it means exactly what it says, a distinguished member of the Supreme Court to the contrary notwithstanding. Recently, Mr. Justice Frankfurter, in one of his opinions, said:

The notion that because the words of a statute are plain, its meaning also is plain, is merely pernicious oversimplification.

Those of us who believe that language is used for the purpose of conveying thought, and not to conceal it, that intellectual honesty is yet a virtue, challenge this declared purpose to destroy the plain and evident meaning and intention of laws passed by this Congress.

The touchstone for ascertaining the meaning of an act of Congress is the intention of Congress as disclosed by the words of the act, taken in their ordinary and accepted meaning. Of late it has become fashionable to twist and distort the language and misinterpret the meaning of acts of Congress. Those who thus undertake to bypass and sabotage the laws of this body worm in and worm out and leave the people all in doubt whether the fellow who made the tracks was going in or backing out.

Let us get right down to what we are trying to do here. We are undertaking to say that neither the Administrator nor anybody acting under him may make any price ceiling or issue any directive or prescribe or inflict any penalty that is not authorized by the terms of this law as written and enacted by this Congress. We also give the citizen the same right to go into a United States district court that the law gives the officials of the O. P. A. In the administration of this act the citizens of this country have been made to realize and they are grasping the fearful truth of what President Roosevelt said in 1936, and I now quote his words:

In 34 months we have built up new instruments of public power. In the hands of the people's Government, this power is wholesome and proper. In the hands of political puppets of an economic autocracy, such power would provide shackles for the liberties of the people.

Then we are saying that if a man undertakes to abide by one of the interpretations or one of the regulations that has been made by somebody in the O. P. A. somewhere along the line, that if he honestly makes a mistake, you cannot punish him for it unless that interpretation has been abolished, if it is general, by publication in the Federal Register. And if it is specific, by notice to him. Hear me for a minute. Here is a Federal agency with thousands of employees. Somebody in that agency issues a directive. That directive or that order ought to be plain. It should speak for itself. But ordinarily it is as clear as mud. Then somebody the next day issues an interpretation of the directive. When you read that it is thousands of words long and you can elicit its meaning just as easily as you can hatch chickens from scrambled eggs. Then a little later somebody issues an elucidation of the interpretation. Then a little later somebody makes an explanation of the elucidation. It is confusion worse confounded. Let me make this law so plain that a wayfaring man though a fool cannot err therein. Let us get in the driver's seat and hold the reins in our own hands. Let us say to these bureaucrats, "You cannot violate the lawful rights of the people of this country any longer. You are their servants and not their masters." This we can accomplish by my amendment. And the law will be made plain in its meaning.

Mr. McCORMACK. Mr. Chairman, we all have an affection for our friend from Tennessee [Mr. JENNINGS]. He has a personality which is refreshing at all times whether it is when addressing us on this floor or when we pass him in the corridor. I am always glad to see him because I always leave feeling better when I meet him, or after he has spoken to us on the floor of the House. I am afraid if a few words of attempted reason were not made after he had spoken, his captivating personality would be such that we might unconsciously, by way of reaction and in good faith, adopt an amendment which would defeat the very purposes of the bill.

Let us pause for a moment and see what his very frank—not subtle, because there is nothing subtle about the gentleman from Tennessee—amendment does. He is refreshingly frank and intellectually honest at all times, and particularly on this occasion. But let us see what his amendment provides:

Neither the Administrator of the O. P. A. nor any employee thereof shall inflict or impose penalties, sanctions, or suspension orders of any kind, remedial or otherwise, not both specified by and written into the statute and expressly delegated to the Administrator or employe of such agency by lawful authority.

Well, that means that the Congress of the United States must legislate every rule and regulation. You and I know that just cannot be done. With all due respect to my friend from Tennessee I doubt if he intends to impose that impossible burden upon the Congress, because it is impossible for us to legislate on every little detail that might arise in connection with the administration of any agency. If this amendment is adopted, the sum and substance of it would be that we would pass the Price Control Act, continue the Stabilization Act, but that any further action by the Office of Price Administration is dependent upon the Congress further legislating, and the Congress further legislating for every slight detail in connection with the operation of this law.

Mr. BARRY. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. BARRY. Would not the result be that we would pass a law and then make ourselves administrators of that law.

Mr. McCORMACK. That is the sum and substance of it. I rose to call the attention of the House to the significance of the amendment, for fear that all of us, like I was for a few seconds, might be influenced by the magnetic personality of the gentleman from Tennessee, and that unconsciously we might, in an emotional period, adopt his amendment.

Mr. JENNINGS. Will the gentleman yield for a moment?

Mr. McCORMACK. I had finished.

Mr. JENNINGS. I just cannot let you get by without pinning a rose on the lapel of your coat. We have resolved ourselves into a mutual admiration society.

Mr. McCORMACK. I yield if I have any time remaining.

Mr. JENNINGS. What I wanted to observe is that my amendment does not——

Mr. McCORMACK. Is the gentleman going to give me a rose?

Mr. JENNINGS. Yes. It is a mental rose. Do you not realize that my amendment simply says this, that the Administrator and those under him shall not go beyond the powers conferred by the act; that they shall quit usurping power, quit tormenting and harassing the people.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. BALDWIN of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I did not ask for time to speak on this bill during general debate. I listened to the debate and listened to a great many of the hearings, and I have listened to the arguments in favor of many of the amendments offered here. I can quite agree with the gentleman from Tennessee [Mr. JENNINGS] about the administration of the O. P. A. law. I know as well as every Member of this House that mistakes have been made, but we, as Members of this Congress, must not forget that we are not passing a law that is to be permanently fixed on the people of this country. We are passing an emergency control law that is designed to stop inflation during this war emergency. The committee adopted that amendment that restricted the extension to 1 year. Certainly if I am a Member of this House when this war emergency is over, I will vote to eliminate such regulations and regimentation as this law provides now during the war emergency. But, here we are, a free people, not used to regulation and regimentation, finding ourselves a short time ago, because of some mistakes we made, in danger of losing our liberties; totally unprepared. A people unprepared to accept regulation even in wartime.

I have received just as many complaints as any Member of this Congress as to the administration of the Price Control Act. But I say to you in all seriousness, regardless of the privations, regardless of the nuisance that it imposes on industry and our individual lives, we have come a long way in this war effort.

We see our armies today invading Europe and entering on the last stage, we hope, in this global war. We are here trying to administer our affairs from a domestic sense. Oh, yes; a great many of those soldiers who have crossed the English Channel and climbed up the French shores have probably criticized their generals and their superior officers. Their life has not been easy. Their regulations, their privations, and suffering have not been easy. They are going in without saying a word of complaint.

I say to the people at home, and I say as a Member of this Congress, we are on the road to victory. Let us not do something to the Price Control Act to emasculate it in such a way that we will prevent or impede that war effort. It is only for a short time. I, for one, as I said a moment ago, will raise my voice in protest against extending the provisions of this act beyond the emergency period when the war is over. I am against regimentation just as much as any man in this House, but I say to prosecute this war the people of this country have got to realize they have to accept obligations, accept some measure of regimentation and regulation, in order that we may win this war. If it means the saving of the lives of our soldiers by the shortening of the war, if it means stopping inflation, then I am willing to accept my share of this responsibility and of that regulation during this war emergency.

I hope this Congress will not accept amendments that will defeat the purpose of this bill even though you admit and I admit it has not been administered perfectly, and the O. P. A. officials have tramped on the toes of my constituents just as much as they have those of any Member in this House. This is an emergency, Mr. Chairman, and it is necessary to prosecute this war. For God's sake, let not this Congress emasculate O. P. A. and make it a useless, worthless law.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. BARRY. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. BARRY. Mr. Chairman, I wish to point out to the Committee one amendment in this bill which I think has a very important bearing on the amendment proposed by the gentleman from Tennessee. Heretofore and in existing law if a rule or regulation was issued and no protest made within 60 days that rule or regulation could not be challenged thereafter and had the same force and effect as the basic law. We have now taken that provision out so that when a rule or regulation is issued it may be challenged at any time on grounds of illegality or unconstitutionality.

We have also provided that if a protest is pending in O. P. A. and O. P. A. fails to act within a reasonable time the protestant may petition the Emergency Court of Appeals and this court if the time is unreasonable may compel O. P. A. to make a determination.

Judge Norris, chief justice of the Emergency Court of Appeals, testified before our committee and from his testimony it appeared that even before we amended the law as it is amended in the present act there were two occasions on which O. P. A. delayed unnecessarily in reaching a decision. The protestant asked for a writ of mandamus and the judge testified that the court was about to issue the writ when O. P. A. finally reached its decision. So I say to the gentleman from Tennessee that these amendments put the citizen in the position of being able to challenge an illegal regulation at any time. I think this is one of the most important amendments we have put in this bill, because I do not believe any rule or regulation issued by an agency of government should have more force and effect or be less susceptible to attack than the basic law setting up the agency.

I therefore ask the Committee in view of these amendments to reject the amendment offered by the gentleman from Tennessee.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HINSHAW. Mr. Chairman, I seek recognition on the amendment.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. HINSHAW. Mr. Chairman, I am sure the gentleman from Tennessee was referring to such items as this which I hold in my hand when he offered his amendment. This is the "Cut-up poultry at retail" bulletin issued by O. P. A. As my friend from Tennessee referred a moment ago to an egg-headed young man, I think it is quite appropriate. I will not read this whole bulletin, but I am sure you will be interested and amused by a portion of it. Under the definition of "cut-up poultry" it states:

Amendment 25 to RMPR 269 defines cut-up poultry, as follows:

And it goes on. I will just quote one item, No. 2:

The legs must be disjointed and removed at the hock joint and at the hip joint and must contain the complete thigh, all thigh meat, and the oyster, but shall not contain the ilium or the ischium bones or any part thereof.

On the other side of this sheet they talk about poultry which is not cut up. I wish you would listen to this one:

If you buy any live, dressed, or drawn poultry and you sell it in parts (other than split or in quarters) which is not "cut-up poultry" under the definition mentioned above, you figure your net cost for each part as if you had bought that part from a seller pricing under RMPR 269. To this net cost you apply the mark-up for poultry bought cut up and sold cut up (21 percent for groups 1 and 2 stores; 20 percent for groups 3 and 4 stores).

Then follows:

Revised definition of frozen poultry.

I ask you, Mr. Chairman, to listen to this revised definition of frozen poultry;

In order to sell frozen eviscerated poultry as frozen poultry you will no longer have to keep it in hard-frozen condition. This means that you are now able to sell frozen eviscerated poultry as frozen poultry even though it is not in the hard-frozen state at the time of sale, provided the poultry is delivered to the customer in the original package. "The original package" means the package in which it was packed at the time of evisceration.

I have a lot of poultry people in my district, Mr. Chairman, and I want to tell you there are few of them who have sufficient education in the medical field

or the zoological field to know what the ilium and the ischium bones are, or any parts thereof; neither is he quite sure whether frozen poultry is frozen or not frozen when it is not hard frozen. If anybody can answer those questions for my people, I shall be much obliged.

Mr. McCORMACK. Mr. Chairman, I shall not undertake to answer those questions; I could not. But let me ask the gentleman from California this question: Does he think that Congress can legislate every rule and regulation necessary for any agency to issue in carrying out an organic act? I will assume that everything the gentleman there says is correct and I am not discussing that particular matter my friend has referred to because I cannot, I have not the knowledge along that line; but does the gentleman believe that Congress can legislate every rule and regulation an agency should issue?

Mr. HINSHAW. No; and I do not think the Office of Price Administration can either. I think they have got to give the people some leeway and a chance to do business in the way in which they are accustomed to doing business and have been for lo, these many years, and to put these things out in simple language in a way the common man can understand whether he is violating the law or not and what the law is in the first place.

Mr. McCORMACK. If this amendment is adopted it means of course that a bill once passed by Congress does not become operative until Congress again legislates. Does my friend realize that?

Mr. HINSHAW. I realize that; I am not going to argue with the gentleman on that. All I want to say to the gentleman from Massachusetts is that the Office of Price Administration could be a little more clear in what they have to say and a little less meticulously detailed, perhaps leaving a few things to the imagination and ingenuity of our people.

Mr. McCORMACK. I cannot take issue with my friend from California because I have some views of my own; but my opposition to the amendment of our charming and gracious friend from Tennessee is based on the ground that if the amendment be adopted, after we pass the law Congress would have to legislate again on the same subject.

Mr. HINSHAW. I appreciate the viewpoint of the gentleman from Massachusetts, and I hope no more silly things like this will be issued to common people who are liable to fine and imprisonment if they put any portion of the ilium or ischium on the leg piece of a cut-up chicken.

Following is the O. P. A. Trade Bulletin on Cut-up Poultry at Retail to which I have referred:

O. P. A. TRADE BULLETIN

(Maximum Price Regulation No. 422, Amendment No. 12, and Maximum Price Regulation No. 423, Amendment No. 13, effective April 6, 1944. United States of America. Office of Price Administration, Washington)

CUT-UP POULTRY AT RETAIL

This trade bulletin is meant to help you understand and comply with Amendment 12 to MPR 422 and Amendment 13 to MPR 423. It covers only the main points of these amendments and does not take their place. You can get a copy of the amendments from your nearest O. P. A. district office. The O. P. A. district office will also be able to help you if you have any questions.

Persons covered

These amendments affect all retailers who buy poultry live, dressed, or drawn, or cut up, and sell it in parts and all retailers who sell frozen, eviscerated poultry.

Definition of cut-up poultry

Amendment 25 to RMPR 269 defines "cut-up poultry" as follows:

"Drawn grade A broilers and fryers, not exceeding 2½ pounds in drawn weight, from which the oil sac, kidneys, and lungs have been removed before weighing for sale and the carcass of which has been dismembered or cut into portions in accordance with the following requirements:

"1. The wings of each poultry item must be disjointed and removed at the socket joint adjoining the breast and must contain all the wing meat.

"2. The legs must be disjointed and removed at the hock joint and at the hip joint and must contain the complete thigh, all thigh meat, and the oyster, but shall not contain the ilium or the ischium bones or any part thereof.

"3. The breast must be removed from the back by cutting alongside the exterior of the oyster socket (ilium) and through the ribs at the point the ribs connect with the spinal vertebrae. No part of the wings, legs, back, and neck bones, skin or meat, or the gizzard, heart, or any other portion not breast may be sold as breast.

"4. The back must contain the neck, vertebrae, backbone, oyster socket (ilium), the ischium, and the meat, skin, and bones of these parts."

Pricing cut-up poultry

If you buy poultry live, dressed, or drawn or cut-up and sell it cut-up (see definition of cut-up), you figure your ceiling price for each item as though you had bought it "cut-up":

1. Take your net cost per pound. Net cost is the lowest ceiling price per pound fixed by RMPR 269 applying to sales to you by your customary type of supplier delivered to your usual receiving point.

(a) The following table shows maximum base prices for specific portions of cut-up poultry as established in MPR 269, Amendment 25:

Prices in cents per pound

Portions of "cut-up poultry"	Eastern zone basing-point city	Western zone basing-point cities	
	Chicago	New York	Pacific Coast—Los Angeles, San Francisco, Seattle, and Portland
Wings	28.9	29.9	30.4
Legs	60.6	61.6	62.1
Breast	60.6	61.6	62.1
Back, neck, or skin	13.1	14.1	14.6
Liver	68.1	69.1	69.6
Gizzard or heart	[1] 28.9	[1] 29.9	[1] 30.4

[1] If the gizzard is not cleaned by removing the contents and lining, the maximum base price shall be ½ of the maximum base price for gizzards as established by this table.

(b) To the correct price in this table you add the transportation allowed your customary type of supplier and, if allowed, delivery costs, for delivery to your usual receiving point. The transportation and, if allowed, delivery charges you select for your computation should be those which would apply during the week in which you are figuring your ceiling price.

Your wholesaler can tell you his allowed transportation and delivery charges if they are not itemized on his invoices.

Price in table plus allowed charges equals net cost.

2. To this net cost you apply the mark-up shown below which applies to your business:

If you are a group 1 or group 2 retailer, multiply your net cost by 1.21.

If you are a group 3 or group 4 retailer, your mark-up is 20 percent.

3. The result is your ceiling price per pound for that item of cut-up poultry.

EXAMPLE

A group 1 or group 2 retailer purchases a grade A broiler or fryer weighing 3.8 pounds live, 3.3 pounds dressed, or two and a half pounds drawn.

In this example, the retailer uses New York as his basing-point city, and he is allowed a wholesale mark-up of 1.5 cents and a delivery charge of 0.25 cent per pound.

Step 1:	Cents
Wholesaler's base price for wings (see table)	29.9
Add wholesale mark-up	1.5
Add delivery charge	.25
Total (retailer's net cost)	31.65

Step 2:

Use table C of the regulation to find the ceiling price for an item costing 31½ cents and a mark-up of 21 percent (38 cents per pound for wings).

The retailer's ceiling price is 38 cents per pound.

POULTRY WHICH IS NOT "CUT-UP"

If you buy any live, dressed, or drawn poultry and you sell it in parts (other than split or in quarters) which is not "cut-up poultry" under the definition mentioned above, you figure your net cost for each part as if you had bought that part from a seller pricing under RMPR 269. To this net cost, you apply the mark-up for poultry bought cut-up and sold cut-up (21 percent for group 1 and 2 stores; 20 percent for group 3 and 4 stores).

REVISED DEFINITION OF FROZEN POULTRY

In order to sell frozen eviscerated poultry as frozen poultry you no longer will have to keep it in hard-frozen condition. This means that you are now able to sell frozen eviscerated poultry as frozen poultry even though it is not in the hard-frozen state at the time of sale, provided the poultry is delivered to the customer in the original package. "The original package" means the package in which it was packed at the time of evisceration.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOFFMAN. Mr. Chairman, I seek recognition on the amendment.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. HOFFMAN. Mr. Chairman, I agree with the gentleman from Massachusetts [Mr. McCORMACK] that we cannot write rules and regulations for the Administrator; but the gentleman cannot brush aside the soundness of the argument, even though he did at one time kiss the Blarney stone, by paying compliments to the gentleman from Tennessee [Mr. JENNINGS]. It is no answer to the argument that this amendment should be adopted when the gentleman from New York [Mr. BARRY]——

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I have only 5 minutes; I cannot yield unless the gentleman can get me more time.

The gentleman from New York [Mr. BARRY] opposing the amendments, attempted to show that the bill reported by the committee takes care of the evil which the JENNINGS' amendment would cure.

The answer to that argument is that, while the committee bill provides for the filing of a protest, for a board of review, for an appeal to the Emergency Court of Appeals, it does not provide for a judicial review of any order or directive issued by the Administrator until judgment has been rendered.

The committee bill does provide for a protest to the Administrator prior to judgment and for an appeal to the court if the Administrator does not act within a reasonable time.

Amendments proposed by the Smith committee and which will subsequently be offered provide for a definite time limit within which the Administrator must act upon a protest, and it also gives the aggrieved citizen an opportunity to obtain review in a United States district court, and a protestant is given an opportunity, by those proposed amendments, to plead the illegality of any rule, order, or regulation which he is charged with having violated, before he has been tried and convicted, the issue being raised by a preliminary plea.

None of the provisions to which the gentleman from New York referred afford the remedy sought to be given by the Jennings amendment.

What does this amendment do? One of my colleagues on the left said a moment ago he did not know what it was all about. It is very simple. If you will look on page 24 of the pamphlet that has been on the desk there for three days, you will find the substance of the amendment.

There are three things in it. It provides, first, that the Administrator shall not impose a penalty—unless what? Unless the authority has been given to him by the Congress, unless that authority has been expressly delegated to him. There is not anything wrong about that, is there? Is there any reason why we should turn an administrator loose to impose penalties and sanctions upon our people any more than we should turn a bull loose in a china shop? I cannot see any difference. One smashes the china the other breaks up businesses.

What is the next thing? When in a particular case some one in authority in O. P. A. has given an interpretation of a regulation, and the citizen has gone along, complied with it, and then later some other official in the O. P. A. with equal or superior authority places a different interpretation upon that particular regulation, the citizen who relied on interpreter A should not be penalized because interpreter B said that A was wrong. That has happened. There was an illustration given before the committee of one case, and there are many other cases where citizens relying upon the O. P. A. interpretations have later been hauled into court and sued because of compliance with the first one.

The third provision is that no penalties or sanctions which are of general application throughout the country shall be imposed upon anyone until they have been published in the Federal Register. Anything wrong with that? Anything unfair about that? Should not a citizen have opportunity to know the law which has been enacted, the rule which has been made?

Let me take you back a few years to the case of a citizen of Texas. He was haled before the court; he was convicted in the United States district court of a criminal offense. He took an appeal to the circuit court of appeals and his conviction was sustained. Not until the case came to the United States Supreme Court and fell into the hands of Chief Justice Hughes was it learned that there was no such law on the books. He was tried and convicted of a violation of a Federal law which never existed. The case was reversed.

All the gentleman from Tennessee is asking in this case is this: First, that no penalty be imposed upon any citizen until power has been clearly delegated to the Administrator; second, that if a citizen relies upon the interpretation of the department and that interpretation is subsequently reversed, he shall not be subject to court action, to a penalty because he followed, obeyed the first opinion, and, third, if the O. P. A. puts out or promulgates a general application, an application applying to everyone, you cannot prosecute until it has been published. That is fair. While ignorance of the law is no excuse for a violation of a statute, lack of opportunity to know the law due to the fact that the law, the statute, the rule, order, or directive was never published should be a bar, otherwise the liberty of the citizen is taken from him.

We all know that the people have been unduly oppressed by the administration of the O. P. A. Although many of these proposed amendments do not have back of them the organized lobby support and the organized protest from our home folks which put through by such an overwhelming majority the Hartley amendment, an equal number of justifiable protests have been received by many of us during the past months. They have been filed away in our offices and no doubt many of them have been forgotten. But those who sent them on were grievously injured and their memories are long.

To meet the argument advanced in opposition to every proposed amendment to the committee bill—that the bill itself is complete, perfect, and cures all administrative faults, I am printing in parallel columns a few of the amendments which may be offered on Monday and corresponding provisions of the committee bill.

It is my hope that the Members, over Sunday will read both the committee bill and the proposed amendments and will give particular attention to the provisions for court review, for the protests against the kangaroo courts have been many and the opposition to them is deep-seated.

Committee bill, H. R. 4941, pages 13–14:	Amendments to be proposed:
"PROCEDURE	"PROCEDURE
"SEC. 203. (a) At any time after the issuance of any regulation or order under section 2, or in the case of a price schedule, at any time after the effective date thereof specified in section 206, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. Statements in support of any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this subsection, but in no event more than 30 days after such filing, the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice."	"SEC. 303. (a) After the issuance of any regulation, order, or price schedule, whether issued prior or subsequent to the effective date of this act, any person subject to any provision of such regulation, order, or price schedule may, at any time, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. Statements in support of or in opposition to any such regulation, order, or price schedule shall be received and incorporated in the transcript of the proceedings at such time and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this act, but in no event more than 60 days after such filing (in the case of highly perishable commodities, such as fruits and vegetables, 10 days), unless by written stipulation the protestant consents to an extension of time, the Administrator shall either grant or deny such protest in whole or in part. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice."
H. R. 4941, page 14:	
"(b) In the administration of this act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202."	"(c) In the administration of this act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 302, but all such economic data and other facts of which the Administrator takes official notice shall be made available to the protes-

Committee bill, H. R. 4941—Con.	Amendments to be proposed—Con.
	tant, and he shall be given the right to question the officials compiling same as to their source, and he shall also be given the opportunity to show their incorrectness."
H. R. 4941, page 14–15: "(c) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs: *Provided, however,* That, upon the request of the protestant, any protest filed in accordance with subsection (a) of this section, after September 1, 1944, shall, before denial in whole or in part, be considered by a board of review consisting of one or more officers or employees of the Office of Price Administration designated by the Administrator in accordance with regulations to be promulgated by him. The Administrator shall cause to be presented to the broad such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate in support of the provision against which the protest is filed. The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the board and the board shall make written recommendations to the Price Administrator. The protestant shall be informed of the recommendations of the board and, in the event that the Administrator rejects such recommendations in whole or in part, shall be informed of the reasons for such rejection."	"(d) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs, except that, where written request for oral hearing is made, such request shall be granted."
H. R. 4941, pages 15–16: "(d) Any protest filed under this section shall be granted or denied by the Administrator, or granted in part and the remainder of it denied, within a reasonable time after it is filed. Any protestant who is aggrieved by undue delay on the part of the Administrator in disposing of his protest may petition the Emergency Court of Appeals, created pursuant to section 240, for relief; and such court shall have jurisdiction by appropriate order to require the Administrator to dispose of such protest within such time as may be fixed by the court. If the Administrator does not act finally within the time fixed by the court, the protest shall be deemed to be denied at the expiration of that period."	"(b) At any time after the issuance of any regulation or order establishing, changing, or amending any maximum price or maximum rent or establishing, changing, or amending any requirement for or related to any such maximum price, or maximum rent, any person subject to any provision of such regulation or order may file a petition for an adjustment of the order, regulation, or price schedule as provided in section 2 (b) and section 201 of this act. Within a reasonable time, in no event more than 60 days after the filing of such petition, the Administrator shall grant or deny such petition, in whole or in part, and shall take the appropriate action required by his decision on such request. The provisions of any regulation or order may be suspended, in whole or in part, and any other modification made, to effectuate any individual relief as the Administrator deems equitable. If any request is denied, in whole or in part, the reasons for the denial and supporting facts shall be stated in writing and a copy thereof furnished the person seeking relief. The filing of such petition and the denial thereof, in whole or in part, shall not be a bar to any protest subsequently filed with respect to the same regulation or order as to which such petition was filed. Any petitioner aggrieved by the denial or partial denial of his petition for adjustment shall have the same right of judicial review as provided in section 304 (a) in the case of protest."
H. R. 4941, page 16–17: "REVIEW "SEC. 6. Section 204 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new subsection: "'(e) (1) At any time prior to or within five days after judgment in any proceeding brought pursuant to section 205 involving alleged violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the court in which the proceeding is pending for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant is alleged to have violated. The court in which the proceeding is pending shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a). Upon the filing of a complaint pursuant to and within thirty days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with subsection (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection.'"	"REVIEW "SEC. 304. (a) Any person who is aggrieved by the denial or partial denial of his protest may, within thirty days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c) or in the United States district court for the district in which the protestant resides or conducts his business or in the United States District Court for the District of Columbia, specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint, the court shall have jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided,* That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court, unless such objection shall have been set forth by the complainant in the protest or such evidence shall be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof; except that on request by the Administra-

Committee bill, H. R. 4941—Con.	Amendments to be proposed—Con.
H. R. 4941, pages 17–18: "(2) In any proceeding brought pursuant to section 205 involving an alleged violation of any provision of any such regulation, order or price schedule, the court shall stay the proceedings— "(i) during the period within which a complaint may be filed in the Emergency Court of Appeals pursuant to leave granted under paragraph (1) of this subsection with respect to such provisions; "(ii) during the pendency of any protest properly filed by the defendant under section 203 prior to the institution of the proceeding under section 205, setting forth objections to the validity of such provision which the court finds to have been made in good faith; and "(iii) during the pendency of any judicial proceeding instituted by the defendant under this section with respect to such protest or instituted by the defendant under paragraph (1) of this subsection with respect to such provision, and until the expiration of the time allowed in this section for the taking of further proceedings with respect thereto. "Notwithstanding the provisions of this paragraph, in the case of a proceeding under section 205 (a) the court granting a stay under this paragraph may issue a temporary injunction or restraining order enjoining or restraining, during the period of the stay, violations by the defendant of the provision of the regulation, order, or price schedule involved. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any proceeding pending	tor, any such evidence shall be presented directly to the court." "(b) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with the law, or is arbitrary or capricious. In the event that the person aggrieved by the denial or partial denial of his protest elects to file a complaint in a district court, then the effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until the expiration of 30 days from the entry thereof, except that if the judgment is appealed within such 30 days to the Emergency Court of Appeals, the effectiveness of such judgment shall be postponed until an order of the Emergency Court of Appeals disposing of the appeal becomes final, and no judgment of the Emergency Court of Appeals rendered in a suit under this section or under section 305 enjoining or setting aside in whole or in part any regulation, order, or price schedule shall become final or effective until the expiration of 30 days from its entry except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (d) within such 30 days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court."
Committee bill, H. R. 4941—Con.	Amendments to be proposed—Con.
in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205."	"(c) There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act and shall exercise appellate jurisdiction to review decisions of district courts made under authority of subsection (b) of this section, and section 305 (g) of this act; except that neither court shall have power to issue any temporary restraining order or interlocutory decree staying or restraining, in whole or in part, the effectiveness of any regulation or order issued under section 2, section 201, or any price schedule effective in accordance with the provisions of section 307. The court shall exercise its powers and prescribe rules governing its pro-
Committee bill, H. R. 4941—Con.	Amendments to be proposed—Con.
	cedure in such manner as to expedite the determination of cases of which it has jurisdiction under this act. The court may fix and establish a table of costs and fees to be approved by the Supreme Court of the United States, but the costs and fees so fixed shall not exceed with respect to any item the costs and fees charged in the Supreme Court of the United States. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper. "(d) Within 30 days after entry of a judgment or order, interlocutory or final, by the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 347). The United States district courts, the Emergency Court of Appeals, and the Supreme Court shall advance on their respective dockets and expedite the disposition of all causes filed therein pursuant to this section."

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 25 minutes, 5 minutes to be reserved to the committee for closing.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I shall not take the 5 minutes allotted to me. I want to call the attention of the Members of the House to the fact that two very distinguished Americans will, over the Columbia network at 6:15 this evening, discuss the issues of the forthcoming campaign of Governor Bricker, of Ohio, and Governor Broughton, of North Carolina. I am sure all of you will do well to listen to this discussion.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, I take this time because there seems to be such an utter misunderstanding of what the pending amendment is all about. My good friend from Massachusetts I am sure must have read some other amendment that was handed him because he says that this amendment would cause the Congress to have to write regulations and administer the law. There is nothing of the kind in the pending amendment; as a matter of fact that does not touch it within 40 miles.

Here is what the amendment does: It merely prohibits the Administrator from imposing penalties. What it means in plain terms is this: We cut out the kangaroo court system of the Office of Price Administration. When the Congress enacted the first O. P. A. law we wrote into it, and you will find it there today, specific enforcement provisions. We said how the Congress thought this act ought to be enforced and we provided that it could be enforced by injunction, it could be enforced by criminal penalties, it could be enforced by triple damages, and it could further be enforced by court proceedings to revoke the license of the person to do business.

Did the O. P. A. Administrator follow the law that you laid down? Did the O. P. A. Administrator undertake to impose the penalties that the Congress said he must impose? No. The O. P. A. Administrator immediately set up a system of courts. If a person is charged with violating the law, he is haled into the O. P. A.'s own court presided over by a hearing administrator. This hearing administrator sits as the judge. An attorney for the O. P. A. prosecutes your constituent and another gentleman of the O. P. A. is a witness against your constituent. How much show your constituent has under those circumstances I leave to you.

Mr. Chairman, the question involved is purely and simply this: The Members on both sides of the aisle have talked a lot around here about these kangaroo courts and about a person being denied the privilege of going into the regular courts of the land. All this does is to give you the opportunity to say to the Administrator: "We want you to do what the Congress told you to do: Enforce this law through the penalties that the Congress has specifically prescribed," and we say furthermore, "You must not set up any kangaroo courts of your own, haul our citizens before these courts, try them, prosecute them, and convict them with the machinery of the O. P. A. alone and without resort to the duly constituted courts of the land."

That is the thing we have all been talking about for some time, and this is the opportunity to turn thumbs down on it if you do not want it, and if you do want it, it is all right by me.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman knows that for a long time I have complained about the invention of remedies by administrative agencies. On the other hand, with respect to this amendment, it has been suggested to me that if it is adopted it will prohibit, in effect, the O. P. A. from carrying on the work of rationing.

Is that the gentleman's understanding of the effect of the amendment?

Mr. SMITH of Virginia. Certainly not.

Mr. HALLECK. I read the report and I discovered reference is made to the source of power of the O. P. A.

Mr. SMITH of Virginia. I think I can best reply to the gentleman by saying that these amendments were discussed in detail with the O. P. A. Administrator and counsel for the O. P. A., and while they objected to every one of the amendments, I never heard that question raised.

Mr. HALLECK. What particular remedies or penalties have been invented or exercised or used that are outside the authority of the Price Control Act?

Mr. SMITH of Virginia. They set up the kangaroo court where they hail a man in if he sold too much gasoline last week, and then they try him in their own court.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, the responsibility for having so many amendments before the House today rests squarely upon the O. P. A. The Office of Price Administration has refused, even where they could, to adhere to the time-honored principles of American procedure and fair dealing.

I would like to tell you about a case that occurred in my district. There was a filling-station operator who was charged with certain violations of the rationing regulations. It may have been that this individual was technically guilty. I am satisfied that he was not guilty of intentionally violating the law or the regulations. Here is what happened. He was summoned to an O. P. A. kangaroo court outside of his own county. He appeared there and told them his story in a forthright manner. The penalty imposed was that his place of business was to be closed for 10 days. Rather than cause trouble or have an expensive litigation, he went home and closed his business for 10 days. He thought he had complied. Some time later he received a notice by registered mail that said, "The Government has appealed your case." I have a copy of that notice in my office. That notice did not say before whom it was appealed. It did not say when the appeal would be heard; it did not say where. He had no idea in what city or State his appeal would be heard, before whom or when.

Some time later he got a notice from the city of Washington, from another official in the O. P. A. that no one had ever heard of, stating that they had raised his penalty from 10 days to 30 days, after he had already complied with the sentence and closed his business for 10 days. Do you think the individuals who concocted such a procedure cared anything about national unity? Do you think the individuals who concocted that procedure cared anything about the rights of individuals? Today they come in here and hide behind the flag and our soldiers when we want to correct something like that. Is it asking too much to expect regulatory bodies to abide by the law? It is not a question of asking that the Congress make every rule or regulation, but they should only impose penalties when authorized by law and in the manner prescribed by law.

Common sense and orderly procedure is needed in administering the Price Control Act. We do not have that now.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, it is very apparent that the amendment offered by the gentleman from Tennessee is not the amendment suggested by the so-called Smith committee on page 24 of their report, section 401.

I agree wholeheartedly with many of the things which the gentleman from Virginia has said with respect to that amendment, but unfortunately what he said with respect to these kangaroo courts does not apply to the amendment offered by the gentleman from Tennessee. In that respect there is no affiliation whatsoever between section 401 of the Smith bill and the amendment offered by the gentleman from Tennessee.

Let us read the first sentence of the amendment:

> Neither the Administrator of the Office of Price Administration nor any employee thereof—

That does not mean any employee of the United States Government. It is confined to the Administrator and employees within the Office of Price Administration—

> shall inflict or impose penalties, sanctions, suspension orders of any kind, remedial or otherwise, not both specified by and written into the statute and expressly delegated to the Administrator or employee of such agency by lawful authority.

Of course, they cannot violate the law. The gentleman from Tennessee said that all this does is to prevent him, the Administrator, from doing something he is not authorized to do; something which goes beyond the purview of his powers. What if he goes beyond the purview of his powers, and what if he does something that he has no legal right to do? We have already taken care of that situation in the committee bill by providing that the aggrieved person may come into court and test the validity of the action. I quite agree with the gentleman from Tennessee that if he had been speaking on the bill before it had been amended by the Committee on Banking and Currency, that everything he had to say—not everything, but the greater part of what he had to say—would be true. But we have already taken into consideration some of those abuses and have made it possible for those people to come into court.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Tennessee.

Mr. JENNINGS. The gentleman has just stated that the amendment which I offered is salutory. But we are dealing

with a bunch of bureaucrats and with the courts who say, and have said from the Supreme Bench of this country, that even though the Congress expresses itself in simple, clear language, it by no means follows that Congress meant what it said, and if Congress meant what it said, that is just a case of oversimplification.

Mr. WOLCOTT. But here you are dealing with an individual, the Administrator, and an employee of O. P. A. You are not dealing with the courts. We set up the courts to review the decision.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I cannot yield further, I am sorry.

Mr. JENNINGS. I want to hit him squarely between the eyes.

Mr. WOLCOTT. Let me say to the Committee that we had this matter fully before us, and we had this situation of assumed power before us. The gentleman is talking about rationing. We are talking about prices in this bill.

I cannot find from a study of the record, and I do not think the gentleman or anybody else can find from a study of the record—if they want to be fair about this and not legislate because of pique or otherwise—that the Administrator of the Price Control Act has ever assumed or exercised any authority over price regulations that was not given to him by the act; in other words, he has not closed the doors of business under this act. He has closed the doors of business under the War Powers Act. He has not fined anybody under this act, but he has settled suits for damages out of court.

Let us not legislate by pique, let us clear up this situation while we have the opportunity. In the House bill we have corrected all of those abuses by giving the person his day in court. That is what you want and that is about as far as you can go without emasculating price control.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I believe the House is a bit confused on the so-called kangaroo courts that Judge SMITH talked about. These courts are being held by the O. P. A. acting for the rationing program, which is not considered in this price-control bill at all.

If he was working on a price limitation, these courts that he was talking about could not exist, because this bill gives everybody who is up for revocation of a license his day in his local district court.

The rationing comes to authority through the W. P. B. and through the O. P. A. under the Second War Powers Act, which was a bill from the Committee on the Judiciary. It does not spell out the methods and means for enforcement of rationing. So this rationing power is delegated from the President to the O. P. A. to carry on separate and apart and distinct from their price-control activities. Rationing involves a great deal more urgency then price control, if that is possible to be believed, because a manufacturer who is using a vital war material such as aluminum might choose to divert that material into a luxury line. Do you want to deprive the W. P. B. and the O. P. A. in the administration of rationing from moving in and stopping him from using such material unlawfully?

Adopt this amendment and that is exactly what you will do. You will restrict the power of O. P. A. to act in these cases of emergency, and you will mess up the rationing program so you will have no effective way of handling it.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from North Carolina.

Mr. MORRISON of North Carolina. May I ask the gentleman if the O. P. A. and the kangaroo courts are given any more arbitrary power over commerce in this country than we have given the Army and the Navy and the commanders thereof over the lives of the boys of this country?

Mr. MONRONEY. I thank the gentleman for his contribution.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from New York.

Mr. BARRY. Under this amendment the O. P. A. cannot enforce any rule or regulation unless it is specifically written into the law by Congress, which means that the thousands of rules and regulations would have to go back to this body every time they were issued before they could be enforceable.

Mr. MONRONEY. And all amendments to them would have to come back here, which makes the act completely unenforceable. This goes beyond the scope of what the author dreamed, and I ask the Committee to vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. JENNINGS].

The question was taken; and on a division (demanded by Mr. JENNINGS) there were—ayes 43, noes 76.

So the amendment was rejected.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: On page 3, line 5, after the colon insert the following: "*Provided further*, That when the Administrator establishes a wholesale price on any commodity or article to be sold at retail all retail distributors shall have the full benefit of the lowest wholesale price so established."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, this is a very simple and understandable amendment. To give the Committee the full benefit of its implications, I want to read it again:

Provided further, That when the Administrator establishes a wholesale price on any commodity or article to be sold at retail, all retail distributors shall have the full benefit of the lowest wholesale price so established.

In other words, every man engaged in the retail business will have the benefit of the wholesale price established by the Office of Price Administration. At the present time there are three or four classifications of retail stores. The No. 1 stores are those who do business up to $50,000 a year, that is, the small stores. The small dealer has the highest wholesale price and the highest retail price.

Then there is a second group of stores doing an annual business of between $50,000 and $250,000 a year. They have a still lower wholesale price and a still lower retail price.

Then there are the No. 3 stores, the chain stores, and possibly some of the large chain department stores, that have a still lower wholesale price and a still lower retail price than the No. 1 or 2 stores.

What my amendment seeks to do is to place all of these retail businesses, whether they are big or little, on a par with reference to wholesale price. At the present time the O. P. A. advertises the large places of business, the No. 3 stores, as having a lower retail price than the No. 1 stores, and they are really urging the public to patronize them as against the small retail dealers.

There are a good many hundred thousand small retail dealers in this country who would have the benefit of this amendment. I think we are interested in them, and I believe we should adopt this amendment so as to eliminate this unfair discrimination against the men in small business who are carrying the strain and doing their bit in our economic structure and also in a patriotic effort to win the war. This will permit them to continue in business and to enjoy the same type of business the larger chain stores and larger retail stores have by having the benefit of the lowest wholesale price.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Minnesota.

Mr. JUDD. May I inquire of the gentleman whether the small store's retail ceiling would be reduced by an amount comparable to the lower wholesale price at which it was able to purchase, or would it get a larger margin?

Mr. AUGUST H. ANDRESEN. That would be up to the Office of Price Administration. I am satisfied that that would be the result. What I object to is that this Government of ours advertises the larger stores as against the small stores and drives business away from these thousands of small businessmen who are, I believe, the backbone of our country.

We have all had our experiences with the O. P. A., we have all had a good many things to say about the way the O. P. A. is carried on, and this is one opportunity we have to correct a discrimination against the many retail merchants which prevails today as the result of an O. P. A. regulation.

There is very little to explain about the amendment as I think it speaks for itself. I hope it will be adopted. Those who give lip service to the plight of the small businessman, now have an opportunity to do something helpful and constructive for him by voting for this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. AUGUST H. ANDRESEN) there were—ayes 43, noes 54.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. RIVERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIVERS: On page 12, between lines 2 and 3 after the word "agency", insert a new paragraph to be known as paragraph (L) as follows:

"L. Before any maximum price ceiling is established or lowered, on any agricultural commodity, the Administrator of the Office of Price Administration, or such Federal agency as he may direct, shall give to the growers of the said agricultural commodities fifteen (15) days' notice, by newspaper or otherwise, prior to the normal planting season in the areas affected."

Mr. RIVERS. Mr. Chairman, this amendment is designed to do one thing, to say to the Director of the Office of Price Administration that before he establishes a ceiling or lowers an existing ceiling on any agricultural commodity he shall let the growers know before they put their seeds in the ground. Now you might say, "Well, that is controlled by the law of supply and demand." But we do not have any supply and demand, because we have put our entire economy by special act of Congress in the Office of Price Administration. We have the unfortunate spectacle, time and time again, of growers of agricultural commodities planting their commodities under the impression that a ceiling will exist and obtain on their product. In the midst of their harvest they find a ceiling being placed on them which they cannot come out on and they are virtually liquidated and run out of business. All this amendment says to the Office of Price Administration is to let the farmers know what you are going to do before they put their whole fortune into the ground and have to contend with the seasons and the rain and the drought, before you put a ceiling on them.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I am glad to yield.

Mr. DICKSTEIN. What time would you allow? How could it be adjusted and how much notice would you want under your amendment?

Mr. RIVERS. Fifteen days before they put their seeds into the ground. I understand the chairman of the committee the gentleman from Kentucky [Mr. SPENCE] has no objection to this amendment.

Mr. SPENCE. Mr. Chairman, I could not agree to it because I do not know the effect of the amendment.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I am glad to yield if I can get some more time later.

Mr. McCORMACK. I notice the amendment of the gentleman says "before any maximum price ceiling is established or is lowered on any agricultural commodity, the Administrator shall," and so forth. Suppose the price ceiling is increased? Why should not 50 days apply in the case of an increase?

Mr. RIVERS. That is what I am trying to explain. The farmers should have notice to let them know what is in the mind of the O. P. A.

Mr. McCORMACK. The amendment says where it is lowered where a price ceiling is established they should get 15 days' notice.

Mr. RIVERS. That is right.

Mr. McCORMACK. If there is an increase, why should not that be included in the amendment of the gentleman?

Mr. RIVERS. I say give them a notice in any event; which is something they do not do now. You cannot find a farmer in this country who knows what the O. P. A. is going to do when the planting season comes. It happens time and time again. Nobody knows what they are going to do when they plant their crop.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I am glad to yield.

Mr. CRAWFORD. The occasion for increasing the price ceiling, no doubt, only occurs when there is a great calamity with respect to the crop, a crop failure or pest infestation, or something of that kind. Of course, if the O. P. A. found there was going to be a shortage and they wanted to raise the ceiling, there would be no necessity for a 15-day notice in that instance?

Mr. RIVERS. That is right.

Mr. CRAWFORD. I think the gentleman is offering an amendment which is perfectly sound. I hope it will prevail.

Mr. RIVERS. In my own district we had the worst conditions this year of anywhere in the whole United States. I know numbers of potato growers who planted three crops of potatoes and did not get one stand. The O. P. A. did not give them a look-in. They do not know where they stand. It is the same way all over the United States. Why should not the farmer or anybody who risks his fortune when he plants his seeds in the ground know where he stands before he puts the seeds in the ground. We take the world into our confidence and forget our own people. We should not be reluctant to take care of the American people. If this amendment is not sound I just do not understand the English language.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I will be glad to yield.

Mr. HINSHAW. With reference to the sugar-beet planting in California, which, of course, is a very early planting, they did not give notice to the farmer and tell him what the price was going to be until long after the planting date.

Mr. RIVERS. Of course. Today farmers do not know what the ceiling is on tobacco. They are going on spending thousands and thousands of dollars and they do not know what they are going to get. Why should not they know, the same as everybody else knows?

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I will be glad to yield.

Mr. REED of New York. I just want to say in the case of a manufacturer he knows what his price is under his contract before he starts moving the wheels of his industry.

Mr. RIVERS. Of course, he does.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I will be glad to yield.

Mr. MURDOCK. Do I understand that the gentleman's amendment would prohibit putting the ceiling on farm produce, or lowering the ceiling after a crop had been planted?

Mr. RIVERS. It results in the same thing.

The CHAIRMAN. The time of the gentleman has expired.

Mr. POAGE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman and members of the Committee, we all recognize that the farmer is entitled to just ordinary consideration at the hands of the Government. When you are establishing an economy by law to control him, you should not establish an economy that can utterly destroy him without giving him any protection whatsoever. The gentleman from South Carolina pointed out a number of crops and a number of times when the farmers have been called upon to plant crops to meet supposed war needs. Our farmers were told we needed these crops and they planted them, although they did not know what the price was going to be. Last year we had a great hue and cry about the shortage of onions. Everybody told the farmer, "Plant onions—plant onions—plant onions." We could get no onions here at Washington. Right in the middle of the harvest of onions in Texas the O. P. A. cut the price down by half and established a ceiling price so low that a man could not even gather the onions he had in the field after he had planted them. That sort of thing is, to my mind, utterly destructive of any confidence on the part of our farmers in our Government. You cannot expect to have the production you should have when we treat the farmers like that. I realize two agencies are involved. One agency of the Government, the Department of Agriculture, calls on farmers to grow crops and then another agency, the O. P. A., comes along and says, after they have grown the crop that they were urged to grow, "We do not want that crop now. Therefore we will pay you nothing for your crop." Our farmers have suffered for too many years. It is high time to do as the gentleman from South Carolina suggests. There is nothing unfair about it. The gentleman from Massachusetts intimated it was unfair to prevent the O. P. A. from lowering a ceiling after a crop was planted unless you also prevented the O. P. A. from raising the ceiling after the crop was planted.

If you want to put a provision in this amendment to the effect that the O. P. A. cannot raise the ceiling price, that will not make any difference to any farmer in the country. The O. P. A. is not going to raise the ceiling price to benefit the farmer. It never has. It never will. The farmer has nothing to lose by such a provision. Any of you want to put a provision in here to keep the O. P. A. from raising the ceiling price, go right ahead and do it, because it will not affect the farmer at all. But do not make the farmer face in the future what he has had to face in the past; that is, planting his crops, and then after his crop is

made, tell him you are going to cut the price in two, or worse than that, and make it impossible for him to gather that crop.

Mr. MORRISON of North Carolina. Will the gentleman yield?

Mr. POAGE. Surely.

Mr. MORRISON of North Carolina. Is there any danger of this conflicting with the incentive or production bonuses?

Mr. POAGE. None in the world. Those bonuses have been promised often but in many cases have not been paid when they were promised. You were promised a price for your eggs and you did not get it. Your farmers were promised a price for hogs that many of them did not get. We have been told a number of times that we would get a certain price for various products and have then failed to get the support that was promised. There has not been any effective support of farm prices throughout the country, as there should have been, but there has been a very effective ceiling on these farm prices. A ceiling that often destroyed the value of our crops after our crops were grown. All this amendment asks is that if the O. P. A. does not want a crop grown, put the ceiling price on it before the farmers plant it. If you do not want us to grow a crop at all, tell us before the planting season and we will grow something else, but do not let us grow a crop believing that we are doing the patriotic thing, and then take it away from us after it is grown by the establishment of a confiscatory ceiling.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

The question is on the amendment offered by the gentleman from South Carolina [Mr. RIVERS].

The amendment was agreed to.

Mr. KLEBERG. I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. KLEBERG: Page 10, line 16, after the words, "as amended", strike out the period, insert a colon and the following: *"Provided further,* That from and after the enactment of this Act it shall be unlawful to pay any subsidy to the producer of any product manufactured in whole or substantial part from any agricultural commodity unless such producers shall, before receiving such subsidy payment, submit satisfactory evidence that he has paid to the producer of such agricultural commodity, prices that are not below the price standards established by the Act of October 2, 1942 (Public Law 729, 77th Cong.). Nothing in this provision shall be construed to authorize or approve the payment of any subsidy either directly or indirectly which is not authorized by existing law."

Mr. KLEBERG. Mr. Chairman, this amendment makes no change whatever in existing law other than to guarantee its proper and ethical performance on the part of those who process commodities from agricultural commodities.

One example will indicate just what the amendment means. You have here in the stockyards over this country a situation where hogs within a certain weight limit are upheld by so-called support prices. Today there are 29,000 such hogs in the yards. The packers are not interested in them. They are not buying, but they are buying hogs above that weight limit. Two hundred and eighty pounds is a good hog, but 288 is a better hog. But that is not supported by a support price, so the packer buys him, not only below the support price but below what would be an ethical price—a satisfactory price.

He goes at the other end, to the lower-weight hogs, and does the same thing. The kind of hogs that the grower has been asked to ship to the yards are there in the yards without any buyer. There is not a man within the sound of my voice who knows anything about the cattle industry from the producing end who does not know that the producers of livestock are menaced with a definite Sword of Damocles hanging over them this fall. Cattle have no support prices under them other than those that are established by the act of October 2, the Stabilization Act. All this amendment does is to require those processors who manufacture products in whole or in part from agricultural commodities to establish by satisfactory and substantial evidence that they have paid prices in accordance with the standards established by the Stabilization Act. The amendment is simple. It does not change the act in any way, and if this is in the bill it will permit confidence at least to a degree which has long been needed in the beef-cattle industry.

I yield back the balance of my time.

Miss SUMNER of Illinois. Mr. Chairman, I rise in opposition to the amendment, or to ask some questions about it. It seems to me, having only heard the amendment read, that far from not disturbing existing law, it guarantees a parity price to the producer; that is, it says, as I understood the reading of the amendment, that the person who processes material has to make an affirmative showing that he paid a parity price to the producer. All the law says now is that the O. P. A. cannot put a ceiling price that will keep prices below parity. It is one thing to guarantee a man a price and another thing to say that the Government cannot force a price ceiling below parity. I may be mistaken but those two things do not seem to square.

Mr. CRAWFORD. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. CRAWFORD. I do not understand this amendment to force anybody to buy anything at any price anywhere. This amendment, as I understand, provides that packer A and processor B shall not be paid a subsidy for performing the operation, in the absence of an affirmative showing that that packer or processor has paid parity prices provided by law before he gets his subsidy benefit.

Miss SUMNER of Illinois. But the law does not say a man has to get parity. It says the Government cannot put a ceiling below parity. Those are two entirely different things. In other words, there is nothing in the price-control law that guarantees a man parity. It simply guarantees that the Government will not prevent his getting parity.

Mr. CRAWFORD. That is very true, but the theory of paying subsidy payments to the processor, tied in to the parity price structure as set forth in the Stabilization Act and the act of January 1942, is that the processor or packer shall pay the primary producer parity prices.

Miss SUMNER of Illinois. Now, just a second. Take cotton today. There is one crop that is not getting parity. There is nothing in the law that forces any man to pay cotton parity. As I read this amendment, if any processor is making anything out of cotton he cannot get a subsidy unless he has shown that he has paid that cotton producer parity.

Mr. CRAWFORD. If the Government is paying the cotton producer a subsidy to perform a certain operation, that processor of the cotton should pay the primary producer of the cotton parity.

That is what the big cotton fight is about through the Bankhead amendment.

Miss SUMNER of Illinois. Maybe as a matter of equity the cotton farmer should get parity, and I am not discussing that, but the fact is we have not got a support price up to parity today on cotton, and that is what this amendment puts in.

Mr. CRAWFORD. Oh, no; this amendment does not put it in on cotton because there is no subsidy on cotton.

Mr. KLEBERG. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. KLEBERG. This does not provide what the gentlewoman refers to as parity prices guaranteed; it provides purely and simply that before a subsidy is receivable by the producer of a product manufactured in whole or in part he must make satisfactory showing that he has paid the producer of that commodity the standard of prices set forth in the Stabilization Act of October 2.

Miss SUMNER of Illinois. Which is parity, is it not?

Mr. KLEBERG. The gentlewoman said something about parity not being paid a little while ago, did she not?

Miss SUMNER of Illinois. This Stabilization Act does not force anybody to pay anyone parity.

Mr. CRAWFORD. No; just a moment.

Mr. KLEBERG. That is what I am trying to tell the gentlewoman; this amendment affects only the standards and scales fixed in the Stabilization Act and not directives issued thereunder.

Miss SUMNER of Illinois. I cannot prove it, but I give the House my assurance and my opinion that this guarantees parity.

Mr. KLEBERG. It has nothing to do with parity.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes.

Mr. SPENCE. Mr. Chairman, I think the purpose of this amendment is good,

but I believe it is utterly incapable of being administered. I have taken up with the Reconstruction Finance Corporation and the Commodity Credit Corporation the question of paying subsidies direct to the primary producers. They say there are administrative difficulties in the way that make it impossible.

The subsidy on bread is paid to the miller, but the miller does not deal directly with the primary producer and could not guarantee to pay the price to the primary producer that is specified in the amendment. The subsidy on meat is paid to the slaughterer, but the slaughterer in very few instances deals with the primary producer and he could not fulfill the requirements of this amendment unless he did deal directly with the primary producer. I have taken up the matter many times with the departments, doing everything I could to have them make the payment of these subsidies to the primary producers, but they say it is absolutely impossible. If you adopt this amendment, you put an impossible condition in the law and one that will be entirely ineffective and one that will curb the effect of it.

I know that we all who represent farming districts are anxious to have these payments made directly to the farmer, but it cannot be done under the present set-up. There must be an entire change in procedure, and to assure the farmer of obtaining the subsidy it must be paid directly to him.

While the purpose of this amendment may be good, its effect is a nullity. I sincerely hope that we may in some constructive way accomplish the end desired to be obtained by this amendment.

Mr. KLEBERG. Mr. Chairman, I ask unanimous consent to modify my amendment as follows: In the second line, change the word "producer" to "processor" and in the fifth line change the word "producers" to "processors."

The CHAIRMAN. The gentleman from Texas asks unanimous consent to modify his amendment as indicated. Is there objection?

There was no objection.

Mr. PACE. Mr. Chairman, I ask for recognition on the amendment.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. PACE. Mr. Chairman, let me say first that cotton is not involved in this amendment. There are no subsidy payments on cotton, but there are three great commodities involved. The first is wheat, the second is hogs, and the third is cattle. I am going to use wheat as an illustration of what this amendment means. They are now paying 25 cents a bushel subsidy to the flour mills. It totals a little over $100,000,000. They announced that they were paying that subsidy to the flour millers so the millers could pay the farmers parity price for the wheat, but all the millers are not paying the farmers parity price for the wheat. The result is that many of the millers—maybe not all of them—are getting a considerable sum as an extra profit; they are getting the 25 cents a bushel subsidy payment but are not carrying out their contract with the producer. I am using wheat as an illustration because I am not as familiar with the cattle situation as is the gentleman from Texas.

This amendment as I interpret it means that when the millers get the 25-cents-a-bushel subsidy payment, which totals over $100,000,000, they must submit evidence that they have done one of two things: Either paid the producer the parity price of wheat or the highest price for wheat between the dates set up in the act of October 2, 1942, which I believe are January 1 to September 15, 1942.

Cotton is not involved in this amendment, but I am in sympathy with the amendment because later on my colleague the gentleman from Georgia [Mr. BROWN] is going to try to correct the cotton situation. That commodity is in somewhat a similar condition. They fixed textile ceilings at a price based on the mills paying the cotton farmers parity for the cotton, but the mills are not paying the cotton farmers parity; consequently, the mills are getting an extra profit; they are putting in their pocket $5 to $10 on every bale of cotton because their ceilings were fixed as though they were paying parity.

The same thing is true with hogs, the same thing is true with cattle, the same thing is true with wheat. The parity price of wheat on May 15 was $1.50. The average price of wheat on May 15 was $1.47. There is positive proof that the Government is handing out to the flour mills $100,000,000 so they can pay the farmer parity for his wheat, yet they are not doing it. This amendment provides that before they can get the 25-cent subsidy per bushel they must submit satisfactory evidence that they have paid the wheat grower the parity price.

Mr. BREHM. Does that apply to hard wheat?

Mr. PACE. They have equalized it so it applies alike to hard and soft wheat.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. ROWE. It means they shall guarantee to the producer that parity to support which that subsidy was paid.

Mr. PACE. Exactly.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. PACE. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. ZIMMERMAN. As I understand, under this amendment the millers cannot get it unless the millers pay parity price.

Mr. PACE. That is right, unless the farmer receives parity.

Mr. ZIMMERMAN. Suppose the miller buys from a warehouseman who buys from a farmer; how is the miller to know that the warehouseman paid parity? Suppose the warehouseman bought for less?

Mr. PACE. I believe under this amendment it would be up to the millers to see that the warehouseman had paid parity to the producer. There are no complications in this amendment, as the distinguished gentleman from Kentucky mentioned. It simply means if the Government is going to put out hundreds of millions of dollars for the farmers to get parity, those buying from the farmer must pay him parity and not put the subsidy in their pockets as excess profits.

Mr. ZIMMERMAN. Suppose the miller pays the warehouseman parity but the warehouseman does not pay the producer parity. I think the gentleman better look into it.

Mr. PACE. The amendment provides that this minimum price must have been paid to the producer of the commodity. It is then a question between the warehouseman and the miller.

Mr. ZIMMERMAN. I misunderstood the amendment.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. SPENCE. This amendment makes no provision for the payment of this subsidy to any others than those who now receive subsidies. If those people who receive the subsidy do not purchase directly from the primary producer, how will you carry this into effect? I agree it would be very advisable to have the primary producer receive the subsidy.

If we are going to follow the same practice that has been followed and which they say is the only practice they can follow because administrative difficulties would make it impossible for them to follow any other, I do not see how you can make it possible by this amendment.

Mr. PACE. For 8 years I have heard this talk about administrative difficulties every time we try to make it possible for the farmers to get parity prices for their crops. No one seems to be concerned about administrative difficulties when arrangements are made to pay hundreds and hundreds of millions of dollars to the processors. Yet it is always represented that these subsidies are paid the processors so they can pay the farmers a fair price. We have talked long enough about wanting to see the farmers get parity prices. We should stop so much talk, we should stop trying to find excuses and administrative difficulties, we should take any and every step necessary to insure fair prices to the producers.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. SPENCE. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

Mr. MURDOCK. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Arizona.

Mr. MURDOCK. Mr. Chairman, the amendment uses the word "producers" twice. I would like to ask the author of the amendment if he proposes to change the word "producers" in both instances to "processors"?

Mr. KLEBERG. It was my intention to change the first two places where the word "producer" is used to "processors."

Mr. CRAWFORD. Mr. Chairman, I wish to submit a question to the Members of the House who are familiar with the movement of farm products from the farm to the processing plant. The question is whether any farm crops of consequence move through the marketing machinery of a middleman between the farmer and the processor of those farm goods. They say that would raise a substantial question as to this amendment. Frankly, I cannot think of any at the moment. Cotton moves from the farmer to the mills; sugar beets and cane move from the farmers to the processors; vegetables move from the farmer to the processors; fruits move from the orchards and the farmers to the processors, and so on down the line.

It is the philosophy of the Congress in all of this control machinery to give the farmers the prices as set forth in the Stabilization Act and it does not appear to me that the Price Administrator will run into substantial difficulties from an administrative standpoint in requiring the processors of farm goods to qualify, showing that they have paid stabilization prices to the primary producers, the farmers, before the processors, can get their subsidy payments. I think this amendment does that and nothing else.

Mr. CARLSON of Kansas. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kansas.

Mr. CARLSON of Kansas. If I understand the amendment correctly, it is one that should be adopted, because we are paying subsidies to processors who are not entitled to receive them. If we approve this amendment it will not prohibit subsidies, it will not grant additional subsidies; it will just mean these processors who are now getting subsidies will have to prove that they paid parity prices. I think the amendment ought to be adopted.

Mr. CRAWFORD. Yes. Let us go to the thought expressed by the gentleman from Georgia [Mr. PACE]. When you set a price on yardage goods that goes into the making of a suit, that price going to the textile or yardage manufacturer, and when that price ceiling is so high you assume he is going to pay a parity price to the farmer. If the textile manufacturer does not pay that parity price to the farmer, then the price carries into the textile operation a level of profit higher than we will say he is really entitled to. So the O. P. A. sets a price ceiling which it says justifies the textile manufacturer in paying parity to the cotton grower. That does not happen. At the same time O. P. A. comes in and makes a great showing that the textile manufacturer is making high profits.

Mr. Chairman, that situation should be corrected in my opinion.

Mr. DIRKSEN. Mr. Chairman, let me address a word or two to those who come from the corn and hog empire of the country. A very peculiar and a very distressing condition exists there at this very moment which I can best illustrate by taking the case of a farmer who starts from home in the evening or in the early morning with a truckload of hogs. He arrives at the stockyards and finds that it is so filled with livestock that there is little or no opportunity for his own hogs to be accommodated and accepted without undue delay.

That is to say that a glut has developed in many of the markets, and these markets do not have the capacity for handling all livestock arrivals.

It is entirely possible that the stockyards could accommodate normal shipments of hogs but if efforts are made to induce heavy marketings a glutted market results and then several things happen against which loud and vehement protest is presently made.

The farmer can take his hogs back home at considerable time and expense, but even if this were practicable, he is confronted with a very acute feed shortage, and if he must continue to feed from an extremely short corn supply he not only diminishes the available corn for industrial war uses but also runs into the chance of having carried these hogs on feed until they exceed support-price weights and then he will be automatically penalized by a reduction in price.

If the hogs were left at the market and must remain for several days before they are sold they lose weight, some of them die or may die, and other forces of deterioration set in before they are finally sold, and the producer is thereby the loser.

Now, it seems that if efforts are being made to induce abnormal marketings of hogs by persons who are interested in a lower price or if an advantage is taken of the glutted-market condition, it would be easy enough no matter how reluctant the farmer may be to persuade him to accept lower prices rather than wait at the yards for several days and experience a deterioration in the weight and condition of his hogs, to accept a lower price, and I am informed that this is the condition which prevails at the present time. Manifestly this is taking advantage of a competitive situation, which finally results in payment to the farmer of a price below that which the Congress intended he should have.

I have not often seen the farm leaders in our area become vehement in spirit, but they are in that frame of mind just now because of this distressed condition which prevails. In recent days I have received telephone calls bringing this matter to my attention and pointing out the huge numbers of hogs which have reached the many markets in Illinois only aggravate the glutted condition and thereby cause widespread losses to large numbers of farm producers.

The amendment offered by the gentleman from Texas while it may be faulty in language contains the right approach for bringing about a remedy for this condition and if something is lacking in the language, it can be cured in conference.

This amendment says in effect that before the subsidy which is now authorized can be paid to a processor, he must submit satisfactory evidence that he has paid to the producer a price which is not below the price standards which were established in the Price Control Act.

You will recall that these standards are either parity or the price which prevailed between January and September of 1942, whichever of the two may be the highest. This is the price which Congress expressly stated should be paid to the producer and the pending amendment seeks to reinforce that declaration and to make certain that such price will be paid.

The point has been raised that this amendment offers administrative difficulties. I believe it can be modified in conference to meet such difficulties if there are any and to meet any situation where hogs, cattle, or other commodities may be sold to a commission man or other intervening agency before they reach the first processors. Surely it should not be difficult to set up a requirement in the form of a certificate to be signed by all handlers, by the farmer and the processor whereby the assurance can be given that the price required by the act of 1942 has been paid to the producer.

To do other than this would mean that the subsidies which are now being paid are being expended out of public funds without achieving the objective which Congress had in mind. This to me appears fair. It appears free from undue administrative difficulty and is in the interest of carrying out the intent of Congress.

Mr. PLOESER. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. PLOESER. The gentleman is not quite correct. The O. P. A. is penalizing the purchaser of those hogs, the packer, if he pays below the support price. It is not true that he gets the same subsidy in either case. If he goes below the support price, they penalize him on the subsidy, thereby forcing him into a squeeze no matter which way he goes. I think that is the main trouble.

Mr. DIRKSEN. The squeeze on the little processor which the gentleman from Missouri has in mind is, in my judgment, an entirely different problem. What is being sought in the pending amendment is merely to carry out the expressed intent of Congress as set forth in the act of 1942. Let us assume that the processor might be penalized by a reduction in his subsidy. The fact remains that this penalty would not be imposed unless it were first established that he had failed to pay the price required under the terms of the Price Control Act. The amendment is, therefore, in the nature of a reinforcement of the administration of the act and requires satisfactory evidence that the terms of the act have been carried out.

Mr. PLOESER. The gentleman must remember that this applies to beef as well as hogs.

Mr. DIRKSEN. This is exactly so.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Illinois.

Mr. ARENDS. The farmer is not only caught in this squeeze, but the fact is

he does not want this pork because he has no corn to feed, and he cannot buy any.

Mr. DIRKSEN. My colleague from Illinois is exactly correct. The membership will remember that in recent months the Commodity Credit Corporation froze all movements of corn through country elevators because of the acute shortage of corn for industrial purposes. Many of the corn processors have been shut down for lack of corn and the Commodity Credit Corporation simply froze all deliveries to make certain that corn would be procured for this purpose. Under this arrangement it became necessary to issue purchase certificates to farmers having livestock so that they might procure corn for feed. The difficulty here, however, is that a certificate is of little or no value if the corn is not available for purchase and, in consequence, many farmers find themselves in a most acute position having hogs on hand for which corn is required and having a certificate in the pocket for the purchase of corn only to be confronted with the condition that no corn can be had. It is obvious, therefore, that the farmer is in a squeeze. His hogs must go to market if corn is not available, and if market conditions are such that he cannot obtain the price that Congress intended, he becomes the victim of a pincers movement wit the Government on one hand and the markets on the other.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from California.

Mr. VOORHIS of California. Is it not true, as to the enforcement of a provision such as this amendment, that a great deal of help might be expected from the farmers themselves?

Mr. DIRKSEN. This is quite right. If they are fully acquainted with their rights under the statute, they will do a good job in seeing that those rights are protected.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Ohio.

Mr. ROWE. I think this question ought to be cleared up, that it gives the producer protection only to the amount of the subsidy; in other words, if the packer can buy at a certain price, and receive a greater amount than the subsidy, then the producer is still at a disadvantage, is he not?

Mr. DIRKSEN. Perhaps so. I have no doubt that if the farmer producers to whom Congress gave a solemn assurance in the act of 1942 that they should receive not less than the price provided in the formula in which we wrote into the 1942 act are provided with an administrative weapon in the form of a showing by the processor that this amount has been paid, every farmer will take it on himself to see that that assurance in the statute is carried out.

I believe, therefore, that the amendment has genuine merit and that whatever difficulties of language and phraseology may arise can be cured in conference at the right time.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Chairman, early in this session I had occasion to raise the question, "Who is an agricultural producer?" Now, I have an answer but it may not be entirely correct or complete. Whether we favor agricultural subsidies or not, it seems to me that if subsidies, or support prices, are to be paid, the benefits should go to the primary producers and we should so write the law that processors or any middleman shall be unable to absorb those subsidies and thus prevent the primary producer from getting them.

I favor the amendment offered by the gentleman from Texas because I believe it corrects an injustice now existing and carries out the original intent of Congress. While the illustration that the gentleman from Texas, Congressman KLEBERG, used deals with hogs, it may be applied also to cattle, and while I am concerned with the processors, that they shall not be hampered in performing their economic function, I do feel that we must give first consideration to the primary producers, which, in my judgment, this amendment will do. Therefore, I favor it.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I do not profess to be an agricultural expert. I believe the thing sought to be accomplished by this amendment is devoutly wished. I have always thought that the primary producer should receive a subsidy. I have not only thought that, but I have had conferences with the Secretary of Agriculture, with the Secretary of Commerce, and with the War Food Administrator in which I have told them that I thought it was unjust that a subsidy that should go to the farmer was paid to the processor, and there was no assurance that the farmer would benefit by it. They all feel that it would be advisable if the farmer could receive the subsidy, but no scheme as yet has been devised by which the farmer receives that subsidy direct. The only way to assure him that he will receive it is to pay it direct to him. You are not changing the method provided by the present law. You are going to pay these subsidies to the same individuals that are now receiving them, but you are going to put a condition on that they shall see that the primary producer receives the subsidy. I say that is impossible of performance under the present law.

The three great subsidies are meat, bread, and butter. In meat you pay the subsidy to the slaughterer. I believe, and I think it is uncontradicted, that in a great majority of instances the slaughterer does not deal directly with the farmer. He buys the cattle on the market, and he has no direct dealings with the farmer at all. The miller certainly has no direct dealings with the man who raises the grain. He buys his grain on the market. He does not know who raises the grain. He has no way of seeing that the primary producers will get the subsidy. With butter it may be that he is a little closer to the farmer, and he might see, in many instances, that the farmer did get the benefit of the subsidy that is paid to him.

I hope we can accomplish this purpose. I hope we can eventually see that the farmer gets a subsidy, but we cannot do it under the present set-up. I think it is a futility to say that the present people who get the subsidy must see that the farmer is paid. That is the reason I am opposed to this amendment. I hope some scheme may be devised by which the farmer can be assured of the payment of the subsidy. I represent farmers.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from North Carolina.

Mr. MORRISON of North Carolina. What injustice would be done to say to the man who is to receive a bonus, "We are paying it to you, but we are indirectly giving it to the farmer, and if you do not pay it to the farmer or those from whom you purchase, you cannot have it"?

Mr. SPENCE. The farmer ought to get it, but what is the sense of putting a condition in the bill that we cannot make effective?

Mr. MORRISON of North Carolina. It will be effective, because we eliminate the processor, and see to it that the farmer is paid.

Mr. SPENCE. I have great respect for the distinguished gentleman from North Carolina, but I think it is perfectly impractical and impossible under the present set-up to be assured that the farmer gets a subsidy which the farmer ought to have, and which I know every Member here, who has the farmer's interest at heart, would like to see him obtain.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 83, noes 38.

So the amendment was agreed to.

Mr. WEICHEL of Ohio. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point with reference to the Office of Price Administration and to include therein the answer of the Office of Price Administration to an inquiry.

The CHAIRMAN. The gentleman will have to get permission in the House to include the extraneous matter. Without objection, he may have permission to extend his own remarks at this point.

There was no objection.

THE PRICE OF TURKEYS

Mr. WEICHEL of Ohio. Mr. Chairman, you have heard about the workings of the Office of Price Administration and the outrages perpetrated upon the people. But I want to call your attention to to a real hardship on the citizen who is

doing his level best to comply, as well as the ridiculous and stupid manner in which the average citizen is treated.

Up in my district a hard-working farmer and his wife, who are producing food and poultry, wanted to know the price on turkeys that they desired to sell.

His wife wrote as follows on April 30, 1944, to the Office of Price Administration:

Please send me the prices, live, dressed, and drawn on old hens and toms (turkeys) (include the delivery price) for Clyde, Ohio.

And at the end of 2 weeks they received the following:

RMPR 269, INCLUDING AMENDMENT 16, OCTOBER 6, 1943

OFFICE OF WAR INFORMATION

OFFICE OF PRICE ADMINISTRATION

(Advance Release for Morning Papers, Thursday, October 7, 1943)

OPA-3229

AMENDMENT 16 TO RMPR 269—POULTRY

PRESS RELEASE

Drawn poultry items must be sold and delivered to retailers in whole carcass, split carcass or quarter carcass form only if they are to command maximum base prices established for those items, the Office of Price Administration announced today.

The O. P. A. has also ruled that drawn poultry must be sold and delivered to retailers and ultimate consumers within a 50-mile radius of the point of slaughter in order for the drawn poultry prices to be charged. In all other cases, sales of drawn poultry must be made at prices established for dressed poultry items, which average about 10 or 11 cents per pound below drawn poultry maximums.

If drawn poultry is delivered in cut-up parts, such as separate thigh, back, breast, or drumstick, the aggregate prices for the cut-up parts must amount to no more than the price established for the whole dressed bird. In effect, O. P. A.'s action today, taken in Amendment 16 to Revised Maximum Price Regulation No. 269 (poultry) will lower retail prices of cut-up parts of poultry. The changes are made after consultation with the industry.

The O. P. A. has already amended the regulation to require that sales of cut-up parts of quick-frozen eviscerated poultry must be packaged together and sold in the original package as one unit. The regulation formerly allowed the sale of separate cut-up parts of the drawn or quick-frozen eviscerated bird at an aggregate price which would not exceed the maximum price established for the sale of the corresponding whole drawn or quick-frozen eviscerated product.

Today's amendment, to take effect October 11, 1943, defines split carcass poultry as drawn poultry which has been cut into halves by splitting the bird down the back, so that each half contains equivalent parts of the bird. Quarter carcass poultry is defined as split carcass poultry each half of which has been divided into two parts so that one part includes the back, thigh, and drumstick, while the other part includes the breast and wing.

Two other changes have been made in RMPR No. 269 by the new amendment to specify the manner in which poultry must be processed.

1. Poultry, other than Kosher-Killed, which has been killed, but not bled and plucked, must be sold at prices not to exceed those established for live poultry items. Dressed poultry prices may not be charged for birds delivered in this condition.

2. Drawn poultry must be processed so that the head, shanks, crop, windpipe, esophagus, and entrails of the bird are wholly removed without contamination of the body cavity, and the shanks of each bird must be removed at the hock joint. The gizzard of each bird must be cleaned by removing the contents and lining, and the cleaned gizzard, the heart and the liver included with the carcass.

PART 1429—POULTRY AND EGGS

(Revised MPR 269,[1] Incl. Amdt. 16)

POULTRY

Section 1429.19 (h) (2), (i) (2) and (3) amended by Amendment 16, effective October 11, 1943, so that Revised Maximum Price Regulation 269 shall read as follows:

In the judgment of the Price Administrator, it is necessary and proper, in order to effectuate the purposes of the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250 issued by the President on October 3, 1942, that maximum prices be established for the sale of the poultry items named in this regulation.

The maximum prices established by this regulation are, in the judgment of the Price Administrator, generally fair and equitable and will effectuate the purposes of the amended Act and Executive Order. So far as practicable, the Price Administrator has advised and consulted with representative members of the industries affected by this regulation. A statement of the considerations[2] involved in the issuance of this regulation has been issued simultaneously herewith and has been filed with the Division of the Federal Register. The following regulation supersedes Maximum Price Regulation No. 269, as amended,[3] and Maximum Price Regulation No. 280[4] with respect to the commodities specified in this regulation.

The maximum prices established herein for poultry items are not below prices which will reflect to the growers and producers of such poultry items prices for their products equal to the highest of the prices required by the provisions of the Emergency Price Control Act of 1942, as amended, and by Executive Order No. 9250. The Price Administrator has consulted with the Secretary of Agriculture and has obtained his approval for the agricultural commodities covered herein.

Insofar as this regulation uses specifications and standards which were not, prior to such use, in general use in the trade or industry affected, or insofar as their use was not lawfully required by another Government agency, the Administrator has determined, with respect to such standardization, that no practicable alternative exists for securing effective price control with respect to the commodities subject to this regulation.

(Preamble as amended by Supplementary Order 57, 8 F. R. 12551, effective 9-11-43)

Therefore, under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250 and in accordance with Revised Procedural Regulation No. 1,[5] issued by the Office of Price Administration, Revised Maximum Price Regulation No. 269 is hereby issued.

Sec.

1429.1 Prohibition against selling poultry at prices above the maximum.
1429.2 Exempt sales.
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1429.22 Maximum prices for poultry items when sold by producers or processing plants at retail.
1429.23 Relief from extreme hardship in certain cases.
1429.24 Maximum prices for poultry items requisitioned or purchased by the United States Government or any agency thereof.
1429.25 Sale of poultry items requisitioned or purchased by the United States Government or any agency thereof.
1429.26 Service charge for the processing of poultry items owned by the United States Government or any agency thereof.

AUTHORITY: §§ 1429.1 to 1429.26, inclusive, issued under 56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E. O. 9250, 7 F. R. 7871 and E. O. 9328, 8 F. R. 4681.

§ 1429.1. Prohibition against selling poultry at prices above the maximum: On and after December 18, 1942, regardless of any contract, agreement, or other obligation, no person shall sell or deliver or cause to be sold or delivered whether for his own account or otherwise, the poultry items specified in this regulation, and no person in the course of trade or business shall buy or receive such poultry items at a price higher than the maximum prices permitted by this regulation; and no person shall agree, offer, solicit, or attempt to do any of the foregoing. The provisions of this section shall not be applicable to sales or deliveries of poultry items to a purchaser, if, prior to December 18, 1942, such poultry items have been received by a carrier, other than a carrier owned or controlled by the seller, for shipment to such purchaser.

(§ 1429.1 as amended by Amendment 12, 8 F. R. 10940, effective 8-4-43)

[NOTE: Supplementary Order No. 7 (7 F. R. 5176) provides that War Procurement Agencies and Governments Whose Defense is Vital to the Defense of the United States shall be relieved of liability, civil or criminal, imposed by price regulations issued by the Office of Price Administration.]

[NOTE: Revised Supplementary Order No. 34 (8 F. R. 12404) permits special packing expenses to be added to maximum prices on sales to procurement agencies of the United States.]

§1429.2 Exempt sales: The following sales are exempt from the provisions of this Revised Maximum Price Regulation No. 269, in addition to those exempted by the application of certain provisions of the General Maximum Price Regulation, as amended,[6] as incorporated in this Revised Maximum Price Regulation No. 269.

(a) All sales at retail except those specified in § 1429.22 herein. Sales at retail shall be determined in accordance with the provisions of Maximum Price Regulation No. 268, en-

[1] F. R. 10708.

[2] Statements of considerations are also issued simultaneously with the issuance of amendments. Copies may be obtained from the Office of Price Administration.

[3] 7 F. R. 9292, 9620.

[4] 8 F. R. 5165, 6357, 7196, 7599, 7670, 8065, 8180.

[5] 7 F. R. 8961; 8 F. R. 3313, 3533, 6173, 11806.

[6] 8 F. R. 3096, 3849, 4347, 4486, 4724, 4978, 4848, 6047, 6962, 8511, 9025, 9991, 11955.

titled "Certain Perishable Food Products at Retail." [7]

(b) All sales and purchases of breeding poultry when sold or purchased for breeding purposes only.

(c) All sales and purchases of "baby" or "started" chicks, ducklings, goslings, and poults when sold for purposes other than present human consumption.

(d) All sales and purchases of female poultry when sold or purchased for egg production purposes.

(e) All sales and purchases of pigeons, squabs, guineas, quail, and pheasants.

(Paragraph (e) added by Amendment 6, 8 F. R. 3316, effective 3-20-43)

§ 1429.3 Less than maximum prices: Lower prices than those established by this Revised Maximum Price Regulation No. 269 may be charged, demanded, paid, or offered.

§ 1429.4 Records and reports: (a) Every seller and purchaser subject to this Revised Maximum Price Regulation No. 269 making sales or deliveries or purchases of poultry items to the value of $200 or more in any one month, after December 21, 1942, shall keep for inspection by the Office of Price Administration for so long as the Emergency Price Control Act of 1942 remains in effect a complete and accurate record of each sale or delivery of poultry items, showing the date of purchase or sale, the name and address of the buyer and seller, the quantities, types, grades, weight classes of poultry bought and sold, the number of head of each type, grade, and weight class of poultry bought and sold, the type of sale made (delivered or nondelivered), and the price paid or received.

(Paragraph (a) as amended by Amendment 8, 8 F. R. 5408, effective 4-22-43)

(b) Every person shipping any of the poultry items specified in this regulation by freight car, truck, or other means of transport from one place to another, shall post within such freight car, truck, or other means of transport, a manifest showing the place from which such poultry items were shipped, the name and address of the owner of such poultry items while in transit, the name and address of the person or persons to whom such poultry items are being shipped, the name and address of the seller or sellers, the quantities, types, grades, weight classes of poultry bought and sold, the number of head of each type, grade, and weight class of poultry bought and sold, and the price paid.

(Paragraph (b) amended by Amendment 8, 8 F. R. 5408, effective 4-22-43 and Amendment 12, 8 F. R. 10940, effective 8-4-43)

(c) Every seller and purchaser subject to this regulation shall keep such other records in addition to or in place of the records required in paragraphs (a) and (b) of this section and shall submit such reports to the Office of Price Administration as that Office may from time to time require or permit.

(Paragraph (c) added by Amendment 8, 8 F. R. 5408, effective 4-22-43)

§ 1429.5 Evasion: Price limitations set forth in this Revised Maximum Price Regulation No. 269 shall not be evaded whether by direct or indirect methods, in connection with any offer, solicitation, agreement, sale, delivery, purchase or receipt of, or relating to the commodities prices of which are herein regulated, alone or in conjunction with any other commodity, or by way of commission, service, transportation, or other charge, or discount, premium, or other privilege or other trade understanding or otherwise.

§ 1429.6 Enforcement: (a) Persons violating any provision of this Revised Maximum Price Regulation No. 269 are subject to the criminal penalties, civil enforcement actions, license suspension proceedings, and suits for treble damages provided for by the Emergency Price Control Act of 1942, as amended.

(b) Persons who have any evidence of any violation of this Revised Maximum Price Regulation No. 269 or any price schedule, regulation, or order, issued by the Office of Price Administration, or any acts or practices which constitute such a violation, are urged to communicate with the nearest district, State, field or regional offices of the Office of Price Administration, or its principal office in Washington, D. C.

§ 1429.6a. Licensing: The provisions of Licensing Order No. 1, licensing all persons who make sales under price control, are applicable to all sellers subject to this regulation or schedule. A seller's license may be suspended for violations of the license or of one or more applicable price schedules or regulations. A person whose license is suspended may not, during the period of suspension, make any sale for which his license has been suspended.

(§ 1429.6a added by Supplementary Order 72, 8 F. R. 13244, effective 10-1-43)

§ 1429.7 Sales for export: The maximum prices at which a person may export any commodity covered by this Revised Maximum Price Regulation No. 269 shall be determined in accordance with the provisions of the Revised Maximum Export Regulation [8] issued by the Office of Price Administration.

§ 1429.8 Applicability: The provisions of this Revised Maximum Price Regulation No. 269 supersede the provisions of Maximum Price Regulation No. 269, as amended, and the provisions of Maximum Price Regulation No. 280 with respect to sales and deliveries of the poultry items for which maximum prices are established by this regulation.

§ 1429.9 Applicability of certain provisions of the General Maximum Price Regulation, as amended: (a) The following sections of General Maximum Price Regulation, and amendments thereto, and Revised Supplementary Regulation No. 4 [9] thereof, shall be applicable to every person making sales and deliveries covered by this Revised Maximum Price Regulation No. 269.

(1) § 1499.4b (Special deals).

(2) § 1499.14 (Sales slips and receipts).

(3) [Revoked.]

(4) [Revoked.]

(Paragraphs (3) and (4) revoked by Supplementary Order 72, 8 F. R. 13244, effective 10-1-43)

(5) § 1499.29 (a) (5) (Developmental contracts).[10]

(6) § 1499.29 (a) (6) (Secret contracts).[11]

(7) § 1499.29 (a) (7) (Emergency purchases).[12]

(8) § 1499.29 (a) (15) (Sales or deliveries of the War Department or the Department of the Navy through such Departments' sales stores).

§ 1429.10 Geographical applicability: The provisions of this Revised Maximum Price Regulation No. 269 shall be applicable only to the 48 States of the United States and to the District of Columbia.

§ 1429.11 Transfers of business or stock in trade: If the business, assets, or stock in trade of any seller are sold or otherwise transferred on or after the effective date of this Revised Maximum Price Regulation No. 269, and the transferee carries on the business, the maximum prices of the transferee shall be the same as those to which his transferor would have been subject if no transfer had taken place, and his obligation to keep records sufficient to verify those prices shall be the same. The transferor shall either preserve and make available, or turn over to the transferee, all records of transactions prior to the transfer which are necessary to enable the transferee to comply with the record provisions contained in this regulation.

§ 1429.12 Petitions for amendment: Persons seeking an amendment of this Revised Maximum Price Regulation No. 269 may file a petition therefor in accordance with the provisions of Revised Procedural Regulation No. 1, issued by the Office of Price Administration.

[NOTE: Procedural Regulation No. 6 (7 F.R. 5087, 5665; 8 F.R. 6173, 6174) provides for the filing of applications for adjustment of maximum prices for commodities or services under Government contracts or subcontracts. Revised Supplementary Order No. 9 (8 F.R. 6175) makes the provisions of Procedural Regulation No. 6 applicable to all price regulations, excepting those which expressly prohibit such applications, and certain specific regulations listed in Revised Supplementary Order No. 9.]

§ 1429.13 Adjustable pricing: Any person may offer or agree to adjust or fix prices to and at prices not in excess of the maximum prices in effect at the time of delivery. In appropriate situations, where a petition for amendment requires extended consideration, the Price Administrator may, upon application, grant permission to agree to adjust prices upon deliveries made during the pendency of the petition in accordance with the disposition of the petition.

§ 1429.14 Adjustment of maximum prices for live and dressed poultry: (a) The Office of Price Administration, or any duly authorized representative thereof, may adjust any maximum price established under this Revised Maximum Price Regulation No. 269 for live and dressed poultry items, in the case of any seller or group of sellers where it appears:

(1) That there exists or threatens to exist in a particular locality a shortage in the supply of such live and dressed poultry item; and

(2) That such local shortage will be substantially reduced or eliminated by adjusting the maximum prices of such seller and of like sellers for such live and dressed poultry items; and

(3) That such adjustment will not create or tend to create a shortage, or need for increase in prices, in another locality, and will effectuate the purposes of the Emergency Price Control Act of 1942, as amended.

(b) Applications for adjustment under this § 1429.14 shall be filed in accordance with Revised Procedural Regulation No. 1.

(c) Each Regional Administrator is authorized to make adjustments or act upon applications for adjustment under this section.

(Paragraph (c) added by Amendment 3, 8 F.R. 567, effective 1-13-43)

(d) Each Regional Administrator of the Office of Price Administration is authorized to adjust the maximum base prices for any live poultry item, as established in § 1429.19 of this regulation, for all places within any political subdivision or other defined area in this region to one uniform maximum base price applicable to all places in such political subdivision or other defined area, *Provided*, That:

(1) Such uniform maximum base price for the live poultry item does not exceed by more than 1/10 of one cent per pound the lowest maximum base price for the live poultry item in such political subdivision or other defined area.

(2) Such uniform maximum base price for the live poultry item will not create or tend to create a shortage, or need for increase in prices, in another locality, and will effectuate

[7] Superseded by Maximum Price Regulation No. 422; 8 F. R. 9395, 10569, 12443, 12611, 13294 and Maximum Price Regulation No. 423; 8 F. R. 9407, 10570, 10988, 12443, 12611, 13294.

[8] Second Revision: 8 F. R. 4132, 7662, 9998.

[9] Superseded by Revised Supplementary Regulation No. 1.

[10] Superseded by § 1499.26, sec. 4.4.

[11] Superseded by Supplementary Order No. 42, Exception of sales to Government agencies pursuant to secret contracts or subcontracts. 8 F. R. 4968.

[12] Superseded by § 1499.26, sec. 4.3 (f).

the purposes of the Emergency Price Control Act of 1942, as amended.

(3) The Price Executive of the Poultry, Eggs, and Dairy Products Branch of the Food Price Division of the Office of Price Administration is notified in writing of the proposed uniform maximum base price for the live poultry item, and has consented in writing to the establishment of such uniform maximum base price.

Example: The maximum base price for live broilers in County X ranges from a low of 28.44 cents per pound to a high of 28.53 cents per pound. The Regional Administrator decides to adjust all maximum base prices for live broilers in County X to one uniform maximum base price of 28.5 cents per pound, in the interest of simplicity and effective enforcement. He ascertains that such uniform price will not create a shortage or need for increase in prices in another locality. He also knows that the uniform maximum base price of 28.5 cents per pound does not exceed by more than 1/10th of one cent the lowest maximum base price of 28.5 cents per pound. Therefore, upon receiving the written consent of the Price Executive of the Poultry, Eggs, and Dairy Products Branch of the Food Price Division of the Office of Price Administration, he may establish 28.5 cents per pound as the uniform maximum base price for live broilers at all places in County X.

(4) The Administrator of the War Food Administration is notified in writing of every proposed uniform maximum base price for any live poultry item which reduces the maximum base price for such live poultry item at any place in the political subdivision or other defined area for which the uniform maximum base price is proposed by more than one-tenth of one cent per pound, and has consented in writing to the establishment of such uniform maximum base price.

(Paragraph (d) added by amendment 9, 8 F.R. 6736, effective 5–26–43; paragraph (4) added by Amendment 12, 8 F.R. 10940, effective 8–4–43)

(e) Regional adjustment of maximum base prices and permitted increases: (1) The following powers are delegated to each Regional Administrator of the Office of Price Administration with respect to the purchase, sale, or delivery of any poultry item at all places or any number of places within his Region, subject to the limitations listed immediately below in subparagraph (2) of this paragraph.

(i) Each Regional Administrator is authorized to adjust the maximum base prices for dressed, kosher-killed, kosher-dressed and plucked, drawn, and quick-frozen eviscerated poultry items as established in this section.

NOTE: No adjustment may be made to the maximum base prices for live poultry items as established in this section, except as provided for in paragraph (d) immediately above.

(ii) Each Regional Administrator is authorized to adjust the permitted increases established in § 1429.21 of this regulation.

(iii) Each Regional Administrator is authorized to modify or change any of the definitions listed in § 1429.21 (b) of this regulation, where it appears that such modified or changed definitions will aid in the enforcement of this regulation and in the proper distribution of poultry items in his region.

(2) The powers delegated to each Regional Administrator of the Office of Price Administration in subparagraph (1) immediately above, are subject to the following limitations:

(i) No Regional Administrator may take any action which will increase the maximum prices at which any poultry item may be sold at retail, or to ultimate consumers, including commercial, industrial, institutional, or governmental users.

(ii) No Regional Administrator may take any action which will decrease the margin of profit for retail sales of poultry items by more than one cent per pound.

(iii) No Regional Administrator may take any action which will create or tend to create a poultry shortage or need for increase in poultry prices in another locality, and which will nullify or defeat the purposes of the Emergency Price Control Act of 1942, as amended.

(iv) No adjustment may be made to any maximum base price or to any permitted increase, and no modification or change may be made to any definition, unless such adjustment, modification, or change has first been submitted in writing to the Price Executive of the Poultry, Eggs, and Dairy Products Branch of the Food Price Division of the Office of Price Administration, and to the Division Counsel for Food of the Office of Price Administration, and has been approved in writing by such Price Executive and by such Division Counsel.

(Paragraph (e) added by Amendment 11, 8 F. R. 9299, effective 7–10–43)

§ 1429.15 Federal and State taxes: Any tax upon, or incident to, the sale or delivery of poultry items imposed by any statute of the United States or statute or ordinance of any State or subdivision thereof, shall be treated as follows in determining the seller's maximum price for such commodity and in preparing the records of such seller with respect thereto:

(a) As to a tax in effect prior to the effective date of this Revised Price Regulation No. 269 for any poultry item: (1) If the seller paid such tax, or if the tax was paid by any prior vendor, irrespective of whether the amount thereof was separately stated and collected from the seller, but the seller did not customarily state and collect separately from the purchase price prior to the effective date for such item the amount of the tax paid by him or tax reimbursement collected from him by his vendor, the seller may not collect such amount in addition to the maximum price, and in such a case shall include such amount in determining the maximum price under this Revised Maximum Price Regulation No. 269

(2) In all other cases, if, at the time the seller determines his maximum price, the statute or ordinance imposing such tax does not prohibit the seller from stating and collecting the tax separately from the purchase price, and the seller does state it separately, the seller may collect, in addition to the maximum price, the amount of the tax actually paid by him or an amount equal to the amount of tax paid by any prior vendor and separately stated and collected from the seller by the vendor from whom he purchased, and in such case the seller shall not include such amount in determining the maximum price under this Revised Maximum Price Regulation No. 269.

(b) As to a tax or an increase in a tax which becomes effective after the effective date of this regulation for any poultry item: If the statute or ordinance imposing such tax or increase does not prohibit the seller from stating and collecting the tax or increase separately from the purchase price, and the seller does separately state it, the seller may collect, in addition to the maximum price, the amount of the tax or increase actually paid by him or an amount equal to the amount of tax paid by any prior vendor and separately stated and collected from the seller by the vendor from whom he purchased.

[NOTE: Supplementary Order No. 31 (7 F. R. 9894; 8 F. R. 1312, 3702) provides that: "Notwithstanding the provisions of any price regulation, the tax on transportation of all property (excepting coal) imposed by section 620 of the Revenue Act of 1942 shall, for purposes of determining the applicable maximum price of any commodity or service, be treated as though it were an increase of 3% in the amount charged by every person engaged in the business of transporting property for hire. It shall not be treated under any provision of any price regulation or any interpretation thereof, as a tax for which a charge may be made in addition to the maximum price."]

§ 1429.16 Discounts and allowances: The maximum prices established for poultry items in this Revised Maximum Price Regulation No. 269 shall apply to all sales, whether cash or credit. However, any seller may always give discounts or allowances which result in prices lower than the maximum.

§ 1429.17 Definitions: (a) "Poultry items" means the live and dressed poultry items defined in § 1429.19 herein.

(b) "Customary" or "customarily" means the usual practice during the period, December 1, 1941, to December 1, 1942, of the person to whom the word "customary" or "customarily" applies. When the person was not in business during this period, "customary" or "customarily" means his usual practice for the time he was in business.

(c) Unless the context requires otherwise, the definitions of the General Maximum Price Regulation, as amended, and of section 302 of the Emergency Price Control Act of 1942, as amended, shall apply to the terms used in this Revised Maximum Price Regulation No. 269.

§ 1429.18 Effective date: This Revised Maximum Price Regulation No. 269 (Sections 1429.1 to 1429.22, inclusive) shall become effective December 18, 1943.

[Issued December 18, 1942]

(Effective dates of amendments are shown in notes following the parts affected)

§ 1429.19 Maximum base prices for poultry items: (a) Every place in the United States shall have its own maximum base price for the poultry items listed in Table A of this section.

(1) The word "place" means any city, town, village, hamlet, or any unincorporated area in the United States where the purchase and sale of any poultry item occurs.

(2) Every unincorporated area in the United States which is not a city, town, village, or hamlet shall have as its maximum base price for the poultry items listed in Table A of this section the same price as is established for the city, town, village, or hamlet nearest to such unincorporated area.

(Paragraph (a) as amended by Amendment 8, 8 F. R. 5408, effective 4–22–43)

(b) The United States shall be divided into an "Eastern zone" and a "Western zone" for the purpose of calculating maximum base prices for poultry items.

(1) The "Eastern zone" shall consist of the Counties of Milwaukee, Racine, and Kenosha in the State of Wisconsin, the Counties of Cook, Lake, and Du Page, in the State of Illinois, and all of the United States east of the line running south from the Canadian border along the eastern shore of Lake Michigan, the Illinois-Indiana State line, the Illinois-Kentucky State line, and then south along the eastern bank of the Mississippi River to the Gulf of Mexico.

(2) The "Western zone" shall consist of all of the United States west of the above line, excluding the counties of Milwaukee, Racine, and Kenosha in the State of Wisconsin, and the counties of Cook, Lake, and Du Page in the State of Illinois.

(Paragraph (b) as amended by amendment 8, 8 F.R. 5408, effective 4–22–43)

(c) Maximum base prices for poultry items, excluding duck items: (1) The maximum base price for any poultry item, excluding duck items, purchased, sold, or delivered at any place in the "Eastern Zone" of the United

States shall be calculated by taking the maximum base price for such poultry item in Chicago as set forth in table A of this section, and adding thereto the "freight rate" from Chicago to such particular place.

"Freight rate" means the lowest carlot railroad freight rate for dressed poultry multiplied by 1.22.

(2) The maximum base price for any poultry item, excluding duck items, purchased, sold, or delivered at any place in the "Western Zone" of the United States shall be calculated as follows:

(i) The "freight rate" from the place to each of the five basing point cities of New York, Los Angeles, San Francisco, Seattle, and Portland, Oregon, shall be subtracted from the respective maximum base prices in each of these five cities for the poultry item as set forth below in table A of this section, and the highest price so obtained shall be the maximum base price for the poultry item at such place.

Example: To determine the maximum base price for a Grade A dressed young turkey of less than 16 pounds in Denver, Colorado, subtracting the following "freight rates" from the following maximum base prices:

	New York	San Francisco and Los Angeles	Portland and Seattle
	Cents	*Cents*	*Cents*
Maximum base price	40.00	39.00	39.00
Freight rate from Denver to	2.26	1.38	1.72
Difference	37.74	37.62	37.28

The highest price is obtained by subtracting the Denver to New York freight rate from the New York maximum base price for a Grade A dressed young turkey of less than 16 pounds, and 37.74 cents per pound is the maximum base price for such turkey item in Denver, Colo.

(d) Maximum base prices for live duck items: (1) The maximum base price for any live duck item purchased, sold, or delivered at any place in the United States shall be 25 cents per pound.

(Paragraph (d) as amended by Amendment 8, 8 F. R. 5408, effective 4-22-43)

(e) Maximum base prices for kosher-killed and kosher-dressed-and-plucked duck items: (1) The maximum base price for any kosher-killed duck item purchased, sold, or delivered at any place in the United States shall be 28 cents per pound.

(2) The maximum base price for any kosher-dressed-and-plucked duck item purchased, sold, or delivered at any place in the United States shall be 30 cents per pound.

(f) Maximum base prices for dressed, drawn, and quick-frozen eviscerated duck items: (1) The maximum base price for any dressed, drawn, or quick-frozen eviscerated duck item purchased, sold, or delivered at any place in the eastern zone of the United States shall be calculated by taking the maximum base price for such duck item in New York as set forth below in table A of this section, and adding thereto the freight rate from New York to such particular place.

(2) The maximum base price for any dressed, drawn, or quick-frozen eviscerated duck item purchased, sold, or delivered at any place in the "Western Zone" of the United States shall be calculated as follows:

(i) The "freight rate" from any place in the "Western Zone" of the United States to each of the six basing point cities of Chicago, New Orleans, Los Angeles, San Francisco, Seattle, and Portland, Oregon, shall be subtracted from the respective maximum base prices in each of these six cities for the duck item as set forth in Table A of this section, and the highest price so obtained shall be the maximum base price for the duck item at such place.

(g) The following exceptions are made to paragraphs (c), (d), (e), and (f) immediately above:

(1) The maximum base prices for each poultry item purchased, sold, or delivered in the cities of San Diego, California; Phoenix, Arizona; Tucson, Arizona; and Reno, Nevada, shall be the same as those listed below in Table A of this section for Los Angeles.

(2) The maximum base prices for each poultry item purchased, sold, or delivered at all places in the State of Oregon west of the eastern boundaries of the counties of Multnomah, Clackamas, Marion, Linn, Lane, Douglas, and Jackson, shall be the same as those listed below in Table A of this section for Portland.

(Paragraphs (1) and (2) as amended by Amendment 11, 8 F. R. 9299, effective 7-10-43)

(3) The maximum base prices for each poultry item purchased, sold, or delivered at all places in the State of Washington west of the eastern boundaries of the counties of Whatcom, Skagit, Snohomish, King, Pierce, Lewis, and Skamania shall be the same as those listed below in table A of this section for Seattle.

(4) The maximum base price for any live broiler item weighing less than 2¼ pounds, produced and purchased, sold, or delivered at any place in the States of Washington, Oregon, California, Nevada, and Arizona, for ultimate consumption at any place in such States shall be 30 cents per pound.

(5) The maximum base price for any dressed, drawn, or quick-frozen eviscerated broiler item weighing less than 2 pounds dressed, and less than 1¼ pounds drawn, or quick-frozen eviscerated, produced and processed and purchased, sold or delivered at any place in the State of Washington, Oregon, California, Nevada, and Arizona, for ultimate consumption at any place in such States shall be as follows:

	Cents per pound
Dressed	38.0
Kosher-killed	38.0
Kosher-dressed and plucked	39.5
Drawn	51.5
Quick-frozen eviscerated	59.5

(Paragraphs (4) and (5) added by Amendment 8, 8 F. R. 5408, effective 4-22-43)

(h) Maximum base prices for poultry items in the basing point cities: (1) The "eastern zone" basing point city for all poultry items designated below, excluding duck items, is Chicago. The "western zone" basing point cities for all poultry items designated below, excluding duck items, are New York, Los Angeles, San Francisco, Seattle, and Portland, Oregon. The "eastern zone" basing point city for all dressed, drawn, and quick-frozen eviscerated duck items designated below is New York. The "western zone" basing point cities for all dressed, drawn, and quick-frozen eviscerated duck items designated below are Chicago, New Orleans, Los Angeles, San Francisco, Seattle, and Portland, Oregon.

The following maximum base prices are for poultry items as designated below delivered to the buyer's customary receiving point at the basing point cities listed immediately below:

(i) Grade "A" poultry items.

TABLE A

Type	Food products			Eastern zone basing-point city						Western zone basing-point cities											
	Weight			Chicago						New York						Pacific Coast—Los Angeles, San Francisco, Seattle, and Portland					
	Live weight	Kosher-killed, kosher-dressed and dressed weight	Quick-frozen eviscerated and drawn weight	Live	Dressed	Kosher-killed	Kosher-dressed and plucked	Drawn	Quick-frozen, eviscerated	Live	Dressed	Kosher-killed	Kosher-dressed and plucked	Drawn	Quick-frozen, eviscerated	Live	Dressed	Kosher-killed	Kosher-dressed and plucked	Drawn	Quick-frozen, eviscerated
Broilers and fryers	Under 4	Under 3½	Under 2½	27.5	35.0	34.0	35.5	45.5	51.5	28.5	36.0	35.0	36.5	46.5	52.5	29.0	36.5	35.5	37.0	47.0	53.0
Roasters	4 and over	3½ and over	2½ and over	27.5	35.0	34.0	35.5	43.5	48.5	28.5	36.0	35.0	36.5	44.5	49.5	29.0	36.5	35.5	37.0	45.0	50.0
Capons:																					
Light	Under 6	Under 5½	Under 4½	27.5	35.0	34.0	35.5	43.5	48.5	28.5	36.0	35.0	36.5	44.5	49.5	29.0	36.5	35.5	37.0	45.0	50.0
Heavy	6 and over	5½ and over	4½ and over	31.0	38.0	37.0	38.5	46.0	50.0	32.0	39.0	38.0	39.5	47.0	51.0	32.5	39.5	38.5	40.0	47.5	51.5
Fowl	All weights	All weights	All weights	24.0	31.0	30.0	31.5	39.0	43.0	25.0	32.0	31.0	32.5	40.0	44.0	25.5	32.5	31.5	33.0	40.5	44.5
Stags and Old Roosters	All weights	All weights	All weights	20.0	26.5	25.5	27.0	33.0	37.0	21.0	27.5	26.5	28.0	34.0	38.0	21.5	28.0	27.0	28.5	34.5	38.5
Geese	All weights	All weights	All weights	25.0	29.0	29.0	30.5	42.5	45.5	26.0	30.0	30.0	31.5	43.5	46.5	26.5	30.5	30.5	32.0	44.0	47.0
Young turkeys:																					
Light	Under 18	Under 16	Under 13	35.0	39.0	39.0	40.5	50.0	53.0	36.0	40.0	40.0	41.5	51.0	54.0	35.0	39.0	39.0	40.5	50.0	53.0
Medium	18 to 22	16 to 20	13 to 16½	33.5	37.5	37.5	39.0	47.5	50.5	34.5	38.5	38.5	40.0	48.5	51.5	33.5	37.5	37.5	39.0	47.5	50.5
Heavy	22 and over	20 and over	16½ and over	32.5	36.5	36.5	38.0	45.5	48.5	33.5	37.5	37.5	39.0	46.5	49.5	32.5	36.5	36.5	38.0	45.5	48.5
Old Turkeys:																					
Light	Under 18	Under 16	Under 13	33.0	37.0	37.0	38.5	48.0	51.0	34.0	38.0	38.0	39.5	49.0	52.0	33.0	37.0	37.0	38.5	48.0	51.0
Medium	18 to 22	16 to 20	13 to 16½	31.5	35.5	35.5	37.0	45.5	48.5	32.5	36.5	36.5	38.0	46.5	49.5	31.5	35.5	35.5	37.0	45.5	48.5
Heavy	22 and over	20 and over	16½ and over	30.5	34.5	34.5	36.0	43.5	46.5	31.5	35.5	35.5	37.0	44.5	47.5	30.5	34.5	34.5	36.0	43.5	46.5

[Table as amended by Amendment 14, 8 F. R. 13302, effective 10-12-43.]

FOOD PRODUCT: DUCKS—ALL WEIGHTS

Basing-point cities	Live	Dressed	Kosher killed	Kosher dressed and plucked	Drawn	Quick-frozen eviscerated
Eastern Zone—New York	[1] 25.0	27.0	28.0	[1] 30.0	38.5	41.5
Western Zone:						
Chicago	25.0	28.0	[1] 28.0	[1] 30.0	39.5	42.5
New Orleans	25.0	28.4	[1] 28.0	[1] 30.0	39.9	42.9
Pacific Coast: Los Angeles, San Francisco, Seattle, and Portland	[1] 25.0	29.0	[1] 28.0	[1] 30.0	40.5	43.5

[1] These are maximum base prices at all places in the United States.

(Paragraph (i) amended by Amendment 8, 8 F. R. 5408, effective 4-22-43.)

(a) For a period of 69 days, to and including the 30th day of June 1943 any person who on the 22d of April 1943, owned and was in possession of any of the dressed or quick-frozen eviscerated poultry items listed immediately below in Temporary Table A-1, and who prior to the 7th day of May 1943, filed with his Regional or State O. P. A. Office, a complete inventory in triplicate showing the quantities, types, grade, and weight classes of such dressed or quick-frozen eviscerated poultry items owned by him, may sell and deliver such dressed or quick-frozen eviscerated poultry items at the maximum base prices established in Temporary Table A-1 immediately below, and may, if qualified to do so by the provisions of § 1429.21 of this regulation, add to such maximum base prices the proper permitted increase established for such person in § 1429.21, Table B.

For a period of 69 days, to and including the 30th day of June 1943, any purchaser who purchases any of the dressed or quick-frozen eviscerated poultry items listed immediately below in Temporary Table A-1, at the maximum base prices established in such table, from any seller authorized by the provisions of this § 1429.19 (h) (i) (a) to sell at such maximum base prices, may resell such dressed or quick-frozen eviscerated poultry items at the maximum base prices established in Temporary Table A-1, and may, if qualified to do so by the provisions of § 1429.21 of this regulation, add to such maximum base prices the proper permitted increase established for such purchaser in § 1429.21, Table B, *Provided:* That, such purchaser file with his Regional or State O. P. A. Office, at the time of purchase, a statement in triplicate showing the quantities, types, grades, and weight classes of dressed or quick-frozen eviscerated poultry items purchased by him, the price paid for each such poultry item, the date of the purchase, and the name and address of the seller.

TEMPORARY TABLE A-1

[The prices established in this table shall remain in effect for a period of 69 days, to and including the 30th day of June 1943. Thereafter these prices shall be replaced by those established in Table A of this section. These prices do not apply to any poultry items dressed, processed, or quick-frozen eviscerated after the 22d day of April 1943]

Food products—type	Weight		Eastern zone basing-point city				Western zone basing-point cities—Pacific coast: Los Angeles-San Francisco Seattle and Portland	
			Chicago		New York			
	Dressed weight	Quick-frozen eviscerated weight	Dressed	Quick-frozen eviscerated	Dressed	Quick-frozen eviscerated	Dressed	Quick frozen eviscerated
Roasters:								
Light	3½ to 5	2½ to 3¾	35.5	54.5	36.5	55.5	37.0	56.0
Heavy	5 and over	3¾ and over	37.5	56.0	38.5	57.0	39.0	57.5
Stags:								
Light	Under 5	Under 3¾	30.5	47.5	31.5	48.5	32.0	49.0
Heavy	5 and over	3¾ and over	32.0	48.5	33.0	49.5	33.5	50.0
Capons:								
Light	Under 7	Under 5	39.5	61.0	40.5	62.0	41.0	62.5
Heavy	7 and over	5 and over	40.5	61.5	41.5	62.5	42.0	63.0
Fowl:								
Medium		2½ to 3¾		47.5		48.5		49.0
Heavy		3¾ and over		47.0		48.0		48.5
Old roosters:								
Light		Under 3¾		36.0		37.0		37.5
Heavy		3¾ and over		36.5		37.5		38.0

(Paragraph (a) added by amendment 8, 8 F.R. 5408, effective 4-22-43.)

(ii) Grade "B" poultry items: All Grade "B" poultry items, except Grade "B" dressed-duck items, shall be 1½ cents per pound less in price than the corresponding Grade "A" poultry items listed above. All Grade "B" dressed-duck items shall be the same price as Grade "A" duck items.

(Paragraph (ii) as amended by Amendment 8, 8 F. R. 5408, effective 4-22-43)

(iii) Grade "C" poultry items: All Grade "C" poultry items shall be 4 cents per lb. less in price than the corresponding Grade "A" poultry items listed above.

(iv) Monthly adjustments in base prices for dressed, drawn, and quick-frozen eviscerated turkey items: The above prices for dressed, drawn, and quick-frozen eviscerated turkey items shall be in force for the months of November, December, and January. For the remaining months of the year the following additions shall be made to each of the above prices for dressed, drawn, and quick-frozen eviscerated turkey items:

	Cents per pound
February	½
March	1
April	1½
May	2
June	2½
July	3
August	3½
September	3
October	1

(Paragraph (iv) as amended by Amendment 13, 8 F. R. 11691, effective 8-21-43)

(2) Application of prices for drawn poultry: The prices established for drawn poultry items in Table A of this section shall apply only when the following requirements are complied with:

(i) Each drawn poultry item must be in "whole carcass", or "split carcass", or "quarter carcass" form when delivered to the purchaser.

(a) "Split carcass" poultry means drawn poultry which has been cut into halves by splitting the bird down the back, so that each half contains approximately equal and as far as possible, equivalent parts of the bird.

(b) "Quarter carcass" poultry means "split carcass" poultry each half of which has been divided into two parts, so that one part includes the back, thigh, and drum-stick, while the other part includes the breast and the wing.

(ii) Each drawn poultry item must be sold and delivered to retailers or ultimate consumers located within a radius of 50 miles from the point of slaughter of such drawn poultry item.

In all other cases, purchases and sales of drawn poultry items shall be made at prices not exceeding those established for the corresponding dressed poultry items in Table A of this section.

(Paragraph (2) as amended by Amendment 16, effective 10-11-43)

(3) Prices for hard scalded poultry: Poultry other than ducks and geese subjected to water for dressing at a temperature higher than 135 degrees Fahrenheit shall be eligible for Grade "B" and Grade "C" classification only, and shall be sold at prices no higher than those established for Grade "B" and Grade "C" dressed poultry items in Table A of this section.

(4) Application of prices for "kosher-killed" and "kosher-dressed-and-plucked" poultry items: The prices established for "kosher-killed" and "kosher-dressed-and-plucked" poultry items in Table A of this section shall apply only when such "kosher-killed" and "kosher-dressed-and-plucked" poultry items are sold to a "bona fide buyer" of "kosher-killed" and "kosher-dressed-and-plucked" poultry located within a radius of 50 miles from the point of slaughter. In all other cases purchases and sales of "kosher-killed" and "kosher-dressed-and-plucked" poultry items shall be made at a discount of 1 cent per pound below the maximum base prices established for such "kosher-killed" and "kosher-dressed-and-plucked" poultry items in Table A of this section.

(Paragraphs (3) and (4) as amended by Amendment 14, 8 F. R. 13302, effective 10-12-43)

(5) Application of prices for all poultry items in packaged form: The maximum base

prices established for dressed, drawn, and quick-frozen eviscerated poultry in Table A of this section may be charged only when such poultry is sold in box-packed or barrel-packed form: *Provided*, That: All "wholesalers" and "hotel supply houses" may sell less than wholesale quantities of dressed, drawn, and quick-frozen eviscerated poultry in loose form to retailers, hotels, restaurants, clubs, dining cars, steamship companies, or institutional users, at the maximum base prices established for such poultry in Table A of this section, plus the permitted increases established in Table B of § 1429.21 of this regulation. In all other cases all dressed, drawn, and quick-frozen eviscerated poultry sold in loose form shall be sold at a discount of one cent per pound below the maximum base prices established for such poultry in Table A of this section.

No additional charge shall be added to the prices established for all poultry items in Table A of this section for the wrapping, packaging, or boxing of such poultry items.

(Paragraph (5) as amended by Amendment 10, 8 F. R. 9061, effective 7-6-43)

(6) Calculation of prices: In calculating maximum prices per pound basis in this section, and in §§ 1429.20, 1429.21, and 1429.22 herein, all calculations shall be carried to the fourth decimal place. Final calculations of a maximum price resulting in a fraction of a cent per pound shall be adjusted to the nearest ½₀¢ per pound.

(i) Definitions of terms used in this section: (1) "Poultry" means all broilers, fryers, roasters, fowl, stags, capons, old roosters, turkeys, ducks, and geese, including live, dressed, drawn, eviscerated, and all other forms of the foregoing when sold for human consumption: *Provided, however*, That this regulation shall not apply to poultry when in the canned form, and poultry exempted in § 1429.2 above. Poultry in the canned form is covered in the General Maximum Price Regulation, as amended.

(2) "Dressed poultry" means poultry which has been killed, bled, and plucked without regard to the method of plucking or finishing. Poultry items which have been killed, but not bled and plucked, shall be sold at prices not exceeding those established for the corresponding live poultry items in Table A of this section.

(Paragraph (2) as amended by Amendment 16, effective 10-11-43)

(3) "Drawn poultry" means dressed poultry which has been drawn in accordance with the following requirements:

(i) The head, shanks, crop, windpipe, esophagus, and entrails of each bird must be wholly removed without contamination of the body cavity. The shanks of each bird must be removed at the hock joint.

(ii) The gizzard of each bird must be cleaned by removing the contents and lining, the cleaned gizzard and heart and liver then being included with the carcass.

Dressed poultry items not drawn as herein described shall be sold at prices not exceeding those established for the corresponding dressed poultry items in Table A of this section.

(Paragraph (3) amended by Amendment 8, 8 F. R. 5408, effective 4-22-43 and Amendment 16, effective 10-11-43)

(4) "Quick-frozen eviscerated poultry" means "dressed poultry" which is eviscerated and quick-frozen in accordance with the following requirements:

(i) Each poultry item must be fresh-dressed at the time of its evisceration. No "dressed poultry" item shall be considered fresh-dressed if it has been held in storage for more than sixty days after the date of its slaughter, or if it has developed any appearance of cold storage stock, or if it shows evidence of deterioration from freezing.

(ii) Each poultry item must be eviscerated under the supervision of a federal inspector present at all stages of evisceration.

(iii) The exterior of each bird must be singed.

(iv) The head, shanks, crop, windpipe, esophagus, entrails, gall bladder, lungs, kidneys, and oil sac of each bird must be wholly removed. The shanks of each bird must be removed at the hock joint.

(v) The giblets of each bird must be removed, cleaned, wrapped in water resistant paper, and replaced.

(vi) The carcass and giblets of each bird must be subjected to a cleansing process which makes such bird ready to cook.

(vii) The carcass and giblets of each bird, whether in whole, split, or dismembered form must be weighed before being packaged or frozen, and then must be individually packaged in water resistant paper or cartons, one bird to one package, with the weight of each bird marked or printed on the exterior of each package, and with the following legend printed or attached to the exterior of each package:

UNITED STATES INSPECTED QUICK-FROZEN EVISCERATED POULTRY

Inspected and certified by the U. S. Department of Agriculture at Plant No. —— (Food Distribution Administration Registry No.).

(viii) Each bird must be placed into a quick-freezing chamber carrying a temperature below zero degrees Fahrenheit within six hours after the evisceration of such bird, and must be kept in such quick-freezing chamber until quick-frozen solid. No bird shall be considered quick-frozen if it is not frozen solid within eighteen hours after being placed into a quick-freezing chamber.

(ix) After quick-freezing, each bird must be kept at a temperature which will preserve the bird in hard-frozen condition until it is delivered to the purchaser. Each bird must also be delivered to the purchaser in the unopened package in which it was orginally packaged at the time of its evisceration.

(x) The prices established for "quick-frozen eviscerated poultry" items in Table A of this section shall apply only when such "quick-frozen eviscerated poultry" items completely meet the requirements listed in this definition. In all other cases purchases and sales of "quick-frozen eviscerated poultry" items shall be made at prices not exceeding those established for the corresponding "drawn" poultry items in Table A of this section.

(Paragraph (4) amended by Amendment 8, 8 F. R. 5408, effective 4-22-43 and Amendment 14, 8 F.R. 13302, effective 10-12-43)

(5) "Kosher-killed poultry" means poultry which:

(i) Has been killed and bled in accordance with the requirements of the Hebraic dietary laws; and

(ii) Is identified as kosher-killed by a stamp or tag on each bird.

(6) "Kosher-dressed-and-plucked poultry" means poultry which:

(i) Has been killed, bled, and dry-plucked in accordance with the requirements of the Hebraic dietary laws; and

(ii) Is identified as kosher-killed by a stamp or tag on each bird.

(7) "Bona fide buyer of kosher-killed and kosher-dressed-and-plucked poultry" means a person who maintains a selling establishment at or through which he regularly and generally sells kosher poultry as such, or a person who is a purveyor of kosher meals.

(8) "Split poultry" means drawn poultry which has been cut into halves, each half containing approximately equal and as far as possible, equivalent parts of the bird.

(9) "Cut-up poultry" means drawn poultry, the carcass of which has been dismembered or cut into portions.

(j) Species, age, and sex specifications for items listed in Table A: Species, age, and sex specifications promulgated by the United States Department of Agriculture in the publications listed immediately below shall be used as the species, age, and sex specifications for all poultry items listed in Table A of this section.

Tentative U. S. Standards for Classes and Grades for Dressed Turkeys.

Classification and Tentative Specifications for U. S. Standards and Grades for Dressed Chickens.

Tentative Specifications for U. S. Standards and Grades for Dressed Ducks, Geese, Guineas, and Squabs.

Tentative U. S. Standards for Grades for Live Poultry.

(k) Application of grade specifications for items listed in Table A—(1) Dressed turkeys: The Tentative U. S. Standards for Classes and Grades for Dressed Turkeys now in effect shall apply to all sales, purchases, or deliveries of dressed turkeys covered herein. Revisions promulgated by the U. S. Department of Agriculture shall become concurrently effective for the purposes of this regulation for stock packed after the issuance of such revisions.

(2) Dressed poultry other than turkeys: (i) Until June 30, 1943, commercial standards now commonly accepted by the trade for classes and grades of dressed poultry, other than turkeys, shall apply to all sales, purchases, or deliveries of dressed, drawn, and eviscerated poultry, other than turkeys, processed and packed before February 28, 1943, as follows:

(a) All dressed, drawn, and eviscerated poultry, whether dry or ice-packed, commonly accepted by the trade as top and premium packs shall be sold, purchased, or delivered at prices not to exceed those specified for Grade "A" poultry in Table A of this section.

(b) All dressed, drawn, and eviscerated poultry, whether dry or ice-packed, commonly accepted by the trade as second grade or choice poultry shall be sold, purchased, or delivered at prices not to exceed those specified for Grade "B" poultry in Table A of this section.

(c) All dressed, drawn, and eviscerated poultry, whether dry or ice-packed, commonly accepted by the trade as bottom or third grade poultry, shall be sold, purchased, or delivered at prices not to exceed those specified for Grade "C" poultry in Table A of this section.

(ii) The tentative grade specifications for dressed poultry as promulgated or revised by the United States Department of Agriculture shall apply to all sales, purchases, or deliveries of all dressed, drawn, and eviscerated poultry, other than turkeys, processed and packed after February 28, 1943.

(iii) After June 30, 1943, the tentative grade specifications for dressed poultry as promulgated or revised by the United States Department of Agriculture shall apply to all sales, purchases, or deliveries of all dressed, drawn, and eviscerated poultry, other than turkeys, regardless of the date when such poultry was processed and packed.

(Paragraph (iii) as amended by amendment 14, 8 F. R. 13302, effective 10-12-43)

(§ 1429.19 amended by amendment 6, 8 F. R. 3316, effective 3-20-43)

§ 1429.20 Application of maximum base prices: The maximum base prices for poultry items established in § 1429.19 of this regulation apply to all persons purchasing or selling or delivering such poultry items as follows:

(a) The maximum base price for live poultry items shall be the maximum base price at the place where the seller parts with physical possession of such live poultry items. The weight of such live poultry items shall be determined at the time when the seller parts with physical possession.

EXAMPLE: A trucker purchases 100 live broilers from a producer; the trucker takes

physical possession of the broilers at the producer's place of business which is in an unincorporated area, and loads the live broilers onto his truck. The maximum base price which the producer may charge and which the trucker may pay is the maximum base price established for the producer's place of business, which is the same as that established for the city, town, village, or hamlet nearest such unincorporated area.

The same trucker hauls the live broilers to the county seat for sale at the local market. Here he has his broilers auctioned off to buyers from Pittsburgh, Cleveland, and Detroit. These buyers load the broilers onto their trucks immediately after the auction. The trucker's maximum base price is the maximum base price established for the local market.

A trucker, or farmer, or shipper receives a telephone call from a New York wholesaler ordering 10,000 pounds of fryers. The live fryers are loaded onto the seller's trucks and hauled to the nearest railroad station, where the birds are then loaded onto a freight car. The maximum base price for such a sale is the maximum base price established for the city, town, village, or hamlet in which the railroad freight station is located.

(b) The maximum base price for dressed poultry items shall be the maximum base price at the seller's shipping point in the following instances:

(1) All sales by "wholesalers" as hereinafter defined in § 1429.21, in quantities of less than 10,000 pounds to any type of buyer.

(2) All sales to the United States Government or any agency thereof by any type of seller.

(3) All sales by a producer or processing plant at retail to an ultimate consumer other than a commercial, institutional, industrial, or governmental user.

(c) In all other cases, the maximum base price for dressed poultry items shall be the maximum base price at the buyer's customary receiving point. All sales of dressed poultry, other than those specified in paragraph (b) immediately above, shall be made on the basis of delivery to the buyer's customary receiving point, and the maximum base prices established for those places where the seller's shipping points are located shall not be applicable in such sales.

(1) Where any person purchases any dressed poultry item at one place for shipment or reshipment to another place, his customary receiving point shall be the place where shipment ends and not the place where shipment begins.

(2) All f. o. b. prices for dressed poultry sales, other than those specified in paragraph (b) immediately above, shall be calculated in relationship to the maximum base prices at the buyer's customary receiving point. Where any person purchases or sells any dressed poultry item at one place for shipment to another place at a price f. o. b. the seller's shipping point, he shall calculate his maximum f. o. b. price as follows:

(i) He shall first determine the maximum base price for such poultry item at the place to which it will be shipped; and

(ii) He shall then subtract from such base price his "freight rate" from the place where shipment begins to the place where shipment ends, and the difference so obtained shall be his maximum selling f. o. b. price for such poultry item.

(3) Except as provided for in paragraph (b) of this section, where any person purchases any dressed poultry item at one place for shipment or reshipment to another place and at the time of purchase does not know the exact location of the place to which shipment shall be made, he shall purchase on an open price basis until such time as he ascertains the location of the place to which shipment shall be made, and thereafter shall calculate his maximum purchase price, as follows:

(i) He shall first determine the maximum base price for such poultry item at the place to which it will be shipped; and

(ii) He shall then subtract from such base price his "freight rate" from the place where shipment begins to the place where shipment ends, and the difference so obtained shall be his maximum purchase price for such poultry item.

Provided, That nothing in this subparagraph (3) shall prevent any purchaser from making part payment for such poultry item in an amount not to exceed 85 percent of the maximum base price for such poultry item at the seller's shipping point at any time before such purchaser ascertains the location of the place to which shipment shall be made.

(d) The following exceptions are provided to paragraph (c) of this section:

(1) [Revoked]

(Paragraph (1) revoked by Amendment 11, 8 F. R. 9299, effective 7-10-43)

(2) For a period of 69 days, to and including the 30th day of June 1943, any person in the State of Utah may sell and deliver any poultry item produced in the State of Utah to any "wholesaler," individual retail store, or ultimate consumer including commercial, industrial, institutional, or governmental users, located at any place in the States of Idaho, Montana, and Wyoming, at the seller's maximum base price f. o. b. his shipping point without subtracting his "freight rate" from the place where shipment begins to the place where shipment ends:

Provided, That:

(i) The poultry items sold must be destined exclusively for ultimate consumption at any place in the States of Idaho, Montana, and Wyoming.

(e) The maximum base prices for poultry items established in § 1429.19 of this regulation are the maximum base prices to which the specified permitted increase listed in § 1429.21 below may be added.

(§ 1429.20 amended by Amendment 8, 8 F. R. 5408, effective 4-22-43)

§ 1429.21 Permitted increases to maximum base prices—(a) Permitted increases which may be added to maximum base prices—(1) Permitted increase for transporting live poultry: (i) Any person who transports live poultry items for a distance of more than 30 miles to any city, town, or village where such poultry items are destined for ultimate consumption, may sell or deliver such live poultry items to any "wholesaler," individual retail store, or any ultimate consumer, including commercial, industrial, institutional, or governmental users, located in such city, town, or village, at the maximum base price established for such city, town, or village in § 1429.19 (b) (1) Table A, of this regulation, plus the following permitted increases in cents per pound:

Shortest distance in road miles or railroad miles from the place where transport of live poultry begins to place where such transport ends:	*Maximum permitted increase in cents per pound*
Less than 30 miles	No increase.
30 to 50 miles	¾ cent.
50 to 100 miles	1 cent.
100 to 150 miles	1¼ cents.
150 to 200 miles	1½ cents.
200 to 250 miles	1¾ cents.
250 to 300 miles	2 cents.
300 miles and over	2 cents.

(ii) Only one permitted increase for transporting live poultry items may be added to the maximum base price for such live poultry items at any city, town, or village where such live poultry items are destined for ultimate consumption. Permitted increases for transporting live poultry items may not be added cumulatively.

(iii) Examples: (a) A Delaware producer hauls a truckload of live broilers 35 miles to Wilmington, where he sells the entire load to a trucker who will haul them alive to New York. Question: May the producer add the permitted increase of ¾ cent per pound to the maximum base price for live broilers in Wilmington?

Answer: No, because Wilmington is not the city where the broilers are destined for ultimate consumption. Furthermore, the trucker does not fall within the class of buyers who may be charged with the permitted increase.

(b) A trucker hauls a truckload of live poultry 60 miles to a country dressing plant. He offers this truckload of live poultry for sale at the maximum base price at the country dressing plant plus 1 cent per pound for hauling. Question: May the trucker charge the 1 cent permitted increase?

Answer: No, because the country dressing plant is not the place where the poultry is destined for ultimate consumption. Furthermore, the country dressing plant does not fall within the class of buyers who may be charged with the permitted increase.

(c) A trucker hauls a truckload of live poultry 500 miles to New York City. He sells this truckload to a New York City "wholesaler" who resells such live poultry to New York City retailers.

Question: May the trucker add the 2 cent permitted increase to his maximum base price for the live poultry in New York City?

Answer: Yes, because he is selling the live poultry in the city where the poultry is destined for ultimate consumption, and because he is selling to a "wholesaler".

(d) A trucker hauls a truckload of live poultry 500 miles to Chicago, Illinois. He sells this truckload to a Chicago processing plant which does not qualify as a "wholesaler" under the definition of § 1429.21 (b) (5) of this regulation. This processing plant will convert the live poultry into dressed birds, some of which it will sell for ultimate consumption in Chicago, and most of which it will export out of the city. Question: May the trucker add the 2 cent permitted increase to his maximum base price for the live poultry in Chicago?

Answer: No; because he is selling to a processing plant which does not fall within the class of buyers who may be charged with the permitted increase, and because Chicago is not the city where most of the live poultry will be ultimately consumed.

(e) A trucker hauls a truckload of live poultry 500 miles to Chicago, Illinois. He sells this truckload to a Chicago "wholesaler," who will convert the live poultry into dressed birds, most of which he will sell for ultimate consumption in Chicago, and some of which he will export out of the city. Question: May the trucker add the 2-cent permitted increase to his maximum base price for the live poultry in Chicago?

Answer: Yes; because he is selling to a "wholesaler" who is processing most of the live poultry for ultimate consumption in Chicago. When any live poultry items are purchased by a processing plant which also qualifies as a "wholesaler" it will be assumed that such live poultry items are being purchased for ultimate consumption in the city where the "wholesaler" is located.

(f) A trucker hauls a truckload of live poultry 500 miles to Chicago, Illinois. He sells this truckload to a Chicago "wholesaler," who will convert all the live poultry into dressed birds to be sold for ultimate consumption in Chicago. The Chicago "wholesaler" pays the trucker the maximum base price for the live poultry in Chicago plus the 2-cent permitted increase for hauling. Question: May the

Chicago "wholesaler" add the 2-cent permitted increase paid out by him to the trucker, to the maximum base price for dressed poultry items in Chicago, when he sells such dressed poultry items?

Answer: No. The permitted increase for transporting live poultry items may never be added to the maximum base price for dressed poultry items, notwithstanding the fact that the person selling such dressed poultry items may have originally paid such permitted increase to a transporter of live poultry.

(2) Other permitted increases to maximum base prices: (i) Any person who makes any one of the following-described sales of poultry items may add the increase indicated below for such sale to the maximum base price indicated below for such sale in order to determine his maximum selling price. No person may add more than one permitted increase to any maximum base price.

(Paragraph (a) as amended by amendment 8, 8 F. R. 5408, effective 4–22–43)

TABLE B.—*Maximum permitted increases for sales of poultry items*

Seller and type of sale made	Buyer	Quantity and form of sale	Item sold	Base price to which increase is added	Maximum increase in cents per pound for "wholesaler" and "hotel supply house" only		
					Non-delivered sales	Delivered within 25 miles	Delivered beyond 25 miles
					Cents	*Cents*	*Cents*
(1) All "wholesalers"	Any type of buyer	Less than 10,000 pounds	Any poultry item	Maximum base price at seller's shipping point.	1½	1¾	2
(1a) All "wholesalers" who buy and sell live poultry items, and who have either transported such live poultry items to their place of business, or else have paid out a permitted increase to a live poultry transporter for transporting such live poultry items to their place of business.	All "wholesalers," individual retail stores, or commercial, industrial, or governmental users located in the same metropolitan area where the seller maintains his place of business.	Less than 10,000 pounds	Any live poultry item	Maximum base price at seller's shipping point, plus permitted increase established for actual distance live poultry was transported to seller's place of business, in a sum not to exceed 2 cents per pound.	1½	1¾	2
(2) [Revoked by Amendment 15.							
(3) [Revoked by Amendment 15.]							
(4) "Hotel Supply Houses" making "Special Service Sales."	Hotels, restaurants, clubs, dining cars, steamship lines, or institutional users.	Less than 10,000 pounds	Any dressed poultry item.	Maximum base price at seller's shipping point.	3¼	3½	3
					Maximum increase in cents per pound for any type of seller for items delivered at buyer's customary receiving point		
(5) Any type of seller	Retailers or commercial, industrial, institutional, or "Non-Federal Governmental" users.	More than 14,000 lbs. in "selected classes".	Any dressed poultry item.	Maximum base price at buyer's customary receiving point.	½ cent.		
(6) Any type of seller	U. S. Government or any agency thereof.	Any quantity	Any poultry item	Maximum base price at seller's shipping point.	¼ cent plus—Lowest "freight rate" from seller's shipping point to buyer's customary receiving point in cents per pound. If shipments are made in less-than-carlot quantities seller may add lowest actual freight rate from seller's shipping point to buyer's customary receiving point in cents per pound, instead of lowest "freight rate".		
(7) Any type of seller	United States Government or any agency thereof.	More than 14,000 lbs. in "selected classes."	Any dressed poultry item.	Maximum base price at seller's shipping point.	¾ cent plus—Lowest "freight rate" from seller's shipping point to buyer's customary receiving point in cents per pound. If shipments are made in less than carlot quantities seller may add lowest *actual* freight rate from seller's shipping point to buyer's customary receiving point in cents per pound, instead of lowest "freight rate".		
(8) Producers or processing plants only who customarily sell in less than wholesale quantities.	Individual retail stores or commercial, industrial, institutional, or governmental users.	Less than wholesale quantities.	Any poultry item	Maximum base price at buyer's customary receiving point.	1½ cents.		

(Table B amended by Amendment 8, 8 F. R. 5408, effective 4-22-43: Amendment 10, 8 F. R. 9061, effective 7-6-43, and Amendment 15, 8 F. R. 13303, effective 10-4-43.)

(b) Definitions of terms used in table B: (1) All definitions listed in section 1429.19 (i) above for the terms used in table A shall apply to the same terms when used in table B.

(2) "Producer" means any person who grows or raises live poultry on a farm or farms operated by or for him.

(3) "Processing plant" means any business establishment which is engaged primarily in the business of converting live poultry into dressed, drawn, or quick-frozen eviscerated poultry. "Processing plant" does not mean any person who is engaged primarily in the distribution of poultry at wholesale or at retail, and who in the course of such distribution incidentally converts live birds into dressed, drawn, or eviscerated birds, or dressed birds into drawn or eviscerated birds.

(4) "Wholesale quantities" means lots of 3,000 pounds or more of live or dressed turkeys, or lots of 1,000 pounds or more of other live or dressed poultry.

(5) "Wholesalers" means any person who possesses all of the following characteristics:

(i) He must customarily receive, or purchase and receive poultry items in wholesale quantities.

(ii) He must maintain at the particular place where he is located a business establishment where he receives and stocks poultry items, where he employs a personnel which physically handles and distributes such poultry items, and from which he sells or distributes such poultry items.

(iii) He must customarily sell or distribute poultry items in quantity lots which are smaller than his purchases or receipts, to: Intermediate wholesalers, or retailers, or institutional, industrial, commercial, or governmental users.

(iv) He must customarily sell or distribute at least 75 percent of his dollar volume of poultry items, exclusive of sales to the United States Government or agency thereof, for ultimate consumption within a radius of 100 miles from his place of business: *Provided*, That if he maintains his business establishment at any place in the States of Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Idaho, Nevada, California, Oregon, and Washington, he must customarily sell or distribute at least 75 percent of his dollar volume of poultry items, exclusive of sales to the United States Government or agency thereof, for ultimate consumption within a radius of 200 miles from his place of business.

(Paragraph (iv) as amended by Amendment 8, 8 F. R. 5408, effective 4-22-43)

(6) "Hotel supply house" means any person who sells or distributes 90% or more of his dollar volume of poultry items to hotels, restaurants, clubs, dining cars, steamship companies, and institutional users, and who for a period of at least twelve months prior to March 1st, 1943, sold or distributed 90% or more of his dollar volume of poultry items to hotels, restaurants, clubs, dining cars, steamship companies, and institutional users.

(7) "Special service sale" is a sale of any dressed poultry item made by a "wholesaler" or a "hotel supply house" to a hotel, restaurant, club, dining car, steamship company, or institutional use, wherein the "wholesaler" or the "hotel supply house" performs the additional service of removing poultry from the wholesale packages, regrading poultry to more uniform grades and sizes than those required by wholesale grades, and selling in less than wholesale package lots.

(8) "Selected classes" means a 14,000-pound or larger assortment of dressed poultry, 95 percent of which consists of no more than three dressed "poultry classes", and all of which is packed into one truck or into one freight car.

"Poultry class" means poultry of one type, one grade, and one uniform weight. Poultry shall be deemed to be of one uniform weight when the range in weight from the highest to the heaviest bird in the class does not exceed:

(i) Three pounds in the case of turkeys.

(ii) One pound in the case of capons.

(iii) One-half pound in the case of fowl, broilers, fryers, roasters, and stags.

(iv) Any number of pounds in the case of other types of poultry.

(9) "Shipping point" means that place in the seller's business establishment from which shipments or deliveries of poultry items are made. In the case of nondelivered sales, "shipping point" means that place in the seller's business establishment where the buyer calls for and receives his purchases of poultry items.

(§ 1429.21 amended by Amendment 6, 8 F. R. 3316, effective 3-20-43)

§ 1429.22. Maximum prices for poultry items when sold by producers or processing plants at retail: (a) The maximum prices for the sales and deliveries of poultry items when sold by producers or processing plants at retail—that is, to an ultimate consumer other than a commercial, institutional, industrial, or governmental user, shall be calculated as follows:

(1) The seller shall add 1½¢ per pound to the maximum base price at his shipping point for any poultry item, and shall multiply the sum so obtained by 1.20, and the product of such multiplication shall be his maximum selling price for such poultry item: *Provided*, That in cases of mail order sales the seller may add to such maximum selling price his actual express or mailing expense to the buyer's receiving point.

(§ 1429.22 as amended by Amendment 6, 8 F. R. 3316, effective 3-20-43)

§ 1429.23. Relief from extreme hardship in certain cases: (a) Any person who purchased for resale any dressed or quick-frozen eviscerated turkey item during the period November 9, 1942, to December 18, 1942, inclusive, and retains such turkey item in his possession upon the date of issuance of this amendment may, if he believes that resale of such turkey items remaining in his possession at prices within the maximum prices established by this amendment will impose unreasonable and extreme hardship upon him, apply in writing to the Regional Administrator having jurisdiction of the area in which such person's place of business is located for an adjustment of the maximum prices at which he may sell such turkey items.

(b) Such application to the Regional Administrator shall contain the following:

(1) Applicant's name and address.

(2) The date(s) of purchase by applicant.

(3) The name(s) and address(es) of seller(s) to applicant.

(4) The quantities, grades, and weight classes of the turkey items bought by applicant during such period, and the prices paid.

(5) The time(s) of delivery of such turkey items.

(6) The quantities, grades, weight classes, and number of head of such turkey items remaining in applicant's possession and their location on the date of the application.

(7) The quantities, grades, weight classes, and number of head proposed to be sold by the applicant.

(8) The name(s) and address(es) of the proposed purchaser(s).

(9) The prices proposed to be paid and received for such turkey items.

(10) The facts constituting unreasonable and extreme hardship.

Upon consideration of such application, the Regional Administrator may grant in writing an adjustment of the maximum prices of such turkey items for the particular sale(s): *Provided*, That such maximum prices shall not exceed the maximum prices permitted under applicable maximum price regulations at the time the applicant received possession of the turkey items, to which may be added the monthly adjustments provided in § 1429.19 (h) (1) (iv).

(§ 1429.23 added by amendment 8, 8 F. R. 5408, effective 4-22-43)

(§ 1429.23 added by amendment 8, 8 F. R. Items requisitioned or purchased by the United States Government or any agency thereof: (a) If the United States Government or any agency thereof requisitions or purchases any of the poultry items specified in Table A of § 1429.19 of this regulation from a truck, freight car, or any other carrier, irrespective of the fact that such truck, freight car or carrier is in transit or at stoppage it shall pay no more than the maximum base price established for such poultry item at the place where the requisitioning or transfer of physical possession of such poultry item occurs, plus a sum not in excess of one cent per pound.

(b) The weight of any poultry item requisitioned or purchased by the United States Government or any agency thereof from a truck, freight car, or any other carrier, shall be determined at the time and place where the requisitioning or transfer of physical possession of such poultry item occurs: *Provided*, That, if the United States Government or any agency thereof believes it is impracticable for it to determine the weight of such poultry item at the time and place where the requisitionfng or transfer of physical possession occurs, then such poultry item shall be transported immediately to the nearest available weighing station, and its weight shall there be determined as soon as possible.

§ 1429.25 Sale of poultry items requisitioned or purchased by the United States Government or any agency thereof: (a) Whenever the United States Government or any agency thereof finds it necessary to sell any poultry item which it requisitioned or purchased pursuant to the provisions of this regulation, it may sell such poultry item, and any person may purchase such poultry item at a price not in excess of the price which the United States Government or any agency thereof paid for such poultry item pursuant to the provisions of this regulation.

§ 1429.26 Service charge for the processing of poultry items owned by the United States Government or any agency thereof: (a) Any person who converts any of the live poultry items specified in Table A of § 1429.19 of this regulation into a dressed poultry item may charge as compensation for his services a sum not in excess of the differential between the maximum base price established in Table A of § 1429.19 of this regulation for such live poultry item and the maximum base price established in such Table A for the corresponding dressed poultry item into which the live poultry item is converted: *Provided*, That, such poultry is and remains the property of the United States Government or any agency thereof.

(§§ 1429.24, 1429.25, and 1429.26 added by Amendment 12, 8. F.R. 10940, effective 8-4-43)

Issued this 6th day of October 1943.

PRENTISS M. BROWN,
Administrator

Approved by War Food Administrator as to agricultural commodities only.

RMPR 269, AMENDMENT 25, FEBRUARY 15, 1944 (ERRATUM SHEET)

OFFICE OF PRICE ADMINISTRATION

Erratum sheet

(Document No. 28026)

PART 1429—POULTRY AND EGGS

[RMPR 269, Amdt. 25]

POULTRY

In the printed copy of the above described document, the following error appears:

In Temporary Table A-1, a box heading reading "Raw or rendered poultry fat" should appear in the first column immediately preceding the item "Raw poultry fat."

RMPR 269, AMENDMENT 26, MARCH 23, 1944

OFFICE OF PRICE ADMINISTRATION

(Document No. 29145)

PART 1429—POULTRY AND EGGS

[RMPR 269,[1] Amdt. 26]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Section 1429.14 (f) is added to read as follows:

(f) Regional establishment of local maximum base prices for special forms of processed poultry: (1) Each Regional Administrator of the Office of Price Administration is authorized to establish a maximum base price for any special form of processed poultry prepared in a manner separate and distinct from any of the following forms—dressed, kosher-killed, kosher-dressed and plucked, drawn, and frozen-eviscerated—where it appears that:

(i) Such special form of processed poultry has customarily been marketed in any locality in his region in substantial quantities for a period of twelve months prior to December 18, 1942; and

(ii) Such special form of processed poultry is prepared to meet the racial, religious, or traditional eating habits of the populace in that locality where it is marketed; and

(iii) By reason of marked preference of a substantial segment of the local consuming public, no other form of processed poultry can adequately be substituted for such special form; and

(iv) Those persons who have customarily prepared and marketed such special form of processed poultry will sustain undue hardship unless a maximum base price is established for such special form of processed poultry.

(2) The powers delegated to each Regional Administrator of the Office of Price Adminis-

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[1] 7 F. R. 10708, 10864, 11118; 8 F. R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016, 14845, 15258, 15190, 16793.

*Copies may be obtained from the Office of Price Administration.

tration in subparagraph (1) immediately above, are subject to the following limitations:

(i) Any action taken by the Regional Administrator shall restrict the applicability of the maximum base price adopted for any special form of processed poultry to those persons who engaged, as a usual practice during the December 1, 1941, to December 1, 1942, period, in processing and selling poultry in the special form designated by the Regional Administrator.

(ii) No Regional Administrator may take any action which will create or tend to create a poultry shortage or need for increase in poultry prices in another locality, and which will nullify or defeat the purposes of the Emergency Price Control Act of 1942, as amended.

(iii) No Regional Administrator may establish a maximum base price for any special form of processed poultry which will exceed the actual cost involved in the processing and marketing of such form of poultry plus a generally fair and equitable margin of profit.

(iv) No Regional Administrator may establish a maximum base price for any special form of processed poultry which is so far out of relationship with the maximum base prices already established in this regulation for dressed, kosher-killed, kosher-dressed and plucked, drawn, and frozen-eviscerated poultry, as to disrupt or tend to disrupt the normal movement of such processed poultry in his region or in any other region in the United States of America.

(v) No maximum base price for any special form of processed poultry may be established by any Regional Administrator unless such proposed maximum base price has first been submitted in writing to the Price Executive of the Poultry, Eggs and Dairy Products Branch of the Food Price Division of the Office of Price Administration, and to the Division Counsel for Food of the Office of Price Administration, and has been approved in writing by such Price Executive and by such Division Counsel.

This amendment shall become effective March 29, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 23d day of March 1944.

CHESTER BOWLES,
Administrator.

STATEMENT OF CONSIDERATIONS INVOLVED IN THE ISSUANCE OF AMENDMENT NO. 26 TO REVISED MAXIMUM PRICE REGULATION NO. 269

The accompanying Amendment No. 26 to Revised Maximum Price Regulation 269 delegates to each Regional Administrator power to establish for his region a maximum base price for any special form of processed poultry prepared in a manner separate and distinct from any of the types (dressed, kosher-killed, kosher-dressed and plucked, drawn, and frozen-eviscerated) recognized by the regulation. The authority of the Regional Administrator is, however, subject to a number of qualifying conditions, one of which requires approval of any action by the Price Executive of the Poultry, Eggs and Dairy Products Branch of the Food Price Division of the National Office and by the Division Counsel for Food of the National Office.

Revised Maximum Price Regulation 269 takes cognizance of, and provides a maximum base price for, the nationally recognized customary methods of processing poultry. It did not, however, prior to this amendment contain any provision for extending recognition to local variations of these national methods, no matter how well established in custom or how necessary to satisfy the racial, religious, or traditional eating habits of the local or regional populace. The accompanying amendment grants the Regional Administrator authority to provide a maximum base price for local customary methods of processing where it appears, among other things, that the price established for the special form of processed poultry is fair and equitable and that the action taken will not create or tend to create a poultry shortage or need for increase in prices in another locality and also will not disrupt or tend to disrupt the normal movement of processed poultry in any region of the United States. The Regional Administrator must also find that those persons who have customarily prepared and processed poultry in the manner being recognized would sustain undue hardship if the action contemplated were not to be taken.

The amendment also restricts the applicability of any order issued by the Regional Administrator under the provisions of the amendment to those poultry dealers who, as a usual practice during the December 1, 1941, to December 1, 1942, period, processed and sold poultry in the special form designated by the Regional Administrator. This provision is necessary to prevent disruption in normal poultry movements and to protect consumers of the nationally recognized processed poultry items. The amendment is intended only to permit a continuation of the racial, religious or traditional eating habits of a substantial segment of the populace of a locality and is not intended to provide an incentive for changes in customary methods of operation or for substantial increases in the amounts of poultry processed in the special manner. The Price Administrator finds that the restrictive provisions are necessary to prevent disruption in the normal and customary methods of processing poultry and doing business and are necessary also to prevent evasion and circumvention of the regulation.

Previous failure of this Office to recognize local customary methods of processing poultry based essentially upon religious, racial or traditional eating habits of the local area, has resulted in hardship not only for those dealers who normally engaged in that type of processing but also for elements of the local public, who because of racial, religious or traditional reasons had come to rely upon the availability of poultry processed in that manner. In some cases, hospitals and other institutions catering primarily to religious or racial groups have been handicapped in their efforts to serve poultry to patients by the disappearance of poultry processed in conformity with racial, religious or traditional requirements.

In the light of the foregoing considerations, it is the opinion of the Price Administrator that Amendment No. 26 to Revised Maximum Price Regulation 269 is generally fair and equitable and will effectuate the provisions of the Emergency Price Control Act of 1942, as amended, and Executive Orders 9250 and 9328.

Issued this 23d day of March 1944.

CHESTER BOWLES,
Administrator.

RMPR 269, AMENDMENT 27, MARCH 25, 1944

OFFICE OF PRICE ADMINISTRATION

(Document No. 29461)

PART 1429—POULTRY AND EGGS

[RMPR 269,[1] Amdt. 27]

POULTRY

A statement of the considerations involved in this issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Maximum Price Regulation 269 is amended in the following respects:

1. Section 1429.19 (h) (1) (i) (*c*) is amended to read as follows:

(*c*) For a period of 30 days from March 26, 1944, the maximum base price for kosher-killed poultry items sold in the "New York metropolitan area"[2] shall be the maximum base price, as established by the other applicable provisions of this regulation, plus 1 cent per pound.

2. Section 1429.21 (a) (1) (i) (*a*) is added to read as follows:

(*a*) For a period of 30 days from March 26, 1944, any person who transports live poultry for a distance of 5 or more miles, to, and for ultimate consumption in, the "New York metropolitan area" may sell or deliver such live poultry items to any "wholesaler", individual retail store, or any ultimate consumer, including commercial, institutional or governmental users, located in the "New York metropolitan area" at the maximum base price established for such place in § 1429.19 (h) (1) Table A of this regulation plus, in lieu of the permitted increases provided by paragraph (a) (1) (i) of this section, the following permitted increases in cents per pound:

Shortest distance in road miles or railroad miles from place where transport of live poultry begins to place where such transport ends:	*Maximum permitted increase in cents per pound*
Less than 5 miles	No increase
5 to 25 miles	1 cent
25 to 50 miles	1¾ cents
50 to 100 miles	2 cents
100 to 150 miles	2¼ cents
150 to 200 miles	2½ cents
200 to 250 miles	2¾ cents
250 or more miles	3 cents

3. The text of Item (1a) under the column entitled "Base price to which increase is added" of Table B in § 1429.21 (a) (2) (i) is amended to read as follows:

TABLE B.—*Maximum permitted increases for sales of poultry items*

* * *	Base price to which increase is added * * *
* * * * *	* * *
(1a) * * * *	Maximum base price at seller's shipping point, plus permitted increase established for actual distance live poultry was transported to seller's place of business, in a sum not to exceed 2¢ per lb., or, if the live poultry was transported into the N. Y. metropolitan area,[1] in a sum not to exceed 3¢ per lb. for a period of 30 days from March 26, 1944.

[1] "New York metropolitan area" means the city of New York, New York, and the counties of Nassau, Suffolk and Westchester in the State of New York and the counties of Essex, Hudson, and Union in the State of New Jersey.

This amendment shall become effective March 25, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E. O. 9250, 7 F. R. 7871); E. O. 9328, 8 F. R. 4681)

Issued this 25th day of March 1944.

CHESTER BOWLES,
Administrator.

Approved: March 24, 1944.

MARVIN JONES,
War Food Administrator.

STATEMENT OF CONSIDERATIONS INVOLVED IN THE ISSUANCE OF AMENDMENT NO. 27 TO REVISED MAXIMUM PRICE REGULATION NO. 269

The accompanying amendment No. 27 to Revised Maximum Price Regulation No. 269,

[1] 7 F. R. 10708, 10864, 11118; 8 F. R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016, 15258, 14845, 15190, 16793.

*Copies may be obtained from the Office of Price Administration.

[2] "New York metropolitan area" means the city of New York, New York, and the counties of Nassau, Suffolk, and Westchester in the State of New York and the counties of Essex, Hudson, and Union in the State of New Jersey.

merely continues in effect the provisions of Amendment No. 24 for an additional period of 30 days. These provisions were to expire on March 26, 1944, but by reason of the accompanying amendment remain effective until 30 days from March 26, 1944.

Reference is made to the statement of considerations involved in the issuance of Amendment No. 24 concerning the need and the reasons for the issuance of this amendment. The limitation of 60 days on the existence of Amendment No. 24 was believed to allow a sufficient length of time in which to alleviate an emergency situation in the New York market and to afford the Office of Price Administration an opportunity to consult with the poultry industry regarding the entire question of trucking allowances on live poultry. However, this Office now finds that the period of time allowed has not been sufficient adequately to present the problem to the industry and to obtain the industry's considered recommendations. For this reason the provisions of Amendment No. 14 are being continued for another 30 days by the accompanying amendment to Revised Maximum Price Regulation No. 269. The additional 30 days should enable the Office of Price Administration to analyze the effects of these provisions upon the entire country, and to enable this Office to determine finally whether the permitted increase should be extended to all or part of the country.

The action taken by this amendment was authorized by the Economic Stabilization Director prior to the time of issuance of, and for the reasons set forth in, the Statement of Considerations to Amendment No. 24.

In light of the foregoing considerations it is the judgment of the Price Administrator that the accompanying Amendment No. 27 to Revised Maximum Price Regulation No. 269, is generally fair and equitable and will effectuate the purposes of the Emergency Price Control Act of 1942, as amended, and Executive Orders 9250 and 9328.

Issued this 25th day of March 1944.

CHESTER BOWLES,
Administrator.

RMPR 269, AMENDMENT 28, APRIL 21, 1944

OFFICE OF PRICE ADMINISTRATION

(Document No. 30492)

PART 1429—POULTRY AND EGGS

[MPR 269,[1] Amdt. 28]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Section 1429.19 (h) (1) (iv) is amended to read as follows:

(iv) Monthly adjustments in base prices for live and processed poultry items: The above prices for live and processed poultry items shall be in force for the months of July, August, September, October, November, and December. For from April 21, 1944, to the end of June 1944, and for the months of January through June of succeeding years, the following additions shall be made to each of the above prices for live and processed poultry items:

Month:	*Cents per pound*
January	0.5
February	1.0
March	1.4
April	1.8
May	2.2
June	1.0

These additions shall not be added cumulatively, but, rather, each addition establishes the total amount which may be added for sales and deliveries during the month indicated.

This amendment shall become effective April 21, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E. O. 9250, 7 F. R. 7871; E. O. 9328, 8 F. R. 4681)

Issued this 21st day of April 1944.

CHESTER BOWLES,
Administrator.

Approved: April 18, 1944,

GROVER B. HILL,
Assistant War Food Administrator.

STATEMENT OF THE CONSIDERATIONS INVOLVED IN THE ISSUANCE OF AMENDMENT NO. 28 TO REVISED MAXIMUM PRICE REGULATION NO. 269

The accompanying Amendment No. 28 to Revised Maximum Price Regulation 269 amends Section 1429.19 (h) (1) (iv) to provide that the monthly adjustments established therein be made applicable to the base prices for all the live and processed poultry items listed in Table A of the Section. Section 1429.19 (h) (1) (iv) formerly applied only to processed turkey items.

As a result of this Amendment No. 28 the following additions shall be made to each of the maximum base prices for all the live and processed poultry items listed in Table A of Section 1429.19:

Month:	*Cents per pound*
January	0.5
February	1.0
March	1.4
April	1.8
May	2.2
June	1.0

No additions shall be made to the maximum base prices for live and processed poultry items during the months of July, August, September, October, November, and December.

It is estimated that the above additions to the maximum base prices for live and processed poultry items will cost the American consumer approximately two-thirds of one cent per pound for the entire year's consumption. In the aggregate this increase will total approximately $5,000,000 for 1944.

Such increase in the cost of living to the American consumer has been authorized by the Economic Stabilization Director in order to encourage the storage of processed poultry for distribution during the months of short supply, and in order to encourage the production of live poultry for sale during such months. The Director has authorized the action at this stage of the present season on the basis of advice from the War Food Administration that it will encourage marketing during the months of May and June and that this is desirable from the point of view of food supply.

The history of price regulation of poultry during 1942 and 1943 has clearly demonstrated the fact that reserve stocks of poultry will not be held in storage for distribution during the months of short supply unless some definite provision is made for reimbursing the owner of such poultry for his actual storage costs.

It is the opinion of the Administrator that it is necessary to provide for the orderly distribution of poultry stocks during the months of short supply, and that the schedule of monthly additions to maximum base prices as established in section 1429.19 (h) (1) (iv) represents the most practicable and effective method available.

Insofar as these monthly additions apply to prices for processed poultry items, they tend to facilitate the storage of poultry from the surplus month of December through the critical months of January, February, March, April, and May.

Insofar as these monthly additions apply to prices for live poultry items, they tend to encourage the production of live poultry during the short supply months of January through May, and reestablish the historical seasonal relationship in live poultry prices, with a premium placed upon late winter and early spring production.

The following alternatives to the establishment of a schedule of monthly additions to the maximum base prices for live and dressed poultry items were considered by the Office of Price Administration and rejected:

The first alternative consisted of the proposal that the poultry industry voluntarily adopt certain economies in production and distribution so as to make the establishment of a schedule of monthly additions unnecessary. This alternative was rejected, because study of cost data submitted to the Office of Price Administration has demonstrated the fact that the maximum base prices now established for live and the various types of processed poultry items represent a necessary minimum.

The second alternative consisted of the proposal that prices for live and processed poultry items be reduced during the flush production months of September, October, November, and December, so as to enable the purchasers of poultry during such months to carry their stocks through to May. This alternative was rejected by the Office of Price Administration and by the Economic Stabilization Director on the grounds that any reduction in the maximum base prices for live and processed poultry items would impede necessary poultry production in the United States.

The third alternative consisted of the proposal that a subsidy be established in an amount sufficient to indemnify the owners of stocks of processed poultry items for the costs sustained by them in holding such processed poultry in storage for distribution during the months of short supply. This alternative was rejected because of the administrative and practical difficulties involved.

In the light of the foregoing considerations, it is the judgment of the Price Administrator that the accompanying Amendment No. 28 to Revised Maximum Price Regulation 269 is fair and equitable and will effectuate the purpose of the Emergency Price Control Act of 1942, as amended, and Executive Orders No. 9250 and No. 9328.

Issued this 21st day of April 1944.

CHESTER BOWLES,
Administrator.

RMPR 269, AMENDMENT 25, FEBRUARY 15, 1944

OFFICE OF PRICE ADMINISTRATION

(Document No. 28026)

PART 1429—POULTRY AND EGGS

[RMPR 269,[1] Amdt. 25]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Maximum Price Regulation 269 is amended in the following respects:

1. Section 1429.19 (h) (1) (i) (a) is amended to read as follows:

(a) Temporary maximum base prices for poultry fat and for specific portions of "cut-up poultry" in the basing point cities: The following Temporary Table A–1 establishes

[1] 7 F. R. 10708, 10864, 11118; 8 F. R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016.

* Copies may be obtained from the Office of Price Administration.

[1] 7 F. R. 10708, 10864, 11118; 8 F. R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016, 15258, 14845, 15190, 16793.

*Copies may be obtained from the Office of Price Administration.

temporary maximum base prices for raw and rendered poultry fat and for specific portions of "cut-up poultry." The maximum base prices established are for the poultry fat and the designated "cut-up poultry" items delivered to the buyer's customary receiving point at the basing point cities listed below. These prices may be revoked at any time.

Temporary Table A–1

[Prices in cents per pound]

Portions of "cut-up poultry"	Eastern zone basing point city	Western zone basing-point cities	
	Chicago	New York	Pacific coast—Los Angeles, San Francisco, Seattle, and Portland
Wings	28.9	29.9	30.4
Legs	60.6	61.6	62.1
Breast	60.6	61.6	62.1
Back, neck, or skin	13.1	14.1	14.6
Liver	68.1	69.1	69.6
Gizzard or heart	[1]28.9	[1] 29.9	[1]30.4
Raw poultry fat	53.0	54.0	54.5
Government-inspected raw poultry fat	58.0	59.0	59.5
Rendered poultry fat	72.5	73.5	74.0
Government-inspected rendered poultry fat	77.5	78.5	79.0

[1] If the gizzard is not cleaned by removing the contents and lining, the maximum base price shall be ½ of the maximum base price for gizzards as established by this Temporary Table A–1.

2. Section 1429.19 (h) (1) (i) (*c*) is amended to read as follows:

(*c*) For a period of 60 days from January 26, 1944, the maximum base price for kosher-killed poultry items sold in the "New York metropolitan area"[2] shall be the maximum base price, as established by the other applicable provisions of this regulation, plus 1 cent per pound.

3. Section 1429.19 (h) (2) (ii) is amended to read as follows:

(ii) The neck and giblets may be included with and sold as part of either half of a "split carcass" poultry item or any quarter of a "quarter carcass" poultry item, or may be divided in any way among these portions.

4. Section 1429.19 (h) (2) (iii) is added to read as follows:

(iii) *Provided, however,* That "cut-up poultry" may be sold, at the prices established for, and in the portions designated in Temporary Table A–1 of this section.

5. Section 1429.19 (h) (2) (iv) is added to read as follows:

(iv) In all other cases, purchases and sales of drawn poultry items shall be made at prices not exceeding those established for the corresponding dressed poultry items in Table A of this section.

6. Section 1429.19 (i) (9) is amended to read as follows:

(9) "Cut-up poultry" means drawn Grade "A" broilers and fryers, not exceeding 2½ pounds in drawn weight, from which the oil sac, kidneys and lungs have been removed before weighing for sale and the carcass of which has been dismembered or cut into portions in accordance with the following requirements:

(i) The wings of each poultry item must be disjointed and removed at the socket joint adjoining the breast and must contain all the wing meat;

[2] "New York metropolitan area" means the city of New York, New York, and the counties of Nassau, Suffolk and Westchester in the State of New York and the counties of Essex, Hudson, and Union in the State of New Jersey.

(ii) The legs must be disjointed and removed at the hock joint and at the hip joint and must contain the complete thigh, all thigh meat, and the oyster, but shall not contain the illium or the ischium bones, or any part thereof;

(iii) The breast must be removed from the back by cutting alongside the exterior of the oyster socket (illium) and through the ribs at the point the ribs connect with the spinal vertebrae. No part of the wings, legs, back and neck bones, skin or meat or the gizzard, heart, or any other portion not breast may be sold as breast;

(iv) The back must contain the neck, vertebrae, backbone, oyster socket (illium), the ischium, and the meat, skin, and bones of these parts.

7. Section 1429.19 (i) (10) is added to read as follows:

(10) The gizzard means the stomach of the bird.

8. Section 1429.19 (i) (11) is added to read as follows:

(11) "Raw poultry fat" means edible fat which is obtained from cleaned poultry fat tissues and which is free from all flesh and viscera.

9. Section 1429.19 (i) (12) is added to read as follows:

(12) "Rendered poultry fat" means fat obtained from pure poultry fat tissues which are free from other tissues and all foreign matter and which have been cleaned, deodorized, or purified by settling, straining, filtering, treating with chemicals, or other such means, and which at the conclusion of the refining process do not contain any added substance. The "rendered poultry fat" must be pure, sweet, clean, and free from adulteration, taint, sourness, rancidity, or foreign matter and must not have a moisture content in excess of 1%.

10. Section 1429.19 (i) (13) is added to read as follows:

(13) "Government-inspected raw poultry fat" means "raw poultry fat" taken from "frozen eviscerated poultry" as defined in paragraph (i) (4) of this section.

11. Section 1429.19 (i) (14) is added to read as follows:

(14) "Government-inspected rendered poultry fat" means "Government-inspected raw poultry fat" which satisfies the standards of "rendered poultry fat" as defined in paragraph (i) (12) of this section.

This amendment shall become effective February 15, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E. O. 9250, 7 F. R. 7871; E. O. 9328, 8 F. R. 4681.)

Issued this 15th day of February 1944.

CHESTER BOWLES,
Administrator.

RMPR 269, AMENDMENT 24, JANUARY 26, 1944

OFFICE OF PRICE ADMINISTRATION

(Document No. 27317)

PART 1429—POULTRY AND EGGS

[RMPR 269,[1] Amdt. 24]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Maximum Price Regulation No. 269 is amended in the following respects:

1. Section 1429.19 (h) (1) (i) (c) is added to read as follows:

(c) For a period of 60 days from January 26, 1944, the maximum base price for kosher-killed poultry items in the Western zone basing point city of New York shall be the price as established for such poultry items in Table "A" of this section plus 1 cent per pound.

2. Section 1429.21 (a) (1) (i) (*a*) is added to read as follows:

(*a*) For a period of 60 days from January 26, 1944, any person who transports live poultry for a distance of 5 or more miles to, and for ultimate consumption in, the "New York metropolitan area" may sell or deliver such live poultry items to any "wholesaler," individual retail store, or any ultimate consumer, including commercial, institutional, or governmental users, located in the "New York metropolitan area" at the maximum base price established for such place in § 1429.19 (h) (1) Table A of this regulation plus, in lieu of the permitted increase provided by paragraph (a) (1) (i) of this section, the following permitted increases in cents per pound:

Shortest distance in road miles or railroad miles from place where transport of live poultry begins to place where such transport ends:	*Maximum permitted increase in cents per pound:*
Less than 5 miles	No increase
5 to 25 miles	1 cent
25 to 50 miles	1¾ cents
50 to 100 miles	2 cents
100 to 150 miles	2¼ cents
150 to 200 miles	2½ cents
200 to 250 miles	2¾ cents
250 or more miles	3 cents

"New York metropolitan area" means the city of New York, New York, and the counties of Nassau, Suffolk, and Westchester in the State of New York and the counties of Essex, Hudson, and Union in the State of New Jersey.

3. The text of the column titled "Base price to which increase is added" as applied to item (1a) of Table B in § 1429.21 (a) (2) (i) is amended to read as follows: "Maximum base price at seller's shipping point, plus permitted increase established for actual distance live poultry was transported to seller's place of business, in a sum not to exceed 2¢ per lb., or, if the live poultry was transported into the N. Y. metropolitan area,[2] in a sum not to exceed 3¢ per lb. for a period of 60 days from January 26, 1944."

This amendment shall become effective January 26, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 26th day of January 1944.

CHESTER BOWLES,
Administrator.

Approved: January 24, 1944.

MARVIN JONES,
War Food Administrator.

RMPR 269, AMENDMENT 23, DECEMBER 31, 1943

OFFICE OF PRICE ADMINISTRATION

(Document No. 26292)

PART 1429—POULTRY AND EGGS

[RMPR 269,[3] Amdt. 23]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

[1] 7 F. R. 10708, 10864, 11118; 8 F. R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016, 15258, 14845, 15190, 16793.

*Copies may be obtained from the Office of Price Administration.

[2] "New York metropolitan area" means the city of New York, New York, and the counties of Nassau, Suffolk, and Westchester in the State of N. Y. and the counties of Essex, Hudson, and Union in the State of N. J.

[3] 7 F.R. 10708, 10864, 11118; 8 F.R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13813, 14016, 15258, 14854, 15190.

*Copies may be obtained from the Office of Price Administration.

The effective date provision of Amendment 16 to Revised Maximum Price Regulation 269 is amended to read as follows:

Amendment 16 shall become effective October 11, 1943, except that § 1429.19 (h) (2) shall become effective February 15, 1944.

This amendment shall become effective as of October 11, 1943.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 31st day of December 1943.

JAMES F. BROWNLEE,
Acting Administrator.

RMPR 269, AMENDMENT 21, DECEMBER 13, 1943

OFFICE OF PRICE ADMINISTRATION

(Document No. 25315)

PART 1429—POULTRY AND EGGS

[RMPR 269,[1] Amdt. 21]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Section 1429.21 (a) (2) Table B, Item (7) is amended to read as follows:

TABLE B.—*Maximum permitted increases for sales of poultry items*

Seller and type of sale made	Buyer	Quantity and form of sale	Item sold	Base price to which increase is added	Maximum increase in cents per pound for any type of seller for items delivered at buyer' customary receiving point
*	*	*	*	*	*
(7) Any type of seller.	United States Government or any agency thereof.	Any quantity.	Any dressed poultry item prepared, packaged and shipped according to the buyer's specifications.	Maximum base price at seller's shipping point.	1 cent plus—lowest "freight rate" from seller's shipping point to buyer's customary receiving point in cents per pound. If shipments are made in less than carlot quantities seller may add lowest actual freight rate from seller's shipping point to buyer's customary receiving point in cents per pound, instead of lowest "freight rate."
*	*	*	*	*	

This amendment shall become effective December 18, 1943.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 13th day of December 1943.

CHESTER BOWLES,
Administrator.

RMPR 269, AMENDMENT 22, DECEMBER 31, 1943

OFFICE OF PRICE ADMINISTRATION

(Document No. 26284)

PART 1429—POULTRY AND EGGS

[RMPR 269,[1] Amdt. 22]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Maximum Price Regulation 269 is amended in the following respect:

Section 1429.27 is added to read as follows:

§ 1429.27 Maximum prices for poultry items set aside for and purchased by the United States Government or its agencies pursuant to Food Distribution Order No. 91: Irrespective of other provisions of this regulation, the maximum price at which the United States Government or its agencies may purchase or requisition dressed poultry items set aside pursuant to Food Distribution Order No. 91 shall be:

(a) From producers, processors, or wholesalers, the seller's maximum base price, at the point of the purchase by the Government, plus his permitted mark-up as established by the appropriate provisions of this regulation for sales to the United States Government or its agencies.

(b) From "Hotel supply houses," the seller's cost of acquisition[2] not to exceed his maximum buying price, at the point of purchase by the Government, plus a maximum amount of 1½ cents per pound on quantity sales of less than 10,000 pounds or a maximum amount of 1 cent per pound on quantity sales of 10,000 or more pounds.

(c) From any type of seller, other than retail sellers and those listed in paragraphs (a) and (b) of this section, the seller's cost of acquisition not to exceed his maximum buying price, at the point of purchase by the Government, plus all storage rates actually paid or accrued to a public warehouse plus a maximum amount of 1½ cents per pound on quantity sales of less than 10,000 pounds or a maximum amount of 1 cent per pound on quantity sales of 10,000 or more pounds.

Example of types of sellers other than retailers and those listed in paragraphs (a) and (b) above: Restaurants, hotels, railroad dining cars, night clubs, etc.

(d) *Provided, however,* That where the transfer and sale in one transaction of poultry contained in one warehouse is requested by the United States Government or any of its agencies from the seller in quantities of 10,000 or more pounds, the seller shall add only the 1 cent per pound mark-up provided for sales in such quantities and shall not, regardless of the size quantities in which the poultry is sold, add the 1½ cents per pound mark-up permitted for quantity sales of less than 10,000 pounds, if the total of all such sales to the Government equals or exceeds 10,000 pounds.

Example: Mr. A, a wholesaler, owns 25,000 pounds of assorted poultry items in X warehouse. The Army requests sale at one time of the entire 25,000 pounds. Mr. A refuses to sell the 25,000 pounds in one transaction, but agrees to sell 9,000 pounds in one transaction 9,000 in another, and the remaining 7,000 pounds in the last transaction. Mr. A may not, nevertheless, add more than 1 cent per pound as to any of the poultry sold in any of the three transactions. In other words, he is limited to the mark-up he could have charged if he had sold the poultry in the quantity or quantities requested by the Army. If the Army had requested 18,000 pounds in one sale and 7,000 in another, Mr. A could charge 1½ cents per pound on the latter transaction, but still would be limited to a mark-up of 1 cent per pound on the former.

This amendment shall become effective December 31, 1943.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 31st day of December 1943.

JAMES F. BROWNLEE,
Acting Administrator.

[1] 7 F. R. 10708, 10864, 11118; 8 F. R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016, 15258, 14854, 15190.

[2] Cost of acquisition may include cost of purchase and also cost of transportation to the point of purchase by the Government, the total, however, not to exceed the seller's maximum base purchase price at the place of purchase by the Government.

* Copies may be obtained from the Office of Price Administration.

[1] 7 F. R. 10708, 10864, 11118; 8 F.R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 12303, 13813, 14016.

* Copies may be obtained from the Office of Price Administration.

RMPR 269, AMDT. 18, NOVEMBER 3, 1943

OFFICE OF WAR INFORMATION

OFFICE OF PRICE ADMINISTRATION

(Advance Release for Morning Papers, Thursday, November 4, 1943)

AMDT. 18 TO RMPR 269—POULTRY

PRESS RELEASE

OPA-T-1403.

Meeting what the majority of the industry said were its normal standards, the Office of Price Administration today revised its definition—and labeling provisions—for frozen eviscerated poultry.

This action came at a time when O. P. A. already had under consideration possible changes in the pricing of quick-frozen eviscerated poultry. (Prices on poultry processed in this manner, the most expensive marketed, had first been reduced three and one-half cents a pound, on September 29, 1943, and then, more recently, there had been a restoration of one cent of this reduction after sharp industry protests.)

Originally, the "frozen eviscerated" provision of the regulation controlling poultry prices read as follows:

"Each bird must be placed in a quick-freezing chamber carrying a temperature below zero degrees Fahrenheit within six hours after the evisceration of such bird, and must be kept in such quick-freezing chamber until quick-frozen solid. No bird shall be considered quick-frozen if it is not frozen solid within 18 hours after being placed into the quick-freezing chamber."

It now will read:

"Each bird must be placed into a freezer within six hours after the evisceration of such bird, and thereafter must be kept at freezing temperatures until frozen solid."

Because of the change in the requirement, O. P. A. also changed the right of the freezer as to labeling. Birds which have been processed under the new provision can be called only "frozen eviscerated," but not "quick-frozen eviscerated."

The State of Ohio's standard of quick-freezing calls for freezing at a rate which will reduce every portion of the bird to a temperature of 10 degrees Fahrenheit or less in five hours. The standard for quick-frozen eviscerated poultry promulgated by the Quartermaster General of the United States Army says the bird must be "frozen solid not later than 12 hours from the time of drawing." One of the biggest firms in the industry said its standards were approximately those of the State of Ohio.

Nevertheless, a majority of the industry has protested the quick-freezing provisions, explaining at the same time that it has been able to market as "quick-frozen" poultry treated in line with the standards contained in the new O. P. A. provision. Because this was so, O. P. A. relaxed the standards, but, at the same time, insisted that the frozen poultry be marked only as "frozen" and not as "quick-frozen."

(Today's action was taken through Amendment No. 18 to Revised Maximum Price Regulation No. 269—Poultry. The amendment becomes effective November 3, 1943.)

REGULATION

(Document No. 23663)

PART 1429—POULTRY AND EGGS

[Rev. MPR 269,[1] Amdt. 18]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Maximum Price Regulation 269 is amended in the following respects:

1. In §§ 1429.14, 1429.19, 1429.21, and 1429.23 all references to "quick-frozen eviscerated poultry" items are amended to read: "frozen eviscerated poultry" items.

2. Section 1429.19 (i) (4) (viii) is amended to read as follows:

(viii) Each bird must be placed into a freezer within six hours after the evisceration of such bird, and thereafter must be kept at freezing temperatures until frozen solid.

This amendment shall become effective November 3, 1943.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 3d day of November 1943.

CHESTER BOWLES,
Administrator.

RMPR 269—AMENDMENT 20—NOVEMBER 2, 1943

OFFICE OF PRICE ADMINISTRATION

(Document No. 23838)

PART 1429—POULTRY AND EGGS

[Rev. MPR 269,[1] Amdt. 20]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

The effective date provision of Amendment 16 to Revised Maximum Price Regulation 269 is amended to read as follows:

Amendment 16 shall become effective October 11, 1943, except that § 1429.19 (h) (2) shall become effective January 1, 1944.

This amendment shall become effective as of October 11, 1943.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 2d day of November 1943.

CHESTER BOWLES,
Acting Administrator.

RMPR 269, AMENDMENT 19, OCTOBER 30, 1943

OFFICE OF PRICE ADMINISTRATION

(Document No. 23756)

PART 1429—POULTRY AND EGGS

[Rev. MPR 269,[1] Amdt. 19]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Maximum Price Regulation 269 is amended in the following respects:

1. The maximum base prices established in § 1429.19 (h) (1) (i) Table A, in the columns titled, "Dressed", Kosher-killed", "Kosher-dressed and plucked", "Drawn", and "Frozen eviscerated", are amended to read as follows for the following poultry types:

Young turkeys: Light, medium, heavy.

Old turkeys: Light, medium, heavy.

TABLE A

Food products				Eastern zone basing-point city						Western zone basing-point cities											
	Weight			Chicago						New York						Pacific coast—Los Angeles, San Francisco, Seattle, and Portland					
Type	*	Kosher-killed, kosher-dressed, and dressed weight	Frozen eviscerated and drawn weight	*	Dressed	Kosher-killed	Kosher-dressed and plucked	Drawn	Frozen eviscerated	*	Dressed	Kosher-killed	Kosher-dressed and plucked	Drawn	Frozen eviscerated	*	Dressed	Kosher-killed	Kosher-dressed and plucked	Drawn	Frozen eviscerated
*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*		*
Young turkeys:	*																				
Light	*	Under 16	Under 13	*	43.0	42.0	43.5	51.5	54.5	*	44.0	43.0	44.5	52.5	55.5	*	43.0	42.0	43.5	51.5	54.5
Medium	*	16 to 20	13 to 16½	*	41.0	40.0	41.5	48.0	51.0	*	42.0	41.0	42.5	49.0	52.0	*	41.0	40.0	41.5	48.0	51.0
Heavy	*	20 and over	16½ and over	*	39.5	38.5	40.0	46.0	49.0	*	40.5	39.5	41.0	47.0	50.0	*	39.5	38.5	40.0	46.0	49.0
Old turkeys:																					
Light	*	Under 16	Under 13	*	41.0	40.0	41.5	49.0	52.0	*	42.0	41.0	42.5	50.0	53.0	*	41.0	40.0	41.5	49.0	52.0
Medium	*	16 to 20	13 to 16½	*	39.0	38.0	39.5	46.0	49.0	*	40.0	39.0	40.5	47.0	50.0	*	39.0	38.0	39.5	46.0	49.0
Heavy	*	20 and over	16½ and over	*	37.5	36.5	38.0	43.5	46.5	*	38.5	37.5	39.0	44.5	47.5	*	37.5	36.5	38.0	43.5	46.5

2. Section 1429.19 (h) (1) (iv) is amended to read as follows:

(iv) Monthly adjustments in base prices for processed turkey items: The above prices for dressed, kosher-killed, kosher-dressed and plucked, drawn, and frozen eviscerated turkey items shall be in force for the months of July, August, September, October, November, and December. For the remaining months of the year the following additions shall be made to each of the above prices for dressed, kosher-killed, kosher-dressed and plucked, drawn, and frozen eviscerated turkey items:

Month:	*Cents per pound*
January	0.5
February	1.0
March	1.4
April	1.8
May	2.2
June	1.0

3. The example in § 1429.1[illegible] (c) (2) (i) is amended to read as follows:

(i) * * *

Example: To determine the maximum base price for a Grade A dressed young turkey of less than 16 pounds in Denver, Colorado, subtract the following "freight rates" from the following maximum base prices:

	New York	San Francisco and Los Angeles	Portland and Seattle
	Cents	*Cents*	*Cents*
Maximum base price	44.00	43.00	43.90
"Freight rate" from Denver to	2.26	1.38	1.72
Difference	41.74	41.62	41.28

The highest price is obtained by subtracting the Denver to New York "freight rate" from the New York maximum base price for a Grade A dressed young turkey of less than 16 pounds, and 41.74¢ per pound is the maximum base price for such turkey item in Denver, Colorado.

4. Section 1429.22 is amended to read as follows:

§ 1429.22 Maximum prices for poultry items when sold by producers or processing plants at retail: (a) The maximum prices for the sales and deliveries of poultry items when sold by producers or processing plants at retail, that is, to an ultimate consumer other than a commercial, institutional, industrial, or governmental user, shall be calculated as follows:

(1) The seller shall add 1½¢ per pound to the maximum base price at his shipping point for any poultry item, other than a processed turkey item, and shall multiply the sum so obtained by 1.20, and the product of such multiplication shall be his maximum selling price for such poultry item: *Provided*, That in cases of mail-order sales the seller may add to such maximum selling price his actual express or mailing expense to the buyer's receiving point.

(2) The seller shall add 1½¢ per pound to the maximum base price at his shipping point for any processed turkey item, and shall multiply the sum so obtained by 1.17, and the product of such multiplication shall be his maximum selling price for such processed turkey item: *Provided*, That in cases of mail-order sales the seller may add to such maximum selling price his actual express or mailing expense to the buyer's receiving point.

5. Section 1429.27 is added to read as follows:

§ 1429.27 Emergency purchases of processed turkeys by the United States Government or any agency thereof: Any person who during the period, September 1, 1943, to October 25th, 1943, contracted in writing to sell and deliver a quantity of processed turkeys to the United States Government or any

[1] 7 F.R. 10708, 10864, 11118; 8 F.R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016.

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 10708, 10864, 11118; 8 F.R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13813.

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 10708, 10864, 11118; 8 F.R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13303, 13813, 14016.

* Copies may be obtained from the Office of Price Administration.

agency thereof at prices authorized pursuant to the emergency purchase provisions of this Regulation, may sell and deliver such quantity of processed turkeys to the United States Government or any agency thereof, in accordance with the provisions of such written contract, for a period of time not extending beyond June 1, 1944.

This amendment shall become effective October 30, 1943.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E. O. 9250, 7 F. R. 7871; E. O. 9328, 8 F. R. 4681.)

Issued this 30th day of October 1943.

GEORGE J. BURKE,
Acting Administrator.

RMPR 269, AMENDMENT 17, OCTOBER 12, 1943

OFFICE OF PRICE ADMINISTRATION

(Document No. 23010)

PART 1429—POULTRY AND EGGS

[Rev. MPR 269,[1] Amdt. 17]

POULTRY

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Revised Maximum Price Regulation 269 is amended in the following respects:

1. The effective date provision of Amendment 16 to Revised Maximum Price Regulation is amended to read as follows:

Amendment 16 shall become effective October 11, 1943, except that § 1429.19 (h) (2) (ii) shall become effective November 1, 1943.

2. Section 1429.19 (h) (1) (i) (*b*) is added to read as follows:

(*b*) Temporary maximum base prices for quick-frozen eviscerated broilers, fryers, roasters, capons, fowl, stags, and old roosters: Temporary Table A-2, listed immediately below, establishes temporary maximum base prices for quick-frozen eviscerated broilers, fryers, roasters, capons, fowl, stags, and old roosters. These prices may be revoked at any time.

TEMPORARY TABLE A-2

[Prices in cents per pound]

Quick-frozen eviscerated poultry item	Quick-frozen eviscerated weight	Eastern zone basing-point city	Western zone basing-point cities	
		Chicago	New York	Pacific coast cities[1]
Broilers and fryers	Under 2½	52.5	53.5	54.0
Roasters	2½ and over	49.5	50.5	51.0
Capons:				
Light	Under 4½	49.5	50.5	51.0
Heavy	4½ and over	51.0	52.0	52.5
Fowl	All weights	44.0	45.0	45.5
Stags and Old Roosters	All weights	38.0	39.0	39.5

[1] The Pacific coast cities are: Los Angeles, San Francisco, Seattle, and Portland.

3. Section 1429.19 (i) (4) (vii) is amended to read as follows:

(vii) The carcass and giblets of each bird, whether in whole, split, or dismembered form must be weighed before being packaged or frozen, and then must be individually packaged in water resistant paper or cartons, one bird to one package, with the weight of each bird marked or printed on the exterior of each package, and with a statement printed on or attached to the exterior of each package reading as follows: "Inspected and Certified by U. S. Department of Agriculture." The exterior of each package should also show either the name and address of the person processing the eviscerated bird, or the plant number assigned to the eviscerator by the United States Department of Agriculture.

4. Section 1429.19 (i) (4) (ix) is amended to read as follows:

(ix) After quick-freezing, each bird must be kept at a temperature which will preserve the bird in hard-frozen condition until it is delivered to the purchaser. Each bird must also be delivered to the purchaser in the original package in which it was packaged at the time of its evisceration.

5. Section 1429.19 (i) (4) (x) is amended to read as follows:

(x) The prices established for "quick-frozen eviscerated poultry" items in this section shall apply only when such "quick-frozen eviscerated poultry" items completely meet the requirements listed in this definition. A discount of ¾ cent per pound shall be deducted from the maximum base price for any "quick-frozen eviscerated poultry" item which is not individually weighed, packaged, and identified as provided for in subdivision (vii) of this definition, but which otherwise meets all the requirements of this definition, and is packaged in bulk for sale to institutional, industrial, commercial, or governmental users, or for sale to distributors selling such users: *Provided*, That a statement is printed on or attached to the exterior of each bulk package certifying that the eviscerated poultry contained therein was eviscerated under Federal inspection, and showing the identity of the eviscerator.

In all other cases purchases and sales of "quick-frozen eviscerated poultry" items shall be made at prices not exceeding those established for the corresponding "drawn" poultry items in Table A of this section.

This amendment shall become effective October 12, 1943.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E. O. 9250, 7 F. R. 7871; E. O. 9328, 8 F. R. 4681)

Issued this 12th day of October 1943.

CHESTER BOWLES,
Acting Administrator.

A mass of printed matter from the Office of Price Administration being OPA 3229 Advance Release to Newspapers, October 7, 1943, containing nearly 500 words, and 38 printed pages containing altogether about 30,000 words. The estimated cost of printing in the RECORD is $750.

With all the above printed matter and as an answer they received the following printed slip:

To help win the war we must adopt new methods if they save time and equipment. Your letter has been given individual attention and our reply, if one is required, is given on the reverse of this sheet. (If you merely asked for certain printed material, it is enclosed.) To expedite the war program and to reduce the cost of time and space involved in retaining letters, we are returning your letter. If you later find it necessary to write to us again about this particular matter, you should return all correspondence.

With all the above-printed matter and of manpower, the Office of Price Administration sent 38 pages of printed matter covering nearly 30,000 words but no answer to the farmer and his wife who had requested a simple answer on the price they could sell their turkeys.

Here is a quotation from the letter written to me:

Enclosed please find my inquiry for the price of turkeys from the O. P. A. and their answer. I still do not know the price of turkeys. It would take a Philadelphia lawyer to cipher it out. I am selling the breeding stock to Cedar Point (Joe Singler) and did want a written statement as to price. Isn't there something that can be done that people at least know what they are doing and can do? It is positively absurd to receive such literature; it isn't reasonable.

Mr. Chairman, recently I heard that the O. P. A. sent out printed matter of 2,500 words announcing the reduction in the price of cabbage seeds. I could hardly believe it. But after looking over 30,000 printed words on the price of turkeys and no answer to my constituent as to the price, I would hate to ask the price of an elephant.

For alleged violations of such rot, the citizen is haled before "make-believe courts" for punishment. How long must the farmer, worker, and businessman endure such bunk from their Government by bureaucrats?

Mr. Chairman, I still want to know the price of turkeys for Clyde, Ohio.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942, and the Stabilization Act of October 2, 1942, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include therein some material from the Office of Price Administration; and, further, to extend my remarks in the RECORD and include therein some excerpts from Quentin Reynolds' book The Curtain Rises.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short article from Life magazine on General Chennault.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon and include therein certain statistics.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article appearing in a newspaper today.

[1] 7 F. R. 10708, 10864, 11118; 8 F. R. 567, 856, 878, 2289, 3316, 3419, 3792, 6736, 9299, 10940, 11691, 13302, 13813.

*Copies may be obtained from the Office of Price Administration.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects, in one to include an editorial from the Daily Calumet, and in the other to include a statement by some consumers.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

(Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD.)

CARTELS AND THE STANDARD OIL CO. (NEW JERSEY)

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, the Standard Oil Co. of New Jersey has no doubt sent to other Members of Congress as it has to me considerable pamphlet literature giving expression to an opposition to cartels.

Standard Oil—New Jersey—is, of course, by far the largest of all the major integrated oil companies and is one of the most gigantic corporations in the whole world. Its total assets exceed $2,000,000,000 and its net profits after taxes in the year just past were more than $120,000,000.

Had Standard of New Jersey opposed cartels in a truly effective fashion in the years before the war a number of things might have been different in connection with America's struggle to prepare herself for this conflict.

For the past 3 years a group of minority stockholders of the Standard Oil Co. of New Jersey have proposed the passage of a resolution at the annual stockholders' meeting, reading as follows:

Now, therefore, be it—

Resolved, That this company will not, after the date hereof, become a party to any cartel agreement which limits production, fixes prices, divides territory, and limits technological development, unless the Government of the United States desires the company to enter into such arrangement; be it further

Resolved, That it is not the intent of this resolution to imply that this company has been or has not been involved in any cartels in the past.

In spite of its protestations of opposition to cartels, the management of this corporation has vigorously opposed the passage of any such resolution and I ask consent to include with my remarks herewith a portion of the notice of the annual stockholders meeting of Standard Oil Co.—New Jersey—dated at Flemington, April 22, 1944. The material quoted herewith appears on pages 9, 10, and 11 of this notice. I think it will speak for itself.

MINORITY STOCKHOLDERS COMMITTEE, STANDARD OIL CO. (NEW JERSEY)

PROPOSAL BY A STOCKHOLDER

The company has been notified that Mr. William Floyd II, of 142 East Seventy-ninth Street, New York, N. Y., who owned of record 103 shares of the company on April 1, 1944, intends to present for action at the annual meeting the statement and resolutions set forth below, which resolutions are opposed by the management. (Mr. Floyd also forwarded letters from nine additional stockholders requesting that his proposal be included in this proxy statement.)

Floyd statement:

"At the annual stockholders meeting in 1943, in speaking against a resolution calling on the company not to resume cartel relations with I. G. Farben after this war, Mr. Gallagher said he opposed cartels. In September, this attitude was amplified in a company press release stating:

" 'That cartels which limit production, fix prices, divide territory and limit technological development, are against public policy and are inconsistent with our principles of free enterprise.'

"Because of the controversy resulting from our company's dealings with I. G. Farben, we believe the statements expressed should be made a matter of policy by stockholder action."

Floyd proposal:

"Now, therefore, be it—

"*Resolved*, That this company will not, after the date hereof, become a party to any cartel agreement which limits production, fixes prices, divides territory and limits technological development, unless the Government of the United States desires the company to enter into such arrangement; be it further

"*Resolved*, That it is not the intent of this resolution to imply that this company has been or has not been involved in any cartels in the past."

This is the third year in which Mr. Floyd has asked the stockholders, by similar restrictive resolutions, to make decisions which are normally the functions of management. Last year his proposal was rejected by the vote of over 98 percent of the shares represented at the annual meeting.

As explained in public statements, the management of your company opposes the "cartel" method of conducting business. It is not, however, in a position to force its views upon the governments or the nationals of whatever countries may favor or require that method. If we are to do business in foreign countries, we must observe their laws and customs.

No one can now foresee to what extent or in what manner our own Government may formulate a foreign policy upon these matters, nor to what extent our Government may be able to secure collaboration in its policy by other governments. In the meantime, the management of your company has stated its readiness to file with the Department of State—or some other designated Government agency—copies of all contracts made with foreign corporations, with the understanding that they be made public if that agency considers publication of the facts to be in the public interest

The management believes that in these rapidly changing times it would be unsound and a mistake for the company to impose upon itself any such restriction on its worldwide business as Mr. Floyd proposes. The management therefore urges the stockholders to disapprove and reject Mr. Floyd's proposal.

Actions, Mr. Speaker, speak louder than words. It is rather difficult to understand why those who control the destinies of this corporation should on the one hand profess their opposition to cartels and on the other hand urge all their stockholders to vote against a resolution of the sort presented by the minority stockholders. Nor does the defense alleged by the corporation to the effect that governmental policy may be a determining factor prove convincing upon analysis, for the minority stockholders' proposal itself contains the clause:

Unless the Government of the United States desires the company to enter into such arrangement.

In any case the lesson for Congress from these things should be only too apparent for it is obvious that it is up to us to chart such a course with regard to monopolies and cartels as to convince the officials of Standard of New Jersey that so far as this Congress is concerned at least, it will not be the policy of the United States to encourage cartels which "limit production, fix prices, divide territory, or limit technological development" in the period after the war, but rather to discourage and penalize such cartels by every means at our command.

PROGRAM FOR NEXT WEEK

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two respects, in one to include an address by James A. Farley, and in the other an article by Lawrence Sullivan.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to find out the program for next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. I shall be very glad to furnish that information.

Monday is District of Columbia Day, and only noncontroversial bills will be considered. They ought to take only a short time. I have been unable to get any information as to the bills that are ready to be taken up, but I am placing them on the calendar for Monday so that in case there are any noncontroversial bills it will be known that their consideration on Monday is in order.

Following the disposition of those bills we shall continue the consideration of the price-control bill, and it is hoped that we will dispose of it on Monday.

The War Department appropriation bill is the next in order, and it is set down for Tuesday.

On Wednesday, in case the War Department appropriation bill takes up all of Tuesday, but in any event following that bill, will be the war contract termination bill.

On Thursday there will be considered the insurance bill, a bill reported out some months ago but held in abeyance

pending the decision of the Supreme Court.

On Friday the WASP bill will be in order, and on Saturday the deficiency appropriation bill.

There are two House resolutions to be considered, one relating to compaign expenditures, and we are very eager to get that resolution through. There is also the Kelley resolution pertaining to handicapped persons. There are also several conference reports to be disposed of.

I realize that this is a very heavy program. The chances are that we shall not be able to dispose of all of it. However, that is the program for next week, and we shall try to accomplish it to the best of our ability.

Mr. MARTIN of Massachusetts. Will the conference reports be taken up during the week or will they come at the end of the program?

Mr. McCORMACK. I am unable to state now as to that, except that the gentleman from Massachusetts will be advised. Of course, we have to get them out of the way as quickly as possible.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. If the conference report on the G. I. bill is printed in time, will it be allowed to come up for consideration on Tuesday? We are very anxious, and I know the gentleman is, to have it on the statute books so the veterans can apply for their loans and education, and get the benefit of this bill.

Mr. McCORMACK. I cannot answer that. The War Department appropriation bill is a very important one. I am sure the gentlewoman from Massachusetts appreciates that. After the pending bill is disposed of I feel that the War Department appropriation bill should be the next order of business without disturbance. It is vitally important. Then will follow the war contract termination bill. I cannot say now whether we can put some of the conference reports in before that, but we will dispose of them just as quickly as we can. After we get through with the War Department appropriation bill and before we take up the war contract termination bill we may be able to dispose of some of the conference reports.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from California.

Mr. HINSHAW. May I ask the gentlewoman from Massachusetts whether it is contemplated that the G. I. bill of rights conference report will be highly controversial?

Mrs. ROGERS of Massachusetts. There will be no controversy at all, in my opinion. It was a unanimous report. I should say that 75 percent of it is along the lines of the House bill.

Mr. HINSHAW. May I ask the gentlewoman from Massachusetts if the conferees have agreed?

Mrs. ROGERS of Massachusetts. Yes, absolutely. The managers have signed the report. Everything is all ready just as soon as the conference report is printed.

Mr. HINSHAW. Is it a unanimous report?

Mrs. ROGERS of Massachusetts. It is a unanimous report. I think there will be absolutely no controversy on either side.

Mr. HINSHAW. That is fine.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Georgia.

Mr. RAMSPECK. If it is a unanimous report, the conference report on the G. I. bill could be passed by unanimous consent.

Mr. McCORMACK. Of course, we can dispose very quickly of any conference report that is unanimous. It may be that if it is not going to take any protracted time for debate we can take up that conference report.

Mrs. ROGERS of Massachusetts. I do not believe anyone will want to debate it. They may want to vote on it.

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole and to include therein an O. P. A. trade bulletin.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon and include therein certain propositions of law.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. LAFOLLETTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement by the Evansville Industrial Union Council, C. I. O.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WEICHEL of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon and include therein an answer from the Office of Price Administration.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial in regard to John W. Bricker.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RABAUT for an indefinite period on account of attending the ordination into priesthood and the first mass of his son.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1849. An act for the relief of Muskingum Watershed Conservancy District.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 3236. An act to provide aid to dependent children in the District of Columbia; and

H. J. Res. 242. Joint resolution to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918, as amended.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 18 minutes p. m.) the House adjourned until Monday, June 12, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Public Health Subcommittee of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. Tuesday, June 13, 1944, to begin public hearings on H. R. 4615, a bill to establish, for the investigation and control of tuberculosis, a division in the Public Health Service, and for other purposes.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will continue hearings on Wednesday, June 14, 1944, at 10 a. m., in the committee room, 247 House Office Building, on H. R. 919 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs, will present testimony.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Saturday, June 17, 1944, at 10 a. m., on H. R. 4968, a bill to amend section 511 (c) of the Merchant Marine Act of 1936, as amended, relative to deposit of vessel proceeds received from the United States in certain cases, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearing of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearing should be submitted to the reporter in duplicate.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. EBERHARTER: Committee on Ways and Means. H. R. 4837. A bill to extend for an additional 2 years the suspension in part of the processing tax on coconut oil; without amendment (Rept. No. 1621). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. S. 1432. A bill to extend the Civilian Pilot Training Act of 1939; with amendment (Rept. No. 1622). Referred to the Committee of the Whole House on the state of the Union.

Mr. JARMAN: Committee on Printing. House Concurrent Resolution 90. Concurrent resolution authorizing the printing of the manuscript containing an analysis of questions and answers on the individual income-tax act of 1944 as a House document, and providing for the printing of additional copies thereof for the use of the House document room; without amendment (Rept. No. 1619). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 589. Resolution providing for the consideration of S. 1718 to provide for the settlement of claims arising from terminated war contracts, and for other purposes; without amendment (Rept. No. 1620). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Resolution 579. Resolution authorizing the printing of additional copies of the hearings held before the Committee on Roads of the House of Representatives, current session, on the bill (H. R. 2426) to supplement the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, and for other purposes; without amendment (Rept. No. 1618). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 4714) granting a pension to Elizabeth Walter, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LESINSKI:

H. R. 4999. A bill to increase the service-connected disability rates of pension for certain Regular Establishment veterans and veterans of wars prior to World War No. 1; to the Committee on Invalid Pensions.

By Mr. SPRINGER:

H. R. 5000. A bill to clarify the provisions of law relating to the display of service flags and the wearing of service lapel buttons, and for other purposes; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5831. By Mr. ANDREWS of New York: Resolution adopted by the city council of Niagara Falls favoring the enactment of House bill 4853, a bill providing for authorization of funds for a proposed post-war highway program; to the Committee on Roads.

5832. Also, resolution of the Delevan-Grider Businessmen's Association of Buffalo, N. Y., opposing the development of the St. Lawrence River as either a seaway or power project; to the Committee on Rivers and Harbors.

5833. By Mr. KENNEDY: Petition of president of the Union Dime Savings Bank of New York, concerning the Emergency Price Control Act of 1942; to the Committee on Banking and Currency.

5834. By Mr. SCANLON: Petition of residents of the Sixteenth Congressional District of Pennsylvania with 1,120 signatures, protesting against the passage of the Bryson bill, H. R. 2082, prohibiting the manufacture, sale, or distribution of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5835. By Mr. SCOTT: resolution adopted by the Roxborough-Manayunk Lions Club of Philadelphia and the Pennsylvania State Association of Lions Clubs with regard to public representation at any peace conference; to the Committee on Foreign Affairs.

5836. By the SPEAKER: Petition of various real-estate owners, banks, and agents of New York City, petitioning consideration of their resolution with reference to the inequities in the rent-control section of the present Emergency Price Control Act; to the Committee on Banking and Currency.

SENATE

MONDAY, JUNE 12, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God and Father of all men, who bringeth forth righteousness as the light and judgment as the noonday, our souls wait upon Thee, our expectation is from Thee. In calm confidence we come with humble hearts, in our deep need acknowledging with Thy servant of old: "In God is my salvation and my glory, the rock of my strength; and my refuge is in Him." In all the fiery tests of these critical days setting the shape of things to come, deepen the wells from which we draw our power to endure.

As we go about the immediate tasks the days demand, so drab in contrast with the danger others are facing for us, our constant thoughts are with our fighting sons. With all the havoc and horror which awaits their brave advance into the very jaws of death, as they go to smite down the shackles of slavery, hear our intercession for their strength in need, their help in danger. And grant unto us for whom they make their sacrifice such penitence for our sins and shortcomings and such determination that the fearful price they are paying to preserve the free life shall not be in vain; that through us even this flaming wrath of man shall be made to serve Thee and Thy kingdom of justice and peace. We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Secretary, Edwin A. Halsey, read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 12, 1944.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GUY M. GILLETTE, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

CARTER GLASS,
President pro tempore.

Mr. GILLETTE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. HATCH, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 9, 1944, was dispensed with, and the Journal was approved.

ENROLLED BILLS PRESENTED

Mr. TRUMAN (for Mrs. CARAWAY), from the Committee on Enrolled Bills, reported that on June 9, 1944, that committee presented to the President of the United States the following enrolled bills:

S. 754. An act for the relief of Iver M. Gesteland;

S. 891. An act for the relief of Rebecca Collins and W. W. Collins;

S. 1081. An act to add certain lands to the Upper Mississippi River Wild Life and Fish Refuge;

S. 1093. An act for the relief of Fermin Salas;

S. 1102. An act for the relief of Helene Murphy;

S. 1112. An act for the relief of Taylor W. Tonge;

S. 1247. An act for the relief of the Bishopville Milling Co.;

S. 1281. An act for the relief of Rebecca A. Knight and Martha A. Christian;

S. 1305. An act for the relief of Anne Rebecca Lewis and Mary Lewis;

S. 1335. An act to amend the fourth and fifth provisos of section 2 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437, 438; 30 U. S. C., secs. 201, 202);

S. 1355. An act for the relief of Robert C. Harris;

S. 1416. An act for the relief of Mrs. Judith H. Sedler, administratrix of the estate of Anthony F. Sedler, deceased;

S. 1553. An act for the relief of J. M. Miller, James W. Williams, and Gilbert Theriot;

S. 1660. An act granting the consent of Congress to the Minnesota Department of Highways and the county of Crow Wing in Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at Mill Street, in Brainerd, Minn.

S. 1682. An act to provide for the payment of compensation to certain claimants for the taking by the United States of private fishery rights in Pearl Harbor, island of Oahu, Territory of Hawaii;

S. 1837. An act for the relief of Lt. (Jr. Gr.) Hugh A. Shiels, United States Naval Reserve; and

S. 1944. An act to amend the act entitled "An act to provide books for the adult blind."

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 8, 1944:

S. 1941. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended.

On June 9, 1944:

S. 1102. An act for the relief of Helene Murphy.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 90. Concurrent resolution authorizing the printing of the manuscript containing an analysis of questions and answers on the Individual Income Tax Act of 1944 as a House document, and providing for the printing of additional copies thereof for the use of the House document room; and

H. Con. Res. 91. Concurrent resolution felicitating the Republic of Iceland.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1849) for the relief of Muskingum Watershed Conservancy District, and it was signed by the Acting President pro tempore.

THE TRAGEDIES OF WAR—THE NECESSITY FOR LASTING PEACE

Mr. CONNALLY. Mr. President, I ask unanimous consent to proceed for 3 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. CONNALLY. Mr. President, I am sure that all of us were deeply touched and moved by the eloquent words of the Chaplain in his references to the titanic struggle in which our gallant men overseas are now engaged. Mr. President, we have witnessed the beginning of the most colossal operation by amphibious forces in the attack and landing on the French coast that history has ever yet recorded. We have of course suffered losses; many of our courageous men have paid with their lives; others will come back to us with maimed and broken bodies, carrying to their graves their badges of honor and distinction.

What I rose to say this morning, Mr. President, was that I pray God that the ruling powers, the great nations and the small nations alike, may be impressed by the terrible tragedies of this war, and resolve that there shall be set up peace machinery that shall make impossible in the years to come a recurrence of such a frightful holocaust. The Committee on Foreign Relations, through a subcommittee, has been working diligently for a considerable period with the Secretary of State on general plans and methods of procedure, for submission to the other powers of the earth, looking to the establishment of such an instrumentality. I wish to express my deep sense of appreciation to the members of that subcommittee, both the majority and the minority, and I desire to observe that so far politics and partisanship have not entered into its deliberations. I particularly congratulate the prominent members of the minority party who are members of that subcommittee.

Mr. President, whatever may be accomplished will not, of course, carry with it the elements of perfection; it will not probably satisfy every group and every particular shade of opinion throughout the world. But, Mr. President, this war is a challenge to the civilization of the earth. The flooding rivers of blood that are being released all over the globe ask us the question and ask the other nations of the earth the question, Are we to permit this thing to occur again within the time, perhaps, of living men?

So today, as I shall continue to do from time to time, I want to lift my voice here and pray that the nations of the earth may look upon this plan or some plan and embrace it, make it a reality, and establish it in this twentieth century as the great light for the future generations of the world, and that we shall strive and give our best resources of mind and of heart and of soul and of purpose and, if necessary, material resources, to the accomplishment of this great ambition, this noble conception, this high plan for future peace, the chaining of the god of war, and the crushing of the cruel monsters of aggression and military force.

Mr. HATCH. Mr. President, apropos of the remarks of the Senator from Texas concerning the tragedies which have occurred and are now occurring overseas, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks an article written by that outstanding war correspondent, Ernie Pyle. I call the attention of the Senate to a paragraph of Mr. Pyle's article, lest some of us may think that the going was easy in landing our forces at various beachheads:

Now that it is over—

Mr. Pyle says—

it seems to me a pure miracle we ever took the beach at all. For some it was easy, but in this special sector where I now am our troops faced such odds that our getting ashore was like me whipping Joe Louis down to a pulp. In this column I want to tell you what opening the second front in this one sector entailed, so you can know and appreciate and forever be humbly grateful to those both dead and alive who did it for you.

Mr. President, I hope that all of us may be forever grateful to those, both dead and alive, who did do it for us and who are today doing it for us and for the cause of peace throughout the whole world.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from New Mexico?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALLIES OUTNUMBERED FOUR TO THREE—BEACHHEAD SEIZURE CALLED PURE MIRACLE BY ERNIE PYLE

(By Ernie Pyle)

WITH AMERICAN FORCES IN FRANCE, June 11.—Due to a last-minute altered arrangement, I didn't arrive on the beachhead until the morning after D-day, after our first wave of assault troops had hit shore.

By the time we got here the beaches had been taken and fighting moved a couple miles inland.

All that remained on the beach was some sniper and artillery fire and the occasional startling blast of a mine geysering brown sand into air—that plus the gigantic and pitiful litter of wreckage along miles of shore line. Submerged tanks and upturned boats and burned trucks and shell-shattered jeeps and sad little personal belongings are strewn all over on these bitter sands.

That, plus bodies of soldiers lying in rows of covered blankets, the toes of their shoes sticking up in line as though on drill. And other uncollected bodies still sprawling grotesquely in sand or half-hidden by high grass behind the beach.

That, plus an intense, grim determination of work-weary men to get the chaotic beach organized and get all the vital supplies and reinforcements moving more rapidly over it from stacked-up ships standing in droves out to sea.

Now that it is over it seems to me a pure miracle we ever took the beach at all. For some it was easy, but in this special sector where I now am our troops faced such odds that our getting the shore was like me whipping Joe Louis down to a pulp. In this column I want to tell you what opening the second front in this one sector entailed, so you can know and appreciate and forever be humbly grateful to those both dead and alive who did it for you.

Ashore, facing us, were more enemy troops than we had in our assault waves. The advantages were all theirs; the disadvantages all ours. The Germans were dug into positions they had been working on for months. Still they weren't yet all complete.

A 100-foot bluff a couple of hundred yards back from the beach had great concrete gun emplacements built right into the hilltops. They opened to the sides instead of the front, thus making it very hard for naval fire from the sea to reach them. They could shoot parallel with the beach and cover every foot of it for miles with artillery fire.

Then they had hidden machine-gun nests on the forward slopes, with cross-fire taking in every inch of the beach. These nests connected with networks of trenches so the German gunners could move about without exposing themselves.

Throughout the length of beach, running zigzag a couple of hundred yards back from shore line, was an immense, V-shaped ditch, 15 feet deep.

Nothing could cross it, not even men afoot, until fills had been made. And in other places, at the far ends of the beach, where the ground was flatter, they had great concrete walls which had been blasted by naval gunfire or by hand-set explosives after we got ashore.

Our only exits from the beach were several swales or valleys, each about a hundred yards wide. The Germans made the most of these funnel-like traps, literally sowing their bottom sides with buried mines. They con-

tained, too, barbed-wire entanglements with mines attached to hidden ditches and machine guns firing from slopes.

That is what was on shore. But our men had to go through a maze nearly as deadly even before they got ashore. Underwater obstacles were terrific. Germans had whole fields of evil devices to catch our boats. Even now, several days after the landings, we've cleared only channels through them and cannot yet approach the whole length of the beach with our ships; even now a ship or boat hits one of these mines every day and is knocked out of commission.

The Germans had masses of those great-six-pronged spiders made of railroad iron and standing shoulder high in places just beneath the surface water for our landing craft to run into. They also had huge logs buried in the sand, pointing upward and outward, their tops just below the water. Attached to these logs were mines. In addition to these obstacles, they had floating mines in the beach waters, land mines buried in the sand beach, and more mines in checkerboard rows in the tall grass beyond the sand.

And as I said before, the enemy had four men on shore for every three men we had approaching the shore. And yet we got on.

Beach landings are planned to a schedule set far ahead of time. That is no secret for they all have to be timed in order that everything will mesh and for the following waves of troops to be standing off the beach and ready to land at the right moment. As the landings are planned, some elements of the assault force break through quickly and push on inland and attack the most obvious enemy strong points. It usually is the plan for units to be inland, attacking gun positions from behind within minutes after the first men hit the beach.

I've always been amazed at the speed called for in these plans. You'll have schedules calling for engineers to land at H-hour plus 2 minutes and service troops at H plus 30 and even for press censors to land at H-hour plus 75 minutes, but in this attack on a special portion of the beach where I am, the worst we had, incidentally, the schedule didn't hold. Our men simply could not get off the beach. They were utterly pinned down right at the water's edge by an inhuman wall of fire from the bluff. Our first waves were on that beach for hours instead of a few minutes before they could begin working inland. You can still see foxholes dug at the very water's edge out of the sand and small jumbled rocks that form parts of the beach.

NAVAL GUNS CRACK DEFENSES

Medical Corps men attended wounded as best they could. Men were killed as they stepped out of landing craft. An officer whom I know got a bullet right through his head just as the door of his landing craft let down. Some were drowned.

The first crack in the beach defense finally was accomplished by terrific and wonderful naval gunfire which knocked out the big emplacements. They tell epic stories of destroyers that ran right up into shallow water and had it out point blank with big guns in those concrete emplacements ashore.

When the heavy fire stopped, our men were organized by their officers and pushed on inland, circling machine-gun nests and taking them from the rear. As one officer said, the only way to take a beach is to face it and keep going. It is costly at first, but it is the only way. If the men are pinned down on the beach, dug in and out of action, they might as well not be there at all.

They hold up the waves behind them. Our men were pinned down for a while but finally they stood up and went through, and so we took that beach and accomplished our landing. We did it with every advantage on the enemy's side and every disadvantage on ours. In the light of a couple of days' retrospection, we sit and talk and call it a miracle we ever got on at all or that we were able to stay on.

Before long units that did it will be permitted to be named. Then you'll know to whom this glory should go. They suffered casualties as a unit. And yet if you take the entire beachhead assault, including other units that had a much easier time, our total casualties for opening the wedge onto the continent of Europe is remarkably low, only a fraction, in fact, of what our commanders had been prepared to accept.

And these units that were so battered and went through such hell are still right at this moment pushing on inland without rest, their spirits high, their egotism in victory almost reaching smart alecky stage.

Their tails are up. We've done it again, they say. They figure the rest of the Army isn't needed at all, which proves their judgment is bad, but it certainly is the spirit that wins battles and eventually wars.

Mr. VANDENBERG. Mr. President, the able senior Senator from Texas [Mr. CONNALLY], the chairman of the Senate Foreign Relations Committee, in his remarks today has been very kind to the minority members of the special Senate committee which has been consulting with the Secretary of State upon this momentous subject of our post-war aspirations and purposes. As one of the minority group, I wish to thank him for his expression, and to say, in reply, that I have never known a chairman of any Senate committee to have dealt more generously, more patiently, more considerately, and more tolerantly, than he has constantly dealt with us throughout this long and critical period.

I wish to add my complete agreement with his ultimate prayer and dedication. From my point of view, it would be a final tragedy if partisan politics, as such, were to enter into any phase of the post-war planning by which we intend, if we can, to justify the sacrifices which are being made by our patriot sons. It is inevitable that there will be some differences of opinion in respect to details and in respect to procedures regarding a problem of this magnitude. But in the pursuit of a just peace, in the fashioning of adequate and effective international machinery to implement it, and in the creation of new post-war international forces which, while guarding every essential American interest, shall preserve the peace and prevent a recurrence of military aggression, I can assure the able chairman of the Senate Committee on Foreign Relations and the country that those on this side of the aisle will march shoulder to shoulder with him in pursuit of these supreme objectives.

Mr. JACKSON. Mr. President, the distinguished and beloved senior Senator from the State of Texas has given me an opportunity I have sought for many weeks. I have been a Member of the Senate but since January, and my colleagues know that I have not taken the floor of the Senate to speak upon any subject. I promised myself that I would conform to the unwritten rule and be silent, as a first termer, but I have now determined that some time before next election day, when my short term here will end, I shall make a special effort to speak in behalf of the aspirations of humanity in the field of a permanent, perpetual, just, and Christian peace. I thank the Senator from Texas for opening up that question on this day, the second week of the invasion. Whose sons were lost in the Straits of Dover, whose boys are entangled in the barbed wire today, which of them have been bombed out of the sky, and what precious and hopeful bodies of the young have been turned into putrescent flesh, we do not know. These, Senators, are bloody words, but America must learn of blood in order to realize that mankind is worth saving, and that if it is to be saved, it must be saved under the leadership of this Republic.

Mr. President, I have in my hand what I believe to be the most beautiful piece of literature coming out of this war. I shall take the time to read it, for it is worthy of reading, not my words, but the words of this poetess. It is very brief. It is a letter to St. Peter, written by Elma Dean, and it reads like this:

Let them in, Peter, they are very tired;
Give them the couches where the angels sleep.
Let them wake whole again to new dawns fired
With Sun, not war. And may their peace be deep.
Remember where the broken bodies lie,
And give them things they like. Let them make noise.
God knows how young they were to have to die!
Give swing bands, not gold harps, to these our boys.
Let them love, Peter—they have had no time—
Girls sweet as meadow wind, with flowering hair,
They should have trees and bird song, hills to climb—
The taste of summer in a ripened pear.
Tell them how they are missed. Say not to fear;
It's going to be all right with us down here.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Revercomb
Austin	Guffey	Reynolds
Ball	Gurney	Robertson
Bankhead	Hatch	Russell
Bilbo	Hill	Shipstead
Brewster	Holman	Stewart
Bridges	Jackson	Taft
Buck	Johnson, Colo.	Thomas, Idaho
Burton	Kilgore	Thomas, Okla.
Bushfield	La Follette	Thomas, Utah
Butler	Lucas	Truman
Byrd	McClellan	Tunnell
Capper	McFarland	Tydings
Chavez	McKellar	Vandenberg
Connally	Maybank	Wallgren
Cordon	Mead	Walsh, Mass.
Danaher	Millikin	Walsh, N. J.
Davis	Moore	Weeks
Downey	Murdock	Wheeler
Eastland	Murray	Wherry
Ellender	O'Daniel	White
Ferguson	Overton	Wiley
George	Pepper	Willis
Gerry	Radcliffe	Wilson
Gillette	Reed	

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr.

O'MAHONEY] are absent from the Senate because of illness.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senator from Florida [Mr. ANDREWS], the Senator from Arkansas [Mrs. CARAWAY], the Senators from Kentucky [Mr. BARKLEY and Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Arizona [Mr. HAYDEN], the Senator from Connecticut [Mr. MALONEY], and the Senator from South Carolina [Mr. SMITH] are detained on public business.

The Senator from North Carolina [Mr. BAILEY] and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], the Senator from New Jersey [Mr. HAWKES], the Senator from North Dakota [Mr. LANGER], the Senator from North Dakota [Mr. NYE], and the Senator from Massachusetts [Mr. WEEKS] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The ACTING PRESIDENT pro tempore. Seventy-four Senators have answered to their names. A quorum is present.

CARE OF EUROPEAN WAR REFUGEES—PERSECUTED MINORITIES

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read by the legislative clerk, and referred to the Committee on Foreign Relations:

To the Congress of the United States:

Congress has repeatedly manifested its deep concern with the pitiful plight of the persecuted minorities in Europe whose lives are each day being offered in sacrifice on the altar of Nazi tyranny.

This Nation is appalled by the systematic persecution of helpless minority groups by the Nazis. To us the unprovoked murder of innocent people simply because of race, religion, or political creed is the blackest of all possible crimes. Since the Nazis began this campaign many of our citizens in all walks of life and of all political and religious persuasions have expressed our feeling of repulsion and our anger. It is a matter with respect to which there is and can be no division of opinion amongst us.

As the hour of the final defeat of the Hitlerite forces draws closer, the fury of their insane desire to wipe out the Jewish race in Europe continues undiminished. This is but one example: Many Christian groups also are being murdered. Knowing that they have lost the war, the Nazis are determined to complete their program of mass extermination. This program is but one manifestation of Hitler's aim to salvage from military defeat victory for Nazi principles—the very principles which this war must destroy unless we shall have fought in vain.

This Government has not only made clear its abhorrence of this inhuman and barbarous activity of the Nazis, but, in cooperation with other governments, has endeavored to alleviate the condition of the persecuted peoples. In January of this year I determined that this Government should intensify its efforts to combat the Nazi terror. Accordingly, I established the War Refugee Board, composed of the Secretaries of State, Treasury, and War. This Board was charged with the responsibility of taking all action consistent with the successful prosecution of the war to rescue the victims of enemy oppression in imminent danger of death and to afford such victims all other possible relief and assistance. It was entrusted with the solemn duty of translating this Government's humanitarian policy into prompt action, thus manifesting once again in a concrete way that our kind of world and not Hitler's will prevail. Its purpose is directly and closely related to our whole war effort.

Since its establishment, the War Refugee Board, acting through a full-time administrative staff, has made a direct and forceful attack on the problem. Operating quietly, as is appropriate, the Board, through its representatives in various parts of the world, has actually succeeded in saving the lives of innocent people. Not only have refugees been evacuated from enemy territory, but many measures have been taken to protect the lives of those who have not been able to escape.

Above all, the efforts of the Board have brought new hope to the oppressed peoples of Europe. This statement is not idle speculation. From various sources, I have received word that thousands of people, wearied by their years of resistance to Hitler and by their sufferings to the point of giving up the struggle, have been given the will and desire to continue by the concrete manifestation of this Government's desire to do all possible to aid and rescue the oppressed.

To the Hitlerites, their subordinates and functionaries and satellites, to the German people and to all other peoples under the Nazi yoke, we have made clear our determination to punish all participants in these acts of savagery. In the name of humanity we have called upon them to spare the lives of these innocent people.

Notwithstanding this Government's unremitting efforts, which are continuing, the numbers actually rescued from the jaws of death have been small compared with the numbers still facing extinction in German territory. This is due principally to the fact that our enemies, despite all our appeals and our willingness to find havens of refuge for the oppressed peoples, persist in their fiendish extermination campaign and actively prevent the intended victims from escaping to safety.

In the face of this attitude of our enemies we must not fail to take full advantage of any opportunity, however limited, for the rescue of Hitler's victims. We are confronted with a most urgent situation.

Therefore, I wish to report to you today concerning a step which I have just taken in an effort to save additional lives and which I am certain will meet with your approval. You will, I am sure, appreciate that this measure is not only consistent with the successful prosecution of the war, but that it was essential to take action without delay.

Even before the Allied landing in Italy there had been a substantial movement of persecuted peoples of various races and nationalities into that country. This movement was undoubtedly prompted by the fact that, despite all attempts by the Fascists to stir up intolerance, the warm-hearted Italian people could not forsake their centuries-old tradition of tolerance and humanitarianism. The Allied landings swelled this stream of fleeing and hunted peoples seeking sanctuary behind the guns of the United Nations. However, in view of the military situation in Italy, the number of refugees who can be accommodated there is relatively limited. The Allied military forces, in view of their primary responsibility, have not been able, generally speaking, to encourage the escape of refugees from enemy territory. This unfortunate situation has prevented the escape of the largest possible number of refugees. Furthermore as the number of refugees living in southern Italy increases, their care constitutes an additional and substantial burden for the military authorities.

Recently the facilities for the care of refugees in southern Italy have become so overtaxed that unless many refugees who have already escaped to that area and are arriving daily, particularly from the Balkan countries, can be promptly removed to havens of refuge elsewhere, the escape of refugees to that area from German-occupied territory will be seriously impeded. It was apparent that prompt action was necessary to meet this situation. Many of the refugees in southern Italy have been and are being moved to temporary refuges in the territory of other united and friendly nations. However, in view of the number of refugees still in southern Italy, the problem could not be solved unless temporary havens of refuge were found for some of them in still other areas. In view of this most urgent situation it seemed indispensable that the United States in keeping with our heritage and our ideals of liberty and justice take immediate steps to share the responsibility for meeting the problem.

Accordingly, arrangements have been made to bring immediately to this country approximately 1,000 refugees who have fled from their homelands to southern Italy. Upon the termination of the war they will be sent back to their homelands. These refugees are predominantly women and children. They will be placed on their arrival in a vacated Army camp on the Atlantic coast where they will remain under appropriate security restrictions.

The Army will take the necessary security precautions and the camp will be administered by the War Relocation Authority. The War Refugee Board is charged with over-all responsibility for this project.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 12, 1944.*

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

COST ASCERTAINMENT REPORTS, POST OFFICE DEPARTMENT

A letter from the Postmaster General, stating that due to wartime conditions it was not practicable to carry out satisfactorily for the fiscal year 1943, the authorization contained in House Document No. 406, Seventy-eighth Congress, second session, page 9, 43 Statutes at Large 1069, which provides—

"Sec. 214. The Postmaster General is hereby authorized to continue the work of ascertaining the revenues derived from and the cost of carrying and handling the several classes of mail matter and of performing the special services, and to state the results annually as far as practicable, and pay the cost thereof out of the appropriation for inland transportation by railroad routes"

and also stating that complete reports will be submitted for the fiscal year 1944 in due course; to the Committee on Post Offices and Post Roads.

FRED A. DIMLER AND GWENDOLYN E. DIMLER

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation for the relief of Fred A. Dimler and Gwendolyn E. Dimler, his wife (with accompanying papers); to the Committee on Claims.

PERSONNEL REQUIREMENTS

Letters from the Administrative Officer, the White House, the Postmaster General, the Associate Director of the National Park Service, the Acting Chairman of the United States Tariff Commission, Chairman of the Federal Deposit Insurance Corporation, Adminstrator of the National Gallery of Art, Chief of the Washington Office of the Panama Canal, Third Vice President of the Panama Railroad Company, and the Assistant Secretary-Treasury of the American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas, transmiting, pursuant to law, estimates of personnel requirements for their respective departments and offices for the quarter ending September 30, 1944 (with accompanying papers); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Acting President pro tempore, and referred as indicated:

Resolutions of the Central Labor Union, of Omaha, Nebr., and the Trades and Labor Assembly, of Casper, Wyo., favoring the adoption of measures to establish a Nationwide broadcast of congressional proceedings; to the Committee on Rules.

Petitions of sundry citizens and representatives of various real-estate companies and corporations of New York City, and vicinity, New York, praying for amendment of the rent-control section of the Emergency Price Control Act so as to remove alleged inequities therefrom; ordered to lie on the table.

RESOLUTIONS OF THE LOUISIANA LEGISLATURE

Mr. ELLENDER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD resolutions adopted by the Legislature of Louisiana.

First. Senate Concurrent Resolution No. 8, by Mr. Gaiennie, approving the construction by the United States of a permanent deep-draft channel 40 feet deep from the Industrial Canal, New Orleans, La., eastward to a point at or near the Mississippi Sound mouth of the Rigolets, to the 40-foot contour in the vicinity of the Government light at the northern extremity of the Chandeleur Islands.

Second. House Concurrent Resolution No. 13, memorializing the Honorable Chester Bowles, Administrator, Office of Price Administration, and the Honorable Marvin Jones, Administrator, War Food Administration, to immediately revise price ceilings on farm products to comply with provisions of the Stabilization Act of 1942 and in accordance with the intentions of Congress in establishing the act; unless such steps are taken immediately memorializing the Members of Congress from this State to take the necessary steps to safeguard farmers and other citizens against such maladministration of the act when price-control legislation is extended.

Third. House Concurrent Resolution No. 15, memorializing the Office of Price Administration to remove ceiling prices from sales of raw furs.

Fourth. House Concurrent Resolution No. 22, memorializing the Congress of the United States to provide for the continued operation of the aluminum plant at Baton Rouge, La., operated for the Defense Plant Corporation by the Aluminum Co. of America.

The ACTING PRESIDENT pro tempore. Without objection, the resolutions presented by the Senator from Louisiana [Mr. ELLENDER] will be received, appropriately referred, and, under the rule, printed in the RECORD.

To the Committee on Commerce:

Senate Concurrent Resolution 8

Concurrent resolution approving the construction by the United States of a permanent deep draft channel 40 feet deep from the Industrial Canal, New Orleans, La., eastward to a point at or near the Mississippi Sound mouth of the Rigolets, to the 40-foot contour in the vicinity of the Government light at the northern extremity of the Chandeleur Islands

Whereas there is pending before the Board of Engineers for Rivers and Harbors in pursuance of a resolution by the Committee on Commerce of the United States Senate, adopted April 19, 1943, a request to review previous reports with a view to determining whether any modification of the recommendations contained therein is advisable at this time, particularly with respect to the advisability and cost of providing an emergency outlet from the Mississippi River in the interest of national defense and general commerce by the construction and maintenance of a permanent deep draft channel 40 feet deep, or such lesser depth as may be determined to be an economical ship channel from the Industrial Canal, New Orleans, La., eastward along the authorized route of the Intracoastal Waterway to a point at or near the Mississippi Sound mouth of the Rigolets, thence to the 40-foot contour in the vicinity of the Government light at the northern extremity of the Chandeleur Islands, and the district engineer is now taking testimony to report on this resolution; and

Whereas the Board of Commissioners of the Port of New Orleans is an agency of the State of Louisiana, created by Act No. 70 of 1896 of the General Assembly of the State of Louisiana, and among the duties delegated by the general assembly to the board is: "It shall be the duty of said board of commissioners to examine and investigate all questions relating to the interest of the Port of New Orleans * * *"; and

Whereas acting under the above directive, the Board has caused to be made a thorough study of port conditions, its status as a port, its abilities and possibilities of better serving the Nation in time of war and in the postwar period, particularly the Mississippi Valley, and finds for the accomplishment of these objectives, the definite need for a deep, safe and dependable access channel to the sea, which the board of port commissioners believes should be dredged from a point on the Industrial Canal, utilizing that portion of the new link in the Intracoastal Waterway to a point at or near the Micheaud Canal, and then extending to deep water in the Gulf at or near the Chandeleur Islands, and that the channel should have a minimum of 40-foot depth and a minimum of 700-foot bottom width; and

Whereas a 40-foot tidewater access channel to the sea should be provided as soon as possible as its construction would aid in the national defense and would furnish to the Navy, the Maritime Commission, and the Army, tidewater facilities, and an access to the sea not now available; and

Whereas large naval vessels seldom enter the Mississippi River, because entrance and departure through existing channels entails a great risk; and

Whereas failure on the part of the Government to establish a modern navy yard graving docks and other facilities in keeping with the port's strategic location, is attributable to lack of tidewater facilities and safe and dependable access channels to the sea; and

Whereas the extent to which the Navy and the Maritime Commission are using the present tidewater facilities of the Industrial Canal, and of the tidewater canal specifically dredged for the use of Higgins Industries, clearly demonstrates the need for tidewater facilities in time of war; and

Whereas the construction, conditioning, and repair of Navy and maritime equipment now in process on these tidewater locations is limited in size and in scope, because of the necessity of passing through a vulnerable lock and the lack of a 40-foot channel to the sea; and

Whereas facilties of the ports on both the east and west coasts are taxed beyond their capacity and will be for a long time to come, and the west-coast ports will be kept for military purposes almost exclusively, New Orleans is the only port available for the concentration of the Nation's commerce; and

Whereas barge traffic on the Mississippi River has increased manyfold in recent years and the use of this waterway, together with the numerous railroads serving New Orleans, makes this port the natural outlet for the foreign trade of the industrial empire of the Mississippi Valley; and

Whereas the port of New Orleans has met its responsibilities in the past and is prepared to do so in the future if provision is made at all times for accommodating the largest and most modern ships; and

Whereas the complete utilization of the river frontage and the necessity for still further expansion made necessary, two decades ago, the construction of the Inner Harbor Industrial Canal along whose banks there have been already built extensive industrial establishments and public docks and along which it is planned to locate future extensions of the public dock system; and

Whereas vessels now visiting the port of New Orleans must traverse either South or Southwest Passes; the width of the jettied channel at South Pass having been fixed 65 years ago and being inadequate for the needs of large modern vessels; and the decline in the discharge of Southwest Pass having made it impracticable to secure

a channel of the full width and depth advocated more than 45 years ago; and

Whereas a permanent and stable tidewater ship channel from the inner harbor at New Orleans to the Gulf of Mexico can be excavated and maintained at a reasonable and justifiable cost without encountering unusual or difficult problems, it being entirely practicable to dig that channel wide enough and deep enough to meet the needs of the largest vessels now desiring to use this port and to subsequently deepen and widen such channel whenever the need for such improvement arises; and

Whereas the State of Louisiana and the city of New Orleans have planned for the greater industrialization of the State and the city, to the end that the income of its citizens be put on a basis of fair comparison with citizens of other States; and

Whereas this project has been endorsed by the labor organizations, both A. F. of L. and the C. I. O., the American Merchant Marine Institute, New Orleans Steamship Association, ship owners and operators, and hundreds of civic and trade bodies throughout the Mississippi Valley; and

Whereas the construction of such a channel would provide employment for thousands during the war and the post-war period; and

Whereas the State of Louisiana is particularly fortunate in its production of minerals and chemicals, varied and in quantity, its forest and agricultural products are of respectable importance and subject to greater expansion; and

Whereas the State ranks high as a producer of oil and natural gas, and the proximity of producing wells to the site of the new proposed tidewater channel offers to industries desiring tidewater locations, fuel at the lowest possible cost; and

Whereas the construction of this tidewater channel to the sea, as proposed, would permit the development of a large area of land now practically valueless into an industrial center, the excavated material obtained from dredging of this channel and the connecting slips and laterals should be used for raising the adjoining marshland to usable elevation; and

Whereas the wharves and docks of concrete construction, shipside warehouses, and the much-needed foreign-trade zone, and industries of all descriptions requiring tidewater locations, would be located on the banks of this channel and its slips and laterals; and

Whereas the wharves and docks constructed on tidewater elevation would be at least 12 feet below those now on the river front, thus providing tidewater level from which water craft could be loaded and unloaded without adjustment to the varying elevation in the river of 20 feet or more; and

Whereas the wharves, docks, warehouses, and other facilities constructed in this tidewater area would not be subject to sliding or caving banks, as is the case on the river; and

Whereas all these facilities to be served by a system of railroad tracks and modern highways; and

Whereas the eventual construction and use of this tidewater port, made possible by a 40-foot channel to sea, coupled with the reduction in ocean freight rates brought about by the use of larger and deeper-draft cargo carriers, would result in almost unbelievable economies, which would bring about a saving throughout the entire Mississippi Valley and prosperity for the citizens of New Orleans and the State of Louisiana through the growth and expansion of the port's business: Therefore be it

Resolved by the Legislature of Louisiana (the house of representatives and senate concurring), That this legislature go on record as approving the construction and maintenance by the United States of a permanent deep-draft channel 40 feet deep from the Industrial Canal, New Orleans, La., eastward to a point at or near the Mississippi Sound mouth of the Rigolets, thence to the 40-foot contour in the vicinity of the Government light at the northern extremity of the Chandeleur Islands, according to plans of the Chief of Army Engineers; be it further

Resolved, That the Governor of Louisiana be, and he is hereby, empowered, in his discretion, for the purpose of aiding and assisting and cooperating with the Federal Government in the obtaining and completion of this project, to authorize any one or more of the several departments of state to grant the use of engineering construction and other equipment, and the services of technicians, engineers, and experts of such departments; be it further

Resolved, That the Congress of the United States is hereby memorialized to speedily authorize this project as being in the interest of national defense and general commerce; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the Secretary of War, the Chief of Army Engineers, and to the Louisiana Senators and all the Louisiana Congressmen, and to the members of the Rivers and Harbors Committee of the House of Representatives and the Committee on Commerce of the United States Senate.

Approved June 6, 1944.

To the Committee on Banking and Currency:

House Concurrent Resolution 13

Concurrent resolution memorializing the Honorable Chester Bowles, Administrator, Office of Price Administration, and the Honorable Marvin Jones, Administrator, War Food Administration, to immediately revise price ceilings on farm products to comply with provisions of the Stabilization Act of 1942 and in accordance with the intentions of Congress in establishing the act; unless such steps are taken immediately memorializing the Members of Congress from this State to take the necessary steps to safeguard farmers and other citizens against such maladministration of the act when price control legislation is extended

Whereas the Stabilization Act of 1942 definitely directs that farm prices shall be adjusted to meet changing conditions. Quoting from the act:

"*Provided further*, That modification shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodities for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodities incurred since January 1941, the maximum prices so established will not reflect such increased costs: * * * *Provided further*, That in fixing price maximums for agricultural commodities and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, as provided for by this act, adequate weighting shall be given to farm labor."

And whereas this language is very specific and mandatory in character. There can be no reasonable doubt but that Congress intended to require that ceilings on agricultural commodities must be adjusted from time to time to whatever extent necessary to get the maximum production and to offset farmers' increased labor costs and other costs since January 1, 1941.

And whereas in defiance of the clear wording and plain intent of this provision of the law, the administrators of the price control program have failed to make these price adjustments. Maximum farm prices have been imposed in some cases below levels which would reflect parity prices to farmers. In other cases ceilings have been imposed below the support prices which the War Food Administrator determined were necessary to get adequate production. In other cases ceilings have been imposed below levels necessary to offset farmers' labor costs and other costs since January 1, 1941. For instance, in the case of presently existing ceilings on rough rice, the ceilings are below the levels of the year 1942 and violate the 1942 Emergency Price Control Act. In addition, while labor costs increased from 20 to 50 cents per hour from 1941 to 1944, or an increase of 150 percent, no provision was made for this increased cost or labor in establishing the maximum price ceilings on rough rice, even though the 1942 Price Control Act specifically states that "adequate weighting shall be given to farm labor." Farm labor costs have been incresed from 100 to 300 percent in the different types of farming areas in Louisiana since 1941, according to the United States Department of Agriculture, and other costs, such as equipment, feed, seed, containers have increased accordingly. These cost increases, however, have not been considered in establishing the ceilings on the farm products produced in the State: Therefore be it.

Resolved by the House of Representatives of the Legislature of Louisiana (the Senate of the Legislature of Louisiana concurring), That this legislature do request and recommend that the Office of Price Administration take immediate steps to adjust all ceiling prices on farm products in accordance with the provisions of the 1942 Price Control Act in consideration of the intentions of Congress in establishing the act. Unless such steps are taken immediately to adjust the existing gross inequalities and failure to administer the act as passed by Congress, we recommend to the United States Senators and Members of the Congress of the United States from the State of Louisiana that they take adequate steps to safeguard farmers and other citizens against such maladministration of the act; be it further

Resolved, That the Clerk of the House of Representatives is hereby directed to forward official copies of this resolution to the Honorable Chester Bowles, Administrator, Office of Price Administration, to the Honorable Marvin Jones, Administrator, War Food Administration, and to each Senator and Representative of the State of Louisiana in the Congress of the United States.

Concurrent Resolution 15

Concurrent resolution memorializing the Office of Price Administration to remove ceiling prices from sales of raw furs

Whereas the application of ceiling prices as established by the Office of Price Administration to the sale of raw furs has worked an undue hardship on the trappers of the State, and the treasury of the State; and

Whereas a ceiling price has brought about a heavy loss of revenue to the State of Louisiana; and

Whereas the price of the dressed fur has increased about 80 percent but the price of raw fur remains at an unreasonable low figure: Now, therefore, be it

Resolved by the Legislature of Louisiana, That the Office of Price Administration be, and is, hereby memorialized to remove ceiling prices from sales of raw furs, be it further

Resolved, That copies of this concurrent resolution be immediately forwarded to the Louisiana senatorial and congressional representatives in Washington, and to the Office of Price Administration and to the press.

To the Committee on Military Affairs:

House Concurrent Resolution 22

Concurrent resolution memorializing the Congress of the United States to provide for the continued operation of the aluminum plant at Baton Rouge, La., operated for the Defense Plant Corporation by the Aluminum Co. of America

Whereas there has been invested $25,000,000 in a modern plant for the conversion of raw material into aluminum oxide, which plant has been successfully operating for some time and gainfully employs 800 locally domesticated men and women; and

Whereas the products of this plant can be used for the many needs of our civilian population who, because of wartime restrictions, have not been able to freely secure articles made of aluminum; and

Whereas the continued operation of this plant will contribute materially to the welfare of the State of Louisiana and the Nation: Therefore be it

Resolved by the House of Representatives (the Senate of the State of Louisiana concurring), That this legislature does hereby memorialize the Congress of the United States to make provision for the continued operation of this plant for meeting the needs of our civilian population as well as the war uses of the products of this aluminum plant; be it further

Resolved, That copies hereof be sent to the Members of the Louisiana congressional delegation, the Vice President of the United States, Speaker of the House of Representatives, and officials of the Defense Plant Corporation.

Adopted at the regular session of the legislature for 1944.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BRIDGES, from the Committee on Military Affairs:

H.R. 4733. A bill to amend section 514 of the Soldiers' and Sailors' Relief Act; without amendment (Rept. No. 959).

By Mr. McKELLAR, from the Committee on Appropriations:

H. R. 4879. A bill making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes; with amendments (Rept. No. 960); and

H. R. 4937. A bill making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes; with amendments (Rept. No. 961).

By Mr. KILGORE, from the Committee on Military Affairs:

S. 1988. A bill to place glider units of the Army and Navy on the same parity as to pay allowances and privileges as now given to the air forces of the Army and Navy and paratroops; with amendments (Rept. No. 962).

By Mr. GURNEY, from the Committee on Military Affairs:

S. J. Res. 134. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt fund; without amendment (Rept. No. 963).

By Mr. LUCAS, from the Committee to Audit and Control the Contingent Expenses of the Senate:

S. Res. 291. Resolution to investigate whether rayon and other synthetic products can be used as a substitute for cotton and wool; with an amendment.

BILLS INTRODUCED

Mr. LUCAS introduced the following bills, which were each read twice by their titles and referred, as indicated:

S. 1993. A bill for the relief of the estates of Joseph B. Gowen and Ruth V. Gowen; to the Committee on Claims.

S. 1994. A bill to amend the National Service Life Insurance Act, as amended; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 91) felicitating the Republic of Ireland was referred to the Committee on Foreign Relations.

INVESTIGATION OF ACTIVITIES OF POLITICAL ACTION COMMITTEE OF THE C. I. O.—AMENDMENTS

Mr. KILGORE submitted sundry amendments intended to be proposed by him to the resolution (S. Res. 298) to investigate the activities of the Political Action Committee of the Congress of Industrial Organizations (submitted by Mr. BUTLER on May 31, 1944), which were referred to the Committee on Privileges and Elections and ordered to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS

Mr. McKELLAR submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, the following amendments, namely:

Under the item for "Smaller War Plants Corporation" on page 23, line 19, after the word "Corporation", insert the following: ", including the salary of the Chairman of the Board at $10,000 per annum."

On page 30, in line 2, after the word "binding", insert: "and not to exceed $1,000,000 for expenditure through other Federal agencies, and through State agencies without regard to section 3648 of the Revised Statutes for gathering of medical and social history information on registrants."

On page 30, line 11, strike out "$61,500,000" and insert "$62,500,000."

Mr. McKELLAR also submitted amendments intended to be proposed by him to House bill 4879, making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. McKELLAR submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4937) making appropriations for defense aid (lend-lease) for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes, the following amendment, namely: Under title II, on page 7, after line 8, insert a new section as follows:

"SEC. 202. In addition to the sum appropriated by section 201 of this title, any supplies, services, or funds available for disposition or expenditure by the President under the act of March 11, 1941, as amended (22 U. S. C. 411–419), and acts supplementary thereto, may be disposed of or expended by the President to carry out the provisions of the act of March 28, 1944, without reimbursement of the appropriations from which such supplies or services were procured or such funds were provided: *Provided*, That the supplies, services, and funds disposed of or expended under the authority of this section shall not exceed a total value, as determined under regulations to be approved by the President, of $350,000,000 and shall be charged to the amount authorized to be appropriated by said act of March 28, 1944: *Provided further*, That the authority granted by this section shall not become effective until the United States Joint Chiefs of Staff shall have issued a certification that the state of the war permits the exercise of such authority and the utilization of lend-lease supplies, services, or funds for the purposes of section 201 of this title; and after such certificatior such utilization shall be upon the determination of the Administrator of the Foreign Economic Administration."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to the bill (H. R. 4937) making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration for the fiscal year ending June 30, 1945, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

FEDERAL AID FOR READJUSTMENT OF VETERANS IN CIVIL LIFE—ARTICLE BY SENATOR CLARK OF MISSOURI

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD an article entitled "The G. I. Bill of Rights" written by Senator CLARK of Missouri, and published in the Democratic Digest of May 1944, which appears in the Appendix.]

ART OF POLITICS—EDITORIAL FROM THE WASHINGTON POST

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Art of Politics" from the Washington Post, which appears in the Appendix.]

LEGAL GUARDIAN OF EUGENE HOLCOMB

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1588) for the relief of the legal guardian of Eugene Holcomb, a minor.

Mr. ELLENDER. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. ELLENDER, Mr. O'DANIEL, and Mr.

WHERRY conferees on the part of the Senate.

PRINTING OF MANUSCRIPT—ANALYSIS OF QUESTIONS AND ANSWERS ON THE INDIVIDUAL INCOME TAX ACT OF 1944

The ACTING PRESIDENT pro tempore laid before the Senate House Concurrent Resolution 90, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the manuscript prepared by Representative DANIEL A. REED, containing an analysis of questions and answers relative to the individual income-tax payment act of 1944, be printed as a House document; and that 34,000 additional copies shall be printed for the use of the House document room.

Mr. WALSH of Massachusetts. Mr. President, as acting chairman of the Joint Committee on Printing, I move that the Senate concur in the concurrent resolution.

Mr. WHITE. Mr. President, I notice the concurrent resolution provides only for the printing of a House document all the copies of which are to be at the disposal of the House. Has any suggestion been made that copies be made available to Senators?

Mr. WALSH of Massachusetts. It is my opinion that documents printed for the House document room are available to Senators as well.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution was considered and agreed to.

CLAUDE R. WHITLOCK

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1848) for the relief of Claude R. Whitlock, and for other purposes, which was, on page 2, line 13, after the word "funds", to insert a colon and the following proviso: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate concur in the House amendment.

Mr. WHITE. Will not the Senator indicate what the House amendment is?

Mr. THOMAS of Oklahoma. This is a bill to clear the record of a former Indian agent. As I understand, the House amendment proposes to take the money which has been left and apply it to the indebtedness.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to.

FEDERAL AID FOR READJUSTMENT OF VETERANS IN CIVIL LIFE—CONFERENCE REPORT

Mr. GEORGE submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War II veterans, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this act may be cited as the 'Servicemen's Readjustment Act of 1944'.

"TITLE I

"CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

"SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled, second only to the War and Navy Departments, to priorities in personnel, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities, and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service: *Provided*, That the provisions of this section as to priorities for materials shall apply to any State institution to be built for the care or hospitalization of veterans.

"SEC. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby authorized and directed to expedite and complete the construction of additional hospital facilities for war veterans, and to enter into agreements and contracts for the use by or transfer to the Veterans' Administration of suitable Army and Navy hospitals after termination of hostilities in the present war or after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized and directed to establish necessary regional offices, suboffices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such a facility is not readily available or accessible: *Provided*, That there is hereby authorized to be appropriated the sum of $500,000,000 for the construction of additional hospital facilities.

"SEC. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate properly such facilities, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfers the operation of the Veterans' Administration to any other agency of the Government.

"Nothing in the Selective Training and Service Act of 1940, as amended, or any other Act, shall be construed to prevent the transfer or detail of any commissioned, appointed or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War or the Secretary of the Navy and the Administrator of Veterans' Affairs: *Provided*, That no such detail shall be made or extend beyond six months after the termination of the war.

"SEC. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

"SEC. 104. No person shall be discharged or released from active duty in the armed forces until his certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or to his next of kin or legal representative; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: *Provided*, That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor preclude the discharge of any person who refuses to sign such claim or statement: *And provided further*, That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

"Any person entitled to a prosthetic appliance shall be entitled, in addition, to necessary fitting and training, including institutional training, in the use of such appliance, whether in a Service or a Veterans' Administration hospital, or by out-patient treatment, including such service under contract.

"SEC. 105. No person in the armed forces shall be required to sign a statement of any nature relating to the origin, incurrence, or aggravation of any disease or injury he may have, and any such statement against his own interest signed at any time, shall be null and void and of no force and effect.

"CHAPTER II—AID BY VETERANS' ORGANIZATIONS

"SEC. 200. (a) That upon certification to the Secretary of War or Secretary of the Navy by the Administrator of Veterans' Affairs of paid full time accredited representatives of the veterans' organizations specified in section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress) and other such national organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War and Secretary of the Navy are hereby authorized and directed to permit the functioning, in accordance with regulations prescribed pursuant to subsection (b) of this section, of such accredited representatives in military or naval installations on shore from which persons are discharged or released from the active military or naval service: *Provided*, That nothing in this section shall operate to affect measures of military security now in effect or which may hereafter be placed in effect, nor to prejudice the right of the American Red Cross to recognition under existing statutes.

"(b) The necessary regulations shall be promulgated by the Secretary of War and the Secretary of the Navy jointly with the Administrator of Veterans' Affairs to accomplish the purpose of this section, and in the preparation of such regulations the national officer of each such veterans' organiza-

tions who is responsible for claims and rehabilitation activities shall be consulted. The commanding officer of each such military or naval installation shall cooperate fully with such authorized representatives in the providing of available space and equipment for such representatives.

"CHAPTER III.—REVIEWING AUTHORITY

"SEC. 300. The discharge or dismissal by reason of the sentence of a general court martial of any person from the military or naval forces, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under any laws administered by the Veterans' Administration: *Provided*, That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of commission of the offense such person was insane, he shall not be precluded from benefits to which he is otherwise entitled under the laws administered by the Veterans' Administration: *And provided further*, That this section shall not apply to any war risk, Government (converted) or national service life-insurance policy.

"SEC. 301. The Secretary of War and the Secretary of the Navy, after conference with the Administrator of Veterans' Affairs, are authorized and directed to establish in the War and Navy Departments, respectively, boards of review composed of five members each, whose duties shall be to review, on their own motion or upon the request of a former officer or enlisted man or woman or, if deceased, by the surviving spouse, next of kin, or legal representative, the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of the sentence of a general court martial. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such person. Witnesses shall be permitted to present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: *Provided*, That the term "counsel" as used in this section shall be construed to include, among others, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress). Such board shall have authority, except in the case of a discharge or dismissal by reason of the sentence of a general court martial, to change, correct, or modify any discharge or dismissal, and to issue a new discharge in accord with the facts presented to the board. The Articles of War and the Articles for the Government of the Navy are hereby amended to authorize the Secretary of War and the Secretary of the Navy to establish such boards of review, the findings thereof to be final subject only to review by the Secretary of War or the Secretary of the Navy, respectively: *Provided*, That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within fifteen years after such discharge or dismissal or within fifteen years after the effective date of this Act whichever be the later.

"SEC. 302. (a) The Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury are authorized and directed to establish, from time to time, boards of review composed of five commissioned officers, two of whom shall be selected from the Medical Corps of the Army or Navy, or from the Public Health Service, as the case may be. It shall be the duty of any such board to review, at the request of any officer retired or released to inactive service, without pay, for physical disability pursuant to the decision of a retiring board, the findings and decision of such retiring board. Such review shall be based upon all available service records relating to the officer requesting such review, and such other evidence as may be presented by such officer. Witnesses shall be permitted to present testimony either in person or by affidavit and the officer requesting review shall be allowed to appear before such board of review in person or by counsel. In carrying out its duties under this section such board of review shall have the same powers as exercised by, or vested in, the retiring board whose findings and decision are being reviewed. The proceedings and decision of each such board of review affirming or reversing the decision of the retiring board shall be transmitted to the Secretary of War, the Secretary of the Navy, or the Secretary of the Treasury, as the case may be, and shall be laid by him before the President for his approval or disapproval and orders in the case.

"(b) No request for review under this section shall be valid unless filed within 15 years after the date of retirement for disability or after the effective date of this act, whichever is the later.

"(c) As used in this section—

"(1) the term 'officer' means any officer subject to the laws granting retirement for active service in the Army, Navy, Marine Corps, or Coast Guard, or any of their respective components;

"(2) the term 'counsel' shall have the same meaning as when used in section 301 of this act.

"TITLE II

"CHAPTER IV—EDUCATION OF VETERANS

"SEC. 400. (a) Subsection (f) of section 1, title I, Public Law Numbered 2, Seventy-third Congress, added by the Act of March 24, 1943 (Public Law Numbered 16, 78th Cong.), is hereby amended to read as follows:

"'(f) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation Numbered 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII.'

"(b) Veterans Regulation Numbered 1 (a), is hereby amended by adding a new part VIII as follows:

"'Part VIII

"'1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable, and whose education or training was impeded, delayed, interrupted, or interfered with by reason of his entrance into the service, or who desires a refresher or retraining course, and who either shall have served ninety days or more, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, or shall have been discharged or released from active service by reason of an actual service-incurred injury or disability, shall be eligible for and entitled to receive education or training under this part: *Provided*, That such course shall be initiated not later than 2 years after either the date of his discharge or the termination of the present war, whichever is the later: *Provided further*, That no such education or training shall be afforded beyond seven years after the termination of the present war: *And provided further*, That any such person who was not over 25 years of age at the time he entered the service shall be deemed to have had his education or training impeded, delayed, interrupted, or interfered with.

"'2. Any such eligible person shall be entitled to education or training, or a refresher or retraining course, at an approved educational or training institution, for a period of one year (or the equivalent thereof in continuous part-time study), or for such lesser time as may be required for the course of instruction chosen by him. Upon satisfactory completion of such course of education or training, according to the regularly prescribed standards and practices of the institutions, except a refresher or retraining course, such person shall be entitled to an additional period or periods of education or training, not to exceed the time such person was in the active service on or after September 16, 1940, and before the termination of the war, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, but in no event shall the total period of education or training exceed four years: *Provided*, That his work continues to be satisfactory throughout the period, according to the regularly prescribed standards and practices of the institution: *Provided, however*, That wherever the additional period of instruction ends during a quarter or semester and after a major part of such quarter or semester has expired, such period of instruction shall be extended to the termination of such unexpired quarter or semester.

"'3. Such person shall be eligible for and entitled to such course of education or training as he may elect, and at any approved educational or training institution at which he chooses to enroll, whether or not located in the State in which he resides, which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue: *Provided*, That for reasons satisfactory to the Administrator, he may change a course of instruction: *And provided further*, That any such course of education or training may be discontinued at any time, if it is found by the Administrator that, according to the regularly prescribed standards and practices of the institution, the conduct or progress of such person is unsatisfatory.

"'4. From time to time the Administrator shall secure from the appropriate agency of each State a list of the educational and training institutions (including industrial establishments), within such jurisdiction, which are qualified and equipped to furnish education or training (including apprenticeship and refresher or retraining training), which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part: *Provided*, That wherever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, whenever possible, the Administrator shall utilize such existing facilities and services in training on the job when such training is of 1 year's duration or more.

"'5. The Administrator shall pay to the educational or training institution, for each person enrolled in full time or part time course of education or training, the customary cost of tuition, and such laboratory, library, health, infirmary, and other similar

fees as are customarily charged, and may pay for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course by other students in the institution: *Provided*, That in no event shall such payments, with respect to any person, exceed $500 for an ordinary school year: *Provided further*, That no payments shall be made to institutions, business or other establishments furnishing apprentice training on the job: *And provided further*, That if any such institution has no established tuition fee, or if its established tuition fee shall be found by the Administrator to be inadequate compensation to such institution for furnishing such education or training, he is authorized to provide for the payment, with respect to any such person, of such fair and reasonable compensation as will not exceed $500 for an ordinary school year.

"'6. While enrolled in and pursuing a course under this part, such person, upon application to the Administrator, shall be paid a subsistence allowance of $50 per month, if without a dependent or dependents, or $75 per month, if he has a dependent or dependents, including regular holidays and leave not exceeding thirty days in a calendar year. Such person attending a course on a part-time basis, and such person receiving compensation for productive labor performed as part of their apprentice or other training on the job at institutions, business or other establishments, shall be entitled to receive such lesser sums, if any, as subsistence of dependency allowances, as may be determined by the Administrator: *Provided*, That any such person eligible under this part, and within the limitations thereof, may pursue such full time or part-time course or courses as he may elect, without subsistence allowance.

"'7. Any such person eligible for the benefits of this part, who is also eligible for the benefit of part VII, may elect which benefit he desires: *Provided*, That, in the event of such election, subsistence allowance hereunder shall not exceed the amount of additional pension payable for training under said part VII.

"'8. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control, whatsoever, over any State educational agency, or State apprenticeship agency, or any educational or training institution: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational or training institution, or to prevent the furnishing of education or training under this part in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"'9. The Administrator of Veterans' Affairs is authorized and empowered to administer this title, and, insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them. Consistent with and subject to the provisions and limitations set forth in this title, the Administrator shall, from time to time, prescribe and promulgate such rules and regulations as may be necessary to carry out its purposes and provisions.

"'10. The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this part. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"'11. As used in this part, the term "educational or training institutions" shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or State board of vocational education, or any State apprenticeship council or the Federal Apprentice Training Service established in accordance with Public, Numbered 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training.'

"SEC. 401. Section 3, Public Law Numbered 16, Seventy-eighth Congress, is hereby amended to read as follows:

"'SEC. 3. The appropriation for the Veterans' Administration, "Salaries and expenses, medical and hospital, and compensation and pensions", shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a).'

"SEC. 402. Public Law Numbered 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

"'SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation Numbered 1 (a) shall be deemed released to him: *Provided*, That if he fail, because of fault on his part to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof.'

"SEC. 403. Paragraph 1, part VII, Veterans Regulation Numbered 1 (a) (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended by inserting after the word 'time' the words 'on or' and deleting the date 'December 6, 1941' and substituting therefor the date 'September 16, 1940'.

"TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY

"CHAPTER V—GENERAL PROVISIONS FOR LOANS

"SEC. 500. (a) Any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for the benefits of this title. Any such veteran may apply within two years after separation from the military or naval forces, or two years after termination of the war, whichever is the later date, but in no event more than five years after the termination of the war, to the Administrator of Veterans' Affairs for the guaranty by the Administrator of not to exceed 50 per centum of a loan or loans for any of the purposes specified in sections 501, 502 and 503: *Provided*, That the aggregate amount guaranteed shall not exceed $2,000. If the Administrator finds that the veteran is eligible for the benefits of this title and that the loan applied for appears practicable, the Administrator shall guarantee the payment of the part thereof as set forth in this title.

"(b) Interest for the first year on that part of the loan guaranteed by the Administrator shall be paid by the Administrator out of available appropriations. No security for the guaranty of a loan shall be required except the right to be subrogated to the lien rights of the holder of the obligation which is guaranteed: *Provided*, That pursuant to regulations to be issued by the Administrator the mortgagor and mortgagee shall agree that before beginning foreclosure proceedings for default in payment of principal or interest due, the Administrator shall have at least thirty days' notice with the option of bidding in the property on foreclosure or of refinancing the loan with any other agency or by any other means available.

"(c) Loans guaranteed by the Administrator under this title shall be payable under such terms and conditions as may be approved by the Administrator: *Provided*, That the liability under the guaranty, within the limitations of this title, shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the obligation: *Provided further*, That loans guaranteed by the Administrator shall bear interest at a rate not exceeding 4 per centum per annum and shall be payable in full in not more than twenty years. The Administrator is authorized and directed to guarantee loans to veterans subject to the provisions of this title on approved applications made to persons, firms, associations, and corporations and to governmental agencies and corporations, either State or Federal.

"Purchase or construction of homes

"SEC. 501. (a) Any application made by a veteran under this title for the guaranty of a loan to be used in purchasing residential property or in constructing a dwelling on unimproved property owned by him to be occupied as his home may be approved by the Administrator of Veterans' Affairs if he finds—

"(1) that the proceeds of such loans will be used for payment for such property to be purchased or constructed by the veteran;

"(2) that the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expenses; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

"(3) that the purchase price paid or to be paid by the veteran for such property or the construction cost, including the value of the unimproved lot, does not exceed the reasonable normal value thereof as determined by proper appraisal.

"(b) Any application for the guaranty of a loan under this section for the purpose of making repairs, alterations, or improvements in, or paying delinquent indebtedness, taxes, or special assessments on, residential property owned by the veteran and used by him as his home, may be approved by the Administrator if he finds that the proceeds of such loan will be used for such purpose or purposes.

"(c) No first mortgage shall be ineligible for insurance under the National Housing Act, as amended, by reason of any loan guaranteed under this title, or by reason of any secondary lien upon the property involved securing such loan.

"Purchase of farms and farm equipment

"SEC. 502. Any application made under this title for the guaranty of a loan to be used in purchasing any land, buildings, livestock, equipment, machinery, or implements, or in repairing, altering, or improving any buildings or equipment, to be used in farming operations conducted by the applicant, may be approved by the Administrator of Veterans' Affairs if he finds—

"(1) that the proceeds of such loan will be used in payment for real or personal property purchased or to be purchased by the veteran, or for repairing, altering, or improving any buildings or equipment, to be used in bona fide farming operations conducted by him;

"(2) that such property will be useful in and reasonably necessary for efficiently conducting such operations;

"(3) that the ability and experience of the veteran, and the nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

"(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable normal value thereof as determined by proper appraisal.

"Purchase of business property

"SEC. 503. Any application made under this title for the guaranty of a loan to be used in purchasing any business, land, buildings, supplies, equipment, machinery, or tools, to be used by the applicant in pursuing a gainful occupation (other than farming) may be approved by the Administrator of Veterans' Affairs if he finds—

"(1) that the proceeds of such loan will be used for payment for real or personal property purchased or to be purchased by the veteran and used by him in the bona fide pursuit of such gainful occupation;

"(2) that such property will be useful in and reasonably necessary for the efficient and successful pursuit of such occupation;

"(3) that the ability and experience of the veteran, and the conditions under which he proposes to pursue such occupation, are such that there is a reasonable likelihood that he will be successful in the pursuit of such occupation; and

"(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonabl normal value thereof as determined by proper appraisal.

"SEC. 504. The Administrator of Veterans' Affairs is authorized to promulgate such rules and regulations as are deemed necessary and appropriate for carrying out the provisions of this title, and may delegate to a subordinate employee authority to approve loans subject to the provisions of this title and the rules promulgated thereunder.

"SEC. 505. (a) The Administrator shall designate such agency or agencies, if any, as he finds equipped to determine whether the guaranty of loan should be approved under this title. In any case wherein a principal loan, for any of the purposes stated in section 501, 502, or 503, is approved by a Federal agency to be made or guaranteed or insured by it pursuant to applicable law and regulations, and the veteran is in need of a second loan to cover the remainder of the purchase price or cost, or a part thereof, the Administrator, subject otherwise to the provisions of this title, including the limitation of $2,000 on the total amount which may be guaranteed, may guarantee the full amount of the second loan: *Provided*, That such second loan shall not exceed 20 percentum of the purchase price or cost and that the rate of interest thereon shall not exceed that on the principal loan by more than 1 percentum: *And provided further*, That regulations to be promulgated jointly by the Administrator and the head of such agency may provide for servicing of both loans by such agency and for refinancing of the principal loan to include any unpaid portion of the secondary loan with accrued interest, if any, after the curtailment thereon equals twice the amount of the secondary loan.

"(b) Any person who is found by the Administrator of Veterans' Affairs to be a veteran eligible for the benefits of this title, as provided in section 500 hereof, and who is found by the Secertary of Agriculture, by reason of his ability and experience, including training as a vocational trainee, to be likely to carry out successfully undertakings required of him under a loan which may be made under the Bankhead-Jones Farm Tenant Act, shall be eligible for the benefits of such Act to the same extent as if he were a farm tenant.

"TITLE IV

"CHAPTER VI—EMPLOYMENT OF VETERANS

"SEC. 600. (a) In the enactment of the provisions of this title Congress declares as its intent and purpose that there shall be an effective job counseling and employment placement service for veterans, and that, to this end, policies shall be promulgated and administered, so as to provide for them the maximum of job opportunity in the field of gainful employment. For the purpose there is hereby created to cooperate with and assist the United States Employment Service, as established by the provisions of the Act of June 6, 1933, a Veterans' Placement Service Board, which shall consist of the Administrator of Veterans' Affairs, as Chairman, the Director of the National Selective Service System, and the Administrator of the Federal Security Agency, or whoever may have the responsibility of administering the functions of the United States Employment Service. The Board shall determine all matters of policy relating to the administration of the Veterans' Employment Service of the United States Employment Service.

"(b) The Chairman of the Board shall have direct authority and responsibility for carrying out its policies through the veterans' employment representatives in the several States or through persons engaged in activities authorized by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, Seventy-sixth Congress, approved September 16, 1940, as amended (U. S. C., title 50, sec. 308)). The Chairman may delegate such authority to an executive secretary who shall be appointed by him and who shall thereupon be the Chief of the Veterans' Employment Service of the United States Employment Service.

"(c) The public records of the Veterans' Personnel Division, National Selective Service System, and the Veterans' Employment Service of the United States Employment Service shall be available to the Board.

"SEC. 601. The United States Employment Service shall assign to each of the States a veterans' employment representative, who shall be a veteran of the wars of the United States separated from active service under honorable conditions, who at the time of appointment shall have been a bona fide resident of the State for at least two years, and who shall be appointed, subject to the approval of the Board, in accordance with the civil-service laws, and whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. Each such veterans' employment representative shall be attached to the staff of the public employment service in the State to which he has been assigned. He shall be administratively responsible to the Board, through its executive secretary, for the execution of the Board's veterans' placement policies through the public employment service in the State. In cooperation with the public employment service staff in the State, he shall—

"(a) be functionally responsible for the supervision of the registration of veterans in local employment offices for suitable types of employment and for placement of veterans in employment;

"(b) assist in securing and maintaining current information as to the various types of available employment in public works and private industry or business;

"(c) promote the interest of employers in employing veterans;

"(d) maintain regular contact with employers and veterans' organizations with a view of keeping employers advised of veterans available for employment and veterans advised of opportunities for employment; and

"(e) assist in every possible way in improving working conditions and the advancement of employment of veterans.

"SEC. 602. Where deemed necessary by the Board, there shall be assigned by the administrative head of the employment service in the State one or more employees, preferably veterans, of the staffs of local employment service offices, whose services shall be primarily devoted to discharging the duties prescribed for the veterans' employment representative.

"SEC. 603. All Federal agencies shall furnish the Board such records, statistics, or information as may be deemed necessary or appropriate in administering the provisions of this title, and shall otherwise cooperate with the Board in providing continuous employment opportunities for veterans.

"SEC. 604. The Federal agency administering the United States Employment Service shall maintain that service as an operating entity and, during the period of its administration, shall effectuate the provisions of this title.

"SEC. 605. (a) The Board through its executive secretary shall estimate the funds necessary for the proper and efficient administration of this title; such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget of the United States Employment Service. Any funds appropriated pursuant to this special item as contained in the budget of the United States Employment Service shall not be available for any purpose other than that for which they were appropriated, except with the approval of the Board.

"(b) The War Manpower Commission shall from its current appropriation allocate and make available sufficient funds to carry out the provisions of this title during the current fiscal year.

"SEC. 606. The term "United States Employment Service" as used in this title means that Bureau created by the provisions of the Act of June 6, 1933, or such successor agencies as from time to time shall perform its functions and duties, as now performed by the War Manpower Commission.

"SEC. 607. The term "veteran" as used in this title shall mean a person who served in the active service of the armed forces during a period of war in which the United States has been, or is, engaged, and who has been discharged or released therefrom under conditions other than dishonorable.

"TITLE V

"CHAPTER VII—READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES WHO ARE UNEMPLOYED

"SEC. 700. (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released from active service under conditions other than dishonorable, after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the

Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, not to exceed a total of fifty-two weeks, which (1) begins after the first Sunday of the third calendar month after the date of enactment hereof, and (2) occurs not later than two years after discharge or release or the termination of the war, whichever is the later date: *Provided*, That no such allowance shall be paid for any period for which he receives increased pension under part VII of Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation: *Provided further*, That no readjustment allowance shall be payable for any week commencing more than five years after the termination of hostilities in the present war.

"(b) Such person shall be deemed eligible to receive an allowance for any week of unemployment if claim is made for such allowance and the Administrator finds with respect to such week that—

"(1) the person is residing in the United States at the time of such claim;

"(2) the person is completely unemployed, having performed no service and received no wages, or is partially unemployed in that services have been performed for less than a full workweek and the wages for the week are less than the allowance under this title plus $3;

"(3) the person is registered with and continues to report to a public employment office, in accordance with its regulations;

"(4) the person is able to work and available for suitable work: *Provided*, That no claimant shall be considered ineligible in any period of continuous unemployment for failure to comply with the provisions of this subparagraph if such failure is due to an illness or disability which occurs after the commencement of such period.

"CHAPTER VIII—DISQUALIFICATIONS

"SEC. 800. (a) Notwithstanding the provisions of section 700, a claimant shall be disqualified from receiving an allowance if—

"(1) he leaves suitable work voluntarily, without good cause, or is suspended or discharged for misconduct in the course of employment;

"(2) he, without good cause, fails to apply for suitable work to which he has been referred by a public employment office, or to accept suitable work when offered him; or

"(3) he, without good cause, does not attend an available free training course as required by regulations issued pursuant to the provisions of this title.

"(b) Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed: *Provided*, That this subsection shall not apply if it is shown that—

"(1) he is not participating in or directly interested in the labor dispute which causes the stoppage of work; and

"(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute: *Provided, however*, That if in any case separate branches of work, which are commonly conducted as separate business in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

"(c) (1) If a claimant is disqualified under the provisions of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for not more than four immediately following weeks.

"(2) In addition to the disqualification prescribed in paragraph (1) above, the Administrator may, in cases of successive disqualifications under the provisions of subsection (a) of this section, extend the period of disqualification for such additional period as the Administrator may prescribe, but not to exceed eight additional weeks in the case of any one disqualification.

"(d) (1) In determining under subsection (a) of this section the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern: *Provided*, That the Administrator may prescribe conditions and standards for applicants in any State having no applicable statute.

"(2) In determining under subsection (a) of this section the suitability of work, no work shall be deemed suitable for an individual if—

"(A) the position offered is vacant due directly to a strike, lock-out, or other labor dispute; or

"(B) the wages, hours, or other conditions of the work offered are substantially less favorable to him than those prevailing for similar work in the locality.

"CHAPTER IX—AMOUNT OF ALLOWANCE AND PAYMENT

"SEC. 900. (a) The allowance for a week shall be $20 less that part of the wages payable to him for such week which is in excess of $3: *Provided*, That where the allowance is not a multiple of $1, it shall be computed to the next highest multiple of $1.

"(b) The number of weeks of allowances to which each eligible veteran shall be entitled shall be determined as follows: For each calendar month or major fraction thereof of active service during the period stated in section 700 the veteran shall be entitled to four weeks of allowances, but in no event to exceed the maximum provided in section 700: *Provided*, That the allowance for the qualifying ninety days service shall be eight weeks for each such month.

"SEC. 901. (a) Readjustment allowances shall be paid at the intervals prescribed by the unemployment compensation law of the State in which the claim was made: *Provided*, That if none are so prescribed readjustment allowances shall be paid at such reasonable intervals as may be determined by the Administrator.

"(b) Any allowances remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

"SEC. 902. (a) Any person qualified under subsection (a) of section 700, and residing in the United States who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title.

"(b) Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than $100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of $1), between $100 and his net earnings for such month.

"(c) Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

"(d) Subsection (b) of section 700 and section 800 shall not apply in determining the eligibility for allowances of a claimant under this section.

"CHAPTER X—ADJUSTMENT OF DUPLICATE BENEFITS

"SEC. 1000. Where an allowance is payable to a claimant under this title and where, for the same period, either an allowance or benefit is received under any Federal or State unemployment or disability compensation law, the amount received or accrued from such other source shall be subtracted from the allowance payable under this title (except that this section shall not apply to pension, compensation, or retired pay paid by the Veterans' Administration); and the resulting allowances, if not a multiple of $1, shall be readjusted to the next higher multiple of $1.

"CHAPTER XI—ADMINISTRATION

"SEC. 1100. (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall, insofar as possible, utilize existing facilities and services of Federal and State departments or agencies on the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for readjustment allowances with the Administrator through established public employment offices and State unemployment-compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such allowances. To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this title, a representative of the Administrator, who shall be a war veteran separated from active service under honorable conditions and who at the time of appointment shall have been a bona fide resident of the State for at least two years, shall be located in each participating State department or agency.

"(b) The Administrator, consistent with the provisions of this title, shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out its purposes: *Provided, however*, That cooperative rules and regulations relating to the performance by Federal or State departments, or agencies, of functions under agreements made therewith may be made by the Administrator after consultation and advisement with representatives of such departments or agencies.

"(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing rules and regulations, as the Administrator may consider necessary and proper to carry out the purposes of this title.

"(d) Allowances paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

"(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than six months.

"(f) The Administrator shall also from time to time certify to the Social Security Board such State departments or agencies as may be participating in the administration of this title, and the amount of the administrative expense incurred or to be incurred by a State under agreements made pursuant to this section. Upon such certification the Social Security Board shall certify such amount to the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriation for the Veterans' Administration.

"(g) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person, be returned to the Treasury and credited to the current appropriation for carrying out the purpose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

"SEC. 1101. (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this title.

"(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator.

"SEC. 1102. Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency or such other agency as may be designated by the Administrator. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State, subject to review by the Administrator.

"SEC. 1103. In the case of any veteran eligible under the provisions of this title who either at the time of application for the benefits herein provided is a "qualified employee" as defined in section 3 of the Railroad Unemployment Insurance Act, as amended, or was last employed prior to such application by an employer as defined in section 1 (a) of the said Act, claim may be made through an office operated by or a facility designated as a free employment office by the Railroad Retirement Board pursuant to the provisions of said Act. In such cases, the conditions and standards as to suitability of work or existence of good cause, the intervals for making claim for and payment of benefits, and the administrative and appellate procedures prescribed by or under said Act shall govern, if not in conflict with the provisions of this title, the appellate procedures being subject to final appeal to the Administrator. In such cases, a reference in this title to a cooperating State agency shall be deemed to include the Railroad Retirement Board.

"CHAPTER XII—DECISIONS AND PROCEDURES

"SEC. 1200. The authority to issue subpenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the Act of June 29, 1936 (49 Stat. 2033-34; U. S. C., title 38, secs. 131-133), shall be applicable in the administration of this title.

"CHAPTER XIII—PENALTIES

"SEC. 1300. Any claimant who knowingly accepts an allowance to which he is not entitled shall be ineligible to receive any further allowance under this title.

"SEC. 1301. (a) Whoever, for the purpose of causing an increase in any allowance authorized under this title, or for the purpose of causing any allowance to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wages paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any allowance under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"(b) Whoever shall obtain or receive any money, check, or allowance under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both.

"CHAPTER XIV—DEFINITIONS

"SEC. 1400. As used in this title—

"(a) The term 'week' means such period or periods of seven consecutive calendar days as may be prescribed in regulations by the Administrator.

"(b) The term 'wages' means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.

"TITLE VI

"CHAPTER XV—GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

"SEC. 1500. Except as otherwise provided in this Act, the administrative, definitive, and penal provisions under Public, Numbered 2, Seventy-third Congress, as amended, and the provisions of Public, Numbered 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a and 556a), shall be for application under this Act. For the purpose of carrying out any of the provisions of Public, Numbered 2, as amended, and this Act, the Administrator shall have authority to accept uncompensated services, and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable.

"SEC. 1501. Except as otherwise specified, the appropriations for the Veterans' Administration are hereby made available for expenditures necessary to carry out the provisions of this Act and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this Act.

"SEC. 1502. Wherever used in this Act, unless the context otherwise requires, the singular includes the plural; the masculine includes the feminine; the term 'Administrator' means the Administrator of Veterans' Affairs; the term 'United States' used geographically means the several States, Territories and possessions, and the District of Columbia; the term 'State' means the several States, Territories and possessions, and the District of Columbia; and the phrases 'termination of hostilities in the present war', 'termination of the present war', and 'termination of the war', mean termination of the war as declared by Presidential proclamation or concurrent resolution of the Congress.

"SEC. 1503. A discharge or release from active service under conditions other than dishonorable shall be a prerequisite to entitlement to veterans' benefits provided by this Act or Public Law Numbered 2, Seventy-third Congress, as amended.

"SEC. 1504. The Administrator shall transmit to the Congress annually a report of operations under this Act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be.

"SEC. 1505. In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this Act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this Act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit."

And the House agree to the same.

BENNETT CHAMP CLARK,
WALTER F. GEORGE,
DAVID I. WALSH,
SCOTT W. LUCAS,
ROBERT M. LA FOLLETTE, JR
JOHN A. DANAHER,
E. D. MILLIKIN,
Managers on the part of the Senate.

J. E. RANKIN,
J. HARDIN PETERSON,
A. LEONARD ALLEN,
JOHN S. GIBSON,
EDITH NOURSE ROGERS,
PAUL CUNNINGHAM,
B. W. KEARNEY,
Managers on the part of the House.

Mr. GEORGE. I ask unanimous consent for the present consideration of the conference report.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. GEORGE. Mr. President, I should like to make a brief statement with regard to the conference report. The report would, of course, have been submitted by the distinguished senior Senator from Missouri [Mr. CLARK], but he found it necessary to return to his State Saturday evening and asked me, as chairman of the Finance Committee and, also, as a member of the conference committee, to submit the report.

I believe the Senate is fairly familiar with the terms of the bill as finally agreed upon in conference. I think I should say, in justice to the Senate conferees—and I believe this expresses the sentiment of all the conferees on the part of the Senate—that the last section in the bill as agreed upon was most reluctantly accepted by the Senate conferees; but in order to reach an agreement we accepted the last section in the bill, which provides in general terms for the credit of benefits received under the bill by the veteran against any adjusted compensation that may be hereafter paid to him. I think I am well within the facts in stating that this particular provision was regarded as unwise by the Senate members of the conference.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MEAD. I am very much interested in the bill, and favor the bill as it was reported and as it passed the Senate. I should like to ask my distinguished colleague if the senior Senator

from Missouri [Mr. CLARK], who had charge of the bill when it was on the floor, supported the changes which were recommended and approved in the conference.

Mr. GEORGE. He did. It was a unanimous agreement on the part of all conferees of both House and Senate. I emphasize the statement already made by specifically referring to the attitude of the Senator from Missouri so far as the last provision in the bill is concerned. We regarded it as an unwise and unnecessary provision in the bill; but it was finally accepted in order to compose the differences between the Senate and House conferees.

Mr. MEAD. I desire to commend the conferees.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. PEPPER. I should like to make an inquiry about the education provisions of the bill. Does the Senator recall what are the conditions for receiving educational benefits?

Mr. GEORGE. Generally any veteran whose education was interrupted or interfered with, or discontinued because of his entry into the military service of the country, is entitled to the educational benefits provided in the bill. It is assumed, and so written in the bill, that any veteran who had not reached the age of 25 did have an interruption or discontinuance of his educational course.

Mr. PEPPER. Does the Senator recall whether there is any required period of service?

Mr. GEORGE. Yes. The duration of the benefit is dependent upon the period of service. There is a provision with respect to a 90-day period of service. The veteran is entitled to receive educational benefits for 1 year for a 90-day period of service; and thereafter the benefits may be continued, depending upon his period of actual service—broadly speaking, in the discretion of the Administrator.

Mr. PEPPER. I merely wish to submit the observation that I think it is exceedingly unfortunate that there has been preserved in this legislation the requirement that the veteran must have had a particular period of service. I believe it will be discovered that it will be necessary to induce the boys who have served their country in the armed forces to go back to school, and that it would be most salutary in the public interest if the educational benefits were thrown open to all those who have had active service and have received honorable discharges.

Mr. GEORGE. Of course, we found it necessary to make some compromises in order to reach any agreement on the bill. The conferees were in constant session for a number of days, then recessed over a period of 10 days, and finally reached an agreement.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. McFARLAND. Does the Senator intend to make a general explanation of the report?

Mr. GEORGE. I do not think so, I will say to the Senator from Arizona, because I believe most Senators are reasonably familiar with the general terms of the measure.

Mr. McFARLAND. Of course, we do not have before us a copy of the report. As I understand, the period of service required as a prerequisite for the first year's training is 90 days. Is that correct?

Mr. GEORGE. Ninety days' service entitles the veteran to continue his education for a full period of 12 months. Thereafter he may continue for 1, 2, or even 3 years, depending upon his term of service, and also the broad discretion of the Administrator, who has certain power to judge whether the veteran is diligently prosecuting his studies, and so forth.

Mr. McFARLAND. The limitations with respect to length of time in the service were contained in the Senate bill as it passed the Senate.

Mr. GEORGE. Yes; substantially those provisions were in the Senate bill.

Mr. McFARLAND. Of course, the first bill did not contain such provisions. All those matters were worked out and had to be compromised, because so many Members of Congress had different ideas regarding the time.

Now I wish to refer to the loan provisions.

Mr. GEORGE. They are covered in title III of the conference report.

Mr. McFARLAND. I have the committee print before me. I understand that the loan provisions contained in the conference report follow fairly closely the provisions adopted by the Senate, except they include provision for a guarantee by the Government, instead of a direct governmental loan.

Mr. GEORGE. That is true. Broadly speaking, the Administrator will guarantee the loan, rather than make a direct loan to the veteran.

Mr. McFARLAND. The amount guaranteed is limited to $2,000, I understand.

Mr. GEORGE. The House had provided for a loan of $2,500. The Senate, as will be recalled, had provided for a loan of $1,000 for the various purposes set forth in the bill.

In the conference we agreed upon a loan of $2,000. But in lieu of a direct loan by the Government, we provided that the Administrator will guarantee 20 percent of the loan, but not exceeding $2,000, and up to 50 percent of the loan.

Mr. McFARLAND. In other words, under that provision the guarantee might be on a loan which would be for $8,000?

Mr. GEORGE. It might be.

Mr. McFARLAND. But the amount guaranteed may not exceed $2,000; is that correct?

Mr. GEORGE. It may not exceed $2,000, and may not exceed 50 percent of the loan. So that if the loan were for $4,000, the amount guaranteed could not exceed 50 percent, or $2,000.

Mr. McFARLAND. In other words, the Government would be able to guarantee only $1,500 of a $3,000 loan; is that correct?

Mr. GEORGE. That is correct. And the loan to be guaranteed must bear interest at not exceeding 4 percent per annum. However, for the first year the interest on the loan is to be paid by the Administrator, not by the veteran.

Mr. McFARLAND. If I may make a comment at this point, I should like to state to the Senator that I am sorry the rate of interest provided for is 4 percent. In working on the Senate bill we tried to obtain for the veteran the benefit of as low a rate of interest as possible.

But I desire to compliment the conference committee for decreasing the rate of interest from the 6-percent rate which was originally provided for in the House bill. I know the Senate conferees worked hard on that provision.

Mr. GEORGE. The Senator is correct. The House had provided for the making of a loan at the rate of 6 percent. We finally agreed with the House committee of conference on a loan at a rate of interest not exceeding 4 percent. But when we changed the character of the loan, namely, from a direct loan to a government guaranty, it was thought—and many representations to this effect were made to the conference—that in many areas of the country local institutions would not make the loans, even with the Government guaranty, at a rate of interest below 4 percent. Of course, we desired to make it possible for the veteran to receive accommodations at his own local institution, so to speak, as far as possible.

Mr. McFARLAND. Under section 505 (a) it is provided that after a loan is made or guaranteed by a Federal agency the Government may guarantee a second loan in an amount not to exceed 20 percent of the original loan. Under that provision, as I understand it, if a man wished to buy a $6,000 home, but did not have the necessary down payment, the Federal Housing Administration would make a loan on the property, and then the Federal Government would make a guaranty of a second loan for the down payment.

Mr. GEORGE. That is correct.

Mr. McFARLAND. The only disappointing feature in that respect, to me, is that provision is made for an increase of 1 percent in the rate of interest. It seems to me that on an amount guaranteed by the Government the rate of interest of the additional or second loan should be less than the rate of interest of the original loan, because in such a case there is no chance for a loss to the Government. However, there, again, I know the conferees did their best to keep down the rate of interest.

Mr. GEORGE. I may state in that connection that the conference was persuaded that the added 1 percent really represented the extra service required for servicing the second loan. However, we tried to hold down the rate of interest. If provision for a direct loan, as the Senate version of the bill provided, had been agreed to in conference, of course the rate of interest on such a loan would have been very much less than the 4-percent rate which is provided for in the conference report.

Mr. McFARLAND. Mr. President, I do not wish to make a speech in regard to the bill; I know that other important matters are waiting to be acted upon. Therefore, if I may make a comment in

the Senator's time, I should like to say that when we had these provisions under consideration before the Senator's committee, it was represented to me that there were areas in which loans were not being made or had not been made under the Federal Housing Agency, under the guaranteed system, and that such was particularly true in regard to the small rural areas and the small villages. It was our hope that the loan provision agreed upon would be for the benefit of the veteran, no matter where he might be located, whether in a town of 500 population or a city of 500,000 population. I am hopeful that this provision will work out in such a way that persons living in the rural communities may receive the same advantages as those received by persons living in the cities or in other places where such matters are under the F. H. A.

Mr. GEORGE. Mr. President, I should like to say to the Senator with respect to that particular point that under the conference report the Administrator will take care of a loan in any area or locality. He will have it within his power to make the loan available to the veteran, notwithstanding the fact that the F. H. A. or some other Federal agency may not actually be making loans in that area.

Mr. McFARLAND. I wish to make a further expression of the hope that the Administrator will at an early date—and I am sure he will do so—make a careful survey of the possibilities of making loans under this provision of the bill. If he finds that the bill is not so far reaching as it was hoped it would be, and not so far reaching as we originally intended, I hope he will inform the Congress of that fact, in order that we may adopt an amendment which will take care of such a condition.

I should also like to say that inasmuch as there are provisions in regard to the educational features of the bill which might be construed as being a little narrower than the provisions originally adopted by the Senate, it is my hope that in administering the educational provisions of the bill the Administrator will be as liberal as possible.

In that connection let me say a word about a man before the war who was working on a farm, where he did not need very much education. But now his occupation has been interrupted. He is in our armed forces. After the war is over he cannot return to the farm and take up life where he left off. In his work in the armed forces he may have been trained in airplane mechanics, but may need further education in that line, in order to finish his course or complete his training. I take it that under a liberal construction of the educational provisions of the conference report, such a man will be able to receive such additional training even though he is over 25 years of age. Is that correct?

Mr. GEORGE. Yes; the Senator's understanding is correct; at least, that was the understanding of the conferees.

Mr. McFARLAND. I take it that in interpreting the educational features of the bill the Administrator will be liberal, for it seems to me that a man who is 35 years of age and has fought for his country, and whose peacetime occupation has been disrupted, even though he had not intended to go back to school, should receive the same advantages as those received by a young man 24 years of age.

Mr. GEORGE. Such a man is covered by this bill.

Mr. McFARLAND. I wish to thank the Senator very kindly, and I wish also to compliment the conference committee on the work which it has done. I am highly appreciative of its efforts.

Mr. GEORGE. Mr. President, I do not know whether any other members of the conference committee have anything to say with respect to the bill.

Mr. LA FOLLETTE. Mr. President, I wish merely to make a very brief statement.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

Mr. LA FOLLETTE. The comprehensive character of the bills which passed the two Houses of Congress presented a very difficult situation when an effort was made to compromise and iron out the differences between the two measures.

In the course of the compromise many features of the Senate bill were sacrificed. I regret that it was necessary to compromise, especially with respect to some of the items in connection with both the loan features and the educational titles; but I wish to say on behalf of the Senate conferees that we made the best fight we could make under the circumstances, and still obtain a bill.

One other item which I desire to mention is the so-called section 1505 of the House bill. I should not have been willing to sign a conference report with that provision in it had it not been for the situation which I have mentioned, and the necessity of reaching a compromise on those very comprehensive features of both bills. The fact remains, however, that we shall have to have some experience under this legislation, and I feel sure that future Congresses will approach the problem in the same generous spirit which motivated most of those who were interested in this legislation. If it should appear that in endeavoring to compromise the differences between the two Houses we made any legislative mistakes in respect to any of the titles, I have every confidence that future Congresses will be prompt in correcting the mistakes.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. DANAHER. Is it not true that the important thing was to obtain a bill?

Mr. LA FOLLETTE. That is correct; and, as I have already said, if it had not been for the necessity of compromising, there were many features of the Senate bill which I felt should not be compromised. But in the firm belief that future Congresses would promptly remedy any errors which may have been committed in compromising those matters, I was led to believe that the vital necessity of obtaining a bill in regard to this broad general legislative effort was such a predominant matter of public interest that we should make the necessary compromises in reaching an agreement.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McFARLAND. There is one question which I wish to propound either to the Senator from Wisconsin [Mr. LA FOLLETTE] or to the Senator from Georgia [Mr. GEORGE].

In connection with the loan provisions contained in the Senate bill it was our intent that the agencies already in existence were to be used to as great an extent as possible; not that any one lacked confidence in the Veterans' Administration, but we wanted those agencies to be used.

Mr. LA FOLLETTE. That is clearly the intent of the conference report, and I may say to the Senator from Arizona that in an effort to make certain that existing agencies of the Government would participate in the program, consultation was had with several of them in order to make sure that the provisions of the bill with regard to the loan title were drawn in such a way that the existing agencies could operate under them. I feel sure that it is clearly the belief of all the Senate conferees—and I think I may include the House conferees—as well as of General Hines and Mr. Odom, that it is not only the intent of the law but the intent of the present Veterans' Administration to utilize such existing agencies wherever practical.

Mr. McFARLAND. Is the Senator in a position to give us the changes which have been made in that regard from the committee print? I understand that some changes were made.

Mr. LA FOLLETTE. The changes were minor in character. We put in the word "insured" at one point after the word "guaranteed."

Mr. McFARLAND. I understand that.

Mr. LA FOLLETTE. We also made one other change. We clarified the loan limitation so as to make sure that as payments were made the obligation of the insuring or guaranteeing agency of the Government would be reduced pro rata. So far as the substantive character of the provision is concerned, it remains substantially as the Senate left it in the so-called conference committee print.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. MEAD. Is the Senate acting first in this matter?

Mr. LA FOLLETTE. We are acting first by agreement with the House conferees.

Mr. MEAD. Under the parliamentary situation a rejection of the conference report would probably result in an unsatisfactory bill, would it not?

Mr. LA FOLLETTE. Mr. President, I should say that a rejection of the conference report would result in there being no bill at this session of Congress. I also assert that, so far as I am concerned personally, if the report is rejected I hope that some other conferee than myself will be appointed on the part of the Senate.

Mr. MEAD. The important thing is to get a bill.

Mr. LA FOLLETTE. In most respects I believe that we have a workable bill, but as I stated before the Senator from New York rose, if we have made mistakes in seeking to compromise and obtain a bill, I am sure that future Congresses will be prompt in remedying the mistakes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

APPROPRIATIONS FOR THE STATE, JUSTICE, AND COMMERCE DEPARTMENTS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the Bill (H. R. 4204) "making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: in lieu of the sum proposed insert "$3,915,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$150,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 10.

KENNETH MCKELLAR,
RICHARD B. RUSSELL,
TOM CONNALLY,
WALLACE H. WHITE, Jr.,
CLYDE M. REED,
Managers on the part of the Senate.

LOUIS C. RABAUT,
JOHN H. KERR,
BUTLER B. HARE,
THOMAS J. O'BRIEN,
ALBERT E. CARTER,
KARL STEFAN,
Managers on the part of the House.

Mr. McKELLAR. Mr. President, I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. McKELLAR. Mr. President, there is only one amendment in controversy. It is amendment numbered 10, relating to the next quinquennial census of agriculture authorized by law, under the Department of Commerce. In regard to that matter, I ask the Senator from Georgia [Mr. RUSSELL] to make an explanation to the Senate.

Mr. RUSSELL. Mr. President, the amendment to which the Senator from Tennessee has made reference was unanimously approved by the Senate when the bill was pending. I do not recall any opposition having been voiced against it.

Under the law as enacted by the Congress, an agricultural census shall be taken every 5 years between the regular census which is taken every 10 years. There probably has never been a time when it was more important to take an agricultural census than now. We hear a great deal said about the number of farm workers available, the number that have been taken by the Army, as well as the number who have gone into the war industries. But no one knows the number of persons actually employed on the farms. There never was a time when it was more important than now to know the number of livestock in this country, the number of beef cattle, and the number of hogs.

The House rejected this amendment apparently on the theory that the O. P. A. and some of the other emergency agencies had been preparing figures and estimates and had the information to which I have referred. The action of the House leaves the farmer to the tender mercies of the O. P. A. so far as data on agriculture are concerned. Some of the Members of the House apparently were not clear as to what is involved in this amendment when it was voted on there, and I believe that if we would approve this amendment by a record vote, it would perhaps result in enabling us to get the exceedingly important figures such a census would afford. Senators have demands for these statistics every day. In presenting matters to O. P. A. and to the other emergency agencies we are compelled to rely upon their figures, and certainly when Congress has directed that this census be taken every 5 years, this year above all, in view of the many difficulties and obstacles in the way of the farmers obtaining a square deal in our present economic set-up, we should have authentic figures, which can only be secured by a census. I hope, Mr. President, that we will have a record vote, and I ask for the yeas and nays on the amendment.

The ACTING PRESIDENT pro tempore. The yeas and nays are demanded. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. McKELLAR. Mr. President, I wish to add a word to what the Senator from Georgia [Mr. RUSSELL] has said. The House last week, on June 6, voted 139 for the amendment and 175 against it. Under those circumstances I hope that the record vote in the Senate will be strong and sufficient. I think the census ought to be taken by all means. The law provides for it, and it seems to me that the amendment should be voted for strongly, and I hope it will be.

Mr. LA FOLLETTE. Mr. President, I merely wish to say a word in support of the statements made by the able Senators from Georgia and Tennessee on this item. It seems to me that in the situation in which the country finds itself in this war emergency we never had greater need than we now have for accurate statistical information concerning the great industry of agriculture in the United States. I am convinced that neither the Congress nor the executive branch of the Government can work out sound intelligent policies for agriculture, both in war and in the post-war period, unless we have the authentic information which comes as the result of the agricultural census.

So I hope, Mr. President, the vote will be practically unanimous in support of the position which the Senate previously took on this important matter.

Mr. DANAHER. Mr. President, in the course of the administration of the Selective Service System it certainly is imperative that the Selective Service officials know how many males there are. In the administration of the so-called Tydings amendment it certainly is important that they know absolutely what the total male farm population is between 18 and 45, for registration, induction, and deferment purposes. Are we to assume the Selective Service Administration has been proceeding without accurate information as to the numbers of eligible males who otherwise would have been answerable to the draft? Did the conferees have information to such effect?

Mr. RUSSELL. No; I did not make such a statement.

Mr. DANAHER. I did not say the Senator did. I asked if he had any such information.

Mr. RUSSELL. The only figures the Selective Service has relating to farm labor are those which are submitted by the registrants. There have been a great many farm boys inducted into the service who never claimed their agricultural deferment at all. For that reason the Selective Service could not possibly furnish us with any accurate list of the number taken off the farm. They know the number of agricultural workers applying for deferment; they know the number of agricultural workers they have deferred as being essential agricultural workers under the terms of the Tydings amendment; but the Selective Service has no figures that would cast any light upon the number of agricultural workers who are actually engaged on the farm at the present time. They deal only with a certain category who have been exempted and those who claim exemption because of being engaged in agricultural pursuits.

Mr. DANAHER. Clearly there is a continuous registration process of all males eligible for the draft. I would think that if we asked the Selective Service system to tell us how many males there are within the draft ages in any county in the United States, in a couple of hours we could get that information.

Mr. RUSSELL. I think we could get the information as to those within the draft ages; there would be no difficulty about that.

Mr. DANAHER. What is the Senator's thought with reference to the census? Those of us who were not on the conference committee would like information on the question which has precipitated the issue on which a vote is now sought.

Mr. RUSSELL. As I have said, the law the Congress enacted makes it mandatory on the Census Bureau to take an agricultural census every 5 years when there is no general census. The general census was taken in 1940. In 1935, pursuant to the law enacted by the Congress, an agricultural census was had. The House action would defeat the purpose of the statute by rejecting the appropriation that must be made if a census is to be taken.

Mr. DANAHER. Who would take the census—the regular Census Bureau?

Mr. RUSSELL. The Census Bureau in the Department of Commerce, the same organization that has always taken it.

Mr. DANAHER. Is it understood that they will take it in 1945?

Mr. RUSSELL. Of course, it is understood, unless the Congress repeals the act which requires them to take it in 1945. I should think they would take it. Unless the law is repealed, the Census Bureau will take an agricultural census in 1945, as the law requires that such a census be taken in that year.

Mr. DANAHER. Let me ask another question. Have we had a satisfactory result from the labors of the Census Bureau in the case of the agricultural census which was taken in 1940?

Mr. RUSSELL. Yes; that census has been very helpful in dealing with a great many problems pertaining to agriculture. There is no other way of which I know that can give any clear picture of agriculture. There is no other way by which we can know the number of hogs or the number of cows or the number of dairy cattle and beef cattle and all the other things that go to make up an agricultural census. Unless the census be taken by the Bureau, we will have no authoritative figures for use in dealing with the problems that are so important to the farmer and in our efforts to give him some sort of justice in our economic picture.

Mr. DANAHER. Would the taking of the census require additional personnel to be added to the Census Bureau?

Mr. RUSSELL. Oh, yes; that is the purpose of the appropriation, to get the temporary employees, just as the enumerators were provided for the population census in 1940. The appropriation is to provide enumerators for the farm census in 1945.

Mr. DANAHER. How many additional employees would be required?

Mr. RUSSELL. I am sorry I do not have those figures. There are already a considerable number of employees engaged in the Census Bureau.

Mr. DANAHER. Approximately how many would there be?

Mr. RUSSELL. I should not like to hazard a statement without having the record before me. The figures are in the committee hearings, but I am sorry I do not have them before me.

Mr. DANAHER. One other question, if the Senator please. Will the census include an enumeration of individuals not engaged in agriculture?

Mr. RUSSELL. No; there are a couple of census takers, as a rule for each county, who set forth the various questions that Congress has required the Census Bureau to ask but the same persons would enumerate the people, the hogs, the cattle, the livestock, the houses, the number of people in the farm families, and all the other questions that go to make up the agricultural census.

Mr. REED. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. The Senator from Connecticut has the floor.

Mr. REED. I beg pardon. I thought the Senator from Georgia had the floor.

Mr. DANAHER. At the time the Senator from Georgia so kindly stood to assist me in my attempt to get an understanding of the issue, neither the minority leader, the Senator from Maine [Mr. WHITE], nor the Senator from Kansas [Mr. REED], was present. They are the minority conferees. It had been my purpose to suggest the absence of a quorum and have a full attendance, so that we might understand in detail the question upon which the yeas and nays are being requested. If the Senator from Kansas, who has since returned, is able to shed any light on this issue, I most assuredly shall welcome it. I thank the Senator from Georgia for his help.

Mr. RUSSELL. I am quite sure the Senator from Kansas will clear up any confusion which may have been created in the mind of the Senator from Connecticut by my answers to his questions.

Mr. REED. Mr. President, I cannot say just when we began to take the mid-term census, but for a considerable period of time in between even numbered 10-year censuses we have taken a mid-term census of agriculture. That has been for the purpose of obtaining information as agriculture has developed in its various branches. That has been the custom for a good many years, I cannot tell just how many. There was not enough discussion in the committee at the hearings, or in the conference, to freshen my memory on a number of the details, but there was no difference of opinion in the committee, there was no difference of opinion among the Senate conferees. We still think the Senate provision is sound, and we wish to stand by the Senate amendment.

Mr. DANAHER. Will the Senator yield?

Mr. REED. I yield.

Mr. DANAHER. I asked the Senator from Georgia and the Senator from Tennessee how many employees would be engaged to take the census. Does the Senator from Kansas know what the answer is?

Mr. REED. I do not. I wish I could tell the Senator from Connecticut, but I should say, as a Republican Senator from a farm State, that there is no tinge of politics in this particular amendment, and there is nothing to make any Republican shrink from voting for it.

Mr. DANAHER. I have not even implied that in this proposal there might be a matter of so mundane a character as politics. As a matter of fact, it has even been conveyed to our understanding, through the Senator from Georgia, that the census will be taken in 1945, and therefore it will be after election.

Mr. BURTON. Mr. President, will the Senator from Kansas yield?

Mr. REED. Certainly.

Mr. BURTON. I merely wish to refer further to the number of employees.

Mr. McKELLAR. Mr. President, I have sent for the information. I wish to read the provision. It is as follows:

Census of agriculture: For all expenses necessary for preparing for, taking, compiling, and publishing the quinquennial Census of Agriculture of the United States, including the employment by the Director, at rates to be fixed by him, of personnel at the seat of government and elsewhere without regard to the civil service and classification laws; books of reference, newspapers, and periodicals; construction of tabulating machines; purchase, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; travel expenses, including expenses of attendance at meetings concerned with the collection of statistics, when incurred on the written authority of the Secretary; printing and binding; $7,250,000, to be available until December 31, 1946, and to be consolidated with the appropriation "Census of Agriculture" contained in the First Supplemental National Defense Appropriation Act, 1944.

As to the number of employees the $7,250,000 will cover, I cannot say, but I have sent for the clerk of the committee to bring the hearings into the Senate, and I shall give the information in a moment.

Mr. BURTON. I wish to emphasize that I am in favor of the proposed action, of taking an agricultural census in 1945, but I did recall that in the committee meetings the Senator from Georgia, when this question arose, was asked if there had been an investigation as to whether the manpower necessary to carry on the census would be available, and I believe he assured the committee that an investigation had been made, and that there would be men available for it, without interference with the conduct of the war, that no matter how many there were, it would not interfere with the military situation.

Mr. RUSSELL. Mr. President, that was the opinion of the Census Bureau, that they could use people in taking the census, who are not now engaged in war work. They are usually local people, employed for only 5 or 6 weeks. The positions are not permanent. Women, even housewives, can do most of it.

The estimate submitted shows that the total number of man-years for 1944 is 163; that is, the people who prepare for the census number 163. The number they propose to use in taking the census would be the equivalent of 3,410 man-years. That would be for the year 1945, when those people would be employed.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Georgia whether we do not have agencies now taking statistics, a census really, of livestock on the farms, through the triple A organization?

Mr. RUSSELL. I do not know of any census being taken. There are certain estimates that are assembled every few months, but those are not accurate figures, though they are often fairly correct. Those estimates are submitted to the War Food Administration, I understand.

Mr. WHERRY. I ask the question because in the hearings we have had regarding agriculture and the production of livestock, at various times figures were quoted as to the number on hand, the probable number of cattle and hogs. Are those figures made up from the census now being discussed?

Mr. RUSSELL. It depends on who is using the figures. If the figures are submitted from the standpoint of the farmer, his estimate of the number is

taken. Several organizations make up estimates, including the triple A, and the Bureau of Agricultural Economics. They make all kinds of estimates periodically, but those figures seldom coincide, and the very purpose of the proposed census is to clear up and make certain these various factors which are so important to the farmers.

Mr. WHERRY. If the Senator will yield further——

Mr. RUSSELL. I am glad to yield.

Mr. WHERRY. I should like to make a comment on his statement. It seems to me, as I recall the figures, that the War Food Administrator said there were 87,000,000 head of cattle. He showed a tremendous increase over the census figures of 1940, or whatever base figure he took. I do not recall that I asked him the question, but I had asked others who testified about the authenticity of those statistics, as to whether or not they were taken from the census, or were merely estimates, because they certainly do build their programs on the basis of those estimates. From the manpower consideration, if they expect to continue to make their own observations, will this proposed census be used, or is this to be a duplicating process? At this particular time manpower is a big problem.

Mr. RUSSELL. I do not know that there is any way in which we could prevent anyone from making their estimates. In some cases the estimates are predicated on information, at other times they seem to be based on misinformation. But taking the census of the people on the farms of this country is a method which has been recognized in the law since 1790. It is done by the same agency, the Bureau of the Census, which has taken the census for all these many years, and the figures they submit, of course, will be recognized by the Government. It will do away with the conflict between figures of O. P. A., the War Food Administrator, the Farm Bureau Federation, the Farmers' Union, and other organizations. We will have something definite and concrete, and I think a great deal of confusion has been caused because we have not had reliable figures.

Different agencies have different methods of making estimates and gathering information of that kind, and the result is rather nebulous, sometimes the figures are wrong. I am convinced it would be very helpful to the farmers if we could get the data this census would make available.

Mr. REED. Mr. President, I do not know who has the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. WHERRY. I yield the floor.

Mr. REED. I should be very happy to tell the Senator from Nebraska, using my own State of Kansas as an example, that every year in past years the State board of agriculture took what they called a survey of the State. They had several hundred or several thousand crop and livestock correspondents. Every year those correspondents reported to the State board of agriculture the number of acres of the different crops to be planted, and probably the growth or decline in the different kinds of livestock raised. We used to rely entirely on the State Board of Agriculture of Kansas. Through the years the Bureau of Agricultural Economics in Washington has assumed that burden, and now in Kansas there is a Federal crop reporter who, by the way, has his office in the office of the State board of agriculture in Topeka, and the two organizations, the Kansas State Board of Agriculture and the Federal Crop Reporter for the Bureau of Agricultural Economics work very closely together. The Crop Reporter reports to the Department of Agriculture. The agency in the Department may or may not be the Bureau of Agricultural Economics. Possibly he may report to the triple A, or, presently, to the War Food Administration. Through the years these agencies have gathered information as to the planting of crops and the number of livestock. In addition to that, a census has been taken every 10 years for a good many years. I think the Senator from Georgia stated when it began.

Mr. RUSSELL. I did not state when it began. It has been going on for some time.

Mr. McKELLAR. The census was taken in 1935.

Mr. REED. 1935?

Mr. McKELLAR. Yes; there was one taken in 1935.

Mr. REED. My impression is that the taking of the midterm agricultural census goes back to many years before 1935.

Mr. RUSSELL. I think the Senator from Kansas is correct in that statement. The last one taken was in 1935, but the census has been taken for a number of years.

Mr. REED. I have worked with these agricultural statistics, State and National, for many years. I am very familiar with the subject in its broad outlines. It was so much of an accepted practice with me this time that I did not raise any question in my own mind at all in the committee or in the conference respecting the propriety and the desirability of taking this mid-term census.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. DANAHER. When H. R. 4204 came to the floor it carried the committee amendment which appears now on page 59 which deals with the census of agriculture. Was that committee amendment put into the bill for the first time by the Senate committee?

Mr. McKELLAR. Yes; that was put in the bill for the first time by the Senate amendment.

Mr. REED. That is the provision with respect to a census for this year.

Mr. McKELLAR. Yes.

Mr. DANAHER. Was it in the bill which was first introduced in the House?

Mr. McKELLAR. No.

Mr. DANAHER. So that the Department of Commerce did not even ask the House for an appropriation to deal with this item?

Mr. RUSSELL. Oh, no.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. McKELLAR. I will read into the RECORD at this point the letter of transmittal by the President of the supplemental estimate for the Department of Commerce in the amount of $7,250,000, for the fiscal year 1945. The letter is addressed to the President of the Senate, and is dated March 10, 1944. So that it did not go to the House first, but it came to the Senate first through a supplemental estimate. I will read the letter:

THE WHITE HOUSE,
Washington, March 10, 1944.

The PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit herewith for the consideration of Congress an additional estimate of appropriation in the amount of $7,250,000 for the Department of Commerce, for the fiscal year 1945, in the form of an amendment to the Budget for said fiscal year.

The details of this estimate, the necessity therefor, and the reasons for its transmission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully,

FRANKLIN D. ROOSEVELT.

Then follows the letter from the Bureau of the Budget, as printed in the Senate committee hearings. It was a supplemental estimate that was sent to the Senate, and did not go first to the House. The House vote on the matter was very close.

Mr. REED. I repeat what I said a while ago that I have been so accustomed to this census for so many years and to me it is such an accepted fact that I never raised any question in my mind concerning the propriety or the desirability of putting this provision in the bill.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. DANAHER. Let me make perfectly clear my own position in this matter. Here is a bill which when it was introduced in the House contained no reference to the census of agriculture. The first we know of it is when it appears as a committee amendment, when H. R. 4204 was before the Senate for consideration. To those of us who are not on the Committee on Appropriations and who were not familiar with the details of this comparatively obscure item, it was dealt with, as is so often the case, in purely routine fashion.

Now, when the Senate bill goes to conference, we find the House conferees rejecting entirely the Senate amendment which would provide for a census of agriculture. After the House conferees have refused to accept the Senate amendment the Senate conferees ask us specifically to instruct them to insist upon an amendment which the Senate has already adopted.

Mr. President, it would seem to me that if the Senate has taken action which the managers duly appointed on behalf of the Senate must present to the conferees, it is their duty so to do without further action by the Senate, and then

we will know what the position of the House is in reference to this item. Let the Senate conferees ask the House conferees to submit the amendment to the House for a vote, if you please. We have for an hour been trying to find out what the facts are and what the purpose of the amendment is, and what ultimately is to be achieved under it. I am persuaded by my distinguished colleague that there must be a legitimate and essential objective to be achieved, so desirable that we heretofore approved it. Now let us see what the House has to say.

Mr. McKELLAR. The House had this to say. It has voted on the amendment.

Mr. DANAHER. And what did the House do?

Mr. McKELLAR. It voted it down by a record vote of 175 to 139. That was the vote in the House. Now the Senate is insisting on its position. A motion will be made to insist upon that amendment, and we will ask for a record vote of the Senate, because we believe the farm census to be of great value. Many of the farm organizations have declared themselves in favor of it. It is true the item came in a supplemental Budget estimate to the Senate when the Senate had the bill under consideration, and the item was first adopted by the Senate. It is true that the House has voted by a small majority against it, but the question is, Shall it be adopted? Is it a proper thing to do? I think it is a proper thing to be done. I think there ought to be a farm census. It has been taken for a number of years. It will be found that the census has been taken as far back as 1935. I see no reason why it should not be taken now.

Mr. DANAHER. Let me ask the Senator a question. In view of the fact that the Senate has already adopted this amendment and it has gone to the House specifically for a vote, and the House has refused to accept it, what will be the position of the conference committee with reference to so important an appropriation bill as that affecting the Departments of State, Justice, and Commerce if the House conferees again refuse to yield to the persuasiveness of the Senator from Tennessee?

Mr. McKELLAR. The Senate did not have a yea-and-nay vote on the question before. We believe it will strengthen the position of the Senate conferees very much if we have a yea-and-nay vote on the question now.

Mr. DANAHER. Why did the House turn it down, if the Senator knows?

Mr. REED. Mr. President, will the Senator from Tennessee permit me to answer the question?

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. DANAHER. I am glad to yield to the Senator from Kansas.

Mr. REED. Title XIII, United States Code, section 216, reads as follows:

> There shall be in the year 1935, and once every 10 years thereafter, a census of agriculture and livestock, which shall show the acreage of farm land, the acreage of the principal crops, and the number and value of domestic animals on the farms and ranges of the country. The schedule employed in the census shall be prepared by the Director of the Census. Such census shall be taken as of the 1st day of January and shall relate to the crop year. The Director of the Census may appoint enumerators or special agents for the purpose of this census in accordance with the provisions of chapter 1 of this title.

That is the authority for the appropriation.

Mr. DANAHER. Why did the House turn down the Senate amendment?

Mr. REED. I very much regret that I am unable to tell the distinguished Senator the reason why the House rejected it.

Mr. DANAHER. The Senator from Kansas disappoints me. When the Senator from Tennessee was about to answer the question, the Senator from Kansas asked that I permit him to do so. Since I was seeking light, I was glad to yield to the Senator from Kansas. I now ask the Senator from Tennessee why the House rejected the Senate amendment.

Mr. McKELLAR. All I can do is to refer to the RECORD. I read from page 5420 of the CONGRESSIONAL RECORD for June 6, 1944, in the proceedings of the House of Representatives:

> Mr. HOFFMAN. Mr. Speaker, for the last 8 years I have sat here and watched those on the majority side pass legislation and make appropriations which in the end resulted and will result in the defeat of members of the Democratic Party who failed or will fail to follow the New Deal, the C. I. O., or the Communist Political Association.
>
> We are all familiar with the present situation where the C. I. O. Committee for Political Action is expending such part of $2,000,000 as it deems necessary for the defeat of Members of Congress, who have refused to act as its stooges and that, regardless of whether they sit on the right or the left side of the aisle.

I had not read this speech before. It seems to have been a political speech.

> I am not raising this issue now as between Republicans and Democrats, because we are all marked for defeat if we voted for the things or any of the measures the three groups opposed. We have all been marked for defeat, and already much of the money has been used to defeat candidates at Democratic primaries and one Republican has fallen by the wayside.
>
> Some time ago I called attention to the fact that the next Congress will be controlled either by Republicans from the North or by representatives of the C. I. O. and the Communists and the New Dealers.

Mr. DANAHER. Mr. President, will the Senator permit an interruption in his highly illuminating response?

Mr. McKELLAR. Certainly.

Mr. DANAHER. The Senator certainly does not claim that what he has been reading to me is an answer to the question as to why the House defeated the Senate amendment on an agricultural census, does he?

Mr. McKELLAR. No; I do not.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. RUSSELL. I know what the House conferees stated as the reason why the amendment was defeated in the House. I do not believe we can find the reason by reading speeches of that character into the RECORD. If the Senator from Tennessee were to read all the speeches made on this item, I doubt if that would answer the question.

The House conferees made the statement that some confusion was caused in the House because a Member of the House rose on the floor and read some questions which had been submitted in a mail survey by the Bureau of Agricultural Economics, and that the questions were very foolish. I think the impression was created in the House that they were the questions which were to be asked by the Census Bureau. It was not the same thing at all, because the agricultural census is not taken by the Department of Agriculture. It is taken by the Department of Commerce.

There is nothing new about this. In the First Supplemental National Defense Act Congress appropriated $650,000 for the preliminary work of taking this census. I read from the First Supplemental National Defense Act:

> Census of agriculture: For all necessary expenses incident to preparation for the quinquennial census of agriculture of the United States, to be taken during the fiscal year 1945, including personal services in the District of Columbia * * * $650,000.

Six hundred and fifty thousand dollars was appropriated in the deficiency bill which came along on the 23d of December 1943, for preparations to be made to take the census. Those preparations have gone forward. As I understand the Budget recommendation for the funds actually to pay the enumerators was not sent to the House committee. The Budget estimate which we have before us was submitted after the bill had passed the House and was pending before the Senate committee.

I doubt whether any Member of the Senate could say exactly what moved the House to reject this amendment. Under the rules, if they are strictly observed, we are not supposed even to talk about what has taken place in the other body. I have always thought that those were rather farfetched rules, and I am afraid I have violated them many times. The question is not what the House thought. The question is whether or not the Senate shall stand by its position that this census of agriculture shall be taken.

Mr. DANAHER. Suppose we do not vote on the request of the Senator from Georgia for specific instructions to the conferees. The conference will remain deadlocked, will it not, until either the Senate conferees or the House conferees yield?

Mr. RUSSELL. The Senator is correct.

Mr. DANAHER. In such an impasse, even the very appropriation bill itself might be threatened.

Mr. RUSSELL. I doubt whether either body would kill the whole State, Justice, and Commerce appropriation bill because of this item. The Senate placed the item in the bill, and the House rejected it. It has come back before the Senate on a conference report with this amendment in disagreement. By its action in again voting in the affirmative

for the amendment, the Senate will request the House to take another vote on it. That is what we are seeking to do. If the Senate approves the motion that we insist on this amendment, it will go back to the House, and the House will again consider the amendment. If the House agrees to the amendment, the bill will go to the White House. If it disagrees to it, it will undoubtedly ask for a further conference, and in the further conference we will try to adjust the difference.

Mr. DANAHER. In which event, I assume the Senate conferees would again be bound, more tightly than ever, because they would have an affirmative vote directing them to insist upon the Senate's point of view. If we do not agree to insist on this amendment, a conference agreement will follow, and the bill will be approved. Is not that true?

Mr. RUSSELL. No; the bill cannot be approved unless some action is taken on this amendment, which is reported in disagreement.

Mr. DANAHER. Instead of insisting that our amendment be accepted by the conferees or that the House conferees take it back to the House for another vote, if we should, on the contrary, instruct our conferees to abandon further efforts to override the House attitude, then we would have an agreement, and the appropriation bill would be approved?

Mr. RUSSELL. Of course, if the Senate wishes to defeat the census and yield to the House, it can always do so. We have often done that. I hope we will not do it in this instance, because I think it would be extremely injurious to the farmers.

Mr. DANAHER. Mr. President, how much is involved in the total bill?

Mr. McKELLAR. I have not that figure before me. I will furnish it to the Senator in a moment.

Mr. President, the only question is whether we wish to have the farm census or not have it. We have had it for many years, and the only question is whether we wish to continue it in 1945 as we have had it heretofore. I believe that the farm census is a fine thing for the farmers. I think they are entitled to it. I think it should be retained.

I do not know what actuated the House. I tried to find out from reading the debates in the House, but they seem to be a conglomeration of politics more than anything else. But, whatever the reason, I think it is our duty to stand by the farmers in this situation and vote to retain this amendment. I believe that if we vote by a large majority to retain it, it will be retained, and that the House will recede. I certainly hope so.

Mr. REED. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. REED. In the very brief time available on the floor, I have been trying to examine the action of the House. The House had a big fight over some other amendment, not this one. On page 5421 of the RECORD of June 6, 1944, after the House had voted on some other amendment, and had insisted upon disagreement in that case, or on standing by its own position, Mr. RABAUT rose and said:

> Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate numbered 10.

That is this amendment.

> The motion was agreed to.

That is all there is in the RECORD about it.

Now for a moment I wish to make an appeal to my colleagues on both sides of the aisle. I think the quinquennial census is valuable to agriculture. It has served and is serving useful purposes. I hope it will not be discontinued. I think the Senate should further insist upon the amendment, and should let the conferees make another effort to work out the matter in conference.

The ACTING PRESIDENT pro tempore. Has the Senator from Connecticut yielded the floor?

Mr. DANAHER. Mr. President, I have yielded the floor. The Senator from Tennessee told me he would give me the figure for the total amount involved in the bill, and I hope he will do so.

Mr. McKELLAR. The total amount involved in the bill is $242,766,700.

Mr. DANAHER. And this amendment involves only $7,500,000 of that sum; is that correct?

Mr. McKELLAR. That is correct.

Mr. DANAHER. I thank the Senator.

Mr. McKELLAR. Mr. President, I certainly hope the Senate will vote to uphold the position taken by the Senate conferees.

First, I ask for a vote on the question of agreeing to the conference report. I do not ask for a yea-and-nay vote on that question.

Mr. RUSSELL. Mr. President, I ask that the yeas and nays be had on the motion that the Senate still further insist on its position on the amendment. A yea-and-nay vote on that question will not prevent a voice vote on the question of approval of the conference report.

The ACTING PRESIDENT pro tempore. The first question is on agreeing to the conference report. If the conference report is agreed to, it will show a disagreement on amendment numbered 10. Then the motion on which the yeas and nays have been ordered will be before the Senate for decision.

The question now is on agreeing to the conference report.

The report was agreed to.

The ACTING PRESIDENT pro tempore. The question now is on the motion of the Senator from Georgia that the Senate still further insist on its position on amendment numbered 10. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness.

The Senator from Pennsylvania [Mr. GUFFEY] and the Senator from Utah [Mr. MURDOCK] are detained in Government departments on matters pertaining to their respective States.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. BARKLEY], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Arizona [Mr. HAYDEN], the Senator from Connecticut [Mr. MALONEY], the Senator from South Carolina [Mr. SMITH], and the Senator from Maryland [Mr. TYDINGS] are detained on public business.

The Senator from North Carolina [Mr. BAILEY], the Senator from New York [Mr. WAGNER], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senators from Nevada [Mr. MCCARRAN and Mr. SCRUGHAM] are absent on official business.

I am advised that if present and voting, all the Senators whose absences I have announced would vote "yea."

The Senator from Texas [Mr. O'DANIEL] is necessarily absent.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] and the Senator from Idaho [Mr. THOMAS] are necessarily absent. I am advised that if present these Senators would vote "yea."

The Senator from North Dakota [Mr. NYE], who is necessarily absent, has a general pair with the Senator from Arizona [Mr. HAYDEN].

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Delaware [Mr. BUCK], the Senator from New Jersey [Mr. HAWKES], the Senator from North Dakota [Mr. LANGER], and the Senator from Massachusetts [Mr. WEEKS] are necessarily absent.

The Senator from Pennsylvania [Mr. DAVIS], who is absent on official business, has a general pair with the Senator from Kentucky [Mr. CHANDLER].

The result was announced—yeas 63, nays 0, as follows:

YEAS—63

Aiken	Gillette	Radcliffe
Austin	Green	Reed
Ball	Gurney	Revercomb
Bankhead	Hatch	Reynolds
Bilbo	Hill	Robertson
Brewster	Holman	Russell
Bridges	Jackson	Shipstead
Burton	Johnson, Colo.	Stewart
Bushfield	Kilgore	Taft
Butler	La Follette	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McClellan	Truman
Chavez	McFarland	Tunnell
Connally	McKellar	Vandenberg
Danaher	Maybank	Wallgren
Downey	Mead	Walsh, Mass.
Eastland	Millikin	Walsh, N. J.
Ellender	Moore	Wherry
Ferguson	Murray	White
George	Overton	Wiley
Gerry	Pepper	Willis

NAYS—0

NOT VOTING—33

Andrews	Caraway	Glass
Bailey	Chandler	Guffey
Barkley	Clark, Idaho	Hawkes
Bone	Clark, Mo.	Hayden
Brooks	Cordon	Johnson, Calif.
Buck	Davis	Langer

McCarran	O'Mahoney	Tydings
Maloney	Scrugham	Wagner
Murdock	Smith	Weeks
Nye	Thomas, Idaho	Wheeler
O'Daniel	Tobey	Wilson

So Mr. RUSSELL's motion was agreed to.

PROCUREMENT OF OIL FOR THE NATIONAL DEFENSE

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4771) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

Mr. WALSH of Massachusetts obtained the floor.

POST-WAR ECONOMIC POLICY AND PLANNING (PT. 4 OF REPT. 539)

Mr. GEORGE. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Georgia?

Mr. WALSH of Massachusetts. I yield.

Mr. GEORGE. Mr. President, I expected to say a few words about the report I am now about to submit, but I refrain because I am unwilling to trespass further upon the time of the distinguished Senator from Massachusetts.

From the Special Committee on Post-war Economic Policy and Planning I submit a report, and ask that it be printed in the RECORD, and be printed under the rule.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the report was ordered to be printed, and to be printed in the RECORD, as follows:

This committee has been engaged in a study of the problem of unemployment during and following the transition from war to peace. In addition to hearing many witnesses, the work of a number of research agencies and economists has been carefully considered. Some of the aids to full employment which can be supplied by the Government have been studied in detail.[1] The others have been studied only in broad outline and are so dealt with in this report. Detailed studies are in progress or will be made as to those dealt with in broad outline and they will be dealt with in more detail in later reports.

The problem of employment is such an integral part of the entire business structure that it cannot be separated, in the committee's thinking, from the other factors that cause a healthy economy. The American private economy is going to have to provide the jobs and the committee feels that everything which can help to do this is just as important to labor as it is to business.

While all of the problems dealt with in this report are interrelated, it is legislatively impossible to deal with all of them at the same time. Legislation on each of the subjects should be prepared just as soon as adequate studies can be completed.

THE PROBABLE LABOR FORCE

A discussion of the magnitude of the problem of reemployment is primarily important to show the vital necessity of establishing wise policies to deal with it. Estimates of its magnitude necessarily are based upon certain assumptions that may be inaccurate to the extent that the final figure may fluctuate by as much as 2,000,000.

Estimates as to the total number of people employed and available for employment today, including the armed forces, vary from sixty-one and one-half to sixty-three million. There is no real difference in these figures, as they reflect seasonal changes, so that the larger figure may be taken as the total number of people ready, willing, and able to work.

Estimates of the number that likely will withdraw from the labor force, including those who will return to school or college, those who will retire because of old age or because, like many women, they would not have been in the labor force but for the war, range from four to five million. The higher figure is more likely to be correct. On the other hand, it must be remembered that additions to the labor force are normally around 750,000 a year.

In order to fix a terminal point for calculating the labor force, certain assumptions as to time must be made. Those assumptions may or may not be correct and a difference of 1 year in them would make a difference of 750,000 people.

If it be assumed that the war in Europe will end this year; that the war in Asia will continue for a year thereafter; and that a year and a half will be consumed in demobilizing the armed forces to their post-war strength—estimated at from two to three million—there will be between fifty-seven and fifty-eight million people in the post-war civilian labor market.

The highest employment this country ever reached prior to 1941 was approximately 46,000,000 people. This figure includes everyone gainfully employed. It was reached only 3 times—in 1929, 1937, and 1940.

It should be borne in mind that full employment does not and cannot mean that everyone willing and able to work is gainfully employed at all times. A certain percentage of the entire labor force is always out of work due to illness, the shifting of jobs, seasonal slack in some industries. The amount of this normal so-called frictional unemployment is variously estimated at from two to three million people. In 1929, there were no official figures on unemployment but estimates of the average number unemployed in that year range from one and eight-tenths million to three and five-tenths million. Today, with a manpower shortage, approximately 1,000,000 are unemployed, and this seems to be the irreducible minimum.

After making allowance for this frictional unemployment, in order to attain full employment in the post-transition period, jobs must be found for somewhere between fifty-four and fifty-six million people.

Estimates as to the size of the working force during any stage of the transition period are more difficult. That figure will depend on factors that hardly can be foreseen and to a large extent will depend on the intelligence with which the reductions in war production are planned and put into effect.

Today approximately 50,000,000 people are employed, outside the armed forces. Overtime work is estimated to be equivalent to the work of an additional 5,000,000 people.

It would take approximately the estimated post-war labor force, without overtime, to maintain present production schedules.

This does not mean that the present manufacturing production must be maintained, but it will be necessary to maintain a total national production greatly above any ever attained in peacetime. The service and construction industries and the professions have given up more than 5,000,000 people, either to the armed services or to the production industries, and it may be assumed that these people will not have to be cared for in the production industries. Neither will the manufacturing industries have to take up all of the remainder of the additional labor force. In addition to those they have lost due to war dislocations, the service industries will be called upon to expand proportionately to meet normal peacetime needs with expanded production.

The present unprecedented agricultural production has been achieved with fewer agricultural workers than were employed in 1940.[2] Due to technological developments, agricultural production per worker averaged 25 percent greater in the years 1940–43 than in 1935–39, and 67 percent greater than in 1910–14. There appears little likelihood of a need for an increase in the number of agricultural workers in the immediate post-war period. There is much difference of opinion as to whether this will be true in the longer range future.

If the assumption that the war will end in two stages, with a year's interval between the defeat of Germany and the defeat of Japan is correct, the problem of demobilization will be simplified.

Approximately two and one-half million men will be released from the ground forces during that year, at the rate of from 200,000 to 250,000 per month. Munitions production will be cut from 30 to 50 percent. As a result of these cut-backs in war production, a large number of workers will leave the munitions industries. Estimates of the number range from four to five million. These people may be thrown onto the labor market more precipitously than the returning soldiers.

Some of those now in the labor market will return to school and some of them will withdraw permanently from the labor market. The pent-up demands for civilian goods should absorb those that are left. This statement gives consideration to the fact that some time will be required in many industries to resume civilian production, but the release of the returning soldiers and war workers will be more or less gradual and the industries which have no conversion problems should be able to absorb the first of them.

From April 1940 to November 1943, manufacturing employment in 335 counties in the United States increased 7,019,000, or 89 percent. In the remaining 2,765 counties in the United States, it decreased 1,118,000, or 41 percent. Included in those war-boom areas are approximately 1,700,000 workers in shipyards and 1,300,000 workers in the aircraft industry.

The first 6 months following final victory will see the greatest accession to the civilian labor market. Beyond doubt this will be the most critical portion of the transition period.

The armed forces will be demobilized at a rate of from 500,000 to 600,000 per month. All war producton will cease. Most of the workers in the munitions industries will be released during that period.

The airplane plants and shipyards will operate little, if at all. The automobile plants will be in process of conversion. The forces that created the war-boom areas will terminate. The available jobs in those areas will not provide for the workers in them. This inevitably will leave large "pools" of unemployed in war-boom areas, regardless of the over-all national employment situation.

On the other side of the picture, it is likely that most of the retirements from the labor market will come during this period and that a large number of the returning soldiers will go back to school.

During the succeeding year the accessions to the total labor force will come largely from discharged soldiers. Of necessity this

[1] S. Rept. 539, pt. 2, 78th Cong., 2d sess.

[2] The Department of Agriculture estimates 332,000 less.

discharge must be gradual, due to transportation limitations. By the beginning of that year the factory conversion job should largely be accomplished.

FULL EMPLOYMENT MUST BE OUR GOAL

This country never has had and never will have real prosperity without full employment. A man vainly seeking a job is not a potential customer for the products of American farms and factories. Multiply that man many times and the combined loss of purchasing power starts a downward spiral of production, which in turn causes more unemployment and more loss of potential purchasing power. Government war expenditures of nearly a hundred billion dollars a year clearly demonstrate what mass purchasing power can do for American business. When that expenditure is stopped, civilian expenditures must take the place of a very large part of it if this country is to be prosperous.

Normal technological developments will mean greater productivity per man-hour than was attained in 1940. Add to this the eight to ten million more workers than were employed in 1940. The answer to the full employment problem can be only one thing—a much greater gross national production than this country has ever produced in peacetime.

Such a production cannot be attained or maintained without purchasing power sufficient to absorb it.

One school of thought approaches the problem with the proposition that if business is profitable, the jobs, and consequently the purchasing power, will be provided. Another school of thought approaches it from the viewpoint that if there is full employment at adequate wages business is bound to be profitable. The two approaches are merely different ways of stating the same thing and accent the interdependence of full production and full employment. The mass purchasing power necesary to maintain a healthy mass production must come from the American people in purchases of consumer and capital goods. If it does not come from them, mass production cannot be maintained except through subsidized exports and governmentally supported public-works programs. Either of the latter tends to impose a heavier tax burden which in turn takes away incentive to production and provides a far less healthy economy than is provided by mass purchasing power resulting from full employment by private enterprise. The whole problem of full production and full employment is and must be a circle. It has no beginning and no ending. If either declines, the circle merely contracts.

Employment of eight to ten million more people than have ever before been employed in America and absorption thereafter of approximately three-quarters of a million people annually into the labor force must be America's goal. It presents a challenge almost as grave as the challenge of the war.

THE GOVERNMENT'S ROLE IN SOLVING THE PROBLEM

The severity of the transition period and the ability of industry following that period to absorb eight to ten million more workers than it has ever absorbed before will depend very largely on governmental policy, and this committee is primarily concerned with the shaping of that policy.

Most important is what one witness referred to as "economic environment."[3] It might equally well be called confidence. In one of the ablest commentaries that has been presented to the committee[4] it is said:

"This generalization that people are largely actuated by habit is useful in connection with prophecy regarding the future effects of the great changes which the last 15 years, and the war, have brought in the financial world. Beginning with the stock-market crash of 1929 and the failure of the Bank of the United States, continuing with the institution of the Federal Deposit Insurance Corporation and the Securities and Exchange Commission, the rise in the public debt and in rates of taxation, including the abrogation of the gold clauses, the silver-purchase experiments, the devaluation of the dollar, and many other happenings that readily come to mind, the circumstances within which financial and investment processes are carried on have been subject to a long-continued series of rapid and fundamental changes. That is, the environment within which financial decisions have been made has been subject not only to alterations of a fundamental and far-reaching character but—more important—to a rate of change so rapid as to be almost revolutionary in character.

"Business can adapt itself to and can function effectively under almost any set of conditions—provided these conditions are not changed too often. For a rate of change too rapid to permit adjustment breeds confusion, confusion begets distrust, and distrust produces a kind of creeping paralysis throughout business and economic activity. * * * If 10 years are necessary in order that the capital laid out in an investment be recovered, and if it is suspected that conditions during the 10 years will change so rapidly that the capital invested cannot be recovered, the investor—or the business executive—evidently will not make the investment.

"Furthermore, many of these changes have been of such a character as to carry the suggestion of public disapproval of many of the beliefs, activities, and principles of numerous businessmen. This fact, irrespective of whether the disapproval was deserved or not, has unquestionably been disheartening to many executives, and exercised a restrictive influence on business activity, even though such influence has not been subject to statistical measurement.

"Thus it might be that one of the policies most stimulating to business, which public officials and business managers could pursue in the post-transition period, would be a reduction of the rate of change and a continuance of established conditions and ways of doing business. For in terms of motives, change too rapid to allow adjustment breeds stagnation; whereas progress is accomplished by a rate of change that permits business practice and mental attitudes to adapt themselves to it."

Without a proper "economic environment," without confidence in the friendly attitude of Government, without reasonable certainty that a minimum number of simple "rules of the game" will not be changed except upon great provocation, without relief from an increasing number of departmental "directives"—many of them conflicting—without a certainty that the Congress will delegate the absolute minimum of its powers and those under well-defined conditions, without assurance that legislation and administration will not discriminate in favor of any segment of the economy, without a well-defined fiscal policy, business will not be willing to go forward and expand. It will not be willing to spend its reserves for new facilities. It will not be able to secure new equity capital. The investor will continue to seek the lesser profits of security rather than the greater gains of risk. Ownership will not be attractive. Savings that should spark the expansion of private enterprise will be hoarded and become valueless in increasing and absorbing American production.

Confidence on the part of the consuming public is equally important. A consumer who is fearful of his economic future will live from hand to mouth, with a possible "rainy day" uppermost in his mind. He is a customer of American business only to the minimum degree necessary to keep body and soul together. He offers no outlet for new automobiles and refrigerators and radios and the myriad luxuries that should arise from the technological advancements of this war.

It, therefore, seems fundamental that the first consideration in the shaping of governmental policies should be to inspire confidence on the part of management, the investor, the employee, and the consumer.

THE ROLE OF CONGRESS

The committee feels that the following demand the attention of Congress if an intolerable unemployment situation is to be avoided:

(1) Office of Demobilization:[5] A directing, coordinating agency should be set up at once to direct and coordinate the activities of all Government agencies dealing with the demobilization problem. The problems of contract termination, property disposal, manpower disposition, employment, the integration of cut-backs in war production with increases in civilian production, the selection of contracts to be canceled in relation to the labor situation in a given area, the planning and integration of programs for post-war utilization of war plants, the provision of storage facilities for termination inventories, the availability of inventories and machinery necessary for resumption of civilian production, and innumerable other problems are so important that such an agency must be set up to coordinate and give direction to the making of plans for their handling The committee feels that it is unimportant whether it is set up in the Office of Mobilization or as a separate office, so long as the definite responsibility for seeing that the necessary work is done in a coordinated and competent manner rests upon one man.

(2) Termination of war contracts and clearing of war plants:[6] Large-scale unemployment can and probably will result from any failure to accord war contractors whose contracts are terminated a fair and speedy settlement and prompt payment and promptly to clear their plants of machinery and Government inventories so that their reconversion job can go forward. S. 1718, which sets up the machinery for this purpose, has already passed the Senate. That bill clears the legislative obstacles, but the contracting agencies must at all times be keenly aware of the relationship between a speedy job of contract settlement, employment, and proper protection of the public interest.

(3) Surplus war property: The property and the plants in the hands of the Government, if not marketed wisely, will constitute a threat to markets that can seriously hinder both production and employment.

This Committee has made an extensive study of this subject[7] and a number of bills dealing with it are now before the Congress. Every effort should be made to secure proper legislation on the subject without delay.

(4) Unemployment compensation: This Committee has just concluded extensive hearings on this subject and has heard many witnesses from business, labor, and agriculture and representatives of the Social Security Board and State unemployment compensation agencies. In a short time its study of that testimony will be complete and a full report on the problem will be ready in the near future.

(5) Construction projects:[8] All necessary steps must be taken to make certain that materials needed for private construction, repair, and maintenance are available immediately upon the cessation of hostilities. Unless there can be proper conversion of plants between the defeat of Germany and the defeat of Japan for the manufacture of

[3] Robert R. Nathan.

[4] Charles Cortez Abbott, Forces Influencing Investment in Business Enterprise After the Transition Period.

[5] S. Rept. No. 539, pt. 2, 78th Cong., 2d sess.

[6] See S. 1718.

[7] S. Rept. 539, pt. 2, 78th Cong., 1st sess.

[8] Now under study.

materials necessary to the start of a private housing and industrial construction program, the cushion that such a program would provide during the most difficult transition period can well be lost.

The extent to which the Federal Government is to participate in highway construction should be determined. The States have the major responsibility for the building of highways, but those that are merely planned give employment to no one. The whole program of financing highways should be made perfectly clear so that the States can proceed to obtain rights-of-way and prepare contracts in order that work can start when it is most vitally needed. Repair and replacement of highways can be of major help in providing employment during the transition period.

Careful consideration should also be given to the preparation of a portfolio of useful public works that can be started quickly and terminated quickly, to be held as a reserve, and to be utilized only when necessary. In order to avoid Government works projects merely for the purpose of providing work—to which everyone, apparently, is opposed—useful public-works projects, in the field of road building, reclamation, irrigation, flood control, and probably many other fields are thoroughly justified. The smaller the individual project, within reasonable bounds, the better, as it is the small project that can be started quickly and terminated quickly when the need for it, as a prop to employment, is passed.

The Congress should also determine to what extent, if any, it expects to subsidize public-works projects by States and their political subdivisions. The fiscal position of the States has improved to such an extent in recent years that there probably is neither reason nor justfication for Federal subsidies to the States for public works. However, many local governments have public-works projects in the blueprint stage and they may not be in the same happy financial condition. Until they know whether the Federal Government is going to participate in the cost of these projects, they are hindered in going ahead with their financing plans. They should know what the situation is to be in this respect so that, if necessary, they can go ahead with their own financing.

Careful consideration might well be given to loans to States and their political subdivisions for architectural and engineering fees and other things preliminary to the preparation of their projects, pending their financing.

(6) Residential construction: Any action that will stimulate residential construction will at the same time stimulate employment. This committee is studying the whole housing situation with a view to determining the possible housing needs in post-war years and with a view to framing legislation to stimulate those needs.

(7) Migration and retraining of workers: Because of the concentration of workers in the 335 war-boom counties in the United States, these areas can present a most serious problem. Certainly, as production cutbacks are made, they should be made in those areas, rather than in "loose" labor areas, unless there are compelling reasons for doing otherwise, but even if such a program is carried out, the problem of employment in those areas probably will be the most serious that the country faces. It would not be economically sound to institute public-works programs in those areas which do not have a reasonable prospect of providing private employment for all the workers in the area after the reconversion period. In other words, a freezing of an excess-labor situation would help no one. Careful consideration should be given to some form of assistance to enable those workers to move themselves into areas that offer a better opportunity for employment and to secure jobs in those areas. This assistance might be given by loans or grants through the Employment Service. This is a part of the liquidation of war and must be a national responsibility. The question of vocational training should be studied, to determine what is adequate and necessary.

(8) Price controls and rationing:[9] A complete study of the supply situation should be made to determine what price and rationing controls must be continued to assure a proper distribution of scarce materials and to prevent inflation and how long it is absolutely necessary to continue them for those purposes. As war production declines and war contracts are canceled, speedy settlement of claims, adequate interim financing, and prompt plant clearance will be of no assistance in providing employment if materials are not available for the resumption of civilian production. An adequate supply of materials is a greater foe of inflation than any price controls can be.

(9) The post-war Budget:[10] The Congress should carefully study the probable post-war Budget, for the purpose of eliminating all unnecessary expenditures, and to have a yardstick beside which to lay all proposed expenditures and taxes so that an over-all picture can be obtained. Because of interest charges on the national debt and the maintenance of a post-war Military Establishment larger than we have ever known before in peacetime, the annual Budget certainly will be hugely greater than that of any previous peacetime year. Such a Budget undoubtedly will present an obstacle to both investment and employment, but if the production level is high enough to give full employment, it should be easier to carry than any peacetime Budget for a number of years past.

(10) Refinancing Treasury obligations: At the conclusion of hostilities, a large percentage of the smaller War bonds, which represent a huge amount in pent-up savings, are going to be offered the Treasury for redemption. The liability to corporations for the 10-percent post-war credit will have to be satisfied. The refinancing problems of the Treasury during that period will be immense. The financing will not be done in the atmosphere of patriotism in which War bonds are being sold today. Too careful consideration cannot be given to this problem.

(11) Post-war taxation:[11] An immediate study should be made of the problems of post-war taxation with a view to revising the tax structure so as to promote expanding production and consumption. How much can we tax away the purchasing power of the low-income groups, who spend everything they make for consumer goods? What revisions in corporate taxes and surtaxes and in taxes on capital gains must be made to make ownership and equity investment more attractive? What impetus can be given through the tax laws to a greater production and use of producers' goods? There is no difference among students of economics on the proposition that there must be enough new investment to provide an outlet for savings. Idle money cannot be productive money and idle savings do not provide production or jobs. If there is sufficient private expansion to provide new investment outlets equal to savings, any argument for an extraordinary public-works program loses its force. If an adequate outlet for savings is not provided by private investment, the advocates of large public works on a permanent basis are likely to prevail.

A tax program probably will have to be written without knowledge of what the national income will be but if it sufficiently stimulates investment and purchasing power, rates can be drastically lower than today's levels and still produce sufficient income to pay the running expenses of the Government and provide a sinking fund for retirement of the national debt. The Congress must find the proper balance to provide the necessary revenues and still stimulate expanded production and consumption.

(12) Equity investment: Revised taxation is not the only means of stimulating equity investment. It is strongly contended, from many sources, that the Securities and Exchange Act makes equity financing of small businesses practically impossible. That act should be examined with a view to retaining its salutary provisions and eliminating those that make the floating of new small-security issues so troublesome and expensive that they are practically prohibited. The study might well be extended to all other practices that are restrictive upon the financing of new equity issues.

(13) Foreign trade: The committee is fully conscious of the importance of foreign trade in the post-war economy. Means of expanding that trade should be explored and given the most careful consideration.

(14) Monopolies and trade barriers: Careful consideration should be given to means of effectively preventing any monopolistic practice that has the effect of retarding production or artificially increasing costs or prices. Such practices, whether they be attributable to business, labor, or government, undoubtedly tend to strangle a free economy. The States should be urged to examine carefully such practices that are beyond the reach of the Federal Government.

A careful study should be made of the legislative distortions of the interstate commerce clause of the Constitution. Subterfuges through which the States have imposed burdens on interstate commerce should be prohibited, and as a corollary the Federal Government should not assert power under that clause which does not properly belong to it. The free flow of commerce must not be hampered by either monopolistic practices or State barriers.

The whole problem of monopoly legislation should be carefully studied and clarified to the end that monopolies can be adequately punished but to the end also that business may know clearly just what is and is not prohibited and may not be harassed by unjustified monopoly prosecutions.

A study should also be made of the scope and effect of taxation of the same movable property by more than one State and the desirability of preventing it, to aid the free flow of commerce.

(15) Delegation of congressional power: As stated earlier in this report, the vast number of directives and regulations of a vast number of Government bureaus contribute much to upsetting the economic environment and the equilibrium of business. There are certain administrative powers that the Congress, of necessity, must delegate, but it should reexamine its delegation of powers, with a view to reclaiming, after the war, all delegations that can possibly be considered legislative. Careful consideration might be given to the creation of a joint committee of the two Houses, equally divided in political membership, and with an adequate technical and legal staff for the purpose of examining delegations of power which have been made and for the purpose of studying regulations of the various bureaus to make certain they are within the delegated powers. It might well be desirable to require every regulation and order to specify the exact statutory authority from which it was derived, to avoid loose assumptions of power Congress never intended to delegate. This would contribute to the maintenance of confidence in the American economy.

(16) Overlapping functions of Government: A careful study should be made of all the governmental bureaus and departments with a view to the elimination of

[9] Study on this subject is in progress.

[10] Now under study.

[11] A number of studies by various organizations are in progress on this subject. They will all be considered by the committee.

those which do not perform a real and vital function and of the overlapping functions of others. Whatever steps are necessary should be taken to coordinate and unify the activities of all the departments, to be certain they do not pull in different directions.

In its report of February 9, 1944, this committee said:

"The Congress should not overlook the fact that however unavoidable is the delegation of its policy-making powers in time of war, it is quite another thing for Congress to delegate its primary functions to any executive agency in time of peace and it should retain in its hands the settlement of the broad basic problems of the demobilization program out of which the structure of the peace economy will arise. The nature of the economy of this country for many years to come will depend upon the policies and decisions which are to be followed in the demobilization.

"Regional, State, and local considerations have been overlooked of necessity in the mobilization for war, for in war central power is essential. They cannot be overlooked in the reconstruction program for which we are now preparing. The economic life of this Nation must not be permitted to become dependent upon Washington directives for peace as it has been for war."

It reiterates that assertion.

The very size of the Federal tax bill and the Federal Budget makes inevitable a strong impact by the Federal Government upon the lives of our citizens. The industrialization of America has tended to create interstate problems that once did not exist. The liquidation of this war is a national job. These facts impose burdens upon the Federal Government that it must be prepared to assume. The very fact of their assumption tends to make the Central Government too large to be efficient. It follows that it should leave to the States those matters that do not necessarily fall within its orbit. The States must reexamine and reassert those responsibilities.

On the other hand, the citizens, as well as the States and their political subdivisions, must cease to look to Washington for aid on every problem that burdens them. Local authority and local responsibility must go hand in hand.

If the Congress discharges its obligations in the fields set out above, we can well have what Mr. Baruch called an adventure in prosperity. If it does not survey these fields and reach wise decisions in them, we can well have economic chaos.

Congressional attention to these matters cannot wait. Prompt action on them is of transcendent importance and this committee feels most strongly that no extended congressional recess should be considered pending their disposition. The very destiny of the Nation may depend upon wise and prompt decisions in respect to them.

Mr. GEORGE. Mr. President, I do wish to call attention to the concluding statement in the report, as follows:

Congressional attention to these matters cannot wait.

Referring to certain pressing problems which may presently be thrust upon us.

Prompt action on them is of transcendent importance and this committee feels most strongly that no extended congressional recess should be considered pending their disposition. The very destiny of the Nation may depend upon wise and prompt decisions in respect to them.

In connection with the report I call specific attention to the pendency of Senate bill 1718, which passed the Senate several weeks ago and is now in the House. It is understood that the House Rules Committee has granted a rule on the bill, and it is hoped that it may be taken up during this week. Nothing is more important than to get out of the way legislation dealing with the immediate and pressing problems of reconversion to a peacetime economy.

In connection with the report, and as a part of my remarks, I ask also to have published in the body of the RECORD a statement by Justice Byrnes, Director of War Mobilization, made this morning before a committee presided over by the Senator from Montana [Mr. MURRAY].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Last December I discussed with you in executive session the problems of contract termination and the disposition of surplus property. I told you that, while waiting for the enactment of legislation which we agreed was essential, I would proceed as far as possible under existing law.

In December we established the Contract Termination Board. Mr. John Hancock has been acting as chairman. Progress has been made, but to operate efficiently legislation is necessary. The bill passed by the Senate provides the necessary machinery for contract terminations, and I hope it will soon be acted upon favorably by the House.

In February by Executive order there was established the Surplus War Property Administration. Mr. William L. Clayton was appointed Administrator. The experience of the Administrator should be helpful in the drafting by your committees of the bill providing for the disposition of surplus property.

The Baruch report recommended the establishment of a Work Director. By Executive order the Retraining and Reemployment Administration was established. Brig. Gen. Frank T. Hines was placed in charge of this work. He is making progress, and I understand has appeared before your committee as to certain phases of his work.

The Post War Adjustment Unit established last fall has been under the direction of Mr. Bernard M. Baruch, with the assistance of Mr. Hancock. Having filed their report, some weeks ago they advised me there was no reason for the continuance of the Unit and requested that it be discontinued. This request was agreed to. Mr. Baruch continues as special advisor to the Office of War Mobilization, the position he has occupied since the establishment of the office.

I have recited the status of these agencies under the direction of O. W. M. and concerned with the reconversion program before presenting to you my views as to the bill you have invited me to discuss, S. 1730.

When the Office of War Mobilization was created, and until quite recently, the procurement agencies were engaged in developing many new programs. Now their programs, with a few exceptions, have reached a peak. The job is to maintain that peak. If the Congress intends to recess within the next two weeks, one would be an optimist to expect this bill to become law until after the recess. Certainly, by that time, the big task will be planning for demobilization. Should the bill then pass, I do not want to be immodest and assume that the President would offer to appoint me to the office the bill creates, but if, because I am Director of War Mobilization, he should do so, I feel that at that time the mobilization situation will be such I could decline to accept, and I would so decline.

I make this statement so you will know that any opinion I may express about the bill is not influenced by a personal interest in the office it creates.

I believe that the George-Murray bill which you have under consideration is a step forward in the right direction. It should help in the development of unified and consistent policies and programs for the post-war period without interference with the war effort.

As I understand the bill, it gives statutory authority to the Office of War Mobilization and Post-war Adjustment to exercise the war mobilization powers now exercised by me under Executive order and, in addition, to exercise somewhat comparable powers in the field of demobilization and post-war adjustment. It is highly desirable that such important powers of direction and planning whether for mobilization or demobilization should be defined and confirmed by the Congress.

Extensive reorganization of Government agencies was necessary to build up effective governmental machinery for war. Extensive reorganization and consolidation of Government agencies will be necessary to streamline and simplify the governmental machinery for peace. Some of this remoulding of Governmental activity can be achieved under existing law, some of it will require legislation. It is important, in my judgment, to have an office like the proposed Office of War Mobilization and Post-war Adjustment with statutory authority to guide and supervise the development of over-all policies and programs in close cooperation with the Congress without itself directly taking on the burden of detailed administration.

I also hope that you will retain, in the bill, provisions supplementing the existing Federal social-security legislation. These provisions should (1) induce the States to liberalize their unemployment insurance laws during the period of readjustment and demobilization, and (2) enable the States to secure reimbursement from the Federal Government to the extent necessary to prevent the State unemployment funds being unduly depleted by reason of the increased burdens imposed on such funds.

Assuming that Germany is still at war with us when we reach the fourth quarter of this year, we must expect cut-backs in some programs that will necessarily cause many persons to be unemployed in certain industries and in certain areas. When Germany surrenders, cut-backs will probably increase, and when peace comes we must expect considerable unemployment. To lessen this unemployment, it is important, first of all, to provide for the intelligent conversion of industry to peace. If men are to be employed, we must have employers, but we must realize that, notwithstanding what we may do to facilitate reconversion, we are bound to have some unemployment. The extent of that unemployment is dependent upon too many factors for one to hazard an estimate.

My opinion is that if reconversion is handled intelligently, the unemployment will be of relatively short duration. I do not believe that we can leave entirely to industry or to local governments the burden of alleviating the distress that will result from unemployment caused by the cancelation of the contracts of the Federal Government.

If we agree that the Federal Government has a duty to perform, the question is, How shall that duty be discharged? Because I believe the unemployment will be of relatively short duration, I do not think the Congress should revive the Works Progress Administration. Nor do I think you should authorize the payment to employees of dismissal wages, to be charged up to contracts. That would offer relief only to a portion of the unemployed. It would mean the payment of a bonus to some employees who might get a job the following week while other employees might be unemployed for months. I believe that unemployment insurance should be our first line of defense.

In a speech in New York last April I expressed the view that existing State unemployment insurance laws were framed to

meet local conditions of temporary unemployment and are not adequate to deal with the Nation-wide problem of reemployment. I stated that demobilization must be regarded as a national problem and its costs as part of the cost of the war. I suggested that the State unemployment insurance plans should be supplemented by Federal support to the extent necessary to give practically all workers, during the transition from war to peace, suitable unemployment benefits.

I am in substantial accord with the provision of the George-Murray bill on this subject. It is evident that an effort has been made to develop a plan which would most smoothly gear into the operation of existing State unemployment insurance laws. It does not propose, and it is not necessary, to federalize the State unemployment insurance laws for this purpose. By its terms the proposed legislation is limited to the emergency period, terminating 2 years after the cessation of hostilities, and requires specific and affirmative action of the Congress for its continuance.

In order that some States may not receive more favorable treatment than other States, the bill wisely provides that the State laws be required to meet the following minimum standards during the period of transition from war to peace.

First, workers in covered occupations, of employers of 1 or more workers, instead of 8 or more (as now provided by Federal law), must be eligible for unemployment benefits. This simply makes the incidence of unemployment insurance the same as old-age insurance. It is estimated that this would bring 3,000,000 workers now unprotected under the protection of the unemployment-insurance laws.

Second, compensation for a minimum of 26 weeks of total unemployment within a benefit year must be provided. In some States, I am informed by Mr. Altmeyer, an unemployed person, no matter how long he is unemployed, can draw only a few weeks of benefits, and that about half of the States provide less than 17 weeks of benefits. Even in a good year like 1941, it is estimated that more than one-half of the claimants for unemployment compensation exhausted their benefits before they found employment. The present limitations on aggregate benefits are much too severe to carry us through a period of extensive reemployment.

Third, the maximum rate of compensation must not be less than $25 for a week of total unemployment. In 22 States no worker can now receive more than $15 a week in benefits regardless of his previous wages. That is not enough for workers accustomed during the war to earn $40 or $50 a week or even more. Since State laws were originally enacted, the cost of living has materially increased.

I had hoped that the G. I. bill would allow a maximum rate of $25 a week of unemployment benefits for our servicemen; but as a rate of $20 a week has been agreed to by the conference committee, I sguppose that your committee will want to lower the requirement in this bill from $25 to $20.

The minimum requirements suggested by the George-Murray bill are not unreasonable in themselves, and they are certainly necessary to prevent an undue inroad on workers' purchasing power during the emergency period when an unusually large number of workers will be seeking reemployment.

The committee's plan provides that when the unemployment funds of a State are less than the amounts collected during the preceding year the State shall be entitled to have transferred from a Federal reinsurance fund to the State unemployment fund an amount equal to the unemployment compensation paid by the State in excess of 2.7 percent (the credit allowed to the States under the Federal unemployment tax) of the wages taxable under State law. This reinsurance by the Federal Government should not only induce the States to meet the minimum requirements set, but should encourage them to broaden their coverage and, further, to liberalize their benefits.

As the States cannot be expected to make the necessary changes in their own laws before July 1945, I think a provision such as has been incorporated in section 305 of the bill is important and necessary. It will enable the States by agreement to make before July 1945 the payments which the bill seeks to require them to make after that date and will enable the States so agreeing to receive from the Federal reinsurance fund the additional costs of any such payments made prior to such date. This may be very important if, as we all hope, the German surrender occurs prior to July 1, 1945.

I have asked the advice of General Hines and Mr. Altmeyer on the bill's proposal. Both of them have gone over the proposal carefully and have discussed it with General Hines' policy board. Not being an expert on unemployment insurance legislation, I have had to rely on their experience and technical judgment. They are in general accord with the proposal but have suggested certain technical improvements in the bill. I will leave their suggestions with the committee. To avoid any fear of open-end liability in the Federal Government, I would endorse their suggestion that the Federal Government be not required to underwrite State unemployment compensation in excess of 36 weeks of total employment in a benefit year or in excess of a weekly rate of $30.

I am also leaving with you a letter which Mr. Altmeyer prepared for me, giving data on the inadequacy of the benefit and financial provisions of the existing State unemployment compensation laws.

I am glad to see that there has been inserted in the bill a provision to enable the United States Employment Service to bear the necessary cost of transporting war workers to their new work or their old homes. Workers should be helped to leave localities where there is no longer work for them. That is rightly regarded as a part of the cost of demobilization.

I should also point out that there are a large number of Federal industrial workers who are not covered by the State unemployment insurance laws, and separate legislation will be necessary to provide necessary protection for them.

Unemployment insurance is our first line of defense against unemployment. If you can induce the States to utilize their great reserves in making more liberal allowances I think you will be able to tide over the reconversion period, and you will have time, in the light of conditions then existing, to determine what you want to do about public works. However, if the allowances are inadequate you will not have any time. The average weekly compensation of employees in manufacturing establishments is now $45. If such an employee, when out of a job, is paid $15 a week he will have to pay most of it for rent. When he gets through paying for rent, light, heat, insurance, and medicine he will have so little left for food that he will be demanding that the Federal Government provide work. I hope the appropriate congressional committees will now begin consideration of a program of public works which in an emergency can be promptly authorized. The Federal Works Agency has prepared a program for road construction and for Federal buildings. I am advised the National Housing Administration has submitted to your post-war committee suggestions as to housing plans.

I have discussed the human problem at some length because it is the most important. There can be no effective solution of that problem unless all phases of the demobilization program are carried out. It cannot be carried out until we get the necessary legislation. The program for the termination of contracts can only limp along until the enactment of the bill passed by the Senate some weeks ago. The machinery is prepared to have the field representatives of the procurement agencies instructed as to the policies Congress wants followed in such settlements. Plans have been made to bring from universities capable instructors, who, after studying the procedure, can, when they return to their institutions in various sections of the country, instruct the accountants of corporations as to the policies and procedures. But neither the accountants of the Government nor the accountants of industry can be instructed until the policies are determined upon.

The extent of unemployment will be greatly aggravated by any delay in the settlement of contracts. If the settlements of thousands of contracts are to be held up until there is a detailed audit, then we may as well immediately provide for a huge public-works program.

Some few contractors may be found to be corrupt. When this occurs, they should be severely punished. But that we exaggerate the fears of contractors taking advantage of the Government in settlements, is evident from the record of settlements for the month of April. The War Department authorized the termination of 1,482 contracts; 598 contractors filed claims as a result of termination; 1,057 agreed to immediate settlement without filing any claim growing out of termination. The contractors took the position in most instances that if they received a payment as a result of a claim, by the time they got through with renegotiation and the payment of excess-profits taxes, the amount they received would not be worth the time and effort necessary to file a claim. They were satisfied to have the Government quit. The value of the items canceled, and for which no claims were made, amounted to $192,000,000.

When you provide for contract terminations you are not giving contractors something—you are simply providing for the Government to promptly pay what it owes. That's being honest. And, as always, honesty is the best policy. If we promptly stop production when it is no longer needed, we help the taxpayers. If we promptly pay what we owe, the contractor can promptly return to civilian production and provide jobs for workers.

In a progressive step to aid in the reconversion, the services have requested all their contractors to advise them the number of Government-owned machine tools in their plants that they would be interested in purchasing and the number that they can store. Through the Surplus War Property Administration, steps are being taken to enable the contractors to purchase now for future delivery such of these machine tools in their plants as they wish to acquire at prices to be fixed by the Administration and subject to the right of the Government to repurchase at the sale price if any future requirement by the Government should develop therefor.

Today we are prepared for war. But we are not unprepared for peace.

Looking to the collapse of Nazi Germany, the armed services are already far advanced programing the orderly demobilization of our soldiers and sailors and the largest possible release of our industrial plants and civilian population from military production.

Our fighting men are entitled to first consideration in any plan of demobilization. Their orderly release at the earliest possible moment consistent with the effective prosecution of the war, has ever been the primary consideration of both the President and the Joint Chiefs of Staff. Fair standards for their discharge in such numbers as the defeat of

Hitler will permit have already been established, not arbitrarily, but in a highly creditable, democratic way. The soldiers and sailors themselves have been interviewed and their views have been followed as to both the standards to be used and the weight to be accorded these standards in fixing the order of demobilization of our servicemen. Our admiration for the men in the armed services is even further increased when we learn that 90 percent of those who were interviewed asked that those among them who had seen service at the fighting front be given a preferred consideration, and that fathers enjoy a priority over nonfathers in release from the services.

It is the intention of the Government that all men in the Armed Services, as well as their families, shall understand thoroughly the standards to be followed in the demobilization of our soldiers. To this end there has already been prepared a moving picture setting forth the standards to be followed and the reasons for these standards. This moving picture and other methods will be used to show to our troops at home and abroad, and to their families at home, the entire plan of demobilization.

Similarly, comprehensive steps have been taken by the Army Staff for the curtailment of military production immediately upon the collapse of Germany. The Army has already prepared a revision of its current supply program, to be put into effect with the surrender of Hitler. Substantial reductions in practically all categories of procurement are provided for. These revised procurement tables have already been made available to W. P. B. Broken down into categories these tables put W. P. B. in possession of the exact knowledge of the amount of plant capacity that will thereupon be immediately available for transfer to civilian production. They are also broken down by regions, by States, and even by major cities.

While perhaps not as far advanced because they will not be affected to the same extent by the collapse of Germany, the other branches of our armed services are working toward this same goal and following similar procedures.

These revised tables of the Army will shortly be made available to its field offices. It is preparing even now to advise its contractors in the near future the amount of the proposed reduction in their orders of military production to be put into effect with the collapse of Germany.

The contractor himself can thus plan today for X-day and his own reconversion problems.

While we move to X-day—the collapse of Germany—there will be many adjustments in our military programs. In large part they will represent shifts in the production of essential military requirements. There has been established by the Army Service Forces a procedure which makes such adjustments in our military programs as orderly as possible. Each week there is held a meeting of the production committee of the Army Service Forces attended by representatives of W. P. B., W. M. C., and Smaller War Plants Corporation. This meeting indicates tentative general reductions contemplated in any of its programs and lists the contractors involved in such programs. Thereafter the program is reviewed by another board, a recommendation is made for a reduction of the program and the plants to be affected thereby. In selecting the plants to be cut back, cost, use of materials, performance, labor availabilities, transportation, and other factors are considered.

Before any cut-backs of actual contracts can be authorized, the proposed cut-backs must be submitted to the Military Cut-back Subcommittee of the Production Executive Committee of W. P. B. on which sit representatives of W. P. B., Army, Navy, and Maritime Commission. Immediately following the meeting, War Manpower Commission is advised of the tentative plans. The contractor and his labor representatives are given notice of the cut-back formally, and it is the rule in the Army that at least 30 days' notice in writing shall be given unless exceptional circumstances are presented.

The collapse of Germany will necessarily have a greater effect upon the program of the Army than it will upon the plans of the Navy. The war against Japan will prevent important cancelations by Navy. But Navy has a complete program as to what will be done upon the cessation of hostilities. The plans of the Navy are similar to those of the Army. And the completeness, the thoroughness of these plans is amazing. The Army and Navy have done a great job.

When contractors throughout the country on the collapse of Germany are directed by telegrams by Army representatives to make specific cut-backs, complete information about those cut-backs will already be in the hands of W. P. B.

W. P. B. cannot draw an exact blueprint of what it will do. In practical operation the contractor, advised of what will occur on X-day, will consult the representative of W. P. B. as to the raw materials that will be available to him for civilian production at that time. The function of W. P. B. will be to give him the information and on X-day release him from what they call the limitation order. The purpose will be to release him from restrictions at the earliest possible moment.

W. P. B. is going to advise contractors in the next few days that, without waiting for X-day, they should now place orders for such machine tools as they will require for civilian production. The machine-tool producers will be authorized to manufacture such machine tools whenever plant capacity permits.

The Production Executive Committee, of which Mr. Wilson is Chairman, last week appointed a subcommittee composed of the procurement agencies, War Manpower Commission, and Smaller War Plants Corporation. They are advised of proposed cancelations in an industry when they are first considered and before particular contracts are selected for termination. When a selection is made, this committee will canvass all procurement agencies to see if additional war work can be given the contractor. And this committee is now engaged in drafting uniform procedure, based on the efficient Army program for the termination of contracts.

Without going into further details, I wish to state that I feel confident that intelligent and detailed plans have been made for effective and prompt action on X-day. And these plans are being constantly perfected.

The Smaller War Plants Corporation is being given a more important part in the reconversion picture. I appointed its representative to the Contract Termination Board and the Policy Board of Surplus War Property Administration. In converting from peace to war the requirements of the armed services were such that smaller war plants, in many instances, were not utilized. Now we must assist them. When the European war ends we may have a more ample supply of steel. W. P. B. must allot to the armed services their requirements. If, for instance, that should be 20 percent, then before allotting the balance to the market, a small percentage should be set aside for small plants to assure they will not be denied materials because of the manufacturers' desire to prefer purchasers of large amounts. If we are to help small business provide jobs, we should give Smaller War Plants Corporation more authority and broader loaning powers.

I cannot too strongly urge upon Congress the enactment of the legislation without which all reconversion plans are ineffective. In addition to the contract termination bill, pending in the House, your committee is about to consider the bill providing policies for the disposition of surplus property. Plans for the administration of these policies are being developed by Mr. Clayton. If Congress promptly passes that bill, those plans can be put into immediate operation.

I have discussed only those bills constituting the reconversion program which are considered by this committee. I have one other suggestion as to legislation not within the jurisdiction of this committee, but affecting reconversion plans of the committee. Some time ago tax experts of the Treasury began working upon data for post-war revenue legislation. I fully realize that it is impractical for Congress to consider revenue legislation that would not be enacted until there is a new Congress, but I know that Congress has an efficient corps of tax experts. I hope that the chairman of the Finance Committee and the chairman of the Ways and Means Committee of the House can direct the experts of the joint committee to commence work upon a post-war revenue bill. Treasury experts assure me they are ready to assist if desired. Recalling that it has always taken months for the preliminary work of a general revenue measure, I hope that that spade work can be done this summer and fall. War taxation should end with the end of the war. It is important that as soon as possible after X-day there be a revision of the tax laws that will encourage capital to invest in industry. The knowledge that the Congress is working on a revision would encourage men to plan for the investment of capital and for the employment of people. As I understand it, that is the object of this bill and the other bills in this reconversion program, to furnish real jobs to the servicemen and to the war workers of the Nation.

Let me conclude with one important note of caution that cannot be overemphasized. We are only on the threshold of the invasion of Europe. The destruction of Germany is distant. Our preparation of demobilization plans must not become an excuse for any relaxation of our present war production. For a long time to come war production must remain our major concern. But as we all labor unceasingly for victory we can be heartened by the assurance that plans are being perfected to ease the transition from war to peace, to guard, so far as is possible, against unemployment and to give such stimulus as may be feasible to the revival of civilian production.

RIVER AND HARBOR IMPROVEMENTS AND THE ST. LAWRENCE SEAWAY

Mr. OVERTON. Mr. President, will the Senator from Massachusetts yield to me?

Mr. WALSH of Massachusetts. I yield.

Mr. OVERTON. Mr. President, I wish to make a brief statement in reference to the river and harbor bill and the St. Lawrence seaway bill.

I have received a number of inquiries from Senators, as well as from persons throughout the United States, desiring to know when the river and harbor bill will be taken up.

It was my hope that we would be able to dispose of the bill before the contemplated recess for the Republican and Democratic conventions. With that thought in mind, on May 31, 1944, I moved that the Senate proceed to the consideration of the bill with the understanding that after the noncontroversial amendments were considered and disposed of, the bill would be considered for its controversial matters immediately following the disposition of the so-called price-control bill. The Senate, however,

voted down my motion by a vote of 21 to 45, 30 Senators not voting.

The price-control bill took a much longer time than was anticipated, at least longer than was anticipated by the majority leader and others interested in the bill. When I made my motion with respect to considering the river and harbor bill, I thought the price-control bill would be disposed of in about 2 days. It actually took a whole week, and it was finally acted upon by the Senate at the conclusion of the last day of the session preceding the one being held today.

Mr. President, between now and the end of the fiscal year it will be necessary to take up and dispose of a number of appropriation bills. If we were to undertake to bring up the river and harbor bill for consideration at this time, it would necessarily have to be laid aside for the passage of four supply bills which have not yet been acted upon by the Senate, some of which will contain some rather controversial items, and possibly consume some time.

There are also some conference reports, not only on appropriation bills but on legislative bills, which have not yet been disposed of by the Senate.

I do not believe there is any possible chance of the Senate taking up and disposing of the river and harbor bill before the proposed recess takes effect during the latter part of this month. I understand the latest date on which we will recess, if we recess at all, will be about the 23d of June. We have only about 12 working days in all between now and the 23d of June. I had a canvass made of the Members of the Senate to determine their wishes, and I am advised that a majority of the Senate entertain the view that no motion should be made to consider the river and harbor bill until after June 30 and, in fact, until after the termination of the proposed adjournment of the Congress and vacation period.

I shall not, therefore, move to take up the river and harbor bill until at least after the end of the present fiscal year, thereby affording the opportunity to dispose of the remaining appropriation bills and conference reports.

Mr. President, there is pending before the Commerce Committee the so-called flood-control bill which may be regarded as a companion bill to the river and harbor bill. The subcommittee has not completed its hearings on the flood-control bill. It hopes to be able to do so within the next few days. Therefore the flood-control bill, concerning which a large number of persons have expressed interest, will have to follow the same course which I have indicated in reference to the river and harbor bill.

While I am on my feet I wish to address myself to another subject matter, namely, that which is commonly referred to as the St. Lawrence seaway bill, a bill which was introduced by the Senator from Vermont [Mr. AIKEN], and which is now pending before the Commerce Committee. I have received inquiries with reference to the bill. I hope to take it up immediately following the disposition of the river and harbor bill, and the flood-control bill. There will be no opportunity to take up the St. Lawrence seaway bill until after the expiration of the present fiscal year.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. DOWNEY. Mr. President, as the distinguished Senator [Mr. OVERTON] realizes, one of the very controversial features of the river and harbor bill is an issue which is entirely peculiar to California—namely, the amplification of the 160-acre reclamation of the land of the Central Valley project in the San Joaquin and Sacramento Valleys. As I have said, it is a very controversial subject, as well as being complicated. It will probably be precipitated on the floor of the Senate and may take at least a week of argument and debate, which would be most unfortunate because the matter relates to a local condition.

In an effort to prevent burdening the Senate with the issue to which I have referred, it is my hope that we may have a hearing on it in the State of California before the river and harbor bill is taken up. I am led to believe that in that hearing there will be present the distinguished senior Senator from New Mexico [Mr. HATCH] and the distinguished junior Senator from Arizona [Mr. MCFARLAND], as well as two Republican Senators. It is my hope that as a result of what our committee may do we may be able to work out some solution of the difficulty so as to take the issue out of the bill.

I wish to say to the distinguished Senator from Louisiana that the only date which I can set for the hearing will be about July 24. That would be 1 week after the date on which the Democratic convention is to convene. The hearing will probably take 2 or 3 weeks. I am wondering if any assurance or hope could be offered by the distinguished Senator from Louisiana that the hearing on the river and harbor bill might be delayed until some time after August 10.

Mr. OVERTON. I regret that I cannot give the distinguished Senator from California the assurance which he seeks. I am not in position to speak with any authority on the subject, but it is not improbable that when Congress recesses it will recess until after the two political conventions have been held. It is likewise not improbable that thereafter the Senate will be practically in recess by holding sessions only on every third day until after Labor Day in September. In that event the bill would not be taken up until after Labor Day, and the river and harbor bill, as well as the flood-control bill, would not come up until after Labor Day. Both bills are very important, and I would not wish to agree to delay their consideration on account of merely a single project, included in the bill to which the Senator has referred. I know that the problem about which he has spoken is a difficult one. In fact, it is so difficult that the Commerce Committee threw it bodily out of the bill in order to allow the Committee on Irrigation and Reclamation to have charge of the project.

Mr. DOWNEY. Of course, the Senator does not mean that it was thrown out of the bill, because so far as the bill is concerned, which came over from the other House, the House amendment is still in the bill.

Mr. OVERTON. Yes; but the Senate Commerce Committee did recommend that it be stricken from the bill.

Mr. DOWNEY. May I further burden the distinguished Senator from Louisiana by another question?

Mr. OVERTON. I am glad to yield.

Mr. DOWNEY. If our majority and minority leaders in their wisdom should decide to recess until after August 1, is it then probable that under those conditions we could be accommodated in this matter by an assurance that this particular river and harbor bill will not come up until after the 10th of August? We will have only from July 24 until about August 10 to have a hearing. I believe it might relieve the Senate of several days of very controversial debate.

Mr. OVERTON. The Senator from California understands the situation about as well as I do. I think he may take a great deal of comfort out of what the situation will probably develop.

Mr. SHIPSTEAD. Mr. President, will the Senator from Massachusetts yield to enable me to ask a question of the Senator from Louisiana?

The ACTING PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Minnesota?

Mr. WALSH of Massachusetts. I yield to the Senator from Minnesota, although when I first yielded I did not expect another subject to be substituted for the matter before the Senate.

Mr. OVERTON. I simply wanted to make a statement and I am very grateful to the Senator from Massachusetts. I do not desire to take up any more of his time.

Mr. SHIPSTEAD. Mr. President, will the Senator from Louisiana listen to just one question? I should like to know if the Senator can give us any assurance that hearings will be held on the bill that deals with the St. Lawrence waterway. How soon can the Senator assure us that we will have a hearing on that bill before his committee?

Mr. OVERTON. Certainly a hearing will be held on the St. Lawrence seaway project.

Mr. SHIPSTEAD. I have been waiting for it for some months.

Mr. OVERTON. If the Senator from Massachusetts will pardon me for a moment, I shall make an explanation that, I hope, will silence any veiled criticism contained in the observation of the Senator from Minnesota. I happen to be chairman of the subcommittee dealing with the St. Lawrence seaway.

Mr. WALSH of Massachusetts. Inasmuch as the Senator from Louisiana was asked a question, out of courtesy I yield to him, but I do not want to yield for a prolonged discussion.

Mr. OVERTON. I shall not ask the Senator to yield again. I simply wish to make a brief statement about the river and harbor and flood control and St. Lawrence seaway bills. The St. Lawrence seaway bill was introduced by the Senator from Vermont [Mr. AIKEN] on

September 28, 1943. It lay in the committee, and not a single department or agency of the Federal Government submitted a report on it. In the course of time I was selected as chairman to conduct the hearings on the St. Lawrence seaway bill. Weekly I would telephone to ascertain whether any report had come in from any of the departments or agencies. I was told that none had come in. As Senators well know, we do not hold hearings on a bill until we have a report from the agencies and departments involved. In the meantime the House passed a river-and-harbor bill and sent it to the Senate. I was made chairman of the subcommittee handling that bill, and out of courtesy to the House of Representatives, and because the river-and-harbor bill involved a great many more projects than the St. Lawrence seaway bill, and in the absence of the reports I directed that a hearing be held on the river-and-harbor bill. We began the hearings on the river and harbor bill on April 25 and continued them straight through until May 18. In the meantime the flood-control bill came to the Senate.

Now, all of a sudden there is a revival of interest in the old, dead St. Lawrence seaway project. I say "dead," because it has been pending here for many years without being acted upon favorably. All of a sudden the departments and agencies begin to submit their reports. The reports are in, and the time will be opportune as soon as we can reach it to dispose of the St. Lawrence seaway by conducting the hearings. But certainly the river-and-harbor bill and the flood-control bill, under the circumstances I have mentioned, have precedence over the St. Lawrence seaway.

I thank the Senator from Massachusetts for yielding to me.

Mr. AIKEN and Mr. HATCH addressed the Chair

The ACTING PRESIDENT pro tempore. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. WALSH of Massachusetts. The Senator from Vermont says he would like to ask a question of the Senator from Louisiana, and I yield to the Senator from Vermont. Then I shall yield to the Senator from New Mexico.

Mr. AIKEN. I thank the Senator from Massachusetts. I wish to ask the Senator from Louisiana if he can give us an approximate date when hearings on the St. Lawrence seaway project will be held.

Mr. OVERTON. I really cannot, because I cannot give an approximate date when the river and harbor bill will come up or an approximate date when the flood-control bill will come up.

Mr. AIKEN. Does the Senator mean that he does not intend to hold hearings on the St. Lawrence seaway until after the river and harbor and flood-control bills are disposed of?

Mr. OVERTON. I would not say that at all. I have not finished the hearings on the flood-control bill. There is one committee to which three bills have been referred, and three important bills of this character cannot be disposed of simultaneously by one committee.

I am not going to hold hearings during the recess of the Congress on the St. Lawrence seaway or on any other bill; but when we return from the recess, if I am not so occupied on the floor handling the river and harbor bill and the flood-control bill as to make it impossible, I shall be very glad to conduct hearings on the St. Lawrence seaway bill.

Mr. AIKEN. I gather no assurance whatsoever from the remarks of the Senator from Louisiana that there will be hearings on the St. Lawrence seaway bill in time to obtain any action at the present session of Congress.

Mr. OVERTON. The difficulty is that the Senator wants to pin me down to a certain, definite date, and I regret that I cannot give him that date.

Mr. AIKEN. Therefore, I wish to say that the advocates of the St. Lawrence seaway believe that the present session of the Congress should have an opportunity to vote upon that greatest of all developments on the whole North American continent. It is the purpose of some of my colleagues and myself to propose the St. Lawrence project as an amendment to the river and harbor bill, if it appears that there will be no assurance of having an opportunity to vote upon it on its own merits. We would prefer not to do it. We realize it would take considerable time of the Senate, probably a week or 10 days, in order to present the testimony which should be presented in the committee hearings; but, nevertheless, if there appears to be no other way by which we can obtain a vote on this proposed development—a development which has been requested by the President, by the Secretary of State, by the Secretary of War, by virtually all other department heads, by the Governors of many of the States, and by many people throughout the country—it will have to be offered as an amendment to the river and harbor bill. What the result will be, no one can predict at this time.

STATEMENT OF POSITION BY PRESIDENTIAL CANDIDATES—EDITORIAL COMMENT ON SENATOR LUCAS

Mr. HATCH. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from New Mexico?

Mr. WALSH of Massachusetts. We have been talking about water. I should like to talk about oil; but I yield to the Senator from New Mexico.

Mr. HATCH. First, I wish to thank the Senator from Massachusetts for his tolerance and his kindness and to promise him that presently I shall ask him a question about the bill he desires to have considered. Before I do that, however, I wish to say that this morning on the convening of the Senate I was greatly impressed by the remarks made by the distinguished chairman of the Foreign Relations Committee, the Senator from Texas [Mr. CONNALLY], and also the reply which was made by the able and distinguished Senator from Michigan [Mr. VANDENBERG], because throughout their remarks there was carried the thought that the issues of this day were tremendous, they were mighty, they transcended partisan differences. Mr. President, that was what impressed me, for the issues of today are tremendous, they are mighty, and they do transcend partisan differences. I hope fervently that the thought expressed here this morning from both sides of the Chamber will be carried out.

I have been thinking, since the remarks to which I have referred were made, of an article which appeared in this morning's newspaper, written by one who was once a candidate for nomination as President on the Republican ticket, Mr. Willkie. My thought in that connection is that Mr. Willkie is writing a series of articles for a platform of the Republican Party.

Unfortunately, Mr. President, Mr. Willkie is not now the "general" of the Republican Party. I almost wish he were. I wish that a great party, as the Republican Party has been—and I use the past tense advisedly—had a candidate for President who would forthrightly state his position, as men in the Senate have done this day. This is not the time for men to conceal their thoughts; it is not the time for men to seek nomination for high office on principles they do not believe in or do not express.

From a purely partisan standpoint, I have no interest in what the probable nominee of the Republican Party will say as to his views on international or domestic problems; but as an American citizen I am entitled to know what any man who aspires to the high office of President believes on any question, international or domestic.

Mr. President, presently I shall discuss this question further, I hope before this week shall end, because, in my opinion, the American people have a right to know what men stand for in this day, this hour, and at this time. But just now I happened to see—and this is what gave rise to these remarks—an editorial which appeared in the Peoria Journal-Transcript, which is an independent Republican newspaper. The editorial deals with the qualification of one of our colleagues in the Senate for reelection to office, namely, the Honorable SCOTT LUCAS. I ask that the editorial be printed in the RECORD as a part of my remarks.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCOTT LUCAS

Down-State Illinois, particularly the Peoria area, has a big investment in Senator SCOTT W. LUCAS, senior Senator from this State. He knows the problems of this portion of the Commonwealth. He has been active in securing legislation beneficial to persons residing in the Illinois River Valley—particularly those who have an interest in bottomlands in drainage districts threatened by floods. He did much to make Peoria's municipal airport a reality.

In the face of this record, the people of central Illinois—whether Republicans or Democrats—will do well to consider his present bid for reelection. His own party thought enough of him not to run anybody against him, despite the fact he has not been slavishly committed to all New Deal policies. His record in American Legion affairs endears him to veterans of Illinois and his energetic spon-

sorship of a measure to assure the soldiers of this State of a chance to vote—whether the technique he proposed was wise or not—reveals his patriotic concern for their rights and privileges.

Illinois has been well served in the Upper Chamber of the National Legislature by the man from Havana As an independent newspaper, the Journal-Transcript commends his candidacy, even to Republican voters of this State.

PROCUREMENT OF OIL FOR THE NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 4771) to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

Mr. HATCH. Mr. President, will the Senator from Massachusetts yield further to me?

Mr. WALSH of Massachusetts. I yield.

Mr. HATCH. Mr. President, as I stated before, I think this time, this day and hour, demand that men speak out forthrightly and candidly on their views and their convictions, if they have any, and the American public, the people of this Nation, are entitled to know what they believe.

I promised the Senator from Massachusetts that I would ask him a question about the bill which he is now proposing to ask the Senate to vote upon. I have tried to read the report of the committee hurriedly——

Mr. WALSH of Massachusétts. I intend to make a statement about the bill.

Mr. HATCH. It has been impossible for me to read the entire report and the proposed contract. I have noticed that in the report it is stated that the Department of Justice, the Department of the Interior, the Office of the Petroleum Administrator, all the agencies dealing with this particular problem, have approved the particular bill of which the Senator is in charge. Is that correct?

Mr. WALSH of Massachusetts. That is correct. The Senator might also add the House of Representatives.

Mr. HATCH. Manifestly it has been impossible for me to read the report today.

Mr. WALSH of Massachusetts. Mr. President, the subject of naval petroleum reserves is one so large that I ask the indulgence of the Senate while I very concisely and briefly explain the purpose of the pending legislative proposal.

Mr. President, the United States Government possesses, under the jurisdiction of the Navy Department, four petroleum reserves, first, Elk Hills, Calif., known as reserve No. 1; second, Buena Vista Hills, in California, known as reserve No. 2; third, the Teapot Dome, in Wyoming, known as reserve No. 3; and, fourth, a reserve near Point Barrow, Alaska, known as reserve No. 4. In addition, the United States Government owns three oil-shale reserves.

The pending bill affects all these petroleum reserves remotely, but applies in particular to the Naval Petroleum Reserve No. 1, Elk Hills, in California. The Elk Hills reserve is owned in part by the United States Government and in part by the Standard Oil Co. of California. The estimated percentage of ownership of the oil in this reserve is approximately 64 percent by the United States, and 36 percent by the Standard Oil Co. of California.

The act of 1938 permits the United States Government to condemn or purchase lands within this reserve which are not owned by it, provided satisfactory arrangements cannot be made with the owners to retain the oil in the ground. The purpose of the act of 1938 was primarily to conserve all the oil in the naval reserves. All privately owned lands within the reserve are owned or leased by the Standard Oil Co. of California. In addition, the Second War Powers Act of 1942 undoubtedly gives authority to the United States Government to institute condemnation proceedings against the lands owned by the Standard Oil Co. of California. The general policy of our Government, and all laws dealing with this subject, is to conserve all petroleum products in the various reserves in the ground. Up to 1942 the Standard Oil Co. of California had refrained from producing petroleum from that portion of this reserve which they owned. The act of 1938 authorized the Navy Department to drill wells for the purpose of determining whether there was any seepage from the portion owned by the United States Government into the area controlled by the Standard Oil Co. Up to this time the Standard Oil Co. was extracting negligible quantities of oil. The digging of these wells disclosed that the Standard Oil Co. and the United States Government were joint owners of the oil in one reservoir under the grounds owned by the Government and the Standard Oil Co. of California.

Up to this time no major problem regarding the conservation of oil confronted the Navy Department because the Standard Oil Co. of California made satisfactory arrangements with our Government looking toward conserving whatever oil they had in this reserve. Early in 1942 the Standard Oil Co. served notice on the Navy Department that they desired to extract more oil for war purposes from that area of the reserves which they controlled. This led our Government and the Standard Oil Co. to enter into a contract providing for the extraction of 15,000 barrels of oil per day from this reserve by the Standard Oil Co., but not in excess of twenty-seven and one-half million barrels over a 5-year period. All the oil extracted was to be charged to the 36 percent ownership that the Standard Oil Co. of California had in the reserve. The Department of Justice ruled that this contract was in excess of any legal authority granted in any previous acts of the Congress dealing with oil reserves. The act of 1938 was held to deal with the purpose of conserving oil in the ground or the right to condemn or purchase the oil of the Standard Oil Co. and not to include the production of oil for other than conservation purposes. In other words, the Department of Justice held there was no authority for the Navy Department to enter into contract with the Standard Oil Co. providing for the extraction of a part of Standard's Oil.

By mutual agreement the original contract was canceled and a recission and temporary contract was entered into on September 8, 1943 between the Navy Department and the Standard Oil Co. of California, which permitted the extraction of the amount of oil in the original contract, namely, 15,000 barrels per day in the contract held void. This temporary arrangement was continued from time to time and is now about to be terminated, and it is for this reason that legislation on this subject is desirable at this time. In fact, the termination period expired early in June.

The present bill does two things: First, it authorizes the production of oil from Elk Hills whenever production is required for the national defense; and, secondly, it enlarges the Navy Department's power to protect its reserve against drainage. The reason for legislation permitting the extraction of oil at this time is due to the pressing need for oil to supply our war activities in the Pacific. The Joint Chiefs of Staff have communicated with both the House and Senate Naval Affairs Committees, impressing upon them the importance of obtaining oil from these reserves as speedily as possible. The letter from the Navy Department and the information which they presented to the committees on this subject is secret, but it is clear from the information received by the committees that Elk Hill's reserve is the only know source of crude oil so located as to make its production available in time to meet Pacific coast naval and military requirements. While oil exists in other parts of the United States, it is not the kind of oil that is needed by processing plants located on the west coast.

In authorizing the Navy Department to enter into a unit plan of operation, this bill recognizes the same relative percentage of ownership that experts have agreed was fair and just.

The bill authorizes the Navy Department to make a contract to extract 65,000 barrels of oil per day instead of 15,000. That is the amount requested by the Navy Department. The joint resolution, which is on the calendar, and which it is necessary to have adopted, which authorizes this increase from 15,000 barrels to 65,000 barrels, provides that not more than a total of 30,000,000 barrels of petroleum may be extracted, and the bill itself requires the Navy Department to cease operations and conserve the oil in the ground as soon as the present emergency requirements for oil cease.

The bill emphasizes the policy of conservation, and places the responsibility upon the Secretary of the Navy to extract only that amount of oil that he, with the approval of the President, finds to be absolutely essential for war purposes.

The essential features of the proposed contract which the bill authorizes the Navy to enter into are as follows:

First. The amount of petroleum and the times when it may be produced from Elk Hills for the national defense will be

determined by the Secretary of the Navy. Such determination, before becoming effective—and this is important—shall be authorized by a joint resolution of the Congress. That is why, following the enactment of this bill, a joint resolution will be presented.

Second. The Navy's share of the oil produced from the reserve is to be offered for sale to the highest qualified bidder for refining. This is necessary because the oil cannot be used by the Navy in its present crude state, and the Navy has no facilities for refining it.

Third. The money received from the sale of such oil shall be deposited in the Treasury of the United States as miscellaneous receipts.

Fourth. All expenses incurred by the Navy shall be borne out of funds appropriated by the Congress.

So Congress will have continuous control over the operations through its power to appropriate whatever money is to be spent in the future.

Fifth. When crude oil from the reserves is no longer required for the war effort, the Secretary of the Navy is directed to suspend production, except to the extent that the production of oil may be allowed to provide compensation to the Standard Oil Co. of California in such amount as is necessary to avoid damage to the field and permit production of enough oil to compensate it for its expenses and to compensate it for placing its lands under the exclusive jurisdiction of the Navy Department. There are other stipulations that it is not necessary to enumerate now.

The bill provides that no lease of any portion of the naval petroleum reserve, no contract to alienate the use, control, or possession thereof from the United States, no contract to sell the oil and gas products thereof, no contract for conservation or for compensation for estimated drainage, and no exchange of any land, shall become effective, nor shall any condemnation proceedings be instituted until after consultation in regard to all its details with the Naval Affairs Committees of the Congress, and after approval by the President.

This is an entirely new departure in our legislative policy. I wish to repeat that statement, because it is very important.

The bill provides that no leases of any portion of the naval petroleum reserve, no contract to alienate the use, control, or possession thereof from the United States, no contract to sell the oil and gas products thereof, no contract for conservation or for compensation for estimated drainage, and no exchange of any land, shall become effective, nor shall any condemnation proceedings be instituted until after consultation in regard to all details with the Naval Affairs Committees of the Congress, and after approval by the President.

It provides that the Secretary of the Navy shall annually report to the Congress all agreements entered into under authority granted by the act.

A feature in the bill which requires some explanation, and which was the only thing about which there was any controversy so far as the committee has been informed, is contained on page 9. It reads as follows:

> In the event of the inability of the Secretary of the Navy to make arrangements he finds satisfactory for exchanges of land or agreements for conservation as authorized under the preceding paragraph of this act, or for contracts for joint, unit, or other cooperative plans with respect to lands or leases authorized under the first paragraph of this act, he is hereby authorized, with the approval of the President, to acquire such privately owned lands or leases (a) within the reserves or outside thereof but on the same geologic structure, by purchase—

It will be noted that he is authorized to acquire private lands on all oil reserves or outside thereof but on the same geologic structure, by purchase—

> and (b) within Naval Petroleum Reserve No. 1 by condemnation, and (c) outside Naval Petroleum Reserve No. 1 but on the same geologic structure, provided that substantial drainage exists, by condemnation.

This provision was somewhat controverted because of a fear that the Department might seek to condemn holdings of privately owned companies outside the naval reserve, so the Naval Affairs Committee of the Senate—and afterward the House accepted the amendment—provided that "substantial" drainage must exist.

The necessity of granting authority to condemn lands outside reserve No. 1 is due to the fact that there is some evidence that property adjoining this reserve and leased by a company other than the Standard Oil Co. of California may be draining oil from this reserve.

For the information of the Senate, I will say that there is what is known as an upper reservoir and a lower or deeper reservoir in this reserve. All the operations now on the part of the Standard Oil Co. and the United States Government relate to oil being extracted from the upper chamber or level. Owners of private lands adjoining this reserve are extracting oil from the lower level, and it is not known whether or not that lower level or reservoir will drain oil from the lower level or reservoir owned by the United States Government and the Standard Oil Co. in reservation No. 1. This is a bill to conserve oil and not use it except under the emergency of national defense. It also seeks to prevent the loss of the oil in these reservoirs by seepage; accordingly seepage must be shown, and the approval of the President must be had. The proposal must be submitted to the Naval Affairs Committees of the Senate and House, and there must be substantial drainage, rather than mere leakage, in order to justify condemnation proceedings. At the present time the company outside the reserve is operating on land adjoining Naval Petroleum Reserve No. 1, and is extracting oil from what I have referred to as the lower level, or the Stevens zone. This lower level has not yet been explored adequately by the United States Government, and it is possible that the Navy's oil from the lower level is being drained off by this company's operations. Condemnation proceedings cannot be proceeded with unless it is first demonstrated that substantial drainage exists from the naval petroleum reserve into this oil field.

As has been indicated, this bill meets with the approval of the Navy Department, the Department of the Interior, the Department of Justice, the Petroleum Administrator for War, the Bureau of the Budget, and the Naval Affairs Committees of both Houses. The bill has already passed the House. The bill which is now before the Senate is one which was passed by the House of Representatives, and contains all the amendments suggested by the Naval Affairs Committee of the Senate. Therefore I am seeking action on the House bill rather than the bill reported by the Senate committee, because the House has already acted, and the House bill contains the amendments suggested by the Senate committee.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Massachusetts yield to the Senator from Michigan?

Mr. WALSH of Massachusetts. I yield.

Mr. VANDENBERG. Is the Senate Naval Affairs Committee unanimous on the subject?

Mr. WALSH of Massachusetts. Yes. The committee realizes the importance of the subject. There has been some sentiment in the committee—more in the House than in the Senate Naval Affairs Committee, where the matter was first considered—in favor of condemnation proceedings in taking over the Standard Oil holdings. At first blush I was disposed to favor that course, so that the whole reserve would belong to the United States. But various difficulties arose, the principal one being that no one knew what price should be paid for those holdings.

So it seemed to be necessary to make what has been attempted, namely, a unit contract whereby all the oil produced is divided between the Government and the Standard Oil Co. on the basis of a careful engineering determination of the amounts of oil underlying their respective lands. Those percentages are now estimated at 64 percent for Navy and 36 percent for Standard.

Mr. MOORE rose.

Mr. WALSH of Massachusetts. I yield to the Senator from Oklahoma.

Mr. MOORE. Mr. President, I should like to ask the Senator about the condemnation proceedings. I do not know whether I understand exactly what that procedure is.

Mr. WALSH of Massachusetts. Under existing law, the law of 1938, the right and authority now exists in the Navy Department to condemn the holdings of the Standard Oil Co., which are the only private holdings, in Naval Reserve No. 1.

Mr. MOORE. That is within the reserves, is it?

Mr. WALSH of Massachusetts. Yes.

That can be done under existing law. It also can be done by the President, under the Second General War Powers Act, not only as to that reserve but as to any

reserve, provided the national defense requires it.

This bill retains the present law, but states that when there is discovered a seepage from the reservoir of petroleum owned by the United States Government into a reservoir owned by private interests, outside the reserve but in the same geologic structure, if the President approves and if the Senate committees and House committees are informed, the condemnation proceedings may be undertaken.

Mr. MOORE. That would give an opportunity to show whether there was or was not substantial seepage; would it?

Mr. WALSH of Massachusetts. Yes; it would give full opportunity.

Are there any other questions, Mr. President.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. Certainly.

Mr. DANAHER. I do not see anywhere in the bill an identification of the area which is referred to as Naval Petroleum Reserve No. 1. Therefore, I wonder if we would not be well advised to delineate Naval Petroleum Reserve No. 1 as it appeared on a map bearing a given number and a given date, such as the exhibit which is fastened on the wall behind the Senator at the present moment.

Mr. WALSH of Massachusetts. Naval Reserve No. 1 exists by Executive order, not by reason of legislation.

Mr. DANAHER. If it exists by Executive order, that is all the more reason why it should be specifically delineated, for it then is subject to change by Executive order. If it exists by Executive order, it is subject to change by similar Executive order. That is all the more reason why we should identify it as a given area, such as one shown on the map directly behind the Senator.

Mr. WALSH of Massachusetts. It is identified on a map.

Mr. DANAHER. Yes; but it is not identified by statute as a given area. It does not say it is in Kern County, Calif., or Seward County, Kans. It does not say where it is located. Consequently, if an Executive order has established reserve No. 1, another Executive order can expand or contract Reserve No. 1.

Mr. WALSH of Massachusetts. Reserves Nos. 1, 2, 3, and 4 are well known and defined.

Mr. DANAHER. They are well known to whom?

Mr. WALSH of Massachusetts. They are well known and defined by reason of Executive order of the President. Their boundaries, acreage, extent, and size are well known.

Mr. DANAHER. Let me ask the Senator a question. If we are by statute authorizing action with reference to the oil in these reserves—and certainly there have been scandals and contract terminations and cancelations; in fact, great furor has been created at one time or another with reference to these reserves—would we not be wise to identify Naval Reserve No. 1 as the reserve defined pursuant to Executive Order 8950, or whatever the number of the order may be, so that at least we shall know what we are talking about 2 years from now, and shall know that we are talking about a certain specific area?

Mr. WALSH of Massachusetts. Of course, Mr. President, the original bill which was introduced at the request of the Navy Department has been modified and changed. A new bill was written. But the pending bill has been subjected to the scrutiny of the Department of Justice, the Legal Department of the Navy Department, and the legislative reference bureaus of the House and the Senate. The bill is drawn with the intention and purpose of making it clear what oil reserves are referred to in this bill.

Let me read to the Senate from the committee report with reference to reserve No. 1:

> 1. Reserve No. 1 (Elk Hills). On June 25, 1912, the Secretary of the Navy asked the Secretary of the Interior for the latter's cooperation in securing the reservation for the Navy of oil-bearing public lands in California sufficient to insure a supply of 500,000,000 barrels. In response to this request the Geological Survey recommended an area of 38,072.71 acres in the Elk Hills, Kern County, Calif. Accordingly, President Taft issued an Executive order, dated September 2, 1912, creating Naval Petroleum Reserve No. 1. Of the area lying within the boundaries of the reserve, as so constituted, 12,103.09 acres appeared to be legally patented to private owners and the balance, 25,969.62 acres, remained in the ownership of the Government.
>
> At the time this reserve was actually set aside for the Navy, no actual discoveries of oil by drilling had yet been made, and the selection of the area had mainly been founded upon general knowledge of its geology. No one knew with any degree of exactitude whether it contained more or less than the 500,000,000 barrels which the Navy had requested.

That is the information the committee has in regard to reserve No. 1.

The proposed contract which the bill authorizes covers and relates to the following:

> (1) This contract covers and relates to all of the lands lying within the boundaries of Naval Petroleum Reserve No. 1, located in Kern County, Calif. (hereinafter referred to as the "reserve"), comprising 43,815 acres, more or less, and indicated by the area embraced within the heavy black line on the map attached hereto, marked "Exhibit A" and hereby made a part hereof.

So it will be fully described in the contract.

Mr. DANAHER. Mr. President, will the Senator yield further?

Mr. WALSH of Massachusetts. Certainly.

Mr. DANAHER. To say that this particular tract is described in a contract is no answer whatever, I respectfully submit. This bill would authorize some contract to be executed, not the contract to which the Senator has referred, and which he has cited as appearing in the committee report.

What I am getting at is the fact that we are going to authorize the Secretary of the Navy to take possession of all properties within such naval petroleum reserves as are or may become subject to control and use by the United States for naval purposes, and then to deal with certain specific reserves. We should, as a matter of statute, say that when we talk about Naval Petroleum Reserve No. 1, we mean as it appears on a map revised to May 21, 1944, and entitled "Well Map of Naval Petroleum Reserve No. 1, Kern County, Calif.," and we should otherwise identify it as it has been bounded and described in an Executive order of a given date, bearing a given number, and having an amendment, if there be an amendment to that Executive order.

If we then specifically by statute make reference to that particular area, that is the area with which we are authorizing the Secretary of the Navy to deal.

I ask the Senator from Massachusetts if he does not agree with me that in the interest of accurate legislation we should identify the area.

Mr. WALSH of Massachusetts. I certainly do not.

Mr. DANAHER. Then, let me ask the Senator what is the reason why we should not.

Mr. WALSH of Massachusetts. I think the bill amply provides for the conservation of oil in this reserve, and gives authority to the Navy Department to make the contract which it is absolutely necessary for it to make if it is to obtain the oil from that reserve. Furthermore, the contract which will be made, and which will be submitted by the Navy Department to the committees of the House and Senate, specifies and defines reserve No. 1 which is referred to in the bill. From what the Senator says, he would have the bill employ elaborate phraseology in explaining the boundaries of reserve No. 1. Is that not correct?

Mr. DANAHER. No; but from what the Senator has said I do not believe that the area is well defined.

Mr. WALSH of Massachusetts. It has been defined by a Presidential order, and known since 1912 as reserve No. 1, and other reserves as reserve No. 2, reserve No. 3, and reserve No. 4.

Mr. DANAHER. Was the Executive order of 1912 ever amended by a later Executive order?

Mr. WALSH of Massachusetts. Not that I know of.

Mr. DANAHER. I repeat the question, Mr. President. Has the Senator any further information?

Mr. WALSH of Massachusetts. I have no further information.

Mr. DANAHER. It is my understanding that the original Executive order was later amended by another Executive order. But whether it was or was not, the fact remains that if the President had the power, through an Executive order, to define reserve No. 1, he has the power to amend it, has he not?

Mr. WALSH of Massachusetts. He certainly has.

Mr. DANAHER. And therefore, he may enlarge the authorization beyond anything contained in this bill.

Mr. WALSH of Massachusetts. There is nothing in this bill which would prevent the payment of compensation for

any oil which might be taken by the Government. If I had my way I would provide even greater authority to condemn and take over oil lands than it is proposed to grant by this bill. So if reserve No. 1 is not accurately defined, and if there were a seepage of oil from any Government reservoirs into the reservoirs of private owners, I would have them condemned, taken over, and paid for by the Government.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. WILEY. On page 24 of the report of the Senate Committee on Naval Affairs it will be noted that on October 15, 1942, President Roosevelt signed an Executive order enlarging the limits of the reserve to the east. I read the language contained in the report:

> On October 15, 1942, President Roosevelt signed an Executive order enlarging the limits of the reserve to the east to include the balance of the known geologic structure of the shallow oil zone. This enlargement brought within the boundaries of the reserve three additional producing sections of land owned by Standard, a half section owned by Kern County Land Co., and being produced by Standard as lessee.

Perhaps that refers to reserve No. 3.

Mr. WALSH of Massachusetts. That recalls to my mind the fact that there were some private owners in addition to the Standard Oil Co. who had small holdings against which the Government instituted condemnation proceedings. It was necessary for the President to enlarge reserve No. 1 in order to obtain authority to condemn those holdings and thereby prevent leakage.

Mr. DANAHER and Mr. LUCAS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield and, if so, to whom?

Mr. WALSH of Massachusetts. I yield to the Senator from Connecticut.

Mr. DANAHER. I assume that the comment of the Senator from Wisconsin has refreshed the recollection of the Senator from Massachusetts on the fact that the Executive order of 1912 was amended by another Executive order in 1942. Am I correct?

Mr. WALSH of Massachusetts. The Senator is correct. If the Senator had asked me if there had been takings other than by the Standard Oil Co. in the area to which reference has been made, I would have said "Yes." I understand the reason for the Executive order was that there were small holdings adjoining the original reservation, where there was seepage of oil, and the President modified his original Executive order to include the new area.

Mr. DANAHER. Mr. President, will the Senator yield further to me?

Mr. WALSH of Massachusetts. I am glad to yield.

Mr. DANAHER. Beginning near the bottom of page 6 of the bill we find the following language:

> He—

Meaning the Secretary of the Navy—

> is hereby authorized, with the approval of the President, to acquire such privately owned land or leases (a) within the reserves or outside thereof but on the same geologic structure, by purchase—

I digress there in order to point out that not a single word appears in the first authorization with reference to condemnation. Quite the contrary, either within the reserve as defined or outside the reserve as defined, if it be on the same geologic structure, the Secretary of the Navy would be given authority, subject only to the approval of the President, to purchase, and that would mean at any price upon which he might choose to agree. I wish to ask the Senator from Massachusetts if after the word "purchase" there ought not to be inserted the words "or by condemnation."

Mr. WALSH of Massachusetts. The President of the United States has authority under act of June 30, 1938, to condemn all holdings of the Standard Oil Co. or to purchase them, whichever he chooses to do. They would have been purchased if it had been possible to reach an agreement upon the price. The price of the holdings of the Standard Oil Co. was estimated at various sums, ranging from $40,000,000 to more than $200,000,000. So it was thought to be such a gamble that the wise and sensible thing to do would be to make a unit agreement with the company. The authority to condemn or to purchase already exists. If the Senator will read further in the bill he will find that it contains authority to condemn outside the reserves when certain factors exist, such as seepage.

Mr. DANAHER. Will the Senator further yield to me?

Mr. WALSH of Massachusetts. I yield.

Mr. DANAHER. From a reading of the bill it is clear that the language near the top of page 7 provides for three different classes of authorization to be established. I again read the language. It says:

> The Secretary of the Navy * * * is hereby authorized, with the approval of the President, to acquire such privately owned lands or leases (a) within the reserves or outside thereof but on the same geologic structure, by purchase.

Mr. WALSH of Massachusetts. Yes.

Mr. DANAHER. That means that if the property is acquired by purchase it is because there is a meeting of the minds. It is because the seller says in effect, "You are paying me as much money as I want for the property, even though it is twice as much as I ought to receive for it, and I am glad to sell it to you." That is how a purchase may be made.

Mr. WALSH of Massachusetts. The property may be acquired first, by purchase; second, by condemnation——

Mr. DANAHER. Allow me to point out to the Senator that the language in subdivision (a) applies to reserves "outside thereof." But in the matter of acquisition, different methods are applied, the language reading, "within Naval Petroleum Reserve No. 1 by condemnation." Nothing is said about Naval Reserve No. 2, or Naval Reserve No. 3. Even in the third class the language is that if the property be "outside Naval Petroleum Reserve No. 1, but on the same geologic structure, provided that substantial draining exists, by condemnation." So as to two classes of property, there would be condemnation. As to one class the owner is allowed to set his own price, and the Government would acquire by purchase. I respectfully submit to the Senator from Massachusetts that if we define what we mean, and put in the words "or condemnation," after an owner had demanded an inordinate price for his property, condemnation could follow. Is that not a reasonable request to make?

Mr. WALSH of Massachusetts. I should like to invite the Senator's attention to the fact that the language preceded by (a) applies to every reservation, not only to reservation No. 1, but to the three other reservations. The President could purchase adjoining land, or land within any reservation. With reference to reservation No. 1, he could condemn, and with respect to a reservation outside No. 1, he could condemn it for seepage. Purchase may be made for the purpose of conserving oil within any of the four reservations if Congress appropriates the money.

With reference to reservation No. 1, it can be condemned because we now know that seepage exists in that area, and with reference to holdings outside, after proper scientific investigation has been made, it may be discovered that seepage exists there, and under those circumstances the language of the bill is clear.

It is regrettable that the Senator was not a member of the Naval Affairs Committee. I am sure he could have been very helpful to us in discussing and drafting a bill on this important subject.

Mr. DANAHER. Mr. President, if the Senator should like to have me as a member of the Naval Affairs Committee in order to help him, I may say that I shall be glad to be a member of the committee in another term, but not now.

Mr. WALSH of Massachusetts. The Senator has evidently found difficulties in the bill which none of the members of the committee discovered.

Mr. DANAHER. Is there any difficulty about the Senator from Massachusetts answering reasonable questions about the bill?

Mr. WALSH of Massachusetts. Certainly not.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. HATCH. I may say that I have been confronted with some of the same difficulties that have been mentioned by the Senator from Connecticut. I do not wish him to think he stands alone.

Mr. DANAHER. I thank the Senator from New Mexico. I have very great respect for his ability.

Mr. WALSH of Massachusetts. No difficulties were presented to our committee except with reference to the language under (c), and those difficulties were suggested by private owners who may now be extracting oil from the properties of the Government of the United States. They protested against giving the power of condemnation in those cases to the Government. No question was raised as to anything else.

Mr. HATCH. Mr. President, will the Senator further yield to me?

Mr. WALSH of Massachusetts. I yield.

Mr. HATCH. I merely wished to observe, Mr. President, as I started to observe earlier in the day, that this question, which relates to the oil reserves of the Navy in the Elk Hills region, has been before the country for many years. It is one which was primarily before the Committee on Public Lands. Unfortunately that committee had no opportunity to study this particular bill. That committee does have considerable to do with the leasing of oil on the public domain, concerning which there are many rules and regulations and laws. Today for the first time the chairman of the committee picked up the report of the committee on the pending bill. The report contains 26 pages, including a very complicated form of contract. It is manifestly impossible for me to read the report and study the contract and to know what it contains. I did take considerable interest in the matters which the Senator from Connecticut has been discussing concerning the right of the Government to condemn private land. I have had no opportunity to study the matter, and I really do not know exactly what the import of the bill is.

Mr. WALSH of Massachusetts. Fifteen of the Senator's colleagues on the Senate committee, representing both political parties, and 25 Members of the House on the committee of that body, have studied it, and I think the Senator recognizes the fact that they are as keenly interested in serving the public interest in a bill of this kind as those who are not on the committee.

Mr. HATCH. There can be no question about that, and I should certainly raise none.

Mr. WALSH of Massachusetts. The Senator referred to the report being long. I presume it could have been made in one page, but my theory is that reports which are presented to accompany bills should contribute something to the interpretation of the law which is to be enacted and that they should give full and complete information on all aspects of the particular subject. There is hardly a phase of the whole oil question from the beginning in 1912 that is not set forth in the report for the information of the public and the Senate.

Mr. HATCH. Mr. President, if the Senator will yield, I did not mean to criticize the report for being long; I merely stated it was impossible for me in about a minute's time to digest the report.

Mr. WALSH of Massachusetts. The Senator's colleagues on the committee have taken the time to do so. They sat in the committee and discussed every phase and angle of the bill, and some of them are from the oil-producing States.

Mr. HATCH. I am quite sure that is the fact, and I am not raising a point about that, but I do say that it is impossible, under the circumstances, for the Senate as a whole to be familiar with this matter.

Mr. WALSH of Massachusetts. I want to say that the only opposition to this bill as heard by the committee came from persons and interests who want to prevent the United States Government from instituting condemnation proceedings to take oil from land which adjoins the Government's oil reserves. They do not want to give the Government any definite power in the future to condemn. That is the only opposition which was presented by anybody to the committees of the House and Senate. They have been very strenuous in their opposition to the right of the Government to proceed when it discovers its oil is being extracted by private interests and dissipated, and have been trying to prevent the Government, if it sees fit to do so, from condemning and, if it cannot condemn, purchasing or making a reasonable joint contract for the conservation of the oil.

Mr. HATCH. I may say to the Senator from Massachusetts that I have tried to obtain a copy of the hearings before the Senate committee, but have not been able to do so. That was without any fault on the part of the chairman of the committee, and I do not want to criticize the Senator from Massachusetts, because he is not subject to criticism, but the hearings were not printed.

Mr. WALSH of Massachusetts. The House hearings were printed, and the Senator was given a copy of them. The Senate hearings were not printed because some of the testimony was of an executive character, and, secondly, because the Senator from Louisiana held up for correction his inquiries. That is the reason why the hearings were not printed.

Mr. HATCH. What I started to say was that I tried to find out what had been stated before the committee.

Mr. WALSH of Massachusetts. Is there any question in reference to the bill the Senator would like to have explained?

Mr. HATCH. I absolve the Senator from Massachusetts from any criticism whatever.

Mr. WALSH of Massachusetts. I understand that, and I think if there is any criticism it should be directed to a specific feature of the bill so that we can explain it rather than a general criticism that it is a condemnation bill, and it might lead to some property in the future being condemned. If I had my way I would be disposed to give the Government of the United States authority to condemn oil at any time anywhere it finds it, because, in my opinion, oil is going to be the most valuable asset the Government will have for national defense in future years. The bill is drawn with extreme care, credit for which is due not so much to my own committee as to the House committee, and it has been drawn with the purpose of making the policy of conservation of oil primary and fundamental, and also—which never happened before—of tying the hands of administrative officers and preventing them from acting without appearing before committees of Congress and obtaining their consent in the making of contracts and increasing or changing oil reserve areas.

Mr. HATCH. Mr. President, the Senator from Massachusetts very graciously yielded. I did not want to take his time. Perhaps in my own time I should explain that I thought from the very brief moment I had to glance over the proceedings before the committee that the independent oil producers—and there is a distinction between the independents and the others—object strenuously to certain language in the bill.

Mr. WALSH of Massachusetts. There is no doubt about that, and they succeeded in the House committee and in the Senate committee in restricting this bill so that the Government cannot touch oil anywhere unless it is adjoining its own reserves, unless there is substantial seepage, and unless the President and the House and the Senate committees consent. I do not know what could be tighter.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. MOORE. As I understand—and I want to see if I am correct—the Government cannot condemn the property of private oil companies or private individuals until there is an allegation of drainage and the allegation is afforded an opportunity to be heard before the committees of Congress. Am I correct about that?

Mr. WALSH of Massachusetts. The Senator is absolutely correct. In order to make it a matter of record, I will read a memorandum which I asked the Navy Department to prepare for me as to the proper interpretation. It will take but a moment to read it:

THE EXTENSION OF THE CONDEMNATION POWER

The authority to purchase or condemn privately owned lands or leases is confined in existing law (the act of June 30, 1938), to lands or leases within the boundaries of Reserve No. 1 (Elk Hills). This power exists irrespective of whether drainage is shown.

Whether drainage is shown or not under the act of 1938, that is in reserve No. 1.

The bill amends the present paragraph 3 of the act in such manner as to enlarge the area in which the condemnation authority extends.

In the case of the authority to purchase, the bill extends it to privately owned lands or leases within any of the reserves—not merely reserve No. 1—or outside thereof, but on the same geologic structure.

In the case of the authority to condemn, the bill extends it to include privately owned lands or leases outside reserve No. 1, but on the same geologic structure provided that drainage exists. The original bill S. 1773 proposed by the Navy authorized condemnation lands lying within reserve No. 2 and outside thereof, but on the same geologic structure.

So it will be seen the bill has been narrowed by the House and Senate committees.

The Navy Department originally wanted authority to condemn regardless of whether there was seepage or not. I read further:

The amendment to the bill which had been approved by my committee contained no power to condemn within or adjoining reserve No. 2. In contrast with the purchase power, condemnation in the proposed bill relates only to reserve No. 1 and the

neighboring area, and not to any of the other reserves. Similarly, in contrast with the purchase power, condemnation, insofar as lands or leases outside the boundaries of reserve No. 1 are concerned, attaches only to those lands on the same geologic structure which do in fact drain oil from the reserve—

They must in the condemnation proceedings prove that the oil is being drained, in order to have the court condemn the property—

and not merely to those which are on the same geologic structure.

The enlargement of the purchase power is, in its impact upon the private owners or lessees affected by it, more apparent than real, inasmuch as the Navy may always endeavor to buy any property it wishes, subject always to the willingness of the owner to sell and the willingness of the Congress to appropriate moneys for the purpose. The extension of the condemnation power is, however, a matter of more consequence, and my committee, as well as the House Committee on Naval Affairs, has considered very carefully the provisions of the bill in this regard.

The Navy Department's position has been that its power must be commensurate with its responsibility for the carrying out of the congressional policy to conserve the Government's oil in the ground. Wherever that oil is subject to diminution by drainage from operations on privately owned lands or leases, it is the Navy's view—

As it is my view, and the view of the committee—

that it must be in a position to stop such drainage, by condemnation if need be. Inasmuch as the harm caused by drainage is the same irrespective of whether the drainage is to lands within or without the boundaries of the reserve, adequate protection requires that the condemnation power extend to privately owned lands or leases outside the reserve as well as inside.

That, I think, answers the Senator's question. It is very much restricted, much more than the Navy first wanted, much more than I want, and it is due largely to the pressure and influence of privately owned oil companies.

As I said before, perhaps there is an argument on that side of the question, but I feel that oil is so necessary for our future safety—and nothing is more so—that I would give all the power humanly possible to give. When there is drainage of oil, and our oil wells are being made dry, I shall not deny whatever legislation may be necessary, in the way of authority to condemn, purchase, contract, or in any other way handle the situation.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. HATCH. I was interested in what the Senator just said, and I am wondering whether, in view of that statement, he approves the present policy of the Government in restricting the drilling of wells, say one to every 40 acres.

Mr. WALSH of Massachusetts. Restricting what?

Mr. HATCH. The drilling of wells, one to every 40 acres, as is done in my State. In other words, the Government restricts the development of its own lands on the public domain in New Mexico.

Mr. WALSH of Massachusetts. I have no opinion about that, I do not know whether it is a wise policy, but I have an opinion about the importance of whatever oil we have, wherever it may be, being kept safe, secure, uncontaminated, and not subject to loss by drainage. The chairman of the House committee and I fought long with the Navy Department against increasing the extraction of from 15,000 to 65,000 barrels daily out of these reserves, because of the apparently certain need of oil in the future. But it was to no avail. The evidence was presented to us in confidence, and secretly, as to the situation, and we were told a day might come when certain planes and certain vessels in the Pacific would not have the necessary oil. So we gave consent to this increase. I am sorry I cannot answer the Senator's question about the oil situation in his State.

Mr. HATCH. Some of the other committees have also had the confidential information to which the Senator refers. It seems passing strange to me that, on the one hand, the Government advocates a restricted policy as to drilling on its own lands, and, on the other hand, advocates, as eloquently as the Senator is doing here today, the condemning of private lands for drilling purposes.

Mr. WALSH of Massachusetts. Of course, the Government policy from the beginning has been that these reserves should never be touched until long in the future, until the supply of oil of the world and the oil of our own country was greatly diminished.

Mr. HATCH. But the Senator is proposing to touch them.

Mr. WALSH of Massachusetts. Yes; but very reluctantly, tying the hands of the Navy as they were never tied before, because they cannot take another barrel out of this reserve without coming to Congress for congressional action, and with a mandate to the Secretary of the Navy that he must close down the reserves and stop taking the oil as soon as the war is over.

Mr. DANAHER. Mr. President, will the Senator from Massachusetts yield?

Mr. WALSH of Massachusetts. Certainly.

Mr. DANAHER. Will the Senator tell me for how long a term the Secretary will be authorized to enter into leases?

Mr. WALSH of Massachusetts. No term is provided, but there is a requirement that the Secretary must consult with the committees of the House and of the Senate in regard to any change of policy he makes with respect to the oil reserves.

Mr. DANAHER. As to leases which were in existence prior to July 1, 1936, which are to terminate at the expiration of their initial 20-year periods, "the lands covered by such terminated leases may be re-leased upon such reasonable terms and conditions as the Secretary of the Navy may prescribe." Does the Senator know for how long it was contemplated that a re-lease might be made as to those leases in existence before 1936?

Mr. WALSH of Massachusetts. The section to which the Senator refers relates to the Buena Vista reserve, reserve No. 2, and the practice has been for the term to be 20 years. In my humble opinion, it will not be many more years before all the oil will be gone, and there will not be a chance to make a re-lease for 20 years, because the oil at Buena Vista is being extracted very rapidly. Furthermore, we have only a very small ownership in reserve No. 2.

Mr. DANAHER. Is it the Senator's understanding that the pending bill is an authorization to permit future action by the Secretary of the Navy?

Mr. WALSH of Massachusetts. The bill authorizes the Secretary of the Navy to enter into a contract with the Standard Oil Co. for the purpose of determining the amount of oil that can be taken from Naval Reserve No. 1, and fixes the amount, in the joint resolution which will follow the bill, at 65,000 barrels a day, and requires that the oil taken out shall not be, as it has been in the past, all charged up to the Standard Oil Co., but shall be equally divided, based upon the percentage of ownership of the Standard Oil Co. and the United States Government; and the percentage of the United States Government being 64 percent, it will be sold to the highest bidder by the United States Government. The Scretary of the Navy has all that authority, subject to the approval of the President, and subject in every detail to the Naval Affairs Committees of the House and Senate. The committee added those words, that the Committees on Naval Affairs of the House and Senate should be informed as to what changes were to be made in the contract and in the proceedings under the authority granted by the bill.

Mr. DANAHER. Will the Senator yield further.

Mr. WALSH of Massachusetts. Certainly.

Mr. DANAHER. The reason for my inquiry was that I wanted definitely to have the Senator tell the Senate whether this was a general authorization for future action, or whether it was intended by him to bring about congressional approval of a contract which has already been drawn, or, if not, one entered into subject to the enactment of the bill. So far as I can see, we do not find the words "Standard Oil" in the entire bill, and we do not find any description of the terms, of a 65,000-barrel limitation, of conditions of the lease, or of the number of years it is to run, or any of that. If this bill is to be the basis for our approval of a specific contract, I want the Senator to tell me.

Mr. WALSH of Massachusetts. I shall be pleased to tell the Senator about that. First of all we did not have the terms of the contract placed in the bill, because the members of the Committees on Naval Affairs of the House and the Senate did not want to approve a contract. They wanted to be in a position to criticize or to condemn any contract which was made not in conformity to the authority the law granted.

What is the bill? It is an amendment of the law of 1938, and the law of 1938 gave authority to purchase or condemn all the Standard Oil possessions in Naval Reserve No. 1. Under that law the Navy Department, under the late Secretary of the Navy, proceeded to make a contract not to condemn and not to purchase, but to enter into a unit agreement

for the extraction of the oil on terms agreeable to the Navy and to the Standard Oil Co. That contract was found to be illegal by reason of the fact that there was no authority to make a contract. Now we leave the Navy in the position of purchasing or condemning the Standard Oil rights in that reservation. The bill permits the company to make a legal contract which is satisfactory to the Navy Department and the President and to the Naval Affairs Committees of Congress. Authority is provided so as to get action so that 65,000 barrels of necessary oil a day can be taken out of that reservation, and at once. It is to be noted that the Secretary of the Navy is authorized to stop producing oil after the need lapses. Without the passage of this bill the Navy must purchase and conserve and condemn this property. They can do that. Some people think they ought to do it, but, as I said before, the Navy Department and the late Secretary of the Navy thought it was the height of folly to condemn and purchase something when no human being could know how much the Government would ultimately have to pay, and therefore that it was better to make a contract, by joint arrangement, dividing the oil that was extracted.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. DANAHER. Let me thank the Senator, please, for his forbearance, because those of us who are not on the Naval Affairs Committee or on the committees which deal with the oil problem find ourselves at a loss when we have to study and examine and act upon a piece of legislation of this character. I therefore want to thank the Senator for his helpfulness.

Mr. WALSH of Massachusetts. The Senator from Connecticut has been perfectly within his rights in his questions.

Mr. DANAHER. I hoped I was, and I am glad to have my belief confirmed by the Senator from Massachusetts.

Mr. WALSH of Massachusetts. I will say further that the Senator from Connecticut always makes a contribution to any discussion in which he takes part. Sometimes I may become a little heated, but it is not intended to show any displeasure toward my distinguished colleague.

Mr. DANAHER. I appreciate that.

Mr. WALSH of Massachusetts. It is because I want, by emphasis, to bring out the point more directly, if possible.

Mr. DANAHER. Let me ask the Senator one other question. Will the policy which the Navy will follow under the authorization represented by the proposed legislation conform with the policy of the Fuel Administrator, Mr. Ickes? Will they go along together on this whole program of conservation and development? I did not know but that there might have been some testimony adduced before the committee with respect to the matter.

Mr. WALSH of Massachusetts. There appears to be a general unity of action in this matter. That is largely due to the fact—which is why the bill is before the Senate today—that the Navy Department has been pushing us very hard for oil, to extract oil from those reservations and increase the quantity, and even if the pending bill is passed it will be approximately a year before we obtain 65,000 barrels a day for which need is claimed. Yes, Mr. Ickes, I am informed, approves this proposed legislation.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. HATCH. In connection with what the Senator from Connecticut said, certain language struck my attention this morning when I was reading the report and trying to ascertain what the attitude of the various departments was. I found this language:

> The bill was introduced at the request of the Navy Department and has been cleared by the Bureau of the Budget The committee understands that it meets with the approval of the Department of Justice, the Department of the Interior, and the Petroleum Administrator for War.

I ask the Senator whether the committee was informed that the bill meets with the approval of the Department named?

Mr. WALSH of Massachusetts. It does. I understand Mr. Ickes approves.

Mr. HATCH. He is the head of the Department of the Interior and speaks for it, and is the Petroleum Administrator for War. Has it also the approval of the Department of Justice?

Mr. WALSH of Massachusetts. All these officials were represented in the committee hearings.

Mr. HATCH. And they all approve the bill?

Mr. WALSH of Massachusetts. Yes. There is no opposition to the bill anywhere that I have been able to discover, except the opposition which led to embodying in the measure the provision that there must be a "substantial" seepage rather than simply the use of the word "seepage."

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield.

Mr. LUCAS. As the Senator has so well explained, under the present law the Government either condemns or purchases.

Mr. WALSH of Massachusetts. Yes.

Mr. LUCAS. There is no power under the present law to make the type and kind of contract which was made by the late Secretary of the Navy, Mr. Knox?

Mr. WALSH of Massachusetts. That is true.

Mr. LUCAS. But what we are doing now by the proposed legislation is in reality confirming what the late Secretary did in the contract which was declared to be illegal. In other words, we believed that what he did was right and proper even though he did not have the power to do it, and we now by the proposed legislation are ratifying and confirming the contract which the late Secretary made through his Department.

Mr. WALSH of Massachusetts. I think the contract contemplated by the bill is an improvement by reason of time and experience and study of the problem. But the fundamental difficulty with the other contract was that it was beyond the power given to the Navy Department in the act of 1938.

Mr. LUCAS. That is correct; it was beyond the power given in that act, but the fundamentals which guided the course of that contract are contained in the proposed legislation, with some limitations, such as coming back to the committees of Congress for more or less of approval. The only reason I make this observation is that certain antiadministration newspapers, after the Justice Department held the contract to be illegal, carried some very startling headlines with respect to it. In other words, there was no fraud, there was no chicanery, there was nothing wrong in the original contract made by the Under Secretary, with the exception that he did not have the power to make it.

Mr. WALSH of Massachusetts. Yes. Let me say this in connection with what the Senator from Illinois has said. The late Secretary of the Navy was criticized, as the Senator suggested, for failure to purchase or to condemn. His successor informed me that the late Secretary said it would be very easy for him to dispose of this knotty problem by means of purchase or condemnation, but he could not in conscience do it because it would be subjecting the Government to long litigation, to expense which no human being could determine, and that after his exhaustive study of the subject he felt that it was his duty, under his conscience, regardless of criticism, to proceed along the lines he did, and to make the contract he did.

Mr. LUCAS. That is correct. The point I wish to make is that the action of the House of Representatives and the action of the Senate, which is a confirmation of the contract which was then made, demonstrates that the late Frank Knox and those who were responsible for the contract were neither stupid nor venal in connection with the entire transaction.

Mr. WALSH of Massachusetts. They certainly were not venal and I hope not stupid.

Mr. WILEY. Mr. President, immediately after the Senate convened today I was requested by the distinguished senior Senator from Pennsylvania [Mr. DAVIS], ranking minority member of the Naval Affairs Committee, to make a few remarks in relation to the pending measure. I must say that I was not fortunate enough to be present in committee when the House bill was considered. I was present when the committee discussed the Senate bill. I am very happy to see that many of the items which were brought up at that time have been written into the bill. As was suggested by the distinguished Senator from Massachusetts, there was an element of protection written into the bill when we embodied in clause (c) on page 7 the provision:

> "Outside Naval Petroleum Reserve Numbered 1 but on the same geologic structure provided that substantial drainage exists, by condemnation."

Note the word "substantial."

At our hearing there appeared a number of persons who were very much concerned over the Senate bill. They

thought it was the entering wedge on the part of the Government to take over and manage the oil industry. After listening to the evidence given by officials of the Navy, Members of the House, and others, I reached the conclusion that our problem was to enact a law which would, first, preserve the oil reserves which the Government owns; second, see to it that we do not open the door for the Government itself to enter further into private business; and third, see to it that those whose lands are taken over to preserve the public rights receive their constitutional protection.

As I have said, I was not present at the hearing at which the House bill was considered; but, as brought out so well by the senior Senator from Massachusetts, I believe the committee has done a very good job. When we speak of Government oil reserves, we must remember that we have Reserve No. 1, which is the Elk Hills Reserve; Reserve No. 2, Buena Vista Hills; Reserve No. 3, the famous Teapot Dome; and Reserve No. 4, which is in Alaska. Also, there are oil shale reserves. They are all mentioned on page 20 of the report submitted by the Senator from Massachusetts.

Under the act of 1938 there is authority in the Government to condemn within Reserve No. 1. I believe the Government has the power, in the War Powers Act, to condemn properties outside Reserve No. 1. In this bill we have provided limitations on the Government, and the rights of the public and its citizens are protected.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Massachusetts if the agreement between the Standard Oil Co. and the Navy Department is similar to or has any connection with the formal agreement which was discussed in the first session of this Congress, when the distinguished Senator from North Dakota [Mr. LANGER] spoke on the subject several months ago.

On June 18, 1943, the Senator from North Dakota said:

> Mr. President, I wish to call the attention of the Senate to the agreement between the Standard Oil Co. of California and the Navy Department relating to certain oil-land development and to the further fact that this morning the newspapers announced that the Secretary of the Navy had canceled the agreement.
>
> Mr. President, I deem this contract of such importance that I think every Senator should be familiar with it, and I ask unanimous consent that the agreement made and entered into between the Navy Department and the Standard Oil Co. of California be printed in the RECORD at the conclusion of my remarks, so that Senators themselves and the American people may see exactly how subtly the contract was drawn, and for the further reason that I expect to discuss the agreement further, very likely on Monday, and having it printed in the RECORD will enable Senators to follow the discussion.

Mr. WALSH of Massachusetts. As I understand, that statement was made in a speech in condemnation and criticism of the contract originally entered into between the Navy Department and the Standard Oil Co. of California, and which later was found by the Attorney General to be null and void. This bill does not relate to that contract except to give authority for a new contract.

Mr. WHERRY. This is an authorization bill.

Mr. WALSH of Massachusetts. That is correct.

Mr. WHERRY. What I have read was from a speech against the condemnation proceedings proposed by the former Secretary of the Navy.

Mr. WALSH of Massachusetts. The Navy Department would like to have the Congress approve its contract, but our position is that the Navy Department is an administrative department and should go ahead and make its own contract. If it is not in the public interest, we can call the Navy Department to task. The easy thing for the Department to do would be to submit a contract and let us approve it; we are giving them the authority to make a contract but restricting its terms and defining its responsibilities.

Mr. WHERRY. The contract was not withdrawn because of any subtle terms in it. The question was whether to proceed under condemnation or whether the Department should seek an authorization to do what is provided for in the bill.

Mr. WALSH of Massachusetts. That is correct.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. WALSH of Massachusetts. Mr. President, the Senate bill on the same subject should be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 1773 will be indefinitely postponed.

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 286, Calendar 968. That is the joint resolution referred to in my discussion of this subject, giving authority to increase the amount of oil to be taken from these reserves from 16,000 to 65,000 barrels. There is no opposition to it.

The PRESIDING OFFICER. The joint resolution will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 286) providing for operation of naval petroleum and oil-shale reserves.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

USE OF RAYON AND OTHER SYNTHETIC PRODUCTS AS SUBSTITUTES FOR COTTON AND WOOL

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, with an amendment, Senate Resolution 291, and ask unanimous consent for its present consideration.

The resolution was submitted by the senior Senator from Alabama [Mr. BANKHEAD]. It provides for a complete study and investigation with respect to the use of rayon and other synthetic products. The resolution originally provided for an appropriation of $10,000. The Committee to Audit and Control the Contingent Expenses of the Senate has reduced the amount to $5,000.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 291) submitted by Mr. BANKHEAD on May 3, 1944, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment on page 2, line 18, after the word "exceed", to strike out "$10,000" and insert in lieu thereof "$5,000", so as to make the resolution read:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to the use of rayon and other synthetic products as substitutes for cotton and wool, including the extent of the use of such synthetic products and their effect upon the Nation's economy, the cost, utility, and economy of such synthetic products, the material and manpower required for their production, and the effect of using such material and manpower for that purpose, the extent to which and terms upon which Government agencies have encouraged and financed the production of such synthetic products, and such other matters related to such products as the committee deems appropriate. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem desirable.

For the purpose of this study and investigation, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-eighth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. BARKLEY. Mr. President, may I ask the Senator from Illinois what kind of an investigation of rayon it is proposed to make?

Mr. LUCAS. The Senator from Alabama [Mr. BANKHEAD] is not present. The resolution came from the Committee on Agriculture and Forestry, and was unanimously approved by that committee. If the Senator from Kentucky desires to interrogate the Senator from Alabama with respect to it, I shall be glad to have the resolution go over until tomorrow.

Mr. BARKLEY. I do not wish to delay the matter. I assumed that the Senator knew what kind of an investigation was contemplated, and the reason for it. There is a great deal of rayon production in this country, and I suppose an investigation of what it is, what it is made of, and all that, might be valuable information——

Mr. LUCAS. The only thing the Committee to Audit and Control the Contingent Expenses of the Senate did was to reduce the amount of the appropriation from $10,000 to $5,000.

Mr. BARKLEY. The Senator knows that no initial appropriation is ever sufficient. There is always a request for more money.

Mr. LUCAS. I appreciate the force of what the Senator from Kentucky says with respect to investigations in general. I do not care to repeat what I have said from time to time about the divers and sundry investigations which are now in progress before various committees of the Senate; but the Senator will find a number of very able Senators who take the position that the Committee to Audit and Control the Contingent Expenses of the Senate has nothing whatever to do with any resolution which comes before it, and that the only jurisdiction of the committee is simply to say whether $10,000, $5,000, or any money at all is needed.

That is why I am reluctant to discuss the question. As I have said, I do not know very much about it.

Mr. BARKLEY. Let me ask whether the Senator knows if it is intended to propose legislation relating to rayon.

Mr. LUCAS. Of course.

Mr. BARKLEY. Theoretically, all resolutions of investigations are based upon the possibility that the information obtained may be valuable to the Senate in connection with future legislation.

Mr. LUCAS. Precisely so.

Mr. BARKLEY. I do not know the scope of the resolution or why it is necessary to make the investigation. I do not wish to object to it. But it seems to me it is becoming too easy for a Senator to submit a resolution, have it referred to a committee of which he is a member, and then have it reported to the Senate, without any information at all.

I do not refer particularly to the Senator from Alabama; but the custom is one which has grown up in the Senate. Any Senator who wishes to discuss some subject simply introduces a resolution to investigate it, and then the resolution is referred to a committee of which the Senator who is the author of the resolution is a member. Then it is up to the Committee to Audit and Control the Contingent Expenses of the Senate to decide the amount of money it will authorize.

Mr. LUCAS. Mr. President, the Senator from Kentucky well knows that time after time I have taken the floor and have discussed the very question he has been talking about, and in my limited way I have attempted to advise various committees to hold hearings on resolutions coming before them, and to submit some kind of report so that the Committee to Audit and Control the Contingent Expenses of the Senate can intelligently reach a conclusion as to the amount of money which should be spent.

Mr. BARKLEY. Mr. President, does the Senator know whether the resolution has to do with price ceilings?

Mr. LUCAS. I do not know with what it has to do. However, in view of the inquiries of the Senator from Kentucky, I shall withdraw the resolution, and shall present it at some future time when the Senator from Alabama is present.

The PRESIDING OFFICER. The Senator from Illinois has withdrawn the resolution.

Mr. WHITE. Mr. President, I am glad the Senator has done so, for I hoped he would not press for action on the resolution at this time.

Mr. BARKLEY. Mr. President, if the Senator will permit me to make an observation while I am on my feet, I should like to say that if the resolution—which I have not had an opportunity to read—deals with prices of rayon, the O. P. A., or price legislation, it certainly should have gone to the Committee on Banking and Currency.

Mr. LUCAS. Mr. President, the resolution is very short. It provides that—

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to the use of rayon and other synthetic products as substitutes for cotton and wool, including the extent of the use of such synthetic products and their effect upon the Nation's economy, the cost, utility, and economy of such synthetic products, the material and manpower required for their production, and the effect of using such material and manpower for that purpose, the extent to which and terms upon which Government agencies have encouraged and financed the production of such synthetic products, and such other matters related to such products as the committee deems appropriate.

And so forth.

Mr. BARKLEY. It evidently is not particularly concerned with prices.

Mr. LUCAS. I should not say it is.

Mr. BARKLEY. I should like to look into the resolution. I may not object to it when it comes up again.

Mr. LUCAS. I wish to make a further observation with respect to such resolutions. As the Senator well said a moment ago, it is the theory that some legislation will grow out of every investigation. But when study is made as to the legislation which has grown out of such investigations, I think it will be found that the amount of such legislation is very small, indeed.

Mr. BARKLEY. A good deal of straw has been threshed out, with very little wheat, so far as legislation is concerned.

Mr. LUCAS. And more chaff, perhaps, than anything else. Of course, that does not apply to all committees.

Mr. BARKLEY. Of course, I would not make that blanket statement about all committees.

Mr. LUCAS. Not at all.

Mr. BARKLEY. But certainly it was necessary to increase very materially the amount of the contingent fund of the Senate for the present session of Congress, because of the enormous amount of money spent by committees making investigations. I certainly do not wish to conceal from the Senate or from any committee any desirable information. This remark does not apply any more to the resolution which has been under discussion than it applies to a dozen other resolutions which have been submitted to the Senate. The Senate should have something else in mind besides the mere desire of some Senator to investigate some subject, before it agrees to a resolution providing for the expenditure of money for such a purpose.

The PRESIDING OFFICER. Does the Senator from Illinois desire to report the resolution, so that it may be placed on the calendar?

Mr. LUCAS. Mr. President, I report the resolution, with the understanding that it be placed on the calendar.

PAYMENT FOR REPORTING SERVICE INCURRED BY COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably Senate Resolution 302, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The legislative clerk read the resolution (S. Res. 302) submitted by Mr. HAYDEN on June 5, 1944, as follows:

Resolved, That the expense of $106.75 for stenographic reporting incurred by the Committee on Irrigation and Reclamation at the hearing on February 3, 1944, on the subject of the delay in construction of irrigation projects, hereby is authorized to be paid from the contingent fund of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

EMPLOYMENT OF ADDITIONAL PRIVATES FOR THE POLICE FORCE

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably Senate Resolution 303. The resolution is short, and I shall read it:

Resolved, That the Sergeant at Arms hereby is authorized to employ 10 additional privates for the police force, to be paid from the contingent fund of the Senate from June 1 to September 30, 1944, at the rate of $1,620 each per annum.

The resolution grows out of the fact that for some time the members of the armed forces have not been guarding the Capitol and the grounds around it. The Sergeant at Arms has an unusual number of duties to perform around the Capitol during the summer months. I think the resolution is very appropriate, and should receive the favorable consideration of the Senate. I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 303), submitted by Mr. HAYDEN on June 5, 1944, was considered and agreed to.

EXTENSION OF PROVISIONS OF THE SUGAR ACT OF 1937, AS AMENDED

Mr. GEORGE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 4833, Calendar No. 969.

The PRESIDING OFFICER. The bill will be reported by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4833) to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar.

Mr. GEORGE. Mr. President, this is a House bill; but a companion bill, which was introduced by the senior Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Colorado [Mr. JOHNSON], has already been reported by the Senate Finance Committee. The senior Senator from Colorado will explain the purpose of the bill.

I move that the Senate proceed to its present consideration.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Colorado. Mr. President, House bill 4833 extends for a 2-year period the present sugar compromise legislation which has been on the statute books since 1937. It was originally enacted in 1937 for a period of 3 years. In 1940 it was extended for another year. In 1941 it was extended for 3 years further. Now it is proposed to extend the same legislation for 2 more years.

In the House bill there is no change whatsoever in any part of the present sugar legislation. All that has been done is to extend all the dates, so that all provisions of the sugar bill will have a 2-year extension of life.

I do not know that anything needs to be said at this time about the legislation. I think the Senate is very familiar with it. I shall be glad to answer any questions.

The Senator from Idaho [Mr. CLARK] is very much interested in the bill. He could not be present today, but he asked me to request unanimous consent to have printed in the RECORD a letter signed by Mr. H. A. Benning, president of the Amalgamated Sugar Co., of Ogden, Utah, endorsing the extension of the Sugar Act. Therefore, I ask unanimous consent that the letter may be printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMALGAMATED SUGAR CO.,
Ogden, Utah, May 29, 1944.

Hon. WORTH D. CLARK,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The Sugar Act of 1937 expires December 31, 1944. It is desired to extend it for 2 years in its present form. In the case of sugar beets, it provides for acreage allotments and benefit payments to growers. In the Idaho area these payments amount to about $2.50 per ton. Theoretically, they are 80 cents per hundred pounds of recoverable sugar—raw value.

The reason why we processors and growers want the act extended is that it authorizes the Secretary of Agriculture to restrict importations of off-shore sugars, also restricts domestic production, which if not done would put our farmers in direct competition with Cuba, for instance, where labor rates are not more than 20 percent of ours.

The conditional payment the farmers receive in normal times would return to the farmer, when combined with the payment made by processors, about $6.50 to $7 per ton. This is a satisfactory price to Idaho growers when farm labor and material prices return to normal—that is, what they were in 1939. If they remain higher the chances are raw sugar prices will be higher, as I understand wage rates in Cuba, while only 20 percent of ours, are substantially higher than they were in 1939. If sugar prices after the war are at a level that enables us to net $3.50 per 100 pounds (at the present time we are netting about $4.50), then Idaho growers would obtain about $7.60 per ton.

While we are not entirely in sympathy with the regimentation the Sugar Act imposes upon the industry, we do think it is the best instrument it is possible to get to stabilize conditions in the industry. At the present time there seems to be a wave of sentiment favoring good-neighbor policy, with little or no tariffs, in which case with no authority to restrict imports in effect, the country would be flooded with sugar produced under peonage labor conditions.

I hope you will go after this vigorously. If you need any additional information contact Fred Taylor, at the United States Beet Sugar Association.

Best luck and kindest regards.

Sincerely yours,

H. A. BENNING,
President.

Mr. JOHNSON of Colorado. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD certain letters and data which I have before me, which explain the bill, its terms, and the reasons why it should be enacted.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters and data were ordered to be printed in the RECORD, as follows:

JUNE 5, 1944.

Hon. HARRY F. BYRD,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR BYRD: When the Senate Finance Committee was considering the extension of the Sugar Act you asked for certain data with respect to subsidies that were supposed to be paid to Florida producers to not produce.

There are no Federal restrictions on sugar production in Florida or any other domestic area, whether continental or insular, all such restrictions having been lifted in the fall of 1941. On the contrary, the Federal Government has endeavored, through programs designed to assure adequate supplies of labor and machinery to growers, through price-support programs, and through other measures to stimulate maximum sugar production in this country and in the nearby off-shore areas during the war.

Since the Sugar Act of 1937 was enacted, sugar production in Florida has increased very greatly, going from an average of approximately 36,000 short tons, raw value, for the 1931–1937 period to about 77,000 tons in the 1938–1944 period. Sugar production in that State reached its peak in the 1940–41 season when 98,291 tons were produced, followed by 1941–42 with 92,278 tons. In the 1942–43 season sugar output there declined to about 62,000 tons because of labor shortages and freeze. Although the Federal Government played an important part in securing adequate supplies of labor for the harvesting of the 1943–44 Florida crop, bringing several thousand foreign workers there for this purpose, this year's crop was also damaged by freeze and is not therefore expected to be much larger than its predecessor. The United States Sugar Corporation at Clewiston, Fla., grows about 85 percent of the sugarcane produced in that State and processes about 95 percent of all Florida sugar.

The Sugar Act of 1937 provides conditional payments to growers at the basic rate of 80 cents per hundred pounds of commercially recoverable sugar, raw value, with downward graduations in the rate of payments to the larger producers. In fact, on production in excess of 30,000 tons, payments are at the rate of only 30 cents per hundredweight. As a result of this provision for downward graduations, the Federal Government annually disburses several million dollars less than would be the case were the larger growers paid at the basic rate of 80 cents per hundred pounds.

It should be noted, however, that sugar marketed in this country for direct consumption is subject to an excise tax of 50 cents per hundred pounds, raw value. Consequently, the downward graduations in the rate of payments to large producers such as the United States Sugar Corporation mean that the conditional payment received by many of such producers, a large number of whom are located in Louisiana, Hawaii, and Puerto Rico, is smaller than the tax borne on the sugar produced by them.

I know it is your contention that the consumer of sugar pays the 50-cent processing tax. If that were true, the price of sugar would have advanced 50 cents when this tax was levied, but it did not advance 50 cents or even 1 cent. However, the tariff on Cuban sugar was reduced for the benefit of the consumer.

Prior to the war, when there was a price-depressing surplus of sugar in the world, the payments under the Sugar Act could properly be considered as Federal grants to producers since they were over and above the world price of sugar. Since the war, however, with sugar in short supply and a rationed commodity, they represent benefits paid for the consumer's account, since without them ceiling prices for sugar would have to be increased greatly. The retail price of sugar has remained virtually stationary during the war, the national average being about 6.8 cents per pound, compared with 9.7 cents during the Government-control period of the last war and a much higher price in the post-war period.

The conditions producers must meet today in order to qualify for sugar payments under the act are the elimination of hired child labor, payment of fair wages to farm labor, carrying out soil-conservation practices and, if they are also processors, payment of fair prices for sugar beets or sugarcane bought from other growers. Prior to the enactment in 1934 of legislation similar to the Sugar Act of 1937, the protection given domestic sugar producers was entirely in the form of a tariff which was accorded them without conditions.

The total quantity of sugar produced in Florida, as well as the portion produced by the United States Sugar Corporation, under the programs authorized by the Sugar Act of 1937, and the annual payment made to this firm have been as follows:

The payments made to the Florida concern are not always comparable to the quantity of sugar produced for in certain years part of the payment represented partial crop insurance on sugar lost as a result of acreage abandonment or crop deficiency.

I most earnestly hope that you will no oppose the extension of the Sugar Act.

Sincerely,

ED. C. JOHNSON.

JUNE 7, 1944.

HON. HARRY FLOOD BYRD,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: California sugar-beet growers are pressing me for the early enactment of the bill to extend the Sugar Act 2 years. Senator BARKLEY will let me bring it up next if the debate on it is not to be too prolonged.

As you know, it requires 18 months to produce a crop of sugar cane and since sugar-beet culture necessarily follows a rotation system one might well argue that it requires 18 months to 2 years to grow a crop of beets.

For some years prior to the war, California was among the foremost of the 19 sugar-beet producing States. The season there is several months earlier than in the other areas, and California sugar-beet farmers—particularly in the southern part of the State—plant as early as September. However, those farmers start making plans for their next year's crops as early as June of the current year, and complete them in most areas not later than September. This is due to the system of farming there, whereunder as soon as the current year's crops are laid by, farmers start looking for land for the ensuing year. The land is chosen, under a crop-rotation plan, for its adaptability to the crop the farmer desires to plant that year.

Immediately prior to the war, normal sugar-beet plantings in California averaged around 170,000 acres annually. However, from the very beginning of the war, total returns from the beet crop did not keep pace with increases in the prices of the principal competing crops in the major beet-growing areas of the State.

Consequently, when plans for the 1943 crop were being made by the farmers there, and details of the Federal sugar program were not available until late in March of 1943 other crops were planted in lieu of sugar beets. The result was that plantings in the State dropped to about 70,000 acres that year, and 3 of the State's 10 sugar-beet processing plants did not operate.

Sugar production and payments in Florida

Crop	Total sugar production	United States Sugar Corporation production	Payments to United States Sugar Corporation
	(*Short tons, raw value*)	(*Short tons, raw value*)	
1937-38	56,885	53,246	$430,420
1938-39	91,974	85,663	580,319
1939-40	70,322	65,763	470,007
1940-41	98,291	92,839	519,213
1941-42	93,278	87,651	493,729
1942-43	61,909	55,460	405,819
1943-44 [1]			

[1] Data not yet available.

In an attempt to avert repetition of this disaster in 1944, the California industry requested officials of W. F. A. to announce the 1944 sugar program for California not later than October 1, 1943. Actually, the program was not announced until late in January of 1944, and it again did not restore the normal price relationship between sugar beets and competing groups.

The result of this tardy and inadequate action was that again this year only 70,000 acres of sugar beets were planted in the State. Therefore in 1943 and 1944 at least 200,000 total acres of sugar beets were not grown in California that could and should have been grown. Production of sugar per acre there averages about 5,000 pounds per acre, so a total potential production of at least 1,000,000,000 pounds of beet sugar was irrevocably lost.

This alone is bad enough when considered in the light of the present world sugar supply situation, but it isn't the whole story. Byproducts from an acre of sugar beets provide cattle and dairy feed equivalent to 2 average acres of corn. This means, then, that these lost acres would have furnished, in byproducts alone, the equal of about 400,000 acres of corn, a tragic loss of what could have been a substantial alleviation of the present extremely critical feed supply situation.

California's sugar beet industry is now engaged in an effort to obtain from W. F. A. within the next 2 or 3 weeks an announcement of their intentions with regard to the 1945 sugar-beet crop in California. Conditional payments under the Sugar Act of 1937 average a little above 20 percent of the total returns from a ton of beets. Obviously, therefore, if a maximum acreage of beets is to be obtained in California in 1945, it is as important for California growers to know early about the continuation of the Sugar Act of 1937 as it is for them to know details of W. F. A.'s sugar program.

I hope that you will withdraw your objections to the 2-year extension so that I may get the bill through following disposition of the pending price-control measure.

Sincerely,

ED. C. JOHNSON,
United States Senator from Colorado.

1942 domestic sugar crop

Largest producer in—	Sugar for payment (100 pounds)	Excise tax at 50 cents per hundredweight	Conditional payment at basic rate of 80 cents per hundredweight	Actual payment to grower after reductions	Amount by which excise tax exceeds payment
Sugar-beet area	80,180	$40,090	$64,144	$48,144	—$8,054
Florida	1,319,389	659,694	1,055,511	515,867	143,827
Hawaii	1,540,027	770,014	1,232,022	582,058	187,956
Louisiana	376,635	188,318	301,308	193,951	—5,633
Puerto Rico	1,803,456	901,728	1,442,765	661,087	240,641

Mr. JOHNSON of Colorado. Mr. President, I have one further word to say. The original sugar bill was a compromise bill. I should call it more of a consumers' bill than a producers' bill. The producers, however, are nearly all in favor of it. The sugar-beet growers, as well as the manufacturing interests, are in favor of the bill.

Mr. VANDENBERG. Mr. President, I cordially agree with the able Senator from Colorado [Mr. JOHNSON] regarding the importance and advisability of passing the pending bill; but I wish to refer to one practice which has currently developed in regard to sugar imports from Cuba.

When the Commodity Credit Corporation first began to purchase the Cuban crops of sugar it brought the crop in, paid our duties on it, and then sold it for refining purposes to refiners at the duty-paid price. Subsequently the price was changed, and inasmuch as the transaction involved the Government exclusively, certain powers were exercised under an old statute, namely, the statute of June 30, 1940, suspending all tariffs on commodities brought into the United States by the Government to be disposed of under Government auspices. Therefore, at the present time I understand that the Commodity Credit Corporation is importing Cuban sugar duty free, and then selling it to the refiners at the duty-paid price.

So far as the Government is concerned, of course, it is not out of pocket on a transaction of that kind. So far as the Government and the Congress are concerned, the device simply increases the funds of the Commodity Credit Corporation, inasmuch as it no longer has to pay into the General Treasury the tariff duties which the law requires to be paid upon Cuban imports into the United States.

The point I wish to make very clear is this: As to the practice to which I have referred the Cuban sugar interests have clearly indicated in current publications that they think that inasmuch as the Government has now suspended the collection of tariffs on Cuban sugar, they should be entitled to the proceeds. They also clearly indicate that they believe that when the present emergency has passed, and emergency purchases by the Government have ceased, the existing duty-free arrangement should be continued in their favor. There is not much doubt concerning their expectations with regard to this subject. I have before me a copy of the Weekly Statistical Sugar Trade Journal of June 8, 1944. I particularly refer to a paragraph headed "Duty free?" I ask that the paragraph be printed in the RECORD at this point as a part of my remarks.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

DUTY FREE?

Tariff duty collections on sugar actually have been stopped at the United States customs. Such stoppage, however, will benefit neither Cuba nor the American refiners—nor will it result in a lower ceiling price. It can be surmised, therefore, that Commodity Credit Corporation will devote the equivalent of the suspended tariff duty to cover the extra expenses incurred in moving Cuban sugars to shipping ports other than the mills' natural outlets, maritime freight surcharges, and other charges incurred in the United States.

We know that according to the 1944 crop-purchase contract the tariff suspension cannot benefit Cuba in 1944. It is, however, a favorable omen. If, as it can reasonably be expected, Commodity Credit's revenue from the suspended tariff on 1944 crop sugars will suffice to pay for all those extra expenses on 1944 and 1945 crop sugars, Cuba might well be given the 75 cents per 100 pounds as an increase in price for her 1945 crop, adding up to the equivalent of what Mexico has just paid Peru for 10,000 tons and close to the equivalent of what Chile also paid Peru for 56,000 tons.

It is high time that Cuba should get what is due her. We have often been told that the reasons for denying Cuba a rightful increase in price were the undesirability of raising the ceiling price and the impossibility of granting subsidies to a foreign country. Our suggestion removes all these obstacles and leaves no acceptable excuse for not taking immediate action to correct an unfair situation as harmful to Cuba from the viewpoint of social standards as it is detrimental to the United States from the viewpoint of vital supplies.

Mr. VANDENBERG. I shall not take the time of the Senate to read in detail the statement which I have just received unanimous consent to have printed in the RECORD. I simply summarize it by saying that the whole argument is that

now, at long last, our own Government has set the pattern for giving Cuba the price it thinks it should have on its sugar with reference to the American price. I merely assert, at least for myself, that any temporary tariff cancelations—proper under the law—shall not be used as a basis for import subsidies, or as a basis for a post-war precedent in respect to our tariffs.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. JOHNSON of Colorado. I am sure the Senator from Michigan agrees that there is nothing in the original Sugar Act, and nothing in the proposed extension of the act which would give Cuba any basis for such a contention as the Senator has described.

Mr. VANDENBERG. I cordially agree with the Senator from Colorado.

I took this matter up with the Treasury Department. I ask to have the reply received from Secretary Morgenthau printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, May 31, 1944.

Hon. ARTHUR H. VANDENBERG,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Further reference is made to your letter of May 20, 1944, requesting to be advised whether certain information you have in connection with Cuban raw sugar purchased by the Commodity Credit Corporation is correct.

It is your understanding that Commodity Credit Corporation purchased the total Cuban crops for the last 2 years, imported such sugar into the United States, paying the regular duty, and then sold it to the seaboard refiners for the duty-paid price. You have been told that, by arrangements between the Commodity Credit Corporation and the Treasury Department, the Commodity Credit Corporation will now bring Cuban sugar in duty-free and sell it to the refiners at the duty-paid price. You state that this would not make any final difference from a financial standpoint so far as the Government is concerned but that it would seem to act the same as an increase in the appropriations to the Commodity Credit Corporation and that it would seem to put Cuban sugar on the free list despite tariff laws to the contrary.

I have looked into this matter and am pleased to furnish you with the following information:

The act of June 30, 1914 (34 U. S. C. 568), authorizes the Secretary of the Navy to make emergency purchases of war material abroad and provides that when such purchases are made the material shall be admitted free of duty. Effective May 30, 1942, the authority contained in the act of June 30, 1914, was extended under the authority of the First War Powers Act, 1941, approved December 18, 1941 (Public Law 354, 77th Cong.), to the officers and agencies specified and described in Executive Order No. 9177.

Under date of May 11, 1944, the president of the Commodity Credit Corporation, one of the governmental agencies entitled to the benefits of the act of June 30, 1914, as extended, addressed to the Commissioner of Customs a communication (1) stating that shipments of raw sugar would arrive at certain ports of entry in the United States beginning May 14, 1944, consigned to or covered by bills of lading endorsed to the Commodity Credit Corporation and would be entered in the name of that Corporation; (2) certifying, in accordance with section 2 of Executive Order No. 9177, that the procurement of such shipments of sugar constituted an emergency purchase of war material abroad by the Commodity Credit Corporation; and (3) requesting that such shipments be admitted free of duty pursuant to the act of June 30, 1914, and Executive Order No. 9177. Accordingly, the Commissioner of Customs authorized the collectors of customs at the ports designated to accord free entry to the shipments of raw sugar described in the communication of May 11, 1944, from the Commodity Credit Corporation.

Free entry also was accorded to certain shipments of sugar imported prior to May 14, 1944, which were certified to by the Commodity Credit Corporation under the act of June 30, 1914, and Executive Order No. 9177. The Treasury Department understands, however, that prior to May 14, 1944, Cuban sugar was entered for consumption in the name of and duties were paid by the refiners.

The Treasury Department has no knowledge of the terms of the contracts between the Commodity Credit Corporation and the refiners and, consequently, is unable to advise you as to the prices at which sugar is sold to refiners.

Very truly yours,
H. MORGENTHAU, Jr.,
Secretary of the Treasury.

Mr. VANDENBERG. I am raising the question not because I believe there is a remote basis for the Cuban claim, or expectation. I wish to make it plain, however, that such expectation exists, and that it is based upon the present practice of the Commodity Credit Corporation in respect to the cancelation of duties on Cuban sugar. I am doing precisely what the Senator from Colorado has indicated. I am asserting my own belief that there is no basis under the act, or under the existing emergency importations, for any contemplation which would justify any Cuban claim to a benefit from the canceled tariffs, now or hereafter.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MURDOCK. I wish to express my interest in the proposed legislation. I hope that it will be favorably acted upon at this time by the Senate.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1933 will be indefinitely postponed.

PREFERENCE TO VETERANS IN FEDERAL CIVIL SERVICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 4115.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4115) to give honorably discharged veterans, their widows, and the wives of disabled veterans, who themselves are not qualified, preference in employment where Federal funds are disbursed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia?

There being no objection, the Senate proceeded to consider the bill (H. R. 4115) which had been reported from the Committee on Civil Service with amendments.

The first amendment of the Committee on Civil Service was, in section 1, on page 2, line 7, after the word "served", to strike out "honorably" and insert "on active duty."

The amendment was agreed to.

The next amendment was, on the same page, line 8, after "United States", to insert "and have been separated therefrom under honorable conditions and."

The amendment was agreed to.

The next amendment was, on the same page, line 15, after the words "ex-servicemen", to strike out "and the husbands of such service-connected disabled ex-servicewomen."

The amendment was agreed to.

The next amendment was, on the same page, line 18, after the word "served", to strike out "honorably" and insert "on active duty."

The amendment was agreed to.

The next amendment was on the same page, line 21, after the word "authorized", to strike out "the widowers of any deceased ex-servicewomen who have served honorably in any branch of the armed forces of the United States during any war or in any campaign or expedition (for which a campaign badge has been authorized) who are supporting any children under 18 years of age of such deceased ex-servicewomen" and insert "and who were separated therefrom under honorable conditions."

The amendment was agreed to.

The next amendment was, on page 3, line 3, after the word "those", to strike out "honorably discharged."

The amendment was agreed to.

The next amendment was, on the same page, line 4, after the word "served", to insert "on active duty."

The amendment was agreed to.

The next amendment was, on the same page, line 7, after the word "authorized", to insert "and have been separated therefrom under honorable conditions."

The amendment was agreed to.

The next amendment was, in section 5, on page 4, line 18, after the word "physician", to strike out "in the service of the United States."

The amendment was agreed to.

The next amendment was, in section 12, on page 8, line 17, after the word "efficiency", to strike out "rating" and insert "ratings."

The amendment was agreed to.

The next amendment was, in section 15, on page 11, line 10, after the word "eligibles", to insert "except of 10-point preference eligibles."

The amendment was agreed to.

The next amendment was, in section 20, on page 12, line 17, after the word "apply", to insert "to any position in or under the legislative or judicial branch of the Government or."

The amendment was agreed to.

Mr. WHITE. Mr. President, I should like to ask the Senator from Virginia whether this bill comes before the Senate with the unanimous report of the Committee on Civil Service.

Mr. BYRD. Mr. President, in response to the question of the Senator from Maine, I may say that the bill passed the other House with only 1 dissenting vote. The vote there was 375 to 1. The bill comes to the Senate with the unanimous report of the Committee on Civil Service. It has the approval of the President of the Civil Service Commission and of all the veterans' organizations.

Mr. WHITE. Mr. President, I know of no objection to the bill on the part of any Member on this side of the Chamber.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4115) was read the third time and passed.

ENTRY OF REFUGEES AND OTHER ALIENS INTO THE UNITED STATES

Mr. HOLMAN. Mr. President, this morning the President of the United States addressed a message to the Congress dealing with the distress of the Jewish people in Europe and his purpose to bring immediately into the United States approximately 1,000 refugees who have fled from their homelands to southern Italy.

I am advised that the President of the United States has no constitutional authority thus to set aside and violate the laws of the Congress restricting immigration into our country. Because I am in sympathy with the humanitarian problem involved, while at the same time I am opposed to the President's policy of ignoring the limitations placed upon him by the laws of the Congress and would protect the President personally from the provisions of title VIII, section 144, United States Code, I read the language of section 144 for the benefit of the Senate, the House of Representatives, the President, and the American people:

144. Bringing in or harboring or concealing certain aliens:

Any person, including the master, agent, owner, or consignee of any vessel, who shall bring into or land in the United States, by vessel or otherwise, or shall attempt, by himself or through another, to bring into or land in the United States, by vessel or otherwise, or shall conceal or harbor or attempt to conceal or harbor, or assist or abet another to conceal or harbor, in any place, including any building, vessel, railway car, conveyance, or vehicle, any alien not duly admitted by an immigrant inspector or not lawfully entitled to enter or to reside within the United States, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding $2,000 and by imprisonment for a term not exceeding 5 years for each and every alien so landed or brought in or attempted to be landed or brought in. (February 5, 1917, c. 29, par. 8, 39 Stat. 880.)

Mr. President, it seems to me to be in order now either for the Congress to repeal or amend its present laws restricting immigration or for the President to conform to the laws of the Congress.

DEVELOPMENT OF THE MISSOURI RIVER BASIN

Mr. BUTLER. Mr. President, there has been under way before the Rivers and Harbors Committee a long series of hearings in connection with various programs which are proposed in the river and harbor bill, in one of which I am particularly interested, namely, that relating to the Missouri River Basin. There are also hearings being held before the Flood Control Committee at the present time. I am keenly interested also in the hearings that are being conducted before that committee. Ordinarily I would submit the editorials—short newspaper comment I am about to present—to be included in the report of the committee, but, in view of the fact that the committee report will perhaps be long delayed, I ask unanimous consent to have inserted in the body of the RECORD following my remarks an editorial appearing in the July 10 issue of the Omaha World-Herald, followed by a very short comment appearing in the same newspaper, which includes a report of the engineers of the nine States comprising the Missouri River Basin. The report of these engineers was made at the suggestion of the Governors of the nine States, and I am sure that the Members of the Senate will be interested in it.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows.

[From the Omaha World-Herald of June 10, 1944]

THE SENSIBLE ENGINEERS

A couple of months ago the Governors of nine Missouri River States held a conference at Omaha to discuss plans for river development.

They found that they needed more facts.

So they called upon their State engineers—one from each State—to study the situation and make a report.

That report is now at hand. And it is one of the most heartening and constructive documents that has come to the public's attention since the tiresome river squabble began.

For the nine engineers, representing equally the up-river, middle-river, and down-river States, are in complete agreement.

And the gist of their report is that, according to their best estimate, there is plenty of water in the Missouri to supply every irrigation project now in existence or proposed by the Bureau of Reclamation and to provide in addition a 9-foot channel for navigation.

In other words, it is the opinion of the engineers that both the Pick plan, with the 9-foot channel, and the Reclamation plan can be put into operation simultaneously, and that there will be enough water for all.

And what if their estimate should prove to be wrong? The State engineers reply:

"Both agencies (United States engineers and Reclamation Bureau) recognize that their plans constitute a broad framework, and that details are to be worked out during the years of the development period, through the coordinated and cooperative efforts of Federal and State agencies and local interests."

That is the scientific and the civilized approach.

Selfish business and political interests have tried mightily to make it appear that Montana cannot agree with Nebraska, that North Dakota cannot see eye to eye with Missouri. But the engineers have exposed that fallacy. They have shown that there is, among the river States, no conflict which won't yield to common sense.

RIVER WATER CALLED AMPLE—NINE STATE ENGINEERS MAKE REPORT

There is enough water in the Missouri River to provide for all irrigation now proposed by the Bureau of Reclamation for a 9-foot navigation channel below Sioux City, and for sanitation requirements.

This is the heartening gist of a report reached unanimously by engineers representing all nine Missouri River States.

The engineers' report, written after a week's conference in Omaha recently, was made public Friday. The engineering subcommittee was named at a meeting of Governors—the Missouri River States committee—in Omaha 2 months ago.

The engineers, weighing all available information, find the average annual water supply at Sioux City is 22,473,000 acre-feet.

Requirements for irrigation, estimated by the Bureau of Reclamation for the engineers' committee, are 6,800,000 acre-feet above Sioux City.

Requirements for navigation, estimated by the Army engineers, are 14,281,000 acre-feet.

Requirements for sanitation, estimated by the United States Public Health Service, are 1,364,000 acre-feet.

This adds up to 22,445,000 acre-feet at Sioux City, slightly less than the water estimated to be available if proper storage facilities are constructed.

The report of the engineers subcommittee should do much to end the present row between the upper States which want irrigation, and the lower States which want navigation and flood control. Cause of the dispute has been the fear there was not enough water for both navigation and irrigation. Upper river people have generally backed a Bureau of Reclamation plan, estimated to cost more than a billion dollars, for development of the Missouri Basin. Lower river people have backed an Army engineers plan, written by Brig. Gen. Lewis A. Pick, for the valley-wide development. Cost of the Pick plan has been set at more than $500,000,000, but the estimate does not include all phases of the proposed development.

A SOUND BASIS

The engineers' subcommittee reports:

"After a complete examination of the reports of the Army engineers and the Bureau of Reclamation, it is the conclusion of your subcommittee that these agencies have each in their sphere accomplished in a complete and comprehensive manner the tasks assigned them, and, together, their reports constitute a sound basis for the development of the Missouri River Basin.

"If it should appear that under certain circumstances there might be possible conflicts in use of water it must be remembered that both agencies recognize that their plans constitute a broad framework, and that details are to be worked out during the years of the development period, through the coordinated and cooperative efforts of Federal and State agencies and local interests.

"Time will indicate more accurately the quantities of water required for the various uses in the basin. At this time the Bureau of Reclamation cannot determine definitely the acreage that ultimately will be irrigated, nor when complete irrigation development will be accomplished, nor what the ultimate use of the water will be. Likewise, the Army

engineers cannot determine definitely the amount of water required to maintain a navigation channel.

"As construction proceeds and details are developed, your subcommittee believes that the States of the basin, through the Missouri River States committee, or a similar agency to succeed it, should continue active, and thus work with the Federal agencies throughout the period of development of the basin."

In arriving at the amount of water the engineers' subcommittee considered, estimates of both the Army engineers and Bureau of Reclamation, and some new material.

Signers of the report are Warner G. Scott, Nebraska; C. L. Patterson, Colorado; L. A. Winter, Iowa; George S. Knapp, Kansas; R. E. Duffy, Missouri; Fred E. Buck, Montana; J. J. Walsh (represented by Edward Booth), North Dakota; Dean W. Loucks, South Dakota; and L. C. Bishop, Wyoming.

PORTRAIT OF THE LATE SENATOR CHARLES L. McNARY, OF OREGON

Mr. HOLMAN. I should like to make an inquiry of the Senator from Kentucky. Several days ago I submitted a resolution empowering the Senate or the Architect of the Capitol Building to accept on behalf of the Senate a portrait painting of the late Senator Charles L. McNary, of Oregon. Is there any progress being made on that matter?

Mr. BARKLEY. I will say to the Senator that really it has not been customary nor has it been considered necessary for the Senate to adopt such resolutions. The Committee on the Library exercises the function of approving the placing of portraits in the Capitol. I can say to the Senator that while, of course, there is no objection to it, and I am satisfied that the Committee on the Library would be unanimously in favor of it, it has not been regarded as necessary to adopt formal resolutions.

Mr. HOLMAN. Then, the legislative situation is that there will be no action taken on the resolution?

Mr. BARKLEY. If the Senator desires formal action taken, of course there is no objection to that being done, but it has not been necessary heretofore.

Mr. HOLMAN. I want merely to accomplish the purpose that I am sure we all have in mind. There is no opposition to it.

Mr. BARKLEY. No. The only difficulty about a formal resolution is that it might be regarded as a precedent that would make it necessary hereafter to take similar action in other cases, whereas the Joint Committee on the Library for a long time, has passed upon, and under the rules has the right to pass upon, such questions. We recently accepted a portrait of former Senator Gorman, of Maryland, of Senator Sheppard of Texas and other portraits which have been hung in the corridors of the Capitol without formal action of the Senate.

Mr. HOLMAN. For my own information, if the Senator will advise me, Am I correct in my understanding, then, that there will be no action taken on the resolution submitted by me and that when a portrait painting of the late Senator McNary is available and acceptable to those who are managing the matter, it will then be presented to the Committee on the Library?

Mr. BARKLEY. The Senator is correct; and I can assure there will not only be no objection to it but we will be happy to act favorably upon it.

Mr. HOLMAN. I thank the Senator.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate messages from the President of the United States, which were referred to the appropriate committee.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there be no reports of committees the nominations on the calendar will be stated.

THE NAVY

The legislative clerk read the nomination of Harold Dodd to be commodore in the Navy for temporary service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc, and without objection the President will be notified forthwith of all nominations confirmed today.

Mr. BARKLEY. Mr. President, has all the business on the calendar been concluded?

The PRESIDING OFFICER. All except a treaty

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 8 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 13, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 12 (legislative day of May 9), 1944:

IN THE NAVY

Rear Admiral William S. Pye, United States Navy, when retired on July 1, 1944, to be placed on the retired list with the rank of Vice Admiral pursuant to an act of Congress approved June 16, 1942.

IN THE MARINE CORPS

The following-named naval aviators of the Marine Corps Reserve to be second lieutenants in the Marine Corps, in accordance with the provisions of the Naval Aviation Personnel Act of 1940, as amended:

Richard E. Maulsby, from the 9th day of February 1942.

Alexander M. Hearn, from the 1st day of May 1942.

Frank H. Simonds, from the 18th day of July 1942.

Robert H. Barrow, a citizen of Louisiana, to be a second lieutenant in the Marine Corps from the 28th day of July 1943.

Earl F. Stanley, a citizen of Ohio, to be a second lieutenant in the Marine Corps from the 7th day of August 1943.

The below-named citizens to be second lieutenants in the Marine Corps from the 4th day of February 1944:

Grover C. Williams, Jr., a citizen of Virginia.

Gerald G. Kirby, a citizen of Florida.

Charles E. Walker, a citizen of Illinois.

Raoul J. Archambault, a citizen of Rhode Island.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 12 (legislative day of May 9), 1944:

IN THE NAVY

TEMPORARY SERVICE

Harold Dodd, to be a commodore in the Navy, for temporary service, to continue while serving as chief, United States Naval Mission to Brazil.

POSTMASTERS

MICHIGAN

Roy G. Hubbard, Hastings.

MISSOURI

Harry M. Ward, Canton.
Rolla Hayes, Clever.
William W. Bledsoe, East Prairie.
Kathryn M. Boemler, House Springs.
Mabel L. Warren, Laredo.

NEBRASKA

Harry E. Callender, Stapleton.
Otto Dau, Yutan.

VERMONT

Archie H. Bailey, Chelsea.

VIRGINIA

Adrian Garrett Carter, Edinburg.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 12, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Dear Lord and Father of mankind, as the rain and sunlight fall upon the evil and the good, so Thy children share in the Father's blessings. Do Thou increase the power of our spiritual apprehension so that we may render ourselves to the glorious influence of Thy spirit. Be pleased to hush every distempered word and quiet the pulse of complaining and doubt. Let nothing be done through strife and vainglory, but each esteeming the other better than himself.

As a measure of human values and as a rule of human behavior, may there go forth a power that will brighten the dark places, dispel differences, and bring forth a better day of cooperation. Thou who art chiefest among ten thousand, give unto every citizen a conscientious purpose to search his own breast in the light of the world's crying need. The good Lord gives to each of us the marvelous mercies of our homeland with its golden opportunities, dictating life and destiny. Challenged by these, O lead us forth to help drive the scourge of war

from off this sick earth; there can be no permanent contentment and peace until a new splendor of the divine comes into its heart; O sustain us all with the light that never fails and with the strength that never breaks. In our dear Redeemer's name. Amen.

The Journal of Saturday, June 10, 1944, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 5, 1944:

H. R. 3136. An act for the relief of Hamp Gossett Castle, Lois Juanita Gimble, Margaret Carrie Yarbrough, and Roy Martin Lyons; and

H. R. 3570. An act to provide for the partial construction of the Hungry Horse Dam on the South Fork of the Flathead River in the State of Montana, and for other purposes.

On June 6, 1944:

H. R. 2438. An act for the relief of Bernadine Salmons.

On June 7, 1944:

H. R. 2085. An act to provide for the disposition of tribal funds of the Minnesota Chippewa Tribe of Indians.

On June 9, 1944:

H. R. 3054. An act to amend the Expediting Act; and

H. R. 4464. An act to increase the debt limit of the United States.

EXTENSION OF REMARKS

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two editorials from the Washington Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I have two unanimous-consent requests. First, I ask unanimous consent to extend my remarks and include an editorial from the St. Louis Post-Dispatch, and, second, to extend my remarks and include an editorial from the Miles City (Mont.) Star.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

STATE, JUSTICE, AND COMMERCE APPROPRIATIONS—1945

Mr. KERR, from the Committee on Appropriations, submitted a conference report and statement on the bill (H. R. 4204) making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1945, and for other purposes, for printing in the RECORD.

EXTENSION OF REMARKS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an excerpt from an advertisement.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the Milwaukee Journal of June 11, 1944.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an editorial with reference to the livestock situation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THREAT OF INFLATION

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK. Mr. Speaker, I am greatly worried, as are my constituents, regarding the threat of inflation. I hold in my hand a letter which I have just received from a former student and former constituent of mine, now in Istanbul, Turkey, in part regarding inflation. He says:

Prices are high here, about five or six times as high as in the States. For example, a pair of ordinary shoes will cost about $30; a pair of socks, from $5 to $7; a suit of clothes from $200 to $300; a hat, approximately $20. This is not only true here but I found similar conditions in Leban, Syria, Egypt, and some of the South American countries.

He has attached a sheet containing about 20 items giving an index number, comparing prices in 1938 and 1944. Soap has increased by 496 percent; mutton, 503 percent; sugar, 743 percent; rice, 556 percent; eggs, 424 percent; milk, 406 percent; and coffee, 498 percent.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a newspaper article relating to post-war air power.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by David Lawrence on Republican responsibility.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a resolution from the Wisconsin Farm Bureau Federation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DOUGLAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GALE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein an editorial from the Minneapolis Star-Journal.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a radio address by the president of the American Honey Producers League.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial from the St. Louis Post-Dispatch.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(By unanimous consent, Mr. HAGEN received permission to extend his own remarks in the RECORD.)

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short statement and two short bills.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

KLAMATH DRAINAGE DISTRICT

Mr. WHITE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk H. R. 3476, to approve a contract negotiated with the Klamath drainage district and to authorize its execution and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, line 16, strike out "of" and insert "to."

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. WHITE]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what change in the law is made by this amendment?

Mr. WHITE. This is simply with refernce to a contract entered into by the Klamath Falls drainage district in the State of Oregon, with the Department of the Interior, as to the method of settling their contract and paying in certain moneys thereunder.

Mr. MARTIN of Massachusetts. Does the Senate amendment change the text of the law at all?

Mr. WHITE. It does not change it at all. It changes the word "of" to the word "to."

Mr. MARTIN of Massachusetts. Mr. Speaker, sometimes that might be an important change. Is it an important change in this instance?

Mr. WHITE. No; it is not.

The SPEAKER. It is a clarifying amendment, to correct a clerical error.

Mr. WHITE. That is correct, Mr. Speaker; it is a clarifying and perfecting amendment.

Mr. MARTIN of Massachusetts. It is for the purpose of correcting a clerical error?

Mr. WHITE. Yes; to correct a clerical error.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a certain communication together with certain excerpts.

The SPEAKER. Is there objection?

There was no objection.

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, and in the first instance to include certain editorials from the Milwaukee Journal on the subject of the recent political conventions in the State of Wisconsin, and in the second instance to include a letter on the subject of the Price Control Act.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include more of the table to which I referred a moment ago.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix by including therein a poem written by E. R. Robinson, brother of the late Senator Joseph T. Robinson.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FILIPINO REHABILITATION COMMISSION

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 591), providing for the consideration of Senate Joint Resolution 94, establishing the Filipino Rehabilitation Commission, for printing in the RECORD:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 94) establishing the Filipino Rehabilitation Commission, defining its powers and duties, and for other purposes; that after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Insular Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

INDEPENDENCE OF THE PHILIPPINE ISLANDS

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 590), providing for the consideration of Senate Joint Resolution 93, declaring the policy of the Congress with respect to the independence of the Philippine Islands, for printing in the RECORD:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 93), declaring the policy of the Congress with respect to the independence of the Philippine Islands, and for other purposes; that after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority members of the Committee on Insular Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks and include a report from the Committee on Interstate and Foreign Commerce, and also an article from one of the Hearst papers on the splendid work of President Roosevelt.

The SPEAKER. Is there objection?

There was no objection.

G. I. BILL OF RIGHTS

Mr. RANKIN, from the Committee on World War Veterans' Legislation, submitted a conference report and statement on the bill S. 1767, an act to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, for printing in the RECORD.

A SOLDIER TO STRIKERS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain excerpts from an article which came to my desk a few days ago.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, all Members received a copy of a news release sent out by Sidney Hillman, the Russian-born head of the Political Action Committee of the C. I. O., boasting that they have already spent $189,112.12 in their campaign to corrupt the electorate of this country and to control the primaries in the various States.

They admitted they spent $15,000 in the primaries in New Jersey, and $5,000 in the primaries in Florida.

While that was going on their henchmen were perpetrating strikes in our defense industries, slowing down, not only the production of weapons of war, but the production of the very medicines our sick and wounded boys need to protect them from contagious diseases or to relieve them of their agonies in their wounded or dying hours.

While those strikes were going on, a soldier at the front sent home this poem entitled "A Soldier to Strikers":

We spilled our blood in the jungle mud,
And we didn't have much to say;
And we shared our bread at the side of the dead—
But where were you that day?

We steamed in sweat and our clothes were wet,
But we fought every inch of the way;
And we wished to hell as our buddies fell
That you had worked that day!

Sweat and mud and tears and blood
Are part of a soldier's pay.
We aren't done yet—but don't forget
We're coming back some day!

And woe be unto these racketeers when those boys get home!

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a recent radio address.

The SPEAKER. Is there objection?

There was no objection.

UNION DUES REQUIRED OF RETURNING VETERANS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, following what the gentleman from Mississippi [Mr. RANKIN] said, and what he said last week, the press last week carried a notice that returning veterans had been discharged from a Detroit defense plant because they had not paid their union dues. Now, how do you like that? Those veterans came back from overseas where they had been fighting, and they got a job in a defense plant at Detroit, where they were making munitions of war. Because of the security of membership clause imposed by the War Labor Board, which this House refused last week to outlaw, those men were discharged.

More than a year ago a bill was introduced which would prohibit a union requiring as a condition precedent from a returning veteran membership in a union. Why do we not pass it? When the men come home will they be required to pay the C. I. O. before they can hold a job?

The SPEAKER. The time of the gentleman has expired.

CAMPAIGN EXPENDITURES

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and I ask unanimous consent that I may insert as a part of my remarks the report which was referred to by the gentleman from Mississippi, [Mr. RANKIN].

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, the gentleman may make his 1-minute speech and then I will decide whether I will object to the inclusion of the other matter.

Mr. SABATH. The gentleman called attention to it, and I want to get it in the RECORD.

Mr. RANKIN. Any man who is nominated for the House or for the Senate by the use of these corrupt funds of Sidney Hillman is not entitled to a seat in either House and I am not willing to agree for his propaganda to go into the RECORD.

The SPEAKER. Is there objection?

Mr. RANKIN. I object to that stuff that is put out by Sidney Hillman to corrupt the elections going into the CONGRESSIONAL RECORD. I do not object to the gentleman from Illinois addressing the House.

The SPEAKER. Without objection, the gentleman is recognized for 1 minute.

Mr. SABATH. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN] again attacks the C. I. O. and the chairman of the C. I. O. Political Action Committee for issuing a statement of the amount of money it has received and expended and how it was expended; and he comments on this honest, straightforward report which every Member has received by saying that the money was expended for purposes of political corruption. Let me say to the gentleman from Mississippi [Mr. RANKIN] that for every dollar this labor organization has expended I am sure the National Association of Manufacturers and the United States Chamber of Commerce and the other big special industries have expended directly and indirectly from $10 to $25. Furthermore, this money was collected from the members of the C. I. O. by small voluntary donations. Nobody was coerced, like many manufacturers and others are being coerced today by the Republicans and some of those who at all times are ready to aid these "poor" industries that are accumulating millions and millions from their war contracts. I refer to those administration-hating, labor-baiting organizations exemplified by such heads as Mr. Sewell Avery, Mr. Pew, and others well known to all.

Of course, the gentleman from Michigan [Mr. HOFFMAN] was obliged, as he felt, to come to the rescue and support of the gentleman from Mississippi [Mr. RANKIN] by again attacking this labor organization and pointing out that some of its members are out on strike. The gentleman's untenable aims at all times are to try to show that organized labor is delaying the production of war necessities. I wonder who is producing these tremendous quantities of war materials. Has the gentleman from Michigan [Mr. HOFFMAN] or the others who are continually criticizing and attacking organized labor aiding in any way in the production of war materials?

It is true that these few minor strikes from time to time and lasting for a few hours or a few days have not adversely affected war production, because such production is reported as 2 percent greater than anticipated.

The gentleman calls attention to the boys at the fighting front. Does he not know that the vast majority of those boys on the fighting front are members of these unions and are sons and relatives of members of these Unions? When one reads a list of casualties he observes a great many names of men and once in a while he finds the name of a relative of an industrial leader of this country; but they are for the most part alleged executives or desk officers located far from the sound of shot and shell. Many members of these labor organizations are doing the actual fighting at the front and many of them are producing on the home front, and it is manifestly unfair for the gentleman from Mississippi [Mr. RANKIN] and the gentleman from Michigan [Mr. HOFFMAN], every chance that presents itself, to assail and criticize and attack the C. I. O. and its leaders.

Mr. Speaker, every one who has a modicum of intelligence knows that the officers of the C. I. O., the American Federation of Labor and other labor organizations are insisting and urging and demanding that their members continue on their jobs at maximum production and efficiency and where they find there is unwarranted cessation of work those who cause it are expelled from the union.

We talk about sacrificing. The only ones who are really sacrificing are the boys who are risking not only their limbs but their very lives. On the other hand the industrialists are devoting their time and energy solely to making more and greater gains and money, and yet we hear not a word about that from the gentleman from Mississippi [Mr. RANKIN] and the gentleman from Michigan [Mr. HOFFMAN].

Somehow the gentleman from Mississippi [Mr. RANKIN] and the gentleman from Michigan [Mr. HOFFMAN] seem to continue to devote more time to finding fault with labor and its practices than they do in aiding in the prosecution of the war.

In view of the objection of the gentleman from Mississippi [Mr. RANKIN] to my inserting the news release of the C. I. O. Political Action Committee, date June 2, 1944, in the CONGRESSIONAL RECORD, so that all who wish may read it, I will only say that it states that: "The statement shows total receipts in the amount of $669,764.11, consisting of contributions from trade unions. Disbursements aggregating $189,112.12. The salaries and travel expenses of the 48 members of the committee's national office staff, and 49 employees of its 14 regional offices aggregate $99,398.61. The cost of equipping and maintaining its national office and its 14 regional offices totals $43,788.63. Expenditures for publicity, including the cost of pamphlets, the committee's newspaper, posters, buttons, and radio, aggregate $19,064.83. These three items account for more than 85 percent of the committee's expenditures."

The SPEAKER. The time of the gentleman from Illinois [Mr. SABATH] has expired.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include excerpts from an address made last Friday at the dedication of the Newton D. Baker General Hospital at Martinsburg, W. Va.

The SPEAKER. Is there objection?

There was no objection.

Mr. SLAUGHTER. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial on the Nation's Missouri River.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a portion of a news release from the Cooperative News Service.

The SPEAKER. Is there objection?

There was no objection.

CAMPAIGN EXPENDITURES

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, just to keep the record more or less in balance, I want to say that I read an item in the press 2 or 3 days ago about 200 or 300 men who had gone on strike in a certain plant, who were being discharged from their jobs in consequence of the strike, and where the union involved stated publicly that they were in full support of the management in that action. It is one thing for Members to condemn strikes which interfere even in the least degree with our war production. It is quite another thing—and one wholly contrary to the facts—to give the impression that labor generally is condoning such strikes, let alone encouraging them.

INSURANCE LEGISLATION

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CURTIS. Mr. Speaker, I hope that this Congress can pass the so-called insurance bill at an early date. This would mean that the business of insurance would continue to be regulated by our States and not by the Federal Government. Unless this legislation is passed, every insurance company in the United States, both large and small, will come under the heel of the Federal Government.

Mr. Speaker, why should we tamper with a business that has blessed the citizens of this country for three-quarters of a century? Many an individual, when everything else has failed him, has thanked God for his insurance policies.

The records of the insurance companies through the years of depression are a monument to the integrity of those companies and to the efficiency of our present system of regulation. Today we are not faced with a request from policyholders, their widows and orphans, or the beneficiaries of any insurance other than life, for Federal regulation, supervision, and control of insurance. We are faced with the demands of an eager, grasping bureaucracy which wants to extend its control to all insurance. I do not believe that such a thing is for the best interests of the men, women, and children of America.

If our system of insurance regulation has succeeded, and it has, why all this demand for a change? The answer is that it is a prize possession to be placed under the control of the Federal Government by dreaming bureaucrats who want nothing to escape their domination.

Unless this legislation is passed, every insurance company, including the small farmers assessment associations, as well as other small mutual insurance associations, will be regulated from the city of Washington instead of from their own State capitals. The small insurance companies will be the ones that will find it the most difficult to comply with all the Federal regulations and yet stay in business. The passage of the so-called insurance bill, sponsored by the gentleman from New York [Mr. HANCOCK], is the only way that this Congress can stop this determined stride for further bureaucratic and socialistic control.

LAWRENCE APPLEY

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KEEFE. Mr. Speaker, a few years ago there came into government service as Assistant Director of the War Manpower Commission, Mr. Lawrence Appley. Due to ill health, he has been forced to resign.

It has been my privilege to know Mr. Appley in connection with his services as Assistant Director of the War Manpower Commission. He has frequently appeared before the Subcommittee of Appropriations of which I have the honor to be a member, and has uniformly displayed remarkable executive ability.

The Nation has lost the services of an outstanding administrator. It is to be regretted that the tremendous pressure of public work placed upon Mr. Appley has broken his health and compelled him to relinquish his position. As one Member of the Congress may I say that while some people may refer to Mr. Appley as a bureaucrat, he in no sense typifies the odious character to which such term is usually applied. He has rendered splendid service in the War Manpower Commission, and is one of a large number of outstanding citizens of America who are and who have been rendering magnificent service to the country during this war. The Nation can ill afford to lose the services of Mr. Appley at this time. I express the hope that rest will completely restore him to vibrant health and that we may again have the benefit of his great ability.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourn today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DISTRICT OF COLUMBIA BUSINESS IN ORDER JUNE 13

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Committee on the District of Columbia to call up District bills for consideration tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to announce that the District bills to be considered tomorrow will be H. R. 4867, to extend the health regulations of the District of Columbia to Government restaurants within the District of Columbia; H. R. 2465, to redefine the powers and duties of the Board of Public Welfare of the District of Columbia, to establish a Department of Public Welfare, and for other purposes; H. R. 3150, to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved, February 27, 1929; H. R. 4916, to amend the act of June 19, 1934 (Public Law 435, 73d Cong.); also House Joint Resolution 289 and House Joint Resolution 290. These relate to arrangements in connection with the inauguration of the President-elect. They are routine bills and not controversial.

I want the chairman of the Committee on the District of Columbia to understand that in submitting this unanimous consent request that it may be in order to consider District legislation tomorrow, that the bills called up be noncontroversial in nature. The chairman of the committee has assured me there will be nothing controversial.

ORDER OF BUSINESS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to ask the gentleman from Massachusetts a question.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, can the gentleman tell us when the conference reports that are now pending—and there are several—will be taken up for consideration? The conference report on the G. I. bill is ready.

Mr. McCORMACK. Is there going to be any debate on it?

Mr. RANKIN. We are allowed only an hour, under the rule; we are not asking for more than an hour.

Mr. McCORMACK. After the O. P. A. bill is out of the way it is the intention to bring up the War Department appropriation bill, which is very necessary. The conference reports will be taken up after that and before the contract termination bill is called up.

The G. I. bill, I may say to the gentleman from Mississippi, as far as I am concerned, will be the first conference report to be called up.

Mr. RANKIN. But that will be after the O. P. A. bill is finished?

Mr. McCORMACK. Yes; and after the War Department appropriation bill is out of the way. If the G. I. conference report can go through without debate if the gentleman should call it up tomorrow I would be glad to have that done. Frankly, I cannot displace the O. P. A. bill and the War Department appropriation bill.

Mr. RANKIN. I may say to the gentleman from Massachusetts that I believe his conditions can be complied with.

Mr. McCORMACK. If that can be done and the gentleman will let me know, then we can make arrangements.

Mr. MAY. Mr. Speaker, if the gentleman will yield, when does the gentleman intend to take up the WASP bill?

Mr. McCORMACK. It is on the agenda, but that will come up after the insurance bill.

Mr. LAMBERTSON. Mr. Speaker, if the gentleman will yield, when does the gentleman from Massachusetts intend to call up the conference report on the Department of Agriculture appropriation bill?

Mr. McCORMACK. That will come up after the War Department appropriation bill is disposed of, the same as these other conference reports; but if the G. I. conference report can be disposed of right away, without debate or any other conference report in like manner, that is the only way I know of in which they could be expedited.

LAWRENCE APPLEY

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I listened with a great deal of pleasure to the remarks of the gentleman from Wisconsin concerning Mr. Appley. He is to be commended for calling the attention of the House to the splendid service rendered by this gentleman.

It also gives me an opportunity, Mr. Speaker, to say that there are many others in the Departments who are also sacrificing their health and money rendering service to the Government. So often complaints are made about bureaucrats that we overlook the fact there are thousands of people in these Government bureaus serving at a sacrifice both financially and physically; so I am delighted that the gentleman called attention to a least one bureaucrat who has really rendered valuable service.

Mr. SABATH. There are many others too.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Mr. Beck on the problems of motor transportation. This exceeds the quota allowed by the Joint Committee on Printing. I have an estimate from the Government Printer that the cost will be $130. I renew my request to make the extension notwithstanding the cost.

The SPEAKER. Notwithstanding the cost, without objection the extension may be made.

There was no objection.

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by Barnett Nover in the Washington Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

UNION ACTIVITIES IN POLITICS

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I, too, received the report from Mr. Sidney Hillman referred to by the gentleman from Mississippi. As far as I can see it was a frank and open statement of expenditures of that concern. In my opinion the P. A. C. has just as much right under the law to expend funds in political activity as has the National Association of Manufacturers or the American Medical Association; and I want to say at this time that I have several thousand C. I. O. workers in my district, railroad brotherhood workers, also A. F. of L. workers. They have contributed very freely to bond drives, they have joined the armed forces. There are two million of them right now in the armed forces. Many of the dead on the beaches of France are union men. I say union men have just as much right to exercise their American citizenship as anyone else.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—HAVEN OF REFUGE FOR OPPRESSED PEOPLES

The SPEAKER laid before the House the following message from the President of the United States which was read and, together with the accompanying papers, referred to the Committee on Immigration and Naturalization and ordered printed.

To the Congress of the United States:

Congress has repeatedly manifested its deep concern with the pitiful plight of the persecuted minorities in Europe whose lives are each day being offered in sacrifice on the altar of Nazi tyranny.

This Nation is appalled by the systematic persecution of helpless minority groups by the Nazis. To us the unprovoked murder of innocent people simply because of race, religion, or political creed is the blackest of all possible crimes. Since the Nazis began this campaign many of our citizens in all walks of life and of all political and religious persuasions have expressed our feeling of repulsion and our anger. It is a matter with respect to which there is and can be no division of opinion amongst us.

As the hour of the final defeat of the Hitlerite forces draws closer, the fury of their insane desire to wipe out the Jewish race in Europe continues undiminished. This is but one example: Many Christian groups also are being murdered. Knowing that they have lost the war, the Nazis are determined to complete their program of mass extermination. This program is but one manifestation of Hitler's aim to salvage from military defeat victory for Nazi principles—the very principles which this war must destroy unless we shall have fought in vain.

This Government has not only made clear its abhorrence of this inhuman and barbarous activity of the Nazis, but, in cooperation with other governments has endeavored to alleviate the condition of the persecuted peoples. In January of this year I determined that this Government should intensify its efforts to combat the Nazi terror. Accordingly, I established the War Refugee Board, composed of the Secretaries of State, Treasury, and War. This Board was charged with the responsibility of taking all action consistent with the successful prosecution of the war to rescue the victims of enemy oppression in imminent danger of death and to afford such victims all other possible relief and assistance. It was entrusted with the solemn duty of translating this Government's humanitarian policy into prompt action, thus manifesting once again in a concrete way that our kind of world and not Hitler's will prevail. Its purpose is directly and closely related to our whole war effort.

Since its establishment, the War Refugee Board, acting through a full-time administrative staff, has made a direct and forceful attack on the problem. Operating quietly, as is appropriate, the Board, through its representatives in various parts of the world, has actually succeeded in saving the lives of innocent people. Not only have refugees been evacuated from enemy territory, but many measures have been taken to protect the lives of those who have not been able to escape.

Above all, the efforts of the Board have brought new hope to the oppressed peoples of Europe. This statement is not idle speculation. From various sources, I have received word that thousands of people, wearied by their years of resistance to Hitler and by their sufferings to the point of giving up the struggle, have been given the will and desire to continue by the concrete manifestation of this Government's desire to do all possible to aid and rescue the oppressed.

To the Hitlerites, their subordinates and functionaries and satellites, to the German people and to all other peoples under the Nazi yoke, we have made clear our determination to punish all participants in these acts of savagery. In the name of humanity we have called upon them to spare the lives of these innocent people.

Notwithstanding this Government's unremitting efforts, which are continuing, the numbers actually rescued from the jaws of death have been small compared with the numbers still facing extinction in German territory. This is due principally to the fact that our enemies, despite all our appeals and our willingness to find havens of refuge for the oppressed peoples, persist in their fiendish extermination campaign and actively prevent the intended victims from escaping to safety.

In the face of this attitude of our enemies we must not fail to take full advantage of any opportunity, however limited, for the rescue of Hitler's victims. We are confronted with a most urgent situation.

Therefore, I wish to report to you today concerning a step which I have just taken in an effort to save additional lives and which I am certain will meet with your approval. You will, I am sure, appreciate that this measure is not only consistent with the successful prosecution of the war, but that it was essential to take action without delay.

Even before the Allied landing in Italy there had been a substantial movement of persecuted peoples of various races and nationalities into that country. This movement was undoubtedly prompted by the fact that, despite all attempts by the Fascists to stir up intolerance, the warmhearted Italian people could not forsake their centuries-old tradition of tolerance and humanitarianism. The Allied landings swelled this stream of fleeing and hunted peoples seeking sanctuary behind the guns of the United Nations. However, in view of the military situation in Italy, the number of refugees who can be accommodated there is relatively limited. The Allied military forces, in view of their primary responsibility, have not been able, generally speaking, to encourage the escape of refugees from enemy territory. This unfortunate situation has prevented the escape of the largest possible number of refugees. Furthermore, as the number of refugees living in southern Italy increases their care constitutes an additional and substantial burden for the military authorities.

Recently the facilities for the care of refugees in southern Italy have become so overtaxed that unless many refugees who have already escaped to that area and are arriving daily, particularly from the Balkan countries, can be promptly removed to havens of refuge elsewhere, the escape of refugees to that area from German-occupied territory will be seriously impeded. It was apparent that prompt action was necessary to meet this situation. Many of the refugees in southern Italy have been and are being moved to temporary refuges in the territory of other United and friendly Nations. However, in view of the number of refugees still in southern Italy, the problem could not be solved unless temporary havens of refuge were found for some of them in still other areas. In view of this most urgent situation it seemed indispensable that the United States, in keeping with our heritage and our ideals of liberty and justice, take immediate steps to share the responsibility for meeting the problem.

Accordingly, arrangements have been made to bring immediateely to this country approximately 1,000 refugees who have fled from their homelands to southern Italy. Upon the termination of the war they will be sent back to their homelands. These refugees are predominantly women and children. They will be placed on their arrival in a vacated Army camp on the Atlantic Coast where they will remain under appropriate security restrictions.

The Army will take the necessary security precautions and the camp will be administered by the War Relocation Authority. The War Refugee Board is charged with over-all responsibility for this project.

FRANKLIN D. ROOSEVELT.

The WHITE HOUSE, *June 12, 1944.*

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE IN RE VETERANS' BILL

Mr. RANKIN. Mr. Speaker, in view of what the gentleman from Massachusetts [Mr. McCORMACK], the majority leader, said awhile ago, I ask unanimous consent that, immediately following the conference report on the veterans' bill, I may insert in the RECORD the statement of the managers on the part of the House in order that the Members may have it to read tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

CALL OF THE HOUSE

Mr. McMURRAY. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 86]

Arnold	Fuller	Merritt
Baldwin, Md.	Gale	Merrow
Baldwin, N. Y.	Gallagher	Miller, Conn.
Barry	Gerlach	Mills
Bell	Granger	Mruk
Bender	Gross	Murphy
Boren	Harless, Ariz.	Myers
Bradley, Mich.	Horan	O'Connor
Brumbaugh	Izac	Patman
Buckley	Johnson, Ward	Patton
Burdick	Kennedy	Peterson, Ga.
Capozzoli	Keogh	Plumley
Chapman	Klein	Pracht,
Dickstein	Lane	C. Frederick
Dies	Lemke	Rabaut
Dirksen	Lewis	Smith, W. Va.
Ellis	McCord	Stearns, N. H.
Ellsworth	Maas	Stewart
Fay	Magnuson	Taylor
Forand	Mansfield, Tex.	Treadway
Fulbright	Martin, Iowa	Whelchel, Ga.

The SPEAKER pro tempore. On this roll call 354 Members have answered to their names, a quorum is present.

By unanimous consent further proceedings under the call were dispensed with.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942, and the Stabilization Act of October 2, 1942, from June 30, 1944, to June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4941, extension of the Emergency Price Control and Stabilization Acts of 1942, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. OUTLAND. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I ask unanimous consent to proceed an additional 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. OUTLAND. Mr. Chairman, I have asked for these extra 5 minutes at the beginning of our discussion this afternoon to try to summarize developments and to bring us up to date on just exactly what we have done on the stabilization and price-control program thus far. At the outset of the most critical campaign of the war in Europe we are considering the most crucial of all legislation affecting the home front. What we are now doing, if it is written into law, will not only affect the pocketbook of every man, woman, and child in our country, but will affect the conduct of the war and the length of the war. It will also go far to determine whether the soldiers and sailors now doing battle in the four corners of the earth, when they return after the fighting is over, will return to a country torn by the ravages of inflation or to a country which offers the hope of a future of the kind for which they have been fighting. I am wondering if this Congress wishes to be remembered as the Congress which set the stage for the break-through on the home front. I ask the committee to pause for a moment this afternoon, Mr. Chairman, to take stock of what we are doing and to consider whether, if it does not reverse its course, that is not precisely the record which it is building for itself.

Mr. Chairman, the House in Committee of the Whole has already agreed to several amendments which were not contained in the bill which was reported to the House by the Committee on Banking and Currency. Nearly a score of amendments to section 2 of the bill alone remain to be considered and the gentleman from Virginia has stated that he intends to offer a great many other amendments at the proper time. There have been six amendments already agreed to. Taken together they are enough to shake the existing structure of price control. In adopting them the Committee of the Whole has again and again rejected the judgment of the Committee on Banking and Currency, which committee is informed as a result of extended and intensive hearings. It has rejected the views of the Price Administrator, based on his 2½ years' experience in administering price control in both State and national offices. Mr. Chairman, we cannot continue in this way and hope to pass a bill which will safeguard the present general level of prices and wages, which will protect the value of the dollar, which depends on those prices, and which will insure the stability of costs and prices that is so necessary if war production is to be carried on with confidence and that is vital if a post-war collapse is to be avoided.

The proof of this statement is in the record of amendments already agreed to. Let us examine the amendments for a moment one by one and see what we have done thus far to this bill, which was brought out of the committee.

First, a standard for pricing fish which will carry the ceiling of this important cost-of-living food up an estimated 25 percent, and which, because it makes no provision for seasonal adjustments, gives to the sellers of fresh fish an advantage not enjoyed by producers of agricultural commodities.

Second, an adjustment provision for rents which will impose a staggering administrative burden on the O. P. A. which could be escaped only by loose administration, leading to a vast number of increases in rents, many of which would be obtained only at the expense of the families of our servicemen, war workers, and those living on fixed incomes.

Earlier in our discussion I pointed out that the Committee on Banking and Currency had done its best to attempt to bring equity and justice in the relationship between tenant and landlord; that we had amended the bill in order to take care of unusual circumstances and peculiar cases, and in my judgment and in the judgment of other members of the committee, that situation would be handled by the changes we made in the bill. But the amendment we have added here will only add further to the complications.

Third, a prohibition on the highest-price-line limitation which will frustrate the Administration's efforts to maintain a supply of low-priced apparel on the market, just as the Administrator was putting into effect changes in existing regulations designed to meet such justifiable complaints as had been directed against the operation of the limitation in the past.

I am wondering, when we find low-priced clothing driven off the market altogether, if this amendment is going to prove as popular as you thought it would at the time we enacted it into this bill.

Fourth, a new standard for the price of crude petroleum which the sponsor concedes will mean an increase of 35 cents a barrel on crude, an increase which without any increase in refiners' or distributors' margins will amount, when it reaches the Government and industrial and home consumers, to an annual total of $560,000,000.

I have heard a great deal about the need for economy here in Congress these past few months. The minority Members of this body especially have talked at great length about economy. If ever there was a chance to put economy into operation it was to vote down the amendment to the price-control bill, which is bound to increase our total national debt and the debt to the consumer by an amount of $560,000,000 at the minimum. I recognize the need for increased funds for stripper wells of independent producers; however, we could meet this need more effectively and far more cheaply in other ways than that proposed by the amendment.

Fifth, an exemption of all sales held by receivers or other court officers, a provision the precise effect of which has not been determined, but which is likely to lead to efforts at circumvention and evasion. This particular amendment was never considered in committee. It has a

worthy goal, but we do not know all it may do, and I feel myself that we acted very hastily in passing this amendment in the Committee of the Whole.

Sixth, an unworkable condition to the payment of subsidies to processors of agricultural commodities which, though designed to aid the farm producer, is likely to bring about the break-down of a system of subsidization that in fact is working as effectively as any practicable system can to help the farm producer. Again we have the case of a worth-while goal but an ill-considered means of achieving that goal.

Mr. Chairman, it is always true that a single group can benefit from price increases if the prices of other groups do not rise proportionately. But it is also true that nobody can benefit if all prices go up. In that direction lies uncontrolled inflation. Earlier in the debate somebody pointed out that the particular amendment that was being discussed at the time would mean only $5 or $6 more per month added to the consumer. A soldier's wife with two children gets a total allowance of $100 a month. It means a great deal to that woman if there is $5 added here and $5 added there. Every penny counts as she has to figure out ways of making both ends meet. It means a great deal to the person on a fixed income, a person living on a small pension, those on salaries and wages that are frozen. When we start to raise the cost of living only a few dollars, I wonder if we are fully cognizant of what that means to millions and millions of low-income workers.

The House is simply not in a position to determine which of the numerous special-interest groups which would like price increases should be given them, and which should be denied. Right now the House would be unable to prove that the groups to which it has already voted price increases have any better claim than hosts of other groups which are asking for them.

The overwhelming danger is that, lacking any fair basis for turning down some claims after granting others, the committee will be forced to yield to more and more of them. That way lies disaster. That way lies discredit for the Congress, which will have given graphic proof of inability to put the national interest in time of war above special interest.

A famous American, a former President of the United States, once stated he would rather go down with a cause that he knew to be right than to survive by backing a cause that he knew to be wrong. I am hoping that during this national emergency there will be enough Members of this Congress willing to go down fighting for the principle of price control, even if we do lose the battle to special-interest groups.

Mr. Chairman, I appeal to the Committee, as I intend to appeal to the House, to turn away from partisanship, to turn away from sectionalism, to turn away from selfishness, and to rise to the responsibility that is ours by reversing the present course and by passing a bill by which all prices and all wages can be held stable, as in their sober judgment I am sure the overwhelming majority of the American people of this country desire.

The CHAIRMAN. The time of the gentleman from California [Mr. OUTLAND] has expired.

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Whom does the gentleman want to ask?

Mr. BREHM. It has been charged by various Members that any amendments which we have adopted or may adopt will retard and even lengthen the war. I would appreciate it if that could be explained. That is the question I wanted to ask the gentleman from California. He made that statement. How will corrective amendments lengthen the war?

Mr. OUTLAND. I am sorry I did not hear the first part of the gentleman's question.

Mr. BREHM. The gentleman has made the statement, as well as other Members, that amendments which we have adopted or might adopt will retard or even lengthen the war.

Mr. OUTLAND. Yes; crippling amendments.

Mr. BREHM. I would appreciate it if the gentleman would explain just how. I ask in order to obtain information and not in the spirit of criticizing the gentleman's statement.

Mr. OUTLAND. I would be glad to give one example that comes to mind, off-hand. We are doing our very best to maintain more amicable working relationships between management and labor in this country. If some of these amendments are passed, and some of the others that are being proposed also are passed, we are going to increase the cost of living to the point where requests for increased wages are going to be irresistible. That is going to send the spiral upward. It is going to bring about more stoppages in war production. It is going to cut down more efficient production of planes and ships, in my judgment. If I had more time I would be happy to answer the gentleman more in detail.

Mr. COCHRAN. Mr. Chairman, I was perfectly willing to yield for the question, because the gentleman from California [Mr. OUTLAND] expressed my sentiments. We are now engaged in the really big battle of the home front. If you will stop and look at what happened in the First World War, you will then begin to realize the value of price control. All you have to do is compare what happened in the First World War with what is happening during this war. I feel that we—and when I say "we" I mean every Member of this House—should realize that under the reapportionment we are supposed to represent at least 300,000 people. Now, take the number of telegrams you have received from this group or that group asking you to adopt some amendment. Subtract from that 300,000 the number of telegrams, and then you will learn just how many people are looking to us to protect their interests.

After weeks of hearings the Committee on Banking and Currency presents a bill extending the Price Control Act. So far as the report is concerned we fail to find where any one of the 26 members opposes the bill. To say the least, that is remarkable.

This law was enacted to prevent a repetition of what occurred during and after the First World War. Seeing the danger of inflation unless there were some control, the administration advocated the passage of a law. It was to meet an emergency and will only be on the statute books as long as the emergency exists.

The law has held down the cost of living, and industrial prices have been stabilized. No one can challenge that statement.

In testimony before the Banking and Currency Committee the Administrator of Price Control showed the dollar was worth 33 cents at the end of the War of the Revolution; 44 cents at the end of the inflation following the Civil War; and 40 cents after the end of inflation following World War No. 1. He further disclosed during World War No. 1 the following happened:

	Price at start of war	Price at end of in flation
Bread, per 1-pound loaf	6.2 cents	11.9 cents.
Round steak, per pound	24.4 cents	45 cents.
Sliced ham, per pound	27.4 cents	60.4 cents.
Butter, per pound	34.2 cents	78 cents.
Eggs, per dozen	30.2 cents	92.4 cents.
Potatoes, per pound	2.6 cents	10.3 cents.
Sugar, per pound	5.2 cents	26.7 cents.
Percale, per yard	12.9 cents	52.8 cents.
Bituminous coal, per ton	$5.46	$12.53.
Anthracite coal (stove), per ton.	$7.60	$16.22.
Gas (manufactured), per 1,000 feet.	94 cents	$1.32.
Sheets, each	81 cents	$2.81.
Blankets, each	$3.13	$6.49.

As the testimony continued it was shown a fixed income of $2,000 in 1914 was worth $960 when inflation ended after the war.

Many other examples showed the destruction resulting from inflation. For instance, 105,996 businesses, mostly small businesses, failed. Unemployment increased 5,624,000 from 1919 to 1921. Factory pay rolls shrank 44 percent. The wage earner who received $27.50 weekly found its purchasing power was equal to only $20.70 during the inflation period. In time farm prices collapsed. While the average farm income in 1919 was $1,360, it amounted to but $460 in 1921. As a result, by 1926, 453,000 farmers lost their farms.

It was to prevent a repetition of this that Congress enacted the Price Control Act. The O. P. A. was charged with the responsibility of providing for fair distribution to all of what food and other commodities were available; to hold down the cost of living; to prevent increase in rents; to reduce war costs by controlling prices of war materials.

When we were forced into this war we had no shortages, but, on the contrary, surpluses. The first big jolt was the announcement that our rubber supply was cut off by the Japs. We had passenger

cars, trucks, and busses—over 34,500,000—but there would not be tires for all when needed. It was necessary to ration what we had. Destruction of ships caused a shortage of sugar, which was also rationed. This was followed by the rationing of gasoline and fuel oil as the enemy sank tankers off our coast. Had this not been done money would have been the factor in determining who would ride and who would walk, who would be warm and who would be cold. An equal opportunity for all to receive their share of what was available was the objective. It was to reach the same objective that meats, processed foods, coffee, shoes, and other commodities were rationed. Every citizen was put on an equal footing. As other orders were issued, the rich or poor were all treated alike so all were sure to get their share of butter, meats, and so forth. Had that action not been taken the employer would, by reason of his income, been able to buy all he wanted for his family, while the employee and his family would have been required to be satisfied with what was left. Prices would have been uncontrolled. There were no exceptions. To protect the 130,000,000 people it was necessary to stabilize prices as well as regulate rents. It was not until the spring of 1943 that increases in cost were finally stopped, and then the hold-the-line price program was inaugurated.

The success of this program has been due to the hundreds of thousands of patriotic men and women who volunteered as workers. For every paid employee there are a dozen volunteers working without pay.

Of course there were mistakes. There were complaints by the thousands, but when the program was thoroughly understood the complaints dwindled. The people learned it was necessary t sacrifice on the home front so those in the armed forces could be taken care of.

The O. P. A. contends the record shows 72 percent, or $13,500,000,000, of the cost of World War No. 1 was due to inflationary price increases.

The present law expires June 30, 1944. The bill before us extends the law until June 30, 1945.

During the consideration of this bill group after group seek to destroy the hold-the-line price program. We are flooded with telegrams and letters to vote for this or that amendment. Everyone who seeks a change has a selfish interest. They want to increase their profits. We must remember we are the representatives of all the people and the great, great, majority of the 130,000,000 people will pay the increase in cost if we fail to hold the line.

Take cotton. Despite the fact that cotton—wholesale—leads in increase, the percentage being 105 in the last 52 months, still the producer, the processor, and industry ask for more.

There was no justification for the passage of the oil amendment and I hope it will be defeated on a roll call. It will not only greatly increase the cost of transportation, but the cost of war. We will pay a great deal more for the gasoline needed for our planes, tanks, and so forth, as well as for fuel for our ships to take our men and women overseas, and the necessary supplies to the front. Everyone has been making money. The national income is larger by far than it ever was. Prosperity is here as it never was before, but still the selfish groups are not satisfied and put on the pressure.

What we should do is to give the power to O. P. A. to continue and provide ways and means for better enforcement as well as enlarge the facilities that seek to destroy the black markets. As the O. P. A. says: Prices are holding; rationing is working; O. P. A. is operating more smoothly.

You know and I know what will happen if we cripple this law and destroy the hold-the-line program.

In casting my votes on this bill I am going to think of the consumers, and not the selfish interests who desire to increase their profits.

We can depend upon O. P. A. to correct situations that should be corrected. As I see it, it is our duty to hold the line. I will help to throw back those who desire to break it.

As I said, this is really the big battle on the home front.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. SPENCE. Mr. Chairman, may I inquire how many amendments are pending at the Clerk's desk at this time?

The CHAIRMAN. There are about 12 amendments to section 2.

Mr. SPENCE. I should like to see if we cannot agree on time for debate for the balance of section 2.

Mr. Chairman, I ask unanimous consent that all debate on section 2 and all amendments thereto close in 2 hours.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, that just shuts out eight this morning; that is in addition to what were on the desk last night.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky that all debate on this amendment and all amehdments thereto close in 2 hours?

Mr. SHAFER. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on section 2 and all amendments thereto close in 2½ hours.

The motion was agreed to.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. Just who will be recognized on these amendments and in what order?

The CHAIRMAN. The Chair is unable to advise the gentleman definitely. The Chair will, of course, endeavor to apportion the time as equitably as possible to those who have amendments now on the desk.

Mr. EBERHARTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EBERHARTER. Can the Chairman advise the Committee whether or not the amendments now pending will be voted upon at the close of the 2½ hours or as the sponsors finish their arguments with respect to each?

The CHAIRMAN. The Chair will certainly endeavor to dispose of them as promptly and as expeditiously as possible.

Mr. EBERHARTER. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EBERHARTER. Under the procedure we are following, some five or six amendments may be left to be disposed of at the last moment before the 2½ hours' debate expires. Is that correct?

The CHAIRMAN. It is possible.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. Will those in opposition to specific amendments have an opportunity to be heard before the amendments are read and adopted as far as the proponents are concerned?

The CHAIRMAN. All this time, of course, is coming out of the 2½ hours. The amendments naturally will be disposed of as they are called up and reported.

Mr. SMITH of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Virginia. The Chair just stated that the time would be apportioned between those offering the amendments now on the Clerk's desk. Just before we adjourned Saturday evening the question was asked how many amendments there were and I then notified the Chair and the majority leader that I had quite a number of amendments emanating from the select committee, of which I am chairman, that were not at the Clerk's desk and are not at the Clerk's desk now.

Is it the ruling of the Chair that those amendments and amendments offered by others who have not put them on the Clerk's desk may not be allotted time? Because there is no ruling that requires a Member to put an amendment on the Clerk's desk before offering it.

The CHAIRMAN. The Chair can only repeat what the Chair has stated before, that the Chair will endeavor to consider amendments as expeditiously and promptly as possible.

Mr. SMITH of Virginia. I want to get straight on this; does the Chair mean to say that no amendment can be adopted except those at the Clerk's desk?

The CHAIRMAN. No; the Chair did not say that.

Mr. SMITH of Ohio rose.

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. SMITH of Ohio. To strike out the last word, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes.

Mr. SMITH of Ohio. Mr. Chairman——

Mr. BREHM. Mr. Chairman, will the gentleman yield for a very brief question?

Mr. SMITH of Ohio. I wish to proceed with my statement first, if the gentleman will permit.

Mr. Chairman, section 11 of this bill should, in my judgment, be stricken out.

This provision received practically no discussion in the committee. It was offered while I had stepped out of the committee room for just a few minutes. When I returned the vote on it was being taken. I could learn little about it except that it provided that the Banking and Currency Committee should become an investigating body of the O. P. A.'s activities.

After having had an opportunity to read the provision, I found that it authorized the Banking and Currency Committees of the House and Senate to become continuous and permanent investigating committees of the administration of the O. P. A. This is to be the law of the land. So far as I know, this is the first time any committee in the Congress has asked for a law to authorize it to investigate and watch over the administration of legislation under its jurisdiction and report to the House for action. It has been argued that the Committee on Military and Naval Affairs and the Lanham committee investigate the administration of the laws they enact. As I understand it, that is a voluntary proposition on their part and does not derive from any statutory authority. In any event, it matters not what any other committees may do in this respect. I do not want to see the Banking and Currency Committee undertake the function for which section 11 of this bill provides.

Members of Congress are already greatly overburdened with work. It is impossible for any of us to properly perform the multitudinous tasks that now devolve upon us. This would increase the burden of the members of our committee, further dissipate their energies, and add to the ineffectiveness of their work.

We may well imagine what may happen should the people throughout the country learn that the Committees on Banking and Currency of the House and Senate have set themselves up as watchdogs over the regulations and orders of the O. P. A., if this provision is really intended to mean anything. Every member of the Banking and Currency Committee would have to be provided with a goodly sized staff of secretaries and stenographers and special quarters to answer complaints and grievances against the O. P. A. Most of the Members of this House, especially we Republicans, have been protesting vehemently against the ever-increasing bureaucracy. But here is a proposal which would make one of the standing committees of Congress a part of the Federal bureaucracy.

What will the public think? The reputation of Congress in the matter of investigating the administration of the laws it passes is already somewhat in disrepute. Would this help that situation any?

Expressing my own personal view only, I want to say that to me statesmanship should be above such action as is contemplated here. We should have confidence enough in our own work to make it unnecessary to keep watching over it to see whether or not it is being administered properly. Furthermore, when the administrative branch of the Government has deteriorated to the point where it needs such watching as is contemplated here, no amount of investigating or checking by congressional committees of the administration of the laws Congress passes can possibly do any good.

Keep in mind also that the procedure which this provision contemplates could just as easily as not become a whitewashing affair for the mistakes and mischiefs of the O. P. A.

Let us strike out section 11 of this bill and uphold the dignity of this legislative body.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I am interested in the gentleman's observation. I know that the gentleman from Ohio [Mr. SMITH], has been one of the best watchdogs of administrative acts that we have had in the Congress for many years, and I know, further, that we have to watch some of these long-haired gentlemen to whom many have referred here because they are trying to change our form of government, and the gentleman knows that.

Mr. SMITH of Ohio. That is correct.

Mr. BREHM. Will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Ohio.

Mr. BREHM. I have been attempting to get an answer as to how any corrective amendments that we may add to this legislation to help the administration would prolong the war, and the only answer I have received is that it might cause a disruption of relations between labor and management. If that be so, is not the answer to that question an overall labor policy which should be submitted to the Congress promptly which would deal favorably with both labor and industry and not attempt to evade the issue by saying that corrective amendments to this legislation will prolong the war?

Mr. SMITH of Ohio. Yes.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, the rule under which we are considering the present bill provides that debate shall be confined to the bill. I think debate should be confined to the amendments that are offered and I am going to insist from now on that all debate be confined to the bill and to amendments under consideration.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. BRADLEY].

Mr. BRADLEY of Michigan. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BRADLEY of Michigan: Page 11, line 2, at the end of section (g) insert *"Provided, however,* That nothing in this act shall be applied to any person, who having been duly notified of his impending induction into the armed services, in the process of liquidating his own property may have exceeded the established maximum price for the commodity thus disposed of."

Mr. BRADLEY of Michigan. Mr. Chairman, this amendment is a vitally needed amendment, a constructive amendment to the O. P. A. program. It merely seeks to give justice to those among our young folks who may be called up for service in the armed forces and who, having been duly notified of their call to serve the armed forces, in the process of liquidating their own personal holdings may not be accused or penalized by the O. P. A. for violating any of the so-called maximum-price regulations.

Mr. Chairman, I have before me a letter applying to a typical case in my district of a man who was a painting contractor. He had taken over the business left him by his father-in-law, a business which had been somewhat run down but which by industrious effort on his part he had built up into a going, paying concern. He got word that he was to be inducted, and, offering no objection whatever to serving in the armed forces, he attempted to liquidate his holdings and to leave whatever he had left to his wife and family. In this process he sold to a man in town, a florist, a General Motors truck that had some 18,000 miles on it for $450. The florist of the town was unable to buy any such truck any place else, and it was admirably suited for his business. He later testified that he would be unwilling to dispose of the truck for as much as $100 more than he paid for it originally. Then along comes O. P. A. and they asked this painting contractor about to go into the service to fill out a report for the transfer of this truck on which a ceiling price had been established. They told him he had received $108 more than the ceiling price provided, therefore he should immediately turn over to the Government the $108, or, failing to do so, the O. P. A. would institute a suit against him for triple damages.

Mr. Chairman, I am sure this Congress in the enactment of the original O. P. A. Act and in establishing ceiling prices on trucks meant no such interpretation whatsoever, and, in my opinion, in justice to these boys and these girls who are going into the service and who seek to liquidate their own property, not for the purpose of evasion or for the purpose of violating any of the maximum price laws but simply to get what they are entitled, namely, the best price possible for their personal belongings and thus leaving that much to those they leave behind, this Congress should accept this amendment as being entirely logical and perfectly justifiable for the protection of these folks who are going into our armed forces.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does the gentleman's amendment apply only to veterans?

Mr. BRADLEY of Michigan. No; it applies to any person who may be duly notified he or she is about to be inducted into the armed services, either by draft or through enlistment. Everybody is inducted either by draft or enlistment. It

applies only to these persons who may seek to liquidate their own personal property and it prevents O. P. A. from claiming they violate some of these maximum-price regulations. It has nothing to do with the creation of any black market He or she is simply selling his own personal belongings to anyone who can use them and getting the best price he can for them before he goes into the armed forces. This is a matter of simple justice. These folks about to be inducted are not out to violate the law or the O. P. A. regulations, they are not indulging in any black-market operations, and they are not out to gip any one. They are not in the business of transferring commodities which have been rationed or upon which maximum prices have been set. They have been called up for service in the armed forces of this Nation to protect the American way of life and they seek simply to liquidate their own personal holdings at the best price obtainable. Is there any injustice in that? Can any man on this floor stand on his two feet and deny this right to those who may be about to die?

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California [Mr. OUTLAND] in opposition to the pending amendment.

Mr. OUTLAND. Mr. Chairman, for the benefit of the committee I would like to read the entire section to which the amendment is added:

Regulations, orders, and requirements under this act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

Mr. Chairman, there is not a man in this House who does not want to do everything possible to make the lot more easy for the man who is about to go into the armed services or for his family, but I question very seriously whether we wish to countenance in this Congress circumvention or evasion of the law even by the man who is about to go into the service.

Under the amendment introduced by the gentleman from Michigan it would be possible for some unscrupulous dealer to transfer goods under the name of a soldier and thus sell them at any price, yet he could not be touched under the amendment.

Furthermore, the gentleman from Michigan has pointed out that in the case in his own home town triple damages were assessed. The committee realizing that automatic damages very frequently worked an injustice, later on in the bill struck out the provision having to do with triple damages, so it will not come up in the case cited.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. I may say to the gentleman that I discussed this very case with the chief enforcement attorney over there in the O. P. A., Mr. Lieberman, and he told me that under the terms of the law they had no alternative but to assess this man triple damages.

Mr. OUTLAND. That is correct at the present time, but this revised bill remedies the situation.

Mr. BRADLEY of Michigan. I am seeking redress for that man. I think the gentleman is giving a rather far-fetched interpretation of this thing when he says that some unscrupulous dealer could transfer something under cover to a soldier about to be inducted. In the first place, as applied to this truck dealer I am talking about, that dealer cannot transfer the truck to anyone unless he makes a report. I am talking about the man's own personal property.

Mr. OUTLAND. The gentleman from Michigan is correct when he states that under the present law triple damages are automatic. Let me point out though that we are changing the law and later on in the act you will note that the provision covering triple damages has been stricken out. It becomes then a matter of discretion with the court whether one and a half or triple damages be assessed.

Mr. Chairman, I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

Mr. HOFFMAN and Mr. CELLER rose.

The CHAIRMAN. If we are going to dispose of the amendments, we cannot debate the same amendment all day. For what purpose does the gentleman from New York rise?

Mr. CELLER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. What disposition will be made by the Chair of those rising in opposition to the amendment?

The CHAIRMAN. Does the gentleman rise in opposition to the amendment?

Mr. CELLER. Yes.

The CHAIRMAN. For what purpose does the gentleman from Michigan rise?

Mr. HOFFMAN. In support of the amendment, Mr. Chairman.

The CHAIRMAN. That is up to the Committee to decide. If you are going to take up all day on each amendment, you will never get them disposed of under the time allotted. Under the rule, 5 minutes is allowed for and 5 minutes against each amendment.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. If that is the rule, all right, but I did not understand that that was the rule.

The CHAIRMAN. That is the rule.

Mr. CELLER. Mr. Chairman, I ask for recognition.

The CHAIRMAN. For what purpose?

Mr. CELLER. In opposition to the amendment.

The CHAIRMAN. That is not in order.

The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. BRADLEY of Michigan) there were—ayes 22, noes 76.

So the amendment was rejected.

Mr. CLEVENGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLEVENGER: Page 12, line 2, strike out the quotation mark, and after line 2, insert the following subsection:

"(q) No maximum price shall be established or maintained under this act or otherwise with respect to second-hand household goods or second-hand farm equipment or machinery purchased for use or consumption by the purchaser and not for resale."

Mr. Chairman, the amendment which I have offered relates to the sale at public auction of second-hand farm equipment or machinery and second-hand household goods, purchased for use or consumption and not for resale.

When this bill was being considered by the Banking and Currency Committee I appeared before that committee and presented petitions containing the signatures of approximately 3,000 persons, petitioning Congress to abolish O. P. A. restrictions on second-hand household goods and second-hand farm equipment or machinery sold at public auction. Since that time I have received petitions containing the signatures of several thousand additional names.

We all know that much confusion and many unnecessary hardships exist in attempting to comply with O. P. A. regulations in the sale of second-hand farm machinery and second-hand household goods at public auction. Often the auctioneer cannot be certain what the ceiling price is on this second-hand equipment. Without reflection upon the local Price Administration boards, it is difficult and sometimes impossible for them to correctly inform the auctioneer of the ceiling price on second-hand farm equipment. In one particular instance in my district, immediately before a public sale the auctioneer was informed by his local O. P. A. board that the ceiling price on a certain truck was $670. Four days after the sale the purchaser of the truck was informed that the ceiling price was $574.42.

Another auctioneer innocently sold second-hand farm equipment above the ceiling price and triple damages were imposed by the Office of Price Administration amounting to $3,600.

Why all of this confusion and persecution when it does not save a single ounce of steel or other essential material It is not infrequent that 25 persons will immediately bid the ceiling price on a second-hand piece of equipment.

Office of Price Administration regulations make no provision for determining who shall be the successful purchaser when two or more persons bid the ceiling price, but the most common practice is to cast lots; yet lotteries are illegal in most States and are frowned upon by the Federal Government.

Can anyone say that the most-deserving person or the one who has the most need for this farm equipment is to become the owner of it under the present system?

It is a well-known fact that many articles of value, at a farm auction, sell at a very small fraction of their real

worth, yet under present restrictions this cannot be offset by other articles that would sell for more, on which there is a ceiling price. It is an unfair practice and serves no good purpose.

I hope the amendment which I have offered will be adopted by the committee.

Mr. Chairman, I declare that a public auction enables any person to place his own ceiling upon the article offered for sale. He alone determines the price he is willing to pay; no one compels him to buy. No price-fixing seems to be needed for used goods.

The first of these rulings caused great financial penalties, the third and last resulted in despair, desperation, and death—when this innocent Michigan farmer lost his reason and took his own life, the story of which I will include in my remarks.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Michigan.

Mr. SHAFER. Not only was he arrested, but the auctioneer was taken in for questioning by the O. P. A.

Mr. CLEVENGER. This has gone on from Pennsylvania all across the country.

Mr. GRANT of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Indiana.

Mr. GRANT of Indiana. We have had many cases such as that in my own district, and it is having the effect of driving the farm machinery of our country into the black market. I say let us adopt the gentleman's amendment and stop this business of driving farm machinery into the black markets.

Mr. CLEVENGER. The Thirty-seventh Ohio Division, as well as the Thirty-second Division from Michigan, is now fighting in New Guinea and Bougainville. If you have a son over there, ask yourself this question: What price would you put on a tractor to feed that boy? For a machine to replace his hands.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Kentucky.

Mr. SPENCE. I would like to know how the seller would know what the purchaser was going to do. He would have to search the purchaser's conscience, and I think that would be impossible.

Mr. CLEVENGER. I would like to have the gentleman cite to me an instance where in the last three or four hundred years, either in American or British jurisprudence, there has ever been such cruel and inhuman penalties inflicted upon anyone as upon these men. I cannot support a bill that makes this possible.

Mr. SPENCE. That is not the question I asked. My question is: How are you going to enforce this unless you can search the purchaser's conscience?

Mr. CLEVENGER. I have repeatedly suggested before the committee, that you might allot some of this farm machinery you are sending all over the world to the American farmers, and thus end the excuse for such cruel and unusual penalties.

THE NATIONAL BANK OF MONTPELIER,
Montpelier, Ohio, May 24, 1944.

Hon. CLIFF CLEVENGER,
House of Representatives,
Washington, D. C.

DEAR CLIFF: On behalf of Donald Day, an Edgerton, Ohio, auctioneer, upon whom a suit has been instituted by the O. P. A. for selling a few articles at public auction above the ceiling price, I wish to call attention to the injustice of placing a ceiling price on some articles, while it is a known fact that many articles of value, at a farm auction, sell at a very small fraction of their real worth.

To my knowledge, no effort has ever been made by the O. P. A. or any other governmental agency to allow the farmer an average; that is, to allow the high prices to be offset by the below-value sales.

It seems that Congress should so frame the powers of the O. P. A. that they cannot go witch hunting. The best we can say in this case is that it looks like persecution.

We believe that where the owner sells an accumulation of chattels—not bought for speculation—he ought to have the current market value. He pays the current market value for what he buys.

Very truly yours,

ROSS STICKNEY.

McCLURE, OHIO, *May 15, 1944.*

Hon. CLIFF CLEVENGER,
House of Representatives,
Washington, D. C.

DEAR SIR: It was gratifying in today's Toledo Blade to see that you are attempting to limit the powers of the O. P. A., such as the attack on the auctioneer, Mr. Day.

I truly hope that you succeed in cutting off the whole useless thing. It is only a part of a scheme to hamstring the American people.

Very truly yours,

J. W. FICKEL.

[From the Archbold (Ohio) Buckeye of June 7, 1944]

WORRIES OVER O. P. A. SUIT—ENDS LIFE WITH POISON—FARMER NEAR READING IN TROUBLE THROUGH SALE OF FARM TRACTOR OVER CEILING

Due to despondent condition because of a suit filed against him by the O. P. A. officials over the sale of a farm tractor at auction March 10, Ray Van Wert, 63, Reading, Mich., took his own life May 26 by swallowing poison, is the statement made by his wife in affidavit alleged to have been signed the past week.

Funeral services were held near Reading Wednesday afternoon. Soon afterward the wife made the signed statements, copies of which have been sent to a few Members of Congress at Washington, D. C.

Worry over a suit filed against her husband by O. P. A. officials concerning the sale of a tractor at auction preyed upon the farmer's mind until it led him to the fatal step, according to Mrs. Van Wert.

Mrs. Van Wert states that starting late in March, O. P. A. officials investigating the sale asked payment of three times overcharge, or $1,310.70, but later proposed to settle the case for $873.80 out of court.

In her statement Mrs. Van Wert contended that on May 25 her husband received a notice to call at an attorney's office regarding the case, which had been a constant worry and broke down his health, and as a result Mr. Van Wert took poison on the morning of Friday, the 26th of May, which resulted in his death at 8 that morning.

Mr. SHAFER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Ohio [Mr. CLEVENGER].

I am convinced that such an amendment is necessary if we are to eliminate the injustices of O. P. A. to auctioneers and farmers in connection with the enforcement of ceiling prices on used farm implements.

Farmers in my congressional district point out that the ceilings are unfair to those who have bought farm implements for use and not for resale, and also that the ceilings established by O. P. A. do not reflect the true values. As the result, I am told, farmers are being forced into the black market if they are to receive fair and equitable prices in disposing of their farm machinery.

In a recent case in my district both auctioneer and farmer were made defendants in an action by O. P. A. demanding triple damages for selling a tractor for $1,345 which an O. P. A. price specialist, so-called, said was $466.55 over the ceiling price. Heaven only knows how this so-called specialist arrived at such a ceiling price, but I am told that the farmer, who later committed suicide as the result of the hounding by an O. P. A. enforcement officer, did not receive what the tractor was worth.

I hold in my hand a photostat of one letter received by the farmer from an O. P. A. enforcement attorney in Detroit. Notice how it has been worn by folding and unfolding. It was found on the farmer's body after he had taken his own life. I also have here a photostat of a statement made by the widow, pleading that steps be taken "to stop these O. P. A. injustices and threats placed upon those who are disposing of their life's holdings."

This amendment, if adopted, would eliminate such abuses of power by O. P. A.

I regret the committee has voted to greatly limit the debate on the various amendments to section 2. I would like to give my further reasons as to why this amendment should be adopted.

Mr. GRANT of Indiana. Mr. Chairman, I hope the amendment of the gentleman from Ohio [Mr. CLEVENGER] will be adopted, and if we are to relieve the present intolerable and chaotic condition that exists, it should be adopted.

It simply and plainly provides that there shall not be ceilings on used farm machinery when sold at auction and not for purposes of resale.

Farmers are by their very nature thrifty people. They do not throw their money away. They spend it only where it is justified. If they pay as much for a used tractor or a used combine as a new one costs, it is only because it is worth that much to them in the important work they are doing.

I know that it will be said that if a farmer pays more than the present O. P. A. ceiling for a used tractor, it will start an inflationary spiral, but what is to be said of the effect on the inflationary spiral if through his failure to get much-needed equipment he is not able to turn out his share of the food production and thus must add to the scarcity of food in this hungry world?

There is only one way in the world to judge the value of a piece of used farm machinery and that is to see it and examine it. A tractor that has been out

less than a year but that has been overloaded continually, underlubricated and permitted to stand out in all kinds of weather, will deteriorate more in that 12-month period than a 10-year old tractor that has been in the hands of a successful farmer and has had the proper care and lubrication.

The farmers and the auctioneers of the country are at present faced with an intolerable and an impossible situation. Again and again attempts have been made to get the O. P. A. to suggest a solution to the problem. Some bright fellow from the O. P. A. has come out with the suggestion that they resort to a lottery to determine the purchaser of a tractor where 15 or 20 farmers present are all anxious and willing to pay the O. P. A. ceiling price. A fine kettle of fish when we have one Government agency suggesting to our people that they violate the lottery laws of the Nation in order to dispose of their belongings. And what is to be said of the plight of the farmer who finds it necessary to liquidate his machinery representing perhaps his life savings, to see it raffled off with the possibility and the probability that the tractor or other vital piece of machinery is being picked up by some dealer who will go down the road a piece and peddle the machinery at $200 or $300 profit to himself?

Mr. Chairman, as I have said before, let us get back of this amendment and stop this business of driving the used farm machinery of the country into the black market.

Mr. MONRONEY. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONRONEY. Mr. Chairman, this is ostensibly an auctioneer amendment, but when you read the amendment it does not refer, as near as I can find out, to an auctioneer or anything else, other than an exclusion from price control of all second-hand goods.

If that is what the House wants to do, if you want to work a hardship on the farmers and others who are going to have to pay two times as much for their implements or two or three times as much for an old used truck—and bear in mind that is about all they are able to buy on today's scarce supply—then pass this amendment.

You might relieve the auctioneer of a little trouble by excluding him alone by some special amendment. I would like to help those boys myself. I like them. They are mighty fine to have in a campaign, but it is not a very good idea to riddle price control, no matter how well intentioned it is, by taking the ceilings off of all used farm goods and equipment and household belongings.

That is what the amendment says, "purchased by a purchaser and not for resale." There is where every item finally winds up that is purchased by a purchaser and not for resale, at the ultimate retail line, and that is where your price control actually works.

The effect of this amendment will be not to just give some relief to the auctioneer, but it is going to release from control every single used household item, used equipment, used truck you find in the whole category. I believe you are going to hurt your farmers worse, those who must now depend on the used market for their supply of implements, because there is no new stuff available for them to buy.

So bear in mind that it is just another one of those examples of where it is a lot of relief for the guy that sells but an awful lot of punishment for the poor guys who have to buy on that kind of a market.

Mr. MICHENER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Chairman, the farmers in the congressional district which I have the honor to represent here are very much concerned about O. P. A. rulings in connection with auction sales. Literally hundreds of petitions have been received by Members cogently giving the best argument in favor of the Clevenger amendment. On June 3, 1944, I called the attention of the House to the advisability of passing this amendment, and included a statement from my constituents. My remarks, including that statement, are found in the Appendix of the RECORD on page A2768. I can add nothing at this time.

An amendment has already been adopted, as asked by the petitions, affecting sales by administrators, executors, guardians, and trustees pursuant to a court order, so that this bill in a slight degree helps the situation.

Surely the Congress never intended, in the adoption of the O. P. A. law, that it would be administered as it has been administered in connection with second-hand property sold at auction and in no way connected with the retail business.

Mr. GILLIE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GILLIE. Mr. Chairman, I rose for the purpose of asking my colleague the gentleman from Ohio [Mr. CLEVENGER] a question, but due to the fact that his time was short, was not able to get an answer. I wish at this time, however, to say that if the amendment which he has just introduced will bring relief to our auctioneers and to our farmers and others who sell their personal property at auction, I am for it. I have letters in my files—as I am sure many Members of this House have—which give conclusive evidence that present O. P. A. regulations with regard to the sale of such property have caused untold hardship to patriotic American citizens who are doing their level best to act lawfully and in accordance with the public interest.

When an owner disposes of his life holdings at auction he is not selling goods that he bought for the purpose of reselling at a profit—he is disposing of his personal possessions that he may have sacrificed throughout his lifetime to accumulate. He has to take what he can get for his belongings when he auctions them off, and yet he has been subjected in many cases to prosecution and large fines imposed by the O. P. A. for not living up to impracticable, unclear, and unjust regulations of which he may not even have had any knowledge. One auctioneer has written me that he wrote to, called up, and pleaded with an O. P. A. office for information to guide him in making sales, and was unable to get a satisfactory response, and yet he was held liable to prosecution by the O. P. A. for not living up to O. P. A. regulations.

The O. P. A. has not to date satisfactorily settled the disposition problems involved in selling at auction articles upon which ceiling prices have been placed, and its attempts at regulation have resulted in unjust prosecutions, embarrassments, and costly penalties. I am, therefore, hopeful that this amendment which is intended to clarify this vitally important matter will be passed, and that the restrictions which practically deny to American citizens the right to sell their property at auction will be removed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: On page 10 strike out line 24, and on page 11 strike out lines 1 and 2.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, if I thought there was a chance in five million that this type of amendment could be approved I would ask for a vote on it. However, we seem to be bent on voting down amendments curbing O. P. A. power today and so I shall not press for its passage. My purpose, therefore, of presenting this amendment is to come before the House and pose the question, How far are you willing to go in making and exacting penalties in this Price Control Act in order to enforce it?

It is all very well to conduct a great propaganda crusade against the black market; it is all very well to paint this whole picture in the light that you are waging war against the black market and enforcing these countless regulations being placed upon the American people, but I ask you to remember one thing: Before they reach the black market they will fall on the rank and file of our people. There have been other price control acts put into effect throughout history.

Let me take you back, if I may, to the time directly after the French Revolution, during the reign of terror in France, when Robespierre and his bloody rascallians and leaders passed a law

called the law of the maximum. This far-reaching act imposed a fine of 3,000 francs upon any offender of the slightest regulation of price control that Robespierre and his extremists placed upon the people of France. In the case of a second violation, a fine of 6,000 francs was placed upon the offender. When it came to the third offense, what did the offender get? He got the guillotine, and he did not have any chance to defend himself either.

Not long ago a member of the Political Action Committee of the C. I. O. with whom I had a conference told me that he wanted to see everyone of the thousands and thousands of orders imposed by the Administrator of the Office of Price Administration carried out to the letter. Otherwise he demanded that jail sentences and fines of an extreme degree be imposed. In return I asked this gentleman how far he wanted to go, did he want to go as far as capital punishment? His answer was, "I am willing to do that if it will carry out the act and the thousands of regulations which the O. P. A. Administrator will place upon it."

I am not here to go on a witch hunt and I am not here to attempt to scare the House of Representatives into believing that Chester Bowles, the O. P. A. Administrator, is going to be as ruthless as all that. But Mr. Bowles can be replaced by more dangerous men. He can be removed in favor of any of the extreme zealots who guide from behind the scenes the course of affairs of the administration. There is in the Price Control Act and I should like to see it taken out—a section that says the Administrator can do anything he deems necessary to carry out the provisions of the act. That is giving him a lot of rope, that is giving him a lot of power. The entire bill is packed with power. I, for one, cannot discharge my duties to the people I represent unless I voice my objections to this unbridled lease of power that has been give to the Office of Price Administration.

I hope that in the future the House will be more careful in what it passes and the power it gives to agencies of this Government.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COX. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cox: On page 12, after line 2, insert a new paragraph as follows:

(q) Any person aggrieved by any decision, directive, sanction, or order by any Federal agency or official, may obtain a review of same in the Circuit Court of Appeals of the United States for the circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days, a written petition, praying that such decision, directive, sanction, or order be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon said agency or official who shall thereupon certify and file in the court a transcript of the record upon which such decision, directive, sanction, or order complained of was entered. Upon the filing of such transcript, such court shall have exclusive jurisdiction to review such decision, directive, sanction, or order complained of, and may hold unlawful and set aside the same insofar as it is found to be—

(1) contrary to constitutional right, power, privilege, or immunity;

(2) in excess of statutory authority, jurisdiction, or limitations or short of statutory right, grant, privilege, or benefit;

(3) made or issued without full observance of all procedures required by law;

(4) unsupported by substantial, credible, and material evidence upon the whole administrative record; or

(5) arbitrary or capricious.

(r) The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 346 and 347 of title 28, as amended, of the Judicial Code.

(s) Such decision, directive, sanction, or order shall remain in effect pending final decision in the courts: *Provided*, That no remedial or punitive measures shall be taken or instituted against any person subject to such decision, directive, sanction, or order, pending judicial review as provided herein, unless the court having jurisdiction of the case shall upon a proper showing find such measures necessary to further the prosecution of the war.

Mr. WOLCOTT. Mr. Chairman, I make the point of order against the amendment that it is not germane to section 2, to which it is being offered.

Mr. COX. Will the gentleman reserve his point of order until I have made my statement? Then we will debate it, if it is agreeable to the gentleman.

Mr. WOLCOTT. I may say to the gentleman that a time limit has been set, and the time we are using on this is running against the total time. Otherwise, the gentleman knows, I would be delighted to reserve the point of order.

Mr. COX. It is my opinion, Mr. Chairman, that the amendment is germane to the section.

The CHAIRMAN. The gentleman from Georgia [Mr. Cox] offers an amendment to which the gentleman from Michigan makes the point of order that it is not germane to the section to which it is offered.

The Chair invites attention to the fact that this relates to the question of court review, and matters of that kind are not dealt with in section 2 of the bill. Therefore, the Chair sustains the point of order that the amendment is not germane to this section of the bill.

Mr. SHAFER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHAFER: On page 3, line 8, after "profits" strike out all of line 8 to and including the word "control."

Mr. SHAFER. Mr. Chairman, this amendment in effect means hands off of price control.

The present language in the bill reads:

The Administrator shall not so construe or interpret the act as to give a right to fix profits, where such action has no relation to profit control.

In other words, the bill leaves profit control entirely up to the Administrator.

My amendment merely strikes the words "where such action has no relation to price control." Those words, as I see it, completely undo what the committee has attempted to do. As I say, it leaves it entirely to the Administrator. Show me one single case where it cannot be reasonably construed that profit has a relation to price control. The item, therefore, is meaningless. Either we are to give power to fix profits or we do not give that power.

It must be remembered that we are writing legislation today that may fix a long-time policy. Moves for continuing controls are already in the air. Businessmen of the country are disturbed because this legislation does not take into consideration the solution of the problems of the manufacturer facing reconversion.

I say that steps have already been taken to control profits. Some weeks ago the Stabilization Director, Judge Vinson, issued a directive referring to the production of consumer goods in which he enunciated the principles and so instructed the W. P. B. and O. P. A. that under some conditions manufacturers would be allowed to resume manufacturing with a 2-percent profit above cost and in other cases they would be permitted to resume with no profit.

Manufacturers naturally viewed such a radical proposal with alarm and when manufacturers in the durable goods field asked for a clarification of this directive it was pointed out that Judge Vinson meant it to apply only to textiles, and particularly to low-priced items which have dropped out of production because of increases in costs over which the manufacturers have no control. Later, Judge Vinson wrote a so-called clarification letter and in it he said that the same principles would apply to other industries, thus renewing the confusion and concern of all.

Judge Vinson's directive was, of course, issued under the President's War Powers Act. Inasmuch as he directed it jointly to O. P. A. and W. P. B., he instructed them to use it as their guide in allocating materials and in setting prices. So long as there is no prohibitory clause in the basic O. P. A. law, just so long can Judge Vinson or anyone else, acting under the President's war powers, instruct that body to carry out whatever whim or caprice may occur to them.

It was never contemplated by the Congress that O. P. A. was set up to control profits. Our job, as I see it, was to control prices and to prevent run-away inflation in the price level as the scarcity of goods became more acute. The O. P. A., however, has been widely influenced throughout its rather hectic career by some of the new thinkers who believe that profits are, in themselves, an evil. Any discussion with one of the top men in that office today will convince any Member of Congress that this attitude prevails. The American businessmen all know this—and I am speaking of the

American businessmen whose patriotism and interest in the welfare of their country cannot possibly be questioned. They are today crying for help from this Congress. They believe that at least one provision should be included in the Price Control Act which, in effect, will say, "Hands off of profit control."

Mr. Chairman, profits are the domain of the revenue finders. The power to tax belongs to Congress and if any American enterprise makes too much money, the Congress can pass tax legislation which will take care of that. In fact, the Congress has already passed such legislation. Should business make a profit, the Congress will determine what to do with it and will not leave it to an administrative body such as O. P. A.

There are numerous concerns in every congressional district which are vitally concerned with this issue. The adoption of this amendment will receive the hearty endorsement and support of every businessman in America because, to a greater or less degree, they are all up against the same issue. True enough, the war is not yet over but reconversion is here, right now, in many instances, and is just around the corner in many more. If we truly want to preserve the free enterprise system, the American way of life, for which our men in the armed services are today fighting and dying throughout the world, let us not change the rules of the game while they are doing the job.

I hope my amendment will be adopted.

Mr. OUTLAND. Mr. Chairman, when the Banking and Currency Committee of the House was considering possible amendments to the bill, it was pointed out that from time to time the Office of Price Administration had made rulings which seemed to deal primarily with profits rather than bearing directly upon the purpose of the agency—namely, price control. Consequently, the committee voted in the entire amendment, beginning on line 6, and closing with the clause which the gentleman has just mentioned. The committee amendment reads as follows, and it is now a part of the bill:

> That this act shall not be construed or interpreted in such a way as to give the Administrator the right to fix profits where such action has no relation to price control.

In other words, the committee, fully cognizant of the problem that the gentleman mentioned, was doing its best to meet this problem, while at the same time recognizing that if you are going to have to have any type of effective price ceiling it will be necessary in the bringing about of those price ceilings to regulate prices, and if you regulate prices, you are indirectly regulating profits. Consequently, Mr. Chairman, I ask that the amendment be voted down, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. SHAFER].

The question was taken; and on a division (demanded by Mr. SHAFER) there were—ayes 24, noes 56.

So the amendment was rejected.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. SMITH of Virginia:

Page 12, line 2, insert a new paragraph, as follows:

"No action or proceeding to recover possession of housing accommodations shall be maintained by any landlord against any tenant, notwithstanding that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled, unless—

"(1) the tenant is (a) violating an obligation of his tenancy (other than an obligation to pay rent higher than the rent permitted under this act or any regulation or order thereunder applicable to the housing accommodations involved or an obligation to surrender possession of such accommodations); or (b) is committing a nuisance or using the housing accommodations for immoral or illegal purposes or for other than living or dwelling purposes; or

"(2) the landlord seeks in good faith to recover possession of the property for his immediate and personal use and occupancy as a dwelling; or

"(3) the landlord has in good faith contracted in writing to sell the property for immediate and personal use and occupancy as a dwelling by the purchaser and the contract of sale contains a representation by the purchaser that the property is being purchased by him for such immediate and personal use and occupancy; or

"(4) the landlord seeks in good faith to recover possession for the immediate purpose of substantially altering, remodeling, or demolishing the property and replacing it with new construction; or

"(5) the housing accommodations are nonhousekeeping furnished accommodations located within a single dwelling occupied by the lessor or his immediate family; or

"(6) the tenant has given written notice of his intention to vacate the premises upon a stated date and has thereafter failed to abide by such notice of intention."

Mr. SMITH of Virginia. Mr. Chairman, I have been asked by a great many Members if there were any amendments that would be proposed by our select committee with respect to rent control. This is one of the two amendments which we expect to offer on the subject of rent control and it deals solely with the recovery of possession of property. There has been so much complaint about the arbitrary rulings of the O. P. A. concerning a man's right to recover possession of his property that you are going to be told in answer to my argument in favor of this amendment, that the O. P. A. has devised certain regulations by which they are going to relieve the situation. That may be true, but the same O. P. A. that makes these regulations can unmake them and revert to the situation concerning which you have made so much complaint in the past. What I hope the Members will do will be to write into the law certain regulations by which a person can recover possession of his property; and they are six. I want to state briefly what they are:

He may recover possession where the tenant is violating his lease.

He may recover possession where the tenant has committed a nuisance on the property or used it for immoral or illegal purposes. Surely we do not mind writing an amendment like that into the law.

He may recover it where he seeks in good faith to recover possession for his own immediate personal use. We will say that he does not have to go and ask permission of the Administrator in order to recover his property for his own use. He may recover his property where he has, in good faith, contracted to sell it to a bona fide purchaser, where the purchaser is willing to make a statement that he is purchasing it, in good faith, for his own personal occupancy. Is there any objection to that?

He may recover possession of his property where he wants to substantially alter or remodel the property, in good faith, or where he wants to demolish it for the purpose of replacing it with a new structure. Surely we do not object to his recovering possession of his property under such circumstances.

He may recover his property where it is a single-family dwelling.

Now, I want to dwell on that for a moment. The O. P. A. has a regulation that if you rent two rooms of your house to a couple of war workers, if you ever let them under your roof, then you cannot get possession of your own castle again unless the O. P. A. says so. I think what this Congress would like to do would be to reiterate that a man's home is his castle. If he has rented two rooms and he does not like the color of the hair of the tenant he can say, "When your week is up I want you to move out." He cannot do that under present regulations. I want you to put it in the law again that a man's home is his castle and if he has an unwelcome guest there he has a right to invite him out.

The only other amendment we have is where a tenant has notified the owner of the property that on a certain day he is going to move out. We say that he must get out that day; that he cannot change his mind on the owner of the property and come back and say, "I have changed my mind. I am going to stay."

As I said in the beginning you will be told that the O. P. A. will take care of this thing by regulation. We held hearings on this subject in our committee over a year ago and we were told the same old song, that all of these things were going to be corrected by regulation. They have not been corrected. But if you write it into the law, the Congress will have performed its duty to actually see that it is done, and prohibit the Administrator from doing these things concerning which I have told you.

If I have any more time I will be glad to yield if anybody has any question to ask.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think at one time during the hearings I had very definitely in mind offering an amendment along the lines of that suggested by the gentleman from Virginia [Mr. SMITH] until from a study I convinced myself that it had been taken care of or could be taken care of,

and that by offering such an amendment we recognized the jurisdiction of the O. P. A. to regulate ouster proceedings. By the adoption of this regulation you recognize the jurisdiction of the O. P. A. to regulate ouster proceedings in all other cases than those specified in the prohibition.

The existing law gives the Administrator authority to regulate ouster proceedings only where in the judgment of the Administrator it is necessary to do so in order to control rents. Of course, after the rent has been placed on an apartment or a house it does not make any difference about price control, and it should not make any difference to the Administrator what use that property is put to. That is within the province of the courts to determine, and the owner of the premises. All we have ever given O. P. A. control over is the rent. We have said however, that to avoid manipulative practices, including practices relating to the recovery of possession, he may control that, of course, having in mind control of rent, or the evasion of maximum rents. We had in mind of course fake sales which have been discussed under the amendment offered by the gentleman from California [Mr. ROLPH.]

I might say that if the Price Administrator seeks to regulate ouster proceedings beyond the purview of his authority to do so to regulate rents, then the aggrieved person has his day in court. The aggrieved person has his day in court, and there may be a review of that if the Administrator has gone beyond the authority of the act in that he has sought to regulate proceedings for the recovery of possession beyond that which is necessary to control the rent of that property.

Of course then, under the law, that regulation is invalid and is reviewable under the provision of section 205 of the act as it is suggested we amend it. So it is not only unnecessary to adopt this amendment to get rid of these alleged abuses, but it is dangerous to do so, because in doing so we recognize the jurisdiction of O. P. A. over ouster proceedings and I do not believe we want to do that.

I believe the amendment should be defeated.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. SMITH]

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were ayes 18 and noes 69.

So the amendment was rejected.

Mr. JENKINS. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. JENKINS: On page 7, in line 4, strike out all of section C after the period following the word "order" and insert the following: "Whenever in any defense rental area or any definite portion thereof the availability of adequate rental housing accommodations and other relevant factors are such as to eliminate speculative, unwarranted, and abnormal increases in rents and to prevent profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this act shall be forthwith abolished. But whenever in the judgment of the Administrator it is necessary or proper, in order to effectuate the purpose of this act, to reestablish the regulation of rents in any such defense-rental area, or any definite portion thereof, he may forthwith by regulation or order establish maximum rents for housing accommodations in the area in accordance with the standards set forth in this act."

Mr. JENKINS. Mr. Chairman, we are running very much ahead of schedule just now; we have disposed of amendments very rapidly, in fact too rapidly; I do not think we need to be in such a hurry; about half the amendments have already been disposed of. I should like to have the attention of the members of the Banking and Currency Committee especially. I also want the attention of the whole membership. This amendment reads as if it is very complicated. It is not complicated. It is an amendment to an amendment which has been placed in this bill by the Banking and Currency Committee. I want to compliment the committee for this action but the committee's amendment does not go far enough.

While the changes I propose in this amendment are important they do not call for a reduction of rent or for a change in prices, but without threatening inflation and without impairing the rent-control structure of the O. P. A. they extend protection to many people.

This amendment deals only with defense areas. I dare say 95 percent of the territorial boundary of the United States is not in any defense area; a great number of our people are not located in a defense area as far as rents are concerned. We are all under the regulations of price control and of rationing and so forth, because the O. P. A. is not limited to defense areas. These price controls are Nation-wide. But in the case of rent control only a very small proportion of the country is under rent control. Rent control applies only in defense areas and these defense areas are not very numerous. Several governmental agencies that have been restricted to the application of their functions to defense areas have omitted some portions of certain defense areas from the purview of their activities, but the rent control so far as I know has not done so. Much territory is yet held under rent control that should never have been under such control and much should have been released because the reasons for putting that territory under rent control has long since ceased to exist.

What my amendment does is to provide that when as a fact those factors which permitted the O. P. A. to impose rent control on a certain area have been removed and there is no reason for rent control in that area that the rent control shall be abolished. Under the present bill it is provided that the Administrator must be convinced that the control should be abolished but under my amendment the discretion of the Administrator is not the deciding factor. The actual facts are the deciding factor and again my amendment provides that if the facts show that rent control is not necessary in definite portions of a rent area these portions should be excluded.

Let me give you a very convincing illustration. Point Pleasant, W. Va., is located on the Ohio River at the mouth of the Kanawha River. It is about 40 miles below Charleston which is a great manufacturing center. Rent control would probably be necessary in Charleston. Early in the war the Marietta Manufacturing Co., of Point Pleasant, was a strong and well-managed boat-building company. As the war came along the Government decided to build a shipbuilding plant at Point Pleasant, to be operated by the Marietta Co. After spending about $10,000,000 on this new plant the Government decided to stop further building and all work stopped and was never resumed. About the same time the Government commenced construction of a TNT plant in the same community. This plant was built at the expense of many millions and has only operated at about a 20-percent capacity. These two large plants were the basis of putting Point Pleasant, W. Va., and Pomeroy, Ohio, Middleport, Ohio, and Gallipolis, Ohio, in a defense area and under rent control. The Government, directly and through Government loans, built and encouraged the building of 1,200 or 1,500 new houses in Point Pleasant. About 900 or 1,000 of these houses have never been occupied. Hundreds of them have been moved down the Ohio River on barges. Hundreds have been sold at public auction at practically nothing. Still Point Pleasant and all these others that I have named are still under rent control. This is absolutely indefensible. My amendment would stop this kind of a situation. Gallipolis is the county seat of a fine agricultural county. It has a population of about 8,000. Pomeroy and Middleport are fine small cities which were put under rent control. They have a population of about 5,000 each. The counties in which these cities are located were also put under rent control as far back as 30 or 40 miles from the river and although contemplated large defense plants did not materialize as planned, and although hundreds of vacant houses have been moved away and although there are many vacant houses there yet, still the people are inflicted with this unnecessary scourge of rent control. Those of you who have not experienced an unnecessary rent control cannot know how burdensome it really is.

As I have tried to point out to you the intended war improvements at the Point Pleasant area have been used as a basis to extend rent control across the Ohio River into 3 counties in my congressional district along the Ohio River. If you were to start on the Ohio River at Steubenville and go down the river to Cincinnati, about 300 miles, you will find only 1 city of any considerable size on the Ohio side of the river. That city

is Portsmouth, Ohio, with a population of probably 60,000 or 65,000. In that 300 mile stretch you would find several small cities including Marietta with a population of about 15,000 and neither Portsmouth nor Marietta have rent control, but these 3 small cities located across from Point Pleasant all have rent control and the counties in which they are located also have rent control. In Pomeroy the Government built about 20 houses and I understand that none of these is occupied. In Gallipolis there is no transient population and no unusual demand for houses. But the rent control have an agent located in this area to whom no doubt a salary of $4,000 or $5,000 per year is being paid together with office expenses and so forth. This person is a fine affable man but I dare say he does not work 2 hours a week.

Down at Ironton, Ohio, which is the county seat of Lawrence County, Ohio, the O. P. A. operates a rent control. This county was put into a defense area to enable the merchants and the manufacturers to secure priorities more readily. This is a city of about 17,000 population. It has the cheapest rent of any city in Ohio. A defense plant was built about 10 miles up the river from Ironton. When this plant was under construction about 2,000 men were employed. Ironton was then put under rent control. That plant is now operating and employs about 600 men most of whom live in West Virginia or Kentucky or in the rural section in the neighborhood of the plant. Few of them live in Ironton. About 20 new houses were built by the Government near the plant and I understand all of them are unoccupied. Not more than 3 or 4 new houses have been built in Ironton with private capital for the past 3 years. The Government built about 20 new houses in Ironton in 1943 and I am advised that one half of them are vacant. In spite of all this the rent control is still maintained. Under the bill under consideration by us today this condition will continue.

You might wonder why I have not presented these facts to the administrator. I have done so repeatedly both in person and by correspondence. I have found Mr. Carson the administrator to be a fair talking man but for some reason or another he cannot do anything or at least he has not done anything. I repeat I am not opposed to rent control in congested areas. I am not seeking to assist any owner to raise his rents. My purpose is to try to show that the conditions upon which it was considered that the rents should be controlled are not present now. I hope that my amendment may pass for then the people of my district will be on an equal footing with the other people up and down the Ohio River and in other sections of the country.

We want equality and justice. We do not want to break down the Price Control Act but we do not want the Price Control Act to break us down under the guise of rent control.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JENKINS. Mr. Chairman, this matter is so important that I ask unanimous consent to proceed for 5 additional minutes.

Mr. KEAN. Mr. Chairman, I object.

Mr. OUTLAND. Mr. Chairman, I have studied very carefully the amendment which has just been proposed. It differs very slightly indeed from the amendment which was added in the committee.

The gentleman from New Jersey [Mr. KEAN] proposed the language which begins on line 4, page 7, of the present bill and goes through the end of the paragraph in line 19. It seems to me that the language of the committee will accomplish even more than that which is desired by the gentleman from Ohio in the amendment he just introduced. In many ways I wish the gentleman had been permitted to continue for 5 additional minutes for perhaps he could have given us a fuller explanation, but as I read his amendment and read the language in the bill it seems to me the committee is doing exactly what the gentleman asks, that is, we are directing the Administrator, and I quote directly from the bill:

> Whenever the Administrator shall find that the availability of adequate rental housing accommodations and other relevant factors are such as to eliminate speculative, unwarranted, and abnormal increases in rents and to prevent profiteering, and speculative and other disruptive practices resulting from abnormal market conditions caused by congestion, the controls imposed upon rents by authority of this act shall be forthwith abolished in such areas theretofore designated by the Administrator as defense-rental areas.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield.

Mr. JENKINS. I do not want to leave it optional with the Administrator; what I want to do is to require the Administrator whenever it shall appear that there are these vacant houses, when these facts developed by real-estate men are set down before him, that he has got to find it.

Mr. OUTLAND. To whom would the gentleman grant authority to administer this particular section?

Mr. JENKINS. I would leave it with the Administrator under the general provisions of the law; but I want to make it mandatory that whenever conditions are as I say they are, houses vacant and remaining vacant, that that shall be sufficient evidence. He may have had the authority but he does not use it. I want it fixed so that in the case of definite sections which cannot be construed to be in defense areas, those sections or counties can be taken out.

I think the committee provision is fine and I want to compliment the committee on it. I did not have time to do it. It is a fine thing but I want to go a little further. I will leave out Charlestown, W. Va., but there are these three counties in my district that I would like to have out.

Mr. OUTLAND. If the gentlemar will permit me to continue, that is what I wish to accomplish, and I am sure the committee wishes to accomplish. I may call the gentleman's attention to the fact that there are 351 rent-control areas in the United States. These areas include all of the important war production centers and areas where there are Army, Navy, and Marine training centers. The committee amendment directs the Administrator to discontinue rent control when the conditions which caused it to be imposed are changed. I think, therefore, the committee amendment accomplishes all the gentleman asks and I respectfully request that the amendment be voted down.

Mr. JENKINS. Mr. Chairman, will the gentleman yield further?

Mr. OUTLAND. I yield.

Mr. JENKINS. What reason can the Administrator have in these instances? They have moved out these houses and in other places they have vacant houses, still they keep them under the rent-control area. How are we going to get at it?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield.

Mr. WRIGHT. The reason is that the directive is not presently in the law but is contained in the committee bill. The committee bill directs to be done exactly what the gentleman wants to be done.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. JENKINS) there were—ayes 56, noes 67.

Mr. JENKINS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. MONRONEY and Mr. JENKINS to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 75, noes 82.

So the amendment was rejected.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

> Amendment offered by Mr. AUGUST H. ANDRESEN: Page 11, line 6, after the last "comma", insert the following: "nor to deny the allowance of a fair and equitable margin of profit for any given commodity, product, or class of a commodity or product."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, this is a clarifying amendment to paragraph (h) on page 11. The paragraph written in the bill attempts to define "customary business practices" and the section now reads as follows:

> The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, or changes in established rental practices.

Mr. Chairman, if we had an Administrator who understood something about the meaning of customary business practices, my amendment would not be necessary, but in order to clarify the definition, my amendment should be adopted

to inform him what is meant by "customary business practices."

I want to illustrate the purport of my amendment. We will take the case of a man in the bakery business. Under present O. P. A. regulations and maximum price ceilings he may lose money on his bread, but he makes money on his doughnuts and cakes. At the end of the year possibly he will show a profit. The O. P. A. has ruled that because he shows a profit, irrespective of the fact that he has lost money on his bread but he has made enough on the cakes and doughnuts to show an over-all profit, they deny him the right to have a fair and equitable margin of profit on his bread.

I do not contend this will cause inflation or in any way cause an increase in the cost of living because if the price is too high on cake and doughnuts at the present time then they can be lowered, but surely it is common customary business practice in this country from time immemorial that an individual in business is allowed to have a fair equitable margin of profit on each commodity.

Mr. PLOESER. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Missouri.

Mr. PLOESER. It is very obvious by the tone of the bill that the committee intended to eliminate profit control.

Mr. AUGUST H. ANDRESEN. There is no question about that.

Mr. PLOESER. There are some places in the bill which are rather ambiguous and the committee may have left the door open where it did not intend to. The gentleman should be complimented because his amendment makes it very clear without changing the intent of the bill and without releasing any inflationary forces. I hope the Committee will give sufficient attention to the amendment and vote it favorably.

Mr. AUGUST H. ANDRESEN. I thank the gentleman for his contribution.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Wisconsin.

Mr. SAUTHOFF. Would the gentleman's amendment affect canneries and the processors of dairy products?

Mr. AUGUST H. ANDRESEN. It certainly would. It takes care of all items where they are not given a fair and equitable margin. It is up to the Administrator to fix a fair and equitable margin and if the Administrator does not fix a fair and equitable margin, the individuals who are engaged in business, whether it be in the baking business or dairy business, have the right to go into court, under subparagraph (h), and show what is customary American business and what is a fair and equitable margin of profit on each commodity.

Mr. KEAN. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from New Jersey.

Mr. KEAN. Does the gentleman mean that we should guarantee profits on every item?

Mr. AUGUST H. ANDRESEN. No.

Mr. KEAN. For instance, let us take the packers. They are accustomed to selling blood and various things and on some parts they take a loss, while on some parts they take a profit.

Mr. AUGUST H. ANDRESEN. Whatever is customary.

Mr. CASE. Does it say "customary" in the gentleman's amendment?

Mr. AUGUST H. ANDRESEN. No. My amendment just calls for fair and equitable margins of profit and what is customary in business.

Mr. PLOESER. If the gentleman will observe the wording of the bill to which the words are attached, it says "customary." This is merely an addition to the sequence of terms, so the term "customary" would carry right on through.

Mr. AUGUST H. ANDRESEN. The present law calls for following the customary business practices, which the O. P. A. has not done in making its regulations with reference to fixing maximum prices and providing for fair and equitable margins.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY] in opposition to the amendment.

Mr. MONRONEY. Mr. Chairman, I think there is a little bit of uncertainty as to just what this section was originally in the bill for. The bill was originally written so that they could not change any business practices except for the purpose of preventing circumvention or evasion of the act. That was in the original bill. It was cut out in the committee at the request of some of the members.

By taking that out you change the whole idea that was behind this section of the bill. Now the gentleman from Minnesota comes in here with an amendment reading "nor to deny the allowance of a fair and equitable margin of profit for any given commodity, product, or class of a commodity or product." Let us look and see what that does. There are about 10,000 items under specific dollar-and-cent ceiling in the grocery store today. It has averaged out satisfactorily. It is a price that is well accepted in the grocery trade.

Here by this amendment you allow one dealer, who thinks he is not being allowed a fair and equitable profit on some one single item he is handling, to come into court and upset the whole price schedule. I do not think that is what the House intends to do or wants to do. You are setting what I think is a very dangerous precedent; a thing that kept coming into our hearings almost every day, witnesses who were asking for historic margins. That is what you are providing for under this amendment. A fair and equitable price in court would be decided on some profit made on some individual item back in the peacetime years, so if you want to give these people the right to go into court and rule out an entire price schedule because of a specific profit on a specific item, you will do it.

The O. P. A. recognizes that a man may be making many, many times the profit on his over-all operation, but because of business shifts perhaps this year is entirely different from what it was last year by this amendment. But you are going to compel a historic margin on the thing that maybe he had a big profit on last year and a small profit this year.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Georgia.

Mr. RAMSPECK. Would not this amendment also encourage or give an advantage to the high-cost processor or operator over the low-cost operator?

Mr. MONRONEY. I think it allows an operator, since you are talking about the individual product, to come in and knock out the ceiling; in other words, you eliminate the general fairness test of a price.

Mr. RAMSPECK. But if you have a baker who can make a profit on a loaf of bread, say, at 9 cents, another man, because he can show that his cost was higher, would get a higher price.

Mr. MONRONEY. You would have a varied ceiling that would cause complications.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. If what the gentleman says is correct, then the language in the bill "to compel changes in the business practices, cost practices, methods or means or aids to distribution" means nothing, because that seeks to tie down the historic business practice.

Mr. MONRONEY. You cannot have price control without disrupting in some degree the ordinary business practice, which everybody knows is to make all the profit you can, you must have some kind of price ceiling along the line, or you might as well not give the bill the name, "price-control bill."

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Would this not knock out the classification-of-stores policy that is now in use?

Mr. MONRONEY. Certainly. It disrupts the whole plan which has been most workable and most successful.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it not true that this amendment would further regiment American business? When, in the past, has every item the merchant handled been guaranteed a profit? Any merchant knows that he has some items on which he loses money, some on which he breaks even and some on which he makes money, but the over-all profit is the thing that counts.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Missouri.

Mr. PLOESER. The purpose of this amendment seems to be to prevent the Office of Price Administration from deliberately causing price squeezes. What the gentleman from Georgia obviously intended to complain about is the practice of the Office of Price Administration; so that is no argument.

Mr. MONRONEY. Can the gentleman explain how you can have an over-all dollars-and-cents ceiling, such as you have in the grocery trade, and still allow your grocer to be able to have a fair and equitable historic margin on every single thing he sells in the store?

Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. AUGUST H. ANDRESEN), there were—ayes 47, nays 92.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. CHENOWETH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHENOWETH: Page 12, line 2, after the word "agency", insert a new paragraph to be known as subparagraph (k):

"No maximum price shall be established on any food product not included in the list of food products making up the cost-of-living commodities as published in the Cost of Living Index of the United States Department of Labor."

Mr. WOLCOTT. Mr. Chairman, I reserve a point of order against the amendment.

Mr. CHENOWETH. Mr. Chairman, my amendment seeks to simplify the price-control system in this country. When the original price-control bill was passed, it was my understanding and construction of the bill that the sole purpose of this legislation was to hold down the cost of living and prevent inflation.

The argument was used that if the cost of living went up and the prices of food and clothing advanced, that those in the low- and moderate-income brackets would be compelled to seek higher wages and the whole stabilization line would be broken.

My amendment seeks to confine and restrict the authority of the Price Administrator to those essential food items which every family must purchase at a grocery store, and would eliminate price control over the hundreds of other items over which he is now exercising jurisdiction.

Mr. Chairman, a few months ago I had a conference with a group of retail grocers in my district. They stated it was their opinion that there was absolutely no necessity for the Office of Price Administration to place price ceilings on all of the items which they now have on their shelves. They advised me that effective price control on food products could be obtained by regulating prices of about 40 essential commodities. It has been admitted by O. P. A. that 90 percent of the groceries purchased in this country are composed of less than 20 items.

I challenge anyone to successfully contend that we are maintaining price control as contemplated by the Congress when we are seeking to control all of the items in every retail grocery store. The O. P. A. should confine its activities to those food products which every family must purchase and which are usually called the necessities of life. We hear much about holding down the cost of living. All of us agree this must be done. My amendment will make it possible for O. P. A. to be more efficient, by devoting more time to controlling the essential food commodities, instead of seeking to control and regiment the whole civilian economy of this country as they are now trying to do.

It should be very obvious to everyone that the cost of living can be controlled by placing ceilings on those products that are absolutely essential and are purchased daily by every family. These would include flour, bread, meat, butter, milk, eggs, beans, canned vegetables and fruits, and other items contained in the cost of living index I have mentioned in my amendment. The O. P. A. would not be compelled to establish prices on all of these items, but they would be restricted to this list. Instead of now regulating the prices of hundreds of products in retail grocery stores over the country they would be confined to the 61 items in this list. At the same time a great service would be rendered the retail grocers of the Nation by relieving them of a portion of the administrative burdens that accompany price control. I think they are entitled to this consideration.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Nebraska.

Mr. CURTIS. A wholesale grocer complained to me that there had been a ceiling established on the gravel that goes into a bird cage. Would the gentleman's amendment prevent such a thing?

Mr. CHENOWETH. Unless my amendment is adopted, I have no doubt that such a ceiling might be imposed.

Mr. CURTIS. I think it would be in the interest of national unity.

Mr. CHENOWETH. I have been reading the testimony of Mr. Brownlee, Deputy Administrator for Price in O. P. A., before the Committee on Banking and Currency. He testified that there were some 6,000 different commodities over which they were now exercising control, not all, of course, in the grocery line. He estimated there were some 8,000,000 different items over which price ceilings have been established. In his testimony he stated that they were not controlling all items today, and he mentioned three specific items over which they had not placed ceilings, to wit, pin cushions, shoehorns, and tie racks. He said there were some other extremely trivial items which they had exempted. I submit it is absolutely ridiculous to even suggest that consideration was given to placing price ceilings on such articles.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Missouri.

Mr. COCHRAN. If the gentleman's amendment carries, will these grocers sell their products above the ceiling prices now established?

Mr. CHENOWETH. These grocers tell me that this step would make absolutely no difference in the cost of living. By controlling prices on necessities only, the prices of these other items, the so-called luxury items, will not be affected. If this list were adopted as now compiled by the United States Department of Labor, it would comprise 61 different items. This list has not been changed since March 1943, when a survey was made in 56 of the principal cities of this country and these items were determined then as making up the essential commodities in the cost-of-living index. By my amendment, I have not confined the list to this particular list here. It can be changed. The argument has been made that the Department of Labor can change it. This is true, but I say it has not made any changes since March of 1943. Therefore, this list must give a pretty fair idea of what the items are which the people of this country must purchase in order to live and survive. I had supposed that is what we are trying to do with price control, to keep down the cost of living for those who have low incomes. This group is vitally concerned with the prices of necessities.

Mr. COCHRAN. On the other hand, if you take the control off these products and they are raised, you are increasing the cost of living to the consumer.

Mr. CHENOWETH. No. The prices of essential food items will not rise. I am providing for O. P. A. to continue price ceilings on these. They can still have control over 61 items, which comprise the cost-of-living index. I may state that this group of retail grocers in my district made up a list, without any outside suggestions, of about 40 items which they said would be sufficient to control the cost of living. In comparing it with the list of food products making up the cost of living commodities as published by the Department of Labor, I find that the items are almost identical, so apparently there is no difference of opinion as to what are considered essential food items.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from New York.

Mr. BARRY. How many items will the gentleman's amendment exempt?

Mr. CHENOWETH. All except the 61 items contained in this list.

Mr. BARRY. What does that amount to?

Mr. CHENOWETH. I heard the distinguished gentleman from Oklahoma just make the statement that there are some 10,000 items in the retail grocery

stores now under price control. We exempt them all except these 61, and they should be exempted.

Mr. BARRY. Ten thousand minus 61 are exempted.

Mr. CHENOWETH. All except the essential items which people must buy in order to exist.

Mr. PHILLIPS. As in the last war.

Mr. CHENOWETH. That is true.

Mr. OUTLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if I understand the gentleman's amendment correctly, it would take off ceiling prices on all food except 61 items. It seems to me that piecemeal legislation of this type is a very poor precedent for us to be setting in this body. Things that may appear to be luxuries to one person may be necessities to another. It is very difficult to take a particular index and say "only these things are necessities." We have had amendments offered before on this particular bill which would exempt this article or that article. It seems to me that the amendment offered by the able gentleman from Colorado [Mr. CHENOWETH] would go much further in helping to break the price-control line because it would take maximum ceilings off hundreds of articles of food.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Georgia.

Mr. RAMSPECK. Would not the effect of this amendment eventually be to raise the cost of living in this way: It would take price control off dairy feed, for instance, which would go up in price, and, therefore, the dairyman would have to have a higher price for his milk.

Mr. OUTLAND. Indirectly, I think in many cases that would be true.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. We have had a good bit of testimony that if you did remove the price ceilings from certain commodities, such as luxuries and others, you would have a flow of capital from the regulated commodities to the unregulated commodities.

Mr. OUTLAND. And a flow of labor also, perhaps.

Mr. WRIGHT. Also you would have a flow of essential manpower from controlled commodities to uncontrolled commodities. Thus you would inevitably either drive your controlled commodities from the market or drive up the prices.

Mr. OUTLAND. The gentleman is stating it very correctly.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Colorado.

Mr. CHENOWETH. As I understand, the gentleman from Georgia asked the gentleman from California if the amendment would not raise the price of milk by raising the price of dairy feed. This would have nothing to do with that, as I see it. This refers only to the items found in retail food stores, and milk is included in that. There would be a price ceiling on milk the same as now.

Mr. OUTLAND. The gentleman stated it would remove price ceilings from all but 61 items.

Mr. CHENOWETH. Retail food items, which every family must purchase. I do not see the connection between the price of dairy feed and milk.

Mr. OUTLAND. On how many items of food are price ceilings placed now?

Mr. CHENOWETH. I heard the gentleman from Oklahoma make the statement that there were some 10,000. Mr. Brownlee testified before the gentleman's committee that they now have price ceilings on approximately 8,000,000 items. Those are not all food items, of course. I should like to relieve the O. P. A. of a little of this burden which they are carrying. Cannot we simplify it a little bit? That is all I am trying to do.

Mr. OUTLAND. I join the gentleman in wishing fervently for the day when price ceilings are no longer necessary on any articles, but it seems that as long as we are maintaining this particular policy of "hold the line" we cannot now remove it from hundreds of items of food.

Mr. CHENOWETH. Would not the gentleman agree with me that this will hold the line? We are still holding the ceilings on those commodities which everyone must buy.

Mr. OUTLAND. No; I disagree with the gentleman.

Mr. CHENOWETH. They are the items which the Department of Labor has found by a check of 56 of the leading cities of this country to be the items people are buying. Are we not holding the line when we do that and let O. P. A. confine its activities to that group of items which every family must buy?

Mr. OUTLAND. If I thought the gentleman was correct in that statement I would certainly agree with him, but I do not feel that he is, so I must ask the Committee to vote down the amendment.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. OUTLAND. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. This is the type of program I have always advocated in the committee, but it is not written in the way it was originally written. I think it is too specific. I have talked to several economists about this type of program, of controlling only necessities. You have to let those necessities go up somewhat. The point of the program is that people do not buy luxuries; the money goes into bonds and taxes instead of into luxuries.

Mr. OUTLAND. I thank the gentlewoman for her contribution.

Mr. CHENOWETH. If the gentleman will yield further, will the gentleman agree with me that the principal object and purpose of price control is to hold down the cost of living?

Mr. OUTLAND. It is to hold down the cost of living and prevent inflation. I ask that this amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The question was taken; and on a division (demanded by Mr. CHENOWETH) there were—ayes 33, noes 81.

So the amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 11, after line 10, insert a new subsection as follows:

"(j) And nothing in this act shall be construed to confer any power or authorize any action fixing a price on raw fur and any rule, regulation, or order inconsistent with the provisions of this subsection shall have no legal effect."

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Chairman, the gentleman from California [Mr. OUTLAND] just said that O. P. A. was enacted for the purpose of holding down the prices on essential items and to prevent inflation. It has helped to do both, but its administration has often been bad and in some instances it has caused higher prices. Last Friday they took the ceiling off the price of fish. That was something we eat. Fur is a luxury item. I am offering an amendment which if adopted will save our fur farmers and do no harm to the O. P. A. program. All of us concede we cannot enforce this act or administer it from the floor of Congress. We have to trust the Administrator. When he goes wrong, there is no reason why we should not write in a correction that will help cure the trouble and guide him in the future. The fur farmers in this country have been put out of business, many of them, and more are going out if the O. P. A. continues to penalize it. The bulk of the fur is caught by the farmer boy or girl or young man who traps along the streams, in the ponds and lakes around the farm. The result of this regulation fixing a price on raw fur has been that in New York there are today thousands of skins being held until they know what Congress intends to do. Are we to permit O. P. A. to deprive the trappers and the farm boys and the fur farmers of a market? Is fur an item the price of which must be fixed to prevent inflation? We know it is not. In Canada, just across the line, there is no price regulation on furs. I know the answer that will be made: "O. P. A. will correct the ruling, change the regulation." "They are going to do it." "They are going to help us out." But they have not helped out. They will not do a thing unless we write our conclusions into the law.

FROM THE RIDICULOUS TO THE TRAGIC

When the House voted down the rule which would have made germane amendments to H. R. 4941, the banking and currency bill to amend the Emergency Price Control Act of 1942, as amended, it slammed shut in the face of the American citizen and of the returning veteran an opportunity to in some measure obtain justice from at least two Government boards.

Three illustrations will show the truth of this statement.

In June of 1943, the gentleman from Massachusetts [Mr. HERTER] from the well of the House called attention to an order of the O. P. A. which put some citizens out of business, enabled others to go into business, make a profit, and placed an additional burden upon the consuming public.

Processors of pancake flour were at that time making a 20-ounce package which retailed at 12 cents and 15 cents per package. Another 20-ounce package of equal quality but not so extensively advertised retailed at from 5 cents to 7 cents a package.

O. P. A. placed a ceiling on the product, based in part on 1941 costs. The result was that 80 percent of the processors of unadvertised brands when out of business. Two new companies went into business and, instead of selling the pancake flour at 5 to 7 cents for a 20-ounce package, or at 12 to 15 cents—the price paid for the widely advertised package—these two new concerns have been charging from 19 cents to 24 cents per 20-ounce package.

I do not charge, but it is possible, that someone who knew what the O. P. A. was about to do, grasped the opportunity to go into the business of processing pancake flour and make a handsome profit.

Nor has the O. P. A., with all its professed good intentions, overlooked the baby. All of us at one time or another in our lives knew what a diaper meant. Today, many a troubled mother knows that she is being overcharged for diapers and it is my hope that she may come to realize, before the baby is grown, that Chester Bowles is the man responsible.

Prior to the meddling of the O. P. A., a 27 by 27, 4.52 bird's-eye cloth diaper was supplied to wholesalers at 48 and 49 cents per half dozen, and it retailed for 69 cents.

Due to an O. P. A. ruling which it was desired to circumvent, a like-sized diaper of additional weight, made of bird's-eye weight 5.73, was manufactured, and wholesaled at 63 cents for six, and retailed at 89 cents.

So the baby's diapers now cost 40 cents more per dozen than they did before the O. P. A. and Chester Bowles undertook supervision. That means that each diaper costs a mother today just a little more than 3 cents more than it did prior to price regulation, imposed to hold down—not raise—prices.

When the rule was before the House it was voted down, one of the principal reasons being that the House, as evidenced by its vote, lacked either the inclination or the courage to do away with the security-of-membership clause, which has recently been imposed upon employers and employees by the War Labor Board. That issue is plain. It cannot be dodged.

The House no more than voted down that rule, which would have made germane an amendment to the act under consideration, which would have made it possible to outlaw the security-of-membership clause, than we learned that returning veterans discharged from the service are fired from war defense jobs in Detroit because they failed to pay their union dues and assessments.

Put in different language, this is the situation which this House refused to remedy: Men who have been drafted; men who have volunteered to fight for their country, for the preservation of their rights and of the rights of their loved ones; men who have faced the enemy's fire, find upon their return to the homeland that, before they can hold jobs with a company operating in large part on tax money, they must meet the demands of a labor organization which is collecting hundreds of thousands of dollars for political purposes.

Now, we can talk about patriotism, we can continue to wave the flag, we can loudly announce that we will do our part here at home, but our words are empty words when we permit to exist a condition where, in order to earn a livelihood, a returning veteran, before he can go to work or continue to hold a job, must meet the demands of any organization not created or operated under law.

It is no answer for the majority party to say that we are at war and that we must not do anything to create dissatisfaction. It is no answer for Republicans to say that the Democrats are in majority. That majority is a slim one. It is no answer for Republicans to say that the Democrats are responsible.

Our constituents have sent us here to support constitutional government, to see that justice is done, and they know—and keep this in mind, for they cannot be fooled—that the responsibility for these conditions which enable an administrator to promulgate rules and orders which compel the mother to pay an additional unnecessary price for a household necessity; which require a soldier to pay for a job, rests squarely upon this Congress, and when we go home, seeking reelection, we are going to be asked why it was that we let the C. I. O. Committee for Political Action frighten us into denying relief to the home folks, to the returning veterans.

And make no mistake, when the boys come back, they will have the answer to what should be done if we fail them now.

The regulation of the O. P. A., which fixes a price on fur, aids the speculator, it deprives the boys and girls who trap of an income, it puts the fur farmer out of business, it is discrimination in aid of the Canadian raw-fur dealer and manufacturer of fur garments.

It has nothing to do with the cost of living, it in no way prevents inflation.

It seems to have been made because someone in O. P. A. had nothing else to do.

The CHAIRMAN. The gentleman from California [Mr. OUTLAND] is recognized.

Mr. OUTLAND. Mr. Chairman, if the gentleman from Michigan had yielded to me, I was going to ask him what the relationship was between fur and diapers. Perhaps in the gentleman's district these essential garments are made of different material than is usually the case. In view of the fact that his amendment does not take in pancake flour or diapers, to both of which he devoted the major portion of his time, I should simply like to say that when we start legislating for any one particular commodity, such as his amendment proposes, in the case of fur, it seems to me we are starting to set a bad example for other similar amendments and to break the line here and to break the line there. Consequently, Mr. Chairman, without taking up any more of the Committee's time, inasmuch as we already have discussed the principle involved in this type of amendment, I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

Mr. JENKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS: At the end of section 2 and the amendments heretofore adopted thereto, add the following:

"(g) Notwithstanding any provision of this act or any other act, order or regulation, the right of the owner of rented or leased property to recover the possession thereof under the laws of the State in which the said property is situated is not by this act in any way restricted or limited."

Mr. JENKINS. Mr. Chairman, when I spoke earlier this afternoon with reference to an amendment, I was then very much interested in that amendment, because it applied to my district as well as to some others. The amendment that has just been read is of general application all over the country. It is a well-recognized principle of law in every State and every country that the right to bargain and contract is the very basis of human relationships and of business. When a man owns a piece of property he has a right to rent it. He has a right to lease it. It is his property. I am sorry to say that under the O. P. A. that principle has been reversed. Sometimes one doubts that it is his property any more. It practically belongs to the tenant in many cases. Why would it not be wise and proper to place a provision in this bill of the following import, that as long as the landlord and the tenant must make their contract under State law, why should not the State law obtain when they come to terminate it? Why would it not be wise and proper when the time comes to terminate this relationship of landlord and tenant that the State law be applied? That is all this amendment does. This amendment just does not have anything to do with raising or lowering the rent. You can fix the rent as high as you please or as low as you please. You can fix the price of prunes and all food products at whatever price you want. This amendment does not affect general prices. This just says whenever you come to terminate the relationship between landlord and tenant that it ought to be taken care of according to State law. In Ohio, just a short time ago, a man from my district said

that he had been since the first of last October trying to get possession of his property. He had received $2.50 rent in that time. He has not yet been able to get it, to repossess his own property. He has consulted with the justice of the peace and with the rent-control authorities, but he still is unsuccessful. You can say all you please about going to this high court, the Court of Emergency Appeals, or whatever it is called, but a man is not going to hire a lawyer and pay $300 or $400 which he would be required to do to get the matter into the Emergency Court of Appeals to get possession of a little house that rents for $10 or $15 a month. This business of getting into the Emergency Court of Appeals in Washington is too much for the average small-town lawyer to tackle for $25.

When the rent control authorities of this country assume to change the method of legal procedure in all the States of the country as they apply to one seeking to regain possession of his own property, they have gone entirely too far.

Again I say, "Are you going to say to a man who owns property that he does not own it?" Why do you not say "Let us test it out in the local court whether I own it or not." I say, as the gentleman from Michigan just said, you can do as you please about it, but for me I prefer to render unto every man that which is his. The country will live regardless of what we do today. But the country cannot live when every day on every hand we are violating our finest principles of government. It is not right. It is not fair. It is not honest. It is not American. You can vote this up or down as you please, but remember it has general application in the cotton States as well as in the industrial States. The Federal agencies cannot take possession of a man's property from him in one State without that action constituting a dangerous threat to all men in all States.

Mr. CHIPERFIELD. Will the gentleman yield?

Mr. JENKINS. I yield.

Mr. CHIPERFIELD. Does the amendment involve the rental price?

Mr. JENKINS. No. Not in the least. My amendment clearly provides that this bill and any other provision of the O. P. A. legislation shall not prevent the owner of property from seeking the possession of that property, according to the laws of the State in which the property is located. If a man wants his property back he ought to have it. He ought to have it under the State law. He ought not have to come to Washington to get it. He ought to have it under the State law where he owns it, and where he pays his taxes, and where he made the rental bargain.

Mr. HOFFMAN. Will the gentleman yield?

Mr. JENKINS. I yield.

Mr. HOFFMAN. Does the gentleman expect to get any support from the States' rights southern Democrats?

Mr. JENKINS. I expect to get support from every Member who believes that a man has a right to control his own property, and that the Federal Government should not supplant the State laws in matters of property and personal rights.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MONRONEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe we have discussed at great length the various ways in which an objectionable tenant can be moved out of a property. However, this goes far beyond what I think any Member of the House, recognizing the very, very difficult housing situation that exists in defense areas, would like to do.

This takes the O. P. A. out, even to preventing circumventions and evasions and manipulative rent practices, on any evictions that might be taking place in the most crowded defense centers.

Let us see where evasion is important in rent control. There is no defense worker who is in San Diego or San Francisco or Seattle who would not willingly and gladly, in order to prevent eviction, pay $10 or $20 a month more, rather than to go out and try to do the impossible, that is, find another place in which to live.

If you want to put America's war workers on wheels, if you want to move them out of the place where they are working into centers where there are houses for renters to live in, then pass this amendment and that is what you will do.

The powers of O. P. A. are restricted to the cases involving manipulative rent practices. When you take them completely out, bear in mind the wife of a war veteran in there, who has no attorney to go to, must be at the whim and will of some high-pressure justice of the peace court under some eviction charge which will evict her under the State law, without consideration of the importance of the war effort.

Mr. RAMSPECK. Will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. RAMSPECK. Would it not be possible, under this amendment, for an owner who had rented a property, to sell it at $75 a month to some person who wanted to pay a higher rate of rent, without any down payment, and move the tenant out who was paying, say, $60?

Mr. MONRONEY. Exactly. That was one of the reasons that the regulations are so drawn, to prevent those fake sales.

Mr. JENKINS. It would not do that at all. It would just give a man the right to get his property back. He would always be under the rent control.

Mr. MONRONEY. But you have already cut out from this bill the prohibitions against manipulative and speculative practices, and for the purpose of circumvention and evasion.

I ask for a vote on the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 61, noes 102.

So the amendment was rejected.

Mr. TOWE. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. TOWE: Page 11, line 23, strike out the word "general."

Mr. TOWE. Several efforts have been made in this bill to grant enough authority and power to the Administrator to eliminate inequities. If you will look at line 23 on page 11 you will find that the fourth line of section (J) reads:

Nothing in this act shall be construed as authorizing any order of the Administrator fixing maximum prices for different kinds, classes, or types of a commodity which are described in terms of specifications or standards, unless such specifications or standards were, prior to such order, in general use.

My proposal is to take out the word "general." It gives the Administrator more authority to eliminate inequities. It is permissive. It is not mandatory at all. It would rest, in the final analysis, with the Administrator. He would determine whether or not a maximum price should be fixed, based on specifications or standards. When you use the word "general," you make it impossible for him to eliminate inequities which he might otherwise want to do.

I do not think this should be a controversial amendment, and I hope the Committee will adopt it. I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. TOWE].

The amendment was agreed to.

Mr. JENKINS. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read, as follows:

Amendment offered by Mr. JENKINS: At the end of section 2 and the amendments heretofore adopted thereto add the following:

"( ) That in order to provide full responsibility for and control over the Nation's food program there is hereby established in the Department of Agriculture a War Food Administration which shall be under the direction and supervision of a War Food Administrator appointed by the President and who shall be directly responsible to the President. Notwithstanding any provision of any other law, no functions, duties, powers, authority, or discretion transferred to, vested in, or imposed upon, the War Food Administration or the War Food Administrator by this act shall be transferred to any other officer or agency of the Government, except as hereinafter provided.

"SEC. 2. The War Food Administrator is authorized and directed, notwithstanding any other provision of law (including title I of the First War Powers Act, 1941), exclusively and finally to exercise on behalf of the United States, either directly or through such other officers or agencies as he may designate, all powers, functions, and duties conferred or imposed upon any officer or agency of the United States by any law, order, regulation, or directive with respect to the Nation's food program in the United States and its Territories, including the production, processing, distribution, rationing, procurement, requisitioning, allocation of, priorities, storage, exportation, and importation of, provisions of labor and facilities for, and the establishment, maintenance, and adjustment of prices for food and food facilities.

"SEC. 3. The provisions of every rule, regulation, license, and order prescribed or issued prior to the enactment of this act which

were included in such rule, regulation, license, or order in the exercise of any power, function, or duty which this act authorizes and directs the War Food Administrator to exercise shall continue in full force and effect until amended or rescinded by him.

"SEC. 4. The provisions of this act shall cease to be in effect upon the termination of title I of the First War Powers Act, 1941, or upon such earlier date as the Congress by concurrent resolution may designate. Upon the termination of this act all powers; functions, and duties which this act authorizes and directs the War Food Administrator to exercise, and which have not otherwise expired, shall be exercised by the officers or agencies of the United States from which transferred or upon which they are otherwise conferred or imposed by law."

Mr. JENKINS. Mr. Chairman, I shall not press for a vote on this amendment. I just want to take enough time to say what it provides. This amendment provides for one-man control of all food activities. It is the exact language of the Fulmer bill which has been recommended by the Committee on Agriculture of this House. It is now pending before the Rules Committee.

This amendment should be a part of this bill, but the time for consideration of amendments to this section has been limited so much as to make it impossible to give intelligent consideration to these very important matters. This bill is of tremendous importance to all the people of the country. Everybody knows how badly the New Deal administration has bungled the food situation in this country. There have been ten or twelve different organizations handling food and feed. They have vied with each other in overlapping activities until the people of the country have been sorely distressed and confused. The conditions still are bad. For instance, just a short time ago eggs were selling in Washington for 55 and 60 cents per dozen and are selling for 40 to 45 cents now. The farmer has been crowded down to 18 and 20 cents in many parts of the country. And only yesterday it was announced that the Government had 1,400 railroad carloads of eggs spoiling on the railroad tracks and that some of these had been sold for $30 per carload. And again the Government has paid out many millions to milk producers in subsidies, and is still paying, yet there have been thousands of gallons of milk dumped into the sewers of the country in the past few weeks. There is complete chaos in some branches of the food industry. The only remedy is to put the food industry under one head, with power to act. Let one man, appointed by the President, have full authority to straighten out all these bad spots. Give him authority under legal directions and then permit him to operate free from the domination of this New Deal bunch that contaminates every operation that it engages in, and then hold him responsible.

This plan has been advocated by the Republican congressional food-study committee, of which I am chairman. This plan has been approved by practically all the agricultural groups in the country and by many growers of food and by many processors and distributors. There is no doubt as to its merits. The fact that it has been approved by the powerful and capable Committee on Agriculture of the House of Representatives is proof abundant as to its merits.

Mr. Chairman, I am sorry that we do not have the time to give this matter the consideration that its importance merits. I am sure that the country would applaud our actions if we would bring some relief to the people who find it difficult to get along with so many unnecessary regulations. I therefore think that I shall ask unanimous consent to have my amendments printed in the RECORD and withdraw them from a vote at this time.

The CHAIRMAN. Is there any objection?

There was no objection.

The CHAIRMAN. Does the gentleman from Michigan [Mr. CRAWFORD] desire to offer his amendment now?

Mr. CRAWFORD. Yes.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 5, line 4, after "defense area", strike out "housing accommodations" and insert "residential and retail store real property," and strike out "such accommodations" wherever the same appear and substitute "such real property," and striking out "housing or rental conditions" and substituting "residential or retail store renting conditions," and strike out on page 6, line 19, "housing accommodations" and insert "residential and retail store real property" wherever the same appear.

Mr. CRAWFORD. Mr. Chairman, this amendment, if adopted, would call for clarifying language in sections 2 (d), 4 (a), 4 (b), 202 (b), 205 (e), 307 (d), 307 (g), 307 (i).

The amendment is designed to give the Administrator the power to place price ceilings on retail store real estate the same as on housing in defense areas. Mr. Chester Bowles in a letter in relation to this stated:

As you know, the Emergency Price Control Act of 1942 does not empower this Office to regulate the rent of commercial real estate. Several bills authorizing rent control of commercial properties were introduced in the last session of Congress but failed to pass.

Mr. Fred Vinson, Director of the Office of Economic Stabilization, says:

As you know, Justice Byrnes some time ago requested the Congress to authorize rents control by amendments to the Stabilization and Emergency Price Control Acts. Up to this time the Congress has not been willing to comply with this request.

Because store properties are not covered by rent control what might be termed inflation money more and more is seeking opportunities in this field. Store properties are purchased and then when the lease expires rentals are substantially increased.

Another tendency having a similar ultimate effect has been the bidding up of store rentals by newly established specialty shops which are largely able to avoid price control applicable to stores already in business, and that is another inflationary force operating, you might say.

Surveys have been made which indicate that retail store rentals have increased from 4 percent up to 150 percent. All this amendment does, plus four or five clarifying amendments which would be necessary as I have said should the amendment be adopted, is to give the Price Administrator the power to include retail store real property under rental control along with residential property in a rental area. It is a noninflationary amendment; I think it is a power which the Administrator certainly needs.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. ROWE. Is there anything in the amendment vesting the Administrator with the authority to suggest a day certain on which this shall be effective?

Mr. CRAWFORD. Should this language be changed as here recommended it simply, of course, conforms to the general pattern of the January and the October 1942 acts and in no other way changes the power of the Administrator. This gives him the power to regulate rents on commercial real estate for retail stores.

Mr. ROWE. In other words, in the California area it would be fixed at the rentals prevailing on January 1, 1941.

Mr. CRAWFORD. Whatever is provided in their regulations, and in the law.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. HARNESS of Indiana. Does that mean that a lease contract entered into in 1944 would become ineffective and that the rent would have to go back to what it was on the date the gentleman has in mind?

Mr. CRAWFORD. The gentleman certainly is one of our keenest lawyers. That is a legal question. I refer the gentleman to the two laws for the answer.

Mr. HARNESS of Indiana. Is not that the answer?

Mr. CRAWFORD. That may be, but I am not going to answer it myself.

Mr. Chairman, that is all I have to say on the amendment.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. WOLCOTT. Mr. Chairman, it is true that the Price Control Act does not cover this type of commercial property. I think we should have in mind the history of the attempt on the part of the administration to get control of rents of all property, the attempt on the part of the administration to regulate the use and occupancy of all real property. If we go back to October 2, 1942, we will recall that we passed the Stabilization Act. The President told us that if we did not do so he would assume to have the authority to amend or repeal an act of Congress and do so himself. Justice

Byrnes was made Director of Stabilization after the Stabilization Act of October 2, 1942, was passed. Justice Byrnes decided that he did not have authority under the Stabilization Act to stabilize all rents, rents outside defense areas, rents of commercial property; and so he asked us on the 13th of October 1942 for that authority, in the bill H. R. 7695 of the Seventy-seventh Congress. On October 14 we passed a bill very much different from that asked by the administration, because the bill asked for by the administration would authorize the President to issue an order or orders regulating the rent of all real property and regulating or prescribing the recovery of possession of all real property without regard to subsequent sale and any practices or agreements relating to the leasing or renting of real property or the possession or occupancy thereof. That was all they asked for on October 13. It was, of course, very unsatisfactory because under that they would have had the authority to tell any person the head of a household in the United States that he should have his child sleep downstairs on the couch to make available a sleeping room to be rented to anyone whom the Administrator might send to his front door. So we amended that act to provide that in order to aid the effective prosecution of the war the President be authorized and directed to issue an order or orders regulating and stabilizing the rent of residential and commercial real estate, including the rent and rates charged by hotels and rooming houses, and so forth. We passed that bill in the House almost unanimously, I believe. It went to the Senate and the bill died in the Senate. It died in the Senate because the President had, on October 19, issued a directive assuming to have the power which we had denied to him on October 14.

So far as I am concerned, if they get any more control, any broader control, over property than they have today they have got to come back here and ask specifically for it. I am not for any amendment which will broaden this act to give them the control of commercial properties with all of the power they assume to have over the use and occupancy of property, the recovery and possession of property.

I hope the amendment will be defeated.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr WOLCOTT. I yield.

Mr. BARRY. Many of these stores were undoubtedly started since the war began.

When the war ends and a lot of these defense areas break up, those holders will lose many of their tenants?

Mr. WOLCOTT. Yes. Of course, if it is predicated on the idea it is necessary to regulate the rents of retail establishments in order to regulate the prices of the goods sold in those retail establishments, then it is just as logical to say that you should regulate the rent of the brokerage office or the commission merchants or anybody else having to do with any commodity.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. CRAWFORD].

The amendment was rejected.

Mr. RIZLEY. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RIZLEY: Page 12, line 2, insert the following subsection (q):

"No maximum price shall be established or maintained under this act or otherwise with respect to watermelons."

Mr. RIZLEY. Mr. Chairman, I do not expect to take the full 5 minutes on this amendment; however, it should not cause quite as much levity as apparently it has from some of those who claim that the purpose of this Price Control Act is two things, one to keep down the cost of living and the other to stop inflation.

Watermelons have not been considered as being a menace to either until the last few weeks. There have been no ceilings put upon them up to the present time. However, unless we do something to prohibit ceiling prices on melons they will be made effective shortly; they are threatening to put a ceiling on them which will be below the cost of production, not because they claim they are food, not because they claim they may lead toward inflation, but because the O. P. A. says that since watermelons are not an essential food they will take that land away from the farmer who has been raising watermelons and making some money and force him to plant something else.

Mr. PACE. Will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from Georgia.

Mr. PACE. And they did not come to that conclusion until after the farmers had already planted the melons?

Mr. RIZLEY. I was going to say that. The watermelons have been planted. They have the order already prepared here in Washington and most of them admit that the ceiling they are going to make effective will be below the cost of production that will put the watermelon growers out of business.

Mr. BARRY. Will the gentleman yield?

Mr. RIZLEY. I yield to the gentleman from New York.

Mr. BARRY. Does not the act itself forbid the Administrator placing a price below parity and parity is a reasonable and fair return to the farmer?

Mr. RIZLEY. I do not think there has been any parity formula fixed for watermelons yet.

Mr. PACE. The act fixes parity as a minimum, not the maximum.

Mr. RIZLEY. That is right. Mr. Chairman, I think my amendment should be adopted and I hope it will be.

Mr. Chairman, to listen to some of the arguments that are being made here by certain members of this Committee, one might well get the impression that unless the O. P. A. is given all-out, complete power and authority without any direction, restraint or limitation by the people's Representatives, the whole country is going to wreck and ruin.

No one questions the advisability of adequate price control, but to say that the O. P. A. officials are all-wise and cannot err, is further proof of either one of two things: That there are those who, in addition to adequate price control, would put every farmer and every processor in a bureaucratic strait jacket or they are ignorant of many of the things which the O. P. A. has been doing that are a hindrance to price control rather than a help.

The so-called "little people" in this country, if they are to be protected, have only one branch of the Government to which they can go with their petitions for grievance, and that is the Congress of the United States which they elected.

This threat to put price ceilings on watermelons well demonstrates the point. Here are a few thousand watermelon growers, who could not "break the line" that we have heard so much about the past few days, if all of them were on one end of the rope pulling one way. They had a perfect right to believe when they bought fertilizer, prepared the ground, and planted the melons, that they were going to have a chance to make a reasonable profit, providing the elements and a hundred other things were on their side. But along comes the O. P. A., after the melons are planted, and says to these "little people," "We do not think your particular line of agriculture is essential, and so we are going to put a ceiling below the cost of production on the melons you raise."

Is that the way to keep unity in this country? Why, to hear some of these folk talk and to hear some of the Membership of the House berate these "little people" and present a bugaboo of runaway inflation, one would imagine that the whole Italian campaign was due to bog down and the invasion of Europe fail, unless ceilings were placed on watermelons.

Why can we not be realistic and use common sense about these matters? Let's stand up and be counted for the "little people" in this country.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. ALLEN of Louisiana. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana [Mr. ALLEN]?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Chairman, I support the amendment of the gentleman from Oklahoma [Mr. RIZLEY] to exclude watermelons from the operation and control of the Price Control Act. I understand the O. P. A. is fixing to place melons under price control. While watermelons are very, very good, they are not necessary, staple articles of food. There is no necessity to control those prices like there is meat, flour, lard, and such items that we all have to have. In the next place, watermelons

are perishable. They have to be gathered and marketed at just the right time. In the third place, growing a crop of watermelons is a very uncertain thing. I know a little something about it myself, for I was reared on a farm and grew melons. The seasons have to be just right. Either too much rain or too little rain will ruin your crop. The fertilizer must be just right. Either too much or too little will not get the best results. It takes a lot of work, time, and attention to grow good melons.

It is the business of O. P. A. to hold down the price of articles of food that control the cost of living. The influence on the cost of living of watermelons at most can be only infinitesimal. I think the O. P. A. should let the regulation of watermelons alone. The farmer who grows them gets little enough at best. The farmer never gets a price for his products in keeping with the industrial wages paid in the North and East. I urge that this amendment be passed and that the O. P. A. leave watermelons free from this regulation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. RIZLEY].

The question was taken; and on a division (demanded by Mr. SPENCE) there were—ayes 71, noes 77.

Mr. RIZLEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. MONRONEY and Mr. RIZLEY to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 83, noes 79.

So the amendment was agreed to.

Mr. FOLGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOLGER: Amend paragraph (h) of section 2 of H. R. 4941 by adding at the end thereof the following:

"Nor shall such powers be used to deny an appropriately higher individual or group price ceiling, in lieu of the industry ceiling, to any individual processor of a product processed or manufactured in whole or in substantial part from an agricultural commodity, including livestock, when the ceiling for his industry would reduce the return of profit from his operation substantially below such return for the normal pre-war period determined by the Administrator and when such processor is not among the marginal high-cost processors of the product involved and where both his percentage of profit on sales and his percentage of return on capital invested (figured without compelling changes in the business practices, cost practices or methods, or means or aids to distribution established in the processor's business) are above the corresponding percentages in the normal pre-war period.

"The maximum price or prices established under this act or otherwise for any processor affected hereby shall be adjusted to the extent necessary to conform with the requirements of this paragraph as promptly as possible and within 60 days after the date of the enactment hereof."

Mr. FOLGER. Mr. Chairman, this amendment eliminates from a former amendment which I presented to the House the words, "on each product or commodity." That is left out. The original amendment provided for 90 percent marginal distinction. The amendment that I have offered here today leaves the question of the marginal distinction to be determined by the Office of Price Administration in determining who will be entitled to any relief under this amendment.

This amendment is a matter of the simplest minimum of justice to those producers in this country who are caught destructively in the deficiencies of administration of the Price Control Act. It has no element of provision for and no mechanism for making possible the making of a single dollar out of this war.

It refers not at all to producers who are making more or as much as in normal peacetime. It touches only those cases where the producer is making less than in peacetime. And the question of whether he is making less is to be tested in every pertinent way: First, he must be making less in amount of dollars than he was making in the normal pre-war period; second, his percentage of profit on sales must not be above that which he made in the pre-war period; and third, his percentage of profit on capital invested must not be above that made in the normal pre-war period. In a word, the amendment is directed to the relief of those producers who, without intendment of the Congress to that end, are being unjustly impaired or destroyed through the administration of an act which had no such purpose.

Mr. Chairman, I received a telegram which I desire to read to the House, sent me voluntarily and without any procurement on my part. This telegram was also sent to other members of our delegation:

We understand that Congressman FOLGER is redrafting an amendment to the Price Control Act for introduction today which will require the establishment of special ceiling prices for individual processors of farm products where a processor can show that the industry-wide ceiling as fixed by O. P A. will reduce his profits below levels which existed during a pre-war period selected by the O. P. A. Administrator as normal. The continued use of industry-wide flat ceilings will either result in financial loss for some processors or cause them to buy farm products at less than ceiling prices established for those commodities. The adoption of this principle will not permit war profiteering but will prevent the squeezing out or weakening of some processors and further trends toward monopoly control. Adjustment of prices to fit needs of individual processors will be less inflationary than any flat increases on an industry-wide basis which may later become necessary. We hope that you will support the principles of the Folger amendment.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from North Carolina.

Mr. MORRISON of North Carolina. Does the gentleman's amendment make it clear that the comparative profit is based on a percentage or upon the gross profit made?

Mr. FOLGER. It is based upon the percentage.

Mr. MORRISON of North Carolina. Then would it not be possible for a producer or manufacturer making a very high percentage before the war on a very small volume of business now to get a very high percentage on a very large volume of business?

Mr. FOLGER. No.

Mr. MORRISON of North Carolina. Does the gentleman's amendment provide for equalizing the profits so he can make as much but no more?

Mr. FOLGER. It does not provide that he shall make anything, but it must be a percentage-wise basis; that is, first he must be making less in amount of dollars than he was making in the normal pre-war period.

Mr. MORRISON of North Carolina. Less in the amount of dollars.

Mr. FOLGER. Yes.

Mr. MORRISON of North Carolina. And it would not apply to anybody else?

Mr. FOLGER. That is right. He must come in that category; second, his percentage of profit on sales must not be above that which he made in the pre-war period; and, third, his percentage of profit on capital invested must not be above that made in the normal pre-war period. He has to meet all three of those conditions.

Mr. MORRISON of North Carolina. It is clear that if he is not making more money than he made before the war, it does not apply to him; that is right, is it not?

Mr. FOLGER. He must meet all three conditions.

Mr. MORRISON of North Carolina. Does the gentleman in all seriousness think it will apply to anybody in the United States? I did not know there was anybody who was not making more money.

Mr. FOLGER. There are hundreds of individuals in my State as well as the gentleman's State who are absolutely unable to survive unless they have the benefit of the provisions of this measure.

Mr. MORRISON of North Carolina. I do not agree with the gentleman's facts.

Mr. FOLGER. And some are making eight and nine times as much.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. What valid objection has been raised or what valid objection can there be raised to this amendment?

Mr. FOLGER. Not anywhere in Washington.

Mr. DOUGHTON. I have not heard of a single valid objection raised to it yet.

Mr. FOLGER. Not anywhere in Washington.

This amendment is a matter of the simplest minimum of justice to those producers in this country who are caught destructively in the deficiencies of administration of the Price Control Act. It has no element of provision for and no mechanism for making possible the making of a single dollar out of this war.

It refers not at all to producers who are making more or as much as in nor-

mal peacetime. It touches only those cases where the producer is making less than in peacetime. And the question of whether he is making less is to be tested in every pertinent way: First, he must be making less in amount of dollars than he was making in the normal pre-war period; second, his percentage of profit on sales must not be above that which he made in the pre-war period; and, third, his percentage of profit on capital invested must not be above that made in the normal pre-war period. In a word the amendment is directed to the relief of those producers who, without intendment of the Congress to that end, are being unjustly impaired or destroyed through the administration of an act which had no such purpose.

Passing over with mere mention the unwarranted dislocations and injustices that, except for this amendment, will be forced among competing units in industries the effect upon growers of farm commodities can be disastrous. When those who purchase the highest grades of commodities find themselves penalized for so doing it may easily become impossible for them to continue so to do. At the best a high pressure against the best prices for farm commodities is established and applied. Moreover, where advertising of products is necessary to maintain volume, particularly for the higher-grade products, a forced discontinuance of advertising will naturally result, if not in wartime certainly afterward, in loss of market for these products through which the farmer gets his best commodity returns.

One more point—the effect upon stabilization or control of inflation or cost of living. Without the relief provided by this amendment it is apparent that when a price raise becomes necessary in an industry the raise will affect all of the products in the classification though some producers may not need the raise. That is forced and deliberate inflation and, as against results under this amendment, would leave the consumer no place at which he could buy a product of the same kind at the old price. It takes no imagination to see that as far as inflation or the cost of living is concerned the argument is with the method of the amendment and against the present method of using only industry ceilings.

In the interest therefore of simple justice, of avoiding unnecessary destructiveness, of serving stabilization, of holding down the cost of living, and of avoiding limitation on and hurt to farmers' markets, both now and in the postwar period, the adoption of the amendment is urged. And again, attention is called to the fact that it is exactly in line with Mr. Brownlee's testimony and goes further only in that it recognizes one set of standards for the application of his proposal to use individual ceilings to relieve against injustices.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have not been able to distinguish clearly the difference between this amendment and the amendment which the gentleman from North Carolina offered, I believe, yesterday. However, I will discuss this amendment.

It will be recalled that the two amendments are very similar, and that this Committee has once acted negatively on the same subject matter. We started out here with the idea that we could not, under price control, guarantee a profit to all producers and processors.

Of course, it would be the ideal thing to do. The tobacco manufacturers, the tobacco processors, the cotton producers, the cotton processors, all the way down the line—I do not believe there is a Member of Congress but who would like, if it were possible, to provide that everyone in the United States would make a profit on his efforts. But we cannot do it if we are going to have price control. It just cannot be done.

As I understand, if the gentleman's amendment is adopted, then we will have given to the producer of agricultural products and the processor of agricultural products the assurance that no price is going to be established which will not guarantee to him a margin of profit comparable to that which he received at some base period. It would be ideal, it would be utopian if we could guarantee everybody in the United States the same profit he got in a comparable period a year ago or two years ago or in that period of his life where he got the highest salary or received the most for his crops or the most from the product of his labor. That is utopian. If we have Utopia in that respect we cannot have price control. We cannot have both.

I do not understand why, yet I do understand—of course, all men are inherently and basically selfish. I do not mean this, of course, against anybody who is sponsoring or supporting this amendment, but taking many of the amendments which have been offered, they are in response to that trait of character which is inherent in all of us. We want to get all we can at all times. But in this case we have a fundamental problem to solve, whether we shall win this war and whether we shall win the peace by stabilizing our economy.

Does not that sound rather peculiar coming from me, coming from me who has denounced the administration of price control as I have? It seems to me that somebody else who is equally concerned about the stabilization of our national economy should be up here. Many of you, dozens of you, should be up here before this microphone now protecting our efforts to prevent a destruction of the machinery which we have set up to stabilize our economy so that there can be an effective and a lasting peace when they come back.

I implore this Committee today not to do what they have just done in respect to watermelons or what they might do in respect to this amendment. We must take into consideration that we are legislating in respect to a broader field than just watermelons or tobacco or cotton or any other particular product. We are legislating here today in respect to inflation, to the general price line. If you break through that price line you start the spiral. Whether you start it with cotton goods, whether you start it with textiles, whether you start it with sugar beets or coffee or wherever you start it, does not make any difference. If you start it, then it is going to get out of control.

I am talking now to the men on my own side here. Treat this thing seriously and let the country know by your actions today whether or not you want to safeguard this America that these boys are fighting for, whether you will do your bit. These letters you have been getting, that I have been getting, that we have all been getting by the thousands—you must have courage today to stand up and tell these constituents of yours that you are here not only to represent them in their selfish motives, you are here to represent every living soul in the United States, and you are here to protect the Constitution of the United States and this economy in order that we will have something after this war instead of economic chaos.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was rejected.

Mr. COOLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COOLEY. Is the time limited so that no one can be recognized in support of the amendment offered by the gentleman from North Carolina?

The CHAIRMAN. Time is limited on this whole section.

Mr. COOLEY. I knew it was limited on the whole section, but I did not know it was limited on this amendment and that no one could rise in support of the amendment.

The CHAIRMAN. Only 5 minutes is allowed for an amendment and 5 minutes in opposition to it.

Are there further amendments to section 2?

If not, the Clerk will read.

The Clerk read as follows:

SEC. 3. (a) Subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture; except that the Administrator may take such action as may be necessary under section 202 and section 205 to enforce compliance with any regulation, order, price schedule or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture."

(b) Section 3 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new subsection:

"(g) Whenever a maximum price has been established, under this act or otherwise, with respect to any fresh fruit or fresh vegetable, the Administrator from time to time shall adjust such maximum price in order to make appropriate allowances for substantial reductions in merchantable crop yields, unusual increases in costs of production, and other factors which result from hazards occurring

in connection with the production and marketing of such commodity."

Mr. MORRISON of Louisiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRISON of Louisiana: Page 12, line 18, strike out the word "subsection" and insert the word "subsections"; and on page 13, in line 2, strike out the quotation mark; and on page 13, after line 2, insert the following subsection:

"(h) No maximum price shall be established or maintained under this act or otherwise with respect to any highly perishable fresh fruit, including fresh strawberries, peaches, cherries, and raspberries."

Mr. MORRISON of Louisiana. Mr. Chairman, this amendment provides that there shall be no ceilings or price control on these highly perishable fruits. They are in a class by themselves, and they are a luxury. It is not necessary to have any of these highly perishable fresh fruits under price control because there is not a man or woman in the United States but who could live a normal life for their entire span of life without any of these highly perishable fruits. They are clearly and simply a luxury. At the present time the majority of them have not been under price control, and the consuming public and the people of America have suffered no damage. On the other hand, you can take the record of the Florida season, which has a practical monopoly on strawberries, from December 15 until April 1, and you will find that the average price for the past two seasons has been lower than in any pre-war periods. Therefore, as far as affecting our national economy, this does not affect it. The first ceiling price that was put on strawberries was put on around May 1, and it fixed a ceiling in many instances which was below the actual cost of production, in my State as well as in other States, and there are over 20 States producing strawberries on a commercial scale. By that ceiling price they completely wiped out our streamlined efficient method of selling strawberries at auction, which gave the small farmer the same opportunity as the larger farmer to have the entire buying public of the United States bid on those particular strawberries regardless of the amount, and they thereby destroyed with a ceiling price an entire business practice that had been built up. Here is what is going to happen if you continue a ceiling price on strawberries. Instead of putting up a fancy package which has all the culls or No. 2 taken out, which will give you a real quality package, those farmers down there will go out in the field and get out the field run, the rotten ones, and the green ones, and put them in there and ship them to the market. It not only affects, we will say, the farmers at that end, but strawberries being of such a highly perishable nature, you cannot hold them for a higher price; you have to sell for the price you can get.

I want to say that under the ceilings as provided by the O. P. A., after 30 Congressmen and 15 Senators begged them not to do it, they fixed in Chicago, Ill., as an example, where a farmer had been getting his strawberries sold there for $50 a car; under the O. P. A. it was $580 a car, and that was $530 that the farmer did not get.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Louisiana. I yield.

Mr. AUGUST H. ANDRESEN. Is it not a fact that the ceiling price on strawberries was not placed on strawberries until after the recent primary election in Florida?

Mr. MORRISON of Louisiana. That is correct.

Here is another thing. The acreage has been cut in the United States more than 50 percent. That is proof that if there had been so much money in growing strawberries instead of decreasing one-half of the acreage in the United States, there would have been an increase. I say this: I have checked personally, and since the ceiling prices went on the Louisiana crop the consumers bid as much, if not more, in some instances for strawberries and in most instances a little bit more after the ceiling price went on as they did before, and the ultimate result was that the farmer did not get it.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. BUSBEY. Mr. Chairman, during the 4 days of debate on the bill to continue price control I have heard many Members talk about maintaining the home front by working against inflation. I will gladly support sound measures against inflation, but there is one sector of this home front that seems to have been neglected and I think it very important. That is the personnel charged with administering the Price Control Act. Congress is the legislative and not the executive branch of our Government. Congress can pass all the laws you want, but there will always be trouble as long as you have men in key positions administering these laws who oppose our republican form of government. I refer to three individuals particularly: Tom Tippett, Shad Polier, and Thomas I. Emerson, who, in my judgment, are not qualified to be on the Federal pay roll. Who are these men and what have they been doing?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. AUGUST H. ANDRESEN. What position does this Tippett hold down here?

Mr. BUSBEY. Tom Tippett is chief field secretary of the Rent Division of the O. P. A., at a salary of $6,500 a year, and he is the man who is running the Rent Division, and nobody else. If you think Ivan Carson is running it you are badly mistaken.

Mr. Chairman, I hold in my hand a photostatic copy of the first issue of the Daily Worker, the official Communist newspaper in the United States. The Worker newspaper had been published as a weekly from February 2, 1922, until Sunday, January 13, 1924.

On the front page is an article appearing under the name of Tom Tippett. Under the name, in smaller letters enclosed in parentheses, is the following:

(Staff correspondent of the Federated Press and the Daily Worker).

Because of the interest shown in the personnel of O. P. A. by the Members of Congress, I now read from the editorial in this edition, entitled "Here Is 'The Daily'!" This editorial adjoins the article by Tom Tippett.

In the first issue of the Weekly Worker, February 2, 1922, we wrote, "This, the first edition of the Worker, is the advance agent of the Daily Worker."

Now, in this first issue of the Daily Worker, we join hands with the comrades of the Communist International in declaring that the Daily is but "the forerunner of more revolutionary dailies in other parts of the country."

Thus, from one advance position, we move forward to another next ahead. The Daily is here, and we turn a new page in the world story of labor's struggle. Another chapter begins for America's working class. The first English-language Communist daily in the world has been realized.

Only the momentous developments of the not far future will reveal the tremendous significance of this present historic achievement.

* * * * *

A giant is born! A new voice is raised, battling for the workers and farmers of America, carrying its promise of many more such voices; of many Communist dailies to come!

Not only in Russia, in Germany, in Italy, in the Scandinavian countries, in Czechoslovakia, in France, in Mexico, and in a host of other lands, but in those countries where the English language dominates as well, the Communist message will now spread daily among the marching, militant hosts of the exploited in the cities and on the land.

The Tom Tippett who was the staff correspondent of the Federated Press and the Daily Worker, is the same Tom Tippett who dominates, controls, and formulates the policy of the Rent Division of O. P. A. I leave it to you to draw your own conclusions.

TOM TIPPETT, CHIEF FIELD SECRETARY, RENT DIVISION, O. P. A., SALARY, $6,500

World War No. 1: Secretary, grievance committee, W. M. W. of Illinois; delegate to trades and labor council.

World War No. 1: Organizer for amalgamated clothing workers.

1919–22: Solicitor, correspondent, and business manager of Federated Press.

1922–27: Educational director, U. M. W.

1927–32: Instructor in economics and extension director, Brookwood Labor College, Katonah, New York.

1932–36: Teacher for affiliated summer schools for workers and the American Educational Labor Service.

1936–40: Research department, W. P. A., $3,200 to $4,200.

1940, May to October: Personnel manager, PM, New York, $5,600. It was in this period when Mr. Tippett was personnel manager of PM that a significant number of pro-Communists were employed on its staff, and a number of anti-Communists were dismissed.

November 1, 1940–June 1, 1941: Business manager, N. Y. A., and assistant to

Karl Borders, the Deputy Administrator of N. Y. A., under Aubrey Williams.

June 1, 1941 to date: Chief field secretary, Rent Division, O. P. A., $5,600 to $6,500.

Tom Tippett's radical record goes back many years. We first find him in the radical fold as an employee of the Federated Press. Successively, he served the Federated Press as solicitor of funds, correspondent, and finally as business manager. His connection with the Federated Press covered the years 1919–22.

The radical character of the Federated Press is accurately reflected in the fact that William Z. Foster, long the head of the Communist Party in this country, was a member of its board. The radical character of the agency is still further reflected in the fact that the largest donations by which it operated were received from the notorious Garland fund.

In September 1923 we find Tom Tippett acting as one of the principal speakers on the occasion of International Youth Day in Chicago. This occasion was strictly an affair of the Young Workers League, and was organized on specific instructions from Moscow. The Young Workers League was the name under which the young Communists were organized in those days.

From 1927 to 1932, Tippett was on the staff of Brookwood Labor College. During Tippett's connection with this institution, the American Federation of Labor denounced the institution on the ground of its Communist character. In one of its official reports, Brookwood boasted of the large number of its graduates—engaged in labor political activity—who were Communists. That report declared:

> Out of 43 persons engaged in labor political activity, 31 are Communists. Be it said to Brookwood's credit that it has not manufactured any Republicans or Democrats.

During the period that he was at Brookwood Labor College, Tippett was a member of the national executive committee of an organization which we know as the Conference for Progressive Labor Action. On the letterhead of this organization there appeared the following statement of purpose:

> It aims to inspire the workers to take control of government and industry, to abolish capitalism, and to build a workers' republic.

The declaration of purpose which the Conference for Progressive Labor Action publicly avowed was nothing more nor less than a Communist pronouncement. The preamble to the constitution of the Conference for Progressive Labor Action paid its respects to democracy in the following words:

> Sham, political democracy which has been the tool of capitalist business, and finance must also go.

Mr. Tom Tippett was listed as one of the signers that called the Trade Union Conference, arranged by the Provisional Committee Trade Union Conference for United Action in Cleveland, Ohio, on August 26 and 27, 1933. Among the other signers were such well-known Communists as I. Amter, Herbert Benjamin, Earl Browder, William Z. Foster, Ben Gold, Clarence Hathaway, Roy Hudson, and others.

On January 24, 1936, at the Hotel Lismore in New York, there was held a banquet in honor of the forty-fifth anniversary of Ella Reeve Bloor's entrance into the field of radical activity. Mother Bloor, as she is popularly known, has been the outstanding woman leader of the Communist Party for more than 20 years. Tom Tippett was a sponsor of the banquet which was held on January 24, 1936. The banquet was organized by the central committee of the Communist Party of the United States.

Tippett's writings further establish the radical character of his views and activities. In one of his books Your Job and Your Pay, Tippett discussed the Constitution of the United States at some length. In referring to the authors of our Constitution, Tippett said: "They were not drawing up a constitution for the welfare of the people as a whole; they were trying to set up a government that would protect their interests as property owners." This viewpoint paralleled that of the Communist Party at the time.

After lengthy and exhaustive study and investigation, the Civil Service Commission on December 23, 1941, found Tom Tippett ineligible and recommended his removal from the Federal pay roll. On March 14, 1942, the Civil Service Commission reversed itself, and recommended that Mr. Tippett be retained on the Federal pay roll.

SHAD POLIER, HEAD ATTORNEY, LEGAL DEPARTMENT, ENFORCEMENT DIVISION, FUEL AND CONSUMERS BRANCH, SALARY $6,500

Shad Polier, formerly Isadore Polier, was a member of the national committee of the International Juridical Association which, while it existed, was an affiliate of the International Labor Defense, cited by the Attorney General as the "legal arm of the Communist Party." The International Juridical Association was an organization of lawyers cooperating with the International Labor Defense and the Communist Party through its branches throughout the world.

Founded on May 1, 1932, the international Communist holiday, the bulletin of the International Juridical Association, carried the following quotation from the preamble to the constitution of the American section of the International Juridical Association, showing its deep-seated hostility to the American Government:

> Present America offers the example of a country discarding traditions of liberty and freedom, and substituting legislative, administrative, and judicial tyranny. This country, once known to the world as the haven of refuge of oppressed peoples, now excludes or deports those daring to voice unpopular opinions; with a constitution supposed to protect freedom of expression, it now persecutes and imprisons its political dissenters. * * * The American section of the I. J. A. declares its purposes to be * * * to combat * * * and resist increasing executive, judicial, legislative, and administrative oppression; * * * to rally to the support of workers and their organizations * * * against the forces of the state whenever and wherever the latter alines itself on the side of special privilege.

With Mr. Polier on the national committee of the I. J. A. were the following avowed Communist attorneys: Leo Gallagher, David J. Bentall, Isaac E. Ferguson; also Joseph R. Brodsky, attorney for the Communist Party, and found by the British Government to have been a secret contact man between the United States section of the Communist Party and Moscow; also the following well-known attorneys identified with the defense of Communist cases: Osmond K. Fraenkel, Nathan Witt, George R. Andersen, Aubrey Grossman, Leo Gallagher, David Bentall, Pearl M. Hart, Abraham J. Isserman, Louis F McCabe, and Carol Weiss King, executive secretary.

From 1932 to 1942 the International Juridical Association has defended numerous Communist cases in its official bulletin. During the Stalin-Hitler pact, the I. J. A. opposed the Burke-Wadsworth conscription bill.

The Communist Party, United States of America, has openly expressed its support of the American Friends of Spanish Democracy, which has been cited as subversive by the Special Committee on Un-American Activities—report, March 29, 1944. Mr. Polier supported this organization, as well as its associate, the Coordinating Committee to Lift the Spanish Embargo, which was also cited as subversive by the Dies committee—Daily Worker, April 8, 1938, page 4; booklet, These Americans Say.

Mr. Polier is listed as a member of the Washington Book Shop, cited as subversive by the Attorney General, where Browder's works are openly on display and for sale.

The Daily Worker of March 3, 1936, page 3, describes a hearing held in Rutland, Vt., in behalf of the Communist-led and supported strike of the Vermont marble workers. Appearing at this hearing was a New York delegation, headed by Rockwell Kent, an artist, who has openly declared his Communist views in his book, This Is My Own, and I. Polier, chairman of the International Juridical Association, who acted as counsel for the strikers.

The Daily Worker of December 21, 1936, page 4, gives its support to the sit-in strike of relief workers in New York City, for whom Mr. Polier acted as counsel.

Mr. Chairman, I now wish to read an excerpt from an interoffice communication, National Labor Relations Board, to Nathan Witt, Esq., from Elinore M. Herrick, director, second region, dated December 2, 1940, on the subject of Shad Polier:

CONCLUSION

> I cannot rely on Polier's discretion or accuracy and am nervous all the time, as I do not know what he is doing on cases and have had so many indications that he is taking undue interest in certain situations. Do not feel that conflicts between 2 major organizations can safely be entrusted to him to handle. Cannot get file notes on conferences on cases from him, or interviews with witnesses, and so cannot keep track of his work. His speed in handling is conceded, but he does

it at a sacrifice of records and decorum. He is permitted to grab work while other attorneys equally capable are assigned only 2 cases for trial and 1 authorization report for review during a week in which Polier reports work on 11 cases pending for trial and 2 for review of authorization reports. Is a disrupting force in a small organization.

Polier was sent up here on a temporary assignment. I think it has now become more than a temporary assignment, and I should like to have him transferred back to his regular work, whatever that may be.

ELINORE M. HERRICK,
Regional Director.

THOMAS I. EMERSON, DEPUTY ADMINISTRATOR FOR ENFORCEMENT, O. P. A.; SALARY $8,000 PER ANNUM

Born: 1907 in New Jersey.

Education: Yale, A. B., 1928; LL. B. 1931.

Previous experience: Law clerk, 1931–33 with Engelhard, Pollak, Pitcher, & Stern. Walter Pollak, of this firm, was attorney for Earl Browder; 1933–34, assistant counsel, National Recovery Administration, $3,600 to $6,000; 1934–36, principal attorney, National Labor Relations Board, $6,000; 1936–37, principal attorney, Social Security Board, $6,000; 1937–41, assistant and associate general counsel, National Labor Relations Board, $6,000 to $7,000; 1941–42, special assistant to Attorney General, $7,000; 1942 to date, Deputy Administrator for Enforcement, O. P. A., $8,000.

Thomas I. Emerson has been extraordinarily active in three of the most influential Communist-front organizations in Washington, D. C. These three are the International Juridical Association, the National Lawyers Guild, and the Washington Committee for Democratic Action. His position in these organizations for the past few years has not been simply that of a rank-and-file member, but of a leader.

With respect to the Washington Committee for Democratic Action, Attorney General Francis Biddle wrote a lengthy memorandum which he sent to the departmental heads of the Federal Government, and in which he characterized the organization as subversive. Attorney General Biddle stated in this memorandum that the Communist control of the Washington Committee for Democratic Action was so clear from the very inception of the organization that no one of its active members could have been unaware of that control.

Thomas I. Emerson has been one of the most active and prominent leaders of the Washington chapter of the National Lawyers Guild. That organization, and particularly its Washington chapter, has been under the control of Communists since its inception. Early in 1940 the Communist hand in the National Lawyers Guild was so evident that Robert H. Jackson, then Attorney General, and Adolph A. Berle, Assistant Secretary of State, resigned from the Washington chapter with the public declaration that the organization was "not prepared to take any stand which conflicted with the Communist Party line." Despite this public rebuke from Jackson and Berle, Thomas I. Emerson continued as one of the most prominent leaders of the Guild.

The International Juridical Association is one of the many front organizations of the Communist Party. Thomas I. Emerson was a member of the national committee of the International Juridical Association, which, while it existed, was an affiliate of the International Labor Defense, cited by the Attorney General as the "legal arm of the Communist Party." The International Juridical Association was an organization of lawyers cooperating with the International Labor Defense and the Communist Party, through its branches throughout the world.

Founded on May 1, 1932, the international Communist holiday, the bulletin of the International Juridical Association, carried the following quotation from the preamble to the constitution of the American section of the International Juridical Association, showing its deep-seated hostility to the American Government:

> Present America offers the example of a country discarding traditions of liberty and freedom, and substituting legislative, administrative, and judicial tyranny. This country, once known to the world as the haven of refuge of oppressed peoples now excludes, or deports, those daring to voice unpopular opinions; with a Constitution supposed to protect freedom of expression, it now persecutes and imprisons its political dissenters. * * * The American section of the I. J. A. declares its purposes to be * * * To combat * * * and resist increasing, executive, judicial, legislative, and administrative oppression * * * To rally to the support of workers and their organizations * * * against the forces of the State whenever and wherever the latter alines itself on the side of special privilege.

Serving with Thomas I. Emerson on the national committee of the organization as leaders are the following:

Isaac E. Ferguson, one of the original Communists in the United States, who was sentenced to a 10-year prison term on a charge of criminal anarchy.

Yetta Land, State chairman of the Communist Party of Ohio.

Maurice Sugar, well-known Communist attorney of Detroit, who served a prison term as a draft dodger in the First World War.

Leo Gallagher, well-known Communist attorney of California, who was the Communist Party's candidate for Secretary of State in California in 1938.

David J. Bentall, well-known Communist attorney of Chicago, who was the Communist Party's candidate for attorney general in Illinois in 1928, and also one of the original Communists in the United States.

John P. Davis, Negro Communist attorney, who is executive secretary of the Communist-Controlled National Negro Congress.

Abraham J. Isserman, Communist attorney in Newark, N. J.

Joseph R. Brodsky, Communist attorney in New York, who was revealed as an agent of the Communist International by documents seized in a raid by the British Government in London.

The International Juridical Association followed the ever zigzagging line of the Communist Party ever since its inception some 10 years ago.

From 1932 to 1942 the International Juridical Association defended numerous Communist cases in its official bulletin. During the Stalin-Hitler pact, the I. J. A. opposed the Burke-Wadsworth conscription bill.

Non-Communist associates of Emerson in the National Labor Relations Board have informed the various intelligence agencies in Washington of his open and aggressive Communist activities while he served with the Board. When Emerson first went with the Office of Price Administration, the Civil Service Commission sent Leon Henderson an adverse report on him. This adverse report was based upon the testimony of numerous witnesses who told the Commission's investigators of Emerson's devotion to the ideology of communism.

It has been reported that the file of Thomas I. Emerson, containing many adverse reports on him, is now missing from the files of the Civil Service Commission.

Thomas I. Emerson has for many years been very closely associated with Nathan Witt when he was executive secretary of the National Labor Relations Board, and who since his retirement from the National Labor Relations Board has more and more openly alined himself with the Communists. Mr. Nathan Witt was, and I believe still is, the official attorney for the National Federation for Constitutional Liberties, which organization was cited as subversive by Attorney General Biddle. It is quite significant that Emerson and Witt tendered their resignations to the National Labor Relations Board at the same time.

Mr. Chairman, in view of the record of these three men there is only one logical conclusion to which we can arrive. That is, the New Deal administration not only condones men of their type in Government positions of responsibility but insists on their being there. I was amazed to find when I examined the personnel files of these three men in the Office of Price Administration today that there was not a single record in the files of an investigation having been made regarding their qualifications for office.

It is high time that the people of this country begin to realize that it is men of this type who are in key Government position by the hundreds. For this condition the administration of necessity must assume all responsibility.

Our men in the armed forces are entitled to return to the same form of government they left, and for which they are fighting. If the present trend to the left is not reversed immediately those responsible for this condition will have to answer to them. This is a challenge to every loyal, patriotic citizen to stand up and fight against this radical bureaucracy that has been built up in Washington under the New Deal administration.

This Congress can pass all the laws it cares to, but I insist that the battle on the home front cannot be won unless men who understand and appreciate our form of government are put in positions of trust and responsibility.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. BUSBEY] has expired.

Mr. BARDEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think we will have to agree that the cause for many of these amendments is the fact that some of the people handling the law which we put in their hands have been rather indiscreet. The gentleman from Louisiana [Mr. MORRISON] offered an amendment pertaining to strawberries. As every Member of this House knows, strawberries are very highly perishable. The crop started in Louisiana and Florida with no ceiling. Prior to that the O. P. A. had called together the Industry Committee. That is the Industry Committee which we provided for in the last law we handed to them. Their own Industry Committee investigated and made a unanimous report to them, recommending that they not attempt to put ceiling prices on strawberries. In face of that, they proceeded to place ceilings on after the bulk of the Louisiana crop had been handled, and after the Florida crop had been handled, but just as the North Carolina crop began to move. The North Carolina crop had been over 50 percent destroyed by frost. The O. P. A. prices resulted in the North Carolina berries bringing about one-half the amount the Florida and Louisiana berries brought. There were not as many berries on the market as when the Florida and New Orleans crop was marketed, and yet strawberries were placed under a ceiling price. That is exactly what results when uninformed men begin to handle a crop with which they are not familiar. I fear it will not be long before you will not be bothered arguing about them, because right now over 50 percent of the acreage in North Carolina has been plowed up, within the last 18 months. That is where you get a large part of your strawberries. They are not going to handle this perishable crop if these boys up here who are handling it are not going to pay any attention to the Industry Committee or any attention to the weather conditions or the highly perishable nature of the product. It simply cannot and will not work. They are not going to try to fight the situation any longer.

Mr. JENKINS. Will the gentleman yield?

Mr. BARDEN. I yield.

Mr. JENKINS. That same condition obtains in the State of Ohio exactly.

Mr. BARDEN. It is most unfortunate that we have to legislate here having in mind personalities who are going to enforce the law. That is a tragic situation. Nevertheless, there is not a man within the sound of my voice but who knows that 75 percent of the amendments that have been offered have been offered as a result of the manner in which some particular section of the law has been administered. In this case there is no question about what it was. They came along just in the middle of the crop, I think about 10 days after North Carolina had started selling, and clamped on a ceiling. It did not result in any appreciable saving to those who were purchasing. It resulted in a poorer quality of berries and simply reduced the supply that ordinarily would have been available. That crop is fast disappearing because so many have been tinkering with it. The price of crates, the price of cups, the price of labor have all gone up until they were ready to quit producing, and now the O. P. A. steps in and gives them another slam on the head, and the crop is simply disappearing.

I do not think the handling of the strawberry crop by the O. P. A. will reduce the cost of living or do anything else except possibly reduce the supply of strawberries that will be available.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FISH. I move to strike out the last two words.

Mr. Chairman, if we are to consider an amendment to do away with maximum prices on perishable fruit, I think we ought to add, in addition to strawberries, peaches, cherries, raspberries, currants, and grapes, all of which are highly perishable. What is sauce for the goose is sauce for the gander, so if we are to consider this purely on the ground of highly perishable fruit, we ought to include those that are highly perishable. For that reason I am offering an amendment to the amendment offered by the gentleman from Louisiana [Mr. MORRISON], and ask him if he will accept it.

Mr. MORRISON of Louisiana. Will the gentleman yield?

Mr. FISH. I yield.

Mr. MORRISON of Louisiana. I will accept the gentleman's amendment. I want to make this observation, that every one of those fruits mentioned, with the exception of raspberries, did not have a ceiling price up to the present time, with the exception of strawberries, which went on approximately April 1, and raspberries which went on last year and when the farmers would not pick the raspberries they took it off. There is no ceiling price on raspberries up to this time. So every one of those fruits that are mentioned in that amendment and the amendment to the amendment, have not had a ceiling price, with the exception of raspberries, which did not work and was taken off, and with the exception of strawberries that has been put on.

Our economy has not been hurt; and I say in connection with what the gentleman from North Carolina and the gentleman from New York said, if you want to be fair and help a million people, let us put this amendment over. We did not put watermelons in because watermelons have already passed. Let us pass the rest of it and we will have watermelons, strawberries, and all the rest of them.

Mr. FISH. Mr. Chairman, I thank the gentleman from Louisiana for his helpful contribution. Fresh fruits stand in a category by themselves and must be marketed immediately and not be tied up in a lot of O. P. A. red tape and price controls. I have introduced my amendment in cooperation with the gentleman from New York [Mr. LEFEVRE] who represents Ulster County, N. Y., adjoining Orange County in my district. I am a member of the Orange County Farm Bureau and the Little Britain and Pomona Grange and know that the farmers and fruit growers of northern Orange and southern Ulster in New York State are seriously affected by O. P. A. prices on highly perishable fruits which caused chaotic conditions last year with the raspberry crop.

Mr. MORRISON of Louisiana. Mr. Chairman, I ask unanimous consent to modify my amendment by including at the end thereof the following: "Blackberries, currants, and grapes."

The CHAIRMAN. Does the gentleman from New York yield for that purpose?

Mr. FISH. I yield for that purpose.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to modify his amendment to include at the end thereof: "Blackberries, currants, and grapes."

Is there objection?

Mr. SADOWSKI. I object, Mr. Chairman.

Mr. FISH. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH as an amendment to the amendment offered by Mr. MORRISON of Louisiana: At the end of Mr. MORRISON's amendment insert the following: "Blackberries, currants, and grapes."

Mr. FISH. Mr. Chairman, I should like to address myself for a few minutes to the proposed amendment on fresh fruits. I voted against the amendment to include watermelons. I did so because I did not believe that watermelons were a perishable fruit or a highly perishable fruit. I shall vote for this amendment because I believe it is reasonable and logical and only includes highly perishable fruit and nothing else. I want to make my record clear in that respect. I do not think it will do any harm but will be a simple act of justice to the fruit growers who cannot contend with O. P. A. red tape, restrictions, and delays. I should like, therefore, Mr. Chairman, to get a vote on my amendment to the Morrison amendment to show exactly what it covers by including blackberries, currants, and grapes. These fruits are produced in large quantities in northern Orange and lower Ulster in addition to peaches, cherries, raspberries, and strawberries. The

farmers and fruit growers of these highly perishable fruits are having their investments and livelihood jeopardized by unnecessary and oppressive O. P. A. regulations and price controls.

The CHAIRMAN. The time of the gentleman from New York has expired; all time has expired except that allotted to the gentleman from Oklahoma, who is entitled to the last 5 minutes.

Mr. SADOWSKI. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SADOWSKI. Was not the request of the chairman of the committee that debate be limited on the amendment offered by the gentleman from Louisiana?

The CHAIRMAN. The request of the gentleman from Kentucky was that all debate on section 3 and all amendments thereto end in 10 minutes.

Mr. MILLER of Connecticut. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Connecticut. Would it be appropriate to amend the amendment further by adding "tobacco, beans, corn, and all other farm products of Hartford County?"

The CHAIRMAN. Such an amendment would be in the third degree and not in order. After the amendment to the amendment is disposed of the gentleman may offer an amendment.

The gentleman from Oklahoma is recognized for 5 minutes.

Mr. MONRONEY. Mr. Chairman, as the amendment now stands as amended by the amendment offered by the gentleman from New York [Mr. FISH] and his products, I believe it includes fresh strawberries, peaches, cherries, raspberries, and then we go to blackberries, currants, and grapes, and leave out sections of the country which raise huckleberries, blueberries, plums, pears, and maybe apples, bananas, and other fruits.

This is another example of what you get into when you try to roll up influence and bring in amendments for any product a person would like to take out from under ceilings. We would like to have all products out from under ceilings but in order to have price control at all you have got to have a certain degree. Exempt fresh fruits and we would have to exempt vegetables and many other products and we would find ourselves without price control.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. FISH. I come from a great apple district, but I did not include apples, because I did not think them so highly perishable as other fruits.

Mr. MORRISON of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. MORRISON of Louisiana. I believe the gentleman was present when I appeared before the committee. I recall one of the ranking members of that committee, my distinguished colleague the gentleman from Texas [Mr. PATMAN] stated that he was in favor of exempting these highly perishable fruits, but that he would have to vote against it because it would open the door. The door has now been opened by several amendments. But even though such amendments had not been agreed to that should not be a defense to this amendment because it certainly has merit and is fair. I should like to ask the gentleman if he was not present when that was done.

Mr. MONRONEY. O. P. A. advises us that the cost of living went up 3.4 percent last summer simply because we could not put ceilings on fresh fruits and vegetables. If we are going to exempt fresh fruits from any price ceilings we are going to have further price rises.

Mr. MORRISON of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I have already given the gentleman half my time; I hope he will let me proceed. If we exempt every kind of fresh fruits and every kind of fresh vegetables we are going to get another rise of 3.4 percent.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. McCORMACK. I may say that the amendments adopted so far with reference to the exemption of specific commodities have not hurt the bill irreparably but if this and other similar amendments are adopted the bill will be in very bad shape. At the present time such openings as have been made in it can be repaired when we get back into the House or when the bill goes to conference.

Mr. MONRONEY. The gentleman is absolutely correct. If we open it up to exempt fresh fruit I do not know of any reason for not opening it up to exemp fresh vegetables and then irreparable harm will have been done to price control because you simply cannot have price control and exempt the majority of items which enter into the cost of living

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. OUTLAND. Is it not true that the committee took a big step forward in meeting the objections of fruit and vegetable growers in this country by inserting this subsection (g) by making a definite allowance for special hazards?

Mr. MONRONEY. And middle-season increases when they have a short crop and to meet emergency conditions. We have tried to give them all the help we could and still preserve the operation of price control but if you exempt this and if you exempt that all along the line then you are not going to have price control at all.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The question is on the amendment offered by the gentleman from New York to the amendment offered by the gentleman from Louisiana.

The amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Louisiana.

The question was taken; and on a division (demanded by Mr. MORRISON of Louisiana) there were—ayes 43, noes 116.

So the amendment was rejected.

Mr. HINSHAW. Mr. Chairman, I have an amendment at the Clerk's desk which I recognize is subject to a point of order. I concede the point of order on that amendment and ask unanimous consent that it be printed in the RECORD at this point.

The CHAIRMAN. The Chair appreciates the gentleman's assistance. Without objection, he may have permission to print his amendment at this point in the RECORD.

There was no objection.

The amendment referred to is as follows:

Page 13, line 2, add the following section after section 3:

"SEC. 4. (a) In carrying out the provisions of any rationing or other governmental program, no officer, employee, or agency of the Government shall issue or authorize the issuance or use of tokens of a diameter of less than 0.900 inch. Ration tokens of a lesser diameter than 0.900 inch now outstanding shall be withdrawn from circulation and destroyed as rapidly as possible by the Price Administrator.

"(b) The Price Administrator is authorized and directed to pay all losses and damages sustained by any owner, operator, or lessee of coin-operated and coin-collecting devices on account of misuse by the public in said devices of ration tokens having a diameter of less than 0.900 inch, if claim therefor is made as provided in subsection (c).

"(c) Owners, operators, and lessees of coin devices who have sustained loss or damage as contemplated in this section may make claim therefor by filing same with the Price Administrator within 1 year after the approval of this act, but not thereafter.

"(d) In determining the amount of such losses and damages the Price Administrator shall take into consideration, among other factors, the retail market value of the merchandise dispensed by said devices as a result of the use of said ration tokens, the adult rates of fare where said tokens were used in fare boxes or turnstiles to procure rides on public transportation vehicles, and the cost of repairing, servicing, and replacing devices injured or made inoperative by the use of said tokens.

"(e) Disbursements made under the provisions of this section for and in connection with the payments of said claims and the expenses incurred by the Price Administrator incident to the prosecution of this work may be made from funds appropriated by Congress for the operation of the Office of Price Administration."

Mr. HINSHAW. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: Page 13, after line 2, insert a new section:

"The Office of Price Administration shall not issue any token or authorize the issuance of any token having a diameter of less than 0.900 inch, and shall forthwith cause to be withdrawn from circulation and destroyed any tokens of a lesser diameter that may have been issued or authorized to be issued heretofore."

Mr. WOLCOTT. Mr. Chairman, I make the point of order against the

amendment that it is not germane to the bill under consideration.

The CHAIRMAN. May the Chair inquire of the gentleman, Has the Office of Price Administration issued tokens up to this time?

Mr. WOLCOTT. They have under the powers which they receive under the War Powers Act but not under the powers they received under this act.

The CHAIRMAN. But the Administrator does issue tokens?

Mr. WOLCOTT. Yes.

The CHAIRMAN. This would be a restriction of that, in the opinion of the Chair; therefore the Chair is constrained to overrule the point of order.

Mr. HINSHAW. Mr. Chairman, I do not know what the cash value of these tokens may be, however, the various transit companies throughout the United States are taking in a great number of them, not a tremendously large number but an important number, through their various coin boxes. That applies not only to the transit companies, but also certain vending devices are taking in a great number of these tokens. The gentleman who has charge of the drug store in the Mayflower Hotel told me the other day that they had to take out the stamp vending device over there because people were using tokens in order to obtain 10 cents' worth of stamps.

The tokens used by the Price Administrator are approximately the size of a dime and they are used in place of a dime where one perhaps does not have the cash available but has an extra token or two. At all events, it is not only the use of the tokens in place of a dime but the cost of repairing the machine is a matter of concern. I am informed through testimony given before the committee, as well as from a letter written by a transit company in Los Angeles, that it cost approximately $10 to repair the coin-collecting machines in which these fiber tokens are placed.

As long ago as last July, perhaps before that, at least 6 or 7 months prior to the time the tokens were issued, the transit companies of the United States objected to the Price Administrator using tokens of a diameter of less than nine-tenths of an inch in the fear that these tokens would jam up the various coin-collecting devices as well as the vending machines of the United States. They have done that and they will continue to do so, and, as the value of rationing points drop through more food becoming available, no doubt an additional number of these rationing tokens will be used by people in the coin vending machines.

I trust that the Congress will see fit to direct the Office of Price Administration to do that which it promised to do and that is not to issue tokens less than nine-tenths of an inch in diameter. In spite of its promise, it has proceeded without notice to anyone to issue these small 10-cent size tokens.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. The condition to which the gentleman refers brought about an investigation by a Senate committee. Can the gentleman tell the Members of the House what resulted from that investigation?

Mr. HINSHAW. I am not aware of the Senate investigation to which the gentleman from Massachusetts refers. I wish he would take some time and tell us about it.

Mr. BATES of Massachusetts. I did not hear what the result was. I know there was a good deal of complaint and a Senate committee was appointed for the purpose of investigating the complaints that the gentleman is speaking about now.

Mr. HINSHAW. I do know that the Office of Price Administration promised not to issue tokens of this 10-cent size, approximately the same as a dime, then proceeded to do so in spite of all the warning given them by the transit companies and the coin vending-machine manufacturers all over the United States that it would cause havoc with the machinery as well as cause a great deal of loss to the companies. The transit companies have to return in cash money to the conductors on their lines the value represented by tokens that have gone through the coin devices.

Mr. BISHOP. Will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Illinois.

Mr. BISHOP. I call attention to the fact also that the telephone companies are receiving a great deal of these, thereby suffering great loss.

Mr. HINSHAW. I presume the telephone companies are likewise receiving them, I do not know. I have no word from the telephone companies. But certainly they cause a great deal of damage to the coin vending machines as well as the collecting machines.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OUTLAND. Mr. Chairman, I rise in opposition to the amendment offered by my good friend the gentleman from California [Mr. HINSHAW].

Mr. Chairman, the amendment proposed by the gentleman illustrates something that we can hardly expect to accomplish here in this body. The Congress cannot pass specific rules and regulations about every one of these detailed problems that comes up before the Office of Price Administration or any other administrative agency. This problem which the gentleman from California is attempting to correct by his amendment was brought before our committee. It has caused certain difficulties in several parts of the country. However, Mr. Bowles has said that his office is doing its very best to iron out these difficulties, and while it sounds like a very simple matter to hit upon the right size of token, as a matter of fact, it is a rather intricate one.

It seems to me that this particular type of situation could best be left to the people to whom we delegate the authority to administer the laws that we pass. I respectfully ask that the Committee vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

Mr. BUSBEY. Mr. Chairman, I desire to be recognized in support of the amendment.

The CHAIRMAN. Debate has been exhausted in support of the amendment.

The question is on the amendment offered by the gentleman from California [Mr. HINSHAW].

The question was taken; and on a division (demanded by Mr. HINSHAW) there were—ayes 39, noes 83.

So the amendment was rejected.

Mr. HINSHAW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HINSHAW. Mr. Chairman, has an agreement been reached that on amendments hereafter offered only 5 minutes shall be taken on each side?

The CHAIRMAN. That is according to the rules of the House.

Mr. HINSHAW. Then the gentleman from Illinois failed to get recognition because he did not move to strike out the last word, is that all?

The CHAIRMAN. Yes; he did not offer an amendment.

The Clerk read as follows:

SEC. 4 Section 201 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new subsection:

"(e) All agencies, offices, or officers of the Government exercising supervisory or policy-making powers over the Office of Price Administration, War Food Administration, or War Production Board, whether such powers are delegated to such agency, office, or officer by this or any other act or by Executive order, shall exercise such powers only through formal written orders, or regulations which shall be promptly published in the Federal Register, but shall not otherwise be subject to the provisions of the Federal Register Act: *Provided*, That no order or regulation shall be published in accordance with the requirements of this subsection containing information which, for reasons of military security, it is not in the public interest to divulge."

Mr. LUTHER A. JOHNSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUTHER A. JOHNSON: Page 13, at the end of line 18, add a new subsection as follows:

"(f) That it is the sense of Congress and shall be the policy of the Administrator and the Office of Price Administration to vest in local boards the widest possible authority in dealing with rationing to individuals and shall use the local boards heretofore established in both the granting and issuance of rationing coupons and certificates to individuals for gasoline, tires, and tubes."

Mr. LUTHER A. JOHNSON. Mr. Chairman, the purpose of the amendment which I have just offered is expressed in the amendment itself, which is as follows:

That it is the sense of Congress and shall be the policy of the Administrator and the Office of Price Administration to vest in local boards the widest possible authority in dealing with rationing to individuals and shall

use the local boards heretofore established in both the granting and issuance of rationing coupons and certificates to individuals for gasoline, tires, and tubes.

My attention has been called to the necessity for some restriction such as this by reason of the recent directive issued by the Office of Price Administration by which they propose to change the system heretofore used, and which has been successfully used, of letting the local boards grant and issue ration certificates for gasoline, tires, and tubes to individuals. I have had this matter up with the Office of Price Administration, along with other Members and some Senators, and have done everything in our power to get them to modify or rescind or annul that regulation which they are going to put into effect. But a Congressman talking to one of these agencies has no effect whatever in my experience. They listen to you, but they do not give you any relief.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to my colleague from Texas.

Mr. POAGE. Is it not a fact that they first give you one answer, and when you explode that, they then come back and give you an entirely different answer the next day.

Mr. LUTHER A. JOHNSON. That is true. Here is what will happen. If this directive is carried into effect, it means depriving the local boards of issuing ration certificates as they have heretofore done. Just let me say this, that the system by which the local boards grant and issue these rationing certificates has been working satisfactorily. Now the O. P. A. propose to do this. They propose to establish what they call issuance centers at far removed points from the various counties, and while they say that the local boards will determine whether to grant an application or not, yet when it is granted, it is up to these issuance centers to issue the certificate. The reason they are doing this, they say, is to prevent theft; that the local boards are not prepared to protect from theft the unissued certificates.

Mr. POAGE. When we first jumped them—and the gentleman from Texas and I discussed it together with the officials of the O. P. A.—they told us that, but when we cited one example of a town where they had a large bank and a vault to put them in, they immediately turned around and they said they did it to save labor.

Mr. LUTHER A. JOHNSON. That is right. On the question of theft I have an excerpt here from the Dallas News, which says that 412 gasoline A-ration certificates were stolen just a few days ago, on June 6. Dallas is the issuance center where they propose to vest the power to issue certificates to those in my district.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Michigan.

Mr. WOLCOTT. Am I correct in assuming that the gentleman's amendment has no relationship to price control?

Mr. LUTHER A. JOHNSON. Not at all. It simply says this: That the policy heretofore established, and which has worked and has worked successfully, of letting these local boards issue these ration certificates shall be continued instead of having to send their applications to an issuance center far removed for issuance. Suppose a man is in need of certificates at once. He cannot get them. These people know how to deal with these local boards. They have been honestly administered. I have in my district businessmen who have acted fairly and without compensation, who have made a fine record. And they should continue to issue these ration certificates as they have so fairly and successfully done heretofore. This new regulation is a reflection on these local boards, and it is causing a lot of criticism from people in every walk of life in my district.

There has been no theft of unissued certificates in my district, and I understand that less than 1 percent of the ration tickets issued in the United States last year were stolen.

The Post Office Department had a few stamps stolen last year, but they did not consider closing up 44,000 post offices established to serve the public because of this.

Suppose a farmer has a blow-out on his tractor, and he goes to his local board to get a tire and is told that his application will have to be sent to Dallas for issuance, and he has to wait until the order can be filled from Dallas.

The O. P. A. says they will have a small number of gas tickets at each board for emergencies, but there are more than 1,500 tractors in my home county, and there will be many cases where issuance of certificates will be required immediately.

This delayed and inconvenient system is going to encourage a black market, which has been about stamped out in most places—at least in our part of the country.

The trouble with the O. P. A. is that they are never satisfied. They are always making changes. I think that if the O. P. A. after they have learned to work out a thing in a certain way and the public understands it and accepts it, would keep on doing it that way, would be all right, but this is the trouble. When they get a plan established and acceptable, then someone in the organization has a new idea that it ought to be done differently. Then they sit down and work out new plans and change the old ones and start all over again. It is not right. The only way we can stop it is for Congress to stop it. I have tried to stop it and others have tried to stop it, but you never can convince one of those men that he is wrong.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. KEAN. I object, Mr. Chairman.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to use this 5 minutes to clarify, if I may, the difference between the two functions of the Office of Price Administration. Of course, we know that as far as price control is concerned, the Office of Price Administration gets its authority under the Price Control Act of 1942 and the Stabilization Act of 1942. But it has another and independent function, and that is the rationing of commodities, which may or may not be connected in any manner whatsoever with price control. The Office of Price Administration gets its authority to administer the rationing program from a directive of the President issued in accordance with the provisions of section 301, paragraph 2, of section 2 (a) of the Second War Powers Act, 56 United States Statutes at Large, page 178, which reads as follows:

> Whenever the President is satisfied that the fulfillment of requirements for the defense of the United States shall result in a shortage in the supply of any material or of any facilities for defense or for private account or for export, the President may allocate such material or facilities in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate in the public interest, and to promote the national defense.

Under that the President issues a directive. He designates the Office of Price Administration to administer allocations—rationing, we call it—under paragraph 8 of the same section, which is as follows:

> The President may exercise any power, authority, or discretion conferred on him by this subsection (a), through such department, agency, or officer of the Government as he may direct and in conformity with any rules or regulations which he may prescribe.

We will assume that we adopt this amendment and that we restrict the activities of the Price Administrator in respect to rationing. We do not in any manner amend or modify or repeal any of the provisions of the Second War Powers Act, including this paragraph 8 which I have just read. All we do is say to the Price Administrator, "You shall not function as the agent of the President in respect to these particular commodities." Then, of course, all the President has to do is to set up another agency, and the effect of all of these amendments which seek to limit the Price Administrator in the administration of the Second War Powers Act is to compel the President to do that. It might be within the Office of Price Administration and might be called the Office of Allocations and Civilian Supply, or anything else. The same personnel, the same stenographers, the same clerks, the same experts, the same economists can function in both respects. So you are not doing anything by trying to tell the Office of Price Administration that it shall not act in one way or the other in respect to allocations and rationing. You are merely confusing the situation by perhaps compelling the President to

transfer the activities when you put a limitation upon here to some other activity of the Government, and you are not preventing any abuses. The only way you can prevent any abuses by the O. P. A. in respect to rationing is to amend the Second War Powers Act. If there is anybody in this House who will offer an amendment to the Second War Powers Act to limit the power of the President in respect to rationing of essential commodities, I am sure the proper committee of the Congress will give it due and timely consideration. But this is not the place to amend the Second War Powers Act.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 2 additional minutes.

Mr. KEAN. I object, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. SCRIVNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCRIVNER: Page 13, after line 18, insert a new section (a) to amend section 202 of the Emergency Price Control Act of 1942, as amended, by inserting after the word "investigations" in sec. 202 (a) a comma and the words "to conduct such hearings," making subsection (a) read as follows:

"SEC. 202 (a). The Administrator is authorized to make such studies and investigations, to conduct such hearings and to obtain such information as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act and regulations, orders, and price schedules thereunder."

Also insert a subsection (b) to further amend section 202 of the Emergency Price Control Act of 1942, as amended, by adding a new subsection (i) to read as follows:

"(i) Any person subpenaed under this section shall have the right to be represented by counsel and to make a record of such study, hearing, and investigation in which he may be called upon to testify; and, upon his request, such study, hearing, and investigation shall be public."

Mr. SCRIVNER. Mr. Chairman, the entire substance of section 202 will be found on page 16 of the committee report. The full language and texts of the decisions of the District Court of the United States for the Northern District of Illinois, Eastern Division, and the Circuit Court of Appeals for the Seventh Circuit are to be found on pages 5586 and 5587 of the RECORD for June 8.

This amendment was not submitted to the committee because the Circuit Court of Appeals decision was handed down about 10 days ago, and by that time the committee had ceased to hear matters such as this.

The purpose of this amendment is simple. As you read section 202, the Administrator is authorized to subpena at any place and at any time any person dealing in commodities to bring with him all of his records, there to have this hearing or investigation. The litigation out of which this decision arose when persons subpenaed did appear in a certain place with their records, and with them was their attorney and a reporter to make a record of the proceedings. The representative of the Office of Price Administration ordered that the hearings be held in private, that these persons could not be represented by counsel, and that no record could be made of the proceedings.

These persons refused to testify under those conditions. The O. P. A. appealed to the district court of Illinois in a proceeding in the nature of contempt to compel them to do so or suffer the consequences. The district court of Illinois, and I think very courageously, said this:

The statute (section 202) under which the Administrator is proceeding, * * * does not say anything about any appointee of the Administrator having the power or powers of a grand jury.

Judge Barnes said further:

We Americans, accustomed as we are to proceedings in accordance with the forms of a system of law handed down to us from England, are distrustful of and fearful of secret proceedings. We are accustomed to have all of our court proceedings, substantially without exception other than proceedings before a grand jury, conducted in the open, in public places, and we dislike and are suspicious of such proceedings conducted otherwise.

Both parties appealed from this decision and the Circuit Court of Appeals said this:

There is nothing in the nature of the proceeding in question here which requires it to be held in public. Neither does the statute require it. * * * In the absence of words in the statute prescribing the manner in which such investigations were to be held, the Administrator had a right to determine for himself how the investigation was to be conducted and regulated.

In other words, from this decision we see the necessity of spelling out in A B C's exactly what the Administrator can do and what the Administrator cannot do. I will not take the time to go into specific cases, but there have been reports of many abuses in these secret star-chamber proceedings.

The O. P. A. is represented by their counsel, and I feel it is no more than right that the grocers and the butchers, the filling-station operator or any others who are yanked out of their places of business with all their records and haled into un-American star-chamber proceedings should be entitled to be represented by counsel and to take the record ir shorthand, if he desires to do so, of the entire proceedings, so that everybody may know what has been said and what has not been said. Then, if he so desires, the hearing can be public. There may be times when the procedure should be private. Maybe the witness does not want trade secrets to be divulged. If that be so, the proceeding may be secret. Certainly if nothing is taking place of which any person is ashamed or is trying to hide, there is no reason why the investigation should not be public.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. VOORHIS of California. What the gentleman has just recited is the substance of his amendment. Is that correct?

Mr. SCRIVNER. That is true. All this amendment does is add, in section 202 (a), the words "to conduct such hearings" and then, under added subsection (i), permit these persons who are so subpenaed to be accompanied by their attorneys and by a reporter if they desire, to have the hearings taken down at the option of the subpenaed person. The proceedings may be public for all to hear.

Mr. VOORHIS of California. All of that is at the request of the person subpenaed?

Mr. SCRIVNER. Yes. The person subpenaed can ask for that.

Mr. VOORHIS of California. Mr. Chairman, it seems to me the amendment is a reasonable one, and I favor its adoption.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had hoped that the committee would accept this amendment. There is something repulsive to me about any agency of the Government having the authority to subpena any citizen into its closed chambers and getting information from him for these purposes, just as there is something repulsive about denying to a man his day in court. The Circuit Court of Appeals of Illinois, I understand, drew a very fine line between an investigation and a hearing. As I understand, in that case the defendant was subpenaed to bring certain records before the O. P. A. and he appeared there with his reporter and his attorney. They were told they could not sit in this proceeding and that he could not be represented. That he could not be represented by an attorney; he could not have a reporter to take down the hearings. Have in mind that these investigations, which are made by the O. P. A. and become a part of the files of O. P. A., upon protest, filed by the aggrieved person, become a part of the case which may eventually go to the Emergency Court of Appeals and to the Supreme Court of the United States. There might be a very material point raised in these investigations which only a lawyer who knew his client's legal rights and problems could raise and protect.

So I think it is not only material that he be allowed to do so, and that it is just common, simple justice.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. KEEFE. May I ask the gentleman what becomes of the constitutional protection to a citizen against self-incrimination if you do not adopt the amendment suggested by the gentleman from Kansas [Mr. SCRIVNER]?

Mr. WOLCOTT. I think there is a provision in the law which says that he

shall be warned of his constitutional rights, but that is not the protection which a man needs. He needs legal advice in respect to many other things.

Mr. KEEFE. He shall be warned about his constitutional rights in star-chamber sessions where there is no record kept of the proceedings. If that is not un-American I do not know what is.

Mr. WOLCOTT. In common, plain, everyday English, there is no reason why a man should not be represented by counsel in these investigations.

Mr. REED of New York. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. REED of New York. It is well known to all who have had any experience with Government officials that when they are sent out to investigate they are over-zealous, and their whole aim is to get evidence against the person; not to try to bring out the facts to see whether or not he is innocent or guilty, but to try to make him guilty; to lay that foundation. That is danger. A man should have the right of counsel.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. LYNCH. Has this amendment reference only to a person who may be charged by the O. P. A. with violation?

Mr. WOLCOTT. It is before a charge is made. Under section 202 the Administrator is authorized to make such studies and investigations and to obtain such information as he deems necessary and proper to assist him in prescribing any regulation or order under this act. This investigation is in conformity with that, as preliminary to the establishment of a minimum price.

Mr. LYNCH. Has it reference only to a person against whom a charge might be filed, or does it have reference to testimony of a witness whose testimony might be used against some person?

Mr. WOLCOTT. It does not have to do with either one of those cases. It has to do with cases where the Price Administrator, under his powers, has subpenaed certain information for the use of his office.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I desire to make a statement that I think will clarify this matter. Of course, the committee does not want an American citizen accused of any infraction of the law and not have all his rights guaranteed him under the Constitution. We feel there might be some legal question involved in this matter and we are perfectly willing to accept the amendment. We may work it out in conference if there are any legal objections now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. SCRIVNER].

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. Section 203 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"PROCEDURE

"SEC. 203. (a) At any time after the issuance of any regulation or order under section 2, or in the case of a price schedule, at any time after the effective date thereof specified in section 206, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. Statements in support of any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this subsection, but in no event more than 30 days after such filing, the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

"(b) In the administration of this act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202.

"(c) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs: *Provided, however,* That, upon the request of the protestant, any protest filed in accordance with subsection (a) of this section, after September 1, 1944, shall, before denial in whole or in part, be considered by a board of review consisting of one or more officers or employees of the Office of Price Administration designated by the Administrator in accordance with regulations to be promulgated by him. The Administrator shall cause to be presented to the board such evidence, including economic data, in the form of affidavits or otherwise, as he deems appropriate in support of the provision against which the protest is filed. The protestant shall be accorded an opportunity to present rebuttal evidence in writing and oral argument before the board and the board shall make written recommendations to the Price Administrator. The protestant shall be informed of the recommendations of the board and, in the event that the Administrator rejects such recommendations in whole or in part, shall be informed of the reasons for such rejection.

"(d) Any protest filed under this section shall be granted or denied by the Administrator, or granted in part and the remainder of it denied, within a reasonable time after it is filed. Any protestant who is aggrieved by undue delay on the part of the Administrator in disposing of his protest may petition the Emergency Court of Appeals, created pursuant to section 240, for relief; and such court shall have jurisdiction by appropriate order to require the Administrator to dispose of such protest within such time as may be fixed by the court. If the Administrator does not act finally within the time fixed by the court, the protest shall be deemed to be denied at the expiration of that period."

Mr. SPENCE. Mr. Chairman, I offer an amendment which I send to the desk.

The CHAIRMAN. Permit the Chair to inquire of the gentleman from Kentucky whether he is offering a new section or not. Apparently the amendment proposes a new section. If that should be adopted now it would cut off other amendments to section 5.

Mr. SPENCE. I will withdraw it at this time, Mr. Chairman.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment to section 5.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 15, line 9, after the word "him", insert "Such regulation shall provide that the Board of Review may conduct hearings and hold sessions in the District of Columbia or any other place, as a board, or by subcommittee thereof, and shall provide that, upon the request of the protestants, subpenas shall issue for the appearance of such persons, and the production of documents, or both."

Mr. SPENCE. Mr. Chairman, I wonder if we can agree on the time to close debate on this section and all amendments thereto.

The CHAIRMAN. Allow the Chair to state that according o the Clerk's record the gentleman from Michigan [Mr. HOFFMAN] has five amendments to this section. The gentleman from Kentucky [Mr. SPENCE] has one amendment. The gentleman from Michigan [Mr. WOLCOTT] has one amendment.

Mr. BARDEN. I have an amendment which I have already sent to the desk.

Mr. SMITH of Virginia. I have an amendment to this section, Mr. Chairman.

The CHAIRMAN. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 5 minutes in support of his amendment.

Mr. WOLCOTT. Mr. Chairman, reference to the language on page 15 will indicate that after protest has been filed in accordance with subsection (a) of the section, it shall be considered by the Board of Review, consisting of one or more officers or employees of the Office of Price Administration.

All my amendment does is to facilitate the making of the record.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SPENCE. The committee accepts the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. BARDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: Page 15, lines 4 and 5, following the word "after", in line 4 strike out "September 1, 1944" and insert "The effective date of this mandatory proviso."

Mr. BARDEN. Mr. Chairman, on page 15, beginning in line 2, you will see this language:

Provided, however, That upon the request of the protestant any protest filed in accordance with subsection (a) of this section after September 1, 1944.

My amendment simply dates the right of appeal and hearing from the effective date of this proviso.

I discussed this with the gentleman from Michigan and do not believe I am going too far when I say the gentleman himself did not see any objection to the amendment.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield gladly to the gentleman from Michigan.

Mr. WOLCOTT. I was of the opinion when the gentleman talked to me that the date was an arbitrary one placed in the bill only for the purpose of giving the Office of Price Administration a reasonable opportunity in which to readjust its procedure and revise its rules, regulations, and orders.

Mr. BARDEN. That is right.

Mr. WOLCOTT. I do believe there should be some reasonable time. Whether this is unreasonable or not I am not in position to state.

Mr. BARDEN. I also called it to the attention of the gentleman from Kentucky and discussed it with the attorney who drew the bill.

There may be some merit in what the gentleman from Michigan says, but my suggestion is that my amendment provides the right of appeal, and unless this amendment is adopted—and I hope the committee will accept it—unless this amendment is adopted, you will have certain individuals deprived of rights should they be called in violation prior to September 1. After September 1 they will have certain rights and many rights which those who might be called in before September 1 would not have. So I believe while we are constructing the machine we had better build the brakes along with the engine or not open the jailhouse until we get the courthouse in operation.

I hope the committee will accept this amendment. I do not find any objection from any of the committee members.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. McCORMACK. Mr. Chairman, apparently there seems to be some kind of meeting in the minds as to the justice of an amendment of this kind. The gentleman from North Carolina seemed to agree with the gentleman from Michigan that O. P. A. should have a reasonable period of time in which to readjust itself. Under the gentleman's amendment the provisions of subsection (a) would become effective immediately upon this bill becoming a law.

Mr. BARDEN. May I say to the gentleman from Massachusetts that it would produce this result: As soon as O. P. A. is allowed to proceed the right of the individual would begin to run at the same time. This is necessary, I believe, because of this one illustration I shall call to the attention of the membership: In the tobacco country the problems that will arise will occur between now and September, yet without this amendment we would have no right of recourse to any of the machinery set up, even the machinery set up by the amendment offered by the gentleman from Michigan a moment ago. That would go into effect September 1 but would do no one any good prior to September 1.

Mr. McCORMACK. What I was trying to do was to see if we could reconcile the situation. The gentleman from North Carolina agrees that O. P. A. should have a period of time in which to adjust itself to the new circumstances.

Would the gentleman agree to modifying his amendment to read: "Within 30 days after the effective date"? That would give them an opportunity to adjust themselves.

Mr. BARDEN. I do not think it would take them nearly as long as the gentleman believes to revise their rules and regulations and procedures.

Mr. McCORMACK. I do not know, except it seems reasonable to give them some time. By adopting the language I have suggested "within 30 days" means they could not go beyond 30 days.

Mr. BARDEN. Within 30 days of the effective date. I will accept the modification.

Mr. McCORMACK. I suggest that that modification be made. It seems to me we can iron it out in conference.

Mr. BARDEN. I will agree to the modification.

Will the gentleman yield for me to submit a request to modify my amendment?

Mr. McCORMACK. I yield to the gentleman for that purpose.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent to modify my amendment to strike out the word "after" and insert "within 30 days after the effective date of this mandatory proviso."

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina? (After a pause.) The Chair hears none. The Clerk will report the amendment as modified.

The Clerk read as follows:

Page 15, line 4, strike out "after September 1, 1944" and insert "within 30 days from the effective date of this mandatory proviso."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. RAMSPECK having assumed the Chair as Speaker pro tempore, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union reported that that Committee having had under consideration the bill H. R. 4941 to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes, had come to no resolution thereon.

NAVAL APPROPRIATION BILL, 1945

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, with Senate amendments; that the House further insist on its disagreement to the amendments of the Senate Nos. 8 and 9, and agree to the further conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. SHEPPARD]?

There was no objection, and the SPEAKER pro tempore appointed the following conferees on the part of the House: Mr. SHEPPARD, Mr. THOMAS of Texas, Mr. COFFEE, Mr. WHITTEN, Mr. PLUMLEY, Mr. JOHNSON of Indiana, and Mr. PLOESER.

EXTENSION OF REMARKS

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to have inserted in the Appendix of the RECORD a prayer on invasion day by George Z. Keller, of Wilkes-Barre, Pa.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. MURPHY]?

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. ARNOLD] may have permission to extend his own remarks in the RECORD and to include therein a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. BENNETT]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. WOODRUFF] may have permission to extend his own remarks in the RECORD and include therein a report from the labor bureau.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein excerpts from the Clinton Daily Item, and also to include a speech I recently made in my district.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. PHILBIN]?

There was no objection.

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. ROLPH]?

There was no objection.

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two different subjects and to include in connection with each certain excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. SADOWSKI]?

There was no objection.

Mr. MORRISON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include an article which appeared in today's Washington Daily News.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. MORRISON]?

There was no objection.

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects, and to include in one an article on farm machinery by Fowler McCormick, and in the other to include a statement from the Little Business Man.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. ROWAN]?

There was no objection.

Mr. ROWAN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. SABATH] may be given permission to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. ROWAN]?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution adopted on May 11, 1944, by the Fourth Municipal Council of St. Thomas and St. John, V. I.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida [Mr. PRICE]?

There was no objection.

THE STEAMSHIP "STEPHEN BEASLEY"

Mr. PRICE. Mr. Speaker, I desire to take this means of bringing to the attention of the Congress, especially our distinguished colleagues in the Pennsylvania and Florida delegations, that the United States Maritime Commission has honored the city of Philadelphia and the State of Pennsylvania by naming a Liberty ship, now being completed at the St. Johns River Shipbuilding Co. plant in Jacksonville, in the congressional district which I have the honor to represent, for Stephen Beasley.

What makes this launching of this Liberty ship—the *Stephen Beasley*—any different from many similar launchings is that it revives the spirit of Stephen Beasley, colonial shipbuilder and shipmaster, whose ability, foresight, and vision gave to the Colonies their first ships.

It was Stephen Beasley, citizen of Philadelphia, who in the early days of the formation of the Republic, envisioned the need of many ships for coastal and intercoastal defense and the transportation of the products of the newly formed Republic.

By naming a Florida-built Liberty ship after Stephen Beasley, the Maritime Commission has revived the spirit of Stephen Beasley, to lead us to a greater determination to develop to its fullest extent the blessings that will come from an efficiently built and efficiently operated system of cargo-carrying ships which can efficiently and at low cost get in and out of the larger harbors on our eastern seaboard.

Stephen Beasley operated his shipyard at the foot of Swanson Street and the Delaware River in Philadelphia, Pa., where he built the *Federal Union*, a ship which rendered excellent service to the new Republic. It was here that Stephen Beasley also built the famous ship *Viper*, which he personally commanded. While the body of Stephen Beasley reposes in Monument Cemetery, his spirit carries on.

I hope the good mayors of Jacksonville and Philadelphia will take note of the revival of the spirit of Stephen Beasley—because through the development of our coastal and intercoastal waterborne commerce can our great Southern States unite with our northern States, so that the peoples of both North and South might reap the blessings which such waterborne transportation would provide.

The great Pennsylvania Turnpike that brings the great inland industrial producing areas of Pennsylvania closer to the port of Philadelphia, or the port of Pennsylvania as it will ultimately be termed, also calls for the improvement and modernizing of the channels and the cargo handling facilities of our ports all along our eastern seaboard.

It is pleasing to note that the Maritime Commission has designated a gracious lady—the great great granddaughter of Stephen Beasley—to sponsor and launch the good ship *Stephen Beasley*. She is Mrs. Charles W. O. Bunker, wife of Rear Admiral C. W. O. Bunker, United States Navy Medical Corps, who so ably and efficiently commands the National Naval Medical Center.

The launching will occur at Jacksonville, Fla., on the 20th of June.

I hope the patriotic and commercial organizations of both Philadelphia and Jacksonville will become active in making this event, in addition to the launching of the Liberty ship, *Stephen Beasley*, but the revival of the spirit of Stephen Beasley, to lead us toward a greater development of our waterborne commerce. The spirit of Stephen Beasley still lives.

EXTENSION OF REMARKS

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include therein material pertaining to certain employees of the O. P. A.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. BUSBEY]?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. COCHRAN] may have permission to extend his own remarks in the Appendix of the RECORD and to include therein two short articles.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 13, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

The Committee on Public Buildings and Grounds will begin hearings on House Joint Resolution 291 at 10:30 a. m. Tuesday, June 13, 1944.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, June 13, 1944, at 10:30 a. m. to consider, H. R. 4952, and such other matters as may come before the committee.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Public Health Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, June 13, 1944, to begin public hearings on H. R. 4615, a bill to establish, for the investigation and control of tuberculosis, a division in the Public Health Service, and for other purposes.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will continue its consideration of H. R. 4486, relative to the post-war disposition of merchant vessels, on Tuesday, June 13, 1944, at 10 a. m.

Persons desiring to be heard should notify the clerk of the committee in writing as soon as possible.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will continue hearings on Wednesday, June 14, 1944, at 10 a. m., in the committee room, 247 House Office Building, on H. R. 919 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs, will present testimony.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public

hearing Saturday, June 17, 1944, at 10 a. m., on H. R. 4968, a bill to amend section 511 (c) of the Merchant Marine Act of 1936, as amended, relative to deposit of vessel proceeds received from the United States in certain cases, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearing of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearing should be submitted to the reporter in duplicate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1629. A letter from the Chairman, United States Maritime Commission, transmitting a quarterly estimate of personnel requirements for the United States Maritime Commission for the period ending September 30, 1944; to the Committee on the Civil Service.

1630. A letter from the Postmaster General, transmitting the estimates of personnel requirements for the Post Office Department for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1631. A letter from the Acting Chairman, National Mediation Board, transmitting a quarterly estimate of personnel requirements for the National Mediation Board, including the National Railroad Adjustment Board and the railway labor panel, for the period ending September 30, 1944; to the Committee on the Civil Service.

1632. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 28, 1944, submitting a report, together with accompanying papers on a preliminary examination and survey of Cotaco (Cataco) Creek and its branches in Morgan County, Ala., authorized by an act of Congress approved on April 15, 1932, and the Flood Control Act approved on June 22, 1936; to the Committee on Flood Control.

1633. A letter from the Archivist of the United States, transmitting a copy of the quarterly estimate of personnel requirements for The National Archives for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1634. A letter from the Acting Secretary, Smithsonian Institution, transmitting a quarterly estimate of personnel requirements for the Smithsonian Institution for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1635. A letter from the secretary, United States Employees' Compensation Commission, transmitting a copy of the quarterly estimate of personnel requirements for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1636. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 27, 1944, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Savannah River, Ga., authorized by the Flood Control Act approved on June 22, 1936 (H. Doc. No. 657); to the Committee on Flood Control and ordered to be printed with two illustrations.

1637. A letter from the Secretary of War, transmitting a report showing the name, age, legal residence, rank, branch of the service, with special qualifications therefor, of each person commissioned in the Army of the United States without prior commissioned military service, for the period April 1, 1944, to May 31, 1944; to the Committee on Military Affairs.

1638. A letter from the Postmaster General, transmitting the reason for not carrying out the provisions of section 214 of House Document No. 406, Seventy-eighth Congress; to the Committee on the Post Office and Post Roads.

1639. A letter from the President, United States Civil Service Commission, transmitting a draft of a proposed bill to authorize the delegation of authority to approve payment of expenses of travel and transportation of household goods and personal effects in connection with the transfer of civilian officers and employees from one station to another; to the Committee on Expenditures in the Executive Departments.

1640. A letter from the Governor of Hawaii, transmitting a copy of the Journal of the Senate of the Legislature of the Territory of Hawaii, regular session of 1943; to the Committee on the Territories.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 2465. A bill to redefine the powers and duties of the Board of Public Welfare of the District of Columbia, to establish a department of public welfare, and for other purposes; without amendment (Rept. No. 1627). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3150. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; with amendment (Rept. No. 1628). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4867. A bill to extend the health regulations of the District of Columbia to Government restaurants within the District of Columbia; without amendment (Rept. No. 1629). Referred to the Committee of the Whole House on the state of the Union).

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4916. A bill to amend the act of June 19, 1934 (Public Law 435, 73d Cong.); without amendment (Rept. No. 1630). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 4935. A bill to provide for a study of multiple taxation of air commerce, and for other purposes; without amendment (Rept. No. 1633). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 4901. A bill to authorize and direct the sale of Moore Air Field; with amendment (Rept. No. 1634). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. House Joint Resolution 289. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1945, and for other purposes; without amendment (Rept. No. 1631). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. House Joint Resolution 290. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1945; without amendment (Rept. No. 1632). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 590. Resolution providing for the consideration of Senate Joint Resolution 93 declaring the policy of the Congress with respect to the independence of the Philippine Islands, and for other purposes; without amendment (Rept. No. 1625). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 591. Resolution providing for the consideration of Senate Joint Resolution 94 establishing the Filipino Rehabilitation Commission, defining its powers and dutes, and for other purposes; without amendment (Rept. No. 1626). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COCHRAN:

H. R. 5001. A bill to discontinue certain reports now required by law; to the Committee on Expenditures in the Executive Departments.

By Mr. McCORD:

H. R. 5002. A bill granting the consent of Congress to the State of Tennessee Department of Highways and Public Works to construct, maintain, and operate a free highway bridge across the Clinch River at the point where such river is crossed by United States Highway No. 25E; to the Committee on Interstate and Foreign Commerce.

H. R. 5003. A bill authorizing the Tennessee Valley Authority to convey to the State of Tennessee for the use and benefit of the department of highways and public works certain easements and rights-of-way; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 5004. A bill to authorize the inclusion of certain periods of separation from the service in computing length of service for purposes of retirement in the case of officers and employees in the legislative branch of the Government; to the Committee on the Civil Service.

By Mr. VINSON of Georgia:

H. R. 5005. A bill to amend an act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved April 4, 1944, relating to the acquisition and disposal of land for naval use; to the Committee on Naval Affairs.

By Mr. HOFFMAN:

H. R. 5006. A bill to aid in national defense and to protect union employees; to the Committee on Labor.

By Mr. REES of Kansas:

H. R. 5007. A bill to enable the Secretary of Agriculture to suppress and extirpate contagious, infectious, and communicable diseases of dogs and other carnivorous animals; to the Committee on Agriculture.

By Mr. POULSON:

H. R. 5008. A bill relating to the decisions of panels and referees to which the War Labor Board has referred labor disputes; to the Committee on Military Affairs.

By Mr. ENGLE of California:

H. J. Res. 295. Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry on the

Tule Lake division of the Klamath reclamation project; to the Committee on Irrigation and Reclamation.

By Mr. KNUTSON:

H. J. Res. 296. Joint resolution to reduce the war tax rate on furs; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. Res. 592. Resolution authorizing a study by the Committee on Education of the effect of certain war activities on colleges and universities; to the Committee on Rules.

By Mr. VINSON of Georgia:

H. Res. 593. Resolution providing for the consideration of H. R. 4901, a bill to authorize and direct the sale of Moore airfield; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to provide for the continued operation of the aluminum plant at Baton Rouge, La., operated for the Defense Plant Corporation by the Aluminum Co. of America; to the Committee on Banking and Currency.

Also, memorial of the Chamber of Deputies of Uruguay, joining the legislators of America in their anxiety and hope in the hour when the armies of freedom in grandeur and heroism take their place on the Continent of Europe; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of New Mexico:

H. R. 5009. A bill for the relief of the widow of William A. Nelson, deceased; to the Committee on Claims.

By Mr. BARRY:

H. R. 5010. A bill for the relief of Maj. William Peyton Tidwell; to the Committee on Claims.

By Mr. HINSHAW:

H. R. 5011. A bill for the relief of California Aircraft Corporation; to the Committee on Claims.

By Mr. KUNKEL:

H. R. 5012. A bill for the relief of Fred Clouse; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 5013. A bill for the relief of Mrs. Gladys Stout; to the Committee on Claims.

By Mr. MUNDT:

H. R. 5014. A bill for the relief of Ralph H. Lemon; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5837. By Mr. AUCHINCLOSS: Petition of residents of the Third Congressional District of New Jersey, petitioning Congress to adopt the Marcantonio resolution; to the Committee on Foreign Affairs.

5838. By Mr. BRYSON: Petition of Ward H. Crawford and 28 other citizens of Gouverneur, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5839. By Mr. GRAHAM: Petition of residents of the Twenty-sixth Congressional District of Pennsylvania and vicinity with 780 signatures, protesting against the Bryson bill, H. R. 2082, or any bill prohibiting the manufacture, sale, or distribution of alcoholic liquors; to the Committee on the Judiciary.

5840. By Mr. MAAS: Ninety petitions of residents of Ramsey County, Minn. (Fourth Congressional District) with approximately 3,575 signatures protesting against the passage of the Bryson bill, H. R. 2082, prohibiting the manufacture, sale, or distribution of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5841. By Mr. MALONEY: Petition of approximately 3,000 citizens of Louisiana, protesting against any prohibition legislation, including House bill 2082; to the Committee on the Judiciary.

5842. By Mr. ROLPH: Resolution adopted by United Spanish War Veterans, Inc., Department of California, at Santa Cruz, Calif., May 25, 1944, expressing appreciation in connection with enactment into law of House bill 2350, liberalizing pension laws relating to veterans of the War with Spain, the Philippine Insurrection, and the China Relief Expedition, and their dependents; to the Committee on Pensions.

5843. By Mr. THOMAS of New Jersey: Petition of Hunterdon County Board of Chosen Freeholders and the mayor and council of Borough of Oakland ask support of Senator HAWKES' bill, S. 1737, providing payment to States or their political subdivisions for loss of revenues occasioned by the acquisition of real property by the United States for military purposes; to the Committee on Ways and Means.

5844. By Mr. WEISS: Petition of 2,400 against the Bryson bill, H. R. 2082, prohibiting the manufacture, sale, or distribution of alcoholic liquors; to the Committee on the Judiciary.